



Town of Hilton Head Island

Finance and Administrative Committee Meeting

Monday, January 12, 2026, 10:00 AM

1 Town Center Court, Hilton Head Island, SC
Benjamin M. Racusin Council Chambers

The meeting can be viewed on the [Town's YouTube Channel](#), the [Beaufort County Channel](#), and Spectrum Channel 1304.

1. **Call to Order**
2. **Adoption of the Agenda**
3. **Approval of the Minutes**
 - a. Regular Meeting Minutes of December 9, 2025
4. **Presentations**
 - a. Town of Hilton Head Island FY2026 Monthly Financial Update – Dave Byrd, Finance Director
 - b. Consideration of a Resolution of the Town of Hilton Head Island Town Council Approving a Sponsorship Agreement with the Heritage Classic Foundation to Support the 2026 RBC Heritage Golf Tournament - Ben Brown, Strategic Initiatives Director
5. **Public Comment - Non Agenda Items**
6. **Adjournment**

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Municipal Association of South Carolina (MASC) Civility Pledge:
“I pledge to build a stronger and more prosperous community by advocating for civil engagement, respecting others and their viewpoints, and finding solutions for the betterment of my city or town.”



Town of Hilton Head Island
FINANCE AND ADMINISTRATIVE COMMITTEE
MEETING
Tuesday, December 9, 2025, 10:00 AM
Minutes

Call to Order

Chair Brown called the meeting to order at 10:00 am.

Committee Members Present: Alex Brown- Chair; Patsy Brison, and Melinda Tunner

Other Members of Town Council Present: Steve Alfred; and Steve DeSimone

Adoption of the Agenda

Ms. Brison made a motion to adopt. Ms. Tunner seconded. Motion carried 3-0.

Approval of the Minutes

Regular Meeting Minutes of November 18, 2025

Ms. Brison made a motion to approve. Ms. Tunner seconded. Motion carried 3-0.

Presentations

Town of Hilton Head Island FY2026 Monthly Financial Update – Dave Byrd, Finance Director

Dave Byrd made a presentation to the Committee regarding the FY 2026 monthly financial report. Mr. Byrd presented the Fiscal Year 2026 financial update for the period July through October 2025, reporting total revenues of \$28,487,898, which was \$467,018 (1.7%) higher than the same period in FY 2025. The General Fund experienced increases in property taxes (35.7%), accommodations tax (6.2%), permits (55.3%), and investment income (20.7%), while business license and franchise fee revenues were lower due to the timing of prior-year payments. Several Special Revenue Funds also showed growth, including Real Estate Transfer Fees (up 60.9%), Hospitality Tax (up 5.3%), Beach Preservation Fees (up 6.2%), and Short-Term Rental Fees (up 103.8%).

Mr. Byrd also reported total expenditures of \$35,129,647, an increase of \$9.5 million (37.1%) from the prior year, driven largely by personnel, public safety, capital activity, and debt service. The Town paid off the 2017B Beach Bonds early, with \$10.98 million in principal paid, representing 74% of the annual debt service budget. The FY 2026 Capital Improvement Program reflected \$62.6 million in expenditures and commitments, representing 81% of the total CIP budget, with beach projects 90% committed and non-

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beach projects 64% committed. Mr. Byrd advised that fund balance projections would be presented at a future meeting, and the Committee received the report for information with no formal action taken.

The Committee held discussion and asked questions regarding the new presentation format, including requests for clarification on TIF reclassification, the distinction between actual and committed funds, and the timing of expected revenues. Additional clarification was requested regarding the increase in permit volume, including whether any process changes contributed to the increase, as well as real estate trends, including home sales volume and average sale prices.

New Business

Consideration of a Funding Request Supporting the Lowcountry Regional Transportation Authority - Brian Sullivan, Executive Director

Brian Sullivan, Executive Director of the Lowcountry Regional Transportation Authority (LRTA), presented LRTA's FY 2026 funding request to the Committee. Mr. Sullivan reported that LRTA originally requested \$507,051 to support the daily rural commuter program, Breeze Trolley operations, and the local match required for a federal 5307 transit grant. The Committee approved \$350,000, which included \$55,000 for the commuter program, \$35,000 for Breeze Trolley passenger trips, and \$260,000 toward the federal grant match, representing \$157,051 less than the amount requested.

Mr. Sullivan further reported that Hilton Head Island accounts for approximately 67.5% of LRTA's total commuter trips, or about 98,000 one-way trips in FY 2025, and that potential service reductions would impact an estimated 4,590 Hilton Head Island passengers. LRTA outlined several options to address the remaining funding shortfall, including fare increases of 10% to 20%, which would increase annual rider costs by \$125 to \$400 and generate up to \$117,600 in additional revenue, as well as possible route reductions, limited use of reserves, and continued expense reductions.

The Committee held discussion and asked questions regarding the impact of fare increases on commuters, funding contributions from other municipalities, ridership in northern Beaufort County, and the possibility of adjusting either the ridership fee or the Town's contribution for the Breeze Trolley to reduce the funding gap. The Committee also requested information regarding Town Council representation on the LRTA Board, a copy of the LRTA Charter and Board roster, and additional ridership data, including usage by North of the Broad, visitors, and residents.

Chair Brown asked for public comments

Heather Rath addressed the Committee regarding the history of the LRTA trolley service with the Town's Circle to Circle project, funding contributions and how the Town services its residents.

The Committee received the information for consideration, and no further action was taken at that time.

Public Comment - Non Agenda Items

There was no public comment at this time.

Adjournment

Chair Brown adjourned the meeting at 11:28 am.

The full recording and a transcript of this meeting can be found on the Town's website at www.hiltonheadislandsc.gov



TOWN OF HILTON HEAD ISLAND

Finance & Administrative Committee

TO: Finance & Administrative Committee
FROM: Dave Byrd, Finance Director
CC: Marc Orlando, ICMA-CM, Town Manager
DATE: January 12, 2026
SUBJECT: Town of Hilton Head Island FY 2026 Monthly Financial Update

RECOMMENDATION:

Staff recommends the Finance & Administrative Committee receive the Town of Hilton Head Island Fiscal Year 2026 monthly financial update to help keep Committee Members apprised of the Town's financial condition.

BACKGROUND:

Town Staff monitors the financial activity daily. On regular intervals, Town Staff presents information to the Finance & Administrative Committee to keep the Committee up to date on the progress of the budget, the financial status, collections, and spending. This information assists the Committee in assessing the financial status and provides background information to prepare the Committee for future decisions that have financial implications.

SUMMARY:

The Finance Department has prepared financial information for the Finance & Administrative Committee to provide a picture of the financial status and financial results to November 30, 2025. This update will assist the Finance & Administrative Committee in keeping apprised of the Town's financial capacity as they consider new decision impacting the Town's finances.

ATTACHMENTS:

1. Fiscal Year 2026 Year-to-Date Financial Update



FINANCE & ADMINISTRATIVE COMMITTEE MEETING

January 12, 2026

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COMING SOON – HEALTH OF THE TOWN

FISCAL YEAR 2026
JULY 2025 - NOVEMBER 2025

Looking to highlight the health of the Town with a report on sales tax data by segment on a monthly basis.

REVENUE SNAPSHOT – FISCAL YEAR 2026 (JULY 2025 – NOVEMBER 2025)

	FY2025 Actual	FY2026 Actual	\$ Variance	% Variance	FY2026 Annual Budget	Notes/Comments
General Fund						
Property Taxes	\$ 481,771	\$ 895,654	\$ 413,883	85.9%	\$ 17,935,450	
Accommodations Tax	\$ 2,685,367	\$ 2,820,939	\$ 135,573	5.0%	\$ 6,812,769	
Business License and Franchise Fees	\$ 2,136,214	\$ 563,038	\$ (1,573,176)	-73.6%	\$ 14,426,220	FY25 Increase was due to MASC Business License FY24 fees received in FY2025 (\$1.365M); Franchise fees FY24 4Q received in FY2025 (\$201K)
Permits	\$ 897,669	\$ 1,276,738	\$ 379,068	42.2%	\$ 1,800,000	FY26 July & August had a 70% increase in volume of New Residential and Commercial Permits
State Shared Funds	\$ 486,545	\$ 510,873	\$ 24,327	5.0%	\$ 978,035	
Grants	\$ -	\$ -	\$ -	0.0%	\$ -	
EMS Revenue	\$ 1,047,716	\$ 1,088,413	\$ 40,697	3.9%	\$ 2,036,000	
Public Safety Revenue	\$ 660	\$ 300	\$ (360)	-54.5%	\$ -	
Miscellaneous	\$ 172,364	\$ 364,870	\$ 192,507	111.7%	\$ 1,022,848	FY 26 Parking revenue receipts total \$312K
Investment Income	\$ 1,029,755	\$ 1,132,332	\$ 102,577	10.0%	\$ 1,500,000	
Housing Fund	\$ -	\$ -	\$ -	0.0%	\$ -	
GGHN CDC Fund	\$ 128,694	\$ 47,921	\$ (80,773)	-62.8%	\$ 125,000	Investment Income
Capital Fund						
Grants	\$ 193,005	\$ 733,987	\$ 540,983	280.3%	\$ 7,365,538	FY 26 \$600K paving grant from Beaufort County
Sunday Permit Fees	\$ 22,600	\$ 9,150	\$ (13,450)	-59.5%	\$ 1,000,000	
Impact Fees	\$ 67,912	\$ 36,904	\$ (31,008)	-45.7%	\$ 1,100,000	
Investment Income	\$ 256,508	\$ 232,574	\$ (23,934)	-9.3%	\$ -	
Miscellaneous	\$ 22,061	\$ 32,060	\$ 9,999	45.3%	\$ -	FY 26 \$22K cell tower lease payments
Debt Service Fund						
Property Taxes	\$ 161,412	\$ 312,651	\$ 151,239	93.7%	\$ 6,035,600	
Investment Income	\$ 275,087	\$ 112,762	\$ (162,325)	-59.0%	\$ 325,115	FY26 - transfer of interest earned from FY21 through FY25 on \$1M TIF Reserve from Debt Service to TIF - \$140K
Stormwater Fund						
SWU Fees	\$ 121,825	\$ 203,137	\$ 81,312	66.7%	\$ 5,275,035	
Permits	\$ 86,570	\$ 63,857	\$ (22,713)	-26.2%	\$ 122,580	
Investment Income	\$ 148,469	\$ 96,697	\$ (51,773)	-34.9%	\$ 150,000	
Special Revenue Funds						
State ATAX	\$ 5,293,425	\$ 5,195,651	\$ (97,774)	-1.8%		
Real Estate Transfer Fees	\$ 2,096,941	\$ 3,072,992	\$ 976,051	46.5%		FY26 (September) saw an increase of 264% from FY25 based on growth in average consideration to \$866K from \$344K.
Hospitality Tax	\$ 3,518,220	\$ 3,673,207	\$ 154,987	4.4%		
Beach Preservation Fees	\$ 5,370,734	\$ 5,641,879	\$ 271,145	5.0%		
Palmetto Electric Franchise Fees	\$ 1,158,557	\$ 1,262,977	\$ 104,420	9.0%		
Short Term Rental	\$ 681,750	\$ 191,250	\$ (490,500)	-71.9%		Changed timing of renewal dues for FY26
Investment Income (All Special Revenue)	\$ 2,854,367	\$ 2,310,460	\$ (543,907)	-19.1%		
All Other Special Revenue Funds	\$ 735,805	\$ 436,108	\$ (299,697)	-40.7%		TIF ended 6/30/2025
TOTAL REVENUE (ALL FUNDS)	\$ 31,396,198	\$ 31,883,274	\$ 487,077	1.6%	\$ 68,010,190	

EXPENSE SNAPSHOT – FISCAL YEAR 2026 (JULY 2025 – NOVEMBER 2025)

	FY2025 Actual	FY2026 Actual	\$ Variance	% Variance	FY2026 Budget	% of Budget	Notes/Comments
General Fund							
General Government	\$ 673,863	\$ 949,995	\$ (276,132)	41.0%	\$ 2,014,827	47%	Increase in FY26 legal fees of \$85K and \$165K in personnel expenses related to filling vacant position.
Management Services	\$ 3,909,465	\$ 4,380,027	\$ (470,562)	12.0%	\$ 10,790,935	41%	Increase in FY26 technology maintenance contracts \$106K, employee recruitment fees \$88K and filling vacant positions and other personnel related benefit costs \$185K.
Community Services	\$ 4,812,865	\$ 4,751,056	\$ 61,810	-1.3%	\$ 14,823,157	32%	
Public Safety	\$ 8,177,735	\$ 8,947,350	\$ (769,615)	9.4%	\$ 25,098,338	36%	Increase in FY26 parking services \$180K, Fire Rescue leadership training \$29K, scuba repair \$11K, abandon boat removal \$23K and \$540K in personnel salaries and related benefits.
Non-Departmental	\$ 4,181,678	\$ 3,231,252	\$ 950,426	-22.7%	\$ 6,830,564	47%	Reduction from FY25 for BCSD \$833K and Townwide Grants \$434K offset by increases in commercial insurance \$164K, electricity \$40K and \$121K in benefits.
Housing Fund	\$ 78,574	\$ 117,790	\$ (39,217)	49.9%	\$ 3,978,137	3%	FY 26 \$89K Beaufort-Jasper Housing Trust annual contribution
GGHN CDC Fund	\$ 112,897	\$ 945,575	\$ (832,678)	737.6%	\$ 3,286,603	29%	FY 26 land acquisition \$761K (one half of Memory Matters)
Debt Service Fund							
New Debt	\$ -	\$ -	\$ -		\$ 2,400,000	0%	
Principal	\$ 4,635,000	\$ 10,975,000	\$ (6,340,000)	136.8%	\$ 14,820,000	74%	FY 26 paid off 2017B Beach Bonds early \$7.495M (budgeted)
Interest	\$ 1,250,771	\$ 1,044,116	\$ 206,655	-16.5%	\$ 1,626,483	64%	
Other	\$ 11,775	\$ 5,200	\$ 6,575	-55.8%	\$ 17,600	30%	
Stormwater Fund							
Maintenance & Repair	\$ 492,236	\$ 60,846	\$ 431,390	-87.6%	\$ 2,190,000	3%	FY 25 \$90K temporary pumps Wexford, \$114K routine channel cleaning & \$102k street sweeping
Administrative	\$ 344,726	\$ 322,909	\$ 21,817	-6.3%	\$ 1,106,546	29%	
Depreciation	\$ 458,333	\$ 458,333	\$ -	0.0%	\$ 1,100,000	42%	
Non-Operating Expenses	\$ 115,317	\$ 21,425	\$ 93,892	-81.4%	\$ 42,851	50%	FY 25 Final year of amortization of loss on bond refunding (2021) - \$89K
Special Revenue Funds							
State ATAX Grants	\$ 901,537	\$ 1,471,585	\$ (570,048)	63.2%			
State ATAX - Chamber Marketing	\$ 1,580,527	\$ 1,551,195	\$ 29,332	-1.9%			
State Grants	\$ 154,886	\$ 335,913	\$ (181,027)	116.9%			FY 26 Opioid Recovery Grant \$283K
Other	\$ 742,471	\$ 76,623	\$ 665,847	-89.7%			FY 25 disaster related expenses \$235K (Hurricane Helene) & \$407K home repairs (ARPA Funds)
TOTAL EXPENSES (ALL FUNDS)	\$ 32,634,657	\$ 39,646,192	\$ (7,011,535)	-21.5%	\$ 90,126,041	44%	
NORMALIZED EXPENSES (ALL FUNDS)	\$ 31,992,657	\$ 31,389,192	\$ 603,465	1.9%	\$ 90,126,041	35%	

CIP PROJECTS SNAPSHOT – FISCAL YEAR 2026 (JULY 2025 – NOVEMBER 2025)

