



Town of James Island, Regular Town Council Meeting
March 20, 2025; 7:00 PM; 1122 Dills Bluff Road, James Island, SC 29412

IN-PERSON MEETING

AMENDED AS OF MARCH 18, 2025

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Notice of this meeting was published and posted in accordance with the Freedom of Information Act and the requirements of the Town of James Island.

The Town encourages the public to provide comments prior to its Town Council meeting. Residents wishing to address the Council will be limited to three (3) minutes and must sign in to speak. Comments may also be sent ahead of the meeting by emailing to: info@jamesislandsc.us, mail to P.O. Box 12240, Charleston, SC 29422, or placed inside the drop box outside of Town Hall at 1122 Dills Bluff Rd.

- 1) Opening Exercises: (Councilman Boles)
- 2) **Public Hearing: Ordinance #2025-02:** Proposed Amendments to the Town of James Island's Zoning & Land Development Regulations: Definitions (153.013); Signs (153.341 A3 a7); Signs (153.341 E5a, b) Measurements, Computations & Exceptions (153.066 A1)
- 3) Public Comment:
- 4) Consent Agenda:
 - a) **Minutes:** Town Council Regular Meeting, February 20, 2025
 - b) **Use of Town Facility at Pinckney Park:** Cub Scout Pack #50
- 5) Information Reports:
 - a) **Finance Report**
 - b) Island Sheriff's Patrol Report
 - c) Public Works Report
- 6) Requests for Consideration by Staff: None
- 7) Requests for Consideration by Council: None
- 8) Committee Reports:
 - a) Land Use Committee
 - b) Environment and Beautification Committee
 - c) Children's Committee

- d) Neighborhood Council
- e) History Committee
- f) Rethink Folly Road
- g) Drainage Committee
- h) Business Development Committee
- i) Trees Advisory Committee
- j) James Island Intergovernmental Council
- k) Accommodations Tax Committee
- l) James Island Arts Council

9) Proclamations and Resolutions:

Resolution #2025-05 Authorizing the Mayor to Terminate the Cost Sharing Agreement Between the Town of James Island and the James Island Public Service District: **Resolution Effective Date Corrected**

Resolution #2025-06 Approving the Application of Term 2025-2026 Legislative Funding Sources to the Purchase of a Vac-Truck for the Town of James Island Department of Public Works: **Agenda Item Added**

10) Ordinances up for First Reading: None.

Ordinances up for Second/Final Reading:

Ordinance #2025-02 Proposed Amendments to Town of James Island ZLDR Ordinance:

- Definitions (153.013); Signs (153.341 A3 a7); Signs (153.341 E5a and b)
- Measurements, Computations and Exceptions (153.066 A1)

Ordinance #2025-03 Issuance and Sale of General Obligation Bond, 2025 for Town of James Island

11) Old Business:

12) New Business:

13) Executive Session: The Town Council may enter into an Executive Session in accordance with Code of Laws of South Carolina 30-4-70 (A) (2) regarding discussion of proposed contractual matters for potential hiring of a financial advisory firm, and regarding cost sharing agreements, and the receipt of legal advice regarding bond issuance, and legal advice regarding litigation matters regarding KT Properties, LLC vs. Town of James Island. Upon returning to Open Session the Council may act on matters discussed in the Executive Session.

14) Return to Regular Session:

15) Announcements/Closing Comments:

16) Adjournment:

AN ORDINANCE

AN ORDINANCE AMENDING THE TOWN OF JAMES ISLAND ZONING AND LAND DEVELOPMENT REGULATIONS ORDINANCE, NUMBER 2013-07: (EXHIBIT A): DEFINITIONS: SECTION 153.013; SIGNS: SECTION 153.341 A 3 A 7; SIGNS: SECTION 153.341 E 5 A AND B; AND MEASUREMENTS, COMPUTATIONS AND EXCEPTIONS; DIMENSIONAL STANDARDS DEFINED: SECTION 153.066 A 1.

WHEREAS, the South Carolina Local Government Comprehensive Planning Enabling Act of 1994, Sections 6-29-310, et seq., 6-29-510 et seq., 6-29-710 et seq. and 6-29-110 et seq., of the Code of Laws of South Carolina, 1976, as amended, authorizes the Town of James Island to enact or amend its zoning and land development regulations to guide development in accordance with existing and future needs and in order to protect, promote and improve the public health, safety, and general welfare; and

WHEREAS, the Town of James Island Planning Commission has reviewed the proposed text of the Town of James Island Zoning and Land Development Regulations Ordinance (ZLDR) in accordance with the procedures established in State law and the ZLDR, and has recommended that the Town of James Island Council adopt the proposed text amendments of the ZLDR as set forth in Sections 153.013, 153.341, and 153.066 herein; and

WHEREAS, upon receipt of the recommendation of the Planning Commission, Town Council held at least one (1) public hearing and after close of the public hearing, Town Council approves the proposed text amendments based on the Approval Criteria of Section 153.042 (F) of the ZLDR;

WHEREAS, the Town Council has determined the proposed text amendments meet the following criteria:

- (1). The proposed amendments correct an error or inconsistency or meets the challenge of a changing condition; and
- (B). The proposed amendments are consistent with the adopted Town of James Island Comprehensive Plan and goals as stated in Section 153.005; and
- (C). The proposed amendments are to further the public welfare in any other regard specified by Town Council.

NOW, THEREFORE, be ordained it, by the Town of James Island Council in meeting duly assembled, as follows:

SECTION I. FINDINGS INCORPORATED

The above recitals and findings are incorporated herein by reference and made a part of this Ordinance.

SECTION II. TEXT AMENDMENT OF THE ZONING AND LAND DEVELOPMENT REGULATIONS ORDINANCE

The Town of James Island Zoning and Land Development Regulations Ordinance is hereby amended to include the text amendments of Sections 153.013, 153.341, and 153.066 and is attached hereto as "Exhibit A" and made a part of this Ordinance by reference.

SECTION III. SEVERABILITY

If, for any reason, any part of this Ordinance is invalidated by a court of competent jurisdiction, the remaining portions of this Ordinance shall remain in full force and effect.

SECTION IV. EFFECTIVE DATE

This Ordinance shall become effective immediately following second reading by the Town Council.

ADOPTED and APPROVED in meeting duly assembled this 20th day of March 2025.

TOWN OF JAMES ISLAND COUNCIL

By: _____
Frances H. Lyon
Mayor of the Town of James Island

ATTEST:

By: _____
Frances Simmons
Town Clerk of the Town of James Island

First Reading: February 20, 2025
Public Hearing March 20, 2025
Second Reading: March 20, 2025

§ 153.013 DEFINITIONS

SIGN. Any device or visual communication that is used to announce, direct attention, inform, or advertise to the public

SIGN, SNIPE. A non-permitted sign pasted or attached to utility poles, trees, fences, or other locations, **or a non-permitted sign posted in the ground.**

§ 153.341 SIGNS.

(A) *General provisions.*

(3) *Prohibited signs.*

(a) Except as otherwise permitted by this chapter, the following signs will be prohibited:

1. Flashing signs;
2. Pennants, streamers, and other animated signs;
3. Signs imitating traffic devices (signal);
4. Signs imitating traffic signs;
5. Signs in marshes;
6. Signs in rights-of-way;
7. Snipe signs **(except when permitted per division (E) below);**
8. Vehicle signs;
9. Roof signs;
10. Banners (except when permitted per division (E) below);
11. Flutter feather banner flags;
12. LED message boards (except for civic/institutional uses when approved by Zoning Administrator); and
13. Inflatables used for advertisement purposes.

(E) *Temporary signs.*

(1) All temporary signs, unless expressly exempt, require a zoning permit and shall comply with all other regulations of this chapter. Maximum size, number, duration, location, and height of temporary signs shall conform with [Table 153.341.E](#) and the following standards:

(a) Portable signs are permitted in accordance with standards of the National Electrical Code and anchoring provisions of the International Building Code where applicable.

(b) A site plan and letter of intent indicating the type, amount, and location of balloons, pennants, streamers, banners, and portable signs must be submitted for review. The application will be reviewed to ensure that all proposed signage will not pose any pedestrian or vehicular danger as determined by the Zoning Administrator.

(2) *Special sales event signs.*

(a) A legally established business may submit an application for temporary signs for the advertisement of one grand opening and five special sales events per calendar year.

(b) Permitted signs for grand openings or special sales events shall be removed no later than ten consecutive days after being installed.

(3) *Permitted temporary special events.*

(a) A permitted special event is allowed one special event sign per event.

(b) Signs for permitted special events shall be removed no later than ten consecutive days after being installed.

(4) *Real estate signs.*

(a) Signs less than 12 square feet do not require a zoning permit.

(b) All signs shall be removed no later than 15 days after the property is sold.

(c) Signs shall face a maximum of two directions, and may be mounted back-to-back or V'ed.

(d) Where signs are V'ed, the space between panels shall not exceed three feet at the point at which panels are closest, and the interior angle formed by signs shall not exceed 60 degrees. For purposes of these requirements, V'ed signs shall be counted as one sign.

(e) Where signs face two directions, whether back-to-back or V'ed, both signs must be the same standard size.

(5) Snipe signs.

(a) Signs less than 12 square feet do not require a zoning permit.

(b) All snipe signs shall be removed no later than ten consecutive days after being installed and are only allowed for civic/institutional uses.

§ 153.066 MEASUREMENTS, COMPUTATIONS AND EXCEPTIONS; DIMENSIONAL STANDARDS DEFINED.

(A) *Density*. **DENSITY** refers to the number of dwelling units per unit of land area. Density is calculated by dividing the number of dwelling units on a site by the gross area (in acres) of highland (including retention ponds) of the site on which the dwelling units are located. The number of dwelling units allowed on a site is based on the presumption that all other applicable standards of this chapter shall be met. The maximum density established for a district is not a guarantee that such densities may be obtained, nor shall the inability of a development to achieve the stated maximum density be considered sufficient justification for varying or otherwise adjusting other density, intensity, or dimensional standards of this chapter.

(1) Additional Dwelling Units. Additional dwelling units may be placed on a lot in which a principal dwelling unit is existing, provided that the additional dwelling unit complies with all dimensional standards of the applicable Zoning District, as contained in these chapters, including all density, setback, buffer, building coverage, stormwater standards, height requirements, and waterfront development standards.

The Town of James Island held its regularly scheduled meeting on Thursday, February 20, 2025, 7:00 p.m. in person at the Town Hall, 1122 Dills Bluff Road, James Island, SC. This meeting was also live streamed on the Town's website: www.jamesislandsc.com/livestream-townmeetings and was held in accordance with the SC Freedom of Information Act and the requirements of the Town of James Island.

The following members of Council were present: Dan Boles, Lewis Dodson, Cynthia Mignano, Troy Mullinax, and Mayor Brook Lyon, who presided. Also present: Brian Quisenberry, Town Attorney, Becky Heath, Finance Director, Mike Hemmer, Executive Assistant to the Mayor, Lt. Shawn James and Master Deputy Chris King, Island Sheriff's Patrol, and Frances Simmons, Town Clerk.

Opening Exercises: Mayor Lyon called the meeting to order at 7:00 p.m. and welcomed everyone present. Councilwoman Mignano led Council in prayer and followed with the Pledge of Allegiance.

Mayor Lyon announced that she invited the AmeriCorps volunteers tonight to recognize the service they provided to the Town. The AmeriCorps team has been with the Town since November to assist staff with drainage, work at the parks, community events, and other service work. The team's last day is next Wednesday, and we will miss them. Mayor Lyon thanked the volunteers for their hard work and presented each with a Town service pin and a photo session with Council and staff.

Presentation of Fiscal Year 2023-2024 Annual Audit: Mayor Lyon introduced Gary Bailey, Love Bailey CPA, who presented the FY 2023-2024 Annual Audit. Mr. Bailey complimented the Town for having a clean audit with good segregation of duties. He recognized Finance Director, Becky Heath for doing a great job just coming into the audit process. An overview of various categories were reviewed: General Fund, Stormwater, Accommodations Tax and Municipal Fees. Mr. Bailey complimented Council on having a strong balance sheet with good cash flow to cover the functions of the Town. Overall, there were no findings of issues in the audit. Mayor Lyon thanked Mr. Bailey for conducting a thorough audit. Report attached.

Public Comment:

Rebekah Mitchell, 207 East Bay Street, National Association of Women in Construction (NAWIC) thanked Mayor Lyon and Council for recognizing March 2-8 as Women in Construction Week. Mayor Lyon thanked Ms. Mitchell for this great work and community service.

Consent Agenda:

Minutes of Town Council Regular Meeting, January 16, 2025: Motion to approve the January 16, 2025 minutes was made by Councilman Boles, seconded by Councilman Dodson and passed unanimously.

Information Reports:

Finance Reports: Ms. Heath provided the Financial Summary for the period ending January 31, 2025 in Council's packets. There was no discussion. Report accepted as information.

Island Sheriff's Patrol Report: Lt. James gave an update of recent crimes and infractions that occurred in the Town last month. He noted that the last four weeks in the Town has been good.

Public Works: Mayor Lyon reported for PW Coordinator, Keith LaDeaux out on emergency leave.

Oceanview Drainage Project is close to completion along with the additional work for ditch piping. She said the contractor ran into a problem with the final "SWPPP" inspection (Stormwater Pollution Prevention Plan). The maintenance road has not stabilized because of motor carts and vehicles traversing the road. Mayor Lyon thanked Lt. James, Deputy King and other deputies for providing extra patrol in the area. She said that a gate has been installed across the road and a barrier across the ditch as a safety measure for those driving at night to prevent going into the marsh. The contractor is placing barriers at the other end also and weather permitting a final inspection will be done to close out the project.

James Island Intergovernmental Council: Councilwoman Mignano announced the next meeting on April 23 at 7:00 p.m. at the Town Hall. She said there was good participation at the January meeting and hopes more municipalities will attend the April meeting for productive discussion to accomplish other things for the betterment of the entire island.

Accommodations Tax Committee: Councilman Dodson announced with the approval of the funds for the marketing proposal, the A-Tax Committee will not meet again until the end of the fiscal year. He thanked John Peters and the members of the committee for serving on this committee.

James Island Arts Council: Mayor Lyon spoke of reviving the James Island Arts Committee that discontinued during Covid. With plans for a new Arts and Culture Center Mayor Lyon asked for a motion to appoint Liz Barry and Regina Ruopoli who both have expressed interest in serving. A motion to appoint Liz Barry and Regina Ruopoli was made by Councilman Dodson, seconded by Councilman Boles and passed unanimously.

Proclamations and Resolutions:

Women in Construction Week Proclamation, March 2-8, 2025: Mayor Lyon called Rebekah Mitchell, National Women in Construction, Palmetto Chapter of SC #385, forward and read the Proclamation. Ms. Mitchell shared that the National Assn. of Women in Construction (NAWIC) Palmetto Chapter #385 will award a \$1,000 scholarship to a high school student planning a future in the construction industry. Ms. Mitchell will forward information to the Town for advertising. Photo session followed.

Resolution #2025-01: Sheriff's Patrol Deputy of the Year, 2024: Mayor Lyon called for a motion to table the agenda item to the March meeting as Deputy Scruggs was not present. Motion to table was made by Councilman Boles, seconded by Councilwoman Mignano and passed unanimously.

Lt. James informed Council that Deputy Scruggs was enroute to the meeting. The motion to table was withdrawn and Mayor Lyon asked for a motion to add the item back to the agenda. Motion to add the agenda item was made by Councilman Mullinax , seconded by Councilman Boles. Mayor Lyon read Resolution #2025-01 and recognized Deputy Scruggs as the Island Sheriff's Patrol Deputy of the Year, 2024. The motion passed unanimously. Deputy Scruggs received a recognition plaque, service pin, \$100.00 and a photo session with Mayor Lyon and Council.

Resolution #2025-02: Town of James Island Commitment to Safety Practices: Mayor Lyon introduced Resolution# 2025-02, that Council takes a proactive role in safety to prevent accidental losses affecting employees, property, and the public. This is a requirement of the Town's insurance provider for compliance of safety practices for discounts on insurance premiums. All members of Council please sign the resolution. Motion to approve by Councilman Boles, seconded by Councilman Dodson and passed unanimously. Resolution was passed around and signed.

Resolution #2025-03: SCPARD Grant for Hillman Community Park: Mayor Lyon introduced the Resolution for a Grant through the SC Parks and Recreation Department for \$7,983 for Hillman Park. This is a matching grant that would allow the Town to add benches and walking paths to the new Hillman Park. These amenities will help to improve access to the Park and enhance the qualities of the park. The motion was made by Councilwoman Mignano, seconded by Councilman Dodson and passed unanimously.

