



2020-2025 Fiscal Projection for Jasper County, SC

Including County, School District, Hardeeville, and Ridgeland

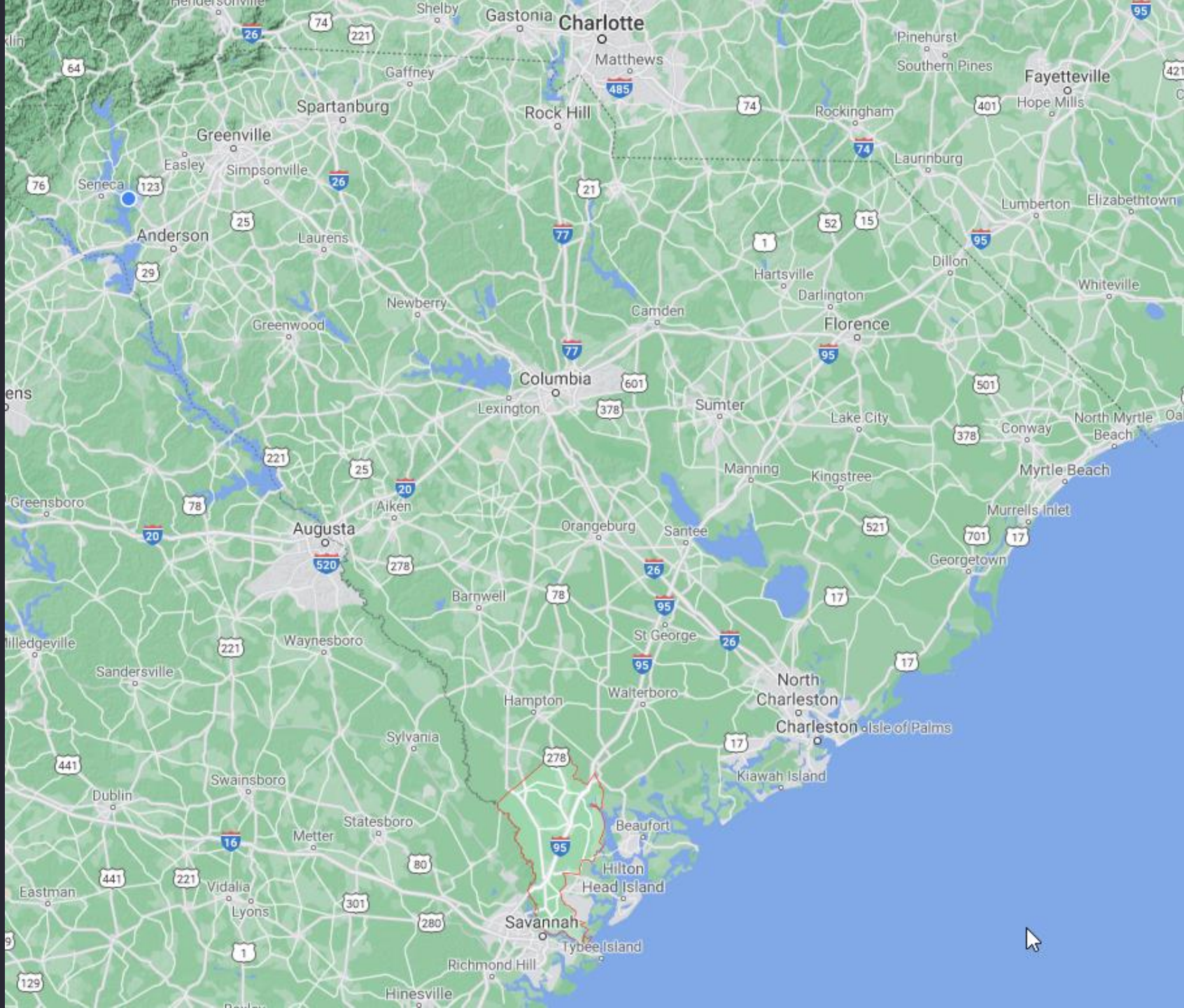
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Methodology (in brief)

