

**2024**

# **Accommodations Tax Funds Request Application**

**Organization Name:** David M. Carmines Memorial Foundation

**Project/Event Name:** Hilton Head Island Seafood Fest

## **Executive Summary**

An ATAX Effectiveness Measurement form has been attached to this application.

# 2024 Accommodations Tax Funds Request Application

Date Received: 09/01/2023

Time Received: 01:18 PM

By: Online Submittal

*Applications will not be accepted if submitted after 4 pm on September 1, 2023*

## A. SUMMARY OF GRANT REQUEST:

**ORGANIZATION NAME:** David M. Carmines Memorial Foundation

**Project/Event Name:** Hilton Head Island Seafood Fest

Contact Name: Kelly Smith Title: Festival Director

Address: PO Box 22519, Hilton Head Island, SC 29926

Email Address: kelly@adfishgroup.com Contact Phone: 843-683-8386

Event Date: February 19-25, 2024 Event Location: Various locations on Hilton Head Island

**Total Budget:** \$659,400.00

**Grant Requested:** \$181,000.00

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

Our allocation of funding will be strategically utilized to effectively promote the diverse range of events and inclusive accommodation packages offered by our festival. A substantial portion of the grant will also contribute to our operational budget, enabling us to facilitate media travel logistics and meet essential operational requirements. Year after year, we dedicate funds to curate an exceptional week-long experience, delivering unparalleled culinary and wildlife excursions that are unrivaled by any other event in our community. Our events extend beyond mere entertainment, showcasing the rich culinary culture of our town and providing a lasting impression for visitors. Emphasizing local economic impact, each meticulously curated occasion is designed to be promoted within editorial coverage, cutting-edge digital campaigns, captivating social media and niche pr

How does the organization/event either drive tourism to Hilton Head Island or enhance the visitor experience on Hilton Head Island? How is this impact being measured? (100 words or less)

We have successfully catered to over 150,000 patrons in its 16-year history, with an impressive 74% of them being visitors (Source: USCB 1-Event Survey and Admit One Purchase Data). Through the strategic utilization of ATAX Funds and public-private partnerships, we have been

consistently attracting a growing number of visitors. Accommodations partners, including the renowned Omni Oceanfront Resort, Palmetto Dunes Resort, and the soon-to-be-introduced The Beach House Resort in 2024, offer a diverse range of options to ensure the utmost comfort for our guests. In 2023, we delivered a staggering 285 room nights across our host hotel, our trusted accommodations partners.

A. Total Number of Physical Tourists Served: 8723

*A Tourist is considered a non-resident, traveling more than 50 miles to the Town of Hilton Head Island.*

B. Total Number of Physical Visitors Served: 2148

*A Visitor is considered a non-resident, who travels 50 miles or less to visit the Town of Hilton Head Island.*

C. Total Number of Physical Residents Served: 1536

*A Resident is considered any person who claims their property address within the limits of the Town of Hilton Head Island as their primary residence.*

D. Total Number of Physical Patrons Served (A+B+C=D): Approx. 12,407

How was the Number of Visitors/Tourists Documented? (250 words or less)

The Saffire Ticketing Agency offers an innovative solution for collecting and analyzing data for our ticket holders that purchase and attend events outside of the Saturday event. By utilizing digital wristbands and conducting an on-site USCB survey during our main event on Saturday, we ensure accurate and comprehensive information. By combining the data we are able to provide valuable insights and demographics.

## B. DESCRIPTION OF OPERATIONS:

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

The David M. Carmines Foundation hosts the Hilton Head Island Seafood Festival, a remarkable event that brings together celebrity chefs, tastemakers, artisans, expert mixologists and wildlife experts. From Monday, February 19, 2024, to Sunday, February 25, 2024, we provide an exciting and luxurious culinary adventure that celebrates the rich heritage of the South. Our mission: to share the charm of our culinary community while fostering an appreciation for the abundance of our coastal environment. By prioritizing education and conservation, we aim to create a sustainable future where generations to come can savor the flavors of our coastal cuisine.

Food tourism is an experience that transcends simply tasting dishes; it's about forging connections, engaging with fellow food enthusiasts, and connecting with incredible wildlife in the heart of Hilton Head Island. The David M. Carmines Foundation has consistently

demonstrated our commitment to giving back, donating an impressive \$1.5 million to local charities as of 2023. In collaboration with numerous businesses, a quarter of which have outdoor and wildlife ties, we strive to create a captivating and knowledgeable schedule of events that showcases the best of what our island has to offer.

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

**Advertising and Marketing - \$131,000**

- National Efforts and Media Buys
  - Hoffman Media Print and Digital Advertising (\$20,000)
  - Hoffman Media Digital Partners 10+ Digital Platforms (\$5,000)
  - Social Media and Digital Advertising: Facebook, Instagram, Hulu, Spotify and Google (\$16,500)
  - Local Palate Print, Digital + Editorial Partnership (\$5,000)
  - Nashville Lifestyles Magazine Print + Digital (\$5,000)
  - QC Exclusive (Charlotte Magazine and Discover Carolinas) Print + Digital (\$7,500)
  - Edible Chicago Print + Digital (\$4,000)
  - Marketing Creative and Public Relations Development (\$44,00)
  - Southern Flavor Magazine Print & Digital (\$3,000)
  - Subscriber + First Time Guests Digital Marketing Local Life SC Visitor + Relocation Campaign (\$21,000)

**Tourism Related Public Services - 74% of \$66350 = \$49099**

- Celebrity Guest Chef Travel (\$12,800)
- USCB Survey (\$750)
- RANCO Event Rentals (\$52,800)

**Total 2024 Request for Destination Advertising/Promotion and Tourism-Related Public Services \$180,099**

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)

We are wholeheartedly dedicated to procuring funding from all available sources to ensure the success of our Festival. Private funding from both local and national sponsors plays a vital role in our operations. It is worth noting that approximately 65% of our annual income is derived from private funding in the form of sponsorships and donations. However, the absence or partial funding from the Town of Hilton Head Island would considerably limit the reach of our marketing campaigns, especially at a time when digital advertising has become increasingly critical, costly, and oversaturated. We are well aware

of the challenges posed by this landscape and are committed to utilizing our expertise to make the most of these valuable resources.

4. What is expected economic impact and benefit to the Island's tourism? (100 words or less)

The Hilton Head Island Seafood Festival has proudly attracted over 150,000 patrons in the past 17 years, with a significant 74% of attendees being visitors in 2023. A remarkable portion of our overnight guests are first-time visitors to our beautiful island and we pride ourselves on creating a loyal visitor to our town. Our partnership with accommodations and real estate partners has been instrumental in this success, and we expect to further increase the number of visitors and day trippers in 2024. Our partnership with Dunes Real Estate Group includes prospective home buyer visits and home tours. Our Festival Accommodations packages also command extraordinary room rates during non-peak season and contribute to the success of our Island by boosting tourism and economic growth.

5. In order to comply with the State's Tourism Expenditure Review Committee annual reporting requirements, **please classify your current grant request into the following authorized categories:**

1 - Destination Advertising/Promotion <i>Advertising and promotion of tourism so as to develop and increase tourist attendance through the generation of publicity.</i>	73 %
2 - Tourism-Related Events <i>Promotion of the arts and cultural events.</i>	0 %
3 - Tourism-Related Facilities <i>Construction, maintenance and operation of facilities for civic and cultural activities including construction and maintenance of access and other nearby roads and utilities for the facilities.</i>	0 %
4 - Tourism-Related Public Services <i>The criminal justice system, law enforcement, fire protection, solid waste collection and health facilities when required to serve tourists and tourist facilities. This is based on the estimated percentage of costs directly attributed to tourist. Also includes public facilities such as restrooms, dressing rooms, parks and parking lots.</i>	27 %
5 - Tourist Public Transportation <i>Tourist shuttle transportation.</i>	0 %
6 - Waterfront Erosion/Control/Repair <i>Control and repair of waterfront erosion.</i>	0 %
7 - Operation of Visitor Information Centers <i>Operating visitor information centers.</i>	0 %
<b>Total:</b>	<b>100 %</b>

6. If not covered elsewhere in the application, please describe (a) how the organization will collaborate with other organizations to enhance tourism efforts, and (b) provide a venue or service not otherwise available to visitors to the Town of Hilton Head Island. (250 words or less)

The Hilton Head Island Seafood Festival collaborates with exceptional accommodation partners who not only provide a variety of options for travelers, but also prioritize culinary programming and hospitality. Through our partnerships, we enhance the visitor experience by offering engaging events focused on food and drink that showcase the local cuisine, heritage, and culture of our community. This plays a vital role in supporting culinary tourism, which directly contributes to the hospitality industry and economy of a country. Developing the food culture of a destination is imperative in order to meet the growing demands of modern tourism. Food acts as a reflection of a culture's eating habits, embodying a destination's history, people, and traditions. Different countries and districts are often associated with specific dishes, our region the Lowcountry is where seafood takes center stage. Culinary tourists, known as taste trekkers, embrace the opportunity to explore diverse cultures and we want ours to be the one they choose. Authenticity has become a significant aspect of the experience we offer, where food plays a pivotal role. Whether they dine in a restaurant during a pop-up event or savor local street food at Coastal Discovery Museum, our festival has successfully introduced first-time visitors to our destination and enticed others to return.

7. Additional comments. (250 words or less)

Our festival serves as a catalyst for culinary tourism unlike any other event. Modern travelers seek more than just sightseeing; they yearn for immersive experiences that celebrate diverse cuisines and cultures. Activities like our Lowcountry Experiences on the Water tours, farm visits, and culinary master classes are on the rise to cater to their desires.

To ensure our impact extends beyond our events, we conduct comprehensive research and gather data, not only from our guests but also from the broader travel industry. The 2013 American Culinary Travel Report by Mandala Research highlighted an increase in the number of U.S. leisure travelers seeking unique dining experiences, growing from 40% to 51% between 2006 and 2013.

Culinary travelers account for a staggering three-quarters (77%) of all leisure travelers in the United States, representing a significant portion of the population (131 million Americans) who have engaged in culinary activities within the past three years. Additionally, approximately half of all leisure travelers (51%) embark on journeys to indulge in distinctive and memorable eating and drinking experiences, further reinforcing the growing trend since 2006. Our research shows that culinary travelers, especially the Deliberates (87%) and Opportunistics (77%), are particularly inclined to seek out extraordinary culinary adventures.

In shaping our message, securing partnerships, expanding our reach, and maximizing the return on investment for the entire Town, we take into account this valuable travel research.

**C. FUNDING:**

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

- Individual Donors: Varying Amounts
- Event Sponsors: Varying Organizations and Amounts
- Event Vendors (Culinary and Retail)
- Event Ticket Sales
- Food/Beverage Sales

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

<u>20</u>	Government Sources	<u>10</u>	Private Contributions, Donations and Grants
40	Corporate Support, Sponsors	<u>        </u>	Membership, Dues, Subscriptions
<u>25</u>	Ticket Sales, or Sales and Services	<u>        </u>	Other

3. Has the organization requested other ATAX or any other funding from other public sources or organizations?

Yes      No **X**

If so, please list top 3 sources and amounts.

**D. FINANCIAL INFORMATION:**

Fiscal Year Disclosure: Start Month: **January 2022** End Month: **December 2022**

**Financial Statement Requirements:**

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

Budget Provided: **Yes**

2. The previous two fiscal years and current year-to-date profit and loss reports for the organization.

Current fiscal year Profit Loss Report Provided: **Yes**

Previous fiscal year Profit Loss Reports Provided:

2021- Previous FY 2

2022- Previous FY 1

3. The previous two fiscal years and current year-to-date balance sheets.

Current fiscal year Balance Sheet Provided: **Yes**

Previous fiscal year Balance Sheets Provided:

2021 - Previous FY 2

2022 - Previous FY 1

4. The previous two years and current year IRS Form 990 or 990T.

Current year IRS Form 990 or 990T Provided: **Yes**

Previous IRS Form 990 or 990T Years Provided:

2020 - Previous FY 2

2021 and 2022 (Password 422454608) - Previous FY 1

2022 (Password 422454608) - Previous FY 1

#### **E. FINANCIAL GUARANTEES AND PROCEDURES:**

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1. Provide a copy of the **official minutes** wherein the organization approves the submission of this application.

**An official set of minutes have been attached to this application.**

2. Indicate whether your organization follows Town procurement guidelines or has its own procurement guidelines which are utilized and followed in the expenditure of ATAX grant funds.

Follow Town procurement guidelines

Utilize and follow organization's own procurement guidelines



Our organization does not have or follow procurement guidelines

**F. MEASURING EFFECTIVENESS:**

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If you received 2022 or 2023 HHI ATAX funds

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

2021	\$19,000.00	HHI Seafood Festival
2022	\$181,000.00	Hilton Head Island Seafood Festival

2. How were the ATAX funds used? To what extent were the objectives achieved? The ATAX Effectiveness Measurement spreadsheet available in the application portal will show the numerics. Use the space below for verbal comments. (200 words or less)

Please see Measuring Effectiveness Document and 2023 Partner Portal Link in PDF.

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

In 2023, an impressive 74% of travelers flocked to our events, showcasing their enthusiasm for our festival. Notably, the festival contributed to the local community by generating over 285 room nights in February purely from visitors staying in our partner accommodations. Furthermore, our festival saw tremendous success with five sell-out pop-up events hosted at local restaurants, fetching an average revenue of \$125 per person. The exhibitors also experienced record-breaking revenue during our marquee events. These remarkable achievements serve as a testament to the value and impact of our festival.

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

Our organization assesses the effectiveness of both overall activities and individual programs through a comprehensive evaluation approach. This includes utilizing the USCB On-Site Survey during the Saturday Seafood Festival, analyzing Saffire Online Ticket Sales Data Reporting, leveraging Point of Sale Technology, examining Yearly Profit + Loss statements, gathering general feedback from guest experiences, and conducting

SMS Text Messaging surveys. This thorough evaluation framework not only ensures accountability but also demonstrates a deep understanding of our operations, enhancing the persuasiveness and engagement of our grant application.

## G. EXECUTIVE SUMMARY

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Provide an executive summary using the "ATAX Effectiveness Measurement" form provided via the link on the left, or by utilizing the text area provided below to report uses of the organization's prior ATAX grant, if applicable. If creating your own format, please refer to the "ATAX Effectiveness Measurement" form and use the criteria as a guideline in developing your executive summary below. *(1300 words or less)*

An ATAX Effectiveness Measurement form has been attached to this application.

Signature: Kelly Smith

Title/Position: Executive Director

Mailing Address: PO Box 22519, Hilton Head Island, SC 29925

Email Address: hhiseafoodfestival@gmail.com

Office Phone Number: 843-683-8386

Home Phone Number: 843-683-8386

2023

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# Hilton Head Island Seafood Festival



CENTER FOR EVENT MANAGEMENT  
AND HOSPITALITY TRAINING

A detailed nautical chart of a coastal area, likely the Savannah Harbor region. The chart shows various water depths, navigational aids, and geographical features. A large dark blue rectangle is overlaid on the chart, containing the text 'RESEARCH METHODOLOGY'.

# RESEARCH METHODOLOGY

- Attendees completed a 31-question online survey
- QR Code directed respondents to survey
- iPads made available to respondents without mobile devices

# RESPONSES



264



# ORIGIN BREAKDOWN

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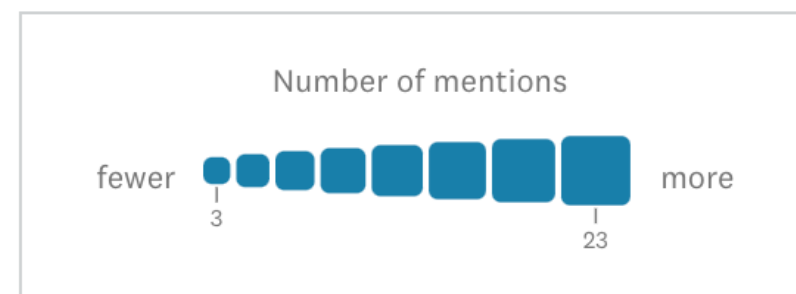
4



# Top Zip Codes

Answered: 261 Skipped: 3

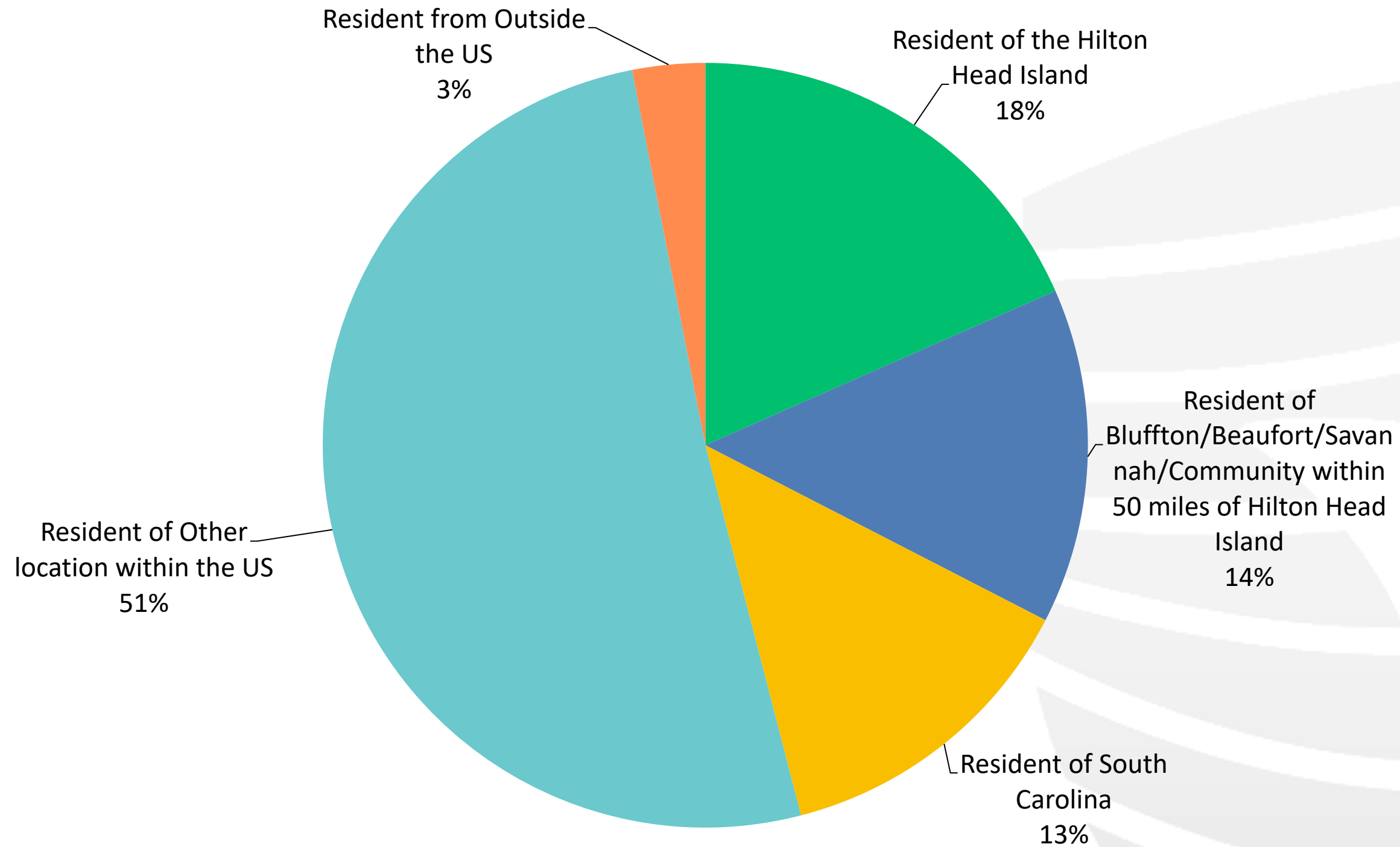
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# Where is your primary residence?

