

**JASPER COUNTY, SOUTH CAROLINA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED**  
**JUNE 30, 2014**

COUNTY COUNCIL

BARBARA CLARK, CHAIRMAN

HENRY ETHERIDGE  
THEODUS L. DRAYTON

TOM JOHNSON  
MARTIN SAULS, IV

COUNTY ADMINISTRATOR  
ANDREW P. FULGHUM

DIRECTOR OF ADMINISTRATIVE SERVICES  
RONNIE MALPHRUS

PREPARED BY:  
FINANCE DEPARTMENT

**Jasper County, South Carolina**  
**Comprehensive Annual Financial Report**  
For the Fiscal Year Ended June 30, 2014

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# INTRODUCTORY SECTION



# Jasper County Council

358 THIRD AVENUE • RIDGELAND, SC 29936  
P.O. Box 1149 • RIDGELAND, SC 29936

BARBARA B. CLARK  
Chairwoman

L. MARTIN SAULS, IV  
Vice Chairman

THEODUS L. DRAYTON  
Councilman

D. THOMAS JOHNSON  
Councilman

HENRY ETHERIDGE  
Councilman

December 5, 2014

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 accounting standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of Jasper County for the fiscal year ended June 30, 2014.

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, that 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 Baird & Company CPAS, 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, 2014 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 unqualified opinion that the County's financial statements for the fiscal year ended June 30, 2014 are fairly presented in conformity with GAAP. The independent auditors' reports 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 now including government-wide financial statements. The government-wide financial statements include a statement of net assets 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 new reporting model includes an emphasis on the County's major funds as shown in the governmental fund statements. These new statements combined with other information are further analyzed in a new 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 founded in 1912 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 26,629. 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 three council members elected every two years. Four of the council members are elected to single member districts and one member is elected at large.

The County provides a full range of services including: police and fire protection, the maintenance of highways, streets, and other infrastructure, recreational activities, and cultural events, sanitation services, emergency medical services, E-911 and courts service. The County underwent a salary and staffing study that redefined the functional areas of certain department heads. These recommendations were adopted by the County to allow for greater accountability. The financial statements were reorganized to comply with these changes.

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 48-50 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**

The County's budgeted fiscal year 2015 assessable base is \$116,201,942, up 4.5% from the assessable base of \$111,177,656 in fiscal year 2014. The County's private sector average weekly wage increased 5.0% from \$636 last year to the current \$668. The U.S. Census reports that the median household income for Jasper County is \$36,413.

The 2013 U.S. Census population estimate for Jasper County is 26,629, up 3.0% from last year. A 2006 study completed by Clemson University's Strom Thurmond Institute projected that Jasper County would grow in population to 177,000 residents by 2026. The U.S. Census reports a 7.5% population percentage increase in Jasper County from April 1, 2010 to July 1, 2013. The State of South Carolina experienced a 3.2% population increase statewide during the same period.

Jasper County is located west of Beaufort County and the Towns of Bluffton and Hilton Head Island. There are two municipalities within Jasper County—the Town of Ridgeland, which is the County seat and is located in the center of the County and the City of Hardeeville, which is located in the southern portion of the County. Interstate 95 (I-95) runs north and south through the middle of the County for a distance of 36 miles with seven interchanges. Two primary corridors, US 278 running east/west and SC 170 running north/south, accommodate a majority of the tourist traffic in both Jasper and Beaufort Counties. Most of Jasper County's large-scale residential and commercial growth is occurring along these corridors in multi-use communities with vested densities.

Approximately 30,000 acres of large tract, mixed use development projects have been approved in those areas. Over the past eight years, Jasper County, the City of Hardeeville, and the Town of Ridgeland have authorized approximately 77,000 new dwelling units. Over 4,000 acres of proposed commercial development projects have also been approved.

As a result of the financial and economic problems that negatively impacted the United States in 2008, Jasper County experienced a growth slow-down yet continues to grow at roughly 3% each year. The impact of the recession and resulting construction slowdown in Jasper County was hard felt, as many private sector jobs in Jasper County were traditionally construction or service related, supporting growth and tourism in the region.

Jasper County's unemployment rate is currently 5.8%. Jasper County has consistently maintained one of the lowest unemployment rates in the state. The state unemployment rate is 6.7%. The County has long suffered from an underemployment problem rather than an unemployment problem. Jasper County continues to focus on creating sustainable jobs for its residents and diversifying its tax base. For many years, the County has supported a regional approach to economic development and job creation. The idea of developing a regional economic development vision and leveraging regional economic development resources to attract sustainable jobs makes sense for the County.

In June 2012, the County joined the Southern Carolina Economic Development Alliance (SCA). The SCA is a regional economic development organization representing Allendale, Bamberg, Barnwell, Colleton, Hampton and Jasper Counties in the southern part of South Carolina. The SCA was formed as a non-profit economic development organization to aggressively market the Southern Carolina area for industrial locations. The SCA's economic development team consists of site location professionals prepared to quickly assess site location needs and formulate sites and present existing buildings that will meet the client's business needs. Working with the South Carolina Department of Commerce, the SCA prepares incentive packages that are the most competitive offered in the Southeastern United States.

The County has evaluated public and private sites within Jasper County that have been proposed for economic development projects. The County and the SCA are currently focused on creating industrial sites and building speculative buildings. Efforts are underway to publicly and privately finance infrastructure improvements/extensions to and within these properties. RiverPort Business Park, a privately owned, 1,400 acre premier logistics center for warehousing, distribution, and light industrial use, is currently being developed in the City of Hardeeville. Efforts are underway to develop a new

speculative building in Point South located at Exit 33 on I-95. A new speculative building will also be constructed in the County-owned Cypress Ridge Business/Industrial Park just west of the interstate and the Town of Ridgeland. Jasper County and the Town of Ridgeland have previously worked toward developing a new industrial park along I-95 between Exits 21 & 22 in Ridgeland known as the Ridgeland Industrial Park. Additionally, Jasper County and the City of Hardeeville have worked together to develop a City-owned industrial park named the Hardeeville Commerce Park located along I-95 at Exit 5.

Since 2007, the States of Georgia and South Carolina have been working together, through a bi-state effort, to develop and operate a new deep-water shipping terminal in Jasper County on approximately 1,500 acres of land located in the southern portion of Jasper County along the Savannah River. This port has been named the Jasper Ocean Terminal (JOT). Georgia and South Carolina jointly purchased the property and established a bi-state, joint project office to oversee the design and development of the new port. All preliminary design and feasibility studies have been completed for the new port. The permitting process through the U.S. Army Corps of Engineers is expected to commence in the fall of 2015. The new port is to be operational in 2026.

The new port will have a tremendous impact on the local economy and presents the potential for substantial financial benefit to Jasper County. It has been estimated that the new port will produce four hundred and fifty direct jobs, as many as ninety-eight thousand new jobs in the region, one million jobs overall, and \$9 billion in new tax revenue for the States of Georgia and South Carolina.

The State of Georgia is also now prepared to further dredge the Savannah River to enable larger ships to use the Garden City Marine Terminal. The Georgia Ports Authority timed the project to enable the state to service larger vessels traveling through the Panama Canal upon its reopening in 2015.

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

Jasper County spent much time and effort in years past trying to understand and manage the growth it was experiencing. One of the primary concerns was in assuring that the future cost of providing County services did not exceed the revenues received from the new growth. To that end, the County maintained a growth management strategy that encouraged a vast majority of all of the residential and commercial development to take place within the corporate boundaries of either the City of Hardeeville or the Town of Ridgeland, Virtually all of the new, large-scale growth will undoubtedly now take place within the corporate limits of the County's two municipalities.

With most of the planned residential and commercial development, Jasper County and the municipalities of Hardeeville and Ridgeland were involved in jointly negotiating development agreements with developer fees that offset the initial cost of providing additional government services beyond property tax revenue generated from the development. Fees were assessed to assist the entities with providing school, library, police, fire, and parks and recreation infrastructure. When and if all of the residential and commercial development proceeds as proposed, the County and its municipalities will receive over \$300 million in voluntary developer fees.

The Jasper County Council also supports the development of affordable housing to ensure that affordable housing opportunities remain in Jasper County as the area grows. A housing needs assessment was completed for Jasper County in 2008. Since that time, new affordable rental, single-family home construction, and rehabilitation projects have been completed. The County has provided direct financial support for one particular project, grant funding for another, and also provides an annual budget appropriation to a non-profit organization developing affordable housing in the County. Over the past several years, the County reacted to uncertain financial conditions by cutting its operating budget, reducing its workforce, and controlling expenditures. Last year, the County was able to see the positive results of making those difficult financial management decisions. The County's bond rating with Standard & Poor's increased from A+ to AA- and the County ended the year with expenditures under budget and a substantial increase in fund balance. Again this year, the County experienced positive results. Expenditures are under budget by \$240,261, fund balance has



increased \$1,654,836, combined ending fund balance is \$13,442,628, and the unassigned fund balance for the general fund is \$7,889,634 or 37% of total fund expenditures.

Since 2008, the County has progressed from struggling to provide services with shrinking revenue sources and a depleted fund balance through budgeting to provide services with relatively flat revenues to now seeing increased revenue from growth and solid growth in fund balance. The combined, multi-year efforts to institute financial austerity measures, reduce basic operating expenditures and defer capital purchases have greatly benefited the County. Again this year, the County will be in the fortunate position to be able to consider using some of its fund balance to make building repairs, replace equipment, and buy rolling stock without having to finance such projects and purchases.

### **Significant Financial Policies**

The following policies had a significant impact on the current period financial statements:

1. Revenues were over budget by \$1,568,135.
2. Administrative Services costs were under budget \$69,373.
3. Sheriff Department costs were under budget \$122,996.
4. Interdepartmental costs were under budget \$88,948.
5. Post-employment benefits increased by \$904,543.

### **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, 2014. This was the 16<sup>th</sup> 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



Ronnie Malphrus  
Deputy Administrator-Finance



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

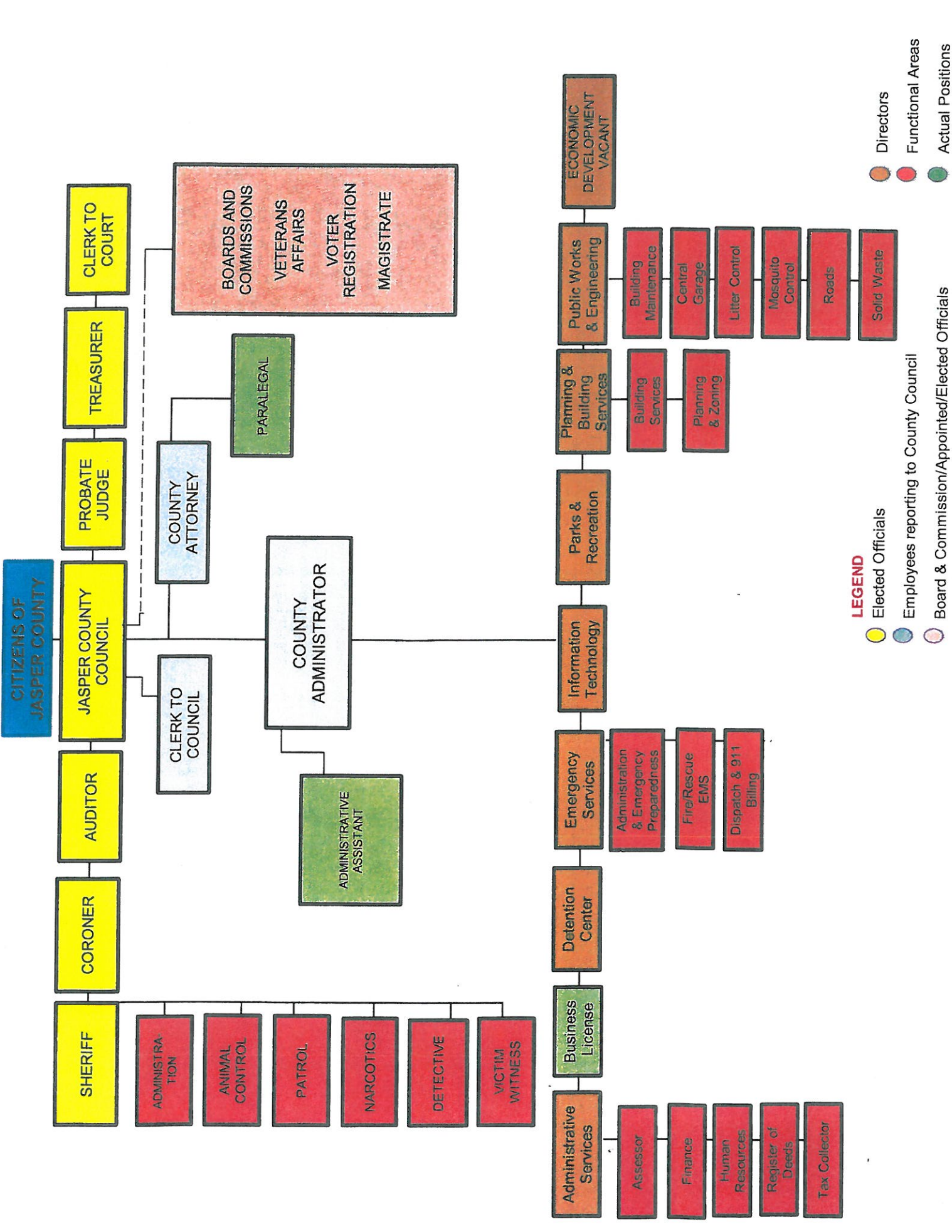
**Jasper County  
South Carolina**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2013**



Executive Director/CEO



**LEGEND**

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

**JASPER COUNTY, SOUTH CAROLINA  
LIST OF PRINCIPAL OFFICIALS  
JUNE 30, 2014**

<b>TITLE</b>	<b>NAME</b>
Chairman – County Council.....	Barbara Clark
Vice Chairman – County Council.....	Martin Sauls, IV
Council Member.....	Theodus L. Drayton
Council Member.....	Henry Etheridge
Council Member.....	Tom Johnson
Administrator.....	Andrew P. Fulghum
Director of Administrative Services.....	Ronnie Malphrus
Director of Engineering Services.....	Dale Terry
Director of Emergency Services.....	Wilbur Daley
Treasurer.....	Verna Garvin
Sheriff.....	Gregory Jenkins
Auditor.....	Hazel Holmes

# FINANCIAL SECTION

## INDEPENDENT AUDITORS' REPORT

To the County Council  
Jasper County, South Carolina  
Ridgeland, South Carolina

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, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits 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. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Opinions**

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, 2014, 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.

