

COUNTY COUNCIL OF BEAUFORT COUNTY  
ADMINISTRATION BUILDING  
BEAUFORT COUNTY GOVERNMENT ROBERT SMALLS COMPLEX  
100 RIBAUT ROAD  
POST OFFICE DRAWER 1228  
BEAUFORT, SOUTH CAROLINA 29901-1228  
TELEPHONE: (843) 255-2180  
www.bcgov.net

D. PAUL SOMMERVILLE  
CHAIRMAN

GERALD W. STEWART  
VICE CHAIRMAN

COUNCIL MEMBERS

RICK CAPORALE  
MICHAEL E. COVERT  
GERALD DAWSON  
BRIAN E. FLEWELLING  
STEVEN G. FOBES  
YORK GLOVER, SR.  
ALICE G. HOWARD  
STEWART H. RODMAN  
ROBERTS "TABOR" VAUX

JOSHUA A. GRUBER  
INTERIM COUNTY ADMINISTRATOR

THOMAS J. KEAVENY, II  
COUNTY ATTORNEY

ASHLEY M. BENNETT  
CLERK TO COUNCIL

AGENDA  
FINANCE COMMITTEE

Monday, May 7, 2018

**2:00 p.m.**

Executive Conference Room, Administration Building  
Beaufort County Government Robert Smalls Complex  
100 Ribaut Road, Beaufort

Committee Members:

Jerry Stewart, Chairman  
Michael Covert, Vice Chairman  
Rick Caporale  
Gerald Dawson  
Brian Flewelling  
Steven Fobes  
Stu Rodman

Staff Support:

Suzanne Gregory, Employee Services Director  
Alicia Holland, CPA, Assistant County Administrator, Finance  
Chanel Lewis, CGFO, Controller

1. CALL TO ORDER – **2:00 P.M.**
2. CONSIDERATION OF CONTRACT AWARD / UPGRADED SECURITY SERVICES AT HILTON HEAD ISLAND AIRPORT (HXD) ([backup](#))
3. DISCUSSION / SHELDON TOWNSHIP FIRE DISTRICT / REPLACEMENT OF 2002 SQUAD RESCUE TRUCK ([backup](#))
4. PRESENTATION / STORMWATER MANAGEMENT UTILITY FY2018/2019 BUDGET PROPOSAL ([backup](#))
5. PRESENTATION / AIRPORTS FY2018/2019 BUDGET PROPOSAL ([Hilton Head Island](#)) ([Beaufort County](#))
6. PRESENTATION / SCHOOL DISTRICT FY2018/2019 BUDGET PROPOSAL ([backup](#))
7. DISCUSSION / BEAUFORT COUNTY FY2018/2019 BUDGET PROPOSAL
8. DISCUSSION / ECONOMIC DEVELOPMENT / BEAUFORT MEMORIAL HOSPITAL / INDIGENT HEALTHCARE AND HIGHER EDUCATION / MILLAGE BREAKOUT ORDINANCE ([backup](#))
9. DISCUSSION / SANTA ELENA FOUNDATION REQUEST FOR LEASE EXTENSION ([backup](#))
10. DISCUSSION / TEXT AMENDMENTS TO BEAUFORT COUNTY CODE OF ORDINANCES TO IDENTIFY GREATER BEAUFORT-PORT ROYAL CONVENTION & VISITORS BUREAU AS ONE OF BEAUFORT COUNTY'S DESIGNATED MARKETING ORGANIZATIONS (DMO) ([backup](#))
11. CONSIDERATION OF REAPPOINTMENTS AND APPOINTMENTS
  - A. Accommodations (State 2%) Tax Board
12. ADJOURNMENT

2018 Strategic Plan Committee Assignments

Business License Fee: Direction  
Economic Development Corporation: Next Steps  
Sales Tax Referendum 2018  
"One Stop" Shop for Business: Expansion  
FEMA Reimbursement  
CAFR – Financial Report for 2017  
Employee Wellness Program





**COUNTY COUNCIL OF BEAUFORT COUNTY**  
**PURCHASING DEPARTMENT**

106 Industrial Village Road, Bldg. 2, Post Office Drawer 1228  
 Beaufort, South Carolina 29901-1228

David L Thomas, Purchasing Director  
 dthomas@bcgov.net 843.255.2353

**TO:** Councilman Jerry Stewart, Chairman, Finance Committee

**FROM:** David L Thomas. CPPO. Purchasing Director

**SUBJ:** New Contract as a Result of Solicitation  
 RFP 032918HDX: Upgrade Security Services

**DATE:** 05/03/2018

**BACKGROUND:**

Beaufort County issued a Request for Proposal (RFP) to contractors capable of providing the requisite services associated with the provision of consulting, procurement, and installation of security systems and equipment at the Hilton Head Island Airport. This project is being executed in order to ensure the airport complies with Department of Homeland Security Transportation Security Administration requirements for the level of commercial air service that will be provided via regional jets.

