

**JAMES ISLAND PUBLIC SERVICE DISTRICT
RESOLUTION NO. 23-02**

A RESOLUTION TO RAISE REVENUE AND ADOPT A BUDGET FOR THE FISCAL YEAR JULY 1, 2023, THROUGH JUNE 30, 2024

WHEREAS, the James Island Public Service District, South Carolina (the "District") is a special purpose district, a body politic and corporate, pursuant to the provisions of Act No. 498 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina for the year 1961, as amended.

WHEREAS, the District is located wholly within Charleston County, South Carolina, and was established for the purpose of providing fire, solid waste, and sewer services within its boundaries.

WHEREAS, South Carolina law requires that District, acting through the James Island Public Service District Commission, as the governing body of the District (the "Commission"), shall adopt a budget and levy taxes, fees and charges to fund the budget.

WHEREAS, the staff of the District has prepared a budget (the "Budget") for the fiscal year beginning on July 1, 2023 and ending on June 30, 2024 ("Fiscal Year 2024"), the provisions of which establish annual budgets for the District's general fund, proprietary fund, and debt service fund.

WHEREAS, pursuant to the requirements of S.C. Code Ann. Section 6-1-80, a public hearing before the Commission was conducted on {April 24, 2023} (the "Public Hearing") on the matter of the adoption of the Budget (as proposed).

WHEREAS, the Budget has been presented for the approval of the Commission.

NOW, THEREFORE, be resolved by the James Island Public Service District Commission in meeting duly assembled, finds as follows:

SECTION 1: By the terms of this Resolution, the Commission hereby imposes a tax on all taxable real estate and personal property lying within the corporate limits of the District, except on such property as may be exempt from taxation under the Constitution and the laws of the State of South Carolina. For purpose of funding the general fund operations of the District (the "General Fund") and paying debt service on the District's obligations ("Debt Service Fund"), the Commission directs the Charleston County Auditor (the "Auditor") to levy 56.7 mills for General Fund purposes and 5.3 mills for the Debt Service Fund for Fiscal Year 2024; the Charleston County Treasurer shall collect the proceeds of the levy and remit such funds as collected to the District or as the District may otherwise direct.

SECTION 2: It is hereby appropriated from the General Fund, Debt Service Fund, and sewer utility fund (the "Proprietary Fund"), the following amounts of money for the following respective purposes for and during Fiscal Year 2024, to wit:

APPROPRIATIONS - GENERAL FUND

	General	Debt Service	Total Governmental Funds
Appropriation of Expected Revenues			
Ad Valorem Taxes	\$ 7,639,310	\$ 874,841	\$ 8,514,151
Intergovernmental Revenues	1,705,440	22,200	1,727,640
Other Revenues	203,900	100	204,000
Total Revenues	9,548,650	897,141	10,445,791
Other Inflows	2,930,000	-	2,930,000
Sale of Fixed Assets	52,500	-	52,500
Total Revenues and Inflows	12,531,150	897,141	13,428,291
Appropriations – Budgeted Expenditures			
Administration/Fleet	1,289,121	-	1,289,121
Fire	5,161,804	-	5,161,804
Solid Waste	2,455,823	-	2,455,823
Capital Outlay	2,949,748	-	2,949,748
Non – Departmental – Debt Service	856,870	2,120,799	2,977,669
Total Budgeted Expenditures	12,713,366	2,120,799	14,834,165
Increase (Decrease) to Fund Balance	\$ (182,216)	\$(1,223,658)	\$ (1,405,874)

APPROPRIATIONS - PROPRIETARY FUND

	Proprietary Fund
Appropriation of Expected Revenues	
District Customers	\$ 7,470,000
Wholesale Customers	2,320,000
Other Fees and Revenues	409,300
Total Revenues	10,199,300
Other Inflows	306,000
SRF Financing for Sewer Projects	1,100,000
Interest and other income	1,900,554
Total Revenues and Inflows	13,505,854
Appropriations - Budgeted Expenditures	
Administration	1,375,863
Operations	5,682,348
Capital Outlay	3,251,000
Non - Departmental - Debt Service	1,582,853
Total Budgeted Expenditures	11,892,064
Increase (Decrease) to Fund Balance	\$1,613,790
Non-Fund Expenditures	
Depreciation on Previous Capital Outlays	\$ 1,950,000

SECTION 3: The appropriations described in Section 2 above represent a summary of the anticipated revenues and expenditures for each of the District's major funds – General Fund, Debt Service Fund and Proprietary Fund. The full Budget, with particular details and provisos, is fully described in the document entitled the "James Island Public Service District Proposed FY24 Budget, July 1, 2023 – June 30, 2024," which is hereby incorporated by reference as part of this Resolution as if fully set forth herein, is hereby adopted.