## **Other Matters**

### *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 on pages 12-19 and 48-50 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Jasper County, South Carolina's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, combining statement of fiduciary assets and liabilities, and the schedule of court fines, assessments and surcharges used in the operation of the governmental fund schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2014, 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Jasper County, South Carolina's internal control over financial reporting and compliance.

*Baird & Company, CPAs, LLC*

BAIRD & COMPANY, CPAs, LLC  
Certified Public Accountants

Augusta, Georgia  
December 5, 2014



## **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, 2014. 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 6 of this report.

#### **Financial Highlights**

- The assets of the County exceed its liabilities at the close of the most recent fiscal year by \$21,112,442 (net position). Of this amount, \$6,010,817 (unrestricted net position) may be used to meet the County's ongoing obligations to citizens and creditors.
- The County's total net position increased by \$263,609.
- As of the close of the current fiscal year the County's governmental funds reported combined ending fund balance of \$13,442,628, an increase of \$1,654,836.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$7,889,634 or 37% of total fund expenditures.
- The County had \$19,860,097 in notes and leases outstanding versus \$20,069,715 last year.

#### **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 and liabilities, with the difference between the two 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 20-21 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 governments 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 nine 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 five 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 22-25 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 agency funds – assets equal liabilities. The basic fiduciary fund financial statement can be found on page 26 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 27-47 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.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 51-53 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 exceeded liabilities by \$21,112,442 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>2014</b>	<b>2013</b>
Current and Other Assets		
Cash and Other Assets	\$ 16,896,290	\$ 15,301,083
Capital Assets	31,939,900	32,512,955
Total Assets	<u>48,836,190</u>	<u>47,814,038</u>
Long-term Liabilities Outstanding	24,887,106	24,277,178
Other Liabilities	2,836,642	2,688,033
Total Liabilities	<u>27,723,748</u>	<u>26,965,211</u>
Net Position		
Investment in Capital Assets, Net of Related Debt	12,769,520	13,182,845
Restricted	2,332,105	1,883,628
Unrestricted	6,010,817	5,782,354
Total Net Position	<u>\$ 21,112,442</u>	<u>\$ 20,848,827</u>

At the end of the current fiscal year, Jasper County is able to report positive balances in all categories of net position.

By far the largest portion of the County's net position \$12,769,520 (60%) 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 \$2,332,105 (11%) 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.

The balance of unrestricted net position, \$6,010,817 (29%), may be used to meet the County's ongoing obligations to citizens and creditors.

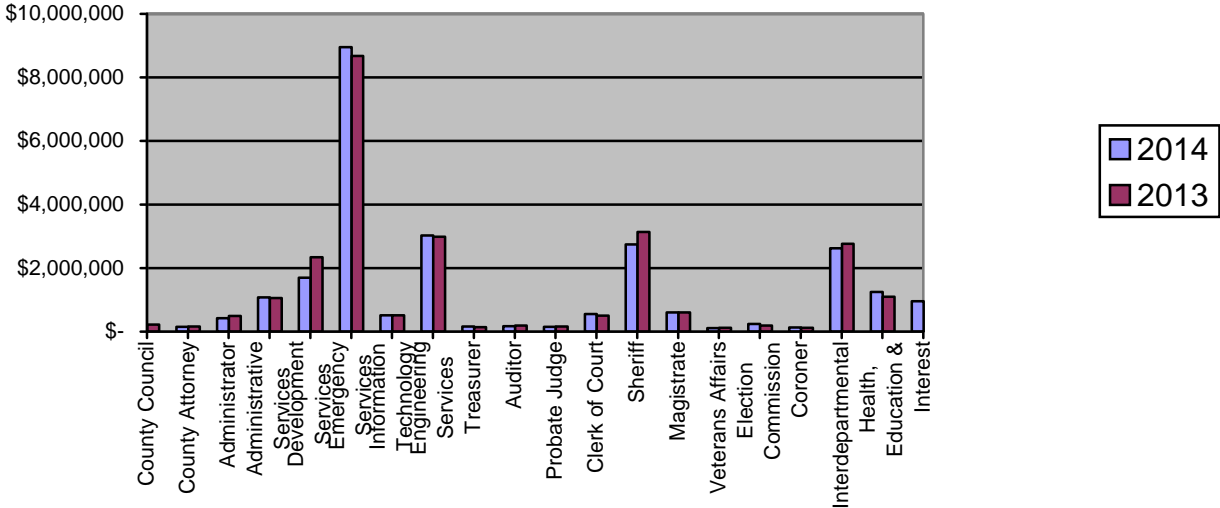
**Governmental activities.** The County's total net position increased by \$263,609 in 2014 compared to an increase of \$685,990 in 2013. Key elements of this increase are as shown in the following table.

<b>JASPER COUNTY, SOUTH CAROLINA CHANGE IN NET POSITION</b>		
	<b>Governmental Activities</b>	
	<b>2014</b>	<b>2013</b>
Revenues:		
Program Revenues:		
Charges for Services	\$ 3,093,379	\$ 2,970,118
Operating Grants and Contributions	759,123	1,887,385
Capital Grants and Contributions	443,934	1,046,722
General Revenues:		
Property Taxes	17,004,900	16,574,242
Other Taxes	3,266,973	3,045,421
Grants and Contributions not restricted to specific programs	1,063,635	1,329,591
Other	391,260	148,321
Total Revenues	<u>26,023,204</u>	<u>27,001,800</u>
Expenses:		
County Council	254,207	221,822
County Attorney	153,760	159,124
Administrator	417,323	492,938
Administrative Services	1,073,387	1,051,409
Development Services	1,694,855	2,344,972
Emergency Services	8,955,251	8,669,016
Information Technology	515,238	513,785
Engineering Services	3,021,142	2,985,205
Treasurer	165,829	138,367
Auditor	172,498	194,914
Probate Judge	149,696	161,568
Clerk of Courts	549,871	501,636
Sheriff	2,739,914	3,137,831
Magistrate	598,242	603,207
Veterans Affairs	105,951	117,868
Election Commission	237,012	189,724
Coroner	133,309	122,938
Interdepartmental	2,622,246	2,764,471
Health, Education and Welfare	1,242,661	1,094,773
Interest Expense	957,203	850,242
Total Expenses	<u>25,759,595</u>	<u>26,315,810</u>
Change in net position	263,609	685,990
Net position - beginning	20,848,833	21,796,694
Prior Period Adjustment	-	(1,633,857)
Net position - ending	<u>\$ 21,112,442</u>	<u>\$ 20,848,827</u>

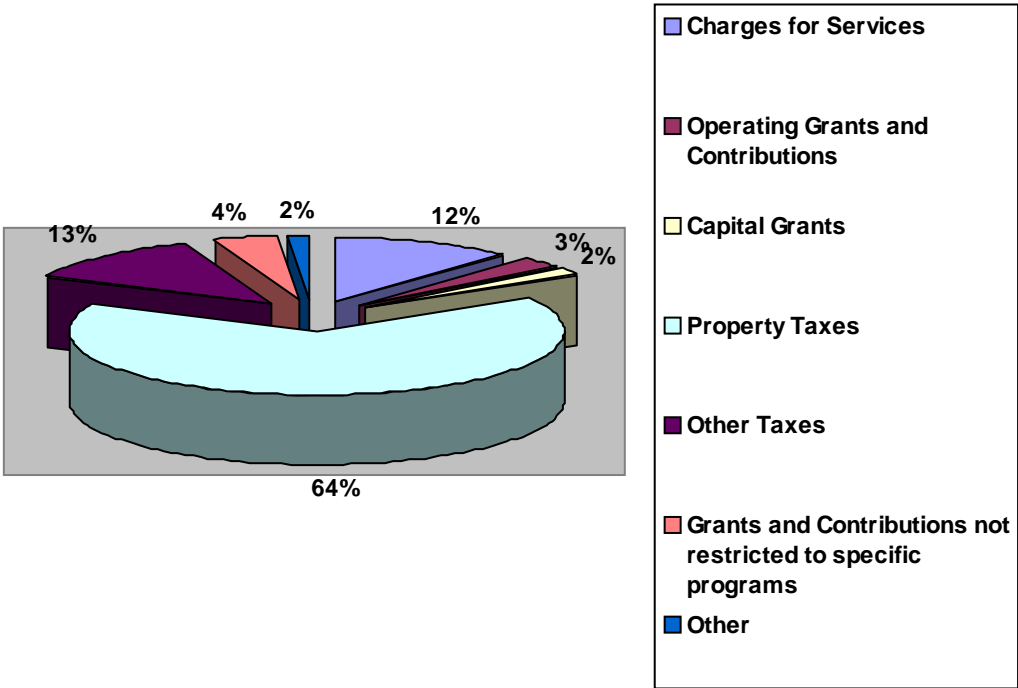
Total revenues were down \$978,596 and expenses were down \$556,215 most of which related to a decrease in operating and capital grants.

The prior period adjustment in 2013 was to write off bond issue costs.

**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 \$13,442,628, an increase of \$1,654,836 in comparison with an increase of \$1,589,334 in the prior year.

The fund balance of the County's General Fund increased by \$1,642,954 during the current fiscal year. Key factors of this increase are as follows:

- Overall County revenues were over budget by \$1,568,135. This positive variance can be explained as follows:
  - Taxes were over budget \$1,265,947 despite a property tax decrease of 1 mill. This is attributable to a higher than expected assessed value.
- Overall expenditures were under budget by \$240,261. This positive variance can be explained as follows:
  - Employee turnover, retirements, and delays in filling County position created a positive variance on the salaries and benefits budgeted.

The capital projects fund has a total fund balance of \$342,905 which is committed for the renovation of the Health Department building, jail improvements, and vehicle replacement.

## 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. During the current fiscal year, County Council did not approve any supplemental budget increases or reductions. There were positive variances in both revenues and expenditures.

## Capital Assets and Debt Administration

**Capital Assets.** The County's investment in capital assets for its governmental type activities as of June 30, 2014 amounts to \$31,939,900 (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:

Buildings and Improvements: Roof and Security Upgrade and Fire Tower Firestation	\$	239,610
Equipment: Generators, Compactors, 911 Upgrade, Water Heater		118,823
Land and Improvements: Cypress Ridge Land and Tarboro Walking Trail		67,113
Construction In Progress: Health Department Architectural Services		32,535
Infrastructure: Nimmer Turf Farm Road		150,815
Total Capital Outlay	<u>\$</u>	<u>608,896</u>

Additional information on the County's capital assets can be found in note 4 on page 36 of this report.

**Long-term Obligations.** At the end of the current fiscal year, the County had total long-term obligations outstanding of \$25,883,504. The County's total long-term obligations increased by \$626,002 (2.5%) during the current fiscal year. The ban of \$1.245 million was refinanced through permanent financing for \$2.255 million. This additional amount allowed the County to pay \$600,000 towards the revenue bonds outstanding. All other long-term debt was paid as scheduled. Post employment benefits increased by \$904,543. Changes in outstanding debt are summarized below. See Note 6 page 38 for additional information.

### JASPER COUNTY, SOUTH CAROLINA OUTSTANDING DEBT

	Governmental Activities	
	2014	2013
Bank loans	\$ 755,071	\$ 940,744
Capital Leases	771,236	820,657
General obligation bonds	4,500,000	4,500,000
Bond anticipation notes	-	1,245,000
Revenue bond	14,080,000	12,835,000
Compensated absences	806,455	875,375
Other post employment benefits	5,216,955	4,312,412
Sub-total	<u>26,129,717</u>	<u>25,529,188</u>
Less deferred amounts	<u>(246,210)</u>	<u>(271,686)</u>
Total	<u>\$ 25,883,507</u>	<u>\$ 25,257,502</u>

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 \$9,804,433. There is \$4,500,000 of general obligation debt issued on November 1, 2011 to offset this limit for a legal debt margin of \$5,304,433.

Additional information on the County's long-term debt can be found in note 6 on page 38 of this report.

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

- Unemployment as of June 2014 stands at 5.4% versus 8.1% a year ago. In comparison, the state's unemployment rate is 5.3% and the national rate is 6.1% as of June 2014.
- Inflationary trends in the region compare favorably to national indexes.
- The assessed valuation for the 2013 tax year increased from \$119,019,970 to \$122,555,407.

All of these factors were considered in preparing the County's budget for the 2014 fiscal year.

During the current fiscal year, unassigned fund balance in the general fund increased to \$7,889,634. The County set millage for the 2015 budget year at 142, which is the same as the previous year. Budgeted expenditures for 2015 are projected to decrease 0.6% to \$22,952,866 from \$21,712,201 in 2014. Also, the County has budgeted 12 mills for the debt service fund to retire the bonds.

