





# Presentation of Audit Results

Fiscal Year Ended  
June 30, 2025

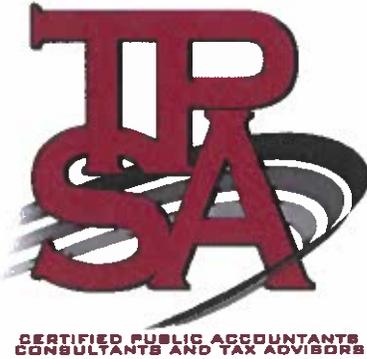


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# JASPER COUNTY

## Presentation Agenda

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January 23, 2026

To the County Council  
Jasper County  
Ridgeland, South Carolina

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jasper County for the year ended June 30, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and OMB Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 28, 2025. Professional standards also required that we communicate to you the following information related to our audit.

#### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated May 28, 2025, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Council solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

#### **Significant Risks Identified**

We have identified the following significant risks:

- Management override of controls – this risk is presumed to be present in every audit under professional standard, regardless of the control environment. The rationale is that even the most robust internal control system can be overridden by management.

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- Improper revenue recognition – this risk refers to the intentional or unintentional misstatement of revenue in financial statements. This can include premature recognition or manipulation of cut-off procedures. It is one of the most common areas for financial reporting fraud and is therefore presumed to be a significant risk in every audit engagement

### **Qualitative Aspects of Accounting Practices**

#### *Significant Accounting Policies*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Jasper County are described in Note 1 to the financial statements. The County adopted GASB Statement 101, "Compensated Absences" in the current year. We noted no transactions entered into by Jasper County during the year for which there was a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

#### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Significant estimate(s) for the County are allowance for doubtful accounts, compensated absences, and depreciation. We evaluated the key factors and assumptions used to develop these estimates and determined that they are reasonable in relation to the financial statements taken as a whole.

#### *Financial Statement Disclosures*

The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to the financial statement users. There are no such disclosures identified.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### **Corrected and Uncorrected Misstatements**

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

## **Management Representation**

We have requested certain representations from management that are included in the management representation letter dated January 23, 2026.

## **Management Consultations with Other Independent Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

## **Other Significant Matters, Findings, or Issues**

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Jasper County's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

In reviewing bank wire transfers, we recommend proper segregation of duties and properly documented approval. We recommend an individual initiates the transfer and another authorizes the transaction, with appropriate approval documentation kept with the transfer documentation.

Emphasis needs to be placed on the thorough review of leases. GASB 87 establishes a single model for leases, requiring lessees to recognize a Right to Use Asset and Lease Liability on the balance sheet for most long-term contracts, moving away from operating leases. All County leases need to be reviewed for inclusion or exclusion in this GASB standard.

## **Other Matters**

We applied certain limited procedures to the Schedule of County's Proportionate Share of Net Pension Liability – South Carolina Retirement System, Schedule of County Contributions – South Carolina Retirement System, Schedule of County's Proportionate Share of the Pension Liability – Police Officers Retirement System, and Schedule of County's Contributions – Police Officers Retirement System, Other Post-Employment Benefit Plan – Defined Benefit Healthcare Plan, Schedule of Changes in the County's Total OPEB and Related Ratios and Schedule of Contribution, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining and individual non-major fund statement schedules, budgetary schedules, and other schedules, and the schedule of expenditures of federal awards, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Please ensure that management and the Council are aware of the GASB pronouncements for the upcoming fiscal year. Be especially mindful of GASB No.103: *Financial Reporting Model Improvements*, as the implementation of this standard may take a significant amount of time and resources to properly implement.

