

COUNTY COUNCIL OF BEAUFORT COUNTY

ADMINISTRATION BUILDING
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VICE CHAIRMAN

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JOSHUA A. GRUBER
COUNTY ATTORNEY

SUZANNE M. RAINEY
CLERK TO COUNCIL

AGENDA FINANCE COMMITTEE

Monday, May 14, 2012

1:30 p.m.

Conference Room, Building 2
Beaufort Industrial Village
102 Industrial Village Road, Beaufort

Committee Members:

Stu Rodman, Chairman
Rick Caporale, Vice Chairman
Steven Baer
Brian Flewelling
William McBride
Paul Sommerville
Jerry Stewart

Staff Support

Bryan Hill, Deputy County Administrator
David Starkey, Chief Financial Officer

1. CALL TO ORDER – 1:30 P.M.
2. MILITARY ENHANCEMENT COMMITTEE FUNDING REQUEST ([backup](#))
3. CONSIDERATION OF CONTRACT AWARDS
 - A. Request to Purchase State Contract Items and Non-competitive Items from approved vendors for the Beaufort County MIS Department and Beaufort County Sheriff's Office ([backup](#))
 - B. Request to Purchase from State and Non-competitive Contracts for Items over \$25,000 for Beaufort County MIS Department ([backup](#))
 - C. Request to Purchase Homeland Security Grant Items from the General Administrative Services (GSA) Contract for the Beaufort County EMS Department ([backup](#))
 - D. Request to Purchase a 2013 Ford Explorer from State Contractor for Beaufort County Solid Waste Department from Benson Ford ([backup](#))
4. PRESENTATIONS / DESIGNATED MARKETING ORGANIZATIONS' BUDGET PROPOSALS – 2:00 P.M. ([backup](#))
 - A. Beaufort Regional Chamber of Commerce
 - B. Hilton Head Island / Bluffton Chamber of Commerce
5. DISCUSSION / BUDGET ITEMS REFERRED FROM AIRPORTS BOARD
6. CONTINUING DISCUSSION / FY 2013 COUNTY BUDGETS
7. CONTINUING DISCUSSION / GENERAL FUND BALANCE POLICY PROPOSAL ([backup](#))
8. CONSIDERATION OF REAPPOINTMENTS AND APPOINTMENTS
 - A. Tax Equalization Board

9. ADJOURNMENT

Open and Priority Retreat Items
Transfer Station Analysis
Road Financing
Burton Wells Regional Park Financing
Sports Complex Economic Analysis

2013 Budget Cycle
Business License Fees
2014 Millage Policy
Joint Use of School Facilities
Airport Business Plan
Beaufort Memorial Hospital

A quorum of Council may be in attendance at all Committee meetings.

Please silence your cell phone during the meeting.



Rec 4.4.12
cc



M E C

MILITARY ENHANCEMENT
COMMITTEE

April 4, 2012

The Honorable Weston Newton
Chairman, Beaufort County Council
P.O. Drawer 1228
Beaufort, SC 29901

Dear Chairman Newton:

This letter is to request \$250,000 in funding for the Military Enhancement Committee. This committee is the governing body through which the local governments in Beaufort County and the business community partner on advocating to keep and grow our three military installations.

The MEC is typically most active during Base Realignment and Closure proceedings and has successfully worked to maintain the three installations. In recent months, the Secretary of Defense has requested Congress to authorize BRAC rounds in 2013 and 2015.

Our three local installations have an annual combined economic impact of more than \$1.2 billion for our county. Our other major economic driver is tourism, which is significantly impacted by graduations at Parris Island. Marine Corps graduations account for nearly half of all visitors to northern Beaufort County.

Leaders in North Carolina, and other neighboring states, are well underway in efforts to defend *their* installations from the threat of BRAC. South Carolina is well behind our neighbors, and competitors, but has begun to take strides towards catching up. In February, Governor Haley stood up the Military Base Task Force. The MEC has also continued its efforts to stay informed on the issues facing our installations, but the time has come to *increase* those efforts to include local public relations and potentially lobbying efforts in Washington.

We will be approaching all our local governments for financial support in maintaining and enhancing these important economic drivers in Beaufort County and our community's role in our national defense. We will also be engaging our local business community for financial and community support of our efforts.

We appreciate your support in this endeavor. If you need any more information, please don't hesitate to contact me.

