

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
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 CLERK TO COUNCIL

AGENDA
 FINANCE COMMITTEE

Monday, August 7, 2017
 2:00 p.m.

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

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. CONSENT AGENDA / CONSIDERATION OF FISCAL YEAR 2018 CONTRACT RENEWALS
 ([backup](#))
3. TECHNICAL COLLEGE OF THE LOWCOUNTRY / CULINARY INSTITUTE ([backup](#))
4. AN ORDINANCE TO APPROPRIATE FUNDS NOT TO EXCEED \$250,000 FROM THE 3% LOCAL ACCOMMODATIONS TAX FUNDS FOR THE COUNTY'S MATCH ASSOCIATED WITH THE SPANISH MOSS TRAIL FROM ROSEIDA ROAD TO CLARENDON ROAD
5. ACCOMMODATIONS (3% LOCAL) TAX FUNDING REQUEST / PARKS AND LEISURE SERVICES DEPARTMENT
6. PRESENTATION / COUNTY INVESTMENTS / COUNTY TREASURER ([backup](#))
7. CONSIDERATION OF REAPPOINTMENTS AND APPOINTMENTS
 - A. Airports Board
8. EXECUTIVE SESSION
 - A. Receipt of legal advice relating to pending and potential claims covered by the attorney-client privilege (Buckwalter Recreation Project)
9. ADJOURNMENT

2017 Strategic Plan Committee Assignments
 USC-Beaufort/TCL Campus Building
 Comprehensive Impact Fee Review
 Priority Investment – Capital Projects Long-Term Prioritized Requirements
 Comprehensive Financial Plan: Revenues and Expenditures
 Salary and Compensation Study Implementation
 Reserve Policy: Revision
 Countywide Information Technology Plan
 Budget FY 2017-2018: Tax





COUNTY COUNCIL OF BEAUFORT COUNTY
PURCHASING DEPARTMENT

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

TO: Councilman Jerry W. Stewart, Chairman, Finance Committee
FROM: Dave Thomas, CPPO, Purchasing Director
SUBJ: **Recommendation for Fiscal Year 2018 Contract Renewals**
DATE: August 7, 2017

In order to improve our process for renewing annual contracts I have provided a summary sheet (see the attached excel sheet) for your committee's review and approval. The summary sheet provides the vendor name, purpose, department, account name and number, prior and current contract cost, term, and remarks. The department head responsible for the contract or their representative will be available for questions during the Committee meeting.

FOR ACTION: Finance Committee meeting occurring August 7, 2017.

RECOMMENDATION: The Purchasing Department recommends that the Finance Committee approve and recommend to County Council, approval of the contract renewals (Items 1-22) as stated in the attached summary.

CC: Gary Kubic, County Administrator
Joshua Gruber, Deputy County Administrator/Special Counsel
Alicia Holland, Assistant County Administrator, Finance *AH*

Att: Contract Renewal Summary List

Beaufort County, South Carolina
Fiscal Year 2018 Contract Renewals
Finance Committee, August 7, 2017

	Vendor	Purpose	Department	Account	FY 2018 Cost	FY 2017 Cost	Term (Beg/End)
1	Southern Health Partners Chattanooga, Tennessee	Healthcare Services for County Detention Center Inmates	Detention Center	Medical/Dental Services 10001250-51190	\$ 618,296	\$ 566,957	7/1/2017 thru 6/30/2018
Notes:	Estimated costs due to volume demanded of this service depends on various factors throughout each fiscal year. Fiscal Year 2018 cost also includes \$40,000 annual outside cost pool limit that may or may not be expended throughout the fiscal year.						
2	A & B Cleaning Service, Inc. Greenville, North Carolina	Janitorial Services for County Facilities	Facilities Management Lady's Island Airport Hilton Head Airport	Cleaning Services 10001310-51210 51000011-51210 54000011-51210	\$ 601,000	\$ 588,029	7/1/2017 thru 6/30/2018
Notes:	Increase is related to price increase for the new Crystal Lake building and the temporary occupancy of the United Way Building.						
3	Waste Management of SC Ridgeland, South Carolina	Hauling and processing of recyclables collected at convenience centers	Solid Waste	10001340-51167	\$ 400,000	\$ 409,122	7/1/2017 thru 6/30/2018
Notes:	Estimated costs due to volume demanded of this service depends on various factors throughout each fiscal year.						
4	Oakwood Landfill Waste Management Ridgeland, South Carolina	Disposal of Class II Waste	Solid Waste	10001340-51166	\$ 350,000	\$ 337,484	7/1/2017 thru 6/30/2018
Notes:	Estimated costs due to volume demanded of this service depends on various factors throughout each fiscal year.						
5	Summit Food Service (formerly ABL Management) Atlanta, Georgia	Food Service Program for the BC Detention Center	Detention Center	10001250-51200	\$ 310,000	\$ 290,630	7/1/2017 thru 6/30/2018
Notes:	Fiscal Year 2018 estimated cost includes approximately \$0.03 per meal price increase or 2.4% which is the CPI - Food Away increase as of March 2017.						
6	Eastern Aviation Charlotte, North Carolina	AVGAS and Jet Fuel for Resale	Lady's Island Airport	Purchases - Fuels 51000011-58000	\$ 290,000	\$ 280,755	7/1/2017 thru 6/30/2018
Notes:	Beaufort County (Lady's Island) Airport purchases this fuel for resale. Fiscal Year 2017 revenue related to the resale of this fuel was \$401,500.						
7	Clarke Mosquito Control Products, Inc. St. Charles, Illinois	Public Health Insecticide for Mosquito Control	Mosquito Control	Public Health Products 10001400-52320	\$ 250,000	\$ 333,958	8/1/2017 thru 7/31/2018
Notes:	Estimated costs due to volume demanded of this service depends on various factors throughout each fiscal year. Hurricane Matthew resulted in approximately \$200,000 of additional costs during Fiscal Year 2017.						
8	South Data Mount Airy, North Carolina	Printing and Mailing Services for the Treasurer and Auditor's Office (property tax bills)	Treasurer	10001020-51010 20110011-51010	\$ 245,569	\$ 250,512	9/1/2017 thru 8/31/2018
Notes:	Addendum to contract: contract management will go through Treasurer's office only.						
9	Manatron (Aumentum) Chicago, Illinois	Property Assessment and Tax Software and Support for the Assessor, Auditor and Treasurer's Offices	Assessor Auditor Treasurer	Maintenance Contracts 10001152-51110	\$ 216,509	\$ 208,182	7/1/2017 thru 6/30/2018
Notes:							
10	Automated Business Resources (ABR) Savannah, Georgia	Provide Photocopier/Multifunction Printer Lease and Print Management Services for BC	MIS	Various Departments	\$ 210,000	\$ 195,000	4/30/2018
Notes:	Price based on number of units maintained on service agreement.						
11	Beaufort County Open Land Trust Beaufort, South Carolina	Rural and Critical Land Preservation Program Consulting Services	Real Property Program	Professional Services 45000011-51160	\$ 179,000	\$ 179,000	7/1/2017 thru 6/30/2018
Notes:							
12	Care Environmental Corp Dover, New Jersey	Hauling Services for Solid Waste Dept.	Solid Waste	Professional Services 10001340-51160	\$ 160,000	\$ 138,725	7/1/2017 thru 6/30/2018
Notes:	Estimated costs due to volume demanded of this service depends on various factors throughout each fiscal year.						
13	Software One Dallas, Texas	Microsoft Enterprise Agreement	MIS	10001150-51110	\$ 153,469	\$ 153,469	7/1/2015 thru 6/30/2018
Notes:							
14	South Coast Logging Savannah, Georgia	Solid Waste Disposal Yard debris collected through residential sources will/can be disposed of at the Evergreen Tree & Turf Care, Inc. facility	Solid Waste	Solid Waste Disposal 10001340-51166	\$ 150,000	\$ 120,940	7/1/2017 thru 6/30/2018
Notes:	Estimated costs due to volume demanded of this service depends on various factors throughout each fiscal year.						
15	EMS Management and Consultants Lewisville, North Carolina	Billing Services for BC EMS	EMS	10000001-44220	\$ 150,000	\$ 85,000	7/1/2017 thru 6/30/2018
Notes:	Per contract, not to exceed (NTE) \$190,000. Based on Fiscal Year 2017 information, Fiscal Year 2018 is estimated.						

Beaufort County, South Carolina
Fiscal Year 2018 Contract Renewals
Finance Committee, August 7, 2017

	Vendor	Purpose	Department	Account	FY 2018 Cost	FY 2017 Cost	Term (Beg/End)
16	Beaufort County Disabilities and Special Needs (DSN)	Janitorial Services for Buckwalter, Burton St. Helena Library	PALS	10001600-51210	\$ 130,000	\$ 100,665	7/1/2017 thru 6/30/2018
Notes: Fiscal Year 2018 increase of \$29,335 related to Buckwalter Recreation Center expansion.							
17	Hilton Head Humane Association (SNAC: SPAY/NEUTER) Hilton Head, South Carolina	Provides Veterinary and Spay/Neuter Services for the County Animal Shelter	Animal Services	Professional Services Spay/Neuter 10001270-51160 10001270-51165	\$ 100,000	\$ 90,000	7/1/2017 thru 6/30/2018
Notes: The process of restitution is intended to help offset the cost of this service. The County receives a small percentage of the actual cost via restitution through the court process.							
18	Tyler Technologies Dallas, Texas	Annual support and license agreement for Munis	Finance Purchasing Business License Employee Services Building Codes Local Accomm. Tax Hospitality Tax Admission Fees	Maintenance Contracts 10001111-51110 10001116-51110 10001134-51110 10001160-51110 10001260-51110 20010011-51110 20020011-51110 20100011-51110	\$ 93,850	\$ 89,515	7/1/2017 thru 6/30/2018
Notes:							
19	Pictometry International Corporation Rochester, New York	License Image Software/Aerial Photos	GIS/MIS	Aerial Photos 10001152-51250	\$ 79,063	\$ 73,506	7/1/2017 thru 6/30/2018
Notes:							
20	Strickland Electronic Recycling North, South Carolina	Electronic Waste Recycling Services	Solid Waste	E-waste 10001340-51164	\$ 70,000	\$ 71,219	9/1/2017 thru 8/31/2018
Notes: Estimated costs due to volume demanded of this service depends on various factors throughout each fiscal year.							
21	South Carolina Judicial Department Columbia, South Carolina	Court Management System Support	Clerk of Court Magistrate	Maintenance Contracts 10001030-51110 10001081-51110	\$ 60,000	\$ 60,000	7/1/2017 thru 6/30/2018
Notes:							
22	New Vision Systems New Canaan, Connecticut	Official Records Software and Maintenance Support	Register of Deeds	Maintenance Contracts 10001122-51110	\$ 52,048	\$ 51,028	7/1/2017 thru 6/30/2018
Notes:							



TECHNICAL COLLEGE
OF THE LOWCOUNTRY

Business Case

Lowcountry Culinary Institute

REVISION 03: August 3, 2017

“This isn’t a money issue, everyone is doing well. Staff can make \$30,000-50,000 a year. But there is not enough staff in kitchens across Hilton Head. There is a big skill gap, especially in our area. We have no culinary school.”

Clayton Rollison, Owner, Lucky Rooster Kitchen and Bar, Hilton Head Island

“...we all agree that there is an ever growing (CRITICAL) need for trained entry and middle level culinarians in the Bluffton-HHI area...Sea Pines Resort will be bringing in approximately 50 [international] cooks for the 2016 season. All these positions could be filled by locally trained culinary staff, but they are just not here to hire.”

Jeff Kruse, Vice President for Food and Beverage, The Sea Pines Resort.

Executive Summary

The Technical College of the Lowcountry aims to build a 26,000-square foot culinary arts institute in the Buckwalter Place Commerce Park in Bluffton South Carolina. The school will have capacity for up to 300 students and will provide a pipeline of trained, professional culinary workers to bolster the region’s top two economic drivers – the Resort and Tourism industry and the Healthcare industry. Total estimated cost of construction, facilities and equipment is \$11,459,800. The college is seeking \$11.5 million dollars in public funds and \$2 million dollars in private and in-kind contributions.

The college’s current culinary program’s limited academic scope and enrollment cap cannot meet current or future workforce demand for the area’s two leading industries. The new culinary school will enable the college to offer associates degrees and additional certificates. The school’s location, a community college demographic hotspot, provides best opportunity for optimum enrollment and revenue generation.

TCL’s new culinary school will enhance the college’s relevance to the community, elevate the college and positively impact enrollment in all programs.

Key Personnel

Dr. Richard Gough, President

Dr. Gough has prior experience building, operating, and maintaining culinary institutes. Under his leadership, Sandhills Community College in Pinehurst, North Carolina, built a 20,000-square foot culinary training facility. Dr. Gough will oversee all aspects of the new culinary school including design and build, equipment, academic program development and staffing.