Answered: 261 Skipped: 3

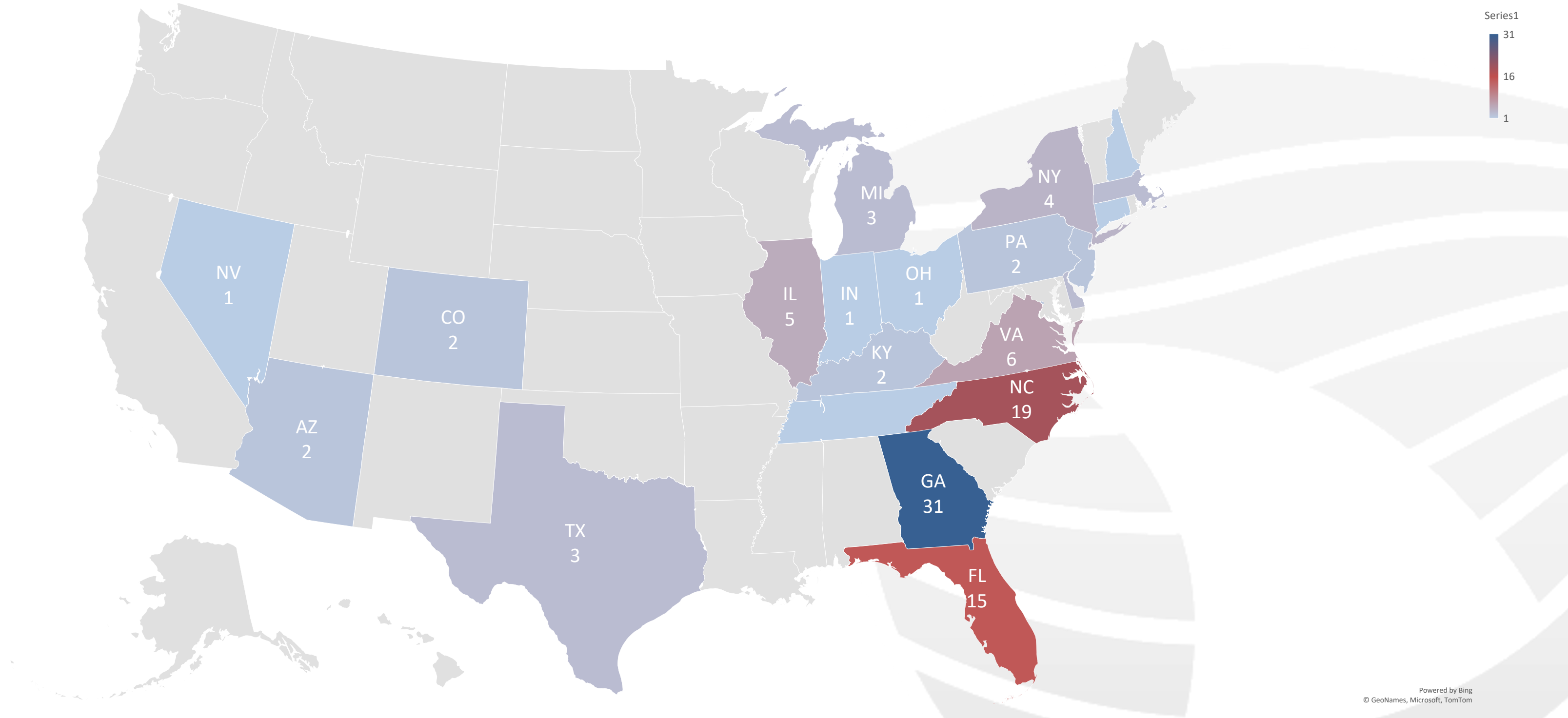
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# “Other” U.S. Location

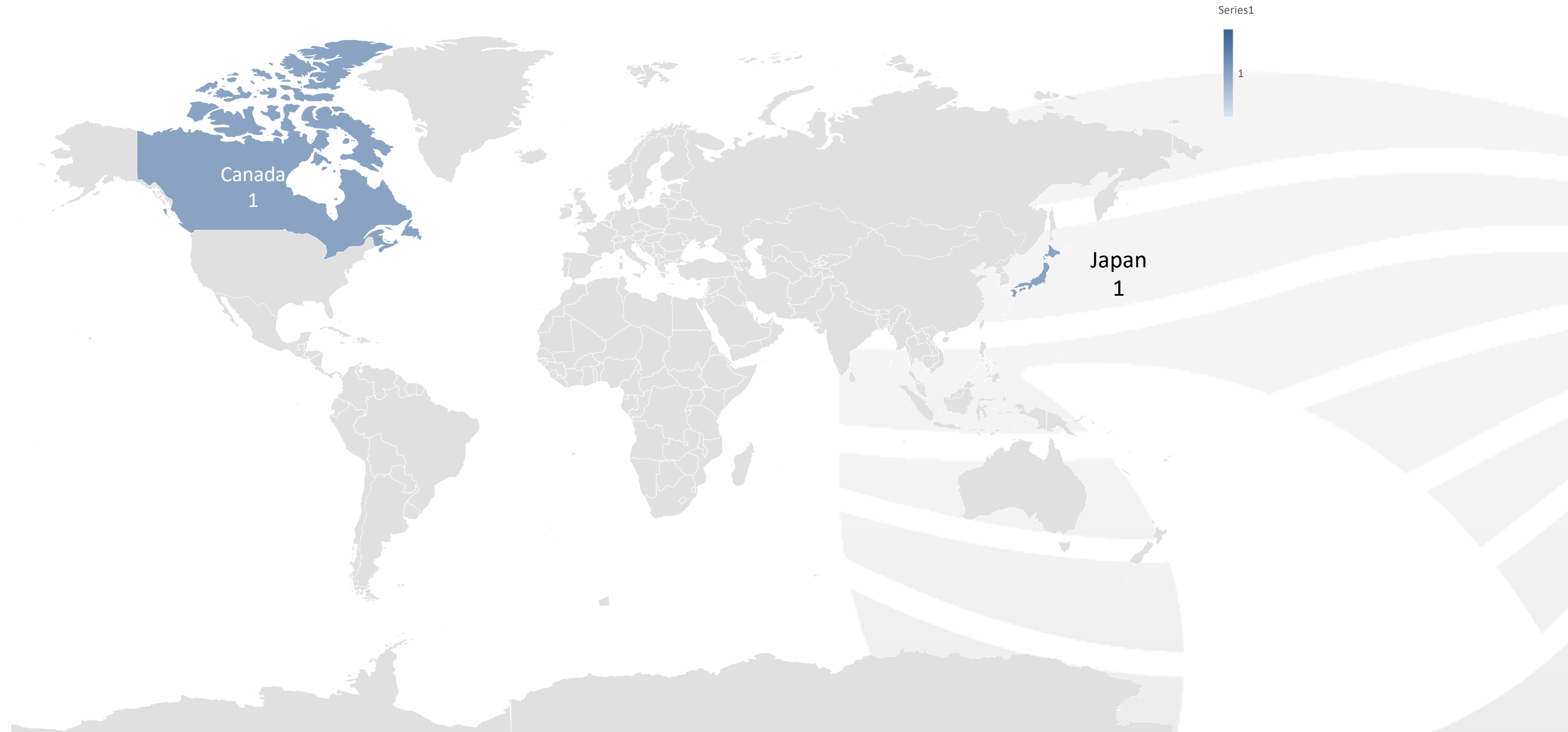
Answered: 108



# Location Outside U.S.

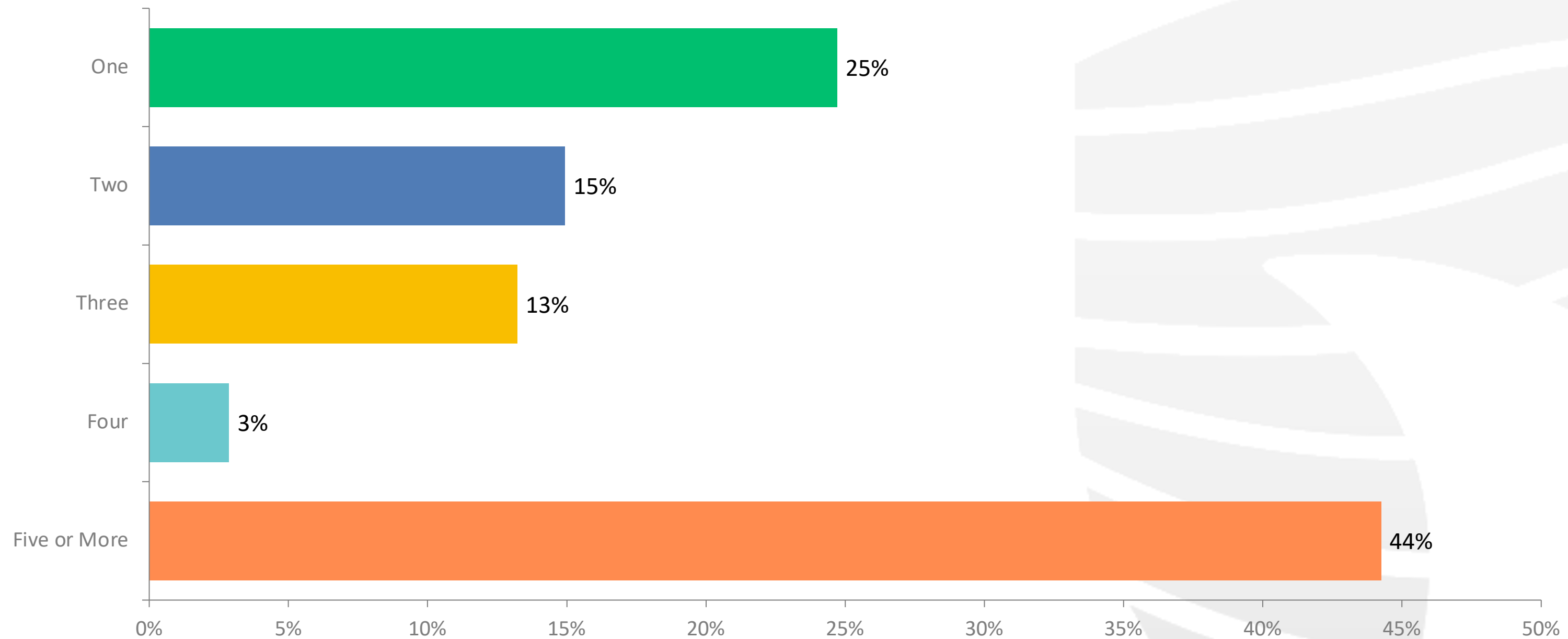
Answered: 2

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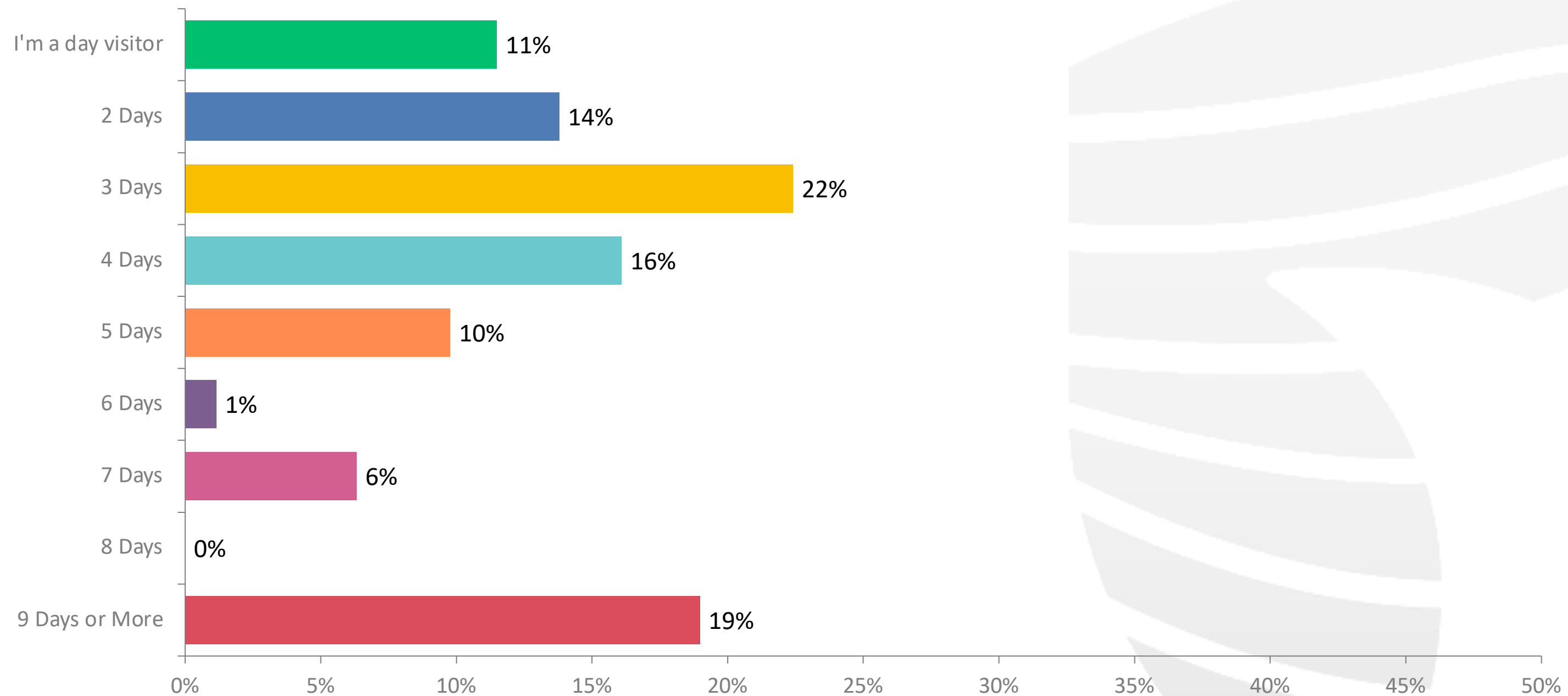
# Including this visit, how many trips have you taken to Hilton Head?

Answered: 174 Skipped: 90



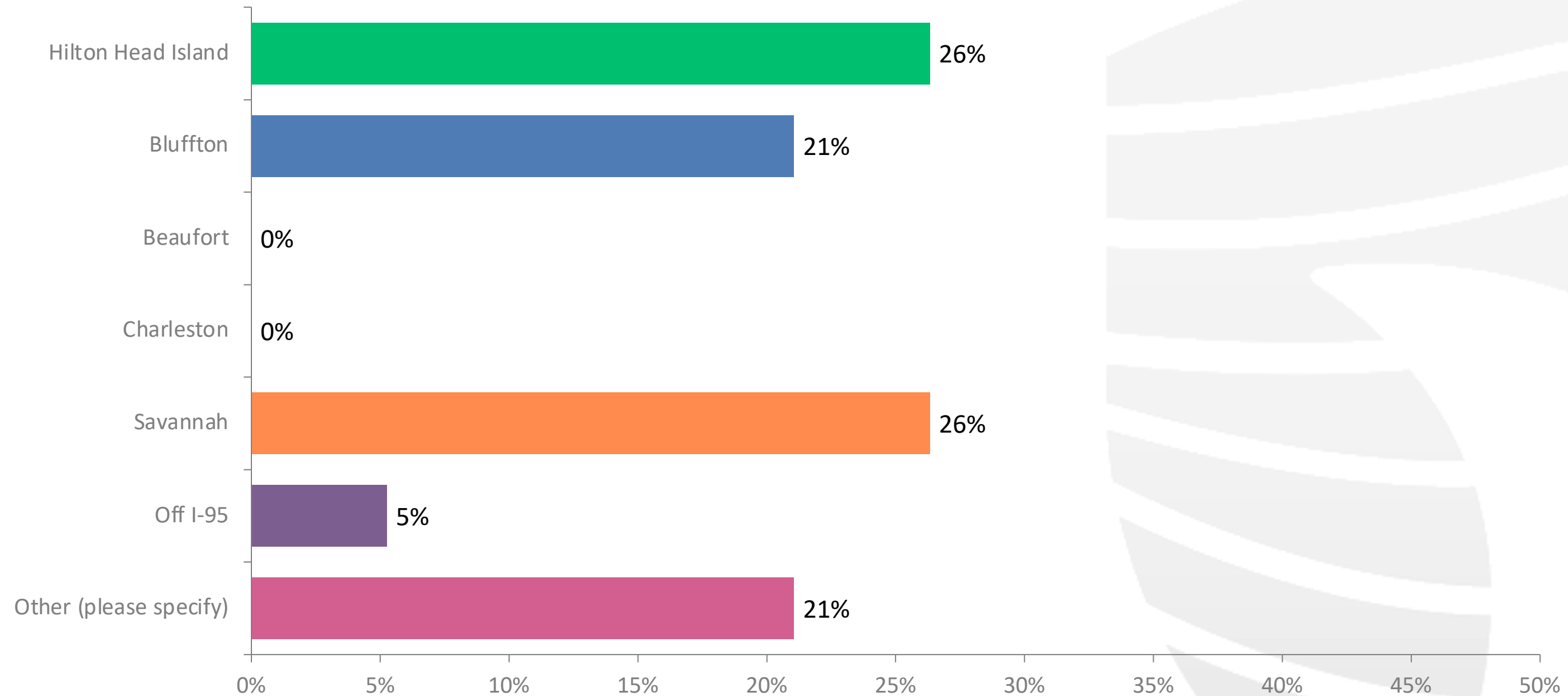
# How many days do you intend to stay in Hilton Head?

Answered: 174 Skipped: 90



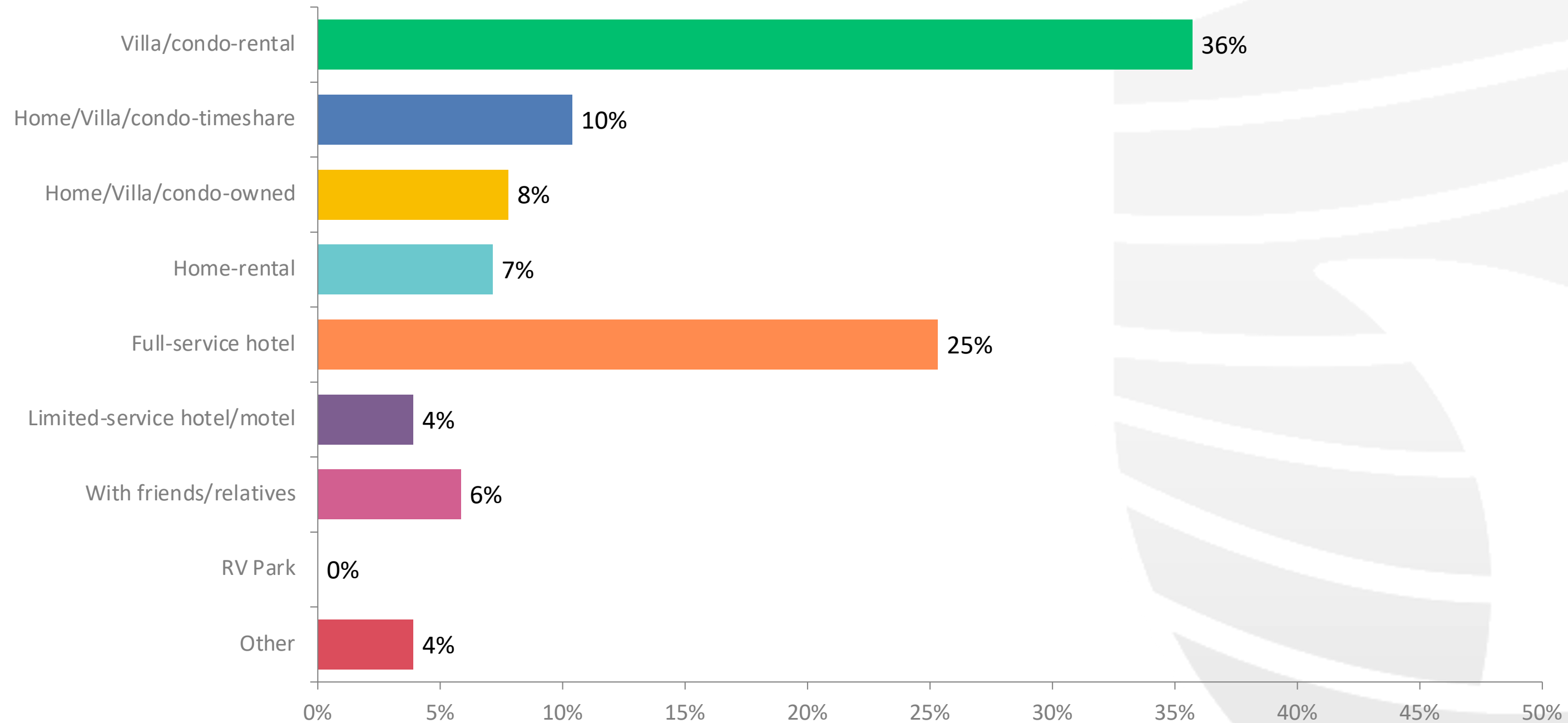
# Where are you staying on this overnight trip?

