



# Lowcountry Council of Governments

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Lowcountry Regional Development Corporation • Lowcountry Workforce Investment Area  
Lowcountry Economic Development District • Lowcountry Regional HOME Consortium  
Lowcountry Aging & Disability Resource Center/ Area Agency on Aging  
Lowcountry Area Transportation Study

## MEMORANDUM

TO: LCOG Board of Directors  
FROM: Sabrena Graham/Executive Director  
SUBJECT: Board Meeting Notice  
DATE: January 16, 2015 (Revised 01/20/15 \*)

The regular monthly LCOG Board meeting will be held at 6:30 p.m. on Thursday, January 22, 2015 at our Point South office. The fellowship period will begin at 6:00 p.m. Please use the enclosed proxy if you are unable to attend.

## Revised Agenda \*

- I. Call to Order.
  1. Pledge of Allegiance
  2. Invocation
  3. Welcome New Members – City of Beaufort Council Member Phil Cromer\* and Beaufort County Council Member Alice Howard
  4. Introduction of Guests and Staff
  5. Proxies
  6. Action on October 23, 2014 Minutes (Enclosed)
  7. Action on 2015 Meeting Schedule (Enclosed)
  8. Presentation to Retiring Board Member Tabor Vaux
- II. Old Business.
  1. US17 – SC68 Update – Ginnie Kozak  
(LCOG Planning Director will brief the Board on actions taken at the January 9, 2015 LATS Policy Committee meeting.)
- III. New Business.
  1. Lowcountry Regional Development Corporation (LRDC) Annual Meeting – Sabrena Graham and Michelle Knight
  2. Lowcountry Regional Development Corporation (LRDC) Audit – Lisa Wechsler / Crowley Weschler & Associates.  
(Our independent auditor will present its report on our affiliate development corporation for its fiscal year ended September 30, 2014. The draft report is enclosed.)
- IV. Reports.
  1. December Finance Report – Sherry Smith
  2. Community and Economic Development Report – Michelle Knight
  3. Director's Report – Sabrena Graham
  4. 208 Report – For Information
  5. Regional Unemployment Chart – For Information

V. Council Time.

VI. Adjourn.

LOWCOUNTRY COUNCIL OF GOVERNMENTS  
BOARD OF DIRECTORS MEETING  
October 23, 2014  
6:30 p.m.

MINUTES

	<u>PRESENT:</u>	<u>ABSENT:</u>
<b>BEAUFORT COUNTY:</b>	Brian Flewelling Mary Beth Heyward Bill McBride Joseph McDormick Jerry Stewart Lisa Sulka George Williams	Gerald Dawson (Proxy to B. McBride) Marc A. Grant Billy Keyserling (Proxy to B. Flewelling) Jim Outlaw (Proxy to B. Flewelling) Tabor Vaux (Proxy to L. Sulka)
<b>COLLETON COUNTY:</b>	Esther S. Black Bobby Bonds Jane Darby Gene Whetsell	Joe Flowers (Proxy to G. Whetsell) Thomas (Tommy) Mann Evon Robinson (Proxy to E. Black)
<b>HAMPTON COUNTY:</b>	Frankie Bennett James (Pete) Hagood Travis L. (Pete) Mixson Charles (Buddy) Phillips Nat Shaffer	
<b>JASPER COUNTY:</b>	Henry Etheridge Carolyn Kassel Henry Lawton, Sr. Joey Malphrus Gwen Johnson Smith	
<b>GUESTS:</b>	John Boylston, Alan Matienzo, Roger Sears and Mike Sullivan with SCDOT; LeNolon Edge, Jasper County Director of Planning and Building Services; Sabrena P. Graham, Hampton County Administrator (and LCOG Executive Director effective January 2015); Margaret Griffith, wife of former board member Lloyd Griffith and her daughter Amy Griffith Divil; Karen Jarrett, Town of Bluffton Project Management; Mike Phillips, Hardeeville Interim City Manager; Celia Price, guest of Esther Black; Lisa Wechsler, Crowley, Wechsler & Associates; Genelle Williams, Jasper County Sun	
<b>STAFF:</b>	Chris Bickley, Michelle Knight, Ginnie Kozak, Sherry Smith, Carol Stonebraker	

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Chairman Nat Shaffer called the October 23, 2014 Lowcountry Council of Governments regular board meeting to order at 6:30 p.m. and led the Pledge of Allegiance. Pete Hagood gave the invocation. Introduction of guests and staff followed. The Chairman called for action on minutes of the September 25, 2014 meeting. Brian Flewelling made a name spelling correction, after which Pete Hagood moved to approve the minutes as corrected. The motion unanimously carried following a second from Brian Flewelling. Proxies presented by the Executive Director included Gerald Dawson to Bill McBride, Joe Flowers to Gene Whetsel, Billy Keyserling and Jim Outlaw to Brian Flewelling, Evon Robinson to Esther Black, and Tabor Vaux to Lisa Sulka. The meeting proceeded after determining a quorum was present.

Chairman Shaffer presented a plaque to George W. Williams, Jr. in recognition of his service on the LCOG Board of Directors and support of regionalism. The Chairman then presented a service award to

Margaret Griffith, widow of Lloyd H. (Tootie) Griffith, honoring Tootie's time on the Board and for serving as its Vice-Chairman July 2013-June 2014. Their daughter Amy Griffith Divel was also on hand to receive the award.

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Chairman Shaffer recognized Lisa Wechsler, partner with the COG's independent auditor Crowley, Wechsler & Associates, to present the Agency Audit for Fiscal Year Ending June 30, 2014. Advance copies were sent to board members. Ms. Wechsler submitted the report as written noting that the independent auditor's letter presents an unmodified opinion. She reviewed significant sections of the financial statements, notes, and supplementary information. The COG's Financial Reports presented to the Board throughout the year were found to be accurate and required no adjustments. Ms. Wechsler drew attention to Note 14 that details a future GASB reporting requirement revising existing standards for measuring and reporting pension liabilities. LCOG will begin implementing GASB Statement No. 68 for the fiscal year ending June 30, 2015. It will show as a long-term liability. Other than increased reporting, nothing changed for the COG or its management. The COG is meeting its obligation and no money is owed; however, future pension contributions may have to increase. Ms. Wechsler stated that the COG is a low-risk auditee; there were no findings or previous findings to report. She complimented Chris Bickley on his leadership and integrity and wished him well in retirement. Henry Lawton moved to accept the report as information, and following a second from Beth Heyward, the motion unanimously carried.

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The Chairman addressed Old Business, Item 1, and recognized Transportation Committee Chairman George Williams to review the proposed US17 – SC68 Funding scenario and report on the Committee's meeting earlier that day. A summary was sent to board members prior to the meeting.

Mr. Williams first presented Item 2, US21 – US21 Business (Paris Island Gateway Cost Increase). He reported that SCDOT revised the cost estimate based on a study of significant issues and that an additional \$620K is needed. However, the additional funding can be transferred from existing projects that are coming in under budget. Mr. Williams said the Committee recommended allocating an additional \$620K to the project. Henry Lawton moved to approve the recommendation, and Joe McDomick seconded. Three under-budget projects were identified during discussion—US21 at Shanklin Road, US21 at Gray's Hill, and US17 at SC336—where unused funds will be transferred to cover the Paris Island Gateway project. The motion unanimously carried.

Mr. Williams addressed US17 – SC68 funding, which had received considerable discussion in previous meetings. He reviewed the COG's earlier actions to approve \$20M for widening US17 in Jasper County. After learning the project's cost estimate had more than doubled, the COG, in order to protect SC68 and its other projects, acted at its June 2014 meeting to withdraw US17 widening funds and instead agreed to repave US17 from Hwy 315 to the Georgia State line. Mr. Williams said SCDOT has worked since then to develop a plan where SC68 remains funded, and the US17 widening project is funded with COG and MPO Guideshare money for a number of years. If approved, SCDOT projects the COG and MPO will not receive additional Guideshare funds for future projects through 2021. Mr. Williams said the Committee recommends rescinding the Board's action in June regarding US17 and then approving the US17 and SC68 funding scenario.

During discussion it was confirmed SC68 remains fully funded with construction to begin in 2015 and that additional Guideshare project funding for the COG will be restricted through 2021 and for the MPO through 2022.

Brian Flewelling moved to rescind the Board's action in June to withdraw funding for the US17 project. Pete Hagood seconded the motion and it unanimously carried.

