

**Dorchester County, South Carolina
Department of Business Services**

**Annual Comprehensive
Financial Report**

For the Fiscal Year Ended June 30, 2022

December 2022





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DORCHESTER COUNTY, SOUTH CAROLINA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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INTRODUCTORY SECTION



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December 19, 2022

To the members of County Council and the citizens of Dorchester County, South Carolina:

State law requires every general-purpose local government publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) in the United States of America and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. This report is published to fulfill that requirement for the fiscal year ended June 30, 2022.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for this purpose. The cost of internal controls should not exceed anticipated benefits. Accordingly, the objective of internal controls is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Mauldin & Jenkins, LLC, have issued an unmodified opinion on Dorchester County's (the "County") financial statements for the year ended June 30, 2022. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis ("MD&A") immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with the financial statements.

Profile of the Government

Dorchester County is located in the southern part of South Carolina and bordered by the counties of Bamberg, Berkeley, Charleston, Colleton, and Orangeburg. It occupies 568 square miles in South Carolina. Dorchester County is a mixed landscape of suburban development in the lower part of the County in the Summerville area, rural development primarily concentrated in compact nodes as incorporated towns and unincorporated communities, and an abundance of pristine environmental resources. Incorporated towns located in rural Dorchester County include Harleyville, Reevesville, Ridgeville, and St. George. The Town of Summerville and the City of North Charleston are the more densely populated areas of the County. The City of North Charleston and Town of Summerville overlap three counties: Dorchester, Berkeley, and Charleston Counties. The County seat is located in St. George.

Dorchester County boasts award winning school districts and one of the longest free flowing black water rivers in North America. Dorchester County's natural beauty and unwavering sense of community is what makes it the best county in South Carolina to build a business and raise a family.

Dorchester County currently employs more than 1,000 employees organized into 33 departments which provide a full range of County-wide services that include, but are not limited to:

- General administration – administrative and legal services, voter registration, veterans' assistance, information technology support, human resources, risk management, public information, financial services, building maintenance, and fleet maintenance.
- Public safety – County-wide law enforcement (Sheriff's Office), detention facilities, consolidated dispatch center, emergency preparedness plans to include activation of the County's Emergency Operations Center in an event of a disaster, as well as countywide fire protection in unincorporated areas in addition to the incorporated towns of St. George, Harleyville, Ridgeville, and Reevesville.
- Growth management – planning and zoning administration, building services (plan review and permitting), and economic development.

- Health and general welfare – Emergency Medical Services (EMS), alcohol and other drug abuse services, indigent health care, social services, code enforcement, animal control, and mosquito control.
- Recreation – management of four parks and several hundred acres of parklands preserved for future park development.
- Urban and Rural street and drainage maintenance.
- Waste disposal and recycling at 14 convenience sites County-wide.
- Criminal, civil, probate, family court, Master in Equity, and Magistrate’s court administration in County court and in state courts with the support of the elected Clerk of Court.
- Public defender and Solicitor’s office assistance.
- Property assessments, tax billing (Auditor’s Office), collection and disbursal to appropriate entities/municipalities (Treasurer’s Office).
- Water and sewer – operation of water wells, elevated water storage tanks, water lines, wastewater treatment plants, gravity sewer lines, sewer force main and pump stations.

Dorchester County operates under a Council-Administrator form of government. A seven-member County Council is elected by district and provides policy direction to the County. Each member of Council is elected by single-member districts and serves four-year terms. All legislative and administrative powers of the County and the determination of all matters of policy are vested in the County Council. The County Council enacts, and the County Administrator administers and enforces ordinances and resolutions relative to municipal services, levy taxes, establish appropriations, issue debt and institute other fees and regulations, which aid in the maintenance of equitable treatment and quality standards within the County. Each member of council has one vote in each matter. The County Administrator ensures that management functions are carried out within the policies and procedures endorsed by Council along with ensuring personnel requirements and budget constraints are upheld by department heads charged with managing the daily operations necessary to provide services to the residents and businesses of the County.

The County’s fiscal affairs are budgeted annually and in accordance with Article X of the South Carolina Constitution. After input from the department heads and the Chief Financial Officer, the County Administrator presents the proposed budget to Council. A public hearing is held; the proposed budget is further reviewed and ultimately adopted by County Council. At the request of a department, line items may be adjusted by the County Administrator although transfers cannot be made in personnel line items without the approval of County Council. To modify the original ordinance adopting the budget, formal action must be taken by County Council.

Blended component units, although legally separate entities, are, in substance, part of the primary government's operations and are included as part of the primary government. The Dorchester County Transportation Authority and the Dorchester County Library are both being shown in the government-wide statements in the governmental activities, and in the fund financial statements.

Local Economy

Population estimates for the County to continue to surge. Between the 2010 and 2020 Census, the County experienced population growth of 18.7%, bringing total population to 161,540. In the year since the 2020 Census, population increased to 163,327, adding nearly five persons per day. Dorchester County has a strong tax base and continues to experience growth in business and residential activity. In 2022, several new and redeveloped properties were either opened or announced, along with an increase in new industrial growth. In the unincorporated area of the County, over 1,000 new homes were issued certificates of occupancy and over 33,000 building inspections were completed, a 10% increase from the prior year. The Summers Corner Improvement District, part of the East Edisto master-planned development, saw 634 parcels subdivided in the prior year, more than four times the prior year, bringing the total residential lots to 1,079 as of January 1, 2022. The number of occupied residential units in the district is growing with an average of 30 closings per month, even as the housing market has cooled due to rising interest rates.

Dorchester County continues to experience robust activity in residential and commercial construction. Building permits valued at \$320,827,518 (residential) and \$86,218,619 (commercial) were issued during fiscal year 2022. Permits are expected to continue to rise as a result of newly announced residential communities, multi-family, and industrial development. Residential permit activity in fiscal year 2022 represents a 7% increase over the prior year. Commercial activity values fluctuate due to large projects, such as the Walmart Distribution Center that was permitted in the prior year.

The aforementioned Summers Corner is located in a rapidly growing area of the County and is bordered by portions of Highways 17A, 165 (Deleamar), and 61 (Beech Hill, Boone Hill) which consists of 6,932 acres of mixed-use planned development. At build-out, it is anticipated that there will be over 8,000 residential units and 193 acres of commercial development intertwined with open space and recreational amenities. According to the Charleston Trident Association of Realtors MLS, as of June 30, 2022 there were 285 residential properties under contract for sale in various stages of construction and another 276 closed during the same period, more than double compared to the prior year.

Residential growth is occurring in other areas in a more significant fashion than prior years. These developments include Homecoming on Deleamar Highway, which is a mix of single family and townhome structures as well as Watson Hill on Ashley River Road, which is predominantly single family. In the Jedburg area off Orangeburg Road, two unique developments are in the final stages of construction. Both are large townhouse communities which are offered for lease by a management company. One of these developments sold in the past year as it was nearing completion at over \$400,000 per key, a record for the type of construction in the area. All units are assessed at 6%, non-owner occupied, which strengthens the County's revenue base and provide more support to the growing school system in the community.

Additionally, numerous commercial projects are under construction or are in the plan review process. Port 95, a 1.3 million square foot distribution center, is in the early stages of construction at the Winding Woods Commerce Park near St. George. The County partnered with the federal government to construct a 500,000 gallon above-ground water storage tank at Winding Woods, which will serve the entirety of the park and is already stemming additional interest in the residual land still available for development. Further east on Highway 78, Kion North America, an existing industry in the County that manufactures industrial trucks, recently announced a major expansion that will create 450 jobs. That announcement was made on the heels of Robert Bosch, the longest-standing industry in the County also announcing an expansion that will create 350 jobs on top of a \$260 million investment, as the company moves to manufacture components for electric vehicles at the plant, namely engines for Rivian's R1T pickup truck.

Commercial and residential construction are expected to show growth over the next five years and into the future. The COVID-19 pandemic did not negatively impact the local economy or government operations at all, especially in consideration of the degree seen in other jurisdictions, primarily due to strong strategic planning in various sustainability initiatives.

While a laser focus on industrial growth is important, Dorchester County continues to take a more active role in retail development and the potential for mixed-use projects in various areas. Recognizing the gap in the downtown Summerville area and the growth occurring on the other side of the County line, the County has taken steps to redevelop its services campus at 500 N Main Street. This property was an old hospital, converted into offices over the years, and sits on over five acres of property which represents the largest contiguous parcel in the downtown core. Since completing a master plan of the site in the past year, the County has solicited proposals from firms interested in purchasing the entire block and developing a mixed-use campus to include retail, multi-family housing, lodging, and restaurants. Two firms submitted proposals, which are currently under review with action anticipated in early-2023. Initial estimates indicate that the site could support over \$100 Million in new investment given the state of the local market. Without having to offer competitive incentives, there remains a strong interest in retail development, particularly in the Ladson and North Charleston areas. In the past year, new strip centers and standalone retail have been announced or opened, to include a Lidl grocery store, PetSmart, Ulta Beauty, Firehouse Subs, and Chick-fil-a.

Long-Term Financial Planning

Future financial requirements are directly linked to the vision and goals outlined in Dorchester County's Comprehensive Plan, Strategic Plan, and Capital Improvement Plan.

Dorchester County has partnered with a firm named Envisio to bring various plans, including the strategic plan, into a more transparent means of delivery. Currently under development, this will allow the public to research and view the status of strategic initiatives in real time.

The Strategic Plan is reviewed each year as part of the annual budget process by County Council in a retreat setting. The plan is subject to amendment based on the needs of the County but is significantly updated every three years. The goals and objectives as stated in the Strategic Plan are used to guide the capital and operational spending plan for the County over the course of those three years. The County revised and County Council subsequently adopted a new plan in March 2019.

The Capital Improvement Plan ("CIP") is a five-year fiscal planning tool that is used to identify needed capital projects and the appropriate funding and timing for those projects. The CIP is prepared annually based on submissions from the County's various departments. The County Administrator and Chief Financial Officer review each project and present a recommended CIP to County Council. A financing strategy for approved projects is developed based on a comprehensive financial forecast. The future impact of the completed projects on the annual budget, including operational and staffing costs, is also considered.

The County analyzes many financial indicators using a set of Microsoft Excel-based tools encompassed in a product called Municast. The analysis of these indicators is designed to present information on the fiscal health of the County which can then be used as one of the factors influencing short-term organization-wide decisions and the long-term financial forecast.

The County's financial trends are analyzed quarterly utilizing many factors in order to understand the financial condition of the County. Forecasting requires estimating the future value of revenues and expenditures. It involves determining how the County's total financial program will be affected by changing demographic and economic factors. It addresses the question of whether the County will have sufficient resources to meet the resource requirements of ongoing, planned or mandated programs given assumptions about local financial policies and economic trends. Forecasting has the added value of providing a planning tool for capital projects and whether bonded indebtedness will be required for capital funding. In summary, it provides an estimate of the financial flexibility of the County, as well as insight into tax, revenue, and service options the council must address.

Forecasting is not an exact science and at times relies upon the best professional judgment of the forecasters. In order to reduce the risks of miscalculating revenues or expenditures, the goal is to identify as many factors as possible that may contribute to changes in revenues and expenditures. The County's revenue and expenditure budgets are comprised of many unique elements that respond to a variety of external factors such as population growth, development, inflation, and interest rates.

The revenue forecast begins with evaluating prior year actual trends. The remaining years of the revenue forecast are from consensus forecasts of trends in key economic and demographic indicators. These forecasts typically cover global, regional and state or tri-county area as a whole, so adjustments to reflect unique conditions in the County are necessary.

The goal is to match revenue sources with the economic and demographic variables that most directly affect year-to-date changes in those revenues. For example, revenue such as the 1% sales tax will reflect consensus forecasts related to taxable sales growth. In contrast, revenue from building permits and plan review are tied to the expected trends in development. Other revenues, such as those from EMS services, are linked to the County's expected population growth or fee increases. By identifying and utilizing as many revenue-related variables as possible in the forecast, the goal is to minimize the risk of overstating or understating revenues that could arise from using only a few variables to forecast all revenue sources.

The expenditure forecast begins with prior year expenditures adjusted for non-recurring expenditures. Expenditure growth is closely linked to two major factors:

- 1) Inflation which includes general inflation, market adjustments to salaries and changes in benefit costs.
- 2) County financial policies and strategic plan related to the amount of new funding added each year for new programs and the expansion of existing programs.

As with the revenue forecast, consensus forecasts of trends in key economic and demographic indicators are factored into the County's expenditure forecast. For certain expenditure categories such as fuel and utilities, inflation factors are used that reflect the historical rate of price inflation in these categories relative to overall inflation. Amounts for new programs and expansions are assumed to be constant over the forecast period.

In February 2022, Standard & Poor's raised its rating on Dorchester County's general obligation debt to AA+ and Moody's Investors Service maintained Dorchester County's General Obligation bond rating of Aa1. With the Standard & Poor's upgrade, the County is rated amongst the strongest credit for counties in South Carolina, with only five having stronger ratings.

Relevant Financial Policies

The County's financial decisions are guided by formal and informal financial policies designed to provide a consistent and measurable framework for County decision makers.

The County, as a political subdivision of the State of South Carolina, is required to prepare and maintain a balanced budget. For the fiscal year ended June 30, 2022, the County's budget was balanced.

Unassigned fund balance of approximately \$34,376,598 in the General Fund for the fiscal year ended June 30, 2022 represents 44.7% of subsequent year projected revenues. County policy requires the unassigned fund balance in the General Fund be no less than 32% of General Fund projected revenues for the subsequent year. In the case of the General Fund, a goal of 40% of the subsequent fiscal year's projected revenues is also enacted via the County's fund balance policy. In the event that the 40% threshold is exceeded, the difference shall be transferred to the County Reserve Fund until it attains its requirement to be committed for disaster recovery. Based upon policy, there will be a transfer to the Reserve Fund in fiscal year 2023 of \$615,853. With a balance of \$7,072,047 as of June 30, 2022, the balance of the Reserve Fund is equivalent to 9.2% of subsequent year projected revenues. The County is actively seeking reimbursement from FEMA for federally declared disasters which will continue to increase this balance as reimbursements are received. In the event that both unassigned fund balance meets 40% and the Reserve Fund exceeds 10%, excess fund balance may be used for one-time capital or to retire debt.

With regards to the effective management of debt, the County does not further restrict the State Constitutional debt limit of 8% of the assessed value of the locality with regards to limiting expenditures for debt service, however a detailed debt management and post issuance disclosure policy was adopted by County Council on December 1, 2014 and revised on July 1, 2019. This policy defines the specific types and uses of short and long-term debt. Additionally, the policy sets thresholds for the effectiveness of mechanisms such as advance refunding's (3.0% of net present value savings) and dictates debt planning activities required in anticipation of the issuance of new debt.

Other relevant financial policies include Grants, Accounting and Financial Reporting, Budget Preparation and Administration, Revenue, Debt Management and Post-Issuance Disclosure, Fund Balance and Working Capital, Investment, and Fixed Asset. Full policies are available in the appendix of the County's Annual Budget Document which is published at www.dorchestercountysc.gov/budget.

Major Initiatives

County Council continues to support an aggressive Capital Improvement Plan to better serve the needs of the community. In 2022, Dorchester County issued \$43,000,000, Series 2022, General Obligation Bonds, pursuant to referendum measures that were passed by voters in November 2019. These bonds follow a Series 2020 issuance related to the same referendum. Proceeds will be expended on the construction of Pine Trace Park, a nearly 300-acre facility that will offer active and passive recreation in the Town of Summerville. Additionally, the issuance will support the construction of three libraries. Of the three, one in North Charleston and another across the street from the recently opened Ashley River Park are already under construction. The final, to be located in downtown Summerville, is being designed. While this concludes the bonds authorized by the 2019 referendum, the County has seen tremendous positive public sentiment related to the authorized projects, in part due to the quality of construction and thoughtfulness of design. The previously mentioned Ashley River Park, which was funded by the Series 2020 bonds, has generated over \$500,000 in operating revenue since the gates opened in March 2022.