A pre-proposal meeting and site visit were conducted in advance of the deadline for proposals. Proposals were received and reviewed by a review committee made up of Airport Operations Chief Larry Yeager, Alternate Airport Security Coordinator Renee' Ford, and Airport Director Jon Rembold. Telephone interviews were conducted with the three leading firms and a "Best and Final Offer" was requested by the review committee. Based on all materials reviewed and upon the results of the interviews, the committee recommends selection of ICE Automation Group.

**VENDOR INFORMATION:**

**COST:**

ICE Automation Group, Augusta, GA

\$151,736

Convergint Technologies, North Charleston, SC

\$162,171

Johnson Controls, Charleston SC

\$140,345

**FUNDING:**

Hilton Head Island Airport Proprietary Fund. In addition to existing airport operating revenues the increased security will create additional operating revenue derived from security badge fees as well as increased operating revenue related to increased passengers as a result of regional jet service.

Funding approved:  By:  Date:

**FOR ACTION:**

Finance Committee meeting occurring May 7, 2018.

**RECOMMENDATION:**

The Finance Committee approve and recommend to County Council the contract award to ICE Automation Group to perform the required consulting and installation services for a total cost of \$151,736.

Attachment:



Copy of RFP 032918 Airport Security Upgrade Services HH Airport Summary Score Sheet.pdf  
279.33 KB

cc: Joshua Gruber, Interim County Administrator

Approved:  Date:

Check to override approval: ☒ Overridden by:

Override Date:

Alicia Holland, Assistant County Administrator, Finance

Approved:  Date:

Approved:  Date:

Check to override approval: ☐ Overridden by:

Override Date:  ready for admin: ☒

Approved:  Date:

Check to override approval: ☒ Overridden by:

Override Date:  ready for admin: ☒

**After Initial Submission, Use the Save and Close Buttons**

## Airport Security Upgrade Services HH Airport

**RFP 032918**

### Summary Score Sheet

Evaluators	Name of Company	Name of Company	Name of Company
	<u>ICE Automation</u>	<u>Convergint Technologies</u>	<u>Johnson Controls</u>
R. Ford	100	83	66
J. Rembold	92	88	80
L. Yeager	100	87	82
TOTALS:	292	258	228
1. ICE Automation	292		
2. Convergint Technologies	258		
3. Johnson Controls	228		

# Sheldon Township Fire District

Post Office Box 129  
Sheldon, South Carolina 29941  
Office (843) 846-9221  
Fax (843) 846-8011  
Emergency 911



Walter "Buddy" Jones  
*Chief*

April 18, 2018

Joshua A. Gruber  
Interim County Administrator  
P.O. Drawer 1228  
Beaufort, SC 29901

Mr. Gruber:

The Sheldon Fire Department is requesting to spend \$106,425.00 out of our cash on hand fund balance to replace a 2002 squad rescue truck. Any help with this matter will be greatly appreciated.

Thank you in advance for your help. If you should have any questions, please do not hesitate to call.

Sincerely,

A handwritten signature in blue ink that reads "Wayne Blankenship".

Wayne Blankenship  
Commissioner

WB/jw

Stormwater Utility Enterprise Fund  
Fiscal Year 2019 Proposed Budget

	FY 2016 Actual	FY 2017 Actual	FY 2018 Approved Budget	FY 2018 Actual to Date 3/31/2018	FY 2019 Proposed Budget
<b><u>Operating Revenues</u></b>					
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	1,995	3,444	-	8,169	-
<b>Total Operating Revenues</b>	<b><u>\$ 5,403,733</u></b>	<b><u>\$ 5,841,385</u></b>	<b><u>\$ 5,815,982</u></b>	<b><u>\$ 5,551,245</u></b>	<b><u>\$ 5,894,380</u></b>
<b><u>Operating Expenses</u></b>					
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	177,626	211,134	311,860	166,268	357,397
<b>Total Operating Expenses</b>	<b><u>3,647,157</u></b>	<b><u>4,063,867</u></b>	<b><u>4,354,553</u></b>	<b><u>2,306,555</u></b>	<b><u>5,151,741</u></b>
<b><u>Non-Operating Expenses<sup>1</sup></u></b>					
Capital Projects	-	-	2,415,950	131,890	2,145,569
Capital Equipment	836,714	801,489	963,650	291,594	1,213,258
<b>Non-Operating Expenses</b>	<b><u>836,714</u></b>	<b><u>801,489</u></b>	<b><u>3,379,600</u></b>	<b><u>423,484</u></b>	<b><u>3,358,827</u></b>
<b>Total Expenses</b>	<b><u>\$ 4,483,871</u></b>	<b><u>\$ 4,865,356</u></b>	<b><u>\$ 7,734,153</u></b>	<b><u>\$ 2,730,039</u></b>	<b><u>\$ 8,510,568</u></b>
 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.

