

**JASPER COUNTY, SOUTH CAROLINA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED**  
**JUNE 30, 2023**

COUNTY COUNCIL

L. MARTIN SAULS, IV, CHAIRPERSON

ALVIN ADKINS  
H. COY GARBADE

BARBARA CLARK  
JOHN KEMP

COUNTY ADMINISTRATOR  
ANDREW P. FULGHUM

DIRECTOR OF ADMINISTRATIVE SERVICES  
KIMBERLY BURGESS

PREPARED BY:  
FINANCE DEPARTMENT

**Jasper County, South Carolina**  
**Annual Comprehensive Financial Report**  
For the Fiscal Year Ended June 30, 2023

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# INTRODUCTORY SECTION





## OFFICE OF THE JASPER COUNTY ADMINISTRATOR

358 Third Avenue – Courthouse Square – Post Office Box 1149  
Ridgeland, South Carolina 29936 - 843-717-3690 – Fax: 843-726-7800

Andrew P. Fulghum  
County Administrator

[afulghum@jaspercountysc.gov](mailto:afulghum@jaspercountysc.gov)

December 18, 2023

The Honorable Members of County Council and the Citizens of Jasper County, South Carolina:

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of Jasper County for the fiscal year ended June 30, 2023.

This report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations management of the County has established a comprehensive internal control framework, which is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the costs of internal controls should not outweigh their benefits, Jasper County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's financial statements have been audited by The Baird Audit Group, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2023, are free of material misstatement. The independent audit involves examining on a test basis, evidence supporting the amounts and disclosures in the financial statement presentation; assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. The independent auditors concluded based upon the audit that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the fiscal year ended June 30, 2023, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of management's discussion and analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Jasper County's MD&A can be found immediately following the report of the independent auditors.

In addition to the fund-by-fund financial information currently presented in the County's financial statements, we are including government-wide financial statements. The government-wide financial statements include the statement of net position that provides the total net equity of the County including infrastructure and the statement of activities that shows the cost of providing government services. These statements have been prepared using the full accrual basis of accounting versus the modified accrual method used in the fund financial statements. A reconciliation report is provided as a key to understanding the changes between the two reporting methods. In addition, the reporting model includes an emphasis on the County's major funds as shown in the governmental fund statements. These statements combined with other information are further analyzed in a narrative section called management's discussion and analysis (MD&A). The MD&A provides financial highlights and interprets the financial reports by analyzing trends and by explaining changes, fluctuations, and variances in the financial data. In addition, the MD&A is intended to disclose any known significant events or decisions that affect the financial condition of the County.

### **Profile of the Government**

The County was founded in 1912 and is located in the southeastern part of South Carolina, just north of Savannah, Georgia. The County currently occupies a land area of 662 square miles and serves a population of 29,994. The County is empowered to levy a property tax on both real and personal properties located within its boundaries.

The County operates under the council administrator form of government. Policy-making and legislative authority are vested in a governing council consisting of five members. The governing council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring both the government's administrator and attorney. The government's administrator is responsible for carrying out policies and ordinances of the governing council, for overseeing the day-to-day operations of the government, and for appointing the heads of various departments. The Council members serve four-year staggered terms, with council members elected every two years. Four of the council members are elected from districts and one member is elected at large.

The County provides a full range of services including police and fire protection, jail, maintenance of highways, streets and other infrastructure, general aviation airport, recreational activities and cultural events, sanitation services, emergency medical services, E-911, and court services.

The annual budget serves as the foundation for the County's financial planning and control. All departments of Jasper County are required to submit requests for appropriations to the administrator on or before the last day in March each year. The County administrator uses these requests as the starting point for developing a proposed budget. The County administrator then presents this proposed budget to the council for review prior to May 15th. The council is required to hold public hearings on the proposed budget and to adopt a final budget by no later than June 30th, the close of the County's fiscal year. The appropriated budget is prepared by fund and department. Budgetary control (that is the level at which expenditures cannot legally exceed the appropriated amount) is maintained by the administrator at the fund level and may be amended as necessary during the fiscal year. Budget-to-actual comparisons are provided in the report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented on pages 65-67 as part of the required supplementary information for governmental funds.

### **Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates.

## **Local Economy**

Located between the economic centers of Savannah, Georgia and Charleston, South Carolina, Jasper County is home to a diverse mix of commercial and industrial enterprises and public-sector employers. Forestry operators, hunting plantations, building component manufacturers, construction, retailers, educational institutions, governmental entities, non-profit organizations, healthcare providers, and miscellaneous small and mid-sized businesses contribute to the County's economy. To support economic development, the County maintains an active outreach to business and industry, working with local and regional non-profit development organizations, including Southern Carolina Regional Alliance ("SCRA"), private developers, local governments, and the State. The County's economic development program is designed to support growth across all economic sectors, with a particular focus in distribution and manufacturing, sectors that benefit from the County's proximity to the Port of Savannah where major capital investments have been made by the federal government and the State of Georgia to deepen and extend the shipping channel to the port's Garden City terminal and Savannah's inner harbor.

Historically rural in character, residential growth in the County marked Jasper County as the fastest growing county in population statewide this year. A vast majority of that residential development is occurring in the southern portion of the County and specifically within the City of Hardeeville as large-scale residential communities permitted decades ago are now actively developing. Light industrial, commercial, and construction related businesses continue to locate and expand in the County to support the new residential growth.

In collaboration with its economic partners, the County offers eight industrial park sites for occupancy by new private tenants. Properties in partnership with SCRA include:

- 1) Point South Commerce Park, located off Interstate 95 at Exit 33, Point South offers 445 acres of industrial and commercial parcels anchored by a leading supplier of structural building products, which established operations in the park in 2021.
- 2) Cypress Ridge Business/Industrial Park. Located five miles from Interstate 95 at Exit 21, Cypress Ridge offers 205 acres of greenfield sites among eight existing businesses.
- 3) Riverport Commerce Park, a joint venture with a private developer, offers 4.6 million square feet targeted toward logistics and distribution companies using the Port of Savannah, located nine miles away.
- 4) The Sherwood Tract offers 1,400+ acres of industrial parcels along Interstate 95, is five miles from the Port of Savannah, and developed through a partnership with the State of South Carolina and the SCRA.
- 5) Pin Tail Industrial Park offers 100 acres for development.
- 6) South Atlantic Logistics Center offers 880 acres.
- 7) Clarius Park in Hardeeville offers 220 acres.
- 8) Hardeeville Commerce Park offers build to suit opportunities and 26.63 acres.

The Port of Savannah located on the Savannah River, which is the southern boundary of Jasper County, is a source of employment and economic development in the County. The Port of Savannah, home to the largest single-terminal container facility of its kind in North America, is comprised of two modern, deepwater terminals: Garden City Terminal and Ocean Terminal. Together, these facilities exemplify the Georgia Ports Authority's exacting standards of efficiency and productivity. Garden City Terminal is the fourth busiest container handling facilities in the United States, encompassing more than 1,200 acres and moving millions of tons of containerized cargo annually.

Due to restricted availability and the cost of land for such uses in the Port of Savannah area and nearby Georgia counties, the building-out of supporting industries and infrastructure is occurring in Jasper County, due to the County's proximity to the Port of Savannah, interstate highways, and rail lines, as well as the availability of labor.

To increase capacity of the Port of Savannah, the states of Georgia and South Carolina joined forces in 2008 to develop a bi-state owned and operated port facility on the Savannah River in

Jasper County that can accommodate a minimum of 25-years of projected throughput growth for containerized cargo in support of economic development in the region, known as Jasper Ocean Terminal (“JOT”). The JOT site consists of approximately 1,500 acres of land along the Savannah River, eight miles upriver from the Atlantic Ocean and within 4.5 to 5.5 miles from the roadway and railway and 12 miles from Interstate 95. The JOT site is 13 miles closer to the Atlantic Ocean than the Savannah Port. The total cost of building the new port is estimated at \$4.5 billion. It is anticipated that at full build-out, JOT will cover 1,500 acres, with ten berths. It will be dredged to a depth of 55 feet (17 m), able to accommodate ships carrying as many as 20,000 TEU containers, with an annual capacity of seven million TEUs. Access to the facility is anticipated to be via a new four lane highway connecting to U.S. Route 17, and rail connections to both CSX Transportation and Norfolk Southern Railway lines. At the present time, no financing for this project has been arranged.

In November 2015, the South Carolina Ports Authority and the Georgia Ports Authority signed an updated agreement to develop the terminal and, in late 2016, a new round of design work began with an estimated cost of \$100 million. In January 2017, the Army Corps of Engineers began the environmental impact statement for the dockside portion of JOT.

In February 2021, the South Carolina Port Authority expressed interest in transferring its interest in the 1,500-acre JOT site to Jasper County. Since 2021, Jasper County, the SCRA, and the Georgia Ports Authority continue to work together to plan for port and port-related development.

The Ridgeland-Claude Dean Airport began as a dirt runway in 1939. In 1960, the popularity of the airport attracted funding from the State to construct a 3,000 foot-long by 70-foot-wide paved runway. Since 2013, the County has expended \$26.7 million to upgrade the Ridgeland-Claude Dean Airport. Those upgrades include environmental assessments, airport design, land acquisition and easements, and three years of construction of a new 4,200-foot runway capable of handling turboprops and light corporate jets. The new runway, 18-36, opened in January 2020. Today, corporate jets fly into the Ridgeland-Claude Dean Airport to bring people to the area for golf outings and to tour the area for potential business sites. Current projects include construction of an aircraft fueling station and an Automated Weather Observations System (AWOS) to assist pilots in inclement weather. A planned future project is a new 7,000 square foot terminal building with a galley, conference room, passenger waiting room, pilot lounge, bar and grill, aircraft observation area, and additional hangar space. These new amenities will provide convenience to pilots and corporate clients, and the fueling station will provide additional revenue. Federal Aviation Administration grants have provided approximately 90% of the funding for these projects, while the South Carolina Aeronautics Commission has provided grants for approximately 5% of the cost and the remainder has been funded by the County.

In the last two years, the County Council has authorized numerous fee-in-lieu of tax (FILOT) and incentive agreements with companies proposing to locate in Jasper County and celebrated the location of six new companies which will collectively be investing \$264.3 million and creating 754 new jobs.

### **Long-term Financial Planning**

Jasper County’s location near the communities of Hilton Head Island and Bluffton, South Carolina and near Savannah, Georgia, makes it a natural location for new growth. The pace of residential development continues to accelerate, with continued build-out of Sun City, Latitude Margaritaville, and other residential developments by some of the nation’s largest home builders.

As a result of the growth management planning efforts of Jasper County, the City of Hardeeville, and the Town of Ridgeland twenty years ago, approximately 93% of all the new residential growth will occur within pre-established urban growth boundaries. The urban growth boundaries were defined areas that have now been annexed into the City of Hardeeville or the Town of Ridgeland as planned at that time.

In 2021, Jasper County received development proposals for large-scale residential developments in unincorporated portions of Jasper County, outside the previous established urban growth boundaries and within environmentally sensitive and culturally rich areas. As a result, the Jasper County Council adopted a development moratorium in certain portions of the County to study the appropriateness of development in the moratorium area as well as the fiscal impact of the proposed development. Additionally, for the last several years, the County has been studying the option of adopting formal development impact fees to provide revenue to assist in offsetting the cost of growth.

The moratorium period allows the County, Hardeeville, and Ridgeland the opportunity to resume active engagement in cooperative planning to help all jurisdictions understand how to best manage the aggressive pace of growth and infrastructure demands.

As new development continues to come to our area, the County must maintain discipline in spending and not depend upon speculative or elastic revenue for operations. The County must also continue efforts to diversify the tax base and maintain strong reserves. These practices will ensure that the County will be prepared to react to future changes in the economy and respond to disasters while maintaining operations. The County ended Fiscal Year 2023 with a fund balance increase of \$944,118, a combined ending fund balance of \$64,432,910, and an unassigned fund balance for the general fund of \$15,145,475 or 35% of total fund expenditures which represents approximately four months of operations.

#### **Significant Financial Policies**

During the year ended June 30, 2023, the County adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*, which was issued to better meet the information needs of financial statement users by improving accounting and financial reporting for SBITAs. Implementation of this statement had no material effect on the beginning equity of the governmental activities net position.

#### **Awards and Acknowledgments**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement in Financial Reporting to Jasper County, South Carolina for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2022. This was the 25th consecutive year that Jasper County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, the contents of which conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to certificate of achievement program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of the comprehensive annual financial report was made possible by the cooperation of the department heads and staff of the County. Each of these individuals has our sincere appreciation for the contributions made in the preparation of this report.

Sincerely,



Andrew P. Fulghum  
County Administrator



Kimberly Burgess, CPA  
Director of Administrative Services/Finance Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

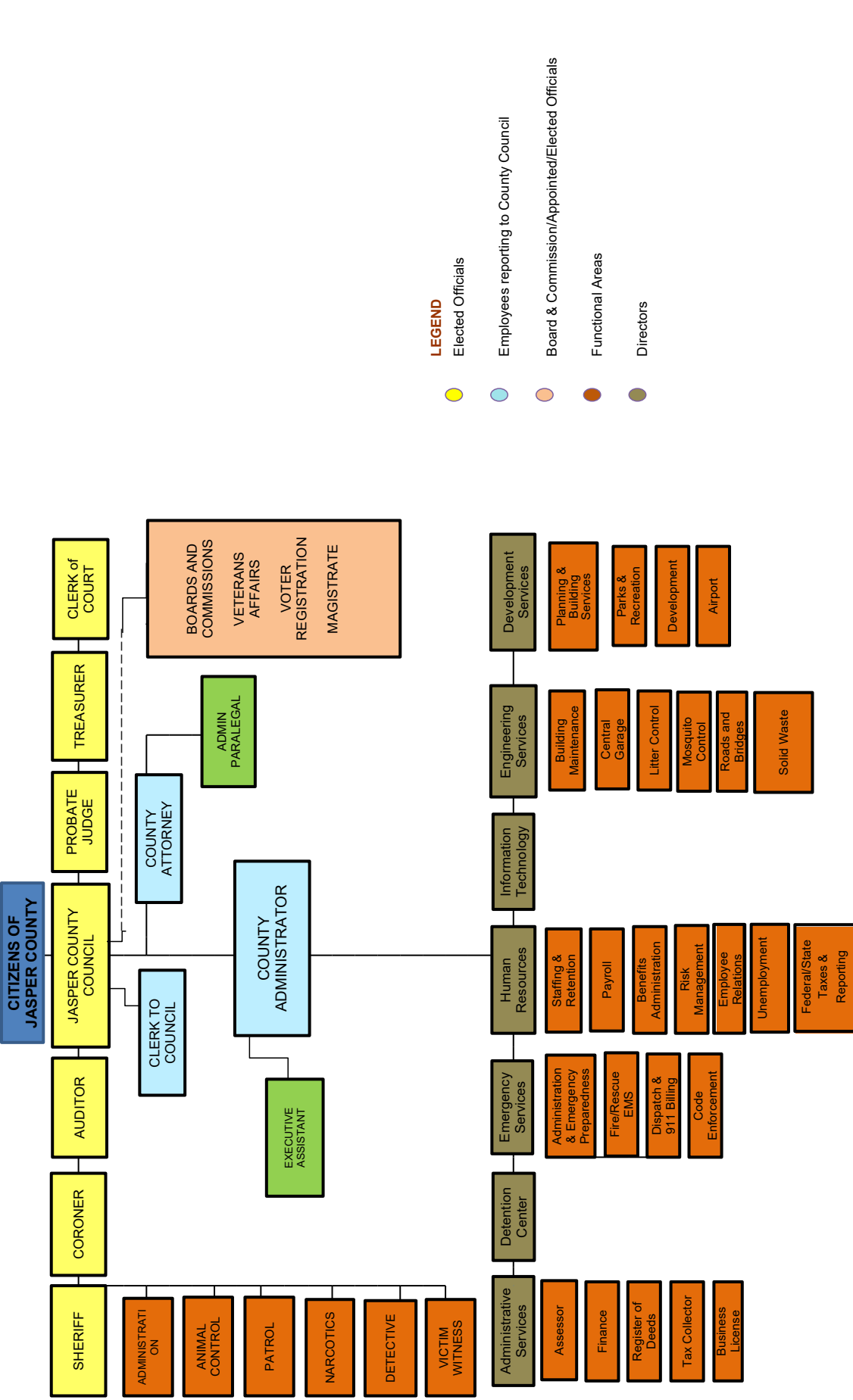
**Jasper County  
South Carolina**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2022

*Christopher P. Morill*

Executive Director/CEO



- LEGEND**
- Elected Officials
  - Employees reporting to County Council
  - Board & Commission/Appointed/Elected Officials
  - Functional Areas
  - Directors

**JASPER COUNTY, SOUTH CAROLINA  
LIST OF PRINCIPAL OFFICIALS  
JUNE 30, 2023**

TITLE	NAME
Chairperson – County Council.....	L. Martin Sauls, IV
Vice-Chairman – County Council.....	Barbara Clark
Council Member.....	Alvin Adkins
Council Member.....	H. Coy Garbade
Council Member.....	John Kemp
Administrator.....	Andrew P. Fulghum
Director of Administrative Services.....	Kimberly Burgess
Director of Engineering Services.....	Rose Dobson-Elliott
Director of Emergency Services.....	Russell Wells
Treasurer.....	Verna Garvin thru 6/30/23
Sheriff.....	Donald L. Hipp
Auditor.....	Monica Wilson thru 6/30/23



# FINANCIAL SECTION



## INDEPENDENT AUDITORS' REPORT

To the County Council  
Jasper County, South Carolina

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jasper County, South Carolina, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Jasper County, South Carolina's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Jasper County, South Carolina as of June 30, 2023, and the respective changes in financial position, 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 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 Jasper County, South Carolina and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or audit.

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

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

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Jasper County, South Carolina's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Jasper County, South Carolina's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, Schedule of Proportionate Share of the Net Pension Liability, Schedule of Contributions, and Schedule of Changes in the Total OPEB Liability and Related Ratios on pages 12 - 20 and 65 - 70 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the purpose of forming opinions on the financial statements that collectively comprise Jasper County, South Carolina's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, the combining statement of fiduciary net position, combining statement of changes in fiduciary assets and liabilities, and the Schedule of Fines, Assessments and Surcharges, are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived

from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the combining statement of fiduciary net position, the combining statement of charges in fiduciary assets and liabilities and the schedule of fines, assessments, and surcharges are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2023, on our consideration of Jasper County, South Carolina's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Jasper County, South Carolina's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Jasper County, South Carolina's internal control over financial reporting and compliance.



The Baird Audit Group, LLC  
Certified Public Accountants

Augusta, Georgia  
December 18, 2023

## **Jasper County, South Carolina** **Management's Discussion and Analysis**

As management of Jasper County (the County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1 to 5 of this report.

### **Financial Highlights**

- The assets and deferred outflows of the County exceed its liabilities and deferred inflows at the close of the most recent fiscal year by \$67,875,975 (net position) which was an increase of \$7,683,103.
- As of the close of the current fiscal year the County's governmental funds reported combined ending fund balance of \$64,432,910, an increase of \$944,118.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$15,145,475 or 35% of total fund expenditures which represents approximately 4 months of general fund expenditures.

### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of Jasper County's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the County's assets, liabilities, and deferred outflows/inflows of resources with the difference reported as net position. Over time, increases and decreases in the net position may serve as a useful indicator of whether the financial position of the County 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 fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

The government-wide financial statements distinguish functions of the County that are supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the County include general government, finance, public works, sanitation, emergency services, codes and law enforcement, courts, economic development, health, education and welfare, and parks, recreation and tourism. The County currently has no business type activities.

The government-wide financial statements can be found on pages 21-22 of this report.

**Fund financial statements.** 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 County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into these two categories: governmental funds and fiduciary funds.

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds for which similar information is presented for the governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, debt service fund, economic development fund and the capital projects fund that are considered to be major funds. Data from the other four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 23-26 of this report,

**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 statement because the resources of those funds are not available to support the County's own programs. All of the fiduciary funds are custodial funds. The basic fiduciary fund financial statements can be found on pages 27-28 of this report.

**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 on pages 29-64 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's budget on pages 65-67 and historical pension and OPEB information on pages 68-70.

The combining individual fund statements and schedules are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 71-78 of this report.

## Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Jasper County, assets and deferred outflows exceeded liabilities and deferred inflows by \$67,875,975 at the close of the most recent fiscal year. The following table reflects the condensed governmental-wide statement of net position.