During fiscal year 2022, County Council authorized a referendum to be placed on the November 2022 ballot, to determine if the County should end its existing 1% Transportation Sales Tax program early and establish a new one, since the majority of the projects contemplated under the 2004 measure were complete. Voters ultimately approved the referendum and a subsequent question authorizing the issuance of bonds for the projects. As a result, the County will embark upon a \$700,000,000 road program spanning 15 years, which includes an additional \$35,000,000 in greenbelt funding. The approval of the referendum will fund a significant portion of the County's unfunded road projects. To expedite, \$10,000,000 in General Obligation bond anticipation notes are being issued prior to the conclusion of 2022.

From an operational standpoint, the County continues to strive to meet the demands of a growing community by providing adequate resources to departments. In the subsequent fiscal year, 28.75 full-time equivalent positions were added, the majority of which are in public safety departments. This includes five new Deputies in the Sheriff's Office in order to staff all schools with School Resource Officers and six new Captains in Fire Rescue, which completes the County's goal to have three full-time personnel on each fire apparatus. Also, with the success of the Parks and Recreation Department, a Marketing and Special Events Manager and Office Manager were funded to supplement the operational staff added in the prior year. As the County experiences rapid growth, it will be important to continue to monitor all lines of service delivery to ensure long-term sustainability. As part of the base budget for fiscal year 2023, the County implemented an adjustment to the entire pay scale, bringing the minimum hourly wage to \$14.00, which will aid in recruitment of new staff and retention of critical positions in those grades. The minimum hourly wage will be increased for each of the next two years until it reaches \$15.00, and another compensation study can be performed.

Growth in Dorchester County poses a significant threat to the sustainability of operations from a long-term perspective. Updated residential growth figures point to a less than sustainable trend in this regard and staff is working across the board to provide creative approaches to diversify the County's tax base and revenue sources. The Planning Department is working with staff in Business Services and independent consultants to create fiscal impact analyses for new residential development, to ensure this development does not adversely impact the County's operations or provision of services. With the changes to the County's planning and land development ordinance in 2021 requiring this analysis to occur, staff will be able to tie residential growth to the County's long-term capital plans and financial forecasts with more specificity. Two of these studies have been completed and the County has now embarked upon a plan to create an in-house software that will run these studies for all developments that do not have "by right" zoning.

In 2022, the County received the second tranche of \$15,811,870 for a total authorization of \$31,623,740 in funding from the American Rescue Plan Act. County Council has already obligated a significant portion of this funding for allowed purposes under the final rule from U.S. Treasury. Funding includes a major expansion to broadband internet service in unserved and under-served areas of the County, a partnership project to construct a homeless shelter, a medical facility in the St. George area, expansion of services in the Fire-Rescue and Emergency Medical Services departments, and other initiatives that aid the County in response to the COVID-19 pandemic.

While not negatively impacted by the COVID-19 pandemic in any significant manner, the American Rescue Plan Act has enabled the County to accelerate completion of strategic plan goals and aided the capital improvement plan with funding for eligible projects. Recently, the County purchased a former Bi-Lo grocery store that had been vacant for many years. This 47,000 square foot facility will be transformed into the Central Health and Human Services Campus, housing the Department of Health and Environmental Control, Department of Social Services, and Department of Health and Human Services. The spaces these agencies currently occupy are outdated and dysfunctional due to the growth in their missions. The consolidation to one campus will increase accessibility while investing in an area that has become blighted.

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized ACFR, which satisfies both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR meets the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility.

The County also received GFOA's Distinguished Budget Presentation Award for the seventeenth time for fiscal year 2022. To receive this award, the budget process and documents must meet program criteria as a policy document, operations guide, financial plan, and communications device. The fiscal year 2023 budget has been submitted to the awards program.

The preparation of this report would not have been possible without the efficient and dedicated service of the Business Services Department and the leadership of the Financial Services Manager and Asset Manager. We wish to express our appreciation to the County's various departments who assisted and contributed to its preparation. Credit also must be given to County Council for their unfailing support for maintaining the highest standards of professionalism in the management of Dorchester County's finances.

Respectfully submitted,



Jason L. Ward
County Administrator



Daniel T. Prentice
Chief Financial Officer



Jessica D. Carraher
Director of Business Services

DORCHESTER COUNTY, SC
LISTING OF KEY OFFICIALS

County Council

William Hearn – District 6 – Chairman
Jay Byars – District 7 – Vice Chairman
Harriet Holman – District 1
David Chinnis – District 2
George Bailey – District 3
Todd Friddle – District 4
Eddie Crosby – District 5

Tracey L. Langley – Clerk to County Council

County Administration

Jason L. Ward, County Administrator
Daniel T. Prentice, Deputy County Administrator/CFO
Mario G. Formisano, Deputy County Administrator for Public Safety
Bryan T. Havir, Assistant County Administrator for Community Services
Jessica D. Carraher, Director of Business Services

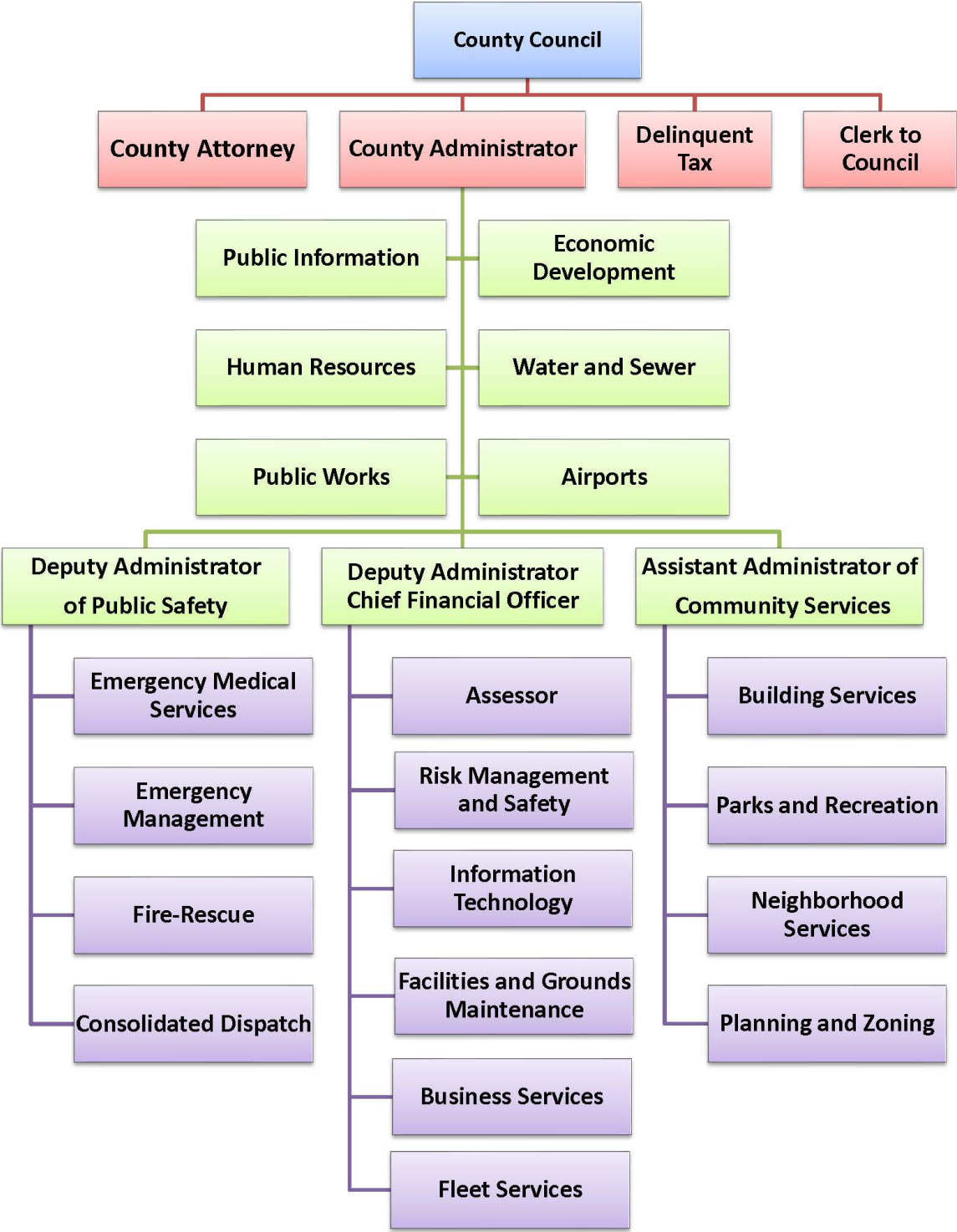
Elected Officials

James H. Messervy Jr. – Auditor
Cheryl Graham – Clerk of Court
Paul Brouthers – Coroner
Mary Blunt – Probate Judge
Margaret Bailey – Register of Deeds
L.C. Knight – Sheriff
Cindy Chitty – Treasurer

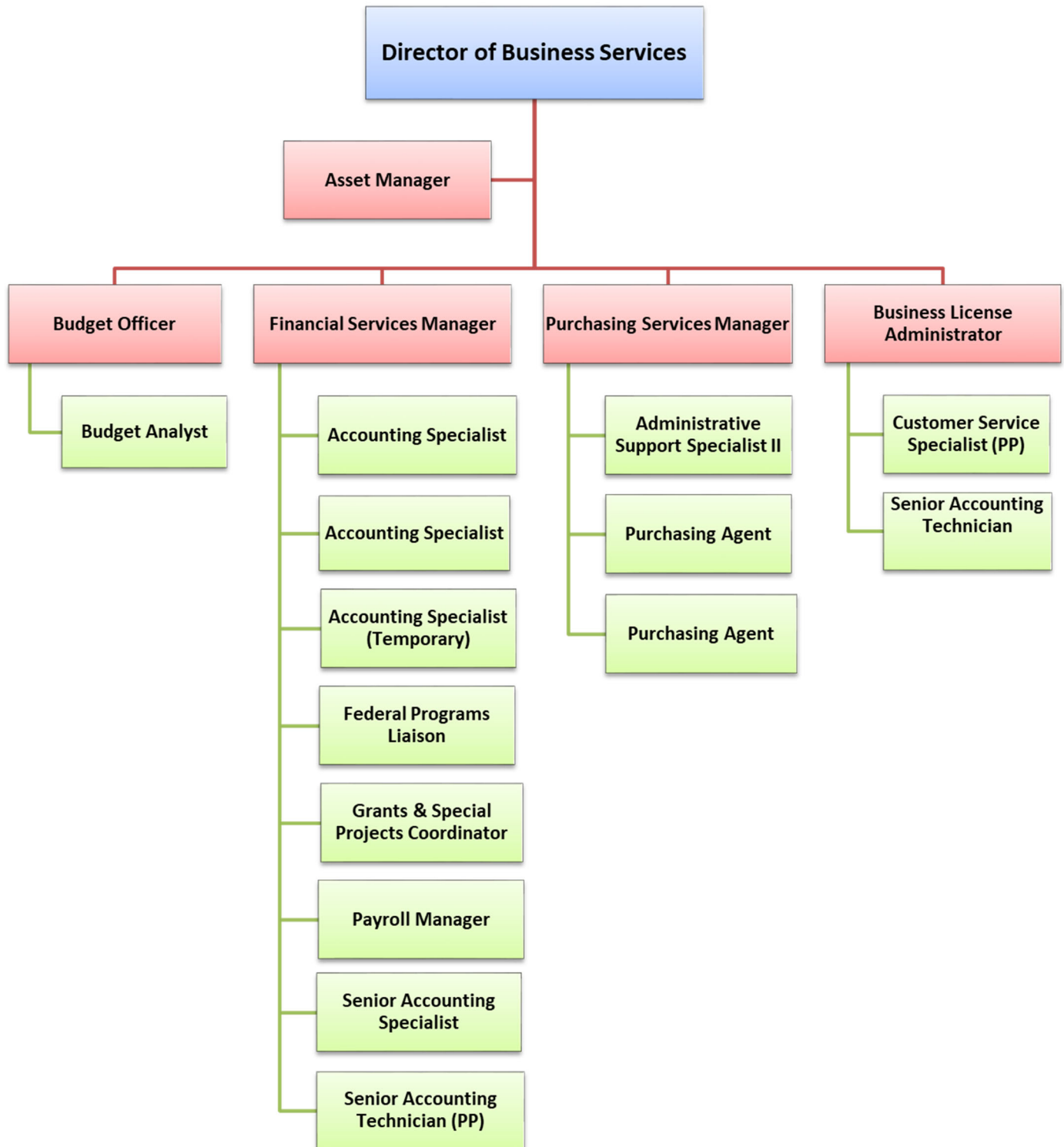
Appointed Officials

John Frampton – County Attorney
Sidney M. Jones – Delinquent Tax Collector
Kizzie Scott – Director of Elections and Registration
Jackie Jenkins – Chief Magistrate
James Chellis – Master in Equity
Johnny Brown – Veterans Affairs Officer

Organization Chart



Business Services Organization Chart





DORCHESTER COUNTY

MISSION STATEMENT

Dorchester County government delivers essential services that contribute to the well being and quality of life of its citizens. In doing so we seek to meet the collective needs of our citizens in a cost-effective manner.

ADOPTED BY DORCHESTER COUNTY COUNCIL NOVEMBER 18, 2002.



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Dorchester County
South Carolina**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO



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FINANCIAL SECTION



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INDEPENDENT AUDITOR'S REPORT

To the Members of County Council
Dorchester County, South Carolina
St. George, South Carolina

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of **Dorchester County, South Carolina** (the "County"), as of and for the year ended **June 30, 2022**, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of **June 30, 2022**, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Library System (the "System"), a blended component unit of the County, which represents 9.6%, 9.8%, and 11.6%, respectively, of the assets, fund balance, and revenues of the aggregate remaining fund information as of June 30, 2022. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for the System, are based solely on the report of the other auditors.

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 County 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.

Change in Accounting Principle

The County implemented Governmental Accounting Standards Board ("GASB") Statement No. 87, *Leases*, as of July 1, 2021. This standard significantly changed accounting for the County's leases and the related disclosures. See Note 8. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for 12 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 opinion. 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 County'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 County'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 schedule for the General Fund, pension plan schedules, and other post-employment benefit plan schedules, as listed in the table of contents, 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 and other auditors 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 County's basic financial statements. The combining and individual fund statements and schedules, as listed in the table of contents, the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the uniform schedule of court fines, assessments and surcharges (per ACT 96), are presented for the purposes of additional analysis and are not a required part of the basic financial statements of the County. 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 by us and other auditors. In our opinion, based on our audit and the report of the other auditors, this supplementary information is 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 section and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinion 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 December 19, 2022, on our consideration of the County'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 County'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 County's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Savannah, Georgia
December 19, 2022

DORCHESTER COUNTY, SOUTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2022

As management of Dorchester County (the "County"), we offer the readers of Dorchester County's financial statements this narrative overview and analysis of the financial activities of the County for the year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with the basic financial statements and the accompanying notes.

FINANCIAL HIGHLIGHTS

The assets and deferred outflows of resources of Dorchester County exceeded its liabilities and deferred inflows of resources at June 30, 2022 by \$381,140,027.

The total net position increased during the year by \$61,002,998, including \$31,360,532 for governmental activities and \$29,642,466 for business-type activities.

At the end of the current fiscal year, unassigned fund balance for the General Fund was \$34,376,598, which represents a 11.2% increase from the prior year and represents 50.9% of total General Fund expenditures.

