

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

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GERALD W. STEWART
VICE CHAIRMAN

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ALICE G. HOWARD
STEWART H. RODMAN
ROBERTS "TABOR" VAUX

THOMAS J. KEAVENY, II
INTERIM COUNTY ADMINISTRATOR
COUNTY ATTORNEY

CONNIE L. SCHROYER
CLERK TO COUNCIL

AGENDA
FINANCE COMMITTEE
Monday, November 5, 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. PLEDGE OF ALLEGIANCE
3. CONTRACT AWARD / TALBERT, BRIGHT & ELLINGTON / WORK AUTHORIZATION FOR WETLANDS MITIGATION / BEAUFORT COUNTY AIRPORT, HILTON HEAD ISLAND / \$67,574.25 ([backup](#))
4. REVIEW / PROPOSED FINANCIAL POLICIES OF BEAUFORT COUNTY ([backup](#))
5. STATE (2%) ACCOMMODATIONS TAX BOARD FISCAL YEAR 2019 GRANT RECOMMENDATIONS TO TOURISM-RELATED ORGANIZATIONS IN THE CUMULATIVE AMOUNT OF \$490,000 ([backup](#))
6. TREASURER'S REPORT / RESULTS OF 2017 TAX YEAR AND UPDATE ON INVESTMENTS ([backup](#))



7. DISCUSSION / AN ORDINANCE AUTHORIZING SHELDON FIRE DISTRICT TO BORROW FUNDS FROM A QUALIFIED LENDING INSTITUTION IN AN AMOUNT NOT TO EXCEED \$981,000 FOR THE RENOVATION AND EXPANSION OF THE FIRE STATION ([backup](#))
8. DISCUSSION / AN MCIP AGREEMENT WITH JASPER COUNTY REGARDING PROJECT SKY ([backup](#))
9. DISCUSSION / TEXT AMENDMENT TO BEAUFORT COUNTY CODE OF ORDINANCES CHAPTER 18 ARTICLE III - BUSINESS AND PROFESSIONAL LICENSES, SECTION 54 (A) - DEDUCTIONS AND EXEMPTIONS, BY DELETING A PORTION OF THE CURRENT ORDINANCE TEXT ([backup](#))
10. DISCUSSION / POTENTIAL CHANGES TO THE DESIGNATED MARKETING ORGANIZATION (DMO) ORDINANCE ([backup](#))
11. EXECUTIVE SESSION
 - A. Receipt of legal advice regarding pending litigation (Dataw)
12. MATTERS ARISING OUT OF EXECUTIVE SESSION
13. DISCUSSION / FUNDING FOR THE PROSECUTION OF DUI CASES IN MAGISTRATE COURT
14. CONSIDERATION OF REAPPOINTMENTS AND APPOINTMENTS
 - A. Airports Board / One Vacancy (Active pilot and aircraft owner, Lady's Island Airport)
15. ADJOURNMENT



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: Sole Source Purchase
 Reference RFQ 042618 - Recommendation for HXD Wetlands WA 18-7 Approval-TBE Project No. 2119-1807

DATE: 10/30/2018

BACKGROUND:

As part of TBE's Work Authorization description, this project will provide engineering and planning services for the preparation of a Clean Water Act Section 404/401 Individual Permit for the mitigation of the following jurisdictional wetlands at the Hilton Head Island Airport for ongoing airport development projects:

- Wetland B – 0.99 acres
- Wetland C – 0.77 acres
- Wetland D – 0.12 acres
- Wetland E – 1.49 acres
- Wetland F – 0.48 acres
- Wetland G – 0.41 acres
- Constructed Stormwater Retention 1 – 0.08 acres
- Constructed Stormwater Retention 2 – 0.21 acres

Please refer to page 5 of the attached Work Authorization for a graphical depiction of the wetland areas.

The Beaufort County Airports Board finds this work authorization acceptable. Therefore, the BCAB forwards these items to Finance Committee for their approval.

VENDOR INFORMATION:

Talbert, Bright & Ellington, Inc., Charlotte, NC

COST:

\$67,574.25

FUNDING:

90% via FAA AIP Program (future grant), 5% through future SCAC grant, and 5% via Hilton Head Airport Capital Projects Fund.

Funding approved: By: Date:

FOR ACTION: Finance Committee meeting occurring November 5, 2018.

RECOMMENDATION:

Beaufort County Finance Committee Approval of WA 18-07, TBI No. 2119-1807.

Attachment:



Recommendation Memo TBE Project HXD Wetlands WA 18-7 Approval 11052018.pdf
230.62 KB

cc: Tom Keaveny, Interim County Administrator

Approved: Date:

Check to override approval: ☐ Overridden by:

Override Date:

Alicia Holland, Assistant County Administrator, Finance

Approved: Date:

Colin Kinton, Director, Transportation Engineering Division

Approved: Date:

Check to override approval: ☐ Overridden by:

Override Date:

ready for admin: ☒

Jon Rembold, Director, Airports Department

Approved: Date:

Check to override approval: ☐ Overridden by:

Override Date:

ready for admin: ☒

After Initial Submission, Use the Save and Close Buttons

**HILTON HEAD ISLAND AIRPORT
HILTON HEAD ISLAND, SOUTH CAROLINA
WORK AUTHORIZATION 18-07
September 18, 2018
PROJECT NO.: TBI NO. 2119-1807**

It is agreed to undertake the following work in accordance with the provisions of our Contract for Professional Services.

Description of Work Authorized: Talbert, Bright & Ellington, Inc. will provide engineering and planning services for the preparation of a Clean Water Act Section 404/401 Individual Permit for the mitigation of the following jurisdictional wetlands at the Hilton Head Island Airport for ongoing airport development projects:¹

- Wetland B – 0.99 acres
- Wetland C – 0.77 acres
- Wetland D – 0.12 acres
- Wetland E – 1.49 acres
- Wetland F – 0.48 acres
- Wetland G – 0.41 acres
- Constructed Stormwater Retention 1 – 0.08 acres
- Constructed Stormwater Retention 2 – 0.21 acres

In addition, this work authorization will include modification to the stormwater master plan because of removal of storage accounted for in Wetlands B, C, D, E, F, and G and Constructed Stormwater Retention 1 and 2.

The scope of services is as follows:

Task 1: Regulatory Confirmation Support:

- Review available information including existing wetland delineation and initial impact plan. The wetlands have been previously delineated (2012) and a “Preliminary” verification with no known expiration date from U.S. Army Corps of Engineers (USACE) has been received. The first step will be to contact USACE and confirm the existing verification is valid to support permitting efforts.
- Visit site with Wetland Scientist to review existing “preliminary” wetland areas.
- Pre-application conference call with USACE staff to review the project permit requirements.
- Submittal and attendance at an Interagency Review Team Pre-application meeting to

¹Department of the Army Charleston District, Corps of Engineers (Charles R. Crosby), “Preliminary Jurisdictional Determination for the Hilton Head Island Airport,” letter to Jim Gentry, Land Consulting Company, July 10, 2012.

confirm the permitting and mitigation plan requirements.

ASSUMPTION:

1. *It is assumed that the previously delineated wetlands will not need to be updated; therefore, additional field verification, surveying, and jurisdictional determination will not be required.*

A. Regulatory Planning:

- Prepare site impact plan.
- Review impact plan with wetland scientist and team to confirm USACE permitting applicability.
- Verify permit application requirements. A permit application is the follow-on step in this process for the project. The scope outlined below provides for the assembly and submittal of this application.

ASSUMPTIONS:

1. *The provided scope does not include any mitigation credit expenses or future actual mitigation plan implementation monitoring beyond confirming the requirements.*
2. *Budget assumes three meetings (pre-application and two site visits) with USACE personnel.*

B. Regulatory Permitting:

- Prepare wetlands permitting application for submittal to the Charleston District of the USACE associated with the proposed linear conveyance impacts. Specific elements of this task include:
 - Collection of front-end field data in proper format for submittal.
 - South Carolina Department of Health and Environmental Control – Office of Coastal Resource Management (SCDHEC-OCRM) Coastal Zone Consistency Determination (CZM Certification).
 - Documentation regarding conformance with Section 401 Water Quality Certification.
 - Wetland permitting exhibits.
 - Mitigation estimate.
 - Coordination of public notice advertisements and notification.
 - Attend meetings as necessary to coordinate permit details.
 - Project coordination with permitting and certifying agencies (USACE, SCDHEC, U.S. Fish & Wildlife Service [USFWS])
 - Receive and respond to agency comments

ASSUMPTIONS:

1. *Project discussions with USACE to confirm the final necessary mitigation plan and wetland permitting requirements.*
2. *The scope assumes a routine review and approval process.*

Task 3: Stormwater Master Plan Modification – Wetlands E, F, and G currently capture runoff from the terminal parking lot; therefore, serving as stormwater detention and volume reduction best management practices (BMPs). The Stormwater Management Plan (SWMP) accounted for the stormwater benefits of these wetlands. Accordingly, the SWMP revisions and the civil engineering design will have to consider methods to replace the lost detention and stormwater quality treatment.

The Airport's Stormwater Fee Reduction through Beaufort County depends on the stormwater benefits of these wetlands. The revisions to the SWMP may result in loss of the Stormwater Fee Reduction. The scope of stormwater master planning will include the following:

- Evaluate the proposed impervious area associated with the proposed additional development and confirm it is consistent with the existing SWMP.
- The existing SWMP will need to be revised based on the changes in impervious area and due to the changes in how the runoff from the terminal parking lot is to be treated. Additional modeling and updates to the overall SWMP report will also be necessary.
- Prepare a calculation report addendum showing the sediment and erosion control calculations for the current phase.
- Confirm the Airport's Stormwater Credit through Beaufort County and recommend modifications to update

ASSUMPTIONS:

1. *A plan for the airport property, showing all current and future development proposed will be based on the proposed projects submitted to the FAA for the Supplemental Appropriation (FY 2018-2020).*
2. *The SWMP Update and Airport SW Credit will be evaluated based on the proposed projects submitted to the FAA for the Supplemental Appropriation (FY 2018-2020).*

E-Verify Requirement. The Engineer shall comply with the requirements of the "South Carolina Illegal Immigration and Reform Act". Further, if the Engineer utilizes a subcontractor, the Engineer shall require the subcontractor to comply with the requirements of the "South Carolina Illegal Immigration and Reform Act".

Iran Divestment Act Certification. The Contractor shall comply with the requirements of N.C.G.S. 147-86.59. The Contractor certifies that, as of the date of this contract, it is not listed on the Final Divestment List created by the State Treasurer pursuant to N.C.G.S. 147-86.58. Further, the Contractor shall not utilize any subcontractor found on the State Treasurer's Final Divestment List.

Estimated Time Schedule: Work shall be completed in accordance with the schedule established and agreed upon by the Owner and Engineer.

Cost of Services: The method of payment shall be in accordance with Article 6 of the contract. The work shall be performed in accordance with the Master Contract as a lump sum of **\$17,808.00** including **\$1,840.00** for expenses. Special services shall be performed on a not to exceed basis with a budget of **\$43,275.00**, which includes reimbursable expenses. For a total of **\$67,574.25**.

Agreed as to Scope of Services, Time Schedule and Budget:

APPROVED:
BEAUFORT COUNTY

APPROVED:
TALBERT, BRIGHT & ELLINGTON,
INC.

