

Fiscal Year 2024

Affiliated Agency Grant Application

Organization Name: Beaufort County Economic Development Corporation

Project Name: Beaufort County Economic Development Corp - Annual Support

Executive Summary

An Effectiveness Measurement spreadsheet has been attached to this application.

The BCEDC scorecard (attached) is a transparent measurement that is included in all public presentation.

Fiscal Year 2024

Affiliated Agency Grant Application

Date Received: 02/09/2023

Time Received: 05:10 PM

By: Online Submittal

Applications will not be accepted if submitted after 4 pm on February 3, 2023

A. SUMMARY OF GRANT REQUEST:

ORGANIZATION NAME: Beaufort County Economic Development Corporation

Project/Event Name: Beaufort County Economic Development Corp - Annual Support

Contact Name: John A. OToole

Title: Executive Director

Address: PO Box 7017, Hilton Head Island, SC 29938

Email Address:

jotoole@beaufortscedc.org

Contact Phone: 843-226-3462

Total Budget: \$2,224,570.00

Grant Amount Requested:
\$40,000.00

Provide a brief summary on the intended use of the grant and how the money would be used. (100 words or less)

The Beaufort County Economic Development Corporation was established in 2017. The Beaufort County Economic Development Corporation (BCEDC) strives to be the collaborative entity for organizing, structuring, and leading economic development efforts on behalf of Beaufort County's residents.

The request this year is for \$40,000. These funds will be used to add staff to improve marketing and raise private funds to augment public investments in the BCEDC. The goals of the BCEDC will be to attract \$70 million in

investments across the county and 250 well-paying jobs.

B. DESCRIPTION OF OPERATIONS:

1. For state reporting purposes, give a brief description of the organization. (250 words or less)

The BCEDC strives to be the collaborative driver for leading economic development efforts in the communities we serve. We engage key stakeholders to diversify the county's economy, attract investments, create well-paying jobs, respecting the natural environment. Since its inception the BCEDC has delivered excellent returns on investments for the communities it serves.

In our first 5-years of operations we can point to the following results on Hilton Head Island:

- Investments -- \$47.24 million
- New & retained jobs – 244 jobs
- Average compensation -- \$53,537 annually
- Incentives and Site Funds -- \$2.6 million

2. Describe in detail how the grant would be used? (250 words or less)

The contribution from the Town will support the cost of operations for the BCEDC and ensure that staff will promote the town as a business location and work to retain incumbent businesses. The BCEDC will do all that it can to bring state and county incentives to businesses in the town. The \$15,000 increase to all 4 municipalities will be used to

increase our marketing and private fundraising efforts.

3. What impact would partial funding have on the activities, if full funding were not received? What would the organization change to account for partial funding? *(100 words or less)*

Since inception the 4 towns have contributed equally to the BCEDC. If the town chose not to fully fund this request the BCEDC Board of Directors would have to reevaluate its strategic plans and reduce its planned activities.

4. What is the expected public benefit to these expenditures to the Island's, citizens, visitors, and/or the Town? *(100 words or less)*

It would be expected that in the next fiscal year the BCEDC will assist with more than \$70 million in capital investments and the creation of 250 jobs anticipated to provide on average more than \$53,000 in annually income per worker. This is not necessarily a change but the continuation of the trajectory we have been on year after year. If the efforts to be funded this year are successful we would expect to be able to hold the line on public support and continue to grow with the aid of private investors.

5. Additional comments. *(250 words or less)*

Since its beginnings in 2017 Hilton Head Island and each of the county's other 3 municipalities have contributed \$115,000 towards the operations of the BCEDC. For the last 4-years the town's contribution has been \$25,000. During this time the county has contributed \$375,000 annually towards BCEDC operations and .2 -.3 mills toward site development and job grants (\$674,563 in current fiscal year).

C. FUNDING:

1. Please describe how the organization is currently funded. (100 words or less)

Currently, the BCECD receives \$25,000 from the Towns of Hilton Head Island, Bluffton and Port Royal and the City of Beaufort. The Boards request for the upcoming year is \$40,000. The County provides an \$375,000 for operations. In addition to the county's operational contributions, it also sets aside \$674,563 for site development and job grants. The significant portion of funding to carry out our mission is generated from grants from utilities and other governmental agencies. The balance of funds is made up of sponsorships.

