

COUNTY COUNCIL OF BEAUFORT COUNTY  
 ADMINISTRATION BUILDING  
 100 RIBAUT ROAD  
 POST OFFICE DRAWER 1228  
 BEAUFORT, SOUTH CAROLINA 29901-1228

TELEPHONE: (843) 255-1000

FAX: (843) 255-9401

www.bcgov.net

D. PAUL SOMMERVILLE  
 CHAIRMAN

STEWART H. RODMAN  
 VICE CHAIRMAN

COUNCIL MEMBERS

CYNTHIA M. BENSCH  
 RICK CAPORALE  
 GERALD DAWSON  
 BRIAN E. FLEWELLING  
 STEVEN G. FOBES  
 WILLIAM L. MCBRIDE  
 GERALD W. STEWART  
 ROBERTS "TABOR" VAUX, JR  
 LAURA L. VON HARTEN

GARY KUBIC  
 COUNTY ADMINISTRATOR

BRYAN J. HILL  
 DEPUTY COUNTY ADMINISTRATOR

JOSHUA A. GRUBER  
 COUNTY ATTORNEY

SUZANNE M. RAINEY  
 CLERK TO COUNCIL

AGENDA  
 FINANCE COMMITTEE

Monday, January 6, 2014

1:00 p.m.

Executive Conference Room  
 Administration Building, Government Center

Committee Members:

Stu Rodman, Chairman  
 Rick Caporale, Vice Chairman  
 Brian Flewelling  
 Steve Fobes  
 William McBride  
 Jerry Stewart

Staff Support

Alicia Holland, Chief Financial Officer

1. CALL TO ORDER – 1:00 P.M.

2. DISCUSSION:

- A. An Ordinance to Establish a General Fund Reserve Policy for Beaufort County, South Carolina ([backup](#))
- B. An Ordinance to Amend Sections 2-509 and 2-512 of the Beaufort County Code of Ordinances so as to Effect Changes to the Beaufort County Purchasing Ordinance ([backup](#))
- C. An Ordinance to Amend Ordinance 2004-36 to Establish the Salaries for Various Elected and Appointed Officials ([backup](#)) ([backup](#))

3. DISCUSSION / HANGAR LEASE RATE INCREASE AT HILTON HEAD ISLAND AIRPORT/HXD ([backup](#))

4. ADJOURNMENT

2014 Budget Cycle

2014 Millage Policy



**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE TO ESTABLISH A GENERAL FUND RESERVE POLICY FOR  
BEAUFORT COUNTY, SOUTH CAROLINA**

**WHEREAS**, Beaufort County Council operates as a Council-Administrator form of government; and,

**WHEREAS**, the County Council has the power to establish by ordinance a General Fund Reserve Policy and has identified the need for such a policy as a top fiscal priority at its last two annual retreats; and,

**WHEREAS**, the County Council desires, as part of its long range financial planning, to achieve a goal of maintaining a fund balance of at least five (5) months of anticipated total General Fund expenditures as an undedicated General Fund, fund balance reserve; and,

**WHEREAS**, a formal reserve policy is recommended by various finance and accounting professional organizations and independent bond rating agencies; and,

**WHEREAS**, it is recognized by the Government Accounting Standards Board and the Government Finance Officers Association that it is prudent for local government entities to establish a formal reserve policy for General Operating Funds.

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNTY COUNCIL OF  
BEAUFORT COUNTY, SOUTH CAROLINA, THAT SECTIONS 2-403 THROUGH 2-405  
OF THE BEAUFORT COUNTY CODE OF ORDINANCES ARE HEREBY CREATED AND  
PROVIDE AS FOLLOWS:**

**SECTION 2-403.** Establishment of General Fund Reserve Policy

Beaufort County Council hereby establishes a General Fund Reserve Policy which shall require the maintenance of a fund balance of at least five (5) months of anticipated total General Fund expenditures as an undedicated General Fund, fund balance reserve.

**SECTION 2-404.** Use of General Fund Reserve Balances, Minimum Maintained Fund Balance

The General Fund, fund balance reserve may 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.

Any legislative action that results in reducing General Fund reserves below the five (5) month threshold shall contain a provision specifically authorizing the use of such reserves.

The County Administrator shall use his or her best efforts to inform the Council, when possible, and 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 reserves to decline below the five (5) month threshold.

At any other time that the Council determines that the use of General Fund reserves within the five (5) month threshold is needed for one or more of the reasons provided for in this section, the Council shall by resolution, authorize the use of such reserves.