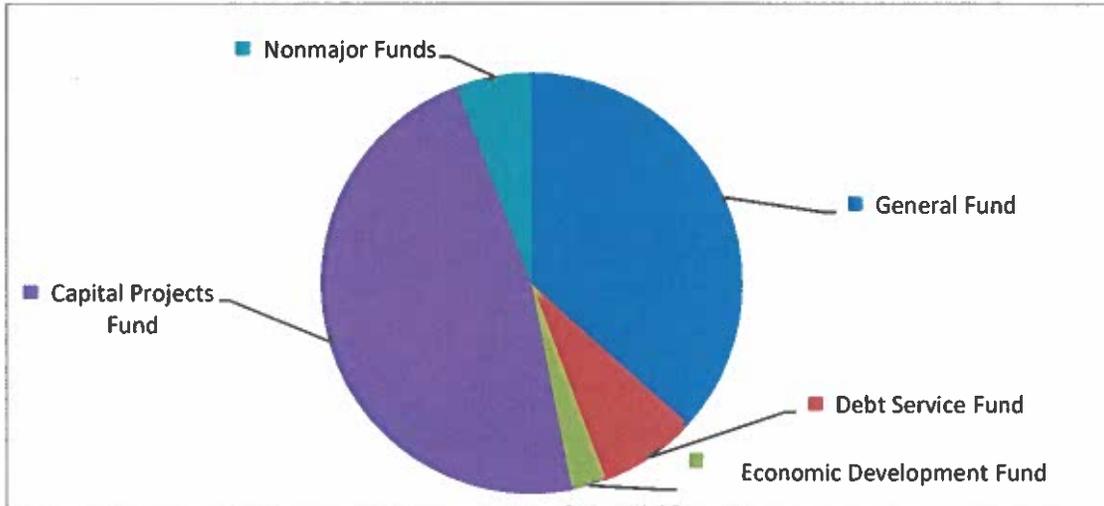
## JASPER COUNTY

### FINANCIAL INFORMATION FOR 5 YEARS

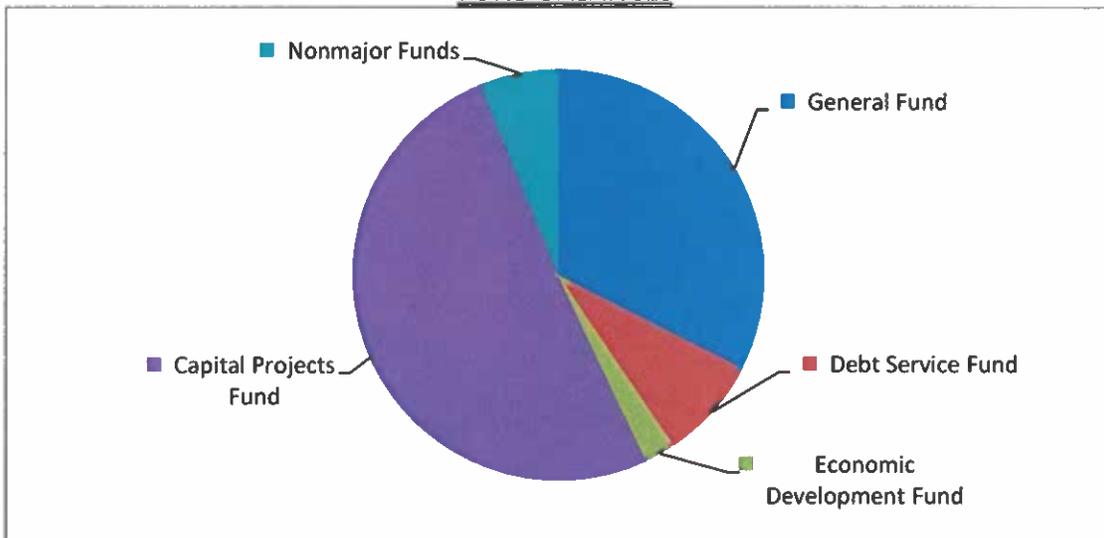
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total Fund Balance - General Fund	20,798,281	20,698,209	23,612,379	22,463,881	18,528,160
Unavailable Fund Balance - Nonspendable and Restricted	1,228,996	2,492,756	1,439,746	1,332,946	1,215,528
Committed and Assigned Fund Balance	1,217,965	9,817,603	7,027,158	3,250,000	3,111,080
General Fund Expenditures (including Transfers out, less Loan Proceeds)	56,624,580	50,861,355	42,405,942	36,157,532	29,588,627
Fund Balance Available as % of General Fund	34.56%	35.79%	52.29%	58.44%	58.51%
Revenues over (under) expenditures before transfers and contributions					
General Fund	(1,082,035)	(4,030,171)	878,327	3,544,532	4,065,834
Debt Service Fund	(1,814,669)	1,496,677	881,549	744,461	445,724
Economic Development Fund	963,552	116,252	(1,811,972)	(93,816)	3,575
Capital Projects	(10,388,684)	(615,250)	(4,697,157)	6,163,649	5,651,156
Nonmajor Funds	1,099,514	1,254,944	687,750	1,086,475	408,239
Cash vs. Fund Balance					
Cash - General Fund	24,906,259	24,967,471	26,876,253	22,553,499	17,066,741
Cash - Debt Service Fund	5,155,027	6,969,695	5,435,274	4,769,263	4,033,127
Cash - Economic Development Fund	1,797,392	1,680,065	1,347,544	1,079,128	545,764
