

**Statement of Non-Discrimination
By Organizations Funded in the
South Carolina General Appropriations Act**

To meet requirements of a provision of the South Carolina General Appropriations Act regarding your funding, please fill in the blanks below, sign and return to PRT with your other credentials. If desired, you may retype the statement on your own letterhead.

Statement of Non-Discrimination

Oct. 9, 2024
Date

Assurance is hereby given by the

Town of Blackville, S.C.
(Name of Organization)

that no person shall, upon the grounds of race, creed, color or national origin be excluded from participation in, be denied the benefit of or be otherwise subjected to discrimination under any program or activity for which this organization is responsible.

Signature Ronda E. Patrick
Title Town Administrator

**SOUTH CAROLINA DEPARTMENT OF PARKS, RECREATION
&
TOURISM**

PROCUREMENT CERTIFICATION FORM

GRANTEE NAME: Town of Blackville

PROJECT NAME: Signage and Street Cameras

I hereby certify that all labor, materials and contracts acquired or performed in the accomplishment of the above named project will be accomplished in accordance with the named entity's established procurement guidelines. Any questions, concerns or grievances should be directed to this agency.

Fonda E. Patrick
PRINTED NAME

Town Administrator
TITLE

Fonda E. Patrick
SIGNATURE

Oct 9, 2024
DATE

TOWN OF BLACKVILLE, SOUTH CAROLINA

**GOVERNMENT-WIDE FINANCIAL STATEMENTS
AND OTHER FINANCIAL INFORMATION**

YEAR ENDED JUNE 30, 2023

WITH

INDEPENDENT AUDITORS' REPORT

TOWN OF BLACKVILLE, SOUTH CAROLINA

GOVERNMENT-WIDE FINANCIAL STATEMENTS
AND OTHER FINANCIAL INFORMATION

YEAR ENDED JUNE 30, 2023

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INDEPENDENT AUDITORS' REPORT

TOWN OF BLACKVILLE, SOUTH CAROLINA

GOVERNMENT-WIDE FINANCIAL STATEMENTS
AND OTHER FINANCIAL INFORMATION

YEAR ENDEND JUNE 30, 2023

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THE BRITTINGHAM GROUP, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

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POST OFFICE BOX 5949
WEST COLUMBIA, SOUTH CAROLINA 29171

PHONE: (803) 739-3090

FAX: (803) 791-0834

INDEPENDENT AUDITORS' REPORT

To the Mayor and Town Council
Town of Blackville
5983 Lartigue Street North
Blackville, South Carolina 29817

Opinions

We have audited the accompanying financial statements of the governmental activities, business-type activities, and each major fund of the Town of Blackville, South Carolina (the "Town") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town'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, each major fund, and the aggregate remaining fund information of the Town, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year 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 Town and to meet our 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 opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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 Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in aggregate, they would influence the judgement 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 judgement 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 of the effectiveness of the Town'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town'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 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 on pages 4 - 10, Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund on page 49, Schedule of Proportionate Share of the South Carolina Retirement Systems Net Pension Liabilities on page 50, and the Schedule of South Carolina Retirement Systems Contributions on page 51 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Blackville, South Carolina's basic financial statements. The Schedule of Court Fines, Fees, Assessments and Surcharges and the 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 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 Schedule of Court Fines, Fees, Assessments and Surcharges 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 March 27, 2024, on our consideration of the Town'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 Town'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 Town's internal control over financial reporting and compliance.

The Brittingham Group LLP

West Columbia, South Carolina
March 27, 2024

Town of Blackville, South Carolina
Management's Discussion and Analysis
June 30, 2023

As management of the Town of Blackville, South Carolina (the "Town"), we offer the readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with the accompanying financial statements and notes.

FINANCIAL HIGHLIGHTS

Management believes the Town's financial condition is strong. The following are key financial highlights:

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$4,442,103 (net position). Unrestricted net position was a deficit of \$575,925, primarily due to the effect of net pension liabilities on the overall financial statements.
- The Town's net position increased by \$53,034 compared to the prior year net position.
- As of the close of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of \$966,382, a decrease of \$319,269 from the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$724,958 or 28.6 percent of total General Fund expenditures for the year ended June 30, 2023.
- At the end of the current fiscal year, the Town's proprietary fund, Water and Sewer, had a decrease in net position of \$124,365 to \$2,438,825, of which (\$604,944) was unrestricted.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction of the Town's basic financial statements. The basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The Town also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The *government-wide financial statements* are designed to provide a broad view of the Town's operations in a manner similar to private businesses. The statements provide both short-term and long-term information about the Town's financial position. All assets and liabilities of the Town are included in the statement of net position.

The *statement of net position* presents information on all of the Town's assets and liabilities, with the difference between the two being reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The *statement of activities* presents information showing how the Town's net position changed over the most recent fiscal year. All changes to net position are reported at the time that the underlying event giving rise to the change occurs, regardless of the timing on the related cash flows. This statement also focuses on both the gross and net costs of the various functions of the Town, based only on direct functional revenues and expenses. This is designed to show the extent to which the various functions depend on general revenues for support.

The activities of the Town are presented in two columns on these statements – governmental activities and business-type activities. A total column for the Town is also provided. The governmental activities include the Town's basic services including general government, police, fire, public works, administrative, council, legal, judicial, and non-departmental. Taxes, licenses, permits, and charges for services generally support these activities. The business-type activities include private sector type activities such as the Town's own water and sewer system. These activities are primarily supported by user charges and fees.

Fund Financial Statements

These statements provide more detailed information about the Town's most significant funds – not the Town as a whole. A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements as well as for managerial control to demonstrate fiduciary responsibility over the assets of the Town. Traditional fund financial statements are presented for governmental funds and proprietary funds.

Governmental Funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statement, governmental fund financial statements focus on near-term inflows and outflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year. Such information is useful in evaluating the Town's near-term financing requirements. Since governmental fund financial statements focus on near-term spendable resources, which the governmental activities on the government-wide financial statements have a longer-term focus, a reconciliation of the differences between the two is provided with the fund financial statements.

Proprietary Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The proprietary fund financial statements are prepared on the same long-term focus as the government-wide financial statements. The proprietary funds provide the same information as the government-wide financial statements, only with more detail.

Fiduciary Funds are used to account for resources held for the benefit of others outside the Town government. Fiduciary funds are reported separately because the money is not available to support the Town's programs.

The notes to the financial statements provide information that is essential to the full understanding of the data provided in the government-wide and fund financial statements and should be read in conjunction with the financial statements.

Other Information

Governments have an option of including the budgetary comparison statements for the General Fund and major special revenue funds as either part of the fund financial statements within the basic financial statements or as required supplementary information after the notes to the financial statements. The Town has chosen to present these budgetary statements as part of the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following tables and analysis discuss the financial position and changes to the financial position for the Town as a whole as of and for the years ended June 30, 2023 and 2022.

Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position for the Town. The combined total assets of the Town's governmental activities and business-type activities exceeded liabilities by \$4,442,103 at the close of the most recent fiscal year.

	Governmental Activities		Business-type Activities		Totals	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Assets:						
Current assets	\$ 1,124,270	\$ 1,426,112	\$ (68,774)	\$ (10,261)	\$ 1,055,496	\$ 1,415,851
Capital assets, net	1,917,195	1,459,779	3,186,903	3,286,448	5,104,098	4,746,227
Total Assets	3,041,465	2,885,891	3,118,129	3,276,187	6,159,594	6,162,078
Deferred Outflows of Resources	159,359	232,074	72,345	104,629	231,704	336,703
Current liabilities	157,196	135,480	142,854	619,730	300,050	755,210
Long-term liabilities	972,405	983,336	577,949	117,235	1,550,354	1,100,571
Total Liabilities	1,129,601	1,118,816	720,803	736,965	1,850,404	1,855,781
Deferred Inflows of Resources	67,945	173,270	30,846	80,661	98,791	253,931
Net position						
Net investment in capital assets	1,732,835	1,231,225	2,966,709	3,028,790	4,699,544	4,260,015
Restricted	241,424	409,928	77,060	161,396	318,484	571,324
Unrestricted	29,019	184,726	(604,944)	(626,996)	(575,925)	(442,270)
Total net position	\$ 2,003,278	\$ 1,825,879	\$ 2,438,825	\$ 2,563,190	\$ 4,442,103	\$ 4,389,069

The largest portion of the Town's total net position reflects its investment in capital assets (e.g. land, buildings, machinery and equipment, and vehicles), less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Town'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.

A portion of the Town's net position, \$318,484, represents resources that are subject to restrictions on how they may be used. At June 30, 2023, the Town had a deficit balance of unrestricted net position of (\$575,925).

Change in Net Position

The following table shows the revenues and expenses of the Town for the fiscal year ended June 30, 2023 and 2022.

	Governmental Activities		Business-type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program Revenues						
Charges for Services	\$ 588,393	\$ 522,046	\$ 637,769	\$ 621,024	\$ 1,226,162	\$ 1,143,070
Operating Grants and Contributions	578,552	557,142	84,600	30,600	663,152	587,742
Total Program Revenues	1,166,945	1,079,188	722,369	651,624	1,889,314	1,730,812
General Revenues						
Property taxes	234,567	250,116	-	-	234,567	250,116
Franchise taxes and business licenses	144,844	138,232	-	-	144,844	138,232
Intergovernmental	666,535	337,078	-	-	666,535	337,078
Interest income	775	272	1,281	421	2,056	693
Miscellaneous	13,056	40,083	(31,515)	32,480	(18,459)	72,563
Transfers	(48,124)	(586)	48,124	586	-	-
Total General Revenues	1,011,653	765,195	17,890	33,487	1,029,543	798,682
Total Revenues	2,178,598	1,844,383	740,259	685,111	2,918,857	2,529,494
Expenses:						
General government	841,214	377,638	-	-	841,214	377,638
Public safety	786,097	767,744	-	-	786,097	767,744
Streets and sanitation	315,116	387,113	-	-	315,116	387,113
Culture and recreation	50,465	33,179	-	-	50,465	33,179
Interest and fees	8,307	9,758	-	-	8,307	9,758
Business-type activities	-	-	864,624	782,930	864,624	782,930
Total Expenses	2,001,199	1,575,432	864,624	782,930	2,865,823	2,358,362
Change in Net Position	177,399	268,951	(124,365)	(97,819)	53,034	171,132
Net Position- Beginning	1,825,879	1,556,928	2,563,190	2,661,009	4,389,069	4,217,937
Net Position- Ending	\$ 2,003,278	\$ 1,825,879	\$ 2,438,825	\$ 2,563,190	\$ 4,442,103	\$ 4,389,069

Governmental Activities

Governmental activities increased the Town's net position by \$177,399. The key elements of this increase are as follows:

Grants and contributions of \$578,552 was the Town's largest revenue, accounting for 26.6% of total governmental revenues. These grants were primarily related to the American Rescue Plan Act (ARPA). Property tax revenues account for \$234,567 of the \$2,178,598 total revenues for governmental activities, 10.8 percent of total revenues. Another component of general revenues is the revenue received from franchise taxes and business licenses which accounted for \$144,844 (6.6 percent).

The Town's governmental expenditures increased overall by \$507,461, or 21.5%. The largest increase was related to ARPA expenditures.

The following table for governmental activities indicates the total cost of services and the net cost of services. The statement of activities reflects the cost of program services and the charges for services, grants, and contributions offsetting those services. The net cost of services identifies the cost of those services supported by tax revenues and unrestricted intergovernmental revenues.

	2023		2022	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
General government	\$ 841,214	\$ 67,166	\$ 377,638	\$ 197,461
Public safety	786,097	700,838	767,744	175,731
Streets and sanitation	315,116	7,478	387,113	103,868
Culture and recreation	50,465	50,465	33,179	9,426
Interest and fees	8,307	8,307	9,758	9,758
Total expenses	<u>\$ 2,001,199</u>	<u>\$ 834,254</u>	<u>\$ 1,575,432</u>	<u>\$ 496,244</u>

Charges for services and operating grants of \$1,166,945 were received and used to fund governmental activities of the Town. The remaining \$834,254 in governmental activities expense is funded by property taxes, franchise fees, business licenses, and other revenue, including capital grants and contributions not restricted to specific programs.

Business-Type Activities

Charges for services of \$637,769 was the Town's largest program revenue for the business-type activities. These charges are for water and sewer services for the water and sewer enterprise fund.

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

As previously mentioned, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The following is a brief discussion of the financial highlights from the fund financial statements.

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

As of June 30, 2023, the Town's governmental funds reported a combined ending fund balance of \$966,382, a decrease of \$319,269 in comparison with the prior year.

The *General Fund* is the primary operating fund of the Town. At the end of the current year, fund balance of the general fund decreased by \$319,626 from last year.

The *Victims' Assistance Fund* is a special revenue fund. At the end of the current year, the fund balance increased by \$357 from last year.

Proprietary Funds. The Town's proprietary fund statements provide the same type of information as the government-wide financial statements but in more detail.

Unrestricted net position of the *Water and Sewer Fund* at the end of the year amounted to a deficit of \$604,944. The total decrease in net position was \$124,365.

