

COUNTY COUNCIL OF BEAUFORT COUNTY
ADMINISTRATION BUILDING
BEAUFORT COUNTY GOVERNMENT ROBERT SMALLS COMPLEX
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D. PAUL SOMMERVILLE
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GERALD W. STEWART
VICE CHAIRMAN

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GERALD DAWSON
BRIAN E. FLEWELLING
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YORK GLOVER, SR.
ALICE G. HOWARD
STEWART H. RODMAN
ROBERTS "TABOR" VAUX

JOSHUA A. GRUBER
INTERIM COUNTY ADMINISTRATOR

THOMAS J. KEAVENY, II
COUNTY ATTORNEY

AGENDA
COUNTY COUNCIL OF BEAUFORT COUNTY
REGULAR SESSION
Tuesday, May 29, 2018
6:00 p.m.
Large Meeting Room, Bluffton Branch Library
120 Palmetto Way, Bluffton

1. CALL TO ORDER - 6:00 P.M.
2. REGULAR SESSION
3. PLEDGE OF ALLEGIANCE
4. INVOCATION – Councilman Brian E. Flewelling
5. ADMINISTRATIVE CONSENT AGENDA
 - A. Approval of Minutes
 1. May 14, 2018 Caucus (backup)
 2. May 14, 2018 Regular Session (backup)
 - B. Committee Reports (next meeting)
 1. Community Services (June 18, 2018 at 4:00 p.m., ECR)
 2. Executive (June 11, 2018 at 3:00 p.m., ECR)
 3. Finance (June 4, 2018 at 2:00 p.m., ECR)
 4. Governmental (June 4, 2018 at 4:00 p.m., ECR)
 5. Natural Resources (June 18, 2018 at 2:00 p.m., ECR)
 6. Public Facilities (June 11, 2018 at 1:00 p.m., ECR)
 - C. Boards and Commissions (backup)
6. RECOGNITION– Retirement of Mr. Tony Criscitiello, Community Development Director
7. PUBLIC COMMENT – Speaker sign-up encouraged no later than 5:45 p.m. day of meeting.
8. CONSENT AGENDA
 - A. FISCAL YEAR 2018-2019 AIRPORTS BUDGET PROPOSAL (ENTERPRISE FUND) (backup)
 1. Consideration of approval on second reading to occur May 29, 2018
 2. Public hearing – Monday, June 11, 2018 beginning at 6:30 p.m. in Council Chambers of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort
 3. First reading, by title only, approval occurred May 14, 2018 / Vote 11:0
 4. Finance Committee discussion and recommendation to approve ordinance on first reading occurred May 7, 2018 / Vote 6:1



- B. FISCAL YEAR 2018-2019 STORMWATER MANAGEMENT UTILITY BUDGET PROPOSAL (ENTERPRISE FUND) ([backup](#))
1. Consideration of approval on second reading to occur May 29, 2018
 2. Public hearing – Monday, June 11, 2018 beginning at 6:30 p.m. in Council Chambers of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort
 3. First reading, by title only, approval occurred May 14, 2018 / Vote 11:0
 4. Finance Committee discussion and recommendation to approve ordinance on first reading occurred May 7, 2018 / Vote 7:0
- C. AN ORDINANCE TO PROVIDE FOR APPROPRIATIONS FROM THE LOCAL ACCOMMODATIONS TAX FUND TO THE SANTA ELENA FOUNDATION IN THE AMOUNT NOT TO EXCEED \$100,000 TO PROVIDE FOR FEES ASSOCIATED WITH A TWO-YEAR LEASE EXTENSION FOR PROPERTY KNOWN AS THE DOWLING FAMILY LOT ([backup](#))
1. Consideration of approval on second reading to occur May 29, 2018
 2. Public hearing – Monday, June 11, 2018 beginning at 6:30 p.m. in Council Chambers of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort
 3. First reading approval occurred May 14, 2018 / Vote 11:0
 4. Finance Committee discussion and recommendation to approve ordinance on first reading occurred May 7, 2018 / Vote 7:0
- D. AN ORDINANCE TO PROVIDE FOR ALLOCATION OF FUNDS FOR BEAUFORT MEMORIAL HOSPITAL INDIGENT CARE, BEAUFORT / JASPER / HAMPTON COMPREHENSIVE HEALTH SERVICES, INC., ECONOMIC DEVELOPMENT, AND HIGHER EDUCATION BASED ON A MILLAGE AMOUNT TO BE DETERMINED BY THE ANNUAL BUDGET ORDINANCE ([backup](#))
1. Consideration of approval on second reading to occur May 29, 2018
 2. Public hearing – Monday, June 11, 2018 beginning at 6:30 p.m. in Council Chambers of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort
 3. First reading approval occurred May 14, 2018 / Vote 11:0
 4. Finance Committee discussion and recommendation to approve ordinance on first reading occurred May 7, 2018 / Vote 6:1
- E. TEXT AMENDMENT TO THE BEAUFORT COUNTY CODE OF ORDINANCES, CHAPTER 66, ARTICLE II, ACCOMMODATIONS TAX BOARD, DIVISION 1, SECTION 66-29 POWERS AND DUTIES (DMO/DESIGNATED MARKETING ORGANIZATION) ([backup](#))
1. Consideration of approval on second reading to occur May 29, 2018
 2. Public hearing – Monday, June 11, 2018 beginning at 6:30 p.m. in Council Chambers of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort
 3. First reading approval occurred May 14, 2018 / Vote 11:0
 4. Finance Committee discussion and recommendation to approve ordinance on first reading, occurred May 7, 2018 / Vote 7:0

- F. TEXT AMENDMENT TO THE BEAUFORT COUNTY CODE OF ORDINANCES, CHAPTER 66, ARTICLE II, ACCOMMODATIONS TAX BOARD, DIVISION 2, SECTION 66-47 MANAGEMENT AND USE OF LOCAL (3%) ACCOMMODATIONS TAX ([backup](#))
1. Consideration of approval on second reading to occur May 29, 2018
 2. Public hearing – Monday, June 11, 2018 beginning at 6:30 p.m. in Council Chambers of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort
 3. First reading approval occurred May 14, 2018 / Vote 11:0
 4. Finance Committee discussion and recommendation to approve ordinance on first reading occurred May 7, 2018 / Vote 6:0
- G. AN ORDINANCE AUTHORIZING THE INTERIM COUNTY ADMINISTRATOR TO EXECUTE NECESSARY DOCUMENTS TO GRANT AN EASEMENT AND MAINTENANCE AGREEMENT WITH THE CITY OF BEAUFORT FOR A PEDESTRIAN AND BICYCLE TRAIL CONNECTING THE CITY'S SOUTHSIDE PARK AND THE COUNTY'S ADJACENT PARK FACILITY AT 1405 BATTERY CREEK ROAD ([backup](#))
1. Consideration of approval on second reading to occur May 29, 2018
 2. Public hearing – Monday, June 11, 2018 beginning at 6:30 p.m. in Council Chambers of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort
 3. First reading approval occurred May 14, 2018 / Vote 11:0
 4. Public Facilities Committee discussion and recommendation to approve ordinance on first reading occurred April 23, 2018 / Vote 6:0
- H. CONDEMNATION FOR EASEMENT / FOUR TRACTS ASSOCIATED WITH THE PINE GROVE ROAD, KATO LANE AND BURLINGTON CIRCLE ([backup](#))
1. Consideration of approval to begin formal condemnation proceedings to occur May 29, 2018
 2. Natural Resources Committee discussion and recommendation of condemnation occurred May 21, 2018 / Vote 6:0
- I. CONDEMNATION FOR EASEMENT / JENKINS ROAD TRACT 15-103 ([backup](#))
1. Consideration of approval to begin formal condemnation proceedings to occur May 29, 2018
 2. Natural Resources Committee discussion and recommendation of condemnation occurred May 21, 2018 / Vote 6:0
- J. AUTHORIZATION TO ACQUIRE DRAINAGE EASEMENT ON BESSIES LANE AND YOUNG CIRCLE, UP TO, AND INCLUDING CONDEMNATION, IF NECESSARY ([backup](#))
1. Consideration of approval to acquire drainage easement, to include condemnation, if necessary, to occur May 29, 2018
 2. Natural Resources Committee discussion and recommendation to acquire drainage easement, to include condemnation, if necessary occurred May 21, 2018 / Vote 6:0

K. A RESOLUTION AUTHORIZING THE INTERIM COUNTY ADMINISTRATOR TO EXECUTE A MEMORANDUM OF UNDERSTANDING BETWEEN BEAUFORT COUNTY AND ROBERT L. GRAVES (OKATIE RIVER PARK AND DEVELOPMENT OF PEPPER HALL PLANTATION) ([backup](#))

1. Consideration of approval of Memorandum of Understanding to occur May 29, 2018
2. Natural Resources Committee discussion and recommendation to execute a Memorandum of Understanding occurred May 21, 2018 / Vote 6:0
3. Council subcommittee discussion and recommendation to execute a Memorandum of Understanding occurred May 15, 2018
4. Council subcommittee discussion occurred April 24, 2018
5. Council subcommittee discussion occurred April 17, 2018
6. Council subcommittee discussion occurred April 11, 2018
7. Council subcommittee discussion occurred March 29, 2018

9. PUBLIC HEARING – 6:30 P.M.

A. AN ORDINANCE AUTHORIZING THE PLACEMENT OF A QUESTION ON THE OFFICIAL BALLOT FOR THE GENERAL ELECTION TO BE CONDUCTED NOVEMBER 6, 2018, CONCERNING A PROPOSITION AUTHORIZING BEAUFORT COUNTY TO ISSUE GENERAL OBLIGATION BONDS (\$25 MILLION) TO ACQUIRE LANDS FOR PRESERVATION AND TO PAY CERTAIN COSTS AND DEBT SERVICE RELATED THERETO ([backup](#))

1. Consideration of approval on third and final reading to occur May 29, 2018
2. Second reading approval occurred May 14, 2018 / Vote 11:0
3. First reading approval occurred April 23, 2018 / Vote 5:4
4. Natural Resources Committee discussion and recommendation to approve ordinance on first reading occurred April 16, 2018 / Vote 3:2

B. FISCAL YEAR 2018-2019 BEAUFORT COUNTY BUDGET PROPOSAL ([backup](#))

1. Consideration of approval on second reading to occur May 29, 2018
2. First reading, by title only, approval occurred May 14, 2018 / Vote 11:0
3. Public hearing (2 of 2) – Monday, June 11, 2018 beginning at 6:30 p.m. in Council Chambers of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort
4. Finance Committee discussion occurred May 7, 2018
5. Finance Committee discussion occurred April 2, 2018

C. FISCAL YEAR 2018-2019 BEAUFORT COUNTY SCHOOL DISTRICT BUDGET PROPOSAL ([backup](#))

1. Consideration of approval on second reading to occur May 29, 2018
2. First reading, by title only, approval occurred May 14, 2018 / Vote 11:0
3. Public hearing (2 of 2) – Monday, June 11, 2018 beginning at 6:30 p.m. in Council Chambers of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort
4. Finance Committee discussion and recommendation to approve ordinance on first reading, by title only, occurred May 7, 2018 / Vote 7:0
5. Finance Committee discussion occurred April 2, 2018

10. MATTERS ARISING OUT OF EXECUTIVE SESSION

11. PUBLIC COMMENT - Speaker sign-up encouraged.

12. ADJOURNMENT

Official Proceedings
County Council of Beaufort County
May 14, 2018

The electronic and print media duly notified in
accordance with the State Freedom of Information Act.

A caucus of the County Council of Beaufort County was held Monday, May 14, 2018 beginning at 5:00 p.m. in the Executive Conference Room of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort, South Carolina.

ATTENDANCE

Chairman D. Paul Sommerville, Vice Chairman Gerald Stewart, and Council members Rick Caporale, Michael Covert, Gerald Dawson, Brian Flewelling, Steven Fobes, York Glover, Alice Howard, Stewart Rodman and Roberts "Tabor" Vaux present.

PLEDGE OF ALLEGIANCE

The Chairman led those present in the Pledge of Allegiance.

UPDATE / CONSULTING FIRM SCHEDULING

Chairman Sommerville provided members of Council with the County Administration Recruitment Schedule. May 11 was the deadline to submit resumes'. As of April 26, 2018, the consultant has received 16 applications which were lower than expected. The consultant, Mrs. Sarah McKee, Vice President, GovHR USA, was going to send a media blast for more candidates. She will review the resumes' and conduct Skype interviews between now and June 1, 2018. The consultant will be here on June 11 to submit a Recruitment Report. On June 25, 2018, Council will conduct first round interviews with candidates.

CALL FOR EXECUTIVE SESSION

It was moved by Mr. Rodman, seconded by Mr. Flewelling, that Council go immediately into executive session regarding discussion and receipt of legal advice relating to pending litigation (Scratch Golf, LLC); discussion of negotiations incident to proposed contractual arrangements and proposed purchase of property (Project 2018B); and discussion of details of an existing contract provision and potential litigation regarding Malind Bluff / Osprey Point. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

EXECUTIVE SESSION

ADJOURNMENT

Council adjourned at 6:00 p.m.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
D. Paul Sommerville, Chairman

Ratified:

DRAFT

Official Proceedings
County Council of Beaufort County
May 14, 2018

The electronic and print media duly notified in
accordance with the State Freedom of Information Act.

The regular session of the County Council of Beaufort County was held Monday, May 14, 2018 beginning at 6:00 p.m. in Council Chambers of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort, South Carolina.

ATTENDANCE

Chairman D. Paul Sommerville, Vice Chairman Gerald Stewart, Council members Rick Caporale, Mike Mr. Covert, Gerald Dawson, Brian Flewelling, Steven Fobes, York Glover, Alice Howard, Stewart Rodman and Roberts "Tabor" Vaux present.

PLEDGE OF ALLEGIANCE

The Chairman led those present in the Pledge of Allegiance.

INVOCATION

Council member Alice Howard gave the Invocation.

RECOGNITION / ADOPT-A-HIGHWAY VOLUNTEER GROUPS

Chairman Paul Sommerville recognized the following Adopt-A-Highway groups – Port Royal Sound Foundation, Fripp Point Community / Church of the Harvest, Habersham Community, and the Grace Chapel AME Church, Sons of Allen Ministry -- and thanked them for their vigilant efforts in making Beaufort County a cleaner, safer and more beautiful place to live, work and visit.

ADMINISTRATIVE CONSENT AGENDA

Review of the Proceedings of the Caucus held April 23, 2018

This item comes before Council under the Administrative Consent Agenda.

It was moved by Mr. Flewelling, seconded by Mr. Rodman, that Council approve the minutes of the caucus held April 23, 2018. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

Review of the Proceedings of the Regular Session held April 23, 2018

This item comes before Council under the Administrative Consent Agenda.

It was moved by Mr. Flewelling, seconded by Mr. Rodman, that Council approve the minutes of the regular session held April 23, 2018. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

Committee Reports

Governmental Committee

Construction Adjustments and Appeals Board

Herbert Brown

The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed. Mr. Brown garnered the ten votes required for reappointment to serve as a member of the Construction Adjustments and Appeals Board.

Natural Resources Committee

Natural Resources Committee Chairman Brian Flewelling reported the agenda of the May 21, 2018 meeting will include a discussion of: (i) a text amendment to the Beaufort County Community Development Code (CDC), Article 3, Section 3.3.50 Regional Center Mixed Use, (C5) zone standards (to allow hotel to apartment conversion on unit-to-unit basis), and (ii) condemnation easements and release of an easement.

RECEIPT OF INTERIM COUNTY ADMINISTRATOR'S THREE-WEEK PROGRESS REPORT

Mr. Josh Gruber, Interim County Administrator, stated Beaufort County received notification on Saturday, May 12, 2018 about activities that had taken place in the City of Hardeeville. The issue involved action that was taken up by the Planning Commission to take up a Planned Development District and Master Plan discussion for two pieces of property located in Beaufort County - Malind Bluff and Malind Pointe properties previously known as Osprey Point and Oak Marsh. Those properties are currently subject to a Development Agreement with Beaufort County. The County initially put them under a Development Agreement in 2008. In 2014, the property owner requested an amendment to the existing agreement. That amendment, granted by County Council at that time, required a five-year extension as well as a continuing five-year extension unless either party notified the other of their intention to withdraw from the Development Agreement. In 2017, the property owner came forward with a request to have a second amendment. That matter was

pending before the Natural Resources Committee for further discussion. At this time, we have not heard from the property owner because it appears they have gone to the City of Hardeeville with a request that they annex into their jurisdiction.

In 2012, the General Assembly passed legislation that tolled development permits, which, through an Attorney General's Opinion, we interpreted to included development agreements. Tolling stops the time from running, and then the stopwatch starts again. From 2013 to 2016, development permits were tolled. Meaning, any period of time they were operating under, was extended.

Mr. Stewart said when this issue came before the Natural Resources Committee, several concerns dealt with stormwater issues, roads and traffic, and the school system. Many issues are important to us from a financial and environmental prospective. He is hopeful representatives of the City of Hardeeville will be as concerned as Beaufort County.

Mr. Gruber said the Beaufort County Planning Commission recommended denial of their second amendment due to these concerns. When it came before the Natural Resources Committee, there was a motion to table discussion until an updated traffic impact analysis was submitted. To date, that document has not been submitted.

Mr. Stewart said when annexed by the City of Hardeeville, they can rezone the land. They want to increase the density. Beaufort County would still be responsible for fire and EMS services, stormwater, schools, and highways.

Mr. Covert asked for an explanation on whether these properties abut the Okatie River.

Mr. Gruber said these properties abut to the Okatie River, which is a designated impaired water body. It has a total maximum daily load for fecal coliform bacteria and, we are under an affirmative obligation to take steps to reduce and restore that body of water.

Mr. Rodman said South Carolina law requires us to negotiate in good faith. He is disappointed with the landowner not handling business dealings in good faith with Beaufort County. He understands the position of Jasper County and the City of Hardeeville is considering a request; but, as they consider the facts, he hopes they reach the same conclusion as Beaufort County.

Mr. Vaux asked staff to run a comparison of Beaufort County's stormwater standards versus the City of Hardeeville.

Mr. Gruber stated members of the Southern Lowcountry Planning Group reviewed the analysis, put together a matrix that evaluated the stormwater regulations, and found Beaufort County's regulations more stringent than most other jurisdictions.

Mr. Sommerville stated when negotiated in 2008, the Development Agreements involved three separate properties. One parcel was purchased through the Rural and Critical Lands Program the two remaining parcels Council negotiated a school development fee of \$6,000 per 2,400 square

foot unit. If something happens to that fee and many houses built, it will put a large strain on the school system.

Mrs. Howard said the proposal is approximately 400 housing units on one parcel.

Mr. Stewart said there are approximately 700 to 800 housing units. You are looking at least at one new grade school, one new junior high, and additions to the high school. It will have a significant impact. The school development fee would not be mandatory. He suspects Beaufort County would be on the hook 100% of new schools.

Mr. Glover said it disturbs him that Jasper County and the City of Hardeeville will gain a lot in tax revenue, but give nothing in return because the burden of providing services remains with Beaufort County.

Mr. Stewart said public sentiment would be important here to try to stem the tide. We, as the County, have no legal standing.

PUBLIC COMMENT

Mr. Skip Hoagland, a resident of Hilton Head Island, spoke about the Chambers of Commerce (Chambers). Does everyone understand this Council must separate the commingled Chamber member dues from the public accommodations tax designated marketing organization (DMO) monies and advertising sales revenue. Once completed several things will happen. We stop DMO accommodations tax funds to fund a private Chamber app and website, and only use DMO funds for the intended purpose according to National Association Guidelines. Hilton Head Island-Bluffton Chamber President, Bill Miles' \$400,000 salary, 25 employees at \$87,500 each, will end. We will build our local community Chamber with a \$60,000 director with two to three employees at \$35,000 each. Totally separate the DMO from the Chamber to promote the entire County. Bid the DMO under procurement requirements. DMO will be required to comply with FOIA, provide accounting, furnish receipts and provide transparency. The Blakely Williams and Bill Miles dictatorial control will end. Members will take back control and the Chamber forced to operate under Chamber guidelines. A private Chamber's job is to support local businesses and operate using membership dues. The Chambers need to stop appointing a buddy board with no term limits and start fair elections so all members have an opportunity to serve on the board. All members are owners, investors, stakeholders and allowed access under South Carolina law. How can they refuse owners financial documents? Mr. Josh Gruber and Mr. Steve Riley stole tax monies to pay their membership and attend the Chamber Ball. Council needs to force the Chambers to separate accommodations tax funds and furnish receipts. Council needs to force Mr. Gruber to draft a proper DMO contract. Council needs to seize ownership of the Chamber app and website for future DMOs. Support local Beaufort businesses. Stop bid rigging. Council is allowing theft, fraud, embezzlement and tax misuse.

Mr. Fereol de Gastyne, a resident of Cat Island, spoke in favor of the Rural and Critical Lands referendum. Many citizens of Beaufort County hope members of Council will change their mind about placing the referendum on the November ballot. The accomplishments of the Rural and Critical Lands Preservation Program (Program) are well established. The Program has generated millions of dollars of benefit to Beaufort taxpayers. Beaufort County citizens enjoy a financial return on their investment through increased property values and other tangible, financial benefits. Recently, we witnessed the C130 aircraft that crashed near Savannah, Georgia. Aircrafts crash sometime. Council should identify additional properties for purchase near MCAS Beaufort flight patterns to increase the open land buffer around the air station. When lands are procured, federal matching funds are available to reduce local taxpayer burden. Expanding the AICUZ is wise for public safety and louder sound levels generated by the F-35. To protect the lives of our pilots, the availability of open land near the air station gives an aviator in distress the ability clear neighborhoods and eject safely. The time to purchase land is now. When the Pentagon conducts a review of air bases to cut, we want MCAS Beaufort to be untouchable. Instituting a negligible tax increase for open lands, and a one percent transportation sales and use tax, are not mutually exclusive endeavors. Both should be on the November ballot. It is never wrong for an elected official to change his/her decision after hearing from his constituents.

Mr. Dean Moss, Board of Directors, Open Land Trust, spoke in favor of the inclusion of the Rural and Critical Lands Bond referendum on the November ballot. He understands the concern of the two questions on the ballot, but we do not face a problem. There is risk in not renewing funding for the Program and losing the opportunity to acquire important parcels. Council needs to approve on second reading, schedule a public hearing, and conduct a poll that looks at both questions.

Lt. Col. Matthew Stover, Executive Officer, MCAS Beaufort, spoke in regards to the importance of the Rural and Critical Lands Preservation Program. He spoke about the AICUZ study, and the split cost for parcels of lands in and around the AICUZ and accident potential zones. Together, we have preserved 19 parcels, and more than 3,700 acres of land. This partnering program is among our most important and effective method of reducing the impact to our neighbors. He spoke of the military installations being the number one economic driver in northern Beaufort County and, the importance of these installations in the community.

Ms. Mary Anna Honke, a resident of Port Royal, stated people are using Battery Creek Road and Lenora Drive as cut-through roads to Ribaut Road. This has many dangers. There is a major hazard created on Ribaut Road where traffic exits the neighborhood. There have been many accidents and at least one fatality. A traffic signal would help cross the Spanish Moss Trail. There is room on the right-of-way for the road and the trail. This would reduce the accident risk. Please have staff evaluate this idea.

Ms. Barbara Holmes, Director of Land Protection, Beaufort County Open Land Trust, spoke about the amount of property still available to preserve in Beaufort County. She is working on nine properties with a total acreage of 1,250. These projects would cost an estimated \$9 million, not to include donations or cost-share funds. We have over 17,000 acres in the County that are land-protection opportunity projects. This does not include smaller tracts. We have many critical

projects. There is a need for additional funds in the Program. The Open Land Trust is in the process of updating the Greenprint Map to redefine land protection opportunities and the threats emerging. The Program is not in conflict of economic development opportunities in the community. She is committed to communicating and coordinating with the Economic Development Corporation so that we are not working at cross-purposes.

Mr. John Trask, Board of Directors, Open Land Trust, stated Council should support the Rural and Critical Lands Referendum to preserve and protect our quality of life, which makes living here special, protect and preserve the integrity of the air station and the economic foundation it provides our economy, and acknowledge your constituents' overwhelming support over the last two decades. This referendum will have widespread support and will not negatively affect the One Percent Transportation Sales and Use Tax Referendum. People can get excited about voting for both referendums.

Mr. Tommy O'Brien, a Beaufort resident, said Council bought Camp St. Mary's 20 years ago and did not do as promised taxpayers. Why buy more properties? Save taxpayer money. Many County Departments assist in finding information, but Mr. Chuck Atkinson, Director, Building Inspection Department, makes you fill out a FOIA request in order to get information in the department. Why does he have to waste other employees' time? Technology that would allow taxpayers to look up building permits. It should be available on the website. Make Mr. Atkinson provide the information. Regarding solid waste and recycling, the state requires Beaufort County to have a commercial tire recycling or waste disposal site. Beaufort County does not have a commercial site. The generators cannot get tire recyclers to pick up tires. The closest site to Beaufort County is Jackson, South Carolina. Commercial generators pay a state disposal fee on waste tires and disposal. Beaufort County is supposed to collect these tires. Commercial businesses pay taxes for garbage collection even though they cannot use the transfer station. It is time the County follows DHEC requirements.

Ms. Paige Camp, resident of Old Town Bluffton, spoke in favor of a Rural and Critical Lands Preservation referendum as well as the One Percent Transportation Sales and Use Tax referendum. Please approve second reading for the Rural and Critical Lands Preservation Program referendum. It is an excellent program. We need all the preservation we can get.

Mr. Chuck Newton, Chairman, Sea Island Coalition, said the Sea Island Coalition Policy Commission voted to support both the One Percent Transportation Sales and Use Tax referendum and proposed Rural and Critical Lands Bond referendum. Every referendum is a different animal. No one knows what will happen if they both appear on the ballot. Beaufort County approved \$120,000 for a public education program. Beaufort County should ask the contractor to take some of the money to do a countywide survey to see if taxpayers will approve both questions on the ballot. The Coalition has done this and received an 80:20 vote with both questions passing. Both referenda are important.

Ms. Jennifer Sharp, Indivisible Beaufort, thanked Council for its support of the Rural and Critical Lands Preservation Program and land preservation to date. She informed Council that Indivisible Beaufort is in support of placing both questions on the November ballot.

Mr. Rob Hendricks said for many years he lived in Oregon, a state known for building an economy based on a great place to live. With respect to the two referenda, he is willing to support both. One of the few canopy roads in this County is Sheldon Church Road, but we are logging along it. What about the Parkers Gas Station near the Broad River Bridge, which will change the “feel”? There is a sense of urgency. Things are changing fast here. The views are threatened. We do not have time.