Answered: 19 Skipped: 245



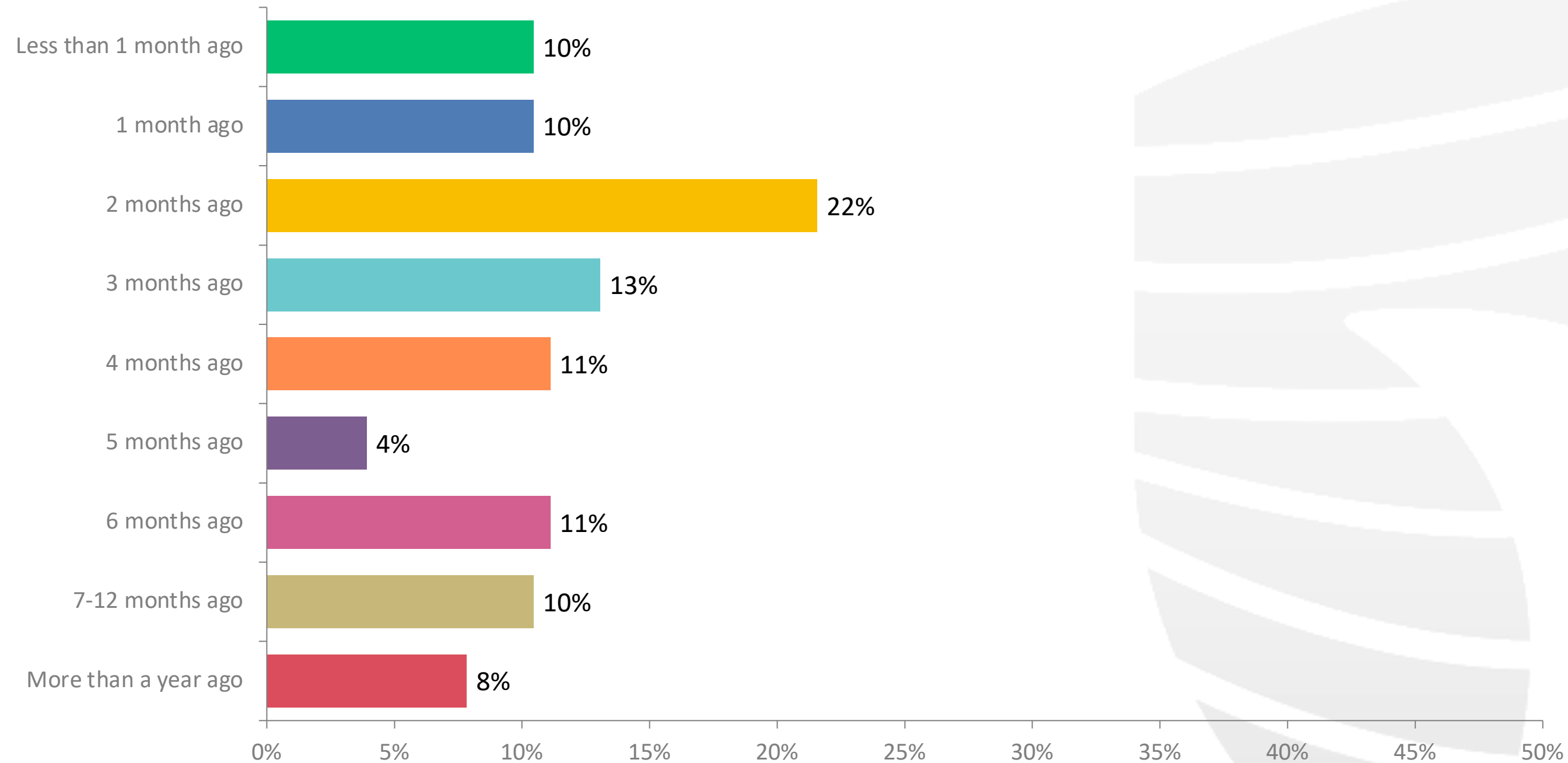
# What type of accommodations will you be using while visiting?

Answered: 154 Skipped: 110



# How many months in advance did you book this trip?

Answered: 153 Skipped: 111



# How influential was the 2023 Hilton Head Island Seafood Festival when planning your trip to Hilton Head?

Answered: 174 Skipped: 90

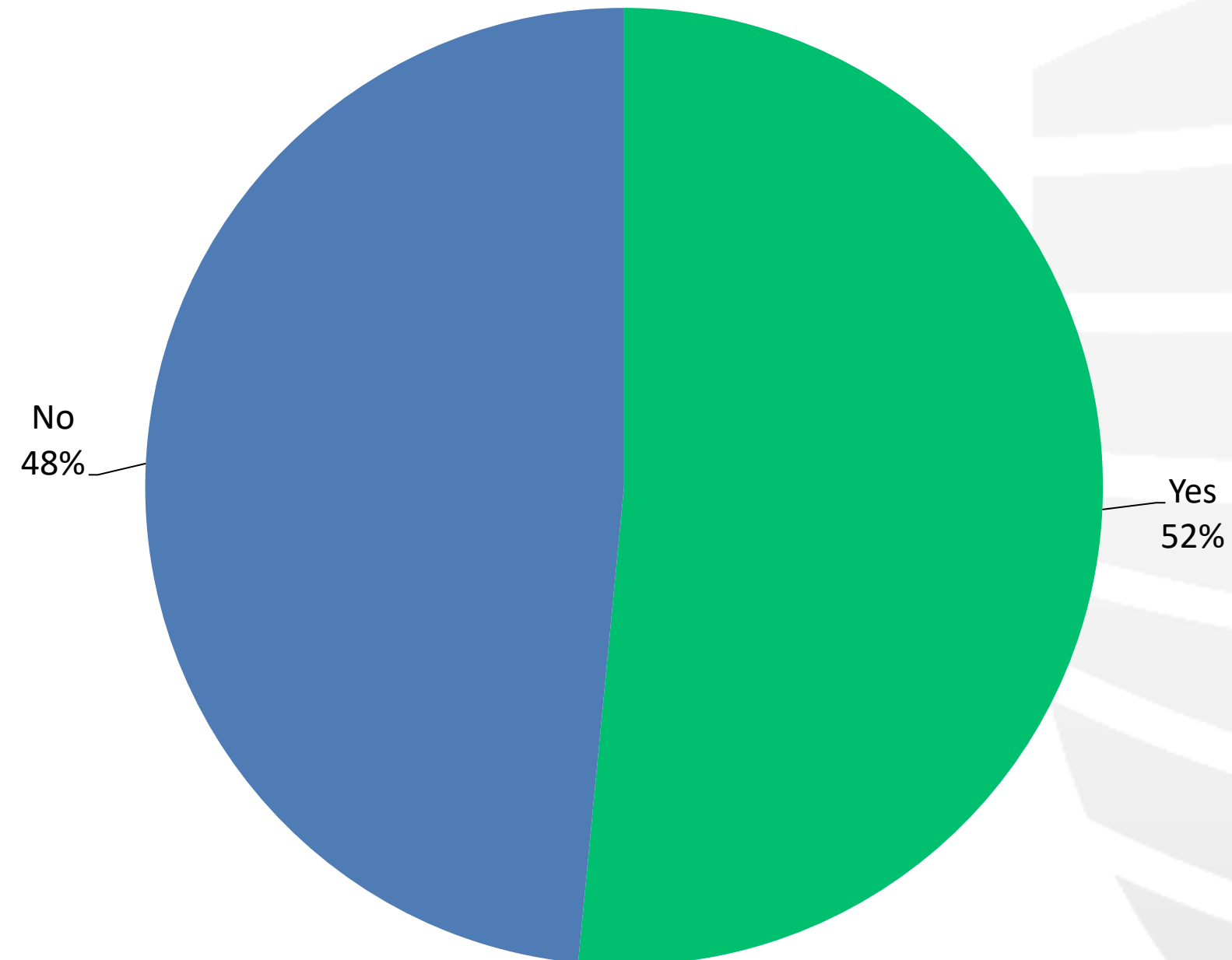
EXTREMELY INFLUENTIAL	VERY INFLUENTIAL	MODERATELY INFLUENTIAL	SLIGHTLY INFLUENTIAL	NOT AT ALL INFLUENTIAL	WEIGHTED AVERAGE
40.8%	21.8%	10.9%	9.2%	17.3%	3.6
71	38	19	16	30	



# Would you have visited the Hilton Head area **AT THIS TIME** even if festival was not being held?

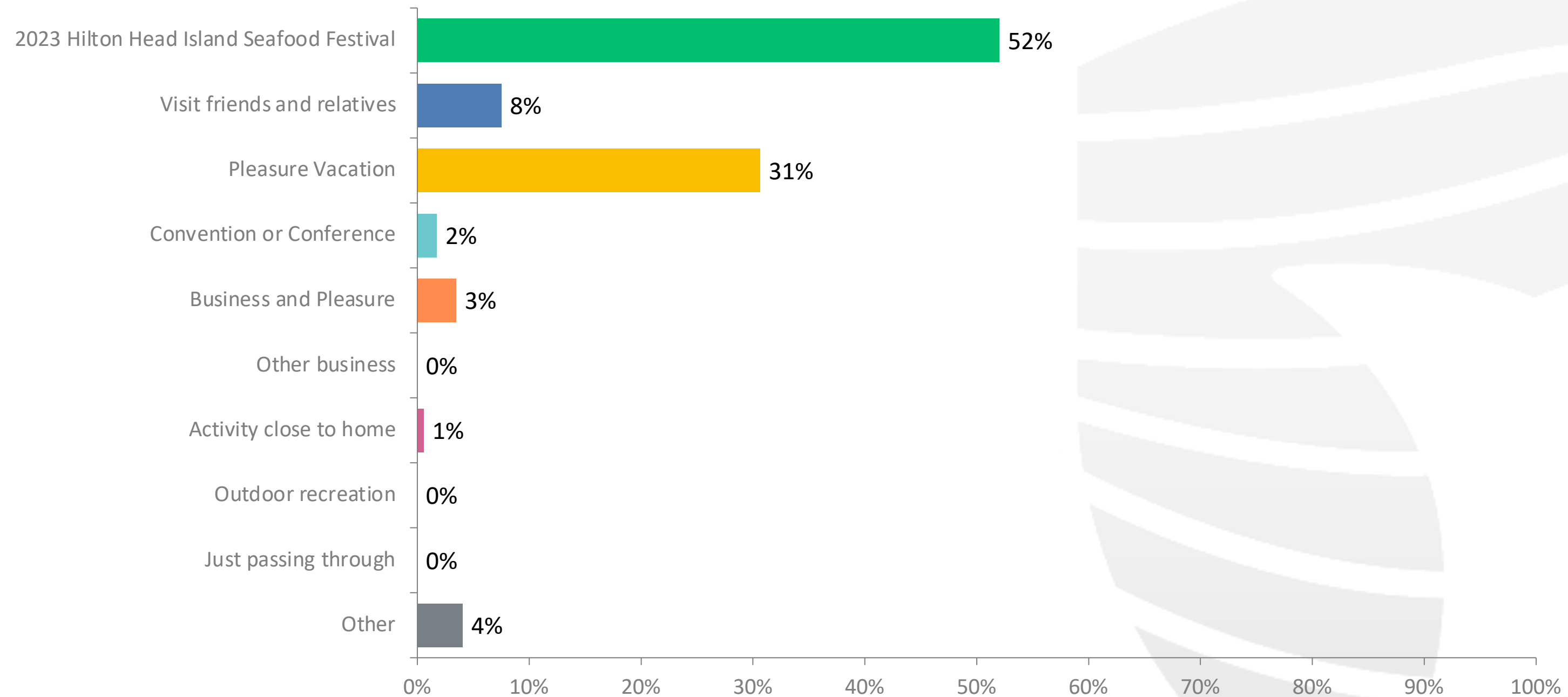
Answered: 163 Skipped: 101

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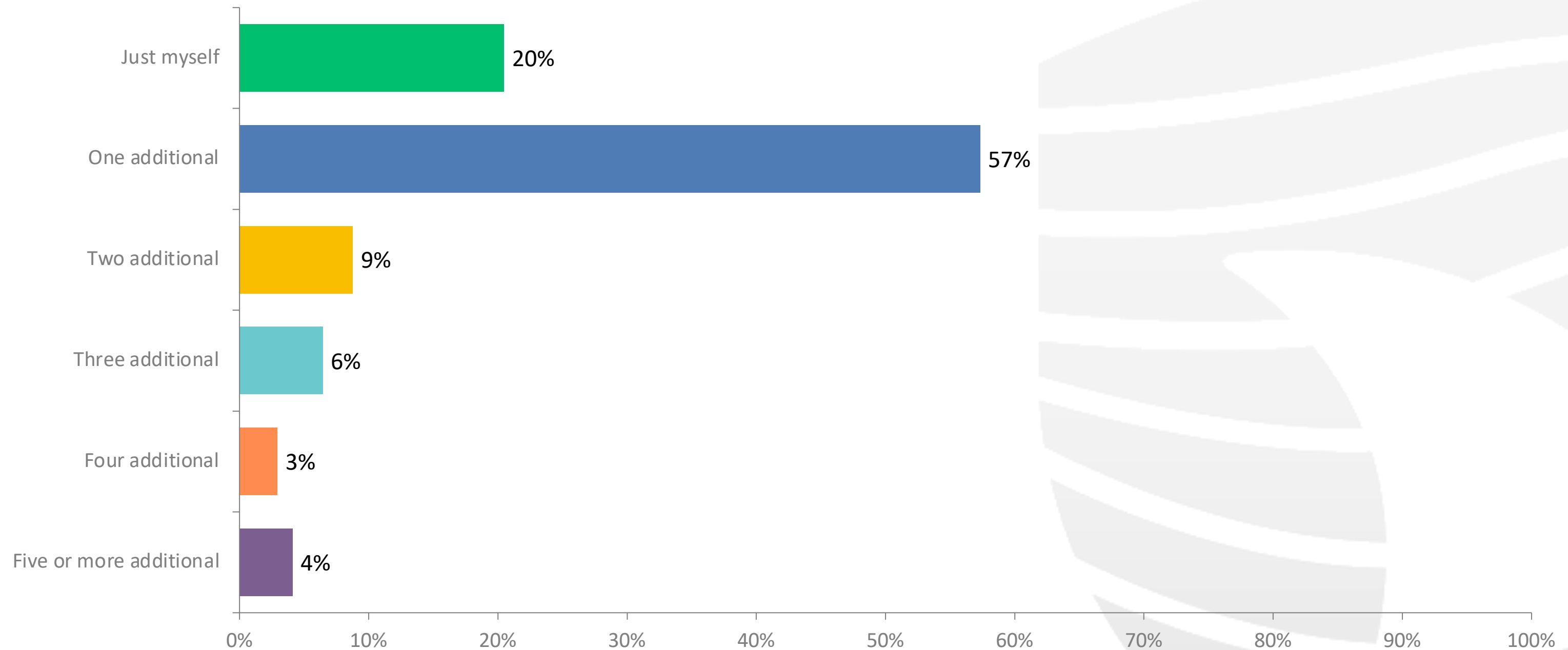
# What was the primary reason for this visit to Hilton Head Island?

Answered: 173 Skipped: 91



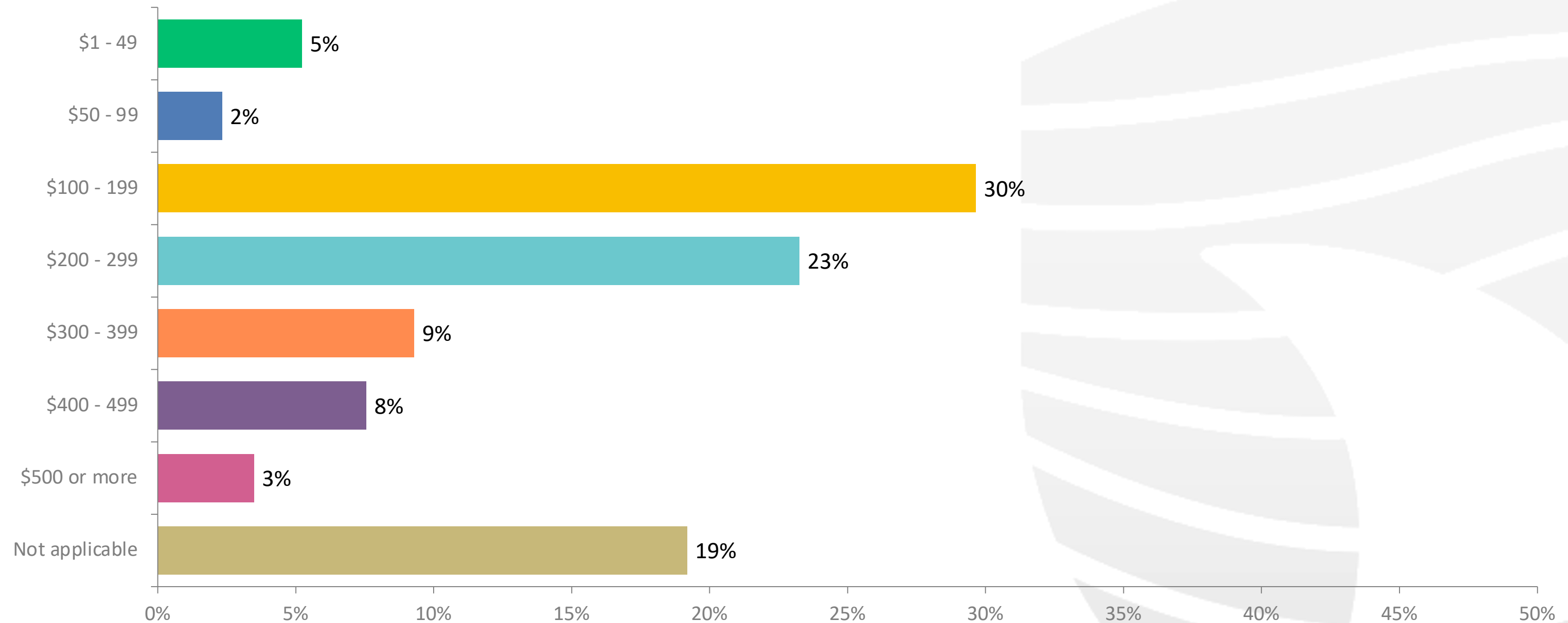
# How many people are you financially responsible for during this trip?

Answered: 171 Skipped: 93



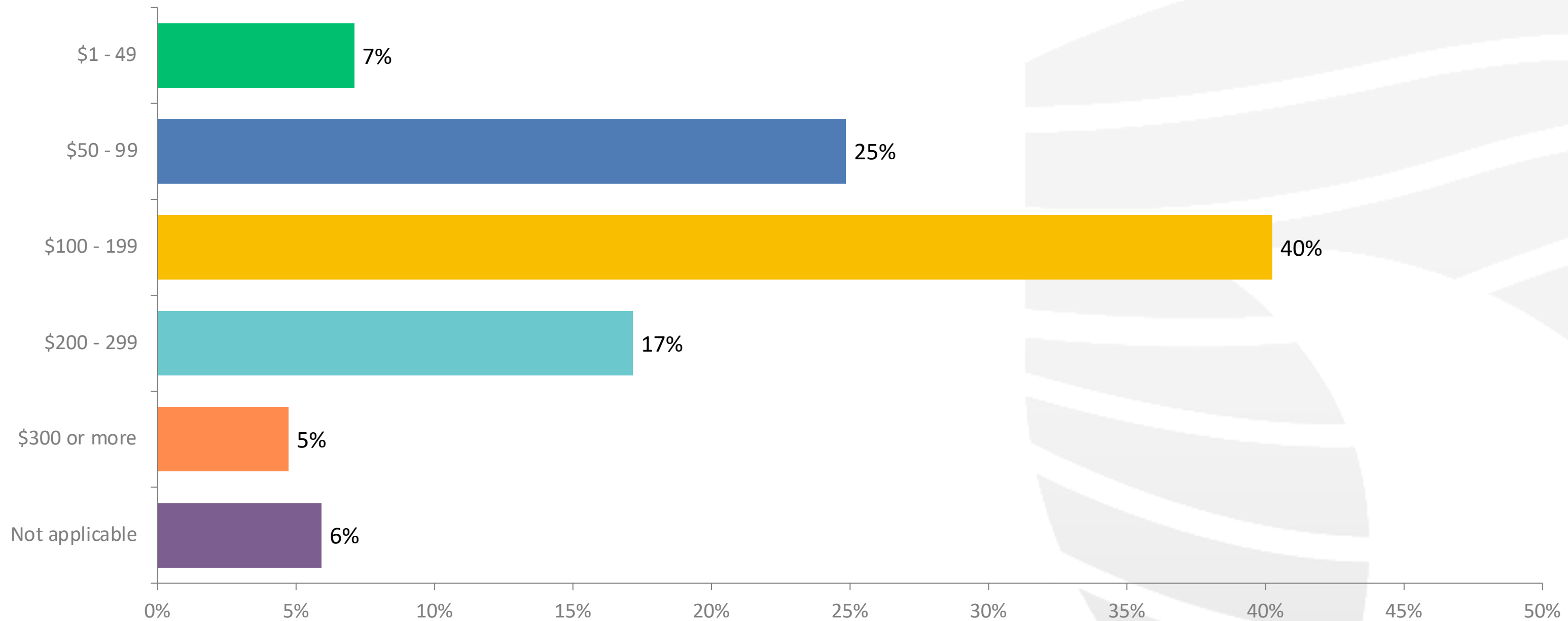
# Approximately, how much will you spend on lodging PER NIGHT?