Sincerely,

Blakely Williams
President & CEO

Beaufort Regional Chamber of Commerce and staff support for the Military Enhancement Committee



COUNTY COUNCIL OF BEAUFORT COUNTY
PURCHASING DEPARTMENT

Building 2, 102 Industrial Village Road
Post Office Drawer 1228, Beaufort, SC 29901-1228
Phone: (843) 255-2353 Fax: (843) 255-9437

TO: Councilman Stewart H. Rodman, Chairman, Finance Committee

VIA: Gary Kubic, County Administrator *GKubic*
Sheriff P. J. Tanner, Beaufort County Sheriff *WJH*
Bryan Hill, Deputy County Administrator *BHill*
David Starkey, Chief Financial Officer *DStarkey*
Dan Morgan, MIS Director *DMorgan*

FROM: Dave Thomas, CPPO, Purchasing Director *DThomas*

SUBJ: Request to Purchase State Contract Items and Non-competitive Items from approved vendors for the Beaufort County MIS Department and the Beaufort County Sheriff's Office.

DATE: April 25, 2012

BACKGROUND: The Purchasing Department received requisitions from the Beaufort County MIS Department and the Sheriff's Office to purchase computer software and equipment. The first purchase request from the MIS department is to purchase the new VMware virtualization technology software, service, and equipment from Entre Solutions, a state contract vendor. This will allow MIS to upgrade our aging Voice over IP (VOIP) telephone environment. Cisco markets this technology as Cisco Unified Computing Servers (UCS). This purchase will allow MIS to run up to four virtual server environments on a single server platform. The second purchase request from MIS is to purchase an annual service contract for the County's Storage Area Network (SAN), which includes equipment upgrades directly from Hewlett Packard.

The first purchase request from the Sheriff's Office is to purchase twenty Flashback 2 "in car video systems" from L3 Communications, a state contract vendor. This purchase will allow the Sheriff's Office to replace some of the older video systems. The second purchase request from the Sheriff's Office is to purchase Hewlett Packard computer upgrades and service plans from New Century Systems, Inc, a state contract vendor. This purchase will replace twenty desktop computers, twenty six laptop computers, and provide a four year service plan for each computer.

<u>STATE CONTRACT/NON-COMPETITIVE VENDORS:</u>	<u>Cost</u>	<u>Project</u>
1. Entre Solutions, Savannah, GA	\$47,736	VMware Virtualization
2. Hewlett Packard, Roseville, CA	\$55,044	SAN Annual Maintenance
3. L3 Communications, Boonton, NJ	\$96,193	In Car Video Replacements
4. New Century Systems, Charlotte, NC	\$59,298	Computer Upgrades

FUNDING AND COST BREAKDOWN:

1. VMware Virtualization, Account # 15080-54140, Communications Equipment, \$27,406. Account # 15080-51160, Professional Services, \$20,330. Total cost: \$47,736.
2. HP Annual Maintenance for SAN, Account # 15080-51110, Maintenance Contracts. Total: \$55,044
3. In Car Video Replacements, Account # 21052-52610, Data Processing Equipment. Total: \$96,193
4. Computer Upgrades, Account# 21051-52610, \$43,180 and 21052-52610, Data Processing Equipment, \$12,240, plus a tax of \$3,878 for a total cost of \$59,298.

RECOMMENDATION: The Finance Committee approve and recommend to County Council approval of the purchases from the aforementioned vendors for a total amount of \$258,271.

cc: Elizabeth Wooten, Richard Dimont



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TO: Councilman Stewart H. Rodman, Chairman, Finance Committee

VIA: Gary Kubic, County Administrator *GKubic*
Bryan Hill, Deputy County Administrator
David Starkey, Chief Financial Officer *DS*
Dan Morgan, MIS Director *for Dan Morgan* *Woot* (Mike Taylor)

FROM: Dave Thomas, CPPO, Purchasing Director *DT*

SUBJ: Request to Purchase from State and Non-competitive Contracts for Items over \$25,000 for Beaufort County's MIS Department.

DATE: May 9, 2012

BACKGROUND: The Purchasing Department received requisitions over \$25,000 from the MIS Department requesting to purchase items from State and Non-competitive contracts. The first purchase request from the MIS Department is to purchase Image software from Pictometry. This purchase will allow GIS to continue to use the imagery software in support of County Departments. This software collects the data used in support of disaster recovery and other data analysis projects. The second purchase request from MIS is to purchase from State contract the UPS refresh equipment and warranties from Graybar. This is in support of our UPS refresh project.

<u>STATE CONTRACT/NON-COMPETITIVE VENDORS:</u>	<u>Cost</u>	<u>Project</u>
1. Pictometry, Rochester, NY	\$75,270	Imagery Software Update
2. Graybar, Savannah, GA	\$54,938	UPS Refresh Project

FUNDING AND COST BREAKDOWN:

1. Imagery Software Update, Account # 13350-51250, Aerial Photos. Total \$75,270.
2. UPS Refresh Project, Account # 15060-54140, Communication Equipment. Total: \$54,938.