### **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, 2014**

		<b>GOVERNMENTAL ACTIVITIES</b>
<hr/>		
<b>ASSETS</b>		
Cash	\$	8,401,007
Receivables		3,469,292
Lease Receivable		689,717
Restricted Cash		2,263,626
Notes Receivable		197,307
Property Held for Resale		1,704,340
Prepaid Insurance		171,001
Capital Assets not being depreciated		
Land		2,601,583
Construction in Progress		60,670
Capital Assets being depreciated		
Buildings and Improvements		21,040,172
Machinery and Equipment		2,208,740
Vehicles		1,124,315
Infrastructure		4,904,420
Total Assets		<u>48,836,190</u>
 <b>LIABILITIES</b>		
Accounts Payable		915,640
Salaries and Benefits Payable		474,259
Unearned Revenue		237,087
Accrued Interest		213,255
Noncurrent Liabilities		
Due within one year		996,401
Due in more than one year		24,887,106
Total Liabilities		<u>27,723,748</u>
 <b>NET POSITION</b>		
Net Investment in Capital Assets		12,769,520
Restricted for:		
Courts Administration		430,985
Debt Service		792,360
Tourist related expenditures		580,144
E911 expenditures		528,616
Unrestricted		6,010,817
Total Net Position	\$	<u>21,112,442</u>

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, 2014**

Functions/Programs	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
					TOTAL GOVERNMENTAL ACTIVITIES
<b>Governmental Activities</b>					
County Council	\$ 254,207	\$ -	\$ -	\$ -	\$ (254,207)
County Attorney	153,760	-	-	-	(153,760)
Administrator	417,323	-	-	-	(417,323)
Administrative Services	1,073,387	217,315	-	-	(856,072)
Development Services	1,694,855	816,226	99,619	99,648	(679,362)
Emergency Services	8,955,251	1,169,567	16,945	89,144	(7,679,595)
Information Technology	515,238	-	-	-	(515,238)
Engineering Services	3,021,142	457,404	402,140	255,142	(1,906,456)
Treasurer	165,829	-	-	-	(165,829)
Auditor	172,498	-	-	-	(172,498)
Probate Judge	149,696	27,553	-	-	(122,143)
Clerk of Court	549,871	97,528	85,354	-	(366,989)
Sheriff	2,739,914	42,570	114,146	-	(2,583,198)
Magistrate	598,242	264,353	-	-	(333,889)
Veterans Affairs	105,951	-	4,467	-	(101,484)
Election Commission	237,012	-	36,452	-	(200,560)
Coroner	133,309	-	-	-	(133,309)
Interdepartmental	2,622,246	-	-	-	(2,622,246)
Health, Education and Welfare	1,242,661	863	-	-	(1,241,798)
Interest	957,203	-	-	-	(957,203)
Total Governmental Activities	<u>\$ 25,759,595</u>	<u>\$ 3,093,379</u>	<u>\$ 759,123</u>	<u>\$ 443,934</u>	<u>(21,463,159)</u>
<b>General Revenues</b>					
Property Taxes					17,004,900
Local Option Sales Taxes					2,813,135
Franchise Taxes					47,284
Accommodation and Hospitality Taxes					406,554
Grants and contributions not restricted to specific programs					1,063,635
Earnings on investments					25,864
Miscellaneous					365,396
Total General Revenues, Special Items and Transfers					<u>21,726,768</u>
Change in net position					263,609
Net position, beginning					20,848,833
Net position, ending					<u>\$ 21,112,442</u>

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

**JASPER COUNTY, SOUTH CAROLINA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2014**

<b>ASSETS</b>	<b>GENERAL</b>	<b>DEBT SERVICE</b>	<b>ECONOMIC DEVELOPMENT</b>	<b>CAPITAL PROJECTS</b>	<b>TOTAL NONMAJOR FUNDS</b>	<b>TOTAL GOVERNMENTAL FUNDS</b>
Cash	\$ 7,699,925	\$ -	\$ 294,653	\$ 342,905	\$ 63,524	\$ 8,401,007
Receivables - net	2,938,471	68,281	8,550	-	453,990	3,469,292
Restricted Cash	430,985	767,360	-	-	1,065,281	2,263,626
Interfund Receivables	-	-	320,821	-	-	320,821
Notes Receivable	-	-	197,307	-	-	197,307
Property Held for Resale	-	-	1,704,340	-	-	1,704,340
Total Assets	<u>\$ 11,069,381</u>	<u>\$ 835,641</u>	<u>\$ 2,525,671</u>	<u>\$ 342,905</u>	<u>\$ 1,582,795</u>	<u>\$ 16,356,393</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
Liabilities						
Accounts Payable	\$ 809,826	\$ -	\$ 25,243	\$ -	\$ 80,571	\$ 915,640
Salaries and Benefits Payable	474,259	-	-	-	-	474,259
Unearned Revenue	-	-	229,564	-	7,523	237,087
Interfund Payables	-	-	-	-	320,821	320,821
Total Liabilities	<u>1,284,085</u>	<u>-</u>	<u>254,807</u>	<u>-</u>	<u>408,915</u>	<u>1,947,807</u>
Deferred Inflows of Resources						
Unavailable Revenues-Property Taxes	922,677	43,281	-	-	-	965,958
Total Deferred Inflows of Resources	<u>922,677</u>	<u>43,281</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>965,958</u>
Fund Balances						
Assigned	542,000	-	369,217	-	-	911,217
Nonspendable	-	-	1,901,647	-	-	1,901,647
Restricted	430,985	792,360	-	-	1,173,880	2,397,225
Committed	-	-	-	342,905	-	342,905
Unassigned	7,889,634	-	-	-	-	7,889,634
Total Fund Balances	<u>8,862,619</u>	<u>792,360</u>	<u>2,270,864</u>	<u>342,905</u>	<u>1,173,880</u>	<u>13,442,628</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 11,069,381</u>	<u>\$ 835,641</u>	<u>\$ 2,525,671</u>	<u>\$ 342,905</u>	<u>\$ 1,582,795</u>	<u>\$ 16,356,393</u>

**JASPER COUNTY, SOUTH CAROLINA  
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2014**

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

Total fund balances for governmental funds	\$ 13,442,628
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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	2,601,583	
Construction in Progress	60,670	
Buildings and Improvements, net of \$5,369,390 accumulated depreciation	21,040,165	
Machinery and Equipment, net of \$2,983,801 accumulated depreciation	2,208,747	
Vehicles, net of \$3,886,394 accumulated depreciation	1,124,315	
Infrastructure, net of \$1,416,468 accumulated depreciation	<u>4,904,420</u>	
Total Capital Assets		31,939,900

Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.	965,958
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Receivables under a leasing arrangement that will be received over a period of years that are not reported in the funds.	689,717
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Prepaid insurance costs that are amortized over a period of years that are reported as expenditures in the funds.	171,001
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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, 2014 are:

Accrued Interest Payable	(213,255)	
Post Retirement Benefits Payable	(5,216,955)	
Bonds, Notes and Leases Payable	(19,860,097)	
Compensated Absences	<u>(806,455)</u>	
Total Long-Term Liabilities		<u>(26,096,762)</u>

Total net position of governmental activities	<u>\$ 21,112,442</u>
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**JASPER COUNTY, SOUTH CAROLINA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<u>GENERAL</u>	<u>DEBT SERVICE</u>	<u>ECONOMIC DEVELOPMENT</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL NONMAJOR FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
<b>REVENUES</b>						
Taxes	\$ 16,503,223	\$ 1,283,365	\$ -	\$ -	\$ 304,984	\$ 18,091,572
Fines, Fees and Licenses	4,771,215	2,096	164,990	-	353,708	5,292,009
Intergovernmental	1,329,500	-	-	-	1,036,325	2,365,825
Miscellaneous	271,298	28,649	60,898	84,468	7,565	452,878
Total Revenue	<u>22,875,236</u>	<u>1,314,110</u>	<u>225,888</u>	<u>84,468</u>	<u>1,702,582</u>	<u>26,202,284</u>
<b>EXPENDITURES</b>						
<b>Current:</b>						
County Council	244,730	-	-	-	-	244,730
County Attorney	157,093	-	-	-	-	157,093
Administrator	417,627	-	-	-	-	417,627
Administrative Services	1,072,687	-	-	-	-	1,072,687
Development Services	941,029	-	366,028	-	318,055	1,625,112
Emergency Services	8,388,064	-	-	10,251	322,021	8,720,336
Information Technology	515,238	-	-	-	-	515,238
Engineering Services	2,167,933	-	-	206,934	400,635	2,775,502
Treasurer	168,632	-	-	-	-	168,632
Auditor	177,768	-	-	-	-	177,768
Probate Judge	149,696	-	-	-	-	149,696
Clerk of Court	543,988	-	-	-	-	543,988
Sheriff	2,630,354	-	-	-	115,771	2,746,125
Magistrate	601,822	-	-	-	-	601,822
Veterans Affairs	110,233	-	-	-	-	110,233
Election Commission	209,653	-	-	-	-	209,653
Coroner	135,457	-	-	-	-	135,457
Interdepartmental	1,170,452	-	-	-	-	1,170,452
Health, Education and Welfare	1,242,661	-	-	-	-	1,242,661
<b>Debt Service:</b>						
Principal	185,206	410,000	-	-	-	595,206
Interest	47,703	816,643	-	78,926	-	943,272
<b>Capital Outlay:</b>						
Development Services	-	-	32,609	-	67,039	99,648
Emergency Services	19,797	-	-	110,845	69,347	199,989
Engineering Services	54,117	-	-	-	255,142	309,259
Total Expenditures	<u>21,351,940</u>	<u>1,226,643</u>	<u>398,637</u>	<u>406,956</u>	<u>1,548,010</u>	<u>24,932,186</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,523,296</u>	<u>87,467</u>	<u>(172,749)</u>	<u>(322,488)</u>	<u>154,572</u>	<u>1,270,098</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Issuance of Debt	-	-	-	4,229,626	-	4,229,626
Refunding of BANs	-	-	-	(3,844,888)	-	(3,844,888)
Transfers In	192,399	174,411	-	-	72,741	439,551
Transfers Out	(72,741)	-	(77,399)	(174,411)	(115,000)	(439,551)
Total Other Financing Sources (Uses)	<u>119,658</u>	<u>174,411</u>	<u>(77,399)</u>	<u>210,327</u>	<u>(42,259)</u>	<u>384,738</u>
Net change in fund balances	1,642,954	261,878	(250,148)	(112,161)	112,313	1,654,836
Fund balances, beginning	7,219,665	530,482	2,521,012	455,066	1,061,567	11,787,792
Fund balances, ending	<u>\$ 8,862,619</u>	<u>\$ 792,360</u>	<u>\$ 2,270,864</u>	<u>\$ 342,905</u>	<u>\$ 1,173,880</u>	<u>\$ 13,442,628</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, 2014**

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	\$ 1,654,836
---	--------------

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 outlays (\$608,896) was more than depreciation (\$1,181,951) in the current period.	(573,055)
--	-----------

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:

Repayment of Principal	4,440,094
Issuance of Bonds	(4,229,626)
Amortization of Prepaid Insurance on Bonds	(6,333)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(179,080)
--	-----------

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.

Other Post Employment Benefits	(904,543)
Compensated Absences	68,914
Accrued Interest, Premiums, and Discounts	(7,598)

Total change in net position of governmental activities	\$ 263,609
---	------------

**JASPER COUNTY, SOUTH CAROLINA  
STATEMENT OF NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2014**

	<b>Agency Funds</b>
<b>ASSETS</b>	
Cash	\$ 11,727,959
Total Assets	11,727,959
 <b>LIABILITIES</b>	
Due to Others	11,727,959
Total Liabilities	\$ 11,727,959

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



**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

**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 inter-fund 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.

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, 2014**

**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 resources accumulated and payments made for economic development of the County.

The *capital projects fund* accounts for the resources accumulated and payments made for specific major capital projects.

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

Additionally, the government reports the following fund types:

The *agency fund* is used to account for resources held by the County in a trustee capacity for the Jasper County schools and for amounts held by other departments for others.

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, 2014**

**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 of 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 60 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 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The agency fund has no measurement focus but utilizes the *accrual basis of accounting* for reporting its assets and liabilities.

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

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

**Budgetary Information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. 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 Council. 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, however, there were no supplemental budgetary appropriations made in the general fund during 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 market 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 market 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, 2014**

**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.

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 estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market 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, 2014**

**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 position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then.

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 position 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 only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. 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, 2014**

**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 fiscal year 2014 is 143 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, 2014**

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

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, 2014, the County had the following cash and investments that are included in governmental funds of \$10,664,633 and the agency fund cash of \$11,727,959.

	<u>Maturity</u>	<u>Book Balance</u>	<u>Bank Balance</u>
<b><u>Investment</u></b>			
Repurchase Agreement			
* Pooled Cash Account	Daily	\$ 60,078	\$ 315,261
Certificates of Deposit	12 months or less	8,013,935	8,013,935
US Government Securities	Daily	676,354	676,354
<b><u>Cash</u></b>			
Checking Accounts		13,642,225	14,205,703
Change Funds		400	400
Total Deposits and Investments		<u>\$ 22,392,992</u>	<u>\$ 23,211,653</u>

\* Account is swept daily. \$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, 2014 is \$315,261.

**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.

**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. As of June 30, 2014, the bank balance was \$22,534,899 and \$1,710,013 of that amount was exposed to custodial credit risk as uninsured and uncollateralized while the balance of \$20,824,886 was exposed to custodial credit risk as uninsured and collateralized with securities held by the bank's agent, but not in the County's name.



**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

**NOTE 3 RECEIVABLES**

Receivables at June 30, 2014, 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>Nonmajor Funds</u>	<u>Total</u>
Taxes	\$ 4,113,381	\$ 213,379	\$ 8,550	\$ 453,990	\$ 4,789,300
Fines and Fees	976,953	-	-	-	976,953
Intergovernmental	784,659	-	-	-	784,659
Other	3,616	-	-	-	3,616
Gross receivables	5,878,609	213,379	8,550	453,990	6,554,528
Allowance for doubtful accounts	(2,940,138)	(145,098)	-	-	(3,085,236)
Net total receivables	<u>\$ 2,938,471</u>	<u>\$ 68,281</u>	<u>\$ 8,550</u>	<u>\$ 453,990</u>	<u>\$ 3,469,292</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	\$ -	\$ 7,523
Special purpose drawdown not yet spent	-	229,564
Property taxes not collected within 60 Days	965,958	-
Total	<u>\$ 965,958</u>	<u>\$ 237,087</u>

**Notes Receivable**

The County has a note receivable from a local manufacturer for \$400,000. The terms of the note call for forty quarterly payments of \$11,895 including interest at 3.5% beginning September 2008. The balance at June 30, 2014 is \$197,307.