2. Please also estimate, as a percentage, the source of the organization's total annual funding.

85	Government Sources	14	Private Contributions, Donations and Grants
1	Corporate Support, Sponsors		Membership, Dues, Subscriptions
	Ticket Sales, or Sales and Services		Other

3. Please provide a summary of previous governmental funding applied for, or received, for fiscal year 2023 and fiscal year 2024. (100 words or less)

The BCECD monitor's grant opportunities for each of the towns/city and the county. In the upcoming fiscal year, through the expansion of staff, we expect to increase private investments in our operations.

4. Please provide a summary of other sources of funding or secured for this initiative. (250 words or less)

The BCEDC monitor's grant opportunities for each of the towns/city and the county. In the upcoming fiscal year, through the expansion of staff, we expect to increase private investments in our operations.

D. FINANCIAL INFORMATION:

Fiscal Year Disclosure: Start Month: 07/01/2022 End Month: 12/31/2022

Financial Statement Requirements:

1. The upcoming year's **operating budget** for the organization.

An Organization Budget has been attached to this Application.

2. The previous two years and current year **profit and loss reports** for the organization.

A Current Profit & Loss Report has been attached to this Application.

Profit and Loss Years Provided:

FY 21

FY 20

FY 22

FY 22

3. The previous two years and current year **balance sheets**.

A Current Balance Sheet has been attached to this Application.

Balance Sheet Years Provided:

FY 21

FY 20

22

E. MEASURING EFFECTIVENESS:

1. List any award amounts received in fiscal year 2022 and/or 2023.

2022	\$25,000.00	BCEDC - Town Contribution
2022	\$25,000.00	BCEDC - Annual Town Support
2021	\$25,000.00	Operations
2020	\$25,000.00	BCEDC - Annual Town Support

2. How were those funds used? To what extent were the objectives achieved?

(200 words or less)

These funds were used in support of the BCEDC operations as described earlier in this submittal.

3. What impact did this have on the success of the organization and how did it benefit the community? *(200 words or less)*

The town's financial support and staff support are an important part of the BCEDC's success to date.

4. How does the organization measure the effectiveness of both the overall activity and of individual programs? *(200 words or less)*

The BCEDC measures success by: capital investments, jobs created and retained, wages paid, incentives received by new or expanding companies, number of economic development leads and overall economic impact on the towns/city/county/region.

F. EXECUTIVE SUMMARY

Provide an executive summary using the Effectiveness Measurement spreadsheet provided or your own format. If creating your own format, please refer to the Effectiveness Measurement sample spreadsheet and use the criteria as a guideline. *(1300 words or less)*

An Effectiveness Measurement spreadsheet has been attached to this application.

The BCEDC scorecard (attached) is a transparent measurement that is included in all public presentation.

Signature: John A O'Toole

Title/Position: Executive Director

Mailing Address: PO Box 7017, Hilton Head Island, SC 29938

Email Address: jotoole@beaufortscedc.org

Phone Number: 843-226-3362



2023

Beaufort County Economic Development Corp 2021-22 Dashboard

1/16/2023

Focus Area	Cumulative	2022 Count	Percent
Capital Investment (Million)	\$280.96	\$8.56	14%
Job Creation	1087	15	6%
Product Development	4	0	0%
Business Retention Meetings	235	26	52%
Leads	445	42	42%
Retained Jobs	174	0	0%
Incentives for Companies	\$12,459,387	\$0	
Site Development Funds & Grants	\$3,455,974	\$375,000	
Total	\$15,915,361	\$375,000	
Square Footage Absorbed	582,926	32,000	
New Construction	422,071	12,000	
Annual Compensation Paid at Completion of Projects	\$52,838,839	\$530,000	
Average Annual Compensation	\$48,610	\$35,333	