**SHELDON TOWNSHIP FIRE DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2017**

	GOVERNMENTAL FUND TYPES				
	GENERAL FUND	DEBT SERVICE FUND	ONE PERCENT FUND	IMPACT FEE FUND	TOTAL
<b>ASSETS</b>					
Cash	\$ 298,823	\$ -	\$ -	\$ -	\$ 298,823
Receivables	34,626	2,066	-	-	36,692
Due from Beaufort County Treasurer	234,057	38,313	71,011	43,191	386,572
Prepaid Expenses	3,983	-	-	-	3,983
Total Assets	<u>\$ 571,489</u>	<u>\$ 40,379</u>	<u>\$ 71,011</u>	<u>\$ 43,191</u>	<u>\$ 726,070</u>
<b>LIABILITIES</b>					
Payroll Liabilities	\$ 3,497	\$ -	\$ -	\$ -	\$ 3,497
Total Liabilities	<u>3,497</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,497</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue - property taxes	16,711	997	-	-	17,708
Total Deferred Inflows of Resources	<u>16,711</u>	<u>997</u>	<u>-</u>	<u>-</u>	<u>17,708</u>
<b>FUND BALANCES</b>					
Nonspendable	3,983	-	-	-	3,983
Restricted	-	39,382	71,011	43,191	153,584
Unassigned	547,298	-	-	-	547,298
Total Fund Balances	<u>551,281</u>	<u>39,382</u>	<u>71,011</u>	<u>43,191</u>	<u>704,865</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 571,489</u>	<u>\$ 40,379</u>	<u>\$ 71,011</u>	<u>\$ 43,191</u>	<u>\$ 726,070</u>

The notes to the financial statements are an integral part of this statement.

Hilton Head 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
<b><u>Operating Revenues</u></b>				
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
<b>Total Operating Revenues</b>	<b><u>\$ 1,656,766</u></b>	<b><u>\$ 1,729,400</u></b>	<b><u>\$ 1,096,075</u></b>	<b><u>\$ 1,831,000</u></b>
<b><u>Operating Expenses</u></b>				
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
<b>Total Operating Expenses</b>	<b><u>\$ 1,841,335</u></b>	<b><u>\$ 2,101,266</u></b>	<b><u>\$ 1,523,145</u></b>	<b><u>\$ 1,877,000</u></b>
<b><u>Non-Operating Revenues (Expenses)<sup>1</sup></u></b>				
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 <sup>2</sup>	(49,242)	(50,000)	(40,271)	(45,000)
<b>Total Non-Operating Revenues (Expenses)</b>	<b><u>\$ 302,020</u></b>	<b><u>\$ 950,000</u></b>	<b><u>\$ (2,566,656)</u></b>	<b><u>\$ 1,755,000</u></b>
<b>Authorized Positions</b>				
Full Time (see below)	12	12	12	13
Part Time	0	0	0	0
<b>Full Time Positions include:</b>				
Airport Director	1	1	1	1
Airport Support Staff	4	4	4	5
Airport Firefighters	7	7	7	7

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.



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
<b>Total Operating Revenues</b>	<b><u>\$ 567,104</u></b>	<b><u>\$ 546,308</u></b>	<b><u>\$ 444,121</u></b>	<b><u>\$ 630,000</u></b>
<u>Operating Expenses</u>				
Costs of Sales and Services	248,297	237,000	191,816	326,000
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
<b>Total Operating Expenses</b>	<b><u>\$ 517,691</u></b>	<b><u>\$ 547,884</u></b>	<b><u>\$ 466,339</u></b>	<b><u>\$ 672,000</u></b>
<u>Non-Operating Revenues (Expenses)<sup>1</sup></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)
<b>Total Non-Operating Revenues (Expenses)</b>	<b><u>\$ (12,675)</u></b>	<b><u>\$ 50,000</u></b>	<b><u>\$ (73,363)</u></b>	<b><u>\$ (105,000)</u></b>
 <u>Authorized Positions</u>				
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.