Cash - Capital Projects Fund	32,154,248	29,187,978	30,173,620	28,445,267	19,011,678
Cash - Nonmajor Funds	3,921,618	3,524,473	3,301,614	2,786,010	2,149,201
Fund Balance - General	20,798,281	20,698,209	23,612,379	22,463,881	18,528,160
Fund Balance - Debt Service Fund	5,180,027	6,994,696	5,498,018	4,616,469	3,872,008
Fund Balance - Economic Development Fund	1,532,183	1,867,361	1,826,109	3,714,366	3,882,182
Fund Balance - Capital Projects Fund	32,495,422	30,744,612	30,171,311	29,862,847	20,630,442
Fund Balance - Nonmajor Funds	3,992,006	3,539,037	3,325,093	2,831,229	2,060,942
Total of County-Direct Tax Rates	140	140	140	142	142
Collection Percentages of Adjusted Tax Levy	96.90%	96.40%	95.70%	96.60%	96.70%
Total Taxable Assessed Value	283,365,346	291,958,348	215,102,952	189,199,899	173,302,034
Total Adjusted Tax Levy Amount	38,568,764	32,195,557	29,156,873	24,740,005	22,649,654
Debt Analysis (excluding Compensated Absences, OPEB, and Net Pension Liabilities)					
Notes Payable	-	34,678	115,143	1,551,362	1,624,490
Leases	3,103,923	4,082,549	3,270,763	264,825	119,141
SBITAs	-	36,198	85,785	-	-
General Obligation Bond	1,308,200	6,133,200	6,428,200	6,592,380	6,570,200
Revenue Bonds	23,235,407	13,716,298	14,427,586	15,603,290	14,384,772
Total Governmental Debt (excluding compensated absences, OPEB, net pension liabilities)	27,647,530	24,002,923	24,327,477	24,011,857	22,698,603