Resolution #2025-04: Regarding SCDOT Plans for Raised Medians on Folly Road: Councilman Mullinax spoke in favor of the Resolution and requested that it be sent to the SCDOT to take another look at this plan. He said there are many concerns with this plan; flooding, and people trying to access their neighborhoods. He said the last public hearing was held on November 7 after the election, and he would like them to hold another public hearing. Also, to get this on the radar of our state representatives who regulates the DOT. Motion in favor was made by Councilman Mullinax, seconded by Councilman Dodson.

Discussion ensued that citizens had expressed concerns over the proposed medians. Councilman Dodson added the plan will cause more problems on Folly and for neighborhoods with 18-wheelers turning around to access deliveries. Councilman Mullinax added the plan is supposed to improve safety issues but will cause more problems. Motion passed unanimously.

Ordinances up for First Reading:

Ordinance #2025-02: Proposed Amendments to the Town of James Island ZLDR Ordinance: Definitions: 153.013) ; Signs (153.341 A3 a7); Signs (153.341 E5a and b) Measurements, Computations and Exceptions (153.066 A1): Mayor Lyon called for a motion and a second for discussion. The motion was made by Councilwoman Mignano, seconded by Councilman Dodson.

Planning Director, Kristen Crane, gave an overview of the proposed amendments to the Town's Zoning and Land Development Regulations recommended from the Planning Commission. She reviewed that snipe signs less than 12 square feet do not require a zoning permit. All snipe signs must be removed no later than ten (10) consecutive days after installation and are only allowed by civic and institutional uses. Under Measurements, Computations and Exceptions, Ms. Crane explained that additional dwelling units may be placed on a lot in which a principal dwelling unit exists, provided the additional dwelling complies with all dimensional standards of the zoning district as in Section 153.066 A1 of the code. Ms. Crane answered questions from Council.

Vote

Councilman Boles	Aye
Councilman Dodson	Aye
Councilwoman Mignano	Aye
Councilman Mullinax	Aye
Mayor Lyon	Aye
Passed unanimously	

Ordinance #2025-03: Issuance and Sale of General Obligation Bond, 2025 for Town of James Island: Mayor Lyon introduced the Ordinance and called for a motion and second for discussion. The motion was made by Councilman Boles, seconded by Councilman Dodson. Mayor Lyon stated that Jeremy Cook is present to answer questions from Council.

Councilman Boles indicated that while we are exploring areas of funding for the art center, passage of this first reading does not obligate us to issuing bonds. It will allow us to issue bonds if we decide to pass at the second reading next month.

Vote

Councilman Boles	Aye
Councilman Dodson	Aye
Councilwoman Mignano	Aye
Councilman Mullinax	Aye
Mayor Lyon	Aye
Passed unanimously	

Ordinances up for Second/Final Reading:

Ordinance #2025-01: To Amend Ordinance #2019-11: Time of Taking Office After Election: Mayor Lyon introduced the Ordinance and called for a motion and second for discussion. The motion was made by Councilman Boles, seconded by Councilwoman Mignano.

Vote

Councilman Boles	Aye
Councilman Dodson	Aye
Councilwoman Mignano	Aye
Councilman Mullinax	Aye
Mayor Lyon	Aye
Passed unanimously	

Old Business:

Mayor Lyon updated Council on the base for the flagpole. She said that Lockridge has a solar option for \$5,000 but we did not receive the proposal in time for this meeting and will pursue for the March meeting. She will also ask him to research more affordable options.

New Business:

Mayor Lyon announced that an Accessory Dwelling Unit (ADU) Workshop will be scheduled and the Town Clerk will send a notice to Council and post it to the public.

Executive Session: Mayor Lyon announced that the Town Council may enter into an Executive Session in accordance with Code of Laws of South Carolina 30-4-70 (A)(2) regarding discussion of proposed contractual matters for potential hiring of a financial advisory firm, and regarding cost sharing agreements, and the receipt of legal advice regarding bond issuance, and legal advice regarding litigation matters regarding KT Properties, LLC vs. Town of James Island. Upon returning to Open Session the Council may act on matters discussed in the Executive Session.

Mayor Lyon asked for a motion to enter into the Executive Session. Councilwoman Mignano moved, seconded by Councilman Dodson. No discussion. Passed unanimously. Council entered at 8:20 p.m.

Return to Regular Session: Mayor Lyon asked for a motion to return to open session at 9:17 p.m. Motion made by Councilman Boles, seconded by Councilman Dodson. Mayor Lyon announced that no votes were taken during the Executive Session.

Announcements: All members of Council thanked the staff for their hard work and congratulated Deputy Aaron Scruggs for being selected as the ISP Deputy for 2024.

Mayor Lyon added a reminder about the Mill Point Public Input meeting on Tuesday at 7:00 p.m. The survey will be on the website and everyone is encouraged to complete it www.jamesislandsc.us The Town Market will be held on Friday, March 7 at 6:00 p.m.

Adjournment: There being no further business to come before the body, the meeting adjourned at 9:20 p.m.

Respectfully Submitted:

Frances Simmons
Town Clerk

TOWN OF JAMES ISLAND

SOUTH CAROLINA

FINANCIAL STATEMENTS

JUNE 30, 2024

**TOWN OF JAMES ISLAND, SOUTH CAROLINA
FINANCIAL STATEMENTS
JUNE 30, 2024**

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	1-3
FINANCIAL STATEMENTS	
Government-wide financial statements	
Statement of net position	4
Statement of activities	5
Fund financial statements	
Balance sheet - governmental funds	6
Reconciliation of the balance sheet of governmental funds to the statement of net position	6
Statement of revenues, expenditures and changes in fund balances - governmental funds	7
Reconciliation of statement of revenues, expenditures, and changes in fund balances of governmental funds to the statement of activities	8
NOTES TO FINANCIAL STATEMENTS	9-26
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of revenues, expenditures and changes in fund balances - general fund - budget and actual	27
Schedule of Town's proportionate share of the net pension liability - South Carolina Retirement System	28
Police Officers Retirement System	28
Schedule of Town's pension plan contributions - South Carolina Retirement System	29
Police Officers Retirement System	29
OTHER SUPPLEMENTARY INFORMATION	
Schedule of revenues, expenditures and changes in fund balances - budget and actual - hospitality tax fund	30
 <u>COMPLIANCE SECTION</u> 	
INDEPENDENT REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENTAL AUDITING STANDARDS</i>	31-32

LOVE BAILEY

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Town Council
Town of James Island, South Carolina

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of James Island, South Carolina, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town of James Island, South Carolina's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of James Island, South Carolina, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 the Town of James Island, South Carolina and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 the Town of James Island, South Carolina's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 opinions. 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 and *Government 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 and *Government 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 the Town of James Island, South Carolina'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 the Town of James Island, South Carolina'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information is presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Town of James Island, South Carolina's basic financial statements. The accompanying schedule of revenues, expenditures and changes in fund balances – budget and actual – hospitality tax fund are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Matters

Management has omitted the management, discussion, and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 15, 2025, on our consideration of the Town of James Island, South Carolina's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of James Island, South Carolina's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Town of James Island, South Carolina's internal control over financial reporting and compliance.

Love Bailey & Associates, LLC

Love Bailey & Associates, LLC

Laurens, South Carolina

January 15, 2025

**TOWN OF JAMES ISLAND,
SOUTH CAROLINA
STATEMENT OF NET POSITION
JUNE 30, 2024**

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 4,542,348
Certificates of deposit	500,000
Receivables, net	769,590
Prepays	11,292
Other asset	600,000
Restricted cash and cash equivalents	3,538,805
Capital assets:	
Non-depreciable	5,788,238
Depreciable, net of accumulated depreciation	7,064,852
Total assets	22,815,125
DEFERRED OUTFLOWS OF RESOURCES	
Deferred pension charges	412,882
Total deferred outflows of resources	412,882
LIABILITIES	
Accounts payable	361,051
Accrued payroll and taxes	119,149
Deferred revenue	657,436
Noncurrent liabilities:	
Accrued compensated absences	76,902
Net pension liability	1,953,212
Total liabilities	3,167,750
DEFERRED INFLOWS OF RESOURCES	
Deferred pension charges	34,096
Total deferred inflows of resources	34,096
NET POSITION	
Invested in capital assets, net of related debt	7,064,852
Restricted for:	
Hospitality fund	2,741,945
Stormwater fund	771,965
Accommodations tax fund	24,895
Unrestricted	9,422,504
Total net position	\$ 20,026,161

The accompanying notes are an integral part of the financial statements.

TOWN OF JAMES ISLAND, SOUTH CAROLINA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Grants and Contributions		
		Charges for Services	Operating	
PRIMARY GOVERNMENT				
Governmental activities				
General government	\$ 2,376,661	\$ -	\$ 1,019,868	\$ (1,356,793)
Elected officials	135,713	-	-	(135,713)
Planning	2,801	14,138	-	11,337
Public works	369,965	-	-	(369,965)
Building inspection	17,774	16,733	-	(1,041)
Codes and Safety	464,022	1,400	-	(462,622)
Parks and community	435,788	-	-	(435,788)
Facilities and equipment	199,836	-	-	(199,836)
JIPSD tax relief	1,284,000	-	-	(1,284,000)
Total governmental activities	\$ 5,286,560	\$ 32,271	\$ 1,019,868	\$ (4,234,421)

GENERAL REVENUES

Local option sales tax - revenue	581,508
Local option sales tax - property tax	1,304,446
State aid to subdivisions	289,478
Franchise fees	389,335
Brokers and insurance tax	1,152,115
Business licenses	576,461
Stormwater fees	367,445
Hospitality tax	789,613
Homestead exemption	46,147
ARP funding	2,178,639
Interest and other	224,337
Total general revenues	7,899,524
Change in net position	3,665,103
Net position, beginning of year	16,361,058
Net position, end of year	\$ 20,026,161

The accompanying notes are an integral part of the financial statements.

TOWN OF JAMES ISLAND, SOUTH CAROLINA
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2024

	General Fund	Stormwater Fund	Accommodations Tax Fund	Hospitality Tax Fund	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 4,542,348	\$ -	\$ -	\$ -	\$ 4,542,348
Certificates of deposit	500,000	-	-	-	500,000
Restricted cash and cash equivalents	-	771,965	24,895	2,741,945	3,538,805
Receivables, net	769,590	-	-	-	769,590
Prepays	11,292	-	-	-	11,292
Total assets	<u><u>\$ 5,823,230</u></u>	<u><u>\$ 771,965</u></u>	<u><u>\$ 24,895</u></u>	<u><u>\$ 2,741,945</u></u>	<u><u>\$ 9,362,035</u></u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 361,051	\$ -	\$ -	\$ -	\$ 361,051
Accrued payroll and taxes	119,149	-	-	-	119,149
Deferred revenue	657,436	-	-	-	657,436
Total liabilities	<u><u>1,137,636</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>1,137,636</u></u>
FUND BALANCES					
Restricted	-	771,965	24,895	2,741,945	3,538,805
Unassigned, reported in General fund	4,685,594	-	-	-	4,685,594
Total fund balances	<u><u>4,685,594</u></u>	<u><u>771,965</u></u>	<u><u>24,895</u></u>	<u><u>2,741,945</u></u>	<u><u>8,224,399</u></u>
Total liabilities and fund balances	<u><u>\$ 5,823,230</u></u>	<u><u>\$ 771,965</u></u>	<u><u>\$ 24,895</u></u>	<u><u>\$ 2,741,945</u></u>	<u><u>\$ 9,362,035</u></u>

Reconciliation of the balance sheet of governmental funds to the statement of net position

Total Fund Balance - Governmental Funds	\$ 8,224,399
Amounts to be reported for governmental activities in the statement of net position are different because	
Other assets used in governmental activities are not financial resources and therefore are not reported in the fund	600,000
Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund (net of accumulated depreciation)	12,853,090
Long-term liabilities are not due and payable in the current period and, therefore, are not recorded in the General Fund	
Compensated absences (vacation time earned)	(76,902)
Net pension liability and related deferrals	(1,574,426)
Net position of Governmental Activities	<u><u>\$ 20,026,161</u></u>

The accompanying notes are an integral part of the financial statements.

TOWN OF JAMES ISLAND, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

	General	Stormwater Fund	Accommodations Tax Fund	Hospitality Tax Fund	Total Governmental Funds
REVENUE					
Local option sales tax - revenue	\$ 581,508	\$ -	\$ -	\$ -	\$ 581,508
Local option sales tax - property tax	1,304,446	-	-	-	1,304,446
State aid to subdivisions	289,478	-	-	-	289,478
ARP funding	2,178,639	-	-	-	2,178,639
Permits, planning and other charges	32,271	-	-	-	32,271
Business license	576,461	-	-	-	576,461
Hospitality tax	-	-	-	789,613	789,613
Franchise fees	389,335	-	-	-	389,335
Insurance collection program	1,152,115	-	-	-	1,152,115
Stormwater fees	-	367,445	-	-	367,445
Donations and grants	1,019,868	-	-	-	1,019,868
Homestead exemption	46,147	-	-	-	46,147
Accommodations tax	-	-	67,823	-	67,823
Interest and other	156,514	-	-	-	156,514
Total revenues	7,726,782	367,445	67,823	789,613	8,951,663
EXPENDITURES					
Current:					
General government	1,906,673	-	84,410	-	1,991,083
Elected officials	135,713	-	-	-	135,713
Planning	2,801	-	-	-	2,801
Public works	149,912	220,053	-	-	369,965
Building inspection	17,774	-	-	-	17,774
Code and safety	464,022	-	-	-	464,022
Parks and community	130,148	-	-	305,640	435,788
Facilities and equipment	199,836	-	-	-	199,836
JIPSD tax relief	1,284,000	-	-	-	1,284,000
Capital outlay	3,097,314	-	-	21,175	3,118,489
Total expenditures	7,388,193	220,053	84,410	326,815	8,019,471
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	338,589	147,392	(16,587)	462,798	932,192
Fund balances, beginning of year	4,347,005	624,573	41,482	2,279,147	7,292,207
Fund balances, end of year	\$ 4,685,594	\$ 771,965	\$ 24,895	\$ 2,741,945	\$ 8,224,399

The accompanying notes are an integral part of the financial statements.

**TOWN OF JAMES ISLAND, SOUTH CAROLINA
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUND TO THE
STATEMENT OF ACTIVITIES
JUNE 30, 2024**

Net change in fund balances - Total Governmental Fund \$ 932,192

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported as expenditures in the governmental fund. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital outlay	\$ 2,518,489	
Other asset purchase	600,000	
Depreciation expense	<u>(369,167)</u>	2,749,322

An item reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental fund. This activity consists of:

Pension accrual	(7,340)	
Compensated absences	(9,071)	
Total changes in net position		<u><u>\$ 3,665,103</u></u>

The accompanying notes are an integral part of the financial statements.

TOWN OF JAMES ISLAND, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Town of James Island, South Carolina conform to accounting principles generally accepted in the United States of America as applicable to governments. The following is a summary of the more significant accounting policies:

Reporting Entity

The Town of James Island, South Carolina (the Town) was created by South Carolina Code Section 5-1-70 and began operations August 2, 2012. Services provided by the Town include zoning, permitting, public works, building inspection, code enforcement, public safety, disaster and emergency preparedness, recreation, and general government. The Town operates under a Mayor Council form of government. The Town Council is composed of a mayor and four town council members elected at large.

The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion could cause the financial statements to be misleading or incomplete. Based on this criterion the Town has determined it has no component units and is not a component unit of any other organization. Therefore, the Town reports as a primary entity.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Indirect expense allocations are eliminated for the statement of activities. Program revenues include, 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and, 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. Internally dedicated resources are also reported as general revenues.

The Town segregates transactions related to certain functions or activities in separate funds in order to aid financial management and demonstrate legal compliance. Major individual governmental funds are reported as separate columns in the fund financial statements. All non-major funds are aggregated and reported in a single column on each of the fund financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

(Continued)

**TOWN OF JAMES ISLAND, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgements, are recorded only when payment is due.

Taxes, franchise fees, fines and forfeitures, garbage collection, intergovernmental revenues, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received.

The Town utilizes the following governmental funds:

General Fund – The general fund is the primary operating fund of the Town. The general fund accounts for all financial resources except those that are required to be reported in another fund.

Stormwater Fund – This fund is a special revenue fund used to account for stormwater fees charged by the Town, collected by the County of Charleston and used for stormwater projects within the Town in conjunction with the County.

Hospitality Tax Fund – This fund is a special revenue fund used to account for the 2% sales tax on food and beverage sales within the Town to be used for projects to support hospitality industry.

Accommodations Tax Fund – This fund is a special revenue fund used to account for the 2% sales tax on accommodation within the Town. The first \$25,000 collected can be used for general purposes and 5% of the remaining revenue. The remaining funds collected can be used for advertising and promotion (30%) to specific qualified agencies and tourism (65%) to qualified entities that apply for funds.

