

**MARLBORO COUNTY, SOUTH CAROLINA
ANNUAL FINANCIAL REPORT
Fiscal Year Ended June 30, 2024**

**MARLBORO COUNTY, SOUTH CAROLINA
ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2024**

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December 6, 2024

INDEPENDENT AUDITOR'S REPORT

Honorable Members of the County Council
Marlboro County
Bennettsville, South Carolina

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Marlboro County, South Carolina, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Marlboro County, South Carolina, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 Marlboro County, South Carolina's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information for the General Fund on pages 4 through 12 and 67, and the schedule of employer contributions, schedule of County's proportionate share of net pension liability, schedule of the County's contributions and schedule of the County's proportionate share of the

Net OPEB liability on pages 68-70 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Marlboro County, South Carolina's basic financial statements. The combining and individual non-major fund financial statements, the uniform schedule of court fines, assessments and surcharges, and schedule of expenditures of federal awards, as required by Title 2 U. S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is 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 December 6, 2024, on our consideration of Marlboro County, South Carolina's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Marlboro County, South Carolina's internal control over financial reporting and compliance.

Sheheen, Hancock & Godwin, LLP

Sheheen, Hancock and Godwin, LLP
Camden, South Carolina

**MARLBORO COUNTY, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2024**

This section presents our discussion and analysis of Marlboro County, South Carolina's financial performance during the fiscal year that ended June 30, 2024. The intent of this discussion and analysis is to look at the County's financial performance as a whole. Please read it in conjunction with the basic financial statements and notes, which follow this section.

FINANCIAL HIGHLIGHTS

The assets of Marlboro County exceeded its liabilities at the close of the most recent fiscal year by \$25,798,425. Of this amount, \$964,145 was restricted, \$15,024,002 was net investment in capital assets, and the remaining resulted in an unrestricted net position in the amount of \$9,810,278. As of the close of the fiscal year, Marlboro County's governmental funds reported ending fund balances of \$23,381,611. At the end of the fiscal year, the unassigned fund balance was \$6,699,193.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of five parts – management's discussion and analysis (this section), the basic financial statements, required supplemental information, an optional section that presents combining statements for non-major governmental funds, and a compliance section. The basic financial statements include two kinds of statements that present different views of the County:

The government-wide financial statements provide both long-term and short-term information about the County's overall financial status.

The fund financial statements focus on individual parts of the County's government. These statements report the County's operations in more detail than the government-wide statements. The General Fund statements show how general government services such as public safety was financed in the short term as well as what remains for future spending. The Proprietary Fund statements offer short and long-term financial information about the activities the government operates like businesses, such as EMS, Solid Waste, and the Golf Course. The Fiduciary Fund statements provide information about financial relationships such as the revenues and expenditures of the school's fund where the County acts solely as an agent for those to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of supplemental schedules that further explains and supports the information in the financial statements.

Table 1 summarizes the major features of the County's financial statements, including the portion of the County government they cover and the types of information they contain. The remainder of this section explains the structure and contents of each of the statements.

**MARLBORO COUNTY, SOUTH CAROLINA
MANAGEMENT’S DISCUSSION AND ANALYSIS
For The Fiscal Year Ended June 30, 2024
(Continued)**

Table 1. Major Features of Marlboro County’s Government-wide and Fund Financial Statements

	Government-wide	Fund Statements		
	<u>Statements</u>	<u>Government Funds</u>	<u>Proprietary Funds</u>	<u>Fiduciary Funds</u>
Scope	Entire County Government (except fiduciary funds)	The activities of the County that are not proprietary or fiduciary	Activities the County operates similar to private businesses: EMS, Solid Waste, and Golf Course	Instances in which the County is the trustee or agent for someone else’s resources
Required financial statements	Statement of net position Statement of activities	Balance sheet Statement of revenues, expenditures, and changes in fund balances	Statement of net position Statement of revenues, expenses, and changes in net position Statement of cash flows	Statement of fiduciary net position, Statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter.	All assets and liabilities, both financial and capital, and short and long-term	All assets and liabilities, both short and long-term
Type of inflow/outflow information	All revenue and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	All revenues and expenses during year, regardless of when cash is received or paid

**MARLBORO COUNTY, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2024
(Continued)**

Government-Wide Statements

The government-wide statements report information about the County as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The Statement of Net Position presents information on all of the County's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in the County's net position are an indicator of whether its financial position is improving or deteriorating.

The Statement of Activities presents information showing how the government's net position changed during the fiscal year. The cause of such change may be the result of many factors including financial and non-financial.

The government-wide financial statements of the County consist of governmental and business-type activities. Most of the County's basic services are included here, such as public safety, parks and recreation, and general administration. Property taxes and state and federal grants finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the County's most significant funds, not the County as a whole. Funds are accounting devices that the County uses to keep track of specific sources of funding and spending for particular purposes. Some funds are required by State law or bond covenants. Also, the County may establish other funds to control and manage money for particular purposes or to show that it is properly using certain taxes or grants (like aid from the U.S. Department of Housing and Urban Development).

The County has three kinds of funds:

Governmental funds: Most of the County's basic services are included in governmental funds. These funds focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.

Proprietary funds: Services for which the County charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long and short-term financial information. In fact, the County's enterprise fund (one type of proprietary fund) is the same as its business-type activities, but provide more detail and additional information, such as cash flows.

Fiduciary funds: The County is the trustee, or fiduciary, for the School's fund. All of the County's fiduciary activities are reported in a separate statement of fiduciary net position and a

**MARLBORO COUNTY, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For The Fiscal Year Ended June 30, 2024
(Continued)**

statement of changes in fiduciary net position. We exclude these activities from the County's government-wide financial statements because the County cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

Net Position: The County's net position at the end of the current fiscal year was \$25,798,425 as summarized and compared to fiscal year 2023 in Table 2 below. Looking at the net position and net expenses of governmental and business-type activities separately reflects that net position from governmental activities make up 77% of total net position. Table 3, on the following page summarizes the County's changes in net position for fiscal year 2024 compared to fiscal year 2023.

**MARLBORO COUNTY, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For The Fiscal Year Ended June 30, 2024
(Continued)**

Table 2. Marlboro County's Net Position

	<u>2024</u>	<u>2023</u>	<u>Change</u>
Assets			
Current and Other Assets	\$ 31,042,846	\$ 26,934,945	\$ 4,107,901
Capital Assets	<u>19,251,486</u>	<u>19,123,726</u>	<u>127,760</u>
Total Assets	<u>50,294,332</u>	<u>46,058,671</u>	<u>4,235,661</u>
Deferred Outflows			
OPEB Cost	409,680	353,367	56,313
Pension Cost	<u>4,366,664</u>	<u>3,785,628</u>	<u>581,036</u>
Total Deferred Outflows	<u>4,776,344</u>	<u>4,138,995</u>	<u>637,349</u>
Liabilities			
Other Liabilities	2,586,331	1,557,955	1,028,376
Long-Term Debt Outstanding	<u>24,776,267</u>	<u>22,832,515</u>	<u>1,943,752</u>
Total Liabilities	<u>27,362,598</u>	<u>24,390,470</u>	<u>2,972,128</u>
Deferred Inflows			
Property Tax Credits	543,994	489,618	54,376
OPEB Cost	951,527	1,069,186	(117,659)
Pension Cost	180,535	260,203	(79,668)
Grants	<u>233,597</u>	<u>224,404</u>	<u>9,193</u>
Total Deferred Inflows	<u>1,909,653</u>	<u>2,043,411</u>	<u>(133,758)</u>
Net Position			
Net Investment in Capital Assets	15,024,002	15,811,186	(787,184)
Restricted	964,145	1,409,995	(445,850)
Unrestricted	<u>9,810,278</u>	<u>6,542,604</u>	<u>3,267,674</u>
Total Net Position	<u>\$ 25,798,425</u>	<u>\$ 23,763,785</u>	<u>\$ 2,034,640</u>

**MARLBORO COUNTY, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For The Fiscal Year Ended June 30, 2024
(Continued)**

The net position of the County decreased by 2 percent during the year (\$26.4 million compared to \$25.8 million). Unrestricted net position increased from a positive \$6.5 million at the beginning of the year to a positive \$9.8 million at the end of the year.

Table 3. Marlboro County's Changes in Net Position

	<u>2024</u>	<u>2023</u>	<u>Change</u>
Program Services:			
Charges for Services	\$ 6,083,636	\$ 5,570,814	\$ 512,822
Operating Grants	2,260,649	758,991	1,501,658
Capital Grants	<u>55,159</u>	<u>4,171,669</u>	<u>(4,116,510)</u>
Total Program Services	<u>8,399,444</u>	<u>10,501,474</u>	<u>(2,102,030)</u>
General Revenues:			
Taxes	14,018,128	13,858,934	159,194
Miscellaneous	10,998,143	11,082,496	(84,353)
Intergovernmental Revenue	2,200,389	2,042,945	157,444
Investment Earnings	211,994	125,288	86,706
Gain on Disposition of Capital Assets	<u>14,343</u>	<u>17,582</u>	<u>(3,239)</u>
Total General Revenues	<u>27,442,997</u>	<u>27,127,245</u>	<u>315,752</u>
Total Revenues	<u>35,842,441</u>	<u>37,628,719</u>	<u>(1,786,278)</u>
Expenses:			
General Government	15,160,725	13,596,180	1,564,545
Public Safety	14,983,467	12,419,352	2,564,115
Public Services	2,770,245	2,560,328	209,917
Culture and Recreation	1,490,376	992,851	497,525
Health and Environment	195,615	263,475	(67,860)
Economic Development	386,442	293,666	92,776
Capital Outlay	1,264,665	642,784	621,881
Interest and Other Charges	<u>217,234</u>	<u>360,955</u>	<u>(143,721)</u>
Total Expenses	<u>36,468,769</u>	<u>31,129,591</u>	<u>5,339,178</u>
Change in Net Position	(626,328)	6,499,128	(7,125,456)
Net Position, Beginning of Year, as Restated	<u>26,424,753</u>	<u>17,264,657</u>	<u>9,160,096</u>
Net Position, End of Year	<u>\$ 25,798,425</u>	<u>\$ 23,763,785</u>	<u>\$ 2,034,640</u>

**MARLBORO COUNTY, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For The Fiscal Year Ended June 30, 2024
(Continued)**

Governmental Activities

Governmental activities decreased the County's net position by \$285,606. This decrease is due in part to the County's decrease in revenues for the year, includes funds that have a restricted use, and an increase in expenditures.

Business-type Activities

Business-type activities had a net position decrease of \$340,722. The decrease in net position is attributable to the County Golf Course increase in revenues and expenditures related to capital asset purchases.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

Governmental Funds: As of the end of the fiscal year, governmental funds had a fund balance of \$23,381,611 which is a decrease of \$629,100 over last year. Of this balance, the general fund makes up \$7,247,270 or roughly 31%. The general fund is the main operating fund for the County. Special revenue and debt service funds make up \$16,134,341 of the governmental fund balance. The special revenue funds are funds that are setup to account for specific revenues that are legally restricted or assigned to expenditures for a particular purpose.

Proprietary Funds: The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position for the County Emergency Medical System, Solid Waste, and Golf Course at the end of the year was \$1,419,359, \$48,255, and \$3,422,362, respectively. Other factors regarding these funds were addressed in the discussion of the County's business-type activities.

General Fund Budgetary Highlights

The budget presented in the financial statements is the original budget adopted by County Council. There were no amendments to the original budget during the current year, which explains the large variances for both the revenues and expenditures.

Actual revenues were \$697,138 over the budgeted amount. Actual expenditures for the general fund were \$1,117,615 over budget, and other financing sources were \$53,507 over budget. The change in fund balance is an decrease of \$366,970.

**MARLBORO COUNTY, SOUTH CAROLINA
MANAGEMENT’S DISCUSSION AND ANALYSIS
For The Fiscal Year Ended June 30, 2024
(Continued)**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At year-end, Marlboro County had invested \$19,251,486 (net of accumulated depreciation) in a broad range of capital assets, including police and fire equipment, buildings, land and park facilities. More detailed information about the County's capital assets is presented in Note 6 to the financial statements. This year's major capital asset additions included various equipment purchases and infrastructure improvements that were begun and not completed during the year.

The County's capital assets as summarized in Table 4 below are purchased through a variety of sources including general obligation debt, lease purchases and property taxes.

Table 4. Marlboro County's Capital Assets

	Governmental Activities 2024	Business-Type Activities 2024	Total 2024
	2024	2024	2024
Land	\$ 2,125,224	\$ 495,416	\$ 2,620,640
Construction in Process	1,010,433	48,001	1,058,434
Buildings and Improvements	26,679,791	1,723,408	28,403,199
Infrastructure	8,614,612	-	8,614,612
Equipment	7,419,831	3,889,739	11,309,570
Right to Use Assets	975,657	-	975,657
Accumulated Depreciation	(30,123,962)	(3,606,664)	(33,730,626)
 Total Net Capital Assets	 \$ 16,701,586	 \$ 2,549,900	 \$ 19,251,486

Long-term Debt

At year-end, the County had \$24,776,267 in bonds, capital leases, compensated absences, net OPEB obligation outstanding, post-closure cost and Net Pension Liability - as shown in Table 5 below. More detailed information about the County's long-term liabilities is presented in Note 8 to the financial statements. All of the \$1,699,200 in general obligation bond debt is backed by the full faith and credit of the County.

Limitations on Debt

The state limits the amount of general obligation debt the County can issue at an amount not to exceed (8) eight percent of the assessed value of all taxable property within the County. The current debt limitation for the County is \$6,596,885 which means that the County was \$4,897,685 under the debt ceiling.

**MARLBORO COUNTY, SOUTH CAROLINA
MANAGEMENT’S DISCUSSION AND ANALYSIS
For The Fiscal Year Ended June 30, 2024
(Continued)**

Table 5. Marlboro County’s Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
General Obligation Bonds	\$ 1,699,200	\$ 2,193,543	\$ -	\$ -	\$ 1,699,200	\$ 2,193,543
Capital Leases	1,116,587	277,361	-	180,229	1,116,587	457,590
Compensated Absences	509,296	447,483	172,319	145,786	681,615	593,269
Net OPEB Obligation	1,299,955	1,157,019	-	-	1,299,955	1,157,019
Net Pension Liability	<u>19,468,428</u>	<u>18,200,157</u>	<u>510,482</u>	<u>230,937</u>	<u>19,978,910</u>	<u>18,431,094</u>
 Total	 <u>\$ 24,093,466</u>	 <u>\$ 22,275,563</u>	 <u>\$ 682,801</u>	 <u>\$ 556,952</u>	 <u>\$ 24,776,267</u>	 <u>\$ 22,832,515</u>

NEXT YEAR’S BUDGETS

The 2024-2025 budget for Marlboro County’s expenditures is \$14,748,543. This budget contains a provision that would require an appropriation from the available fund balance of \$1,178,843.

CONTACTING THE COUNTY’S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County’s finances and to demonstrate the County’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Marlboro County Finance Office, Post Office Box 419, Bennettsville, South Carolina 29512.

MARLBORO COUNTY, SOUTH CAROLINA
STATEMENT NET POSITION
June 30, 2024

	Governmental Activities	Business-Type Activities	Total	Component Unit - Library Board
Assets				
Cash and Cash Equivalents	\$ 16,452,878	\$ 5,881,117	\$ 22,333,995	\$ 80,910
Taxes Receivable, Net	570,094	169,457	739,551	-
Other Receivables	1,687,854	758,585	2,446,439	-
Internal Balances	2,634,294	(2,634,294)	-	-
Prepaid Expenses	48,077	-	48,077	-
Property Held for Investment	5,474,784	-	5,474,784	-
Capital Assets:				
Land	2,125,224	495,416	2,620,640	-
Construction in Progress	1,010,433	48,001	1,058,434	-
Buildings and Improvements	26,679,791	1,723,408	28,403,199	-
Equipment	7,419,831	3,889,739	11,309,570	-
Infrastructure	8,614,612	-	8,614,612	-
Less: Accumulated Depreciation	(29,436,457)	(3,606,664)	(33,043,121)	-
Right to Use Asset	975,657	-	975,657	-
Less: Accumulated Amortization	(687,505)	-	(687,505)	-
Total Capital Assets, Net of Depreciation and Amortization	<u>16,701,586</u>	<u>2,549,900</u>	<u>19,251,486</u>	<u>-</u>
Deferred Outflows of Resources				
Prepaid OPEB Cost	409,680	-	409,680	-
Prepaid Pension Cost	<u>4,034,541</u>	<u>332,123</u>	<u>4,366,664</u>	<u>-</u>
Total Deferred Outflows of Resources	<u>4,444,221</u>	<u>332,123</u>	<u>4,776,344</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>48,013,788</u>	<u>7,056,888</u>	<u>55,070,676</u>	<u>\$ 80,910</u>
Liabilities				
Accounts Payable and Accrued Liabilities	1,555,191	310,389	1,865,580	\$ -
Accrued Interest Payable	10,827	-	10,827	-
Due to Other Governments	709,924	-	709,924	-
Long-Term Liabilities:				
Due Within One Year:				
General Obligation Bonds	423,500	-	423,500	-
Lease Payable	236,304	-	236,304	-
Compensated Absences	35,657	172,319	207,976	-
Due in More Than One Year:				
General Obligation Bonds	1,275,700	-	1,275,700	-
Lease Payable	880,283	-	880,283	-
Compensated Absences	473,639	-	473,639	-
Net Pension Liability	19,468,428	510,482	19,978,910	-
Net OPEB Obligation	<u>1,299,955</u>	<u>-</u>	<u>1,299,955</u>	<u>-</u>
Total Liabilities	<u>26,369,408</u>	<u>993,190</u>	<u>27,362,598</u>	<u>-</u>
Deferred Inflows of Resources				
Unavailable Revenues - Property Tax Credit	543,994	-	543,994	-
Unavailable Revenues - OPEB	951,527	-	951,527	-
Unavailable Revenues - Pension	221,430	(40,895)	180,535	-
Unavailable Revenues - EMS Services	-	73,341	73,341	-
Unavailable Revenues - Golf Course	-	3,073	3,073	-
Unavailable Revenues - ARPA	<u>157,183</u>	<u>-</u>	<u>157,183</u>	<u>-</u>
Total Deferred Inflows of Resources	<u>1,874,134</u>	<u>35,519</u>	<u>1,909,653</u>	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	<u>28,243,542</u>	<u>1,028,709</u>	<u>29,272,251</u>	<u>-</u>
Net Position				
Net Investment in Capital Assets	13,885,799	1,138,203	15,024,002	-
Restricted for:				
Debt Service	964,145	-	964,145	-
Victims Assistance	-	-	-	-
Unrestricted	<u>4,920,302</u>	<u>4,889,976</u>	<u>9,810,278</u>	<u>80,910</u>
Total Net Position	<u>\$ 19,770,246</u>	<u>\$ 6,028,179</u>	<u>\$ 25,798,425</u>	<u>\$ 80,910</u>