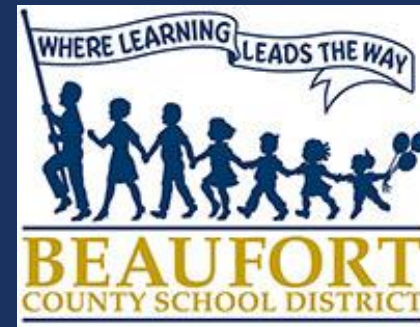
# BEAUFORT COUNTY SCHOOL DISTRICT

FY 2018-2019

PRELIMINARY  
GENERAL FUND  
BUDGET

County Council Finance Committee  
May 7, 2018

Jeffrey Moss, Ed.D., Superintendent  
Tonya Crosby, Chief Finance and Operations Officer



# PRELIMINARY FY 2018-2019 BUDGET

Total Preliminary  
Budget =  
\$240.6M

Other  
= \$.2M

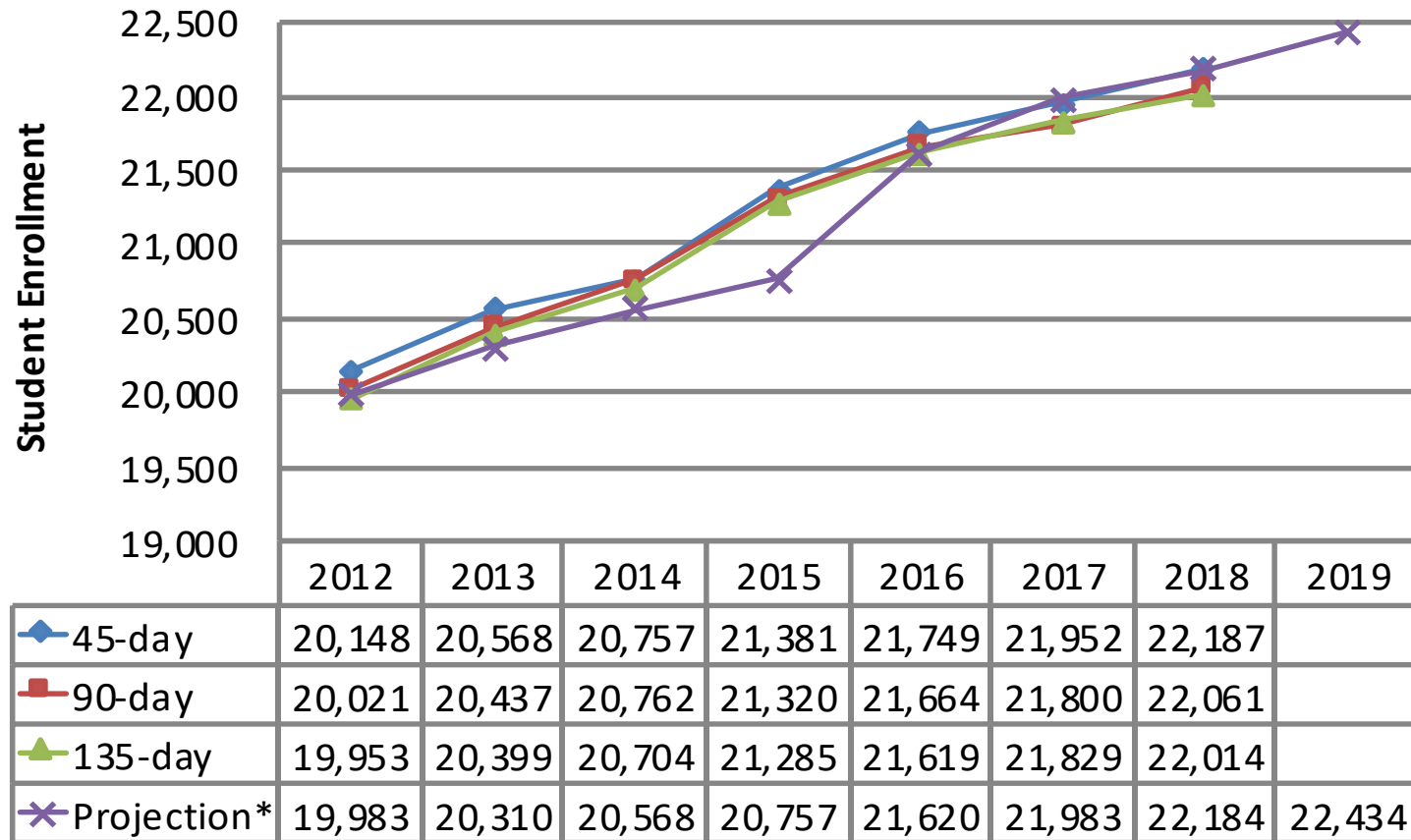
Charter &  
Vocational  
Support = \$7.7M