Cash and Cash Equivalents and Investments

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the Town to invest in obligations of the United States and its agencies, general obligations of the State of South Carolina and its subdivisions, savings and loan associations to the extent of federal depository insurance, certificates of deposit collaterally secured, and repurchase agreements secured by the foregoing obligations.

(Continued)

**TOWN OF JAMES ISLAND, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Receivables and Payables

All receivables are shown at their gross value and where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Such allowances are estimated based upon such factors as length of delinquency, historical analysis, and available means for collection enforcement.

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.” Interfund receivables and payables outstanding at year end are eliminated upon consolidation of governmental activities in the government-wide statement of net assets.

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

Prepaid Items

Payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both the government-wide and fund financial statements. The Town has a prepaid balance in the amount of \$11,292 at June 30, 2024 related to workers compensation insurance paid in advance.

Restricted cash

Certain cash of the Town are classified as restricted on the balance sheet when specific limitations are placed upon their use. Restricted cash of the Town are set aside as required by state statute for providing services to improvements related to tourism and hospitality, and special projects including American Rescue Plan funds.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$2,500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Capital assets of the Town are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Buildings & Improvements	10 – 40
Land Improvements	10 – 40
Equipment & Furnishings	5 – 10
Vehicles	5

(Continued)

**TOWN OF JAMES ISLAND, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Depreciation for capital assets that can be specifically identified with a function is included in the direct expenses for that function.

In the case of the initial capitalization of general infrastructure assets, the Town elected not to implement the retroactive reporting provisions of GASB Statement No. 34. However, as the Town acquires or constructs additional infrastructure assets each period, they are capitalized and reported at historical cost.

Compensated Absences

It is the Town's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the Town does not have a policy to pay any amounts when employees separate from service with the Town.

All vacation pay and salary related expenses are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Deferred Revenue

Deferred revenues arise when potential revenue does not meet the criteria for recognition in the current period. In subsequent periods, when revenue recognition criteria are met, the government has a legal claim to the resources, or the revenue has been earned, the liability is removed and revenue is recognized.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position and the Balance Sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents the consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (except expenses) until then. The Town currently has one type of deferred outflow of resources: deferred pension charges. It is reported in the Statement of Net Position in connection with its participation in the South Carolina Retirement System and the South Carolina Police Officers Retirement System. These deferred pension charges are either (1) recognized in the subsequent period as a reduction in the net pension liability (including pension contributions made after the measurement date) or (2) amortized in a systematic and rational method as pension expense in future periods in accordance with GAAP. In addition to liabilities, the Statement of Net Position (government-wide) and the Balance Sheet (governmental funds) will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The Town currently has two types of inflows of deferred resources: (1) unavailable revenue-property taxes only in the government funds balance sheet; it is deferred and recognized as an inflow of resources (property tax revenue) in the periods the amounts become available, and (2) the Town also reports deferred pension credits in its Statement of Net Position in connection with its participation in the South Carolina Retirement Systems and South Carolina Police Officers Retirement System. These deferred pension credits are amortized in a systemic and rational method and recognized as a reduction of pension expense in future periods in accordance with GAAP.

(Continued)

**TOWN OF JAMES ISLAND, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Fund Balance

Restricted – This classification includes amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation, or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Unassigned – This classification represents the residual balance with the General Fund, which has not been restricted, committed, or assigned. In funds other than the General Fund, unassigned fund balances are limited to negative residual balances.

The Town uses restricted amounts first when both restricted and unrestricted fund balances are available.

The Town's total restricted fund balance consisted of the following:

	Restricted Fund Balance
Hospitality Tax Fund	2,741,945
Stormwater Fund	771,965
Accommodations tax	24,895
	\$ 3,538,805

Property Taxes

The Town assesses and levies property taxes in accordance with applicable laws of the State of South Carolina. Real and personal property of every description owned and used in the Town, except that which is exempt from taxation under the Constitution and Laws of the State, is subject to taxation. An annual ordinance establishing the millage rate associated with the levy is adopted each year as part of the budget adoption process.

Property taxes are assessed and collected under a joint billing and collection agreement with Charleston County. Property taxes are levied each October on the assessed value listed as of the prior January 1 for all real and business personal property located within the Town. The tax levy is considered due upon receipt by the taxpayer; however, the actual due date is January 15th. Automobile property taxes attach a lien and are levied throughout the year depending on when the vehicle’s license tag expires. Property taxes are recognized under the standards established by GASB Statement No. 33 for Imposed Nonexchange Revenues.

Nonexchange Transactions

The standards established by GASB Statement No. 33, “Accounting and Financial Reporting for Nonexchange Transactions”, provide accounting and reporting for the following four categories of nonexchange transactions: 1) Derived tax revenues, 2) Imposed nonexchange revenues, 3) Government-mandated nonexchange transactions, and 4) Voluntary nonexchange transactions. Nonexchange transactions involve financial or capital resources in which the government either gives value to another party without directly receiving equal value in exchange or receives value from another party without directly giving equal value in exchange.

(Continued)

**TOWN OF JAMES ISLAND, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Assets from Derived Tax Revenues are recognized when the underlying exchange has occurred, and resources are available to the government.

Assets from Imposed Nonexchange Revenues are recognized when an enforceable legal claim has arisen or when resources are received, whichever occurs first. Revenues are recognized when resources are required to be used or the first period that use is permitted. Resources must also be available to the government.

Assets, liabilities, revenues, and expenditures from Government-Mandated and Voluntary Nonexchange Transactions are generally recognized when all eligibility requirements have been met. Resources received before the eligibility requirements are fulfilled are reported as deferred revenues. Eligibility requirements can include one or more of the following:

- 1) The recipient has the characteristics specified by the provider.
- 2) Time requirements specified by the provider have been met.
- 3) The provider offers resources on a reimbursement basis and allowable costs have been incurred under the applicable program.
- 4) The provider's offer of resources is contingent upon a specified action of the recipient and that action has occurred.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and revenues, expenditures/expenses, and other sources and uses recognized during the reporting period. Actual results could differ from those amounts.

NOTE 2 – CASH AND CASH EQUIVALENTS

Custodial credit risk is the risk that, in the event of a bank failure, the Town's deposits might not be recovered. The Town does not have a formal policy for custodial credit risk but follows the investment policy statutes of the State of South Carolina. As of June 30, 2024, none of the Town's bank balances of \$7,626,080 were exposed to custodial credit risk because they were insured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Town's name.

**TOWN OF JAMES ISLAND, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024**

NOTE 3 – INVESTMENTS

As of June 30, 2024, the Town had the following investments:

Investment Type	Fair Value Level	Credit Rating*	Fair Value	Investment Maturity (in Years)			
				Less than 1	1 - 3	3 - 5	Over 5
Certificate of Deposit	Level 1	AAAm/ Aaa-mf/	\$ 500,000	-	\$ 500,000	-	-
Total			\$ 500,000	\$ -	\$ 500,000	\$ -	\$ -

*Credit ratings for Standard & Poor, Moody's, Fitch, respectively

Investment Policy, Risk, and Concentration Information

The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Custodial credit risk for investments is the risk that, in the event of a bank failure, the government will not be able to recover the value of its investments or collateral securities that are in the possession of the outside party. The Town does not have an investment policy for custodial credit risk but follows the investment policy statutes of the State of South Carolina. As of June 30, 2024, none of the Town's investments were exposed to custodial credit risk. The Town has no investment policy that would further limit its investment choices other than state law. The Town invests in money market mutual funds that invest in U.S. Treasury Obligations and certificates of deposits which are secured by FDIC and collateral pledged in the Town's name. The Town places no limit on the amount the Town may invest in in any one issuer.

NOTE 4 – RECEIVABLES

Receivables as of June 30, 2024 for individual major funds and non-major funds in the aggregate, including applicable allowances for uncollectible accounts, are as follows:

	General
Receivables:	
Insurance collection	\$ 147,115
Franchise fees	34,665
Local option sales tax	335,004
Hospitality tax	83,084
Accommodations tax	26,171
Business licenses	24,053
State aid to subdivisions	75,066
Other	44,432
Net receivables	\$ 769,590

**TOWN OF JAMES ISLAND, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024**

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2024 was as follows:

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Non-depreciable assets:					
Land	\$ 2,698,654	\$ -	\$ -	\$ -	\$ 2,698,654
Construction in Progress	1,200,966	2,438,187	-	(549,569)	3,089,584
Total non-depreciable assets	3,899,620	2,438,187	-	(549,569)	5,788,238
Depreciable:					
Buildings and Improvements	3,481,205	-	-	-	3,481,205
Equipment	268,458	25,053	-	-	293,511
Vehicles	181,475	49,800	-	-	231,275
Park improvements	833,080	5,450	-	-	838,530
Infrastructure	3,573,171	-	-	549,569	4,122,740
Town signs	25,487	-	-	-	25,487
Total depreciable capital assets	8,362,876	80,303	-	549,569	8,992,748
Less accumulated depreciation:	(1,558,729)	(369,167)	-	-	(1,927,896)
Total depreciable capital assets, net	6,804,149	(288,864)	-	-	7,064,852
Total capital assets, net	\$10,703,769	\$2,149,324	\$ -	\$ -	\$12,853,090

The Town has construction in progress for various infrastructure projects, park improvements and cultural art center renovation. The Town has recorded a depreciation expense of \$369,167 for general fund activities.

NOTE 6 – NONCURRENT LIABILITIES

Noncurrent liabilities activity for the year ended June 30, 2024, was as follows:

	Balance June 30, 2023	Additions	Reductions	Balance June 30, 2024
Compensated absences	\$ 67,831	\$ 9,071	\$ -	\$ 76,902
Net pension liability	1,868,360	84,852	-	1,953,212
Total	\$ 1,936,191	\$ 93,923	\$ -	\$ 2,030,114

At June 30, 2024, \$0 of the compensated absences balance is expected to be due within one year.

**TOWN OF JAMES ISLAND, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024**

NOTE 7 – PENSION PLANS

State Retirement Plan

The Town participates in the State of South Carolina’s retirement plans, which are administered by the South Carolina Public Employee Benefit Authority (“PEBA”).

The South Carolina Public Employee Benefit Authority (PEBA), created July 1, 2012, is the state agency responsible for the administration and management of the retirement systems and benefit programs of the state of South Carolina, including the State Optional Retirement Program and the S.C. Deferred Compensation Program, as well as the state’s employee insurance programs. As such, PEBA is responsible for administering the South Carolina Retirement Systems’ five defined benefit pension plans. PEBA has an 11-member Board of Directors, appointed by the Governor and General Assembly leadership, which serves as custodian, co-trustee and co-fiduciary of the Systems and the assets of the retirement trust funds. The Retirement System Investment Commission (Commission as the governing body, RSIC as the agency), created by the General Assembly in 2005, has exclusive authority to invest and manage the retirement trust funds’ assets. The Commission, an eight-member board, serves as co-trustee and co-fiduciary for the assets of the retirement trust funds. By law, the State Fiscal Accountability Authority (SFAA), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the actuary of the Systems.

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, a pension expense, information about the fiduciary net position of the Systems and additions to/deductions from the Systems fiduciary net position have been determined on the accrual basis of accounting as they are reported by the Systems in accordance with generally accepted accounting principles (GAAP). For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Benefit and refund expenses are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

PEBA issues an Annual Comprehensive Financial Report (“ACFR”) containing financial statements and required supplementary information for the Systems’ Pension Trust Funds. The ACFR is publicly available through PEBA’s website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is a division of the primary government of the state of South Carolina and therefore, retirement trust fund financial information is also included in the ACFR for the state.

Plan Descriptions

- The South Carolina Retirement System (SCRS), a cost-sharing multiple-employer defined benefit pension plan, was established July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits for teachers and employees of the state and its political subdivisions. SCRS covers employees of state agencies, public school Towns and participating charter schools, public higher education institutions, other participating local subdivisions of government and individuals first elected to the South Carolina General Assembly at or after the general election in November 2012.

(Continued)

**TOWN OF JAMES ISLAND, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024**

NOTE 7 – PENSION PLANS, Continued

- The South Carolina Police Officers Retirement System (PORS), a cost-sharing multiple-employer defined benefit pension plan, was established July 1, 1962, pursuant to the provisions of Section 9-11-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits to police officers and firefighters. PORS also covers peace officers, coroners, probate judges and magistrates.

In addition to the plans described above, PEBA also administers three single employer defined benefit pension plans, which are not covered in this report. They are the Retirement System for Members of the General Assembly of the State of South Carolina (GARS), the Retirement System for Judges and Solicitors of the State of South Carolina (JSRS), and the South Carolina National Guard Supplemental Retirement Plan (SCNG).

Plan Membership

Membership requirements are prescribed in Title 9 of the South Carolina Code of Laws. A brief summary of the requirements under each system is presented below.

- SCRS – Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. This plan covers general employees and teachers and individuals first elected to the South Carolina General Assembly at or after the general election in November 2012. A member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. A member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.
- PORS – To be eligible for PORS membership, an employee must be required by the terms of his employment, by election or appointment, to preserve public order, protect life and property, and detect crimes in the state; to prevent and control property destruction by fire; be a coroner in a full-time permanent position; or be a peace officer employed by the Department of Corrections, the Department of Juvenile Justice or the Department of Mental Health. Probate judges and coroners may elect membership in PORS. Magistrates are required to participate in PORS for service as a magistrate. PORS members, other than magistrates and probate judges, must also earn at least \$2,000 per year and devote at least 1,600 hours per year to this work, unless exempted by statute. A member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. A member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.

Plan Benefits

Benefit terms are prescribed in Title 9 of the South Carolina Code of Laws. PEBA does not have the authority to establish or amend benefit terms without a legislative change in the code of laws. Key elements of the benefit calculation include the benefit multiplier, years of service, and average final compensation/current annual salary. A brief summary of the benefit terms for each system is presented below.

(Continued)

**TOWN OF JAMES ISLAND, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024**

NOTE 7 – PENSION PLANS, Continued

- SCRS – A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 65 or with 28 years credited service regardless of age. A member may elect early retirement with reduced pension benefits payable at age 55 with 25 years of service credit. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension upon satisfying the Rule of 90 requirement that the total of the member’s age and the member’s creditable service equals at least 90 years. Both Class Two and Class Three members are eligible to receive a reduced deferred annuity at age 60 if they satisfy the five- or eight-year earned service requirement, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program.

The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase. Members who retire under the early retirement provisions at age 55 with 25 years of service are not eligible for the benefit adjustment until the second July 1 after reaching age 60 or the second July 1 after the date they would have had 28 years of service credit had they not retired.

- PORS - A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 55 or with 25 years of service regardless of age. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension at age 55 or with 27 years of service regardless of age. Both Class Two and Class Three members are eligible to receive a deferred annuity at age 55 with five or eight years of earned service, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program. Accidental death benefits are also provided upon the death of an active member working for a covered employer whose death was a natural and proximate result of an injury incurred while in the performance of duty.

The retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase.

Plan Contributions

Actuarial valuations are performed annually by an external consulting actuary to ensure applicable contribution rates satisfy the funding parameters specified in Title 9 of the South Carolina Code of Laws. Under these provisions, SCRS and PORS contribution requirements must be sufficient to maintain an amortization period for the financing of the unfunded actuarial accrued liability (UAAL) over a period that does not exceed the number of years scheduled in state statute. Effective July 1, 2017, employee rates were increased and capped at 9 percent for SCRS and 9.75 percent for PORS. The legislation also increased employer contribution rates beginning July 1, 2017, for both SCRS and PORS until reaching 18.56 percent for SCRS and 21.24 percent for PORS. The legislation included a further provision that if the scheduled

(Continued)

**TOWN OF JAMES ISLAND, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024**

NOTE 7 – PENSION PLANS, Continued

contributions are not sufficient to meet the funding periods set in state statute, the PEBA board would increase the employer contribution rates as necessary to meet the funding periods set for the applicable year.

Pension reform legislation modified statute such that the employer contribution rates for SCRS and PORS to be further increased, not to exceed one-half of one percent in any one year if necessary, in order to improve the funding of the plans. The statute set rates intended to reduce the unfunded liability of SCRS and PORS to the maximum amortization period of 20 years from 30 years over a ten-year schedule, as determined by the annual actuarial valuations of the plan. Finally, under the revised statute, the contribution rates for SCRS and PORS may not be decreased until the plans are at least 85 percent funded.

