

BLUFFTON TOWNSHIP FIRE DISTRICT
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED

JUNE 30, 2025



DEREK A. CHURCH, INTERIM FIRE CHIEF

BOARD OF DIRECTORS

RICK KROB, CHAIRMAN (INACTIVE)
WILLIAM RICKETT, VICE CHAIRMAN (INTERIM CHAIRMAN)
DANA MARSH, TREASURER
WILLIAM BEDINGFIELD
PAUL HAMILTON
NATALIE MAJORKIEWICZ
JOE PAOLO

PREPARED BY:
ADMINISTRATIVE DIVISION



Bluffton Township Fire District
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2025

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INTRODUCTORY SECTION



BLUFFTON TOWNSHIP FIRE DISTRICT

357 FORDING ISLAND ROAD
OKATIE, SOUTH CAROLINA 29909
(843) 757-2800



November 17, 2025

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 annual comprehensive financial report of Bluffton Township Fire District (District) for the fiscal year ended June 30, 2025.

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, the management of the District has established a comprehensive internal control framework that is designed to protect the local 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.

Crowley Wechsler & Associates LLC, a licensed, certified public accountant firm, has audited the District's financial statements. The goal of the independent audit was to provide reasonable assurance that the District's financial statements for the fiscal year ended June 30, 2025, 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. Based upon the audit, the independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2025, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires management to 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 the MD&A and should be read in conjunction with it. Bluffton Township Fire District's MD&A can be found immediately following the independent auditor's report.

Profile of the Government

The Bluffton Township Fire District was established on June 26, 1978, in Beaufort County, South Carolina. It is 90 miles south of Charleston, South Carolina, and 25 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 comprised all properties in Beaufort County south of the Broad River except for 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 seven-member governing board. The governing board is responsible, among other things, for passing financial policies, recommending the budget, appointing committees, and participating in the hiring process for the District's Chief. The Fire Chief is responsible for carrying out the governing board's policies, overseeing the District's day-to-day operations, and 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 residents within the 246-square-mile District. Emergency services include fire suppression, emergency medical response, specialized and technical rescue response, and hazardous materials emergency response. Additionally, the District conducts a comprehensive fire prevention and community risk reduction program that includes a robust public education component. The District provides its own vehicle maintenance program and contracts services to all Town of Bluffton vehicles, Beaufort City/Port Royal Fire Department, and the University of South Carolina Beaufort campus police and grounds maintenance. The District also has a dedicated four-story "live fire" training facility to support the training of its fire suppression personnel.

The annual budget is 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 the proposed budget to the board members for review in March of each year. The Fire Chief presents the board-approved budget to the Beaufort County Council for approval, facilitating the adoption of a final budget by June 30, the end of the District's fiscal year. The appropriated budget is prepared by fund and account category. Budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is maintained by the Fire Chief at the fund level. It may be amended as necessary during the fiscal year. Budget-to-actual comparisons are provided in the report for each governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented on page 51 as part of the required supplementary information for governmental funds.

Factors Affecting Financial Condition

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

Local Economy

Beaufort County (County) remains one of the fastest-growing areas in South Carolina. According to the 2020 US Census, the total county population is 187,117, an increase of 18.4% from the 2010 Census of 162,233. Most of the growth in the County occurred south of the Broad River, predominantly protected by the District.

Over the past year, we again saw increased growth in the District. The Town of Bluffton issued 414 new single-family permits and 177 commercial permits from July 2024 until June 2025, and 403 single family home certificates of occupancy for the same time period. During this period, we have seen several commercial developments be completed or start development. These developments include:

- The Venture At Okatie Bluffs
- May River Elementary School
- Hilton Head Cadillac
- Indigo Plaza Phase 2
- Magnolia Village
- Tru Local Pickle
- Malind Bluff Commercial
- Car Village
- McCullock Tract – Discount Tire and Dunkin
- PickUp USA Fitness Club
- Buckwalter Recreation Center Expansion
- Cross Schools Cafeteria Expansion
- Mercedes Menz of Hilton Head Expansion
- The H Building
- Bluffton Community Hospital
- Parkway Corners Master Plan
- Crown at Buck Island
- Fifth Third Bank at May River Crossing
- CVS at May River Crossing
- River Oaks - Phase 2
- Island West Self Storage
- Buckwalter Parkway Healthcare
- Best Western – Okatie
- Buckwalter Vet
- Refuel
- Compass Self Storage
- MUSC Medical Office Building
- 5 Below
- Dollar Tree
- Novant Healthcare
- Greenhouse at May River

Several neighborhoods have also continued developing, adding new phases. These include: Four Seasons and Carolina Oaks, Hamilton Grove, Hampton Hall, Hampton Lake, Heritage at New Riverside, Lakes at New Riverside, Midpoint, New Riverside Village, Palmetto Bluff, Rose Dhu Creek and Washington Square.

Long-term Financial Planning

One of the District's primary concerns is that the necessary planning and growth management tools are implemented to ensure 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 with a comprehensive financial component. That plan was significantly updated and re-written in 2014, 2020, and 2025 to address changes occurring and planned to occur within the District. The new plan is designed to meet the District's needs for the next five years. It focuses on standard development within the District towards maintaining national accreditation through the Center for Public Safety Excellence (CPSE). 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 2025-2030 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. The District continues to maintain all of its CPSE documentation and has been an Accredited Agency by the Commission on Fire Accreditation International since October 27, 2020.

Relevant Accounting Policies

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

Budgetary Controls—The District maintains budgetary controls designed to ensure compliance with the legal provisions of the annual budget adopted by the County Council. The District's objective is to conduct an open budget process that gathers input from department administrators, top management, appointed officials, and the public as the District determines its programs and services for the following year.

Major Initiatives

The District undertook several significant initiatives in Fiscal Year 25. Those initiatives included the District continuing to utilize the remaining balance of the \$4.25 million general obligation bond to fund the replacement of firefighting equipment, which included support vehicles, firefighter protective clothing, cardiac monitors, and communication equipment.

The District is continuing to move forward with securing funding through fire impact fees to design and build a new fire station located at 301 Sun City Boulevard. This project is a 50/50 endeavor with Beaufort County and is funded by Fire Impact Fees for the District's half.

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement in Financial Reporting. To be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Annual Comprehensive 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 fourteenth year the District has prepared an annual comprehensive financial report.

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

The cooperation of the District's department heads and staff made preparing the annual comprehensive financial report possible. We sincerely appreciate each of these individuals' contributions.

Sincerely,



Derek A. Church
Interim Fire Chief



Adam Corn
Deputy Chief of Operations



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Bluffton Township Fire District
South Carolina**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

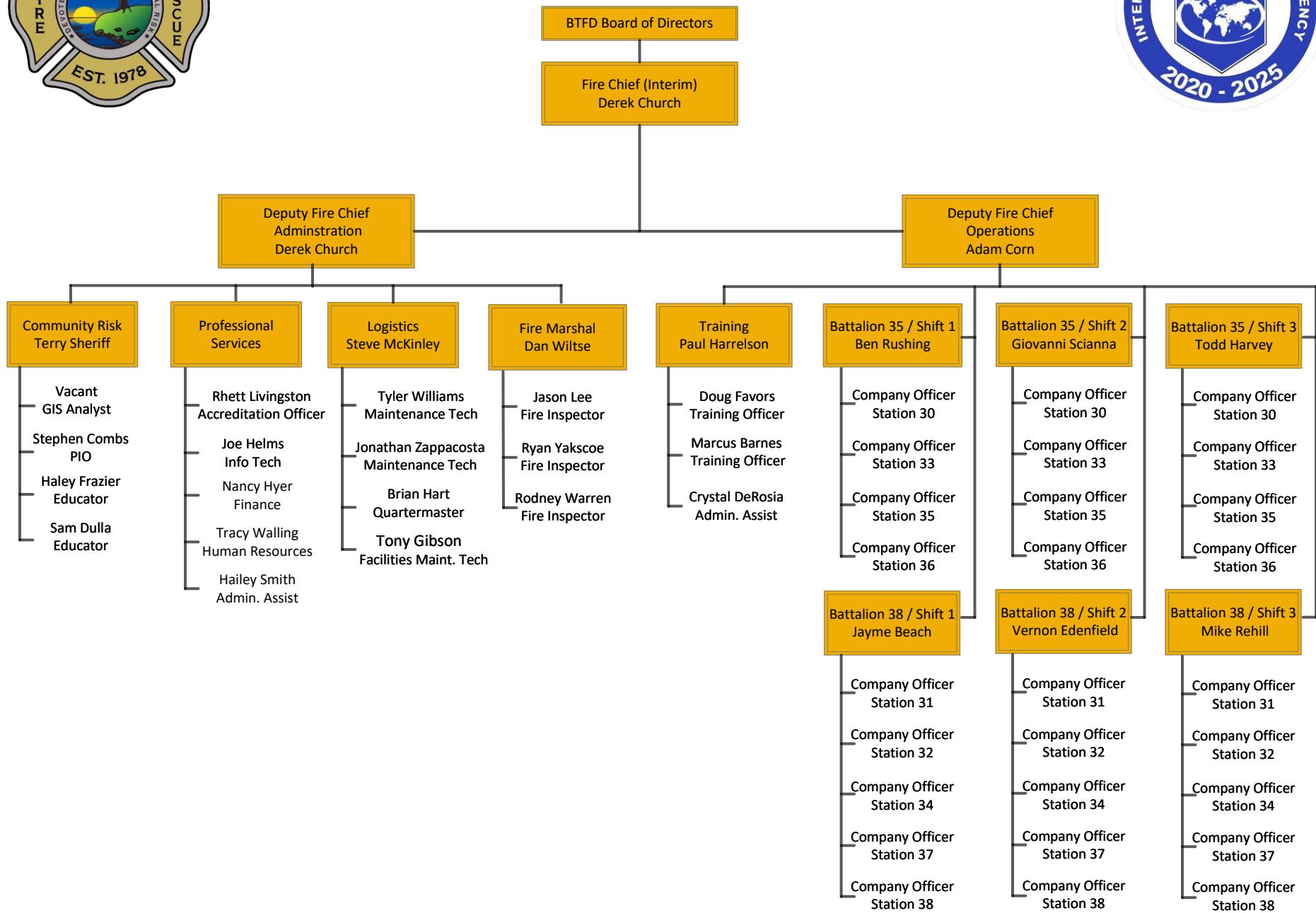
Christopher P. Morrell

Executive Director/CEO



Bluffton Township Fire District

Organizational Structure 2025



**BLUFFTON TOWNSHIP FIRE DISTRICT
SOUTH CAROLINA**

LIST OF PRINCIPAL OFFICIALS

JUNE 30, 2025

<u>TITLE</u>	<u>NAME</u>	<u>TERM</u>
CHAIRMAN	RICK KROB (INACTIVE)	(3/2026)
VICE CHAIRMAN.....	WILLIAM RICKETT (INTERIM)	(4/2026)
TREASURER	DANA MARSH	(5/2029)
BOARD MEMBER	WILLIAM BEDINGFIELD	(9/2028)
BOARD MEMBER	PAUL HAMILTON	(5/2029)
BOARD MEMBER	NATALIE MAJORKIEWICZ	(2/2028)
BOARD MEMBER	JOE PAOLO	(3/2026)
FIRE CHIEF	VACANT	
DEPUTY FIRE CHIEF	DEREK CHURCH (INTERIM FIRE CHIEF)	



FINANCIAL SECTION



CERTIFIED PUBLIC ACCOUNTANTS

Richard D. Crowley, CPA, CVA
Lisa T. Wechsler, CPA, CFE
Jordan Graham, CPA

Member:
American Institute of CPAs
South Carolina Association of CPAs

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Bluffton Township Fire District

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Bluffton Township Fire District, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Bluffton Township Fire District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Bluffton Township Fire District, as of June 30, 2025, 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.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Bluffton Township Fire District's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 17, 2025, on our consideration of the Bluffton Township Fire District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Bluffton Township Fire District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Bluffton Township Fire District's internal control over financial reporting and compliance.



