



Town of Hilton Head Island

Finance and Administrative Committee Meeting

Tuesday, August 27, 2024, 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 July 9, 2024
- 4. New Business**
 - a. Monthly Financial Report and Presentation - Adriana Burnett, Finance Director
- 5. Public Comment - Non Agenda Items**
- 6. Adjournment**

FOIA Compliance: Public notification of this meeting has been published, posted, and distributed in compliance with the South Carolina Freedom of Information Act and the requirements of the Town of Hilton Head Island.

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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, July 9, 2024, 10:00 AM
Minutes**

Call to Order

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

Committee Members present: Alex Brown, Chair, Ward 1; Steve Alfred, Ward 5; Glenn Stanford, Ward 6 and Tamara Becker, Alternate, Ward 4

Adoption of the Agenda

Mr. Stanford moved to approve. Mr. Alfred seconded. Motion carried 3-0 (David Ames was absent).

Approval of the Minutes

Regular Meeting Minutes of April 9, 2024

Mr. Alfred moved to approve. Mr. Stanford seconded. Motion carried 3-0 (David Ames was absent).

New Business

Consideration of a Resolution Authorizing the Town Manager to Execute an Intergovernmental Agreement with Beaufort County for the William Hilton Parkway Safety and Pedestrian Improvements from Beach City Road to Dillon Road and along Palmetto Bay Road – Bryan McIlwee, PE, Director of Engineering

Bryan McIlwee, P.E., Director of Engineering, briefed the Committee on a proposed resolution authorizing the Town Manager to execute an Intergovernmental Agreement (IGA) with Beaufort County. This agreement pertains to safety and pedestrian improvements on William Hilton Parkway, specifically from Beach City Road to Dillon Road, as well as along Palmetto Bay Road. In January 2024, Town Staff and Beaufort County initiated discussions regarding potential funding for projects on Hilton Head Island. Beaufort County indicated that County Impact Fee funds were available for projects aimed at enhancing safety or increasing capacity on William Hilton Parkway and Palmetto Bay Road, with a goal of completing these projects by October 2024.

The two projects recommended by Staff are projects that meet the criteria and can be accomplished by the October 2024 deadline:

- William Hilton Parkway - Northridge Area Segment 3 Safety Improvements

This project will update crosswalk pavement markings and replace existing pedestrian crossing signs with a push button rectangular rapid flashing beacon (RRFB).

- William Hilton Parkway and Palmetto Bay Road Intersection Safety Improvements, Signage and Pavement Marking

This project will update pavement markings, street signs, and make minor safety improvements to intersections.

The IGA is in the amount of \$600,000 and was unanimously approved by Beaufort County Council on April 8, 2024.

Recommendation of the Resolution authorizing the Town Manager to execute an IGA with Beaufort County will allow Staff to implement the safety and pedestrian improvements from Beach City Road to Dillon Road and along Palmetto Bay Road to meet the October 2024 deadline.

The Committee raised questions about the use of rectangular rapid flashing beacons (RRFB), the proposed installation sites, and landscaping. Mr. McIlwee explained that the RRFB will be installed on the North End of the Island near the Oaks neighborhood, along with appropriate signage. The proposed landscaping for this segment is intended to help guide pedestrians to safer crossing points. An additional question was raised about obtaining the necessary permits from the South Carolina Department of Transportation (SCDOT). Mr. McIlwee noted that the Major Thoroughfares Corridor Plan will be presented to the Town Council this fall for adoption and approval, after which the entire document will be submitted to SCDOT for approval. Until then, the project will proceed in segments as permits are obtained.

Chair Brown asked for public comment.

Melinda Tunner: addressed the Committee stating her thoughts regarding if the projected safety improvements for pedestrians and bicyclists and the reimbursement from Beaufort County for \$600K to cover the project. She wanted to know if that reimbursement would cover all costs associated with this project. Mr. McIlwee stated that the reimbursement will4wfg receive will cover segment 3 for this project.

Mr. Alfred moved to forward the resolution to Town Council for consideration of approval. Mrs. Becker seconded. Motion carried 4-0.

Town of Hilton Head Island Finance Director Introduction – Adrina Burnett, Finance Director

Adriana Burnett, the Finance Director, introduced herself to the Committee and shared her observations from the past three months. She expressed her excitement about being on the Island and her commitment to her role. Mrs. Burnett emphasized that as the Town's Finance Director, she takes her responsibilities seriously and aims to transform the Finance Department from a process-driven organization to one that is more strategically focused and

analytical.

Mrs. Burnett values feedback not only from the Committee but also from the broader community. In her assessment of the department, she plans to implement three key pillars: People, Process, and Technology.