Mary Lee Carns, Vice President for Advancement and External Relations

Ms. Carns is responsible for obtaining public and private resources to achieve the college's strategic objectives. Prior to TCL, she served as associate director for development at Penn State University where she was responsible for securing contributions of \$2 million to \$3 million dollars annually. Ms. Carns will coordinate all aspects of fundraising for the culinary school.

Sean Henrickson, Vice President for Continuing Education and Military Affairs

Mr. Henrickson understands the special opportunities for community engagement and revenue generation through culinary. This summer he introduced TCL Kids Culinary Camps gaining the attention of parents and media and, grossing \$12,000. Mr. Henrickson will oversee the design and implementation of culinary-focused revenue and awareness generating programs.

Ms. Nancy Weber, Vice President for Student Affairs

Ms. Weber oversees all aspects of recruitment, enrollment and financial aid. Most recently, Ms. Weber and her team implemented a rigorous and successful schedule of recruitment activities. In addition, Ms. Weber has made process changes that our student and enrollment friendly. Her team will be instrumental in creating CATE dual enrollment pathways.

Dr. Gina Mounfield, Vice President for Academic Affairs

Dr. Mounfield is an experienced academic administrator and an accreditation expert. Her thorough knowledge of the Southern Association of Colleges and Schools accreditation process will guide the development of new culinary programs.



Chef Miles Huff, Consultant

Chef Huff joined the college as a consultant in July 2016. He is an American Culinary Federation (ACF) Certified Culinary Educator (CCE), an Approved Certification Evaluator (ACE), and a National Restaurant Association (NRA) ServSafe instructor and test proctor. He is a graduate of Johnson and Wales. In addition to his culinary education, he has a bachelor's degree in Workforce Development and a master in Management. Chef Huff served as a culinary arts instructor and as the culinary coordinator for The Culinary Institute of Charleston at Trident Technical College in North Charleston, South Carolina. At TCL, he has contributed to site assessment and selection and to preliminary kitchen classroom design.



Chef Joseph (Joe) Bonaparte, Consultant and Chair, International Culinary Institute at Myrtle Beach at Horry Georgetown Technical College (HGTC)

Chef Joe joined the TCL team this year. He has contributed greatly to the development of the culinary school's operations and maintenance budget. At HGTC, Chef Joe led the development of the International Culinary Institute at Myrtle Beach. The 30,000 square foot culinary school opened in September 2016. He has a bachelor's degree in Hotel Restaurant Management, a master in Hospitality Management and a culinary degree from the California Culinary Academy.

Dean, Lowcountry Culinary Institute at TCL (open position)

Once construction funds and early operation funds are secured, the college will seek to fill this key position. The dean of the culinary school will provide leadership and coordination of facility design and academic program development. The position will play a crucial role engaging the region's resort, tourism and restaurant industry. See appendix A, Job description - Dean of Culinary Arts and Hospitality Management.

Funding

The college is seeking \$11.5 million dollars in public funds to support the construction of the culinary school. The college will raise an additional \$2 million dollars in private contributions

and in-kind gifts. These funds will support operating costs during the first three years of operation.

The location of the culinary school gives the college the opportunity to take advantage of a large developer's construction economies. The college met with three firms and received construction cost estimates for four sites: (1) Buckwalter Place Commerce Park, (2) Bluffton New River Campus, (3) Okatie Crossing and (4) Pineland Station, Hilton Head Island.

Cost of construction by site for a 26,000 sq. ft. culinary institute:

1. Buckwalter Place Commerce Park	\$300/sq ft	\$ 7,800,000
2. Pineland Station, Hilton Head	\$319/sq ft	\$ 8,294,000
3. Okatie Crossing	\$410/sq ft	\$10,660,000
4. Bluffton New River Campus	\$451/sq ft	\$11,726,000

College Description

The Technical College of the Lowcountry is a two-year community college dedicated to furthering economic and workforce development in Beaufort, Jasper, Hampton and Colleton counties. The college offers more than ninety academic programs and enrolls more than 3,000 students annually.

Like community colleges nationally, TCL experienced an enrollment boom during the Great Recession. In the past few years, enrollment has declined as it normalizes to post-recession enrollment levels. Barring another recession, future enrollment growth requires the college to (1) adapt to serving a working market and (2) locate programs in target demographic markets.

Culinary Education

Currently the college offers an eighteen-credit hour culinary arts technology certificate in a borrowed facility, Battery Creek High School in northern Beaufort County. Enrollment is limited to sixteen students. The program has limited enrollment capacity and its academic scope falls short of serving the current and future workforce needs of the local industry.

The Lowcountry Culinary School will have capacity for up to 300 students and will offer associate degrees as well as culinary certificates. Anticipated associate degrees include Culinary Arts Technology AAS, Health Nutrition AAS and, Baking and Pastry AAS. In addition to maintaining the certificate in culinary arts technology, other anticipated post-secondary certificates include Artisanal Foods, Fish and Seafood and, Baking and Pastry. The culinary school will also be home to the college's Hospitality certificate program.

The Culinary Arts Technology associates degree program will prepare students for positions as professionals in food service operations such as hotels, resorts, restaurants, healthcare facilities, assisted living facilities and schools. Students will study both theory and practical kitchen applications and culinary management and operations. An agreement with the

University of South Carolina Beaufort (USCB) gives TCL culinary graduates the opportunity to enroll as a junior in university's Hospitality Management Program.

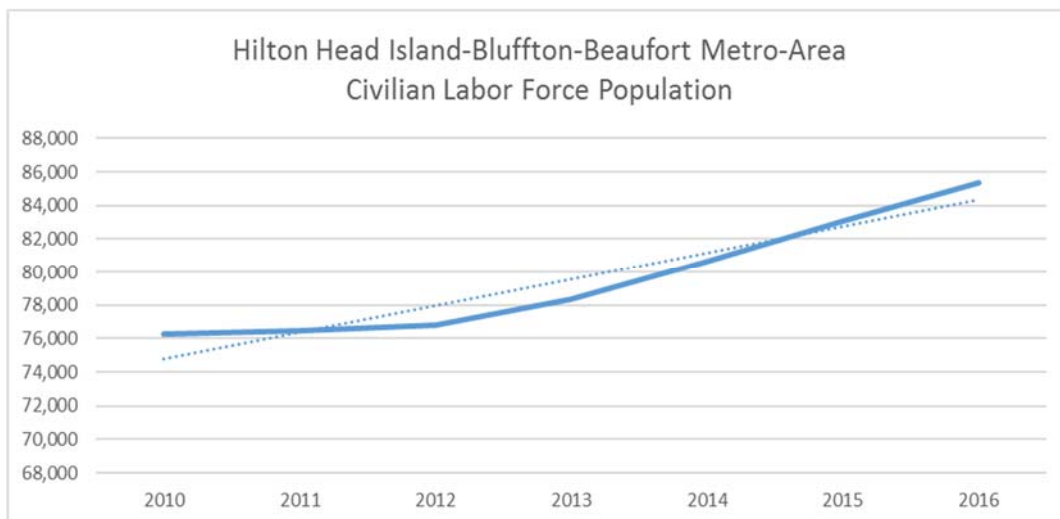
We can demonstrate strong local interest in culinary careers. This past academic year, 360 high school students enrolled in the Beaufort County School District's culinary CATE program. Student interest exceeded program capacity and according to Karen Gilbert, the school district's CATE director, many students were on a waiting list. The college is working with the school district to establish CATE dual enrollment programs. For these culinary high school students, TCL's culinary school is their next step towards a financially healthy career in culinary or, towards a four-year hospitality degree from the University of South Carolina Beaufort.

In summary, the college's current culinary program's limited academic scope and enrollment capacity cannot meet current or future workforce demand.

Market Analysis

The culinary school's target populations are (1) graduating high school seniors and (2) traditional community college students.^{1,2} These target markets are in proximity to the Buckwalter Place Commerce Park, the site of the culinary school. The college looked at four possible locations for the school. The primary criteria for site selection was student access, followed by visibility and context. See appendix B, Culinary School Sites Assessment.

Bluffton has emerged as one of the state's fastest growing municipalities. Bluffton grew more than 11.5 percent from 2015 to 2016, and almost 51 percent since 2010. We can extrapolate then that much of the area's growth in civilian labor force has been in the Bluffton area. Civilian labor force is the subset of the general population most important to the college. Civilian labor force is the portion of the population sixteen years old or older who are employed (part-time or fulltime) or unemployed.³ Civilian labor force numbers do not include retirees. From 2010 to 2016, the Hilton Head Island-Bluffton-Beaufort metro area civilian labor force increased 12%.



Civilian labor force growth, often made up of families, is reflected in school district enrollment. According to Dr. Jeffrey Moss, superintendent of the Beaufort County School District, high school enrollment is growing by approximately 300 students annually. Much of this growth – two thirds, or approximately 200 students – is occurring in the Bluffton and Hilton Head high schools. See appendix C, TCL Mission Area Public High Schools Enrollments and Graduates.

The college’s applications reflect the south of the Broad River population growth. Over the past three academic years, Bluffton and Hilton Head Island applicants to the college have increased 25% and 27% respectively. Beaufort applicants to the college have decreased by 2%. Overall, north of the Broad River applications are down 5%. The college’s enrollment demographics reflect this trend. See appendix D, TCL Enrollment Demographics.

Applications to TCL	AY2014-2015	AY2015-2016	AY2016-2017	% Change
North of the Broad	1,865	1,784	1,767	-5%
Beaufort	1,413	1,374	1,391	-2%
Lady's Island	52	30	31	-40%
Lobeco	5	6	3	-40%
Port Royal	123	138	123	0%
Seabrook	101	86	99	-2%
Sheldon	17	13	6	-65%
St. Helena	154	134	114	-26%
South of the Broad	884	972	1113	26%
Bluffton	577	614	724	25%
Hilton Head Island	307	358	389	27%
Others	1,399	1,400	1,359	-3%
Total Applications	4,148	4,156	4,239	2%

Although south of the Broad River applications numbers are increasing, converting these applicants to registered students may be more challenging. Proximity is important to community college students who must travel to attend classes. The American Association of Community Colleges reports that most community college students live within eight miles of the college they attend. Travel costs money and time. More than 60 percent of community college students juggle jobs and school.

In summary, the Buckwalter Place Commerce Park, the site of the new culinary school, optimizes the school’s enrollment potential.

Industry Analysis

In Beaufort County, there are approximately 950 businesses with food service operations. These businesses include hotels, resorts, restaurants, healthcare facilities, assisted living

facilities, national grocery chains and schools. These businesses represent Beaufort County's top two industries – Resort and Tourism and Healthcare.

An analysis of regional job growth for the period 2014 to 2020 predicts 500 new food service jobs annually. An estimated one third of these new jobs or approximately 170 jobs annually, require culinary training – an associate degree and/or post-secondary certificate. A recent search on a national job site resulted in 54 open chef positions in Beaufort County – Sea Pines, Helena Place (a senior living facility in Port Royal), Kroger and Beaufort Memorial Hospital to name only a few of our local businesses seeking trained culinarians. Positions included sous chef, assistant chef, line cook, line manager and lead cook. The median hourly earnings were \$16.50. According the Nick Unangst, Corporate Executive Chef, SERG Group, his business needs 50-trained culinary workers.

The resort and tourism industry is the region's number one industry and employer. Culinary training can lead to financially healthy, family-sustaining jobs for area residents. Industry representatives Chef Nick Unangst and Clayton Rollison, owner and chef, Lucky Rooster Kitchen and Bar, report annual salaries for trained culinarians are \$30,000 - \$50,000.

Compared to Charleston and Chatham counties, economic analysis indicates that our local resort and tourism industry is at a competitive disadvantage due to lack of workforce. Locally we have experienced this first-hand – restaurants limiting hours, resorts unable to open their full complement of food and beverage amenities, and gaps in customer service. This should worry us all. Disappointed tourists can choose other destinations for their future vacations. The Lowcountry and Resort Tourism Research Institute (LRTR) at the University of South Carolina Beaufort surveyed visitors to Beaufort County. Eighty percent of respondents said the quality of dining is important/very important to their vacation. Seventy percent of the respondents said the culinary experience was important/very important to their vacation. To our visitors, only the beach was more important than dining and the culinary experience.

Beaufort, Jasper and Hampton counties rely on a healthy resort and tourism industry for employment and tax revenue. Beaufort County and the towns of Hilton Head, Bluffton and Beaufort rely on the industry's tax revenue to support community services such as police and fire departments, to maintain community infrastructure such as roads, to support schools and, to invest in economic growth. Forty six percent of Hilton Head Island's operating budget is supported by resort and tourism tax revenue. The health of the region's resort and tourism industry is important to the quality of life for all of us in the Lowcountry.

In summary, the growth of the area's resort and tourism industry is encumbered by the lack of trained workers. This impacts future tax revenue.