District-Wide Support =  
\$47.9M

Instructional & School Based =  
\$184.8M

76.8%

# Beaufort County School District 2019 Enrollment Projection 1.1% Increase (+247 students)



\*Projection is based on 45<sup>th</sup> day

Note: All #s include charter school 2012 - 342, 2013-456, 2014-494, 2015-532, 2016-570, 2017-608, 2018-647, 2019- 664

# EXPENDITURE INCREASES INCLUDED IN FY 2018-2019 BUDGET

## State/Federal Mandated Increases:

Salary Step Increase- eligible certified staff	1,353,969
Cost of living increase-all certified staff (1%)	1,147,046
Retirement increase	1,998,169
Health/Dental insurance increase	1,044,261
4 Special Education teachers & 4 assistants	397,500
Special Education assistants (IEP-directed)	476,000
5 ESOL teachers	325,000
Total State/Federal Mandates	<u>\$ 6,741,945</u>

# EXPENDITURE INCREASES INCLUDED IN FY 2018-2019 BUDGET

Description	Projected Cost
<b>Local - Increases due to enrollment growth*:</b>	
13 School based employees	\$ 931,628
10 Teachers for Growth	650,000
Charter School Allocations (+19 students)	297,350
School Non-Salary Allocations	33,391
Academic Stipends	6,450
Total increases due to growth	<u>\$ 1,918,819</u>

\*All costs include salary and benefits.

# EXPENDITURE INCREASES INCLUDED IN FY 2018-2019 BUDGET

Description	Projected Cost
<b>Operational Increases:</b>	
Energy	323,666
Maintenance	111,550
Grounds	88,250
Water, Sewer, and Trash	51,229
Total Operational	<u>\$ 574,695</u>

# EXPENDITURE INCREASES INCLUDED IN FY 2018-2019 BUDGET

Description	Projected Cost
<b>Safety and Security:</b>	
School Resource Officers	\$ 89,742
Hand held metal detectors	17,000
Radios-Transportation	75,200
Bus Cameras	416,000
Crossing Guards (2 additional)	31,500
Total Safety and Security	<u>\$ 629,442</u>



# EXPENDITURE INCREASES INCLUDED IN FY 2018-2019 BUDGET

## Other Increases:

Locality supplement for teachers*	\$	1,910,788
Locality supplement for classified staff & admin**		583,463
Step increase for classified and administrators		667,149
COLA-classified and administrative staff (1%)		491,363
Additional 1% COLA for all staff		1,638,409
ADEPT stipends		287,348
Substitute teachers		125,725
Summer Institute expansion for new teachers		116,480
Athletics expansion		65,000
Montessori Training		42,851
County admin fees-garage and fuel		20,000
Other School and Departmental Increases		245,664
<b>Total</b>	<b>\$</b>	<b>6,194,240</b>

\* This recruiting and retention supplement would be an additional \$1,000 for teachers only, totaling \$4,000 per teacher.

\*\* This recruiting and retention supplement would be an additional \$500 for classified and administrative staff only, totaling \$1,500 per staff member.