NEW BUSINESS / A RESOLUTION TO SUPPORT BEAUFORT MEMORIAL HOSPITAL AND THE MEDICAL UNIVERSITY OF SOUTH CAROLINA’S DEVELOPMENT OF A MICROHOSPITAL SOUTH OF THE BROAD RIVER

It was moved by Mr. Howard, seconded by Mr. Fobes, that Council adopt a resolution to support Beaufort Memorial Hospital and the Medical University of South Carolina’s development of a Microhospital south of the Broad River. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

ITEM REMOVED FROM CONSENT AGENDA

FISCAL YEAR 2018-2019 BEAUFORT COUNTY SCHOOL DISTRICT BUDGET PROPOSAL

Main motion: It was moved by Mr. Stewart, as Finance Committee Chairman, that Council approve on first reading, by title only, Beaufort County School District Fiscal Year 2018-2019 budget proposal.

Mr. Rodman removed this item from the consent agenda. The School District has done a good job putting this together. The Board certifies the budget, and then we bring it forward. In the interest of time, we are bringing this forward for first reading, by title only, before the Board has certified the budget. He spoke of the School District’s two failed referenda and his concern with multiple referendums appearing on the November ballot.

Motion to amend by addition: It was moved by Mr. Rodman seconded by Mr. Flewelling, that Council approve on first reading, by title only, Beaufort County School District Fiscal Year 2018-2019 budget proposal, contingent upon certification by the Beaufort County School Board prior to second reading and the Beaufort County School Board adoption of a resolution stating they will not entertain a referendum in calendar year 2018.

Mr. Stewart stated the School District’s budget this year is millage neutral incorporates many positive things in their budget. Council’s state mandate, regarding budget approval, has nothing to do with their capital budget or any referendum. It sends a bad message. He urged Council not to do this.

Mr. Dawson said it is wrong for us to consider doing what Mr. Rodman is advocating. We should not go down that road. We send a wrong message. We will create disconnect between Council and the School Board.

Mr. Flewelling understands the concerns. There is a fear because of the overarching need for the two referendums – One Percent Transportation Sales and Use Tax and Rural and Critical Lands Preservation bonds. There is a concern an additional School Board Referendum, with a track record of failing, might create conflict with the voters of Beaufort County that would negatively impact the two referendums on the ballot. The School Board referendum is important and deserves consideration, but not until after the November election. Everyone needs to understand the implications of the School Board referendum being on the November ballot.

Mr. Vaux stated Council should discourage them putting a referendum on the ballot this year, but does not like the method of getting there. We need to pass a resolution asking the School Board to wait or call them and discourage them from holding another referendum so soon after the April 2018 referendum failed.

Mr. Glover said if he were sitting on the School Board's side, he would call Council's bluff. The School Board saw the results of their referendum. What that referendum said, "We want to support your schools, but you need to get your house in order." Until that happens, the community will not support a referendum.

Mr. Sommerville said the statutory duty ends with approving or not approving their general budget. His counterpart on the School Board says he will not vote to put a referendum on the ballot. Board members, elected officials, have the right to make whatever decision they want to make. He will not support the amendment.

Mr. Stewart said we went through many years of contentious discussions and bitter disagreements on School District budgets. We have finally settled down and started working together. This sends a terrible message. He encouraged Mr. Rodman to withdraw the motion. We can speak with the District regarding their intentions.

Mr. Rodman stated good luck happens to those who leave very little to chance. We are dealing with a Board that, in the public's eye, is dysfunctional and operates on a 6:5 vote. He would be disappointed if the School District does not announce that they do not intend to put a referendum on the ballot.

Mr. Flewelling stated there is no doubt that there is a need for a School District referendum in the future. We are not saying that we never want to see a School Board referendum, but not in 2018.

Mr. Rodman, as maker of the motion, and Mr. Flewelling, as the seconder of the motion, withdrew the motion to amend by addition.

Vote on the main motion: The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

The Chairman announced a public hearing Tuesday, May 29, 2018 beginning at 6:30 p.m. in the Large Meeting Room, Bluffton Branch Library, 120 Palmetto Way, and Monday, June 11, 2018 beginning at 6:30 p.m. in Council Chambers of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road.

AN ORDINANCE AUTHORIZING THE PLACEMENT OF A QUESTION ON THE OFFICIAL BALLOT FOR THE GENERAL ELECTION TO BE CONDUCTED NOVEMBER 6, 2018, CONCERNING A PROPOSITION AUTHORIZING BEAUFORT COUNTY TO ISSUE GENERAL OBLIGATION BONDS TO ACQUIRE LANDS FOR PRESERVATION AND TO PAY CERTAIN COSTS AND DEBT SERVICE RELATED THERETO

Main motion: It was moved by Mr. Flewelling, as Natural Resources Committee Chairman, no second required, that Council approve on second reading an ordinance authorizing the placement of a question on the Official Ballot for the General Election to be conducted November 6, 2018, concerning a proposition authorizing Beaufort County to issue General Obligation Bonds in an amount not to exceed \$50 million to acquire lands for preservation and to pay certain costs and debt services related thereto.

Mr. Rodman removed this item from the consent agenda. Everyone is a great supporter of the Rural and Critical Lands Preservation Program. It will pass regardless of the dollar amount. We want to honor Marine Corps Air Station Beaufort and joint support between the two entities makes sense. His concern is the amount. We should not be debating whether it is on the ballot, but how much do we really need? In reality, we need to have enough to get out to the 2020 referendum. Is \$50 million the right number?

Mr. Covert said he agrees with Mr. Rodman. It is not about the Program, it is about the dollar amount. He wants the public to know that all of these programs are very important.

Motion to amend by substitution: It was moved by Mr. Covert, as Natural Resources Committee Chairman, no second required, that Council reduce the amount of issuance of General Obligation Bonds available in the referendum to acquire lands for preservation and to pay certain costs and debt service from \$50 million to \$25 million.

Mrs. Howard disagrees with reducing the amount of the referendum. Twenty-five million dollars is a drop in the bucket when you are dealing with matching dollars, etc. It does not give the Program the flexibility needed. Some of these properties take four to six years to acquire.

Mr. Stewart asked, “How much can we borrow without increasing the millage rate”?

Mrs. Holland, Assistant County Administrator-Finance, stated 4.8 is the current millage. Going into FY2019, our mill value is \$1.9 million. We are paying \$6 million a year in principal and a total of \$9 million for interest and principal. The revenue derived will have to provide the full \$9 million. If we structure the debt similar to the \$20 million, we are looking at 1.0 mil to provide debt service coverage for \$20 million over a 20-year period. The \$9.0 million peaks in fiscal year 2024.

Mr. Stewart said the full \$50 million would be 2.5 mils. He is comfortable with 1.0 mil, not 2.5 mils.

Mr. Fobes said there has not been much discussion on real demonstrated need. We are looking at this in the rearview mirror. How much have we spent in the last four to five years? What is out there? There are numerous hypothetical scenarios. We need to stand down and take our time. He suggested possibly conducting a survey as suggested by Mr. Chuck Newton, Sea Island Coalition, during today's public comment.

Mr. Flewelling said the demonstrated need is the overwhelming public support in the four prior referendums. Completion of the Greenprint Map is outstanding. Delaying this referendum sends a message to the public that Council does not support the Program. Lessening the dollar amount provides that level of comfort to slow down and determine what the end of the Program will look like. He has asked staff to evaluate and describe what the end of the Program looks like. How will we know when we can stop buying property at an aggressive rate and focus on other conservation ideas? This \$25 million gives us time to determine what the end of the Program will look like.

Mr. Caporale said he has answered many emails saying he would approve putting it on the referendum, but not the full \$50 million. Most of the individuals seemed good with that answer and did not really have any objection. The lesser amount is the right amount.

Mr. Flewelling said historically the burn rate is about \$6 million a year. We have slowed down recently due to personnel changes.

Mr. Criscitiello, Director, Community Development Division, said Council raised the question on the demonstrated need moving forward. He reminded Council of the County's Passive Park Program to create more momentum. Crystal Lake is a newly completed passive park and people have been going there continually. Fort Fremont, once completed, will provide more public access and use as a passive park. The same applies to the Okatie Regional Preserve and the Heroes and Horseback Program. He asked Council to consider the momentum we are building for the Rural and Critical Lands Program. The County has hired a Passive Park Manager, so we will move faster. It is a time-consuming effort and demands attention.

Mr. Covert said 2.5 mils are absurd. The \$25 million will keep the millage at 1.2.

Mr. Fobes said he is not convinced there is a need. We have not talked about how economic development in Beaufort County and rural and critical tie together. We need to make sure we do not cut off good economic development and job-creating possibilities in Beaufort County.

Mr. Sommerville will vote against the motion to amend. He does not know the perfect number for the bond referendum, but there is no chance of profligate spending by anyone. We have to approve every purchase. He is not worried about busting the budget. He is convinced there are potential purchases of big dollar amounts. Fifty million dollars make sense. Borrowing is incremental. We borrow as needed.

Mr. Glover will vote against the motion. The referendum says up to \$50 million. It will allow better planning and strategizing.

Mr. Flewelling said the idea of \$25 million is to provide a level of comfort for those who are concerned with two questions appearing on the ballot. The lesser amount will be more favorable to the voters of Beaufort County.

Vote on the motion to amend by substitution: The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Rodman and Mr. Stewart. NAYS - Mrs. Howard, Mr. Glover, Mr. Sommerville and Mr. Vaux. The motion passed.

Vote on the amended motion, which is now the main motion, and includes the motion to amend by substitution: Council approve on second reading an ordinance authorizing the placement of a question on the Official Ballot for the General Election to be conducted November 6, 2018, concerning a proposition authorizing Beaufort County to issue General Obligation Bonds in an amount not to exceed \$25 million to acquire lands for preservation and to pay certain costs and debt services related thereto. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

CONSENT AGENDA

CONTRACT AWARD / UPGRADED SECURITY SERVICES AT HILTON HEAD ISLAND AIRPORT (HXD)

This item comes before Council under the Consent Agenda. Discussion and recommendation to award contract occurred at the May 7, 2018 meeting of the Finance Committee.

It was moved by Mr. Flewelling, seconded by Mr. Stewart, that Council award a contract to ICE Automation Group, Augusta, Georgia, in the amount of \$151,736, to perform consulting, procurement and installation of security systems at the Hilton Head Island (HXD) Airport. Funding will come from the Hilton Head Island Airport Proprietary Fund. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

AUTHORIZE THE PURCHASE OF ONE SQUAD RESCUE TRUCK FOR THE SHELDON FIRE DEPARTMENT

This item comes before Council under the Consent Agenda. Discussion and recommendation to approve purchase occurred at the May 7, 2018 meeting of the Finance Committee.

It was moved by Mr. Flewelling, seconded by Mr. Stewart, that Council authorize the allocation of \$106,425 from the Sheldon Fire Department General Fund for the replacement of a 2002 Squad Rescue Truck. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

FISCAL YEAR 2018-2019 BEAUFORT COUNTY BUDGET PROPOSAL

This item comes before Council under the Consent Agenda. Discussion occurred at the April 2, 2018 and May 7, 2018 meetings of the Finance Committee.

It was moved by Mr. Flewelling, seconded by Mr. Stewart, that Council approve on first reading, by title only, Beaufort County Fiscal Year 2018-2019 budget proposal. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

The Chairman announced a public hearing Tuesday, May 29, 2018 beginning at 6:30 p.m. in the Large Meeting Room, Bluffton Branch Library, 120 Palmetto Way, and Monday, June 11, 2018 beginning at 6:30 p.m. in Council Chambers of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road.

FISCAL YEAR 2018-2019 AIRPORTS BUDGET PROPOSAL (ENTERPRISE FUND)

This item comes before Council under the Consent Agenda. Discussion and recommendation to approve purchase occurred at the May 7, 2018 meeting of the Finance Committee.

It was moved by Mr. Flewelling, seconded by Mr. Stewart, that Council approve on first reading, by title only, Fiscal Year 2018-2019 Airports Budget Proposal (Enterprise Fund). The vote: YEAS - Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

FISCAL YEAR 2018-2019 STORMWATER MANAGEMENT UTILITY BUDGET PROPOSAL (ENTERPRISE FUND)

This item comes before Council under the Consent Agenda. Discussion and recommendation to approve purchase occurred at the May 7, 2018 meeting of the Finance Committee.

It was moved by Mr. Flewelling, seconded by Mr. Stewart, that Council approve on first reading, by title only, Fiscal Year 2018-2019 Stormwater Management Utility Budget Proposal (Enterprise Fund). The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

AN ORDINANCE TO PROVIDE FOR APPROPRIATIONS FROM THE LOCAL ACCOMMODATIONS TAX FUND TO THE SANTA ELENA FOUNDATION IN THE AMOUNT NOT TO EXCEED \$100,000 TO PROVIDE FOR FEES ASSOCIATED WITH A TWO YEAR LEASE EXTENSION FOR PROPERTY KNOWN AS THE DOWLING FAMILY LOT

This item comes before Council under the Consent Agenda. Discussion and recommendation to approve ordinance on first reading occurred at the May 7, 2018 meeting of the Finance Committee.

It was moved by Mr. Flewelling, seconded by Mr. Stewart, that Council approve on first reading an ordinance to provide for appropriation from the Local Accommodations Tax Fund to the Santa Elena Foundation in the amount not to exceed \$100,000 to provide for fees associated with a two-year lease extension for property known as the Dowling Family Lot. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

AN ORDINANCE TO PROVIDE FOR ALLOCATION OF FUNDS FOR BEAUFORT MEMORIAL HOSPITAL INDIGENT CARE, BEAUFORT / JASPER / HAMPTON COMPREHENSIVE HEALTH SERVICES, INC., ECONOMIC DEVELOPMENT, AND HIGHER EDUCATION BASED ON A MILLAGE AMOUNT TO BE DETERMINED BY THE ANNUAL BUDGET ORDINANCE

This item comes before Council under the Consent Agenda. Discussion and recommendation to approve ordinance on first reading occurred at the May 7, 2018 meeting of the Finance Committee.

It was moved by Mr. Flewelling, seconded by Mr. Stewart, that Council approve on first reading an ordinance to provide for allocation of funds for Beaufort Memorial Hospital Indigent Care, Beaufort / Jasper / Hampton Comprehensive Health Services, Inc., Economic Development, and Higher Education based on a millage amount to be determined by the annual budget ordinance. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

TEXT AMENDMENT TO THE BEAUFORT COUNTY CODE OF ORDINANCES, CHAPTER 66, ARTICLE II, ACCOMMODATIONS TAX BOARD, DIVISION 1, SECTION 66-29 POWERS AND DUTIES (DMO)

This item comes before Council under the Consent Agenda. Discussion and recommendation to approve ordinance on first reading occurred at the May 7, 2018 meeting of the Finance Committee.

It was moved by Mr. Flewelling, seconded by Mr. Stewart, that Council approve on first reading text amendment to the Beaufort County Code of Ordinances, Chapter 66, Article II, Accommodations Tax Board, Division 1, Section 66-29 Powers and Duties. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

TEXT AMENDMENT TO THE BEAUFORT COUNTY CODE OF ORDINANCES, CHAPTER 66, ARTICLE II, ACCOMMODATIONS TAX BOARD, DIVISION 2, SECTION 66-47 MANAGEMENT AND USE OF LOCAL (3%) ACCOMMODATIONS TAX

This item comes before Council under the Consent Agenda. Discussion and recommendation to approve ordinance on first reading occurred at the May 7, 2018 meeting of the Finance Committee.

It was moved by Mr. Flewelling, seconded by Mr. Stewart, that Council approve on first reading text amendment to the Beaufort County Code of Ordinances, Chapter 66, Article II, Accommodations Tax Board, Division 2, Section 66-47 Management and Use of Local (3%) Accommodations Tax. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

AN ORDINANCE AUTHORIZING THE INTERIM COUNTY ADMINISTRATOR TO EXECUTE NECESSARY DOCUMENTS TO GRANT AN EASEMENT AND MAINTENANCE AGREEMENT WITH THE CITY OF BEAUFORT FOR A PEDESTRIAN AND BICYCLE TRAIL CONNECTING THE CITY'S SOUTHSIDE PARK AND THE COUNTY'S ADJACENT PARK FACILITY AT 1405 BATTERY CREEK ROAD

This item comes before Council under the Consent Agenda. Discussion and recommendation to approve ordinance on first reading occurred at the April 23, 2018 meeting of the Public Facilities Committee.

It was moved by Mr. Flewelling, seconded by Mr. Stewart, that Council approve on first reading an ordinance authorizing the Interim County Administrator to execute necessary documents to grant an easement and maintenance agreement with the City of Beaufort for a pedestrian and bicycle trail connecting the City's Southside Park and the County's adjacent park facility at 1405 Batter Creek Road. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

PUBLIC HEARING

AN ORDINANCE TO DELETE ORDINANCE 2001/24 ELIMINATING THE OAK MARSH PLANTATION SPECIAL PURPOSE TAX DISTRICT AND TO ACCEPT INTO THE COUNTY'S MAINTENANCE SYSTEM THE ROADWAYS IN THE OAK MARSH PLANTATION SUBDIVISION

The Chairman opened a public hearing beginning at 6:30 p.m. for the purpose of receiving public comment concerning an ordinance to delete Ordinance 2001/24 eliminating the Oak Marsh Plantation Special Purpose Tax District and to accept into the County's Maintenance System the roadways in the Oak Marsh Plantation Subdivision.

After calling three times for public comment and receiving none, Chairman Sommerville declared the public hearing closed at 6:32 p.m.

It was moved by Mr. Rodman, as Public Facilities Committee Chairman, no second required, that Council approve on third and final reading an ordinance to delete Ordinance 2001/24 eliminating the Oak Marsh Plantation Special Purpose Tax District and to accept into the County's Maintenance System the roadways in the Oak Marsh Plantation Subdivision. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

MOTION TO EXTEND BEYOND 8:00 P.M.

It was moved by Mr. Covert, seconded by Mrs. Howard, that Council extend beyond 8:00 p.m. to 8:15 p.m. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. NAYS – Mr. Glover. The motion passed.

It was moved by Mr. Rodman, seconded by Mrs. Howard, that Council extend beyond 8:15 p.m. to 8:30 p.m. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. NAYS – Mr. Glover. The motion passed.

MATTERS ARISING OUT OF EXECUTIVE SESSION

It was moved by Mr. Flewelling, seconded by Mrs. Howard, that Council purchase through the Rural and Critical Lands Program R600 005 000 0003 000 (R600, Map 5, Parcel 3) for a purchase price of \$44,000. The parcel consists of 2.75 acres. The vote: YEAS – Mr. Caporale, Mr. Covert, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mr. Glover, Mrs. Howard, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

PUBLIC COMMENT

Mr. Skip Hoagland, a resident of Hilton Head Island, asked, “How can you prove anything without seeing the audits from the Chambers of Commerce? Numbers do not lie; people lie. Never, in the history of South Carolina, has a forensic audit of an institution’s records not discovered wrongdoing. Until you start forensic audits, you will just be guessing. End your problems, do forensic audits.

Ms. Barbara Holmes, Director of Land Protection, Beaufort County Open Land Trust, stated the South Carolina Legislature passed the reauthorization of the S.C. Conservation Bank. It is pending the on the way to the Governor for signature. This passed unanimously in both houses reaffirming our state elected leaders’ commitment to our natural resources. An amendment to the Act adds the types of entities that can apply for funding. They will also be increasing the value of public access on properties that they purchase. Beaufort County is perfectly poised with the Rural and Critical Lands Program to apply for such funding.

ADJOURNMENT

Council adjourned at 8:30 p.m.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
D. Paul Sommerville, Chairman

Ratified:

Boards and Commissions
Reappointments and Appointments
May 29, 2018

1 Community Services Committee

Library Board

<u>Nominate</u>	<u>Name</u>	<u>Position/Area/Expertise</u>	<u>Reappoint/Appoint</u>	<u>Votes Required</u>	<u>Term/Years</u>	<u>Expiration</u>
05.29.18	Victoria Woodhead	Council District 5	Appoint	06/11	Partial-Term	2/20

2 Natural Resources Committee

Beaufort/Jasper Water and Sewer Authority

<u>Nominate</u>	<u>Name</u>	<u>Position/Area/Expertise</u>	<u>Reappoint/Appoint</u>	<u>Votes Required</u>	<u>Term/Years</u>	<u>Expiration</u>
05.29.18	Donald Manson	Countywide	Reappoint	08/11	6	07/24

ORDINANCE NO. 2018-____

FY 2018-2019 BEAUFORT COUNTY AIRPORTS BUDGET (ENTERPRISE FUND)

An Ordinance adopting a Beaufort County Airports budget for the fiscal year beginning July 1, 2018 and ending June 30, 2019 (appropriations from the Beaufort County General Fund being unnecessary for the operations of the Airports).

WHEREAS Beaufort County Code of Ordinance Chapter 6 Establishes the Beaufort County Airports Board (BCAB); and

WHEREAS the BCAB purpose includes advising County Council on financial matters, among other items, to ensure the economical, self-sufficiency of the County's Airports; and

WHEREAS the BCAB and the Airports Director establish the Airports' annual operations budget with the approval of County Council; and

WHEREAS the BCAB met on April 19, 2018, reviewed the proposed annual budget, and recommends approval of the operations budget attached hereto for both the Lady's Island Airport and the Hilton Head Airport.

BE IT ORDAINED BY COUNTY COUNCIL OF BEAUFORT COUNTY:

SECTION 1. The Beaufort County Airports consist of both the Lady's Island Airport and the Hilton Head Island Airport.

SECTION 2. Each airport collects fees for services including but not limited to parking fees, sale of fuel, landing fees, parking/tie-down fees, ramp use fees and hangar rental fees.

SECTION 3. The BCAB provides advice and recommendation regarding the airports' operations budget. The BCAB recommends approval of the attached operations budgets.

SECTION 4. AIRPORT OPERATIONS BUDGET

An amount of \$630,000 for the operations of the Lady's Island Airport and an amount of \$1,831,000 for the operations of the Hilton Head Airport as shown on the attached "**AIRPORTS FUND – LADY'S ISLAND AND HILTON HEAD ISLAND AIRPORTS**" is hereby approved by Beaufort County Council.

SECTION 5. BUDGETARY ACCOUNT BREAKOUT

The line-item budgets attached hereto and recommended by the BCAB for FY 2018-2019 are incorporated herein by reference and shall be part and parcel of this Ordinance.

SECTION 6. EFFECTIVE DATE

This Ordinance shall be effective July 1, 2018. Approved and adopted on third and final reading this ____th day of _____, 2018.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: _____
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Thomas J. Keaveny, II, Esquire
Beaufort County Attorney

First Reading, by Title Only: May 14, 2018
Second Reading:
Public Hearings:
Third and Final Reading:

BEAUFORT COUNTY, SOUTH CAROLINA

PROPRIETARY FUNDS

The Proprietary Funds are different in purpose from the government funds and designed to be like business financial reporting. Since they are like business accounting, records are kept on activities regardless of the duration of the activity. The idea is to determine if the fund is breaking even considering all activities by using accrual accounting.

The County's Proprietary Funds consist of the Stormwater Management Utility Fund, Beaufort County Airport located on Lady's Island and Hilton Head Island Airport.

AIRPORTS FUND – BEAUFORT COUNTY (LADY’S ISLAND) AND HILTON HEAD ISLAND AIRPORTS

The Beaufort County Department of Airports Fund is used to accumulate the revenues and expenses related to the operation of the county’s two airports. Operations are financed primarily with fees collected for services, leases, grants, and other airport related services. The revenues, expenses and retained earnings are reported in the Proprietary Fund for annual financial reporting purposes.

AIRPORT TERMINOLOGY

The following abbreviations are referenced throughout the Airport Enterprise Fund. These are standard abbreviations used in the industry.

- . FBO – Fixed Based Operations
- . PFC – Passenger Facility Charges
- . FAA – Federal Aviation Administration
- . SCAC – South Carolina Aeronautics Commission
- . ATCT – Air Traffic Control Tower
- . GA – General Aviation
- . ARFF – Aircraft Rescue and Firefighting
- . AIP – Airport Improvement Plan

BEAUFORT COUNTY DEPARTMENT OF AIRPORTS

The Department of Airports, operating as an Enterprise Fund, is responsible for planning, developing, operating and maintaining two (2) airports under the jurisdiction of Beaufort County: Beaufort County Airport on Lady's Island (ARW) and Hilton Head Island Airport (HXD). The Department is responsible for administering all aeronautical activities as required by the Federal, State, County and local laws, regulations, ordinances and statutes. It is responsible for the positive growth of all aeronautical activities and development of all airports under its jurisdiction in the county. It is responsible for normal and emergency operations, security and maintenance at all Beaufort County airports. It provides for fueling services for general aviation and commercial aircraft at HXD through its FBO, Signature Flight Support. It is responsible for the administration of all contracts and agreements entered into by Beaufort County for use and support of all airport facilities within the Beaufort County Airport System.

GOALS AND OBJECTIVES

The Department's objective is to operate an airport system that is efficient yet maximizes both the internal and external customer expectations. In the immediate past year the Department of Airports launched several critical construction projects which will allow the airport system to continue operating efficiently and safely. Many of these projects are nearing completion and will be closed out in FY 19. One goal of the Department is to complete ongoing and initiate new projects in accordance with the approved master plan for each airport in an effort to continue the development of all airports.

The Department will also continue to take a lead role to further maintain and improve air service levels at Hilton Head Island Airport with the goal of "expanding the brand" of Hilton Head Island to new, non-stop markets through new carrier attraction efforts as well as fostering new, expanded opportunities with its existing airline partners. Recognizing the airports' position as key economic engines in the Lowcountry, the Department will:

- Work to maintain a reasonable, fair, market based and competitive fee structure for all services provided to its customers and the public, and
- Provide a sound financial foundation to support the County's airport system development needs, and
- Work toward an overall goal of making each airport within the airport system financially self-sufficient.

Beaufort County/Lady's Island Airport Enterprise Fund
Fiscal Year 2019 Proposed Budget

	FY 2017 Actual	FY 2018 Approved Budget	FY 2018 Actual to Date 3/31/2018	FY 2019 Proposed Budget
<u>Operating Revenues</u>				
Fuel and Oil Sales	\$ 403,296	\$ 395,000	\$ 313,126	\$ 453,000
Operating Agreements/Concessions	4,303	8,350	3,880	6,800
Landing Fees	13,850	11,000	9,910	15,200
Interest Income	75	-	-	
Rental Income	145,580	131,958	117,205	155,000
Total Operating Revenues	<u>\$ 567,104</u>	<u>\$ 546,308</u>	<u>\$ 444,121</u>	<u>\$ 630,000</u>
<u>Operating Expenses</u>				
Costs of Sales and Services	248,297	237,000	191,816	276,000
Salaries and Benefits	148,995	143,654	108,738	150,000
Purchased/Contractual Services	47,670	97,243	110,470	126,000
Supplies	15,100	9,987	14,725	15,000
Depreciation Expense	57,629	60,000	40,590	55,000
Total Operating Expenses	<u>\$ 517,691</u>	<u>\$ 547,884</u>	<u>\$ 466,339</u>	<u>\$ 622,000</u>
<u>Non-Operating Revenues (Expenses)¹</u>				
Federal and State Grants	80,348	160,000	50,012	1,995,000
Capital Projects (AIP)	(93,023)	(110,000)	(123,375)	(2,100,000)
Total Non-Operating Revenues (Expenses)	<u>\$ (12,675)</u>	<u>\$ 50,000</u>	<u>\$ (73,363)</u>	<u>\$ (105,000)</u>
Authorized Positions				
Full Time	1	1	1	1
Part Time	5	5	5	5

Note 1: Non-operating revenue and expenses are related to Federal and State Grants that fund Airport Improvement Projects (AIP). Timing of these revenues and expenses is dependent mostly on the FAA. Federal and State Grants are reimbursement of expenses. Therefore, in some fiscal years expenses can exceed revenues and in other fiscal years it is possible for revenues to exceed expenses.