At the end of the current fiscal year, Dorchester County's governmental funds reported combined ending fund balances of \$206,770,125. This is an increase of \$47,548,956 from the prior year. Of this amount, nonspendable fund balance was \$971,436, restricted fund balance was \$159,070,000, committed fund balance was \$11,342,413, assigned fund balance was \$3,006,578 and unassigned fund balance was \$32,379,698.

On the government-wide basis, unrestricted net position was a deficit of \$10,316,720, primarily due to the net pension liability (including related deferred outflows and inflows of resources) of \$86,146,589 and the net other post-employment benefits ("OPEB") liability (including related deferred outflows and inflows of resources) of \$10,610,327. The net pension liability is required by Governmental Accounting Standard Boards ("GASB") Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* ("GASB 68"). The net OPEB liability is required by GASB Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions* ("GASB 75"). The County participates in the South Carolina Retirement System's ("SCRS") pension plans and the South Carolina Counties OPEB Trust. The County is required by GASB 68 to recognize its proportionate share of the SCRS' unfunded liabilities on the County's government-wide financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to Dorchester County's basic financial statements. The basic financial statements are comprised of three sections: (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* provide a broad overview of Dorchester County's operations in a manner similar to a private-sector business. The statements provide both short-term and long-term information about Dorchester County's financial position.

DORCHESTER COUNTY, SOUTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2022

The *Statement of Net Position* presents information on all of the County's assets and deferred outflows and liabilities and deferred inflows, with the difference between them reported as net position. Over time, increases or decreases in *net position* may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *Statement of Activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*).

The governmental activities of the County include general government, public safety, roads and drainage, health and welfare, culture and recreation, economic development, airport, and other charges. The major business-type activities of the County include the water and sewer system.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: (1) governmental funds, (2) proprietary funds, and (3) fiduciary funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. Most of the County's basic services are reported in the governmental funds' financial statements, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information is provided to reconcile the two types of statements.

Proprietary Funds. Services for which Dorchester County charges customers a fee are generally reported in proprietary funds. Proprietary fund statements, like the government-wide statements, provide both long- and short-term financial information. These funds are similar to the government-wide business-type activities, but provide more detail and additional information, such as a cash flow statement.

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

DORCHESTER COUNTY, SOUTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2022

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.

Budgetary Comparison Schedules. The County adopts an annual appropriated budget for its General Fund and Capital Improvements Fund, its only major special revenue fund. Budgetary comparison schedules have been provided for these two funds as required supplementary information to demonstrate compliance with the budget. In addition, the County includes budgetary comparison schedules in the supplementary information for all other governmental funds that have legally adopted budgets.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund statements and schedules as well as required supplementary information related to the County's participation in the state retirement plans and the County's other post-employment benefit plan.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position. The County's net position comparing 2022 to 2021 (as reported) is as follows for the governmental activities and the business-type activities:

	Governmental Activities		Business-Type Activities	
	2022	2021	2022	2021
Current, restricted and other assets	\$ 260,446,504	\$ 201,972,422	\$ 72,077,789	\$ 57,862,744
Capital and lease assets, net	202,431,888	176,941,271	233,125,627	222,323,744
Total assets	<u>\$ 462,878,392</u>	<u>\$ 378,913,693</u>	<u>\$ 305,203,416</u>	<u>\$ 280,186,488</u>
Total deferred outflow s of resources	<u>\$ 21,976,336</u>	<u>\$ 27,279,453</u>	<u>\$ 4,116,068</u>	<u>\$ 4,633,326</u>
Long-term liabilities	\$ 271,630,133	\$ 254,579,908	\$ 53,576,793	\$ 61,343,237
Current and other liabilities	58,376,979	43,885,092	9,515,164	9,256,559
Total liabilities	<u>\$ 330,007,112</u>	<u>\$ 298,465,000</u>	<u>\$ 63,091,957</u>	<u>\$ 70,599,796</u>
Total deferred inflow s of resources	<u>\$ 17,358,104</u>	<u>\$ 1,599,166</u>	<u>\$ 2,577,012</u>	<u>\$ 211,969</u>
Net position:				
Net investment in capital assets	\$ 61,462,186	\$ 57,168,146	\$ 189,940,981	\$ 176,067,388
Restricted	106,913,322	82,819,334	33,140,258	26,246,246
Unrestricted (deficit)	(30,885,996)	(33,858,500)	20,569,276	11,694,415
Total net position	<u>\$ 137,489,512</u>	<u>\$ 106,128,980</u>	<u>\$ 243,650,515</u>	<u>\$ 214,008,049</u>

DORCHESTER COUNTY, SOUTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2022

Changes in Net Position. The County's change in net position for fiscal years ended June 30, 2022 and 2021 is as follows:

	Governmental Activities		Business-Type Activities	
	2022	2021	2022	2021
Revenues				
Program revenues:				
Charges for services	\$ 18,437,151	\$ 21,179,363	\$ 48,866,430	\$ 41,221,197
Operating grants and contributions	16,007,856	11,518,675	90,301	80,211
Capital grants and contributions	9,476,019	11,157,008	20,526,668	13,247,507
General revenues:				
Property taxes	70,421,952	64,193,044	-	-
Other taxes	31,060,254	26,249,393	-	-
Unrestricted grants and contributions	6,897,686	6,036,511	-	-
Interest and investment earnings	-	198,402	119,230	54,918
Miscellaneous	3,241,887	2,355,465	-	2,457
Gain on disposal of capital assets	-	-	51,302	239,432
Total revenues	<u>155,542,805</u>	<u>142,887,861</u>	<u>69,653,931</u>	<u>54,845,722</u>
Program expenses				
Governmental activities:				
General government	35,988,196	43,289,192	-	-
Public safety	44,591,973	49,415,677	-	-
Roads and drainage	4,992,381	6,010,755	-	-
Health and welfare	1,089,281	1,065,604	-	-
Recreation and culture	1,046,190	771,265	-	-
Airport	449,657	543,923	-	-
Economic development	1,199,081	1,224,661	-	-
Intergovernmental and nonprofit assist	24,860,274	5,985,055	-	-
Disaster recovery	-	879,323	-	-
Library system	3,622,105	3,064,123	-	-
Nondepartmental	2,282,872	-	-	-
Interest	6,471,662	6,125,267	-	-
Business-type activities:				
Water and sewer	-	-	28,290,723	25,415,220
Solid waste	-	-	6,589,978	6,488,811
Stormwater management	-	-	2,719,365	2,547,471
Total expenses	<u>126,593,672</u>	<u>118,374,845</u>	<u>37,600,066</u>	<u>34,451,502</u>
Change in net position before transfers	28,949,133	24,513,016	32,053,865	20,394,220
Transfers	2,411,399	1,449,145	(2,411,399)	(1,449,145)
Change in net position	31,360,532	25,962,161	29,642,466	18,945,075
Net position, beginning, as restated	106,128,980	80,166,819	214,008,049	195,062,974
Net position, ending	<u>\$ 137,489,512</u>	<u>\$ 106,128,980</u>	<u>\$ 243,650,515</u>	<u>\$ 214,008,049</u>

Governmental Activities. Governmental activities increased the County's net position by \$31,360,532.

Charges for services accounted for \$18,437,151 or 11.9% of total governmental activity revenues. These charges are for fees related to judicial activity, fees for real estate transfers, fees associated with the E911 service, emergency medical services, and fees associated with the collection of property taxes.

DORCHESTER COUNTY, SOUTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2022

Property tax revenues accounted for \$70,421,952 of the \$155,542,805 total revenues for governmental activities, or 45.3% of total revenues. Other tax revenues, primarily for sales and use taxes, accounted for \$31,060,254 or 20.0% of total revenues. Another major component of general revenues was grants and contributions not restricted to specific programs, which accounted for \$6,897,686 or 4.4% of total revenues.

The largest governmental activities were public safety and general government, accounting for \$44,591,973 and \$35,988,196, respectively.

The following table for governmental activities indicates the total cost of services and the net cost of services. The statement of activities reflects the cost of program services and the charges for services, grants, and contributions offsetting those services. The net cost of services identifies the cost of those services supported by tax revenues and unrestricted intergovernmental revenues.

Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2022	2021	2022	2021
General government	\$ 35,988,196	\$ 43,289,192	\$ 13,931,701	\$ 25,296,185
Public safety	44,591,973	49,415,677	32,930,512	37,574,539
Roads and drainage	4,992,381	6,010,755	(3,838,482)	(2,423,240)
Health and welfare	1,089,281	1,065,604	1,051,779	1,033,582
Recreation and culture	1,046,190	771,265	1,045,190	467,265
Airport	449,657	543,923	146,393	265,017
Economic development	1,199,081	1,224,661	752,444	(1,764,439)
Intergovernmental and nonprofit assistance	24,860,274	5,985,055	24,860,274	5,985,055
Disaster recovery	-	879,323	-	(737,148)
Library system	3,622,105	-	3,209,323	-
Nondepartmental	2,282,872	-	2,111,850	-
Interest	6,471,662	6,125,267	6,471,662	6,125,267
Total expenses	\$ 126,593,672	\$ 115,310,722	\$ 82,672,646	\$ 71,822,083

Charges for services and operating grants of \$34,445,007 (27.4% of the total costs of services) were received and used to fund the governmental expenses of the County. An additional 7.5%, \$9,476,019, were for capital grants that were also used to fund governmental activities. The remaining \$81,979,907 in general governmental expenses was funded by property taxes, sales and use taxes, unrestricted grants, and other revenue.

Business-Type Activities. Business-type activities increased the County's net position by \$29,642,466.

Charges for services were the County's largest program revenue for business-type activities, accounting for \$48,866,430, or 70.2% of total business-type activity revenues. These charges are for sewer and water fees, impact fees, solid waste user fees, host fees, storm water fees, tap fees, origination fees, reconnection fees and other associated fees. Charges for services increased by \$7,645,233 compared to prior year primarily as a result of rate increases in the current year.

In the current year, the increase in revenues exceeded the need for increased expenditures to maintain the current level of services. The growth resulted from an increase in revenues from charges for services and impact fees, partially offset by a decrease in contributions of infrastructure to the County by developers.

DORCHESTER COUNTY, SOUTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2022

FINANCIAL ANALYSIS OF DORCHESTER COUNTY'S FUNDS

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

Governmental Funds. The purpose of the County's governmental fund financial statements is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County'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 June 30, 2022, the County's governmental funds reported a combined ending fund balance of \$206,770,125, an increase of \$47,548,956 from the prior year. Approximately 15.7% of this total, \$32,379,698, is unassigned fund balance. The remainder of fund balance is not available for new spending because it has been restricted, committed, or assigned for a variety of purposes.

The General Fund is the primary operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$34,376,598. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 50.9% of total General Fund expenditures for the year ended June 30, 2022.

The fund balance of the County's General Fund increased by \$4,692,546 during the current fiscal year to \$45,063,878, or 11.6%, as revenues of \$69,957,580 and net other financing sources (primarily net transfers in) of \$2,224,449 exceeded expenditures of \$67,489,483. Revenues increased by \$1,718,676, primarily due to an increase in taxes of \$1,675,489 due to an increase in assessed values. Expenditures increased by \$4,482,008, or 7.1%.

The fund balance of the County's Grants Fund decreased by \$2,176,553 during the current fiscal year to (\$1,308,847), as expenditures of \$10,523,429 exceeded revenues of \$7,577,573 and net transfers received from other funds of \$769,303.

The fund balance of the County's Transportation Authority Fund increased by \$8,118,263 during the current fiscal year to \$58,585,159, as revenues of \$36,334,154 exceeded expenditures of \$28,215,891.

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

Unrestricted net position of the Water and Sewer Fund, Solid Waste Fund, and Stormwater Fund at the end of the year were \$8,875,881, \$7,111,565, and \$4,581,830, respectively. The net change in total net position was \$25,112,671, \$1,561,590, and \$2,968,205, respectively, for those same funds. Other factors concerning the finances of these funds have already been addressed in the discussion of the County's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

By state statute, the Dorchester County Council adopts the annual operating budget for the General Fund for the County by the last day of June. The General Fund budget was not amended during the year.

DORCHESTER COUNTY, SOUTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2022

The actual net increase in the General Fund balance was \$4,692,546. The primary reason for the variance in the General Fund was better than anticipated collections in property taxes, licenses, permits, and ROD County Stamp fees as actual revenues exceeded budget by \$5,448,840. Actual expenditures came in under budget by \$5,365,015, due primarily to personnel savings in Public Safety. A transfer to the County's Reserve Fund was also made as outlined in the County's Fund Balance and Working Capital Policy.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The County's capital assets for its governmental activities at June 30, 2022 was \$196,548,756 (net of accumulated depreciation) and for its business-type activities was \$233,088,663. This investment in capital assets includes land and improvements, construction in progress, buildings and building improvements, improvements other than buildings, furniture and equipment, vehicles, infrastructure, sewer plant, and sewer and water systems.

The capital assets (net of accumulated depreciation) as of June 30, 2022 and 2021 (as adjusted to reflect the change in accounting principle as previously discussed) were as follows:

	Governmental Activities		Business-Type Activities	
	2022	2021	2022	2021
Land, improvements, and right of way	\$ 41,882,455	\$ 31,173,962	\$ 1,906,617	\$ 1,875,627
Construction in progress	13,683,400	19,087,041	11,546,521	12,372,952
Buildings and building improvements	83,181,802	72,502,992	2,660,572	2,267,982
Infrastructure	137,887,984	130,290,319	3,651,321	2,217,455
Furniture and equipment	50,841,845	47,455,572	14,090,010	12,068,191
Sewer plant	-	-	43,676,057	42,231,941
Sewer system	-	-	201,569,976	191,775,008
Water system	-	-	43,969,114	40,265,542
Less: accumulated depreciation	(130,928,730)	(123,568,615)	(89,981,525)	(82,750,954)
Total capital assets	<u>\$ 196,548,756</u>	<u>\$ 176,941,271</u>	<u>\$ 233,088,663</u>	<u>\$ 222,323,744</u>

Additional information on the County's capital assets can be found in Note 6 in the notes to the financial statements.

Long-Term Debt. At June 30, 2022, the County had \$228,323,178 in outstanding debt consisting of general obligation bonds, limited obligation (TIF) bonds, revenue bonds, installment notes and capital leases. The general obligation bonds are secured by the full faith and credit, and taxing power of the County. The limited obligation and revenue bonds are secured by specific revenue sources.

	Governmental Activities		Business-Type Activities	
	2022	2021	2022	2021
General obligation bonds	\$ 160,945,033	\$ 122,997,172	\$ -	\$ -
Limited obligation bonds	14,465,000	14,465,000	-	-
Revenue bonds and notes payable	-	4,650,000	41,843,283	48,817,936
Financed purchases	11,069,862	10,640,104	-	-
Total	<u>\$ 186,479,895</u>	<u>\$ 152,752,276</u>	<u>\$ 41,843,283</u>	<u>\$ 48,817,936</u>

DORCHESTER COUNTY, SOUTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2022

The County's general obligation bonded debt increased by \$37,947,861 (30.9%) during fiscal year 2022. This was primarily due to the issuance of \$43M in general obligation bonds during the year. The County's revenue bonded debt and notes payable obligations decreased by \$11,624,653 (21.7%) during the year. The County retired its Series 2021 Special Source Revenue Bond in 2022 in addition to scheduled principal payments. The County's capital lease obligations increased by \$429,758 during the year due to new leases of \$1,569,784 for the purchase of radio equipment, partially offset by scheduled debt service payments during the year of \$1,140,026.

Additional information on the County's long-term debt can be found in Note 7 in the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Dorchester County is part of the three-county Charleston metropolitan area and is closely associated with the major economic centers of the metropolitan area including the military, the aerospace industry, tourism, and shipping and logistics. In addition, Dorchester County was one of the fastest growing counties in South Carolina over the past decade. According to recent U.S. Census figures, the County has grown from a population of 136,555 in 2010 to 161,540 in 2020. The County continues to be fast growing and 2020 Census data shows the County as the fifth fastest-growing in the state, which will begin to have a positive impact on state-shared revenue in upcoming fiscal years. Recent permit filings and development plan submittals including those for large format apartment complexes and master planned residential communities indicate continued growth in the local economy. The number of building inspections conducted in the prior year increased by 3,740 over the prior year to 33,616.