1. People: Mrs. Burnett noted that the finance team is dedicated and works tirelessly every day. Her goal is to restructure the department to improve efficiency, which will allow staff to focus on other areas, fostering both efficiency in processes and opportunities for professional development and growth.
2. Process: She highlighted the importance of community feedback, which she takes seriously. Currently, the challenge lies in how financial reporting is conducted. Mrs. Burnett identified a need for better understanding and explanation of financial data. She plans to shift toward more analytical reporting to improve forecasting, tracking, and clarity.
3. Technology: Mrs. Burnett aims to utilize the right tools to streamline processes. She believes in working smarter, not harder, and given that the Town is a \$167 million operation, she wants to ensure that the Committee has immediate access to the information they need.

The Committee expressed their approval and anticipation for the upcoming changes that Mrs. Burnett plans to implement. The enhancements to data reporting were especially well-received, as they will enable Committee Members to share financial information with their constituents more easily. While the Committee understands that these changes won't happen overnight, they are encouraged by Mrs. Burnett's commitment to positive transformation and are ready to support her throughout this transition period.

Public Comment-Non-Agenda Items

There was no request for public comment.

Adjournment

The meeting was adjourned at 10:25 a.m.

Approved:

The recording 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 and Administrative Committee
FROM: Adriana Burnett, Finance Director
CC: Marc Orlando, ICMA-CM, Town Manager
Josh Gruber, Deputy Town Manager

DATE: August 27, 2024
SUBJECT: 2024 Year End Financial Highlights

RECOMMENDATION:

Town staff recommends the Finance and Administrative Committee hear and discuss the preliminary 2024 year-end financial highlights presented by the Finance Director, with the understanding that these highlights are preliminary and subject to change as the year end closing process continues in the upcoming weeks.

BACKGROUND:

The Finance Department seeks to keep the Finance and Administrative Committee informed on all Town's financial activities, providing transparency and assisting with decision making for future strategies and initiatives. This preliminary financial information provides a preliminary view where 2024 year-end is trending compared to the last two years. Currently, the 2024 year-end shows an adequate net consolidated financial increase for both fund balances and other financing sources of 8% from last year's financials.

SUMMARY:

The Finance Director provides the Finance and Administrative Committee with 2024 year-end preliminary financial highlights providing a high-level view of year end results.



