HILTON HEAD NO.1 PUBLIC SERVICE DISTRICT

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**MINUTES**

**COMMISSION MEETING**

**FEBRUARY 26, 2020**

1. **Meeting called to order by the Commission Chairman, Mr. Bob Manne, at 9:00 a.m.**
2. **Those in attendance were:**

Mr. Bob Manne Chairperson

Mr. David McCoy Vice Chairperson

Mr. Gary Kratz Treasurer

Mr. Frank Drehwing Secretary

Mr. Herbert Ford Commissioner

Mrs. Patti Soltys Commissioner

Mr. Frank Turano Commissioner

Present by request:

Mr. Pete Nardi General Manager

Ms. Amy Graybill Finance Manager

Mr. Bill Davis Operations Manager

Mrs. Connie Whitehead Commission Recording Secretary

Visitor:

Terry Conway

1. **Pledge of Allegiance**

The Pledge of Allegiance was led by Mrs. Patti Soltys.

1. **Public Comment on Non-Agenda Items**

None

1. **Adoption of the Draft Minutes of the January 22, 2020, Regular Meeting**

Key Discussion Points

* Under the Adoption of Minutes section, the minutes were revised to reflect that the Dec. 18 meeting was called to order by Mr. Manne rather than Mr. McCoy.

Action

* Mr. Drehwing moved to adopt the minutes of the January 22, 2020, meeting as amended. Mr. Turano seconded. The motion passed unanimously.
1. **2020 Front Foot Assessment Resolution**

Key Discussion Points

* Ms. Graybill presented the Series 2020 Front Foot Assessment Revenue resolution for board adoption.
* The PSD’s last debt issuance was 2017, and the District is now at the 3-year mark to reissue and keep the tax-exempt status.
* Mr. Drehwing asked if the PSD sought quotes from other banks. Ms. Graybill said bond counsel’s opinion was the costs to engage with other banks would outweigh any savings the PSD would achieve by switching banks.

Action

* Mrs. Soltys moved to adopt the 2020 Front Foot Assessment Resolution. Mr. Kratz seconded. The motion passed unanimously.
1. **Stipend Withholding**

Key Discussion Points

* Recently, several commissioners inquired as to whether stipends should be subject to state and federal tax withholdings.
* It is the opinion of staff and the District’s external auditors that stipends should be subject to federal and state tax withholdings.
* Staff gave Form W-4s to each commissioner and asked that they complete and return them no later than March 25 so that withholding can begin with the April 2020 stipend.
* Mr. Drehwing disagreed with staff’s position based on talks with his personal CPA. He suggested the board table the discussion for further research on the matter.

Action

* Mr. Ford moved to accept staff’s recommendation to complete the W4s and begin withholdings in April 2020. Mr. McCoy seconded. The motion passed 6-1. Mr. Drehwing was opposed.
1. **Commissioner Stipend Frequency**

Key Discussion Points

* Commissioners are currently paid stipends on a monthly basis with a deposit on the first Friday following month end, requiring a separate payroll run each month in addition to the normal bi-weekly payroll runs.
* Administratively, this was done to accommodate the lack of federal and state tax withholdings.
* Staff is seeking the Commission’s preference on continuing this practice, or simplifying the payroll process by including board stipends as part of the PSD’s regularly scheduled bi-weekly payroll run.

Action

* Ms. Soltys moved to include board stipends in the PSD’s regularly scheduled bi-weekly payroll run. Mr. Ford seconded. The motion passed 6-0. Mr. Drehwing abstained.
1. **Second Quarter Financial Report**

Key Discussion Points

* Ms. Graybill presented the Second Quarter Financial Report. A copy is included in the agenda packet.
* The Finance Committee will meet for a budget review at 10 a.m. on April 22. They will also meet at 10 a.m. on Oct. 21 for an audit review.
1. **GM Report**

Key Discussion Points

* Mr. Nardi presented an update on PSD issues. A copy of his memo is included in the agenda packet.
1. **New Business**

Key Discussion Points

* Commissioners are encouraged to visit the PSD’s newly overhauled website. The upgrade was done by Bragg Media, the PSD’s public relations firm.
* The deadline to file as a candidate for the PSD’s 2020 commission election is Aug. 17 at noon.

1. **Adjournment**

Action

* Mr. Turano moved to adjourn the meeting. Mr. Kratz seconded. The motion passed unanimously. The meeting adjourned at 10:00 a.m.