At no time shall County Council take action which shall have the effect of reducing the General Fund, fund balance reserve to an amount below an average of two (2) months worth of total General Fund expenditures without first declaring that an emergency exists within the County thereby necessitating the use of such funds.

**SECTION 2-405.** Effective Date and Date of Compliance.

It is necessary that this Ordinance become effective immediately upon its adoption to ensure the long term financial health and stability of Beaufort County, South Carolina.

It is acknowledged that the current amount of General Fund reserves would not be sufficient to meet the five (5) month threshold established by this Ordinance. Additionally, it is anticipated that it will take several years of prudent and responsible financial management to build up the General Fund reserves in order to satisfy the goals of this policy. Therefore, Beaufort County Council shall strive to reach compliance with this stated General Fund, fund balance reserve policy within six (6) years of its adoption, or July 1, 2020, whichever is later. If Beaufort County Council shall not have reached compliance with this policy by this date, it shall, by appropriate legislation, take such actions as it may deem necessary to achieve compliance with this policy.

Adopted this \_\_\_\_ day of \_\_\_\_\_, 2014.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: \_\_\_\_\_  
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

\_\_\_\_\_  
Joshua A. Gruber, Staff Attorney

ATTEST:

\_\_\_\_\_  
Suzanne M. Rainey, Clerk to Council

First Reading:

Second Reading:

Public Hearing:

Third and Final Reading:

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE TO AMEND SECTIONS 2-509 AND 2-512 OF THE BEAUFORT COUNTY  
CODE OF ORDINANCES SO AS TO EFFECT CHANGES TO THE BEAUFORT COUNTY  
PURCHASING ORDINANCE**

**WHEREAS**, Beaufort County is required to adopt competitive purchasing policies pursuant to South Carolina Code of Laws Section 11-35-50; and

**WHEREAS**, certain requirements and limitation contained within Beaufort County's Purchasing Ordinance have not been updated since the year 1999; and

**WHEREAS**, general increases in costs as well as the rate of economic inflation have created administrative inefficiencies in terms of contracting for goods and services thereby necessitating changes to the County's Purchasing Ordinance; and

**WHEREAS**, the constitutionally elected and appointed officials within Beaufort County have inherent authority to contract for goods and services so long as they remain compliant with all necessary competitive procurement regulations and do not exceed their annual fiscal appropriations provided to them by County Council; and

**WHEREAS**, it is now in the County's best interests to update its Purchasing Ordinance to reflect these changes.

**NOW, THEREFORE, BE IT ORDAINED** by Beaufort County Council that Sections 2-509 and 2-512 of the Beaufort County Purchasing Ordinance are hereby amended as follows:

NOTE: **Underlined and bold-face typed** portions indicate additions to the County Code. ~~Stricken~~ portions indicate deletions to the County Code.

**Sec. 2-509. Authority and duties of purchasing director.**

- (a) *Principal public procurement official.* The purchasing director shall serve as the principal public procurement official of the county and shall be responsible for the procurement of supplies, services, and construction in accordance with this division, as well as the management and disposal of supplies.
- (b) *Duties.* In accordance with this division, the purchasing director shall:
  - (1) *Purchase.* Purchase all supplies, materials, equipment, and contractual services required by county agencies and perform the purchasing-related functions required of the purchasing director in this division.

- (2) *Negotiate contracts.* Negotiate contracts for personal services and submit them for approval and award as provided in this division.
  - (3) *Use standard specifications.* Use standard specifications wherever they are applicable to purchase orders and contracts, and ensure compliance with such specifications through adequate inspection of deliveries.
  - (4) *Transfer between agencies.* Transfer between agencies supplies, materials, and equipment that are no longer needed by a holding agency but that can be used by the receiving agency.
  - (5) *Exchange, trade in and sell.* Exchange, trade in or sell those supplies, materials and equipment which are surplus, obsolete or unused and which are found by the county administrator not to be required for public use.
  - (6) *Develop standard forms and conditions.* Develop, with the approval of the county attorney as to legal sufficiency, standard forms and conditions of invitations to bid and purchase orders and contracts; develop and prescribe the use by agencies of other forms required in carrying out this division, and amend or eliminate any such forms.
  - (7) *Acquire and dispose of real property.* Upon request of the county council and subject to its approval of each transaction, perform all delegable functions in connection with acquisition and disposal of real property.
  - (8) *Perform other duties.* Perform other duties as assigned by the county administrator and comptroller.
- (c) *Operational procedures.* Consistent with this division, the purchasing director shall adopt operational procedures relating to the execution of his duties.
- (d) *Dollar limitations.* Provided that funds have been preapproved by the county council as part of the budget process, an award is made to the lowest responsive and responsible bidder, the contracting authority for the county, except as otherwise provided in section 2-512 pertaining to authority to contract for certain services, section 2-513 pertaining to exemption and section 2-514 pertaining to exemption for real property, shall be as follows:
- (1) ~~Purchasing director or his designee, \$5,000.00 or less.~~