TOWN OF HILTON HEAD ISLAND

PRELIMINARY FYE 2024 FINANCIAL HIGHLIGHTS

August 27, 2024



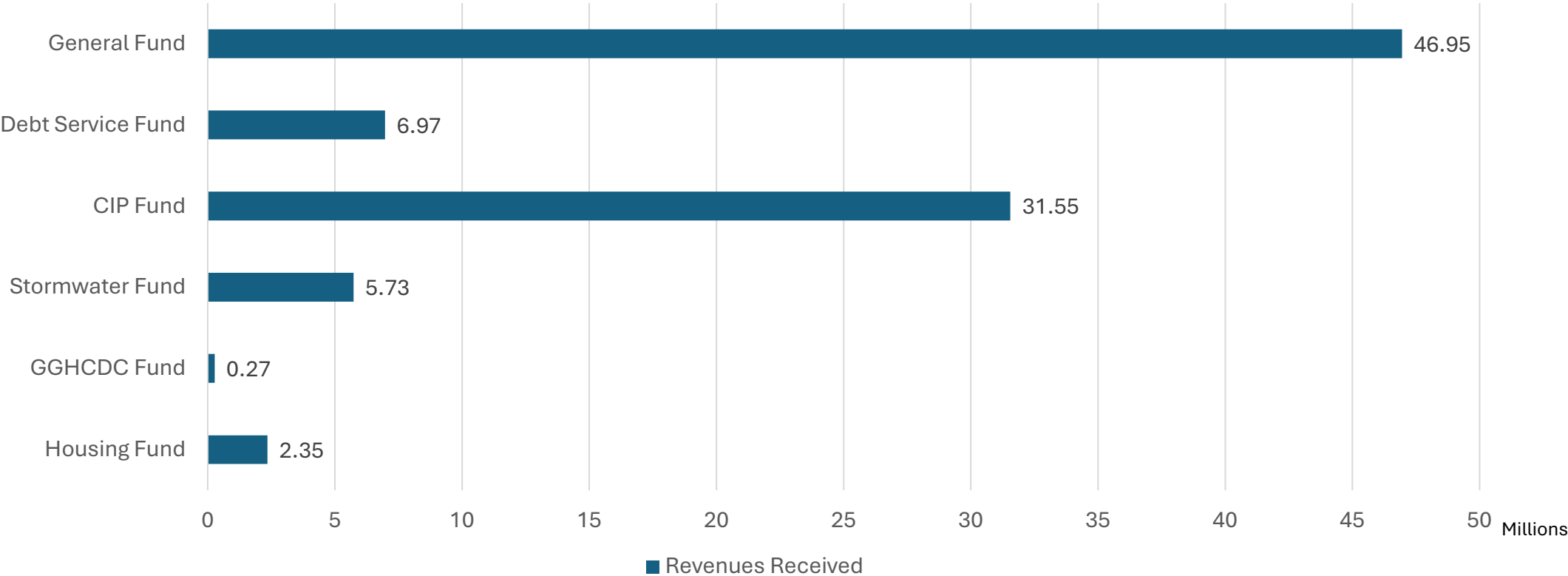


FUNDS REVENUE

Consolidated Funds Revenue Only

FYE 2024	%	FYE 2023	%	FYE 2022
\$93,819,867	24%	\$75,608,414	20%	\$63,255,379

FYE 2024 Funds Revenue





REVENUE HIGHLIGHTS

Preliminary Revenue Decreases

ATAX – State	Budgeted: \$13,828,654	Received: \$12,790,329	Difference: (\$1,038,325)
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Preliminary Revenue Increases

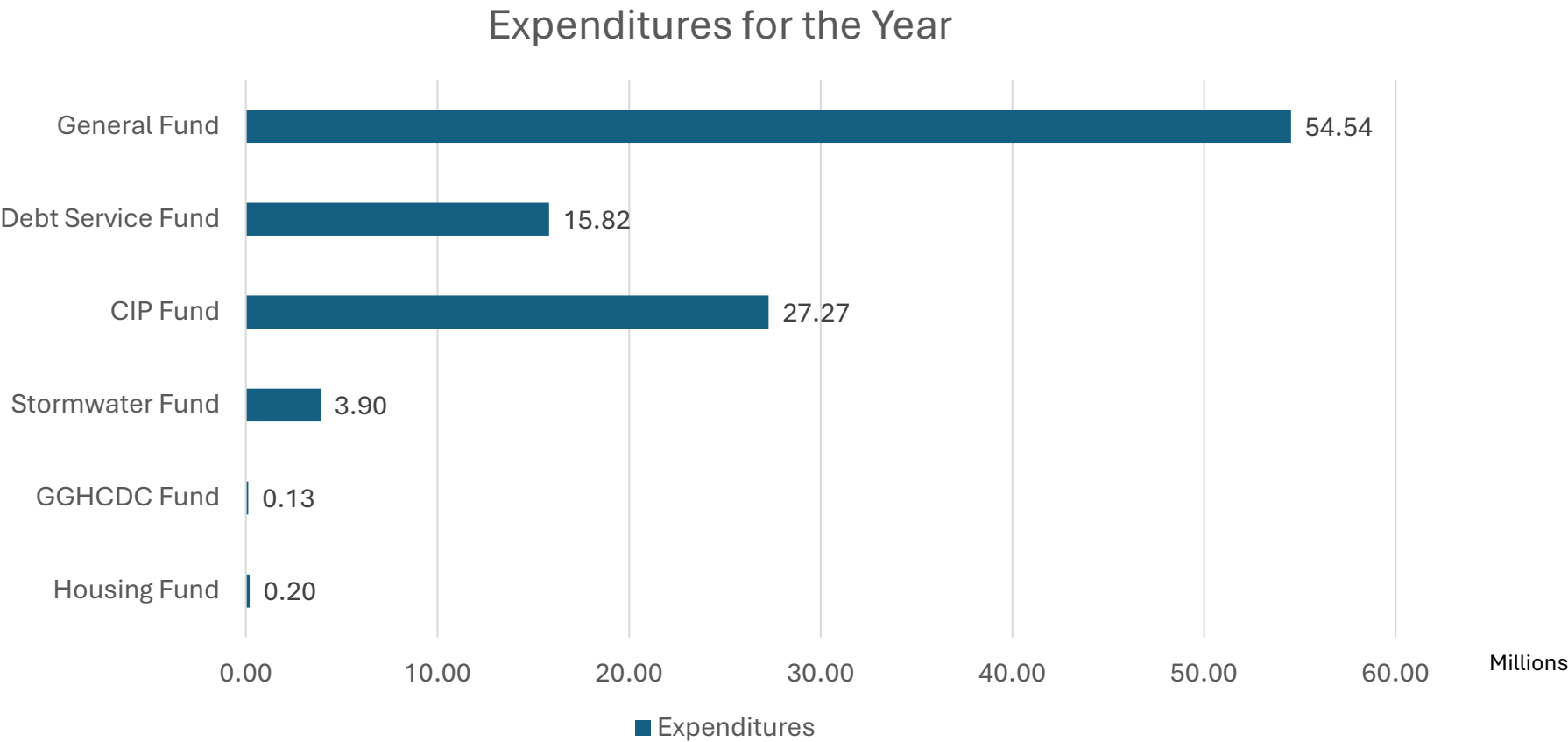
Investment Income	Budgeted: \$719,315	Received: \$10,699,425	Difference: \$9,980,110
Business Licenses	Budgeted: \$12,421,015	Received: \$14,749,382	Difference: \$2,328,368
Property Taxes	Budgeted: \$22,412,300	Received: \$24,582,416	Difference: \$2,170,116



