



City Council

6:00 p.m., Tuesday, November 12, 2024
 Council Chambers
 1207 Palm Boulevard
 Isle of Palms, South Carolina

Public Comment:

All citizens who wish to speak during the meeting must email their first and last name, address, and topic to Nicole DeNeane at nicoled@iop.net no later than **3:00 p.m. the business day before the meeting**. Citizens may also provide public comment here:

<https://www.iop.net/public-comment-form>

Agenda

1. **Introduction of meeting** and acknowledgement that the press and public were duly notified of the meeting in accordance with the Freedom of Information Act.
 - a. Invocation
 - b. Pledge of Allegiance
 - c. Roll Call
2. **Citizen's Comments** – All comments will have a time limit of three (3) minutes.
3. **Approval of previous meetings' minutes**
 Regular City Council meeting – October 22, 2024 [Pgs. 3-7]
4. **Special Presentations**
 Presentation of FY25 Audit – Chris Kerr, Veris CPA [Pgs. 8-121]
5. **Old Business**
6. **New Business**
 - a. After action review of 2024 beach parking season with PCI and consideration of recommendations for next season – Jack Skelton, PCI Pgs. 122-141]
 - b. Consideration of recommendation from the ATAX Advisory Committee to approve grant application from the IOP Chamber of Commerce for IOP marketing efforts in the amount of \$15,000 [FY25 Budget, State ATAX] [Pgs. 142-169]
 - c. Consideration of recommendation from the Public Services and Facilities Committee to award of a contract to Game Time c/o Cunningham Recreation in an amount not to exceed \$500,000 for replacement of playground equipment at the Recreation Center [FY25 Budget, Capital Projects Fund \$124,333, Muni ATAX \$124,333, State ATAX \$124,334, Recreation Building Fund \$127,000 - \$500,000] [Pgs. 170-189]
 - d. Consideration of award of a contract to The Flooring Connection in the amount of \$23,500 for the replacement of floor of High Tide room at the Recreation Center [FY25 Budget, Capital Projects Fund, Recreation Department - \$32,000] [Pgs. 190-195]
 - e. Consideration of a sole source contract in the amount of \$26,828 to Amick Equipment for a refuse hopper for existing 2016 F350 used by the Public Works Department [FY25 Budget, Muni ATAX, Public Works Department - \$35,000] [Pgs. 196-200]
 - f. Consideration of recommendation from the Administration Committee to engage Find Great People for nationwide search for the next City Administrator [Pgs. 201-211]



- g. Consideration of appointment of Mayor Phillip Pounds to fill vacant seat on the Administration Committee
- h. Review of Financial Statements [Pgs. 212-232]
- i. Review of City Operations Dashboard and STR report [Pgs. 233-234]
- j. Review of Capital Projects update [Pgs. 235-237]

7. Boards and Commissions Report

- a. Board of Zoning Appeals – no meeting in November
- b. Planning Commission – no meeting in November
- c. Accommodations Tax Advisory Committee
- d. Environmental Advisory Committee – no meeting in November

8. Ordinances, Resolutions and Petitions

- a. **Second Reading** – None

- b. **First Reading**

Ordinance 2024-07 – An ordinance to permanently amend the standing committees starting January 1, 2025 [Pgs. 238-240]

- c. **Resolutions and Proclamations**

9. Executive Session

10. Miscellaneous

11. Adjournment



CITY COUNCIL MEETING
6:00pm, Tuesday, October 22, 2024
1207 Palm Boulevard, Isle of Palms, SC and
broadcasted live on YouTube: <https://www.youtube.com/user/cityofisleofpalms>

MINUTES

1. Call to order

Present: Council members Bogosian, Anderson, Ward (via Zoom), Hahn, Miars, Pierce, and Carroll, Mayor Pounds

Staff Present: Administrator Fragoso, Director Kerr, City Attorney McQuillin, various department heads

2. Citizen's Comments

Mary Alice Monroe came before City Council stating that she was requesting \$35,000 in ATAX funds to support her literary events. She said the demand for her events is greater than ever before. The beneficiary of remaining funds is Reading Partners.

Josh Hooser expressed his support for the Waterway Boulevard Multi-Use Path Elevation project. He likes the increased protections provided at the proposed 7' elevation. He believes the extra protections warrant the extra expense.

Susan Smith, 20 23rd Avenue, said she also supports the Waterway Boulevard Multi-Use Path Elevation project. She thanked Administrator Fragoso for her service to the City of Isle of Palms for the last 10 years.

3. Approval of previous meetings' minutes

A. Regular City Council meeting – September 24, 2024

B. Special City Council meeting – October 8, 2024

MOTION: Council Member Bogosian made a motion to approve the minutes, and Council Member Anderson seconded the motion. The motion passed unanimously.

4. Special Presentations

A. Presentation from Dominion Energy of palmetto removal project

Elizabeth Jablonski of Dominion Energy said that 292 palmetto trees around the island have been marked for immediate removal due to their proximity to power lines. Additional trees have also been marked for future removal. Removal begins on November 11 and will take several months

to complete. There is no plan from Dominion to replace those trees. Notices providing links to more information will be mailed to affected residents later this week.

B. Update of Community Enrichment Plan

Mr. David McNair of the McNair Group shared an update on the work of the Community Enrichment Task Force. The Task Force has held numerous meetings and some public listening sessions since their implementation at the start of the year. He thanked Task Force members and staff for their participation in the process. He expects the final deliverable to be available to Council some time in early 2025.

C. Waterway Boulevard Multi-Use Path Elevation Project: Discussion regarding benefits of increasing the level of protection from 6'-7'

Mr. Rick Karkowski of Thomas & Hutton explained to Council how and why the 7' elevation provides much more protection for the properties in the affected area. He also said the project has grown to include drainage issues and several areas that have chronic flooding issues following rainstorms. Mr. Karkowski said the extra protection cannot be added at a later time due to the work being done at the Wild Dunes Golf Course.

Council Member Anderson stressed that no public funds are being used on the golf course improvements.

Mr. Karkowski added that the work in some areas will take longer because of the easements that are needed. Those areas will not be included in the costs of this project.

Director Kerr shared that those homeowners in the areas where the easements are needed have been contacted and are generally supportive of the project. He explained that there will be a case-by-case solution for each property. Phase 1 of the project will begin in March, and Phase 2, where these particular properties are situated, should begin in a year.

5. Old Business

6. New Business

A. Approval of change order to Thomas & Hutton design and engineering contract in the amount of \$67,000 for additional design services to increase level of protection of Waterway Boulevard Multi Use Path Elevation Project from 6' to 7'

Administrator Fragoso said this change order for the design of the project is needed to get the permits, which will be a 12-18 month process.

MOTION: Council Member Ward made a motion to approve, and Council Member Miars seconded the motion. The motion passed unanimously.

B. Approval of recommendation from the ATAX Committee to award grant of \$35,000 of State ATAX funds to the Wild Dunes Author Event with Mary Alice Monroe (part of Wild Dunes Literary Series)

Council Member Anderson spoke in support of the event.

MOTION: Council Member Miars made a motion to approve, and Council Member Carroll seconded the motion. The motion passed unanimously.

C. Approval of award of a contract in the amount of \$261,337.50 to Beach Construction Co. for construction of two boardwalks at 26A and 36A beach access paths [FY25 Charleston County Greenbelt Program Grant Request]

Administrator Fragoso said that with this award from the Greenbelt Program, she will execute the contract for construction and these two boardwalks should be in place before next season. As there is still money left over from the State's allocation for boardwalks, she will present other options for beach access boardwalks to the Public Services & Facilities Committee.

MOTION: Council Member Hahn made a motion to approve, and Council Member Carroll seconded the motion. The motion passed unanimously.

D. Approval of a contract to Alder Energy Systems in the amount of \$66,565 for the Public Works Solar Rooftop Project [Funded by a \$67,261 grant from SC Energy Efficiency and Conservation Block Grant]

Council Member Bogosian said it appears this installation breaks even over 30 years, which he said is not a "great spend." He would like to keep track of the savings these panels provide should there be a future request to place such panels on other public buildings when there is no grant paying for it.

MOTION: Council Member Miars made a motion to approve, and Council Member Hahn seconded the motion. The motion passed unanimously.

E. Approval of sole source contract to Asphalt Concepts in the amount of \$43,126 to refurbish seven (7) crosswalks on Palm Boulevard between 21st and 41st avenues [FY 25 Budget, General Government, Muni ATAX, \$42,000]

MOTION: Council Member Miars made a motion to approve, and Council Member Bogosian seconded the motion.

Council Member Hahn asked if it was possible to like up the crosswalks with the beach access paths. Administrator Fragoso said they have asked that of SCDOT. Five of these seven crosswalks do line up with beach access paths. She said lining all of them up would not meet SCDOT standards for the distance between crosswalks. She said this work will be done ahead of next season.

VOTE: A vote was taken as follows:

Ayes: Anderson, Pierce, Ward, Bogosian, Miars, Carroll, Pounds
Nays: Hahn

The motion passed 7-1.

F. Approval of FY26 State Budget requests

Mayor Pounds said, “You will recall last council meeting or maybe even the one before, we passed a resolution giving our lobbyist direction for policy initiatives. Seems kind of obvious that our funding request would go along with that, and just to refresh your memory those categories were beach renourishment, State ATAX flexibility, so not really a funding request. That’s more of a policy change at the State level. Stormwater infrastructure and expansion of sewer infrastructure.”

Administrator Fragoso added that beach access improvements were not included in the resolution, and that request is always well received by the State. She recommends the City continue to ask for those funds.

MOTION: Council Member Ward made a motion to look at funding requests from the State for beach renourishment, stormwater infrastructure, and expansion of sewer infrastructure, noting that staff will work with the City’s lobbyist to identify funding amounts for those requests. Council Member Anderson seconded the motion. The motion passed unanimously.

7. Boards and Commissions Reports

- A. **Board of Zoning Appeals** – meeting on October 22, 2024
- B. **Planning Commission** – no meeting in October
- C. **Accommodations Tax Advisory Board** – minutes attached
- D. **Environmental Advisory Committee** – minutes attached

8. Ordinances, Resolutions, and Petitions

- A. **Second Reading -- none**
- B. **First Reading -- none**
- C. **Resolutions and Petitions**

i. Resolution 2024-11 -- a resolution to adopt Clyde, North Carolina to support following the destruction caused by Hurricane Helene

Mayor Pounds said he spoke with the Mayor of Clyde, NC who is very appreciative of the City’s support. He said their immediate needs are being met, but he will continue to have conversations with him about future needs.

MOTION: Council Member Ward made a motion to approve, and Council Member Hahn seconded the motion. The motion passed unanimously.

9. Executive Session

10. Adjournment

Prior to adjournment, Mayor Pounds offered the following words about Administrator Fragoso, “Every now and then you get to work with someone you would like to spend the rest of your

career working with. I've worked with a lot of people in my career – some superstars and some not so much.

“In our form of government, the role of City Administrator sits at the top of the organizational chart and leads the staff. The elected officials set policies and then the staff is responsible for implementing them.

“I've not served in another city but do get the opportunity to spend time with other mayors and city council members from around our state and I feel very confident stating we have one of the best City Administrators, and staffs, around which is why I'm sad to announce the resignation of Desiree. Desiree has been with IOP for 10 years and in her current role for 6 years. Desiree's advice and guidance for me as a city council member and now mayor has been invaluable – helping me understand the workings of the city and the nuances of all the stakeholders involved on a multitude of issues. I had a steep learning curve being a newly elected official and Desiree was always available to guide and discuss the issues. Rarely did a situation come up that Desiree didn't have a quick word of advice for me or discuss solutions to get to the optimal spot or most often explain something to me for the umpteenth time!

“Desiree will be joining the Municipal Association of SC as a Field Services Representative providing support to staff and councils all over the state. She will be with us through the end of the year. We will start the process asap of finding a replacement, but Desiree please know you are leaving a big hole for me personally, our elected officials, staff and residents of IOP and you will be hard to replace. Your contributions to this community have been exemplary and we couldn't have asked for a better leader so thank you and good luck in your new role!”

Council Member Ward made a motion to adjourn, and Council Member Hahn seconded the motion. The meeting was adjourned at 7:14pm.

Respectfully submitted,

Nicole DeNeane
City Clerk

The Honorable Mayor and Members of City Council
1207 Palm Boulevard
Isle of Palms, South Carolina 29451

We have audited the financial statements of City of Isle of Palms as of and for the year ended June 30, 2024, and have issued our report thereon dated November 1, 2024. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated July 8, 2024, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of City of Isle of Palms solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by City of Isle of Palms is included in Note A to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the year ending June 30, 2024. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

- The useful lives of capital assets and the resulting depreciation expense, which are based on historical data and industry standards,
- Property taxes receivable and the allowance for uncollectible property taxes, which are based on information provided by Charleston County and historical collection rates, and
- Net pension liabilities and deferred inflows/outflows of resources, which are based on the state's actuarial valuations which are based on accounting requirements, actuarial stands, historical data, and industry trends.
- The reasonable certain term of lease and subscription liabilities.
- The City's incremental borrowing rate used to measure lease and subscription liabilities

We evaluated the key factors and assumptions used to develop these estimates and determined that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting City of Isle of Palms' financial statements relate to: GASB 87, *Leases*, GASB 96, *Subscription-Based Information Technology Arrangements*, fair value estimates, pension liabilities, and property taxes receivable.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. We identified no such misstatements during the course of the audit.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. None of the misstatements identified by us as a result of our audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole or applicable opinion units.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to City of Isle of Palms' financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the management representation letter dated November 1, 2024.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with City of Isle of Palms, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as City of Isle of Palms' auditors.

This report is intended solely for the information and use of the Mayor, City Council, and management of City of Isle of Palms and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully,

A handwritten signature in black ink that reads "Veris LLC". The letters are cursive and fluid.

November 1, 2024



City of Isle of Palms, South Carolina

Report on Financial Statements

Year Ended June 30, 2024





City of Isle of Palms, South Carolina
Table of Contents

	<u>Page Number</u>
List of Elected and Appointed Officials	i
 <u>Financial Section</u> 	
Independent Auditor's Report	1 - 3
Required Supplementary Information (Unaudited)	
Management's Discussion and Analysis	4 - 14
Basic Financial Statements	
<i>Government-wide Financial Statements:</i>	
Statement of Net Position	15
Statement of Activities	16
<i>Fund Financial Statements:</i>	
Balance Sheet – Governmental Funds	17 - 19
Reconciliation of Governmental Fund Balances to Net Position of Governmental Activities	20
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	21 - 23
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	24
Statement of Net Position – Proprietary Fund	25
Statement of Revenues, Expenditures, and Changes in Net Position – Proprietary Fund	26
Statement of Cash Flows – Proprietary Fund	27
Statement of Assets and Liabilities – Fiduciary Fund – Agency Fund	28
<i>Notes to the Financial Statements</i>	29 - 61
Required Supplementary Information other than Management's Discussion and Analysis (Unaudited)	
<u>Budgetary Comparison Schedules:</u>	
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budgets and Actual – General Fund	62
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budgets and Actual – Municipal Accommodations Fee Fund	63
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budgets and Actual – State Accommodations Tax Fund	64

City of Isle of Palms, South Carolina
Table of Contents

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budgets and Actual – Hospitality Tax Fund	65
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budgets and Actual – Beach Preservation Fund	66
<u>Pension Schedules:</u>	
Schedule of the City’s Proportionate Share of the Net Pension Liability – South Carolina Retirement System	67
Schedule of the City’s Contributions – South Carolina Retirement System	68
Schedule of the City’s Proportionate Share of the Net Pension Liability – South Carolina Police Officers Retirement System	69
Schedule of the City’s Contributions – South Carolina Police Officers Retirement System	70
Supplementary Information	
Combining Balance Sheet – Non-Major Governmental Funds	71
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances – Non-Major Governmental Funds	72
<u>General Fund:</u>	
Schedule of Detailed Revenues and Expenditures – Budget and Actual – General Fund	73 - 80
Schedule of Expenditures by Type – Actual	81 - 83
Schedule of Fines, Assessments, and Surcharges	84 - 85
 <u>Compliance Section</u> 	
Independent Auditor’s Report – 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>Government Auditing Standards</i>	86 – 87
Independent Auditor’s Report on Compliance for Each Major Federal Program And on Internal Control over Compliance in Accordance with Uniform Guidance and the Federal Single Audit Implementation Act	88 - 90
Schedule of Expenditures of Federal Awards	91
Notes to Schedule of Expenditures of Federal Awards	92
Schedule of Findings and Questioned Costs	93

City of Isle of Palms, South Carolina

List of Elected and Appointed Officials

For the Year Ended June 30, 2024

MAYOR

Phillip Pounds

CITY COUNCIL MEMBERS

Jan Anderson

John Bogosian

Scott Pierce

Blair Hahn

Ashley Carroll

Katie Miars

Jimmy Ward

APPOINTED OFFICIALS

City Administrator	Desirée Fragoso
Director of Building, Planning, and Zoning and Deputy City Administrator	Douglas Kerr
Finance Director	Debra Hamilton
City Clerk	Nicole DeNeane
Clerk of Court	Amy Lee
Building Official	William Seabrook
Fire Chief	Craig Oliverius
Chief of Police	Kevin Cornett
Public Works Director	Donnie Pitts
Recreation Director	Karrie Ferrell



Independent Auditor's Report

The Honorable Mayor and Members of City Council
City of Isle of Palms
Isle of Palms, South Carolina

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Isle of Palms (the City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, 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 Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 City 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

The City's 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 City'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 GAAS 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 GAAS, 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 City'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 City'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, budgetary comparison information, and pension schedules, as noted in the table of contents, be presented to supplement the basic financial statements. Such 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. 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying supplementary information, such as the combining and individual non-major fund financial statements and schedule of expenditures of federal awards, schedule of budget to actual detailed revenues and expenditures, schedule of expenditures by type, and schedule of fines, assessments, and surcharges, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary 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. Such 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 accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 1, 2024 on our consideration of the City'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 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 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 the City's internal control over financial reporting and compliance.



Mount Pleasant, South Carolina
November 1, 2024



Required Supplementary Information (Unaudited)

City of Isle of Palms, South Carolina
Required Supplementary Information (Unaudited)
Management's Discussion and Analysis
Year Ended June 30, 2024

The management of the City of Isle of Palms (City) offers readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2024 (FY 2024 or 2024) compared to fiscal year ended June 30, 2023 (FY 2023 or 2023). The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers are encouraged to not only consider the information presented here but also the information provided in the financial statements and notes to the financial statements to enhance their understanding of the City's overall financial performance.

FINANCIAL HIGHLIGHTS

- The assets of the City exceeded its liabilities at the close of the fiscal year by approximately \$60,606,000 (*net position*). Of this amount, approximately \$52,981,000 and \$7,624,000 were related to the City's governmental and business-type activities, respectively. In addition, the City's unrestricted net position (which may be used to meet the City's ongoing obligations to citizens and creditors) was approximately \$12,343,000 for its governmental activities and approximately \$1,370,000 for its business-type activities.
- The City's total revenues of approximately \$28,931,000 exceeded total expenses of approximately \$21,902,000, resulting in an increase from the prior fiscal year of approximately \$7,029,000 in net position.
- At the close of 2024, the City's governmental funds reported combined ending fund balances of approximately \$42,518,000, an increase of approximately \$4,085,000 over the prior year's fund balances. Approximately 9% of the total fund balance, or roughly \$3,728,000, is available for spending at the City's discretion (*unassigned fund balance*).
- The City added capital assets of approximately \$3,209,000 and \$807,000 for governmental and business-type activities, respectively, during the current fiscal year. Capital asset additions included completion of the Phase 3 Drainage Project at 30th, 36th and 41st Avenue outfalls, other storm water and tidal drainage improvements, vehicles, equipment, dog park and various other capital assets. Capital asset additions were offset by depreciation expense of approximately \$2,511,000 and \$326,000 for governmental and business-type activities, respectively. As capital asset additions were greater than depreciation expense for the year, total capital assets increased by approximately \$1,179,000 (4%) from FY 2023.
- The City's total debt, lease liability, and subscription liability decreased by approximately \$1,147,000 (10%) due to principal payments made on the City's general obligation bonds being greater than lease liabilities issued during the current fiscal year.
- The City continues to hold an "Aa1" rating from Moody's.

OVERVIEW OF FINANCIAL STATEMENTS

This annual report consists of two parts – *Financial Section* (which includes management's discussion and analysis, the financial statements, the notes to the financial statements, required supplementary information, and supplementary information) and the *Compliance Section*.

City of Isle of Palms, South Carolina
Required Supplementary Information (Unaudited)
Management's Discussion and Analysis
Year Ended June 30, 2024

Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's financial statements. The City's financial statements are comprised of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The financial statements present two different views of the City through the use of government-wide statements and fund financial statements.

Government-wide Financial Statements. The financial statements include two statements that present different views of the City. These are designed to provide readers with a broad overview of the City's finances in a manner similar to a private-sector business. The *statement of net position* presents information on all of the City's assets and deferred outflows of resources (if any) and liabilities and deferred inflows of resources (if any), with the differences between these items reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods.

The government-wide financial statements are divided into two categories: 1) governmental activities; and 2) business-type activities. The governmental activities include general government; public safety; building, planning and engineering; public works; recreation; and non-departmental services. Taxes, business licenses, building permits, and state and federal grant revenues finance most of these activities. The business-type activities are the City's marina operations. The government-wide financial statements can be found as listed in the table of contents.

Fund Financial Statements. The fund financial statements provide a more detailed look at the City's most significant activities. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like all other governmental entities in South Carolina, uses fund accounting to ensure and reflect compliance with finance-related legal requirements, such as the General Statutes or the City's budget ordinance. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds – *Governmental funds* are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the City's services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow (in and out), and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting* which provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view to determine if there are more or less financial resources available to finance the City's services. The relationship between *governmental activities* (reported in the government-wide financial statements) and *governmental funds* is described in a reconciliation that is a part of the fund financial statements.

City of Isle of Palms, South Carolina
Required Supplementary Information (Unaudited)
Management's Discussion and Analysis
Year Ended June 30, 2024

The City maintains eight (8) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenue, expenditures and changes in fund balances for the General Fund, Capital Projects Fund, Municipal Accommodations Fee Fund, State Accommodations Tax Fund, Hospitality Tax Fund, and Beach Preservation Fee Fund – since they are considered major funds. Information from the other two (2) governmental funds is combined into aggregated presentations – non-major governmental funds. Individual fund data for each of these non-major governmental funds are provided in the form of combining schedules elsewhere in this report. The governmental fund financial statements can be found as listed in the table of contents.

Proprietary Funds – The City maintains one type of proprietary fund. *Enterprise Funds* are used to account for operations that (a) are financed and operated in a manner similar to private business enterprises — where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The City uses an enterprise fund to account for its marina operations. The proprietary fund financial statements can be found as listed in the table of contents.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. *Agency Funds* are used to account for assets the City holds on behalf of others. The City's 1% Volunteer Fire Department Fund is used by the City to account for the receipt and disbursement of funds received from the State relating to the payment of 1% of the premiums received by insurance companies. Agency funds are custodial in nature and do not present results of operations. The financial statement of the fiduciary fund can be found as listed in the table of contents.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found as listed in the table of contents.

Other Information – In addition to the financial statements and accompanying notes, this report includes certain required supplementary information. Budgetary comparison schedules have been provided for the General Fund and all of the major special revenue funds with legally adopted budgets to demonstrate compliance with their budgets. Pension schedules have been included to provide information regarding the City's participation in the South Carolina Retirement System and the South Carolina Police Officers Retirement System. Required supplementary information can be found as listed in the table of contents.

Supplementary information, including non-major governmental funds, is presented immediately following the required supplementary information. These schedules can be found as listed in the table of contents.

City of Isle of Palms, South Carolina
Required Supplementary Information (Unaudited)
Management's Discussion and Analysis
Year Ended June 30, 2024

Figure A-1				
Major Features of the City's Government-Wide and Fund Financial Statements				
	Government-Wide	Fund Financial Statements		
	<u>Financial Statements</u>	<u>Governmental Funds</u>	<u>Proprietary Funds</u>	<u>Fiduciary Funds</u>
Scope	Entire City government (except fiduciary funds).	The activities of the City that are not proprietary or fiduciary.	Activities the City operates similar to private businesses, in the City's case, all activities related to the Marina.	Instances in which the City is the trustee or agent for someone else's resources, in the City's case, 1% Volunteer Fire Department Fund.
Required Financial Statements	* Statement of Net Position * Statement of Activities	* Balance Sheet * Statement of Revenues, Expenditures, and Changes in Fund Balances	* Statement of Net Position * Statement of Revenues, Expenses and Changes in Net Position * Statement of Cash Flows	* Statement of Fiduciary Assets and Liabilities
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus.	Modified accrual accounting and current financial resources focus.	Accrual accounting and economic resources focus.	Accrual accounting and economic resources focus.
Type of Balance Sheet Information	All balance sheet elements - both financial and capital, and short-term and long-term.	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter.	All revenues and expenses during year, regardless of when cash is received or paid.	All revenues and expenses during year, regardless of when cash is received or paid.

City of Isle of Palms, South Carolina
Required Supplementary Information (Unaudited)
Management's Discussion and Analysis
Year Ended June 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The following table provides a summary of the City's net position as of June 30, 2024 compared to June 30, 2023:

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets						
Current and Other Assets	\$ 48,245,754	\$ 43,852,111	\$ 9,703,729	\$ 8,533,569	\$ 57,949,483	\$ 52,385,680
Capital Assets, Net	25,011,221	24,313,448	9,488,095	9,006,624	34,499,316	33,320,072
Total Assets	73,256,975	68,165,559	19,191,824	17,540,193	92,448,799	85,705,752
Deferred Outflows of Resources:						
Deferred Outflows Related to Pensions	2,526,158	2,124,740	-	-	2,526,158	2,124,740
Liabilities						
Long-Term Obligations	7,186,777	8,009,198	3,234,000	3,492,000	10,420,777	11,501,198
Net Pension Liability	11,791,353	11,165,214	-	-	11,791,353	11,165,214
Other Liabilities	1,105,115	1,168,106	303,764	24,357	1,408,879	1,192,463
Total Liabilities	20,083,245	20,342,518	3,537,764	3,516,357	23,621,009	23,858,875
Deferred Inflows of Resources:						
Deferred Inflows Related to Pensions	133,209	298,934	-	-	133,209	298,934
Deferred Inflows Related to Leases	-	-	6,127,919	6,425,632	6,127,919	6,425,632
Unearned Grant Revenue	2,585,300	2,170,600	1,901,943	1,500,000	4,487,243	3,670,600
Total Deferred Inflows of Resources	2,718,509	2,469,534	8,029,862	7,925,632	10,748,371	10,395,166
Net Position						
Net Investment in Capital Assets	19,889,987	18,614,448	6,254,095	5,514,624	26,144,082	24,129,072
Restricted	20,748,583	18,435,141	-	-	20,748,583	18,435,141
Unrestricted	12,342,809	10,428,658	1,370,103	583,580	13,712,912	11,012,238
Total Net Position	\$ 52,981,379	\$ 47,478,247	\$ 7,624,198	\$ 6,098,204	\$ 60,605,577	\$ 53,576,451

The City had total assets of approximately \$92,449,000 as of June 30, 2024, an increase of \$6,743,000 for the year. The growth in non-capital assets resulted primarily from the City's strong fiscal performance with total revenues exceeding total expenses by \$7,029,000. Total liabilities as of June 30, 2024 decreased by approximately \$238,000 due primarily to a decrease in the City's Long-Term Obligations.

The City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by approximately \$60,606,000 as of June 30, 2024. Approximately 43% of total net position (\$26,144,000) reflects the City's investment in capital assets (i.e., land, buildings, furniture and equipment, infrastructure, etc.) less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt generally must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Approximately 34% of net position (\$20,749,000) represents resources that are subject to external restrictions on how they may be used. This portion of the net position is restricted primarily for special revenue programs which are restricted by the revenue source. The remaining portion of the City's net position (23% or \$13,713,000) is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.

City of Isle of Palms, South Carolina
Required Supplementary Information (Unaudited)
Management's Discussion and Analysis
Year Ended June 30, 2024

At the end of the current and prior fiscal year, the City is able to report positive balances in all three categories of net position.

The following table shows the changes in the City's net position for 2024 compared to 2023:

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program Revenues:						
Charges for Services	\$ 8,573,727	\$ 8,459,627	\$ 451,550	\$ 331,694	\$ 9,025,277	\$ 8,791,321
Capital Grants and Contributions	1,024,387	140,855	-	-	1,024,387	140,855
General Revenues:						
Taxes	15,490,679	15,986,523	-	-	15,490,679	15,986,523
Other	2,394,720	1,578,261	996,153	374,234	3,390,873	1,952,495
Total Revenues	27,483,513	26,165,266	1,447,703	705,928	28,931,216	26,871,194
Expenses:						
General Government	5,767,706	3,470,342	-	-	5,767,706	3,470,342
Public Safety	9,901,138	8,923,106	-	-	9,901,138	8,923,106
Building, Planning and Engineering	464,193	451,517	-	-	464,193	451,517
Public Works	2,953,874	2,605,106	-	-	2,953,874	2,605,106
Recreation	1,494,510	1,360,794	-	-	1,494,510	1,360,794
Non-Departmental	438,770	455,766	-	-	438,770	455,766
Interest on Long-Term Obligations	206,760	224,313	-	-	206,760	224,313
Marina	-	-	675,139	706,161	675,139	706,161
Total Expenses	21,226,951	17,490,944	675,139	706,161	21,902,090	18,197,105
Change in Net Position Before Transfers	6,256,562	8,674,322	772,564	(233)	7,029,126	8,674,089
Transfer In (Out)	(753,430)	(250,419)	753,430	250,419	-	-
Change in Net Position	5,503,132	8,423,903	1,525,994	250,186	7,029,126	8,674,089
Net Position, Beginning of Year	47,478,247	39,054,344	6,098,204	5,848,018	53,576,451	44,902,362
Net Position, End of Year	\$ 52,981,379	\$ 47,478,247	\$ 7,624,198	\$ 6,098,204	\$ 60,605,577	\$ 53,576,451

Governmental Activities:

Governmental activities had a net increase in net position of approximately \$7,029,000 in 2024.

Compared to the prior year, total governmental activities revenue increased by approximately \$1,318,000 or 5%. Key changes compared to the prior year were as follows:

- Interest income on investments in the South Carolina Local Government Investment Pool increased \$805,000 or 86%, primarily due to an increase in the amount invested and significantly higher yields.
- Accommodations and hospitality taxes revenue from tourism decreased by approximately \$332,000 or 4%, primarily due to slower growth in tourism possibly impacted by inflation.

Expenses related to total governmental activities increased by approximately \$3,736,000, or 21%, from the prior year. Key changes as compared to the prior year included comprehensive wage and compensation study to offer competitive and at market wages and rising insurance cost for both general liability coverage and health insurance.

City of Isle of Palms, South Carolina
Required Supplementary Information (Unaudited)
Management's Discussion and Analysis
Year Ended June 30, 2024

Business-Type Activities:

Net position related to business-type activities (i.e., the marina) increased by approximately \$1,526,000. This increase was primarily due to transfers and ARPA grant funds for the Marina Public Dock.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2024, the City's governmental funds reported a combined ending fund balance of approximately \$42,518,000, an increase of approximately \$4,085,000, or 11%, over the prior year's combined fund balance.

Approximately 9% of the total governmental fund balance (\$3,728,000) constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of the fund balance is not available for new discretionary spending because it has already been limited: (1) for tourism-related expenditures or operating expenses incurred to serve tourists (\$10,726,000), (2) for recovery efforts on future disasters (\$3,406,000), (3) for capital projects (\$10,763,000), (4) for debt service (\$650,000), (5) for beach preservation (\$9,101,000), (6) for drainage improvements (\$2,872,000) and (7) for other purposes primarily related to police department initiatives, island beautification, recreation center improvements, victim services, and inventories and prepaid items (\$595,000).

The General Fund is the primary operating fund of the City. At June 30, 2024, the total fund balance was approximately \$8,218,000. As a measure of the General Fund's liquidity, it is useful to compare total unassigned fund balance to total General Fund expenditures. Total unassigned fund balance of the General Fund (\$3,728,000) represents approximately 25% of total General Fund expenditures (\$14,657,000).

Highlights for General Fund revenues and other financing sources were as follows:

- Total General Fund revenues were up by approximately \$267,000 from the prior year. The most significant changes were:
 - Property tax revenue increased by \$88,000, due primarily to higher property assessment values. The debt service millage was reduced by 1% after the Recreation Bond was fully paid off.
 - Revenue from licenses and permits dropped by about \$78,000, primarily due to a slowdown in new construction, which may be linked to higher interest rates.
 - Local option sales tax revenues rose by approximately \$28,000 driven by ongoing economic activity on the island.

City of Isle of Palms, South Carolina
Required Supplementary Information (Unaudited)
Management's Discussion and Analysis
Year Ended June 30, 2024

- The City supplemented General Fund revenues with tourism-related revenues where appropriate. In FY 2024, \$1,489,000 of tourism-related revenue including the accommodations and hospitality tax funds were transferred into the General Fund to help pay for public safety and public works efforts required for tourism. This is an increase of approximately \$247,000 over FY 2023.

Total General Fund expenditures of \$14,657,000 increased by \$456,000, or 3%, over FY 2023. Costs associated with employee health insurance, general liability insurance and IT services saw substantial increases compared to the previous year.

The total fund balance of the remaining governmental funds (Capital Projects, Special Revenue, and Non-major Funds) increased by approximately \$4,085,000 from the prior year. Highlights for these funds were as follows:

- The Capital Projects Fund earned around \$726,000 in interest income from investments. During the fiscal year, the fund spent approximately \$2,075,000 on drainage improvements, including the completion of Phase 3 Drainage of 3 Outfalls, as well as on the purchase of vehicles, equipment, and various other capital assets. The General Fund transferred about \$2,116,000 into the Capital Projects Fund for future capital expenditures. The ending fund balance in the Capital Projects Fund was approximately \$13,636,000.
- Revenues for the Special Revenue Funds, which are mainly associated with tourism, increased by about \$658,000 over the previous year. This rise was due to grant revenue for beach preservation and interest earned on investments. The combined ending fund balances of the Special Revenue Funds were approximately \$20,664,000.

Proprietary Fund. The City's proprietary fund provides the same type of information found in the government-wide statements but in more detail. Net position of the Marina Enterprise Fund at the end of FY 2024 amounted to approximately \$7,624,000. Please see "Business-Type Activities" discussion in the previous section for details.

Fiduciary Fund. The Volunteer Fire Department Fund is used by the City to account for the receipt and disbursement of funds received from the State relating to the payment of 1% of the premiums received by fire insurance companies. Agency funds are custodial in nature and do not present results of operations. The Fiduciary Fund had amounts held in custody for others of approximately \$37,000 at June 30, 2024.

General Fund Budgetary Highlights: If budget amendments are made, they generally fall into one of three categories: amendments made to adjust the estimates used to prepare the original budget ordinance once exact information is available; amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and increases in appropriations that become necessary to maintain services. The City did not make any budget amendments during FY 2024.

City of Isle of Palms, South Carolina
Required Supplementary Information (Unaudited)
Management's Discussion and Analysis
Year Ended June 30, 2024

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's capital assets as of June 30, 2024 amounted to approximately \$34,499,000. Capital assets primarily include land, construction in progress, buildings, improvements, vehicles, furniture, equipment, and other infrastructure. The City's capital assets (net of depreciation) as of June 30, 2024 and 2023 were as follows:

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 4,272,896	\$ 4,272,896	\$ 3,035,786	\$ 3,035,786	\$ 7,308,682	\$ 7,308,682
Construction in Progress	344,128	2,017,064	886,413	79,145	1,230,541	2,096,209
Land Improvements	6,931,304	3,936,697	2,037,791	2,129,666	8,969,095	6,066,363
Buildings and Improvements	10,650,727	11,575,156	165,672	176,117	10,816,399	11,751,273
Vehicles and Vehicle Equipment	1,657,294	1,601,145	-	-	1,657,294	1,601,145
Equipment	1,033,507	901,182	391,713	422,630	1,425,220	1,323,812
Furniture and Fixtures	121,365	9,308	-	-	121,365	9,308
Docks	-	-	2,970,720	3,163,280	2,970,720	3,163,280
Total	\$ 25,011,221	\$ 24,313,448	\$ 9,488,095	\$ 9,006,624	\$ 34,499,316	\$ 33,320,072

The total increase in the City's capital assets for FY 2024 was approximately \$1,179,000 or 4%. The increase resulted because capital asset additions for the year were higher than depreciation expense for the year. Major capital asset events during FY 2024 included the following:

- Capital asset additions of approximately \$4,016,000 consisted primarily of:
 - Vehicles for police, recreation, and public works, totaling approximately \$557,000
 - Approximately \$572,000 for furniture, fixtures, and equipment
 - Approximately \$1,743,000 for drainage improvements, including the completion of the Phase 3 Drainage Project of three outfalls, as part of a comprehensive effort to enhance storm-water and tidal drainage across the island and bolster the city's resilience
 - Approximately \$807,000 for the construction of a public dock at the Marina
 - Approximately \$311,000 for land improvements, including the construction of an outdoor fitness court and a dog park with play equipment.
- Depreciation expense of approximately \$2,511,000 for governmental activities and \$326,000 for business-type activities.

Additional information on the City's capital assets can be found in Notes I and III in the notes to the financial statements.

City of Isle of Palms, South Carolina
Required Supplementary Information (Unaudited)
Management's Discussion and Analysis
Year Ended June 30, 2024

Right to Use Assets

The City's right to use assets as of June 30, 2024 amounted to approximately \$2,066,000. Right to use assets primarily include vehicles, and equipment. The City's right to use assets as of June 30, 2024 and 2023 were as follows:

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Right of Use Vehicles and Vehicle Equipment	\$ 1,241,839	\$ 1,350,014	\$ -	\$ -	\$ 1,241,839	\$ 1,350,014
Right of Use IT Assets - SBITA	823,704	717,542	-	-	823,704	717,542
	<u>\$ 2,065,543</u>	<u>\$ 2,067,556</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,065,543</u>	<u>\$ 2,067,556</u>

- Right to use assets of approximately \$2,066,000 consisted primarily of
 - Approximately \$1,242,000 for fire vehicles and equipment.
 - Approximately \$824,000 for software used by the general government for technology and communication, public safety for scheduling and training, and the building department for short-term rental management.
- Amortization expense of approximately \$108,000 for right to use assets and amortization expense of approximately \$154,000 for right to use assets obtained through subscription-based information technology arrangements (SBITA), respectively.

Debt Administration and Lease Liability

As of June 30, 2024, the City had total outstanding debt of approximately \$9,926,000. This debt consisted of general obligation bonds (GOB) which are backed by the full faith and credit of the City, leases for a fire ladder truck and a fire engine and various SBITA lease liabilities including police body-worn and in-car camera system. The City's total debt as of June 30, 2024 and 2023 were as follows:

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
General Obligation Bonds	\$ 4,859,000	\$ 5,699,000	\$ 3,234,000	\$ 3,492,000	\$ 8,093,000	\$ 9,191,000
Lease Liability	1,052,573	1,217,764	-	-	1,052,573	1,217,764
Subscription Liability	780,392	664,539	-	-	780,392	664,539
Total	<u>\$ 6,691,965</u>	<u>\$ 7,581,303</u>	<u>\$ 3,234,000</u>	<u>\$ 3,492,000</u>	<u>\$ 9,925,965</u>	<u>\$ 11,073,303</u>

The City's total debt and lease obligations for FY 2024 decreased by about \$1,147,000. This reduction is attributed to principal payments made during the fiscal year and the elimination of the parking subscription liability following the outsourcing of the City's parking services.

The State of South Carolina limits the amount of general obligation debt that a unit of government can issue to 8% of the total assessed value of taxable property located within that government's boundaries. As of June 30, 2024, the City's statutory debt limit was approximately \$24,246,000. With \$7,355,000 of bonded debt subject to the 8% limit, the City had an unused legal debt margin of about \$16,891,000.

Additional information regarding the City's long-term obligations and pension amounts can be found in Note III and Note IV.B, respectively, in the notes to the financial statements.

City of Isle of Palms, South Carolina
Required Supplementary Information (Unaudited)
Management's Discussion and Analysis
Year Ended June 30, 2024

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The City's elected officials and staff considered many factors when setting the fiscal year 2025 (FY 2025 or FY25) budget. The state of the economy, building activity, future capital needs and the best interests of the City's residents were all taken into account.

- **Millage and Property Tax Revenues:** The City's millage rate stayed constant at 22.3, and the Local Option Sales Tax credit factor changed to .00020.
- **Business Licenses and Building Permits:** The City's 2025 budget anticipates a conservative decrease in revenues from business licenses and building permits compared to 2024. This is due to a slowdown in construction activity, likely influenced by higher interest rates.
- **Tourism-Related Revenues:** Total revenues from the State Accommodations Tax, Municipal Accommodations Fee, Hospitality Tax, and the Beach Preservation Fee are budgeted at 90% of the most recent collections. This conservative decrease accounts for a slowdown in tourism activity.
- **Salaries and Wages:** The 2025 budget allocates a 3% increase for merit-based salary and wage adjustments.
- **Capital Outlay:** Some of the major capital items in the 2025 budget include approximately \$2,046,000 for ongoing drainage projects identified by the Comprehensive Drainage Plan, such as drainage improvements on Palm Blvd between 38th and 41st and the elevation of the Waterway Blvd multi-use path, primarily funded by FEMA and State grants. Additionally, \$500,000 is allocated for pour-and-play surface playground equipment at the Recreation Center, \$1,777,500 for beach maintenance including dune walkovers, emergency vehicular access, the USACE Breach Inlet Project, and Shoal Management WD Projects. The budget also includes \$300,000 for the City's share of a Fire Department rescue boat, and \$466,000 for public green space, resurfacing the parking lot, and T-Dock repairs at the Marina.

REQUESTS FOR CITY INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's financing. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City Treasurer, Post Office Drawer 508, Isle of Palms, South Carolina 29451. General information about the City can be obtained from the website at www.iop.net.



Basic Financial Statements

Government-wide Financial Statements

City of Isle of Palms, South Carolina
Statement of Net Position
June 30, 2024

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and Cash Equivalents	\$ 22,154,739	\$ 3,161,161	\$ 25,315,900
Cash and Cash Equivalents - Restricted	19,253,228	-	19,253,228
Taxes Receivable, Net	115,400	-	115,400
Other Receivables, Net	4,102,764	-	4,102,764
Lease Receivables, Net	-	6,542,568	6,542,568
Due from Other Governments	355,853	-	355,853
Prepaid expenses	165,403	-	165,403
Inventory	32,824	-	32,824
Right to Use Leased Assets, Net	1,241,839	-	1,241,839
Right to Use Leased SBIT Assets, Net	823,704	-	823,704
Capital Assets:			
Non-Depreciable	4,617,024	3,922,199	8,539,223
Depreciable, Net	20,394,197	5,565,896	25,960,093
Total Capital Assets	25,011,221	9,488,095	34,499,316
Total Assets	73,256,975	19,191,824	92,448,799
Deferred Outflows of Resources			
Deferred Outflows Related to Pensions	2,526,158	-	2,526,158
Liabilities			
Accounts Payable	603,202	280,800	884,002
Other Accrued Liabilities	313,805	5,500	319,305
Court Assessments/Victim's Rights Liabilities	106,024	-	106,024
Accrued Interest	82,084	17,464	99,548
Net Pension Liabilities	11,791,353	-	11,791,353
Long-Term Obligations:			
Due Within One Year	1,351,866	264,000	1,615,866
Due In More Than One Year	5,834,911	2,970,000	8,804,911
Total Long-Term Obligations	7,186,777	3,234,000	10,420,777
Total Liabilities	20,083,245	3,537,764	23,621,009
Deferred Inflows of Resources			
Deferred Inflows Related to Pensions	133,209	-	133,209
Unearned Grant Revenue	2,585,300	1,901,943	4,487,243
Deferred Inflows Related to Leases	-	6,127,919	6,127,919
Total Deferred Inflows of Resources	2,718,509	8,029,862	10,748,371
Net Position			
Net Investment in Capital Assets	19,889,987	6,254,095	26,144,082
Restricted for:			
Tourism Related Expenditures	10,726,400	-	10,726,400
Beach Preservation	9,101,476	-	9,101,476
Debt Service	650,490	-	650,490
Victim Services	34,612	-	34,612
Beautification	235,605	-	235,605
Total Restrictions	20,748,583	-	20,748,583
Unrestricted	12,342,809	1,370,103	13,712,912
Total Net Position	\$ 52,981,379	\$ 7,624,198	\$ 60,605,577

See accompanying notes and independent auditor's report.

City of Isle of Palms, South Carolina
Statement of Activities
Year Ended June 30, 2024

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes In Net Position			
	Expenses	Charges for Services	Operating	Capital	Governmental Activities	Business-Type Activities	Total Primary Government
			Grants and Contributions				
Primary Government:							
Governmental Activities:							
General Government	\$ 5,767,706	\$ -	\$ -	\$ 1,024,387	\$ (4,743,319)	\$ -	\$ (4,743,319)
Public Safety	9,901,138	408,672	-	-	(9,492,466)	-	(9,492,466)
Building, Planning, and Engineering	464,193	6,550,844	-	-	6,086,651	-	6,086,651
Public Works	2,953,874	-	-	-	(2,953,874)	-	(2,953,874)
Recreation	1,494,510	327,051	-	-	(1,167,459)	-	(1,167,459)
Non-Departmental	438,770	1,287,160	-	-	848,390	-	848,390
Interest on Long-Term Obligations	206,760	-	-	-	(206,760)	-	(206,760)
Total Governmental Activities	21,226,951	8,573,727	-	1,024,387	(11,628,837)	-	(11,628,837)
Business-Type Activities:							
Marina	675,139	451,550	-	-	-	(223,589)	(223,589)
Total Primary Government	\$ 21,902,090	\$ 9,025,277	\$ -	\$ 1,024,387	(11,628,837)	(223,589)	(11,852,426)
General Revenues:							
Taxes:							
Property Taxes Levied for General Purposes					4,306,221	-	4,306,221
Property Taxes Levied for Debt Service Purposes					918,823	-	918,823
Local Option Sales Taxes					1,213,304	-	1,213,304
Hospitality Taxes					1,504,549	-	1,504,549
Accommodations Taxes					7,547,782	-	7,547,782
Total Taxes					15,490,679	-	15,490,679
Intergovernmental					151,332	-	151,332
Interest Income					2,073,193	312,796	2,385,989
Grant Revenue					-	683,357	683,357
Gain on Disposal of Capital Assets					88,129	-	88,129
Other Income					82,066	-	82,066
Total Other					2,394,720	996,153	3,390,873
Transfers (Out) In					(753,430)	753,430	-
Total General Revenues and Transfers					17,131,969	1,749,583	18,881,552
Changes In Net Position					5,503,132	1,525,994	7,029,126
Net Position, Beginning of Year					47,478,247	6,098,204	53,576,451
Net Position, End of Year					\$ 52,981,379	\$ 7,624,198	\$ 60,605,577

See accompanying notes and independent auditor's report.