Financial Projections

Construction costs

Land	\$ 783,000	
Construction cost	<u>\$ 7,800,000</u>	
Subtotal		\$ 8,583,000
Capital equipment	<u>\$ 1,000,000</u>	
Subtotal		\$ 1,000,000
Furniture (26,000 SF x \$10.00)	\$ 260,000	
Small kitchen wares	<u>\$ 125,000</u>	
Subtotal		\$ 385,000
Specialty Consultants	<u>\$ 450,000</u>	
Subtotal		<u>\$ 450,000</u>
		\$ 10,418,000
	Contingency 10%	<u>\$ 1,041,800</u>
TOTAL		\$ 11,459,800
Public Funds		<u>\$ 11,500,000</u>
BALANCE		\$ 40,200

Construction budget narrative

Land: Cost for shovel ready land in the Buckwalter Place Commerce Park, approximately 3 acres.

Building: 26,000 square feet at \$300 per foot

Equipment: Capital equipment includes commercial grade kitchen equipment. Capital equipment is defined as an item with an acquisition cost of \$5,000 or more. The acquisition cost can include installation charges and freight.

Furniture: \$10.00 per square foot is standard industry practice for estimating institutional furniture costs.

Small kitchenwares: Small kitchenwares include pots and pans, utensils, dishes, etc. Estimated cost based on HGTC real cost.

Specialty services: Cost for specialized expertise for the engineering and design of specialized systems such as commercial grade hood and duct design.

Operations and maintenance budget (O&M)

	Year 1	Year 2	Year 3	Year 4	Year 5
Headcount - credit bearing	75	100	125	150	200
REVENUE					
Tuition (credit)	243,000	324,000	405,000	486,000	648,000
Continuing Education	30,000	40,000	50,000	50,000	50,000
High Cost Course Fee	22,500	30,000	37,500	45,000	60,000
Teaching Restaurant	\$ 10,000	\$ 30,000	\$ 35,000	\$ 40,500	\$ 40,500
Total REVENUE	\$ 305,500	\$ 424,000	\$ 527,500	\$ 621,500	\$ 798,500
EXPENSES					
Salaries	\$ 220,000	\$ 285,000	\$ 350,000	\$ 360,500	\$ 371,315
Benefits	\$ 61,600	\$ 79,800	\$ 98,000	\$ 100,940	\$ 103,968
Total Salaries and Benefits	\$ 281,600	\$ 364,800	\$ 448,000	\$ 461,440	\$ 475,283
General Repair/contract services	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000
Utilities and IT	\$ 76,700	\$ 77,851	\$ 79,018	\$ 80,204	\$ 81,407
Office Supplies	\$ 3,500	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Educational Supplies (food)	\$ 37,500	\$ 50,000	\$ 62,500	\$ 75,000	\$ 100,000
Other Supplies	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500
Uniforms	\$ 1,800	\$ 600	\$ 600	\$ 600	\$ 600
Dues and Membership	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Travel	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500
Professional Development	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Total Other Expenses	\$ 137,500	\$ 148,451	\$ 162,118	\$ 175,804	\$ 202,007
10% O&M budget contingency	\$ 41,910	\$ 51,325	\$ 61,012	\$ 63,724	\$ 67,729
Total EXPENSES	\$ 461,010	\$ 564,576	\$ 671,130	\$ 700,968	\$ 745,019
SURPLUS (DEFICIT)	\$ (155,510)	\$ (140,576)	\$ (143,630)	\$ (79,468)	\$ 53,481
Industry/Philanthropic Contributions	\$ 250,000	\$ 250,000	\$ 250,000	\$ 50,000	\$ 50,000
NET INCOME	\$ 94,490	\$ 109,424	\$ 106,370	\$ (29,468)	\$ 103,481

O&M budget narrative

A culinary institute is unlike other academic programs. To estimate operating expenses the college worked with Horry Georgetown Technical College (International Culinary Institute at Myrtle Beach) and Trident Technical College (Culinary Institute of Charleston). Both colleges shared operating budgets. The International Culinary Institute at Myrtle Beach (HGTC) opened this past September (2016). It is similar in size and student enrollment to the proposed Lowcountry Culinary Institute. HGTC's budget was the most useful.

REVENUE

Enrollment: The college anticipates first year enrollment headcount to be 75. This is based upon (1) current enrollment in the school district's culinary CATE program and (2) industry's participation with incumbent worker training and cooperative education programs.

We consider the first-year headcount number conservative. It's less than 25% of current high school culinary CATE enrollment.

Tuition: Tuition is calculated using student Headcount, a tuition rate of \$180 per credit hours and 18 annual credit hours per student. The tuition rate is the same for all five-budget years.

Continuing education: This is non-credit revenue collected for continuing education offerings including culinary summer camps. This past academic year HGTC culinary school grossed \$50,000 in continuing education revenue.

High Cost Course Fee: Fee is \$50 per lab and material heavy course. The Culinary Institute of Charleston at Trident Technical College charges \$50. The calculation assumes each student will take six high fee courses in the calendar year.

Teaching Restaurant: The site of the culinary institute is a growing population center. The institute's neighbors include eviCore with more than 400 on-site employees and the Bluffton Police Department with approximately 60 employees. In addition to the current businesses, site plans include a 120,000 sq ft Kroger and a 200-unit apartment complex. The culinary school's teaching restaurant will be within easy walking distance of thousands of area residents each day.

First year revenue is estimated at \$10,000. Once the institute is established, subsequent year revenue calculation is based on 150 days of lunch operation at the cost of \$6.00 per meal. Year 02 plans for 33 lunch customers per day for 150 days at \$6.00 per meal. Year 03 plans for 39 lunch customers per day for 150 days at \$6.00 per meal. Years 4 and 5 plan for 45 lunch customers per day for 150 days at \$6.00 per meal. Teaching restaurant revenue numbers may be conservative.

EXPENSES

Salaries and Benefits: In year 01, there are four hires with annual salaries: dean/chef of the culinary institute at a salary of \$80,000/year; one faculty chef at \$65,000/year each; an administrative assistant at \$40,000/year; and a facility custodial staff member at \$35,000/year. In year 02, the college anticipates hiring an additional faculty chef at \$65,000/year and another in year 03. There are no new hires in years 4 and 5. With the exception of the dean, other full-time staff may be replaced with part-time adjunct staff reducing the salary and benefits costs.

General Repair and Contract Services: The culinary institute uses specialized equipment – commercial ovens, stoves, hoods and refrigerators – that need routine maintenance. In addition, the school will incur costs such as linen service. HGTC recommended a line item budget of \$8,000.

Utilities and IT: Estimated cost for electric, gas and IT including network access. Cost is calculated using \$2.95 per square foot, a rough estimate of the college's current utility cost per square foot.

Office Supplies: Cost for general office supplies including paper, pens, pencils, computer peripherals. Startup office supplies are higher in year 1.

Educational Supplies (food): Cost for teaching food is estimated to be \$500 per headcount/student.

Other Supplies: Cost for teaching restaurant supplies including plastics, cleaning supplies, and small wares replacement.

Uniforms: Cost of chef uniforms and teaching restaurant student staff estimated at \$18 each (Happy Chef Uniform supply).

Dues and Memberships: Cost of professional members.

Travel: Cost of faculty travel.

Professional Development: Cost of faculty continuing education and professional development.

INDUSTRY/PHILANTHROPIC SUPPORT

The Technical College of the Lowcountry Campaign for Culinary will seek \$2 million dollars in industry and private contributions. These gifts, both financial and in-kind, will support non-capital costs. Most importantly, industry and private contributions will support salaries and operations cost for the first three years of the institute.

Endnotes

1. Dr. Tim Hardee, president and executive director of the South Carolina Technical College System encourages the sixteen system colleges to recruit traditional prospective college students – graduating high school seniors.
2. The average age of a community college student is 29 years old. Two thirds of community college students attend part-time.
3. People are classified as unemployed if they do not have a job, have actively looked for work in the prior 4 weeks, and are currently available for work.

Appendixes

- A. Job description - Dean of Culinary Arts and Hospitality Management.
- B. Culinary School Sites Assessment
- C. TCL Mission Area Public High Schools Enrollments and Graduates
- D. TCL Enrollment Demographics
- E. Beaufort SC Regional Chamber of Commerce Support Letter
- F. Hilton Head Island Bluffton Chamber of Commerce Support Letter

Revision Record

1. Revision 1 dated 07/15/2017
 - 1) O&M budget, educational supplies (food), five year budget reduced by 50%. Line item savings \$325,000. Overall O&M budget reduction of approximately 11%.
 - 2) Construction budget, specialty consultants, \$200K added to line item.
2. Revision 2 dated 07/18/2017
 - 1) Add 10% O&M contingency to O&M budget.
3. Revision 3 added 08/03/2017
 - 1) Added appendixes lists added to page 12
 - 2) Added appendixes E and F, the chamber support letters

Summary: Dean of Culinary Arts and Hospitality Management

The Dean provides leadership, coordination, and supervision for programs developed in both credit and non-credit areas in culinary arts, hospitality, and related subject matters. This individual also plays a prominent role in the local culinary community and is expected to have national and international connections to this industry. Furthermore, the Dean is to plan, implement, direct, and evaluate the culinary arts and hospitality management program through coordination of full-time and part-time staff. To provide leadership through open communication, inspiration, and effective decision-making. To provide oversight for all culinary arts and hospitality management facilities. To assure quality in educational and training programs for culinary arts and hospitality management personnel. To develop a semester schedule of classes and teach courses as needed. Non-teaching assignments include instructional development, academic advising and assisting students, registration assignments, recruiting, participating in college-wide activities and task forces, and other appropriate responsibilities.

Essential Job Functions (order does not reflect importance of any function):

Education and Training

- Develop curriculum and courses for new and existing programs. Continue to update and revise course content and teaching methodology in order to maintain currency and relevance.
- Interview and recommend employment for teaching and non-teaching faculty and staff.
- Provide advice and/or assistance to associate and adjunct faculty in regard to course content and instructional materials.
- Teach courses in accordance with the course syllabus and college policy. Teach selected courses in credit and non-credit curriculums.
- Maintain general knowledge of degree requirements, programs, and course transfer information.
- Maintain familiarity with current texts, materials, teaching aids and techniques relative to courses within the discipline and recommend their adoption when appropriate.
- Actively seek ways to improve instruction.
- Direct credit and non-credit training programs for Culinary Arts and Hospitality Management.
- Formulate, review, and approve program information for class schedules, college catalog, program brochures, and culinary arts and hospitality management website. Develop class schedules and assign faculty.
- Advise and assist students during the ongoing registration process.

Facilities and Financial Management

Appendix A

- Specify and oversee facilities, construction, and capital equipment necessary for safe and effective delivery of instructional programs.
- Oversee all Culinary Arts and Hospitality Management facilities, monitor state of condition, and recommend any needed repairs, updates, or additions.
- Oversee the establishment and continued supervision of operations of a student-based menu-driven food production facility.
- Formulate, recommend, and manage annual department budget.
- Conduct and monitor standard business practices involving purchasing, purchase orders, receivables, payables, and capital equipment.

Marketing and Customer Relations

- Establish, schedule, and facilitate semi-annual curriculum advisory committee meetings. Ensure that advisory committee maintains active membership.
- Develop and maintain positive working relationships with area restaurants and food establishments.
- Establish written agreements with interested restaurants and food establishments for effective cooperative work and field internship programs.
- Establish and maintain relationships with area high schools for recruitment and for offering dual credit classes.
- Seek out potential donors for the Culinary Arts and Hospitality Program

Recommendations:

Master's Degree or higher

American Culinary Federation (ACF) certified or eligible for certification

At least 10 years of experience in the field of hospitality.

Strong background with curriculum and culinary education

Some knowledge of maintaining an operational budget

Strong leadership skills

Willingness to work with faculty, staff, and students

Experience in building community relationships

Experience and/or knowledge of recruiting efforts



Lowcountry Culinary Institute at the Technical College of the Lowcountry

Two years ago, at the request of Beaufort County tourism leadership, the Technical College of the Lowcountry met with more than 20 resort and restaurant business leaders to hear about the critical workforce needs of industry. Since then, the college has worked closely with an industry culinary team and an expert consultant to determine the best location for the *Lowcountry Culinary Arts Institute at TCL*. The goal is to build the institute on a site that optimizes its success for the maximum benefit of the industry and our community.

Location key criteria to ensure success in order of importance:

1. Student access

The culinary institute should be centrally located to the relevant populations and be readily accessible to the majority of potential students.

Relevant student populations in order of importance:

- 1) Traditional community college student – male/female ages 18 – 35
- 2) Secondary and elementary school students for outreach such as bridge programs and culinary summer camps
- 3) Adult students for continuing education and specialized culinary workshops
- 4) The community at large for support of the teaching restaurant

2. Visibility

Culinary program success is bolstered by a location that is highly visible to relevant populations. Visibility draws students as well as elevates the culinary arts aspect of this arts and science training and engages the interest and the attention of the community at large.