Required employee contribution rates¹ are as follows:

	Fiscal Year 2024 ¹	Fiscal Year 2023 ¹
SCRS		
Employee Class Two	9.00%	9.00%
Employee Class Three	9.00%	9.00%
PORS		
Employee Class Two	9.75%	9.75%
Employee Class Three	9.75%	9.75%

Required employer contribution rates¹ are as follows:

	Fiscal Year 2024 ¹	Fiscal Year 2023 ¹
SCRS		
Employee Class Two	18.41%	17.41%
Employee Class Three	18.41%	17.41%
Employer Incidental Death Benefit	0.15%	0.15%
PORS		
Employee Class Two	20.84%	19.84%
Employee Class Three	20.84%	19.84%
Employer Incidental Death Benefit	0.20%	0.20%
Employer Accidental Death Benefit	0.20%	0.20%

Actuarial Assumptions and Methods

Actuarial valuations of the ongoing plan involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. An experience report on the Systems was most recently issued for the period ending June 30, 2019.

(Continued)

¹ Calculated on earnable compensation as defined in Title 9 of the South Carolina Code of Laws.

**TOWN OF JAMES ISLAND, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024**

NOTE 7 – PENSION PLANS, Continued

The June 30, 2023, total pension liability (TPL), net pension liability (NPL), and sensitivity information shown in this report were determined by our consulting actuary, Gabriel Roeder Smith & Company (GRS) and are based on an actuarial valuation performed as of July 1, 2022. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year end, June 30, 2023, using generally accepted actuarial principles. There was no legislation enacted during the 2023 legislative session that had a material change in the benefit provisions for any of the systems.

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2023.

	SCRS	PORS
Actuarial cost method:	Entry age normal	Entry age normal
Investment rate of return ²	7%	7%
Projected salary increases	3.0% to 11.0% (varies by service) ¹	3.5% to 10.5% (varies by service) ¹
Benefit adjustments	lesser of 1% or \$500 annually	lesser of 1% or \$500 annually

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumptions, the 2020 Public Retirees of South Carolina Mortality table (2020 PRSC), was developed using the Systems' mortality experience. These base rates are adjusted for future improvement in mortality using 80% of Scale UMP projected from the year 2020.

Assumptions used in the determination of the June 30, 2023, TPL are as follows.

Former Job Class	Males	Females
Educators	2020 PRSC Males multiplied by 95%	2020 PRSC Females multiplied by 94%
General Employees and Members of the General Assembly	2020 PRSC Males multiplied by 97%	2020 PRSC Females multiplied by 107%
Public Safety and Firefighters	2020 PRSC Males multiplied by 127%	2020 PRSC Females multiplied by 107%

(Continued)

² Includes inflation at 2.25%

**TOWN OF JAMES ISLAND, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024**

NOTE 7 – PENSION PLANS, Continued

Net Pension Liability

The NPL is calculated separately for each system and represents that particular system’s TPL determined in accordance with GASB 67 less that system’s fiduciary net position. NPL totals, as of June 30, 2024, for SCRS and PORS are presented below.

System	Town’s Net Pension Liability (Asset)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	Town’s Proportionate Share of the Collective Net Pension Liability
SCRS	\$ 1,434,557	58.6%	.005933%
PORS	\$ 518,655	67.8%	.017038%

The TPL is calculated by the Systems’ actuary, and each plan’s fiduciary net position is reported in the Systems’ financial statements. The NPL is disclosed in accordance with the requirements of GASB 67 in the Systems’ notes to the financial statements and required supplementary information. Liability calculations performed by the Systems’ actuary for the purpose of satisfying the requirements of GASB 67 and 68 are not applicable for other purposes, such as determining the plans’ funding requirements.

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments is based upon 20-year capital market assumptions. The long-term expected rates of return represent assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market-based inputs. Expected returns are net of investment fees.

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2023 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the table on the following page. For actuarial purposes, the 7.00 percent assumed annual investment rate of return used in the calculation of the TPL includes a 4.75 percent real rate of return and a 2.25 percent inflation component.

(Continued)

**TOWN OF JAMES ISLAND, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024**

NOTE 7 – PENSION PLANS, Continued

Allocation/Exposure	Policy Target	Expected Arithmetic Real Rate of Return	Long Term Expected Portfolio Real Rate of Return
Public Equity ³	46.0%	6.62%	3.04%
Bonds	26.0%	0.31%	0.08%
Private Equity ^{1 4}	9.0%	10.91%	0.98%
Private Debt ²	7.0%	6.16%	0.43%
Real Assets	12.0%		
Real Estate ²	9.0%	6.41%	0.58%
Infrastructure ²	3.0%	6.62%	0.20%
Total Expected Real Return ⁵	100.0%		5.31%
Inflation for Actuarial Purposes			2.25%
Total Expected Nominal Return			7.56%

Pensions

At June 30, 2024, the Town reported a liability of \$1,434,557 and \$518,665 for its proportionate share of the net pension liability for SCRS and PORS, respectively. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town’s proportion of the net pension liability was based on a projection of the Town’s long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

Discount Rate

The discount rate used to measure the TPL was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina Code of Laws. Based on those assumptions, the System’s fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

Sensitivity Analysis

The following table presents the collective NPL of the participating employers calculated using the discount rate of 7 percent, as well as what the employers’ NPL would be if it were calculated using a discount rate that is 1 percent lower (6 percent) or 1 percent higher (8 percent) than the current rate.

(Continued)

³ The target weight to Private Equity will be equal to its actual weight, reported by the custodial bank, as of prior month end. When flows have occurred, flow adjusted weights are used to more accurately reflect the impact of the asset class weight. Private Equity and Public Equity combine for 55% of the entire portfolio.

⁴ Staff and Consultant will notify the Commission if Private Markets assets exceed 25% of total assets.

⁵ Portable Alpha Strategies, which are not included in the Policy Target, will be capped at 12% of total assets; hedge funds (including all hedge funds used in portable alpha implementation) are capped at 20% of total assets.

**TOWN OF JAMES ISLAND, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024**

NOTE 7 – PENSION PLANS, Continued

System	1.00% Decrease (6.00%)	Current Discount Rate (7.00%)	1.00% Increase (8.00%)
Town's proportionate share of the net pension liability of the SCRS	\$ 1,853,585	\$ 1,434,557	\$ 1,086,276
Town's proportionate share of the net pension liability of the PORS	\$ 731,641	\$ 518,655	\$ 334,193

Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended June 30, 2024, the Town recognized pension expense for the SCRS and PORS plans of \$162,225 and \$92,041, respectively. At June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred outflow of resources	Deferred inflow of resources
SCRS		
Differences between expected and actual experience	\$ 46,885	\$ 3,978
Changes in proportionate share and differences between employer contributions and proportionate share of total plan employer contributions	-	-
Net difference between projected and actual earnings on pension plan investments	43,960	1,964
Town's contributions subsequent to the measurement date	181,865	-
Total SCRS	<u>\$ 272,710</u>	<u>\$ 5,942</u>
PORS		
Differences between expected and actual experience	\$ 35,696	\$ 6,394
Changes in proportionate share and differences between employer contributions and proportionate share of total plan employer contributions	-	-
Net difference between projected and actual earnings on pension plan investments	38,906	890
Town's contributions subsequent to the measurement date	65,570	20,870
Total PORS	<u>\$ 140,172</u>	<u>\$ 28,154</u>

The \$181,865 and \$65,570 reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date for the SCRS and PORS plans, respectively, during the year ended June 30, 2024 will be recognized as a reduction of the net pension liabilities in the year ending June 30, 2025.

(Continued)

**TOWN OF JAMES ISLAND, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024**

NOTE 7 – PENSION PLANS, Continued

The following schedule reflects the amortization of the net balance of remaining deferred outflows/(inflows) of resources at the measurement date. Average remaining service lives of all employees provided with pensions through the pension plan at the measurement date was 4.00 years for SCRS and PORS:

Year Ended June 30,	SCRS	PORS	Total
2025	\$ 51,514	\$ 17,275	\$ 68,789
2026	(13,725)	(4,938)	(18,663)
2027	47,957	34,656	82,613
2028	(843)	(544)	(1,387)
	\$ 84,903	\$ 46,449	\$ 131,352

As discussed in paragraph 71b of GASB 68, collective deferred outflows of resources and deferred inflows of resources arising from differences between projected and actual pension plan investment earnings in different measurement periods should be aggregated and included as a net collective deferred outflow of resources related to pensions or a net collective deferred inflow of resources related to pensions. Accordingly, the Outstanding Balance of Deferred Outflows of Resources in the Schedules of Pension Amounts by Employer reflects the current net difference between projected and actual pension plan investment earnings.

Additional items reported within the Outstanding Balance of Deferred Outflows and Inflows of Resources in the Schedules of Pension Amounts by Employer result from the two cost-sharing multiple-employer defined benefit pension plan-specific deferrals previously discussed.

Additional Financial and Actuarial Information

Information contained in these Notes to the Schedules of Employer and Nonemployer Allocations and Schedules of Pension Amounts by Employer (Schedules) was compiled from the Systems' audited financial statements for the fiscal year ended June 30, 2024, and the accounting valuation report as of June 30, 2023. Additional financial information supporting the preparation of the Schedules (including the unmodified audit opinion on the financial statements and required supplementary information) is available in the Systems' ACFR.

NOTE 8 – RISK MANAGEMENT

The Town is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To insure against casualty risks, the Town is a member of the State of South Carolina Insurance Reserve Fund, a public entity risk pool currently operating as a common risk management and insurance program for local governments in South Carolina. The Town pays annual premiums to the State Insurance Reserve Fund for its general insurance. The State Insurance Reserve Fund is self-sustaining through member premiums and reinsures through commercial companies for certain claims.

(Continued)

**TOWN OF JAMES ISLAND, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024**

NOTE 8 – RISK MANAGEMENT, Continued

The Town acquires insurance for job related injury and illness (workers' compensation). Workers' Compensation is insured under a retrospectively rated policy where premiums paid are estimated throughout the year and adjusted subsequent to the policy period based on actual experience. Health insurance and general blanket and fidelity bond insurance were also maintained.

During June 30, 2024, the Town did not experience any uninsured claims. There is no liability or expenditure reordered for other actual claims and management does not believe any provision for unasserted claims is necessary.

There were no significant reductions in coverage from the previous year and no settlements have exceeded insurance coverage for the past three years ended June 30, 2023, 2022, and 2021.

NOTE 9 – CONTINGENCIES

In the opinion of Town management, after consultation with legal counsel, there are no material claims or lawsuits against the Town that are not covered by insurance or whose settlement would materially affect the Town's financial position. The Town also participates in certain federal and state assisted grant programs. These programs are subject to program compliance audits by grantors or their representatives. Any liability for reimbursement which may arise as a result of these audits is not believed to be material.

NOTE 10 – SUBSEQUENT EVENTS

The Town has evaluated events and transactions for subsequent events that would impact the financial statements for the year ended June 30, 2024, through the date on the auditor's report January 15, 2025 the date the financial statements were available to be issued.

TOWN OF JAMES ISLAND, SOUTH CAROLINA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2024

	Budget		Actual	Variance
	Original	Final		
REVENUE				
Local option sales tax - revenue	\$ 547,000	\$ 479,012	\$ 581,508	\$ 102,496
Local option sales tax - property tax	1,284,000	1,071,937	1,304,446	232,509
State aid to subdivisions	272,350	214,413	289,478	75,065
ARP funding	2,795,955	-	2,178,639	2,178,639
Permits, planning and other charges	351,012	39,804	32,271	(7,533)
Business license	370,000	558,659	576,461	17,802
Homestead exemption	50,000	-	46,147	46,147
Franchise fees	309,000	413,176	389,335	(23,841)
Insurance collection program	818,600	1,016,057	1,152,115	136,058
Donations and grants	11,000	1,019,893	1,019,868	(25)
Interest and other	62,760	116,025	156,514	40,489
Total revenues	6,871,677	4,928,976	7,726,782	2,797,806
EXPENDITURES				
Current:				
General government	1,995,894	1,987,428	1,906,673	80,755
Elected officials	134,778	134,344	135,713	(1,369)
Planning	17,915	5,015	2,801	2,214
Public works	218,775	164,847	149,912	14,935
Building inspection	6,100	17,774	17,774	-
Code and safety	141,460	78,525	464,022	(385,497)
Parks and community	33,500	30,817	130,148	(99,331)
Facilities and equipment	242,300	210,052	199,836	10,216
JIPSD tax relief	1,285,000	1,284,000	1,284,000	-
Capital outlay	2,872,255	1,000,000	3,097,314	(2,097,314)
Total expenditures	6,947,977	4,912,802	7,388,193	(2,475,391)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(76,300)	16,174	338,589	322,415
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	76,300	-	-	-
Total other financing sources (uses)	76,300	-	-	-
Net changes in fund balances	\$ -	\$ 16,174	\$ 338,589	\$ 322,415

TOWN OF JAMES ISLAND, SOUTH CAROLINA
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 SOUTH CAROLINA RETIREMENT SYSTEM
 POLICE OFFICERS RETIREMENT SYSTEM

Only nine years of information is presented as only nine years of data were available.

	2024	2023	2022	2021	2020	2019	2018	2017	2016
SCRS									
Town's proportion of the net pension liability	0.0059333%	0.005798%	0.005703%	0.005506%	0.005621%	0.005093%	0.005809%	0.004501%	0.004047%
Town's proportionate share of the net pension liability	\$ 1,434,557	\$ 1,405,607	\$ 1,234,262	\$ 1,406,749	\$ 1,283,409	\$ 1,141,265	\$ 1,307,699	\$ 961,408	\$ 767,533
Town's covered-employee payroll	\$ 979,874	\$ 750,185	\$ 690,424	\$ 644,703	\$ 614,212	\$ 593,517	\$ 526,930	\$ 587,873	\$ 435,818
Town's proportionate share of the net pension liability as a percentage of its covered-employee payroll	68.3%	53.4%	55.9%	45.8%	47.9%	52.0%	40.3%	163.5%	176.1%
Plan fiduciary net position as a percentage of the total pension liability	58.6%	57.1%	60.7%	50.7%	54.4%	54.1%	53.3%	52.9%	59.9%

Only seven years of information is presented as only seven years of data were available.

	2024	2023	2022	2021	2020	2019	2018
PORS							
Town's proportion of the net pension liability	0.017038%	0.015430%	0.016237%	0.017460%	0.013060%	0.009022%	0.000380%
Town's proportionate share of the net pension liability	\$ 518,655	\$ 462,753	\$ 417,765	\$ 578,991	\$ 374,291	\$ 255,629	\$ 10,438
Town's covered-employee payroll	\$ 308,708	\$ 298,523	\$ 244,200	\$ 244,155	\$ 263,750	\$ 189,429	\$ 128,025
Town's proportionate share of the net pension liability as a percentage of its covered-employee payroll	59.5%	64.5%	58.5%	42.2%	70.5%	74.1%	1226.5%
Plan fiduciary net position as a percentage of the total pension liability	67.8%	66.4%	70.4%	58.8%	62.7%	61.7%	60.9%

Notes to schedule:
 The amounts presented for each fiscal year were determined as of June 30th of the preceding year.

TOWN OF JAMES ISLAND, SOUTH CAROLINA
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE TOWN'S PENSION PLAN CONTRIBUTIONS
 SOUTH CAROLINA RETIREMENT SYSTEM
 POLICE OFFICERS RETIREMENT SYSTEM

Only nine years of information is presented as only nine years of data were available.

SCRS	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 181,865	\$ 131,732	\$ 114,334	\$ 100,316	\$ 95,572	\$ 86,416	\$ 71,452	\$ 67,076	\$ 47,458
Contributions in relation to the contractually required contribution	(181,865)	(131,732)	(114,334)	(100,316)	(95,572)	(86,416)	(71,452)	(67,076)	(47,458)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered-employee payroll	\$ 979,874	\$ 750,185	\$ 690,424	\$ 644,703	\$ 614,212	\$ 593,517	\$ 526,930	\$ 587,873	\$ 435,818
Contributions as a percentage of covered-employee payroll	18.56%	17.56%	16.56%	15.56%	15.56%	14.56%	13.56%	11.41%	10.89%

Only seven years of information is presented as only seven years of data were available.

