

BLUFFTON TOWNSHIP FIRE DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2021



JOHN THOMPSON, CHIEF

BOARD OF DIRECTORS

MIKE RAYMOND, CHAIRMAN
JOE PAOLO, VICE CHAIRMAN
ELAINE LUST, TREASURER
THOMAS MIKE, SR, SECRETARY
ED OLSEN
LOUIS POINDEXTER
PAUL HAMILTON

PREPARED BY:
ADMINISTRATIVE DIVISION





INTRODUCTORY SECTION

**Bluffton Township Fire District
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2021**

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BLUFFTON TOWNSHIP FIRE DISTRICT

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BLUFFTON, SOUTH CAROLINA 29909
843-757-2800 · FAX 843-757-7305

The Honorable Members of the Fire Commission and the Citizens of the Bluffton Township Fire District of Beaufort County, South Carolina

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted accounting standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of Bluffton Township Fire District for the fiscal year ended June 30, 2021.

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

The District's financial statements have been audited by Crowley Wechsler & Associates LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2021 are free of material misstatement. The independent audit involves examining on a test basis, evidence supporting the amounts and disclosures in the financial statement presentation; assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit that there was a reasonable basis for rendering an unqualified opinion that the District's financial statements for the fiscal year ended June 30, 2021 are fairly presented in conformity with GAAP. The independent auditors report is presented as the first component of the financial section of this report.

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

Profile of the Government

The Bluffton Township Fire District was established on June 26, 1978 and is located in Beaufort County, South Carolina. It is 75 miles south of Charleston, South Carolina and 45 miles north of Savannah, Georgia. The Beaufort County Council created the Bluffton Township Fire District by Ordinance 78-6, adopted June 26, 1978. The first District was created and was comprised of all properties in Beaufort County south of the Broad River with the exception of Jenkins Island, Hilton Head Island, and Daufuskie Island. Ordinance 94-14 adopted June 27, 1994 amended the original ordinance to include Jenkins Island.

The District operates as a special purpose tax district. Policy-making and legislative authority are vested in a governing board consisting of seven members. The governing board is responsible, among other things for passing policies, recommending the budget, appointing committees, and hiring both the district's chief and attorney. The fire chief is responsible for carrying out policies of the governing board, for overseeing the day-to-day operations of the district, and for appointing the heads of various departments. The seven board members are each appointed to four-year staggered terms, with three board members elected every two years.

The District maintains nine fire stations and provides 24 hour fire and emergency services to the resident's within the 246 square miles that make up the Fire District. Emergency services include fire suppression, emergency medical response, specialized and technical rescue response, as well as hazardous materials emergency response. In addition, the Fire District also conducts a comprehensive fire prevention program which includes a strong public education component. The District provides its own vehicle maintenance program and contracts out services to all of the Bluffton police and Town vehicles, Technical College of the Lowcountry, Beaufort City / Port Royal Fire Department and the University of South Carolina Beaufort campus police and grounds maintenance as well. The District also has a dedicated four story "live fire" training facility to aid in the training of it's fire suppression personnel.

The annual budget serves as the foundation for the District's financial planning and control. All departments of Bluffton Township Fire District are required to submit requests for appropriations to the Fire Chief on or before the first day of January of each year. The Fire Chief uses these requests as the starting point for developing a proposed budget. The Fire Chief then presents this proposed budget to the board members for review prior to March 1 of each year. The board members present their recommended budget to the Beaufort County Council in order to adopt a final budget no later than June 30th, the close of the District's fiscal year. The appropriated budget is prepared by fund and account category for the general fund and the debt service fund. Budgetary control (that is the level at which expenditures cannot legally exceed the appropriated amount) is maintained by the Fire Chief at the fund level and may be amended as necessary during the fiscal year. Budget-to-actual comparisons are provided in the report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented on page 47 as part of the required supplementary information for governmental funds.

Factors Affecting Financial Condition

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

Local Economy

Beaufort County continues to be one of the fastest growing areas in South Carolina. Total County population according to the 2020 US Census is 187,117. This equates to a population increase of 18.4% since the 2010 Census of 162,233. The majority of the growth in the County occurred south of the Broad River, which is the area protected by the Fire District. As of the last update approximately 89% of the available land area within the Fire District was already permitted for construction or under the control of a development agreement.

Over the past year we continue to see steady growth in the Fire District. The Town of Bluffton issued 858 new single family/multi family permits from July 2020 until June 2021. During this time period we have seen several commercial developments be completed or start development. These developments include:

- Oyster Cove Campground
- May River Crossing Development
- TCL Culinary Institute
- May River Marketplace
- Island Plasters
- Myrtle Park Commercial
- The Elle Multifamily
- Pepper Hall Townhomes and Multifamily
- Cross Schools – Sports Building
- Old Village Square
- Lighthouse Lagoon Minigolf
- The Citadel – Palmetto Bluff
- Palmetto Bluff Shooting Club
- SORA Wellness
- Kia of Hilton Head

Several neighborhoods have also continued developing adding new phases. These include: Palmetto Bluff, New River Forest, The Landings, Cypress Ridge at Mill Creek, The Lakes at New Riverside, Malind Bluff, Heritage at New Riverside and Four Seasons at Carolina Oaks.

Long-term Financial Planning

One of the District's primary concerns is that the necessary planning and growth management tools are implemented to assure the future cost of providing District services does not exceed the revenues generated from depressed growth. In 2007 the District completed and adopted a five year strategic plan that included a comprehensive financial component. That plan was significantly updated and re-written in 2014 to address changes that were occurring and planned to occur within the District. The new plan is designed to provide for the District's needs for the next five years and focuses on standard development within the fire department towards a goal of achieving national accreditation through the Center for Public Safety Excellence (CPSE). The CPSE is internationally recognized as the "gold standard" for accreditation of fire and emergency services. The District has now completed its CPSE strategic planning and published its new 2018-2023 planning document for all stakeholders in the community. The results of this planning will help Bluffton Township Fire District to meet the challenges of the present day as well as the future. BTFD has completed all of its CPSE documentation and was presented with an Accredited Agency Award on October 27, 2020 by the Commission on Fire Accreditation International.

Relevant Accounting Policies

Internal Controls – Internal controls are procedures that are designed to protect assets from loss, theft, or misuse; to check the accuracy and reliability of accounting data; to promote operational efficiency; and to encourage compliance with managerial policies. The management of the District is responsible for establishing a system of internal controls designed to provide reasonable assurance these objectives are met.

Budgetary Controls – The District maintains budgetary controls which are designed to ensure compliance with legal provisions of the annual budget adopted by Council. It is the District's objective to conduct an open budget process providing for input from department administrators, top management, appointed officials, and the public as the District's programs and services are determined for the next year.

The District adopted GASB Statement No. 45, "Post Employment Benefits" effective for fiscal year 2010. The plan has remained unfunded as of June 30, 2011. Also, GASB Statement No. 54, "Fund Balance Reporting and Government Fund Type Definitions" was adopted in the current year and accordingly, fund balances reflect the new types to be reported. Beaufort County Council voted to rescinded Resolution 2003-23, "Health Care Benefit for Retired Employees", effective July 1, 2016. This vote passed unanimously by the eleven member council. All effective retirees received certified notifications 90 days prior to the cancelation of the benefit July 1, 2016. The Fire District remains a co-partner with Beaufort County in litigation related to this matter. On June 24, 2020 Beaufort County enacted Ordinance 2020 / 20 that paid out and settled all retired employees of the County and Fire District. Active employees still have an open case, although it is mostly settled, there is still one (1) holdout. Therefore, we cannot call it settled.

Major Initiatives

There were three (3) major initiatives upon which the Fire District was working on in 2016. Those initiatives required the District to take on approximately \$7.5 million in debt. The debt involved the sale of general obligation bonds early in 2015. All of these major initiatives have been completed, (1) Fire Engine Fleet Replacement ten pumper trucks (2) BTFD Vehicle Maintenance / Training Facility (3) Live Fire Four Story Training Building / Prop.

The Fire District is continuing to move forward with the initiatives from FY18. These were funded by several means available to the Fire District. (1) Fire Station #38 on Hampton Parkway for 3.0 million was funded by a general obligation bond. This project was completed September 1, 2020 and staffed by BTFD employees. (2) Fire Station #32 renovation/addition for 1.2 million to also be funded by general obligation bond funds and was completed April 20, 2021. (3) Fire Station #31 relocation from 178 May River Road to 204 New River Side Road, this project is a co-funding 50/50 endeavor with Beaufort County and funded by general obligation bonds and fire impact fees and will cost the district 1.5 million and was completed September 8, 2021. (4) Concrete materials needed to surround the fire training facility for driveways and training pad \$300,000, this will be funded with Fire Impact Fees collected from new building construction. All of the above initiatives have been started and completed with exception of (#4) concrete materials for the training facility.

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement in Financial Reporting. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, the contents of which conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. This is the tenth year that the District has prepared a comprehensive annual financial report.

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

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

Sincerely,



John W. Thompson, Jr.
Fire Chief



Paul Boulware
Deputy Fire Chief



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Bluffton Township Fire District
South Carolina**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

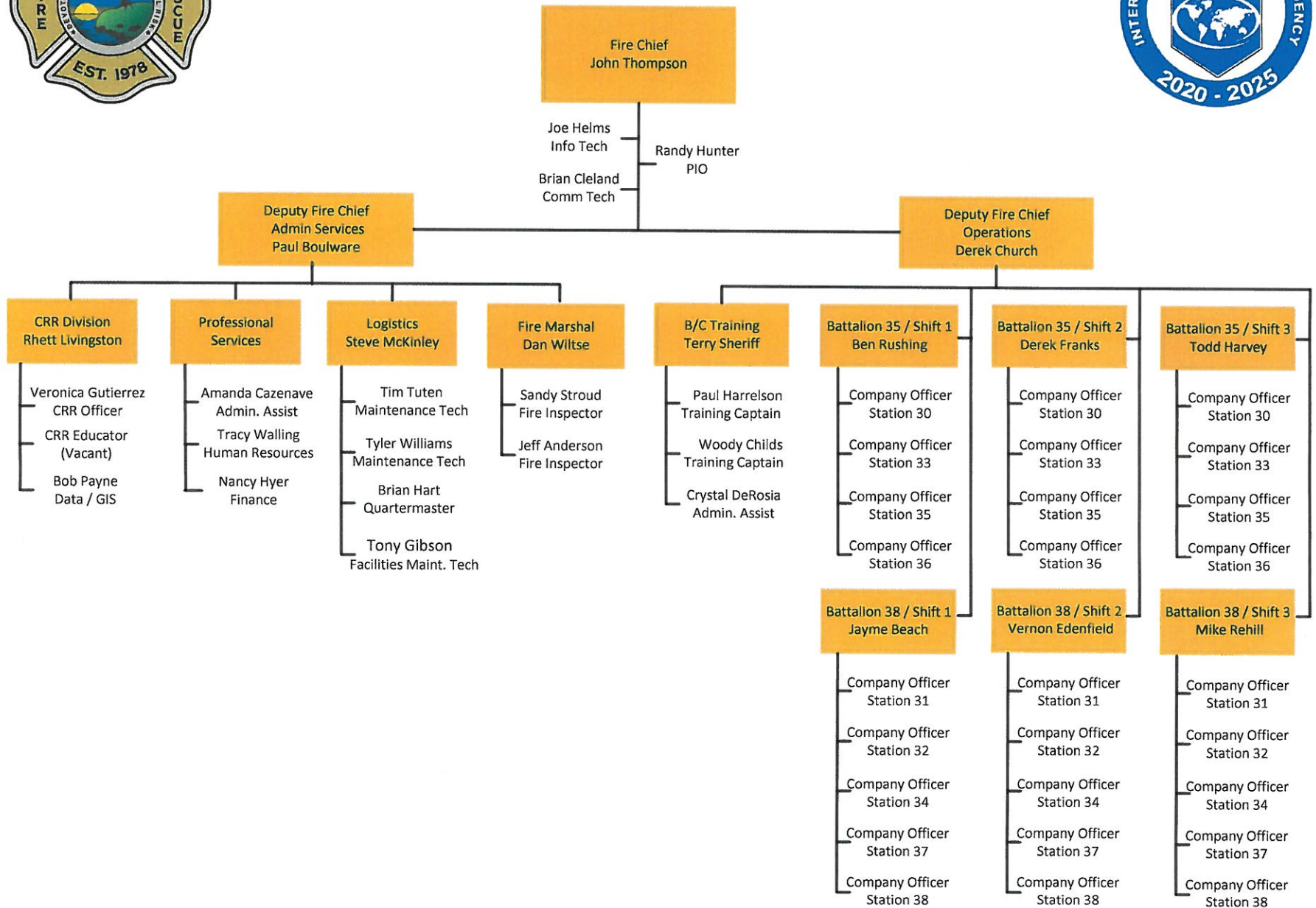
Christopher P. Morrill

Executive Director/CEO



Bluffton Township Fire District

Organizational Structure 2021



**BLUFFTON TOWNSHIP FIRE DISTRICT
SOUTH CAROLINA**

**LIST OF PRINCIPAL OFFICIALS
JUNE 30, 2021**

TITLE	NAME (TERM)
Chairman.....	Mike Raymond (2/2022)
Vice Chairman.....	Joe Paolo (2/2022)
Secretary.....	Thomas Mike, Sr. (2/2022)
Treasurer.....	Elaine Lust (2/2024)
Board Member.....	Ed Olsen (2/2025)
Board Member.....	Louis Poindexter (2/2024)
Board Member	Paul Hamilton (2/2025)
Fire Chief.....	John Thompson
Deputy Fire Chief.....	Paul Boulware



FINANCIAL SECTION



Richard D. Crowley, CPA, CVA
Lisa T. Wechsler, CPA, CFE
Robert J. Nagy, CPA, CGMA
Raquel Biascochea, JD, CPA
Jordan Graham, CPA

CERTIFIED PUBLIC ACCOUNTANTS

Member:
American Institute of CPAs
South Carolina Association of CPAs

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Bluffton Township Fire District
Bluffton, South Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Bluffton Township Fire District (District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Bluffton Township Fire District, as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and historical pension information on pages 11-18 and 47-51 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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



Crowley Wechsler & Associates LLC
Beaufort, South Carolina
November 10, 2021



Bluffton Township Fire District Management's Discussion and Analysis

As management of Bluffton Township Fire District (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2021.