BUDGETARY HIGHLIGHTS

The Town's annual budget is the legally adopted expenditure control document of the Town. A budgetary comparison statement is included for the General Fund. This statement compares the original adopted budget, the final budget and the actual revenues and expenditures prepared on a budgetary basis. Amendments to the adopted budget may occur throughout the year in a legally permissible manner.

The Town's General Fund revenues were more than the amount budgeted by \$1,004,521. Expenditures exceeded budget by \$1,276,023 largely due to unbudgeted capital asset purchases.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Town's net investment in capital assets for its government and business-type activities as of June 30, 2023, was \$5,104,098 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, improvements, vehicles, computers, software, equipment, and infrastructure. The major capital asset events during the current fiscal year included the following:

- Community Center renovations totaled \$248,675.
- 511 Main Street was purchased for \$103,060.
- A police vehicle was purchased for \$24,715.

The following schedule details the Town's capital assets for the year ended June 30, 2023, with a comparison to fiscal year ended June 30, 2022:

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 808,317	\$ 769,683	\$ -	\$ -	808,317	769,683
Construction in progress	-	-	127,200	42,600	127,200	42,600
Buildings, systems & improvements	537,161	58,071	8,387	11,130	545,548	69,201
Infrastructure	144,591	189,143	2,318,784	3,055,320	2,463,375	3,244,463
Machinery and equipment	427,126	442,882	732,532	177,398	1,159,658	620,280
Total Capital Assets - net	<u>\$ 1,917,195</u>	<u>\$ 1,459,779</u>	<u>\$ 3,186,903</u>	<u>\$ 3,286,448</u>	<u>\$ 5,104,098</u>	<u>\$ 4,746,227</u>

Additional information on the Town's capital assets can be found in Note 6.

Long-Term Obligations

During the year, the Town made scheduled payments on bonds, notes, and financed purchases. The following schedule details the long-term obligations for the year ended June 30, 2023, with a comparison to fiscal year ended June 30, 2022:

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Financed purchaes	\$ 116,814	\$ 143,481	\$ 19,687	\$ 29,306	\$ 136,501	\$ 172,787
Notes payable	67,546	77,450	6,774	25,325	74,320	102,775
Revenue bonds	-	-	193,733	203,027	193,733	203,027
Compensated absences	4,932	7,623	5,173	9,482	10,105	17,105
Total long-term obligations	<u>\$ 189,292</u>	<u>\$ 228,554</u>	<u>\$ 225,367</u>	<u>\$ 267,140</u>	<u>\$ 414,659</u>	<u>\$ 495,694</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Town continues to stabilize financially and adjust its expenditures with realistic revenue projections of the Town. Growth in population and the area of the Town remains stable.

During the current fiscal year, the Town's general fund balance remained stable, allowing the Town to continue to provide quality service to the residents without a tax increase in the next fiscal year.

Request for Information

This report is designed to provide an overview of the Town's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Town Clerk, Town of Blackville, South Carolina, 5983 Lartigue Street, Blackville, South Carolina 29817.

TOWN OF BLACKVILLE, SOUTH CAROLINA

STATEMENT OF NET POSITION

JUNE 30, 2023

	Primary Government		
	Governmental Activities	Business - Type Activities	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 325,743	\$ 77,107	\$ 402,850
Taxes receivable, net	15,224	-	15,224
Accounts receivable, net	28,780	68,311	97,091
Other receivables	31,102	-	31,102
Due from other governments	143,725	-	143,725
Internal balances	373,449	(373,449)	-
Temporarily restricted assets			
Cash and cash equivalents	206,247	77,060	283,307
Investments	-	82,197	82,197
Total current assets	1,124,270	(68,774)	1,055,496
Noncurrent assets:			
Capital assets:			
Non-depreciable	808,317	127,200	935,517
Depreciable, net	1,108,878	3,059,703	4,168,581
Total noncurrent assets	1,917,195	3,186,903	5,104,098
Deferred outflows of resources			
Deferred pension outflows	159,359	72,345	231,704
Total assets and deferred outflows of resources	3,200,824	3,190,474	6,391,298
Liabilities			
Accounts payable	99,465	59,477	158,942
Accrued expenses	35,915	4,933	40,848
Accrued interest payable	4,968	191	5,159
Customer deposits	300	73,080	73,380
Funds held for others	11,616	-	11,616
Accrued compensated absences	4,932	5,173	10,105
Long-term liabilities:			
Current portion	37,906	25,307	63,213
Noncurrent portion	146,454	194,887	341,341
Net pension liability	788,045	357,755	1,145,800
Total liabilities	1,129,601	720,803	1,850,404
Deferred inflows of resources			
Deferred pension inflows	67,945	30,846	98,791
Total liabilities and deferred inflows of resources	1,197,546	751,649	1,949,195
Net position			
Net investment in capital assets	1,732,835	2,966,709	4,699,544
Restricted			
Victims' assistance program	14,380	-	14,380
Capital outlay	16,810	-	16,810
Public safety	23,118	-	23,118
Recreation	9,438	-	9,438
Other	177,678	-	177,678
Debt service	-	77,060	77,060
Unrestricted	29,019	(604,944)	(575,925)
Total net position	\$ 2,003,278	\$ 2,438,825	\$ 4,442,103

See accompanying notes.

TOWN OF BLACKVILLE, SOUTH CAROLINA

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants & Contributions	Governmental Activities	Business-Type Activities	Total	
Primary Government:							
General government	\$ (841,214)	\$ 195,496	\$ 578,552	\$ (67,166)	\$ -	\$ (67,166)	
Public safety	(786,097)	85,259	-	(700,838)	-	(700,838)	
Streets and sanitation	(315,116)	307,638	-	(7,478)	-	(7,478)	
Culture and recreation	(50,465)	-	-	(50,465)	-	(50,465)	
Interest	(8,307)	-	-	(8,307)	-	(8,307)	
Total governmental activities	(2,001,199)	588,393	578,552	(834,254)	-	(834,254)	
Business-type activities							
Water and sewer	(864,624)	637,769	84,600	-	(142,255)	(142,255)	
Total business-type activities	(864,624)	637,769	84,600	-	(142,255)	(142,255)	
Total primary government	<u>\$ (2,865,823)</u>	<u>\$ 1,226,162</u>	<u>\$ 663,152</u>	<u>(834,254)</u>	<u>(142,255)</u>	<u>(976,509)</u>	
General revenues and transfers:							
General revenues:							
Property taxes				234,567	-	234,567	
Intergovernmental				666,535	-	666,535	
Franchise taxes				144,844	-	144,844	
Investment earnings, not restricted				775	1,281	2,056	
Sale of assets				(40,549)	(35,871)	(76,420)	
Miscellaneous				53,605	4,356	57,961	
Transfers				(48,124)	48,124	-	
Total general revenues and transfers				1,011,653	17,890	1,029,543	
Change in net position				177,399	(124,365)	53,034	
Net position, at beginning of year				1,825,879	2,563,190	4,389,069	
Net position, end of year				<u>\$ 2,003,278</u>	<u>\$ 2,438,825</u>	<u>\$ 4,442,103</u>	

See accompanying notes.

TOWN OF BLACKVILLE, SOUTH CAROLINA

BALANCE SHEET
GOVERNMENTAL FUNDS

JUNE 30, 2023

	General Fund	Special Revenue Fund	Total Governmental Funds
Assets			
Cash and cash equivalents	\$ 325,743	\$ -	\$ 325,743
Cash and cash equivalents - restricted	177,678	16,953	194,631
Taxes receivable, net	15,224	-	15,224
Accounts receivable, net	28,780	-	28,780
Other receivables	31,102	-	31,102
Due from other governments	143,725	-	143,725
Due from other funds	389,177	655	389,832
Total assets	<u>1,111,429</u>	<u>17,608</u>	<u>1,129,037</u>
Liabilities, Deferred Inflows and Fund Balances			
Liabilities			
Accounts payable	96,237	3,228	99,465
Accrued expenses	35,915	-	35,915
Customer deposits	300	-	300
Due to other funds	16,383	-	16,383
Total liabilities	<u>148,835</u>	<u>3,228</u>	<u>152,063</u>
Deferred Inflow of Resources			
Unavailable revenue - property taxes	10,592	-	10,592
Total deferred inflow of resources	<u>10,592</u>	<u>-</u>	<u>10,592</u>
Fund Balances			
Restricted			
Capital outlay	16,810	-	16,810
Public safety	23,118	-	23,118
Recreation	9,438	-	9,438
Other	177,678	-	177,678
Victims' assistance programs	-	14,380	14,380
Unassigned	724,958	-	724,958
Total fund balances	<u>952,002</u>	<u>14,380</u>	<u>966,382</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,111,429</u>	<u>\$ 17,608</u>	<u>\$ 1,129,037</u>

See accompanying notes.

TOWN OF BLACKVILLE, SOUTH CAROLINA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION

JUNE 30, 2023

Total fund balances - governmental funds	\$ 966,382
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Amounts reported for governmental activities in the Statement
of Net Position are different due to the following:

Capital assets used in governmental activities are not current financial
resources and therefore are not reported in the governmental funds.

Capital assets, cost	\$ 3,928,174	
Accumulated depreciation	<u>(2,010,979)</u>	
		1,917,195

Some of the Town's taxes will be collected after year end, but are not
available soon enough to pay for the current period expenditures,
and therefore, are reported as deferred inflow in the funds.

Property taxes	<u>10,592</u>	
		10,592

Interest on long-term debt is not accrued in governmental funds,
but rather is recognized as an expenditure when due.

(4,968)

Long-term liabilities are not due and payable in the current period and
therefore are not reported in governmental funds.

Compensated absences	(4,932)	
Notes payable	<u>(184,360)</u>	
		(189,292)

Net pension obligations are not due and payable in the current period
and, therefore, are not reported as liabilities in the governmental
funds balance sheet.

(788,045)

Deferred outflows and inflows of resources related to pensions are applicable to
future periods and therefore, are not reported in the governmental funds.

Deferred outflows of resources related to pensions	159,359	
Deferred inflows of resources related to pensions	<u>(67,945)</u>	

91,414

Net position of governmental activities

\$ 2,003,278

See accompanying notes.

TOWN OF BLACKVILLE, SOUTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2023

	General Fund	Special Revenue Fund	Total Governmental Funds
Revenues			
Property taxes	\$ 235,001	\$ 3,587	\$ 238,588
Franchise fees	144,844	-	144,844
Licenses and permits	195,496	-	195,496
Intergovernmental revenues	666,535	-	666,535
Charges for services	307,638	-	307,638
Fines and forfeitures	81,672	-	81,672
Grants	578,552	-	578,552
Investment earnings	775	-	775
Miscellaneous	53,605	-	53,605
Total revenues	<u>2,264,118</u>	<u>3,587</u>	<u>2,267,705</u>
Expenditures			
Current:			
General government	681,093	-	681,093
Public safety	782,281	3,230	785,511
Streets and sanitation	317,064	-	317,064
Culture and recreation	50,457	-	50,457
Capital outlay	658,770	-	658,770
Debt service:			
Principal	36,571	-	36,571
Interest	9,384	-	9,384
Total expenditures	<u>2,535,620</u>	<u>3,230</u>	<u>2,538,850</u>
(Deficit) of revenues (under) expenditures	<u>(271,502)</u>	<u>357</u>	<u>(271,145)</u>
Other Financing Sources			
Transfers	(48,124)	-	(48,124)
Total other financing sources	<u>(48,124)</u>	<u>-</u>	<u>(48,124)</u>
Net change in fund balance	(319,626)	357	(319,269)
Fund balance, beginning of year	1,271,628	14,023	1,285,651
Fund balance, end of year	<u>\$ 952,002</u>	<u>\$ 14,380</u>	<u>\$ 966,382</u>

See accompanying notes.

TOWN OF BLACKVILLE, SOUTH CAROLINA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2023

Net change in fund balance - total governmental funds	\$ (319,269)
Amounts reported for governmental activities in the Statement of Activities are different due to the following:	
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over the estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which depreciation exceeded capital outlays in the period.	
Acquisition of capital assets	658,770
Depreciation	(160,805)
Net change in capital assets	497,965
Some property taxes will not be collected for several months after the Town's fiscal year end. They are not considered "available" revenue and are deferred in the governmental funds. Grant revenue and tax revenues decreased by this amount.	
Property taxes	(434)
The net effect of various transactions involving capital assets (i.e. sales and donations) is a decrease in net assets.	
Sale of capital assets	(40,549)
The issuance of long-term debt (e.g., bonds, leases, notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The net effect of these differences in the treatment of debt and related items is as follows:	
Principal repayments	36,571
Governmental funds report interest on long-term debt. However, accrued interest is not reported in the funds.	
	1,077
Pension expense which is not "due and payable" at year end is not recorded as an expense in the governmental funds. However, all pension expense accrued at year end no matter when it may be due and payable is recorded in the government wide statements.	
	(653)
In the Statement of Activities, compensated absences are reported by the amounts earned during the year. In the governmental funds, however, expenditures are measured by the amount of financial resources used.	
	2,691
Change in net position of governmental activities	<u>\$ 177,399</u>

See accompanying notes.

