

BARNWELL COUNTY, SOUTH CAROLINA

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2023

With

REPORT OF INDEPENDENT AUDITORS



PREPARED BY:

**BARNWELL COUNTY ADMINISTRATOR AND FINANCE
DEPARTMENTS**

TIMOTHY R. BENNETT - ADMINISTRATOR

MARIA WILLIAMS - FINANCE DIRECTOR

**BARNWELL COUNTY
BARNWELL, SOUTH CAROLINA
ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2023
CONTENTS**

	Page
Independent Auditor's Report	1-3
Management's Discussion and Analysis	4-17
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	18-19
Statement of Activities	20
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	21-22
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position	23-24
Statement of Revenue, Expenditures, and Changes in Fund Balances	25-26
Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	27-28
Proprietary Fund:	
Statement of Net Position	29
Statement of Revenue, Expenses, and Changes in Net Position	30
Statement of Cash Flows	31
Fiduciary Fund:	
Statement of Fiduciary Net Position	32
Statement of Changes in Fiduciary Net Position	33
Notes to Financial Statements	34-94
Required Supplementary Information	
Budgetary Comparison Schedule – General Fund	95
Schedule of Changes in the County's Total OPEB Liability and Related Ratios	96
Schedule of the County's Proportionate Share of the Collective Net Pension Liability (SCRS)	97
Schedule of the County's Proportionate Share of the Collective Net Pension Liability (PORS)	98
Schedule of County Contributions (SCRS)	99
Schedule of County Contributions (PORS)	100
Notes to Required Supplementary Information	101-102

**BARNWELL COUNTY
BARNWELL, SOUTH CAROLINA
ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2023
CONTENTS**

	Page
Other Financial Information	
Combining and Individual Fund Statements and Schedules	
General Fund:	
Balance Sheet	103-104
Schedule of Revenue and Other Financing Sources – Budget and Actual	105-107
Schedule of Expenditures and Other Financing Uses – Budget and Actual	108-124
Other Major Governmental Funds:	
Special Revenue Funds:	
Balance Sheet	125
Schedule of Revenue, Expenditures, and Changes in Fund Balances	126
Debt Service Funds:	
Balance Sheet	127
Schedule of Revenue, Expenditures, and Changes in Fund Balances	128
Capital Projects Funds:	
Balance Sheet	129
Schedule of Revenue, Expenditures, and Changes in Fund Balances	130
Other Non-Major Governmental Funds:	
Combining Balance Sheet	131-132
Schedule of Revenue, Expenditures, and Changes in Fund Balances	133-134
Proprietary Funds:	
Balance Sheet	135
Schedule of Revenue, Expenditures, and Changes in Net Position	136
Fiduciary Funds:	
Combining Schedule of Fiduciary Net Position	137
Combining Schedule of Changes in Assets and Liabilities	138-143
Non-Major Component Units:	
Combining Statement of Net Position	144
Combining Statement of Activities	145
Victims' Rights Assistance	
Schedule of Court Fines, Assessments and Surcharges	146
Single Audit Section	
Schedule of Expenditures of Federal Awards	147
Notes to the Schedule of Expenditures of Federal Awards	148

**BARNWELL COUNTY
BARNWELL, SOUTH CAROLINA
ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2023
CONTENTS**

	Page
Auditor's Reports on Other Matters	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance And Other Matters Based on an Audit of Financial Statements Performed In Accordance With Governmental Auditing Standards	149-150
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	151-153
Schedule of Findings and Questioned Costs	154-155
Summary Schedule of Prior Year Audit Findings	156

REPORT OF INDEPENDENT AUDITOR



Member
South Carolina Association of
Certified Public Accountants

329 S Main Street
Travelers Rest, South Carolina 29690
(864) 834-3868

Member
American Institute of
Certified Public Accountants

Independent Auditor's Report

The Honorable Chairman and Members of
County Council
Barnwell, South Carolina

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Barnwell County, South Carolina (the "County") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Barnwell County, South Carolina, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Schedule, Schedule of Changes in the County's Total OPEB Liability and Related Ratios, Schedule of the County's Proportionate Share of the Net Pension Liability – Employee Pension Plan, and the Schedule of County Contributions to Employee Pension Plan as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 11, 2024, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Highsmith & Highsmith, LLC

Highsmith & Highsmith, LLC
Travelers Rest, South Carolina

January 11, 2024

FINANCIAL SECTION

MANAGEMENT'S DISCUSSION AND ANALYSIS

**BARNWELL COUNTY
BARNWELL, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023**

INTRODUCTION

State law requires that all general-purpose local governments publish at the close of each fiscal year a complete set of financial statements, presented in conformity with generally accepted accounting principles (GAAP), and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to this requirement, we hereby issue the Annual Financial Report for Barnwell County, South Carolina, for the fiscal year ending June 30, 2023.

This report consists of management's representations concerning the finances of Barnwell County. Consequently, management assumes full responsibility for the completeness and reliability of the information contained in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the government agency'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 cost of internal controls should not outweigh their benefits, Barnwell 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 beliefs, this financial report is complete and reliable in all material aspects.

Barnwell County's financial statements have been audited by Highsmith and Highsmith, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2023, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation.

Based on the audit worked performed, our independent auditors concluded, that there was a reasonable basis for rendering an opinion that Barnwell County's financial statements for the fiscal year ended June 30, 2023, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

Governmental Auditing Standards require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal and contractual requirements.

PROFILE OF THE GOVERNMENT

Barnwell County operates under a Council form of government. Policy-making and legislative authority is vested in a governing council consisting of seven Council members. The Council is elected on a partisan basis and includes seven single-member district elections.

Barnwell County Council is responsible for, among other duties, passing ordinances and policies, approving the budget, appointing committee members, and hiring the County's Administrator and Attorney. The Administrator is responsible for enforcing the policies and ordinances of the governing council, overseeing the day-to-day operations of the government services and its approximately 200 employees, and for appointing the heads of the various County departments.

**BARNWELL COUNTY
BARNWELL, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023**

PROFILE OF THE GOVERNMENT (Cont'd)

Barnwell County, under a Council form of government, provides a broad range of services that include:

- Public safety - countywide law enforcement (Sheriff's Office), detention facilities, and emergency preparedness plans to include activation of the County's Emergency Operations Center in an event of a disaster, and fire protection through the Fire Coordinator's office.
- Veterans' assistance
- Health-related assistance - Emergency Medical Services (EMS)
- Voter registration
- Street and drainage maintenance
- Waste disposal and recycling
- Criminal, civil, probate, and family court administration
- Public defender assistance
- Tax billing, collection, and dispersal to appropriate entities/municipalities
- Building inspections
- Road construction and maintenance
- Airport

Discretely presented component units are reported in a separate column in the statement of net position and in the statement of activities in order to emphasize that they are legally separate from the primary government, and to differentiate their financial position and results of operations from those of the primary government.

The following entity is being reported as a major discretely presented component unit:

- Barnwell County Economic Development Corporation

The following entities are non-major discretely presented component units with summary financial information disclosed in the notes:

- Barnwell County Career Center
- Generations Unlimited
- Barnwell County Library Foundation

Blended component units are component units that are so intertwined with the primary government that they are, in substance, the same as the primary government and are presented as part of the primary government.

The Barnwell Facilities Corporation (BFC), a non-profit corporation, was formed in August 2013 and meets the criteria to be included in these financial statements as a blended component unit of the County.

Additional information on the component units can be found in Note 1.A. in the notes to the financial statements.

**BARNWELL COUNTY
BARNWELL, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023**

GENERAL FUND BUDGET

The annual budget serves as the foundation for Barnwell County's financial planning and control. All departments of the County are required to submit requests for appropriation to the County Administrator by April 15 each year. The County's Finance Committee uses these requests as the starting point for developing a proposed budget for the next fiscal year. The County Administrator presents the proposed budget to County Council for review prior to May 1 each year. Council is required to hold public hearings on the proposed budget, and to adopt a final budget each year no later than June 30, which is the close of Barnwell County's fiscal year. The appropriated budget is prepared by fund, function, and department.

The legal level of budgetary control is determined by County Council at the individual fund level. Expenditures by department, sub-organizational level and major category are further defined in the budget document and are subject to approval by the County Administrator.

The County Administrator has the authority to make transfers between major expenditure categories within departments and between departments within the same fund. The administrator has further delegated to the Department Heads the authority to transfer between their department line items with the exclusion of salaries and wages.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

FINANCIAL HIGHLIGHTS

- Barnwell County's assets and deferred outflows exceeded its liabilities and deferred inflows at June 30, 2023, by \$5,611,590. The County's unrestricted net position portion of this amount is a deficit \$(20,227,628).
- The County's total net position increased by \$5,155,831 during the fiscal year ended June 30, 2023, with a \$4,282,703 increase resulting from governmental activities and a \$873,128 increase resulting from business-type activities.
- As of the close of the current fiscal year, Barnwell County's governmental funds reported combined ending fund balances of \$14,007,496. Approximately 29.0 percent of this total amount, \$4,060,899 is available for spending at the government's discretion (unassigned fund balance).
- The General Fund reported a fund balance of \$4,677,570, a decrease from last fiscal year of \$2,839,064.
- Barnwell County's other post-employment benefit (OPEB) obligation increased by \$97,159. See Note 15 for more information regarding OPEB. The County's aggregate net pension liability increased by \$2,331,899. For more information on the net pension liability, see Note 10.
- General obligation bond debt decreased overall by \$1,400,238. Installment purchase revenue bonds outstanding decreased by \$300,000. More information on debt can be found in Note 7.

**BARNWELL COUNTY
BARNWELL, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023**

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to Barnwell County's basic financial statements which are comprised of three components:

1. Government-wide financial statements,
2. Fund financial statements, and
3. Notes to the financial statements.

This report also contains other supplementary financial information in addition to the basic financial statements.

Government-Wide Financial Statements - The government-wide financial statements report information about the County as a whole using accounting methods similar to those used by private sector financial statements. They include a statement of net position and a statement of activities.

The statement of net position includes all of the County's assets and deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the two reported as net position. This statement combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long term obligations.

All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid. Therefore, this statement includes some items that will impact cash flows in future fiscal periods, such as collections of delinquent taxes and the use of earned leave time. This statement is focused on both the gross and net cost of various functions (including governmental, business-type, and component units), which are supported by the government's general tax and other revenues. This statement presents information showing how the government's net position changed during the most recent fiscal year.

These two government-wide statements report the County's net position and how it has changed. Net position, the County's assets and deferred outflows less liabilities and deferred inflows, measures the County's financial position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

These statements appear on Pages 18-19 and 20 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. Like other state and local governments, Barnwell County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of Barnwell County government can be divided into three categories: governmental, proprietary, and fiduciary.

Governmental Funds - Governmental funds, presented on Pages 21 through 28, essentially account for the same functions as those reported under the governmental activities of the government-wide statement of net position and statement of activities. However, this set of financial statements focuses on events that produce near-term inflows and outflows of spendable resources as well as on the balance of spendable resources available at the end of the fiscal year and is a narrower focus than the government-wide financial

**BARNWELL COUNTY
BARNWELL, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023**

OVERVIEW OF THE FINANCIAL STATEMENTS (Cont'd)

statements. Such information may be useful in evaluating Barnwell County's near-term financing requirements and available resources.

By comparing functions between the two sets of statements for governmental funds and governmental activities, 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. Governmental funds individually presented in Barnwell County's statements include nine major funds: the General Fund, Federal Inmate Funds, Self-Administered Transportation "C" Funds, American Rescue Funds, the Debt Service Fund, the Debt Service Fund related to the capital project sales tax bonds, the Debt Service Fund related to the Barnwell Facilities Corporation, the Capital Projects Fund, the Capital Projects Fund related to the capital project sales tax, and the Capital Projects Fund related to the Barnwell Facilities Corporation. The General Fund is always required to be reported as a major fund. The Debt Service Funds and Capital Projects Funds have been presented as major funds either because they were required to be or because it allowed for consistency. Other governmental funds are reported as major funds only when required.

Although there are many smaller governmental funds in Barnwell County Government, they have been presented in a total column termed as "other governmental funds". Combining statements for these other governmental funds have been presented in the combined and individual fund statements and schedules of the report.

Proprietary Funds - Barnwell County maintains and presents one proprietary fund, enterprise, shown on Pages 29 through 31 of this report. Enterprise funds report in greater detail, the same information presented as business-type activities in the government-wide financial statements for the Barnwell County Airport.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the primary government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Barnwell County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The County maintains two types of Fiduciary Funds.

Custodial Funds - Property taxes and other revenue are collected, temporarily retained and distributed by the County Treasurer in accordance with Acts of the General Assembly of South Carolina. Each governmental unit for which a custodial fund is maintained is administered by a governing body independent of the County Council.

Expendable Trust Fund - The Expendable Trust Fund is used to account for resources held by the South Carolina State Treasurer for the purpose of the economic development in the County.

The Fiduciary Fund financial statements can be found on Pages 32 through 33 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 both government-wide and fund financial statements. Notes begin on Page 34 of this report.

**BARNWELL COUNTY
BARNWELL, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023**

OVERVIEW OF THE FINANCIAL STATEMENTS (Cont'd)

Other Information – In addition to the basic financial statements and accompanying notes, the Governmental Accounting Standards Board requires information pertaining to budgetary comparison schedules, other post-employment benefits, and the pension plan be presented to supplement the basic financial statements. This required supplemental information (RSI) is presented immediately following the notes to the financial statements. Combining and individual fund schedules referred to earlier are presented following the RSI. The RSI can be found on pages 95 through 102 and the combining and individual fund schedules can be found on pages 103 through 143 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 condition. In the case of Barnwell County, assets and deferred outflows exceeded liabilities and deferred inflows by \$5,611,590 at the close of the most recent fiscal year. The County's increase in net position for this year amounts to \$5,155,831.

One portion of the County's net position, \$16,900,957, reflects its investment in capital assets (e.g. land, buildings, infrastructure, machinery, and equipment) less any related debt used to acquire those assets that are 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 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.

An additional portion of the County's net position, \$8,938,261, represents resources that are subject to restrictions on how they may be used. The remaining balance is a deficit of \$(20,227,628) unrestricted net position.

~ continued on following page ~

**BARNWELL COUNTY
BARNWELL, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

At the end of fiscal year 2023, the County reflected the following net position:

	Governmental		Business - Type		Total	
	Activities		Activities			
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Current and other						
assets	\$ 18,274,947	\$ 15,607,815	\$ 394,750	\$ 283,399	\$ 18,669,697	\$ 15,891,214
Capital assets	26,145,999	25,395,139	5,239,345	4,455,467	31,385,344	29,850,606
Total assets	44,420,946	41,002,954	5,634,095	4,738,866	50,055,041	45,741,820
Total deferred outflows						
of resources	4,629,272	5,081,897	13,843	13,498	4,643,115	5,095,395
Current liabilities	5,569,082	13,498	110,896	102,544	5,679,978	116,042
Non-current liabilities	39,114,283	46,763,895	96,641	69,553	39,210,924	46,833,448
Total liabilities	44,683,365	46,777,393	207,537	172,097	44,890,902	46,949,490
Total deferred inflows						
of resources	4,191,916	7,807,083	3,748	16,742	4,195,664	7,823,825
Net Position						
Net investment in						
capital assets	11,890,591	9,164,619	5,010,366	4,226,488	16,900,957	13,391,107
Restricted	8,938,261	5,318,569	-	-	8,938,261	5,318,569
Unrestricted	(20,653,915)	(18,590,954)	426,287	337,037	(20,227,628)	(18,253,917)
Total net position	\$ 174,937	\$ (4,107,766)	\$ 5,436,653	\$ 4,563,525	\$ 5,611,590	\$ 455,759

The following are significant current year transactions that have had an impact on the Statement of Net Position:

- Capital asset additions totaling \$3,278,772
- Depreciation expense totaling \$1,744,034
- \$1,758,763 in principal payments on general obligation bonds
- \$300,000 in principal payments on installment purchase revenue bonds
- \$403,527 in principal payments on installment purchase contracts
- \$319,401 in decreases to net pension expense
- \$420,449 in decreases to other postemployment benefits (OPEB) liabilities
- Interest expense on general obligation bonds totaling \$135,077
- Interest expense on installment purchase revenue bonds totaling \$306,025

**BARNWELL COUNTY
BARNWELL, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)

Changes in net position – The County's total revenues for the fiscal year ended June 30, 2023, were \$30,887,781. The total cost of all programs and services was \$25,731,950. The following table presents a summary of the activity that resulted in changes in net position for the fiscal years ended June 30, 2023 and June 30, 2022.

	Governmental Activities		Business-Type Activities		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenues:						
Charges for services	\$ 1,600,755	\$ 1,411,584	\$ 257,454	\$ 255,988	\$ 1,858,209	\$ 1,667,572
Operating grant and contributions	8,544,810	6,047,940	-	908,033	8,544,810	6,955,973
Capital grants	-	172,943	1,041,610	-	1,041,610	172,943
General revenues						
Property taxes	11,834,162	11,281,714	-	-	11,834,162	11,281,714
Sales and use taxes	4,411,019	3,462,201	-	-	4,411,019	3,462,201
Special assessments	72,108	44,793	-	-	72,108	44,793
Accommodation taxes	94,999	130,520	-	-	94,999	130,520
Merchant's inventory tax	24,572	24,572	-	-	24,572	24,572
State shared revenues	1,699,648	1,730,807	-	-	1,699,648	1,730,807
Interest earnings	441,789	29,296	-	-	441,789	29,296
Net gain (loss) on sale or disposal of assets	20,874	(54,581)	-	-	20,874	(54,581)
Miscellaneous	814,366	642,976	29,615	79,991	843,981	722,967
Total revenues	<u>29,559,102</u>	<u>24,924,765</u>	<u>1,328,679</u>	<u>1,244,012</u>	<u>30,887,781</u>	<u>26,168,777</u>

~ continued on following page ~

**BARNWELL COUNTY
BARNWELL, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)

	Governmental Activities		Business-Type Activities		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Expenses:						
General government	\$ 3,190,716	\$ 2,350,795	\$ 455,551	\$ 418,439	\$ 3,646,267	\$ 2,769,234
Physical environment	5,012,619	4,134,340	-	-	5,012,619	4,134,340
Finance and taxation	818,265	789,656	-	-	818,265	789,656
Judicial	1,251,172	1,178,963	-	-	1,251,172	1,178,963
Public safety	7,309,308	7,305,737	-	-	7,309,308	7,305,737
Health and welfare	2,594,494	1,897,131	-	-	2,594,494	1,897,131
Culture/recreation	441,938	276,336	-	-	441,938	276,336
Miscellaneous	267,794	234,127	-	-	267,794	234,127
Capital outlay	132,809	601,792	-	-	132,809	601,792
Employee fringe benefits	3,251,667	3,413,093	-	-	3,251,667	3,413,093
Intergovernmental	530,809	272,466	-	-	530,809	272,466
Agencies	97,655	880,964	-	-	97,655	880,964
Interest expense	377,153	420,450	-	-	377,153	420,450
Total expenses	<u>25,276,399</u>	<u>23,755,850</u>	<u>455,551</u>	<u>418,439</u>	<u>25,731,950</u>	<u>24,174,289</u>
Excess of revenue over (under) expense	4,282,703	1,168,915	873,128	825,573	5,155,831	1,994,488
Net position (deficit) - beginning (as restated)	<u>(4,107,766)</u>	<u>(5,276,681)</u>	<u>4,563,525</u>	<u>3,737,952</u>	<u>455,759</u>	<u>(1,538,729)</u>
Net position (deficit) - ending	<u>\$ 174,937</u>	<u>\$ (4,107,766)</u>	<u>\$ 5,436,653</u>	<u>\$ 4,563,525</u>	<u>\$ 5,611,590</u>	<u>\$ 455,759</u>

Governmental activities – The following table presents the cost of the major functional activities of the primary government. The table also shows each function's net cost (total cost, less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the County's taxpayers by each of these functions. The cost of all governmental activities this year was \$25,276,399. Net cost of governmental activities \$(15,130,834) was financed by general revenues which are made up primarily of property taxes totaling \$11,834,162, sales taxes totaling \$4,411,019, and shared state aid totaling \$1,699,648.

**BARNWELL COUNTY
BARNWELL, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)

	Governmental Activities			
	2023		2022	
	Total Expenses	Net (Expense) Revenue	Total Expenses	Net (Expense) Revenue
General government	\$ 3,190,716	\$ (2,803,619)	\$ 2,350,795	\$ (1,987,989)
Physical environment	5,012,619	(521,276)	4,134,340	(1,602,832)
Finance and taxation	818,265	(779,805)	789,656	(759,340)
Judicial	1,251,172	(1,039,434)	1,178,963	(1,080,376)
Public safety	7,309,308	(3,756,533)	7,305,737	(3,637,012)
Health and welfare	2,594,494	(1,258,277)	1,897,131	(1,165,524)
Culture/recreation	441,938	(441,938)	276,336	(276,336)
Miscellaneous	267,794	(139,859)	234,127	(25,209)
Capital outlay	132,809	(132,809)	601,792	(601,792)
Employee fringe benefits	3,251,667	(3,251,667)	3,413,093	(3,413,093)
Intergovernmental	530,809	(530,809)	272,466	(272,466)
Agencies	97,655	(97,655)	880,964	(880,964)
Interest expense	377,153	(377,153)	420,450	(420,450)
	<u>\$25,276,399</u>	<u>\$ (15,130,834)</u>	<u>\$23,755,850</u>	<u>\$ (16,123,383)</u>

FINANCIAL ANALYSIS OF THE COUNTY'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 Barnwell County governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Barnwell County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of June 30, 2023, Barnwell County governmental funds reported combined fund balances of \$14,007,496, an increase of \$857,627 from prior year balances.

The General Fund is the chief operating fund of the County. At June 30, 2023, total fund balance in the General Fund was \$4,677,570, of which \$4,060,899 was unassigned. As a measure of the General Fund's liquidity, the total unassigned fund balances compared to total fund expenditures was 20.0%. The fund balance of the General Fund decreased by \$2,839,064 during the current fiscal year. The decrease for the year was primarily due to funds transferred to the Capital Projects Fund from the General Fund.

The major Capital Projects Sales Tax (CPST) fund is used to account for specific revenues and debt proceeds to fund the approved capital projects under the sales tax referendum. The fund balance for this fund increased by \$1,311,174, resulting in an ending fund balance of \$3,134,739 at June 30, 2022. The fund had \$2,979,344 in revenues from sales tax collections and allocated pooled interest. \$530,809 was expended on the approved capital projects and \$1,215,625 was transferred to Debt Service to pay the bonds.

**BARNWELL COUNTY
BARNWELL, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023**

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS (Cont'd)

The major Debt Service fund that is servicing the general obligation capital projects sales tax (CPST) bonds reported principal and interest payments of \$1,140,000 and \$75,625, respectively. The debt service payments were funded with the sales tax collections transferred from the capital project sales tax (CPST) fund.

The Debt Service fund that is servicing the debt of the Barnwell Facilities Corporation (BFC) reported principal and interest payments of \$300,000 and \$306,025, respectively, on its Series 2019 refunding bonds. This fund also received total transfers of \$606,025 from other funds to cover any shortfalls.

The general Debt Service Fund had debt service tax revenues of \$634,846 and principal and interest payments on general obligation bonds of \$1,758,763 and \$135,077, respectively. \$1,258,994 was transferred from the General Fund to cover the shortfalls.

The Self-Administered Transportation "C" funds are reported as a major special revenue fund. The fund had revenues of \$4,023,572 and expenditures/transfers out of \$1,682,401, resulting in an increase to fund balance of \$2,341,171. The Federal Inmate Funds are reported as a major special revenue fund. The fund had revenue of \$1,850,463 and expenditures/transfers out of \$1,814,707, resulting in an increase to fund balance of \$35,756.

Other governmental funds are used to account for specific revenues and expenditures. Total fund balances of all other governmental funds decreased by \$50,157 from the prior year. Most of this decrease is attributable to the Rural Fire District Fund.

General Fund Budgetary Highlights – A summarized budget to actual statement for the General Fund is presented as required supplementary information on page 95 and other information regarding the budget can be found in the notes to the required supplementary information on pages 101-102. Detailed budget to actual information for the General Fund is also presented in the supplemental schedules of revenues and expenditures on pages 105 through 124. The expenditures incurred during the year were \$1,973,587 over the budgeted amounts and revenues were also \$273,670 over the budgeted amounts. Expenditures were over budget in the buildings and grounds department including building maintenance and contractual services. Expenditures were over budget in the Sheriff's office including salaries, fuel, vehicle and equipment maintenance, vehicle purchases, grant expenditures, and miscellaneous expenditures. Unbudgeted capital outlay expenditures totaled \$132,809 adding to the overspending of the budget.

CAPITAL ASSET ADMINISTRATION

By the end of 2023, the County had invested \$31,385,344 (net of depreciation) in a broad range of capital assets, including, land, buildings, various machinery and equipment and infrastructure.

**BARNWELL COUNTY
BARNWELL, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023**

CAPITAL ASSET ADMINISTRATION (Cont'd)

The County's investment in capital assets for its governmental activities and business-type activities as of June 30, 2023 is stated below:

	Governmental Activities	Business-Type Activities
Land and land improvements	\$ 2,674,789	\$ 2,185,001
Construction in process	89,759	981,586
Infrastructure	25,252	-
Buildings and improvements	19,540,970	1,839,615
Furniture, vehicles, equipment	3,815,229	4,164
Total capital assets, net of accumulated depreciation	<u>\$ 26,145,999</u>	<u>\$ 5,010,366</u>

Additional information on the County's capital assets can be found in Note 6 on pages 54 through 59 of this report.

LONG-TERM DEBT ADMINISTRATION

At the end of the current fiscal year, Barnwell County had \$4,541,403 in general obligation bonds, which included \$2,345,000 in 2017 CPST bonds to provide funding for capital sales tax projects as outlined in the sales tax referendum, and current year issuances of \$358,525. The County also had \$7,060,000 outstanding principal on its installment purchase "refunding" revenue bonds that were issued in 2019 to refund its 2013B construction bonds. \$403,526 was paid on installment purchase contracts.

	Outstanding Debt		
	2023	2022	Change
General obligation bonds	\$ 4,541,403	\$ 5,941,641	\$ (1,400,238)
Installment purchase revenue bonds	7,060,000	7,360,000	(300,000)
Installment purchase contracts	1,101,915	1,324,822	(222,907)
	<u>12,703,318</u>	<u>14,626,463</u>	<u>\$ (1,923,145)</u>

Additional information on the County's long-term debt can be found in Notes 7 and 8 on pages 60 through 65 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The County adopted its 2023-2024 balanced budget with revenues and expenditures projected at \$23,097,570. There shall continue to be special assessment funds for the Barnwell County Career Center, public safety in the rural areas, and rural fire protection. For said funds it is anticipated that there shall be levied 24 mills for the Career Center which shall be used for operations/maintenance, 4 mills to be levied upon the unincorporated areas of the County for operations of Public Safety in the rural area, 11 mills to be levied upon the unincorporated areas of the County for rural fire protection, and 11.7 mills to be levied for debt service countywide.

**BARNWELL COUNTY
BARNWELL, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023**

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Barnwell 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 information should be addressed to County Administrator, Barnwell County, 57 Wall Street, Barnwell, South Carolina 29812.

**BARNWELL COUNTY
BARNWELL, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023**

This page intentionally left blank

BARNWELL COUNTY, SOUTH CAROLINA
GOVERNMENT-WIDE
STATEMENT OF NET POSITION
JUNE 30, 2023

	Primary Government			Barnwell County EDC June 30, 2023	Non-major Component Units June 30, 2023
	Governmental Activities	Business-type Activities	Total		
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 1,559,474	\$ 320,482	\$ 1,879,956	\$ 654,866	\$ 1,511,861
Restricted cash and cash equivalents	442,751	-	442,751	-	-
Investments	206,069	-	206,069	-	-
Restricted investments	4,799,905	-	4,799,905	-	-
Equity in pooled cash and investments	5,291,490	-	5,291,490	-	-
Restricted equity in pooled cash and investments	3,675,447	-	3,675,447	-	-
Receivables:					
Property taxes	255,210	-	255,210	-	26,108
Leases receivable	-	-	-	220,731	22,133
Other receivables, net	76,194	5,568	81,762	-	187,483
Due from other governments	1,554,837	-	1,554,837	-	8,872
Due from Fiduciary Funds - Agency	118,288	-	118,288	-	-
Inventories and prepaid items	295,282	68,700	363,982	-	32,522
Total current assets	18,274,947	394,750	18,669,697	875,597	1,788,979
Non-current assets:					
Leases receivable, net of current portion	-	-	-	792,266	25,257
Land held for resale	-	228,979	228,979	-	-
Capital assets not subject to depreciation	2,764,548	1,725,088	4,489,636	-	-
Capital assets subject to depreciation, net	23,439,078	3,285,278	26,724,356	4,998,701	1,079,358
Total non-current assets	26,203,626	5,239,345	31,442,971	5,790,967	1,104,615
Total assets	44,478,573	5,634,095	50,112,668	6,666,564	2,893,594
DEFERRED OUTFLOWS OF RESOURCES					
Total deferred outflows of resources					
related to pensions	1,762,004	4,088	1,766,092	-	430,822
Total contributions subsequent to the measure-					
ment date for pensions	1,457,007	9,755	1,466,762	-	-
Total deferred outflows of resources					
related to OPEB	1,313,716	-	1,313,716	-	470,466
Deferred outflow of resources related to					
current refunding of bonds - debt defeasance	96,545	-	96,545	-	-
Total deferred outflows of resources	4,629,272	13,843	4,643,115	-	901,288
LIABILITIES					
Current liabilities:					
Accounts payable	515,650	-	515,650	6,849	150,376
Accrued salaries and related taxes	441,324	-	441,324	-	114,932
Installment purchase contracts payable-					
current portion	412,905	-	412,905	-	-
Accrued compensated absences - current portion	13,572	-	13,572	-	17,231
Line of credit	-	-	-	-	77,508
Due to other governments	393,445	-	393,445	-	-
Due to component units:					
Barnwell County Economic Development	582	-	582	-	-
Internal balances	(110,896)	110,896	-	-	-
Unearned revenue	2,025,773	-	2,025,773	25,000	39,488

See accompanying notes to financial statements.