Crowley, Wechsler & Associates LLC
Beaufort, South Carolina
November 17, 2025



Bluffton Township Fire District

Management's Discussion and Analysis

As management of Bluffton Township Fire 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, 2025.

Financial Highlights

- Assets and deferred outflows of the District exceeded liabilities and deferred inflows at the close of the most recent fiscal year by \$6,816,912. Of this amount, \$3,076,415 (restricted net position) represents net assets restricted for capital projects, debt payments and employee recruitment and retention. Another \$12,194,160 represents the net investment in capital assets less depreciation/amortization and debt on those assets. The remaining balance of \$(8,453,663) represents a deficit in unrestricted net position. The District's net position increased by \$2,121,316 for the year ended June 30, 2025.
- The District had a prior period restatement of net position of (\$1,367,876). This was due to the implementation of GASB Statement No. 101, *Compensated Absences*.
- As of the close of the current fiscal year the District's governmental funds reported a combined ending fund balance of \$14,266,828, an increase of \$2,803,095.

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, uses 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 Township Fire District, assets and deferred outflows exceeded liabilities and deferred inflows at the close of the most recent fiscal year by \$6,816,912 for 2025, and assets and deferred outflows exceeded liabilities and deferred inflows by \$6,063,472 for 2024. The following table reflects the condensed government-wide statement of net position.

BLUFFTON TOWNSHIP FIRE DISTRICT NET POSITION

	Governmental Activities	
	2025	2024
Current Assets	\$ 15,061,534	\$ 11,790,258
Capital Assets - net	24,076,144	26,217,573
Total Assets	<u>39,137,678</u>	<u>38,007,831</u>
Deferred Outflow of Resources	<u>5,643,192</u>	<u>4,951,467</u>
Current Liabilities	557,605	169,391
Long-term Liabilities	34,661,904	35,612,346
Total Liabilities	<u>35,219,509</u>	<u>35,781,737</u>
Deferred Inflow of Resources	<u>2,744,449</u>	<u>1,114,089</u>
Net Position		
Net Investment in Capital Assets	12,194,160	13,436,500
Restricted	3,076,415	2,128,647
Unrestricted	(8,453,663)	(9,501,675)
Total Net Position (Deficit)	<u>\$ 6,816,912</u>	<u>\$ 6,063,472</u>

The largest portion of the District's net position, \$12,194,160, reflects its net investment in capital assets less the accumulated depreciation/amortization on capital assets and related debt. The \$3,076,415 represents the net position restricted for capital projects, debt payments and employee recruitment and retention. The remaining net position of \$(8,453,663) is a deficit in unrestricted.

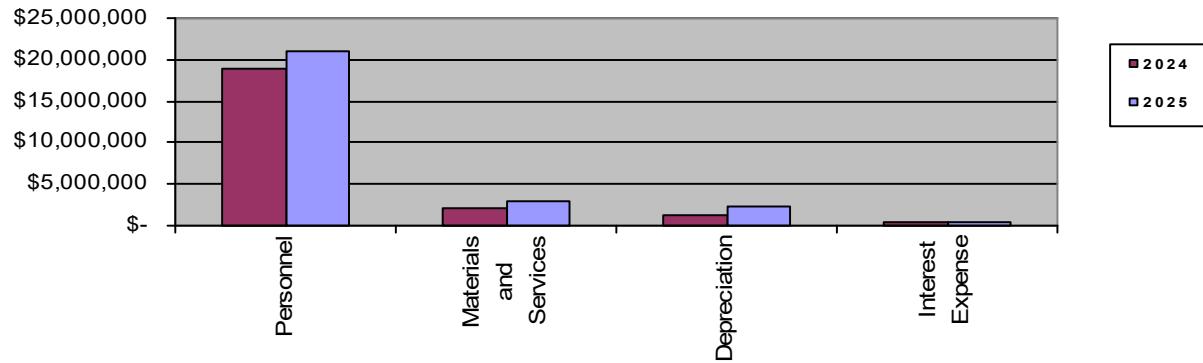
Governmental activities. The District's total net position increased by \$2,121,316. Key elements of this increase are as shown in the following table.

BLUFFTON TOWNSHIP FIRE DISTRICT CHANGE IN NET POSITION		
	Governmental Activities	
	2025	2024
Expenses		
Public Safety - Fire Protection		
Personnel	\$ 20,936,150	\$ 18,962,300
Materials and services	2,898,553	2,025,782
Depreciation/Amortization	2,231,428	1,318,216
Interest Expense	452,941	502,829
Total expenses	<u>26,519,072</u>	<u>22,809,127</u>
Program Revenues		
Charges for Services	2,007,779	1,696,775
Capital Grants & Contributions	-	189,265
General Revenues		
Taxes	26,121,811	24,243,814
Interest	451,881	337,824
Miscellaneous income	58,917	14,915
Total Revenues	<u>28,640,388</u>	<u>26,482,593</u>
Change in Net Position Before Special Item	2,121,316	3,673,466
Special Item	-	176,252
Change in Net Position	2,121,316	3,849,718
Net Position - Beginning	6,063,472	2,213,754
Prior Period Restatement	(1,367,876)	-
Net Position - Ending	<u>\$ 6,816,912</u>	<u>\$ 6,063,472</u>

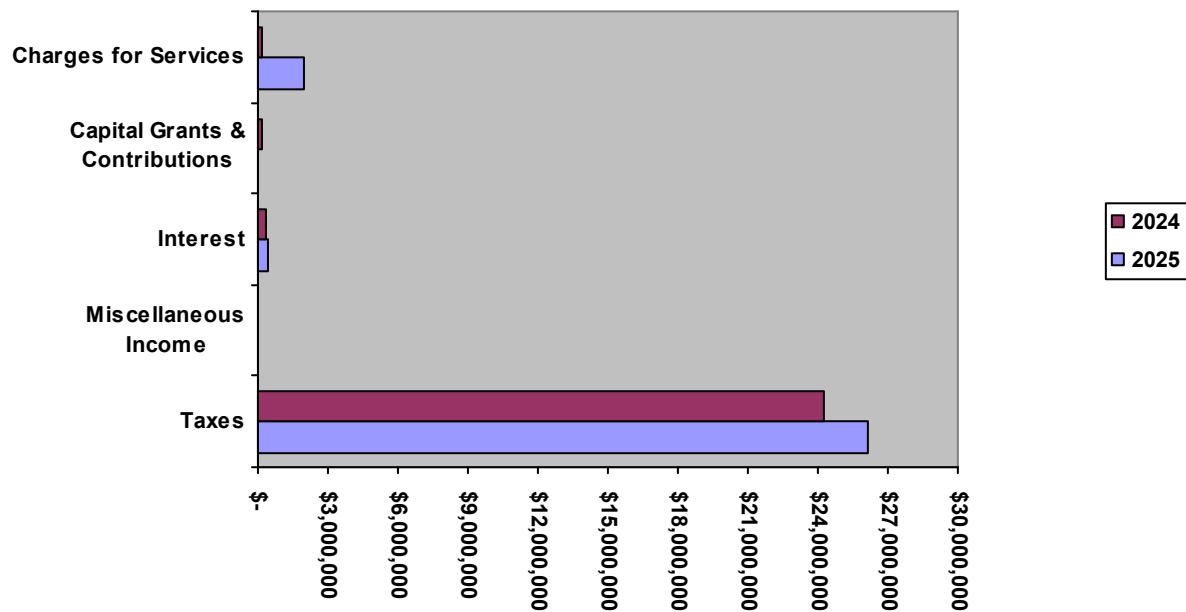
Highlights:

- Taxes increased approximately \$1,878,000 because of growth in the District with assessed valuation of \$985,363,430, up approximately 7% from the prior year.
- Capital grants and contributions decreased due to completion of capital projects.
- Charges for services increased approximately \$311,000, which is due to an increase in impact fees received of \$138,000 and one percent fund fees of \$217,000. There was a decrease in vehicle service fees of \$45,000.
- Personnel expenses increased approximately \$1,974,000 due to increases in salaries and benefits during the year as well as an increase in overall employee count.
- Depreciation/Amortization increased because of new capital additions as well as vehicles and equipment placed in service in the prior year received a full year of depreciation in the current year.
- Material and services increase relates to renovations and design of stations 34 and 39.
- There was no special item revenue in the current year. Special item revenue in the prior year represents the write-off of an outstanding liability for OPEB.
- Interest expense decreased in the current fiscal year due to the normal amortization of the bonds. No new debt was incurred during the fiscal year.
- During the fiscal year, the District implemented GASB Statement No. 101, *Compensated Absences*, which resulted in a prior period restatement of \$1,367,876. The implementation of the new GASB standard is expanded upon in the notes to financial statements under Note 10.

Expenses – Governmental Activities



Revenues by Source – Governmental Activities



Financial Analysis of the District'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 \$14,266,828, an increase of \$2,803,095. 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 \$2,148,508. This increase is mainly attributable to an increase in tax revenue of \$2,241,006 compared to the prior year for growth within the District.
- The impact fund increased by \$300,254 mainly due to \$443,300 in capital outlay and \$211,360 in Impact Grant Expense offset by \$42,716 in interest income and impact fees of \$912,198.
- The increase of \$806,673 in the one percent fund represented the collections of \$887,974 less expenditures of \$81,121. No contribution was made to the retirement plan during the fiscal year.
- The District's capital project fund decreased \$293,181. The capital project fund was established to account for the proceeds from a general obligation bond (GO Bond) restricted for the purchase and construction of capital assets. Capital outlay of \$329,023 was spent from the GO Bond acquired in the prior year. The District also had \$35,842 in interest income in the fiscal year.
- The debt service fund decreased by \$159,159. Revenues collected were \$1,447,278 while the debt service payment was \$1,606,437 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 \$10,200,459 represents 44.1% 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. Over the course of the fiscal year, the District monitors its budget for any unanticipated changes in revenues and expenditures. Total general fund revenues for the year ended June 30, 2025 were \$25,251,095, \$1,558,095, or 6.6%, more than the final budget of \$23,693,000. The increase in total revenue was the result of an increase in property tax revenue of \$942,173 related to growth within the District as well as fees of \$236,708 and interest income of \$320,297.

Total general fund expenditures and other financing uses were \$23,102,587 for the year ended June 30, 2025, which is \$504,324, or 2.1%, less than the final budgeted expenditures of \$23,606,911. This variance was mostly the result of a favorable variance in the budget for personnel costs, training and capital outlay.

Capital Assets and Debt Administration

Capital Assets. The District's investment in capital assets for its governmental type activities as of June 30, 2025, amounts to \$24,076,144 (net of accumulated depreciation/amortization) compared to \$26,217,573 for June 30, 2024. This investment in capital assets includes land and improvements, buildings and improvements, furniture and equipment, vehicles, subscription assets, and related debt. New asset additions added during the fiscal year 2025 totaled \$772,323 and include fire gear and equipment of \$119,531, vehicles of \$209,492, and \$443,300 for training center concrete. Depreciation/amortization expense was \$2,231,428 for the year compared to \$1,318,216 in the prior year. The increase in depreciation/amortization expense was a result of additions to capital assets during the year as well as a full year of depreciation on assets placed in service in the prior year. Additional information on capital assets can be found in Note 4.