FY2026						
	Actual	Committed	Total	Original Budget	Amended Budget	% of Budget Used/Committed
Beach Maintenance						
Beach Renourishment	\$ 8,792,781	\$ 35,314,115	\$ 44,106,896	\$ 47,720,000	\$ 47,720,000	92%
Other Beach Related Projects	\$ 123,696	\$ 142,478	\$ 266,173	\$ 1,100,000	\$ 1,367,794	19%
Total Beach Maintenance	\$ 8,916,477	\$ 35,456,593	\$ 44,373,070	\$ 48,820,000	\$ 49,087,794	90%
Park Development						
Crossings Park	\$ 278,101	\$ 1,083,200	\$ 1,361,301	\$ 2,000,000	\$ 2,006,696	68%
Mid-Island Tract	\$ 89,135	\$ 864,931	\$ 954,066	\$ 750,000	\$ 957,744	100%
Patterson Family Property Park	\$ 170,280	\$ 2,395,193	\$ 2,565,473	\$ 2,590,000	\$ 2,590,000	99%
Taylor Family Property Park	\$ 381,244	\$ 2,252,849	\$ 2,634,093	\$ 2,750,000	\$ 2,750,000	96%
Other Park Related Projects	\$ 1,290,678	\$ 1,791,500	\$ 3,082,178	\$ 2,546,000	\$ 3,823,613	81%
Total Park Development	\$ 2,209,438	\$ 8,387,673	\$ 10,597,111	\$ 10,636,000	\$ 12,128,053	87%
Land Acquisition						
164 Jonesville Road	\$ 393,056	\$ -	\$ 393,056	\$ -	\$ 413,000	95%
Stoney Peninsula Purchase	\$ 150,000	\$ -	\$ 150,000	\$ -	\$ 705,800	21%
117 William Hilton Parkway	\$ 761,106	\$ -	\$ 761,106	\$ -	\$ 762,500	100%
1 & 5 Old Wildhorse Road	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ 500,000	10%
9 Park Lane	\$ 25,000	\$ 4,450	\$ 29,450	\$ -	\$ 1,750,000	2%
10 Park Lane	\$ 25,000	\$ 4,450	\$ 29,450	\$ -	\$ 5,950,000	0%
Miscellaneous	\$ 40,251	\$ 20,139	\$ 60,390	\$ 250,000	\$ 250,000	24%
Total Land Acquisition	\$ 1,444,413	\$ 29,039	\$ 1,473,452	\$ 250,000	\$ 10,331,300	14%
Facilities Improvements						
Honey Horn Improvements	\$ 37,366	\$ 1,100	\$ 38,466	\$ 496,000	\$ 496,000	8%
Computer Software Equipment	\$ 342,216	\$ 85,715	\$ 427,931	\$ 625,000	\$ 625,000	68%
Town Facilities Improvements	\$ 163,110	\$ 5,712	\$ 168,822	\$ 550,000	\$ 550,000	31%
4 Office Way Renovations	\$ 321,132	\$ 750,864	\$ 1,071,996	\$ 1,100,000	\$ 1,100,000	97%
Jonesville Horse Barn	\$ 32,815	\$ 97,026	\$ 129,841	\$ 500,000	\$ 500,000	26%
Improvements to Fire Rescue HQ	\$ -	\$ -	\$ -	\$ -	\$ 1,300,000	0%
Other Facilities Improvements	\$ 505,001	\$ 708,888	\$ 1,213,889	\$ 1,630,000	\$ 2,145,199	57%
Total Facilities Improvements	\$ 1,401,640	\$ 1,649,304	\$ 3,050,945	\$ 4,901,000	\$ 6,716,199	45%
Roadway Improvements						
Signal System Maintenance	\$ 40,806	\$ 417,620	\$ 458,426	\$ 1,100,000	\$ 1,100,000	42%
Landscape, Lighting, & Safety Enhancements	\$ 13,987	\$ 87,294	\$ 101,282	\$ 750,000	\$ 750,000	14%
Dirt Road Paving Program	\$ 18,781	\$ 847,591	\$ 866,371	\$ 1,104,500	\$ 1,104,500	78%
Streetscape Enhancements	\$ 124,793	\$ 138,821	\$ 263,614	\$ 900,000	\$ 900,000	29%
Northpoint USPS Site Improvements	\$ -	\$ -	\$ -	\$ -	\$ 3,200,000	0%
Other Roadway Improvements	\$ 196,542	\$ 424,570	\$ 621,112	\$ 1,225,000	\$ 1,658,421	37%
Total Roadway Improvements	\$ 394,909	\$ 1,915,896	\$ 2,310,805	\$ 5,079,500	\$ 8,712,921	27%
Pathway Improvements						
Pathway Improvements	\$ 293,501	\$ 519,334	\$ 812,835	\$ 1,650,000	\$ 1,650,000	49%
Stormwater Projects						
SWU General Contingency	\$ -	\$ -	\$ -	\$ 500,000	\$ 500,000	0%
PUD	\$ 191,099	\$ 795,963	\$ 987,063	\$ 2,900,000	\$ 2,900,000	34%
Non-PUD	\$ 7,810	\$ 400,697	\$ 408,507	\$ 2,950,880	\$ 3,795,616	11%
Total Stormwater Projects	\$ 198,909	\$ 1,196,660	\$ 1,395,569	\$ 6,350,880	\$ 7,195,616	19%
TOTAL NON-BEACH EXPENSES	\$ 5,942,810	\$ 13,697,907	\$ 19,640,717	\$ 28,867,380	\$ 46,734,089	42%
TOTAL CIP EXPENSES	\$ 14,859,287	\$ 49,154,500	\$ 64,013,787	\$ 77,687,380	\$ 95,821,883	67%

FUND BALANCE WALK – FISCAL YEAR 2026 (NET OF TRANSFERS) – AS OF NOVEMBER 2025

		2026	2026	VARIANCE	COMMENTS
		BUDGET	PROJECTION		
BEGINNING FUND BALANCE		\$ 253,504,626	\$ 253,504,626	\$ -	
REVENUE	GENERAL	\$ 46,511,322	\$ 46,511,322	\$ -	
	DEBT SERVICE	\$ 6,360,715	\$ 6,360,715	\$ -	
	STORMWATER	\$ 5,547,615	\$ 5,547,615	\$ -	
	SPECIAL REVENUE	\$ -	\$ 52,529,168	\$ 52,529,168	
	CAPITAL	\$ 9,465,538	\$ 9,765,172	\$ 299,634	
	GULLAH GEECHEE CDC	\$ 125,000	\$ 125,000	\$ -	
	WORKFORCE HOUSING	\$ -	\$ -	\$ -	
	DISASTER FUND - FEMA	\$ -	\$ 1,155,619	\$ 1,155,619	Investment income
	2025 BEACH BONDS	\$ -	\$ 19,000,000	\$ 19,000,000	
	2026 GO BOND	\$ -	\$ 35,000,000	\$ 35,000,000	
	BUDGET AMENDMENT	\$ -	\$ 233,887	\$ 233,887	Fire Rescue donation (GF) & Sunday liquor permit fees (CAPITAL)
	TOTAL REVENUE	\$ 68,010,190	\$ 176,228,498	\$ 108,218,308	
AVAILABLE FUNDS		\$ 321,514,816	\$ 429,733,124	\$ 108,218,308	
EXPENSE	GENERAL	\$ 59,557,821	\$ 59,557,821	\$ -	
	DEBT SERVICE	\$ 18,864,083	\$ 30,794,971	\$ (11,930,888)	2026 GO Bond Debt Service
	STORMWATER	\$ 4,439,397	\$ 4,439,397	\$ -	
	SPECIAL REVENUE	\$ -	\$ 8,099,741	\$ (8,099,741)	State A-Tax grants/DMO payments
	CAPITAL	\$ 77,687,380	\$ 77,687,380	\$ -	
	GULLAH GEECHEE CDC	\$ 3,286,603	\$ 3,286,603	\$ -	
	WORKFORCE HOUSING	\$ 3,978,137	\$ 3,978,137	\$ -	
	DISASTER FUND - FEMA	\$ -	\$ -	\$ -	
	2025 BEACH BONDS	\$ -	\$ 275,400	\$ (275,400)	Issuance cost
	2026 GO BONDS	\$ -	\$ -	\$ -	
	BUDGET ADMENDMENT	\$ -	\$ 18,214,503	\$ (18,214,503)	Capital projects, Land Purchases & Fire Rescue equipment
	TOTAL EXPENSE	\$ 167,813,421	\$ 206,333,953	\$ (38,520,532)	
ENDING FUND BALANCE		\$ 153,701,395	\$ 223,399,171	\$ 69,697,776	
CHANGE IN FUND BALANCE			\$ (30,105,455)		

FUND BALANCE WALK (BY FUND)

FISCAL YEAR 2026 PROJECTION (INCLUDES TRANSFERS)
AS OF NOVEMBER 2025

	DEBT				GULLAH	WORKFORCE	SPECIAL	DISASTER	TOTAL
	GENERAL	SERVICE	STORMWATER	CAPITAL	GEECHEE CDC	HOUSING	REVENUE	FEMA	
BEGINNING FUND BALANCE	\$ 52,370,364	\$ 14,243,513	\$ 13,636,629	\$ 9,575,904	\$ 5,564,275	\$ 2,868,191	\$ 117,701,881	\$ 37,543,869	\$ 253,504,626
REVENUE	\$ 46,511,322	\$ 6,360,715	\$ 5,547,615	\$ 9,765,172	\$ 125,000	\$ -	\$ 52,529,168	\$ 1,155,619	\$ 121,994,611
EXPENSE	\$ 59,557,821	\$ 30,794,971	\$ 4,439,397	\$ 77,962,780	\$ 3,286,603	\$ 3,978,137	\$ 8,099,741	\$ -	\$ 188,119,450
TRANSFERS IN	\$ 12,968,548	\$ 12,690,743	\$ -	\$ 46,528,794	\$ -	\$ 1,197,049	\$ -	\$ -	\$ 73,385,134
TRANSFERS OUT	\$ 197,049	\$ -	\$ 6,700,880	\$ -	\$ -	\$ -	\$ 66,487,205	\$ -	\$ 73,385,134
2025 BEACH BOND	\$ -	\$ -	\$ -	\$ 19,000,000	\$ -	\$ -	\$ -	\$ -	\$ 19,000,000
2026 GO BOND	\$ -	\$ -	\$ -	\$ 35,000,000	\$ -	\$ -	\$ -	\$ -	\$ 35,000,000
BUDGET AMENDMENT - REV	\$ 80,000	\$ -	\$ -	\$ 153,887	\$ -	\$ -	\$ -	\$ -	\$ 233,887
BUDGET AMENDMENT - EXPENSE	\$ 80,000	\$ -	\$ -	\$ 18,134,503	\$ -	\$ -	\$ -	\$ -	\$ 18,214,503
BUDGET AMENDMENT - TRNSF IN	\$ -	\$ -	\$ -	\$ 8,905,616	\$ -	\$ -	\$ -	\$ -	\$ 8,905,616
BUDGET AMENDMENT - TRNSF OUT	\$ -	\$ -	\$ 844,736	\$ -	\$ -	\$ -	\$ 8,060,880	\$ -	\$ 8,905,616
CHANGE IN FUND BALANCE	\$ (275,000)	\$ (11,743,513)	\$ (6,437,398)	\$ 23,256,186	\$ (3,161,603)	\$ (2,781,088)	\$ (30,118,659)	\$ 1,155,619	\$ (30,105,456)
ENDING FUND BALANCE	\$ 52,095,364	\$ 2,500,000	\$ 7,199,231	\$ 32,832,090	\$ 2,402,672	\$ 87,103	\$ 87,583,223	\$ 38,699,488	\$ 223,399,171
TOWN COUNCIL FUND BALANCE POLICY									
OPERATING RESERVE	\$ 24,369,752	\$ -	\$ 5,000,000	\$ -	\$ -	\$ -	\$ 5,000,000	\$ -	\$ 34,369,752
BEACH PRESERVATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000,000	\$ -	\$ 20,000,000
DISASTER - DEBT SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000	\$ -	\$ 1,000,000
DISASTER RECOVERY	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,000,000	\$ 37,000,000
ENDING FUND BALANCE	\$ 27,725,612	\$ 2,500,000	\$ 2,199,231	\$ 32,832,090	\$ 2,402,672	\$ 87,103	\$ 61,583,223	\$ 1,699,488	\$ 131,029,419

SPECIAL REVENUE FUND BALANCE WALK (BY FUND)

FISCAL YEAR 2026 PROJECTION (INCLUDES TRANSFERS)

AS OF NOVEMBER 2025

	SPECIAL	BEACH	HTAX	FIRE TRUCK	TIF	ROAD USAGE	STATE ATAX	REAL ESTATE	PALMETTO	SHORT TERM	FEDERAL	
	REVENUE	PRESERVATION FEES	FEES	LEASE PROCEEDS	TAXES	FEES	FEES	TRANSFER FEES	ELECTRIC FEES	RENTAL FEES	GRANT	TOTAL
BEGINNING FUND BALANCE	\$ 321,120	\$ 55,324,863	\$ 28,803,714	\$ 1,768	\$ 4,073,041	\$ 2,268,106	\$ 11,335,170	\$ 13,976,147	\$ 1,273,557	\$ 324,395	\$ -	\$ 117,701,881
REVENUE	\$ 401,649	\$ 15,805,380	\$ 10,658,325	\$ 58,768	\$ 361,948	\$ 228	\$ 13,688,133	\$ 5,656,109	\$ 3,033,103	\$ 1,851,181	\$ 1,014,344	\$ 52,529,168
EXPENSE	\$ 401,649	\$ 43,250	\$ -	\$ -	\$ -	\$ -	\$ 7,589,657	\$ 50,291	\$ -	\$ 550	\$ 14,344	\$ 8,099,741
TRANSFERS IN	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TRANSFERS OUT	\$ -	\$ 33,717,923	\$ 17,875,830	\$ -	\$ 2,242,934	\$ 1,354,500	\$ 6,332,066	\$ 902,952	\$ 1,056,000	\$ 2,005,000	\$ 1,000,000	\$ 66,487,205
STR FEE INCREASE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0
BUDGET AMENDMENT - REV	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
BUDGET AMENDMENT - TRNSF OUT	\$ -	\$ 267,794	\$ 3,857,421	\$ -	\$ 1,262,500	\$ 883,736	\$ 122,746	\$ 1,133,300	\$ 533,383	\$ -	\$ -	\$ 8,060,880
CHANGE IN FUND BALANCE	\$ -	\$ (18,223,587)	\$ (11,074,926)	\$ 58,768	\$ (3,143,486)	\$ (2,238,008)	\$ (356,336)	\$ 3,569,566	\$ 1,443,720	\$ (154,369)	\$ -	\$ (30,118,658)
ENDING FUND BALANCE	\$ 321,120	\$ 37,101,276	\$ 17,728,788	\$ 60,536	\$ 929,555	\$ 30,098	\$ 10,978,834	\$ 17,545,713	\$ 2,717,277	\$ 170,026	\$ -	\$ 87,583,223
TOWN COUNCIL FUND BALANCE POLICY												
OPERATING RESERVE	\$ -	\$ -	\$ 5,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000,000
BEACH PRESERVATION	\$ -	\$ 20,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000,000
DISASTER - DEBT SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 1,000,000
ENDING FUND BALANCE	\$ 321,120	\$ 17,101,276	\$ 12,728,788	\$ 60,536	\$ 929,555	\$ 30,098	\$ 10,978,834	\$ 16,545,713	\$ 2,717,277	\$ 170,026	\$ -	\$ 61,583,223

OPERATING INCOME RECONCILIATION

FISCAL YEAR 2026 PROJECTION

Operating Income Reconciliation **Fiscal Year 2026**

	Revenues (Net of Transfers)	Expenditures (Net of Transfers)
Total Annual Projection	\$ 121,994,611	\$ 188,119,450
Less:		
Capital Projects	\$ (9,765,172)	\$ (77,962,780)
Debt Service	\$ (6,360,715)	\$ (30,794,971)
Net	<hr/> \$ 105,868,724	<hr/> \$ 79,361,699
Net Operating Revenue Available	<hr/> \$ 26,507,025 <hr/>	