<b>JASPER COUNTY, SOUTH CAROLINA NET POSITION</b>		
	<b>2023</b>	<b>2022-Restated</b>
Current and Other Assets		
Cash and Other Assets	\$ 73,583,678	\$ 69,082,321
Capital Assets	65,606,817	58,268,781
Total Assets	<u>139,190,495</u>	<u>127,319,171</u>
Deferred Outflows of Resources	<u>13,175,351</u>	<u>15,413,373</u>
Long-term Liabilities Outstanding	64,071,642	65,874,883
Other Liabilities	8,438,069	4,763,634
Total Liabilities	<u>72,509,711</u>	<u>70,606,586</u>
Deferred Inflows of Resources	<u>11,980,160</u>	<u>11,933,086</u>
Net Position		
Net Investment in Capital Assets	42,782,720	35,776,355
Restricted	39,060,718	35,851,689
Unrestricted	<u>(13,967,463)</u>	<u>(11,435,172)</u>
Total Net Position	<u>\$ 67,875,975</u>	<u>\$ 60,192,872</u>

By far the largest portion of the County's net position \$42,782,720 reflects its investment in capital assets (e.g. land, construction in progress, building and improvements, machinery and equipment, vehicles, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted portion of net position of \$39,060,718 represents the balance of net position that has restricted resources and is not available to fund other commitments. The restricted net position relates to capital projects underway, debt service accounts, tourist related projects, and other revenue sources that are earmarked for specific County functions.

**Governmental activities.** The County's total net position increased by \$7,683,103 in 2023 compared to an increase of \$12,173,215 in 2022. Key elements of this increase are as shown in the following table.

<b>JASPER COUNTY, SOUTH CAROLINA CHANGE IN NET POSITION</b>		
	<b>Governmental Activities</b>	
	<b>2023</b>	<b>2022</b>
Revenues:		
Program Revenues:		
Charges for Services	\$ 5,896,623	\$ 5,210,127
Operating Grants and Contributions	2,094,590	1,217,447
Capital Grants and Contributions	2,193,741	49,184
General Revenues:		
Property Taxes	31,358,210	27,418,412
Other Taxes	12,382,306	14,399,696
Grants and Contributions not restricted to specific programs	1,293,742	1,159,042
Other	1,980,181	2,380,874
Total Revenues	<u>57,199,393</u>	<u>51,834,782</u>
Expenses:		
County Administration	9,819,817	11,538,976
Administrative Services	1,747,413	1,499,534
Development Services	4,733,912	2,894,934
Emergency Services	13,202,486	10,759,046
Engineering Services	7,422,989	2,777,249
Court Administration	1,622,967	1,478,556
Law Enforcement	8,369,195	6,334,414
Health, Education and Welfare	1,672,242	1,577,427
Interest Expense	925,269	801,431
Total Expenses	<u>49,516,290</u>	<u>39,661,567</u>
Change in net position	7,683,103	12,173,215
Net position - beginning	<u>60,192,872</u>	<u>48,019,657</u>
Net position - ending	<u>\$ 67,875,975</u>	<u>\$ 60,192,872</u>

Total revenues were up \$5,364,611 and expenses were up \$9,854,723. Key elements relative of these changes are:

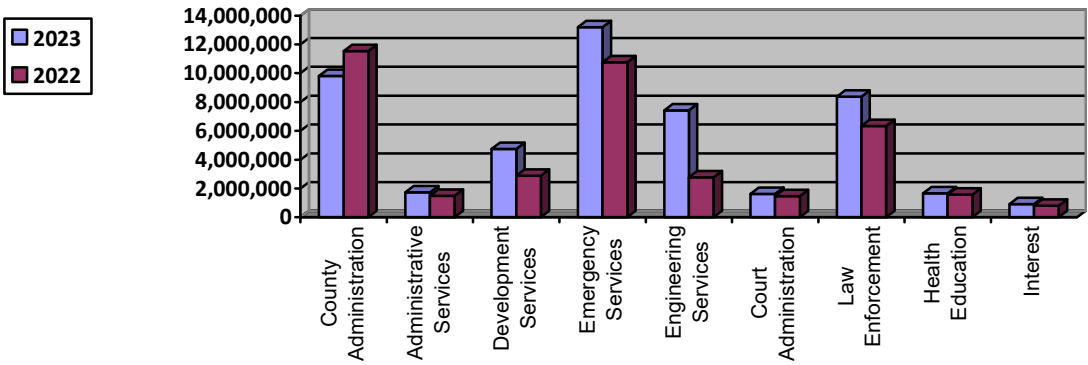
Revenues related to operating grants were up \$877,143 because of law enforcements grants while capital grants were up \$2,144,557 because of grants for the airport development. Charges for services were up \$686,496 primarily because building permits and development fees were up \$530,010 and airport fuel sales were \$169,489. Additionally, property tax collections were up by \$3,939,798 related to growth within the County and other taxes were down by \$2,017,390 because the local option special tax for transportation lapsed during the year.

The increase in expenses related to:

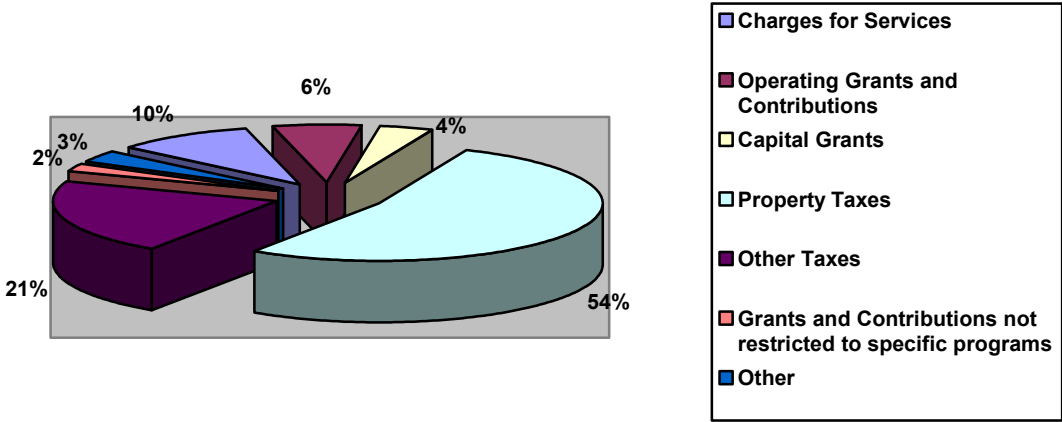
- County Administration decrease of \$1,719,159 due to expenses for the American Rescue Plan Act paid in the prior year.
- Development Services increase of \$1,838,978 related to the airport.
- Emergency Services increase of \$2,443,440 related to salaries and benefits, grants, and depreciation.
- Engineering Services increase of \$4,645,740 related to county transportation funds, grants for C-funds, and depreciation.
- Law Enforcement increase of \$2,034,781 related to salaries and benefits, grants, fuel costs, and depreciation.



**Expenses – Governmental Activities**



**Revenues by Source – Governmental Activities**



## Financial Analysis of the Government's Funds

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

**Governmental funds.** The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Jasper County'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 the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$64,432,910, an increase of \$944,118.

The fund balance of the County's General Fund increased by \$1,148,498 during the current fiscal year. This increase was primarily due to an increase in the assessed property tax values of approximately 14% during the fiscal year which was the result of growth within the County.

The debt service fund has a total fund balance of \$5,498,018 which is restricted for future debt payments. The increase of \$881,549 relates to taxes collected in excess of bond payments.

The economic development fund has a total fund balance of \$1,826,109 which is assigned for future economic development projects. The decrease of \$1,888,257 relates to the development service expenditures.

The capital projects fund has a total fund balance of \$30,171,311. The increase of \$308,464 relates to the local option special purpose tax for transportation projects.

## General Fund Budgetary Highlights

During the budget year, the County Administrator can exercise his authority to transfer budgets up to \$5,000 between departments as long as the total budget of the County remains intact. County Council has the authority to amend the budget as required. There were positive variances in revenues while expenditures were just slightly over budget.

During the year, an amendment increased the budget by \$1,360,121 was made thereby increasing the original budget of \$44,173,741 to \$45,533,862. This amendment was made for the following amounts:

<u>Reason for Amendment</u>	<u>Amount</u>
ARPA Fund Revenue	\$ 255,994
Cash Carry Forward	1,104,127
Total Budget Amendment	<u>\$ 1,360,121</u>

- Overall County revenues were under budget by \$385,970. This negative variance can be explained as follows:
  - Tax revenues were over budget \$2,060,089. This is attributable to better than budgeted in local option sales taxes collected during the year.
  - Fines, fees, and licenses were over budget \$1,033,420. This is attributable to better than anticipated revenues in development services for airport and building permits, administrative services for register of deeds and business license, and magistrate fines.
  - Intergovernmental revenues were over budget approximately \$265,581 because of unbudgeted incentive funds.
  - The negative variance of \$3,745,060 in miscellaneous income represents the amount budgeted for a cash carryforward of \$4,354,127 that is netted with unbudgeted interest income of \$741,170.

- Overall expenditures were under budget by \$3,127,920. Key elements of this positive variance can be explained as follows:
  - The County was under budget in county administration by \$877,889. The Detention Center was under budget \$702,293 due to lower than budgeted personnel costs, Interdepartmental was under budget \$349,199 for contractual services and personnel costs, and the Election Commission was under budget \$66,188 due to maintenance contracts and board member costs. Information Technology was over budget \$142,986 for maintenance contracts and telephone expenses, Capital Improvements was over budget by \$82,069 for grant matching funds, and County Professional Services were over budget \$56,775.
  - The County was under budget in administrative service by \$248,183 due to Tax Collector for personnel costs and advertising, Assessor for computer software, and Register of Deeds for personnel costs.
  - The County was under budget in Development Services by \$268,968 which was mostly related to southern alliance expenditures and special projects.
  - The County was under budget in Emergency Services by \$2,098,476 that included an Emergency Telecommunications positive variance of \$532,389 related to radio contract maintenance, telephone and personnel costs and a positive variance in Cherry Point Fire District for the matching funds for Marsh Cove Fire Station.
  - The County was under budget in Engineering Services by \$94,023 which is primarily the result of Central Garage being under budget \$171,714 which is related to the vehicle leasing program that is netted with Solid Waste being over budget \$118,657 because of landfill costs.
  - Court Administration was under budget \$109,130 related to personnel costs and court expenses.
  - Law Enforcement was under budget \$89,726 which is the result of the Sheriff's department being under budget in the amount of \$281,892 primarily due to personnel costs and the Coroner's office being over budget by \$182,036 which is related to post mortems.
  - Health, Education and Welfare is under budget \$14,230 which is due to the negative variance in Agency Appropriations of \$35,277 related to New Life Center and the positive variance in the Hardeeville Annex of \$28,361 related to rental of facility.
  - Debt service was over budget \$126,622 because of the application of GASB Statements 87 and 96 for lease payments.
  - Capital outlay includes expenditures for airport development, vehicles, equipment, and building improvements.
- Overall other financing sources (uses) reported an unfavorable budget variance of \$1,593,452. Key elements of this negative variance can be explained as follows:
  - Transfers in have an unfavorable budget variance related to economic development funds, accommodations taxes, and 911 fees of \$1,409,338 were budgeted but not transferred.
  - Transfers out have an unfavorable budget variance related to accommodations taxes.

### **Capital Assets and Debt Administration**

**Capital Assets.** The County's investment in capital assets for its governmental type activities as of June 30, 2023, amounts to \$65,606,817 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, machinery and equipment, vehicles, and infrastructure.

Major capital asset events during the current year include the following:

<b>Building improvements:</b> Marsh Cove Fire Station & Sheriff's CID building	\$ 1,165,163
<b>Construction in progress:</b> Ridgeland-Claude Dean Airport, Pratt Library, Farmers Market	3,535,289
<b>Infrastructure:</b> Temporary Terminal Ridgeland Airport	52,077
<b>Machinery &amp; Equipment:</b> Air Dryer, Cameras, Playground Equipment, Trailer, Ice Machine, Radios, Computer Equipment, Emergency Equipment (cots, stretchers, console desk and computer screens), Engineering Services Equipment (spreaders/cutter, lawnmower)	1,256,341
<b>Vehicles:</b> Ambulances, Durangos, Explorer, Interceptors, Ford F150	1,084,842
<b>Leases:</b> Heavy Equipment, Vehicles	3,588,484
<b>SBITAS:</b> Software	123,771
Total Capital Outlay	<u><u>\$ 10,805,967</u></u>

Additional information on the County's capital assets can be found in note 4 on page 39 of this report.

**Long-term Obligations.** At the end of the current fiscal year, the County had total long-term obligations outstanding of \$64,071,642. The County's total long-term obligations decreased by \$1,803,241 during the current fiscal year. A general obligation bond was issued for \$1,308,200 for public safety facilities. Leases payable increased by \$3,588,486 due to additional vehicles and heavy equipment leases. SBITAs payable increased by \$108,935 due to the implementation of GASB Statement No. 96, *Subscriptions-Based Information Technology Arrangements*. The notes payable for Spec Building #4 was paid off at the time of the sale of the building. All other long-term debt was paid as scheduled. Other post employment benefits decreased by \$7,180,046 with the latest actuarial evaluation, while the net pension liability increased by \$4,965,737.

**JASPER COUNTY, SOUTH CAROLINA LONG-TERM OBLIGATIONS**

	<b>Governmental Activities</b>	
	<b>2023</b>	<b>2022-Restated</b>
Notes payable	\$ 115,143	\$ 1,551,362
Leases payable	3,270,763	264,825
SBITAs payable	85,785	31,931
General obligation bonds	6,428,200	6,592,380
Revenue bond	14,959,926	16,174,441
Compensated absences	1,305,481	1,139,291
Net pension liability	25,831,129	20,865,392
Other post employment benefits	12,075,215	19,255,261
Total	<u><u>\$ 64,071,642</u></u>	<u><u>\$ 65,874,883</u></u>

The County's general obligation bonds are rated AA- by Standard & Poor's. Revenue bonds of the County are rated A+ by Standard & Poor's. No changes to the County's credit ratings occurred this year.

State statutes limit the amount of general obligation debt a governmental entity may issue, without a referendum, to 8% of its total assessed valuation. The current debt limitation for the County is \$17,208,236 with \$6,428,200 of general obligation debt issued that offsets this limit for a legal debt margin of \$10,780,036.

Additional information on the County's long-term debt can be found in note 7 on page 41 of this report.

### **Economic Factors and Next Year's Budget**

- Unemployment as of June 2023 stands at 3.2% versus 3.2% a year ago. In comparison, the State's unemployment rate is 3.1% and the national rate is 3.6% as of June 2023.
- Inflationary trends in the region compare favorably to national indexes.
- The assessed valuation for the 2022 tax year increased from \$189,199,899 to \$215,102,952.

All of these factors were considered in preparing the County's budget for the 2024 fiscal year.

During the current fiscal year, the fund balance in the general fund increased to \$23,612,379. The County set millage for the 2024 budget year at 140 and has budgeted 12 mills for the debt service fund to retire the bonds, which is the same millage from the previous year. Budgeted expenditures for 2024 are projected to increase 16.9% to \$51,666,677 from \$44,173,741 in 2023.

### **Requests for Information**

This financial report is designed to provide a general overview of Jasper County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, Jasper County, P.O. Box 1149, Ridgeland, South Carolina, 29936.

# BASIC FINANCIAL STATEMENTS

**JASPER COUNTY, SOUTH CAROLINA  
STATEMENT OF NET POSITION  
JUNE 30, 2023**

<b>ASSETS</b>	<b>GOVERNMENTAL ACTIVITIES</b>
Cash	\$ 26,784,051
Receivables	5,234,050
Lease Receivable	115,143
Restricted Cash	40,350,254
Property Held for Resale	1,100,180
Capital Assets,	
Not being depreciated	12,718,602
Being depreciated, net	52,888,215
Total Assets	139,190,495
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Outflows Related to Pension	8,967,121
Deferred Outflows Related to OPEB	3,675,890
Deferred Outflows Related to Refunding	532,340
Total Deferred Outflows of Resources	13,175,351
Total Assets and Deferred Outflows of Resources	\$ 152,365,846
<b>LIABILITIES</b>	
Accounts Payable	\$ 2,942,705
Salaries and Benefits Payable	700,141
Unearned Revenues	4,694,385
Accrued Interest	100,838
Noncurrent Liabilities	
Due within one year	2,476,638
Due in more than one year	
Debt Obligations	23,688,660
Net Pension Liability	25,831,129
Net OPEB Liability	12,075,215
Total Liabilities	72,509,711
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Inflows Related to Pension	3,546,998
Deferred Inflows Related to OPEB	8,433,162
Total Deferred Inflows of Resources	11,980,160
<b>NET POSITION</b>	
Net Investment in Capital Assets	42,782,720
Restricted for:	
Law Enforcement	378,927
Transportation	28,797,861
Courts Administration	1,245,206
Debt Service	5,498,018
Tourist related expenditures	2,122,481
E911 expenditures	966,480
Solid Waste	51,745
Unrestricted	(13,967,463)
Total Net Position	67,875,975
Total Liabilities, Net Position, and Deferred Inflows of Resources	\$ 152,365,846

The notes to the financial statements are an integral part of this statement.

**JASPER COUNTY, SOUTH CAROLINA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2023**

<u>Functions/Programs</u>	<u>EXPENSES</u>	<u>CHARGES FOR SERVICES</u>	<u>OPERATING GRANTS AND CONTRIBUTIONS</u>	<u>CAPITAL GRANTS AND CONTRIBUTIONS</u>	<u>NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION</u>
					<u>TOTAL GOVERNMENTAL ACTIVITIES</u>
<b>Governmental Activities</b>					
County Administration	\$ 9,819,817	\$ -	\$ 40,490	\$ -	\$ (9,779,327)
Administrative Services	1,747,413	1,915,550	-	-	168,137
Development Services	4,733,912	1,273,257	352,017	2,193,741	(914,897)
Emergency Services	13,202,486	1,215,055	20,069	-	(11,967,362)
Engineering Services	7,422,989	826,364	517,371	-	(6,079,254)
Court Administration	1,622,967	554,345	105,758	-	(962,864)
Law Enforcement	8,369,195	112,052	1,025,377	-	(7,231,766)
Health, Education and Welfare	1,672,242	-	33,508	-	(1,638,734)
Interest	925,269	-	-	-	(925,269)
Total Governmental Activities	<u>\$ 49,516,290</u>	<u>\$ 5,896,623</u>	<u>\$ 2,094,590</u>	<u>\$ 2,193,741</u>	<u>(39,331,336)</u>
<b>General Revenues</b>					
Property Taxes					31,358,210
Local Option Sales Taxes					5,829,101
Local Option Special Purpose Taxes					5,436,261
Franchise Taxes					36,550
Accommodation and Hospitality Taxes					1,080,394
Grants and contributions not restricted to specific programs					1,293,742
Miscellaneous					1,980,181
Total General Revenues, Special Items and Transfers					<u>47,014,439</u>
Change in net position					7,683,103
Net position, beginning					60,192,872
Net position, ending					<u>\$ 67,875,975</u>



**JASPER COUNTY, SOUTH CAROLINA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2023**

	<u>GENERAL</u>	<u>DEBT SERVICE</u>	<u>ECONOMIC DEVELOPMENT</u>	<u>CAPITAL PROJECTS</u>	<u>NONMAJOR FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
<b>ASSETS</b>						
Cash	\$ 25,436,507	\$ -	\$ 1,347,544	\$ -	\$ -	\$ 26,784,051
Receivables - net	2,524,306	118,338	15,000	2,552,927	23,479	5,234,050
Restricted Cash	1,439,746	5,435,274	-	30,173,620	3,301,614	40,350,254
Interfund Receivables	1,596,731	-	-	-	-	1,596,731
Property Held for Resale	-	-	1,100,180	-	-	1,100,180
Total Assets	<u>\$ 30,997,290</u>	<u>\$ 5,553,612</u>	<u>\$ 2,462,724</u>	<u>\$ 32,726,547</u>	<u>\$ 3,325,093</u>	<u>\$ 75,065,266</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts Payable	\$ 1,997,459	\$ -	\$ 6,550	\$ 938,696	\$ -	\$ 2,942,705
Salaries and Benefits Payable	700,141	-	-	-	-	700,141
Unearned Revenue	4,044,511	-	630,065	19,809	-	4,694,385
Interfund Payables	-	-	-	1,596,731	-	1,596,731
Total Liabilities	<u>6,742,111</u>	<u>-</u>	<u>636,615</u>	<u>2,555,236</u>	<u>-</u>	<u>9,933,962</u>
<b>Deferred Inflows of Resources</b>						
Unavailable Revenues-Property Taxes	642,800	55,594	-	-	-	698,394
Total Deferred Inflows of Resources	<u>642,800</u>	<u>55,594</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>698,394</u>
<b>Fund Balances</b>						
Restricted	1,439,746	5,498,018	-	28,797,861	3,325,093	39,060,718
Committed	-	-	-	1,373,450	-	1,373,450
Assigned	7,027,158	-	1,826,109	-	-	8,853,267
Unassigned	15,145,475	-	-	-	-	15,145,475
Total Fund Balances	<u>23,612,379</u>	<u>5,498,018</u>	<u>1,826,109</u>	<u>30,171,311</u>	<u>3,325,093</u>	<u>64,432,910</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 30,997,290</u>	<u>\$ 5,553,612</u>	<u>\$ 2,462,724</u>	<u>\$ 32,726,547</u>	<u>\$ 3,325,093</u>	<u>\$ 75,065,266</u>

**JASPER COUNTY, SOUTH CAROLINA  
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2023**

Total net position reported for governmental activities in the statement of net position is different because:

Total fund balances for governmental funds		\$ 64,432,910
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:		
Land and Improvements	\$ 5,547,987	
Construction in Progress	7,170,615	
Buildings and Improvements, net of \$10,510,981 accumulated depreciation	22,342,328	
Machinery and Equipment, net of \$6,872,759 accumulated depreciation	3,695,001	
Vehicles, net of \$5,022,039 accumulated depreciation	3,365,960	
Infrastructure, net of \$4,300,653 accumulated depreciation	20,108,564	
Leased Assets, net of \$589,157 accumulated amortization	3,275,000	
Subscription Assets, net of \$72,788 accumulated amortization	<u>101,362</u>	
Total Capital Assets		65,606,817
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.		
		698,394
Receivables under a leasing arrangement that will be received over a period of years that are not reported in the funds.		
		115,143
Deferred outflows and inflows of resources represents amounts applicable to future periods and, therefore are not reported in the funds.		
Deferred outflows of resources:		
Related to pensions	8,967,121	
Related to OPEB	3,675,890	
Related to advance refunding	532,340	
Deferred inflows of resources:		
Related to pensions	(3,546,998)	
Related to OPEB	<u>(8,433,162)</u>	
Total deferred outflows and inflows of resources		1,195,191
Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net position.		
Balances at June 30, 2023 are:		
Accrued Interest Payable	(100,838)	
Net Pension Liability	(25,831,129)	
Post Retirement Benefits Payable	(12,075,215)	
Bonds, Notes and Leases Payable	(24,859,817)	
Compensated Absences	<u>(1,305,481)</u>	
Total Long-Term Liabilities		<u>(64,172,480)</u>
Total net position of governmental activities		<u>\$ 67,875,975</u>

The notes to the financial statements are an integral part of this statement.