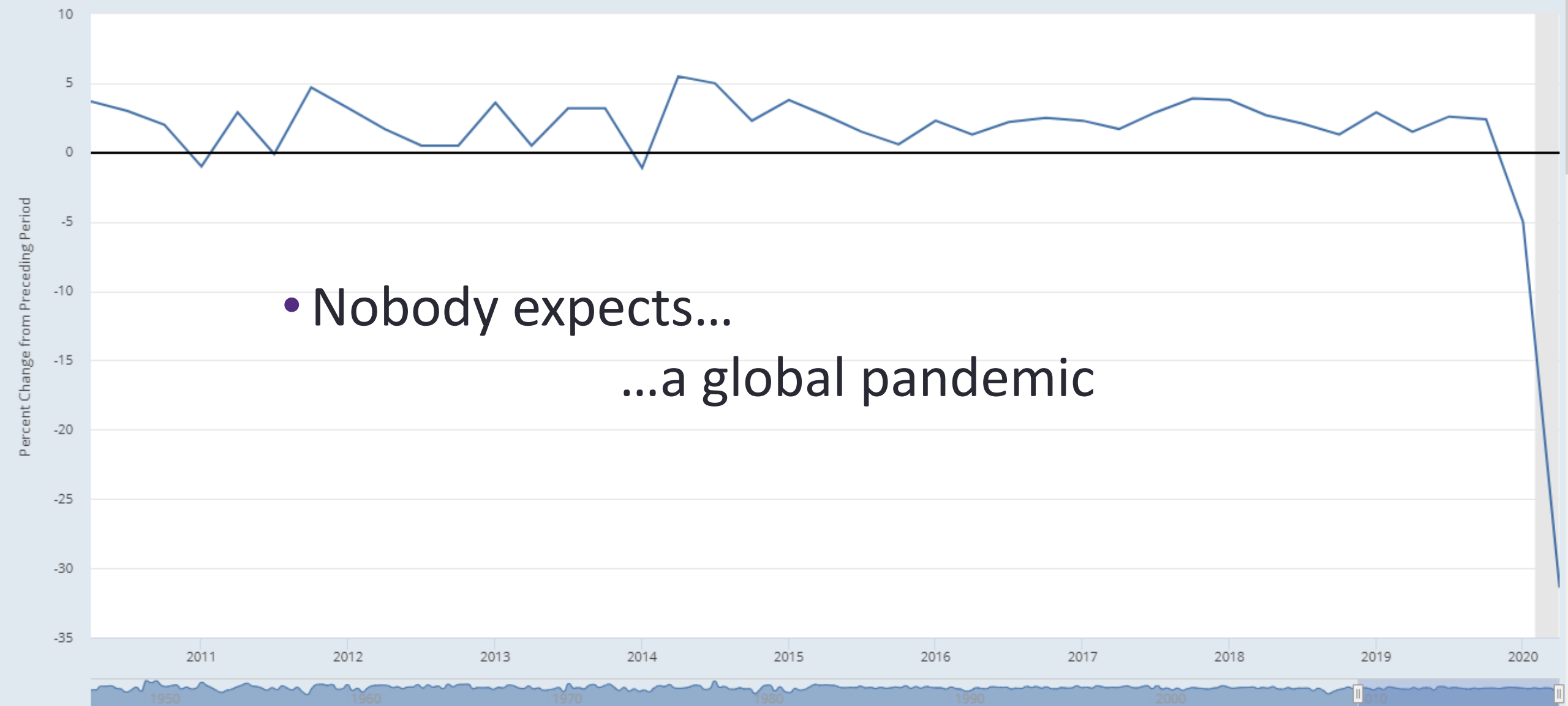
- Fiscal Projection
 - Historical data from CAFRs
 - Utilized outputs from REMI model
 - Projected
 - Expenditures
 - Revenues
 - Net revenue = Revenues – Expenditures
 - This analysis limited to general fund items

Methodology (in brief)