Dorchester County has worked to establish a favorable climate for business relocation and industrial expansion. Major economic development announcements made during the prior fiscal year are underway with completion expected in 2023. Notably, the Port 95 distribution center is underway near St. George, which will result in a 1,300,000 square foot facility spread over multiple buildings. The Winding Woods Commerce Park, home to Port 95 and previously opened Dockside Logistics, is a prime location for additional industrial growth. Through a partnership with the Lake Marion Regional Water Agency, the County is currently constructing a 500,000-gallon above ground water storage tank at the site, which will round out necessary infrastructure to support build-out of the park.

A robust capital improvement plan is being administered by the County, which includes a large increase in vertical construction, resulting in new, replacement, and expanded public facilities. Parks approved in the 2019 referendum, particularly Ashley River Park near Summerville, were completed in early 2022. This park is experiencing stronger than expected attendance. Final designs for Pine Trace Park in Summerville are complete and that park is expected to open in fiscal year 2024. Library projects approved in the same referendum are under construction, with the Oakbrook and North Charleston branches expected to open in the next fiscal year. Emphasizing the continued investment in public safety infrastructure, the County opened one fire station on Sandridge Road in Dorchester following the conclusion of fiscal year 2022 and will open another on Ladson Road near Summerville early next year.

The County continues to incur increased costs associated with employee benefits provided by the state on the County's behalf. This includes an increase in employer premiums associated with the County's participation in the State Health Plan in fiscal year 2021-2022. Moreover, the County included required increases in the contribution

DORCHESTER COUNTY, SOUTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2022

rates for both the Police Officers Retirement System (PORS) and the South Carolina Retirement System (SCRS). Management expects costs associated with these benefits to continue to rise based on the pension reform plan which calls for continuous 1% increases to both SCRS and PORS for one more year. As of the publication of the Annual Comprehensive Financial Report, County Council has appropriated from fund balance \$3,006,578 in the General Fund fund balance, consisting of carryover items not completed in the fiscal year ended June 30, 2022 in addition to funding the advanced implementation of a March 2022 compensation study, the full implementation of which is funded by recurring sources.

COVID-19 Health Pandemic – On January 30, 2020, the World Health Organization announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China, and in March 2020, classified the outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the outbreak continues to evolve as of the date of these financial statements. Management continues to actively monitor the impact from this health crisis on its financial condition, liquidity, operations, workforce and citizens.

As local and federal governments recommended or mandated restrictions on business and travel in an effort to curb the pandemic by changing consumer behavior, the County's revenues have experienced an element of sustainability not seen in peer organizations throughout the region. The County's unique mix of strong industrial and residential growth has enabled revenue projections to continue to exceed expectations throughout the pandemic. While the County utilizes revenues from special tax programs, such as hospitality and accommodations, these sources are not used to offset the cost of critical services. Budgets for both sources exceeded estimates in the prior fiscal year and are expected to do the same in fiscal year 2022-2023. Furthermore, the County did not have any revenue loss as classified by the U.S. Department of Treasury when receiving American Rescue Plan Act (ARPA) funds in fiscal year 2020-2021. COVID-19 related expenses were offset by strong reserves set aside for disasters. Now, funding from ARPA provides sustainable coverage for any ongoing needs surrounding the pandemic. The County is anticipating strong financial results with no adverse effect on the results of operations, net position/fund balance and liquidity for the year ended June 30, 2023. As restrictions have eased and the reality of COVID-19 has become a part of normal life, the County does not plan to report any further data regarding the pandemic. It is anticipated that all ARPA proceeds will be obligated by the County in fiscal year 2022-2023 for projects that will bring additional value to the community.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Dorchester County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Dorchester County Business Services, 201 Johnston Street, St. George, South Carolina 29477.



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DORCHESTER COUNTY, SOUTH CAROLINA

**STATEMENT OF NET POSITION
JUNE 30, 2022**

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Current assets			
Cash and investments	\$ 68,596,022	\$ 27,464,553	\$ 96,060,575
Cash and investments, restricted	162,972,391	33,168,694	196,141,085
Receivable, net	4,471,485	11,011,739	15,483,224
Due from other governments	23,435,170	210,757	23,645,927
Prepaid items	949,396	222,046	1,171,442
Inventories	22,040	-	22,040
Total current assets	<u>260,446,504</u>	<u>72,077,789</u>	<u>332,524,293</u>
Non-current assets			
Lease assets, net of accumulated amortization	5,883,132	36,964	5,920,096
Capital assets			
Non-depreciable	55,565,855	13,453,138	69,018,993
Depreciable, net	140,982,901	219,635,525	360,618,426
Total non-current assets	<u>202,431,888</u>	<u>233,125,627</u>	<u>435,557,515</u>
Total assets	<u>462,878,392</u>	<u>305,203,416</u>	<u>768,081,808</u>
DEFERRED OUTFLOWS OF RESOURCES			
Advance refunding charges	2,325,238	1,306,693	3,631,931
Deferred pension charges	17,284,222	2,483,258	19,767,480
Deferred Other Post-Employment Benefit ("OPEB") charges	2,366,876	326,117	2,692,993
Total deferred outflows of resources	<u>21,976,336</u>	<u>4,116,068</u>	<u>26,092,404</u>
Total assets and deferred outflows of resources	<u>\$ 484,854,728</u>	<u>\$ 309,319,484</u>	<u>\$ 794,174,212</u>
LIABILITIES			
Current liabilities			
Accounts payable	\$ 8,154,701	\$ 2,989,579	\$ 11,144,280
Accrued liabilities	3,041,647	411,660	3,453,307
Assets held for others	2,268,462	756,720	3,025,182
Accrued interest payable	960,443	445,354	1,405,797
Unearned revenue	26,378,983	-	26,378,983
Lease liabilities, due within one year	292,631	6,003	298,634
Current portion of long-term debt	17,280,112	4,905,848	22,185,960
Total current liabilities	<u>58,376,979</u>	<u>9,515,164</u>	<u>67,892,143</u>
Non-current liabilities			
Net pension liability	75,692,960	13,234,014	88,926,974
Net OPEB liability	9,071,242	1,284,057	10,355,299
Total OPEB liability	594,149	-	594,149
Lease liabilities, due in more than one year	5,672,445	30,760	5,703,205
Long-term debt obligations	180,599,337	39,027,962	219,627,299
Total non-current liabilities	<u>271,630,133</u>	<u>53,576,793</u>	<u>325,206,926</u>
Total liabilities	<u>330,007,112</u>	<u>63,091,957</u>	<u>393,099,069</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred pension credits	14,762,780	2,224,315	16,987,095
Deferred OPEB credits	2,595,324	352,697	2,948,021
Total deferred inflows of resources	<u>17,358,104</u>	<u>2,577,012</u>	<u>19,935,116</u>
NET POSITION			
Net investment in capital assets	61,462,186	189,940,981	251,403,167
Restricted for:			
Public safety	5,634,259	-	5,634,259
Health and welfare	1,326,461	-	1,326,461
Capital projects	73,444,306	-	73,444,306
Capital improvements	2,826,086	33,140,258	35,966,344
Debt service	6,432,240	-	6,432,240
Other	17,249,970	-	17,249,970
Unrestricted	<u>(30,885,996)</u>	<u>20,569,276</u>	<u>(10,316,720)</u>
Total net position	<u>137,489,512</u>	<u>243,650,515</u>	<u>381,140,027</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 484,854,728</u>	<u>\$ 309,319,484</u>	<u>\$ 794,174,212</u>

The accompanying notes are an integral part of these financial statements.

DORCHESTER COUNTY, SOUTH CAROLINA

**STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Totals
Governmental activities:							
General government	\$ 35,988,196	\$ 9,462,276	\$ 12,594,219	\$ -	\$ (13,931,701)	\$ -	\$ (13,931,701)
Public safety	44,591,973	8,893,490	2,767,971	-	(32,930,512)	-	(32,930,512)
Roads and drainage	4,992,381	-	31,146	8,799,717	3,838,482	-	3,838,482
Health and welfare	1,089,281	-	37,502	-	(1,051,779)	-	(1,051,779)
Recreation and culture	1,046,190	-	-	1,000	(1,045,190)	-	(1,045,190)
Airport	449,657	26,688	-	276,576	(146,393)	-	(146,393)
Economic development	1,199,081	-	47,911	398,726	(752,444)	-	(752,444)
Intergovernmental and nonprofit assistance	24,860,274	-	-	-	(24,860,274)	-	(24,860,274)
Library system	3,622,105	54,697	358,085	-	(3,209,323)	-	(3,209,323)
Nondepartmental	2,282,872	-	171,022	-	(2,111,850)	-	(2,111,850)
Interest	6,471,662	-	-	-	(6,471,662)	-	(6,471,662)
Total governmental activities	126,593,672	18,437,151	16,007,856	9,476,019	(82,672,646)	-	(82,672,646)
Business-type activities:							
Water and sewer	28,290,723	35,530,080	-	19,513,068	-	26,752,425	26,752,425
Solid waste	6,589,978	8,439,966	90,301	-	-	1,940,289	1,940,289
Stormwater management	2,719,365	4,896,384	-	1,013,600	-	3,190,619	3,190,619
Total business-type activities	37,600,066	48,866,430	90,301	20,526,668	-	31,883,333	31,883,333
Total	\$ 164,193,738	\$ 67,303,581	\$ 16,098,157	\$ 30,002,687	(82,672,646)	31,883,333	(50,789,313)
General Revenues:							
Property taxes					70,421,952	-	70,421,952
Franchise fees and hospitality taxes					2,256,926	-	2,256,926
Sales and use tax					28,803,328	-	28,803,328
Unrestricted investment earnings					-	119,230	119,230
Investment loss					-	-	-
Grants and contributions not restricted to specific programs					6,897,686	-	6,897,686
Miscellaneous					3,241,887	-	3,241,887
Gain on disposal of capital assets					-	51,302	51,302
Transfers					2,411,399	(2,411,399)	-
Total general revenues					114,033,178	(2,240,867)	111,792,311
Change in net position					31,360,532	29,642,466	61,002,998
Net position, beginning, as restated					106,128,980	214,008,049	320,137,029
Net position, ending					\$ 137,489,512	\$ 243,650,515	\$ 381,140,027

The accompanying notes are an integral part of these financial statements.

DORCHESTER COUNTY, SOUTH CAROLINA

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022**

	General	Grants Fund	Transportation Authority	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	\$ 44,627,857	\$ -	\$ -	\$ 21,183,011	\$ 65,810,868
Cash and investments, restricted	-	25,394,527	52,151,547	85,426,317	162,972,391
Receivables, net	2,286,895	-	98,058	2,086,532	4,471,485
Due from other funds	1,858,837	-	-	-	1,858,837
Due from other governments	4,417,091	2,265,529	16,182,676	563,336	23,428,632
Prepaid items	586,615	96,623	3,886	262,272	949,396
Inventories	22,040	-	-	-	22,040
Total assets	<u>53,799,335</u>	<u>27,756,679</u>	<u>68,436,167</u>	<u>109,521,468</u>	<u>259,513,649</u>
LIABILITIES					
Accounts payable	2,615,029	690,267	1,867,436	2,861,203	8,033,935
Accrued liabilities	1,918,512	21,040	-	509,003	2,448,555
Assets held for others	2,118,462	-	-	150,000	2,268,462
Due to other funds	-	1,135,606	-	723,231	1,858,837
Unearned revenue	644,573	25,138,803	-	595,607	26,378,983
Total liabilities	<u>7,296,576</u>	<u>26,985,716</u>	<u>1,867,436</u>	<u>4,839,044</u>	<u>40,988,772</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	1,438,881	2,079,810	7,983,572	252,489	11,754,752
Total deferred inflows of resources	<u>1,438,881</u>	<u>2,079,810</u>	<u>7,983,572</u>	<u>252,489</u>	<u>11,754,752</u>
FUND BALANCE					
Nonspendable:					
Prepaid items	586,615	96,623	3,886	262,272	949,396
Inventories	22,040	-	-	-	22,040
Restricted:					
Public safety	-	-	-	4,440,837	4,440,837
Family court	-	-	-	2,446,164	2,446,164
Growth management	-	-	-	447,200	447,200
Tourism	-	-	-	2,333,584	2,333,584
Health and welfare	-	-	-	1,309,303	1,309,303
Capital projects	-	-	58,581,273	13,579,374	72,160,647
Capital improvements	-	-	-	3,553,451	3,553,451
Debt service	-	-	-	7,353,002	7,353,002
Airport improvements	-	-	-	-	-
Other	-	-	-	-	-
Oakbrook tax increment finance district	-	-	-	14,777,992	14,777,992
Parks and recreation improvements	-	-	-	12,712,436	12,712,436
Library improvements	-	-	-	27,456,708	27,456,708
Library system	-	-	-	10,078,676	10,078,676
Committed for:					
Economic development	-	-	-	1,076,464	1,076,464
Capital projects	-	-	-	408,735	408,735
Capital improvements	-	-	-	2,785,167	2,785,167
Contingencies	7,072,047	-	-	-	7,072,047
Assigned for:					
Next year's budgeted shortfall	1,249,509	-	-	-	1,249,509
Budget carryovers	1,757,069	-	-	-	1,757,069
Unassigned	34,376,598	(1,405,470)	-	(591,430)	32,379,698
Total fund balances	<u>45,063,878</u>	<u>(1,308,847)</u>	<u>58,585,159</u>	<u>104,429,935</u>	<u>206,770,125</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 53,799,335</u>	<u>\$ 27,756,679</u>	<u>\$ 68,436,167</u>	<u>\$ 109,521,468</u>	<u>\$ 259,513,649</u>

The accompanying notes are an integral part of these financial statements.

DORCHESTER COUNTY, SOUTH CAROLINA

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2022**

Total governmental fund balances:	\$ 206,770,125
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Amounts reported for governmental activities in the statement of net position are different because of the following:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the government funds:

Costs of assets	\$ 327,477,486	
Accumulated depreciation	<u>(130,928,730)</u>	196,548,756

Lease assets used in governmental activities are not financial resources and, therefore, are not reported in the government funds:

Costs of assets	6,934,454	
Accumulated amortization	<u>(1,051,322)</u>	5,883,132

Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds:

Unavailable revenue		11,754,752
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Deferred outflows of resources are not due and payable in the current period and, therefore, are not reported in the funds. These deferred outflows of resources consist of pension and OPEB related experience differences, assumption changes, differences between projected and actual earnings on plan investments, differences from changes in proportionate share and differences between employer contributions and proportionate share of total plan employer contributions, and contributions subsequent to the measurement date. These deferred outflows of resources also consist of deferred refunding charges on debt that was refunded:

Deferred outflows related to pensions	17,284,222	
Deferred outflows related to OPEB	2,366,876	
Advance refunding charges	<u>2,325,238</u>	21,976,336

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:

General obligation bonds	(160,945,033)	
Limited obligation bonds	(14,465,000)	
Premiums	(8,141,132)	
Financed purchases	(11,069,862)	
Lease liabilities	(5,965,076)	
Compensated absences	(3,258,422)	
Accrued interest	(960,443)	
Net pension liability	(75,692,960)	
Total OPEB liability	(594,149)	
Net OPEB liability	<u>(9,071,242)</u>	(290,163,319)

The internal service fund is used by management to charge the cost of the garage to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.