Henry Etheridge moved to approve the US17 and SC68 funding scenario, and Joey Malphrus seconded the motion. Discussion followed regarding the projects and wording of the motion. It was also confirmed SCDOT intends to continue looking for other funding sources for the US17 project. Afterwards, Mr. Etheridge withdrew his motion with everyone in agreement. He then moved to approve all Guideshare

funding of projects, including SC68 in Hampton County and US17 in Jasper County, as presented by Mr. Williams and as detailed in Chris Bickley's October 17, 2014 memo and its two-page list of Guideshare projects. Following a second from Henry Lawton, the motion carried with all in favor. The memo and attachments are made part of these minutes. Chris Bickley thanked SCDOT and the Board for working together on a solution, and George Williams commended the SCDOT Commission for its flexibility. The same US17 funding scenario will go before the MPO Policy Committee for action at its next meeting.

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Chairman Shaffer addressed Old Business, Item 3, and recognized Executive Director Chris Bickley, who formally submitted his letter of resignation to the COG Board of Directors. It is effective on his planned retirement date of January 5, 2015. George Williams moved to accept, and following a second from Lisa Sulka, the motion was unanimously approved.

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There were no items of New Business on the Agenda.

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Chairman Shaffer called for Reports and recognized Sherry Smith for the September Finance Report. Sherry submitted the report noting that Revenues over Expenses are on target, Unrestricted Cash improved, and Accounts Receivable declined about \$300K. The COG's independent auditor's three-year contract is ending, and an RFP for auditing services will go out next spring.

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Michelle Knight was recognized for the Community and Economic Development Report, which she submitted as written. Michelle said it is time to begin planning infrastructure projects for the spring funding round. She reviewed plans to streamline needs assessments and will contact clerks to council about scheduling them in the same quarter.

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Chris Bickley was recognized for the Director's Report, which he submitted with comments. A SCARC Conference registration summary was attached, and participating members were asked to review their information. Chris reported on South Carolina Revolving Loan Fund (SCRLF) increased activity in the Lowcountry for the period August 2013-September 2014. LCOG, along with Lower Savannah and Santee Lynches COGs, merged their RLF programs with SCRLF about two years ago. SCRLF is operated by the Catawba COG. Questions followed and Chris confirmed persons interested in the RLF Program do not have to travel to Rock Hill. They can contact LCOG Community & Economic Development Director Michelle Knight to arrange meeting at the COG or another convenient regional location. Michelle Knight noted that a link to the SCRLF program is on the COG website.

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During Council Time, Brian Flewelling commended the Board for its good work for the Region. Pete Hagood thanked Chris Bickley for his service and wished him well. Chris expressed his honor in being the COG's Executive Director for 21 years and thanked board members for having given him this opportunity. Carol Stonebraker announced a retirement party for Chris is planned in November with invitations going out soon. Chairman Shaffer spoke about the Board's significant and important work during the year. (The next Board meeting will be held January 22, 2015.)

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With no additional business to address, and on motion duly made, seconded and approved, the Chairman adjourned the meeting at 7:30 p.m. Copies of the agenda were distributed prior to the meeting. A

notice of the meeting was posted on the LCOG bulletin board at least twenty-four hours prior to the meeting.

Respectfully submitted,

L. Chriswell Bickley, Jr.  
Executive Director

Attachments:



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### MEMORANDUM

TO: LCOG Board  
FROM: Chris Bickley/Executive Director  
SUBJECT: US17-SC68 Funding Scenario  
DATE: October 17, 2014

Last month I reported that SCDOT staff was working to develop a funding scenario to include both the US Hwy. 17 widening project in Jasper County and the SC Hwy. 68 widening project in Hampton County. It is set out in the attached COG and LATS MPO financial statements from SCDOT. They are written in “DOT-speak”, but can be summarized as follows:

- SC 68 widening is scheduled to begin construction in 2015.
- US 17 widening construction is scheduled to begin in 2018.
- The projects require all COG guideshare funds through 2021 and all MPO guideshare funds through 2022.
- SCDOT is advancing three years of guideshare allocations each to the COG and the MPO.

The Transportation Committee will meet at 5:00 p.m. for a detailed briefing by DOT staff and to develop a recommendation to the full board. The funding scenario is also on the COG board meeting agenda for a decision.

At the June COG board meeting a decision was made not to fund the US 17 project. In order to fund it now, a motion to rescind that action must be made by someone who voted in the affirmative and then approved by the board. (The June vote was unanimous, so a motion to rescind can be made by anyone present at the June meeting.)

If approved by the COG, the scenario will then go to the MPO for action. Approvals by both the COG and the MPO are required.

This is an extraordinary commitment—no other guideshare projects will be funded in the Region until after 2021—but there is no other way to fund these projects.

Attachments

LOWCOUNTRY COG FINANCIAL STATEMENT

Updated September 16, 2014

(COST IN THOUSANDS)														TIP COST (2012-2022)	REMAINING COST (2023+)	FUNDING	
PIN #	COUNTY	GUIDESHARE PROJECTS	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022				
		INTERSECTION OF SC 46 @ S-38 (PROJECT REMOVED FROM PROGRAM)		462													(\$462)
	BEAUFORT	INTERSECTION OF US 21 @ US 21 BUS		109 R	100 P												\$459
	HAMPTON	SC 68 FROM ENTRANCE TO INDUSTRIAL PARK TO 0.5 MI WEST OF S-65 (RIDGE CUT RD)	500 P	47 R		9,000 C											\$9,547
	JASPER	INTERSECTION OF US 17 @ SC 338 IN THE TOWN OF RIDGELAND	50 P			250 C											\$300
	BEAUFORT	US 278 @ WINDMILL HARBOR (ACCESS MANAGEMENT)	200 P			822 C											\$1,022
	BEAUFORT	US 21 @ GRAYS HILL - CONSOLIDATE MEDIANS & CONSTRUCT TURN LANES	200 P			1,200 C											\$1,400
	BEAUFORT	SC 802 @ S-112 (HOLLY HALLYS-72 (BRICKYARD) CONSTRUCT ROUNDABOUT	150 P			800 R	1,500 C										\$2,450
	BEAUFORT	US 21 @ SHANKLIN DRIVE	200 P			950 C											\$1,150
	COLLETON	INTERSECTION OF SC 84 @ S-24 (MT. CARMEL RD) IMPROVE INTERSECTION	200 P			140 R	750 C										\$1,090
	JASPER	WIDEN US 17 FROM GA STATE LINE TO SC 315				500 R				34,000 C							\$34,500
	REGION WIDE	REGIONAL BICYCLE AND PEDESTRIAN PLAN	85 PL														\$85
	REGION WIDE	REGIONAL TRAVEL DEMAND MODEL	100 PL														\$100
		GUIDESHARE ADVANCEMENT PAYBACK								2,635	2,573	2,558					
		DEBT SERVICE	1,896	1,630	1,814	160	158	156	154	153	115	115	110				\$5,768
<b>GUIDESHARE SUBTOTALS</b>			<b>\$3,681</b>	<b>\$1,324</b>	<b>\$6,376</b>	<b>\$11,660</b>	<b>\$156</b>	<b>\$156</b>	<b>\$34,154</b>	<b>\$2,688</b>	<b>\$2,688</b>	<b>\$2,670</b>	<b>\$110</b>				<b>\$57,409</b>
<b>GUIDESHARE ALLOCATION</b>			<b>8,744</b>	<b>8,154</b>	<b>8,154</b>	<b>2,688</b>	<b>2,688</b>	<b>2,688</b>	<b>2,688</b>	<b>2,688</b>	<b>2,688</b>	<b>2,688</b>	<b>2,688</b>				<b>\$35,804</b>
<b>CARRYOVER AVAILABLE</b>			<b>13,351</b>	<b>18,105</b>	<b>25,935</b>	<b>27,713</b>	<b>18,741</b>	<b>21,271</b>	<b>23,803</b>								<b>#REF!</b>
<b>GUIDESHARE ADVANCEMENT</b>									<b>7,863</b>								<b>18</b>
<b>GUIDESHARE SUBTOTALS</b>			<b>(3,581)</b>	<b>(1,324)</b>	<b>(6,376)</b>	<b>(11,660)</b>	<b>(158)</b>	<b>(156)</b>	<b>(34,154)</b>	<b>(2,688)</b>	<b>(2,688)</b>	<b>(2,670)</b>	<b>(110)</b>				<b>(\$57,409)</b>
<b>BALANCE</b>			<b>19,105</b>	<b>25,935</b>	<b>27,713</b>	<b>18,741</b>	<b>21,271</b>	<b>23,803</b>				<b>18</b>	<b>2,598</b>				