Title

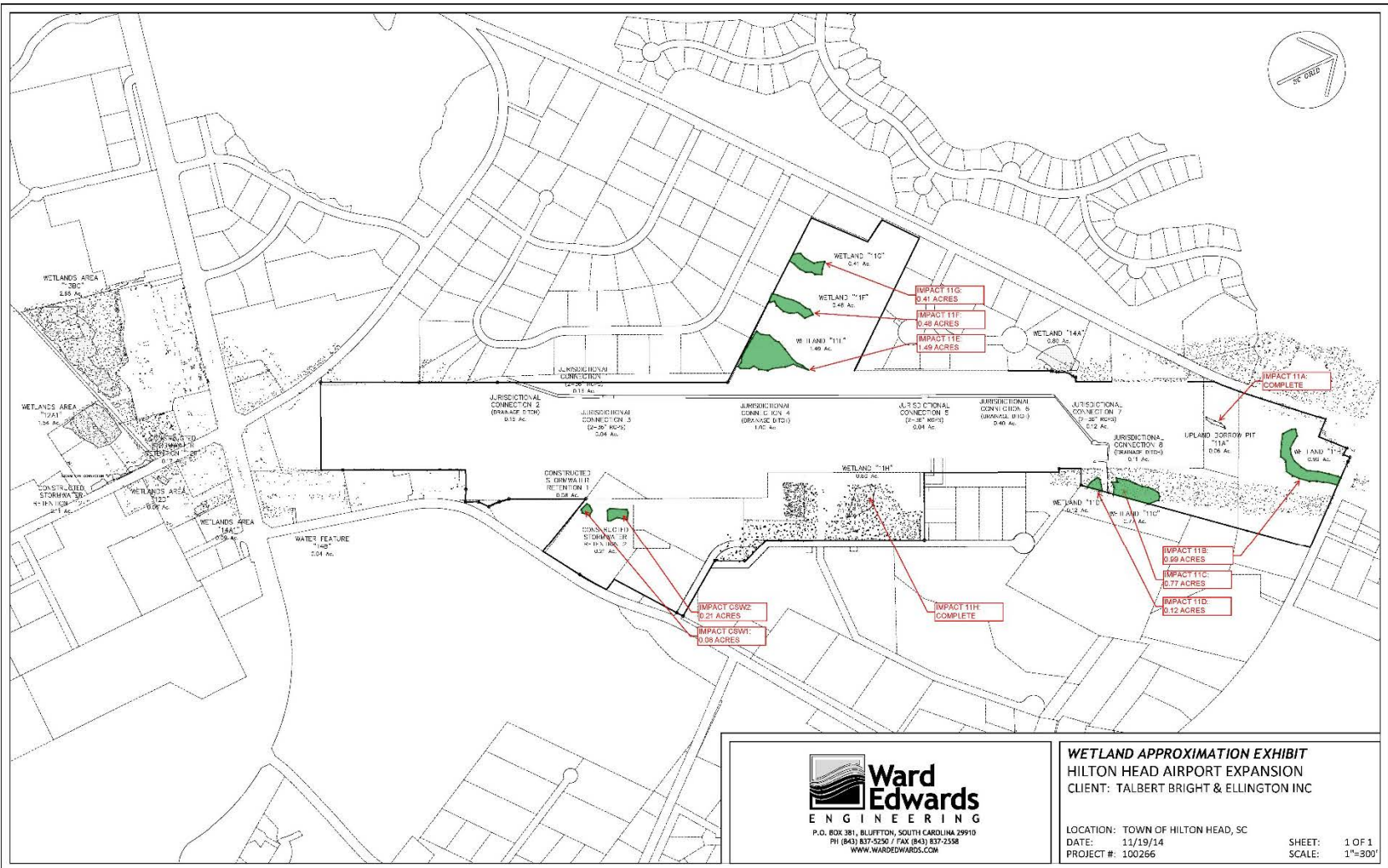
Vice President
Title:

Date:

Date:

Witness:

Witness:



MANHOUR ESTIMATE

WETLAND PERMITTING
HILTON HEAD ISLAND AIRPORT
HILTON HEAD ISLAND, SOUTH CAROLINA
AIP PROJECT NO:
SCDOA PROJECT NO:
CLIENT PROJECT NO:
TBI PROJECT NO: 2119-1807

September 18, 2018

DESCRIPTION	PRIN \$ 210	PM \$ 190	SP \$ 138	E5 \$ 165	E3 \$ 108	E2 \$ 92	E1 \$ 75	T5 \$ 98	T3 \$ 82	AD4 \$ 68	AD3 \$ 63
Meetings (3)	0	24	24	0	0	0	0	0	0	0	0
Future Development Conceptual Drawings	0	8	4	8	0	0	0	0	0	0	0
Permit Application Review	0	4	4	0	0	0	0	0	0	0	0
Stormwater Master Plan Modification Review	0	8	4	8	0	0	0	0	0	0	0
MANHOUR TOTAL	0	44	36	16	0	0	0	0	0	0	0

DIRECT LABOR EXPENSES:

CLASSIFICATION		BILL RATE	EST. MHRS	EST. COST
Principal	PRIN	\$ 210	-	\$ -
Project Manager	PM	\$ 190	44	\$ 8,360
Senior Planner	SP	\$ 138	36	\$ 4,968
Engineer V	E5	\$ 165	16	\$ 2,640
Engineer III	E3	\$ 108	-	\$ -
Engineer II	E2	\$ 92	-	\$ -
Engineer I	E1	\$ 75	-	\$ -
Technician V	T5	\$ 98	-	\$ -
Technician III	T3	\$ 82	-	\$ -
Admin. Assistant IV	AD4	\$ 68	-	\$ -
Admin. Assistant III	AD3	\$ 63	-	\$ -
				\$ -
		Total	96	
SUBTOTAL				\$ 15,968.00

DIRECT EXPENSES:
EXPENSE DESCRIPTION

	UNIT	UNIT RATE	EST. UNITS	EST. COST
Telephone	LS	\$ 200.00	1	\$ 200
Postage	LS	\$ 300.00	1	\$ 300
Miscellaneous expenses (prints, faxes, copies)	LS	\$ 300.00	1	\$ 300
Travel	LS	\$ 260.00	4	\$ 1,040
SUBTOTAL				\$ 1,840.00

SUBCONTRACTED SERVICES:

	UNIT	UNIT RATE	EST. UNITS	EST. COST
Ward Edwards	LS	\$ 49,766	1	\$ 49,766.25

SUBTOTAL \$ 49,766.25

TOTAL COST: \$ 67,574.25



TO: Mr. Harold Wallace, BCAB Chairman

FROM: Jon Rembold, Airports Director

SUBJ: **Recommendation for WA 18-7 Approval –TBE Project No. 2119-1807**

DATE: October 12, 2018

BACKGROUND:

As part of TBE's Work Authorization description, this project will provide engineering and planning services for the preparation of a Clean Water Act Section 404/401 Individual Permit for the mitigation of the following jurisdictional wetlands at the Hilton Head Island Airport for ongoing airport development projects:

- Wetland B – 0.99 acres
- Wetland C – 0.77 acres
- Wetland D – 0.12 acres
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- Constructed Stormwater Retention 1 – 0.08 acres
- Constructed Stormwater Retention 2 – 0.21 acres

Please refer to page 5 of the attached Work Authorization for a graphical depiction of the wetland areas.

VENDOR INFORMATION:

Talbert, Bright & Ellington, Inc., Charlotte, NC

COST:

\$67,574.25

FUNDING: 90% via FAA AIP Program (future grant), 5% through future SCAC grant, and 5% via Hilton Head Airport Capital Projects Fund.

FOR ACTION: Hilton Head Airports Board

RECOMMENDATION: Recommend to Beaufort County Finance Committee Approval of WA 18-07, TBI No. 2119-1807

Encl: Talbert, Bright and Ellington Work Authorization 2119-1807

Maietta, Linda

From: Wally Wallace <wallace.wally@gmail.com>
Sent: Thursday, October 25, 2018 9:50 AM
To: Milbrandt, Elena
Subject: RE: Memo HXD Wetland WA TBE No. 2119-1807

Elena,

The board is in agreement with this project. Please prepare a recommendation letter from me or as Jon desires.

Wally Wallace
Beaufort, SC
770 630-0797

From: Milbrandt, Elena <emilbrandt@bcgov.net>
Sent: Tuesday, October 23, 2018 5:11 PM
To: wallace.wally@gmail.com
Subject: Memo HXD Wetland WA TBE No. 2119-1807

Good Afternoon Mr. Wallace,

Please find attached you requested document.
Thank you and have a great day!

Sincerely,

Elena Milbrandt
Senior Administrative Assistant
Hilton Head Island Airport
Office: 843-255-2942
Email: emilbrandt@bcgov.net



Financial Policy Guidelines

For:

Beaufort County, South Carolina

Authority:	South Carolina Statutes and other Public Finance Law
Supersedes:	Financial policies existing prior to date of adoption
Review Responsibility:	Financial Services
Review Scheduled:	Annually or as needed
Approval Needed:	County Council (Ordinance # 2018/___)

Adopted: the ___ day of _____, 2018

Financial Policy Guidelines

Beaufort County, South Carolina
Adopted *Month Date*, 2018

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Financial Policy Guidelines

Beaufort County, South Carolina

Adopted *Month Date*, 2018

1. OBJECTIVES

This fiscal policy is a statement of the guidelines and goals that will influence and guide the financial management practices of Beaufort County, South Carolina. A fiscal policy that is adopted, adhered to, and regularly reviewed is the cornerstone of sound financial management. Effective fiscal policy:

- Contributes significantly to the County's ability to insulate itself from fiscal crisis,
- Enhances short-term and long-term financial credit ability by helping to achieve the highest credit and bond ratings possible,
- Promotes long-term financial stability by establishing clear and consistent guidelines,
- Directs attention to the total financial picture of the County rather than single issue areas,
- Promotes the view of linking long-term financial planning with day to day operations, and
- Provides the County Council, citizens and the County professional management team a framework for measuring the fiscal impact of government services against established fiscal parameters and guidelines.

This comprehensive Financial Policy Guideline combines existing policies with new policies. Existing policies were reviewed for accuracy and completeness. Additionally, numerous other jurisdictions' financial policies were studied to identify new policy guidelines that are appropriate for Beaufort County. With the above objectives as a guide, the following fiscal policy guideline is presented.

Financial Policy Guidelines

Beaufort County, South Carolina

Adopted *Month Date*, 2018

2. OPERATING BUDGET

1. The County will develop the Budget in conjunction with a stated program of performance objectives and measures in which to gauge progress toward meeting those objectives.
2. The Financial Services Department will maintain a system for monitoring the County's budget during the fiscal year. This system will provide an opportunity for departments and management to monitor and evaluate monthly financial information on expenditures and performance at both the department and fund level. Included will be provisions for amending the budget during the year in order to address unanticipated needs, emergencies, or compliance with State of South Carolina budgetary statutes.
3. The County shall continue to focus on using one-time, non-recurring, or other special revenues for funding special one-time projects.
4. The County will continue to pursue an aggressive policy seeking the collection of delinquent rescue collections, permits and other fees due to the County.
5. For services that benefit specific users, the County shall establish and collect fees to recover the costs of those services. The County Council shall determine the appropriate cost recovery level when establishing user fees. Where feasible and desirable, the County shall seek to recover full direct and indirect costs. User fees shall be reviewed on a regular basis to calculate their full cost recovery attainment levels, to compare them to the current fee structure, and to recommend adjustments where necessary.
6. The County shall endeavor to reduce its reliance on property tax revenues by revenue diversification, implementation of user fees, and economic development. The County shall also strive to minimize the property tax burden on Beaufort County residents.
7. In order to maintain a stable level of services, the County shall use an anticipated, conservative, objective, and analytical approach when preparing revenue estimates. The process shall include analysis of probable economic changes and resulting impacts on revenues, historical collection rates, and trends in revenues. This approach should reduce the likelihood of actual revenues falling short of budget estimates during the year and should help avoid the need for mid-year service reductions.

2. OPERATING BUDGET (continued)

Financial Policy Guidelines

Beaufort County, South Carolina

Adopted *Month Date*, 2018

8. The County shall take immediate corrective actions if at any time during the fiscal year expenditure and revenue updates are such that an operating deficit (i.e., projected expenditures in excess of projected revenues) is projected at year-end. Corrective actions can include a hiring freeze, furloughs, layoffs, forced days off, expenditure reductions, fee increases, or use of fund balance. Expenditure deferrals into the following fiscal year, short-term loans, or use of one-time revenue sources shall be avoided to balance the budget for recurring expenditures.
9. The tax rate will be set each year in accordance with state law and based on the cost of providing general governmental services and paying debt service. Consideration will be given to future net revenue requirements for capital improvement projects, operational expenditure impacts and programmed debt service.
10. Expenditure budgets are reviewed by staff, the County Administrator, and County Council prior to adoption and are continually monitored throughout the budget year. Budgeted funds will be spent for the categorical purposes for which they were intended. The annual operating budget ordinance defines staff authorization for operating budget adjustments. No appropriations of the proceeds of a debt instrument will be made except for the purpose for which such debt instrument was issued. Donations will be spent only toward the intent for which they were given.
11. Annually, the County will update a three-year period forecast (for both revenues and expenditures). This forecast will assist in taking a long-term view of the financial planning of the General Fund and will assist with the preparation of the County's strategic biennial budget.

Financial Policy Guidelines

Beaufort County, South Carolina

Adopted *Month Date*, 2018

3. CAPITAL IMPROVEMENT PROJECTS (CIP) BUDGET

1. The County will prioritize all capital improvements in accordance with an adopted capital improvement program (CIP) and South Carolina law.
2. The County will develop a five-year plan for capital improvements and review and update the plan at least annually. The County conducts a needs assessment and projects are ranked according to priority. The estimated costs and potential funding sources for each capital project proposal will be identified before it is submitted for approval within the Capital Improvement Program (CIP) budget. The estimated costs will include consideration for inflation; the inflation rate to be determined annually in the budget process and disclosed in the capital budget. Additional projects can be added to the CIP without ranking, but funding for projects added in this manner are subject to normal operating budget constraints.
3. The County will enact a capital budget every year based on the five-year capital improvement plan. Future capital expenditures necessitated by changes in population, changes in real estate development, or changes in economic base will be calculated and included in capital budget projections.
4. In general, effective maintenance and operations of capital facilities should be given priority over acquisition of new facilities, unless a cost/benefit analysis indicates to the contrary. In addition, state or federal mandates or new service demands may require acquisition of new facilities even when maintenance needs are not fully met. The County shall have an on-going 10-year facilities improvement plan to respond to maintenance and operational needs timely.
5. The County will coordinate development of the capital improvement budget with development of the operating budget. Future operating costs associated with new capital improvements will be projected and included in operating budget forecasts.
6. The County will seek intergovernmental assistance to finance those capital improvements that are consistent with the capital improvement plan and County priorities, and whose operating and maintenance costs have been included in operating budget forecasts.
7. The County will maintain all its assets at a level adequate to protect the County's capital investment and to minimize future maintenance and replacement costs. The County will maintain accurate information on the condition, lifespan and estimated replacement cost of its major physical assets to assist in long term planning.