**JASPER COUNTY, SOUTH CAROLINA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<u>GENERAL</u>	<u>DEBT SERVICE</u>	<u>ECONOMIC DEVELOPMENT</u>	<u>CAPITAL PROJECTS</u>	<u>NONMAJOR FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
<b>REVENUES</b>						
Taxes	\$ 34,699,803	\$ 2,666,583	\$ -	\$ 5,436,261	\$ 891,064	\$ 43,693,711
Fines, Fees and Licenses	5,297,420	-	306,486	-	292,717	5,896,623
Intergovernmental	1,901,985	-	-	3,310,561	17,510	5,230,056
Miscellaneous	1,385,061	23,279	341,380	648,553	10,634	2,408,907
Total Revenues	<u>43,284,269</u>	<u>2,689,862</u>	<u>647,866</u>	<u>9,395,375</u>	<u>1,211,925</u>	<u>57,229,297</u>
<b>EXPENDITURES</b>						
<b>Current:</b>						
County Administration	8,991,162	32,107	-	-	-	9,023,269
Administrative Services	1,720,487	-	-	-	-	1,720,487
Development Services	2,415,743	-	1,021,276	-	433,177	3,870,196
Emergency Services	12,078,322	-	-	-	-	12,078,322
Engineering Services	2,930,136	-	-	4,201,738	-	7,131,874
Court Administration	1,611,470	-	-	-	-	1,611,470
Law Enforcement	7,095,029	-	-	601,975	90,998	7,788,002
Health, Education and Welfare	1,673,117	-	-	-	-	1,673,117
<b>Debt Service:</b>						
Principal	883,589	1,150,000	1,359,510	1,254,089	-	4,647,188
Interest	218,005	626,206	79,052	17,645	-	940,908
<b>Capital Outlay:</b>						
County Government	304,838	-	-	363,225	-	668,063
Development Services	453,393	-	-	3,372,578	-	3,825,971
Emergency Services	1,593,705	-	-	1,013,741	-	2,607,446
Engineering Services	-	-	-	1,058,143	-	1,058,143
Law Enforcement	436,946	-	-	2,209,398	-	2,646,344
Total Expenditures	<u>42,405,942</u>	<u>1,808,313</u>	<u>2,459,838</u>	<u>14,092,532</u>	<u>524,175</u>	<u>61,290,800</u>
Excess (deficiency) of revenues over (under) expenditures	<u>878,327</u>	<u>881,549</u>	<u>(1,811,972)</u>	<u>(4,697,157)</u>	<u>687,750</u>	<u>(4,061,503)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Issuance of Debt	-	-	-	5,005,621	-	5,005,621
Transfers In	426,285	-	-	-	156,114	582,399
Transfers Out	(156,114)	-	(76,285)	-	(350,000)	(582,399)
Total Other Financing Sources (Uses)	<u>270,171</u>	<u>-</u>	<u>(76,285)</u>	<u>5,005,621</u>	<u>(193,886)</u>	<u>5,005,621</u>
Net change in fund balances	1,148,498	881,549	(1,888,257)	308,464	493,864	944,118
Fund balances, beginning	22,463,881	4,616,469	3,714,366	29,862,847	2,831,229	63,488,792
Fund balances, ending	<u>\$ 23,612,379</u>	<u>\$ 5,498,018</u>	<u>\$ 1,826,109</u>	<u>\$ 30,171,311</u>	<u>\$ 3,325,093</u>	<u>\$ 64,432,910</u>

The notes to the financial statements are an integral part of this statement.

**JASPER COUNTY, SOUTH CAROLINA  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2023**

The change in net position reported for governmental activities in the statement of activities is different because:

Net change in fund balances - total governmental funds	\$	944,118
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay (\$10,805,967) was more than depreciation and amortization (\$3,402,333) in the current period.		7,403,634
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The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. These amounts are as follows:

Issuance of Debt	\$ (5,005,621)		
Repayment of Principal	4,647,188		
Accrued Interest, Premiums, and Discounts	<u>15,639</u>		(342,794)

Expenditures on behalf of Lowcountry Council of Governments is recorded as miscellaneous in governmental funds but is recorded as lease receivable in government wide statements.		(76,709)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		46,805
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Governmental funds report employee benefits as expenditures. However, in the statements of activities, the cost of employee benefits earned net of employee contributions is reported as an expense.

Pension contributions	(3,093,531)		
Cost of benefits earned net of employee contributions	<u>3,043,546</u>		(49,985)
OPEB contributions	410,526		
Cost of OPEB benefits earned net of employee contributions	<u>(486,303)</u>		(75,777)

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 governmental funds.

Compensated Absences		<u>(166,189)</u>
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Total change in net position of governmental activities	\$	<u><u>7,683,103</u></u>
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The notes to the financial statements are an integral part of this statement.

**JASPER COUNTY, SOUTH CAROLINA  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2023**

	<b>Custodial Funds Other</b>
<b>ASSETS</b>	
Cash	\$ 47,400,133
Receivables	2,437,994
Total Assets	\$ 49,838,127
<b>LIABILITIES</b>	
Accounts Payable	\$ 524,671
Total Liabilities	524,671
<b>NET POSITION</b>	
Restricted for Individuals, Organizations, Other Governments	49,313,456
Total Net Position	49,313,456
Total Liabilities and Net Position	\$ 49,838,127

The notes to the financial statements are an integral part of this statement.

**JASPER COUNTY, SOUTH CAROLINA  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2023**

	<b>Custodial Funds Other</b>
<b>Additions</b>	
Contributions from individuals	\$ 187,057
Property tax collections and state aid for other governments	97,777,637
License and fees collected for State	979,407
Miscellaneous	71,470
Total Additions	99,015,571
<b>Deductions</b>	
Payments to individuals	120,206
Payments of property taxes and state aid to other governments	84,175,689
Payments to state	635,095
Payments on behalf of other entities	53,461
Total Deductions	84,984,451
Change in net position	14,031,120
Net Position, beginning	35,282,336
Net Position, ending	\$ 49,313,456

The notes to the financial statements are an integral part of this statement.

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Description of Government-Wide Financial Statements**

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 primary government and its component units. All fiduciary activities are reported only in the fund financial statements. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

**Reporting Entity**

Jasper County, South Carolina (the "County") is a political subdivision of the State of South Carolina, operating under the Council-Administrator form of government to provide services authorized by its charter. It is governed by an elected Board (the "Council"), which is governed by state statutes and regulations. In addition to the members of the Council, there are two elected Constitutional Officers: Treasurer and Auditor.

The accompanying financial statements present the combined financial positions and combined results of operations of the various fund types controlled by the Council and its Constitutional Officers.

The Council funds all of the operating budgets of the County's Constitutional Officers. The County Council acts as the governing body of the County with power to pass ordinances and adopt resolutions. The accompanying financial statements present the government and its component units, entities for which the government is considered financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government. The County is not reporting any component units as described above.

**Basis of Presentation – Government-Wide Financial Statements**

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Jasper County reports only governmental activities, as there are no business-type activities or component units.

Although interfund services provided and used are not eliminated in the process of consolidation, as a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Basis of Presentation – Fund Financial Statements**

The fund financial statements provide information about the government's funds, including its fiduciary funds and blended component units. Separate statements for each fund category—governmental and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The government reports the following major governmental funds:

The *general fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *economic development fund* accounts for the external contributions and external financing accumulated and payments made for economic development of the County.

The *capital projects fund* accounts for the intergovernmental revenues and proceeds of debt accumulated and payments made for specific major capital projects.

The *debt service fund* accounts for the taxes accumulated and payments made for debt payments.

Additionally, the government reports the following fund types:

The *fiduciary fund* is used to account for resources held by the County in a custodial capacity for individuals, organizations, and other governments.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds. While these balances are reported in fund financial statements, certain eliminations are made in the presentation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. The County has no enterprise funds.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in the governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.



**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the 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. 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 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 measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within the first 60 days after the end of the current fiscal period, except for grant reimbursements for which the availability period is 120 days. 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 payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuances of long-term debt and for acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 120 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 120 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The custodial fund uses the *economic resources measurement focus* for reporting its assets and liabilities.

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**Budgetary Information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. The County is not legally required to adopt a budget for the debt service fund and did not adopt a budget for this fund. An annual budget for the special revenue fund is not adopted as sufficient budgetary control is achieved through restrictions included in the various grant agreements. An annual operating budget for the capital projects fund is not adopted as its revenues and expenditures are adopted on a project basis. All annual appropriations lapse at fiscal year-end.

The appropriated budget is prepared by fund, function, and department. The government's departmental heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the County Administrator. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level. The Council may make several supplemental budgetary appropriations throughout the year.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executor) contracts for goods and services (i.e., purchase order, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at the end of the year, valid outstanding encumbrances (those for which performance under executor contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

**Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance**

**Deposits and Investments**

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

The County is authorized by State statute to invest in the following:

Obligations of the United States, its agencies and instrumentalities;

Obligations of the State of South Carolina or any of its political subdivisions;

Savings and Loan Associations to the extent that the same are insured by an agency of the federal government;

Certificates of deposit and repurchase agreements provided the collateral is of the types described above and has a fair value in excess of the certificate of deposit or repurchase agreement plus accrued interest, and is held by a third party as escrow agent or custodian;

Repurchase agreements when collateralized by securities of the type described above and held by a third party as escrow agent or custodian, of a fair value not less than the amount of the repurchase agreement so collateralized, including interest;

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

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 debt issue of the County if the particular portfolio of the investment company or investment trust in which the investment is made (1) is limited to obligations described above and (2) has among its objectives the attempt to maintain a constant net asset value of one dollar a share and to that end, values its assets by the amortized cost method.

A single central depository holds most operating cash. Each fund owns a pro-rata interest in the cash held by the depository. Interest income is allocated to the creditor funds based on average cash balances. Investments are stated at fair value.

The County has a number of financial instruments, none of which are held for trading purposes. Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. Debt securities are reported at cost or amortized costs.

Inventories

Inventories of the general fund consist of supplies held for consumption and are immaterial to the financial statements and accordingly are not recorded.

Capital Assets

Capital assets, which include property and equipment and infrastructure assets (e.g. roads, lighting, and similar items), are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the government as property and equipment with an initial, individual cost of more than \$5,000 and infrastructure assets with an initial, individual cost of more than \$100,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or acquisition value if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Infrastructure	20 to 50
Vehicles and Equipment	5 to 20

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position 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 assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The statement of net position reports deferred outflows of resources related to its net pension liability, other postemployment benefit liability, and advance refunding of debt.

In addition to liabilities, the statement of financial position 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 assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The County has unavailable revenue resulting from property taxes under modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item unavailable revenue is reported in the governmental funds balance sheet. The statement of net position reports deferred inflows related to its net pension liability, other postemployment benefit liability and leases. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Net Position Flow Assumption

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance Flow Assumptions

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The County itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The governing council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The governing council has by resolution authorized the administrator to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

**Revenues and Expenditures/Expenses**

Property Taxes

The County Ordinance provides for the taxation of all real and personal property located within the County limits on the first day of January. Motor vehicle taxes are billed and collected by the County Treasurer on a monthly basis. Other personal and real property taxes are levied by the County in October of each year and become due and payable immediately upon receipt by the taxpayer. Real property taxes are delinquent after January 15<sup>th</sup> with penalties assessed of 3% if paid after January 15<sup>th</sup>, 10% if paid after January 31<sup>st</sup>, and 15% if paid after March 15<sup>th</sup>. Assessed property is subject to lien one year from the levy date if taxes remain unpaid. The property tax rate approved by ordinance for tax year 2022 is 140 mills with an additional 12 mills for the County debt service fund.

Compensated Absences

Vacation - The County's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment upon separation from government service. The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee's resignation or retirement. The liability for compensated absences includes salary-related benefits, where applicable.

Sick Leave - Accumulated sick leave lapses when employees leave the employment of the County and, upon separation from service, no monetary obligation exists.

**JASPER COUNTY, SOUTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

Leases

Lessee: The County is a lessee for noncancellable leases. The County recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements. The County recognizes lease liabilities with an initial, individual value of \$5,000 or more. At the commencement of the lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgements related to leases include the discount rate, the lease terms and the lease payments. For the discount rate, the County uses the interest rate charged by the lessor. If an interest rate is not provided by the lessor, the County will use its estimated incremental borrowing rate as the discount rate. Lease terms include the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position in the government-wide financial statements.

Lessor: The County is a lessor for noncancellable leases. The County recognizes a lease receivable and a deferred inflow of resources in the government-wide financial statements. The County recognizes lease receivables with an initial, individual value of \$5,000 or more. At the commencement of the lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgements related to leases include the discount rate, the lease terms and the lease receipts. For the discount rate, the County uses the incremental borrowing rate as the discount rate. Lease terms include the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

Subscriptions

The County has entered into various IT software subscriptions arrangements. The County follows GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*, for accounting and reporting of its IT software subscriptions. The County recognizes subscription liabilities with an initial, individual value of \$5,000 or more with a subscription term greater than one year. The County recognizes a subscription liability and an intangible subscription asset in the government-wide financial statements. At the commencement of the agreement, the County initially measures the subscription liability at the present value of payments expected to be made during the agreement term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the subscription asset is amortized on a straight-line basis. Subscription assets are reported with other capital assets and subscription liabilities are reported with long-term debt on the statement of net position.

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

Key estimates and judgements related to subscriptions include the discount rate, the agreement terms and the agreement payments. For the discount rate, the County uses the interest rate charged by the software vendor. If an interest rate is not provided by the software vendor, the County will use its estimated incremental borrowing rate as the discount rate. Agreement terms include the noncancellable period of the agreement. Agreement payments included in the measurement of the subscription liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its agreements and will remeasure the subscription assets and liabilities if certain changes occur that significantly affect the amount of the subscription liabilities.

Use of Estimates

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

**NOTE 2 DEPOSITS AND INVESTMENTS**

As of June 30, 2023, the County had the following cash and investments included in governmental funds of \$67,134,305 and fiduciary fund cash of \$47,400,133.

<u>Investment</u>	<u>Maturity</u>	<u>Book Balance</u>	<u>Bank Balance</u>
Repurchase Agreement			
* Pooled Cash Account	Daily	\$ 5,616,888	\$ 4,872,092
Investments	12 months or less	32,992,614	34,992,614
US Government Securities	Daily	498,370	498,370
<b><u>Cash</u></b>			
Checking Accounts		75,426,166	77,843,565
Change Funds		400	-
Total Deposits and Investments		<u>\$114,534,438</u>	<u>\$118,206,641</u>

\*Account is swept daily; however, \$120,000 is ordinarily left in account and excess is placed in government securities under a repurchase agreement. Balance of repurchase agreement at June 30, 2023 is \$4,872,092.

**Credit Risk** – The County does not have an investment policy but follows state guidelines for investments. The investments of the County include a repurchase agreement invested in government treasury obligations and construction funds invested in short-term government securities, which mature daily.

**Interest Rate Risk** – The County does not have an investment policy. Maturities on repurchase agreements are from 1 to 5 days. Maturities on certificate of deposits are 12 months or less. U.S. Government securities are highly liquid treasury notes.

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 2 DEPOSITS AND INVESTMENTS – CONTINUED**

**Custodial Credit Risk** – Custodial credit risk is the risk that in the event of a bank failure, the County’s deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk. Currently, the County’s investments consist of certificates of deposit and deposits with the South Carolina Local Government Investment Pool (LGIP). The LGIP is considered to be a 2a7-like pool that operates in a manner consistent with the SEC’s Rule 2a7 of the Investment Company Act of 1940. The pool is managed by the Treasurer’s Office of the State of South Carolina. The pool is not registered with the SEC as an investment company. The fair value of the balance in the LGIP represents the same value as the pool shares.

As of June 30, 2023, the bank balance was \$118,206,641. At year end, all of the County’s deposits were covered by federal depository insurance and or by collateral held in the pledging financial institution.

**NOTE 3 RECEIVABLES**

Receivables at June 30, 2023, including the applicable allowances for uncollectible accounts, are as follows for the fund and government-wide financial statements.

<u>Receivables</u>	<u>General</u>	<u>Debt Service</u>	<u>Economic Development</u>	<u>Capital Projects</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Taxes	\$ 4,622,867	\$ 360,121	\$ -	\$ 12,481	\$ -	\$ 4,995,469
Accounts	6,873,612	-	-	-	-	6,873,612
Other	435,168	-	15,000	2,540,446	23,479	3,014,093
Gross receivables	11,931,647	360,121	15,000	2,552,927	23,479	14,883,174
Allowance for doubtful accounts						
Taxes	(2,678,401)	(241,783)	-	-	-	(2,920,184)
Accounts	(6,728,940)	-	-	-	-	(6,728,940)
Net total receivables	<u>\$ 2,524,306</u>	<u>\$ 118,338</u>	<u>\$ 15,000</u>	<u>\$ 2,552,927</u>	<u>\$ 23,479</u>	<u>\$ 5,234,050</u>

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. Government funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred inflows of resources and unearned revenue reported in the government funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Grant drawdowns prior to meeting all eligibility requirements	\$ -	\$ 19,809
Developer review fees	-	630,065
American Rescue Plan Act Funds (ARPA)	-	4,044,511
Property taxes not collected within 60 Days	698,394	-
Total	<u>\$ 698,394</u>	<u>\$ 4,694,385</u>



**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 3 RECEIVABLES – CONTINUED**

**Lease Receivable**

The County has a lease receivable from an agreement with Lowcountry Council of Governments (LCOG) to borrow \$900,000 on behalf of LCOG. LCOG leased their facilities to the County who in turn leased it back to LCOG for an amount equal to the payments on the bank loan. The balance of lease receivables on June 30, 2023, is \$115,143. The amortization of lease receivable is as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 80,465	\$ 3,764	\$ 84,229
2025	34,678	416	35,094
Total	<u>\$ 115,143</u>	<u>\$ 4,180</u>	<u>\$ 119,323</u>

**NOTE 4 CAPITAL ASSETS**

Capital assets activity for the year ended June 30, 2023 is as follows:

<u>Governmental Activities</u>	<u>June 30, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers In/(Out)</u>	<u>June 30, 2023</u>
<i>Capital assets not being depreciated/amortized</i>					
Land and improvements	\$ 5,547,987	\$ -	\$ -	\$ -	\$ 5,547,987
Construction in progress	4,917,722	3,535,289	-	(1,282,396)	7,170,615
Total capital assets, not being depreciated/amortized	<u>10,465,709</u>	<u>3,535,289</u>	<u>-</u>	<u>(1,282,396)</u>	<u>12,718,602</u>
<i>Capital assets being depreciated/amortized</i>					
Buildings and improvements	30,405,750	1,165,163	-	1,282,396	32,853,309
Machinery and equipment	9,311,419	1,256,341	-	-	10,567,760
Vehicles	8,586,009	1,084,842	1,282,852	-	8,387,999
Infrastructure	24,357,140	52,077	-	-	24,409,217
Leased assets	344,178	3,588,484	68,505	-	3,864,157
Subscription assets	50,379	123,771	-	-	174,150
Total capital assets being depreciated/amortized	<u>73,054,875</u>	<u>7,270,678</u>	<u>1,351,357</u>	<u>1,282,396</u>	<u>80,256,592</u>
<i>Less accumulated depreciation/amortization for:</i>					
Buildings and improvements	9,862,482	648,499	-	-	10,510,981
Machinery and equipment	6,058,356	814,403	-	-	6,872,759
Vehicles	5,714,732	590,159	1,282,852	-	5,022,039
Infrastructure	3,515,983	784,670	-	-	4,300,653
Leased assets	81,802	510,262	2,907	-	589,157
Subscription assets	18,448	54,340	-	-	72,788
Total accumulated depreciation/amortization	<u>25,251,803</u>	<u>3,402,333</u>	<u>1,285,759</u>	<u>-</u>	<u>27,368,377</u>
Total capital assets being depreciated/amortized, net	<u>47,803,072</u>	<u>3,868,345</u>	<u>65,598</u>	<u>1,282,396</u>	<u>52,888,215</u>
Governmental activity capital assets, net	<u>\$ 58,268,781</u>	<u>\$ 7,403,634</u>	<u>\$ 65,598</u>	<u>\$ -</u>	<u>\$ 65,606,817</u>

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4 CAPITAL ASSETS - CONTINUED**

Depreciation/amortization expense was charged to functions/programs of the primary government as follows:

<b><u>Governmental Activities</u></b>	
County Administration	\$ 666,938
Administrative Services	5,910
Development Services	858,430
Emergency Services	1,082,296
Engineering Services	280,288
Court Administration	6,995
Law Enforcement	501,476
Total depreciation expense - governmental activities	\$ 3,402,333

**NOTE 5 PROPERTY HELD FOR RESALE**

As of June 30, 2023, the County owns several parcels of land and buildings held for speculative purposes and are actively being marketed. These assets are considered held for sale and have been separated from capital assets on the Statement of Net Position and no depreciation will be taken on these assets since it is considered held for sale. The detail on property held for resale is as follows:

	<b>June 30, 2022</b>	<b>Additions</b>	<b>Disposals</b>	<b>June 30, 2023</b>
Cypress Ridge Land	\$ 670,640	\$ -	\$ -	\$ 670,640
Ridgeland Industrial Park	40,240	-	-	40,240
Sergeant Jasper Park	69,300	-	-	69,300
Cypress Ridge Spec Bldg 1	320,000	-	-	320,000
Cypress Ridge Spec Bldg 4	2,388,508	-	2,388,508	-
Total	\$ 3,488,688	\$ -	\$ 2,388,508	\$ 1,100,180

**NOTE 6 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

The composition of interfund balances as of June 30, 2023, is as follows:

<b>Receivable Fund</b>	<b>Payable Fund</b>	<b>Amount</b>
General Fund	Capital Projects	\$ 1,596,731
		\$ 1,596,731

The \$1,596,731 due to the general fund from the capital project fund represents shortfalls of cash in the capital project fund that occurred while waiting for grant reimbursements.