THE ESTIMATED WIDENING COST IS \$53 MILLION WITH \$19 MILLION COMING FROM LATS

LATS MPO FINANCIAL STATEMENT

Updated September 16, 2014

(COST IN THOUSANDS)																	
PIN #	COUNTY	GUIDESHARE PROJECTS	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	TIP COST (2012-2025)	REMAINING COST (2026+)	FUNDING
	JASPER	WIDEN US 17 FROM GA STATE LINE TO SC 315 BRIDGE OVER BACK RIVER*					19,000 C								\$19,000		
										8,000 C							
		GUIDESHARE ADVANCEMENT PAYBACK						3,252	2,905		3,725						
		DEBT SERVICE		1,437	1,424	1,406	1,390	1,373	1,034	1,036	407					\$8,064	
		<b>GUIDESHARE SUBTOTALS</b>		\$1,437	\$1,424	\$1,406	\$20,390	\$4,625	\$3,939	\$9,036	\$4,132				\$33,221		
		<b>GUIDESHARE ALLOCATION</b>		4,625	4,625	4,625	4,625	4,625	4,625	4,625	4,625	4,625	4,625	4,625	\$27,750		
		CARRYOVER AVAILABLE		3,188	6,389	9,608				686			493	5,118	9,743	#REF!	
		GUIDESHARE ADVANCEMENT					6,157			3,725							
		<b>GUIDESHARE SUBTOTALS</b>		(1,437)	(1,424)	(1,406)	(20,390)	(4,625)	(3,939)	(9,036)	(4,132)				(\$33,221)		
		<b>BALANCE</b>		3,188	6,389	9,608			686		493	5,118	9,743	14,368			

\*NOTE: THE ESTIMATED COST FOR THE BACK RIVER BRIDGE IS APPROXIMATELY \$15 MILLION. THE ASSUMPTION IS THAT GA DOT WILL PAY FOR HALF. 2020 COST INCLUDES INFLATION FACTOR. THE ESTIMATED WIDENING COST IS \$53 MILLION WITH \$34 MILLION COMING FROM LOWCOUNTRY COG.



**Significant Project Update  
SC Highway 68 Widening  
Hampton County  
January 20, 2015**

**Scope**

The project consists of an approximately two and one-half mile widening of the existing 2 lane roadway to 4 lane divided roadway. The project termini begins 0.53 miles Northwest of S-65 (Ridgecut Road) and extends to approximately 0.95 miles Northwest of S-36 (Yemasee Highway) near the Industrial Park Entrance. The purpose and need for this project is Economic Development.

**Approvals:**

Following is a summary of necessary approvals, permits, and documents:

- FHWA Environmental Assessment (EA) – July 2002
- Re-evaluation of EA approved – April 2013
- US Army Corp of Engineers Permit – Permit Application under review

**Right of Way:**

Right of way acquisition is underway and this project involves 9 tracts.

**Cost Estimate and Funding:**

The total project cost is estimated at \$9.5M. The project is currently funded using Lowcountry COG guideshare funding.

**Status:**

The project is being managed by SCDOT. SCDOT is currently negotiating with USACE on mitigation measures for wetland impacts along the project corridor. The USACE has also requested, and SCDOT has provided, additional justification for selected median widths. These issues must be completed prior to USACE issuing a permit. In addition, SCDOT is coordinating with CSX for project impacts to the railroad's drainage system.

**Anticipated Schedule**

- R/W Acquisition – In Progress
- Construction – Winter 2016

**Significant Project Update  
US 17 Widening Project  
Jasper County  
January 20, 2015**

**Scope**

The US 17 Widening Project entails widening US 17 for approximately 4 miles, from 2 lanes to 4 lanes divided by a median, from SC 315 to the Georgia State Line. The purpose and need for this project is to improve capacity and reduce congestion.

**Approvals:**

Following is a summary of necessary approvals, permits, and documents:

- FHWA Environmental Assessment (EA) – In Development
- US Army Corp of Engineers Permit – Individual Permit anticipated

**Cost Estimate and Funding:**

The total project cost is currently estimated at \$54M. The project is currently funded using Lowcountry COG guideshare funding and LATS MPO funding. The project currently is fully funded through construction, and the COG and MPO are working to officially identify the approved funding amounts in the Statewide Transportation Improvement Program document.

**Status:**

The project is being managed by SCDOT. Preliminary roadway plans have been developed and the environmental studies are complete. The environmental document and alternative analysis is currently being developed. A value engineering study is being initiated for the project and this study will take place in March.

**Anticipated Schedule**

- Complete Environmental Document – Fall 2015
- Design Field Review – Winter 2015
- ROW Acquisition – Spring 2016
- Construction –Spring 2018



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### MEMORANDUM

**TO: Lowcountry Regional Development Corporation  
Board of Directors**

**FROM: Michelle Knight  
Recording Secretary**

**DATE: January 22, 2015**

**RE: Annual Meeting Items  
Background of Organization/ Status of Projects**

The Lowcountry Regional Development Corporation (LRDC) is a 501c(6) organization that is a certified development corporation whose purpose is to further economic development in the Lowcountry by growing and developing business concerns and promoting and assisting residential housing development. The primary goal of the LRDC has been to foster increased employment opportunities and business and industrial expansion. It serves as a conduit for economic development. Our primary means of accomplishing this goal has been through building projects where we serve in a landlord capacity to make the expansion of an industry possible through financial packaging and pooling of public and private resources.

LRDC board members and officers are the same as those of the COG. Sabrena serves as managing agent, and I am recording secretary. LRDC operates on an October 1- September 30 fiscal year. Its books are audited, and typically the audit is presented in January. Currently LRDC is relatively inactive and generating little income, but is available to any local government needing a private non-profit to carry out a development project.

Past projects include the following:

- Developed the Cypress Ridge Industrial Park in Ridgeland utilizing multiple funding sources to establish the former start-up Armor Chassis in the park. Currently TICO is on the former company site and serves as an anchor in this park.
- Developed the new Le Creuset building in the Lowcountry Regional Industrial Park in Hampton County and served as landlord for five years.

- Built and leased four smaller buildings in industrial parks in the region that included the Grossman Products Industrial Building in Colleton County, the Estill Spec Building in Hampton County, the former Jackson Shutter Building in Hardeeville, and the Year Round Pool Building in Hardeeville.
- Held airport development property for the City of Walterboro.

Our current projects are as follows:

- Beaufort County/Parish Market:  
The LRDC received \$225,000 in grant funds that were loaned to Parish Market Partners for the development of a grocery store. The repayment of the loan in full was made in October 2014. Originally the repaid funds were to be used to establish a revolving loan fund much like the EDA Revolving Loan Fund that Catawba Regional Planning manages on our behalf. However, since we are not directly in the revolving loan fund business currently we are discussing our options with the funding agency that granted the original funds.
- Hampton County/Estill Spec Building:  
The Estill Spec Building was constructed in 1990 with a CDBG grant. The building has had numerous short-term tenants and is currently available for rent.
- Jasper County/Palm Key PI:  
LRDC is holding in escrow funds from the final payout of the Palm Key project, which was an infrastructure project to provide water and sewer to serve the Palm Key development. SC Department of Commerce allowed the county to keep a portion of those funds (approximately \$140K) specifically to use for another grant-qualifying economic development project in the county. A recent planned project for these funds did not meet the grant requirements and we are trying to develop another project that will.
- Jasper County/Year Round Pools:  
The Hardeeville Spec Building was constructed with a CDBG grant in 1989 and the building was leased first to Star Trax Coaches and then sublet to Year Round Pools in 1998. The LRDC receives payments on the building which are forwarded to SC Department of Commerce minus a small servicing fee the LRDC receives. Recently we have been in discussions with Year Round Pools regarding the potential purchase of the building. These negotiations have to be approved by Commerce before matters can be finalized for a sale.



Richard D. Crowley, CPA CVA  
Lisa T. Wechsler, CPA CFE

**CROWLEY WECHSLER & ASSOCIATES LLC**

CERTIFIED PUBLIC ACCOUNTANTS

[www.CWACPAS.com](http://www.CWACPAS.com)

BEAUFORT ~ MOUNT PLEASANT

Member:  
American Institute of CPAs  
South Carolina Association of CPAs

January 14, 2015

To the Board of Directors  
Lowcountry Regional Development Corporation  
Yemassee, South Carolina

We have audited the financial statements of Lowcountry Regional Development Corporation for the year ended September 30, 2014 and 2013, and have issued our report thereon dated January 14, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 1, 2014. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Lowcountry Regional Development Corporation are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2014. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

The financial statement disclosures are neutral, consistent, and clear.

*Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

*Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated January 14, 2015.