Fund Financial Statements

City of Isle of Palms, South Carolina
Balance Sheet
Governmental Funds
June 30, 2024

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Municipal Accom- modations Fee Fund</u>
Assets			
Cash and Cash Equivalents	\$ 7,557,472	\$ 14,597,267	\$ -
Cash and Cash Equivalents - Restricted	116,187	-	3,929,731
Taxes Receivable, Net	115,400	-	-
Accounts Receivable	1,595,141	97,546	578,695
Due From:			
Other Governments	355,853	-	-
Other Funds	159,605	1,071,492	-
Prepaid Expenses	165,403	-	-
Inventory	32,824	-	-
Total Assets	<u>\$ 10,097,885</u>	<u>\$ 15,766,305</u>	<u>\$ 4,508,426</u>
Liabilities			
Accounts Payable	\$ 25	\$ 45,467	\$ 46,287
Other Accrued Liabilities	313,805	-	-
Court Assessments/Victim's Rights Liabilities	106,024	-	-
Due To:			
Other Funds	1,405,956	-	-
Total Liabilities	<u>1,825,810</u>	<u>45,467</u>	<u>46,287</u>
Deferred Inflows of Resources			
Unavailable Revenue - Property Taxes	54,106	-	-
Unavailable Revenue - Grants	-	2,085,300	-
Total Deferred Inflows of Resources	<u>54,106</u>	<u>2,085,300</u>	<u>-</u>
Fund Balances			
Nonspendable:			
Inventory and Prepaid Items	198,227	-	-
Restricted:			
Victim Services	-	-	-
Narcotics Program	-	-	-
Debt Service	650,490	-	-
Tourism Related Expenditures	-	-	4,237,139
Beach Preservation	-	-	-
Beautification	235,605	-	-
Committed:			
Recovery Efforts on Future Disasters	3,406,130	-	-
Assigned:			
Drainage Improvements	-	2,872,482	-
Beach Maintenance	-	-	225,000
Recreation Center	-	-	-
Capital Projects	-	10,763,056	-
Unassigned	3,727,517	-	-
Total Fund Balances	<u>8,217,969</u>	<u>13,635,538</u>	<u>4,462,139</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 10,097,885</u>	<u>\$ 15,766,305</u>	<u>\$ 4,508,426</u>

See accompanying notes and independent auditor's report.

City of Isle of Palms, South Carolina
Balance Sheet
Governmental Funds
June 30, 2024

	State Accom- modations Tax Fund	Hospitality Tax Fund	Beach Preservation Fee Fund
Assets			
Cash and Cash Equivalents	\$ -	\$ -	\$ -
Cash and Cash Equivalents - Restricted	4,159,165	1,606,516	9,279,808
Taxes Receivable, Net	-	-	-
Accounts Receivable	1,214,482	185,803	431,097
Due From:			
Other Governments	-	-	-
Other Funds	-	258,921	-
Inventory	-	-	-
Total Assets	\$ 5,373,647	\$ 2,051,240	\$ 9,710,905
Liabilities			
Accounts Payable	\$ 396,465	\$ 4,989	\$ 109,429
Other Accrued Liabilities	-	-	-
Court Assessments/Victim's Rights Liabilities	-	-	-
Due To:			
Other Funds	84,172	-	-
Total Liabilities	480,637	4,989	109,429
Deferred Inflows of Resources			
Unavailable Revenue - Property Taxes	-	-	-
Unavailable Revenue - Grants	-	-	500,000
Total Deferred Inflows of Resources	-	-	500,000
Fund Balances			
Nonspendable:			
Inventory and Prepaid Items	-	-	-
Restricted:			
Victim Services	-	-	-
Debt Service	-	-	-
Tourism Related Expenditures	4,668,010	1,821,251	-
Beach Preservation	-	-	9,101,476
Beautification	-	-	-
Committed:			
Recovery Efforts on Future Disasters	-	-	-
Assigned:			
Drainage Improvements	-	-	-
Beach Maintenance	225,000	225,000	-
Recreation Center	-	-	-
Capital Projects	-	-	-
Unassigned	-	-	-
Total Fund Balances	4,893,010	2,046,251	9,101,476
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 5,373,647	\$ 2,051,240	\$ 9,710,905

City of Isle of Palms, South Carolina
Balance Sheet
Governmental Funds
June 30, 2024

	<u>Total Non-Major Funds</u>	<u>Total Governmental Funds</u>
Assets		
Cash and Cash Equivalents	\$ -	\$ 22,154,739
Cash and Cash Equivalents - Restricted	161,821	19,253,228
Taxes Receivable, Net	-	115,400
Accounts Receivable	-	4,102,764
Due From:		
Other Governments	-	355,853
Other Funds	1,860	1,491,878
Inventory	-	32,824
Total Assets	<u>\$ 163,681</u>	<u>\$ 47,506,686</u>
Liabilities		
Accounts Payable	\$ 540	\$ 603,202
Other Accrued Liabilities	-	313,805
Court Assessments/Victim's Rights Liabilities	-	106,024
Due To:		
Other Funds	1,750	1,491,878
Total Liabilities	<u>2,290</u>	<u>2,514,909</u>
Deferred Inflows of Resources		
Unavailable Revenue - Property Taxes	-	54,106
Unavailable Revenue - Grants	-	2,585,300
Total Deferred Inflows of Resources	<u>-</u>	<u>2,639,406</u>
Fund Balances		
Nonspendable:		
Inventory and prepaid items	-	198,227
Restricted:		
Victim Services	34,612	34,612
Debt Service	-	650,490
Tourism Related Expenditures	-	10,726,400
Beach Preservation	-	9,101,476
Beautification	-	235,605
Committed:		
Recovery Efforts on Future Disasters	-	3,406,130
Assigned:		
Drainage Improvements	-	2,872,482
Beach Maintenance	-	675,000
Recreation Center	126,779	126,779
Capital Projects	-	10,763,056
Unassigned	-	3,727,517
Total Fund Balances	<u>161,391</u>	<u>42,517,774</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 163,681</u>	<u>\$ 47,672,089</u>

City of Isle of Palms, South Carolina
Reconciliation of Governmental Fund Balances to
Net Position of Governmental Activities
June 30, 2024

Total Fund Balances - Governmental Funds	\$	42,517,774
<p>Amounts reported for the governmental activities in the Statement of Net Position are different because of the following:</p>		
<p>Property taxes that will be collected in the future but are not available soon enough to pay for the current period's expenditures are, therefore, deferred in the funds.</p>		54,106
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The cost of the assets was \$48,483,170 and the accumulated depreciation was \$23,471,949.</p>		25,011,221
<p>Right to use assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The cost of the assets and their respective amortization is as noted below:</p>		
Right to use assets	1,556,639	
Accumulated amortization	(314,800)	
Right to use assets - SBITA	1,050,277	
Accumulated amortization - SBITA	<u>(226,573)</u>	
		2,065,543
<p>The City's proportionate share of the net pension liability, deferred outflows of resources, and deferred inflows of resources related to its participation in the State pension plans are not recorded in the governmental funds but are recorded in the Statement of Net Position.</p>		(9,398,404)
<p>Accrued interest payable is recognized for governmental activities but was not due and payable in the current period and, therefore, is not reported as a liability in the governmental funds.</p>		(82,084)
<p>Long-term obligations (which includes debt and compensated absences) are not due or payable in the current period and, therefore, are not reported in the governmental funds.</p>		
GOB Debt		(4,859,000)
Subscription and Lease Liabilities		(1,832,965)
Compensated Absences		<u>(494,812)</u>
Total Net Position - Governmental Activities	\$	<u>52,981,379</u>

City of Isle of Palms, South Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2024

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Municipal Accom- modations Fee Fund</u>
Revenues			
Property Taxes	\$ 5,265,162	\$ -	\$ -
Local Option Sales Tax	1,213,304	-	-
Hospitality Taxes	-	-	-
Intergovernmental	351,559	-	2,338,066
Licenses and Permits	6,550,844	-	-
Fines and Forfeitures	393,609	-	-
Grant Revenue	26,833	141,064	-
Revenue from Use of Property	1,287,160	-	-
Interest	333,272	725,794	165,086
Other	392,171	-	-
Total Revenues	15,813,914	866,858	2,503,152
Expenditures			
Current:			
General Government	1,945,129	97,984	207,848
Public Safety	8,140,437	56,854	43,889
Building, Planning, and Engineering	574,837	2,618	-
Public Works	1,780,188	28,484	17,426
Recreation	1,244,695	27,719	-
Non-Departmental	105,173	-	177,881
Capital Outlay	-	2,074,597	408,484
Debt Service:			
Principal	714,932	-	136,778
Interest	151,625	-	24,835
Total Expenditures	14,657,016	2,288,256	1,017,141
Excess (Deficiency) of Revenues Over Expenditures	1,156,898	(1,421,398)	1,486,011
Other Financing Sources (Uses)			
Transfers In	1,562,311	2,116,340	-
Transfers Out	(2,448,944)	-	(829,433)
SBITA Liabilities Issued	147,122	-	113,276
Sale of Capital Assets	80,916	-	7,213
Total Other Financing Sources (Uses)	(658,595)	2,116,340	(708,944)
Net Changes In Fund Balances	498,303	694,942	777,067
Fund Balances, Beginning of Year	7,719,666	12,940,596	3,685,072
Fund Balances, End of Year	\$ 8,217,969	\$ 13,635,538	\$ 4,462,139

City of Isle of Palms, South Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2024

	<u>State Accom-</u> <u>modations Tax Fund</u>	<u>Hospitality Tax</u> <u>Fund</u>	<u>Beach Preservation</u> <u>Fee Fund</u>
Revenues			
Property Taxes	\$ -	\$ -	\$ -
Local Option Sales Tax	-	-	-
Hospitality Taxes	-	1,504,549	-
Intergovernmental	3,341,661	-	1,667,828
Licenses and Permits	-	-	-
Fines and Forfeitures	-	-	-
Grant Revenue	-	-	856,490
Revenue from Use of Property	-	-	-
Interest	269,127	87,478	486,294
Other	-	-	-
Total Revenues	<u>3,610,788</u>	<u>1,592,027</u>	<u>3,010,612</u>
Expenditures			
Current:			
General Government	1,095,699	-	2,236,909
Public Safety	11,718	44,675	-
Building, Planning, and Engineering	-	87	-
Public Works	2,799	327,032	-
Recreation	15,163	43,818	-
Non-Departmental	155,716	-	-
Capital Outlay	365,681	342,251	17,950
Debt Service:			
Principal	82,439	188,447	-
Interest	9,476	20,310	-
Total Expenditures	<u>1,738,691</u>	<u>966,620</u>	<u>2,254,859</u>
Excess (Deficiency) of			
Revenues Over Expenditures	<u>1,872,097</u>	<u>625,407</u>	<u>755,753</u>
Other Financing Sources (Uses)			
Transfers In	-	258,921	-
Transfers Out	(1,133,147)	(277,728)	-
SBITA Liabilities Issued	-	-	-
Sale of Capital Assets	-	-	-
Total Other Financing Sources (Uses)	<u>(1,133,147)</u>	<u>(18,807)</u>	<u>-</u>
Net Changes In Fund Balances	<u>738,950</u>	<u>606,600</u>	<u>755,753</u>
Fund Balances, Beginning of Year	<u>4,154,060</u>	<u>1,439,651</u>	<u>8,345,723</u>
Fund Balances, End of Year	<u>\$ 4,893,010</u>	<u>\$ 2,046,251</u>	<u>\$ 9,101,476</u>

City of Isle of Palms, South Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2024

	<u>Total Non-Major Funds</u>	<u>Total Governmental Funds</u>
Revenues		
Property Taxes	\$ -	\$ 5,265,162
Local Option Sales Tax	-	1,213,304
Hospitality Taxes	-	1,504,549
Intergovernmental	-	7,699,114
Licenses and Permits	-	6,550,844
Fines and Forfeitures	15,063	408,672
Grant Revenue	-	1,024,387
Revenue from Use of Property	-	1,287,160
Interest	6,142	2,073,193
Other	16,946	409,117
	<u>38,151</u>	<u>27,435,502</u>
Total Revenues		
Expenditures		
Current:		
General Government	-	5,583,569
Public Safety	10,886	8,308,459
Building, Planning, and Engineering	-	577,542
Public Works	-	2,155,929
Recreation	12,551	1,343,946
Non-Departmental	-	438,770
Capital Outlay	-	3,208,963
Debt Service:		
Principal	-	1,122,596
Interest	-	206,246
	<u>23,437</u>	<u>22,946,020</u>
Total Expenditures		
Excess (Deficiency) of		
Revenues Over Expenditures	<u>14,714</u>	<u>4,489,482</u>
Other Financing Sources (Uses)		
Transfers In	3,000	3,940,572
Transfers Out	(4,750)	(4,694,002)
SBITA Liabilities Issued	-	260,398
Sale of Capital Assets	-	88,129
	<u>(1,750)</u>	<u>(404,903)</u>
Total Other Financing Sources (Uses)		
Net Changes In Fund Balances	<u>12,964</u>	<u>4,084,579</u>
Fund Balances, Beginning of Year	<u>148,427</u>	<u>38,433,195</u>
Fund Balances, End of Year	<u>\$ 161,391</u>	<u>\$ 42,517,774</u>

City of Isle of Palms, South Carolina
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of the
Governmental Funds to the Statement of Activities
Year Ended June 30, 2024

Total Net Change In Fund Balances - Governmental Funds	\$	4,084,579
<p>Amounts reported for the governmental activities in the Statement of Activities are different because of the following:</p>		
Property taxes that will be collected in the future, but are not available soon enough to pay for the current period's expenditures are, therefore, deferred in the funds.		(40,118)
Bond principal and lease liability payments are expenditures in the governmental funds, but the repayment reduces long-term obligations in the Statement of Net Position.		1,122,596
The issuance of long-term debt provides current financial resources to the governmental funds, but issuing debt increases long-term obligations in the Statement of Net Position.		(260,398)
Interest on long-term obligations in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due and payable and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due and payable. This adjustment relates to the change in accrued interest from the prior year.		(514)
Governmental funds report the City's pension contributions as expenditures, however in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense. This is the amount by which costs of benefits earned (\$1,406,013) exceed employee contributions (\$1,347,017).		(58,996)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		(66,917)
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets that are considered capital asset additions is allocated over their estimated useful lives as depreciation expense.		
Capitalized capital outlay in the current period	3,208,963	
Depreciation expense in the current period	(2,511,190)	
		697,773
In the Statement of Activities, the cost of right to use assets are considered intangible asset additions and are allocated over the lease term or the estimated useful lives of the lease asset as amortization expense.		
Right to use leased asset capital outlay expenditures - SBITA	286,938	
Amortization expense in the current period	(108,175)	
Amortization expense in the current period - SBITA	(153,636)	
		25,127
Total Change In Net Position - Governmental Activities	\$	5,503,132

City of Isle of Palms, South Carolina
Statement of Net Position
Proprietary Fund
June 30, 2024

	<u>Marina</u> <u>Enterprise Fund</u>
Assets	
Current Assets	
Cash and Cash Equivalents	\$ 3,161,161
Current Leases Receivable	194,149
Interest Receivable	<u>17,672</u>
Total Current Assets	3,372,982
Noncurrent Assets	
Capital Assets:	
Land	3,035,786
Construction in Progress	886,413
Land Improvements	3,265,722
Building and Improvements	820,322
Docks	3,993,825
Equipment	626,794
Less: Accumulated Depreciation	<u>(3,140,767)</u>
Total Capital Assets, Net	9,488,095
Long-term Leases Receivable	<u>6,330,747</u>
Total Noncurrent Assets	<u>15,818,842</u>
Total Assets	<u>19,191,824</u>
Liabilities	
Current Liabilities	
Accounts Payable	280,800
Accrued Interest	17,464
Security Deposits	5,500
Bond Payable, Current Portion	<u>264,000</u>
Total Current Liabilities	567,764
Noncurrent Liabilities	
Bond Payable, Net of Current Portion	<u>2,970,000</u>
Total Liabilities	<u>3,537,764</u>
Deferred Inflows of Resources	
Unearned Grant Revenue	1,901,943
Deferred Inflows Related to Leases	<u>6,127,919</u>
Total Deferred Inflows of Resources	<u>8,029,862</u>
Net Position	
Net Investment in Capital Assets	6,254,095
Unrestricted	<u>1,370,103</u>
Total Net Position	<u>\$ 7,624,198</u>

See accompanying notes and independent auditor's report.

City of Isle of Palms, South Carolina
Statement of Revenues, Expenditures, and
Changes in Net Position – Proprietary Fund
Year Ended June 30, 2024

	<u>Marina</u> <u>Enterprise Fund</u>
Operating Revenues	
Lease Income	\$ 297,712
Variable Lease Income	<u>153,838</u>
Total Operating Revenues	451,550
Operating Expenses	
Depreciation	325,797
Insurance	228,291
Professional Services	29,493
Utilities	1,479
Maintenance and Service Contracts	9,451
Miscellaneous	<u>6,594</u>
Total Operating Expense	<u>601,105</u>
Operating Loss	(149,555)
Non-Operating Revenues (Expenses)	
Interest Income	312,796
Grant Revenue	683,357
Interest Expense	<u>(74,034)</u>
Total Non-Operating Revenues	<u>922,119</u>
Loss Before Transfers	772,564
Transfers In	<u>753,430</u>
Change In Net Position	<u>1,525,994</u>
Net Position, Beginning of Year	<u>6,098,204</u>
Net Position, End of Year	<u><u>\$ 7,624,198</u></u>

City of Isle of Palms, South Carolina
Statement of Cash Flows
Proprietary Fund
Year Ended June 30, 2024

	<u>Marina</u> <u>Enterprise Fund</u>
Cash Flows From Operating Activities	
Cash Received from Customers	\$ 1,135,389
Cash Received from Grantors	401,943
Cash Paid to Miscellaneous Sources	(119,511)
Cash Payments to Suppliers for Goods and Services	<u>5,492</u>
Net Cash Provided By Operating Activities	1,423,313
Cash Flows From Non-Capital Financing Activities	
Transfer from Other Funds	<u>753,430</u>
Net Cash Provided By Non-Capital Financing Activities	753,430
Cash Flows From Capital and Related Financing Activities	
Principal Paid on Bonds	(258,000)
Interest Paid on Bonds	<u>(75,427)</u>
Net Cash Used In Capital and Related Financing Activities	(333,427)
Cash Flows From Investing Activities	
Purchases of Capital Assets	(807,268)
Investment Earnings	<u>312,796</u>
Net Cash Used In Investing Activities	<u>(494,472)</u>
Net Increase In Cash and Cash Equivalents	<u>1,348,844</u>
Cash and Cash Equivalents, Beginning of Year	<u>1,812,317</u>
Cash and Cash Equivalents, End of Year	<u>\$ 3,161,161</u>
Reconciliation of Operating Loss to Net Cash from Operating Activities:	
Operating Loss	\$ (149,555)
Adjustments to Reconcile Operating Loss to Net Cash from Operating Activities:	
Depreciation Expense	325,797
Change in:	
Leases Receivables	178,684
Accounts Payable	280,800
Unearned Grant Revenue	1,085,300
Deferred Inflows Related to Leases	<u>(297,713)</u>
Net Cash Provided By Operating Activities	<u>\$ 1,423,313</u>

City of Isle of Palms, South Carolina
Statement of Assets and Liabilities
Fiduciary Fund – Agency Fund
June 30, 2024

	Volunteer Fire Department
Assets	
Cash and Cash Equivalents	\$ 36,720
Total Assets	\$ 36,720
 Liabilities	
Accounts Payable	\$ 979
Due to Volunteer Fire Department	35,741
Total Liabilities	\$ 36,720

City of Isle of Palms, South Carolina Notes to the Financial Statements

The City of Isle of Palms, South Carolina (the City) encompasses an area of approximately 4.5 square miles. Incorporated in 1953, the City has grown into a recreational center for the coastal area of South Carolina. It serves over 4,100 full-time City residents and hundreds of thousands of tourists annually. The City operates under a Council form of government. The mayor and eight members of council (the Council) establish policy for the City. Administrative functions are directed by the City Administrator.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The Reporting Entity

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

As required by GAAP, the financial statements must present the City's financial information with any of its component units. The primary criterion for determining inclusion or exclusion of a legally separate entity (component unit) is financial accountability, which is presumed to exist if the City both appoints a voting majority of the entity's governing body, and either 1) the City is able to impose its will on the entity or, 2) there is a potential for the entity to provide specific financial benefits to, or impose specific financial burdens on the City. If either or both of the foregoing conditions are not met, the entity could still be considered a component unit if it is fiscally dependent on the City and there is a potential that the entity could either provide specific financial benefits to, or to impose specific financial burdens on the City.

In order to be considered fiscally independent, an entity must have the authority to do all of the following: (a) determine its budget without the City having the authority to approve or modify that budget; (b) levy taxes or set rates or charges without approval by the City; and (c) issue bonded debt without approval by the City.

An entity has a financial benefit or burden relationship with the City if, for example, any one of the following conditions exists: (a) the City is legally entitled to or can otherwise access the entity's resources, (b) the City is legally obligated or has otherwise assumed the obligation to finance the deficits or, provide financial support to, the entity, or (c) the City is obligated in some manner for the debt of the entity. Finally, an entity could be a component unit even if it met all the conditions described above if excluding it would cause the City's financial statements to be misleading.

Blended component units, although legally separate entities, are in substance, part of the government's operations and data from these units are combined with data of the primary government in the fund financial statements. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the City. Based on the criteria above, the City does not have any component units.

Major Operations

The City's major operations include general government, public safety (police and fire protection), building, planning and engineering, public works, recreation, and a marina.

City of Isle of Palms, South Carolina Notes to the Financial Statements

B. Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the City (the Primary Government). 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. *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*. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the City.

The **government-wide financial statements** are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the Proprietary Fund and Fiduciary Fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Non-exchange transactions, in which the City gives or receives value without directly receiving or giving equal value in exchange, includes property taxes, grants, and donations. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

The government-wide financial statements are prepared using a different measurement focus from the manner in which governmental fund financial statements are prepared (see further detail below). Governmental fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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. Property taxes, intergovernmental revenues, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be measurable and susceptible to accrual and so have been recognized as revenues of the current fiscal period. For this purpose, the government considers property taxes to be available if they are collected within sixty (60) days of the end of the current fiscal period. A 60-day availability period is used for revenue recognition for all other governmental fund revenue with the exception of certain expenditure driven grants for which a one-year availability period is generally used. 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 judgments, are recorded only when payments are due and payable. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

City of Isle of Palms, South Carolina Notes to the Financial Statements

Fund financial statements report detailed information about the City. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

When both restricted and unrestricted resources are available for use, it is the City's practice to use restricted resources first, then unrestricted resources as they are needed.

The accounts of the government are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used as an aid to management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. The following major and non-major funds and fund types are used by the City.

Governmental fund types are those through which most governmental functions of the City are financed. The City's expendable financial resources and related assets and liabilities (except for those accounted for in Proprietary and Fiduciary Funds) are accounted for through governmental funds. Governmental funds are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. The City's governmental fund types and major and non-major funds are as follows:

The **General Fund, a major fund** and a budgeted fund, is the general operating fund of the City and accounts for all revenues and expenditures of the City except those required to be accounted for in other funds. All general tax revenues and other receipts that (a) are not allocated by law or contractual agreement to other funds or (b) that have not been restricted, committed, or assigned to other funds are accounted for in the General Fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund.

Special revenue funds are used to account for and report the proceeds of specific revenue sources (that are expected to continue to comprise a substantial portion of the inflows of the fund) that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The City has the following special revenue funds:

- i) The **Capital Projects Fund, a major fund** and a budgeted fund, is used to account for financial resources expended for the acquisition or construction of major capital facilities (other than those financed by the Proprietary Fund or Special Revenue Funds). These funds are also used to carry on specified ongoing major improvement projects or major equipment acquisitions usually spanning more than one fiscal year.
- ii) The **Municipal Accommodations Fee Fund, a major fund** and a budgeted fund, is used to account for the accumulation of resources from the fee imposed on the rental of some accommodations within the City and the allocation of Charleston County Accommodations Fees received. These funds are restricted and thus can only be spent for tourism related expenditures.
- iii) The **State Accommodations Tax Fund, a major fund** and a budgeted fund, is used to account for the accumulation of resources from the accommodations taxes levied by the State of South Carolina and remitted to the City. These funds are restricted and thus can only be spent for advertising, promotion, and tourism related expenditures.
- iv) The **Hospitality Tax Fund, a major fund** and a budgeted fund, is used to account for and report the financial resources received and disbursed related to the City's 2% fee imposed on prepared food and beverage sales within the City. These funds are restricted and thus can only be spent for tourism related expenditures.

City of Isle of Palms, South Carolina
Notes to the Financial Statements

- v) The **Beach Preservation Fee Fund, a major fund** and a budgeted fund, is used to account for the accumulation of resources from a 1% accommodations fee imposed on rental property effective January 1, 2015. These funds are restricted and can be used only to support beach restoration, preservation and maintenance, as well as maintenance of public beach access.
- vi) The **Special Revenue Funds, non-major funds**, are used to account for the specific revenue sources (other than major capital projects) that are restricted by donor, law, or administrative actions to expenditures for specified purposes. Most of these funds have a legally adopted budget and any remaining fund balance is generally restricted for the purpose of the specific revenue source. The City has the following non-major special revenue funds:

Victim Assistance

Recreation Building

Proprietary Fund Types are accounted for based on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Proprietary funds are made up of two classes: enterprise funds and internal service funds. The City does not have any internal service funds and has one enterprise fund.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of enterprise funds are primarily charges for services and fees. Operating expenses for enterprise funds include the expense for providing goods and services, administrative expenses, maintenance, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating items. Proprietary Fund types include the following funds:

Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises — where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The City has one major Enterprise Fund:

The **Marina Enterprise Fund**, a budgeted fund, is used to account for the City's marina operations.

Fiduciary Fund Types include the **Agency Fund**. This fund is used to account for assets held by the City on behalf of individuals, other governments, and/or other funds. The City of Isle of Palms Volunteer Fire Department is accounted for as an Agency Fund. The Agency Fund is custodial in nature and does not present results of operations.

City of Isle of Palms, South Carolina
Notes to the Financial Statements

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity

1. Cash, Cash Equivalents, and Investments

Cash and Cash Equivalents

The City considers all highly liquid investments (including restricted assets) with original maturities of three months or less when purchased and investments in the South Carolina Local Government Investment Pool to be cash equivalents. Securities with original maturities of more than three months when initially purchased are reported as investments.

Investments

The City's investment policy is designed to operate within existing statutes (which are identical for all funds, fund types, and component units within the State of South Carolina) that authorize the City to invest in the following:

- (a) Obligations of the United States and its agencies, the principal and interest of which is fully guaranteed by the United States.
- (b) Obligations issued by the Federal Financing Bank, Federal Farm Credit Bank, the Bank of Cooperatives, the Federal Intermediate Credit Bank, the Federal Land Banks, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Housing Administration, and the Farmers Home Administration, if, at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations.
- (c) (i) General obligations of the State of South Carolina or any of its political units; or (ii) revenue obligations of the State of South Carolina or its political units, if at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations.
- (d) Savings and Loan Associations to the extent that the same are insured by an agency of the federal government.
- (e) Certificates of Deposit (CD's) where the certificates are collaterally secured by securities of the type described in (a) and (b) above held by a third party as escrow agent or custodian, of a market value not less than the amount of the Certificates of Deposit so secured, including interest; provided, however, such collateral shall not be required to the extent the same are insured by an agency of the federal government.
- (f) Repurchase agreements when collateralized by securities as set forth in this section.
- (g) No load open-end or closed-end management type investment companies or investment trusts registered under the Investment Company Act of 1940, as amended, where the investment is made by a bank or trust company or savings and loan association or other financial institution when acting as trustee or agent for a bond or other debt issue of that local government unit, political subdivision, or county treasurer if the particular portfolio of the investment company or investment trust in which the investment is made (i) is limited to obligations described in items (a), (b), (c), and (f) of this subsection, and (ii) has among its objectives the attempt to maintain a constant net asset value of one dollar a share and to that end, value its assets by the amortized cost method.

City of Isle of Palms, South Carolina Notes to the Financial Statements

The City's cash investment objectives are preservation of capital, liquidity and yield. The City reports its cash and investments at fair market value which is normally determined by quoted market prices. The City currently or in recent past years has generally used the following investments:

- South Carolina Local Government Investment Pool (the Pool) investments are invested with the South Carolina State Treasurer's Office, which established the South Carolina Pool pursuant to Section 6-6-10 of the South Carolina Code. The Pool is an investment trust fund, in which public monies in excess of current needs, which are under the custody of any city treasurer or any governing body of a political subdivision of the State, may be deposited. The Pool is a 2a 7-like pool which is not registered with the Securities and Exchange Commission (SEC) as an investment company, but has a policy that it will operate in a manner consistent with the SEC's Rule 2a 7 of the Investment Company Act of 1940. In accordance with GASB Statement No. 31, *"Accounting and Financial Reporting for Certain Investments and for External Investment Pools,"* investments are carried at fair value determined annually based upon quoted market prices. The total fair value of the Pool is apportioned to the entities with funds invested on an equal basis for each share owned, which are acquired at a cost of \$1.00. Financial statements for the Pool may be obtained by writing the Office of the State Treasurer, Local Government Investment Pool, P.O. Box 11778, Columbia, SC 29211-1960.

2. Receivables and Payables

During the course of its operations, the City has numerous transactions occurring between funds. These transactions include expenditures and transfers of resources to provide services, construct assets, and service debt. The accompanying financial statements generally reflect such transactions as transfers. To the extent that certain transactions between funds had not been paid or received as of year-end, balances of interfund receivables or payables have been recorded.

The City's lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the City may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received.

A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

All trade and property taxes receivable are shown net of an allowance for uncollectibles.

3. Inventories and Prepaids

Prepaid items and inventories in the governmental funds are reported under the consumption method as they are recorded as an expenditure at the time individual inventory items are consumed. Inventories are valued at cost (first-in, first-out). Inventories in the General Fund are offset by a fund balance constraint (nonspendable) to reflect that portion of fund balance does not represent available expendable resources.

City of Isle of Palms, South Carolina
Notes to the Financial Statements

4. Capital Assets

General capital assets are those assets not specifically related to activities reported in the Proprietary Fund. These capital assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Position, but are not reported in the fund financial statements. Capital assets utilized by the Proprietary Fund are reported both in the business-type activities column of the government-wide Statement of Net Position and in the respective fund financial statements.

All capital assets are valued at historical cost or estimated historical cost, if actual historical cost is not available. Donated capital assets are valued at their estimated fair market value on the date donated. As allowed by GAAP, the City has elected to prospectively report public domain (infrastructure) general capital assets. Therefore, infrastructure capital assets acquired prior to July 1, 2000 have not been recorded. Public domain capital assets consist of roads, bridges, curbs and gutters, streets, and sidewalks, drainage systems, lighting systems and similar assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The City maintains a minimum capitalization threshold of \$5,000 and capital assets of the City are depreciated using the straight-line method over the following estimated useful lives:

Description	Governmental and Business- Type Activities
Buildings and Improvements	5-40 years
Docks	5-20 years
Land Improvements	3-40 years
Vehicles and Vehicle Equipment	3-15 years
Equipment	4-20 years
Furniture and Fixtures	10-20 years

5. Right to Use Assets

The City has recorded right to use lease assets as a result of implementing GASB 87 and 96. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payment made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the longer of, the life of the related lease or the life of the underlying asset.

6. Compensated Absences

The City's general leave policy allows the accumulation of unused vacation leave up to a maximum of thirty (30) days and unused sick leave up to a maximum of ninety (90) days. Employees terminating or retiring are paid for accumulated vacation leave based on their hourly rate of pay earned at the time of separation or retirement. Sick leave can only be used while employed with the City and will not be paid out at termination or retirement.

City of Isle of Palms, South Carolina

Notes to the Financial Statements

The City reports compensated absences in accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences." The entire compensated absence liability and expense is reported in the government-wide financial statements. No portion of the liability is applicable to the Proprietary Fund as the City has no employees working in the marina operations. The governmental funds will also recognize compensated absences for terminations and retirements (matured liabilities) that occurred prior to year-end that are expected to be paid within a short time subsequent to year end, if they are material.

7. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and other long-term obligations are reported in the government-wide financial statements. The portion applicable to the Proprietary Fund is also recorded in the Proprietary Fund financial statements. All current payables and accrued liabilities from governmental funds are reported in the governmental fund financial statements.

In the government-wide financial statements for the Primary Government, long-term debt and other long-term obligations are reported as liabilities on the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums or discount. Bond issuance costs are expensed in the period incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

8. Deferred Outflows and Inflows of Resources

As defined by GASB Concept Statement No. 4 "Elements of Financial Statements," deferred outflows of resources and deferred inflows of resources are the consumption of net assets by the government that are applicable to a future reporting period and an acquisition of net assets by the government that are applicable to a future reporting period, respectively.

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 a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City currently has one type of deferred outflows of resources. The City reports *deferred outflows related to pensions* in its 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 outflows related to pensions* are either (a) recognized in the subsequent period as a reduction of the net pension liability (which includes pension contributions made after the measurement date) or (b) amortized in a systematic and rational method as pension expense in future periods in accordance with GAAP.

City of Isle of Palms, South Carolina Notes to the Financial Statements

In addition to liabilities, the Statement of Net Position and the Balance Sheet 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 (revenue) until that time. The City currently has three types of deferred inflows of resources: (1) The City reports *unavailable revenue – property taxes* only in the governmental funds Balance Sheet; it is deferred and recognized as an inflow of resources (property tax revenues) in the period the amounts become available. (2) The City reports *deferred inflows related to pensions* in its Statement of Net Position in connection with its participation in the South Carolina Retirement System and South Carolina Police Officers Retirement System. These *deferred inflows related to pensions* are amortized in a systematic and rational method and recognized as a reduction of pension expense in future periods in accordance with GAAP. (3) The City reports *unearned revenue* in its Statement of Net Position related to revenues collected but not earned in the related period.

9. Fund Balance

In accordance with GAAP, the City classifies its governmental fund balances as follows:

Nonspendable – includes amounts that inherently cannot be spent either because it is not in spendable form (i.e. prepaids, inventories, etc.) or because of legal or contractual requirements (i.e. principal on an endowment, etc.).

Restricted – includes amounts that are constrained by specific purposes which are externally imposed by (a) other governments through laws and regulations, (b) grantors or contributions through agreements, (c) creditors through debt covenants or other contracts, or (d) imposed by law through constitutional provisions or enabling legislation.

Committed – includes amounts that are constrained for specific purposes that are internally imposed by the government through formal action made by the highest level of decision making authority (City Council) before the end of the reporting period. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. Committed amounts for the City consist of amounts passed and approved by resolution by City Council (Council).

Assigned – includes amounts that are intended to be used for specific purposes that are neither considered restricted or committed and that such assignments are made before the report issuance date. The City reserves the right to assign fund balance by a simple majority vote of Council. Council, by an approved resolution in its June 26, 2012 meeting, also formally granted the Mayor and City Administrator the right to assign fund balance (when deemed appropriate).

Unassigned – includes amounts that do not qualify to be accounted for and reported in any of the other fund balance categories. This classification represents the amount of fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts of restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

City of Isle of Palms, South Carolina Notes to the Financial Statements

The City generally uses restricted amounts first when both restricted and unrestricted (committed, assigned, and unassigned) fund balance is available unless there are legal documents, contracts, or agreements that prohibit doing such. Additionally, the City generally would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

10. Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net position is classified as net investment in capital assets, restricted, and unrestricted. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Outstanding debt, which has not been spent, is included in the same net position component as the unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments.

11. Pensions

In government-wide financial statements, pensions are required to be recognized and disclosed using the accrual basis of accounting (see Note IV.C and the required supplementary information immediately following the notes to the financial statements for more information), regardless of the amount recognized as pension expenditures on the modified accrual basis of accounting. The City recognizes a net pension liability for each qualified pension plan in which it participates, which represents the excess of the total pension liability over the fiduciary net position of the qualified pension plan, or the City's proportionate share thereof in the case of a cost-sharing multiple-employer plan, measured as of the City's fiscal year-end. Changes in the net pension liability during the period are recorded as pension expense, or as deferred outflows or inflows of resources depending on the nature of the change, in the period incurred. Those changes in net pension liability that are recorded as deferred outflows or inflows of resources that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience are amortized over the weighted average remaining service life of all participants in the respective qualified pension plan and recorded as a component of pension expense beginning with the period in which they are incurred. Projected earnings on qualified pension plan investments are recognized as a component of pension expense. Differences between projected and actual investment earnings are reported as deferred outflows or inflows of resources and amortized as a component of pension expense on a closed basis over a five-year period beginning with the period in which the difference occurred.

12. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for expenditures are recorded to reflect the use of the applicable spending appropriations, is used by the City during the year to control expenditures. Encumbrances do not constitute expenditures or liabilities. Encumbrances and unused expenditure appropriations lapse at year end.

City of Isle of Palms, South Carolina
Notes to the Financial Statements

D. Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of these balances as of the date of the financial statements. In addition, they affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates and assumptions.

E. Announcement of Accounting Pronouncement

In June 2022, the GASB issued GASB Statement 101, Compensated Absences (GASB 101). GASB 101 requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means. The City will adopt this pronouncement for the period beginning July 1, 2024.

During April 2024, the GASB issued Statement No. 103, Financial Reporting Model Improvements. Statement No. 103 includes improvements to the financial reporting model, including enhancements to Management's Discussion and Analysis (MD&A), the categorization of unusual or infrequent items, definitions of operating and nonoperating activities, and the presentation of proprietary fund statements. It also updates requirements for statistical sections, major component units, and budgetary comparisons.

This Statement is effective for fiscal years beginning after June 15, 2025. The City plans to adopt GASB Statement No. 103 for the period beginning July 1, 2025, as required. Management is currently evaluating the impact of these changes on the City's financial reporting and disclosures.

F. Comparative Data

Comparative data (i.e. presentation of prior year totals by fund type) has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

G. Subsequent Events

Subsequent events are events or transactions that occur after the Statement of Net Position date but before the financial statements are available to be issued. The City recognized in the financial statements the effect of all subsequent events that provide additional evidence about conditions that existed at the date of the Statement of Net Position, including estimates inherent in the process of preparing the financial statements. The City's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the Statement of Net Position but arose after the Statement of Net Position and before the financial statements were available to be issued.

Management has evaluated subsequent events through the date of the audit report, which is the date the financial statements were available to be issued. Based upon this evaluation, there were no material adjustments to these financial statements.

City of Isle of Palms, South Carolina
Notes to the Financial Statements

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Budgets are adopted on a GAAP basis. During the months of February through May, the City's Administration, with other departments' input, develops a preliminary budget model for operational and capital expenditures, and develops revenue projections as a proposed means of financing the proposed expenditures. The City Treasurer and the City Administrator refine the budget model, develop objectives and update trends related to service efforts and accomplishments during the month of April. During May, the proposed budget is presented by the City Administrator to City Council. The budget includes proposed expenditures and the means for financing them.

Public meetings are conducted to obtain taxpayer comments. A target date in June is set for legal enactment of the budget through passage of an ordinance. The ordinance sets the limit at the fund level, for which expenditures may not exceed appropriations. After two readings of the budget, the City Council legally adopts the budget through the passage of the ordinance. After the City completes the formal budget process, the City prepares and issues the budget report.

Budget accountability rests primarily with the operating departments of the City. In accomplishing the programs and objectives for which the budget was authorized, department directors are responsible for ensuring that their respective expenditures do not exceed the prescribed funding levels.

For each assigned account, the department is obligated to stay within budget by each major expenditure category of personnel, operating, and capital. The City Administrator has the authority to transfer funds within departments and across departmental accounts. All unused expenditure appropriations lapse at year-end.

During the fiscal year, there were no amendments to the original adopted budget.

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES

A. Deposits and Investments

Deposits

Custodial Credit Risk for Deposits: Custodial credit risk for deposits is the risk that, in the event of a bank failure, the City's deposits might not be recovered. The City does not have a deposit 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 City's bank balances were exposed to custodial credit risk.

City of Isle of Palms, South Carolina
Notes to the Financial Statements

Investments

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

Investment Type	Fair Value	Credit Rating	Weighted Average Maturity (In Years)
South Carolina Local Government Investment Pool	\$ 43,590,653	Unrated	^

^ Investments in 2a-7 like funds are not required to disclose interest rate risk.

Interest Rate Risk: The City does not have a formal policy limiting investment maturities that would help manage its exposure to fair value losses from increasing interest rates, but they do follow the investment policy statutes of the State of South Carolina.

The City does not typically buy security investments and thus has not developed a policy for credit risk, custodial credit risk, or concentration of credit risk for these types of investments.

Certain cash, cash equivalents, and investments of the City are legally restricted for specified purposes. The major types of restrictions at June 30, 2024 were those imposed by the revenue source (i.e. hospitality tax, accommodation taxes, grants, etc.).

The following table reconciles the amounts reported as deposits and investments in the notes to the financial statements to cash and cash equivalents and investments reported in the financial statements:

Statement of Net Position	Amount
Cash and Cash Equivalents	\$ 25,315,900
Cash and Cash Equivalents - Restricted	19,253,228
Statement of Assets and Liabilities - Fiduciary Funds - Agency Fund	
Cash and Cash Equivalents	36,720
Total Cash and Investments per Financial Statements	<u>\$ 44,605,848</u>
Notes	Amount
Carrying Value of Deposits	\$ 1,015,195
Investments	43,590,653
Total Deposits and Investments per Notes to the Financial Statements	<u>\$ 44,605,848</u>

City of Isle of Palms, South Carolina
Notes to the Financial Statements

B. Receivables and Unavailable/Unearned Revenue

Property Taxes and Other Receivables

The City's 2023 property taxes were levied on September 30, 2023 and were due beginning on this date based on the assessed valuation on real and personal property (including vehicles) of approximately \$303,079,000 for tax year 2023. Property taxes were considered late on January 15, 2024. Motor vehicle property tax is levied and collected on a portion of taxable vehicles monthly. Penalties and charges are assessed if taxes are not paid by the following dates:

January 18 through February 1 - 3% penalty for tax due
 February 2 through March 16 - 10% penalty for tax due
 March 17 - Lien Date - 15% penalty for tax due plus \$15 for a delinquent execution charge
 Unpaid Taxes After One Year - Property is sold by the County Tax Collector at the annual tax sale held the first Monday in November each year.

Assessed values are established by the Charleston County Tax Assessor and the South Carolina Tax Commission. The City's total tax rate for the 2023 property tax year was 22.3 mills. City property taxes are billed and collected by Charleston County under a joint billing and collection agreement.

Amounts received by Charleston County, but not yet remitted to the City at year end, are included as Taxes Receivable on the governmental fund balance sheet and on the government-wide Statement of Net Position.

Local option sales taxes, collected by the State of South Carolina, but not yet remitted to the City at year end, are included as due from other governments on the governmental fund balance sheet and on the government-wide Statement of Net Position.

The City's taxes receivable, other receivables, and due from other governments consist of the following as of June 30, 2024:

Description	General Fund	Capital Projects Fund	Accommodations		Beach Preservation Fee Fund	Hospitality Tax Fund	Marina Enterprise Fund	Totals
			Municipal Fee Fund	State Tax Fund				
Property Taxes	\$ 119,713	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 119,713
Allowance for Uncollectible	(4,313)	-	-	-	-	-	-	(4,313)
Local Option Sales Tax	355,853	-	-	-	-	-	-	355,853
Accommodations Taxes	69,743	-	578,695	1,214,482	431,097	-	-	2,294,017
Hospitality Taxes	-	-	-	-	-	185,803	-	185,803
Franchise Fees	62,262	-	-	-	-	-	-	62,262
State Aid to Subdivisions	28,079	-	-	-	-	-	-	28,079
Other	1,435,057	97,546	-	-	-	-	-	1,532,603
Net Receivables	<u>\$ 2,066,394</u>	<u>\$ 97,546</u>	<u>\$ 578,695</u>	<u>\$ 1,214,482</u>	<u>\$ 431,097</u>	<u>\$ 185,803</u>	<u>\$ -</u>	<u>\$ 4,574,017</u>

Receivables of the Marina Enterprise Fund consist of amounts due from the Marina's tenants. There is no allowance for uncollectible amounts other than for property taxes.

City of Isle of Palms, South Carolina
Notes to the Financial Statements

Unavailable/Unearned Revenue

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds and Enterprise funds also defer revenue recognition in connection with resources that have been received, but not yet earned (unearned revenue).

At June 30, 2024, the components of unavailable revenue (deferred inflows of resources) and unearned revenue (liability) were as follows:

Description	Fund	Unavailable	Unearned	Total
Property Taxes	General	\$ 54,106	\$ -	\$ 54,106
Grants	Capital Projects	-	2,085,300	2,085,300
Grants	Beach Preservation Fee	-	500,000	500,000
Total Unavailable/Unearned Revenue		<u>\$ 54,106</u>	<u>\$ 2,585,300</u>	<u>\$ 2,639,406</u>

C. Interfund Receivables, Payables, and Transfers

Interfund Receivables and Payables

Interfund balances at June 30, 2024, consisted of the following individual fund receivables and payables:

Fund	Receivables	Payables
Governmental Funds:		
General Fund	\$ 159,605	\$ (1,405,956)
Capital Projects Fund	1,071,492	-
State Accommodations Tax Fund	-	(84,172)
Hopitality Tax Fund	258,921	-
Non-major Funds	<u>1,860</u>	<u>(1,750)</u>
	<u>\$ 1,491,878</u>	<u>\$ (1,491,878)</u>

The General Fund payable and the Capital Projects fund receivable relate to the year-end transfer from the General Fund for future Capital Projects. All interfund balances are expected to be paid back within one year.

City of Isle of Palms, South Carolina
Notes to the Financial Statements

Interfund Transfers

Transfers between funds for the year ended June 30, 2024, consisted of the following:

Fund	Transfer In	Transfer Out
Governmental Funds:		
General Fund	\$ 1,562,311	\$ (2,448,944)
Capital Projects Fund	2,116,340	-
Municipal Accommodations Fee Fund	-	(829,433)
State Accommodations Tax Fund	-	(1,133,147)
Hospitality Tax Fund	258,921	(277,728)
Non-major Funds	3,000	(4,750)
Proprietary Fund:		
Marina Enterprise Fund	753,430	-
Totals	<u>\$ 4,694,002</u>	<u>\$ (4,694,002)</u>

Transfers made out of the General Fund were primarily to fund future capital projects. Transfers made out of the Municipal Accommodations Fee Fund were mainly to offset Public Safety and Public Works costs in the General Fund. Transfers made out of the Hospitality Tax Fund were to offset Public Safety costs in the General Fund. Transfers from the State Accommodations Tax Fund were primarily for marina debt service and Public Safety costs.