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

**MARLBORO COUNTY, SOUTH CAROLINA
STATEMENT ACTIVITIES
For the Fiscal Year Ended June 30, 2024**

Function/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
		Fees, Fines & Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Business-Type Activities	Total	Component Unit - Library Board
Governmental Activities								
General Government	\$ 15,160,725	\$ 956,610	\$ 1,339,813	\$ -	\$ (12,864,302)	\$ -	\$ (12,864,302)	\$ -
Public Safety	11,244,660	1,160,044	920,836	17,252	(9,146,528)	-	(9,146,528)	-
Public Services	1,042,585	643,725	-	-	(398,860)	-	(398,860)	-
Culture and Recreation	790,838	-	-	37,907	(752,931)	-	(752,931)	-
Health and Environment	195,615	-	-	-	(195,615)	-	(195,615)	-
Economic Development	386,442	-	-	-	(386,442)	-	(386,442)	-
Capital Outlay	1,264,665	-	-	-	(1,264,665)	-	(1,264,665)	-
Interest and Other Charges	217,234	-	-	-	(217,234)	-	(217,234)	-
Total Governmental Activities	30,302,764	2,760,379	2,260,649	55,159	(25,226,577)	-	(25,226,577)	-
Business-Type Activities								
Solid Waste	1,727,660	1,457,161	-	-	-	(270,499)	(270,499)	-
Golf Course	699,538	379,880	-	-	-	(319,658)	(319,658)	-
Emergency Medical Services	3,738,807	1,486,216	-	-	-	(2,252,591)	(2,252,591)	-
Total Business-Type Activities	6,166,005	3,323,257	-	-	-	(2,842,748)	(2,842,748)	-
Total Primary Government	\$ 36,468,769	\$ 6,083,636	\$ 2,260,649	\$ 55,159	(25,226,577)	(2,842,748)	(28,069,325)	-
Total Component Unit	\$ 2,269	\$ -	\$ -	\$ -	-	-	-	(2,269)
General Revenues:								
Taxes:								
Property Taxes, Levied for General Purposes					5,891,281	1,059,825	6,951,106	-
Property Taxes, Levied for Debt Service					316,992	-	316,992	-
Public Service Taxes					1,279,920	445,064	1,724,984	-
Sales and Use Tax					2,904,604	-	2,904,604	-
Payments in Lieu of Taxes					1,875,926	244,516	2,120,442	-
Miscellaneous					10,256,227	741,916	10,998,143	6,257
Unrestricted Investment Earnings					151,289	60,705	211,994	-
Intergovernmental Revenues					2,200,389	-	2,200,389	-
Transfers - Proprietary Fund					50,000	(50,000)	-	-
Gain on Disposition of Capital Assets					14,343	-	14,343	-
Total General Revenues					24,940,971	2,502,026	27,442,997	6,257
Change in Net Position					(285,606)	(340,722)	(626,328)	3,988
Net Position, Beginning of Year, as Restated					20,055,852	6,368,901	26,424,753	76,922
Net Position, End of Year					\$ 19,770,246	\$ 6,028,179	\$ 25,798,425	\$ 80,910

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

**MARLBORO COUNTY, SOUTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2024**

	General Fund	Economic Development Fund	ARPA Fund	Solicitors Fund	Land Sale	Rural Fire	Recreation	SCDPS SRO	Department of Public Safety Equipment	Other Governmental Funds	Total Governmental Funds
Assets											
Cash and Cash Equivalents	\$ 5,418,798	\$ 1,575,650	\$ 268,629	\$ 407,087	\$ 1,793,404	\$ 697,343	\$ 2,025,630	\$ 249,440	\$ 591,351	\$ 3,425,546	\$ 16,452,878
Receivables:											
Property Taxes, Net	379,473	68,447	-	-	-	86,715	-	-	-	35,459	570,094
Intergovernmental	1,507,200	-	-	-	-	-	-	101,516	-	-	1,608,716
Other	79,138	-	-	-	-	-	-	-	-	-	79,138
Prepaid Expenses	48,077	-	-	-	-	-	-	-	-	-	48,077
Due From Other Funds	2,874,870	150,000	-	-	-	-	-	-	-	839,968	3,864,838
Property Held for Investment	-	5,474,784	-	-	-	-	-	-	-	-	5,474,784
Total Assets	\$ 10,307,556	\$ 7,268,881	\$ 268,629	\$ 407,087	\$ 1,793,404	\$ 784,058	\$ 2,025,630	\$ 350,956	\$ 591,351	\$ 4,300,973	\$ 28,098,525
Liabilities											
Accounts Payable and Accrued Liabilities	\$ 1,432,429	\$ -	\$ -	\$ -	\$ -	\$ 13,306	\$ -	\$ -	\$ -	\$ 109,456	\$ 1,555,191
Compensated Absences	35,657	-	-	-	-	-	-	-	-	-	35,657
Due to Other Governments	709,924	-	-	-	-	-	-	-	-	-	709,924
Due to Other Funds	-	-	-	8,000	-	33,437	103,659	374,547	513,427	197,474	1,230,544
Total Liabilities	2,178,010	-	-	8,000	-	46,743	103,659	374,547	513,427	306,930	3,531,316
Deferred Inflows											
Unavailable Revenues - Property Tax Credit	543,994	-	-	-	-	-	-	-	-	-	543,994
Unavailable Revenues - Property Taxes	338,282	68,447	-	-	-	56,193	-	-	-	21,499	484,421
Unavailable Revenues - ARPA	-	-	157,183	-	-	-	-	-	-	-	157,183
Total Deferred Inflows	882,276	68,447	157,183	-	-	56,193	-	-	-	21,499	1,185,598
Fund Balances											
Nonspendable for Prepays	48,077	-	-	-	-	-	-	-	-	-	48,077
Restricted for:											
Debt Service	-	-	-	-	-	-	-	-	-	964,145	964,145
Assigned	500,000	7,200,434	111,446	399,087	1,793,404	681,122	1,921,971	(23,591)	77,924	3,008,399	15,670,196
Unassigned	6,699,193	-	-	-	-	-	-	-	-	-	6,699,193
Total Fund Balances	7,247,270	7,200,434	111,446	399,087	1,793,404	681,122	1,921,971	(23,591)	77,924	3,972,544	23,381,611
Total Liabilities, Deferred Inflows and Fund Balances	\$ 10,307,556	\$ 7,268,881	\$ 268,629	\$ 407,087	\$ 1,793,404	\$ 784,058	\$ 2,025,630	\$ 350,956	\$ 591,351	\$ 4,300,973	\$ 28,098,525

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

MARLBORO COUNTY, SOUTH CAROLINA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT
OF NET POSITION
June 30, 2024

Total Fund Balances - Governmental Funds (Exhibit C) \$ 23,381,611

Amounts reported for governmental activities in the Statement of Net Position are different because:

Receivables will be collected this year, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds.

Property Taxes 484,421

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. The cost of the assets are \$46,825,548 and the accumulated depreciation is \$30,123,962.

16,701,586

The County's Net Other Post-Employment Benefit ("OPEB") Obligation resulting from underfunded annual required contributions to its OPEB Plan is not reported as a liability in the governmental funds.

(1,299,955)

Accrued interest on bonds in governmental accounting was not due and payable in the current period and, therefore, has not been reported as a liability in the funds.

(10,827)

Some liabilities, including net pension obligations, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.

Pension liability (19,468,428)

Deferred outflows and inflows or resources related to pension are applicable to future periods and therefore, are not reported in the funds

Deferred outflows of resources related to pensions (from pension schedule) 4,034,541

Deferred outflows of resources related to OPEB 409,680

Deferred inflows of resources related to pensions (from pension schedule) (221,430)

Deferred inflows of resources related to OPEB (951,527)

Long-term liabilities, including debt premiums and deferred refunding charges, are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:

General Obligation Bonds (1,275,700)

General Obligation Bonds- Current (423,500)

Capital Lease (880,283)

Capital Lease - Current (236,304)

Compensated Absences (473,639)

Total Net Position - Governmental Activities (Exhibit A) \$ 19,770,246

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

MARLBORO COUNTY, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2024

	General Fund	Economic Development Fund	ARPA Fund	Solicitors Fund	Land Sale	Rural Fire	Recreation	SCDPS SRO	Department of Public Safety Equipment	Other Governmental Funds	Total Governmental Funds
Revenues											
Taxes	\$ 9,825,660	\$ 387,992	\$ -	\$ -	\$ -	\$ 1,201,285	\$ -	\$ -	\$ -	\$ 472,490	\$ 11,887,427
Licenses, Permits and Fees	1,633,486	-	-	-	-	-	-	-	-	12,321	1,645,807
Intergovernmental Revenues	2,042,032	-	-	-	-	-	-	-	-	158,357	2,200,389
Fines and Forfeits	-	-	-	-	-	-	-	-	-	1,114,572	1,114,572
Miscellaneous	1,337,398	286,890	90,582	3,330,246	3,892,481	1,338	19,433	351,125	591,351	2,822,479	12,723,323
Total Revenues	14,838,576	674,882	90,582	3,330,246	3,892,481	1,202,623	19,433	351,125	591,351	4,580,219	29,571,518
Expenditures											
Current:											
General Government	7,837,938	-	-	-	3,564,955	-	-	-	-	2,690,848	14,093,741
Public Safety	5,542,543	-	-	3,052,038	-	1,006,835	-	214,216	-	802,250	10,617,882
Public Services	953,859	-	-	-	-	-	-	-	-	16,598	970,457
Culture and Recreation	644,129	-	-	-	-	-	14,850	-	-	(14,850)	644,129
Health and Environment	175,571	-	-	-	-	-	-	-	-	-	175,571
Economic Development	209,560	95,098	-	-	-	-	-	-	-	-	304,658
Other Objects	36,000	-	-	-	-	-	-	-	-	14,850	50,850
Capital Outlay	547,541	-	37,907	-	-	1,050,986	88,809	160,500	513,427	552,963	2,952,133
Debt Service:											
Principal	303,011	-	-	-	-	-	-	-	-	494,343	797,354
Interest and Other Charges	104	-	-	-	-	22,666	-	-	-	65,783	88,553
Total Expenditures	16,250,256	95,098	37,907	3,052,038	3,564,955	2,080,487	103,659	374,716	513,427	4,622,785	30,695,328
Excess (Deficiency) of Revenues Over (Under)											
Expenditures	(1,411,680)	579,784	52,675	278,208	327,526	(877,864)	(84,226)	(23,591)	77,924	(42,566)	(1,123,810)
Other Financing Sources (Uses)											
Sale of Capital Assets	14,343	-	-	-	-	-	-	-	-	-	14,343
Transfer Out	-	(150,000)	-	-	-	(50,000)	-	-	-	(350,000)	(550,000)
Transfer In	600,000	-	-	-	-	-	-	-	-	-	600,000
Capital Lease Proceeds	430,367	-	-	-	-	-	-	-	-	-	430,367
Total Other Financing Sources (Uses)	1,044,710	(150,000)	-	-	-	(50,000)	-	-	-	(350,000)	494,710
Net Change in Fund Balances	(366,970)	429,784	52,675	278,208	327,526	(927,864)	(84,226)	(23,591)	77,924	(392,566)	(629,100)
Fund Balances, Beginning of Year, as Restated	7,614,240	6,770,650	58,771	120,879	1,465,878	1,608,986	2,006,197	-	-	4,365,110	24,010,711
Fund Balances, End of Year	\$ 7,247,270	\$ 7,200,434	\$ 111,446	\$ 399,087	\$ 1,793,404	\$ 681,122	\$ 1,921,971	\$ (23,591)	\$ 77,924	\$ 3,972,544	\$ 23,381,611

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

MARLBORO COUNTY, SOUTH CAROLINA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2024

Total Net Change In Fund Balances - Governmental Funds (Exhibit E)	\$	(629,100)
Amounts reported for governmental activities in the Statement of Activities are different because of the following:		
Capital outlays are reported in the governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets are allocated over the estimated useful lives as depreciation expense. This is the amount by which capital outlay \$1,687,468 exceeds depreciation expense of \$1,146,524.		540,944
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		494,343
Repayment of capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		222,269
Because some revenues will not be collected for several months after the County's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds. Deferred tax revenue increased in the current year.		381,297
Lease proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position		(430,367)
In the Statement of Activities, certain operating expenses - compensated absences- are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, the amount of vacation earned exceeded the amount of vacation used.		(57,254)
The County's Net Other Post-Employment Benefit ("OPEB") Obligation resulting from underfunded annual required contributions to its OPEB Plan, is not reported as a liability in the governmental funds. This amount represents the net change in this liability during the current year.		31,035
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, interest expense is recognized as the interest accrues, regardless of when it is due. Accrued interest decreased in the current year.		2,913
Governmental funds report town pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.		
County pension contributions	\$	2,327,927
Cost of benefits earned net of employee contributions (pension expense from SCRS benefit schedule)		<u>(3,169,613)</u> <u>(841,686)</u>
Change in Net Position of Governmental Activities (Exhibit B)	\$	<u>(285,606)</u>

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

**MARLBORO COUNTY, SOUTH CAROLINA
COMBINED STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2024**

	Emergency Management Systems	Solid Waste	Golf Course	Total
Assets				
Current Assets:				
Cash and Cash Equivalents	\$ 2,530,831	\$ 297,793	\$ 3,052,493	\$ 5,881,117
Receivables:				
Property Taxes, Net	126,003	43,454	-	169,457
Other	<u>758,585</u>	<u>-</u>	<u>-</u>	<u>758,585</u>
Total Current Assets	<u>3,415,419</u>	<u>341,247</u>	<u>3,052,493</u>	<u>6,809,159</u>
Non-Current Assets:				
Capital Assets:				
Construction in Progress	-	-	48,001	48,001
Land and Improvements	16,026	26,435	452,955	495,416
Buildings	51,801	1,153,402	518,205	1,723,408
Vehicles	1,415,215	589,186	-	2,004,401
Furniture, Fixture and Equipment	724,344	679,683	481,311	1,885,338
Less: Accumulated Depreciation	<u>(1,324,980)</u>	<u>(2,192,909)</u>	<u>(88,775)</u>	<u>(3,606,664)</u>
Total Non-Current Assets	<u>882,406</u>	<u>255,797</u>	<u>1,411,697</u>	<u>2,549,900</u>
Deferred Outflows of Resources				
Prepaid Pension Cost	<u>305,788</u>	<u>(21,548)</u>	<u>47,883</u>	<u>332,123</u>
Total Deferred Outflows of Resources	<u>305,788</u>	<u>(21,548)</u>	<u>47,883</u>	<u>332,123</u>
Total Assets and Deferred Outflows of Resources	<u>4,603,613</u>	<u>575,496</u>	<u>4,512,073</u>	<u>9,691,182</u>
Liabilities				
Current Liabilities:				
Accounts Payable and Accrued Liabilities	161,423	2,004	146,962	310,389
Due to Other Funds	1,559,536	143,804	930,954	2,634,294
Compensated Absences	<u>137,085</u>	<u>26,512</u>	<u>8,722</u>	<u>172,319</u>
Total Current Liabilities	1,858,044	172,320	1,086,638	3,117,002
Long-term Liabilities:				
Net Pension Liability	<u>410,709</u>	<u>99,773</u>	<u>-</u>	<u>510,482</u>
Total Liabilities	<u>2,268,753</u>	<u>272,093</u>	<u>1,086,638</u>	<u>3,627,484</u>
Deferred Inflows				
Unavailable Revenues - EMS Services	73,341	-	-	73,341
Unavailable Revenues - Golf Course	-	-	3,073	3,073
Unavailable Revenues - Pension	<u>(40,246)</u>	<u>(649)</u>	<u>-</u>	<u>(40,895)</u>
Total Deferred Inflows	<u>33,095</u>	<u>(649)</u>	<u>3,073</u>	<u>35,519</u>
Net Position				
Net Investment in Capital Assets	882,406	255,797	-	1,138,203
Unrestricted	<u>1,419,359</u>	<u>48,255</u>	<u>3,422,362</u>	<u>4,889,976</u>
Total Net Position	<u>\$ 2,301,765</u>	<u>\$ 304,052</u>	<u>\$ 3,422,362</u>	<u>\$ 6,028,179</u>

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

MARLBORO COUNTY, SOUTH CAROLINA
COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION – PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2024

	Emergency Management Systems	Solid Waste	Golf Course	Total
Operating Revenues				
Taxes				
Property Taxes - Net	\$ 928,236	\$ 13,860	\$ -	\$ 942,096
Vehicle Taxes - Net	233,564	-	-	233,564
Delinquent Taxes - Net	80,933	36,796	-	117,729
Fee In Lieu of Taxes	244,516	-	-	244,516
Homestead Exemption	90,865	-	-	90,865
Manufacturer Reimbursement	108,112	-	-	108,112
Inventory Replacement	12,523	-	-	12,523
Charges for Services	1,486,216	1,457,161	379,880	3,323,257
Miscellaneous	<u>544,046</u>	<u>-</u>	<u>197,870</u>	<u>741,916</u>
Total Revenues	<u>3,729,011</u>	<u>1,507,817</u>	<u>577,750</u>	<u>5,814,578</u>
Operating Expenses				
Salaries	1,897,070	46,411	207,451	2,150,932
Employee Expenses	724,417	94,665	19,112	838,194
Office Supplies	8,800	-	2,814	11,614
Uniform Supplies	15,554	-	-	15,554
Medical Supplies	164,389	-	-	164,389
Fuel	98,116	2,096	13,627	113,839
Professional Services	200,326	1,352,536	76,044	1,628,906
Telephone	28,636	2,004	-	30,640
Training, Travel and Meals	15,005	-	-	15,005
Advertising	7,132	7,062	-	14,194
Repairs and Maintenance	156,574	7,045	-	163,619
Dues and Subscriptions	2,498	1,591	2,400	6,489
Equipment Expense	4,928	-	69,166	74,094
Workers Compensation	102,512	2,499	-	105,011
Depreciation	291,091	67,095	85,343	443,529
General Expense	56	138,242	80,350	218,648
Utilities	17,884	6,414	16,121	40,419
Capital Outlay	<u>-</u>	<u>-</u>	<u>127,110</u>	<u>127,110</u>
Total Operating Expenses	<u>3,734,988</u>	<u>1,727,660</u>	<u>699,538</u>	<u>6,162,186</u>
Operating Income (Loss)	<u>(5,977)</u>	<u>(219,843)</u>	<u>(121,788)</u>	<u>(347,608)</u>
Non-Operating Revenues (Expenses)				
Interest Expense	(3,819)	-	-	(3,819)
Interest Income	<u>25,638</u>	<u>5,721</u>	<u>29,346</u>	<u>60,705</u>
Total Non-Operating Revenues (Expenses)	<u>21,819</u>	<u>5,721</u>	<u>29,346</u>	<u>56,886</u>
Income (Loss) Before Contributions and Transfers	<u>15,842</u>	<u>(214,122)</u>	<u>(92,442)</u>	<u>(290,722)</u>
Transfer to Other Funds	<u>(50,000)</u>	<u>-</u>	<u>-</u>	<u>(50,000)</u>
Change in Net Position	(34,158)	(214,122)	(92,442)	(340,722)
Total Net Position, Beginning of Year, as Restated	<u>2,335,923</u>	<u>518,174</u>	<u>3,514,804</u>	<u>6,368,901</u>
Total Net Position, End of Year	<u>\$ 2,301,765</u>	<u>\$ 304,052</u>	<u>\$ 3,422,362</u>	<u>\$ 6,028,179</u>