- (2) ~~(1)~~ ~~Comptroller or his designee, over \$5,000.00, but less than \$10,000.00.~~  
**Purchasing director, comptroller, chief financial officer, and deputy county administrator or his/her designee, over \$5,000.00, but less than \$10,000.00.**
- ~~(3)~~ ~~(2)~~ county administrator or his designee, over \$10,000.00, but less than ~~\$25,000.00~~  
**\$50,000.00.**
- ~~(4)~~ ~~(3)~~ Council committee, over ~~\$25,000.00~~ **\$50,000.00**, but less than ~~\$50,000.00~~  
**\$100,000.00.**
- ~~(5)~~ ~~(4)~~ The county council, ~~\$50,000.00~~ **\$100,000.00** and over.

**(e) Elected and Appointed Officials. Provided that funds have been approved by the County Council as part of the annual budget appropriation process, and that any expenditure of funds regardless of the amount will not result in a budget deficit within any elected official's office, the Sheriff, Auditor, Treasurer, Clerk of Court, Coroner, Solicitor, Public Defender, Probate Judge, and Magistrates shall be exempt from the dollar limitations on expenditure authority identified above provided that they shall comply with all of provisions of competitive purchasing as may be required by South Carolina law and the Beaufort County Purchasing Ordinance. The County Council may request such reports and information as it deems necessary and prudent on the purchasing activities of these offices to ensure compliance with these provisions.**

**Sec. 2-512. Authority to contract for certain services.**

- (a) *General authority.* Departments needing to procure the professional services of clergy, physicians, dentists or undertakers may do so on their own behalf subject to subsection 2-516(h).
- (b) *Contracts for legal services.* No contract for the services of legal counsel may be awarded without the approval of the county council **or the county administrator.**
- (c) *Auditing, consulting and other professional services.* Auditing, consulting and other professional services shall be procured in accordance with section 2-542.
- (d) *Fixed base operators, etc.* Contracts for fixed base operators and other private services operating on county airports shall be subject to the ordinance and the approval of the county council.

Adopted this \_\_\_\_ day of \_\_\_\_\_, 2014.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: \_\_\_\_\_  
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

\_\_\_\_\_  
Joshua A. Gruber, Staff Attorney

ATTEST:

\_\_\_\_\_  
Suzanne M. Rainey, Clerk to Council

First Reading:

Second Reading:

Public Hearing:

Third and Final Reading:

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE COUNTY OF BEAUFORT, SOUTH CAROLINA TO AMEND ORDINANCE NUMBER 2007/32 ESTABLISHING THE SALARIES FOR VARIOUS ELECTED AND APPOINTED OFFICIALS, SECTION 1 (EXCLUDES COUNTY COUNCIL MEMBERS).

WHEREAS, the County Council of Beaufort County has created a salary administration program for compensating elected officials; and

WHEREAS, the County Council of Beaufort County now desires to establish an entry level salary for appointed Beaufort County magistrates; and

WHEREAS, An Ordinance is the mode prescribed by law to create a salary administration program for elected and appointed officials and to establish entry level salaries for each elected and appointed official listed in Paragraph A; and

WHEREAS, the County Council of Beaufort County deems it advisable to establish an Ordinance outlining the policy for the establishment of such a plan and the entry-level salaries for each elected and appointed official referenced herein.

NOW, THEREFORE, BE IT ORDAINED by County Council of Beaufort County in a meeting duly assembled, by their authority to create such a plan and the entry-level salaries for elected and appointed officials by Ordinance to read as follows:

Whereas, Standards that are **bold and underscored** shall be added text and Standards ~~line through~~ shall be deleted text.

***SECTION 1. VARIOUS ELECTED AND APPOINTED OFFICIALS (Excludes County Council Members)***

A. **Elected and Appointed Officials.**

1. Auditor
2. Clerk of Court
3. Coroner
4. Probate Judge
5. Sheriff
6. Treasurer
- 7. Magistrate**

B. **Reelection.** An elected **or appointed** official, who is reelected and/or reappointed to his/her same office, without a break in service, will receive a five (5%) percent increase at the beginning of his/her new term of office.



C. **Appointment to Unexpired Term.** A person who is appointed to fill an unexpired term of an official will, in accordance with State Law, be compensated at the same salary of the person who was holding the office, for the remainder of that unexpired term of office.