3. Context

Unlike traditional academic programs, the culinary institute can provide the college with unique opportunities to engage the community. These opportunities are optimized when the culinary is located within the context of community making the culinary institute accessible and visible to all populations.

Locations

Four locations are under consideration as possible sites for the Lowcountry Culinary Institute. The table below assigns a key criteria score to each site. Scoring is 1 to 5 with 1 being the lowest score and 5 being the highest score.

Location Criteria	Buckwalter Place	New River Campus	Okatie	Hilton Head
Access	5	4	2	1
Visibility	5	2	2	1
Context	5	0	2	1
	15	6	6	3

Appendix C

Table 1: Public High School Graduates 2014 - 2016

DISTRICT	HIGH SCHOOLS	2014	2015	2016	% Change
BEAUFORT	Beaufort	294	307	279	-5%
	Hilton Head Island	222	279	274	23%
	Battery Creek	151	169	164	9%
	Bluffton	309	310	363	17%
	Whale Branch Early College	100	95	94	-6%
COLLETON	Colleton County	316	328	322	2%
HAMPTON 1 & 2	Wade Hampton	146	168	142	-3%
	Estill	60	48	51	-15%
JASPER	Ridgeland-Hardeeville	147	155	123	-16%

Table 2: Public High School Enrollment 2014 – 2016

DISTRICT	HIGH SCHOOLS	2014	2015	2016	% Change
BEAUFORT	Beaufort	1338	1305	1383	3%
	Hilton Head Island	1267	1285	1308	3%
	Battery Creek	807	843	874	8%
	Bluffton	1252	1392	1391	11%
	Whale Branch Early College	517	478	508	-2%
COLLETON	Colleton County	1555	1536	1308	-16%
HAMPTON 1 & 2	Wade Hampton	721	666	702	-3%
	Estill	241	230	234	-3%
JASPER	Ridgeland-Hardeeville	666	674	694	4%

Appendix D

TCL Enrollment Demographics		Preliminary				% Change Over 3 periods
		AY 16-17	Previous 1	Previous 2	3-Period Ave.	
Undergraduate Enrollment	Undergraduate Head count	3,176	3,349	3,449	3,325	-8%
	Total Registered Credit Hours	48,059	48,287	50,472	48,939	-5%
CE Enrollment	CE Head Count		1,358	1,217	1,288	
Veteran Enrollment	Veterans and Dependents (% of enrollment)	16%	18%	16%	17%	0%
	Active Military	187	168	147	167	27%
	Dependents of Active Military	161	281	247	230	-35%
Student Demographics	Average Age	26	29	29	28	-10%
	Median Age	23	26	26	25	-12%
	Age Range 18-25	51%	51%	50%	51%	2%
	Age Range 18-35	74%	76%	76%	75%	-3%
	Minority	46%	46%	47%	46%	-2%
	Females	68%	68%	68%	68%	0%
Where do our students live?	Live North of the Broad River	1,411	1,489	1,586	1,495	-11%
	Live South of the Broad River	919	887	811	872	13%
	Live Outside of Beaufort County	576	703	764	681	-25%
	Live Outside of South Carolina	254	245	249	249	2%
	TCL Service Area Counties	89.90%	89.90%	91.20%	90%	-1%
	BEAUFORT	73.80%	71.60%	71.80%	72%	3%
	COLLETON	2.90%	3.70%	3.40%	3%	-15%
	HAMPTON	5.10%	5.90%	7.20%	6%	-29%
	JASPER	8.10%	8.60%	8.80%	9%	-8%
	Counties Out-of-State	3.50%	2.20%	1.80%	2.50%	94.40%



BEAUFORT, SC

REGIONAL CHAMBER OF COMMERCE

May 3, 2017

The Honorable Paul Sommerville, Chairman
Beaufort County Council
PO Drawer 1228
Beaufort, SC 29906

Dear Chairman Sommerville:

The Beaufort Regional Chamber of Commerce Board of Directors encourages Beaufort County Council to fund the Lowcountry Culinary Arts Institute at the Technical College of the Lowcountry.

The Beaufort Regional Chamber of Commerce believes that the Lowcountry Culinary Arts Institute at TCL will add to the tourist experience, and its students will keep the local dining scene vibrant. A trained culinary workforce will support the \$1.2 Billion dollar economic impact that our travel & tourism industry drives in Beaufort County.

Thank you for your consideration and support of the Lowcountry Culinary Arts Institute at TCL. We believe your investment will yield fruit for the Beaufort economy for generations to come.

Sincerely,

A handwritten signature in black ink, appearing to read 'Blakely T. Williams'.

Blakely T. Williams
President & CEO

Blakely Williams, President/CEO
Beaufort Regional Chamber of Commerce

Leigh Copeland, Chair
Technical College of the Lowcountry

Jim Wegmann, Past Chairman
Weidner, Wegmann & Harper

Whitney McDaniel, Treasurer
Wells Fargo Advisors

Cliff Mrkvicka, Chair Elect
Lockheed Martin

Kevin Dukes, Director at Large
Harvey & Battey, PA

John Dickerson
Sleep In History!

Chip Dinkins
Plums/Saltus Restaurants

Edward Dukes
Lowcountry Real Estate

Ben Duncan
Hargray

Pamela Flasch
Beaufort Jasper Water Sewer Authority

Tina Gentry
United Way of the Lowcountry

Karen Gilbert
Beaufort County School District

Malcolm Goodridge

Terrance Green
Coldwell Banker Realty

David Homyk
Beaufort Memorial Hospital

Christian Kata
Ameris Bank

Frank Lesesne
Anchorage 1770

Susan Sauer
Discover Tours

Jay Taylor
Kinghorn Insurance Agency of Beaufort

Mary Ann Thomas
The Cuthbert House Inn

Charlie Williams
Investor



COPY

HILTON HEAD ISLAND • BLUFFTON
CHAMBER OF COMMERCE

April 18, 2017

The Honorable Paul Sommerville, Chairman
Beaufort County Council
PO Drawer 1228
Beaufort, SC 29906

Dear Chairman Sommerville:

The Hilton Head Island-Bluffton Chamber of Commerce Board of Directors enthusiastically supports your recent decision to fund the Lowcountry Culinary Institute at TCL. As the leading pro-business & education organization in our area, we understand the major positive impact this program will have in support of our expanding hospitality industry. One of the points of the chamber's 2017 legislative agenda is to encourage funding of the Technical College of the Lowcountry for certificate programs related to job skills training in specialized areas.

Through your leadership, a critical step has been taken in the right direction and we encourage your partnership with the Town of Bluffton as well as the school districts in making this program a reality. The Culinary Institute will not only be an infusion to our local economy but will attract the much-needed workforce to sustain our tourism market and exponentially grow our healthcare industry. Competition is fierce among counties and regions for growing a viable workforce and this is a positive step to ensure we remain ahead of the others.

We commend your decision to fund the Lowcountry Culinary Institute at TCL and will support this initiative through advocacy and in any other possible.