- Primary REMI projections used for fiscal modeling:
 - Population (total and school-age)
 - Residential & non-residential capital stock (a.k.a., property tax base)
 - Output (total sales)
- Some items (not showing clear trend/correlation) averaged over historic years

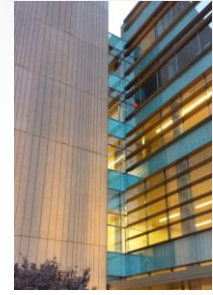
Methodology (in brief)

- Assumptions made to keep model reasonably conservative
- Assumed no millage rate (or other funding formula) changes after 2019
- All dollar values in constant 2017 dollars
- Regional control updated beyond LHY with new investment (provided by SouthernCarolina Regional Development Alliance)



- Nobody expects...
...a global pandemic





Projections

Jasper County School District



Table 2. Methodology for School District Fiscal Projections

Budget Item:	Calibrated to REMI Projection for:
Revenues	
Revenues from Local Sources	
Ad Valorem Taxes	Indexed to growth in non-residential capital stock
Revenue in Lieu of Taxes	Indexed to growth in non-residential capital stock
All other revenue from local sources	Average of 2014-2018 historic values
Revenue from State Sources	
Restricted State Funding	
Home Schooling	Average of 2014-2018 historic values
Handicapped Transportation	Average of 2014-2018 historic values
Bus Driver Salary	Average of 2016-2018 historic values
Employee Fringes (incl. retirement)	Indexed to enrollment
Other	Excluded from forecast
Education Finance Act (EFA)	Indexed to enrollment
State Revenue in Lieu of Taxes:	
Tier I	Nominal value fixed at 2018 level (real value decreased by annual rate of inflation)
Tier II	Nominal value fixed at 2018 level (real value decreased by annual rate of inflation)
Tier III	Nominal value fixed at \$2.5 million (real value decreased by annual rate of inflation)
Other Rev. In Lieu of Taxes	Average of 2014-2018 historic values

Jasper County School District



Table 2. Methodology for School District Fiscal Projections

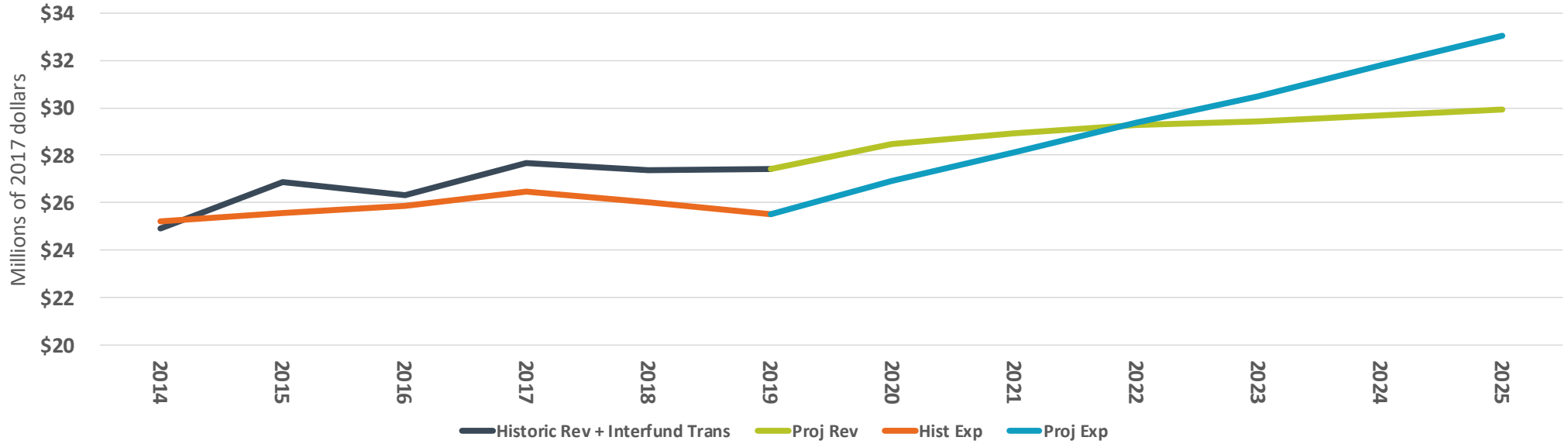
Budget Item:	Calibrated to REMI Projection for:
Expenditures	
Instruction	
General Instruction:	
Kindergarten	Indexed to enrollment
Primary	Indexed to enrollment
Elementary (Middle)	Indexed to enrollment
High School	Indexed to enrollment
Other Programs	Indexed to enrollment
Support Services	Indexed to enrollment
Other Charges (Payments to Other Govt Units)	Average of 2014-2018 historic values
Debt Service	
Sale of Fixed Assets	Average of 2014-2018 historic values
Other Financing Sources (Uses)	Average of 2014-2018 historic values
Interfund Transfers	
Transfer (to) from Special Revenue	Average of 2014-2018 historic values
Transfer (to) from Pupil Activity	Average of 2014-2018 historic values
Transfer (to) from Special Revenue EIA Fund	Average of 2014-2018 historic values
Transfer (to) from Food Service Fund (Excl. Indirects)	Average of 2014-2018 historic values
Transfer (to) from Other Funds Indirect Costs	Average of 2014-2018 historic values