Financial Highlights

- Assets and deferred outflows of the District exceeded liabilities and deferred inflows at the close of the most recent fiscal year by \$712,191. Of this amount, \$1,406,824 (restricted net position) represents net assets restricted for capital projects, debt payments and employee recruitment and retention. Another \$11,726,457 represents the net investment in capital assets less depreciation and debt on those assets. The remaining balance of \$(12,421,090) represents a deficit in unrestricted net position. The District's total net position increased by \$1,047,140 for the year ended June 30, 2021.
- As of the close of the current fiscal year the District's governmental funds reported a combined ending fund balance of \$5,476,213, a decrease of \$1,626,231.

Overview of the Financial Statements

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

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

The statement of net position presents information on all of the District's assets, liabilities, and deferred inflows and outflows of resources with the difference reported as net position. Over time, increases and decreases in the net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. Changes in net position are reported on a full accrual basis, regardless of the timing of related cash flows. Therefore, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements distinguish functions of the District that are supported by general revenues such as taxes and fees. The governmental activities of the District include programs related to public safety for fire protection. The District currently has no business type activities.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been grouped for specific activities. The District like other public agencies use fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the programs of the District can be divided into governmental funds.

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

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

The District maintains five individual governmental programs. Information is presented by expenditure category in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund.

The District adopts an annual budget for the general fund and the debt service fund. A statement comparing actual to budgeted revenues and expenditures has been provided to demonstrate compliance with these budgets.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the District's programs. The accounting for fiduciary funds is much like that used for proprietary funds.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a public government's financial position. In the case of the Bluffton Fire District, assets and deferred outflows exceeded liabilities and deferred inflows at the close of the most recent fiscal year by \$712,191 for 2021, and assets and deferred outflows were exceeded by liabilities and deferred inflows by \$(334,949) for 2020. The following table reflects the condensed government-wide statement of net position.

BLUFFTON TOWNSHIP FIRE DISTRICT NET POSITION		
	Governmental Activities	
	2021	2020
Current Assets	\$ 6,078,576	\$ 7,994,802
Capital Assets - net	24,013,369	20,729,338
Total Assets	<u>30,091,945</u>	<u>28,724,140</u>
Deferred Outflow of Resources	<u>5,451,639</u>	<u>4,167,984</u>
Current Liabilities	519,774	903,432
Long-term Liabilities	34,188,263	32,162,761
Total Liabilities	<u>34,708,037</u>	<u>33,066,193</u>
Deferred Inflow of Resources	<u>123,356</u>	<u>160,880</u>
Net Position		
Net Investment in Capital Assets	11,726,457	9,435,283
Restricted	1,406,824	1,958,538
Unrestricted	(12,421,090)	(11,728,770)
Total Net Position (Deficit)	<u>\$ 712,191</u>	<u>\$ (334,949)</u>

The largest portion of the District's net position, \$11,726,457, reflects its net investment in capital assets less the accumulated depreciation on capital assets and related debt. The \$1,406,824 represents the net position restricted for capital projects, debt payments and employee recruitment and retention. The remaining net position of \$(12,421,090) is a deficit in unrestricted.

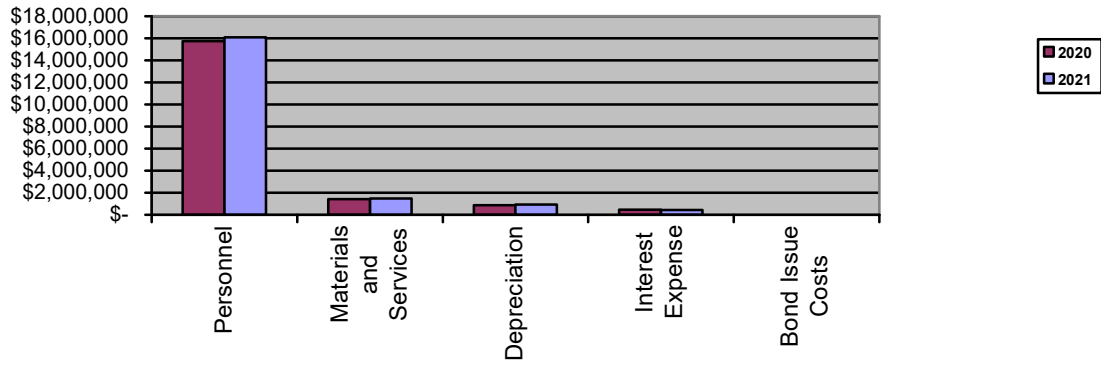
Governmental activities. The District's total net position increased by \$1,047,140. Key elements of this decrease are as shown in the following table.

BLUFFTON TOWNSHIP FIRE DISTRICT CHANGE IN NET POSITION		
	Governmental Activities	
	2021	2020
Expenses		
Public Safety - Fire Protection		
Personnel	\$ 16,082,367	\$ 15,725,663
Materials and services	1,484,897	1,422,527
Depreciation	916,405	883,826
Interest Expense	437,800	469,300
Total expenses	<u>18,921,469</u>	<u>18,501,316</u>
Program Revenues		
Charges for Services	1,176,669	1,064,532
Capital Grants & Contributions	1,447,937	560,196
General Revenues		
Taxes	17,308,720	16,163,627
Interest	16,352	122,407
Miscellaneous income	18,931	144,418
Total Revenues	<u>19,968,609</u>	<u>18,055,180</u>
Change in Net Position Before Special Item	<u>1,047,140</u>	<u>(446,136)</u>
Special Item - Settlement	-	(176,252)
Change in Net Position	<u>1,047,140</u>	<u>(622,388)</u>
Net Position - Beginning	(334,949)	287,439
Net Position - Ending	<u>\$ 712,191</u>	<u>\$ (334,949)</u>

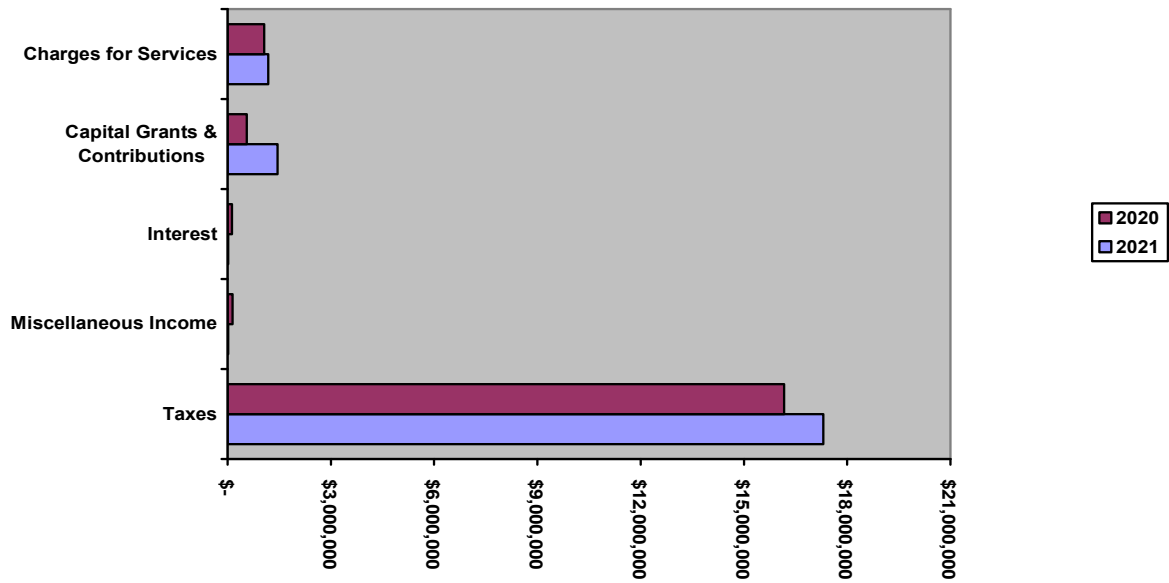
Highlights:

- Taxes increased approximately \$1,145,000 because of 15% growth in District's assessed valuation.
- Capital grants and contributions increased due to contributions from Beaufort County for the construction of station 31.
- Charges for services is up approximately \$110,000 which is due to an increase in impact fees received of \$40,000 and an increase in vehicle service revenue of \$58,000.
- Personnel expenses are up due to salaries and benefits increasing approximately \$300,000 for pandemic related overtime expenses.
- Depreciation was up due to more assets being placed in service this year.
- Miscellaneous revenue is down due to a donated bus valued at \$15,000, retirement credit of \$74,000, and insurance proceeds received of \$55,674 in prior year.
- The special item was for a legal settlement regarding the elimination of post retirement benefits for health insurance. Additional information on the settlement can be found in note 8.

Expenses – Governmental Activities



Revenues by Source – Governmental Activities



Financial Analysis of the Government's Funds

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

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

At the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$5,476,213, a decrease of \$1,626,231. The major governmental funds consist of the general fund, the capital project fund, the debt service fund, the impact fund, and the one percent fund. This increase can be attributed to the following:

- The general fund increased \$469,567. This increase is mainly attributable to an approximate increase of tax revenue and fees of \$1,000,000, and \$30,000, respectively. Grant income fell \$220,000 due to less Safer grant income. These increases were mainly to cover the increases in personnel expenses, which increased approximately \$500,000. Small equipment and uniforms were up in current fiscal year.
- The impact fund decreased by \$652,631 mainly due to approximately \$2,000,000 in capital outlay offset by \$940,000 in grant income from Beaufort County for station construction.
- The increase of \$19,119 in the one percent fund represented the collections of \$407,726 less expenditures of \$388,607.
- The District's capital project fund decreased \$1,544,084. The capital project fund was established to account for the proceeds from a general obligation bond restricted for the purchase and construction of capital assets. The District incurred \$1,981,401 in capital expenditures in the fiscal year related to stations 31, 32 and 38.
- The debt service fund increased by \$81,798. Revenues collected were \$1,077,492 while the debt service payment was \$995,694 for the bonds.

As a measure of the general fund's liquidity, it may be useful to compare the unassigned fund balance to total fund expenditures. The unassigned portion in the amount of \$4,060,730 represents 25.39% of total expenditures.

General Fund Budgetary Highlights

The general fund is the principal operating fund of the District and is used to account for all activities of the District not otherwise accounted for by a specified fund. It is also the largest of the District's funds and is mostly comprised of general tax revenues and grants. Over the course of the fiscal year, the District monitors its budget for any unanticipated changes in revenues and expenditures. Total general fund revenues and other financing sources for the year ended June 30, 2021, were approximately \$16,462,737, approximately \$498,355, or 3.12%, more than the final budget of approximately \$15,964,382. The increase in total revenue was the result of an increase in property tax revenue related to growth within the District.

Total general fund expenditures and other financing uses were approximately \$15,993,170 for the year ended June 30, 2021, approximately \$19,744, or 0.01%, more than the final budgeted expenditures of \$15,973,426. An increase in overtime paid to personnel related to COVID19 scheduling issues contributed to the budget overage.

Capital Assets and Debt Administration

Capital Assets. The District's investment in capital assets for its governmental type activities as of June 30, 2021 amounts to \$24,013,369 (net of accumulated depreciation) compared to \$20,729,338 for June 30, 2020. This investment in capital assets includes land and improvements, construction in progress, buildings and improvements, furniture and equipment, vehicles, and related debt. New asset additions added during the fiscal year 2021 totaled \$4,200,436 and includes \$569,668 for the construction of station 38, \$787,649 for construction in progress of station 32, \$2,773,056 for construction in progress of station 31, and equipment of \$70,063. Depreciation expense was \$916,405 for the year compared to \$883,826 in the prior year. The increase in depreciation expense was a result of station 38 being placed in service.

BLUFFTON TOWNSHIP FIRE DISTRICT CAPITAL ASSETS NET OF DEPRECIATION

	Governmental Activities	
	2021	2020
Construction in Progress	\$ 4,524,750	\$ 4,363,042
Land	2,283,582	2,283,582
Buildings and Improvements	12,035,739	8,493,970
Vehicles	4,619,588	5,118,263
Furniture and Equipment	549,710	470,481
Total	<u>\$ 24,013,369</u>	<u>\$ 20,729,338</u>

Additional information on capital assets can be found in note 4.

Long-term obligations. At the end of the current fiscal year, the District had long-term obligations for compensated absences, net pension liability, general obligation bonds, and bond premiums. Long-term obligations consisted of the following amounts:

BLUFFTON TOWNSHIP FIRE DISTRICT LONG TERM OBLIGATIONS

	Governmental Activities	
	2021	2020
General Obligation Bonds	\$ 11,825,000	\$ 12,355,000
Bond Premiums	470,571	491,798
Net Pension Liability	21,183,121	18,214,644
Compensated Absences	709,571	1,101,319
Total	<u>\$ 34,188,263</u>	<u>\$ 32,162,761</u>

Additional information on long-term obligations can be found in note 5.

In April 2021, Moody's Investors Service upgraded the District to an Aa2 rating for the District's bond issuances. The Aa2 rating reflects strong growth in the District's sizeable tax base that benefits from the stabilizing presence of multiple military facilities, strong resident income levels, and an improving liquidity and reserve position. The rating also considers the District's manageable pension and low debt burdens.

Economic Factors and Next Year's Budgets

The 2021-2022 approved operations budget of \$16,761,772 is to be funded with a tax levy of 24.20 mills that is expected to collect \$16,777,000 in taxes. The debt service fund budget of \$991,000 will be funded with a tax levy of 1.50 mills that is expected to collect \$991,000 in taxes.