Sincerely yours,

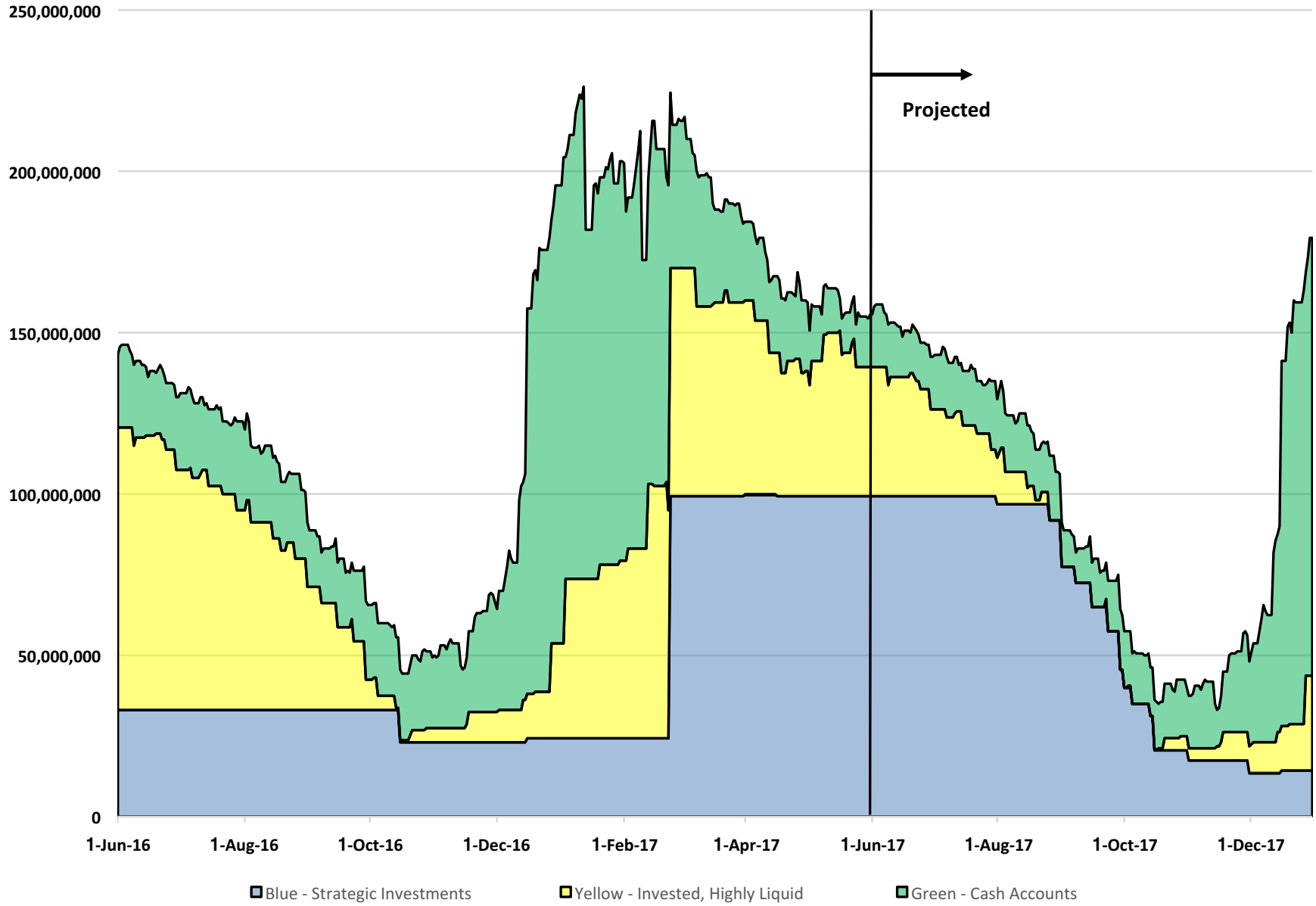


Jay Wiendl
Chairman of the Board

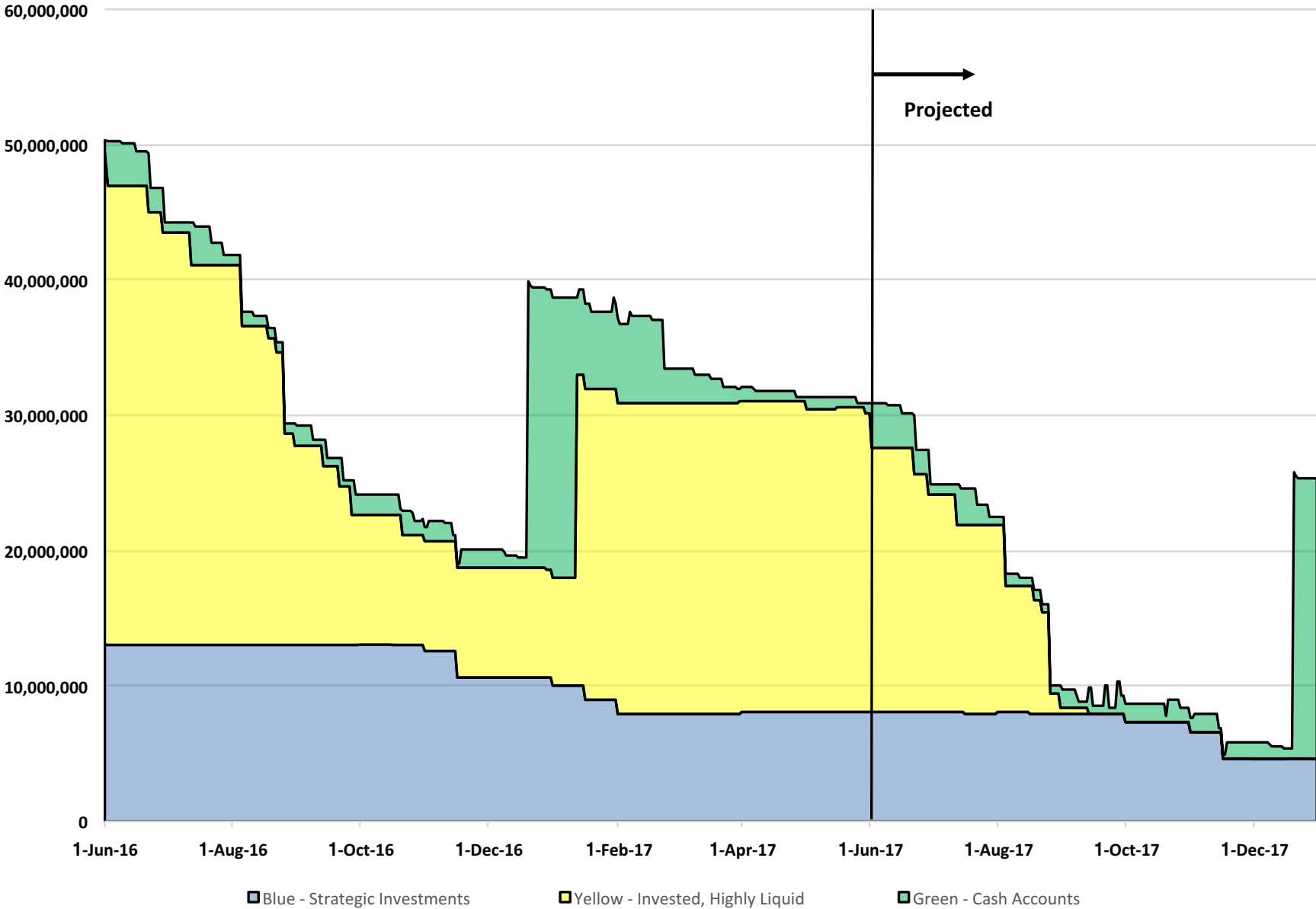


William G. Miles, IOM, CCE
President & CEO

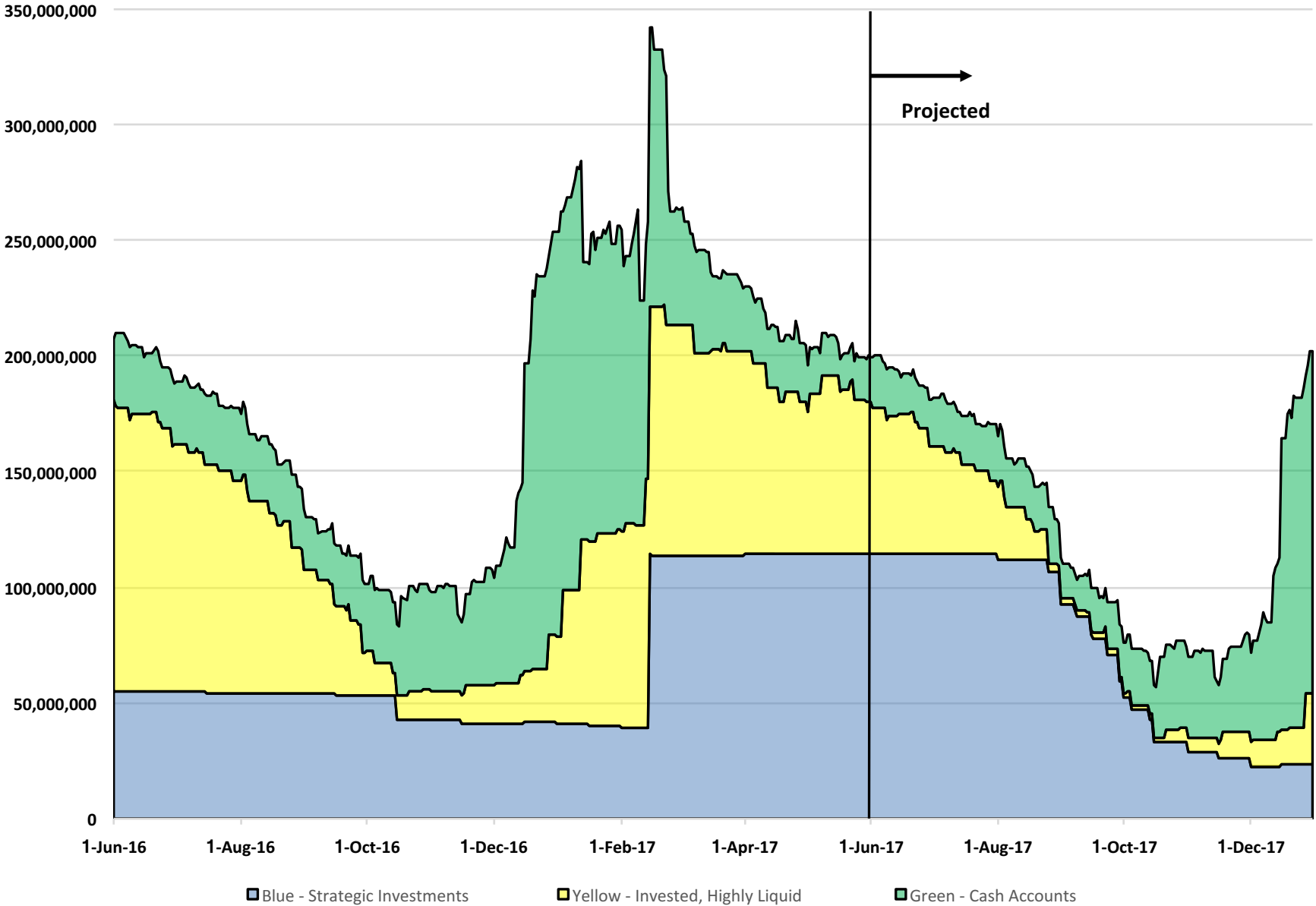
County Operating Accounts



BCSD Accounts



All Accounts





BEAUFORT COUNTY TREASURER

P. O. Drawer 487

Beaufort, South Carolina 29901-0487

(843) 255-2600 FAX (843) 255-9444

BeaufortCountyTreasurer.com

Investment and Liquidity Policy Statement Guidelines

I. SCOPE

This investment policy applies to all moneys and other financial resources available for deposit and investment by the Beaufort County Treasurer's Office on behalf of Beaufort County and on behalf of any other agency.

II. OBJECTIVES

The primary objectives of the Treasurer's Office investment activities are, in priority order:

1. To conform with all applicable federal, State and other legal requirements (legality);
2. To adequately safeguard principal (safety);
3. To provide sufficient liquidity to meet all operating requirements (liquidity) and;
4. To obtain a reasonable rate of return (yield).

To appropriately meet these objectives, the Treasurer's Office will make investment decisions based on current and ongoing cash flow needs.

III. PRUDENCE

All participants in the investment process shall seek to act responsibly as custodians of the public trust and shall avoid any transaction that might impair public confidence.

Investments shall be made with prudence, diligence, skill, judgment and care, under circumstances then prevailing, which knowledgeable and prudent persons acting in like capacity would use, not for speculation, but for investment, considering the safety of the principal as well as the probable income to be derived.

All participants involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or which could impair their ability to make impartial investment decisions.

IV. DIVERSIFICATION

It is the policy of the Treasurer's Office to diversify its deposits and investments by financial institution, by investment instrument, and by maturity schedule. Diversification of deposit and investment assets should be determined with the utmost care, with safety and liquidity being the primary objectives. As portfolios may range in size by account and purpose, depositories and investment managers should seek to invest as prudently as possible, with no investment representing more than 5% of the total portfolio value; including all accounts.

The Beaufort County Treasurer's Office, professionals serving with innovation and enthusiasm.

Administration Building • 100 Ribaut Road • Post Office Drawer 487 • Beaufort, South Carolina 29901

As some accounts may be smaller in size, 5% of the total portfolio value may not be prudent from a diversification standpoint. With these types of accounts special care must be taken to ensure liquidity and safety. Under no circumstance should any investment in smaller accounts represent more than 20% of its portfolio value.

V. INTERNAL CONTROLS AND MAINTAINING OF FUNDS

It is the policy of the Treasurer's Office for all moneys collected by any officer or employee of Beaufort County, with the exception of certain special revenues and funds maintained by certain countywide elected officials, to transfer those funds to the Treasurer's Office, or the financial institution designated by the Treasurer's Office, within two (2) business days of deposit, or within the time period specified in law, whichever is shorter.

The Treasurer is responsible for establishing and maintaining internal control procedures to provide reasonable, but not absolute, assurance that deposits and investments are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization, properly recorded, and managed in compliance with applicable laws and regulations.

Except as may otherwise be provided in a contract with bondholders or noteholders, any moneys invested may be commingled for investment purposes, provided that any investment of commingled moneys shall be payable or redeemable at the time the proceeds are needed to meet expenditures for which such moneys were obtained. The separate identity of the sources of these funds shall be maintained at all times through the general ledger and any income received shall be credited on a pro rata basis to the general ledger fund or account from which the moneys were invested.

VI. DESIGNATION OF DEPOSITARIES

The Treasurer may utilize the services of any bank, trust company, or savings and loan association authorized to do business within the State of South Carolina.

VII. SECURING DEPOSITS AND INVESTMENTS

All deposits and investments at a bank, trust company, or savings and loan association (hereinafter, collectively referred to as "depository"), including all demand deposits, certificates of deposit and special time deposits (hereinafter, collectively referred to as "deposits") made by the Treasurer's Office that are in excess of the amount insured under the provisions of the Federal Deposit Insurance Act, including pursuant to a Deposit Placement Program in accordance with law, shall be secured by the depository in accordance with South Carolina State Statute 6-5-15, which dictates the securing and collateralization of public funds.

VIII. PERMITTED INVESTMENTS

As provided by the State of South Carolina Code of Laws Section 6, the Treasurer will invest moneys not required for immediate expenditure, for terms not to exceed its projected cash flow needs, in investments that adhere with South Carolina State Statutes 6-5-10 and 12-45-220.

The Beaufort County Treasurer may also deposit public monies in excess of current needs into the South Carolina State Treasurer's Local Government Investment Pool.

Repurchase agreements (referred to as REPOs) are complex transactions that can expose the investing local government to significant risks. If utilized, the Treasurer must submit the agreement to Beaufort County's legal counsel for review and approval; have the resources to negotiate the agreement with trading partners and custodial banks or trust companies, and monitor the investment daily. At a minimum, any repurchase agreement must comply with the requirements listed in Appendix A.

IX. INVESTMENTS NOT PERMITTED:

Some investments, although in conformity with South Carolina Code of Laws, may be in conflict with the Treasurer's primary objectives of safety and liquidity. As such, the following investments are not permitted:

- 1) Interest-Only Mortgage Securities
- 2) Principal-Only Mortgage Securities
- 3) Z-Traunch Collateralized Mortgage Obligations (CMO's)
- 4) Floating Rate CMO's, including Inverse Floaters

X. AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

All financial institutions and dealers with which the Treasurer's Office transacts business shall be creditworthy, and have an appropriate level of experience, capitalization, size and other factors that make the financial institution or the dealer capable and qualified to transact business with and hold public funds. The Treasurer shall evaluate the financial position and maintain a listing of proposed depositories, trading partners, and custodians.

If the Treasurer elects to utilize the services of a financial advisor, that advisor should have at least ten (10) years of experience managing public funds, five (5) of which should be experience in managing funds within the State of South Carolina, and, at a minimum, should be a registered investment advisor. At least annually, the advisor must provide to the Treasurer their ADV form, parts I and II, filed with Securities and Exchange Commission.

The Treasurer shall maintain a list of financial institutions and dealers approved for investment purposes. To maximize safety, the Treasurer's Office could purchase through, deliver to and hold in custody of a bank or trust company all obligations, unless registered or inscribed in the name of the applicable government agency.

XI. POLICY REVIEW AND AMENDMENTS

The Treasurer shall review this investment policy annually, and shall have the power to amend this policy at any time.

Investment performance should be evaluated at least semi-annually and be taken into consideration when reviewing the investment policy. Investment performance benchmarks may include time weighted return, net of fees, on individual accounts as well as the overall portfolio.

XII. ASSISTANCE OF STATE TREASURER

The State Treasurer is authorized to assist the Treasurer's Office in investing funds that are temporarily in excess of operating. This can be accomplished by explaining investment opportunities through publication and other appropriate means; acquainting the Treasurer's Office with the State's practice and experience in investing short-term funds; and providing technical assistance in investment of idle funds when such assistance is requested.