QUARTERLY REVENUE CHARTS

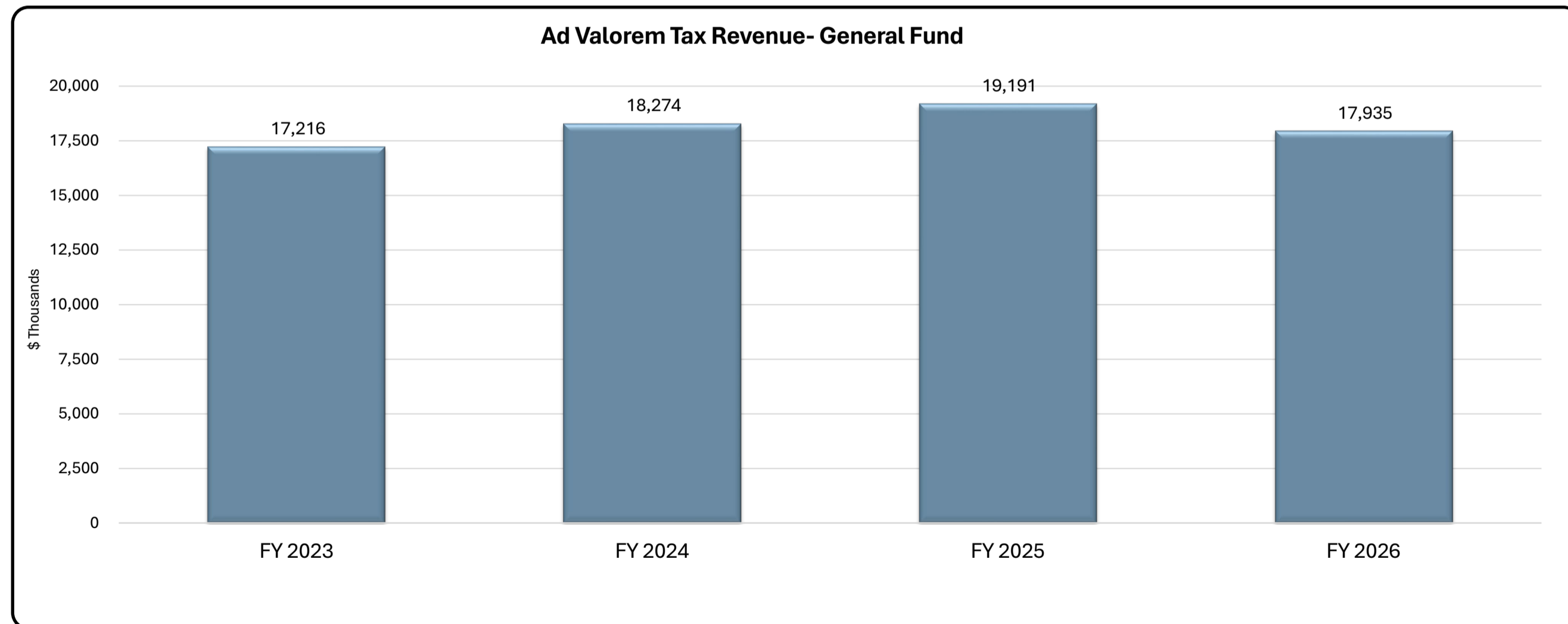
**FISCAL YEAR 2026
JULY 2025 - NOVEMBER 2025**

Ad Valorem Tax Revenue - General Fund
Revenues by Quarter/Fiscal Year
As of November 30, 2026

Fiscal Year	Quarter 1	Quarter 2**	Quarter 3	Quarter 4	Total*
2023	238,529 1%	2,631,682 15%	13,396,238 78%	949,097 6%	17,215,546 100%
2024	207,585 1%	1,261,449 7%	15,930,263 87%	875,083 5%	18,274,380 100%
2025	170,971 1%	2,336,204 12%	15,839,643 83%	843,976 4%	19,190,794 100%
2026	215,644 1%	680,010 4%	- 0%	- 0%	17,935,450 5%

*Total for FY 2026 uses budget amount

**FY 2026 Quarter 2 only includes 2 months; prior years include all 3 months



Represents operating millage collections of 14.3 mills (FY2026) by Beaufort County and remitted to the Town on all real and personal (automobiles and watercraft) property within the Town. Majority of tax collections occur during the months of December and January.

Business License Revenue - General Fund
Revenues by Quarter/Fiscal Year
As of November 30, 2026

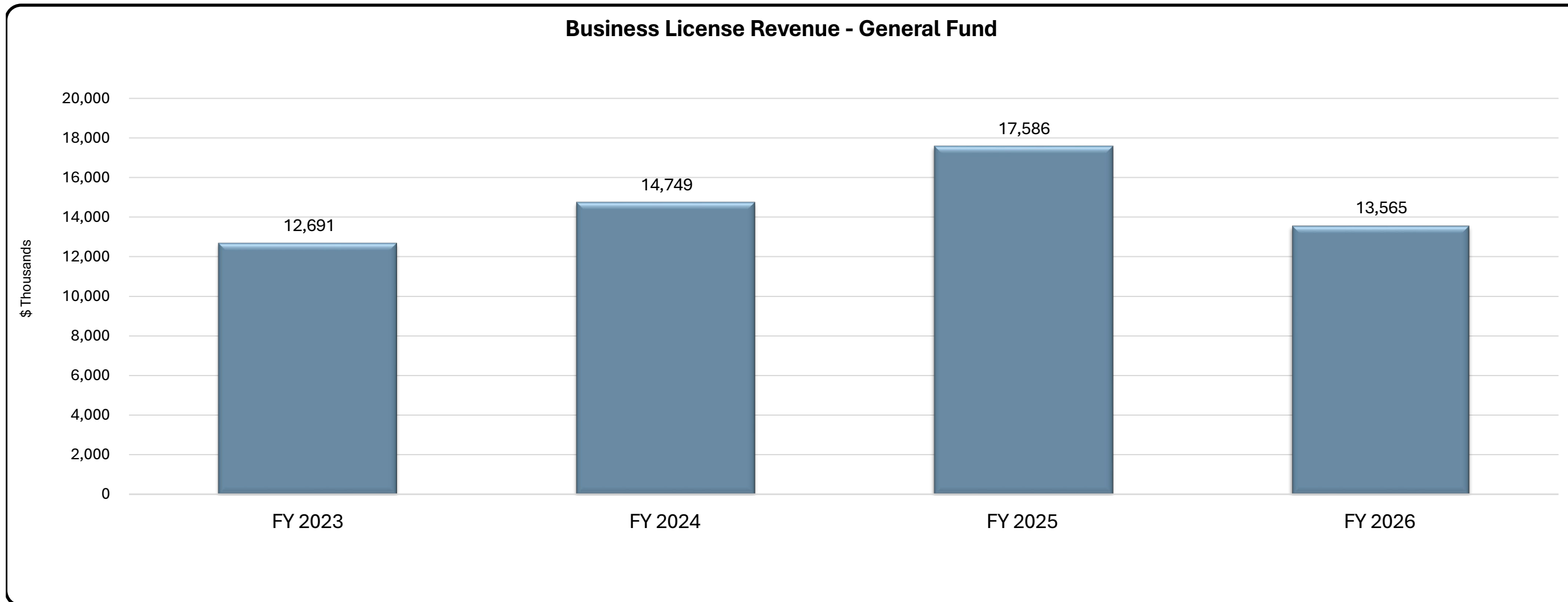
Fiscal Year	Quarter 1	Quarter 2**	Quarter 3	Quarter 4	Total*
2023	496,410 4%	203,450 2%	3,489,303 27%	8,501,761 67%	12,690,924 100%
2024	1,586,659 1 11%	315,591 2%	3,047,844 21%	9,799,288 66%	14,749,382 100%
2025	1,701,317 1 10%	77,044 0%	3,125,536 18%	12,681,705 2 72%	17,585,602 100%
2026	343,189 3%	32,024 0%	- 0%	- 0%	13,565,155 3%

*Total for FY 2026 uses budget amount

**FY 2026 Quarter 2 only includes 2 months; prior years include all 3 months

1- 1st quarter FY 2025 MASC business licenses included \$1.365M fees received for FY 2024 & FY 2024 MASC business licenses included \$984K fees received for FY 2023

2 - 4th quarter FY 2025 business licenses includes \$1.507M in proceeds received from Airbnb settlement



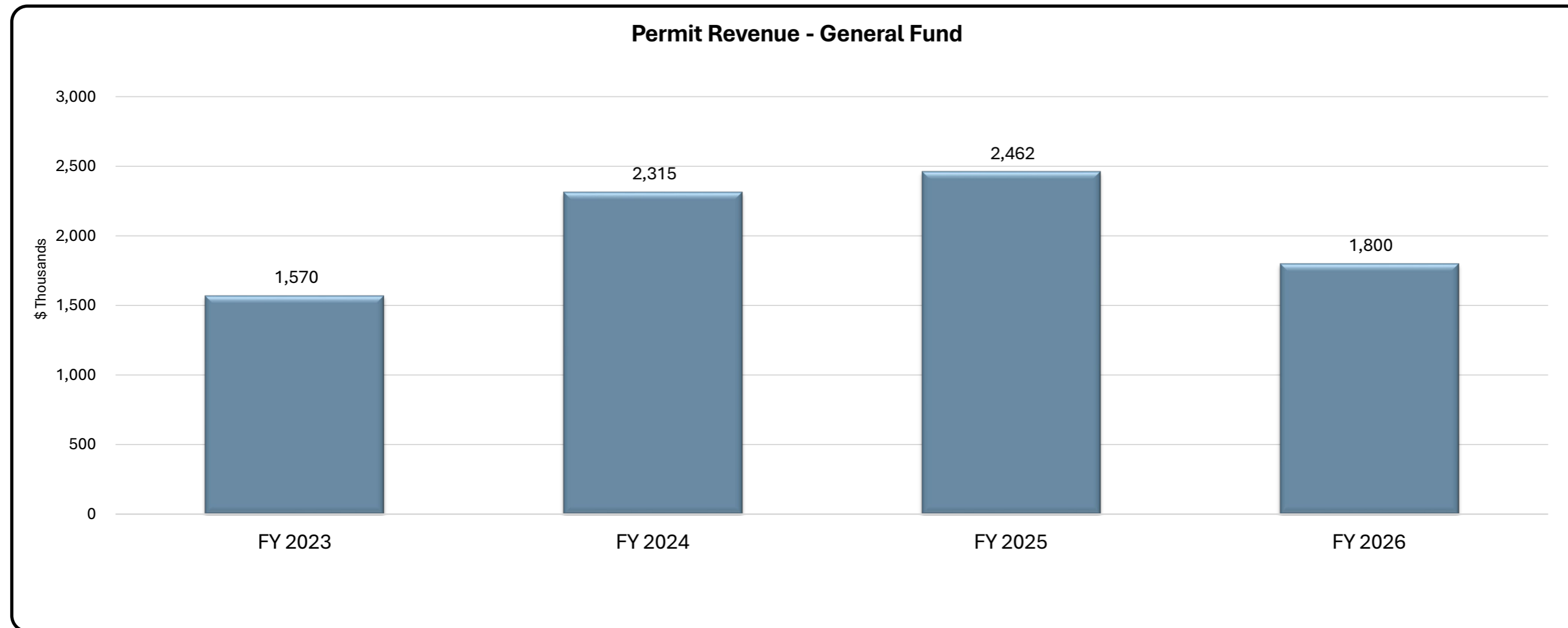
Business license revenue for existing businesses are paid annually during the month April. New businesses will pay pro-rated fee based on month of opening
Majority of collections occur during the 3rd and 4th quarter.

**Permit Revenue - General Fund
Revenues by Quarter/Fiscal Year
As of November 30, 2026**

Fiscal Year	Quarter 1	Quarter 2**	Quarter 3	Quarter 4	Total*
2023	428,893 27%	435,714 28%	360,844 23%	344,675 22%	1,570,126 100%
2024	655,820 28%	778,737 34%	485,294 21%	395,288 17%	2,315,139 100%
2025	490,800 20%	587,154 24%	830,412 34%	553,318 22%	2,461,684 100%
2026	845,731 47%	431,007 24%	- 0%	- 0%	1,800,000 71%

*Total for FY 2026 uses budget amount

**FY 2026 Quarter 2 only includes 2 months; prior years include all 3 months



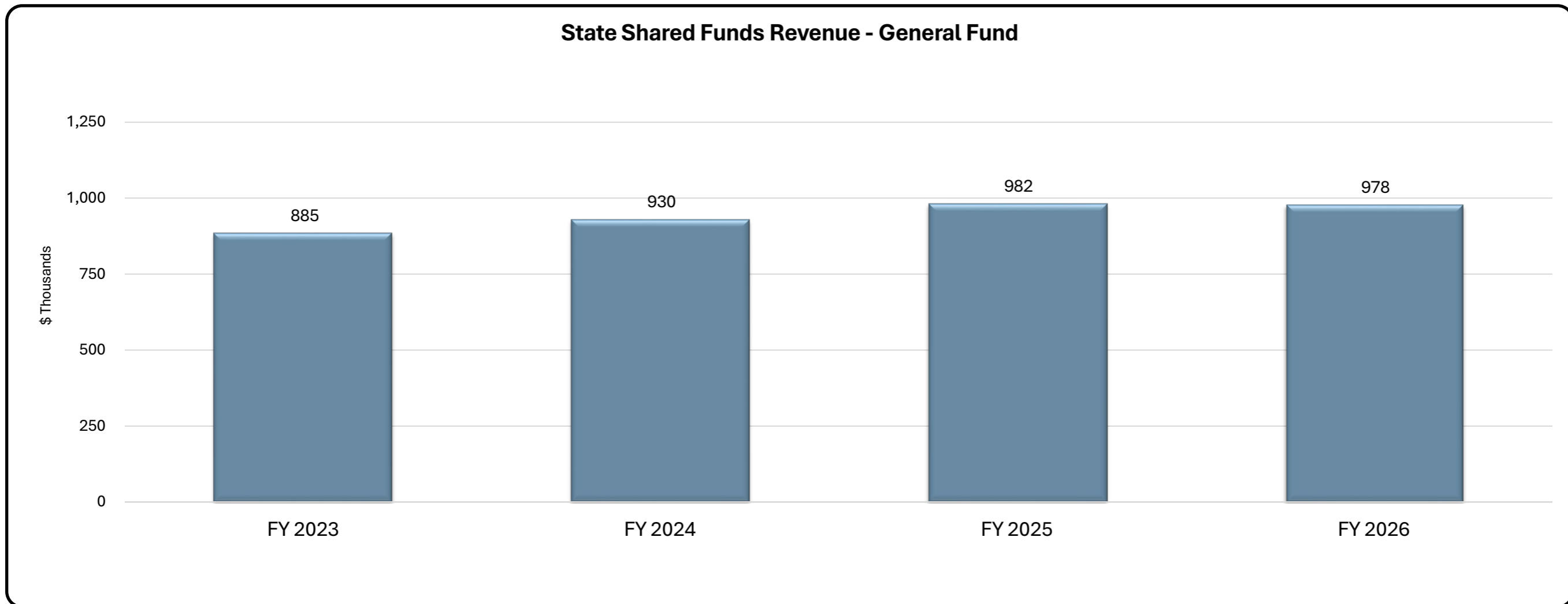
Permit revenue is paid throughout the fiscal year for any improvements to an existing home or business or construction of a new home or business. Revenue is received throughout the fiscal year.

**State Shared Revenue - General Fund
Revenues by Quarter/Fiscal Year
As of November 30, 2026**

Fiscal Year	Quarter 1	Quarter 2**	Quarter 3	Quarter 4	Total*
2023	220,655 25%	220,656 25%	223,108 25%	220,670 25%	885,089 100%
2024	231,688 25%	231,689 25%	235,223 25%	231,505 25%	930,105 100%
2025	243,273 25%	243,272 25%	252,042 26%	243,194 25%	981,781 100%
2026	255,436 26%	255,437 26%	- 0%	- 0%	978,035 52%

*Total for FY 2026 uses budget amount

**FY 2026 Quarter 2 only includes 2 months; prior years include all 3 months



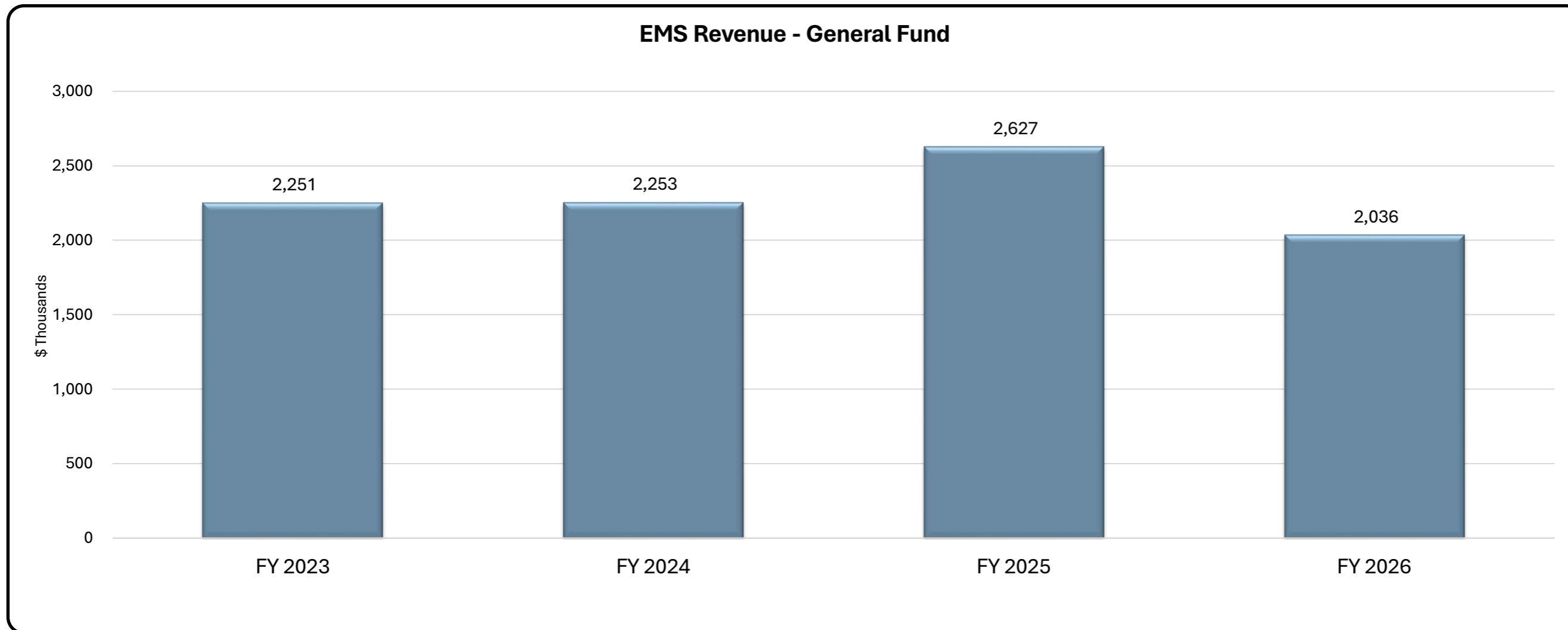
Quarterly distributions from State from Aid To Subdivisions revenues.