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*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

This information is intended solely for the use of the Board of Directors of Lowcountry Regional Development Corporation and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,



Crowley Wechsler & Associates LLC  
Beaufort, South Carolina  
January 14, 2015

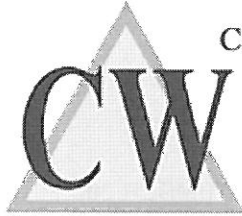
**LOWCOUNTRY REGIONAL DEVELOPMENT CORPORATION**  
**ANNUAL FINANCIAL REPORT**  
**FOR THE YEARS ENDED SEPTEMBER 30, 2014 AND 2013**

LOWCOUNTRY REGIONAL DEVELOPMENT CORPORATION  
ANNUAL FINANCIAL REPORT  
SEPTEMBER 30, 2014 AND 2013

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Richard D. Crowley, CPA CVA  
Lisa T. Wechsler, CPA CFE

## CROWLEY WECHSLER & ASSOCIATES LLC

CERTIFIED PUBLIC ACCOUNTANTS

[www.CWACPAS.com](http://www.CWACPAS.com)

BEAUFORT ~ MOUNT PLEASANT

Member:  
American Institute of CPAs  
South Carolina Association of CPAs

### INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Lowcountry Regional Development Corporation  
Yemassee, South Carolina

We have audited the accompanying financial statements of Lowcountry Regional Development Corporation (a nonprofit organization), which comprise the statement of financial position as of September 30, 2014 and 2013, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lowcountry Regional Development Corporation as of September 30, 2014 and 2013, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

*Crowley Wechsler & Associates LLC*

Crowley Wechsler & Associates LLC  
Beaufort, South Carolina  
January 14, 2015

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**LOWCOUNTRY REGIONAL DEVELOPMENT CORPORATION**  
**STATEMENTS OF FINANCIAL POSITION**  
**SEPTEMBER 30, 2014 AND 2013**

<b>ASSETS</b>	<b>SEPTEMBER 30,</b>	
	<b>2014</b>	<b>2013</b>
<b>Current Assets</b>		
Cash	\$ 29,001	\$ 28,121
Accounts Receivable	-	6,000
Current Portion of Leases Receivable	12,907	12,907
Total Current Assets	41,908	47,028
<b>Noncurrent Assets</b>		
Restricted Cash	282,900	272,994
Accrued Interest Receivable	-	12,234
Notes Receivable	190,000	249,805
Net Investment in Leases Receivable	97,953	97,953
Land Building Available for Lease	131,802	131,802
Total Noncurrent Assets	702,655	764,788
Total Assets	\$ 744,563	\$ 811,816
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Accounts Payable	\$ -	\$ 5,970
Deferred Revenue	251,482	248,645
Total Current Liabilities	251,482	254,615
Total Liabilities	251,482	254,615
<b>Net Assets</b>		
Unrestricted Net Assets	350,803	424,767
Temporarily Restricted Net Assets	142,278	132,434
Total Net Assets	493,081	557,201
Total Liabilities and Net Assets	\$ 744,563	\$ 811,816

The notes to the financial statements are an integral part of this statement.

**LOWCOUNTRY REGIONAL DEVELOPMENT CORPORATION**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED SEPTEMBER 30, 2014 AND 2013**

	YEARS ENDED SEPTEMBER 30,	
	2014	2013
<b>UNRESTRICTED REVENUES</b>		
Earned Income - Rental	\$ 970	\$ 8,000
Agency Service Fees	984	1,645
Interest Income	152	217
Total Revenues	2,106	9,862
<b>FUNCTIONAL EXPENSES</b>		
General and Administrative		
Professional Fees	2,850	2,800
Miscellaneous Expense	16	63
Total General and Administrative	2,866	2,863
Program Expenses		
Grant Repayment	-	7,960
Total Program Expenses	-	7,960
Total Functional Expenses	2,866	10,823
Decrease in Unrestricted Net Assets	(760)	(961)
Write-off Interest Receivable	(73,204)	-
Unrestricted Net Assets, Beginning of Year	424,767	425,728
Unrestricted Net Assets, End of Year	\$ 350,803	\$ 424,767
Change in Temporarily Restricted Net Assets		
Interest Income	\$ 9,844	\$ 14,803
Increase in Temporarily Restricted Net Assets	9,844	14,803
Temporarily Restricted Net Assets, Beginning of Year	132,434	117,631
Temporarily Restricted Net Assets, End of Year	\$ 142,278	\$ 132,434
Increase in Net Assets	\$ 9,084	\$ 13,842
Write-off Interest Receivable	(73,204)	-
Net Assets, Beginning of Year	557,201	543,359
Net Assets, End of Year	\$ 493,081	\$ 557,201

The notes to the financial statements are an integral part of this statement.

**LOWCOUNTRY REGIONAL DEVELOPMENT CORPORATION**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED SEPTEMBER 30, 2014 AND 2013**

	YEARS ENDED SEPTEMBER 30,	
	2014	2013
Cash Flows From Operating Activities		
Net income (loss)	\$ 9,084	\$ 13,842
(Increase) decrease in accounts receivable	6,000	(6,000)
(Increase) decrease in notes receivable	2,672	1,552
(Increase) decrease in restricted cash	(9,906)	(7,426)
Increase (decrease) in accounts payable	(5,970)	(20,763)
Increase (decrease) in deferred revenues	(1,000)	1,000
Total adjustments	(8,204)	(31,637)
Net Cash Provided (Used) by Operating Activities	880	(17,795)
Net Increase (Decrease) in Cash	880	(17,795)
Cash at Beginning of Year	28,121	45,916
Cash at End of Year	\$ 29,001	\$ 28,121

The notes to the financial statements are an integral part of this statement.

**LOWCOUNTRY REGIONAL DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2014 AND 2013**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**REPORTING ENTITY**

Lowcountry Regional Development Corporation (LRDC) is a non-profit corporation certified by the US Small Business Administration as an Associate Development Company. LRDC strives to stimulate economic development in the counties of Beaufort, Colleton, Hampton, and Jasper, South Carolina, by offering attractive financing or lease arrangements on business sites to induce businesses to locate in the Lowcountry area served by LRDC.

The Executive Committee of the Lowcountry Council of Governments (LCOG) board also serves as the board for LRDC and LCOG provides personnel, office space, and technical assistance necessary to perform the Corporation's duties.

**FINANCIAL STATEMENT PRESENTATION**

LRDC adopted Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 17, LRDC is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

**BASIS OF ACCOUNTING**

LRDC maintains the accrual method of accounting under which revenues are recognized in the period in which the services were provided and expenses are recognized in the period in which the related liability was incurred.

LRDC owns several buildings under commercial leases the terms of which ownership of the building will transfer to the lessee at the end of the lease term including renewal options. Accordingly, LRDC has recorded these leases as financing leases in accordance with generally accepted accounting principles. LRDC records the land and building as being exchanged for the net receivable under the lease term less unearned income.

LRDC receives grants from various sources to acquire or construct commercial buildings for lease or for sale. The grants require that all lease payments collected on these buildings, net of a ½ of 1% service fee retained by LRDC, are to be paid back to the grantor. The collections of these grants have been recorded as revenues in the Statement of Activities. The collection of lease payments on these buildings have been recorded as receipt of financing leases at which time grants repayable net of a ½ of 1% service fee are accrued as an operating expense. The grant proceeds have not been recorded as liabilities because LRDC has no obligation to repay the grants until it collects the related rental payments from the lessee.

**LOWCOUNTRY REGIONAL DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2014 AND 2013**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**TAX STATUS**

LRDC is exempt from federal income tax under Section 501(c)(6) of the Internal Revenue Code. The organization is not currently undergoing examination of any previously filed tax returns; however, the returns filed for the most recent three years remain available for examination by taxing authorities. Management is not aware of any tax positions in the returns which have less than a 50% chance of being affirmed under examination.

**STATEMENT OF CASH FLOWS**

For purposes of the statement of cash flows, cash is considered to include any unrestricted bank account with an original maturity of no more than three months.

**LAND AND BUILDINGS AVAILABLE FOR LEASE**

LRDC has a spec building and land available for lease located in Hampton County, South Carolina. Land and building is stated at cost less prior depreciation. No depreciation is being taken on the building while it is not leased.

**USE OF ESTIMATES**

The preparation of financial statement in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**NOTE 2 CASH ON DEPOSIT**

At September 30, 2014 and 2013, the carrying value and bank balances of LRDC's deposits were \$311,901 and \$301,115, respectively. The 2014 deposits exceeded FDIC coverage by \$61,901 and the 2013 deposits exceeded FDIC coverage by \$51,115.

**LOWCOUNTRY REGIONAL DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2014 AND 2013**

**NOTE 3 RESTRICTED CASH**

Restricted cash held as of September 30, 2014 and 2013 was \$282,900 and \$272,994, respectively. Restricted cash represents amounts held as follows:

LRDC received \$225,000 on a grant for which the proceeds were used to fund the construction of a grocery store in Sheldon, South Carolina to be known as the Parish Market. Amounts collected from the repayment of this grant are to be temporarily restricted for the establishment of a revolving loan fund. The balance held in restricted cash at September 30, 2014 and 2013 is \$142,278 and \$132,434, respectively.