**Receivables**

The County entered into an agreement with the 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 the lease at June 30, 2014 is \$689,717. The amortization of lease receivable is as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 52,330	\$ 31,899	\$ 84,229
2016	54,983	29,336	84,319
2017	57,581	26,648	84,229
2018	60,400	23,829	84,229
2019	63,358	20,871	84,229
2020-2024	366,476	54,669	421,145
2025-2026	34,589	416	35,005
Total	<u>\$ 689,717</u>	<u>\$ 187,668</u>	<u>\$ 877,385</u>

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

**NOTE 4 CAPITAL ASSETS**

Capital assets activity for the year ended June 30, 2014 was as follows:

<u>Governmental Activities</u>	<u>June 30, 2013</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2014</u>
<i>Capital assets not being depreciated</i>				
Land and improvements	\$ 2,534,470	\$ 67,113	\$ -	\$ 2,601,583
Construction in progress	303,579	32,535	275,444	60,670
Total capital assets, not being depreciated	<u>2,838,049</u>	<u>99,648</u>	<u>275,444</u>	<u>2,662,253</u>
<i>Capital assets being depreciated</i>				
Buildings and improvements	25,894,501	515,054	-	26,409,555
Machinery and equipment	5,073,725	118,823	-	5,192,548
Vehicles	5,352,831	-	342,122	5,010,709
Infrastructure	6,170,073	150,815	-	6,320,888
Total capital assets being depreciated	<u>42,491,130</u>	<u>784,692</u>	<u>342,122</u>	<u>42,933,700</u>
Less accumulated depreciation for:				
Buildings and improvements	4,853,167	516,223	-	5,369,390
Machinery and equipment	2,679,730	304,071	-	2,983,801
Vehicles	4,023,266	205,250	342,122	3,886,394
Infrastructure	1,260,061	156,407	-	1,416,468
Total accumulated depreciation	<u>12,816,224</u>	<u>1,181,951</u>	<u>342,122</u>	<u>13,656,053</u>
Total capital assets being depreciated, net	<u>29,674,906</u>	<u>(397,259)</u>	<u>-</u>	<u>29,277,647</u>
Governmental activity capital assets, net	<u>\$ 32,512,955</u>	<u>\$ (297,611)</u>	<u>\$ 275,444</u>	<u>\$ 31,939,900</u>

Construction in progress consists of work on the health department building.

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

<b><u>Governmental Activities</u></b>	
Administrative Services	\$ 1,018
Development Services	71,198
Emergency Services	241,572
Engineering Services	249,570
Clerk of Court	344
Sheriff	44,494
Election Commission	26,504
Interdepartmental	547,251
Total depreciation expense - governmental activities	<u>\$ 1,181,951</u>

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

**NOTE 5 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

The composition of interfund balances as of June 30, 2014 is as follows:

**Due To/From Other Funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Economic Development	Nonmajor Governmental Funds	\$ 320,821
		\$ 320,821

The \$320,821 due to the economic fund from the nonmajor governmental funds represents shortfalls of cash in the nonmajor governmental funds that occurred while waiting for grant reimbursements.

**Interfund Transfers**

Interfund balances must generally be eliminated in the government-wide financial statements, except for the net residual amounts due between governmental activities. Amounts involving fiduciary funds should be reported as external transactions. Any allocations must reduce the expense of the function from which the expenses are being allocated, so that expenses are reported only once – in the function in which they are allocated. No amounts were reported in the government-wide financial statements, as the amount did not involve transfers of financial resources.

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund / Nonmajor E-911		
Reimburse E-911 expenses	\$ 115,000	\$ 115,000
Debt Service Fund/Capital Projects Fund		
From bond proceeds for debt reserve	174,411	174,411
General Fund/ Economic Development Fund		
For payment on SC Economic Alliance	77,399	77,399
Nonmajor Sate A-Tax / General Fund		
State A-Tax receipts	72,741	72,741
Total Transfers In and Out	\$ 439,551	\$ 439,551

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

**NOTE 6 LONG-TERM OBLIGATIONS**

The following is a summary of changes in long-term obligations for the year ended June 30, 2014.

<b>Governmental Activities</b>	<b>June 30, 2013</b>	<b>Increases</b>	<b>Decreases</b>	<b>June 30, 2014</b>	<b>Due Within A Year</b>
Bank loans	\$ 940,744	\$ -	\$ 185,673	\$ 755,071	\$ 117,684
Capital leases	820,657	-	49,421	771,236	68,717
General obligation bond	4,500,000	-	-	4,500,000	-
Revenue Bonds	920,000	-	410,000	510,000	510,000
Revenue Bonds	11,915,000	-	600,000	11,315,000	-
Revenue Bonds	-	2,255,000	-	2,255,000	-
Plus amount for bonds issued at a premium	94,879	12,384	-	107,263	-
Less amounts for bonds issued at a discount	(366,565)	-	(13,092)	(353,473)	-
Bond anticipation note	1,245,000	1,950,000	3,195,000	-	-
Total	<u>20,069,715</u>	<u>4,217,384</u>	<u>4,427,002</u>	<u>19,860,097</u>	<u>696,401</u>
Compensated absences	875,375	246,580	315,500	806,455	300,000
Other post employment benefits	4,312,412	1,181,270	276,727	5,216,955	-
Total	<u>\$ 25,257,502</u>	<u>\$ 5,645,234</u>	<u>\$ 5,019,229</u>	<u>\$ 25,883,507</u>	<u>\$ 996,401</u>

Long-term debt payable at June 30, 2014 is comprised of the following issues:

<b>Bank Loans Payable</b>	<b>Balance</b>
\$1,200,000 loan for construction of the Greenway Business Park Road payable in twenty semi-annual payments of \$70,555 including interest at 3.19%.	\$ 65,354
\$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%.	689,717
Total Bank Loans Payable	<u>\$ 755,071</u>

The annual requirements to amortize the debt at June 30, 2014 is as follows:

<b>Fiscal Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2015	\$ 117,684	\$ 34,260	\$ 151,944
2016	54,893	29,336	84,229
2017	57,581	26,648	84,229
2018	60,400	23,829	84,229
2019	63,358	20,871	84,229
2020-2024	366,476	54,669	421,145
2025	34,679	416	35,095
Total	<u>\$ 755,071</u>	<u>\$ 190,029</u>	<u>\$ 945,100</u>

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

**NOTE 6 LONG-TERM OBLIGATIONS – CONTINUED**

<b>General Obligation Bond</b>	<b>Balance</b>
\$4,500,000 General Obligation for retirement of a portion of the Bond Anticipation Notes which were used for construction of the Court House	\$ 4,500,000
Total General Obligation Bond	\$ 4,500,000

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>
2015	\$ -	\$ 225,063	\$ 225,063
2016	-	225,063	225,063
2017	30,000	225,063	255,063
2018	30,000	222,963	252,963
2019	35,000	220,863	255,863
2020-2024	190,000	1,077,305	1,267,305
2025-2029	220,000	1,030,300	1,250,300
2030-2034	285,000	948,540	1,233,540
2035-2039	2,145,000	770,690	2,915,690
2040-2041	1,565,000	112,576	1,677,576
Total	\$ 4,500,000	\$ 5,058,426	\$ 9,558,426

<b>Revenue Bond</b>	<b>Balance</b>
The County issued installment purchase revenue bonds Series 2011A in the amount of \$11,915,000 to pay off the Bond Anticipation notes which were used for construction of the County office building.	\$ 11,315,000
Total Revenue Bond	\$ 11,315,000

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>
2015	\$ -	\$ 588,931	\$ 588,931
2016	55,000	557,431	612,431
2017	240,000	556,194	796,194
2018	270,000	546,594	816,594
2019	280,000	535,794	815,794
2020-2024	1,580,000	2,501,345	4,081,345
2025-2029	2,015,000	2,104,625	4,119,625
2030-2034	2,610,000	1,541,162	4,151,162
2035-2039	1,580,000	868,087	2,448,087
2040-2044	2,685,000	510,823	3,195,823
Total	\$ 11,315,000	\$ 10,310,986	\$ 21,625,986

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

**NOTE 6 LONG-TERM OBLIGATIONS – CONTINUED**

<b>Revenue Bond</b>	<b>Balance</b>
The County issued installment purchase revenue bonds Series 2011B in the amount of \$1,800,000. The proceeds were used to pay off equipment leases.	<u>\$ 510,000</u>
Total Revenue Bond	<u><u>\$ 510,000</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>
2015	\$ 510,000	\$ 10,200	\$ 520,200
Total	<u>\$ 510,000</u>	<u>\$ 10,200</u>	<u>\$ 520,200</u>

<b>Revenue Bond</b>	<b>Balance</b>
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.	<u>\$ 2,255,000</u>
Total Revenue Bond	<u><u>\$ 2,255,000</u></u>

<b>Fiscal Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2015	\$ -	\$ 78,765	\$ 78,765
2016	195,000	79,650	274,650
2017	100,000	75,750	175,750
2018	60,000	73,750	133,750
2019	65,000	71,950	136,950
2020-2024	340,000	330,050	670,050
2025-2029	405,000	267,600	672,600
2030-2034	490,000	180,200	670,200
2035-2039	600,000	74,000	674,000
Total	<u>\$ 2,255,000</u>	<u>\$ 1,231,715</u>	<u>\$ 3,486,715</u>

<b>Capital Leases</b>	<b>Balance</b>
\$923,021 capital leases for purchase of John Deere heavy equipment costing \$1,238,021 with accumulated depreciation of \$121,824.	<u>\$ 771,236</u>
Total Capital Leases	<u><u>\$ 771,236</u></u>

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

**NOTE 6 LONG-TERM OBLIGATIONS - CONTINUED**

The annual requirements to amortize the capital leases are as follows:

Fiscal Year Ending June 30,	Amount
2015	\$ 85,000
2016	85,000
2017	85,000
2018	561,000
Sub-total	816,000
Less amount representing interest	(44,764)
Total	\$ 771,236

**Debt Service Fund**

A Debt Service Fund has been established to collect millage for the payments on the bonds. At June 30, 2014 there was \$354,411 in debt service reserve accounts. Also, \$412,949 is on hand toward the interest and principal on the bonds. The current budget for 2014-2015 includes 12 mills for the payment of debt service.

**Commitments Under Noncapitalized Leases**

The County has operating leases on two garbage trucks. Lease payments are \$2,550 per month plus \$0.074 per mile on each truck.

**Compensated Absences**

Unused vacation leave liabilities are reported in the applicable governmental type activities columns in the government-wide financial statements. The County enacted a new policy regarding compensated vacation days in 1993. At that time, all unused vacation hours were “banked.” Each employee is to receive appropriate vacation hours based on tenure at the beginning of the year. The only hours the employees will be allowed to carry over each calendar year are the “banked” hours until they are used up. No accumulation of paid days off will be allowed in the future. The County has no financial liability for its unused sick leave. Compensated absences are paid from the general fund. The accrued compensated absences at June 30, 2014 are \$806,455 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.

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

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

**NOTE 6 LONG-TERM OBLIGATIONS - CONTINUED**

employed for twenty-five (25) years and meet the second and third criteria to qualify for paid health insurance premiums after retirement.

*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, 2014, the County contributed \$276,727 to the plan, including \$276,727 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 45. 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 shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation:

Annual required contribution	\$	1,095,022
Interest on net OPEB obligation		194,058
Adjustment to ARC		<u>(107,810)</u>
Annual OPEB cost (expense)		1,181,270
Contributions made		<u>(276,727)</u>
Increase in net OPEB obligation		904,543
Net OPEB obligation-beginning of year		<u>4,312,412</u>
Net OPEB obligation-end of year	\$	<u>5,216,955</u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2014 and the three preceding years were as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2012	\$ 1,063,381	23.5%	\$ 3,420,180
2013	\$ 1,163,426	23.3%	\$ 4,312,412
2014	\$ 1,181,270	22.6%	\$ 5,216,955

*Funded Status and Funding Progress* - As of June 30, 2014, the most recent actuarial valuation date, the plan was unfunded. The actuarial accrued liability for benefits was \$10,314,324, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$10,314,324.

The covered payroll (annual payroll of active employees covered by the plan) was \$8,939,683, and the ratio of the UAAL to the covered payroll was 0%.



**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

**NOTE 6 LONG-TERM OBLIGATIONS – CONTINUED**

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. The occurrences that must be considered include employee turnover, pay increases, disablement, retirement, deaths, and investment income on anticipated plan assets. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented below, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

*Actuarial Methods and Assumptions-Projections* of benefits for financial reporting purposes are based on the substantive plan (the plan understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2012 actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a 4.5% investment rate of return, which is a blended rate of the expected long-term investment return on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 9.5% initially, reduced by decrements to an ultimate rate of 4.5% after ten years. Both rates included a 3.0% inflation assumption. The actuarial value of assets is set equal to the reported market value of assets. The assets are allocated among the divisions based on liabilities value at 4.5%. The UAAL is being amortized on an open basis as a level percentage of projected payroll (assumed to increase at 3%) required to fully amortize the UAAL over a thirty year period.