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 6 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS – CONTINUED**

**Interfund Transfers**

Interfund balances for the year ended June 30, 2023 consisted of the following:

	<b>Transfers In</b>	<b>Transfers Out</b>
General Fund/Nonmajor Local Accommodations	\$ 350,000	\$ 350,000
General Fund/Capital Projects	76,285	76,285
Nonmajor State AT/General Fund	156,114	156,114
Total	\$ 582,399	\$ 582,399

Interfund balances are used (1) to move revenues from the fund with collection authorization to the fund with expenditure authorization, and (2) to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, including amounts provided as matching funds for various grant programs.

**NOTE 7 LONG-TERM OBLIGATIONS**

The following is a summary of changes in long-term obligations for the year ended June 30, 2023.

	<b>June 30, 2022</b>	<b>Increases</b>	<b>Decreases</b>	<b>June 30, 2023</b>	<b>Due Within A Year</b>
<b>Governmental Activities</b>					
General obligation bond	\$ 6,592,380	\$ 1,308,200	\$ 1,472,380	\$ 6,428,200	\$ 295,000
Revenue Bonds	15,149,989	-	1,166,558	13,983,431	1,069,009
Plus amount for bonds issued at a premium	1,024,452	-	47,957	976,495	-
Less amounts for bonds issued at a discount	(571,151)	-	(38,811)	(532,340)	-
Notes payable	1,551,362	-	1,436,219	115,143	80,465
Leases	264,825	3,588,486	582,548	3,270,763	682,577
Subscriptions	31,931	108,935	55,081	85,785	49,587
Total	24,043,788	5,005,621	4,721,932	24,327,477	2,176,638
Compensated absences	1,139,291	1,151,574	985,384	1,305,481	300,000
Total	\$ 25,183,079	\$ 6,157,195	\$ 5,707,316	\$ 25,632,958	\$ 2,476,638

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 7 LONG-TERM OBLIGATIONS - CONTINUED**

Long-term debt payable at June 30, 2023 is comprised of the following issues:

<b>Notes Payable</b>	<b>Balance</b>
\$900,000 loan for Lowcountry Council of Governments facilities in a lease-lease back arrangement payable in 180 monthly installments of \$7,019 including interest at 4.79%.	\$ 115,143
Total Notes Payable	\$ 115,143

<b>Fiscal Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2024	\$ 80,465	\$ 3,764	\$ 84,229
2025	34,678	416	35,094
Total	\$ 115,143	\$ 4,180	\$ 119,323

<b>General Obligation Bonds</b>	<b>Balance</b>
\$5,415,000 General Obligation Series 2021 for retirement of the Bond used for construction of the Court House and Ridgeland Airport.	\$ 5,120,000
\$1,308,200 General Obligation Series 2023 with interest payments at 3.5% interest for the construction of the Marsh Cove Fire Station.	1,308,200
Total General Obligation Bonds	\$ 6,428,200

The South Carolina Constitution limits local unit borrowing power to 8% of its assessed property value. The limitation excludes bonded indebtedness existing prior to December 1, 1977, (date of the Constitutional Amendment), certain special levies assessed on properties located in an area receiving special benefits, and other prescribed indebtedness approved by the voters.

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 7 LONG-TERM OBLIGATIONS – CONTINUED**

The annual requirements to amortize the bonds are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 295,000	\$ 250,587	\$ 545,587
2025	345,000	238,787	583,787
2026	180,000	224,987	404,987
2027	109,906	217,787	327,693
2028	105,953	213,540	319,493
2029-2033	551,792	967,223	1,519,015
2034-2038	1,309,035	564,080	1,873,115
2039-2043	2,902,330	281,379	3,183,709
2044-2048	287,812	90,653	378,465
2049-2053	341,372	37,093	378,465
Total	<u>\$ 6,428,200</u>	<u>\$ 3,086,116</u>	<u>\$ 9,514,316</u>

The County entered into various leases for building space, vehicles, and equipment. New leases incurred were recorded in the amount of \$3,588,486 during the current fiscal year. As of June 30, 2023, the value of the lease liability was \$3,270,763. The value of the right-to-use asset at the end of the current fiscal year was \$3,864,157 and had accumulated amortization of \$589,157. These leases are paid from the general fund. The terms of the leases vary and are outlined below:

<u>Leases</u>	<u>Balance</u>
\$3,000,178 lease for right to use vehicles with annual payments for five years including interest at 3.0-5.5%.	\$ 2,690,017
\$683,478 lease for right to use equipment with annual payments for four years including interest at 5.5%.	537,978
\$124,318 lease for right to use modular building with annual payments for two years including interest at 5.5%.	<u>42,768</u>
Total Leases	<u>\$ 3,270,763</u>

The annual requirements to amortize the leases are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 682,577	\$ 239,058	\$ 921,635
2025	675,525	187,785	863,310
2026	729,300	134,011	863,311
2027	769,556	75,820	845,376
2028	413,805	19,823	433,628
Total	<u>\$ 3,270,763</u>	<u>\$ 656,497</u>	<u>\$ 3,927,260</u>

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 7 LONG-TERM OBLIGATIONS – CONTINUED**

<b>Revenue Bonds</b>	<b>Balance</b>
The County issued installment purchase revenue bonds Series 2021A and 2021B in the amount of \$5,540,000.	\$ 4,190,000
The County issued installment purchase revenue bonds Series 2014 in the amount of \$2,255,000. The proceeds were used to pay off equipment leases.	1,385,000
The County issued installment purchase revenue bonds Series 2022 in the amount of \$5,000,000 for construction of the airport.	2,268,431
The County issued installment purchase revenue bonds Series 2017 in the amount of \$8,290,000.	<u>6,140,000</u>
Total Revenue Bond	<u><u>\$ 13,983,431</u></u>

The annual requirements to amortize the bonds are as follows:

<b>Fiscal Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2024	\$ 1,069,009	\$ 532,609	\$ 1,601,618
2025	1,114,834	492,485	1,607,319
2026	1,010,834	449,886	1,460,720
2027	882,013	413,306	1,295,319
2028	918,378	381,991	1,300,369
2029-2033	5,149,259	1,386,212	6,535,471
2034-2038	3,744,104	429,267	4,173,371
2039	95,000	3,562	98,562
Total	<u><u>\$ 13,983,431</u></u>	<u><u>\$ 4,089,318</u></u>	<u><u>\$ 18,072,749</u></u>

The County has SBITAs for software programs. As of June 30, 2023, the value of the subscription liability was \$85,785. The value of the subscription asset at the end of the current fiscal year was \$174,150 and had accumulated amortization of \$72,788. The SBITAs are paid by the general fund. The terms of the SBITAs are outlined below.

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 7 LONG-TERM OBLIGATIONS – CONTINUED**

<b>SBITAs</b>	<b>Balance</b>
\$50,379 subscription for Entre Solutions software with annual payments for three years including interest at 10.2%.	\$ 16,740
\$33,835 subscription for KNOWBE4 software with annual payments for three years including interest at 10.2%.	21,445
\$75,099 subscription for ERSI software with annual payments for three years including interest at 10.2%.	47,600
Total Leases	\$ 85,785

The annual requirements to amortize the SBITAs are as follows:

<b>Fiscal Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2024	\$ 49,587	\$ 8,751	\$ 58,338
2025	36,198	3,692	39,890
Total	\$ 85,785	\$ 12,443	\$ 98,228

**Conduit Debt**

Pursuant to Section 4-1-175 and 4-29-68 of the South Carolina Code of Laws, the County entered into an agreement with a developer whereby the County issued a \$7,000,000 bond in 2001 and a \$6,000,000 bond in 2003 to further economic development within the County. The County Treasurer pays the developer 40% of the fee-in-lieu of tax received from the businesses in the park. The County has no financial liability beyond this amount. At June 30, 2023, \$4,600,000 and \$3,600,000 were outstanding.

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 7 LONG-TERM OBLIGATIONS – CONTINUED**

**Defeasance Debt**

The County has also defeased general obligation bonds and revenue bonds in prior years by placing the proceeds of new bonds into irrevocable trust accounts to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability of the defeased bonds are not included in the County's financial statements. As of June 30, 2023, the amount of debt considered defeased is approximately \$15,580,000.

**Debt Service Fund**

A Debt Service Fund has been established to collect millage for the payments on the bonds. At June 30, 2023 there was \$498,370 in debt service reserve accounts. Also, \$5,090,427 is on hand toward the interest and principal on the bonds. The current budget for 2023-2024 includes 12 mills for the payment of debt service.

**Compensated Absences**

Unused vacation leave liabilities are reported in the applicable governmental type activities columns in the government-wide financial statements. The County has no financial liability for its unused sick leave. Compensated absences are paid from the general fund. The accrued compensated absences on June 30, 2023, are \$1,305,481 and include 17% for employee benefits and are included in long-term liabilities.

**Other Post Employment Benefits**

*Plan Description* – County employees who participate in the County's health insurance plan and who retire from County service in accordance with the South Carolina Retirement System may have their health insurance continued. The plan is a single-employer plan that covers the current and former employees, including beneficiaries, of only one employer. No assets are accumulated in a trust that meets the criteria in paragraph four of GASB Statement No. 75.

Service Retirees and employees enrolled in the health plan on or before July 20, 2008, who (1) have participated in the County's health insurance plan for ten (10) or more consecutive years; and (2) have met the retirement age; and (3) at the time of retirement are active County employees, will have their health insurance premiums paid by the County. Employees enrolled in the health plan on or after July 21, 2008, and enrolled in the South Carolina Retirement System, at the time of retirement must be employed for twenty-eight (28) years and meet the second and third criteria to qualify for paid health insurance premiums after retirement. Employees enrolled in the health plan on or after July 21, 2008, and enrolled in the Police Officers Retirement System at the time of retirement must be employed for twenty-five (25) years and meet the second and third criteria to qualify for paid health insurance premiums after retirement.



**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 7 LONG-TERM OBLIGATIONS – CONTINUED**

**Other Post Employment Benefits – Continued**

*Funding Policy* – The contribution requirements of plan members and the County are established and may be amended by the County Council. The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually by the County Council. For fiscal year ended June 30, 2022, the County contributed \$410,526 to the plan, including \$410,526 for current premiums while no prefunding contributions were made. The premiums are paid from the County general fund.

*Annual OPEB Cost and Net OPEB Obligation* – The County’s annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 75. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The following table provides a summary of the number of participants in the plan as of June 30, 2022:

<b>Membership</b>	
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	59
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	0
Active Plan Members	251
Total Plan Members	310

**Changes in the Total OPEB Liability**

Balance at June 30, 2022	\$ 19,255,261
Changes for the year:	
Service Cost	972,999
Interest Cost	375,101
Difference between expected & actual experience	(3,902,153)
Changes in Assumption	(4,215,467)
Benefit Payment	(410,526)
Net change in total OPEB liability	(7,180,046)
Balance at June 30, 2023	\$ 12,075,215

Changes of assumptions reflect a change in the discount rate from 1.92% as of June 30, 2021 to 3.69% as of June 30, 2022. Additionally, the assumption for two-person coverage was decreased for both males and females.

*Actuarial Methods and Assumptions* – The demographic assumptions are based on the assumptions that were developed for the defined benefit plans in which the County participates (SCRS and PORS). The demographic assumptions that are specific to OPEB are based on the plan’s individual experience and are revisited during each full valuation. The healthcare trend assumption is based on the framework developed in the Society of Actuaries’ Getzen Model.

**Discount Rate** – 3.69% as of June 30, 2022 with a 2.25% inflation rate.

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 7 LONG-TERM OBLIGATIONS – CONTINUED**

**Other Post Employment Benefits – Continued**

**Participation Rates** – It was assumed that 95% of future retirees who are eligible for the County’s premium subsidy and 20% of retirees who are not eligible for the subsidy would choose to receive retiree health care benefits through the County. Of those assumed to elect coverage, 10% of males and 5% of females were assumed to elect two-person coverage.

**Mortality Rates** – For healthy retirees, the gender-distinct South Carolina Retirees 2020 Mortality Tables are used with the following multipliers applied to the base tables: 97% for male SCRS members, 107% for female SCRS members, 127% for male PORS members, and 107% for female PORS members. The rates are projected on a fully generational basis using 80% of the ultimate rates of Scale MP-2019 to account for future mortality improvements.

**Health Care Trend Rates** – Initial trend of 6.00% declining to an ultimate trend rate of 4.00% after 13 years.

**Demographic Assumptions** – Based on the experience study covering the five-year period ending June 30, 2019 as conducted for the South Carolina Retirement Systems (SCRS).

**Sensitivity of the Total OPEB liability to changes in the healthcare cost trend rate assumption**  
Regarding the sensitivity of the total OPEB liability to changes in the healthcare cost trend rates, the following presents the plan’s total OPEB liability, calculated using the assumed trend rates as well as what the plan’s total OPEB liability would be if it were calculated using a trend rate that is one percent lower or one percent higher:

<b>Health Care Cost Trend Rate Sensitivity</b>		
<b>1% Decrease</b>	<b>Current Health Care Cost Rate Assumption</b>	<b>1% Increase</b>
\$ 10,158,394	\$ 12,075,215	\$ 14,559,946

**Sensitivity of the total OPEB liability to changes in the discount rate assumption-** Regarding the sensitivity of the total OPEB liability to changes in the discount rate, the following presents the plan’s total OPEB liability, calculated using a discount rate of 3.69%, as well as what the plan’s total OPEB liability would be if it were calculated using a discount rate that is one percent lower or one percent higher:

<b>Discount Rate Sensitivity</b>		
<b>1% Decrease 2.69%</b>	<b>Current Discount Rate 3.69%</b>	<b>1% Increase 4.69%</b>
\$ 14,190,067	\$ 12,075,215	\$ 10,397,773

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 7 LONG-TERM OBLIGATIONS – CONTINUED**

**Other Post Employment Benefits – Continued**

At June 30, 2022, the County reported deferred outflows/inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ 63,607	\$ 4,286,839
Changes in assumptions	3,260,434	4,146,323
Contributions subsequent to the measurement date	351,849	-
Total	<u>\$ 3,675,890</u>	<u>\$ 8,433,162</u>

The amount of \$351,849 that was reported as deferred outflows of resources related to the County's contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended June 30, 2024. Amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<b>Year Ending June 30</b>	<b>Net Deferred Outflows/(Inflows)</b>
2024	\$ (920,474)
2025	(845,830)
2026	(563,296)
2027	(563,004)
2028	(717,565)
Thereafter	(1,498,952)
<b>Total</b>	<u>\$ (5,109,121)</u>

**Pension Plan**

**Description of the Entity**

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

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 7 LONG-TERM OBLIGATIONS – CONTINUED**

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 Systems' Pension Trust Funds. The ACFR is publicly available through PEBA's website at [www.peba.sc.gov](http://www.peba.sc.gov), or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is a division of the primary government of the state of South Carolina and therefore, retirement trust fund financial information is also included in the ACFR for the state.

Plan Descriptions

- The South Carolina Retirement System (SCRS), a cost-sharing multiple-employer defined benefit pension plan, was established July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits for teachers and employees of the state and its political subdivisions. SCRS covers employees of state agencies, public school districts and participating charter schools, public higher education institutions, other participating local subdivisions of government and first-term individuals elected to the South Carolina General Assembly.
- The South Carolina Police Officers Retirement System (PORS), a cost-sharing multiple-employer defined benefit pension plan, was established July 1, 1962, pursuant to the provisions of Section 9-11-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits to police officers and firefighters. PORS also covers peace officers, coroners, probate judges and magistrates.

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

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 7 LONG-TERM OBLIGATIONS – CONTINUED**

Membership

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

- SCRS - Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. This plan covers general employees and teachers and first-term individuals elected to the South Carolina General Assembly. 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.

Benefits

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

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

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

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 7 LONG-TERM OBLIGATIONS – CONTINUED**

- 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.

**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 contribution 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 by two percentage points and further scheduled employer contribution rates to increase by a minimum of one percentage point each year in accordance with state statute. The General Assembly postponed the one percent increase in the SCRS and PORS employer contribution rates that was scheduled to go into effect beginning July 1, 2020. In accordance with the legislative funding schedule, employer contribution rates will continue to increase by 1 percentage point each year until reaching 18.56 percent for SCRS and 21.24 percent for PORS but may be increased further, if the scheduled contributions are not sufficient to meet the funding periods set for the applicable year. The board shall increase the employer contribution rates as necessary to meet the amortization period set in statute.

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.

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 7 LONG-TERM OBLIGATIONS – CONTINUED**

Required employee contribution rates<sup>1</sup> are as follows:

	<u>Fiscal Year 2023<sup>1</sup></u>	<u>Fiscal Year 2022<sup>1</sup></u>
<b>SCRS</b>		
Employee Class Two	9.00%	9.00%
Employee Class Three	9.00%	9.00%
<b>PORS</b>		
Employee Class Two	9.75%	9.75%
Employee Class Three	9.75%	9.75%

Required employer contribution rates<sup>1</sup> are as follows:

	<u>Fiscal Year 2023<sup>1</sup></u>	<u>Fiscal Year 2022<sup>1</sup></u>
<b>SCRS</b>		
Employer Class Two	17.41%	16.41%
Employer Class Three	17.41%	16.41%
Employer Incidental Death Benefit	0.15%	0.15%
<b>PORS</b>		
Employer Class Two	19.84%	18.84%
Employer Class Three	19.84%	18.84%
Employer Accidental Death Program	0.20%	0.20%
Employer Incidental Death Benefit	0.20%	0.20%

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

**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, 2022, total pension liability (TPL), net pension liability (NPL), and sensitivity information shown in this report were determined by our consulting actuary, Gabriel Roeder Smith & Company (GRS) and are based on an actuarial valuation performed as of July 1, 2021. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year end, June 30, 2022, using generally accepted actuarial principles. There was no legislation enacted during the 2022 legislative session that had a material change in the benefit provisions for any of the systems.

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 7 LONG-TERM OBLIGATIONS – CONTINUED**

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2022.

	<b><u>SCRS</u></b>	<b><u>PORS</u></b>
Actuarial cost method	Entry age normal	Entry age normal
Investment rate of return <sup>1</sup>	7.00%	7.00%
Projected salary increases	3.0% to 11.0% (varies by service) <sup>1</sup>	3.5% to 10.5% (varies by service) <sup>1</sup>
Benefit adjustments	Lesser of 1% or \$500 annually	Lesser of 1% or \$500 annually

<sup>1</sup> includes inflation at 2.25%

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

Assumptions used in the determination of the June 30, 2022, TPL are as follows.