PORS	2024	2023	2022	2021	2020	2019	2018
Contractually required contribution	\$ 65,570	\$ 60,424	\$ 46,984	\$ 44,534	\$ 48,108	\$ 32,657	\$ 20,279
Contributions in relation to the contractually required contribution	(65,570)	(60,424)	(46,984)	(44,534)	(48,108)	(32,657)	(20,279)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered-employee payroll	\$ 308,708	\$ 298,523	\$ 244,200	\$ 244,155	\$ 263,750	\$ 189,428	\$ 128,025
Contributions as a percentage of covered-employee payroll	21.24%	20.24%	19.24%	18.24%	18.24%	17.24%	15.84%

**TOWN OF JAMES ISLAND, SOUTH CAROLINA
SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - HOSPITALITY TAX FUND
YEAR ENDED JUNE 30, 2024**

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
REVENUE				
Hospitality tax	\$ 680,000	\$ 706,529	\$ 789,613	\$ 83,084
Total revenues	<u>680,000</u>	<u>706,529</u>	<u>789,613</u>	<u>83,084</u>
EXPENDITURES				
Current:				
Parks and community	388,488	326,933	305,640	21,293
Capital outlay	936,100	-	21,175	(21,175)
Total expenditures	<u>1,324,588</u>	<u>326,933</u>	<u>326,815</u>	<u>118</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(644,588)</u>	<u>379,596</u>	<u>462,798</u>	<u>83,202</u>
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	644,588	-	-	-
Total other financing sources (uses)	<u>644,588</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ 379,596</u>	<u>\$ 462,798</u>	<u>\$ 83,202</u>

LOVE BAILEY

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Town Council
Town of James Island, South Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Town of James Island, South Carolina, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Town of James Island, South Carolina's basic financial statements, and have issued our report thereon dated January 15, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Town of James Island, South Carolina's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Town of James Island, South Carolina's internal control. Accordingly, we do not express an opinion on the effectiveness of Town of James Island, South Carolina's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Town of James Island, South Carolina's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.



February 19, 2025

This proposal is prepared for the Town of James Island as sound media strategy to increase traffic to James Island, its parks, restaurants, businesses and rentals.

First, I would love to have the Town of James Island as a member in the \$5000 level.

This would get you all of the following benefits....

- * Grand Opening Ribbon Cutting
- * Listing on chamber's website
- * Opportunity to purchase advertising on the Chambers website
- * Link to your company's website on the Chamber website with your logo on front page
- * New member introduction at Business After Hours or networking events
- * Sponsor Chamber programs to increase your visibility in the area

I can also advertise your meeting dates and times on our website and promote your facebook page.

Second, **Charleston.com**, is a dynamic digital platform dedicated to showcasing the unique charm that James Island and their neighbors have to offer.

Having James Island featured front and center on **Charleston.com** will offer an array of benefits for both residents and visitors. It will amplify the towns serving as a digital gateway to showcase its unique culture, attractions, amenities and real estate.

This exposure will attract tourists, spur economic growth through real estate purchases and drive economic growth by stimulating local businesses and create more job opportunities.

A partnership with **Charleston.com** fosters community engagement by providing a centralized platform for potential residents and tourists to access vital information for events, and resources, like real estate and James Island County Park events.

Being featured on **Charleston.com** and The Charleston Channel enhances James Island's professional reputation, positioning it as an integral part of the greater Charleston area, thereby increasing its appeal to potential residents, visitors and investors.

This online presence not only celebrates James Island's distinct identity but also strengthens its connections within the broader regional context, contributing to its ongoing development and prosperity. Ultimately this will lead to more awareness of the town and increase revenue.

Sea Islands Chamber of Commerce

Post Office Box 12516 p: 843-793-1234
James Island SC 29422 www.seaislandschamber.org

Charleston.com will provide the following:

Sitemap:

- Home
- About us - Meet the Mayor
- Stay
- Dine
- Things to do
 - out door
 - Kids
 - historic sites
- Events
- Blog

The site will be using Joomla 5 and J Business Directory. We will populate the website initially with the content requested below and provide the ability for the client to add new content going forward. Adding new content will include the following items.

- Backend editing capabilities for existing pages including the ability to add/edit/change text and images on the Home and About Us pages
- The ability to add new business categories under Stay/Dine/Things To Do
- Adding new categories will not create new pages in the menu. The client would have to contact The Chart Group to be able create new menu items attached to the new business categories.
- The ability to add new business listings under Stay/Dine/Things To Do. This will include the following for each business
 - Business Logo
 - Business Name
 - Description of the business
 - Business URL
 - Business phone
 - Business Address
 - Contact Email
 - Images for that business
 - Videos for that business
 - Geo Location that will create a map with a pinned location
 - Opening hours
 - Links to business social media profiles
- Adding new blog posts

Training will be provided on how to access the backend of the website and how to utilize these edit options

The following information will need to be provided for each of the pages with website build commencing once all information has been provided by the client.

Homepage

The site design will be laid out similar to Visit Folly Beach as such similar content must be supplied by the client including text and images. We will need the logo for the supplies to us and the website coloring will align with the logo color. Any videos and images for the homepage will need to be supplied by the client.

About Us

The client will need to provide any text, images and videos they would like to have appear on this page. Based on the content provided. The Chart Group will lay out the page to best display this content within the overall theme of the website. Robust content is the key to making a webpage look professional. So the less content provided the design is possible for the page.

Stay

This will be a business listings page as there are no sub categories here. The main image that will represent the company will need to be provided. That image can either be an image that represents the company, a logo file, or ideally an image that represents the company with their logo over top of the image.

6 business listings will need to be provided to start the layout for this page. Each of these business listings will need the following information where applicable provided to create each listing.

- Business Logo
- Business Name
- Description of the business
- Business URL
- Business phone
- Business Address
- Contact Email
- Images for that business
- Videos for that business
- Geo Location that will create a map with a pinned location
- Opening hours
- Links to business social media profiles

Dine

This will be a business listings page as there are no sub categories here. The main image that will represent the company will need to be provided. That image can either be an image that represents the company, a logo file, or ideally an image that represents the company with their logo over top of the image.

6 business listings will need to be provided to start the layout for this page. Each of these business listings will need the following information where applicable provided to create each listing.



Sea Islands Chamber of Commerce

- Business Logo
- Business Name
- Description of the business
- Business URL
- Business phone
- Business Address
- Contact Email
- Images for that business
- Videos for that business
- Geo Location that will create a map with a pinned location
- Opening hours
- Links to business social media profiles

Things To Do

This page will be a category listing page. No business listings will appear on this page but rather a grid layout representing the sub categories. Selected images to represent the sub categories will need to be provided. Those sub categories include; kids, outdoor and historic sites.

Outdoor

This will be a business listings page. The main image that will represent the company will need to be provided. That image can either be an image that represents the company, a logo file, or ideally an image that represents the company with their logo over top of the image.

6 business listings will need to be provided to start the layout for this page. Each of these business listings will need the following information where applicable provided to create each listing.

- Business Logo
- Business Name
- Description of the business
- Business URL
- Business phone
- Business Address
- Contact Email
- Images for that business
- Videos for that business
- Geo Location that will create a map with a pinned location
- Opening hours
- Links to business social media profiles

Kids

This will be a business listings page. The main image that will represent the company will need to be provided. That image can either be an image that represents the company, a logo file, or ideally an image that represents the company with their logo over top of the image.

Sea Islands Chamber of Commerce

Post Office Box 12516 p: 843-793-1234
James Island SC 29422 www.seaislandschamber.org



6 business listings will need to be provided to start the layout for this page. Each of these business listings will need the following information where applicable provided to create each listing.

- Business Logo
- Business Name
- Description of the business
- Business URL
- Business phone
- Business Address
- Contact Email
- Images for that business
- Videos for that business
- Geo Location that will create a map with a pinned location
- Opening hours
- Links to business social media profiles

Historic Sites

This will be a business listings page. The main image that will represent the company will need to be provided. That image can either be an image that represents the company, a logo file, or ideally an image that represents the company with their logo over top of the image.

6 business listings will need to be provided to start the layout for this page. Each of these business listings will need the following information where applicable provided to create each listing.

- Business Logo
- Business Name
- Description of the business
- Business URL
- Business phone
- Business Address
- Contact Email
- Images for that business
- Videos for that business
- Geo Location that will create a map with a pinned location
- Opening hours
- Links to business social media profiles

Blog

We will need 3 blog posts supplied to get the blog started. Blogs should include at least one main image and could include more. They should also be about 1000 words.

Revisions

The design for the site will be laid out once all the content has been provided. The client will be allowed 2 revisions of design included in the initial quote

Sea Islands Chamber of Commerce

Post Office Box 12516 p: 843-793-1234
James Island SC 29422 www.seaislandschamber.org

Training

Training on the backend use of the website will include 10 hours. We will provide 10 hours of training to the client on how to make changes to the website and create new business listings. Outside of that 10 hours and additional support will be billed separately.

Video production and Photography services will be billed by the day of Half day. All content will be planned and laid out in outline or script form to be approved

Charleston.com = Profile page with homepage links
in-room ads in Savannah and Charleston to be included as video production is completed

Website proposal \$15,500 Security and monthly updates to be discussed post launch
Charleston.com. 9,000
Production 12,500

\$43000	Budget
\$5000	Chamber membership
\$15500	Website
\$9000	Charleston.com
\$12500	Production

Karen Thompson

Executive Director

Sea Islands Chamber of Commerce



TOWN OF JAMES ISLAND

TOWN COUNCIL APPROVAL FOR PINCKNEY PARK RESERVATIONS

Contact Name: Jackie Drescher, Troop Committee Chair

Phone Number: (email below)

Address:

Email Address: drescher.jackie@gmail.com

Group Requesting: Cub Scouts Pack 50

Number of People:

Date(s) Requesting: **May 6, 20; June 3, 17; July 1, 15, 29; August 12, 26; September 9, 2025**

Time Requesting: 5:45 pm. – 7:15 p.m.

Event: Cub Scout Meetings

Date Approved by Town Council: _____

Staff Signature: _____

Town of James Island
1122 Dills Bluff Road
James Island, SC 29412
(843) 795-4141



Monthly Finance Report

This monthly financial summary report is for the period ending February 28, 2025. This represents 8 months into FY25 and 67% of the total budget for this fiscal year.

While some departments are currently over budget, others remain under. Revenue is projected to follow historical patterns, with an increase anticipated in Q4. We continue to monitor the budget and anticipate the overall budget will remain balanced throughout the remainder of the fiscal year.

Highlighted items within the associated monthly table:

General Fund Revenue

- Interest Income – updated YTD

Administration

- Postage – mailing cost associated with the newsletter.
- Information Services – annual renewals for GoGov and Granicus

Zoning/Planning

- Board of Zoning Appeals – arborists expenses associated with tree permitting

Capital Projects

- Traffic Calming Projects – Flock cameras

Hospitality Tax

- Parks Projects – Mill Point Storage Shed

Additional information can be provided upon request.

Becky Heath
Finance Director
Report date: 3/12/2025

www.JamesIslandSC.us

Town of James Island

% FY Complete 67%

Monthly Budget Report

Fiscal Year 2025 - Ending February 2025

	1st Quarter			2nd Quarter			3rd Quarter			4th Quarter			TOTAL	BUDGETED
	July	August	September	October	November	December	January	February	March	April	May	June		
GENERAL FUND REVENUE														
Accommodations Tax (allowable percentage)													-	27,500
Brokers & Insurance Tax		155,885	1,845			2,764	166						160,660	765,000
Building Permit Fees	1,238	1,357		2,039	1,087	1,105	767	997					8,589	26,000
Business Licenses	17,810	2,422	8,865	8,888	2,722	3,884	2,053	6,704					53,349	480,000
Contributions/Donations-Park/Community Programs	25	170	20					100					315	
Grants	9,600												9,600	17,192
Filing Fees													-	500
Franchise Fees		34,665		1,275	30,331		4,468	26,663					97,402	320,000
Interest Income	20,193	20,221	19,131	18,733	17,592	17,730	17,925	16,488					148,013	187,000
Alcohol Licenses -LOP	3,000												3,000	6,000
Local Assessment Fees		1,461				1,418							2,879	2,700
Local Option Sales Tax (PTCF)	116,561	117,844	113,292	107,375	109,495	115,447	107,594	123,735					911,343	1,360,000
Local Option Sales Tax (MUNI)	53,894	59,071	51,105	50,920	49,360	52,823	50,260	54,320					421,753	580,000
Miscellaneous							1,250						1,250	100
Planning & Zoning Fees	1,431	1,932	1,532	2,581	3,662	1,788	993	3,370					17,289	24,200
State Aid to Subdivisions		75,066		75,066			75,002						225,133	300,266
Telecommunications			89			23							112	16,000
Homestead Exemption Tax Receipts	46,147												46,147	48,000
Facility Rentals	150	600	599	1,500	150	150	800	1,050					4,999	7,500
Stormwater Fees - Fee collection is being captured under planning & zoning fees													-	
	270,048	470,694	196,479	268,377	214,398	197,131	261,279	233,427	-	-	-	-	2,111,833	4,167,958
													% of Budget	51%

	1st Quarter			2nd Quarter			3rd Quarter			4th Quarter			TOTAL	BUDGETED
	July	August	September	October	November	December	January	February	March	April	May	June		

ADMINISTRATION

Salaries	27,067	28,530	28,030	42,096	28,020	33,907	28,030	31,008					246,689	353,000
Benefits, Taxes & Fees	11,582	11,965	12,169	17,765	12,316	12,401	12,169	13,321					103,689	155,500
Copier	707		881	54	264	293	449	264					2,911	4,500
Supplies	1,144	497	588	1,325	245	713	806	985					6,303	5,500
Postage	233	10	35	314	12	200	614	4,911					6,329	7,000
Information Services	6,326	5,777	6,861	7,121	5,690	6,637	1,541	44,205					84,157	116,680
Equipment/Software/Maintenance			852			45							897	400
MASC Membership							5,347						5,347	5,400
Insurance	23,217		2,435		26,014	24,862							76,528	70,000
Legal Services	45,833	1,000	30,096	43,932	43,150	38,881	62,430	12,000					277,322	90,000
Legal Settlement							50,000						50,000	
Town Codification				176	66		649	263					1,154	1,000
Advertising			377	544	95		99						1,115	3,500
Audit					7,500		6,000						13,500	13,500
Mileage Reimbursement	32	32	33	34	33	33	1,256	34					1,488	800
Employee Screening		135	120	139			62	228					684	149
Employee Training & Wellness	154			1,925	69			296					2,443	5,600
Dues and Subscriptions		336	175			212	79	37					838	1,000
Training & Travel		95						85					180	2,400
Grant Writing Services													-	4,000
Employee Appreciation	70	162	63	81	207	171	527	362					1,644	2,800
Mobile Devices	114	114	114	114	114	58	145	128					901	1,500
Credit card (Square & QB)	73	56	75	35	55								294	1,500
Bank Charges (Other)	86				132	55	165	55					492	300
Payroll Processing	487	460	552	356	551	558		572					3,536	6,000
	117,125	49,169	83,457	116,010	124,533	119,025	170,369	108,752	-	-	-	-	888,440	852,029
													% of Budget	104%

ELECTED OFFICIALS

Salaries	5,385	5,385	5,385	8,077	5,385	5,385	5,385	5,385					45,770	70,000
Benefit, Taxes & Fees	5,695	5,695	5,695	8,543	5,695	5,695	5,695	6,185					48,900	80,092
Mayor Expense	318												318	1,000
Council Expense		47	57	67	102	155		16					444	2,000
	11,398	11,127	11,137	16,687	11,182	11,235	11,080	11,586	-	-	-	-	95,432	153,092
													% of Budget	62%

GENERAL OPERATIONS

Salaries	38,576	39,062	35,367	55,670	36,563	40,847	31,010	31,133					308,229	478,000
Benefits, Taxes & Fees	15,194	15,322	14,353	21,878	14,740	13,748	12,676	13,133					121,045	191,000
													429,274	669,000
													% of Budget	64%

	1st Quarter			2nd Quarter			3rd Quarter			4th Quarter			TOTAL	BUDGETED
	July	August	September	October	November	December	January	February	March	April	May	June		

ZONING/PLANNING & PERMITTING/LICENSING

Supplies	16					308							324	700
Advertising						86		114					200	1,500
Community Outreach													-	200
Mileage Reimbursement													-	200
Dues and Subscriptions					180								180	1,525
Training & Travel		95		1,020									1,115	2,100
Mobile Devices													-	600
Equipment/Software	178	221	199	199		199		199					1,196	4,800
Uniform / PPE						700							700	700
Planning Commission				300	250								550	3,800
Board of Zoning Appeals		196	600		2,800		400	1,050					5,046	3,800
	194	512	799	1,519	3,230	1,293	400	1,363	-	-	-	-	9,311	19,925
													% of Budget	47%

PUBLIC WORKS

Charleston County Stormwater Reimbursement Fund				24,274						107,000			131,274	747,600
Stormwater Expenses for Reimbursement	3,465	66,959	10,903	165	46,318	495	2,970						131,274	131,274
														616,326
Mileage Reimbursement														100
Training & Travel		285											285	1,500
Public Outreach			96										96	300
Projects		3,800	4,704	9,623	6,577	6,000	6,000						36,703	38,000
Signage	413		220	1,676	39	52	4,840						7,240	4,000
Mobile Devices													-	-
Uniform / PPE	547	377		122	109	45							1,200	1,200
Stormwater Fees								624					624	5,000
Supplies	93	504	626	1,013	1,358	295	27	24					3,940	6,000
Emergency Management	470	4,653	281	4,106	2,819	358	706	358					13,750	20,000
Dues and Subscriptions	39	39											78	725
Asset Management	15,000												15,000	15,000
Tree Maintenance and Care	300	6,050		506									6,856	10,000
Groundskeeping	4,153	9,880	8,033	1,662	5,560	1,211	1,490	3,070					35,059	45,000
	21,015	25,588	13,960	18,707	16,461	7,960	13,687	3,452	-	-	-	-	120,831	146,825
													% of Budget	82%