LRDC received cash as program income from grant proceeds used to develop Palm Key. These funds are being maintained on behalf of Jasper County until a similar economic development project is identified. The balance held in restricted cash at September 30, 2014 and 2013 is \$140,622 and \$140,560, respectively.

**NOTE 4 LEASES**

LRDC has several commercial buildings under lease terms whereby it is expected that ownership of the buildings will transfer to the lessee by the end of the lease including renewal periods. LRDC has recorded these leases as financing leases in accordance with FASB Statement No. 13.

	<u>2014</u>	<u>2013</u>
Total Minimum Lease Payments Receivable	\$ 134,450	\$ 134,450
Less Unearned Income	(23,590)	(23,590)
Net Investment in Financing Leases	<u>\$ 110,860</u>	<u>\$ 110,860</u>

The minimum lease receipts under existing financing leases are as follows:

<u>Year Ending September 30,</u>	<u>2014</u>	<u>2013</u>
2015	\$ 12,907	\$ 12,907
2016	13,632	13,632
2017	14,399	14,399
2018	15,209	15,209
2019	16,065	16,065
Thereafter	38,648	38,648
Total	<u>\$ 110,860</u>	<u>\$ 110,860</u>

**LOWCOUNTRY REGIONAL DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2014 AND 2013**

**NOTE 4 LEASES – CONTINUED**

A summary of the terms of the leases and LRDC's net investment is as follows:

	<u>September 30,</u> <u>2014</u>	<u>September 30,</u> <u>2013</u>
<b>Hardeeville Industrial Park – Jasper County</b>		
LRDC's cost basis in this building completed in 1989 is \$237,121. In October, 1998, LRDC began leasing this building to Year Round Pool for \$1,555 per month under a 222 month lease including renewal options. LRDC computed its original \$217,122 net investment in this lease based on a 5.485% implicit interest rate.	\$ 110,860	\$ 110,860
Total Net Investment in Leases	110,860	110,860
Less: Current Maturities	<u>(12,907)</u>	<u>(12,907)</u>
Long-term Portion of Financing Leases	<u>\$ 97,953</u>	<u>\$ 97,953</u>

**NOTE 5 NOTES RECEIVABLE**

The notes receivable include the proceeds of a grant that was loaned to the Parish Market for construction of a retail store in Sheldon, South Carolina in the amount of \$225,000 in year 2001 with an interest rate of 5.75%. Due to financial hardships, ownership of the store changed in year 2011. LRDC negotiated with the original owner to resume payments against the loan. During the fiscal years ended September 30, 2014 and 2013, payments of \$13,500 and \$18,000, respectively, were received on the loan. The balance at September 30, 2014 and 2013 of the notes receivable was \$190,000 and \$249,805.

In October 2014, LRDC negotiated a settlement regarding the Parish Market note receivable held by LRDC. Both parties agreed to a payoff of \$190,000, which was received by LRDC on October 22, 2014.



**LOWCOUNTRY REGIONAL DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2014 AND 2013**

**NOTE 6 LAND AND BUILDINGS AVAILABLE FOR LEASE**

Land and buildings consist of commercial properties, the purchase or construction of which were specifically designated and funded by local county governments. In accordance with the sub-recipient agreements regarding the acquisition of these properties, any asset acquired or improved through these agreements must always be used for its designated purpose, subject to approval by the Governor's Office, Division of Economic Development.

	<b>2014</b>	<b>2013</b>
<b>Hampton County Speculative Building</b>		
LRDC is seeking an occupant for this warehouse building located near Estill, South Carolina. The purchase and rehabilitation of this building was funded from a grant from Hampton County.	\$ 173,528	\$ 173,528
Total Land and Building	173,528	173,528
Accumulated Depreciation	(41,726)	(41,726)
Net Land and Building	\$ 131,802	\$ 131,802

No depreciation was taken in 2014 or 2013 because it is estimated that the building is at net realizable value.

**NOTE 7 DEFERRED REVENUES**

Under the terms of certain grant agreements, LRDC is required to return to the grantor amounts received under the leasing arrangements minus a small loan servicing fee. In the event of a default of the lessee, LRDC is not obligated to repay the grant. Therefore, the income on the net leases receivable has been deferred until the actual receipt of lease occurs. Also included is program income from grant proceeds used to develop Palm Key that is being held until a similar economic development project is identified.

The following is a schedule of the deferred revenues by lease.

<b>Deferred Revenues</b>	<b>2014</b>	<b>2013</b>
EnviraCarbon deposit on Hampton County	\$ -	\$ 1,000
Star Trax/Year Round Pool Lease	110,860	110,860
Palm Key Program Income	140,622	136,785
Total Deferred Revenues	\$ 251,482	\$ 248,645

**LOWCOUNTRY REGIONAL DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2014 AND 2013**

**NOTE 8 COMMITMENTS**

LRDC has in the past received grants to finance the construction of commercial buildings for lease that have been recorded as increases in unrestricted net assets in the statement of activities. Under the terms of the grants, the proceeds are repayable net of a service fee retained by LRDC out of the lease payments collected by LRDC from the lease of the buildings. A summary of LRDC's repayment of these grants follows:

	<u>2014</u>	<u>2013</u>
<b>Hampton County Speculative Building</b>		
\$1,990 of the \$2,000 lease payment collected by LRDC under this commercial lease is repayable to Hampton County.	\$ -	\$ 7,960
 Total Grant Repayment	 <u>\$ -</u>	 <u>\$ 7,960</u>

**NOTE 9 RELATED PARTY TRANSACTIONS**

LRDC has entered into an agreement with the Lowcountry Council of Governments (LCOG) in which LCOG agrees to furnish office space, technical assistance, and personnel necessary to perform the Corporation's duties. LCOG charges LRDC for time and expenses under the same accounting methods used to bill other programs under LCOG. LRDC paid LCOG \$0 for September 30, 2014 and \$6,733 for the year ended September 30, 2013.

**NOTE 10 SUBSEQUENT EVENTS**

In October 2014, LRDC negotiated a settlement regarding the Parish Market note receivable held by LRDC. Both parties agreed to a payoff of \$190,000, which was received by LRDC on October 22, 2014. The original loan for the Parish Market mortgage was part of a revolving loan program administered by LRDC. LRDC is under discussions with Rural Development to determine disposition of these funds.

**Lowcountry Council of Governments**  
**Statement of Revenues and Expenditures**  
**For the Period Ending December 2014**

	Actual YTD	Revised Budget	Variance	%
<b>Revenues</b>				
Federal	\$2,168,171	4,155,283	(\$1,987,112)	.522
State Restricted	438,511	1,417,245	(978,734)	.309
State Unrestricted	21,332	42,664	(21,332)	.500
Local Restricted	471,635	813,792	(342,157)	.580
Local Unrestricted	74,248	148,195	(73,947)	.501
Other Sources	38,451	82,638	(44,187)	.465
<b>Total Revenues</b>	<b>\$3,212,348</b>	<b>6,659,817</b>	<b>(\$3,447,469)</b>	<b>.482</b>
<b>Expenditures</b>				
<i>Personnel and Related Costs</i>	1,226,278	\$2,541,362	(1,315,084)	.483
<i>Building and Related Costs</i>	100,567	245,865	(145,298)	.409
<i>Operating Costs</i>				
Advertising	2,638	\$26,100	(23,462)	.101
Contracts	1,696,877	3,459,360	(1,762,483)	.491
Depreciation	2,190	4,380	(2,190)	.500
Dues, Subscriptions & Publicat	11,678	10,950	728	1.066
Equipment Maintenance & Lease	21,643	29,750	(8,107)	.728
Insurance & Bonding	5,571	11,500	(5,929)	.484
Meetings	1,738	14,275	(12,537)	.122
Miscellaneous	9,211	24,900	(15,689)	.370
Legal Fees	623	2,750	(2,128)	.226
Postage & Shipping	5,463	11,500	(6,037)	.475
Printing	14,669	21,500	(6,831)	.682
Supplies	18,310	24,400	(6,090)	.750
	1,790,609	3,641,365	(1,850,756)	.492
<i>Other Expenditures</i>				
Equipment Purchases	12,577	\$34,000	(21,423)	.370
Travel Costs	35,982	101,083	(65,101)	.356
Auto Costs	17,076	35,522	(18,446)	.481
Bad Debt	-	-	0	
	65,634	170,605	(104,971)	.385
<b>Total Expenditures</b>	<b>3,183,088</b>	<b>6,599,196</b>	<b>(3,416,109)</b>	<b>.482</b>
<b>Revenues over Expenditures</b>	<b>\$29,261</b>	<b>\$60,621</b>	<b>(31,360)</b>	<b>0.48</b>
<b>Operations</b>	<b>\$29,261</b>	<b>\$60,621</b>	<b>(31,360)</b>	<b>0.48</b>