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

**MARLBORO COUNTY, SOUTH CAROLINA
COMBINED STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2024**

	Emergency Management Systems	Solid Waste	Golf Course
Cash Flows from Operating Activities			
Cash Received from Customers	\$ 3,734,579	\$ 1,500,363	\$ 577,750
Cash Paid to Suppliers	(778,163)	(1,519,181)	(258,558)
Cash Paid for Salaries and Employee Benefits	<u>(2,529,777)</u>	<u>(59,199)</u>	<u>(277,268)</u>
Net Cash Provided/(Used) by Operating Activities	<u>426,639</u>	<u>(78,017)</u>	<u>41,924</u>
Cash Flows from Non-Capital Financing Activities			
Interest Income	25,638	5,721	29,346
Operating Transfer to Other Funds	(50,000)	-	-
Increase/(Decrease) in Due to Other Funds	<u>556,536</u>	<u>(140,907)</u>	<u>653,871</u>
Net Cash Provided by Non-Capital Financing Activities	<u>532,174</u>	<u>(135,186)</u>	<u>683,217</u>
Cash Flows from Capital and Related Financing Activities			
Purchase of Capital Assets	(362,209)	-	(723,786)
Principal Paid on Capital Lease	(180,230)	-	-
Interest Paid	<u>(5,601)</u>	<u>-</u>	<u>-</u>
Net Cash (Used) by Capital and Related Financing Activities	<u>(548,040)</u>	<u>-</u>	<u>(723,786)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	410,773	(213,203)	1,355
Cash and Cash Equivalents, Beginning of Year	<u>2,120,058</u>	<u>510,996</u>	<u>3,051,138</u>
Cash and Cash Equivalents, End of Year	<u>\$ 2,530,831</u>	<u>\$ 297,793</u>	<u>\$ 3,052,493</u>

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

**MARLBORO COUNTY, SOUTH CAROLINA
COMBINED STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2024
(Continued)**

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH
PROVIDED/(USED) BY OPERATING ACTIVITIES**

	Emergency Management Systems	Solid Waste	Golf Course
Operating Income (Loss)	\$ (5,977)	\$ (219,843)	\$ (121,788)
Adjustments to Reconcile Operating Income to Net Cash Provided/(Used)			
By Operating Activities:			
Depreciation	291,091	67,095	85,343
(Increase)/Decrease in Accounts Receivable	29,266	(7,454)	-
Increase/(Decrease) in Accounts Payable	44,247	308	129,074
Increase/(Decrease) in Accrued Salaries	38,769	-	-
(Increase)/Decrease in Deferred Outflows	(213,035)	50,711	(47,883)
Increase/(Decrease) in Deferred Inflows	(23,698)	(214)	(11,544)
Increase/(Decrease) in Net Pension Liability	252,714	26,831	-
Increase/(Decrease) in Compensated Absences	<u>13,262</u>	<u>4,549</u>	<u>8,722</u>
Net Cash Provided/(Used) by Operating Activities	<u>\$ 426,639</u>	<u>\$ (78,017)</u>	<u>\$ 41,924</u>

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

MARLBORO COUNTY, SOUTH CAROLINA
STATEMENT OF NET POSITION – FIDUCIARY FUND
June 30, 2024

	<u>Custodial Funds</u>
Assets	
Cash and Cash Equivalents	\$ 14,101,496
Taxes Receivable, Net	<u>1,853,003</u>
Total Assets	<u>\$ 15,954,499</u>
Liabilities	
Due to Other Governments	<u>\$ 3,460,620</u>
Total Liabilities	<u>3,460,620</u>
Deferred Inflows of Resources	
Unavailable Revenue - Property Taxes	<u>1,853,003</u>
Net Position	
Restricted for Other Governments	<u>10,640,876</u>
Total Net Position	<u>\$ 10,640,876</u>

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

MARLBORO COUNTY, SOUTH CAROLINA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
AGENCY FUNDS
For the Fiscal Year Ended June 30, 2024

	<u>Custodial Funds</u>
Additions	
Tax Collections for Other Governments	\$ 64,322,918
Miscellaneous	<u>396,370</u>
Total Additions	<u>64,719,288</u>
Deductions	
Payments of Taxes to Other Governments	<u>65,645,527</u>
Total Deductions	<u>65,645,527</u>
Net Increase (Decrease) in Fiduciary Net Position	(926,239)
Net Position, Beginning of Year	<u>11,567,115</u>
Net Position, End of Year	<u><u>\$ 10,640,876</u></u>

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

MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024

Note 1. Summary of Significant Accounting Policies

Marlboro County, South Carolina, operates under the Council Administrator form of government as provided by the Home Rule Act of 1975. The County provides the following services: general administrative services, public safety, health and social services, planning and zoning, culture and recreation, unpaved road maintenance and public improvements.

The financial statements of Marlboro County have been prepared in conformity with accounting principles generally accepted in the United States of America, (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In the government-wide financial statements and the fund financial statements for the proprietary funds, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. Following are the more significant of the County's accounting policies.

A. Reporting Entity

In evaluating how to define Marlboro County, South Carolina, for financial reporting purposes, management has considered all potential component units. The criteria for including organizations as component units within the County's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the County holds the corporate powers of the organization
- the County appoints voting majority of the organization's board
- the County is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the County
- there is a fiscal dependency by the organization on the County

Based on the aforementioned criteria Marlboro County has one component unit.

Discretely Presented Component Unit: The Library Board Foundation is a discretely presented component unit. The Library Board is a non-profit private foundation that raises money on behalf of the County Library. Because the nature and significance of the relationship between the County and the Library Board is such that the exclusion of the Library Board would cause the County's basic financial statements to be incomplete, therefore the financial statements of the Library board are included in these of the County. Separate financial statements for the Library Board are not issued.

MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024
(Continued)

Note 1. Summary of Significant Accounting Policies (continued)

B. Basis of Presentation

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

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the County as a whole. These statements include the financial activities of the County, except for fiduciary funds. The statements distinguish between those activities of the County that are governmental in nature and those that are considered business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Program revenues include charges paid by the recipients of goods or services offered by the program and grant and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. Business-type activities are financed in whole or in part by fees charged to the external parties for goods or services.

The statement of activities presents a comparison between direct and program revenues for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The County does not allocate indirect cost.

Fund Financial Statements

Fund financial statements of the County are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its asset, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the County or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category of type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined

The funds of the County are described below

MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024
(Continued)

Note 1. Summary of Significant Accounting Policies (continued)

B. Basis of Presentation (continued)

Governmental Funds

Governmental funds are those through which most governmental functions of the County are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The General Fund, Economic Development Fund, ARPA Fund, Solicitors Fund, Land Sale Fund, Rural Fire Fund, Recreation Fund, SCDPS SRO Fund, and the Department of Public Safety Equipment Fund are the County's major governmental funds.

General Fund

The *General Fund*, a major fund, is used to account for all financial resources except those required to be accounted for in another fund. All general tax revenues and other receipts that are not allocated by law or contractual agreement to other funds are accounted for in the General Fund. Operational expenditures for General Government, Public Safety, Public Service, Culture and Recreation and other departments of the County are paid through the General Fund.

Special Revenue Funds

The *Special Revenue Funds* are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specific purposes.

Debt Service Fund

The *Debt Service Fund* is used to account for the accumulation of resources for and the payment of general long-term debt principal, interest and related cost of the County.

Capital Projects Fund

The *Capital Projects Fund* is used to account for resources for the acquisition or construction of specific capital projects or items.

Proprietary Fund

Proprietary Fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The following is the County's Proprietary Fund:

Enterprise Fund

The *Enterprise Fund* is used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on the net income measurement similar to the private sector.

MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024
(Continued)

Note 1. Summary of Significant Accounting Policies (continued)

B. Basis of Presentation (continued)

The Emergency Medical Services Fund is used to account for the financial transactions related to the emergency medical services provided to the residents of the County. The Emergency Medical Services Fund is a major fund.

The Solid Waste Fund is used to account for the financial transactions related to solid waste services provided to the residents of the County. The Solid Waste Fund is a major fund.

The Golf Course Fund is used to account for the financial transactions related to the golf course. The Golf Course Fund is a major fund.

Fiduciary Funds

Fiduciary Fund reporting focuses on net position and changes in net position. The Fiduciary Funds consist of Agency Funds.

Custodial Funds

Agency Funds are used to account for assets held by the County in a trustee capacity by the County and do not involve measurement of results of operations.

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and liabilities associated with the operation of the County are included on the statement of net position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reflect the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the fund financial statements for governmental funds.

Like the government-wide financial statements, the Proprietary Funds are accounted for using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of this fund are included on the statement of net position. The statement of revenues, expenses and changes in net position presents increases and decreases in total net position. The statement of cash flows reflects how the County finances and meets the cash flow of its Proprietary Funds.

MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024
(Continued)

Note 1. Summary of Significant Accounting Policies (continued)

C. Measurement Focus and Basis of Accounting (continued)

Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

Basis of Accounting

In the government-wide statement of net position and statement of activities, both governmental and business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset is used, 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. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds and agency funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. Items such as property taxes are considered to be susceptible to accrual. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for the general obligation bond principal and interest which are reported when due.

All Proprietary Funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

D. Cash, Cash Equivalents and Investments

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and amounts in demand deposits.

Investments

Investments are stated at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for Investment Pools*. Investment policies of the County must operate within existing state statutes of the State of South Carolina, which authorizes what the County may and may not invest in.

MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024
(Continued)

Note 1. Summary of Significant Accounting Policies (continued)

E. Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include property taxes, franchise fees, state shared revenue and grants. Property taxes receivables are carried at cost less an allowance for uncollectible.

Business-type activities report property taxes, medical services and solid waste as their major receivables.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as franchise fees, state shared revenue and grants if they are both measurable and available. Non-exchange transactions collectible but not available, such as property taxes, are deferred in the fund financial statements in accordance with modified accrual basis, but not deferred in the government wide financial statements in accordance with the accrual basis. All trade and property tax receivables are recorded net of any allowances for uncollectible.

F. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature of normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, laws of other governments, or imposed by enabling legislation.

G. Prepaid Items

Prepaid items consist of payments made to vendors for services that will benefit periods beyond June 30, 2024.

H. Capital Assets

The accounting treatment over property, plant and equipment (fixed assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Government-Wide Statements

In the government-wide financial statements, fixed assets are accounted for as capital assets. All fixed assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated fixed assets, which are reported at their estimated fair value at the date of donation. The County maintains a capitalization policy of \$5,000 for its capital assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024
(Continued)

Note 1. Summary of Significant Accounting Policies (continued)

H. Capital Assets (continued)

Buildings	25-50 years
Improvements	5-50 years
Furniture and Equipment	5-15 years
Infrastructure	40-50 years

Fund Financial Statements

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets used in the Proprietary Fund operations are accounted for the same as in the government-wide statements.

I. Short-term Inter-fund Receivables/Payable

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 the fund financial balance sheet. Interfund balances within governmental activities and within business-type activities are eliminated on the government-wide statement of net position.

J. Compensated Absences

The County reports compensated absences in accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*. The County’s policies regarding vacation and sick leave are based on years of service, with a total of 30 days of vacation and 90 days of sick leave per year accumulated by each employee. However, employees are not paid for the accumulated sick leave upon retirement or other termination and, therefore, no liability has been accrued in the financial statements for accumulated sick leave. Each employee may accumulate a maximum of 30 days for vacation. The entire compensated absence liability for unused vacation is reported on the government-wide financial statements.

In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources. For the Proprietary Fund, the entire amount of compensated absences is reported as a fund liability.

K. Deferred Outflows of Resources

In addition to assets, The County reports deferred outflows of resources in a separate section of its government wide fund statements. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period. The County has two deferred outflows: the first is prepaid cost related to the GASB 68 pension liability. The second item is prepaid cost related to the GASB 75 OPEB liability.

MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024
(Continued)

Note 1. Summary of Significant Accounting Policies (continued)

L. Deferred Inflows of Resources

In addition to liabilities, The County reports deferred inflows of resources in a separate section of its government wide fund statements. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period.

The County has three types of items which occur because governmental fund revenues are not recognized until available (collected no later than 60 days after the end of the County's fiscal year) under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, deferred property taxes and grant revenue are reported in the governmental fund balance sheet. The second item is future pension revenues related to the GASB 68 pension liability. The last item is future OPEB revenues related to the GASB 75 OPEB liability.

M. Long-term Obligations

The accounting treatment of long-term debt depends on whether the assets are used in Governmental Fund operations or Proprietary Fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental resources is reported as a liability in the government-wide statements. Bond issuance costs are expensed in the fund, in the year incurred. The long-term debt consists primarily of bonds payable, capital leases, accrued compensated absences, post-closure costs, OPEB and pension liability.

Long-term debt for governmental funds is not reported as a liability in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for Proprietary Funds is the same in the fund statements as it is in the government-wide statements.

N. Equity Classifications

Government-Wide Statements

Equity is classified as net position and displayed in three components:

a. Net Investment in capital assets. This consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, capital leases or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

b. Restricted net position. This consists of net position with constraints placed on the use by either external groups such as creditors, grantors, contributors, or laws or regulations of other governments or law through constitutional provisions or enabling legislation.

c. Unrestricted net position. All other net positions that do not meet the definition of "restricted" or "net investment in capital assets" are classified as unrestricted.

MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024
(Continued)

Note 1. Summary of Significant Accounting Policies (continued)

N. Equity Classifications (continued)

The County classifies governmental fund balances as follows:

- Non-spendable—Includes amounts that inherently cannot be spent either because they are not in a spendable form (i.e., prepaids, inventories, long-term loan receivables, etc.) or because they are legally or contractually required to be maintained intact (i.e., principal on an endowment, etc.).
- Restricted—Includes amounts that are constrained by specific purposes which are externally imposed by (a) other governments through laws and regulations, (b) grantors or contributions through agreements, (c) creditors through debt covenants or other contracts, or (d) imposed by law through constitutional provisions or enabling legislation.
- Committed—Includes amounts that are constrained for specific purposes that are internally imposed by the government through formal action made by County Council, which is the highest level of decision-making authority, before the end of the reporting period. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.
- Assigned—Includes amounts that are intended to be used for specific purposes that are neither considered restricted nor committed, designated by Council before the end of the reporting period.
- Unassigned—Includes amounts that do not qualify to be accounted for and reported in any of the other fund balance categories. This classification represents the amount of fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

Proprietary fund equity is classified the same as in the government-wide statements.

The County generally uses restricted amounts first when both restricted and unrestricted (committed, assigned and unassigned) fund balance is available unless there are legal documents, contracts, or agreements that prohibit doing such. Additionally, the County would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

O. Operating and Non-Operating Revenues and Expenses

Proprietary Fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values.

MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024
(Continued)

Note 1. Summary of Significant Accounting Policies (continued)

O. Operating and Non-Operating Revenues and Expenses (continued)

Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities. Operating expenses for the Proprietary Funds include costs of sales, administrative expenses and depreciation of capital assets. All other expenses are reported as non-operating expenses.

P. Capital Contributions

Contributions of capital on government-wide and enterprise fund financial statements arise from outside contributions of capital assets, contributions from other funds or from grants or outside contributions of resources restricted to capital acquisition and construction.

Q. Inter-fund Transactions

Transactions between governmental activities and business-type activities on the government-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as inter-fund transfers. Inter-fund transfers are reported as other financing sources/uses in the governmental funds and non-operating revenues/expenses in the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

R. Use of Estimates

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

S. 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 System (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. Investments are reported at fair value.

MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024
(Continued)

Note 1. Summary of Significant Accounting Policies (continued)

T. Statement of Cash Flows

For purposes of the statement of cash flows, the County’s Proprietary Funds considers cash and cash equivalents. Cash equivalents are defined as short-term, highly liquid investments that are readily convertible to known amounts of cash and are so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Cash equivalents include certificate of deposits, treasury bills and money market funds.

U. Leases

According to GASB Statement No. 87 (“GASB 87”), a lease is defined as a contract that conveys control of the right to use another entity’s nonfinancial asset as specified in the contract for a period of time in an exchange or exchange-like transaction. Examples of nonfinancial assets include buildings, land, vehicles, and equipment. Any contract that meets this definition should be accounted for under new guidelines for accounting and reporting of lease in accordance with GASB 87, which became effective beginning with fiscal year 2022. Any impacts from GASB 87 are to be reflected in the government-wide or proprietary fund statements. There is no impact on the fund financial statements.