Requests for information

This financial report is designed to provide a general overview of Bluffton Township Fire District finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief, Bluffton Township Fire District, 357 Fording Island Road, Bluffton, South Carolina, 29909.



BASIC FINANCIAL STATEMENTS

**BLUFFTON TOWNSHIP FIRE DISTRICT
STATEMENT OF NET POSTION
JUNE 30, 2021**

	<u>Governmental Activities</u>
ASSETS	
Cash	\$ 151,063
Accounts Receivable	480,305
Due from Beaufort County	5,447,208
Capital Assets, not being depreciated	6,808,332
Capital Assets, being depreciated	17,205,037
Total Assets	<u>30,091,945</u>
DEFERRED OUTFLOW OF RESOURCES	
Deferred Outflow for Pension	<u>5,451,639</u>
Total Deferred Outflow of Resources	<u>5,451,639</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 35,543,584</u>
LIABILITIES	
Accounts Payable	\$ 195,874
Accrued Liabilities	176,252
Interest Payable	147,648
Noncurrent Liabilities	
Due within one year	727,393
Due in more than one year	
Debt Obligations	12,277,749
Net Pension Liability	21,183,121
Total Liabilities	<u>34,708,037</u>
DEFERRED INFLOW OF RESOURCES	
Deferred Inflow for Pension	<u>123,356</u>
Total Deferred Inflow of Resources	<u>123,356</u>
NET POSITION	
Net investment in capital assets	11,726,457
Restricted for debt payments	672,555
Restricted for capital projects	628,894
Restricted for employee recruitment and retention	105,375
Unrestricted (deficit)	(12,421,090)
Total Net Position	<u>712,191</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 35,543,584</u>

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

**BLUFFTON TOWNSHIP FIRE DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021**

	Governmental Activities
EXPENSES	
Public Safety - Fire Protection	
Personnel	\$ 16,082,367
Depreciation	916,405
Administration	561,732
Maintenance	564,183
Equipment	156,196
Training	85,138
Utilities and Services	117,648
Interest	437,800
Total Program Expenses	18,921,469
PROGRAM REVENUES	
Charges for Services	1,176,669
Capital Grants and Contributions	1,447,937
Total Program Revenues	2,624,606
Net Program Expense	(16,296,863)
GENERAL REVENUES	
Property Taxes	17,308,720
Interest Income	16,352
Miscellaneous Income	18,931
Total General Revenues	17,344,003
Change in Net Position	1,047,140
Net Position (Deficit), Beginning of year	(334,949)
Net Position, End of year	\$ 712,191

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

**BLUFFTON TOWNSHIP FIRE DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021**

	GOVERNMENTAL FUND TYPES					TOTAL
	GENERAL FUND	DEBT SERVICE FUND	CAPITAL PROJECT FUND	IMPACT FUND	ONE PERCENT FUND	
ASSETS						
Cash	\$ 150,041	\$ -	\$ 1,022	\$ -	\$ -	\$ 151,063
Accounts Receivable	449,803	30,502	-	-	-	480,305
Due from Beaufort County	3,862,948	657,157	7,637	814,091	105,375	5,447,208
Total Assets	<u>\$ 4,462,792</u>	<u>\$ 687,659</u>	<u>\$ 8,659</u>	<u>\$ 814,091</u>	<u>\$ 105,375</u>	<u>\$ 6,078,576</u>
LIABILITIES						
Accounts Payable	\$ 10,677	\$ -	\$ -	\$ 185,197	\$ -	\$ 195,874
Accrued Liabilities	176,252	-	-	-	-	176,252
Total Liabilities	<u>186,929</u>	<u>-</u>	<u>-</u>	<u>185,197</u>	<u>-</u>	<u>372,126</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenues - Property Taxes	215,133	15,104	-	-	-	230,237
Total Deferred Inflows of Resources	<u>215,133</u>	<u>15,104</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>230,237</u>
FUND BALANCES						
Restricted	-	672,555	-	628,894	105,375	1,406,824
Assigned	-	-	8,659	-	-	8,659
Unassigned	4,060,730	-	-	-	-	4,060,730
Total Fund Balances	<u>4,060,730</u>	<u>672,555</u>	<u>8,659</u>	<u>628,894</u>	<u>105,375</u>	<u>5,476,213</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 4,462,792</u>	<u>\$ 687,659</u>	<u>\$ 8,659</u>	<u>\$ 814,091</u>	<u>\$ 105,375</u>	<u>\$ 6,078,576</u>

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

**BLUFFTON TOWNSHIP FIRE DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2021**

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

Total fund balances for governmental funds		\$ 5,476,213
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Capital assets used in District's activities are not financial resources and therefore are not reported in the funds. Those assets consist of:

Land and Improvements	\$ 2,283,582	
Construction in Progress	4,524,750	
Buildings and Improvements, net of \$2,850,866 accumulated depreciation	12,035,739	
Vehicles, net of \$3,489,863 accumulated depreciation	4,619,588	
Furniture and Equipment, net of \$731,128 accumulated depreciation	<u>549,710</u>	
Total Capital Assets		24,013,369

Some of the District's receivables will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred inflows in the funds.		230,237
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Deferred outflows and inflows of resources represents amounts applicable to future periods and, therefore are not reported in the funds

Deferred outflows of resources:		
Related to pensions	5,451,639	
Deferred inflows of resources:		
Related to pensions	<u>(123,356)</u>	
Total deferred outflows and inflows of resources		5,328,283

Long-term liabilities applicable to the District's activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities --both current and long-term--are reported in the statement of net position.

Balances at June 30, 2021 are:

Interest Payable	(147,648)	
Accrued Vacation	(709,571)	
Bonds and Notes Payable	(11,825,000)	
Bond Premium	(470,571)	
Net Pension Liability	<u>(21,183,121)</u>	
Total Long-Term Liabilities		<u>(34,335,911)</u>

Total net position of governmental activities		<u>\$ 712,191</u>
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The notes to the financial statements are an integral part of this statement.

**BLUFFTON TOWNSHIP FIRE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	GOVERNMENTAL FUND TYPES					TOTAL
	GENERAL FUND	DEBT SERVICE FUND	CAPITAL PROJECT FUND	IMPACT FUND	ONE PERCENT FUND	
REVENUES						
Property Taxes	\$ 16,145,797	\$ 1,075,927	\$ -	\$ -	\$ -	\$ 17,221,724
Fees	218,240	-	-	551,867	406,562	1,176,669
Grant Revenue	71,836	-	435,558	940,543	-	1,447,937
Interest Income	7,933	1,565	1,759	3,931	1,164	16,352
Miscellaneous Income	18,931	-	-	-	-	18,931
Total Revenues	<u>16,462,737</u>	<u>1,077,492</u>	<u>437,317</u>	<u>1,496,341</u>	<u>407,726</u>	<u>19,881,613</u>
EXPENDITURES						
Public Safety - Fire Protection						
Personnel	14,438,210	-	-	-	388,607	14,826,817
Administration	561,732	-	-	-	-	561,732
Utilities and Services	117,648	-	-	-	-	117,648
Maintenance	564,183	-	-	-	-	564,183
Training	85,138	-	-	-	-	85,138
Equipment	156,196	-	-	-	-	156,196
Capital Outlay	70,063	-	1,981,401	2,148,972	-	4,200,436
Debt Service						
Principal	-	530,000	-	-	-	530,000
Interest	-	465,694	-	-	-	465,694
Total Expenditures	<u>15,993,170</u>	<u>995,694</u>	<u>1,981,401</u>	<u>2,148,972</u>	<u>388,607</u>	<u>21,507,844</u>
Change in Fund Balances	469,567	81,798	(1,544,084)	(652,631)	19,119	(1,626,231)
Fund Balances, Beginning of year	3,591,163	590,757	1,552,743	1,281,525	86,256	7,102,444
Fund Balances, End of year	<u>\$ 4,060,730</u>	<u>\$ 672,555</u>	<u>\$ 8,659</u>	<u>\$ 628,894</u>	<u>\$ 105,375</u>	<u>\$ 5,476,213</u>

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

**BLUFFTON TOWNSHIP FIRE DISTRICT
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021**

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

Net change in fund balances -- total governmental funds \$ (1,626,231)

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$4,200,436) exceeded depreciation (\$916,405) in the current period. 3,284,031

Repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net position. 530,000

Interest is recorded as paid in the governmental funds but is accrued as a liability in the governmental statements. Change in accrued liability. 6,667

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 86,996

Governmental funds report 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.

Pension Contributions	\$ 1,838,409	
Cost of benefits earned net of employee contributions	<u>(3,485,707)</u>	(1,647,298)

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

Amortization of Bond Premium	21,227	
Compensated Absences	<u>391,748</u>	

Total change in net position of governmental activities \$ 1,047,140

**BLUFFTON TOWNSHIP FIRE DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2021**

	One Percent Retirement Fund
ASSETS	
Investments	
Mutual Funds	\$ 6,060,659
Total Assets	\$ 6,060,659
 LIABILITIES	
Due to Others	\$ -
Total Liabilities	-
 NET POSITION	
Restricted for Pensions	6,060,659
Total Net Position	\$ 6,060,659

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

**BLUFFTON TOWNSHIP FIRE DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	One Percent Retirement Fund
Additions	
Employer Contributions	\$ 344,384
Interest and Dividend Income	227,207
Net increase in the fair value of investments	1,190,027
Fees and Other Investment Related Expenses	(3,500)
	1,758,118
 Deductions	
Employee Withdrawals	650,028
Change in Net Position	1,108,090
Net Position, Beginning of Year	4,952,569
Net Position, End of Year	\$ 6,060,659

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

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which are normally supported by intergovernmental revenues and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

Reporting Entity

The Bluffton Township Fire District was established on June 26, 1978 as a special purpose district within Beaufort County, South Carolina. Its purpose is to provide fire protection to the residents within the public service district, which includes all properties in Beaufort County, south of the Broad River, with the exception of Hilton Head and Daufuskie Islands. The District maintains eight fire stations located in Bluffton, Callawassie, Pritchardville, Buckingham, Sun City, Palmetto Bluff, Colleton River, and Indian Hill areas of Beaufort County.

The District is an autonomous government whose appointed board controls its operations and fiscal accountability. The District is a separate reporting entity and is not a component unit of any other governmental entity. Beaufort County is a related party in that the Beaufort County Council has final approval of budget, assesses millage, collects taxes and prepares payroll for the District.

The accompanying financial statements present the combined financial positions and combined results of operations of the various fund types controlled by the District. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government. The District is not reporting any component units as described above.

Basis of Presentation – Government-Wide Financial Statements

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

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

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Basis of Presentation – Fund Financial Statements

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

The District reports the following major governmental funds:

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

The *debt service fund* is used to account for the accumulated resources for, and the payment of, general long-term debt, principal, interest and related costs.

The *capital project fund* accounts for the acquisition of capital assets or construction of major capital projects funded by the issuance of general obligation debt.

The *impact fund* is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

The *one percent fund* contains funds collected by Beaufort County as a tax collected from insurance companies and made available to the District for certain specific purposes. Those purposes include retirement and insurance, training and education, and recruitment and retention.

The *fiduciary funds* are used to account for assets held on behalf of others. Currently, the District is holding funds in a retirement annuity. The funds in the annuity account were contributed on behalf of employees.

The District does not report any proprietary funds at the present time.

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts and allocated to the various programs as indirect cost allocations. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements.

Measurement Focus and Basis of Accounting

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

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

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

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims, and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, operating grants and contributions and fees associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when the cash is received by the District.

Budgetary Information

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to the end of May, the Chief submits to the District Commissioners a proposed operating budget covering the General Fund for the fiscal year commencing the following July. The operating budget includes proposed expenditures and the means of financing them.
2. After the budget is approved by the District Commissioners it is forwarded to the Beaufort County Council budget committee for review and approval. Any changes required by the county budget committee are made and approved by the Commission. The budget is then submitted to the Beaufort County Council for approval as part of the overall County budget.
3. The Beaufort County Council legally enacts the overall County budget through passage of a county ordinance.
4. Budget amounts as shown in the financial statements are as originally adopted with approved additions and reductions added or subtracted to the related budget items.

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. All annual appropriations lapse at fiscal year-end.

Capital Project Fund, Impact Fund, and One Percent Fund – The District is not legally required to adopt a budget for these funds; accordingly, there are no budgetary comparisons in these financial statements for these funds.

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

The appropriated budget is prepared by fund. The Fire Chief is authorized to transfer budgeted amounts among various expenditure accounts. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level. The District may request supplemental budgetary appropriations from the Beaufort County Council throughout the year. However, the Beaufort County Council must approve any revisions that alter the total revenues or expenditures.

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

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

Cash and Cash Equivalents

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

Inventories and Prepaid Items

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

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets, which include buildings, equipment, and vehicles, are reported in the net investment in capital assets on the statement of financial position. Capital assets are defined by the District as property and equipment with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

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

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

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	5-40 years
Equipment	3-15 years
Vehicles	5-15 years

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expenses/expenditures) until then. The statement of net position reports deferred outflows of resources related to its net pension liability.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenues) until then. The District has only one type of item, which arises only under modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The statement of net position reports deferred inflows related to its net pension liability.

Net Position Flow Assumptions

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

Fund Balance Flow Assumptions

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

Fund Balance Policies

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

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

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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

Revenues and Expenses/Expenditures

Program Revenues

Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operation or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property taxes

The County Ordinance provides for the taxation of all real and personal property located within the District's limits on the first day of January. Motor vehicle taxes are billed and collected by the County Treasurer on a monthly basis. Other personal and real property taxes are levied by the County after September of each year and become due and payable immediately upon receipt by the taxpayer. Real property taxes are delinquent after January 15th. Assessed property is subject to lien one year from the levy date if taxes remain unpaid. The property tax rate approved by ordinance for tax year 2020 was 24.10 mills for operations and 1.60 mills for debt service.