Appendix A – Repurchase Agreements

At a minimum, a repurchase agreement must comply with the following:

- 1) Trading partners should be limited to creditworthy banks or trust companies located and authorized to do business in the State of South Carolina or to registered primary dealers.
- 2) Unless the obligations that are purchased pursuant to the repurchase agreement are registered or inscribed in the name of the local government, obligations must be purchased through, delivered to and held in the custody of a bank or trust company located and authorized to do business in the State of South Carolina. The custodial bank or trust company may not be the seller of the obligations that are the subject of the repurchase agreement.
- 3) A master repurchase agreement must be entered into, outlining basic responsibilities and liabilities of the buyer and seller and a written agreement with the custodial bank or trust company, outlining the basic responsibilities and liabilities of the buyer, seller and custodian.
- 4) The custodial agreement should provide that the custodian takes possession and maintains custody of the obligations exclusively for the local government, that the obligations are free of any claims against the trading partner, and that any claims by the custodian are subordinate to the local government's claims or rights to those obligations.
- 5) The obligations must be credited to Beaufort County, or the applicable agency, on the records of the custodial bank or trust company, and the transaction must be confirmed in writing to the local government by the custodial bank or trust company.
- 6) The obligations purchased may only be sold or presented for redemption or payment by the custodian upon written instructions of the Treasurer.
- 7) A perfected security interest must be obtained in the obligation.
- 8) Agreements may be for no more than 30 days.
- 9) Agreements must specify whether to include margin requirements.
- 10) No substitution of obligations is permitted.
- 11) Payment for the purchased obligations should not be made by the custodial bank or trust company until the obligations are actually received, preferably done simultaneously.
- 12) Obligations that are purchased pursuant to a repurchase agreement are deemed to be payable or redeemable, for purposes of the GML, on the date on which the purchased obligations are scheduled to be repurchased by the seller.

ADD-ONS

The document(s) herein were provided to Council for information and/or discussion after release of the official agenda and backup items.

Topic: Lowcountry Culinary Institute Presentation
Date Submitted: August 7, 2017
Submitted By: Mary Lee Carns
Venue: Finance Committee



TECHNICAL COLLEGE
OF THE LOWCOUNTRY

Lowcountry Culinary Institute

August 7, 2017

No Matter What.

Topic: Lowcountry Culinary Institute Presentation
Date Submitted: August 7, 2017
Submitted By: Mary Lee Carns
Venue: Finance Committee



**TECHNICAL COLLEGE
OF THE LOWCOUNTRY**

Industry Overview

- Approximately 950 food service operations in Beaufort County:
 - 620 South of the Broad River
 - 245 in Bluffton
 - 375 in Hilton Head
 - 330 North of the Broad River
- Travel and tourism industry is the primary source of tax revenue for Beaufort County communities.
- The growth of the area's Resort/Tourism industry is encumbered by the lack of a trained culinary workforce. This impacts future tax revenue.

> No Matter What. <



**TECHNICAL COLLEGE
OF THE LOWCOUNTRY**

Market/Employment Overview

- Regional job growth analysis predicts 500 new food service jobs annually; 1/3 require a post-secondary culinary degree or certification
- Good paying jobs. Local salaries for trained culinarians start at \$16.50/hour and upwards.
- Strong local interest in culinary careers. This past AY 360 county high school students enrolled in the districts culinary CATE program.
- TCL's current culinary program's limited academic scope and enrollment capacity cannot meet current or future industry need.

> No Matter What. <



**TECHNICAL COLLEGE
OF THE LOWCOUNTRY**

Lowcountry Culinary Institute: A Generator of Community Opportunity

- Graduates earn local healthy jobs and in turn, spend money in their home community and contribute to the tax base.
- Our top two industries - resort/tourism and healthcare - have a pipeline of skilled culinary workers ensuring industry stability and growth and community sustaining tax revenues.
- Culinary schools enhance the perceived quality and sophistication of a community helping to attract new and diverse business.

> No Matter What. <



**TECHNICAL COLLEGE
OF THE LOWCOUNTRY**

Fundraising

\$2 million dollar goal:

Startup Operations	\$ 750,000
Scholarships/Student Support	\$ 250,000
In-kind Equipment and Goods Donation	\$1,000,000

> No Matter What. <



**TECHNICAL COLLEGE
OF THE LOWCOUNTRY**

**It's not about the money. It's about what
the money can do.**

Campaign success criteria:

- Focused case statement
- Subject has universal support
- College leadership is committed
- Institution is uniquely qualified to tackle the need

> No Matter What. <

Topic: Lowcountry Culinary Institute Spreadsheet
Date Submitted: August 7, 2017
Submitted By: Stu Rodman
Venue: Finance Committee

Culinary

Typical HS Class			
Expectation	<u>Schools</u>	<u>Jobs</u>	<u>Delta</u>
College	500	350	(150)
Trade	550	1,100	550
Unskilled	<u>700</u>	<u>300</u>	<u>(400)</u>
	1,750	1,750	0

Economic Drivers	
<u>BC</u>	<u>Jobs</u>
Retirement	Healthcare
Hospitality	Hospitality
Military	200 Culinary / Year

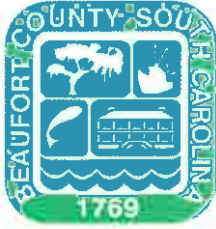
**Sweet
Spot?**

Education	
<u>Culinary Institutes</u>	<u>BC</u>
Certificate	BCSD
Undergraduate	TCL
Graduates	USCB

Community	
<u>Hospitality Jobs</u>	<u>Opportunities</u>
Low Pay	Careers
non-career	Culinary Tourism
non-US Kids	Ownership
	In-school Jobs
	Summer Jobs

Topic: Lowcountry Culinary Institute Spreadsheet
 Date Submitted: August 7, 2017
 Submitted By: Stu Rodman
 Venue: Finance Committee

Topic: Dixie Jr. Boys and Boys World Series Funding Request
Date Submitted: August 7, 2017
Submitted By: Shannon Loper
Venue: Finance Committee



COUNTY COUNCIL OF BEAUFORT COUNTY
PARKS & LEISURE SERVICES DEPT.
905 Buckwalter Parkway
Bluffton, South Carolina 29910

TO: Finance Committee

FROM: Shannon Loper

SUBJ: World Series

DATE: 8/3/17

The 2017 Dixie Jr. Boys and Boys World Series will be held at Oscar J. Frazier Park. 24 teams will be coming from 11 different states to stay from August 4th – 9th. The teams will be coming from Alabama, Arkansas, Florida, Georgia, Louisiana, North Carolina, Mississippi, South Carolina, Tennessee, Texas, and Virginia. Most of these families use this as their yearly vacation and will stay the 10th – 13th as well. The last World Series event was estimated by the Chamber of Commerce to bring in over \$800,000 to the local economy. With this being two World Series it is estimated the revenue will double for this event.

Topic: Dixie Jr. Boys and Boys World Series Funding Request
Date Submitted: August 7, 2017
Submitted By: Shannon Loper
Venue: Finance Committee

Dixie Jr. Boys and Boys World Series 2017

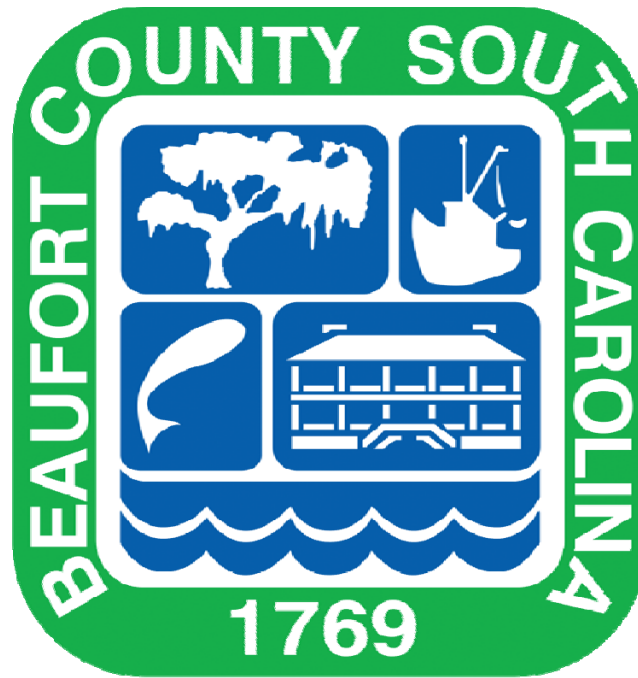
Opening Ceremonies Dinner:

Dinner for Players, Coaches, Umpires, and Officials:	\$5,500
Equipment Rental (tables and chairs):	\$1,500

Tournament Expenses:

Tournament Bidding and Hosting Fees:	\$15,000
Umpires:	\$8,000
ID Badges:	\$1,000
T-shirts:	\$8,000
Souvenirs:	\$7,500
Programs for Tournament:	\$3,500
Hotel Rooms for Dixie Officials and Umpires:	\$6,300
Hotel Rooms for Teams:	\$37,800
BC Maintenance, Facilities, Employees, and County Channel Costs:	\$60,000
	\$154,100
Tournament Profits (Admission and Souvenirs)	-15,000
	<hr/> \$139,100
A-Tax Funding from The Town of Bluffton	-50,750
Balance from Beaufort County Budget	<hr/> \$88,350

Topic: Investments Presentation
Date Submitted: August 7, 2017
Submitted By: Marie Walls
Venue: Finance Committee



Beaufort County
TREASURER

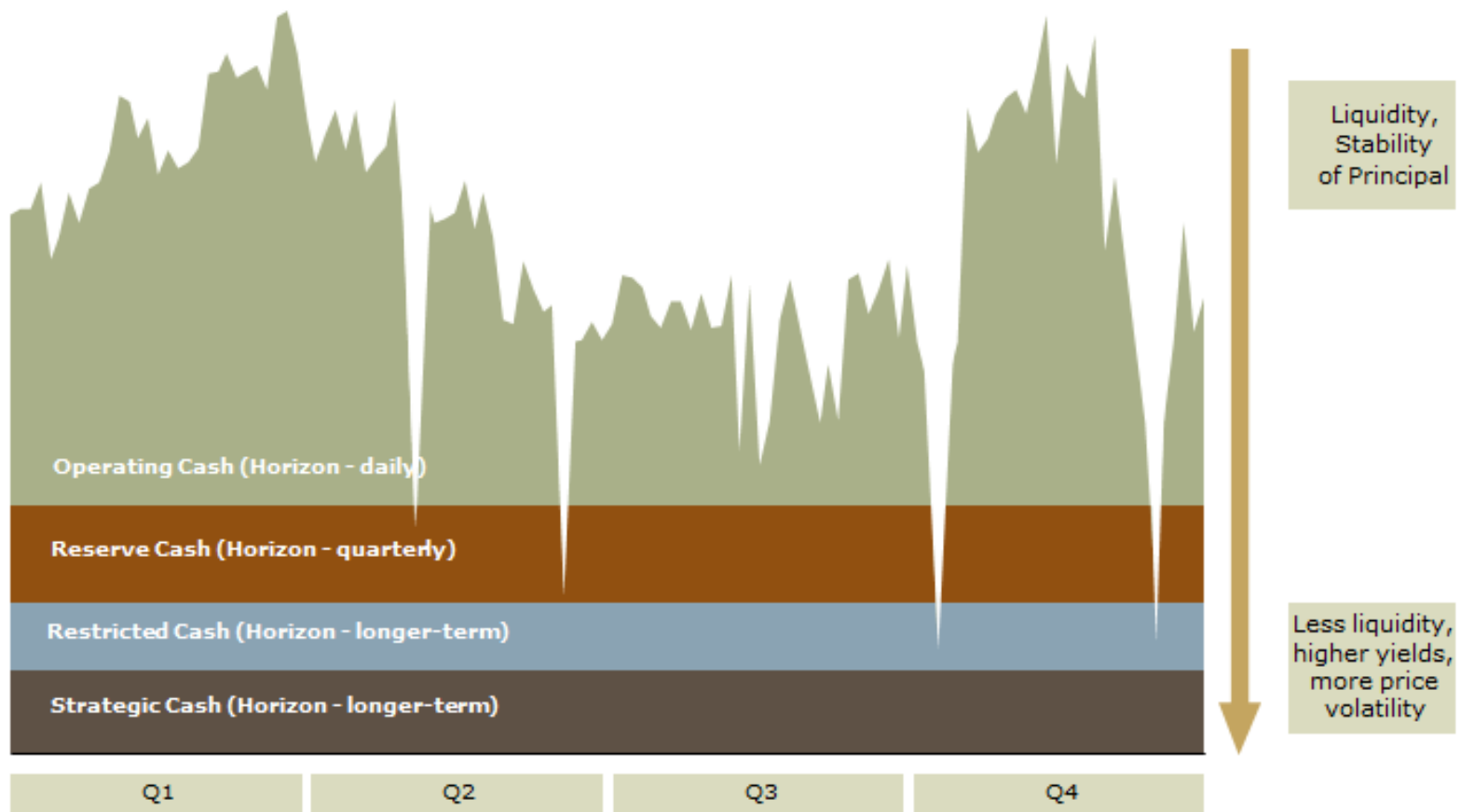
Maria Walls, CPA

Topic: Investments Presentation
Date Submitted: August 7, 2017
Submitted By: Marie Walls
Venue: Finance Committee

Investing Overview

- Bank – BB&T
- Local Government Investment Pool (LGIP) – State Treasurer's Office
- Investment Advisor – Morgan Stanley