Answered: 172 Skipped: 92



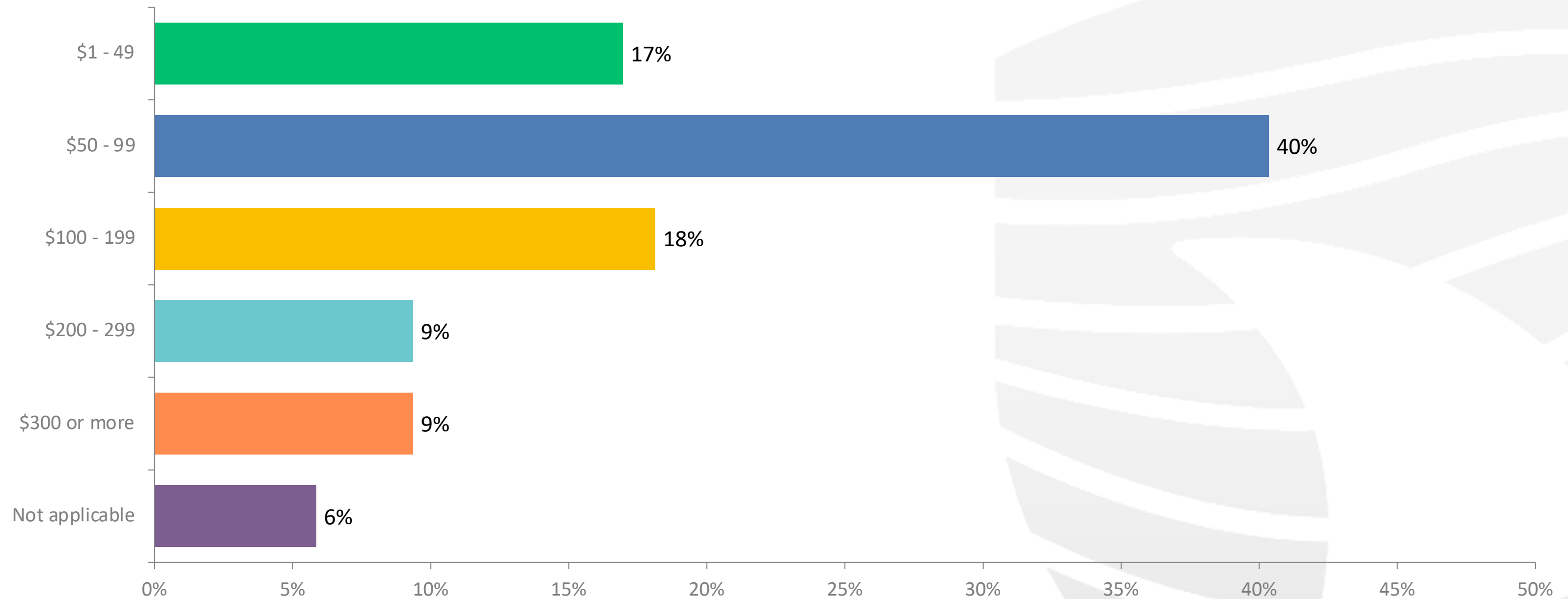
# Approximately, how much will you spend on restaurant dining PER DAY?

Answered: 4169 Skipped: 95



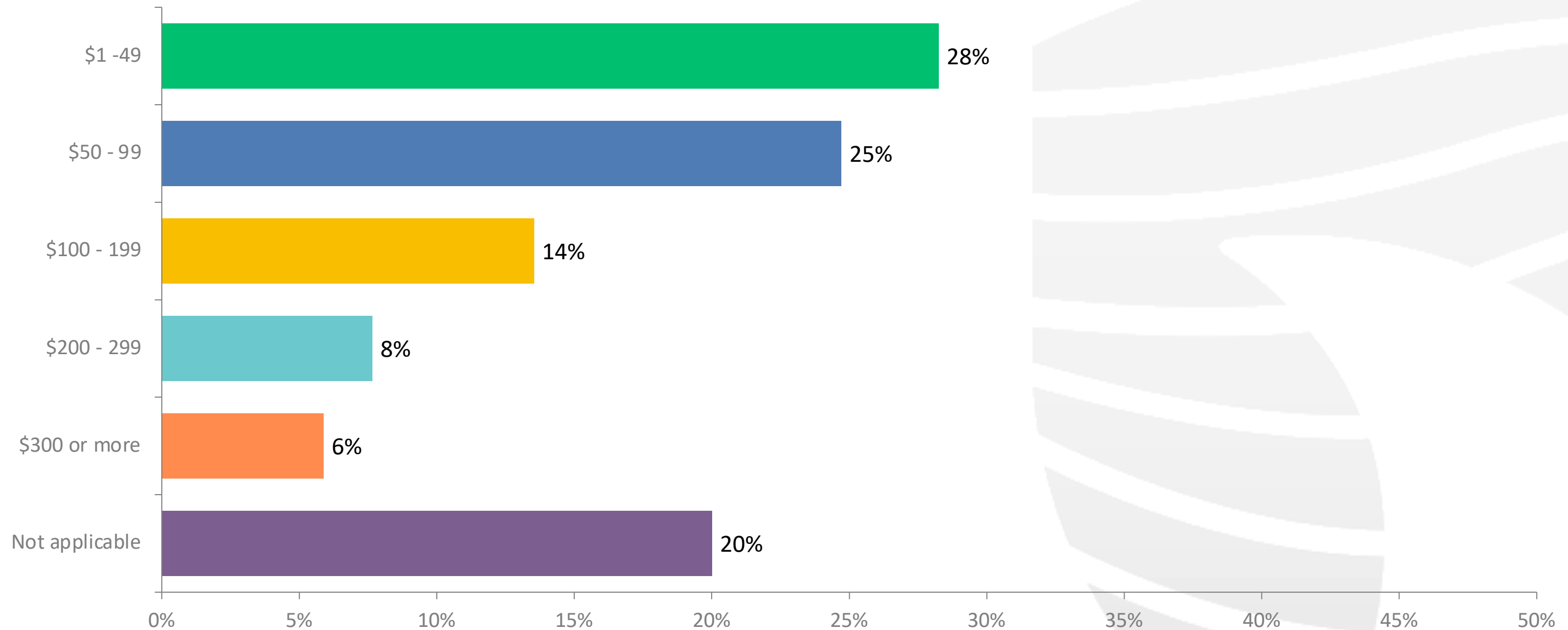
# How much do you think you'll spend on retail purchases PER DAY (i.e. gifts, souvenirs, etc.?)

Answered: 171 Skipped: 93



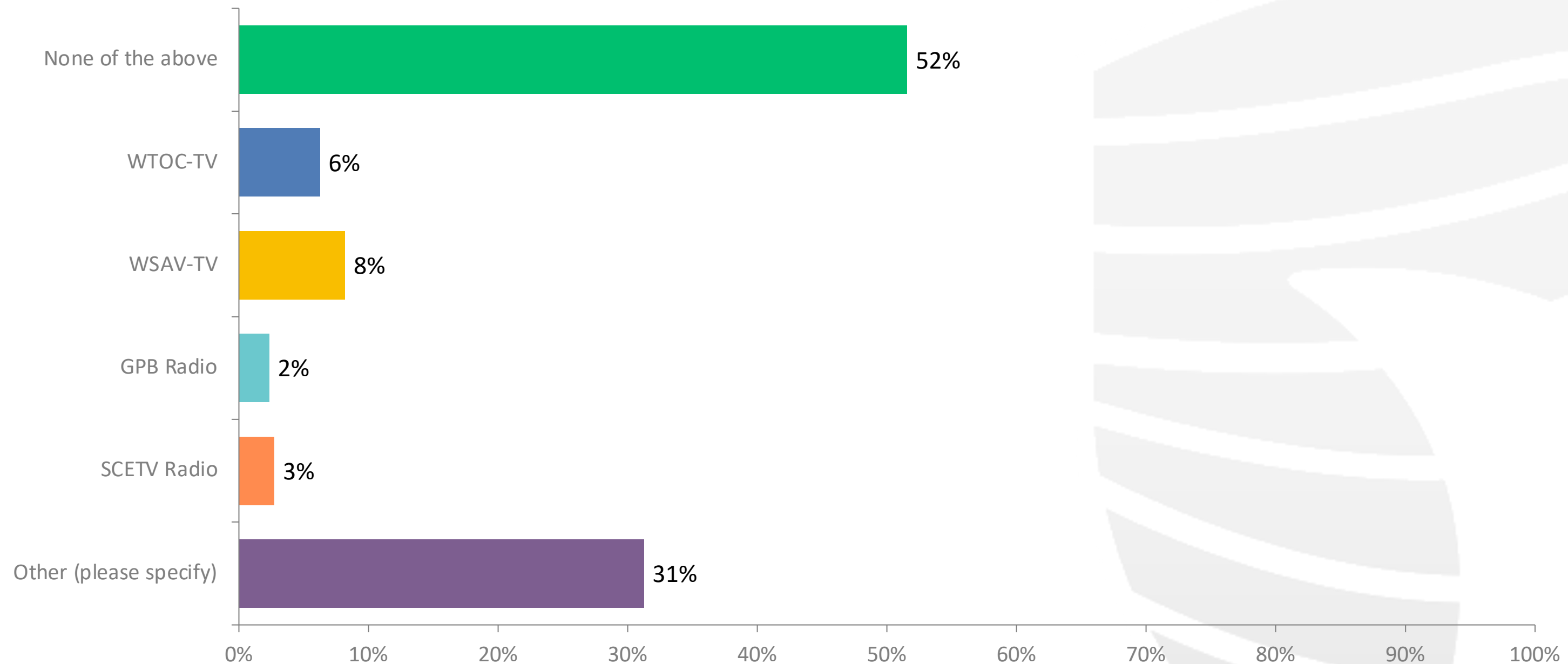
# Approximately, how much will you spend on recreation (i.e., golf, bicycling, etc.) per day?

Answered: 170 Skipped: 93



# From which TV and Radio Station did you hear about the Hilton Head Island Seafood Festival? Check all that apply.

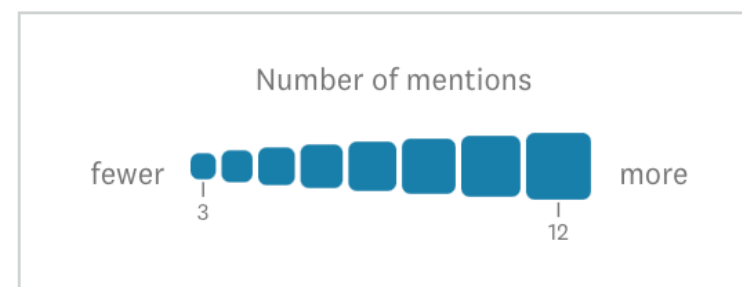
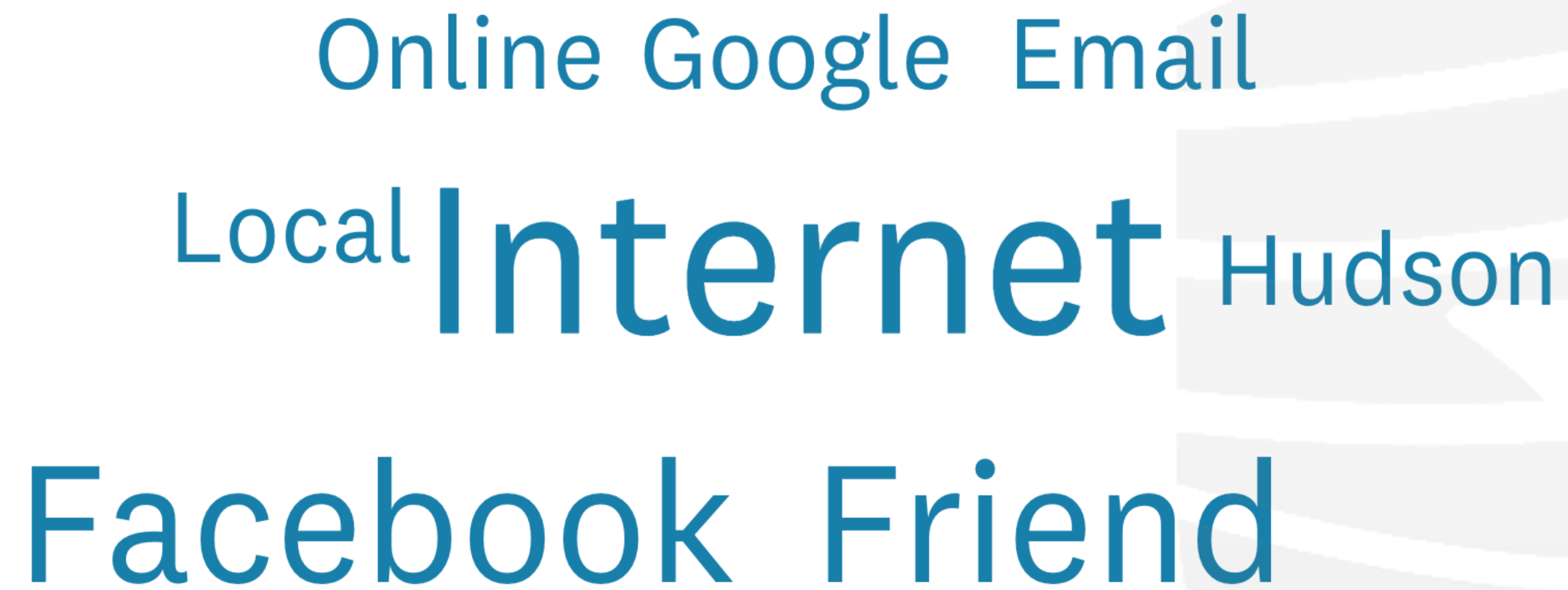
Answered: 256 Skipped: 8





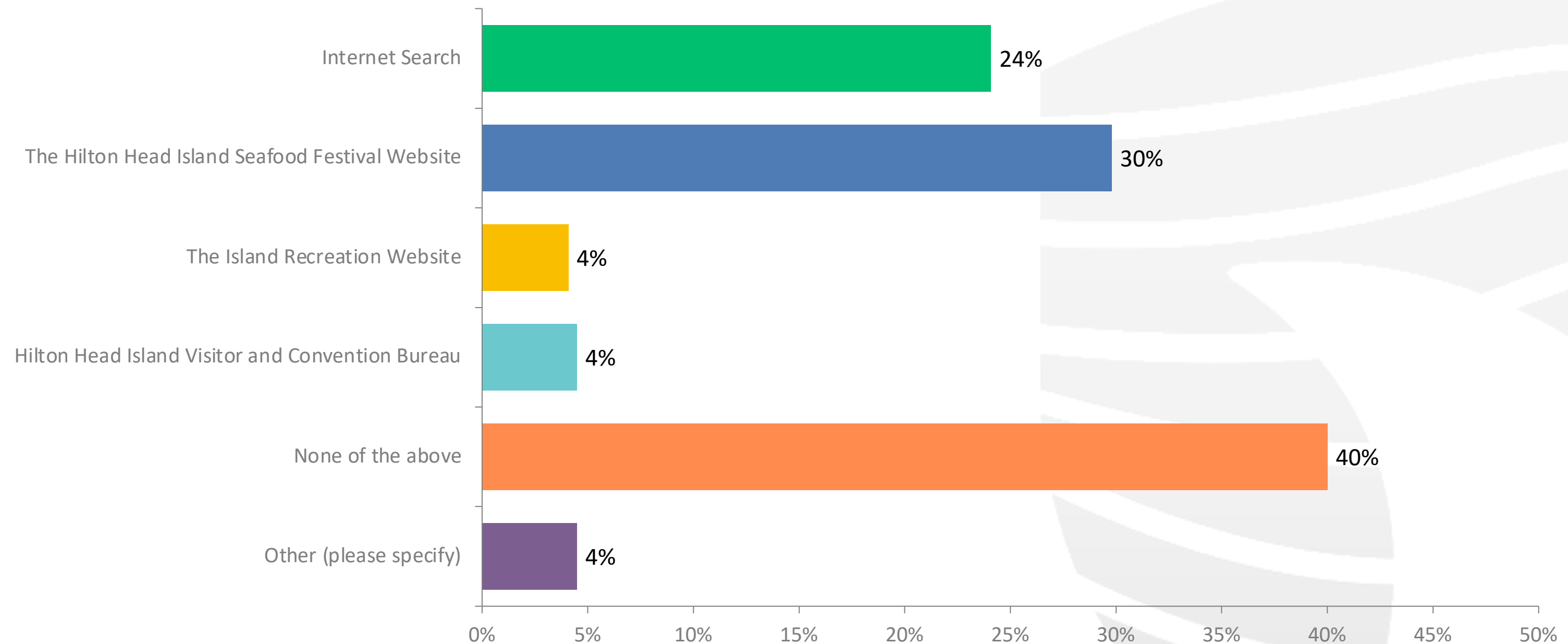
# From which TV and Radio Station did you hear about the Hilton Head Island Seafood Festival? “Other”

Answered: 80



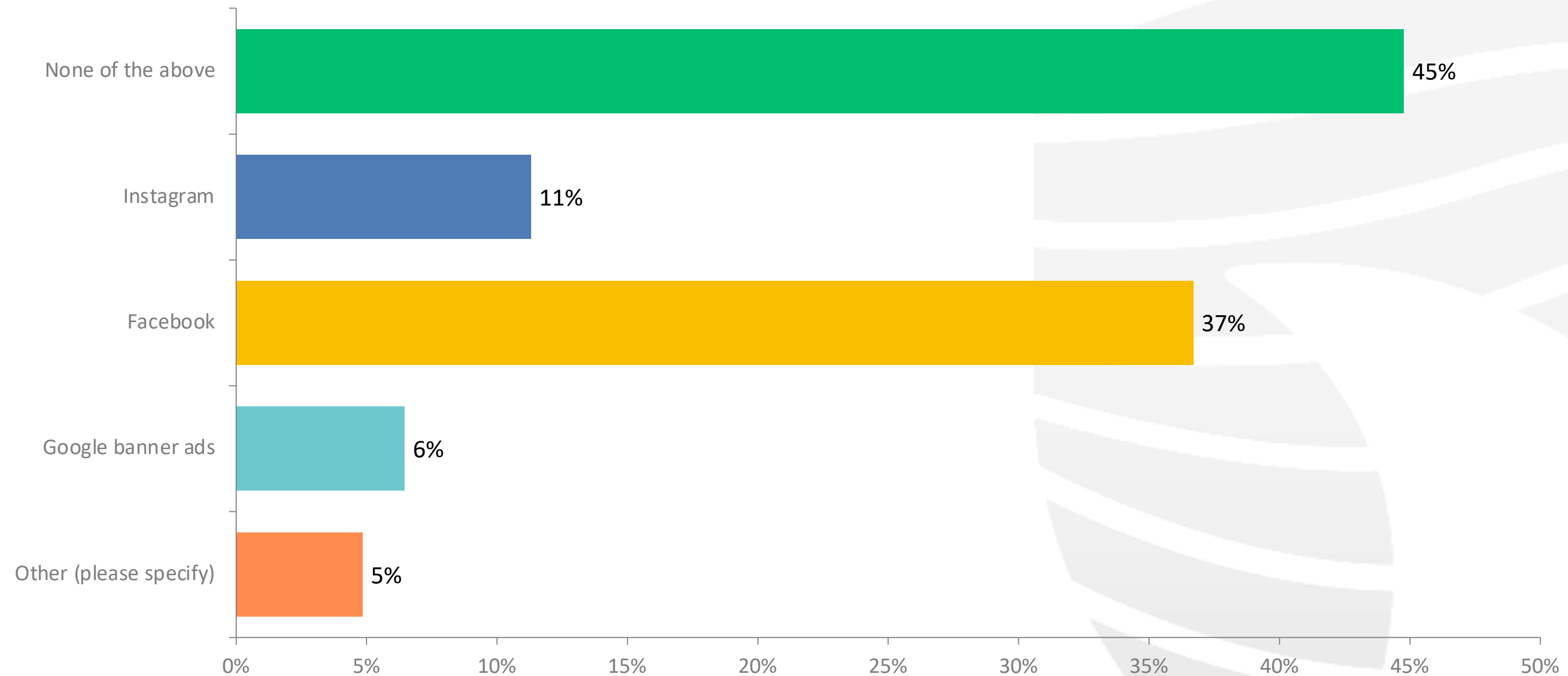
# From which magazine or did you read about the Hilton Head Island Seafood Festival? Check all that apply.