Jasper County School District

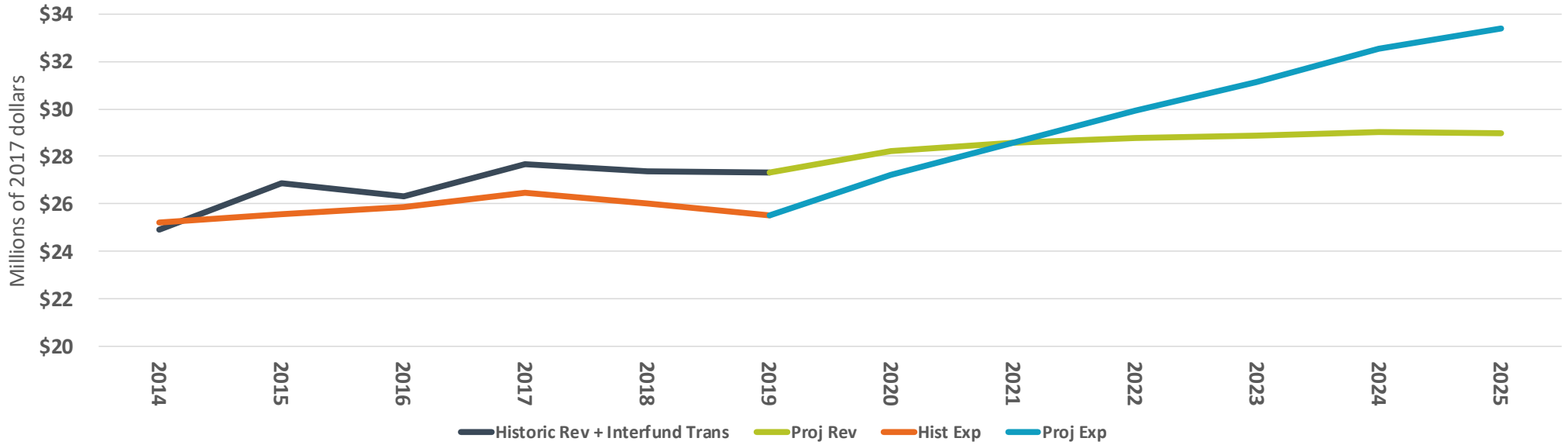


- Enrollment growth
 - Less than school-age population growth, however
- Relatively flat ad valorem tax revenue growth
- Expenditures projected to grow faster than revenues
- Act 388
 - ...more later

Pre-COVID School District Rev. vs. Exp., Historic & Projected



Post-COVID School District Rev. vs. Exp., Historic & Projected (Preliminary)