Compensated Absences

In the government-wide financial statements unused vacation leave liabilities are reported in the applicable governmental type columns.

In the fund financial statements, governmental funds are presented using the current financial resource measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets, therefore, compensated absences are reported only to the extent that they are payable from current activity.

Upon termination employees will be paid for any unused vacation days earned during the year. Terminated employees will not be paid for any carry-forward hours. Shift employees accrue vacation based on a 24-hour day, and administration employees accrue vacation based on an 8 hour day. Shift personnel are allowed to "carry-over" 120 total annual leave hours each calendar year from the previous year. Administrative personnel are allowed to "carry-over" 40 annual leave hours into the next calendar year from the previous year. Any excess annual leave hours not taken by January 1 of the new year, other than designated "carry-over" hours will be lost.

Weekly employees accrue sick leave at a rate of one day per month to a maximum of 90 days. Shift employees accrue sick leave at a rate of twelve hours (1/2 day) per pay period (every two weeks) to a maximum of 2,160 hours or 90 days. The Bluffton Fire District has no financial liability for its sick leave.

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 2 DEPOSITS AND INVESTMENTS

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

Interest Rate Risk – The District does not have an investment policy. Maturities on repurchase agreements are from 1 to 5 days. Maturities on certificate of deposits are 12 months or less.

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of June 30, 2021, the District's bank balance was \$151,063, all of which was fully insured by the FDIC and pledged securities. The fiduciary fund consisted of \$6,060,659 in investments for the one percent retirement fund being held for employees' future retirement benefits.

NOTE 3 RECEIVABLES

Receivables at June 30, 2021, including the applicable allowances for uncollectible accounts, are as follows for the fund and government-wide financial statements, respectively.

<u>Receivables</u>	<u>Debt</u>		<u>Total</u>
	<u>General Fund</u>	<u>Service Fund</u>	
Property taxes	\$ 459,469	\$ 30,502	\$ 489,971
Other receivables	2,740	-	2,740
Gross receivables	462,209	30,502	492,711
Allow ance for uncollectible accounts	(12,406)	-	(12,406)
Net total receivables	<u>\$ 449,803</u>	<u>\$ 30,502</u>	<u>\$ 480,305</u>

Governmental funds report deferred inflows of revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Government funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred inflows of revenue and unearned revenue reported in the government funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent property taxes receivable	\$ 230,237	\$ -
Total	<u>\$ 230,237</u>	<u>\$ -</u>

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 4 CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2021 was as follows:

<u>Governmental Activities</u>	<u>June 30, 2020</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>June 30, 2021</u>
<i>Capital assets not being depreciated</i>					
Land and improvements	\$ 2,283,582	\$ -	\$ -	\$ -	\$ 2,283,582
Construction in progress	4,363,042	3,560,705	-	(3,398,997)	4,524,750
Total capital assets, not being depreciated	<u>6,646,624</u>	<u>3,560,705</u>	<u>-</u>	<u>(3,398,997)</u>	<u>6,808,332</u>
<i>Capital assets being depreciated</i>					
Buildings and improvements	11,039,436	448,172	-	3,398,997	14,886,605
Furniture and Equipment	1,089,279	191,559	-	-	1,280,838
Vehicles	8,109,451	-	-	-	8,109,451
Total capital assets being depreciated	<u>20,238,166</u>	<u>639,731</u>	<u>-</u>	<u>3,398,997</u>	<u>24,276,894</u>
Less accumulated depreciation for:					
Buildings and improvements	2,545,466	305,400	-	-	2,850,866
Furniture and Equipment	618,798	112,330	-	-	731,128
Vehicles	2,991,188	498,675	-	-	3,489,863
Total accumulated depreciation	<u>6,155,452</u>	<u>916,405</u>	<u>-</u>	<u>-</u>	<u>7,071,857</u>
Total capital assets being depreciated, net	<u>14,082,714</u>	<u>(276,674)</u>	<u>-</u>	<u>3,398,997</u>	<u>17,205,037</u>
Governmental activity capital assets, net	<u>\$ 20,729,338</u>	<u>\$ 3,284,031</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,013,369</u>

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

Governmental Activities

Public Safety - Fire Protection	\$ 916,405
Total depreciation expense - governmental activities	<u>\$ 916,405</u>

NOTE 5 LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations for the year ended June 30, 2021:

	<u>June 30,</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30,</u>	<u>Due Within</u>
	<u>2020</u>			<u>2021</u>	<u>A Year</u>
Compensated absences	\$ 1,101,319	\$ 663,583	\$ 1,055,331	\$ 709,571	\$ 177,393
Bond payable	12,355,000	-	530,000	11,825,000	550,000
Bond premium	491,798	-	21,227	470,571	-
	<u>\$ 13,948,117</u>	<u>\$ 663,583</u>	<u>\$ 1,606,558</u>	<u>\$ 13,005,142</u>	<u>\$ 727,393</u>

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 5 LONG-TERM OBLIGATIONS – CONTINUED

Compensated Absences

Unused vacation leave liabilities are reported as incurred in the applicable governmental type activities columns in the government-wide financial statements. Shift employees accrue vacation based on a 24-hour day, and administration employees accrue vacation based on a 40-hour week. Employees of the district are entitled to vacation as follows:

1 Year to 4 Years	12 Days
5 Years to 9 Years	14 Days
10 Year to 14 Years	16 Days
15 Years to 19 Years	18 Days
20 Years to 24 Years	20 Days
Over 25 Years	22 Days

In the event that annual leave hours are not taken, shift employees will be allowed to carry over up to 120 total annual leave in the next calendar year from the previous year and administrative employees will be allowed to carryover over up to 40. Any excess annual leave not taken by January 1 of the New Year, other than the designated carryover hours, will be lost. Employees will not be compensated for carry over hours in the event employment is terminated. A liability of \$709,571 has been recorded to reflect accrued vacation leave which includes up to 25.49% for related payroll costs for taxes and retirement. Compensated absences are paid from the general fund.

Weekly employees accrue sick leave at a rate of one day per month to a maximum of 90 days. Shift employees accrue sick leave at a rate of twelve hours (1/2 day) per pay period (every two weeks) to a maximum of 2,160 hours or 90 days. Upon separation from employment, any unused sick leave is lost.

General Bond Obligation bonds

General Bond Obligation bonds payable at June 30, 2021 are comprised of the following:

Series 2015A General Obligation Bonds in the amount of \$8,080,000, obtained in June 2015, for the purpose of defraying the costs of purchasing and rehabilitating equipment and apparatuses, acquiring real property, constructing, rehabilitating, repurposing, demolishing, improving, equipping, and furnishing facilities of the District. The bonds are payable in 20 annual installments ranging from \$565,719 to \$570,525 and bear interest at 3.512078%. The balance at June 30, 2021 is \$6,185,000.

Series 2018 General Obligation Bonds in the amount of \$6,000,000, obtained in December 2018, for the purpose of funding construction and equipment of two new fire stations and renovation of an existing facility and costs of the issuance of the District. The bonds are payable in 20 annual installments ranging from \$424,350 to \$429,413 and bear interest at 3.509480%. The balance at June 30, 2021 is \$5,640,000.

At June 30, 2021, future debt service requirements for the general obligation bonds were as follows:

Year ending June 30,	Principal	Interest	Total Minimum Payment
2022	\$ 550,000	\$ 442,944	\$ 992,944
2023	580,000	415,444	995,444
2024	605,000	386,444	991,444
2025	640,000	356,194	996,194
2026	670,000	324,194	994,194
2027-2031	3,740,000	1,232,988	4,972,988
2032-2036	3,845,000	564,576	4,409,576
2037-2039	1,195,000	82,562	1,277,562
	\$ 11,825,000	\$ 3,805,346	\$ 15,630,346

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 5 LONG-TERM OBLIGATIONS – CONTINUED

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities. Bond premiums and discounts, and gains or losses on refunding and defeasance, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

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

Pension Plan

Description of the Entity

The South Carolina Public Employee Benefit Authority (PEBA), created July 1, 2012, is the state agency responsible for the administration and management of the various Retirement Systems and retirement 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 a Comprehensive Annual Financial Report (CAFR) containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The CAFR 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 considered a division of the primary government of the state of South Carolina and therefore, retirement trust fund financial information is also included in the comprehensive annual financial report of the state.

Plan Descriptions

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

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 5 LONG-TERM OBLIGATIONS – CONTINUED

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

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

Membership

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

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

Benefits

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

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

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 5 LONG-TERM OBLIGATIONS – CONTINUED

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. 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. Legislation in 2017 increased, but also established a ceiling for SCRS and PORS employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.00 percent for SCRS and 9.75 percent for PORS. The legislation also increased employer contribution rates beginning July 1, 2017 for both SCRS and PORS by two percentage points and further scheduled employer contribution rates to increase by a minimum of one percentage point each year in accordance with state statute. However, the General Assembly postponed the one percent increase in the SCRS and PORS employer contribution rates that was scheduled to go into effect beginning July 1, 2020. If the scheduled contributions are not sufficient to meet the funding periods set in state statute, the board shall increase the employer contribution rates as necessary to meet the funding periods set for the applicable year. The maximum funding period of SCRS and PORS is scheduled to be reduced over a ten-year schedule from 30 years beginning fiscal year 2018 to 20 years by fiscal year 2028.

Additionally, the Board is prohibited from decreasing the SCRS and PORS contribution rates until the funded ratio is at least 85 percent. If the most recent annual actuarial valuation of the Systems for funding purposes shows a ratio of the actuarial value of system assets to the actuarial accrued liability of the system (the funded ratio) that is equal to or greater than 85 percent, then the board, effective on the following July 1, may decrease the then current contribution rates upon making a finding that the decrease will not result in a funded ratio of less than 85 percent.

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 5 LONG-TERM OBLIGATIONS – CONTINUED

If contribution rates are decreased pursuant to this provision, and the most recent annual actuarial valuation of the system shows a funded ratio of less than 85 percent, then effective on the following July 1, and annually thereafter as necessary, the board shall increase the then current contribution rates until a subsequent annual actuarial valuation of the system shows a funded ratio that is equal to or greater than 85 percent.

Retirement contributions are paid from the general fund.

Required employee contribution rates¹ are as follows:

	<u>Fiscal Year 2021¹</u>	<u>Fiscal Year 2020¹</u>
SCRS		
Employee Class Two	9.00%	9.00%
Employee Class Three	9.00%	9.00%
PORS		
Employee Class Two	9.75%	9.75%
Employee Class Three	9.75%	9.75%

Required employer contribution rates¹ are as follows:

	<u>Fiscal Year 2021¹</u>	<u>Fiscal Year 2020¹</u>
SCRS		
Employer Class Two	15.41%	15.41%
Employer Class Three	15.41%	15.41%
Employer Incidental Death Benefit	0.15%	0.15%
PORS		
Employer Class Two	17.84%	17.84%
Employer Class Three	17.84%	17.84%
Employer Accidental Death Program	0.20%	0.20%
Employer Incidental Death Benefit	0.20%	0.20%

¹Calculated 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 for first use in the July 1, 2021 actuarial valuation.

The June 30, 2019, total pension liability (TPL), net pension liability (NPL), and sensitivity information shown in this report were determined by our consulting actuary, Gabriel, Roeder, Smith and Company (GRS) and are based on an actuarial valuation performed as of July 1, 2019. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year end, June 30, 2020, using generally accepted actuarial principles.

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 5 LONG-TERM OBLIGATIONS – CONTINUED

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2020.

	<u>SCRS</u>	<u>PORS</u>
Actuarial cost method	Entry age normal	Entry age normal
Investment rate of return ¹	7.25%	7.25%
Projected salary increases	3.0% to 12.5% (varies by service) ¹	3.5% to 9.5% (varies by service) ¹
Benefit adjustments	Lesser of 1% or \$500 annually	Lesser of 1% or \$500 annually

¹ includes inflation at 2.25%

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

Assumptions used in the determination of the June 30, 2020, TPL are as follows:

<u>Former Job Class</u>	<u>Males</u>	<u>Females</u>
Educators	2016 PRSC Males multiplied by 92%	2016 PRSC Females multiplied by 98%
General Employees and Members of the General Assembly	2016 PRSC Males multiplied by 100%	2016 PRSC Females multiplied by 111%
Public Safety and Firefighters	2016 PRSC Males multiplied by 125%	2016 PRSC Females multiplied by 111%

Net Pension Liability

The NPL is calculated separately for each system and represents that particular system's TPL determined in accordance with GASB No. 67 less that System's fiduciary net position. NPL totals, as of June 30, 2020, for SCRS and PORS are presented below.

<u>System</u>	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Employers' Net Pension Liability (Asset)</u>	<u>Plan Fiduciary Net Position as a % of the Total Pension Liability</u>
SCRS	\$ 2,014,023	\$ 1,021,460	\$ 992,563	50.7%
PORS	48,989,942	28,799,384	20,190,558	58.8%
Total	\$ 51,003,965	\$ 29,820,844	\$ 21,183,121	

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.

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 5 LONG-TERM OBLIGATIONS – CONTINUED

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2020 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the table on the following page. For actuarial purposes, the 7.25 percent assumed annual investment rate of return used in the calculation of the TPL includes a 5.00 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>
Global Equity	51.0%		
Global Public Equity ^{1,2}	35.0%	7.81%	2.73%
Private Equity ^{2,3}	9.0%	8.91%	0.80%
Equity Options Strategies ¹	7.0%	5.09%	0.36%
Real Assets	12.0%		
Real Estate (Private) ^{2,3}	8.0%	5.55%	0.44%
Real Estate (REITs) ²	1.0%	7.78%	0.08%
Infrastructure (Private) ^{2,3}	2.0%	4.88%	0.10%
Infrastructure (Public) ²	1.0%	7.05%	0.07%
Opportunistic	8.0%		
Global Tactical Asset Allocation ¹	7.0%	3.56%	0.25%
Other Opportunistic Strategies	1.0%	4.41%	0.04%
Credit	15.0%		
High Yield Bonds/Bank Loans ^{1,2}	4.0%	4.21%	0.17%
Emerging Markets Debt	4.0%	3.44%	0.14%
Private Debt ^{2,3}	7.0%	5.79%	0.40%
Rate Sensitive	14.0%		
Core Fixed Income ¹	13.0%	1.60%	0.21%
Cash and Short Duration (Net)	1.0%	0.56%	0.01%
Total Expected Return ⁴	100.0%		5.80%
Inflation for Actuarial Purposes			2.25%
			<u>8.05%</u>

¹ Portable Alpha Strategies will be capped at 12% of total assets; Hedge funds (including all hedge funds used in portable alpha implementation) capped at 20% of total assets.