HILTON HEAD ISLAND AIRPORT

	FY 2017 Actual	FY 2018 Approved Budget	FY 2018 Actual to Date 3/31/2018	FY 2019 Proposed Budget
<u>Operating Revenues</u>				
Fixed Base Operator Revenue	\$ 314,544	\$ 350,000	\$ 215,240	\$ 375,000
Operating Agreements/Concessions	453,595	450,000	255,479	507,000
Firefighting/Security Fees	281,731	282,100	225,738	282,000
Passenger Facility Charges	126,607	150,000	67,042	150,000
Parking/Taxi Fees	16,692	30,000	7,700	37,000
Landing Fees	53,117	75,000	37,737	85,000
Interest Income	393	-	-	
Rental Income	373,222	350,000	256,392	350,000
Miscellaneous/Other	36,865	42,300	30,747	45,000
Total Operating Revenues	<u>\$ 1,656,766</u>	<u>\$ 1,729,400</u>	<u>\$ 1,096,075</u>	<u>\$ 1,831,000</u>
<u>Operating Expenses</u>				
Salaries and Benefits	639,758	909,626	538,229	760,000
Purchased/Contractual Services	475,692	487,853	484,628	510,000
Supplies	71,486	50,000	20,766	77,000
Interest Expense	87,845	83,787	63,227	80,000
Depreciation Expense	566,554	570,000	416,295	450,000
Total Operating Expenses	<u>\$ 1,841,335</u>	<u>\$ 2,101,266</u>	<u>\$ 1,523,145</u>	<u>\$ 1,877,000</u>
<u>Non-Operating Revenues (Expenses)¹</u>				
Federal and State Grants	10,015,105	6,500,000	7,075,804	5,000,000
Capital Projects (AIP)	(9,663,843)	(5,500,000)	(9,602,189)	(3,200,000)
Capital Equipment ²	(49,242)	(50,000)	(40,271)	(45,000)
Total Non-Operating Revenues (Expenses)	<u>\$ 302,020</u>	<u>\$ 950,000</u>	<u>\$ (2,566,656)</u>	<u>\$ 1,755,000</u>
Authorized Positions				
Full Time (see below)	12	12	12	13
Part Time	0	0	0	0
Full Time Positions include:				
Airport Director	1	1	1	1
Airport Support Staff	4	4	4	5
Airport Firefighters	7	7	7	7
Law Enforcement Officers	0	0	0	3

Note 1: Non-operating revenue and expenses are related to Federal and State Grants that fund Airport Improvement Projects (AIP). Timing of these revenues and expenses is dependent mostly on the FAA. Federal and State Grants are reimbursement of expenses. Therefore, in some fiscal years expenses can exceed revenues and in other fiscal years it is possible for revenues to exceed expenses.

Note 2: Capital equipment expenses are capitalized and depreciated within a Proprietary Fund and are not represented on the revenue and expense statement as an expense.

AIRPORT IMPROVEMENT PROJECTS**FY 2018-2019 Project Narratives****HXD – Runway 21 Extension**

The Airport Master Plan that was approved by a joint Resolution of Beaufort County Council and Town of Hilton Head Island Council in 2010 provided for the execution of several Federal Aviation Administration (FAA) safety projects. This project is one such project and involves the extension of Runway 21, Taxiway “A”, and Taxiway “F” by approximately 403 feet. The project also involves the restoration of the existing displaced threshold of 300 feet. **This project will be closed out in FY 19.**

Estimated Cost:	\$6,142,577
FAA Cost:	\$5,528,319
SCAC Cost:	\$307,129
HXD Cost:	\$307,129

HXD – Taxiway “F” Infield Drainage Improvements

This project is being executed in conjunction with the Runway 21 Extension Project. This is another FAA-mandated safety project and will remove a deep drainage ditch that parallels the runway and runs the length of the airfield. Its existing condition poses a hazard due to its depth and steep side slopes as well as the fact that it is habitat for wildlife hazards. The project will replace the deep ditch with a shallow swale while the stormwater drainage detention and treatment will be handled via an underground drainage system consisting of arched chambers. **This project will be closed out in FY 19.**

Estimated Cost:	\$5,323,550
FAA Cost:	\$4,791,194
SCAC Cost:	\$266,178
HXD Cost:	\$266,178

HXD – Runway 21 Engineered Materials Arresting System (EMAS)

Compliance with FAA extended runway safety area requirements will be accomplished by installing an EMAS bed at the north extent of the runway extension project. EMAS is made up of jet blast resistant, lightweight, crushable cellular cement blocks that are designed to safely stop airplanes that experience an emergency that results in their entering the extended runway safety area. EMAS safely and effectively stops airplanes which greatly enhances life safety and reduces damage to the airplane. **This project will be closed out in FY 19.**

Estimated Cost:	\$4,000,000
FAA Cost:	\$3,600,000
SCAC Cost:	\$200,000
HXD Cost:	\$200,000

AIRPORT IMPROVEMENT PROJECTS**FY 2018-2019 Project Narratives (continued)****HXD – Runway 03 Extension**

The Runway 03 Extension Project represents the south runway portion of the FAA-mandated safety project that was part of the 2010 Airport Master Plan. The project will extend Runway 03, Taxiway “A”, and Taxiway “F” by approximately 297 feet. The project also involves the restoration of the existing displaced threshold of 300 feet and the realignment of Taxiway “F” to eliminate the “dogleg” that currently exists. **This project will be closed out in FY 19.**

Estimated Cost:	\$8,841,596
FAA Cost:	\$7,957,436
SCAC Cost:	\$442,080
HXD Cost:	\$442,080

HXD – Runway 03 Engineered Materials Arresting System (EMAS)

Compliance with FAA extended runway safety area requirements will be accomplished by installing an EMAS bed at the south extent of the runway extension project. EMAS is made up of jet blast resistant, lightweight, crushable cellular cement blocks that are designed to safely stop airplanes that experience an emergency that results in their entering the extended runway safety area. EMAS safely and effectively stops airplanes which greatly enhances life safety and reduces damage to the airplane. **This project will be closed out in FY 19.**

Estimated Cost:	\$4,000,000
FAA Cost:	\$3,600,000
SCAC Cost:	\$200,000
HXD Cost:	\$200,000

AIRPORT IMPROVEMENT PROJECTS**FY 2018 Project Narratives (continued)****HXD – Aircraft Rescue and Firefighting (ARFF) Truck Replacement**

Firefighting equipment as prescribed by the Federal Aviation Administration is eligible for replacement when it has reached its effective service lifetime. Hilton Head Island Airport's ARFF Department is eligible for a 1,500-gallon capacity ARFF Vehicle in order to maintain the readiness index required by FAA Part 139 for Commercial Service Airports.

Estimated Cost:	\$500,000
FAA Cost:	\$450,000
SCAC Cost:	\$25,000
HXD Cost:	\$25,000

HXD – Commercial Terminal Renovation Design

Due to the recent airfield infrastructure improvements, there is a need to renovate the existing commercial service terminal so that it will properly accommodate expanded commercial airline service. Airline ticketing, customer service, Transportation Security Administration spaces, public spaces, restrooms, concessions, and baggage are some of the aspects that will be renovated and modernized as part of this project.

Estimated Cost:	\$750,000
Estimated FAA Cost:	\$675,000
Estimated SCAC Cost:	\$37,500
Estimated HXD Cost:	\$37,500

AIRPORT IMPROVEMENT PROJECTS**FY 2018 Project Narratives (continued)****HXD – Security Improvements**

Due to the up-gauging of aircraft by American Airlines, and in accordance with Homeland Security requirements, certain aspects of security at the airport will be renovated, upgraded, and otherwise improved to meet the changing needs of the airport.

Estimated Cost: \$170,000

Estimated HXD Cost: \$170,000

HXD – Renovation of 154 Beach City Road

A portion of 154 Beach City Road, a property which the County purchased as part of the project to clear the FAA-regulated Object Free Area (OFA) is being preserved because a significant amount of suites A & B are outside the OFA line. These suites will be renovated to house the administrative function of the airport as well as the airport's maintenance crew and associated equipment. This will result in a significant cost savings as compared to adding space in the terminal design.

Estimated Cost: \$150,000

Estimated HXD Cost: \$150,000

AIRPORT IMPROVEMENT PROJECTS**FY 2018 Project Narratives (continued)****ARW - Airfield Electrical Rehabilitation and Replacement**

This project is necessary due to damage caused by Hurricane Matthew and Tropical Storm Irma to entire airfield electrical systems. This project will consist of engineering services for the design, bidding of the contract documents, and construction for the replacement of the airfield electrical systems described herein. These systems with exception to the runway will be updated to LED. The existing vault does not meet current code requirements and has sustained water damage during the storms. This issue, coupled with the damage to the airfield lighting, leads to potentially unsafe conditions for pilots using the facility. The project will also include construction administration, inspection, and quality assurance/quality control.

Estimated Cost:	\$1,826,254
FAA Cost:	\$1,643,628
SCAC Cost:	\$91,312
ARW Cost:	\$91,313

ARW – Wetlands Mitigation

This project addresses two different mitigation needs at the airport. One is related to a past project from 2002 when full mitigation was not accomplished. The other is to provide mitigation for the impacts that are associated with the upcoming Runway Safety Area Improvements and Parallel Taxiway Completion projects. A Federal Memorandum of Agreement prohibits wetlands mitigation on airport property, therefore the mitigation will consist of the purchase of credits in an offsite mitigation bank.

Estimated Cost:	\$3,175,000
FAA Cost:	\$2,857,500
SCAC Cost:	\$158,750
ARW Cost:	\$158,750

BEAUFORT COUNTY, SOUTH CAROLINA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS

June 30, 2017

	Business-Type Activities - Enterprise Funds				Internal Service Fund
	Stormwater Utility	Lady's Island Airport	Hilton Head Airport	Totals	Garage
<u>ASSETS</u>					
Current Assets					
Cash and Cash Equivalents	\$10,010,300	\$ 250	\$ 200	\$ 10,010,750	\$ -
Receivables, Operating	208,004	13,461	102,913	324,378	172,055
Receivables, Federal and State Grants	-	4,229	2,237,173	2,241,402	-
Inventories	75,174	66,844	-	142,018	-
Prepayments	22,648	6,585	24,683	53,916	1,721
Total Current Assets	<u>10,316,126</u>	<u>91,369</u>	<u>2,364,969</u>	<u>12,772,464</u>	<u>173,776</u>
Capital Assets	4,705,439	4,833,031	32,201,172	41,739,642	445,159
Accumulated Depreciation	<u>(2,553,893)</u>	<u>(1,057,691)</u>	<u>(9,901,779)</u>	<u>(13,513,363)</u>	<u>(386,345)</u>
	<u>2,151,546</u>	<u>3,775,340</u>	<u>22,299,393</u>	<u>28,226,279</u>	<u>58,814</u>
Total Assets	<u>12,467,672</u>	<u>3,866,709</u>	<u>24,664,362</u>	<u>40,998,743</u>	<u>232,590</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>					
Contributions to pension plan	157,425	10,574	73,458	241,457	-
Pension earnings differences	15,770	1,051	13,848	30,669	-
Pension experience differences	<u>285,996</u>	<u>19,226</u>	<u>125,811</u>	<u>431,033</u>	<u>-</u>
Total deferred outflows of resources	<u>459,191</u>	<u>30,851</u>	<u>213,117</u>	<u>703,159</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$12,926,863</u>	<u>\$ 3,897,560</u>	<u>\$24,877,479</u>	<u>\$ 41,701,902</u>	<u>\$ 232,590</u>
<u>LIABILITIES</u>					
Current Liabilities					
Account Payable	\$ 111,800	\$ 15,792	\$ 1,951,552	\$ 2,079,144	\$ 232,590
Accrued Payroll	68,919	4,871	29,002	102,792	-
Accrued Compensated Absences	9,644	912	3,499	14,055	-
Due to General Fund	-	374,502	1,131,396	1,505,898	-
Current Portion of Due to Debt Service Fund	-	-	161,455	161,455	-
Total Current Liabilities	<u>190,363</u>	<u>396,077</u>	<u>3,276,904</u>	<u>3,863,344</u>	<u>232,590</u>
Noncurrent Liabilities					
Accrued Compensated Absences	70,719	6,692	25,656	103,067	-
Net Pension Liability	2,741,940	185,371	1,089,981	4,017,292	-
Due to Debt Service Fund	<u>5,000,000</u>	<u>-</u>	<u>3,109,100</u>	<u>8,109,100</u>	<u>-</u>
Total Noncurrent Liabilities	<u>7,812,659</u>	<u>192,063</u>	<u>4,224,737</u>	<u>12,229,459</u>	<u>-</u>
Total Liabilities	<u>8,003,022</u>	<u>588,140</u>	<u>7,501,641</u>	<u>16,092,803</u>	<u>232,590</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Net change in expected pension experience	4,213	281	672	5,166	-
Deferred amounts from changes in proportionate share	<u>23,504</u>	<u>1,598</u>	<u>9,578</u>	<u>34,680</u>	<u>-</u>
Total deferred inflows of resources	<u>27,717</u>	<u>1,879</u>	<u>10,250</u>	<u>39,846</u>	<u>-</u>
<u>NET POSITION</u>					
Net investment in capital assets	2,151,546	3,775,340	22,299,393	28,226,279	58,814
Unrestricted (Deficit)	<u>2,744,578</u>	<u>(467,799)</u>	<u>(4,933,805)</u>	<u>(2,657,026)</u>	<u>(58,814)</u>
Total Net Position	<u>\$ 4,896,124</u>	<u>\$ 3,307,541</u>	<u>\$17,365,588</u>	<u>\$ 25,569,253</u>	<u>\$ -</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$12,926,863</u>	<u>\$ 3,897,560</u>	<u>\$24,877,479</u>	<u>\$ 41,701,902</u>	<u>\$ 232,590</u>

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

BEAUFORT COUNTY, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended June 30, 2017

	Business-Type Activities - Enterprise Funds				Internal Service Fund
	Stormwater Utility	Lady's Island Airport	Hilton Head Airport	Totals	Garage
Operating Revenues					
Garage Billings	\$ -	\$ -	\$ -	\$ -	\$ 148,578
Fuel and Oil Sales	-	403,296	-	403,296	836,174
Stormwater Utility Fees	4,956,407	-	-	4,956,407	-
Stormwater Utility Project Billings	862,308	-	-	862,308	-
Fixed Base Operator Revenue	-	-	314,544	314,544	-
Passenger Facility Charges	-	-	126,607	126,607	-
Operating Agreements/Commission Revenue	-	1,182	403,035	404,217	-
Concession Sales	-	3,121	-	3,121	-
Firefighting/Security Fees	-	-	281,731	281,731	-
Landing Fees	-	13,850	53,117	66,967	-
Parking/Taxi Fees	-	-	16,692	16,692	-
Rentals	-	-	194,367	194,367	-
Hangar Rentals	-	130,570	178,855	309,425	-
Other Charges	3,444	15,010	36,865	55,319	-
Total Operating Revenues	5,822,159	567,029	1,605,813	7,995,001	984,752
Operating Expenses					
Costs of Sales and Services	-	248,297	-	248,297	-
Personnel	2,504,523	148,995	639,758	3,293,276	-
Purchased Services	991,111	53,934	475,692	1,520,737	835,892
Supplies	357,099	8,836	71,486	437,421	823,813
Depreciation	211,134	57,629	566,554	835,317	9,711
Total Operating Expenses	4,063,867	517,691	1,753,490	6,335,048	1,669,416
Operating (Loss) Income	1,758,292	49,338	(147,677)	1,659,953	(684,664)
Non-Operating Revenues (Expenses)					
Operating grant - Transportation Security Administration	-	-	50,560	50,560	-
Interfund Transfer from General Fund	-	-	-	-	668,434
Non-Operating Grant Expenses	-	(93,023)	(9,663,843)	(9,756,866)	-
Interest Income	19,226	75	393	19,694	-
Interest Expense	-	-	(87,845)	(87,845)	-
Total Non-Operating Revenues (Expenses)	19,226	(92,948)	(9,700,735)	(9,774,457)	668,434
(Loss) Income before capital contributions and special items	1,777,518	(43,610)	(9,848,412)	(8,114,504)	(16,230)
Capital Contributions					
Capital Grants - Federal Aviation Administration	-	76,119	9,405,574	9,481,693	-
Capital Grants - South Carolina Aeronautical Commission	-	4,229	609,531	613,760	-
Total Capital Contributions	-	80,348	10,015,105	10,095,453	-
Change in Net Position	1,777,518	36,738	166,693	1,980,949	(16,230)
Net Position, Beginning	3,118,606	3,270,803	17,198,895	23,588,304	16,230
Net Position, Ending	\$ 4,896,124	\$ 3,307,541	\$ 17,365,588	\$ 25,569,253	\$ -

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

BEAUFORT COUNTY, SOUTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2017

	Business-Type Activities - Enterprise Funds				Internal Service Fund
	Stormwater Utility	Lady's Island Airport	Hilton Head Airport	Totals	Garage
Cash Flows from Operating Activities:					
Cash Received from Customers and Users	\$ 5,731,391	\$ 577,505	\$ 1,415,249	\$ 7,724,145	\$ 1,018,846
Cash Paid to Employees	(2,101,587)	(138,938)	(895,552)	(3,136,077)	-
Cash Paid to Suppliers	(1,545,102)	(425,967)	(539,612)	(2,510,681)	(1,687,280)
Total Provided By (Used For) Operating Activities	<u>2,084,702</u>	<u>12,600</u>	<u>(19,915)</u>	<u>2,077,387</u>	<u>(668,434)</u>
Cash Flows from Noncapital Financing Activities:					
Operating Grant - TSA	-	-	50,560	50,560	-
Interfund transfer from the General Fund	-	-	-	-	668,434
Non-Operating Grant Expenses	-	(93,023)	(9,663,843)	(9,756,866)	-
Principal Payment on Note Payable	-	-	(157,397)	(157,397)	-
Interest Paid on Note Payable	-	-	(87,845)	(87,845)	-
Total Used For Noncapital Financing Activities	<u>-</u>	<u>(93,023)</u>	<u>(9,858,525)</u>	<u>(9,951,548)</u>	<u>668,434</u>
Cash Flows from Capital and Related Financing Activities:					
FAA Grants	-	76,119	9,405,574	9,481,693	-
SCAC Grants	-	4,229	609,531	613,760	-
Advance from Debt Service Fund	5,000,000	-	-	5,000,000	-
Purchase of Capital Assets	(801,489)	-	(137,058)	(938,547)	-
Total Provided By (Used For) Capital and Related Activities	<u>4,198,511</u>	<u>80,348</u>	<u>9,878,047</u>	<u>14,156,906</u>	<u>-</u>
Cash Flows from Investing Activities:					
Interest Earned	<u>19,226</u>	<u>75</u>	<u>393</u>	<u>19,694</u>	<u>-</u>
Net Increase in Cash and Cash Equivalents	6,302,439	-	-	6,302,439	-
Cash and Cash Equivalents, July 1, 2016	<u>3,707,861</u>	<u>250</u>	<u>200</u>	<u>3,708,311</u>	<u>-</u>
Cash and Cash Equivalents, June 30, 2017	<u>\$ 10,010,300</u>	<u>\$ 250</u>	<u>\$ 200</u>	<u>\$ 10,010,750</u>	<u>\$ -</u>

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

BEAUFORT COUNTY, SOUTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2017

	Business-Type Activities - Enterprise Funds				Internal Service Fund
	Stormwater Utility	Lady's Island Airport	Hilton Head Airport	Totals	Garage
Reconciliation of Operating Income to Net Cash Flows Provided by (Used for) Operating Activities:					
Operating (Loss) Income	\$ 1,758,292	\$ 49,338	\$ (147,677)	\$ 1,659,953	\$ (684,664)
Adjustments to Reconcile:					
Depreciation	211,134	57,629	566,554	835,317	9,711
Changes in Assets and Liabilities:					
Decrease (Increase) in Accounts Receivable	(90,768)	10,476	(190,564)	(270,856)	34,094
Decrease (Increase) in Inventories	32,073	(15,177)	-	16,896	-
Decrease in Other Current Assets	(3,155)	(1,073)	(1,039)	(5,267)	(462)
Increase (Decrease) in Accounts Payable	(225,809)	(10,525)	379,414	143,080	(27,113)
Increase (Decrease) in Due to General Fund	-	(88,125)	(370,809)	(458,934)	-
Increase (Decrease) in Accrued Payroll	13,800	1,098	(319)	14,579	-
Increase (Decrease) in Accrued Compensated Absences	2,609	1,956	(2,020)	2,545	-
Increase (Decrease) in pension deferred inflows/outflows and liability	386,526	7,003	(253,455)	140,074	-
	115,276	(94,367)	(438,792)	(417,883)	6,519
Net Cash Flow Provided by (Used for) Operating Activities	\$ 2,084,702	\$ 12,600	\$ (19,915)	\$ 2,077,387	\$ (668,434)

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

ORDINANCE NO. 2018-___

FY 2018-2019 BEAUFORT COUNTY STORMWATER MANAGEMENT UTILITY
BUDGET (ENTERPRISE FUND)

An Ordinance adopting a Beaufort County Stormwater Management Utility budget for the fiscal year beginning July 1, 2018 and ending June 30, 2019 (appropriations from the Beaufort County General Fund being unnecessary for the operations of the Stormwater Management Utility).

WHEREAS Beaufort County Code of Ordinance Chapter 99 Establishes the Beaufort County Stormwater Management Utility and specifically Sec. 99-116 establishes the Beaufort County Stormwater Management Utility Board (SWMUB); and

WHEREAS the SWMUB purpose includes advising and recommending to County Council appropriate funding levels for the provision of stormwater management services; and

WHEREAS the SWMUB and stormwater utility staff establish the stormwater management services for residential, commercial, industrial and governmental entities within Beaufort County based on the collection of fees as established by Beaufort County Ordinance and with the approval of County Council; and

WHEREAS the SWMUB met on March 14, 2018, reviewed the proposed annual budget, and recommends approval of the 2018-19 operations budget attached hereto for Stormwater Utility Management services and programs.

BE IT ORDAINED BY COUNTY COUNCIL OF BEAUFORT COUNTY:

SECTION 1. The Beaufort County SWMUB is charged with advising County Council and making recommendations for appropriate funding levels for stormwater utility management operations budget.

SECTION 2. Stormwater fees are collected in accordance with County ordinance and such fees are enterprise funds, separate and apart from the Beaufort County General Fund.

SECTION 3. The SWMUB recommends approval of the attached operations budgets for the performance of stormwater management utility operations.

SECTION 4. STORMWATER MANAGEMENT UTILITY BUDGET

An amount of \$8,510,568.00 for the operations of the Stormwater Management Utility services and programs as shown on the attached Exhibit “**Stormwater Management Utility Operations Budget for Fiscal Year 2018-19**” is hereby approved.

SECTION 5. BUDGETARY ACCOUNT ATTACHED

The line-item budgets attached hereto and recommended by the SWMUB for FY 2018-2019 are incorporated herein by reference and shall be part and parcel of this Ordinance.

SECTION 6. EFFECTIVE DATE

This Ordinance shall be effective July 1, 2018. Approved and adopted on third and final reading this ____ day of _____, 2018.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: _____
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Thomas J. Keaveny, II, Esquire
Beaufort County Attorney

First Reading, by Title Only: May 14, 2018
Second Reading:
Public Hearings:
Third and Final Reading:

Stormwater Management Utility Operations Budget for Fiscal Year 2018-19

PROPRIETARY FUNDS

The Proprietary Funds are different in purpose from the government funds and designed to be like business financial reporting. Since they are like business accounting, records are kept on activities regardless of the duration of the activity. The idea is to determine if the fund is breaking even considering all activities by using accrual accounting.

STORMWATER MANAGEMENT UTILITY FUND

The Stormwater Utility was established by County Ordinance 17 years ago and its activities are guided by a Comprehensive Master Plan completed in 2018, the minimum control measures outlined in the County's 2015 permit under the National Pollutant Discharge Elimination System (NPDES) program and advised by a Stormwater Management Utility Board. Requirements concerning Stormwater Systems are found in the County's Community Development Code (CDC) and the design criteria found in our Best Management Practices Manual.

The Utility partners with the City of Beaufort, and the Towns of Bluffton, Port Royal, and Hilton Head Island through local intergovernmental agreements. The fees that are collected within a municipality's jurisdiction are then distributed back to the municipality. Each political jurisdiction has an individual stormwater utility, which is a separate fund and a dedicated revenue source for funding activities and programs related to stormwater management. The jurisdictions coordinate on the utility administration element of their programs and share some services to achieve greater efficiencies, but the programs are separate and are managed within each jurisdiction's local government.

The County has been designated as a municipal separate storm sewer system (MS4) and in 2015 the County began to be permitted under the federal Environmental Protection Agency's (EPA) National Pollutant Discharge Elimination System (NPDES) program. Compliance with this permit will be expensive in the coming years and the County will have mounting costs to maintain an aging infrastructure. Beginning in 2015, the County has increased its rates and shifted to an updated stormwater utility fee rate structure to achieve the fairest distribution of utility costs among ratepayers, the best use of available data, and a level of revenue sufficient to achieve program needs and requirements.

The County maintains some larger drainage infrastructure within each of the four municipalities in addition to the unincorporated area. Previously the maintenance of the infrastructure within the four municipalities was limited in the incorporated areas because funding levels, supported by the unincorporated ratepayers only, were insufficient. In 2015, the County began collecting a County-wide Infrastructure fee from ratepayers within the incorporated areas to distribute the County's costs for county-wide infrastructure maintenance across all the unincorporated and incorporated areas of the County based on linear feet of pipes and open ditches in each jurisdiction.

In 2017, the Utility issued Revenue Bonds in the amount of \$5,000,000 to provide adequate funding for the capital improvement program. Debt service is included in the FY 18-19 budget.

STORMWATER MANAGEMENT UTILITY TERMINOLOGY

The following abbreviations are referenced throughout the Stormwater Management Utility Enterprise Fund. These are standard abbreviations used in the industry.