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Unit Credit Cost (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6/30/2012	\$ -	\$ 7,342,670	\$ 7,342,670	0.0%	\$ 9,224,832	79.6%
6/30/2013	\$ -	\$ 10,314,324	\$ 10,314,324	0.0%	\$ 8,484,728	121.6%
6/30/2014	\$ -	\$ 10,314,324	\$ 10,314,324	0.0%	\$ 8,939,683	115.4%

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

**NOTE 7 FUND BALANCES**

	<u>General Fund</u>	<u>Economic Development</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Non - Major</u>
<b>Nonspendable</b>					
Property held for resale	\$ -	\$ 1,704,340	\$ -	\$ -	\$ -
Notes receivable	-	197,307	-	-	-
Total Nonspendable	<u>-</u>	<u>1,901,647</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Restricted</b>					
Clerk of Court incentive	422,553	-	-	-	-
Sheriff funds	8,432	-	-	-	63,524
E-911 funds	-	-	-	-	528,616
Accom/Hospitality Tax	-	-	-	-	580,144
Waste Tire	-	-	-	-	1,596
Debt Payments	-	-	-	792,360	-
Total Restricted	<u>430,985</u>	<u>-</u>	<u>-</u>	<u>792,360</u>	<u>1,173,880</u>
<b>Committed</b>					
Capital Projects	-	-	342,905	-	-
Total Committed	<u>-</u>	<u>-</u>	<u>342,905</u>	<u>-</u>	<u>-</u>
<b>Assigned</b>					
2015 Budget	542,000	-	-	-	-
Development Projects	-	339,002	-	-	-
Joint Planning Fund	-	30,215	-	-	-
Total Assigned	<u>542,000</u>	<u>369,217</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Unassigned</b>					
	<u>7,889,634</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total</b>	<u>\$ 8,862,619</u>	<u>\$ 2,270,864</u>	<u>\$ 342,905</u>	<u>\$ 792,360</u>	<u>\$ 1,173,880</u>

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

**NOTE 8 RETIREMENT PLAN**

*Plan Description* - All permanent employees of the County, except for certain employees involved in law enforcement and fire fighting activities, participate in the South Carolina Retirement System (SCRS). The employees excluded above participate in the South Carolina Police Officers' Retirement System (SCPORS). Both systems are cost sharing multiple-employer defined benefit plans administered by the Retirement Division of the State Budget and Control Board. The SCRS and the SCPORS provide retirement and disability benefits, cost of living adjustments on an ad-hoc basis, life insurance, and survivor benefits to plan members and beneficiaries. Each plan's provisions are established under Title 9 of the S.C. Code of Laws. A Comprehensive Annual Financial Report containing financial statements and required supplementary information for both the SCRS and SCPORS is issued and publicly available on the internet at [www.retirement.sc.gov](http://www.retirement.sc.gov), or by writing the South Carolina Retirement System, P.O. Box 11960, Columbia, SC 29211-1960

**Funding Policy**

*South Carolina Retirement System (SCRS)*

The County is required to contribute 10.6% which includes 0.15% towards group life insurance. The County's contributions for the years ending June 30, 2014, 2013, and 2012 were \$410,646, \$405,811, and \$374,148, respectively, and were equal to the required contributions for each year.

*Police Officers Retirement System (PORS)*

The County is required to contribute 11.13% which includes 0.40% towards group life insurance and survivor and disability benefits. The County's contributions for the years ending June 30, 2014, 2013, and 2012 were \$646,138, \$633,988, and \$569,616 respectively, for SCPORS members and were equal to the required contributions for each year.

**NOTE 9 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 10 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, 2014**

**NOTE 11 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 workers compensation expenditures.

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 tax received from the businesses in the park. The County has no financial liability beyond this amount. At June 30, 2014, \$6,250,000 and \$5,300,000 were outstanding.

The Jasper County, South Carolina Special Source Revenue Bond Notes, Series 2005 (Jasper County School Project) special source revenue bonds in the amount of \$11,540,000 were issued to help with the construction of Jasper County Schools. The bonds are to be repaid with the school portion of a fee-in-lieu tax. The County has no liability for repayment of the debt. At June 30, 2014, \$6,045,000 was outstanding.

The County has committed to renovate the Health Department building. The estimated cost is \$450,000. A CDBG grant of \$450,000 has been approved for the project.

The County has a \$350,000 grant from the Rural Infrastructure Fund for the construction of a spec building in the Cypress Ridge Industrial Park. The County will pursue other financing arrangements for the balance of the costs to construct the building.

**NOTE 12 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 insurers promise to pay to or on behalf of the insured for covered economic losses sustained during the policy period 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.

**JASPER COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

**NOTE 13 PROPERTY HELD FOR RESALE**

The detail on property held for resale is as follows:

	<u>June 30, 2013</u>	<u>Additions</u>	<u>Cost of Land Sold</u>	<u>June 30, 2014</u>
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 2	604,160	-	-	604,160
Total	<u>\$ 1,704,340</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,704,340</u>

**NOTE 14 NET INVESTMENT IN CAPITAL ASSETS**

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

Capital Assets	\$ 31,939,900
Debt on Capital Assets:	
Revenue Bonds	(14,080,000)
General Obligation Bonds	(4,500,000)
Capital Leases	(771,236)
Notes Payable	(65,354)
Premium on Bonds Payable	(107,263)
Discount on Bonds Payable	353,473
Net Investment in Capital Assets	<u>\$ 12,769,520</u>

The long-term debt includes \$689,717 in bank loans payable that offsets the lease receivable from LCOG and is not included in debt on capital assets.

**NOTE 15 SUBSEQUENT EVENT**

In June 2012, the GASB issued Statement No. 68, Accounting and Financial Reporting for Pensions, effective for the fiscal year beginning July 1, 2014. This Statement revises existing standards for measuring and reporting pension liabilities for pension plans provided to its employees. This Statement requires recognition of a liability equal to the net pension liability, which is measured as the total pension liability, less the amount of the pension plan's fiduciary net position. This Statement requires that most changes in the net pension liability be included in pension expense in the period of the change. To the extent practical, the financial statements presented for the periods affected should be restated. The County will be implementing GASB Statement No. 68 for the fiscal year ending June 30, 2015 and the beginning net position of the year ended June 30, 2014 will be restated. As of June 30, 2014, the South Carolina Public Employee Benefit Authority (PEBA) has estimated a net pension liability of \$15.4 million obligation that comprises \$7.4 million for SCRS and \$8 million for PORs, representing unfunded contributions to the South Carolina Retirement System's based on current funding policy that will be reported as a liability 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, 2014**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
Taxes	\$ 15,237,276	\$ 15,237,276	\$ 16,503,223	\$ 1,265,947
Fines, Fees and Licenses	4,698,100	4,698,100	4,771,215	73,115
Intergovernmental	1,230,925	1,230,925	1,329,500	98,575
Miscellaneous	140,800	140,800	271,298	130,498
Total Revenues	21,307,101	21,307,101	22,875,236	1,568,135
<b>EXPENDITURES</b>				
<b>Current:</b>				
<b>County Council</b>	259,800	259,800	244,730	15,070
<b>County Attorney</b>	157,750	157,750	157,093	657
<b>Administrator</b>	413,300	413,300	417,627	(4,327)
<b>Administrative Services</b>				
Tax Collector	190,300	190,300	172,007	18,293
Assessor	463,400	463,400	414,811	48,589
Finance Department	177,910	177,910	175,154	2,756
Register of Deeds	135,250	135,250	148,845	(13,595)
Keep America Beautiful	1,200	1,200	1,012	188
Human Resources	174,000	174,000	160,858	13,142
Total Administrative Services	1,142,060	1,142,060	1,072,687	69,373
<b>Development Services</b>				
Economic Development Department	102,100	102,100	77,399	24,701
Business Licenses	64,300	64,300	63,771	529
Planning Commission	196,850	196,850	190,048	6,802
Recreation Department	293,900	293,900	298,363	(4,463)
Sgt Jasper Park	177,300	177,300	185,316	(8,016)
Building Permits	143,600	143,600	126,132	17,468
Total Development Services	978,050	978,050	941,029	37,021
<b>Emergency Services</b>				
Emergency Telecommunications	935,000	935,000	900,026	34,974
Fire and Rescue	2,755,600	2,755,600	2,945,294	(189,694)
Emergency Services Department	1,446,500	1,446,500	1,555,385	(108,885)
Detention Center	2,786,000	2,786,000	2,743,283	42,717
Cherry Point Fire Station	436,750	436,750	244,076	192,674
Total Emergency Services	8,359,850	8,359,850	8,388,064	(28,214)
<b>Information Technology</b>	480,600	480,600	515,238	(34,638)

**JASPER COUNTY, SOUTH CAROLINA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<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>Engineering Services</b>				
Administrative	\$ 233,000	\$ 233,000	\$ 239,951	\$ (6,951)
Central Garage	165,300	165,300	179,373	(14,073)
Mosquito Control	17,200	17,200	10,620	6,580
Litter Control	65,800	65,800	61,744	4,056
Roads and Bridges	533,308	529,800	546,726	(16,926)
Building Maintenance	305,592	309,100	315,260	(6,160)
Solid Waste	834,000	834,000	814,259	19,741
Total Engineering Services	<u>2,154,200</u>	<u>2,154,200</u>	<u>2,167,933</u>	<u>(13,733)</u>
<b>Treasurer</b>	<u>161,700</u>	<u>161,700</u>	<u>168,632</u>	<u>(6,932)</u>
<b>Auditor</b>	<u>186,100</u>	<u>186,100</u>	<u>177,768</u>	<u>8,332</u>
<b>Probate Judge</b>	<u>155,400</u>	<u>155,400</u>	<u>149,696</u>	<u>5,704</u>
<b>Clerk of Court</b>				
Clerk of Court	485,500	485,500	489,536	(4,036)
Clerk of Court Incentive	-	-	54,452	(54,452)
Total Clerk of Court	<u>485,500</u>	<u>485,500</u>	<u>543,988</u>	<u>(58,488)</u>
<b>Sheriff</b>				
Sheriff	2,682,000	2,682,000	2,616,360	65,640
Victims Witness Program	71,350	71,350	12,837	58,513
Sheriff Child Support	-	-	1,157	(1,157)
Total Sheriff	<u>2,753,350</u>	<u>2,753,350</u>	<u>2,630,354</u>	<u>122,996</u>
<b>Magistrate</b>				
Central Traffic	149,500	149,500	148,824	676
Magistrate Lynah	110,900	110,900	109,651	1,249
Hardeeville	123,100	123,100	123,314	(214)
Central Bond	90,200	90,200	67,166	23,034
Magistrate McDonald	108,050	108,050	111,694	(3,644)
Magistrate Badgett	39,900	39,900	41,173	(1,273)
Total Magistrate	<u>621,650</u>	<u>621,650</u>	<u>601,822</u>	<u>19,828</u>
<b>Veterans Affairs</b>	<u>115,200</u>	<u>115,200</u>	<u>110,233</u>	<u>4,967</u>
<b>Election Commission</b>	<u>210,700</u>	<u>210,700</u>	<u>209,653</u>	<u>1,047</u>
<b>Coroner</b>	<u>121,300</u>	<u>121,300</u>	<u>135,457</u>	<u>(14,157)</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, 2014**

	<b>BUDGETED AMOUNTS</b>		<b>ACTUAL AMOUNTS</b>	<b>VARIANCE WITH FINAL BUDGET</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		<b>POSITIVE (NEGATIVE)</b>
<b>Interdepartmental</b>				
Interdepartmental	\$ 772,500	\$ 772,500	\$ 731,878	\$ 40,622
Data Processing	367,400	367,400	362,377	5,023
Capital Improvements	119,500	119,500	76,197	43,303
Total Interdepartmental	<u>1,259,400</u>	<u>1,259,400</u>	<u>1,170,452</u>	<u>88,948</u>
<b>Health, Education and Welfare</b>				
Agency Appropriations	1,106,131	1,106,131	1,108,661	(2,530)
County Libraries	26,460	26,460	27,280	(820)
Health Department	27,000	27,000	27,690	(690)
Department of Social Services	39,750	39,750	35,136	4,614
Miscellaneous County Accounts	34,950	34,950	29,070	5,880
Hardeeville Annex	6,500	6,500	6,874	(374)
Farmers Market	6,500	6,500	7,950	(1,450)
Total Health, Education and Welfare	<u>1,247,291</u>	<u>1,247,291</u>	<u>1,242,661</u>	<u>4,630</u>
<b>Debt Service:</b>				
Principal	204,000	204,000	185,206	18,794
Interest	50,000	50,000	47,703	2,297
Total Debt Service	<u>254,000</u>	<u>254,000</u>	<u>232,909</u>	<u>21,091</u>
<b>Capital Outlay:</b>				
Emergency Services	25,000	25,000	19,797	5,203
Engineering Services	50,000	50,000	54,117	(4,117)
Total Capital Outlay	<u>75,000</u>	<u>75,000</u>	<u>73,914</u>	<u>1,086</u>
Total Expenditures	<u>21,592,201</u>	<u>21,592,201</u>	<u>21,351,940</u>	<u>240,261</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(285,100)</u>	<u>(285,100)</u>	<u>1,523,296</u>	<u>1,808,396</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	405,100	405,100	192,399	(212,701)
Transfers Out	(120,000)	(120,000)	(72,741)	47,259
Total Other Financing Sources (Uses)	<u>285,100</u>	<u>285,100</u>	<u>119,658</u>	<u>(165,442)</u>
Net change in fund balances	-	-	1,642,954	1,642,954
Fund balances, beginning	<u>7,750,147</u>	<u>7,750,147</u>	<u>7,219,665</u>	<u>(530,482)</u>
Fund balances, ending	<u>\$ 7,750,147</u>	<u>\$ 7,750,147</u>	<u>\$ 8,862,619</u>	<u>\$ 1,112,472</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.