	1st Quarter			2nd Quarter			3rd Quarter			4th Quarter			TOTAL	BUDGETED
	July	August	September	October	November	December	January	February	March	April	May	June		

CODES & SAFETY

Mileage Reimbursement													-	-
Equipment													-	1,000
Radio Contract							1,596						1,596	3,200
Training		178											178	800
Supplies	65		109	25				44					243	250
Uniform / PPE		48				200							248	250
Unsafe Buildings Demolition													-	8,000
Overgrown Lot Clearing													-	750
Inoperable Vehicle Towing													-	200
Animal Control													-	2,500
Crime Watch Materials													-	200
Mobile Devices													-	-
Membership/Dues													-	250
	65	225	109	25	-	200	1,596	44	-	-	-	Total	2,264	17,400
												% of Budget		13%

ISLAND SHERIFF'S PATROL

ISP Dedicated Officer Annual Expense						19,291							19,291	\$ 86,254
ISP Programs & Supplies	119	135	41	162	7,087	76	1,446	76					9,141	\$ 46,575
ISP Salaries	20,666	21,512	22,848	40,510	27,535	25,238	25,955	28,858					213,121	\$ 270,967
Benefits, Taxes & Fees-ISP	5,971	6,215	6,601	11,703	7,955	7,291	7,209	8,337					61,282	\$ 78,282
													302,835	\$ 482,078
													% of Budget	63%

	1st Quarter			2nd Quarter			3rd Quarter			4th Quarter			TOTAL	BUDGETED
	July	August	September	October	November	December	January	February	March	April	May	June		

PARKS & RECREATION

Dock Street Park Maintenance													-	1,000
Pinckney Park Maintenance								335					335	1,000
Park Maintenance	141	12,603	1,514	556	1,384	108	54	120					16,481	18,000
Special Events	52												52	2,000
Youth Sports Program													-	12,000
	193	12,603	1,514	556	1,384	108	54	455	-	-	-	-	16,867	34,000
													% of Budget	50%

FACILITIES & EQUIPMENT

Utilities	3,776	3,695	2,584	2,843	525	1,573	4,403	649					20,049	27,000
Security Monitoring	458	76	76	316		643	365	618					2,552	1,500
Janitorial	3,549		4,200	1,650	1,650	1,650	1,650						14,349	15,000
Equipment / Furniture	4,637	1,888	1,404	77			1,028						9,035	4,000
Facilities Maintenance	3,557	18,880	2,944	956	1,210	35	793	1,037					29,412	31,000
Vehicle & Equipment Maintenance	1,713	433	3,148	1,241	3,274	1	487	954					11,251	12,000
Generator Maintenance													-	2,000
Street Lights	12,675	12,321	13,322	13,940		15,471	31,087						98,817	145,000
	30,366	37,292	27,679	21,023	6,659	19,374	39,814	3,257	-	-	-	-	185,466	237,500
													% of Budget	78%

COMMUNITY SERVICES

Repair Care Program								1,650					1,650	40,000
Drainage Council													-	500
History Council						250	379	343					972	5,000
History Council_Grant - Audio Driving Tour			9,550	605	1,639								11,793	12,000
Neighborhood Council				76		106							182	2,800
Business Development Council													-	500
James Island Pride			74	71	88	136	103	94					566	5,000
Helping Hands		27	101	85	106	223		89					631	1,500
Tree Council					131	715		204					1,049	5,000
Community Tutoring Programs		1,814											1,814	12,000
Community Service Contributions						34,149	4,800						38,949	50,000
	-	1,841	9,725	837	1,963	35,578	5,282	2,381	-	-	-	-	57,606	134,300
													% of Budget	43%

	1st Quarter			2nd Quarter			3rd Quarter			4th Quarter			TOTAL	BUDGETED
	July	August	September	October	November	December	January	February	March	April	May	June		

CAPITAL PROJECTS

INFRASTRUCTURE													-	
Regatta Road Sidewalk													-	125,000
Honey Hill Road Paving														58,800
Nabors Phase I													-	235,000
Traffic Calming Projects	132		131	41				21,900					22,204	30,000
Septic Tank Testing													-	10,000
RIA Sewer Project (Connections)														1,500,000
James Island Creek Septic and Sewer Projects							213,957						213,957	444,000
<i>Total Infrastructure</i>		0	131	41	0	0	213,957	21,900	0	66	0	0	22,204	2,402,800
OTHER CAPITAL EXPENSES														
Audio Visual Upgrades													-	1,000
Public Works Equipment				8,526									8,526	1,000
Vehicle Purchase			47,399										47,399	50,000
Dock Street Park Improvements				1,900	11,841		1611						15,352	130,000
Pinckney Park Improvements							3543						3,543	10,000
Park Acquisitions		10,250		36,284	3,200	13,333							63,067	370,000
<i>Total Other Capital Projects</i>	0	10,250	47,399	46,710	15,041	13,333	5154	0	0	0	0	0	137,887	562,000
DRAINAGE PROJECTS - ARPA FUNDED														
Greenhill/Honey Hill Drainage Phase I-II				7,088									7,088	
Oceanview Stonepost Drainage Basin -I-II			6,405		160,617	37,587	3895						208,505	
Drainage Improvement Projects		11,930											11,930	25,000
James Island Creek Basin Drainage Improvements													-	15,000
Woodhaven Drainage Improvements	900			235,181	22,445								258,526	
Quail Run Drainage Improvements				23,560									23,560	5,000
<i>Total Drainage Projects</i>	900	11,930	6,405	265,828	183,062	37,587	3,895	0	0	0	0	-	509,608	45,000
		22,180	53,935	312,579	198,103	50,920	223,006	21,900	0	66	0	882,690	669,698	3,009,800
														22%

	1st Quarter			2nd Quarter			3rd Quarter			4th Quarter			TOTAL	BUDGETED	
	July	August	September	October	November	December	January	February	March	April	May	June			
HOSPITALITY TAX															
Hospitality Tax Revenue	83,084		59,934	51,924	83,035	61,327	45,530	74,403					459,237	680,000	
Hospitality Tax Transfer In													-	-	
TOTAL	83,084	-	59,934	51,924		61,327	45,530		-	-	-	-	459,237	680,000	
														68%	
<u>GENERAL</u>															
The Town Market	343	250	250	2,314	1,620	595	640	763					6,775	6,000	
Rethink Folly - Staff Cost-Sharing						12							12	18,000	
Santee Street Public Parking Lot	2,600	2,700	2,700	2,700	2,700	2,700	2,700	2,700					21,500	34,000	
James Island Arts & Cultural Center Ops	2,138	4,495	21,413	2,176	2,426	3,138	625	522					36,933	170,000	
JIACC Programs & Events	1,410	642	909		1,500	3,000	1,239	540					9,240	15,000	
Promotional Grants		650											650	10,000	
Public Safety of Tourism Areas	8,879	9,242	9,816										27,937	166,243	
Camp and Folly Landscaping Maintenance					2,650								2,650	5,000	
Entrepreneur and Small Business Support													-	-	
Guide to Historic James Island														1,000	
Brantley Park OPS	14			39	14	14		39					121	2,400	
Community Events	58	2,000		106		1,115							3,279	6,000	
<i>Total Non-Capital Expense</i>	15,442	19,980	35,088	7,334	10,910	10,575	5,204	4,565	-	-	-	-	109,097	433,643	
<u>PROJECTS</u>															
Camp/Folly Bus Shelter													-	25,000	
Rethink Folly Road Phase 1													-	400,000	
Camp and Folly Signage													-	35,000	
Folly Road Beautification													-	5,000	
Pinckney Park						8,185							8,185	12,500	
James Island Arts & Cultural Center	2,200		18,766										20,966	150,000	
Historic Ft. Johnson-MUSC NOA													-	-	
Holiday Decorations					2,559	289							2,848	2,000	
Park Projects	141	3,760					2,087	8,741					14,730	20,000	
ISP Dedicated Officer Initial Expense													-	42,000	
Folly Road Multi Use Path Wilton-Ft. Johnson													-	42,000	
Other Tourism-Related Projects			3,350										3,350	50,000	
<i>Total Projects</i>	2,341	3,760	22,116	-	2,559	8,474	2,087	8,741	-	-	-	-	50,079	741,500	
	17,783	23,740	57,204	7,334	13,469	19,048	7,291	13,306					HT Total	159,176	1,175,143
													% of Budget	14%	

RESOLUTION # 2025-05

A RESOLUTION AUTHORIZING THE MAYOR TO TERMINATE THE COST SHARING AGREEMENT BETWEEN THE TOWN OF JAMES ISLAND AND THE JAMES ISLAND PUBLIC SERVICE DISTRICT

WHEREAS, the Town of James Island (“Town”) entered into a Cost Sharing Agreement (“Agreement”) with the James Island Public Services District (“District”), dated September 13, 2019, and the Town and District have renewed the Agreement annually through 2024; and

WHEREAS, pursuant to the Agreement the parties agreed to share the District’s costs of providing solid waste and fire protection services within the Town through payment by the Town of the Annual Cost Share funds and the application by the District of a tax credit on the property tax bills of owners of real and personal property situated within the Town; and

WHEREAS, the Agreement requires the Town to provide the District with a preliminary estimate of the amount of the Annual Cost Share that the Town expects to appropriate in the Budget by April 1; and

WHEREAS, the Agreement provides that either party may terminate the Agreement in any year of its term by giving the other party written notice of its termination by no later than April 30 of such year, and the effective date of termination is June 30 of such year.

WHEREAS, the Town has determined that it is in the best interest of the Town to end the Cost Sharing Agreement with the District, and to direct the Annual Cost Share funds towards the Town’s budgeted expenses to further public purposes through the Town.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and the members of Council of the Town of James Island, duly assembled that the Mayor is authorized to provide written notice to the District as provided by the Agreement, and to terminate the Cost Sharing Agreement effective June 30, 2025.

This Resolution shall become effective upon the adoption by Town Council.

Done this 20 March, 2025.

Brook Lyon
Mayor

ATTEST

Frances Simmons
Town Clerk

APPROVING THE APPLICATION OF TERM 2025-2026 LEGISLATIVE FUNDING SOURCES TO THE PURCHASE OF A VAC-TRUCK FOR THE TOWN OF JAMES ISLAND DEPARTMENT OF PUBLIC WORKS

WHEREAS, the Town of James Island (“Town”) intends to improve stormwater drainage throughout the Town by addressing numerous areas of clogged culvert and pipes in its stormwater drainage system (“Project”); and

WHEREAS, funding from the South Carolina State Legislature can be applied to the purchase of necessary equipment to undertake the Project; and

WHEREAS, the Town has researched and finds that the most appropriate equipment needed to complete the project is a Camel Max mode 1200, 12-yard Combo Truck body with Ejector Plate body vac-truck with an estimated cost of \$579,000; and

WHEREAS, the Town Council of the Town of James Island finds that this Project is a necessary public purpose for the health, welfare, and safety of James Island residents.

NOW, THEREFORE, BE IT RESOLVED BY THE JAMES ISLAND TOWN COUNCIL THAT as a result of the findings set forth above, the James Island Town Council hereby authorizes and directs the 2025-2026 legislative cycle funding to be applied to this Project.

Adopted this _____ day of March, 2025

Brook Lyon
Mayor

ATTEST

Frances Simmons
Town Clerk

AN ORDINANCE

AN ORDINANCE AMENDING THE TOWN OF JAMES ISLAND ZONING AND LAND DEVELOPMENT REGULATIONS ORDINANCE, NUMBER 2013-07: (EXHIBIT A): DEFINITIONS: SECTION 153.013; SIGNS: SECTION 153.341 A 3 A 7; SIGNS: SECTION 153.341 E 5 A AND B; AND MEASUREMENTS, COMPUTATIONS AND EXCEPTIONS; DIMENSIONAL STANDARDS DEFINED: SECTION 153.066 A 1.

WHEREAS, the South Carolina Local Government Comprehensive Planning Enabling Act of 1994, Sections 6-29-310, et seq., 6-29-510 et seq., 6-29-710 et seq. and 6-29-110 et seq., of the Code of Laws of South Carolina, 1976, as amended, authorizes the Town of James Island to enact or amend its zoning and land development regulations to guide development in accordance with existing and future needs and in order to protect, promote and improve the public health, safety, and general welfare; and

WHEREAS, the Town of James Island Planning Commission has reviewed the proposed text of the Town of James Island Zoning and Land Development Regulations Ordinance (ZLDR) in accordance with the procedures established in State law and the ZLDR, and has recommended that the Town of James Island Council adopt the proposed text amendments of the ZLDR as set forth in Sections 153.013, 153.341, and 153.066 herein; and

WHEREAS, upon receipt of the recommendation of the Planning Commission, Town Council held at least one (1) public hearing and after close of the public hearing, Town Council approves the proposed text amendments based on the Approval Criteria of Section 153.042 (F) of the ZLDR;

WHEREAS, the Town Council has determined the proposed text amendments meet the following criteria:

- (1). The proposed amendments correct an error or inconsistency or meets the challenge of a changing condition; and
- (B). The proposed amendments are consistent with the adopted Town of James Island Comprehensive Plan and goals as stated in Section 153.005; and
- (C). The proposed amendments are to further the public welfare in any other regard specified by Town Council.

NOW, THEREFORE, be ordained it, by the Town of James Island Council in meeting duly assembled, as follows:

SECTION I. FINDINGS INCORPORATED

The above recitals and findings are incorporated herein by reference and made a part of this Ordinance.

SECTION II. TEXT AMENDMENT OF THE ZONING AND LAND DEVELOPMENT REGULATIONS ORDINANCE

The Town of James Island Zoning and Land Development Regulations Ordinance is hereby amended to include the text amendments of Sections 153.013, 153.341, and 153.066 and is attached hereto as "Exhibit A" and made a part of this Ordinance by reference.

SECTION III. SEVERABILITY

If, for any reason, any part of this Ordinance is invalidated by a court of competent jurisdiction, the remaining portions of this Ordinance shall remain in full force and effect.

SECTION IV. EFFECTIVE DATE

This Ordinance shall become effective immediately following second reading by the Town Council.

ADOPTED and APPROVED in meeting duly assembled this 20th day of March 2025.

TOWN OF JAMES ISLAND COUNCIL

By: _____
Frances H. Lyon
Mayor of the Town of James Island

ATTEST:

By: _____
Frances Simmons
Town Clerk of the Town of James Island

First Reading: February 20, 2025
Public Hearing March 20, 2025
Second Reading: March 20, 2025

§ 153.013 DEFINITIONS

SIGN. Any device or visual communication that is used to announce, direct attention, inform, or advertise to the public

SIGN, SNIPE. A non-permitted sign pasted or attached to utility poles, trees, fences, or other locations, **or a non-permitted sign posted in the ground.**

§ 153.341 SIGNS.

(A) *General provisions.*

(3) *Prohibited signs.*

(a) Except as otherwise permitted by this chapter, the following signs will be prohibited:

1. Flashing signs;
2. Pennants, streamers, and other animated signs;
3. Signs imitating traffic devices (signal);
4. Signs imitating traffic signs;
5. Signs in marshes;
6. Signs in rights-of-way;
7. Snipe signs **(except when permitted per division (E) below);**
8. Vehicle signs;
9. Roof signs;
10. Banners (except when permitted per division (E) below);
11. Flutter feather banner flags;
12. LED message boards (except for civic/institutional uses when approved by Zoning Administrator); and
13. Inflatables used for advertisement purposes.

(E) *Temporary signs.*

(1) All temporary signs, unless expressly exempt, require a zoning permit and shall comply with all other regulations of this chapter. Maximum size, number, duration, location, and height of temporary signs shall conform with [Table 153.341.E](#) and the following standards:

(a) Portable signs are permitted in accordance with standards of the National Electrical Code and anchoring provisions of the International Building Code where applicable.

(b) A site plan and letter of intent indicating the type, amount, and location of balloons, pennants, streamers, banners, and portable signs must be submitted for review. The application will be reviewed to ensure that all proposed signage will not pose any pedestrian or vehicular danger as determined by the Zoning Administrator.

(2) *Special sales event signs.*

(a) A legally established business may submit an application for temporary signs for the advertisement of one grand opening and five special sales events per calendar year.

(b) Permitted signs for grand openings or special sales events shall be removed no later than ten consecutive days after being installed.