1. MS4 – Municipal Separate Storm Sewer System
2. EPA – Environmental Protection Agency
3. NPDES – National Pollutant Discharge Elimination System
4. SFR – Single Family Residential
5. IA – Impervious Area Unit of billing
6. GA – Gross Area (or Acreage) Unit of billing
7. SWU – Stormwater Utility
8. CWI – Countywide Infrastructure
9. BMP – Best Management Practices

Fiscal Year 2019 Budget

	FY 2016 Actual	FY 2017 Actual	FY 2018 Approved Budget	FY 2018 Actual to Date 3/31/2018	FY 2019 Proposed Budget
<u>Operating Revenues</u>					
Stormwater Utility Fees	\$ 4,924,194	\$ 4,956,407	\$ 5,125,714	\$ 4,963,681	\$ 5,166,037
Stormwater Infrastructure Fees	467,476	545,127	593,237	551,597	557,234
Stormwater Utility Project Billings	1,492	317,181	94,531	27,798	168,609
Interest Income	8,576	19,226	2,500	-	2,500
Miscellaneous/Other Revenue	<u>1,995</u>	<u>3,444</u>	<u>-</u>	<u>8,169</u>	<u>-</u>
Total Operating Revenues	<u>\$ 5,403,733</u>	<u>\$ 5,841,385</u>	<u>\$ 5,815,982</u>	<u>\$ 5,551,245</u>	<u>\$ 5,894,380</u>
<u>Operating Expenses</u>					
Salaries and Benefits	2,251,707	2,504,524	2,791,762	1,449,889	3,061,410
Purchased/Contractual Services	977,546	977,545	891,632	395,317	1,157,306
Supplies	240,278	370,664	359,299	209,837	387,360
Interest Expense	-	-	-	85,244	188,268
Depreciation Expense	<u>177,626</u>	<u>211,134</u>	<u>311,860</u>	<u>166,268</u>	<u>357,397</u>
Total Operating Expenses	3,647,157	4,063,867	4,354,553	2,306,555	5,151,741
<u>Non-Operating Expenses¹</u>					
Capital Projects	-	-	2,415,950	131,890	2,145,569
Capital Equipment	<u>836,714</u>	<u>801,489</u>	<u>963,650</u>	<u>291,594</u>	<u>1,213,258</u>
Total Expenses	<u>\$ 4,483,871</u>	<u>\$ 4,865,356</u>	<u>\$ 7,734,153</u>	<u>\$ 2,730,039</u>	<u>\$ 8,510,568</u>
Authorized Positions	45	50	54	54	55

Note 1: Capital expenses are capitalized and depreciated within a Proprietary Fund and are not represented on the revenue and expense statement as an expense. The Capital Projects will be funded by a \$5 million General Obligation Bond issued in 2017.

STORMWATER MANAGEMENT UTILITY PERFORMANCE

MEASURES/OPERATING INDICATORS

Billable accounts database, collection rates

Stormwater Utility revenue comes from user fees billed annually in conjunction with the property tax bill. A user fee, different from a tax, is based on measurable units including impervious area (hard surfaces) and acreage. Since it is a user fee, all properties pay fees, including churches, schools, and government agencies. The only exceptions are rights-of-way for roads, boat slips, railroad, and submerged properties. This fair and equitable system directly related fee for service.

GIS mapping

The cost of stormwater management is largely focused on operations and maintenance of the current system. In order to determine the cost of our service we must have an inventory of the system. Staff continually surveys our pipes, ditches, detention ponds, and other features to populate a GIS map and database.

Beaufort County Connect Data

BC Connect is a smart phone and website application used by the public and staff to document and track response to complaint, issues, and needs. Once investigated by staff, if action is needed, a project is created and tracked in PubWorks and SWIMS.

MS4 permit

The Clean Water Act Phase II implementation of the Municipal Separate Stormsewer System (MS4) permit is the driving document for the regulatory programs within the Utility. The permit is published on the County website and includes numerous tasks and programs that the County must perform annually to stay within compliance with the permit.

MUNIS Data

The MUNIS software is used to issue and track stormwater permits required for all construction in the County. The regulatory staff conducts plan review, issues permits, and performs inspections to maintain MS4 compliance.

PubWorks Data

PubWorks is a project management software that is used to estimate project costs and track progress. Each O&M project is defined within PubWorks to determine an estimate of manpower, equipment, and materials. During construction, the estimate is replaced with the actual hours, quantities, and cost. That data is then used to estimate production rates that once applied to the GIS mapping inventory, gives the department a projected cost of service annually.

CIP schedules and budgets

Once a decade, the County updates the Stormwater Master Plan. The plan documents the program status and studies the health of the stormwater system and the receiving water bodies. The Plan then recommends capital projects to make improvements to water quality as needed. Those projects are placed within 5 year business plans and funding from the Utility is set aside for the projects. These projects have internal performance measures including cost and schedule.

Monitoring

The goal of the Stormwater Utility is to maintain and improve the health of our waters.

Monitoring is the means to document our progress towards our goals. The County has developed a monitoring program in conjunction with USCB and routinely samples and studies the watersheds of the County. The results of monitoring are incorporated into the Master Plan, reported annually to DHEC as part of the MS4 permit requirements, and documented within the GIS mapping.

Stormwater Work and Information Management System (SWIMS)

SWIMS is a new work order database for managing complaint driven and internally generated operations and maintenance projects. It differs from PubWorks in that the use of SWIMS is to score and prioritize projects in a logical and defensive manner. Each complaint or identified need that is defined as a project in PubWorks will be evaluated on the health, safety, and welfare of the affected population, time the need has gone unmet, severity of the problem, whether the issue creates impassable roads or is emergency related, and other factors so that urgent needs are handled promptly and minor nuisance issues are never forgotten about or pushed down the list so that they are never completed.

The Stormwater Utility Board is made up of appointed representatives selected by County Council and the four municipalities partnered with the County. The Board meets monthly in which all these Performance Measures and Operating Indicators are reported to the public.

STORMWATER MANAGEMENT UTILITY CAPITAL PROJECTS

The following chart is a list of current capital projects in the 5 year plan. Unless noted otherwise, all projects are funded solely by the Stormwater Utility.

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total
SC170/Okatie West Land \$300K/Design \$120K	5,000	-	-	-	-	-	-	-	-	\$5,000
Buckingham Plantation	276,247	276,248	-	-	-	-	-	-	-	\$552,495
Brewer Memorial Park Demonstration Wet Pond Project Feasibility \$9.5K/Design \$20K/Construction \$50K (2017 Masterplan \$82,327)	-	450,000	-	-	-	-	-	-	-	\$450,000
Salt Creek South M1 (\$245K Design/\$400K ROW/\$1.4M Construction (2017 Masterplan \$2,117,730)	444,774	1,450,569	-	-	-	-	-	-	-	\$1,895,343
Shanklin Road M2 (\$330K Design/ \$660K ROW/\$2.35K Construction (2017 Masterplan \$3,458,787)	639,144	-	1,500,071	1,000,000	-	-	-	-	-	\$3,139,215
Sawmill Creek / Forby Site \$150k D/C (2017 Masterplan \$155,535)	560,000	-	-	-	-	-	-	-	-	\$560,000
Camp St. Mary M2 (\$342K Design/\$165K ROW/\$3.25M Construction) (2017 Masterplan \$3,890,617)	-	-	342,000	165,000	1,783,617	1,600,000	-	-	-	\$3,890,617

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total
Sawmill Branch 1 Regional BMP (2017 Master Plan \$2,063,688)	-	-	-	206,369	-	412,738	1,444,582	-	-	\$2,063,688
Rock Springs Creek 1 Regional BMP (2017 Master Plan \$430,524)	-	-	43,052	86,105	301,367	-	-	-	-	\$430,524
Sawmill Branch 2 Regional BMP (2017 Master Plan \$1,071,064)	-	-	-	107,106	-	-	214,213	749,745	-	\$1,071,064
Lucy Point Creek Regional BMP (2017 Master Plan \$438,293)	-	-	-	-	-	-	43,829	87,659	306,805	\$438,293
Albergotti Creek 2 Regional BMP (2017 Master Plan \$602,447)	-	-	-	-	-	-	60,245	120,489	421,713	\$602,447
	\$2,145,569	\$2,176,817	\$1,885,123	\$1,564,580	\$2,084,984	\$2,012,738	\$1,762,868	\$957,893	\$728,518	\$15,319,090

BEAUFORT COUNTY, SOUTH CAROLINA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS

June 30, 2017

	Business-Type Activities - Enterprise Funds				Internal Service Fund
	Stormwater Utility	Lady's Island Airport	Hilton Head Airport	Totals	Garage
<u>ASSETS</u>					
Current Assets					
Cash and Cash Equivalents	\$10,010,300	\$ 250	\$ 200	\$ 10,010,750	\$ -
Receivables, Operating	208,004	13,461	102,913	324,378	172,055
Receivables, Federal and State Grants	-	4,229	2,237,173	2,241,402	-
Inventories	75,174	66,844	-	142,018	-
Prepayments	22,648	6,585	24,683	53,916	1,721
Total Current Assets	<u>10,316,126</u>	<u>91,369</u>	<u>2,364,969</u>	<u>12,772,464</u>	<u>173,776</u>
Capital Assets	4,705,439	4,833,031	32,201,172	41,739,642	445,159
Accumulated Depreciation	<u>(2,553,893)</u>	<u>(1,057,691)</u>	<u>(9,901,779)</u>	<u>(13,513,363)</u>	<u>(386,345)</u>
	<u>2,151,546</u>	<u>3,775,340</u>	<u>22,299,393</u>	<u>28,226,279</u>	<u>58,814</u>
Total Assets	<u>12,467,672</u>	<u>3,866,709</u>	<u>24,664,362</u>	<u>40,998,743</u>	<u>232,590</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>					
Contributions to pension plan	157,425	10,574	73,458	241,457	-
Pension earnings differences	15,770	1,051	13,848	30,669	-
Pension experience differences	<u>285,996</u>	<u>19,226</u>	<u>125,811</u>	<u>431,033</u>	<u>-</u>
Total deferred outflows of resources	<u>459,191</u>	<u>30,851</u>	<u>213,117</u>	<u>703,159</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$12,926,863</u>	<u>\$ 3,897,560</u>	<u>\$24,877,479</u>	<u>\$ 41,701,902</u>	<u>\$ 232,590</u>
<u>LIABILITIES</u>					
Current Liabilities					
Account Payable	\$ 111,800	\$ 15,792	\$ 1,951,552	\$ 2,079,144	\$ 232,590
Accrued Payroll	68,919	4,871	29,002	102,792	-
Accrued Compensated Absences	9,644	912	3,499	14,055	-
Due to General Fund	-	374,502	1,131,396	1,505,898	-
Current Portion of Due to Debt Service Fund	-	-	161,455	161,455	-
Total Current Liabilities	<u>190,363</u>	<u>396,077</u>	<u>3,276,904</u>	<u>3,863,344</u>	<u>232,590</u>
Noncurrent Liabilities					
Accrued Compensated Absences	70,719	6,692	25,656	103,067	-
Net Pension Liability	2,741,940	185,371	1,089,981	4,017,292	-
Due to Debt Service Fund	<u>5,000,000</u>	<u>-</u>	<u>3,109,100</u>	<u>8,109,100</u>	<u>-</u>
Total Noncurrent Liabilities	<u>7,812,659</u>	<u>192,063</u>	<u>4,224,737</u>	<u>12,229,459</u>	<u>-</u>
Total Liabilities	<u>8,003,022</u>	<u>588,140</u>	<u>7,501,641</u>	<u>16,092,803</u>	<u>232,590</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Net change in expected pension experience	4,213	281	672	5,166	-
Deferred amounts from changes in proportionate share	<u>23,504</u>	<u>1,598</u>	<u>9,578</u>	<u>34,680</u>	<u>-</u>
Total deferred inflows of resources	<u>27,717</u>	<u>1,879</u>	<u>10,250</u>	<u>39,846</u>	<u>-</u>
<u>NET POSITION</u>					
Net investment in capital assets	2,151,546	3,775,340	22,299,393	28,226,279	58,814
Unrestricted (Deficit)	<u>2,744,578</u>	<u>(467,799)</u>	<u>(4,933,805)</u>	<u>(2,657,026)</u>	<u>(58,814)</u>
Total Net Position	<u>\$ 4,896,124</u>	<u>\$ 3,307,541</u>	<u>\$17,365,588</u>	<u>\$ 25,569,253</u>	<u>\$ -</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$12,926,863</u>	<u>\$ 3,897,560</u>	<u>\$24,877,479</u>	<u>\$ 41,701,902</u>	<u>\$ 232,590</u>

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

BEAUFORT COUNTY, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended June 30, 2017

	Business-Type Activities - Enterprise Funds				Internal Service Fund
	Stormwater Utility	Lady's Island Airport	Hilton Head Airport	Totals	Garage
Operating Revenues					
Garage Billings	\$ -	\$ -	\$ -	\$ -	\$ 148,578
Fuel and Oil Sales	-	403,296	-	403,296	836,174
Stormwater Utility Fees	4,956,407	-	-	4,956,407	-
Stormwater Utility Project Billings	862,308	-	-	862,308	-
Fixed Base Operator Revenue	-	-	314,544	314,544	-
Passenger Facility Charges	-	-	126,607	126,607	-
Operating Agreements/Commission Revenue	-	1,182	403,035	404,217	-
Concession Sales	-	3,121	-	3,121	-
Firefighting/Security Fees	-	-	281,731	281,731	-
Landing Fees	-	13,850	53,117	66,967	-
Parking/Taxi Fees	-	-	16,692	16,692	-
Rentals	-	-	194,367	194,367	-
Hangar Rentals	-	130,570	178,855	309,425	-
Other Charges	3,444	15,010	36,865	55,319	-
Total Operating Revenues	5,822,159	567,029	1,605,813	7,995,001	984,752
Operating Expenses					
Costs of Sales and Services	-	248,297	-	248,297	-
Personnel	2,504,523	148,995	639,758	3,293,276	-
Purchased Services	991,111	53,934	475,692	1,520,737	835,892
Supplies	357,099	8,836	71,486	437,421	823,813
Depreciation	211,134	57,629	566,554	835,317	9,711
Total Operating Expenses	4,063,867	517,691	1,753,490	6,335,048	1,669,416
Operating (Loss) Income	1,758,292	49,338	(147,677)	1,659,953	(684,664)
Non-Operating Revenues (Expenses)					
Operating grant - Transportation Security Administration	-	-	50,560	50,560	-
Interfund Transfer from General Fund	-	-	-	-	668,434
Non-Operating Grant Expenses	-	(93,023)	(9,663,843)	(9,756,866)	-
Interest Income	19,226	75	393	19,694	-
Interest Expense	-	-	(87,845)	(87,845)	-
Total Non-Operating Revenues (Expenses)	19,226	(92,948)	(9,700,735)	(9,774,457)	668,434
(Loss) Income before capital contributions and special items	1,777,518	(43,610)	(9,848,412)	(8,114,504)	(16,230)
Capital Contributions					
Capital Grants - Federal Aviation Administration	-	76,119	9,405,574	9,481,693	-
Capital Grants - South Carolina Aeronautical Commission	-	4,229	609,531	613,760	-
Total Capital Contributions	-	80,348	10,015,105	10,095,453	-
Change in Net Position	1,777,518	36,738	166,693	1,980,949	(16,230)
Net Position, Beginning	3,118,606	3,270,803	17,198,895	23,588,304	16,230
Net Position, Ending	\$ 4,896,124	\$ 3,307,541	\$ 17,365,588	\$ 25,569,253	\$ -

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

BEAUFORT COUNTY, SOUTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2017

	Business-Type Activities - Enterprise Funds				Internal Service Fund
	Stormwater Utility	Lady's Island Airport	Hilton Head Airport	Totals	Garage
Cash Flows from Operating Activities:					
Cash Received from Customers and Users	\$ 5,731,391	\$ 577,505	\$ 1,415,249	\$ 7,724,145	\$ 1,018,846
Cash Paid to Employees	(2,101,587)	(138,938)	(895,552)	(3,136,077)	-
Cash Paid to Suppliers	(1,545,102)	(425,967)	(539,612)	(2,510,681)	(1,687,280)
Total Provided By (Used For) Operating Activities	<u>2,084,702</u>	<u>12,600</u>	<u>(19,915)</u>	<u>2,077,387</u>	<u>(668,434)</u>
Cash Flows from Noncapital Financing Activities:					
Operating Grant - TSA	-	-	50,560	50,560	-
Interfund transfer from the General Fund	-	-	-	-	668,434
Non-Operating Grant Expenses	-	(93,023)	(9,663,843)	(9,756,866)	-
Principal Payment on Note Payable	-	-	(157,397)	(157,397)	-
Interest Paid on Note Payable	-	-	(87,845)	(87,845)	-
Total Used For Noncapital Financing Activities	<u>-</u>	<u>(93,023)</u>	<u>(9,858,525)</u>	<u>(9,951,548)</u>	<u>668,434</u>
Cash Flows from Capital and Related Financing Activities:					
FAA Grants	-	76,119	9,405,574	9,481,693	-
SCAC Grants	-	4,229	609,531	613,760	-
Advance from Debt Service Fund	5,000,000	-	-	5,000,000	-
Purchase of Capital Assets	(801,489)	-	(137,058)	(938,547)	-
Total Provided By (Used For) Capital and Related Activities	<u>4,198,511</u>	<u>80,348</u>	<u>9,878,047</u>	<u>14,156,906</u>	<u>-</u>
Cash Flows from Investing Activities:					
Interest Earned	<u>19,226</u>	<u>75</u>	<u>393</u>	<u>19,694</u>	<u>-</u>
Net Increase in Cash and Cash Equivalents	6,302,439	-	-	6,302,439	-
Cash and Cash Equivalents, July 1, 2016	<u>3,707,861</u>	<u>250</u>	<u>200</u>	<u>3,708,311</u>	<u>-</u>
Cash and Cash Equivalents, June 30, 2017	<u>\$ 10,010,300</u>	<u>\$ 250</u>	<u>\$ 200</u>	<u>\$ 10,010,750</u>	<u>\$ -</u>

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

BEAUFORT COUNTY, SOUTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2017

	Business-Type Activities - Enterprise Funds				Internal Service Fund
	Stormwater Utility	Lady's Island Airport	Hilton Head Airport	Totals	Garage
Reconciliation of Operating Income to Net Cash Flows Provided by (Used for) Operating Activities:					
Operating (Loss) Income	\$ 1,758,292	\$ 49,338	\$ (147,677)	\$ 1,659,953	\$ (684,664)
Adjustments to Reconcile:					
Depreciation	211,134	57,629	566,554	835,317	9,711
Changes in Assets and Liabilities:					
Decrease (Increase) in Accounts Receivable	(90,768)	10,476	(190,564)	(270,856)	34,094
Decrease (Increase) in Inventories	32,073	(15,177)	-	16,896	-
Decrease in Other Current Assets	(3,155)	(1,073)	(1,039)	(5,267)	(462)
Increase (Decrease) in Accounts Payable	(225,809)	(10,525)	379,414	143,080	(27,113)
Increase (Decrease) in Due to General Fund	-	(88,125)	(370,809)	(458,934)	-
Increase (Decrease) in Accrued Payroll	13,800	1,098	(319)	14,579	-
Increase (Decrease) in Accrued Compensated Absences	2,609	1,956	(2,020)	2,545	-
Increase (Decrease) in pension deferred inflows/outflows and liability	386,526	7,003	(253,455)	140,074	-
	115,276	(94,367)	(438,792)	(417,883)	6,519
Net Cash Flow Provided by (Used for) Operating Activities	\$ 2,084,702	\$ 12,600	\$ (19,915)	\$ 2,077,387	\$ (668,434)

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

ORDINANCE 2018 / ____

AN ORDINANCE TO PROVIDE FOR APPROPRIATIONS FROM THE LOCAL ACCOMMODATIONS OR HOSPITALITY TAX FUND TO THE SANTA ELENA FOUNDATION IN THE AMOUNT NOT TO EXCEED \$100,000 TO PROVIDE FOR FEES ASSOCIATED WITH A TWO-YEAR LEASE EXTENSION FOR PROPERTY KNOWN AS THE DOWLING FAMILY LOT

WHEREAS, Beaufort County owns and operates the Federal Courthouse located at 1501 Bay Street, Beaufort, South Carolina; and

WHEREAS, pursuant to Ordinance 2018/01 County Council authorized a two-year extension for the lease with Santa Elena Foundation for the Federal Courthouse property at 1501 Bay Street; and

WHEREAS, Ordinance 2018/01 deferred the issue of the cost for the lease of the parking lot adjacent to the Federal Courthouse building pending a review of the financial records of the Santa Elena Foundation; and

WHEREAS, after a review of the Foundation's finances it being apparent financial assistance to cover the cost of the parking lot lease is needed to continue the Foundation's operations at the Federal Courthouse location; and

WHEREAS, Beaufort County Council believes that it is in the best interests of its citizens and visitors to renew the parking lot lease at the Federal Courthouse commensurate with the terms of the building lease for the next two years and that the source of funds for the parking lot lease come from Accommodations/Hospitality Tax; and

WHEREAS, the Finance Committee, at its May 7, 2018 meeting, unanimously recommended appropriating to the Santa Elena Foundation up to \$50,000 per year for two years from Accommodations/Hospitality Tax funds for the purpose of paying the cost of the parking lot lease associated with the Federal Court building lease.

NOW, THEREFORE, BE IT ORDAINED by Beaufort County Council that up to \$50,000 per year for two years is hereby appropriated from Accommodations or Hospitality Tax funds to the Santa Elena Foundation for the purpose of covering the cost of the parking lot lease associated with the Federal Courthouse building lease.

Adopted this ____ day of _____, 2018.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Thomas J. Keaveny, II, Esquire
Beaufort County Attorney

First Reading: May 14, 2018

Second Reading:

Public Hearing:

Third and Final Reading:

ORDINANCE 2018/___

AN ORDINANCE TO PROVIDE FOR ALLOCATION OF FUNDS FOR BEAUFORT MEMORIAL HOSPITAL INDIGENT CARE, BEAUFORT / JASPER / HAMPTON COMPREHENSIVE HEALTH SERVICES, INC., ECONOMIC DEVELOPMENT, AND HIGHER EDUCATION BASED ON A MILLAGE AMOUNT BEGINNING WITH THE FISCAL YEAR 2018-2019 BUDGET.

WHEREAS, Beaufort Memorial Hospital (BMH) is a not-for-profit hospital founded in 1944 on the banks of the Atlantic Intracoastal Waterway serving Beaufort County, South Carolina; and

WHEREAS, BMH provides acute care and emergency care with a total of 197 beds (169 acute beds, 14 rehabilitation beds and 14 mental health beds) with over 1,600 employees; and

WHEREAS, BMH provides indigent care for emergency, acute and mental health services; and

WHEREAS, BMH did receive indigent care millage contributions from the County until 2007 but no longer receives millage contributions; and

WHEREAS, Beaufort/Jasper/Hampton Comprehensive Health Services, Inc. (BJHCHS) was incorporated in 1969 and currently provides comprehensive health services to socially and economically deprived residents of Beaufort, Jasper and Hampton Counties; and

WHEREAS, BJHCHS provides a variety of health services on a sliding scale rate to underinsured and uninsured patients; and

WHEREAS, County Council has and desires to continue to provide support for BJCHS; and

WHEREAS, the Technical College of the Lowcountry (TCL) and the University of South Carolina-Beaufort (USC-B) provide higher education in Beaufort County, and

WHEREAS, the County has regularly provided and desires to continue to provide financial support to both TCL and USC-B; and

WHEREAS, the Executive Committee expressed its support for providing financial support to higher education based on a millage amount at the March 13, 2017 Executive Committee meeting; and

WHEREAS, County Council recognizes that economic development and the diversification of the tax base within Beaufort County is a priority pursuant to Resolution No. 2015/18; and

WHEREAS, County Council has a desire to provide a continual source of financial support for economic development efforts currently being led by the Beaufort County Economic Development Corporation; and

WHEREAS, the topic of providing financial support to higher education, economic development and indigent medical care based on a dedicated millage amount was discussed at the 2018 County Council strategic planning session (retreat); and

WHEREAS, the topic of providing financial support to higher education, economic development and indigent medical care based on a dedicated millage amount was discussed at the April 2, 2018 Finance Committee; and

WHEREAS, Beaufort County Council has determined it to be in the best interest of its citizens to provide for a commitment based on millage in an amount to be determined by the annual budget ordinance and levied on real property through ad valorem taxes for the purpose of providing funds to Beaufort Memorial Hospital indigent care, Beaufort/Jasper/Hampton Comprehensive Health Services, Inc., Technical College of the Lowcountry, University of South Carolina-Beaufort and the Beaufort County Economic Development Corporation such that as the value of the mill increases, so shall the contribution to these organizations.

NOW, THEREFORE, BE IT ORDAINED, by Beaufort County Council that Beaufort County Council does hereby commit allocations based on a dedicated millage amount to Beaufort Memorial Hospital indigent care, Beaufort/Jasper/Hampton Comprehensive Health Services, Inc., Technical College of the Lowcountry, University of South Carolina-Beaufort, and the Beaufort County Economic Development Corporation, to be levied annually on real property through ad valorem taxes for the purpose of providing funds to these organizations until such time as amended, modified or rescinded by County Council.

Beginning with the 2018-19 FY Budget, the dedicated millage shall be as follows:

- | | |
|-------------------------|-------|
| 1. Higher Education: | |
| a. USC-B | 1.185 |
| b. TCL | 1.185 |
| 2. Economic Development | .26 |
| 3. BMH Indigent care | .34 |
| 4. BJCHS | .47 |

DONE this ____ day of _____, 2018.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Thomas J. Keaveny, II, Esquire
Beaufort County Attorney

First Reading: May 14, 2018

Second Reading:

Public Hearing:

Third and Final Reading:

2018 /

TEXT AMENDMENT TO THE BEAUFORT COUNTY CODE OF ORDINANCES,
CHAPTER 66, ARTICLE II, ACCOMMODATIONS TAX BOARD, DIVISION 1,
SECTION 66-29 POWERS AND DUTIES.

WHEREAS, deleted text is ~~struck through~~ and added text is underlined.

DONE this ____ day of _____, 2018.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Thomas J. Keaveny, II, Esquire
Beaufort County Attorney

First Reading: May 14, 2018
Second Reading:
Public Hearing:
Third and Final Reading:

Sec. 66-29. - Powers and duties.