² The target weights to Private Equity, Private Debt, Private Infrastructure and Private Real Estate will be equal to their actual weights as of prior month end. Private Equity and Public Equity combine for 44 percent of entire portfolio. Private Debt and High Yield/Bank Loans combine for 11 percent of the entire portfolio. Private Infrastructure and Public Infrastructure combine for 3 percent of the entire portfolio. Private Real Estate and Real Estate (REITs) combine for 9 percent of entire portfolio.

³ RSIC staff and Consultant will notify the Commission if Private Markets assets exceed 25% of total assets.

⁴ The expected return for each of the Portable Alpha asset classes includes the expected return attributed to the Overlay Program. For benchmarking purposes there is a 10% weight assigned to Portable Alpha Hedge Funds in the Policy Benchmark.

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 5 LONG-TERM OBLIGATIONS – CONTINUED

Discount Rate

The discount rate used to measure the TPL was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina Code of Laws. Based on those assumptions, the System's fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

Sensitivity Analysis

The following table presents the collective NPL of the participating employers calculated using the discount rate of 7.25 percent, as well as what the employers' NPL would be if it were calculated using a discount rate that is 1.00 percent lower (6.25 percent) or 1.00 percent higher (8.25 percent) than the current rate.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate			
System	1.00% Decrease (6.25%)	Current Discount Rate (7.25%)	1.00% Increase (8.25%)
SCRS	\$ 1,230,313	\$ 992,563	\$ 794,265
PORS	26,728,899	20,190,558	14,940,690
	\$ 27,959,212	\$ 21,183,121	\$ 15,734,955

Pension Expense

Components of collective pension expense reported in the Schedules of Pension Amounts by Employer for the fiscal year ended June 30, 2020, are presented below.

Description	SCRS	PORS
Service cost (annual cost of current service)	\$ 37,895	\$ 1,210,043
Interest on the total pension liability	137,977	3,339,228
Plan administrative costs	552	15,030
Plan member contributions	(35,841)	(924,440)
Expected return on plan assets	(76,011)	(2,124,315)
Recognition of current year amortization - Difference between expected and actual experience & assumption changes	18,439	639,112
Recognition of current year amortization - Difference between projected and actual investment earnings	28,000	759,723
Other	47	(5,989)
Total	\$ 111,058	\$ 2,908,392

Additional items included in Total Employer Pension Expense in the Schedules of Pension Amounts by Employer are the current period amortized portions of deferred outflows and/or inflows of resources related to changes in employers' proportionate share of the collective NPL and differences between actual employer contributions and proportionate share of total plan employer contributions.

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 5 LONG-TERM OBLIGATIONS – CONTINUED

These two deferrals are specific to cost-sharing multiple-employer defined benefit pension plans as discussed in paragraphs 54 and 55 of GASB 68.

Deferred Outflows of Resources and Deferred Inflows of Resources

The schedules below reflect the amortization of collective deferred outflows/(inflows) of resources related to pensions outstanding at June 30, 2020.

<u>SCRS</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 11,453	\$ 3,753
Assumption changes	1,216	-
Net difference between projected and actual earnings	73,012	-
Changes in proportion and differences between contributions and proportionate share of contributions	119,674	13,715
Contributions subsequent to the measurement date	69,531	-
Total	274,886	17,468

<u>PORS</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 429,091	\$ 88,874
Assumption changes	246,391	-
Net difference between projected and actual earnings	2,067,467	-
Changes in proportion and differences between contributions and proportionate share of contributions	664,926	17,014
Contributions subsequent to the measurement date	1,768,878	-
Total	5,176,753	105,888
Total All Plans	\$ 5,451,639	\$ 123,356

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

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

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 5 LONG-TERM OBLIGATIONS – CONTINUED

The amounts reported of \$69,531 and \$1,768,878 that was reported as deferred outflows of resources related to the contributions subsequent to the measurement date to the SCRS and PORS, respectively, will be recognized as a reduction of the net pension liabilities in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources (deferred pension charges) and deferred inflows of resources (deferred pension credits) related to the SCRS and PORS will increase (decrease) pension expense as follows:

Amortization of Deferred Outflows/Inflows of Resources			
Amortized period ending June 30,	SCRS	PORS	Total
2021	\$ 41,303	\$ 959,100	\$ 1,000,403
2022	49,570	818,865	868,435
2023	51,901	828,044	879,945
2024	45,113	695,978	741,091
Net Balance of Deferred Outflows/(Inflows) of Resources	<u>\$ 187,887</u>	<u>\$ 3,301,987</u>	<u>\$ 3,489,874</u>

Employer and Nonemployer Contributions

Employers' proportionate shares were calculated on the basis of employer and nonemployer contributions remitted to the plan. In an effort to help offset a portion of the increased contribution requirements for employers, the General Assembly again provided nonemployer contributions to PEBA. Based on the criteria provided in the South Carolina 2019-2020 Appropriations Act, Section 117.131, PEBA issued credit invoices to certain SCRS and PORS employers for fiscal year 2020 who then applied the credit invoices towards contributions otherwise due to the Systems. The amount of credit invoices issued in fiscal year 2020 totaled \$88.7 million and \$12.5 million for SCRS and PORS, respectively.

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

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

	SCRS	PORS
Employer Contributions Reported in Statement of Changes in Net Position for the fiscal year ended June 30, 2020	\$ 64,015	\$ 1,602,080
Nonemployer Contributions Reported in Statement of Changes in Net Position for the fiscal year ended June 30, 2020	3,446	75,925
Employer Contributions Not Representative of Future Contribution Effort	(29)	(384)
Employer and Nonemployer Contributions Used as the Basis for Allocating Employers' Proportionate Shares of Collective Pension Amounts - June 30, 2020 Measurement Date	<u>\$ 67,432</u>	<u>\$ 1,677,621</u>

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 5 LONG-TERM OBLIGATIONS – CONTINUED

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, 2020, and the accounting valuation report as of June 30, 2020. 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' CAFR.

Payables to the Pension Plan

At June 30, 2021, the amount reported for payables was \$0 which represented the amount due for June.

NOTE 6 RISK MANAGEMENT

The District purchases various insurance policies providing coverage of worker's compensation, tort, property and casualty, liability and natural disasters. Management believes that such coverage is sufficient to preclude any significant uninsured losses for the covered risks. The insurers promise to pay to or on behalf of the insured for covered economic losses sustained during the policy in accordance with insurance policy and benefit program limits.

The District is the recipient of federal financial assistance. Disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreement. The disbursements are also subject to audit by grantor agencies. Any disallowed claims resulting from such audits could become a liability; however, it is the opinion of management, any such disallowed claims would not have a material effect on the financial statements.

The District has recorded insurance premium expenditures in the general fund expenditure categories. These expenditures do not include estimated claim losses and estimable premium adjustment. There have been no significant reductions in insurance coverage since the prior year.

NOTE 7 NET POSITION AND FUND EQUITY

The computation of the net position for net investment in capital assets is as follows:

Capital Assets	\$ 31,085,226
Less accumulated depreciation	(7,071,857)
Less debt	(12,295,571)
Cash on hand from bond issuance	<u>8,659</u>
Net Investment in Capital Assets	<u><u>\$ 11,726,457</u></u>

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 7 NET POSITION AND FUND EQUITY – CONTINUED

The purpose of the restrictions reported in the statement of net position and the governmental funds balance sheet are as follows:

Capital projects	\$ 628,894
Debt payments	672,555
Employee recruitment and retention	105,375
Total Restricted Fund Balances/Net Position	<u>\$ 1,406,824</u>

NOTE 8 CONTINGENCIES, LITIGATIONS, AND PROJECT COMMITMENTS

The District has legal litigation from time to time. Most of the litigation is covered by insurance or settled through subsequent agreements. In the opinion of the District the resolution of these matters will not have a material adverse effect on the financial condition of the District.

The District has ongoing litigation as a co-defendant regarding the elimination of post-retirement benefits for health insurance. This litigation is being handled by Beaufort County's Counsel. On June 8, 2020, Beaufort County passed an ordinance to settle with an amount of \$695,000, of which \$176,252 is allocable to Bluffton Township Fire District and has been reported as an accrued liability in the financial statements. This settlement applied to retirees, and there is a second litigation ongoing for active employees. This amount cannot be estimated and thus will not be reflected in the financial statements.

As of June 30, 2021, the District had an outstanding commitment for architectural services related to a Station 32. A contract was entered into for \$84,109, with a balance of \$2,731 remaining as of June 30, 2021.

As of June 30, 2021, the District had an outstanding commitment for construction services related to the construction of station 31. A contract was entered into for \$3,585,813, with a balance of \$183,218 remaining as of June 30, 2021.

NOTE 9 – SUBSEQUENT EVENTS

The District has evaluated subsequent events through November 10, 2021, the date the financial statements were issued.

The District has signed a memorandum of understanding with Beaufort County that agrees to fund costs of approximately \$700,000 with cash on hand from the impact fee fund towards the renovation of Station 34. Station 34 which is located in Sun City is the property of Beaufort County.

The COVID-19 outbreak developed rapidly in 2020 and continued into 2021 with a significant number of infections. Measures taken around the world to contain the virus have affected economic activity. We have taken a number of measures to monitor and prevent the effects of the COVID-19 virus such as safety and health measures for our employees and the general well-being of the public we serve. We will continue to follow the various national guidelines and, in parallel, will do our utmost to continue operations in the best and safest ways possible without jeopardizing public health.



REQUIRED SUPPLEMENTARY
INFORMATION

BLUFFTON TOWNSHIP FIRE DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	GENERAL FUND			
	ORIGINAL	FINAL	ACTUAL	VARIANCE
	BUDGET	BUDGET		FAVORABLE (UNFAVORABLE)
REVENUES				
Property Taxes	\$ 15,964,382	\$ 15,964,382	\$ 16,145,797	\$ 181,415
Fees	-	-	218,240	218,240
Grant Revenue	-	-	71,836	71,836
Interest Income	-	-	7,933	7,933
Miscellaneous	-	-	18,931	18,931
Total Revenues	<u>15,964,382</u>	<u>15,964,382</u>	<u>16,462,737</u>	<u>498,355</u>
EXPENDITURES				
Public Safety - Fire Protection				
Current				
Personnel				
Salaries	9,096,949	9,096,949	9,083,407	13,542
Overtime	759,665	759,665	1,004,735	(245,070)
Insurance Medical	1,487,668	1,487,668	1,492,738	(5,070)
Retirement	1,984,179	1,984,179	1,828,166	156,013
Social Security Payroll Taxes	616,626	616,626	606,196	10,430
Medicare Payroll Taxes	144,210	144,210	141,772	2,438
Workmans Compensation	264,000	264,000	279,532	(15,532)
Employee Recognition	5,500	5,500	1,664	3,836
Total Personnel	<u>14,358,797</u>	<u>14,358,797</u>	<u>14,438,210</u>	<u>(79,413)</u>
Administration				
Insurance Liability	160,000	160,000	187,592	(27,592)
Uniforms	76,535	76,535	61,704	14,831
Telephone	72,750	72,750	56,342	16,408
Internet and Cable	80,300	80,300	85,914	(5,614)
Vaccinations and Physicals	71,275	71,275	45,850	25,425
Accounting and Audit	17,000	17,000	17,150	(150)
Human Resources	10,000	10,000	5,491	4,509
Janitorial	11,500	11,500	13,608	(2,108)
Equipment Rental	12,975	12,975	12,538	437
Payroll Service	7,750	7,750	10,416	(2,666)
Office Supplies	6,200	6,200	6,063	137
Dues and Subscriptions	21,235	21,235	30,308	(9,073)
Public Education Supplies	12,000	12,000	3,670	8,330
Software and Technical Support	7,500	7,500	2,114	5,386
Consulting	23,585	23,585	17,446	6,139
Hurricane	8,250	8,250	3,710	4,540
Postage	1,500	1,500	918	582
Advertising	2,000	2,000	-	2,000
Bank Charges	-	-	800	(800)
Business License	-	-	98	(98)
Total Administration	<u>602,355</u>	<u>602,355</u>	<u>561,732</u>	<u>40,623</u>

BLUFFTON TOWNSHIP FIRE DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	GENERAL FUND			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Utilities and Services				
Electricity	\$ 76,300	\$ 76,300	\$ 66,342	\$ 9,958
Water	16,100	16,100	14,399	1,701
Stormwater	6,075	6,075	4,834	1,241
Pest Control	3,650	3,650	1,599	2,051
LP and Natural Gas	16,000	16,000	14,501	1,499
Garbage Pick-up	15,800	15,800	15,973	(173)
Total Utilities and Services	133,925	133,925	117,648	16,277
Maintenance				
Vehicle Maintenance	194,435	194,435	236,921	(42,486)
Equipment Maintenance	18,250	18,250	19,332	(1,082)
Communications Maintenance	23,288	23,288	13,861	9,427
Building Maintenance	56,370	56,370	67,913	(11,543)
Maintenance and Tech Support	81,450	81,450	89,608	(8,158)
Replacement Cycle Items	700	700	-	700
Medical Supplies	26,000	26,000	29,888	(3,888)
Rescue Ops Equipment	9,000	9,000	4,274	4,726
Fuel	92,950	92,950	90,402	2,548
Small Tools	11,500	11,500	11,984	(484)
Total Maintenance	513,943	513,943	564,183	(50,240)
Training				
Meals and Lodging	44,035	44,035	12,443	31,592
Training and Tuition	73,810	73,810	58,176	15,634
Travel Expenses	17,585	17,585	9,839	7,746
CPR	20,000	20,000	4,680	15,320
Total Training	155,430	155,430	85,138	70,292
Equipment				
Furniture and Fixtures	7,800	7,800	6,505	1,295
Appliances	5,850	5,850	3,447	2,403
Hardware Replacement	14,230	14,230	12,068	2,162
Supplies	47,208	47,208	68,875	(21,667)
Equipment	60,000	60,000	60,135	(135)
IT Equipment	1,695	1,695	5,166	(3,471)
Total Equipment	136,783	136,783	156,196	(19,413)