City of Isle of Palms, South Carolina
Notes to the Financial Statements

D. Capital Assets

Capital asset activity for the City's governmental activities for the year ended June 30, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital Assets, Non-Depreciable:					
Land	\$ 4,272,896	\$ -	\$ -	\$ -	\$ 4,272,896
Construction in Progress	2,017,064	183,303	-	(1,856,239)	344,128
Total Capital Assets, Non-Depreciable	6,289,960	183,303	-	(1,856,239)	4,617,024
Capital Assets, Depreciable:					
Land Improvements	8,229,647	1,871,328	-	1,856,239	11,957,214
Buildings and Improvements	22,379,285	-	-	-	22,379,285
Vehicles and Vehicle Equipment	5,704,420	582,828	(389,282)	-	5,897,966
Equipment	2,982,508	445,608	(2,186)	-	3,425,930
Furniture and Fixtures	79,855	125,896	-	-	205,751
Total Capital Assets, Depreciable	39,375,715	3,025,660	(391,468)	1,856,239	43,866,146
Total Capital Assets	45,665,675	3,208,963	(391,468)	-	48,483,170
Less: Accumulated Depreciation for:					
Land Improvements	(4,292,950)	(732,960)	-	-	(5,025,910)
Buildings and Improvements	(10,804,129)	(924,429)	-	-	(11,728,558)
Vehicles and Vehicle Equipment	(4,103,275)	(526,679)	389,282	-	(4,240,672)
Equipment	(2,081,326)	(313,283)	2,186	-	(2,392,423)
Furniture and Fixtures	(70,547)	(13,839)	-	-	(84,386)
Total Accumulated Depreciation	(21,352,227)	(2,511,190)	391,468	-	(23,471,949)
Total Capital Assets, Depreciable, Net	18,023,488	514,470	-	1,856,239	20,394,197
Governmental Activities Capital Assets, Net	<u>\$ 24,313,448</u>	<u>\$ 697,773</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,011,221</u>

Capital asset additions and depreciation expense for the City's governmental activities were charged to functions/programs as follows:

Functions/Programs	Capital Asset Additions	Depreciation Expense
Governmental Activities		
General Government	\$ 101,697	\$ 162,974
Public Safety	791,109	1,287,386
Building, Planning, and Engineering	-	12,253
Public Works	1,984,729	793,217
Recreation	331,428	255,360
Total - Governmental Activities	<u>\$ 3,208,963</u>	<u>\$ 2,511,190</u>

City of Isle of Palms, South Carolina
Notes to the Financial Statements

Capital asset activity for the City's business-type activities for the year ended June 30, 2024, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-Type Activities:					
Capital Assets, Non-Depreciable:					
Land	\$ 3,035,786	\$ -	\$ -	\$ -	\$ 3,035,786
Construction in Progress	79,145	807,268	-	-	886,413
Total Capital Assets, Non-Depreciable	3,114,931	807,268	-	-	3,922,199
Capital Assets, Depreciable:					
Land Improvements	3,265,722	-	-	-	3,265,722
Buildings and Improvements	820,322	-	-	-	820,322
Docks	3,993,825	-	-	-	3,993,825
Equipment	626,794	-	-	-	626,794
Total Capital Assets, Depreciable	8,706,663	-	-	-	8,706,663
Less: Accumulated Depreciation for:					
Land Improvements	(1,136,056)	(91,875)	-	-	(1,227,931)
Buildings and Improvements	(644,205)	(10,445)	-	-	(654,650)
Docks	(830,545)	(192,560)	-	-	(1,023,105)
Equipment	(204,164)	(30,917)	-	-	(235,081)
Total Accumulated Depreciation	(2,814,970)	(325,797)	-	-	(3,140,767)
Total Capital Assets, Depreciable, Net	5,891,693	(325,797)	-	-	5,565,896
Business-Type Activities Capital Assets, Net	<u>\$ 9,006,624</u>	<u>\$ 481,471</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,488,095</u>

E. Long-Term Obligations

General Obligation Bonds

The City issues bonds to provide funds for the acquisition and construction of major capital facilities. General Obligations Bonds (GOBs) are directed obligations and pledge the full faith and credit of the City.

City of Isle of Palms, South Carolina
Notes to the Financial Statements

Details on the City's debt outstanding as of June 30, 2024 are as follows:

	<u>Principal Outstanding at Year End</u>
General Obligation Bonds	
\$6,700,000 General Obligation Bonds Series 2008 (Series 2008B) issued in August 2008 to defray the cost of constructing and equipping a new public safety building and renovating certain municipal facilities. Principal is payable annually and interest, at 4.14%, semi-annually. Annual debt service requirements range from approximately \$375,000 to \$450,000 through March 2028 and are being paid 100% by the General Fund.	\$ 1,700,000
\$2,235,000 General Obligation Refunding Bond Series 2016 (Series 2016) issued in April 2016 to refund the remaining balance on the \$3,650,000 General Obligation Bond (Series 2006) issued in August 2006 which originally financed the construction and equipping of Fire Station 2. Principal is payable annually and interest, at 1.88%, semi-annually. Annual debt service requirements range from approximately \$243,000 to \$280,000 through June 2026 and are being paid 60% by the General Fund and 40% by the Municipal Accommodations Fee Fund.	540,000
\$4,300,000 General Obligation Bond Series 2020 (Series 2020) issued in November 2020 to defray the cost of the Marina Dock and Bulkhead Project. Principal is payable annually and interest, at 2.16%, semi-annually. Annual debt service requirements is approximately \$333,000 through June 2035 and are being paid by the Marina Enterprise Fund.	3,234,000
\$3,500,000 General Obligation Bond Series 2021 (Series 2021) issued in January 2021 to defray the cost of Phase III of the drainage project. Principal is payable annually and interest, at 1.71%, semi-annually. Annual debt service requirements range from approximately \$236,000 to \$261,000 through June 2035 and are being paid by the General Fund.	<u>2,619,000</u>
Total General Obligation Bonds	<u><u>\$ 8,093,000</u></u>

GOBs have been issued for both governmental and proprietary/enterprise activities. Bonds are reported in the Enterprise Fund if they are expected to be repaid from Enterprise Fund operations.

Interest paid on the debt currently issued by the City is exempt from federal income tax. The City sometimes temporarily reinvests the proceeds of such tax-exempt debt in higher-yielding taxable securities (via the Pool), especially during construction projects. The federal tax code refers to this practice as arbitrage. Excess earnings (the difference between the interest on the debt and the investment earnings received) resulting from arbitrage must be rebated to the federal government. The City had no arbitrage liability at June 30, 2024.

City of Isle of Palms, South Carolina
Notes to the Financial Statements

Debt Service Requirements to Maturity

Presented below are the debt service requirements to maturity for the governmental and business-type activities:

Year Ended June 30,	GOB		Totals
	Principal	Interest	
<u>Governmental Activities</u>			
2025	\$ 858,000	\$ 125,316	\$ 983,316
2026	922,000	101,083	1,023,083
2027	676,000	74,520	750,520
2028	680,000	52,026	732,026
2029	234,000	29,464	263,464
2030-2034	1,230,000	115,392	1,345,392
2035	259,000	4,428	263,428
Totals	<u>\$ 4,859,000</u>	<u>\$ 502,229</u>	<u>\$ 5,361,229</u>
<u>Business-Type Activities</u>			
2025	\$ 264,000	\$ 69,854	\$ 333,854
2026	269,000	64,152	333,152
2027	275,000	58,342	333,342
2028	281,000	52,402	333,402
2029	287,000	46,332	333,332
2030-2034	1,534,000	135,928	1,669,928
2035	324,000	7,042	331,042
Totals	<u>\$ 3,234,000</u>	<u>\$ 434,052</u>	<u>\$ 3,668,052</u>

Leases

At June 30, 2024, the City has recorded right to use lease assets related to vehicle and vehicle equipment leases. The right to use assets were initially measured at an amount equal to the initial measurement of the related lease liability. The right to use assets are amortized on a straight-line basis over the longer of the life of the asset or the life of the related leases. During the year ended June 30, 2024, the City recorded \$108,175 and \$19,195 of amortization expense and interest expense, respectively, related to these arrangements.

City of Isle of Palms, South Carolina
Notes to the Financial Statements

Right to use asset activity for the year ended June 30, 2024, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Vehicle and Vehicle Equipment	\$ 1,556,639	\$ -	\$ -	\$ -	\$ 1,556,639
Total Right of Use Assets	1,556,639	-	-	-	1,556,639
Less Accumulated Amortization for:					
Vehicle and Vehicle Equipment	(206,625)	(108,175)	-	-	(314,800)
Total Accumulated Amortization	(206,625)	(108,175)	-	-	(314,800)
Total Right of Use Assets, Net	<u>\$ 1,350,014</u>	<u>\$ (108,175)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,241,839</u>

Future minimum payments under the leases described above are as follows:

Year Ended June 30,	Principal	Interest	Totals
Governmental Activities			
2025	\$ 167,891	\$ 17,980	\$ 185,871
2026	170,794	15,078	185,872
2027	173,746	12,126	185,872
2028	176,750	9,122	185,872
2029	179,805	6,066	185,871
2030-2031	183,587	4,447	188,034
Totals	<u>\$ 1,052,573</u>	<u>\$ 64,819</u>	<u>\$ 1,117,392</u>

Subscription-Based Information Technology Arrangements

During the year ended June 30, 2024, the City entered into various contracts for subscription based information technology arrangements. This software is used in the City's administration, public safety, and building departments. Some of these subscriptions include variable payments that are based on usage and are expensed when incurred. The City recognized \$153,636 in amortization expense and \$33,521 in interest expense related to these arrangements.

City of Isle of Palms, South Carolina
Notes to the Financial Statements

Right to use asset activity for subscription-based information technology arrangements for the year ended June 30, 2024, was as follows:

	Beginning Balance	Increases	Decreases	Modifications and Remeasurements	Ending Balance
Governmental Activities:					
Equipment - SBITA	\$ 839,386	\$ 222,429	\$ (48,906)	\$ 37,369	\$ 1,050,278
Total Right of Use Assets - SBITA	839,386	222,429	\$ (48,906)	\$ 37,369	1,050,278
Less Accumulated Amortization for:					
Equipment - SBITA	(121,844)	(153,636)	48,906	-	(226,574)
Total Accumulated Amortization	(121,844)	(153,636)	48,906	-	(226,574)
Total Right of Use Assets - SBITA	<u>\$ 717,542</u>	<u>\$ 68,793</u>	<u>\$ -</u>	<u>\$ 37,369</u>	<u>\$ 823,704</u>

A schedule of future minimum payments to be paid as of June 30, 2024 is shown below:

Year Ended June 30,	Principal	Interest	Totals
Governmental activities:			
2025	\$ 109,817	\$ 50,581	\$ 160,398
2026	107,656	43,358	151,014
2027	116,544	36,140	152,684
2028	126,207	28,218	154,425
2029	58,545	19,529	78,074
2030 - 2034	203,902	57,260	261,162
2035 - 2039	57,720	9,833	67,553
	<u>\$ 780,391</u>	<u>\$ 244,919</u>	<u>\$ 1,025,310</u>

City of Isle of Palms, South Carolina
Notes to the Financial Statements

Presented below is a summary of changes in long-term obligations for the year ended June 30, 2024, for the City's governmental and business-type activities.

Long-Term Obligations	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
GOB Debt:					
GOB - Series 2008B	\$ 2,075,000	\$ -	\$ 375,000	\$ 1,700,000	\$ 375,000
GOB - Series 2016	790,000	-	250,000	540,000	265,000
GOB - Series 2021	<u>2,834,000</u>	-	<u>215,000</u>	<u>2,619,000</u>	<u>218,000</u>
Total GOB Debt	5,699,000	-	840,000	4,859,000	858,000
Accrued Compensated Absences	427,895	407,582	340,665	494,812	216,157
SBITA Liability	664,539	233,256	117,404	780,391	109,817
Lease Liability	<u>1,217,764</u>	-	<u>165,191</u>	<u>1,052,573</u>	<u>167,892</u>
Total Governmental Activities	<u>\$ 8,009,198</u>	<u>\$ 640,838</u>	<u>\$ 1,463,260</u>	<u>\$ 7,186,776</u>	<u>\$ 1,351,866</u>
Business-Type Activities:					
GOB Debt:					
GOB - Series 2020	<u>\$ 3,492,000</u>	\$ -	<u>\$ 258,000</u>	<u>\$ 3,234,000</u>	<u>\$ 264,000</u>
Total Business-Type Activities	<u>\$ 3,492,000</u>	<u>\$ -</u>	<u>\$ 258,000</u>	<u>\$ 3,234,000</u>	<u>\$ 264,000</u>

Resources from the General Fund, Municipal Accommodations Fee Fund, State Accommodations Tax Fund, and Hospitality Tax Fund have been used to liquidate the governmental activities debt. Resources from the Marina Enterprise Fund and the State Accommodations Tax Fund have been used to liquidate the business-type activities debt. The accrued compensated absences liability has been liquated through the General Fund.

Article Eight, Section Seven of the South Carolina Constitution of 1895, as amended, provides that no city shall incur any bonded debt which shall exceed eight percent (8%) of the assessed value of the property therein and no such debt shall be created without the electors of such city or city voting in favor of such further bonded debt. Prior to Home Rule Act of July 1, 1976, the bonded debt exemption was thirty five percent (35%). In 1976, the General Assembly reduced the general obligation debt limit, without voter approval to eight percent (8%) of assessed valuation; whereas, with a referendum any amount can be floated. As of June 30, 2024, the City had \$7,355,125 of bonded debt subject to the 8% limit of approximately \$24,246,000 available, resulting in an unused legal debt margin of approximately \$16,891,000.

The City incurred interest expense of approximately \$207,000 and \$74,000 for its governmental and business-type activities debt, respectively.

City of Isle of Palms, South Carolina
Notes to the Financial Statements

F. Marina Revenue

The City-owned Marina earns revenues from the rental of Marina facilities as noted below:

- The City dock lease (marine operations) – The City recognized rental income of \$143,617, interest income of \$102,013, and variable lease revenue of \$21,426 for the year ended June 30, 2024. The lease expires on January 31, 2045.
- Marina store lease – The City recognized rental income of \$60,685, interest income of \$43,016 and variable lease revenue of \$6,899 for the year ended June 30, 2024. The lease expires on January 31, 2045.
- Marina restaurant lease – The City recognized of rental income of \$93,410, interest income of \$69,362, and variable lease revenue of \$125,513 for the year ended June 30, 2024. The lease expires on January 31, 2045.

Estimated future annual lease income for the long-term leases in effect as of June 30, 2024 are as follows:

	Principal	Interest	Total Receipts
2025	\$ 194,149	\$ 208,927	\$ 403,076
2026	211,994	202,282	414,276
2027	221,448	195,252	416,700
2028	231,263	187,910	419,173
2029	241,451	180,243	421,694
2030 - 2034	1,374,136	773,967	2,148,103
2035 - 2039	1,693,184	525,977	2,219,161
2040 - 2044	2,076,453	221,161	2,297,614
2045 - 2049	280,818	2,718	283,536
	\$ 6,524,896	\$ 2,498,437	\$ 9,023,333

IV. OTHER INFORMATION

A. Participation in Public Entity Risk Pools for Property and Casualty Insurance

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, and natural disasters. For all of these risks, the City is a member of the South Carolina Municipal Insurance Reserve Fund (SCMIRF), a public entity risk pool operating as a common risk management and insurance program for local governments for general risk. The City pays an annual premium for this coverage. For the year ended June 30, 2024, the City's premium costs totaled approximately \$467,000. SCMIRF's net position from its most recently issued audited financial statements at December 31, 2023, totaled approximately \$8,550,000.

City of Isle of Palms, South Carolina Notes to the Financial Statements

The City has also joined together with other municipalities in the state to form the South Carolina Municipal Insurance Trust (SCMIT), a public entity risk pool operating as a common risk management and insurance program for workers' compensation. The City pays an annual premium to SCMIT. For the year ended June 30, 2024, the City made premium payments totaling approximately \$336,000. The Trust uses reinsurance agreements to reduce its exposure to large workers' compensation losses. SCMIT's net position from its most recently issued audited financial statements at December 31, 2023, totaled approximately \$43,867,000.

For the above public entity risk pools for property and casualty insurance, there were no significant reductions in coverage in the past fiscal year, and settled claims in excess of insurance coverage for the last three years were immaterial.

B. Health Insurance

The City provides a health insurance program for its employees through the SC State Health Plan (Health Plan). The City pays a monthly premium to the insurer for its health coverage (insured plan) with the insurer being responsible for claims.

C. Retirement Plans

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 consist 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, and 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 System's 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.

City of Isle of Palms, South Carolina Notes to the Financial Statements

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 districts 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.

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.

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, teachers, and individuals elected to the South Carolina General Assembly at or after the general election in November 2012. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee 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. An employee member of the system with an effective date of membership prior to July 1, 2012 is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012 is a Class Three member.

City of Isle of Palms, South Carolina Notes to the Financial Statements

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. A brief summary of benefit terms for each system is presented below.

- 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 requirements 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.

City of Isle of Palms, South Carolina
Notes to the Financial Statements

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. The Retirement Funding and Administration Act of 2017 increased, but also established a ceiling for SCRS and PORS employee contributions rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.00 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 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 in state statute, the PEBA board would increase employer contributions 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 rates for fiscal years 2024 and 2023 are as follows:

SCRS

Employee Class Two	9.00%
Employee Class Three	9.00%

PORS

Employee Class Two	9.75%
Employee Class Three	9.75%

Required **employer** contribution rates for fiscal years 2024 and 2023 are as follows:

SCRS

	2024	2023
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 Program	0.20%	0.20%

City of Isle of Palms, South Carolina
Notes to the Financial Statements

Net Pension Liability

The net pension liability (NPL) is calculated separately for each system and represents that particular system's total pension liability determined in accordance with GASB No. 67 less that System's fiduciary net position. NPL totals, as of June 30, 2023, for SCRS and PORS are as follows:

System	Total Pension Liability	Plan Fiduciary Net Position	Employers' Net Pension Liability (Asset)	Plan Fiduciary Net Position as a Percentage of the Total Pension
SCRS	\$58,464,402,454	\$34,286,961,942	\$24,177,440,512	58.6%
PORS	\$9,450,021,576	\$6,405,925,370	\$3,044,096,206	67.8%

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.

The June 30, 2023, total pension liability (TPL), NPL, and sensitivity information shown in this report were determined by PEBA's consulting actuary, 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 principals. There was no legislation enacted during the 2023 legislative session that had a material change in the benefit provisions for any of the systems. Each plan's fiduciary net position is reported in the Systems' financial statements.

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

Actuarial assumptions:	SCRS	PORS
Actuarial cost method	Entry age	Entry age
Investment rate of return*	7.00%	7.00%
Projected salary increases	3.0% to 11.0% (varies by service)*	3.5% to 10.5% (varies by service)*
Benefit adjustments	lesser of 1% or \$500 annually	lesser of 1% or \$500 annually

*Includes inflation at 2.25%

City of Isle of Palms, South Carolina
Notes to the Financial Statements

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 determined 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%

At June 30, 2024, the City reported liabilities of approximately \$4,758,000 and \$7,033,000 for its proportionate share of the NPLs for the SCRS and PORS (Plans), respectively. The NPLs were measured as of June 30, 2023, and the total pension liabilities for the Plans used to calculate the NPLs were determined based on the most recent actuarial valuation report as of July 1, 2022 that was projected forward to the measurement date. The City's proportion of the NPLs were based on a projection of the City's long-term share of contributions to the Plans relative to the projected contributions of all participating South Carolina state and local governmental employers, actuarially determined. At June 30, 2023, the City's SCRS proportion was 0.019681 percent, which increased slightly from the prior year. At June 30, 2023, the City's PORS proportion was 0.231041 percent, which increased slightly from the prior year.

For the year ended June 30, 2024, the City recognized pension expense of approximately \$486,000 and \$920,000 for the SCRS and PORS, respectively. Components of collective pension expense for the year ended June 30, 2024 are presented below:

	SCRS	PORS
Service cost (annual cost of current service)	\$ 227,890	\$ 587,974
Interest on the total pension liability	787,177	1,582,960
Plan administrative costs	3,500	8,101
Plan member contributions	(210,756)	(460,018)
Expected return on plan assets	(457,022)	(1,071,010)
Recognition of current year amortization - difference between expected and actual experience and assumption changes	134,565	281,863
Recognition of current year amortization - difference between projected and actual investment earnings	(86)	(4,217)
Other	435	(5,343)
Total	<u>\$ 485,703</u>	<u>\$ 920,310</u>

City of Isle of Palms, South Carolina
Notes to the Financial Statements

At June 30, 2024, the City reported deferred outflows of resources (deferred pension charges) and deferred inflows of resources (deferred pension credits) related to pensions from the following sources:

<u>SCRS:</u>	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>
Differences between expected and actual experience	\$ 82,611	\$ 13,195
Changes of assumptions	72,903	-
Net difference between projected and actual earnings on pension plan investments	-	6,513
Changes in proportion and differences between City contributions and proportionate share of contributions	179,831	6,083
City contributions subsequent to the measurement date	<u>462,227</u>	<u>-</u>
Total	<u>\$ 797,572</u>	<u>\$ 25,791</u>
	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>
<u>PORS:</u>		
Differences between expected and actual experience	\$ 330,984	\$ 86,703
Changes of assumptions	153,069	-
Net difference between projected and actual earnings on pension plan investments	-	12,070
Changes in proportion and differences between City contributions and proportionate share of contributions	358,805	8,645
City contributions subsequent to the measurement date	<u>885,728</u>	<u>-</u>
Total	<u>\$ 1,728,586</u>	<u>\$ 107,418</u>

Approximately \$798,000 and \$1,728,000 that were reported as deferred outflows of resources related to the City's contributions subsequent to the measurement date to the SCRS and PORS, respectively, will be recognized as a reduction of the NPL in the year ended June 30, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the SCRS and PORS will be recognized as an increase or (decrease) in pension expense as follows:

<u>Year ended June 30:</u>	<u>SCRS</u>	<u>PORS</u>	<u>Total</u>
2024	\$ 157,732	\$ 357,179	\$ 514,911
2025	(18,691)	(23,432)	(42,123)
2026	173,304	409,050	582,354
2027	<u>(2,791)</u>	<u>(7,357)</u>	<u>(10,148)</u>
	<u>\$ 309,554</u>	<u>\$ 735,440</u>	<u>\$ 1,044,994</u>

City of Isle of Palms, South Carolina
Notes to the Financial Statements

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 below. 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.

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

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 State Code of Laws. Based on those assumptions, the System's fiduciary net position was projected to be available to make all 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.

City of Isle of Palms, South Carolina
Notes to the Financial Statements

Sensitivity Analysis

The following table presents the sensitivity of the City’s proportionate share of the NPL of the Plans as of June 30, 2024 to changes in the discount rate, calculated using the discount rate of 7.00 percent, as well as what it would be if it were calculated using a discount rate that is 1.00% point lower (6.00 percent) or 1% point higher (8.00 percent) than the current rate:

System	1.00% Decrease (6.00%)	Discount Rate (7.00%)	1.00% Increase (8.00%)
SCRS	\$ 6,148,258	\$ 4,758,248	\$ 3,603,129
PORS	\$ 9,921,265	\$ 7,033,105	\$ 4,667,351

Payable to Plans

The City reported payables of \$180,977 to PEBA as of June 30, 2024, representing required employer and employee contributions related to 2024. These amounts are included in Other Accrued Liabilities on the financial statements and have been paid subsequent to year end.

C. Other Postemployment Benefits

Upon retirement from the City, employees who meet certain eligibility requirements have the option to retain health insurance through the Health Plan paying the applicable retiree rate. The Health Plan and the City’s Personnel Manual establish the requirements for post-employment healthcare benefits. Presently there are no retired participants who opted to retain health insurance through the Health Plan. For the fiscal year ended June 30, 2024, there were no material liabilities or expenditures to be required with GASB Statement No. 75, “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions”.

D. Commitments and Contingencies

The City receives financial assistance from various federal, state, and local governmental agencies in the form of grants. Disbursements of funds received under these programs generally require compliance with the terms and conditions specified in the grant agreements. The disbursements are also subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements included herein or on the overall financial position of the City at June 30, 2024.

E. Litigation

The City is periodically the subject of litigation by a variety of plaintiffs. Although the outcomes of such litigation are not presently determinable, the City management believes that the resolution of these matters will not have a material adverse effect on the financial condition of the City.



Required Supplementary Information other than Management's Discussion and Analysis (Unaudited)

Required supplementary information includes financial information and disclosures that are required by the Governmental Accounting Standards Board, but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedules
 - General Fund
 - Municipal Accommodations Fee Fund
 - State Accommodations Tax Fund
 - Hospitality Tax Fund
 - Beach Preservation Fund
- South Carolina Retirement System
 - Schedule of the City's Proportionate Share of the Net Pension Liability
 - Schedule of the City's Contributions
- South Carolina Police Officers Retirement System
 - Schedule of the City's Proportionate Share of the Net Pension Liability
 - Schedule of the City's Contributions

City of Isle of Palms, South Carolina
Required Supplementary Information (Unaudited)
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budgets and Actual – General Fund
Year Ended June 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property Taxes	\$ 4,914,000	\$ 4,914,000	\$ 5,265,162	\$ 351,162
Local Option Sales Tax	1,113,000	1,113,000	1,213,304	100,304
Intergovernmental	310,755	310,755	378,392	67,637
Licenses and Permits	5,529,000	5,529,000	6,550,844	1,021,844
Fines and Forfeitures	275,000	275,000	393,609	118,609
Revenues From Use of Properties (Marina excluded)	1,343,150	1,343,150	1,287,160	(55,990)
Interest	134,000	134,000	333,272	199,272
Other Revenues	303,130	303,130	392,171	89,041
Total Revenues	13,922,035	13,922,035	15,813,914	1,891,879
Expenditures				
General Government:				
Mayor and Council	124,333	124,333	123,634	699
Administration	1,579,062	1,579,062	1,421,897	157,165
Judicial and Legal	330,910	330,910	399,598	(68,688)
Public Safety:				
Police Department	3,303,618	3,303,618	3,408,783	(105,165)
Fire Department	4,708,426	4,708,426	4,731,654	(23,228)
Building, Planning, and Engineering	514,249	514,249	574,837	(60,588)
Public Works	1,693,513	1,693,513	1,780,188	(86,675)
Recreation:				
Recreation Department	1,086,518	1,086,518	1,161,179	(74,661)
Recreation Programs	103,250	103,250	83,516	19,734
Non-Departmental:				
Parking Meters	138,636	138,636	105,173	33,463
Debt Service:				
Principal	690,000	690,000	714,932	(24,932)
Interest	140,307	140,307	151,625	(11,318)
Total Expenditures	14,412,822	14,412,822	14,657,016	(244,194)
Excess of Revenues Over Expenditures	(490,787)	(490,787)	1,156,898	1,647,685
Other Financing Sources (Uses)				
Transfer In	1,515,634	1,515,634	1,562,311	46,677
Transfer Out	(1,044,848)	(1,044,848)	(2,448,944)	(1,404,096)
Sale of Capital Assets	20,000	20,000	80,916	60,916
SBITA Liabilities Issued	-	-	147,122	147,122
Total Other Financing Sources (Uses)	490,786	490,786	(658,595)	(1,149,381)
Net Changes In Fund Balances	(1)	(1)	498,303	498,304
Fund Balances, Beginning of Year	7,719,666	7,719,666	7,719,666	-
Fund Balances, End of Year	\$ 7,719,665	\$ 7,719,665	\$ 8,217,969	\$ 498,304

City of Isle of Palms, South Carolina
Required Supplementary Information (Unaudited)
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budgets and Actual – Municipal Accommodations Fee Fund
Year Ended June 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Accommodation Fee Revenue	\$ 1,680,000	\$ 1,680,000	\$ 1,667,828	\$ (12,172)
County Accommodations Fee Revenue	657,000	657,000	670,238	13,238
Interest	59,000	59,000	165,086	106,086
Total Revenues	2,396,000	2,396,000	2,503,152	107,152
Expenditures				
Current:				
General Government	224,400	224,400	207,848	16,552
Public Safety	54,000	54,000	43,889	10,111
Public Works	29,000	29,000	17,426	11,574
Non-Departmental:				
Public Restrooms	316,900	316,900	177,881	139,019
Capital Outlay	1,044,304	1,044,304	408,484	635,820
Debt Service:				
Principal	82,752	82,752	136,778	(54,026)
Interest	11,205	11,205	24,835	(13,630)
Total Expenditures	1,762,561	1,762,561	1,017,141	745,420
Excess (Deficiency) of Revenues Over Expenditures	633,439	633,439	1,486,011	852,572
Other Financing Sources (Uses)				
Transfer Out	(979,433)	(979,433)	(829,433)	150,000
Sale of Capital Assets	-	-	7,213	7,213
SBITA Liabilities Issued	-	-	113,276	113,276
Total Other Financing Sources (Uses)	(979,433)	(979,433)	(708,944)	270,489
Net Changes In Fund Balances	(345,994)	(345,994)	777,067	1,123,061
Fund Balances, Beginning of Year	3,685,072	3,685,072	3,685,072	-
Fund Balances, End of Year	\$ 3,339,078	\$ 3,339,078	\$ 4,462,139	\$ 1,123,061

City of Isle of Palms, South Carolina
Required Supplementary Information (Unaudited)
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budgets and Actual – State Accommodations Tax Fund
Year Ended June 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Accommodations Tax Revenue	\$ 3,112,200	\$ 3,112,200	\$ 3,341,661	\$ 229,461
Interest	76,000	76,000	269,127	193,127
Total Revenues	3,188,200	3,188,200	3,610,788	422,588
Expenditures				
Current:				
General Government	1,081,800	1,081,800	1,095,699	(13,899)
Public Safety	11,000	11,000	11,718	(718)
Public Works	7,500	7,500	2,799	4,701
Recreation:				
Recreation Department	16,500	16,500	15,163	1,337
Non-Departmental:				
Public Restrooms	203,780	203,780	155,716	48,064
Capital Outlay	893,600	893,600	365,681	527,919
Debt Service:				
Principal	82,439	82,439	82,439	-
Interest	9,476	9,476	9,476	-
Total Expenditures	2,306,095	2,306,095	1,738,691	567,404
Excess (Deficiency) of Revenues Over Expenditures	882,105	882,105	1,872,097	989,992
Other Financing Sources (Uses)				
Transfer Out	(1,358,544)	(1,358,544)	(1,133,147)	225,397
Total Other Financing Sources (Uses)	(1,358,544)	(1,358,544)	(1,133,147)	225,397
Net Changes In Fund Balances	(476,439)	(476,439)	738,950	1,215,389
Fund Balances, Beginning of Year	4,154,060	4,154,060	4,154,060	-
Fund Balances, End of Year	\$ 3,677,621	\$ 3,677,621	\$ 4,893,010	\$ 1,215,389

City of Isle of Palms, South Carolina
Required Supplementary Information (Unaudited)
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budgets and Actual – Hospitality Tax Fund
Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Hospitality Taxes	\$ 1,178,000	\$ 1,178,000	\$ 1,504,549	\$ 326,549
Interest	33,000	33,000	87,478	54,478
Total Revenues	1,211,000	1,211,000	1,592,027	381,027
Expenditures				
Current:				
Public Safety	97,000	97,000	44,675	52,325
Building, Planning, and Engineering	-	-	87	(87)
Public Works	263,800	263,800	327,032	(63,232)
Recreation	45,500	45,500	43,818	1,682
Non-Departmental:				
Public Restrooms	20,000	20,000	-	20,000
Capital Outlay	458,000	458,000	342,251	115,749
Debt Service:				
Principal	188,447	188,447	188,447	-
Interest	20,311	20,311	20,310	1
Total Expenditures	1,093,058	1,093,058	966,620	126,438
Excess of Revenues Over Expenditures	117,942	117,942	625,407	507,465
Other Financing Uses				
Transfer In	-	-	258,921	258,921
Transfer Out	(277,728)	(277,728)	(277,728)	-
Total Other Financing Uses	(277,728)	(277,728)	(18,807)	258,921
Net Changes In Fund Balances	(159,786)	(159,786)	606,600	766,386
Fund Balances, Beginning of Year	1,439,651	1,439,651	1,439,651	-
Fund Balances, End of Year	\$ 1,279,865	\$ 1,279,865	\$ 2,046,251	\$ 766,386

City of Isle of Palms, South Carolina
Required Supplementary Information (Unaudited)
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budgets and Actual – Beach Preservation Fund
Year Ended June 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Beach preservation fee	\$ 1,680,000	\$ 1,680,000	\$ 2,524,318	\$ 844,318
Interest	165,000	165,000	486,294	321,294
Total Revenues	1,845,000	1,845,000	3,010,612	1,165,612
Expenditures				
Current:				
General Government	370,000	370,000	2,236,909	(1,866,909)
Capital Outlay	485,000	485,000	17,950	467,050
Total Expenditures	855,000	855,000	2,254,859	(1,399,859)
Excess of Revenues Over Expenditures	990,000	990,000	755,753	(234,247)
Net Changes In Fund Balances	990,000	990,000	755,753	(234,247)
Fund Balances, Beginning of Year	8,345,723	8,345,723	8,345,723	-
Fund Balances, End of Year	\$ 9,335,723	\$ 9,335,723	\$ 9,101,476	\$ (234,247)

City of Isle of Palms, South Carolina
Required Supplementary Information (Unaudited)
Schedule of the City's Proportionate Share of Net Pension Liability
South Carolina Retirement System
Year Ended June 30, 2024

	Year Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
City of Isle of Palms' proportion of the net pension liability	0.019681%	0.018901%	0.018463%	0.018572%	0.019538%	0.019916%	0.019257%	0.019055%	0.018636%	0.018910%
City of Isle of Palms' proportionate share of the net pension liability	<u>\$ 4,758,248</u>	<u>\$ 4,581,910</u>	<u>\$ 3,995,567</u>	<u>\$ 4,745,412</u>	<u>\$ 4,461,231</u>	<u>\$ 4,462,643</u>	<u>\$ 4,335,060</u>	<u>\$ 4,070,120</u>	<u>\$ 3,534,218</u>	<u>\$ 3,255,503</u>
City of Isle of Palms' covered payroll during measurement period	<u>\$ 2,490,450</u>	<u>\$ 2,401,890</u>	<u>\$ 2,252,565</u>	<u>\$ 2,087,260</u>	<u>\$ 2,069,765</u>	<u>\$ 2,063,111</u>	<u>\$ 2,063,898</u>	<u>\$ 1,942,949</u>	<u>\$ 1,845,203</u>	<u>\$ 1,747,268</u>
City of Isle of Palms' proportionate share of the net pension liability as a percentage of its covered-employee payroll	191.06%	190.76%	177.38%	229.27%	215.54%	216.31%	210.04%	209.48%	191.54%	186.32%
Plan fiduciary net position as a percentage of the total pension liability	58.65%	57.06%	60.70%	50.70%	54.40%	54.10%	53.30%	52.90%	57.00%	59.92%

City of Isle of Palms, South Carolina
Required Supplementary Information (Unaudited)
Schedule of the City's Contributions
South Carolina Retirement System
Year Ended June 30, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 462,227	\$ 437,877	\$ 373,025	\$ 324,778	\$ 322,055	\$ 279,865	\$ 279,865	\$ 224,605	\$ 204,079	\$ 190,452
Contributions in relation to the contractually required contribution	<u>(462,227)</u>	<u>(437,877)</u>	<u>(373,025)</u>	<u>(324,778)</u>	<u>(322,055)</u>	<u>(279,865)</u>	<u>(279,865)</u>	<u>(224,605)</u>	<u>(204,079)</u>	<u>(190,452)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City of Isle of Palms' covered-employee payroll	<u>\$ 2,490,450</u>	<u>\$ 2,401,890</u>	<u>\$ 2,252,565</u>	<u>\$ 2,087,260</u>	<u>\$ 2,069,765</u>	<u>\$ 2,063,111</u>	<u>\$ 2,063,898</u>	<u>\$ 1,942,949</u>	<u>\$ 1,845,203</u>	<u>\$ 1,747,268</u>
Contributions as a percentage of covered-employee payroll	18.56%	18.22%	16.56%	15.56%	15.56%	13.57%	13.56%	11.56%	11.06%	10.90%

City of Isle of Palms, South Carolina
Required Supplementary Information (Unaudited)
Schedule of the City's Proportionate Share of Net Pension Liability
South Carolina Police Officers Retirement System
Year Ended June 30, 2024

	Year Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
City of Isle of Palms' proportion of the net pension liability	0.231041%	0.214513%	0.214513%	0.208518%	0.216172%	0.235181%	0.226290%	0.230280%	0.226240%	0.210300%
City of Isle of Palms' proportionate share of the net pension liability	<u>\$ 7,033,105</u>	<u>\$ 6,583,304</u>	<u>\$ 5,519,240</u>	<u>\$ 6,914,893</u>	<u>\$ 6,195,349</u>	<u>\$ 6,663,950</u>	<u>\$ 6,199,297</u>	<u>\$ 5,840,969</u>	<u>\$ 4,931,002</u>	<u>\$ 4,025,983</u>
City of Isle of Palms' covered payroll during measurement period	<u>\$ 4,170,063</u>	<u>\$ 3,860,810</u>	<u>\$ 3,474,085</u>	<u>\$ 3,226,368</u>	<u>\$ 3,152,136</u>	<u>\$ 3,135,480</u>	<u>\$ 3,229,223</u>	<u>\$ 3,047,364</u>	<u>\$ 2,885,754</u>	<u>\$ 2,802,857</u>
City of Isle of Palms' proportionate share of the net pension liability as a percentage of its covered-employee payroll	168.66%	170.52%	158.87%	219.37%	196.54%	206.36%	191.97%	191.67%	170.87%	143.64%
Plan fiduciary net position as a percentage of the total pension liability	67.79%	66.45%	70.40%	58.80%	62.70%	61.70%	60.90%	60.40%	64.60%	67.55%

City of Isle of Palms, South Carolina
Required Supplementary Information (Unaudited)
Schedule of the City's Contributions
South Carolina Police Officers Retirement System
Year Ended June 30, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 885,728	\$ 819,326	\$ 668,414	\$ 588,490	\$ 574,950	\$ 524,426	\$ 524,426	\$ 433,945	\$ 403,373	\$ 375,863
Contributions in relation to the contractually required contribution	<u>(885,728)</u>	<u>(819,326)</u>	<u>(668,414)</u>	<u>(588,490)</u>	<u>(574,950)</u>	<u>(524,426)</u>	<u>(524,426)</u>	<u>(433,945)</u>	<u>(403,373)</u>	<u>(375,863)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City of Isle of Palms' covered-employee payroll	<u>\$ 4,170,063</u>	<u>\$ 3,860,810</u>	<u>\$ 3,474,085</u>	<u>\$ 3,226,368</u>	<u>\$ 3,152,136</u>	<u>\$ 3,135,480</u>	<u>\$ 3,229,223</u>	<u>\$ 3,047,364</u>	<u>\$ 2,885,754</u>	<u>\$ 2,802,857</u>
Contributions as a percentage of covered-employee payroll	21.24%	21.22%	19.24%	18.24%	18.24%	16.73%	16.24%	14.24%	13.98%	13.41%

Supplementary Information

NON-MAJOR GOVERNMENTAL FUND DESCRIPTIONS**SPECIAL REVENUE FUNDS**

To account for the proceeds of specific revenue sources (other than fiduciary funds or capital project funds) that are received by the City that are either legally restricted or assigned for specified purposes.

VICTIM ASSISTANCE FUND – To account for monies set aside to assist victims of crimes in accordance with state law.

RECREATION BUILDING FUND – To account for donations made to the City's Recreation Department.



City of Isle of Palms, South Carolina
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2024

	Victim Assistance Fund	Recreation Building Fund	Total Non- Major Funds
Assets			
Cash and Cash Equivalents - Restricted	\$ 34,502	\$ 127,319	\$ 161,821
Due from Other Funds	1,860	-	1,860
Total Assets	<u>\$ 36,362</u>	<u>\$ 127,319</u>	<u>\$ 163,681</u>
Liabilities			
Accounts Payable	\$ -	\$ 540	\$ 540
Due to Other Funds	1,750	-	1,750
Total Liabilities	<u>1,750</u>	<u>540</u>	<u>2,290</u>
Fund Balances			
Restricted	34,612	-	34,612
Assigned	-	126,779	126,779
Total Fund Balances	<u>34,612</u>	<u>126,779</u>	<u>161,391</u>
Total Liabilities and Fund Balances	<u>\$ 36,362</u>	<u>\$ 127,319</u>	<u>\$ 163,681</u>

City of Isle of Palms, South Carolina
Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
Non-Major Governmental Funds
Year Ended June 30, 2024

	Victim Assistance Fund	Recreation Building Fund	Total Non- Major Funds
Revenues			
Fines and Forfeitures	\$ 15,063	\$ -	\$ 15,063
Interest	-	6,142	6,142
Other	-	16,946	16,946
Total Revenues	15,063	23,088	38,151
Expenditures			
Current:			
Public Safety	10,886	-	10,886
Recreation	-	12,551	12,551
Total Expenditures	10,886	12,551	23,437
Excess (Deficiency) of Revenues Over Expenditures	4,177	10,537	14,714
Other Financing Sources			
Transfers In	-	3,000	3,000
Transfers Out	(4,750)	-	(4,750)
Total Other Financing Sources	(4,750)	3,000	(1,750)
Net Change In Fund Balances	(573)	13,537	12,964
Fund Balances, Beginning of Year	35,185	113,242	148,427
Fund Balances, End of Year	\$ 34,612	\$ 126,779	\$ 161,391

City of Isle of Palms, South Carolina
Schedule of Detailed Revenues and Expenditures
Budget and Actual – General Fund
Year Ended June 30, 2024

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Property Taxes	\$ 4,914,000	\$ 5,265,162	\$ 351,162
Local Option Sales Tax	1,113,000	1,213,304	100,304
Intergovernmental			
State Aid to Subdivisions	100,000	108,282	8,282
State Accommodations Tax Administrative Fee	162,755	200,227	37,472
State Shared Funds - Alcohol	48,000	43,050	(4,950)
Grants	-	26,833	26,833
Total Intergovernmental	310,755	378,392	67,637
Licenses and Permits			
Business Licenses	1,608,000	2,076,730	468,730
Residential Rental Licenses	1,431,000	1,604,259	173,259
Insurance Licenses	820,000	1,206,863	386,863
Public Utilities	800,000	898,762	98,762
Building Permits	845,000	733,157	(111,843)
Telecommunication Licenses	15,000	12,106	(2,894)
Transportation	10,000	18,967	8,967
Total Licenses and Permits	5,529,000	6,550,844	1,021,844
Fines and Forfeitures	275,000	393,609	118,609
Revenue From Use of Properties			
Parking Lot Revenue	665,000	641,598	(23,402)
Parking Meter Revenue	678,000	645,442	(32,558)
Residential Guest Parking Revenue	150	120	(30)
Total Revenue From Use of Properties	1,343,150	1,287,160	(55,990)
Interest			
Interest Income	134,000	333,272	199,272
Total Interest	134,000	333,272	199,272

City of Isle of Palms, South Carolina
Schedule of Detailed Revenues and Expenditures
Budget and Actual – General Fund
Year Ended June 30, 2024

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Other Revenues			
Recreation Program Income	\$ 90,000	\$ 95,699	\$ 5,699
Recreation Instructors Income	200,000	231,352	31,352
Miscellaneous	9,000	54,456	45,456
Cart Purchase Revenue	4,000	10,350	6,350
Boat Ramp Fees	100	300	200
Kennel Fees	30	14	(16)
	<u>303,130</u>	<u>392,171</u>	<u>89,041</u>
Total Other Revenues	303,130	392,171	89,041
Total Revenues	<u>13,922,035</u>	<u>15,813,914</u>	<u>1,891,879</u>
Expenditures			
General Government			
<u>Mayor and Council:</u>			
Salaries	17,000	17,000	-
Payroll Taxes	1,301	956	345
Retirement	557	542	15
Group Health Insurance	64,862	71,714	(6,852)
Workers Compensation	513	497	16
Membership and Dues	500	50	450
Print and Office Supplies	2,100	998	1,102
Meetings and Seminars	17,000	17,786	(786)
Vehicle, Fuel, and Oil	-	164	(164)
Telephone	7,000	6,402	598
Insurance	2,500	201	2,299
Miscellaneous and Contingency	6,000	6,897	(897)
Citizens and Employee Services	5,000	427	4,573
	<u>124,333</u>	<u>123,634</u>	<u>699</u>
Total Mayor and Council	124,333	123,634	699
<u>Administration:</u>			
Salaries	565,269	528,990	36,279
Salaries - Overtime	1,383	-	1,383
Payroll Taxes	43,349	39,356	3,993
Retirement	105,171	91,699	13,472
Group Health Insurance	60,737	55,711	5,026
Workers Compensation	5,553	4,990	563
Print and Office Supplies	12,000	10,948	1,052
Membership and Dues	6,000	5,041	959

City of Isle of Palms, South Carolina
Schedule of Detailed Revenues and Expenditures
Budget and Actual – General Fund
Year Ended June 30, 2024

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Meetings and Seminars	\$ 9,500	\$ 11,307	\$ (1,807)
Vehicle, Fuel, and Oil	3,000	4,836	(1,836)
Electric and Gas	5,500	5,389	111
Telephone and Cable	10,500	12,571	(2,071)
Water and Sewer	1,900	1,637	263
IT Equipment, Software and Services	303,000	248,911	54,089
Subscription Based IT Arrangements	-	50,658	(50,658)
Noncapital Tools and Equipment	1,000	-	1,000
Maintenance and Service Contracts	29,000	18,948	10,052
Machine and Equipment Repair	500	246	254
Cleaning and Sanitary Supplies	2,500	50	2,450
Storm Preparation & Cleanup	-	1,510	(1,510)
Medical and Lab	700	491	209
Insurance	25,500	27,364	(1,864)
Rent and Leases	9,000	8,731	269
Advertising	8,000	7,871	129
Employee Training	63,000	51,731	11,269
Professional Services	94,000	87,682	6,318
Temporary Labor	4,000	-	4,000
Contracted Services	149,000	76,074	72,926
Miscellaneous and Contingency	44,000	44,771	(771)
Election Expense	5,000	12,766	(7,766)
Bank Service Charges	11,000	11,618	(618)
Total Administration	1,579,062	1,421,897	157,165
<u>Judicial and Legal:</u>			
Salaries - Full-time	80,652	81,913	(1,261)
Salaries - Over-time	1,836	3,286	(1,450)
Salaries - Part-time	24,000	20,065	3,935
Payroll Taxes	8,146	8,057	89
Retirement	19,764	17,655	2,109
Group Health Insurance	7,864	11,915	(4,051)
Workers Compensation	298	291	7
Print and Office Supplies	4,000	2,587	1,413
Membership and Dues	150	(34)	184
Meetings and Seminars	700	406	294
Telephone and Cable	4,000	3,248	752
IT Equipment, Software and Services	1,000	60	940
Noncapital Tools and Equipment	800	-	800
Maintenance and Service Contracts	3,850	-	3,850
Insurance	1,500	1,257	243

City of Isle of Palms, South Carolina
Schedule of Detailed Revenues and Expenditures
Budget and Actual – General Fund
Year Ended June 30, 2024

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Employee Training	\$ 1,500	\$ 1,171	\$ 329
Professional Services	170,000	247,066	(77,066)
Miscellaneous and Contingency	850	655	195
Total Judicial and Legal	<u>330,910</u>	<u>399,598</u>	<u>(68,688)</u>
Total General Government	2,034,305	1,945,129	89,176
Public Safety			
<u>Police Department:</u>			
Salaries	1,680,022	1,757,362	(77,340)
Salaries - Over-time	150,419	166,349	(15,930)
Payroll Taxes	140,029	144,035	(4,006)
Retirement	378,234	384,086	(5,852)
Group Health Insurance	265,137	265,179	(42)
Workers Compensation	92,077	105,093	(13,016)
Print and Office Supplies	15,000	13,383	1,617
Membership and Dues	2,000	1,813	187
Meetings and Seminars	3,000	3,459	(459)
Vehicle, Fuel, and Oil	103,000	107,419	(4,419)
Vehicle Maintenance	60,000	60,327	(327)
Electric and Gas	33,000	29,325	3,675
Telephone and Cable	52,000	53,116	(1,116)
Water and Sewer	6,500	5,965	535
IT Equipment, Software and Services	65,000	54,814	10,186
Noncapital Tools and Equipment	17,000	16,832	168
Maintenance and Service Contracts	40,000	19,931	20,069
Machine and Equipment Repair	7,000	6,147	853
Uniforms	22,000	22,762	(762)
Cleaning and Sanitary Supplies	6,000	5,609	391
Medical and Lab	9,000	9,220	(220)
Insurance	127,000	143,345	(16,345)
Rent and Leases	3,000	2,380	620
Employee Training	14,000	13,552	448
Professional Services	5,000	4,995	5
Contracted Services	-	5,575	(5,575)
Miscellaneous and Contingency	6,000	4,507	1,493
Canine Kennel Expenses	2,200	2,203	(3)
Total Police Department	<u>3,303,618</u>	<u>3,408,783</u>	<u>(105,165)</u>