**EMS Revenue - General Fund
Revenues by Quarter/Fiscal Year
As of November 30, 2026**

Fiscal Year	Quarter 1	Quarter 2**	Quarter 3	Quarter 4	Total*
2023	635,658 28%	473,296 21%	603,426 27%	538,554 24%	2,250,934 100%
2024	567,962 25%	462,648 21%	582,543 26%	639,394 28%	2,252,547 100%
2025	734,941 28%	466,807 18%	783,778 30%	641,645 24%	2,627,171 100%
2026	600,412 29%	488,001 24%	- 0%	- 0%	2,036,000 53%

*Total for FY 2026 uses budget amount

**FY 2026 Quarter 2 only includes 2 months; prior years include all 3 months



Monthly revenue collections net of contractual adjustments, refunds, write-offs and other adjustments of EMS charges for services as collected and processed by EMS-MC (3rd party agency).

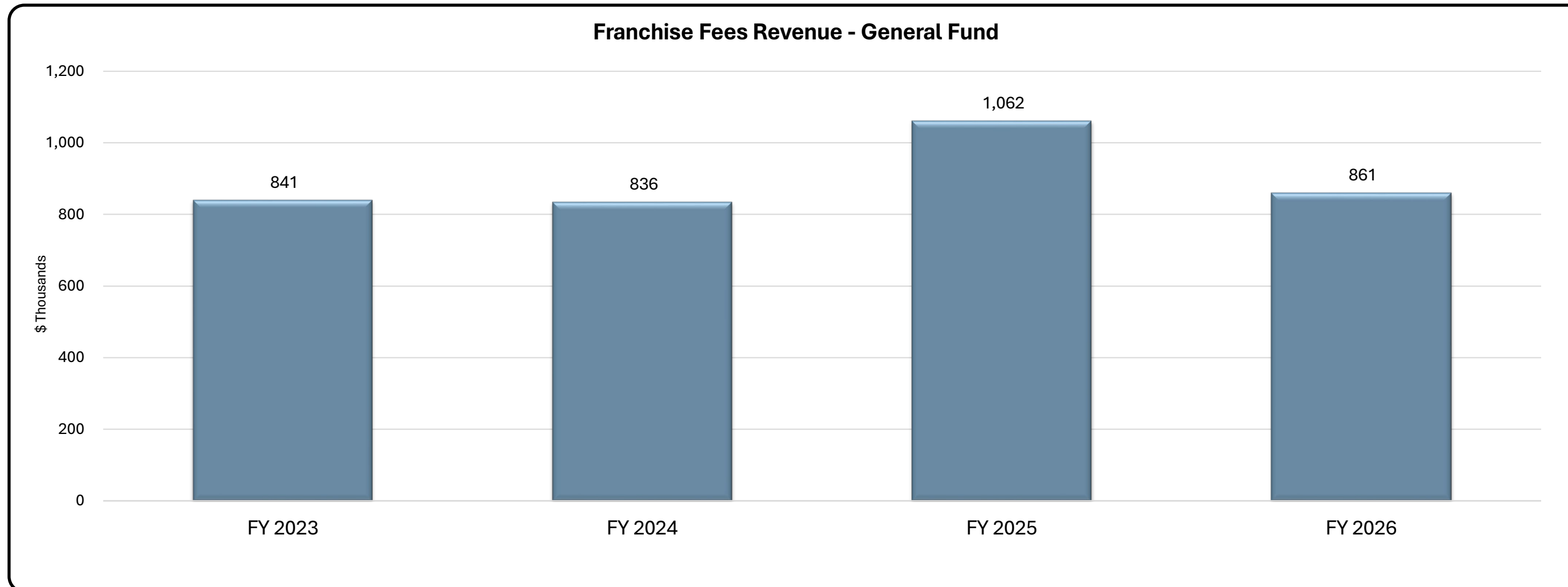
Franchise Fees Revenue - General Fund
Revenues by Quarter/Fiscal Year
As of November 30, 2026

Fiscal Year	Quarter 1	Quarter 2**	Quarter 3	Quarter 4	Total*
2023	63,127 8%	219,390 26%	283,350 34%	274,685 33%	840,552 100%
2024	163,458 20%	208,072 25%	262,896 31%	201,439 24%	835,865 100%
2025	201,300 1 19%	195,948 18%	299,470 28%	365,085 34%	1,061,803 100%
2026	- 0%	130,491 15%	- 0%	- 0%	861,065 15%

*Total for FY 2026 uses budget amount

**FY 2026 Quarter 2 only includes 2 months; prior years include all 3 months

1 - 1st quarter FY 2025 Franchise Fees includes \$201,300 in 4th quarter FY 2024 franchise fees (Charter and Cable One)



Quarterly collections (in arrears) of franchise fees for cable TV services provided by Charter Communications and Cable One (Hargray).

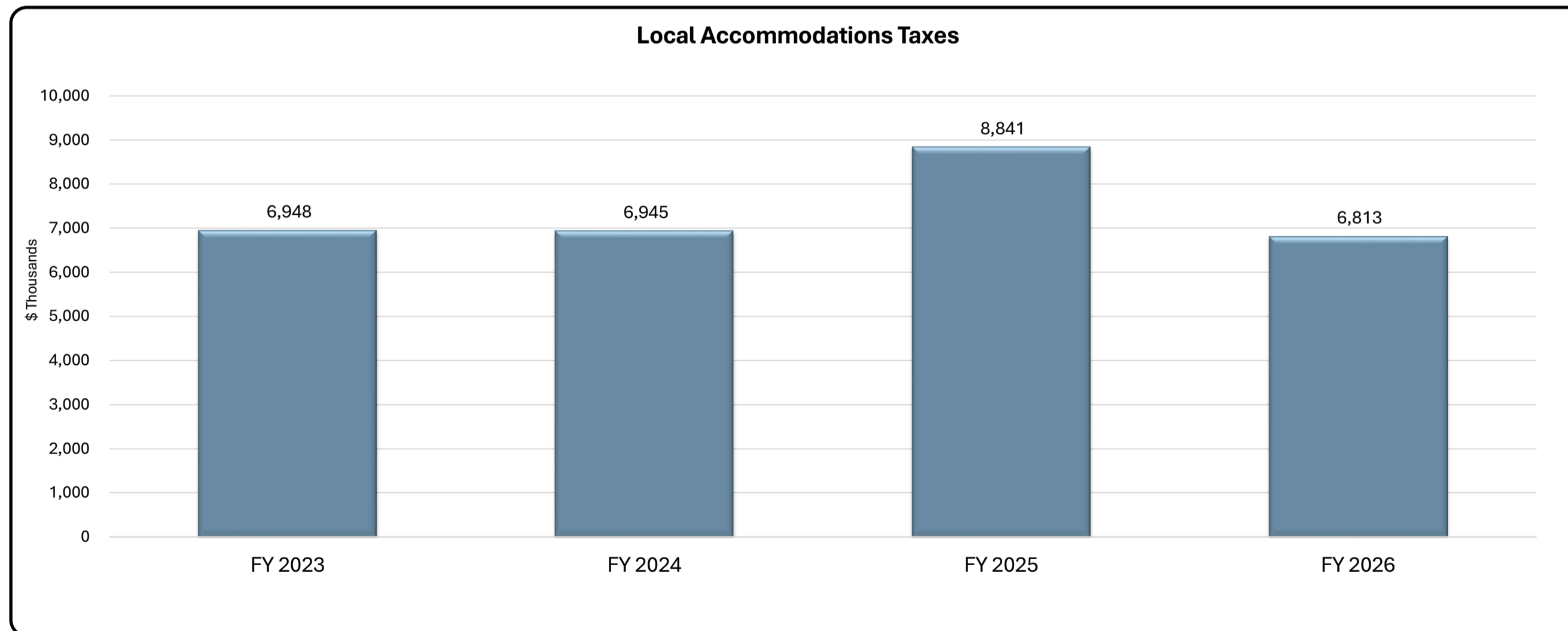
Local ATAX Revenue - General Fund
Revenues by Quarter/Fiscal Year
As of November 30, 2026

Fiscal Year	Quarter 1	Quarter 2**	Quarter 3	Quarter 4	Total*
2023	753,412 11%	2,287,180 33%	756,489 11%	3,151,384 45%	6,948,465 100%
2024	805,135 12%	2,233,779 32%	719,806 10%	3,185,804 46%	6,944,524 100%
2025	639,798 7%	2,175,619 25%	871,544 10%	5,154,445 58%	8,841,406 100%
2026	859,060 13%	1,961,879 29%	- 0%	- 0%	6,812,769 41%

*Total for FY 2026 uses budget amount

**FY 2026 Quarter 2 only includes 2 months; prior years include all 3 months

1- 4th quarter FY 2025 includes \$1.507M in proceeds received from the Airbnb settlement



Represents 1% of the 3% local accommodations collected by the Town on the rental of any rooms (excluding meeting rooms). Tax collections occur monthly with the largest collections occurring during the tourism periods.

**Total Revenue (Net of Transfers) - General Fund
Revenues by Quarter/Fiscal Year
As of November 30, 2026**

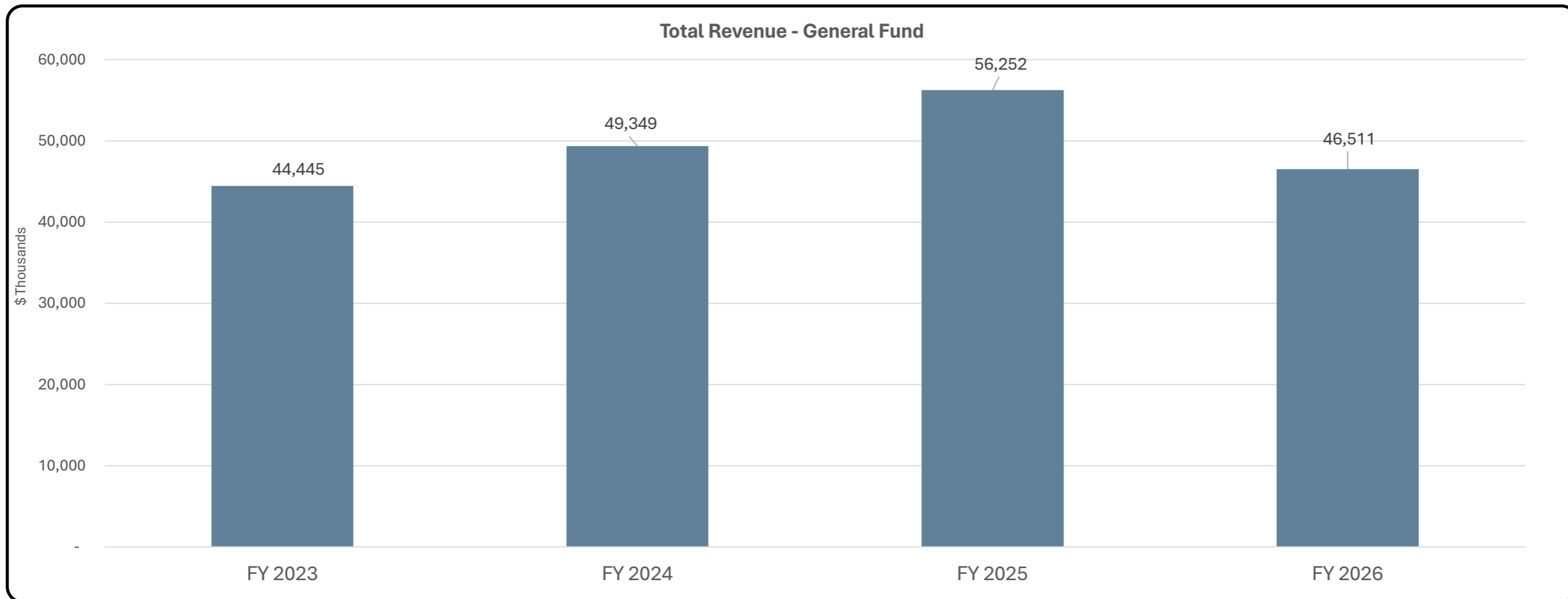
Fiscal Year	Quarter 1	Quarter 2**	Quarter 3	Quarter 4	Total*
2023	3,140,961 7%	6,926,789 16%	19,680,290 44%	14,697,176 33%	44,445,216 100%
2024	4,803,158 1 10%	6,246,418 13%	21,917,949 44%	16,381,696 33%	49,349,220 100%
2025	4,901,395 1 9%	6,535,413 12%	22,780,784 40%	22,034,907 2 39%	56,252,499 100%
2026	4,033,654 9%	4,619,504 10%	- 0%	- 0%	46,511,322 19%

*Total for FY 2026 uses budget amount

**FY 2026 Quarter 2 only includes 2 months; prior years include all 3 months

1- 1st quarter FY 2025 MASC business licenses included \$1.365M fees received for FY 2024 & FY 2024 MASC business licenses included \$984K fees received for FY 2023

2 - 4th quarter FY 2025 business licenses includes \$3.014M in proceeds received from Airbnb settlement

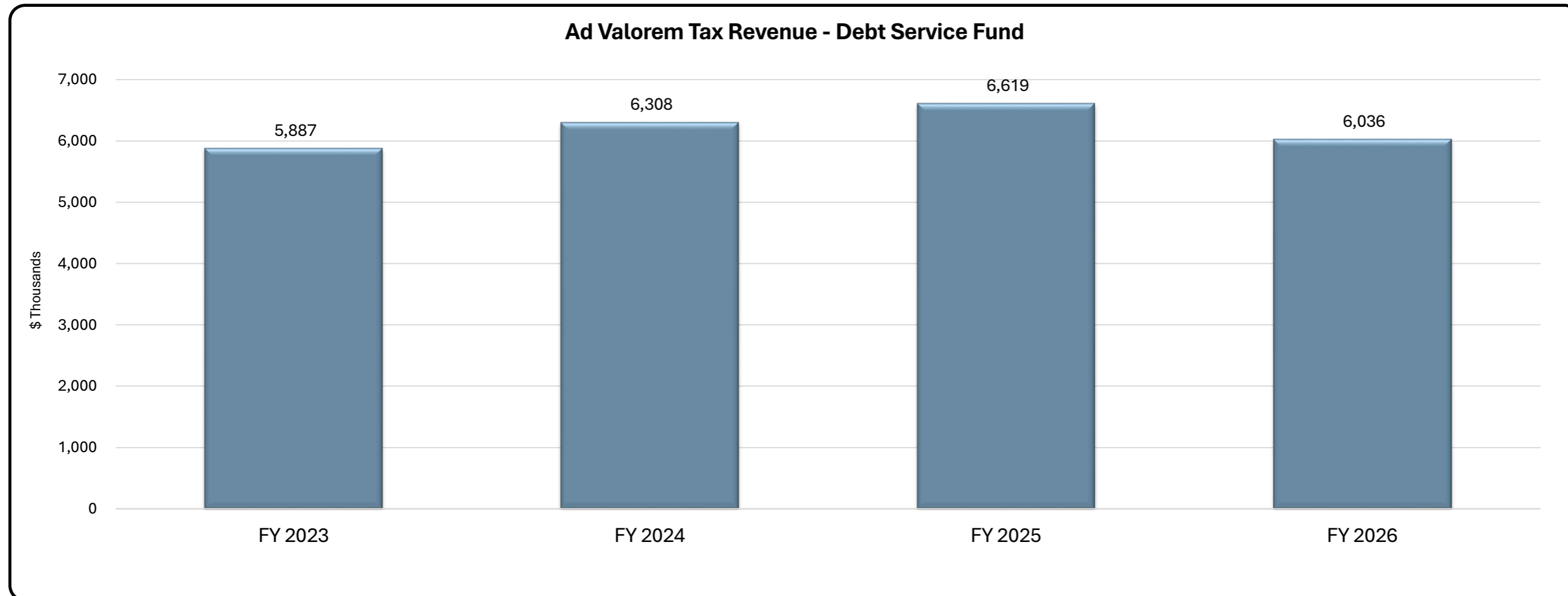


Ad Valorem Tax Revenue - Debt Service Fund
Revenues by Quarter/Fiscal Year
As of November 30, 2026

Fiscal Year	Quarter 1	Quarter 2**	Quarter 3	Quarter 4	Total*
2023	79,264 1%	899,185 15%	4,592,086 78%	316,165 5%	5,886,700 100%
2024	71,206 1%	433,316 7%	5,506,944 87%	296,570 5%	6,308,036 100%
2025	56,441 1%	804,215 12%	5,473,052 83%	285,421 4%	6,619,129 100%
2026	73,827 1%	238,824 4%	- 0%	- 0%	6,035,600 5%

*Total for FY 2026 uses budget amount

**FY 2026 Quarter 2 only includes 2 months; prior years include all 3 months



Represents debt service millage collections of 5.1 mills (FY2026) by Beaufort County and remitted to the Town on all real and personal (automobiles and watercraft) property within the Town. Majority of tax collections occur during the months of December and January.