BLUFFTON TOWNSHIP FIRE DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	GENERAL FUND			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Capital Outlay				
Buildings , Vehicles and Equipment	\$ 72,193	\$ 72,193	\$ 70,063	\$ 2,130
Total Capital Outlay	<u>72,193</u>	<u>72,193</u>	<u>70,063</u>	<u>2,130</u>
Total Expenditures	<u>15,973,426</u>	<u>15,973,426</u>	<u>15,993,170</u>	<u>(19,744)</u>
Change in Fund Balances	(9,044)	(9,044)	469,567	478,611
Fund Balances, Beginning of year	3,591,163	3,591,163	3,591,163	-
Fund Balances, End of year	<u>\$ 3,582,119</u>	<u>\$ 3,582,119</u>	<u>\$ 4,060,730</u>	<u>\$ 478,611</u>

BLUFFTON TOWNSHIP FIRE DISTRICT
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
STATE PENSION PLAN
LAST TEN FISCAL YEARS

	SCRS - FISCAL YEAR									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Proportion of the Net Pension Liability	NA	NA	NA	0.002838%	0.003093%	0.003248%	0.003380%	0.003127%	0.003250%	0.003885%
Proportionate Share of the Net Pension Liability	NA	NA	NA	\$ 488,610	\$ 586,603	\$ 693,768	\$ 760,892	\$ 700,666	\$ 742,003	\$ 992,563
Covered Payroll	NA	NA	NA	\$ 219,185	\$ 269,079	\$ 294,245	\$ 341,017	\$ 330,980	\$ 366,333	\$ 446,856
Proportionate Share of the New Pension Liability as a Percentage of Its Covered Payroll	NA	NA	NA	222.92%	218.00%	235.78%	223.12%	211.69%	202.55%	222.12%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	NA	NA	NA	59.90%	57.00%	52.90%	53.30%	54.10%	54.40%	50.70%

	PORS - FISCAL YEAR									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Proportion of the Net Pension Liability	NA	NA	NA	0.54237%	0.52529%	0.53813%	0.55703%	0.57024%	0.60967%	0.60884%
Proportionate Share of the Net Pension Liability	NA	NA	NA	\$ 10,383,204	\$ 11,448,655	\$ 13,649,481	\$ 15,260,230	\$ 16,157,923	\$ 17,472,641	\$ 20,190,558
Covered Payroll	NA	NA	NA	\$ 6,945,306	\$ 6,507,606	\$ 6,567,811	\$ 7,438,282	\$ 7,886,010	\$ 8,819,755	\$ 9,697,798
Proportionate Share of the New Pension Liability as a Percentage of Its Covered Payroll	NA	NA	NA	149.50%	175.93%	207.82%	205.16%	204.89%	198.11%	208.20%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	NA	NA	NA	67.50%	64.60%	60.40%	60.90%	64.90%	62.70%	58.80%

NA - Not Available

**BLUFFTON TOWNSHIP FIRE DISTRICT
SCHEDULE OF CONTRIBUTIONS
STATE PENSION PLAN
LAST TEN FISCAL YEARS**

SCRS - FISCAL YEAR

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Contractually Required Contribution	NA	NA	NA	\$ 31,613	\$ 34,790	\$ 39,422	\$ 44,882	\$ 53,338	\$ 67,432	\$ 69,530
Contributions in Relation to the Contractually Required Contribution	NA	NA	NA	31,613	34,790	39,422	44,882	53,338	67,432	69,530
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	NA	NA	NA	\$ 290,027	\$ 314,566	\$ 341,017	\$ 330,980	\$ 366,333	\$ 433,371	\$ 446,856
Contributions as a Percentage of Covered Payroll	NA	NA	NA	10.90%	11.06%	11.56%	13.56%	14.56%	15.56%	15.56%

PORS - FISCAL YEAR

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Contractually Required Contribution	NA	NA	NA	\$ 872,670	\$ 942,620	\$ 1,068,200	\$ 1,280,688	\$ 1,520,525	\$ 1,677,621	\$ 1,768,879
Contributions in Relation to the Contractually Required Contribution	NA	NA	NA	872,670	942,620	1,068,200	1,280,688	1,520,525	1,677,621	1,768,879
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	NA	NA	NA	\$ 6,507,606	\$ 6,854,736	\$ 7,438,282	\$ 7,886,010	\$ 8,819,755	\$ 9,197,486	\$ 9,697,798
Contributions as a Percentage of Covered Payroll	NA	NA	NA	13.41%	13.74%	14.36%	16.24%	17.24%	18.24%	18.24%

NA - Not Available



SUPPLEMENTARY INFORMATION



DEBT SERVICE FUNDS

Debt Service Fund

Debt service funds are used for the accumulation of resources for payment of principal and interest on general obligation debt.

**BLUFFTON TOWNSHIP FIRE DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2021**

	DEBT SERVICE FUND			VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
REVENUES				
Property Taxes	\$ 991,000	\$ 991,000	\$ 1,075,927	\$ 84,927
Interest Income	-	-	1,565	1,565
Total Revenues	991,000	991,000	1,077,492	86,492
EXPENDITURES				
Public Safety - Fire Protection				
Debt Service				
Principal	525,230	525,230	530,000	(4,770)
interest	465,770	465,770	465,694	76
Total Expenditures	991,000	991,000	995,694	(4,694)
Change in Fund Balances	-	-	81,798	81,798
Fund Balances, Beginning of year	590,757	590,757	590,757	-
Fund Balances, End of year	\$ 590,757	\$ 590,757	\$ 672,555	\$ 81,798



STATISTICAL SECTION

**BLUFFTON TOWNSHIP FIRE DISTRICT
SOUTH CAROLINA**

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	55-58
Revenue Capacity These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property and sales taxes.	59-62
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	63-67
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help comparisons over time and with other governments.	68-69
Operating Information These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.	70-72

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

**BLUFFTON TOWNSHIP FIRE DISTRICT, SOUTH CAROLINA
NET POSITION BY COMPONENTS
LAST TEN FISCAL YEARS**

Schedule 1

	FISCAL YEAR									
	2012	2013	2014	2015*	2016	2017	2018	2019	2020	2021
GOVERNMENTAL ACTIVITIES										
Net Investment in Capital Assets	\$ 6,015,049	\$ 7,530,893	\$ 8,457,300	\$ 8,043,841	\$ 7,785,334	\$ 7,798,000	\$ 9,945,334	\$ 9,469,570	\$ 9,435,283	\$ 11,726,457
Restricted	1,022,468	610,753	870,085	950,479	2,107,420	2,552,386	480,415	1,412,997	1,958,538	1,406,824
Unrestricted	1,836,978	24,056	(3,006,436)	(14,985,918)	(8,871,346)	(9,434,164)	(9,628,070)	(10,595,128)	(11,728,770)	(12,421,090)
Total Governmental Activities Net Position	<u>\$ 8,874,495</u>	<u>\$ 8,165,702</u>	<u>\$ 6,320,949</u>	<u>\$ (5,991,598)</u>	<u>\$ 1,021,408</u>	<u>\$ 916,222</u>	<u>\$ 797,679</u>	<u>\$ 287,439</u>	<u>\$ (334,949)</u>	<u>\$ 712,191</u>

* Implemented GASB 68 which required a restatement of \$10,887,233 for Net Pension Liability

Source: District Audit Reports

BLUFFTON TOWNSHIP FIRE DISTRICT, SOUTH CAROLINA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

Schedule 2

	FISCAL YEAR									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Personnel	\$ 9,508,638	\$ 9,593,154	\$ 11,524,137	\$ 11,571,358	\$ 10,474,445	\$ 12,380,554	\$ 13,337,641	\$ 15,217,515	\$ 15,725,663	\$ 16,082,367
Operating	809,859	1,163,803	1,274,286	1,247,285	910,591	1,168,004	1,320,199	1,632,581	1,422,527	1,484,897
Depreciation	419,730	378,411	402,150	446,585	416,097	597,273	731,172	818,531	883,826	916,405
Interest	5,975	-	-	22,602	225,059	291,844	252,086	377,982	469,300	437,800
Total Expenses	<u>10,744,202</u>	<u>11,135,368</u>	<u>13,200,573</u>	<u>13,287,830</u>	<u>12,026,192</u>	<u>14,680,270</u>	<u>15,641,098</u>	<u>18,046,609</u>	<u>18,501,316</u>	<u>18,921,469</u>
Revenues										
Governmental Activities										
Program Revenues										
Charges for Services										
Impact Fees	165,691	218,170	818,127	367,650	562,010	834,857	665,423	658,561	512,384	551,867
One Percent Fees	299,741	306,713	303,810	320,725	335,409	346,961	343,533	373,300	368,022	406,562
Maintenance/CPR	-	-	-	-	-	-	-	-	172,959	218,240
Total Charges for Service	<u>465,432</u>	<u>524,883</u>	<u>1,121,937</u>	<u>688,375</u>	<u>897,419</u>	<u>1,181,818</u>	<u>1,008,956</u>	<u>1,031,861</u>	<u>1,053,365</u>	<u>1,176,669</u>
Capital Grants and Contributions	-	-	-	-	-	152,017	337,644	659,624	560,196	1,447,937
General Revenues										
Taxes	9,470,343	9,838,601	10,163,953	11,095,415	12,607,144	13,141,109	14,050,527	15,520,064	16,163,887	17,308,720
Sale of Equipment	-	-	-	-	-	-	1,428	81,717	-	-
Interest Income	-	-	-	-	-	-	45,901	124,517	122,407	16,352
Other	110,940	63,091	69,930	78,726	108,763	100,140	78,099	118,586	155,585	18,931
Total Revenues	<u>10,046,715</u>	<u>10,426,575</u>	<u>11,355,820</u>	<u>11,862,516</u>	<u>13,613,326</u>	<u>14,575,084</u>	<u>15,522,555</u>	<u>17,536,369</u>	<u>18,055,440</u>	<u>19,968,609</u>
Special Item	-	-	-	-	5,425,872	-	-	-	(176,252)	-
Change in Net Position	(697,487)	(708,793)	(1,844,753)	(1,425,314)	7,013,006	(105,186)	(118,543)	(510,240)	(622,128)	1,047,140
Net Position-Beginning	9,571,981	8,874,495	8,165,702	6,320,949	(5,991,598)	1,021,408	916,222	797,679	287,439	(334,949)
Prior Period Restatement (GASB 68)	-	-	-	(10,887,233)	-	-	-	-	-	-
Net Position-End	<u>\$ 8,874,494</u>	<u>\$ 8,165,702</u>	<u>\$ 6,320,949</u>	<u>\$ (5,991,598)</u>	<u>\$ 1,021,408</u>	<u>\$ 916,222</u>	<u>\$ 797,679</u>	<u>\$ 287,439</u>	<u>\$ (334,689)</u>	<u>\$ 712,191</u>

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Source: District Audit Reports

BLUFFTON TOWNSHIP FIRE DISTRICT, SOUTH CAROLINA
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Schedule 3

	FISCAL YEAR									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
GENERAL FUND										
Nonspendable	\$ -	\$ -	\$ -	\$ 88,667	\$ 85,469	\$ 21,664	\$ -	\$ -	\$ -	\$ -
Assigned	2,077,411	957,490	-	-	-	-	-	-	-	-
Unassigned	2,274,046	2,405,519	1,517,701	1,370,959	1,987,598	2,169,590	2,663,886	3,346,368	3,591,163	4,060,730
Total General Fund	<u>\$ 4,351,457</u>	<u>\$ 3,363,009</u>	<u>\$ 1,517,701</u>	<u>\$ 1,459,626</u>	<u>\$ 2,073,067</u>	<u>\$ 2,191,254</u>	<u>\$ 2,663,886</u>	<u>\$ 3,346,368</u>	<u>\$ 3,591,163</u>	<u>\$ 4,060,730</u>
DEBT SERVICE FUND										
Restricted	\$ 637,191	\$ -	\$ 300	\$ 1,167	\$ -	\$ 49,788	\$ 46,749	\$ 566,129	\$ 590,757	\$ 672,555
Total Debt Service Fund	<u>\$ 637,191</u>	<u>\$ -</u>	<u>\$ 300</u>	<u>\$ 1,167</u>	<u>\$ -</u>	<u>\$ 49,788</u>	<u>\$ 46,749</u>	<u>\$ 566,129</u>	<u>\$ 590,757</u>	<u>\$ 672,555</u>
SPECIAL REVENUE FUND (Impact Fees)										
Restricted	\$ 344,048	\$ 563,322	\$ 816,571	\$ 1,184,981	\$ 1,750,465	\$ 2,434,672	\$ 385,978	\$ 756,743	\$ 1,281,525	\$ 628,894
Total Special Revenue Fund	<u>\$ 344,048</u>	<u>\$ 563,322</u>	<u>\$ 816,571</u>	<u>\$ 1,184,981</u>	<u>\$ 1,750,465</u>	<u>\$ 2,434,672</u>	<u>\$ 385,978</u>	<u>\$ 756,743</u>	<u>\$ 1,281,525</u>	<u>\$ 628,894</u>
SPECIAL REVENUE FUND (One Percent Fees)										
Restricted	\$ 41,229	\$ 47,431	\$ 53,214	\$ 48,427	\$ 356,955	\$ 67,926	\$ 47,688	\$ 90,125	\$ 86,256	\$ 105,375
Total Special Revenue Fund	<u>\$ 41,229</u>	<u>\$ 47,431</u>	<u>\$ 53,214</u>	<u>\$ 48,427</u>	<u>\$ 356,955</u>	<u>\$ 67,926</u>	<u>\$ 47,688</u>	<u>\$ 90,125</u>	<u>\$ 86,256</u>	<u>\$ 105,375</u>
CAPITAL PROJECTS FUND										
Assigned	\$ -	\$ -	\$ -	\$ 8,026,363	\$ 1,518,091	\$ 21,172	\$ 15,566	\$ 5,294,034	\$ 1,552,743	\$ 8,659
Total Capital Projects Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,026,363</u>	<u>\$ 1,518,091</u>	<u>\$ 21,172</u>	<u>\$ 15,566</u>	<u>\$ 5,294,034</u>	<u>\$ 1,552,743</u>	<u>\$ 8,659</u>