2,077,834

Deferred inflows of resources are not available to pay for current period expenditures and, therefore, are not reported in the funds. These deferred inflows of resources consist of pension and OPEB related differences between projected, actual earnings on plan investments, and differences from changes in proportionate share and differences between employer contributions and proportionate share of total plan employer contributions:

Deferred inflows related to pensions	(14,762,780)	
Deferred inflows related to OPEB	<u>(2,595,324)</u>	(17,358,104)

Net position of governmental activities		<u>\$ 137,489,512</u>
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The accompanying notes are an integral part of these financial statements.

DORCHESTER COUNTY, SOUTH CAROLINA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	General	Grants Fund	Transportation Authority	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Taxes	\$ 41,928,172	\$ -	\$ 28,151,852	\$ 29,529,451	\$ 99,609,475
Licenses and permits	5,653,240	-	-	-	5,653,240
Intergovernmental	9,150,288	7,528,874	9,312,280	6,309,377	32,300,819
Charges for services	11,261,686	-	-	482,975	11,744,661
Judicial fines and assessments	1,506,890	-	-	264,293	1,771,183
Interest	112,029	48,699	-	254,823	415,551
Investment loss	-	-	(1,129,978)	-	(1,129,978)
Miscellaneous	345,275	-	-	2,825,415	3,170,690
Total revenues	<u>69,957,580</u>	<u>7,577,573</u>	<u>36,334,154</u>	<u>39,666,334</u>	<u>153,535,641</u>
Expenditures					
Current:					
General government	23,242,827	5,762,115	140,266	5,910,559	35,055,767
Public safety	33,667,783	194,532	-	8,249,143	42,111,458
Roads and drainage	2,341,756	-	-	72,062	2,413,818
Health and welfare	1,051,754	6,733	-	-	1,058,487
Recreation and culture	514,631	-	-	241,147	755,778
Airport	147,886	34	-	-	147,920
Economic development	605,847	-	-	395,892	1,001,739
Intergovernmental and nonprofit assistance	3,336,664	-	19,270,340	2,223,742	24,830,746
Library system	-	-	-	3,032,168	3,032,168
Nondepartmental	2,282,872	-	-	-	2,282,872
Capital outlay	-	4,560,015	-	22,626,132	27,186,147
Debt service:					
Principal retirement	241,734	-	6,265,000	10,682,873	17,189,607
Interest and fiscal charges	55,729	-	2,540,285	3,416,095	6,012,109
Total expenditures	<u>67,489,483</u>	<u>10,523,429</u>	<u>28,215,891</u>	<u>56,849,813</u>	<u>163,078,616</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,468,097</u>	<u>(2,945,856)</u>	<u>8,118,263</u>	<u>(17,183,479)</u>	<u>(9,542,975)</u>
Other Financing Sources (Uses)					
Issuance of bonds	-	-	-	49,025,000	49,025,000
Premiums on bonds issued	-	-	-	3,610,284	3,610,284
Issuance of lease purchase	-	-	-	1,569,784	1,569,784
Sale of capital assets	-	-	-	242,669	242,669
Insurance recoveries	119,031	-	-	59,596	178,627
Transfers in	6,047,619	769,303	-	6,697,848	13,514,770
Transfers out	(3,942,201)	-	-	(7,107,002)	(11,049,203)
Total other financing sources, net	<u>2,224,449</u>	<u>769,303</u>	<u>-</u>	<u>54,098,179</u>	<u>57,091,931</u>
Net change in fund balance	4,692,546	(2,176,553)	8,118,263	36,914,700	47,548,956
Fund balance - beginning, as restated	<u>40,371,332</u>	<u>867,706</u>	<u>50,466,896</u>	<u>67,515,235</u>	<u>159,221,169</u>
Fund balance (deficit) - ending	<u>\$ 45,063,878</u>	<u>\$ (1,308,847)</u>	<u>\$ 58,585,159</u>	<u>\$ 104,429,935</u>	<u>\$ 206,770,125</u>

The accompanying notes are an integral part of these financial statements.

DORCHESTER COUNTY, SOUTH CAROLINA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Net change in fund balances - total governmental funds	\$ 47,548,956
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay	\$ 29,593,556	
Depreciation expense	<u>(9,400,839)</u>	20,192,717

Governmental funds report lease assets as expenditures. However, in the statement of activities, the cost of those assets is allocated over the shorter of the lease term or their estimated useful lives and reported as amortization expense:

Amortization expense	(404,386)
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The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.	(585,232)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:

Unavailable revenue	1,114,110
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The effects of these items are as follows:

Repayment of the principal of long-term debt	17,189,607	
Issuance of long-term debt	(54,205,068)	
Amortization of premium on long-term debt	428,705	
Amortization of deferred charge on refunding	<u>(324,980)</u>	(36,911,736)

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. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The following amounts represent the net liability changes using the full accrual method of accounting:

Net pension liability	615,015	
Total OPEB liability	(5,301)	
Net OPEB liability	(506,374)	
Compensated absences	(194,238)	
Accrued interest on long-term debt	<u>151,149</u>	60,251

Internal service funds are used by management to charge the costs of certain functions to individual funds. The net revenue of certain activities in the internal service funds is reported with governmental activities.

	<u>345,852</u>
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	<u><u>\$ 31,360,532</u></u>
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The accompanying notes are an integral part of these financial statements.

DORCHESTER COUNTY, SOUTH CAROLINA

**STATEMENT OF NET POSITION
ENTERPRISE FUNDS
JUNE 30, 2022**

	Enterprise Funds			Internal Service Fund
	Water and Sewer	Nonmajor Enterprise Funds	Totals	Workers Compensation
ASSETS				
Current assets:				
Cash and investments	\$ 16,491,286	\$ 10,973,267	\$ 27,464,553	\$ 2,785,154
Cash and investments, restricted	33,168,694	-	33,168,694	-
Receivables, net	4,526,624	6,485,115	11,011,739	-
Due from other governments	210,757	-	210,757	6,538
Prepaid items	210,696	11,350	222,046	-
Total current assets	54,608,057	17,469,732	72,077,789	2,791,692
Noncurrent assets:				
Lease assets, net of accumulated amortization	-	36,964	36,964	-
Capital assets:				
Nondepreciable	12,797,776	655,362	13,453,138	-
Depreciable, net of accumulated depreciation	215,123,523	4,512,002	219,635,525	-
Total noncurrent assets	227,921,299	5,204,328	233,125,627	-
Total assets	282,529,356	22,674,060	305,203,416	2,791,692
DEFERRED OUTFLOWS OF RESOURCES				
Pension	1,661,514	821,744	2,483,258	-
OPEB	218,288	107,829	326,117	-
Advance refunding charges	1,306,693	-	1,306,693	-
Total deferred outflows of resources	3,186,495	929,573	4,116,068	-
Total assets and deferred outflows of resources	\$ 285,715,851	\$ 23,603,633	\$ 309,319,484	\$ 2,791,692
LIABILITIES				
Current liabilities:				
Account payable	\$ 2,080,060	\$ 909,519	\$ 2,989,579	\$ 120,766
Accrued liabilities	299,489	112,171	411,660	593,092
Assets held for others	756,720	-	756,720	-
Accrued interest	445,354	-	445,354	-
Current portion of lease liabilities	-	6,003	6,003	-
Current portion of compensated absences	213,037	70,142	283,179	-
Current portion of notes payable	740,225	-	740,225	-
Current portion of revenue bonds	3,882,444	-	3,882,444	-
Total current liabilities	8,417,329	1,097,835	9,515,164	713,858
Non-current liabilities:				
Net pension liability	8,854,697	4,379,317	13,234,014	-
Net OPEB liability	859,490	424,567	1,284,057	-
Lease liabilities	-	30,760	30,760	-
Compensated absences	171,641	61,564	233,205	-
Notes payable	4,981,030	-	4,981,030	-
Revenue bonds	33,813,727	-	33,813,727	-
Total non-current liabilities	48,680,585	4,896,208	53,576,793	-
Total liabilities	57,097,914	5,994,043	63,091,957	713,858
DEFERRED INFLOWS OF RESOURCES				
Pension	1,488,259	736,056	2,224,315	-
OPEB	236,079	116,618	352,697	-
Total deferred inflows of resources	1,724,338	852,674	2,577,012	-
NET POSITION				
Net investment in capital assets	184,877,460	5,063,521	189,940,981	-
Restricted for capital improvements	33,140,258	-	33,140,258	-
Unrestricted	8,875,881	11,693,395	20,569,276	2,077,834
Total net position	226,893,599	16,756,916	243,650,515	2,077,834
Total liabilities, deferred inflows of resources, and net position	\$ 285,715,851	\$ 23,603,633	\$ 309,319,484	\$ 2,791,692

The accompanying notes are an integral part of these financial statements.

DORCHESTER COUNTY, SOUTH CAROLINA

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Enterprise Funds			Internal Service Fund
	Water and Sewer	Nonmajor Enterprise Funds	Totals	Workers Compensation
Operating Revenues				
Charges for services, net	\$ 30,176,732	\$ 12,214,447	\$ 42,391,179	\$ -
Tap fees	3,317,961	-	3,317,961	-
Origination fee	216,155	-	216,155	-
Reconnection fee	1,144,310	-	1,144,310	-
Inspection fee	340,275	488,934	829,209	-
Premiums and billings to other funds	-	-	-	1,800,000
Other charges	334,647	632,969	967,616	8,658
Total operating revenues	<u>35,530,080</u>	<u>13,336,350</u>	<u>48,866,430</u>	<u>1,808,658</u>
Operating Expenses				
Personnel services	7,222,960	3,169,780	10,392,740	-
Contractual services	4,215,741	4,870,951	9,086,692	-
Maintenance and repairs	2,294,445	335,754	2,630,199	-
Utilities	1,402,970	48,987	1,451,957	-
Office expenses	224,384	27,090	251,474	-
Truck expenses	344,512	132,375	476,887	-
Other services and charges	1,504,894	115,271	1,620,165	-
Supplies	1,298,740	72,622	1,371,362	-
Collection expenses	757,376	-	757,376	-
Claims paid and premium expenses	-	-	-	1,408,638
Depreciation	7,184,937	440,667	7,625,604	-
Amortization	-	6,199	6,199	-
Total operating expenses	<u>26,450,959</u>	<u>9,219,696</u>	<u>35,670,655</u>	<u>1,408,638</u>
Operating income	<u>9,079,121</u>	<u>4,116,654</u>	<u>13,195,775</u>	<u>400,020</u>
Non-Operating Revenues (Expenses)				
Investment income	103,202	16,028	119,230	-
Impact fees	7,496,309	-	7,496,309	-
Gain (loss) on disposition of capital assets	31,302	(69,647)	(38,345)	-
Grant revenue	-	90,301	90,301	-
Interest expense	(1,839,764)	-	(1,839,764)	-
Total non-operating revenues, net	<u>5,791,049</u>	<u>36,682</u>	<u>5,827,731</u>	<u>-</u>
Income before capital contributions and transfers	<u>14,870,170</u>	<u>4,153,336</u>	<u>19,023,506</u>	<u>400,020</u>
Capital Contributions and Transfers				
Capital contributions	12,016,759	1,013,600	13,030,359	-
Transfer out	(1,774,258)	(637,141)	(2,411,399)	(54,168)
Total contributions and transfers	<u>10,242,501</u>	<u>376,459</u>	<u>10,618,960</u>	<u>(54,168)</u>
Change in net position	25,112,671	4,529,795	29,642,466	345,852
Net position, beginning	<u>201,780,928</u>	<u>12,227,121</u>	<u>214,008,049</u>	<u>1,731,982</u>
Net position, ending	<u>\$ 226,893,599</u>	<u>\$ 16,756,916</u>	<u>\$ 243,650,515</u>	<u>\$ 2,077,834</u>

The accompanying notes are an integral part of these financial statements.

DORCHESTER COUNTY, SOUTH CAROLINA

**STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Enterprise Funds			Internal Service Fund
	Water and Sewer	Nonmajor Enterprise Funds	Totals	Workers Compensation
Cash Flows from Operating Activities:				
Cash received from customers and users	\$ 33,710,648	\$ 13,037,486	\$ 46,748,134	\$ 1,818,405
Cash paid to employees	(6,521,323)	(3,249,231)	(9,770,554)	-
Cash paid to suppliers, premiums and claims	(12,059,037)	(5,586,947)	(17,645,984)	(1,192,951)
Total provided by operating activities	<u>15,130,288</u>	<u>4,201,308</u>	<u>19,331,596</u>	<u>625,454</u>
Cash Flows from Non-Capital Financing Activities:				
Noncapital transfers and advances between funds	(1,774,258)	(637,141)	(2,411,399)	(54,168)
Noncapital grants	-	90,301	90,301	-
Total (used in) non-capital financing activities	<u>(1,774,258)</u>	<u>(546,840)</u>	<u>(2,321,098)</u>	<u>(54,168)</u>
Cash Flows from Capital and Related Financing Activities:				
Acquisition and construction of capital assets	(5,745,623)	(444,944)	(6,190,567)	-
Impact fees	7,496,309	-	7,496,309	-
Proceeds from the sale of capital assets	31,300	204,121	235,421	-
Proceeds from the issuance of debt	283,410	-	283,410	-
Principal paid on debt	(4,929,869)	(6,400)	(4,936,269)	-
Interest paid	(1,942,374)	-	(1,942,374)	-
Total (used in) capital and related financing activities	<u>(4,806,847)</u>	<u>(247,223)</u>	<u>(5,054,070)</u>	<u>-</u>
Cash Flows from Investing Activities:				
Interest income	<u>103,202</u>	<u>16,028</u>	<u>119,230</u>	<u>-</u>
Total provided by investing activities	<u>103,202</u>	<u>16,028</u>	<u>119,230</u>	<u>-</u>
Net change in cash and cash equivalents, including restricted	8,652,385	3,423,273	12,075,658	571,286
Cash and cash equivalents, beginning of year, including restricted	<u>41,007,595</u>	<u>7,549,994</u>	<u>48,557,589</u>	<u>2,213,868</u>
Cash and cash equivalents, end of year, including restricted	<u>\$ 49,659,980</u>	<u>\$ 10,973,267</u>	<u>\$ 60,633,247</u>	<u>\$ 2,785,154</u>

(Continued)

DORCHESTER COUNTY, SOUTH CAROLINA

**STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Enterprise Funds			Internal Service Fund
	Water and Sewer	Nonmajor Enterprise Funds	Totals	Workers Compensation
Reconciliation of Operating Income to Net Cash Flows Provided by Operating Activities:				
Operating income	\$ 9,079,121	\$ 4,116,654	\$ 13,195,775	\$ 400,020
Adjustments to reconcile:				
Depreciation and amortization	7,184,937	446,866	7,631,803	-
Changes in assets and liabilities:				
Decrease (increase) in accounts receivable	(1,819,432)	(298,864)	(2,118,296)	-
Decrease (increase) in due from other governments	-	-	-	9,747
Decrease (increase) in prepaid items	(20,898)	(193)	(21,091)	-
Increase (decrease) in accounts payable	(51,533)	30,706	(20,827)	30,244
Increase (decrease) in assets held for others	56,456	-	56,456	-
Increase (decrease) in accrued liabilities	144,923	24,540	169,463	185,443
Increase (decrease) in landfill postclosure liability	-	(14,410)	(14,410)	-
Increase (decrease) in accrued compensated absences	31,129	421	31,550	-
Increase (decrease) in pension and OPEB deferred inflows/outflows and liability	525,585	(104,412)	421,173	-
	<u>(1,133,770)</u>	<u>(362,212)</u>	<u>(1,495,982)</u>	<u>225,434</u>
Net cash flow provided by operating activities	<u>\$ 15,130,288</u>	<u>\$ 4,201,308</u>	<u>\$ 19,331,596</u>	<u>\$ 625,454</u>
Schedule of Noncash Capital and Financing Activities:				
Acquisition of capital assets through developer contributions	\$ 11,420,122	\$ 1,013,600	\$ 12,433,722	\$ -
Amortization of premiums	157,414	-	157,414	-
Amortization of deferred refunding charges	(153,202)	-	(153,202)	-
Debt forgiveness	596,637	-	596,637	-
	<u>\$ 12,020,971</u>	<u>\$ 1,013,600</u>	<u>\$ 13,034,571</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

DORCHESTER COUNTY, SOUTH CAROLINA

**STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2022**

	Custodial Funds
ASSETS	
Cash and investments	\$ 51,017,305
Receivables, net	3,316,477
Due from other governments	215,966
Total assets	<u>54,549,748</u>
LIABILITIES	
Due to others	26,617,447
Total liabilities	<u>26,617,447</u>
NET POSITION	
Restricted:	
Individuals, organizations and other governments	<u>27,932,301</u>
Total net position	<u><u>\$ 27,932,301</u></u>

The accompanying notes are an integral part of these financial statements.