<b><u>Former Job Class</u></b>	<b><u>Males</u></b>	<b><u>Females</u></b>
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%

**Net Pension Liability**

The NPL is calculated separately for each system and represents that particular system's TPL determined in accordance with GASB 67 less that system's fiduciary net position. NPL totals, as of June 30, 2022, for SCRS and PORS are presented below.

<b><u>System</u></b>	<b><u>Total Pension Liability</u></b>	<b><u>Plan Fiduciary Net Position</u></b>	<b><u>Employers' Net Pension Liability (Asset)</u></b>	<b><u>Plan Fiduciary Net Position as a % of the Total Pension Liability</u></b>
<b>SCRS</b>	\$ 24,526,321	\$ 13,994,454	\$ 10,531,867	57.1%
<b>PORS</b>	45,595,521	30,296,258	15,299,262	66.4%
<b>Total</b>	<b>\$ 70,121,842</b>	<b>\$ 44,290,712</b>	<b>\$ 25,831,129</b>	

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



**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 7 LONG-TERM OBLIGATIONS – CONTINUED**

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 2022 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the table on the following page. For actuarial purposes, the 7 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>
<b>Public Equity</b>	46.0%	6.79%	3.12%
<b>Bonds</b>	26.0%	-0.35%	-0.09%
<b>Private Equity<sup>1</sup></b>	9.0%	8.75%	0.79%
<b>Private Debt<sup>1</sup></b>	7.0%	6.00%	0.42%
<b>Real Assets</b>	12.0%		
Real Estate <sup>1</sup>	9.0%	4.12%	0.37%
Infrastructure <sup>1</sup>	3.0%	5.88%	0.18%
Total Expected Return <sup>2</sup>	100.0%		4.79%
Inflation for Actuarial Purposes			2.25%
			<u>7.04%</u>

<sup>1</sup>RSIC staff and consultant will notify the Commission if the collective exposure to Private Equity, Private Debt and Private Real Assets exceeds 30 percent of total plan assets.

<sup>2</sup>Portable Alpha Strategies, which are not included in the Policy Target, will be capped at 12% of total assets; hedge funds (including all hedge funds used in portable alpha implementation) are capped at 15% of total assets.

Discount Rate

The discount rate used to measure the TPL was 7 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina Code of Laws. Based on those assumptions, the System's fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 7 LONG-TERM OBLIGATIONS – CONTINUED**

Sensitivity Analysis

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

<b>Sensitivity of the Net Pension Liability to Changes in the Discount Rate</b>			
<b>System</b>	<b>1% Decrease (6%)</b>	<b>Current Discount Rate (7%)</b>	<b>1% Increase (8%)</b>
SCRS	\$ 13,503,017	\$ 10,531,867	\$ 8,061,547
PORS	21,333,900	15,299,262	10,359,343
	\$ 34,836,917	\$ 25,831,129	\$ 18,420,890

**Pension Expense**

Components of collective pension expense reported in the Schedules of Pension Amounts by Employer for the fiscal year ended June 30, 2022, are presented below.

<b>Description</b>	<b>SCRS</b>	<b>PORS</b>	<b>TOTAL</b>
Service cost (annual cost of current service)	\$ 464,422	\$ 1,112,443	\$1,576,865
Interest on the total pension liability	1,641,438	3,053,580	4,695,018
Plan administrative costs	7,816	16,615	24,431
Plan member contributions	(427,288)	(834,276)	(1,261,564)
Expected return on plan assets	(1,011,696)	(2,179,411)	(3,191,107)
Recognition of current year amortization - Difference between expected and actual experience & assumption changes	216,606	351,639	568,245
Recognition of current year amortization - Difference between projected and actual investment earnings	(8,675)	(15,526)	(24,201)
Other	1,129	(14,818)	(13,689)
<b>Total</b>	<b>\$ 883,752</b>	<b>\$ 1,490,246</b>	<b>\$2,373,998</b>

Additional items included in Total Employer Pension Expense in the Schedules of Pension Amounts by Employer are the current period amortized portions of deferred outflows and/or inflows of resources related to changes in employers' proportionate share of the collective NPL and differences between actual employer contributions and proportionate share of total plan employer contributions. These two deferrals are specific to cost-sharing multiple-employer defined benefit pension plans as discussed in paragraphs 54 and 55 of GASB 68.

**Deferred Outflows of Resources and Deferred Inflows of Resources**

The following schedules reflect the amortization of collective deferred outflows/(inflows) of resources related to pensions outstanding at June 30, 2022.

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 7 LONG-TERM OBLIGATIONS – CONTINUED**

<u>SCRS</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 91,502	\$ 45,897
Assumption changes	337,781	-
Net difference between projected and actual investment earnings	16,242	-
Deferred Amounts from Changes in proportionate share and differences between employer contributions & proportionate share of total plan employer contributions	1,559,963	912,710
Contributions subsequent to the measurement date	1,088,884	-
Total	<u>\$ 3,094,372</u>	<u>\$ 958,607</u>
<u>PORS</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 256,691	\$ 302,441
Assumption changes	637,086	-
Net difference between projected and actual investment earnings	46,200	-
Deferred Amounts from Changes in proportionate share and differences between employer contributions & proportionate share of total plan employer contributions	2,978,110	2,285,950
Contributions subsequent to the measurement date	1,954,662	-
Total	<u>\$ 5,872,749</u>	<u>\$ 2,588,391</u>
Total All Plans	<u>\$ 8,967,121</u>	<u>\$ 3,546,998</u>

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 7 LONG-TERM OBLIGATIONS – CONTINUED**

**Details Regarding Collective Deferred Outflows (Inflows) of Resources**

<b>Amortization of Deferred Outflows/Inflows of Resources</b>			
<b>Amortized period ending June 30,</b>	<b>SCRS</b>	<b>PORS</b>	<b>Total</b>
2023	\$ 5,386,664	\$ 673,926	\$ 6,060,590
2024	3,221,835	457,013	3,678,848
2025	(5,732,080)	(1,046,931)	(6,779,011)
2026	6,322,198	1,165,697	7,487,895
Net Balance of Deferred Outflows / (Inflows) of Resources	<b>\$ 9,198,617</b>	<b>\$ 1,249,705</b>	<b>\$ 10,448,322</b>

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

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

The amounts reported of \$1,088,884 and \$1,954,662 that was reported as deferred outflows of resources related to the contribution subsequent to the measurement date of the SCRS and PORS, respectively, will be recognized as a reduction of the net pension liabilities in the year ended June 30, 2024.

**Employer and Nonemployer Contributions**

Employers' proportionate shares were calculated on the basis of employer and nonemployer contributions remitted to the plan. In an effort to help offset a portion of the increased contribution requirements for employers, the General Assembly again provided nonemployer contributions to PEBA. Based on the criteria provided by the General Assembly, PEBA issued credit invoices to certain SCRS and PORS employers for fiscal year 2022 who then applied the credit invoices towards contributions otherwise due to the Systems. The amount of credit invoices issued in fiscal year 2022 totaled \$88.7 million and \$12.5 million for SCRS and PORS, respectively.

Employer contributions recognized by the Systems that are not representative of future contribution effort are excluded in the determination of employers' proportionate shares. Examples of employer contributions not representative of future contribution effort are contributions towards the purchase of employee service purchases and employer contributions paid by employees.

The following table provides a reconciliation of Employer and Nonemployer contributions in the plans' Statement of Changes in Fiduciary Net Position (per the System's separately issued financial statements) to the Employer and Nonemployer contributions used in the determination of employers' proportionate shares of collective pension amounts reported in the Schedules of Employer and Nonemployer Allocations.

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 7 LONG-TERM OBLIGATIONS – CONTINUED**

	<b>SCRS</b>	<b>PORS</b>
Employer Contributions Reported in Statement of Changes in Net Position for the fiscal year ended June 30, 2022	\$ 818,576	\$ 1,491,489
Nonemployer Contributions Reported in Statement of Changes in Net Position for the fiscal year ended June 30, 2022	38,537	65,001
Reconciliation Difference in FY 2021 Nonemployer Contributions Reported in the Statement of Changes Resolved in FY 2022	-	(6)
Employer Contributions Not Representative of Future Contribution Effort	(6,183)	(2,959)
Employer and Nonemployer Contributions Used as the Basis for Allocating Employers' Proportionate Shares of Collective Pension Amounts - June 30, 2022 Measurement Date	\$ 850,930	\$ 1,553,525

**Additional Financial and Actuarial Information**

Information contained in these Notes to the Schedules of Employer and Nonemployer Allocations and Schedules of Pension Amounts by Employer (Schedules) was compiled from the Systems' audited financial statements for the fiscal year ended June 30, 2022, and the accounting valuation report as of June 30, 2022. Additional financial information supporting the preparation of the Schedules (including the unmodified audit opinion on the financial statements and required supplementary information) is available in the Systems' ACFR.

Payables to the Pension Plan

The general fund reports and funds the retirement system. At June 30, 2023, the County reported payables for the June 2023 contributions of \$371,602.

**NOTE 8 EMPLOYEE BENEFIT PLANS**

**401(K) Plan**

Jasper County currently offers all full-time employees the option of participating in a 401(K) plan. The South Carolina Retirement System administers the plan. Under the terms of the plan employees may contribute a minimum of two percent and a maximum of twenty percent of adjusted gross income subject to the limits of Section 401(K) of the Internal Revenue Code. It is the opinion of the County's legal counsel that the government has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. Therefore, the assets and liabilities of the 401(K) plan are not reflected in the County's financial statements.

**NOTE 9 LANDFILL**

The County-owned landfill has not accepted solid waste for many years and has no liability for post closure costs. All amounts included in these statements for landfill cost are related to costs of disposing of solid waste at an independent landfill.

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 10 SUMMARY DISCLOSURE OF SIGNIFICANT COMMITMENTS AND CONTINGENCIES**

The County has several lawsuits against it. Most of this litigation is covered by insurance or settled through subsequent agreements.

The County is a member of the South Carolina Counties Workers' Compensation Trust which is a group that provides workers' compensation self-insurance. Under the terms of the agreement, the members of the trust must pay all of the costs pertaining to claims and administration. Amounts are reflected in worker's compensation expenditures.

The County has active construction projects as of June 30, 2023. These projects include an airport acquisition, renovations of Pratt Memorial Library, and Farmer's Market renovations. At year end, the County's commitments with contractors are as follows:

<u>Project</u>	<u>Spent-to-Date</u>	<u>Remaining Commitment</u>
Airport acquisition	\$ 3,471,613	\$ 431,697
Construction of fire stations	1,894,580	56,563
Farmers market renovation	190,953	576,665
Pratt Memorial Library renovation	58,892	189,109

The remaining funds for the airport acquisition, renovations of Pratt Memorial Library, and Farmer's Market renovations are expected to be paid out of the capital projects fund. As indicated in Note 1 under Budgetary Information, the capital projects fund does not adopt an annual budget and therefore, encumbrance accounting is not utilized.

**NOTE 11 RISK MANAGEMENT**

The County is exposed to various types of risk of loss and maintains elements of both self-insurance and purchased insurance policies divided into coverage of worker's compensation, property and casualty, and employee health insurance. Management believes such coverage is sufficient to preclude any significant uninsured losses for the covered risks. The insurer promises to pay to or on behalf of the insured for covered economic losses in accordance with insurance policy and benefit program limits. There have not been any reductions in insurance coverage from the prior year. The amounts of settlements have not exceeded coverage in each of the past three fiscal years. The County has recorded insurance premium expenditures in the applicable functional expenditure categories of the General Fund. These expenditures do not include estimated claim losses and estimable premium adjustments. In management's opinion, supplemental premium assessments, if any, would not be significant enough to have a material adverse effect on the financial position of the County. The State of South Carolina assumes substantially all risks for the following:

Property and casualty insurance on buildings, equipment, and vehicles owned by the County as well as tort liability on County employees (South Carolina Insurance Reserve Fund).

The County participates in the South Carolina Municipal Association Workers' Compensation Pool, a public entity risk pool for its Workers Compensation coverage. Pool members are subject to a supplemental assessment in the event of deficiencies.

The County maintains airport insurance policies for liability and excess insurance coverages to protect against legal liability for bodily injury or property damage incurred from the operation of the Ridgeland-Claude Dean Airport (Endurance American Insurance Company).

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 12 FUND BALANCES**

	<u>General Fund</u>	<u>Economic Development</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Non - Major</u>
Restricted					
Courts Administration	\$ 1,245,206	\$ -	\$ -	\$ -	\$ -
Law Enforcement	194,540	-	-	-	184,387
E-911 funds	-	-	-	-	966,480
Accom/Hospitality Tax	-	-	-	-	2,122,481
Waste Tire	-	-	-	-	51,745
Transportation	-	-	28,797,861	-	-
Debt Payments	-	-	-	5,498,018	-
Total Restricted	<u>1,439,746</u>	<u>-</u>	<u>28,797,861</u>	<u>5,498,018</u>	<u>3,325,093</u>
Committed					
Airport Construction	-	-	1,373,450	-	-
Total Committed	<u>-</u>	<u>-</u>	<u>1,373,450</u>	<u>-</u>	<u>-</u>
Assigned					
2024 Budget	7,027,158	-	-	-	-
Development Projects	-	1,826,109	-	-	-
Total Assigned	<u>7,027,158</u>	<u>1,826,109</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unassigned	<u>15,145,475</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 23,612,379</u>	<u>\$ 1,826,109</u>	<u>\$ 30,171,311</u>	<u>\$ 5,498,018</u>	<u>\$ 3,325,093</u>

**NOTE 13 NET INVESTMENT IN CAPITAL ASSETS**

The computation of investment in capital assets, net of related debt is as follows:

Capital Assets	\$ 65,606,817
Unspent Bond Funds	1,388,237
Debt on Capital Assets:	
Revenue Bonds	(13,983,431)
General Obligation Bonds	(6,428,200)
Leases	(3,270,763)
Subscriptions	(85,785)
Deferred Refundings	532,340
Premium on Bonds Payable	(976,495)
Net Investment in Capital Assets	<u>\$ 42,782,720</u>

The long-term debt includes \$115,143 in notes payable that offsets the lease receivable from LCOG and the property held for resale. These loans are not included in debt on capital assets.

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 14 TAX ABATEMENTS**

The County has two tax abatement programs pursuant to which the County reduces certain taxpayers' property tax liability.

**Fee-in-lieu of ad valorem property tax program**

One of the County's tax abatement programs is the "Fee-in-Lieu of Ad Valorem Property Tax" ("FILOT") program. South Carolina state law authorizes three forms of the FILOT program: a "Little Fee" as authorized by Chapter 4, Title 12 of the Code of Laws of South Carolina, 1976, as amended; a "Simplified Fee" as authorized by Chapter 44, Title 12 of the Code of Laws of South Carolina, 1976, as amended; or a "Big Fee" as authorized by Section 4-29-67 of the Code of Laws of South Carolina, 1976, as amended. The purpose of the FILOT program is to reduce the disparately higher property tax rates applied to manufacturing and certain commercial properties in South Carolina, which have previously impeded new and expanding business from locating in South Carolina.

A taxpayer is eligible to receive a property tax reduction under the FILOT program if the taxpayer agrees to make a minimum investment in a project located in the County within a 5-year period. The minimum investment a taxpayer must make to be eligible for the FILOT program is based on the form of the FILOT program chosen by the County and the taxpayer. Under the Little Fee and the Simplified Fee forms of the FILOT program, taxpayers must make a minimum investment of \$2,500,000. Under the Big Fee form of the FILOT program, taxpayers must make a minimum investment of \$45,000,000. Additionally, before a taxpayer is eligible for a benefit under the FILOT program, the County Council, the governing body of the County, must find that (i) the project is anticipated to benefit the general public welfare by providing services, employment, recreation, or other public benefits not otherwise adequately provided locally; (ii) the project gives rise to no pecuniary liability of the County or a charge against its general credit or taxing power; (iii) the purposes to be accomplished by the project are proper governmental and public purposes; and (iv) the benefits of the project are greater than the costs.

Property taxes are abated under the FILOT program through an agreement, executed by the County and the taxpayer, pursuant to which a fee-in-lieu of ad valorem property tax payment for the economic development property associated with the project is calculated using (i) a reduced assessment ratio, which may be reduced from the effective assessment ratio imposed by state law to a floor of 6% (or 4% in the case of certain enhanced investments as defined by state law), and (ii) a locked millage rate (or a millage rate that is allowed to increase or decrease every fifth year), for an initial term of not more than 30 years (or 40 years in the case of certain enhanced investments as defined by state law). The FILOT program also permits certain qualifying taxpayers and the County to negotiate for equalized fee-in-lieu of ad valorem property tax payments over the term of the agreement.

If the taxpayer does not make the minimum investment in a project within the 5-year period as described above, then the agreement is automatically terminated. On termination, the taxpayer is obligated to pay to the County the difference between (i) the total amount of ad valorem property taxes that would have been paid by the taxpayer had the economic development property associated with the project not been subject to the agreement, taking into account exemptions from property taxes that would have been available to the taxpayer, and (ii) the total amount of fee-in-lieu of ad valorem property tax payment made by the taxpayer with respect to the economic development property associated with the project.

In addition to the minimum eligibility requirements to receive a property tax reduction under the FILOT program as described above, the taxpayer may also make certain commitments to (i) invest certain amounts in taxable real and personal property at a project in an amount greater than the minimum investment, and (ii) create a certain number of new, full-time jobs at a project.



**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 14 TAX ABATEMENTS - CONTINUED**

For tax year 2022, County property taxes abated as a result of the FILOT program (inclusive of agreements entered into pursuant to the FILOT program and the SSRC program, as described below, combined) totaled \$3,003,549. The County received \$2,297,632 in fee-in-lieu of ad valorem tax payments from taxpayers with active agreements under the FILOT program in tax year 2022.

**Special source revenue credit program**

The County also abates property taxes through programs which utilize “Special Source Revenue Credits” (“SSRC”). SSRCs are authorized by South Carolina state law, specifically, Section 4-1-175 of the Code of Laws of South Carolina 1976, as amended. The County utilizes SSRCs in certain development programs to enhance the economic development of the County.

A taxpayer is eligible to receive an SSRC and reduce its property taxes, if (i) the taxpayer’s property is located in a multicounty industrial or business park, and (ii) the taxpayer uses the credit to pay the cost of designing, acquiring, constructing, improving, or expanding (a) infrastructure serving the County or the taxpayer’s property, or (b) improved or unimproved real estate and personal property, including machinery and equipment used in the operation of a manufacturing or commercial enterprise.

Property taxes are abated through the County providing an SSRC (in the form of a percentage or fixed dollar amount) against a taxpayer’s property tax liability. Although not required by state law, often, the County and the taxpayer enter into an agreement pursuant to which the County agrees to provide an SSRC against a taxpayer’s property tax liability for a period of years, and the taxpayer commits to (i) invest certain amounts in taxable real and personal property at a project, (ii) create a certain number of new, full-time jobs at a project or (iii) invest in some public infrastructure at a project or in the County. In the instances where the County has entered into an agreement to grant an SSRC, if the taxpayer does not meet the commitments as set forth in the agreement, then the County frequently reserves the right to require the taxpayer to repay to the County, either all or some other portion, as determined by formula, of the SSRC received by the taxpayer.

The County may also grant SSRCs in connection with the FILOT program. In these instances, following the calculation of a taxpayer’s fee-in-lieu of ad valorem payment under the FILOT program, the County may also apply an SSRC to further abate the taxpayer’s property tax liability. To receive property tax abatements through the FILOT program and through the receipt of an SSRC, the taxpayer must meet the eligibility criteria for both programs. Amounts abated as a result of and received from taxpayers with abatement agreements utilizing the FILOT program and SSRCs are reflected in the FILOT program disclosures described above.

For tax year 2022, County property taxes abated as a result of taxpayers with abatement agreements solely utilizing SSRCs totaled \$450.

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 14 TAX ABATEMENTS - CONTINUED**

**Multicounty industrial or business park**

The County uses multicounty industrial or business parks in connection with the FILOT program and the grant of SSRCS. Specifically, as noted above, to receive a property tax abatement through the programs using SSRCS, a taxpayer's property must be located in a multicounty industrial or business park. Additionally, the County may locate a taxpayer's property in a multicounty industrial or business park at the request of the taxpayer so the taxpayer may secure enhanced benefits from certain state economic development programs. To locate a taxpayer's property in a multicounty industrial or business park, the County must develop, with one or more contiguous counties, a multicounty industrial or business park by entering into an agreement with the contiguous counties which sets forth how the counties will share the expenses and revenues from the multicounty industrial or business park. The agreement must further specify how the revenues from the multicounty industrial or business park will be distributed to each taxing entity in the participating counties.

For tax year 2022, of the total payments made by taxpayers who were subject to the County's multicounty industrial park agreements, \$36,980 would have been received by the County but for the taxpayers' location within its multicounty industrial park.

**NOTE 15 IMPLEMENTATION OF NEW ACCOUNTING STANDARD**

In May 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*, which establishes accounting for the right-to-use subscription asset (an intangible asset) and a corresponding subscription liability. As a result of the implementation of GASB Statement No. 96, the County evaluated all subscription arrangements and determined that the implementation had no material effect on the beginning equity of the County's net position.