BARNWELL COUNTY, SOUTH CAROLINA
GOVERNMENT-WIDE
STATEMENT OF NET POSITION
JUNE 30, 2023

	Primary Government			Barnwell County EDC June 30, 2023	Non-major Component Units June 30, 2023
	Governmental Activities	Business-type Activities	Total		
LIABILITIES (cont'd)					
Other liabilities	\$ 848,984	\$ -	\$ 848,984	\$ 22,518	\$ 11,474
Landfill closure costs - current portion	25,000	-	25,000	-	-
General obligation bonds payable - current portion	621,111	-	621,111	-	-
Installment purchase refunding revenue bonds - current portion, net of unamortized premium	381,632	-	381,632	-	-
Total current liabilities	5,569,082	110,896	5,679,978	54,367	411,009
Non-current liabilities:					
Accrued compensated absences	255,650	-	255,650	-	-
Accrued interest payable	119,952	-	119,952	-	-
Installment purchase contracts	689,011	-	689,011	-	-
General obligation bonds payable	3,920,292	-	3,920,292	-	-
Installment purchase refunding revenue bonds, net of unamortized premium	7,688,961	-	7,688,961	-	-
Landfill closure costs	230,088	-	230,088	-	-
Landfill postclosure care costs	382,953	-	382,953	-	-
Other post-employment benefit (OPEB) obligation	11,485,046	-	11,485,046	-	1,581,119
Aggregate Net Pension Liability	14,342,330	96,641	14,438,971	-	3,301,215
Total non-current liabilities	39,114,283	96,641	39,210,924	-	4,882,334
Total liabilities	44,683,365	207,537	44,890,902	54,367	5,293,343
DEFERRED INFLOWS OF RESOURCES					
Total deferred inflows of resources related to pensions	477,097	3,748	480,845	-	187,674
Total deferred inflows of resources related to OPEB	3,714,819	-	3,714,819	-	749,765
Total deferred inflows of resources related to leases	-	-	-	-	44,255
Total deferred inflows of resources	4,191,916	3,748	4,195,664	-	981,694
NET POSITION					
Net investment in capital assets	11,948,218	5,010,366	16,958,584	4,998,701	1,079,359
Restricted for:					
Property tax rollback program	25,707	-	25,707	-	-
Transportation - "C" Funds	4,675,605	-	4,675,605	-	-
Capital projects (CPST)	3,134,739	-	3,134,739	-	-
Capital projects (BFC)	2,406	-	2,406	-	-
Other restricted	1,099,804	-	1,099,804	-	-
Unrestricted (deficit)	(20,653,915)	426,287	(20,227,628)	1,613,496	(3,559,513)
Total net position (deficit)	\$ 232,564	\$ 5,436,653	\$ 5,669,217	\$ 6,612,197	\$ (2,480,154)

BARNWELL COUNTY, SOUTH CAROLINA
GOVERNMENT-WIDE
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023

	Program Revenues					Net (Expense) Revenue and Changes in Net Position				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and and Contributions	Other	Primary Government			Barnwell County EDC June 30, 2023	Non-major Component Units June 30, 2023
						Governmental Activities	Business- Type Activities	Total		
Functions and Programs										
Primary Government:										
<u>Governmental activities:</u>										
General government	\$ (3,190,716)	\$ -	\$ 387,097	\$ -	\$ -	\$ (2,803,619)	\$ -	\$ (2,803,619)	\$ -	\$ -
Physical environment	(5,012,619)	626,289	3,865,054	-	-	(521,276)	-	(521,276)	-	-
Finance and taxation	(818,265)	38,460	-	-	-	(779,805)	-	(779,805)	-	-
Judicial	(1,251,172)	165,163	46,575	-	-	(1,039,434)	-	(1,039,434)	-	-
Public safety	(7,251,681)	748,609	2,804,166	-	-	(3,698,906)	-	(3,698,906)	-	-
Health and welfare	(2,594,494)	22,234	1,313,983	-	-	(1,258,277)	-	(1,258,277)	-	-
Culture/recreation	(441,938)	-	-	-	-	(441,938)	-	(441,938)	-	-
Miscellaneous	(267,794)	-	127,935	-	-	(139,859)	-	(139,859)	-	-
Capital outlay	(132,809)	-	-	-	-	(132,809)	-	(132,809)	-	-
Employee fringe benefits	(3,251,667)	-	-	-	-	(3,251,667)	-	(3,251,667)	-	-
Intergovernmental	(530,809)	-	-	-	-	(530,809)	-	(530,809)	-	-
Agencies	(97,655)	-	-	-	-	(97,655)	-	(97,655)	-	-
Interest expense	(377,153)	-	-	-	-	(377,153)	-	(377,153)	-	-
Total governmental activities	(25,218,772)	1,600,755	8,544,810	-	-	(15,073,207)	-	(15,073,207)	-	-
<u>Business-type activities:</u>										
Barnwell County Airport	(455,551)	257,454	-	1,041,610	-	-	843,513	843,513	-	-
Total business-type activities	(455,551)	257,454	-	1,041,610	-	-	843,513	843,513	-	-
Total primary government	<u>\$ (25,674,323)</u>	<u>\$ 1,858,209</u>	<u>\$ 8,544,810</u>	<u>\$ 1,041,610</u>	<u>\$ -</u>	<u>(15,073,207)</u>	<u>843,513</u>	<u>(14,229,694)</u>	<u>-</u>	<u>-</u>
Component Units:										
Barnwell County EDC	\$ (516,903)	\$ -	\$ -	\$ -	\$ -	-	-	-	(516,903)	-
Other Component Units	(3,525,133)	929,983	957,750	25,871	48,017	-	-	-	-	(1,563,512)
Total component units	<u>\$ (3,525,133)</u>	<u>\$ 929,983</u>	<u>\$ 957,750</u>	<u>\$ 25,871</u>	<u>\$ 48,017</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(516,903)</u>	<u>(1,563,512)</u>
General revenue and transfers:										
Property taxes						11,834,162	-	11,834,162	-	1,422,385
Local option sales tax						1,431,675	-	1,431,675	-	-
Capital projects sales tax						2,979,344	-	2,979,344	-	-
Special assessments - Plant Vogtle						72,108	-	72,108	-	-
Accommodations tax						94,999	-	94,999	-	-
Merchant's inventory tax						24,572	-	24,572	-	-
State shared and unallocated intergovernmental						1,699,648	-	1,699,648	-	-
Interest earnings						441,789	-	441,789	60,413	7,773
Unrealized gain (loss) on investment						-	-	-	-	2,327
Net gain (losses) on sales (disposition) of assets						20,874	-	20,874	-	-
Miscellaneous						814,366	29,615	843,981	481	28,760
Total general revenue						19,413,537	29,615	19,443,152	60,894	1,461,245
Change in net position						4,340,330	873,128	5,213,458	(456,009)	(102,267)
Net position (deficit) - beginning of year (as restated)						(4,107,766)	4,563,525	455,759	7,068,206	(2,377,887)
Net position (deficit) - end of year						<u>\$ 232,564</u>	<u>\$ 5,436,653</u>	<u>\$ 5,669,217</u>	<u>\$ 6,612,197</u>	<u>\$ (2,480,154)</u>

See accompanying notes to financial statements.

BARNWELL COUNTY, SOUTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	General	Federal Inmate Funds	Self- Administered "C" Funds	American Rescue Funds	Debt Service	(CPST) Debt Service	(BFC) Debt Service	Capital Projects	(CPST) Capital Projects	(BFC) Capital Projects	Other Govern- mental Funds	Total Govern- mental Funds
ASSETS												
Cash and cash equivalents												
Unrestricted	\$ 1,559,474	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,559,474
Restricted	-	-	178,440	-	-	-	-	167,362	-	2,406	94,543	442,751
Investments												
Unrestricted	206,069	-	-	-	-	-	-	-	-	-	-	206,069
Restricted	-	-	4,799,905	-	-	-	-	-	-	-	-	4,799,905
Equity in pooled cash												
Unrestricted	5,193,143	60,009	-	-	-	-	-	-	-	-	38,338	5,291,490
Restricted	-	-	-	-	-	-	-	-	2,535,871	-	1,139,576	3,675,447
Receivables												
Property taxes	582,650	-	-	-	-	-	-	-	-	-	18,381	601,031
Other receivables, net	76,194	-	-	-	-	-	-	-	-	-	-	76,194
Due from other governments	726,234	151,663	-	-	-	-	-	-	598,868	-	78,072	1,554,837
Due from other funds	694,055	-	-	2,023,233	-	-	-	-	-	-	67,025	2,784,313
Due from fiduciary funds - custodial	118,288	-	-	-	-	-	-	-	-	-	-	118,288
Prepaid items	295,282	-	-	-	-	-	-	-	-	-	-	295,282
Total assets	<u>\$ 9,451,389</u>	<u>\$ 211,672</u>	<u>\$ 4,978,345</u>	<u>\$2,023,233</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 167,362</u>	<u>\$3,134,739</u>	<u>\$ 2,406</u>	<u>\$1,435,935</u>	<u>\$21,405,081</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES												
Liabilities:												
Accounts payable	\$ 515,650	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 515,650
Accrued payroll and withholdings	441,324	-	-	-	-	-	-	-	-	-	-	441,324
Unearned revenue	2,540	-	-	2,023,233	-	-	-	-	-	-	-	2,025,773
Due to other governments	393,445	-	-	-	-	-	-	-	-	-	-	393,445
Due to other funds	2,090,258	-	302,740	-	-	-	-	-	-	-	280,419	2,673,417
Due to component units	582	-	-	-	-	-	-	-	-	-	-	582
Other payables	848,984	-	-	-	-	-	-	-	-	-	-	848,984
Total liabilities	<u>4,292,783</u>	<u>-</u>	<u>302,740</u>	<u>2,023,233</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>280,419</u>	<u>6,899,175</u>

See accompanying notes to financial statements.

BARNWELL COUNTY, SOUTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	General	Federal Inmate Funds	Self- Administered "C" Funds	American Rescue Funds	Debt Service	(CPST) Debt Service	(BFC) Debt Service	Capital Projects	(CPST) Capital Projects	(BFC) Capital Projects	Other Govern- mental Funds	Total Govern- mental Funds
DEFERRED INFLOWS OF RESOURCES												
Unavailable revenue - property taxes	\$ 481,036	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,374	\$ 498,410
Total deferred inflows of resources	<u>481,036</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,374</u>	<u>498,410</u>
Fund balances:												
Nonspendable for:												
Prepaid items	295,282	-	-	-	-	-	-	-	-	-	-	295,282
Restricted for:												
Property tax rollback program	25,707	-	-	-	-	-	-	-	-	-	-	25,707
Federal Inmate Funds	-	211,672	-	-	-	-	-	-	-	-	-	211,672
Transportation - "C" Funds	-	-	4,675,605	-	-	-	-	-	-	-	-	4,675,605
Capital projects (CPST)	-	-	-	-	-	-	-	-	3,134,739	-	-	3,134,739
Capital projects (BFC)	-	-	-	-	-	-	-	-	-	2,406	-	2,406
Other restricted	-	-	-	-	-	-	-	-	-	-	1,099,804	1,099,804
Committed for:												
Capital projects	-	-	-	-	-	-	-	167,362	-	-	-	167,362
Memorial Cemetery	-	-	-	-	-	-	-	-	-	-	38,338	38,338
Other committed	295,682	-	-	-	-	-	-	-	-	-	-	295,682
Unassigned	<u>4,060,899</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,060,899</u>
Total fund balances	<u>4,677,570</u>	<u>211,672</u>	<u>4,675,605</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>167,362</u>	<u>3,134,739</u>	<u>2,406</u>	<u>1,138,142</u>	<u>14,007,496</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 9,451,389</u>	<u>\$ 211,672</u>	<u>\$ 4,978,345</u>	<u>\$2,023,233</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 167,362</u>	<u>\$3,134,739</u>	<u>\$ 2,406</u>	<u>\$1,435,935</u>	<u>\$21,405,081</u>

See accompanying notes to financial statements.

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

Total Fund Balances - Governmental Funds \$ 14,007,496

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

Capital assets used in Governmental Activities are not financial resources, therefore, are not reported as assets in the governmental funds.

Cost of capital assets	\$ 2,764,548	
Accumulated depreciation	23,439,078	26,203,626

Estimated uncollectible taxes are not available to pay for current period expenditures and, therefore, are unavailable in the funds.		152,589
--	--	---------

Deferred charges from loss on refunding bonds (net of amortization) are not reported in the funds because they are not current financial resources, but they are reported in the statement of net position		96,545
--	--	--------

Pension related amounts, including the proportionate shares of the collective net pension liability, deferred outflows of resources, and deferred inflows of resources related to its participation in the State pension plans are not due and payable in the current period and therefore are not reported as liabilities in the funds. Pension amounts at year end consist of:

Aggregate proportionate share of collective net pension liability	(14,342,330)	
Deferred outflows of resources related to pensions	3,219,011	
Deferred inflows of resources related to pensions	(477,097)	(11,600,416)

Other post-employment benefit (OPEB) related amounts, including the total OPEB liability, deferred outflows of resources, and deferred inflows of resources are not due and payable in the current period and therefore are not reported as liabilities in the funds. OPEB amounts at year end consist of:

Other post-employment benefits (OPEB) liability	(11,485,046)	
Deferred outflows of resources related to OPEB	1,313,716	
Deferred inflows of resources related to OPEB	(3,714,819)	(13,886,149)

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

Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year end consisted of:

General obligation bonds	\$ (4,541,403)	
Installment purchase refunding revenue bonds	(7,060,000)	
Unamortized premium on installment purchase refunding revenue bonds	(1,010,593)	
Installment purchase contracts	(1,101,916)	
Accrued interest payable	(119,952)	
Accrued compensated absences	(269,222)	
Closure and postclosure care liabilities	<u>(638,041)</u>	<u>\$ (14,741,127)</u>

Total Net Position - Governmental Activities		<u><u>\$ 232,564</u></u>
---	--	--------------------------

BARNWELL COUNTY, SOUTH CAROLINA
STATEMENT OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2023

	General	Federal Inmate Funds	Self- Administered "C" Funds	American Rescue Funds	Debt Service	(CPST) Debt Service	(BFC) Debt Service	Capital Projects	(CPST) Capital Projects	(BFC) Capital Projects	Other Govern- mental Funds	Total Govern- mental Funds
REVENUE												
Property taxes	\$ 10,602,070	\$ -	\$ -	\$ -	\$ 634,846	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 657,845	\$ 11,894,761
Local option sales tax	1,431,675	-	-	-	-	-	-	-	-	-	-	1,431,675
Capital projects sales tax	-	-	-	-	-	-	-	-	2,979,344	-	-	2,979,344
Charges for services	699,887	-	-	-	-	-	-	-	-	-	24,824	724,711
Fines and forfeitures	383,444	-	-	-	-	-	-	-	-	-	65,587	449,031
Special assessments	-	-	-	-	-	-	-	-	-	-	72,108	72,108
Interest	175,773	-	177,401	-	-	-	-	3,372	78,264	73	6,906	441,789
Intergovernmental	2,963,953	1,850,463	3,846,171	1,313,983	-	-	-	-	-	-	270,735	10,245,305
Miscellaneous	867,782	-	-	-	-	-	-	-	-	-	118,724	986,506
Total revenue	17,124,584	1,850,463	4,023,572	1,313,983	634,846	-	-	3,372	3,057,608	73	1,216,729	29,225,230
EXPENDITURES												
General government and administration	2,831,633	-	-	-	-	-	-	-	-	-	-	2,831,633
Physical environment	3,570,673	-	1,682,401	-	-	-	-	-	-	-	-	5,253,074
Finance and taxation	850,798	-	-	-	-	-	-	-	-	-	-	850,798
Judicial	1,302,898	-	-	-	-	-	-	-	-	-	-	1,302,898
Public safety	6,156,290	577,093	-	-	-	-	-	1,103,941	-	-	1,016,799	8,854,123
Health and welfare	1,306,198	-	-	1,313,983	-	-	-	-	-	-	39,665	2,659,846
Culture and recreation	289,645	-	-	-	-	-	-	152,792	-	-	-	442,437
Miscellaneous	229,204	-	-	-	-	-	-	45,000	-	-	-	274,204
Capital outlay	132,809	-	-	-	-	-	-	-	-	-	-	132,809
Employee fringe benefits	3,571,068	-	-	-	-	-	-	-	-	-	-	3,571,068
Agencies	97,655	-	-	-	-	-	-	-	-	-	-	97,655
Intergovernmental	-	-	-	-	-	-	-	-	530,809	-	-	530,809
Debt service	-	-	-	-	1,893,840	-	606,025	-	-	-	-	2,499,865
Total expenditures	20,338,871	577,093	1,682,401	1,313,983	1,893,840	-	606,025	1,301,733	530,809	-	1,056,464	29,301,219
Excess (deficit) of revenue over expenditures	(3,214,287)	1,273,370	2,341,171	-	(1,258,994)	-	(606,025)	(1,298,361)	2,526,799	73	160,265	(75,989)

See accompanying notes to financial statements.

BARNWELL COUNTY, SOUTH CAROLINA
STATEMENT OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2023

	General	Federal Inmate Funds	Self- Administered "C" Funds	American Rescue Funds	Debt Service	(CPST) Debt Service	(BFC) Debt Service	Capital Projects	(CPST) Capital Projects	(BFC) Capital Projects	Other Govern- mental Funds	Total Govern- mental Funds
OTHER FINANCING SOURCES (USES)												
Proceeds from general obligation bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 358,525	\$ -	\$ -	\$ -	\$ 358,525
Proceeds from capital leases	180,620	-	-	-	-	-	-	-	-	-	-	180,620
Proceeds from sale of assets	20,874	-	-	-	-	-	-	-	-	-	-	20,874
Proceeds from hospital bankruptcy claim	373,597	-	-	-	-	-	-	-	-	-	-	373,597
Transfers in	1,448,036	-	-	-	1,258,994	-	606,025	1,604,535	-	-	-	4,917,590
Transfers (out)	(1,647,904)	(1,237,614)	-	-	-	-	-	(606,025)	(1,215,625)	-	(210,422)	(4,917,590)
Total other financing sources (uses)	375,223	(1,237,614)	-	-	1,258,994	-	606,025	1,357,035	(1,215,625)	-	(210,422)	933,616
Net changes in fund balances	(2,839,064)	35,756	2,341,171	-	-	-	-	58,674	1,311,174	73	(50,157)	857,627
Fund balances, beginning of year	7,516,634	175,916	2,334,434	-	-	-	-	108,688	1,823,565	2,333	1,188,299	13,149,869
Fund balances, end of year	<u>\$ 4,677,570</u>	<u>\$ 211,672</u>	<u>\$ 4,675,605</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 167,362</u>	<u>\$3,134,739</u>	<u>\$ 2,406</u>	<u>\$1,138,142</u>	<u>\$ 14,007,496</u>

See accompanying notes to financial statements.

BARNWELL COUNTY, SOUTH CAROLINA
RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023

Net change in fund balances - total Governmental Funds **\$ 857,627**

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

Governmental funds report capital outlay as expenditures. However in
in the statement of activities, the costs of those assets are capitalized
and allocated over their estimated useful lives as depreciation expense.

Capital asset additions	\$ 2,430,727	
Capital asset disposals (net)	-	
Less, current year depreciation expense	<u>(1,622,240)</u>	808,487

The issuance of long-term debt provides current financial resources, while
repayment of bond principal and capital lease principal are expenditures
in the governmental funds. Repayment of principal reduces long-term liabilities
in the statement of net position.

Proceeds from general obligation bonds	(358,525)	
Principal payment on general obligation bonds	1,758,763	
Principal payments on installment purchase refunding revenue bonds	300,000	
Principal payments on installment purchase contracts	<u>403,526</u>	1,923,144

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:

Amortization of installment purchase revenue bond premium	66,632	
Amortization of loss on refunding bonds	<u>(6,366)</u>	60,266

Because some property taxes will not be collected for several months after
the County's fiscal year ends, they are not considered "available" revenues
and are unavailable revenues in the governmental funds.

Change in unavailable tax revenues		(60,599)
------------------------------------	--	----------

BARNWELL COUNTY, SOUTH CAROLINA
RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023

Pension expense in the statement of activities differs from the amount reported in the governmental funds because the proportionate shares of collective net pension expenses are required to be reported and any contribution made subsequent to the measurement date are to be shown as deferred outflows rather than expenses.

Change in aggregate proportionate share of collective net pension expense	\$ 138,347	
Change in contributions made subsequent to the measurement date	<u>181,054</u>	\$ 319,401

Changes in the other postemployment benefit (OPEB) liability, deferred outflows of resources, and deferred inflows of resources for the current year are not reported in the governmental funds but are reported through expense by function in the statement of activities.

Change in other postemployment benefit (OPEB) expense	420,449
---	---------

Some expenses reported in the statement of activities do not require the use of current financial resources, therefore, are not reported as expenditures in governmental funds.

Change in accrued compensated absences	16,170	
Change in accrued interest payable	3,683	
Change in closure and postclosure cost liabilities	<u>(8,298)</u>	11,555

Change in net position of Governmental Activities.	<u><u>\$ 4,340,330</u></u>
---	-----------------------------------

BARNWELL COUNTY, SOUTH CAROLINA
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2023

	Business-type Activities - Enterprise Fund County Airport
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 320,482
Accounts receivable, net	5,568
Inventories	68,700
Total current assets	<u>394,750</u>
Non-current assets:	
Capital assets not subject to depreciation	1,725,088
Capital assets subject to depreciation, net	3,285,278
Land held for resale	228,979
Total non-current assets	<u>5,239,345</u>
Total assets	<u>5,634,095</u>
DEFERRED OUTFLOWS OF RESOURCES	
Total deferred outflows of resources related to pensions	4,088
Total contributions subsequent to the measurement date for pensions	9,755
Total deferred outflows of resources	<u>13,843</u>
LIABILITIES	
Current liabilities:	
Due to General Fund	110,896
Total current liabilities	<u>110,896</u>
Noncurrent liabilities:	
Net pension liability	96,641
Total noncurrent liabilities	<u>96,641</u>
Total liabilities	<u>207,537</u>
DEFERRED INFLOWS OF RESOURCES	
Total deferred inflows of resources related to pensions	<u>3,748</u>
NET POSITION	
Net position:	
Net investment in capital assets	5,010,366
Unrestricted	426,287
Total net position	<u><u>\$ 5,436,653</u></u>

See accompanying notes to financial statements.

BARNWELL COUNTY, SOUTH CAROLINA
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND
YEAR ENDED JUNE 30, 2023

	Business-type Activities - Enterprise Fund County Airport
Operating Revenue	
Charges for services:	
Fuel and oil sales	\$ 184,640
Land rent	1,050
Hanger rent	70,850
Other charges	914
Miscellaneous	29,615
Total operating revenue	<u>287,069</u>
Operating Expenses	
Salaries and benefits	104,737
Bank fees	5,612
Building and grounds	10,363
Depreciation	123,496
Computer services	24
Professional services	16,000
Fuel and oil purchases	158,146
Insurance	11,373
Terminal expense	2,575
Miscellaneous	183
Printing, binding, advertising	327
Travel and training	100
Maintenance	1,601
Permits	495
Supplies	3,214
Janitorial supplies	71
Utilities	17,234
Total operating expenses	<u>455,551</u>
Operating income (loss)	<u>(168,482)</u>
Non-operating Income (Loss)	
Grant Revenues	1,041,610
Total non-operating income (loss)	<u>1,041,610</u>
Change in net position	873,128
Net position - beginning of year	4,563,525
Net position - end of year	<u><u>\$ 5,436,653</u></u>

See accompanying notes to financial statements.

BARNWELL COUNTY, SOUTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
YEAR ENDED JUNE 30, 2023

	Business-type Activities - Enterprise Fund County Airport
Cash Flows From Operating Activities	
Cash received from customers	\$ 232,993
Cash received from operating grants	29,615
Cash payments to suppliers for goods and services	(227,318)
Cash payments to employees for services	(90,988)
Net cash provided by (used in) operating activities	<u>(55,698)</u>
Cash Flows From Non-Capital Financing Activities	
Interfund borrowings	<u>8,352</u>
Net cash provided by (used in) noncapital financing activities	<u>8,352</u>
Cash Flows From Capital and Related Financing Activities	
Proceeds from FAA Grant	1,041,610
Purchases of improvements	(907,374)
Net cash provided by (used in) capital and related financing activities	<u>134,236</u>
Net decrease in cash and equivalents	86,890
Cash and equivalents at beginning of year	233,592
Cash and equivalents at end of year	<u><u>\$ 320,482</u></u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities	
Operating income (loss)	\$ (168,482)
Adjustments to reconcile operating income (loss) to net cash provided (used in) operating activities:	
Depreciation	123,496
Changes in certain assets and liabilities:	
(Increase) decrease in accounts receivable	(5,438)
(Increase) decrease in inventories	(19,023)
(Increase) decrease in deferred outflows of resources	(345)
Increase (decrease) in net pension liability	27,088
Increase (decrease) in deferred inflows of resources	(12,994)
Net Cash used in Operating Activities	<u><u>\$ (55,698)</u></u>

See accompanying notes to financial statements.

BARNWELL COUNTY, SOUTH CAROLINA
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2023

	<u>Custodial Funds</u>	<u>Expendable Trust Fund</u>	<u>Totals</u>
ASSETS			
Cash	\$ 2,584,826	\$ -	\$ 2,584,826
Equity in pooled cash and investments	8,341,719	-	8,341,719
Funds held in trust by State Treasurer	-	2,713,435	2,713,435
	<hr/>	<hr/>	<hr/>
Total assets	10,926,545	2,713,435	13,639,980
	<hr/>	<hr/>	<hr/>
LIABILITIES			
Due to General Fund	118,289	-	118,289
Funds held for others	10,808,256	-	10,808,256
	<hr/>	<hr/>	<hr/>
Total liabilities	10,926,545	-	10,926,545
	<hr/>	<hr/>	<hr/>
NET POSITION			
Restricted for economic development	-	2,713,435	2,713,435
Total net position	<u>\$ -</u>	<u>\$ 2,713,435</u>	<u>\$ 2,713,435</u>

See accompanying notes to financial statements.

BARNWELL COUNTY, SOUTH CAROLINA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
EXPENDABLE TRUST
BARNWELL ECONOMIC DEVELOPMENT FUND
YEAR ENDED JUNE 30, 2023

ADDITIONS

Investment earnings (loss)	\$ 50,454
Total additions	<u>50,454</u>

DEDUCTIONS

Capital outlay for economic development	<u>-</u>
Total deductions	<u>-</u>

CHANGE IN NET POSITION

50,454

Net position - beginning of year	<u>2,662,981</u>
Net position - ending of year	<u><u>\$ 2,713,435</u></u>

BARNWELL COUNTY, SOUTH CAROLINA NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Barnwell County, (the “County”) a political subdivision of the State of South Carolina, was chartered in 1800. Section 47-26 of the 1962 Code of Laws, as amended (Home Rule Act 283 of 1975), required that counties adopt a specific form of government, and a charter was issued for Barnwell County, South Carolina adopting the Council form of government.

The financial statements of the County have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements of Interpretations), constitutes GAAP for governmental units.

The County’s business-type activities financial statements have been prepared in accordance with reporting guidelines recommended by the Governmental Accounting Standards Board. The statements present year-end balances and results of operations for the County’s business-type activities.

Component Units

Using the criteria of GASB Statement No. 14, *The Financial Reporting Entity*, GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34*, the basic financial statements of the County present the reporting entity of the County that consists of the primary government and those organizations for which the primary government is financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion could cause the County’s financial statements to be misleading or incomplete.

Financial accountability involves either appointments of a voting majority of the separate organization’s board and either a) the ability to impose will by the primary government, or b) the possibility that the separate organization will provide specific financial benefits to, or impose a financial burden on, the primary government.

“Discretely presented” component units are reported in separate columns in the ‘government-wide’ financial statements to indicate that they are not closely related to the operations of the primary government.

Certain other political subdivisions, including the various school boards, commissions, city governments and other entities, are excluded from the County Government funds because County Council does not exert significant influence or control over the usual operations of the separate entities and, accordingly, each entity has sufficient discretion in the management of its own affairs.

However, the County Treasurer is responsible for collection of property taxes, intergovernmental and other revenues for the other political subdivisions, and the balance and the results of the fiduciary responsibility have been included as Custodial and Trust Funds in the combining financial statements.

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Reporting Entity (continued)

Based upon the foregoing criteria, the following entities have been determined to be component units of Barnwell County:

Significant (Major) Discretely Presented Component Units:

The major discretely presented component units have been reported separately on the 'government-wide' financial statements as if they are part of the County and are as follows:

Barnwell County Economic Development Corporation

The Barnwell County Economic Development Corporation is administered by a board of directors appointed in majority by County Council. The Corporation negotiates financing arrangements and lease arrangements with corporations coming into Barnwell County. The component unit is a proprietary fund type utilizing the accrual basis of accounting and has a year end of June 30.

Other (Non-Major) Discretely Presented Component Units:

The non-major discretely presented component units have been reported as a "combined total" on the 'government-wide' financial statements and include the following:

Barnwell County Career Center

The Barnwell County Career Center is administered by a board of which County Council appoints most members. County Council has the authority to set millage for property taxes for the Center's operations. The County Council also approves the budget of the Center. This component unit is comprised of governmental and fiduciary fund types. The fiduciary fund type is an agency fund to account for pupil activities. All of the above are prepared on the modified accrual basis of accounting.

Barnwell County Library Foundation

Barnwell County provides a portion of the Foundation's funding. The Foundation's board is appointed by Barnwell County Council. The County Administrator serves as the Foundation's agent until the Foundation board assumes this position, and the County's finance department handles procurement and accounting functions for the Foundation. The Foundation has a year end of June 30. The Barnwell County Library is part of a regional library system known as the Aiken, Bamberg, Barnwell, and Edgefield Library System, a separate special-purpose district. Accordingly, those financial statements are not required to be presented.

Generations Unlimited

Established as the Barnwell County Office on Aging, Generations Unlimited is designated as the single county authority for providing services to the elderly citizens of Barnwell County.

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Reporting Entity (continued)

Complete financial statements for the County's Discretely Presented Component Units are available as follows:

Barnwell County Economic Development Corporation	Tommy Boyleston Barnwell, SC 29812 803-259-1263
Barnwell County Career Center	David Augustine 5214 Reynolds Road Barnwell, SC 29812
Barnwell County Library Foundation	Mary Jo Dawson, Director 314 Chesterfield Street SW Aiken, SC 29801
Generations Unlimited	Ethel Faust, Director 10913 Ellenton Street Barnwell, SC 29812

Blended Component Unit

On August 13, 2013, Barnwell County Council passed a resolution to provide for an installment purchase plan of finance for certain capital projects in the County. The Barnwell Facilities Corporation (BFC) was formed primarily to support the governmental mission and certain activities of the County. The BFC is governed by a board appointed by County Council. The BFC financed its projects by issuing revenue bonds which are being retired exclusively by the County's rental payments for property owned by the BFC. The County is to enter a Base Lease and Conveyance Agreement with the Corporation pursuant to which it will lease real property and convey the existing county jail and administration building to the Corporation over a lease term ending September 1, 2038.

B. Measurement Focus and Basis of Accounting

The basic financial statements of the County are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to basic financial statements

1. Government-wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary 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 in the year they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Measurement Focus and Basis of Accounting (continued)

Government-wide financial statements display information about the reporting government as a whole, except for its fiduciary activities. These statements include separate columns for the governmental and business-type activities of the primary government, as well as its discretely presented component units. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component units for which the primary government is financially accountable.

The statements distinguish between those activities of the County that are governmental and those that are considered business-type activities. The statement of net position presents the financial condition of the governmental and business-type activities for the County at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental activities and for the business-type activities of the County. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function.

Program revenues include charges paid by the recipient for the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues and all taxes are presented as general revenues of the County, with certain limited exceptions.

2. Fund Financial Statements

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 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Internal service funds are combined and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

3. Governmental Funds

Governmental funds are used to account for general governmental activities. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Measurement Focus and Basis of Accounting (continued)

assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. Non-current portions of long-term receivables (special assessments) due to governmental funds are reported on their balance sheets in spite of their measurement focus. Non-current portions of other long-term receivables are offset by fund balance reserve accounts.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by noncurrent liabilities. Since they do not affect current net position, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as an other financing source rather than as a fund liability. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

4. Proprietary Fund

Enterprise Funds - These funds are used to account for those operations that are financed and operated in a manner similar to private business. In the enterprise funds a fee is charged to external users. The County reports the Barnwell County Airport as a proprietary fund.

5. Fiduciary Funds

Custodial Funds - These funds account for assets held by the entity as a custodian on behalf of others. These funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations.

Expendable Trust Fund – This fund used to account for trusts where both principal and earnings on principal may be spent for the trust's intended purpose. Expendable trust funds use the same flow of current financial resources measurement focus and modified accrual basis of accounting used by governmental funds.

C. Basis of Presentation

The County's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

The accounts of the County and its component units are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions.

GASB Statement 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category, and the governmental and enterprise funds combined) for the determination of major funds.

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Presentation (continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. All reported capital assets except land are depreciated. Improvements are depreciated over their remaining estimated useful lives. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement. The County has used GASB 34 minimum criteria for major fund determination and has presented the following as its major funds. Some of these funds have been presented, even when not required, for consistency purposes. The non-major funds are combined in a column in the fund financial statements and detailed in the combining section.

1. Major Governmental Funds:

General Fund – The General Fund is the general operating fund of the County. It is used to account for all financial resources, except those required to be accounted for in another fund.

