



Finance Committee Beaufort County, SC

This meeting was held in person at the County Council Chambers, 100 Ribaut Road, Beaufort, and virtually through Zoom.

**Monday, March 21, 2022
2:00 PM**

MINUTES

1. **CALL TO ORDER**

Committee Chairman Lawson called the meeting to order at 2:00 PM

PRESENT

Committee Chairman Mark Lawson
Committee Vice-Chairman Chris Hervochoch
Council Member Joseph F. Passiment
Council Member Gerald Dawson
Council Member Brian Flewelling
Council Member Stu Rodman
Council Member York Glover
Council Member Alice Howard
Council Member Lawrence McElynn

ABSENT

Council Member D. Paul Sommerville
Council Member Logan Cunningham

2. **PLEDGE OF ALLEGIANCE**

Committee Chairman Lawson led the Pledge of Allegiance.

3. **PUBLIC NOTIFICATION OF THIS MEETING HAS BEEN PUBLISHED, POSTED, AND DISTRIBUTED IN COMPLIANCE WITH THE SOUTH CAROLINA FREEDOM OF INFORMATION ACT**

Committee Chairman Lawson noted that public notice of this meeting has been published, posted, and distributed in compliance with the South Carolina Freedom of Information Act.

4. **APPROVAL OF AGENDA**

Motion: It was moved by Council Member Rodman, Seconded by Council Member Passiment to approve the agenda.

The Vote: The motion was approved without objection.

5. **APPROVAL OF MINUTES- FEBRUARY 22, 2022**

Motion: It was moved by Council Member Passiment, Seconded by Council Member Rodman, to approve the minutes from February 22, 2022.

The Vote: The motion was approved without objection.

6. **CITIZEN COMMENTS - (ANYONE who wishes to speak during the Citizen Comment portion of the meeting will limit their comments to no longer than three (3) minutes (a total of 15 minutes) and will address Council in a respectful manner appropriate to the decorum of the meeting, refraining from the use of profane, abusive, or obscene language)**

No Citizen Comments

7. **DIVISION UPDATE FROM ASSISTANT COUNTY ADMINISTRATOR, DALE BUTTS**

Monthly Finance Division update and briefing on what divisional departments are doing.

- Meet and Greet at BIV- Part of National Procurement Month, tour office, meet staff, ask questions
- Budget review meetings start Tuesday, prepping for the Budget Workshop on April 7, 2022
- Human Resources updating Departments on Career Days and Job Fairs- 9 Departments participating in the upcoming Veterans Job Fair
- Current COVID leave program will expire this month
- Human Resources is working on the list of employees who would be compensated for working during the COVID 19 pandemic
- Introduction of Valarie Althoff, New Payroll Specialist
- IT has completed the setup of a generic email for all payroll questions payrolldept@bcgov.net

To view the full discussion, click the link below:

<https://beaufortcountysc.new.swagit.com/videos/156914>

Status: Informational Purposes

AGENDA ITEMS

8. **DISCUSSION AND PRESENTATION OF YEAR-TO-DATE FINANCIAL STATEMENTS FOR FY2022, CHIEF FINANCIAL OFFICER, HAYES WILLIAMS**

To view the full discussion and presentation, click the link below:

<https://beaufortcountysc.new.swagit.com/videos/156914>

Status: Informational Purposes

9. **RECOMMEND APPROVAL OF FIRST READING OF AN ORDINANCE FOR A BUDGET AMENDMENT YEAR FISCAL YEAR 2022. DEPUTY COUNTY ADMINISTRATOR, WHITNEY RICHLAND**

The administration has estimated an operating surplus of approximately \$9-\$11 million. The recommendation is to use the surplus to accomplish emergency repairs to the Bluffton Pool, partial funding of COVID pay for employees, TCL property acquisition for affordable housing, a cost-of-living adjustment for employees, Arthur Horne Building construction overage, the emergency purchase of EMS equipment, and detention center deferred maintenance. Funding will be from the operating surplus of the fiscal year 2022.