Note 2. Deposits and Investments

Deposits – Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the County’s deposits may not be recovered. The County’s policy requires deposits to be 100 percent secured by collateral valued at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation (FDIC) insurance. Deposits of the County’s reporting entity are insured or collateralized with securities held by the County, its agent, or by the pledging financial institutions trust department or agent in the name of the County. As of June 30, 2024, \$19,971,580 of the County’s bank balance of \$37,296,919, which has a carrying value of \$36,537,337 was exposed to custodial credit risk as follows:

Uninsured by FDIC, but collateral held by pledging bank not in the County’s name	<u>\$ 19,971,580</u>
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Investments

As of June 30, 2024, the County had the following investment and maturity, which is included in cash and cash equivalents:

	<u>Credit Rating</u>	<u>Fair Value</u>	<u>Investment Maturity</u> <u>Less Than 1 Yr.</u>
SC Pooled Investment Fund	Unrated	\$9,521,970	\$9,521,970

South Carolina Pooled Investment Fund – The South Carolina Pooled Investment Fund (the “Pool”) are invested with the South Carolina State Treasurer’s Office, which established the Pool pursuant to Section 6-6-10 of the South Carolina Code. The Pool is an investment trust fund, in which public monies in excess of current needs, which are under the custody of any

MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2024

(Continued)

Note 2. Deposits and Investments (continued)

city/county treasurer or any governing body of a political subdivision of the State, may be deposited. The Pool is a 2a-7 like pool which is not registered with the Securities and Exchange Commission (“SEC”) as an investment company, but has a policy that it will operate in a manner consistent with the SEC’s rule 2a-7 of the Investment company Act of 1940. In accordance with GASB Statement No. 31, “*Accounting and Financial Reporting for Certain Investments and for External Investment Pools*”, investments are carried at fair value Determined annually based upon quoted market prices. The total fair value of the Pool is apportioned to the entities with funds invested on an equal basis for each share owned, which are acquired at a cost of \$1.

Interest Rate Risk – The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial Credit Risk for Investments- Custodial credit risk for investments is the risk that, in the event of a bank failure, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County does not have a deposit policy for custodial credit risk but follows the investment policy statutes of the State of South Carolina. As of June 30, 2024, none of the County’s investments were exposed to custodial credit risk.

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

Note 3. Property Taxes

The County assesses and levies property taxes in accordance with applicable laws of the State of South Carolina. Real property and personal property of every description owned and used in the County, except that which is exempt from taxation under the Constitution and Laws of the State, is subject to taxation. An annual ordinance establishing the millage rate associated with the levy is adopted each year as a part of the budget adoption process.

Real property and all personal property other than vehicles are assessed for property tax purposes on January 1 of each year. All taxable property is assessed in proportion to its value on that date. The basis for value of taxable property within the County is taken from the records of the Marlboro County Auditor. Taxes are levied in October and are due and payable at that time. Property taxes are due by January 15, and penalties are imposed as follows: 3% prior to February 1, an additional 7% prior to March 15, and an additional 5% after March 15.

MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024
(Continued)

Note 3. Property Taxes (continued)

A summary of outstanding property taxes at June 30, 2024, is presented below.

	<u>Governmental Fund Type</u>			<u>Proprietary Fund Type</u>		<u>Fiduciary Fund Type</u>	<u>Total</u>
	General <u>Fund</u>	Special Revenue <u>Fund</u>	Debt Service <u>Fund</u>	EMS <u>Fund</u>	Solid Waste <u>Fund</u>	Custodial <u>Fund</u>	
Taxes Receivable	\$ 886,418	\$ 330,165	\$ 68,835	\$ 241,540	\$ 43,454	\$ 3,916,088	\$5,486,500
Less: Allowance for Doubtful Accounts	<u>(506,945)</u>	<u>(175,003)</u>	<u>(33,376)</u>	<u>(115,537)</u>	<u>-</u>	<u>(2,063,085)</u>	<u>(2,893,946)</u>
Net Taxes Receivable	<u>\$ 379,473</u>	<u>\$ 155,162</u>	<u>\$ 35,459</u>	<u>\$ 126,003</u>	<u>\$ 43,454</u>	<u>\$ 1,853,003</u>	<u>\$2,592,554</u>

Note 4. Other Receivables

Other governmental receivables at June 30, 2024, consist of intergovernmental revenues, grant revenues and franchise fees. Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

Note 5. Inter-fund Receivables and Payables

Inter-fund balances at June 30, 2024, (all of which are expected to be received or paid within one year), consisted of the following individual fund receivables and payables:

<u>Fund</u>	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ 2,874,870	\$ -
Special Revenue Funds	989,968	1,230,544
Proprietary Fund	-	2,634,294
Fiduciary Fund	<u>-</u>	<u>-</u>
Totals	<u>\$ 3,864,838</u>	<u>\$ 3,864,838</u>

The General Fund receivable is a result of various payroll operating transactions for various funds and operating transactions related to proprietary funds. The payable is money owed to various funds for transfers not used by the General Fund.

The Special Revenue Fund receivable is a result of various operating transactions for the Proprietary Fund.

The Proprietary Fund payable is a result of monies borrowed from the general fund for start-up operations.

MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024
(Continued)

Note 6. Capital Assets

Capital Asset activity for the year ended June 30, 2024, was as follows:

Governmental Activities

Non-depreciable Assets:	<u>Beginning</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers</u>	<u>Ending</u>
Land and Land Improvements	\$ 1,872,494	\$ 252,730	\$ -	\$ -	\$ 2,125,224
Construction in Progress	2,452,774	13,028	(1,455,369)	-	1,010,433
Depreciable Assets:					
Buildings and Improvements	26,602,012	77,779	-	-	26,679,791
Equipment	6,152,296	1,267,535	-	-	7,419,831
Infrastructure	8,614,612	-	-	-	8,614,612
Right of Use Assets	<u>899,261</u>	<u>76,396</u>	<u>-</u>	<u>-</u>	<u>975,657</u>
 Totals	 <u>46,593,449</u>	 <u>1,687,468</u>	 <u>(1,455,369)</u>	 <u>-</u>	 <u>46,825,548</u>
 Less: Accumulated Depreciation					
Buildings and Improvements	(20,020,973)	(352,520)	-	-	(20,373,493)
Equipment	(5,572,689)	(354,122)	-	-	(5,926,811)
Land Improvements	(62,281)	(22,085)	-	-	(84,366)
Infrastructure	(2,841,808)	(209,979)	-	-	(3,051,787)
Right of Use Assets	<u>(479,688)</u>	<u>(207,817)</u>	<u>-</u>	<u>-</u>	<u>(687,505)</u>
 Totals	 <u>(28,977,439)</u>	 <u>(1,146,523)</u>	 <u>-</u>	 <u>-</u>	 <u>(30,123,962)</u>
 Governmental Activities					
Capital Assets,					
Net	<u>\$ 17,616,010</u>	<u>\$ 540,945</u>	<u>\$(1,455,369)</u>	<u>\$ -</u>	<u>\$ 16,701,586</u>

MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024
(Continued)

Business-type Activities

Non-depreciable Assets:	<u>Beginning</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers</u>	<u>Ending</u>
Land and Land Improvements	\$ 495,416	\$ -	\$ -	\$ -	\$ 495,416
Construction in Progress	-	48,001	-	-	48,001
Depreciable Assets:					
Buildings and Improvements	1,512,816	210,592	-	-	1,723,408
Vehicles	1,740,158	264,243	-	-	2,004,401
Equipment	<u>1,322,179</u>	<u>563,159</u>	<u>-</u>	<u>-</u>	<u>1,885,338</u>
 Totals	 <u>5,070,569</u>	 <u>1,085,995</u>	 <u>-</u>	 <u>-</u>	 <u>6,156,564</u>

Less: Accumulated Depreciation

Buildings and Improvements	(1,063,063)	(22,587)	-	-	(1,085,650)
Vehicles	(1,122,234)	(182,316)	-	-	(1,304,550)
Land Improvements	(17,210)	(7,940)	-	-	(25,150)
Equipment	<u>(960,628)</u>	<u>(230,686)</u>	<u>-</u>	<u>-</u>	<u>(1,191,314)</u>
 Totals	 <u>(3,163,135)</u>	 <u>(443,529)</u>	 <u>-</u>	 <u>-</u>	 <u>(3,606,664)</u>

Business-Type Activities

Capital Assets, Net	<u>\$ 1,907,434</u>	<u>\$ 642,466</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,549,900</u>
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MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024
(Continued)

Note 6. Capital Assets (continued)

Depreciation and amortization expense was charged to governmental activities as follows:

General Government	\$	283,653
Public Safety		358,164
Public Services		66,148
Culture and Recreation		149,843
Economic Development		76,075
Health and Environment		4,823
Capital Lease - Amortization GASB 87		207,817
Total Depreciation and Amortization Expense	\$	1,146,523

Note 7. Accounts Payable and Accrued Expenses

The significant components of accounts payable and accrued expenses for governmental activities at June 30, 2024, are as follows:

Accounts Payable	\$	937,761
Accrued Payroll, Withholdings, Fringe and Benefits		617,430
Total Accounts Payable and Accrued Expenses - Governmental Activities		\$ 1,555,191

Note 8. Long-term Debt

Governmental Activities:

As of June 30, 2024, the governmental long-term debt consisted of general obligation bonds, capital leases, post-closure costs and compensated absences.

General Obligation Bonds

On October 19, 2016, the County issued Series 2016 General Obligation Advanced Refunding Bond totaling \$2,516,000 with principal and interest payments due on April 1st of each year. The bond maturity date is April 2027. The interest rate of the bond is 1.85%. The outstanding balance of the bond as of June 30, 2024, was \$757,000. This bond is applicable to the County's 8% debt limit.

MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024
(Continued)

Note 8. Long-term Debt (continued)

On August 30, 2017, the County issued Series 2017 General Obligation Bonds totaling \$770,000 with principal and interest payments due on April 1st of each year. The bond maturity date is April 2024. The interest rate of the bond is 2.49%. The outstanding balance of the bond as of June 30, 2024, was \$0. This bond is applicable to the County's 8% debt limit.

On February 23, 2023, the County issued Series 2023 General Obligation Bonds totaling \$1,250,000 with principal and interest payments due on April 1st of each year. The bond maturity date is April 2030. The interest rate of the bond is 3.11%. The outstanding balance of the bond as of June 30, 2024 was \$942,200. This bond is applicable to the County's 8% debt limit.

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending	<u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	2025	423,500	43,307	466,807
2026	2026	433,500	33,248	466,748
2027	2027	331,900	22,929	354,829
2028	2028	164,900	15,870	180,770
2029	2029	170,100	10,742	180,842
2029-2030	2029-2030	175,300	5,452	180,752
Totals		\$ 1,699,200	\$ 131,548	\$ 1,830,748

Capital Lease Payable

The county had twenty-six outstanding leases with Enterprise. The total outstanding obligation as of June 30, 2024 is \$707,728. Various interest rates range from 3.67% - 5.84%. There are various mature dates ranging from 2023 to 2026. The county has implemented the new accounting standard GASB 87 *Leases*. The impact of prior periods has been reflected in note 20.

The following is a schedule of the future minimum lease payments under capital lease, and the present value of the net minimum lease payments at June 30, 2024.

Year Ending June 30,	
2025	198,625
2026	166,353
2027	145,610
2028	113,984
2029	200,442
Total minimum lease payments	825,014
Less: Amounts representing interest	(117,286)
Present value of future minimum lease payments	\$ 707,728

MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024
(Continued)

Note 8. Long-term Debt (continued)

Business-type Activities:

Capital Lease Payable

On March 12, 2019, the County entered into a capital lease arrangement with First Citizens Bank and Trust Company to purchase land, building, various equipment and vehicles in the amount of \$850,000. The lease is payable in yearly installments beginning April 10, 2020, including interest at a rate of 3.01%. As of June 30, 2024, the County had an outstanding balance of \$0

Note 9. Changes in Long-term Debt

The following is a summary of changes in long-term debt for the year ended June 30, 2024.

	Balance			Balance	Due Within
	<u>7/1/2023</u>	<u>Additions</u>	<u>Reductions</u>	<u>6/30/2024</u>	<u>One Year</u>
<i>Governmental Activities:</i>					
G.O. Bond 2016	\$ 995,000	\$ -	\$ (238,000)	\$ 757,000	\$ 247,000
G.O. Bond 2017	117,043	-	(117,043)	-	-
G.O. Bond 2023	1,081,500	-	(139,300)	942,200	176,500
Lease Payable	277,361	591,342	(160,975)	707,728	140,935
Lease Payable - Air Packs	500,000	-	(91,141)	408,859	95,369
Compensated Absences	447,483	518,017	(447,483)	518,017	35,657
Net OPEB Obligation	1,157,019	142,936	-	1,299,955	-
Net Pension Liability	<u>18,200,157</u>	<u>1,268,272</u>	<u>-</u>	<u>19,468,429</u>	<u>-</u>
Total	<u>\$ 22,775,563</u>	<u>\$ 2,520,567</u>	<u>\$ (1,193,942)</u>	<u>\$ 24,102,188</u>	<u>\$ 695,461</u>
<i>Business-type Activities:</i>					
Capital Lease	\$ 180,230	\$ -	\$ (180,230)	\$ -	\$ -
Net Pension Liability	230,937	279,545	-	510,482	-
Compensated Absences	<u>145,786</u>	<u>172,319</u>	<u>(145,786)</u>	<u>172,319</u>	<u>22,617</u>
Total	<u>\$ 556,953</u>	<u>\$ 451,864</u>	<u>\$ (326,016)</u>	<u>\$ 682,801</u>	<u>\$ 22,617</u>

MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024
(Continued)

Note 10. Debt Limitations

The amount of legal debt margin as of June 30, 2024, is computed as follows:

Total Assessed Value	\$ <u>82,461,057</u>
Debt Limit 8% of Assessed Value	\$ 6,596,885
Amount of Debt Applicable to Limit	<u>(1,699,200)</u>
Legal Debt Margin	<u>\$ 4,897,685</u>

Note 11. Employee Retirement Plans

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

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

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

**MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2024

(Continued)

Note 11. Employee Retirement Plans (continued)

Plan Description- The South Carolina Retirement System (SCRS), a cost-sharing multiple-employer defined benefit pension plan, was established July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits for teachers and employees of the state and its political subdivisions. SCRS covers employees of state agencies, public school districts and participating charter schools, public higher education institutions, other participating local subdivisions of government and individuals first elected to the South Carolina General Assembly at or after the general election in November 2012.

The State Optional Retirement Program (State ORP) is a defined contribution plan that is offered as an alternative to SCRS to newly hired state, public higher education institution and public school district employees, as well as individuals first elected to the South Carolina General Assembly at or after the general election in November 2012. State ORP participants direct the investment of their funds into an account administered by one of four third party service providers. PEBA assumes no liability for State ORP benefits. Rather, the benefits are the liability of the four third party service providers. For this reason, State ORP assets are not part of the retirement systems' trust funds for financial statement purposes.

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

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

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

SCRS - Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. This plan covers general employees and teachers and individuals first elected to the South Carolina General Assembly at or after the general election in November 2012. A member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. A member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.

State ORP - As an alternative to membership in SCRS, newly hired state, public school and higher education employees, as well as individuals first elected to the South Carolina General Assembly at or after the general election in November 2012 have the option to participate in the State ORP. Contributions to the State ORP are at the same rates as SCRS. A direct remittance is required from the employer to the member's account with the ORP service provider for the employee contribution and a portion of the employer contribution (5 percent). A direct remittance is also

**MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2024

(Continued)

Note 11. Employee Retirement Plans (continued)

required to SCRS for the remaining portion of the employer contribution and an incidental death benefit contribution, if applicable, which is retained by SCRS.

PORS - To be eligible for PORS membership, an employee must be required by the terms of his employment, by election or appointment, to preserve public order, protect life and property, and detect crimes in the state; to prevent and control property destruction by fire; be a coroner in a full-time permanent position; or be a peace officer employed by the Department of Corrections, the Department of Juvenile Justice or the Department of Mental Health. Probate judges and coroners may elect membership in PORS. Magistrates are required to participate in PORS for service as a magistrate. PORS members, other than magistrates and probate judges, must also earn at least \$2,000 per year and devote at least 1,600 hours per year to this work, unless exempted by statute. A member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. A member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.

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

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

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

PORS - A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 55 or with 25 years of service regardless of age. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension at age 55 or with 27 years of service regardless of age. Both Class Two and Class Three members are eligible to receive a deferred annuity at age 55 with five or eight years of earned service, respectively.

MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024
(Continued)

Note 11. Employee Retirement Plans (continued)

An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program. Accidental death benefits are also provided upon the death of an active member working for a covered employer whose death was a natural and proximate result of an injury incurred while in the performance of duty.

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

Contributions- Actuarial valuations are performed annually by an external consulting actuary to ensure applicable contribution rates satisfy the funding parameters specified in Title 9 of the South Carolina Code of Laws. Under these provisions, SCRS and PORS contribution requirements must be sufficient to maintain an amortization period for the financing of the unfunded actuarial accrued liability (UAAL) over a period that does not exceed the number of years scheduled in state statute. Effective July 1, 2017, employee rates were increased and capped rate at 9 percent for SCRS and 9.75 percent for PORS. The legislation also increased employer contribution rates beginning July 1, 2017, for both SCRS and PORS until reaching 18.56 percent for SCRS and 21.24 percent for PORS. The legislation included a further provision that if the scheduled contributions are not sufficient to meet the funding periods set in state statute, the PEBA board would increase the employer contribution rates as necessary to meet the funding periods set for the applicable year.

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

Required employee contribution rates are as follows:

SCRS	<u>Fiscal Year 2024*</u>	<u>Fiscal Year 2023*</u>
Employee Class Two	9.0 % of earnable compensation	9.0 % of earnable compensation
Employee Class Three	9.0 % of earnable compensation	9.0 % of earnable compensation
PORS	<u>Fiscal Year 2024*</u>	<u>Fiscal Year 2023*</u>
Employee Class Two	9.75 % of earnable compensation	9.75 % of earnable compensation
Employee Class Three	9.75 % of earnable compensation	9.75 % of earnable compensation

*Calculated on earnable compensation as defined in Title 9 of the South Carolina Code of Laws.

MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024
(Continued)

Note 11. Employee Retirement Plans (continued)

Required employer contribution rates are as follows:

		<u>Fiscal Year 2024*</u>	<u>Fiscal Year 2023*</u>
SCRS	Employer Class Two	18.41 % of earnable compensation	17.41 % of earnable compensation
	Employer Class Three	18.41 % of earnable compensation	17.41 % of earnable compensation
	Employer Incidental Death Benefit	0.15 % of earnable compensation	0.15 % of earnable compensation

		<u>Fiscal Year 2024*</u>	<u>Fiscal Year 2023*</u>
PORS	Employee Class Two	20.84 % of earnable compensation	19.84 % of earnable compensation
	Employee Class Three	20.84 % of earnable compensation	19.84 % of earnable compensation
	Employer Accidental Death Program	0.20 % of earnable compensation	0.20 % of earnable compensation
	Employer Incidental Death Benefit	0.20 % of earnable compensation	0.20 % of earnable compensation

*Calculated on earnable compensation as defined in Title 9 of the South Carolina Code of Laws.