Financial Policy Guidelines

Beaufort County, South Carolina

Adopted *Month Date*, 2018

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Financial Policy Guidelines

Beaufort County, South Carolina

Adopted *Month Date*, 2018

3. CAPITAL IMPROVEMENT PROJECTS (CIP) BUDGET (continued)

8. The County will identify the estimated costs and potential funding sources for each capital project proposed before it is submitted for approval.
9. The County will attempt to determine the most cost effective and flexible financing method for all new projects.
10. The County will match the financing of major capital assets to the debt schedules that closely assign payments with the expected major asset life span to insure intergenerational equity.
11. The capitalization for fixed asset purchases shall be \$10,000. Fixed assets will only be capitalized if they have a useful life of at least two years following the date of acquisition.

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Financial Policy Guidelines

Beaufort County, South Carolina

Adopted *Month Date*, 2018

4. FINANCIAL RESERVES POLICIES

In 2014 the County adopted a General Fund Balance Policy. It is found in Beaufort County's Code of Ordinances Section 2-403 through 2-405.

A. General Fund Reserve Policy

1. The County will establish and maintain an unassigned General Fund Reserve to pay for needs caused by unforeseen emergencies. This reserve will be maintained within a range of fifteen percent (15%) and thirty percent (30%) of the total General Fund expenditures for the previous fiscal year and will be measured at the end of each fiscal year.
2. The General Fund Reserve balance should only be used in certain limited situations such as to stabilize revenues, mitigate a projected deficit in the current operating period, retire or defease outstanding bonds or notes of the County, fund one-time or unanticipated expenditures, and pay judgments or otherwise settle legal disputes and claims.
3. Any action that results in reducing the General Fund Reserve balance below the fifteen percent (15%) threshold shall contain a provision specifically authorizing the use of such funds.
4. The County Administrator or Finance Director shall inform the Council, with as much advance time as may be practical under the circumstances, whenever the County has obligations that would reasonably be expected to result in the General Fund balance to decline below the minimum fifteen percent (15%) threshold.
5. At any time that the Council determines that the use of the General Fund Reserve balance within the fifteen (15%) to thirty percent (30%) range is needed for one or more of the reasons provided for in this section, the Council shall, by ordinance, authorize the use of such reserves.
6. At no time shall County Council take action which shall have the effect of reducing the General Fund balance to an amount below fifteen percent (15%) of total General Fund expenditures for the previous fiscal year without first declaring that an emergency exists within the County thereby necessitating the use of such funds.
7. Beaufort County shall, during the August through October hurricane season, maintain a fund balance of unrestricted and available cash and/or cash equivalents equal to a minimum of fifteen (15%) of the General Fund Appropriation. Funding sources may include, but are not limited to, credit instruments, bond anticipation notes and tax anticipation notes.
8. The General Fund Reserve balance should be reported to County Council quarterly and be reviewed annually or as needed.

Financial Policy Guidelines

Beaufort County, South Carolina

Adopted *Month Date*, 2018

B. Debt Service Fund Reserve Policy

1. The County will confine long-term borrowing to capital improvement or projects that cannot be paid for from current revenues or fund balance except where approved justification is provided.
2. The County will utilize a balanced approach to capital funding utilizing debt financing, draws on capital reserves and/or fund balances in excess of policy targets, and current-year (pay-as-you-go) appropriations.
3. When the County finances capital improvements or other projects by issuing bonds or entering into capital leases, it will repay the debt within a period not to exceed the expected useful life of the project. Target debt ratios will be calculated at least every two years and included in the review of financial trends.
4. Where feasible, the County will explore the usage of special assessment, revenue, or other self-supporting bonds instead of general obligation bonds.
5. Prior to the issuance of new General Obligation (GO) debt, consideration shall be given to forecasted tax rate requirements, ratio of net GO debt to assessed taxable value, net GO debt per capita, and debt service payments to General Fund operating budget.
6. Direct net debt as a percentage of total market value of taxable property should not exceed 2.5%. Direct net debt is defined as all debt issued in accordance with Article X, Section 14, Paragraph 7(a) of the South Carolina Constitution, an amount not exceeding eight percent (8%) of the assessed value of all taxable property of such political subdivision.
7. The ratio of direct debt service expenditures as a percent of total governmental fund expenditures will be targeted to remain at or below 15.0% but in any case should not exceed 18.0%.
8. The County recognizes the importance of underlying and overlapping debt in analyzing financial condition. The County will regularly analyze total indebtedness, including underlying and overlapping debt.
9. The County may employ municipal finance professionals to assist in developing a bond issuance strategy, preparing bond documents, and marketing bonds to investors.
10. The County shall use the Comprehensive Annual Financial Report (the "CAFR") as the disclosure document for meeting its financial reporting obligations.

Financial Policy Guidelines

Beaufort County, South Carolina

Adopted *Month Date*, 2018

B. Debt Service Fund Reserve Policy (continued)

11. The County will use fixed rate debt in most cases to finance its capital needs; however, the County may issue variable rate debt when necessary if deemed in the best interest of the County.
12. Debt structures that result in significant “back loading” of debt should be avoided.
13. The Chief Financial Officer (CFO) will maintain good communications with bond rating agencies:
 - a. The CFO will provide periodic updates on the County’s financial condition.
 - b. Required disclosures on every financial report and bond prospectus will be followed.
 - c. The County may request ratings prior to the sale of securities from the major rating agencies for bond issues.
14. The County will strive to achieve and maintain the highest credit rating awarded by the bond rating agencies.
15. The County may undertake refinancing of outstanding debt:
 - a. When such refinancing allows the County to realize significant debt service savings (net present value savings equal to at least 2.0 percent of the refunded par amount) without lengthening the term of refinanced debt and without increasing debt service in any subsequent year; or
 - b. When the public policy benefits outweigh the costs associated with the issuance of new debt and any increase in annual debt service; or
 - c. When a restrictive covenant is removed for the benefit of the County.
16. The CFO shall maintain a system of record keeping and reporting to meet the arbitrage rebate compliance requirements of the federal tax code.
17. The County will maintain enough fund balance, net of any potential incoming revenue, within its Debt Service Fund and County Purchase Property Fund to cover the County’s interest-only payments occurring on August 1 and September 1 of every fiscal year. The additional revenues required to grow the fund balance may be achieved by maintaining all borrowing premium revenues. (Ordinance No. 2014/7)

V. CASH MANAGEMENT AND INVESTMENT POLICY

Financial Policy Guidelines

Beaufort County, South Carolina

Adopted *Month Date*, 2018

The Treasurer serves as the County's chief banker and investment officer, charged with the responsibility of investing funds that are not needed for immediate expenditures. The Following is the investment policy of the Beaufort County and the Beaufort County Treasurer's Office. The scope of 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.

1. The primary objectives of the Treasurer's Office investment activities are, in priority order:
 - a. To conform with all applicable federal, state and other legal requirements (legality);
 - b. Adequately safeguard principal (safety);
 - c. To provide sufficient liquidity to meet all operating requirements (liquidity) and;
 - d. To obtain a reasonable rate of return (yield).
2. To appropriately meet these objectives, the Treasurer's Office will make investment decisions based on current and ongoing cash flow needs.
3. 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 knowledge 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.
4. 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.
5. It is the policy of Beaufort County and 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.

Financial Policy Guidelines

Beaufort County, South Carolina

Adopted *Month Date*, 2018

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.

6. It is the policy of Beaufort County and 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 receipt, 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 monies 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.

7. 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.
8. 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 of 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

Financial Policy Guidelines

Beaufort County, South Carolina

Adopted *Month Date*, 2018

South Carolina State Statute 6-5-15, which dictates the securing and collateralization of public funds.

9. 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.

10. Some investments, although in conformity with South Carolina Code of Laws, may be in conflict with the County and the Treasurer's primary objectives of safety and liquidity. As such, the following investments are not permitted:
 - a. Interest-only Mortgage Securities
 - b. Principal-only Mortgage Securities
 - c. Z-Traunch Collateralized Mortgage Obligations (CMO's)
 - d. Floating Rate CMO's, including Inverse Floaters
11. 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 depositaries, 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) years 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 forms, part I and II, filed with the Securities and Exchange Commission.

Financial Policy Guidelines

Beaufort County, South Carolina

Adopted *Month Date*, 2018

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.

12. The Treasurer shall review this investment policy annually, or as needed, and shall have the power to amend this policy at any time. County Council shall regularly request reporting from the Treasurer regarding the status of investments and changes in investment policy.

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 weighed return, net of fees, on individual accounts as well as the overall portfolio.

13. 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.

Financial Policy Guidelines

Beaufort County, South Carolina

Adopted *Month Date*, 2018

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 purchase 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 the 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 of 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.

ACCOMMODATIONS TAX RECOMMENDATIONS

Plan Year 2018-19

#	Organization	Event/Project	Amt. Requested	Rec. Last Yr.	Amt. Recom	% of Ask	Name
1	Santa Elena Foundation	Out of Market	\$9,225	\$1,800	\$5,000	54.20%	Andrew J. Beall
2	Beaufort County Heritage Tourism Corporation	Heritage Tourism Marketing and Attraction Review	\$20,000	\$0	\$0	0.00%	Dr. Andy Beall
3	Public Art Fund of Community Foundation of the Lowcountry	2018 Public Art Exhibition on Hilton Head Island	\$3,000	\$5,000	\$1,500	50.00%	Jean Heyduck
4	Beaufort County Black Chamber of Commerce	Cultural Tourism Marketing	\$125,000	\$81,000	\$64,000	51.20%	Larry Holman
5	Lean Ensemble Theater	Marketing, Lean Ensemble Theater 2018/19 Season	\$6,000	\$1,800	\$1,800	30.00%	Blake White
6	Port Royal Sound Foundation	Renovation of Main Gallery Exhibit	\$42,200	\$0	\$8,300	19.67%	Jody Hayward
7	Greater Beaufort-Port Royal CVB	Tourism Marketing FY 2018-2019	\$120,000	\$100,000	\$100,000	83.33%	Rob Wells
8	Child Abuse Prevention Association & Exchange Club	Ghost Tours	\$1,500	\$500	\$500	33.33%	Jessie Chapman
9	SC Lowcountry & Resort Islands Tourism Commission	Promotion of Beaufort County and the Lowcountry	\$46,000	\$35,000	\$35,000	76.09%	Peach Morrison
10	Coastal Discovery Museum	Cultural and Eco-tourism Programs	\$32,000	\$20,000	\$20,000	62.50%	Natalie Hefter
11	Coastal Discovery Museum	HH Invitational Disc Golf Tournament	\$11,000	\$11,000	\$8,500	77.27%	Rex Garniewicz
12	Bluffton Historical Preservation Society	Heyward House Museum and Welcome Center	\$15,000	\$15,000	\$10,000	66.67%	Katie Epps
13	Hilton Head Hospitality Association	Hilton Head Wine and Food Festival	\$10,000	\$6,000	\$6,000	60.00%	Jeff Gerber
14	Hilton Head Choral Society	Marketing Outreach for Tourism Development	\$5,000	\$3,000	\$3,000	60.00%	Dan Castro
15	Arts Center of Coastal Carolina	Tourism Marketing of the Unincorporated Areas of Beaufort County	\$12,000	\$10,000	\$9,000	75.00%	Linda Bloom
16	Hilton Head Symphony Orchestra	Digital and Television Advertising	\$20,000	\$7,000	\$7,000	35.00%	Mary Briggs
17	Friends of the Savannah Coastal Wildlife Refuges, Inc.	Self-Guided Tour Application for Pinckney Island National Wildlife Refuge	\$5,787	\$0	\$0	0.00%	Rick Shields
18	Friends of Fort Fremont Historic Preserve	Panel Boards for the new Interpretive Center	\$11,500	\$7,000	\$6,900	60.00%	Kathryn Sommerville Mixon
19	Historic Bluffton Arts & Seafood Festival, Inc.	Historic Arts & Seafood Festival	\$10,000	\$10,000	\$7,000	70.00%	MaryAnn O'Neill
20	Daufuskie Island Foundation	Daufuskie Day	\$15,000	\$5,500	\$5,000	33.33%	Ervin Simmons
21	Embrella Visionz, Inc.	1st Annual Gullah Hair Show	\$15,000	\$0	\$0	0.00%	Andrea Murray
22	Friends of Hunting Island	Murals & Sculptures at Visitors Center	\$47,200	\$0	\$36,000	76.27%	Barbara Temple
23	The Gullah Museum of Hilton Head Island	Permanet Exhibit Renovation Project	\$38,330	\$8,000	\$13,500	35.22%	Andrea Murray
24	Gullah Festival, Shrimp Festival, Taste of Beaufort	Beaufort Festivals & Events Advertising FY 2018-2019	\$45,000	\$31,150	\$32,500	72.22%	Thomas Hicks
25	Mitchelville Preservation Project	Various Events	\$80,000	\$27,500	\$20,000	25.00%	Ahmad Ward
26	Hilton Head Island Concours d'Elegance, Inc.	HHI Concours d'Elegance & Motoring Festival	\$40,000	\$26,000	\$26,000	65.00%	Carolyn Vanagel, Lindsey Harrell
27	Lowcountry Golf Course Owners Association	Golf Tourism Broadcast Campaign	\$25,000	\$10,000	\$10,000	40.00%	Robbie Wooten
28	Beaufort Film Society	Beaufort International Film Festival (13th)	\$20,000	\$15,000	\$15,000	75.00%	Ron Tucker
29	Hilton Head Island-Bluffton Chamber of Commerce and Visitor & Convention Bureau	Accolade Marketing and Destination Photo/Video Shoot	\$35,000	\$21,000	\$10,000	28.57%	Ariana Pernice
30	Greater Bluffton Chamber of Commerce & CVB, Inc.	Lowcountry Guide	\$37,500	\$10,000	\$0	0.00%	Shellie West
31	Haig Point Foundation	Daufuskie Island Vibes & Tides	\$16,600	\$0	\$0	0.00%	Kelly Smith
32	David M Carmines Foundation	Hilton Head Island Seafood Festival	\$15,500	\$10,000	\$5,500	35.48%	Kelly Smith
33	NIBCAA	Hilton Head Island Gullah Celebration	\$ 41,500	\$ 23,000	\$23,000	55.42%	Courtney Young