**Ad Valorem Tax Revenue - Tax Increment Fund
Revenues by Quarter/Fiscal Year
As of November 30, 2026**

Fiscal Year	Quarter 1	Quarter 2**	Quarter 3	Quarter 4	Total*
2023	11,238 0%	686,503 11%	5,602,071 87%	143,966 2%	6,443,778 100%
2024	31,963 0%	232,203 3%	6,974,566 89%	605,954 8%	7,844,686 100%
2025	97,675 3%	1,058,673 32%	7,033,782 216%	(4,931,271) 1 -151%	3,258,859 100%
2026	15,410 2 92%	1,272 2 8%	- 0%	- 0%	16,682 100%

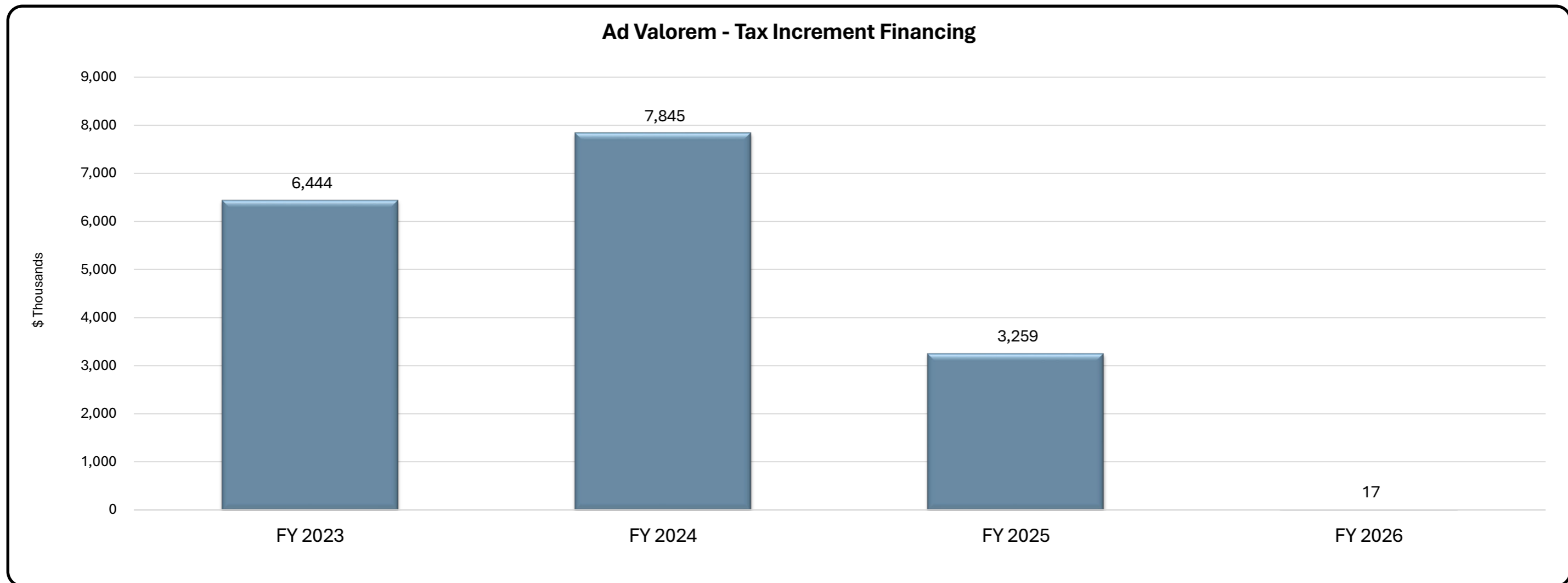
*FY2025 was final year of TIF collections

**FY 2026 Quarter 2 only includes 2 months; prior years include all 3 months

FY 2026 Total Projection is based on actual collections year to date

1 - Beaufort County hit their \$26M contribution cap and the Town was required to reimburse the overpayment - \$5M

2 - TIF ended 6/30/2025, FY 2026 revenue collections are late tax payments that were due for previous tax years.



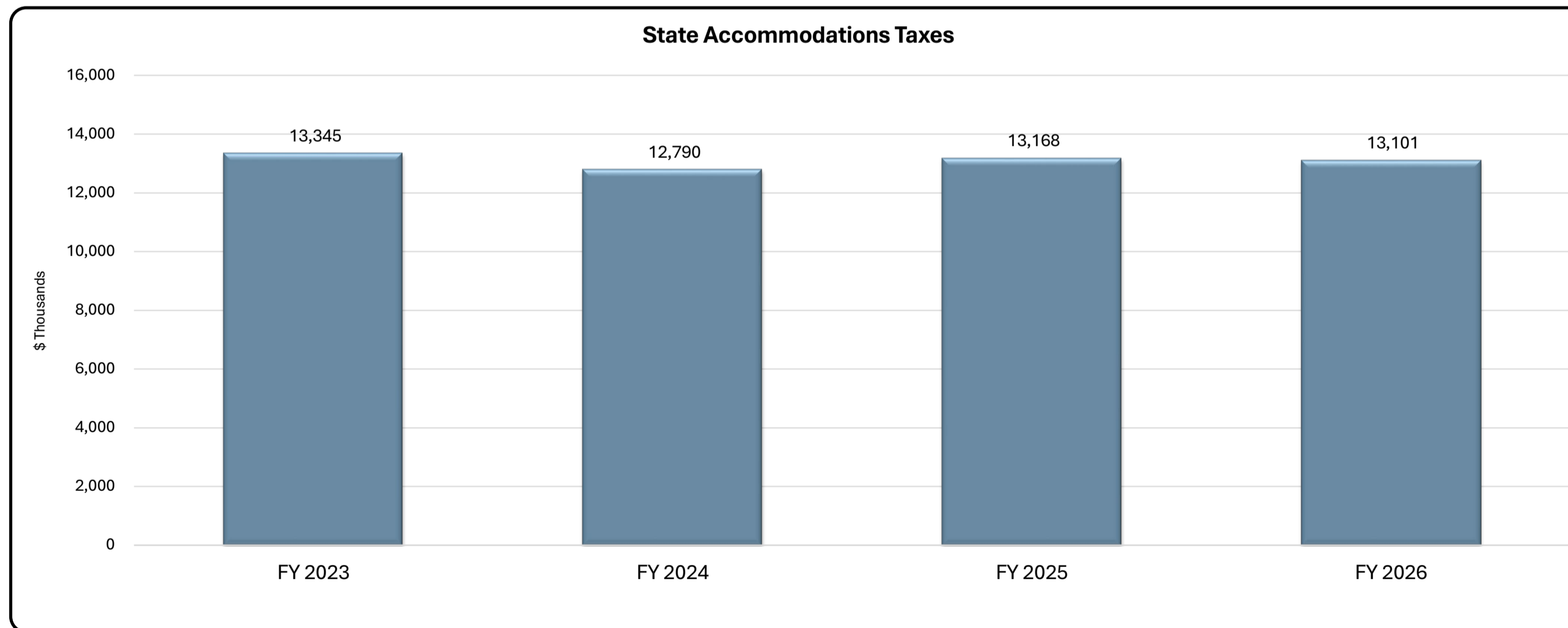
State ATAX Revenue
Revenues by Quarter/Fiscal Year
As of November 30, 2026

Fiscal Year	Quarter 1	Quarter 2**	Quarter 3	Quarter 4	Total*
2023	- 0%	5,342,323 40%	1,814,391 14%	6,188,189 46%	13,344,903 100%
2024	- 0%	5,148,616 40%	1,770,069 14%	5,871,644 46%	12,790,329 100%
2025	- 0%	5,293,425 40%	1,835,526 14%	6,038,711 46%	13,167,662 100%
2026	- 0%	5,195,651 40%	- 0%	- 0%	13,100,965 40%

*Total for FY 2026 uses projected amount

**FY 2026 Quarter 2 only includes 2 months; prior years include all 3 months

FY2026 Total Projection is based on the average collections for the last three fiscal years.



Represents remittance by the State of the 2% accommodations tax on the rental of any rooms. Taxes are paid quarterly to the Town in arrears and are distributed as follows:

- First \$25,000 to the General Fund
- 5% to the General Fund
- 30% to the DMO
- 65% to Special Revenue ATax Fund

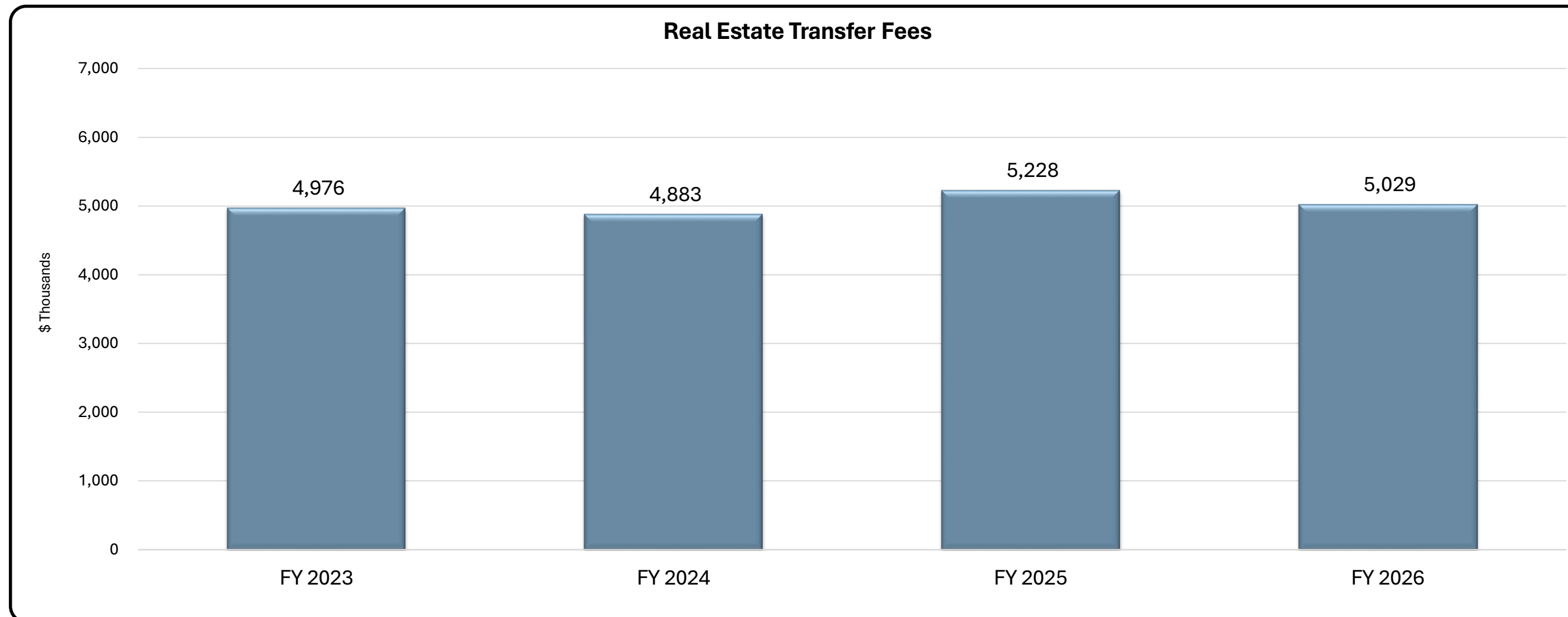
**Real Estate Transfer Fee Revenue
Revenues by Quarter/Fiscal Year
As of November 30, 2026**

Fiscal Year	Quarter 1	Quarter 2**	Quarter 3	Quarter 4	Total*
2023	1,383,888 28%	1,127,907 23%	1,024,881 21%	1,438,955 29%	4,975,631 100%
2024	1,318,874 27%	1,014,836 21%	1,136,910 23%	1,412,585 29%	4,883,205 100%
2025	1,279,168 24%	1,159,633 22%	1,266,208 24%	1,523,346 29%	5,228,355 100%
2026	2,233,440 44%	839,552 17%	- 0%	- 0%	5,029,069 61%

*Total for FY 2026 uses projected amount

**FY 2026 Quarter 2 only includes 2 months; prior years include all 3 months

FY2026 Total Projection is based on the average collections for the last three fiscal years.



Represents 0.25% of the consideration paid on all Town of HHI real estate transfers filed with the Beaufort County Register of Deeds each month.
Beaufort County retains 1% of the collected fees.

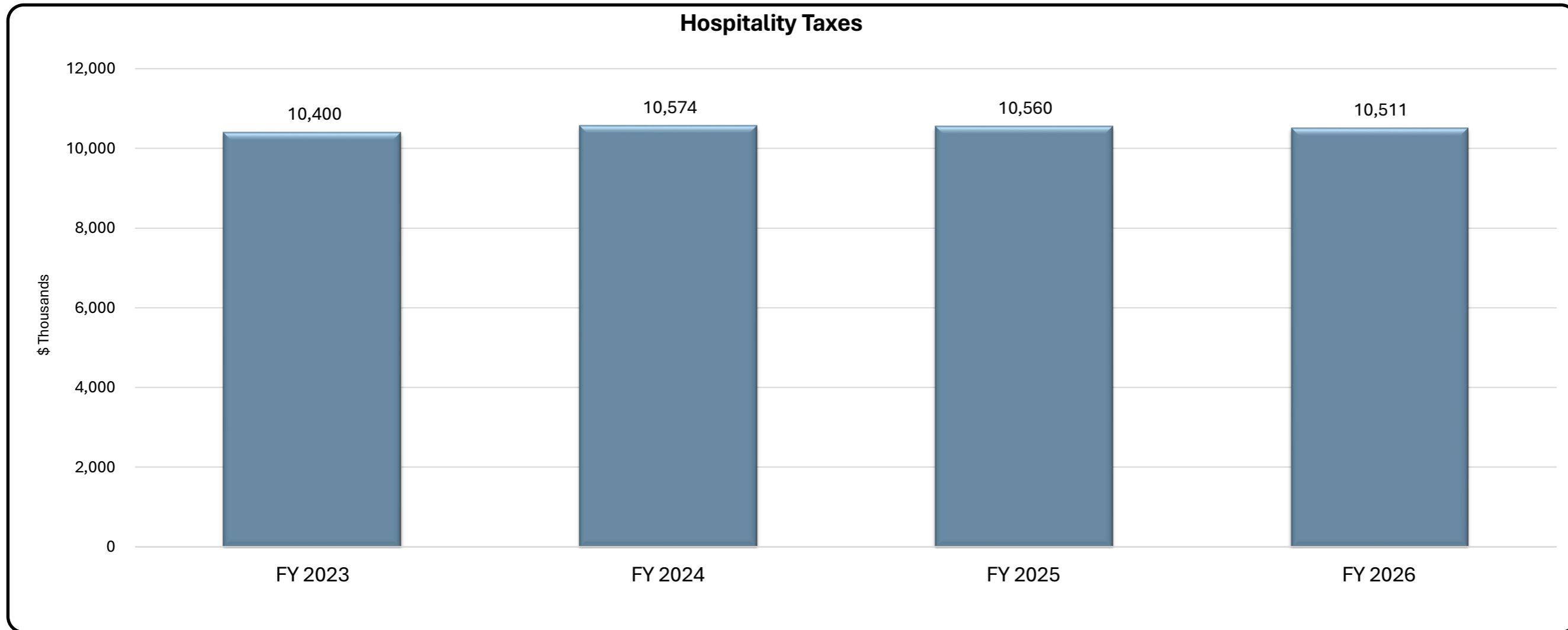
Hospitality Tax Revenue
Revenues by Quarter/Fiscal Year
As of November 30, 2026

Fiscal Year	Quarter 1	Quarter 2**	Quarter 3	Quarter 4	Total*
2023	1,099,256 11%	2,727,970 26%	1,820,982 18%	4,752,137 46%	10,400,345 100%
2024	1,125,307 11%	2,807,303 27%	1,836,198 17%	4,805,571 45%	10,574,379 100%
2025	1,073,329 10%	2,740,003 26%	1,842,822 17%	4,903,508 46%	10,559,662 100%
2026	1,255,383 12%	2,417,824 23%	- 0%	- 0%	10,511,462 35%

*Total for FY 2026 uses projected amount

**FY 2026 Quarter 2 only includes 2 months; prior years include all 3 months

FY2026 Total Projection is based on the average collections for the last three fiscal years.