**NOTE 16 SUBSEQUENT EVENTS**

Management has evaluated subsequent events through December 18, 2023, the date the financial statements were issued. No material subsequent events have occurred that require disclosure in the financial statements.

# REQUIRED SUPPLEMENTARY INFORMATION

**JASPER COUNTY, SOUTH CAROLINA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
Taxes	\$ 32,639,714	\$ 32,639,714	\$ 34,699,803	\$ 2,060,089
Fines, Fees and Licenses	4,264,000	4,264,000	5,297,420	1,033,420
Intergovernmental	1,636,404	1,636,404	1,901,985	265,581
Miscellaneous	3,770,000	5,130,121	1,385,061	(3,745,060)
Total Revenues	42,310,118	43,670,239	43,284,269	(385,970)
<b>EXPENDITURES</b>				
<b>Current:</b>				
<b>County Administration</b>				
County Council	283,100	283,100	294,521	(11,421)
County Attorney	251,500	251,500	246,095	5,405
Administrator	471,600	471,600	470,294	1,306
Human Resources	353,850	353,850	343,998	9,852
Information Technology	1,347,200	1,347,200	1,490,186	(142,986)
Treasurer	282,800	277,571	239,154	38,417
Auditor	222,750	218,059	227,797	(9,738)
Detention Center	3,899,391	3,852,686	3,150,393	702,293
Interdepartmental	1,137,573	1,566,975	1,217,776	349,199
Data Processing	422,000	422,000	413,782	8,218
Capital Improvements	532,000	199,143	281,212	(82,069)
Professional Services	200,000	200,000	256,775	(56,775)
Election Commission	429,400	425,367	359,179	66,188
Total County Administration	9,833,164	9,869,051	8,991,162	877,889
<b>Administrative Services</b>				
Tax Collector	278,500	278,500	223,773	54,727
Assessor	993,870	993,870	865,009	128,861
Finance Department	283,600	283,600	275,524	8,076
Register of Deeds	287,100	287,100	231,712	55,388
Business Licenses	95,600	95,600	94,469	1,131
Keep America Beautiful	30,000	30,000	30,000	-
Total Administrative Services	1,968,670	1,968,670	1,720,487	248,183
<b>Development Services</b>				
Economic Development Department	555,823	559,761	265,682	294,079
Planning Commission	365,300	255,937	238,141	17,796
Recreation Department	647,300	561,697	531,492	30,205
Airport	1,083,100	656,216	649,233	6,983
Sgt Jasper Park	416,400	416,400	497,477	(81,077)
Building Permits	244,300	234,700	233,718	982
Total Development Services	3,312,223	2,684,711	2,415,743	268,968

**JASPER COUNTY, SOUTH CAROLINA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>(NEGATIVE)</u>
<b>Emergency Services</b>				
Emergency Telecommunications	\$ 2,396,156	\$ 1,851,093	\$ 1,318,704	\$ 532,389
Levy Fire	645,192	645,192	686,778	(41,586)
Fire and Rescue	8,297,848	6,802,563	6,873,156	(70,593)
Emergency Services Department	1,769,392	1,561,290	1,439,940	121,350
Cherry Point Fire District	1,501,105	3,316,660	1,759,744	1,556,916
Total Emergency Services	<u>14,609,693</u>	<u>14,176,798</u>	<u>12,078,322</u>	<u>2,098,476</u>
<b>Engineering Services</b>				
Administrative	289,400	287,633	307,838	(20,205)
Central Garage	306,900	303,352	131,638	171,714
Mosquito Control	21,200	21,200	15,533	5,667
Litter Control	35,000	35,000	-	35,000
Roads and Bridges	908,025	759,601	719,563	40,038
Building Maintenance	548,000	535,873	555,407	(19,534)
Solid Waste	1,081,500	1,081,500	1,200,157	(118,657)
Total Engineering Services	<u>3,190,025</u>	<u>3,024,159</u>	<u>2,930,136</u>	<u>94,023</u>
<b>Court Administration</b>				
Probate Judge	222,100	220,600	233,400	(12,800)
Clerk of Court	667,500	667,500	617,564	49,936
Magistrate Lee	235,700	235,700	221,447	14,253
Magistrate Carter	111,400	111,400	112,215	(815)
Magistrate Johnson	178,400	178,400	143,849	34,551
Magistrate Edwards	140,800	140,800	131,256	9,544
Magistrate Dore	65,300	65,300	87,004	(21,704)
Magistrate Badgett	100,900	100,900	64,735	36,165
Total Court Administration	<u>1,722,100</u>	<u>1,720,600</u>	<u>1,611,470</u>	<u>109,130</u>
<b>Law Enforcement</b>				
Sheriff	7,373,768	6,734,198	6,452,306	281,892
Victims Witness Program	65,500	65,500	75,630	(10,130)
Coroner	392,251	385,057	567,093	(182,036)
Total Law Enforcement	<u>7,831,519</u>	<u>7,184,755</u>	<u>7,095,029</u>	<u>89,726</u>

**JASPER COUNTY, SOUTH CAROLINA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<b>BUDGETED AMOUNTS</b>		<b>ACTUAL AMOUNTS</b>	<b>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		<b>(NEGATIVE)</b>
<b>Health, Education and Welfare</b>				
Veterans Affairs	\$ 130,000	\$ 130,000	\$ 119,361	\$ 10,639
Agency Appropriations	1,394,747	1,394,747	1,430,024	(35,277)
County Libraries	57,300	57,300	57,190	110
Health Department	32,200	32,200	24,248	7,952
Department of Social Services	36,100	36,100	34,089	2,011
Hardeeville Annex	32,000	32,000	3,639	28,361
Farmers Market	5,000	5,000	4,566	434
Total Health, Education and Welfare	<u>1,687,347</u>	<u>1,687,347</u>	<u>1,673,117</u>	<u>14,230</u>
<b>Debt Service</b>				
Principal	-	883,589	883,589	-
Interest	19,000	91,383	218,005	(126,622)
Total Debt Service	<u>19,000</u>	<u>974,972</u>	<u>1,101,594</u>	<u>(126,622)</u>
<b>Capital Outlay</b>				
County Administration	-	304,838	304,838	-
Development Services	-	291,064	453,393	(162,329)
Emergency Services	-	1,231,251	1,593,705	(362,454)
Law Enforcement	-	415,646	436,946	(21,300)
Total Capital Outlay	<u>-</u>	<u>2,242,799</u>	<u>2,788,882</u>	<u>(546,083)</u>
Total Expenditures	<u>44,173,741</u>	<u>45,533,862</u>	<u>42,405,942</u>	<u>3,127,920</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,863,623)</u>	<u>(1,863,623)</u>	<u>878,327</u>	<u>2,741,950</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	1,863,623	1,863,623	426,285	(1,437,338)
Transfers Out	-	-	(156,114)	(156,114)
Total Other Financing Sources (Uses)	<u>1,863,623</u>	<u>1,863,623</u>	<u>270,171</u>	<u>(1,593,452)</u>
Net change in fund balances	-	-	1,148,498	1,148,498
Fund balances, beginning	<u>22,463,881</u>	<u>22,463,881</u>	<u>22,463,881</u>	<u>-</u>
Fund balances, ending	<u>\$ 22,463,881</u>	<u>\$ 22,463,881</u>	<u>\$ 23,612,379</u>	<u>\$ 1,148,498</u>

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION:**

The basis of budgeting is the same as generally accepted accounting principles. The County adopts annual budgets for the General Fund using the modified accrual basis. An annual budget for the Special Revenue Fund is not adopted as sufficient budgetary control is achieved through restrictions included in the various grant agreements. An annual operating budget for the Capital Projects Fund is not adopted as its revenues and expenditures are adopted on a project basis. Appropriations lapse at the end of the budget year.

**JASPER COUNTY, SOUTH CAROLINA**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**STATE PENSION PLAN**  
**LAST TEN FISCAL YEARS**

	<b>SCRS - FISCAL YEAR</b>									
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Proportion of the Net Pension Liability	NA	0.042983%	0.043313%	0.040713%	0.039003%	0.039466%	0.030171%	0.047879%	0.040026%	0.043444%
Proportionate Share of the Net Pension Liability	NA	\$ 7,400,248	\$ 8,214,519	\$ 8,696,237	\$ 8,780,203	\$ 8,842,973	\$ 6,889,307	\$ 12,233,939	\$ 8,662,045	\$ 10,531,857
Covered Payroll	NA	\$ 3,874,024	\$ 4,046,332	\$ 3,943,462	\$ 3,935,461	\$ 4,086,173	\$ 4,289,985	\$ 4,245,317	\$ 4,478,619	\$ 5,138,463
Proportionate Share of the New Pension Liability as a Percentage of Its Covered Payroll	NA	191.02%	203.01%	220.52%	223.10%	216.41%	160.59%	288.17%	193.41%	204.96%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	NA	59.90%	56.99%	52.90%	53.30%	54.10%	54.40%	50.70%	60.70%	57.10%

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	<b>PORS - FISCAL YEAR</b>									
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Proportion of the Net Pension Liability	NA	0.41805%	0.41507%	0.42452%	0.43080%	0.43929%	0.324596%	0.681130%	0.474301%	0.510149%
Proportionate Share of the Net Pension Liability	NA	\$ 8,003,283	\$ 9,046,436	\$ 10,767,893	\$ 11,802,083	\$ 12,447,516	\$ 9,302,723	\$ 20,497,946	\$ 12,203,347	\$ 15,299,272
Covered Payroll	NA	\$ 5,032,231	\$ 5,125,706	\$ 5,411,101	\$ 5,791,660	\$ 6,080,457	\$ 6,598,581	\$ 7,649,260	\$ 7,026,101	\$ 8,074,452
Proportionate Share of the New Pension Liability as a Percentage of Its Covered Payroll	NA	159.04%	176.49%	199.00%	203.78%	204.71%	140.98%	267.97%	173.69%	189.48%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	NA	67.50%	64.57%	60.40%	60.90%	61.70%	62.70%	58.80%	70.40%	66.40%

NA - not available

**JASPER COUNTY, SOUTH CAROLINA  
SCHEDULE OF CONTRIBUTIONS  
STATE PENSION PLAN  
LAST TEN FISCAL YEARS**

**SCRS - FISCAL YEAR**

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Contractually Required Contribution	NA	\$ 441,049	\$ 436,037	\$ 454,916	\$ 554,086	\$ 624,623	\$ 660,571	\$ 696,873	\$ 850,930	\$ 1,088,884
Contributions in Relation to the										
Contractually Required Contribution	NA	441,049	436,037	454,916	554,086	624,623	660,571	696,873	850,930	1,088,884
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	NA	\$ 4,046,332	\$ 3,943,462	\$ 3,935,461	\$ 4,086,173	\$ 4,289,985	\$ 4,245,317	\$ 4,478,619	\$ 5,138,463	\$ 6,200,930
Contributions as a Percentage of Covered Payroll	NA	10.90%	11.06%	11.56%	13.56%	14.56%	15.56%	15.56%	16.56%	17.56%

**PORS - FISCAL YEAR**

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Contractually Required Contribution	NA	\$ 687,357	\$ 743,621	\$ 826,135	\$ 987,466	\$ 1,120,315	\$ 1,395,225	\$ 1,281,560	\$ 1,553,525	\$ 1,954,662
Contributions in Relation to the										
Contractually Required Contribution	NA	687,357	743,621	826,135	987,466	1,120,315	1,395,225	1,281,560	1,553,525	1,954,662
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	NA	\$ 5,125,706	\$ 5,411,101	\$ 5,791,660	\$ 6,080,457	\$ 6,498,581	\$ 7,649,260	\$ 7,026,101	\$ 8,074,452	\$ 9,657,421
Contributions as a Percentage of Covered Payroll	NA	13.41%	13.74%	14.26%	16.24%	17.24%	18.24%	18.24%	19.24%	20.24%

NA - not available



**JASPER COUNTY, SOUTH CAROLINA**  
**SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS**  
**LAST TEN FISCAL YEARS**

	TOTAL OPEB LIABILITY									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Service Cost at the End of the Year	NA	NA	NA	NA	\$ 824,462	\$ 660,904	\$ 637,971	\$ 730,828	\$ 778,697	\$ 972,999
Interest on the TOL	NA	NA	NA	NA	514,790	598,009	582,919	573,508	407,582	375,101
Changes of benefit terms	NA	NA	NA	NA	-	-	-	(3,785,962) *	-	-
Difference between Expected and Actual Experience of the Total OPEB Liability	NA	NA	NA	NA	(42,143)	(1,328,926)	(1,700)	(754,376)	86,493	(3,902,153)
Changes in Assumptions	NA	NA	NA	NA	(1,795,933)	(292,434)	1,361,729	1,974,069	1,956,205 **	(4,215,467) ***
Benefit Payments	NA	NA	NA	NA	(216,730)	(285,632)	(357,079)	(457,201)	(440,722)	(410,526)
Net Change in Total OPEB Liability	NA	NA	NA	NA	(715,554)	(648,079)	2,223,840	(1,719,134)	2,788,255	(7,180,046)
Total OPEB Liability - Beginning	NA	NA	NA	NA	17,325,933	16,610,379	15,962,300	18,186,140	16,467,006	19,255,261
Total OPEB Liability - Ending	NA	NA	NA	NA	<u>\$ 16,610,379</u>	<u>\$ 15,962,300</u>	<u>\$ 18,186,140</u>	<u>\$ 16,467,006</u>	<u>\$ 19,255,261</u>	<u>\$ 12,075,215</u>
Covered-Employee Payroll								<u>\$ 10,126,970</u>	<u>\$ 10,440,887</u>	<u>\$ 13,223,806</u>
Total OPEB Liability as a Percentage of Covered Payroll								<u>162.61%</u>	<u>184.42%</u>	<u>91.31%</u>

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\* Reflects the elimination of County subsidies toward health coverages for dependents & dental coverage for all retirees effective July 1, 2020.

\*\* Discount rate changed from 2.45% as of June 30, 2020 to 1.92% as of June 30, 2021, and revised SCRS demographic and salary increase assumptions.

\*\*\*Discount rate changed from 1.92% as of June 30, 2021 to 3.69% as of June 30, 2022, and updates to the assumption for two-person coverage.

NA - not available GASB Statement No. 75 implemented in year 2018.

There are no assets accumulated in a trust to pay related benefits for the OPEB plan.

# SUPPLEMENTARY INFORMATION

# NONMAJOR GOVERNMENTAL FUNDS

## Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

**Accommodations Tax Fund** This fund is used to account for the County's share of accommodation taxes that are legally restricted for expenditures that promote parks, recreation and tourism within the County.

**Waste Tire Fund** This fund is used to account for the revenues received from the state for the removal of waste tires.

**Law Enforcement Fund** This fund is used to account for the funds the sheriff derives from search and seizure.

**E911 Fund** This fund is used to account for the telecommunications carrier fees that are restricted for expenditures related to emergency dispatch services.

**JASPER COUNTY, SOUTH CAROLINA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2023**

	SPECIAL REVENUE				TOTAL NONMAJOR GOVERNMENTAL FUNDS
	ACCOM TAX	WASTE TIRE	LAW ENFORCEMENT	E911	
<b>ASSETS</b>					
Receivables - net	\$ -	\$ 4,779	\$ -	\$ 18,700	\$ 23,479
Restricted Cash	2,123,183	46,966	183,685	947,780	3,301,614
Total Assets	\$ 2,123,183	\$ 51,745	\$ 183,685	\$ 966,480	\$ 3,325,093
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	-	-	-	-	-
Fund Balances					
Restricted	2,123,183	51,745	183,685	966,480	3,325,093
Total Fund Balances	2,123,183	51,745	183,685	966,480	3,325,093
Total Liabilities and Fund Balances	\$ 2,123,183	\$ 51,745	\$ 183,685	\$ 966,480	\$ 3,325,093

**JASPER COUNTY, SOUTH CAROLINA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>SPECIAL REVENUE</u>				<b>TOTAL NONMAJOR GOVERNMENTAL FUNDS</b>
	<b>ACCOM TAX</b>	<b>WASTE TIRE</b>	<b>LAW ENFORCEMENT</b>	<b>E911</b>	
<b>REVENUES</b>					
Taxes	\$ 891,064	\$ -	\$ -	\$ -	\$ 891,064
Fines, Fees and Licenses	-	-	97,700	195,017	292,717
Intergovernmental	-	17,510	-	-	17,510
Miscellaneous	10,634	-	-	-	10,634
Total Revenue	<u>901,698</u>	<u>17,510</u>	<u>97,700</u>	<u>195,017</u>	<u>1,211,925</u>
<b>EXPENDITURES</b>					
<b>Current:</b>					
Development Services	433,177	-	-	-	433,177
Sheriff	-	-	90,998	-	90,998
	<u>433,177</u>	<u>-</u>	<u>90,998</u>	<u>-</u>	<u>524,175</u>
Excess (deficiency) of revenues over (under) expenditures	<u>468,521</u>	<u>17,510</u>	<u>6,702</u>	<u>195,017</u>	<u>687,750</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	156,114	-	-	-	156,114
Transfers Out	(350,000)	-	-	-	(350,000)
Total Other Financing Sources (Uses)	<u>(193,886)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(193,886)</u>
Net change in fund balances	274,635	17,510	6,702	195,017	493,864
Fund balances, beginning	1,848,548	34,235	176,983	771,463	2,831,229
Fund balances, ending	<u>\$ 2,123,183</u>	<u>\$ 51,745</u>	<u>\$ 183,685</u>	<u>\$ 966,480</u>	<u>\$ 3,325,093</u>

# FIDUCIARY FUNDS

## Fiduciary Funds – Other Custodial Funds

Other custodial funds are used to account for assets held by the government as an agent for individuals, private organizations, and other governments.

<b>Taxes and State Aid</b>	This fund is used to account for receipts for property tax collections and state aid for other governmental entities within Jasper County.
<b>State License and Fees</b>	This fund is used to account for child support payments, bonds, court awards, restitution and fines collected by the clerk of court.
<b>Developer Funds</b>	This fund represents insurance proceeds over a developmental agreement settlement.
<b>Outside Agencies</b>	This fund represents donations held on behalf of the outside agencies.
<b>Detention Center</b>	This fund represents the funds collected for the canteen at the Detention Center.