**Lowcountry Council of Governments**  
**Balance Sheet**  
**For the Period Ending December 2014**

**Assets**

Cash - Unrestricted	217,135	
Cash - Restricted TDR	254,381	
Accounts Receivable	1,034,356	
Prepaid Expenses	18,552	
Property, Building & Equipment	1,682,318	
Amount to be Provided for Debt	663,864	
<b>Total Assets</b>		<u><u>3,870,606</u></u>

**Liabilities & Equity**

*Liabilities*

Accounts Payable	\$175,190	
Accrued Liabilities	448,851	
Long-Term Debt	663,864	
<i>Total Liabilities</i>		<u>\$1,287,906</u>

*Fund Equity*

Investment in Fixed Assets	\$1,682,318	
Unassigned Fund Balance	\$863,188	
Restricted Fund Balance	\$0	
Nonspendable Fund Balance	\$7,934	
Revenues over Expenditures	29,261	
<i>Total Fund Equity</i>		<u>\$2,582,700</u>
<b>Total Liabilities &amp; Equity</b>		<u><u>\$3,870,606</u></u>

<p><b>LOWCOUNTRY COUNCIL OF GOVERNMENTS</b>  <b>COMMUNITY AND ECONOMIC DEVELOPMENT ACTIVITIES</b>  <b>CURRENT PROJECTS SUMMARY</b>  <b>JANUARY 2015</b></p>
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<b>ACTIVE PROJECTS:</b>	<b>NUMBER</b>	<b>DOLLAR VALUE</b>
CDBG Community Investment	22	\$ 10,676,669.00
CDBG Economic Development	1	\$ 165,000.00
CDBG Ready To Go	0	\$ -
CDBG Planning Grants	1	\$ 50,000.00
EDA Public Works	3	\$ 2,395,200.00
EDA Planning Grants	1	\$ 58,500.00
RD Grants	1	\$ 50,000.00
HOME	17	\$ 2,325,953.00
<b>TOTALS</b>	<b>46</b>	<b>\$ 15,721,322.00</b>
Applications Requested	3	\$ 2,205,000.00

Note: EDA Title IX Loan Program Reports will be provided separately as received by Catawba Regional Planning Council.

Prepared by: Community and Economic Development

**CURRENT PROJECTS**

**CDBG - BEAUFORT COUNTY**

GRANTEE	PROJECT	STATUS	FUNDED AMOUNT	DRAWN TO DATE	BALANCE
Beaufort County	Burton Water	Programmatically closed. Completed under budget. Waiting on final audit clearance.	\$ 422,500.00	\$ 360,189.00	\$ 62,311.00
Town of Bluffton	Buck Island-Simmons ville VR III	Startup cleared. Working on acquisition. Design and permitting should be done in	\$ 500,000.00	\$ 34,995.00	\$ 465,005.00
City of Beaufort	NW Quadrant VR III	Construction underway.	\$ 500,000.00	\$ 72,821.00	\$ 427,179.00
Town of Bluffton	Possum Point Sewer	Startup cleared. Working on acquisition. Design and permitting complete.	\$ 320,000.00	\$ 5,000.00	\$ 315,000.00
			<b>\$ 1,742,500.00</b>	<b>\$ 473,005.00</b>	<b>\$ 1,269,495.00</b>

**CDBG - COLLETON COUNTY**

GRANTEE	PROJECT	STATUS	FUNDED AMOUNT	DRAWN TO DATE	BALANCE
City of Walterboro	Lemacks VR II	Programmatically closed. Waiting on final audit clearance.	\$ 500,000.00	\$ 500,000.00	\$ -
Colleton County	Colleton Demo	Programmatically closed. Completed under budget. Waiting on final audit clearance.	\$ 285,300.00	\$ 186,679.00	\$ 98,621.00
City of Walterboro	South Jefferies Streetscape	Startup underway. ERR cleared/plans at DOT for approval.	\$ 500,000.00	\$ 5,000.00	\$ 495,000.00
City of Walterboro	Hampton St Water Line Ext	Startup approved. Acquisition in progress. Bid package being reviewed.	\$ 750,000.00	\$ 4,500.00	\$ 745,500.00
City of Walterboro	Lemacks VR III	Awarded/Startup approved. Housing Guidelines approved. Asbestos contract	\$ 500,000.00	\$ -	\$ 500,000.00
			<b>\$ 2,535,300.00</b>	<b>\$ 696,179.00</b>	<b>\$ 1,839,121.00</b>

**CURRENT PROJECTS**

**CDBG - HAMPTON COUNTY**

GRANTEE	PROJECT	STATUS	FUNDED AMOUNT	DRAWN TO DATE	BALANCE
Town of Varnville	Varnville Water Looping	Programmatically closed. Completed under budget. Waiting on final audit clearance.	\$ 500,000.00	\$ 412,692.00	\$ 87,308.00
Town of Estill	Ruth Street Sewer Improvement	Construction completed. Project amendment underway. Waiting on wetland delineation.	\$ 500,000.00	\$ 180,649.00	\$ 319,351.00
Town of Varnville	Mill Pond Pump Station Upgrade	Programmatically closed. Completed under budget. Waiting on final audit clearance.	\$ 190,297.00	\$ 164,928.00	\$ 25,369.00
Town of Brunson	Water Tank Improvements	Phase 1 construction underway.	\$ 347,474.00	\$ 128,895.00	\$ 218,579.00
Hampton County	DHEC Health Clinic	Design/permitting underway.	\$ 500,000.00	\$ -	\$ 500,000.00
Hampton County	Brunson Gifford Water Connection	Startup underway. ERR underway (wetlands found).	\$ 1,000,000.00	\$ -	\$ 1,000,000.00
Town of Yemassee	Sewer Line Upgrade	Startup underway/RFP engineering/ERR underway.	\$ 750,000.00	\$ -	\$ 750,000.00
Hampton County (ED)	Elliott Sawmilling Rail Expansion	Construction complete. Waiting on CSX to make spur connection. Preping closeout.	\$ 165,000.00	\$ 159,000.00	\$ 6,000.00
Hampton County	CDBG Regional Planning Grant	Awarded.	\$ 50,000.00	\$ 10,500.00	\$ 39,500.00
			<b>\$ 4,002,771.00</b>	<b>\$ 1,056,664.00</b>	<b>\$ 2,946,107.00</b>

**CDBG - JASPER COUNTY**

GRANTEE	PROJECT	STATUS	FUNDED AMOUNT	DRAWN TO DATE	BALANCE
City of Hardeeville	Hardeeville Drainage	Programmatically closed.	\$ 500,000.00	\$ 500,000.00	\$ -
Town of Ridgeland	First Ave Pump Station Upgrade	Programmatically closed.	\$ 322,648.00	\$ 322,648.00	\$ -
Jasper County	DHEC Addition	Certificate of Occupancy issued. Project amendment approved.	\$ 500,000.00	\$ 397,533.00	\$ 102,467.00
Jasper County	Old Bailey Sewer Extension	Design complete. Acquisition underway.	\$ 389,050.00	\$ 8,000.00	\$ 381,050.00
City of Hardeeville	Hardeeville Library	Reviewing specs and drawings.	\$ 500,000.00	\$ 12,000.00	\$ 488,000.00
Town of Ridgeland	Wise St. Pump Station Upgrade	Reviewing specs and drawings.	\$ 399,400.00	\$ 5,000.00	\$ 394,400.00
			<b>\$ 2,611,098.00</b>	<b>\$ 1,245,181.00</b>	<b>\$ 1,365,917.00</b>

## CURRENT PROJECTS

<b>CDBG TOTALS - ALL COUNTIES</b>		<b>\$ 10,891,669.00</b>	<b>\$ 3,471,029.00</b>	<b>\$ 7,420,640.00</b>
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### CDBG - REQUESTED

GRANTEE	PROJECT	STATUS	AMOUNT REQUESTED
Beaufort County	Stuart Point Water	Application Declined. Possibly resubmit.	\$ 750,000.00
Colleton County	Bama Road Drainage	Application Declined. Possibly resubmit.	\$ 705,000.00
Hampton County	N/A		
Jasper County	Hardeeville Drainage 2014	Application Declined. Possibly resubmit.	\$ 750,000.00
			<b>\$ 2,205,000.00</b>

### EDA

GRANTEE	PROJECT	STATUS	FUNDED AMOUNT	DRAWN TO DATE	BALANCE
Beaufort County	Penn Center Purchase and renovation of hotel/restaurant.	Close out complete. Gov. performance results tracking.	\$ 544,700.00	\$ -	\$ 544,700.00
Colleton County	Technical Training Center	GPRA Tracking completed.	\$ 1,252,500.00	\$ -	\$ 1,252,500.00
Hampton County	Job Training Center Renovation	Close out paper work submitted and approved. GPRA Reporting.	\$ 598,000.00	\$ -	\$ 598,000.00
Jasper County	LCOG/EDA Planning Grant	New award.	\$ 58,500.00	\$ -	\$ 58,500.00
			<b>\$ 2,453,700.00</b>	<b>\$ -</b>	<b>\$ 2,453,700.00</b>