# 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.

**Sheriff 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.

**Grants** This fund is used to account for grant funds that are restricted to specific purposes.

**JASPER COUNTY, SOUTH CAROLINA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2014**

	<b>SPECIAL REVENUE</b>					<b>TOTAL NONMAJOR GOVERNMENTAL FUNDS</b>
	<b>ACCOM TAX</b>	<b>WASTE TIRE</b>	<b>SHERIFF</b>	<b>E911</b>	<b>GRANTS</b>	
<b>ASSETS</b>						
Cash	\$ -	\$ -	\$ 63,524	\$ -	\$ -	\$ 63,524
Receivables	-	3,020	-	62,766	388,204	453,990
Restricted Cash	583,581	-	-	481,700	-	1,065,281
Total Assets	<u>\$ 583,581</u>	<u>\$ 3,020</u>	<u>\$ 63,524</u>	<u>\$ 544,466</u>	<u>\$ 388,204</u>	<u>\$ 1,582,795</u>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts Payable	\$ 3,437	\$ 1,424	\$ -	\$ 15,850	\$ 59,860	\$ 80,571
Unearned Revenue	-	-	-	-	7,523	7,523
Interfund Payables	-	-	-	-	320,821	320,821
Total Liabilities	<u>3,437</u>	<u>1,424</u>	<u>-</u>	<u>15,850</u>	<u>388,204</u>	<u>408,915</u>
<b>Fund Balances</b>						
Restricted	<u>580,144</u>	<u>1,596</u>	<u>63,524</u>	<u>528,616</u>	<u>-</u>	<u>1,173,880</u>
Total Fund Balances	<u>580,144</u>	<u>1,596</u>	<u>63,524</u>	<u>528,616</u>	<u>-</u>	<u>1,173,880</u>
Total Liabilities and Fund Balances	<u>\$ 583,581</u>	<u>\$ 3,020</u>	<u>\$ 63,524</u>	<u>\$ 544,466</u>	<u>\$ 388,204</u>	<u>\$ 1,582,795</u>

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

**JASPER COUNTY, SOUTH CAROLINA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>SPECIAL REVENUE</b>					<b>TOTAL NONMAJOR GOVERNMENTAL FUNDS</b>
	<b>ACCOM TAX</b>	<b>WASTE TIRE</b>	<b>SHERIFF</b>	<b>E911</b>	<b>GRANTS</b>	
<b>REVENUES</b>						
Taxes	\$ 304,984	\$ -	\$ -	\$ -	\$ -	\$ 304,984
Fines, Fees and Licenses	-	-	-	353,708	-	353,708
Intergovernmental	-	9,502	112,095	-	914,728	1,036,325
Miscellaneous	270	7,000	295	-	-	7,565
Total Revenue	<u>305,254</u>	<u>16,502</u>	<u>112,390</u>	<u>353,708</u>	<u>914,728</u>	<u>1,702,582</u>
<b>EXPENDITURES</b>						
<b>Current:</b>						
Development Services	225,128	-	-	-	92,927	318,055
Emergency Services	-	-	-	248,694	73,327	322,021
Engineering Services	-	7,997	-	-	392,638	400,635
Sheriff	-	-	114,878	-	893	115,771
<b>Capital Outlay:</b>						
Emergency Services	-	-	-	36,585	32,762	69,347
Development Services	-	-	-	-	67,039	67,039
Engineering Services	-	-	-	-	255,142	255,142
	<u>225,128</u>	<u>7,997</u>	<u>114,878</u>	<u>285,279</u>	<u>914,728</u>	<u>1,548,010</u>
Excess (deficiency) of revenues over (under) expenditures	<u>80,126</u>	<u>8,505</u>	<u>(2,488)</u>	<u>68,429</u>	<u>-</u>	<u>154,572</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	72,741	-	-	-	-	72,741
Transfers Out	-	-	-	(115,000)	-	(115,000)
Total Other Financing Sources (Uses)	<u>72,741</u>	<u>-</u>	<u>-</u>	<u>(115,000)</u>	<u>-</u>	<u>(42,259)</u>
Net change in fund balances	152,867	8,505	(2,488)	(46,571)	-	112,313
Fund balances, beginning	427,277	(6,909)	66,012	575,187	-	1,061,567
Fund balances, ending	<u>\$ 580,144</u>	<u>\$ 1,596</u>	<u>\$ 63,524</u>	<u>\$ 528,616</u>	<u>\$ -</u>	<u>\$ 1,173,880</u>

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

# FIDUCIARY FUNDS

## Agency Funds

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

<b>School</b>	This fund is used to account for receipts by the treasurer of assets earmarked for the school district.
<b>Clerk of Court</b>	This fund is used to account for child support payments, bonds, restitution and fines collected by the clerk of court.
<b>Delinquent Tax Collector</b>	This fund represents delinquent taxes collected for the school district and funds on hand from the tax sale.
<b>1% Fire Fund</b>	This fund represents the receipts by the treasurer that will be disbursed to the various fire departments within the County.
<b>Nickel Plate Road Dev</b>	This fund represents the 40% of taxes to be paid to the developer and Hampton County.
<b>Treasurers Tax Account</b>	This fund represents the portion of the tax account designated for other entities.
<b>Town of Ridgeland</b>	This fund represents the taxes due to the Town of Ridgeland.
<b>City of Hardeeville</b>	This fund represents the taxes due to the City of Hardeeville.
<b>Magistrates Court</b>	This fund represents fines collected that have not been disposed of by the court.
<b>Register of Deeds</b>	This fund represents the portion of the fee to be paid to the state.
<b>Settings Trust Fund</b>	This fund represents insurance proceeds over a developmental agreement settlement.

**JASPER COUNTY, SOUTH CAROLINA  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2014**

	Balance June 30, 2013	Additions	Deductions	Balance June 30, 2014
<b>School</b>				
Asset - Cash	\$ 4,527,170	\$ 45,111,085	\$ 44,298,641	\$ 5,339,614
Liabilities - Due to Others	\$ 4,527,170	\$ 45,111,085	\$ 44,298,641	\$ 5,339,614
<b>Clerk of Court</b>				
Asset - Cash	\$ 680,664	\$ 2,340,155	\$ 2,321,129	\$ 699,690
Liabilities - Due to Others	\$ 680,664	\$ 2,340,155	\$ 2,321,129	\$ 699,690
<b>Delinquent Tax Collector</b>				
Asset - Cash	\$ 730,025	\$ 5,378,978	\$ 5,049,624	\$ 1,059,379
Liabilities - Due to Others	\$ 730,025	\$ 5,378,978	\$ 5,049,624	\$ 1,059,379
<b>1% Fire Fund</b>				
Asset - Cash	\$ 27,874	\$ 76,613	\$ 63,315	\$ 41,172
Liabilities - Due to Others	\$ 27,874	\$ 76,613	\$ 63,315	\$ 41,172
<b>Nickle Plate Road Dev</b>				
Asset - Cash	\$ 203,512	\$ 785,817	\$ 778,112	\$ 211,217
Liabilities - Due to Others	\$ 203,512	\$ 785,817	\$ 778,112	\$ 211,217
<b>Treasurers Tax Account</b>				
Asset - Cash	\$ 105,838	\$ 1,697,848	\$ 1,724,000	\$ 79,686
Liabilities - Due to Others	\$ 105,838	\$ 1,697,848	\$ 1,724,000	\$ 79,686
<b>Town of Ridgeland</b>				
Asset - Cash	\$ 259	\$ 628,299	\$ 622,544	\$ 6,014
Liabilities - Due to Others	\$ 259	\$ 628,299	\$ 622,544	\$ 6,014
<b>City of Hardeeville</b>				
Asset - Cash	\$ 3,932	\$ 4,602,377	\$ 4,577,787	\$ 28,522
Liabilities - Due to Others	\$ 3,932	\$ 4,602,377	\$ 4,577,787	\$ 28,522
<b>Magistrates Court</b>				
Asset - Cash	\$ 38,616	\$ 151,296	\$ 139,545	\$ 50,367
Liabilities - Due to Others	\$ 38,616	\$ 151,296	\$ 139,545	\$ 50,367
<b>Register of Deeds</b>				
Asset - Cash	\$ 21,516	\$ 348,432	\$ 333,625	\$ 36,323
Liabilities - Due to Others	\$ 21,516	\$ 348,432	\$ 333,625	\$ 36,323
<b>Forfeit Land Commission</b>				
Asset - Cash	\$ 6,561	44,566	38,328	\$ 12,799
Liabilities - Due to Others	\$ 6,561	44,566	38,328	\$ 12,799
<b>Installment Tax Account</b>				
Asset - Cash	\$ 61,846	\$ 121,828	\$ 114,724	\$ 68,950
Liabilities - Due to Others	\$ 61,846	\$ 121,828	\$ 114,724	\$ 68,950
<b>Setting Trust Account</b>				
Asset - Cash	\$ 1,000,000	\$ 3,094,226	\$ -	\$ 4,094,226
Liabilities - Due to Others	\$ 1,000,000	\$ 3,094,226	\$ -	\$ 4,094,226
Total Assets - Cash	\$ 7,407,813	\$ 64,381,520	\$ 60,061,374	\$ 11,727,959
Total Liabilities - Due to Others	\$ 7,407,813	\$ 64,381,520	\$ 60,061,374	\$ 11,727,959

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

**JASPER COUNTY, SOUTH CAROLINA  
SCHEDULE OF FINES, ASSESSMENTS, AND SURCHARGES  
FOR THE YEAR ENDED JUNE 30, 2013**

**COURT FINES**

Court fines collected	\$ 472,065
Court fines retained by the County	<u>(254,311)</u>
Court fines remitted to the State Treasurer	<u>217,754</u>

**COURT ASSESSMENTS**

Court assessments collected	310,918
Court assessments retained by County	<u>(117,932)</u>
Court assessments remitted to the State Treasurer	<u>192,986</u>

**COURT SURCHARGES**

Court surcharges collected	104,576
Court surcharges retained by the County	<u>-</u>
Court surcharges remitted to the State Treasurer	<u>104,576</u>

**VICTIMS ASSISTANCE**

Court assessments allocated to Victims Assistance	27,459
Court surcharges allocated to Victims Assistance	<u>15,904</u>
Funds allocated to Victims Assistance	<u>43,363</u>
Interest income	-
Victim Services expenditures	<u>(47,933)</u>
Funds available (deficit) for carryforward	(4,570)
Beginning balance	<u>4,570</u>
Ending balance	<u><u>\$ -</u></u>

The cost of the court fines audit was \$1,000.



# 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.	58-61
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.	62-64
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.	65-70
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.	71-72
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.	73-75

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									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>GOVERNMENTAL ACTIVITIES</b>										
Net Investment in Capital Assets	\$ 17,707,633	\$ 18,033,457	\$ 18,575,683	\$ 19,517,800	\$ 19,162,304	\$ 17,091,293	\$ 14,002,982	\$ 12,827,924	\$ 13,182,845	\$ 12,769,520
Restricted	-	-	-	685,741	3,944,537	4,205,198	4,539,212	1,750,065	1,883,628	2,332,105
Unrestricted	8,682,699	12,011,585	11,890,660	9,336,633	935,975	1,019,459	2,321,926	7,218,705	5,782,354	6,010,817
Total Governmental Activities Net Position	<u>\$ 26,390,332</u>	<u>\$ 30,045,042</u>	<u>\$ 30,466,343</u>	<u>\$ 29,540,174</u>	<u>\$ 24,042,816</u>	<u>\$ 22,315,950</u>	<u>\$ 20,864,120</u>	<u>\$ 21,796,694</u>	<u>\$ 20,848,827</u>	<u>\$ 21,112,442</u>

Source: County Audit Reports

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

Schedule 2

	FISCAL YEAR									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Expenses</b>										
Governmental Activities:										
County Council	\$ 114,582	\$ 118,761	\$ 134,382	\$ 186,952	\$ 222,077	\$ 207,604	\$ 208,343	\$ 234,265	\$ 221,822	\$ 254,207
County Attorney	-	-	-	-	160,460	158,494	152,084	158,007	159,124	153,760
Administrator	277,686	289,214	339,998	459,140	368,859	410,059	409,656	467,475	492,938	417,323
Administrative Services	627,279	817,788	1,001,209	1,363,203	1,527,501	1,280,754	1,202,744	1,106,474	1,051,409	1,073,387
Development Services	1,372,668	1,526,043	1,762,212	1,994,679	1,804,506	1,959,726	1,618,401	1,566,414	2,344,972	1,694,855
Emergency Services	6,276,143	6,677,353	8,084,096	9,575,753	11,462,011	10,160,230	8,932,496	8,705,536	8,669,016	8,955,251
Information Technology	-	-	-	-	-	-	-	-	513,785	515,238
Engineering Services	1,901,778	2,615,122	2,615,436	2,650,295	3,036,955	2,418,172	2,350,468	3,037,772	2,985,205	3,021,142
Treasurer	93,102	107,206	114,184	158,188	155,341	137,095	141,852	145,052	138,367	165,829
Auditor	120,062	156,905	154,042	225,344	246,090	195,511	182,117	180,416	194,914	172,498
Probate Judge	142,204	147,803	166,147	182,278	179,219	128,959	144,576	134,651	161,568	149,696
Clerk of Court	408,538	463,747	461,035	470,086	518,406	465,361	467,179	492,783	501,636	549,871
Sheriff	2,107,222	2,515,271	2,661,891	2,929,037	3,224,882	3,053,203	3,075,109	3,313,855	3,137,831	2,739,914
Magistrate	398,272	409,063	449,539	453,478	546,465	571,238	537,170	601,129	603,207	598,242
Veterans Affairs	78,624	92,216	107,730	111,421	99,590	108,363	113,967	113,401	117,868	105,951
Election Commission	123,269	223,951	183,191	238,603	236,943	218,932	172,179	229,723	189,724	237,012
Coroner	76,358	94,537	86,037	102,863	112,996	118,522	116,246	153,135	122,938	133,309
Interdepartmental	1,048,190	1,525,679	1,323,023	1,396,108	2,270,060	2,458,932	2,523,716	2,473,011	2,764,471	2,622,246
Health, Education, and Welfare	1,241,342	1,632,521	1,524,959	1,566,812	1,587,493	1,182,128	1,230,667	1,122,440	1,094,773	1,242,861
Interest Expense	100,908	166,443	142,168	143,638	132,747	329,636	335,501	766,858	850,242	957,203
Total Expenses	<u>16,508,227</u>	<u>19,579,623</u>	<u>21,311,279</u>	<u>24,207,878</u>	<u>27,892,601</u>	<u>25,562,919</u>	<u>23,914,471</u>	<u>25,002,397</u>	<u>26,315,810</u>	<u>25,759,595</u>
<b>Revenues</b>										
Governmental Activities:										
Program Revenues										
Charges for Services:	2,651,582	2,842,211	3,165,475							
Emergency Services Fees				680,157	722,390	1,089,184	973,303	964,665	952,994	1,169,567
Business Licenses				496,556	398,283	230,094	327,619	290,980	381,425	382,869
Fines				582,516	522,713	676,356	617,023	554,554	444,629	389,434
Development Fees and Permits				686,292	353,709	412,584	202,182	279,677	337,447	433,357
Other				1,138,817	1,061,116	344,399	387,734	789,301	853,623	718,152
Operating Grants and Contributions	181,931	533,441	292,110	658,006	525,791	1,070,983	1,192,917	1,657,806	1,887,385	759,123
Capital Grants and Contributions	900,060	1,630,037	802,986	787,331	394,806	909,934	-	367,661	1,046,722	443,934
General Revenues										
Taxes	12,723,096	16,719,860	15,601,779	12,895,064	16,700,926	17,660,252	17,430,375	19,785,876	19,619,663	20,271,873
Grants and Contributions not restricted to specific programs	924,297	977,874	1,077,754	3,333,737	1,153,872	896,719	825,630	771,748	1,329,591	1,063,635
Earnings on investments	133,513	277,933	514,250	1,174,418	88,067	68,728	62,185	60,442	28,465	25,864
Other	137,123	225,271	278,226	848,815	473,570	476,820	443,673	412,261	119,856	365,396
Total Revenues	<u>17,651,602</u>	<u>23,206,627</u>	<u>21,732,580</u>	<u>23,281,709</u>	<u>22,395,243</u>	<u>23,836,053</u>	<u>22,462,641</u>	<u>25,934,971</u>	<u>27,001,800</u>	<u>26,023,204</u>
Change in net position	1,143,375	3,627,004	421,301	(926,169)	(5,497,358)	(1,726,866)	(1,451,830)	932,574	685,990	263,609
Net Position-Beginning	25,274,661	26,418,038	30,045,042	30,466,343	29,540,174	24,042,816	22,315,950	20,864,120	21,796,694	20,848,833
Prior Period Adjustment	-	-	-	-	-	-	-	-	(1,633,857)	-
Net Position-Ending	<u>\$ 26,418,036</u>	<u>\$ 30,045,042</u>	<u>\$ 30,466,343</u>	<u>\$ 29,540,174</u>	<u>\$ 24,042,816</u>	<u>\$ 22,315,950</u>	<u>\$ 20,864,120</u>	<u>\$ 21,796,694</u>	<u>\$ 20,848,827</u>	<u>\$ 21,112,442</u>