Special Revenue Fund (Self-Administered Transportation "C" Funds) – This fund accounts for the gasoline user fees received from the State to be used in accordance with the transportation plan approved by the Barnwell County Transportation Committee (CTC).

Special Revenue Fund (Federal Inmate Funds) – This fund accounts for grant funds received to house federal inmates.

Special Revenue Fund (American Rescue Funds) – This fund accounts for American Rescue Plan funding provided to the County to assist in responding to the effects of COVID-19.

Debt Service Fund – The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of governmental funds.

Debt Service Fund (BFC) – The Debt Service Fund (BFC) accounts for the resources accumulated and payments made for principal and interest on long-term debt of governmental funds related to the Barnwell Facilities Corporation, a blended component unit.

Debt Service Fund (CPST) – The Debt Service Fund (CPST) accounts for the resources accumulated and payments made for principal and interest on long-term debt of governmental funds related to the capital penny sales tax capital projects.

Capital Projects Fund – The Capital Projects Fund accounts for financial resources to be used for the acquisition and construction of major capital facilities.

Capital Projects Fund (BFC) – The Capital Projects Fund (BFC) accounts for financial resources related to the Barnwell Facilities Corporation, a blended component unit.

Capital Projects Fund (CPST) – The Capital Projects Fund (CPST) accounts for financial resources to be used for the capital penny sales tax capital projects.

2. Nonmajor Governmental Funds:

Special Revenue Funds – These funds are established to account for the proceeds of specific revenue sources and certain special assessments that are legally restricted to expenditures for specified purposes. Generally, it is the County's policy not to budget for all Special Revenue Funds in the form of a legally adopted budget format.

3. Fiduciary Funds:

Custodial Funds – The County's Custodial Funds primarily consist of monies collected and disbursed by the County Treasurer (an elected, constitutionally mandated official) for various governmental units and taxing entities within Barnwell County's borders as defined by South Carolina law. These monies, such as cash bonds, traffic fines, child support payments and ad valorem taxes, are not under the control of Barnwell County Council.

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Presentation (continued)

Expendable Trust Fund – The County’s Expendable Trust Fund set forth by South Carolina State law as trustee; consists of monies held by the South Carolina State Treasurer for the purpose of economic development in the County.

D. Assets, Liabilities, Deferred Inflows/Outflows of Resources and Net Position or Fund Balances

1. Cash and Cash Equivalents

Cash and cash equivalents as reported in the Statement of Net Position, Balance Sheet, and Statement of Cash Flows includes cash on hand, operating accounts and savings or money market accounts. The County considers all highly liquid investments (including restricted assets) with original maturities of three months or less when purchased to be cash and cash equivalents. These assets are presented at cost, which reasonably approximate fair value.

2. Restricted Assets

Restricted accounts include money or other resources, the use of which is restricted by legal or contractual requirements.

3. Investments

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

- a. Obligations of the United States and its agencies, the principal and interest of which is fully guaranteed by the United States.
- b. Obligations issued by the Federal Financing Bank, Federal Farm Credit Bank, the Bank of Cooperatives, the Federal Intermediate Credit Bank, the Federal Land Banks, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration, and the Farmers Home Administration, if, at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two rating categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations.
- c. (i) General obligations of the State of South Carolina or any of its political units; or (ii) revenue obligations of the State of South Carolina or its political units, if at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations.
- d. Savings and Loan Associations to the extent that the same are insured by an agency of the federal government.
- e. Certificates of deposit where the certificates are collaterally secured by securities of the type described in (a) and (b) above held by a third party as escrow agent or custodian, of a market value not less than the amount of the certificates of deposit so secured, including interest;

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities, and Net Position or Fund Balances (continued)

3. Investments (continued)

- f. provided, however, such collateral shall not be required to the extent the same are insured by an agency of the federal government.
- g. Repurchase agreements when collateralized by securities as set forth in this section.
- h. No load open-end or closed-end management type investment companies or investment trusts registered under the Investment Company Act of 1940, as amended, where the investment is made by a bank or trust company or savings and loan association or other financial institution when acting as trustee or agent for a bond or other debt issue of that local government unit, political subdivision, or county treasurer if the particular portfolio of the investment company or investment trust in which the investment is made (i) is limited to obligations described in items (a), (b), (c), (f) of this subsection, and (ii) has among its objectives the attempt to maintain a constant net asset value of one dollar a share and to that end, value its assets by the amortized cost method.

The County's cash and investment objectives are preservation of capital, liquidity, and yield. The County reports its cash and investments at fair value which is normally determined by quoted market prices. The County primarily used the following investments in its operating activities:

South Carolina Local Government Investment Pool investments are invested with the South Carolina State Treasurer's Office, which established the South Carolina Pool pursuant to Section 6-6-10 of the South Carolina Code. The Pool is an investment trust fund, in which public monies in excess of current needs, which are under the custody of any city treasurer or any governing body of a political subdivision of the State, may be deposited. The Pool is a 2a7-like pool which is not registered with the Securities and Exchange ("SEC") as an investment company, but has a policy that it will operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, investments are carried at fair value determined annually based upon quoted market prices. The total fair value of the Pool is apportioned to the entities with funds invested on an equal basis for each share owned, which are acquired at a cost of \$1.00. Financial statements for the Pool may be obtained from www.osa.sc.gov.

4. Receivables

Property tax receivables and all other receivables are shown net of an allowance for uncollectible amounts. The allowance for property taxes receivable is computed by summing the estimates of collections for each of the previous ten years' outstanding balances.

The County bills and collects property taxes for itself and all other taxing entities within the County. The County recognizes property taxes in the period for which they are levied and available for financing current expenditures. Property taxes receivable represent delinquent real and personal taxes for the past ten years, less an allowance for amounts estimated to be uncollectible. All net property taxes receivable at year-end, except those collected within 60 days, are recorded as unavailable and thus not recognized as revenue until collected in the governmental funds.

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities, and Net Position or Fund Balances (continued)

5. Inventory and Prepaid Items

At June 30, 2023, the County Airport, a proprietary fund, had \$68,700 of fuel on hand, which is recorded as inventory, valued at cost. The cost of inventories is recorded as expense when consumed rather than when purchased. Payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both the government-wide and fund financial statements.

6. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, rights-of-way, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements.

The County has capital assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Assets are recorded at historical cost or estimated historical cost of older capital assets for which detailed records of purchase prices were not available. 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 asset or materially extend its useful life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction of capital assets for governmental activities is not capitalized. However, interest incurred during the construction phase of business-type activity capital assets is included in the capitalized value of the asset constructed. Construction in progress represents funds expended for construction of capital assets which have not been placed into service.

Property, plant, and equipment of the County are depreciated using the straight-line method over the following useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	15 – 50
Land improvements	15
Infrastructure	20 – 50
Machinery and equipment	3 – 10
Vehicles	5
Office Equipment	5 – 10

7. Revenues Received in Advance/Unearned Revenue

The County reports unearned revenue on its statement of net position and governmental funds balance sheet. In both government-wide and fund financial statements, unearned revenue consists of revenue received for which purpose restrictions have not yet been met.

8. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position and/or the Balance Sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of resources that applies to a future period(s) and, therefore, will not be recognized as an outflow of resources (expense/expenditure)

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities, and Net Position or Fund Balances (continued)

8. Deferred Outflows/Inflows of Resources (continued)

until then. The County currently has two types of deferred outflows of resources: 1) The County reports *deferred bond refunding charges* in its Statement of Net Position. Deferred bond refunding charges, which is the difference between the reacquisition price and the net carrying amount of the defeased debt, is deferred and amortized over the life of the refunding bonds, which has the same maturity as the bonds that were refunded. Amortization of deferred bond refunding charges is included in interest expense; 2) The County also reports *deferred pension charges* in its Statements of Net Pension in connection with its participation in the South Carolina Retirement System and South Carolina Police Officers Retirement System and *deferred OPEB charges* associated with other post-employment health benefits. These deferred charges are either a) recognized in the subsequent period as a reduction of the net pension or OPEB liability (which includes contributions and benefits paid after the measurement date), or b) amortized in a systematic and rational manner and included in expense in future periods in accordance with GAAP.

In addition to liabilities, the Statement of Net Position and the Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County currently has two types of deferred inflows of resources: 1) The County reports *unavailable revenue* for property taxes in the governmental funds balance sheet; it is deferred and recognized as an inflow of resources in the period the amount become available. 2) The County also reports *deferred pension credits* in its Statements of Net Position in connection with its participation in the South Carolina Retirement System and South Carolina Police Officers Retirement System and *deferred OPEB credits* associated with other post-employment health benefits. These deferred credits are amortized in a systematic and rational manner and recognized as a reduction of expenses in future periods in accordance with GAAP.

9. Long-term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred, if material, and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method.

Gains or losses on debt refunding, if material, are deferred and amortized over the shorter life of the refunded debt or the new debt. Amortization of premiums, discounts, and deferred advance refunding costs is included in interest expense. Bonds payable are reported net of the applicable bond premiums or discounts

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

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities, and Net Position or Fund Balances (continued)

10. Accrued Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. The County accrues accumulated unpaid vacation leave when earned by the employee. The current portion is the amount estimated to be used in the following year. The non-current portion is the amount estimated to be used in subsequent fiscal years. Both the current and non-current estimated accrued compensated absences amounts for governmental funds are maintained separately and represent a reconciling item between the fund and government-wide presentations. Accrued sick leave is not payable upon termination. Therefore, no provision for accrued sick leave has been made in these financial statements.

11. Net Position and Fund Balances

Government-Wide and Proprietary Fund Statements

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources in the Statement of Net Position. Net position is classified as net investment in capital assets, restricted (distinguished between major categories of restrictions); and unrestricted. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the county or through external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments. The remaining balance is reported as unrestricted.

Governmental Fund Statements

The County classifies governmental fund balances as follows in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*:

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

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

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

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities, and Net Position or Fund Balances (continued)

11. Net Position and Fund Balances (continued)

Assigned – includes amounts that are intended to be used for specific purposes that are neither considered restricted or committed and that such assignments are made before the report issuance date. The County Administrator is authorized to assign amounts for a specific purpose.

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

12. Interfund Activity

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/from other funds”. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without requirement for repayment are reported as interfund transfers and are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds.

13. Property Taxes

Property taxes are levied by the County at varying rates per one hundred dollars (\$100) of assessed valuation of real estate and personal property owned and used in the County except exempt property as provided by the constitution and laws of the State of South Carolina and attach an enforceable lien when levied.

The Barnwell County Treasurer’s Office collects taxes for county and school purposes as a single tax bill. Taxes are collected on a calendar year basis. Real property taxes are payable without penalty on or before January 15 of each year. If taxes are not paid on or before January 15, incremental penalties are added and taxes go into execution (become delinquent) on March 16. After September 1, properties on which the taxes have not been paid may be sold to satisfy the taxes. Personal property taxes are payable on a monthly basis.

At the government-wide level, property taxes are recognized as revenue at the time of levy. At the fund level, property tax revenue is recognized as the related ad valorem taxes are collected. Additional amounts estimated to be collectible in time to be a resource for payment obligations incurred during the fiscal year (measurable and available) are susceptible to accrual in accordance with generally accepted accounting principles. The County considers the portion of uncollected taxes at June 30, 2023 that are collected within sixty days of June 30 to be available to liquidate current liabilities.

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities, and Net Position or Fund Balances (continued)

14. Accounting Estimates

The preparation of financial statements in accordance with GAAP requires the County's management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

15. Pensions

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

16. Other Postemployment Benefits

In government-wide financial statements and proprietary fund statements, other postemployment benefits ("OPEB") are required to be recognized and disclosed using the accrual basis of accounting regardless of the amounts recognized as OPEB expenditures on the modified accrual basis of accounting. The County recognizes net OPEB liabilities for each plan for which it participates, which represents the excess of the total OPEB liability over the fiduciary net position of the qualified plan. Changes in the OPEB liabilities during the period are recorded as OPEB expense, or as deferred outflows or inflows of resources depending on the nature of the change, in the period incurred. Those changes in OPEB liabilities that are recorded as deferred outflows or inflows of resources that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience are amortized over the weighted average of the remaining service life of all participants in the respective qualified plan and recorded as a component of OPEB expense beginning with the period in which they are incurred. Any projected earnings as qualified OPEB plan investments are recognized as a component of OPEB expense. Differences between projected and actual investment earnings are reported as deferred outflows or inflows of resources and amortized as a component of OPEB expense on the closed basis over a five-year period beginning with the period in which the difference occurred.

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 2 - DEPOSITS AND INVESTMENTS

A. Primary Government and Custodial Funds:

Deposits

Custodial Credit Risk for Deposits:

Custodial credit risk for deposits is the risk, that in the event of a bank failure, the County and its component units' deposits may not be returned or that they will not be able to recover collateral securities in the possession of an outside party. Custodial credit risk for deposits is not formally addressed by a policy.

The cash on deposit under the direction of the County Treasurer and the County's component units consist of funds held in checking and savings accounts, money market and certificates of deposit. The County does not have a formal policy for deposits, but follows the State investment guidelines.

At June 30, 2023, the carrying amount of the County's deposits and investments was \$16,295,618 for the primary government and \$10,926,545 for fiduciary funds. The bank balances for these funds were \$23,944,823. Cash on hand was \$3,200 for the primary government and \$105 for fiduciary funds. All deposits were insured by FDIC or collateralized by United States Government securities, Treasury notes held in the financial institution's name, or a bank letter of credit.

Investments

The County's investments are limited by and subject to State Statutes. The statutes provide that all authorized investments shall have maturities consistent with the time or times when the invested monies will be needed in cash. Statutes also allow the State Treasurer to assist local governments in investing funds.

As of June 30, 2023, the County had the following investments and maturities, with fair value amounts reflecting active market values as reported by the various financial institutions and agents holding the investments:

<u>Investment Type</u>	<u>Credit Rating</u>	<u>Fair Value</u>	<u>Weighted Average Maturities</u>
South Carolina Local Government Investment Pool (SCLGIP)	Unrated	\$5,005,975	Less than One Year
Greenwood Capital	Unrated	\$12,181,744	Less than One Year

The SCLGIP is subject to oversight by the State Treasurer, although it is not registered with the Securities and Exchange Commission.

The fair value measurements listed above are considered Level 1 in the hierarchy of valuation inputs, providing the highest level of reliability and the lowest level of risk in the disclosed values.

Interest Rate Risk:

The County does not have a formal policy limiting investment maturities that would help manage its exposure to fair value losses from increasing interest rates.

Credit Risk for Investments:

Credit risk for investments is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The County does not have an investment policy for credit risk, but follows the investment policy statutes of the State of South Carolina.

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 2 - DEPOSITS AND INVESTMENTS (continued)

A. Primary Government and Agency Funds: (continued)

Investments (continued)

Custodial Credit Risk for Investments:

Custodial credit risk for investments is the risk that, in the event of a counterparty failure, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County does not have an investment policy for custodial credit risk but follows the investment policy statutes of the State of South Carolina.

Concentration of Credit Risk for Investments:

The County places no limit on the amount the County may invest in any one issuer. Investments issued by or explicitly guaranteed by the U.S. Government and investments in mutual funds, external investment pools, and other pooled investments are exempt from concentration of credit risk disclosures.

Reconciliation to the Financial Statements

A reconciliation of cash and investments as shown in the Statements of Net Position for all activities is as follows:

Primary Government	Amount
Carrying amount of deposits	\$ 10,031,140
Cash on hand	3,305
Fair value of investments	17,187,718
	<u>\$ 27,222,163</u>
 Statement of Net Position	
Cash and cash equivalents	\$ 1,879,956
Equity in pooled cash and investments	5,291,490
Restricted cash and cash equivalents	442,751
Investments	206,069
Restricted investments	4,799,905
Restricted equity in pooled cash and investments	3,675,447
 Statement of Fiduciary Net Position	
Cash and cash equivalents	2,584,826
Equity in pooled cash and investments	8,341,719
	<u>\$ 27,222,163</u>

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 2 - DEPOSITS AND INVESTMENTS (continued)

B. Major component units:

1. Barnwell County Economic Development Corporation

At June 30, 2023, the carrying amount of the Corporation's deposits was \$654,866 and the bank balances were \$658,137. The bank balances were covered by FDIC for \$454,139 and \$203,998 was collateralized.

C. Non-major component units:

1. Barnwell County Career Center

At June 30, 2023, the carrying amount of the Career Center's deposits was \$1,437,387 and the bank balance was \$1,449,674. Of the bank balance, \$250,000 was covered by Federal Depository Insurance, and \$1,199,674 was collateralized with securities held by the financial institution's trust department or agency in the Center's name.

Barnwell County Library Foundation

At June 30, 2022, the carrying amount of the Foundation's deposits was \$42,968 and the bank balance was \$43,218. All funds were covered by federal depository insurance.

2. Generations Unlimited

At June 30, 2023, the carrying amount of the Organization's deposits was \$(31,759) and the bank balance was \$25,452, which was covered by federal depository insurance. Cash in the amount of \$220 was on hand at June 30, 2023.

NOTE 3 - RECEIVABLES

Primary Government:

Accounts Receivables

Receivables, consisting of real and personal property taxes, accounts and other receivables at June 30, 2023, less an estimated allowance for uncollectible accounts, are as follows:

	Governmental Activities	Business-type Activities
Property taxes receivable:		
Delinquent taxes	\$ 601,030	\$ -
Less, allowances for uncollectible accounts	(345,821)	-
	\$ 255,209	\$ -
Other Receivables:		
Landfill dumping (tipping) fees	\$ 92,589	\$ -
Hanger rent and fuel	-	5,568
Miscellaneous	8,679	-
Less, allowances for uncollectible accounts	(25,074)	-
	\$ 76,194	\$ 5,568

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 3 - RECEIVABLES (continued)

Due From Other Governments

The following are due from other governments:

	<u>Governmental Activities</u>
Due from local governments:	
Magistrate reimbursements	\$ 44,097
SRO reimbursements from schools	261,850
Clerk of Court reimbursements	41,085
Other reimbursements	<u>26,002</u>
Total due from local governments	<u>373,034</u>
Due from state governments:	
Capital project sales tax	598,868
Local Option Sales Tax (L.O.S.T.)	27,559
Fees in lieu of taxes	80,442
Accommodations tax	92,802
Merchants' inventory	6,143
Motor carrier	39,966
Voter registration	2,625
Solid waste grants	6,962
SRO state grants	71,436
Sheriff's department grants	25,848
E-911 reimbursements	<u>29,786</u>
Total due from state governments	<u>982,437</u>
Due from federal government:	
FEMA	18,911
DOE Emergency Preparedness grant	29,375
Federal inmate funds	<u>151,663</u>
Total due from federal government	<u>199,949</u>
Total due from other governments	<u><u>\$ 1,555,420</u></u>

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 3 - RECEIVABLES (continued)

Non-major Component Units:

Generations Unlimited

Other receivables

Other receivables at June 30, 2023 are composed of the following:

	<u>Generations Unlimited</u>
Lower Savannah COG	\$ 57,947
SC Department of Transportation	78,144
ModivCare Solutions	30,012
South Carolina Department on Aging	15,041
South Carolina Department of Health and Human Services	<u>5,069</u>
	<u><u>\$ 186,213</u></u>

Barnwell County Library Foundation

Other receivables

Other receivables at June 30, 2023 are composed of the following:

	<u>Barnwell County Library Foundation</u>
Rent Bonus from Citi-Trends	<u><u>\$ 779</u></u>

NOTE 4 - LEASE AGREEMENTS

Operating Leases

Primary Government:

Business-type Activities

Revenue from T-hanger space rentals is accounted for under the operating lease method. Base monthly rentals are computed on a per hanger basis and vary depending on the size of the leased hanger. Tenant leases are normally month to month with a 30-day cancellation policy for both the lessor and lessee. As such, the County makes no provision for future minimum rentals receivable on these operating leases.

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 4 - LEASE AGREEMENTS (continued)

Other Component Units:

Barnwell County Library Foundation

The Foundation leases a building with a cost of \$243,883 and accumulated depreciation of \$126,989 to Citi Trends, Inc. This lease is considered for accounting purposes to be an operating lease. The original lease term was renewed for five years, from August 1, 2020 to July 31, 2025, with monthly rental payments of \$2,000. Either party may terminate the lease at any time after the first year term expires with sixty days prior written notice. Citi Trends, Inc. will pay an annual rent bonus of three percent of sales over \$800,000 to the Foundation. The Foundation's lease receivable is measured as the present value of the future minimum rent payments expected to be received during the lease term at a discount rate of 5%.

In fiscal year 2023, the Foundation recognized \$21,242 of lease revenue and \$2,944 of interest revenue under the lease. In addition, the Foundation recognized \$779 in variable lease revenue equal to three percent of the lessee's reported excess revenue during the year.

Future minimum lease payments and the net present value of these minimum lease payments under the current agreement will be as follows:

<u>Year Ended June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 22,133	\$ 1,867	\$ 24,000
2025	23,266	734	24,000
2026	1,991	9	2,000
Total	<u>\$ 47,390</u>	<u>\$ 2,610</u>	<u>\$ 50,000</u>

~Continued on following page~

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 5 - INTERFUND BALANCES AND TRANSFERS

Primary Government:

Individual fund interfund receivable and payable balances at June 30, 2023, were as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 1,563,557	\$ 1,355,436
Special Revenue Funds:		
E-911	-	15,531
Plant Vogtle	2,497	-
Department of Emergency Preparedness	46,990	-
Local Energy Management Performance Grant	15,828	-
Federal Inmates	-	151,663
Tranportation "C" Funds	-	302,740
Rural Fire District	-	264,888
American Rescue Funds	2,023,233	-
PREA Grant	1,710	-
Capital Projects Fund	-	1,306,359
Enterprise Fund	-	110,896
Fiduciary Funds:		
Barnwell Magistrate	-	4,854
Williston Magistrate	-	14,249
Blackville Magistrate	-	7,733
Clerk of Court	-	88,082
Career Center	-	28,014
Delinquent Tax	-	3,370
Totals	<u>\$ 3,653,815</u>	<u>\$ 3,653,815</u>

Interfund receivable and payable amounts between the Governmental Activities and Business-type Activities (\$110,896) have been eliminated in the Statement of Net Position as net "internal balances".

Individual fund interfund transfers for the year ended June 30, 2023, were as follows:

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 5 - INTERFUND BALANCES AND TRANSFERS (continued)

	<u>Interfund Transfers In</u>	<u>Interfund Transfers Out</u>
General Fund	\$ 1,448,037	\$ 341,546
Special Revenue Funds:		
Public Safety	-	210,422
Federal Inmate	-	1,237,614
Capital Projects Fund (New Jail)	298,176	606,025
Capital Projects Fund (CPST)	-	1,215,625
Debt Service Fund	43,369	-
Debt Service Fund (CPST)	1,215,625	-
Debt Service Fund (BFC)	606,025	-
Totals	<u>\$ 3,611,232</u>	<u>\$ 3,611,232</u>

- Transfers were made from the Public Safety special revenue fund to the General Fund to reimburse for public safety expenditures reported in various public safety departments within the General Fund.
- Transfers were made from the Federal Inmate special revenue fund to the General Fund for its share of the funds in accordance with an agreement between County Administration and the Barnwell County Sheriff's Office.
- Transfers were made from the General Fund to the capital projects fund to cover excess capital expenditures.
- Bond proceeds and sales tax proceeds in capital projects funds were transferred to debt service funds to cover debt service principal and interest payments.
- Transfers were made from the General Fund to the debt service funds to cover debt service principal and interest payments not covered by other sources.

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 6 - CAPITAL ASSETS

Primary Government:

Governmental Activities

Capital asset activity for the year ended June 30, 2023 was as follows:

	Balance June 30, 2022	Transfers	Additions	Retire- ments	Balance June 30, 2023
Capital assets, not being depreciated:					
Land and Land improvements	\$ 2,674,789	\$ -	\$ -	\$ -	\$ 2,674,789
Construction in process	80,814	(80,814)	89,759	-	89,759
Total capital assets not being depreciated	<u>2,755,603</u>	<u>(80,814)</u>	<u>89,759</u>	<u>-</u>	<u>2,764,548</u>
Capital assets, being depreciated:					
Infrastructure	6,271,701	-	-	-	6,271,701
Buildings and improvements	25,484,118	7,555	885,671	-	26,377,344
Furniture, vehicles, equipment	13,028,580	73,259	1,395,968	(161,304)	14,336,503
Totals capital assets being depreciated	<u>44,784,399</u>	<u>80,814</u>	<u>2,281,639</u>	<u>(161,304)</u>	<u>46,985,548</u>
Less, accumulated depreciation for:					
Infrastructure	(6,125,442)	-	(121,007)	-	(6,246,449)
Buildings and improvements	(6,168,414)	-	(667,960)	-	(6,836,374)
Furniture, vehicles, equipment	(9,851,007)	-	(831,571)	161,304	(10,521,274)
Total accumulated depreciation	<u>(22,144,863)</u>	<u>-</u>	<u>(1,620,538)</u>	<u>161,304</u>	<u>(23,604,097)</u>
Total capital assets being depreciated, net	<u>22,639,536</u>	<u>80,814</u>	<u>661,101</u>	<u>-</u>	<u>23,381,451</u>
Net capital assets - Governmental Activities	<u>\$ 25,395,139</u>	<u>\$ -</u>	<u>\$ 750,860</u>	<u>\$ -</u>	<u>\$ 26,145,999</u>

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 6 - CAPITAL ASSETS (continued)

Governmental Activities capital asset cost (inclusive of land) and depreciation expense was charged as a direct expense to departments are as follows:

Department	Cost	Depreciation Expense
Finance	\$ 85,237	\$ -
County Council	89,759	-
Fire Coordinator	692,180	55,597
Administrator	-	-
Non-departmental	23,285,559	511,928
Cemetery	66,744	-
Building inspector	-	-
Emergency management	223,465	17,256
Voter registration	67,860	-
Assessor	29,265	-
E-911	665,598	-
Clerk of court	23,708	-
Probate court	7,049	-
Barnwell magistrate	17,908	-
Blackville magistrate	17,818	-
Williston magistrate	72,021	-
Buildings and grounds	308,606	4,012
Public works (Engineering)	2,182,151	96,397
Solid waste	3,454,723	103,784
Animal shelter	30,060	374
Sheriff's office	3,430,828	324,962
Coroner	59,385	1,377
Emergency services	48,545	-
Fire commission	3,456,037	99,740
Detention center	11,435,590	405,111
Total	<u>\$ 49,750,096</u>	<u>\$ 1,620,538</u>

Depreciation expense was charged to governmental functions as follows:

General government	\$ 511,928
Physical environment	204,567
Public safety	886,787
Health and welfare	17,256
	<u>\$ 1,620,538</u>

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 6 - CAPITAL ASSETS (continued)

Primary Government (continued):

Business-type Activities

Barnwell County Airport Enterprise Fund

	Balance June 30, 2022	Transfers	Additions	Deletions	Balance June 30, 2023
Capital assets, not being depreciated:					
Land	\$ 743,502	\$ -	\$ -	\$ -	\$ 743,502
Construction in process	1,209,439	(1,135,227)	907,374	-	981,586
Total capital assets not being depreciated	<u>1,952,941</u>	<u>(1,135,227)</u>	<u>907,374</u>	<u>-</u>	<u>1,725,088</u>
Capital assets being depreciated:					
Buildings and improvements	4,567,736	-	-	-	4,567,736
Land improvements	695,158	1,135,227	-	-	1,830,385
Equipment	405,636	-	-	-	405,636
Total capital assets being depreciated	<u>5,668,530</u>	<u>1,135,227</u>	<u>-</u>	<u>-</u>	<u>6,803,757</u>
Less, accumulated depreciation for:					
Buildings and improvements	(2,651,502)	-	(76,619)	-	(2,728,121)
Land improvements	(343,902)	-	(44,984)	-	(388,886)
Equipment	(399,579)	-	(1,893)	-	(401,472)
Total accumulated depreciation	<u>(3,394,983)</u>	<u>-</u>	<u>(123,496)</u>	<u>-</u>	<u>(3,518,479)</u>
Total capital assets, being depreciated, net	<u>2,273,547</u>	<u>1,135,227</u>	<u>(123,496)</u>	<u>-</u>	<u>3,285,278</u>
Net capital assets - Business-type activities	<u>\$ 4,226,488</u>	<u>\$ -</u>	<u>\$ 783,878</u>	<u>\$ -</u>	<u>\$ 5,010,366</u>

Depreciation expense for the year ended June 30, 2023, equaled \$123,496 for business-type activities.

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 6 - CAPITAL ASSETS (continued)

Discretely Presented Component Units:

Barnwell County Economic Development Corporation

	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023
Capital assets, not being depreciated:				
Land	\$ 1,099,466	\$ -	\$ (14,000)	\$ 1,085,466
Total capital assets not being depreciated	<u>1,099,466</u>	<u>-</u>	<u>(14,000)</u>	<u>1,085,466</u>
Capital assets being depreciated:				
Buildings	6,877,864	-	(2,373,975)	4,503,889
Infrastructure	1,114,255	70,566	-	1,184,821
Land improvements	2,981,059	-	(70,566)	2,910,493
Equipment	135,810	-	(46,615)	89,195
Signs	31,967	-	-	31,967
Total capital assets being depreciated	<u>11,140,955</u>	<u>70,566</u>	<u>(2,491,156)</u>	<u>8,720,365</u>
Less, accumulated depreciation for:				
Buildings	(3,611,780)	(112,597)	1,742,408	(1,981,969)
Infrastructure	(777,050)	(36,507)	-	(813,557)
Land improvements	(1,805,491)	(90,929)	-	(1,896,420)
Equipment	(96,980)	(2,039)	15,802	(83,217)
Signs	(31,967)	-	-	(31,967)
Total accumulated depreciation	<u>(6,323,268)</u>	<u>(242,072)</u>	<u>1,758,210</u>	<u>(4,807,130)</u>
Total capital assets, being depreciated, net	<u>4,817,687</u>	<u>(171,506)</u>	<u>(732,946)</u>	<u>3,913,235</u>
Capital assets, net	<u>\$ 5,917,153</u>	<u>\$ (171,506)</u>	<u>\$ (746,946)</u>	<u>\$ 4,998,701</u>

Depreciation expense for the year ended June 30, 2023, equaled \$242,072.

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 6 - CAPITAL ASSETS (continued)

Other non-major component units:
Barnwell County Career Center

	Balance			Balance
	June 30,			June 30,
	2022	Additions	Deletions	2023
Capital assets, being depreciated:				
Buildings	\$ 304,437	\$ -	\$ -	\$ 304,437
Buildings and improvements	207,662	-	-	207,662
Equipment	224,419	17,225	-	241,644
Total capital assets being depreciated	736,528	17,225	-	753,743
Less, accumulated depreciation for:				
Buildings	(46,242)	(2,725)	-	(48,967)
Buildings and improvements	(173,491)	(15,536)	-	(189,027)
Equipment	(158,680)	(13,418)	-	(172,098)
Total accumulated depreciation	(378,413)	(31,679)	-	(410,092)
Total capital assets, being depreciated, net	358,115	(14,454)	-	343,651
Capital assets, net	<u>\$ 358,115</u>	<u>\$ (14,454)</u>	<u>\$ -</u>	<u>\$ 343,651</u>

Depreciation expense for the year ended June 30, 2022, equaled \$31,677.

Barnwell County Library Foundation

	Balance			Balance
	June 30,			June 30,
	2022	Additions	Deletions	2023
Capital assets, not being depreciated:				
Land	\$ 27,525	\$ -	\$ -	\$ 27,525
Total capital assets not being depreciated	27,525	-	-	27,525
Capital assets being depreciated:				
Building	494,446	-	-	494,446
Equipment	39,550	-	-	39,550
Land improvements	40,199	-	-	40,199
Total capital assets being depreciated	574,195	-	-	574,195
Less, accumulated depreciation				
Building	(216,805)	(12,361)	-	(229,166)
Equipment	(24,066)	(2,495)	-	(26,561)
Land improvements	(40,200)	-	-	(40,200)
Total accumulated depreciation	(281,071)	(14,856)	-	(295,927)
Total capital assets, being depreciated, net	293,124	(14,856)	-	278,268
Capital assets, net	<u>\$ 320,649</u>	<u>\$ (14,856)</u>	<u>\$ -</u>	<u>\$ 305,793</u>

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 6 - CAPITAL ASSETS (continued)

Other component units: (continued)

Barnwell County Library Foundation (continued)

Depreciation expense for the year ended June 30, 2023, equaled \$14,856.