Discussion:

- Committee Chairman Lawson asked about the overage on the Arthur Horne Building and why the Committee or Council hasn't heard about it before, which can be discussed later.
- Council Member Flewelling asked what the fund balance's bottom line is for the fiscal year, the projection of what we are going to have, and whether it meets our goal. Mrs. Richland stated that the fund balance is well above our 25% goal and will get additional information together for where we are today exactly with the end of fiscal 2021 to where we are with fiscal 2022. Council Member Flewelling suggested that he would like to see a 30%-35% goal would be more comfortable, especially during Hurricane Season. He supports the item but would like to see a healthy fund balance.
- Council Member Passiment commends Administration for looking at where we are and what we can do with this money.
- Council Member Howard supports this and would like to know if the cost of living applies to the elected official's employees as well? Mrs. Richland said yes it would.
- Council Member Glover asked if they could refund the taxpayer by lowering the value of the millage rate. Mrs. Richland stated that staff is currently working on the budget and that can be reviewed.
- Council Member Rodman asked what was done with the amount from the previous year. Mrs. Richland stated that those funds were allocated for the Dowling lots and the Graves property. Council Member Rodman also asked about the financial policy and having the reserves reviewed after Hurricane Season. He also suggested investments in Economic Development for industrial parks etc. and roads but supports the current list.

To view the full discussion, click the link below:

<https://beaufortcountysc.new.swagit.com/videos/156914>

Motion: It was moved by Council Member Passiment, seconded by Council Member Rodman, to recommend the First Reading of an Ordinance for a Budget Amendment Year Fiscal Year 2022.

The Vote: The Motion was approved without objection.

Status: Forward to Council for approval.

10. **RECOMMEND APPROVAL OF A RESOLUTION FOR THE HILTON HEAD ISLAND AIRPORT TERMINAL FINANCING PLAN, CHIEF FINANCIAL OFFICER HAYES WILLIAMS & JON REMBOLD, AIRPORT DIRECTOR.**

Administration and staff are working to obtain funding for the Hilton Head Island Airport expansion. This is an update on the funding as Administration and staff work to get a request for proposal and bids in by June 2022. Administration and staff have identified potential funding sources and are working on getting

them in place for the expansion. Some of the grants have matching requirements and will update the committee as information is given. Staff recommends delaying financing on the Hilton Head Island Airport Expansion for the immediate future. Based on potential grants and funding, financing would not need to be in place until late 2023 or early 2024.

Discussion:

- Council Member Passiment asked about the infrastructure bill. Airports Director, Jon Rembold said the Bipartisan Infrastructure Law was probably what he is referring to which is for terminals, the size of Hilton Head, for the next 5 years \$97 Million will be available for terminal construction through the Airport Terminal Program.
- Council Member Rodman stated \$2 Million of ARPA funds should be listed as funding and \$1 Million from South Carolina Aeronautics, so that should be \$3 Million in funding moving forward. Also, asked about the second half of the \$20 Million from the FAA, if it was a done deal unless the bids weren't met in time. Mr. Rembold said that it was fine, and it was on the path to funding. Council Member Rodman was concerned about the time frame of the bidding. Mr. Rembold said the contractors and bidders were comfortable with the 30day requirement. Mr. Rembold also stated that the State Aeronautics changed the funding formula for commercial airports currently it is \$250,000.00 a year to be used as entitlement funds.
- County Administrator, Eric Greenway would like this item to move forward as a Resolution so it can keep staff on track moving forward with a specific plan.
- Council Member Glover asked if the grants aren't received for whatever reason, is the airport able to pay the bond back on the \$15 Million. Chief Financial Officer, Hayes Williams stated that there are consultants who have someone retained to negotiate on the airports for fees and facility charges

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Motion: It was moved by Council Member Passiment, seconded by Council Member Rodman, to recommend approval of a Resolution of the Hilton Head Island Airport Terminal Financing Plan.

The Vote: The motion was approved without objection.

Status: Forward to Council for approval.