Source: County Audit Reports

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

Schedule 3

	FISCAL YEAR									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>GENERAL FUND</b>										
Restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 387,648	\$ 484,594	\$ 560,768	\$ 350,682	\$ 430,985
Assigned	-	-	-	-	-	-	-	-	-	542,000
Unassigned	4,586,817	7,172,865	7,917,460	6,116,693	1,766,279	2,070,925	2,813,708	4,939,507	6,868,983	7,889,634
Total General Fund	<u>\$ 4,586,817</u>	<u>\$ 7,172,865</u>	<u>\$ 7,917,460</u>	<u>\$ 6,116,693</u>	<u>\$ 1,766,279</u>	<u>\$ 2,458,573</u>	<u>\$ 3,298,302</u>	<u>\$ 5,500,275</u>	<u>\$ 7,219,665</u>	<u>\$ 8,862,619</u>
<b>ECONOMIC DEVELOPMENT FUND</b>										
Nonspendable	\$ 1,556,260	\$ 2,107,420	\$ 2,082,420	\$ 2,104,340	\$ 2,070,316	\$ 2,035,086	\$ 1,998,606	\$ 1,960,833	\$ 1,921,720	\$ 1,901,647
Assigned	-	-	-	-	-	-	625,571	677,748	599,292	369,217
Total Economic Development Fund	<u>\$ 1,556,260</u>	<u>\$ 2,107,420</u>	<u>\$ 2,082,420</u>	<u>\$ 2,104,340</u>	<u>\$ 2,070,316</u>	<u>\$ 2,035,086</u>	<u>\$ 2,624,177</u>	<u>\$ 2,638,581</u>	<u>\$ 2,521,012</u>	<u>\$ 2,270,864</u>
<b>CAPITAL PROJECTS FUND</b>										
Restricted	\$ 1,118,657	\$ 1,702,205	\$ 7,144,590	\$ 4,972,735	\$ 6,933,835	\$ 3,467,438	\$ 88,977	\$ -	\$ -	\$ -
Committed	-	-	-	-	-	-	-	766,968	455,066	342,905
Assigned	-	-	898,606	482,205	424,062	377,670	551,872	-	-	-
Total Capital Projects Fund	<u>\$ 1,118,657</u>	<u>\$ 1,702,205</u>	<u>\$ 8,043,196</u>	<u>\$ 5,454,940</u>	<u>\$ 7,357,897</u>	<u>\$ 3,845,108</u>	<u>\$ 640,849</u>	<u>\$ 766,968</u>	<u>\$ 455,066</u>	<u>\$ 342,905</u>
<b>Debt Service Fund</b>										
Restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 228,370	\$ 440,650	\$ 530,482	\$ 792,360
Total Debt Service Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 228,370</u>	<u>\$ 440,650</u>	<u>\$ 530,482</u>	<u>\$ 792,360</u>
<b>ALL OTHER GOVERNMENTAL FUNDS</b>										
Restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 220,091	\$ 241,051	\$ 748,647	\$ 995,555	\$ 1,173,880
Assigned	-	-	-	-	-	-	-	103,337	66,012	-
Committed	640,846	763,803	764,894	685,741	912,609	454,792	320,171	-	-	-
Total All Other Governmental Funds	<u>\$ 640,846</u>	<u>\$ 763,803</u>	<u>\$ 764,894</u>	<u>\$ 685,741</u>	<u>\$ 912,609</u>	<u>\$ 674,883</u>	<u>\$ 561,222</u>	<u>\$ 851,984</u>	<u>\$ 1,061,567</u>	<u>\$ 1,173,880</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									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Revenues</b>										
Taxes	\$ 12,671,321	\$ 16,112,621	\$ 16,310,981	\$ 16,208,963	\$ 16,355,656	\$ 17,552,606	\$ 17,479,566	\$ 19,595,237	\$ 19,783,721	\$ 18,091,572
Fines, Fees, and Licenses	2,468,870	2,879,721	3,076,550	3,453,864	2,895,500	2,534,153	2,390,591	2,862,250	3,051,045	5,292,009
Intergovernmental	2,041,227	2,331,937	2,046,598	2,598,454	2,190,940	2,989,546	2,080,292	2,443,676	2,997,701	2,365,825
Miscellaneous	828,800	1,343,091	940,811	1,601,576	561,637	574,828	567,411	1,039,387	2,021,768	452,878
<b>Total Revenues</b>	<b>18,010,218</b>	<b>22,667,370</b>	<b>22,374,940</b>	<b>23,862,857</b>	<b>22,003,733</b>	<b>23,651,133</b>	<b>22,517,860</b>	<b>25,940,550</b>	<b>27,854,235</b>	<b>26,202,284</b>
<b>Expenditures</b>										
<b>Current:</b>										
County Council	114,582	118,761	134,382	173,655	222,538	204,853	213,154	234,706	226,120	244,730
County Attorney	-	-	-	-	153,288	149,779	151,057	154,652	156,359	157,093
Administrator	293,589	304,841	349,197	462,763	356,342	395,149	402,354	462,518	486,419	417,627
Administrative Services	603,499	809,461	996,441	1,278,477	1,456,237	1,221,345	1,171,607	1,100,949	1,046,490	1,072,687
Development Services	1,619,090	1,734,568	2,157,475	1,951,846	1,747,988	2,810,939	1,530,359	1,528,004	2,289,923	1,625,112
Emergency Services	7,637,030	7,223,206	8,998,374	9,278,103	10,863,837	9,738,625	8,548,424	8,324,789	8,265,465	8,720,336
Information Technology	-	-	-	-	-	-	-	-	513,785	515,238
Engineering Services	2,732,589	2,932,579	3,564,388	2,517,335	3,023,712	2,417,162	2,480,938	2,835,578	2,733,107	2,775,502
Treasurer	92,642	105,162	113,751	152,909	151,414	138,511	139,932	144,769	138,095	168,632
Auditor	120,624	151,384	152,328	222,501	244,309	199,504	191,176	178,350	181,065	177,768
Probate Judge	140,653	142,995	158,338	181,721	177,124	133,452	144,576	134,651	161,568	149,696
Clerk of Court	402,076	454,520	452,632	466,021	511,780	463,147	462,929	488,949	518,360	543,988
Sheriff	2,174,036	2,865,387	2,776,339	2,713,230	2,903,803	2,847,602	2,930,756	3,190,916	3,034,464	2,746,125
Magistrate	398,330	401,231	447,801	455,827	533,569	568,644	542,008	591,428	602,265	601,822
Veterans Affairs	78,046	89,650	105,931	111,219	96,270	109,379	110,624	121,033	114,010	110,233
Election Commission	146,863	452,178	163,790	212,003	209,343	191,239	150,756	203,226	161,787	209,653
Coroner	76,358	94,537	86,037	102,863	111,908	117,434	115,968	152,138	121,620	135,457
Interdepartmental	993,635	1,721,788	1,199,832	1,096,383	986,759	1,097,047	1,496,310	1,090,215	1,179,957	1,170,452
Health, Education, and Welfare	1,241,395	1,630,566	1,523,863	1,565,675	1,592,191	1,182,128	1,230,667	1,122,440	1,094,773	1,242,661
<b>Debt Service</b>										
Principal	-	-	-	9,178,376	1,260,178	2,456,355	166,467	617,519	623,885	595,206
Interest	-	-	-	288,165	399,799	446,071	497,773	739,226	872,281	943,272
<b>Capital Outlay</b>										
-	-	-	-	5,540,295	5,613,195	4,294,413	1,713,813	439,162	2,711,124	608,896
<b>Total Expenditures</b>	<b>18,865,037</b>	<b>21,232,814</b>	<b>23,380,899</b>	<b>37,949,367</b>	<b>32,615,584</b>	<b>31,182,778</b>	<b>24,391,648</b>	<b>23,855,218</b>	<b>27,232,922</b>	<b>24,932,186</b>
Excess (deficiency) of revenues over (under) expenditures	(854,819)	1,434,556	(1,005,959)	(14,086,510)	(10,611,851)	(7,531,645)	(1,873,788)	2,085,332	621,313	1,270,098
<b>Other Financing Sources (Uses)</b>										
Issuance of Debt	2,266,811	2,158,000	8,252,240	9,314,726	8,094,000	4,385,000	(271,298)	760,206	968,021	384,738
Transfers In	555,001	574,706	723,620	897,514	577,074	574,559	2,199,266	585,211	343,616	439,551
Transfers Out	(555,001)	(574,706)	(723,620)	(897,514)	(577,074)	(574,559)	(2,199,266)	(585,211)	(343,616)	(439,551)
<b>Total Other Financing Sources (Uses)</b>	<b>2,266,811</b>	<b>2,158,000</b>	<b>8,252,240</b>	<b>9,314,726</b>	<b>8,094,000</b>	<b>4,385,000</b>	<b>(271,298)</b>	<b>760,206</b>	<b>968,021</b>	<b>384,738</b>
Net Change in Fund Balances	1,411,992	3,592,556	7,246,281	(4,771,784)	(2,517,851)	(3,146,645)	(2,145,086)	2,845,538	1,589,334	1,654,836
Fund Balances, Beginning	7,683,457	9,095,449	12,688,005	19,934,286	15,162,502	12,644,651	9,498,006	7,352,920	10,198,458	11,787,792
<b>Fund Balances, Ending</b>	<b>\$ 9,095,449</b>	<b>\$ 12,688,005</b>	<b>\$ 19,934,286</b>	<b>\$ 15,162,502</b>	<b>\$ 12,644,651</b>	<b>\$ 9,498,006</b>	<b>\$ 7,352,920</b>	<b>\$ 10,198,458</b>	<b>\$ 11,787,792</b>	<b>\$ 13,442,628</b>
Debt service as a percentage of noncapital expenditures	N/A	6.3%	4.7%	4.6%	6.6%	12.1%	3.0%	6.2%	6.5%	6.8%

Source: County Audit Reports

**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	
2005	\$ 44,745,667	\$ 24,677,657	\$ 69,423,324	\$ 893,911,467	\$ 233,471,186	\$ 1,127,382,653	163.00
2006	44,618,276 **	52,893,868	97,512,144	887,684,147	467,847,306	1,355,531,453	155.00
2007	60,899,190 *	56,232,882 *	117,132,072 *	1,343,006,038 *	505,275,090 *	1,848,281,128 *	109.50
2008	66,020,450	54,038,328	120,058,778	1,416,408,436	343,087,006	1,759,495,442	115.00
2009	67,020,823	55,195,563	122,216,386	1,430,688,443	579,135,539	2,009,823,982	119.00
2010	71,505,827	51,048,894	122,554,721	1,526,523,228	545,302,743	2,071,825,971	126.00
2011	73,864,445 *	49,329,208 *	123,193,653 *	1,553,137,000 *	396,765,531 *	1,949,902,531 *	123.00
2012	73,826,180	52,030,391	125,856,571	1,551,860,000	416,603,807	1,968,463,807	145.00
2013	67,733,480	51,286,490	119,019,970	1,535,120,165	348,145,245	1,883,265,410	155.00
2014	70,886,830	54,168,577	125,055,407	1,537,861,411	433,348,616	1,971,210,027	154.00

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\* Reassessment Year.

\*\* The increase in personal property is due to the construction of a power plant in Jasper County.

Data Source: County Auditor

**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
2005	163.00	-	-	163.00	129.00	7.00	35.00	85.00	147.00
2006	155.00	-	-	155.00	133.50	7.50	35.00	110.00	147.00
2007	109.50	-	-	109.50	112.50	-	31.00	110.00	153.00
2008	115.00	-	-	115.00	118.00	-	31.00	114.20	153.00
2009	45.00	74.00	-	119.00	122.00	8.00	31.00	114.20	153.00
2010	66.00	60.00	-	126.00	129.00	12.00	31.00	114.20	153.00
2011	69.50	53.50	3.00	126.00	131.50	19.00	31.00	114.20	153.00
2012	86.50	58.50	12.00	157.00	165.25	25.00	33.00	114.20	153.00
2013	85.75	57.25	12.00	155.00	172.00	25.00	33.00	114.20	147.00
2014	86.50	55.50	12.00	154.00	166.00	25.00	33.00	114.20	142.00

Source: County Finance Office

The County did not have components to the rate prior to 2009.