**JASPER COUNTY, SOUTH CAROLINA  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS - OTHER CUSTODIAL FUNDS  
 JUNE 30, 2023**

	<u>Custodial Funds</u>					<u>Total Other Custodial Funds</u>
	<u>Taxes and State Aid</u>	<u>State License and Fees</u>	<u>Developer Funds</u>	<u>Outside Agencies</u>	<u>Detention Center</u>	
<b>Assets</b>						
Cash	\$ 44,059,687	\$ 1,868,299	\$ 1,264,203	\$ 16,617	\$ 191,327	\$ 47,400,133
Receivables	2,437,994	-	-	-	-	2,437,994
Total Assets	<u>\$ 46,497,681</u>	<u>\$ 1,868,299</u>	<u>\$ 1,264,203</u>	<u>\$ 16,617</u>	<u>\$ 191,327</u>	<u>\$ 49,838,127</u>
<b>Liabilities</b>						
Accounts Payable	\$ 524,671	\$ -	\$ -	\$ -	\$ -	\$ 524,671
Total Liabilities	<u>524,671</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>524,671</u>
<b>Net Position</b>						
Restricted for Individuals, Organizations, Other Governments	45,973,010	1,868,299	1,264,203	16,617	191,327	49,313,456
Total Net Position	<u>45,973,010</u>	<u>1,868,299</u>	<u>1,264,203</u>	<u>16,617</u>	<u>191,327</u>	<u>49,313,456</u>
Total Liabilities and Net Position	<u>\$ 46,497,681</u>	<u>\$ 1,868,299</u>	<u>\$ 1,264,203</u>	<u>\$ 16,617</u>	<u>\$ 191,327</u>	<u>\$ 49,838,127</u>

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS - OTHER CUSTODIAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Custodial Funds</u>					<b>Total Other Custodial Funds</b>
	<u>Taxes and State Aid</u>	<u>State License and Fees</u>	<u>Developer Funds</u>	<u>Outside Agencies</u>	<u>Detention Center</u>	
<b>Additions</b>						
Contributions from individuals	\$ -	\$ -	\$ -	\$ -	\$ 187,057	\$ 187,057
Property tax collections and state aid for other governments	97,777,637	-	-	-	-	97,777,637
License and fees collected for State	-	979,407	-	-	-	979,407
Miscellaneous	-	-	15,556	55,914	-	71,470
Total Additions	<u>97,777,637</u>	<u>979,407</u>	<u>15,556</u>	<u>55,914</u>	<u>187,057</u>	<u>99,015,571</u>
<b>Deductions</b>						
Payments to individuals	-	-	-	-	120,206	120,206
Payments of property taxes and state aid to other governments	84,175,689	-	-	-	-	84,175,689
Payments to state	-	635,095	-	-	-	635,095
Payments on behalf of other entities	-	-	-	53,461	-	53,461
Total Deductions	<u>84,175,689</u>	<u>635,095</u>	<u>-</u>	<u>53,461</u>	<u>120,206</u>	<u>84,984,451</u>
Change in net position	13,601,948	344,312	15,556	2,453	66,851	14,031,120
Net Position, beginning	<u>32,371,062</u>	<u>1,523,987</u>	<u>1,248,647</u>	<u>14,164</u>	<u>124,476</u>	<u>35,282,336</u>
Net Position, ending	<u>\$ 45,973,010</u>	<u>\$ 1,868,299</u>	<u>\$ 1,264,203</u>	<u>\$ 16,617</u>	<u>\$ 191,327</u>	<u>\$ 49,313,456</u>



**JASPER COUNTY, SOUTH CAROLINA**  
**UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES (per ACT 96)**  
**For The Year Ended June 30, 2023**

**FOR THE STATE TREASURER'S OFFICE:**

<b>COUNTY / MUNICIPAL FUNDS COLLECTED BY CLERK OF COURT</b>	<b>General Sessions</b>	<b>Magistrate Court</b>		<b>Total</b>
<b>Court Fines and Assessments:</b>				
Court fines and assessments collected	280,260	847,698		1,127,958
Court fines and assessments remitted to State Treasurer	172,874	457,553		630,427
<b>Total Court Fines and Assessments retained</b>	107,386	390,145		497,531
<b>Surcharges and Assessments retained for victim services:</b>				
Surcharges collected and retained	10,211	5,617		15,828
Assessments retained	336	38,930		39,266
<b>Total Surcharges and Assessments retained for victim services</b>	10,547	44,547		55,094

**FOR THE DEPARTMENT OF CRIME VICTIM COMPENSATION (DCVC)**

<b><u>VICTIM SERVICE FUNDS COLLECTED</u></b>	<b>Municipal</b>	<b>County</b>	<b>Total</b>
<b>Carryforward from Previous Year – Beginning Balance</b>		132,216	132,216
<b><u>Victim Service Revenue:</u></b>			
Victim Service Fines Retained by City/County Treasurer			
Victim Service Assessments Retained by City/County Treasurer		39,266	39,266
Victim Service Surcharges Retained by City/County Treasurer		15,828	15,828
Interest Earned			
Grant Funds Received			
Grant from:			
General Funds Transferred to Victim Service Fund			
<b>Contribution Received from Victim Service Contracts:</b>			
(1) Town of			
(2) Town of			
(3) City of			
<b>Total Funds Allocated to Victim Service Fund + Beginning Balance (A)</b>		187,310	187,310

**JASPER COUNTY, SOUTH CAROLINA**  
**UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES (per ACT 96)**  
**For The Year Ended June 30, 2023**

<b>Expenditures for Victim Service Program:</b>	<b>Municipal</b>	<b>County</b>	<b>Total</b>
Salaries and Benefits		36,665	36,665
Operating Expenditures		1,453	1,453
<b>Victim Service Contract(s):</b>			
(1) Entity's Name			
(2) Entity's Name			
<b>Victim Service Donation(s):</b>			
(1) Domestic Violence Shelter:			
(2) Rape Crisis Center:			
(3) Other local direct crime victims service agency:			
Transferred to General Fund			
<b>Total Expenditures from Victim Service Fund/Program (B)</b>		38,118	38,118
Total Victim Service Funds Retained by Municipal/County Treasurer (A-B)		149,192	149,192
<b>Less: Prior Year Fund Deficit Repayment</b>			
<b>Carryforward Funds – End of Year</b>		149,192	149,192

# STATISTICAL SECTION

# JASPER COUNTY, SOUTH CAROLINA

## STATISTICAL SECTION

This part of the Jasper County, South Carolina comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, notes disclosure, and required supplementary information says about the County's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	80-83
Revenue Capacity These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property and sales taxes.	84-87
Debt Capacity These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	88-92
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help comparisons over time and with other governments.	93-94
Operating Information These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs.	95-97

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**JASPER COUNTY, SOUTH CAROLINA  
NET POSITION BY COMPONENTS  
LAST TEN FISCAL YEARS**

**Schedule 1**

	Fiscal Year									
	2014	2015 *	2016	2017	2018	2019	2020	2021	2022	2023
<b>GOVERNMENTAL ACTIVITIES</b>										
Net Investment in Capital Assets	\$ 12,769,520	\$ 13,998,492	\$ 16,690,228	\$ 20,468,539	\$ 25,723,403	\$ 30,840,723	\$ 36,227,559	\$ 37,109,703	\$ 35,776,355	\$ 42,782,720
Restricted	2,332,105	2,135,942	3,108,207	3,825,960	7,013,929	13,106,724	19,428,464	26,616,330	35,851,689	39,060,718
Unrestricted (Deficit)	6,010,816	(8,893,517)	(9,451,526)	(9,370,333)	(19,576,094)	(20,391,347)	(18,614,049)	(15,706,376)	(11,435,172)	(13,967,463)
Total Governmental Activities Net Position	<u>\$ 21,112,441</u>	<u>\$ 7,240,917</u>	<u>\$ 10,346,909</u>	<u>\$ 14,924,166</u>	<u>\$ 13,161,238</u>	<u>\$ 23,556,100</u>	<u>\$ 37,041,974</u>	<u>\$ 48,019,657</u>	<u>\$ 60,192,872</u>	<u>\$ 67,875,975</u>

\* County implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*.

Source: County Audit Reports

**JASPER COUNTY, SOUTH CAROLINA  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)**

Schedule 2

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Expenses</b>										
Governmental Activities:										
County Administration	\$ 4,538,113	\$ 4,790,094	\$ 5,199,081	\$ 6,011,086	\$ 5,279,343	\$ 5,585,627	\$ 4,701,048 *	\$ 12,490,203	\$ 11,538,976	\$ 9,819,817
Administrative Services	1,073,387	1,183,860	1,194,741	1,194,183	1,169,173	1,325,890	1,397,335	1,266,283	1,499,534	1,747,413
Development Services	1,694,855	1,977,275	2,542,464	3,393,276	3,327,220	2,525,699	2,679,937	2,304,506	2,894,934	4,733,912
Emergency Services	8,955,251	9,089,407	9,271,317	10,127,643	10,509,277	10,781,215	13,078,811	9,565,210	10,759,046	13,202,486
Engineering Services	3,021,142	3,033,537	2,566,479	2,586,351	2,536,813	2,690,946	2,752,655	3,178,858	2,777,249	7,422,989
Court Administration	1,297,809	1,356,490	1,293,027	1,297,090	1,298,114	1,333,525	1,383,804	1,537,232	1,478,556	1,622,967
Law Enforcement	2,873,223	3,156,385	3,279,268	3,722,473	4,578,268	5,073,798	5,608,784	4,874,153	6,334,414	8,369,195
Health, Education, and Welfare	1,348,612	1,339,088	1,457,736	1,409,426	1,545,606	1,530,969	1,550,614	1,636,162	1,577,427	1,672,242
Interest Expense	957,203	916,856	920,388	1,554,125	888,148	857,742	878,254	1,051,730	801,431	925,269
Total Expenses	<u>25,759,595</u>	<u>26,842,992</u>	<u>27,724,501</u>	<u>31,295,653</u>	<u>31,131,962</u>	<u>31,705,411</u>	<u>34,031,242</u>	<u>37,904,337</u>	<u>39,661,567</u>	<u>49,516,290</u>
<b>Revenues</b>										
Governmental Activities:										
Program Revenues										
Charges for Services:										
Emergency Services Fees	1,169,567	1,299,304	1,242,621	1,133,456	1,135,127	1,237,235	2,136,083	1,481,112	1,267,228	1,215,055
Fines	389,434	451,735	480,927	614,145	598,211	806,152	598,635	396,898	464,757	554,345
Development Services Fees	816,226	585,637	905,471	857,960	1,121,032	932,187	1,043,823	738,388	526,336	1,273,257
Engineering Services	-	-	527,949	595,801	631,777	636,353	627,124	837,708	826,885	826,364
Administrative Services	718,152	812,303	240,023	324,521	341,406	434,160	652,969	1,299,410	1,977,452	1,915,550
Law Enforcement	-	-	-	-	-	-	-	138,480	147,469	112,052
Operating Grants and Contributions	759,123	1,182,931	1,428,999	2,632,029	3,245,923	836,824	3,617,511	1,650,040	1,217,447	2,094,590
Capital Grants and Contributions	443,934	1,416,623	2,543,774	5,551,282	4,234,844	4,547,238	5,482,284	1,360,014	49,184	2,193,741
General Revenues										
Taxes	20,271,873	20,958,865	22,090,667	22,559,108	26,635,371	30,972,600	31,410,993	35,391,769	41,818,108	43,740,516
Grants and Contributions not restricted to specific programs	1,063,635	1,279,897	1,047,710	995,085	1,054,625	1,004,270	1,030,317	1,060,149	1,159,042	1,293,742
Earnings on investments	25,864	15,325	3,570	-	-	-	-	-	-	-
Other	365,396	285,301	318,782	609,523	32,119	693,254	917,377	811,796	2,380,874	1,980,181
Special Items - OPEB	-	-	-	-	-	-	-	3,716,256	-	-
Total Revenues	<u>26,023,204</u>	<u>28,287,921</u>	<u>30,830,493</u>	<u>35,872,910</u>	<u>39,030,435</u>	<u>42,100,273</u>	<u>47,517,116</u>	<u>48,882,020</u>	<u>51,834,782</u>	<u>57,199,393</u>
Change in net position	263,609	1,444,929	3,105,992	4,577,257	7,898,473	10,394,862	13,485,874	10,977,683	12,173,215	7,683,103
Net Position-Beginning	20,848,832	21,112,441	7,240,917	10,346,909	14,924,166	13,161,238	23,556,100	37,041,974	48,019,657	60,192,872
Prior Period Adjustment	-	(15,316,453)	-	-	(9,661,401)	-	-	-	-	-
Net Position-Ending	<u>\$ 21,112,441</u>	<u>\$ 7,240,917</u>	<u>\$ 10,346,909</u>	<u>\$ 14,924,166</u>	<u>\$ 13,161,238</u>	<u>\$ 23,556,100</u>	<u>\$ 37,041,974</u>	<u>\$ 48,019,657</u>	<u>\$ 60,192,872</u>	<u>\$ 67,875,975</u>

Source: County Audit Reports

\* Increase represents moving Detention Center operations under County Administration from Emergency Services in 2021

**JASPER COUNTY, SOUTH CAROLINA  
FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)**

Schedule 3

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>GENERAL FUND</b>										
Restricted	\$ 430,985	\$ 520,978	\$ 563,068	\$ 623,694	\$ 729,418	\$ 902,246	\$ 1,145,085	\$ 1,215,528	\$ 1,332,946	\$ 1,439,746
Assigned	542,000	1,200,000	1,400,000	1,400,000	1,700,000	2,600,000	1,320,000	3,111,080	3,250,000	7,027,158
Unassigned	7,889,633	8,964,563	10,007,590	10,588,816	11,175,135	10,750,767	11,780,914	14,201,553	17,880,935	15,145,475
Total General Fund	<u>\$ 8,862,618</u>	<u>\$ 10,685,541</u>	<u>\$ 11,970,658</u>	<u>\$ 12,612,510</u>	<u>\$ 13,604,553</u>	<u>\$ 14,253,013</u>	<u>\$ 14,245,999</u>	<u>\$ 18,528,161</u>	<u>\$ 22,463,881</u>	<u>\$ 23,612,379</u>
<b>ECONOMIC DEVELOPMENT FUND</b>										
Assigned	\$ 2,270,864	\$ 1,989,847	\$ 2,428,304	\$ 2,623,267	\$ 1,810,272	\$ 3,174,069	\$ 3,969,996	\$ 3,883,182	\$ 3,714,366	\$ 1,826,109
Nonspendable	-	-	-	-	293,108	-	-	-	-	-
Total Economic Development Fund	<u>\$ 2,270,864</u>	<u>\$ 1,989,847</u>	<u>\$ 2,428,304</u>	<u>\$ 2,623,267</u>	<u>\$ 2,103,380</u>	<u>\$ 3,174,069</u>	<u>\$ 3,969,996</u>	<u>\$ 3,883,182</u>	<u>\$ 3,714,366</u>	<u>\$ 1,826,109</u>
<b>CAPITAL PROJECTS FUND</b>										
Restricted	\$ -	\$ -	\$ -	\$ -	\$ 2,980,189	\$ 8,715,265	\$ 13,800,209	\$ 19,467,852	\$ 27,071,045	\$ 28,797,861
Committed	342,905	-	79,529	49,784	49,784	27,382	1,179,077	1,162,590	2,791,802	1,373,450
Total Capital Projects Fund	<u>\$ 342,905</u>	<u>\$ -</u>	<u>\$ 79,529</u>	<u>\$ 49,784</u>	<u>\$ 3,029,973</u>	<u>\$ 8,742,647</u>	<u>\$ 14,979,286</u>	<u>\$ 20,630,442</u>	<u>\$ 29,862,847</u>	<u>\$ 30,171,311</u>
<b>DEBT SERVICE FUND</b>										
Restricted	\$ 792,360	\$ 768,263	\$ 1,043,165	\$ 1,526,975	\$ 1,754,785	\$ 2,196,091	\$ 2,704,529	\$ 3,872,008	\$ 4,616,469	\$ 5,498,018
Total Debt Service Fund	<u>\$ 792,360</u>	<u>\$ 768,263</u>	<u>\$ 1,043,165</u>	<u>\$ 1,526,975</u>	<u>\$ 1,754,785</u>	<u>\$ 2,196,091</u>	<u>\$ 2,704,529</u>	<u>\$ 3,872,008</u>	<u>\$ 4,616,469</u>	<u>\$ 5,498,018</u>
<b>ALL OTHER GOVERNMENTAL FUNDS</b>										
Restricted	\$ 1,173,880	\$ 1,370,098	\$ 1,501,974	\$ 1,675,290	\$ 1,549,537	\$ 1,318,351	\$ 1,778,641	\$ 2,060,942	\$ 2,831,229	\$ 3,325,093
Total All Other Governmental Funds	<u>\$ 1,173,880</u>	<u>\$ 1,370,098</u>	<u>\$ 1,501,974</u>	<u>\$ 1,675,290</u>	<u>\$ 1,549,537</u>	<u>\$ 1,318,351</u>	<u>\$ 1,778,641</u>	<u>\$ 2,060,942</u>	<u>\$ 2,831,229</u>	<u>\$ 3,325,093</u>

Source: County Audit Reports

**JASPER COUNTY, SOUTH CAROLINA**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(modified accrual basis of accounting)**

Schedule 4

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>										
Taxes	\$ 18,091,572	\$ 18,963,388	\$ 19,903,845	\$ 22,486,009	\$ 26,343,869	\$ 30,872,279	\$ 31,367,983	\$ 35,998,031	\$ 41,927,468	\$ 43,693,711
Fines, Fees, and Licenses	5,292,009	5,220,238	5,394,712	3,525,883	3,827,553	3,939,634	4,941,919	4,891,996	5,210,127	5,896,623
Intergovernmental	2,365,825	3,551,585	4,128,984	7,347,238	6,064,045	6,127,573	8,618,495	3,740,306	2,207,953	5,230,056
Miscellaneous	452,878	790,823	1,378,744	2,498,262	2,595,360	1,123,824	2,564,112	1,141,693	2,671,729	2,408,907
Total Revenues	<u>26,202,284</u>	<u>28,526,034</u>	<u>30,806,285</u>	<u>35,857,392</u>	<u>38,830,827</u>	<u>42,063,310</u>	<u>47,492,509</u>	<u>45,772,026</u>	<u>52,017,277</u>	<u>57,229,297</u>
<b>Expenditures</b>										
<b>Current:</b>										
County Administration	3,061,193	3,227,860	3,572,594	4,660,219	3,378,022	3,907,442	4,288,656 *	7,542,395	10,131,407	9,023,269
Administrative Services	1,072,687	1,179,860	1,199,991	1,195,827	1,197,448	1,321,195	1,372,324	1,253,066	1,482,101	1,720,487
Development Services	1,625,112	1,907,703	2,467,565	3,313,430	3,241,474	2,442,009	2,553,702	1,982,403	2,251,827	3,870,196
Emergency Services	8,720,336	8,806,517	8,949,552	9,627,537	10,049,436	10,280,231	12,371,190 *	8,565,993	9,807,029	12,078,322
Engineering Services	2,775,502	2,716,641	2,347,232	2,254,620	2,368,185	2,561,436	2,629,405	3,008,642	2,628,386	7,131,874
Court Administration	1,295,506	1,323,488	1,288,691	1,297,703	1,288,881	1,321,531	1,372,008	1,547,345	1,464,136	1,611,470
Law Enforcement	2,881,582	3,085,291	3,157,111	3,617,769	4,332,045	4,733,793	5,310,585	4,631,736	6,027,186	7,788,002
Health, Education, and Welfare	1,352,895	1,340,172	1,458,411	1,407,722	1,543,379	1,529,694	1,547,730	1,644,789	1,573,722	1,673,117
<b>Debt Service</b>										
Principal	595,206	696,402	494,303	1,100,490	1,964,369	1,000,640	889,081	1,180,306	1,164,778	4,647,188
Interest	943,272	927,490	918,772	1,001,819	850,680	823,205	839,689	945,708	782,113	940,908
Bond Issuance Costs	-	-	-	394,413	-	-	-	-	-	-
<b>Capital Outlay</b>	<u>608,896</u>	<u>2,262,498</u>	<u>5,045,072</u>	<u>6,042,485</u>	<u>5,847,856</u>	<u>5,859,701</u>	<u>9,575,017</u>	<u>2,895,114</u>	<u>3,259,291</u>	<u>10,805,967</u>
Total Expenditures	<u>24,932,187</u>	<u>27,473,922</u>	<u>30,899,294</u>	<u>35,914,034</u>	<u>36,061,775</u>	<u>35,780,877</u>	<u>42,749,387</u>	<u>35,197,497</u>	<u>40,571,976</u>	<u>61,290,800</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,270,097</u>	<u>1,052,112</u>	<u>(93,009)</u>	<u>(56,642)</u>	<u>2,769,052</u>	<u>6,282,433</u>	<u>4,743,122</u>	<u>10,574,529</u>	<u>11,445,301</u>	<u>(4,061,503)</u>
<b>Other Financing Sources (Uses)</b>										
Issuance of Debt	384,738	319,010	2,302,890	314,533	785,350	1,359,510	3,251,158	-	2,857,682	5,005,621
Refunding Bonds Issued	-	-	-	8,290,000	-	-	-	5,540,000	5,415,000	-
Premium on Debt Issuance	-	-	-	156,305	-	-	-	716,821	124,253	-
Payment to Refunded Debt Escrow Agent	-	-	-	(7,240,000)	-	-	-	(5,535,066)	(5,328,179)	-
Transfers In	439,551	500,802	1,177,793	788,215	434,857	305,000	1,519,251	500,101	647,477	582,399
Transfers Out	(439,551)	(500,802)	(1,177,793)	(788,215)	(434,857)	(305,000)	(1,519,251)	(500,101)	(647,477)	(582,399)
Total Other Financing Sources (Uses)	<u>384,738</u>	<u>319,010</u>	<u>2,302,890</u>	<u>1,520,838</u>	<u>785,350</u>	<u>1,359,510</u>	<u>3,251,158</u>	<u>721,755</u>	<u>3,068,756</u>	<u>5,005,621</u>
Net Change in Fund Balances	<u>1,654,835</u>	<u>1,371,122</u>	<u>2,209,881</u>	<u>1,464,196</u>	<u>3,554,402</u>	<u>7,641,943</u>	<u>7,994,280</u>	<u>11,296,284</u>	<u>14,514,057</u>	<u>944,118</u>
Fund Balances, Beginning	<u>11,787,792</u>	<u>13,442,627</u>	<u>14,813,749</u>	<u>17,023,630</u>	<u>18,487,826</u>	<u>22,042,228</u>	<u>29,684,171</u>	<u>37,678,451</u>	<u>48,974,735</u>	<u>63,488,792</u>
Fund Balances, Ending	<u>\$ 13,442,627</u>	<u>\$ 14,813,749</u>	<u>\$ 17,023,630</u>	<u>\$ 18,487,826</u>	<u>\$ 22,042,228</u>	<u>\$ 29,684,171</u>	<u>\$ 37,678,451</u>	<u>\$ 48,974,735</u>	<u>\$ 63,488,792</u>	<u>\$ 64,432,910</u>
Debt service as a percentage of noncapital expenditures	7.2%	7.4%	6.3%	8.5%	10.5%	7.0%	5.2%	6.6%	5.2%	11.1%

Source: County Audit Reports

\* Detention Center moved from Emergency Services to County Administration in 2021



**JASPER COUNTY, SOUTH CAROLINA**  
**ASSESSED VALUE AND ESTIMATED VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**

Schedule 5

FISCAL YEAR ENDED JUNE 30,	ASSESSED VALUE			MARKET VALUE			TOTAL DIRECT TAX RATE
	REAL PROPERTY	PERSONAL PROPERTY	TOTAL	REAL PROPERTY	PERSONAL PROPERTY	TOTAL	
2014	\$ 70,886,830	\$ 54,168,577	\$ 125,055,407	\$ 1,537,861,411	\$ 433,348,616	\$ 1,971,210,027	154.00
2015	73,451,930	56,061,241	129,513,171	1,609,320,587	382,415,318	1,991,735,905	154.00
2016	76,132,670 *	56,560,351 *	132,693,021 *	1,669,576,096 *	386,077,481 *	2,055,653,577 *	154.00
2017	77,948,800	59,170,299	137,119,099	1,701,178,502	446,625,654	2,147,804,156	154.00
2018	81,433,030	58,699,018	140,132,048	1,782,796,111	454,834,852	2,237,630,963	154.00
2019	88,193,057	62,479,366	150,672,423	1,782,796,111	485,377,888	2,268,173,999	154.00
2020	95,011,880 *	65,072,586 *	160,084,466 *	2,156,499,216 *	564,887,683 *	2,721,386,899 *	154.00
2021	106,338,030	66,964,004	173,302,034	2,605,973,500	573,743,756	3,179,717,256	154.00
2022	117,335,040	71,864,859	189,199,899	3,303,424,475	628,109,818	3,931,534,293	154.00
2023	140,254,080	74,848,872	215,102,952	3,770,239,619	572,799,099	4,343,038,718	152.00

\* Reassessment Year.