TOWN OF BLACKVILLE, SOUTH CAROLINA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

JUNE 30, 2023

	Water and Sewer Fund
Assets	
Current assets	
Cash and cash equivalents	\$ 77,107
Accounts receivable, net	68,311
Restricted Assets	
Cash and cash equivalents	77,060
Investments	82,197
Non-current assets	
Capital assets, not being depreciated	127,200
Capital assets, being depreciated, net	3,059,703
Total assets	<u>3,491,578</u>
Deferred outflows of resources	
Deferred pension outflows	72,345
Total assets and deferred outflows of resources	<u>3,563,923</u>
Liabilities	
Current liabilities	
Accounts payable	59,477
Accrued expenses	4,933
Accrued interest	191
Customer deposits	73,080
Due to other funds	373,449
Compensated absences	5,173
Non-current liabilities	
Due within one year	25,307
Due in more than one year	194,887
Net pension liability	357,755
Total liabilities	<u>1,094,252</u>
Deferred inflows of resources	
Deferred pension inflows	30,846
Total liabilities and deferred inflows of resources	<u>1,125,098</u>
Net position	
Net investment in capital assets	2,966,709
Restricted for debt service	77,060
Unrestricted	(604,944)
Total net position	<u>\$ 2,438,825</u>

See accompanying notes.

TOWN OF BLACKVILLE, SOUTH CAROLINA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION PROPRIETARY FUNDS

YEAR ENDED JUNE 30, 2023

	Water and Sewer Fund
Operating revenue	
Water charges, net	\$ 276,141
Sewer charges, net	293,675
Penalties	20,183
Other fees and charges	47,770
Total operating revenue	<u>637,769</u>
Operating expenses	
Cost of services	105,254
Salaries and related	311,377
Utilities	78,049
Repairs and maintenance	50,492
Supplies	77,431
Administration	28,117
Depreciation	203,898
Total operating expenses	<u>854,618</u>
Operating income (loss)	<u>(216,849)</u>
Nonoperating revenue (expenses)	
Other income	4,356
Grants and donations	84,600
(Loss) on sale on assets	(35,871)
Interest income	1,281
Interest expense	(10,006)
Total nonoperating revenue (expense)	<u>44,360</u>
Income before capital contributions and transfers	<u>(172,489)</u>
Capital grants, contributions and transfers	
Transfers	48,124
Total capital grants, contributions and transfers	<u>48,124</u>
Change in net position	(124,365)
Total net position, beginning	2,563,190
Total net position, ending	<u><u>\$ 2,438,825</u></u>

See accompanying notes.

TOWN OF BLACKVILLE, SOUTH CAROLINA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

YEAR ENDED JUNE 30, 2023

	Water and Sewer Fund
Cash flows from operating activities	
Cash received from customers	\$ 628,548
Cash paid to suppliers	(245,955)
Cash paid to and for employees	(330,735)
Net cash provided by operating activities	<u>51,858</u>
Cash flows from non-capital financing activities	
Capital grants and donations	84,600
Net cash provided by noncapital financing activities	<u>84,600</u>
Cash flows from capital and related financing activities	
Other income	4,356
Purchase of capital assets	(140,224)
Interfund receipts and payments, net	48,124
Proceeds/payments on capital debt, net	(37,464)
Interest paid on debt	(10,006)
Net cash (used in) capital and related financing activities	<u>(135,214)</u>
Cash flows from investing activities	
Interest income	1,281
Change in investments	(89)
Net cash provided by investing activities	<u>1,192</u>
Net increase in cash and cash equivalents	2,436
Cash and cash equivalents, beginning	151,731
Cash and cash equivalents, ending	<u><u>\$ 154,167</u></u>
Reconciliation of Cash and Cash Equivalents to Statement of Net Position:	
Cash and cash equivalents	\$ 77,107
Restricted cash and cash equivalents	77,060
Total cash and cash equivalents	<u><u>\$ 154,167</u></u>

(CONTINUED)

TOWN OF BLACKVILLE, SOUTH CAROLINA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

YEAR ENDED JUNE 30, 2023

-CONTINUED-

	<u>Water and Sewer Fund</u>
Reconciliation of operating income to net cash provided by operating activities	
Operating income (loss)	\$ (216,849)
Adjustments to reconcile operating income to net cash provided by operating activities	
Depreciation	203,898
Changes in assets and liabilities:	
Accounts receivable	(7,231)
Due from other governments	3,000
Deferred outflows	32,284
Accounts payable	25,211
Accrued expenses	(2,682)
Accrued interest	(93)
Due to/from other funds	65,269
Customer security deposits	(1,990)
Compensated absences	(4,309)
Net pension liabilities	5,165
Deferred inflows	(49,815)
Net cash provided by operating activities	<u>\$ 51,858</u>

See accompanying notes.

TOWN OF BLACKVILLE

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND

JUNE 30, 2023

	Firemen's Fund
Assets	
Cash and cash equivalents	\$ 11,616
Total current assets	11,616
Net position	
Restricted for individuals	11,616
Total net position	<u>\$ 11,616</u>

See accompanying notes.

TOWN OF BLACKVILLE

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND

JUNE 30, 2023

	Firemen's Fund
Additions	
Fines and fees	\$ 7,193
Total additions	7,193
Deductions	
Custodial disbursements	6,332
Total deductions	6,332
Change in net position	861
Net position, beginning of year	10,755
Net position, end of year	<u><u>\$ 11,616</u></u>

See accompanying notes.

TOWN OF BLACKVILLE, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

-CONTINUED-

1. Summary of Significant Accounting Policies

The Town of Blackville, South Carolina (the "Town") is a municipal corporation of the State of South Carolina and operates pursuant to the provisions of the Home Rule Act, Act No. 283 of 1975, codified in Title 5 of the South Carolina Code as amended. The town operates under a Mayor-Council form of government and provides the following services as authorized by the charter: public safety (police and fire), streets and sanitation, culture-recreation, public improvements, planning and zoning, and general and administrative services. The Town also owns and operates a utility system which provides water and sewer services. The financial statements of the Town include all of the above operations. No other organizations are included in the financial statements and the Town is not included in any other governmental "reporting entity" as defined by GASB, since Council members are elected by the public and have decision-making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations, and have primary accountability for fiscal matters.

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

Accounting principles generally accepted in the United States of America require that the reporting entity include (1) the primary government; (2) organizations for which the primary government is financially accountable; and (3) other organizations for which the nature and significance of their relationship with the primary government are such that the exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Based on the application of these criteria, there were no organizations which met the criteria above.

Basis of Presentation

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

-CONTINUED-

TOWN OF BLACKVILLE, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

-CONTINUED-

1. Summary of Significant Accounting Policies (continued)

Government-wide Financial Statements

The statement of net position and the statement of activities display information about the Town as a whole. These statements include the financial activities of the primary government, except for the fiduciary funds. The statements distinguish between those activities of the Town that are governmental in nature, which normally are supported by taxes and intergovernmental revenues, and those that are considered business-type activities, which rely to a significant extent on fees and charges for support. The statement of net position presents the financial condition of the governmental and business-type activities of the Town at year-end.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Amounts recorded as program revenues include: (1) charges to customers or applicants for goods, services, or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

Fund Financial Statements

The Town segregates transactions related to certain Town 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 Town at this more detailed level. The focus of governmental and proprietary 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.

TOWN OF BLACKVILLE, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

-CONTINUED-

1. Summary of Significant Accounting Policies (continued)

Fund Accounting

The accounts of the government are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with the finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Property taxes collected within this sixty-day period is an example of such revenue. In determining when to recognize intergovernmental revenues (grants and entitlements), the legal and contractual requirements of the individual programs are used as guidance. Revenues are recognized when the eligibility requirements have been met. Expenditures generally are recorded when a liability is incurred except for debt service expenditures, as well as expenditures related to compensated absences and claims and judgments which are recorded only when payment is due.

Property taxes, licenses, state shared revenues, grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government, or specifically identified.

The Town's funds are classified into three categories – governmental, proprietary, and fiduciary.

Governmental Funds

General Fund - The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government.

Victims' Fund – The victims assistance fund is a special revenue fund. The fund receives a portion of fines and assessments collected by the municipal court which are required by state law to be used to fund a victims' assistance program. It is used exclusively for the purpose of providing assistance to victims of crimes.

TOWN OF BLACKVILLE, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

-CONTINUED-

1. Summary of Significant Accounting Policies (continued)

Proprietary Funds

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

Fiduciary Fund – The fiduciary fund accounts for the assets held by the government in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or funds. The fireman's fund accounts for assets the government holds for others in an agency capacity.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Cash and Cash Equivalents

The Town considers all highly liquid investments, including cash on hand, demand deposits and short-term investments with original maturities of three months or less to be cash and cash equivalents. The Town's investment policy is designed to operate within existing statutes of the State of South Carolina.

Restricted Assets

Restricted assets include cash and investments of both governmental and business-type activities that are legally restricted as to their use by applicable laws, grant agreements, contributors, or bond covenants.

TOWN OF BLACKVILLE, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

-CONTINUED-

1. Summary of Significant Accounting Policies (continued)

Accounts Receivable

Property tax receivables are shown net of an allowance for uncollectible accounts. The Town establishes an allowance for all property taxes that did not arise from the latest tax levy year. For collection purposes, taxes receivable are written off at the end of 10 years in accordance with South Carolina law.

Property taxes become a lien on real and personal property (except vehicles) owned on December 31. These taxes are usually levied on or before October 31 and are due without penalty by January 15.

Penalties are added to the taxes depending on the date paid as follows:

January 16 through February 1	3% of tax
February 2 through March 16	10% of tax
March 17 through March 31	15% of tax

Both lien and collection date for motor vehicle taxes are the last day of the month in which the vehicle license expires.

An annual mileage rate is established by the town council as part of the budget process. All the Town's real and personal property taxes are assessed and collected by Barnwell County.

All other levies are recognized as revenue on the government-wide financial statements, while all those not collected within 60 days are recorded as deferred inflows on the governmental fund statements.

Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on their respective financial statements.

TOWN OF BLACKVILLE, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

-CONTINUED-

1. Summary of Significant Accounting Policies (continued)

Capital Assets and Depreciation

The Town's capital assets are recorded at cost for the government-wide financial statements but are not capitalized in the Town's fund financial statements. Capital assets in the Proprietary Fund are capitalized at cost in the proprietary fund statements. Donated capital assets are recorded at estimated fair market value at the date of donation. The cost of land is not depreciated. Depreciation is calculated principally on the straight-line method over the estimated useful lives of the respective assets.

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

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, when material.

Depreciation computed the straight-line method over the following estimated useful lives of the assets, generally 20 to 40 years for buildings, land improvements, infrastructure, and water and sewer systems and 3 to 8 years for machinery, equipment, and vehicles. A half year of depreciation is taken the year the asset is placed in service and in the current year of disposition.

Compensated Absences

It is the Town's policy to permit employees to accumulate earned but unused vacation leave. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. No liability is recorded for sick pay benefits which are not vested.

Long-Term Obligations

In the government-wide financial statements and proprietary fund type 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.

TOWN OF BLACKVILLE, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

-CONTINUED-

1. Summary of Significant Accounting Policies (continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the South Carolina Retirement Systems (SCRS) and additions to/deductions from SCRS's fiduciary net position have been determined on the same basis as they are reported by SCRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

Fund Balance Reporting

In the fund financial statements, the Town implemented GASB No. 54 Fund Balance Reporting and Governmental Fund Type Definitions for the year ended June 30, 2015. GASB No. 54 established that fund balance for governmental funds should be reported in the classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purpose for which the amounts in these funds can be spent. These classifications may consist of the following:

Non-spendable – generally, amounts that are not expected to be converted to cash, such as inventories or prepaid amounts. This classification also includes some long-term amounts such as property acquired for resale or the long-term portion of loans receivable. However, if the eventual proceeds or collections from these would be restricted, committed, or assigned, these amounts would be included in that other classification.

Legally or Contractually Required to be Maintained Intact – amounts that are required to be maintained intact, such as the principal of a permanent fund.

Restricted – amounts that can be used only for specific purposes because of (a) constitutional provisions enabling legislation of (b) externally imposed constraints. External constraints might be imposed by creditors, grantors, contributors, or even the laws or regulations of other governments.

TOWN OF BLACKVILLE, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

-CONTINUED-

1. Summary of Significant Accounting Policies (continued)

Committed – amounts that can be used only for specific purposes because of a formal action by the governments highest level of decision-making authority. This classification might also include contractual obligation if existing resources have been committed for use in satisfying those contractual requirements. The formal action to establish constraints should be taken before year-end, even if the amount might not be determined until the subsequent period.

Assigned – amounts intended to be used for specific purposes but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body, another body (such as a finance committee), or by an official to whom that authority has been given. This is the residual fund balance classification for all governmental funds except the general fund. Assigned fund balances should not be reported in the general fund if doing so causes the government to report a negative unassigned general fund balance.