BLUFFTON TOWNSHIP FIRE DISTRICT CAPITAL ASSETS NET OF DEPRECIATION/AMORTIZATION

	Governmental Activities	
	2025	2024
Construction in Progress	\$ -	\$ 1,512,510
Land	2,283,582	2,283,582
Buildings and Improvements	15,545,102	15,561,457
Vehicles	3,437,365	3,838,780
Furniture and Equipment	2,739,529	2,900,023
Subscription Assets	70,566	121,221
Total	\$ 24,076,144	\$ 26,217,573

Long-term obligations. At the end of the current fiscal year, the District had long-term obligations for compensated absences, net pension liability, subscription-based information technology arrangements, general obligation bonds, and bond premiums. No new debt was incurred during the fiscal year. All payments were made on existing debt as scheduled. Additional information on long-term obligations can be found in Note 5.

BLUFFTON TOWNSHIP FIRE DISTRICT LONG TERM OBLIGATIONS

	Governmental Activities	
	2025	2024
General Obligation Bonds	\$ 12,423,000	\$ 13,540,000
Bond Premiums	377,350	401,965
Net Pension Liability	19,115,852	20,769,478
Compensated Absences*	2,675,136	779,682
Subscription Liability	70,566	121,221
Total	\$ 34,661,904	\$ 35,612,346

*The District had a prior period restatement of net position of \$(1,367,876). This was due to the implementation of GASB Standard No. 101, *Compensated Absences*.

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 2025-2026 approved operations budget of \$26,913,566 is to be funded with a tax levy of 24.75 mills that is expected to collect \$26,913,566 in taxes. The debt service fund budget of \$1,349,170 will be funded with a tax levy of 1.25 mills that is expected to collect \$1,349,170 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 District'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 POSITION
JUNE 30, 2025**

	Governmental Activities
ASSETS	
Cash	\$ 566,711
Accounts Receivable	778,212
Due from Beaufort County	13,716,611
Capital Assets, not being depreciated	2,283,582
Capital Assets, net of accumulated depreciation/amortization	<u>21,792,562</u>
Total Assets	<u>39,137,678</u>
DEFERRED OUTFLOW OF RESOURCES	
Deferred Outflow for Pension	<u>5,643,192</u>
Total Deferred Outflow of Resources	<u>5,643,192</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 44,780,870</u>
LIABILITIES	
Accounts Payable	\$ 21,187
Accrued Payroll	391,983
Interest Payable	144,435
Noncurrent Liabilities	
Due within one year	1,940,255
Due in more than one year	
Debt Obligations	13,605,797
Net Pension Liability	<u>19,115,852</u>
Total Liabilities	<u>35,219,509</u>
DEFERRED INFLOW OF RESOURCES	
Deferred Inflow for Pension	<u>2,744,449</u>
Total Deferred Inflow of Resources	<u>2,744,449</u>
NET POSITION	
Net investment in capital assets	12,194,160
Restricted for debt payments	642,138
Restricted for capital projects	1,504,958
Restricted for employee recruitment and retention	929,319
Unrestricted (deficit)	<u>(8,453,663)</u>
Total Net Position	<u>6,816,912</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 44,780,870</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, 2025**

	Governmental Activities
PROGRAM EXPENSES	
Public Safety - Fire Protection	
Personnel	\$ 20,936,150
Depreciation/Amortization	2,231,428
Administration	790,759
Maintenance	828,024
Equipment	130,900
Training	107,538
Utilities and Services	147,648
Impact Grant Expense	893,684
Interest	452,941
Total Program Expenses	<u>26,519,072</u>
PROGRAM REVENUES	
Charges for Services	2,007,779
Total Program Revenues	<u>2,007,779</u>
Net Program Expense	<u>(24,511,293)</u>
GENERAL REVENUES	
Property Taxes	26,121,811
Interest Income	451,881
Miscellaneous Income	58,917
Total General Revenues	<u>26,632,609</u>
Change in Net Position	2,121,316
Net Position, Beginning of year	6,063,472
Prior Period Restatement	(1,367,876)
Net Position, End of year	<u>\$ 6,816,912</u>

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

BLUFFTON TOWNSHIP FIRE DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025

	GOVERNMENTAL FUND TYPES					
	GENERAL FUND	DEBT SERVICE FUND	CAPITAL PROJECT FUND	IMPACT FUND	ONE PERCENT FUND	
ASSETS						
Cash	\$ 565,689	\$ -	\$ 1,022	\$ -	\$ -	\$ 566,711
Accounts Receivable	734,020	44,192	-	-	-	778,212
Due from Beaufort County	9,656,178	620,724	988,932	1,521,458	929,319	13,716,611
Total Assets	\$ 10,955,887	\$ 664,916	\$ 989,954	\$ 1,521,458	\$ 929,319	\$ 15,061,534
LIABILITIES						
Accounts Payable	\$ 4,687	\$ -	\$ -	\$ 16,500	\$ -	\$ 21,187
Accrued Payroll	391,983	-	-	-	-	391,983
Total Liabilities	396,670	-	-	16,500	-	413,170
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenues - Property Taxes	358,758	22,778	-	-	-	381,536
Total Deferred Inflows of Resources	358,758	22,778	-	-	-	381,536
FUND BALANCES						
Restricted	-	642,138	-	1,504,958	929,319	3,076,415
Assigned	-	-	989,954	-	-	989,954
Unassigned	10,200,459	-	-	-	-	10,200,459
Total Fund Balances	10,200,459	642,138	989,954	1,504,958	929,319	14,266,828
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 10,955,887	\$ 664,916	\$ 989,954	\$ 1,521,458	\$ 929,319	\$ 15,061,534

BLUFFTON TOWNSHIP FIRE DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2025

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

Total fund balances for governmental funds	\$ 14,266,828
--------------------------------------------	---------------

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
Buildings and Improvements, net of \$4,760,241 accumulated depreciation	15,545,102
Vehicles, net of \$5,307,800 accumulated depreciation	3,437,365
Furniture and Equipment, net of \$1,676,556 accumulated depreciation	2,739,529
Subscription Assets, net of \$142,067 accumulated amortization	70,566
Total Capital Assets	24,076,144

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.

381,536

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	5,643,192
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Deferred Inflows of Resources:

Related to Pensions	(2,744,449)
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Total deferred outflows and inflows of resources	2,898,743
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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, 2025 are:

Interest Payable	(144,435)
Compensated Absences	(2,675,136)
Bonds and Notes Payable	(12,423,000)
Bond Premium	(377,350)
Net Pension Liability	(19,115,852)
Subscription Liability	(70,566)
Total Long-Term Liabilities	(34,806,339)

Total net position of governmental activities	\$ 6,816,912
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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, 2025

	GOVERNMENTAL FUND TYPES					TOTAL
	GENERAL FUND	DEBT SERVICE FUND	CAPITAL PROJECT FUND	IMPACT FUND	ONE PERCENT FUND	
REVENUES						
Property Taxes	\$ 24,635,173	\$ 1,423,173	\$ -	\$ -	\$ -	\$ 26,058,346
Fees	236,708	-	-	912,198	858,873	2,007,779
Interest Income	320,297	24,105	35,842	42,716	28,921	451,881
Miscellaneous Income	58,917	-	-	-	-	58,917
Total Revenues	<u>25,251,095</u>	<u>1,447,278</u>	<u>35,842</u>	<u>954,914</u>	<u>887,794</u>	<u>28,576,923</u>
EXPENDITURES						
Public Safety - Fire Protection						
Personnel	21,042,442	-	-	-	81,121	21,123,563
Administration	790,759	-	-	-	-	790,759
Utilities and Services	147,648	-	-	-	-	147,648
Maintenance	828,024	-	-	-	-	828,024
Training	107,538	-	-	-	-	107,538
Equipment	130,900	-	-	-	-	130,900
Impact Grant Expense	-	-	-	211,360	-	211,360
Capital Outlay	-	-	329,023	443,300	-	772,323
Debt Service						
Principal	50,655	1,117,000	-	-	-	1,167,655
Interest	4,621	489,437	-	-	-	494,058
Total Expenditures	<u>23,102,587</u>	<u>1,606,437</u>	<u>329,023</u>	<u>654,660</u>	<u>81,121</u>	<u>25,773,828</u>
Change in Fund Balances	2,148,508	(159,159)	(293,181)	300,254	806,673	2,803,095
Fund Balances, Beginning of year	8,051,951	801,297	1,283,135	1,204,704	122,646	11,463,733
Fund Balances, End of year	<u>\$ 10,200,459</u>	<u>\$ 642,138</u>	<u>\$ 989,954</u>	<u>\$ 1,504,958</u>	<u>\$ 929,319</u>	<u>\$ 14,266,828</u>

BLUFFTON TOWNSHIP FIRE DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

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	\$ 2,803,095
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/amortization expense. This is the amount by which capital outlays (\$772,323) was less than depreciation/amortization (\$2,231,428) in the current period.	(1,459,105)
The net effect of various miscellaneous transactions involving capital assets (I.e.) sales, trade-ins, and donations) is a decrease in net position.	(682,324)
Repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net position.	1,167,655
Interest is recorded as paid in the governmental funds but is accrued as a liability in the governmental statements. Change in accrued liability.	16,502
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	63,465
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	3,057,609
Cost of benefits earned net of employee contributions	<u>(2,342,618)</u>
	714,991
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	24,615
Compensated Absences	<u>(527,578)</u>
	(502,963)
Total change in net position of governmental activities	<u><u>\$ 2,121,316</u></u>

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

BLUFFTON TOWNSHIP FIRE DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2025

	One Percent Retirement Fund
ASSETS	
Investments	
Mutual Funds	\$ 7,209,657
Total Assets	<u>\$ 7,209,657</u>
LIABILITIES	
Due to Others	\$ -
Total Liabilities	<u>-</u>
NET POSITION	
Restricted for Pensions	7,209,657
Total Net Position	<u>\$ 7,209,657</u>

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, 2025

	One Percent Retirement Fund
Additions	
Interest and Dividend Income	\$ 1,790,978
Net increase in the fair value of investments	<u>292,490</u>
	<u>2,083,468</u>
Deductions	
Employee Withdrawals and Other Fees	<u>2,077,876</u>
	<u>2,077,876</u>
Change in Net Position	5,592
Net Position, Beginning of Year	<u>7,204,065</u>
Net Position, End of Year	<u><u>\$ 7,209,657</u></u>

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

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

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.

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.

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

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 for sustainable growth and development in Beaufort County. These purposes include capital equipment and vehicles with an individual unit purchase price of \$100,000 or more for public safety 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.

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.

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

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.

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.

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

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 (executory) contracts for goods 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 executory 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, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Leases

The District has entered into various leasing arrangements as the lessee. The District recognizes lease liabilities with an initial, individual value of \$5,000 or more with a lease term greater than one year. The District recognizes a lease liability and a right-to-use lease asset in the government-wide financial statements. At the commencement of the lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Key estimates and judgements related to leases include the discount rate, the lease terms and the lease payments. For the discount rate, the District uses the interest rate charged by the lessor. If an interest rate is not provided by the lessor, the District will use its estimated incremental borrowing rate as the discount rate. Lease terms include the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease assets and liabilities if certain changes occur that significantly affect the amount of the lease liabilities.