If the appointee is subsequently elected to the same office, his/her salary will revert to the entry-level salary of that particular office, shown in paragraphs D. and E. below, when his/her elected term of office becomes effective, plus a 5% election increase.

D. **Salary.** The entry salary for each elected official is hereby established:

- Auditor -\$55,638, which excludes any other stipend paid by the County and/or State.
- Clerk of Court -\$74,138, which excludes any other stipend paid by the County and/or State.
- Coroner - \$65,344
- Probate Judge - \$91,102, which excludes any other stipend paid by the County and/or State.
- Sheriff - \$95,072, which excludes any other stipend paid by the County and/or State.
- Treasurer - \$59,735, which excludes any other stipend paid by the County and/or State.
- **Magistrate – \$75,298, which excludes any other stipend paid by the County and/or State.**

The above entry level salaries were established using the average salaries of peer counties for each position, or the current Beaufort County salary, whichever was greater.

E. **Cost of Living.** At each instance of a cost of living allowance (COLA) pay increase awarded by the Beaufort County Council, after the enactment date of this ordinance, the entry level salary of each elected office list in paragraph D. above will be increased accordingly.

F. **State Payments.** Any salary and/or stipend received from the State by any elected **or appointed** official will be incorporated into the overall compensation plan as an addition to the county-paid salary.

G. **County and/or State Salary Adjustments.** Each elected official shall receive the County's annual cost of living adjustment **if one is approved by Beaufort County Council for that fiscal year.**

Elected officials will receive mandated State salary adjustments or Council approved salary adjustments, whichever is the greater of the two.

This Ordinance shall become effective on the first full pay period in ~~September 2007~~ **February 2014.**

Adopted this \_\_\_\_ day of \_\_\_\_\_, 2014.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: \_\_\_\_\_  
D. Paul Sommerville, Chairman

REVIEWED AS TO FORM:

\_\_\_\_\_  
Joshua A. Gruber, County Attorney

ATTEST:

\_\_\_\_\_  
Suzanne M. Rainey, Clerk to Council

First Reading: December 9, 2013

Second Reading:

Public Hearing:

Third and Final Reading:

Amending 2007/32, 2004/36, 98/14, 94/12, 94/10, 88/9  
Resolution 1999/15

### Magistrates' Compensation

<u>Year</u>	<u>% of Base</u>	<u>Hourly Rate</u>	<u>Annual Cost if 100%</u>
1	80%	\$30	\$10,000
2	85%	\$32	7,500
3	90%	\$34	6,000
4	95%	\$36	2,500
5	100%	\$38	
			\$25,000

Assumptions:

1. 25 average hours per week
2. 1 turnover per year on average

EXCERPT FROM THE MINUTES  
OF THE  
AIRPORTS BOARD MEETING OF JUNE 20, 2013

**Hangar Rental Rates of Hilton Head Island Airport – Rob McFee**

**Discussion:** Mr. McFee requested a 5% increase in the hangar rental rates at the Hilton Head Island Airport. A discussion was held following the motion.

**Motion:** It was moved by Mr. Sells, seconded by Mr. Dopp that the hangar rental rates at the Hilton Head Island Airport be increased by 5%. The vote was: FOR – Mr. Buchanan, Mr. Kerr, Mr. Dopp, Mr. Spain, Mr. Smetek, Mr. Gilbert, and Mr. Sells. AGAINST – Mr. Nash. ABSENT – Mr. Mazzei, Mr. Sanders and Mr. Wedler.

# ADD-ONS

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

Topic: HXD Hangar Rental Revenue Related Debt Service  
Date Submitted: January 6, 2014  
Submitted By: Alicia Holland  
Venue: Finance Committee

HXD HANGAR RENTAL REVENUE RELATED DEBT SERVICE

	QTY	MONTHLY RATE	MONTHLY REVENUE	ANNUAL REVENUE	
T HANGARS	22	\$ 399	\$ 8,771	\$ 105,254	
CORP BOX HANGARS	3	\$ 1,185	\$ 3,555	\$ 42,665	
LARGE BULK HANGAR	1	\$ 2,431	\$ 2,431	\$ 29,172	
				<b>\$ 177,091</b>	
BEAUFORT COUNTY/HXD AIRPORT				\$ 150,527	85%
SIGNATURE FLIGHT SUPPORT				\$ 26,564	15%
<b>ANNUAL DEBT SERVICE</b>				<b>\$ 126,535</b>	
MATURITY DATE:					
		6/30/2032			