Answered: 245 Skipped: 19



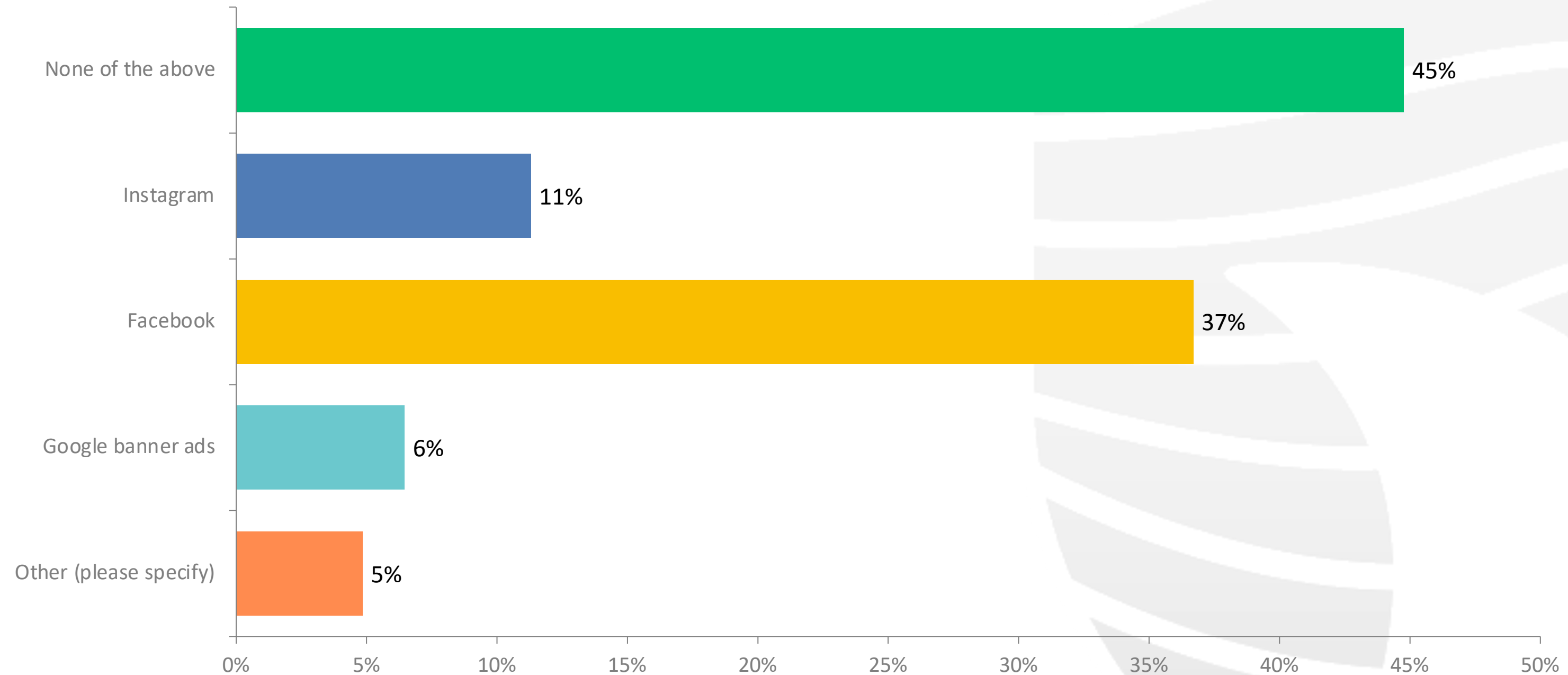
# From which social media site did you learn about the Hilton Head Island Seafood Festival? Check all that apply.

Answered: 248 Skipped: 16



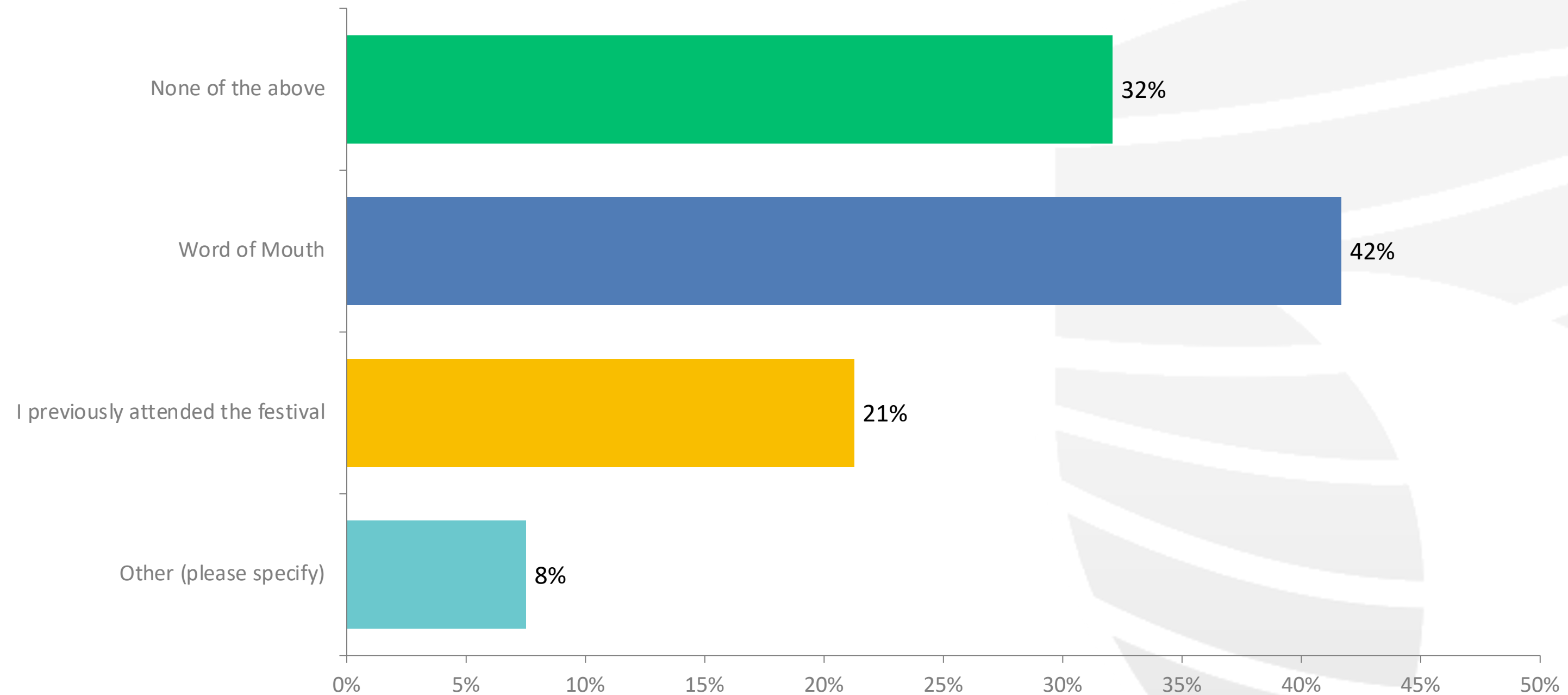
# From which website or internet sources did you learn about the Hilton Head Island Seafood Festival? Check all that apply.

Answered: 248 Skipped: 16



# From which other source did you learn about the Hilton Head Island Seafood Festival? Check all that apply.

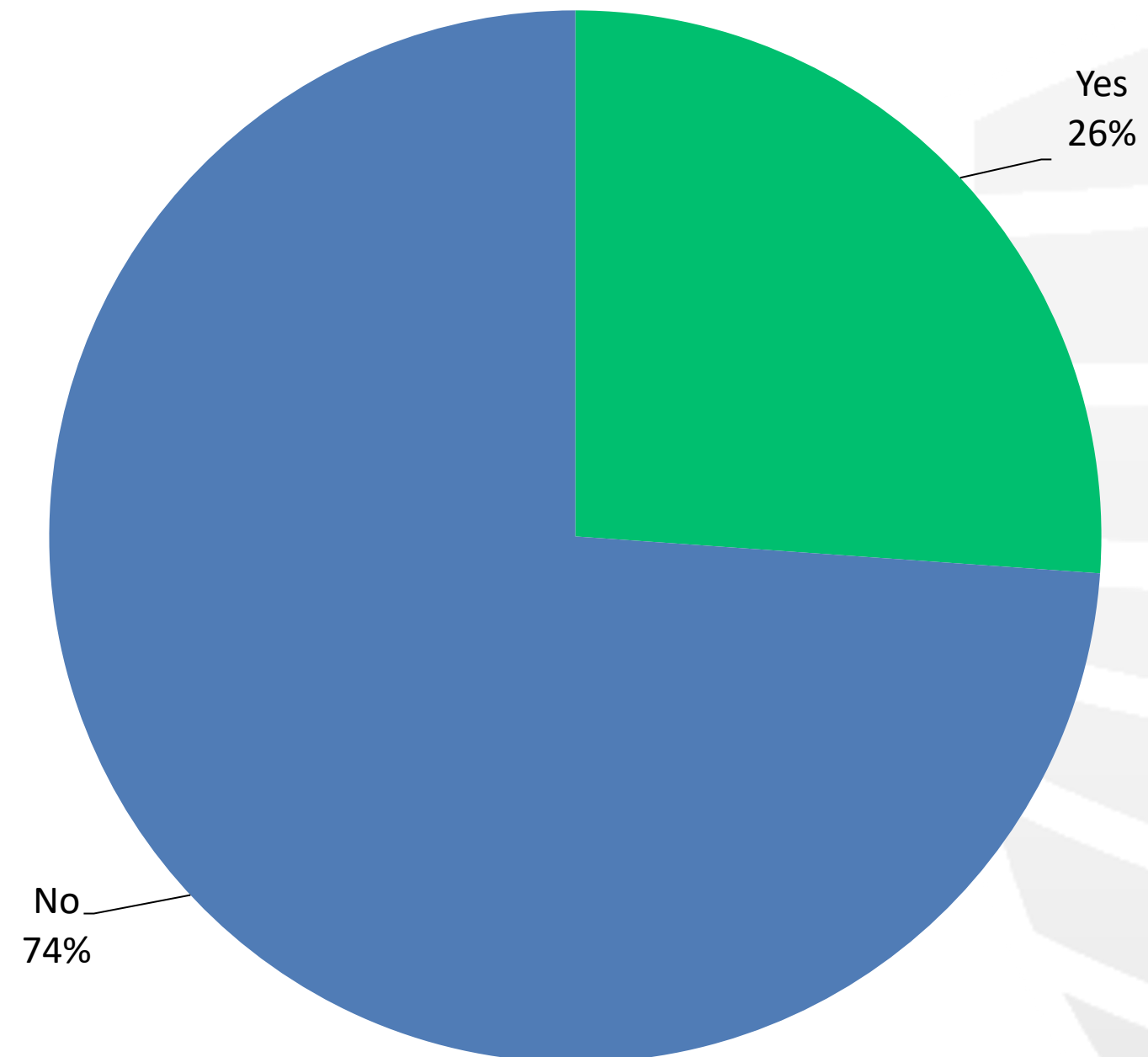
Answered: 240 Skipped: 24



# Did you attend the 2022 Hilton Head Island Seafood Festival?

Answered: 245 Skipped: 19

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# How would you rate the following festival characteristics?

Answered: 251 Skipped: 13

	VERY GOOD	GOOD	AVERAGE	POOR	VERY POOR	N/A	WEIGHTED AVERAGE
Music	52.40% 131	30.80% 77	14.80% 37	0.80% 2	0.80% 2	0.40% 1	4.34
Cost	21.49% 52	23.97% 58	30.58% 74	14.88% 36	8.26% 20	0.83% 2	3.36
Staff Friendliness	65.31% 160	24.90% 61	7.35% 18	1.22% 3	1.22% 3	0% 0	4.52
Event Location	62.45% 153	26.53% 65	7.35% 18	2.45% 6	1.22% 3	0% 0	4.47
Parking	29.39% 72	33.47% 82	16.73% 41	5.71% 14	4.49% 11	10.20% 25	3.86
Food Vendor Variety	49.39% 122	34.82% 86	11.34% 28	2.43% 6	2.02% 5	0% 0	4.27
Beverage Selection (Wines, Beers, Spirits)	58.47% 145	26.61% 66	9.68% 24	2.82% 7	1.61% 4	0.81% 2	4.39

# How would you rate the following festival characteristics?

Answered: 249 Skipped: 15

	VERY GOOD	GOOD	AVERAGE	POOR	VERY POOR	N/A	WEIGHTED AVERAGE
Quality of Food You Purchased	51.42% 127	28.74% 71	10.93% 27	1.21% 3	1.21% 3	6.48% 16	4.37
Retail Vendor Variety	41.91% 101	36.51% 88	14.94% 36	0.83% 2	0.83% 2	4.98% 12	4.24
Availability of Public Seating	32.38% 79	31.56% 77	26.23% 64	7.38% 18	1.64% 4	0.82% 2	3.86
Crowd Flow	26.75% 65	34.16% 83	27.16% 66	7.82% 19	3.70% 9	0.41% 1	3.73
Overall Value of the Event	32.93% 81	32.93% 81	19.92% 49	7.32% 18	6.10% 15	0.81% 2	3.80



# How likely are you to return to next year's festival and recommend the festival to friends?

Answered: 250 Skipped: 14

	EXTREMELY LIKELY	VERY LIKELY	NOT SURE	VERY UNLIKELY	EXTREMELY UNLIKELY	WEIGHTED AVERAGE
Return to next year's festival	38.40% 96	24.00% 60	25.20% 63	7.20% 18	5.20% 13	3.83
Recommend the festival to friends	39.58% 95	31.25% 75	17.08% 41	5.42% 13	6.67% 16	3.92

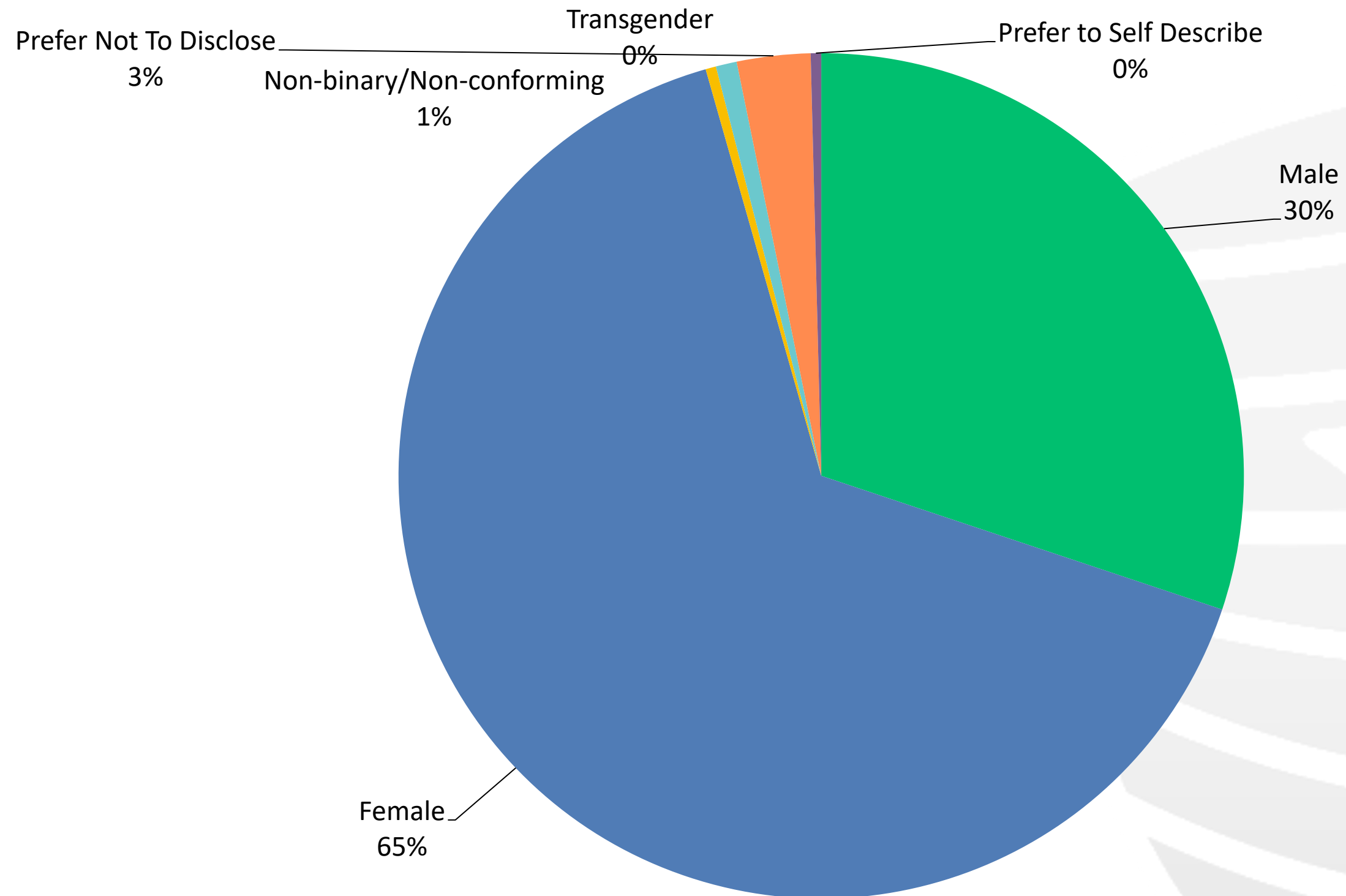


# DEMOGRAPHICS

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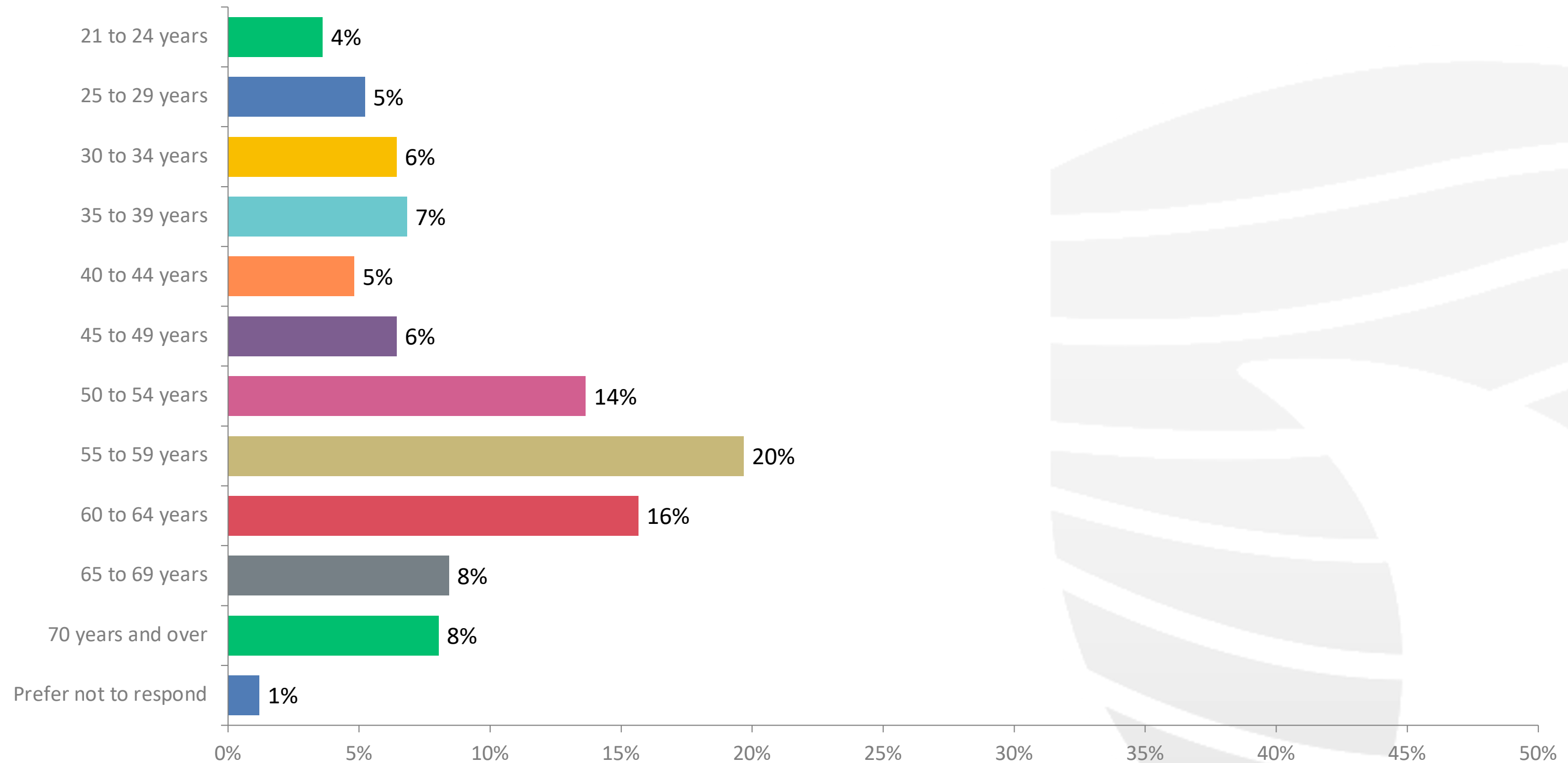
# How do you identify?