To be in compliance with S.C. Code of Law, Title 6 Chapter 4, the state (2%) accommodations tax shall be allocated in the following manner:

- (1) Be in compliance with the Ordinance No. 89-9; however, the first \$25,000.00 of revenues received from the accommodations tax will, by law, be placed in the county's general fund with no restrictions on the expenditures.
- (2) Five percent of the balance must be allocated to the general fund with no restrictions on expenditures.
- (3) Thirty percent of the remaining balance is split with half going to the ~~Beaufort Regional Chamber of Commerce~~ Greater Beaufort-Port Royal Convention & Visitors Bureau and half going to the Hilton Head - Bluffton Chamber of Commerce as the council hereby designates the ~~Beaufort Regional Chamber of Commerce~~ Greater Beaufort-Port Royal Convention & Visitors Bureau and the Hilton Head - Bluffton Chamber of Commerce as the designated marketing organizations (DMOs).
 - (a) In accordance with state law, the DMOs shall submit for approval a budget of planned expenditures. The proposed budgets from the two DMOs shall be presented at the April finance committee meeting. At the end of each fiscal year, an organization receiving funds shall render an accounting of the expenditure to the county. The final reports from the two DMOs shall be presented at the August finance committee meeting.
 - (b) Advertising expenditures using these county funds cannot be spent within Beaufort County except for notifications of festivals or other events similar in nature.
 - (c) Adoption of this section goes into effect immediately; however, any changes to this section of the Code after initial adoption shall go into effect one year from date of adoption.
- (4)
 - (a) The remaining balance plus earned interest received by the county must be allocated to a special fund and used for tourism-related expenditures. These expenditures shall be dispersed through a grant process of which the Accommodations (2% State) Tax Board evaluates requests and makes recommendations to County Council. Grant requests must not be used as an additional source of revenue to provide services normally provided by the county, but to promote tourism and enlarge its economic benefits through advertising, promotion, and providing those facilities and services which enhance the ability of the county to attract and provide for tourists. Tourism-related expenditures include:
 - i. Advertising and promotion of tourism so as to develop and increase tourist attendance through the generation of publicity;
 - ii. Promotion of the arts and cultural events;
 - iii. Construction, maintenance, and operation of facilities for civic and cultural activities including construction and maintenance of access and other nearby roads and utilities for the facilities;
 - iv. The criminal justice system, law enforcement, fire protection, solid waste collection, and health facilities when required to serve tourists and tourist facilities. This is based on the estimated percentage of costs directly attributed to tourists;
 - v. Public facilities such as restrooms, dressing rooms, parks, and parking lots;
 - vi. Tourist shuttle transportation;
 - vii. Control and repair of waterfront erosion;
 - viii. Operating visitor information centers.
 - (b) Allocation must be spent within two years of receipt.

(Code 1982, § 7-21(c); [Ord. No. 2009/15, 3-30-2009](#))

2018 /

TEXT AMENDMENT TO THE BEAUFORT COUNTY CODE OF ORDINANCES,
CHAPTER 66, ARTICLE II, ACCOMMODATIONS TAX BOARD, DIVISION 2,
SECTION 66-47 MANAGEMENT AND USE OF LOCAL (3%)
ACCOMMODATIONS TAX.

WHEREAS, deleted text is ~~struck through~~ and added text is underlined.

DONE this ____ day of _____, 2018.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Thomas J. Keaveny, II, Esquire
Beaufort County Attorney

First Reading: May 14, 2018
Second Reading:
Public Hearing:
Third and Final Reading:

Sec. 66-47. - Management and use of local (3%) accommodations tax.

[The management and use of local accommodations tax is as follows:]

- (a) Fund the approved annual operating expenditures of the program at an amount not to exceed eight percent of the funds collected.
- (b) Allocate \$350,000.00 annually for advertising and promotion programs related to tourism development (subsection 66-44(a)(5)). These funds shall be allocated as follows:
 - (1) One hundred fifty thousand dollars shall be allocated to the ~~Beaufort Regional Chamber of Commerce~~ Greater Beaufort-Port Royal Convention & Visitors Bureau for advertising, promotion and events to increase tourism within the county.
 - (2) One hundred fifty thousand dollars shall be allocated to the Hilton Head - Bluffton Chamber of Commerce for advertising, promotion and events to increase tourism within the county.
 - (3) Fifty thousand dollars shall be allocated to the Beaufort County Black Chamber of Commerce for advertising, promotion and events to increase tourism within the county.
 - (4) Funds shall be distributed to the designated organizations on a quarterly basis no later than 30 days after the end of the quarter.
 - (5) Advertising expenditures using these county funds cannot be spent within Beaufort County except for notifications of festivals or other events similar in nature.
- (c) Allocate the remaining balance of collections as follows:
 - (1) Twenty percent to establish a reserve fund for emergency or other unforeseen needs;
 - (2) Twenty percent for river/beach access and renourishment (subsection 66-44(a)(3));
 - (3) Sixty percent for tourism-related buildings, including, but not limited to, civic centers, coliseums and aquariums (subsection 66-44(a)(1)); cultural, recreational, or historic facilities; highways, roads, streets, bridges and boat ramps providing access to tourist destinations (subsection 66-44(a)(2)); water and sewer infrastructure to serve tourism-related demand (subsection 66-44(a)(6); the operation and maintenance, including police, fire protection, emergency medical services and emergency preparedness operating directly attendant to those facilities as referenced above (subsection 66-44(a)(7); and for all other proper purposes (subsection 66-44(a)(8)).
- (d) In accordance with state law, the three chambers shall submit for approval a budget of planned expenditures. At the end of each fiscal year, an organization receiving funds shall render an accounting of the expenditure to the county.
- (e) Any changes to this section of the code shall go into effect after July 1, 2009.

(Ord. No. 2002-11, § 7, 3-11-2002; [Ord. No. 2005/10, § 7, 3-28-2005](#); [Ord. No. 2009/15, 3-30-2009](#).)

ORDINANCE NO. 2018 / ____

AN ORDINANCE AUTHORIZING THE INTERIM COUNTY ADMINISTRATOR TO EXECUTE NECESSARY DOCUMENTS TO GRANT AN EASEMENT AND MAINTENANCE AGREEMENT WITH THE CITY OF BEAUFORT FOR A PEDESTRIAN AND BICYCLE TRAIL CONNECTING THE CITY'S SOUTHSIDE PARK AND THE COUNTY'S ADJACENT PARK FACILITY AT 1405 BATTERY CREEK ROAD

WHEREAS, Beaufort County ("County") owns a parcel of land at 1405 Battery Creek Road used as a County park with tennis courts and parking lot improvements as well as a picnic and shelter area; and

WHEREAS, the City of Beaufort ("City") owns 2614 Southside Boulevard commonly known as South Side Park and has made significant improvements to the land as a public park; and

WHEREAS, the City has installed a trail on the South Side Park property and desires to continue the trail through the County park property at 1405 Battery Creek Road as shown on the attached Exhibit A; and

WHEREAS, the trail connects to a sidewalk which gets close to the Spanish Moss Trail and is expected to eventually connect to the Spanish Moss Trail; and

WHEREAS, the County Council finds that the citizens and visitors will benefit from connecting the City and County park and from connecting these two parks to the Spanish Moss Trail for ease of pedestrian and bicycle access; and

WHEREAS, the City has offered to install and forever maintain the construction of the trail; and

WHEREAS, Beaufort County Council believes that it is in the best interests of its citizens to provide for the proposed easement and maintenance agreement that allows the installation of the trail connecting the two parks and eventually connecting to the Spanish Moss Trail.

NOW, THEREFORE, BE IT ORDAINED that Beaufort County Council does hereby authorize the Interim County Administrator to execute the necessary documents to provide for an Easement and Maintenance Agreement with the City of Beaufort in the area shown on the attached Exhibit A for the purposes as stated in the recitals provided herein.

DONE this ____ day of _____, 2018.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: _____
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Thomas J. Keaveny, II, Esquire
Beaufort County Attorney

First Reading: May 14, 2018

Second Reading:

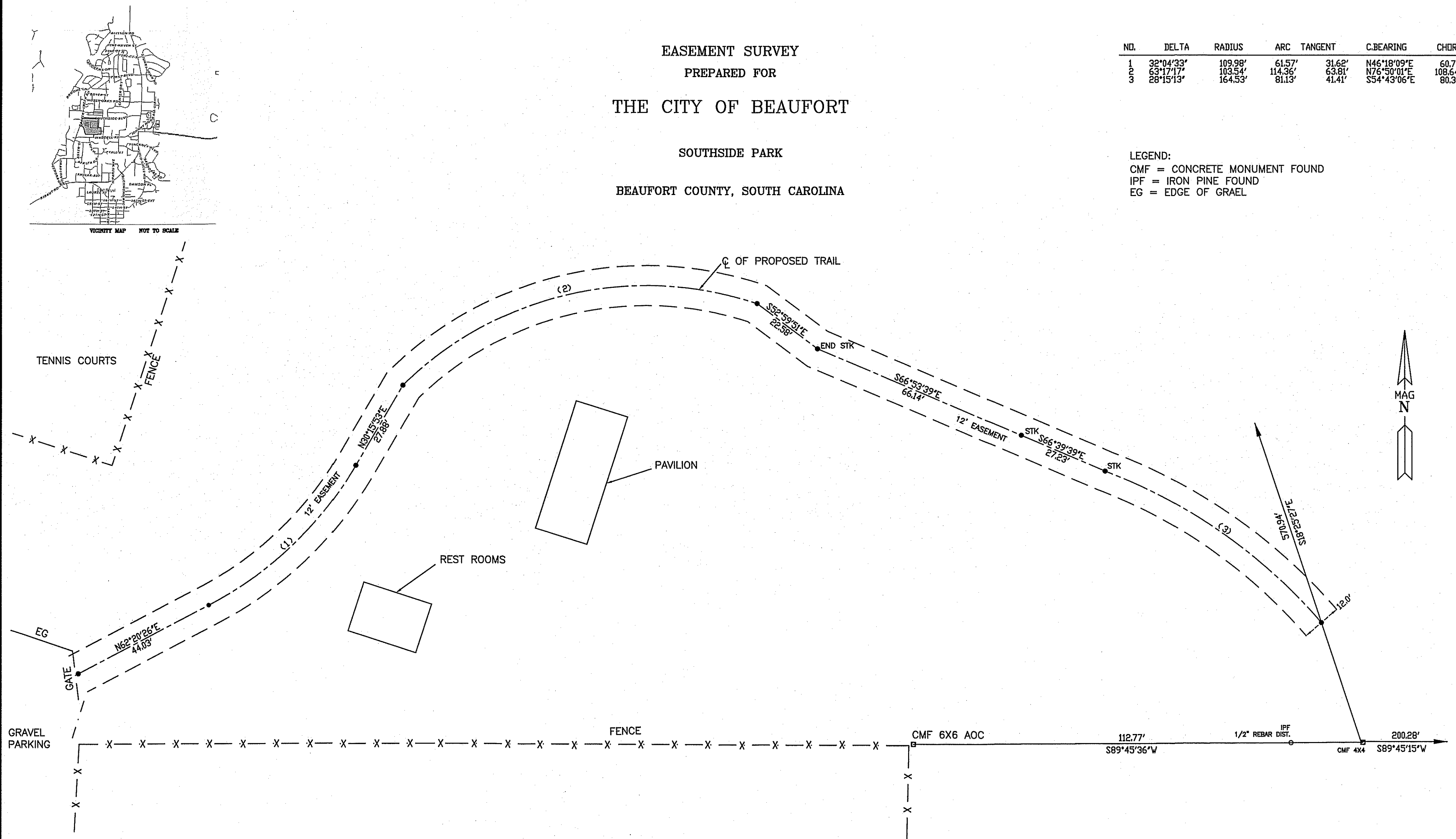
Public Hearing:

Third and Final Reading:

EASEMENT SURVEY
 PREPARED FOR
 THE CITY OF BEAUFORT
 SOUTHSIDE PARK
 BEAUFORT COUNTY, SOUTH CAROLINA

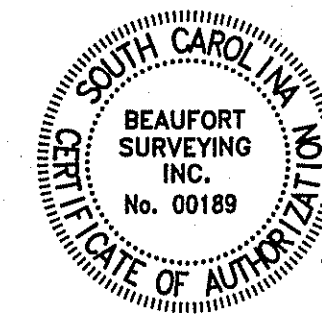
NO.	DELTA	RADIUS	ARC	TANGENT	C.BEARING	CHORD
1	32°04'33"	109.98'	61.57'	31.62'	N46°18'09"E	60.77'
2	63°17'17"	103.54'	114.36'	63.81'	N76°50'01"E	108.64'
3	28°15'13"	164.53'	81.13'	41.41'	S54°43'06"E	80.31'

LEGEND:
 CMF = CONCRETE MONUMENT FOUND
 IPF = IRON PINE FOUND
 EG = EDGE OF GRAEL



R120-008-000-0612-0000
 0 10' 20' 40' 60'

SCALE 1" = 20'
 FEBRUARY 28, 2018
 P16651CLB/WMA



I HEREBY STATE THAT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF, THE SURVEY SHOWN HEREON WAS MADE IN ACCORDANCE WITH THE REQUIREMENTS OF THE MINIMUM STANDARDS MANUAL FOR THE PRACTICE OF LAND SURVEYING IN SOUTH CAROLINA, AND MEETS OR EXCEEDS THE REQUIREMENTS FOR A CLASS B SURVEY AS SPECIFIED THEREIN. ALSO THERE ARE NO VISIBLE ENCROACHMENTS OR PROJECTIONS OTHER THAN SHOWN.

DAVID S. YOUMANS RLS 9765
 BEAUFORT SURVEYING, INC.
 2201 BOUNDARY ST., SUITE 103
 BEAUFORT, S.C. 29902
 PHONE (843) 524-3261



BEAUFORT COUNTY STORMWATER UTILITY
120 Shanklin Road
Beaufort, South Carolina 29906
Voice (843) 255-2805 Facsimile (843) 255-9436
wstormwater@bcgov.net



M E M O R A N D U M

TO: Paul Sommerville, Chairman Beaufort County Council

FROM: Eric W. Larson, PE, AICP, CPSWQ, CFM

DATE: May 29, 2018

SUBJECT: Condemnation for Easement – 4 tracts associated with the Pine Grove Road, Kato Lane & Burlington Circle

Condemnation for Easement – Jenkins Road tract 15-103

Condemnation for Easement- Tracts 0001, 0008, 0009, 007C, 16-0006 associated with Young Circle and Bessies Lane

The attached easement exhibits are being proposed by staff at the request of adjacent property owners and/or Councilmen Dawson and Flewelling to begin formal condemnation procedures to acquire the easements. Multiple written, verbal and personal communications have resulted in unsuccessful voluntary easement acquisitions. Councilmen Dawson and Flewelling have been involved with the acquisition process and support further action.

Pine Grove Road, Kato Lane & Burlington Circle

The Stormwater Department often receives requests to maintain this regionally significant system due to flooding issues. The process to obtain easements needed for this ditch system formally began in January 2017. The County has received 20 unrecorded notarized easements out of the 24 requested easements. Three property owners consisting of four tracts (42B, 284, 285 & 287 as noted on the attached exhibit) have verbally denied granting easements. These property owners were contacted at least twice by letter, door hangers were left and personal contact was established. Councilman Dawson was instrumental in acquiring a couple unrecorded notarized easements, however, he is recommending board/committee review for condemnation and he will support their decision. Part of this drainage system affects constituents in Councilman Flewelling's district. Mr. Flewelling also supports further action.

Jenkins Road

The process to obtain easements for this ditch system formally began in March 2017. Easements for the southern section of the ditch were acquired and recorded. The County has received 2 unrecorded notarized easements out of three requested easements for the northern section of the ditch. Multiple attempts of communication and negotiation including a visit from Councilman Dawson were unsuccessful on the remaining tract. Tract 15-103 (as shown on the attached easement exhibit) is heir's property and the heir who pays the taxes does not want to grant an easement to the County. Staff proposes condemnation of tract 15-103 to complete the easement acquisition process for this ditch. Councilman Dawson is recommending board/committee review for condemnation and he will support their decision.

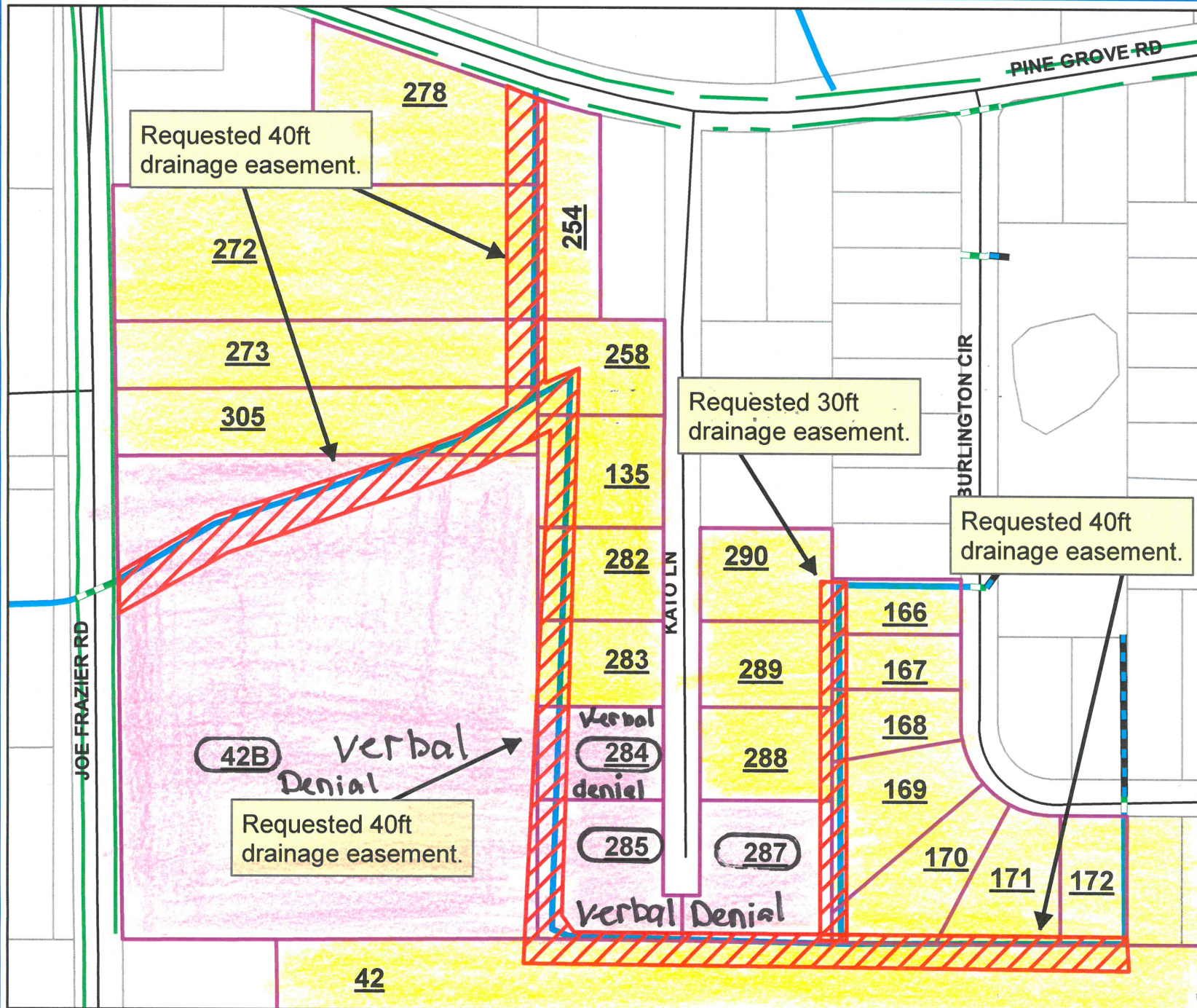
Young Circle and Bessies Lane

The process to obtain the easements needed for this regionally significant ditch system formally began in March 2017, although conversations with one of the residents offering to assist in garnering community support began several years ago. Through past efforts, the County has recorded several easements. However, there are gaps in easement coverage to fully cover the system. While we have signed (unrecorded) easements on two tracts, we have numerous tracts still unsigned. All remaining property owners have been contacted by letter and have had multiple other attempts to communicate with them. On May 21, 2018 at the Natural Resources Committee meeting, committee members approved a motion to condemn tracts 0001, 0008, 0009, 007C and 16-0006 as needed if further attempts of acquisition are unsuccessful.

(Exhibit "A")
R100-24
Pine Grove Road

Activity: Drainage Easement

Township: Port
Royal Island



Legend

- Requested Esmt
- Drainage**
 - River
 - Creek/Stream
 - River/Creek/Marsh BANK
 - Channel (fka Outfall)
 - Channel Pipe
 - Roadside
 - Roadside Pipe
 - Road Pipe
 - Crossline Pipe
 - Driveway Pipe
 - Lateral
 - Lateral Pipe
 - Access Pipe
 - Bleeder Pipe

Notarized
Easements



Verbal denial

0 50 100 200 300 400
Feet

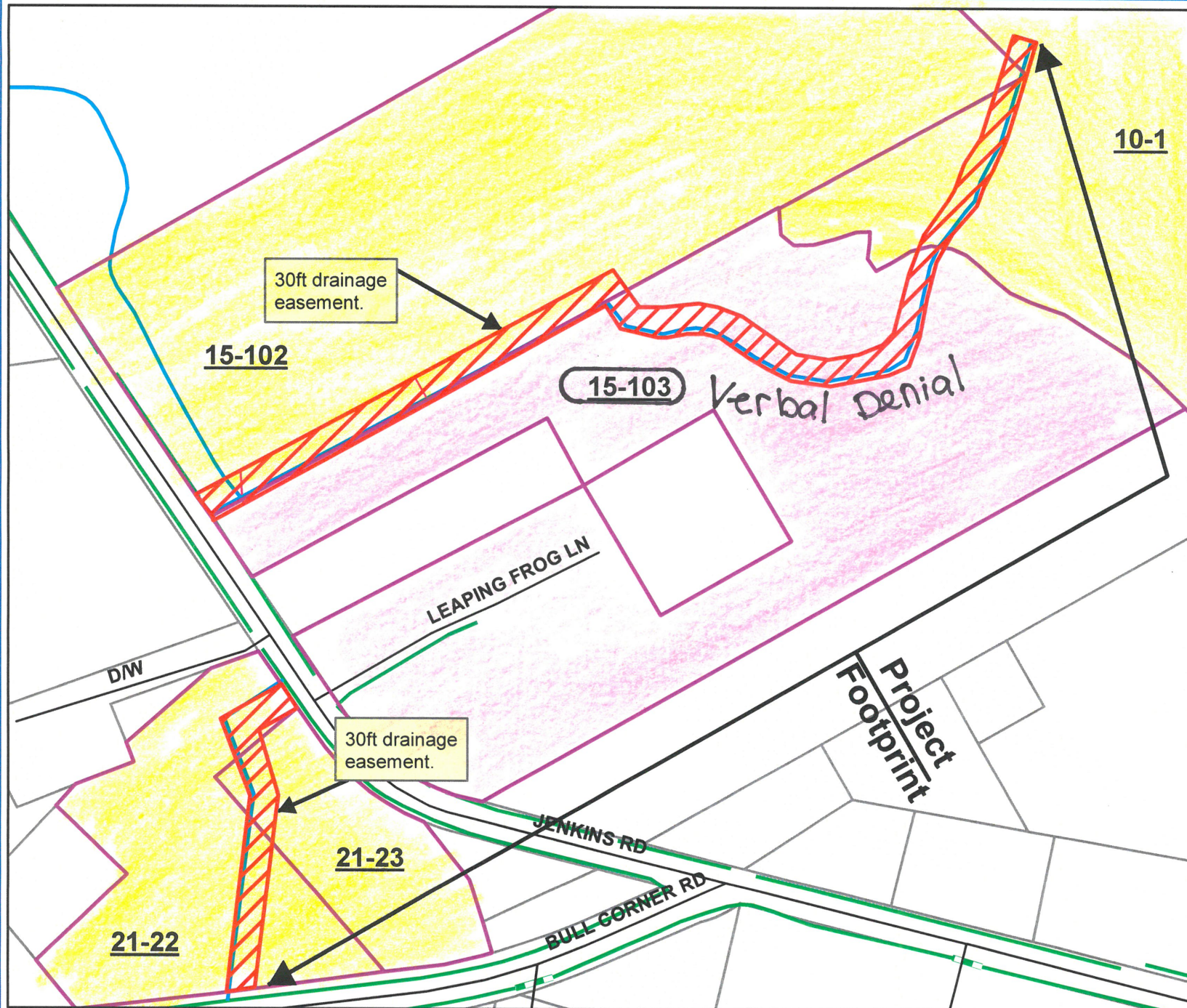
1 inch = 189 feet

Prepared By: Beaufort Co, Stormwater Management Utility
Print Date: 1/25/2017
File - C:\sethdata\leasement requests\2017\R100-24 Pine Grove Rd

(Exhibit "A")
R700-
Jenkins Road

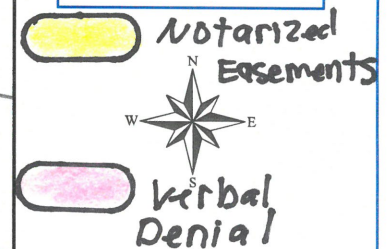
Activity: Drainage
Easement Request

Township:
Sheldon



Legend

- Requested Esmt
- Access Pipe
- Bleeder Pipe
- Channel Pipe
- Channel
- Crossline Pipe
- Lateral
- Lateral Pipe
- Road Pipe
- Roadside
- Roadside Pipe
- Parcels
- Easements



0 62.5 125 250 375 500
Feet

1 inch = 192 feet






















Prepared By: Beaufort Co, Stormwater Management Utility
Print Date: 3/9/17
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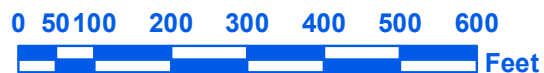
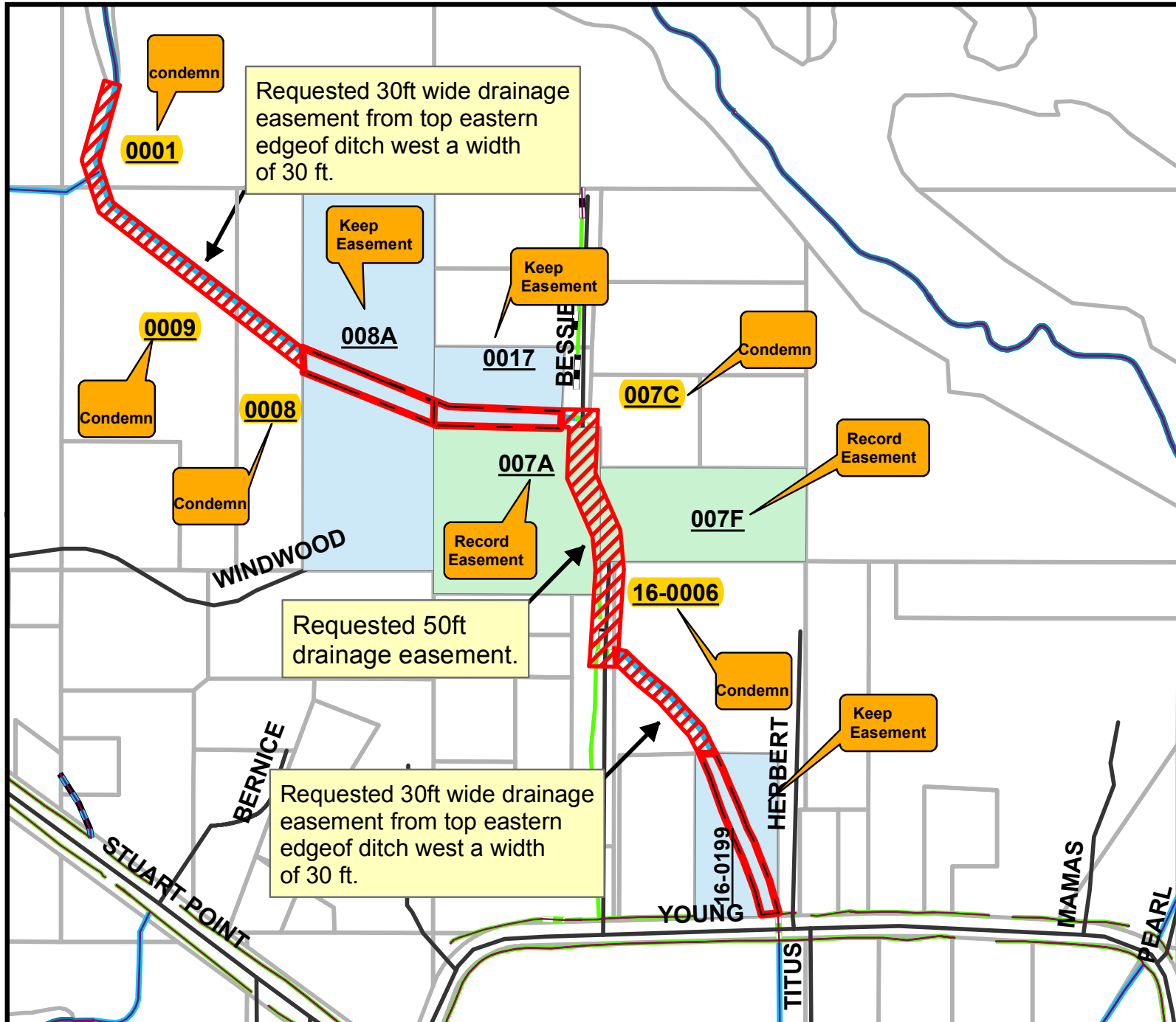
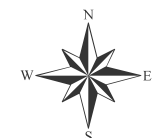
(Exhibit "A")
R100-13
Young Circle &
Bessies Lane