Represents the montly collection of a 2% tax collected each month in the Town from the sale of prepared foods, meals and beverages sold.

**Beach Preservation Fee Revenue
Revenues by Quarter/Fiscal Year
As of November 30, 2026**

Fiscal Year	Quarter 1	Quarter 2**	Quarter 3	Quarter 4	Total*
2023	1,506,824 11%	4,574,360 33%	1,512,979 11%	6,302,768 45%	13,896,931 100%
2024	1,610,269 12%	4,467,560 32%	1,439,610 10%	6,371,610 46%	13,889,049 100%
2025	1,279,595 7%	4,351,239 25%	1,743,089 10%	9,894,859 1 57%	17,268,782 100%
2026	1,718,120 12%	3,923,759 28%	- 0%	- 0%	14,151,587 40%

*Total for FY 2026 uses projected amount

**FY 2026 Quarter 2 only includes 2 months; prior years include all 3 months

1 - 4th quarter FY 2025 beach preservation fees includes \$2.6M in proceeds received from the Airbnb settlement

FY2026 Total Projection is based on the average collections for the last three fiscal years less Airbnb settlement.



Represents 2% of the 3% local accommodations collected by the Town on the rental of any rooms (excluding meeting rooms). Tax collections occur monthly with the largest collections occurring during 4th quarter of the fiscal year.

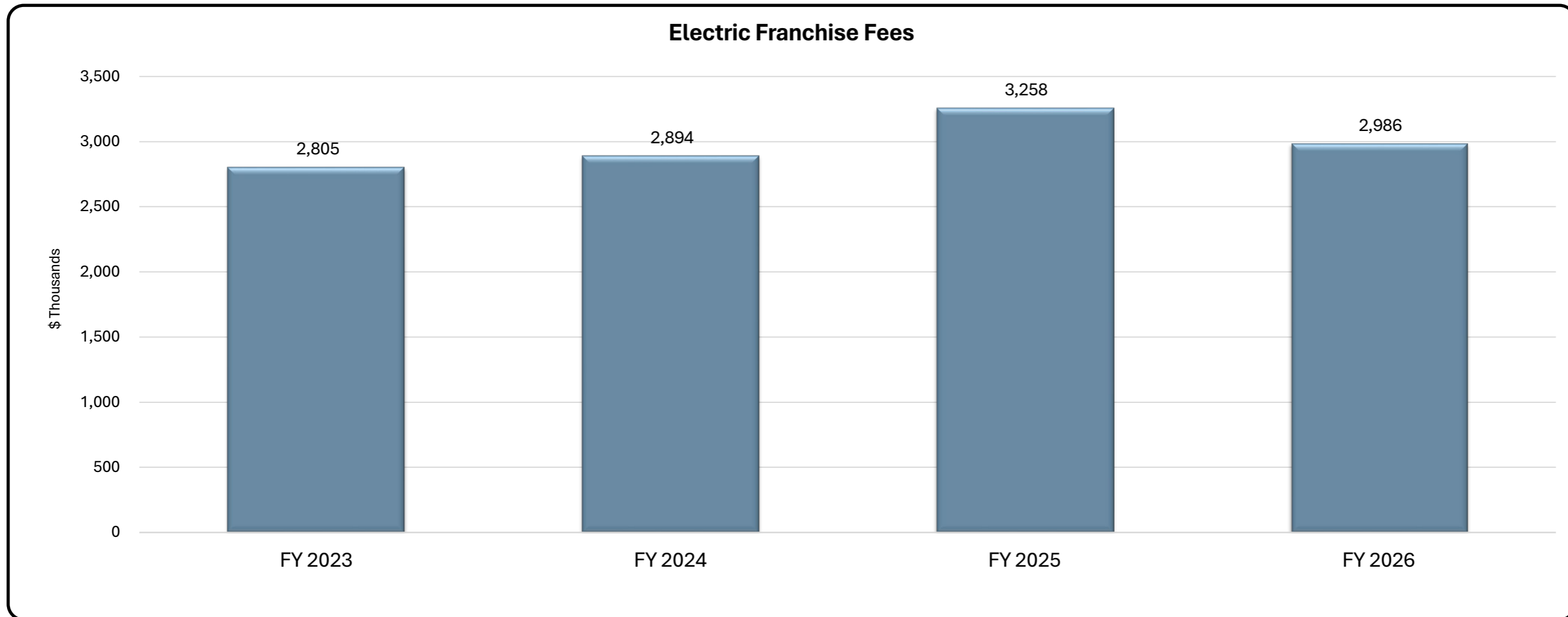
**Electric Franchise Fee Revenue
Revenues by Quarter/Fiscal Year
As of November 30, 2026**

Fiscal Year	Quarter 1	Quarter 2**	Quarter 3	Quarter 4	Total*
2023	580,877 21%	693,152 25%	703,541 25%	827,691 30%	2,805,261 100%
2024	590,376 20%	709,564 25%	691,427 24%	902,251 31%	2,893,618 100%
2025	632,749 19%	734,560 23%	845,620 26%	1,045,466 32%	3,258,395 100%
2026	700,506 23%	562,471 19%	- 0%	- 0%	2,985,758 42%

*Total for FY 2026 uses projected amount

**FY 2026 Quarter 2 only includes 2 months; prior years include all 3 months

FY2026 Total Projection is based on the average collections for the last three fiscal years.



Represents monthly remittance of franchise fee charged by Palmetto Electric on all electricity usage within the Town for the previous month.

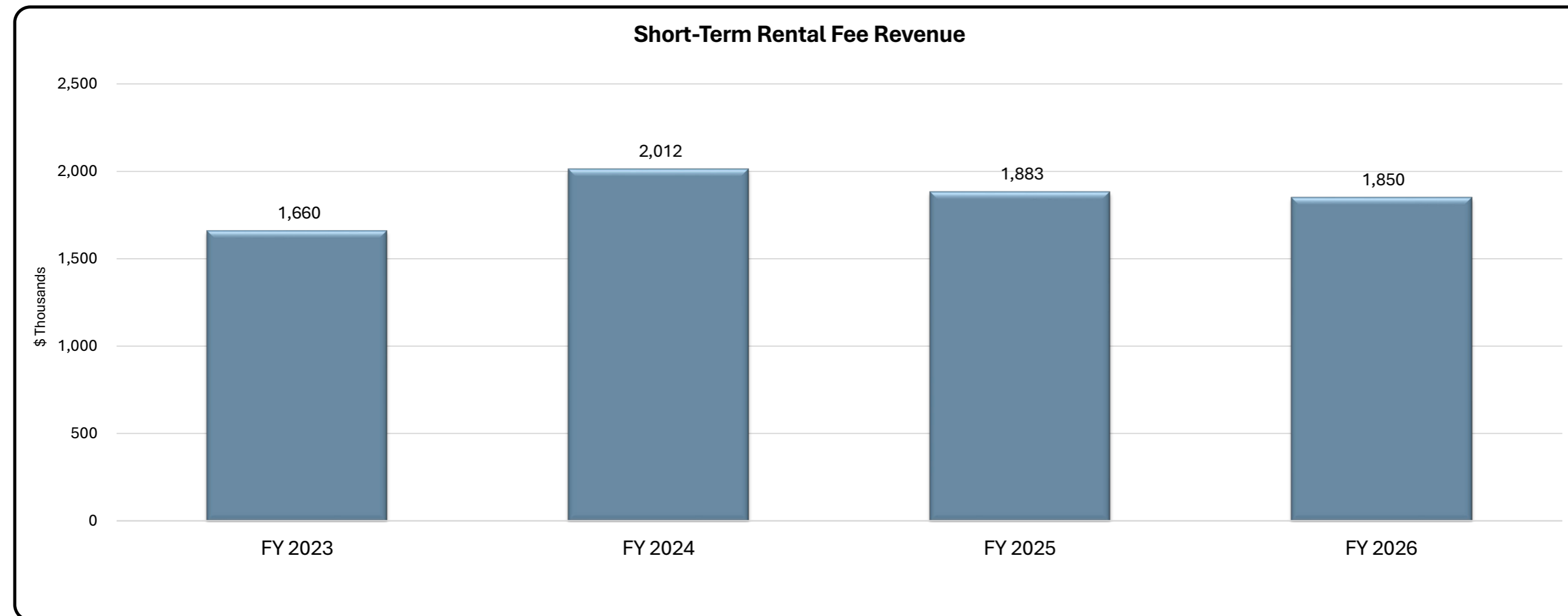
**Short-Term Rental Fee Revenue
Revenues by Quarter/Fiscal Year
As of November 30, 2026**

Fiscal Year	Quarter 1	Quarter 2**	Quarter 3	Quarter 4	Total*
2023	- 0%	- 0%	1,350,261 81%	309,250 19%	1,659,511 100%
2024	113,000 6%	1,341,750 67%	389,500 19%	168,245 8%	2,012,495 100%
2025	68,750 4%	1,379,500 73%	282,250 15%	152,000 8%	1,882,500 100%
2026	130,500 7%	1,132,477 61%	- 0%	- 0%	1,850,000 68%

*Total for FY 2026 uses projected amount

**FY 2026 Quarter 2 only includes 2 months; prior years include all 3 months

FY2026 Total Projection is based on fee of \$250 per license



For FY26 Revenue represent collection of \$250 permit fee per license for each property offered as a short-term rental. Permit fee is valid from January to December with majority of the revenue collected during the second quarter.

**All Special Revenues
Revenues by Quarter/Fiscal Year
As of November 30, 2026**

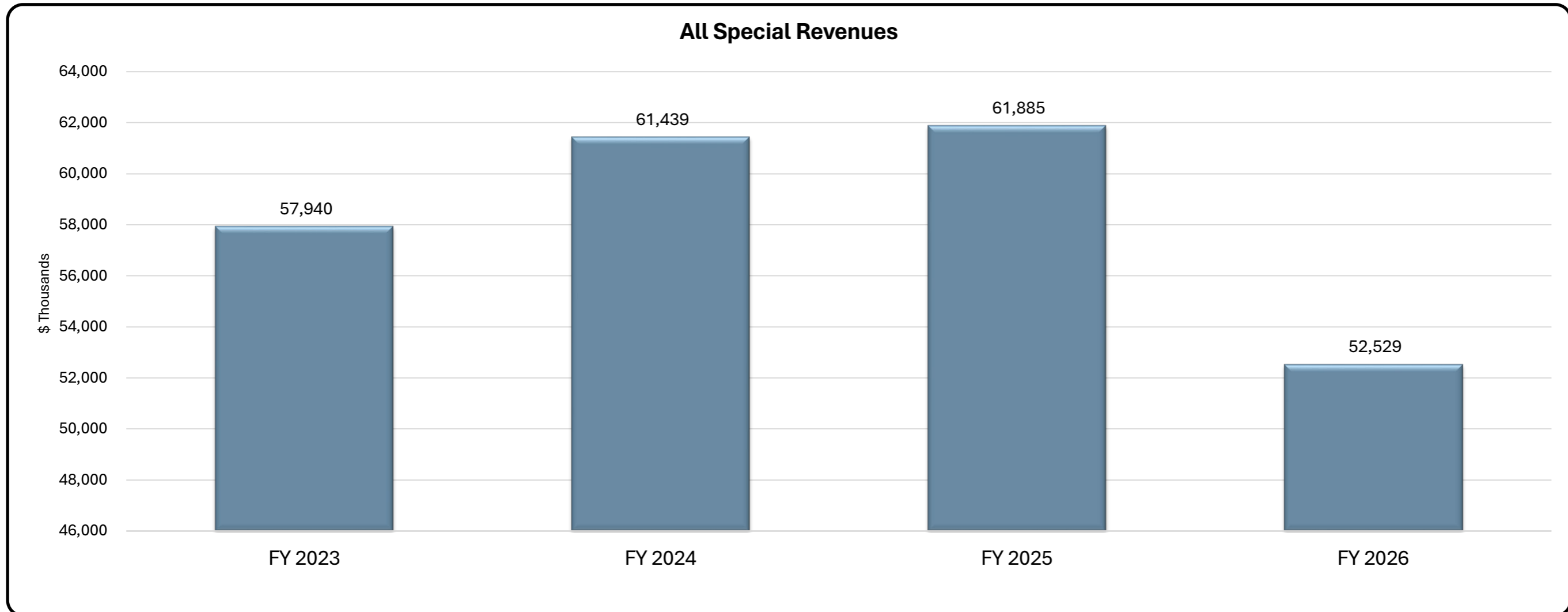
Fiscal Year	Quarter 1	Quarter 2**	Quarter 3	Quarter 4	Total*	
2023	4,887,642 8%	16,230,193 28%	16,232,157 28%	20,590,234 36%	57,940,226 100%	1
2024	6,267,449 10%	17,493,121 28%	15,606,600 25%	22,072,208 36%	61,439,377 100%	1
2025	6,260,192 10%	18,032,825 29%	16,373,288 26%	21,218,347 34%	61,884,651 100%	2
2026	7,752,510 15%	13,571,021 26%	- 0%	- 0%	52,529,168 41%	

*Total for FY 2026 uses projected amount and includes investment income

**FY 2026 Quarter 2 only includes 2 months; prior years include all 3 months

1 - FY2025 was final year of TIF collections (FY25 \$3.259M, FY24 \$7.845m and FY23 \$6.444M)

2 - 4th quarter FY 2025 beach preservation fees includes \$2.6M in proceeds received from the Airbnb settlement