TOTAL: \$490,000 \$976,842 \$501,250 \$490,000 45.63%

\$490,000 Amount Remaining: \$0

MEETING MINUTES
ACCOMMODATIONS TAX (2% STATE) BOARD
TUESDAY, OCTOBER 16, 2018
8:30 a.m.
County Council Chambers
Administration Building
Beaufort County Government Robert Smalls Complex
100 Ribaut Road
Beaufort, South Carolina 29901

Board Members:
Dick Farmer, Chairman - present
Olivia Young, Vice Chair - present
Emma Campbell - present
Vimal Desai - present
Anita Singleton-Prather - present
Walter Yount - present
Jonathan Sullivan - present

ACCOMMODATIONS BOARD RECOMMENDATIONS

Plan Year 2018-19

#	Organization	Event/Project	Amt. Requested	Rec. Last Yr.	Amt. Recom	% of Ask	Name
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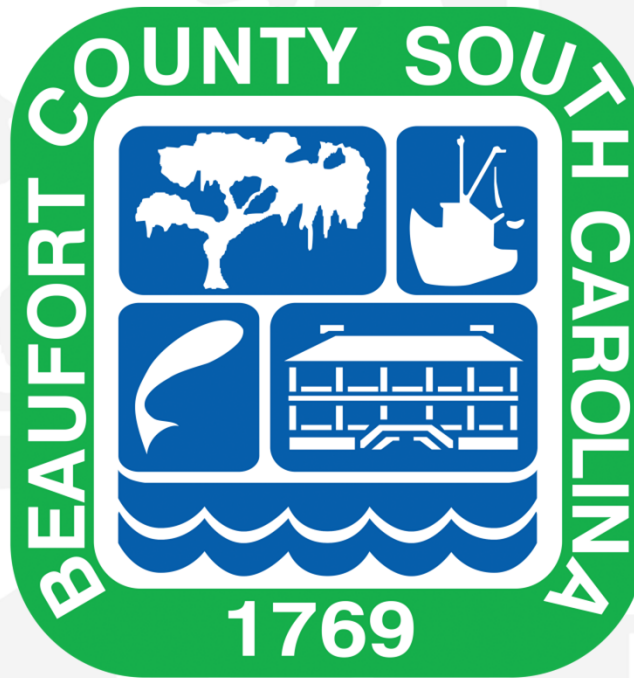
TOTAL:	\$490,000	\$976,842	\$501,250	\$490,000	45.63%
\$490,000	Amount Remaining:	\$0			

The following Board members were recused as follows:

#4 - Anita Singleton-Prather
#6 - Jonathan Sullivan

#26 - Dick Farmer

Board members came to a consensus an all recommended dollar amounts noted above.



Beaufort County
TREASURER

Maria Walls, CPA

Delinquent Tax Sale

- Total collected during posting \$ 3,136,501
 - Beaufort County Schools - \$1,334,891
 - County - \$682,558
- Total collected during advertising \$2,418,518
 - Beaufort County Schools - \$1,043,698
 - County - \$493,536

Delinquent Tax Sale

- Online bidder registration
- Deed preparation fees were collected with the winning bid
- Partnered with County Departments
- Bidder resources

Delinquent Tax Sale Comparison

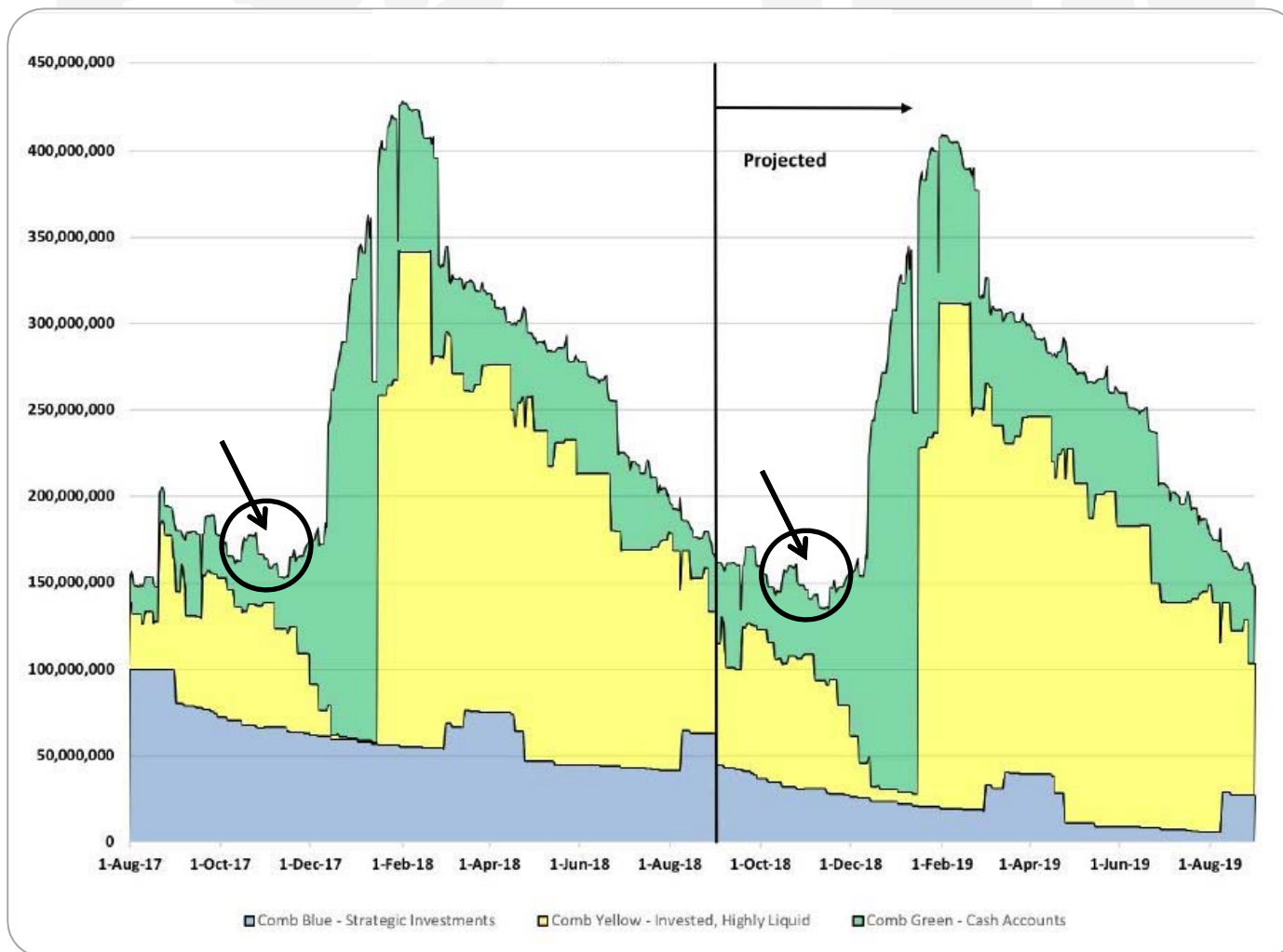
Tax Sale	2014	2015	2016	2017	2018
Parcels sent to auction	808	567	649	439	449
Number of Bidders	243	252	270	194	204
Parcels Sold	552	382	357	291	343
Number of Forfeits	4	2	2	2	0
Parcels sent to FLC	122	107	140	103	76
Number of Add-on Parcels	134	56	148	45	30
Total Bids Collected	\$21,637,685	\$12,559,412	\$15,862,814	\$14,810,326	\$11,666,633
Total Taxes Due	\$ 1,206,491	\$ 687,546	\$ 783,908	\$ 537,075	\$ 481,767
Total Overage	\$20,431,194	\$11,871,866	\$15,078,906	\$14,273,271	\$11,184,866

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

Current Financials

- Unrestricted funds - \$122,598,851
- Restricted funds - \$71,323,494
- Allocation
 - 17% cash
 - 83% invested

Current Financials



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

Current Financials

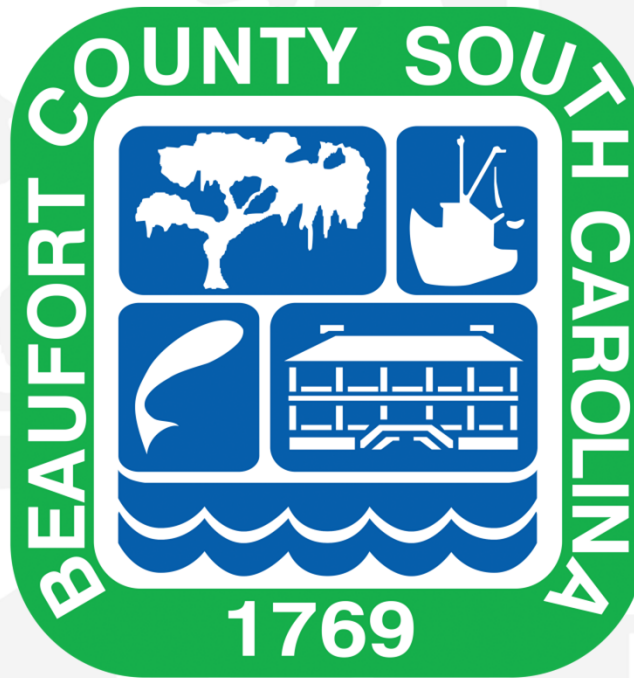
Fiscal Year	Investment Returns
2016	\$ 425,673
2017	\$ 756,326
2018	\$ 2,976,382

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

Current Financials

Tax Year	Collection Rate
2017	98.66%
2016	98.28%
2015	97.98%

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



Beaufort County
TREASURER

Questions

Sheldon Fire District

DEBT SERVICE REQUIREMENTS								
	EXISTING LOAN #1	EXISTING LOAN #2	PROPOSED LOAN #3	TOTAL DEBT SERVICE	MILLAGE RATE	AD VALOREM TAX REVENUES	Estimated Value of 1 Mil	Calculated Value of 1 Mil
FY 2018	\$ 10,112	\$ 61,934	\$ -	\$ 72,046	3.21	\$ 107,284	\$ 35,228	\$ 33,422
FY 2019	\$ 10,112	\$ 61,934	\$ -	\$ 72,046	3.21	\$ 115,339	\$ 37,873	\$ 35,931
FY 2020	\$ 10,112	\$ 61,934	\$ 84,715	\$ 156,761	4.36	\$ 156,761		
FY 2021	\$ 10,112	\$ -	\$ 84,715	\$ 94,827	2.64	\$ 94,827		
FY 2022	\$ 10,112	\$ -	\$ 84,715	\$ 94,827	2.64	\$ 94,827		
FY 2023	\$ 10,112	\$ -	\$ 84,715	\$ 94,827	2.64	\$ 94,827		
FY 2024	\$ -	\$ -	\$ 84,715	\$ 84,715	2.36	\$ 84,715		
FY 2025	\$ -	\$ -	\$ 84,715	\$ 84,715	2.36	\$ 84,715		
FY 2026	\$ -	\$ -	\$ 84,715	\$ 84,715	2.36	\$ 84,715		
FY 2027	\$ -	\$ -	\$ 84,715	\$ 84,715	2.36	\$ 84,715		
FY 2028	\$ -	\$ -	\$ 84,715	\$ 84,715	2.36	\$ 84,715		
FY 2029	\$ -	\$ -	\$ 84,715	\$ 84,715	2.36	\$ 84,715		
FY 2030	\$ -	\$ -	\$ 84,715	\$ 84,715	2.36	\$ 84,715		
FY 2031	\$ -	\$ -	\$ 84,715	\$ 84,715	2.36	\$ 84,715		
FY 2032	\$ -	\$ -	\$ 84,715	\$ 84,715	2.36	\$ 84,715		
FY 2033	\$ -	\$ -	\$ 84,715	\$ 84,715	2.36	\$ 84,715		
FY 2034	\$ -	\$ -	\$ 84,715	\$ 84,715	2.36	\$ 84,715		
	\$ 50,560	\$ 123,868	\$ 1,270,725	\$ 1,445,153				

Sheldon Fire District's Debt Service Fund Balance as of June 30, 2017, was \$39,382.