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

The June 30, 2023, total pension liability (TPL), net pension liability (NPL), and sensitivity information shown in this report were determined by our consulting actuary, Gabriel, Roeder, Smith & Company (GRS) and are based on an actuarial valuation performed as of July 1, 2022. The total pension liability was rolled-forward from the valuation date to the plan's fiscal year end, June 30, 2023, using generally accepted actuarial principles. There was no legislation enacted during the 2023 legislative session that had a material change in the benefit provisions for any of the systems.

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2023.

	SCRS	PORS
Actuarial cost method	Entry age normal	Entry age normal
Investment rate of return ¹	7%	7%
Projected salary increases	3.0% to 11.0% (varies by service) ¹	3.5% to 10.5% (varies by service) ¹
Benefit adjustments	lesser of 1% or \$500 annually	lesser of 1% or \$500 annually
¹ Includes inflation at 2.25%		

MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024
(Continued)

Note 11. Employee Retirement Plans (continued)

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

Assumptions used in the determination of the June 30, 2023, TPL are as follows.

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

Net Pension Liability of the Plan- The NPL is calculated separately for each system and represents that particular system’s TPL determined in accordance with GASB 67 less that system’s fiduciary net position. NPL totals, as of June 30, 2023, for SCRS and PORS are presented below.

<u>System</u>	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net</u>	<u>Employers' Net Pension</u>	<u>Plan Fiduciary Net Position as of Percentage of</u>
SCRS	\$ 58,464,402,454	\$ 34,286,961,942	24,177,440,512	58.6%
PORS	9,450,021,576	6,405,925,370	3,044,096,206	67.8%

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

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

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2023 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 below.

MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024
(Continued)

Note 11. Employee Retirement Plans (continued)

For actuarial purposes, the 7 percent assumed annual investment rate of return used in the calculation of the TPL includes a 4.75 percent real rate of return and a 2.25 percent inflation component.

<u>Allocation / Exposure</u>	<u>Policy Target</u>	<u>Expected Arithmetic Real Rate of Return</u>	<u>Long Term Expected Portfolio Real Rate of Return</u>
Public Equity	46.0%	6.62%	3.04%
Bonds	26.0%	0.31%	0.08%
Private Equity ¹	9.0%	10.91%	0.98%
Private Debt ¹	7.0%	6.16%	0.43%
Real Assets	12.0%		
Real Estate ¹	9.0%	6.41%	0.58%
Infrastructure ¹	3.0%	6.62%	0.20%
Total Expected Return ²	100.0%		5.31%
Inflation for Actuarial Purposes			2.25%
			<u>7.56%</u>

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

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

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

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

System	1% Decrease (6%)	Discount Rate (7%)	1% Increase (8%)
SCRS	\$ 19,814,538	\$ 15,335,198	\$ 11,612,125
PORS	\$ 6,550,659	\$ 4,643,713	\$ 3,081,686

Additional Financial and Actuarial Information- Information contained in these Notes to the Schedules of Employer and Nonemployer Allocations and Schedules of Pension Amounts by Employer (Schedules) was compiled from the Systems' audited financial statements for the fiscal year ended June 30, 2023, and the accounting valuation report as of June 30, 2023. Additional financial information supporting the preparation of the Schedules (including the unmodified audit opinion on the financial statements and required supplementary information) is available in the Systems' Comprehensive Annual Financial Report.

MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024
(Continued)

Note 11. Employee Retirement Plans (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions- At June 30, 2024, the County reported a liability of \$19,978,911 for its proportionate share of the NPL. The NPL was measured as of June 30, 2023, and the TPL used to calculate the NPL was determined by an actuarial valuation as of that date. The County's proportion of the NPL was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

For the year ended June 30, 2024, the County recognized pension expense of \$887,114 for its participation in the SCRS and PORS Plans. The expenses amount includes actual employer contributions, changes in deferred outflows and/or inflows of resources related to changes in employers' proportionate share of the collective NPL, and differences between actual employer contributions and proportionate share of total plan employer contributions as reported by PEBA for the year ended June 30, 2023.

At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 484,783	\$ 99,774
Changes of assumptions	336,023	-
Net difference between projected and actual earnings on pension plan investments	-	28,960
Changes in proportion and differences between County contribution and proportionate share of contributions	1,217,931	51,801
County contributions subsequent to measurement date	<u>2,327,927</u>	<u>-</u>
Total	<u>\$ 4,366,664</u>	<u>\$ 180,535</u>

The amount of \$2,327,927 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the pension expense as follows:

Year Ended June 30:	<u>SCRS</u>	<u>PORS</u>	<u>Combined</u>
2024	506,005	347,368	853,373
2025	(80,670)	139,841	59,171
2026	593,084	366,428	959,512
2027	<u>(8,995)</u>	<u>(4,859)</u>	<u>(13,854)</u>
Total	<u>\$ 1,009,424</u>	<u>\$ 848,778</u>	<u>\$ 1,858,202</u>

Payables to the Pension Plan- The County reported a payable to the SCRS and PORS as of June 30, 2024, in the amount of \$281,182, which is recorded in the financial statements as accrued expenses, and represents the June employer and employee contributions, that were paid in July 2024.

MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024
(Continued)

Note 12. Post-Employment Health Care Benefits

Plan Description: The County sponsors a single-employer medical insurance subsidy benefit plan (the “OPEB Plan”) that provides payments on behalf of eligible retirees to be used toward the purchase of subsidization or medical insurance provided under the County’s group plan, in the form of health insurance coverage. Employees become eligible when the employee qualifies for the SCRS or PORS and has ten (10) or more years of service. Information regarding SCRS and PORS eligibility may be found in the Comprehensive Annual Financial Report as identified in Note 11. The OPEB Plan may be changed by County Council at its discretion; the benefit and contribution requirements of the County and plan members are established and amended by County Council. These contributions are neither guaranteed nor mandatory. County Council has retained the right to unilaterally modify its payments toward retiree health care benefits at any time.

As of June 30 2022, the measurement date, there were 152 covered participants; four members are retirees receiving benefits and 148 are active participants and dependents.

Funding Policy: The County pays a maximum of \$300 monthly to age 65, if the employee retires with 30 years of full-time service with Marlboro County, the SCRS or the PORS. Employees retiring with at least 10 years of full-time service with the County or the state of South Carolina may continue existing coverage at their own cost with no County contributions towards their cost. Employees reaching age 65 and obtaining Medicare or other medical coverage can elect to also continue coverage by paying the applicable state premium increased by an implicit subsidy cost of 1.5 times the premium billed by the state. Employees retiring prior to June 30, 2008, were grandfathered to receive subsidized retirement health benefits post Medicare eligibility, are not limited by the \$300 monthly maximum and are not subject to the 30 years of full-time service requirement. Employees retiring after June 30, 2008, must obtain Medicare and are not eligible to continue coverage through the County. Employees hired after June 30, 2008, will not receive any medical retirement benefits.

The County’s annual other postemployment benefits (“OPEB”) cost (expense) is calculated based on the annual required contribution (“ARC”) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 75.

Actuarial Methods and Assumptions: Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the OPEB Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive OPEB Plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term

MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024
(Continued)

Note 12. Post-Employment Health Care Benefits (continued)

volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The following table summarizes the key actuarial assumptions and cost method:

Valuation Date:	June 30, 2022
Methods and Assumptions:	
Actuarial Cost Method	Individual Entry-Age Normal
Discount Rate	3.86% as of June 30, 2023
Inflation	2.25%
Salary Increases	3.00% to 9.50% for SCRS and 3.50% to 10.50% for PORS, including inflation
Demographic Assumptions	Based on the experience study covering the five-year period ending June 30, 2019 as conducted for the South Carolina Retirement Systems (SCRS). For the OPEB valuation, the standard retirement rates were adjusted to reflect the impact of the County's retiree medical plan design.
Mortality	For healthy retirees, the gender-distinct South Carolina Retirees 2020 Mortality Tables are used with the following multipliers applied to the base tables: 97% for male SCRS members, 107% for female SCRS members, 127% for male PORS members, and 107% for female PORS members. The rates are projected on a fully generational basis using 80% of the ultimate rates of Scale MP-2019 to account for future mortality improvements.
Health Care Trend Rates	Initial rate of 6.00% declining to an ultimate rate of 4.00% after 13 years.
Participation Rates	90% for retirees with over 25 years at retirement; 5% for retirees with 10 to 24 years at retirement
Other Information:	
Notes	The discount rate changed from 3.69% as of June 30, 2022 to 3.86% as of June 30, 2023.

Single Discount Rate: The single discount rate of 3.86% was used to measure the total OPEB liability. The accounting policy is to set the Single Discount Rate equal to the prevailing rate for 20-year tax exempt bond obligation municipal bonds with an average rating of AA or higher.

OPEB Liability, OPEB Expense, and Deferred Outflows/Inflows of Resources Related to OPEB: The net OPEB liability (“NOL”) is calculated separately and represents the system’s Total OPEB Liability determined in accordance with GASB No. 74 less its fiduciary net position.

MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024
(Continued)

Note 12. Post-Employment Health Care Benefits (continued)

NOL totals as of June 30, 2023, measurement date are presented in the following table:

Total OPEB Liability		
Total OPEB Liability	\$	1,299,955
Total OPEB Liability as a Percentage of Covered Payroll		16.61 %

As of June 30, 2024, the County reported a liability of approximately \$1,299,955 for the net OPEB liability. The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability was determined based on the most recent actuarial valuation report as of June 30, 2023.

For the year ended June 30, 2024, the County recognized OPEB expense of \$111,433. At June 30, 2024, the County reported deferred outflows of resources (prepaid OPEB cost) and deferred inflows of resources (unavailable revenues-OPEB) related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 83,500	\$ 757,063
Changes in assumptions	183,711	194,464
Contributions subsequent to the measurement date	142,469	
Total	<u>\$ 409,680</u>	<u>\$ 951,527</u>

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

<u>Year Ending June 30</u>	<u>Net Deferred Outflows/(Inflows)</u>
2025	\$ (86,449)
2026	(82,969)
2027	(85,699)
2028	(88,866)
2029	(92,088)
Thereafter	(248,245)
Total	<u>\$ (684,316)</u>

MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024
(Continued)

Note 12. Post-Employment Health Care Benefits (continued)

The following table presents the sensitivity of the County’s net OPEB liability to changes in the discount rate, calculated using the discount rate of 3.86%, as well as what the OPEB liability would be if it were calculated using a discount rate of 1% lower or 1% higher:

1% Decrease	Current Discount Rate Assumption	1% Increase
2.86%	3.86%	4.86%
\$ 1,438,436	\$ 1,299,955	\$ 1,177,091

Sensitivity of the OPEB Liability to Changes in Healthcare cost Trend Rate: The following table presents the total OPEB liability as well as what the total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower or 1% higher than current healthcare trend cost rates:

1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
\$ 1,116,135	\$ 1,299,955	\$ 1,527,790

Note 13. Commitments and Contingencies

The County receives state and federal grants for specific purposes that are subject to review and audit by state and federal agencies. Such audits could result in a request for reimbursement by the state and federal agencies for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of County management, such disallowances, if any, will not be significant.

Various claims and lawsuits are pending against the County. As of the issuance of the financial statements, it is not known whether any unfavorable outcomes are likely, however, it appears that should there be any unfavorable outcomes, some cause of action may not be covered by insurance.

Note 14. Insurance and Risk Management

The County is exposed to various risks of loss related to torts, theft, damage, destruction of assets, errors and omissions, injuries to employees and natural disasters. The County maintains insurance covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured loss to the County.

Settled claims have not exceeded this coverage in any of the past three years. There are no significant reductions in insurance coverage in the prior year.

The County paid insurance premiums to the South Carolina Counties Property and Liability Trust totaling \$320,958 to cover risks that may occur in normal operations. These risks include loss of real property and contents, motor vehicles, errors and omissions, general liability and theft and dishonesty.

**MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2024

(Continued)

Note 14. Insurance and Risk Management (continued)

The County paid insurance premiums to the South Carolina Counties Workers' Compensation Trust totaling \$313,986 for workers' compensation coverage.

Note 15. Closure and Post-closure Care Costs

State and federal environmental laws and regulations require that Marlboro County place a final cover on its landfills when closed and perform certain maintenance and monitoring functions for twenty (20) years after closure. In addition to operating expenses related to current activities of the landfill, an expense provision and related liability are recognized based on the estimated closure and post-closure care costs. The recognition of these landfill closure and post-closure care costs is based on the amount of the landfill used during the year.

The landfill was officially closed in 2001 and the landfill closure maintenance and monitoring has been completed for the County.

Note 16. Intergovernmental Revenues

The County receives funds from both the State of South Carolina and the federal government for various grants and projects. The majority of these funds are accounted for in the Special Revenue Funds.

Note 17. Professional Contract Commitment

The County has a professional contract with Todd's Computer Sales and Services for IT services. The commitment term is for 3 years with various start and end dates with each county department. Either party may terminate the contract agreement at any time. Payments are payable on a yearly basis in the amount of \$15,660. Management has determined that this professional contract arrangement does not qualify as a lease under GASB 87.

Note 18. Fee-In-Lieu Agreements

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

Fee-in-Lieu of *Ad Valorem* Property Tax Program

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

MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2024

(Continued)

Note 18. Fee-In-Lieu Agreements (continued)

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

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

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

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

For tax year 2023, County property taxes abated as a result of the FILOT program (inclusive of agreements entered into pursuant to the FILOT program and the SSRC program, as described below, combined) totaled \$377,313.

The County received \$1,215,921 in fee-in-lieu of *ad valorem* tax payments from taxpayers with active agreements under the FILOT program in tax year 2023.

MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2024

(Continued)

Note 18. Fee-In-Lieu Agreements (continued)

Special Source Revenue Credit Program

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

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

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

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

For the 2023 tax year, taxpayers with abatement agreements that exclusively used SSRCs paid more in property taxes than they would have owed without the tax abatement agreements.

Multi County Industrial or Business Park

The County uses multicounty industrial or business parks in connection with the FILOT program and the grant of SSRCs. Specifically, as noted above, to receive a property tax abatement through the programs using SSRCs, a taxpayer’s property must be located in a multicounty industrial or business park. Additionally, the County may locate a taxpayer’s property in a multicounty industrial or business park at the request of the taxpayer so the taxpayer may secure enhanced benefits from certain state economic development programs. To locate a taxpayer’s property in a multicounty industrial or business park, the County must

**MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2024

(Continued)

Note 18. Fee-In-Lieu Agreements (continued)

develop, with one or more contiguous counties, a multicounty industrial or business park by entering into an agreement with the contiguous counties which sets forth how the counties will share the expenses and revenues from the multicounty industrial or business park. The agreement must further specify how the revenues from the multicounty industrial or business park will be distributed to each taxing entity in the participating counties.

For tax year 2023, of the total payments made by taxpayers who were subject to the County's multicounty industrial park agreements, \$19,730 would have been received by the County but for the taxpayers' location within its multicounty industrial park. For tax year 2023, payments-in-lieu of standard *ad valorem* tax payments from taxpayers within the County's multicounty industrial park totaled \$36,198.

Note 19. Prior Period Adjustments

Governmental Activities

Net Position, beginning of the year, as previously restated:	\$ 18,296,952
Increase/(Decrease) to Fund Balance:	
Correction for fixed assets expensed in PY	281,697
Correction for lease assets	(631,128)
Correction for accounts not in PY	<u>2,108,331</u>
Net Position, beginning of year, as restated:	<u>\$ 20,055,852</u>

Proprietary Funds

Golf Course Fund

Net Position, beginning of the year, as previously restated:	\$ 3,402,956
Increase to Fund Balance:	
Correction for Capitalization of Assets	<u>111,848</u>
Net Position, beginning of year, as restated:	<u>\$ 3,514,804</u>

Special Revenue Fund

Fund Balance, beginning of the year, as previously restated:	\$ 11,468,978
Increase to Fund Balance:	
Correction for fixed assets expensed in PY	1,449,193
Correction for accounts not in PY	<u>2,108,331</u>
Fund Balance, beginning of year, as restated:	<u>\$ 15,026,502</u>

**MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2024

(Continued)

Note 20. Deferred Compensation Plans

Several optional deferred compensation plans are available to County employees through the State of South Carolina. Certain employees of the County have elected to participate. The multiple employer plans, created under Internal Revenue Code Sections 457, 401(k), and 403(b) are administered by third parties and are included in the Comprehensive Annual Financial Report of the State of South Carolina. Compensation deferred under the Section 401(k) and 403(b) plans is placed in trust for the contributing employee.

Employees may also withdraw the current value of their contributions prior to termination if they meet requirements specified by the applicable plan. The County has no liability for losses under the plans.