Unassigned – this is the residual classification for the general fund (i.e., everything that is not in another classification or in another fund). The general fund is the only governmental fund that can report a positive unassigned fund balance. Other governmental funds might have a negative unassigned fund balance as a result of overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The Town Council establishes, modifies or rescinds fund balance commitments and assignments by passage of an ordinance or resolution. This is done through adoption of the budget and subsequent budget amendments that occur throughout the year.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, followed by the unrestricted, committed, assigned and unassigned as they are needed.

Net Position/Fund Balances

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

TOWN OF BLACKVILLE, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

-CONTINUED-

1. Summary of Significant Accounting Policies (continued)

Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts or other commitments for expenditures are recorded to reserve a portion of an applicable appropriation, is utilized in governmental funds, primarily the General Fund. Encumbrances outstanding at year-end are reported as reservations of fund balance as they do not constitute expenditures or liabilities under accounting principles generally accepted.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and expenditures during the reporting period. Accordingly, actual results could differ from those estimates.

Financial Instruments

Financial Instruments that potentially subject the Town to a concentration of credit risk are trade receivables, interest bearing investments and cash. Due to the large diversity of the Town's proprietary fund customer base, concentrations of credit risk with respect to receivables are limited. The Town places all of its cash and cash equivalents with high-quality financial institutions and requires deposits to be collateralized.

Fair Value Measurement

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

At June 30, 2023, the Town's carrying value of cash and cash equivalents, taxes receivable, accounts receivable, accounts payable, and accrued expenses approximate fair value due to the terms and relatively short maturity of financial instruments. The carrying values of notes payable approximate their fair values, as interest approximates market rates.

Budgets and Budgetary Accounting

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted for the general fund. All annual appropriations lapse at fiscal yearend.

TOWN OF BLACKVILLE, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

-CONTINUED-

2. Deposits & Investments

The State of South Carolina General Statutes permits the Town to invest in certain types of financial instruments. Cash is maintained in demand deposits or savings accounts, certificates of deposits, repurchase agreements, or U.S. Government Securities. There were no deposit or investment transactions during the year that were in violation of the state statutes. The Town has not formally adopted a policy governing deposits and investments.

As of June 30, 2023, bank balances of the Town's deposits were \$793,877.

Interest rate risk – The Town manages its exposure to declines in fair values by limiting its investments to certificates of deposit and federal notes which can be sold and withdrawn on demand.

Credit risk – At June 30, 2023, the Town's investments consisted of certificates of deposits in the amount of \$82,197.

Custodial Credit Risk – deposits – In the case of deposits, this is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk. As of June 30, 2023, the Town had \$543,877 in deposits that were exposed to custodial credit risk.

Custodial credit risk – investments – For an investment, this is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in possession of an outside party.

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Town has the following recurring fair value measurements as of June 30, 2023:

- Certificates of deposit of \$82,197 are valued using quoted market prices (Level 1 inputs).

TOWN OF BLACKVILLE, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

-CONTINUED-

3. Restricted Assets

Certain assets of the Town are restricted as to their use. Restricted assets are described as follows:

	Governmental Activities	Business-type Activities	Total
Victims' assistance	\$ 14,380	\$ -	\$ 14,380
Capital outlay	16,810	-	16,810
Public safety	23,118	-	23,118
Recreation	9,438	-	9,438
Other	177,678	-	177,678
Revenue bond covenants	-	77,060	77,060
	<u>\$ 241,424</u>	<u>\$ 77,060</u>	<u>\$ 318,484</u>

4. Receivables

Receivables as of June 30, 2023 including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities	Business-type Activities	Total
Accounts receivable:			
Property taxes	\$ 35,182	\$ -	\$ 35,182
Accounts	78,871	128,777	207,648
Intergovernmental	143,725	-	143,725
Gross receivables	<u>257,778</u>	<u>128,777</u>	<u>386,555</u>
Less, allowance for uncollectibles	<u>(38,947)</u>	<u>(60,466)</u>	
Net receivables	<u>\$ 218,831</u>	<u>\$ 68,311</u>	<u>\$ 386,555</u>

TOWN OF BLACKVILLE, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

-CONTINUED-

5. Interfund Receivables, Payables and Transfers

As of June 30, 2023, interfund receivables and payables that resulted from regularly recurring operational transfers were as follows:

	Receivable Fund	Payable Fund
Governmental Funds		
General fund	\$389,177	\$ 16,383
Victims' assistance fund	655	-
 Business-Type Funds		
Enterprise fund	-	373,449
	<u>\$389,832</u>	<u>\$ 389,832</u>

Interfund balances largely result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Transfers are used to (1) move revenues from the funds with collection authorization to the debt service fund as debt service principal and interest payments become due, (2) move restricted amounts from borrowings to the debt service fund to establish mandatory reserve accounts, (3) move unrestricted general fund revenues to finance various programs that the Town must account for in other funds in accordance with budgeting authorizations, including amounts provided as subsidies or matching funds for various grant programs.

TOWN OF BLACKVILLE, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

-CONTINUED-

6. Capital Assets

A summary of the changes in the Town's capital assets for governmental activities is as follows:

	Balance July 1, 2022	Additions	Dispositions	Balance June 30, 2023
Governmental Activities:				
Non-depreciable capital assets:				
Land	\$ 769,683	\$ 38,634	\$ -	\$ 808,317
Total non-depreciable capital assets	769,683	38,634	-	808,317
Depreciable capital assets:				
Buildings and systems	242,871	500,638	(13,946)	729,563
Infrastructure	786,481	-	(14,620)	771,861
Machinery and equipment	1,683,514	119,498	(184,579)	1,618,433
Total depreciable capital assets	2,712,866	620,136	(213,145)	3,119,857
Less accumulated depreciation				
Buildings and systems	(184,800)	(13,748)	6,146	(192,402)
Infrastructure	(597,338)	(37,227)	7,295	(627,270)
Machinery and equipment	(1,240,632)	(109,830)	159,155	(1,191,307)
Total accumulated depreciation	(2,022,770)	(160,805)	172,596	(2,010,979)
Depreciable assets, net	690,096	459,331	(40,549)	1,108,878
Governmental activities capital assets, net	<u>\$ 1,459,779</u>	<u>\$ 497,965</u>	<u>\$ (40,549)</u>	<u>\$ 1,917,195</u>

Depreciation expense was charged to functions of the Town as follows:

Governmental Activities

General government	\$ 42,739
Public safety	80,349
Streets and sanitation	24,327
Culture and recreation	<u>13,390</u>

Total depreciation expense - governmental activities \$ 160,805

TOWN OF BLACKVILLE, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

-CONTINUED-

6. Capital Assets (continued)

A summary of the Town's capital assets for business-type activities is as follows:

	Balance July 1, 2022	Additions	Dispositions	Balance June 30, 2023
Business-Type Activities:				
Non-depreciable capital assets:				
Construction in progress	\$ 42,600	\$ 84,600	\$ -	\$ 127,200
Total non-depreciable capital assets	42,600	84,600	-	127,200
Depreciable capital assets:				
Buildings	63,471	-	(2,662)	60,809
Utility systems and improvements	9,012,568	15,000	(22,748)	9,004,820
Vehicles and equipment	1,150,254	40,624	(78,078)	1,112,800
Total depreciable capital assets	10,226,293	55,624	(103,488)	10,178,429
Less accumulated depreciation				
Buildings	(52,342)	(986)	906	(52,422)
Utility systems and improvements	(6,535,379)	(162,940)	12,283	(6,686,036)
Vehicles and equipment	(394,724)	(39,972)	54,428	(380,268)
Total accumulated depreciation	(6,982,445)	(203,898)	67,617	(7,118,726)
Depreciable assets, net	3,243,848	(148,274)	(35,871)	3,059,703
Governmental activities capital assets, net	<u>\$ 3,286,448</u>	<u>\$ (63,674)</u>	<u>\$ (35,871)</u>	<u>\$ 3,186,903</u>

Depreciation for the business-type activities for the year ended June 30, 2023 was \$203,898.

TOWN OF BLACKVILLE, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

-CONTINUED-

7. Long-Term Obligations

The Town has the following forms of long-term obligations:

Revenue Bonds – The Town’s revenue bonds were used to finance construction of water and sewer facilities and the purchase of real estate for use in business-type activities. The Revenue Bonds are reported in the proprietary fund since they are expected to be repaid from revenues, primarily water and sewer sales and services, which are generated by proprietary fund activities.

Notes Payable and Financed Purchase Obligations – The Town uses notes and financed purchase agreements to finance the purchase of various equipment. Repayment is budgeted in the proprietary fund and in the general fund.

Compensated Absences Payable – These obligations represent accumulated annual leave and compensatory time benefits which are not funded by the current or prior years’ revenue resources. These obligations are primarily funded by the general fund or proprietary fund.

Changes in governmental activities long term debt for the year ended June 30, 2023, is as follows:

	Balance July 1, 2022	Additions	Reductions	Balance June 30, 2023	Due Within One Year
Governmental Activities					
Financed purchases payable	\$ 143,481	\$ -	\$(26,667)	\$ 116,814	\$ 27,645
Notes payable	77,450	-	(9,904)	67,546	10,261
Compensated absences	7,623	4,932	(7,623)	4,932	4,932
Total governmental activities	<u>\$ 228,554</u>	<u>\$ 4,932</u>	<u>\$(44,194)</u>	<u>\$ 189,292</u>	<u>\$ 42,838</u>
Business-Type Activities					
Demand notes	\$ 25,325	\$ -	\$(18,551)	\$ 6,774	\$ 5,811
Revenue bonds	203,027	-	(9,294)	193,733	9,728
Financed purchases	29,306	-	(9,619)	19,687	9,768
Compensated absences	9,482	5,173	(9,482)	5,173	5,173
Total governmental activities	<u>\$ 267,140</u>	<u>\$ 5,173</u>	<u>\$(46,946)</u>	<u>\$ 225,367</u>	<u>\$ 30,480</u>

TOWN OF BLACKVILLE, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

-CONTINUED-

7. Long-Term Obligations (continued)

Governmental Activities

Financed Purchases:

A 13-year financed purchase agreement with a financial institution maturing in 2026 for the purchase a fire truck, payable in annual installments of \$31,929, including interest at 3.67%. The balance due on this note at June 30, 2023 is \$116,814.

A 6-year financed purchased agreement with a financial institution maturing in 2022 for the purchase of two police vehicles, payable in annual installments of \$16,337 including interest at 2.65%. This note was paid in full at June 30, 2023.

The annual requirements to amortize the financed purchases as described in the preceding paragraphs at June 30, 2023 are as follows:

Notes Payable:

Note payable to USDA for the purchase of a vehicle maturing in March 2029, payable in annual installments of \$1,777, including interest at 3.875%. The balance due on this note at June 30, 2023 is \$9,351.

Note payable to USDA for the purchase of vehicles maturing in March 2029, payable in annual installments of \$4,061, including interest at 3.250%. The balance due on this note at June 30, 2023 is \$21,818.

Note payable to USDA for the purchase of vehicles maturing in March 2029, payable in annual installments of \$6,911, including interest at 3.875%. The balance due on this note at June 30, 2023 is \$36,377.

The annual requirements to amortize the notes payable as described in the preceding paragraphs at June 30, 2023 are as follows:

Year ending June 30,	Financed Purchases		Notes Payable		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 27,645	\$ 4,284	\$ 10,261	\$ 2,488	\$ 37,906	\$ 6,772
2025	28,659	3,270	10,645	2,104	39,304	5,374
2026	29,710	2,219	11,035	1,714	40,745	3,933
2027	30,800	1,130	11,441	1,308	42,241	2,438
2028	-	-	11,859	890	11,859	890
2029	-	-	12,305	443	12,305	443
	<u>\$116,814</u>	<u>\$10,903</u>	<u>\$ 67,546</u>	<u>\$ 8,947</u>	<u>\$ 184,360</u>	<u>\$ 19,850</u>

TOWN OF BLACKVILLE, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

-CONTINUED-

7. Long-Term Obligations (continued)

Business-Type Activities

Demand notes:

Two notes payable to a financial institution, including interest at 3.05% and 3.45%, payable in 48 monthly installments of \$496 and \$826 through August 2024. The balance due on these notes at June 30, 2023 was \$6,774.

Revenue bonds:

\$340,000 Water and Sewer System Revenue Bonds of 1998, due in monthly installments of \$1,530, including interest at 4.5%, payable to USDA Rural Development through February 2038. The balance due at June 30, 2023 was \$193,733.

Financed purchase:

Financed purchase with a financial institution, bearing interest at 1.55%, payable in three annual installments of \$10,073, including interest through November 2024. The balance due at June 30, 2023 was \$19,687.