Generations Unlimited

	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023
Capital assets, being depreciated:				
Start-up costs	\$ 31,910	\$ -	\$ -	\$ 31,910
Buildings and Improvements	180,146	-	-	180,146
Furniture & Equipment	507,927	-	-	507,927
Motor Vehicles	1,374,464	-	-	1,374,464
Total capital assets being depreciated	<u>2,094,447</u>	<u>-</u>	<u>-</u>	<u>2,094,447</u>
Accumulated depreciation				
Start-up costs	(15,954)	(2,127)	-	(18,081)
Buildings and Improvements	(18,663)	(9,076)	-	(27,739)
Furniture & Equipment	(354,391)	(56,098)	-	(410,489)
Motor Vehicles	(1,081,002)	(127,231)	-	(1,208,233)
Total accumulated depreciation	<u>(1,470,010)</u>	<u>(194,532)</u>	<u>-</u>	<u>(1,664,542)</u>
Total capital assets, net	<u>\$ 624,437</u>	<u>\$ (194,532)</u>	<u>\$ -</u>	<u>\$ 429,905</u>

Depreciation expense for the year ended June 30, 2023, equaled \$194,523.

Total Other Component Units

	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023
Capital assets, not being depreciated:				
Land	\$ 27,525	\$ -	\$ -	\$ 27,525
Total capital assets not being depreciated	<u>27,525</u>	<u>-</u>	<u>-</u>	<u>27,525</u>
Capital assets, being depreciated:				
Start-up costs	31,910	-	-	31,910
Buildings and improvements	1,226,900	-	-	1,226,900
Furniture & Equipment	696,958	17,225	-	714,183
Vehicles	1,449,402	-	-	1,449,402
Total capital assets being depreciated	<u>3,405,170</u>	<u>17,225</u>	<u>-</u>	<u>3,422,395</u>
Total accumulated depreciation	<u>(2,129,494)</u>	<u>(241,067)</u>	<u>-</u>	<u>(2,370,561)</u>
Total capital assets, being depreciated, net	<u>1,275,676</u>	<u>(223,842)</u>	<u>-</u>	<u>1,051,834</u>
Capital assets, net	<u>\$ 1,303,201</u>	<u>\$ (223,842)</u>	<u>\$ -</u>	<u>\$ 1,079,359</u>

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 7 - LONG-TERM DEBT

Presented below is a summary of changes in long-term obligations for the year ended June 30, 2023:

Primary Government

Governmental Activities

	Balance			Balance	Due Within
<u>Long-Term Obligations</u>	<u>June 30, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2023</u>	<u>One Year</u>
General Obligation Bonds					
<i>Direct Borrowings/Placements</i>					
Series 2016 D Bonds	\$ 1,375,000	\$ -	\$ (265,000)	\$ 1,110,000	\$ 270,000
Series 2017 CPST Bonds	3,485,000	-	(1,140,000)	2,345,000	-
Series 2018A Bonds	110,562	-	(110,562)	-	-
Series 2019A Bonds	40,018	-	(10,741)	29,277	29,277
Series 2019B Bonds	94,584	-	(44,419)	50,165	50,165
Series 2020A Bonds	206,685	-	(58,527)	148,158	72,168
Series 2021A Bonds	281,307	-	(67,240)	214,067	69,257
Series 2022A Bonds	348,485	-	(62,274)	286,211	66,404
Series 2023A Bonds	-	358,525	-	358,525	63,840
	<u>\$ 5,941,641</u>	<u>\$ 358,525</u>	<u>\$ (1,758,763)</u>	<u>\$ 4,541,403</u>	<u>\$ 621,111</u>
Installment Purchase Revenue Bonds					
<i>Direct Borrowings/Placements</i>					
Series 2019 Refunding Bonds	7,360,000	-	(300,000)	7,060,000	315,000
	7,360,000	-	(300,000)	7,060,000	315,000
Premium - Series 2019 Refunding Bonds	1,077,225	-	(66,632)	1,010,593	66,632
	<u>\$ 8,437,225</u>	<u>\$ -</u>	<u>\$ (366,632)</u>	<u>\$ 8,070,593</u>	<u>\$ 381,632</u>
Other General Long-term Obligations					
Landfill Closure and Postclosure					
Care Costs	\$ 629,743	\$ 8,299	\$ -	\$ 638,042	\$ 25,000
Accrued compensated absences, net	<u>\$ 285,392</u>	<u>\$ -</u>	<u>\$ (16,170)</u>	<u>\$ 269,222</u>	<u>\$ 13,572</u>

General Obligation Bonds

The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the County.

On December 20, 2016, the County issued General Obligation Bonds (Series 2016D) in the amount of \$2,600,000. Interest is 2.24% due semi-annually. The bond matures in ten annual installments ending on March 1, 2027. The bonds were issued to complete the final phase of the new detention center. Accrued interest on these bonds was \$8,220 at June 30, 2023.

On November 8, 2016, voters passed a referendum to permit Barnwell County to issue general obligation bonds in one or more series, in an amount not to exceed \$13,971,328, which is intended to be repaid from the sales and use tax proceeds. On May 2, 2017, the County issued General Obligation/Capital Project Sales Tax Bonds (Series 2017 CPST) in the amount of \$8,790,000. Interest is 2.17% due semi-annually. The bond

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 7 - LONG-TERM DEBT (continued)

Primary Government (continued)

General Obligation Bonds (continued)

matures in eight annual principal installments which will end on July 1, 2025. Accrued interest on these bonds was \$0 at June 30, 2023 due to the annual installment being paid early in June 2023.

On February 14, 2019, the County issued General Obligation Bonds (Series 2019A) in the amount of \$106,500. Interest is 4.02% due semi-annually. The bond matures in five annual principal installments beginning March 1, 2020 and ending on March 1, 2024. Accrued interest on these bonds was \$389 at June 30, 2023.

On August 13, 2019, the County issued General Obligation Bonds (Series 2019B) in the amount of \$225,000. Interest is 3.95% due semi-annually. The bond matures in five annual principal installments beginning March 1, 2020 and ending on March 1, 2024. Accrued interest on these bonds was \$670 at June 30, 2023.

On February 13, 2020, the County issued General Obligation Bonds (Series 2020A) in the amount of \$348,500. Interest is 2.87% due semi-annually. The bond matures in five annual principal installments beginning March 1, 2021 and ending on March 1, 2025. Accrued interest on these bonds was \$1,406 at June 30, 2023.

On February 10, 2021, the County issued General Obligation Bonds (Series 2021A) in the amount of \$346,000. Interest is 3.00% due semi-annually. The bond matures in five annual principal installments beginning March 1, 2022 and ending on March 1, 2026. Accrued interest on these bonds was \$1,097 at June 30, 2023.

On February 10, 2022, the County issued General Obligation Bonds (Series 2022A) in the amount of \$348,485. Interest is 2.44% due semi-annually. The bond matures in five annual principal installments beginning March 1, 2023 and ending on March 1, 2027. Accrued interest on these bonds was \$2,309 at June 30, 2023.

On February 9, 2023, the County issued General Obligation Bonds (Series 2023A) in the amount of \$358,525. Interest is 5.13% due semi-annually. The bond matures in five annual principal installments beginning March 1, 2024 and ending on March 1, 2028. Accrued interest on these bonds was \$7,168 at June 30, 2023.

Installment Purchase Revenue Bonds

Revenue Bonds are obligations of the County that are secured by revenue from a specific source.

On August 22, 2019, Barnwell County and Barnwell Facilities Corporation closed an installment purchase plan of finance that included the Corporation's issuance of \$8,415,000 of its Installment Purchase Refunding Revenue Bonds (Series 2019) to currently refund \$9,050,000 of the outstanding 2013A and 2013B Installment Purchase Revenue Bonds. The Corporation received a premium of \$1,266,016 and incurred bond issuance costs of \$468,986. The bonds carry interest rates ranging from 2.50% to 5.00%. The reacquisition price exceeded the net carrying amount of the old debt by \$120,948. The amount is reported as a deferred outflow in the Statement of Net Position and is being amortized to interest expense over the remaining term of the refunding bonds. Amortization of these bond premiums totaled \$66,632 and amortization of the deferred outflow totaled \$6,366 for fiscal year 2023.

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 7 - LONG-TERM DEBT (continued)

Primary Government (continued)

The County's outstanding debt obligations have been obtained through direct borrowings or direct placements.

Debt Service Requirements to Maturity

The following is the debt service to maturity requirements for the general obligation bonds at June 30, 2023:

Year Ending June 30,	<u>Direct Borrowings/Placements</u>		
	Principal	Interest	Total
2024	\$ 621,111	\$ 87,569	\$ 708,680
2025	1,720,289	82,023	1,802,312
2026	1,683,425	41,931	1,725,356
2027	437,290	16,196	453,486
2028	79,288	4,067	83,355
	<u>\$ 4,541,403</u>	<u>\$ 231,786</u>	<u>\$ 4,773,189</u>

The County paid \$135,077 in interest expense on all its general obligation bonds during the fiscal year.

The following is the debt service to maturity requirements for the installment purchase revenue bonds at June 30, 2023:

Year Ending June 30,	<u>Direct Borrowings/Placements</u>		
	Principal	Interest	Total
2024	\$ 315,000	\$ 290,650	\$ 605,650
2025	330,000	274,525	604,525
2026	345,000	257,650	602,650
2027	365,000	244,463	609,463
2028	370,000	230,650	600,650
2029-2033	2,140,000	868,500	3,008,500
2034-2038	2,610,000	386,200	2,996,200
2039-2043	585,000	11,700	596,700
	<u>\$ 7,060,000</u>	<u>\$ 2,564,338</u>	<u>\$ 9,624,338</u>

The County paid \$306,025 in total interest expense on its installment purchase revenue bonds during the fiscal year.

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 8 - INSTALLMENT PURCHASE CONTRACTS

Installment Purchase Obligations

Primary Government:

The County has entered into several purchase contracts for financing the acquisition of various machinery and equipment to provide for the day to day operations of its departments. Each of these purchase contracts are direct borrowings secured/collateralized by the underlying capital assets and are subject to acceleration clauses in case of an event of default.

Government Activities

Changes in the County's installment purchase contracts obligations (which have been recorded at the present value of the future minimum lease payments) are as follows:

	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023
<u>Direct Borrowings/Placements</u>				
2018 New Way Mammoth Loader	\$ 61,674	\$ -	\$ (30,466)	\$ 31,208
2017 Case 865B Freightliner	74,843	-	(24,226)	50,617
2018 Case 580SN Backhoe	39,900	-	(19,415)	20,485
2018 Volvo L60H Wheel Loader	71,102	-	(34,598)	36,504
Three 2021 Ford Explorers	53,818	-	(26,664)	27,154
Four Ford Explorers & Alamo Slope Mower	99,465	-	(49,329)	50,136
856C Motor Grader/Case 1150M Dozer	349,140	-	(67,346)	281,794
F-350 Ford Service Truck	31,880	-	(10,476)	21,404
Two Ford Explorers & Chevrolet Tahoe	100,000	-	(32,588)	67,412
Two 2022 Fire Trucks	443,000	-	(108,419)	334,581
Four 2023 Ford Cars & 2022 Ford F-250	-	180,620	-	180,620
Total	1,324,822	180,620	(403,527)	1,101,915
Less, current portion	(403,526)	(65,704)	-	(469,230)
Net installment purchase contracts	<u>\$ 921,296</u>	<u>\$ 114,916</u>	<u>\$ (403,527)</u>	<u>\$ 632,685</u>

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 8 - INSTALLMENT PURCHASE CONTRACTS (continued)

Installment Purchase Obligations (Cont'd)

Primary Government: (Cont'd)

Governmental Activities (Cont'd)

The annual requirements to amortize installment purchase contracts are as follows:

Year Ended	2018	2017	2018 Case	2018 Volvo		(4) Ford
30-Jun	Mammoth	Case 865B	580SN	L60H Wheel	(3) 2021	Explorers &
	Loader	Freightliner	Backhoe	Loader	Ford Explorers	Slope Mower
2024	\$ 31,207	24,940	20,485	36,504	27,154	50,138
2025	-	25,676	-	-	-	-
2026	-	-	-	-	-	-
2027	-	-	-	-	-	-
2028	-	-	-	-	-	-
Totals	<u>\$ 31,207</u>	<u>\$ 50,616</u>	<u>\$ 20,485</u>	<u>\$ 36,504</u>	<u>\$ 27,154</u>	<u>\$ 50,138</u>

Year Ended	856 C Motor		(2) Ford		(4) 2023 Ford	
30-Jun	Grader & Case	Ford F-350	Explorers &	(2) 2022	Cars & 2022	Totals
	1150M Dozer	Service Truck	Tahoe	Freightliners	Ford F-250	
2024	\$ 68,565	10,626	33,328	109,958	56,325	\$ 469,230
2025	69,806	10,778	34,084	111,520	60,121	311,985
2026	71,070	-	-	113,103	64,174	248,347
2027	72,355	-	-	-	-	72,355
2028	-	-	-	-	-	-
Totals	<u>\$ 281,796</u>	<u>\$ 21,404</u>	<u>\$ 67,412</u>	<u>\$ 334,581</u>	<u>\$ 180,620</u>	<u>\$ 1,101,917</u>

Discretely Presented Component Units:

Barnwell County Economic Development Corporation

The Corporation entered into lease agreements with the following companies who are leasing buildings owned by the Corporation. These leases are considered for accounting purposes to be capital leases.

Pineview Buildings, LLC

The Corporation leases a building to Pineview Buildings, LLC for \$10,000 a month based on a lease purchase that originated on April 20, 2022. The original amount of the lease receivable is \$517,565. This is based on the total purchase price of \$600,000. Because this is a non-interest-bearing agreement, the purchase price has been converted to present value and interest has been imputed. Interest income will be recognized as payments are made. The note has a maturity date of March 21, 2027 at which time the building conveys to Pineview Buildings, LLC if the lessee is compliant in all terms of the agreement. This lease is classified as a capital lease.

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 8 - INSTALLMENT PURCHASE CONTRACTS (continued)

The future minimum lease payments are as follows:

June 30, 2024	\$ 120,000
June 30, 2025	120,000
June 30, 2026	120,000
June 30, 2027	<u>90,000</u>
Total minimum lease payments	450,000
Less amount representing interest	<u>47,744</u>
Present value of minimum lease payments	<u>\$ 402,256</u>

Current portion \$98,637 and long term \$303,619.

TJ Broadway Corporation

The Corporation leases a building to TJ Broadway Corporation for \$8,333.33 a month based on a lease purchase that originated on January 7, 2022. The original amount of the lease receivable is \$452,865. This is based on the total purchase price of \$500,000. Because this is a non-interest-bearing agreement, the purchase price has been converted to present value and interest has been imputed. Interest income will be recognized as payments are made. The note has a maturity date of December 31, 2026 at which time the building conveys to TJ Broadway Corporation if the lessee is compliant in all terms of the agreement. This lease is classified as a capital lease.

The future minimum lease payments are as follows:

June 30, 2024	\$ 100,000
June 30, 2025	100,000
June 30, 2026	100,000
June 30, 2027	<u>50,000</u>
Total minimum lease payments	350,000
Less amount representing interest	<u>24,503</u>
Present value of minimum lease payments	<u>\$ 325,497</u>

Current portion \$88,285 and long term \$237,212.

Intelligent Lifecycle Solutions, LLC

The Corporation leases a building to Intelligent Lifecycle Solutions, LLC for \$4,166.66 a month based on a lease purchase that originated on July 14, 2020. The original amount of the lease receivable is \$377,213. This is based on the total purchase price of \$500,000. Because this is a non-interest-bearing agreement, the purchase price has been converted to present value and interest has been imputed. Interest income will be recognized as payments are made. The note has a maturity date of July 14, 2030 at which time the building conveys to Intelligent Lifecycle Solutions, LLC if the lessee is compliant in all terms of the agreement. This lease is classified as a capital lease.

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 8 - INSTALLMENT PURCHASE CONTRACTS (continued)

The future minimum lease payments are as follows:

June 30, 2024	\$ 50,004
June 30, 2025	50,004
June 30, 2026	50,004
June 30, 2027	50,004
June 30, 2028	50,004
June 30, 2029 - 2030	<u>100,008</u>
Total minimum lease payments	350,028
Less amount representing interest	<u>64,784</u>
Present value of minimum lease payments	<u><u>\$ 285,244</u></u>

Current portion \$33,809 and long term \$251,435.

NOTE 9 - LANDFILL CLOSURE AND POST CLOSURE OBLIGATION

State and federal laws and regulations require the County to place a final cover on its landfill site when they stop accepting waste and to perform certain maintenance and monitoring functions for 30 years after closure. Barnwell County's original landfill is closed, and the County's vertical expansion which allowed the stacking of municipal waste above the ground in trenches was in effect until September 1998, at which time the County began using a regional landfill.

In August 1993, the GASB issued Statement #18, *Accounting for Municipal Solid Waste Landfill Closure and Post closure Care Costs*, in order to reduce the diversity of acceptable accounting practices in this area.

GASB #18 applies to all governmental municipal solid waste landfills irrespective of what type of accounting model is used to account for the activities of a landfill. As defined by GASB #18, the basic objective is to recognize all landfill costs by the time a landfill is closed. The costs to be identified for closure and post closure care include (1) capital assets, (2) final cover, and (3) monitoring and maintenance activities.

The estimated total current cost of the landfill closure and post closure care is based on the amount that would be paid if all equipment, facilities and services required to close, monitor, and maintain the landfill were acquired as of June 30, 2023. However, the actual cost of closure and post closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations. Barnwell County has committed \$124,005 to meet this additional liability. The nature and source of landfill closure and post closure care requirements are monitored by both federal and State of South Carolina environmental protection agencies. Levels of ground water pollutants are set by State agencies and the monitoring of these amounts have been reported to County officials to be in conformity and guidelines.

Because the original (municipal waste) landfill was closed in 2001, 100% of the liability for the above costs has been recognized as a long-term debt. The estimated total liability for post closure care costs equaled \$750,000 which is being amortized over 30 years. The remaining unamortized balance equaled \$255,088 at June 30, 2023. During the fiscal year, the County amortized \$25,000 for post closure care costs for their closed landfill.

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 9 - LANDFILL CLOSURE AND POST CLOSURE OBLIGATION (continued)

The County also operates a Class II landfill, formally referred to as a Construction Demolition and Land Clearing Debris (C & D) Landfill, at its site off Reynolds Road. This site, when designed, was estimated to remain open and accept construction and demolition debris for at least 30 years. The Class II landfill originally had a capacity of 782,000 cubic yards. At June 30, 2023, the landfill had used 612,950 cubic yards or 78%. Total closure and post closure care costs are estimated to be \$488,571. At June 30, 2023 the County has accrued \$382,983 in closure and post closure care costs for their Class II landfill.

Although closure and post closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

Closure and post closure care costs accrued are as follows:

Accrued liabilities at June 30, 2022	\$ 629,743
Change in cost estimates	<u>8,299</u>
Accrued liability at June 30, 2023	638,042
Less, current portion	<u>(25,000)</u>
	<u>\$ 613,042</u>

NOTE 10 - EMPLOYEE RETIREMENT SYSTEMS AND PLANS

General Information about the Pension Plans

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

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

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

BARNWELL COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

NOTE 10 - EMPLOYEE RETIREMENT SYSTEMS AND PLANS (continued)

Plan Descriptions

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

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

Membership

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

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

Benefits Provided

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

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

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 10 - EMPLOYEE RETIREMENT SYSTEMS AND PLANS (continued)

or eight-year earned service requirement, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program.

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

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

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

Contributions

Actuarial valuations are performed annually by an external consulting actuary to ensure applicable contribution rates satisfy the funding parameters specified in Title 9 of the South Carolina Code of Laws. Under these provisions, SCRS and PORS contribution requirements must be sufficient to maintain an amortization period for the financing of the unfunded actuarial accrued liability (UAAL) over a period that does not exceed the number of years scheduled in state statute. The Retirement Funding and Administration Act of 2017 increased, but also established a ceiling for SCRS and PORS employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.00 percent for SCRS and 9.75 percent for PORS. The legislation also increased employer contribution rates beginning July 1, 2017 for both SCRS and PORS by two percentage points and further scheduled employer contribution rates to increase by a minimum of one percentage point each year in accordance with state statute. The General Assembly postponed the one percent increase in the SCRS and PORS employer contribution rates that was scheduled to go into effect beginning July 1, 2020. In accordance with the legislative funding schedule, employer contribution rates will continue to increase by 1 percentage point each year until reaching 18.56 percent for SCRS and 21.24 percent for PORS but may be increased further, if the scheduled contributions are not sufficient to meet the funding periods set for the applicable year. The board shall increase the employer contribution rates as necessary to meet the amortization period set in statute.

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

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 10 - EMPLOYEE RETIREMENT SYSTEMS AND PLANS (continued)

- Required employee contribution rates for fiscal year 2022-2023 are as follows:
 SCRS
 Employee Class Two 9.00% of earnable compensation
 Employee Class Three 9.00% of earnable compensation
 PORS
 Employee Class Two 9.75% of earnable compensation
 Employee Class Three 9.75% of earnable compensation

- Required employer contribution rates for fiscal year 2022-2023 are as follows:
 SCRS
 Employer Class Two 17.41% of earnable compensation
 Employer Class Three 17.41% of earnable compensation
 Employer Incidental Death Benefit 0.15% of earnable compensation

- Required employer contribution rates for fiscal year 2022-2023 are as follows:
 PORS
 Employer Class Two 19.84% of earnable compensation
 Employer Class Three 19.84% of earnable compensation
 Employer Incidental Death Benefit 0.20% of earnable compensation
 Employer Accidental Death Program 0.20% of earnable compensation

The governmental unit's contributions to the SCRS and PORS for the last three fiscal years were as follows:

SCRS	2023	2022	2021
Employee Contributions	\$ 383,479	\$ 383,455	\$ 370,035
Employer Contributions	\$ 741,819	\$ 699,167	\$ 633,582
Employer Group Life Contributions	\$ 6,391	\$ 6,391	\$ 6,167
Total	\$ 1,131,689	\$ 1,089,013	\$ 1,009,784

PORS	2023	2022	2021
Employee Contributions	\$ 349,595	\$ 296,113	\$ 239,692
Employer Contributions	\$ 711,381	\$ 572,182	\$ 438,575
Employer Group Life Contributions	\$ 7,171	\$ 6,074	\$ 9,834
Total	\$ 1,068,147	\$ 874,369	\$ 688,101

The governmental unit contributed 100% of the required contributions for the current year and each of the two preceding years.

Actuarial Assumptions and Methods

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

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 10 - EMPLOYEE RETIREMENT SYSTEMS AND PLANS (continued)

The June 30, 2022, total pension liability (TPL), net pension liability (NPL), and sensitivity information shown in this report were determined by our consulting actuary, Gabriel, Roeder, Smith and Company (GRS) and are based on an actuarial valuation performed as of July 1, 2021. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year end, June 30, 2022, using generally accepted actuarial principles.

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

	SCRS	PORS
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Actuarial Assumptions:		
Investment rate of return	7.0%	7.0%
Projected salary increases	3.0% - 11.0%	3.5% - 10.5%
Includes inflation at	2.25%	2.25%
Benefits adjustments	Lesser of 1% or \$500 annually	Lesser of 1% or \$500 annually

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumptions, the 2016 Public Retirees of South Carolina Mortality table (2020 PRSC), was developed using the Systems' mortality experience. These base rates are adjusted for future improvement in mortality using 80% of Scale UMP projected from the year 2020.

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

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

Net Pension Liability

The net pension liability (NPL) is calculated separately for each system and represents that particular system's total pension liability (TPL) determined in accordance with GASB No. 67 less that System's fiduciary net position. As of the June 30, 2022 measurement date, NPL amounts for SCRS and PORS as a whole are presented below.

System	Total Pension Liability	Plan Fiduciary Net Position	Employers' Net Pension Liability(Asset)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
SCRS	\$56,454,779,872	\$32,212,626,932	\$24,242,152,940	57.1%
PORS	\$8,937,686,946	\$5,938,707,767	\$2,998,979,179	66.4%

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 10 - EMPLOYEE RETIREMENT SYSTEMS AND PLANS (continued)

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

Long-term Expected Rate of Return

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

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2022 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the table on the following page. For actuarial purposes, the 7 percent assumed annual investment rate of return used in the calculation of the TPL includes a 4.75 percent real rate of return and a 2.25 percent inflation component.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

		Expected	Long-Term
		Arithmetic	Expected
	Policy	Real Rate of	Portfolio Real
Allocation/Exposure	Target	Return	Rate of Return
Public Equity	46.0%	6.79%	3.12%
Bonds	26.0%	(0.35)%	(0.09)%
Private Equity	9.0%	8.75%	0.79%
Private Debt	7.0%	6.00%	0.42%
Real Assets	12.0%		
Real Estate	9.0%	4.12%	0.37%
Infrastructure	3.0%	5.88%	0.18%
Total Expected Return	100%		4.79%
Inflation for Actuarial Purposes			2.25%
			7.04%

Discount Rate

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

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 10 - EMPLOYEE RETIREMENT SYSTEMS AND PLANS (continued)

Sensitivity Analysis

The following table presents the collective NPL of the participating employers calculated using the discount rate of 7 percent, as well as what the employers' NPL would be if it were calculated using a discount rate that is 1.00 percent lower (6 percent) or 1.00 percent higher (8 percent) than the current rate.

Governmental Activities			
Sensitivity of the Net Pension Liability to Changes in the Discount Rate			
System	1.00% Decrease (6%)	Current Discount Rate (7%)	1.00% Increase (8%)
SCRS	\$ 11,002,002	\$ 8,581,030	\$ 6,568,396
PORS	\$ 8,033,798	\$ 5,761,300	\$ 3,901,062
Business-Type Activities			
Sensitivity of the Net Pension Liability to Changes in the Discount Rate			
System	1.00% Decrease (6%)	Current Discount Rate (7%)	1.00% Increase (8%)
SCRS	\$ 123,907	\$ 96,641	\$ 73,975

Payables to the Pension Plan

As of June 30, 2023, the County had \$265,269 in payables outstanding to the pension plans for its legally required contributions.

Pension Liabilities and Pension Expense

At June 30, 2023, the County reported a liability of \$8,581,030 for its proportionate share of the net pension liability for SCRS and a liability of \$5,761,300 for PORS related to governmental activities. For business-type activities, its proportionate share of the net pension liability for SCRS was \$96,641. The net pension liability of each defined benefit plan was determined based on the most recent actuarial valuation as of July 1, 2021, using membership as of that date projected forward to the end of the fiscal year, and financial information of the pension trust funds as of June 30, 2022. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental units, actuarially determined. At June 30, 2023, the County's proportions for governmental activities were 0.035398% percent and 0.192109% for SCRS and PORS, respectively. The County's proportion for business-type activities was 0.000398% for SCRS. The County's proportionate shares were calculated on the basis of employer contributions actually remitted to the plan for the fiscal year ended June 30, 2022.

For the year ended June 30, 2023, the County recognized pension expense of \$1,114,763 related to governmental activities and \$29,190 related to business-type activities. At June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 10 - EMPLOYEE RETIREMENT SYSTEMS AND PLANS (continued)

Governmental Activities

	Deferred	Deferred
	Outflows of	Inflows of
SCRS	Resources	Resources
Differences Between Expected and Actual Experience	\$ 74,553	\$ 37,396
Net Difference Between Projected and Actual Earnings On Pension Plan Investments	13,234	-
Assumption Changes	275,213	-
Deferred Amounts from Changes in Proportionate Share and Differences Between Employer Contributions and Proportionate Share of Total Plan Contributions	-	295,461
Contributions Subsequent to the Measurement Date	738,455	-
Totals	\$ 1,101,455	\$ 332,857

	Deferred	Deferred
	Outflows of	Inflows of
PORS	Resources	Resources
Differences Between Expected and Actual Experience	\$ 96,663	\$ 113,891
Net Difference Between Projected and Actual Earnings On Pension Plan Investments	17,398	-
Assumptions Changes	239,910	-

Deferred Amounts from Changes in Proportionate Share and Differences Between Employer Contributions and Proportionate Share of Total Plan Contributions	1,045,032	30,348
Contributions Subsequent to the Measurement Date	718,552	-
Totals	\$ 2,117,555	\$ 144,239

Business-Type Activities

	Deferred	Deferred
	Outflows of	Inflows of
SCRS	Resources	Resources
Differences Between Expected and Actual Experience	\$ 840	\$ 421
Net Difference Between Projected and Actual Earnings On Pension Plan Investments	149	-
Assumption Changes	3,100	-
Deferred Amounts from Changes in Proportionate Share and Differences Between Employer Contributions and Proportionate Share of Total Plan Contributions	-	3,328
Contributions Subsequent to the Measurement Date	9,755	-
	\$ 13,844	\$ 3,749

Deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date totaling \$1,457,007 for governmental activities and \$9,755 for business-type activities will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 10 - EMPLOYEE RETIREMENT SYSTEMS AND PLANS (continued)

Year ending June 30:	Governmental Activities		
	SCRS	PORS	TOTAL
2023	(26,678)	537,016	510,338
2024	67,474	486,616	554,090
2025	(234,441)	7,191	(227,250)
2026	223,788	223,942	447,730
2027	-	-	-
Thereafter	-	-	-
Total	30,143	1,254,765	1,284,908

Year ending June 30:	Business-Type Activities		
	SCRS	PORS	TOTAL
2023	(300)	-	(300)
2024	760	-	760
2025	(2,640)	-	(2,640)
2026	2,520	-	2,520
2027	-	-	-
Thereafter	-	-	-
Total	340	-	340

Other Component Units:

Barnwell County Career Center:

Substantially all Career Center employees are members of the South Carolina Retirement Systems (SCRS).

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2023, the Career Center reported a liability of \$2,091,697 of its proportionate share of the net pension liability for SCRS. At June 30, 2023, the Career Center's proportion was 0.008628%.

At June 30, 2023, the Center reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources for the measurement period ending June 30, 2022:

Governmental Activities

	Deferred	Deferred
	Outflows of	Inflows of
SCRS	Resources	Resources
Differences Between Expected and Actual Experience	\$ 18,173	\$ 9,116
Assumptions Changes	67,086	-
Net Difference Between Projected and Actual Earnings On Pension Plan Investments	307,718	304,492

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 10 - EMPLOYEE RETIREMENT SYSTEMS AND PLANS (continued)

Deferred Amounts from Changes in Proportionate Share and Differences Between Employer Contributions and Proportionate Share of Total Plan Contributions	-	58,965
Contributions after the measurement date	121,248	-
Totals	\$ 514,225	\$ 372,573

The following schedule reflects the amortization of the collective deferred outflows / (inflows) of resources for the measurement period ending June 30, 2021:

Year Ending June 30,	SCRS
2023	\$ (12,058)
2024	(11,765)
2025	(57,969)
2026	(54,550)
2027	(136,342)
Thereafter	-
Total	<u>\$ (136,342)</u>

The following presents the Career Center's proportionate share of the net pension liability calculated using the discount rate of 7 percent, as well as what the Center's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6 percent) or 1-percentage-point higher (8 percent) than the current rate:

Sensitivity of the Net Pension Liability to Changes in the Discount Rate			
System	1.00% Decrease (6%)	Current Discount Rate (7%)	1.00% Increase (8%)
SCRS	\$ 2,681,706	\$ 2,091,697	\$ 1,601,027

Generations Unlimited:

Substantially all Generations Unlimited employees are members of the South Carolina Retirement Systems (SCRS).