DORCHESTER COUNTY, SOUTH CAROLINA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

CUSTODIAL FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Custodial Funds
Additions	
Tax collections for other governments	\$ 171,355,432
Grant revenues	342,534,740
Fines and fees	6,041,912
Miscellaneous	7,564,914
Total additions	<u>527,496,998</u>
Deductions	
Payments of taxes to other governments	475,215,501
Disbursement of debt proceeds	57,940,256
Payments to designated beneficiaries	2,175
Total deductions	<u>533,157,932</u>
Net decrease in fiduciary net position	(5,660,934)
Net position, beginning of year	<u>33,593,235</u>
Net position, end of year	<u><u>\$ 27,932,301</u></u>

The accompanying notes are an integral part of these financial statements.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Dorchester County (the "County") is governed by a seven-member County Council under the Council-Administrator form of government established in 1974, pursuant to the South Carolina Home Rule Act. Members of County Council are elected from resident districts. The County Council acts as the governing body of the County with power to pass ordinances and adopt regulations. The basic financial statements herein reflect those operations subject to the control of Dorchester County Council and the County Administrator.

Reporting Entity

Among services which the County funds in whole or in part are the following: (1) general government, which includes County offices, financial, administrative, executive, judicial departments, facilities maintenance and employee benefits; (2) public safety (law enforcement and emergency management services); (3) roads and drainage; (4) transportation (airport); (5) public health and welfare; (6) recreation and cultural institutions; (7) economic development; (8) disaster recovery; and (9) other miscellaneous services (intergovernmental and nonprofit assistance).

The County (the primary government) is the lowest level of government which has oversight responsibility and control over all activities related to County operations. The County is not included in any other governmental reporting entity because it does not meet the financial accountability criteria for inclusion established by Governmental Accounting Standards Board Statement ("GASB") No. 61. County Council members have decision-making authority, the power to designate management, the ability to significantly influence operations, and the primary accountability for fiscal matters.

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. As required by GAAP, these financial statements present the County (primary government) and its component units, entities for which the County is considered to be financially accountable. Blended component units, although legally separate entities, are in substance, part of the County's operations and data from these units are combined with data of the primary government. The County has three blended component units as discussed below. Discretely presented component units, on the other hand, are reported in a separate column in the financial statements to emphasize that they are legally separate from the County. The County does not have any discretely presented component units.

The Dorchester County Sales tax Transportation Authority (the "Authority"), a blended component unit, was created on January 10, 2008, by Dorchester County Council pursuant to a voter referendum which authorized the Council to assess one percent (1%) sales and use tax for the purpose of funding various transportation projects. To that end, the Authority may issue up to \$125,000,000 of general obligation bonds supported by the tax. The Authority may collect the tax for up to 25 years and will terminate within 12 months of the final sales and use tax collection.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

Each member of Dorchester County Council will appoint one member of the Authority, who shall serve a term coinciding with that of the council member. The council member may remove his or her appointee during his or her term of office, subject to a majority vote of County Council. The Authority's governing body is substantively the same as the County Council and County management has operational responsibility for the Authority. The Authority is also fiscally dependent upon the County because the County Council must approve any debt issuances. In addition, the Authority provides services entirely, or almost entirely, to the County. It is reported as a blended component unit and considered part of the primary government. The Authority's financial information is presented in individual columns throughout the financial statements. Separate financial statements for the Authority are not issued.

The Dorchester Economic Development Corporation (the "Corporation"), a blended component unit, was created on February 1, 2018 as a supporting organization exclusively for the benefit of the County by assisting the County in economic growth and development of the County. The Corporation has a 14-member Board consisting of ten members with voting power and four members without voting power. Each of the seven members of County Council will have the right to nominate one voting member of the Corporation, who will be elected by majority vote of County Council. The council member may remove his or her appointee during his or her term of office, subject to a majority vote of County Council. County Council will also elect two members of County Council to the Corporation's Board and one Mayor from local municipalities. The remaining four members are made up of heads of other local non-profit or governmental entities and do not have voting power. The Corporation's governing body is substantively the same as the County Council and County management has operational responsibility for the Corporation. In addition, the Corporation provides services entirely, or almost entirely, to the County. It is reported as a blended component unit and considered part of the primary government. The Corporation's financial information is presented in individual columns throughout the financial statements within the nonmajor governmental funds. Separate financial statements for the Corporation are not issued.

The Dorchester County Library System (the "Library System"), a blended component unit, was established on April 12, 1979 pursuant to the provisions of Act 564 of 1978. The Library System operates under a Board of Trustees, which is appointed by the Dorchester County Council. The Library System provides library services to the residents of Dorchester County. The Library System is fiscally dependent upon the County because the County Council approves the Library System's budgets, levies taxes, and must approve any debt issuances. It is reported as a blended component unit and considered part of the primary government. The Library System's financial information is presented in individual columns throughout the financial statements within the nonmajor governmental funds. Complete financial statements of the Library System can be obtained from the Dorchester County Library, 506 North Parler Avenue, St. George, South Carolina 29477.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Related Organizations

The County Council has the responsibility for appointing members to the boards of the Charleston Regional Development Alliance, Dorchester Seniors, Inc., and the Trident Technical College Area Commission. These appointments do not represent a majority or controlling interest in the organizations and therefore are not reflected as component units.

The County Council appoints the Board members of Dorchester Drug and Alcohol Commission. The Commission is not fiscally dependent upon the County and is not reflected as a component unit.

Measurement Focus, Basis of Accounting, and Basis of Presentation

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. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from any legally separate component unit(s) for which the primary government is financially responsible.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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 that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each business segment, or governmental function, is self-financing or draws from the general revenues of the County.

The government-wide financial statements (which exclude fiduciary activities) are reported using the economic resources measurement focus and the accrual basis of accounting, as are the Proprietary Funds and Fiduciary Fund financial statements. Revenues are recognized/recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

The government-wide financial statements are prepared using a different measurement focus from the manner in which governmental fund financial statements are prepared (see further detail below). Governmental fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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 government generally considers all revenues to be available if they are collected within 90 days of the end of the current fiscal period (60 days for property taxes). Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, including lease liabilities, as well as expenditures related to compensated absences, claims and judgments, and pension/OPEB benefits are recorded only when payment is due. General capital asset acquisitions, including entering into contracts giving the County the right to use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

Real property taxes, federal and state grant programs and interest 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 cash has been received by the government.

The accounts of the government are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. There are a minimum number of funds maintained to keep the accounts consistent with legal and managerial requirements. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Fiduciary funds are reported by fund type. The major funds and fund types used by the County are listed on the following page.

Governmental fund types are those through which most governmental functions of the County are financed. The County's expendable financial resources and related assets and liabilities (except for those accounted for in the Proprietary and Fiduciary Funds) are accounted for through governmental funds. Governmental funds are accounted for using a current financial resources measurement focus and the modified accrual basis of accounting.

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

The government reports the following major governmental funds:

The **General Fund**, a major fund and a budgeted fund, is the general operating fund of the County and accounts for all revenues and expenditures of the County except those required to be accounted for in other funds. All general tax revenues and other receipts that: (a) are not allocated by law or contractual agreement to other funds, or (b) that have not been restricted, committed, or assigned to other funds are accounted for in the General Fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund.

The **Grants Fund**, a major special revenue fund and an unbudgeted fund, is used to account for and report the financial resources provided by federal, state and local grants that are restricted for use in accordance with grant provisions.

The **Transportation Authority Fund**, a major capital projects fund, is used to account for and report the financial resources that are restricted, committed, or assigned to expenditures of the Transportation Authority, a blended component unit. This includes the collection of the one percent sales tax.

The County also reports several nonmajor special revenue funds, which account for revenue sources that are legally restricted or committed to expenditures for specific purposes (not including expendable trusts or major capital projects) such as grants, other special purpose fees, and economic development. The County has the following nonmajor special revenue funds:

Capital Improvements Fund	Other Special Revenue Fund
Sheriff's Fund	Upper Dorchester Economic Development
Hospitality Tax Fund	Children in Crisis
Economic Development	Senior Citizens Center
Family Court DSS	Fire Protection Improvement Fund
E911	Firefighters' 1% Fund
Victims' Advocate	Dorchester County Economic Development
First Circuit Solicitor	Corporation
C-Funds	Library System
Public Defender	

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

The County also reports several nonmajor capital project funds, which account for revenue sources that are legally restricted or committed to expenditures for specific capital outlay purposes such as tax increment financing district improvements, library facilities, and parks and recreational facilities. The County has the following nonmajor capital project funds:

Oakbrook TIF Fund	Library Facilities Fund
Capital Projects Fund	Parks and Recreational Facilities Fund

The County also reports one nonmajor debt service fund, the County Bonds Fund, which is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest on long-term debt of the County.

Proprietary fund types are accounted for using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary fund are those revenues that are generated directly from the primary activity of the proprietary fund. Operating expenses for the proprietary fund include the necessary costs incurred to provide the goods or services that are the primary activity of the fund and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. Proprietary fund types include the following funds:

Enterprise funds are used to account for operations: (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The County has the following enterprise funds:

The **Water and Sewer Fund**, a major fund, accounts for the sale and distribution of potable water, and for the operation of sewage treatment plants, pumping stations and systems for the collection and treatment of sewage.

The **Solid Waste Fund**, a nonmajor fund, accounts for the operation and maintenance of the County solid waste collection sites and contracts for the collection and disposal of solid waste for County residents.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

The **Stormwater Fund**, a nonmajor fund, accounts for the operation and maintenance of the County's stormwater drainage operations.

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the County, or to other governments, on a cost-reimbursement basis. The County has the following internal service fund:

The **Workers' Compensation Fund** is used to account for the County's workers' compensation costs.

Fiduciary fund types include Custodial Funds, which are generally used to account for miscellaneous assets that the government holds on behalf of others, including municipalities, school districts, special districts and other agencies that use the County as a depository of property taxes that are collected on behalf of the other governments.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and the governmental funds balance sheet 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 (expense/expenditure) until then. The County currently has three types of deferred outflows of resources: (1) The County reports advance refunding charges in its statements of net position. Advance refunding charges, which are the differences between the reacquisition prices and the net carrying amounts of the defeased debt, are deferred and amortized over the life of the refunding bonds. Amortization of advanced refunding charges is included in interest expense in the statement of activities. (2) The County reports deferred pension charges in its statements of net position in connection with its participation in the South Carolina Retirement System and the South Carolina Police Officers Retirement System. (3) The County reports deferred other post-employment benefits ("OPEB") charges in its statements of net position in connection with the Dorchester County OPEB Plan. The deferred pension and OPEB charges are either: (a) recognized in the subsequent period as a reduction of the net pension/OPEB liability (which includes contributions made after the measurement date), or (b) amortized in a systematic and rational method as pension/OPEB expense in future periods in accordance with GAAP. See Note 10 and Note 11 and the required supplementary information immediately following the notes to the financial statements for more information related to the deferred outflows for pension and OPEB.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of net position and the governmental funds balance sheet 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 (revenue) until that time. The County currently has three types of deferred inflows of resources: (1) The County reports unavailable revenue only in the governmental funds' balance sheet; it is deferred and recognized as an inflow of resources (revenues) in the period the amounts become available. (2) The County also reports deferred pension credits in its statements of net position in connection with its participation in the South Carolina Retirement System and the South Carolina Police Officers Retirement System. (3) The County also reports deferred OPEB credits in its statements of net position in connection with its participation in the Dorchester County OPEB Plan. These deferred pension and OPEB credits are amortized in a systematic and rational method and recognized as a reduction of OPEB expense in future periods in accordance with GAAP. See Note 10 and Note 11 and the required supplementary information immediately following the notes to the financial statements for more information related to the deferred outflows for pension and OPEB.

Cash and Cash Equivalents

For purposes of the statement of cash flows for the proprietary funds, the County considers all highly liquid investments (including restricted assets) with original maturities of three months or less when purchased, money market funds and investments in the South Carolina Local Government Investment Pool ("SCLGIP") to be cash equivalents. Securities with an initial maturity of more than three months (from when initially purchased) are reported as investments. Restricted cash and cash equivalents include amounts legally restricted by bond covenants or revenue sources.

Investments

The County's investment policy is designed to operate within existing statutes (which are identical for all funds, fund types and component units within the State of South Carolina) that authorize the County to invest in the following:

- (a) Obligations of the United States and agencies thereof;
- (b) Obligations issued by the Federal Financing Bank, Federal Farm Credit Bank, the Bank of Cooperatives, the Federal Intermediate Credit Bank, the Federal Land Banks, The Federal Home Loan Banks, the Federal Home Loan Mortgage Corporations, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Housing Administration, and the Farmers Home Administration, if, at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories issued by at least two nationally recognized credit rating organizations;

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments (Continued)

- (c) General obligations of the State of South Carolina or any of its political units; or revenue obligations of the State of South Carolina if, at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories issued by at least two nationally recognized credit rating organizations;
- (d) Savings and Loan Associations to the extent that the same are insured by an agency of the Federal Government;
- (e) Certificates of Deposit and funds in deposit accounts with banking institutions provided that such certificates and funds in deposit accounts are collaterally secured by securities of the type described in (a) and (b) above, held by a third party as escrow agent, or custodian of a market value, not less than the amount of the certificates or funds in deposit accounts so secured, including interest; provided, however, such collateral shall not be required to the extent the same are insured by an agency of the federal government;
- (f) Collateralized repurchase agreements when collateralized by securities as set forth in (a) and (b) above and held by the governmental entity or a third party as escrow agent or custodian; and
- (g) No load open-end or closed-end management type investment companies or investment trusts registered under the Investment Company Act of 1940, as amended, where the investment is made by a bank or trust company or savings and loan association or other financial institution when acting as trustee or agent for a bond or other debt issue of that local government unit, political subdivision, or county treasurer if the particular portfolio of the investment company or investment trust in which the investment is made: (i) is limited to obligations described in items (a), (b), (c), and (f) above, and (ii) has among its objectives the attempt to maintain a constant net asset value of one dollar a share and to that end, value its assets by the amortized cost method.