**Beaufort County Economic Development Corporation
2023-24 Draft Budget**

	Budget 22	Budget 23	Draft Budget 24
Income			
4010 Income			
4012 Municipal & County Dues	475,000	475,000	535,000
4014 County Site & Job Fund	558,555	1,227,088	814,625
4015 DOD Grant		15,000	0
4018 Sponsorships - Income	6,000	20,000	60,000
4030 Grants *		300,000	0
4035 Reimbursements - FILOT	20,000	20,000	20,000
4060 Use of Fund Balance - Dominion UTC	0	75,000	75,000
4060 Use of Fund Balance	56,905	92,482	145,000
	1,116,460	2,224,570	1,649,625

Cost of Goods Sold		0	
5010 Cost of Goods Sold			
Site Development		300,000	
5014 County Site & Job Fund - COGS	727,874	1,227,088	834,625
Legal			
Engineering			
Appraisals			
Site Development			
Grants to Companies			
4021 SC Dept. of Commerce - Site Enhancement Spending			
5016 Grants to Companies			
5020 Utility Tax Credits - COGS			
Total 5010 Cost of Goods Sold	727,874	1,527,088	834,625

Expenses	Budget	Budget 23	
6000 Marketing			
6020 Advertising & Marketing	73,474	68,000	72,750
6030 Lead Generation	30,000	10,000	16,000
6040 Private Fund Raising/Industry Study	32,000	0	25,000
6060 Meals & Entertainment	9,000	10,000	12,000
6070 Sponsorships	24,000	18,000	12,000
6080 Travel	20,000	16,000	16,000
6090 Conferences/Missions	16,000	6,000	10,000
Total 6000 Marketing	204,474	128,000	163,750
6100 Administration			
6101 Bank Charges & Fees	100	100	100
6110 Consulting	7,000	7,000	7,000
6120 Economic Impact	5,000	4,000	4,000
6130 Legal & Professional Services*	5,000	82,000	82,000
6140 Office Supplies & Software	3,500	3,500	3,500
6150 Payroll Service Fees	3,265	3,500	4,000
6160 Postage	4,000	650	650
6180 Telephone	2,500	2,700	4,000
Total 6100 Administration	30,365	103,450	105,250
6200 Staff			
6210 Auto	10,000	9,000	12,000
6220 Dues & subscriptions	8,000	8,000	8,000
6230 Insurance	26,000	30,000	30,000
6240 Payroll Salaries & Wages	240,594	341,850	401,850
6245 Payroll Tax Expense	23,372	44,732	56,259
6250 Retirement Expense	12,900	14,650	20,091
Total 6200 Staff	320,866	448,232	528,200
6222 Interest Paid			
6300 Fixed			
6301 Rent & Lease	13,200	16,800	16,800
6310 Repairs & Maintenance	400	0	0
6520 Taxes and Licenses	2,600	1,000	1,000
Total 6300 Fixed	16,200	17,800	17,800
Total Operating Expenses	571,905	697,482	815,000
Total Expenses	1,299,779	2,224,570	1,649,625

Beaufort County Economic Development Corporation

Balance Sheet As of February 9, 2023

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1020 TD BUSINESS CONVENIENCE PLUS (2889)	678,223.04
1072 Bill.com Money Out Clearing	0.00
Total Bank Accounts	\$678,223.04
Accounts Receivable	
Accounts Receivable (A/R)	0.00
Total Accounts Receivable	\$0.00
Other Current Assets	
1200 Payroll Clearing Account	0.00
Total Other Current Assets	\$0.00
Total Current Assets	\$678,223.04
TOTAL ASSETS	\$678,223.04
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 Accounts Payable (A/P)	56.00
Total Accounts Payable	\$56.00
Other Current Liabilities	
1450 Direct Deposit Payable	0.00
2200 Payroll Liabilities	
2210 Federal Taxes (941/944)	0.00
2220 PEBA	0.00
2230 SC Income Tax	0.00
2240 SC Unemployment Tax	0.00
Total 2200 Payroll Liabilities	0.00
Total Other Current Liabilities	\$0.00
Total Current Liabilities	\$56.00
Total Liabilities	\$56.00
Equity	
3200 Retained Earnings	264,330.67
Net Income	413,836.37
Total Equity	\$678,167.04
TOTAL LIABILITIES AND EQUITY	\$678,223.04