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2023, Generations Unlimited reported a liability of \$1,209,518 for its proportionate share of the net pension liability for SCRS. At June 30, 2023, Generations Unlimited's proportion was 0.004989%.

For the year ended June 30, 2023, Generations Unlimited recognized pension expense of \$11,523 for SCRS. At June 30, 2023, the Organization reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources for the measurement period ending June 30, 2022:

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 10 - EMPLOYEE RETIREMENT SYSTEMS AND PLANS (continued)

Governmental Activities

	Deferred	Deferred
	Outflows of	Inflows of
SCRS	Resources	Resources
Differences Between Expected and Actual Experience	\$ 10,508	\$ 5,271
Assumptions Changes	38,792	-
Net Difference Between Projected and Actual Earnings On Pension Plan Investments	1,865	-
Deferred Amounts from Changes in Proportionate Share and Differences Between Employer Contributions & Proportionate Share of Total Plan Employer Contributions	-	114,322
Contributions Subsequent to the Measurement Date	101,258	-
Totals	\$ 152,423	\$ 119,593

The amount of \$101,258 reported as deferred outflows of resources related to pensions resulting from the Organization's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. The following schedule reflects the amortization of the collective deferred outflows / (inflows) of resources for the measurement period ending June 30, 2022:

Year Ending June 30,	SCRS
2023	\$ (41,299)
2024	(11,670)
2025	(47,002)
2026	31,543
2027	-
Thereafter	-
Total	<u>\$ (68,428)</u>

The following presents Generations Unlimited's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the Organization's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

Sensitivity of the Net Pension Liability to Changes in the Discount Rate			
System	1.00% Decrease (6.00%)	Current Discount Rate (7.00%)	1.00% Increase (8.00%)
SCRS	\$ 1,550,751	\$ 1,209,519	\$ 925,827

NOTE 11 - DEFERRED COMPENSATION PLANS

Primary Government:

The County offers their employees several deferred compensation plans under programs administered by the South Carolina Deferred Compensation Commission. The multiple-employer plans were created in accordance with Internal Revenue Code Sections 457 and 401(K). The plans, available to all full-time County and component unit employees, at their option, permit participants to defer a portion of their salary until future years. Only upon termination, retirement, disability, death, or an approved hardship is the deferred compensation available to an employee. During the year ended June 30, 2000, the deferred compensation

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 11 - DEFERRED COMPENSATION PLANS (continued)

plans were amended to allow for employer matching contributions of up to \$300 per year for each covered participant. The County made no contributions for the year ended June 30, 2023.

The County has elected to provide this benefit to all employees who meet the following criteria:

1. Must have one continued year of service as a permanent employee, and
2. Covered participants earning up to \$20,000 per year regardless of employee contributions, or
3. Covered participants earning more than \$20,000 subject to meeting minimum contribution levels.

Other (Non-major) Component Units

Barnwell County Career Center

The Career Center employees may participate in the 457, 403(b) and/or 401(k) deferred compensation plans available to state and local government employees through the state public employee retirement system. These programs are administered by a state approved nongovernmental third party.

NOTE 12 - RISK MANAGEMENT

The County is exposed to various risks of loss and maintains elements of both self-insurance and purchased insurance policies divided into coverage for 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 County also pays insurance premiums to certain other commercial insurers to cover risks that may occur in normal operations. The insurers promise to pay to or on behalf of the insured for covered economic losses sustained during the policy in accordance with insurance policy and benefit program limits.

State funds accumulate assets and the State itself assumes substantially all risks for the following:

- 1) Claims of covered public employees for health and dental insurance benefits (Office of Insurance Services),
- 2) Claims of covered public employees for long-term disability and group-life insurance benefits (Retirement System), and
- 3) Claims of state employees for unemployment compensation benefits (Employment Security Commission).

The County and other entities pay premiums to the State's Insurance Reserve Fund which issues policies, accumulates assets to cover the risk of loss, and pays claims incurred for covered losses related to the following assets and activities:

- 1) Theft of, damage to, or destruction of assets;
- 2) Real property, its contents, and other equipment;
- 3) Auto liability;
- 4) General tort liability.

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 12 - RISK MANAGEMENT (continued)

The County obtains coverage through a state agency for employee worker's compensation.

The County obtains coverage through a commercial insurer for employee fidelity bond insurance for all employees for losses arising from theft or misappropriation.

The County has recorded insurance premium payments in the general fund. All claims are expected to be covered beyond the deductibles. These risks of loss (the deductibles) have not been transferred to a commercial insurer.

The County has not reported a supplemental premium assessment nor a related liability at June 30, 2023, because the requirements of GASB Statement No. 10, which states that a liability for supplemental assessments must be reported if information prior to issuance of the financial statements indicates that it is probable that an asset has been impaired or a liability has been incurred on or before June 30, 2023, and that the amount of the premium is reasonably estimable, have not been satisfied.

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.

NOTE 13 - CONTINGENCIES AND COMMITMENTS

Primary Government

Solid Waste Disposal – Multi-County Agreement

The County is a member of the Three Rivers Solid Waste Authority (the Authority), a public body and politic of the State of South Carolina. Pursuant to the agreement between the County and the Authority, the County is obligated to pay its annual fee and member fee each year for the remainder of a 30-year term expiring in the year 2027. In addition to its annual obligation, the County has agreed to pay its share of closure and post closure costs assessed. The County has also committed to proportionally fund the operations of the Authority in the event another member defaults on its obligations.

Litigation

The County is party to legal proceedings that normally occur in governmental operations. County officials believe the legal proceedings are not likely to have a material adverse impact on the affected funds of the County.

Federal and State Assisted Programs

In the normal course of operations, the County receives grant funds from various federal and state agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to insure compliance with conditions precedent to the granting of funds. Such audits could result in the refund of grant monies to the grantor agencies. However, management believes that any required refunds would be immaterial and no provision has been made in the accompanying financial statements for the refund of grant monies.

Economic Development Compact

The State of South Carolina established the Barnwell Economic Development Fund pursuant to South Carolina Code of Laws section 48-46-60 (A)(5)(a). The State granted to Barnwell County the net proceeds of the payments received from members of the Northeast Interstate Low Level Radioactive Waste Commission for the purpose of economic development in the Barnwell County area. The terms of the State's membership require the State to provide a refund to the original members of a pro rata amount of the payments received

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 13 - CONTINGENCIES AND COMMITMENTS (continued)

should one of two contingencies occur. The contingencies are an interruption of the availability of the disposal facility for more than six months or the 800,000 cubic feet space allotment becomes unavailable. Neither have occurred as of June 30, 2023.

However, and pursuant to the agreement, the State's potential liability is 10% of the incentive payments received or \$1,200,000 plus accrued interest. The State intends to fund the contingency from the Barnwell Economic Development fund. As of June 30, 2023 management has determined the likelihood of the State making a levy against the fund is remote.

Hospital Pension Plan

An actuarial valuation of the Barnwell County Hospital Retirement Plan was performed to provide measurements required under Statement 68 of the Governmental Accounting Standards Board for the employer's fiscal year ending June 30, 2024. The measurement of the total pension liability is based on a valuation date of October 1, 2022 and the liability has been adjusted for the passage of time between the valuation date and the measurement date by standard actuarial techniques.

The net pension liability as of June 30, 2024 (measurement date as of June 30, 2023) calculated at a discount rate of 5.5% is \$718,643.

Barnwell County Hospital

During the fiscal year ended June 30, 2012, County Council filed the Barnwell County Hospital for bankruptcy protection under Chapter 9 of the United States Bankruptcy Code. On June 12, 2013, the sale of the Hospital was closed, with the County retaining ownership of all cash and receivables, plus liabilities, through the date of closing.

The sales agreement also required the County to – (i) maintain “tail insurance” at its own expense for seven (7) years to insure against liabilities that may arise of the Hospital, its employees (including professional employees), and the overall business for all periods prior to the closing date, (ii) pay a “subsidy” to Purchaser for annual operations equaling to \$450,000 for three (3) years (or \$1,350,000); (iii) pay a “subsidy” to the Purchaser to offset cost of medical transportation in Barnwell County by paying (a) years 1-2, the current contract amount to the third-party provider which approximates \$1 million annually and (b) years 3-5, 25% of the current contract amount to the third-party provider, but not more than \$225,000 annually.

During the fiscal year ended June 30, 2012, the County advanced the Hospital \$650,000 for operational purposes. These advances are unsecured. The Hospital has repaid \$310,031 of the advances, but the full collectability of the remaining \$339,969 is uncertain and has been reserved as an allowance for doubtful accounts at June 30, 2023.

The Bankruptcy protection has been approved by the court, however the Bankruptcy estate has not been closed as of the report date and the amount of funds that will be available to settle unsecured claims is unknown. The County received \$373,597 in bankruptcy claims during 2022-23.

The Barnwell County Hospital closed its doors on January 21, 2016. The County's commitments related to the hospital, described above, will continue to be in effect with any payments/subsidies being paid directly to the rescue squad. The County paid \$1,019,280 to the rescue squad during 2022-23.

BARNWELL COUNTY, SOUTH CAROLINA NOTES TO FINANCIAL STATEMENTS

NOTE 14 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

For fiscal year ended June 30, 2023, General Fund expenditures totaled \$20,338,871 and exceeded the appropriated final budget of \$18,349,614 resulting in a negative variance of \$1,989,257.

NOTE 15 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS

Primary Government

Background

Beginning in fiscal year ended June 30, 2018, Barnwell County implemented Governmental Accounting Standards Board (GASB) Statement No. 75 which replaced the requirements of Statement No. 45 for the accounting and financial reporting of other postemployment benefits (OPEB) other than pensions offered to retirees. This scope of this statement establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related deferred outflows and inflows of resources, note disclosures, and, if applicable, required supplementary information (RSI) in the financial reports of state and local governmental employers. An implicit rate subsidy is an inherent subsidy of retiree healthcare costs by active employee healthcare costs when healthcare premiums paid by retirees and actives are the same. Under the current health plan, described in the next paragraph, healthcare premiums paid by retirees and actives are the same. The true healthcare costs for retirees are, on average, greater than active employees' healthcare costs. Thus, if both subgroups pay the same per-capita premium for their benefits, retirees are paying less than they would if their premiums were calculated solely based on retiree-only expected healthcare costs. With an implicit rate subsidy, the active employee premiums are subsidizing the retiree premiums, and that subsidization creates a liability that needs to be recognized.

Plan Description

The State Insurance Benefits Program, a community-rated plan with respect to local subdivisions which is managed by the South Carolina Public Employee Benefit Authority (PEBA), offers a variety of plans to active employees, retirees and survivors. The health, dental, Basic Life and Basic Long Term Disability plans are the core benefits the participating local subdivision must provide to each employee by paying a minimum contribution for each plan. A local subdivision or entity is defined as any employer, other than a state agency or public school district, that has the South Carolina General Assembly's approval to participate in the state insurance benefits program. More specifically, Section 1-11-720 of the 1976 South Carolina Code of Laws, as amended, gives specified local government organizations the right to participate in the state insurance benefits program.

Barnwell County must offer all eligible employees the entire package of state insurance benefits and allow employees to refuse all or any part of the benefits package. The County must ensure that all covered employees, retirees and their dependents meet the eligibility guidelines established by the S.C. PEBA or set forth in Section 1-11-730 of the 1976 S.C. Code of Laws, as amended. The County must contribute, for its active employees, no less than the same percentage the state contributes toward the premiums for active employees of state agencies and public school districts.

Benefits Provided

Under the State Insurance Benefits Program, each local subdivision develops its own policy for funding retiree insurance premiums for its eligible retirees. Therefore, Barnwell County has the option to choose the amount, if any, it wishes to contribute toward health and dental coverage for its eligible retirees. For retirees hired on or prior to January 1, 2012, the County will pay 100% of the standard insurance or Medicare

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 15 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)

Primary Government (continued)

supplement rates for retirees only (not including spouse or dependents) with twenty (20) years of full-time service to Barnwell County or within fifteen (15) years of full-time service and retirement at age 62 or older. To be eligible, the retiree must also remain a member of the State Retirement System and must be receiving a retirement check. The County currently requires those retirees hired after January 1, 2012 to pay 100% of their premiums. The fact that the County will no longer contribute toward retiree premiums is irrelevant when considering the implicit rate subsidy because the contribution is a matter of employer policy and is outside the scope of GASB Statement No. 75. Currently, the County has elected not to pre-fund OPEB liabilities and to fund healthcare benefits on a pay-as-you-go basis. These benefits consist of an inherent rate insurance subsidy that retirees will receive by staying on the employer provided health plan. Retirees will reimburse Barnwell County for the insurance premiums charged. The liability and expense amounts are only included on the Statement of Net Position and Statements of Activities.

Employees Covered by Benefit Terms

Active Participants	190
Retired Participants	<u>35</u>
Total	<u>225</u>

Total OPEB Liability

The County's total OPEB liability of \$11,485,046 was measured as of June 30, 2023, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Cost Method – Individual entry age normal level percent of salary

Dates of Calculations

Actuarial valuation: June 30, 2022
Census Date: June 30, 2022
Measurement Date: June 30, 2023
Reporting Date: June 30, 2023

Employees Included in the Calculations – All active employees who are potentially eligible to receive medical benefits as a retiree. Former employees and their spouses or their survivors who are receiving benefits.

Discount Rate – Pursuant to GASB 75, for unfunded plans the discount rate should be a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). The Bond Buyer's 20 bond index is often cited as an appropriate benchmark. A discount rate of 3.65% was used for the June 30, 2023 measurement date.

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 15 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)

Primary Government (continued)

Inflation Rate – 2.25% per year

Salary Increase Rate – 2.50% per year

Retirement Rates – The rates used for the July 1, 2021 SCRS Valuation.

Mortality Rates – The rates used for the July 1, 2021 SCRS Valuation.

Disability Rates – None assumed.

Termination Rates – The rates used for the July 1, 2021 SCRS Valuation.

Per Capita Claims Costs – Per Capita Claims Costs include Medical, Dental and Prescription Drug and were developed based on the June 30, 2021 SC OPEB Valuation.

Healthcare Trend – The healthcare trend rates are based on the rates used for the June 30, 2021 SC OPEB Valuation.

Election Percentage – It is assumed that 100% of eligible retirees and 20% of spouses will elect to receive coverage upon retirement.

Marriage Percentage – 80% of active employees are assumed to be married at retirement. Female spouses are assumed to be 3 years younger than their husbands.

Changes in the Total OPEB Liability

Balance at June 30, 2022	<u>\$ 11,387,887</u>
Changes for the year	
Service cost	241,804
Interest	397,000
Changes of assumptions or other inputs	(192,206)
Benefit payments	(300,469)
Implicit rate subsidy fulfillment	<u>(48,970)</u>
Net changes	<u>97,159</u>
Balance at June 30, 2023	<u><u>\$ 11,485,046</u></u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability, calculated using the discount rate of 3.65%, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.65%) or 1-percentage point higher (4.65%) than the current rate:

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 15 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)

Primary Government (continued)

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
Total OPEB Liability	\$13,418,540	\$11,485,046	\$9,931,845

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability as well as what the total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare trend rates:

	1% Decrease	Current Rates	1% Increase
Total OPEB Liability	\$9,730,727	\$11,485,046	\$13,711,928

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2023, the County recognized OPEB expense of \$71,010. The following table provides a summary of the deferred inflows and outflows as of June 30, 2023.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (2,191,746)
Changes of assumption or other inputs	<u>1,313,716</u>	<u>(1,523,073)</u>
Total	<u>\$ 1,313,716</u>	<u>\$ (3,714,819)</u>

Collective amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense in future years as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Year Ended June 30		
2024	\$ 569,510	\$ (1,279,324)
2025	505,765	(1,279,324)
2026	227,975	(1,120,461)
2027	10,466	(35,710)
2028	-	-
Thereafter	-	-
Total	<u>\$ 1,313,716</u>	<u>\$ (3,714,819)</u>

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 15 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)

Other (Non-major) Component Units

Barnwell County Career Center

The Career Center participates in the South Carolina Retiree Health Insurance Trust Fund ("SCRHITF") and the South Carolina Long-Term Disability Insurance Trust Fund ("SCLTDITF"). The SCRHITF is a healthcare plan that covers retired employees of the State of South Carolina, including all agencies, and public school districts. The SCLTDITF is a long-term disability plan that covers employees of the State of South Carolina, including all agencies and public school districts and all participating local government entities.

The proportionate share of the OPEB liability and related deferred inflows/outflows of resources, as they relate to the SCLTDITF are not material to the Center's financials. However, the OPEB liability and related deferred inflows/outflows of resources related to the SCRHITF are material to the Center's financials and information related to those items is presented below:

The Center's proportionate share of the collective net OPEB liability for SCRHITF is \$1,581,119.

Barnwell County Career Center (continued)

At June 30, 2023, the Center reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 33,937	\$ 139,025
Changes of assumption or other inputs	356,502	508,244
Differences between projected and actual investment experience	15,600	3,168
Deferred amounts from changes in proportionate share and differences between employer contributions and proportionate share of total plan employer contributions	-	102,496
Contributions after measurement date	69,501	-
Total	<u>\$ 475,540</u>	<u>\$ 752,933</u>

Collective amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense in future years as follows:

Year Ended June 30	<u>SCRHITF</u>
2023	\$ 61,575
2024	44,947
2025	35,410
2026	40,530
2027	72,089
Thereafter	92,343
Total	<u>\$ 346,894</u>

**BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS**

NOTE 15 – POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)

Other (Non-major) Component Units (continued)

Barnwell County Career Center (continued)

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability, calculated using the discount rate of 1.92%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.69%) or 1-percentage point higher (4.69%) than the current rate:

	(2.69%)	(3.69%)	(4.69%)
Net OPEB Liability	\$1,839,310	\$1,581,119	\$1,349,518

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare trend rates:

	1% Decrease	Current Rates	1% Increase
Net OPEB Liability	\$1,300,316	\$1,581,119	\$1,908,972

NOTE 16 - OTHER RESTRICTED AND COMMITTED FUND BALANCES

The following other restricted fund balances for the non-major funds were combined and presented as a total on the governmental funds balance sheet:

E-911 Services	\$ 142,749
Plant Vogtle	32,305
DOE Emergency Preparedness Grant	76,365
Local Emergency Management Performance Grant	34,739
Sex Offender Registry	9,593
Rural Fire District	678,058
Sheriff's DSS	15,343
Sheriff's Donations	1,838
Sheriff's Drug Fund	107,104
PREA grant	1,710
Total	<u>\$ 1,099,804</u>

~continued on following page~

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 16 - OTHER RESTRICTED AND COMMITTED FUND BALANCES (continued)

The following other committed fund balances for the general fund and non-major funds were combined and presented as a total on the governmental funds balance sheet:

General Fund:

Nursing Home Sale Funds	\$ 14,854
Pooled Interest	14,757
BCSO Vehicle Replacement	28,889
Technology Improvements	14,039
Case Mgmt System	20,374
Computer Replacement	6,699
Fire Commission Equipment Acquisition	18,955
Sheriff's Dare Fund	1,698
Landfill Closure	124,005
Public Works Dept	3,405
Building and Grounds Dept	225
Sheriff's Map & Signs	783
Drug/Gang Task Force	12,207
Solid Waste Department	2,054
Animal Shelter	32,137
Economic Development Projects	601
Total General Fund	295,682
 Total Committed Balances	 <u><u>\$ 295,682</u></u>

NOTE 17 – TAX ABATEMENTS

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

Fee-in-Lieu of Ad Valorem Property Tax Program

One of the County's tax abatement programs is the "Fee-in-Lieu of Ad Valorem Property Tax" ("FILOT") program. The FILOT program is authorized by South Carolina State law, specifically, Chapter 44, Title 12 of the Code of Laws of South Carolina, 1976, as amended. The purpose of the FILOT program is to reduce the disparately higher property tax rates applied to manufacturing and certain commercial properties in South Carolina, which have previously impeded new and expanding business from locating in South Carolina.

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

BARNWELL COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

NOTE 17 – TAX ABATEMENTS (continued)

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

If the taxpayer does not make the minimum investment in a project within the 5-year period as described above, then the agreement is automatically terminated and the taxpayer is no longer entitled to any benefit under the FILOT program. On termination of an agreement, the taxpayer is obligated to pay to the County the difference between (i) the total amount of ad valorem property taxes that would have been paid by the taxpayer had the economic development property not been subject to the agreement, taking into account exemptions from property taxes that would have been available to the taxpayer, and (ii) the total amount of fee-in-lieu of ad valorem property tax payment made by the taxpayer with respect to the economic development property associated with the project.

In addition to the minimum eligibility requirements to receive a property tax reduction under the FILOT program as described above, the taxpayer and the County may also negotiate certain other commitments by the taxpayer. For example, the taxpayer may make certain commitments to (i) invest certain amounts in taxable real and personal property at a project in an amount greater than minimum investment, and (ii) create a certain number of new, full-time jobs at a project. If the County negotiates other commitments with a taxpayer, the failure to achieve such commitments by the taxpayer may also result in the claw back of benefits received under the FILOT program.

For tax year 2022, County property taxes abated as a result of the FILOT program (inclusive of agreements entered into pursuant to the FILOT program and the SSRC program, as described below, combined) totaled \$1,131,577. The County received \$891,129 in fees-in-lieu of ad valorem tax payments from taxpayers with active agreements under the FILOT program (inclusive of agreements entered into pursuant to the FILOT program and the SSRC program, as described below, combined) in tax year 2022.

Special Source Revenue Credit Program

The County also abates property taxes through the “Special Source Revenue Credit” (“SSRC”) program. The SSRC program is authorized by South Carolina state law, specifically, Section 4-1-175 of the Code of Laws of South Carolina 1976, as amended. The purpose of the SSRC program is to enhance the economic development of the County.

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

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 17 – TAX ABATEMENTS (continued)

Property taxes are abated under the SSRC program through the County providing a credit (in the form of a percentage or fixed dollar amount) against a taxpayer's property tax liability.

The County uses the SSRC program in connection with the FILOT program. Following the calculation of a taxpayer's fee-in-lieu of ad valorem payment under the FILOT program, the County applies a credit to further abate the taxpayer's property tax liability. To receive property tax abatements under the SSRC program and the FILOT program, the taxpayer must meet the eligibility criteria for both programs.

Because the County uses the SSRC program in connection with the FILOT program, the fees-in-lieu of ad valorem tax payments abated or received by the County from taxpayers receiving benefits under the SSRC program are reflected in the report of active agreements under the FILOT program described above.

Multicounty Industrial or Business Park

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

For tax year 2022, of the total payments made by taxpayers who were subject to the County's multicounty industrial park agreements, \$237,651 would have been received by the County but for the taxpayers' location within its multicounty industrial parks. For tax year 2022, fees-in-lieu of standard ad valorem taxes received by the County from taxpayers within its multicounty industrial parks totaled \$84,455.

The following summarizes the taxes abated and received under the various agreements and included the General County and effected entities:

Via Active FILOT Agreements:

<u>Taxing Entity (Effected Entities)</u>	<u>Taxes Abated</u>	<u>Taxes Received</u>
School Dist. 45 Operations & Bonds (Millage = 0.247)	\$ 1,512,191	\$ 532,853
School Dist. 19 Operations & Bonds (Millage = 0.2324)	371,675	238,220
Career Center (Millage = 0.024)	185,316	-
City of Barnwell (Millage = 0.0746)	(77,436)	53,328
Town of Snelling (Millage = 0.020)	1,278	19,391
Town of Blackville (Millage = 0.079)	109,390	16,228
General County (Millage = 0.1649 or 0.1799)	377,326	891,129
Total	<u>\$ 2,479,740</u>	<u>\$ 1,751,149</u>

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 17 – TAX ABATEMENTS (continued)

Via SSRCs in Connection with Active FILOT Agreements

<u>Taxing Entity (Effected Entities)</u>	<u>Taxes Abated</u>	<u>Taxes Received</u>
School Dist. 45 Operations & Bonds (Millage = 0.247)	\$ 3,275,872	N/A
School Dist. 19 Operations & Bonds (Millage = 0.2324)	457,794	N/A
Career Center (Millage = 0.024)	365,580	N/A
City of Barnwell (Millage = 0.0746)	529,069	N/A
Town of Snelling (Millage = 0.020)	4,308	N/A
Town of Blackville (Millage = 0.079)	134,156	N/A
General County (Millage = 0.1649 or 0.1799)	754,252	N/A
Total	\$ 5,521,031	\$ -

**Via MCIP Agreements:
Through FILOT Agreements**

<u>Taxing Entity (Effected Entities)</u>	<u>Taxes Abated</u>	<u>Taxes Received</u>
School Dist. 45 Operations & Bonds (Millage = 0.247)	\$ 826,894	N/A
School Dist. 19 Operations & Bonds (Millage = 0.2324)	37,169	N/A
Career Center (Millage = 0.024)	84,184	N/A
City of Barnwell (Millage = 0.0746)	14,440	N/A
Town of Snelling (Millage = 0.020)	5,318	N/A
Town of Blackville (Millage = 0.079)	11,259	N/A
General County (Millage = 0.1649 or 0.1799)	207,032	N/A
Total	\$ 1,186,296	\$ -

Standard Ad Valorem Taxpayers subject to MCIP Agreement

<u>Taxing Entity (Effected Entities)</u>	<u>Taxes Abated</u>	<u>Taxes Received</u>
School Dist. 45 Operations & Bonds (Millage = 0.247)	\$ 45,863	\$ 86,323
School Dist. 19 Operations & Bonds (Millage = 0.2324)	-	17,850
Career Center (Millage = 0.024)	4,456	-
City of Barnwell (Millage = 0.0746)	13,852	19,872
Town of Snelling (Millage = 0.020)	-	-
General County (Millage = 0.1649 or 0.1799)	30,619	85,455
Total	\$ 94,790	\$ 209,500
Total General County	\$ 1,369,229	\$ 976,584
Total Other Entities	\$ 7,912,628	\$ 984,065
Total Taxes Abated/Received	\$ 9,281,857	\$ 1,960,649

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 18 – SALES TAX FUND PROJECTS

On November 8, 2016, the Barnwell County voters passed a referendum to impose a one penny per dollar (1%) capital projects sales and use tax in Barnwell County from May 1, 2017 through April 30, 2025 and to permit Barnwell County to issue general obligation bonds in one or more series, in an amount not to exceed the aggregate of \$13,971,328 which Barnwell County intends to repay from the sales and use tax proceeds of which shall be distributed proportionately, as received among the following jurisdictions in the following percentages: Barnwell County (49.57%) the City of Barnwell (21.00%), the Town of Williston (13.88%), the Town of Blackville (10.64%), the Town of Hilda (1.98%), the Town of Snelling (1.21%), the Town of Kline (0.87%), and the Town of Elko (0.85%) to be used as follows:

Barnwell County projects listed in the following priority with the estimated cost to be paid from the sales and use tax or bond proceeds:

Description	Project Authorization	Prior Years	Current Year	Total to Date
Transfer station renovation	\$ 200,000	\$ 200,000	\$ -	\$ 200,000
Courthouse repairs	3,600,000	3,600,000	-	3,600,000
Purchase/repair SCA building *	1,000,000	1,000,000	-	1,000,000
Water/sewer systems improvements (Sewage line to SCAT Park / water line from Barnwell to Hwy 78 down Reynolds Road *)	2,000,000	-	-	-
Repair/replace landfill scale house	125,000	-	-	-
* Order of projects changed by resolution	<u>\$ 6,925,000</u>	<u>\$ 4,800,000</u>	<u>\$ -</u>	<u>\$ 4,800,000</u>

City of Barnwell projects listed in the following priority with the estimated cost to be paid from the sales and use tax or bond proceeds:

Description	Project Authorization	Prior Years	Current Year	Total to Date
Public safety building (Phase I)	\$ 1,800,000	\$ 1,800,000	\$ -	\$ 1,800,000
Fuller Park splash pad and playground equip	350,000	350,000	-	350,000
Sewer system improvements	650,000	-	-	-
Fuller Park restrooms	133,979	903	133,076	133,979
	<u>\$ 2,933,979</u>	<u>\$ 2,150,903</u>	<u>\$ 133,076</u>	<u>\$ 2,283,979</u>

Town of Williston projects listed in the following priority with the estimated cost to be paid from the sales and use tax or bond proceeds:

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 18 – SALES TAX FUND PROJECTS (continued)

Description	Project Authorization	Prior Years	Current Year	Total to Date
Backhoe	\$ 35,000	\$ 35,000	\$ -	\$ 35,000
Acquire/upgrade town parks	375,000	375,000	-	375,000
Water system improvements	1,429,220	874,915	33,775	908,690
Water/sewer system right-of-way improv.	100,000	-	-	-
	<u>\$ 1,939,220</u>	<u>\$ 1,284,915</u>	<u>\$ 33,775</u>	<u>\$ 1,318,690</u>

Town of Blackville projects listed in the following priority with the estimated cost to be paid from the sales and use tax or bond proceeds:

Description	Project Authorization	Prior Years	Current Year	Total to Date
Water/sewer system improvements	\$ 900,000	\$ 899,996	\$ -	\$ 899,996
Remediate blighted areas	500,000	-	333,293	333,293
Police substation and crime prev. equip	75,000	-	-	-
	<u>\$ 1,475,000</u>	<u>\$ 899,996</u>	<u>\$ 333,293</u>	<u>\$ 1,233,289</u>

Town of Hilda projects listed in the following priority with the estimated cost to be paid from the sales and use tax or bond proceeds:

Description	Project Authorization	Prior Years	Current Year	Total to Date
Town shed and related equipment	\$ 30,000	\$ 30,000	\$ -	\$ 30,000
Repair/renovate railroad depot	45,000	40,217	-	40,217
Repair/renovate town hall	40,000	40,000	-	40,000
	<u>\$ 115,000</u>	<u>\$ 110,217</u>	<u>\$ -</u>	<u>\$ 110,217</u>

Town of Snelling projects listed in the following priority with the estimated cost to be paid from the sales and use tax or bond proceeds:

Description	Project Authorization	Prior Years	Current Year	Total to Date
Construct/purchase picnic shelter	\$ 100,000	\$ 100,000	\$ -	\$ 100,000
Town park improvements	60,000	23,962	17,222	41,184
	<u>\$ 160,000</u>	<u>\$ 123,962</u>	<u>\$ 17,222</u>	<u>\$ 141,184</u>

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

NOTE 18 – SALES TAX FUND PROJECTS (continued)

Town of Kline projects listed in the following priority with the estimated cost to be paid from the sales and use tax or bond proceeds:

Description	Project Authorization	Prior Years	Current Year	Total to Date
Construct/purchase town hall/community ctr	\$ 180,000	\$ 89,109	\$ 13,443	\$ 102,552

Town of Elko projects listed in the following priority with the estimated cost to be paid from the sales and use tax or bond proceeds:

Description	Project Authorization	Prior Years	Current Year	Total to Date
Water system improvement	\$ 44,000	\$ 44,000	\$ -	\$ 44,000
Fire hydrants	12,000	-	-	-
Construct/purchase farmers' market structure	28,000	-	-	-
	\$ 84,000	\$ 44,000	\$ -	\$ 44,000

NOTE 19 – RESTATEMENTS

Discretely Presented Component Units:

Barnwell County Economic Development Corporation

Net assets at June 30, 2022 were restated as follows:

Net assets, June 30, 2022	\$7,427,497
Restated to reflect sales-type lease	(359,291)
As restated at June 30, 2022	<u>\$7,068,206</u>

NOTE 20 – NEW GASB PRONOUNCEMENTS

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*

Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements* is effective for fiscal year ending June 30, 2023. The objective of this Statement is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for governments and states that a government should recognize a right-to-use subscription asset and a corresponding subscription liability.

The County currently has no SBITAs that are required to be reported under this standard.

