

COUNTY COUNCIL OF BEAUFORT COUNTY

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COUNTY ADMINISTRATOR

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DEPUTY COUNTY ADMINISTRATOR

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SUZANNE M. RAINEY  
CLERK TO COUNCIL

AGENDA  
FINANCE COMMITTEE

Monday, June 2, 2014

4:00 p.m.

Executive Conference Room, Administration Building  
100 Ribaut Road, Beaufort

Staff Support

Alicia Holland, Chief Financial Officer

1. CALL TO ORDER – 4:00 P.M.
2. FURTHER DISCUSSION / BOARD OF EDUCATION BUDGET
3. DISCUSSION ITEMS
  - A. Fire District Fund Balance Reserve ([backup](#))
  - B. Collection / Designation of Library Fines And Fees
  - C. Solicitor's Budget
  - D. Hilton Head Island Airport Cash Flow ([backup](#))
  - E. Employee Cost of Living Allowance
4. IF TIME ALLOWS, GENERAL DISCUSSION REGARDING THE BUDGET PROCESS (SEQUENCE OF PRESENTATIONS, START DATE, FORMATS, ETC.)
5. CONSIDERATION OF REAPPOINTMENTS AND APPOINTMENT
  - A. Accommodations Tax Board
6. ADJOURNMENT

2014 Strategic Plan: Committee Assignments

Budget Document/Process and Financial Reporting: Revision  
Debt Reserve Policy (*Goal Accomplished April 2014*)  
General Fund Fund Balance Policy (*Goal Accomplished April 2014*)  
Mitchelville Historic Site Development: Funding



FY 2015 BEAUFORT COUNTY FIRE DISTRICT FUND BALANCE ANALYSIS

	<u>Lady's Island/ St. Helena</u>	<u>Sheldon</u>	<u>Daufuskie</u>	<u>Burton</u>	<u>Bluffton</u>
<b>Annual Operations Budget</b>	<b>\$ 5,005,100</b>	<b>\$ 1,167,548</b>	<b>\$ 1,068,509</b>	<b>\$ 5,557,451</b>	<b>\$ 10,955,243</b>
Monthly Operations Budget	\$ 417,092	\$ 97,296	\$ 89,042	\$ 463,121	\$ 912,937
Target Fund Balance <sup>1</sup>	\$ 834,183	\$ 194,591	\$ 178,085	\$ 926,242	\$ 1,825,874
<b>Current Fund Balance as of 6/30/2013</b>	<b>\$ 1,265,768</b>	<b>\$ 434,348</b>	<b>\$ 122,466</b>	<b>\$ 1,930,442</b>	<b>\$ 3,363,009</b>
Variance - Current versus Target	\$ 431,585	\$ 239,757	\$ (55,619)	\$ 1,004,200	\$ 1,537,135

Note 1: The Government Finance Officers Association (GFOA) recommends a minimum fund balance in the amount of two (2) months of operating expenditures. This amount is equivalent to 16.67% of operating expenditures.