Segmentation of the Public Entity Cash Portfolio (for illustrative purposes only)



Source: ICI, Wells Fargo Securities, LLC

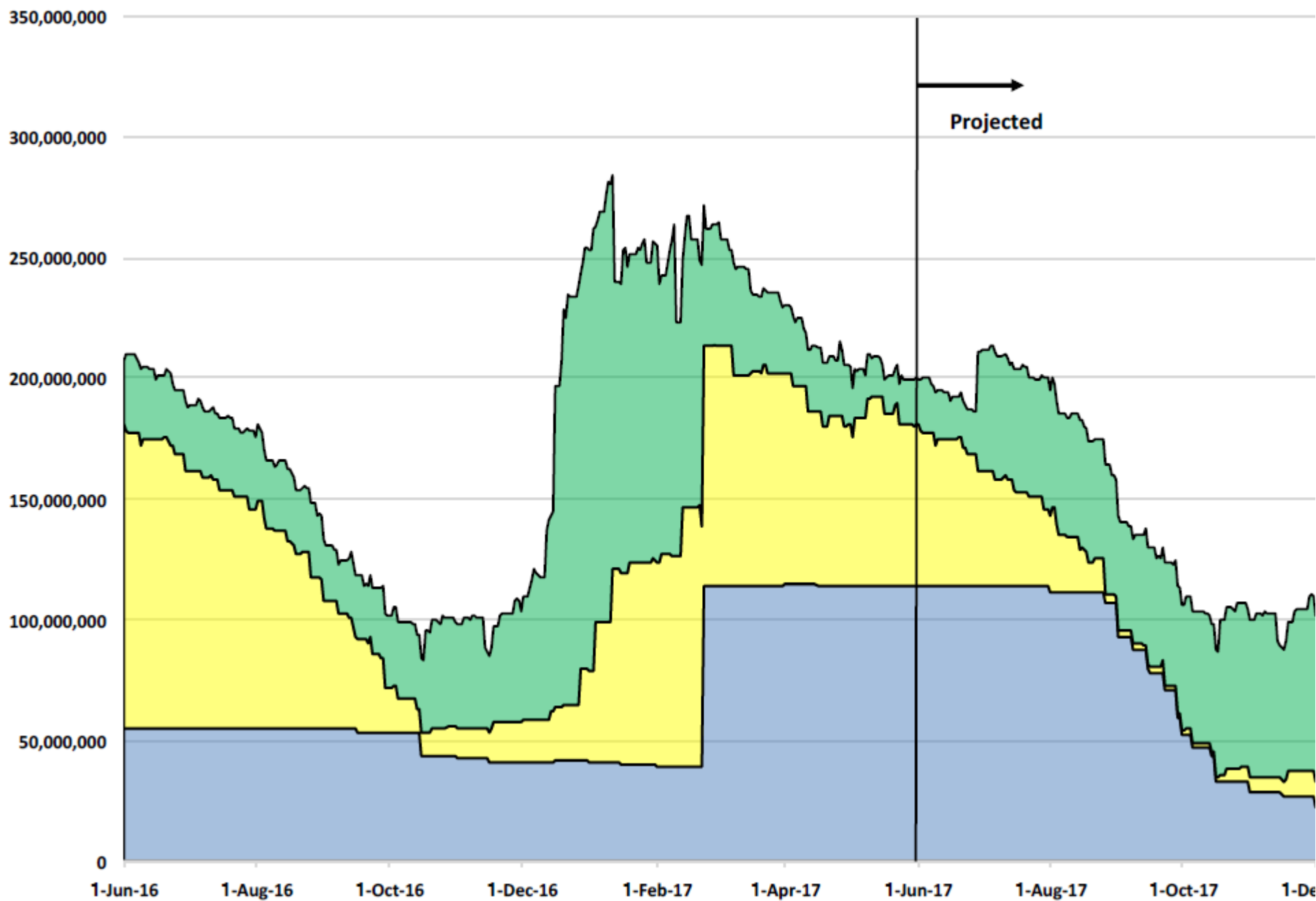
Investing Overview

- Primary investment objectives, in priority order
 - Legality
 - Safety
 - Liquidity
 - Yield

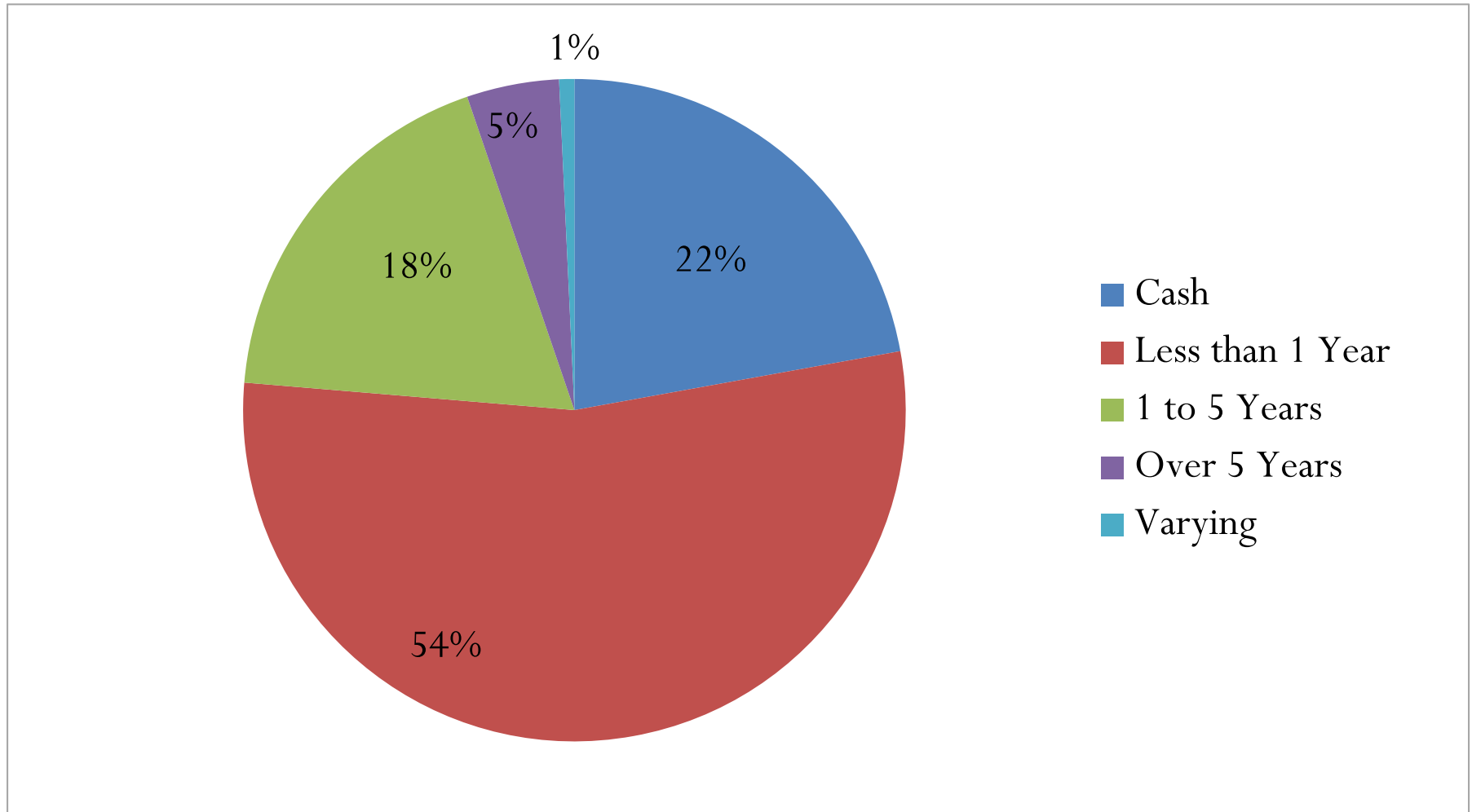
Investing Overview

- State law limits the investments of local governments
 - Obligations of the United States and its agencies
 - Obligations issued by various Federal Financing and Credit Banks (credit rating restrictions)
 - Obligations of the State of South Carolina or any of its political subdivisions (credit rating restrictions)
 - Certificates of Deposit collateralized by Federal securities
 - Repurchase agreements

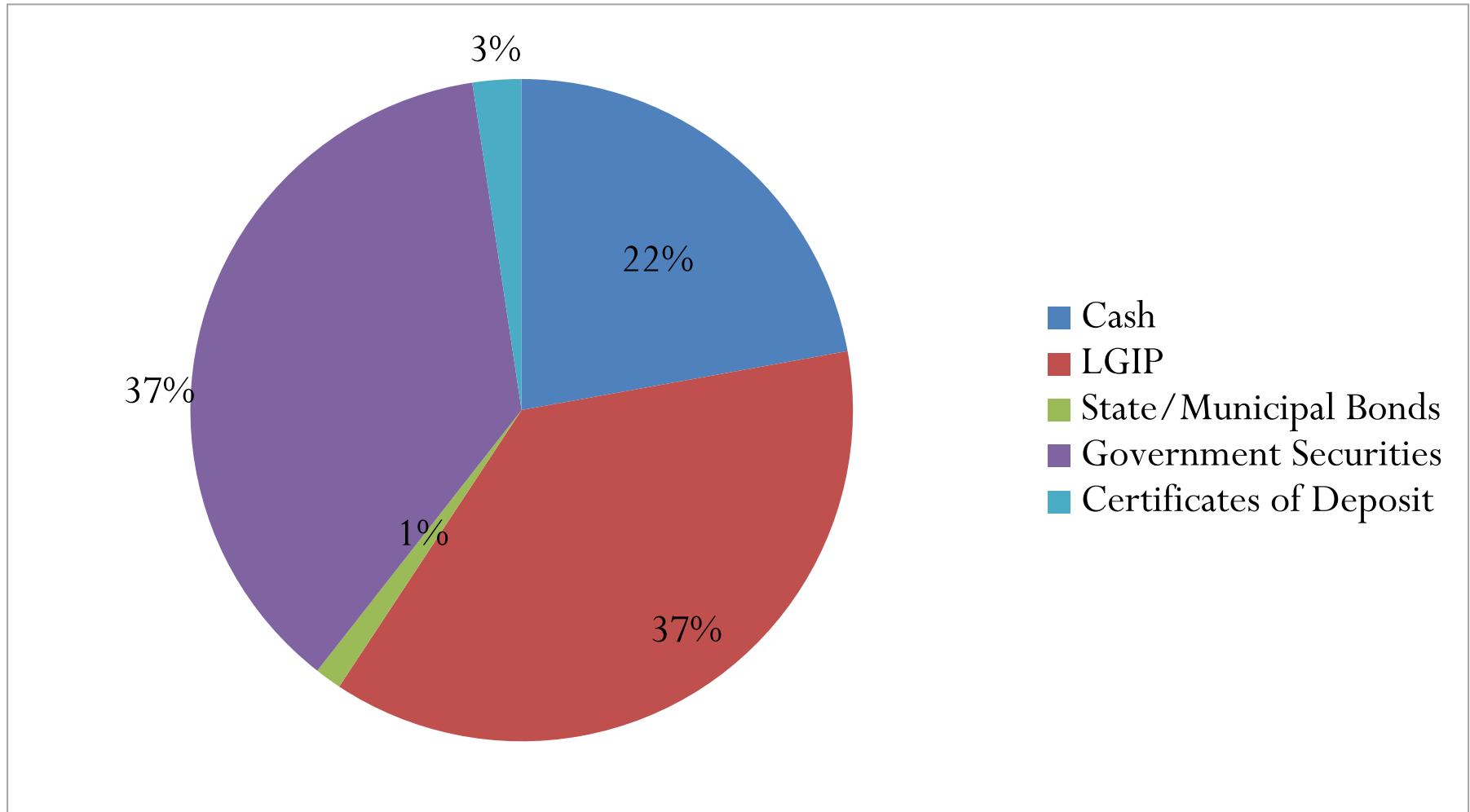
All Accounts



Maturity Allocation



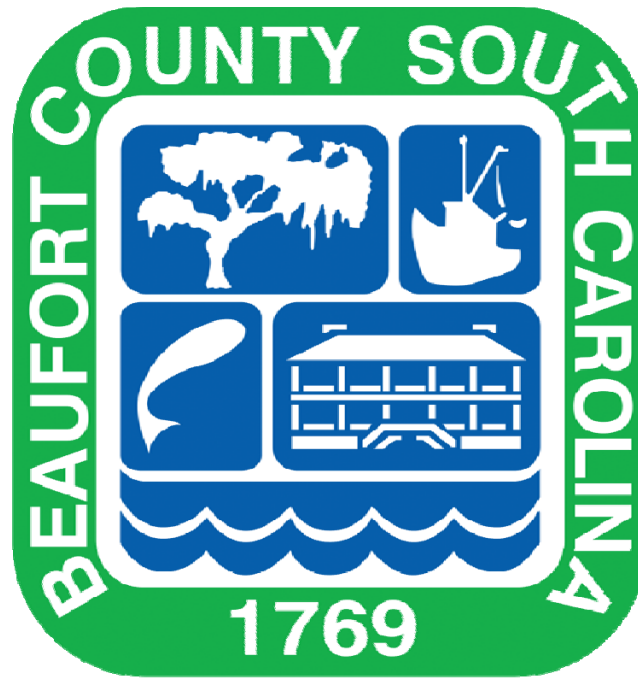
Investment Allocation



The Beaufort County Treasurer's Office, professionals serving with innovation and enthusiasm.