City of Isle of Palms, South Carolina
Schedule of Detailed Revenues and Expenditures
Budget and Actual – General Fund
Year Ended June 30, 2024

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Fire Department:			
Salaries - Full-time	\$ 2,266,096	\$ 2,274,113	\$ (8,017)
Salaries - Over-time	383,060	464,850	(81,790)
Salaries - Part-time	20,000	7,728	12,272
Payroll Taxes	204,190	205,082	(892)
Retirement	565,851	564,762	1,089
Group Health Insurance	394,469	383,896	10,573
Workers Compensation	128,160	125,083	3,077
Print and Office Supplies	7,900	5,676	2,224
Membership and Dues	2,300	1,208	1,092
Meetings and Seminars	3,900	6,338	(2,438)
Vehicle, Fuel, and Oil	31,000	27,957	3,043
Vehicle Maintenance	70,000	63,827	6,173
Electric and Gas	46,000	44,212	1,788
Telephone and Cable	61,000	52,518	8,482
Water and Sewer	13,000	11,836	1,164
IT Equipment, Software and Services	91,000	64,376	26,624
Noncapital Tools and Equipment	13,500	9,789	3,711
Maintenance and Service Contracts	41,000	44,043	(3,043)
Machine and Equipment Repair	15,000	9,800	5,200
Uniforms	44,000	42,548	1,452
Cleaning and Sanitary Supplies	10,000	12,448	(2,448)
Medical and Lab	60,500	66,692	(6,192)
Insurance	166,000	182,435	(16,435)
Rent and Leases	3,000	533	2,467
Employee Training	26,500	20,015	6,485
Professional Services	32,000	29,621	2,379
Miscellaneous and Contingency	9,000	10,268	(1,268)
	<u>4,708,426</u>	<u>4,731,654</u>	<u>(23,228)</u>
Total Fire Department	4,708,426	4,731,654	(23,228)
Total Public Safety	8,012,044	8,140,437	(128,393)
Building, Planning, and Engineering			
Salaries - Full-time	278,362	333,413	(55,051)
Salaries - Over-time	1,004	2,335	(1,331)
Payroll Taxes	21,371	24,792	(3,421)
Retirement	51,850	59,913	(8,063)
Group Health Insurance	48,369	64,306	(15,937)
Workers Compensation	2,593	2,310	283
Print and Office Supplies	10,000	11,776	(1,776)
Membership and Dues	1,000	616	384
Meetings and Seminars	3,000	2,211	789
Vehicle, Fuel, and Oil	4,100	3,313	787

City of Isle of Palms, South Carolina
Schedule of Detailed Revenues and Expenditures
Budget and Actual – General Fund
Year Ended June 30, 2024

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Vehicle Maintenance	\$ 1,000	\$ 571	\$ 429
Electric and Gas	5,100	6,517	(1,417)
Telephone and Cable	5,500	3,696	1,804
Water and Sewer	1,600	1,553	47
IT Equipment, Software and Services	35,000	19,245	15,755
Noncapital Tools and Equipment	1,000	-	1,000
Maintenance and Service Contracts	7,500	8,680	(1,180)
Machine and Equipment Repair	500	-	500
Uniforms	500	989	(489)
Cleaning and Sanitary Supplies	500	-	500
Medical and Lab	100	140	(40)
Insurance	12,000	13,361	(1,361)
Rent and Leases	1,500	155	1,345
Employee Training	2,000	2,548	(548)
Professional Services	14,300	10,953	3,347
Temporary Labor	4,000	-	4,000
Miscellaneous and Contingency	500	1,444	(944)
Total Building, Planning, and Engineering	514,249	574,837	(60,588)
Public Works			
Salaries - Full-time	646,025	656,834	(10,809)
Salaries - Over-time	10,984	12,778	(1,794)
Salaries - Part-time	24,300	19,629	4,671
Payroll Taxes	52,120	51,265	855
Retirement	121,941	117,705	4,236
Group Health Insurance	116,563	114,765	1,798
Workers Compensation	53,780	56,190	(2,410)
Print and Office Supplies	1,500	162	1,338
Membership and Dues	500	(34)	534
Meetings and Seminars	500	161	339
Vehicle, Fuel, and Oil	97,000	85,577	11,423
Vehicle Maintenance	114,000	219,456	(105,456)
Electric and Gas	70,000	75,905	(5,905)
Telephone and Cable	14,000	13,270	730
Water and Sewer	3,000	1,304	1,696
IT Equipment, Software and Services	16,000	2,790	13,210
Noncapital Tools and Equipment	8,000	6,302	1,698
Maintenance and Service Contracts	11,500	11,997	(497)
Machine and Equipment Repair	4,000	171	3,829
Uniforms	13,000	14,700	(1,700)
Cleaning and Sanitary Supplies	2,500	1,176	1,324
Medical and Lab	4,000	3,164	836
Street Signs	2,000	1,763	237
Insurance	43,500	51,620	(8,120)
Rent and Leases	2,000	11,934	(9,934)

City of Isle of Palms, South Carolina
Schedule of Detailed Revenues and Expenditures
Budget and Actual – General Fund
Year Ended June 30, 2024

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Employee Training	\$ 300	\$ -	\$ 300
Professional Services	2,000	3,365	(1,365)
Temporary Labor	248,000	227,377	20,623
Contracted Services	1,000	1,463	(463)
Miscellaneous and Contingency	1,000	1,089	(89)
Garbage Cart - Procurement	8,500	16,310	(7,810)
Total Public Works	1,693,513	1,780,188	(86,675)
Recreation			
<u>Recreation Department:</u>			
Salaries - Full-time	390,435	405,685	(15,250)
Salaries - Over-time	9,293	1,633	7,660
Salaries - Part-time	235,000	227,245	7,755
Payroll Taxes	48,557	48,012	545
Retirement	75,515	71,890	3,625
Group Health Insurance	71,125	66,701	4,424
Workers Compensation	17,923	20,210	(2,287)
Print and Office Supplies	12,000	11,954	46
Membership and Dues	1,600	1,581	19
Meetings and Seminars	2,000	1,996	4
Vehicle, Fuel, and Oil	7,000	3,983	3,017
Vehicle Maintenance	2,000	2,672	(672)
Electric and Gas	35,000	35,135	(135)
Telephone and Cable	13,000	10,393	2,607
Water and Sewer	5,000	4,532	468
IT, Equipment, Software and Services	30,000	3,496	26,504
Subscription Based IT Arrangements	-	108,004	(108,004)
Noncapital Tools and Equipment	2,000	2,731	(731)
Maintenance and Service Contracts	45,000	43,422	1,578
Machine and Equipment Repair	2,500	2,465	35
Uniforms	1,950	2,581	(631)
Cleaning and Sanitary Supplies	8,000	8,000	-
Medical and Lab	1,000	608	392
Insurance	60,000	69,596	(9,596)
Rent and Leases	2,500	1,447	1,053
Employee Training	2,500	2,436	64
Professional Services	120	120	-
Temporary Labor	2,000	-	2,000
Miscellaneous and Contingency	3,500	2,651	849
Total Recreation Department	1,086,518	1,161,179	(74,661)

City of Isle of Palms, South Carolina
Schedule of Detailed Revenues and Expenditures
Budget and Actual – General Fund
Year Ended June 30, 2024

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<u>Recreation Programs:</u>			
Five Year Old & Under Play Group	\$ 750	\$ 663	\$ 87
Gymnastics	5,000	5,019	(19)
Special Activities	24,500	19,037	5,463
Summer Camp	15,500	12,688	2,812
Themed Activities	3,500	3,456	44
Adult Sports	14,000	11,010	2,990
Youth Sports	36,000	27,837	8,163
Teenagers	4,000	3,806	194
	<u>103,250</u>	<u>83,516</u>	<u>19,734</u>
Total Recreation Programs	103,250	83,516	19,734
Total Recreation	1,189,768	1,244,695	(54,927)
Non-Departmental			
Parking Meters			
Salaries - Over-time	2,000	3,834	(1,834)
Salaries - Part-time	125,000	90,764	34,236
Payroll Taxes	9,716	7,237	2,479
Workers Compensation	1,920	3,338	(1,418)
	<u>138,636</u>	<u>105,173</u>	<u>33,463</u>
Total Parking Meters	138,636	105,173	33,463
Total Non-Departmental	138,636	105,173	33,463
Capital outlay	-	-	-
Debt Service			
Principal	690,000	714,932	(24,932)
Interest	140,307	151,625	(11,318)
	<u>830,307</u>	<u>866,557</u>	<u>(36,250)</u>
Total Debt Service	830,307	866,557	(36,250)
Total General Fund Expenditures	\$ 14,412,822	\$ 14,657,016	\$ (244,194)

City of Isle of Palms, South Carolina
Schedule of Expenditures by Type – Actual
Year Ended June 30, 2024

	General Government		
	Mayor and Council	Administration	Judicial and Legal
Departmental Expenditures			
Salaries - Full-time	\$ 17,000	\$ 528,990	\$ 81,913
Salaries - Over-time	-	-	3,286
Salaries - Part-time	-	-	20,065
Payroll Taxes	956	39,356	8,057
Retirement	542	91,699	17,655
Group Health Insurance	71,714	55,711	11,915
Workers Compensation	497	4,990	291
Print and Office Supplies	998	10,948	2,587
Membership and Dues	50	5,041	(34)
Membership and Seminars	17,786	11,307	406
Vehicle, Fuel, and Oil	164	4,836	-
Vehicle Maintenance	-	-	-
Electric and Gas	-	5,389	-
Telephone and Cable	6,402	12,571	3,248
Water and Sewer	-	1,637	-
IT Equipment, Software and Services	-	248,911	60
Subscription Based IT Arrangements	-	50,658	-
Noncapital Tools and Equipment	-	-	-
Maintenance and Service Contracts	-	18,948	-
Machine and Equipment Repair	-	246	-
Uniforms	-	-	-
Cleaning and Sanitary Supplies	-	50	-
Storm Preparation & Cleanup	-	1,510	-
Medical and Lab	-	491	-
Street Signs	-	-	-
Insurance	201	27,364	1,257
Rent and Leases	-	8,731	-
Advertising	-	7,871	-
Employee Training	-	51,731	1,171
Professional Services	-	87,682	247,066
Temporary Labor	-	-	-
Contracted Services	-	76,074	-
Miscellaneous and Contingency	6,897	44,771	655
Citizens and Employee Services	427	-	-
Canine Kennel Expenses	-	-	-
Recreation Instruction Expense	-	-	-
Garbage Cart - Procurement	-	-	-
Election Expenses	-	12,766	-
Bank Service Charges	-	11,618	-
Total Departmental Expenditures	\$ 123,634	\$ 1,421,897	\$ 399,598

City of Isle of Palms, South Carolina
Schedule of Expenditures by Type – Actual
Year Ended June 30, 2024

	<u>Public Safety</u>		<u>Building,</u>	<u>Public Works</u>
	<u>Police</u>	<u>Fire Department</u>	<u>Planning, and</u>	
Departmental Expenditures	<u>Department</u>	<u>Fire Department</u>	<u>Engineering</u>	<u>Department</u>
Salaries - Full-time	\$ 1,757,362	\$ 2,274,113	\$ 333,413	\$ 656,834
Salaries - Over-time	166,349	464,850	2,335	12,778
Salaries - Part-time	-	7,728	-	19,629
Payroll Taxes	144,035	205,082	24,792	51,265
Retirement	384,086	564,762	59,913	117,705
Group Health Insurance	265,179	383,896	64,306	114,765
Workers Compensation	105,093	125,083	2,310	56,190
Print and Office Supplies	13,383	5,676	11,776	162
Membership and Dues	1,813	1,208	616	(34)
Membership and Seminars	3,459	6,338	2,211	161
Vehicle, Fuel, and Oil	107,419	27,957	3,313	85,577
Vehicle Maintenance	60,327	63,827	571	219,456
Electric and Gas	29,325	44,212	6,517	75,905
Telephone and Cable	53,116	52,518	3,696	13,270
Water and Sewer	5,965	11,836	1,553	1,304
IT Equipment, Software and Services	54,814	64,376	19,245	2,790
Subscription Based IT Arrangements	-	-	-	-
Noncapital Tools and Equipment	16,832	9,789	-	6,302
Maintenance and Service Contracts	19,931	44,043	8,680	11,997
Machine and Equipment Repair	6,147	9,800	-	171
Uniforms	22,762	42,548	989	14,700
Cleaning and Sanitary Supplies	5,609	12,448	-	1,176
Storm Preparation & Cleanup	-	-	-	-
Medical and Lab	9,220	66,692	140	3,164
Street Signs	-	-	-	1,763
Insurance	143,345	182,435	13,361	51,620
Rent and Leases	2,380	533	155	11,934
Advertising	-	-	-	-
Employee Training	13,552	20,015	2,548	-
Professional Services	4,995	29,621	10,953	3,365
Temporary Labor	-	-	-	227,377
Contracted Services	5,575	-	-	1,463
Miscellaneous and Contingency	4,507	10,268	1,444	1,089
Citizens and Employee Services	-	-	-	-
Canine Kennel Expenses	2,203	-	-	-
Recreation Instruction Expense	-	-	-	-
Garbage Cart - Procurement	-	-	-	16,310
Election Expenses	-	-	-	-
Bank Service Charges	-	-	-	-
	<u>\$ 3,408,783</u>	<u>\$ 4,731,654</u>	<u>\$ 574,837</u>	<u>\$ 1,780,188</u>

City of Isle of Palms, South Carolina
Schedule of Expenditures by Type – Actual
Year Ended June 30, 2024

	<u>Non-Departmental</u>		<u>Total</u>
	<u>Recreation</u>	<u>Parking Meters</u>	
Departmental Expenditures			
Salaries - Full-time	\$ 405,685	\$ -	\$ 6,055,310
Salaries - Over-time	1,633	3,834	655,065
Salaries - Part-time	227,245	90,764	365,431
Payroll Taxes	48,012	7,237	528,792
Retirement	71,890	-	1,308,252
Group Health Insurance	66,701	-	1,034,187
Workers Compensation	20,210	3,338	318,002
Print and Office Supplies	11,954	-	57,484
Membership and Dues	1,581	-	10,241
Membership and Seminars	1,996	-	43,664
Vehicle, Fuel, and Oil	3,983	-	233,249
Vehicle Maintenance	2,672	-	346,853
Electric and Gas	35,135	-	196,483
Telephone and Cable	10,393	-	155,214
Water and Sewer	4,532	-	26,827
IT Equipment, Software and Services	3,496	-	393,692
Subscription Based IT Arrangements	108,004	-	158,662
Noncapital Tools and Equipment	2,731	-	35,654
Maintenance and Service Contracts	43,422	-	147,021
Machine and Equipment Repair	2,465	-	18,829
Uniforms	2,581	-	83,580
Cleaning and Sanitary Supplies	8,000	-	27,283
Storm Preparation & Cleanup	-	-	1,510
Medical and Lab	608	-	80,315
Street Signs	-	-	1,763
Insurance	69,596	-	489,179
Rent and Leases	1,447	-	25,180
Advertising	-	-	7,871
Employee Training	2,436	-	91,453
Professional Services	120	-	383,802
Temporary Labor	-	-	227,377
Contracted Services	-	-	83,112
Miscellaneous and Contingency	2,651	-	72,282
Citizens and Employee Services	-	-	427
Canine Kennel Expenses	-	-	2,203
Recreation Instruction Expense	83,516	-	83,516
Garbage Cart - Procurement	-	-	16,310
Election Expenses	-	-	12,766
Bank Service Charges	-	-	11,618
	<u>\$ 1,244,695</u>	<u>\$ 105,173</u>	<u>\$ 13,790,459</u>
		Debt Service - Principal	714,932
		Debt Service - Interest	151,625
			<u><u>\$ 14,657,016</u></u>

City of Isle of Palms, South Carolina
Schedule of Fines, Assessments, and Surcharges
Year Ended June 30, 2024

FOR THE STATE TREASURER'S OFFICE:

COUNTY / MUNICIPAL FUNDS COLLECTED BY CLERK OF COURT	General Sessions	Magistrate Court	Municipal Court	Total
Court Fines and Assessments:				
Court fines and assessments collected			\$ 524,717.11	\$ 524,717.11
Court fines and assessments remitted to State Treasurer			\$ 116,045.00	\$ 116,045.00
Total Court Fines and Assessments retained	\$ -	\$ -	\$ 640,762.11	\$ 640,762.11
Surcharges and Assessments retained for victim services:				
Surcharges collected and retained			\$ 4,638.33	\$ 4,638.33
Assessments retained			\$ 10,424.87	\$ 10,424.87
Total Surcharges and Assessments retained for victim services	\$ -	\$ -	\$ 15,063.20	\$ 15,063.20

FOR THE DEPARTMENT OF CRIME VICTIM COMPENSATION (DCVC)

VICTIM SERVICE FUNDS COLLECTED	Municipal	County	Total
Carryforward from Previous Year – Beginning Balance	\$ 35,184.60		\$ 35,184.60
Victim Service Revenue:			
Victim Service Fines Retained by City/County Treasurer	\$ -		\$ -
Victim Service Assessments Retained by City/County Treasurer	\$ 10,424.87		\$ 10,424.87
Victim Service Surcharges Retained by City/County Treasurer	\$ 4,638.33		\$ 4,638.33
Interest Earned	\$ -		\$ -
Grant Funds Received			
Grant from:			\$ -
General Funds Transferred to Victim Service Fund	\$ -		\$ -
Contribution Received from Victim Service Contracts:			
(1) Town of			\$ -
(2) Town of			\$ -
(3) City of			\$ -
Total Funds Allocated to Victim Service Fund + Beginning Balance (A)	\$ 50,247.80	\$ -	\$ 50,247.80

City of Isle of Palms, South Carolina
Schedule of Fines, Assessments, and Surcharges
Year Ended June 30, 2024

<u>Expenditures for Victim Service Program:</u>	<u>Municipal</u>	<u>County</u>	<u>Total</u>
Salaries and Benefits			\$ -
Operating Expenditures	\$ 701.83		\$ 701.83
Victim Service Contract(s):			
(1) Entity's Name			\$ -
(2) Entity's Name			\$ -
Victim Service Donation(s):			
(1) Domestic Violence Shelter:			\$ -
(2) Rape Crisis Center:			\$ -
(3) Other local direct crime victims service agency:			\$ -
Transferred to General Fund	\$ 4,750.35		\$ 4,750.35
Total Expenditures from Victim Service Fund/Program (B)	\$ 5,452.18	\$ -	\$ 5,452.18
Total Victim Service Funds Retained by Municipal/County Treasurer (A-B)	\$ 44,795.62		\$ 44,795.62
Less: Prior Year Fund Deficit Repayment	\$ 10,184.60		\$ 10,184.60
Carryforward Funds – End of Year	\$ 34,611.02	\$ -	\$ 34,611.02

**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***

The Honorable Mayor and Members of City Council
City of Isle of Palms
Isle of Palms, South Carolina

We have audited the City of Isle of Palms (the City), 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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements, and have issued our report thereon dated November , 2024.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City’s internal control over financial reporting (internal control) to determine the 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 the City’s internal control. Accordingly, we do not express an opinion on the effectiveness of the City’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 over financial reporting 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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City'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 determination of financial statement amounts. However, providing an opinion on compliance with these 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Veris LLC

Mount Pleasant, South Carolina

November 1, 2024



Reporting Under *Uniform Guidance*

**Independent Auditor’s Report on Compliance for each Major Federal Program and Report
on Internal Control over Compliance in Accordance with the Uniform Guidance and the Federal Single Audit
Implementation Act**

The Honorable Mayor and Members of City Council
City of Isle of Palms
Isle of Palms, South Carolina

Report on Compliance for Each Major Federal Program

Opinion on Compliance for Each Major Federal Program

We have audited the City of Isle of Palms’s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City of Isle of Palms’s major federal programs for the year ended June 30, 2024.

In our opinion, the City of Isle of Palms complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Isle of Palms and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of Isle of Palms’ compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City of Isle of Palms’ major federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Isle of Palms's compliance based on our audit. 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the City of Isle of Palms's compliance with the requirements of each major federal program.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City of Isle of Palms's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of City of Isle of Palms's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of City of Isle of Palms's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed. *Government Auditing Standards* requires the auditor to perform limited procedures on the City of Isle of Palms's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. City of Isle of Palms's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Veris LLC

Mount Pleasant, South Carolina
November 1, 2024



City of Isle of Palms
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Federal Grantor Pass-through Grantor Program Title	Assistance Listing Number	Other Award Number	Federal Expenditures
United States Department of the Treasury			
Direct			
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	\$ 683,357
Department of Homeland Security FEMA			
South Carolina Department of Natural Resources			
Flood Mitigation Assistance	97.029	SCDNR FY2019-38	<u>97,546</u>
Total expenditures of federal awards			<u>\$ 780,903</u>

City of Isle of Palms
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Note A – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Isle of Palms under programs of the federal and state government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City of Isle of Palms, it is not intended to and does not present the position of the governmental activities, changes in net position, or cash flows of the City of Isle of Palms.

Note B – Summary of Significant Accounting Policies

Expenditures reported on the Schedule of Expenditures of Federal Awards are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule of Expenditures of Federal Awards represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note C – Indirect Cost Rate

City of Isle of Palms chose not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance for the year ended June 30, 2024.

**City of Isle of Palms, South Carolina
Schedule of Findings and Questioned Costs
Year ended June 30, 2024**

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued:	Unmodified
Internal control over financial reporting:	
Material weakness identified?	No
Significant deficiencies identified not considered to be material weakness?	No
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness identified?	No
Significant deficiencies identified not considered to be material weakness?	No

Type of auditor’s report issued on compliance for major programs:	Unmodified
-------------------------------------------------------------------	------------

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance?	No
----------------------------------------------------------------------------------------------------	----

Programs tested as major programs include:

Assistance Listing Number(s)	Name of Federal Program or Cluster
21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
--------------------------------------------------------------------------	-----------

Auditee qualified as low-risk auditee?	Yes
----------------------------------------	-----

Section II – Financial Statement Findings

None

Section III – Federal Award Findings and Questioned Costs

None

Section IV – Summary Schedule of Prior Year Findings

Not Applicable



Isle of Palms

2024 PARK IOP Review

Revenue 2023 vs 2024

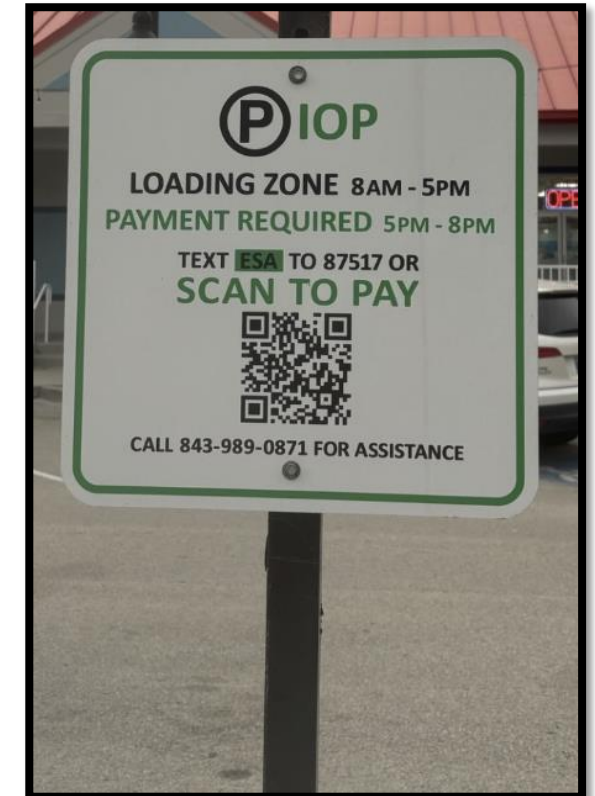
Parking Payment Revenue		
<i>2024 Actuals</i>	<i>2023 Actuals</i>	<i>Variance</i>
\$ 98,137	\$ 79,252	\$ 18,885
\$ 162,196	\$ 136,331	\$ 25,865
\$ 217,340	\$ 168,877	\$ 48,463
\$ 262,784	\$ 216,352	\$ 46,432
\$ 242,945	\$ 268,392	\$ (25,447)
\$ 176,317	\$ 218,965	\$ (42,648)
\$ 96,693	\$ 112,448	\$ (15,755)
\$ 81,464	\$ 89,641	\$ (8,177)
\$ 1,337,876	\$ 1,290,258	\$ 47,618

Notes / Impacts

- Weather / Hurricanes
- School Calendar

Payment Preference

- Mobile Pay vs Kiosk Payments
 - 2024 - 85% Mobile Payment
 - 2023 - 54% Mobile Payment
- Phasing Out of Kiosks (cash)
 - 6 Machines / 4 Cash Acceptance
 - >3% Cash Payments



Payment Compliance

Month	Mobile Payments	Kiosk Payments	Non-Payment Citations	Compliance %
March	14482	3702	1484*	92%
April	17782	5064	889	96%
May	21110	6004	630	98%
June	27616	5543	561	98%
July	27179	3548	484	98%
August	18597	3126	345	98%
September	13950	2482	496	97%
October	12119	2555	572	96%
Season Total	152835	32024	5461	97%

Citations Issued by Type

Vio Description	Warning Count	Valid Citations	Total Valid
NON-PAYMENT	1060	4201	5261
PARKED WITHIN 4FT OF PAVEMENT	152	1129	1281
RESIDENTIAL PERMIT REQUIRED	194	843	1037
PARKED AGAINST THE FLOW OF TRAFFIC	74	774	848
NO PARKING ZONE	79	412	491
PARKED ON PAVEMENT	53	165	218
PARALLEL PARKING ONLY	23	114	137
IMPROPER PARKING	16	105	121
PARKED WITHIN 25FT OF INTERSECTION	7	68	75
PARKED WITHIN 15FT OF FIRE HYDRANT	3	34	37
PARKED IN OR WITHIN 20FT OF A CROSSWALK	1	33	34
GOLF CART PARKING ONLY	2	25	27
DOUBLE PARKING PROHIBITED	15	24	39
PARKED WITHIN 30FT OF STOP SIGN	0	13	13
BLOCKING BEACH ACCESS	6	12	18
BLOCKING DRIVEWAY	6	9	15
MUST PARK ANGLED	5	8	13
BLOCKING VEHICLE ACCESS	2	5	7
HANDICAPPED/ NON-VISIBLE PLACARD	0	4	4
PARKED IN A YELLOW ZONE	0	4	4
PARKED IN A LOADING ZONE	12	3	15
PARKED MORE THAN 18" FROM STREET CURB	0	2	2
BLOCKING/ OBSTRUCTING TRAFFIC	0	1	1
PARKED ALONGSIDE OR OPPOSITE ANY STREET EXCAVATION	0	1	1
PARKED ON SIDEWALK	0	1	1
VEHICLE OVER 20FT IN ROW OVER 1 HOUR	4	0	4

Total – 9,704

Non-Payment 54%

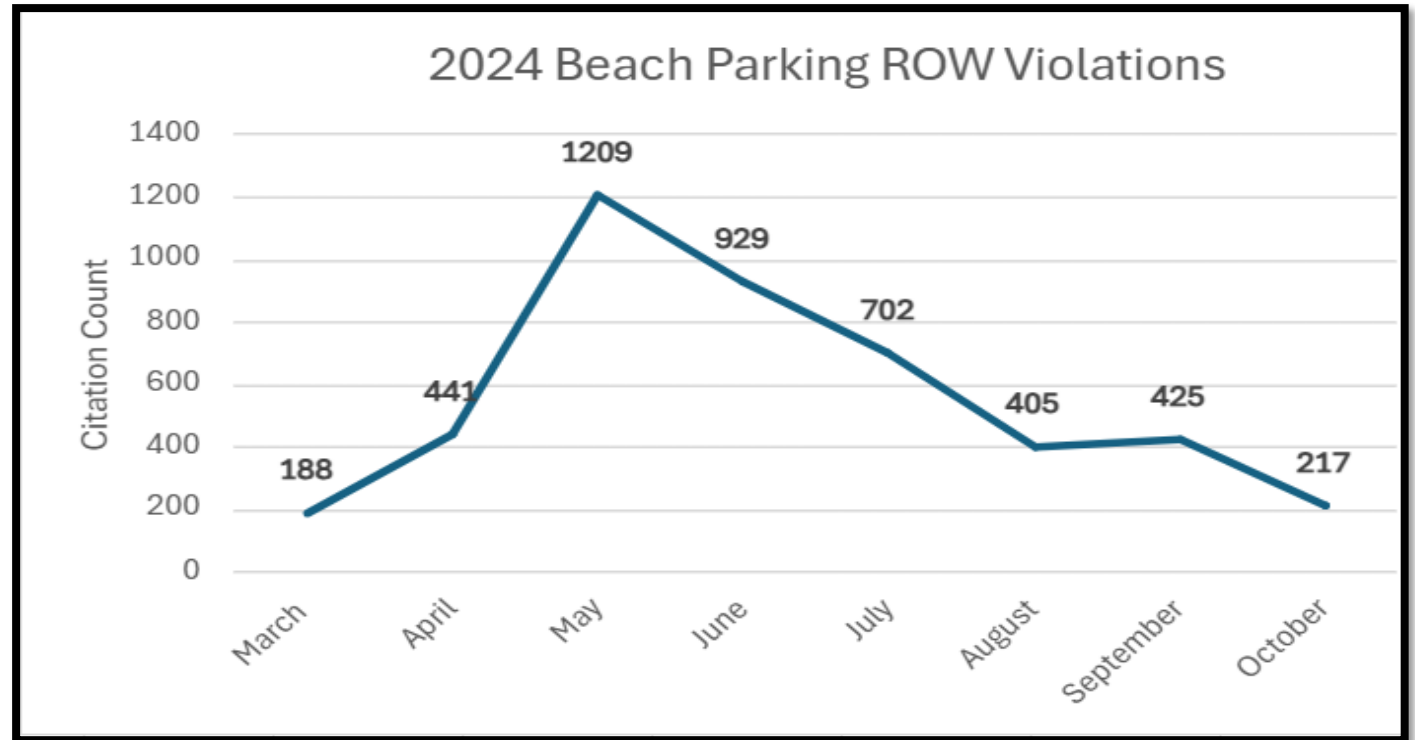
4ft of Payment 13%

Residential Permit 11%

ROW Violations (Safety)

Frequent Violations:

- 1. 4ft off the Pavement
- 2. Residential Permit Required
- 3. Parked Against the Flow Traffic



Enforcement Coverage



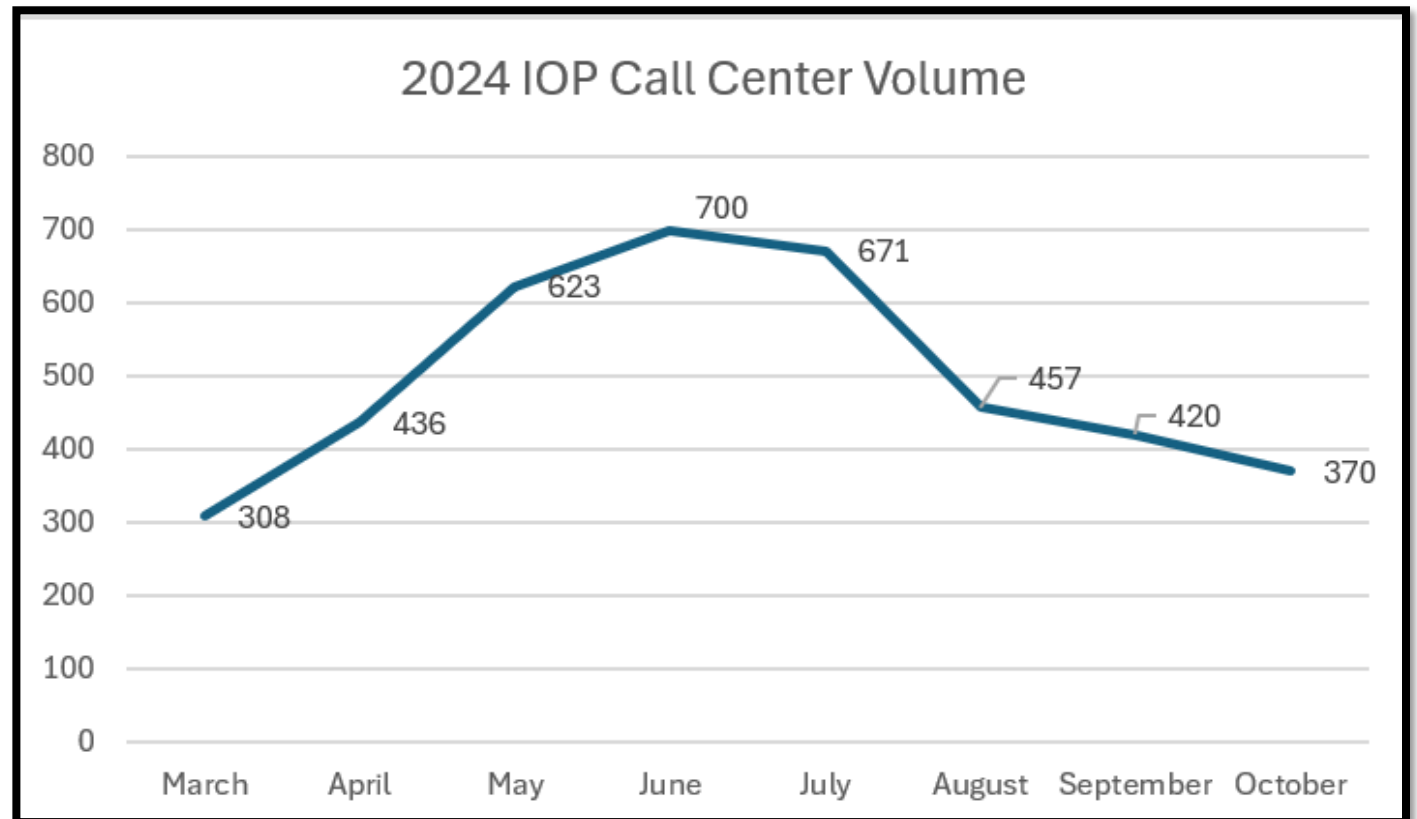
ROW Enforcement / 4 ft from Pavement

- PCI consistently maintained white chalk line and implemented creative ways to preserve line
- Ongoing evaluation of more effective applications



Call Center Review

- 24/7 Call Center
 - Customer Support
 - Level 1 Info
- Top Reasons for Call
 - Citation Questions
 - General Parking information



Community/Residential Concerns

Enforcement of Parking Rules in Residential District

- *Public Reporting / Communication*

Visibility of Ambassadors

- *Safety Enforcement*
- *Data Driven Staffing*

Office Hours

- *Parking Permits / Parking Citations*
- *Monday – Thursday 9a – 3p*

Call Center Support

- *Escalation Process*

Beach Parking Improvements

Parking Signage Review & Modification

- Intersection
- Residential Permits
- Parallel Parking
- 4 ft Signs



Beach Parking Improvements

Ordinance Modifications

- Loading Zones (“commercial”) / Clarity on Use & Payment
- Immobilization Enforcement (“threshold”)
- Golf Carts / Safety

Community Engagement

- Farmer’s Market
- Hurricane Expo
- IOP Connector Run
- Public Safety Community Meetings
- Beach Permit literature

Revenue Enhancement Options

- Parking Rate Adjustments
- Year-round Beach Parking vs Beach Season Only
- Marina Parking Lot
- Business/Retail Validations

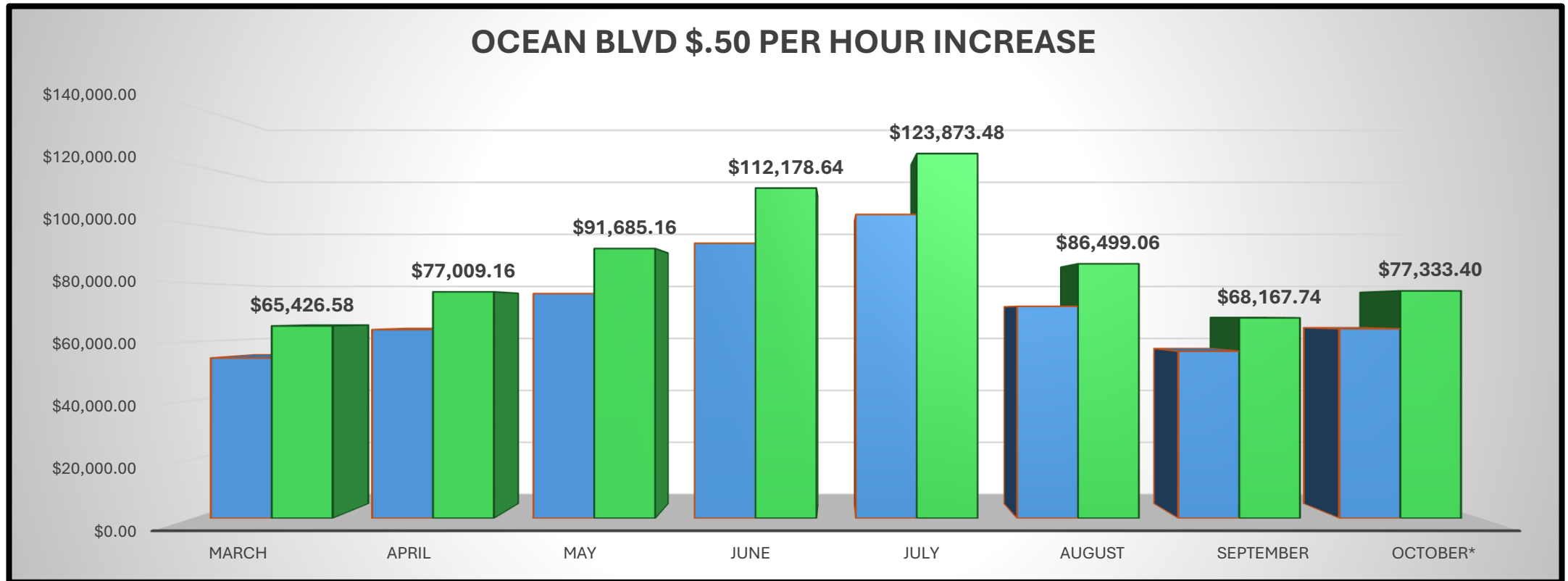
Municipal Beach Parking Survey

Municipality	Per Hour Rate (Lots)	Max Daily Rate	On Street Rate
Carolina Beach	\$7	\$35	\$5
Kure Beach	\$5	\$20	n/a
Surfside Beach	\$3	\$15	n/a
Myrtle Beach	\$3	\$151	\$2
Folly Beach	\$2.50	\$10.50 / \$15	\$2.50
IOP	\$2 after 4 pm	\$10 / \$15	\$2.50

Ocean Blvd Projection

Increase Hourly Rate from \$2.50 to \$3.00

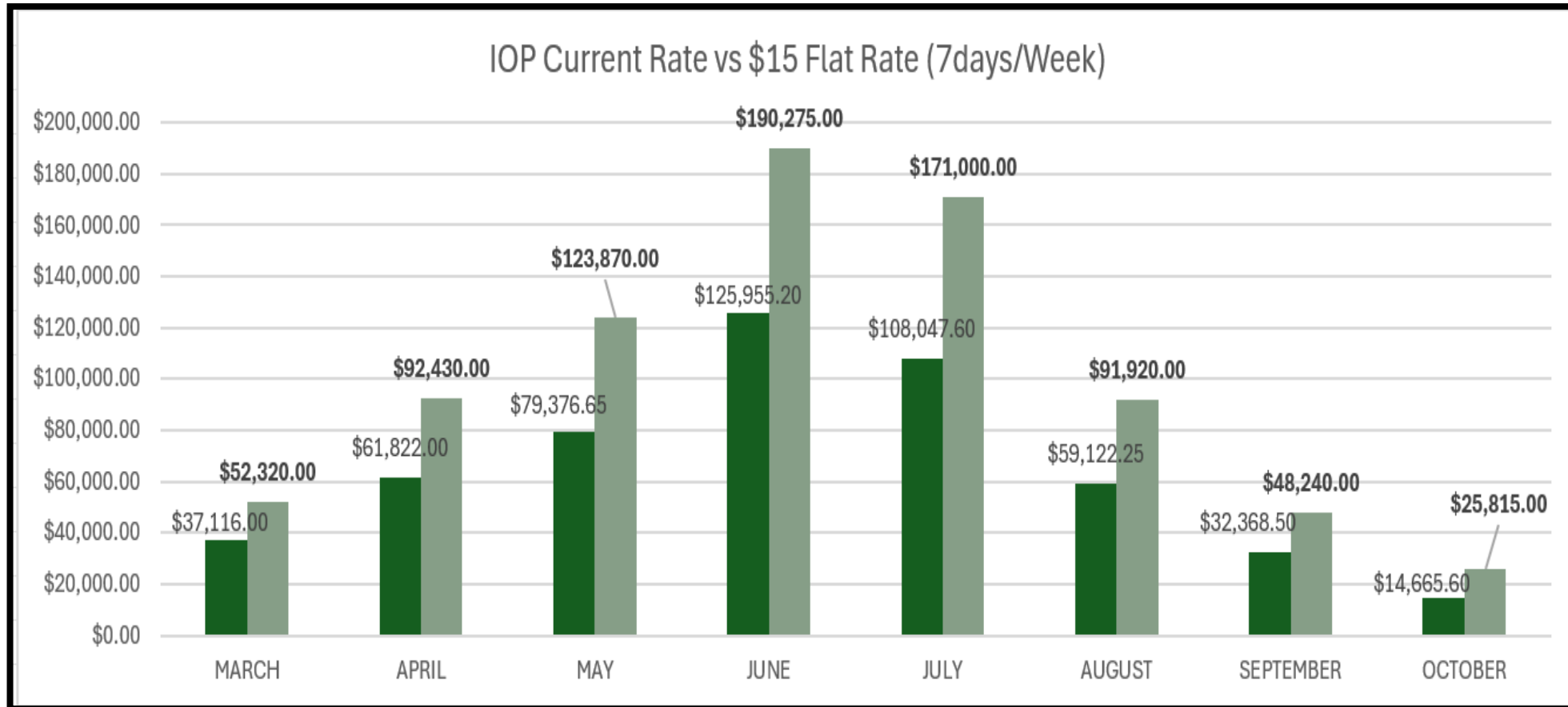
**Additional Annual
Revenue of
\$117,000**



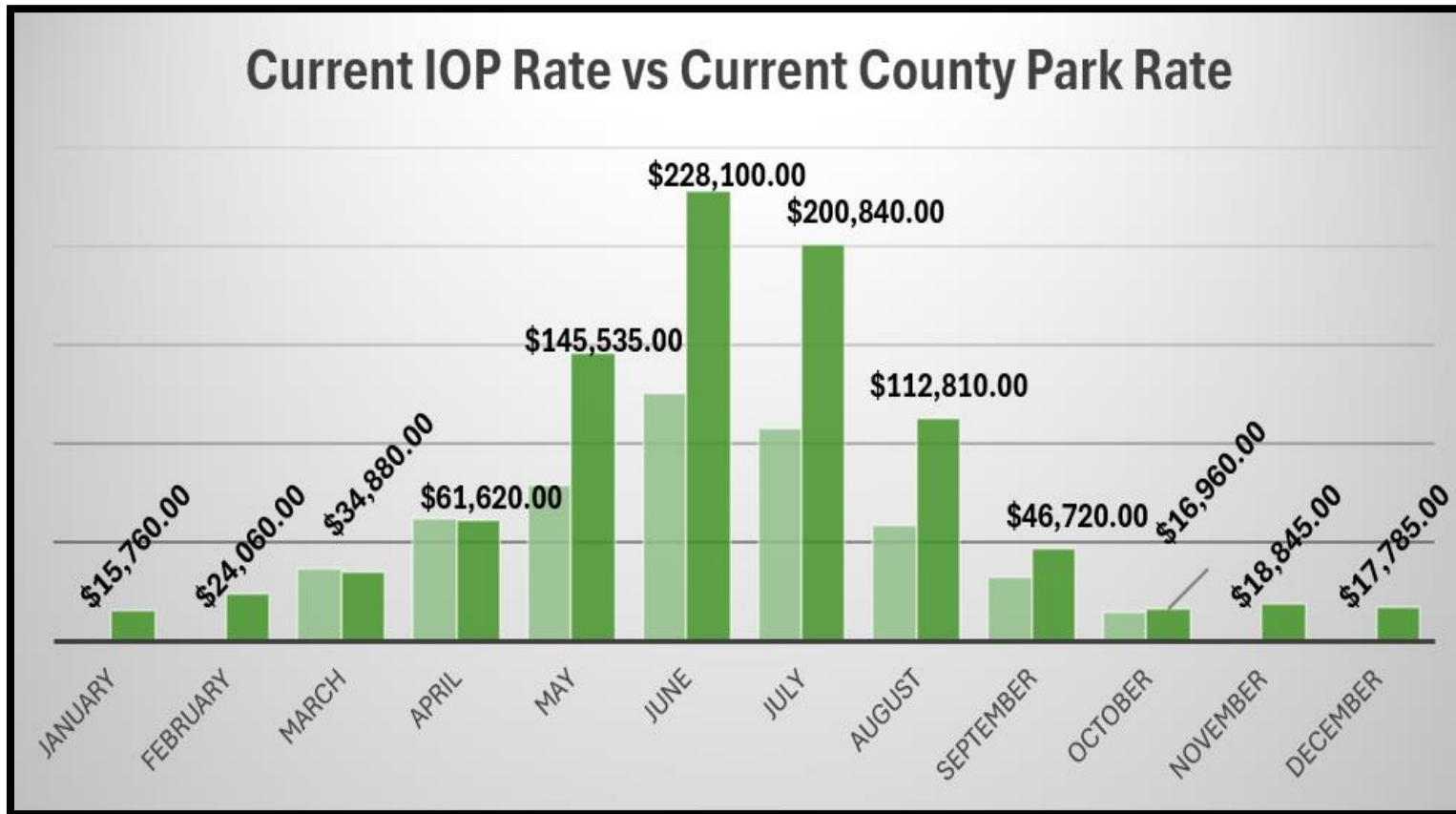
\$277,000
Annual
Revenue
Increase

Municipal Lots Projection One

Increase Flat Rate to \$15 from \$10 Mon-Fri



Municipal Lots Projection Two

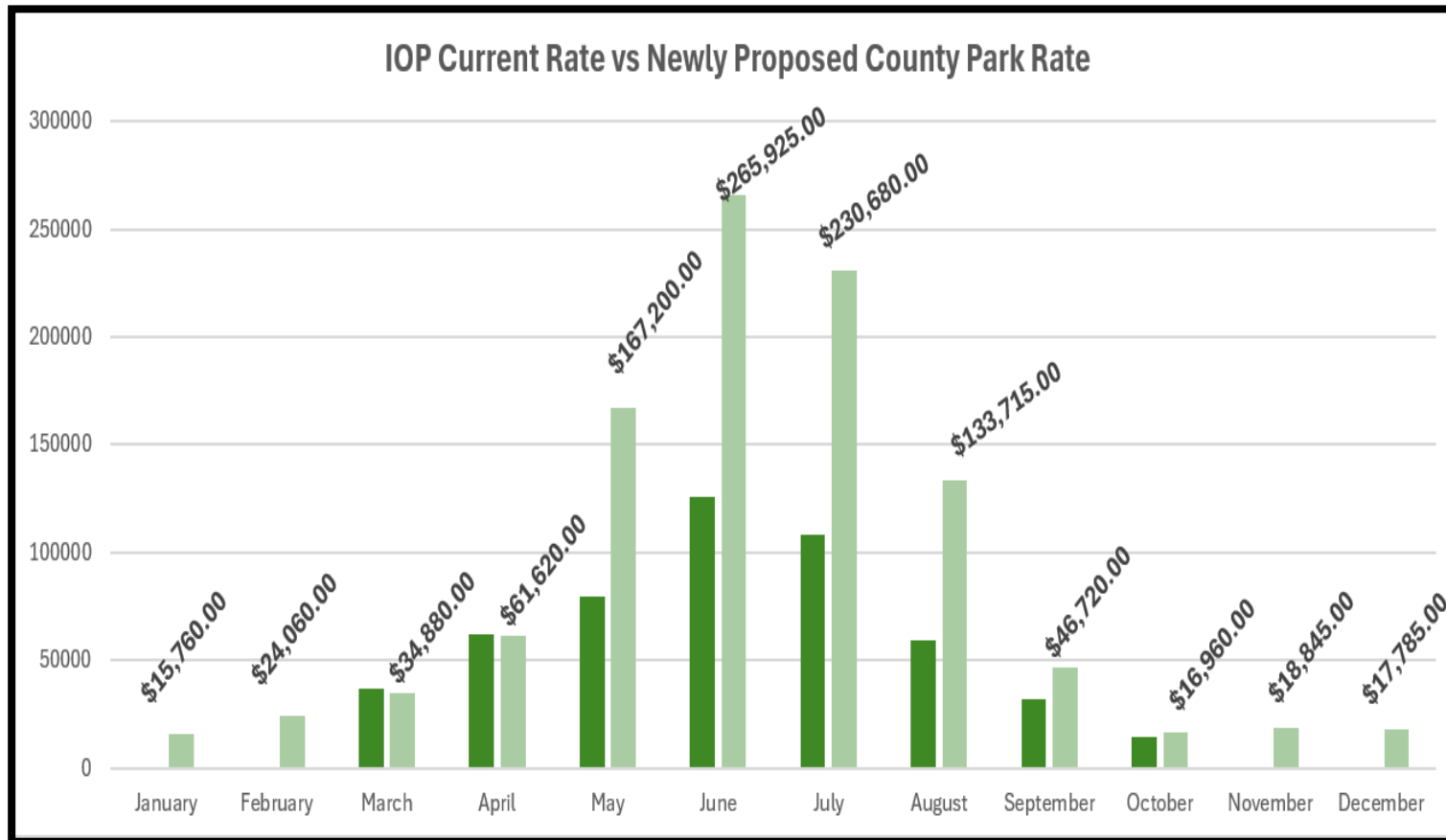


County Park Rates 2024

- January & February: \$5
- March & April: \$10
- May-Labor Day: \$15 Monday-Friday & \$20 Saturday, Sunday & Holidays
- September & October: \$10
- November & December: \$5

Municipal Lots reflecting current County Park rate structure (January-December) would yield an additional projected \$405k

Municipal Lots Projection Three



Proposed County Park Rates

- January & February: \$5
- March & April: \$10
- May-Labor Day: \$15 Monday-Friday & \$25 Saturday, Sunday & Holidays
- September & October: \$10
- November & December: \$5

Municipal Lots reflecting year round parking (January-December) with newly Proposed County Park Rates would yield an additional projected \$515k

Marina Parking Lot

- Paid Parking Commenced in July 2024
- 40 Paid Spaces
- \$10 Daily Rate
- 2025 / Full Year

Row Labels	Sum of Fee
Jul	2870
Aug	1570
Sep	1400
Oct	1510
Nov	0
Grand Total	7350

IOP Business Validation Program

- Engage Local Businesses
- Offer Ability for Businesses to Pay for Customer's Parking
 - Seasonal / Off-Season Only
 - Full Payment / Business Invoiced for Actual Use
 - Partial Payment
 - Example: 1 hour validation
 - Discounted Rates
 - Limited # of Validations



**2 Hour Free Parking
w/ Validation**

**Ask merchant/restaurant for
validation!**

You will need to know your plate
number. Take a picture of your plate
with your phone!