REQUIRED SUPPLEMENTARY INFORMATION

BARNWELL COUNTY, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2023

	BUDGET ORIGINAL/ FINAL	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUE			
Property taxes	\$ 10,495,325	\$10,602,070	\$ 106,745
Local option sales tax	1,661,340	1,431,675	(229,665)
Charges for services	562,920	699,887	136,967
Fines and forfeitures	381,570	383,444	1,874
Interest	20,960	175,773	154,813
Intergovernmental	3,214,180	2,963,953	(250,227)
Miscellaneous	514,619	867,782	353,163
Total revenue	<u>16,850,914</u>	<u>17,124,584</u>	<u>273,670</u>
EXPENDITURES			
Current:			
General government and administration	1,785,695	2,831,633	(1,045,938)
Physical environment	3,241,710	3,570,673	(328,963)
Finance and taxation	807,215	850,798	(43,583)
Judicial	1,300,160	1,302,898	(2,738)
Public safety	5,651,545	6,156,290	(504,745)
Health and welfare	1,226,840	1,306,198	(79,358)
Culture and recreation	291,499	289,645	1,854
Miscellaneous	224,295	229,204	(4,909)
Capital outlay	-	132,809	(132,809)
Employee fringe benefits	3,723,000	3,571,068	151,932
Agencies	97,655	97,655	-
Total expenditures	<u>18,349,614</u>	<u>20,338,871</u>	<u>(1,989,257)</u>
Excess (deficit) of revenue over expenditures	(1,498,700)	(3,214,287)	(1,715,587)
OTHER FINANCING SOURCES (USES)			
Proceeds from capital leases	-	180,620	180,620
Proceeds from sale of assets	-	20,874	20,874
Hospital bankruptcy claim	251,755	373,597	121,842
Transfers in	1,545,975	1,448,036	(97,939)
Transfers (out)	(299,030)	(1,647,904)	(1,348,874)
Total other financing sources (uses)	<u>1,498,700</u>	<u>375,223</u>	<u>(1,123,477)</u>
Net changes in fund balances	-	(2,839,064)	(2,839,064)
Fund balances, beginning of year	-	7,516,634	7,516,634
Fund balances, end of year	<u>\$ -</u>	<u>\$ 4,677,570</u>	<u>\$ 4,677,570</u>

BARNWELL, SOUTH CAROLINA
SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS
YEAR ENDED JUNE 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total OPEB Liability										
Service cost	\$ 241,804	\$ 478,393	\$ 462,120	\$ 417,841	\$ 367,850	\$ 354,145	NA*	NA*	NA*	NA*
Interest cost	397,000	350,618	344,412	455,176	452,859	431,884	NA*	NA*	NA*	NA*
Changes in benefit terms	-	-	-	-	-	-	NA*	NA*	NA*	NA*
Difference between expected and actual experience	-	(3,203,369)	-	(763,751)	-	-	NA*	NA*	NA*	NA*
Changes in assumptions or other inputs	(192,206)	(2,310,659)	140,666	2,772,415	777,095	-	NA*	NA*	NA*	NA*
Benefit payments	(300,469)	(265,243)	(242,537)	(262,498)	(226,811)	(160,313)	NA*	NA*	NA*	NA*
Implicit rate subsidy fulfillment	(48,970)	(51,846)	(38,844)	(59,819)	(40,187)	(61,191)	NA*	NA*	NA*	NA*
Net change in total OPEB liability	97,159	(5,002,106)	665,817	2,559,364	1,330,806	564,525	NA*	NA*	NA*	NA*
Total OPEB liability - beginning	11,387,887	16,389,993	15,724,176	13,164,812	11,834,006	11,269,481	NA*	NA*	NA*	NA*
Total OPEB liability - ending	<u>\$ 11,485,046</u>	<u>\$ 11,387,887</u>	<u>\$ 16,389,993</u>	<u>\$ 15,724,176</u>	<u>\$ 13,164,812</u>	<u>\$ 11,834,006</u>	NA*	NA*	NA*	NA*
Covered-employee payroll	\$ 6,862,450	\$ 6,862,450	\$ 5,557,993	\$ 5,557,993	\$ 4,923,955	\$ 4,923,955	NA*	NA*	NA*	NA*
Total OPEB liability as a percentage of covered-employee payroll	167.36%	165.94%	294.89%	282.91%	267.36%	240.34%	NA*	NA*	NA*	NA*
Census date	6/30/2022	6/30/2022	6/30/2020	6/30/2020	6/30/2018	6/30/2018	NA*	NA*	NA*	NA*
Measurement date	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	NA*	NA*	NA*	NA*
Reporting date	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	NA*	NA*	NA*	NA*

NA* - Not Available

<p>This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.</p>

BARNWELL, SOUTH CAROLINA
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE COLLECTIVE NET PENSION LIABILITY (SCRS)
LAST 10 FISCAL YEARS
YEAR ENDED JUNE 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
County's proportion of the net pension liability (asset)	0.035796%	0.036468%	0.036564%	0.039503%	0.046853%	0.028630%	0.038415%	0.037213%	0.040956%	0.040956%
County's proportionate share of the net pension liability (asset)	\$ 8,677,671	\$ 7,892,082	\$ 9,342,702	\$ 9,020,118	\$ 10,498,335	\$ 6,445,073	\$ 8,205,387	\$ 7,057,625	\$ 7,051,265	\$ 7,346,045
County's covered-employee payroll	\$ 4,260,614	\$ 4,111,499	\$ 4,079,190	\$ 4,188,827	\$ 4,045,255	\$ 3,829,506	\$ 3,686,443	\$ 3,626,492	\$ 3,692,370	\$ 3,769,413
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	203.67%	191.95%	229.03%	215.34%	259.52%	168.30%	222.58%	194.61%	190.97%	194.89%
Plan fiduciary net position as a percentage of the total pension liability	57.10%	60.70%	50.70%	54.40%	54.10%	53.30%	52.90%	57.00%	59.90%	59.90%

NA* - Not Available

<p>This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.</p>

BARNWELL, SOUTH CAROLINA
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE COLLECTIVE NET PENSION LIABILITY (PORS)
LAST 10 FISCAL YEARS
YEAR ENDED JUNE 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
County's proportion of the net pension liability (asset)	0.192109%	0.162769%	0.138288%	0.130890%	0.154442%	0.097160%	0.123320%	0.131700%	0.099600%	0.099600%
County's proportionate share of the net pension liability (asset)	\$ 5,761,300	\$ 4,187,902	\$ 4,585,927	\$ 3,751,240	\$ 4,376,194	\$ 2,661,839	\$ 3,127,854	\$ 2,870,484	\$ 1,906,846	\$ 2,064,764
County's covered-employee payroll	\$ 3,037,058	\$ 2,458,380	\$ 2,089,046	\$ 1,881,068	\$ 1,686,715	\$ 1,518,117	\$ 1,512,452	\$ 1,341,422	\$ 1,198,350	\$ 1,094,034
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	189.70%	170.35%	219.52%	199.42%	259.45%	175.34%	206.81%	213.99%	159.12%	188.73%
Plan fiduciary net position as a percentage of the total pension liability	66.40%	70.40%	58.80%	62.70%	61.70%	60.90%	60.40%	64.60%	59.90%	59.90%

NA* - Not Available

<p>This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.</p>

BARNWELL, SOUTH CAROLINA
SCHEDULE OF COUNTY CONTRIBUTIONS (SCRS)
LAST 10 FISCAL YEARS
YEAR ENDED JUNE 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 705,860	\$ 641,436	\$ 634,722	\$ 609,893	\$ 548,537	\$ 442,691	\$ 411,432	\$ 380,323	\$ 394,136	\$ 399,558
Contributions in relation to the contractually required contribution	<u>(705,860)</u>	<u>(641,436)</u>	<u>(634,722)</u>	<u>(609,893)</u>	<u>(548,537)</u>	<u>(442,691)</u>	<u>(411,432)</u>	<u>(380,323)</u>	<u>(394,136)</u>	<u>(399,558)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	\$ 4,260,614	\$ 4,111,499	\$ 4,079,190	\$ 4,188,827	\$ 4,045,255	\$ 3,829,506	\$ 3,686,443	\$ 3,626,492	\$ 3,692,370	\$ 3,769,413
Contributions as a percentage of covered-employee payroll	16.57%	15.60%	15.56%	14.56%	13.56%	11.56%	11.16%	10.49%	10.67%	10.60%

NA* - Not Available

<p>This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.</p>

BARNWELL, SOUTH CAROLINA
SCHEDULE OF COUNTY CONTRIBUTIONS (PORS)
LAST 10 FISCAL YEARS
YEAR ENDED JUNE 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 584,955	\$ 446,431	\$ 381,042	\$ 324,296	\$ 273,923	\$ 216,180	\$ 216,006	\$ 218,802	\$ 153,821	\$ 132,378
Contributions in relation to the contractually required contribution	<u>(584,955)</u>	<u>(446,431)</u>	<u>(381,042)</u>	<u>(324,296)</u>	<u>(273,923)</u>	<u>(216,180)</u>	<u>(216,006)</u>	<u>(218,802)</u>	<u>(153,821)</u>	<u>(132,378)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	\$ 3,037,058	\$ 2,458,380	\$ 2,089,046	\$ 1,881,068	\$ 1,686,715	\$ 1,518,117	\$ 1,512,452	\$ 1,341,422	\$ 1,198,350	\$ 1,094,034
Contributions as a percentage of covered-employee payroll	19.26%	18.16%	18.24%	17.24%	16.24%	14.24%	14.28%	16.31%	12.84%	12.10%

NA* - Not Available

<p>This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.</p>

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Note 1- Budgets and Budgetary Accounting

The County adopts an annual appropriations budget (legal-based) to fund operations and debt service for all County departments and Agencies based on estimated revenues. Annual appropriations are also legally adopted for certain line-items in Special Revenue Funds and Capital Projects Funds. In the event actual revenues exceed estimated revenues, the County has the authority to exceed the appropriated expenditure of a fund.

For Fiscal Year 2022-2023, the County adopted its annual budget of \$20,105,490 through Ordinance 2022-06-396-0 as follows: \$18,349,614 for operations (principally accounted for in the General Fund); \$982,300 for debt service; \$722,906 for selected Special Revenue Funds; and \$50,670 for Airport salaries. The County levied 164.90 mills on all taxable property in Barnwell County to fund its budget for County operations and debt service. Additionally, mills levied for Special Assessment Funds were as follows: the Barnwell County Career Center (24 mills used for operations and maintenance), Public Safety in the Rural Areas (4 mills for rural Public Safety operations), Rural Fire Protection (11 mills for rural fire protection), and 11.4 mills to be levied for debt service countywide.

Expenditure of funds for grant programs included in the annual budget shall not be authorized unless evidence that the respective grants have been approved by the grantor agency and has been provided to the County Administrator. In such cases, total program expenditures shall be limited to the lesser of the total grant award(s), or the amount(s) designated in the approved budget. Expenditures set forth under the heading "Capital Improvements" shall be placed in Special Designated Accounts and if not expended at the end of the fiscal year, shall remain in those accounts to be expended for their allocated purposes.

All departments of the County must submit budget requests to the County Administrator by February 15 along with applicable revenue estimates. The County follows the following procedures in establishing the budgetary data reflected in the financial statements:

1. Each year, the County Administrator submits to the County Council a proposed operating budget for the fiscal year commencing the following July 1st. The operating budget includes proposed expenditures and the means of financing them.
2. Three public readings are conducted by County Council and one public hearing to obtain taxpayer comments.
3. Prior to June 30th, the budget is legally enacted through passage of an ordinance.
4. The County Administrator is authorized to administer the budget and may authorize the transfer of appropriated funds within and between departments and funds as necessary to achieve the goals of the budget. It is the practice of the County that when actual revenues exceed budgeted revenues, the County Government has the authority to exceed the appropriated expenditures of a fund.

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Note 1- Budgets and Budgetary Accounting (continued)

5. Formal budgetary integration is employed as a management control device on a monthly basis during the year for the General Fund as well as selected Special Revenue Funds. Some of the Special Revenue Funds are formally budgeted by ordinance.
6. The budget at the end of the year for the General Fund represents the budget adopted and amended by County Council.
7. Unused appropriations of the General Fund's annually budget lapse at the end of the year.

Note 2- Pensions

On April 25, 2017, Governor Henry McMaster signed into law the Retirement Funding and Administration Act of 2017 which became effective on July 1, 2017. This legislation increased the employer and employee contribution rates, established a ceiling on the employee contribution rate, lowered the assumed rate of return, required a scheduled reduction of the funding period, and addressed various governance issues including the assignment of the PEBA Board as custodian of the retirement trust funds and assignment of the Retirement System Investment Commission (RSIC) and PEBA as co-trustees.

There was no legislation enacted during the 2022 legislative session that had a material change in the benefit provisions for any of the systems.

The inflation rate used in the current calculation of the pension liability was 2.25%.

Note 3- Other Post-Employment Benefits

There was no difference between actual and expected experience.

The \$192,000 actuarial gain on the total OPEB liability for the fiscal year ending June 30, 2023 is attributable to increasing the discount rate from 3.54% to 3.65%.

OTHER FINANCIAL INFORMATION

COMBINING AND INDIVIDUAL FUND SCHEDULES

GENERAL FUND

The General Fund is the major operating fund of the County's governmental activities and is used to accounts for all financial resources except those required to be accounts for in other funds.

BARNWELL COUNTY, SOUTH CAROLINA
GENERAL FUND
BALANCE SHEET
JUNE 30, 2023

ASSETS

Cash and cash equivalents	\$ 1,559,474
Equity in pooled cash	5,193,143
Investments	206,069
Receivables:	
Property taxes	582,650
Other receivables, net	76,194
Due from other governments:	
State of South Carolina	353,783
Local governments	372,451
Due from other funds:	
Special Revenue Funds	583,159
Fiduciary Funds	118,288
Enterprise Fund	110,896
Due from Component Units:	
Barnwell County Economic Development Corporation	
Notes receivable:	
Barnwell County Hospital - operations	339,969
Less, allowance for doubtful accounts	(339,969)
Prepaid items	295,282
Total Assets	\$ 9,451,389

BARNWELL COUNTY, SOUTH CAROLINA
GENERAL FUND
BALANCE SHEET
JUNE 30, 2023

LIABILITIES AND FUND BALANCE

Liabilities:

Accounts payable	\$ 515,650
Accrued payroll and withholdings	441,324
Due to other governments:	
State of South Carolina	32,148
Local governments	242,236
Undistributed FILOTs	119,061
Due to component units:	
Barnwell County Economic Development	582
Other payables	848,984
Due to other funds:	
Special Revenue Funds	2,090,258
Unearned revenue	2,540
Total liabilities	<u>4,292,783</u>

Deferred inflows of resources:

Unavailable revenue - property taxes	481,036
Total deferred inflows of resources	<u>481,036</u>

Fund balances:

Nonspendable:	
Prepaid items	295,282
Restricted for:	
Property tax rollback program	25,707
Committed for:	
Other	295,682
Unassigned	4,060,899
Total fund balances	<u>4,677,570</u>

Total Liabilities, Deferred Inflows, and Fund Balance	<u><u>\$ 9,451,389</u></u>
--	----------------------------

BARNWELL COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUE AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2023

	<u>Budget Original/Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUE			
Property Taxes			
Current property taxes	\$ 6,463,035	\$ 6,447,032	\$ (16,003)
Tax penalties	24,325	54,231	29,906
Delinquent taxes	377,185	440,404	63,219
Collection costs on back taxes	169,220	166,436	(2,784)
DOE - payment in lieu of taxes	3,267,850	3,283,225	15,375
Payment in lieu - motor carrier	193,710	210,742	17,032
Total property taxes	<u>10,495,325</u>	<u>10,602,070</u>	<u>106,745</u>
Local option sales tax			
Sales tax credit fund	1,359,085	1,114,601	(244,484)
Sales tax revenue fund	302,255	317,074	14,819
Total local option sales tax	<u>1,661,340</u>	<u>1,431,675</u>	<u>(229,665)</u>
Charges for services			
Recycling	10,000	41,448	31,448
Building inspector fees	75,000	65,227	(9,773)
Jail fees	8,610	13,325	4,715
Vehicle tag stickers	16,360	16,867	507
Assessor's office	3,500	4,651	1,151
Animal Shelter	12,960	50,590	37,630
Landfill fees	418,720	469,024	50,304
Sheriff's office fees	-	21,813	21,813
Cities fees - current tax	17,770	16,942	(828)
Total charges for services	<u>562,920</u>	<u>699,887</u>	<u>136,967</u>
Fines and forfeitures			
Fees, fines, and penalties, net of state portion	<u>381,570</u>	<u>383,444</u>	<u>1,874</u>
Total fines and forfeitures	<u>381,570</u>	<u>383,444</u>	<u>1,874</u>

BARNWELL COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUE AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2023

	<u>Budget Original/Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Interest income			
Interest	\$ 20,960	\$ 175,773	\$ 154,813
Total interest income	<u>20,960</u>	<u>175,773</u>	<u>154,813</u>
Intergovernmental			
State:			
Accommodations tax	107,125	94,999	(12,126)
Merchant's inventory tax	24,570	24,572	2
Solid waste tire fees	12,550	-	(12,550)
Local government fund-aid to subdivisions	832,735	833,349	614
Voter registration	54,790	60,458	5,668
Clerk/Sheriff/Probate Judge supplements	6,300	46,575	40,275
Manufacturers exempt reimbursement	555,505	285,071	(270,434)
Homestead Exemption	526,790	561,674	34,884
Grants:			
C Fund revenue	180,000	-	(180,000)
School resource officer	559,775	470,188	(89,587)
Rural county stabilization fund	322,580	387,097	64,517
Solid waste	11,540	18,883	7,343
Other state grants	10,000	41,283	31,283
Federal:			
Veterans affairs	4,920	5,066	146
DSS utilities reimbursement	5,000	14,488	9,488
Sheriff's Department SAVE grant	-	94,056	94,056
FEMA - Storm	-	26,194	26,194
Total intergovernmental	<u>3,214,180</u>	<u>2,963,953</u>	<u>(250,227)</u>

BARNWELL COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUE AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2023

	<u>Budget Original/Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Miscellaneous			
School resource officer reimbursements - LEA	\$ -	\$ 261,850	\$ 261,850
Magistrate reimbursements	78,620	97,257	18,637
Clerk of Court reimbursements	61,840	67,906	6,066
Fire Coordinator reimbursements	27,520	-	(27,520)
Other reimbursements	308,339	405,662	97,323
Other miscellaneous revenue	38,300	35,107	(3,193)
Total miscellaneous	<u>514,619</u>	<u>867,782</u>	<u>353,163</u>
 Total revenue	 16,850,914	 17,124,584	 273,670
Other financing sources			
Proceeds from capital leases	-	180,620	180,620
Proceeds from sale of assets	-	20,874	20,874
Transfers in	1,545,975	1,448,036	(97,939)
Hospital bankruptcy claim	251,755	373,597	121,842
Total other financing sources	<u>1,797,730</u>	<u>2,023,127</u>	<u>225,397</u>
 Total revenue and other financing sources	 <u>\$ 18,648,644</u>	 <u>\$ 19,147,711</u>	 <u>\$ 499,067</u>

BARNWELL COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2023

	<u>Budget</u> <u>Original/Final</u>	<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
GENERAL GOVERNMENT AND ADMINISTRATION:			
County Council:			
Salaries	\$ 61,600	\$ 62,740	\$ (1,140)
Printing, binding, and advertising	4,000	5,721	(1,721)
Postage	75	45	30
Travel and training	32,940	32,058	882
Telephone	700	774	(74)
Office supplies	820	982	(162)
Dues and memberships	3,225	4,221	(996)
Miscellaneous	4,585	34,878	(30,293)
Equipment - office furniture	235	796	(561)
Special projects	500	12,111	(11,611)
	<u>108,680</u>	<u>154,326</u>	<u>(45,646)</u>
Business Office:			
Salaries	68,405	109,796	(41,391)
Printing, binding, and advertising	25	-	25
Books and publications	25	-	25
Postage	520	3	517
Travel and training	510	-	510
Telephone	1,640	1,994	(354)
Office supplies	600	814	(214)
Dues and membership fees	25	40	(15)
Equipment - office furniture	50	-	50
	<u>71,800</u>	<u>112,647</u>	<u>(40,847)</u>
Finance:			
Salaries	87,075	89,931	(2,856)
Computer services	200	206	(6)
Maintenance - office equipment	185	-	185
Printing, binding and advertising	2,500	2,815	(315)
Postage	1,300	1,617	(317)
Travel and training	200	199	1
Telephone	550	646	(96)

BARNWELL COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2023

	<u>Budget Original/Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
GENERAL GOVERNMENT AND ADMINISTRATION: (Cont'd)			
Finance: (Cont'd)			
Office supplies	\$ 700	\$ 637	\$ 63
Equipment - office furniture	100	-	100
	<u>92,810</u>	<u>96,051</u>	<u>(3,241)</u>
County Administrator:			
Salaries	171,070	177,676	(6,606)
Computer services	300	223	77
Background checks	-	17	(17)
Drug testing	-	25	(25)
Printing, binding and advertising	785	2,791	(2,006)
Postage	395	760	(365)
Travel and training	2,240	2,923	(683)
Telephone	1,165	3,904	(2,739)
Office supplies	2,330	3,352	(1,022)
Fuel supplies	750	-	750
Dues and membership fees	700	273	427
Equipment - office furniture	-	2,089	(2,089)
	<u>179,735</u>	<u>194,033</u>	<u>(14,298)</u>
Contingency Funds:			
Grant expense	10,000	10,320	(320)
Contingency expenses	10,000	35,000	(25,000)
	<u>20,000</u>	<u>45,320</u>	<u>(25,000)</u>
Non-Departmental:			
Computer services	32,145	1,096	31,049
Contractual services	-	5,000	(5,000)
Maintenance - buildings	7,185	10,135	(2,950)
Maintenance - equipment	23,405	25,243	(1,838)
Maintenance - office equipment	1,600	141	1,459
Capital outlay	-	8,759	(8,759)
Printing, binding and advertising	3,235	2,674	561
Postage	3,775	8,954	(5,179)
Utilities	168,755	167,647	1,108
Travel and training	50	-	50
Telephone	85,895	57,759	28,136
Data processing service	2,120	1,615	505
Office supplies	300	(16)	316
Janitorial supplies	73,000	50,772	22,228
Fuel supplies	100	-	100

BARNWELL COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2023

	<u>Budget Original/Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
GENERAL GOVERNMENT AND ADMINISTRATION: (Cont'd)			
Non-Departmental: (Cont'd)			
Insurance - employee bond	\$ 1,065	\$ 329	\$ 736
Insurance - building	40,600	43,783	(3,183)
Insurance - information technology	3,790	2,211	1,579
Insurance - cyber	12,000	13,633	(1,633)
Insurance - tort	201,785	199,218	2,567
Employee Gifts	5,625	5,400	225
SC Dept. of Youth Services	8,000	-	8,000
Tourism expense	-	10,000	(10,000)
Drug testing	50	-	50
Case management system	51,885	51,005	880
Attorney fees - special litigation	29,500	13,814	15,686
County attorney	40,000	5,329	34,671
Retiree trust acct - hospital	408,585	1,411,525	(1,002,940)
Accounting and auditing	79,725	104,670	(24,945)
	<u>1,284,175</u>	<u>2,200,696</u>	<u>(916,521)</u>
Risk Management:			
Travel and training	1,000	1,352	(352)
Equipment - safety	400	75	325
Physician care	-	40	(40)
	<u>1,400</u>	<u>1,467</u>	<u>(67)</u>
South Carolina Association of Counties:			
County appropriation	<u>7,530</u>	<u>7,528</u>	<u>2</u>
	7,530	7,528	2
Lower Savannah Council of Governments:			
County appropriation	<u>18,565</u>	<u>18,565</u>	<u>-</u>
Information Line 2-1-1:			
County appropriation	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Total General Government and Administration	<u>1,785,695</u>	<u>2,831,633</u>	<u>(1,045,618)</u>
PHYSICAL ENVIRONMENT:			
Building Inspection:			
Maintenance - vehicles	0	25	(25)
Contractual services	75,000	81,218	(6,218)

BARNWELL COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2023

	<u>Budget Original/Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
PHYSICAL ENVIRONMENT: (Cont'd)			
Building Inspection: (Cont'd)			
Telephone	\$ -	\$ 519	\$ (519)
	<u>75,000</u>	<u>81,762</u>	<u>(6,762)</u>
Buildings and Grounds:			
Salaries	274,730	283,455	(8,725)
Overtime wages	1,200	8,418	(7,218)
Maintenance - vehicles	6,920	7,812	(892)
Maintenance - office equipment	250	-	250
Printing, binding, and advertising	295	895	(600)
Postage	-	16	(16)
Utilities	7,125	7,020	105
Travel and training	300	0	300
Telephone	5,770	7,879	(2,109)
Maintenance - grounds	5,000	10,490	(5,490)
Office supplies	660	1,098	(438)
Clothing supplies	5,415	6,631	(1,216)
Fuel supplies	9,000	10,484	(1,484)
Background checks	100	232	(132)
Drug testing	100	200	(100)
Insurance - auto	7,890	8,122	(232)
Insurance - inland marine	95	94	1
Equipment - office furniture	100	908	(808)
Equipment - machinery and other	4,650	26,610	(21,960)
Contractual services	5,000	40,008	(35,008)
Equipment - vehicles	-	4,800	(4,800)
Maintenance - buildings	125,000	226,034	(101,034)
Miscellaneous	-	992	(992)
	<u>459,600</u>	<u>652,198</u>	<u>(192,598)</u>

BARNWELL COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2023

	<u>Budget Original/Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
PHYSICAL ENVIRONMENT: (Cont'd)			
Public Works:			
Salaries	\$ 471,195	\$ 383,470	\$ 87,725
Overtime wages	10,000	2,216	7,784
Maintenance - office equipment	250	0	250
Printing, binding, advertising	300	380	(80)
Postage	25	-	25
Utilities	6,075	6,052	23
Travel and training	500	79	421
Telephone	4,320	5,265	(945)
Office supplies	1,000	2,008	(1,008)
Janitorial supplies	200	86	114
Clothing supplies	5,485	7,245	(1,760)
Fuel supplies	24,500	67,195	(42,695)
Expendable supplies	500	268	232
Background checks	100	78	22
Drug testing	120	125	(5)
Insurance - auto	10,565	10,698	(133)
Insurance - inland marine	14,255	14,159	96
Pipe and road material	10,000	7,325	2,675
Equipment - office furniture	500	640	(140)
Equipment - machinery and other	138,935	130,264	8,671
Maintenance - buildings	1,000	126	874
Maintenance - equipment	80,000	140,865	(60,865)
	<u>779,825</u>	<u>778,544</u>	<u>1,281</u>
Solid Waste:			
Salaries	476,765	435,832	40,933
Overtime wages	12,000	6,101	5,899
Maintenance - vehicles	1,500	1,157	343
Printing, binding, and advertising	500	227	273
Postage	200	264	(64)
Utilities	23,165	25,388	(2,223)
Travel and training	500	-	500
Telephone	4,560	4,911	(351)
Backgrounds checks	100	104	(4)
Contractual services	53,990	99,375	(45,385)
Professional services	15,000	44,771	(29,771)
Office supplies	1,500	2,029	(529)
Janitorial supplies	300	344	(44)

BARNWELL COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2023

	<u>Budget</u> <u>Original/Final</u>	<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
PHYSICAL ENVIRONMENT: (Cont'd)			
Solid Waste: (Cont'd)			
Scales	\$ 2,000	\$ 6,474	\$ (4,474)
Clothing supplies	4,895	8,197	(3,302)
Drug testing	100	175	(75)
Fuel supplies	42,000	72,115	(30,115)
Maintenance - tires	12,475	12,080	395
Insurance - auto	14,990	13,755	1,235
Insurance - inland marine	4,080	4,081	(1)
Recycling	900	150	750
Landfill credit card fees	-	182	(182)
Ground water assessment	46,040	67,353	(21,313)
Solid Waste Authority	578,995	692,709	(113,714)
Special waste disposal	34,980	14,432	20,548
Equipment - office furniture	200	318	(118)
Equipment - machinery and other	138,770	113,441	25,329
Maintenance - buildings	5,000	728	4,272
Maintenance - equipment	106,850	155,284	(48,434)
Grant expense	10,000	12,234	(2,234)
	<u>1,592,355</u>	<u>1,794,211</u>	<u>(201,856)</u>
Animal Shelter:			
Salaries	95,130	101,715	(6,585)
Overtime wages	1,500	1,577	(77)
Background checks	50	312	(262)
Maintenance - vehicles	500	4,866	(4,366)
Printing, binding, and advertising	575	1,677	(1,102)
Postage	100	-	100
Travel and training	300	4,064	(3,764)
Utilities	6,900	8,883	(1,983)
Telephone	2,500	2,515	(15)
Contractual services	1,000	475	525
Office supplies	500	1,255	(755)
Janitorial supplies	2,500	2,298	202
Shelter supplies	34,800	55,364	(20,564)
Clothing supplies	100	7	93
Fuel supplies	1,750	4,207	(2,457)
Drug testing	50	150	(100)
Dues and membership fees	125	125	-

BARNWELL COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2023

	<u>Budget Original/Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
PHYSICAL ENVIRONMENT: (Cont'd)			
Animal Shelter: (Cont'd)			
Insurance - auto	\$ 1,585	\$ 924	\$ 661
Insurance - inland marine	1,320	-	1,320
Insurance - employee bond	-	185	(185)
Maintenance - buildings	2,445	1,402	1,043
Dog food	1,000	543	457
Miscellaneous	-	13,604	(13,604)
Equipment - office furniture	200	-	200
	<u>154,930</u>	<u>206,148</u>	<u>(51,218)</u>
C Funds:			
Salaries	-	43,360	(43,360)
Fuel supplies	-	5,780	(5,780)
Road improvements	180,000	8,670	171,330
	<u>180,000</u>	<u>57,810</u>	<u>122,190</u>
Total Physical Environment	<u>3,241,710</u>	<u>3,570,673</u>	<u>(328,963)</u>
FINANCE AND TAXATION:			
County Auditor:			
Salaries	123,270	132,460	(9,190)
Overtime wages	300	436	(136)
Background checks	-	26	(26)
Computer services	80,235	85,514	(5,279)
Maintenance - office equipment	860	796	64
Deed transfer & recording	225	258	(33)
Printing, binding, and advertising	515	294	221
Postage	1,000	1,013	(13)
Travel and training	2,215	2,973	(758)
Telephone	440	244	196
Office supplies	900	1,708	(808)
Books and publications	2,150	1,539	611
Dues and membership fees	250	230	20
Equipment - office furniture	150	-	150
	<u>212,510</u>	<u>227,491</u>	<u>(14,981)</u>
County Treasurer:			
Salaries	180,435	183,077	(2,642)
Overtime wages	-	11	(11)
Background checks	-	104	(104)
Computer services	87,900	86,304	1,596
Maintenance - office equipment	100	822	(722)
Printing, binding, and advertising	12,960	22,147	(9,187)

BARNWELL COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2023

	<u>Budget</u> <u>Original/Final</u>	<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
FINANCE AND TAXATION: (Cont'd)			
County Treasurer: (Cont'd)			
Postage	\$ 10,515	\$ 4,065	\$ 6,450
Travel and training	3,500	5,517	(2,017)
Telephone	2,675	2,555	120
Contractual services	30,000	59,318	(29,318)
Drug testing	50	50	-
Office supplies	3,530	2,479	1,051
Dues and membership fees	240	225	15
Insurance - employee bond	-	400	(400)
Equipment - office furniture	500	451	49
Miscellaneous	-	292	(292)
	<u>332,405</u>	<u>367,817</u>	<u>(35,412)</u>
County Tax Assessor:			
Salaries	224,695	213,323	11,372
Computer services	20,815	13,199	7,616
Maintenance - office equipment	100	-	100
Maintenance - vehicles	400	321	79
Printing, binding, and advertising	900	2,246	(1,346)
Postage	1,000	1,336	(336)
Drug testing	-	25	(25)
Background checks	-	26	(26)
Travel and training	2,000	5,567	(3,567)
Telephone	2,400	780	1,620
Contractual services	-	2,003	(2,003)
Registration fees	250	280	(30)
Office supplies	4,640	10,791	(6,151)
Photo supplies	50	-	50
Dues and membership fees	55	55	-
Fuel supplies	1,000	587	413
Books and publications	1,845	1,837	8
Insurance - auto	1,650	1,650	-
Equipment - office furniture	500	1,464	(964)
	<u>262,300</u>	<u>255,490</u>	<u>6,810</u>
Total Finance and Taxation	<u>807,215</u>	<u>850,798</u>	<u>(43,583)</u>