BEAUFORT COUNTY, SOUTH CAROLINA  
STATEMENT OF CASH FLOWS  
HILTON HEAD ISLAND AIRPORT  
For the Year Ended June 30,

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Cash Flows from Operating Activities:				
Cash Received from Customers and Users	\$ 1,976,619	\$ 1,448,914	\$ 1,947,251	\$ 1,140,125
Cash Paid to Employees	(876,591)	(839,245)	(858,549)	(909,783)
Cash Paid to Suppliers	<u>(860,361)</u>	<u>(539,584)</u>	<u>(1,007,178)</u>	<u>(336,426)</u>
Total Provided By (Used For) Operating Activities	<u>239,667</u>	<u>70,085</u>	<u>81,524</u>	<u>(106,084)</u>
Cash Flows from Noncapital Financing Activities:				
FAA Grants	481,022	1,031,178	79,398	420,103
Non-Operating Grant Expenses	(506,339)	(1,085,450)	(83,577)	(442,214)
Principal Payment on Note Payable	<u>(47,725)</u>	<u>(45,411)</u>	<u>(43,209)</u>	<u>(41,115)</u>
Interest Paid on Note Payable	<u>(78,810)</u>	<u>(81,124)</u>	<u>(83,325)</u>	<u>(85,420)</u>
Total Used For Noncapital Financing Activities	<u>(151,852)</u>	<u>(180,807)</u>	<u>(130,713)</u>	<u>(148,646)</u>
Cash Flows from Capital and Related				
Financing Activities:				
FAA Grants	685,834	561,475	1,327,173	339,952
SCAC Grants	-	12,898	-	123,584
Contribution from (Distribution to) the Town of Hilton Head Island	-	(130,326)	28,678	118,154
Transfers from General Fund	-	-	12,500	150,000
Transfer received from Lady's Island Airport	-	-	-	240,000
Proceeds from Sale of Capital Assets	875	-	2,743	705
Purchase of Capital Assets	<u>(774,707)</u>	<u>(340,074)</u>	<u>(1,326,474)</u>	<u>(754,189)</u>
Total Provided By (Used For) Capital and Related Activities	<u>(87,998)</u>	<u>103,973</u>	<u>44,620</u>	<u>218,206</u>
Cash Flows from Investing Activities:				
Interest Earned	<u>183</u>	<u>6,749</u>	<u>4,569</u>	<u>36,524</u>
Net Increase in Cash and Cash Equivalents	-	-	-	-
Cash and Cash Equivalents, July 1	<u>200</u>	<u>200</u>	<u>200</u>	<u>200</u>
Cash and Cash Equivalents, June 30	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 200</u>

BEAUFORT COUNTY, SOUTH CAROLINA  
STATEMENT OF CASH FLOWS  
HILTON HEAD ISLAND AIRPORT  
For the Year Ended June 30,

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Reconciliation of Operating Income to Net Cash				
Flows Provided by (Used for) Operating Activities:				
Operating Income (Loss)	\$ (74,349)	\$ (458,625)	\$ (439,897)	\$ (462,427)
Adjustments to Reconcile:				
Depreciation	<u>559,004</u>	<u>600,176</u>	<u>555,056</u>	<u>546,107</u>
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	70,769	(162,680)	363,000	(428,561)
(Increase) Decrease in Other Current Assets	(7,892)	(7,883)	(12,225)	(88)
Increase (Decrease) in Accounts Payable	(49,987)	151,900	(271,887)	156,021
Increase (Decrease) in Due to General Fund	(291,463)	(127,013)	(139,072)	37,389
Increase (Decrease) in Accrued Payroll	(12,894)	14,408	(25,264)	1,405
Increase (Decrease) in Accrued				
Compensated Absences	(8,152)	476	(2,225)	763
Increase (Decrease) in Net Other				
Postemployment Benefits Obligation	<u>54,631</u>	<u>59,326</u>	<u>54,039</u>	<u>43,307</u>
	<u>(244,988)</u>	<u>(71,466)</u>	<u>(33,634)</u>	<u>(189,764)</u>
Net Cash Flow Provided by (Used for)				
Operating Activities	<u>\$ 239,667</u>	<u>\$ 70,085</u>	<u>\$ 81,525</u>	<u>\$ (106,084)</u>

# 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: School District Historical Tax Collections  
Date Submitted: June 2, 2014  
Submitted By: Phyllis White  
Venue: Finance Committee

**Beaufort County School District  
Historical Tax Collections**

**Includes Tier III  
and 2014 Projected**

<b>Fiscal Year</b>	<b>Actual</b>	<b>Budget*</b>	<b>Excess/ (Shortfall)</b>	<b>% Collected</b>	<b>Excess/ (Shortfall)</b>	
FY 1999	47,542,086	48,741,370	(1,199,284)	97.5%	(1,199,285)	
FY 2000	59,992,553	58,335,756	1,656,797	102.8%	1,656,796	
FY 2001	69,788,736	70,638,247	(849,511)	98.8%	(849,512)	
FY 2002	74,262,640	72,293,887	1,968,753	102.7%	1,968,752	
FY 2003	84,412,234	85,422,345	(1,010,111)	98.8%	(1,010,112)	
FY 2004	89,218,345	91,239,397	(2,021,052)	97.8%	(2,021,053)	
FY 2005	98,074,782	95,533,047	2,541,735	102.7%	2,541,734	
FY 2006	103,163,579	104,223,866	(1,060,287)	99.0%	(1,060,288)	
FY 2007	127,538,347	128,766,995	(1,228,648)	99.0%	(1,228,649)	
FY 2008	107,261,732	108,309,905	(1,048,173)	99.0%	(1,048,174)	
FY 2009	115,525,593	116,831,859	(1,306,266)	98.9%	(1,306,267)	
FY 2010	111,081,520	113,573,692	(2,492,172)	97.8%	(2,492,173)	
FY 2011	110,913,250	116,061,002	(5,147,752)	95.6%	(5,147,753)	
FY 2012**	111,989,122	111,193,370	795,752	100.7%	(1,289,169)	98.8%
FY 2013**	113,707,332	114,078,285	(370,953)	99.7%	(766,270)	99.3%
FY 2014***	107,129,597	114,868,815	(7,739,218)	93.3%	(5,054,228)	95.6%
<b>Shortfall Total</b>			<b>(18,510,390)</b>		<b>(18,305,651)</b>	
Shortfall from 2009 forward						(16,055,860)