Beaufort County Economic Development Corporation

Balance Sheet As of June 30, 2022

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1020 TD BUSINESS CONVENIENCE PLUS (2889)	268,935.19
1072 Bill.com Money Out Clearing	677.00
Total Bank Accounts	\$269,612.19
Accounts Receivable	
Accounts Receivable (A/R)	0.00
Total Accounts Receivable	\$0.00
Other Current Assets	
1200 Payroll Clearing Account	0.00
Total Other Current Assets	\$0.00
Total Current Assets	\$269,612.19
TOTAL ASSETS	\$269,612.19
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 Accounts Payable (A/P)	5,281.52
Total Accounts Payable	\$5,281.52
Other Current Liabilities	
1450 Direct Deposit Payable	0.00
2200 Payroll Liabilities	
2210 Federal Taxes (941/944)	0.00
2220 PEBA	0.00
2230 SC Income Tax	0.00
2240 SC Unemployment Tax	0.00
Total 2200 Payroll Liabilities	0.00
Total Other Current Liabilities	\$0.00
Total Current Liabilities	\$5,281.52
Total Liabilities	\$5,281.52
Equity	
3200 Retained Earnings	155,880.48
Net Income	108,450.19
Total Equity	\$264,330.67
TOTAL LIABILITIES AND EQUITY	\$269,612.19

Beaufort County Economic Development Corporation

Balance Sheet As of June 30, 2021

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1020 TD BUSINESS CONVENIENCE PLUS (2889)	211,891.22
1072 Bill.com Money Out Clearing	150.45
Total Bank Accounts	\$212,041.67
Other Current Assets	
1200 Payroll Clearing Account	23,955.26
Total Other Current Assets	\$23,955.26
Total Current Assets	\$235,996.93
TOTAL ASSETS	\$235,996.93
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 Accounts Payable (A/P)	0.00
Total Accounts Payable	\$0.00
Other Current Liabilities	
1450 Direct Deposit Payable	0.00
2200 Payroll Liabilities	
2210 Federal Taxes (941/944)	0.00
2220 PEBA	0.00
2230 SC Income Tax	0.00
2240 SC Unemployment Tax	0.00
Total 2200 Payroll Liabilities	0.00
Total Other Current Liabilities	\$0.00
Total Current Liabilities	\$0.00
Total Liabilities	\$0.00
Equity	
3200 Retained Earnings	151,310.75
Net Income	84,686.18
Total Equity	\$235,996.93
TOTAL LIABILITIES AND EQUITY	\$235,996.93

Beaufort County Economic Development Corporation

Balance Sheet
As of June 30, 2020

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1020 TD BUSINESS CONVENIENCE PLUS (2889)	151,280.49
1072 Bill.com Money Out Clearing	30.26
Total Bank Accounts	\$151,310.75
Other Current Assets	
1200 Payroll Clearing Account	0.00
Total Other Current Assets	\$0.00
Total Current Assets	\$151,310.75
TOTAL ASSETS	\$151,310.75
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 Accounts Payable (A/P)	0.00
Total Accounts Payable	\$0.00
Other Current Liabilities	
1450 Direct Deposit Payable	0.00
2200 Payroll Liabilities	
2210 Federal Taxes (941/944)	0.00
2220 PEBA	0.00
2230 SC Income Tax	0.00
2240 SC Unemployment Tax	0.00
Total 2200 Payroll Liabilities	0.00
Total Other Current Liabilities	\$0.00
Total Current Liabilities	\$0.00
Total Liabilities	\$0.00
Equity	
3200 Retained Earnings	56,065.03
Net Income	95,245.72
Total Equity	\$151,310.75
TOTAL LIABILITIES AND EQUITY	\$151,310.75