BARNWELL COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2023

	<u>Budget</u> <u>Original/Final</u>	<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
JUDICIAL:			
Clerk of Court:			
Salaries	\$ 334,750	\$ 368,056	\$ (33,306)
Overtime wages	500	117	383
Computer services	3,000	1,701	1,299
Maintenance - office equipment	2,250	2,374	(124)
Printing, binding, and advertising	1,945	858	1,087
Postage	9,000	7,702	1,298
Drug testing	-	25	(25)
Background checks	-	26	(26)
Travel and training	4,615	4,510	105
Telephone	4,550	9,560	(5,010)
Audit and accounting services	1,140	1,105	35
Registration fees	1,035	1,050	(15)
Office supplies	2,250	2,762	(512)
Copy and reproductions	26,580	37,106	(10,526)
Court expense	23,785	21,480	2,305
Dues and membership fees	500	500	-
Insurance - employee bond	335	-	335
Insurance - malpractice	1,800	1,802	(2)
Equipment - office furniture	235	1,604	(1,369)
	<u>418,270</u>	<u>462,338</u>	<u>(44,068)</u>
Judge of Probate:			
Salaries	124,430	142,166	(17,736)
Computer services	2,620	4,740	(2,120)
Printing, binding, and advertising	1,000	854	146
Postage	1,080	1,103	(23)
Drug testing	-	25	(25)
Background checks	-	26	(26)
Travel and training	1,675	2,146	(471)
Telephone	2,820	3,252	(432)
Office supplies	1,820	2,775	(955)
Books and publications	1,080	1,179	(99)
Dues and membership fees	235	235	-
Insurance - employee bond	250	249	1
Equipment - office furniture	500	-	500
	<u>137,510</u>	<u>158,750</u>	<u>(21,240)</u>
Magistrate - Barnwell:			
Salaries	157,675	138,350	19,325
Overtime wages			-
City supplement	21,000	26,512	(5,512)
Maintenance - office equipment	400	266	134
Vehicle maintenance			-

BARNWELL COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2023

	<u>Budget Original/Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
JUDICIAL: (Cont'd)			
Magistrate - Barnwell: (Cont'd)			
Printing, binding, and advertising	\$ 850	\$ 1,160	\$ (310)
Postage	615	767	(152)
Travel and training	6,000	4,567	1,433
Telephone	7,440	924	6,516
Office supplies	700	697	3
Court expense	600	540	60
Dues and membership fees	50	53	(3)
Insurance - employee bond	840	294	546
Equipment - office furniture	605	429	176
	<u>196,775</u>	<u>174,559</u>	<u>22,216</u>
 Magistrate - Blackville:			
Salaries	129,795	112,708	17,087
City supplement	20,000	20,923	(923)
Maintenance - office equipment	250	171	79
Printing, binding, and advertising	845	1,005	(160)
Postage	690	660	30
Travel and training	6,000	5,655	345
Telephone	1,470	1,719	(249)
Office supplies	605	584	21
Court expense	1,200	94	1,106
Equipment - office furniture	500	303	197
Insurance - employee bond	790	420	370
	<u>162,145</u>	<u>144,242</u>	<u>17,903</u>
 Magistrate - Williston:			
Salaries	112,525	94,462	18,063
City supplement	19,650	20,573	(923)
Maintenance - office equipment	50	-	50
Printing, binding, and advertising	100	348	(248)
Postage	780	493	287
Utilities	3,755	3,068	687
Travel and training	6,000	5,079	921
Telephone	4,400	5,257	(857)
Office supplies	2,485	2,459	26
Court expense	1,000	538	462
Books and publications	750	70	680

BARNWELL COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2023

	<u>Budget Original/Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
JUDICIAL: (Cont'd)			
Magistrate - Williston: (Cont'd)			
Insurance - employee bond	\$ 630	\$ 420	\$ 210
Equipment - office furniture	100	75	25
	<u>152,225</u>	<u>132,842</u>	<u>19,383</u>
Public Defender:			
County appropriation	<u>55,000</u>	<u>55,000</u>	<u>-</u>
Solicitor's Office:			
County appropriation	<u>135,000</u>	<u>135,000</u>	<u>-</u>
Magistrate week-end judge:			
Salaries	39,035	34,498	4,537
Overtime wages			-
Printing, binding, and advertising	50	120	(70)
Travel and training	1,800	3,288	(1,488)
Telephone	500	1,197	(697)
Office supplies	500	380	120
Drug testing	25	25	-
Background checks	25	52	(27)
Equipment - office furniture	500	-	500
Insurance - employee bond	800	607	193
	<u>43,235</u>	<u>40,167</u>	<u>3,068</u>
Total Judicial	<u>1,300,160</u>	<u>1,302,898</u>	<u>(2,738)</u>
PUBLIC SAFETY:			
County Sheriff and Dispatch:			
Salaries	2,419,850	2,549,611	(129,761)
Salary supplement - SRO	0	573	(573)
Overtime wages	65,000	139,702	(74,702)
Drug testing	250	25	225
Deputy buy-out	7,500	6,424	1,076
Court expense - bailiffs	10,000	10,087	(87)
Dues and membership fees	2,600	1,800	800
In-service training	9,000	12,094	(3,094)
Investigations	9,000	9,027	(27)
Postage	470	638	(168)
Printing, binding, and advertising	5,000	6,119	(1,119)
Subsistence	470	694	(224)

BARNWELL COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2023

	<u>Budget</u> <u>Original/Final</u>	<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
PUBLIC SAFETY: (Cont'd)			
County Sheriff and Dispatch: (Cont'd)			
Telephone	\$ 35,000	\$ 43,702	\$ (8,702)
Tracking: high risk entry	9,000	8,720	280
Travel and training	-	675	(675)
Utilities	2,000	2,311	(311)
Ammunitions and weapons	16,000	17,571	(1,571)
Clothing supplies	25,000	27,205	(2,205)
Expendable supplies	1,410	1,675	(265)
Fuel supplies	95,000	183,750	(88,750)
Office supplies	1,500	2,227	(727)
Insurance - auto	63,535	67,562	(4,027)
Insurance - inland marine	150	149	1
Insurance - employee bond	180	-	180
Maintenance - office equipment	2,400	949	1,451
Maintenance - vehicles	55,000	98,072	(43,072)
Maintenance - communications equipment	50,000	70,484	(20,484)
Equipment - communications	1,200	4,618	(3,418)
Equipment - office furniture	500	327	173
Equipment - vehicles	172,215	216,196	(43,981)
Computer service	10,000	5,809	4,191
Grant Expense	-	296,381	(296,381)
Animal control	3,000	2,769	231
Miscellaneous	-	25,124	(25,124)
	<u>3,072,230</u>	<u>3,813,070</u>	<u>(740,840)</u>
County Coroner:			
Salaries	36,990	58,243	(21,253)
Deputy Coroner - on call	4,750	6,550	(1,800)
Maintenance - vehicles	200	178	22
Postage	200	159	41
Utilities	1,670	1,804	(134)
Travel and training	1,500	875	625
Telephone	715	1,049	(334)
Maintenance - communications equipment	1,260	947	313
Autopsies and post mortem	43,990	30,451	13,539
Office supplies	1,200	644	556
Clothing supplies	365	-	365
Photo supplies	100	-	100

BARNWELL COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2023

	Budget Original/Final	Actual Amounts	Variance with Final Budget
PUBLIC SAFETY: (Cont'd)			
County Coroner: (Cont'd)			
Fuel supplies	\$ 1,000	\$ 1,069	\$ (69)
Dues and membership fees	350	200	150
Insurance - auto	845	846	(1)
Insurance - employee bond	100	-	100
Insurance - building	5	6	(1)
Equipment - office furniture	500	-	500
	<u>95,740</u>	<u>103,021</u>	<u>(7,281)</u>
Detention Center:			
Salaries	1,714,505	1,428,683	285,822
Overtime wages	45,000	143,590	(98,590)
Maintenance - office equipment	470	499	(29)
Maintenance - vehicles	-	508	(508)
Printing, binding, and advertising	445	323	122
Postage	375	265	110
Utilities	135,170	154,256	(19,086)
Travel and training	5,580	5,593	(13)
Telephone	10,000	13,255	(3,255)
Contractual services	35,000	6,102	28,898
Office supplies	6,000	5,717	283
Janitorial supplies	470	-	470
Clothing supplies	15,000	15,754	(754)
Fuel supplies	-	4,247	(4,247)
Expendable supplies	30,000	38,181	(8,181)
Ammunition and weapons	940	930	10
Laundry	5,000	4,951	49
Insurance - auto	14,090	14,699	(609)
Equipment - vehicles	5,575	-	5,575
Equipment - office furniture	940	781	159
Equipment - communications	300	-	300
Physician care	154,090	122,306	31,784
Food supplies	260,000	233,929	26,071
	<u>2,438,950</u>	<u>2,194,569</u>	<u>244,381</u>
E911 Phase II:			
Equipment - communications	6,820	23,425	(16,605)
Telephone	28,680	15,435	13,245
Equipment - office furniture	1,500	-	1,500
	<u>37,000</u>	<u>38,860</u>	<u>(1,860)</u>

BARNWELL COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2023

	<u>Budget Original/Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
PUBLIC SAFETY: (Cont'd)			
Friendship Fire Dept - STEM:			
County appropriation	\$ 5,000	\$ 5,000	\$ -
Road Signs:			
Road and street signs	1,425	-	1,425
Insurance - auto	-	465	(465)
Fuel supplies	1,200	1,305	(105)
	<u>2,625</u>	<u>1,770</u>	<u>855</u>
 Total Public Safety	 <u>5,651,545</u>	 <u>6,156,290</u>	 <u>(504,745)</u>
HEALTH AND WELFARE:			
Health Department:			
County appropriation	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Emergency Services:			
Salaries	11,500	7,659	3,841
Computer services	500	620	(120)
Maintenance - vehicles	1,000	7,166	(6,166)
Printing, binding, and advertising	50	-	50
Postage	50	-	50
Travel and training	1,500	1,575	(75)
Telephone	2,000	1,967	33
Office supplies	1,500	518	982
Maintenance - other	1,500	2,122	(622)
Fuel supplies	1,000	912	88
Insurance - auto	915	1,426	(511)
Insurance - inland marine	1,505	1,504	1
	<u>23,020</u>	<u>25,469</u>	<u>(2,449)</u>
Emergency Medical Transportation Service:			
Contractual services	<u>992,000</u>	<u>1,019,280</u>	<u>(27,280)</u>
Generations Unlimited:			
County appropriation	<u>100,000</u>	<u>150,000</u>	<u>(50,000)</u>
Alcohol and Drug Abuse Commission:			
AXIS I - appropriation	<u>15,000</u>	<u>15,000</u>	<u>-</u>
	<u>15,000</u>	<u>15,000</u>	<u>-</u>

BARNWELL COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2023

	<u>Budget Original/Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
HEALTH AND WELFARE: (Cont'd)			
Department of Social Services:			
County appropriation	\$ 40,250	\$ 40,250	\$ -
Veteran Affairs Office:			
Salaries	37,230	38,054	(824)
Postage	100	12	88
Travel and training	4,000	3,006	994
Telephone	3,200	1,804	1,396
Office supplies	1,840	2,499	(659)
Equipment - office furniture	200	-	200
Special projects	-	824	(824)
	<u>46,570</u>	<u>46,199</u>	<u>371</u>
Total Health and Welfare	<u>1,226,840</u>	<u>1,306,198</u>	<u>(79,358)</u>
CULTURE AND RECREATION:			
Aiken, Bamberg, Barnwell, and Edgefield Regional Library System:			
County appropriation	<u>240,000</u>	<u>240,000</u>	<u>-</u>
Barnwell County Museum:			
Salaries	10,400	9,570	830
Social Security match	796	-	796
Worker's compensation insurance	210	-	210
Unemployment	18	-	18
County appropriation	<u>15,000</u>	<u>15,000</u>	<u>-</u>
	<u>26,424</u>	<u>24,570</u>	<u>1,854</u>
Recreation - County appropriation :			
City of Barnwell	8,500	8,500	-
Town of Williston	5,875	5,875	-
Town of Blackville	5,700	5,700	-
Town of Hilda	1,000	1,000	-
Town of Elko	1,000	1,000	-
Town of Kline	1,000	1,000	-
Town of Snelling	1,000	1,000	-
Red Oak community	1,000	1,000	-
	<u>25,075</u>	<u>25,075</u>	<u>-</u>
Total Culture and Recreation	<u>291,499</u>	<u>289,645</u>	<u>1,854</u>

BARNWELL COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2023

	<u>Budget</u> <u>Original/Final</u>	<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
MISCELLANEOUS:			
Voter Registration Office:			
Salaries	\$ 123,845	\$ 120,472	\$ 3,373
Overtime wages	-	1,213	(1,213)
Poll workers	40,740	48,686	(7,946)
Maintenance - office equipment	500	115	385
Printing, binding, and advertising	4,000	3,614	386
Postage	3,500	1,187	2,313
Travel and training	10,000	9,056	944
Telephone	3,000	3,962	(962)
Drug testing	-	25	(25)
Office supplies	850	800	50
Lease agreement	23,160	22,556	604
Professional fees and services	2,400	-	2,400
Equipment - office furniture	1,000	159	841
Equipment - machinery and other	5,000	2,009	2,991
	<u>217,995</u>	<u>213,854</u>	<u>4,141</u>
Storm Expenditures:			
Salaries	-	8,494	(8,494)
Overtime wages	-	1,942	(1,942)
Retirement match	-	785	(785)
Retirement match - police	-	1,207	(1,207)
Social security match	-	751	(751)
Food supplies	-	334	(334)
Fuel supplies	-	1,048	(1,048)
Maintenance - buildings	-	29	(29)
Maintenance - vehicles	-	569	(569)
Equipment - machinery and other	-	191	(191)
	<u>-</u>	<u>15,350</u>	<u>(15,350)</u>
Other expenditures:			
Other general expenditures	6,300	-	6,300
	<u>6,300</u>	<u>-</u>	<u>6,300</u>
Total Miscellaneous	<u>224,295</u>	<u>229,204</u>	<u>10,441</u>
CAPITAL OUTLAY:			
Capital outlay	-	132,809	(132,809)
Total Capital Outlay	<u>-</u>	<u>132,809</u>	<u>(132,809)</u>

BARNWELL COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2023

	<u>Budget Original/Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
EMPLOYEE FRINGE BENEFITS:			
Retirement match	\$ 1,480,000	\$ 1,394,979	\$ 85,021
Worker's compensation insurance	180,000	111,724	68,276
Health / life insurance	1,450,000	1,491,779	(41,779)
Unemployment	13,000	4,483	8,517
Social Security match	600,000	568,103	31,897
Total Employee Fringe Benefits	<u>3,723,000</u>	<u>3,571,068</u>	<u>151,932</u>
AGENCIES:			
Southern Carolina Alliance	60,000	60,000	-
Aiken/Barnwell Mental Health	1,000	1,000	-
Allendale/Barnwell Special Needs	1,000	1,000	-
USC Salkehatchie	5,000	5,000	-
Denmark Technical College	5,000	5,000	-
Clemson Extension	500	500	-
Medical Indigent Fund	24,655	24,655	-
Soil and Water Conservation	500	500	-
Total Agencies	<u>97,655</u>	<u>97,655</u>	<u>-</u>
Total Expenditures	<u>18,349,614</u>	<u>20,338,871</u>	<u>(1,973,587)</u>
OTHER FINANCING USES:			
Transfers out	<u>299,030</u>	<u>1,647,904</u>	<u>(1,348,874)</u>
	<u>\$ 18,648,644</u>	<u>\$ 21,986,775</u>	<u>\$ (3,322,461)</u>

OTHER MAJOR GOVERNMENTAL FUNDS

Major governmental funds are presented separately from non-major governmental funds when revenues/expenditures, assets/deferred outflows, or liabilities/deferred inflows meet certain quantitative thresholds or if the County believes that separately presenting the fund as major is particularly important to financial statement users.

SPECIAL REVENUE FUNDS

Special revenue funds are used to report specific revenue sources that are limited to being used for a particular purpose, such as transportation aid or federal grants.

BARNWELL COUNTY, SOUTH CAROLINA
SPECIAL REVENUE FUNDS
BALANCE SHEET
JUNE 30, 2023

	Federal Inmate Funds	Self- Administered "C" Funds	American Rescue Funds	Total
ASSETS				
Cash and cash equivalents - restricted	\$ -	\$ 178,440	\$ -	\$ 178,440
Investments - restricted	-	4,799,905	-	4,799,905
Equity in pooled cash/investments	60,009	-	-	60,009
Due from other governments	151,663	-	-	151,663
Due from General Fund	-	-	2,023,233	2,023,233
Total assets	<u>\$ 211,672</u>	<u>\$ 4,978,345</u>	<u>\$ 2,023,233</u>	<u>\$ 7,213,250</u>
LIABILITIES AND FUND BALANCE				
Liabilities:				
Unearned revenue	\$ -	\$ -	\$ 2,023,233	\$ 2,023,233
Due to General Fund	-	302,740	-	302,740
Total liabilities	-	302,740	2,023,233	2,325,973
Fund balance:				
Restricted	211,672	4,675,605	-	4,887,277
Total fund balance	<u>211,672</u>	<u>4,675,605</u>	<u>-</u>	<u>4,887,277</u>
Total liabilities and fund balance	<u>\$ 211,672</u>	<u>\$ 4,978,345</u>	<u>\$ 2,023,233</u>	<u>\$ 7,213,250</u>

BARNWELL COUNTY, SOUTH CAROLINA
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2023

	Federal Inmate Funds	Self- Administered "C" Funds	American Rescue Funds	Total
Revenue				
Intergovernmental	\$ 1,850,463	\$ 3,846,171	\$ 1,313,983	\$ 7,010,617
Interest	-	177,401	-	177,401
Total revenue	<u>1,850,463</u>	<u>4,023,572</u>	<u>1,313,983</u>	<u>7,188,018</u>
Expenditures				
Current:				
Physical environment	-	1,682,401	-	1,682,401
Public Safety	577,093	-	-	577,093
Health and welfare	-	-	1,313,983	1,313,983
Total expenditures	<u>577,093</u>	<u>1,682,401</u>	<u>1,313,983</u>	<u>3,573,477</u>
Excess (deficit) of revenue over expenditures	1,273,370	2,341,171	-	3,614,541
Other Financing Sources				
Transfers (out)	(1,237,614)	-	-	(1,237,614)
Net other financing sources	<u>(1,237,614)</u>	<u>-</u>	<u>-</u>	<u>(1,237,614)</u>
Net change in fund balance	35,756	2,341,171	-	2,376,927
Fund balance, beginning of year	175,916	2,334,434	-	2,510,350
Fund balance, end of year	<u>\$ 211,672</u>	<u>\$ 4,675,605</u>	<u>\$ -</u>	<u>\$ 4,887,277</u>

DEBT SERVICE FUNDS

Debt Service Funds are used to account for financial resources to be used pay principal and interest on debt as it comes due.

BARNWELL COUNTY, SOUTH CAROLINA
DEBT SERVICE FUNDS
BALANCE SHEET
JUNE 30, 2023

	Debt Service	(CPST) Debt Service	(BFC) Debt Service	Total
ASSETS				
Cash and cash equivalents - restricted	\$ -	\$ -	\$ -	\$ -
Equity in pooled cash - restricted	-	-	-	-
Due from General Fund	-	-	-	-
Total assets	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
LIABILITIES AND FUND BALANCE				
Liabilities:				
Accounts payable	-	-	-	-
Unearned revenue	-	-	-	-
Due to General Fund	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance:				
Restricted for:				
Debt Service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

BARNWELL COUNTY, SOUTH CAROLINA
DEBT SERVICE FUNDS
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2023

	Debt Service	(CPST) Debt Service	(BFC) Debt Service	Total
Revenue				
Current property taxes	\$ 634,846	\$ -	\$ -	\$ 634,846
Total revenue	<u>634,846</u>	<u>-</u>	<u>-</u>	<u>634,846</u>
Expenditures				
Current:				
Debt service	1,893,840	-	606,025	2,499,865
Total expenditures	<u>1,893,840</u>	<u>-</u>	<u>606,025</u>	<u>2,499,865</u>
Excess (deficit) of revenue over expenditures	(1,258,994)	-	(606,025)	(1,865,019)
Other Financing Sources				
Transfers in	1,258,994	-	606,025	1,865,019
Net other financing sources	<u>1,258,994</u>	<u>-</u>	<u>606,025</u>	<u>1,865,019</u>
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities that are not financed by proprietary funds.

BARNWELL COUNTY, SOUTH CAROLINA
CAPITAL PROJECTS FUNDS
BALANCE SHEET
JUNE 30, 2023

	Capital Projects	(CPST) Capital Projects	(BFC) Capital Projects	Total
ASSETS				
Cash and cash equivalents - restricted	\$ 167,362	\$ -	\$ 2,406	\$ 169,768
Equity in pooled cash/investments - restricted	-	2,535,871	-	2,535,871
Due from State Government	-	598,868	-	598,868
Total assets	<u>\$ 167,362</u>	<u>\$ 3,134,739</u>	<u>\$ 2,406</u>	<u>\$ 3,304,507</u>
LIABILITIES AND FUND BALANCE				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Fund balance:				
Restricted for:				
Capital projects (CPST)	-	3,134,739	-	3,134,739
Capital projects (BFC)	-	-	2,406	2,406
Committed for:				
Capital projects	167,362	-	-	167,362
Total fund balance	<u>167,362</u>	<u>3,134,739</u>	<u>2,406</u>	<u>3,304,507</u>
Total liabilities and fund balance	<u>\$ 167,362</u>	<u>\$ 3,134,739</u>	<u>\$ 2,406</u>	<u>\$ 3,304,507</u>

BARNWELL COUNTY, SOUTH CAROLINA
CAPITAL PROJECTS FUNDS
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2023

	Capital Projects	(CPST) Capital Projects	(BFC) Capital Projects	Total
Revenue				
Capital Projects Sales Tax	\$ -	\$ 2,979,344	\$ -	\$ 2,979,344
Interest	3,372	78,264	73	81,709
Total revenue	<u>3,372</u>	<u>3,057,608</u>	<u>73</u>	<u>3,061,053</u>
Expenditures				
Current:				
Public Safety	1,103,941	-	-	1,103,941
Culture and recreation	152,792	-	-	152,792
Intergovernmental	-	530,809	-	530,809
Miscellaneous	45,000	-	-	45,000
Total expenditures	<u>1,301,733</u>	<u>530,809</u>	<u>-</u>	<u>1,832,542</u>
Excess (deficit) of revenue over expenditures	(1,298,361)	2,526,799	73	1,228,511
Other Financing Sources (Uses)				
Proceeds from general obligation bonds	358,525	-	-	358,525
Transfers in	1,604,535	-	-	1,604,535
Transfers (out)	(606,025)	(1,215,625)	-	(1,821,650)
Net other financing sources (Uses)	<u>1,357,035</u>	<u>(1,215,625)</u>	<u>-</u>	<u>141,410</u>
Net change in fund balance	58,674	1,311,174	73	1,369,921
Fund balance, beginning of year	108,688	1,823,565	2,333	1,934,586
Fund balance, end of year	<u>\$ 167,362</u>	<u>\$ 3,134,739</u>	<u>\$ 2,406</u>	<u>\$ 3,304,507</u>

BARNWELL COUNTY, SOUTH CAROLINA
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS

Fund

- 200 E-911 - Accounts for funds received and disbursed related to the County's E-911 services.

- 201 Plant Vogtle - Accounts for funds received from Georgia Power for emergency preparedness in relation to the County's proximity to the company's nuclear power plant on the Savannah River.

- 202 DOE Emergency Preparedness Grant - Accounts for federal revenues and expenditures for emergency preparedness in relation to County's proximity to the Department of Energy's Savannah River Site nuclear facility.

- 203 Local Emergency Management Performance Grant (LEMP) - Accounts for funds from the Federal Department of Homeland Security to provide resources to assist State and local governments to sustain and enhance all-hazards emergency management capabilities.

- 204 Victim's Assistance - Accounts for court fines received from certain violators to be expended for various assistance to victims as prescribed by State of S.C. laws.

- 205 Public Safety - Accounts for special tax levy revenue for public safety.

- 212 Sex Offender Registry - Accounts for expenditures for the publishing of the registry.

- 215 Rural Fire District - Accounts for special tax levy revenue for rural fire protection.

- 217 Memorial Cemetery - Accounts for the sale and upkeep of plots and activity of the Barnwell County Memorial Cemetery.

- 222 Sheriff's DSS - Accounts for funds received by the County Sheriff's Department for the processing and service of child support documentation.

- 223 Sheriff's Donations - Accounts for funds donated to the County specifically for sheriff's department use.

- 224 Sheriff's Drug - Accounts for funds confiscated by the Barnwell County Sheriff's Department.

- 225 PREA Grant - Accounts for grant funds related to the new jail.

BARNWELL COUNTY, SOUTH CAROLINA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

	Special Revenue Funds							
	200	201	202	203	204	205	212	215
			DOE					
			Emergency				Sex	Rural
		Plant	Preparedness	LEMP	Victim's	Public	Offender	Fire
	E-911	Vogtle	Grant	Grant	Assistance	Safety	Registry	District
ASSETS								
Cash and cash equivalents - restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 94,543
Equity in pooled cash/investments	-	-	-	-	-	-	-	-
Equity in pooled cash/investments - restricted	128,494	29,808	-	-	-	-	9,593	847,396
Taxes receivable, net	-	-	-	-	-	-	-	18,381
Due from other governments	29,786	-	29,375	18,911	-	-	-	-
Due from General Fund	-	2,497	46,990	15,828	-	-	-	-
Total assets	<u>\$ 158,280</u>	<u>\$ 32,305</u>	<u>\$ 76,365</u>	<u>\$ 34,739</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,593</u>	<u>\$ 960,320</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Due to General Fund	\$ 15,531	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 264,888
Total liabilities	<u>15,531</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>264,888</u>
Deferred Inflows of Resources								
Unavailable revenue - property taxes	-	-	-	-	-	-	-	17,374
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,374</u>
Fund balances:								
Restricted	142,749	32,305	76,365	34,739	-	-	9,593	678,058
Committed	-	-	-	-	-	-	-	-
Total fund balances	<u>142,749</u>	<u>32,305</u>	<u>76,365</u>	<u>34,739</u>	<u>-</u>	<u>-</u>	<u>9,593</u>	<u>678,058</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 158,280</u>	<u>\$ 32,305</u>	<u>\$ 76,365</u>	<u>\$ 34,739</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,593</u>	<u>\$ 960,320</u>

BARNWELL COUNTY, SOUTH CAROLINA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

Special Revenue Funds						
	217	222	223	224	225	
	Memorial Cemetery	Sheriff's DSS	Sheriff's Donations	Sheriff's Drug	PREA Grant	Total Nonmajor Funds
ASSETS						
Cash and cash equivalents - restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 94,543
Equity in pooled cash/investments	38,338	-	-	-	-	38,338
Equity in pooled cash/investments - restricted	-	15,343	1,838	107,104	-	1,139,576
Taxes receivable, net	-	-	-	-	-	18,381
Due from other governments	-	-	-	-	-	78,072
Due from General Fund	-	-	-	-	1,710	67,025
Total assets	<u>\$ 38,338</u>	<u>\$ 15,343</u>	<u>\$ 1,838</u>	<u>\$ 107,104</u>	<u>\$ 1,710</u>	<u>\$ 1,435,935</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Due to General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 280,419
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>280,419</u>
Deferred Inflows of Resources						
Unavailable revenue - property taxes	-	-	-	-	-	17,374
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,374</u>
Fund balances:						
Restricted	-	15,343	1,838	107,104	1,710	1,099,804
Committed	38,338	-	-	-	-	38,338
Total fund balances	<u>38,338</u>	<u>15,343</u>	<u>1,838</u>	<u>107,104</u>	<u>1,710</u>	<u>1,138,142</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 38,338</u>	<u>\$ 15,343</u>	<u>\$ 1,838</u>	<u>\$ 107,104</u>	<u>\$ 1,710</u>	<u>\$ 1,435,935</u>

BARNWELL COUNTY, SOUTH CAROLINA
COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

	Special Revenue Funds							
	200	201	202	203	204	205	212	215
		Plant	DOE Emergency				Sex	
	E-911	Vogtle	Preparedness	LEMP	Victim's	Public	Offender	Rural
			Grant	Grant	Assistance	Safety	Registry	Fire
								District
REVENUE								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 210,422	\$ -	\$ 447,423
Intergovernmental	136,303	-	-	-	-	-	-	-
Federal grants	-	-	65,262	65,828	-	-	-	-
Local grants	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	2,590	-
Fines, forfeitures, and fees	-	-	-	-	21,866	-	-	-
Special assessments	-	72,108	-	-	-	-	-	-
Interest	3,416	492	-	-	-	-	212	-
Miscellaneous	-	-	-	-	-	-	-	118,724
Total revenue	139,719	72,600	65,262	65,828	21,866	210,422	2,802	566,147
EXPENDITURES								
Current:								
Public safety	174,951	63,972	64,087	64,860	21,866	-	800	612,617
Health and welfare	-	-	-	-	-	-	-	-
Total expenditures	174,951	63,972	64,087	64,860	21,866	-	800	612,617
Excess (deficiency) of revenue over (under) expenditures	(35,232)	8,628	1,175	968	-	210,422	2,002	(46,470)
OTHER FINANCING SOURCES (USES)								
Transfers (out)	-	-	-	-	-	(210,422)	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	(210,422)	-	-
Net change in fund balances	(35,232)	8,628	1,175	968	-	-	2,002	(46,470)
Fund balances, beginning of year	177,981	23,677	75,190	33,771	-	-	7,591	724,528
Fund balances, end of year	\$ 142,749	\$ 32,305	\$ 76,365	\$ 34,739	\$ -	\$ -	\$ 9,593	\$ 678,058

BARNWELL COUNTY, SOUTH CAROLINA
COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

	Special Revenue Funds					
	217	222	223	224	225	Total
	Memorial Cemetery	Sheriff's DSS	Sheriff's Donations	Sheriff's Drug	PREA Grant	Nonmajor Funds
REVENUE						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 657,845
Intergovernmental	-	-	-	-	-	136,303
Federal grants	-	-	-	-	-	131,090
Local grants	-	2,162	1,180	-	-	3,342
Charges for services	22,234	-	-	-	-	24,824
Fines, forfeitures, and fees	-	-	-	43,721	-	65,587
Special assessments	-	-	-	-	-	72,108
Interest	-	386	56	2,344	-	6,906
Miscellaneous	-	-	-	-	-	118,724
Total revenue	22,234	2,548	1,236	46,065	-	1,216,729
EXPENDITURES						
Current:						
Public safety	-	-	1,596	12,050	-	1,016,799
Health and welfare	39,665	-	-	-	-	39,665
Total expenditures	39,665	-	1,596	12,050	-	1,056,464
Excess (deficiency) of revenue over (under) expenditures	(17,431)	2,548	(360)	34,015	-	160,265
OTHER FINANCING SOURCES (USES)						
Transfers (out)	-	-	-	-	-	(210,422)
Total Other Financing Sources (Uses)	-	-	-	-	-	(210,422)
Net change in fund balances	(17,431)	2,548	(360)	34,015	-	(50,157)
Fund balances, beginning of year	55,769	12,795	2,198	73,089	1,710	1,188,299
Fund balances, end of year	\$ 38,338	\$ 15,343	\$ 1,838	\$ 107,104	\$ 1,710	\$ 1,138,142

PROPRIETARY FUNDS

Proprietary (enterprise) Funds account for operations that are financed and operated in a manner similar to private business enterprise. In a proprietary fund the intent is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed primarily through user charges.