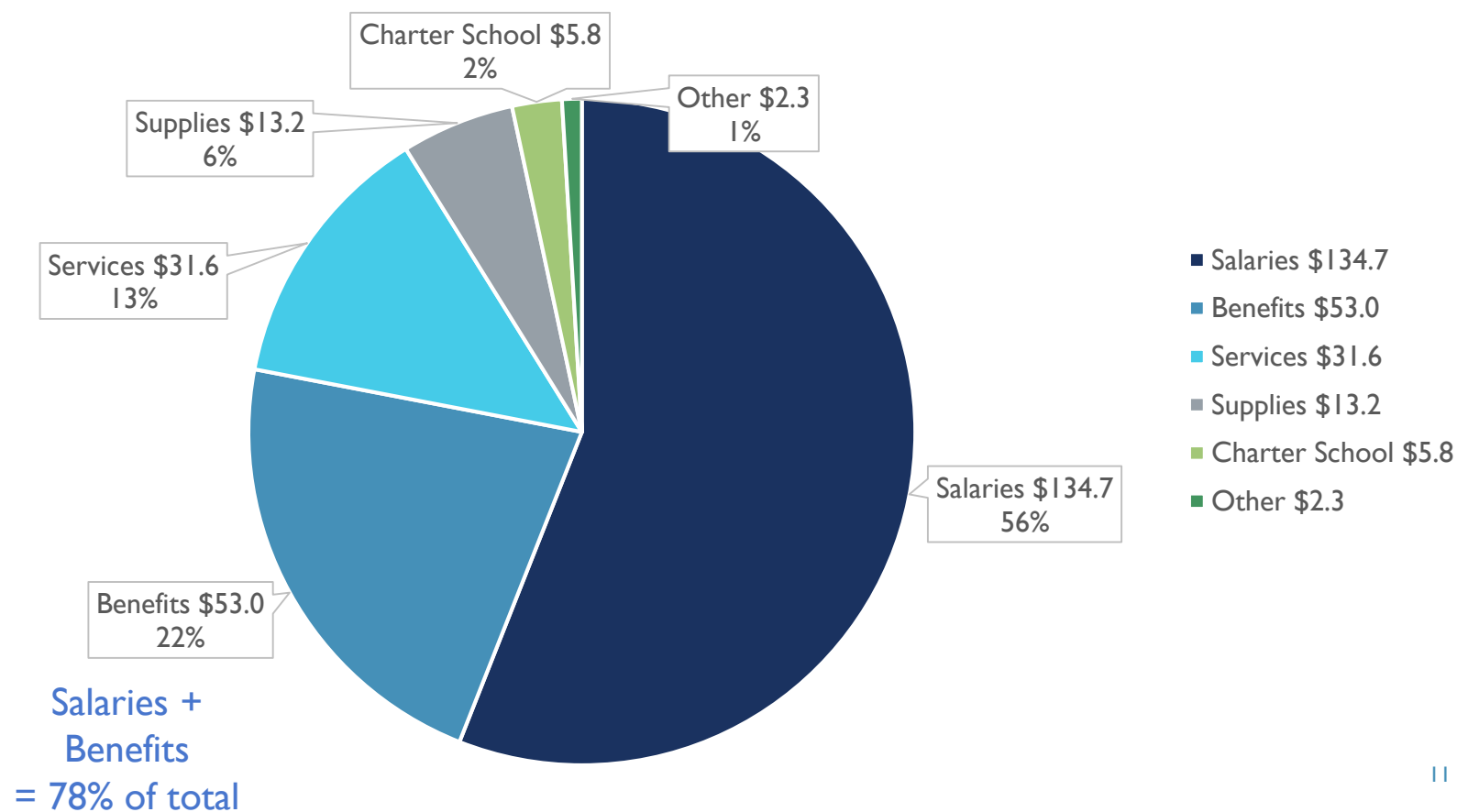
# EXPENDITURE **DECREASES** INCLUDED IN FY 2018-2019 BUDGET

Description	Projected Cost
Custodial Services	(479,575)
4 PreK staff moved to Special Revenue Funding	(205,500)
Energy Savings from Solar Farm (approx. \$1,000/day)	(300,000)
Property Insurance	(149,937)
Telecommunications	(75,320)
Athletic Insurance	(45,000)
Interest on Tax Anticipation Note	(15,000)
Total	<u>\$ (1,270,332)</u>

# SUMMARY OF FY 2018-2019 INCREASES

Type Increase	Amount	% of Total Increases
State/Federal Mandates	\$ 6,741,945	46%
Local - Enrollment	1,918,819	13%
Operational	574,695	4%
Security	629,442	4%
Other	6,194,240	42%
Total Increases	16,059,141	
Less Decreases	(1,270,332)	-9%
Net Increases	\$ 14,788,809	
Current Budget	225,764,555	
FY 2018-2019 Preliminary	\$ 240,553,364	

# GENERAL FUND SPENDING BY OBJECT



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

\*State Revenue Estimates – Senate Finance 4/4/2018

Tax revenues needed to support this budget will be determined after an analysis of the effect of reassessment is complete.

# CHALLENGES

- Continuing Instructional Momentum
- Student Growth and Diversity
- Unfunded Mandates
- Teacher Recruitment and Retention
- Fund Balance Reserves
- Facilities Maintenance

**ORDINANCE 2018/\_\_\_**

**AN ORDINANCE TO PROVIDE FOR ALLOCATION OF FUNDS FOR BEAUFORT MEMORIAL HOSPITAL INDIGENT CARE, ECONOMIC DEVELOPMENT, AND HIGHER EDUCATION BASED ON A MILLAGE AMOUNT TO BE DETERMINED BY THE ANNUAL BUDGET ORDINANCE**

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, 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, 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, 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.