(3) *Permitted temporary special events.*

(a) A permitted special event is allowed one special event sign per event.

(b) Signs for permitted special events shall be removed no later than ten consecutive days after being installed.

(4) *Real estate signs.*

(a) Signs less than 12 square feet do not require a zoning permit.

(b) All signs shall be removed no later than 15 days after the property is sold.

(c) Signs shall face a maximum of two directions, and may be mounted back-to-back or V'ed.

(d) Where signs are V'ed, the space between panels shall not exceed three feet at the point at which panels are closest, and the interior angle formed by signs shall not exceed 60 degrees. For purposes of these requirements, V'ed signs shall be counted as one sign.

(e) Where signs face two directions, whether back-to-back or V'ed, both signs must be the same standard size.

(5) Snipe signs.

(a) Signs less than 12 square feet do not require a zoning permit.

(b) All snipe signs shall be removed no later than ten consecutive days after being installed and are only allowed for civic/institutional uses.

§ 153.066 MEASUREMENTS, COMPUTATIONS AND EXCEPTIONS; DIMENSIONAL STANDARDS DEFINED.

(A) *Density*. **DENSITY** refers to the number of dwelling units per unit of land area. Density is calculated by dividing the number of dwelling units on a site by the gross area (in acres) of highland (including retention ponds) of the site on which the dwelling units are located. The number of dwelling units allowed on a site is based on the presumption that all other applicable standards of this chapter shall be met. The maximum density established for a district is not a guarantee that such densities may be obtained, nor shall the inability of a development to achieve the stated maximum density be considered sufficient justification for varying or otherwise adjusting other density, intensity, or dimensional standards of this chapter.

(1) Additional Dwelling Units. Additional dwelling units may be placed on a lot in which a principal dwelling unit is existing, provided that the additional dwelling unit complies with all dimensional standards of the applicable Zoning District, as contained in these chapters, including all density, setback, buffer, building coverage, stormwater standards, height requirements, and waterfront development standards.

ARTICLE I
DEFINITIONS

Section 1 **Defined Terms.**

The terms defined in this Article (except as herein otherwise expressly provided or unless the context otherwise requires) for all purposes of this Ordinance shall have the respective meanings specified in this Article.

“Bond” shall mean the General Obligation Bond of 2025 of the Town authorized to be issued hereunder in the principal amount of not exceeding Three Million (\$3,000,000) Dollars.

“Bond Registrar” shall mean as determined by the Mayor, the Town, the Original Purchaser or another financial institution selected by the Mayor.

“Books of Registry” shall mean the registration books maintained by the Bond Registrar in accordance with Section 7 of Article II hereof.

“Clerk” shall mean the Clerk of Council of the Town, or in his or her absence, the acting Clerk of Council.

“Closing Date” shall mean the date upon which there is an exchange of the Bond for the proceeds representing the purchase of the Bond by the Original Purchaser.

“Code” shall mean the Internal Revenue Code of 1986, as amended.

“Construction Fund” shall mean the Series 2025 Bond Construction Fund established pursuant to the provisions of Section 2 of Article IV hereof.

“Enabling Act” shall mean the Municipal Bond Act (Article 5, Chapter 21, Title 5, Code of Laws of South Carolina 1976, as amended), as amended and continued by Section 11-27-40 of the Code of Laws of South Carolina 1976, as amended.

“Interest Payment Date” shall mean any date or dates determined by the Mayor.

“Mayor” shall mean the mayor, or in her absence, the mayor pro tempore, of the Town.

“Ordinance” shall mean this Ordinance as from time to time amended or supplemented by one or more supplemental ordinances enacted in accordance with the provisions of Article VII hereof.

“Original Purchaser” shall mean the first purchaser of the Bond from the Town.

“Paying Agent” shall mean as determined by the Mayor, the Town, the Original Purchaser or another financial institution selected by the Mayor.

“Private Business Use” shall mean use directly or indirectly in a trade or business carried on by a natural person or in any activity carried on by a person other than a natural person, excluding, however, use by a state or local governmental unit and use as a member of the general public.

“Project” shall mean the constructing of a Town Cultural Center on the Hillman lot, and other capital projects, if any, in the Town.

“Town” shall mean the Town of James Island, South Carolina, a body politic and corporate and a municipal corporation under the laws of the State of South Carolina.

“Town Council” shall mean the Town Council of the Town and any successor governing body of the Town.

Section 2 General Rules of Interpretation.

Except as otherwise expressly provided or unless the context otherwise requires, words importing persons include firms, associations, and corporations and the masculine includes the feminine and neuter.

ARTICLE II

ISSUANCE OF BONDS

Section 1 Authorization of Bonds, Denominations and Maturities.

Pursuant to the provisions of the Enabling Act and for the purposes set forth above, there shall be issued the not exceeding Three Million (\$3,000,000) Dollars General Obligation Bond of 2025 of the Town of James Island. The Bond shall be originally dated the date of its delivery and shall be in fully-registered form. The Bond shall be in the principal amount as determined by the Mayor; provided that the principal amount of the Bond shall not exceed \$3,000,000. The Bond shall mature on such dates as determined by the Mayor; provided that the final maturity of the Bond shall occur no later than 15 years from the date of issuance of the Bond.

Section 2 Optional Prepayment of Bond.

The Mayor shall determine whether and upon what conditions, if any, the Bond shall be subject to optional prepayment.

Section 3 Interest Rate on Bond.

The Bond shall bear such rate of interest, payable on the Interest Payment Dates, as shall, at the sale of the Bond, reflect (1) the prepayment provisions, if any, determined by the Mayor, upon the advice of the Town’s financial advisor, if any, to be most beneficial to the Town and (2) the lowest interest cost to the Town. The Bond shall be sold at a price of not less than par and accrued interest to the date of delivery, and any premium offered must be paid in cash as a part of the purchase price.

For the purposes of this Section 3, interest cost shall mean the aggregate of interest on the Bond from the dated date of the Bond, plus any fees or expenses of the bidder and/or its counsel, if any, less any sum named by way of premium, if any.

Section 4 Medium of Payment.

Both the principal of and interest on the Bond shall be payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for the payment of public and private debts.

Section 5 Place of Payments.

Principal of and interest on the Bond, when due, shall be payable at the principal office of the Paying Agent.

Section 6 Execution of Bond.

The Bond shall be executed in the name of the Town by the Mayor; by her manual signature, and attested by the Clerk, by her manual signature, and the seal of the Town shall be impressed or reproduced on the Bond. The Bond shall be executed in respect of any manual signature by the person or persons holding office when the Bond is ready for delivery. The execution of the Bond in this fashion shall be valid and effectual notwithstanding changes in the personnel of any of the above offices subsequent to their execution. No authentication of the Bond is required.

Section 7 Form of Bond; Designation of Bond Registrar.

(a) The Bond shall be issued in fully registered form, and all principal and interest due thereunder shall be payable only to the registered owner thereof. Town Council hereby directs the Bond Registrar to maintain, at the Town's expense, the Books of Registry for the registration or transfer of the Bond.

(b) The form of the Bond and assignment provisions to be endorsed thereon shall be substantially as set forth in Exhibit A attached hereto and made a part of this Ordinance.

Section 8 Registration and Transfers of Bond; Persons Treated as Owners.

(a) The Bond shall be fully-registered and may not be transferred except by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney. Upon the transfer of such registered Bond, the Town shall execute and deliver, subject to the provisions of Section 10 of this Article, in the name of the transferee, a new registered Bond of the same aggregate principal amount as the unpaid principal amount of the Surrendered Bond.

(b) Any bondholder requesting any transfer shall pay any tax or other governmental charge required to be paid with respect thereto. Any purported assignment in contravention of the foregoing requirements shall be, as to the Town, absolutely null and void. The person in whose name the Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of and interest on the Bond shall be made only to or upon the order of the registered owner or his legal representative. All such payments shall be valid and effective to satisfy and discharge the liability of the Town upon such Bond to the extent of the sum or sums so paid. No person other than the registered owner shall have any right to receive payments, pursue remedies, enforce obligations or exercise or enjoy any other rights under the Bond against the Town. Notwithstanding the foregoing, nothing herein shall limit the rights of a person having a beneficial interest in the Bond as against a person (including the registered owner) other than the Town, as in the case where the registered owner is a trustee or nominee for two or more beneficial owners of an interest in the Bond.

(c) Except as set forth herein the Bond may not be exchanged.

Section 9 Mutilated, Lost or Stolen Bond.

In the event the Bond is mutilated, lost, stolen or destroyed, the Town may execute a new Bond of like date, maturity, interest rate, as that mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Paying Agent, and in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the Town and the Paying Agent evidence of such loss, theft, or destruction satisfactory to the Town and the Paying Agent, together with indemnity satisfactory to them, provided that in the case of a holder which is a bank or insurance company, the agreement of such bank or insurance company to indemnify shall be sufficient. In the event the Bond shall have matured, instead of issuing a duplicate Bond, the Town may pay the same without surrender thereof. The Town and the Paying Agent may charge the holder or owner of such Bond with their reasonable fees and expenses in this connection.

Section 10 Regulations with Respect to Transfers.

In all cases in which the privilege of transferring the Bond is exercised, the Town shall execute and deliver the Bond in accordance with the provisions of this Ordinance. Any Bond surrendered in any such transfers shall forthwith be cancelled by the Paying Agent. There shall be no charge for such transfer of the Bond except that the Paying Agent and the Bond Registrar may make a charge sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such transfer.

ARTICLE III

SECURITY FOR BOND

Section 1 Pledge of Full Faith, Credit, and Taxing Power.

For the payment of the principal of and interest on the Bond when due, and for the creation of such sinking fund as may be necessary therefor, the full faith, credit, and taxing power of the Town are irrevocably pledged, and there shall be levied and collected annually by the Treasurer of Charleston County, in the same manner as other Town taxes are levied and collected, a tax, without limit, on all taxable property in the Town, sufficient to pay the principal and interest of the Bond when due, and to create such sinking fund as may be necessary therefor.

Section 2 Levy and Collection of Taxes.

The Auditor and Treasurer of Charleston County, South Carolina, shall be notified of this issue of the Bond and directed to levy and collect, respectively, upon all taxable property in the Town, an annual tax, without limit, sufficient to meet the payment of the principal of and interest on the Bond when due, and to create such sinking fund as may be necessary therefor.

ARTICLE IV

SALE OF BOND; DISPOSITION OF PROCEEDS OF SALE

Section 1 Sale of Bond.

The Bond shall be sold at public sale at not less than par. Bids shall be received until such time and date at such place as may be selected by the Mayor. The Bond shall be advertised for sale in *The Post and Courier*, a newspaper published in the City of Charleston, South Carolina, and having general circulation in the State, which shall appear at least once, not less than seven days before the date set for

such sale. In addition, the use of a notice of sale to potential bidders in the form determined by the Mayor is hereby approved.

Section 2 Disposition of Proceeds of Sale of Bond.

(a) There is hereby created a separate account to be named the “Series 2025 Bond Construction Fund” (the Construction Fund) to be held by the Town or its designee.

(b) The proceeds derived from the sale of the Bond issued pursuant to this Ordinance shall be deposited with the Town and shall be expended and made use of by the Town Council as follows:

(i) Any premium shall be applied to the payment of the first installment of principal of the Bond; and

(ii) The remaining proceeds shall be deposited in the Construction Fund to be used to defray the cost of issuing the Bond and to pay the cost of the Project.

(c) No purchaser or holder of the Bond shall be liable for the proper application of the proceeds thereof.

ARTICLE V

TAX EXEMPTION OF BOND

Section 1 Exemption from State Taxes.

Both the principal of and interest on the Bond shall be exempt from all state, county, municipal, school district and all other taxes or assessments of the State of South Carolina, direct or indirect, general or special whether imposed for the purpose of general revenue or otherwise, except inheritance, estate, transfer or certain franchise taxes.

Section 2 Federal Guarantee Prohibition.

The Town shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Bond to be “Federally guaranteed” within the meaning of Section 149(b) of the Code and the Regulations promulgated thereunder.

Section 3 Private Business Use Limitation.

The Town shall assure that (i) no portion of the proceeds of the Bond in excess of ten percent (10%) of the proceeds of the Bond is used for Private Business Use if, in addition, the payment of more than ten percent (10%) of the principal or ten percent (10%) of the interest due on the Bond during the term thereof is, under the terms of the Bond or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the Town, in respect of property or borrowed money used or to be used for a Private Business use; and (ii) in the event that both (a) in excess of five percent (5%) of the proceeds of the Bond are used for a Private Business Use, and (b) an amount in excess of five percent (5%) of the principal or five percent (5%) of the interest due on the Bond during the term thereof is, under the terms of the Bond or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for such Private Business Use or in payments in respect of property used or to be used for such Private Business Use or is to be derived from

payments, whether or not to the Town, in respect of property or borrowed money used or to be used for such Private Business Use, then such excess over such five percent (5%) of the proceeds of the Bond used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the facilities financed with the proceeds of the Bond.

Section 4 Private Loan Limitation.

The Town shall assure that no portion of the proceeds of the Bond in excess of five percent (5%) of the net proceeds of the Bond is used, directly or indirectly, to make or finance a loan to persons other than state or local government units.

Section 5 No Arbitrage.

The Town shall not take, or permit or suffer to be taken, any action with respect to the proceeds of the Bond which, if such action had been taken, or had been deliberately and intentionally taken, on the Closing Date would have caused the Bond to be an “arbitrage bond” within the meaning of Section 148(a) of the Code and regulations promulgated thereunder.

Section 6 Tax Exemption of Bond.

The Town makes the following findings with respect to the Bond:

- (a) The Bond is not a private activity bond as defined in Section 141 of the Code.
- (b) The Town does not reasonably anticipate the amount of “qualified tax exempt obligations” (other than private activity bonds which are not qualified 501(c)(3) bonds as defined in Section 145 of the Code) which will be issued by the Town during the calendar year ending December 31, 2025 to exceed \$10,000,000.
- (c) No other obligations of the Town have been designated as “Qualified Tax-Exempt Obligations” by the Town during the calendar year ending December 31, 2025.
- (d) For purposes of this Article V, the Town and all subordinate entities thereof are treated as a single issuer.

On the basis of the foregoing, the Town hereby designates the Bond as a “Qualified Tax-Exempt Obligation” within the meaning of Section 265(b)(3)(B) of the Code.

ARTICLE VI

DEFEASANCE

Section 1 Release of Ordinance.

(a) If the Bond shall have been paid and discharged, then the obligations of the Town under this Ordinance, and all other rights granted thereby shall cease and determine. The Bond shall be deemed to have been paid and discharged within the meaning of this Article under each of the following circumstances:

- (i) If the Paying Agent shall hold, at the stated maturity of the Bond, in trust and irrevocably appropriated thereto, moneys for the full payment thereof; or

(ii) If default in the payment of the principal of the Bond or the interest thereon shall have occurred, and thereafter tender of such payment shall have been made, and the Paying Agent shall hold, in trust and irrevocable appropriated thereto, sufficient moneys for the payment thereof to the date of the tender of such payment; or

(iii) If there shall have been deposited with the Paying Agent, in an irrevocable trust, either moneys in an amount which shall be sufficient, or direct general obligations of the United States of America the principal of and interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Paying Agent at the same time, shall be sufficient to pay, when due, the principal and interest due and to become due on the Bond through and including the maturity thereof.

(b) In addition to the above requirements of payments (i), (ii), or (iii), in order for this Ordinance to be discharged, all other fees, expenses and charges of the Paying Agent and the Bond Registrar have been paid in full at such time.

(c) Notwithstanding the satisfaction and discharge of this Ordinance, the Paying Agent shall continue to be obligated to hold in trust any moneys or investments then held by the Paying Agent for the payment of the principal of and interest on the Bond, to pay to the owners of Bond the funds so held by the Paying Agent as and when such payment becomes due.

(d) Any release under this Section shall be without prejudice to the right of the Paying Agent and the Bond Registrar to be paid reasonable compensation for all services rendered under this Ordinance and all reasonable expenses, charges and other disbursements and those of their respective attorneys, agents and employees, incurred on and about the administration of trusts by this Ordinance created and the performance of the power and duties under this Ordinance of the Paying Agent and the Bond Registrar.

Section 2 Deposit of Moneys.

Any moneys which at any time shall be deposited with the Paying Agent by or on behalf of the Town for the purpose of paying and discharging the Bond shall be and are hereby assigned, transferred, and set over to the Paying Agent in trust for the holder of the Bond, and such moneys shall be and are hereby irrevocably appropriated to the payment and discharge thereof. If, through lapse of time or otherwise, the holders of such bonds shall no longer be entitled to enforce payment of their obligations, then, in such event, it shall be the duty of the Paying Agent to transfer such funds to the Town.

Section 3 Notice of Release of Ordinance.