RECOMMENDATION: The Purchasing Department recommends that the Finance Committee approves, and recommends to County Council, approval of the purchases from the aforementioned vendors for a total amount of \$130,208.

cc: Elizabeth Wooten, Richard Dimont



**COUNTY COUNCIL OF BEAUFORT COUNTY
PURCHASING DEPARTMENT**

Building 2, 102 Industrial Village Road
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TO: Councilman Stewart H. Rodman, Chairman, Finance Committee

VIA: Gary Kubic, County Administrator *GKubic*
Bryan Hill, Deputy County Administrator
David Starkey, Chief Financial Officer *DS*
Donna Ownby, EMS Director *DO*

FROM: Dave Thomas, CPPO, Purchasing Director *DT*

SUBJ: **Request to Purchase Homeland Security Grant Items from the General Administrative Services (GSA) Contract for the Beaufort County EMS Department.**

DATE: May 9, 2012

BACKGROUND: The Purchasing Department received requisitions over \$25,000 from the EMS Department requesting to purchase items funded by the Homeland Security Grant from the General Services Administration (GSA) contract. The first purchase request from the EMS Department is to purchase a new Lifepack 15 Monitor/Defibrillator and equipment from Physio-Control. This purchase will allow EMS to use this Cardiac Monitor/Defibrillator within the Department and with the Regional Medical Assistance Team (RMAT). The second purchase request from the EMS Department is to purchase a trailer mounted portable generator for the Regional Medical Assistance Team that can be used within the EMS Department. Both purchases are from the GSA contract and are 100% reimbursable under the South Carolina Homeland security grant for the Regional Medical Assistance Team.

GSA CONTRACT VENDORS:

	<u>Cost</u>	<u>Project</u>
1. Physio-Control, Redmond, WA	\$29,794	Lifepack 15 Monitor (RMAT)
2. Magnum Power, Berlin, WI	\$27,123	Generator & Trailer (RMAT)

FUNDING AND COST BREAKDOWN:

1. Lifepack 15 Monitor, Account # 23206-54562, 2009 RMAT Grant. Total: \$29,794.
2. Generator and Trailer, Account # 23206-54562, 2009 RMAT Grant. Total \$27,123.

RECOMMENDATION: The Purchasing Department recommends that the Finance Committee approves, and recommends to County Council, approval of the purchases from the aforementioned vendors for a total amount of \$56,917.

cc: Elizabeth Wooten, Richard Dimont



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TO: Councilman Stewart H. Rodman, Chairman, Finance Committee

VIA: Gary Kubic, County Administrator *GKubic*
Bryan Hill, Deputy County Administrator
David Starkey, Chief Financial Officer *DS*
Eddie Belemy, Public Works Director *EB*
Jim Minor, Solid Waste Director *JM*

FROM: Dave Thomas, CPPO, Purchasing Director *DT*

SUBJ: Request to Purchase a 2013 Ford Explorer from State Contract for Beaufort County's Solid Waste Department from Benson Ford.

DATE: May 9, 2012

BACKGROUND: The Purchasing Department received a requisition from the Solid Waste Department requesting to purchase a 2013 Ford Explorer from State contract. The replacement vehicle is for the Solid Waste Director. The Solid Waste Director's current vehicle was damaged beyond repair in an auto accident. The cost to replace the vehicle will be covered in full by the insurance company.

STATE CONTRACT VENDOR:

1. Benson Ford, Mercury, Easley, SC

Cost

Project

\$26,128

Vehicle Replacement

FUNDING AND COST BREAKDOWN:

1. Vehicle Replacement, Account # 33390-54000, Vehicle Purchases. Total \$26,128.
2. This purchase will be fully covered by insurance.

RECOMMENDATION: The Purchasing Department recommends that the Finance Committee approves the purchase from the aforementioned vendor for a total amount of \$26,128.

cc: Elizabeth Wooten, Richard Dimont

Beaufort County, South Carolina, Code of Ordinances >> PART I - GENERAL ORDINANCES >> Chapter 66 - TAXATION >> ARTICLE II. - ACCOMMODATIONS TAX BOARD >> DIVISION 1. - GENERALLY >>

DIVISION 1. - GENERALLY

Sec. 66-26. - Purpose.

Sec. 66-27. - Membership.

Sec. 66-28. - Meetings.

Sec. 66-29. - Powers and duties.