The annual requirements to amortize all business-type long-term obligations, as of June 30, 2023, are as follows:

Year ending June 30,	Demand Notes		Revenue Bonds		Financed Purchases		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 5,811	\$ 142	\$ 9,728	\$ 8,632	\$ 9,768	\$ 305	\$ 25,307	\$ 9,079
2025	963	3	10,181	8,179	9,919	154	21,063	8,336
2026	-	-	10,655	7,705	-	-	10,655	7,705
2027	-	-	11,151	7,209	-	-	11,151	7,209
2028	-	-	11,670	6,690	-	-	11,670	6,690
2029-2033	-	-	67,027	24,773	-	-	67,027	24,773
2034-2038	-	-	73,321	7,769	-	-	73,321	7,769
	<u>\$ 6,774</u>	<u>\$ 145</u>	<u>\$193,733</u>	<u>\$70,957</u>	<u>\$ 19,687</u>	<u>\$ 459</u>	<u>\$ 220,194</u>	<u>\$ 71,561</u>

TOWN OF BLACKVILLE, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

-CONTINUED-

7. Long-Term Obligations (continued)

Significant limitations and restrictions contained in the various bond indentures are summarized as follows:

1. Sinking Funds – the revenue bonds provide for the creation of a sinking fund.
2. Bond and Interest Funds – all revenue bonds require a Bond and Interest Fund with monthly deposits of 1/12th of the annual payment due.
3. Cushion Funds – all revenue bonds require a Cushion Fund to be set up with required monthly deposits of 1/10th the monthly Bond and Interest Fund Deposit. The deposits are to be made until the account has a balance equal to the highest combined principal and interest due in any subsequent year.
4. Depreciation Fund – Only one Depreciation Fund is required to meet the restriction of all revenue bonds. The required monthly deposit is 1/12th the sum determined to be needed for the current year in order to provide a reserve for the restoring depreciated or obsolete items of the Water System.
5. Contingency Fund – Only one Contingent Fund is required to meet the restrictions of all revenue bonds. The required monthly deposit is 1/12th of the sum determined to be needed to build up a reserve for improvements, betterments, and extension to the Water System, other than expenses necessary to maintain the system in good repair, and to defray the cost of unforeseen contingencies.
6. Gross Revenue Fund and Operation Maintenance Fund – the revenue bond requires the establishment of these two funds. The requirement is substantially satisfied by the Town's Water and Sewer Fund operating bank account into which all gross revenue is deposited and out of which all operations and maintenance expenses are paid.

Management believes the Town is in compliance with the limitations and restrictions as of June 30, 2023.

TOWN OF BLACKVILLE, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

-CONTINUED-

8. Pension Plan

South Carolina Retirement System

The majority of employees of the Town are covered by a retirement plan through the South Carolina Retirement System (SCRS), a cost-sharing multiple-employer defined benefit pension plan administered by the Retirement Division of the South Carolina Public Employee Benefit Authority (PEBA), a public employee retirement system. Generally, all full-time or part-time equivalent State employees in a permanent position are required to participate in and contribute to the SCRS as a condition of employment unless exempted by law as provided in Section 9-1-480 of the South Carolina Code of Laws, as amended, or are eligible and elect to participate in the State Optional Retirement Program (ORP). The SCRS plan provides life-time monthly retirement annuity benefits to members as well as disability, survivor options, annual benefit adjustments, death benefits, and incidental benefits to eligible employees and retired members.

The Retirement Division maintains five independent defined benefit plans and issues its own publicly available Comprehensive Annual Financial Report (CAFR) which includes financial statements and required supplementary information. A copy of the separately issued CAFR may be obtained by writing to the South Carolina Public Employee Benefit Authority, P.O. Box 11960, Columbia, South Carolina 29211-1960. Furthermore, the Division and the five pension plans are included in the State of South Carolina's CAFR.

Under the SCRS, Class II members are eligible for a full-service retirement annuity upon reaching age 65 or completion of 28 years of credited service regardless of age. Employees who first became members of the System after June 30, 2012, are considered Class III members and are eligible for a full-service retirement annuity upon reaching age 65 or upon meeting the rule of 90 requirement (i.e., the members age plus the years of service add up to a total of at least 90). The benefit formula for full benefits effective since July 1, 1989, for the SCRS is 1.82 percent of an employee's average final compensation (AFC) multiplied by the number of years of credited service. For Class II members, AFC is the average annual earnable compensation during 12 consecutive quarters and includes an amount for up to 45 days termination pay at retirement for unused annual leave.

For Class III members, AFC is the average annual earnable compensation during 20 consecutive quarters and termination pay for unused annual leave at retirement is not included. Early retirement options with reduced benefits are available as early as age 55 for Class II members and age 60 for Class III members. Class II members are vested for a deferred annuity after five years of earned service. Class III members are vested for a deferred annuity after eight years of earned service. Members qualify for a survivor's benefit upon completion of 15 years of credited service (five years effective January 1, 2002).

TOWN OF BLACKVILLE, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

-CONTINUED-

8. Pension Plan (continued)

Disability annuity benefits are payable to Class II members if they have permanent incapacity to perform regular duties of the member's job and they have at least 5 years of earned service (this requirement does not apply if the disability is a result of a job-related injury). Class III members qualify for disability annuity benefits provided they have a minimum of eight years of credited service. An incidental death benefit equal to an employee's annual rate of compensation is payable upon the death of an active employee with a minimum of one year of credited service or to a working retired contributing member. There is no service requirement for death resulting from actual performance of duties for an active member.

Effective July 1, 2022, employees participating in the SCRS were required to contribute 9.00% of all earnable compensation. The employer contribution rate for SCRS was 17.56%. Included in the total SCRS employer contribution rate is a base retirement contribution of 17.41% and 0.15% contribution rate for the incidental death program. The Town's actual contributions to the SCRS for the years ended June 30, 2023, 2022 and 2021 were approximately \$110,761, \$89,282, and \$89,188, respectively, and equaled the base required retirement contribution rate, excluding surcharge of 17.56% for 2023, 16.56% for 2022, and 15.56% for 2021.

Police Officers Retirement System

The South Carolina Police Officers Retirement System (PORS) is a cost-sharing multiple employer defined benefit public employee retirement system. Generally, all full-time employees whose principal duties are the preservation of public order or the protection or prevention and control of property destruction by fire are required to participate in and contribute to PORS as a condition of employment. This plan provides lifetime monthly annuity benefits as well as disability, survivor benefits and incidental benefits to eligible employees and retirees. In addition, participating employers in the PORS contribute to the accidental death fund which provides annuity benefits to beneficiaries of police officers and firefighters killed in the actual performance of their duties. These benefits are independent of any other retirement benefits available to the beneficiary.

Under the PORS, Class II members are eligible for a full-service retirement annuity upon reaching age 55 or completion of 25 years of credited service regardless of age. Class III members are eligible for a full-service retirement annuity upon reaching age 55 or 27 years of credited service. The benefit formula for full benefits effective since July 1, 1989, for the SCRS is 2.14 percent of an employee's average final compensation (AFC) multiplied by the number of years of credited service. For Class II members, AFC is the average annual compensation during 12 consecutive quarters and includes an amount for up to 45 days termination pay for unused annual leave.

TOWN OF BLACKVILLE, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

-CONTINUED-

8. Pension Plan (continued)

For Class III members, AFC is the average annual earnable compensation during 20 consecutive quarters and termination pay for unused annual leave at retirement is not included. PORS does not have an early retirement option. Class II members are vested for a deferred annuity after five years of earned service. Class III members are vested for a deferred annuity after eight years of earned service. Members qualify for a survivor's benefit upon completion of 15 years of credited service (five years effective January 1, 2002).

Effective July 1, 2022, employees participating in the PORS were required to contribute 9.75% of all earnable compensation. The employer contribution rate for PORS was 20.04%. Included in the total PORS employer contribution rate is a base retirement contribution of 19.84% and .20% for the incidental death program. The Town's actual contributions to the PORS for the years ended June 30, 2023, 2022, and 2021 were approximately \$534, \$3,794, and \$0, respectively, and equaled the base required retirement contribution rate, excluding surcharge of 20.24% for 2023, 19.24% for 2022, and 18.24% for 2021.

The amounts paid by the Town for pension and incidental death benefit program contributions are reported as employer contribution expenditures within the applicable functional expenditure categories to which the related salaries are charged.

Article X, Section 16, of the South Carolina Constitution requires that all State-operated retirement systems be funded on a sound actuarial basis. Title 9 of the South Carolina Code of Laws of 1976, as amended, prescribes requirements relating to membership, benefit, and employee/employer contributions for each retirement system. Employee and employer contribution rates to SCRS and PORS are actuarially determined.

At June 30, 2023, the Town reported \$1,107,642 and \$38,158 for its proportionate share of the net pension liabilities of SCRS and PORS, respectively. The net pension liability of the SCRS defined benefit pension plan was determined based on the July 1, 2022, actuarial valuations, using most recent membership data, projected forward to June 30, 2022, and financial information of the pension trust funds as of June 30, 2022, using generally accepted actuarial procedures. The Town's portion of the net pension liability was based on the Town's share of contributions to the pension plan relative to the contributions of all participating entities. At June 30, 2023, the Town's SCRS proportion was 0.004569% and its PORS proportion was 0.001272%.

TOWN OF BLACKVILLE, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

-CONTINUED-

8. Pension Plan (continued)

At June 30, 2023, the state reported deferred outflows of resources and deferred inflows of resources to pensions from the following sources:

	SCRS	PORS
Deferred Outflows of Resources		
Differences between expected and actual experience	\$ 9,623	\$ 640
Assumption changes	35,525	1,589
Net difference between projected and actual investment earnings	1,709	115
Differences between employer contributions and proportionate share	45,430	25,778
Contributions made from measurement date to June 30, 2023	110,761	534
Total deferred outflows of resources	203,048	28,656
Deferred Inflows of Resources		
Differences between expected and actual experience	4,827	754
Differences between employer contributions and proportionate share	93,210	-
Total deferred inflows of resources	98,037	754
Net deferred outflows/(inflows)	\$105,011	\$ 27,902

Deferred outflows of \$110,761 and \$534 for SCRS and PORS, respectively, reported as resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expenses as follows:

Year ended June 30,	SCRS	PORS	Net
2024	\$ 12,305	\$ 10,291	\$ 22,596
2025	3,996	10,015	14,011
2026	(50,938)	5,577	(45,361)
2027	28,887	1,485	30,372
	\$ (5,750)	\$ 27,368	\$ 21,618

TOWN OF BLACKVILLE, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

-CONTINUED-

8. Pension Plan (continued)

The total pension liabilities in the July 1, 2022, actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

	<u>SCRS</u>	<u>PORS</u>
Actuarial Cost Method	Entry Age	Entry Age
Actuarial Assumptions:		
Investment Rate or Return	7.00%	7.00%
Projected Salary Increases	3.0% to 11.0%	3.5% to 10.5%
Inflation Rate	2.25%	2.25%
Benefit Adjustments	Lesser of 1% or \$500	Lesser of 1% or \$500

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumptions, the 2020 Public Retirees of South Carolina Mortality table (2020 PRSC), was developed using the Systems' mortality experience. These base rates are adjusted for future improvement in mortality using published Scale AA projected from the year 2020. Assumption used in the determination of the June 30, 2022, SCRS and PORS valuations are as follows:

<u>Former Job Class</u>	<u>Males</u>	<u>Females</u>
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 Males multiplied by 107%
Public Safety and Firefighters	2020 PRSC Males multiplied by 127%	2020 PRSC Males multiplied by 107%

The long-term expected rate of return on pension plan investments for actuarial purposes is based upon the 30-year capital market assumptions. The long-term expected rate of returns represented 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 2021 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 7.00 percent assumed annual investment rate of return used in the calculation of the TPL includes a 4.75 percent real rate of return and a 2.25 percent inflation component.

TOWN OF BLACKVILLE, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

-CONTINUED-

8. Pension Plan (continued)

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

Allocation / Exposure	Policy Target	Expected Arithmetic Real Rate of Return	Long Term Expected Portfolio Real Rate of Return
Public Equity	46.00%	6.79%	3.12%
Bonds	26.00%	35.00%	-0.09%
Private Equity	9.00%	8.75%	0.79%
Privatized Debt	7.00%	6.00%	0.42%
Real Assets	12.00%		
Real Estate	9.00%	4.12%	0.37%
Infrastructure	3.00%	5.88%	0.18%
Total Expected Return	100.00%		4.79%
Inflation for Actuarial Purposes			2.25%
			7.04%

The discount rate used to measure the total pension liability (TPL) was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina Code of Laws. Based on those assumptions, the Systems' 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.

The following table represents the Town's proportionate share of the net SCRS and PORS pension liabilities calculated using the discount rate of 7.00 percent, as well as what the Town's respective net pension liabilities would be if it were calculated using a discount rate of 1.00 percent lower (6.00 percent) or 1.00 percent higher (8.00 percent) than the current rate.

Plan	1% Decrease 6.00%	Current Rate 7.00%	1% Increase 8.00%
SCRS	\$ 1,420,133	\$ 1,107,642	\$ 847,846
PORS	53,209	38,158	25,837
	<u>\$ 1,473,342</u>	<u>\$ 1,145,800</u>	<u>\$ 873,683</u>

TOWN OF BLACKVILLE, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

-CONTINUED-

9. Post-Employment Benefits

As of June 30, 2023, the Town does not offer any post-employment retirement benefits to its employees.