Source: District Audit Reports

**BLUFFTON TOWNSHIP FIRE DISTRICT, SOUTH CAROLINA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)**

Schedule 4

	FISCAL YEAR									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Property Taxes	\$ 9,444,329	\$ 9,861,481	\$ 10,240,044	\$ 11,040,564	\$ 12,604,551	\$ 13,133,938	\$ 14,000,192	\$ 15,542,944	\$ 16,168,898	\$ 17,221,724
Impact Fees	165,691	218,170	817,816	367,650	562,010	834,857	665,423	658,561	512,384	551,867
One percent fees	299,741	306,713	303,810	320,725	335,409	346,961	343,533	373,300	368,022	406,562
Interest	10,938	5,927	3,352	2,185	17,974	22,723	45,901	124,517	122,407	16,352
Maintenance/CPR	53,843	47,531	64,203	78,688	89,120	99,140	-	118,586	172,959	216,940
Vehicle and Equipment Sales	-	-	305,000	-	-	-	3,982	81,717	-	-
Grant Revenue	-	-	-	-	-	152,017	337,644	659,624	560,196	1,447,937
Miscellaneous	56,015	15,560	6,038	38	19,643	1,000	124,000	-	155,585	20,231
Total Revenues	10,030,557	10,455,382	11,740,263	11,809,850	13,628,707	14,590,636	15,520,675	17,559,249	18,060,451	19,881,613
Expenditures										
Public Safety - Fire Protection										
Personnel	8,642,162	8,797,487	10,418,396	10,508,282	10,587,607	11,969,413	12,421,855	13,722,310	14,319,573	14,826,817
Administration	360,519	447,002	414,615	434,414	416,964	459,989	477,264	560,652	572,755	561,732
Utilities	70,462	62,897	77,532	62,062	79,232	84,376	101,721	102,493	102,782	117,648
Maintenance	335,834	400,097	405,610	302,601	287,250	404,578	381,377	467,245	617,538	564,183
Training	33,294	82,815	85,851	68,722	65,501	92,072	94,567	83,800	57,550	85,138
Equipment	9,750	170,321	30,291	93,910	61,644	126,989	265,276	295,444	71,902	156,196
Capital Outlay	193,354	1,894,926	1,893,944	77,965	6,581,019	2,231,266	2,814,541	1,019,882	4,100,374	4,200,436
Debt Service										
Principal	92,325	-	-	-	355,000	290,000	300,000	310,000	470,000	530,000
Interest	2,250	-	-	-	216,476	277,719	269,019	260,019	522,680	465,694
Total Expenditures	9,739,950	11,855,545	13,326,239	11,547,956	18,650,693	15,936,402	17,125,620	16,821,845	20,835,154	21,507,844
Excess (deficiency) of revenues over (under) expenditures	290,607	(1,400,163)	(1,585,976)	261,894	(5,021,986)	(1,345,766)	(1,604,945)	737,404	(2,774,703)	(1,626,231)
Other Financing Sources (Uses)										
Issuance of Debt	-	-	-	8,070,884	-	412,000	-	6,156,128	-	-
Special Item: Settlement	-	-	-	-	-	-	-	-	(176,252)	-
Change in Fund Balances	290,607	(1,400,163)	(1,585,976)	8,332,778	(5,021,986)	(933,766)	(1,604,945)	6,893,532	(2,950,955)	(1,626,231)
Fund Balances, Beginning of Year	5,083,318	5,373,925	3,973,762	2,387,786	10,720,564	5,698,578	4,764,812	3,159,867	10,053,399	7,102,444
Fund Balances, End of Year	<u>\$ 5,373,925</u>	<u>\$ 3,973,762</u>	<u>\$ 2,387,786</u>	<u>\$ 10,720,564</u>	<u>\$ 5,698,578</u>	<u>\$ 4,764,812</u>	<u>\$ 3,159,867</u>	<u>\$ 10,053,399</u>	<u>\$ 7,102,444</u>	<u>\$ 5,476,213</u>
Debt service as a percentage of noncapital expenditures	1.0%	0.0%	0.0%	0.0%	4.7%	4.1%	4.0%	3.6%	5.9%	5.8%

Source: District Audit Reports

**BLUFFTON TOWNSHIP FIRE DISTRICT, SOUTH CAROLINA
 ASSESSED VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS**

Schedule 5

FISCAL YEAR ENDED JUNE 30,	ASSESSED VALUE			TAXABLE ASSESSED VALUE AS A PERCENTAGE OF ESTIMATED ACTUAL VALUE	ACTUAL VALUE	TOTAL DIRECT TAX RATE
	REAL PROPERTY	PERSONAL PROPERTY	TOTAL			
2012	\$ 401,474,803	\$ 58,689,310	\$ 460,164,113	3.60%	\$ 12,776,346,567	20.05
2013	399,780,975	74,002,670	473,783,645	3.71%	12,786,904,195	20.05
2014	370,432,369	73,102,700	443,535,069	4.40%	10,090,544,333	20.49
2015	372,087,369	79,357,430	451,444,799	4.40%	10,270,492,857	24.02
2016	388,812,397	88,040,000	476,852,397	4.51%	10,571,348,696	24.02
2017	433,447,855	88,926,010	522,373,865	4.38%	11,926,343,950	25.24
2018	486,287,890	85,685,740	571,973,630	4.38%	13,058,758,676	25.74
2019	531,890,701	87,074,230	618,964,931	4.23%	14,625,007,493	25.55
2020	528,496,350	90,139,834	618,636,184	4.31%	14,357,024,861	25.70
2021	613,231,230	102,284,120	715,515,350	4.40%	16,274,767,219	25.70

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Data Source: Beaufort County Finance/Auditor's Office/Treasurer's Office

N/A - Information is not available.

Note: Property in Beaufort County is reassessed once every five years on average. The latest reassessment was tax year 2018, fiscal year 2019.

**BLUFFTON TOWNSHIP FIRE DISTRICT, SOUTH CAROLINA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS**

Schedule 6

FISCAL YEAR ENDED JUNE 30,	DISTRICT DIRECT RATES			OVERLAPPING RATES													TOTAL DIRECT & OVERLAPPING RATES
	OPERATING MILLAGE	DEBT SERVICE MILLAGE	TOTAL DISTRICT MILLAGE	COUNTY							SCHOOL						
				OPERATIONS	HIGHER EDUCATION	INDIGENT CARE	ECONOMIC DEVELOPMENT	COUNTY CAPITAL	DEBT SERVICE	REAL PROPERTY PROGRAM	TOTAL COUNTY MILLAGE	SCHOOL OPERATIONS	DEBT SERVICE	TOTAL SCHOOL MILLAGE	TOWN OF BLUFFTON		
2012	19.67	0.38	20.05	40.21	-	-	-	-	-	4.57	-	44.78	90.26	28.00	118.26	38.00	221.09
2013	20.49	-	20.49	40.21	-	-	-	-	-	4.44	3.87	48.52	92.26	28.00	120.26	38.00	227.27
2014	24.02	-	24.02	46.48	-	-	-	-	-	5.48	4.90	56.86	103.50	31.71	135.21	44.35	260.44
2015	24.02	-	24.02	46.48	-	-	-	-	-	5.48	4.90	56.86	103.50	31.71	135.21	44.35	260.44
2016	24.02	1.22	25.24	48.77	-	-	-	-	-	5.48	4.90	59.15	103.50	31.71	135.21	44.35	263.95
2017	24.64	1.10	25.74	50.89	-	-	-	-	-	5.48	4.90	61.27	111.50	31.71	143.21	42.35	272.57
2018	24.70	1.04	25.74	50.61	2.40	-	-	-	-	5.58	4.80	63.39	113.50	31.71	145.21	40.35	274.69
2019	24.10	1.45	25.55	50.03	2.37	-	-	-	-	5.58	4.80	62.78	104.60	31.71	136.31	38.50	263.14
2020	24.10	1.60	25.70	50.04	2.37	0.97	0.26	0.66	-	5.58	5.50	65.38	114.00	31.71	145.71	38.50	275.29
2021	24.10	1.60	25.70	50.00	2.30	0.80	0.20	0.60	-	5.50	4.80	64.20	114.00	36.60	150.60	38.50	279.00

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Source: Beaufort County CAFR

**BLUFFTON TOWNSHIP FIRE DISTRICT, SOUTH CAROLINA
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO**

Schedule 7

TAXPAYER	FISCAL YEAR 2021 TAX YEAR 2020			FISCAL YEAR 2012 TAX YEAR 2011		
	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF TOTAL DISTRICT	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF TOTAL DISTRICT
			TAXABLE ASSESSED VALUE			TAXABLE ASSESSED VALUE
Dominion Energy	\$ 8,980,590	1	1.26%	\$ 3,944,850	1	2.88%
Bluffton Telephone Company Inc	6,856,280	2	0.96%	1,195,820	4	0.87%
Palmetto Electric Coop	5,130,720	3	0.72%	1,728,320	2	1.26%
PBLH LLC/Palmetto Bluff Lodge	2,924,190	4	0.41%	-		0.00%
CR Bluestone LLC	3,118,510	5	0.44%	-		0.00%
Neyland Apartment Associates Seven LLC	2,580,000	6	0.36%	-		0.00%
Passco One Hampton DST	2,221,720	7	0.31%	-		0.00%
Beaufort Oldfield LLC	2,163,190	8	0.30%	-		0.00%
Palmetto Bluff Club LLC	1,560,330	9	0.22%	-		0.00%
Coroc/Hilton Head LLC	1,697,190	10	0.24%	-		0.00%
May River Forest LLC	-		0.00%	4,022,150	3	2.94%
Hampton Lake LLC	-		0.00%	2,921,380	8	2.13%
NHC Healthcare/Bluffton LLC	-		0.00%	955,300	7	0.70%
JP Morgan Chase Commerical Mortgage	-		0.00%	1,129,320	6	0.82%
Palmetto Bluff LLC	-		0.00%	1,173,810	5	0.86%
Rose Canyon Bluff LLC	-		0.00%	541,090	10	0.40%
Crowne Old Carolina LLC	-		0.00%	783,030	9	0.57%
Total	\$ 37,232,720		5.20%	\$ 18,395,070		4.00%

Source: Beaufort County Finance/Treasurer's Office and Town of Bluffton

**BLUFFTON TOWNSHIP FIRE DISTRICT, SOUTH CAROLINA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Schedule 8

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS *	TOTAL COLLECTIONS TO DATE	
		AMOUNT	PERCENTAGE OF LEVY		AMOUNT	PERCENTAGE OF LEVY
2012	\$ 8,669,847	\$ 8,416,372	97.08%	\$ 210,125	\$ 8,626,497	99.50%
2013	9,846,017	9,558,594	97.08%	147,468	9,706,062	98.58%
2014	10,152,237	9,888,082	97.40%	255,886	10,143,968	99.92%
2015	9,900,184	9,650,787	97.48%	110,923	9,761,710	98.60%
2016	10,877,898	10,602,609	97.47%	116,364	10,718,973	98.54%
2017	11,683,268	11,256,691	96.35%	145,656	11,402,347	97.60%
2018	12,365,703	11,963,587	96.75%	133,446	12,097,033	97.83%
2019	13,853,035	13,531,333	97.68%	75,322	13,606,655	98.22%
2020	14,212,809	13,946,099	98.12%	143,298	14,089,397	99.13%
2021	16,940,293	16,450,322	97.11%	-	16,450,322	97.11%

Source: Beaufort County Finance/Treasurer's Office

* - This amount represents delinquent taxes collected in the current year.

**BLUFFTON TOWNSHIP FIRE DISTRICT, SOUTH CAROLINA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Schedule 9

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES			TOTAL PRIMARY GOVERNMENT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA	POPULATION	ESTIMATED PERSONAL INCOME (1)
	NOTES PAYABLE	LEASES PAYABLE	GENERAL OBLIGATION BOND					
2012	-	-	-	-	N/A	-	53,581	7,362,045,000
2013	-	-	-	-	N/A	-	55,847	7,507,264,000
2014	-	-	-	-	N/A	-	58,080	8,113,329,000
2015	-	-	\$ 8,355,298	\$ 8,355,298	0.10%	138	60,403	8,644,345,000
2016	-	-	7,986,359	7,986,359	0.09%	129	61,813	8,644,345,000
2017	-	-	7,682,420	7,682,420	0.08%	122	62,856	9,171,747,000
2018	-	-	7,368,481	7,368,481	0.08%	115	64,102	9,171,747,000
2019	-	-	13,337,254	13,337,254	0.12%	175	76,281	10,702,322,000
2020	-	-	12,846,798	12,846,798	0.11%	143	90,012	11,396,255,000
2021	-	-	12,295,571	12,295,571	0.11%	130	94,608	11,396,255,000

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Source: District Audit Report, US Census Bureau

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

(1) Bluffton Fire District data not available due geographical boundaries; Beaufort County Data provided alternatively.