Subscription-Based Information Technology Arrangements (SBITAs)

The District has entered into various IT software subscription arrangements. The District recognizes subscription liabilities with an initial, individual value of \$5,000 or more with a subscription term greater than one year. The District recognizes a subscription liability and an intangible subscription asset in the government-wide financial statements. At the commencement of the agreement, the District initially measures the subscription liability at the present value of payments expected to be made during the agreement term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus certain initial direct costs. Subsequently, the subscription asset is amortized on a straight-line basis. Subscription assets are reported with other capital assets and subscription liabilities are reported with long-term debt on the statement of net position.

Key estimates and judgements related to subscriptions include the discount rate, the agreement terms and the agreement payments. For the discount rate, the District uses the interest rate charged by the software vendor. If an interest rate is not provided by the software vendor, the District will use its estimated incremental borrowing rate as the discount rate. Agreement terms include the noncancelable period of the agreement. Agreement payments included in the measurement of the subscription liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its agreements and will remeasure the subscription assets and liabilities if certain changes occur that significantly affect the amount of the subscription liabilities.

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

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 assets 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 assets 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 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, 2025**

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 2024 was 24.60 mils for operations and 1.40 mils 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.

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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. All sick leave lapses when employees leave the employment of the District and, upon separation from service, no monetary obligation exists. However, a liability for estimated value of sick leave that will be used by employees as time off is included in the liability for compensated absences.

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, 2025, the District's cash balance was \$566,711, all of which was fully insured by the FDIC and pledged securities. The fiduciary fund consisted of \$7,209,657 in investments for the one percent retirement fund being held for employees' future retirement benefits.

NOTE 3 RECEIVABLES

Receivables at June 30, 2025, including the applicable allowances for uncollectible accounts, are as follows for the fund and government-wide financial statements, respectively.

Receivables	Debt		
	General Fund	Service Fund	Total
Property taxes	\$ 749,811	\$ 44,192	\$ 794,003
Other receivables	4,454	-	4,454
Gross receivables	754,265	44,192	798,457
Allowance for uncollectible accounts	(20,245)	-	(20,245)
Net total receivables	<u>\$ 734,020</u>	<u>\$ 44,192</u>	<u>\$ 778,212</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:

	Unavailable	Unearned
Delinquent property taxes receivable	\$ 381,536	\$ -
Total	<u>\$ 381,536</u>	<u>\$ -</u>

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 4 CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2025, was as follows:

Governmental Activities	June 30, 2024	Increases	Decreases	Transfers	June 30, 2025
<i>Capital assets not being depreciated/amortized</i>					
Land and improvements	\$ 2,283,582	\$ -	\$ -	\$ -	\$ 2,283,582
Construction in progress	1,512,510	- -	682,324	(830,186)	-
Total capital assets, not being depreciated/amortized	<u>3,796,092</u>	<u>-</u>	<u>682,324</u>	<u>(830,186)</u>	<u>2,283,582</u>
<i>Capital assets being depreciated/amortized</i>					
Buildings and improvements	19,862,043	443,300	682,324	682,324	20,305,343
Furniture and Equipment	4,148,692	119,531	-	147,862	4,416,085
Vehicles	8,571,593	209,492	35,920	-	8,745,165
Subscription Assets	212,633	- -	-	-	212,633
Total capital assets being depreciated/amortized	<u>32,794,961</u>	<u>772,323</u>	<u>718,244</u>	<u>830,186</u>	<u>33,679,226</u>
Less accumulated depreciation/amortization for:					
Buildings and improvements	4,300,586	1,141,979	682,324	-	4,760,241
Furniture and Equipment	1,248,669	427,887	-	-	1,676,556
Vehicles	4,732,813	610,907	35,920	-	5,307,800
Subscription Assets	91,412	50,655	-	-	142,067
Total accumulated depreciation/amortization	<u>10,373,480</u>	<u>2,231,428</u>	<u>718,244</u>	<u>-</u>	<u>11,886,664</u>
Total capital assets being depreciated/amortized, net	<u>22,421,481</u>	<u>(1,459,105)</u>	<u>-</u>	<u>830,186</u>	<u>21,792,562</u>
Governmental activities capital assets, net	<u><u>\$ 26,217,573</u></u>	<u><u>\$ (1,459,105)</u></u>	<u><u>\$ 682,324</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 24,076,144</u></u>

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

Governmental Activities

Public Safety - Fire Protection	\$ 2,231,428
Total depreciation/amortization expense - governmental activities	<u><u>\$ 2,231,428</u></u>

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 5 LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations for the year ended June 30, 2025:

	Restated			June 30, 2025	Due Within A Year
	June 30, 2024	Increases	Decreases		
	2024	Increases	Decreases		
Compensated absences*	\$ 2,147,558	\$ 527,578	\$ -	\$ 2,675,136	\$ 668,784
Bond payable	13,540,000	-	1,117,000	12,423,000	1,219,000
Bond premium	401,965	-	24,615	377,350	-
Subscription liability	121,221	-	50,655	70,566	52,471
	<u><u>\$ 16,210,744</u></u>	<u><u>\$ 527,578</u></u>	<u><u>\$ 1,192,270</u></u>	<u><u>\$ 15,546,052</u></u>	<u><u>\$ 1,940,255</u></u>

*The change in compensated absences above is a net change for the year.

Compensated absences are paid from the general fund.

General Bond Obligation bonds

General Bond Obligation bonds payable at June 30, 2025 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 3.51%. The balance at June 30, 2025 is \$4,735,000.

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 3.51%. The balance at June 30, 2025 is \$4,715,000.

Series 2023A General Obligation Bonds in the amount of \$4,250,000, obtained in May 2023, for the purpose of purchasing necessary equipment to provide fire and rescue services in the District, and to pay the bond issuance costs. The bonds are payable in 7 annual installments ranging from \$992,853 to \$651,744 and bear interest at 3.67%. The balance at June 30, 2025 is \$2,973,000.

At June 30, 2025, future debt service requirements for the general obligation bonds were as follows:

Year ending	Total Minimum Payment		
June 30,	Principal	Interest	Payment
2026	\$ 1,219,000	\$ 433,303	\$ 1,652,303
2027	1,268,000	387,855	1,655,855
2028	1,319,000	340,476	1,659,476
2029	1,372,000	290,582	1,662,582
2030	1,410,000	244,163	1,654,163
2031-2035	4,265,000	708,451	4,973,451
2036-2039	1,570,000	135,113	1,705,113
	<u><u>\$ 12,423,000</u></u>	<u><u>\$ 2,539,943</u></u>	<u><u>\$ 14,962,943</u></u>

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 5 LONG-TERM OBLIGATIONS – CONTINUED

The District has SBITAs for software programs. As of June 30, 2025, the value of the subscription liability was \$70,566. The value of the subscription asset at the end of the current fiscal year was \$212,633 and had accumulated amortization of \$142,067. The SBITAs are paid by the general fund.

The terms of the SBITAs are outlined below:

	Balance
\$112,281 subscription for Tyler Tech Incode software with annual payments of \$19,276 including interest of 1.20%	\$ 19,047
\$48,610 subscription for ESRI software with annual payments of \$17,000 including interest of 5.00%	16,190
\$51,742 subscription for IWorQ software with annual payments of \$19,000 including interest of 5.00%	35,329
 Total Subscription Liability	 \$ 70,566

The annual requirements to amortize the SBITA are as follows:

Year ending		Principal	Interest	Total
June 30,		Principal	Interest	Total
2026		\$ 52,471	\$ 2,805	\$ 55,276
2027		18,095	905	19,000
		\$ 70,566	\$ 3,710	\$ 74,276

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.

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 5 LONG-TERM OBLIGATIONS – CONTINUED

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

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

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

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 and participating charter schools, public higher education institutions, other participating local subdivisions of government and individuals first elected to the South Carolina General Assembly at or after the general election in November 2012.
- The 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.

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 5 LONG-TERM OBLIGATIONS – CONTINUED

Membership

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

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

Benefits

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

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

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

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 5 LONG-TERM OBLIGATIONS – CONTINUED

- 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.

Effective July 1, 2017, employee rates were increased and capped at 9 percent for SCRS and 9.75 percent for PORS. The legislation also increased employer contribution rates beginning July 1, 2017, for both SCRS and PORS until reaching 18.56 percent for SCRS and 21.24 percent for PORS. The legislation included a further provision that if the scheduled contributions are not sufficient to meet the funding periods set in state statute, the PEBA board would increase the employer contribution rates as necessary to meet the funding periods set for the applicable year.

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

Required employee contribution rates¹ are as follows:

	Fiscal Year 2025¹	Fiscal Year 2024¹
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%

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 5 LONG-TERM OBLIGATIONS – CONTINUED

Required employer contribution rates¹ are as follows:

	Fiscal Year 2025¹	Fiscal Year 2024¹
SCRS		
Employer class two	18.56% ²	18.56%
Employer class three	18.56% ²	18.56%
PORS		
Employer class two	21.24% ³	21.24%
Employer class three	21.24% ³	21.24%

¹Calculated on earnable compensation as defined in Title 9 of the South Carolina Code of Laws.

²Includes incidental death benefit contribution rate of 0.15%.

³Includes incidental death benefit and accidental death benefit contribution rate of 0.20% each.

Actuarial Assumptions and Methods

Actuarial valuations of the ongoing 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. The GASB Statement No. 67 valuation report prepared as of June 30, 2024 is based on the experience study report for the period ending June 30, 2019. A more recent experience report on the Systems was issued for the period ending June 30, 2023 and will be used for future valuations.

The June 30, 2024, total pension liability (TPL), net pension liability (NPL), and sensitivity information shown in this report were determined by our consulting actuary, Gabriel Roeder Smith & Company (GRS) and are based on an actuarial valuation performed as of July 1, 2023. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year end, June 30, 2024, using generally accepted actuarial principles. There was no legislation enacted during the 2024 legislative session that had a material change in the benefit provisions for any of the systems.

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2024.

	SCRS	PORS
Actuarial cost method	Entry age normal	Entry age normal
Investment rate of return ¹	7.00%	7.00%
Projected salary increases	3.0% to 11.0% (varies by service) ¹	3.5% to 10.5% (varies by service) ¹
Benefit adjustments	Lesser of 1% or \$500 annually	Lesser of 1% or \$500 annually

¹includes inflation at 2.25%

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 5 LONG-TERM OBLIGATIONS – CONTINUED

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

Assumptions used in the determination of the June 30, 2024, TPL are as follows.

Former Job Class	Males	Females
Educators	2020 PRSC Males multiplied by 95%	2020 PRSC Females multiplied by 94%
General employees and members of the general assembly	2020 PRSC Males multiplied by 97%	2020 PRSC Females multiplied by 107%
Public safety and firefighters	2020 PRSC Males multiplied by 127%	2020 PRSC Females multiplied by 107%

Net Pension Liability

The NPL is calculated separately for each system and represents that particular system's TPL determined in accordance with GASB 67 less that system's fiduciary net position. NPL totals, as of June 30, 2024, for SCRS and PORS are presented below.

System	Total Pension Liability	Plan Fiduciary Net Position	Employers' Net Pension Liability (Asset)	Plan Fiduciary Net Position as a % of the Total Pension Liability
SCRS	\$ 3,715,328	\$ 2,295,726	\$ 1,419,602	61.8%
PORS	60,041,193	42,344,943	17,696,250	70.5%
Total	\$ 63,756,521	\$ 44,640,669	\$ 19,115,852	

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, 2025**

NOTE 5 LONG-TERM OBLIGATIONS – CONTINUED

Allocation/Exposure	Policy Target	Expected Arithmetic Real Rate of Return	Long-Term Expected Portfolio Real Rate of Return
Public Equity	46.0%	6.23%	2.86%
Bonds	26.0%	2.60%	0.68%
Private Equity¹	9.0%	9.60%	0.86%
Private Debt¹	7.0%	6.90%	0.48%
Real Assets	12.0%		
Real Estate ¹	9.0%	4.30%	0.39%
Infrastructure ¹	3.0%	7.30%	0.22%
Total expected return ²	100.0%		5.49%
Inflation for actuarial purposes			2.25%
Expected rate of return			7.74%

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

²Portable Alpha Strategies, which utilizes Hedge Funds and are not included in the Policy Target, will be capped at 15% of total assets.