**JASPER COUNTY**  
**Analysis of Cash and Fund Balances**  
**at June 30, 2025**

**CASH BALANCES**



**FUND BALANCES**

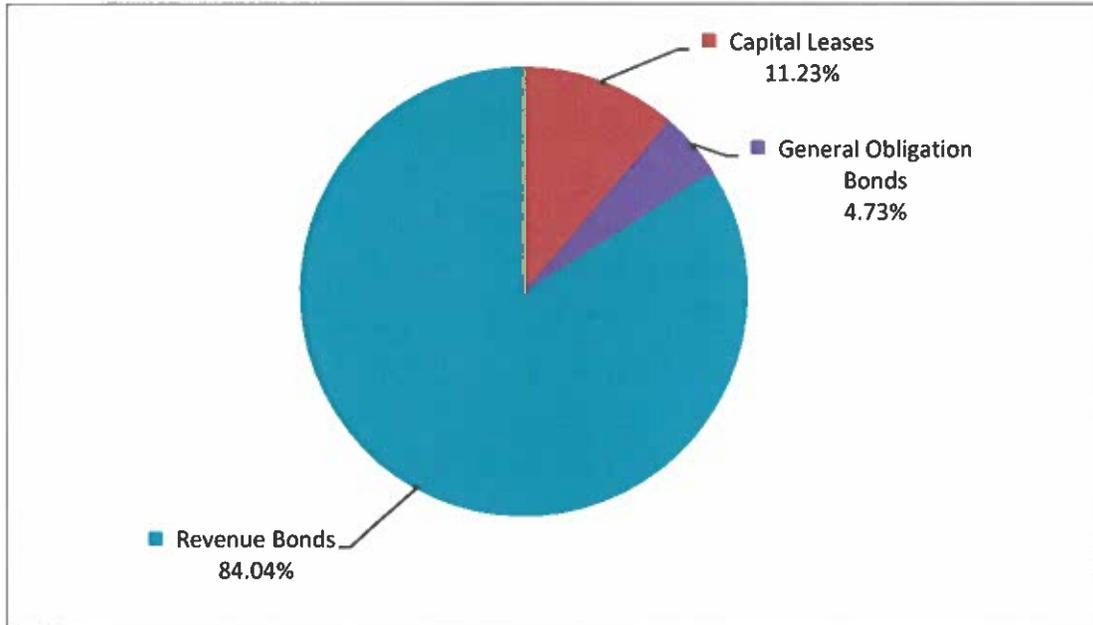


2025

	<u>Cash Balances</u>	<u>Fund Balances</u>
General Fund	\$ 24,906,259	\$ 20,798,281
Debt Service Fund	5,155,027	5,180,027
Economic Development Fund	1,797,392	1,532,183
Capital Projects Fund	32,154,248	32,495,422
Nonmajor Funds	3,921,618	3,992,006
<b>Total</b>	<b>\$ 67,934,544</b>	<b>\$ 63,997,919</b>

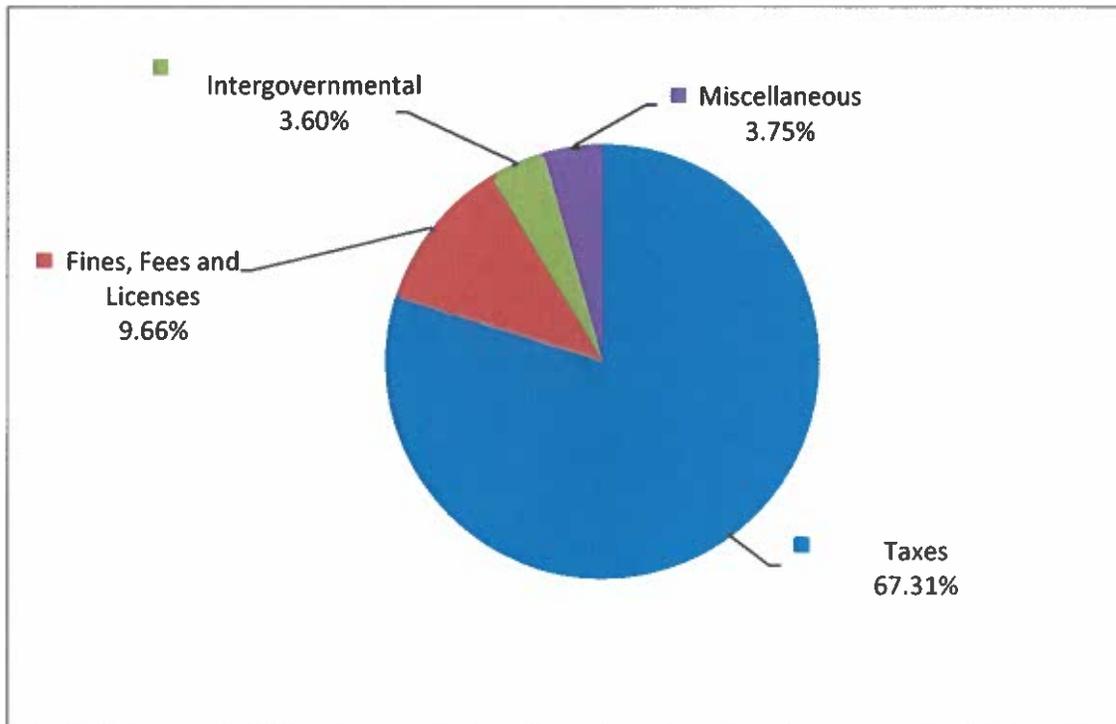
## JASPER COUNTY

Debt Analysis (excluding Compensated Absences, OPEB, and Net Pension Liabilities)  
FYE June 30, 2025



## JASPER COUNTY

Break Down of General Fund Revenue  
FYE June 30, 2025



# JASPER COUNTY

## Break Down of General Fund Expenditures FYE June 30, 2025