### RD Grants

GRANTEE	PROJECT	STATUS	FUNDED AMOUNT	DRAWN TO DATE	BALANCE
Hampton County	Town of Hampton Old Bank Demo	Completed.	\$ 50,000.00	\$ -	\$ 50,000.00
			<b>\$ 50,000.00</b>	<b>\$ -</b>	<b>\$ 50,000.00</b>



**CURRENT PROJECTS**

**HOME - BEAUFORT COUNTY**

GRANTEE	PROJECT	STATUS	FUNDED AMOUNT	DRAWN TO DATE	BALANCE
Jasper County Neighbors United JCNU	Single Family Rehab	PROJECT COMPLETED - 8 units	\$ 165,450.00	\$ 164,581.00	\$ 869.00
LowCountry Habitat for Humanity	New Construction	2 completed, 2 under construction	\$ 100,000.00	\$ 43,750.00	\$ 56,250.00
Town of Blufton	Single Family Rehab	1 completed, 2 under construction	\$ 114,129.00	\$ 45,346.00	\$ 68,783.00
Beaufort Jasper Equal Opportunity Commission	Single Family Rehab	completed 4 units	\$ 150,000.00	\$ 84,588.00	\$ 65,412.00
Beaufort County	Single Family Rehab	1 contract signed	\$ 114,070.00	\$ -	\$ 114,070.00
City of Beaufort	Single Family Rehab	Bids received on 1 unit	\$ 150,000.00	\$ -	\$ 150,000.00
			<b>\$ 793,649.00</b>	<b>\$ 338,265.00</b>	<b>\$ 455,384.00</b>

**HOME - COLLETON COUNTY**

GRANTEE	PROJECT	STATUS	FUNDED AMOUNT	DRAWN TO DATE	BALANCE
City of Walterboro	Single Family Rehab	Final unit started	\$ 150,000.00	\$ 136,330.00	\$ 13,670.00
Colleton County	Single Family Rehab #1	2 units underway	\$ 100,000.00	\$ 4,856.00	\$ 95,144.00
Colleton County	Single Family Rehab #2	2 completed, 3 notices to proceed	\$ 114,127.00	\$ 69,398.00	\$ 44,729.00
			<b>\$ 364,127.00</b>	<b>\$ 210,584.00</b>	<b>\$ 153,543.00</b>

**CURRENT PROJECTS**

**HOME - HAMPTON COUNTY**

GRANTEE	PROJECT	STATUS	FUNDED AMOUNT	DRAWN TO DATE	BALANCE
Town of Hampton	Single Family Rehab	PROJECT COMPLETED 6 units	\$ 100,000.00	\$ 100,000.00	\$ -
Hampton County	Single Family Rehab	PROJECT COMPLETED 10 units	\$ 225,000.00	\$ 225,000.00	\$ -
Town of Yemassee	Single Family Rehab	Accepting applications	\$ 150,000.00	\$ 97,853.00	\$ 52,147.00
Hampton County	Single Family Rehab	4 completed, 2 underway	\$ 168,177.00	\$ 108,431.00	\$ 59,746.00
			<b>\$ 643,177.00</b>	<b>\$ 531,284.00</b>	<b>\$ 111,893.00</b>

**HOME - JASPER COUNTY**

GRANTEE	PROJECT	STATUS	FUNDED AMOUNT	DRAWN TO DATE	BALANCE
Jasper County	Single Family Rehab	4 units completed, reviewing final application	\$ 150,000.00	\$ 107,196.00	\$ 42,804.00
JCNU	Single Family Rehab	COMPLETED 42 unit complex	\$ 150,000.00	\$ 150,000.00	\$ -
JCNU CHDO	Single Family Rehab	Project completed 5 units	\$ 125,000.00	\$ 125,000.00	\$ -
			<b>\$ 425,000.00</b>	<b>\$ 382,196.00</b>	<b>\$ 42,804.00</b>

**HOME - ALL COUNTIES**

GRANTEE	PROJECT	STATUS	FUNDED AMOUNT	DRAWN TO DATE	BALANCE
ALL COUNTIES	*REGION WIDE DOWNPMT ASSISTANCE - 10 UNITS	Cannot qualify homebuyers	\$ 100,000.00	\$ -	\$ 100,000.00
*Having problems qualifying homebuyers. May amend program to use funds in housing rehab.					
			<b>\$ 100,000.00</b>	<b>\$ -</b>	<b>\$ 100,000.00</b>

<b>HOME TOTALS</b>			<b>\$ 2,325,953.00</b>	<b>\$ 1,462,329.00</b>	<b>\$ 863,624.00</b>
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## Lowcountry Council of Governments

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Lowcountry Regional Development Corporation • Lowcountry Workforce Investment Area  
Lowcountry Economic Development District • Lowcountry Regional HOME Consortium  
Lowcountry Aging & Disability Resource Center/ Area Agency on Aging  
Lowcountry Area Transportation Study

### MEMORANDUM

To: LCOG Board  
From: Sabrena Graham, Executive Director  
Subject: Director's Report  
Date: January 22, 2015

1. Thank you to everyone for making me feel so welcome.
2. Board Items
  - a. There are a few board vacancies indicated below. We have notified the local governments of the vacancies.
    - i. Hilton Head Island - 1
    - ii. Town of Cottageville - 1 (non-voting)
    - iii. Hampton County At Large - 1
    - iv. Town of Yemassee - 1 (non-voting)
  - b. The 2014 Board of Directors Attendance Record is enclosed. Please review and let us know of any corrections.
  - c. We would like to send you the agenda packets via email. If you currently receive packets via regular mail but have an email address please share it with Carol. Secondly, if you are mailed a packet please bring them with you to meetings such that we do not have to make a second copy. It will save a little on postage and paper.
  - d. After the meeting, staff has a late Christmas gift for board members that missed the October board meeting.
3. New board member orientation will be held prior to the February board meeting. Everyone is welcome to attend.
4. Other - To be discussed
  - a. What have I been doing
  - b. Staff Meetings
  - c. Cash Flow
  - d. Telling our Story

**For Your Information**  
**Lowcountry Council of Governments**  
**Board of Directors Attendance Record**  
**2014**

A=Absent X=Present P=Proxy E=Excused \*=Meeting Cancelled

Name	County	Appointment Category	1/23	2/27	3/27	4/24	5/22	6/26	7/24	8/28	9/25	10/23	Total Attended
Gerald Dawson	Beaufort	County Elected	X	*	X	X	*	X	*	X	X	P	6
Brian Flewelling	Beaufort	County Elected	X	*	X	X	*	X	*	X	X	X	7
Marc A. Grant	Beaufort	Hilton Head Town Elected	X	*	X	A	*	A	*	X	A	A	3
Mary Beth Heyward	Beaufort	Port Royal Elected	X	*	P	X	*	X	*	X	X	X	6
Billy Keyserling	Beaufort	Beaufort City Elected	P	*	X	A	*	A	*	P	P	P	1
Bill McBride	Beaufort	County Elected	X	*	X	X	*	X	*	X	X	X	7
Joseph McDomick	Beaufort	County Minority	X	*	X	A	*	X	*	X	A	X	5
Jim Outlaw	Beaufort	County At-Large	X	*	X	X	*	X	*	P	X	P	5
Jerry Stewart	Beaufort	County Elected	X	*	X	P	*	X	*	A	X	X	5
Lisa Sulka	Beaufort	Bluffton Town Elected	X	*	P	P	*	P	*	X	X	X	4
Tabor Vaux	Beaufort	Beaufort County Elected	X	*	P	A	*	X	*	X	P	P	3
George Williams	Beaufort	Hilton Head Town Elected	P	*	X	X	*	X	*	X	P	X	5
Esther S. Black	Colleton	County Minority	P	*	X	P	*	P	*	P	X	X	3
Bobby Bonds	Colleton	Walterboro City Elected	X	*	X	X	*	A	*	X	A	X	5
Jane Darby	Colleton	Town of Edisto Beach	N/A	N/A	N/A	X	*	X	*	X	A	X	4
Joseph Flowers	Colleton	Colleton County Elected	X	*	X	X	*	P	*	X	X	P	5
Thomas Mann	Colleton	Colleton At-Large	X	*	X	P	*	X	*	X	X	E	5
Evon Robinson	Colleton	County Elected	X	*	X	P	*	P	*	X	X	P	4
Gene Whetsell	Colleton	County Elected	A	*	X	X	*	X	*	X	X	X	6
Frankie Bennett	Hampton	Estill Town Elected	X	*	X	P	*	X	*	X	X	X	6
Charles Boyles, Jr.	Hampton	Hampton Town Elected	X	*	X	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2
Lloyd H. Griffith	Hampton	County At-Large	X	*	X	X	*	N/A	N/A	N/A	N/A	N/A	3
James W. Hagood	Hampton	County Minority	X	*	E	X	*	X	*	X	X	X	6
Travis L. Mixson	Hampton	Hampton Town Elected	N/A	N/A	N/A	X	*	X	*	X	X	X	5
Charles H. Phillips	Hampton	Hampton County Elected	P	*	X	X	*	X	*	X	X	X	6
Nat Shaffer	Hampton	Varnville Town Elected	P	*	X	A	*	X	*	X	X	X	5
Sherry Carroll	Jasper	Hardeeville City Elected	X	*	X	A	*	N/A	N/A	N/A	N/A	N/A	2
Henry Etheridge	Jasper	Jasper County Elected	X	*	X	X	*	X	*	X	X	X	7
Carolyn Kassel	Jasper	Hardeeville City Elected	N/A	N/A	N/A	N/A	N/A	P	*	X	X	X	3
Henry C. Lawton, Sr.	Jasper	County At-Large	X	*	P	X	*	X	*	E	X	X	5
Joey Malphrus	Jasper	Ridgeland Town Elected	P	*	X	P	*	X	*	X	X	X	5
Gwen Johnson Smith	Jasper	County Minority	X	*	X	P	*	X	*	X	X	X	6