Discount Rate

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

Sensitivity Analysis

The following table presents the collective NPL of the participating employers calculated using the discount rate of 7 percent, as well as what the employers' NPL would be if it were calculated using a discount rate that is 1 percent lower (6 percent) or 1 percent higher (8 percent) than the current rate.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate			
System	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
SCRS	\$ 1,839,748	\$ 1,419,602	\$ 1,032,835
PORS	25,638,469	17,696,250	11,191,150
	\$ 27,478,217	\$ 19,115,852	\$ 12,223,985

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 5 LONG-TERM OBLIGATIONS – CONTINUED

Pension Expense

The aggregate amount of pension expense for SCRS and PORS is \$2,383,185. Components of collective pension expense reported in the Schedules of Pension Amounts by Employer for the fiscal year ended June 30, 2024, are presented below.

Description	SCRS	PORS
Service cost (annual cost of current service)	\$ 71,588	\$ 1,421,076
Interest on the total pension liability	242,628	3,845,090
Plan administrative costs	1,099	19,876
Plan member contributions	(67,648)	(1,166,249)
Expected return on plan assets	(145,396)	(2,665,512)
Recognition of current year amortization - difference between expected and actual experience & assumption changes	53,775	1,152,484
Recognition of current year amortization - difference between projected and actual investment earnings	(19,127)	(350,279)
Other	109	(10,329)
Total	\$ 137,028	\$ 2,246,157

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

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 5 LONG-TERM OBLIGATIONS – CONTINUED

Deferred Outflows of Resources and Deferred Inflows of Resources

The schedules on the next two pages reflect the amortization of collective deferred outflows/(inflows) of resources related to pensions outstanding at June 30, 2024.

<u>SCRS</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 46,653	\$ 1,762
Assumption changes	25,027	-
Net difference between projected and actual investment earnings	-	54,697
Deferred amounts from changes in proportionate share and differences between employer contributions & proportionate share of total plan employer contributions	216,155	-
Contributions subsequent to the measurement date	172,441	-
Total	\$ 460,276	\$ 56,459
<u>PORS</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 1,661,908	\$ 101,455
Assumption changes	385,278	-
Net difference between projected and actual investment earnings	-	992,121
Deferred amounts from changes in proportionate share and differences between employer contributions & proportionate share of total plan employer contributions	250,562	1,594,414
Contributions subsequent to the measurement date	2,885,168	-
Total	\$ 5,182,916	\$ 2,687,990
Total All Plans	\$ 5,643,192	\$ 2,744,449

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 5 LONG-TERM OBLIGATIONS – CONTINUED

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.

The amounts of \$172,441 and \$2,885,168 reported as deferred outflows of resources relate to the contributions subsequent to the measurement date of the SCRS and PORS, respectively, and will be recognized as a reduction of the net pension liabilities for the year ended June 30, 2026.

Amortization of Deferred Outflows/(Inflows) of Resources

Amortized period ending June 30,	SCRS	PORS	Total
2025	\$ 34,480	\$ (420,960)	\$ (386,480)
2026	104,795	827,111	931,906
2027	52,423	(198,112)	(145,689)
2028	39,678	(598,281)	(558,603)
Net balance of deferred outflows/(inflows) of resources	<u>\$ 231,376</u>	<u>\$ (390,242)</u>	<u>\$ (158,866)</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 by the General Assembly, PEBA issued credit invoices to certain SCRS and PORS employers for fiscal year 2024 who then applied the credit invoices towards contributions otherwise due to the Systems. The amount of credit invoices issued in fiscal year 2024 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.

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 5 LONG-TERM OBLIGATIONS – CONTINUED

	SCRS	PORS
Employer contributions reported in statement of changes in net position for the fiscal year ended June 30, 2024	\$ 149,124	\$ 2,403,861
Nonemployer contributions reported in statement of changes in net position for the fiscal year ended June 30, 2024	5,370	73,564
Employer contributions not representative of future contribution effort	<u>(5,872)</u>	<u>664</u>
Employer and nonemployer contributions used as the basis for allocating employers' proportionate shares of collective pension amounts - June 30, 2024 measurement date	<u>\$ 148,622</u>	<u>\$ 2,478,089</u>

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, 2024, and the accounting valuation report as of June 30, 2024. 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' ACFR.

Payable to the Pension Plan

At June 30, 2025, the amount reported for payables was \$0. The liability for pension-related obligations is fully liquidated by the general fund.

NOTE 6 ONE PERCENT RETIREMENT PLAN

Plan Description

The One Percent Retirement Fund plan is a single employer defined contribution retirement plan established by the District to provide retirement benefits for its firemen. The plan is administered by the 1% Committee with the Investment Agent empowered to invest funds with care, skill, prudence and diligence under the circumstances then prevailing that a prudent acting agent in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. Total eligible participants were 129 with 105 participants covered under the plan. Any full-time paid employee in good standing carried on the membership roll by the District on the relevant date. This includes full-time paid firefighters as well as full-time paid administrative and support personnel, but does not include unpaid or part-time volunteer firefighters, unpaid or part-time member of the Auxiliary, unpaid or part-time Commissioners, or any other unpaid or part-time associate member of the District.

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 6 ONE PERCENT RETIREMENT PLAN – CONTINUED

Basic Provisions

If a participant is a participant on the date of their normal retirement date, the participant shall be 100% vested in their total account. The account of a participant retiring under the plan at or after the normal retirement date shall be paid to such participant in accordance with plan documents. In the event of such retirement for disability, they shall be 100% vested in the account in the plan computed as of the annual valuation date immediately preceding or coinciding with the date of actual retirement for such disability, and such amount shall be paid to them in such manner as the 1% Committee shall, in its discretion, direct, in accordance with plan documents. Any participant who is no longer a participant for any reason other than permanent disability, retirement or death, shall be entitled to the payment of benefits under the plan on the basis of the percentages set forth in the vesting schedule applicable to this plan as of the annual valuation date immediately preceding or coinciding with such loss as status as a participant. Vesting schedule: Less than 5 years of service is 0% and five or more years of service is 100%.

Funding Policy

The 1% Committee shall maintain a separate account for each participant or shall insure under the provisions of this plan that said account is so maintained by the investment agent. The plan does not allow employee contributions. Contributions made to the plan are paid from the District's One Percent Fund. The District shall contribute to the trust under this plan for each plan year that the plan shall be in effect such amount that shall be:

- Equal to or greater than 50% of the South Carolina Firefighters Association's 1% proceeds to the District, plus,
- 100% of all residual funds left over from the previous year as shall be determined by the 1% Committee from available funds in accordance with all applicable laws, rules and regulations
- Total employer contributions for the year ended June 30, 2025 were \$0. The fair market value of the plan for the year ended June 30, 2025 was \$7,209,567.

NOTE 7 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.

**BLUFFTON TOWNSHIP FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 8 NET POSITION AND FUND BALANCE

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

Capital Assets	\$ 35,962,808
Less accumulated depreciation/amortization	(11,886,664)
Less debt	(12,870,916)
Cash on hand from bond issuance	988,932
Net Investment in Capital Assets	<u>\$ 12,194,160</u>

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

Capital projects	\$ 1,504,958
Debt payments	642,138
Employee recruitment and retention	929,319
Total Restricted Fund Balances/Net Position	<u>\$ 3,076,415</u>

NOTE 9 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.

As of June 30, 2025, the District had an outstanding commitment for construction services related to Station 39. A contract was entered into for \$361,389, with a balance of \$211,606 remaining. The District is committed to paying 50% of the remaining contract amount. These funds are encumbered and will be paid out of the impact fund.

NOTE 10 RESTATEMENT OF BEGINNING BALANCE

During the current year, the District implemented GASB Statement No. 101, *Compensated Absences*. In addition to the value of unused vacation time owed to employees upon separation of employment, the District now recognizes an estimated amount of sick leave earned as of year-end that will be used by employees as time off in future years as part of the liability for compensated absences.

	Net Position/Fund Balance June 30, 2024 As Previously Reported	Restatement - GASB 101 Implementation	Net Position/Fund Balance June 30, 2024 As Restated
Government-Wide			
Governmental Activities	\$ 6,063,472	\$ (1,367,876)	\$ 4,695,596
Total Government-Wide	<u>\$ 6,063,472</u>	<u>\$ (1,367,876)</u>	<u>\$ 4,695,596</u>

NOTE 11 – SUBSEQUENT EVENTS

The District has evaluated subsequent events through November 17, 2025, the date the financial statements were issued.



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, 2025

	GENERAL FUND			VARIANCE WITH FINAL BUDGET
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
REVENUES				
Property Taxes	\$ 23,693,000	\$ 23,693,000	\$ 24,635,173	\$ 942,173
Fees	-	-	236,708	236,708
Interest Income	-	-	320,297	320,297
Miscellaneous	-	-	58,917	58,917
Total Revenues	<u>23,693,000</u>	<u>23,693,000</u>	<u>25,251,095</u>	<u>1,558,095</u>
EXPENDITURES				
Public Safety - Fire Protection				
Current				
Personnel				
Salaries	13,904,895	13,904,895	13,467,839	437,056
Overtime	1,118,740	1,118,740	1,134,176	(15,436)
Insurance Medical	1,991,500	1,991,500	1,891,764	99,736
Retirement	2,941,414	2,941,414	3,077,120	(135,706)
Social Security Payroll Taxes	866,763	866,763	877,685	(10,922)
Medicare Payroll Taxes	203,268	203,268	205,267	(1,999)
Workman's Compensation	374,970	374,970	365,694	9,276
Unemployment Taxes	-	-	4,662	(4,662)
Employee Recognition	16,000	16,000	18,235	(2,235)
Total Personnel	<u>21,417,550</u>	<u>21,417,550</u>	<u>21,042,442</u>	<u>375,108</u>
Administration				
Insurance Liability	239,600	239,600	283,690	(44,090)
Uniforms	89,150	89,150	73,023	16,127
Telephone	81,701	81,701	61,448	20,253
Internet and Cable	85,500	85,500	83,984	1,516
Vaccinations and Physicals	69,365	69,365	53,673	15,692
Legal and Professional	20,000	20,000	21,000	(1,000)
Human Resources	23,700	23,700	17,289	6,411
Janitorial	23,500	23,500	22,095	1,405
Equipment Rental	10,950	10,950	25,848	(14,898)
Payroll Service	9,625	9,625	9,772	(147)
Office Supplies	10,110	10,110	13,655	(3,545)
Dues and Subscriptions	41,769	41,769	41,968	(199)
Public Education Supplies	25,710	25,710	18,139	7,571
Software and Technical Support	52,660	52,660	32,698	19,962
Consulting	12,625	12,625	22,736	(10,111)
Hurricane	12,000	12,000	-	12,000
Postage	1,500	1,500	1,251	249
Advertising	3,000	3,000	-	3,000
Website Fees	11,300	11,300	8,490	2,810
Total Administration	<u>\$ 823,765</u>	<u>\$ 823,765</u>	<u>\$ 790,759</u>	<u>\$ 33,006</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, 2025