Activity: Drainage
Easement Request

Township: Port
Royal Island

Legend

-  Requested Esmt
-  Recorded Easements
-  Notorized Easements
-  Parcels
-  Easements
-  Ditch to be Constructed
-  River
-  Creek/Stream
-  River/Creek/Marsh BANK
-  Channel Pipe
-  Roadside
-  Roadside Pipe
-  Road Pipe
-  Crossline Pipe
-  Driveway Pipe
-  Lateral
-  Lateral Pipe
-  Access Pipe
-  Bleeder Pipe
-  Channel (fka Outfall)
-  To be Piped



1 inch = 251 feet



BEAUFORT COUNTY STORMWATER UTILITY
120 Shanklin Road
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Voice (843) 255-2805 Facsimile (843) 255-9436
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M E M O R A N D U M

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FROM: Eric W. Larson, PE, AICP, CPSWQ, CFM

DATE: May 29, 2018

SUBJECT: Condemnation for Easement – 4 tracts associated with the Pine Grove Road, Kato Lane & Burlington Circle

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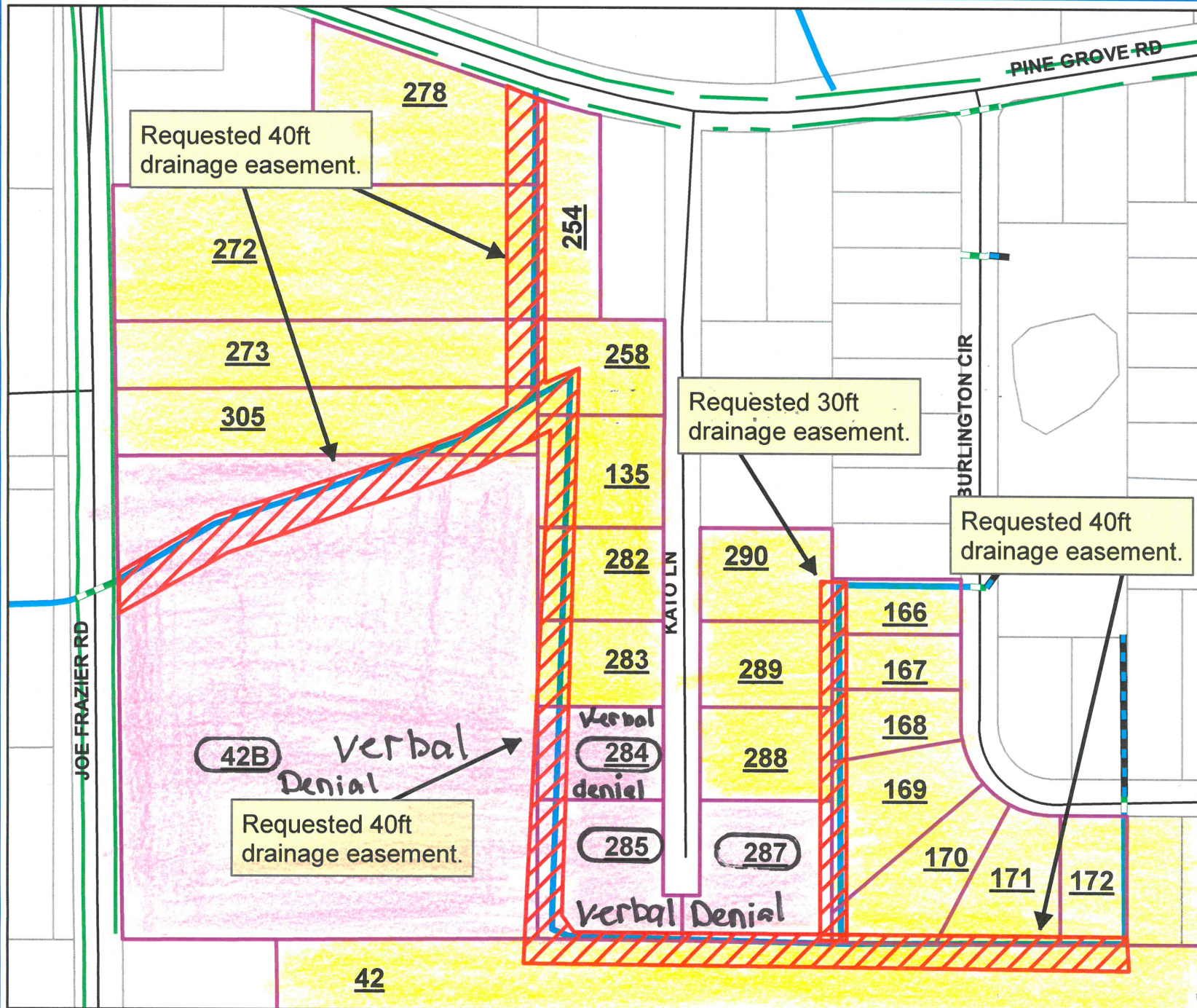
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(Exhibit "A")
R100-24
Pine Grove Road

Activity: Drainage Easement

Township: Port
Royal Island



Legend

- Requested Esmt
- Drainage**
 - River
 - Creek/Stream
 - River/Creek/Marsh BANK
 - Channel (fka Outfall)
 - Channel Pipe
 - Roadside
 - Roadside Pipe
 - Road Pipe
 - Crossline Pipe
 - Driveway Pipe
 - Lateral
 - Lateral Pipe
 - Access Pipe
 - Bleeder Pipe

Notarized
Easements



Verbal denial

0 50 100 200 300 400
Feet

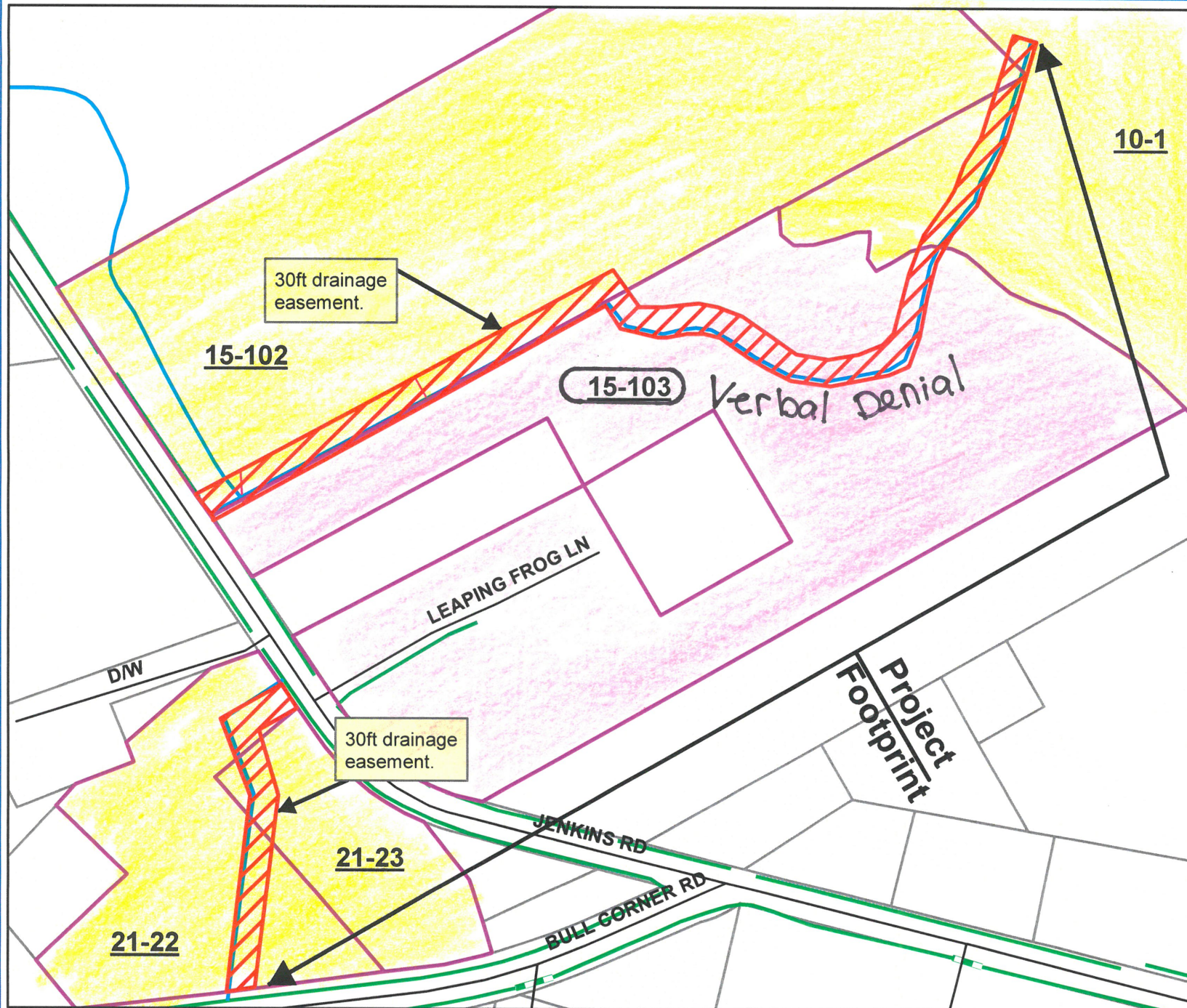
1 inch = 189 feet

Prepared By: Beaufort Co, Stormwater Management Utility
Print Date: 1/25/2017
File - C:\sethdata\leasement requests\2017\R100-24 Pine Grove Rd

(Exhibit "A")
R700-
Jenkins Road

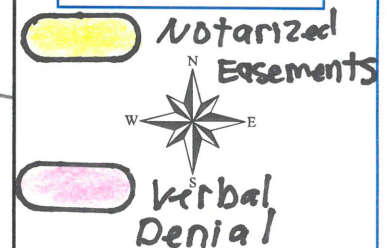
Activity: Drainage
Easement Request

Township:
Sheldon



Legend

- Requested Esmt
- Access Pipe
- Bleeder Pipe
- Channel Pipe
- Channel
- Crossline Pipe
- Lateral
- Lateral Pipe
- Road Pipe
- Roadside
- Roadside Pipe
- Parcels
- Easements



0 62.5 125 250 375 500
Feet

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



















Prepared By: Beaufort Co, Stormwater Management Utility
Print Date: 3/9/17
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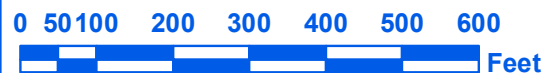
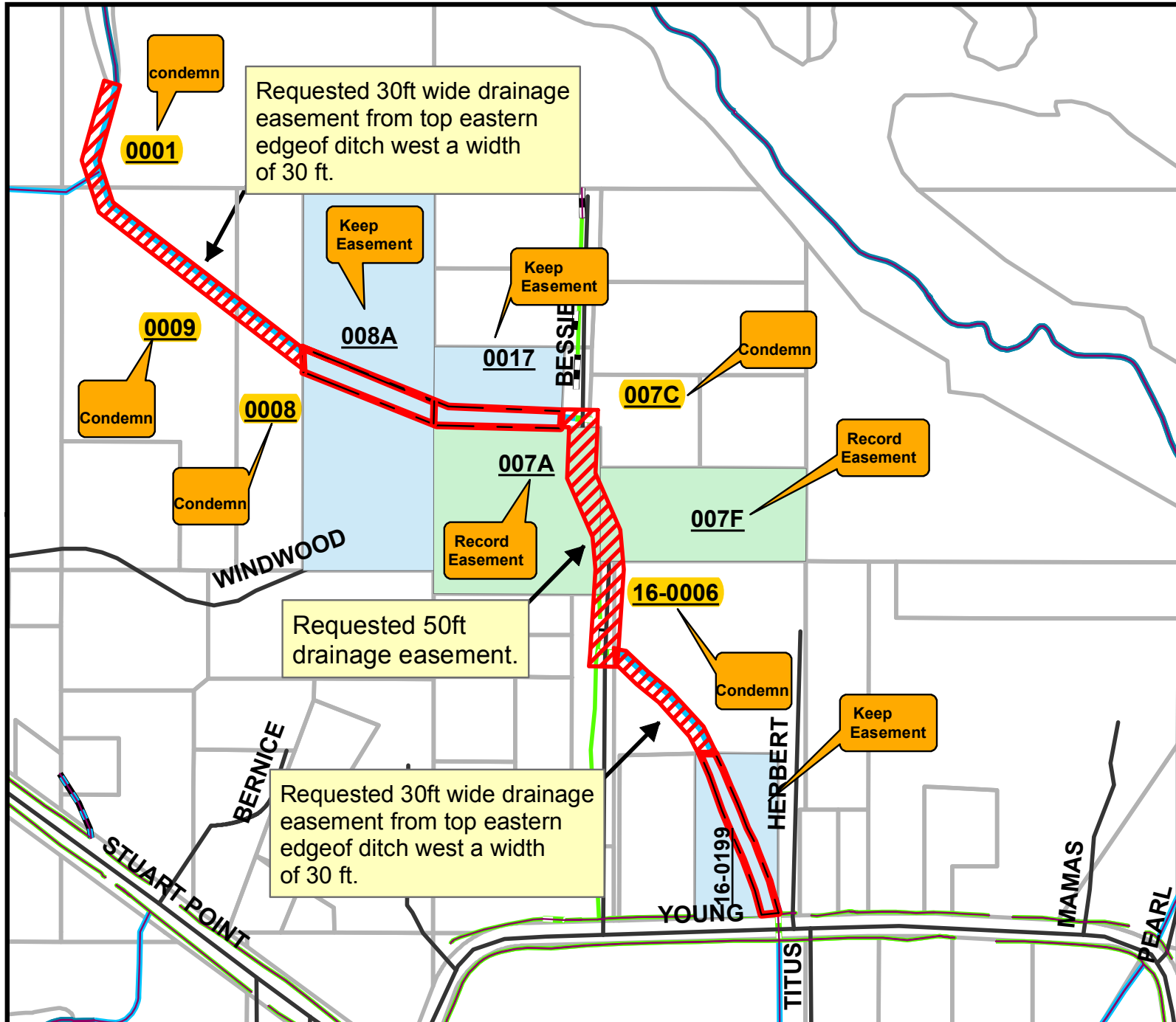
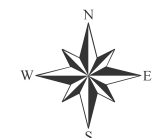
(Exhibit "A")
R100-13
Young Circle &
Bessies Lane

Activity: Drainage
Easement Request

Township: Port
Royal Island

Legend

-  Requested Esmt
-  Recorded Easements
-  Notorized Easements
-  Parcels
-  Easements
-  Ditch to be Constructed
-  River
-  Creek/Stream
-  River/Creek/Marsh BANK
-  Channel Pipe
-  Roadside
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-  Road Pipe
-  Crossline Pipe
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-  Lateral Pipe
-  Access Pipe
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-  Channel (fka Outfall)
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DATE: May 29, 2018

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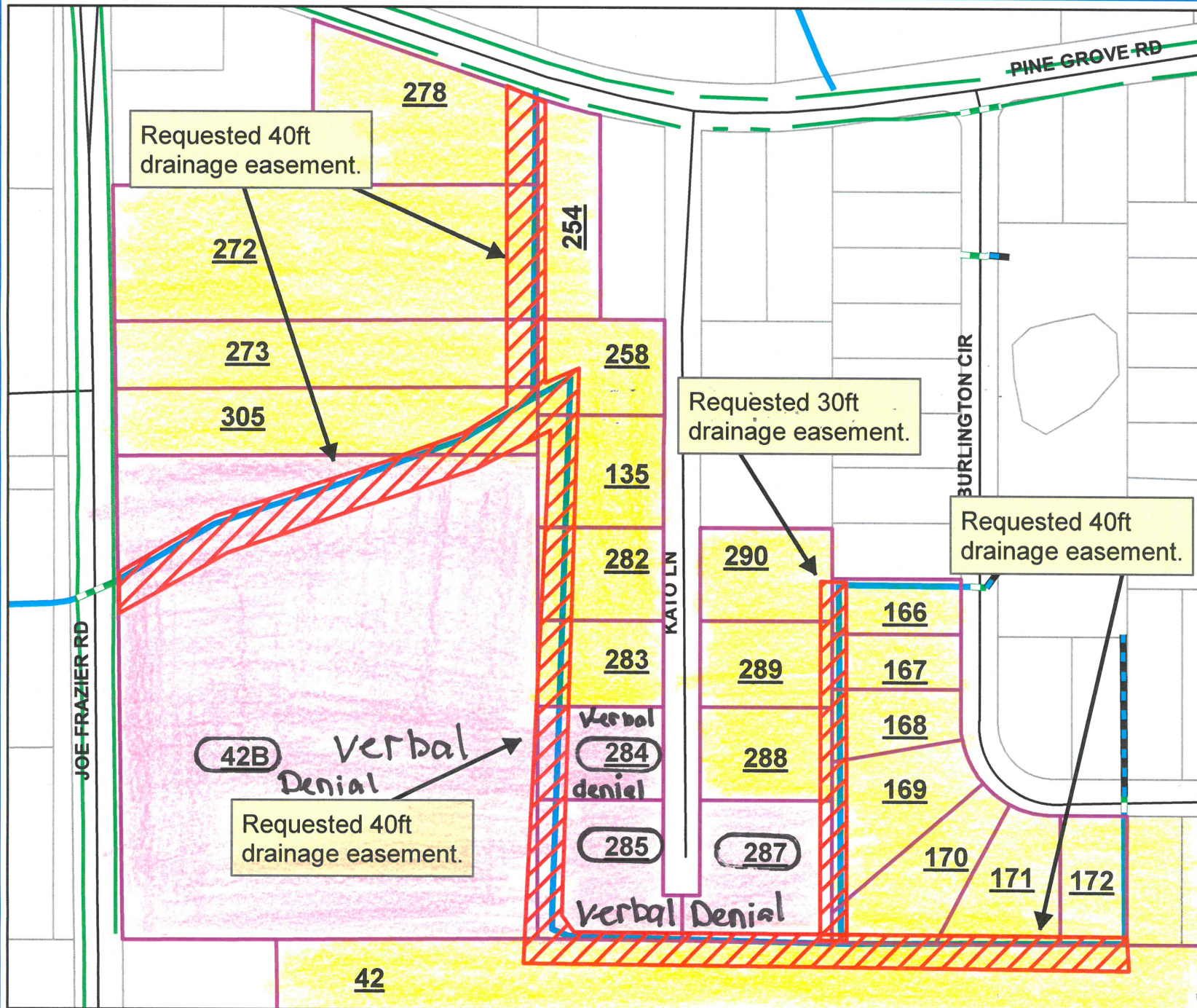
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(Exhibit "A")
R100-24
Pine Grove Road

Activity: Drainage Easement

Township: Port
Royal Island



Legend

- Requested Esmt
- Drainage**
 - River
 - Creek/Stream
 - River/Creek/Marsh BANK
 - Channel (fka Outfall)
 - Channel Pipe
 - Roadside
 - Roadside Pipe
 - Road Pipe
 - Crossline Pipe
 - Driveway Pipe
 - Lateral
 - Lateral Pipe
 - Access Pipe
 - Bleeder Pipe

Notarized Easements

Verbal denial

0 50 100 200 300 400
Feet

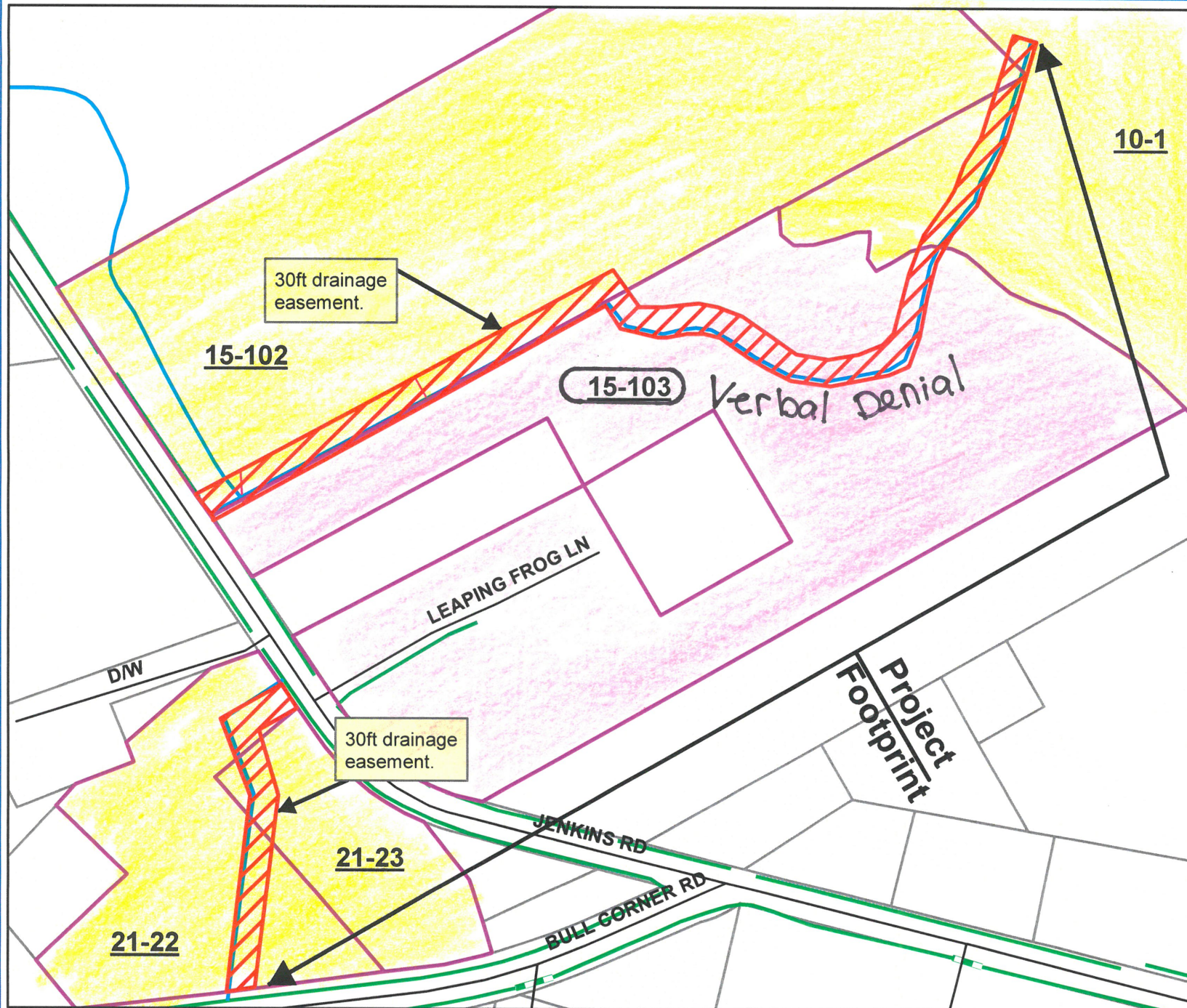
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Prepared By: Beaufort Co, Stormwater Management Utility
Print Date: 1/25/2017
File - C:\sethdata\easement requests\2017\R100-24 Pine Grove Rd

(Exhibit "A")
R700-
Jenkins Road

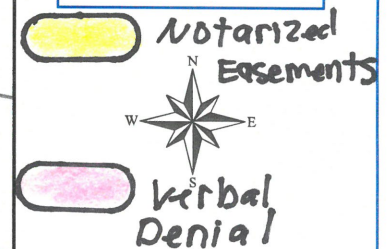
Activity: Drainage
Easement Request

Township:
Sheldon



Legend

- Requested Esmt
- Access Pipe
- Bleeder Pipe
- Channel Pipe
- Channel
- Crossline Pipe
- Lateral
- Lateral Pipe
- Road Pipe
- Roadside
- Roadside Pipe
- Parcels
- Easements



0 62.5 125 250 375 500
Feet

1 inch = 192 feet






















Prepared By: Beaufort Co, Stormwater Management Utility
Print Date: 3/9/17
File - C:\Seth\2017 easement\R700 Jenkins Rd