The County's cash investment objectives are preservation of capital, liquidity, and yield. To assist in achieving these objectives, the County maintains a cash and investment pool that is available for use by other funds. Investments are reported at their fair values, which are normally determined by quoted market prices. Restricted Cash and Investments include amounts legally restricted by bond covenants and funding sources.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments (Continued)

The County currently or in the past year has used the following investments:

- South Carolina Local Government Investment Pool ("SCLGIP") investments are invested with the South Carolina State Treasurer's Office, which established the South Carolina Pool pursuant to Section 6-6-10 of the South Carolina Code. The Pool is an investment trust fund, in which public monies in excess of current needs, which are under the custody of any city treasurer or any governing body of a political subdivision of the State, may be deposited. In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools* and GASB Statement No. 72, *Fair Value Measurement and Application*, investments are carried at fair value determined annually based upon: (a) quoted market prices for identical or similar investments, or (b) observable inputs other than quoted market prices. The total fair value of the Pool is apportioned to the entities with funds invested on an equal basis for each share owned, which are acquired at a cost of \$1.00. Funds may be deposited by Pool participants at any time and may be withdrawn upon 24 hours' notice. Financial statements for the Pool may be obtained by writing the Office of State Treasurer, Local Government Investment Pool, P.O. Box 11778, Columbia, SC 29211-1960.
- U.S. securities are generally United States Treasury notes and bonds and related securities which are debt obligations of the U.S. Government (lending money to the federal government for a specified period of time). These debt obligations are backed by the "full faith and credit" of the government, and thus by its ability to raise tax revenues and print currency, United States Treasury securities are considered the safest of all investments.
- Agency securities are securities that are generally backed by mortgage loans, and due to their creation from particular corporations that are sponsored by the United States government, they enjoy credit protection based on either an implicit or explicit guarantee from the United States government.
- Open-Ended Money Market Mutual Funds which invest in obligations of the United States and repurchase agreements collateralized by U.S. Government obligations.
- Certified Deposits are bond-type investments issued by a bank when a person or company deposits a certain amount of money for a determined amount of time. Interest is paid to the old at an agreed upon rate. Money removed before maturity is subject to a penalty.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interfund Receivables and Payables

Transactions between funds that are representative of reimbursement arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds."

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as "internal balances."

Inventories

Inventories are valued at cost using the first-in, first-out method. The consumption method of accounting is used to record inventories under which the cost of inventory is recorded as an expense /expenditure when consumed rather than purchased.

Prepaid Items

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 using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expense/expenditure is reported in the year in which the services are consumed.

Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary fund are reported both in the business-type activities column of the government-wide statement of net position and in the respective fund financial statements.

In general, assets with an estimated useful life in excess of two years are capitalized. The capitalization threshold for infrastructure assets is \$50,000 for individual items and networks. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Capital assets other than infrastructure assets and intangibles other than easements with an initial, individual cost of more than \$5,000 are capitalized. Land and easements are capitalized regardless of cost. Donated capital assets are recorded at estimated acquisition value (as estimated by the County) at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

All reported capital assets, including right to use leased assets, except land and certain infrastructure assets are depreciated. Construction projects begin being depreciated once they are complete, at which time the complete costs of the project are transferred to the appropriate capital asset category. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure are estimated based on the County's historical records of necessary improvements and replacements. Depreciation is provided using the straight-line method over the following estimated useful lives:

Buildings and other improvements	10 - 50 Years
Furniture and equipment	3 - 7 Years
Infrastructure	10 - 30 Years
Water and sewer systems	50 Years
Right-to-use leased buildings	3 - 15 Years
Right-to-use leased land	3 - 88 Years

Leases – Lessee

The County is a lessee for noncancellable leases of equipment and land. The County recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements. The County recognizes lease liabilities with an initial, individual value of \$50,000 or more.

At the commencement of a lease, the County 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 over its useful life.

Key estimates and judgments related to leases include how the County determines: (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments:

- The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option prices that the County is reasonably certain to exercise.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases – Lessee (Continued)

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported as lease assets and lease liabilities are reported with long-term debt on the statement of net position.

Compensated Absences

The County reports compensated absences in accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*. It is the primary government's policy to permit employees to accumulate earned but unused vacation, compensatory time and sick pay benefits. There is no liability for unpaid accumulated sick leave, since it is the County's policy to record the cost of sick leave only when it is paid and no benefits vest upon termination. All vacation time and compensatory pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only to the extent they are payable from current resources, and represent matured liabilities, for example, as a result of employee resignations and retirements.

The entire compensated absence liability and expense is reported on the government-wide financial statements. The portion applicable (if material) to the Proprietary Funds is also recorded in the Proprietary Fund financial statements.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities, and long-term obligations payable from the Proprietary Funds are reported on the Proprietary Fund financial statements. If material, bond premiums, discounts, and advance refunding changes are deferred and amortized over the life of the bonds using the straight-line method (as it approximates the effective interest method). Debt is reported net of applicable bond premiums and discounts. Bond issuance costs (if any) are expensed in the period incurred.

In the governmental fund financial statements, bond premiums, discounts, and bond issuance costs are recognized immediately. The face amount of debt or capital leases issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs are reported as debt service expenditures.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accrued Liabilities and Long-Term Obligations (Continued)

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments, the non-current portion of debt and capital leases, compensated absences, contractually required pension contributions, and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. In general, payments made within 60 days after year-end are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

Fund Balances

In accordance with GAAP, the County classifies governmental fund balances as follows:

- **Nonspendable** – includes amounts that inherently cannot be spent either because it is not in spendable form (i.e. prepaids, inventories, etc.) or because of legal or contractual requirements (i.e. principal on an endowment, etc.).
- **Restricted** – includes amounts that are constrained by specific purposes which are externally imposed by: (a) other governments through laws and regulations, (b) grantors or contributions through agreements, (c) creditors through debt covenants or other contracts, or (d) imposed by law through constitutional provisions or enabling legislation.
- **Committed** – includes amounts that are constrained for specific purposes that are internally imposed by the government through formal action (an ordinance or resolution, which are equally binding) made by the Council, which is the highest level of decision-making authorities, before the end of the reporting period. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.
- **Assigned** – includes amounts that are intended to be used for specific purposes that are neither considered restricted or committed and that such assignments are made before the report issuance date. The Council is the only party that has the right to make assignments of fund balance for the County at this time.
- **Unassigned** – includes amounts that do not qualify to be accounted for and reported in any of the other fund balance categories. This classification represents the amount of fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts of restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balances (Continued)

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

The County's Council has formally adopted a minimum fund balance policy that supports maintaining an unassigned fund balance in the General Fund of at least 32% of the subsequent fiscal year's projected revenues in the General Fund. The unassigned fund balance of the General Fund as of June 30, 2022 is approximately \$34,377,000, which represents approximately 45% of the fiscal year 2023 General Fund projected revenues of approximately \$76,879,000.

Net Position

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows in the statement of net position. Net position is classified as net investment in capital assets; restricted; and unrestricted. Net investment in capital assets consists of capital assets and lease assets, net of accumulated depreciation and amortization, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Outstanding debt, which has not been spent, is included in the same net position component as the unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

Pension and Other Post-Employment Benefits

In government-wide financial statements, pensions and OPEB are required to be recognized and disclosed using the accrual basis of accounting (see Note 10 and Note 11 and the required supplementary information immediately following the notes to the financial statements for more information), regardless of the amounts recognized as pension and OPEB expenditures on the modified accrual basis of accounting. The County recognizes net pension and net OPEB liabilities for each plan for which it participates, which represents the excess of the total pension and OPEB liabilities over the fiduciary net position of the qualified plan, or the County's proportionate share thereof in the case of a cost-sharing multiple-employer plan, measured as of the County's fiscal year-end. Changes in the net pension and OPEB liabilities during the period are recorded as pension and OPEB expenses, or as deferred outflows or inflows of resources depending on the nature of the change, in the period incurred. Those changes in net pension and OPEB liabilities that are recorded as deferred outflows or inflows of resources that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience are amortized over the weighted average remaining service life of all participants in the respective qualified plan and recorded as a component of pension and OPEB expense beginning with the period in which they are incurred.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pension and Other Post-Employment Benefits (Continued)

Any projected earnings on qualified pension and OPEB plan investments are recognized as a component of pension and OPEB expense. Differences between projected and actual investment earnings are reported as deferred outflows or inflows of resources and amortized as a component of pension and OPEB expense on a closed basis over a five-year period beginning with the period in which the difference occurred.

For governmental activities, pension and OPEB liabilities are liquidated by the General Fund. For business-type activities, pension and OPEB liabilities are liquidated by the Water and Sewer Fund.

Fair Value

The fair value measurement and disclosure framework provides for a three-tier fair value hierarchy that gives highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the County can access at the measurement date.

Level 2 – Inputs to the valuation methodology, other than quoted prices included in Level 1, that are observable for an asset or liability either directly or indirectly and include:

- Quoted prices for similar assets and liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted market prices that are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology that are unobservable for an asset or liability and include:

- Fair value is often based on developed models in which there are few, if any, observable inputs.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value (Continued)

The valuation methodologies described above may produce a fair value calculation that may not be indicative of future net realizable values or reflective of future fair values. The County believes that the valuation methods used are appropriate and consistent with GAAP. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There have been no significant changes from the prior year in the methodologies used to measure fair value.

Accounting Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of assets and deferred outflows of resources and liabilities and deferred inflows of resources and disclosure of these balances as of the date of the financial statements. In addition, they affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates and assumptions.

Comparative Data

Comparative data (i.e., presentation of prior year totals by fund type) has not been presented in each of the statements since their inclusion would make the statement unduly complex and difficult to read.

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

Encumbrances are recorded in order to reserve that portion of the applicable appropriation and are employed as an extension of formal budgetary integration in all funds except the Sheriff's Fund, which is subject to the Sheriff's discretion. Annual budgets are used for all funds except the Capital Projects Funds, Grants Fund, Family Court DSS Fund, Sheriff's Fund, C-Funds, Senior Citizens Center Fund, Upper Dorchester Economic Development Fund, Children in Crisis Fund, Economic Development Fund, Dorchester County Economic Development Corporation, Firefighters' 1% Fund, the two nonmajor capital project funds, and some Other Special Revenue Funds which use project-length budgets. Encumbrances are used as budgetary controls in certain special revenue funds and Capital Projects Fund. At June 30, 2022, the County had no outstanding encumbrances.

The budgets are prepared by fund, function, activity, and object. Appropriations are made at the fund level. The legal level of budgetary control, that is, the level at which management cannot overspend without a budget amendment approved by County Council is at the individual fund level.

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

Deficit Fund Balances

The following funds had deficit fund balances at year-end that are expected to be resolved as indicated:

Fund	Deficit	Resource for Elimination
Grants Fund	\$ 1,308,847	Future revenues
Nonmajor Governmental Fund - First Circuit Solicitor	135,573	Future revenues
Nonmajor Governmental Fund - C-Funds	42,656	Future revenues
Nonmajor Governmental Fund - Public Defender	99,536	Future revenues

Excess of Expenditures Over Appropriations

For the year ended June 30, 2022, the following functions had excess of actual expenditures over appropriations. The over-expenditures in the General Fund were funded by under-expenditures in other functions. The over-expenditures in the Capital Improvements Fund and the County Bonds Fund were funded by excess revenues and other financing sources over appropriations. The over-expenditures in the E911 Fund and First Circuit Solicitor Fund were funded by excess revenues over appropriations. The over-expenditures in the Public Defender Fund were funded by under-expenditures in other functions. The over-expenditures in Fire Protection Improvement Fund were funded by excess revenues over appropriations as well as under-expenditures in other functions.

	Excess
General Fund:	
Nondepartmental	\$ 33,033
Debt service	297,463
Nonmajor Governmental Fund - Capital Improvements Fund:	
Capital outlay	861,010
Debt service	39,000
Nonmajor Governmental Fund - County Bonds Fund:	
Debt service	6,007,064
Nonmajor Governmental Fund - E911:	
Capital outlay	252,280
Nonmajor Governmental Fund - First Circuit Solicitor:	
General government	132,070
Nonmajor Governmental Fund - Public Defender:	
Debt service	54,060
Nonmajor Governmental Fund - Fire Protection Improvement:	
Public safety	60,187
Debt service	6,000

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 3. DEPOSITS AND INVESTMENTS

Deposits

Custodial Credit Risk for Deposits: Custodial credit risk for deposits is the risk that, in the event of a bank failure, the County's deposits might not be recovered. The County does not have a formal policy related to custodial credit risk but follows the investment policy statutes of the State of South Carolina. As of June 30, 2022, The County's bank balances were not exposed to custodial credit risk.

Investments

As of June 30, 2022, the County had the following investments and maturities:

Investment Type	Fair Value Level	Credit Rating	Fair Value	Investment Maturities		
				Less than 1 year	More than 1 year but less than 5 years	More than 5 years
SC Local Government Investment Pool	N/A	N/A	\$ 210,406,176	\$ 210,406,176	\$ -	\$ -
U.S. Government Sponsored Enterprise	Level 2	N/A	5,606,262	-	5,183,255	423,007
U.S. Agency Bonds	Level 1	N/A	5,634,547	-	5,634,547	-
U.S. Agency Bonds	Level 2	N/A	8,631,840	-	5,012,398	3,619,442
Money Market	Level 2	Aaa, AA+	249,383	249,383	-	-
Total			<u>\$ 230,528,208</u>	<u>\$ 210,655,559</u>	<u>\$ 15,830,200</u>	<u>\$ 4,042,449</u>

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

Custodial Credit Risk for Investments: Custodial credit risk for investments is the risk that, in the event of a bank failure, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County does not have an investment policy for custodial credit risk but follows the investment policy statutes of the State of South Carolina. As of June 30, 2022, none of the County's investments were exposed to custodial credit risk.

Credit Risk for Investments: Credit risk for investments is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The County does not have an investment policy for credit risk but follows the investment policy statutes of the State of South Carolina.

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

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (Continued)

The following table reconciles deposits and investments within the footnotes to the amounts in the financial statements:

As reported in the statement of net position:

Cash and investments	\$ 96,060,575
Cash and investments, restricted	196,141,085
Cash and investments - custodial funds	51,017,305
Total	<u>\$ 343,218,965</u>
Deposits	\$ 112,690,757
Investments	230,528,208
Total	<u>\$ 343,218,965</u>

NOTE 4. PROPERTY TAXES AND OTHER RECEIVABLES

The County is responsible for levying and collecting property taxes for itself and other taxing entities in the County under joint billing and collection agreements. The property taxes are considered both measurable and available for purposes of recognizing revenue and a receivable from the County at the time they are collected by the County or if they are collected within 60 days of the end of the fiscal year.

Property taxes are levied and billed by the County on real and personal properties on October 1 based on an assessed value as of the preceding December 31 of approximately \$715 million at rates of 5.5 mills for the Library, 1.0 mills for the Children in Crisis Fund, 1.9 mills for the Senior Citizens Center Fund, 54.9 mills for the General Fund, 8.5 mills for the County Bonds Fund, 6.8 mills for the Capital Improvements Fund, and 21.2 mills for the Fire Protection Fund for the current year. These taxes are due without penalty through January 15.