SECTION 4: As necessary, the District Manager or his designee shall administer the Budget and may authorize the transfer of appropriated funds within and between departments as necessary to achieve the goals of the Budget. Additionally, the District Manager is hereby authorized to transfer employment positions (Full Time Equivalents - FTEs) among departments and funds.

SECTION 5: All of the District's fund balance reserves (both encumbered and unencumbered funds) as of June 30, 2023, shall be added into the Budget for Fiscal Year 2024 and applied under the Budget Plan. These designated monies may be properly invested pending any planned expenditure as set forth in the Budget Plan.

SECTION 6: (a) Monies received from governmental grants shall accrue only to the appropriate fund as set forth in this Budget Plan. Should grant funds be applied for or received after the beginning of Fiscal Year 2024 and thereby not be recited in the Budget Plan, then, by passage of District's approval resolution authorizing the grant application and expenditures, the necessary Special Revenue, Capital Projects, and Proprietary Funds may be created to provide a mechanism for the receipt and expenditure of these monies. However, any such funding shall be specifically limited to the purposes for which the grant was granted.

(b) That the Budget appropriates sufficient revenues to fund the District's capital program. The capital program may be funded from the issuance of debt and other sources made available for pay-as-you-go financing by the District.

SECTION 7: Contracts necessary to expend monies appropriated in the Budget when not specifically permitted by the Budget Plan are hereby authorized upon the approval of such contract by a resolution of the Commission. Awards of bids on capital items, when less than the amount specified in the Budget, are hereby authorized and shall be purchased in accordance with the provisions of the Budget Plan.

SECTION 8: The District Manager shall make public advertisement of the public hearings required by S.C. Code Sections 6-1-80 and 6-1-330, as applicable prior to the passage of this Resolution, and once adopted, shall make the required public advertisements under South Carolina law.

SECTION 9. A copy of this Resolution, and Budget Plan shall be made available to the proper officials of Charleston County in order to properly order the levy and collection of *ad valorem* property taxes. Additionally, the District shall be authorized to

make the millage certification to the Charleston County Auditor required by S.C. Code Ann. Section 12-43-285.

SECTION 10. The District maintains the Proprietary Fund for the collection of revenues derived from the District's sewer system (the "System"). For purposes of the District's outstanding sewer system revenue bonds (the "Bonds"), the revenues of the System and amounts on deposit in the Proprietary Fund is all pledged as security for the Bonds. In keeping with the District's Master Bond Ordinance dated August 11, 2014, as amended and supplemented and for purposes of the Budget, the Commission has further determined that:

a. The Budget appropriates sufficient revenues within the Proprietary Fund to pay the principal of and interest on all Bonds secured by revenues of the System as and when they become due and payable in one or more bond and interest redemption funds (a.k.a "debt service funds").

b. The Budget appropriates sufficient revenues within the Proprietary Fund to provide for the payment of all expenses of administration and operation of the System, as well as such expenses for maintenance as may be necessary to preserve the System in good repair and working order. These appropriations are made to the funds into multiple accounts, organized by department and line items that collectively serve as the "operation and maintenance fund."

c. The District maintains within its Proprietary Fund an account or accounts described generally as the "contingent and depreciation fund." Upon advice of the District Manager, and as supported by capital improvement plans prepared by the District's engineers, the Commission finds and declares that appropriations to the "contingent and depreciation fund" are sufficient to build up a reserve for depreciation of the System. Additionally, other amounts within or appropriated to the contingent and depreciation fund or other capital accounts within the Proprietary Fund are considered to be a sufficient reserve for funding improvements, betterments, and extensions to the System, other than those necessary to maintain it in good repair and working order as provided above. Based on the current levels of funding in the contingent and depreciation fund and various capital funding appropriations in the Budget, the Commission believes that the District's depreciation and contingency fund is adequately and appropriately funded.

SECTION 11: All actions of the District Manager and other District staff regarding the public hearing and drafting, execution and delivery of the Budget are ratified, approved and confirmed. Further, the District Manager and District staff shall be authorized to do all things necessary to implement the provisions of the Budget.

SECTION 12: If for any reason any provision of this Resolution, or its applications to any circumstance, is invalidated by a court of competent jurisdiction, the remaining portions of this Resolution shall remain in full force and effect.

SECTION 13: All resolutions or parts of resolutions inconsistent or in conflict with the provisions of this Resolution are hereby repealed to the extent of the conflict or inconsistency.

DONE AND ADOPTED AT A MEETING DULY HELD THIS 24TH DAY OF APRIL 2023.

JAMES ISLAND PUBLIC SERVICE DISTRICT, SOUTH CAROLINA



Chair,
James Island Public Service District Commission


Secretary,
James Island Public Service District Commission