Answered: 249 Skipped: 15



# Indicate your age below.

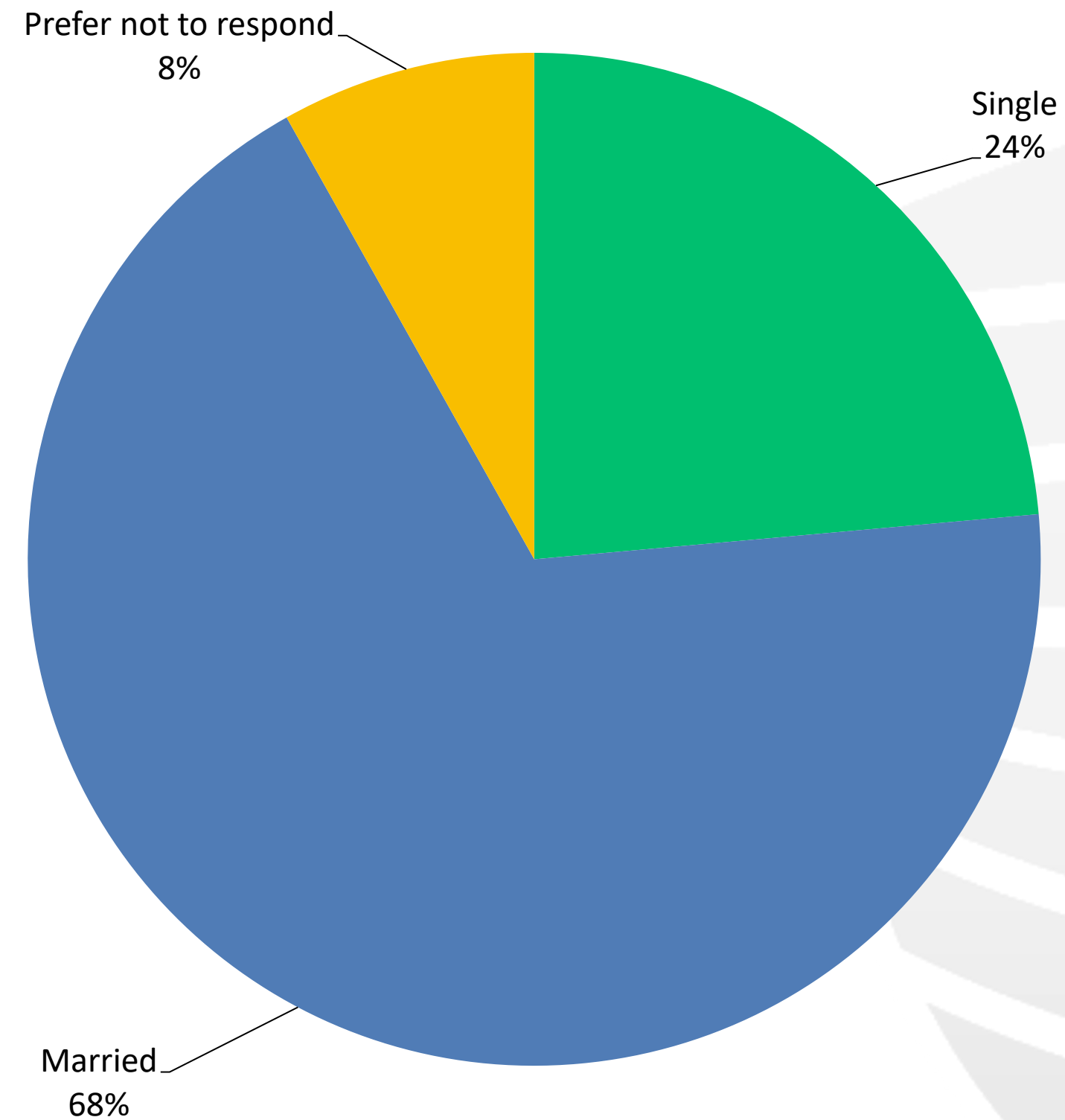
Answered: 249 Skipped: 15



# Please indicate your marital status.

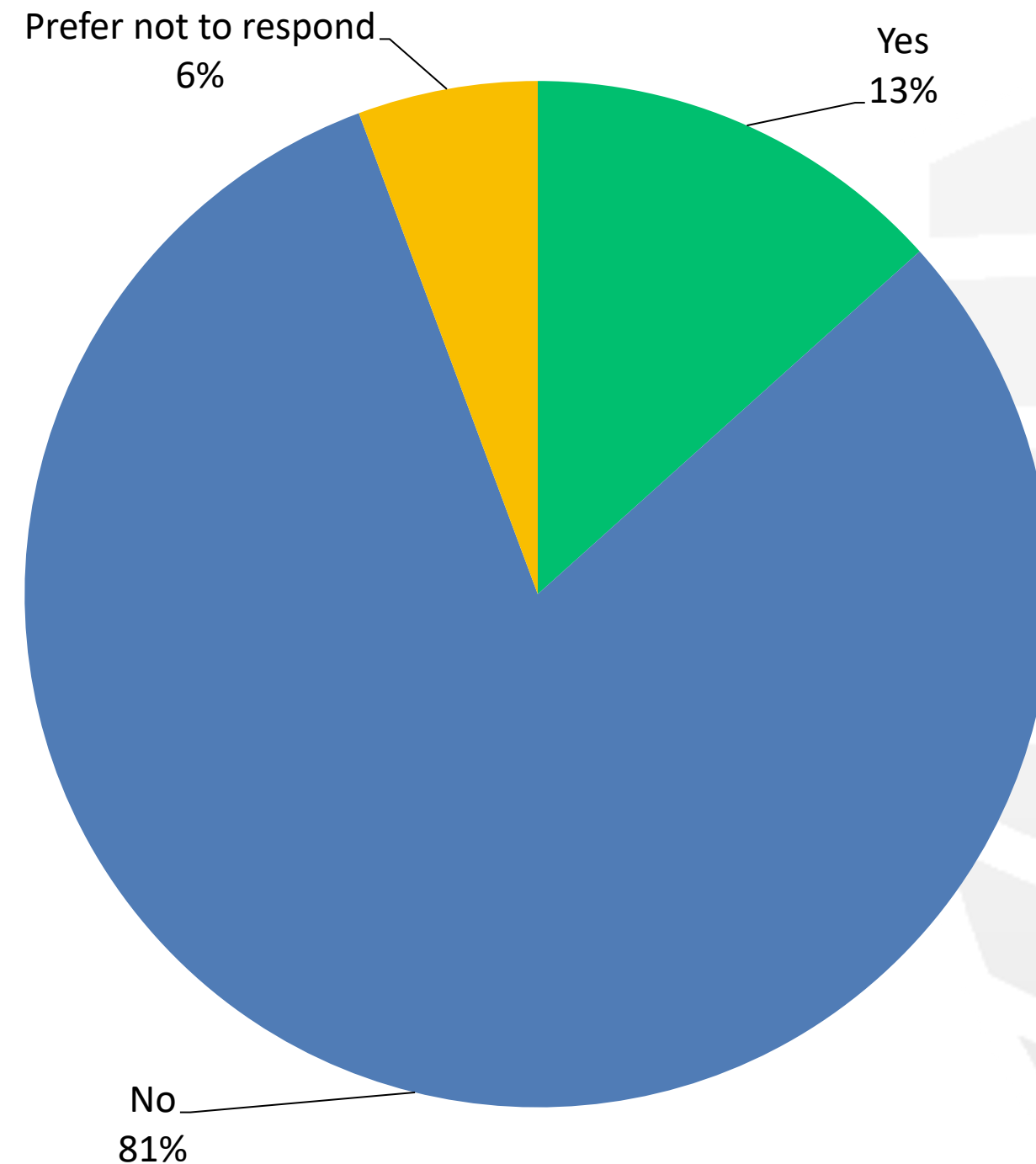
Answered: 246 Skipped: 18

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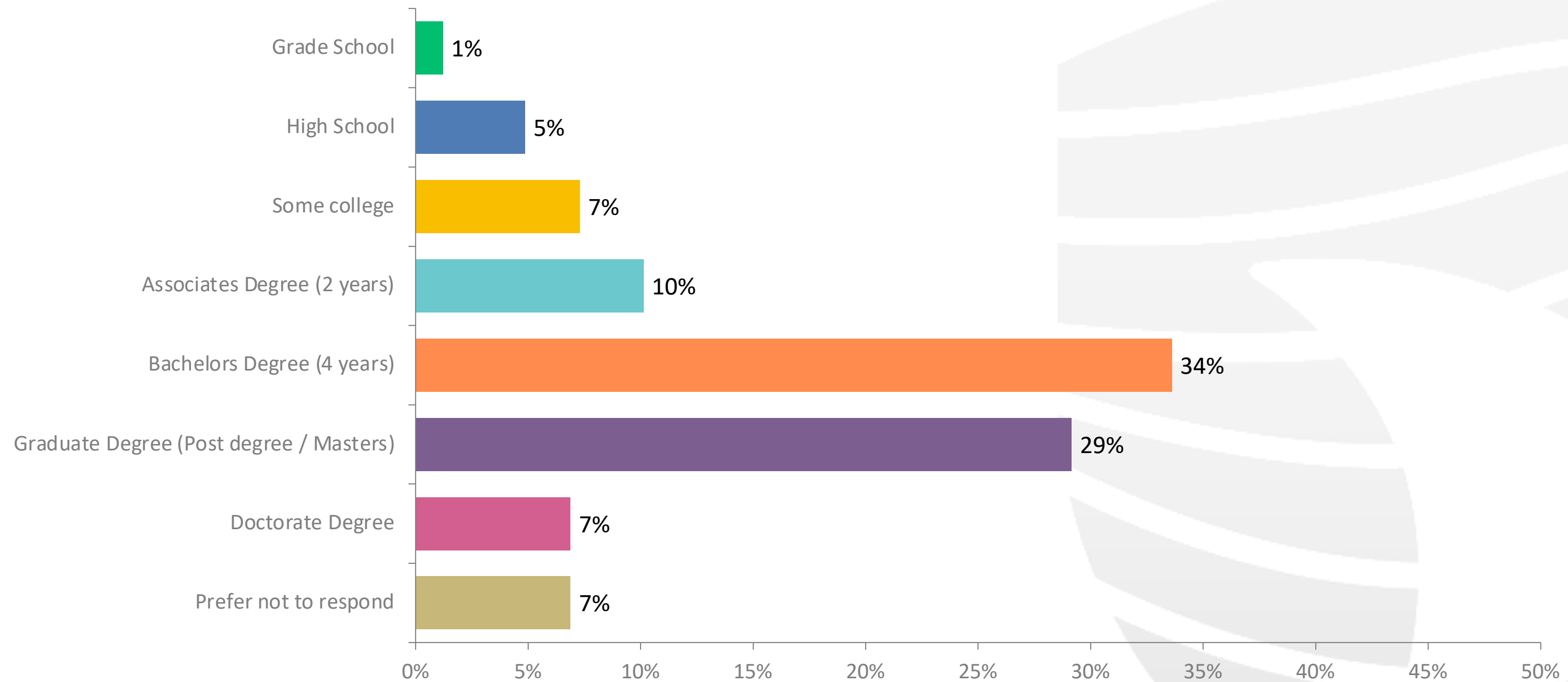
# Do you have any children under 18 living at home?

Answered: 247 Skipped: 17



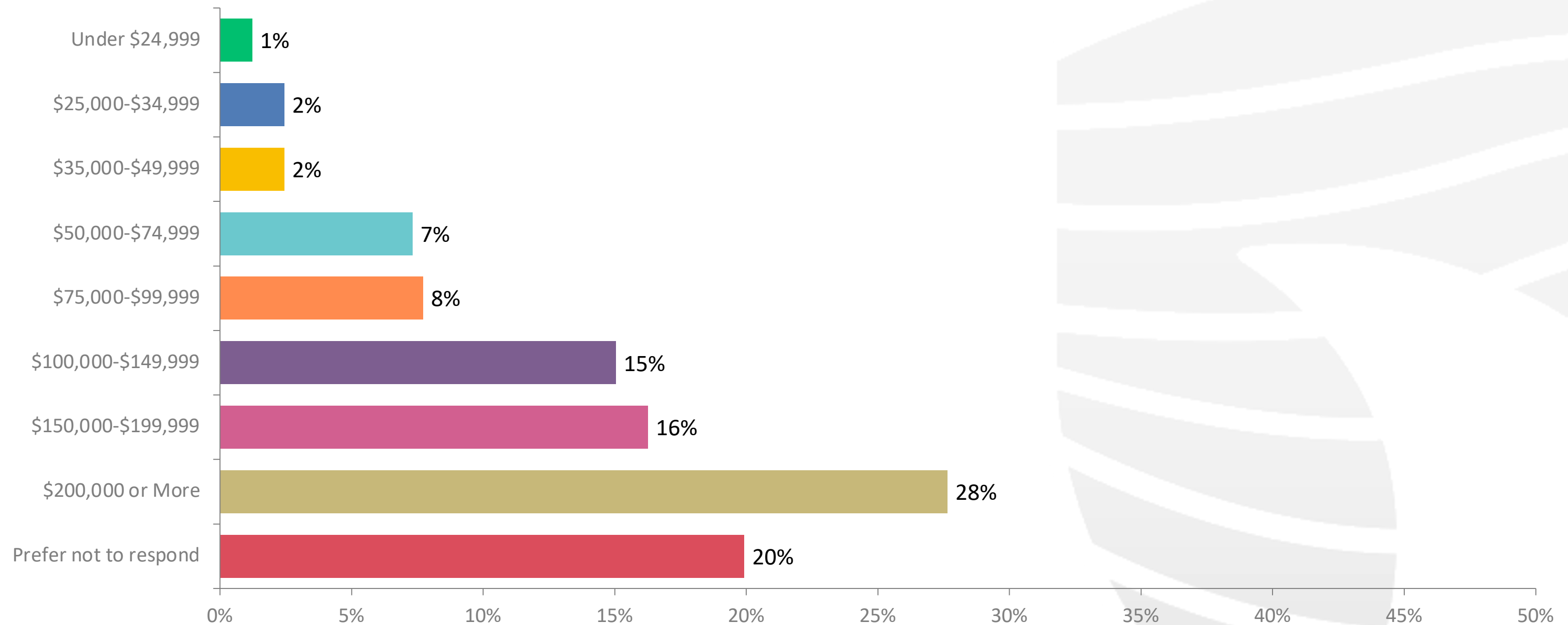
# Please indicate your highest level of education.

Answered: 247 Skipped: 17



# Which of the following includes your annual household income?

Answered: 246 Skipped: 18





# Profile of Attendees

- Predominantly women
- Primarily older demographic
- College-Educated
- Married
- No children under 18
- Annual household income \$100K +



CENTER FOR EVENT MANAGEMENT  
AND HOSPITALITY TRAINING

David M. Carmines Memorial Foundation Budget				Expenses					
Sponsors + Participating Exhibitors		Budget	24 In-Kind	Actual	CONCESSIONS & CULINARY		Budget	Actual	
Sponsorship	Tanger	\$3,000			Food Vendor Pay Out	75%	\$24,000		
Sponsorship	Cheney Brothers	\$3,000			Lee Distributors		\$300		
Sponsorship	Sysco	\$12,000			Video	Michael Hrizuk	\$7,600		
Sponsorship	Official Hotel	\$40,000			Photography	W Photography	\$5,000		
Sponsorship	Official Tequila	\$5,000			Culinary Assistance		\$9,500		
Sponsorship	Official Vodka	\$5,000			Rollers		\$1,207		
Sponsorship	Official Rum	\$6,000			Southern Eagle		\$284		
Sponsorship	Official Bourbon	\$5,000			Lowcountry Oysters/Shellfish		\$1,800		
Sponsorship	Coca Cola	\$2,500			Local Seafood	Andrew Coordinate	\$8,000		
Funding/Grant	ATAX Town of HHI	\$180,099			Pig Pickin' + Oyster Roast	Oyster Roast Misc.	\$350		
Sponsorship	Official Scotch	\$5,000			Peculiar Pig Farms		\$2,200		
Sponsorship	Offical Lifestyle Dunes	\$4,300			Labor Expenses		\$13,500		
Sponsorship	Official Rum	\$5,000			Royal Restroom		\$12,100		
Sponsorship	Callawassie Island	\$3,000			Ice		\$3,638		
Sponsorship	HHI-Bluffton VCB	\$20,000			Sponsorship Commisions		\$14,000		
Sponsorship	Hoffman Media		\$184,000						
Sponsorship	Official Gin	\$5,000							
Sponsorship	Official Distillery	\$5,000							
Beverage Exhibitor		\$7,685							
Retail Exhibitors		\$4,225							
Sponsorship	Official Brewery	\$5,000							
Sponsorship	Boat	\$5,000							
Sponsorship	Outfitters	\$7,500							
							Expenses	\$103,479	
							ENTERTAINMENT	Budget	Actual
					InnAVation	Sound and A/V	\$3,000		
					Band Lighting		\$3,000		
					Band	Saturday	\$6,000		
					JKL Lighting	Friday	\$5,450		
					Band Pig Pickin'	Friday	\$3,600		

					<b>Bartenders Challenge</b>	<b>Winner Prizes</b>	\$750	
						Expenses	\$21,800	\$0
					<b>OPERATIONS</b>		<b>Budget</b>	<b>Actual</b>
<b>Total Income</b>		\$338,309	\$184,000		<b>Ranco Omni Dinner</b>	<b>Thursday</b>	\$8,000	
					<b>Ranco Honey Horn</b>	<b>Pig Pickin'</b>	\$15,000	
<b>Event Ticket Sales</b>		<b>Budget</b>		<b>Actual</b>	<b>Ranco Honey Horn</b>	<b>Saturday</b>	\$15,000	
<b>Real Estate Home Tours</b>		6,200			<b>Events</b>	<b>Equipment</b>	\$3,250	
<b>Zero Forks Given</b>	<b>Thursday Omni Event</b>	14,500			<b>Guest Chef Travel</b>		\$12,800	
<b>Secrets of a Pitmaster</b>		7,600			<b>Meeting Dynamics</b>	<b>Oyster Tables</b>	\$700	
<b>Master Classes</b>		4,005			<b>Media Travel</b>	<b>Influences</b>	\$4,000	
<b>Pig Pickin' + Oyster Roast</b>		70,000			<b>Media Travel</b>	<b>F+W Editor</b>	\$800	
<b>Lowcountry Experiences on the Water</b>		15,650			<b>Sysco</b>		\$2,000	
<b>Saturday Ticket Sales</b>		\$120,060			<b>Sign D Sign</b>	<b>Event Signage</b>	\$2,500	
<b>Food Sales to Vendors</b>		\$24,000			<b>Sponsorship Commisions</b>		\$12,000	
<b>Restaurant Pop-Ups</b>		9,780			<b>Hudsons Staff</b>		\$9,829	
					<b>Coastal Security</b>		\$2,650	
					<b>BCSO</b>	<b>Saturday Only</b>	\$437	
					<b>Waste Management</b>	<b>Steve Hart</b>	\$6,500	
<b>Total Income</b>		\$271,795	\$0	\$0	<b>Festival Merchandise</b>		\$8,700	
					<b>Carey &amp; Company</b>	<b>Audit</b>	\$3,500	
					<b>Glassware</b>		\$12,255	
<b>Charity Gifts + Auctions</b>		<b>Budget</b>		<b>Actual</b>	<b>USCB Survey</b>		\$750	
					<b>Chef Merchandise</b>	<b>Cookbooks</b>	\$2,000	
<b>Charitable Donation:</b>	<b>Yearly Letter</b>	\$12,250			<b>Volunteer Management</b>		\$3,450	
					<b>AT&amp;T</b>		\$25	
					<b>Event Insurance</b>	<b>Island Rec.</b>	\$2,863	
					<b>Town of HHI</b>	<b>Business License</b>	\$100	
					<b>Firewood</b>	<b>Pig Pickin</b>	\$1,250	
					<b>Event Decor</b>	<b>All Events</b>	\$3,200	
					<b>Misc. Supplies</b>		\$3,200	

					<b>Island Buggie</b>	<b>Saturday Shuttle</b>	\$950	
		\$12,250	\$0	\$0				
					<b>Expenses</b>		\$137,709	\$0
	<b>2023-24 Total Income</b>	\$622,354						
	<b>2023-24 Total Expenses</b>	\$400,388			<b>MARKETING</b>		Budget	Actual
	<b>Net Gain/Loss</b>	\$221,966			<b>Public Relations + Advertising</b>	Print + Digital Creative	\$20,000	
					<b>Hoffman Media</b>	Print + Digital	\$25,000	
					<b>Digital Advertising</b>	Meta + Google	\$12,500	
					<b>Hulu Advertising</b>	Digital Commercials	\$4,000	
					<b>Southern Flavor Magazine</b>	Print + Digital	\$3,000	
					<b>Local Life SC OOM</b>	Digital Re-Marketing	\$21,000	
					<b>Eat It &amp; Like It</b>	Digital and Broadcast	\$3,000	
					<b>Advertising Creative</b>	Print, Digital and Video	\$24,000	
					<b>Local Palate Magazine</b>	Print + Digital	\$5,000	
					<b>Spotify Advertising</b>	Digital VO Commercial	\$2,500	
					<b>Island Packet</b>	Digital	\$900	
					<b>Nashville Lifestyles Magazine</b>	Print + Digital	\$5,000	
					<b>QC Exclusive</b>	Discover Carolinas + C	\$7,500	
					<b>Edible Chicago Partnership</b>	Digital + Flight Campa	\$4,000	
					<b>Expenses</b>		\$137,400	\$0