The Barnwell County Airport accounts for revenue and expenses for the operations of the Barnwell County Airport as an Enterprise Fund.

BARNWELL COUNTY, SOUTH CAROLINA
ENTERPRISE FUND
COUNTY AIRPORT
BALANCE SHEET
JUNE 30, 2023

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

Current assets:

Cash and cash equivalents	\$ 320,482
Accounts receivable, net	5,568
Inventories	68,700
Total current assets	<u>394,750</u>

Non-current assets:

Capital assets:	
Land	743,502
Construction in process	981,586
Buildings and improvements	6,803,757
	<u>8,528,845</u>
Less, accumulated depreciation	<u>(3,518,479)</u>
Net capital assets	5,010,366
Land held for resale	228,979
Total non-current assets	<u>5,239,345</u>
Total assets	<u>5,634,095</u>

Deferred outflows of resources

Total deferred outflows related to pension plans	13,843
Total contributions subsequent to the measurement date for pensions	
Total deferred outflows of resources	<u>13,843</u>

Total assets and deferred outflows of resources	<u><u>\$ 5,647,938</u></u>
---	----------------------------

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

Current liabilities:

Due to General Fund	\$ 110,896
Total current liabilities	<u>110,896</u>

Noncurrent liabilities:

Net pension liability	96,641
Total noncurrent liabilities	<u>96,641</u>

Total liabilities	<u>207,537</u>
-------------------	----------------

Deferred inflows of resources

Total deferred inflows related to pensions	<u>3,748</u>
--	--------------

Net position:

Net investment in capital assets	5,010,366
Unrestricted	426,287
Total net position	<u>5,436,653</u>

Total liabilities, deferred inflows of resources, and net position	<u><u>\$ 5,647,938</u></u>
--	----------------------------

BARNWELL COUNTY, SOUTH CAROLINA
ENTERPRISE FUND
COUNTY AIRPORT
SCHEDULE OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND
YEAR ENDED JUNE 30, 2023

Operating Revenue

Charges for services:

Fuel and oil sales	\$ 184,640
Land rent	1,050
Hanger rent	70,850
Other charges	914

Total charges for services	257,454
----------------------------	---------

Miscellaneous	29,615
---------------	--------

Total operating revenue	287,069
--------------------------------	----------------

Operating Expenses

Salaries and benefits	104,737
-----------------------	---------

Bank fees	5,612
-----------	-------

Printing, binding, advertising	327
--------------------------------	-----

Travel and training	100
---------------------	-----

Utilities	17,234
-----------	--------

Fuel and oil purchases	158,146
------------------------	---------

Janitorial supplies	71
---------------------	----

Office supplies	3,214
-----------------	-------

Insurance	11,373
-----------	--------

Maintenance - building and grounds	10,363
------------------------------------	--------

Maintenance - vehicles	1,601
------------------------	-------

Depreciation	123,496
--------------	---------

Computer services	24
-------------------	----

Professional services	16,000
-----------------------	--------

Compliance and permits	495
------------------------	-----

Terminal expense	2,575
------------------	-------

Miscellaneous	183
---------------	-----

Total operating expenses	455,551
---------------------------------	----------------

Operating loss	(168,482)
-----------------------	------------------

Non-operating Income

Grant revenues	1,041,610
----------------	-----------

Total non-operating income	1,041,610
-----------------------------------	------------------

Change in net position	873,128
-------------------------------	----------------

Total net position - beginning	4,563,525
---------------------------------------	------------------

Total net position - ending	\$ 5,436,653
------------------------------------	---------------------

FIDUCIARY FUNDS

Fiduciary Funds include trust and custodial funds used to account for assets received and held by the County acting in the capacity of an agent or custodian. In custodial funds, total assets equal total liabilities and, therefore, do not measure the results of operations.

BARNWELL COUNTY, SOUTH CAROLINA
COMBINING SCHEDULE OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2023

	Balance June 30, 2022	Additions	Deductions	Balance June 30, 2023
Assets				
Cash	\$ 2,852,771	\$ 6,164,197	\$ (6,432,142)	\$ 2,584,826
Equity in pooled cash	9,285,353	63,626,330	(64,569,964)	8,341,719
	<u>\$ 12,138,124</u>	<u>\$ 69,790,527</u>	<u>\$ (71,002,106)</u>	<u>\$ 10,926,545</u>
Liabilities				
Due to General Fund	\$ 97,418	\$ 351,807	\$ (330,936)	\$ 118,289
Funds held for others:				
District # 19	2,134,401	3,508,681	(5,334,698)	308,384
District # 29	510,337	3,289,701	(3,917,303)	(117,265)
District # 45	8,269,739	34,088,463	(34,081,904)	8,276,298
District # 48	-	23,124,574	(22,135,753)	988,821
Career Center	30,096	1,772,280	(1,804,282)	(1,906)
City of Barnwell	5,071	512,439	(510,200)	7,310
Town of Williston	3,617	294,313	(292,783)	5,147
Town of Blackville	2,560	173,052	(172,361)	3,251
Town of Snelling	41	37,686	(37,525)	202
Barnwell Magistrate	232	49,984	(48,812)	1,404
Williston Magistrate	1,295	98,621	(98,880)	1,036
Blackville Magistrate	539	98,580	(97,325)	1,794
Clerk of Court	120,489	381,420	(371,310)	130,599
Delinquent Tax Sale Escrow	716,996	1,332,350	(1,089,453)	959,893
Jail Inmates Trust Account	180,977	665,164	(657,674)	188,467
Unincorporated Fire Districts (1%)	64,316	9,142	(18,637)	54,821
	<u>12,040,706</u>	<u>69,436,450</u>	<u>(70,668,900)</u>	<u>10,808,256</u>
	<u>\$ 12,138,124</u>	<u>\$ 69,788,257</u>	<u>\$ (70,999,836)</u>	<u>\$ 10,926,545</u>

BARNWELL COUNTY, SOUTH CAROLINA
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
CUSTODIAL FUNDS
YEAR ENDED JUNE 30, 2023

	Balance June 30, 2022	Additions	Deductions	Balance June 30, 2023
BARNWELL COUNTY SCHOOL DISTRICTS				
School District #19				
Assets				
Operating:				
Equity in pooled cash	\$ 1,547,789	\$ 3,464,340	\$ (4,703,745)	\$ 308,384
Debt service:				
Cash	586,612	44,341	(630,953)	-
	<u>\$ 2,134,401</u>	<u>\$ 3,508,681</u>	<u>\$ (5,334,698)</u>	<u>\$ 308,384</u>
Liabilities				
Funds held for others	<u>\$ 2,134,401</u>	<u>\$ 3,508,681</u>	<u>\$ (5,334,698)</u>	<u>\$ 308,384</u>
School District #29				
Assets				
Operating:				
Equity in pooled cash	\$ 231,150	\$ 3,268,367	\$ (3,616,782)	\$ (117,265)
Debt service:				
Cash	279,187	21,334	(300,521)	-
	<u>\$ 510,337</u>	<u>\$ 3,289,701</u>	<u>\$ (3,917,303)</u>	<u>\$ (117,265)</u>
Liabilities				
Funds held for others	<u>\$ 510,337</u>	<u>\$ 3,289,701</u>	<u>\$ (3,917,303)</u>	<u>\$ (117,265)</u>
School District #45				
Assets				
Operating:				
Equity in pooled cash	\$ 7,465,029	\$ 32,777,676	\$ (32,568,690)	\$ 7,674,015
Debt service:				
Cash	804,710	1,310,787	(1,513,214)	602,283
	<u>\$ 8,269,739</u>	<u>\$ 34,088,463</u>	<u>\$ (34,081,904)</u>	<u>\$ 8,276,298</u>
Liabilities				
Funds held for others	<u>\$ 8,269,739</u>	<u>\$ 34,088,463</u>	<u>\$ (34,081,904)</u>	<u>\$ 8,276,298</u>
School District #48				
Assets				
Operating:				
Equity in pooled cash	\$ -	\$ 21,326,177	\$ (20,863,596)	\$ 462,581
Debt service:				
Cash	-	1,798,397	(1,272,157)	526,240
	<u>\$ -</u>	<u>\$ 23,124,574</u>	<u>\$ (22,135,753)</u>	<u>\$ 988,821</u>
Liabilities				
Funds held for others	<u>\$ -</u>	<u>\$ 23,124,574</u>	<u>\$ (22,135,753)</u>	<u>\$ 988,821</u>

BARNWELL COUNTY, SOUTH CAROLINA
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
CUSTODIAL FUNDS
YEAR ENDED JUNE 30, 2023

	<u>Balance</u> <u>June 30, 2022</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2023</u>
Barnwell County Career Center				
Assets				
Operating:				
Equity in pooled cash	\$ 30,096	\$ 1,772,280	\$ (1,804,282)	\$ (1,906)
Liabilities				
Funds held for others	\$ 30,096	\$ 1,772,280	\$ (1,804,282)	\$ (1,906)
TOTAL SCHOOL DISTRICTS				
Assets				
Operating:				
Equity in pooled cash	\$ 9,274,064	\$ 62,608,840	\$ (63,557,095)	\$ 8,325,809
Debt service:				
Cash	1,670,509	3,174,859	(3,716,845)	1,128,523
	<u>\$ 10,944,573</u>	<u>\$ 65,783,699</u>	<u>\$ (67,273,940)</u>	<u>\$ 9,454,332</u>
Liabilities				
Funds held for others:				
District # 19	\$ 2,134,401	\$ 3,508,681	\$ (5,334,698)	\$ 308,384
District # 29	510,337	3,289,701	(3,917,303)	(117,265)
District # 45	8,269,739	34,088,463	(34,081,904)	8,276,298
District # 48	-	23,124,574	(22,135,753)	988,821
Career Center	30,096	1,772,280	(1,804,282)	(1,906)
	<u>\$ 10,944,573</u>	<u>\$ 65,783,699</u>	<u>\$ (67,273,940)</u>	<u>\$ 9,454,332</u>

BARNWELL COUNTY, SOUTH CAROLINA
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
CUSTODIAL FUNDS
YEAR ENDED JUNE 30, 2023

	<u>Balance</u> <u>June 30, 2022</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2023</u>
MUNICIPALITIES				
City of Barnwell				
Assets				
Equity in pooled cash	\$ 5,071	\$ 512,439	\$ (510,200)	\$ 7,310
Liabilities				
Funds held for others	\$ 5,071	\$ 512,439	\$ (510,200)	\$ 7,310
Town of Williston				
Assets				
Equity in pooled cash	\$ 3,617	\$ 294,313	\$ (292,783)	\$ 5,147
Liabilities				
Funds held for others	\$ 3,617	\$ 294,313	\$ (292,783)	\$ 5,147
Town of Blackville				
Assets				
Equity in pooled cash	\$ 2,560	\$ 173,052	\$ (172,361)	\$ 3,251
Liabilities				
Funds held for others	\$ 2,560	\$ 173,052	\$ (172,361)	\$ 3,251
Town of Snelling				
Assets				
Equity in pooled cash	\$ 41	\$ 37,686	\$ (37,525)	\$ 202
Liabilities				
Funds held for others	\$ 41	\$ 37,686	\$ (37,525)	\$ 202
TOTAL MUNICIPALITIES				
Assets				
Equity in pooled cash	\$ 11,289	\$ 1,017,490	\$ (1,012,869)	\$ 15,910
Liabilities				
Funds held for others:				
City of Barnwell	\$ 5,071	\$ 512,439	\$ (510,200)	\$ 7,310
Town of Williston	3,617	294,313	(292,783)	5,147
Town of Blackville	2,560	173,052	(172,361)	3,251
Town of Snelling	41	37,686	(37,525)	202
	\$ 11,289	\$ 1,017,490	\$ (1,012,869)	\$ 15,910

BARNWELL COUNTY, SOUTH CAROLINA
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
CUSTODIAL FUNDS
YEAR ENDED JUNE 30, 2023

	<u>Balance</u> <u>June 30, 2022</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2023</u>
MAGISTRATES				
Barnwell Magistrate				
Assets				
Cash	\$ 4,356	\$ 50,714	\$ (48,812)	\$ 6,258
Liabilities				
Due to General Fund	\$ 4,124	\$ 730	\$ -	\$ 4,854
Funds held for others (o/s bonds)	232	49,984	(48,812)	1,404
	<u>\$ 4,356</u>	<u>\$ 50,714</u>	<u>\$ (48,812)</u>	<u>\$ 6,258</u>
Williston Magistrate				
Assets				
Cash	\$ 1,711	\$ 112,454	\$ (98,880)	\$ 15,285
Liabilities				
Due to General Fund	\$ 416	\$ 13,833	\$ -	\$ 14,249
Funds held for others (o/s bonds)	1,295	98,621	(98,880)	1,036
	<u>\$ 1,711</u>	<u>\$ 112,454</u>	<u>\$ (98,880)</u>	<u>\$ 15,285</u>
Blackville Magistrate				
Assets				
Cash	\$ 10,685	\$ 98,580	\$ (99,738)	\$ 9,527
Liabilities				
Due to General Fund	\$ 10,146	\$ -	\$ (2,413)	\$ 7,733
Funds held for others (o/s bonds)	539	98,580	(97,325)	1,794
	<u>\$ 10,685</u>	<u>\$ 98,580</u>	<u>\$ (99,738)</u>	<u>\$ 9,527</u>
TOTAL MAGISTRATES				
Assets				
Cash	\$ 16,752	\$ 261,748	\$ (247,430)	\$ 31,070
Liabilities				
Due to General Fund	\$ 14,686	\$ 14,563	\$ (2,413)	\$ 26,836
Funds held for others (o/s bonds):				
Barnwell Magistrate	232	49,984	(48,812)	1,404
Williston Magistrate	1,295	98,621	(98,880)	1,036
Blackville Magistrate	539	98,580	(97,325)	1,794
	<u>\$ 16,752</u>	<u>\$ 261,748</u>	<u>\$ (247,430)</u>	<u>\$ 31,070</u>

BARNWELL COUNTY, SOUTH CAROLINA
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
CUSTODIAL FUNDS
YEAR ENDED JUNE 30, 2023

	<u>Balance</u> <u>June 30, 2022</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2023</u>
OTHER AGENCIES				
Clerk of Court				
Assets				
Cash	\$ 199,850	\$ 720,934	\$ (702,103)	\$ 218,681
Liabilities				
Due to General Fund	\$ 79,361	\$ 337,244	\$ (328,523)	\$ 88,082
Funds held for others	120,489	381,420	(371,310)	130,599
	<u>\$ 199,850</u>	<u>\$ 718,664</u>	<u>\$ (699,833)</u>	<u>\$ 218,681</u>
Delinquent Tax Sale Escrow				
Assets				
Cash	\$ 720,367	\$ 1,332,350	\$ (1,089,453)	\$ 963,264
Liabilities				
Due to General Fund	\$ 3,371	\$ -	\$ -	\$ 3,371
Funds held for others	716,996	1,332,350	(1,089,453)	959,893
	<u>\$ 720,367</u>	<u>\$ 1,332,350</u>	<u>\$ (1,089,453)</u>	<u>\$ 963,264</u>
Jail Inmates Trust Account				
Assets				
Cash	\$ 180,977	\$ 665,164	\$ (657,674)	\$ 188,467
Liabilities				
Funds held for others	\$ 180,977	\$ 665,164	\$ (657,674)	\$ 188,467
Unincorporated Fire Districts (1%)				
Assets				
Cash - Barnwell Rural	\$ 20,500	\$ 6,764	\$ (9,230)	\$ 18,034
Cash - Long Branch	7,807	2,378	(1,370)	8,815
Cash - Red Oak	36,009	-	(8,037)	27,972
	<u>\$ 64,316</u>	<u>\$ 9,142</u>	<u>\$ (18,637)</u>	<u>\$ 54,821</u>
Liabilities				
Funds held for others	\$ 64,316	\$ 9,142	\$ (18,637)	\$ 54,821

BARNWELL COUNTY, SOUTH CAROLINA
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
CUSTODIAL FUNDS
YEAR ENDED JUNE 30, 2023

	Balance June 30, 2022	Additions	Deductions	Balance June 30, 2023
TOTAL OTHER AGENCIES				
Assets				
Cash	\$ 1,165,510	\$ 2,727,590	\$ (2,467,867)	\$ 1,425,233
Liabilities				
Due to General Fund	\$ 82,732	\$ 337,244	\$ (328,523)	\$ 91,453
Funds held for others:				
Clerk of Court	120,489	381,420	(371,310)	130,599
Delinquent Tax Sale Escrow	716,996	1,332,350	(1,089,453)	959,893
Jail Inmates Trust Account	180,977	665,164	(657,674)	188,467
Unincorporated Fire Districts (1%)	64,316	9,142	(18,637)	54,821
	<u>\$ 1,165,510</u>	<u>\$ 2,725,320</u>	<u>\$ (2,465,597)</u>	<u>\$ 1,425,233</u>

NON-MAJOR COMPONENT UNITS

BARNWELL COUNTY, SOUTH CAROLINA
COMBINING STATEMENT OF NET POSITION
NON-MAJOR COMPONENT UNITS
JUNE 30, 2023

	Generations Unlimited	Barnwell County Career Center	Barnwell County Library Foundation	Total
Assets				
Current assets:				
Cash and cash equivalents	\$ -	\$ 1,437,387	\$ 74,474	\$ 1,511,861
Receivables, net:				
Delinquent taxes (net of allowance for uncollectible taxes)	-	26,108	-	26,108
Leases	-	-	22,133	22,133
Other	186,213	491	779	187,483
Prepaid items	32,522	-	-	32,522
Due from other governments	-	8,872	-	8,872
Due from other funds	-	-	-	-
Total current assets	<u>218,735</u>	<u>1,472,858</u>	<u>97,386</u>	<u>1,788,979</u>
Non-current assets:				
Capital assets subject to depreciation, net	429,905	343,660	305,793	1,079,358
Leases receivable, noncurrent	-	-	25,257	25,257
Total non-current assets	<u>429,905</u>	<u>343,660</u>	<u>331,050</u>	<u>1,104,615</u>
Total Assets	<u>648,640</u>	<u>1,816,518</u>	<u>428,436</u>	<u>2,893,594</u>
Deferred Outflows of Resources				
Deferred outflows related to pensions	152,423	278,399	-	430,822
Deferred outflows related to OPEB	-	470,466	-	470,466
Total deferred outflows of resources	<u>152,423</u>	<u>748,865</u>	<u>-</u>	<u>901,288</u>
Liabilities				
Current liabilities:				
Accounts payable	95,215	55,161	-	150,376
Accrued salaries and related taxes	28,850	86,082	-	114,932
Retirement payable	11,474	-	-	11,474
Health insurance payable	-	-	-	-
Line of credit	77,508	-	-	77,508
Accrued compensated absences - current portion	17,231	-	-	17,231
Unearned revenue	20,298	19,190	-	39,488
Due to other funds	-	-	-	-
Total current liabilities	<u>250,576</u>	<u>160,433</u>	<u>-</u>	<u>411,009</u>
Long-term (non-current) liabilities:				
Net pension liability	1,209,518	2,091,697	-	3,301,215
Other post-employment benefit (OPEB) obligation	-	1,581,119	-	1,581,119
Total long-term liabilities	<u>1,209,518</u>	<u>3,672,816</u>	<u>-</u>	<u>4,882,334</u>
Total Liabilities	<u>1,460,094</u>	<u>3,833,249</u>	<u>-</u>	<u>5,293,343</u>
Deferred Inflows of Resources				
Deferred inflows related to pensions	119,593	68,081	-	187,674
Deferred inflows related to OPEB	-	749,765	-	749,765
Deferred inflows related to leases	-	-	44,255	44,255
Total deferred inflows of resources	<u>119,593</u>	<u>817,846</u>	<u>44,255</u>	<u>981,694</u>
Net Position				
Net investment in capital assets	429,905	343,661	305,793	1,079,359
Unrestricted (Deficit)	(1,208,529)	(2,429,372)	78,388	(3,559,513)
Total Net Position	<u>\$ (778,624)</u>	<u>\$ (2,085,711)</u>	<u>\$ 384,181</u>	<u>\$ (2,480,154)</u>

**BARNWELL COUNTY, SOUTH CAROLINA
COMBINING STATEMENT OF ACTIVITIES
NON-MAJOR COMPONENT UNITS
YEAR ENDED JUNE 30, 2023**

Functions and Programs	Program Revenues					Net (Expense) Revenue and Change in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Other	Governmental Activities			Totals
						Generations Unlimited	Barnwell County Career Center	Barnwell County Library Foundation	
Generations Unlimited									
Governmental activities:									
Transportation	\$(1,131,684)	\$ 338,151	\$ 625,137	\$ 25,871	\$ -	\$ (142,525)			\$ (142,525)
Meals	(354,872)	283,552	-	-	6,654	(64,666)			(64,666)
Intermediate Cost Centers	(38,972)	-	-	-	38,972	-			-
Other	(58,677)	23,159	-	-	2,391	(33,127)			(33,127)
Total Generations Unlimited	<u>(1,584,205)</u>	<u>644,862</u>	<u>625,137</u>	<u>25,871</u>	<u>48,017</u>	<u>(240,318)</u>			<u>(240,318)</u>
Barnwell County Career Center									
Governmental activities:									
Instruction	(1,214,664)	263,100	332,513	-	-		\$ (619,051)		(619,051)
Support services	(699,829)	-	-	-	-		(699,829)		(699,829)
Total Barnwell County Career Center	<u>(1,914,493)</u>	<u>263,100</u>	<u>332,513</u>	<u>-</u>	<u>-</u>		<u>(1,318,880)</u>		<u>(1,318,880)</u>
Barnwell County Library Foundation									
Governmental activities:									
General Government	(26,435)	22,021	100	-	-			\$ (4,314)	(4,314)
Total Barnwell County Library Foundation	<u>(26,435)</u>	<u>22,021</u>	<u>100</u>	<u>-</u>	<u>-</u>			<u>(4,314)</u>	<u>(4,314)</u>
Total non-major component units	<u>\$(3,525,133)</u>	<u>\$ 929,983</u>	<u>\$ 957,750</u>	<u>\$ 25,871</u>	<u>\$ 48,017</u>	<u>(240,318)</u>	<u>(1,318,880)</u>	<u>(4,314)</u>	<u>(1,563,512)</u>
General Revenues:									
General Revenue:									
Property taxes						-	1,422,385	-	1,422,385
Interest earnings						-	4,825	2,948	7,773
Unrealized gain (loss) on investment						-	-	2,327	2,327
Gain/loss on disposal of capital assets						-	-	-	-
Other						-	28,760	-	28,760
Total general revenues						<u>-</u>	<u>1,455,970</u>	<u>5,275</u>	<u>1,461,245</u>
Change in net position						(240,318)	137,090	961	(102,267)
Net position(deficit) - beginning						(538,306)	(2,222,801)	383,220	(2,377,887)
Net position(deficit) - ending						<u>\$ (778,624)</u>	<u>\$ (2,085,711)</u>	<u>\$ 384,181</u>	<u>\$(2,480,154)</u>

VICTIMS' RIGHTS ASSISTANCE

BARNWELL COUNTY, SOUTH CAROLINA
SCHEDULE OF COURT FINES, ASSESSMENTS, AND SURCHARGES
YEAR ENDED JUNE 30, 2023

FOR THE STATE TREASURER'S OFFICE

COUNTY/MUNICIPAL FUNDS COLLECTED BY CLERK OF COURT	General Sessions	Magistrate Court	Municipal Court	Total
Court Fines and Assessments:				
Court fines and assessments collected	\$ 61,980	\$ 241,529	\$ -	\$ 303,509
Court fines and assessments remitted to State Treasurer	(41,600)	(133,450)	-	(175,050)
Total Court Fines and Assessments retained	\$ 20,380	\$ 108,079	\$ -	\$ 128,459
Surcharges and Assessments retained for victim services:				
Surcharges collected and retained	\$ 7,174	\$ 2,711	\$ -	\$ 9,885
Assessments retained	1,422	9,813	-	11,235
Total Surcharges and Assessments retained for victim services	\$ 8,596	\$ 12,524	\$ -	\$ 21,120

FOR THE DEPARTMENT OF CRIME VICTIM COMPENSATION (DCVC)

VICTIM SERVICE FUNDS COLLECTED	Municipal	County	Total
Carryforward from previous year - beginning balance	\$ -	\$ -	\$ -
Victim Service revenue			
Victim Service Fines Retained by City/County Treasurer	-	-	-
Victim Service Assessments Retained by City/County Treasurer	-	11,235	11,235
Victim Service Surcharges Retained by City/County Treasurer	-	9,885	9,885
Interest Earned	-	-	-
Grant Funds Received			
Grant from:	-	-	-
General Funds Transferred to Victim Service Fund	-	-	-
Contribution Received from Victim Service Contracts:			
(1) Town of	-	-	-
(2) Town of	-	-	-
(3) City of	-	-	-
Total Funds Allocated to Victim Service Fund + Beginning Balance (A)	\$ -	\$ 21,120	\$ 21,120
Expenditures for Victim Service Program			
Salaries and Benefits	\$ -	\$ 21,120	\$ 21,120
Operating Expenditures	-	-	-
Victim Service Contract(s):			
(1) Entity's Name	-	-	-
(2) Entity's Name	-	-	-
Victim Service Donation(s):			
(1) Domestic Violence Shelter:	-	-	-
(2) Rape Crisis Center:	-	-	-
(3) Other local direct crime victims service agency:	-	-	-
Transferred to General Fund	-	-	-
Total Expenditures from Victim Service Fund/Program(B)	\$ -	\$ 21,120	\$ 21,120
Total Victim Service Funds Retained by Municipal/County Treasurer (A-B)	-	-	-
Less: Prior Year Fund Deficit Repayment	-	-	-
Carryforward Funds - End of Year	\$ -	\$ -	\$ -

SINGLE AUDIT SECTION

**BARNWELL COUNTY, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023**

Federal Grantor / Program Title	Assistance Listing Number	Total Expenditures
<u>DEPARTMENT OF THE TREASURY</u>		
CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	21.027	\$ 1,313,983
<u>FEDERAL AVIATION ADMINISTRATION</u>		
AIRPORT DEVELOPMENT	20.106	1,041,610
<u>FEDERAL EMERGENCY MANAGEMENT ASSISTANCE</u>		
STORM	97.036	26,194
<u>DEPARTMENT OF HOMELAND SECURITY</u>		
LEMPG GRANT	97.042	65,828
<u>U.S. DEPARTMENT OF ENERGY</u>		
DOE EMERGENCY PREPAREDNESS	81.502	65,262
TOTAL EXPENDITURES OF FEDERAL AWARDS		<u><u>\$ 2,512,877</u></u>

BARNWELL COUNTY, SOUTH CAROLINA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023

NOTE A - GENERAL

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") presents the activity of all federal award programs of Barnwell County, South Carolina (the "County") for the year ended June 30, 2023. All federal awards received directly from federal agencies, as well as those passed through other government agencies, are included on the Schedule.

NOTE B - BASIS OF ACCOUNTING

The accompanying Schedule is presented using the modified accrual basis of accounting.

NOTE C - RELATIONSHIP TO FINANCIAL STATEMENTS

Federal award expenditures are reported in the County's financial statements as expenditures in the Special Revenue Fund and operating expenses in the Proprietary Fund.

NOTE D - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Amounts reported in the accompanying Schedule agree with the amounts reported in the related federal financial reports except for timing differences relating to expenditures made subsequent to the filing of the federal financial reports.

NOTE E - DE MINIMIS INDIRECT COST RATE

The County has not elected to use the 10% de minimis indirect cost rate.



Member
South Carolina Association of
Certified Public Accountants

329 S Main Street
Travelers Rest, South Carolina 29690
(864) 834-3868

Member
American Institute of
Certified Public Accountants

**Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance
And Other Matters Based on an Audit Of Financial Statements Performed in Accordance With
*Government Auditing Standards***

The Honorable Chairman and Members
County Council
Barnwell, 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, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Barnwell County, South Carolina (the "County"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated January 11, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal

control, described in the accompanying schedule of findings and questioned costs as items 2023-01 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

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

Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.

Highsmith & Highsmith, LLC

Highsmith & Highsmith, LLC
Travelers Rest, South Carolina

January 11, 2024



Member
South Carolina Association of
Certified Public Accountants

329 S Main Street
Travelers Rest, South Carolina 29690
(864) 834-3868

Member
American Institute of
Certified Public Accountants

**Independent Auditor's Report on Compliance for Each Major Program
And on Internal Control Over Compliance Required by The Uniform Guidance**

The Honorable Chairman and Members of
County Council
Barnwell, South Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Barnwell County, South Carolina's (the "County") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2023. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Barnwell County, South Carolina complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance. Our opinion on each major federal program is not modified with respect to these matters.

Report on Internal Control over Compliance

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

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

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Highsmith & Highsmith, LLC

Highsmith & Highsmith, LLC
Travelers Rest, South Carlins

January 11, 2024

Barnwell County, South Carolina

**Schedule of Findings and Responses
Year Ended June 30, 2023**

Section I – Summary of Auditor’s Results

Financial Statements:

- | | | |
|------|--|------------|
| i. | Type of auditor’s report issued on the financial statements: | |
| a. | Governmental activities | Unmodified |
| b. | Business-type activities | Unmodified |
| c. | Aggregate discretely presented component units | Unmodified |
| d. | General fund | Unmodified |
| e. | Debt service fund | Unmodified |
| f. | Capital projects fund | Unmodified |
| g. | Other governmental funds | Unmodified |
| ii. | Internal control over financial reporting: | |
| a. | Material weaknesses identified | No |
| b. | Significant deficiencies identified | Yes |
| iii. | Noncompliance material to the financial statements | No |

Federal Awards:

Internal control over major federal programs:

- | | | |
|---|------------------------------------|----|
| • | Material weakness identified? | No |
| • | Significant deficiency identified? | No |

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

Any audit findings disclosed that are required to be	
Reported in accordance with Section 2 CFR 200.516(a)?	No

Identification of major federal programs:

<u>CFDA #</u>	<u>Name of Federal Program or Cluster</u>
20.106	Airport Development
21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between

Type A and Type B programs:	\$750,000
-----------------------------	-----------

Auditee qualified as low-risk auditee?	No
--	----

Barnwell County, South Carolina

**Schedule of Findings and Responses
Year Ended June 30, 2023**

Section II – Findings – 2023 Financial Statement Audit

2023-1

Condition: There is a lack of segregation of accounting duties that enables the same individuals to have access to both physical assets and the related accounting records or to all phases of a transaction.

Criteria: A fundamental concept of a system of good internal control is the segregation of duties.

Effect: Because a segregation of duties does not exist, errors and irregularities could occur and not be detected in a timely manner.

Recommendation: A segregation of duties should be established and maintained, where each employee is delegated one primary task.

Management's Response: Management does not anticipate hiring additional staff; however, in an attempt to segregate duties as much as possible with the available staff, the Council contracts with an independent accountant to provide annual accounting services to the County.

Barnwell County, South Carolina

**Schedule of Prior Year Audit Findings
Year Ended June 30, 2023**

Significant Deficiency

2022-1

Condition: There is a lack of segregation of accounting duties that enables the same individuals to have access to both physical assets and the related accounting records or to all phases of a transaction.

Criteria: A fundamental concept of a system of good internal control is the segregation of duties.

Effect: Because a segregation of duties does not exist, errors and irregularities could occur and not be detected in a timely manner.

Recommendation: A segregation of duties should be established and maintained, where each employee is delegated one primary task.

Management's Response: Management does not anticipate hiring additional staff; however, in an attempt to segregate duties as much as possible with the available staff, the Council contracts with an independent accountant to provide annual accounting services to the County.