Notes:

Fiscal Year 2019 revenues and value of 1 mil are projected, not actual. Fiscal Years 2020 - 2034 are projections based on Fiscal Year 2019 mil value staying constant.

The estimated value of 1 mil is derived using the County Assessor's projections in the spring of each year to estimate the value of 1 mil for each taxing district in Beaufort County. The estimated value of 1 mil does not account for appeals, changes in valuation, adjustments, exemptions, etc. that can occur throughout each tax year.

The calculated value of 1 mil is derived using the fiscal year's ad valorem tax revenues divided by the approved millage rate to determine the revenue producing value of 1 mil.

SE-370

NOTICE OF INTENT TO AWARD

AGENCY: SHELDON FIRE DISTRICT

PROJECT NAME: IMPROVEMENTS TO SHELDON FIRE STATION 40

PROJECT NUMBER: 15-15

POSTING DATE: 10/1/2018

TO ALL BIDDERS:

Unless stayed by protest or canceled, the Agency intends to enter into a contract as noted below. The successful bid will be accepted and the contract formed by execution of the contract documents. All bid bonds remain in effect for the bid acceptance period as provided in Section 4 of the Bid Form, except as otherwise provided in the Instructions to Bidders.

NAME OF BIDDER: NEAL'S CONSTRUCTION LLC, 69 Robert Smalls Pkwy, Beaufort, SC 29406

DATE BIDS WERE OPENED: 7.31.18

BID INFORMATION:

BASE BID AMOUNT:

\$ 1,056,707.00

ALTERNATES: #1 ACCEPTED ☐ \$ _____

#2 ACCEPTED ☐ \$ _____

#3 ACCEPTED ☐ \$ _____

TOTAL AWARD (BASE BID AND ACCEPTED ALTERNATE(S)):

\$ 948,510.98

REMARKS (explain any negotiations that resulted in a change in any Bid amounts): VALUE ENGINEERING

Contractor should not incur any costs associated with the contract prior to receipt of a contract from the Agency for execution. Contractor should not perform any work prior to (1) delivering to the Agency both certificates of insurance and Performance and Payment Bonds meeting the requirements of the solicitation; and (2) receipt of the Agency's written Notice to Proceed. The State assumes no liability for any expenses incurred by the Contractor prior to issuance of a Notice to Proceed, other than the Contractor's non-reimbursable costs incurred in providing such bonds.



(Architect/Engineer Signature)

John B. Crouch III, Architect

(Print or Type Name)

INSTRUCTIONS TO THE AGENCY:

1. Post a copy of this form at the location specified by the Instructions to Bidders and announced at the Bid Opening.
2. Send a copy of this form and the final Bid Tabulation to all responsive Bidders.



Branch Banking & Trust Company

Governmental Finance

1201 Main Street 7th Floor
Suite 700
Columbia, SC 29201
Office: (803) 251-1328

October 8, 2018

Chief Buddy Jones
Fire Chief
Sheldon Township Fire District

VIA Email: bjones@bcgov.net

Dear Chief Jones:

Branch Banking and Trust Company ("BB&T") is pleased to offer this proposal for the financing requested by Sheldon Township Fire District ("District").

- (1) **Project:** Fire Station Lease Purchase
- (2) **Amount to Be Financed:** \$948,510.98
- (3) **Interest Rates, Financing Terms and Corresponding Payments:**

<u>Term</u>	<u>Bank Qualified Rate</u>
15 Years	3.90%

Principal and interest payments shall be annual in arrears, as requested.

The interest rate stated above is valid for a closing not later than November 19, 2018. Closing of the financing is contingent upon completing documentation acceptable to BB&T. The proceeds of this transaction will be deposited in a Project Fund Account with BB&T at the time of closing.

All applicable taxes, permits, costs of lawyers for the District and any other costs shall be the District's responsibility and separately payable by the District. We offer two prepayment options for the City. The first option allows for the transaction to be prepayable in whole at any time with a one percent prepayment penalty. As an alternate redemption provision, the City may elect for the transaction to be noncallable for the first half of the term and prepayable in whole at any time without penalty thereafter.

The stated interest rate assumes that the District expects to borrow no more than \$10,000,000 in calendar year 2018 and that the financing shall qualify as qualified tax-exempt financing under the Internal Revenue Code. BB&T reserves the right to terminate its interest in this bid or to negotiate a mutually acceptable rate if the financing is not qualified tax-exempt financing.

BB&T will require audited financial statements to be delivered within 270 days after the conclusion of each fiscal year-end throughout the term of the financing.

(4) Financing Documents:

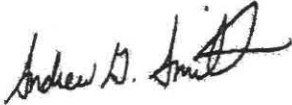
BB&T proposes to use its standard form financing contracts and related documents for this installment financing. The documents will include a Base Lease and Project Lease Agreement to be drafted by BB&T's counsel. Our bank counsel fee for generating documents will not exceed \$3,500. This financing shall be secured by a leasehold lien on the project. We understand that the station will be constructed on land already owned by the District. We also understand and require that the financing must be approved by Beaufort County Council prior to funding.

BB&T shall have the right to cancel this offer by notifying the District of its election to do so (whether or not this offer has previously been accepted by the District) if at any time prior to the closing there is a material adverse change in the District's financial condition, if we discover adverse circumstances of which we are currently unaware, if we are unable to agree on acceptable documentation with the District or if there is a change in law (or proposed change in law) that changes the economic effect of this financing to BB&T.

BB&T appreciates the opportunity to make this financing proposal. Please call me at 803-251-1328 with your questions and comments. We look forward to hearing from you.

Sincerely,

Branch Banking & Trust Company



Andrew G. Smith
Senior Vice President

Enclosure(s)

Sheldon Fire District

Compound Period : Annual

Nominal Annual Rate : 3.900 %

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1 Loan	10/15/2018	948,510.98	1		
2 Payment	10/15/2019	84,714.68	15	Annual	10/15/2033

AMORTIZATION SCHEDULE - Normal Amortization

Date	Payment	Interest	Principal	Balance
Loan 10/15/2018				948,510.98
2018 Totals	0.00	0.00	0.00	
1 10/15/2019	84,714.68	36,991.93	47,722.75	900,788.23
2019 Totals	84,714.68	36,991.93	47,722.75	
2 10/15/2020	84,714.68	35,130.74	49,583.94	851,204.29
2020 Totals	84,714.68	35,130.74	49,583.94	
3 10/15/2021	84,714.68	33,196.97	51,517.71	799,686.58
2021 Totals	84,714.68	33,196.97	51,517.71	
4 10/15/2022	84,714.68	31,187.78	53,526.90	746,159.68
2022 Totals	84,714.68	31,187.78	53,526.90	
5 10/15/2023	84,714.68	29,100.23	55,614.45	690,545.23
2023 Totals	84,714.68	29,100.23	55,614.45	
6 10/15/2024	84,714.68	26,931.26	57,783.42	632,761.81
2024 Totals	84,714.68	26,931.26	57,783.42	
7 10/15/2025	84,714.68	24,677.71	60,036.97	572,724.84
2025 Totals	84,714.68	24,677.71	60,036.97	
8 10/15/2026	84,714.68	22,336.27	62,378.41	510,346.43
2026 Totals	84,714.68	22,336.27	62,378.41	
9 10/15/2027	84,714.68	19,903.51	64,811.17	445,535.26
2027 Totals	84,714.68	19,903.51	64,811.17	
10 10/15/2028	84,714.68	17,375.88	67,338.80	378,196.46
2028 Totals	84,714.68	17,375.88	67,338.80	
11 10/15/2029	84,714.68	14,749.66	69,965.02	308,231.44
2029 Totals	84,714.68	14,749.66	69,965.02	

Sheldon Fire District

Date	Payment	Interest	Principal	Balance
12 10/15/2030	84,714.68	12,021.03	72,693.65	235,537.79
2030 Totals	84,714.68	12,021.03	72,693.65	
13 10/15/2031	84,714.68	9,185.97	75,528.71	160,009.08
2031 Totals	84,714.68	9,185.97	75,528.71	
14 10/15/2032	84,714.68	6,240.35	78,474.33	81,534.75
2032 Totals	84,714.68	6,240.35	78,474.33	
15 10/15/2033	84,714.68	3,179.93	81,534.75	0.00
2033 Totals	84,714.68	3,179.93	81,534.75	
Grand Totals	1,270,720.20	322,209.22	948,510.98	



AERIAL VIEW LOOKING SOUTHEAST



John B. Crouch III
ARCHITECT

29 TWENTY-FOURTH AVENUE ISLE OF PALMS, SC 29451

**ADDITIONS & ALTERATIONS TO:
SHELDON FIRE STATION 40**

5 FIRE STATION LANE
SHELDON, SC 29941

10.05.17





VIEW LOOKING NORTHWEST FROM FIRE STATION LANE



John B. Crouch III
ARCHITECT

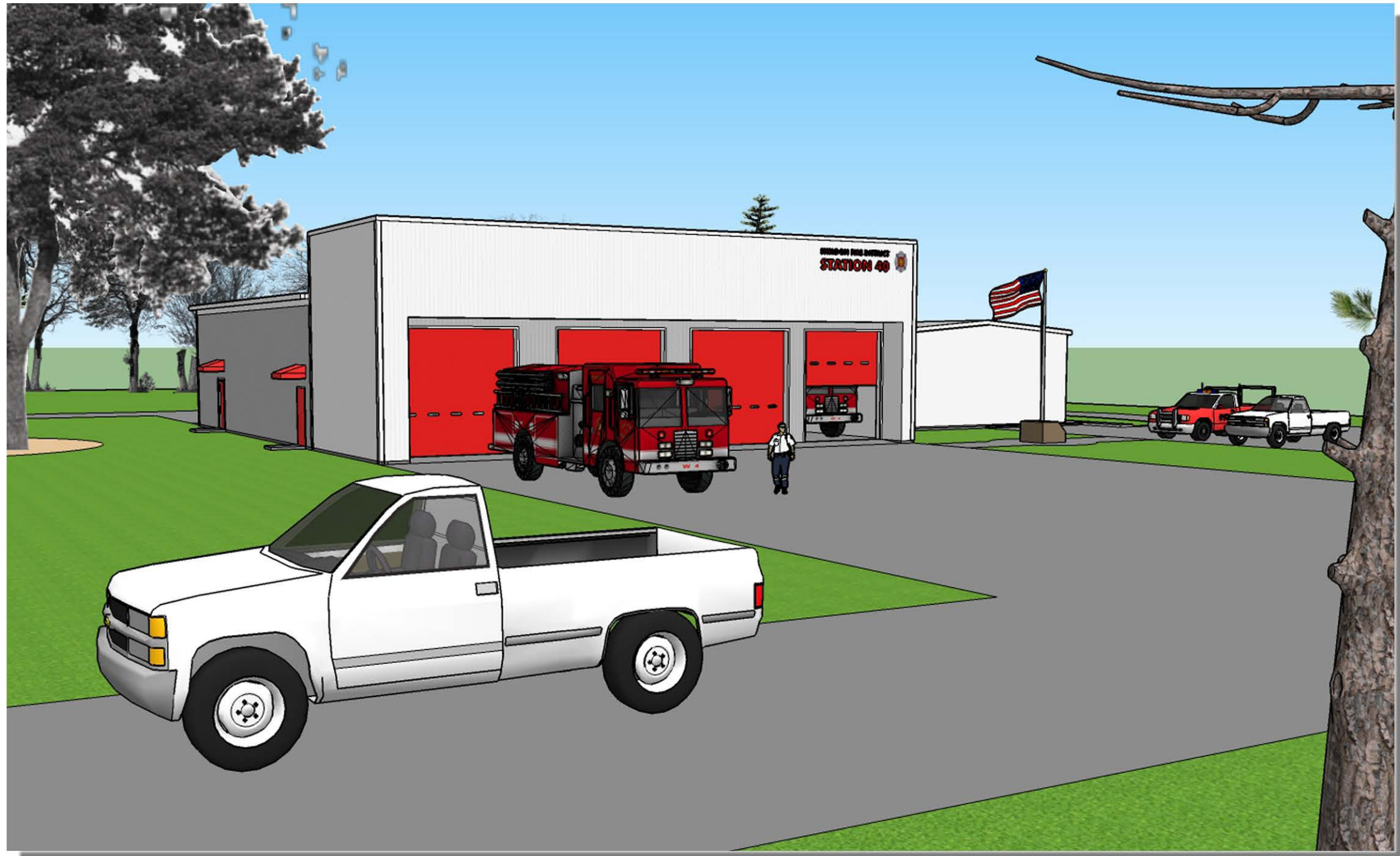
29 TWENTY-FOURTH AVENUE ISLE OF PALMS, SC 29451