	GENERAL FUND			VARIANCE WITH FINAL BUDGET
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
Utilities and Services				
Electricity	\$ 76,700	\$ 76,700	\$ 82,863	\$ (6,163)
Water	16,000	16,000	18,176	(2,176)
Stormwater	8,050	8,050	5,646	2,404
Pest Control	3,500	3,500	3,956	(456)
LP and Natural Gas	16,000	16,000	19,007	(3,007)
Garbage Pick-up	17,050	17,050	18,000	(950)
Total Utilities and Services	<u>137,300</u>	<u>137,300</u>	<u>147,648</u>	<u>(10,348)</u>
Maintenance				
Vehicle Maintenance	180,295	180,295	386,571	(206,276)
Equipment Maintenance	29,700	29,700	19,279	10,421
Communications Maintenance	27,450	27,450	7,516	19,934
Building Maintenance	111,747	111,747	106,647	5,100
Maintenance and Tech Support	127,000	127,000	83,269	43,731
Replacement Cycle Items	300	300	77	223
Medical Supplies	50,300	50,300	54,316	(4,016)
Rescue Ops Equipment	9,491	9,491	4,460	5,031
Fuel	190,450	190,450	136,627	53,823
Small Tools	31,090	31,090	29,262	1,828
Total Maintenance	<u>757,823</u>	<u>757,823</u>	<u>828,024</u>	<u>(70,201)</u>
Training				
Meals and Lodging	58,057	58,057	21,114	36,943
Training and Tuition	128,666	128,666	67,849	60,817
Travel Expenses	16,737	16,737	1,357	15,380
CPR	-	-	17,218	(17,218)
Total Training	<u>203,460</u>	<u>203,460</u>	<u>107,538</u>	<u>95,922</u>
Equipment				
Furniture and Fixtures	13,010	13,010	5,897	7,113
Appliances	23,069	23,069	5,370	17,699
Hardware Replacement	17,290	17,290	9,155	8,135
Supplies	46,904	46,904	39,426	7,478
Equipment	17,240	17,240	71,052	(53,812)
Total Equipment	<u>\$ 117,513</u>	<u>\$ 117,513</u>	<u>\$ 130,900</u>	<u>\$ (13,387)</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, 2025

	GENERAL FUND			VARIANCE WITH FINAL BUDGET
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
Capital Outlay				
Buildings , Vehicles and Equipment	\$ 149,500	\$ 149,500	\$ -	\$ 149,500
Total Capital Outlay	<u>149,500</u>	<u>149,500</u>	<u>-</u>	<u>149,500</u>
Debt Service				
Principal	-	-	50,655	(50,655)
Interest	-	-	4,621	(4,621)
Total Debt Service	<u>-</u>	<u>-</u>	<u>55,276</u>	<u>(55,276)</u>
Total Expenditures	23,606,911	23,606,911	23,102,587	504,324
Change in Fund Balances	86,089	86,089	2,148,508	2,062,419
Fund Balances, Beginning of year	8,051,951	8,051,951	8,051,951	-
Fund Balances, End of year	<u>\$ 8,138,040</u>	<u>\$ 8,138,040</u>	<u>\$ 10,200,459</u>	<u>\$ 2,062,419</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									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Proportion of the Net Pension Liability	0.003093%	0.003248%	0.003380%	0.003127%	0.003250%	0.003885%	0.003953%	0.004852%	0.005332%	0.006054%
Proportionate Share of the Net Pension Liability	\$ 586,603	\$ 693,768	\$ 760,892	\$ 700,666	\$ 742,003	\$ 992,563	\$ 855,490	\$ 1,176,257	\$ 1,289,087	\$ 1,419,602
Covered Payroll	\$ 269,079	\$ 294,245	\$ 341,017	\$ 330,980	\$ 366,333	\$ 433,371	\$ 446,856	\$ 577,773	\$ 674,112	\$ 800,768
Proportionate Share of the New Pension Liability as a Percentage of Its Covered Payroll	218.00%	235.78%	223.12%	211.69%	202.55%	229.03%	191.45%	203.58%	191.23%	177.28%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	57.00%	52.90%	53.30%	54.10%	54.40%	50.70%	60.70%	57.10%	58.60%	61.80%

5	PORS - FISCAL YEAR									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Proportion of the Net Pension Liability	0.52529%	0.53813%	0.55703%	0.57024%	0.60967%	0.60884%	0.64493%	0.67935%	0.63994%	0.58992%
Proportionate Share of the Net Pension Liability	\$ 11,448,655	\$ 13,649,481	\$ 15,260,230	\$ 16,157,923	\$ 17,472,641	\$ 20,190,558	\$ 16,593,588	\$ 20,373,424	\$ 19,480,391	\$ 17,696,250
Covered Payroll	\$ 6,507,606	\$ 6,567,811	\$ 7,438,282	\$ 7,886,010	\$ 8,819,755	\$ 9,197,486	\$ 9,697,798	\$ 10,751,290	\$ 11,212,343	\$ 11,667,089
Proportionate Share of the New Pension Liability as a Percentage of Its Covered Payroll	175.93%	207.82%	205.16%	204.89%	198.11%	219.52%	171.11%	189.50%	173.74%	151.68%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	64.60%	60.40%	60.90%	64.90%	62.70%	58.80%	70.40%	66.40%	67.80%	70.50%

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

SCRS - FISCAL YEAR

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually Required Contribution	\$ 34,790	\$ 39,422	\$ 44,882	\$ 53,338	\$ 67,432	\$ 69,530	\$ 95,679	\$ 118,374	\$ 148,622	\$ 172,441
Contributions in Relation to the Contractually Required Contribution	34,790	39,422	44,882	53,338	67,432	69,530	95,679	118,374	148,622	172,441
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 314,566	\$ 341,017	\$ 330,980	\$ 366,333	\$ 433,371	\$ 446,856	\$ 577,773	\$ 674,112	\$ 800,768	\$ 929,099
Contributions as a Percentage of Covered Payroll	11.06%	11.56%	13.56%	14.56%	15.56%	15.56%	16.56%	17.56%	18.56%	18.56%

PORS - FISCAL YEAR

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually Required Contribution	\$ 942,620	\$ 1,068,200	\$ 1,280,688	\$ 1,520,525	\$ 1,677,621	\$ 1,768,879	\$ 2,068,549	\$ 2,269,378	\$ 2,478,089	\$ 2,885,168
Contributions in Relation to the Contractually Required Contribution	942,620	1,068,200	1,280,688	1,520,525	1,677,621	1,768,879	2,068,549	2,269,378	2,478,089	2,885,168
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 6,854,736	\$ 7,438,282	\$ 7,886,010	\$ 8,819,755	\$ 9,197,486	\$ 9,697,798	\$ 10,751,290	\$ 11,212,343	\$ 11,667,089	\$ 13,583,655
Contributions as a Percentage of Covered Payroll	13.74%	14.36%	16.24%	17.24%	18.24%	18.24%	19.24%	20.24%	21.24%	21.24%



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, 2025

DEBT SERVICE FUND			
	ORIGINAL BUDGET	FINAL BUDGET	VARIANCE WITH FINAL BUDGET
REVENUES			
Property Taxes	\$ 1,337,000	\$ 1,337,000	\$ 1,423,173
Interest Income	-	-	24,105
Total Revenues	<u>1,337,000</u>	<u>1,337,000</u>	<u>1,447,278</u>
EXPENDITURES			
Debt Service			
Principal	1,337,000	1,337,000	1,117,000
Interest	-	-	489,437
Total Expenditures	<u>1,337,000</u>	<u>1,337,000</u>	<u>1,606,437</u>
Change in Fund Balances	-	-	(159,159)
Fund Balances, Beginning of year	801,297	801,297	801,297
Fund Balances, End of year	<u>\$ 801,297</u>	<u>\$ 801,297</u>	<u>\$ 642,138</u>
			-
			<u>\$ (159,159)</u>



STATISTICAL SECTION

**BLUFFTON TOWNSHIP FIRE DISTRICT
SOUTH CAROLINA**

STATISTICAL SECTION

This part of the Bluffton Township Fire District, South Carolina annual comprehensive 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.	59-62
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.	63-66
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.	67-71
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.	72-73
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.	74-76

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									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
GOVERNMENTAL ACTIVITIES										
Net Investment in Capital Assets	\$ 7,785,334	\$ 7,798,000	\$ 9,945,334	\$ 9,469,570	\$ 9,435,283	\$ 11,726,457	\$ 12,147,688	\$ 12,602,639	\$ 13,436,500	\$ 12,194,160
Restricted	2,107,420	2,552,386	480,415	1,412,997	1,958,538	1,406,824	2,262,378	1,737,025	2,128,647	3,076,415
Unrestricted	(8,871,346)	(9,434,164)	(9,628,070)	(10,595,128)	(11,728,770)	(12,421,090)	(12,655,707)	(12,125,910)	(9,501,675)	(8,453,663)
Total Governmental Activities Net Position	<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>	<u>\$ 1,754,359</u>	<u>\$ 2,213,754</u>	<u>\$ 6,063,472</u>	<u>\$ 6,816,912</u>

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									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Personnel	\$ 10,474,445	\$ 12,380,554	\$ 13,337,641	\$ 15,217,515	\$ 15,725,663	\$ 16,082,367	\$ 16,222,391	\$ 18,729,059	\$ 18,962,300	\$ 20,936,150
Operating	910,591	1,168,004	1,320,199	1,632,581	1,422,527	1,484,897	1,716,334	1,948,887	2,025,782	2,898,553
Depreciation	416,097	597,273	731,172	818,531	883,826	916,405	1,046,718	1,197,299	1,318,216	2,231,428
Interest	225,059	291,844	252,086	377,982	469,300	437,800	411,750	413,936	502,829	452,941
Total Expenses	<u>12,026,192</u>	<u>14,437,675</u>	<u>15,883,693</u>	<u>18,046,609</u>	<u>18,501,316</u>	<u>18,921,469</u>	<u>19,397,193</u>	<u>22,289,181</u>	<u>22,809,127</u>	<u>26,519,072</u>
Revenues										
Governmental Activities										
Program Revenues										
Charges for Services										
Impact Fees	562,010	834,857	665,423	658,561	512,384	551,867	687,815	191,371	773,876	912,198
One Percent Fees	335,409	346,961	343,533	373,300	368,022	406,562	515,093	530,936	641,491	858,873
Maintenance/CPR	-	-	-	-	172,959	218,240	213,487	229,104	281,408	236,708
Total Charges for Services	<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>	<u>1,416,395</u>	<u>951,411</u>	<u>1,696,775</u>	<u>2,007,779</u>
Capital Grants and Contributions	-	152,017	337,644	659,624	560,196	1,447,937	313,019	448,257	189,265	-
General Revenues										
Taxes	12,607,144	13,141,109	14,050,527	15,520,064	16,163,887	17,308,720	18,440,643	21,148,089	24,243,814	26,121,811
Sale of Equipment	-	-	1,428	81,717	-	-	-	-	-	-
Interest Income	-	-	45,901	124,517	122,407	16,352	16,816	178,455	337,824	451,881
Other	108,763	100,140	78,099	118,586	155,585	18,931	252,488	22,364	14,915	58,917
Total Revenues	<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>	<u>20,439,361</u>	<u>22,748,576</u>	<u>26,482,593</u>	<u>28,640,388</u>
Special Item	<u>5,425,872</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(176,252)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>176,252</u>	<u>-</u>
Change in Net Position	<u>7,013,006</u>	<u>137,409</u>	<u>(361,138)</u>	<u>(510,240)</u>	<u>(622,128)</u>	<u>1,047,140</u>	<u>1,042,168</u>	<u>459,395</u>	<u>3,849,718</u>	<u>2,121,316</u>
Net Position-Beginning	<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>	<u>1,754,359</u>	<u>2,213,754</u>	<u>6,063,472</u>
Prior Period Restatement (GASB 101)	-	-	-	-	-	-	-	-	-	<u>(1,367,876)</u>
Net Position-End	<u>\$ 1,021,408</u>	<u>\$ 1,158,817</u>	<u>\$ 555,084</u>	<u>\$ 287,439</u>	<u>\$ (334,689)</u>	<u>\$ 712,191</u>	<u>\$ 1,754,359</u>	<u>\$ 2,213,754</u>	<u>\$ 6,063,472</u>	<u>\$ 6,816,912</u>