Beaufort County Economic Development Corporation

Profit and Loss

July 1, 2022 - February 9, 2023

	TOTAL
Income	
4010 Income	
4012 Municipal Dues	287,500.00
4014 County Site & Job Fund Income	510,793.90
4030 Grants	15,000.00
Total 4010 Income	813,293.90
Total Income	\$813,293.90
Cost of Goods Sold	
5010 Cost of Goods Sold	
5014 County Site & Job Fund - COGS	12,420.00
5016 Grants To Companies - COGS	40,500.00
5028 Spec Building Costs - COGS	40,747.00
Total 5010 Cost of Goods Sold	93,667.00
Total Cost of Goods Sold	\$93,667.00
GROSS PROFIT	\$719,626.90
Expenses	
6000 Marketing	
6020 Advertising & Marketing	25,791.97
6030 Lead Generation	21,642.80
6060 Meals & Entertainment	5,382.49
6070 Sponsorships	12,475.00
6080 Travel	8,058.47
6090 Conferences/Missions	1,194.00
Total 6000 Marketing	74,544.73
6100 Administration	
6101 Bank Charges & Fees	82.65
6110 Consulting	2,000.00
6120 Economic Impact	2,100.00
6130 Legal & Professional Services	8,255.00
6140 Office Supplies & Software	1,879.76
6150 Payroll Service Fees	1,902.60
6160 Postage	161.68
6180 Telephone	918.00
Total 6100 Administration	17,299.69
6200 Staff	
6210 Auto	4,421.93
6220 Dues & subscriptions	11,879.97
6230 Insurance	12,357.08
6240 Payroll Salaries & Wages	156,244.67
6245 Payroll Tax Expense	15,342.46

Beaufort County Economic Development Corporation

Profit and Loss

July 1, 2022 - February 9, 2023

	TOTAL
6250 Retirement Expense	5,600.00
Total 6200 Staff	205,846.11
6300 Fixed	
6301 Rent & Lease	8,100.00
Total 6300 Fixed	8,100.00
Total Expenses	\$305,790.53
NET OPERATING INCOME	\$413,836.37
NET INCOME	\$413,836.37

Beaufort County Economic Development Corporation

Profit and Loss

July 1, 2022 - February 9, 2023

	TOTAL
Income	
4010 Income	
4012 Municipal Dues	287,500.00
4014 County Site & Job Fund Income	510,793.90
4030 Grants	15,000.00
Total 4010 Income	813,293.90
Total Income	\$813,293.90
Cost of Goods Sold	
5010 Cost of Goods Sold	
5014 County Site & Job Fund - COGS	12,420.00
5016 Grants To Companies - COGS	40,500.00
5028 Spec Building Costs - COGS	40,747.00
Total 5010 Cost of Goods Sold	93,667.00
Total Cost of Goods Sold	\$93,667.00
GROSS PROFIT	\$719,626.90
Expenses	
6000 Marketing	
6020 Advertising & Marketing	25,791.97
6030 Lead Generation	21,642.80
6060 Meals & Entertainment	5,382.49
6070 Sponsorships	12,475.00
6080 Travel	8,058.47
6090 Conferences/Missions	1,194.00
Total 6000 Marketing	74,544.73
6100 Administration	
6101 Bank Charges & Fees	82.65
6110 Consulting	2,000.00
6120 Economic Impact	2,100.00
6130 Legal & Professional Services	8,255.00
6140 Office Supplies & Software	1,879.76
6150 Payroll Service Fees	1,902.60
6160 Postage	161.68
6180 Telephone	918.00
Total 6100 Administration	17,299.69
6200 Staff	
6210 Auto	4,421.93
6220 Dues & subscriptions	11,879.97
6230 Insurance	12,357.08
6240 Payroll Salaries & Wages	156,244.67
6245 Payroll Tax Expense	15,342.46

Beaufort County Economic Development Corporation

Profit and Loss

July 1, 2022 - February 9, 2023

	TOTAL
6250 Retirement Expense	5,600.00
Total 6200 Staff	205,846.11
6300 Fixed	
6301 Rent & Lease	8,100.00
Total 6300 Fixed	8,100.00
Total Expenses	\$305,790.53
NET OPERATING INCOME	\$413,836.37
NET INCOME	\$413,836.37