Call 225-532-1613 for assistance

State Accommodations Tax Advisory Committee
Isle of Palms, South Carolina

Application for City of Isle of Palms ATAX Grant

For Office Use Only

Date Received: _____	Total Project Cost: _____
Total Accommodations Tax Funds Requested: _____	
Recommendation by City of IOP Staff (yes and if so amount ;no; defer to committee; n/a) : _____	
Action Taken By Accommodations Tax Advisory Committee:	
Date _____ Approved _____ Denied _____ Amended _____ Other _____	

(Please Use Additional Paper and Include Pertinent Documentation as May Be Needed)

A. Project Name: IOP Chamber of Commerce - Branding effort to support Family Visitors to IOP.

B. Applicant Organization: Isle of Palms Chamber of Commerce

1. Mailing Address: PO Box 625, Isle of Palms, SC 29451

Telephone: 843-297-0134 Email: hello@iopchamber.com

2. Project Director: Rod Turnage

Telephone: 843-297-0134 Email rod.turnage@skyrun.com

3. Description of Organization, Its Goals and Objectives:

Mission: We advocate to advance commerce by serving residents and guests.

Vision: Our vibrant island lifestyle is always in season

Objectives: Work closely with local government, the business community, visitors and residents to optimize quality of life, the island's strategic brand, and future.

C. Description and Location of Project:

Perform an initial 6-month branding initiative to attract families to the Isle of Palms.

Leverage the findings, analytics, and best practices to further enhance an ongoing effort,
and targeted use of ATAX funds. This includes a digital and print campaign utilizing
ads, search engine optimization, Google G4, and geo-targeting.

Single Event? Ongoing Event/Annual Need?

1. Date(s): of project/ event or start date: Jan 1, 2025 Completion date: June 30, 2025
2. Impact on Tourism: What percentage of persons benefitting from this project are tourists, ie. those coming from more than 50 miles away and expected to spend the night on Isle of Palms (70 %) compared to Isle of Palms residents (15 %) vs. visitors from within 50 miles such as “day trippers” (15 %)

*Source of tourist data (website tracking, surveys, lodging data, sales information, etc.)

3. If this application is for an ongoing event, what is the percentage increase/decrease in tourist attendance compared to each of the past three years' events? n/a
*Source of tourist data n/a
(website tracking, surveys, lodging data, sales information, etc.)
4. Is your event to be conducted entirely on Isle of Palms? Yes If not, please set forth the percentage occurring on Isle of Palms, as well as the specific locations and the percentages occurring elsewhere.
5. To your knowledge, does anyone else promote projects similar to yours within the city limits of Isle of Palms? If so, how is your project similar and/or unique? Given the parameters, please explain why your project is entitled to City of Isle of Palms ATAX funding.
No
6. Set forth fully the successes and failures you have experienced for your proposed project for which you seek City of Isle of Palms ATAX funding for each of the past three years. Set forth the metrics by which you have

measured success for the past three years, as well as the metrics by which you will measure success for the current year's project/event on the City of Isle of Palms. See 3 year analytics from ATAX grant supporting Chamber start-up.

7. Describe fully how and why your proposed project/event qualifies for City of Isle of Palms ATAX funding. The branding campaign will enhance family visitor's overall knowledge of IOP, our businesses, rules, offerings, events and activities.
8. If your project is granted City of Isle of Palms ATAX funding and realizes a profit, do you commit to returning the profit to the City of Isle of Palms? N/A
If not, please explain fully, to include what you will do with the money. **Note:** It is impermissible to donate or "pass through" City of Isle of Palms ATAX grants to any other organization, except as authorized by City of Isle of Palms. Further, the City of Isle of Palms does not approve of "carry forwards" of ATAX grants for use in ensuing years, absent extraordinary and compelling reasons in the sole discretion of the City of Isle of Palms. Excess funds must be returned to the City of Isle of Palms.
9. Please attach your budget reflecting the amounts and sources of all related income and donations from others for the project/event, as well as expenditures for each of the last three years. In addition, set forth projected income and expenses for this year's project/event, as well as all expenses, both incurred and paid, as well as projected.

D. Financial Justification ("heads on beds" and ancillary benefits)

1. Describe fully and provide relevant documentation for each of the past three years reflecting:
 - Where, as a specific result of your project/event, have tourists spent the night on Isle of Palms, ie. those incurring accommodations taxes for lodging. Include the lodging providers addresses phone numbers, rooms utilized, costs and nights stayed.
 - Where do you project tourists for this year's project to spend the night (ie. lodging for those expected to pay accommodations taxes, to include hotels, condos, house rentals, etc.)? What is the basis for your projection? As an illustration, you may set forth blocks of rooms in hotels that have been reserved, private lodging that has been booked or are expected to be booked, etc.

We will present occupancy data (source KeyData) and geographic visitor data for the prior three years. All are staying on Isle of Palms.
2. Provide all additional economic and other relevant information justifying the grant of ATAX funding by City of Isle of Palms for your project/event, as well as your means of calculation. Post project data and feedback will serve as a baseline for future targeted branding efforts. We will present back a ROI model.
3. Set forth the number of tourists attending your project/event on the Isle of Palms for each of the past three years. Include where applicable all relevant documentation along with the methodology by which you have done your calculations. **numbers below do not include direct reservations with IOP property managers**
9/1/23 - 9/1/24 = 12,635 check-ins x 5 (avg occ) = 63,175 tourists; 9/1/22 - 9/1/23 = 13,273 CI x 5 = 66,365
4. Set forth the number of attendees projected for this year's project/event, and well as the means of calculation. 66,365 plus 15% (rate of direct bookings) = estimated 76,320 tourists
targeting to increase the total number of family vacationers

- 5. Is the project/event for which you seek City of Isle of Palms ATAX funding during the “off season” or “shoulder season”? If not, please explain the justification. Are proposed dates flexible so as to be amenable to off-season and/or shoulder season scheduling? Fall, Winter and Spring campaign supports overall bookings.
- 6. Describe fully all potentially negative aspects of your project/event, if any. This would include, by way of illustration, the potential for overcrowding particularly during warm weather months, parking challenges, health and safety issues, added responsibilities and difficulties imposed on first responders, impact on peace and tranquility- especially in residential neighborhoods and for tourists and factors potentially impacting adversely on the character of the City of Isle of Palms. Our overall marketing strategy supports visitor awareness to City laws/ordinances and guidelines for beach, noise, parking, etc. This includes our "good neighbor" policy.

E. Marketing Plan

Describe fully your past three years marketing for your project/event, as well as your current year’s advertising and marketing plan, to include all means of broadcast. Please include and attach all applicable documentation and the projected costs involved. Complete plan will be shared with the committee.

F. Funding: Sources of Income for This Project/Event (Please attach all supporting documents)

- 1. Sponsorships or Fundraising: Amount \$ _____ From _____
- 2. Entry Fees : Amount \$ _____ From _____
- 3. Donations: Amount \$ _____ From _____
- 4. Accommodations Tax Funds Request: Amount \$ 15,000
 Date(s) Required: 1/01/25 - 6/30/25 Lump Sum Installments _____
- 5. Other:
- 6. Total Funding: Total Budget: TBD - estimated at \$180k/yr

G. Financial Analysis

Please Provide a Line Item Budget for your project/event
To be included in presentation and follow on documents

If awarded, Isle of Palms ATAX funds are requested as follows:

(1) Lump Sum(s): \$ 15,000 on _____ (date),
 \$ _____ on _____ (date),
 \$ _____ on _____ (date).

(2) Payment of Invoices as submitted to City Staff. Invoices should be submitted at least two weeks prior to due date.

H. Miscellaneous

1. In what category do you place your project/event and why?
 - Festival _____
 - Marketing _____
 - Other (Please Explain): _____

2. Have you affirmatively reached out to the City of Isle of Palms staff for initial review for your project/event and if not, please explain. If you have reached out, what feedback did you receive, both positive and negative and specifically from whom?
We have spoken with City staff and Council members and received positive feedback.

3. If applicable, explain why you have not sought funding from sources other than the City of Isle of Palms for the funding of your project/event. If you have sought alternate or additional funding, explain fully the results to include the source(s) for funding, from whom received and set forth all amounts received or expected to be received from other sources.
We are a non-profit and operational costs come from our membership dues. The City is the only supporting entity with collective incentive/interest

4. Does your project/event have applicable liability insurance, to include the City of Isle of Palms, its employees and agents and if so, what are the liability limits? If not, please explain why not and explain who will agree to bear the costs, burdens, damages and legal fees for your project/event in case claims for damages are made against the City of Isle of Palms, its employees and agents as a result of your project/event. A minimum of \$300,000 of liability insurance is typically required unless that requirement is specifically waived in writing by the City of Isle of Palms in its sole discretion. If there is applicable insurance, do you commit to making the City of Isle of Palms, its employees and agents additional insured(s)? If not, explain fully the basis. If applicable, you must include a copy of the relevant insurance policy reflecting the City of Isle of Palms, its employees and agents are additional insured(s) for your project/event. n/a

5. Do you assert that the project/event for which you seek City of Isle of Palms ATAX funding is sustainable in the future? If so, please explain fully. If not, please explain fully. Yes and this is the whole point of the project = future sustainable model supporting ATAX in the future.

6. In the event City of Isle of Palms grants your project/event ATAX grant funding, do you acknowledge that no such funds can be spent for the purchase of alcohol or tobacco products? YES If not, please explain your justification. _____

7. In the event your project/event is awarded City of Isle of Palms ATAX grant

funding, but is postponed for more than 180 days of receipt of funding, do you acknowledge that you must return to the City of Isle of Palms all ATAX grant money received from Isle of Palms absent extraordinary circumstances and within the sole discretion of the City of Isle of Palms? Do you agree? YES If you do not agree, please set forth fully your reasons. _____

8. In the event your project/event is granted City of Isle of Palms ATAX grant funding, you must and do hereby agree by the filing your application personally to hold harmless and indemnify the City of Isle of Palms, its employees and agents from and against any claims for damages to include, *inter alia*, legal fees relative to your project/event. Do you agree? YES If not, please explain. _____
If not, please explain fully your basis. _____
9. In the event the City of Isle of Palms provides ATAX grant funding for your event/project, set forth in detail how you will acknowledge the City of Isle of Palms as a grantor of funding.

Recognition will be acknowledged in print media, social media channels and with in-person member meetings
_____ once a month.



IOP CHAMBER OF COMMERCE

MARKETING PROPOSAL

FOR A TAX FUNDING

Presented by Rod Turnage



EXECUTIVE SUMMARY

REBRANDING ISLE OF PALMS AS A FAMILY VACATION DESTINATION

Plan:

- Promoting IOP as a family-friendly destination that celebrates local charm and community while attracting family visitors.
- Implement enhanced marketing and digital tools to connect families with local businesses, activities, and dining options for an immersive island experience.
- Engaging social, print, and digital media content to position Isle of Palms as a premier, family-friendly locale that celebrates community and highlights the unique island charm.

Target: Attract family demographics to experience Isle of Palms as a unique yet inclusive destination, welcoming both visitors and locals to a community-centered island getaway.



PROBLEM STATEMENT

Addressing Visitor Experience & Local Business Engagement

- Local businesses are underrepresented online, and visitor engagement with the island's offerings is limited. This has hindered our ability to attract and retain family vacationers, resulting in untapped revenue streams and targeted audience retention.



PROPOSED SOLUTION

With a new website already in process, our focus now is on a comprehensive marketing strategy that combines social media, digital outreach, and targeted print materials to reshape Isle of Palms' appeal and attract family-oriented visitors.

We'll leverage social media to showcase family-friendly experiences, from dining and activities to local events, building an online presence that aligns with the island's true character. This digital engagement will be complemented by strategic print campaigns that reach potential visitors both locally and regionally, creating a cohesive narrative that encourages families to choose Isle of Palms for their vacations. Together, this multi-channel approach will revitalize the island's image, strengthen local business visibility, and cultivate a loyal audience of family vacationers.



TARGET AUDIENCE

Attracting Family Vacationers

We're focused on appealing to families looking for an elevated yet approachable experience on the island. Our brand messaging and aesthetic emphasize quality, fun, and discovery. The Isle of Palms will be positioned as a unique destination offering dining, shopping, and activities without excluding families seeking more budget-friendly options.



IOP VISITOR RETENTION

Building Visitor Loyalty with CHAMBER AS A CONNECTOR

The Isle of Palms Chamber of Commerce will provide a comprehensive platform for visitors to discover and engage with the island's businesses and attractions. Through our digital directory and itineraries, we will enable families to make lasting memories, encouraging them to return to favorite spots and try new experiences on future visits. Our commitment to helping businesses succeed builds loyalty and value for both visitors and residents.



MARKETING STRATEGIES

Leveraging Digital and Physical Engagement

- Website enhancements to increase digital engagement.
- Social media showcasing the best of Isle of Palms.
- Collaborative promotions with local businesses to drive traffic.
- The Chamber will serve as a catalyst to help the city reach its target visitor demographic.
- Through our directory and curated itineraries, we connect businesses with visitors in meaningful ways, building lasting relationships that foster loyalty and encourage family vacation planning and families to return to Isle of Palms year after year.



NEW WEBSITE

Rebranding with a Focus on Families

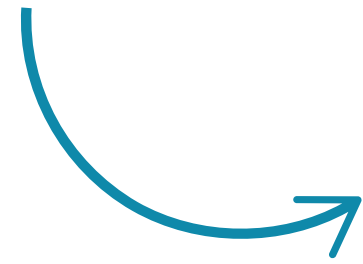
- **Upscale aesthetic** inspired by high-end family destinations like Freshfields Village, will appeal to discerning families while providing practical, accessible features for all visitors.
- **Itineraries Tab:** Curated family-friendly plans, updated bi-monthly.
- **Map & Directory:** Comprehensive digital and physical map, showcasing a list of **ALL** local businesses and attractions. A tool to attract vacationers, boosting Chamber membership. This information is not currently displayed anywhere else and will be a major feature for Isle of Palms.

Welcome to Isle of Palms

[Discover](#)

Discover Your Perfect Beachside Getaway Where Our Vibrant Island Lifestyle is Always in Season.

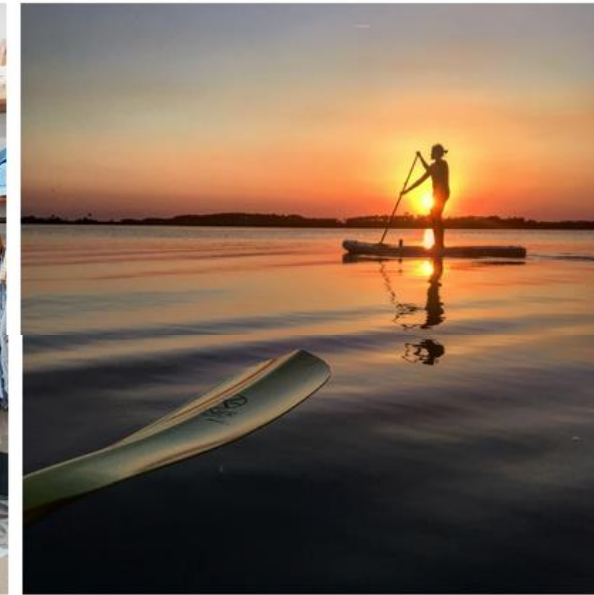
SNEAK PEEK OF NEW SITE



EAT



SHOP



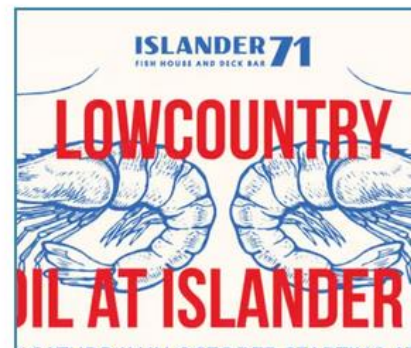
PLAY

Discover the Map & Directory

[Take Me There](#)

Things to Do

Experience the Best of Our Beachside Paradise

[Discover All Events](#)

Salons & Spas

- Beach House Spa
- Nail Salon & Co (5% Off For Cash Payment)
- Salon Latitude
- Sand and Sea Salon and Spa
- The Spa at Sweetgrass

Restaurants

- Acme Lowcountry Kitchen
- Beachside Burgers & Bar

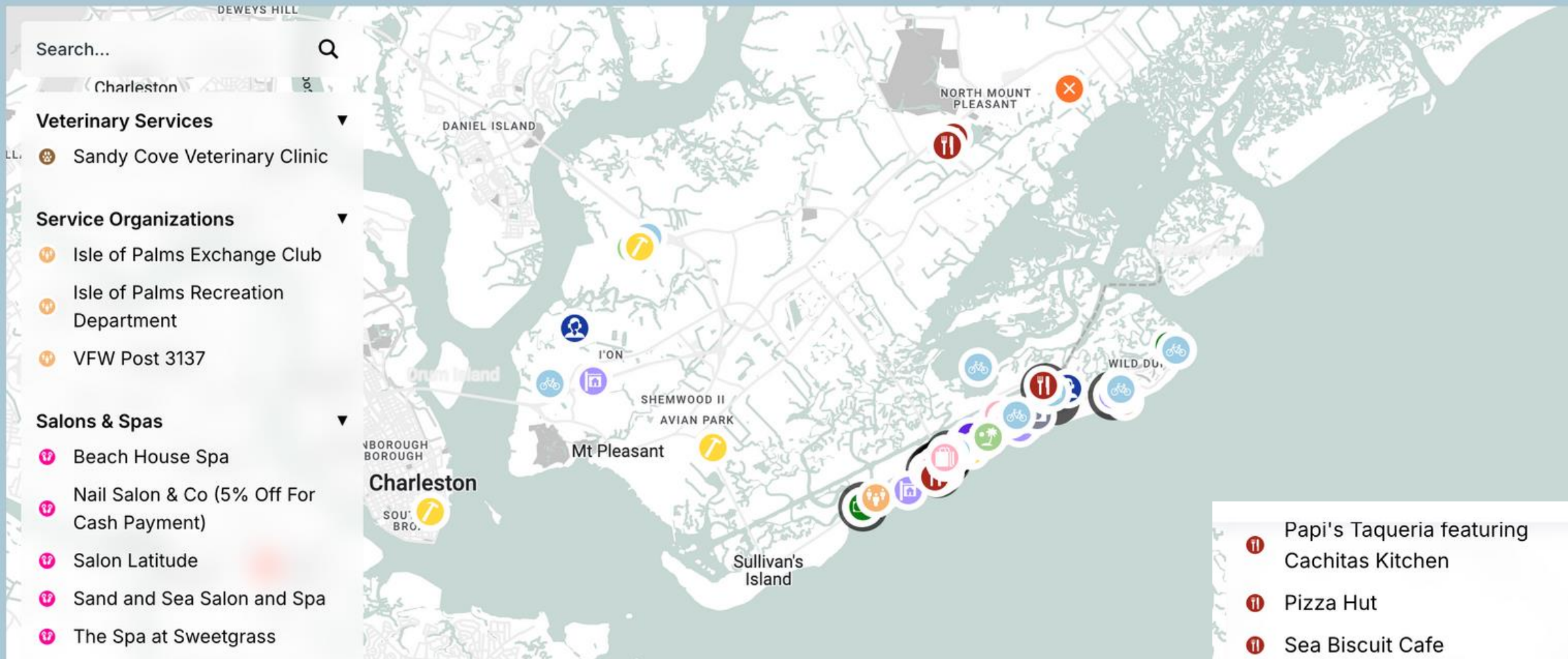


MAP & DIRECTORY

the heart of the new website

- **Phase 1:** Digital directory featuring a comprehensive list of **ALL** local businesses, services, and locations.
- **Phase 2:** Physical kiosk on Front Beach to guide vacationers in person.
- Interactive and user-friendly design to increase traffic for businesses and local engagement.

MAP & DIRECTORY



- 🍽️ Papi's Taqueria featuring Cachitas Kitchen
 - 🍽️ Pizza Hut
 - 🍽️ Sea Biscuit Cafe
 - 🍽️ Shaka Shack
 - 🍽️ Smugglers Island Eats and Rum Shack
 - 🍽️ Subway
 - 🍽️ The Dinghy
 - 🍽️ The Outpost at IOP Marina
 - 🍽️ The Refuge
 - 🍽️ The Windjammer
- Retail Gifts & Stores**
- 🏪 Charleston Aviation Partners LLC
 - 🏪 Delta Pharmacy & Medical Supply
 - 🏪 Harris Teeter
 - 🏪 Hudson's Market
 - 🏪 Island Liquors
 - 🏪 Island Surf Co, Isle of Palms, SC



The Refuge
 1517 Palm Blvd suite a, Isle of Palms, SC 29451, USA

PHONE:
 843-242-8934

EMAIL
therefuge1517@gmail.com

WEBSITE
refugeiop.com

HOURS
 Sun, Mon, Tue, Wed, Thur, Fri, Sat, 8:00 AM - 9:00 PM

SERVICES
 Bar, Restaurant, Catering, Joint coffee



The directory is not just a list of businesses but a tool to help both locals and vacationers experience the best of Isle of Palms, wherever they live.

This feature supports retention by encouraging repeat visits to favorite businesses and allowing vacationers to explore all IOP has to offer, guided by Chamber-endorsed recommendations.

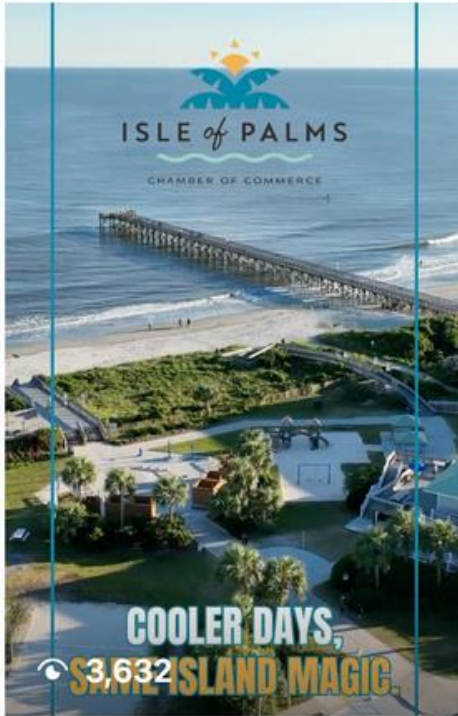
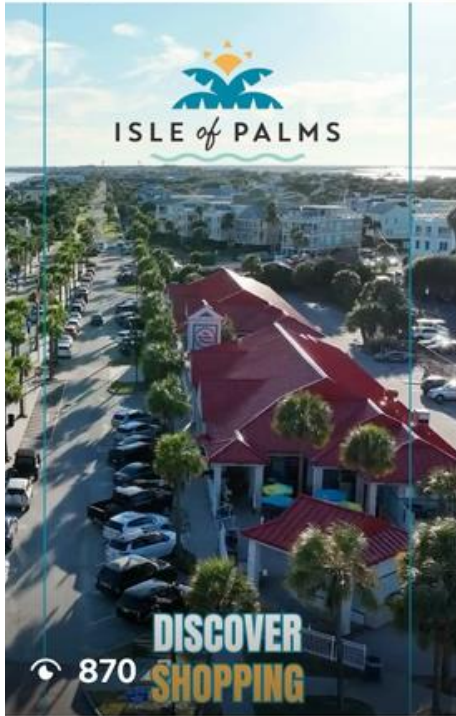
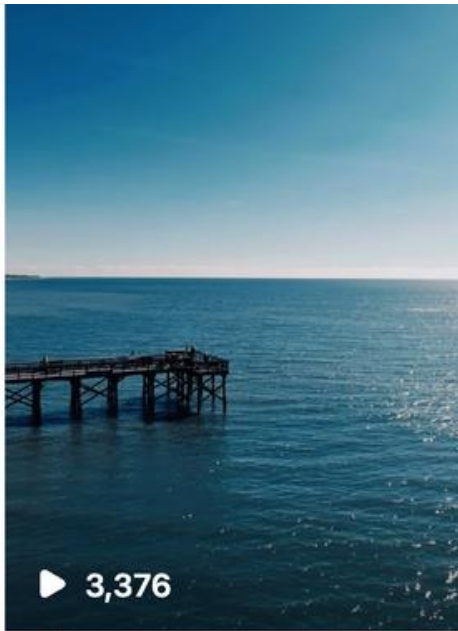


Social Media Strategy

Reflecting a Vibrant Family Vacation Destination

- Use drone footage to showcase island beauty.
- Create engaging reels focusing on island experiences such as fine dining, pet-friendly spots, beach rentals, family itineraries, kid-friendly spots, etc.
- Consistent upscale imagery to attract families and promote local businesses.
- Curated to showcase the island's appeal to families looking for both quality and adventure.

Our Social Media Reels





SUCCESS INDICATORS

Measuring Impact and Growth

- Increased website traffic and social media engagement.
- Higher family vacationer numbers and extended stays.
- Growth in Chamber membership from local businesses.
- Positive feedback from visitors and businesses on directory and itineraries.
- Improved quality of life for residents.
- Aligned and agreed to success metrics with City ATAX Committee and Chamber.



SUCCESS INDICATORS

Measuring Impact and Growth

- Each visitor to our Chamber of Commerce website represents an estimated dollar value spent on the island, as we connect them to local businesses, accommodations, and experiences. By attracting and engaging these visitors online, our website drives real economic impact, encouraging spending that supports our community and contributes directly to Isle of Palms' local economy.

PROJECT TIMELINE

KEY MILESTONES AND DELIVERABLES

- **November 2024** - Website redesign and Phase 1 of the digital directory launch. Social media campaigns and introduction of family itineraries.
- **February 2025** - Report back with our findings.



MARKETING BUDGET

TOTAL BUDGET: \$75,000

- **Marketing Agency: \$15,000**
- **Website redesign: \$2,500**
- **Digital Map & Directory software: \$500**
- **Beautification (signs, landscaping): \$30,000**
- **Social media campaigns and content creation: \$5,000**
- **Drone Footage: \$2,000**
- **Physical Directory Kiosk: \$20,000**





BRAND AESTHETICS

CAPTURING THE ESSENCE OF FAMILY VACATIONS

Upscale and modern design mimicking Freshfields Village.

Warm, inviting imagery that reflects the charm of Isle of Palms.

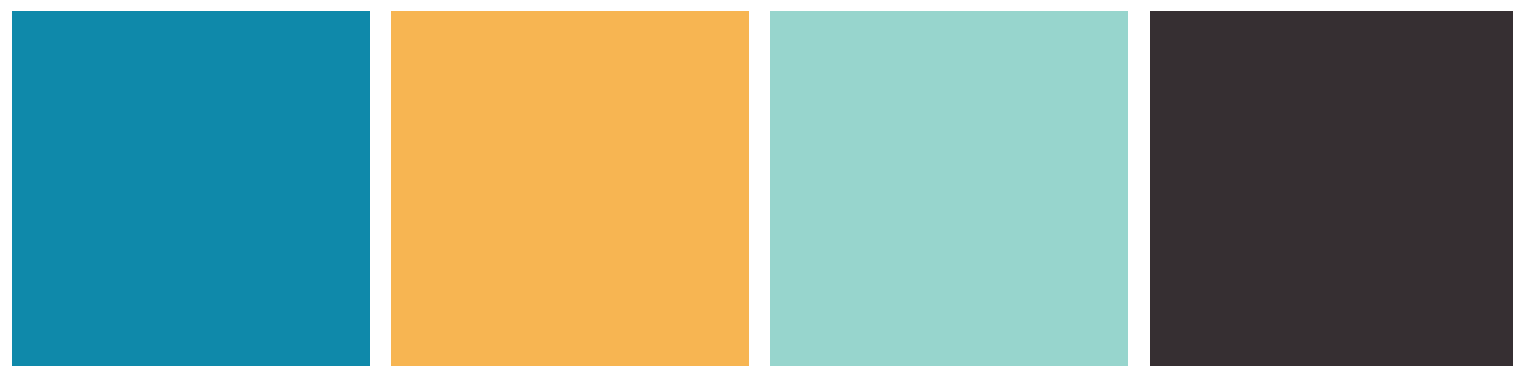
Family-friendly yet sophisticated visuals, focusing on relaxation, exploration, and fun.

A cohesive look across digital and physical platforms to create a seamless brand experience.

Current

Brandon Grotesque Bold

Anton Regular



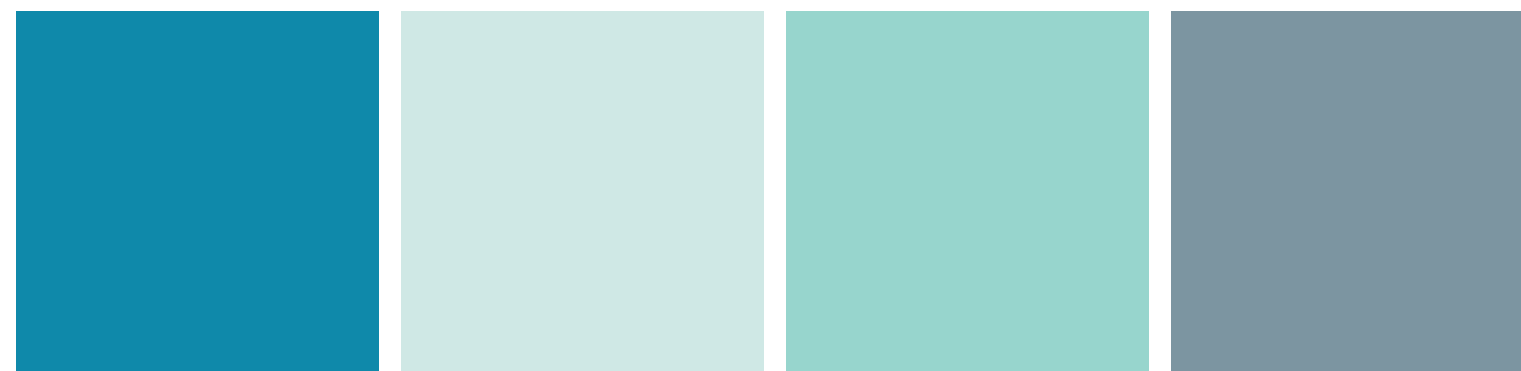
ISLE of PALMS



SOUTH CAROLINA — U.S.A.

ReBran

Cormorant Garamond



ISLE of PALMS



SOUTH CAROLINA — U.S.A.



THE ASK

how iop chamber can execute on the
city's branding vision

- Initial investment to market to the City's desired target audience.
- Investing \$15K with us will allow us to demonstrate the tangible impact we can create for the Isle of Palms community.



Beautification Project

Enhancing the Aesthetic Appeal

- New upscale welcome signs at key entry points.
- Flower boxes on light posts and improved landscaping.
- Aim to create a visually pleasing environment that attracts vacationers and enhances the community for residents.

Mimic This
Aesthetic



Beautification Project

Enhancing the Aesthetic Appeal

These improvements will contribute to an upscale, family-friendly aesthetic that appeals to higher-spending visitors while remaining inviting for all families. It is essential to creating a visually appealing environment that will draw vacationers who seek quality experiences.

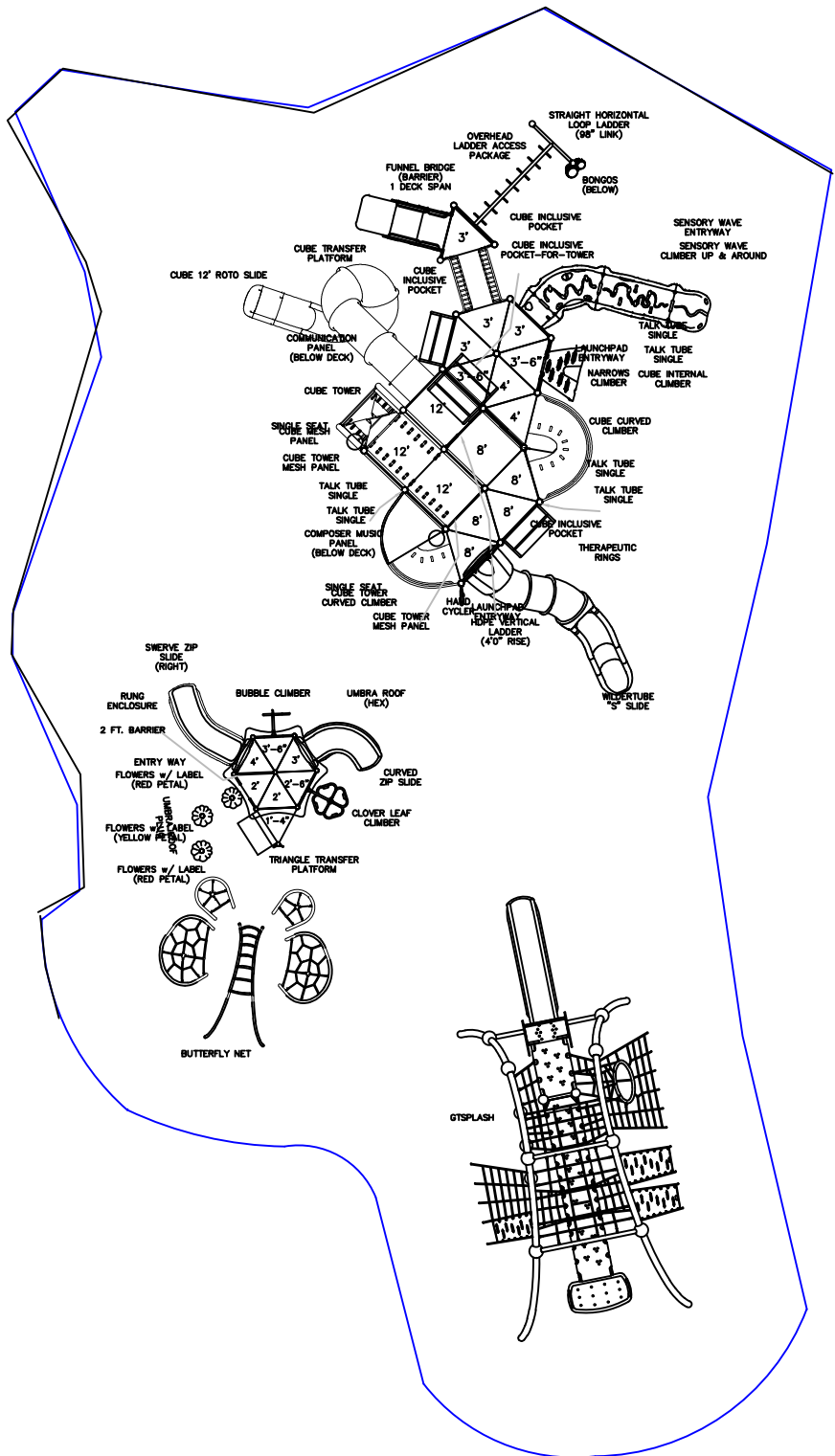
Isle of Palms Recreation Center Isle of Palms, SC

Design • Build • PLAY!



Color Palette:
Forester w/ Spring
Green Accent, Spring
Green Basic 2, Beige
Accent 2, and Beige
Plastics/Roof





A PLAYCORE Company

150 PlayCore Drive SE
Fort Payne, AL 35967
www.gametime.com



Isle of Palms
Recreation Center
Isle of Palms, SC

Representative
Cunningham Recreation

This play equipment is recommended for children ages 2-5 & 5-12

Minimum Area Required:

Scale:

This drawing can be scaled only when in an 11" x 17" format

IMPORTANT: Soft resilient surfacing should be placed in the use zones of all equipment, as specified for each type of equipment, and at depths to meet the critical fall heights as specified by the U.S. consumer Product Safety Commission, ASTM standard F 1487 and Canadian Standard CAN/CSA-Z-614

Drawn By:
CR

Date:
10/10/24

Drawing Name:
170124-01-05

Untitled Map

Write a description for your map.

Legend



GameTime
 Google Earth
 150 PlayCore Drive SE
 Fort Payne, AL 35967
 www.gametime.com



Isle of Palms
 Recreation Center
 Isle of Palms, SC
 Representative
 Cunningham Recreation

This play equipment is recommended for children ages
2-5 & 5-12

Minimum Area Required:
 Scale:
 This drawing can be scaled only when in an 11" x 17" format

IMPORTANT: Soft resilient surfacing should be placed in the use zones of all equipment, as specified for each type of equipment, and at depths to meet the critical fall heights as specified by the U.S. consumer Product Safety Commission, ASTM standard F 1487 and Canadian Standard CAN/CSA-Z-614

Drawn By: CR
 Date: 10/10/24
 Drawing Name: 30 ft
 170124-01-05





GameTime c/o Cunningham Recreation
 PO Box 240981
 Charlotte, NC 28224
 800.438.2780
 704.525.7356 FAX

10/22/2024
 173
 Quote #
 170124-01-05

Isle of Palms Recreation Center Playground (Option 3)

Isle of Palms Parks and Recreation
 Attn: Karrie Ferrell
 24 28th Avenue
 Isle of Palms, SC 29451
 United States
 Phone: 843-886-8294
 kferrell@iop.net

Ship to Zip 29451

Quantity	Part #	Description	Unit Price	Amount
1	RDU	GameTime - Powerscape Modular Unit for Ages 5-12 (per attached drawings) [Deck:Pvc:_____] [Accent:_____] [HDPE:_____] [Accent2:_____] [Basic:_____] [Cabling:_____] [RotoPlastic:_____] [Tube:_____] [2ColorHDPE:_____]	\$181,418.00	\$181,418.00
		(11) 16701 -- Ada 49"Tri Punch Steel Dk		
		(2) 6284RP -- Aventus Entryway		
		(1) 6862RP -- Aventus Transfer Platform		
		(1) 6863RP -- Arise Climber		
		(1) 6864RP -- Aventus Tower Foundation		
		(3) 6865RP -- Inclusive Play Pocket		
		(2) 6866RP -- Aventus Tower Mesh Panel		
		(1) 6867RP -- Aventus Tower 12' Slide		
		(1) 6868RP -- Aventus Tower Mesh Panel		
		(1) 6869RP -- Arise Climber w/Cover		
		(1) 6870RP -- Inclusive Play Pocket (Tower)		
		(1) 6874RP -- Aventus Internal Climbing Wall		
		(6) 6880RP -- Aventus Talk Tube		
		(6) 6895RP -- Aventus Extensions		
		(1) 80001 -- 49"Tri Punched Steel Deck		
		(1) 81510 -- Horiz Loop Lad Link 98"Lk		
		(1) 81669 -- Hand Cyclor		
		(2) 81680 -- Single Seat		
		(1) 81688 -- Therapeutic Rings Attch		
		(1) 81699 -- Bongos		
		(1) 90207 -- Overhead Ladder Access Package		
		(2) 90267 -- 9' Upright, Alum		
		(3) 90268 -- 10' Upright, Alum		
		(5) 90269 -- 11' Upright, Alum		
		(2) 90273 -- 15' Upright, Alum		



GameTime c/o Cunningham Recreation
 PO Box 240981
 Charlotte, NC 28224
 800.438.2780
 704.525.7356 FAX

10/22/2024
 174
 Quote #
 170124-01-05

Isle of Palms Recreation Center Playground (Option 3)

Quantity	Part #	Description	Unit Price	Amount
		(1) 90399 -- Std Funnel Bridge,1 Dk Span W/ Barrier		
		(1) 90760 -- 8' Wildertube 'S'		
		(1) 153651 -- 24" St Section 30"Dia		
		(1) 153655 -- 30 Deg Elbow Sec 30" Dia		
		(1) 153655 -- 30 Deg Elbow Sec 30" Dia		
		(1) 203582 -- Tube Entrance Section		
		(1) 204879 -- Footbuck Assy 40 1/16"Lg		
		(1) 205962 -- Straight Section		
		(1) 205964 -- Curved Right Section		
		(1) 206179 -- Exit Section		
		(1) 207772 -- Wilder Tube Section		
		(1) 208907 -- Hdw-Wildertube "S" Slide		
		(1) 312634 -- Support Assy 70 13/16"Lg		
		(1) 91375 -- PS Sensory Wave Up & Around (3' & 3'		
		(1) 91457 -- Sensory Wave Entryway		
		(1) 91595 -- Composer		
		(1) 91604 -- HDPE Vertical Ladder 4'0"		
		(1) 91739 -- Narrows Climber (3'-4'6")		
		(1) 91806 -- Communication Board		
		(1) 91827 -- 5" Upright Extension w/ Cap 5'		
		(5) 91832 -- 5" Upright Extension w/o Cap 8'		
		(1) 91846 -- 5" Upright Extension w/o Cap 7'		
		(2) G90268 -- 10' Upright, Galv		
		(5) G90270 -- 12' Upright, Galv		
		(2) G90272 -- 14' Upright, Galv		
		(1) G90273 -- 15' Upright, Galv		
1	RDU	GameTime - #PT21004 "Metamorphosis" PrimeTime Unit (per attached drawings) [Basic:_____] [Accent:_____] [Deck:Pvc:_____] [Arch:_____] [RotoPlastic:_____] [Roof:_____] [Roof2:_____]	\$46,517.00	\$46,517.00
		(1) 12023 -- 3 1/2" Uprt Ass'Y Alum 8'		
		(1) 12025 -- 3 1/2" Uprt Ass'Y Alum 10'		
		(6) 12069 -- 3 1/2"Uprt Ass'Y Alum 14'		
		(1) 12438 -- 24" Barrier		
		(6) 18201 -- 36" Tri Punched Deck P/T		
		(1) 18337 -- 36" Tri Transfer Platform		



GameTime c/o Cunningham Recreation
 PO Box 240981
 Charlotte, NC 28224
 800.438.2780
 704.525.7356 FAX

10/22/2024
 178
 Quote #
 170124-01-05

Isle of Palms Recreation Center Playground (Option 3)

Quantity	Part #	Description	Unit Price	Amount
		(1) 19001 -- Entry Way		
		(1) 19105 -- Clover Leaf (2' & 2'-6")		
		(1) 19121 -- Curved Zip Slide		
		(1) 19214 -- Rung Enclosure		
		(1) 19217 -- Bubble (3' & 3'6")		
		(1) 19363 -- 3'-6"/4'-0" Zip Swerve Slide Right		
		(1) 19758 -- Umbra Hex roof		
		(6) 19762 -- Umbra Roof Plug		
		(1) 38003 -- Butterfly Net		
		(1) 38220L -- Flower Yellow Petals W/Label		
		(2) 38222L -- Flower Red Petals W/Label		
1	6257SP	GameTime - GT Splash [2 Color HDPE: _____] [Accent: _____] [Accent 2: _____] [Basic: _____] [Basic 2: _____] [Deck:Pvc: _____] [Netting: _____] [Roto Plastic: _____]	\$62,525.00	\$62,525.00
1	DISCOUNT	MISC - Additional Discount	(\$102,857.00)	(\$102,857.00)
4679	PIP	GT-Impax - Poured in Place Safety Surfacing (per SF)- Price Includes: <ul style="list-style-type: none"> 4.75" thick for 10' CFH - 2252 SF 5.25" thick for 12' CFH - 2258 SF 50% Standard Color 50% Black Turndown into EWF Crushed Stone Sub-base Trash Removal Freight Installation 	\$26.36	\$123,338.44
1	INSTALL	MISC - Site Work to Include:- <ul style="list-style-type: none"> R&D of Existing Equipment Installation of Above Equipment R&D of Existing EWF Supply/Install Fill Dirt to build up site 	\$130,125.00	\$130,125.00
1	INSTALL	MISC - R&D of 140' of existing playcurbs and Installation of 140' new Concrete Curbing	\$8,815.00	\$8,815.00
		--Optional Add On-- *Please circle and add an additional \$21,090.00 to the quote total to include R&D of all existing playcurbs (475') and Installation of new Concrete Curbs (475') around the entire area.		
1	INSTALL	MISC - Supply/Install Concrete Sidewalk	\$1,810.00	\$1,810.00
			Sub Total	\$451,691.44
			Freight	\$19,522.75
			Tax	\$16,884.27
			Total	\$488,098.46



GameTime c/o Cunningham Recreation
PO Box 240981
Charlotte, NC 28224
800.438.2780
704.525.7356 FAX

10/22/2024
178
Quote #
170124-01-05

Isle of Palms Recreation Center Playground (Option 3)

Comments

* Site must be clear, level, free of obstructions, and accessible. *Site should permit installation equipment access. Purchaser shall be responsible for unknown conditions such as buried utilities, tree stumps, bedrock or any concealed materials or conditions that may result in additional costs.*

* Pricing DOES NOT include top off of EWF in surrounding area.