(a) The Town shall give the Paying Agent irrevocable instructions to mail, as soon as practicable, a notice to the owner of a defeased Bond that (i) the deposit required by subparagraph (a) (iii) of Section 1 of this Article has been made with the Paying Agent and (ii) the Bond is deemed to have been paid in accordance with this Article and stating such maturity dates upon which moneys are to be available for the payment of the principal of and interest on such Bond.

(b) The Town covenants and agrees that any moneys which it shall deposit with the Paying Agent shall be deemed to be deposited in accordance with, and subject to, the applicable provisions of this Article.

ARTICLE VII

AMENDING AND SUPPLEMENTING OF ORDINANCE

Section 1 Amending and Supplementing of Ordinance Without Consent of Holder of Bond.

(a) The Town, from time to time and at any time and without the consent or concurrence of any holder of the Bond, may enact an ordinance amendatory hereof or supplemental thereto, if the provisions of such supplemental ordinance shall not materially adversely affect the rights of the holder of the Bond, for any one or more of the following purposes:

1. To make any changes or corrections in this Ordinance as to which the Town shall have been advised by counsel that the same are verbal corrections or changes or are required for the purpose of curing or correcting any ambiguity or defective or inconsistent provisions or omission or mistake or manifest error contained in this Ordinance, or to insert in this Ordinance such provisions clarifying matters or questions arising under this ordinance as are necessary or desirable;

2. To add additional covenants and agreements of the Town for the purpose of further securing the payment of the Bonds;

3. To surrender any right, power or privilege reserved to or conferred upon the Town by the terms of this Ordinance;

4. To grant or confer upon the bondholders any additional right, remedies, powers, authority or security that lawfully may be granted to or conferred upon them; or

5. To make such addition, deletions or modifications as may be necessary to assure compliance with Section 148(f) of the Code relating to required rebate to the United States or otherwise as may be necessary to assure exemption from federal income taxation of interest on the Bond.

(b) The Town shall not enact any supplemental ordinance authorized by the foregoing provisions of this Section unless in the opinion of counsel (which opinion may be combined with the opinion required by Section 4 hereof) the enactment of such supplemental ordinance is permitted by the foregoing provisions of this Section and the provisions of such supplemental ordinance do not adversely affect the rights of the holder of the Bond.

Section 2 Amending and Supplementing of Ordinance With Consent of Holder of Bond.

(a) With the consent of the holder of the Bond the Town Council from time to time and at any time may enact an ordinance amendatory hereof or supplemental hereto for the purpose of adding any provisions to, or changing in any manner or eliminating any of the provisions of, this Ordinance, or modifying or amending the rights and obligations of the Town under this Ordinance, or modifying or amending in any manner the rights of the holder of the Bond; provided, however, that without the specific consent of the holder of the Bond, no supplemental ordinance amending or supplementing the provision hereof shall change the fixed maturity date of the Bond or reduce the principal amount of the Bond or the dates for the payment of principal and interest thereon or the terms of the redemption thereof. Nothing in this paragraph contained, however, shall be construed as making necessary the approval of the holder of the Bond of the enactment of any supplemental ordinance authorized by the provisions of Section 1 of this Article.

(b) It shall not be necessary that the consent of the holder of the Bond approve the particular form of wording of the proposed amendment or supplement or of the supplemental ordinance affecting such amending or supplementing hereof pursuant to this Section. The Town shall mail a notice at least once, not more than thirty (30) days after the effective date of such amendment or supplement of such amendment or supplement postage prepaid, to the holder of Bond at his address, if any, appearing upon the Books of Registry and to the Paying Agent, but failure to mail copies of such notice to the holder shall not affect the validity of the supplemental ordinance effecting such amendments or supplements or the consents thereto. Nothing in this paragraph contained, however, shall be construed as requiring the giving of notice of any amendment or supplement of this Ordinance authorized by Section 1 of this Article. No action or proceeding to set aside or invalidate such supplemental ordinance or any of the proceedings for its adoption shall be instituted or maintained unless such action or proceeding is commenced within sixty (60) days after the mailing of the notice required by this paragraph.

Section 3 Effectiveness of Supplemental Ordinance.

Upon the enactment (pursuant to this Article and applicable law) by the Town Council of any supplemental ordinance amending or supplementing the provisions of this Ordinance and the delivery to the Paying Agent and the Town of an opinion of bond counsel that such supplemental ordinance is in due form and has been duly enacted in accordance with the provisions hereof and applicable law and that the provisions thereof are valid and binding upon the Town, or upon such later date as may be specified in such supplemental ordinance, (a) this Ordinance and the Bond shall be modified and amended in accordance with such supplemental ordinance, (b) the respective rights, limitations of rights, obligations, duties and immunities under this Ordinance of the Town, the Paying Agent, and the holder of the Bond shall thereafter be determined, exercised and enforced under this Ordinance subject in all respects to such modifications and amendments, and (c) all of the terms and conditions of any such supplemental ordinance shall be a part of the terms and conditions of the Bond and of this Ordinance for any and all purposes.

Section 4 Supplemental Ordinance Affecting Paying Agent or Bond Registrar.

No supplemental ordinance changing, amending or modifying any of the rights, duties and obligations of any Paying Agent or Bond Registrar appointed by or pursuant to the provisions of this Ordinance may be enacted by the Town Council or be consented to by the holders of the Bond without written consent of such Paying Agent or Bond Registrar affected thereby.

ARTICLE VIII

MISCELLANEOUS

Section 1 Execution of Closing Documents and Certificates.

The Mayor and the Clerk are fully authorized and empowered to take such further action and to execute and deliver such closing documents and certificates as may be necessary and proper in order to complete the issuance of the Bond herein authorized, and the action of such officers or any one or more of them in executing and delivering any of such documents, in such form as she or they shall approve, is hereby fully authorized.

Section 2 Mayor Pro Tempore May Act in Mayor's Absence; Acting Clerk May Act in Clerk's Absence.

In the absence of the Mayor, the Mayor Pro Tempore is fully authorized to exercise all powers vested in the Mayor under this Ordinance. In the absence of the Clerk, the Acting Clerk of the Town

Council is fully authorized to exercise all powers and take all actions vested in the Clerk under this Ordinance.

Section 3 Benefits of Ordinance Limited to the Town and Holder of the Bond.

With the exception of rights or benefits herein expressly conferred, nothing expressed or mentioned in or to be implied from this Ordinance or the Bond is intended or should be construed to confer upon or give to any person other than the Town and the holder of the Bond, any legal or equitable right, remedy or claim under or by reason of or in respect to this Ordinance or any covenant, condition, stipulation, promise, agreement or provision herein contained. This Ordinance and all of the covenants, conditions, stipulations, promises, agreements and provisions hereof are intended to be and shall be for and inure to the sole and exclusive benefit of the Town and the holder from time to time of the Bond as herein and therein provided.

Section 4 Ordinance Binding Upon Successors or Assigns of the Town.

All the terms, provisions, conditions, covenants, warranties and agreements contained in this Ordinance shall be binding upon the successors and assigns of the Town and shall inure to the benefit of the holder of the Bond.

Section 5 No Personal Liability.

No recourse shall be had for the enforcement of any obligation, covenant, promise or agreement of the Town contained in this Ordinance or the Bond, against any member of the Town Council, any officer or employee, as such, in his or her individual capacity, past, present or future, of the Town, either directly or through the Town, whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, it being expressly agreed and understood that this Ordinance and the Bond are solely corporate obligations, and that no personal liability whatsoever shall attach to, or be incurred by, any member, officer or employee as such, past, present or future, of the Town, either directly or by reason of any of the obligations, covenants, promises or agreements entered into between the Town and the bondholder or to be implied therefrom as being supplemental hereto or thereto, and that all personal liability of that character against every such member, officer and employee is, by the adoption of this Ordinance and the execution of the Bond, and as a condition of, and as a part of the consideration for, the adoption of this Ordinance and the execution of the Bond, expressly waived and released. The immunity of member, officers and employees of the Town under the provisions contained in this Section shall survive the termination of this Ordinance.

Section 6 Effect of Saturdays, Sundays and Legal Holidays.

Whenever this Ordinance requires any action to be taken on a Saturday, Sunday, legal holiday or bank holiday in the State of South Carolina, such action shall be taken on the first business day occurring thereafter. Whenever in this Ordinance the time within which any action is required to be taken or within which any right will lapse or expire shall terminate on a Saturday, Sunday, legal holiday or bank holiday, in the State of South Carolina, such time shall continue to run until midnight on the next succeeding business day.

Section 7 Partial Invalidity.

(a) If any one or more of the covenants or agreements or portions thereof provided in this Ordinance on the part of the Town or any Paying Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, then such covenant or covenants, or such agreement or agreements, or such portions thereof, shall be deemed severable from the remaining covenants and

agreement or portions thereof provided in this Ordinance and the invalidity thereof shall in no way affect the validity of the other provisions of this Ordinance or of the Bond, but the holders of the Bond shall retain all the rights and benefits accorded to them hereunder and under any applicable provisions of law.

(b) If any provisions of this Ordinance shall be held or deemed to be or shall, in fact, be inoperative or unenforceable or invalid as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable or invalid in any other case or circumstance, or of rendering any other provision or provisions herein contained inoperative or unenforceable or invalid to any extent whatever.

Section 8 Law and Place of Enforcement of the Ordinance.

This Ordinance shall be construed and interpreted in accordance with the laws of the State of South Carolina, and all suits and actions arising out of this Ordinance shall be instituted in a court of competent jurisdiction in such State.

Section 9 Effect of Article and Section Headings and Table of Contents.

The heading or titles of the several Articles and Sections hereof, and any table of contents appended hereto or to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction, interpretation or effect of this Ordinance.

Section 10 Repeal of Inconsistent Resolutions and Ordinances.

All ordinances and resolutions of the Town Council, and any part of any resolution or ordinance, inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency.

Section 11 Continuing Disclosure.

(a) The Town hereby covenants to file with a central repository for availability in the secondary bond market when requested;

(i) An annual, independent audit, within thirty (30) days of the Town's receipt of the audit; and

(ii) Event specific information, within thirty (30) days of and event adversely affecting more than five (5%) percent of revenue.

(b) The Town Council hereby authorizes the Mayor to execute and deliver a continuing disclosure agreement, if required, with respect to the Bond.

Section 12 Codification.

This Ordinance shall be forthwith codified in the Code of James Island Ordinances in the manner required by law and the name shall be indexed under the general heading "Not Exceeding \$3,000,000 General Obligation Bond of 2025."

Section 13 Notice of Enactment of Ordinance.

Upon enactment of this Ordinance, if determined by the Mayor, as authorized by Section 11-27-40 of the Code of Laws of South Carolina 1976, as amended, notice of this ordinance shall be published once in *The Post and Courier*, a newspaper published in Charleston, South Carolina of general circulation in the Town.

THIS ORDINANCE SHALL BE EFFECTIVE IMMEDIATELY UPON FINAL READING.

SIGNED, SEALED, AND DELIVERED AS OF THIS 20th DAY OF MARCH, 2025.

(SEAL)

Mayor
Town of James Island, South Carolina

ATTEST:

Town Clerk
Town of James Island, South Carolina

First Reading: February 20, 2025
Second Reading: March 20, 2025

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
TOWN OF JAMES ISLAND
GENERAL OBLIGATION BOND OF 2025

NO. R-1

Interest Rate (____%)

Original Date of Issue

Registered Owner:

Principal Sum: Three Million Dollars (\$3,000,000)

KNOW ALL MEN BY THESE PRESENTS, that the **TOWN OF JAMES ISLAND, SOUTH CAROLINA** (hereinafter called the Town), a body politic and corporate and a municipal corporation under the laws of the State of South Carolina, is justly indebted, and, for value received, hereby promises to pay to the Registered Owner or registered assigns hereof the Principal Sum set forth above, payable on dates and in the amounts set forth in Schedule A attached hereto, and to pay interest (computed on the basis of a 360 day year consisting of twelve 30 day months) on the unpaid balance of such Principal Sum from the most recent _____ 1 or _____ 1 to which interest shall have been paid, or if no interest shall have been paid, from the issue date of this Bond, such interest being payable to the maturity hereof on the first days of _____ and _____ of each year (such dates being hereinafter referred to as the Interest Payment Dates), commencing _____ 1, 202_, at the Interest Rate per annum specified above, until payment of such Principal Sum. The principal of and interest on this Bond, when due, shall be payable at the principal office of the Paying Agent, in the City of _____, State of _____. Both the principal of and interest on this Bond are payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for the payment of public and private debts. For the prompt payment hereof, both principal and interest, as the same shall become due, the full faith, credit, and taxing power of the Town are irrevocably pledged.

THIS BOND and the interest hereon are exempt from all state, county, municipal, school district, and all other taxes or assessments of the State of South Carolina, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate, transfer or certain franchise taxes. This Bond has been designated by the Town as a “Qualified Tax-Exempt Obligation” pursuant to the provisions of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

THIS BOND is issued pursuant to and for purposes authorized by the Municipal Bond Act (Article 5, Chapter 21, Title 5, Code of Laws of South Carolina 1976, as amended), as amended and continued by Section 11-27-40 of the Code of Laws of South Carolina 1976, as amended, and an Ordinance (the Ordinance), duly enacted by the Town Council of the Town of James Island, South Carolina, in order to obtain funds with which to defray the costs, including costs of issuance, of constructing a Town Cultural Center on the Hillman lot, and other capital projects, if any, in the Town (collectively, the Project).

THIS BOND is transferable by the Registered Owner in person, or by his legal representatives, successors, or assigns, on the Books of Registry of the Town to be kept for that purpose, at the office of the Paying Agent as Bond Registrar.

ALL PRINCIPAL, interest or other amounts due hereunder shall be payable only to the Registered Owner hereof. This Bond may not be transferred except by the Registered Owner hereof in person or by his attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the Registered Owner of this Bond at any time. Any purported assignment in contravention of the foregoing requirements shall be, as to the Town, absolutely null and void. The person in whose name this Bond shall be registered shall be deemed and regarded as the absolute owner hereof for all purposes, and payment of the principal of and interest on this Bond shall be made only to or upon the order of the Registered Owner or his legal representative. All such payments shall be valid and effective to satisfy and discharge the liability of the Town upon this Bond to the extent of the sum or sums so paid. No person other than the Registered Owner shall have any right to receive payments, pursue remedies, enforce obligations or exercise or enjoy any other rights under this Bond against the Town. Notwithstanding the foregoing, nothing herein shall limit the rights of a person having a beneficial interest in this Bond as against a person (including the Registered Owner) other than the Town, as in the case where Registered Owner is a trustee or nominee for two or more beneficial owners of an interest in this Bond.

THE ORDINANCE contains provisions defining terms; sets forth the terms and conditions upon which the covenants, agreements and other obligations of the Town made therein may be discharged at or prior to the maturity of this Bond with provisions for the payment thereof in the manner set forth in the Ordinance; and sets forth the terms and conditions under which the Ordinance may be amended or modified with or without the consent of the owner of this Bond. Reference is hereby made to the Ordinance, to all the provisions of which any owner of this Bond by the acceptance hereof thereby assents.

THE BOND REGISTRAR shall not be required to transfer this Bond for the period beginning on the Regular Record Date and ending on the next succeeding Interest Payment Date.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions, and things required by the Constitution and Laws of the State of South Carolina to exist, to happen, and to be performed precedent to or in the issuance of this Bond exist, have happened, and have been done and performed in regular and due time, form, and manner; that the total indebtedness of the Town, including this Bond, does not exceed any constitutional or statutory limitation thereon; and that provision has been made for the levy and collection of sufficient annual taxes, without limit, for the payment of the principal and interest hereof, as the same shall fall due.

IN WITNESS WHEREOF, THE TOWN OF JAMES ISLAND, SOUTH CAROLINA, has caused this Bond to be signed in its name by the Mayor of the Town of James Island, by her manual signature, attested by the Clerk of the Town Council of the Town of James Island, by her manual signature, under the Seal of the Town of James Island impressed or reproduced hereon, and this Bond to be dated the _____ day of _____, 2025.

**TOWN OF JAMES ISLAND,
SOUTH CAROLINA**

(SEAL)

By: _____
Mayor
Town of James Island

ATTEST:

Clerk
Town Council of the Town of James Island

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____
(Social Security No. or other Identifying Number of Assignee _____) the within Bond of TOWN OF
JAMES ISLAND, SOUTH CAROLINA, and does hereby irrevocably constitute and appoint
_____ to transfer the within Bond on the books kept for registration thereof with full
power of substitution in the premises.

DATED: _____

Signature Guaranteed: _____

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchanger or a commercial bank or trust Company.

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every Particular, without alteration or enlargement or any change whatever.

SCHEDULE A

Date

Principal Amount