Investing Overview

- Fiscal Year 2016
 - Total returns - \$425,672.75
- Fiscal Year 2017 (incomplete)
 - Total returns - \$685,548.02

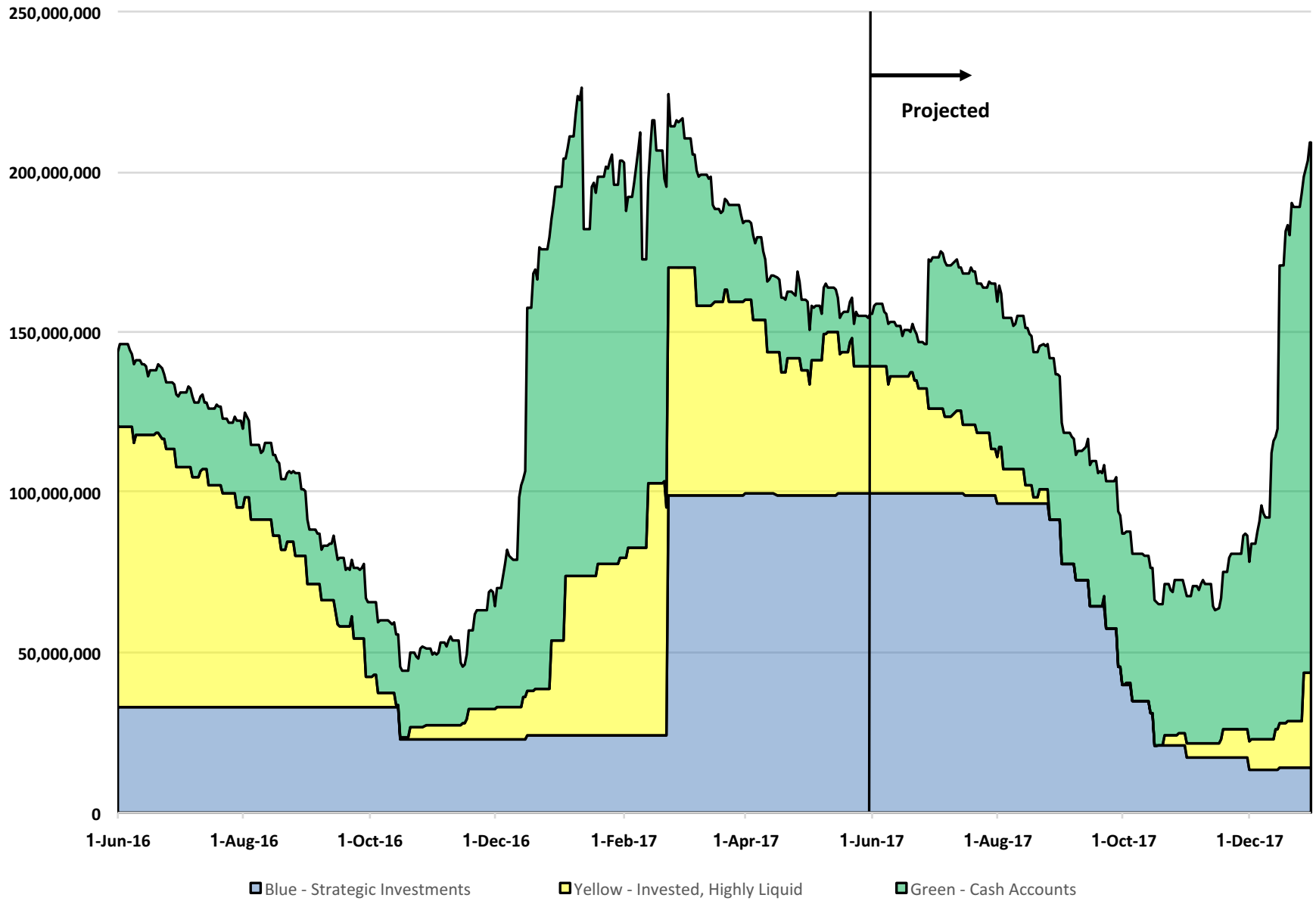


Beaufort County
TREASURER

Questions

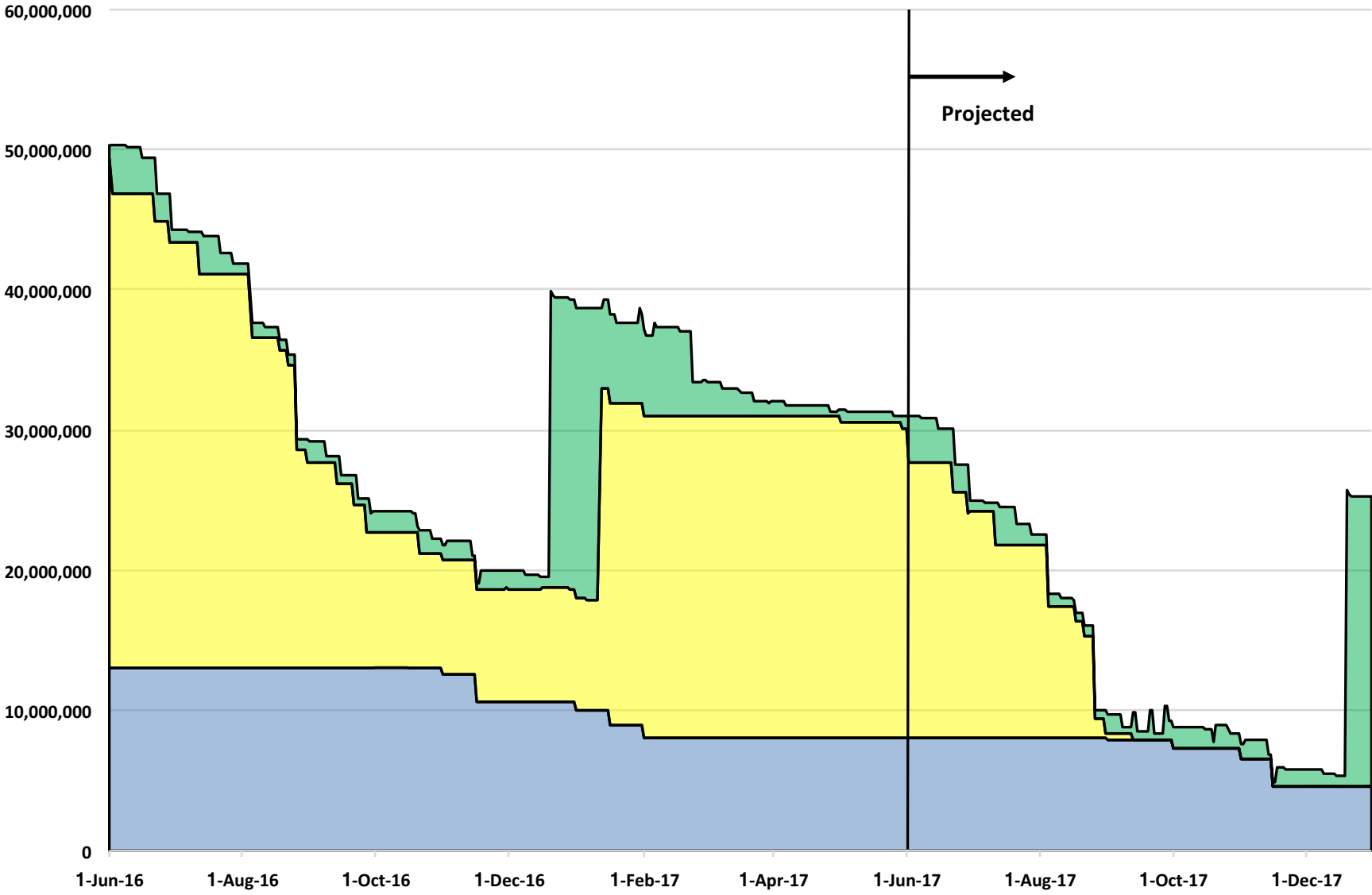
Topic: Cashflow Chart
Date Submitted: August 7, 2017
Submitted By: Maria Walls
Venue: Finance Committee

County Operating Accounts



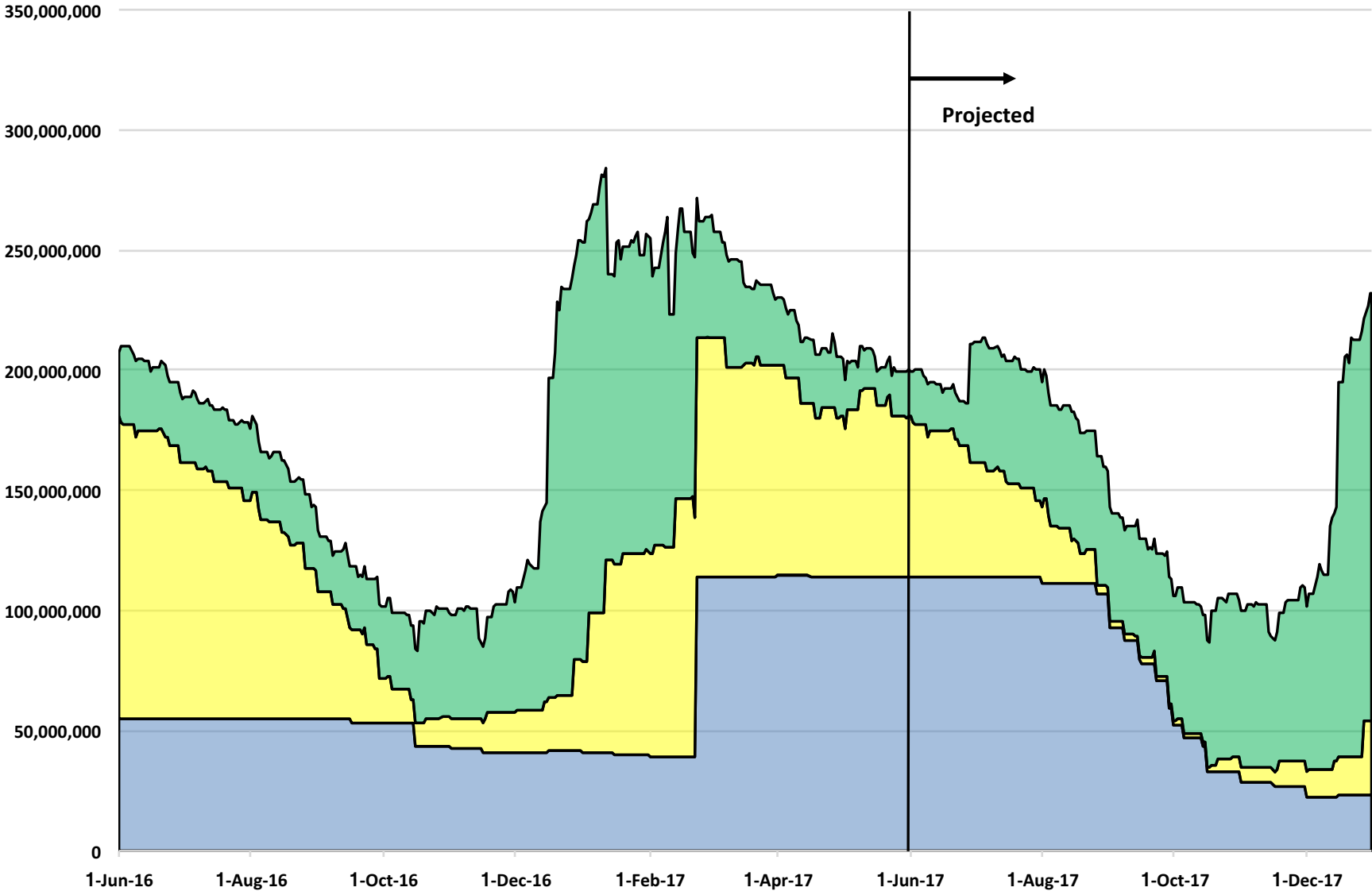
Topic: Cashflow Chart
Date Submitted: August 7, 2017
Submitted By: Maria Walls
Venue: Finance Committee

BCSD Accounts



Blue - Strategic Investments Yellow - Invested, Highly Liquid Green - Cash Accounts

All Accounts



Blue - Strategic Investments Yellow - Invested, Highly Liquid Green - Cash Accounts