**ADDITIONS & ALTERATIONS TO:
SHELDON FIRE STATION 40**

5 FIRE STATION LANE
SHELDON, SC 29941

10.05.17





VIEW LOOKING NORTHEAST FROM FIRE STATION LANE



John B. Crouch III
ARCHITECT

29 TWENTY-FOURTH AVENUE ISLE OF PALMS, SC 29451

**ADDITIONS & ALTERATIONS TO:
SHELDON FIRE STATION 40**
5 FIRE STATION LANE
SHELDON, SC 29941

10.05.17





VIEW LOOKING SOUTHEAST SHOWING DORMITORY & DAYROOM ADDITION



John B. Crouch III
ARCHITECT

**ADDITIONS & ALTERATIONS TO:
SHELDON FIRE STATION 40**

5 FIRE STATION LANE
SHELDON, SC 29941

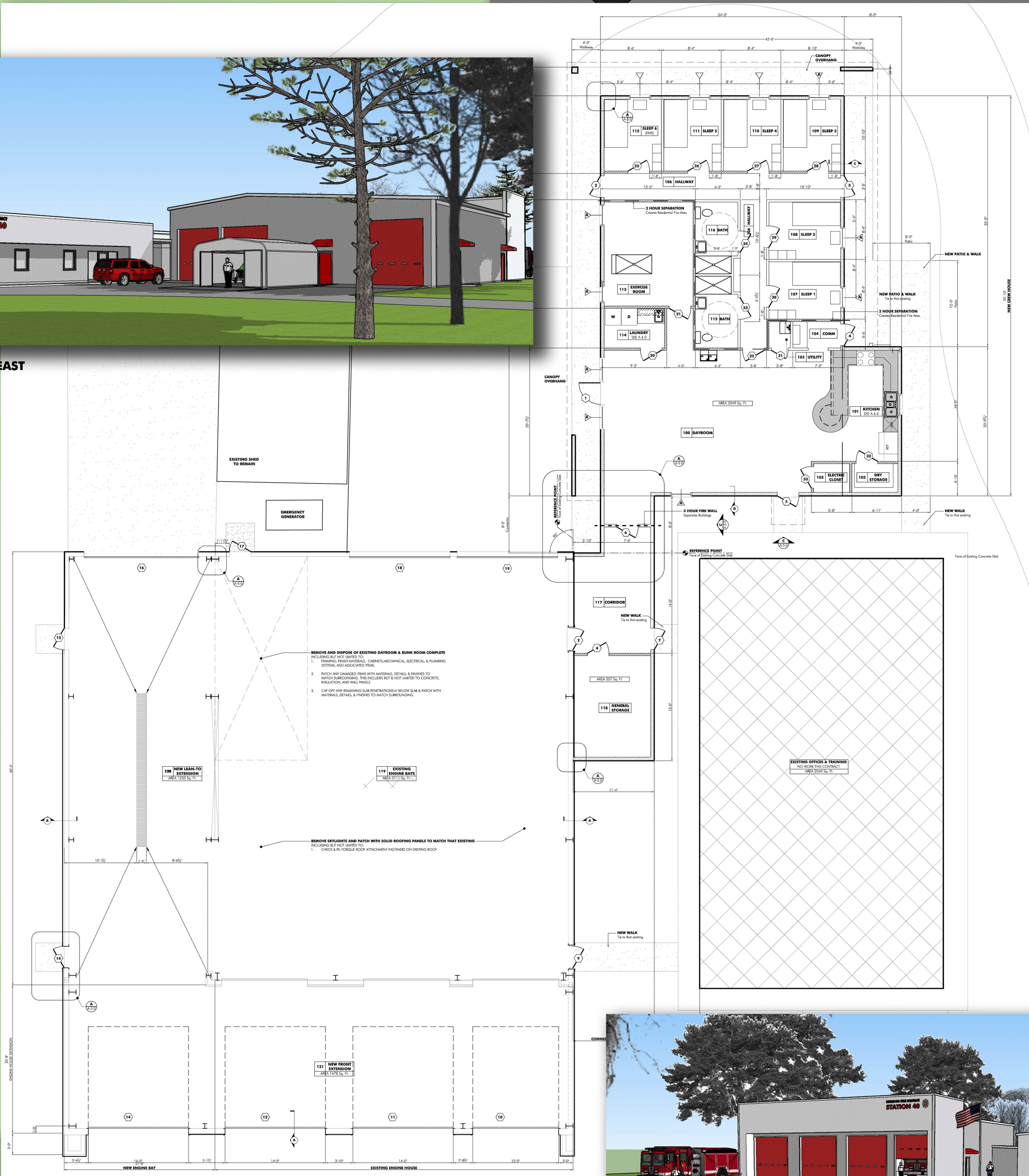
10.05.17



FRONT LOOKING NORTHEAST



REAR LOOKING SOUTHEAST



FLOOR PLAN

FRONT FROM FIRE STATION LANE LOOKING NORTHWEST



AERIAL VIEW LOOKING SOUTHEAST



ORDINANCE NO. 2018/____
(PROJECT SKY MULTI-COUNTY PARK)

AN ORDINANCE AUTHORIZING AND APPROVING (1) THE DEVELOPMENT OF A NEW JOINT COUNTY INDUSTRIAL AND BUSINESS PARK PURSUANT TO SECTION 4-1-170 OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED, IN CONJUNCTION WITH JASPER COUNTY (THE "PARK") SUCH PARK TO BE GEOGRAPHICALLY LOCATED IN BEAUFORT COUNTY AND TO INCLUDE THE AFOREMENTIONED PROPERTY; (2) THE EXECUTION AND DELIVERY OF A WRITTEN PARK AGREEMENT WITH JASPER COUNTY AS TO THE REQUIREMENT OF PAYMENTS OF FEE IN LIEU OF *AD VALOREM* TAXES WITH RESPECT TO PARK PROPERTY AND THE SHARING OF THE REVENUES AND EXPENSES OF THE PARK; (4) THE DISTRIBUTION OF REVENUES FROM THE PARK WITHIN BEAUFORT COUNTY; AND (5) OTHER MATTERS RELATED THERETO

WHEREAS, pursuant to Article VIII, Section 13(D) of the South Carolina Constitution and Section 4-1-170 of the Code of Laws of South Carolina, 1976, as amended (collectively, the "Multi-County Park Act"), Beaufort County, South Carolina ("Beaufort County") and Jasper County, South Carolina ("Jasper County"), in order to promote economic development and thus encourage investment and provide additional employment opportunities, Beaufort County and Jasper County, as authorized under the Multi-County Park Act, now propose to establish jointly a multi-county industrial/business park (the "Park"); and

WHEREAS, Beaufort County and Jasper County have agreed to the specific terms and conditions of such arrangement as set forth in that certain Agreement for Establishment of a Multi-County Industrial/ Business Park (Project Sky) proposed to be entered into by and between Beaufort County and Jasper County as of such date as may be agreed to by Beaufort County and Jasper County (the "Project Sky Multi-County Park Agreement"), a form of which Project Sky Multi-County Park Agreement has been presented to this meeting; and

WHEREAS, it appears that the Project Sky Multi-County Park Agreement now before this meeting is in appropriate form and is an appropriate instrument to be executed and delivered by Beaufort County for the purposes intended.

NOW, THEREFORE, BE IT ORDAINED BY THE BEAUFORT COUNTY COUNCIL AS FOLLOWS:

Section 1. Establishment of Project Sky Multi-County Park; Approval of the Project Sky Multi-County Park Agreement. There is hereby authorized to be established, in conjunction with Jasper County, a multi-county industrial/business park to be known as the Project Sky Multi-County Park and to include therein the Project Sky Property as more particularly described on Exhibit A. The form, provisions, terms and conditions of the Project

Sky Multi-County Park Agreement now before this meeting and filed with the Clerk to Beaufort County Council be and they are hereby approved, and all of the provisions, terms and conditions thereof are hereby incorporated herein by reference as if the Project Sky Multi-County Park Agreement were set out in this Ordinance in its entirety. The Chairman of Beaufort County Council is hereby authorized, directed, and empowered to execute the Project Sky Multi-County Park Agreement in the name and on behalf of Beaufort County; the Clerk to Beaufort County Council is hereby authorized, directed, and empowered to attest the same; and the Chairman of Beaufort County Council is further authorized, directed, and empowered to deliver the Project Sky Multi-County Park Agreement to Jasper County.

The Project Sky Multi-County Park Agreement is to be in substantially the form now before this meeting and hereby approved, or with such changes therein as shall not materially adversely affect the rights of Beaufort County thereunder and as shall be approved by the officials of Beaufort County executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of the Project Sky Multi-County Park Agreement now before this meeting.

The Chairman of Beaufort County Council, the County Administrator of Beaufort County, and the Clerk to the Beaufort County Council, for and on behalf of Beaufort County, are hereby each authorized and empowered to do any and all things necessary or proper to effect the development of the Project Sky Multi-County Park and the performance of all obligations of Beaufort County under and pursuant to the Project Sky Multi-County Park Agreement and to carry out the transactions contemplated thereby and by this Ordinance.

Section 2. Payment of Fee in Lieu of Tax. The businesses and industries located in the Project Sky Multi-County Park must pay a fee in lieu of *ad valorem* taxes as provided for in the Project Sky Multi-County Park Agreement. The fee paid in lieu of *ad valorem* taxes shall be paid to the Treasurer of Beaufort County. That portion of the fee allocated pursuant to the Project Sky Multi-County Park Agreement to Jasper County shall, upon receipt by the Treasurer of Beaufort County, be paid to the Treasurer of Jasper County in accordance with the terms of the Project Sky Multi-County Park Agreement. Payments of fees in lieu of *ad valorem* taxes will be made on or before the due date for taxes for a particular year. Penalties for late payment will be at the same rate as late tax payment. Any late payment beyond said date will accrue interest at the rate of statutory judgment interest. Beaufort County and Jasper County, acting by and through the Treasurer of Beaufort County, shall maintain all liens and rights to foreclose upon liens provided for counties in the collection of *ad valorem* taxes. Nothing herein shall be construed to prohibit Beaufort County from negotiating and collecting reduced fees in lieu of taxes pursuant to Title 4, Chapter 29 or Chapter 12, or Title 12, Chapter 44 of the Code of Laws of South Carolina 1976, as amended, or any similar provision in South Carolina law.

The provisions of Section 12-2-90 of the Code of Laws of South Carolina 1976, as amended, or any successor statutes or provisions, apply to the collection and enforcement of the fee in lieu of *ad valorem* taxes.

Section 3. Sharing of Expenses and Revenues. Sharing of expenses and revenues of the Project Sky Multi-County Park by Beaufort County and Jasper County shall be as set forth in the Project Sky Multi-County Park Agreement.

Section 4. Distribution of Revenues within Beaufort County. Revenues generated from industries and businesses located in the Project Sky Multi-County Park and received by Beaufort County shall be distributed by Beaufort County in accordance with an ordinance to be passed by Beaufort County Council.

Section 5. Governing Laws and Regulations. The ordinances of Beaufort County, as applicable, concerning zoning, health and safety regulations, and building code requirements will apply for the entire Project Sky Multi-County Park.

Section 6. Law Enforcement Jurisdiction. Jurisdiction to make arrests and exercise all authority and power within the boundaries of the Project Sky Multi-County Park properties is vested with the Sheriff's Department of Beaufort County. If any of the Project Sky Multi-County Park properties are within the boundaries of a municipality, then jurisdiction to make arrests and exercise law enforcement jurisdiction is vested with the law enforcement officials of the municipality.

Section 7. Conflicting Provisions. To the extent this ordinance contains provisions that conflict with provisions contained elsewhere in the Beaufort County Code or other Beaufort County ordinances, the provisions contained in this ordinance supersede all other provisions and this ordinance is controlling.

Section 8. Severability. If any section of this ordinance is, for any reason, determined to be void or invalid by a court of competent jurisdiction, it shall not affect the validity of any other section of this ordinance which is not itself void or invalid.

Section 9. Effectiveness. This Ordinance shall be effective upon third and final reading.

[End of Ordinance - Signature page to follow]

Enacted and approved, in meeting duly assembled, this ____ day of _____, 2018.

BEAUFORT COUNTY, SOUTH CAROLINA

By: _____
D. Paul Sommerville, Chairman, County Council,
Beaufort County, South Carolina

[SEAL]

Attest:

By: _____
_____, Clerk to County Council,
Beaufort County, South Carolina

First Reading: _____, 2018
Second Reading: _____, 2018
Public Hearing: _____, 2018
Third Reading: _____, 2018

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT) **AGREEMENT FOR THE ESTABLISHMENT OF**
) **MULTI-COUNTY INDUSTRIAL/BUSINESS PARK**
) **(PROJECT SKY)**
COUNTY OF JASPER)

THIS AGREEMENT FOR THE ESTABLISHMENT OF MULTI-COUNTY INDUSTRIAL/BUSINESS PARK (PROJECT SKY) for the establishment of a multi-county industrial/business park to be located within Beaufort County and Jasper County is made and entered into as of [____], 2018, by and between Beaufort County, South Carolina (“Beaufort County”) and Jasper County, South Carolina (“Jasper County”).