2016				2015			
Saturday	Total tickets	20% DMC	80% vendor	Saturday	Total tickets	20% DMC	80% vendor
Crazy Crab	10992	\$2,198	\$8,794	Crazy Crab	5243	\$1,048	\$4,195
Lowcountry Lobster	2948	\$589	\$2,359	Michael Anthony's	543	\$108	\$435
Tove's	1364	\$272	\$1,092	Tove's	688	\$137	\$551
Lowcountry Backyard	1399	\$279	\$1,120	Hollywood Ink	241	\$48	\$193
OOF/ Red Fish / Alexanders	3049	\$609	\$2,440	OOF/ Red Fish / Alexanders	4319	\$863	\$3,456
Carolina Crab Company	2997	\$599	\$2,398	Lucky Rooster	2751	\$550	\$2,201
Extreme Firehouse	1689	\$337	\$1,352	Bluffton Oyster	2437	\$487	\$1,950
Benny Hudson's	3607	\$721	\$2,886	Benny Hudson's	1684	\$336	\$1,347
SERG Group	4430	\$886	\$3,544	SERG Group	5463	\$1,092	\$4,370
Island Kettle Corn	2227	\$445	\$1,782	Island Kettle Corn	1146	\$229	\$917
Melly Mels	3462	\$692	\$2,770	Melly Mels	2909	\$581	\$2,428
ACF	2232	\$446	\$1,786	Island Fudge	1160	\$232	\$928
Firehouse Nutz	2382	\$476	\$1,907	Guisseppi's	1985	\$397	\$1,599
Frosty's	933	\$250	\$683	ACF	2536	\$507	\$2,029
Shrimp Loco	1299	\$259	\$1,040	Mini Donut Chef	1232	\$246	\$986
Hudson's	4231	\$846	\$3,384	Firehouse Nutz	1648	\$329	\$1,319
Kids Zone	3137	\$0	\$3,137	Frosty's	1175	\$235	\$940
<b>TOTAL</b>	<b>52378</b>	<b>\$9,904</b>	<b>\$42,474</b>	Shrimp Loco	1954	\$390	\$1,563
				Hudson's	5711	\$1,142	\$4,569
<b>VENDOR PAY OUT TOTAL</b>		<b>\$9,904</b>	<b>\$42,474</b>	Wooden Skiff	1035	\$1,035	\$0
				Kids Zone	3157	\$0	\$3,157
				<b>TOTAL</b>	<b>49017</b>	<b>\$9,992</b>	<b>\$39,133</b>
				<b>VENDOR PAY OUT TOTAL</b>		<b>\$9,992</b>	<b>\$39,133</b>

# David M. Carmine's Foundation

## Profit and Loss

January - August, 2023

	TOTAL
Income	
Interest income	134.28
Non-Profit Income	265,450.00
Non-Profit Income - Atax Grant	161,793.01
Non-Profit Income - Friends & Family	12,068.00
Non-Profit Income - Sponsors	53,000.00
<b>Total Income</b>	<b>\$492,445.29</b>
<b>GROSS PROFIT</b>	<b>\$492,445.29</b>
Expenses	
Advertising & Marketing	61,715.81
Donation	54,150.00
Donation - Cancer	2,000.00
Donation - Public Recreation	40,000.00
Event Entertainment	14,050.00
Event Management	75,950.00
Fundraising Expense	194,698.82
Guest Travel	3,682.79
Insurance	10,619.50
Labor/Staffing	20,883.75
Legal & Professional Services	4,200.00
Office Supplies & Software	267.73
Taxes & Licenses	185.00
<b>Total Expenses</b>	<b>\$482,403.40</b>
<b>NET OPERATING INCOME</b>	<b>\$10,041.89</b>
<b>NET INCOME</b>	<b>\$10,041.89</b>

DAVID M. CARMINES MEMORIAL FUND

FINANCIAL STATEMENTS

December 31, 2022 and 2021



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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors and Members  
David M. Carmines Memorial Fund  
Hilton Head Island, South Carolina

**Opinion**

We have audited the accompanying financial statements of David M. Carmines Memorial Fund (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of David M. Carmines Memorial Fund as of December 31, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of David M. Carmines Memorial Fund, and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about David M. Carmines Memorial Fund's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

Exercise professional judgment and maintain professional skepticism throughout the audit.

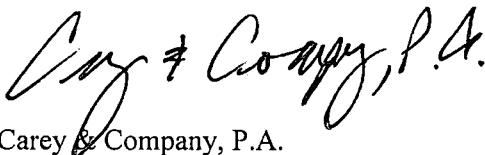
Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of internal control relevant to the audit 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 David M. Carmines Memorial Fund's internal control. Accordingly, no such opinion is expressed.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about David M. Carmines Memorial Fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



Carey & Company, P.A.

July 14, 2023

DAVID M. CARMINES MEMORIAL FUND  
 STATEMENTS OF FINANCIAL POSITION  
 As of December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<b>ASSETS</b>		
Current Assets:		
Cash	\$ 89,323	\$ 101,665
Prepaid fundraising	<u>32,450</u>	<u>18,000</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 121,773</u></u>	<u><u>\$ 119,665</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
Unearned revenue - current	\$ 117,200	\$ 56,563
Unearned revenue - noncurrent	<u>-</u>	<u>12,000</u>
<b>TOTAL LIABILITIES</b>	<u>117,200</u>	<u>68,563</u>
Net assets without donor restrictions	<u>4,573</u>	<u>51,102</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 121,773</u></u>	<u><u>\$ 119,665</u></u>

See accompanying notes and independent auditor's report.

DAVID M. CARMINES MEMORIAL FUND  
 STATEMENTS OF ACTIVITIES  
 Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<b>SUPPORT AND REVENUES</b>		
Contributions	\$ 43,075	\$ 22,200
Hilton Head Island Seafood Festival	188,542	-
Sponsor	72,921	-
Grant	80,535	52,990
Interest	17	6
TOTAL SUPPORT AND REVENUES	<u>385,090</u>	<u>75,196</u>
<b>EXPENSES</b>		
Program Services:		
Public recreation and other grants	75,250	81,500
Cancer research grants	-	2,500
Fundraising, Advertising and Marketing:		
Hilton Head Island Seafood Festival	290,391	-
Event Management for canceled events	-	18,000
Advertising and marketing	62,735	25,410
General and Administrative	3,243	5,425
TOTAL EXPENSES	<u>431,619</u>	<u>132,835</u>
DECREASE IN NET ASSETS	(46,529)	(57,639)
NET ASSETS AT BEGINNING OF YEAR	<u>51,102</u>	<u>108,741</u>
NET ASSETS AT END OF YEAR	<u>\$ 4,573</u>	<u>\$ 51,102</u>

See accompanying notes and independent auditor's report.

DAVID M. CARMINES MEMORIAL FUND  
 STATEMENTS OF CASH FLOWS  
 Years Ended December 31, 2022 And 2021

	<u>2022</u>	<u>2021</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Decrease in net assets	\$ (46,529)	\$ (57,639)
Adjustments to reconcile decrease in net assets to cash used by operating activities:		
Increase in prepaid fundraising	(14,450)	(18,000)
Increase in unearned revenue	<u>48,637</u>	<u>68,563</u>
Net Cash Used By Operating Activities	<u>(12,342)</u>	<u>(7,076)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(12,342)	(7,076)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<u>101,665</u>	<u>108,741</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u>\$ 89,323</u>	<u>\$ 101,665</u>

**SUPPLEMENTAL DISCLOSURE:**

Cash payments for:

Interest paid	\$ -	\$ -
Taxes paid	\$ -	\$ -

See accompanying notes and independent auditor's report.

DAVID M. CARMINES MEMORIAL FUND  
NOTES TO FINANCIAL STATEMENTS  
Years Ended December 31, 2022 and 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

David M. Carmines Memorial Fund (the "Foundation") is a not-for-profit organization incorporated on March 17, 2005 under the laws of the State of South Carolina. The Foundation helps raise money for mainly public recreation and cancer research not-for-profit organizations. The Foundation was established by the Carmines family, owners of Hudson's Seafood House on the Docks, in memory of their son. The Hilton Head Island Seafood Festival is the Foundation's main fundraiser. This week-long culinary and cultural tourism event features local seafood, celebrity guest chefs, master culinary classes, live music and more in a family friendly atmosphere. The Festival was not held in 2021 due to COVID-19 uncertainties, but was held in 2022 and 2023.

Basis of Accounting and Presentation

The accompanying financial statements of the Foundation have been prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America. Accordingly, the Foundation reports information regarding its financial position and activities according to the following net asset classifications:

Net Assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets, excluding certain amounts permanently held in the Community Foundation Funds, may be used at the discretion of the Foundation's management and the board of directors.

Net Assets with donor restrictions - Net assets subject to stipulations imposed by donors, and grantors. These donor restrictions are temporary in nature and the restrictions will be met by actions of the Foundation or by passage of time.

Contributed Services

No amounts are reflected in the financial statements for donated services unless the services received increase non financial assets or require specialized skills that would typically have to be purchased if not provided for by the donation.

Income Taxes

The Foundation is a not-for-profit organization exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3). Accordingly, no provision for income taxes has been made.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statements of cash flows, all demand accounts held at financial institutions with maturities of three months or less are considered to be cash equivalents.

Liquidity and Availability of Financial Assets

At December 31, 2022, the Foundation had available financial assets of \$89,323 to meet general expenditures over the next 12 months.

Unearned Revenue

Unearned revenue represents amounts received during the current year for the subsequent Hilton Head Island Seafood Festivals.

DAVID M. CARMINES MEMORIAL FUND  
NOTES TO FINANCIAL STATEMENTS  
Years Ended December 31, 2022 and 2021

Advertising Costs

Advertising costs are expensed as incurred.

Functional Allocation of Expense

The cost of providing the Seafood Festival and other activities have been summarized on a functional basis in the statements of activities.

Contributions

Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restriction expires in the fiscal year in which the contributions are recognized.

NOTE B - FOUNDATION NON-ENDOWMENT FUND

The Foundation maintains funds with the Community Foundation of the Lowcountry, Inc. (CFLC), who acts in an agency capacity to provide permanent stewardship, management and oversight of investments. These funds are invested in marketable securities. The funds are not reported on the Statement of Financial Position as all power to redirect the use of the transferred assets to a different beneficiary (i.e. variance power) is with the CFLC. Distributions from the fund shall be made by the Community Foundation or granted exclusively to charitable organizations described in Section 501(c)(3) of the Internal Revenue Code for charitable purposes. During 2022, no grants were made out of the CFLC fund. During 2021, a grant of \$20,000 was made to the Hilton Head Island Recreation Association. The fund had a fair market value of \$9,815 and \$10,566 at December 31, 2022 and 2021, respectively.

NOTE C - RELATED PARTIES

Members of the Board of Directors of the Foundation are owners of Hudson's Seafood House on the Docks (Hudson's). Hudson's provides various services to the Foundation at no cost. The services provided consist of management, accounting, and administrative support. Additionally, the Foundation utilizes Hudson's contractual arrangements in order to supply some of the food, beverages, and services associated with the Hilton Head Island Seafood Festival. During 2021, Hudson's gave \$36,000 to the Foundation to be used for operations ratably over three years. At December 31, 2022, \$12,000 remained to be recognized in the subsequent year.

NOTE D - GRANT INCOME

Included in grant income is funding from the Accommodations Tax Grant (ATAX) program from local government jurisdictions. During 2022 and 2021, ATAX grant income was \$80,535 and \$52,990, respectively.

NOTE E - CONCENTRATION OF CREDIT RISK

The Foundation maintains its cash balances at a bank and are insured by the Federal Deposit Insurance Corporation up to \$250,000.

NOTE F - SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events through July 14, 2023, the date which the financial statements were available to be issued.



DAVID M. CARMINES MEMORIAL FUND

FINANCIAL STATEMENTS

December 31, 2021 and 2020

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Members  
David M. Carmines Memorial Fund  
Hilton Head Island, South Carolina

### Opinion

We have audited the accompanying financial statements of David M. Carmines Memorial Fund (a nonprofit organization), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of David M. Carmines Memorial Fund as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of David M. Carmines Memorial Fund, and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about David M. Carmines Memorial Fund's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

Exercise professional judgment and maintain professional skepticism throughout the audit.

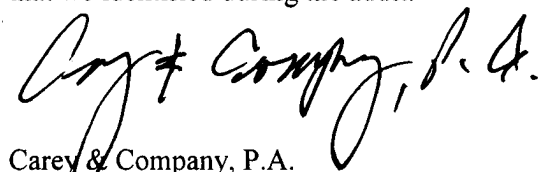
Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of internal control relevant to the audit 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 David M. Carmines Memorial Fund's internal control. Accordingly, no such opinion is expressed.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about David M. Carmines Memorial Fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

  
Carey & Company, P.A.  
August 5, 2022

DAVID M. CARMINES MEMORIAL FUND  
 STATEMENTS OF FINANCIAL POSITION  
 As of December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
Current Assets:		
Cash	\$ 101,665	\$ 108,741
Prepaid fundraising	<u>18,000</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 119,665</u></b>	<b><u>\$ 108,741</u></b>
<b>LIABILITIES AND NET ASSETS</b>		
Unearned revenue - current	\$ 56,563	\$ -
Unearned revenue - noncurrent	<u>12,000</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>	<b><u>68,563</u></b>	<b><u>-</u></b>
Net assets without donor restrictions	<u>51,102</u>	<u>108,741</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 119,665</u></b>	<b><u>\$ 108,741</u></b>

See accompanying notes and independent auditor's report.

DAVID M. CARMINES MEMORIAL FUND  
 STATEMENTS OF ACTIVITIES  
 Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>SUPPORT AND REVENUES</b>		
Contributions	\$ 22,200	\$ 29,825
Hilton Head Island Seafood Festival	-	218,976
Sponsor	-	107,270
Grant	52,990	120,000
Interest	<u>6</u>	<u>8</u>
TOTAL SUPPORT AND REVENUES	<u>75,196</u>	<u>476,079</u>
<b>EXPENSES</b>		
Program Services:		
Public recreation and other grants	81,500	15,050
Cancer research grants	2,500	-
Fundraising, Advertising and Marketing:		
Hilton Head Island Seafood Festival	-	331,353
Event Management for canceled events	18,000	-
Advertising and marketing	25,410	72,452
General and Administrative	<u>5,425</u>	<u>3,950</u>
TOTAL EXPENSES	<u>132,835</u>	<u>422,805</u>
(DECREASE) INCREASE IN NET ASSETS	(57,639)	53,274
NET ASSETS AT BEGINNING OF YEAR	<u>108,741</u>	<u>55,467</u>
NET ASSETS AT END OF YEAR	<u>\$ 51,102</u>	<u>\$ 108,741</u>

See accompanying notes and independent auditor's report.

DAVID M. CARMINES MEMORIAL FUND  
 STATEMENTS OF CASH FLOWS  
 Years Ended December 31, 2021 And 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
(Decrease) increase in net assets	\$ (57,639)	\$ 53,274
Adjustments to reconcile (decrease) increase in net assets to cash from operating activities		
(Increase) decrease in prepaid fundraising	(18,000)	30,684
Decrease in accounts payable	-	(32,837)
Increase (decrease) in unearned revenue	<u>68,563</u>	<u>(32,030)</u>
Net Cash From Operating Activities	<u>(7,076)</u>	<u>19,091</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(7,076)	19,091
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>108,741</u>	<u>89,650</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 101,665</u>	<u>\$ 108,741</u>
SUPPLEMENTAL DISCLOSURE:		
Cash payments for:		
Interest paid	\$ -	\$ -
Taxes paid	\$ -	\$ -

See accompanying notes and independent auditor's report.

DAVID M. CARMINES MEMORIAL FUND  
NOTES TO FINANCIAL STATEMENTS  
Years Ended December 31, 2021 and 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

David M. Carmines Memorial Fund (the "Foundation") is a not-for-profit organization incorporated on March 17, 2005 under the laws of the State of South Carolina. The Foundation helps raise money for mainly public recreation and cancer research not-for-profit organizations. The Foundation was established by the Carmines family, owners of Hudson's Seafood House on the Docks, in memory of their son. The Hilton Head Island Seafood Festival is the Foundation's main fundraiser. This week-long culinary and cultural tourism event features local seafood, celebrity guest chefs, master culinary classes, live music and more in a family friendly atmosphere. The Festival was not held in 2021 due to COVID-19 uncertainties, but was held in 2022 and expected to be held in 2023.

Basis of Accounting and Presentation

The accompanying financial statements of the Foundation have been prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America. Accordingly, the Foundation reports information regarding its financial position and activities according to the following net asset classifications:

Net Assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets, excluding certain amounts permanently held in the Community Foundation Funds, may be used at the discretion of the Foundation's management and the board of directors.

Net Assets with donor restrictions - Net assets subject to stipulations imposed by donors, and grantors. These donor restrictions are temporary in nature and the restrictions will be met by actions of the Foundation or by passage of time.

Contributed Services

No amounts are reflected in the financial statements for donated services unless the services received increase non financial assets or require specialized skills that would typically have to be purchased if not provided for by the donation.

Income Taxes

The Foundation is a not-for-profit organization exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3). Accordingly, no provision for income taxes has been made.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statements of cash flows, all demand accounts held at financial institutions with maturities of three months or less are considered to be cash equivalents.

Liquidity and Availability of Financial Assets

At December 31, 2021, the Foundation had available financial assets of \$101,665 to meet general expenditures over the next 12 months.

Unearned Revenue

Unearned revenue represents amounts received during the current year for the subsequent Hilton Head Island Seafood Festivals.



DAVID M. CARMINES MEMORIAL FUND  
NOTES TO FINANCIAL STATEMENTS  
Years Ended December 31, 2021 and 2020

Advertising Costs

Advertising costs are expensed as incurred.

Contributions

Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restriction expire in the fiscal year in which the contributions are recognized.

NOTE B - FOUNDATION NON-ENDOWMENT FUND

The Foundation maintains funds with the Community Foundation of the Lowcountry, Inc. (CFLC), who acts in an agency capacity to provide permanent stewardship, management and oversight of investments. These funds are invested in marketable securities. The funds are not reported on the Statement of Financial Position as all power to redirect the use of the transferred assets to a different beneficiary (i.e. variance power) is with the CFLC. Distributions from the fund shall be made by the Community Foundation or granted exclusively to charitable organizations described in Section 501(c)(3) of the Internal Revenue Code for charitable purposes. During 2021 and 2020, grants were made out of the CFLC fund for \$20,000 to Hilton Head Island Recreation Association and \$10,000 to Help 4 Hope, respectively. The fund had a fair market value of \$10,566 and \$29,132 at December 31, 2021 and 2020, respectively.

NOTE C - RELATED PARTIES

Members of the Board of Directors of the Foundation are owners of Hudson's Seafood House on the Docks (Hudson's). Hudson's provides various services to the Foundation at no cost. The services provided consist of management, accounting, and administrative support. Additionally, the Foundation utilizes Hudson's contractual arrangements in order to supply some of the food, beverages, and services associated with the Hilton Head Island Seafood Festival. During 2021, Hudson's gave \$36,000 to the Foundation to be used for operations ratably over three years.

NOTE D - GRANT INCOME

Included in grant income is funding from the Accommodations Tax Grant (ATAX) program from local government jurisdictions. During 2021 and 2020, ATAX grant income was \$52,990 and \$120,000, respectively.

NOTE E - CONCENTRATION OF CREDIT RISK

The Foundation maintains its cash balances at a bank and are are insured by the Federal Deposit Insurance Corporation up to \$250,000.

NOTE F - SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events through August 5, 2022, the date which the financial statements were available to be issued.

# David M. Carmine's Foundation

## Balance Sheet

As of August 31, 2023

	TOTAL
<b>ASSETS</b>	
Current Assets	
Bank Accounts	
COMMUNITY CHECKING (0849)	14,615.19
<b>Total Bank Accounts</b>	<b>\$14,615.19</b>
Other Current Assets	
Prepaid Expenses	0.00
<b>Total Other Current Assets</b>	<b>\$0.00</b>
<b>Total Current Assets</b>	<b>\$14,615.19</b>
<b>TOTAL ASSETS</b>	<b>\$14,615.19</b>
<b>LIABILITIES AND EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	0.00
<b>Total Accounts Payable</b>	<b>\$0.00</b>
Other Current Liabilities	
Unearned Revenue	0.00
<b>Total Other Current Liabilities</b>	<b>\$0.00</b>
<b>Total Current Liabilities</b>	<b>\$0.00</b>
<b>Total Liabilities</b>	<b>\$0.00</b>
Equity	
Retained Earnings	4,573.30
Net Income	10,041.89
<b>Total Equity</b>	<b>\$14,615.19</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$14,615.19</b>

DAVID M. CARMINES MEMORIAL FUND

FINANCIAL STATEMENTS

December 31, 2022 and 2021

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors and Members  
David M. Carmines Memorial Fund  
Hilton Head Island, South Carolina

**Opinion**

We have audited the accompanying financial statements of David M. Carmines Memorial Fund (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of David M. Carmines Memorial Fund as of December 31, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of David M. Carmines Memorial Fund, and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about David M. Carmines Memorial Fund's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

Exercise professional judgment and maintain professional skepticism throughout the audit.

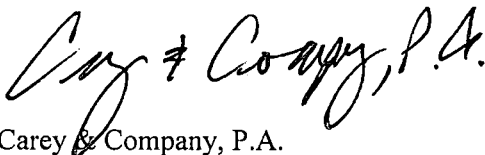
Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of internal control relevant to the audit 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 David M. Carmines Memorial Fund's internal control. Accordingly, no such opinion is expressed.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about David M. Carmines Memorial Fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



Carey & Company, P.A.

July 14, 2023

DAVID M. CARMINES MEMORIAL FUND  
 STATEMENTS OF FINANCIAL POSITION  
 As of December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<b>ASSETS</b>		
Current Assets:		
Cash	\$ 89,323	\$ 101,665
Prepaid fundraising	<u>32,450</u>	<u>18,000</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 121,773</u></u>	<u><u>\$ 119,665</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
Unearned revenue - current	\$ 117,200	\$ 56,563
Unearned revenue - noncurrent	<u>-</u>	<u>12,000</u>
<b>TOTAL LIABILITIES</b>	<u>117,200</u>	<u>68,563</u>
Net assets without donor restrictions	<u>4,573</u>	<u>51,102</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 121,773</u></u>	<u><u>\$ 119,665</u></u>

See accompanying notes and independent auditor's report.