* Please note that the current pricing is valid through November 8, 2024. Any orders placed after this date will be subject to 2025 pricing adjustments.

*NASPO Contract #PO-10700-00015861 / Addendum 4400035948

GAMETIME - TERMS & CONDITIONS:

- **PRICING:** Due to fluctuating economic conditions, pricing is valid for 30 days and is subject to change. Please request updated pricing if your quote is older than 30 days before making a purchase.
- **TERMS OF SALE:** For equipment & material purchases, Net 30 days from date of invoice for governmental agencies and those with approved credit. All others, full payment for equipment, taxes and freight up front. Balance for services & materials due upon completion or as otherwise negotiated upon credit application review. Pre-payment may be required for equipment orders totaling less than \$5,000. Payment by VISA, MasterCard, or AMEX is accepted (**If you elect to pay by credit card, GameTime charges a 2.50% processing fee that is assessed on the amount of your payment. This fee is shown as a separate line item and included in the total amount charged to your credit card. You have the option to pay by check, ACH or Wire without any additional fees.**). Checks should be made payable to Playcore Wisconsin, Inc. dba GameTime unless otherwise directed. **Any order exceeding \$300,000 will require progress payments during the course of completion.**
- **CREDIT APPLICATION:** Required for all non-governmental agencies and those entities who have not purchased from GameTime within the previous twelve calendar months.
- **FINANCE CHARGE:** A 1.5% monthly finance charge (or maximum permitted by law) will be added to all invoices over 30 days past due.
- **CASH WITH ORDER DISCOUNT:** Orders for GameTime equipment paid in full at time of order via check or electronic funds transfer (EFT) are eligible for a 3% cash-with-order (CWO) discount. Consult local sales representative for CWO terms.
- **ORDERS:** All orders shall be in writing by purchase order, signed quotation or similar documentation. Purchase orders must be made out to Playcore Wisconsin, Inc. dba GameTime.
- **FREIGHT CHARGES:** Shipments shall be F.O.B. destination. Freight charges prepaid and added separately.
- **SHIPMENT: Standard Lead time is 6-8 weeks (some items may take longer)** after receipt and acceptance of purchase order, credit application, color selections and approved drawings or submittals.
- **PACKAGING:** All goods shall be packaged in accordance with acceptable commercial practices and marked to preclude confusion during unloading and handling.
- **RECEIPT OF GOODS:** Customer shall coordinate, receive, unload, inspect and provide written acceptance of shipment. Any damage to packaging or equipment must be noted when signing delivery ticket. If damages are noted, receiver must submit a claim to Cunningham Recreation within 15 Days. Receiver is also responsible for taking inventory of the shipment and reporting any concealed damage or discrepancy in quantities received within 60 days of receipt.
- **RETURNS:** Returns are only available on shipments delivered within the last 60 days. A 25% (min.) restocking fee will be deducted from any credit due. Customer is responsible for all packaging & shipping charges. Credit is based on condition of items upon return. All returns must be in unused and merchantable condition. GameTime reserves the right to deduct costs associated with restoring returned goods to merchantable condition. Uprights & custom products cannot be returned.
- **TAXES:** Sales tax is shown as a separate line item when included. A copy of your tax exemption certificate must be submitted at time of order or taxes will be added to your invoice.



GameTime c/o Cunningham Recreation
PO Box 240981
Charlotte, NC 28224
800.438.2780
704.525.7356 FAX

10/22/2024
177
Quote #
170124-01-05

Isle of Palms Recreation Center Playground (Option 3)

INSTALLATION CONDITIONS:

- **ACCESS:** The site must be clear, level, and provide unrestricted access for trucks and machinery. Any site that is inaccessible may incur additional charges.
- **STORAGE:** The customer is responsible for providing a secure area for off-loading and storing equipment during installation. Once equipment is delivered to the site, the owner assumes responsibility for any theft or vandalism unless alternative arrangements are made and documented in the quotation.
- **FOOTER EXCAVATION:** Installation pricing is based on footer excavation through earth/soil only, prior to the installation of drains, subbase, or surfacing. The customer is responsible for any unforeseen conditions such as buried utilities (public or private), tree stumps, rocks, or any other concealed materials or conditions that may result in additional labor or material costs.
- **UTILITIES:** The installer will contact 811 to locate all public utilities before layout and excavation of footer holes. The owner is responsible for identifying any private utilities. Cunningham Recreation and the installer are not liable for any damage to unmarked private utilities.
- **ADDITIONAL COSTS:** Pricing is based on a single mobilization for installation unless otherwise stated. The price includes only the items specified in this quotation. Additional site work or specialized equipment needs may result in price adjustments.
- **SITE CONDITIONS:** The site must have a slope of less than 1.5%. Any excavation or grading required to achieve an acceptable slope is the responsibility of others unless otherwise noted. All demolition and site preparation must be completed before the installation crew is mobilized.
- **GENERAL INSTALLATION NOTES:** Installation will be performed according to the manufacturer's specifications by a GameTime-certified installer. A one-year warranty on all labor is provided from the date of completion. Product warranty and service claims may not include labor.

ACCEPTANCE OF QUOTATION:

Acceptance of this proposal indicates your agreement to the terms and conditions stated herein.

Accepted By (printed): _____ Title: _____

Telephone: _____ Fax: _____

P.O. Number: _____ Date: _____

Purchase Amount: **\$488,098.46**

SALES TAX EXEMPTION CERTIFICATE #: _____

(PLEASE PROVIDE A COPY OF CERTIFICATE)

Salesperson's Signature

Customer Signature



GameTime c/o Cunningham Recreation
PO Box 240981
Charlotte, NC 28224
800.438.2780
704.525.7356 FAX

10/22/2024
178
Quote #
170124-01-05

Isle of Palms Recreation Center Playground (Option 3)

BILLING INFORMATION:

Bill to: _____

Contact: _____

Address: _____

Address: _____

City, State: _____ Zip: _____

Tel: _____ Fax: _____

E-mail: _____

SHIPPING INFORMATION:

Ship to: _____

Contact: _____

Address: _____

Address: _____

City, State: _____ Zip: _____

Tel: _____ Fax: _____

E-mail: _____



PARTICIPATING ADDENDUM

PARKS & RECREATION EQUIPMENT, INSTALLATIONS AND RELATED GOODS & SERVICES

Lead by the State of Oregon

Master Agreement #: PO-10700-00015861

Contractor: **GAMETIME**

Participating Entity: **STATE OF SOUTH CAROLINA**

Contract Number: **4400035948**

The following products or services are included in this contract portfolio:

Parks & Recreation and Playground Equipment, Installations and Related Goods & Services

The following products or services are not included in this agreement:

Any item available on this contract that is already available on an existing South Carolina State Term Contract. For this Addendum, the Outdoor Furniture Category items are excluded.

Master Agreement Terms and Conditions:

1. **Scope:** This addendum covers the *Parks & Recreation Equipment, Installations and Related Goods & Services* procurement led by the *State of Oregon* for use by state agencies and other entities located in the Participating State of South Carolina authorized by that State's statutes to utilize State contracts with the prior approval of the State's Chief Procurement Official.
2. **Participation:** This NASPO ValuePoint Master Agreement may be used by all state agencies, institutions of higher institution, political subdivisions and other entities authorized to use statewide contracts in the State of South Carolina. Issues of interpretation and eligibility for participation are solely within the authority of the State Chief Procurement Official.

Pursuant to Section 11-35-4810, South Carolina public procurement units, both state and local (as defined by S.C. Code Ann. § 11-35-4610(5), as amended) are authorized to participate in cooperative purchasing.

Participation by local public procurement units (as defined by S.C. Code Ann. § 11-35-4610(3), as amended) in the Master Agreement is optional. By submitting an order and receiving delivery of an item pursuant to the Master Agreement, a local public procurement unit manifests its intent to be and is bound by the Master Agreement, including this addendum.



PARTICIPATING ADDENDUM

PARKS & RECREATION EQUIPMENT, INSTALLATIONS AND RELATED GOODS & SERVICES

Lead by the State of Oregon

3. Primary Contacts: The primary contact individuals for this Participating Addendum are as follows (or their named successors):

Contractor

Name:	Clint Whiteside
Telephone:	423-425-3162
Email:	Clint.WhiteSide@GameTime.com

Participating Enti

Name:	DeAna Reed-Sharpe
Address:	1201 Main St, Ste 600, Columbia SC 29201
Telephone:	803-896-6389
Email:	drsharpe@mmo.sc.gov

PARTICIPATING ENTITY MODIFICATIONS OR ADDITIONS TO THE MASTER AGREEMENT

These modifications or additions apply only to actions and relationships within the Participating Entity. The following changes are modifying or supplementing the Master Agreement terms and conditions:

4. Definitions:

“Authorized Agent” All authority regarding the conduct of this procurement is vested solely with the responsible Procurement Officer. Unless specifically delegated in writing, the Procurement Officer is the only government official authorized to bind the government with regard to this procurement. (S.C. Code Ann. § 11-35-2015)

“Authority” means the South Carolina State Fiscal Accountability Authority. (S.C. Code Ann. § 11-35-310(2))

“Procurement Officer” means the person, or his successor, identified as such in this Participating Addendum. (S.C. Code Ann. § 11-35-310(26))



PARTICIPATING ADDENDUM

PARKS & RECREATION EQUIPMENT, INSTALLATIONS AND RELATED GOODS & SERVICES

Lead by the State of Oregon

“SC Participant(s)” means all participating South Carolina public procurement units (as defined by S.C. Code Ann. § 11-35-4610(5), as amended) or governmental bodies (as defined by S.C. Code Ann. § 11-35-310(18), as amended).

“State” means the State of South Carolina and its Using Governmental Units. (S.C. Code Ann. § 11-35-310(34))

“You and Your” means contractor.

“Using Governmental Unit” means all South Carolina Public Procurement Units [11-35-4610(5)] eligible to purchase under this contract.

5. Authority as Procurement Agent: The Procurement Officer is an employee of the Authority acting on behalf of the Using Governmental Unit(s) pursuant to the Consolidated Procurement Code. Any contracts awarded as a result of this procurement are between the Contractor and the Using Governmental Units(s). The Authority is not a party to such contracts, unless and to the extent that the Authority is a using governmental unit, and bears no liability for any party’s losses arising out of or relating in any way to the contract. (S.C. Code Ann. § 11-35-2015)
6. South Carolina Prompt Payment Statute: The obligations of any SC Participant are governed by Section 11-35-45 of the South Carolina Code of Laws, if the participant is a "governmental body," as that term is defined in Section 11-35-310(18).
7. SC Registered Distributor: Vendor agrees to distribute its products to South Carolina public procurement units through vendors registered with the South Carolina Secretary of State as an authorized South Carolina vendor when available <http://www.scbos.sc.gov>. (S.C. Code Ann. § 11-35-4810(4))
8. Open Trade: During the contract term, including any renewals or extensions, Contractor will not engage in the boycott of a person or an entity based in or doing business with a jurisdiction with whom South Carolina can enjoy open trade, as defined in SC Code Section 11-35-5300.
9. Choice of Law: This PA is established as a term contract (as defined in Section 11-35-310(37)) available for use by all South Carolina public procurement units (as defined in Section 11-35-4610(5)). Use by state governmental bodies (as defined in Section 11-35-310(18)), which includes most state agencies, is mandatory except under limited circumstances, as provided in Section 11-35-310(37). See clause entitled “Acceptance of Offers 10% Below Price.” Use by local public procurement units is optional. Section 11-35-4610(3) defines local public procurement units to include any political subdivision, or unit thereof, which expends public funds. Section 11-35-310(24) defines the term political



PARTICIPATING ADDENDUM

PARKS & RECREATION EQUIPMENT, INSTALLATIONS AND RELATED GOODS & SERVICES

Lead by the State of Oregon

subdivision as all counties, municipalities, school districts, public service or special purpose districts.

The contract, any dispute, claim, or controversy relating to the contract, and all the rights and obligations of the parties shall, in all respects, be interpreted, construed, enforced and governed by and under the laws of the State of South Carolina. (S.C. Code Ann. § 11-35-2050)

10. Statewide Term Contract - Acceptance Of Offers 10% Below Price: Pursuant to Section 11-35-310(35), the state may purchase items available on this contract from a third party (an "alternate vendor") if the alternate vendor offers a price that is at least ten percent less than the price established by this contract and, after being offered an opportunity, you decline to meet the alternate vendor's price. With regard to the items acquired, the alternate vendor must agree to be bound by all the terms and conditions of this contract. All acquisition pursuant to this clause must be documented by the procurement officer using the form found at this link:
<https://procurement.sc.gov/files/PurchaseOrderTenPercentFormApr2015.docx> .
11. Choice-of-Forum. All disputes, claims, or controversies relating to the contract shall be resolved exclusively by the appropriate Chief Procurement Officer in accordance with Title 11, Chapter 35, Article 17 of the South Carolina Code of Laws, or in the absence of jurisdiction, only in the Court of Common Pleas for, or a federal court located in, Richland County, State of South Carolina. (2) Service of Process. Contractor consents that any papers, notices, or process necessary or proper for the initiation or continuation of any disputes, claims, or controversies relating to the contract; for any court action in connection therewith; or for the entry of judgment on any award made, may be served on Contractor by certified mail (return receipt requested) addressed to Contractor at the address provided in the contract or by personal service or by any other manner that is permitted by law, in or outside South Carolina. Notice by certified mail is deemed duly given upon deposit in the United States mail.
12. No Indemnity or Defense: Any term or condition is void to the extent it requires the State to indemnify, defend, or pay attorney's fees to anyone for any reason. (S.C. Code Ann. § 11-35-2050)
13. EFT Information: The Contractor must furnish to the State Treasurer's Office information necessary for making a payment by electronic funds transfer (EFT). You may do this by completing STO Form 4 and filing it with the STO. Additional information is available at the STO's website at <https://treasurer.sc.gov>(.) The Contractor is responsible for the currency, accuracy and completeness of the EFT information. Updating EFT information may not be used to accomplish an assignment of the right to payment, does not alter the terms and conditions of this contract, and is not a substitute for a properly executed contractual document. (S.C. Code Ann. § 11-35-45(c))



PARTICIPATING ADDENDUM

PARKS & RECREATION EQUIPMENT, INSTALLATIONS AND RELATED GOODS & SERVICES

Lead by the State of Oregon

14. Payment & Interest:

(a) The State shall pay the Contractor, after the submission of proper invoices or vouchers, the prices stipulated in this contract for supplies delivered and accepted or services rendered and accepted, less any deductions provided in this contract. Unless otherwise specified herein, including the purchase order, payment shall not be made on partial deliveries accepted by the Government. (b) Unless otherwise provided herein, including the purchase order, payment will be made by electronic funds transfer (EFT). See clause titled "EFT Information." (c) Notwithstanding any other provision, payment shall be made in accordance with S.C. Code Section 11-35-45, or Chapter 6 of Title 29 (real property improvements) when applicable, which provides the Contractor's exclusive means of recovering any type of interest from the Owner. Contractor waives imposition of an interest penalty unless the invoice submitted specifies that the late penalty is applicable. Except as set forth in this paragraph, the State shall not be liable for the payment of interest on any debt or claim arising out of or related to this contract for any reason. (d) Amounts due to the State shall bear interest at the rate of interest established by the South Carolina Comptroller General pursuant to Section 11-35-45 ("an amount not to exceed fifteen percent each year"), as amended, unless otherwise required by Section 29-6-30. (e) Any other basis for interest, including but not limited to general (pre- and post-judgment) or specific interest statutes, including S.C. Code Ann. Section 34-31-20, are expressly waived by both parties. If a court, despite this agreement and waiver, requires that interest be paid on any debt by either party other than as provided by items (c) and (d) above, the parties further agree that the applicable interest rate for any given calendar year shall be the lowest prime rate as listed in the first edition of the Wall Street Journal published for each year, applied as simple interest without compounding. (f) The State shall have all of its common law, equitable and statutory rights of set-off.

15. Drug Free Work Place Certification: Contractor will comply with all applicable provisions of The Drug-free Workplace Act, Title 44, Chapter 107 of the South Carolina Code of Laws, as amended.

16. Code of Conduct: When the Contractor is working under provisions of this contract at facilities controlled by State agencies or other UGUs, Contractor agrees to follow and enforce the Code of Conduct Policy of these entities.

17. Publicity: Contractor shall not publish any comments or quotes by State employees, or include the State in either news releases or a published list of customers, without the prior written approval of the Procurement Officer.

18. CISG: The parties expressly agree that the UN Convention on the International Sale of Goods shall not apply to this agreement.



PARTICIPATING ADDENDUM

PARKS & RECREATION EQUIPMENT, INSTALLATIONS AND RELATED GOODS & SERVICES

Lead by the State of Oregon

-
19. Statewide Term Contract – Contract Limitations: No sales may be made pursuant to this contract for any item or service that is not expressly included in the Scope. No sales may be made pursuant to this contract after expiration of this contract. Violation of this provision may result in termination of this contract and may subject contractor to suspension or debarment.
 20. Relationship of Using Governmental Units: Each Using Governmental Unit's obligations and liabilities are independent of every other Using Governmental Unit's obligations and liabilities. No Using Governmental Unit shall be responsible for any other Using Governmental Unit's act or failure to act.
 21. Item Substitution: No Substitutes will be allowed on Purchase Orders received from South Carolina procurement units without written permission from the issuing procurement unit.
 22. Administrative Fee: Procurement Services (PS) issues and maintains State term contracts for the benefit of all South Carolina state and local public entities. State term contracts allow all public entities to maximize their purchasing power by aggregating their requirements and to benefit from increased efficiencies in the acquisition process. In order to maintain and enhance the quality and quantity of its State term contracts, each participating public procurement unit will be assessed an administrative fee. Accordingly, a public procurement unit (as defined in S.C. Code Ann. § 11-35-4610(5)), by participating in this contract, owes (PS) an administrative services fee ("fee"). Participating public procurement units shall pay the fee to contractor as a part of the contract price. Contractor is responsible both for collecting the fee at the time of billing and for remitting the fee to PS. The fee to be collected by the contractor constitutes a debt by the contractor to PS. Contractor shall factor the fee into its contract pricing and shall not separately itemize or invoice for the fee.

For each reporting period, Contractor shall pay to PS a fee equal to one (1%) percent of the total dollar amount (excluding sales taxes and adjusted for credits or refunds) of catalog purchases made by any public procurement unit from Contractor pursuant to this contract.

(a) As used in this clause, the term "reporting period" means each full calendar quarter (Jan. -- Mar., Apr. -- Jun., Jul. -- Sep., and Oct. -- Dec.) and any remaining periods less than a full calendar quarter during the term of this contract. For each reporting period, contractor shall report to PS its total sales pursuant to this contract for the period and shall remit the fee to the PS Reports Manager. Payment for each reporting period is due no later than the last day of the month immediately following the end of the reporting period (Example: payment for the reporting period ending March 31 is due April 30). If the amount due for a reporting period is less than \$10.00, no payment is required. The procurement officer will provide contractor an information packet, including a detailed explanation of reporting and payment requirements, within fifteen (15) calendar days following contract award. You may contact the Reports Manager at:



PARTICIPATING ADDENDUM

PARKS & RECREATION EQUIPMENT, INSTALLATIONS AND RELATED GOODS & SERVICES

Lead by the State of Oregon

Procurement Services Division
Attn: Reports Manager
1201 Main Street, Suite 600
Columbia, SC 29201
Phone: (803) 737-0600 (ask to speak to the Reports Manager)

(b) Contractor shall submit a usage report for each reporting period, even if no payment is due for the reporting period. The usage report shall include any information requested by PS to verify the amount due. At a minimum, each usage report shall reflect the following information for the applicable reporting period: contractor's name, contract number, contract description, reporting period/quarter, total dollar value of sales (excluding sales taxes and showing any adjustments for credits or refunds), total number of units (if practicable), and the number, date, and amount of contractor's check to PS. Unless otherwise specified by the reports manager, the usage report shall be submitted electronically according to instructions in the information packet. If the reports manager requires the contractor to provide a more detailed usage report, the reports manager will work directly with the contractor to determine the appropriate content and format of the report.

(c) PS or its authorized representatives shall be afforded access to contractor's records (including, without limitation, bank statements, deposits, checks; invoices; correspondence; ledgers; receipts; transmittals) in order to audit all transactions involving goods sold, work performed, or fees due pursuant to this contract, consistent with paragraph 24 of the Master Agreement. PS agrees not to disclose any material discovered or produced during the audit that the contractor reasonably designates as proprietary or confidential. If the audit indicates that contractor has materially underpaid PS, then contractor shall remit the balance found to be due (including any amounts assessed pursuant to subparagraph (d)) and reimburse PS for all costs of the audit.

(d) Payments of the fee which are due and unpaid by the contractor (including amounts disclosed by audit) shall bear simple interest from the date due until paid unless paid within 30 calendar days of becoming due. The interest rate shall be the highest prime rate (as published in The Wall Street Journal) plus 2% per annum (unless a higher rate is provided by law, but in no event be greater than the maximum interest rate permitted by law), shall be variable, and shall be adjusted effective at the close of business on the day of any change in the prime rate. In addition to the fee and interest, contractor agrees to pay to PS its reasonable expenses of collection, including costs and attorneys' fees (and fees for inside counsel), whether or not PS commences legal action.

(e) If the contractor fails to (i) timely submit accurate usage reports; (ii) remit to PS the fee when due; or (iii) promptly and fully cooperate with an audit request, the State may, without prejudice to any other remedy available to the State, take any one or more of the following actions:

- (1) order the contractor to not accept any further orders under the contract until the cause for such order has been eliminated;
- (2) terminate this contract;



PARTICIPATING ADDENDUM

PARKS & RECREATION EQUIPMENT, INSTALLATIONS AND RELATED GOODS & SERVICES

Lead by the State of Oregon

-
- (3) order the contractor to not accept any further orders under any other statewide term contract;
- (4) terminate the contractor's award of any other statewide term contract.
- (f) For purposes of this clause, PS is intended as a third-party beneficiary of this contract. Reports MUST reference the SC Participating number **4400035948** to assure accurate accounting of purchases under this contract and reported administrative fees. Each remittance will include the period covered and the contract number. (S.C. Code Ann. § 11-35-4860(5))
23. Taxes: Any tax the contractor may be required to collect or pay upon the sale, use or delivery of the products shall be paid by the State, and such sums shall be due and payable to the contractor upon acceptance. Any personal property taxes levied after delivery shall be paid by the State. It shall be solely the State's obligation, after payment to contractor, to challenge the applicability of any tax by negotiation with, or action against, the taxing authority. Contractor agrees to refund any tax collected, which is subsequently determined not to be proper and for which a refund has been paid to contractor by the taxing authority. In the event that the contractor fails to pay, or delays in paying, to any taxing authorities, sums paid by the State to contractor, contractor shall be liable to the State for any loss (such as the assessment of additional interest) caused by virtue of this failure or delay. Taxes based on Contractor's net income or assets shall be the sole responsibility of the contractor. (S.C. Code Ann. Title 12, Chapter 36)
24. Subcontractors: All contractors, dealers, and resellers authorized in the State of South Carolina as shown on the dedicated Contractor (cooperative contract) website, are approved to provide sales and service support to participants in the NASPO ValuePoint Master Agreement. The contractor's dealer participation will be in accordance with the terms and conditions set forth in the aforementioned Master Agreement.
25. Orders: Any order placed by a Participating Entity or Purchasing Entity for a product and/or service available from this Master Agreement shall be deemed to be a sale under (and governed by the prices and other terms and conditions) of the Master Agreement unless the parties to the order agree in writing that another contract or agreement applies to such order.
26. Term of Contract: The initial term of this contract will begin on the final execution date of this Participating Addendum. The initial term will end at the end of the then current term of the Master Agreement at the time the Participating Addendum is executed. At the end of the initial term, and at the end of each renewal term, this contract shall renew for a period of one (1) year. Regardless, this contract expires no later than the expiration date of the NASPO ValuePoint Master Agreement. (S.C. Code Ann. § 11-35-2030)



PARTICIPATING ADDENDUM

PARKS & RECREATION EQUIPMENT, INSTALLATIONS AND RELATED GOODS & SERVICES

Lead by the State of Oregon

27. Insurance:

(a) Without limiting any of the obligations or liabilities of Contractor, Contractor shall procure from a company or companies lawfully authorized to do business in South Carolina and with a current A.M. Best rating of no less than A: VII, and maintain for the duration of the contract, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work and the results of that work by the contractor, his agents, representatives, employees or subcontractors.

(b) Coverage shall be at least as broad as:

(1) Commercial General Liability (CGL): Insurance Services Office (ISO) Form CG 00 01 12 07 covering CGL on an "occurrence" basis, including products-completed operations, personal and advertising injury, with limits no less than \$1,000,000 per occurrence. If a general aggregate limit applies, the general aggregate limit shall be twice the required occurrence limit. This contract shall be considered to be an "insured contract" as defined in the policy.

(2) Auto Liability: ISO Form Number CA 00 01 covering any auto (Code 1), or if Contractor has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limits no less than \$1,000,000 per accident for bodily injury and property damage.

(3) Worker's Compensation: As required by the State of South Carolina, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

(c) Every applicable Using Governmental Unit, and the officers, officials, employees and volunteers of any of them, must be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10 and CG 20 37 if a later edition is used. (d) For any claims related to this contract, the Contractor's insurance coverage shall be primary insurance as respects the State, every applicable Using Governmental Unit, and the officers, officials, employees and volunteers of any of them. Any insurance or self-insurance maintained by the State, every applicable Using Governmental Unit, or the officers, officials, employees and volunteers of any of them, shall be excess of the Contractor's insurance and shall not contribute with it.

(e) Prior to commencement of the work, the Contractor shall furnish the State with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this section. All certificates are to be received and approved by the State before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The State reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by this section, at any time.

(f) Should any of the above described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions. In addition, the



PARTICIPATING ADDENDUM

PARKS & RECREATION EQUIPMENT, INSTALLATIONS AND RELATED GOODS & SERVICES

Lead by the State of Oregon

Contractor shall notify the State immediately upon receiving any information that any of the coverages required by this section are or will be changed, cancelled, or replaced.

(g) Contractor hereby grants to the State and every applicable Using Governmental Unit a waiver of any right to subrogation which any insurer of said Contractor may acquire against the State or applicable Using Governmental Unit by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the State or Using Governmental Unit has received a waiver of subrogation endorsement from the insurer.

(h) Any deductibles or self-insured retentions must be declared to and approved by the State. The State may require the Contractor to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

(i) The State reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

28. The Authorized Dealer/Reseller(s) will be the primary contact point for State users and will receive purchase orders and payments and otherwise service the contract, to include assisting with warranty claim resolution. Resellers must also assist agencies as needed when building pricing for all detailed orders.

The Contractor Representative and all Authorized Dealer/Reseller(s) shall comply with all contract terms and conditions.

The Contractor is responsible for maintaining Authorized Dealers/Resellers to provide coverage of all 46 counties of the State throughout the life of the contract. The Contractor shall appoint, when necessary, directly or through its Representative - the Authorized Dealer/Reseller to service a State user, based on their capacity to fulfill the order and/or their location. The Contractor will be responsible for the performance of approved and authorized Representatives and Dealer/Resellers that it designated during the term of the contract. The State will not intercede in disputes between Contractor and its Representatives and/or its Authorized Dealers/Resellers.

During the term of this contract, Contractor may request changes (additions/deletions) of an Authorized Dealer/Reseller by submitting a written request and an updated Authorized Dealer/Reseller Form to the State Procurement Office via email to the Procurement Officer. No additional Dealer/Resellers will be added in the final six months of the contract. The Contractor must give 30 days' written notice of the addition or deletion of any Authorized Dealer/Reseller. Authorized Dealers may not commit sales for a Manufacturer until after they have been approved by the Procurement Officer.

The Contractor is responsible for the reporting and payment of the administrative fee per the requirements of the contract.

NASPO ValuePoint



PARTICIPATING ADDENDUM

PARKS & RECREATION EQUIPMENT, INSTALLATIONS AND RELATED GOODS & SERVICES

Lead by the State of Oregon

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date of execution by both parties below.

Participating Entity: State of South Carolina	Contractor: PlayCore Wisconsin, Inc. DBA GameTime
Signature: 	Signature: 
Name: DeAna Reed-Sharpe	Name: Clint Whiteside
Title: Procurement Manager	Title: Director of Sales Administration
Date: 10-22-2024	Date: 10/22/2024

[Additional signatures may be added if required by the Participating Entity]

For questions regarding NASPO ValuePoint Participating Addendums, please contact the Cooperative Contract Coordinator team at ccc@naspovaluepoint.org.

Fully executed NASPO ValuePoint Participating Addendums must be submitted via email in PDF format to pa@naspovaluepoint.org.

The Flooring Connection, LLC
PO Box 499
Conway, SC 29528
Ph: 843-488-4848 Fax: 843-488-4844

Email: chris@tcfloors.com

Contact Name for Contract: Chris Guidera

Introduction

The Flooring Connection is a family run Business located in Conway, South Carolina that has been operating since 2004. We provide many commercial flooring services, emphasizing in sports flooring. We have an in-house installation crew and we service many different size contracts, with a diverse population ranging from small businesses to a multitude of long-term Indefinite Delivery Contracts.

Project Interest

We are interested in The City of Isle of Palms project to install fitness flooring in the High Tide/Low Tide room. This consist of the removal and of the existing flooring and the installation of cushioned back vinyl sports flooring and cove base.

Qualifications

Our staff are accredited installers. We are certified with several manufactures such as but not limited to: Armstrong, Forbo, Ecore, Mohawk, Ardex, NWFA, and Protect-All.

Our staff receives yearly training and are skilled in the install, care, and repair of flooring. We have experience in the sales and placement of carpet, carpet tile, rubber, hardwood, LVP, LVT, VCT, and other specialized flooring in schools, government buildings, and commercial facilities.

All workmanship is under warranty for a period of one year from the date of the final acceptance by owner.

Our Team

J. Christopher Guidera

Operations Manager

2004-Present

Responsible for day-to-day manpower, pricing, logistics, safety, responsible for job site conditions, etc.

Miranda Larson

Project Manager

2004-Present

Contracts, communications, pricing, logistics, staffing, training, etc.

Whanda Carbino

Supervisor of Administrative Services

2009-Present

Office administration, HR, and contracts.

Ruthie Sellers

Purchasing Agent

2022-Present

Logistics, purchasing products, scheduling, and coordination of jobs.

Patrick Guidera

Project Crew Supervisor

2004-Present

Plan, oversee, and document all aspects of the project.

Jeremy Richardson

Crew Supervisor

2004 – Present

Zachary Edwards

Crew Supervisor

2010 - Present

The Flooring Connection, LLC
 PO Box 499
 Conway, SC 29528
 843-488-4848

Proposal #: CO017393
 Sale Date: 10/31/2024
 Install Date:
 Sales Rep: Guidera, C
 Sales Rep: Larson, M

SOLD TO

Isle of Palms, High Tide Rm Sport Vinyl
 1207 Palm Blvd.
 Isle Of Palms SC 29451

SHIPPED TO

Printed 10/31/24 16:31:46

High Tide Low Tide Rm
 24th 28th Avenue
 Isle Of Palms SC 29451
 RFB 2024-09

MATERIALS

		QUANTITY	PRICE	TOTAL
(1) Active Pro 7mm (85'3"X5'10")-503.75-Icon	TBD	2518.75SqFt	\$4.95	\$12,467.81
(2) Active Pro Welding Rod -267LnFt-Icon	TBD	2.00Each	\$100.13	\$200.26
(3) Flexco B2 4" Cove Base 1/8 Coil - JJ	Linen	240.00LnFt	\$1.45	\$348.00
(4) Eco 399 - LF	4 Gal	4.00Each	\$165.00	\$660.00
(5) Eco 575 - LF	28.7oz	4.00Each	\$7.95	\$31.80
(6) Flexco #167 CT to VCT 12'-JJ	Black	2.00Each	\$23.35	\$46.70
(7) Double Sided Ultrastick - JJ	1"x 165'	1.00Each	\$24.20	\$24.20
Materials Subtotal:			\$13,778.77	

LABOR

		QUANTITY	PRICE	TOTAL
(1) Vinyl Heat Welded		2518.75 SqFt	\$2.50	\$6,296.88
(2) Vinyl take up & disposal		2518.75 SqFt	\$0.75	\$1,889.06
(3) Cove Base		240.00 LnFt	\$1.00	\$240.00
(4) Freight		1.00 Each	\$124.09	\$124.09
Labor SubTotal:			\$8,550.03	

Comments:

Subtotal: \$22,328.80
Sales Tax: \$1,171.20
Total: \$23,500.00
Payments: \$0.00
Balance: \$23,500.00

References and three projects similar in scope that have been completed in the last three years

Project: Horry County Schools, Aynor Elementary

Contact: Gary Harrelson, GHarrelson@horrycountyschools.net 843-488-6818

Dates: Preferred Vendor since 2011. Aynor Elementary was completed in June 2022

-Removed and disposed of existing flooring

-Prepped floors for installation of new product

-Provided and installed

*5580 square feet of Rubber

*Cove Base

Project: Lakeside Crossing Amenities Center-Dance Room & Weight Room

Contact: Jason Brennan, jbrennan2@suncommunities.com, 843-349-0074

Dates: Completed in April 2023

-Removed and disposed of existing flooring

-Prepped floors for installation of new product

-Provided and installed

*2504 square feet of Rubber

*Cove Base

Project: Orangeburg County YMCA

Contact: Tim Seagraves, tseagraves@orangeburgcounty.org, 803-928-4094

Dates: Completed in January 2024

-Removed and disposed of existing flooring

-Prepped floors for installation of new product

-Provided and installed

*1386 square feet of Rubber

*Cove Base

Project: Berkeley County Schools, Moncks Corner

Contact: Ronnie Ford, fordronnie@bcstdschoolsnet, 843-899-8791

Dates: Completed in April 2024.

-Removed and disposed of existing flooring

-Prepped floors for installation of new product

-Provided and installed

*4806 square feet of Rubber

*Cove Base

NON-COLLUSION AFFIDAVIT

The undersigned bidder or agent, being duly sworn on oath, says that he/she has not, nor has any other member, representative, or agent of the firm, company, corporation or partnership represented by him, entered into any combination, collusion or agreement with any person relative to the price to be bid by anyone at such letting nor to prevent any person from bidding nor to include anyone to refrain from bidding, and that this bid is made without reference to any other bid and without any agreement, understanding or combination with any other person in reference to such bidding.

He/She further says that no person or persons, firms, or corporation has, have or will receive directly or indirectly, any rebate, fee gift, commission or thing of value on account of such sale.

OATH AND AFFIRMATION

I HEREBY AFFIRM UNDER THE PENALTIES FOR PERJURY THAT THE FACTS AND INFORMATION CONTAINED IN THE FOREGOING BID FOR THE CITY OF ISLE OF PALMS ARE TRUE AND CORRECT.

Dated this 30th day of October, 2024

The Flooring Connection, LLC
(Name of Organization)

Operations Manager
(Title of Person Signing)

JC Guich
(Signature)

ACKNOWLEDGEMENT

STATE OF South Carolina)
) ss
COUNTY OF Horry)

Before me, a Notary Public, personally appeared the above named and swore that the statements contained in the foregoing document are true and correct.

Subscribed and sworn to me this 30th day of October, 2024.

Whanda Carbone
Notary Public Signature

My Commission Expires: 6/30/2030

*** THIS LICENSE EXPIRES ON 10/31/2026 ***

VERIFY the **QUALIFYING PARTY** ("Qualifier") name(s) on this license is accurate. If a Qualifier ceases to serve this license, you must notify the board in writing (mail or email) within **15 business days** for your license to remain **Active**. Failure to notify the board of a qualifier loss will result in immediate **license cancellation** and disciplinary action.

BOTH PARTS OF THIS POCKETCARD MUST BE PRESENTED TO CONDUCT BUSINESS AT ALL TIMES. DO NOT TEAR CARD IN HALF.

35
THE FLOORING CONNECTION LLC
PO BOX 499
CONWAY SC 29528-0499

LICENSE#: CLG.121184

South Carolina Department of Labor, Licensing and Regulation
Contractor's Licensing Board

GENERAL CONTRACTOR
THE FLOORING CONNECTION LLC

PO BOX 499
CONWAY SC 29528-0499

licensed to practice in the 2-letter Classification(s) and Group# listed below:
Nonstructural Renovation-NR4

LICENSE EXPIRATION DATE: 10/31/2026

(If this license has "Limited Building-LB", work limited to 3 stories in height)

GENERAL CONTRACTOR
LICENSE#: CLG.121184

THE FLOORING CONNECTION LLC

Initial Issue Date: 12/12/2017 - Expiration Date: 10/31/2026

Qualifier(s): **BONNER S GUIDERA**

License Group# Limitations - \$ Amount Per Job/Project (i.e.BD"2"):

Group #1 - \$100,000 Group #2 - \$400,000 Group #3 - \$1,000,000
Group #4 - \$3,000,000 Group #5 - \$Unlimited

M. Guidera
Board Executive

WARNING - THIS DOCUMENT CONTAINS SECURITY FEATURES LISTED ON REVERSE SIDE

SOUTH CAROLINA DEPARTMENT OF LABOR, LICENSING AND REGULATION
CONTRACTOR'S LICENSING BOARD

LICENSE#: CLG.121184

THE FLOORING CONNECTION LLC

PO BOX 499
CONWAY SC 29528-0499

Has been qualified by the laws of the State of South Carolina and is duly entitled to practice as a:

GENERAL CONTRACTOR

for each Classification and Group Limitation listed below:

(If this license has a "Limited Building-LB" classification, work is limited to 3 stories in height)

Nonstructural Renovation-NR4

LICENSE NUMBER: CLG.121184

Initial License Date: 12/12/2017

EXPIRATION DATE: 10/31/2026

Qualifying Party(s): BONNER S GUIDERA

Group Limitation Amounts Per Job (i.e.BD"2"):

Group #1 - \$100,000 Group #4 - \$3,000,000
Group #2 - \$400,000 Group #5 - \$Unlimited
Group #3 - \$1,000,000

M. Guidera
Board Executive

*** It is at the discretion of this licensee to designate any employee of their company to pull permits and conduct business on their behalf. ***

City of Isle of Palms, SC

Memo

To: Desirée Fragoso, City Administrator

From: Robert Asero, Assistant Director of Public Works

cc: Douglas Kerr, Deputy Administrator

Date: November 7, 2024

Re: Sole Source Memo for Purchase

This memo is to request approval for the sole source procurement of a Par Kan satellite refuse hopper from Amick Equipment. Amick is the only authorized distributor of this equipment in South Carolina. The purchase is included in the FY 25 budget and there is an immediate need to ensure continued operations.

Amick has a proven track record of providing high quality equipment that meets our standards and operational needs.



For NCSA Contract Purchases:
 Please send P.O. to Amick & NCSA including:
 Contract #, Spec #, Contact Info, & Fed. Tax ID #
 NCSA: kmitman@ncsheriffs.net
[LINK: NCSA Terms & Conditions](#)

CONTRACT #
 24-08-0421R
SPECIFICATION #
 322

END USER: ISLE OF PALMS
 DONNIE PITTS
 BODY INSTALL LOCATION: AMICK EQUIPMENT - SC,
 227 GLASSMASTER RD. LEXINGTON, SC 29072

Description **Contract Price**

MODEL: **PAR-KAN EASY DUMP**
 BODY SIZE: **6 YD**
 BODY PAINT: **WHITE**
 BODY WARRANTY: **STANDARD MFG. WARRANTY.**

STANDARD EQUIPMENT INCLUDED

PAR-KAN EASY DUMP SATELLITE REFUSE COLLECTION BODY
 HEAVY DUTY STEEL BODY CONSTRUCTION
 STRUCTURAL TUBE FRAME
 SELF-CONTAINED DUAL CYLINDER ELECTRICAL HYDRAULIC SYSTEM IS DESIGNED TO BE WATERPROOF.
 HINGE POINT LUBRICATION AND 3/4" SOLID STEEL HINGE PINS PROVIDE LONG LIFE TO THE UNIT.
 DRAIN HOLE FOR EASY CLEAN OUT.
 LOCKS INTO PICKUP BED WITH PINS & SAFETY CHAIN.
 EASILY REMOVABLE WITH FORKLIFT POCKETS & QUICK DISCONNECT ELECTRIC CABLE.
 PRIMED AND POWDER COATED - TWO-COAT HEAT CURED SYSTEM.
 BODY DUMP CAPACITY: 4000 LB.
 DROP DOWN SIDE DOORS FOR HANDLOADING

OPTIONAL UPGRADES AND ACCESSORIES INCLUDED

CART TIPPER MOUNT AND HYDRAULICS
 STANDARD POWDER COAT WHITE

LOCAL OPTIONS INCLUDED

BARKER BPH2-2757CART TIPPER (1)
 TIPPER MOUNT PLATE
 INSTALL TIPPER
 INSTALL PARKAN
 IGNITION RELAY

DEALER SERVICES INCLUDED

FREIGHT TO AMICK EQUIPMENT
 BODY PRE-DELIVERY INSPECTION
 AECI MOBILE ON-SITE WARRANTY PKG., 12 MO.
 ON-SITE TRAINING - PROVIDED BY REQUEST

DELIVERY OPTION INCLUDED:

CUSTOMER PICKUP - AECI LEXINGTON

COMMENTS: *Pricing Disclaimer: Despite recent improvements, orders may still be subject to additional price increases, when announced by chassis or body manufacturer.*

Unit Subtotal:	\$	25,073.41
Tax - Sales Tax %:	\$	1,755.14
Unit Purchase Price:	\$	26,828.55

Payment Terms:	Muni / Chassis Dealership - Net 30
Body Build Estimate:	105 Days after receipt of CHASSIS
Note:	ETAs are based on schedule at time of quote and are subject to change.

QUOTED BY: Dave Hull
 DATE: 9/3/2024
 VALID UNTIL: 10/3/2024

ADDITIONAL OPTIONS AVAILABLE

Price

NOTE: Indicate any additional options below you wish to order.

EASY SWEEP HYDRAULIC COVER IN LIEU OF RETRACTABLE TARP	\$	4,066.00
SPRING LOADED MESH TARP	\$	2,512.00

ORDER ACCEPTANCE

SIGNATURE

DATE

ADDITIONAL OPTIONS: Prices shown in "additional options available" section are not included in the "Total" price and do not include taxes.

TAXES: Unless itemized above, prices do not include local, state or federal taxes.

MOTOR VEHICLE TAXES: AECI no longer collects SC "IMF" or NC "Highway Use Tax". Either the chassis dealer or the DMV will collect motor vehicle tax/fees when registering vehicle.

PAYMENT TERMS: Payment is due PRIOR to delivery. When ample credit has been extended to customer, payment is due within 30 Days of invoice.

TITLEWORK / MCO: Allow 5-10 business days after receipt of payment to process Title or Manufacturer's Certificate of Origin (MCO).

QUOTE EXPIRATION: Pricing is honored for 30 days from date quoted, barring extenuating circumstances such as, but not limited to, volatile markets, factory price increases, etc. AECI makes every effort to give as much notice as possible in such instances.

DELIVERY ESTIMATES: ETA's are based on production schedules at the time of quote and are subject to changes in truck or body production schedules as well other factors such as transportation delays, etc.

WEIGHT RESTRICTIONS: Operating overweight equipment can result in fines, damage to equipment or injury to operators. AECI makes every effort to quote equipment meeting local, state & federal weight regulations. Nevertheless, it is up to the end user to familiarize themselves with all applicable weight laws and avoid exceeding legal weight limits, regardless of truck's GVWR.

CHASSIS DEALERS: Please ensure chassis specs meet body manufacturer's minimum requirements, which are supplied upon request. Deviations may result in additional charges, for which the truck dealer will be responsible.

CHASSIS DEALER PAYMENT TERMS: Payment term begins when truck is delivered to customer or truck dealer for PDI, whichever is first. Payments received later than 15 DAYS are subject to penalty of Prime % APR, calculated on a daily basis. ANY EXCEPTIONS must be agreed to writing prior to order.

COOPERATIVE PURCHASING CONTRACTS: Cooperative purchasing contract such as NCSA, Sourcewell, etc. are a tool which satisfies the competitive bidding requirements for some municipalities. Amick Equipment (or its Body Manufacturer) are approved vendors on several contracts, authorized to offer awarded equipment according to each contract's terms and conditions. If a contract award included both body and chassis, then that contract clearly satisfies the bidding requirements for both body and chassis. Some of Amick's contracts were awarded for the body portion only. Upon request, Amick may offer a compatible chassis from another qualified contract holder or may offer a non-contract option.. Unless explicitly stated, customers shall not assume that any of



EASY DUMP



THE ORIGINAL REFUSE COLLECTOR THAT GOES WHERE THE BIG TRUCKS CAN'T

The Par-Kan **EASY DUMP** is designed to be your “flex” refuse collector, and improves your operating efficiency. This convenient and reliable equipment is **easy** to install, **easy** to maintain, **easy** to use, and **easy** to remove if you need to use the truck for another application. The **EASY DUMP** is built tough with a streamlined design for **easy** operation.

► VERSATILE

The Par-Kan **EASY DUMP** is a low cost solution for rural routes, missed stops, parks, gated communities, and other restricted areas. Save time and money by adding this equipment to your fleet:

- Non-CDL single operator
- Less fuel
- Lower maintenance cost
- Lower emissions

EASY DUMP is not limited to trash – this multi-use body can be used for yard waste, ground cover, food waste, hauling containers, etc. Split model is available for recycling too!

► PROFITABLE

Expand your market opportunity by utilizing this refuse collector for specialized services, such as door to curb collection, recycling, rural routes, and much more!

► STRONG

The durable Par-Kan **EASY DUMP** is designed to last. The body is completely powder coat painted and the heavy duty steel design has wrapped corners for added strength. The self-contained dual cylinder electrical hydraulic system is designed to be waterproof and the streamlined remote feature allows for **easy** operation.