\*discounted at 97% after 2008

\*\*TIF amounts due under Act 388 deducted from Tier III (\$2,084,920) - actual collections short \$1,289,1698 in 2012; \$766,269 in 2013

\*\*\*Year-to-Date through April

Topic: 4% and 6% Comparison  
Tax year 2005 - 2012 as of December 31, 2012

Date Submitted: June 2, 2014

Submitted By: Stu Rodman

Venue: Finance Committee



**Beaufort County**  
**4% and 6% Comparison**  
**Tax Years 2005 - 2012 as of December 31, 2012**

**Note:** Tax year data is calculated as of August 31, 2010, unless otherwise noted.

Tax Year	4% Count	6% Count	Percentage of 4% Property by Count	Percentage of 6% Property by Count	4% Assessed Value	6% Assessed Value	Percentage of 4% Property by Value	Percentage of 6% Property by Value
2005	32,337	95,326	25.3%	74.7%	320,424,346	981,447,773	24.6%	75.4%
2006	36,430	90,977	28.6%	71.4%	367,315,876	1,008,076,084	26.7%	73.3%
2007	40,907	86,247	32.2%	67.8%	419,420,112	1,021,867,430	29.1%	70.9%
2008	46,229	80,375	36.5%	63.5%	495,486,299	1,040,381,110	32.3%	67.7%
2009*	47,511	78,736	37.6%	62.4%	570,933,926	1,136,706,241	33.4%	66.6%
2010**	46,166	80,521	36.4%	63.6%	576,600,608	1,137,988,094	33.6%	66.4%
2011***	46,269	80,087	36.6%	63.4%	581,483,704	1,138,598,107	33.8%	66.2%
2012****	45,010	81,194	35.7%	64.3%	562,085,276	1,170,669,126	32.4%	67.6%

Tax Year	4% Count	6% Count	Change Percentage of 4% Property by Count	Change Percentage of 6% Property by Count	4% Assessed Value	6% Assessed Value	Change Percentage of 4% Property by Value	Change Percentage of 6% Property by Value
2005	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2006	4,093	(4,349)	3.3%	-3.3%	46,891,530	26,628,311	2.1%	-2.1%
2007	4,477	(4,730)	3.6%	-3.6%	52,104,236	13,791,346	2.4%	-2.4%
2008	5,322	(5,872)	4.3%	-4.3%	76,066,187	18,513,680	3.2%	-3.2%
2009*	1,282	(1,639)	1.1%	-1.1%	75,447,627	96,325,131	1.2%	-1.2%
2010**	(1,345)	1,785	-1.2%	1.2%	5,666,682	1,281,853	0.2%	-0.2%
2011***	103	(434)	0.2%	-0.2%	4,883,096	610,013	0.2%	-0.2%
2012****	(1,259)	1,107	-1.0%	1.0%	(19,398,428)	32,071,019	-1.4%	1.4%

\* - Tax year 2009 was a reassessment year and the data is as of June 30, 2011.

\*\* - Tax year 2010 data is as of June 30, 2012. Per the Beaufort County Assessor there are still tax year 2010 appeals outstanding as of December 31, 2012.

\*\*\* - Tax year 2011 data is as of October 31, 2012. Per the Beaufort County Assessor there are still tax year 2011 appeals outstanding as of December 31, 2012.

\*\*\* - Tax year 2012 data is as of December 31, 2012. Per the Beaufort County Assessor there are still tax year 2012 appeals outstanding as of December 31, 2012. Furthermore, there were approximately 1,425 6% to 4% applications outstanding as of January 15, 2013 (the last day to make a tax year 2012 application). Once processed, most of these applications will change from 6% to 4%.