Jasper County Government



Budget Item:	Calibrated to REMI Projection for:
Revenues	
Taxes	Residential + non-residential capital stock
Fines, Fees and Licenses	Average of 2012-2018 historic values
Intergovernmental	Population
Miscellaneous	Excluded from forecast
Expenditures	
Current:	
County Council	Average of 2012-2018 historic values
County Attorney	Average of 2012-2018 historic values
Administrator	Average of 2015-2018 historic values
Administrative Services	
Tax Collector	Average of 2012-2018 historic values
Assessor	Population
Finance Dept.	Local government employment
Register of Deeds	Population
KAB	Excluded from forecast
Human Resources	Local government employment
Development Services	
Economic Development Dept.	Average of 2016-2018 historic values
Business Licenses	Output
Planning Commission	Output
Recreation Dept.	Population
Sgt. Jasper Park	Population
Building Permits	Average of 2012-2018 historic values
Emergency Services	
Emergency Telecom.	Average of 2012-2018 historic values
Levy Fire Contract	Average of 2015-2018 historic values

Jasper County Government



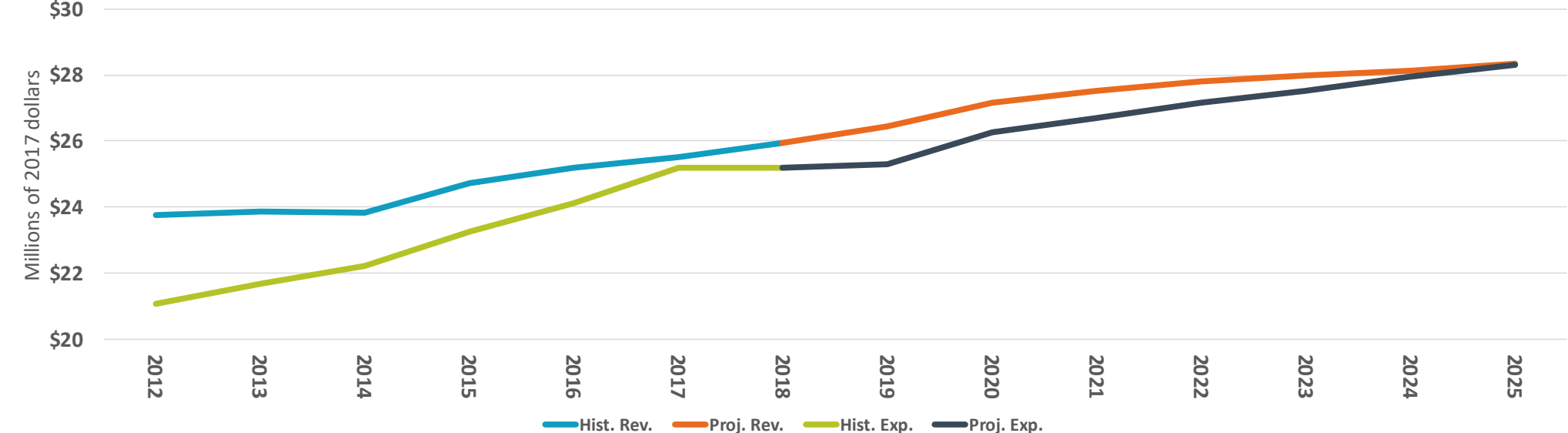
Budget Item:	Calibrated to REMI Projection for:
Fire & Rescue	Population
Emergency Services Dept.	Average of 2016-2018 historic values
Detention Center	Special Population
Cherry Point Fire Station	Average of 2017-2018 historic values
Information Technology	Local government employment
Engineering Services	Average of 2016-2018 historic values
Treasurer	Population
Auditor	Population
Probate Judge	Average of 2012-2018 historic values
Clerk of Court	Average of 2017-2018 historic values
Sheriff Dept.	
Sheriff	Population
Victims Witness Program	Average of 2012-2018 historic values
Sheriff Child Support	Excluded from forecast
Magistrate	Average of 2015-2018 historic values
Veterans Affairs	Average of 2015-2018 historic values
Election Commission	Average of 2015-2018 historic values (alternate years)
Coroner	Population
Interdepartmental	Average of 2017-2018 historic values
Health, Education & Welfare	Average of 2016-2018 historic values
Debt Service:	
Principal	Average of 2012-2018 historic values
Interest	Average of 2012-2018 historic values
Capital Outlay	Population
Other Financing Sources (Uses)	
Transfers In	Average of 2012-2018 historic values
Transfers Out	Average of 2012-2018 historic values