Note 21. Subsequent Events

The County has evaluated subsequent events through December 6, 2024, which is the date the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

GENERAL FUND

The general fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

**MARLBORO COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET TO
ACTUAL
For the Fiscal Year Ended June 30, 2024**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Taxes			
Property Taxes - Net	\$ 3,659,000	\$ 3,687,572	\$ 28,572
Vehicle Taxes - Net	757,500	726,867	(30,633)
Delinquent Taxes - Net	240,000	256,184	16,184
Fee In Lieu of Taxes	1,335,000	1,215,921	(119,079)
Local Option Sales Tax	2,302,000	2,904,604	602,604
Homestead Exemption	400,000	445,137	45,137
Manufacturer Reimbursement	502,000	530,834	28,834
Inventory Replacement	50,000	58,541	8,541
	<u>9,245,500</u>	<u>9,825,660</u>	<u>580,160</u>
Total Taxes			
Licenses, Fees and Permits			
Planning and Zoning	111,500	98,826	(12,674)
Delinquent Tax Collector	30,000	950	(29,050)
Clerk of Court	200,000	225,096	25,096
Probate Court	50,000	32,536	(17,464)
Magistrate	180,000	177,593	(2,407)
E-911 Landline Fees	61,600	38,757	(22,843)
Sheriff	6,000	6,715	715
Forfeited Land Commission	6,000	4,873	(1,127)
Road Maintenance Fees	625,000	631,404	6,404
Franchise Fees	24,000	40,240	16,240
Other	224,500	376,496	151,996
	<u>1,518,600</u>	<u>1,633,486</u>	<u>114,886</u>
Total Licenses, Fees and Permits			
Intergovernmental Revenue			
Aid to Subdivisions	1,190,000	1,126,220	(63,780)
Unit Cost	3,000	3,465	465
Veterans Service Offices	4,800	5,319	519
Election Commission	45,000	39,949	(5,051)
Accommodations Tax	316,000	238,023	(77,977)
Solid Waste Tire Rebate	15,000	15,462	462
Salary Supplements - Treasurer, Auditor, etc.	60,000	60,000	-
Other	458,000	553,594	95,594
	<u>2,091,800</u>	<u>2,042,032</u>	<u>(49,768)</u>
Total Intergovernmental Revenue			
Charges for Services			
Recreation	10,000	-	(10,000)
	<u>10,000</u>	<u>-</u>	<u>(10,000)</u>
Total Charges for Services			

**MARLBORO COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET TO
ACTUAL
For the Fiscal Year Ended June 30, 2024
(Continued)**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Miscellaneous			
Rental and Leases	\$ 5,000	\$ 46,680	\$ 41,680
Grants	463,705	538,288	74,583
Donations	5,500	1,250	(4,250)
Interest	60,000	86,804	26,804
Other	<u>741,333</u>	<u>664,376</u>	<u>(76,957)</u>
Total Miscellaneous	<u>1,275,538</u>	<u>1,337,398</u>	<u>61,860</u>
Total Revenues	<u>14,141,438</u>	<u>14,838,576</u>	<u>697,138</u>
Expenditures			
General Government			
County Council			
Operating	104,500	140,977	(36,477)
Personnel	<u>168,245</u>	<u>168,878</u>	<u>(633)</u>
Total County Council	<u>272,745</u>	<u>309,855</u>	<u>(37,110)</u>
County Administrator			
Operating	13,600	53,710	(40,110)
Personnel	<u>237,088</u>	<u>210,174</u>	<u>26,914</u>
Total County Administrator	<u>250,688</u>	<u>263,884</u>	<u>(13,196)</u>
Finance			
Operating	39,600	27,019	12,581
Personnel	<u>281,362</u>	<u>294,484</u>	<u>(13,122)</u>
Total Finance	<u>320,962</u>	<u>321,503</u>	<u>(541)</u>
Human Resources			
Operating	96,300	98,704	(2,404)
Personnel	<u>198,130</u>	<u>209,109</u>	<u>(10,979)</u>
Total Human Resources	<u>294,430</u>	<u>307,813</u>	<u>(13,383)</u>
Non-departmental			
Operating	719,700	813,893	(94,193)
Personnel	<u>161,481</u>	<u>115,770</u>	<u>45,711</u>
Total Non-departmental	<u>881,181</u>	<u>929,663</u>	<u>(48,482)</u>
County Attorney			
Operating	<u>22,500</u>	<u>20,615</u>	<u>1,885</u>
Total County Attorney	<u>22,500</u>	<u>20,615</u>	<u>1,885</u>

**MARLBORO COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET TO
ACTUAL
For the Fiscal Year Ended June 30, 2024
(Continued)**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Treasurer			
Operating	\$ 107,900	\$ 117,045	\$ (9,145)
Personnel	<u>350,271</u>	<u>342,940</u>	<u>7,331</u>
Total Treasurer	<u>458,171</u>	<u>459,985</u>	<u>(1,814)</u>
Delinquent Tax Collector			
Operating	122,750	106,653	16,097
Personnel	<u>67,001</u>	<u>87,832</u>	<u>(20,831)</u>
Total Delinquent Tax Collector	<u>189,751</u>	<u>194,485</u>	<u>(4,734)</u>
Auditor			
Operating	109,450	117,644	(8,194)
Personnel	<u>161,431</u>	<u>159,278</u>	<u>2,153</u>
Total Auditor	<u>270,881</u>	<u>276,922</u>	<u>(6,041)</u>
Assessor			
Operating	142,640	46,827	95,813
Personnel	<u>381,414</u>	<u>356,723</u>	<u>24,691</u>
Total Assessor	<u>524,054</u>	<u>403,550</u>	<u>120,504</u>
GIS			
Operating	15,490	11,277	4,213
Personnel	<u>62,857</u>	<u>66,550</u>	<u>(3,693)</u>
Total GIS	<u>78,347</u>	<u>77,827</u>	<u>520</u>
Voter Registration			
Operating	57,900	77,190	(19,290)
Personnel	<u>192,974</u>	<u>184,226</u>	<u>8,748</u>
Total Voter Registration	<u>250,874</u>	<u>261,416</u>	<u>(10,542)</u>
Clerk of Court			
Operating	139,600	127,487	12,113
Personnel	<u>374,571</u>	<u>361,661</u>	<u>12,910</u>
Total Clerk of Court	<u>514,171</u>	<u>489,148</u>	<u>25,023</u>
Probate Court			
Operating	20,600	23,906	(3,306)
Personnel	<u>272,100</u>	<u>284,749</u>	<u>(12,649)</u>
Total Probate Court	<u>292,700</u>	<u>308,655</u>	<u>(15,955)</u>
Magistrate			
Operating	37,245	34,542	2,703
Personnel	<u>403,144</u>	<u>401,658</u>	<u>1,486</u>
Total Magistrate	<u>440,389</u>	<u>436,200</u>	<u>4,189</u>

**MARLBORO COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET TO
ACTUAL
For the Fiscal Year Ended June 30, 2024
(Continued)**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Solicitor			
Operating	\$ 124,300	\$ 62,150	\$ 62,150
Total Solicitor	<u>124,300</u>	<u>62,150</u>	<u>62,150</u>
Coroner			
Operating	73,200	69,932	3,268
Personnel	<u>102,548</u>	<u>116,089</u>	<u>(13,541)</u>
Total Coroner	<u>175,748</u>	<u>186,021</u>	<u>(10,273)</u>
Public Defender			
Operating	<u>52,290</u>	<u>52,290</u>	<u>-</u>
Total Public Defender	<u>52,290</u>	<u>52,290</u>	<u>-</u>
Planning and Zoning			
Operating	32,000	113,607	(81,607)
Personnel	<u>210,680</u>	<u>159,534</u>	<u>51,146</u>
Total Planning and Zoning	<u>242,680</u>	<u>273,141</u>	<u>(30,461)</u>
Building Maintenance			
Operating	125,250	145,574	(20,324)
Personnel	<u>331,954</u>	<u>340,373</u>	<u>(8,419)</u>
Total Building Maintenance	<u>457,204</u>	<u>485,947</u>	<u>(28,743)</u>
Library			
Operating	243,300	247,158	(3,858)
Personnel	<u>336,131</u>	<u>329,775</u>	<u>6,356</u>
Total Library	<u>579,431</u>	<u>576,933</u>	<u>2,498</u>
Airport			
Operating	<u>37,000</u>	<u>833,310</u>	<u>(796,310)</u>
Total Airport	<u>37,000</u>	<u>833,310</u>	<u>(796,310)</u>
Information Technology			
Operating	70,500	83,211	(12,711)
Personnel	<u>107,012</u>	<u>83,955</u>	<u>23,057</u>
Total Other	<u>177,512</u>	<u>167,166</u>	<u>10,346</u>
Other			
Operating	14,400	59,633	(45,233)
Personnel	<u>101,183</u>	<u>79,826</u>	<u>21,357</u>
Total Other	<u>115,583</u>	<u>139,459</u>	<u>(23,876)</u>
Total General Government	<u>7,023,592</u>	<u>7,837,938</u>	<u>(814,346)</u>
Public Safety			
Law Enforcement			
Operating	476,300	358,550	117,750
Personnel	<u>2,359,280</u>	<u>2,232,632</u>	<u>126,648</u>
Total Law Enforcement	<u>2,835,580</u>	<u>2,591,182</u>	<u>244,398</u>

**MARLBORO COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET TO
ACTUAL
For the Fiscal Year Ended June 30, 2024
(Continued)**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Detention Center			
Operating	\$ 472,820	\$ 663,136	\$ (190,316)
Personnel	<u>1,261,874</u>	<u>1,361,441</u>	<u>(99,567)</u>
Total Detention Center	<u>1,734,694</u>	<u>2,024,577</u>	<u>(289,883)</u>
Dispatch			
Operating	3,500	2,101	1,399
Personnel	<u>479,899</u>	<u>422,267</u>	<u>57,632</u>
Total Dispatch	<u>483,399</u>	<u>424,368</u>	<u>59,031</u>
Emergency Preparedness			
Operating	<u>11,650</u>	<u>47,151</u>	<u>(35,501)</u>
Total Emergency Preparedness	<u>11,650</u>	<u>47,151</u>	<u>(35,501)</u>
Emergency Preparedness Supplemental Grant			
Operating	<u>24,205</u>	<u>11,000</u>	<u>13,205</u>
Total Emergency Preparedness Supplemental Grant	<u>24,205</u>	<u>11,000</u>	<u>13,205</u>
E-911 Surcharge			
Operating	257,600	259,313	(1,713)
Personnel	<u>161,218</u>	<u>184,952</u>	<u>(23,734)</u>
Total E-911 Surcharge	<u>418,818</u>	<u>444,265</u>	<u>(25,447)</u>
Total Public Safety	<u>5,508,346</u>	<u>5,542,543</u>	<u>(34,197)</u>
Public Service			
Landfill			
Operating	<u>2,000</u>	<u>-</u>	<u>2,000</u>
Total Landfill	<u>2,000</u>	<u>-</u>	<u>2,000</u>
Road Maintenance			
Operating	254,800	294,662	(39,862)
Personnel	<u>628,562</u>	<u>626,947</u>	<u>1,615</u>
Total Road Maintenance	<u>883,362</u>	<u>921,609</u>	<u>(38,247)</u>
CTC Funds			
Operating	<u>-</u>	<u>11,607</u>	<u>(11,607)</u>
Total CTC Funds	<u>-</u>	<u>11,607</u>	<u>(11,607)</u>
Solid Waste			
Operating	<u>21,000</u>	<u>20,643</u>	<u>357</u>
Total Solid Waste	<u>21,000</u>	<u>20,643</u>	<u>357</u>
Total Public Services	<u>906,362</u>	<u>953,859</u>	<u>(47,497)</u>

**MARLBORO COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET TO
ACTUAL
For the Fiscal Year Ended June 30, 2024
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Culture and Recreation			
Recreation			
Operating	\$ 225,300	\$ 301,659	\$ (76,359)
Personnel	<u>299,021</u>	<u>228,543</u>	<u>70,478</u>
Total Recreation	<u>524,321</u>	<u>530,202</u>	<u>(5,881)</u>
Local Accommodations			
Operating	<u>242,000</u>	<u>22,051</u>	<u>219,949</u>
Total Local Accommodations	<u>242,000</u>	<u>22,051</u>	<u>219,949</u>
Museum			
Operating	16,900	28,003	(11,103)
Personnel	<u>63,387</u>	<u>63,873</u>	<u>(486)</u>
Total Museum	<u>80,287</u>	<u>91,876</u>	<u>(11,589)</u>
Total Culture and Recreation	<u>846,608</u>	<u>644,129</u>	<u>202,479</u>
Health and Environment			
Animal Shelter			
Operating	126,300	125,290	1,010
Personnel	<u>49,100</u>	<u>10,473</u>	<u>38,627</u>
Total Animal Shelter	<u>175,400</u>	<u>135,763</u>	<u>39,637</u>
Soil Conservation			
Personnel	<u>6,720</u>	<u>6,799</u>	<u>(79)</u>
Total Soil Conservation	<u>6,720</u>	<u>6,799</u>	<u>(79)</u>
Health and Human Services			
Operating	<u>34,000</u>	<u>33,009</u>	<u>991</u>
Total Health and Human Services	<u>34,000</u>	<u>33,009</u>	<u>991</u>
Total Health and Environment	<u>216,120</u>	<u>175,571</u>	<u>40,549</u>
Economic Development			
Economic Development			
Operating	43,700	80,675	(36,975)
Personnel	<u>177,913</u>	<u>128,885</u>	<u>49,028</u>
Total Economic Development	<u>221,613</u>	<u>209,560</u>	<u>12,053</u>

**MARLBORO COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET TO
ACTUAL
For the Fiscal Year Ended June 30, 2024
(Continued)**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Capital Outlay			
Treasurer	\$ 5,000	\$ -	\$ 5,000
Non-Departmental	80,000	11,500	68,500
Road Maintenance	-	51,381	(51,381)
Tax Assessor	-	12,420	(12,420)
Buildings and Maintenance	-	32,873	(32,873)
Detention Center	-	9,000	(9,000)
E-911 Surcharge	<u>40,000</u>	<u>-</u>	<u>40,000</u>
Total Capital Outlay	<u>125,000</u>	<u>547,541</u>	<u>(422,541)</u>
Debt Service			
Lease Payments	285,000	303,011	(18,011)
Interest	<u>-</u>	<u>104</u>	<u>(104)</u>
Total Debt Service	<u>285,000</u>	<u>303,115</u>	<u>(18,115)</u>
Total Expenditures	<u>15,132,641</u>	<u>16,250,256</u>	<u>(1,117,615)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(991,203)</u>	<u>(1,411,680)</u>	<u>(420,477)</u>
Other Financing Sources (Uses)			
Sale of Capital Assets	1,000	14,343	13,343
Transfer In	600,000	600,000	-
Transfer from Reserves	390,203	-	(390,203)
Capital Lease Proceeds	<u>-</u>	<u>430,367</u>	<u>430,367</u>
Total Other Financing Sources	<u>991,203</u>	<u>1,044,710</u>	<u>53,507</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>(366,970)</u>	<u>\$ (366,970)</u>
Fund Balance, Beginning of Year		<u>7,614,240</u>	
Fund Balance, End of Year		<u>\$ 7,247,270</u>	

**MARLBORO COUNTY, SOUTH CAROLINA
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
For the Fiscal Year Ended June 30, 2024**

	Budgeted Amounts		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Positive (Negative)
Revenues				
Taxes	\$ 9,245,500	\$ 9,245,500	\$ 9,825,660	\$ 580,160
Licenses, Fees and Permits	1,518,600	1,518,600	1,633,486	114,886
Intergovernmental	2,091,800	2,091,800	2,042,032	(49,768)
Charges for Services	10,000	10,000	-	(10,000)
Miscellaneous	<u>1,275,538</u>	<u>1,275,538</u>	<u>1,337,398</u>	<u>61,860</u>
 Total Revenues	 <u>14,141,438</u>	 <u>14,141,438</u>	 <u>14,838,576</u>	 <u>697,138</u>
Expenditures				
Current:				
General Government	7,023,592	7,023,592	7,837,938	(814,346)
Public Safety	5,508,346	5,508,346	5,542,543	(34,197)
Public Service	906,362	906,362	953,859	(47,497)
Culture and Recreation	846,608	846,608	644,129	202,479
Health and Environment	216,120	216,120	175,571	40,549
Economic Development	221,613	221,613	209,560	12,053
Capital Outlay	125,000	125,000	547,541	(422,541)
Debt Service				
Principal	<u>285,000</u>	<u>285,000</u>	<u>303,011</u>	<u>(18,011)</u>
 Total Expenditures	 <u>15,132,641</u>	 <u>15,132,641</u>	 <u>16,250,256</u>	 <u>(1,117,615)</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>(991,203)</u>	<u>(991,203)</u>	<u>(1,411,680)</u>	<u>(420,477)</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	1,000	1,000	14,343	13,343
Transfer In	600,000	600,000	600,000	-
Transfer from Reserves	390,203	390,203	-	(390,203)
Capital Lease Proceeds	<u>-</u>	<u>-</u>	<u>430,367</u>	<u>430,367</u>
 Total Other Financing Sources	 <u>991,203</u>	 <u>991,203</u>	 <u>1,044,710</u>	 <u>53,507</u>
 Net Change in Fund Balance	 <u>-</u>	 <u>-</u>	 <u>(366,970)</u>	 <u>(366,970)</u>
 Fund Balance, Beginning of Year	 <u>7,614,240</u>	 <u>7,614,240</u>	 <u>7,614,240</u>	 <u>-</u>
 Fund Balance, End of Year	 <u>\$ 7,614,240</u>	 <u>\$ 7,614,240</u>	 <u>\$ 7,247,270</u>	 <u>\$ (366,970)</u>

MARLBORO COUNTY, SOUTH CAROLINA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
For the Fiscal Year Ended June 30, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 142,469	\$ 112,038	\$ 102,231	\$ 136,763	\$ 87,398	\$ 98,251	\$ 66,344	\$ 89,029
Contributions in relation to contractually required contribution	<u>142,469</u>	<u>112,038</u>	<u>102,231</u>	<u>136,763</u>	<u>87,398</u>	<u>98,251</u>	<u>66,344</u>	<u>63,705</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,324</u>
County's covered-employee payroll	7,828,320	6,701,145	5,808,014	5,799,521	6,225,323	6,215,473	6,133,175	4,532,941
Contributions as a percentage of covered-employee payroll	1.82%	1.67%	1.76%	2.36%	1.40%	1.58%	1.08%	1.41%

Note: GASB Statement No. 75 requires ten years of information to be presented in this table, However until a full 10-year trend is compiled,
The County will present information for those years.

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
County's proportion of the net OPEB liability	100%	100%	100%	100%	100%	100%	100%	100%
County's proportionate share of the net OPEB liability	\$ 1,299,955	\$ 1,157,019	\$ 2,150,051	\$ 1,844,726	\$ 880,693	\$ 891,546	\$ 907,867	\$ 971,187
County's covered-employee payroll	\$ 7,828,320	\$ 6,701,145	\$ 5,808,014	\$ 5,799,521	\$ 6,225,323	\$ 6,215,473	\$ 6,133,175	\$ 4,532,941
County's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	16.61%	17.27%	37.02%	31.81%	14.15%	14.34%	14.80%	21.43%
Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	5.04%	3.81%	12.31%	13.08%	6.60%	6.36%	6.87%	6.64%

Note: GASB Statement No. 75 requires ten years of information to be presented in this table, However until a full 10-year trend is compiled,
The County will present information for those years.