10. Net Investment in Capital Assets

Net investment in capital assets groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce this category. The capital assets and related debt are as follows:

	Governmental Activities	Business-Type Activities	Total
Capital assets, net	\$ 1,917,195	\$ 3,186,903	\$ 5,104,098
Less related debt	(184,360)	(220,194)	(404,554)
Total	<u>\$ 1,732,835</u>	<u>\$ 2,966,709</u>	<u>\$ 4,699,544</u>

11. Risk Management

The Town is exposed to various risks of loss relating to torts, theft or impairment of assets, errors or omissions, damages to and destruction of assets, injuries to employees, and natural disasters. The Town pays premiums to a public entity risk pool for workers' compensation insurance and for property and casualty coverage. The public entity risk pool promises to pay to or on behalf of the insured for covered economic losses sustained during the policy period in accordance with insurance policy and benefit program limits. The public entity risk pool is self-sustaining through member premiums and reinsures through commercial companies for certain claims.

During the fiscal year ended June 30, 2023, the Town did not experience any significant uninsured claims. Accordingly, there was no liability or expense recorded for actual claims, and management does not believe any provision for unasserted claims is necessary.

TOWN OF BLACKVILLE, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

-CONTINUED-

12. Contingencies and Commitments

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Town expects such amounts, if any, to be immaterial.

The Town is occasionally involved in legal proceedings (predominantly civil suits) and claims with various parties, which arise in the normal course of business. Although any litigation has an element of uncertainty, it is management's opinion that the outcome of litigation pending or threatened, or the combination thereof, will not have a materially adverse effect on the financial position of the Town. No provision has been made in these financial statements for losses, if any, which might result from litigation pending, threatened, or the combination thereof because there is no evidence to indicate that a loss expenditure and liability should be recorded at year-end.

13. Subsequent Events

Subsequent events were evaluated through March 27, 2024 which is the date the financial statements were available for issue. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF BLACKVILLE, SOUTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET TO ACTUAL - GENERAL FUND

YEAR ENDED JUNE 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenue				
Property taxes	\$ 235,705	\$ 235,705	\$ 235,001	\$ (704)
Franchise fees	133,000	133,000	144,844	11,844
Licenses and permits	197,100	197,100	195,496	(1,604)
Intergovernmental	336,930	336,930	666,535	329,605
Charges for services	316,212	316,212	307,638	(8,574)
Fines and forfeitures	36,000	36,000	81,672	45,672
Grants	-	-	578,552	578,552
Investment earnings	150	150	775	625
Miscellaneous	4,500	4,500	53,605	49,105
Total revenue	<u>1,259,597</u>	<u>1,259,597</u>	<u>2,264,118</u>	<u>1,004,521</u>
Expenditures				
Current				
General government	270,025	270,025	681,093	(411,068)
Public safety	602,658	602,658	782,281	(179,623)
Streets and sanitation	329,954	329,954	317,064	12,890
Culture and recreation	12,280	12,280	50,457	(38,177)
Capital outlay	-	-	658,770	(658,770)
Debt service:				
Principal	31,930	31,930	36,571	(4,641)
Interest and fiscal charges	12,750	12,750	9,384	3,366
Total expenditures	<u>1,259,597</u>	<u>1,259,597</u>	<u>2,535,620</u>	<u>(1,276,023)</u>
(Deficit) of revenues (under) expenditures	<u>-</u>	<u>-</u>	<u>(271,502)</u>	<u>(271,502)</u>
Other financing sources				
Transfers	-	-	(48,124)	(48,124)
Total other financing sources	<u>-</u>	<u>-</u>	<u>(48,124)</u>	<u>(48,124)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(319,626)</u>	<u>\$ (319,626)</u>
Fund balance, beginning of year			1,271,628	
Fund balance, end of year			<u>\$ 952,002</u>	

See accompanying notes.

TOWN OF BLACKVILLE, SOUTH CAROLINA

SCHEDULE OF PROPORTIONATE SHARE OF THE SOUTH CAROLINA RETIREMENT SYSTEMS NET PENSION LIABILITIES

LAST TEN FISCAL YEARS*

	2023	2022	2021	2020	2019	2018	2017	2016	2015
South Carolina Retirement System									
City's proportion of the net pension liability	0.004569%	0.005091%	0.005091%	0.004696%	0.004608%	0.004950%	0.004986%	0.004889%	0.004710%
City's proportionate share of the net pension liability	\$ 1,107,642	\$ 1,101,845	\$ 1,101,845	\$ 1,088,525	\$ 1,032,536	\$ 1,114,325	\$ 1,065,002	\$ 927,222	\$ 810,906
City's covered payroll	\$ 636,192	\$ 544,069	\$ 578,767	\$ 523,894	\$ 503,392	\$ 477,531	\$ 499,442	\$ 482,806	\$ 458,373
City's proportionate share of the net pension liability as a percentage of its covered payroll	174.10%	202.52%	190.38%	207.78%	205.12%	233.35%	213.24%	192.05%	176.91%
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%	59.92%
South Carolina Police Officers Retirement System									
City's proportion of the net pension liability	0.001272%	0.000215%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
City's proportionate share of the net pension liability	\$ 38,158	\$ 5,527	N/A	N/A	N/A	N/A	N/A	N/A	N/A
City's covered payroll	\$ 2,640	\$ 20,137	N/A	N/A	N/A	N/A	N/A	N/A	N/A
City's proportionate share of the net pension liability as a percentage of its covered payroll	1445.38%	27.45%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	66.40%	70.40%	N/A	N/A	N/A	N/A	N/A	N/A	N/A

* - The amounts presented for each fiscal year were determined as of July 1 of four years prior, using membership data as of the day, projected forward to June 30 of the previous year. The Town implemented GASB 68 during fiscal year 2015. As such, only the last nine years of data is available.

TOWN OF BLACKVILLE, SOUTH CAROLINA

SCHEDULE OF SOUTH CAROLINA RETIREMENT SYSTEMS CONTRIBUTIONS

LAST TEN FISCAL YEARS *

	2023	2022	2021	2020	2019	2018	2017	2016	2015
South Carolina Retirement System									
Contractually required contributions	\$ 110,761	\$ 89,282	\$ 89,188	\$ 80,732	\$ 72,539	\$ 64,037	\$ 56,986	\$ 53,397	\$ 49,962
Contributions in relation to the contractually required contribution	(110,761)	(89,282)	(89,188)	(80,732)	(72,539)	(64,037)	(56,986)	(53,397)	(49,962)
Contribution deficiency/(excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City covered payroll	\$ 630,757	\$ 544,069	\$ 578,767	\$ 523,894	\$ 503,392	\$ 477,531	\$ 499,442	\$ 482,806	\$ 458,373
Contributions as a percentage of covered payroll	17.56%	16.56%	15.56%	15.56%	14.56%	13.56%	11.56%	11.06%	10.90%
South Carolina Police Officers Retirement System									
Contractually required contributions	\$ 534	\$ 3,794	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	(534)	(3,794)	-	-	-	-	-	-	-
Contribution deficiency/(excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City covered payroll	\$ 2,638	\$ 20,137	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions as a percentage of covered payroll	20.24%	18.84%	N/A	N/A	N/A	N/A	N/A	N/A	N/A

* - The amounts presented for each fiscal year were determined as of July 1 of four years prior, using membership data as of the day, projected forward to June 30 of the previous year. Additionally, the Town implemented GASB 68 during fiscal year 2015. As such, only the last nine years of information is available.

OTHER FINANCIAL INFORMATION

TOWN OF BLACKVILLE, SOUTH CAROLINA

SCHEDULE OF COURT FINES, FEES, ASSESSMENTS, AND SURCHARGES

JUNE 30, 2023

FOR THE STATE TREASURER'S OFFICE:

COUNTY / MUNICIPAL FUNDS COLLECTED	General	Magistrate	Municipal	Total
Court Fines and Assessments:				
Court fines and assessments collected	-	-	58,258	58,258
Court fines and assessments remitted to State	-	-	33,560	33,560
Total Court Fines and Assessments retained	-	-	24,698	24,698
Surcharges and Assessments retained for victim				
Surcharges collected and retained	-	-	1,026	1,026
Assessments retained	-	-	2,561	2,561
Total Surcharges and Assessments retained for victim	-	-	3,587	3,587

FOR THE DEPARTMENT OF CRIME VICTIM COMPENSATION (DCVC)

VICTIM SERVICE FUNDS COLLECTED	Municipal	County	Total
Carryforward from Previous Year – Beginning Balance	14,023	-	14,023
Victim Service Revenue:			
Victim Service Fines Retained by City/County Treasurer	-	-	-
Victim Service Assessments Retained by City/County Treasurer	2,561	-	2,561
Victim Service Surcharges Retained by City/County Treasurer	1,026	-	1,026
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)	17,610	-	17,610
Expenditures for Victim Service Program:	Municipal	County	Total
Salaries and Benefits	-	-	-
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	657	-	657
Total Expenditures from Victim Service Fund/Program (B)	657	-	657
Total Victim Service Funds Retained by Municipal/County Treasurer	16,953	-	16,953
Less: Prior Year Fund Deficit Repayment	-	-	-
Carryforward Funds – End of Year	16,953	-	16,953

COMPLIANCE REQUIREMENTS

TOWN OF BLACKVILLE, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2023

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal Assistance Listing Number	Pass Through Identifying Number	Federal Expenditures June 30, 2023
Department of the Treasury Pass-through Programs From:			
South Carolina Department of Administration			
COVID 19: Coronavirus State and Local Fiscal Recovery Funds	21.027		\$ 759,690
Total Department of the Treasury			<u>759,690</u>
Environmental Protection Agency Pass-through Programs From:			
South Carolina Rural Infrastructure Authority			
Clean Water State Revolving Fund	66.458		84,600
Total Environmental Protection Agency			<u>84,600</u>
Total Expenditures of Federal Awards			<u><u>\$ 844,290</u></u>

TOWN OF BLACKVILLE, SOUTH CAROLINA

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

JUNE 30, 2023

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Town under programs of the federal government for the fiscal year ended June 30, 2023. The information in this schedule is presented in accordance with requirements of the *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Town of Blackville, it is not intended to and does not present the financial position, changes in net position or cash flows of the Town of Blackville.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles obtained in the *Uniform Guidance* and/or OMB Circular A-122, *Cost Principles for Non-profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

3. Indirect Costs

The Town has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

THE BRITTINGHAM GROUP, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

501 STATE STREET

POST OFFICE BOX 5949

WEST COLUMBIA, SOUTH CAROLINA 29171

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

To the Mayor and Town Council
Town of Blackville
5983 Lartigue St. North
Blackville, South Carolina 29817

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 and each major fund of the Town of Blackville, (the "Town") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated March 27, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

The Brittingham Group LLP

West Columbia, South Carolina
March 27, 2024

THE BRITTINGHAM GROUP, L.L.P.

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Mayor and Town Council
Town of Blackville
5983 Lartigue St. North
Blackville, South Carolina 29817

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Town of Blackville's (the "Town") 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 Town's major federal programs for the year ended June 30, 2023. The Town'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, the Town 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 the financial audit 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 Town 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 Town'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 Town'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 Town'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 judgement made by a reasonable user of the report on compliance about the Town'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 judgement 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 Town'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 Town'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 Town's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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 and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. 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.

The Brittingham Group LLP

West Columbia, South Carolina
March 27, 2024

TOWN OF BLACKVILLE, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

JUNE 30, 2023

Summary of Auditors' Results:

1. The auditor's report expresses an unmodified opinion on the basic financial statements of the Town of Blackville.
2. No material weaknesses or significant deficiencies relating to the financial statements are reported in the 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*.
3. No instances of noncompliance material to the financial statements of Town of Blackville were disclosed during the audit.
4. No material weaknesses or significant deficiencies relating to the audit of major federal awards are reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance.
5. The auditor's report on compliance for the major federal award programs for the Town of Blackville expresses an unmodified opinion.
6. No audit findings were reported relative to the major federal award programs for the Town of Blackville as depicted below in this schedule.
7. Major federal programs:

Coronavirus State and Local Fiscal Recovery Funds ALN #21.027
8. The threshold for distinguishing between Type A and Type B Programs was \$750,000.
9. Town of Blackville did not qualify as a low-risk auditee.

Financial Statement Findings:

None

Federal Awards Findings and Questioned Costs:

No findings or questioned costs.

Status of Prior Year Findings:

None were reported.