Secs. 66-30—66-40. - Reserved.

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 with half going to the Beaufort Regional Chamber of Commerce and half going to the Hilton Head - Bluffton Chamber of

Commerce as the council hereby designates the Beaufort Regional Chamber of Commerce and the Hilton Head - Bluffton Chamber of Commerce as the designated marketing organizations (DMOs).

-
- (a) In accordance with state law, the DMOs shall submit for approval a budget of planned expenditures. The proposed budgets from the two DMOs shall be presented at the April finance committee meeting. At the end of each fiscal year, an organization receiving funds shall render an accounting of the expenditure to the county. The final reports from the two DMOs shall be presented at the August finance committee meeting.
 - (b) Advertising expenditures using these county funds cannot be spent within Beaufort County except for notifications of festivals or other events similar in nature.
 - (c) Adoption of this section goes into effect immediately; however, any changes to this section of the Code after initial adoption shall go into effect one year from date of adoption.
- (4) (a) The remaining balance plus earned interest received by the county must be allocated to a special fund and used for tourism-related expenditures. These expenditures shall be dispersed through a grant process of which the Accommodations (2% State) Tax Board evaluates requests and makes recommendations to County Council. Grant requests must not be used as an additional source of revenue to provide services normally provided by the county, but to promote tourism and enlarge its economic benefits through advertising, promotion, and providing those facilities and services which enhance the ability of the county to attract and provide for tourists. Tourism-related expenditures include:
- i. Advertising and promotion of tourism so as to develop and increase tourist attendance through the generation of publicity;
 - ii. Promotion of the arts and cultural events;
 - iii. Construction, maintenance, and operation of facilities for civic and cultural activities including construction and maintenance of access and other nearby roads and utilities for the facilities;
 - iv. The criminal justice system, law enforcement, fire protection, solid waste collection, and health facilities when required to serve tourists and tourist facilities. This is based on the estimated percentage of costs directly attributed to tourists;
 - v. Public facilities such as restrooms, dressing rooms, parks, and parking lots;
 - vi. Tourist shuttle transportation;
 - vii. Control and repair of waterfront erosion;
 - viii. Operating visitor information centers.
- (b) Allocation must be spent within two years of receipt.

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

Secs. 66-30—66-40. - Reserved. 



COUNTY COUNCIL OF BEAUFORT COUNTY FINANCE DEPARTMENT

Post Office Drawer 1228
Beaufort, SC 29901-1228

TO: Councilman Stewart Rodman, Chairman, Finance Committee

VIA: Gary Kubic, County Administrator
Bryan Hill, Deputy County Administrator

FROM: David Starkey, CPA, Chief Financial Officer

SUBJECT: **General Fund Balance Policy Proposal**

DATE: April 30, 2012

BACKGROUND:

Beaufort County is required to adopt Governmental Accounting Standards Board (GASB) Statement 54, Fund Balance Reporting and Governmental Fund Type Definitions. These policies dictate that each governing body adopt a fund balance policy for all funds. Beaufort County Council during its last annual retreat established this item as a top fiscal priority.

RECOMMENDATION:

Beaufort County will strive to maintain an average of five (5) months of total General Fund expenditures in its unassigned fund balance at June 30 of every year*. It will take the County several years to build up this balance, which equates to approximately \$40.2 million**.

Beaufort County shall not allow its unassigned General Fund balance to fall below an average of 1.5 months worth of total General Fund expenditures at June 30 of every year. This figure is approximately \$12.1 million**.

These recommendations can be achieved/maintained by Beaufort County by not utilizing the General Fund balance (except in times of emergency) in any fiscal year. Beaufort County will monitor non-spendable, restricted, committed, and assigned balances within the General Fund to ensure these balances do not increase at the expense of the unassigned balance.

NOTES/RATIONALE:

Per GASB 45, unassigned fund balances are considered liquid assets (cash, investments that mature within 1 year, and receivables that are to be collected in less than 1 year) that are not restricted for any specific purpose (i.e. they can be utilized in any way the County sees fit in the course of its business).

* - This will allow the County to maintain enough cash on-hand to ensure that the General Fund balance would not decline to less than \$0 prior to tax bills being mailed out in November of every year. As a result, the County will not have cash flow issues in August through November (when County cash reserves are at their lowest levels) related to operating payments and reduce the County's risk of needing temporary financing to bridge the gaps to every tax billing (the use of tax anticipation notes (TANs)).

** - These figures change every year and will correspond to audited comprehensive annual financial reports (CAFRs). 1 month's expenditures are calculated by adding the total General Fund expenditures plus transfers out then dividing that number by 12.