Jasper County Government

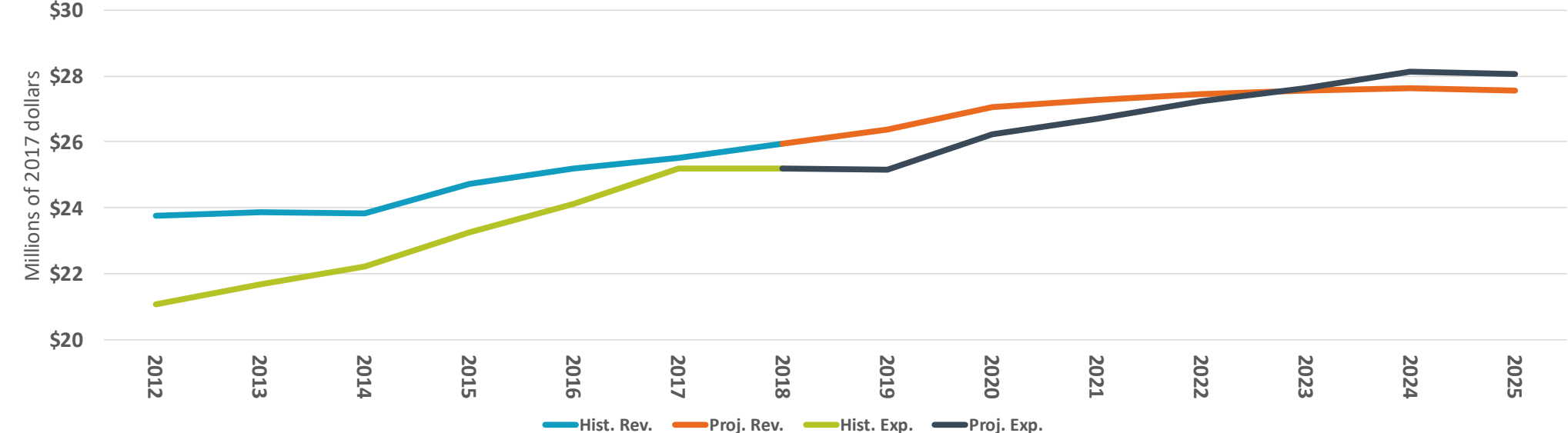


- Population projected >37,000 by 2025
 - (Currently ~30,000)*
- Modest growth in ad valorem tax revenue
- Expenditures growth slightly faster than revenue
 - But surpluses projected to continue for next few years

Pre-COVID County Government Rev. vs. Exp., Excluding Transfers



Post-COVID County Government Rev. vs. Exp., Excluding Transfers (Preliminary)



Jasper County Government



- Staffing needs:
 - Fire & Rescue
 - 2018 value: 43
 - Proj. 2025 need: 60
 - Sheriff
 - 2018 value: 40
 - Proj. 2025 need: 56

Jasper County Government



- “Break even” home value
 - Assumes 2.58 persons per household
 - Cost of new household to county:
 - New construction \$908
 - Existing structure \$862
 - Home value needed to generate sufficient property tax revenue:
 - \$140,000 - \$147,500

Conclusion

- Effects of Act 388
 - County & municipal – 15% assessment cap
 - Along with inflation, may account for increase in “break even” home value since previous study
 - School district
 - Cannot tax primary residences for operating revenue
 - Disconnects source of demand from source of operating revenue
- COVID-19
 - Impacts both revenues & expenditures (to differing degrees)



The Clemson University Regional Economic Analysis Laboratory (CU-REAL) conducts public policy and economic and fiscal impact analysis for public, private, and non-profit sector clients. CU-REAL is a unit of the Department of Political Science, College of Behavioral, Social & Health Sciences.



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