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

ATTEST:

\_\_\_\_\_  
Ashley M. Bennett, Clerk to Council

First Reading:  
Second Reading:  
Public Hearing:  
Third and Final Reading:





*Board of Directors:*

Dr. Andrew J. Beall, Chairman  
Colonel Christopher Allen, U.S. Army (Ret.), Vice Chairman  
Deborah Dykes  
Gregory Dyson  
Lieutenant General Jack Klimp, U.S. Marine Corps (Ret.)  
Dr. Martha Moriarty, Associate Vice Chancellor at USC Beaufort  
Lieutenant General Garry L. Parks, U.S. Marine Corps (Ret.)  
Dr. Larry Rowland, Professor Emeritus  
Stu Rodman, Beaufort County Commissioner  
Richard Thomas  
Megan T. Meyer, Executive Director, *ex officio*

April 4, 2018

Mr. Josh Gruber  
Beaufort County  
PO Box 1228  
Beaufort, South Carolina 29901

Reference: Ground Lease for Parking

Beaufort County Council support for the work of the Santa Elena Foundation helped to launch and continues to assist the successful project. Accommodations Tax Grants, promotion by The County Channel, professional advice, shared expertise, and in-kind use of the County-owned building at 1501 Bay Street make possible *our telling* of America's Untold Story.

The numerous educational programs, rotating and permanent displays, and off-site events (Lowcountry Fair, replica ships, scholars' conferences, and local sailing regatta) are how we bring alive the history of Beaufort County for thousands of annual visitors. These large, growing, and complex activities are brought to the public by Santa Elena volunteers and our single paid staff-member.

Modest and carefully controlled operational expenses exceed revenues generated from paid admissions, programs, and museum store sales. Private donations, competitive grant awards, and Accommodations Tax grants provide incremental resources necessary to conduct daily operations. Moreover, many Accommodations Tax and competitive grants from non-government foundations are restricted in their use: out-of-market promotion and named capital or research projects, to cite several examples. Funds free to be used for operational expenses are generated by Santa Elena Foundation sponsored activities and private donations. Our experience is typical of the operational environment encountered by non-profit foundations.

We are most appreciative that Members of County Council agreed to extend our use of the building until October 2020, a full five-years of occupancy. Members of County Council also agreed the County has responsibility for capital maintenance for the County-owned building at 1501 Bay Street. Working closely with Beaufort County personnel, the Santa Elena team helped minimize cost to Beaufort County and served as excellent stewards of the County asset.

Our Foundation is exploring options for a location beyond 2020. Independent of what occurs with the Santa Elena Foundation, members of our Board share a view that the building on Bay Street, now converted for use as an interpretive center, may be an exceptional permanent Visitor and History Center. A location from which the public may begin their exploration of the



*Board of Directors:*

Dr. Andrew J. Beall, Chairman  
Colonel Christopher Allen, U.S. Army (Ret.), Vice Chairman  
Deborah Dykes  
Gregory Dyson  
Lieutenant General Jack Klimp, U.S. Marine Corps (Ret.)  
Dr. Martha Moriarty, Associate Vice Chancellor at USC Beaufort  
Lieutenant General Garry L. Parks, U.S. Marine Corps (Ret.)  
Dr. Larry Rowland, Professor Emeritus  
Stu Rodman, Beaufort County Commissioner  
Richard Thomas  
Megan T. Meyer, Executive Director, *ex officio*

remarkable 500-year history of Beaufort County. The very visible and strategic site of the Bay Street building makes the location ideal for sharing Beaufort County history and culture interpreted by a variety of organizations.

The Free Shuttle service organized by the Santa Elena Foundation, Historic Beaufort Foundation, Beaufort History Museum, and Spirit of Old Beaufort Tours is a pilot project to demonstrate collaboration among attractions in the Beaufort Cultural District. The shuttle with graphics to promote historic attractions, responds to needed mobility for visitors, and may aid parking congestion. Public response is strong, and other local organizations asked to be included.

Prior to our occupying the Bay Street building, Beaufort County leased the Dowling Family lot for 10 years to be used as public parking associated with the Old Federal Courthouse Building. While the Dowling Family lot leased by Beaufort County for parking across North Street is enjoyed by many, the space is more than is required for the Santa Elena History Center. The parking is frequented by the public for a variety of uses: vehicle parking, events, event storage, truck and bus parking, and at least two annual retail markets. The parking is not essential for the operation of the Santa Elena History Center; however, the lot may prove a long-term benefit for many stakeholders in our community.