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

Schedule 3

	FISCAL YEAR									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
GENERAL FUND										
Nonspendable	\$ 85,469	\$ 21,664	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unassigned	1,987,598	2,169,590	2,663,886	3,346,368	3,591,163	4,060,730	4,240,036	5,330,211	8,051,951	10,200,459
Total General Fund	<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>	<u>\$ 4,240,036</u>	<u>\$ 5,330,211</u>	<u>\$ 8,051,951</u>	<u>\$ 10,200,459</u>
ALL OTHER GOVERNMENTAL FUNDS										
Restricted	\$ 2,107,420	\$ 2,552,386	\$ 480,415	\$ 1,412,997	\$ 1,958,538	\$ 1,406,824	\$ 2,262,378	\$ 1,737,025	\$ 2,128,647	\$ 3,076,415
Assigned	1,518,091	21,172	15,566	5,294,034	1,552,743	8,659	2,890	4,239,472	1,283,135	989,954
Total All Other Governmental Funds	<u>\$ 3,625,511</u>	<u>\$ 2,573,558</u>	<u>\$ 495,981</u>	<u>\$ 6,707,031</u>	<u>\$ 3,511,281</u>	<u>\$ 1,415,483</u>	<u>\$ 2,265,268</u>	<u>\$ 5,976,497</u>	<u>\$ 3,411,782</u>	<u>\$ 4,066,369</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									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Property Taxes	\$ 12,604,551	\$ 13,133,938	\$ 14,000,192	\$ 15,542,944	\$ 16,168,898	\$ 17,221,724	\$ 18,490,163	\$ 21,114,918	\$ 24,139,631	\$ 26,058,346
Impact Fees	562,010	834,857	665,423	658,561	512,384	551,867	687,815	191,371	773,876	912,198
One percent fees	335,409	346,961	343,533	373,300	368,022	406,562	515,093	530,936	641,491	858,873
Interest	17,974	22,723	45,901	124,517	122,407	16,352	16,816	178,455	337,824	451,881
Maintenance/CPR	89,120	99,140	-	118,586	172,959	216,940	213,487	229,104	281,408	236,708
Vehicle and Equipment Sales	-	-	3,982	81,717	-	-	-	-	-	-
Grant Revenue	-	152,017	337,644	659,624	560,196	1,447,937	313,019	448,257	189,265	-
Miscellaneous	19,643	1,000	124,000	-	155,585	20,231	252,488	22,364	14,915	58,917
Total Revenues	13,628,707	14,590,636	15,520,675	17,559,249	18,060,451	19,881,613	20,488,881	22,715,405	26,378,410	28,576,923
Expenditures										
Public Safety - Fire Protection										
Personnel	10,587,607	11,969,413	12,421,855	13,722,310	14,319,573	14,826,817	15,848,821	18,150,731	18,766,825	21,123,563
Administration	416,964	459,989	477,264	560,652	572,755	561,732	618,091	657,461	768,604	790,759
Utilities	79,232	84,376	101,721	102,493	102,782	117,648	132,316	138,635	135,493	147,648
Maintenance	287,250	404,578	381,377	467,245	617,538	564,183	641,687	694,255	766,609	828,024
Training	65,501	92,072	94,567	83,800	57,550	85,138	110,336	119,990	117,527	107,538
Equipment	61,644	126,989	265,276	295,444	71,902	156,196	213,154	291,040	237,549	130,900
Impact Grant Expense	-	-	-	-	-	-	-	-	-	211,360
Capital Outlay	6,581,019	2,231,266	2,814,541	1,019,882	4,100,374	4,200,436	901,691	1,015,909	3,719,368	772,323
Debt Service										
Principal	355,000	290,000	300,000	310,000	470,000	530,000	550,000	627,923	1,465,677	1,167,655
Interest	216,476	277,719	269,019	260,019	522,680	465,694	443,694	420,551	520,337	494,058
Total Expenditures	18,650,693	15,936,402	17,125,620	16,821,845	20,835,154	21,507,844	19,459,790	22,116,495	26,497,989	25,773,828
Excess (deficiency) of revenues over (under) expenditures	(5,021,986)	(1,345,766)	(1,604,945)	737,404	(2,774,703)	(1,626,231)	1,029,091	598,910	(119,579)	2,803,095
Other Financing Sources (Uses)										
Issuance of Debt	-	412,000	-	6,156,128	-	-	-	4,202,494	-	-
Issuance of Subscriptions	-	-	-	-	-	-	-	-	100,352	-
Special Item: Settlement	-	-	-	-	(176,252)	-	-	-	176,252	-
Total Other Financing Sources (Uses)	412,000	6,156,128	(176,252)	4,202,494	276,604	-	-	-	-	-
Change in Fund Balances	(5,021,986)	(933,766)	(1,604,945)	6,893,532	(2,950,955)	(1,626,231)	1,029,091	4,801,404	157,025	2,803,095
Fund Balances, Beginning of Year	10,720,564	5,698,578	4,764,812	3,159,867	10,053,399	7,102,444	5,476,213	6,505,304	11,306,708	11,463,733
Fund Balances, End of Year	\$ 5,698,578	\$ 4,764,812	\$ 3,159,867	\$ 10,053,399	\$ 7,102,444	\$ 5,476,213	\$ 6,505,304	\$ 11,306,708	\$ 11,463,733	\$ 14,266,828
Debt service as a percentage of noncapital expenditures	4.7%	4.1%	4.0%	3.6%	5.9%	5.8%	5.4%	5.0%	8.7%	6.6%

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		ACTUAL VALUE	TOTAL DIRECT TAX RATE
	REAL PROPERTY	PERSONAL PROPERTY	TOTAL	OF ESTIMATED ACTUAL VALUE			
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
2022	648,828,620	105,631,470	754,460,090	4.40%		17,158,241,647	25.70
2023	674,115,823	104,682,470	778,798,293	4.37%		17,818,417,620	27.10
2024	786,210,170	135,438,761	921,648,931	3.32%		27,801,306,229	26.00
2025	844,739,040	140,624,390	985,363,430	3.41%		28,910,826,725	26.00



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

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	
	COUNTY			SCHOOL												
	OPERATING MILLAGE	DEBT SERVICE MILLAGE	TOTAL DISTRICT MILLAGE	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	
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	60.99	113.50	31.71	145.21	40.35	272.29
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	63.49	114.00	31.71	145.71	38.50	273.40
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
2022	24.20	1.50	25.70	48.90	2.30	0.80	0.30	1.60	5.60	5.30	64.80	121.60	36.30	157.90	38.50	286.90
2023	25.60	1.50	27.10	48.90	2.30	0.80	0.30	1.60	5.60	5.30	64.80	125.60	36.30	161.90	38.50	292.30
2024	24.10	1.90	26.00	46.00	2.20	0.80	0.30	2.40	3.40	4.40	59.50	121.80	36.30	158.10	38.50	282.10
2025	24.60	1.40	26.00	45.50	2.30	1.00	1.30	3.20	3.20	3.00	59.50	121.80	36.30	158.10	36.00	279.60

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Source: Beaufort County ACFR

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

Schedule 7

TAXPAYER	FISCAL YEAR 2025 TAX YEAR 2024				FISCAL YEAR 2016 TAX YEAR 2015			
	PERCENTAGE OF TOTAL DISTRICT		PERCENTAGE OF TOTAL DISTRICT		PERCENTAGE OF TOTAL DISTRICT		PERCENTAGE OF TOTAL DISTRICT	
	TAXABLE ASSESSED	VALUE	RANK	TAXABLE ASSESSED	VALUE	RANK	TAXABLE ASSESSED	VALUE
Dominion Energy	\$ 11,131,480		1		1.13%		\$ -	0.00%
Hargray Telephone Company Inc.	6,862,020		2		0.70%		-	0.00%
Palmetto Electric Coop	5,254,280		3		0.53%		2,005,940	0.42%
Passco One Hampton DST	4,165,320		4		0.42%		-	0.00%
Bluffton Telephone Company	4,155,340		5		0.42%		-	0.00%
Crowne at 170 LP	3,201,770		6		0.32%		-	0.00%
CR Bluestone LLC	3,184,240		7		0.32%		-	0.00%
Neyland Apartment Associates Seven LLC	2,884,300		8		0.29%		-	0.00%
PBLH LLC	2,809,560		9		0.29%		857,600	0.18%
Beaufort Oldfield LLC	2,496,610		10		0.25%		852,200	0.18%
South Carolina Electric & Gas	-				0.00%		16,107,810	3.38%
Coroc/Hilton Head LLC	-				0.00%		2,575,080	0.54%
CPI/Blaze Myrtle Park	-				0.00%		1,524,000	0.32%
Old South Apartments/Bluffton OS 2&3	-				0.00%		1,474,760	0.31%
South Carolina Bluffton LLC	-				0.00%		840,000	0.18%
Crowne Old Carolina LLC	-				0.00%		826,350	0.17%
Pittsburgh Hilton Head Associates	-				0.00%		742,250	0.16%
Total	\$ 46,144,920				4.68%		\$ 27,805,990	5.83%

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Source: Beaufort County Finance/Treasurer's Office

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
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%	273,591	16,723,913	98.72%
2022	17,947,878	17,667,701	98.44%	72,939	17,740,640	98.85%
2023	20,590,247	20,289,027	98.54%	30,134	20,319,161	98.68%
2024	23,899,667	23,366,640	97.77%	94,118	23,460,758	98.16%
2025	25,726,279	24,932,276	96.91%	-	24,932,276	96.91%

Source: Beaufort County Finance/Treasurer's Office

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* 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						ESTIMATED PERSONAL INCOME (1)
	NOTES PAYABLE	SBITAS PAYABLE	GENERAL OBLIGATION BOND	TOTAL PRIMARY GOVERNMENT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA	
2016	\$ -	\$ -	\$ 7,986,359	\$ 7,986,359	0.08%	129	61,813 \$ 9,707,080,000
2017	-	-	7,682,420	7,682,420	0.08%	122	62,856 10,124,380,000
2018	-	-	7,368,481	7,368,481	0.07%	115	64,102 10,702,857,000
2019	-	-	13,337,254	13,337,254	0.12%	175	76,281 11,438,260,000
2020	-	-	12,846,798	12,846,798	0.11%	143	90,012 11,993,275,000
2021	-	-	12,295,571	12,295,571	0.10%	130	94,608 * 11,993,275,000
2022	-	129,469	11,723,544	11,853,013	0.10%	124	95,847 * 11,993,275,000
2023	-	81,546	15,370,686	15,452,232	0.11%	159	97,093 * 13,454,189,000
2024	-	121,221	13,941,965	14,063,186	0.10%	143	98,472 * 14,166,672,000
2025	-	70,566	12,800,350	12,870,916	0.08%	129	99,851 * 15,956,449,000

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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.