Town of Blackville
GENERAL FUND PRELIMINARY BUDGET
Fiscal Year: July 2024 - June 2025

		Audited	Budget	Projected	Estimated
		2022-2023	2023-2024	2023-2024	2024-2025
Income					
Property Taxes					
1	401100 · Property Taxes	131,529.24	131,000.00	133,139.07	135,000.00
2	401110 · Property Taxes - Delinquent	18,480.67	15,000.00	12,067.14	12,000.00
3	401150 · Vehicle Tax	27,278.95	25,000.00	28,069.11	28,000.00
4	401160 · Watercraft Tax	528.54	450.00	543.98	550.00
5	401190 · Penalties Assessed	2,062.67	2,400.00	2,369.67	2,400.00
6	401200 · Homestead Tax	28,045.79	28,045.00	26,855.26	26,500.00
7	401300 · Manufacturers Tax	8,870.12	11,000.00	18,343.80	15,000.00
8	401400 · Payment in Lieu of Taxes(Pilot)	3,061.85	2,000.00	21,067.77	2,200.00
9	401410 · Fee in Lieu of Tax (SolarPlant)	4,834.80	14,500.00	11,393.00	11,000.00
10	Total Property Taxes	224,692.63	229,395.00	253,848.80	232,650.00
Licenses and permits					
12	411210 · MASC Brokers Tax	11,646.23	10,000.00	10,000.00	10,000.00
13	411220 · MASC Insurance Tax	139,600.98	128,000.00	134,116.54	135,000.00
14	411230 · MASC Telecommunications Tax	4,369.60	4,300.00	3,885.59	4,000.00
15	411300 · Business License	38,892.01	40,000.00	80,913.13	65,000.00
16	411400 · Hospitality Tax	-	43,000.00	21,220.96	60,000.00
17	411600 · Building & Zoning Permits	675.00	-	400.00	-
18	411650 · Other Permits	200.00	-	225.00	-
19	411800 · License & Tax Penalty	37.55	-	1.25	-
20	Total Licenses and permits	195,421.37	225,300.00	250,762.47	274,000.00
Franchise Fees					
22	411900 · Franchise Fee	144,843.85	137,000.00	144,072.54	144,000.00
23	Total Franchise Fees	144,843.85	137,000.00	144,072.54	144,000.00
Fines and forfeitures					
25	421800 · Police Fines Kept by Town	21,381.07	24,000.00	39,154.60	45,000.00
26	Total Fines and forfeitures	21,381.07	24,000.00	39,154.60	45,000.00
Shared County Revenues					
29	431400 · Barnwell County Recreation	-	-	-	-
30	431700 · Barnwell County Fire	10,000.00	10,000.00	11,000.00	10,000.00
31	Total Shared County Revenues	321,693.28	10,000.00	11,000.00	10,000.00
Shared State Revenues					
33	441100 · Statewide Accommodations Tax	17,496.27	24,000.00	17,606.90	17,500.00
34	441300 · Aid to Subdivision	56,896.18	45,000.00	47,298.72	47,276.00
35	441500 · Merchants Inventory Tax	2,929.56	2,930.00	2,929.56	2,930.00
36	441800 · Motor Carrier Tax	6,942.39	6,400.00	5,535.66	5,500.00
37	441710 · Local Option Sales Tax-Revenue	90,911.26	60,000.00	69,148.79	91,000.00
38	441720 · Local Option Sales Tax-Property	173,837.66	178,000.00	180,375.42	180,000.00
39	Total Shared State Revenues	349,013.32	316,330.00	322,895.05	344,206.00
Charges for Services					
41	451160 · Sanitation Revenue	226,817.26	440,000.00	389,974.22	380,400.00
42	Total Charges for Services	282,202.84	556,200.00	472,322.22	461,208.00

Town of Blackville
GENERAL FUND PRELIMINARY BUDGET
Fiscal Year: July 2024 - June 2025

		Audited	Budget	Projected	Estimated
		2022-2023	2023-2024	2023-2024	2024-2025
43	Grants & Donations				
44	471484 · Donations to Recreation Dept	-	-	-	-
45	471700 · Donations to Fire Dept	4,578.63	-	-	-
46	472000 · Grant Income	32,429.43	-	13,280.00	-
47	472100 · SC Muni Ins Trust Grant	1,232.01	2,000.00	1,355.62	2,000.00
48	Total Grants & Donations	38,265.07	2,000.00	14,635.62	2,000.00
49	Investment Earnings				
50	480100 · Interest Income	774.95	7,000.00	106,603.15	90,000.00
51	Total Investment Earnings	774.95	7,000.00	106,603.15	90,000.00
52	Miscellaneous				
53	490100 · Community Center Rent	5,318.00	10,000.00	7,225.00	8,000.00
55	490400 · Field Rent	-	-	-	-
56	491100 · Copy & Fax Income	-	-	10.00	-
57	491300 · deposit variance	5.69	-	40.04	-
58	491800 · Insurance Claims	26,285.76	-	61,642.09	-
59	492400 · Election Filing Fees	-	-	375.00	50.00
60	493500 · Principal Life Insurance	4,275.20	4,200.00	4,508.70	4,500.00
61	493900 · Other Income	8,193.36	500.00	19,091.98	500.00
62	Total Miscellaneous	56,078.01	26,700.00	109,892.81	49,050.00
64		1,634,366.39	1,533,925.00	1,725,187.26	1,652,114.00
65	Expense				
66	ASK	-	-	2,696.69	-
67	Salary & Wages				
68	6001 · Salaries & Wages	354,510.25	423,891.00	429,585.67	437,684.00
69	6002 · Overtime Pay	31,470.12	-	76,197.85	12,448.00
70	6004 · Vacation	4,324.75	2,655.00	6,457.95	1,020.00
71	6005 · Sick Pay	3,798.60	-	5,014.67	-
72	6007 · Holiday Pay	18,546.46	19,859.00	21,471.75	23,644.00
73	6008 · Mayor & Council Fees	19,200.00	19,200.00	19,200.00	19,200.00
74	6009 · Bonus	-	3,654.00	3,654.00	-
75	6010 · Fire Dept Pay	18,457.31	17,860.00	18,675.69	18,860.00
76	6006 · Personal Leave	2,426.99	-	2,190.48	-
77	Total Salary & Wages	452,734.48	487,119.00	582,448.06	512,856.00
78	Employee Benefits				
79	6104 · Payroll Taxes	33,569.13	37,279.00	43,382.16	39,496.00
80	6105 · Group Health Insurance	76,495.43	104,612.00	94,838.71	116,414.00
81	6106 · Health Insurance Retirees	16,069.68	19,200.00	17,810.78	18,100.00
83	6115 · Unemployment Expense	-	-	-	-
84	6119 · Workmens' Comp Insurance	26,981.98	24,965.00	22,894.48	27,885.00
85	Total Employee Benefits	229,064.02	274,805.00	278,540.16	297,252.00
86	Purchases Services				
87	6314 · Landfill	3,980.00	6,000.00	3,903.50	4,000.00

Town of Blackville
GENERAL FUND PRELIMINARY BUDGET
Fiscal Year: July 2024 - June 2025

		Audited	Budget	Projected	Estimated
		2022-2023	2023-2024	2023-2024	2024-2025
88	6301 · Professional & Technical Service				
89	6308 · Election Costs	858.10	2,800.00	3,030.44	858.00
90	6305 · Other Purchased Services	8,759.33	7,075.00	11,303.48	7,075.00
91	6306 · Accounting & Auditing	15,360.06	20,000.00	34,515.29	27,500.00
92	6307 · Court Costs	5,600.00	5,000.00	1,600.00	2,500.00
93	6311 · Magistrate	26,448.96	26,500.00	26,700.00	30,000.00
94	6313 · Contractual Services	8,900.00	6,000.00	8,500.00	8,500.00
95	6315 · Residential Garbage Collection	125,962.52	192,000.00	214,071.40	214,326.00
96	6316 · Commercial Garbage Collection	38,195.53	108,000.00	92,004.00	91,716.00
97	6317 · Grounds Care (Lawn)	-	-	-	40,000.00
98	6318 · Network Maintenance	1,984.48	-	-	-
99	6321 · Maintenance Agreements	4,830.56	3,000.00	9,407.89	9,000.00
100	Total 6301 · Professional & Technical Service	236,899.54	370,375.00	401,132.50	431,475.00
101	6309 · Drug Task Force	-	-	1,881.00	-
102	6320 · Employee Travel & Meals	12,730.93	10,000.00	15,176.21	13,000.00
103	6322 · Training	7,368.56	2,300.00	5,347.36	7,500.00
104	6325 · General Liability Insurance	78,599.00	85,000.00	102,111.51	105,000.00
105	6327 · Tax Collection Fees	3,912.00	2,500.00	3,695.00	3,700.00
106	6328 · Postage	540.14	800.00	449.12	500.00
107	6330 · Memberships, Dues, Subscription	1,193.84	1,550.00	1,378.01	1,400.00
108	6332 · Detention Center Expense	5,125.00	5,500.00	2,375.00	3,500.00
109	6345 · Public Notice	2,210.49	1,000.00	2,197.68	2,000.00
110	6349 · Cell Phone	1,395.24	3,530.00	-	3,530.00
111	6350 · Telephone	8,474.21	9,044.00	7,925.08	8,400.00
112	6351 · Radios	6,524.31	6,792.00	5,809.40	5,800.00
113	6355 · Uniforms	11,695.13	5,360.00	9,845.19	3,500.00
114	6356 · Payroll Processing fees	729.06	900.00	1,093.54	2,600.00
115	6400 · Property Services				
116	6410 · Rentals & Leases	296.16	380.00	281.54	300.00
117	6412 · Electricity	92,939.15	96,300.00	96,664.88	100,000.00
118	6420 · Repair & Maintenance				
119	6425 · Accident Repairs	-	-	32,361.40	-
120	6421 · Vehicles	27,176.60	21,000.00	27,311.36	21,000.00
121	6422 · Machinery & Equipment	7,150.88	4,950.00	2,131.16	2,000.00
122	6423 · Radio Repairs	517.57	-	-	-
123	6426 · Copier usage & maintenance	1,182.63	1,340.00	1,203.98	1,340.00
124	6430 · Building & Grounds	186,299.22	4,750.00	9,573.54	4,750.00
125	6435 · Community Garden	688.27	-	866.18	-
126	Total 6420 · Repair & Maintenance	223,015.17	32,040.00	73,447.62	29,090.00
127	Total 6400 · Property Services	316,250.48	128,720.00	170,394.04	129,390.00
128	Total Purchases Services	697,627.93	639,371.00	734,714.14	725,295.00

Town of Blackville
GENERAL FUND PRELIMINARY BUDGET
Fiscal Year: July 2024 - June 2025

		Audited	Budget	Projected	Estimated
		2022-2023	2023-2024	2023-2024	2024-2025
129	Supplies & Materials				
130	6609 · Equipment Under \$5k	39,330.30	-	21,436.82	-
131	6610 · Supplies	22,739.34	19,700.00	21,503.95	15,000.00
132	6615 · Recreation Supplies	15,610.41	-	-	-
133	6620 · Fuel	58,148.99	64,000.00	53,935.88	55,000.00
134	Total Supplies & Materials	135,829.04	83,700.00	96,876.65	70,000.00
135	Other Expenses				
136	6998 · Miscellaneous Costs	17,879.51	250.00	3,546.85	431.00
137	6910 · Late Fees & Charges	347.52	-	628.79	-
138	6919 · Bank Fees & Adjustments	104.72	-	-	-
139	Total Other Expenses	18,331.75	250.00	4,175.64	431.00
140	Debt Service				
141	7100 · Principal				
142	7115 · Home Trust Capital Lease	33,206.48	31,930.00	33,206.48	31,930.00
143	7123 · Graybar Financial - phones	-	-	665.15	1,600.00
144	7150 · USDA	12,749.00	12,750.00	12,749.00	12,750.00
148	Total 7500 · Interest	-	-	-	-
149	Total Debt Service	45,955.48	44,680.00	46,620.63	46,280.00
150	Capital Outlay				
151	8500 · Equipment	6,600.00	4,000.00	-	-
152	8501 · Vehicles	24,715.00	-	-	-
153	8601 · Capital Projects	141,693.28	-	5,900.00	-
154	Total Capital Outlay	173,008.28	4,000.00	5,900.00	-
155	Total Expense	1,752,550.98	1,533,925.00	1,751,971.97	1,652,114.00
156	Net Income (Loss)	(118,184.59)	-	(26,784.71)	-

Town of Blackville
WATER SEWER PRELIMINARY BUDGET
Fiscal Year: July 2024 - June 2025