**MARLBORO COUNTY, SOUTH CAROLINA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF COUNTY'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY
For the Fiscal Year Ended June 30, 2024**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
SCRS										
County's proportion of the net pension liability (asset)	0.063428%	0.060110%	0.060207%	0.059829%	0.045947%	0.043962%	0.043546%	0.0413040%	0.0413350%	0.0429000%
County's proportionate share of the net pension liability (asset)	\$ 15,335,198	\$ 14,572,077	\$ 13,029,472	\$ 15,287,349	\$ 10,491,606	\$ 9,850,382	\$ 9,802,905	\$ 8,822,473	\$ 7,839,382	\$ 7,378,727
County's covered employee payroll	\$ 8,956,977	\$ 7,859,656	\$ 7,163,268	\$ 6,806,006	\$ 6,669,551	\$ 4,854,592	\$ 4,555,229	\$ 4,392,619	\$ 3,998,946	\$ 3,890,936
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	171.21%	185.40%	181.89%	224.62%	157.31%	202.91%	215.20%	200.85%	196.04%	189.64%
Plan fiduciary net position as a percentage of total pension liability	59.44%	61.32%	65.10%	108.36%	71.39%	70.29%	74.19%	62.25%	53.46%	47.67%
PORS										
County's proportion of the net pension liability (asset)	0.152550%	0.128680%	0.119189%	0.123671%	0.128507%	0.126193%	0.13254%	0.138250%	0.141890%	0.144200%
County's proportionate share of the net pension liability (asset)	\$ 4,643,713	\$ 3,859,018	\$ 3,066,638	\$ 4,101,182	\$ 3,682,948	\$ 3,575,740	\$ 3,631,041	\$ 3,506,752	\$ 3,092,509	\$ 2,760,375
County's covered employee payroll	\$ 3,258,943	\$ 2,567,662	\$ 2,030,929	\$ 1,793,056	\$ 1,867,103	\$ 1,863,950	\$ 1,746,703	\$ 1,784,898	\$ 1,762,543	\$ 1,734,219
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	142.49%	150.29%	151.00%	228.73%	197.25%	191.84%	207.88%	196.47%	175.46%	159.17%
Plan fiduciary net position as a percentage of total pension liability	18.00%	16.24%	15.32%	26.10%	25.06%	25.52%	27.48%	24.74%	21.09%	17.83%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available

**MARLBORO COUNTY, SOUTH CAROLINA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF COUNTY CONTRIBUTIONS
For the Fiscal Year Ended June 30, 2024**

SCRS	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 1,648,763	\$ 1,386,229	\$ 1,175,492	\$ 1,048,806	\$ 1,027,778	\$ 699,547	\$ 610,856	\$ 507,787	\$ 436,285	\$ 422,529	\$ 422,444
Contributions in relation to contractually required contribution	<u>1,648,763</u>	<u>1,386,229</u>	<u>1,175,492</u>	<u>1,048,806</u>	<u>1,027,778</u>	<u>699,547</u>	<u>610,856</u>	<u>507,787</u>	<u>436,285</u>	<u>422,529</u>	<u>422,444</u>
County's covered-employee payroll	\$ 8,956,977	\$ 7,859,656	\$ 7,163,268	\$ 6,806,006	\$ 6,669,551	\$ 4,854,592	\$ 4,555,229	\$ 4,392,619	\$ 3,988,946	\$ 3,875,634	\$ 3,890,936
Contributions as a percentage of covered-employee payroll	18.41%	17.64%	16.41%	15.41%	15.41%	14.41%	13.41%	11.56%	10.94%	10.90%	10.86%
PORS	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 679,164	\$ 530,281	\$ 382,627	\$ 319,881	\$ 333,091	\$ 313,889	\$ 276,678	\$ 254,169	\$ 235,123	\$ 235,726	\$ 222,675
Contributions in relation to contractually required contribution	<u>679,164</u>	<u>530,281</u>	<u>382,627</u>	<u>319,881</u>	<u>333,091</u>	<u>313,889</u>	<u>276,678</u>	<u>254,169</u>	<u>235,123</u>	<u>235,726</u>	<u>222,675</u>
County's covered-employee payroll	\$ 3,258,943	\$ 2,567,662	\$ 2,030,929	\$ 1,793,056	\$ 1,867,103	\$ 1,863,950	\$ 1,746,703	\$ 1,784,898	\$ 1,762,543	\$ 1,757,836	\$ 1,734,219
Contributions as a percentage of covered-employee payroll	20.84%	20.65%	18.84%	17.84%	17.84%	16.84%	15.84%	14.24%	13.34%	13.41%	12.84%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10- year trend is compiled, governments should present information for those years for which information is available
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MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION
June 30, 2024

Note 1. Budgets and Budgetary Accounting

Budgets, except for the Special Revenue Fund, are adopted on a basis consistent with generally accepted accounting principles. The accounting system provides for appropriate budgetary control. Budgetary comparisons are included in the supplemental schedules for the General Fund. Unused appropriations for all annually budgeted funds lapse at the end of the year.

Note 2. Legal Compliance – Budgets

The County Administrator submits a proposed operating budget for the fiscal year to the County Council. The operating budget includes proposed expenditures and the means of financing them. Prior to July 1st, the budget is legally enacted through passage of an ordinance. The County Administrator is authorized to transfer budgeted amounts within departments as necessary to achieve the goals of the budget. Any revisions that alter the total expenditures of any fund must be approved by County Council. Budgeted amounts reflected in the accompanying financial statements are the final authorized amounts as revised during the year.

The County has not presented budget information for the Special Revenue Fund, since budgetary control is maintained on an individual grant basis. Since grant periods may differ from the County's fiscal year, a comparison of budgetary information for the total Special Revenue Fund would not be meaningful and has not been presented in the accompanying financial statements.

The general government, public safety, public service, capital outlay and debt services have excess expenditures over appropriations in the amount of \$814,346, \$34,197, \$47,497, 422,541, and \$18,011 respectively.

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes. Below is a list of special revenue funds held by the County:

Railroad Fund
Family Court IV-D Funds
Victims Advocacy Fund
Law Library Fund
Forfeited Land Commission Fund
Family Court Incentive Fund
ARPA Fund
Rural Fire Fund
Economic Development Fund
Sheriff Drug Forfeiture Fund
Solicitors
County Treasurer
Detention Center
Land Sale
Magistrate
Clerk/Family Court
Probate Court
SCDPS SRO Fund
Alcohol Beverage Delivery Fund
Justice Assistant Grant
Department of Public Safety Equipment
Recreation Facilities
Inmate Reimbursement
SCORF Grant
Broad Street Project
Image Project
Sheriff Drug Trust

**MARLBORO COUNTY, SOUTH CAROLINA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
June 30, 2024**

	<u>Railroad Fund</u>	<u>Family Court IV- D Fund</u>	<u>Victims Advocacy Fund</u>	<u>Law Library Fund</u>	<u>Forfeited Land Commission Fund</u>	<u>Family Court Incentive Fund</u>
Assets						
Cash and Cash Equivalents	\$ 1,061,895	\$ 75,354	\$ 50,646	\$ 116,200	\$ 64,433	\$ 241,446
Receivables						
Property Taxes, Net	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Property Held for Investment	-	-	-	-	-	-
Due from Other Funds	<u>839,602</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 1,901,497</u>	<u>\$ 75,354</u>	<u>\$ 50,646</u>	<u>\$ 116,200</u>	<u>\$ 64,433</u>	<u>\$ 241,446</u>
Liabilities, Deferred Inflows of Resources and Fund Balance						
Liabilities						
Accounts Payable and Accrued Liabilities	\$ -	\$ 6,530	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	<u>-</u>	<u>122,058</u>	<u>452</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>128,588</u>	<u>452</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows						
Unavailable Revenue - Property Taxes	-	-	-	-	-	-
Unavailable Revenue - Grants	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance						
Assigned	<u>1,901,497</u>	<u>(53,234)</u>	<u>50,194</u>	<u>116,200</u>	<u>64,433</u>	<u>241,446</u>
Total Fund Balance	<u>1,901,497</u>	<u>(53,234)</u>	<u>50,194</u>	<u>116,200</u>	<u>64,433</u>	<u>241,446</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 1,901,497</u>	<u>\$ 75,354</u>	<u>\$ 50,646</u>	<u>\$ 116,200</u>	<u>\$ 64,433</u>	<u>\$ 241,446</u>

MARLBORO COUNTY, SOUTH CAROLINA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
June 30, 2024
(Continued)

	ARPA Fund	Rural Fire Fund	Economic Development Fund	Sheriff Drug Forfeiture	Solicitors	County Treasurer
Assets						
Cash and Cash Equivalents	\$ 268,629	\$ 697,343	\$ 1,575,650	\$ 20,152	\$ 407,087	\$ 1,533
Receivables						
Property Taxes, Net	-	86,715	68,447	-	-	-
Intergovernmental	-	-	-	-	-	-
Property Held for Investment	-	-	5,474,784	-	-	-
Due from Other Funds	-	-	150,000	-	-	-
Total Assets	\$ 268,629	\$ 784,058	\$ 7,268,881	\$ 20,152	\$ 407,087	\$ 1,533
Liabilities, Deferred Inflows of Resources and Fund Balance						
Liabilities						
Accounts Payable and Accrued Liabilities	\$ -	\$ 13,306	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	-	33,437	-	-	8,000	-
Total Liabilities	-	46,743	-	-	8,000	-
Deferred Inflows						
Unavailable Revenue - Property Taxes	-	56,193	68,447	-	-	-
Unavailable Revenue - Grants	157,183	-	-	-	-	-
Total Deferred Inflows of Resources	157,183	56,193	68,447	-	-	-
Fund Balance						
Assigned	111,446	681,122	7,200,434	20,152	399,087	1,533
Total Fund Balance	111,446	681,122	7,200,434	20,152	399,087	1,533
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 268,629	\$ 784,058	\$ 7,268,881	\$ 20,152	\$ 407,087	\$ 1,533

MARLBORO COUNTY, SOUTH CAROLINA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
June 30, 2024

	Detention Center	Land Sale	Magistrate	Clerk/ Family Court	Probate Court	Sheriff Drug Trust
Assets						
Cash and Cash Equivalents	\$ 56,340	\$ 1,793,404	\$ 76,241	\$ 265,045	\$ 584	\$ 34,558
Receivables						
Property Taxes, Net	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Property Held for Investment	-	-	-	-	-	-
Due from Other Funds	-	-	-	366	-	-
Total Assets	\$ 56,340	\$ 1,793,404	\$ 76,241	\$ 265,411	\$ 584	\$ 34,558
Liabilities, Deferred Inflows of Resources and Fund Balance						
Liabilities						
Accounts Payable and Accrued Liabilities	\$ -	\$ -	\$ 8,184	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-	-	-	-
Total Liabilities	-	-	8,184	-	-	-
Deferred Inflows						
Unavailable Revenue - Property Taxes	-	-	-	-	-	-
Unavailable Revenue - Grants	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-
Fund Balance						
Assigned	56,340	1,793,404	68,057	265,411	584	34,558
Total Fund Balance	56,340	1,793,404	68,057	265,411	584	34,558
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 56,340	\$ 1,793,404	\$ 76,241	\$ 265,411	\$ 584	\$ 34,558

MARLBORO COUNTY, SOUTH CAROLINA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
June 30, 2024
(Continued)

	SCDPS SRO	Alcohol Beverage Delivery	Justice Assistance Grant	Dept of Public Safety Equipment	Recreation Facilities	Inmate Reimbursement
Assets						
Cash and Cash Equivalents	\$ 249,440	\$ 5,000	\$ 59,631	\$ 591,351	\$ 2,025,630	\$ 27,774
Receivables						
Property Taxes, Net	-	-	-	-	-	-
Intergovernmental	101,516	-	-	-	-	-
Property Held for Investment	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-
Total Assets	\$ 350,956	\$ 5,000	\$ 59,631	\$ 591,351	\$ 2,025,630	\$ 27,774
Liabilities, Deferred Inflows of Resources and Fund Balance						
Liabilities						
Accounts Payable and Accrued Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,916
Due to Other Funds	374,547	5,000	59,519	513,427	103,659	700
Total Liabilities	374,547	5,000	59,519	513,427	103,659	9,616
Deferred Inflows						
Unavailable Revenue - Property Taxes	-	-	-	-	-	-
Unavailable Revenue - Grants	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-
Fund Balance						
Assigned	(23,591)	-	112	77,924	1,921,971	18,158
Total Fund Balance	(23,591)	-	112	77,924	1,921,971	18,158
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 350,956	\$ 5,000	\$ 59,631	\$ 591,351	\$ 2,025,630	\$ 27,774

**MARLBORO COUNTY, SOUTH CAROLINA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
June 30, 2024**

	SCORF Grant	Broad Street Project	Image Projects	Totals
Assets				
Cash and Cash Equivalents	\$ 307,703	\$ -	\$ -	\$ 10,073,069
Receivables				
Property Taxes, Net	-	-	-	155,162
Intergovernmental	-	-	-	101,516
Property Held for Investment	-	-	-	5,474,784
Due from Other Funds	-	-	-	989,968
	-	-	-	989,968
Total Assets	\$ 307,703	\$ -	\$ -	\$ 16,794,499
Liabilities, Deferred Inflows of Resources and Fund Balance				
Liabilities				
Accounts Payable and Accrued Liabilities	\$ -	\$ -	\$ 75,000	\$ 111,936
Due to Other Funds	270	9,475	-	1,230,544
	270	9,475	75,000	1,342,480
Total Liabilities	270	9,475	75,000	1,342,480
Deferred Inflows				
Unavailable Revenue - Property Taxes	-	-	-	124,640
Unavailable Revenue - Grants	-	-	-	157,183
	-	-	-	281,823
Total Deferred Inflows of Resources	-	-	-	281,823
Fund Balance				
Assigned	307,433	(9,475)	(75,000)	15,170,196
	307,433	(9,475)	(75,000)	15,170,196
Total Fund Balance	307,433	(9,475)	(75,000)	15,170,196
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 307,703	\$ -	\$ -	\$ 16,794,499

**MARLBORO COUNTY, SOUTH CAROLINA
SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2024**

	Railroad Fund	Family Court IV-D Fund	Victims Advocacy Fund	Law Library Fund	Forfeited Land Commission Fund	Family Court Incentive Fund	ARPA Fund	Rural Fire Fund	Economic Development Fund	Sheriff Drug Forfeiture	Solicitors	County Treasurer	Detention Center	Land Sale	Magistrate	Clerk/Family Court	Probate Court	SCDPS SRO	Alcohol Beverage Delivery	Justice Assistance Grant	Dept of Public Safety Equip	Recreation Facilities	Inmate Reimbursement	SCORF Grant	Broad Street Project	Image Projects	Sheriff Drug Trust	Totals	
Revenues																													
Taxes																													
Property Taxes - Net	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 693,827	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 693,827	
Vehicle Taxes - Net	-	-	-	-	-	-	-	145,535	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	145,535	
Fee In Lieu of Taxes	-	-	-	-	-	-	-	206,166	-	387,992	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	594,158	
Homestead Exemption	-	-	-	-	-	-	-	54,305	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	54,305	
Manufacturer Reimbursement	-	-	-	-	-	-	-	90,715	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	90,715	
Inventory Replacement	-	-	-	-	-	-	-	10,582	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,582	
Other	-	-	-	-	-	-	-	155	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	155	
Total Taxes	-	-	-	-	-	-	-	1,201,285	387,992	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,589,277
Intergovernmental Revenue																													
Unit Cost	-	122,753	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	122,753	
Incentive Payments	-	-	-	-	-	35,604	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35,604	
Total Intergovernmental Revenue	-	122,753	-	-	-	35,604	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	158,357
Fines and Forfeitures																													
	-	-	24,832	-	-	-	-	-	-	-	-	1,089,740	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,114,572	
Total Fines and Forfeitures	-	-	24,832	-	-	-	-	-	-	-	-	1,089,740	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,114,572
Miscellaneous																													
Rents	290,067	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	290,067	
Grants	-	-	-	-	-	-	37,907	-	-	-	471,745	-	-	-	-	-	-	380,645	-	59,519	550,000	-	-	307,703	-	-	-	1,777,519	
Interest	11,045	267	223	806	248	1,722	2,675	1,229	14,320	-	8,320	150	-	-	-	-	480	-	112	1,351	19,433	2,104	-	-	-	-	64,485		
Other	-	1,450	-	7,020	194	-	50,000	109	272,570	17,216	2,850,181	-	300,610	3,892,481	442,622	906,039	6,965	-	-	40,000	-	459,260	-	-	-	-	9,253,854		
Total Miscellaneous	301,112	1,717	223	7,826	442	1,722	90,582	1,338	286,890	17,216	3,330,246	150	300,610	3,892,481	442,622	906,039	6,965	351,125	-	59,631	591,351	19,433	461,364	307,703	-	-	7,137	11,385,925	
Total Revenues	301,112	124,470	25,055	7,826	442	37,326	90,582	1,202,623	674,882	17,216	3,330,246	1,089,890	300,610	3,892,481	442,622	906,039	6,965	351,125	-	59,631	591,351	19,433	461,364	307,703	-	-	7,137	14,248,131	
Expenditures																													
General Government																													
Title IV-D Family Court																													
Operating	-	16,332	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16,332	
Personnel	-	200,636	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	200,636	
Total Title IV-D Family Court	-	216,968	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	216,968
Court System																													
Operating	-	-	-	-	-	-	-	-	-	-	1,089,874	-	-	449,943	926,795	6,556	-	-	-	-	-	-	-	-	-	-	-	2,473,168	
Total Court System	-	-	-	-	-	-	-	-	-	-	1,089,874	-	-	449,943	926,795	6,556	-	-	-	-	-	-	-	-	-	-	-	-	2,473,168
Forfeited Land Commission and Land Sale																													
Operating	-	-	-	-	640	-	-	-	-	-	-	-	-	3,564,955	-	-	-	-	-	-	-	-	-	-	-	-	-	3,565,995	
Law Library																													
Operating	-	-	-	72	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	72	
Total General Government	-	216,968	-	72	640	-	-	-	-	-	1,089,874	-	-	3,564,955	449,943	926,795	6,556	-	-	-	-	-	-	-	-	-	-	-	6,255,803