* Estimated using latest available data

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

Schedule 10

FISCAL YEAR ENDED JUNE 30,	GENERAL OBLIGATION BONDS	LESS: AMOUNTS AVAILABLE IN DEBT			PERCENTAGE OF ASSESSED VALUE OF PROPERTY (1)		PER CAPITA (2)
		SERVICE FUND	TOTAL	PROPERTY (1)			
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	290,757	12,556,041	1.981%			143
2021	12,295,571	672,555	11,623,016	1.624%			130
2022	11,723,544	755,703	10,967,841	1.454%			124
2023	15,370,686	954,940	14,415,746	1.851%			159
2024	13,941,965	801,297	13,140,668	1.426%			143
2025	12,800,350	642,138	12,158,212	1.234%			129

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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) 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, 2025

Schedule 11

<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	\$ 180,025,000	32.50%	\$ 58,508,125
Beaufort County School District	520,046,600	32.50%	169,015,145
Town of Bluffton	16,354,481	23.40%	3,826,949
Subtotal overlapping debt	<u>716,426,081</u>		<u>231,350,219</u>
District direct debt	<u>12,870,916</u>	100.00%	<u>12,870,916</u>
Total direct and overlapping debt	<u>\$ 729,296,997</u>		<u>\$ 244,221,135</u>

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(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 2025

Assessed Value	\$ 985,363,430
Debt limit (8% of assessed value)	<u>78,829,074</u>
Debt applicable to limit:	
Go Bonds	(12,800,350)
Legal Debt Margin	<u>\$ 66,028,724</u>

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt Limit	\$ 38,148,192	\$ 41,789,909	\$ 45,757,890	\$ 49,517,194	\$ 49,490,895	\$ 57,241,228	\$ 60,356,807	\$ 62,303,863	\$ 73,731,914	\$ 78,829,074
Total net debt applicable to limit	<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>	<u>(11,723,544)</u>	<u>(15,370,686)</u>	<u>(13,941,965)</u>	<u>(12,800,350)</u>
Legal debt margin	<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>	<u>\$ 48,633,263</u>	<u>\$ 46,933,177</u>	<u>\$ 59,789,949</u>	<u>\$ 66,028,724</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>20.94%</u>	<u>18.38%</u>	<u>16.10%</u>	<u>26.93%</u>	<u>25.96%</u>	<u>21.48%</u>	<u>19.42%</u>	<u>24.67%</u>	<u>18.91%</u>	<u>16.24%</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

Schedule 13

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%
2022	1,076,842	550,000	443,694	108.37%
2023	1,197,431	580,000	418,194	119.96%
2024	1,770,264	1,405,000	518,907	92.01%
2025	1,447,278	1,117,000	489,437	90.09%

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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

Schedule 14

FISCAL YEAR ENDED JUNE 30,	POPULATION	PER CAPITA		SCHOOL ENROLLMENT (1)	UNEMPLOYMENT RATE (3)
		PERSONAL INCOME (2)	PERSONAL INCOME (2)		
2016	61,813	9,707,080,000	48,134	7,003	5.2%
2017	62,856	10,124,380,000	50,078	7,113	4.0%
2018	64,102	10,702,857,000	52,763	7,582	3.4%
2019	76,281	11,438,260,000	56,711	8,962	3.3%
2020	90,012	11,993,275,000	56,711	9,322	7.4%
2021	94,608	11,993,275,000	59,318	9,744	3.9%
2022	95,847	11,993,275,000	61,298	9,666	3.2%
2023	97,093	13,454,189,000	70,166	9,701	3.3%
2024	98,472	14,166,672,000	72,142	9,711	4.6%
2025	99,851	15,956,449,000	80,192	10,454	4.3%

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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	2025			2016		
	EMPLOYEES	RANK	PERCENTAGE OF TOTAL DISTRICT EMPLOYMENT	EMPLOYEES	RANK	PERCENTAGE OF TOTAL DISTRICT EMPLOYMENT
Beaufort County School District	1,080	1	N/A	573	1	N/A
EviCore National, LLC	600	2	N/A	362	3	N/A
Montage Palmetto Bluff	581	3	N/A	-	-	N/A
Publix	483	4	N/A	246	4	N/A
Inn at Palmetto Bluff & Palmetto Bluff Clubs	470	5	N/A	363	2	N/A
Kroger	381	6	N/A	136	8	N/A
Right at Home	246	7	N/A	-	-	N/A
Hargray Communications	200	8	N/A	162	7	N/A
NHC Healthcare/The Palmettos	194	9	N/A	183	6	N/A
Bluffton Township Fire District	170	10	N/A	130	10	N/A
Resort Services	-	-	N/A	186	5	N/A
Town of Bluffton	-	-	N/A	133	9	N/A
Total	4,405		N/A	2,474		N/A

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Source: 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

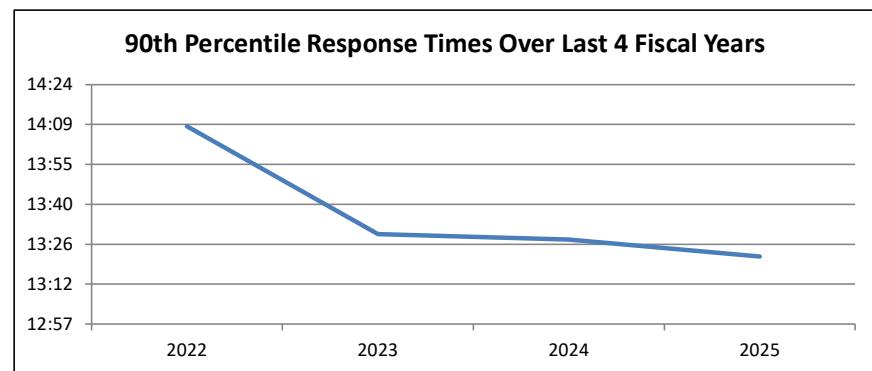
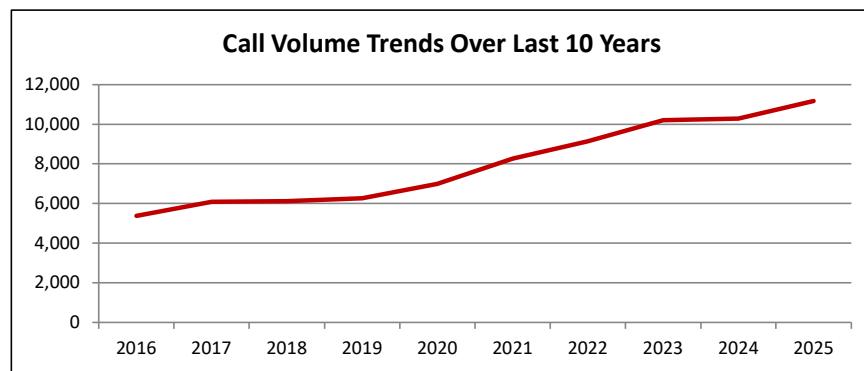
FUNCTION/PROGRAM	FISCAL YEAR									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Administration	7	8	8	8	9	11	11	11	7	7
Fire Prevention	5	5	4	4	5	3	3	3	9	8
Maintenance	5	4	5	5	5	5	5	5	5	5
Operations	108	112	121	122	123	128	135	143	139	146
Training	3	3	4	4	4	4	4	4	3	4
Total	128	132	142	143	146	151	158	166	163	170

Source: BTFD Human Resources Department

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

Schedule 17

	FISCAL YEAR									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
EMERGENCY SERVICES										
Territory Covered (Sq/miles)	246	246	246	246	246	246	246	246	246	246
NATURE OF CALL										
Fire	136	177	147	144	161	136	136	138	158	170
Overpressure, Rupture, Explosion	5	11	10	10	8	6	4	2	2	9
Rescue & EMS Incidents	2630	2788	2707	3264	4325	5280	6032	6698	6603	7175
Hazardous Conditions	101	95	104	95	96	117	131	108	130	129
Service Calls	533	680	588	613	752	959	1161	1317	1446	1615
Good Intent Call	1368	1634	1982	1630	1087	1088	982	1069	1122	1103
False Alarm & False Call	597	645	572	505	546	674	685	850	810	922
Severe Weather & Nature Disaster	6	53	10	6	20	8	6	22	10	47
Special Incident Type	2	0	4	0	0	0	1	1	1	1
TOTAL CALLS FOR FY	5,378	6,083	6,124	6,267	6,995	8,268	9,138	10,205	10,282	11,171
AVERAGE RESPONSE TIMES										
Fire Station #30	10:08	10:13	10:39	14:27	15:00	14:56	14:58	13:30	15:02	13:34
Fire Station #31	10:15	11:00	11:36	14:36	14:57	15:15	14:46	13:33	13:58	14:17
Fire Station #32	14:17	14:57	12:14	16:37	15:37	15:36	16:30	15:32	15:03	15:58
Fire Station #33	8:48	9:17	9:38	13:58	14:09	13:32	14:16	13:25	12:40	12:31
Fire Station #34	11:56	12:21	11:52	14:18	14:16	14:10	13:34	12:29	12:40	12:40
Fire Station #35	10:15	11:25	10:10	14:00	15:06	14:13	14:15	12:38	12:21	12:04
Fire Station #36	11:18	10:56	10:59	14:44	14:07	14:00	13:41	14:58	13:48	14:02
Fire Station #37	11:12	11:30	11:00	14:57	15:21	12:56	13:59	13:32	12:58	12:40
Fire Station #38	n/a	n/a	n/a	n/a	n/a	8:52	13:35	12:08	12:46	12:28
See Note 2	See Note 2	See Note 2	See Note 2	See Note 1	See Note 1	See Note 1				
District Average	10:55	11:30	11:12	14:31	14:39	14:21	14:09	13:30	13:28	13:22



¹Station #38 was initially staffed during FY21

²PSAP times from 2013-2018 were calculated as a total average of responses and starting in 2019 the BTFD switched to tracking the 90th percentile response in preparation for the CPSE accreditation model.

n/a - Information is not available.

Source: BTFD Analytics Division Chief

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

Schedule 18

<u>FUNCTION/PROGRAM</u>	<u>FISCAL YEAR</u>									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
EMERGENCY SERVICES:										
FIRE STATIONS										
NUMBER OF MANNED FIRE STATIONS	8	8	8	8	8	9	9	9	9	9
NUMBER OF UNMANNED FIRE STATIONS	-	-	-	-	-	-	-	-	-	-
Total Fire Stations	8	8	8	8	8	9	9	9	9	9
FIRETRUCKS										
NUMBER OF FIRE ENGINES	19	10	10	10	10	10	10	10	10	12
NUMBER OF AERIAL APPARATUS	2	2	2	3	3	3	3	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	3	3	3	3	3	3	3
NUMBER OF RESCUE BOATS	1	1	3	3	3	3	2	2	2	-
NUMBER OF SUPPORT VEHICLES ¹	22	20	18	22	24	24	25	25	25	28
Total Vehicles	49	38	38	44	46	46	46	46	46	49

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

Source: District capital asset records



COMPLIANCE SECTION



Richard D. Crowley, CPA, CVA
Lisa T. Wechsler, CPA, CFE
Jordan Graham, CPA

Member:
American Institute of CPAs
South Carolina Association of CPAs

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

To the Board of Commissioners
Bluffton Township Fire District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Bluffton Township Fire District, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Bluffton Township Fire District's basic financial statements, and have issued our report thereon dated November 17, 2025.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Crowley Wechsler & Associates LLC

Crowley Wechsler & Associates LLC

Beaufort, South Carolina

November 17, 2025