FUNDS EXPENDITURES

Consolidated Funds Expenditures Only

FYE 2024	%	FYE 2023	%	FYE 2022
\$101,864,459	12%	\$91,244,080	26%	\$72,396,627





EXPENDITURE HIGHLIGHTS

Preliminary Expenditure Decreases

Operating (non-personnel)	Budgeted: \$17,912,923	Spent: \$14,642,065	Difference: (\$3,270,858)
Personnel & Benefits	Budgeted: \$36,525,601	Spent: \$35,860,967	Difference: (\$664,634)
CIP Projects	Budgeted: \$55,211,171	Spent: \$27,270,807	Difference: (\$27,940,364)

Preliminary Expenditure Increases

**None to Report - Preliminary



CONSOLIDATED PRELIMINARY FINANCIALS**

Year End Consolidated Financials Comparison

FYE 2024**	%	FYE 2023	%	FYE 2022
\$229,756,256	8%	\$211,421,584	11%	\$189,619,956

	BEGINNING BALANCE - 7/1/23	FYE 2024 REVENUES	FYE 2024 EXPENDITURES	FYE 2024 ENDING BALANCE	FYE 2023	FYE 2022
GENERAL FUND	\$ 33,502,808	\$ 46,953,890	\$ 54,541,460	\$ 25,915,238	\$ 33,502,808	\$ 29,062,865
DEBT SERVICE FUND	\$ 12,159,356	\$ 6,965,171	\$ 15,822,721	\$ 3,301,806	\$ 12,159,356	\$ 11,239,657
CIP FUND	\$ 3,402,646	\$ 31,549,021	\$ 27,270,807	\$ 7,680,860	\$ 3,402,646	\$ 8,796,482
STORMWATER UTILITY FUND	\$ 13,178,610	\$ 5,726,307	\$ 3,898,806	\$ 15,006,111	\$ 13,178,610	\$ 10,540,740
GGHNCDC FUND	\$ 5,415,560	\$ 275,478	\$ 129,142	\$ 5,561,896	\$ 5,415,560	\$ -
HOUSING FUND	\$ -	\$ 2,350,000	\$ 201,523	\$ 2,148,477	\$ -	\$ -
Sub-Total Funds Balance	\$ 67,658,980	\$ 93,819,867	\$ 101,864,459	\$ 59,614,388	\$ 67,658,980	\$ 59,639,744
Other Financing Sources	\$ 143,762,604	\$ 63,095,400	\$ 10,211,642	\$ 196,646,362	\$ 143,762,604	\$ 129,980,212
Transfers in/out		\$ 27,937,570	\$ 54,442,064	\$ (26,504,494)		
CONSOLIDATED PRELIMINARY FINANCIALS	\$ 211,421,584	\$ 184,852,837	\$ 166,518,165	\$ 229,756,256	\$ 211,421,584	\$ 189,619,956



FYE 2024 PRELIMINARY FINANCIALS BY CIP PROGRAM**

CIP Consolidated Expenditures:	FYE 2024	FYE 2023	FYE 2022
	\$27,270,807**	\$20,822,285	\$7,554,151

Program Name	FYE 2024 Budget	FYE 2024 Preliminary Actuals	Difference
Beach	\$4,842,216	\$2,728,198	(2,114,018)
Pathway	\$5,417,085	\$1,527,320	(3,889,765)
Roadway	\$6,734,923	\$2,784,777	(3,950,146)
Park	\$9,472,169	\$1,999,479	(7,472,690)
Facility & Equipment	\$6,213,083	\$3,702,357	(2,510,726)
Stormwater	\$1,840,000	\$1,088,427	(751,573)
Fleet	\$8,329,420	\$1,071,075	(7,258,345)
Land Acquisition & Administration	\$12,362,275	\$12,019,174	(343,101)
Housing / Transfer to Housing	\$0	\$350,000	350,000
Total	\$55,211,171	\$27,270,807	(\$27,940,364)



QUESTIONS?

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