EASY DUMP



AVAILABLE MODELS

- 3 Cubic Yard
- 4 Cubic Yard (*Short Bed Model*)
- 6 Cubic Yard
- 7.5 Cubic Yard (*Split Body for Recycling*)
- 8 Cubic Yard

TRUCK REQUIREMENTS

- 3/4 Ton Minimum
 - 3, 4, 6 (without Sweep Blade) & 7.5 Yard
- 1 Ton Minimum
 - 6 (with Sweep Blade) & 8 Yard
- 8' long bed

PAINT OPTIONS

- White
- Black
- Green
- Custom Colors Available



MORE INFO & PRICING

Amick Equipment Co.
800-922-3795
www.amickequipment.com

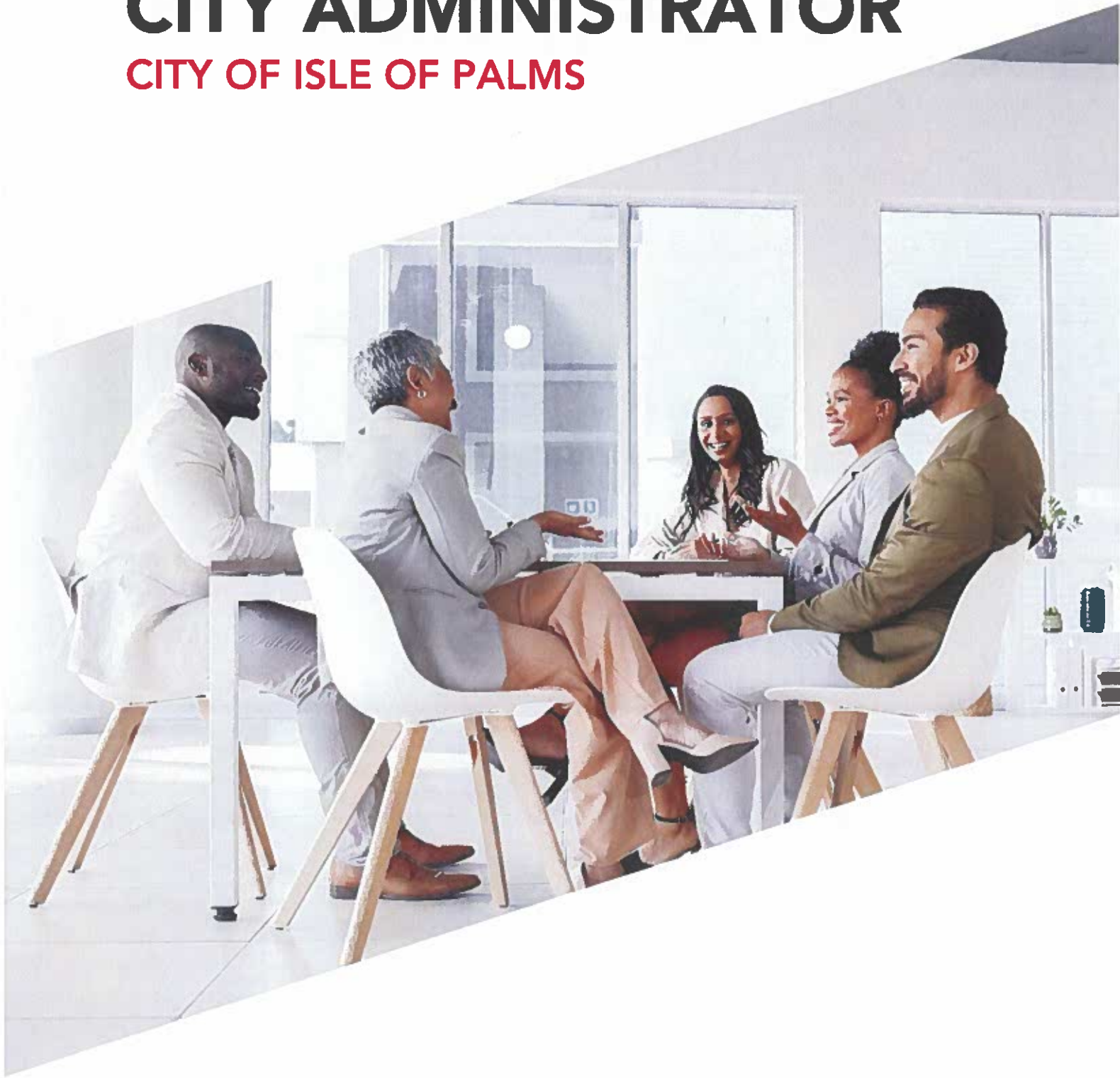


FIND GREAT PEOPLE

EXECUTIVE SEARCH PROPOSAL

CITY ADMINISTRATOR

CITY OF ISLE OF PALMS



Introduction

We are grateful for the opportunity to submit a proposal for your City Administrator role. We understand the importance of finding a trusted partner to help you find your most important asset - your people. We take this seriously, knowing that filling critical talent needs have a significant impact on your company's success. We are excited about the opportunity to work with you and look forward to sharing the FGP story. While this proposal showcases our best practices, we know that each organization has different needs, and are ready to provide flexible solutions that align with your specifications.

Table of Contents

FGP Overview	3
What Sets FGP Apart	4
Relevant Experience	5
Search Process Overview	6
Search Strategy	7
Assessing Candidate Fit	8
Your Recruiting Partners	9
Investment & Terms	10

FGP Overview

Find Great People (FGP) is a veteran-owned, nationally recognized talent solutions firm. After more than four decades of operation, our services have evolved to include search, staffing and consulting across a variety of specialty areas and industries.

At FGP, we search nationwide to find and attract great talent for the public sector. Our expertise extends to **diverse state and local government agencies, economic development organizations, education systems, public utilities, museums, housing authorities, municipalities, and more.** FGP has a broad network of diverse and accomplished candidates from large state agency leaders to local government officials and managers. FGP provides a unique search solution with the adaptability of a boutique firm complimented by the capabilities and resources of a large company.

Although awards don't define an organization, we are fortunate to have been recognized for seven consecutive years by Forbes in the client-nominated list of America's Best Recruitment Firms. We have also been recognized as one of South Carolina's Best Places to Work for 13 years, and as an organization that empowers women (80% female workforce). What defines our work is our people and their commitment to results and outcomes. Our average employee tenure is over 9 years, and we subscribe to the belief that it takes great people to build great companies, starting with the FGP team.



FIND
GREAT
PEOPLE

What Sets FGP Apart

Growth, gratitude, and great people define who we are. Our three G's are the fabric of Find Great People and why our "G" is red. Together, they tell the story of a company built on great people, with an intentional focus on positively impacting the lives of those we serve – our clients, candidates, and each other.



Growth

We challenge each other to demonstrate a growth mindset personally and professionally, always. As a growth company, we work with likeminded growth organizations, grateful for the opportunity to help build great companies.



Gratitude

We believe gratitude comes from a person's care and feeds how we "show up" for our customers and partners. We share gratitude through both words and actions, focusing on the privilege we have to positively impact others through our work.



Great

We believe greatness is a choice, with a commitment to excellence, a sense of urgency, and demonstrating humility through the hustle. We believe everyone has greatness inside them, and it must be fed daily to generate sustained impact.

FGP By The Numbers

- **1300+** Placements annually
- **600+** Clients billed annually
- **15 Years** Average industry experience
- **3** Search Models: Retained, Engaged and Contingency
- **25** Search Consultants, across 4 locations in South Carolina and Tennessee



Relevant Experience



CITY OF ISLE OF PALMS
Controller/ Finance Director



CITY OF GREENSBORO, NC
City Manager



BEAUFORT COUNTY GOVERNMENT
County Administrator



CLARENDON COUNTY
County Administrator



TOWN OF LEXINGTON
Town Manager



CITY OF MYRTLE BEACH, SC
Assistant City Manager



CHESTER COUNTY GOVERNMENT
County Administrator



LAURENS COUNTY
County Administrator



TOWN OF BLUFFTON
Town Manager



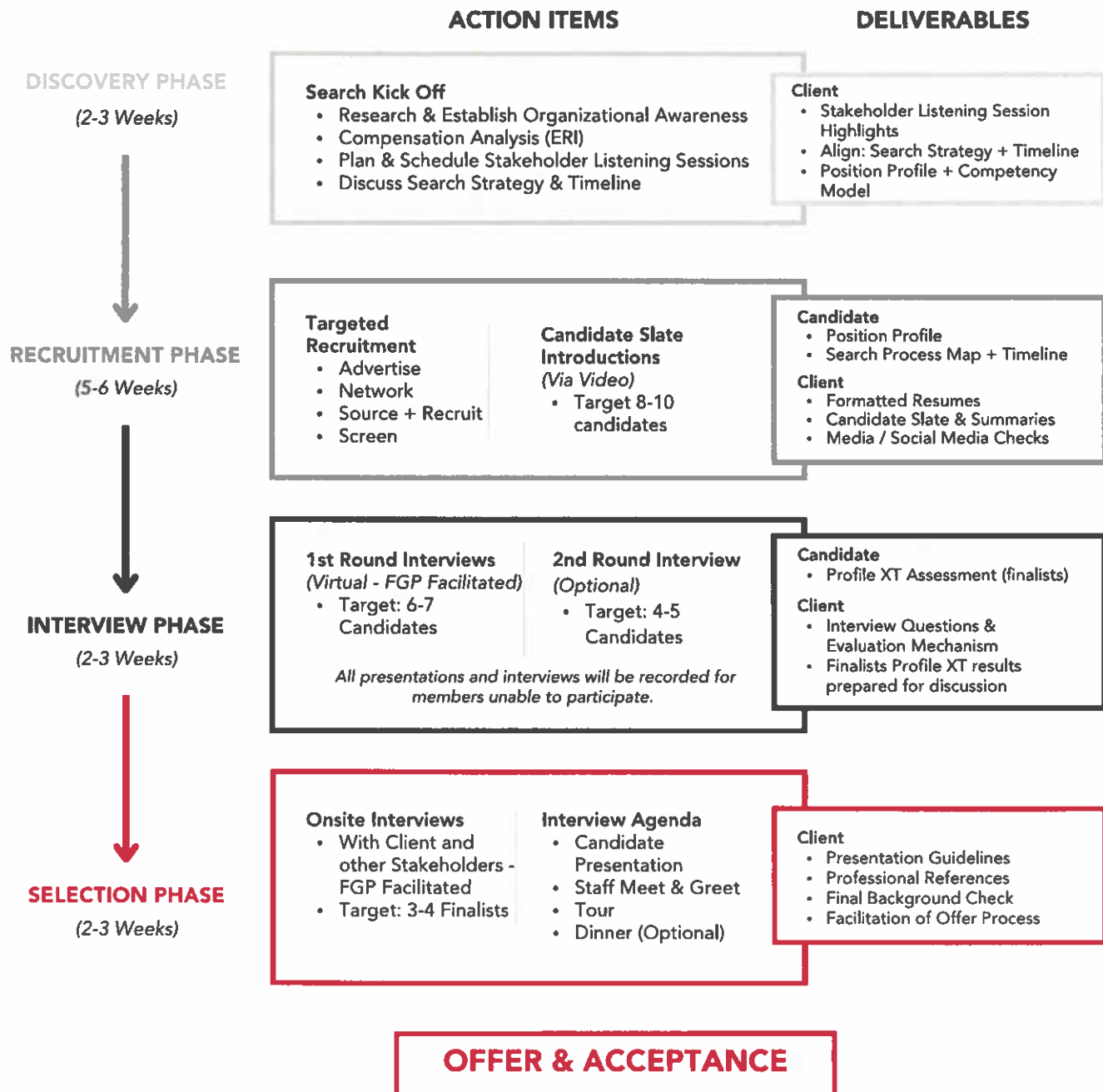
COUNTY OF LEXINGTON
County Administrator



CITY OF GREENVILLE
City Manager



Search Process Overview



Search Updates: Bi-weekly updates will be held between FGP and the Client. Frequency and method of update will be decided in the discovery phase. FGP will work the the Search Committee to finalize a timeline, using the scheduled Board meetings as target dates for engagements.

FGP utilizes the **Profile XT** assessment tool as part of the screening and evaluation process. The Profile XT is a "total person" assessment that measures both cognitive ability and behavioral characteristics. Candidate results are benchmarked against Specific Performance Model from Profiles International and assigned a percentage match.

Search Strategy

FGP utilizes a comprehensive nationwide recruitment strategy to reach diverse and highly qualified candidates. Our search strategy is grounded in the belief that recruiting is an action verb and focused primarily on the sourcing and recruitment of passive candidates.



Research

Target Similar Organizations:

Explore comparable industry organizations that are similar in size, services offered, structure, and specific factors important to the client.

Independent Research:

Conduct independent research to identify appropriate target organizations and opportunities for creating public awareness.

Organizational Awareness:

Review demographics, organizational structure, strategic plan, budget documents, and website to ensure the FGP search team has a full understanding of the organization, the long-term goals, and culture before engaging with candidates.



Network

Thought Leaders & Influencers:

Build relationships with thought leaders and professional influencers across the country.

Ecosystem:

Network within the public sector / local government ecosystem to engage with active and passive candidates and those who can make introductions to high potential candidates.



Source & Recruit

Passive Candidates:

Target high potential leaders locally, regionally and nationally.

Referrals:

Seek referrals from the FGP network, the organization, and relevant associations.

Technology Tools:

Utilize a wide variety of technologies to connect with passive candidates, including the FGP database, LinkedIn, and targeted internet research.



Evaluate & Select

Evaluate and present candidates based on the following qualifications:

- Candidate's level of experience, alignment with requirements, and comparison of other candidates based on requirements determined by the Search Committee.
- The candidate's level of alignment with the organization mission, culture, and values.
- The candidates' ability to impact the organization, support the growth of the organization, and develop employee capabilities.
- The candidate's overall years of experience, tenure in past positions, and reasons for transitions in candidate employment history.

Assessing Candidate Fit

The success or failure of a newly hired senior executive many times hinges on how well that individual understands and fits into the organization’s culture and team. **Profile XT Candidate Mapping**, as part of the FGP search process, provides an additional step in the evaluation of finalist candidates. Identifying strengths and gaps enables those areas to be part of candidate discussions or the selection decision. Upon integrating into the company, it can then be incorporated into the new executives’ professional development plan, increasing the feasibility of long-term retention and success.

THINKING STYLE

Composite Score

Reflection of overall learning, reasoning, and problem-solving potential.



Verbal Skill

A measure of vocabulary.



Verbal Reasoning

Using words for reasoning and problem solving.



Numeric Ability

A measure of numerical calculation ability.



Numeric Reasoning

Using numbers as a basis in reasoning and problem solving.

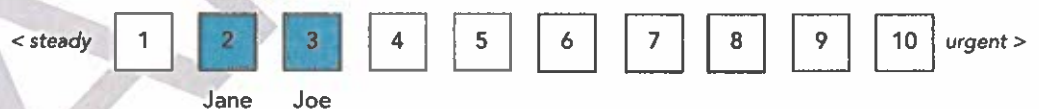


BEHAVIORAL TRAITS

**Sample represents 4 of 9 behaviors assessed*

Pace

Overall rate of task completion.



Assertiveness

Expression of opinions and need for control.



Sociability

Desire for interaction with others.



Conformity

Attitude on policies and supervision.



Project Team



Christin Mack
Vice President and Project Lead

- Christin leads FGP’s Executive Search efforts for state government agencies, public higher education institutions, quasi-government agencies, counties, and municipalities.
- Prior to focusing on the government sector, Christin spent most of her time recruiting finance and accounting leaders as well as leaders in other skill sets to include marketing, public health, technology, and data analytics. In her earlier career with FGP, Christin recruited within both the Technology and Staffing division.
- This has given her a unique perspective in considering how talent can impact an organization.
- Christin manages searches throughout the country and is based in Charleston, SC. She is a recipient of the FGP Great Person of the Year award, given annually to acknowledge the outstanding contributions of one individual.
- Christin began her career as a recruiter working at Columbia College as an Admissions Counselor. She spent more than eight years in higher education in various roles including recruiting, leadership development, team building, and intercollegiate coaching.



Shawn Kinard
Search Coordinator

- 10+ years of project support experience
- Joined FGP in 2021
- Dedicated to supporting numerous non-profit organizations and serves on her local YMCA Advisory board
- FGP’s “Great by Choice” award in 2023 and Greenville’s “Best and Brightest Under 35” in 2018

It takes great people to find great people

starting with us.

Investment and Terms

Search Components

Thank you for the selection of the FGP Professional Search team to help you find your next great City Administrator. We are grateful to partner with your organization on an engaged basis and represent your opportunity to candidates in the FGP network and marketplace. The purpose of this document is to outline the engagement terms and fees between FGP and City of Isle of Palms.

Commitments

You, as our client, authorize FGP to recruit potential candidates for your City Administrator position. Clear, timely communication of the role requirements and organizational fit will be crucial for the successful recruitment of the search. During the retained search process, the client agrees that all candidates (internal and external) will go through the FGP screening process. Through this extensive process, FGP commits to the following responsibilities:

- The development of a complete position profile and compensation analysis using Economic Research Institute (ERI) benchmarking software.
- Sourcing and recruiting candidates (nationwide) whose experiences and competencies are in line with the position profile.
- Candidate screening video interviews for high-potential candidates.
- Candidate "slate" management to include formatted resumes; candidate write-ups; degree, license, and background verification; and compensation history forms for each candidate.
- Client stakeholder support and process facilitation as it relates to other consultants or third parties.
- Profile XT assessment administration for finalist candidates, candidate mapping, and debriefing with all parties.
- Development of presentation guidelines for finalist candidates to designated Client stakeholders.
- Professional references for finalists.
- Facilitation of offer process and acceptance to include assistance with the integration process including the candidate's resignation through the first 180 days of employment.

We appreciate the trust and confidence you have placed in us to help develop and execute your search process and believe with these steps, we will find a great person for your team.

Investment and Terms

Investment and Costs

The cost for this search is 20% of the first year's salary. This search begins with the payment of a retainer fee of 1/3 of the estimated placement fee (non-refundable). The second 1/3 of total fee will be due upon commencement of the in-person interview process. And the remaining balance of the fee will be due upon completion of the search, and within thirty (30) calendar days of the candidate's start date.

There is a fee obligation when any candidate we refer to you accepts an offer of employment with your company or any of its affiliates within 12 months of candidate submittal. This includes the hiring of any FGP employee you worked with during the period of engagement on the search and 12 months following.

FGP will cover the cost of degree, license, and background verifications. All other costs will be billed directly to the client (i.e. any travel-related expenses).

Replacement Guarantee

Recognizing the importance of recruiting a new City Administrator, and the trust that you will place in FGP by partnering with us, we are pleased to guarantee our placement for a **period of 12 months**. If the new team member leaves or is terminated due to performance before that time, FGP will conduct a search for a replacement at no charge (excluding expenses). All bills must be paid within 30 days of the candidate start date to activate the placement guarantee.

We are excited to partner with you and are committed to successfully finding a great person for your company. Please sign and date your acknowledgement below indicating your agreement and return as signed copy to your FGP partner.

Client

By: _____

Print Name: _____

Date: _____

Find Great People, LLC

By: _____

Print Name: _____

Date: _____

**City of Isle of Palms
Financial Statement Summary as of October 31, 2024
(Dollars in Thousands)**

	REVENUES						TRANSFERS IN / (OUT)						EXPENDITURES						YTD Actual Net Rev & Exp
	YTD Actual	Annual Budget	Remaining to Collect	YTD Actual as a % of Budget	Current Annual Forecast	Forecast Above or (Below) Budget	YTD Actual	Annual Budget	Remaining to Transfer	YTD Actual as a % of Budget	Current Annual Forecast	Forecast Above or (Below) Budget	YTD Actual	Annual Budget	Remaining to Spend	YTD Actual as a % of Budget	Current Annual Forecast	Forecast Above or (Below) Budget	
General	\$ 1,829	\$ 14,827	\$ 12,998	12%	\$ 14,827	\$ -	\$ 16	\$ 1,212	\$ (1,196)	1%	\$ 1,212	\$ -	\$ 5,003	\$ 16,039	\$ 11,036	31%	\$ 16,039	\$ -	(3,158)
Capital Projects	261	2,660	2,399	10%	2,660	-		1,239	(1,239)	0%	\$ 1,239	-	614	2,619	2,005	23%	2,619	-	(353)
Muni Accom Tax	740	2,455	2,556	30%	2,455	-		(1,114)	1,114	0%	\$ (1,114)	-	228	1,303	1,075	17%	1,303	-	512
Hospitality Tax	502	1,396	894	36%	1,396	-		(528)	528	0%	\$ (528)	-	271	977	706	28%	977	-	231
State Accom Tax	88	3,732	3,644	2%	3,732	-	(16)	(1,450)	1,434	1%	\$ (1,450)	-	165	2,639	2,474	6%	2,639	-	(93)
Beach Prserv Fee	931	2,535	1,604	37%	2,535	-		-	-	-	\$ -	-	767	1,803	1,036	43%	1,803	-	164
Marina	798	570	(228)	140%	570	-		641	(641)	0%	\$ 641	-	299	805	506	37%	805	-	499
Disaster Recovery	59	149	90	40%	149	-	-	-	-	-	\$ -	-	27	13	(14)	208%	13	-	32
All Other	302	255	(47)	118%	255	-	-	-	-	-	\$ -	-	279	370	91	75%	370	-	23
Total All Funds	\$ 5,511	\$ 28,579	\$ 23,910	19%	\$ 28,579	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,654	\$ 26,568	\$ 18,915	29%	\$ 26,568	\$ -	\$ (2,143)

General Fund YTD Revenues							
	FY25 YTD Actual	FY25 Budget	% of FY25 Budget	FY24 YTD Actual	% of Prior YTD	Current Annual Forecast	Forecast Above/ (Below) Budget
Property Tax	\$ 66	\$ 5,277	1%	\$ 80	82%	\$ 5,277	\$ -
LO Sales Tax	134	1,136	12%	253	53%	1,136	-
Business License	394	1,985	20%	230	171%	1,985	-
Rental License	85	1,448	6%	125	68%	1,448	-
Other Lic (Insurance/Utilities)	3	1,873	0%	55	5%	1,873	-
Build Permits	364	611	60%	252	144%	611	-
State (Admin Fee, Aid to Subdvs)	28	335	8%	105		335	-
Parking	373	1,378	27%	695	54%	1,378	-
All Other	382	784	49%	378	101%	784	-
Total	\$ 1,829	\$ 14,827	12%	\$ 2,173	84%	\$ 14,827	\$ -

General Fund YTD Expenditures (YTD target = 33%)							
	FY25 YTD Actual	FY25 Budget	% of FY25 Budget	FY24 YTD Actual	% of Prior YTD	Current Annual Forecast	Forecast (Above)/ Below Budget
Mayor/Council	\$ 38	\$ 145	26%	\$ 33	115%	\$ 145	\$ -
General Govt	538	2,609	21%	542	99%	2,609	-
Police	1,229	3,724	33%	1,061	116%	3,724	-
Fire	1,817	5,384	34%	1,404	129%	5,384	-
Public Works	608	1,894	32%	592	103%	1,894	-
Build & Lic	188	592	32%	158	119%	592	-
Recreation	426	1,269	34%	366	116%	1,269	-
Judicial	124	386	32%	126	98%	386	-
BSOs	35	36	97%	74	47%	36	-
Total	\$ 5,003	\$ 16,039	31%	\$ 4,356	115%	\$ 16,039	\$ -

City of Isle of Palms Supplemental Financial Information as of October 31, 2024 (Dollars in Thousands)

Cash Balances		
	10/31/2024	10/30/2023
General Fund	3,596	3,953
As a % of GF Exp (target is > 30%)	22%	30%
Capital Projects	14,298	12,526
Disaster Recovery	3,365	2,880
Marina	2,523	1,758
Tourism Funds	11,864	11,688
Beach Preservation	9,762	9,155
Other Restricted	482	397
Total All Cash	45,890	42,357
Deposits at LGIP (5.3372%) Average	44,185	96%
Deposits at TRUIST	1,705	4%
RESTRICTED CASH	22,108	48%

Fund Balances					
Fund	6/30/2024 Audited Fund Balance (Note 1)	FY25 YTD Actual Net Revenues & Transfers Less Expenses	Current Fund Balance	6/30/25 Budgeted Fund Balance	6/30/25 Forecast Fund Balance
General Fund	\$ 4,812	\$ (3,158)	1,654	\$ 5,698	\$ 5,698
Capital Projects	13,635	(353)	13,282	13,085	13,085
Muni Accom Tax	4,462	512	4,974	4,029	4,029
Hospitality Tax	2,046	231	2,277	1,004	1,004
State Accom Tax	4,893	(93)	4,800	4,285	4,285
Beach Funds	9,101	164	9,265	9,522	9,522
Marina (See Note 1)	2,805	(197)	2,608	1,812	1,812
Disaster Recovery	3,406	32	3,438	3,456	3,456
All Other	198	23	221	74	74
Total All Funds	\$ 45,358	\$ (2,839)	\$ 42,519	\$ 42,965	\$ 42,965

Note 1: The comparable amount for the Marina Enterprise Fund is not Fund Balance, but Unrestricted Net Position. To be consistent with the presentation of the other funds, the Marina Fund Balance does not include net fixed assets. Unrestricted net position is approx equal to net current assets for the Marina.

October 2024 Notes:

Fiscal year-to-date (YTD) October revenues are gradually coming in. Quarterly revenues, typically reported in October, have not yet been received. As noted, PCI Municipal parking revenue is reconciled and recorded by the 20th of each month. Business license and building permit revenues have shown a significant increase over prior YTD levels. Expenditures for the first four months of FY25 are within budget targets, at 31% compared to a budget of 33%.

LGIP Investment accounts are averaging interest rates of 5.0324%, a notable decline from the 5.3372% recorded the previous month. Total revenue stands at \$189K for October and \$795K for FY25.

FY24 Audit has been finalized and distributed.

The City has approximately \$45.8 million in Local Government Investment Pool and Truist cash deposits. Of the \$2.1 million in federal APRA funding received in FY22, \$1 million remains unspent and is budgeted for the Waterway Path. The remaining balance was allocated to the Marina Dock Expansion, which began construction in May 2024 and has utilized all the allocated APRA funds. There is \$1.5 million in unspent SCPRT funding for dredging, allocated for FY26. Additionally, \$22.1 million is restricted for tourism-related expenditures or beach preservation, and \$1 million from state funding is restricted for stormwater collection system and drainage improvements. The \$500K from SCPRT, restricted for ADA-compliant boardwalks to beach access, is budgeted for FY25, with \$107.8K already spent on planning, design and construction.

City of Isle of Palms

Future Cash Needs for Capital Projects

Cash Balances										
General Fund	Capital Projects Fund		Tourism Funds	Beach Preserve Fund	Disaster Recovery Fund	Marina Fund		All Other Funds	Total	
	Unrestricted	Restricted Grants/Bond Proceeds	Restricted			Unrestricted	Restricted Grants Rec'd	Restricted		
Cash Balances as of 10/31/2024	3,595,514	11,428,748	2,869,000	11,864,018	9,762,201	3,364,611	1,023,165	1,500,000	483,233	45,890,490
<u>FY25 Budgeted Spending - All Capital Projects</u>										
Drainage NOTE 1			1,280,000	765,804						2,045,804
City Hall Renovation		83,334		166,666						250,000
Playground Equipment with pour & play surfacing		124,333		248,667					127,000	500,000
Vehicle & Equipment Purchases (all Depts)		275,499		1,081,671			125,000			1,482,170
Building & HVAC Maintenance (all Depts)		446,664		45,000			100,500			592,164
FEMA Flood Mitigation on Forest Trail		325,200								325,200
Fire Department Rescue Boat				300,000						300,000
Public Safety and Fire Station II Door Access Controls		62,500		127,500						190,000
Fuel management system & fuel dispensers	20,000									20,000
96 Gallon Carts (transition 4,500 carts over 3 yrs - side loader)	100,000									100,000
Front Beach/Ocean Blvd infrastructure improvements				75,000						75,000
Beach Maint- ADA Boardwalk, emergency vehicle access NOTE 3					765,000					765,000
Beach Renourishment					1,012,500					1,012,500
Bond and Loan Payments	882,811			651,199			83,464			1,617,474
Subtotal FY25 Budgeted Capital Spending	1,002,811	1,317,530	1,280,000	3,461,507	1,777,500	-	308,964	-	127,000	9,275,312
<u>Add Back FY25 actual spending against the Capital Budget above.</u>										
<u>The 10/31/24 Cash Balance has already been reduced by these payments.</u>	59,613	305,793	268,150	368,988	93,815	-	34,927	-	-	1,131,287
<u>Upcoming Large Projects Future Years</u>										
Drainage (4 Year Forecast) NOTE 2		2,600,000		788,080						3,388,080
Dredging (FY26 Forecast)							1,500,000			1,500,000
Ongoing Emergency Beach Scraping/Truck In Operation					1,097,428					1,097,428
Large Offshore Dredging Project-North End of Island										-
Stormwater Collection System/Drainage Improvement NOTE 2			1,000,000							1,000,000
Subtotal Upcoming Large Projects	-	2,600,000	1,000,000	788,080	1,097,428	-	-	1,500,000	-	6,985,508
Cash Remaining	2,652,316	7,817,011	857,150	7,983,419	6,981,088	3,364,611	749,128	-	356,233	30,760,956
Fire Engines (2 Forecasted in next 4 Years) NOTE 4		1,333,333		2,666,667						4,000,000
Public Works Garbage Trucks (3 forecasted in next 5 years) NOTE 4		366,667		733,333						1,100,000
City Hall Renovation FY25 & FY26) NOTE 4		1,333,333		2,666,667						4,000,000
Total Cash Remaining	2,652,316	4,783,678	857,150	1,916,752	6,981,088	3,364,611	749,128	-	356,233	21,660,956

Notes:

NOTE 1 City expects to receive 90% of the Waterway Path project cost via FEMA grant. The expected grant has been awarded but not received.

NOTE 2 Includes \$2.1 million for projects identified in the City's Comprehensive Drainage Plan in FY25 on Palm Blvd between 37th and 41st and \$2.2M for FY26.

NOTE 3 This forecast includes new funding received in January 2024 \$1.5 million in new State funding for drainage (\$1M) and ADA Boardwalks (\$.5M)

NOTE 4 FY25 Budget forecast as debt service expenditures

City of Isle of Palms Tourism and Local Options Sales Tax Revenues

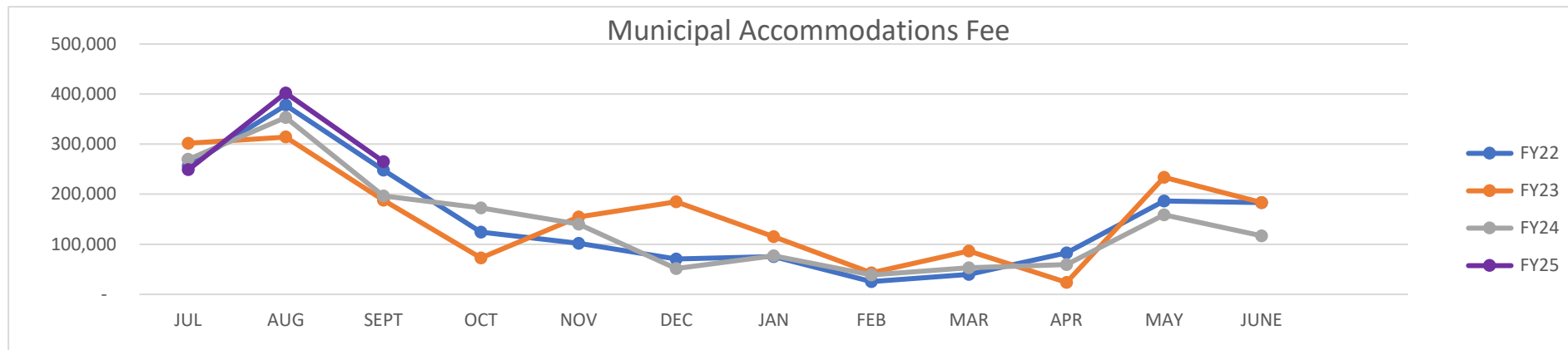
Municipal Accommodations Fee (1% of Accommodation Sales)

Heads in
Beds in

	FY19	FY20	FY21	FY22	FY23	FY24	FY25
JUL	199,724	195,287	172,336	256,308	301,674	269,304	248,910
AUG	209,600	213,067	169,596	378,001	314,397	353,373	402,136
SEPT	152,535	152,561	186,938	248,118	187,966	196,701	265,083
OCT	79,534	75,506	129,033	124,372	72,522	172,495	
NOV	63,444	65,882	66,090	102,229	154,713	140,390	
DEC	40,182	34,301	71,683	70,478	185,019	51,584	
JAN	25,836	32,335	34,025	75,503	115,313	76,915	
FEB	13,666	18,596	26,709	25,613	42,912	39,014	
MAR	19,983	9,690	31,080	39,938	86,414	52,979	
APR	53,685	26,422	68,055	82,759	24,152	59,390	
MAY	90,800	7,181	125,288	186,478	233,832	158,991	
JUNE	97,999	55,311	153,337	183,011	183,028	117,085	
Deduct last July	(199,724)	(195,287)	(172,336)	(256,308)	(301,674)	(269,304)	(248,910)
Add next July	195,287	172,336	256,308	301,674	269,304	248,910	
Total Fiscal Year	1,042,551	863,187	1,318,141	1,818,174	1,869,571	1,667,828	667,219
	Incr from FY18	Incr from FY19	Incr from FY20	Incr from FY21	Incr from FY22	Incr from FY23	Incr from FY24
	-3%	-17%	53%	38%	3%	-11%	12%

JUN
JUL
AUG
SEPT
OCT
NOV
DEC
JAN
FEB
MAR
APR
MAY

JUN

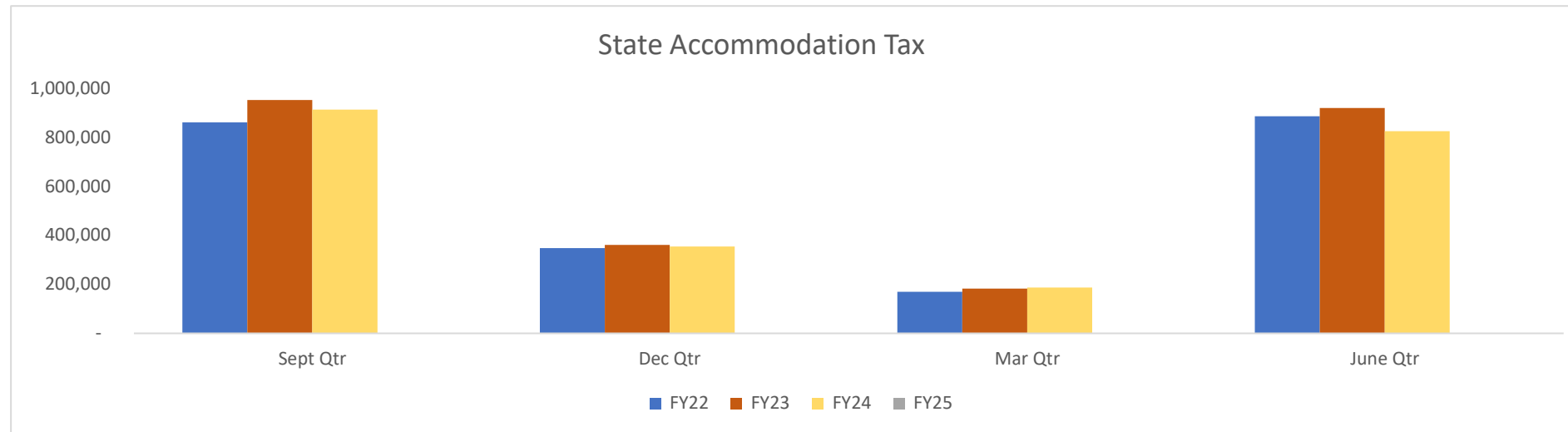


City of Isle of Palms Tourism and Local Options Sales Tax Revenues

State Accommodations Tax (Tourism-Related Only)		(Approx 2% of Accommodation Sales)					
	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Sept Qtr	546,269	580,306	553,971	861,205	952,270	913,073	
Dec Qtr	203,067	181,550	252,012	347,299	360,479	353,735	
Mar Qtr	103,097	88,638	132,256	168,824	181,961	185,736	
June Qtr	445,779	242,893	650,839	886,253	919,402	825,405	
Total Fiscal Yr	1,298,212	1,093,387	1,589,078	2,263,580	2,414,112	2,277,948	-
	8% Incr from FY18	-16% Incr from FY19	45% Incr from FY20	42% Incr from FY21	7% Incr from FY22	-6% Incr from FY23	Incr from FY24

**Heads in
Beds in**

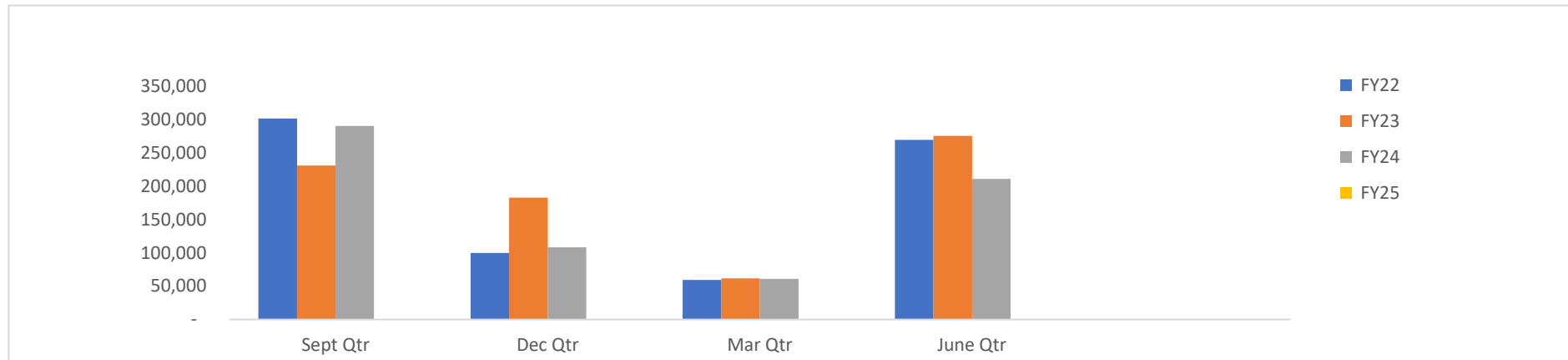
**Jun-Aug
Sept-Nov
Dec-Feb
Mar-May**



City of Isle of Palms Tourism and Local Options Sales Tax Revenues

Chas County ATax Pass-Through (20% of County's 2% on IOP Accommodation Sales)

	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Sept Qtr	381,000	370,500	-	301,714	231,164	290,437	
Dec Qtr				99,602	182,929	108,064	Dec
Mar Qtr				59,369	61,688	60,716	Feb
June Qtr	127,000	-	508,000	269,609	275,853	211,021	May
Total Fiscal Yr	508,000	370,500	508,000	730,293	751,634	670,238	Sept
	16%	-27%	37%	44%	3%	-11%	
	Incr from FY18	Incr from FY19	Incr from FY20	Incr from FY21	Incr from FY22	Incr from FY23	Incr from FY24



City of Isle of Palms Tourism and Local Options Sales Tax Revenues

Hospitality Tax

(2% of Prepared Food & Beverage Sales)

**Food/Bev
Sold in**

	FY19	FY20	FY21	FY22	FY23	FY24	FY25	
JUL	104,681	88,238	66,947	137,933	142,534	156,544	205,329	JUN
AUG	101,031	106,673	59,353	135,765	165,544	192,906	214,952	JUL
SEPT	78,014	78,129	49,484	108,077	131,756	153,918	117,363	AUG
OCT	69,394	76,033	37,348	88,581	121,169	131,767	140,325	SEPT
NOV	65,210	66,929	27,609	96,511	104,213	138,970		OCT
DEC	38,440	56,591	46,700	56,990	87,532	67,821		NOV
JAN	31,905	28,058	57,988	48,652	57,107	63,500		DEC
FEB	27,373	27,574	24,135	33,118	51,417	50,025		JAN
MAR	40,741	21,853	39,019	62,430	62,919	66,488		FEB
APR	66,425	12,956	50,777	79,088	117,561	134,944		MAR
MAY	85,134	15,429	85,357	142,227	142,964	143,278		APR
JUNE	100,621	46,102	114,802	152,842	155,895	155,603		MAY
Deduct last July	(104,681)	(88,238)	(66,947)	(137,933)	(142,534)	(156,544)	(205,329)	
Add next July	88,238	66,947	137,933	142,534	156,544	205,329		JUN
Total Fiscal Year	792,527	603,275	730,503	1,146,816	1,354,621	1,504,549	472,641	

Incr fr FY18	Incr fr FY19	Incr fr FY20	Incr fr FY21	Incr fr FY22	Incr fr FY23	Incr from FY24
1%	-24%	21%	57%	18%	11%	7%



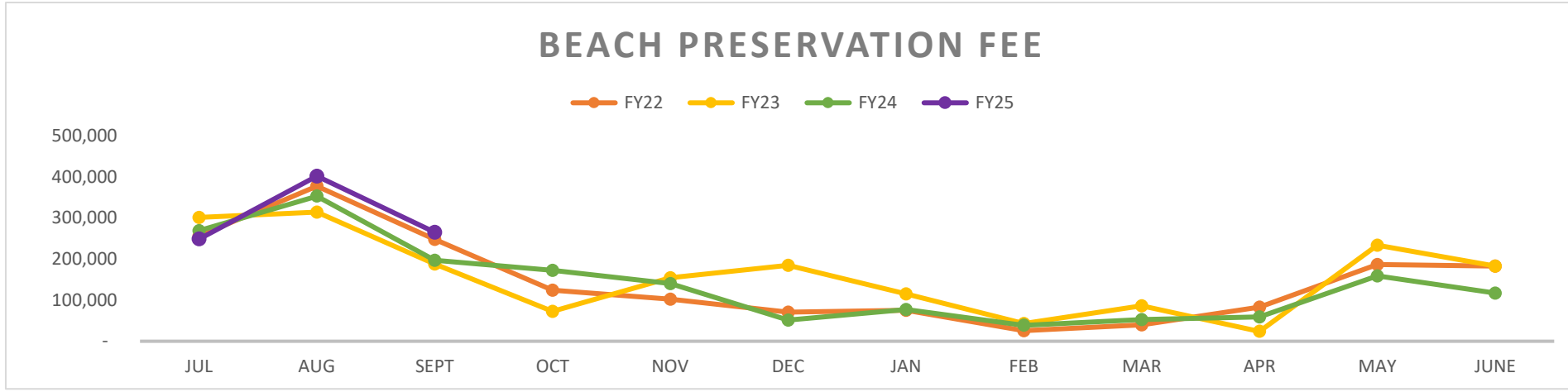
City of Isle of Palms Tourism and Local Options Sales Tax Revenues

Beach Preservation Fee (1% of Accommodation Sales)

**Heads in
Beds in**

	FY19	FY20	FY21	FY22	FY23	FY24	FY25	
JUL	199,724	195,287	172,336	256,308	301,674	269,304	248,910	JUN
AUG	209,600	213,067	169,596	378,001	314,397	353,373	402,136	JUL
SEPT	152,535	152,561	186,938	248,118	187,966	196,701	265,083	AUG
OCT	79,534	75,506	129,033	124,372	72,522	172,495	-	SEPT
NOV	63,444	65,882	66,090	102,229	154,713	140,390	-	OCT
DEC	40,182	34,301	71,683	70,478	185,019	51,584	-	NOV
JAN	25,836	32,335	34,025	75,503	115,313	76,915	-	DEC
FEB	13,666	18,596	26,709	25,613	42,912	39,014	-	JAN
MAR	19,983	9,690	31,080	39,938	86,414	52,979	-	FEB
APR	53,685	26,422	68,055	82,759	24,152	59,390	-	MAR
MAY	90,800	7,181	125,288	186,478	233,832	158,991	-	APR
JUNE	97,999	55,311	153,337	183,011	183,028	117,085	-	MAY
Deduct last July	(199,724)	(195,287)	(172,336)	(256,308)	(301,674)	(269,304)	(248,910)	
Add next July	195,287	172,336	256,308	301,674	269,304	248,910	-	JUN
Total Fiscal Year	1,042,551	863,187	1,318,141	1,818,174	1,869,571	1,667,828	667,219	

Incr from FY18	Incr from FY19	Incr from FY20	Incr from FY21	Incr from FY22	Incr from FY23	Incr from FY24
-3%	-17%	53%	38%	3%	-11%	12%



City of Isle of Palms Tourism and Local Options Sales Tax Revenues

Local Option Sales Tax

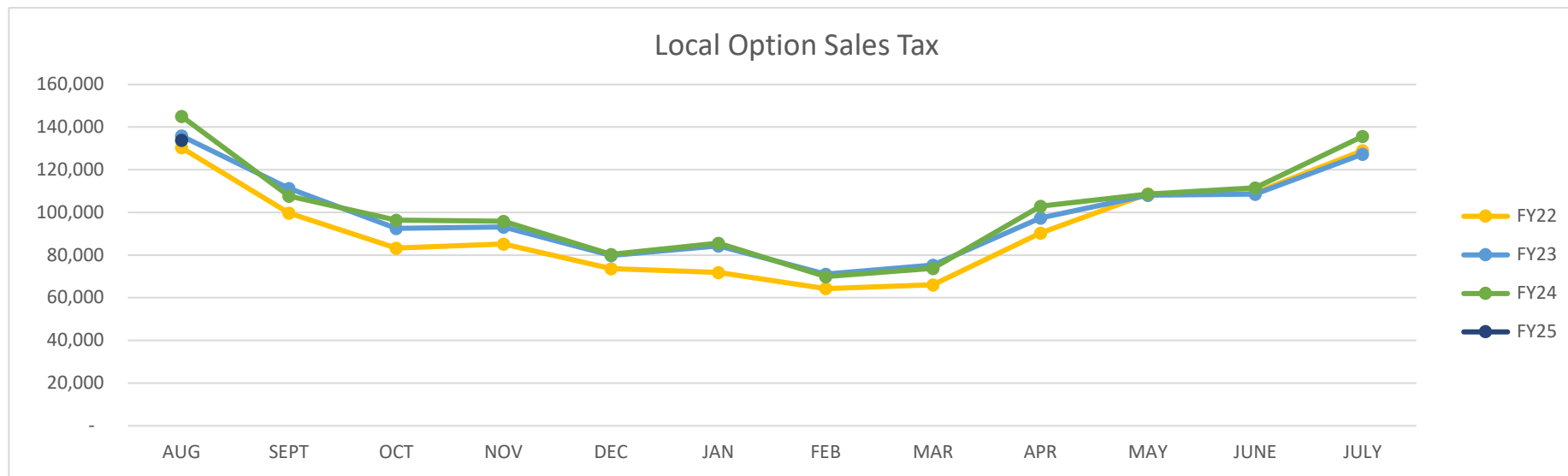
(a portion of the 1% Charleston County local option sales tax)

When Sales Occurred

	FY19	FY20	FY21	FY22	FY23	FY24	FY25	
AUG	88,713	93,221	87,833	130,373	135,943	145,078	133,876	JUL
SEPT	72,557	83,456	83,149	99,719	111,272	107,689		AUG
OCT	63,829	62,752	71,963	83,230	92,568	96,340		SEPT
NOV	61,435	65,514	68,054	85,199	93,138	95,825		OCT
DEC	54,748	59,951	67,342	73,716	79,844	80,288		NOV
JAN	57,483	64,996	69,592	71,846	84,290	85,635		DEC
FEB	48,026	53,263	58,840	64,365	71,140	69,936		JAN
MAR	49,240	50,882	60,533	66,029	75,337	73,750		FEB
APR	65,794	43,070	83,678	90,351	97,399	102,911		MAR
MAY	85,394	56,012	100,082	108,756	108,050	108,648		APR
JUNE	78,238	74,078	102,313	109,271	108,590	111,500		MAY
JULY	92,504	92,789	117,380	128,957	127,335	135,705		JUN

Total Fiscal Year	817,962	799,984	970,759	1,111,813	1,184,906	1,213,304	133,876
--------------------------	----------------	----------------	----------------	------------------	------------------	------------------	----------------

Incr from FY18	Incr from FY19	Incr from FY20	Incr from FY21	Incr from FY22	Incr from FY23	Incr from FY24
6%	-2%	21%	15%	7%	2%	-8%



**City of Isle of Palms
IOP Marina Public Dock Renovation
Project 18-3287
10/31/2024**

Project	Date	Invoice	Contract Projections	Actuals	Budget	Remaining on Contract	Remaining on Budget
<u>Engineering & Design</u>							
ATM Engineering & Design Contract Approved & Spent in FY22 Budget.			\$ 110,500	\$ 110,500	\$ 110,500	\$ -	\$ -
			110,500	110,500	110,500	-	-
<u>Bidding & Construction Admin</u>							
Approved ATM Change Order 11							
Applied Technology & Management (ATM)	2/16/2024	2088	56,900	5,293	-	56,900	(5,293)
Applied Technology & Management (ATM)	5/9/2024	2539	-	31,057	-	(31,057)	(31,057)
			56,900	36,350	-	20,550	(36,350)
<u>Permitting</u>							
Applied Technology & Management (ATM)	Project 18-3287	7/31/2023	1628	18,343	-	(18,343)	(18,343)
Applied Technology & Management (ATM)		9/8/2023	1769	31,350	-	(31,350)	(31,350)
Applied Technology & Management (ATM)		10/30/2023	1941	26,326	-	(26,326)	(26,326)
Applied Technology & Management (ATM)		2/16/2024	2088	11,542	-	(11,542)	(11,542)
			-	87,561	-	(87,561)	(87,561)
<u>Construction</u>							
TrucklucK Contraction			1,488,263		1,703,000	1,488,263	1,703,000
TrucklucK Contraction	Pay App 1	4/24/2024	25027	280,666		(280,666)	(280,666)
	Less 10% Retainage			(28,067)		28,067	28,067
TrucklucK Contraction	Pay App 2	5/21/2024	25070	110,880		(110,880)	(110,880)
	Less 10% Retainage			(11,088)		11,088	11,088
TrucklucK Contraction	Pay App 3	6/24/2024	25119	342,475		(342,475)	(342,475)
	Less 10% Retainage			(34,248)		34,248	34,248
TrucklucK Contraction	Pay App 4	7/19/2024	25153	205,810		(205,810)	(205,810)
	Less 10% Retainage			(20,581)		20,581	20,581
TrucklucK Contraction	Pay App 5	8/22/2024	25198	301,264		(301,264)	(301,264)
	Less 10% Retainage			(30,126)		30,126	30,126
TrucklucK Contraction	Pay App 6	9/20/2024	25212	69,020		(69,020)	(69,020)
	Less 10% Retainage			(6,902)		6,902	6,902
			1,488,263	1,179,103	1,703,000	309,160	523,897
Total Project			1,545,163	1,303,014	1,703,000	242,149	399,986

Notes:

*ATM (Applied Technology & Management)Contract Approved & Spent in FY22 Budget noted but not included in FY24

**TrulucK Construction Contract Includes:

Base Contract	1,384,292
ALT11 Rpl Pile Guide Rollers & Scape Pilings	6,500
ALT12 Builder's Risk Policy	7,350
ALT14 IPE Posts & Handrail	64,864

**City of Isle of Palms
IOP County Park Emergency Vehicle Access -14th Avenue
10/31/2024**

		Date	Invoice Number	Contract Projections	Actuals	Approved by Council	Remaining on Contract	Remaining on Budget
Survey, Planning & Drawings				7,900		250,000	7,900	250,000
Davis & Floyd, Inc.	14th Avenue	6/2/2023	280035		3,950		(3,950)	(3,950)
Davis & Floyd, Inc.	14th Avenue	12/3/2023	281758		3,950		(3,950)	(3,950)
				<u>7,900</u>	<u>7,900</u>	<u>250,000</u>	<u>-</u>	<u>242,100</u>
Total Project				<u>7,900</u>	<u>7,900</u>	<u>250,000</u>	<u>-</u>	<u>242,100</u>

Note:
Beach Preservation Fund

City of Isle of Palms
Waterway Boulevard Multi-Use Path Elevation Project
 Project 27670.0010 PO-19-1436
 10/31/2024

	Date	Invoice Number	Contract Projections	Actuals	Approved by Council	Remaining on Contract	Remaining on Budget
Thomas & Hutton - Design & Permitting			171,200		1,100,000	171,200.00	1,100,000
Thomas & Hutton	1/21/2024	Invoice 0251310		20,462		(20,462.40)	(20,462)
Thomas & Hutton	2/9/2024	Invoice 0252881		22,372		(22,372.10)	(22,372)
Thomas & Hutton	3/12/2024	Invoice 255056		3,575		(3,575.00)	(3,575)
Thomas & Hutton	4/15/2024	Invoice 256638		27,138		(27,137.92)	(27,138)
Thomas & Hutton	5/8/2024	Invoice 257498		10,092		(10,092.18)	(10,092)
Thomas & Hutton	6/10/2024	Invoice 259489		1,135		(1,135.00)	(1,135)
Thomas & Hutton	6/10/2024	Invoice 260502		7,105		(7,104.50)	(7,105)
Thomas & Hutton	8/20/2024	Invoice 262246		2,613		(2,612.50)	(2,613)
			-	-	-	-	-
			171,200	94,492	1,100,000	76,708	1,005,508
Total Project			171,200	94,492	1,100,000	76,708	1,005,508

Note:
 Funded by \$1.1M ARPA, \$980K FEMA Grant budget allocation AND \$500k (50% of SC State Budget grant for stormwater awarded in FY24).