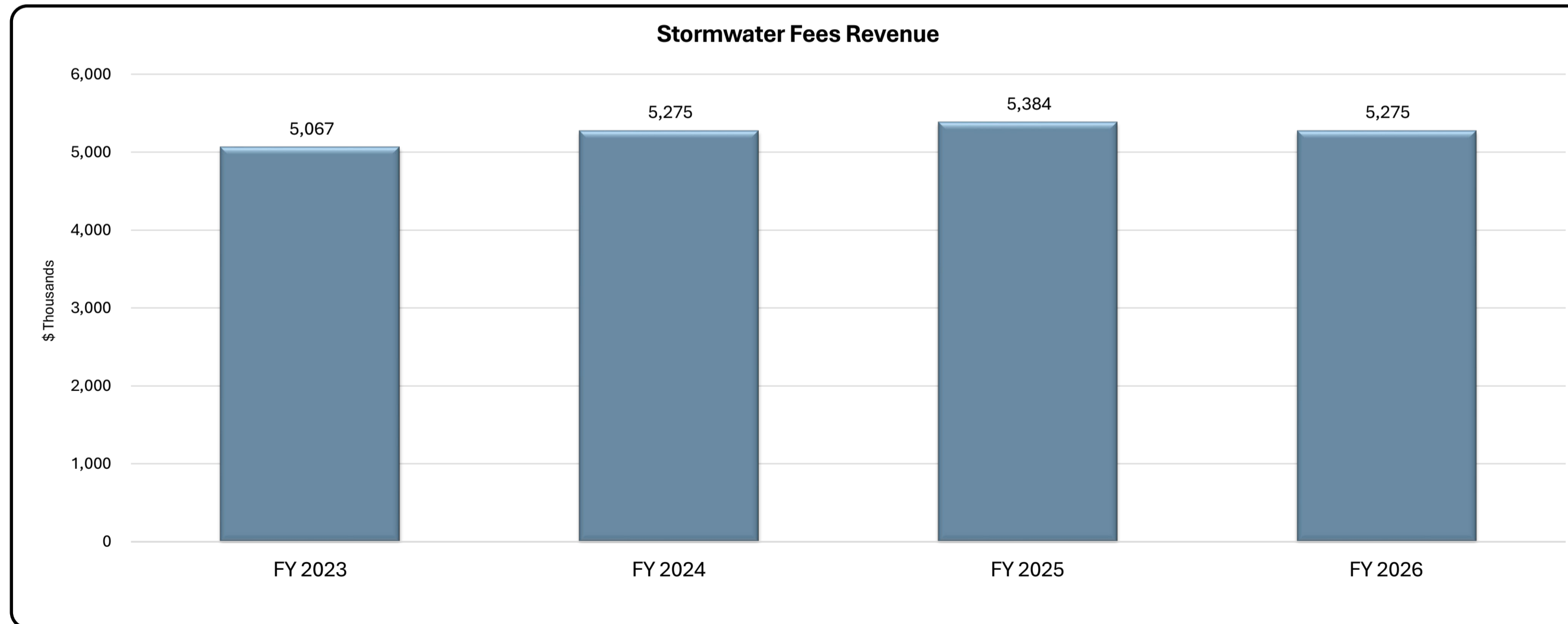


**Stormwater Utility Fee Revenue
Revenues by Quarter/Fiscal Year
As of November 30, 2026**

Fiscal Year	Quarter 1	Quarter 2**	Quarter 3	Quarter 4	Total*
2023	29,193 1%	690,657 14%	4,227,573 83%	119,175 2%	5,066,598 100%
2024	40,560 1%	259,977 5%	4,755,953 90%	218,545 4%	5,275,035 100%
2025	40,725 1%	603,199 11%	4,581,118 85%	159,222 3%	5,384,264 100%
2026	44,283 1%	158,854 3%	- 0%	- 0%	5,275,035 4%

*Total for FY 2026 uses budget amount

**FY 2026 Quarter 2 only includes 2 months; prior years include all 3 months



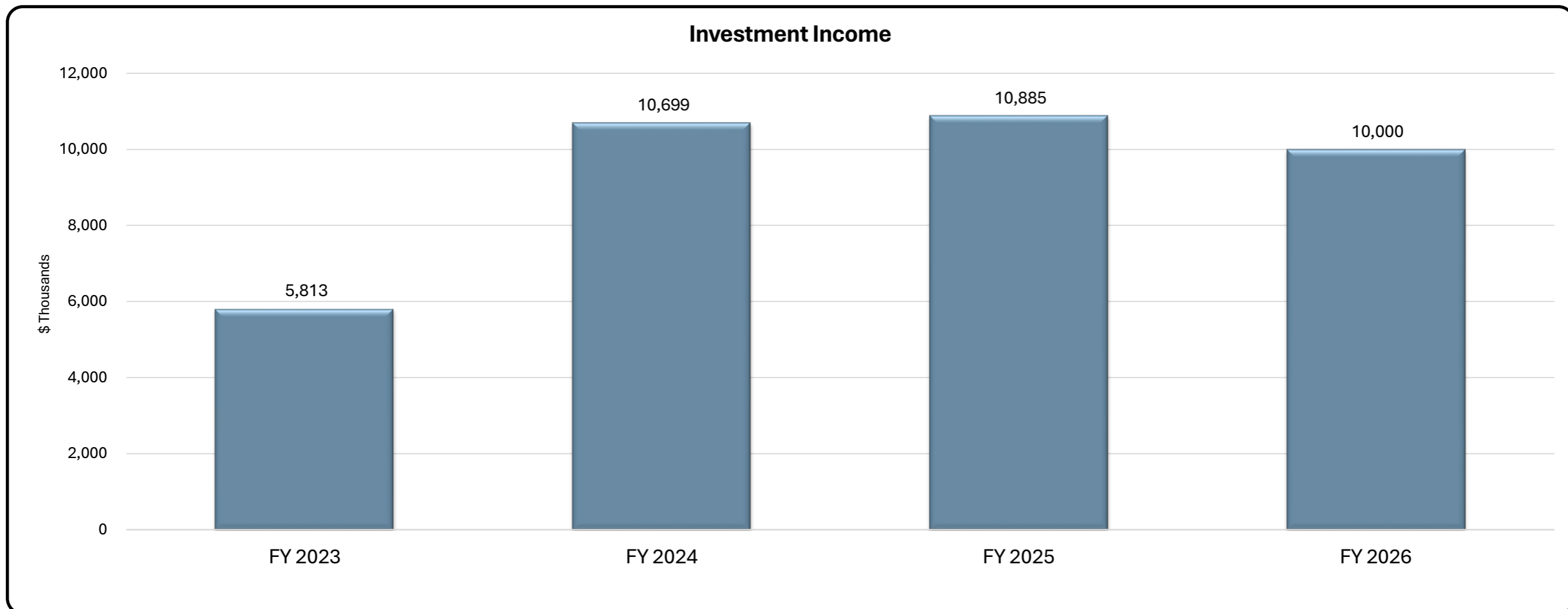
Fees charged and collected by Beaufort County on all real property in the County. Fee collections are remitted to the Town monthly that include an administrative fee and an 80/20 allocation based a properties impervious area (square footage/structure type) and gross area (acres). Majority of revenue collections occur during the months of December and January.

**Investment Income (All Funds)
Revenues by Quarter/Fiscal Year
As of November 30, 2026**

Fiscal Year	Quarter 1	Quarter 2**	Quarter 3	Quarter 4	Total*
2023	689,607 12%	1,581,497 27%	2,315,051 40%	1,227,109 21%	5,813,264 100%
2024	2,557,765 24%	2,949,717 28%	2,588,816 24%	2,603,169 24%	10,699,467 100%
2025	3,373,043 31%	1,954,497 18%	2,594,035 24%	2,963,627 27%	10,885,202 100%
2026	2,577,426 26%	1,355,361 14%	- 0%	- 0%	10,000,000 39%

*Total for FY 2026 uses projected amount

**FY 2026 Quarter 2 only includes 2 months; prior years include all 3 months



**All Town Revenues (Net of Transfers)
Revenues by Quarter/Fiscal Year
As of November 30, 2026**

Fiscal Year	Quarter 1	Quarter 2**	Quarter 3	Quarter 4		Total*
2023	8,565,185 7%	25,403,790 21%	51,109,057 42%	37,078,380 30%		122,156,412 100%
2024	12,115,708 9%	28,874,899 22%	49,064,518 38%	40,310,562 31%		130,365,687 100%
2025	12,509,858 9%	27,161,464 20%	50,063,122 37%	45,429,407 34%	1,2,3	135,163,850 100%
2026	12,659,735 10%	19,659,647 16%	- 0%	- 0%		123,377,731 26%

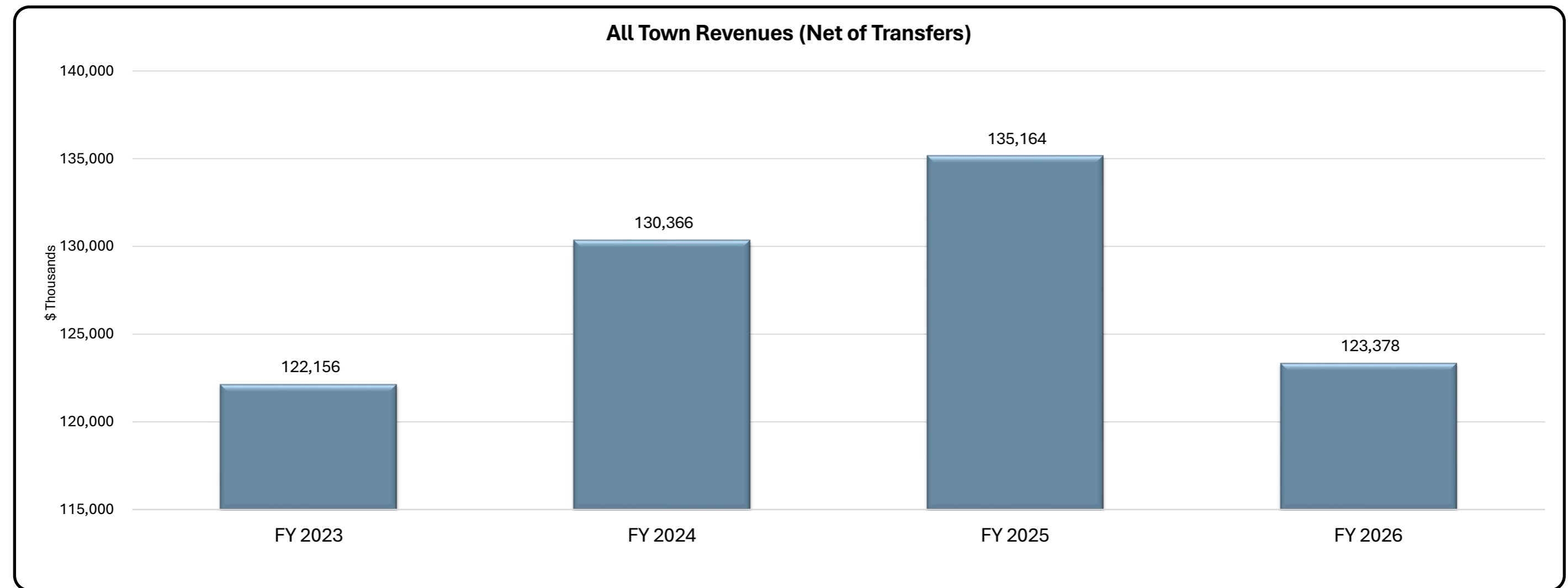
*Total for FY 2026 uses projected amount

1 - 4Q includes \$5.614M AirBnB settlement

2 - 4Q includes \$1.243M grant from Beaufort County - greenspace

3 - FY2025 includes \$3.602M TIFF revenues and associated investment earnings

**FY 2026 Quarter 2 only includes 2 months; prior years include all 3 months





MONTHLY TREASURY UPDATE

November 2025

SUMMARY OF CURRENT CASH POSITIONS

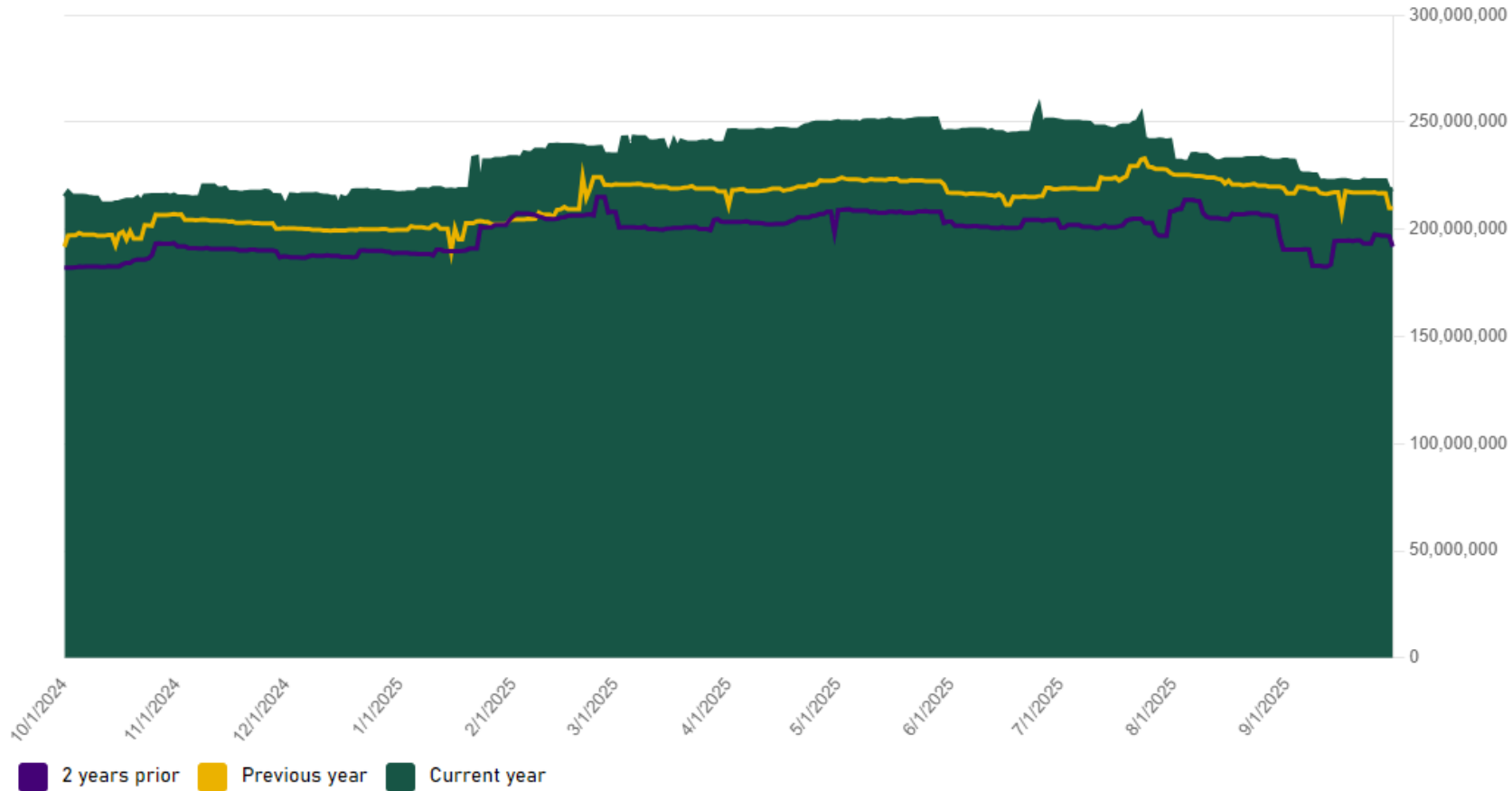
AS OF 11/30/2025

	Total Amount	% of Total
Cash	\$1,532,446.55	0.6%
LGIP	\$101,820,163.93	42.5%
Fixed Income	\$136,500,000.00	56.9%
Total	\$239,852,610.48	

Bank Account	Dollars
SC LGIP Accounts	
General Fund	\$19,117,630.32
Opioid	\$286,016.71
Fire Truck Lease	\$2,438,005.72
CDC	\$1,686,149.84
Palmetto Electric	\$1,497,779.39
Beach Preservation	\$23,290,779.08
HTAX	\$6,750,738.99
Real Estate Transfer	\$12,954,830.48
TIF	\$3,275,689.97
SWU	\$13,598.72
CIP	\$10,995,735.66
ATAX	\$4,312,575.94
Debt Service	\$13,776,396.48
Disaster	\$1,423,236.63
2025 BPF Bonds Construction	\$1,000.00
LGIP Total	\$101,820,163.93
Fixed Income Investments	
	\$136,500,000.00
Cash Accounts	
Insured Investment	\$1,489,891.03
EMS	\$13,817.64
Short Term Rentals	\$8,668.19
Credit Card Processing Account	\$20,069.69
Cash Account Total	\$1,532,446.55
Total	\$239,852,610.48