		Audited	Budget	Projected	Budget
		2022-2023	2023-2024	2024-2025	2024-2025
Income					
Charges for Services					
1	451250 · Water Sales	276,141.28	319,140.00	314,095.35	315,000.00
2	451251 · Water Tap Fees	18,000.00	-	3,000.00	-
3	451255 · Shutoff & Connection Fees	28,675.00	22,000.00	34,230.84	30,000.00
4	451260 · Sewer Sales	293,675.30	347,951.00	328,856.75	329,000.00
5	451261 · Sewer Tap Fees	1,000.00	-	1,000.00	-
6	451290 · Penalties	20,182.77	20,753.00	29,334.77	25,000.00
7	Total Charges for Services	637,674.35	709,844.00	710,517.71	699,000.00
Grants & Donations					
9	472000 · Grant Income	84,600.00	-	97,200.00	-
10	Total Grants & Donations	84,600.00	-	97,200.00	-
Investment Earnings					
12	480100 · Interest Income	1,281.34	4,000.00	4,441.48	7,200.00
13	Total Investment Earnings	1,281.34	4,000.00	4,441.48	7,200.00
Miscellaneous					
15	491300 · deposit variance	(203.84)	-	(185.26)	-
16	491800 · Insurance Claims	4,559.92	-	64,685.42	-
17	492100 · Returned Check Fee	95.00	-	45.00	-
18	Total Miscellaneous	4,451.08	-	64,545.16	-
20		728,006.77	713,844.00	876,704.35	706,200.00
Expense					
Salary & Wages					
23	6001 · Salaries & Wages	170,846.60	215,315.00	193,041.69	110,129.00
24	6002 · Overtime Pay	4,684.12	-	5,103.63	2,449.00
25	6004 · Vacation	10,889.15	4,491.00	8,095.78	4,540.00
26	6005 · Sick Pay	15,499.55	-	5,838.59	-
27	6007 · Holiday Pay	6,875.45	6,780.00	7,444.53	4,164.00
28	6009 · Bonus	-	1,897.00	1,625.00	813.00
29	6006 · Personal Leave	1,052.21	-	2,587.23	-
30	6019 · Vacation Adjustment	(4,308.69)	-	-	-
31	Total Salary & Wages	205,538.39	228,483.00	223,736.45	122,095.00
Employee Benefits					
33	6104 · Payroll Taxes	15,041.34	17,487.00	16,274.63	9,342.00
34	6105 · Group Health Insurance	56,927.32	59,312.00	53,858.20	24,254.00
35	6110 · Retirement Expense	34,717.71	42,417.00	39,160.87	22,662.00
36	6115 · Unemployment Expense	-	-	-	-
37	6119 · Workmens' Comp Insurance	11,519.52	9,700.00	9,364.23	10,500.00
38	Total Employee Benefits	118,205.89	128,916.00	118,657.93	66,758.00
Purchases Services					
6301 · Professional & Technical Servlc					
41	6303 · Environmental & Lab Testing	-	1,500.00	1,575.00	1,600.00
42	6304 · Permits & fees	10,772.00	10,900.00	10,498.00	10,900.00

TOWN OF BLACKVILLE
WATER SEWER PRELIMINARY BUDGET
Fiscal Year: July 2024 - June 2025

		Audited	Budget	Projected	Budget
		2022-2023	2023-2024	2024-2025	2024-2025
43	6305 · Other Purchased Services	5,425.19	5,200.00	47.50	1,000.00
44	6306 · Accounting & Auditing	15,360.09	20,000.00	34,515.31	30,000.00
45	6312 · Water & Sewer Operator	69,318.52	70,000.00	69,142.64	180,000.00
46	6318 · Sludge Disposal	541.35	1,000.00	402.30	1,000.00
47	6319 · Network Maintenance	1,912.47	1,200.00	1,200.00	-
48	6321 · Maintenance Agreements	1,924.71	2,000.00	7,373.65	11,525.00
49	Total 6301 · Professional & Technical Servic	105,254.33	111,800.00	124,754.40	236,025.00
50	6320 · Employee Travel & Meals	616.80	750.00	717.21	800.00
51	6322 · Training	1,315.00	1,500.00	1,444.11	1,600.00
52	6325 · General Liability Insurance	165.00	200.00	-	-
53	6328 · Postage	4,772.67	5,000.00	4,163.47	5,000.00
54	6330 · Memberships, Dues, Subscription	850.00	800.00	945.00	945.00
55	6345 · Public Notice	1,025.51	100.00	-	150.00
56	6349 · Cell Phone	374.64	1,440.00	-	1,440.00
57	6350 · Telephone & Internet	8,375.45	8,400.00	7,729.39	7,500.00
58	6355 · Uniforms	9,966.96	9,000.00	11,008.06	8,000.00
59	6356 · Payroll Processing fees	205.44	240.00	577.46	950.00
60	6400 · Property Services				
61	6410 · Rentals & Leases	301.60	300.00	202.84	300.00
62	6412 · Electricity	78,049.44	73,000.00	90,617.30	90,000.00
63	6420 · Repair & Maintenance				
64	6425 · Accident Repairs	-	-	3,495.41	-
65	6421 · Vehicles	2,985.50	2,000.00	2,782.85	3,000.00
66	6422 · Machinery & Equipment	4,866.66	3,250.00	1,928.37	7,000.00
67	6426 · Copier usage & maintenance	697.08	800.00	1,022.50	1,000.00
68	6430 · Building & Grounds	272.82	2,000.00	4,869.52	2,500.00
69	6440 · Water & Sewer	24,521.34	25,000.00	23,085.23	35,000.00
70	Total 6420 · Repair & Maintenance	33,343.40	33,050.00	37,183.88	48,500.00
71	Total 6400 · Property Services	111,694.44	106,350.00	128,004.02	138,800.00
72	Total Purchases Services	244,616.24	245,580.00	279,343.12	401,210.00
73	Supplies & Materials				
74	6609 · Equipment Under \$5k	1,329.80	-	6,389.76	-
75	6610 · Supplies	24,634.97	20,000.00	33,219.05	24,953.00
76	6611 · Chemicals	44,027.53	35,000.00	58,976.89	52,000.00
77	6620 · Fuel	7,438.38	7,000.00	9,701.78	9,700.00
78	Total Supplies & Materials	77,430.68	62,000.00	108,287.49	86,653.00
79	Other Expenses				
80	6998 · Miscellaneous Costs	4,520.93	-	724.57	1,000.00
81	6910 · Late Fees & Charges	98.12	-	216.85	-
82	6919 · Bank Fees & Adjustments	50.00	50.00	42.50	50.00
83	6980 · Bad Debt	12,627.64	-	-	-
84	Total Other Expenses	17,296.69	50.00	983.92	1,050.00

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TOWN OF BLACKVILLE
WATER SEWER PRELIMINARY BUDGET
Fiscal Year: July 2024 - June 2025

		Audited	Budget	Projected	Budget
		2022-2023	2023-2024	2024-2025	2024-2025
85	Debt Service				
86	7100 · Principal				
87	7112 · Enterprise Bank_	19,120.82	15,862.00	6,837.18	-
88	7115 · Home Trust Capital Lease	10,073.05	10,074.00	10,073.05	10,074.00
89	7123 · Graybar Financial - phones	-	-	532.12	-
90	7150 · USDA	18,360.00	18,360.00	18,360.00	18,360.00
96	Total 7500 · Interest	-	-	-	-
97	Total Debt Service	47,553.87	44,296.00	35,802.35	28,434.00
98	Capital Outlay				
99	8200 · Water & Sewer Equipment	-	4,519.00	10,885.42	-
100	8500 · Equipment	-	-	55,000.00	-
101	8601 · Capital Projects	-	-	97,200.00	-
102	Total Capital Outlay	-	4,519.00	163,085.42	-
103	Other Sources (Uses)				
104	8901 · Disposition of Assets	35,870.98	-	-	-
105	Total Other Sources (Uses)	35,870.98	-	-	-
106	Depreciation				
107	9000 · Depreciation expense	203,898.12	-	-	-
108	Total Depreciation	203,898.12	-	-	-
109	8903 · Transfer Out				
110	8904 · Transfers in	(48,124.12)	-	-	-
111	Total 8903 · Transfer Out	(48,124.12)	-	-	-
112	Total Expense	902,286.74	713,844.00	929,896.67	706,200.00
113	Net Income (Loss)	(174,279.97)	-	(53,192.32)	-



State of South Carolina Request for Contribution Distribution

This form is designed to collect the information required by South Carolina in accordance with Proviso 117.21 of the appropriations act and Executive Order 2022-19. This form must be submitted to the state agency that is providing the contribution for the designated organization. The state agency providing the contribution should use this form to collect information from the designated organization. The information must be collected from the designated organization before the funds can be disbursed.

Contribution Information	
Amount	Purpose
\$250,000.00	Signage and Street Cameras

Organization Information	
Entity Name	Town of Blackville
Address	5983 L'Artigue Street
City/State/Zip	Blackville, SC 29817
Website	townofblackville.com
SCEIS Vendor #	7000030116
Tax ID#	57-6001004
Entity Type	Municipality

Organization Contact Information	
Contact Name	Fonda E. Patrick
Position/Title	Town Administrator
Telephone	803-634-3922
Email	fpatrick@townofblackville.com

Plan/Accounting of how these funds will be spent:

Description	Budget	Explanation
Installation of Security Cameras-Strategic placement of security camera throughout town.	\$100,000.00	Strategic placement of security cameras throughout the town.
Updating Signage and Poles-Modernizing and upgrading street signage and poles to improve visibility and navigation.	\$100,000.00	Modernizing and upgrading street signage and poles to improve visibility and navigation.
Replacing Street Signs	\$50,000.00	Replacing old damaged street signs with new, clearly marked ones that reflect Blackville's character
Grand Total	\$250,000.00	

Please explain how these funds will be used to provide a public benefit:

The installation of security cameras will involve high-definition security cameras at key locations in the Town of Blackville. These cameras will be placed in intersections, near public buildings and areas with high foot traffic. The cameras will act as a deterrent to criminal activity, helping to reduce vandalism, theft, and other unlawful behaviors. Video footage will assist local law enforcement in monitoring activities and responding more efficiently to incidents. The presence of cameras creates a safer environment, encouraging more people to visit and engage with the area, boosting local businesses.

Updating Signage and Poles will be replaced with modern, clear, and durable signs. The poles supporting signage will also be updated to ensure they meet current standards and blend seamlessly with the town's aesthetic. Clear, well-placed signage will help both locals and visitors find their way around town more easily, especially to key locations like public offices, parks, and businesses. Updating signage will ensure critical information, such as traffic directions, parking zones, and pedestrian crossings, is clearly visible, contributing to safer streets.

Old and damaged street signs throughout the town will be replaced with new, legible signs that reflect the town's identity. These signs will feature better durability to withstand the elements and align with modern standards. The new street signs will be easier to read, especially at night or during inclement weather, improving navigation for drivers and pedestrians. Clear and attractive street signs help visitors navigate the town with ease, fostering a more welcoming atmosphere with can boost local commerce.

Organization Certifications

- 1) Organization hereby gives assurance that no person shall, upon the grounds of race, creed, color, or national origin, be excluded from participation in, be denied the benefit of, or be otherwise subjected to discrimination under any program or activity for which this organization is responsible.
- 2) Organization certifies that it will provide quarterly spending reports to the Agency Providing Contribution listed above.
- 3) Organization certifies that it will provide an accounting at the end of the fiscal year to the Agency Providing Contribution listed above.
- 4) Organization certifies that it will allow the State Auditor to audit or cause to be audited the contributed funds.

Ronda E. Patrick
Organization Signature

Town Administrator
Title

Ronda E. Patrick
Printed Name

Oct 9, 2024
Date

Certifications of State Agency Providing Contribution

- 1) State Agency certifies that the planned expenditure aligns with the Agency's mission and/or the purpose specified in the appropriations act.
- 2) State Agency certifies that the Organization has set forth a public purpose to be served through receipt of the expenditure.
- 3) State Agency certifies that it will make distributions directly to the organization.
- 4) State Agency certifies that it will provide the quarterly spending reports and accounting received from the organization to the Senate Finance Committee, House Ways and Means Committee, and the Executive Budget Office by June 30, 2025.
- 5) State Agency certifies that it will publish on their website any and all reports, accountings, forms, updates, communications, or other materials required by Proviso 117.21 of the appropriations act.
- 6) State Agency will certify to the Office of the Governor that it has complied with the requirements of Executive Order 2022-19 by June 30, 2025.

Duane Parrish
Agency Head Signature

10/11/2024
Date

Duane Parrish

Duane Parrish
Printed Name



State of South Carolina
Office of the Secretary of State
The Honorable Mark Hammond

Oct 8, 2024

Town of Blackville
Regina Ashba
5983 LARTIGUE ST N
BLACKVILLE, SC 29817-2307

RE: Exemption Confirmation

Charity Public ID: C8256

Dear Regina Ashba :

This letter confirms that the Secretary of State's Office has received and accepted your Application for Exemption. If you submitted your Application for Exemption using the Charities Online Filing System, this letter of confirmation has been issued pending further review by Division of Public Charities staff.

The exemption for your charitable organization will expire on May 15, 2025. If any of the information on your Application for Exemption form changes throughout the course of the year, please contact our office to make updates. It is important that this information remain updated so that our office can keep you informed of any changes that may affect your charitable organization. Additionally, if at any time your charitable organization no longer qualifies for an exemption, the organization must immediately register with the Secretary of State's Office. Please note that failure to comply with the registration provisions of the Solicitation of Charitable Funds Act may result in fines of up to \$2,000.00 for each separate violation.

If you have any questions or concerns, please visit our website at www.sos.sc.gov or contact our office using the contact information below.

Sincerely,

A handwritten signature in black ink, appearing to read "K. Wickersham", followed by a long horizontal line.

Kimberly S. Wickersham
Director, Division of Public Charities