City of Isle of Palms
 Palm Blvd Between 38th and 41st Avenue Drainage
 Project 27670.0012
 10/31/2024

	Date	Invoice Number	Contract Projections	Actuals	Approved by Council	Remaining on Contract	Remaining on Budget
Thomas & Hutton - Design & Permitting			122,400		250,000	122,400	250,000
Thomas & Hutton	6/10/2024	Invoice 259480		7,934		(7,934)	(7,934)
Thomas & Hutton	7/10/2024	Invoice 260519		4,735		(4,735.00)	(4,735)
Thomas & Hutton	8/14/2024	Invoice 262267		10,276		(10,276.00)	(10,276)
Thomas & Hutton	9/17/2024	Invoice 264392		17,825		(17,825.00)	(17,825)
Thomas & Hutton	10/4/2024	Invoice 265138		10,495		(10,495.00)	(10,495)
			-	-	-	-	-
			122,400	51,265	250,000	71,135	198,735
Total Project			122,400	51,265	250,000	71,135	198,735

Note:
 Funded by \$1M DHEC Stormwater Grant received in FY24 and \$1.25M State Grant due to received FY25.

City of Isle of Palms
Shoal Management Project
10/31/2024
SCOPE A and SCOPE B

			Contract Projections	Actuals	Approved by Council	Remaining on Contract	Remaining on Budget
Planning related to next large scale off-shore project					225,000	10,520	225,000
Coastal Science & Engineering	12/31/2023	Invoice 2589-12.23	10,520	2,100		(2,100)	(2,100)
Coastal Science & Engineering	2/29/2024	Invoice 2589.02.24		2,500		(2,500)	(2,500)
Coastal Science & Engineering	3/31/2024	Invoice 2589.03.24		1,000		(1,000)	(1,000)
Coastal Science & Engineering	4/30/2024	Invoice 2589.04.24		1,000		(1,000)	(1,000)
Coastal Science & Engineering	5/31/2024	Invoice 2589.05.24		1,530		(1,530)	(1,530)
Coastal Science & Engineering	6/30/2024	Invoice 2589.06.24		300		(300)	(300)
Coastal Science & Engineering	8/31/2024	Invoice 2589.08.24		1,000		(1,000)	(1,000)
			-	-	-	-	-
			<u>10,520</u>	<u>9,430</u>	<u>225,000</u>	<u>1,090</u>	<u>215,570</u>
Engineering related to next large scale off-shore project						12,680	-
Coastal Science & Engineering	12/31/2023	Invoice 2589-12.23	12,680	1,550		(1,550)	(1,550)
Coastal Science & Engineering	1/31/2024	Invoice 2589.01.24		630	-	(630)	(630)
Coastal Science & Engineering	2/29/2024	Invoice 2589.02.24		4,525		(4,525)	(4,525)
Coastal Science & Engineering	3/31/2024	Invoice 2589.03.24		1,500		(1,500)	(1,500)
Coastal Science & Engineering	4/30/2024	Invoice 2589.04.24		4,070		(4,070)	(4,070)
Coastal Science & Engineering	6/30/2024	Invoice 2589.06.24		400		(400)	(400)
						-	-
			<u>12,680</u>	<u>12,675</u>	<u>-</u>	<u>5</u>	<u>(12,675)</u>
Permitting related to next large scale off-shore project						41,480	-
Coastal Science & Engineering	12/31/2023	Invoice 2589-12.23	41,480	2,375	-	(2,375)	(2,375)
Coastal Science & Engineering	1/31/2024	Invoice 2589.01.24		6,200		(6,200)	(6,200)
Coastal Science & Engineering	2/29/2024	Invoice 2589.02.24		2,250		(2,250)	(2,250)
Coastal Science & Engineering	3/31/2024	Invoice 2589.03.24		8,500		(8,500)	(8,500)
Coastal Science & Engineering	4/30/2024	Invoice 2589.04.24		7,720		(7,720)	(7,720)
Coastal Science & Engineering	5/31/2024	Invoice 2589.05.24		6,225		(6,225)	(6,225)
Coastal Science & Engineering	6/30/2024	Invoice 2589.06.24		1,350		(1,350)	(1,350)
Coastal Science & Engineering	7/31/2024	Invoice 2589.07.24		1,100		(1,100)	(1,100)
Coastal Science & Engineering	8/31/2024	Invoice 2589.08.24		1,000		(1,000)	(1,000)
						-	-
			<u>41,480</u>	<u>36,720</u>	<u>-</u>	<u>4,760</u>	<u>(36,720)</u>
Direct Expenses related to next large scale off-shore project						4,855	-
Coastal Science & Engineering	12/31/2023	Invoice 2589-12.23	4,855	400	-	(400)	(400)
Coastal Science & Engineering	2/29/2024	Invoice 2589.02.24		800		(800)	(800)
Coastal Science & Engineering	3/31/2024	Invoice 2589.03.24		345		(345)	(345)
Coastal Science & Engineering	4/30/2024	Invoice 2589.04.24		810		(810)	(810)
Coastal Science & Engineering	5/31/2024	Invoice 2589.05.24		807		(807)	(807)
Coastal Science & Engineering	6/30/2024	Invoice 2589.06.24		103		(103)	(103)
Coastal Science & Engineering	7/31/2024	Invoice 2589.07.24		660		(660)	(660)
Coastal Science & Engineering	8/31/2024	Invoice 2589.08.24		50		(50)	(50)
						-	-
			<u>4,855</u>	<u>3,975</u>	<u>-</u>	<u>881</u>	<u>(3,975)</u>
Stage 2 - Onshore Migration							
Project Planning, Liaison, Communication			12,000			12,000	
Coastal Science & Engineering	2/29/2024	Invoice 2589.02.24		2,500		(2,500)	(2,500)
Coastal Science & Engineering	3/31/2024	Invoice 2589.03.24		1,000		(1,000)	(1,000)

**City of Isle of Palms
Shoal Management Project
10/31/2024
SCOPE A and SCOPE B**

			Contract Projections	Actuals	Approved by Council	Remaining on Contract	Remaining on Budget
			-	-	-	-	-
			<u>12,000</u>	<u>3,500</u>	<u>-</u>	<u>8,500</u>	<u>(3,500)</u>
Field Data Collection			38,600			38,600	
Coastal Science & Engineering	2/29/2024	Invoice 2589.02.24		1,000		(1,000)	(1,000)
Coastal Science & Engineering	3/31/2024	Invoice 2589.03.24		5,000		(5,000)	(5,000)
Coastal Science & Engineering	5/31/2024	Invoice 2589.05.24		7,150		(7,150)	(7,150)
Coastal Science & Engineering	6/30/2024	Invoice 2589.06.24		3,150		(3,150)	(3,150)
Coastal Science & Engineering	8/31/2024	Invoice 2589.08.24		7,000		(7,000)	(7,000)
			-	-	-	-	-
			<u>38,600</u>	<u>23,300</u>	<u>-</u>	<u>15,300</u>	<u>(23,300)</u>
Engineering			25,720			25,720	
Coastal Science & Engineering	2/29/2024	Invoice 2589.02.24		2,550		(2,550)	(2,550)
Coastal Science & Engineering	3/31/2024	Invoice 2589.03.24		1,000		(1,000)	(1,000)
Coastal Science & Engineering	5/31/2024	Invoice 2589.05.24		4,200		(4,200)	(4,200)
Coastal Science & Engineering	7/31/2024	Invoice 2589.07.24		1,600		(1,600)	(1,600)
			-	-	-	-	-
			<u>25,720</u>	<u>9,350</u>	<u>-</u>	<u>16,370</u>	<u>(9,350)</u>
Direct Expense			92,576			92,576	
Coastal Science & Engineering	2/29/2024	Invoice 2589.02.24		303		(303)	(303)
Coastal Science & Engineering	3/31/2024	Invoice 2589.03.24		3,500		(3,500)	(3,500)
Coastal Science & Engineering	5/31/2024	Invoice 2589.05.24	Athena Tech	51,164	-	(51,164)	(51,164)
Coastal Science & Engineering	7/31/2024	Invoice 2589.07.24		100		(100)	(100)
Coastal Science & Engineering	8/31/2024	Invoice 2589.08.24		2,850		(2,850)	(2,850)
			<u>92,576</u>	<u>57,917</u>	<u>-</u>	<u>37,509</u>	<u>(55,067)</u>
Allowances			45,000			45,000	
			-	-	-	-	-
			<u>45,000</u>	<u>-</u>	<u>-</u>	<u>45,000</u>	<u>-</u>
Total Project			<u>283,430</u>	<u>156,867</u>	<u>225,000</u>	<u>129,414</u>	<u>70,983</u>

Stage 1 is the emergence of an offshore shoal and its release from the ebb-tidal delta.
Stage 2 is onshore migration and initial attachment of the shoal and accompanying response of the beach.

City of Isle of Palms
USACE
10/31/2024
SCOPE C

			Contract Projections	Actuals	Approved by Council	Remaining on Contract	Remaining on Budget
					400,000		400,000
Project Planning related USACE Coordination						13,300	
Coastal Science & Engineering	12/31/2023	Invoice 2589-12.23	13,300	3,590		(3,590)	(3,590)
Coastal Science & Engineering	1/31/2024	Invoice 2589.01.24		1,330		(1,330)	(1,330)
Coastal Science & Engineering	3/31/2024	Invoice 2589.03.24		1,500		(1,500)	(1,500)
Coastal Science & Engineering	5/31/2024	Invoice 2589.05.24		2,600		(2,600)	(2,600)
Coastal Science & Engineering	6/30/2024	Invoice 2589.06.24		1,200		(1,200)	(1,200)
Coastal Science & Engineering	7/31/2024	Invoice 2589.07.24		665		(665)	(665)
			-	-	-	-	-
			13,300	10,885	-	2,415	(10,885)
Field Data related USACE Coordination						6,400	
Coastal Science & Engineering	12/31/2023	Invoice 2589-12.23	6,400	1,000		(1,000)	(1,000)
Coastal Science & Engineering	3/31/2024	Invoice 2589.03.24		1,055	-	(1,055)	(1,055)
Coastal Science & Engineering	6/30/2024	Invoice 2589.06.24		710		(710)	(710)
Coastal Science & Engineering	7/31/2024	Invoice 2589.07.24		608		(608)	(608)
							-
			6,400	3,373	-	(3,373)	(3,373)
Engineering related USACE Coordination						9,500	-
Coastal Science & Engineering	12/31/2023	Invoice 2589-12.23	9,500	1,425	-	(1,425)	(1,425)
Coastal Science & Engineering	1/31/2024	Invoice 2589.01.24		1,425		(1,425)	(1,425)
Coastal Science & Engineering	2/29/2024	Invoice 2589.02.24		3,740		(3,740)	(3,740)
Coastal Science & Engineering	3/31/2024	Invoice 2589.03.24		2,890		(2,890)	(2,890)
							-
			9,500	9,480	-	20	(9,480)
Bid Coordination related USACE Coordination						3,800	
Coastal Science & Engineering	4/30/2024	Invoice 2589.04.24	3,800	950	-	(950)	(950)

**City of Isle of Palms
USACE
10/31/2024
SCOPE C**

			Contract Projections	Actuals	Approved by Council	Remaining on Contract	Remaining on Budget
Coastal Science & Engineering	5/31/2024	Invoice 2589.05.24		950		(950)	(950)
Coastal Science & Engineering	6/30/2024	Invoice 2589.06.24		1,200		(1,200)	(1,200)
						-	-
			3,800	3,100	-	700	(3,100)
Construction related USACE Coordination						34,720	
Coastal Science & Engineering	2/29/2024	Invoice 2589.02.24	34,720	1,000	-	(1,000)	(1,000)
Coastal Science & Engineering	4/30/2024	Invoice 2589.04.24		1,000		(1,000)	(1,000)
Coastal Science & Engineering	8/31/2024	Invoice 2589.08.24		600		(600)	(600)
					-	-	-
			34,720	2,600	-	32,120	(2,600)
Direct Expenses related USACE Coordination						17,350	-
			17,350	-		-	-
						-	-
Coastal Science & Engineering	12/31/2023	Invoice 2589-12.23				-	-
Coastal Science & Engineering	4/30/2024	Invoice 2589-04.24		50		(50)	(50)
Coastal Science & Engineering	5/31/2024	Invoice 2589.05.24		310		(310)	(310)
Coastal Science & Engineering	6/30/2024	Invoice 2589.06.24		156		(156)	(156)
						-	-
			17,350	516	-	16,835	(516)
Total Project			85,070	29,954	400,000	48,717	370,047

City of Isle of Palms

Beach Access Path Improvements -ADA Boardwalks at 46th and 52nd Avenues and Greenbelt Program for 26th and 36th Avenues

10/31/2024

		Date	Invoice Number	Contract Projections	Actuals	Approved by Council	Remaining on Contract	Remaining on Budget
Planning				26,900		500,000	26,900	500,000
Peabody & Associates	46th Avenue	11/17/2023		7465	2,800		(2,800)	(2,800)
Peabody & Associates	52nd Avenue	11/17/2023		7465	2,800		(2,800)	(2,800)
Peabody & Associates	26th Avenue	11/17/2023		7465	2,800		(2,800)	(2,800)
Peabody & Associates	36th Avenue	11/17/2023		7465	2,800		(2,800)	(2,800)
Peabody & Associates	26th Avenue	3/29/2024		7575	2,800		(2,800)	(2,800)
Land Design							-	-
Furman LandDesign, LLC	46th Avenue	8/20/2024	Isle of Palms-Boardwalk 46th		3,450		(3,450)	(3,450)
	52nd Avenue	8/20/2024	Isle of Palms-Boardwalk 52nd		3,450		(3,450)	(3,450)
	26th Avenue	8/20/2024	Isle of Palms-Boardwalk 26th		3,000		(3,000)	(3,000)
	36th Avenue	8/20/2024	Isle of Palms-Boardwalk 36th		3,000		(3,000)	(3,000)
Construction				298,204			298,204	
Icon Contracting, LLC	46th and 52nd Beach Acc	10/18/2024	1045		80,915		(80,915)	(80,915)
				325,104	107,815	500,000	217,289	392,185
Total Project				325,104	107,815	500,000	217,289	392,185

Note:

ADA Boardwalks at 46th and 52nd Ave Funded by FY24 SCPRT \$500K Grant
 Construction of boardwalks/foot bridges at 26A and 36A, seeking Greenbelt Program Funding

**City of Isle of Palms
Emergency Beach Erosion Control Efforts
10/31/2024**

			Contract Projections	Actuals	Approved by Council	Remaining on Contract	Remaining on Budget
Post Hurricane Idalia Scraping Work (Breach Inlet & Beachwood East)							
Robert Collins Company	9/15/2023	Invoice 27823	240,000	240,000	-	-	(240,000)
			-	-	-	-	-
			<u>240,000</u>	<u>240,000</u>	<u>-</u>	<u>-</u>	<u>(240,000)</u>
Breach Inlet Sand Bags (120-206 Ocean Blvd.)							
					722,500	722,500	722,500
Robert Collins Company	10/22/2023	Invoice 28035	213,825	213,825		(213,825)	(213,825)
Robert Collins Company	10/10/2023	Invoice 27984	79,800	79,800	-	(79,800)	(79,800)
SCPRT Beach Renourishment Assistance Funding Grant	2/29/2024	2024-001-1		(146,813)			146,813
Robert Collins Company	7/26/2024	Invoice 29178	120,000	120,000		(120,000)	(120,000)
Robert Collins Company	9/12/2024	Invoice 29322	9,000	9,000		(9,000)	(9,000)
Robert Collins Company	9/25/2024	Invoice 29360	174,000	174,000		(174,000)	(174,000)
SCPRT Beach Renourishment Assistance Funding Grant	10/16/2024	2024-001		(87,000)			87,000
			<u>596,625</u>	<u>362,813</u>	<u>722,500</u>	<u>125,875</u>	<u>359,688</u>
Breach Inlet Scraping/ Trucking up to 50,000 cy sand							
					1,250,000	1,250,000	1,250,000
Robert Collins Company	11/28/2023	Invoice 28216	293,355	293,355	-	(293,355)	(293,355)
Robert Collins Company	11/28/2023	Invoice 28217	172,350	172,350		(172,350)	(172,350)
Robert Collins Company	12/22/2023	Invoice 28338	163,821	163,821	-	(163,821)	(163,821)
Robert Collins Company	2/2/2024	Invoice 28491	358,595	358,595	-	(358,595)	(358,595)
Robert Collins Company	2/28/2024	Invoice 28642	87,450	87,450		(87,450)	(87,450)
SCPRT Beach Renourishment Assistance Funding Grant	2/29/2024	2024-001-1		(228,588)			228,588
SCPRT Beach Renourishment Assistance Funding Grant	2/29/2024	2024-001-1		(86,175)	-		86,175
SCPRT Beach Renourishment Assistance Funding Grant	2/29/2024	2024-001-2		(179,298)			179,298
Robert Collins Company	3/22/2024	Invoice 28773	10,000	10,000		(10,000)	(10,000)
SCPRT Beach Renourishment Assistance Funding Grant	5/6/2024	2024-001-3		(43,725)			43,725
Robert Collins Company	6/12/2024	Invoice 29031	25,400	25,400		(25,400)	(25,400)
Robert Collins Company	8/12/2024	Invoice 29225	31,500	31,500		(31,500)	(31,500)
SCPRT Beach Renourishment Assistance Funding Grant	10/16/2024	2024-001		(12,700)			12,700
			<u>1,142,471</u>	<u>591,986</u>	<u>1,250,000</u>	<u>107,529</u>	<u>658,014</u>
Beachwood East Scraping & Sand Bags							
					612,500	612,500	612,500
Robert Collins Company	2/2/2024	Invoice 28492	106,650	106,650	-	(106,650)	(106,650)
Robert Collins Company	2/28/2024	Invoice 28643	127,350	127,350	-	(127,350)	(127,350)
Robert Collins Company	7/31/2024	Invoice 28182	45,000	45,000	-	(45,000)	(45,000)
Robert Collins Company	8/26/2024	Invoice 29253	66,000	66,000	-	(66,000)	(66,000)
Precision Consulting Solutions	9/10/2024	Invoice 131	15,200	15,200		(15,200)	(15,200)

**City of Isle of Palms
Emergency Beach Erosion Control Efforts
10/31/2024**

			Contract Projections	Actuals	Approved by Council	Remaining on Contract	Remaining on Budget
Precision Consulting Solutions	10/6/2024	Invoice 1034	15,200	15,200		(15,200)	(15,200)
Precision Consulting Solutions	10/7/2024	Invoice 1037	23,475	23,475		(23,475)	(23,475)
Geotex Supply Company	10/16/2024	Invoice 1004	2,760	2,760		(2,760)	(2,760)
Precision Consulting Solutions	10/10/2024	Invoice 1039	58,010	58,010		(58,010)	(58,010)
Precision Consulting Solutions	10/23/2024	Invoice 1040	65,195	65,195		(65,195)	(65,195)
			<u>524,840</u>	<u>524,840</u>	<u>612,500</u>	<u>87,660</u>	<u>87,660</u>
CSE Engineering & Construction Admin							
					90,000	90,000	90,000
Coastal Science & Engineering	11/30/2023	Invoice 2587.11.23	34,200	34,200		(34,200)	(34,200)
Coastal Science & Engineering	12/31/2023	Invoice 2587.12.23	10,900	10,900		(10,900)	(10,900)
Coastal Science & Engineering	1/31/2024	Invoice 2587.01.24	10,831	10,831		(10,831)	(10,831)
Coastal Science & Engineering	3/31/2024	Invoice 2587.02.24	9,069	9,069		(9,069)	(9,069)
Coastal Science & Engineering	5/31/2024	Invoice 2587.05.24	25,925	25,925		(25,925)	(25,925)
Coastal Science & Engineering (Amendment #2)	6/30/2024	Invoice 2587.06.24	33,734	5,879		(5,879)	(5,879)
Coastal Science & Engineering (Amendment #2)	8/31/2024	Invoice 2587.08.24		1,130		(1,130)	(1,130)
Coastal Science & Engineering (Amendment #3)	8/31/2024	Invoice 2587.08.24	83,124	18,370			
			<u>207,783</u>	<u>116,304</u>	<u>90,000</u>	<u>(7,934)</u>	<u>(7,934)</u>
Total Project			<u>2,471,719</u>	<u>1,595,942</u>	<u>2,675,000</u>	<u>313,130</u>	<u>1,097,428</u>

Notes:

1. Initial cost of \$240K- Post Hurricane Idalia Scraping Work (Breach Inlet & Beachwood East) is not included in project total.
2. In August 2024, 75% of initial \$240K cost has been approved by FEMA to cover \$180K.
3. City seeking FEMA reimbursement for post storm scraping.
4. City requesting SCPRT Grant for 50% of construction costs of Breach Inlet Sandbags (250K) and Scraping/Trucking (1.25M).
5. City has been approved up to \$850K from SCRPT for Beach Renourishment Funding Assistance Grant.
 - City awarded \$179.2K from SCRPT for Beach Renourishment Funding Assistance Grant which is reflected in remaining budget amount.
 - City awarded \$461.5K from SCRPT for Beach Renourishment Funding Assistance Grant which is reflected in remaining budget amount.
 - City awarded \$43.7K from SCRPT for Beach Renourishment Funding Assistance Grant which is reflected in remaining budget amount.

City of Isle of Palms
City Hall Renovation

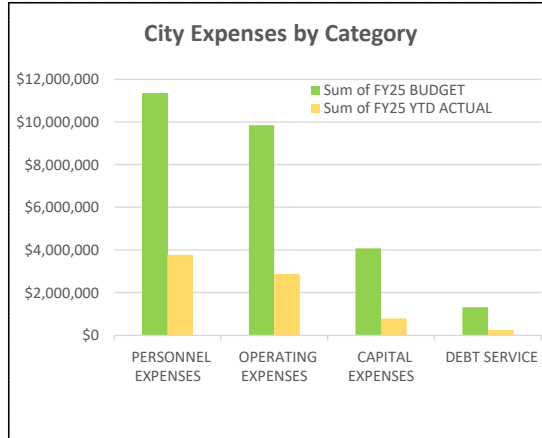
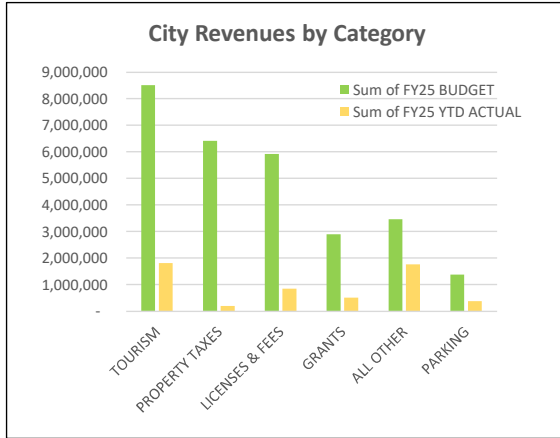
PO-24-2521

10/31/2024

	Date	Invoice Number	Contract Projections	Actuals	Approved by Council	Remaining on Contract	Remaining on Budget
Architecture-Conceptual Design Phase 1			24,840		250,000	24,840.00	250,000
McMillan Pazdan Smith Architecture	4/13/2024	2400175		2,484		(2,484.00)	(2,484)
McMillan Pazdan Smith Architecture	4/13/2024	2401541		16,146		(16,146.00)	(16,146)
McMillan Pazdan Smith Architecture	5/31/2024	2401902		6,210		(6,210.00)	(6,210)
Architecture-Conceptual Design Phase 2 Project 023410.00			9,250			9,250.00	
McMillan Pazdan Smith Architecture	6/30/2024	2402415		2,313		(2,312.50)	(2,313)
McMillan Pazdan Smith Architecture	8/31/2024	2403451		6,972		(6,972.19)	(6,972)
			<u>34,090</u>	<u>34,125</u>	<u>250,000</u>	<u>(35)</u>	<u>215,875</u>
Contract Planning Phase 1			68,267			68,267	
Change Order 1/Reno Option			17,010			17,010	
Trident Construction Co.	2/2/2024	23045-1		11,233		(11,233.00)	(11,233)
Trident Construction Co.	2/29/2024	23045-2		18,906		(18,906.00)	(18,906)
Trident Construction Co.	8/19/2024	23045-3		38,128		(38,128.00)	(38,128)
Trident Construction Co.	7/10/2024	23045-4		17,010		(17,010.00)	(17,010)
			<u>85,277</u>	<u>85,277</u>	<u>-</u>	<u>-</u>	<u>(85,277)</u>
Total Project			<u>119,367</u>	<u>119,402</u>	<u>250,000</u>	<u>(35)</u>	<u>130,598</u>

City of Isle of Palms Operations Dashboard

October 2024

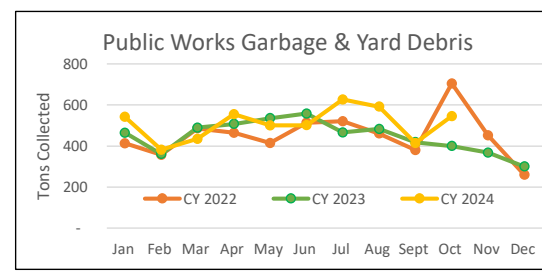
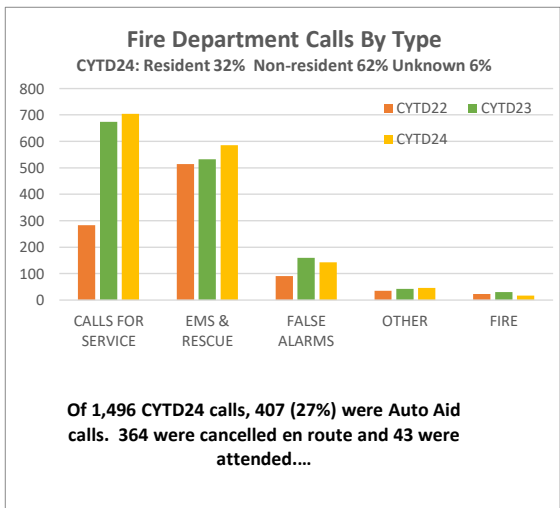
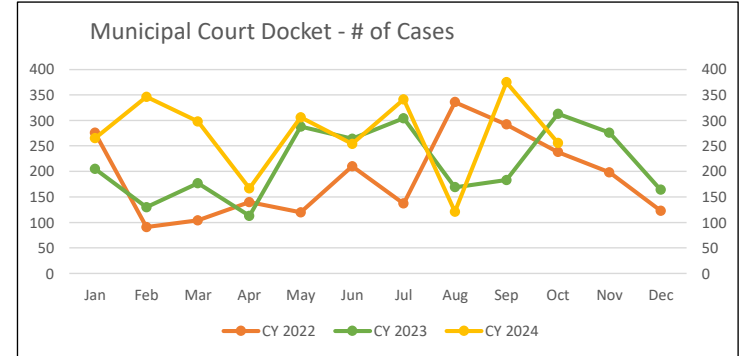
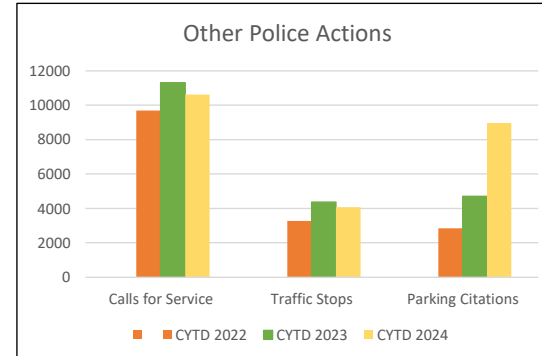
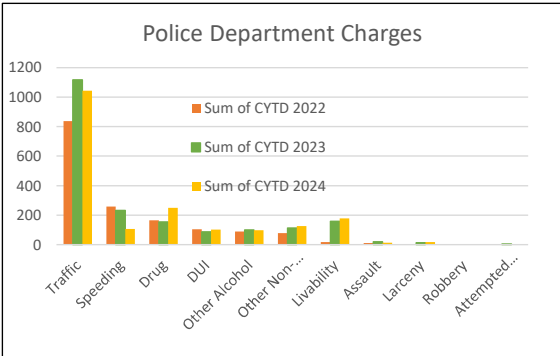


Personnel Vacancies

Type	City Hall	Police	Fire	Pub Wks	Rec
Full-time		2			
Part-time		0			

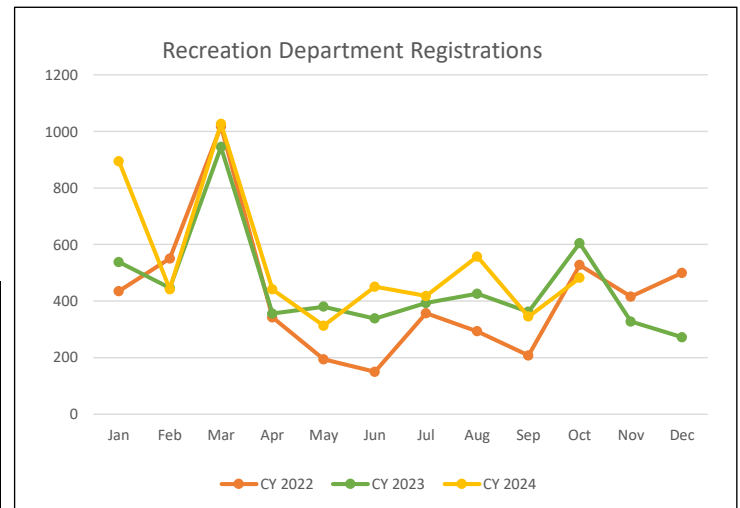
Upcoming Community Events

- City Council Runoff - Tuesday, November 19th**
- City Offices Closed - November 28th and 29th - Happy Thanksgiving**
- Keenager's**
Wednesday, December 6th, 12:00pm at the Recreation Center
- Holiday Street Festival**
Saturday, December 7th, 2:00pm - 7:00pm at Front Beach
- Merry Christmas**
City Offices Closed - December 24th thru December 26th
- Coffee with the Mayor**
Friday, December 27th, 9:00am - 10:00am at The Refuge



Building Department

	CY21 (12 mos)	CY22 (12 mos)	CY23 (12 mos)	CY24 (10 mos)
Construction Value	\$108 M	\$144 M	\$82.7M	\$92M
New Homes Permitted	49	46	20	26
	2021 LY (12 mos)	2022 LY (12 mos)	2023 LY (12 mos)	2024 LY (6 mos)
STR License by LY	1,403	1,805	1,868	1,776



City of Isle of Palms

Analysis of Dwelling Units and Short Term Rentals License Year 2024-2025

Data from Charleston County Property Tax Records (updated November 2024) & IOP Short Term Rental License (STRL) Records as of 11/01/2024

Net increase of 20 Dwelling Units from 2023 to 2024 (see notes for details)

COUNTY DATA for 2024		
4%	6%	Total Dwelling Units

ADDS TO COUNTY DATA		
4%	6%	Total

Single Family	1,534	1,595	3,129 **	5	24	29 *
Townhouse	31	204	235			
Duplex/Triplex	20	32	52	52	52 ***	
Condominium	66	931	997	14	14 ****	
Commercial Condo	-	119	119	-	-	
Total Dwellings	1,651	2,881	4,532	5	90	95

BREAKDOWN COUNTY TOTALS ACCORDING TO IOP SHORT TERM RENTAL LICENSE STATUS								
4% Primary Residence			6% Investment Property			All Residential Parcels		
4% with IOP STRL	4% Other	Total 4%	6% with IOP STRL	6% Other	Total 6%	Total Dwelling Units	Total STRLs	% with a STRL
107	1,432	1,539	757	862	1,619	3,158	864	27%
4	27	31	89	115	204	235	93	40%
8	12	20	30	54	84	104	38	37%
10	56	66	652	293	945	1,011	662	65%
-	-	-	119	-	119	119	119	100%
129	1,527	1,656	1,647	1,324	2,971	4,627	1,776	38%

Potential unlicensed rentals identified by Rentalscape

4% Pending licenses (applied within last 60 days but not paid)

6% Pending licenses (applied within last 60 days but not paid)

-
4

1,780

Distribution of 4% and 6% Dwellings Over Time						
	2010	2015	2020	2022	2023	2024
4% Primary Resident	33%	34%	37%	36%	36%	36%
6% Investment Prop	67%	66%	63%	64%	64%	64%

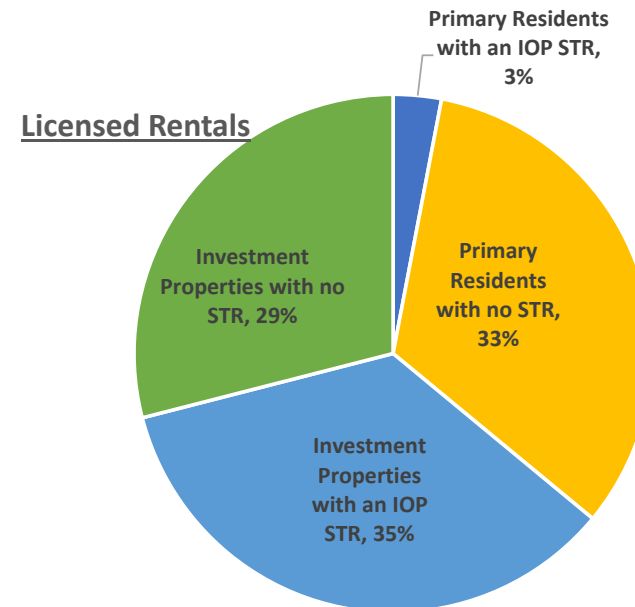
* New Construction listed as Vacant Lots on County report. **16 New SFRs in 2024**

**14 SFR's are tax exempted and were included as 6% in 2023 data, but moved to 4% on 2024 data because they are legal residents.

*** Duplexes & Triplexes have one Parcel ID in County data, but represent 2 or more dwelling units.

**** Certain condos have 2 separate units (lockout units) with separate STR licenses under a single Parcel ID.

In 2024, 4 additional lockout units were identified



Capital Projects Update - September 2024

Project	Funding Source	Status
Drainage		
Waterway Boulevard Multi-Use Path Elevation Project	\$1.1M (\$157K Design & Permitting - Capital Projects Fund. City seeking \$990K Grant from FEMA Hazard Mitigation Grant for construction)	Staff met with FEMA and executed the grant agreement. FEMA advised on necessary next steps to change the scope of the project to increase the level of protection from 6' to 7', which is being worked on now with the City's grant consultant. Staff, engineer , Wild Dunes staff, and Wild Dunes golf course contractor met on site to discuss the incorporating flood mitigations modifications into the planned golf course improvements. The golf course contractor is working on providing a cost estimate to incorporate the flood mitigation into the project
Phase 4 Drainage- Palm Boulevard b/w 38th and 41st Avenue	Estimated \$2M. Capital Projects Fund and FY25 State budget allocation	Design and permitting in process. Permits on hand projected by end of 2024, early 2025. Construction anticipated for fall of 2025.
Sea Level Rise Adaptation Plan	\$20K - Beach Preservation Fund	A draft of the plan has been reviewed by staff, the Planning Commission and the Environmental Advisory Committee. Comments have been provided back to the consultant and they are incorporating comments into the draft. A revised draft should be presented to Council within the next month.
IOP Marina		
IOP Marina Public Dock & Greenspace	\$1.7M (\$1M ARP, Marina Fund, Muni ATAX & State ATAX)	Swings for the public dock expected to ship on December 19.
Marina Dredging - Design and Permitting	\$1.5M FY23 State Budget Allocation	Federal permit applications have been submitted.
Beach Maintenance & Access Improvements		
		Designers have provided the City and the County with a final design and the

Project	Funding Source	Status
IOP County Park Emergency Vehicle Access	\$200K Beach Preservation Fund (City requesting \$250K from FY25 State Budget)	Designers have provided the City and the County with a final design and the County Park staff is expected to complete their design review process this week. After final approvals are given, the City will be able to seek bids.
Beach Access Path Improvements	\$250K Beach Preservation Fund + \$500K FY24 State Budget Allocation. Staff also seeking Greenbelt Program funding.	Construction of ADA boardwalks at 46 and 52nd Avenue in process. Anticipated completion date by Dec 2024. Contract for construction of boardwalks at 26A and 36A approved. Waiting on final approval from Greenbelt Board expected in 11/12/2024, to execute and issue NTP.
Beach Maintenance & Restoration	Beach Preservation Fund \$1.5M Breach Inlet emergency Scraping + trucking + sandbags (Offset by \$850K grant from SCPRT) \$300K + \$200K Beachwood East sandbags \$365K Engineering, permitting shoal management projects and large offshore projects	Emergency beach restoration work is ongoing as needed. Sandbag placement at Breach Inlet and Beachwood East is ongoing as bags are delivered to fill gaps. Wild Dunes shoal management project application submitted. Public meeting held on May 22 at 5pm, at the Rec Center. If permits are issued, construction anticipated end of 2024, early 2025.

Project	Funding Source	Status
	\$400K estimated cost of additional City work in conjunction w USACE project	Ahtna working on Sullivan's Island. The contractor has moved approximately 74,000 CY of the 200,000 CY for Sullivan's Island. Borrow material stockpiling continues. No 24/7 dredging and placement operations yet. No timeline provided for when work at IOP is expected to begin.
Buildings & Facilities		
City Hall Renovation	\$1.250M Capital Projects + Muni ATAX	Trident and MPS presented to Public Services & Facilities on 9/10 additional options for City Hall relocation to Public Safety Building and Lot B, and respective cost estimates.
Undergrounding Power Lines	\$75K Muni ATAX (50/50 split w/ Dominion Energy)	Construction in progress.
SCDOT Palm Boulevard Bike, Pedestrian and Parking Enhancements	SCDOT Funded concept development. No funding identified/allocated for construction.	Concepts discussed w Public Safety Committee and City Council. Next steps include seeking public comment on the concepts developed.
21st Avenue Sidewalk Repair & Extension	\$260K Charleston County CTC Program	Permits under review. Charleston County to consider additional funding for project at their October meeting. After approval, bid solicitation planned for December, and contract award in March 2025.

ORDINANCE 2024-07

AN ORDINANCE AMENDING TITLE 1, GOVERNMENT AND ADMINISTRATION, CHAPTER 3, PROCEDURES, COMMITTEES, ORDINANCES AND USE OF CODE, ARTICLE B, STANDING COMMITTEES, OF THE CITY OF ISLE OF PALMS CODE OF ORDINANCES TO AMEND STANDING COMMITTEES.

BE IT ORDAINED AND ENACTED BY THE MAYOR AND COUNCIL MEMBERS OF THE CITY OF ISLE OF PALMS, SOUTH CAROLINA, IN CITY COUNCIL ASSEMBLED:

SECTION 1. That Section 1-3-36, “Committee meetings,” Paragraph (a), “Regular meetings,” is hereby temporarily amended as follows:

Sec. 1-3-31 Membership; appointment; responsibilities:

- A. All committees shall consist of three (3) members selected from the Mayor and Council. Workshop meetings shall consist of the Mayor and the other Councilmembers.
- B. All Councilmembers shall be appointed to at least one (1) committee and shall serve on such committee, unless the Councilmember refuses such appointment. If a Councilmember refuses such appointment, then the Councilmember shall have no right to require appointment to a different committee.
- C. Standing committees shall meet as needed or when assigned a specific task by City Council.
- D. The standing committees and their respective areas of responsibility are as follows:
 1. **Administration Committee** – The Administration Committee, which shall consist of three (3) members. The Committee’s duties are to:
 - a. Assist the City Administrator, if requested, in the preparation of budget estimates for costs related to personnel management; and
 - b. Review personnel management policies, wage scales, and benefits regarding all City employees and make recommendations to City Council as appropriate; and
 - c. Assist the City Administrator in the annual employee evaluation process by:
 - i. Reviewing and recommending to City Council approval of Employee Performance Evaluation methods developed by the City Administrator and department managers; and

- ii. Developing and recommending to City Council approval of the method of the City Administrator's annual performance evaluation; and
 - iii. Preparing summary data regarding the results of the annual employee performance evaluation and recommending to City Council any proposed revisions regarding personnel; and
 - d. Serve as the hiring committee to fill a vacancy in the City Administrator position. The Chairman of the Administration Committee shall serve as Chairman of the Hiring Committee; and
 - e. If requested, assist City Council in screening, interviewing and recommending candidates for appointments to boards and commissions of the City; and
 - f. If requested, assist City Council in screening, interviewing, and recommending candidates for appointment of City Attorney; and
 - g. If requested, assist in the development of public information and programs aimed at enhancing citizen engagement; and
 - h. Investigate and report to City Council regarding any petitions and other matters referred to it by City Council.
2. **Public Safety Committee** – The Public Safety Committee, which shall consist of three (3) members. The Committee's duties are to:
- a. If requested, assist the City Administrator in the preparation of the annual expense budget for the Police and Fire Departments; and
 - b. Review policies and procedures regarding the Police and Fire Departments and make recommendations as appropriate; and
 - c. Review policies and procedures related to traffic and transportation infrastructure, emergency management and code compliance; and
 - d. Examine into and report upon all petitions referred to them by the Mayor and Council.
3. **Public Facilities and Services** – The Public Facilities and Services Committee, which shall consist of three (3) members. The Committee's duties are to:
- a. If requested, assist the City Administrator in the preparation of the annual expense budget for the Public Works and Recreation Department and for the operation and maintenance of the real property owned, leased or controlled by the City and make recommendations to City Council; and
 - b. Review policies and procedures regarding the Public Works Department, including sanitation services, garbage and debris collection, stormwater management, environmental, energy and resource conservation programs and make recommendations as appropriate; and
 - c. Review policies and procedure regarding Recreation Department related to recreational facilities, activities and programs and make recommendations as appropriate; and

- d. Review requests for streetlights and periodically review the street lighting system within the City; and
- e. Work to provide recreational opportunities for all citizens and report to City Council on the condition of the recreation center and the activities of the Recreation Department; and
- f. Review policies and procedures regarding the use and maintenance of all real property owned, leased or controlled by the City and make recommendations to City Council as appropriate; and
- g. Monitor and review all existing or proposed leases of real property owned or to be leased by the City; and
- h. Examine and report upon all petitions and other matters referred to it by the Mayor and City Council.

SECTION 2. That should any part of this Ordinance be held invalid by a Court of competent jurisdiction, the remaining parts shall be severable therefrom and shall continue to be in full force and effect.

SECTION 3. That all ordinances or parts of ordinances conflicting with the provisions of this Ordinance are hereby repealed insofar as the same affect this Ordinance.

SECTION 4. That this Ordinance take effect and be in full force immediately.

PASSED AND APPROVED BY THE CITY COUNCIL FOR THE CITY OF ISLE OF PALMS, ON THE _____ DAY OF _____, 2024.

Phillip Pounds, Mayor

(Seal)
Attest:

Nicole DeNeane, City Clerk
First Reading: _____
Public Hearing: _____
Second Reading: _____
Ratification: _____