11. **RECOMMEND APPROVAL TO SUBMIT A GRANT APPLICATION FOR THE DRUG-FREE COMMUNITY SUPPORT PROGRAM, STEVE DONALDSON, DIRECTOR OF BEAUFORT COUNTY ALCOHOL AND DRUG.**

The anticipated announcement of a Drug-Free Community Grant led to the development of a coalition six months before, which makes BCADAD eligible to apply. The DFC coalition would promote awareness, education, and youth empowerment. The grant would support your led awareness campaigns in schools; form a Youth Coalition with representatives from the schools- design youth-inspired campaigns around the substances to promote within the schools; create a youth-inspired commercial or morning show that would air to fellow students and increase health fair activities. Funding of \$125,000 will be obtained annually for five years and the Prevention Department with offset expenditures and increase programming. The grant, if awarded, will not require matching funds from the County but will require in-kind commitment from coalition partners.

Discussion:

- Council Member Howard asked if there were specific grade levels that will be targeted. Katie Godowns, with BCADAD, stated that is it age-specific for 12- 18 years old.
- Council Member McElynn asked which Federal Department will be funding the program, Mrs. Godowns stated that it is the Office of National Drug Control Policy and the Department of Health and Human Services. Council Member also asked if the local coalitions will be receiving any of that money or does it all comes to the County. Mrs. Godowns responded that they would like to see the County as the main Fiscal agent. Council Member McElynn asked if the ONDCP was the main contributor. Yes, per Mrs. Godowns.

To view the full discussion, click the link below:

<https://beaufortcountysc.new.swagit.com/videos/156914>

Motion: It was moved by Council Member McElynn, seconded by Council Member Howard, to recommend the approval to submit a grant application for the Drug-Free Community Support Program.

The Vote: The motion was approved without objection.

Status: Forward to Council for approval.

12. **RECOMMEND APPROVAL FOR THE BEAUFORT COUNTY ASSESSOR TO EXTEND THE TIME FOR FILING FOR AN “AGRICULTURAL USE” VALUATION FOR THE TAX YEAR 2021. EBONY SANDERS, ASSESSOR.**

Applications for the “Agricultural Use Valuation” not filed on or before the first penalty date is considered abandoned for the tax year in which the special assessment is claimed. In accordance with 12-43-220 states the following, “a failure to apply constitutes a waiver of the special assessment for that year. The governing body may extend the time for filing upon a showing satisfactory to it that the person had reasonable cause for not filing on or before the first penalty date.” The property owner was unaware of the filing date due to caring for a sick parent (whom the property was previously owned and from to the current owner). If approved, the property owner can seek a refund of taxes paid without the Agricultural Use valuation.

Discussion:

- Council Member McElynn asked about the size and location of the property. Mrs. Sanders stated it was 5.98 acres and located in Bluffton.
- Council Member Flewelling asked if you are able to target the time period for just an individual or for everyone as a whole. Mrs. Sanders stated that per the SCDOR it is on a case-by-case base.
- Council Member Rodman asked if it required three readings. Kurt Taylor, County Attorney stated that it doesn't require a change to the Ordinance so it will require a Resolution with one reading at Council.

To view the full discussion, click the link below:

<https://beaufortcountysc.new.swagit.com/videos/156914>

Motion: It was moved by Council Member Glover, seconded by Council Member Flewelling, to approval for the Beaufort County Assessor to extend the time for filing for an “Agricultural Use” Valuation for the Tax Year 2020.

The Vote: The motion was approved without objection.

Status: Forward to Council for approval.

13. **RECOMMEND APPROVAL OF A RESOLUTION AUTHORIZING THE PARKS AND RECREATION DEPARTMENT TO APPLY FOR A \$300,000 GRANT FROM SOUTH CAROLINA PARKS, RECREATION & TOURISM, ASSISTANT COUNTY ADMINISTRATOR, CHUCK ATKINSON.**

Every two years, the South Carolina Department of Parks, Recreation and Tourism (SCPRT) offers a grant opportunity through the Land Water Conservation Fund (LWCF) program to provide funding for recreational projects. Beaufort County's Park and Recreation Department identified this program as a possible source of funding to help defray the anticipated cost (approximately \$600,00) of the planned Pickleball Courts complex at Burton Wells. If awarded, the \$300,000 from SCPRT will be added to a \$340,000 award from this year's State and Local Accommodations Tax awards which are currently in reading through Council. The LWCF grants are awarded on a reimbursement basis. Therefore, the Parks & Recreation Department will need to expend the funds from its FY23 budget first, and then seek reimbursement from SCPRT.