**MARLBORO COUNTY, SOUTH CAROLINA
SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2024
(Continued)**

	Railroad Fund	Family Court IV-D Fund	Victims Advocacy Fund	Law Library Fund	Forfeited Land Commission Fund	Family Court Incentive Fund	ARPA Fund	Rural Fire Fund	Economic Development Fund	Sheriff Drug Forfeiture	Solicitors	County Treasurer	Detention Center	Land Sale	Magistrate	Clerk/Family Court	Probate Court	SCDPS SRO	Alcohol Beverage Delivery	Justice Assistance Grant	Dept of Public Safety Equip	Recreation Facilities	Inmate Reimbursement	SCORF Grant	Broad Street Project	Image Projects	Sheriff Drug Trust	Total	
Public Safety																													
Sheriff Operating	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,686	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,841	\$ 20,527
Rural Fire Services Operating Personnel	-	-	-	-	-	-	-	770,025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	770,025
	-	-	-	-	-	-	-	236,810	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	236,810
Total Rural Fire Services	-	-	-	-	-	-	-	1,006,835	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,006,835
Victim's Advocate Operating	-	-	14,887	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,887
Other Objects Operating Personal	-	-	-	-	-	-	-	-	-	114,169	-	296,133	-	-	-	-	-	10,027	-	-	-	-	69,241	270	-	-	-	489,840	
	-	-	-	-	-	-	-	-	-	2,937,869	-	-	-	-	-	-	-	204,189	-	-	-	-	401,192	-	-	-	-	-	3,543,250
Total Other Objects	-	-	-	-	-	-	-	-	-	3,052,038	-	296,133	-	-	-	-	-	214,216	-	-	-	-	470,433	270	-	-	-	-	4,033,090
Total Public Safety	-	-	14,887	-	-	-	-	1,006,835	-	16,686	3,052,038	-	296,133	-	-	-	-	214,216	-	-	-	-	470,433	270	-	-	-	3,841	5,075,339
Public Service																													
Railroad Operating	16,598	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16,598
Total Public Services	16,598	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16,598
Economic Development																													
Economic Development Operating	-	-	-	-	-	-	-	-	95,088	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	95,088
Total Economic Development	-	-	-	-	-	-	-	-	95,088	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	95,088
Other Objects																													
Recreation Operating	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,850	-	-	-	-	-	14,850
Total Other Objects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,850	-	-	-	-	-	14,850
Capital Outlay																													
ARPA	-	-	-	-	-	-	37,907	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	37,907
Rural Fire Recreation	-	-	-	-	-	-	-	1,050,986	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,050,986
Public Safety	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	160,500	59,519	513,427	-	88,809	74,907	-	-	-	-	808,353	
Economic Development Airport	3,553	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9,475	75,000	-	84,475	
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,553
Total Capital Outlay	3,553	-	-	-	-	-	37,907	1,050,986	-	-	-	-	-	-	-	-	-	160,500	59,519	513,427	88,809	74,907	-	-	9,475	75,000	-	2,074,083	
Debt Service																													
Interest	-	-	-	-	-	-	-	22,666	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22,666
Total Debt Service	-	-	-	-	-	-	-	22,666	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22,666
Total Expenditures	20,151	216,968	14,887	72	640	-	37,907	2,080,487	95,088	16,686	3,052,038	1,089,874	296,133	3,564,955	449,943	926,795	6,556	374,716	-	59,519	513,427	103,659	545,340	270	9,475	75,000	3,841	13,554,437	
Excess (Deficiency) of Revenues Over (Under) Expenditures	280,061	(92,498)	10,168	7,754	(198)	37,326	52,675	(877,864)	579,784	530	278,208	16	4,477	327,526	(7,321)	(20,756)	409	(23,591)	-	112	77,924	(84,236)	(83,976)	307,433	(9,475)	(75,000)	3,296	693,694	
Other Financing Sources (Uses)																													
Transfers Out	(350,000)	-	-	-	-	-	-	(50,000)	(150,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(550,000)
Total Other Financing Sources (Uses)	(350,000)	-	-	-	-	-	-	(50,000)	(150,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(550,000)
Net Change in Fund Balances	(69,039)	(92,498)	10,168	7,754	(198)	37,326	52,675	(927,864)	429,784	530	278,208	16	4,477	327,526	(7,321)	(20,756)	409	(23,591)	-	112	77,924	(84,236)	(83,976)	307,433	(9,475)	(75,000)	3,296	143,694	
Fund Balances, Beginning of Year, as Restated	1,970,536	29,264	40,026	108,446	64,633	204,120	58,771	1,608,986	6,770,650	19,622	120,879	1,517	51,863	1,465,878	75,378	286,167	175	-	-	-	-	2,006,197	102,134	-	-	-	31,262	15,026,502	
Fund Balances, End of Year	\$ 1,901,497	\$ (63,234)	\$ 50,194	\$ 116,200	\$ 64,433	\$ 241,446	\$ 111,446	\$ 681,122	\$ 7,200,434	\$ 20,152	\$ 399,087	\$ 1,533	\$ 56,340	\$ 1,793,404	\$ 68,057	\$ 265,411	\$ 584	\$ (23,591)	\$ -	\$ 112	\$ 77,924	\$ (192,197)	\$ 18,158	\$ 307,433	\$ (9,475)	\$ (75,000)	\$ 34,558	\$ 15,170,196	

**MARLBORO COUNTY, SOUTH CAROLINA
LIBRARY OPERATIONS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2024**

	<u>County</u>	<u>State</u>	<u>State Lottery</u>	<u>Federal Grant</u>	<u>Total</u>
Revenues					
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -
Fines	-	-	-	-	-
Intergovernmental	-	150,000	2,378	-	152,378
Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total Revenues	 <u>-</u>	 <u>150,000</u>	 <u>2,378</u>	 <u>-</u>	 <u>152,378</u>
Expenditures					
Books, Periodicals and Departmental Supplies	-	130,435	-	-	130,435
Miscellaneous	<u>-</u>	<u>26,090</u>	<u>2,564</u>	<u>-</u>	<u>28,654</u>
 Total Expenditures	 <u>-</u>	 <u>156,525</u>	 <u>2,564</u>	 <u>-</u>	 <u>159,089</u>
 Excess of Revenues Over (Under) Expenditures	 -	 (6,525)	 (186)	 -	 (6,711)
 Fund Balance, Beginning of Year	 <u>-</u>	 <u>(8,125)</u>	 <u>(121)</u>	 <u>3,000</u>	 <u>(5,246)</u>
 Fund Balance, End of Year	 <u>\$ -</u>	 <u>\$ (14,650)</u>	 <u>\$ (307)</u>	 <u>\$ 3,000</u>	 <u>\$ (11,957)</u>

MARLBORO COUNTY, SOUTH CAROLINA
UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS, AND SURCHARGES
For the Fiscal Year Ended June 30, 2024

COUNTY / MUNICIPAL FUNDS COLLECTED BY CLERK OF COURT	General Sessions	Magistrate Court	Municipal Court	Total
Court Fines and Assessments:				
Court fines and assessments collected	80,273	356,464	-	436,737
Court fines and assessments remitted to State Treasurer	61,598	155,050	-	216,648
Total Court Fines and Assessments retained	18,675	201,414	-	220,089
Court Surcharges:				
Court surcharges collected	8,921	73,576	-	82,497
Court surcharges remitted to State Treasurer	3,477	71,699	-	75,176
Total Court Surcharges retained	5,444	1,877	-	7,321
Surcharges and Assessments retained for victim services:				
Surcharges collected and retained	5,444	1,877	-	7,321
Assessments retained	461	16,834	-	17,295
Total Surcharges and Assessments retained for victim services	5,905	18,711	-	24,616

FOR THE DEPARTMENT OF CRIME VICTIM COMPENSATION (DCVC)

VICTIM SERVICE FUNDS COLLECTED	Municipal	County	Total
Carryforward from Previous Year – Beginning Balance		50,480	50,480
Victim Service Revenue:			
Victim Service Fines Retained by City/County Treasurer	-	-	-
Victim Service Assessments Retained by City/County Treasurer	-	17,295	17,295
Victim Service Surcharges Retained by City/County Treasurer	-	7,321	7,321
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	-	75,096	75,096
Expenditures for Victim Service Program:	Municipal	County	Total
Salaries and Benefits	-	-	-
Operating Expenditures	-	24,451	24,451
Victim Service Contract(s):			
(1) Entity's Name	-	-	-
(2) Entity's Name	-	-	-
Victim Service Donation(s):			
(1) Pee Dee Coalition:	-	-	-
(2) Rape Crisis Center:	-	-	-
(3) Other local direct crime victims service agency:	-	-	-
Transferred to General Fund	-	-	-
Total Expenditures from Victim Service Fund/Program (B)	-	24,451	24,451
Total Victim Service Funds Retained by Municipal/County Treasurer (A- Less: Prior Year Fund Deficit Repayment	-	50,645	50,645
Carryforward Funds – End of Year	-	50,645	50,645

MARLBORO COUNTY, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – E-911 Fund
For the Year Ended June 30, 2024

Revenues

Fees and Service Charges	\$ <u>38,757</u>
Total Revenues all Sources	<u>38,757</u>

Expenditures

Public Safety Communications	
Personnel Services	184,952
General Operating	161,176
Repairs and Maintenance	31,659
Supplies	1,477
Equipment Purchases, Non-Capital	<u>65,001</u>
Total Expenditures	<u>444,265</u>

Excess (Deficiency) of Revenues Over (Under) Expenditures (405,508)

Net Change in Fund Balance (405,508)

Fund Balance, Beginning of Year (600,559)

Fund Balance, End of Year \$ (1,006,067)

Financial Statement Findings (Applicable to 9-1-1 Fund)

NONE

Recommended Course of Action (Applicable to 9-1-1 Fund)

NONE

DEBT SERVICE FUND

The debt service fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment bond principal and interest from special assessment levies when the government is obligated in some manner for the payment.

**MARLBORO COUNTY, SOUTH CAROLINA
DEBT SERVICE FUND
BALANCE SHEET
June 30, 2024**

Assets

Cash	\$ 961,011
Property Taxes Receivable, Net	<u>35,459</u>

Total Assets	\$ <u>996,470</u>
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Liabilities, Deferred Inflows and Fund Balance

Liabilities

Accrued Interest	\$ <u>10,826</u>
------------------	------------------

Total Liabilities	<u>10,826</u>
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Deferred Inflows

Unavailable Revenue - Property Taxes	\$ <u>21,499</u>
--------------------------------------	------------------

Total Deferred Inflows	<u>21,499</u>
------------------------	---------------

Fund Balance

Restricted for Debt Service	<u>964,145</u>
-----------------------------	----------------

Total Fund Balance	<u>964,145</u>
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Total Liabilities, Deferred Inflows and Fund Balance	\$ <u>996,470</u>
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**MARLBORO COUNTY, SOUTH CAROLINA
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2024**

Revenues

Taxes	
Property Taxes - Net	\$ 247,637
Vehicle Taxes - Net	47,888
Delinquent Taxes - Net	21,467
Fee in Lieu	65,847
Homestead Exemption	24,081
Manufacturer Reimbursement	28,650
Property Valuation Reimbursement	22,799
Inventory Replacement	3,319
Other	<u>10,802</u>
 Total Taxes	 <u>472,490</u>
 Licenses, Fees and Permits	
Motor Carrier Fees	<u>12,321</u>
 Total Licenses, Fees and Permits	 <u>12,321</u>
 Total Revenues	 <u>484,811</u>

Expenditures

Principal Retirement	494,343
Capital Outlay	330,509
Interest and Other Charges	<u>65,783</u>
 Total Expenditures	 <u>890,635</u>
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 <u>(405,824)</u>
 Net Change in Fund Balance	 (405,824)
 Fund Balance, Beginning of Year, as Restated	 <u>1,369,969</u>
 Fund Balance, End of Year	 <u>\$ 964,145</u>

CAPITAL PROJECT FUNDS

The capital projects fund is used to account for the acquisition and construction of major capital facilities.

**MARLBORO COUNTY, SOUTH CAROLINA
CAPITAL PROJECTS FUND
BALANCE SHEET
June 30, 2024**

Assets

Cash \$ -

Total Assets **\$ -**

Liabilities and Fund Balances

Liabilities

Fund Balances

 Restricted for Capital Projects \$ -

Total Liabilities and Fund Balances **\$ -**

**MARLBORO COUNTY, SOUTH CAROLINA
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2024**

Revenues	\$ <u> -</u>
Expenditures	
Capital Projects	<u> -</u>
Total Expenditures	<u> -</u>
Net Change in Fund Balance	-
Fund Balance, Beginning of Year	<u> -</u>
Fund Balance, End of Year	<u><u> -</u></u>

MARLBORO COUNTY, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
ALL PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2024

	Emergency Management Systems	Solid Waste	Golf Course
Operating Revenues			
Taxes			
Property Taxes - Net	\$ 928,236	\$ 13,860	\$ -
Vehicle Taxes - Net	233,564	-	-
Delinquent Taxes - Net	80,933	36,796	-
Fee In Lieu of Taxes	244,516	-	-
Homestead Exemption	90,865	-	-
Manufacturer Reimbursement	108,112	-	-
Inventory Replacement	12,523	-	-
Charges for Services	1,486,216	1,457,161	379,880
Miscellaneous	544,046	-	197,870
	<u>3,729,011</u>	<u>1,507,817</u>	<u>577,750</u>
Operating Expenses			
Salaries	1,897,070	46,411	207,451
Employee Expenses	724,417	94,665	19,112
Office Supplies	8,800	-	2,814
Uniform Supplies	15,554	-	-
Medical Supplies	164,389	-	-
Fuel	98,116	2,096	13,627
Professional Services	200,326	1,352,536	76,044
Telephone	28,636	2,004	-
Training, Travel and Meals	15,005	-	-
Advertising	7,132	7,062	-
Repairs and Maintenance	156,574	7,045	-
Dues and Subscriptions	2,498	1,591	2,400
Equipment Expense	4,928	-	69,166
Workers Compensation	102,512	2,499	-
Depreciation	291,091	67,095	85,343
General Expense	56	138,242	80,350
Utilities	17,884	6,414	16,121
Capital Outlay	-	-	127,110
	<u>3,734,988</u>	<u>1,727,660</u>	<u>699,538</u>
Operating Income (Loss)	<u>(5,977)</u>	<u>(219,843)</u>	<u>(121,788)</u>
Non-Operating Revenues (Expenses)			
Interest Expense	(3,819)	-	-
Interest Income	25,638	5,721	29,346
	<u>21,819</u>	<u>5,721</u>	<u>29,346</u>
Income (Loss) Before Contributions and Transfers	<u>15,842</u>	<u>(214,122)</u>	<u>(92,442)</u>
Transfer to Other Funds	<u>(50,000)</u>	<u>-</u>	<u>-</u>
Change in Net Position	<u>(34,158)</u>	<u>(214,122)</u>	<u>(92,442)</u>
Total Net Position, Beginning of Year, as Restated	<u>2,335,923</u>	<u>518,174</u>	<u>3,514,804</u>
Total Net Position, End of Year	<u>\$ 2,301,765</u>	<u>\$ 304,052</u>	<u>\$ 3,422,362</u>

COMPLIANCE SECTION

**MARLBORO COUNTY, SOUTH CAROLINA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Fiscal Year Ended June 30, 2024**

Federal Grantor/ Pass-Through Grantor <u>Program Title</u>	Federal CFDA <u>Number</u>	Total <u>Expenditures</u>
U.S. DEPARTMENT OF HOMELAND SECURITY		
Passed Through SC Emergency Management Division:		
Emergency Management Performance Grant	97.042	\$ <u>38,102</u>
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY		<u>38,102</u>
U.S. DEPARTMENT OF TRANSPORTATION		
Direct Program:		
Airport Improvement Program	20.106	<u>835,310</u>
TOTAL U.S. DEPARTMENT OF TRANSPORTATION		<u>835,310</u>
DEPARTMENT OF THE TREASURY		
Coronavirus Relief Fund		
Coronavirus Relief Fund	21.019 *	<u>801,398</u>
TOTAL DEPARTMENT OF THE TREASURY		<u>801,398</u>
TOTAL FEDERAL ASSISTANCE EXPENDED		<u>\$ 1,674,810</u>

* Denotes program tested as major program

MARLBORO COUNTY, SOUTH CAROLINA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2024

- Note 1.** The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of Marlboro County for the year ended June 30, 2024. All federal awards received directly from federal agencies as well as those passed through other government agencies are included on the Schedule.
- Note 2.** The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting which is described in the notes to the County's basic financial statements.
- Note 3.** Federal award expenditures are reported in the County's basic financial statements as expenditures in the Special Revenue Fund and General Fund.
- Note 4.** Non-monetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed.
- Note 5.** Differences between the amount of revenue received from federal awards and the related expenditures are recognized as either deferred revenue or receivables in the basis financial statements. The amounts recorded on the Schedule of Federal Awards agree with the amounts recorded in the basis financial statements.

SHEHEEN, HANCOCK & GODWIN, LLP

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December 6, 2024

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*

Honorable Members of the County Council
Marlboro County
Bennettsville, South Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Marlboro County, South Carolina, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Marlboro County's basic financial statements and have issued our report thereon dated December 6, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Sheheen, Hancock & Godwin, LLP

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Camden, South Carolina

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December 6, 2024

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

Honorable Members of the County Council
Marlboro County
Bennettsville, South Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Marlboro County, South Carolina's 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 Marlboro County, South Carolina's major federal programs for the year ended June 30, 2024. Marlboro County, South Carolina'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, Marlboro County, South Carolina complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Costs 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 Marlboro County, South Carolina and to meet our 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 Marlboro County, South Carolina'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 Marlboro County, South Carolina'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 Marlboro County, South Carolina's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Marlboro County, South Carolina's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Marlboro County, South Carolina'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 Marlboro County, South Carolina'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 Marlboro County, South Carolina'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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than

a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

Sheheen, Hancock & Godwin, LLP

Sheheen, Hancock and Godwin, LLP
Camden, South Carolina

MARLBORO COUNTY, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2024

A. SUMMARY OF RESULTS

1. The financial statement opinion is unmodified.
2. No significant deficiency in internal control over financial reporting were disclosed by the audit of the financial statements.
3. The audit disclosed no instances of noncompliance to the financial statements for Marlboro County, South Carolina.
4. No material weaknesses in internal control over major programs were disclosed by the audit. No significant deficiencies in internal control over major programs were disclosed by the audit.
5. We have issued an unqualified report on compliance for major programs.
6. The audit disclosed no audit findings.
7. Major programs are as follows:

U.S. Department of Treasury
Coronavirus State and Local Fiscal Recovery Funds
8. Type A programs are those exceeding \$750,000. Type B programs are those not exceeding \$750,000.
9. Marlboro County, South Carolina did qualify as a low-risk auditee.

MARLBORO COUNTY, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2024
(Continued)

B. FINDINGS RELATED TO FINANCIAL STATEMENTS

NONE

C. FINDINGS RELATED TO FEDERAL AWARDS

NONE

**MARLBORO COUNTY, SOUTH CAROLINA
SUMMARY OF PRIOR AUDIT FINDINGS
For the Fiscal Year Ended June 30, 2024**

A. FINDINGS – FINANCIAL STATEMENTS AUDIT

NONE