RECITALS

WHEREAS, Beaufort County and Jasper County are contiguous counties which, pursuant to Ordinance No. [____], enacted by Beaufort County Council on [____], 2018, and Ordinance No. [____] enacted by Jasper County Council on [____], 2018, have each determined that, in order to promote economic development and thus encourage investment and provide additional employment opportunities within both of said counties, there should be established in Beaufort County a multi-county industrial/business park (the “Park”), to be located upon property more particularly described in Exhibit A (Beaufort); and

WHEREAS, as a consequence of the establishment of the Park, property comprising the Park and all property having a situs therein is exempt from *ad valorem* taxation pursuant to Article VIII, Section 13(D) of the South Carolina Constitution, but the owners or lessees of such property shall pay annual fees in an amount equivalent to the property taxes or other in-lieu-of payments that would have been due and payable except for such exemption.

NOW, THEREFORE, in consideration of the mutual agreement, representations and benefits contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Binding Agreement.** This Agreement serves as a written instrument setting forth the entire agreement between the parties and shall be binding on Jasper County and Beaufort County, their successors and assigns.

2. **Authorization.** Article VIII, Section 13(D) of the South Carolina Constitution provides that counties may jointly develop an industrial or business park with other counties within the geographical boundaries of one or more of the member counties, provided that certain conditions specified therein are met and further provided that the General Assembly of the State of South Carolina provides by law a manner in which the value of property in such park will be considered for purposes of bonded indebtedness of political subdivisions and school districts and for purposes of computing the index of taxpaying ability pursuant to any provision of law which measures the relative fiscal capacity of a school district to support its schools based on the assessed valuation of taxable property in the district as compared to the assessed valuation of taxable property in all school districts in South Carolina. The Code of Laws of South Carolina, 1976, as amended (the “Code”) and particularly, Section 4-1-170 thereof, satisfies the conditions imposed by Article VIII, Section 13(D) of the South Carolina Constitution and provides the statutory vehicle whereby a multi-county industrial or business park may be created.

- ### 3. Location of the Park.

- (A) The Park consists of property that is located in Beaufort County and which now or will be owned and/or operated by Project Sky one or more affiliates, and/or other project sponsors, as more particularly described in Exhibit A hereto. It is specifically recognized that the Park may from time to time consist of non-contiguous properties within Beaufort County. The boundaries of the Park may be enlarged or diminished from time to time as authorized by ordinance of the county council of Beaufort County and resolution of the county council of Jasper County. If any property proposed for inclusion in the Park is located, at the time such inclusion is proposed, within

the boundaries of a municipality, then the municipality must give its consent prior to the inclusion of the property in the Park.

(B) In the event of any enlargement or diminution of the boundaries of the Park, this Agreement shall be deemed amended and there shall be attached hereto a revised Exhibit A which shall contain a legal description of the boundaries of the Park as enlarged or diminished, together with a copy of the ordinance of Beaufort County Council and resolution of Jasper County Council pursuant to which such enlargement or diminution was authorized.

(C) Prior to the enactment by Beaufort County Council of its ordinance authorizing the diminution of the boundaries of the Park, a public hearing shall first be held by Beaufort County Council. Notice of such public hearing shall be published in a newspaper of general circulation in Beaufort County, at least once and not less than fifteen (15) days prior to such hearing. Notice of such public hearing shall also be given by certified mail that is deposited with the U.S. Postal Service at least fifteen (15) days prior to such public hearing upon the owner and, if applicable, the lessee of any property which would be excluded from the Park by virtue of the diminution.

4. **Fee in Lieu of Taxes.** Pursuant to Article VIII, Section 13(D) of the South Carolina Constitution, all property located in the Park is exempt from all *ad valorem* taxation. The owners or lessees of any property situated in the Park shall pay in accordance with this Agreement an amount (referred to as fees in lieu of *ad valorem* taxes) equivalent to the *ad valorem* taxes or other in-lieu-of payments that would have been due and payable but for the location of such property within the Park.

5. **Allocation of Expenses.** Beaufort County and Jasper County shall bear expenses incurred in connection with the Park, including, but not limited to, those incurred in the administration, development, operation, maintenance and promotion of the Park, in the following proportions:

A. Beaufort County	100%
B. Jasper County	0%

6. **Allocation of Revenues.** Beaufort County and Jasper County shall receive an allocation of all revenues generated by the Park through payment of fees in lieu of *ad valorem* taxes in the following proportions:

A. Beaufort County	99%
B. Jasper County	1%

Any payment from Beaufort County to Jasper County of Jasper County's allocable share of Park revenues: (I) shall be made and accompanied by a statement showing the manner in which total payment and each County's share were calculated. If any Park revenues are received by Beaufort County through payment by any owner, or any lessee/tenant, or any other taxpayer is made under protest, or otherwise as part of a dispute, then Beaufort County is not obligated to pay Jasper County more than Jasper County's share of the undisputed portion of the Park revenues until thirty (30) days after the final resolution of the protest or dispute.

7. **Revenue Allocation within Each County.** Park revenues generated shall be distributed to and within the County as follows:

(A) Revenues generated by the Park through the payment of fees in lieu of *ad valorem* taxes shall be distributed to Beaufort County and to Jasper County, as the case may be, according to the proportions established by this Agreement. With respect to revenues allocable to Beaufort County by way of fees in lieu of *ad valorem* taxes generated from properties within the Park, such revenue shall be distributed within Beaufort County in the manner provided by ordinance of the county council of Beaufort County; provided, that (i) each taxing entity which overlaps the applicable revenue-generating portion of the Park shall receive at least some portion of the revenues generated from such revenue-generating portion, (ii) with respect to amounts received in any fiscal year by a taxing entity, the governing body of such taxing entity shall allocate the revenues received to operations and/or debt service of such entity, and (iii) all taxing entities other than the foregoing shall receive zero percent (0%) of such revenues.

(B) Revenues allocable to Jasper County by way of fees in lieu of *ad valorem* taxes generated from properties located in the Beaufort County portion of the Park shall be distributed solely to Jasper County.

8. **Fees in Lieu of *Ad Valorem* Taxes Pursuant to Title 4 or Title 12 of the Code.** It is hereby agreed that the entry by Beaufort County into any one or more fee in lieu of *ad valorem* tax agreements pursuant to Title 4 or Title 12 of the Code or any successor or comparable statutes (“Negotiated Fee in Lieu of Tax Agreements”), with respect to property located within the Park and the terms of such agreements shall be at the sole discretion of Beaufort County.

9. **Assessed Valuation.** For the purpose of calculating the bonded indebtedness limitation and for the purpose of computing the index of taxpaying ability pursuant to Section 59-20-20(3) of the Code, allocation of the assessed value of property within the Park to Beaufort County and Jasper County and to each of the taxing entities within the participating counties shall be in accordance with the allocation of revenue received and retained by each of the counties and by each of the taxing entities within the participating counties, pursuant to **Sections 6 and 7** herein.

10. **Governing Laws and Regulations.** Any applicable ordinances and regulations of Beaufort County including those concerning zoning, health and safety, and building code requirements shall apply to the Park properties located in the Beaufort County portion of the Park unless any such property is within the boundaries of a municipality in which case, the municipality’s applicable ordinances and regulations shall apply.

11. **South Carolina Law Controlling.** This Agreement has been entered into in the State of South Carolina and shall be governed by, and construed in accordance with South Carolina law.

12. **Severability.** In the event and to the extent (and only to the extent) that any provision or any part of a provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable the remainder of that provision or any other provision of this Agreement.

13. **Counterpart Execution.** This Agreement may be executed in multiple counterparts.

14. **Additional Parties.** This Agreement may be amended from time to time to add additional counties located in South Carolina, subject to Article VIII, Section 13(D) of the Constitution of South Carolina and Title 4, Chapter 1 of the Code, by ordinance of the county council of Beaufort County, and by resolution of the county council of Jasper County; provided, however, that to the extent permitted by law, additional counties may be added as parties hereto with only the enactment of an ordinance of the county council of Beaufort County only in the event that such additional county’s allocation of Park Revenues hereunder shall be allocated solely out of Jasper County’s residual net share of the Park Revenues provided for its use and distribution pursuant to **Section 7** hereof.

15. **Term; Termination.** Except as specifically provided in this **Section 15**, Beaufort County and Jasper County agree that this Agreement may not be terminated in its entirety by any party and shall remain in effect for a period equal to the shorter of (i) twenty-one (21) years commencing with the effective date of this Agreement or (ii) a period of time of sufficient length to facilitate any special source revenue credits due with respect to Park property; provided, however, that this Agreement shall automatically terminate in its entirety on the 30th day after provision or payment in full, or termination, of all special source revenue credits or due with respect to Park property. Notwithstanding anything in this Agreement to the contrary, this Agreement may not be terminated to the extent that Beaufort County has outstanding contractual commitments to any owner or in the event the County is the owner pursuant to a negotiated fee-in-lieu-of-tax agreement under Title 4, Chapter 29 or Chapter 12 of the Code, lessee/tenant, or other taxpayer of or with respect to Park property requiring designation of such property as part of a multi-county industrial/business park pursuant to Article VIII, Section 13(D) of the Constitution of South Carolina and/or Title 4, Chapter 1 of the Code (the “Act”), unless Beaufort County shall first (i) obtain the written consent of such owner, lessee/tenant, or other taxpayer or (ii) designate such parcel as part of another multi-county industrial/business park pursuant to the Act effective immediately upon termination of this Agreement. Additionally, in the event that Beaufort County complies with the preceding sentence, Beaufort County may terminate this Agreement upon providing thirty (30) days notice to Jasper County and any owner or in the event the County is the owner pursuant to a negotiated fee-in-lieu-of-tax agreement under Title 4, Chapter 29 or Chapter 12 of the Code, lessee/tenant, or other taxpayer of or with respect to Park property.

16. **Law Enforcement Jurisdiction.** Jurisdiction to make arrests and exercise all authority and power within the boundaries of the Park properties is vested with the Sheriff’s Office of Beaufort County, for matters

within their jurisdiction. If any of the Park properties are within the boundaries of a municipality, then jurisdiction to make arrests and exercise law enforcement jurisdiction is also vested with the law enforcement officials of the municipality for matters within their jurisdiction.

[End of Agreement – Execution Page to Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective as of the day and the year first above written.

BEAUFORT COUNTY, SOUTH CAROLINA

By: _____
D. Paul Sommerville, Chairman, County Council
Beaufort County, South Carolina

[SEAL]
Attest:

By: _____
_____, County Council Clerk,
Beaufort County, South Carolina

JASPER COUNTY, SOUTH CAROLINA

By: _____
D. T. Johnson, Jr., Chairman, County Council
Jasper County, South Carolina

[SEAL]

Attest:

By: _____
Judy Frank, County Council Clerk
Jasper County, South Carolina

Exhibit A (Beaufort)

PARK PROPERTY

Property ID No. R700 020 000 0008 000, located at 1236 Trask Parkway, consisting of approximately 8.970 acres

The remainder of this page intentionally left blank.

Exhibit B (Jasper)

JASPER COUNTY PROPERTY

None.

The remainder of this page intentionally left blank.

ORDINANCE 2018/___

**TEXT AMENDMENT TO THE BEAUFORT COUNTY ORDINANCES CHAPTER 18
ARTICLE III, BUSINESS AND PROFESSIONAL LICENSES, SECTION 54(A),
DEDUCTIONS AND EXEMPTIONS, BY DELETING A PORTION OF THE CURRENT
ORDINANCE TEXT**

WHEREAS, Beaufort County Council has voted to amend the current Beaufort County Ordinance to make clear the deductions and exemptions regarding business income;

NOW, THEREFORE, BE IT ORDAINED, by Beaufort County Council to amend the Beaufort County Ordinance Chapter 18 Article III Section 54(a) by deleting the stricken through portions of the text as follows:

Sec. 18-54 Deductions and Exemptions.

- (a) No deductions from gross income shall be made, except income from business done wholly outside of the county jurisdiction on which a license tax is paid to another county or a municipality, ~~or income which cannot be taxed pursuant to state law~~. The applicant shall have the burden to establish the right to a deduction by satisfactory records and proof. No person shall be exempt from the requirements of this article by reason of the lack of an established place of business within the county, unless exempted by state or federal law. The license official shall determine the appropriate classification and licensing for each business. No person shall be exempt from this article by reason of the payment of any other tax, unless exempted by state law, and no person shall be relieved of the liability for the payment of any other tax by reason of the application of this article.