## 208 Plan Conformance Certifications - January 2015

Project	Description	Location	Wastewater Treatment Plant	Number of Lots	Date Certified	Conform	Fee Paid	Status
<i>Northern Beaufort County</i>								
<i>Southern Beaufort County</i>								
Gum Tree Road Sewer	Gravity Sewer System	Hilton Head Island	HHI WWTP	System Improvement	1/2/2015	Yes	\$230	Approved
Del Webb Block 120	Gravity Sewer System	Beaufort County	Cherry Point	10	1/2/2015	Yes	\$230	Approved
Cypress Ridge Phase 6A - aka Mill C	Gravity Sewer System	Beaufort County	Cherry Point	71	1/2/2015	Yes	\$230	Approved
Water Oak Vacuum Station Improven	Gravity Sewer System	Hilton Head Island	Broad Creek	System Improvement	1/7/2015	Yes	\$230	Approved
<i>Colleton County</i>								
PFC Medical Office Bldg.	Gravity Sewer System	Walterboro	Walterboro	Medical Bldg	1/2/2015	Yes	\$230	Approved
<i>Hampton County</i>								
<i>Jasper County</i>								
Del Webb Argent 2 Block 17B	Gravity Sewer System	Hardeeville	Cherry Point	52	1/2/2015	Yes	\$230	Approved
Canterfield Assisted Living	Gravity Sewer System	Jasper County	Cherry Point	Assisted Living Facility	1/14/2015	Yes	\$230	Approved

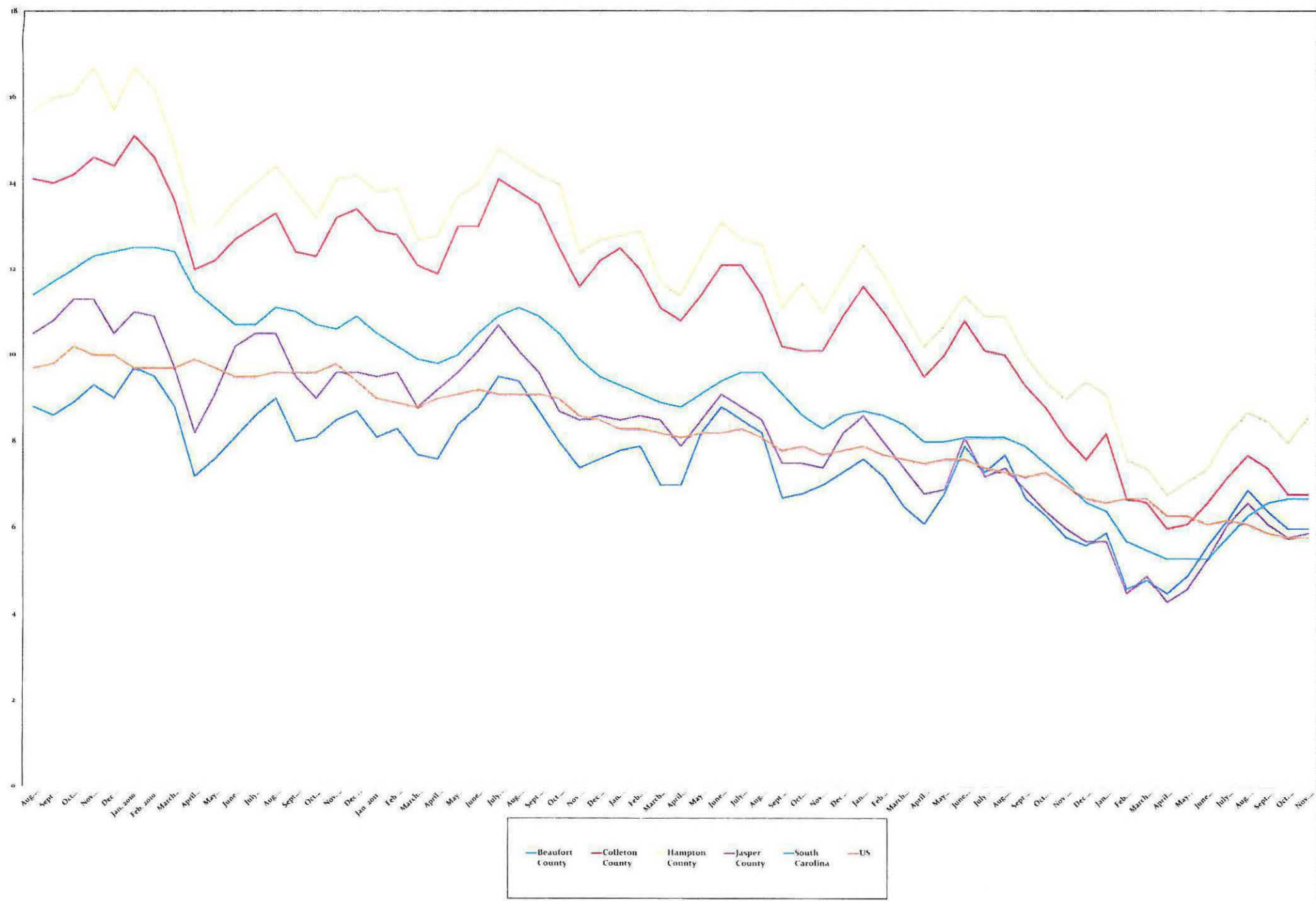
## 208 Plan Conformance Certifications - December 2014

Project	Description	Location	Wastewater Treatment Plant	Number of Lots	Date Certified	Conform	Fee Paid	Status
<i>Northern Beaufort County</i>								
<i>Southern Beaufort County</i>								
Hampton Lake Phase 2 Tract 13	Gravity Sewer System	Bluffton	Cherry Point	273	12/15/2014	Yes	\$230	Approved
<i>Colleton County</i>								
<i>Hampton County</i>								
<i>Jasper County</i>								

## 208 Plan Conformance Certifications - November 2014

Project	Description	Location	Wastewater Treatment Plant	Number of Lots	Date Certified	Conform	Fee Paid	Status
<i>Northern Beaufort County</i>								
<i>Southern Beaufort County</i>								
Cypress Ridge Phase 5B2 (aka Mill Creek)	Gravity Sewer System	Beaufort County	Cherry Point	15	11/20/2014	Yes	\$230	Approved
<i>Colleton County</i>								
<i>Hampton County</i>								
<i>Jasper County</i>								

Lowcountry Unemployment Rates: August 2009-November 2014





# Lowcountry Labor Force and Employment

	Nov-14		Oct-14		Oct-13	
	Labor Force	Employment	Labor Force	Employment	Labor Force	Employment
Beaufort County	66,501	62,484	66,675	62,697	64,889	61,050
Colleton County	17,076	15,909	17,168	16,003	16,696	15,368
Hampton County	7,798	7,126	7,795	7,170	7,489	6,820
Jasper County	10,757	10,127	10,785	10,162	10,531	9,895
<b>Lowcountry Total</b>	<b>102,132</b>	<b>95,646</b>	<b>102,423</b>	<b>96,032</b>	<b>99,605</b>	<b>93,133</b>

	Labor Force	Employment
<b>Lowcountry Percent Change November 2013 - November 2014</b>	2.54%	2.70%