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

**Schedule 7**

<u>TAXPAYER</u>	<u>2014</u>			<u>2005</u>		
	<u>TAXABLE ASSESSED VALUE</u>	<u>RANK</u>	<u>PERCENTAGE OF TOTAL COUNTY TAXABLE ASSESSED VALUE</u>	<u>TAXABLE ASSESSED VALUE</u>	<u>RANK</u>	<u>PERCENTAGE OF TOTAL COUNTY TAXABLE ASSESSED VALUE</u>
South Carolina Electric & Gas	\$ 19,855,387	1	15.88%	\$ 5,157,510	1	7.43%
Palmetto Electric	3,048,550	2	2.44%	2,255,900	2	3.25%
Georgia DOT	1,941,120	3	1.55%	1,611,890	3	2.32%
CSX Transportation	1,321,124	4	1.06%	824,600	4	1.19%
Carolina Gas Transmission Corporation	1,080,940	5	0.86%	700,400	8	1.01%
Auston Chase	1,044,890	6	0.84%	-	-	-
Malphrus Construction	978,980	7	0.78%	743,900	6	1.07%
Courtney Bend LLC	827,480	8	0.66%	-	-	-
Okeetee Club	707,650	9	0.57%	666,500	9	0.96%
Dell Webb Communities	627,680	10	0.50%	-	-	-
Central Electric Power	-		0.00%	-	-	-
Coastal Carolina Medical Center	-		-	773,890	5	1.11%
Carolina Atlanta & West	-		-	714,380	7	1.03%
Walmart	-		-	504,150	10	0.73%
Total	<u>\$ 31,433,801</u>		<u>25.14%</u>	<u>\$ 13,953,120</u>		<u>20.10%</u>

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Source: Jasper County Auditor

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

**Schedule 8**

<b>FISCAL YEAR ENDED JUNE 30,</b>	<b>TAXES LEVIED FOR THE FISCAL YEAR</b>	<b>COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY</b>		<b>COLLECTIONS IN SUBSEQUENT YEARS</b>	<b>TOTAL COLLECTIONS TO DATE</b>	
		<b>AMOUNT</b>	<b>PERCENTAGE OF LEVY</b>		<b>AMOUNT</b>	<b>PERCENTAGE OF LEVY</b>
2005	\$ 8,744,021	\$ 7,551,518	86.4%	\$ 922,399	\$ 8,473,917	96.9%
2006	12,265,278	10,866,037	88.6%	1,210,144	12,076,181	98.5%
2007	11,783,083	10,814,100	91.8%	781,965	11,596,065	98.4%
2008	13,483,864	12,695,728	94.2%	602,066	13,297,794	98.6%
2009	14,024,397	12,599,271	89.8%	893,206	13,492,477	96.2%
2010	14,432,970	13,075,617	90.6%	1,240,543	14,316,160	99.2%
2011	14,327,464	13,008,749	90.8%	1,164,100	14,172,849	98.9%
2012	15,594,355	14,172,710	90.9%	1,215,199	15,278,814	98.0%
2013	15,647,788	14,300,250	91.4%	993,177	15,293,427	97.7%
2014	15,274,388	13,771,144	90.2%	-	13,771,144	90.2%

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	BOND ANTICIPATION			
2005	\$ -	\$ 1,146,778	\$ 1,531,076	\$ -	\$ 785,000	\$ 3,462,854	0.6%	146.14
2006	-	1,041,580	2,876,969	-	785,000	4,703,549	0.8%	179.20
2007	-	932,866	2,092,466	-	8,170,000	11,195,332	1.9%	423.82
2008	-	820,647	2,006,035	-	8,505,000	11,331,682	1.8%	420.24
2009	-	703,404	2,312,100	-	15,150,000	18,165,504	2.9%	682.27
2010	-	583,424	-	-	18,635,000	19,218,424	2.9%	731.24
2011	-	460,179	-	11,915,000	6,735,000 (1)	19,110,179	2.9%	732.19
2012	4,500,000	1,119,824	-	13,225,000	1,200,000	20,044,824	3.1%	768.30
2013	4,500,000	940,744	820,657	12,563,314	1,245,000	20,069,715	2.9%	737.80
2014	4,500,000	755,071	771,236	13,833,790	-	19,860,097	2.6%	694.58

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.

N/A Information is not available.

(1) Converted to long-term debt on November 1, 2011.

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

FISCAL YEAR ENDED JUNE 30,	GENERAL OBLIGATION BONDS	LESS: AMOUNTS AVAILABLE IN DEBT SERVICE FUNDS	TOTAL	PERCENTAGE OF ESTIMATED ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
2012	\$ 4,500,000 (1)	\$ - (2)	\$ 4,500,000	3.6%	172.48
2013	4,500,000	-	4,500,000	3.8%	165.43
2014	4,500,000	-	4,500,000	3.6%	157.38

(1) This is the first year that the County has had General Obligation Debt.

(2) Principal is not due until FYE 2015; interest only until then.

**JASPER COUNTY, SOUTH CAROLINA  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF JUNE 30, 2014**

<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	\$ 37,243,099	100.00%	\$ 37,243,099
City of Hardeeville	2,869,959	17.50%	502,243
Subtotal overlapping debt	<u>40,113,058</u>		<u>37,745,342</u>
<b>County direct debt</b>	<u>19,860,097</u>	100.00%	<u>19,860,097</u>
Total direct and overlapping debt	<u>\$ 59,973,155</u>		<u>\$ 57,605,439</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 2014**

Assessed Value	\$ 122,555,407
Debt limit (8% of assessed value)	9,804,433
Debt applicable to limit:	
General Obligation	4,500,000
Total net debt applicable to limit	4,500,000
Legal Debt Margin	\$ 5,304,433

	FISCAL YEAR									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Debt Limit	\$ 5,553,865	\$ 7,800,971	\$ 9,370,565	\$ 9,604,702	\$ 9,777,311	\$ 9,804,378	\$ 9,855,492	\$ 10,068,525	\$ 9,521,598	\$ 9,804,433
Total net debt applicable to limit	-	-	-	-	-	-	-	4,500,000	4,500,000	4,500,000
Legal debt margin	\$ 5,553,865	\$ 7,800,971	\$ 9,370,565	\$ 9,604,702	\$ 9,777,311	\$ 9,804,378	\$ 9,855,492	\$ 5,568,525	\$ 5,021,598	\$ 5,304,433
Total net debt applicable to the limit as a percentage of debt limit	-	-	-	-	-	-	-	44.7%	47.3%	45.9%

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 Auditor

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

FISCAL YEAR ENDED JUNE 30,	DEBT SERVICE COLLECTIONS	DEBT SERVICE		COVERAGE
		PRINCIPAL	INTEREST	
2012	\$ 1,094,782	\$ 490,000	\$ 572,502	1.03
2013	1,276,024	390,000	840,193	1.04
2014	1,291,096	1,010,000	607,332	0.80

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>
2005	21,398	\$ 542,161	\$ 23,696	34.8	\$ 3,905	5.0
2006	21,809	577,982	26,247	33.8	4,005	5.1
2007	21,900	596,274	26,415	33.8	3,960	5.7
2008	22,746	613,335	26,965	32.7	4,307	6.0
2009	23,221	618,260	26,625	N/A	4,090	10.4
2010	24,777	655,924	26,282	34.8	4,136	9.9
2011	25,195	657,590	26,100	35.4	4,025	9.8
2012	25,000	652,250	26,090	35.4	4,012	8.9
2013	25,833	702,714	27,202	35.6	3,936	8.1
2014	26,629	761,400	28,593	34.0	3,997	5.4

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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	2014			2005		
	EMPLOYEES	RANK	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	EMPLOYEES	RANK	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT
Jasper County School District	415	1	0.17 %	N/A		N/A %
New River Auto Mall	377	2	0.15	N/A		N/A
Wal-Mart	288	3	0.12	N/A		N/A
Beaufort-Jasper Comprehensive Health	250	4	0.10	N/A		N/A
Jasper County	248	5	0.10	N/A		N/A
Ridgeland Correctional Institution	197	6	0.08	N/A		N/A
Cleland Construction Company	187	7	0.08	N/A		N/A
Coastal Carolina Medical Center	174	8	0.07	N/A		N/A
J.C. Board of Disabilities & Special Needs	115	9	0.05	N/A		N/A
Tico Manufacturing	107	10	0.04	N/A		N/A
Ridgland Nursing Center	95		0.04	N/A		N/A
Total	<u>2,453</u>		<u>1.00 %</u>	<u>-</u>		<u>- %</u>

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Source: County Economic Development Department

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

**Schedule 16**

<b>FUNCTION/PROGRAM</b>	<b>FISCAL YEAR</b>									
	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
County Council	5	5	5	5	6	6	6	6	6	6
Administrator	4	4	4	4	3	3	2	3	2	2
Administrative Services	11	17	18	24	22	19	17	16	16	16
Development Services	3	6	11	14	10	5	4	5	5	5
Emergency Services	76 a	90 a	94	82	7	6	4	4	4	4
Engineering Services	46	49	43	48	45	40	39	35	35	35
Treasurer	2	3	3	3	3	3	3	3	3	3
Auditor	4	4	4	5	5	4	4	4	4	4
Probate Judge	3	3	3	3	3	2	2	2	2	2
Clerk of Court	7	8	8	8	10	8	9	7	7	7
Sheriff	29	35	37	34	38	39	39	42	42	42
Magistrate	12	10	8	9	11	11	11	11	11	11
Veterans Affairs	2	2	2	2	2	2	2	2	2	2
Election Commission	2	3	3	3	2	2	2	2	2	2
Coroner	1	1	1	1	2	3	2	2	2	2
Recreation	2	2	2	2	6	5	5	5	5	5
Fire & Rescue	N/A	N/A	N/A	N/A	42	39	38	43	47	47
Emergency Telecommunications	N/A	N/A	N/A	N/A	13	12	11	11	12	15
Information Technology	N/A	N/A	N/A	N/A	1	1	1	1	2	2
Detention	N/A	N/A	N/A	N/A	41	39	39	34	37	37
County Attorney	N/A	N/A	N/A	N/A	N/A	N/A	2	2	2	2
<b>Total</b>	<b>209</b>	<b>242</b>	<b>246</b>	<b>247</b>	<b>272</b>	<b>249</b>	<b>242</b>	<b>240</b>	<b>248</b>	<b>251</b>

Source: County Human Resources

(a) The County began the hiring of additional jailers to staff the new detention center.

N/A After a management study, the County reorganized the functional areas and information prior to year 2002 would not be comparable.

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

Schedule 17

	FISCAL YEAR									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>REGISTER OF DEEDS</b>										
Documents Recorded	N/A *	3,841	7,728	6,882	5,606	5,429	4,737	5,654	6,713	5,697
<b>SOLID WASTE</b>										
Tons of Solid Waste Handled	N/A	8,631	11,153	9,866	9,866	9,956	5,353	7,399	7,048	9,967
<b>BUILDING DEPARTMENT</b>										
Residential Permits Issued	111	562	495	303	224	169	14	159	207	188
Value of Residential Permits	\$ 11,199,465	\$ 26,751,560	\$ 32,189,775	\$ 17,545,771	\$ 9,505,205	\$ 5,495,999	\$ 2,568,369	\$ 2,857,057	\$ 6,703,564	\$ 6,342,794
Commercial Permits Issued	33	77	78	61	127	44	4	30	35	62
Value of Commercial Permits	\$ 11,875,439	\$ 46,995,504	\$ 11,198,793	\$ 41,595,921	\$ 8,058,570	\$ 11,800,549	\$ 2,883,447	\$ 3,907,760	\$ 7,016,742	\$ 6,583,575
Mobile Home Permits Issued	N/A	219	228	132	116	92	82	120	103	86
<b>PARKS &amp; RECREATION</b>										
Park Attendance	N/A	36,206	46,987	49,054	63,323	65,372	57,400	61,024	81,253	17,966 *
<b>DETENTION CENTER</b>										
Confinements	N/A	2,039	2,373	2,655	2,578	2,283	2,587	2,297	1,600	1,992
<b>BUSINESS LICENSES &amp; BILLBOARDS</b>										
Business Licenses Issued	N/A	673	N/A	642	977	849	753	717	684	845
Gross Sales Within County	\$ 1,184,771,836	\$ 886,051,537	\$ 923,657,760	\$ 939,769,745	\$ 845,973,337	\$ 750,636,025	N/A	N/A	\$ 1,050,332,950	\$ 924,434,928
<b>EMERGENCY SERVICES</b>										
Calls Dispatched	N/A	23,660	22,446	21,877	40,061	47,359	50,811	50,952	46,271	49,479

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

N/A Information is not available.

\* Department opened in November 2005.

Source: Various County Departments

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

**Schedule 18**

<b>FUNCTION/PROGRAM</b>	<b>FISCAL YEAR</b>									
	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>DEVELOPMENT SERVICES:</b>										
Community centers	6	6	6	6	6	6	6	6	6	6
Parks	11	11	11	11	11	11	11	11	11	11
Parks acreage	422	422	422	422	422	422	422	422	422	422
Boat landings	6	6	6	6	6	6	6	6	6	6
<b>EMERGENCY SERVICES:</b>										
Number of fire stations	9	9	9	9	8	8	8	8	8	9
Number of fire trucks	N/A	19	19	19	19	19	19	19	19	19
Number of ambulances	N/A	6	7	7	7	7	7	7	7	7
<b>ENGINEERING SERVICES:</b>										
Miles of Roads	N/A	124	124	124	124	124	124	124	124	124
Recycling centers	6	6	6	6	6	6	6	6	6	6
<b>SHERIFF:</b>										
Patrol units	15	15	18	18	18	18	18	18	18	18
<b>HEALTH, EDUCATION &amp; WELFARE</b>										
County libraries	2	2	2	2	2	2	2	2	2	2

N/A Information is not available.

# COMPLIANCE SECTION

**INDEPENDENT AUDITORS' 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  
Ridgeland, South Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jasper County, South Carolina, as of and for the year ended June 30, 2014, 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 5, 2014.

**Internal Control Over Financial Reporting**

In planning and performing our audits of the financial statements, we considered Jasper County, South Carolina's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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 or a significant deficiency. However, material weaknesses may exist that have not been identified.

**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 determination of financial statement amounts. 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.

*Baird & Company, CPAs, LLC*

BAIRD & COMPANY, CPAs, LLC  
Certified Public Accountants

Augusta, Georgia  
December 5, 2014