**BLUFFTON TOWNSHIP FIRE DISTRICT, SOUTH CAROLINA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	GENERAL OBLIGATION BONDS	LESS: AMOUNTS AVAILABLE IN DEBT SERVICE FUND	TOTAL	PERCENTAGE OF ASSESSED VALUE OF PROPERTY (1)	PER CAPITA (2)
2012	-	\$ 637,191	\$ (637,191)	-0.138%	-
2013	-	-	-	0.000%	-
2014	-	-	-	0.000%	-
2015	\$ 8,355,298	1,167	8,354,131	1.851%	138
2016	7,986,359	-	7,986,359	1.675%	129
2017	7,682,420	49,788	7,632,632	1.461%	122
2018	7,368,481	46,749	7,321,732	1.280%	115
2019	13,337,254	566,129	12,771,125	2.063%	175
2020	12,846,798	590,757	12,256,041	1.981%	143
2021	12,295,571	672,555	11,623,016	1.624%	130

Source: District Audit Report, US Census Bureau

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

(1) See schedule 5 for assessed value of property.

(2) See schedule 14 for population.

**BLUFFTON TOWNSHIP FIRE DISTRICT, SOUTH CAROLINA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2021**

<u>GOVERNMENTAL UNIT</u>	<u>DEBT OUTSTANDING (1)</u>	<u>ESTIMATED PERCENTAGE APPLICABLE</u>	<u>ESTIMATED SHARE OF OVERLAPPING DEBT</u>
Debt repaid with property taxes			
Beaufort County	\$ 205,795,000	32.50%	\$ 66,883,375
Beaufort County School District	391,567,600	32.50%	127,259,470
Town of Bluffton	13,169,673	23.40%	3,081,703
Subtotal overlapping debt	<u>610,532,273</u>		<u>197,224,548</u>
District direct debt	<u>12,295,571</u>	100.00%	<u>12,295,571</u>
Total direct and overlapping debt	<u><u>\$ 622,827,844</u></u>		<u><u>\$ 209,520,119</u></u>

(1) Debt outstanding data provided by each tax district within Beaufort County.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the District. The assessed values are used to estimate applicable percentages as provided by Beaufort County.

**BLUFFTON TOWNSHIP FIRE DISTRICT, SOUTH CAROLINA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

Schedule 12

Legal Debt Margin Calculation for Fiscal Year 2021

Assessed Value	<u>\$ 715,515,350</u>
Debt limit (8% of assessed value)	57,241,228
Debt applicable to limit:	
Go Bonds	<u>(12,295,571)</u>
Legal Debt Margin	<u>\$ 44,945,657</u>

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Debt Limit	\$ 36,813,129	\$ 37,902,476	\$ 35,482,806	\$ 36,115,584	\$ 38,148,192	\$ 41,789,909	\$ 45,757,890	\$ 49,517,194	\$ 49,490,895	\$ 57,241,228
Total net debt applicable to limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>(8,355,298)</u>	<u>(7,986,359)</u>	<u>(7,682,420)</u>	<u>(7,368,481)</u>	<u>(13,337,254)</u>	<u>(12,846,798)</u>	<u>(12,295,571)</u>
Legal debt margin	<u>\$ 36,813,129</u>	<u>\$ 37,902,476</u>	<u>\$ 35,482,806</u>	<u>\$ 27,760,286</u>	<u>\$ 30,161,833</u>	<u>\$ 34,107,489</u>	<u>\$ 38,389,409</u>	<u>\$ 36,179,940</u>	<u>\$ 36,644,097</u>	<u>\$ 44,945,657</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>23.13%</u>	<u>20.94%</u>	<u>18.38%</u>	<u>16.10%</u>	<u>26.93%</u>	<u>25.96%</u>	<u>21.48%</u>

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

Source: District Audit Report

**BLUFFTON TOWNSHIP FIRE DISTRICT, SOUTH CAROLINA
 PLEDGED-REVENUE COVERAGE
 LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	DEBT SERVICE COLLECTIONS	DEBT SERVICE		COVERAGE
		PRINCIPAL	INTEREST	
2016	\$ 557,103	\$ 355,000	\$ 216,476	97.48%
2017	563,870	290,000	277,719	99.32%
2018	565,980	300,000	269,019	99.47%
2019	877,612	310,000	269,019	151.57%
2020	1,017,308	470,000	522,680	102.48%
2021	1,077,492	530,000	465,694	108.22%

Source: District Audit Report

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

**BLUFFTON TOWNSHIP FIRE DISTRICT, SOUTH CAROLINA
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	POPULATION	PERSONAL INCOME (2)	PER CAPITA PERSONAL INCOME (2)	SCHOOL ENROLLMENT (1)	UNEMPLOYMENT RATE (3)
2012	53,581	7,217,962,000	42,952	5,245	7.3%
2013	55,847	7,507,264,000	43,688	6,232	7.9%
2014	58,080	8,113,329,000	46,137	6,547	4.7%
2015	60,403	8,644,345,000	48,134	6,894	6.0%
2016	61,813	8,644,345,000	48,134	7,003	5.2%
2017	62,856	9,171,747,000	50,078	7,113	4.0%
2018	64,102	9,858,499,000	52,763	7,582	3.4%
2019	76,281	10,702,322,000	56,711	8,962	3.3%
2020	90,012	11,396,255,000	56,711	9,322	7.4%
2021	94,608	11,396,255,000	59,318	9,744	3.7%

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Data Source:

(1) National Center for Education Statistics

(2) Bluffton Fire District data not available due geographical boundaries; Beaufort County Data provided alternatively.

(3) South Carolina Employment Security Division

**BLUFFTON TOWNSHIP FIRE DISTRICT, SOUTH CAROLINA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

Schedule 15

EMPLOYER	2021			2012		
	EMPLOYEES	RANK	PERCENTAGE OF TOTAL DISTRICT EMPLOYMENT	EMPLOYEES	RANK	PERCENTAGE OF TOTAL DISTRICT EMPLOYMENT
Beaufort County School District	1,047	1	N/A	504	1	N/A
Inn at Palmetto Bluff & Palmetto Bluff Clubs	695	2	N/A	300	3	N/A
Publix	473	3	N/A	174	5	N/A
Kroger	470	4	N/A	115	6	N/A
Right at Home	350	5	N/A	-		N/A
EviCore National, LLC	293	6	N/A	-		N/A
NHC Healthcare/The Palmettos	222	7	N/A	-		N/A
Hargray Communications	200	8	N/A	174	4	N/A
Bluffton Township Fire Department	151	9	N/A	102	8	N/A
Town of Bluffton	143	10	N/A	104	7	N/A
Outback Steakhouse	-	-	N/A	80	9	N/A
Jim N Nicks Barbeque Restaurant	-	-	N/A	75	10	N/A
CareCore National, LLC	-	-	N/A	419	2	N/A
Total	<u>4,044</u>		<u>N/A</u>	<u>2,047</u>		<u>N/A</u>

Source: Beaufort Regional Chamber of Commerce and Town of Bluffton Finance Department

N/A - Information is not available.

BLUFFTON TOWNSHIP FIRE DISTRICT, SOUTH CAROLINA
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Schedule 16

FUNCTION/PROGRAM	FISCAL YEAR									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Administration	6	6	6	6	7	8	8	8	9	11
Fire Prevention	2	3	4	5	5	5	4	4	5	3
Maintenance	3	4	5	5	5	4	5	5	5	5
Operations	87	111	111	112	108	112	121	122	123	128
Training	4	3	3	3	3	3	4	4	4	4
Total	102	127	129	131	128	132	142	143	146	151

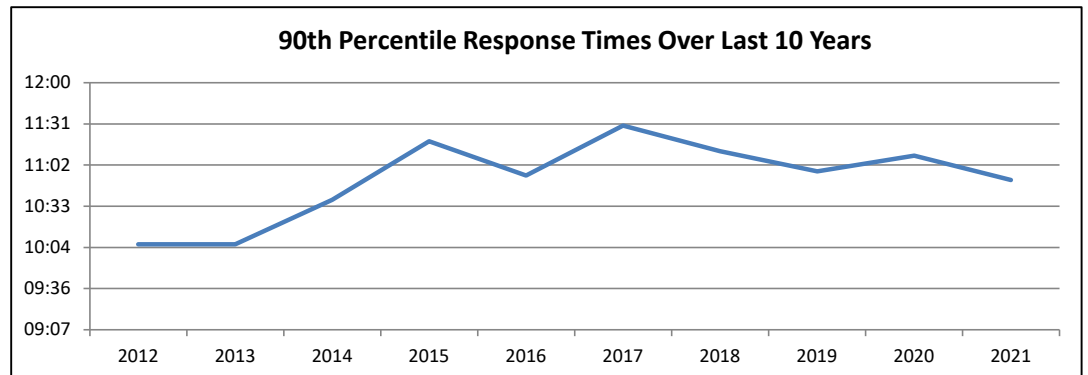
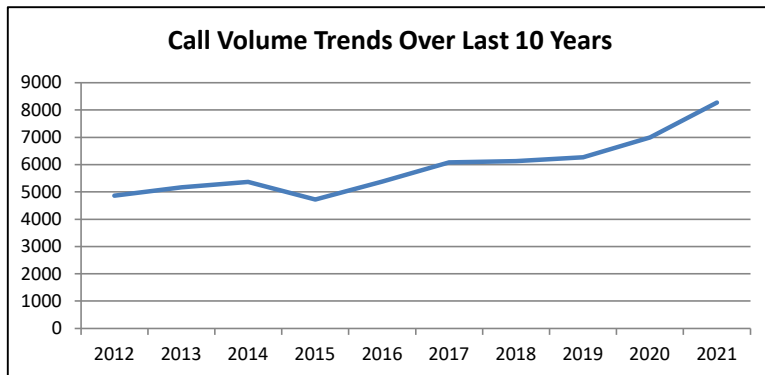
Source: BTFD Human Resources Department

**BLUFFTON TOWNSHIP FIRE DISTRICT, SOUTH CAROLINA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Schedule 17

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021		
EMERGENCY SERVICES												
Territory Covered (Sq/miles)	246	246	246	246	246	246	246	246	246	246		
NATURE OF CALL												
Fire	157	147	140	128	136	177	147	144	161	136		
Overpressure, Rupture, Explosion	10	9	10	5	5	11	10	10	8	6		
Rescue & EMS Incidents	2550	2933	2926	2178	2630	2788	2707	3264	4325	5280		
Hazardous Conditions	66	88	77	86	101	95	104	95	96	117		
Service Calls	409	418	477	502	533	680	588	613	752	959		
Good Intent Call	1201	1132	1178	1240	1368	1634	1982	1630	1087	1088		
False Alarms & False Calls	462	426	547	569	597	645	572	505	546	674		
Severe Weather & Natural Disaster	10	7	4	11	6	53	10	6	20	8		
Special Incident Type	1	2	2	1	2	0	4	0	0	0		
				See Note 2								
TOTAL CALLS FOR FISCAL YEAR	4866	5162	5361	4720	5378	6083	6124	6267	6995	8268		
90th PERCENTILE RESPONSE TIMES												
Fire Station #30	09:37	09:24	10:21	10:47	10:08	10:13	10:39	10:14	10:34	10:29		
Fire Station #31	11:44	11:07	09:42	10:44	10:15	11:00	11:36	10:49	10:28	10:09		
Fire Station #32	12:04	13:06	13:01	14:38	14:17	14:57	12:14	13:16	10:51	13:04		
Fire Station #33	10:27	09:09	08:20	09:08	08:48	09:17	09:38	09:46	09:39	09:23		
Fire Station #34	10:15	10:10	10:57	11:58	11:56	12:21	11:52	11:04	10:29	10:14		
Fire Station #35	09:10	09:46	09:57	10:49	10:15	11:25	10:10	10:06	10:02	10:12		
Fire Station #36	n/a	14:44	11:26	10:00	11:18	10:56	10:59	12:00	11:06	11:10		
Fire Station #37	n/a	14:08	12:13	11:53	11:12	11:30	11:00	10:55	12:40	09:50		
Fire Station #38	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	10:00		
										See Note 1		
District Average	10:07	10:07	10:38	11:19	10:55	11:30	11:12	10:58	11:09	10:52		

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¹ Fire Stations 36 & 37 were initially staffed during FY13. Station #38 was initially staffed during FY21.

² Drop in Total Calls for FY 2015 is due entirely to a change in how the district responds to medical (EMS) calls.

n/a - Information is not available.

Source: BTFD Analytics Division Chief Robert Payne

**BLUFFTON TOWNSHIP FIRE DISTRICT, SOUTH CAROLINA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Schedule 18

<u>FUNCTION/PROGRAM</u>	FISCAL YEAR									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
EMERGENCY SERVICES:										
FIRE STATIONS										
NUMBER OF MANNED FIRE STATIONS	6	8	8	8	8	8	8	8	8	9
NUMBER OF UNMANNED FIRE STATIONS	2	-	-	-	-	-	-	-	-	-
FIRETRUCKS										
NUMBER OF FIRE ENGINES	9	9	9	9	19	10	10	10	10	10
NUMBER OF AERIAL APPARATUS	2	2	2	2	2	2	2	3	3	3
NUMBER OF WATER TENDERS	2	2	2	2	2	2	2	2	2	2
NUMBER OF AIR AND LIGHT UNITS	1	1	1	1	1	1	1	1	1	1
NUMBER OF SQUAD UNITS	2	2	2	2	2	2	2	3	3	3
NUMBER OF RESCUE BOATS	1	1	1	1	1	1	3	3	3	3
NUMBER OF SUPPORT VEHICLES ¹	17	17	17	17	22	20	18	22	24	24
Total Vehicles	34	34	34	34	49	38	38	44	46	46

¹Support vehicles include passenger cars, light pick-up trucks, and ATV's utilized for special events.

Source: District capital asset records