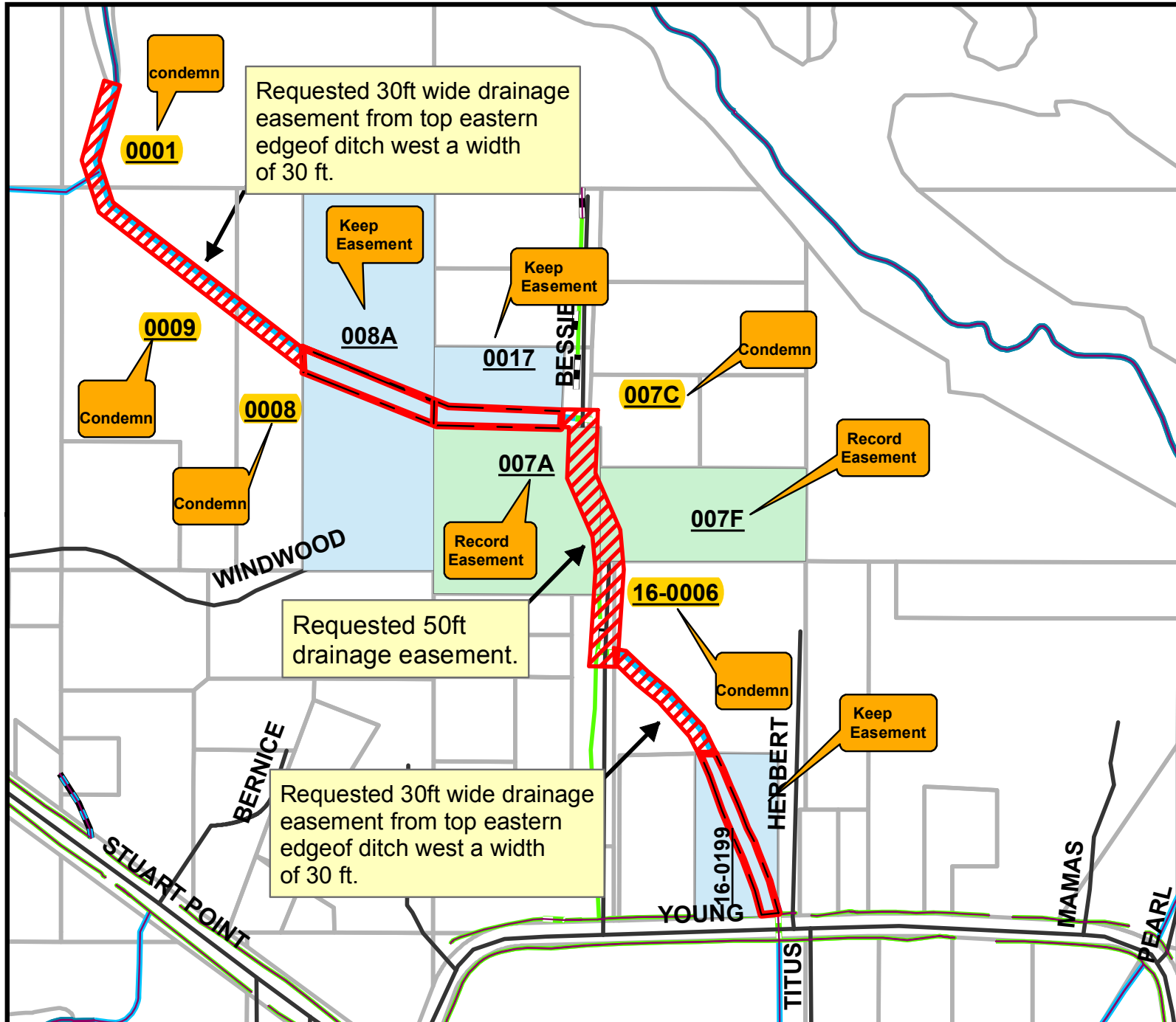
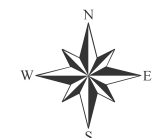
(Exhibit "A")
R100-13
Young Circle &
Bessies Lane

Activity: Drainage
Easement Request

Township: Port
Royal Island

Legend

-  Requested Esmt
-  Recorded Easements
-  Notorized Easements
-  Parcels
-  Easements
-  Ditch to be Constructed
-  River
-  Creek/Stream
-  River/Creek/Marsh BANK
-  Channel Pipe
-  Roadside
-  Roadside Pipe
-  Road Pipe
-  Crossline Pipe
-  Driveway Pipe
-  Lateral
-  Lateral Pipe
-  Access Pipe
-  Bleeder Pipe
-  Channel (fka Outfall)
-  To be Piped



0 50 100 200 300 400 500 600
Feet

1 inch = 251 feet

Prepared By: Beaufort Co, Stormwater Management Utility
Print Date: 04/19/2018
File - C:\stormwater\drainage\R100-13YoungCircle

RESOLUTION 2018 _____

A RESOLUTION AUTHORIZING THE INTERIM COUNTY ADMINISTRATOR TO EXECUTE A MEMORANDUM OF UNDERSTANDING BETWEEN BEAUFORT COUNTY AND ROBERT L. GRAVES

WHEREAS, it is a purpose of the County to manage its Passive Park Properties for the benefit, education and enjoyment of the citizens of the County; and

WHEREAS, the County owns Okatie River Park adjacent to property owned by Graves known as Pepper Hall; and

WHEREAS, the County desires to see that the Okatie River Park is designed, developed, operated and maintained as an element of the County's Okatie River Park System, as a Passive Park; and

WHEREAS, the Okatie River Park is the site of various stormwater drainage collection, impoundment and outfall structures which are receiving stormwater drainage from nearby lands and improvements other than Pepper Hall; and

WHEREAS, Graves desires to develop Pepper Hall for residential and commercial uses; and

WHEREAS, the County a subcommittee of the Natural Resources Committee was formed and met with Robert L. Graves and his representatives; and

WHEREAS, the subcommittee recommended to the Natural Resources Committee approval of the proposed Memorandum of Understanding to establish a framework for continuing discussions; and

WHEREAS, the Natural Resources Committee has recommended to County Council for approval of the proposed Memorandum of Understanding.

NOW, THEREFORE, BE IT RESOLVED by Beaufort County Council, duly assembled, does hereby authorize the County Administrator to execute any and all documents necessary to execute the Memorandum of Understanding consistent with the purpose set forth herein.

Adopted this ____ day of _____, 2018.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Thomas J. Keaveny II, Esquire
Beaufort County Attorney

**MEMORANDUM OF UNDERSTANDING
BETWEEN BEAUFORT COUNTY AND ROBERT L. GRAVES**

PURSUANT TO RESOLUTION 2018 - ____

THIS AGREEMENT is between Beaufort County (“County”) and Robert L. Graves (“Graves”), effective as of the last date signed below.

WHEREAS, it is a purpose of the County to manage its Passive Park Properties for the benefit, education and enjoyment of the citizens of the County; and

WHEREAS, the County owns Okatie River Park adjacent to property owned by Graves known as Pepper Hall; and

WHEREAS, the County desires to see that the Okatie River Park is designed, developed, operated and maintained as an element of the County’s Okatie River Park System, as a Passive Park; and

WHEREAS, the Okatie River Park is the site of various stormwater drainage collection, impoundment and outfall structures which are receiving stormwater drainage from nearby lands and improvements other than Pepper Hall; and

WHEREAS, Graves desires to develop Pepper Hall for residential and commercial uses; and

WHEREAS, the County and Graves have agreed to consider entering into a mutually-binding, public-private partnership, as contemplated by Beaufort County Council Resolution R-2012-3, and under the authority of the Beaufort County Community Development Code Division 3.160 Parks, Playgrounds and Outdoor Recreation Areas.

NOW, THEREFORE, the County and Graves document that their intent of this Memorandum of Understanding is to continue further discussion regarding the following, and upon their mutual agreement will develop a legal and binding Agreement among themselves around the following points:

1. The County will enter into discussions with Graves regarding design collaboration with Graves, his land planners, engineers, attorneys, and representatives to develop a mutually-agreeable plan to accommodate (a) improvement of the protection for the waters and estuaries of the Okatie River; (b) improvement of the carrying capacity, and of the integrity of the County’s stormwater system on-site at the Okatie River Park, and leading to the Graves property at Pepper Hall, as well as the improvement of the carrying capacity and the integrity of the Graves’ stormwater system elements on-site on Pepper Hall; (c) the design, development, operation and maintenance of the County’s Okatie River Park; and (d) a development plan and approval for Pepper Hall.

2. The County will consider making an initial investment from Rural & Critical Lands Funds for the capital improvements of the Okatie River Park, to be offset by certain contributions in kind or cash, of Graves and/or Pepper Hall (as to be developed in the future) for his/their *pro-rata* shares. In addition, this will also involve the consideration of an initial investment by the County, through its Stormwater Funds, also to be offset by certain contribution in kind or cash, of Graves and/or Pepper Hall (as to be developed in the future) for his/their *pro-rata* shares.
3. Okatie River Park will have full-time public access, a public way, a deeded non-exclusive access from a public way, and may include other facilities and amenities such as, but not limited to, parking, restroom facilities, passive recreational facilities including some form(s) of access to the Okatie River, in addition to enhancements of its current functions in stormwater management in that vicinity of Beaufort County, and therefore, the Pepper Hall development plan will not create a gated community or similar forms of controlled access and exclusion of the public, and such public access to the Okatie River Park shall be made inviolate.
4. Since the access to the Okatie River Park will be from Graves Road and/or US Hwy. 278, and through the roads of Pepper Hall, the County may facilitate acquisition of sufficient right-of-way for Graves Road to enable its use as a public road, and may share the costs thereof along with costs of access from US Hwy. 278, with Graves, and the County may accept dedication of the roads in Pepper Hall, including the access to the Okatie River Park, and Graves Road as public roads and may maintain the roads in Pepper Hall.
5. In regard to the Graves development plan for Pepper Hall, there will be reduced and modified buffers between the Okatie River Park and Pepper Hall and, consistently with the intent of building codes, the acreage of the Okatie River Park may be counted as part of the requirements under the CDC for Pepper Hall, such as: open space, pervious cover, forest preservation, and tree protection, to be mutually agreed upon by the County and Graves.
6. At the start of this public-private partnership, the County will be responsible for the operations and routine maintenance of the Okatie River Park. Over time, the Graves pro-rata share of the operations and routine maintenance of the Okatie River Park shall become conducted by a property owners' association to be formed for Pepper Hall once its development has gotten underway and will be funded by proceeds of the sales of properties within Pepper Hall and/or assessments from the property owners in Pepper Hall under plans to be mutually agreed upon by the County and Graves.
7. The future capital maintenance of the Passive Park elements of the Okatie River Park may be on a shared basis between the County and the Pepper Hall property owners' association, with ratios to be determined, and with the definitions, terms

and conditions thereof to be agreed upon. The future capital maintenance of the stormwater drainage apparatus on-site at, and leading to, the Okatie River Park may be paid for between the County through its Stormwater Funds, and the Pepper Hall property owners association, with similar ratios, definitions, terms and conditions thereof to be agreed upon.

8. The County intends to arrange certain funding for the Okatie River Park through the "Neighborhood Improvement District" provisions of the SC Code found in the South Carolina Residential Improvement District Act, §§ 6-35-10 ff. If determined to be appropriate, Graves will record restrictive covenants applicable to Pepper Hall such that the financial responsibilities of the Pepper Hall property owners' association, set forth herein above, will be noticed and obligated prior to the sales to lot buyers.
9. The opening and closing hours of the Okatie River Park will be from dawn to dusk each day, and will be in accordance with hours approved by the Beaufort County Passive Park Manager. Handicapped visitors will have accessibility to the Okatie River Park. The County will provide security for the Okatie River Park by way of the Beaufort County Sheriff's Office unit currently called its Environmental Crimes Unit.

BEAUFORT COUNTY

ROBERT L. GRAVES

By: _____
Printed Name: _____ Date _____
Title: _____

By: _____
Robert L. Graves _____ Date _____

APPROVED AS TO FORM:

Thomas J. Keaveny, II, Esquire
Beaufort County Attorney

ORDINANCE NO. 2018 / ____

AN ORDINANCE AUTHORIZING THE PLACEMENT OF A QUESTION ON THE OFFICIAL BALLOT FOR THE GENERAL ELECTION TO BE CONDUCTED NOVEMBER 6, 2018, CONCERNING A PROPOSITION AUTHORIZING BEAUFORT COUNTY TO ISSUE GENERAL OBLIGATION BONDS TO ACQUIRE LANDS FOR PRESERVATION AND TO PAY CERTAIN COSTS AND DEBT SERVICE RELATED THERETO.

WHEREAS, Beaufort County has experienced a very high rate of growth during the last decade and the Beaufort County Council recognizes the need to preserve land that has scenic, natural, recreational, rural, and open space character which is deemed essential to the County ' s quality of life; and

WHEREAS, Beaufort County has created a citizen advisory board known as the Beaufort County Rural and Critical Lands Preservation Board for the purpose of identifying and evaluating potential lands for preservation based upon an official criteria and ranking system established for the County; and

WHEREAS, Beaufort County Rural and Critical Lands Preservation Board has requested that the County conduct a referendum, that, if favorably approved by the citizens of Beaufort County, would allocate 1.823 mills in ad valorem taxes for the express purpose of continuing the acquisition of lands for conservation and recreation purposes; and

WHEREAS, the Beaufort County Rural and Critical Lands Preservation Board has additionally requested that an amount not to exceed twenty percent (20%) of the total amounts borrowed under this referendum be allowed for use in the making of improvements, outside the scope of general property maintenance, to those lands which have been acquired by the County under previous rural and critical lands purchases and all such lands acquired under this current proposed borrowing; and

WHEREAS, Beaufort County forecasts that a levy of 1.823 mills as requested by the Beaufort County Rural and Critical Lands Preservation Board will raise sufficient revenue to finance the issuance of \$25,000,000 in general obligation bonds; and

WHEREAS, it is the intent of Beaufort County Council that at the time of this borrowing, the anticipated repayment shall never exceed more than 1.823 mills; and

WHEREAS, the purposes of the bond proceeds are to provide for and protect natural areas and open space, to protect water quality, to preserve land for recreational activities, to preserve farm and forest land, to preserve the rural character of Beaufort County and to protect other environmentally sensitive areas such as wetlands, marsh lands and headwater areas.

NOW, THEREFORE, BE IT ORDAINED by the Beaufort County Council that pursuant to the provisions of Title 4 of the *Code of Laws of South Carolina*, 1976, as amended, the Beaufort County Council hereby directs the Beaufort County Board of Elections and Registration to print on the official ballot to be used in the General Election to be held on November 6, 2018 the following public question:

OFFICIAL BALLOT, REFERENDUM
GENERAL OBLIGATION BONDS, NOT TO EXCEED \$25,000,000
FOR LAND PRESERVATION TO PROTECT NATURAL LAND, FARMLAND AND
WATER QUALITY

NOVEMBER 6, 2018

“Shall Beaufort County, South Carolina, issue general obligation bonds, not to exceed \$25 million, for the purpose of land preservation, by purchasing open land in Beaufort County in order to protect water quality, protect local waterways such as the Port Royal Sound, and local creeks and rivers such as the Okatie, Broad and May Rivers, wildlife areas, wetlands, natural lands, farmland, coastal areas, shellfish beds, and nursery areas for recreational and commercial fisheries, and beaches, and provide buffers for the Marine Corps Air Station Beaufort. All expenditures shall be subject to an annual independent audit and an amount not to exceed twenty percent (20%) of the funds created by this referendum may be used to improve existing and newly acquired open space and natural areas protected under this program?”

If the voter wishes to vote in favor of the question, place a check or cross mark in the square after the words “In favor of the question”; if the voter wishes to vote against the question, place a check or cross mark in the square after the words “Opposed to the question.”

YES	In favor of the question	[]
NO	Opposed to the question	[]”

If this question is approved, then Beaufort County will be authorized to issue general obligation bonds in an amount not to exceed \$25 million. The bond funds will allow Beaufort County to continue to preserve open land as well as making certain limited improvements to such lands. Bond funds may be used only for the purposes stated in the ballot question. None of the funds may be used for any other purpose, or for administrative expenses of Beaufort County. However, the County shall be permitted to expend bond funds to engage a qualifying organization(s) in the management of the Beaufort County Rural and Critical Lands Preservation Program. An annual audit will verify that the funds are used as required by law.

BE IT FURTHER ORDAINED that certified copies of this Ordinance be forwarded to the Beaufort County Board of Elections and Registration, Clerk of Beaufort County, Mayors and Clerks of Beaufort County municipalities, Beaufort County Legislative Delegation, Beaufort County Council, Director of Finance, Planning Director, Director of Parks and Recreation, County Auditor, and the Chairman of the Beaufort County Rural and Critical Land Preservation Board.

Adopted this ____ day of _____, 2018.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: _____
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Thomas J. Keaveny, II, Esquire
Beaufort County Attorney

First Reading: April 23, 2018
Second Reading: May 14, 2018
Public Hearing:
Third and Final Reading:

2018 / ____

FY 2018-2019 BEAUFORT COUNTY BUDGET

To provide for the levy of tax for corporate Beaufort County for the fiscal year beginning July 1, 2018 and ending June 30, 2019, to make appropriations for said purposes, and to provide for budgetary control of the County's fiscal affairs.

BE IT ORDAINED BY COUNTY COUNCIL OF BEAUFORT COUNTY:

SECTION 1. TAX LEVY

The County Council of Beaufort County hereby appropriates the funds as detailed in Sections 3, 4, 5, 6, 7 and 8 of this Ordinance. Further, that the County Council of Beaufort County hereby establishes the millage rates as detailed in Sections 2 and 3 of this Ordinance. However, the County Council of Beaufort County reserves the right to modify these millage rates as may be deemed necessary and appropriate.

SECTION 2. MILLAGE

The County Auditor is hereby authorized and directed to levy in Fiscal Year 2017-2018 a tax of 62.78 mills on the dollar of assessed value of property within the County, in accordance with the laws of South Carolina. These taxes shall be collected by the County Treasurer, as provided by law, and distributed in accordance with the provisions of this Ordinance and subsequent appropriations hereafter passed by the County Council of Beaufort County.

County Operations	50.03
Higher Education	2.37
Purchase of Real Property Program	4.80
County Debt Service	5.58

SECTION 3. SPECIAL DISTRICT TAX LEVY

The County Auditor is hereby authorized and directed to levy, and the County Treasurer is hereby authorized and directed to collect and distribute the mills so levied, as provided by law, for the operations of the following special tax districts:

	<u>Revenues</u>	<u>Expenditures</u>	<u>Millage Rate</u>
Bluffton Fire District Operations	\$15,182,120	\$15,086,666	24.10
Bluffton Fire District Debt Service	\$ 850,000	\$ 850,000	1.45
Burton Fire District Operations	\$ 5,578,286	\$ 5,667,981	68.82
Burton Fire District Debt Service	\$ 385,268	\$ 385,268	5.15
Daufuskie Island Fire District Operations	\$ 1,219,630	\$ 1,219,630	60.27
Daufuskie Island Debt Service	\$ - 0 -	\$ - 0 -	0.00
Lady's Island/St. Helena Is. Fire District Operation	\$ 6,132,594	\$ 6,111,258	39.30
Lady's Island/St. Helena Is. Fire District Debt Service	\$ 311,338	\$ 311,338	2.00
Sheldon Fire District Operations	\$ 1,408,269	\$ 1,408,269	37.18
Sheldon Fire District Debt Service	\$ 139,259	\$ 139,259	3.21

Note: Any difference between revenue and expenditures will constitute a use of fund balance.

SECTION 4. COUNTY OPERATIONS APPROPRIATION

An amount of \$126,775,491 is appropriated to the Beaufort County General Fund to fund County operations and subsidized agencies as follows:

I. Elected Officials and State Appropriations:

A. Sheriff	\$23,661,223
Emergency Management	\$ 7,748,824
B. Magistrate	\$ 2,063,293
C. Treasurer	\$ 1,578,217
D. Solicitor	\$ 1,245,000
E. Clerk of Court	\$ 1,150,605
F. Auditor	\$ 891,578
G. Public Defender	\$ 849,809
H. Probate Court	\$ 790,257
I. County Council	\$ 631,397
J. Coroner	\$ 546,321
K. Master-in-Equity	\$ 321,892
L. Social Services	\$ 147,349
M. Legislative Delegation	\$ <u>65,760</u>
Total	\$41,691,525

Management of these individual accounts shall be the responsibility of the duly elected official for each office. At no time shall the elected official exceed the budget appropriation identified above without first receiving an approved supplemental appropriation by County Council.

II. County Administration Operations:

A. Public Works	\$17,706,098
B. Administration	\$ 8,551,614
C. Emergency Medical Services	\$ 7,085,599
D. Detention Center	\$ 6,124,214
E. Community Services	\$ 5,428,199
F. Library	\$ 4,158,473
G. Parks and Leisure Services	\$ 3,518,127
H. Assessor	\$ 2,421,600
I. Mosquito Control	\$ 1,777,559
J. Building Codes and Enforcement	\$ 1,192,242
K. General Government subsidies	\$ 1,185,579
L. Public Health	\$ 1,081,000
M. Animal Services	\$ 979,217
N. Employee Services	\$ 849,179
O. Voter Registration	\$ 749,789
P. Planning	\$ 735,799
Q. Traffic Engineering	\$ 595,323
R. Register of Deeds	\$ 545,224
S. Zoning	\$ 181,401
T. Employer Provided Benefits	\$ <u>15,708,440</u>
Total	\$80,574,676

The detailed Operations budget containing line-item accounts by department and/or agency is hereby adopted as part of this Ordinance.

SECTION 5. HIGHER EDUCATION ALLOCATION

An amount of \$4,509,290 is appropriated for higher education within Beaufort County to subsidize the following agencies:

A. The Technical College of the Lowcountry	\$2,254,645
B. University of South Carolina – Beaufort	\$2,254,645

SECTION 6. COUNTY OPERATIONS REVENUES

The appropriation for County Operations will be funded from the following revenue sources:

- A. \$ 99,699,070 to be derived from tax collections;
- B. \$ 12,287,085 to be derived from charges for services;
- C. \$ 9,197,645 to be derived from intergovernmental revenue sources;
- D. \$ 2,579,000 to be derived from fees for licenses and permits;
- E. \$ 1,568,750 to be derived from inter-fund transfers;
- F. \$ 750,000 to be derived from fines and forfeitures' collections;
- G. \$ 442,805 to be derived from interest on investments;
- H. \$ 251,136 to be derived from miscellaneous revenue sources;

Additional operations of various County departments are funded by Special Revenue sources. The detail of line-item accounts for these funds is hereby adopted as part of this Ordinance.

SECTION 7. PURCHASE OF DEVELOPMENT RIGHTS AND REAL PROPERTY PROGRAM

The revenue generated by a 4.80 mill levy is appropriated for the County's Purchase of Development Rights and Real Property Program.

SECTION 8. COUNTY DEBT SERVICE APPROPRIATION

The revenue generated by a 5.58 mill levy is appropriated to defray the principal and interest payments on all County bonds and on the lease-purchase agreement authorized to cover other Capital expenditures.

SECTION 9. BUDGETARY ACCOUNT BREAKOUT

The foregoing County Operations appropriations have been detailed by the County Council into line-item accounts for each department. The detailed appropriation by account and budget narrative contained under separate cover is hereby adopted as part of this Ordinance. The Fire Districts, as described in Section 3 of this Ordinance, line-item budgets are under separate cover, but are also part and parcel of this Ordinance.

SECTION 10. OUTSTANDING BALANCE APPROPRIATION

The balance remaining in each fund at the close of the prior fiscal year, where a reserve is not required by State or Federal law, is hereby transferred to the Unreserved Fund Balance of that fund.

SECTION 11. AUTHORIZATION TO TRANSFER FUNDS

In the following Section where reference is made to "County Administrator", it is explicit that this refers to those funds under the particular auspices of the County Administrator requiring his approval as outlined in Section 4 subpart II.

Transfers of monies/budgets among operating accounts, capital accounts, funds, and programs must be authorized by the County Administrator or his designee, upon the written request of the Department Head. Any transfer in excess of \$50,000 for individual or cumulative expenditures during any current fiscal year is to be authorized by the County Council, or its designee.

Transfer of monies/budgets within operating accounts, capital accounts, funds, and programs must be authorized by the County Administrator or his designee, upon written request of the Department Head. The County Administrator, or his designee, may also transfer funds from any departmental account to their respective Contingency Accounts. All transfers among and within accounts in excess of \$50,000 for individual or cumulative expenditures during any current fiscal year are to be reported to County Council through the Finance Committee on a quarterly basis.

SECTION 12. ALLOCATION OF FUNDS

The County Administrator is responsible for controlling the rate of expenditure of budgeted funds in order to assure that expenditures do not exceed funds on hand. To carry out this responsibility, the County Administrator is authorized to allocate budgeted funds.

SECTION 13. MISCELLANEOUS RECEIPTS ABOVE-ANTICIPATED REVENUES

Revenues other than, and/or in excess of, those addressed in Sections 4, 5 and 6 of this Ordinance, received by Beaufort County, and all other County agencies fiscally responsible to Beaufort County, which are in excess of anticipated revenue as approved in the current budget, may be expended as directed by the revenue source, or for the express purposes for which the funds were generated without further approval of County Council. All such expenditures, in excess of \$10,000, shall be reported, in written form, to the County Council of Beaufort County on a quarterly basis. Such funds include sales of products, services, rents, contributions, donations, special events, insurance and similar recoveries.

SECTION 14. TRANSFERS VALIDATED

All duly authorized transfers of funds heretofore made from one account to another, or from one fund to another during Fiscal Year 2018, are hereby approved.