We face dilemma of how to cover the \$4,000.00 per month ground lease for the additional two years we will occupy the location. In the original building lease, the Santa Elena Foundation was granted use of the building for \$1.00 a month and to assume the responsibility for the parking lot. The effective cost of the use of the building was thereby \$4,001.00 per month, a cost we could not burden. Always helpful, Beaufort County granted the Santa Elena Foundation accommodations tax funds to cover the parking lease expense through June 2018.

Parking associated with the County-owned building is enjoyed by the public and may be essential for the facility in a subsequent use; the space is not required to support the Santa Elena History Center, and unfortunately, we are not in position to fund the lease. Our Foundation requests that Beaufort County continue to fund the parking lease until October 2020. Are we correct this request will be first considered by the Beaufort County Finance Committee, and may we respectfully ask that the request be added to an upcoming agenda?

Thank you in advance for your consideration of this request to explore how we may complete our 5-year term in the County-owned property and continue to *tell* America's Untold Story, underscoring Beaufort County as a unique destination with a unique history.

Sincerely,

Andy Beall



## Bennett, Ashley

---

**From:** Blakely Williams <info@beaufortsc.ccsend.com> on behalf of Blakely Williams <blakely@beaufortsc.org>  
**Sent:** Wednesday, April 18, 2018 4:11 PM  
**To:** Bennett, Ashley  
**Subject:** A Note from the Chairman



April 18, 2018

### A NOTE FROM THE CHAIRMAN

To Our Members,

*On behalf of the Beaufort Regional Chamber of Commerce, I am excited to officially announce the formation of a new entity, the Greater Beaufort Port Royal Convention & Visitor Bureau.*

*Your Beaufort Regional Chamber Board of Directors and Tourism Advisory Committee unanimously voted to transfer the tourism and marketing activities to this newly formed non-profit Destination Marketing Organization. The Chamber and the new CVB's leadership briefed our partners at*



*Beaufort County, the City of Beaufort and the Town of Port Royal and we have received the endorsement of these local government partners.*

*The Chamber has decided not to receive tourism tax dollars to allow us to better advocate for the business community. However, please know that the Chamber will continue to support dedicated funding for tourism destination marketing, as well as the development of heritage and cultural tourism attractions in Beaufort County.*

*Over the last few years, several issues have come to the forefront in which the Beaufort Regional Chamber of Commerce has advocated, but cautiously, because of the important responsibility the organization carried in tourism marketing. It is the board's decision to be a louder advocate for the Beaufort Regional business community, and for you.*

*To that end, the Chamber's newly formed Governmental Affairs Committee is charged with providing a forum to track, research, and discuss important public policy issues. This advisory group will develop public policy recommendations and draft positions that are consistent with the organization's values and principles. For example, the committee is currently reviewing business license reform.*

*Business license fees directly impact Beaufort County small businesses. Every for-profit business operating in Beaufort County, including all four municipalities, is required to have a valid business license and pay an annual fee based on a percentage of the organization's annual gross income and calculated on a specified classification scale. The Beaufort Regional Chamber of Commerce has longstanding support for simplifying the process to make it easier for businesses like you to operate in different cities, towns and counties. Later this month, Beaufort County will discuss the option of significantly reducing the business license fees for Beaufort County businesses.*

*The benefits of tourism are undeniable. More than \$1 billion in travel-related annual spending is injected into our local economy,*

*which translates into lower property taxes for all residents of the county. It is because we believe so strongly in the tourism economy that we created this new CVB. Its tourism-centric focus will only inspire more tourism and travel to our beautiful destination. There will be no disruption in services for either organization as we move forward.*

*Our mission is to manage and build capacity for continual community growth by advocating for a pro-business environment and building a quality workforce in order to enrich the region's quality of life and with your help, we will.*

*All the best*

,

Cliff Mrkvicka of Lockheed Martin  
Chairman of the Board  
Beaufort Regional Chamber of Commerce

Beaufort Regional Chamber of Commerce, P.O. Box 910, Beaufort, SC 29901

[SafeUnsubscribe™](#) [abennett@bcgov.net](mailto:abennett@bcgov.net)

[Forward This Email to a Friend](#) | [Update Profile](#) | [About our service provider](#)

Sent by [blakely@beaufortsc.org](mailto:blakely@beaufortsc.org) in collaboration with



Try it free today

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

ATTEST:

\_\_\_\_\_  
Ashley M. Bennett, Clerk to Council

First Reading:  
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

ATTEST:

\_\_\_\_\_  
Ashley M. Bennett, Clerk to Council

First Reading:

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](#).)