DAVID M. CARMINES MEMORIAL FUND  
 STATEMENTS OF ACTIVITIES  
 Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
SUPPORT AND REVENUES		
Contributions	\$ 43,075	\$ 22,200
Hilton Head Island Seafood Festival	188,542	-
Sponsor	72,921	-
Grant	80,535	52,990
Interest	17	6
TOTAL SUPPORT AND REVENUES	<u>385,090</u>	<u>75,196</u>
EXPENSES		
Program Services:		
Public recreation and other grants	75,250	81,500
Cancer research grants	-	2,500
Fundraising, Advertising and Marketing:		
Hilton Head Island Seafood Festival	290,391	-
Event Management for canceled events	-	18,000
Advertising and marketing	62,735	25,410
General and Administrative	3,243	5,425
TOTAL EXPENSES	<u>431,619</u>	<u>132,835</u>
DECREASE IN NET ASSETS	(46,529)	(57,639)
NET ASSETS AT BEGINNING OF YEAR	<u>51,102</u>	<u>108,741</u>
NET ASSETS AT END OF YEAR	<u>\$ 4,573</u>	<u>\$ 51,102</u>

See accompanying notes and independent auditor's report.



DAVID M. CARMINES MEMORIAL FUND  
 STATEMENTS OF CASH FLOWS  
 Years Ended December 31, 2022 And 2021

	<u>2022</u>	<u>2021</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Decrease in net assets	\$ (46,529)	\$ (57,639)
Adjustments to reconcile decrease in net assets to cash used by operating activities:		
Increase in prepaid fundraising	(14,450)	(18,000)
Increase in unearned revenue	<u>48,637</u>	<u>68,563</u>
Net Cash Used By Operating Activities	<u>(12,342)</u>	<u>(7,076)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(12,342)	(7,076)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<u>101,665</u>	<u>108,741</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u>\$ 89,323</u>	<u>\$ 101,665</u>
<b>SUPPLEMENTAL DISCLOSURE:</b>		
Cash payments for:		
Interest paid	\$ -	\$ -
Taxes paid	\$ -	\$ -

See accompanying notes and independent auditor's report.

DAVID M. CARMINES MEMORIAL FUND  
NOTES TO FINANCIAL STATEMENTS  
Years Ended December 31, 2022 and 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

David M. Carmines Memorial Fund (the "Foundation") is a not-for-profit organization incorporated on March 17, 2005 under the laws of the State of South Carolina. The Foundation helps raise money for mainly public recreation and cancer research not-for-profit organizations. The Foundation was established by the Carmines family, owners of Hudson's Seafood House on the Docks, in memory of their son. The Hilton Head Island Seafood Festival is the Foundation's main fundraiser. This week-long culinary and cultural tourism event features local seafood, celebrity guest chefs, master culinary classes, live music and more in a family friendly atmosphere. The Festival was not held in 2021 due to COVID-19 uncertainties, but was held in 2022 and 2023.

Basis of Accounting and Presentation

The accompanying financial statements of the Foundation have been prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America. Accordingly, the Foundation reports information regarding its financial position and activities according to the following net asset classifications:

Net Assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets, excluding certain amounts permanently held in the Community Foundation Funds, may be used at the discretion of the Foundation's management and the board of directors.

Net Assets with donor restrictions - Net assets subject to stipulations imposed by donors, and grantors. These donor restrictions are temporary in nature and the restrictions will be met by actions of the Foundation or by passage of time.

Contributed Services

No amounts are reflected in the financial statements for donated services unless the services received increase non financial assets or require specialized skills that would typically have to be purchased if not provided for by the donation.

Income Taxes

The Foundation is a not-for-profit organization exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3). Accordingly, no provision for income taxes has been made.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statements of cash flows, all demand accounts held at financial institutions with maturities of three months or less are considered to be cash equivalents.

Liquidity and Availability of Financial Assets

At December 31, 2022, the Foundation had available financial assets of \$89,323 to meet general expenditures over the next 12 months.

Unearned Revenue

Unearned revenue represents amounts received during the current year for the subsequent Hilton Head Island Seafood Festivals.

DAVID M. CARMINES MEMORIAL FUND  
NOTES TO FINANCIAL STATEMENTS  
Years Ended December 31, 2022 and 2021

Advertising Costs

Advertising costs are expensed as incurred.

Functional Allocation of Expense

The cost of providing the Seafood Festival and other activities have been summarized on a functional basis in the statements of activities.

Contributions

Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restriction expires in the fiscal year in which the contributions are recognized.

NOTE B - FOUNDATION NON-ENDOWMENT FUND

The Foundation maintains funds with the Community Foundation of the Lowcountry, Inc. (CFLC), who acts in an agency capacity to provide permanent stewardship, management and oversight of investments. These funds are invested in marketable securities. The funds are not reported on the Statement of Financial Position as all power to redirect the use of the transferred assets to a different beneficiary (i.e. variance power) is with the CFLC. Distributions from the fund shall be made by the Community Foundation or granted exclusively to charitable organizations described in Section 501(c)(3) of the Internal Revenue Code for charitable purposes. During 2022, no grants were made out of the CFLC fund. During 2021, a grant of \$20,000 was made to the Hilton Head Island Recreation Association. The fund had a fair market value of \$9,815 and \$10,566 at December 31, 2022 and 2021, respectively.

NOTE C - RELATED PARTIES

Members of the Board of Directors of the Foundation are owners of Hudson's Seafood House on the Docks (Hudson's). Hudson's provides various services to the Foundation at no cost. The services provided consist of management, accounting, and administrative support. Additionally, the Foundation utilizes Hudson's contractual arrangements in order to supply some of the food, beverages, and services associated with the Hilton Head Island Seafood Festival. During 2021, Hudson's gave \$36,000 to the Foundation to be used for operations ratably over three years. At December 31, 2022, \$12,000 remained to be recognized in the subsequent year.

NOTE D - GRANT INCOME

Included in grant income is funding from the Accommodations Tax Grant (ATAX) program from local government jurisdictions. During 2022 and 2021, ATAX grant income was \$80,535 and \$52,990, respectively.

NOTE E - CONCENTRATION OF CREDIT RISK

The Foundation maintains its cash balances at a bank and are insured by the Federal Deposit Insurance Corporation up to \$250,000.

NOTE F - SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events through July 14, 2023, the date which the financial statements were available to be issued.

DAVID M. CARMINES MEMORIAL FUND

FINANCIAL STATEMENTS

December 31, 2021 and 2020

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AMERICAN INSTITUTE OF CPAs  
S.C. ASSOCIATION OF CPAs

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Members  
David M. Carmines Memorial Fund  
Hilton Head Island, South Carolina

### Opinion

We have audited the accompanying financial statements of David M. Carmines Memorial Fund (a nonprofit organization), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of David M. Carmines Memorial Fund as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of David M. Carmines Memorial Fund, and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about David M. Carmines Memorial Fund's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

Exercise professional judgment and maintain professional skepticism throughout the audit.

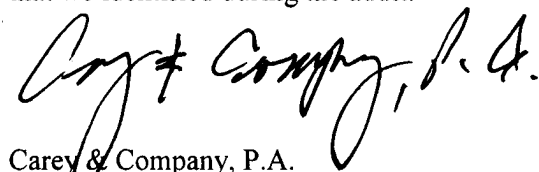
Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of internal control relevant to the audit 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 David M. Carmines Memorial Fund's internal control. Accordingly, no such opinion is expressed.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about David M. Carmines Memorial Fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

  
Carey & Company, P.A.  
August 5, 2022

DAVID M. CARMINES MEMORIAL FUND  
 STATEMENTS OF FINANCIAL POSITION  
 As of December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
Current Assets:		
Cash	\$ 101,665	\$ 108,741
Prepaid fundraising	<u>18,000</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 119,665</u></b>	<b><u>\$ 108,741</u></b>
<b>LIABILITIES AND NET ASSETS</b>		
Unearned revenue - current	\$ 56,563	\$ -
Unearned revenue - noncurrent	<u>12,000</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>	<b><u>68,563</u></b>	<b><u>-</u></b>
Net assets without donor restrictions	<u>51,102</u>	<u>108,741</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 119,665</u></b>	<b><u>\$ 108,741</u></b>

See accompanying notes and independent auditor's report.



DAVID M. CARMINES MEMORIAL FUND  
 STATEMENTS OF ACTIVITIES  
 Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>SUPPORT AND REVENUES</b>		
Contributions	\$ 22,200	\$ 29,825
Hilton Head Island Seafood Festival	-	218,976
Sponsor	-	107,270
Grant	52,990	120,000
Interest	<u>6</u>	<u>8</u>
TOTAL SUPPORT AND REVENUES	<u>75,196</u>	<u>476,079</u>
<b>EXPENSES</b>		
Program Services:		
Public recreation and other grants	81,500	15,050
Cancer research grants	2,500	-
Fundraising, Advertising and Marketing:		
Hilton Head Island Seafood Festival	-	331,353
Event Management for canceled events	18,000	-
Advertising and marketing	25,410	72,452
General and Administrative	<u>5,425</u>	<u>3,950</u>
TOTAL EXPENSES	<u>132,835</u>	<u>422,805</u>
(DECREASE) INCREASE IN NET ASSETS	(57,639)	53,274
NET ASSETS AT BEGINNING OF YEAR	<u>108,741</u>	<u>55,467</u>
NET ASSETS AT END OF YEAR	<u>\$ 51,102</u>	<u>\$ 108,741</u>

See accompanying notes and independent auditor's report.

DAVID M. CARMINES MEMORIAL FUND  
 STATEMENTS OF CASH FLOWS  
 Years Ended December 31, 2021 And 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
(Decrease) increase in net assets	\$ (57,639)	\$ 53,274
Adjustments to reconcile (decrease) increase in net assets to cash from operating activities		
(Increase) decrease in prepaid fundraising	(18,000)	30,684
Decrease in accounts payable	-	(32,837)
Increase (decrease) in unearned revenue	<u>68,563</u>	<u>(32,030)</u>
Net Cash From Operating Activities	<u>(7,076)</u>	<u>19,091</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(7,076)	19,091
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>108,741</u>	<u>89,650</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 101,665</u>	<u>\$ 108,741</u>
SUPPLEMENTAL DISCLOSURE:		
Cash payments for:		
Interest paid	\$ -	\$ -
Taxes paid	\$ -	\$ -

See accompanying notes and independent auditor's report.

DAVID M. CARMINES MEMORIAL FUND  
NOTES TO FINANCIAL STATEMENTS  
Years Ended December 31, 2021 and 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

David M. Carmines Memorial Fund (the "Foundation") is a not-for-profit organization incorporated on March 17, 2005 under the laws of the State of South Carolina. The Foundation helps raise money for mainly public recreation and cancer research not-for-profit organizations. The Foundation was established by the Carmines family, owners of Hudson's Seafood House on the Docks, in memory of their son. The Hilton Head Island Seafood Festival is the Foundation's main fundraiser. This week-long culinary and cultural tourism event features local seafood, celebrity guest chefs, master culinary classes, live music and more in a family friendly atmosphere. The Festival was not held in 2021 due to COVID-19 uncertainties, but was held in 2022 and expected to be held in 2023.

Basis of Accounting and Presentation

The accompanying financial statements of the Foundation have been prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America. Accordingly, the Foundation reports information regarding its financial position and activities according to the following net asset classifications:

Net Assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets, excluding certain amounts permanently held in the Community Foundation Funds, may be used at the discretion of the Foundation's management and the board of directors.

Net Assets with donor restrictions - Net assets subject to stipulations imposed by donors, and grantors. These donor restrictions are temporary in nature and the restrictions will be met by actions of the Foundation or by passage of time.

Contributed Services

No amounts are reflected in the financial statements for donated services unless the services received increase non financial assets or require specialized skills that would typically have to be purchased if not provided for by the donation.

Income Taxes

The Foundation is a not-for-profit organization exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3). Accordingly, no provision for income taxes has been made.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statements of cash flows, all demand accounts held at financial institutions with maturities of three months or less are considered to be cash equivalents.

Liquidity and Availability of Financial Assets

At December 31, 2021, the Foundation had available financial assets of \$101,665 to meet general expenditures over the next 12 months.

Unearned Revenue

Unearned revenue represents amounts received during the current year for the subsequent Hilton Head Island Seafood Festivals.

DAVID M. CARMINES MEMORIAL FUND  
NOTES TO FINANCIAL STATEMENTS  
Years Ended December 31, 2021 and 2020

Advertising Costs

Advertising costs are expensed as incurred.

Contributions

Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restriction expire in the fiscal year in which the contributions are recognized.

NOTE B - FOUNDATION NON-ENDOWMENT FUND

The Foundation maintains funds with the Community Foundation of the Lowcountry, Inc. (CFLC), who acts in an agency capacity to provide permanent stewardship, management and oversight of investments. These funds are invested in marketable securities. The funds are not reported on the Statement of Financial Position as all power to redirect the use of the transferred assets to a different beneficiary (i.e. variance power) is with the CFLC. Distributions from the fund shall be made by the Community Foundation or granted exclusively to charitable organizations described in Section 501(c)(3) of the Internal Revenue Code for charitable purposes. During 2021 and 2020, grants were made out of the CFLC fund for \$20,000 to Hilton Head Island Recreation Association and \$10,000 to Help 4 Hope, respectively. The fund had a fair market value of \$10,566 and \$29,132 at December 31, 2021 and 2020, respectively.

NOTE C - RELATED PARTIES

Members of the Board of Directors of the Foundation are owners of Hudson's Seafood House on the Docks (Hudson's). Hudson's provides various services to the Foundation at no cost. The services provided consist of management, accounting, and administrative support. Additionally, the Foundation utilizes Hudson's contractual arrangements in order to supply some of the food, beverages, and services associated with the Hilton Head Island Seafood Festival. During 2021, Hudson's gave \$36,000 to the Foundation to be used for operations ratably over three years.

NOTE D - GRANT INCOME

Included in grant income is funding from the Accommodations Tax Grant (ATAX) program from local government jurisdictions. During 2021 and 2020, ATAX grant income was \$52,990 and \$120,000, respectively.

NOTE E - CONCENTRATION OF CREDIT RISK

The Foundation maintains its cash balances at a bank and are insured by the Federal Deposit Insurance Corporation up to \$250,000.

NOTE F - SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events through August 5, 2022, the date which the financial statements were available to be issued.

## MINUTES

DMC Foundation  
Hilton Head Island Seafood Fest  
PO Box 22519, HHI, SC 29925  
(843) 681-2772

Meeting of the Board of Directors of the Hilton Head Island Seafood Fest

July 28, 2022  
1 Hudson Road, Hilton Head Island, SC 29926

Meeting was called to order at 9 a.m. Andrew Carmines, President; Gloria Carmines, Secretary; Clayton Rollison, Chairman; and Board of Directors, Kathy Porter, Erin Carmines, Etta Delmar, Ray Deal and April Edison were present.

1. Discussion on invited talent for 2023
2. Discussion of sponsorships for 2023
3. Financial statements for 2022 event were reviewed and approved as submitted.
4. Proposed schedule of events and budget for 2023 event was reviewed and approved.
5. The ATAX Application for 2022-23 was discussed and the following resolve was approved unanimously:

“The foundation proposes to hold the 16th Annual Hilton Head Island Seafood Festival February 20-26, 2023, be it resolved that the foundation commits all their resources to ensure the successful production of this event.”

There being no further business, the meeting was adjourned at 10:14 a.m., July 28, 2022.  
Next Meeting to be held Monday, August , 2022.

Andrew Carmines  
President

# ATAX EFFECTIVENESS MEASUREMENT

Please refer to the SAMPLE ATAX Effectiveness Measurement Form for examples. When completing this form, please expand, contract, or add to the sections as needed (but contain the form to a total of approximately 2 pages). You may choose to use your own format instead of this form, and if doing so, please use the criteria below as a guideline. Regardless of format, each applicant should choose how they measure degree of success. Applicants need to explain why this is an effective measurement technique that reflects results and how that relates to the objective.

TOPIC	THE PLAN	BUDGET	ACTUAL SPENT	RESULTS <i>When possible, provide planned results vs. actual results, and/or current year vs. prior year results.</i>
Lowcountry Spoiled	Agency of Record for DMC/HHI Seafood Festival to provide public relations, marketing, advertising, digital and print design and event management	\$ 43,000.00	\$ 43,000.00	<a href="https://www.hiltonheadseafoodfestival.com/atax">https://www.hiltonheadseafoodfestival.com/atax</a>
Total		\$ 43,000.00	\$ 43,000.00	
Hoffman Media	National Print and Digital Campaign	\$ 25,000.00	\$ 25,000.00	<a href="https://www.hiltonheadseafoodfestival.com/atax">https://www.hiltonheadseafoodfestival.com/atax</a>
Total		\$ 25,000.00	\$ 25,000.00	
Modern Luxury	Print and Digital Campaign	\$ 5,000.00	\$ 5,000.00	Approx. 802,000 Readers Reached over two month run of ½ page advertisement  178% of readers take three or more trips inside the U.S. within the last twelve months 160,000+ Monthly Circulation Readers Household Income averages \$354,000 *Key Market for our Accommodations Partners
Total		\$ 5,000.00	\$ 5,000.00	
Charlotte Magazine	Print and Digital Campaign	\$ 3,000.00	\$ 3,000.00	515,000 Readers Each Month Average Household Income \$274,000+ 200,000+ Unique Website Visitors Per Month 50,000+ E-Newsletter Subscribers 195,000+ Social Media Followers *Key Market for our Accommodations Partners
Total		\$ 3,000.00	\$ 3,000.00	
Nashville Magazine (In Place of Atlanta Magazine)	Print and Digital Campaign	\$ 5,000.00	\$ 5,000.00	30,000+ Average Monthly Circulation 91% Paid Subscription living in Tennessee (Davidson + Williamson County) Contest/Giveaway served to 200,000 people. 92,000+ Facebook Followers 88,000+ Instagram Followers 25,000+ E-Newsletter Subscribers *New Market for Festival in 2023
Total		\$ 5,000.00	\$ 5,000.00	
Eat It & Like It	Broadcast + Digital Campaign to	\$ 2,000.00	\$ 2,000.00	20,000+ Highly Engaged Social Media Followers Weekly Audience on WJCL and Digital Broadcasting Engaging email marketing reaching over 50,000 subscribers Video Content (Segments and Commercials) Remark Out of Market (ATL, JAX, CHS, COLA)  12 Stories/Placements in E-Newsletter with a total reach of 63,600+ subscribers.
Total		\$ 2,000.00	\$ 2,000.00	
Social Media	Meta Digital Campaigns	\$ 12,500.00	\$ 12,500.00	Out of Market Video Campaigns Search ReTargeting, Contextual Targeting, Site Retargeting 1.3 Million targeted online impressions 240,000 video conversions to website 323,000 Display Ad Conversions 41% Increase in followers on Facebook + Instagram 100+ Hours of Video Captured for use in 2023-224 Hulu Commercials, B-Roll for Media Partners and Social Media Advertising.
Total		\$ 12,500.00	\$ 12,500.00	

# ATAX EFFECTIVENESS MEASUREMENT

Total				
Total		\$ -	\$ -	
Total Budget to Actual		\$ 115,000.00	\$ 115,000.00	



State of South Carolina  
Office of the Secretary of State  
The Honorable Mark Hammond

Jun 28, 2012

David M. Carmines Memorial Foundation  
Ms Kathryn C Porter  
PO Box 22519  
Hilton Head Island, SC 29925

RE: Registration Confirmation

Charity Public ID: P12640

Dear Ms Kathryn C Porter :

This letter confirms that the Secretary of State's Office has received and accepted your Registration, therefore your charitable organization is in compliance with the registration requirement of the "South Carolina Solicitation of Charitable Funds Act." The registration of your charitable organization will expire on May 15, 2013. If any of the information on your Registration form changes throughout the course of the year, please contact our office to make updates. It is important that this information remain updated so that our office can keep you informed of any changes that may affect your charitable organization.

If you have not yet filed your annual financial report or an extension for the annual financial report, the annual financial report is still due 4 ½ months after the close of your fiscal year. Annual financial reports must either be submitted on the Internal Revenue Service Form 990 or 990-EZ or the Secretary of State's Annual Financial Report Form. There is no fee associated with filing an annual financial report with our office. If your organization files IRS Form 990 or 990-EZ and you wish to extend the filing of that form with us, please submit a copy of your IRS Form 8868. If your organization files the Secretary of State's Annual Financial Report Form, and you wish to extend the filing of that form with us, please submit a written request to the Division of Public Charities. **Failure to submit the annual financial report may result in an administrative fine of up to \$2,000.**

If you have any questions or concerns, please visit our Website at [www.scsos.com](http://www.scsos.com) and review the Public Charities section or contact our office at (803) 734-1790.

Sincerely,

Kimberly S. Wickersham  
Director, Division of Public Charities