DONE this ___ day of _____, 2018.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Thomas J. Keaveny, II
Interim County Administrator
County Attorney

ATTEST:

Connie L. Schroyer, Clerk to Council

First Reading:

Second Reading:

Public Hearing:

Third and Final Reading:

ORDINANCE 2018/___

AN ORDINANCE TO AMEND BEAUFORT COUNTY CODE OF ORDINANCES SECTION 66-26 et. seq., TO IDENTIFY THE GREATER BLUFFTON CHAMBER OF COMMERCE AS A DESIGNATED MARKETING ORGANIZATION, AND TO PROVIDE FOR TRANSPARENCY IN ACCOUNTING REPORTS FROM AGENCIES RECEIVING FUNDS FROM THE COUNTY ACCOMMODATIONS TAXES

WHEREAS, County Council having considered the matters brought before it and finding it in the best interest of the citizens and residents of Beaufort County to make such amendments to the Beaufort County Code of Ordinances to provide for accounting transparency and to identify the Greater Bluffton Chamber of Commerce as a Designated Marketing Organization.

NOW, THEREFORE, BE IT ORDAINED, by Beaufort County Council that the Beaufort County Code of ordinances Section 66-26 et. seq. Is hereby amended as provided below, wherein the 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
Interim County Administrator
County Attorney

ATTEST:

Connie L. Schroyer, Clerk to Council

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

DIVISION 1. - GENERALLY

Sec. 66-26. - Purpose.

The purpose of the accommodations tax board shall be to advise the county council in matters concerning the expenditure of revenues received by the county by means of a two-percent state tax on tourist lodging facilities; provisions of the state act require the council to comply with specified criteria for the expenditure of revenues derived from the tax, and the council wishes to comply with the provisions of the state act.

(Code 1982, § 7-21(a))

Sec. 66-27. - Membership.

Membership on the accommodations tax board shall be composed of the following:

- (1) Four members shall be selected from the hospitality industry of the county.
- (2) Two members shall be selected at the pleasure of the council.
- (3) One member shall be selected from a cultural organization.

(Code 1982, § 7-21(b)(1)—(3))

Sec. 66-28. - Meetings.

The accommodations tax board shall meet no less than four times a year.

(Code 1982, § 7-21(b)(4))

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~~ divided with ~~half~~ one-third (1/3) going to the Greater Beaufort-Port Royal Convention and Visitors Bureau and ~~half~~ one-third (1/3) going to the Hilton Head - Bluffton Chamber of Commerce and one-third (1/3) going to the Greater Bluffton Chamber of Commerce, which ~~as the council hereby designates the Greater Beaufort-Port Royal Convention and 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 detailed 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 accounting shall include but not be limited to IRS form 990s from the organization receiving county funds, audited year-end financial statements, profit and loss statements and any other documentation in which the Finance Committee may request. The ~~final reports~~ accounting from the ~~two~~ DMOs shall be presented at the August ~~finance~~ 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~~ upon adoption by County Council.

(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.

Sec. 66-30. Inspections and Audits.

(a) For the purpose of enforcing the provisions of this article, the license official or other authorized agent of the County of Beaufort, South Carolina, is empowered to enter upon the

premises of any person or establishment subject to this article to make inspections, examine and audit books and records of such person or establishment.

(b) It shall be unlawful for any person to fail or refuse to make available the necessary books and records during normal business hours upon 24 hours' written notice. In the event that the audit reveals that false information has been filed by the remitter, the costs of the audit shall be added to the correct amount determined to be due in addition to the penalties provided herein. The license official may make systematic inspections of all businesses within the unincorporated areas of the County of Beaufort, South Carolina, to ensure compliance with this chapter.

(Code 1982, § 7-21(c); [Ord. No. 2009/15, 3-30-2009](#); [Ord. No. 2018/21, 6-11-2018](#))

Secs. 66-3~~10~~—66-40. - Reserved.

DIVISION 2. - ACCOMMODATIONS (3%) TAX

Sec. 66-41. - Authority.

This article is enacted pursuant to the authority S.C. Code § 4-9-30 (1976, as amended) which provides that the county may adopt all ordinances which appear necessary and proper for the security, general welfare and convenience of the county and for the preservation of the general health, peace and order in the county and S.C. Code § 6-1-500 et seq. (1976, as amended) which expressly provides authorization for the imposition of a local accommodations tax.

(Ord. No. 2002-11, § 1, 3-11-2002; [Ord. No. 2005/10, § 1, 3-28-2005](#))

Sec. 66-42. - Local (3%) accommodations tax—definitions.

(a) *Tourist* and *transient* means a person traveling to and staying in places outside his or her usual environment for one night or more for leisure, business, or any other purpose for consideration within the unincorporated areas of Beaufort County, South Carolina. A person meeting this definition may be staying in places of public accommodations such as hotels,

motels, inns, condominium, bed and breakfasts, tourist courts, campgrounds or the residences of family or friends for consideration.

- (b) *Local accommodations tax* means a tax on the gross proceeds derived from the rental or charges for any rooms, campground spaces, lodgings, or sleeping accommodations furnished to transients by any hotel, inn, tourist court, tourist camp, motel, campground, residence or any place in which rooms, lodgings, or sleeping accommodations are furnished to transients for consideration. This tax does not apply where the facilities consist of less than six sleeping rooms, contained on the same premises, which is used as the individual's place of abode. The gross proceeds derived from the lease or rental of sleeping accommodations supplied to the same person for a period of 90 continuous days are not considered proceeds from transients. The tax imposed herein does not apply to additional guest charges as defined in S.C. Code § 12-36-920(B) (1976, as amended).
- (c) A local accommodations tax equal to three percent is hereby imposed on the gross proceeds derived from the rental of any room(s) (excluding meeting rooms) as provided above.

(Ord. No. 2002-11, § 2, 3-11-2002; [Ord. No. 2005/10, § 2, 3-28-2005](#) ; [Ord. No. 2009/15, 3-30-2009](#))

Sec. 66-43. - Payment of local (3%) accommodations tax.

- (a) Payment of the local accommodations tax established herein shall be the liability of the consumer of the services described herein. The local accommodations tax shall be paid at the time of delivery of the services to which the local accommodations tax applies, and shall be collected by the provider of the services.
- (b) The county shall provide a local accommodations tax return, which shall be utilized by the provider of the services to calculate the amount of local accommodation taxes collected and due. Payment shall be made to Beaufort County and shall be made at the same time the return is required to be filed as provided below.

Real estate agents, brokers, corporations, or listing services required to remit taxes under this article must notify the county if rental property, previously listed by them, is dropped from their listings. The notice shall be on a form provided by the county.

- (c) The local accommodations tax collected by the provider of the services as required herein shall be remitted to the County of Beaufort, South Carolina, as follows:
 - (1) Payment shall be collected and remitted monthly starting January 1, 2010 and each month thereafter.
 - (2) Payments are due on or before the twentieth day following the end of the filing period.
- (d) An interest-bearing restricted account, kept in a separate fund segregated from the county's general fund and to be known as "The County of Beaufort, South Carolina, Local Accommodations Tax Account" is hereby established. All revenue and interest generated by the local accommodations tax shall be deposited into this account. "The County of Beaufort, South Carolina, Local Accommodations Tax Account," shall be controlled by the county administrator for the County of Beaufort, South Carolina. The principal and any accrued interest thereon shall be spent only as provided herein.
- (e) Deposits into "The County of Beaufort, South Carolina, Local Accommodations Tax Account" may also include appropriations from the general fund by the county council and voluntary contributions of money and other liquid assets from any source. Once any such funds are so deposited, the funds become dedicated funds and may only be spent as provided herein.

(Ord. No. 2002-11, § 3, 3-11-2002; [Ord. No. 2005/10, § 3, 3-28-2005](#) ; [Ord. No. 2009/15, 3-30-2009](#) ; [Ord. No. 2009/36, 10-12-2009](#))

Sec. 66-44. - Permitted uses of local (3%) accommodations tax funds.

- (a) The county council is hereby authorized to utilize the funds collected from the imposition and collection of the local accommodations tax and other funds deposited into "The County of Beaufort, South Carolina, Local Accommodations Tax Account." The revenue generated by the local accommodations tax must be used exclusively for the following purposes:

- (1) Tourism-related buildings, including, but not limited to, civic centers, coliseums, and aquariums;
 - (2) Cultural, recreational, or historic facilities;
 - (3) River/beach access and renourishment;
 - (4) Highways, roads, streets, bridges and boat ramps providing access to tourist destinations;
 - (5) Advertisements and promotions related to tourism development;
 - (6) Water and sewer infrastructure to serve tourism-related demand; and
 - (7) The operation and maintenance of those items provided in (a)(1) through (a)(6) above, including police, fire protection, emergency medical services, and emergency-preparedness operations directly attendant to those facilities.
 - (8) For all other proper purposes including those set forth herein.
- (b) Authorization to utilize any funds from the "County of Beaufort, South Carolina, Local Accommodations Tax Account," shall be by ordinance duly adopted by the county council for the County of Beaufort, South Carolina.

(Ord. No. 2002-11, § 4, 3-11-2002; [Ord. No. 2005/10, § 4, 3-28-2005](#) ; [Ord. No. 2009/15, 3-30-2009](#))

Sec. 66-45. - Inspections and audits.

- (a) For the purpose of enforcing the provisions of this article, the license official or other authorized agent of the County of Beaufort, South Carolina, is empowered to enter upon the premises of any person or establishment subject to this article to make inspections, examine and audit books and records of such person or establishment.
- (b) It shall be unlawful for any person to fail or refuse to make available the necessary books and records during normal business hours upon 24 hours' written notice. In the event that the audit reveals that false information has been filed by the remitter, the costs of the audit shall be added to the correct amount determined to be due in addition to the penalties provided herein. The license official may make systematic inspections of all businesses within the

unincorporated areas of the County of Beaufort, South Carolina, to ensure compliance with this chapter.

(Ord. No. 2002-11, § 5, 3-11-2002; [Ord. No. 2005/10, § 5, 3-28-2005](#); [Ord. No. 2009/36, 10-12-2009](#))

Sec. 66-46. - Violations and penalty.

(a) It shall be a violation of this chapter to:

- (1) Fail to collect the local accommodations tax in connection with the rental of accommodations to tourists or transients as set forth herein.
- (2) Fail to remit to the County of Beaufort, South Carolina, any local accommodations taxes collected pursuant to this article by the twentieth day of the following month, as set forth herein.
- (3) Knowingly provide false information on a return submitted to the County of Beaufort, South Carolina, as set forth herein.
- (4) Fail or refuse to provide books and records to an authorized agent of the County of Beaufort, South Carolina, for the purpose of an examination or audit upon 24 hours' written notice as provided herein.

(b) In the event that local accommodations taxes are not timely remitted to the County of Beaufort, South Carolina as provided herein, the person or establishment failing to remit shall also pay a penalty equal to one and one-half percent of the unpaid amount for each month or portion thereof that such taxes remain unpaid.

(c) A person or establishment failing or refusing to timely file a return and make appropriate payment and/or provide books and records as provided herein may be subject to a conviction for a violation hereof. The violator shall be guilty of a misdemeanor and subject to the penalties provided in section 1-6 of the Code of the County Council of Beaufort County, South Carolina.

- (d) Upon identification of a delinquent account, the director of business license or his/her designee has the authority to establish payment plans, revenue procedures, and reduce or waive penalties based on the revenue procedures as adopted with this amendment.

(Ord. No. 2002-11, § 6, 3-11-2002; [Ord. No. 2005/10, § 6, 3-28-2005](#); [Ord. No. 2009/36, 10-12-2009](#))

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 Greater Beaufort-Port Royal Convention and 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) One hundred thousand dollars shall be allocated to the Greater Bluffton Chamber of Commerce for advertising, promotion and events to increase tourism within the county

~~(34)~~ 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.

~~(45)~~ Funds shall be distributed to the ~~designated~~ organizations listed above on a quarterly basis no later than 30 days after the end of the quarter.

(~~56~~) 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~~above listed organizations 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. The accounting shall include but not be limited to IRS form 990s from the organization receiving county funds, audited year-end financial statements, profit and loss statements and any other documentation in which the Finance Committee may request. The accounting from the above listed organizations shall be presented at the August Finance Committee meeting.

(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](#); [Ord. No. 2018/22, 6-11-2018](#).)

Sec. 66-48. - Applicability and effective date.

(a) This division shall become effective on October 12, 2009.

- (b) The business license department is authorized to adopt guidelines, policies and procedures to implement this division.

([Ord. No. 2009/36, 10-12-2009](#))

Sec. 66-49. - Severability.

If any part of the ordinance is held by a court of competent jurisdiction be unconstitutional, illegal, or invalid for any reason, it shall be construed to have been the legislative intent of the County Council of Beaufort County, South Carolina, to pass this Ordinance [Ord. No. 2009/36] without such unconstitutional, illegal or invalid provision, and the remainder of this division shall be deemed and held to be constitutional, lawful and valid as if such portion had not been included. If this division or any provision thereof is held by a court of competent jurisdiction to be inapplicable to any person, group of persons, property, kind of property, circumstances, or set of circumstances, such holding shall not affect the applicability thereof to any other persons, property or circumstances.

([Ord. No. 2009/36, 10-12-2009](#))

Sec. 66-50. - Reserved.