**JASPER COUNTY, SOUTH CAROLINA  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS**

Schedule 6

FISCAL YEAR ENDED JUNE 30,	COUNTY DIRECT RATES				OVERLAPPING RATES				
	BASIC RATE	EMERGENCY SERVICE	COUNTY DEBT	TOTAL DIRECT RATE	SCHOOL	SCHOOL	CHERRY	TOWN	CITY
					OPERATIONS	DEBT SERVICE	POINT FIRE DISTRICT	OF RIDGELAND	OF HARDEEVILLE
2014	86.50	55.50	12.00	154.00	166.00	25.00	33.00	114.20	142.00
2015	86.00	56.00	12.00	154.00	164.00	25.00	32.00	116.20	136.00
2016	86.00	56.00	12.00	154.00	164.00	25.00	32.00	118.20	130.00
2017	86.00	56.00	12.00	154.00	164.00	25.00	32.00	125.20	123.00
2018	93.00	49.00	12.00	154.00	166.00	25.00	32.00	126.48	120.00
2019	85.00	57.00	12.00	154.00	166.00	25.00	32.00	126.48	117.00
2020	85.00	57.00	12.00	154.00	166.00	25.00	32.00	137.76	114.00
2021	85.00	57.00	12.00	154.00	166.00	25.00	32.00	140.25	114.00
2022	85.00	57.00	12.00	154.00	166.00	25.00	32.00	143.27	112.00
2023	82.79	57.21	12.00	152.00	166.00	25.00	31.00	140.00	97.00

Source: County Finance Office

**JASPER COUNTY, SOUTH CAROLINA  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND TEN YEARS AGO**

Schedule 7

TAXPAYER	2023			2014		
	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF TOTAL COUNTY TAXABLE ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF TOTAL COUNTY TAXABLE ASSESSED VALUE
Dominion/South Carolina Electric & Gas	\$ 12,342,490	1	5.74%	\$ 19,855,387	1	15.88%
Speedway Property II LLC	3,620,733	2	1.68%	-	-	0.00%
Palmetto Electric	3,517,720	3	1.64%	3,048,550	2	2.44%
Minto Latitude HH LLC	2,404,200	4	1.12%	-	-	0.00%
Triangle Palisades at New	2,118,530	5	0.98%	-	-	0.00%
CSX Transportation	1,766,840	6	0.82%	1,321,124	4	1.06%
Central Electric Power Cooperative	1,754,190	7	0.82%	-	-	0.00%
Brooke Mill LLC	1,606,680	8	0.75%	-	-	0.00%
Moffett Solar 1 LLC	1,576,857	9	0.73%	-	-	0.00%
Raia SC Exchange VG Mahwah LLC	1,553,310	10	0.72%	-	-	0.00%
Carolina Gas Transmission Corporation	-	-	0.00%	1,080,940	5	0.86%
Auston Chase	-	-	0.00%	1,044,890	6	0.84%
Georgia DOT	-	-	0.00%	1,941,120	3	1.55%
Malphrus Construction	-	-	0.00%	978,980	7	0.78%
Courtney Bend LLC	-	-	0.00%	827,480	8	0.66%
Okeetee Club	-	-	0.00%	707,650	9	0.57%
Del Webb Communities	-	-	0.00%	627,680	10	0.50%
Total	<u>\$ 32,261,550</u>		<u>15.00%</u>	<u>\$ 31,433,801</u>		<u>26.00%</u>

Source: Jasper County Auditor

**JASPER COUNTY, SOUTH CAROLINA  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

**Schedule 8**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS	TOTAL COLLECTIONS TO DATE	
		AMOUNT	PERCENTAGE OF LEVY		AMOUNT	PERCENTAGE OF LEVY
2014	\$ 15,274,388	\$ 14,002,959	91.7%	\$ 968,943	\$ 14,971,902	98.0%
2015	15,412,128	14,017,407	91.0%	761,038	14,778,445	95.9%
2016	16,894,779	15,631,056	92.5%	776,433	16,407,489	97.1%
2017	17,086,884	15,849,362	92.8%	555,746	16,405,108	96.0%
2018	17,352,310	16,187,168	93.3%	700,436	16,887,604	97.3%
2019	18,684,381	17,429,780	93.3%	650,892	18,080,672	96.8%
2020	20,842,052	19,483,409	93.5%	722,752	20,206,161	96.9%
2021	22,649,654	21,910,415	96.7%	589,236	22,499,651	99.3%
2022	24,740,005	23,899,443	96.6%	687,123	24,586,566	99.4%
2023	29,114,517	28,031,665	96.3%	-	28,031,665	96.3%

Source: Delinquent Tax Collector, County Finance Office, County Auditor, County Treasurer

**JASPER COUNTY, SOUTH CAROLINA  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

Schedule 9

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES					TOTAL PRIMARY GOVERNMENT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA
	GENERAL OBLIGATION BOND	NOTES PAYABLE	LEASES PAYABLE	REVENUE BOND	SBITAS PAYABLE			
2014	\$ 4,500,000	\$ 755,071	\$ 771,236	\$ 13,833,790	\$ -	\$ 19,860,097	3.0%	817.25
2015	4,611,277	637,386	1,002,519	13,324,640	-	19,575,822	2.7%	754.34
2016	5,117,851	1,432,493	1,809,425	13,025,490	-	21,385,259	3.0%	824.06
2017	5,338,862	1,374,912	1,375,038	13,907,798	-	21,996,610	2.9%	837.20
2018	5,632,431	464,512	804,370	13,487,967	-	20,389,280	2.6%	734.43
2019	5,602,431	1,760,664	337,088	13,047,289	-	20,747,472	2.4%	709.51
2020	6,744,811	1,694,204	2,090,188	12,531,680	-	23,060,883	2.6%	788.62
2021	6,570,200	1,624,490	119,141	14,384,772	-	22,698,603	2.1%	658.96
2022	6,592,380	1,551,362	264,825	15,603,290	-	24,011,857	1.9%	578.17
2023	6,428,200	115,143	3,270,763	14,427,587	85,785	24,327,478	1.8%	591.28

Source: County Audit Report, US Census Bureau

Note: Details of the County's outstanding debt can be found in the notes to the financial statements.

See schedule 14 for personal income and population.

These ratios are calculated using personal income and population for the prior calendar year.

**JASPER COUNTY, SOUTH CAROLINA  
RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS**

<b>FISCAL YEAR ENDED JUNE 30,</b>	<b>GENERAL OBLIGATION BONDS</b>	<b>LESS: AMOUNTS AVAILABLE IN DEBT SERVICE FUNDS</b>	<b>TOTAL</b>	<b>PERCENTAGE OF ESTIMATED ACTUAL TAXABLE VALUE OF PROPERTY</b>	<b>PER CAPITA</b>
2014	\$ 4,500,000	\$ 792,360	\$ 3,707,640	3.0%	152.57
2015	4,611,277	768,263	3,843,014	3.0%	148.09
2016	5,117,851	1,043,165	4,074,686	3.1%	157.01
2017	5,338,862	1,526,975	3,811,887	2.8%	145.08
2018	5,632,431	1,754,785	3,877,646	2.8%	139.67
2019	5,602,431	2,196,091	3,406,340	2.3%	116.49
2020	6,744,811	2,704,529	4,040,282	2.5%	138.17
2021	6,570,200	3,872,008	2,698,192	1.6%	78.33
2022	6,592,380	4,616,469	1,975,911	1.0%	47.58
2023	6,428,200	5,498,018	930,182	0.4%	22.61

Source: County Audit Report

**JASPER COUNTY, SOUTH CAROLINA  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF JUNE 30, 2023**

<u>GOVERNMENTAL UNIT</u>	<u>DEBT OUTSTANDING</u>	<u>ESTIMATED PERCENTAGE APPLICABLE</u>	<u>ESTIMATED SHARE OF OVERLAPPING DEBT</u>
<b>Debt repaid with property taxes</b>			
Jasper County School District	\$ 20,010,600	100.00%	\$ 20,010,600
City of Hardeeville	15,756,755	20.00%	3,151,351
Subtotal overlapping debt	<u>35,767,355</u>		<u>23,161,951</u>
<b>County direct debt</b>	<u>24,327,478</u>	100.00%	<u>24,327,478</u>
Total direct and overlapping debt	<u><u>\$ 60,094,833</u></u>		<u><u>\$ 47,489,429</u></u>

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Sources: Assessed value data used to estimate applicable percentage provided by Jasper County Auditor.  
Debt outstanding data provided by each governmental unit.

**JASPER COUNTY, SOUTH CAROLINA  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS**

**Schedule 12**

**Legal Debt Margin Calculation for Fiscal Year 2023**

Assessed Value	\$ 215,102,952
Debt limit (8% of assessed value)	17,208,236
Debt applicable to limit:	
General Obligation	<u>(6,428,200)</u>
Total net debt applicable to limit	<u>(6,428,200)</u>
Legal Debt Margin	<u>\$ 10,780,036</u>

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt Limit	\$ 1,000,433	\$ 10,361,054	\$ 10,615,442	\$ 10,969,528	\$ 11,210,564	\$ 12,053,794	\$ 12,806,757	\$ 13,864,163	\$ 15,135,992	\$ 17,208,236
Total net debt applicable to limit	<u>(4,500,000)</u>	<u>(4,611,277)</u>	<u>(5,117,851)</u>	<u>(5,338,862)</u>	<u>(5,632,431)</u>	<u>(5,602,431)</u>	<u>(6,744,811)</u>	<u>(6,570,200)</u>	<u>(6,592,380)</u>	<u>(6,428,200)</u>
Legal debt margin	<u>\$ 5,504,433</u>	<u>\$ 5,749,777</u>	<u>\$ 5,497,591</u>	<u>\$ 5,630,666</u>	<u>\$ 5,578,133</u>	<u>\$ 6,451,363</u>	<u>\$ 6,061,946</u>	<u>\$ 7,293,963</u>	<u>\$ 8,543,612</u>	<u>\$ 10,780,036</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>45.0%</u>	<u>44.5%</u>	<u>48.2%</u>	<u>48.7%</u>	<u>50.2%</u>	<u>46.5%</u>	<u>52.7%</u>	<u>47.4%</u>	<u>43.6%</u>	<u>37.4%</u>

Under state finance law, the County's outstanding general obligation debt should not exceed 8 percent of the total assessed property value.

Source: County Audit Report  
County Treasurer



**JASPER COUNTY, SOUTH CAROLINA  
PLEDGED REVENUE COVERAGE  
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	DEBT SERVICE COLLECTIONS	DEBT SERVICE		COVERAGE
		PRINCIPAL	INTEREST	
2014 *	\$ 1,285,496	\$ 410,000	\$ 816,643	1.05
2015	1,357,423	510,000	871,460	0.98
2016	1,412,046	300,000	862,144	1.22
2017	1,473,552	515,000	906,432	1.04
2018	1,495,390	455,000	787,459	1.20
2019	1,677,029	470,000	765,723	1.36
2020	1,811,048	550,000	752,610	1.39
2021	2,091,714	565,000	714,103	1.64
2022	2,281,244	895,000	641,783	1.48
2023	2,689,862	1,150,000	626,206	1.51

Source: County Audit Report

\*This was the first year that revenue was pledged for the payment of debt.

**JASPER COUNTY, SOUTH CAROLINA  
DEMOGRAPHIC STATISTICS  
LAST TEN FISCAL YEARS**

<b>FISCAL YEAR ENDED JUNE 30,</b>	<b>POPULATION</b>	<b>PERSONAL INCOME (thousands of dollars)</b>	<b>PER CAPITA PERSONAL INCOME</b>	<b>MEDIAN AGE</b>	<b>SCHOOL ENROLLMENT</b>	<b>UNEMPLOYMENT RATE</b>
2014	27,170	660,261	24,301	34.0	3,997	6.0
2015	27,170	722,056	25,951	34.0	3,879	5.9
2016	27,824	722,056	25,951	36.3	3,928	5.0
2017	28,465	747,895	26,274	36.5	3,996	3.6
2018	28,458	790,052	27,762	37.9	3,951	3.1
2019	28,971	847,161	29,242	38.1	4,031	3.3
2020	30,073	879,394	29,242	39.5	4,197	7.3
2021	28,794	1,088,071	34,446	40.3	4,316	3.7
2022	29,593	1,259,317	41,531	40.8	4,352	3.2
2023	29,994	1,318,207	41,144	42.5	3,554	3.2

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Data Source:

- (1) US Bureau of the Census
- (2) US Department of Commerce, Bureau of Economic Analysis
- (3) Lowcountry Council of Governments
- (4) South Carolina Department of Education
- (5) South Carolina Employment Security Commission

**JASPER COUNTY, SOUTH CAROLINA  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND TEN YEARS AGO**

Schedule 15

EMPLOYER	2023			2014		
	EMPLOYEES	RANK	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	EMPLOYEES	RANK	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT
Coastal Carolina Medical Center	410	1	3.07%	174	8	1.70%
Tico Manufacturing	350	2	2.62%	107	10	1.05%
Jasper County School District	340	3	2.55%	415	1	4.06%
Jasper County	327	4	2.45%	248	5	2.42%
Cleland Site Prep Inc.	202	5	1.51%	187	7	1.83%
City of Hardeeville	152	6	1.14%	-	-	0.00%
Pro Disposal	130	7	0.97%	-	-	0.00%
Ridgeland Correctional Institution	122	8	0.91%	197	6	1.93%
Palmetto Electric	115	9	0.86%	-	-	0.00%
Royal Live Oaks	81	10	0.61%	-	-	0.00%
New River Auto Mall	-	-	-	377	2	3.68%
Wal-Mart	-	-	-	288	3	2.81%
Beaufort-Jasper Comprehensive Health	-	-	-	250	4	2.44%
J.C. Board of Disabilities & Special Needs	-	-	-	115	9	1.12%
Total	<u>2,229</u>		<u>16.71%</u>	<u>2,358</u>		<u>23.05%</u>

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Source: County Finance Department

**JASPER COUNTY, SOUTH CAROLINA**  
**PERMANENT POSITIONS FOR COUNTY EMPLOYEES BY FUNCTION**  
**LAST TEN FISCAL YEARS**

**Schedule 16**

FUNCTION/PROGRAM	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
County Council	6	6	6	6	6	6	6	6	6	6
Administrator	2	2	2	2	2	2	2	2	2	2
Administrative Services	16	16	17	17	18	18	20	20	23	27
Development Services	5	5	5	5	4	7	7	8	6	6
Emergency Services	4	4	4	4	4	4	4	4	6	6
Engineering Services	35	33	38	38	34	37	30	31	31	34
Treasurer	3	3	3	3	4	4	4	4	5	5
Auditor	4	4	4	4	4	4	4	4	4	4
Probate Judge	2	2	2	2	2	2	3	3	3	3
Clerk of Court	7	7	6	6	7	6	7	7	8	8
Sheriff	42	41	40	40	40	54	49	54	56	65
Magistrate	11	11	11	11	12	14	12	13	12	13
Veterans Affairs	2	2	2	2	2	2	2	2	2	2
Election Commission	2	2	2	2	2	2	2	2	3	3
Coroner	2	2	3	3	3	3	3	2	3	3
Recreation	5	5	6	6	6	6	6	7	5	7
Fire & Rescue	47	47	42	42	43	52	65	75	81	88
Emergency Telecommunications	15	13	12	12	13	14	16	15	18	15
Information Technology	2	2	2	2	3	3	3	5	8	9
Detention	37	35	36	36	37	39	32	35	24	19
County Attorney	2	2	2	2	2	1	2	2	1	2
<b>Total</b>	<b>251</b>	<b>244</b>	<b>245</b>	<b>245</b>	<b>248</b>	<b>280</b>	<b>279</b>	<b>301</b>	<b>307</b>	<b>327</b>

Source: County Human Resources

**JASPER COUNTY, SOUTH CAROLINA  
OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

Schedule 17

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>REGISTER OF DEEDS</b>										
Documents Recorded	5,697	6,032	5,638	5,620	5,369	6,095	6,160	7,455	7,222	7,166
<b>SOLID WASTE</b>										
Tons of Solid Waste Handled	9,967	8,446	9,499	9,657	10,548	10,548	10,357	11,359	9,851	11,243
<b>BUILDING DEPARTMENT</b>										
Residential Permits Issued	188	203	255	233	320	326	312	410	341	377
Value of Residential Permits	\$ 6,342,794	\$ 6,127,234	\$ 19,795,173	\$ 32,309,846	\$ 12,561,961	\$ 6,194,649	\$ 20,949,683	\$ 34,099,205	\$ 20,557,379	\$ 39,116,534
Commercial Permits Issued	62	64	58	81	79	82	61	51	71	49
Value of Commercial Permits	\$ 6,583,575	\$ 5,001,472	\$ 12,564,136	\$ 13,360,362	\$ 109,825,105	\$ 17,168,020	\$ 8,863,829	\$ 7,570,563	\$ 17,744,995	\$ 26,302,262
Mobile Home Permits Issued	86	104	68	85	94	110	163	89	96	108
<b>PARKS &amp; RECREATION</b>										
Park Attendance	17,966 *	19,542	19,552	19,524	24,067	17,340	12,548	19,439	38,720	35,214
<b>DETENTION CENTER</b>										
Confinements	1,992	1,974	1,779	1,830	1,776	1,714	1,291	927	1,080	1,942
<b>BUSINESS LICENSES &amp; BILLBOARDS</b>										
Business Licenses Issued	845	913	586	670	763	740	815	752	1,146	947
Gross Sales Within County	\$ 924,434,928	\$ 921,111,732	\$ 1,320,828,986	\$ 1,330,189,000	\$ 1,410,557,365	\$ 1,408,928,392	\$ 1,439,374,882	\$ 1,686,692,382	\$ 1,374,962,305	\$ 1,000,940,682
<b>EMERGENCY SERVICES</b>										
Calls Dispatched	49,479	51,080	51,384	55,609	62,958	64,913	68,058	49,621	60,127	73,906

\* Park attendance changed in year 2014 to reflect only Sgt. Jasper park vehicle count.

Source: Various County Departments

**JASPER COUNTY, SOUTH CAROLINA  
CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

**Schedule 18**

<u>FUNCTION/PROGRAM</u>	Fiscal Year										
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	
<b>DEVELOPMENT SERVICES:</b>											
Community centers	6	6	6	6	6	6	6	6	6	6	5
Parks	11	11	11	11	11	11	11	11	11	14	14
Parks acreage	422	422	422	422	422	422	422	422	422	422	422
Boat landings	6	6	6	6	6	8	8	8	8	8	8
<b>EMERGENCY SERVICES:</b>											
Number of fire stations	9	9	11	11	12	12 **	11 **	11 **	10 **	12	12
Number of fire rescue apparatus	19	19	15	15	19	21	27	26	28	31	31
Number of ambulances	7	7	6	7	7	7	8	8	8	9	9
<b>ENGINEERING SERVICES:</b>											
Miles of Roads	124	124	124	124	124	124	124	124	124	124	124
Recycling centers	6	6	6	6	6	6	6	6	6	6	6
<b>SHERIFF:</b>											
Patrol units	18	18	18	18	22	22	57	57	49	60	60
<b>HEALTH, EDUCATION &amp; WELFARE</b>											
County libraries	2	2	2	1 *	1	1	1	1	1	1	1

Source: Administrative Services

\* Library services taken over by City of Hardeeville in 2017.

\*\* Includes Sgt Jasper Park with ambulance only station

# COMPLIANCE SECTION



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

To the County Council  
Jasper County, South Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, of Jasper County, South Carolina, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Jasper County, South Carolina's basic financial statements, and have issued our report thereon dated December 18, 2023.

**Report on Internal Control over Financial Reporting**

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

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

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



## **Report on Compliance and Other Matters**

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

### **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.

A handwritten signature in cursive script that reads "Baird Audit Group, LLC".

The Baird Audit Group, LLC  
Certified Public Accountants

Augusta, Georgia  
December 18, 2023