Discussion:

- Council Member Hervochon asked if there was any data tracking on the use of the pickleball courts. Mr. Atkinson stated that they don't have anyone out there tracking but based on the community demand there aren't enough courts/space.
- Council Member Glover stated that he opposes this motion because pickleball is receiving a lot of funding and there are a lot of recreational facilities that have needed funding, including his community.
- Council Member Howard stated that the Pickleball Association does keep a record North of the Broad if anyone is interested.
- Council Member Dawson will be opposing this item because there are facilities in the rural communities that are struggling and need recreation activities.
- County Administrator, Eric Greenway wanted to clarify from a staff level on recreational activities, they have been director towards more of community centers and civil activities, these types of centers, etc. are not recreational activities. This grant will help with funding the master plan. The rural centers have been discussed and some are not large enough to do recreational activities in there. The staff has been in contact with LCOG with senior centers and possibly developing afterschool care for employees. Many recreational centers in rural areas have ownership issues.
- Council Member Rodman pointed out that if the grant money is awarded that frees up additional money to use elsewhere.
- Council Member Lawson asked if the grant came first, or the money comes first. Mr. Atkinson stated that the grant would come first.
- Council Member Glover supports the grant but does not support using the funds for pickleball because the funds could be used elsewhere.

To view the full discussion, click the link below:

<https://beaufortcountysc.new.swagit.com/videos/156914>

Motion: It was moved by Council Member Passiment, seconded by Council Member McElynn, to recommend the approval of a Resolution authorizing the Parks and Recreation Department to apply for a \$300,000 grant from the South Carolina Parks, and Recreation & Tourism.

The Vote: 7/2

Status: Forward to Council for approval.

Motion: It was moved by Council Member McElynn, seconded by Council Member Rodman, to go into Executive Session at 3:15pm.

The Vote: Motion was approved without objection.

EXECUTIVE SESSION

14. PURSUANT TO S.C. CODE SECTION 30-4-70(A)(2): DISCUSSION OF NEGOTIATIONS INCIDENT TO PROPOSED CONTRACTUAL ARRANGEMENTS AND PROPOSED SALE OR PURCHASE OF REAL PROPERTY WITH TMS NOS. R120-005-000-0105-0000, R120-005-000-0133-0000, R120-005-000-0132-0000, R120-005-132A-0000, and R120-005-000-0127-0000 (PROPERTY OWNED BY TCL)

15. PURSUANT TO S.C. CODE SEC. 30-4-70(A)(2): RECEIPT OF LEGAL ADVICE WHERE THE LEGAL ADVICE RELATES TO MATTERS COVERED BY THE ATTORNEY-CLIENT PRIVILEGE (ELECTED & APPOINTED OFFICIALS BUDGETS)

16. MATTERS ARISING OUT OF EXECUTIVE SESSION

Out of Executive Session: 3:57

Motion: It was moved by Council Member Passiment, seconded by Council Member Howard to instruct Administration to continue discussions with TCL about the properties discussed in Executive Session as set forth in agenda item #14.

Discussion:

- Council Member McElynn supports the motion and gives us the opportunity to focus on Affordable Housing.
- Council Member Flewelling feels that this is a waste of resources and does not support the motion.
- Council Member Hervochon agrees with Council Member Flewelling and does not support the motion. Also feels that it will impact rural and critical.
- Council Member Rodman does not support this motion.
- Council Member Howard feels that TCL has given the County the opportunity to do a lot with this property and it will not necessarily take it off the tax roll.
- Council Member Glover said that as a Council he supports the prospect of this for move forward with Affordable Housing.
- Committee Chairman Lawson agrees and would like to see the prospects of this property moving forward.

The Vote: 6/3

Status: Administration continues the discussion.

Council Member Flewelling would like an update on the funding for the Black Chamber of Commerce at the next meeting.

17. **ADJOURNMENT**

The meeting adjourned at 4:03 pm.

Ratified by Committee: April 18, 2022