SECTION 15. EFFECTIVE DATE

This Ordinance shall be effective July 1, 2018. Approved and adopted on third and final reading this ____th day of June, 2018.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: _____
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Thomas J. Keaveny, II, Esquire
Beaufort County Attorney

First Reading, By Title Only:
Second Reading:
Public Hearings:
Third and Final Reading:

FISCAL YEAR 2019 BEAUFORT COUNTY BUDGET PROPOSAL

	<u>FINAL AMENDED FY 2018</u>	<u>Approved</u>	<u>Proposed</u>	<u>Proposed</u>	<u>Proposed</u>
	<u>APPROPRIATION</u>	<u>Fiscal Year</u>	<u>Fiscal Year 2019</u>	<u>Fiscal Year 2019</u>	<u>Fiscal Year</u>
	<u>AMOUNTS</u>	<u>2018 Millage</u>	<u>Changes</u>	<u>Appropriation</u>	<u>2019 Millage</u>
	<u>(ORD 2018/11)</u>	<u>Rates</u>		<u>Amounts</u>	<u>Rates</u>
TOTAL COUNTY GENERAL FUND MILLAGE RATE		53.01			52.40
SECTION 4. COUNTY OPERATIONS APPROPRIATION					
I. Elected Officials and State Appropriations:					
A. Sheriff	\$ 22,911,223		\$ 750,000	\$ 23,661,223	
Emergency Management	\$ 7,748,824		\$ -	\$ 7,748,824	
B. Magistrate	\$ 1,931,793		\$ 131,500	\$ 2,063,293	
C. Solicitor	\$ 1,245,000		\$ -	\$ 1,245,000	
D. Clerk of Court	\$ 1,150,605		\$ -	\$ 1,150,605	
E. Treasurer	\$ 1,188,217		\$ 390,000	\$ 1,578,217	
F. Auditor	\$ 891,578		\$ -	\$ 891,578	
G. Public Defender	\$ 849,809		\$ -	\$ 849,809	
H. Probate Court	\$ 790,257		\$ -	\$ 790,257	
I. County Council	\$ 631,397		\$ -	\$ 631,397	
J. Coroner	\$ 546,321		\$ -	\$ 546,321	
K. Master-in-Equity	\$ 321,892		\$ -	\$ 321,892	
L. Social Services	\$ 147,349		\$ -	\$ 147,349	
M. Legislative Delegation	\$ 65,760		\$ -	\$ 65,760	
Total Elected Officials and State Appropriations	\$ 40,420,025		\$ 1,271,500	\$ 41,691,525	
II. County Administration Operations:					
A. Public Works	\$ 17,306,098		\$ 400,000	\$ 17,706,098	
B. Administration	\$ 8,551,614		\$ -	\$ 8,551,614	
C. Emergency Medical Services	\$ 7,085,599		\$ -	\$ 7,085,599	
D. Detention Center	\$ 6,124,214		\$ -	\$ 6,124,214	
E. Community Services	\$ 5,485,618		\$ (57,419)	\$ 5,428,199	
F. Library	\$ 4,158,473		\$ -	\$ 4,158,473	
G. Parks and Leisure Services	\$ 3,518,127		\$ -	\$ 3,518,127	
H. Assessor	\$ 2,421,600		\$ -	\$ 2,421,600	
I. Mosquito Control	\$ 1,777,559		\$ -	\$ 1,777,559	
J. Building Codes and Enforcement	\$ 1,192,242		\$ -	\$ 1,192,242	
K. Public Health	\$ 1,081,000		\$ -	\$ 1,081,000	
L. Animal Services	\$ 979,217		\$ -	\$ 979,217	
M. Employee Services	\$ 849,179		\$ -	\$ 849,179	
N. Voter Registration	\$ 749,789		\$ -	\$ 749,789	
O. Planning	\$ 735,799		\$ -	\$ 735,799	
P. General Government Subsidies	\$ 635,579		\$ 550,000	\$ 1,185,579	
Q. Traffic Engineering	\$ 595,323		\$ -	\$ 595,323	
R. Register of Deeds	\$ 545,224		\$ -	\$ 545,224	
S. Zoning	\$ 181,401		\$ -	\$ 181,401	
T. Employer Provided Benefits	\$ 15,542,469		\$ 165,971	\$ 15,708,440	
Total County Administration Operations	\$ 79,516,124		\$ 1,058,552	\$ 80,574,676	

FISCAL YEAR 2019 BEAUFORT COUNTY BUDGET PROPOSAL

	<u>FINAL AMENDED FY 2018</u> <u>APPROPRIATION</u> <u>AMOUNTS</u> <u>(ORD 2018/11)</u>	<u>Approved</u> <u>Fiscal Year</u> <u>2018 Millage</u> <u>Rates</u>	<u>Proposed</u> <u>Fiscal Year 2019</u> <u>Changes</u>	<u>Proposed</u> <u>Fiscal Year 2019</u> <u>Appropriation</u> <u>Amounts</u>	<u>Proposed</u> <u>Fiscal Year</u> <u>2019 Millage</u> <u>Rates</u>
TOTAL COUNTY GENERAL FUND MILLAGE RATE		53.01			52.40

SECTION 5. HIGHER EDUCATION ALLOCATION

A. The Technical College of the Lowcountry	\$ 2,171,720		\$ 82,925	\$ 2,254,645	
B. University of South Carolina - Beaufort	\$ 2,171,720		\$ 82,925	\$ 2,254,645	
Total Higher Education Allocation	\$ 4,343,440	2.40	\$ 165,850	\$ 4,509,290	2.37
Grand Total of Expenditures	\$ 124,279,589		\$ 2,495,902	\$ 126,775,491	

SECTION 6. COUNTY OPERATIONS REVENUES

A. Ad Valorem Tax Collections	\$ 96,435,749		\$ 3,263,321	\$ 99,699,070	
B. Charges for Services	\$ 11,937,085		\$ 350,000	\$ 12,287,085	
C. Intergovernmental Revenue Sources	\$ 9,197,645		\$ -	\$ 9,197,645	
D. Licenses and Permits	\$ 3,429,000		\$ (850,000)	\$ 2,579,000	
E. Interfund Transfers	\$ 1,568,750		\$ -	\$ 1,568,750	
F. Fines and Forfeitures' collections	\$ 750,000		\$ -	\$ 750,000	
G. Miscellaneous revenue sources	\$ 251,136		\$ -	\$ 251,136	
H. Interest on investments	\$ 52,805		\$ 390,000	\$ 442,805	
Total County Operations Revenues	\$ 123,622,170		\$ 3,153,321	\$ 126,775,491	

<i>Use of General Fund Balance (reserve)</i>	\$ (657,419)		\$ 657,419	\$ -	
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Potential Separately Identified Appropriations and Millage Rates

Economic Development	0.00	\$ 500,000	0.26
Beaufort Memorial Hospital (Indigent Care)	0.00	\$ 650,000	0.34
Beaufort Jasper Health Comprehensive Health Services (Indigent Care)	0.00	\$ 900,000	0.47
Millage Rate for County Operations Only	50.61		48.95

Note: The Community Services decrease on the preceding page is due to the one time appropriation, \$607,419, for the Bonaire Estates Sewer Project provided by Ordinance 2018/11. This one time appropriation is deducted from the Final Amended FY 2018 Appropriation to arrive at the Proposed FY 2019 Appropriation. Additionally, \$550,000 is included in Community Services as a proposed increase for the County's subsidy to Beaufort Memorial Hospital.

Beaufort County Debt Service Requirements and related millage rates

	<u>FY 2018</u> <u>DEBT SERVICE</u>	<u>Approved</u> <u>Fiscal Year 2018</u> <u>Millage Rates</u>	<u>FY 2019</u> <u>PRELIMINARY</u> <u>DEBT SERVICE</u>	<u>Proposed</u> <u>Fiscal Year 2019</u> <u>Millage Rates</u>
<u>Rural and Critical Lands (voter referendum)</u>		4.80		4.80
Projected Revenue	\$ 8,726,770		\$ 9,132,739	
Debt Service Requirements	\$ 8,902,973		\$ 9,366,429	
	\$ (176,203)		\$ (233,690)	

Note: The 2017 General Obligation Bonds were structured to maintain a stable millage rate while providing for debt service through bond premiums received.

<u>Outstanding Debt Balances</u>	<u>Principal</u>	<u>Interest</u>
6/30/2017	\$ 97,499,039	\$ 29,460,571
6/30/2018 (preliminary)	\$ 92,009,426	\$ 26,286,064
6/30/2019 (preliminary)	\$ 86,244,384	\$ 22,868,332

	<u>FY 2018</u> <u>DEBT SERVICE</u>	<u>Approved</u> <u>Fiscal Year 2018</u> <u>Millage Rates</u>	<u>FY 2019</u> <u>PRELIMINARY</u> <u>DEBT SERVICE</u>	<u>Proposed</u> <u>Fiscal Year 2019</u> <u>Millage Rates</u>
<u>County Debt Service (8% limit debt)</u>		5.58		5.58
Projected Revenue	\$ 10,065,370		\$ 10,616,809	
Debt Service Requirements	\$ 10,359,522		\$ 11,284,250	
	\$ (294,152)		\$ (667,441)	

Note: The 2017 General Obligation Bonds were structured to maintain a stable millage rate while providing for debt service through bond premiums received.

<u>Assessed Value, 8% Debt Limit, Outstanding Debt Balances</u>	<u>Assessed Value</u>	<u>8% Debt Limit</u>	<u>Principal</u>	<u>Interest</u>
6/30/2017	\$ 1,818,238,632	\$ 145,459,091	\$ 130,644,161	\$ 32,505,711
6/30/2018 (preliminary)	\$ 1,843,281,950	\$ 147,462,556	\$ 104,509,037	\$ 35,108,965
6/30/2019 (preliminary)	\$ 2,002,794,499	\$ 160,223,560	\$ 107,986,140	\$ 37,712,612

Note: 6/30/2017 Outstanding Debt Balances include \$30.67 million of outstanding debt related to Hurricane Matthew. This debt will be completely defeased (paid in full) by 6/30/2018. FEMA And SCEMD reimbursements are the revenue sources for this debt service (not ad valorem tax revenue).

Beaufort County, South Carolina
Fiscal Year 2019 Fire District Proposed Budgets and Millage Rates

5/25/2018

	Change in Millage Rate	Fiscal Year 2019 <u>Proposed</u>			Fiscal Year 2018 <u>Approved</u>		
		Revenues	Expenditures	Millage Rate	Revenues	Expenditures	Millage Rate
Bluffton Fire District Operations	-0.60	\$ 15,182,120	\$ 15,086,666	24.10	\$ 13,663,186	\$ 14,032,311	24.70
Bluffton Fire District Debt Service	<u>0.41</u>	\$ 850,000	\$ 850,000	<u>1.45</u>	\$ 572,000	\$ 569,000	<u>1.04</u>
Total Millage Rate	-0.19			25.55			25.74
Burton Fire District Operations	4.29	\$ 5,578,286	\$ 5,667,981	68.82	\$ 5,112,442	\$ 5,554,308	64.53
Burton Fire District Debt Service	<u>-0.11</u>	\$ 385,268	\$ 385,268	<u>5.15</u>	\$ 385,268	\$ 385,268	<u>5.26</u>
Total Millage Rate	4.18			73.97			69.79
Daufuskie Island Fire District Operations	0.00	\$ 1,219,630	\$ 1,219,630	60.27	\$ 1,180,282	\$ 1,180,282	60.27
Daufuskie Island Fire District Debt Service	<u>0.00</u>	\$ -	\$ -	<u>-</u>	\$ -	\$ -	<u>-</u>
Total Millage Rate	0.00			60.27			60.27
Lady's Island/St. Helena Is. Fire District Operations	0.04	\$ 6,132,594	\$ 6,111,258	39.30	\$ 5,746,643	\$ 5,746,688	39.26
Lady's Island/St. Helena Is. Fire District Debt Service	<u>-0.11</u>	\$ 311,338	\$ 311,338	<u>2.00</u>	\$ 309,237	\$ 309,237	<u>2.11</u>
Total Millage Rate	-0.07			41.30			41.37
Sheldon Fire District Operations	-1.14	\$ 1,408,269	\$ 1,408,269	37.18	\$ 1,350,160	\$ 1,350,160	38.32
Sheldon Fire District Debt Service	<u>0.00</u>	\$ 139,259	\$ 139,259	<u>3.21</u>	\$ 139,259	\$ 139,259	<u>3.21</u>
Total Millage Rate	-1.14			40.39			41.53

Bluffton Township Fire District
Fiscal Year 2019 Proposed Budget

	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Proposed
Operations Millage Rate	24.64	24.70	24.70	24.10
Revenues				
Ad Valorem Taxes	\$ 12,831,032	\$ 14,032,811	\$ 13,663,186	\$ 14,580,120
Fees	\$ -	\$ 75,000	\$ 75,000	\$ 75,000
Federal SAFER Staffing Grant	-	240,000	240,000	527,000
Total Revenues	<u>12,831,032</u>	<u>14,347,811</u>	<u>13,978,186</u>	<u>15,182,120</u>
Expenditures				
Salaries	7,654,792	8,027,000	8,027,000	8,618,796
Benefits	3,672,256	4,048,411	4,048,411	4,460,854
Purchased Services	1,145,790	1,734,965	1,734,965	1,778,836
Supplies	<u>220,123</u>	<u>222,435</u>	<u>222,435</u>	<u>228,180</u>
Total Expenditures	<u>12,692,961</u>	<u>14,032,811</u>	<u>14,032,811</u>	<u>15,086,666</u>
Increase (Decrease) in Fund Balance	138,071	315,000	(54,625)	95,454
Fund Balance, Beginning	<u>\$ 2,073,067</u>	<u>\$ 2,211,138</u>	<u>\$ 2,211,138</u>	<u>\$ 2,156,513</u>
Fund Balance, Ending	<u><u>\$ 2,211,138</u></u>	<u><u>\$ 2,526,138</u></u>	<u><u>\$ 2,156,513</u></u>	<u><u>\$ 2,251,967</u></u>
FTEs:				
Administrative	21	22	22	22
Firemen	<u>110</u>	<u>125</u>	<u>125</u>	<u>125</u>
Total	131	147	147	147
Annual Debt Service Required	\$ 567,720	\$ 569,019	\$ 569,019	\$ 850,000
Debt Millage Rate	1.10	1.04	1.04	1.45
Total Millage Rate	25.74	25.74	25.74	25.55

Burton Fire District
Fiscal Year 2019 Proposed Budget

	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Proposed
Operations Millage Rate	62.42	64.53	64.53	68.82
Revenues				
Ad Valorem Taxes	\$ 4,850,002	\$ 4,682,442	\$ 4,682,442	\$ 5,148,286
Municipal Contracts	<u>391,277</u>	<u>430,000</u>	<u>430,000</u>	<u>430,000</u>
Total Revenues	<u>5,241,279</u>	<u>5,112,442</u>	<u>5,112,442</u>	<u>5,578,286</u>
Expenditures				
Salaries	3,075,889	3,093,256	2,973,625	3,068,374
Benefits	1,618,935	1,712,352	1,584,092	1,757,997
Purchased Services / Operations	507,450	548,650	564,650	585,610
Supplies / Capital	<u>220,100</u>	<u>200,050</u>	<u>200,050</u>	<u>256,000</u>
Total Expenditures	<u>5,422,374</u>	<u>5,554,308</u>	<u>5,322,417</u>	<u>5,667,981</u>
Increase (Decrease) in Fund Balance	(181,095)	(441,866)	(209,975)	(89,695)
Fund Balance, Beginning	<u>\$ 875,770</u>	<u>\$ 694,675</u>	<u>\$ 694,675</u>	<u>\$ 484,700</u>
Fund Balance, Ending	<u><u>\$ 694,675</u></u>	<u><u>\$ 252,809</u></u>	<u><u>\$ 484,700</u></u>	<u><u>\$ 395,005</u></u>
FTEs:				
Administrative	3	3	3	3
Firemen	<u>55</u>	<u>55</u>	<u>55</u>	<u>53</u>
Total	58	58	58	56
Annual Debt Service Required	\$ 385,268	\$ 385,268	\$ 385,268	\$ 385,268
Debt Millage Rate	5.26	5.26	5.26	5.15
Total Millage Rate	67.68	69.79	69.79	73.97

Daufuskie Island Fire District
Fiscal Year 2019 Proposed Budget

	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Proposed
Operations Millage Rate	58.44	60.27	60.27	60.27
Revenues				
Ad Valorem Taxes	<u>\$ 1,113,547</u>	<u>\$ 1,180,282</u>	<u>\$ 1,180,282</u>	<u>\$ 1,219,630</u>
Total Revenues	<u>1,113,547</u>	<u>1,180,282</u>	<u>1,180,282</u>	<u>1,219,630</u>
Expenditures				
Personnel (Salaries & Benefits)	939,453	1,073,015	1,073,015	1,112,363
Operations	<u>91,007</u>	<u>107,267</u>	<u>107,267</u>	<u>107,267</u>
Total Expenditures	<u>1,030,460</u>	<u>1,180,282</u>	<u>1,180,282</u>	<u>1,219,630</u>
Increase (Decrease) in Fund Balance	83,087	-	-	-
Fund Balance, Beginning	<u>\$ 208,956</u>	<u>\$ 292,043</u>	<u>\$ 292,043</u>	<u>\$ 292,043</u>
Fund Balance, Ending	<u><u>\$ 292,043</u></u>	<u><u>\$ 292,043</u></u>	<u><u>\$ 292,043</u></u>	<u><u>\$ 292,043</u></u>
FTEs:				
Administrative	1.50	1.50	1.50	1.50
Firemen	<u>12.00</u>	<u>12.00</u>	<u>12.00</u>	<u>12.00</u>
Total	13.50	13.50	13.50	13.50
Annual Debt Service Required	\$ -	\$ -	\$ -	\$ -
Debt Millage Rate	-	-	-	-
Total Millage Rate	58.44	60.27	60.27	60.27

Lady's Island-St. Helena Fire District
Fiscal Year 2019 Proposed Budget

	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Proposed
Operations Millage Rate	37.92	39.26	39.26	39.30
Revenues				
Ad Valorem Taxes	\$ 5,398,680	\$ 5,746,688	\$ 5,746,688	\$ 6,007,594
Municipal Contracts	<u>136,307</u>	<u>125,000</u>	<u>125,000</u>	<u>125,000</u>
Total Revenues	<u>5,534,987</u>	<u>5,871,688</u>	<u>5,871,688</u>	<u>6,132,594</u>
Expenditures				
Salaries	3,514,360	3,603,174	3,603,174	3,697,849
Benefits	1,586,641	1,743,168	1,743,168	1,851,309
Purchased Services	460,794	475,046	475,046	511,800
Supplies/Captial	<u>-</u>	<u>50,300</u>	<u>50,300</u>	<u>50,300</u>
Total Expenditures	<u>5,561,795</u>	<u>5,871,688</u>	<u>5,871,688</u>	<u>6,111,258</u>
Increase (Decrease) in Fund Balance	(26,808)	-	-	21,336
Fund Balance, Beginning	<u>\$ 1,142,145</u>	<u>\$ 1,077,288</u>	<u>\$ 1,077,288</u>	<u>\$ 1,077,288</u>
Fund Balance, Ending	<u><u>\$ 1,077,288</u></u>	<u><u>\$ 1,077,288</u></u>	<u><u>\$ 1,077,288</u></u>	<u><u>\$ 1,098,624</u></u>
FTEs:				
Administrative	1	1	1	1
Firemen	<u>64</u>	<u>67</u>	<u>67</u>	<u>67</u>
Total	65	68	68	68
Annual Debt Service Required	\$ 313,791	\$ 314,249	\$ 314,249	\$ 311,338
Debt Millage Rate	2.20	2.11	2.11	2.00
Total Millage Rate	40.12	41.37	41.37	41.30

Sheldon Township Fire District
Fiscal Year 2019 Proposed Budget
Budget 2018/2019

	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Proposed
Operations Millage Rate	36.86	38.32	38.32	37.18
Revenues				
Ad Valorem Taxes	\$ 1,291,260	\$ 1,330,160	\$ 1,301,768	\$ 1,408,269
Municipal Contracts	-	-	-	-
Total Revenues	<u>1,291,260</u>	<u>1,330,160</u>	<u>1,301,768</u>	<u>1,408,269</u>
Expenditures				
Salaries	766,102	854,609	774,438	872,151
Benefits	243,960	288,341	279,707	318,137
Purchased Services	198,485	203,910	192,604	214,381
Supplies	<u>1,993</u>	<u>3,300</u>	<u>3,507</u>	<u>3,600</u>
Total Expenditures	<u>1,210,540</u>	<u>1,350,160</u>	<u>1,250,256</u>	<u>1,408,269</u>
Increase (Decrease) in Fund Balance	80,720	(20,000)	51,512	-
Fund Balance, Beginning	<u>\$ 466,741</u>	<u>\$ 547,461</u>	<u>\$ 547,461</u>	<u>\$ 598,973</u>
Fund Balance, Ending	<u><u>\$ 547,461</u></u>	<u><u>\$ 527,461</u></u>	<u><u>\$ 598,973</u></u>	<u><u>\$ 598,973</u></u>
FTEs:				
Administrative	3	3	3	3
Firemen	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>
Total	17	17	17	17
Annual Debt Service Required	\$ 72,129	\$ 139,259	\$ 74,405	\$ 139,259
Debt Millage Rate 3.21	2.20	3.21	3.21	3.21



BEAUFORT COUNTY BOARD OF EDUCATION

May 23, 2018

EARL CAMPBELL

Chairman, District 1
Burton, Dale, Lobeco, Seabrook

GERI KINTON

Vice-Chair, District 5
Burton, Okatie

BILL PAYNE

Secretary, District 10
Hilton Head Island

DAVID STRIEBINGER

District 2
Lady's Island, Beaufort

CYNTHIA GREGORY-SMALLS

District 3
St. Helena Island, Beaufort

JOSEPH DUNKLE

District 4
Port Royal, Beaufort

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District 6
Bluffton

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District 7
Bluffton

MARY CORDRAY

District 8
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CHRISTINA GWOZDZ

District 9
Bluffton, Daufuskie

JOANN ORISCHAK

District 11
Hilton Head Island

DR. JEFFREY MOSS

Superintendent

ROBYN CUSHINGBERRY

Executive Assistant to the Board

VIA EMAIL

The Hon. Paul Sommerville
Beaufort County Council Chairman
100 Ribaut Road, Suite 150
Beaufort, SC 29902

Re: Beaufort County Board of Education

FY 2018-19 Certified Budget

Dear Chairman Sommerville:

On May 15, 2018, the Beaufort County Board of Education ("Board") certified its budget by adopting the following motion:

"I move that the Beaufort County Board of Education approve and certify to the Beaufort County Council a Fiscal Year 2018-2019 General Fund Budget in the amount of \$241,317,106 to fund school operations. The anticipated revenue will be derived from the following sources:

- (1) \$143,707,242 from tax collections;
- (2) \$ 86,235,310 from State revenues;
- (3) \$ 680,000 from Federal revenues;
- (4) \$ 1,433,500 from other local sources;
- (5) \$ 7,153,327 from inter-fund transfers; and
- (6) \$ 2,107,727 from fund balance."

We would be pleased to respond to your questions or concerns.

Respectfully submitted,

Earl Campbell
Chair, Beaufort County Board of Education

Cc: Beaufort County Board of Education Members
Beaufort County Council Members
Dr. Jeffrey Moss, Superintendent

ORDINANCE NO.

FY 2018-2019 BEAUFORT COUNTY SCHOOL DISTRICT BUDGET

An Ordinance to provide for the levy of tax for school purposes for Beaufort County for the fiscal year beginning July 1, 2018 and ending June 30, 2019, and to make appropriations for said purposes.

BE IT ORDAINED BY COUNTY COUNCIL OF BEAUFORT COUNTY:

SECTION 1. TAX LEVY

The County Council of Beaufort County hereby appropriates the funds as detailed in Sections 3 and 4 of this Ordinance and establishes the millage rates as detailed in Section 2 of this Ordinance.

SECTION 2. MILLAGE

In Fiscal Year 2018-2019 and in accordance with the laws of South Carolina, the County Auditor is hereby authorized and directed to levy a tax on the following mills on the dollar of assessed value of property within the County.

School Operations	104.60
School Bond Debt Service (Principal and Interest)	31.71

The values listed above, in accordance with Section 6-1-320(A)(2) of the *Code of Laws of South Carolina*, 1976, as amended.

				Allowable Annual % Increase of Millage Rate	Millage Bank Used	Millage Bank Balance
	Prior Year Millage	% Average CPI	% Population Growth			
2016	103.5	1.62%	2.50%	4.12%	0.00%	5.93%
2017	111.5	0.12%	2.55%	2.67%	-7.73%	.87%
2018	113.5	1.26%	1.87%	3.13%	-1.79%	2.21%

These taxes shall be collected by the County Treasurer, as provided by law, and distributed in accordance with the provisions of this Ordinance and subsequent appropriations as may be hereafter passed by the County Council of Beaufort County.

SECTION 3. SCHOOL OPERATIONS APPROPRIATION

An amount of \$241,317,106 is hereby appropriated to the Beaufort County Board of Education to fund school operations. This appropriation is to be spent in accordance with the school budget approved by the County Council of Beaufort County, and will be funded from the following revenue sources:

- A. \$143,707,242 to be derived from tax collections;
- B. \$ 86,235,310 to be derived from State revenues;
- C. \$ 680,000 to be derived from Federal revenues;
- D. \$ 1,433,500 to be derived from other local sources;
- E. \$ 7,153,327 to be derived from inter-fund transfers; and
- F. \$ 2,107,727 to be derived from fund balance.

The Beaufort County Board of Education is responsible for ensuring that the school expenditures do not exceed those amounts herein appropriated without first receiving the approval of a supplemental appropriation from County Council.

SECTION 4. BUDGETARY ACCOUNT BREAKOUT

The line-item budgets submitted by the Beaufort County Board of Education under separate cover for FY 2018-2019 are incorporated herein by reference and shall be part and parcel of this Ordinance.

SECTION 5. OUTSTANDING BALANCE APPROPRIATION

The balance remaining in each fund at the close of the prior fiscal year, where a reserve is not required by State or Federal law, is hereby transferred to the appropriate category of Fund Balance of that fund.

SECTION 6. TRANSFERS VALIDATED

All duly authorized transfers of funds heretofore made from one account to another, or from one fund to another during Fiscal Year 2019 are hereby approved.

SECTION 7. EFFECTIVE DATE

This Ordinance shall be effective July 1, 2018. Approved and adopted on third and final reading this 11th day of June, 2018.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: _____
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Thomas J. Keaveny, II, County Attorney

ATTEST:

Ashley M. Bennett, Clerk to Council

First Reading, by Title Only: May 14, 2018

Second Reading:

Public Hearings:

Third and Final Reading:

Beaufort County School District

2018-2019 Operating Budget

	A	B		C	D
				5/1/2018	5/15/2018
	FY 2017-2018	FY 2017-2018		FY 2018-2019	FY 2018-2019
	Approved	Projected		Preliminary	Board-Certified
	Budget	Actual		Budget	Budget
Millage Rate	113.5	113.5		113.5	104.6 (Rolled Back)
1 Local					
2 Ad Valorem (Current and Delinquent)-Net of TIFs	137,164,216	139,164,216		142,190,517	143,707,242
3 Penalties and Interest	800,000	935,000		900,000	900,000
4 Rent	293,500	293,500		293,500	293,500
5 Other Local	370,000	284,200		240,000	240,000
6 Total Local Revenue	\$ 138,627,716	\$ 140,676,916		\$ 143,624,017	145,140,742
7 State					
8 Sales Tax Reimbursement on Owner Occupied	44,711,081	44,730,770		45,550,014	45,550,014
9 Fringe Benefits/Retiree Insurance*	9,666,234	10,873,251		13,245,509	13,245,509
10 Education Finance Act*	11,795,795	12,800,381		16,574,183	16,574,183
11 Reimbursement for Local Property Tax Relief	7,036,261	7,036,261		7,036,261	7,036,261
12 Other State Property Tax (Homestead/Merchant Inv)	2,442,079	2,377,946		2,487,946	2,487,946
13 Other State Revenue (Bus Driver Salary/Misc)	1,200,179	1,268,505		1,341,397	1,341,397
14 Total State Revenue	\$ 76,851,629	\$ 79,087,114		\$ 86,235,310	86,235,310
15 Federal					
16 Other Federal Sources	700,000	700,000		680,000	680,000
17 Total Federal Revenue	\$ 700,000	\$ 700,000		\$ 680,000	680,000
18 Total Revenue	\$ 216,179,345	\$ 220,464,030		\$ 230,539,327	232,056,052
19 Transfers from Special Revenue*	4,975,804	5,273,672		6,653,327	6,653,327
20 Transfers from Other Funds	450,000	450,000		500,000	500,000
21 Total Other Financing Sources (Uses)	\$ 5,425,804	\$ 5,723,672		\$ 7,153,327	7,153,327
22 Total Revenue and Other Financing Sources	\$ 221,605,149	\$ 226,187,702		\$ 237,692,654	239,209,379
23 Expenditures	225,764,555	223,764,555		240,553,364	241,317,106
24 Increase(Decrease) in Fund Balance	\$ (4,159,406)	\$ 2,423,147		\$ (2,860,710)	\$ (2,107,727)
25					
26 Beginning Fund Balance	36,263,129	36,263,129		38,686,276	38,686,276
27 Ending Fund Balance (Projected)	\$ 32,103,723	\$ 38,686,276		\$ 35,825,566	\$ 36,578,549
28 % of Next Year's Expenditure Budget	13.3%	16.1%		14.3%	14.6%