Beaufort County Economic Development Corporation

Profit and Loss
July 2021 - June 2022

	TOTAL
Income	
4010 Income	
4012 Municipal Dues	475,000.00
4014 County Site & Job Fund Income	558,554.72
4016 SC Dept. of Commerce Income	10,000.00
4018 Sponsorships - Income	6,000.00
4030 Grants	506,133.00
4035 Reimbursement - FILOT	20,000.00
Total 4010 Income	1,575,687.72
Total Income	\$1,575,687.72
Cost of Goods Sold	
5010 Cost of Goods Sold	
5012 Legal - COGS	33,789.30
5014 County Site & Job Fund - COGS	747,109.55
5016 Grants To Companies - COGS	162,500.00
Total 5010 Cost of Goods Sold	943,398.85
Total Cost of Goods Sold	\$943,398.85
GROSS PROFIT	\$632,288.87
Expenses	
6000 Marketing	
6020 Advertising & Marketing	74,505.12
6030 Lead Generation	52,907.50
6040 Private Fund Raising/Industry Study	5,099.77
6060 Meals & Entertainment	11,731.52
6070 Sponsorships	21,830.00
6080 Travel	20,351.01
6090 Conferences/Missions	1,554.00
Total 6000 Marketing	187,978.92
6100 Administration	
6101 Bank Charges & Fees	107.10
6120 Economic Impact	2,000.00
6130 Legal & Professional Services	10,449.00
6140 Office Supplies & Software	3,131.55
6150 Payroll Service Fees	3,229.15
6160 Postage	664.93
6180 Telephone	2,164.00
Total 6100 Administration	21,745.73

Beaufort County Economic Development Corporation

Profit and Loss July 2021 - June 2022

	TOTAL
6200 Staff	
6210 Auto	6,363.67
6220 Dues & subscriptions	8,159.29
6230 Insurance	17,200.26
6240 Payroll Salaries & Wages	240,600.68
6245 Payroll Tax Expense	17,559.82
6250 Retirement Expense	10,514.59
Total 6200 Staff	300,398.31
6300 Fixed	
6301 Rent & Lease	12,230.72
Total 6300 Fixed	12,230.72
6520 Taxes & Licenses	1,485.00
Total Expenses	\$523,838.68
NET OPERATING INCOME	\$108,450.19
NET INCOME	\$108,450.19

Beaufort County Economic Development Corporation

Profit and Loss
July 2020 - June 2021

	TOTAL
Income	
4010 Income	677,145.08
4012 Municipal Dues	108,750.00
Total 4010 Income	785,895.08
Total Income	\$785,895.08
Cost of Goods Sold	
5010 Cost of Goods Sold	
5014 County Site & Job Fund - COGS	130,000.00
5018 Sponsorships - COGS	2,000.00
5022 Lowcountry Fresh Market	37,500.00
Total 5010 Cost of Goods Sold	169,500.00
Total Cost of Goods Sold	\$169,500.00
GROSS PROFIT	\$616,395.08
Expenses	
6000 Marketing	
6020 Advertising & Marketing	56,048.44
6060 Meals & Entertainment	8,299.52
6070 Sponsorships	18,303.00
6080 Travel	11,098.78
6090 Conferences/Missions	2,080.00
Total 6000 Marketing	95,829.74
6100 Administration	
6101 Bank Charges & Fees	85.05
6110 Consulting	98,814.74
6130 Legal & Professional Services	59,424.42
6140 Office Supplies & Software	4,087.34
6150 Payroll Service Fees	3,265.02
6160 Postage	714.61
6180 Telephone	1,828.00
Total 6100 Administration	168,219.18
6142 Contractors	1,600.00
6200 Staff	
6210 Auto	5,971.96
6220 Dues & subscriptions	7,131.74
6230 Insurance	15,428.60
6240 Payroll Salaries & Wages	198,639.12
6245 Payroll Tax Expense	14,458.24
6250 Retirement Expense	9,481.83
Total 6200 Staff	251,111.49
6300 Fixed	
6301 Rent & Lease	14,599.33
6310 Repairs & Maintenance	349.16
Total 6300 Fixed	14,948.49
7000 Unapplied Cash Bill Payment Expense	0.00
Total Expenses	\$531,708.90
NET OPERATING INCOME	\$84,686.18
NET INCOME	\$84,686.18