CASH POSITION HISTORY

AS OF 9/30/2025



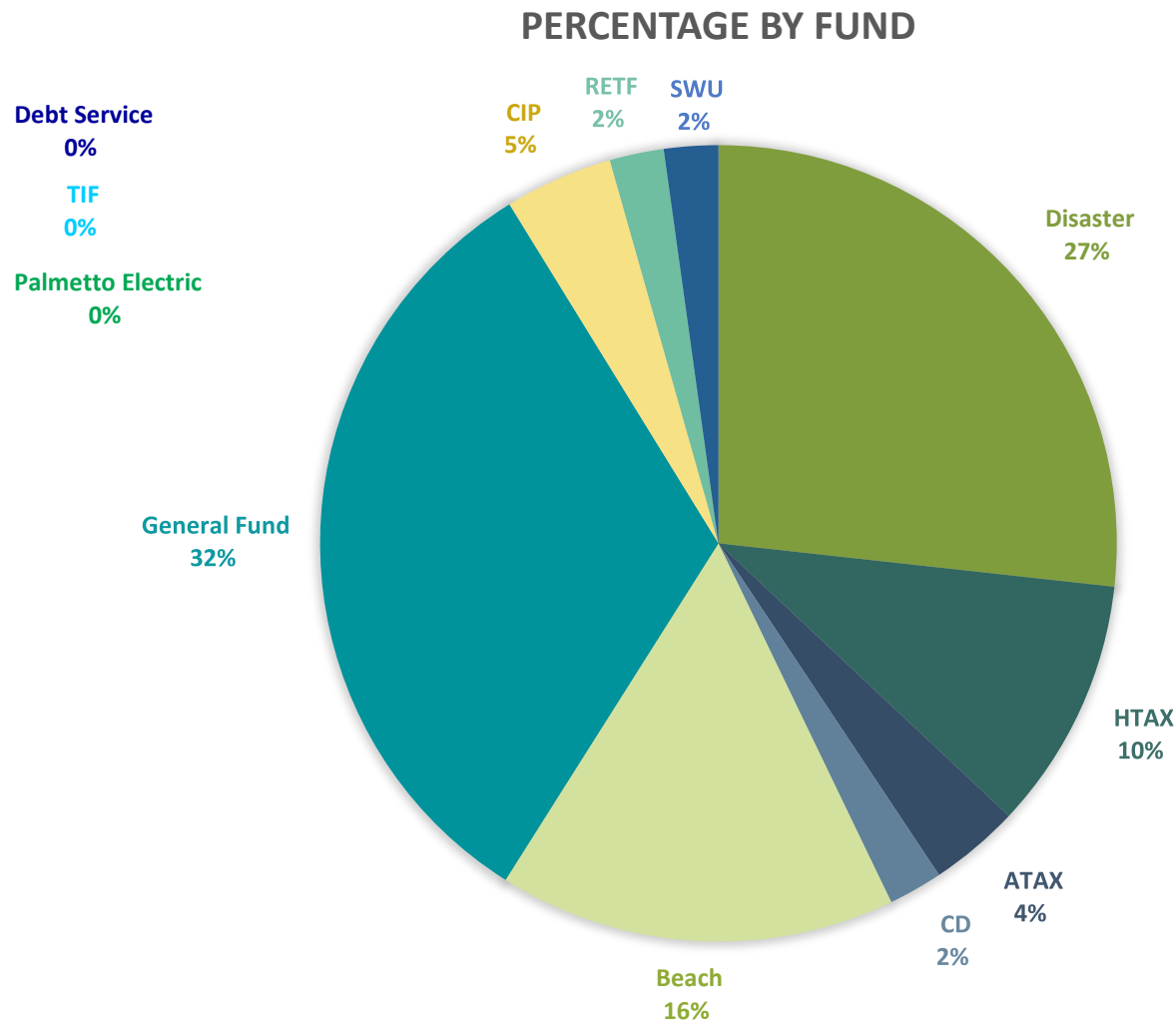
cashVest Analysis

- The Town's cash position continued to remain above the prior two years' levels.
- As of September 30, overall balances were up by \$3.4 million year-over-year.
 - This single-day data point aligns with the three-month and twelve-month trailing averages
- The Town's average balance for the most recent quarter was \$13.6 million higher than the same period last year.
- The year-over-year annual average balances increased by \$20.0 million.

*This chart/data is from our cashVest portal and is updated on a quarterly basis. The next update will be for October – December 2025.

FIXED INCOME INVESTMENTS

AS OF 11/30/2025



Current Fixed Income Investments		
Treasuries	\$116,500,000	85%
Agencies	\$20,000,000	15%
Total	\$136,500,000	

November Investment Activity

-2 Securities Matured in November

- ATAX Fund - T-Note - \$3,000,000
 - Decision: Reinvest in an agency for 1 year with a maturity date of 9/24/2026 @ 3.68%
- Disaster Fund – Agency - \$3,000,000
 - Decision: Reinvest in a T-Note for 15-months with a maturity date of 12/31/2026 @ 3.63%

-There were no new security purchases made in November, only reinvestments.



TOWN OF HILTON HEAD ISLAND

Finance & Administrative Committee

TO: Finance & Administrative Committee
FROM: Ben Brown, Director of Strategic Initiatives
CC: Marc Orlando, ICMA-CM, Town Manager
Shawn Leininger, Deputy Town Manager
Curtis Coltrane, Town Attorney
DATE: January 12, 2026
SUBJECT: Consideration of a Resolution to Approve a Sponsorship Agreement with the Heritage Classic Foundation for the 2026 RBC Heritage Golf Tournament

RECOMMENDATION:

Consideration of a Resolution to Approve a Sponsorship Agreement with the Heritage Classic Foundation for the 2026 RBC Heritage Golf Tournament.

BACKGROUND:

The Town has historically served as a sponsor of the RBC Heritage Golf Tournament.

The proposed 2026 Sponsorship Agreement, included as Attachment 1, requests that the Town maintain its financial sponsorship at \$400,000, consistent with the Town's contribution in 2025. In exchange, the Town will continue to receive recognition as a sponsor across a variety of the tournament's promotional materials.

The 2025 tournament attracted an estimated 120,000 attendees to Hilton Head Island over the course of tournament week. The RBC Heritage Golf Tournament is estimated to generate approximately \$135 million in annual economic impact for South Carolina.

ATTACHMENTS:

1. Resolution to Approve the 2026 RBC Heritage Sponsorship Agreement
2. 2026 RBC Heritage Presented by Boeing Sponsorship Agreement

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF
HILTON HEAD ISLAND, SOUTH CAROLINA, AUTHORIZING THE
EXECUTION AND DELIVERY OF A SPONSORSHIP AGREEMENT FOR THE
2026 “RBC HERITAGE PRESENTED BY BOEING,” AND THE COMPLETION
OF THE OBLIGATIONS OF THE TOWN DESCRIBED IN THE
SPONSORSHIP AGREEMENT**

WHEREAS, the 2026 “RBC Heritage Presented by Boeing” is a major PGA Tour event that will take place on the Harbour Town Golf Links, in Sea Pines Resort, in the Town of Hilton Head Island on April 13 – 19, 2026; and,

WHEREAS, the “RBC Heritage Presented by Boeing” draws many thousands of visitors from across the United States and the world to the Town of Hilton Head Island, South Carolina; and,

WHEREAS, the “RBC Heritage Presented by Boeing” has an economic impact on the Town of Hilton Head Island, South Carolina, in the tens of millions of dollars; and,

WHEREAS, the “RBC Heritage Presented by Boeing” provides an unparalleled opportunity for the Town of Hilton Head Island, South Carolina, to showcase the Town as a desirable destination for vacationers and permanent residents to a wide audience; and,

WHEREAS, the Town of Hilton Head Island, South Carolina, has purchased sponsorships of the “RBC Heritage Presented by Boeing” in previous years, and has determined that sponsorships have been beneficial to the Town and its citizens and residents; and,

WHEREAS, the Town of Hilton Head Island, South Carolina, has determined that same benefits will accrue from the purchase of a sponsorship for the 2026 “RBC Heritage Presented by Boeing,” as in the past, and that the participation of the Town of Hilton Head Island, South Carolina, as a sponsor is in the best interests of the Town and its citizens, residents, property owners, and businesses.

NOW, THEREFORE, BE IT, AND IT HEREBY IS, RESOLVED BY THE TOWN COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA:

- (a) the Town Council hereby approves the purchase of a sponsorship for the 2026 “RBC Heritage Presented by Boeing” for the sum of Four Hundred Thousand and no/100 (\$400,000.00) Dollars, all as is described in the 2026 “Heritage Presented by Boeing” Sponsorship Agreement that is attached hereto as Exhibit “A.”
- (b) The Mayor and Town Manager are authorized to execute and deliver the 2026 “Heritage Presented by Boeing” Sponsorship Agreement, and to take all other and further actions as are necessary to fulfill the Town’s obligations under the terms of the Agreement.

MOVED, APPROVED, AND ADOPTED THIS _____ DAY OF _____, 2026.

**TOWN OF HILTON HEAD ISLAND,
SOUTH CAROLINA**

By: _____
Alan R. Perry, Mayor

ATTEST:

Kimberly Gammon, Town Clerk

APPROVED AS TO FORM:

Curtis L. Coltrane, Town Attorney

**EXHIBIT "A" TO RESOLUTION APPROVING 2026 RBC HERITAGE PRESENTED BY
BOEING SPONSORSHIP AGREEMENT**

**TOWN OF HILTON HEAD ISLAND
BEAUFORT COUNTY, SOUTH
CAROLINA**

**2026 RBC Heritage Presented by Boeing
Sponsorship Agreement**



TOWN OF HILTON HEAD ISLAND

RBC Heritage Presented by Boeing

April 13-19, 2026

THIS AGREEMENT made this _____ day of _____, 2025, by and among HERITAGE CLASSIC FOUNDATION (hereinafter referred to as “Heritage”), a South Carolina not-for-profit corporation and the TOWN OF HILTON HEAD ISLAND (hereinafter referred to as “TOWN”).

W I T N E S E T H

WHEREAS, Heritage contracts annually with the PGA TOUR, Inc. (hereinafter sometimes referred to as “PGA TOUR”) to conduct a PGA TOUR sanctioned golf tournament known as the RBC Heritage Presented by Boeing (the “Tournament”) on the Harbour Town Golf Links (the “Golf Course”) in Sea Pines Resort, Hilton Head Island, South Carolina, such contracts to be hereinafter referred to as the “PGA TOUR Agreement”;

WHEREAS, the Tournament provides significant economic impact and publicity to the Town of Hilton Head Island and;

WHEREAS, TOWN desires to become a non-named sponsor of the Tournament under the terms and conditions set forth herein.

NOW, THEREFORE for valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, the parties hereto agree as follows:

The above WHEREAS clauses are hereby incorporated into the body of this agreement.

1. DURATION

The Agreement shall begin upon the date of signing of this agreement and concluding December 31st, 2026; provided, however, in the event Heritage enters into an agreement with a title sponsor or with a title and presenting sponsor for more than one year, then the term shall be the same as that in the title/presenting sponsor agreements but not beyond 2026.

2. TOURNAMENT NAME AND LOGO

Any use of the tournament name and logo is prohibited without the written consent of the Heritage. The rights to use the tournament name and logo are reserved for official marketing partners only. Exceptions to this rule could be made for the purposes of client gifting, apparel, client invitations and other branded items used to execute hospitality with written consent.

The Tournament shall be known as the “RBC Heritage Presented by Boeing.” **Promotional materials must be approved by the Heritage Classic Foundation before they are put into use, that includes the OFFICIAL Tournament mention. Such materials must be sent to the Heritage for approval at least 48 hours prior to scheduled production.**

Heritage reserves the right to change the name of the Tournament and the official logo. If a change is made, TOWN agrees to refer to the Tournament by the new name and to use the new name from the date of being notified by Heritage of a change in name or official logo.

3. PRIVILEGES

Heritage accepts and designates TOWN as an Official sponsor of the Tournament for the term of this agreement.

Heritage will provide or cause to be provided to TOWN the following, upon request and without cost, for the use by TOWN personnel and their guests:

- a) TOWN will receive an upper tier logo placement in the Official Pairings Guide, Wednesday through Sunday of Tournament week;
- b) TOWN will receive one (1) full page four (4) color ad in the Official Pairings Guide;
- c) TOWN will receive a listing and link on the official website www.rbcheritage.com;
- d) TOWN will receive a listing on the Tournament's Official video boards, Tuesday through Wednesday of Tournament week;
- e) TOWN will receive an upper tier placement on the year-round Sponsor Board;
- f) TOWN will receive a listing in the Official Media Guide;
- g) TOWN will provide the Official Welcome Message on the Bus DVD's and placement of one (1) thirty (30) second commercial ad within the running time on the video boards located on the Heritage Lawn.
- h) TOWN will receive the ability to connect with spectators onsite in an activation space, size and location that is mutually agreed upon by the parties. Tent, staged flooring, carpet and power will be provided by Heritage. TOWN will be responsible from the activation branding, manpower and activities.

4. FEE

TOWN agrees to pay Four Hundred Thousand Dollars (\$400,000) due no later than April 1, 2026. The sponsorship fee for the Privileges listed in Item #3 above will support the operational needs of the Tournament, including but not limited to transportation and marketing. Further, this contract may be terminated and all the rights and privileges under this Agreement shall be forfeited if payment of the Sponsor fee is not paid within ten (10) days of being given written notice by Heritage that the Sponsor fee has not been paid. In addition to the forfeiture of all privileges, a default under this Agreement which is not timely cured shall also result in the forfeiture of all money paid to date as liquidated damages. Time shall be of the essence regarding the provisions of this section.

5. INDEMNIFICATION

Heritage agrees to hold harmless TOWN, its subsidiaries, successors and assigns from and against all claims, damages, issues and expenses including reasonable attorneys' fees, arising out of or resulting from the Tournament or any of its related activities, provided that any such claims, damages, loss or expense (1) is attributed to bodily injury or property damage, and (2) is caused in whole or in part by any negligent act or omission of Heritage and not proximately caused in whole or in part by TOWN.

TOWN agrees to hold harmless Heritage, from and against all claims, damages, issues and expenses, including reasonable attorney's fees, arising out of or resulting from TOWN use of the Tournament facilities and the skybox/tent or its related activities, provided that any such claims, damages, loss or expense (1) is attributable to bodily injury or property damage, or claims by suppliers, guest, or third parties of TOWN; and (2) is caused in whole or in part by any negligent act or omission of TOWN and not proximately caused by Heritage.

6. WARRANTIES AND REPRESENTATIONS

For the term of this Agreement, Heritage warrants and represents to TOWN:

- i. Heritage has the authority to enter into this Agreement and has obtained all permissions and consents necessary to fulfill Heritage's obligations under this Agreement;
- ii. The Tournament will be sanctioned as a scheduled event on the PGA TOUR and televised live by The Golf Channel and CBS;
- iii. Heritage has a valid cosponsor Agreement with the PGA TOUR for the Tournament;
- iv. The Tournament will be held principally to raise proceeds for charity and a substantial majority of Tournament personnel will be volunteers.

7. CANCELLATION OF THE TOURNAMENT

In the event the Tournament or portions of the Tournament are cancelled due to inclement weather or other event (such as acts of God, earthquakes, tornadoes, hurricanes, malicious mischief, flood, insurrections, riots, labor disturbances, public enemy/terrorist activity, war, epidemics, pandemics, explosives, court orders or injunctions beyond the reasonable control of Heritage) during the Tournament or within thirty (30) days prior to the Tournament, Heritage shall have no obligation to refund any portion of the fee paid by TOWN to date.

Should TOWN cancel the Agreement at any time the following cancellation percentage will apply:

- Signing of Agreement to 120 Days of Tournament: 25% of Fee retained by Heritage
- Signing of Agreement to 90 Days of Tournament: 50% of Fee retained by Heritage
- Signing of Agreement to 60 Days of Tournament: 75% of Fee retained by Heritage
- Signing of Agreement to 30- 0 Days of the Tournament: 100% of Fee retained by Heritage

The cancellation percentage will also apply to multiple year Agreements.

8. MISCELLANEOUS

- a) No person not a party to this Agreement shall have any equitable or other rights by virtue of this Agreement.
- b) If any term or provision of this Agreement should be determined to be invalid or unenforceable, such term or provision shall, if possible, be changed to the most minor extent necessary to make it valid and enforceable and to carry out the intent of the parties. In such event, all remaining terms and provisions of this Agreement shall remain in full force and effect with such change or without the effected term or provision, as the case may be.
- c) This Agreement constitutes the entire agreement of the parties and supersedes all prior written and all contemporaneous oral agreements, understandings, and negotiations between the parties.
- d) This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one and the same documents.
- e) This Agreement and any rights herein granted are personal to the parties hereto, and shall not be assigned, sublicensed, encumbered, or otherwise transferred by any party without the prior written consent of the parties. Any attempt at volatile assignment, sublicense, encumbrance, or other transfer, whether voluntary or by operation of law, shall be void and of no force and effect.
- f) Failure of any party to complain of any act or omission on the part of any other party, no matter how long the same may continue, shall not be deemed to be a waiver by any party of its rights under this Agreement.
- g) This Agreement shall be binding on the parties hereto, their successors, assigns and legal representatives.
- h) Notice by any party is deemed given when personally delivered or mailed, postage prepaid, addressed to the other parties at the address appearing below.
- i) In the event either party must resort to litigation to protect or enforce its rights hereunder, the prevailing party is entitled to recover its reasonable attorney's fees and costs.

**HERITAGE
CLASSIC
FOUNDATION**

Simon Fraser, Chairman
Heritage Classic Foundation
Post Office Box 3244
Hilton Head Island, SC 29928

TOWN OF HILTON HEAD ISLAND

(name) _____

(company) _____

(address) _____

(city, state, zip) _____

WITNESSETH WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

HERITAGE CLASSIC FOUNDATION

By: _____

Its: _____

Date: _____

TOWN OF HILTON HEAD ISLAND

By: _____

Its: _____

Date: _____