Penalties are added to taxes depending on the date paid as follows:

January 16 through February 1 - 3% of tax
February 2 through March 15 - 10% of tax
After March 15 - 15% of tax plus collection costs

Current year real and personal taxes become delinquent on March 16. Unpaid property taxes become a lien against the property as of June 1 of the calendar year following the levy date. The levy date for motor vehicles is the first day of the month in which the motor vehicle license expires. These taxes are due by the last day of the same month.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 4. PROPERTY TAXES AND OTHER RECEIVABLES

Receivables as of June 30, 2022 for the County's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Grant Fund	Transportation Authority	Water and Sewer	Internal Service Fund	Nonmajor Funds	Total
Receivables:							
Taxes	\$ 1,097,485	\$ -	\$ -	\$ -	\$ -	\$ 953,383	\$ 2,050,868
Accounts	11,571,397	-	98,058	6,240,362	-	8,241,369	26,151,186
Other	-	-	-	-	-	-	-
Other governments	4,417,091	2,265,529	16,182,676	210,757	6,538	563,336	23,645,927
Gross receivables	17,085,973	2,265,529	16,280,734	6,451,119	6,538	9,758,088	51,847,981
Less allowance for uncollectibles	(10,381,987)	-	-	(1,713,738)	-	(623,105)	(12,718,830)
Net total receivable	<u>\$ 6,703,986</u>	<u>\$ 2,265,529</u>	<u>\$ 16,280,734</u>	<u>\$ 4,737,381</u>	<u>\$ 6,538</u>	<u>\$ 9,134,983</u>	<u>\$ 39,129,151</u>

NOTE 5. UNEARNED AND UNAVAILABLE REVENUE

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also report unearned revenue in connection with resources that have been received, but not yet earned. At June 30, 2022, the various components of unearned revenue and deferred inflows of resources reported in the governmental funds are as follows:

Unavailable revenue:	
Property taxes receivable	\$ 574,203
Grant reimbursements	5,128,686
Fees for emergency medical services	1,117,167
Sales taxes receivable	4,934,696
Total unavailable revenue - governmental funds	<u>\$ 11,754,752</u>

Unearned revenue:	
Advance tax installments	\$ 611,503
Communication tower deposits	33,070
American Rescue Plan Act Funds	25,138,803
Deposits held for collateral	174,357
Assets seized in connection with unjudicated cases	421,250
Total unearned revenue - governmental funds	<u>\$ 26,378,983</u>

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 6. CAPITAL ASSETS

Capital asset activity for governmental activities for the year ended June 30, 2022 was as follows:

	Balance June 30, 2021	Additions	Deletions	Transfers	Balance June 30, 2022
Capital assets not being depreciated					
Land, improvements, and right of way	\$ 31,173,962	\$ 4,950	\$ (46,539)	\$ 10,750,082	\$ 41,882,455
Construction in progress	19,087,041	19,696,508	(337,973)	(24,762,176)	13,683,400
Total capital assets not being depreciated	50,261,003	19,701,458	(384,512)	(14,012,094)	55,565,855
Capital assets being depreciated					
Infrastructure	130,290,319	1,975,155	-	5,622,510	137,887,984
Buildings and improvements	72,502,992	3,084,516	(8,960)	7,603,254	83,181,802
Furniture and equipment	47,455,572	4,832,427	(2,232,484)	786,330	50,841,845
Total capital assets being depreciated	250,248,883	9,892,098	(2,241,444)	14,012,094	271,911,631
Less accumulated depreciation					
Infrastructure	(74,666,104)	(3,621,225)	-	-	(78,287,329)
Buildings and improvements	(21,310,727)	(1,802,842)	6,765	-	(23,106,804)
Furniture and equipment	(27,591,784)	(3,976,772)	2,033,959	-	(29,534,597)
Total accumulated depreciation	(123,568,615)	(9,400,839)	2,040,724	-	(130,928,730)
Total capital assets being depreciated, net	126,680,268	491,259	(200,720)	14,012,094	140,982,901
Governmental activities capital assets, net excluding lease assets	\$ 176,941,271	\$ 20,192,717	\$ (585,232)	\$ -	\$ 196,548,756

Depreciation expense for the year ended June 30, 2022 was charged to functions of the primary government as follows:

General government	\$ 1,186,427
Public safety	3,171,432
Roads and drainage	3,162,398
Health and welfare	37,893
Recreation and culture	412,451
Airport	401,189
Economic development	260,391
Intergovernmental and nonprofit assistance	39,258
Library system	729,400
Total	<u>\$ 9,400,839</u>

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 6. CAPITAL ASSETS (CONTINUED)

Capital asset activity for business-type activities for the year ended June 30, 2022 was as follows:

	Balance June 30, 2021	Additions	Deletions	Transfers	Balance June 30, 2022
Capital assets not being depreciated					
Land, improvements, and right of way	\$ 1,875,627	\$ 17,690	\$ -	\$ 13,300	\$ 1,906,617
Construction in progress	12,372,952	3,977,912	(79,519)	(4,724,824)	11,546,521
Total capital assets not being depreciated	14,248,579	3,995,602	(79,519)	(4,711,524)	13,453,138
Capital assets being depreciated					
Infrastructure	2,217,455	1,013,601	-	420,265	3,651,321
Sewer plant	42,231,941	-	-	1,444,116	43,676,057
Sewer system	191,775,008	8,635,170	-	1,159,798	201,569,976
Water system	40,265,542	3,373,559	-	330,013	43,969,114
Buildings and improvements	2,267,982	392,590	-	-	2,660,572
Furniture and equipment	12,068,191	1,253,767	(589,280)	1,357,332	14,090,010
Total capital assets being depreciated	290,826,119	14,668,687	(589,280)	4,711,524	309,617,050
Less accumulated depreciation					
Infrastructure	(369,255)	(117,353)	-	-	(486,608)
Sewer plant	(24,570,434)	(1,396,682)	-	-	(25,967,116)
Sewer system	(43,374,482)	(3,970,927)	-	-	(47,345,409)
Water system	(8,241,504)	(879,743)	-	-	(9,121,247)
Buildings and improvements	(489,003)	(87,753)	-	-	(576,756)
Furniture and equipment	(5,706,276)	(1,173,146)	395,033	-	(6,484,389)
Total accumulated depreciation	(82,750,954)	(7,625,604)	395,033	-	(89,981,525)
Total capital assets being depreciated, net	208,075,165	7,043,083	(194,247)	4,711,524	219,635,525
Business-type activities capital assets, net excluding lease assets	\$ 222,323,744	\$ 11,038,685	\$ (273,766)	\$ -	\$ 233,088,663

Depreciation expense for the year ended June 30, 2022 was charged to Water and Sewer, Solid Waste, and Stormwater in the amounts of \$7,184,937, \$123,945, and \$316,722, respectively.

NOTE 7. LONG-TERM OBLIGATIONS

The County has the following forms of long-term indebtedness as of June 30, 2022:

General Obligation Bonds – The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for use in governmental activities. General obligation bonds reported in governmental activities are direct obligations and pledge the full faith and credit of the County. Resources from the County Bonds Fund, the Transportation Authority Fund and the Recreation Fund have been used in the past to liquidate these obligations.

Limited Obligation Bonds – The County's limited obligation bonds are used to finance infrastructure improvements in the Oakbrook Tax Increment Financing ("TIF") District. Resources from the Oakbrook TIF Fund (nonmajor capital projects fund) have been used to liquidate these obligations.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 7. LONG-TERM OBLIGATIONS (CONTINUED)

Revenue Bonds – The County’s revenue bonds were used to finance construction of water and sewer facilities and the purchase of real estate for use in business-type activities. The revenue bonds are reported in the proprietary funds since they are expected to be repaid from revenues, primarily water and sewer sales and services, which are generated by proprietary fund activities.

Notes Payable – The County finances certain Proprietary Fund Capital projects through state revolving loan funds and other similar loans.

Capital Lease Obligations – The County uses capital leases to finance the purchase of various equipment. Resources in the Capital Improvements Fund and the Fire Improvements Fund have been used in the past to liquidate these obligations.

Compensated Absences Payable – These obligations represent accumulated annual leave and compensatory time benefits which were not funded by the current or prior years’ revenue resources. These obligations are primarily funded by the General Fund, except for proprietary funds which pay for their own obligations.

Type of Issue: Each of the County’s outstanding debt issues are either direct borrowings/placements (“DBP”) or publicly traded (“PT”). The County’s DBP debt (excluding General Obligation Bonds and Limited Obligation Bonds) generally are secured/collateralized by the underlying assets and contain provisions that in an event of default: (a) outstanding amounts can become immediately due if the County is unable to make payment, and (b) the lender could exercise its option to demand return of the financed assets.

There are a number of limitations and restrictions contained in the various bond indentures. Management believes the County is in compliance with all significant limitations and restrictions.

The South Carolina Constitution permits the County to incur general obligation (general purpose) bonded indebtedness not to exceed 8% of the assessed value of taxable property in the County, approved by referendum. The 2010 general obligation bonds, 2020 general obligation bonds, and 2022 general obligation bonds, as well as the 2009 and 2013A general obligation bonds issued by the Authority, were approved by referendum and are not subject to the debt limit. At June 30, 2022, the County was in compliance with this requirement. Further, the general obligation bonds, as well as the revenue bonds, are supported by the full faith, credit, and taxing power of the County. The 2010 general obligation bonds were refunded during the current year.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 7. LONG-TERM OBLIGATIONS (CONTINUED)

From time to time, the County issues industrial development revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Additionally, not-for-profit entities which provide fire protection within the County occasionally borrow funds to purchase equipment. The lending institutions require the County to authorize the borrowings although the loans and the related assets belong to the not-for-profit entities. The County is not obligated in any manner for repayment of the bonds and notes. Accordingly, the bonds and notes are not reported as liabilities in the accompanying financial statements. As of June 30, 2022, there were an undetermined number of industrial revenue bonds and notes outstanding and the principal payable at June 30, 2022 could not be determined.

In December 2021, the County issued its Series 2021 General Obligation Refunding Bond in the amount of \$5,275,000 with an interest rate of 1.44%. Principal is due on the bonds annually beginning April 1, 2023 through April 1, 2031 with interest due semi-annually beginning on April 1, 2022. These bonds were issued for the redemption of the \$3,219,812 of the outstanding Series 2010 General Obligation Bonds as well as \$2,625,854 of the outstanding Series 2015 General Obligation Bonds.

In September 2021, the County issued a Lease Purchase Agreement in the amount of \$1,569,784 to fund the purchase of radio equipment. Principal payments are due annually beginning October 1, 2022 through October 1, 2026. There are no interest payments.

In March 2022, the County issued its Series 2022 General Obligation Bond in the amount of \$43,000,000 with interest rates ranging from 3.00% to 5.00%. Principal is due on the bonds annually beginning April 1, 2023 through April 1, 2047 with interest due semi-annually beginning on October 1, 2022.

In December 2021, the County issued its Taxable Series 2021 General Obligation Bond in the amount of \$750,000 with an interest rate of 0.99%. The Bond was paid off during the current fiscal year.

During the current fiscal year, the County drew down the remaining balance available on the State Revolving Loan Series 2018 in the amount of \$283,410. Principal payments are due quarterly, maturing February 24, 2034. Quarterly interest payments at a rate of 1.90% are due beginning May 1, 2020.

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 7. LONG-TERM OBLIGATIONS (CONTINUED)

The following is a summary of changes in the County's governmental activities long-term obligations for the year ended June 30, 2022:

	Balance			Balance	Due in
	June 30, 2021	Additions	Retirements	June 30, 2022	One Year
General obligation bonds	\$ 127,647,172	\$ 49,025,000	\$ 15,727,139	\$ 160,945,033	\$ 13,910,000
Limited obligation bonds	14,465,000	-	-	14,465,000	-
Premiums	4,959,553	3,610,284	428,705	8,141,132	537,013
Financed purchases	10,640,104	1,569,784	1,140,026	11,069,862	1,464,983
Compensated absences	3,064,184	1,671,697	1,477,459	3,258,422	1,368,116
Net pension liability	95,042,075	12,772,499	32,121,614	75,692,960	-
Net OPEB liability	10,466,311	941,352	2,336,421	9,071,242	-
Total OPEB liability	690,380	26,036	122,267	594,149	-
Total	\$ 266,974,779	\$ 69,616,652	\$ 53,353,631	\$ 283,237,800	\$ 17,280,112

The following is a summary of changes in the County's business-type activities long-term obligations for the year ended June 30, 2022:

	Balance			Balance	Due in
	June 30, 2021	Additions	Retirements	June 30, 2022	One Year
Revenue bonds	\$ 40,918,752	\$ -	\$ 4,796,724	\$ 36,122,028	\$ 3,725,030
Premiums on bonds	1,731,557	-	157,414	1,574,143	157,414
Notes payable	6,167,627	283,410	729,782	5,721,255	740,225
Landfill postclosure costs	14,410	-	14,410	-	-
Compensated absences	484,832	324,002	292,450	516,384	283,179
Net pension liability	15,349,456	1,849,737	3,965,179	13,234,014	-
Net OPEB liability	1,476,541	133,251	325,735	1,284,057	-
Total	\$ 66,143,175	\$ 2,590,400	\$ 10,281,694	\$ 58,451,881	\$ 4,905,848

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 7. LONG-TERM OBLIGATIONS (CONTINUED)

The following is a summary of each long-term obligation of the County at June 30, 2022.

General obligation bonds payable are comprised of the following individual issuances:

	Principal Outstanding At Year-End
\$18,000,000 2012 general obligation bond due in annual principal installments of \$475,000 to \$1,015,000 through April 1, 2038; interest ranging from 3.00 to 4.00%. Plus Unamortized Issuance Premium	\$ 13,105,000 450,208
\$9,005,000 2013B serial refunding bonds due in annual principal installments of \$85,000 to \$760,000 through April 1, 2031; interest ranging from 1.50 to 5.00%. Plus Unamortized Issuance Premium	5,890,000 343,396
\$57,000,000 (Transportation Projects) Series 2009 serial Build America Bonds (35% of interest costs to be reimbursed by the federal government over the life of the bonds), due in annual payments of \$1,345,000 to \$4,110,000 through May 2029; interest ranging from 0.85% to 5.70%. Plus Unamortized Issuance Premium	25,385,000 53,555
\$43,890,000 (Transportation Projects) Series 2013A serial refunding bonds due in annual payments of \$2,655,000 to \$4,170,000 through May 1, 2029; interest ranging from 3.00% to 5.00%. Plus Unamortized Issuance Premium	26,335,033 1,496,235
\$19,030,000 2019 general obligation serial refunding and improvement bond due in annual payments of \$550,000 to \$2,810,000 through April 1, 2039; interest ranging from 3.00% to 5.00%.	13,735,000
\$25,000,000 2020 general obligation bond due in annual payments of \$630,000 to \$1,340,000 through April 1, 2045; interest ranging from 2.00% to 5.00%. Plus Unamortized Issuance Premium	23,570,000 1,459,537
\$4,650,000 Winding Woods Special Source Revenue Bonds due in annual payments of \$1,132,000 to \$1,787,000 through March 2025; interest at 1.77%.	4,650,000
\$5,275,000 Series 2021 general obligation bond due in annual installments of \$340,000 to \$654,000 through April 1, 2031; interest at 1.44%.	5,275,000
\$43,000,000 series 2022 general obligation bond due in annual installments of \$1,055,000 to \$2,450,000 through April 1, 2047; interest ranging from 3.00% to 5.00%. Plus Unamortized Issuance Premium	43,000,000 3,574,181
Total General Obligation Bonds Outstanding at Year-End	<u>\$ 168,322,145</u>

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 7. LONG-TERM OBLIGATIONS (CONTINUED)

The County has entered into several lease agreements with payment terms varying from three to eight years with interest rates varying from 0% to 2.60%, secured by various vehicles, computer hardware, cameras and other equipment. As of June 30, 2022, the assets acquired through capital leases in the amount of approximately \$9,598,000 are included in equipment with accumulated amortization of approximately \$2,105,000 included in accumulated depreciation.

Revenue bonds payable are comprised of the following individual issuances:

	Principal Outstanding At Year-End
\$22,760,000 2012 Waterworks and Sewer System Revenue Bond due in annual principal installments of \$1,150,000 to \$2,020,000 through October 1, 2028; interest ranging from 3.00% to 5.00%.	\$ 1,530,000
\$1,700,000 2012B Waterworks and Sewer System Revenue Bond due in annual principal installments of \$157,930 to \$184,030 through December 31, 2022; interest at 1.83%.	184,029
\$23,445,000 2015 Waterworks and Sewer System Revenue Refunding Bond due in annual principal installments of \$1,100,000 to \$2,065,000 through October 1, 2031; interest ranging from 3.00% to 5.00%. Plus Unamortized Issuance Premium	17,380,000 1,574,143
\$1,750,000 2017 Waterworks and Sewer System Revenue Bond due in annual principal installments of \$114,000 to \$245,000 through March 1, 2028; interest at 3.54%.	-
\$6,219,000 2017 Waterworks and Sewer System Revenue Refunding Bond due in annual principal installments of \$54,000 to \$490,000 through October 1, 2034; interest at 2.69%.	5,432,999
\$11,962,000 2020 Waterworks and Sewer System Refunding Bond due in annual principal installments of \$124,000 to \$1,958,000 through October 1, 2028; interest at 1.40%.	11,595,000
Total Revenue Bonds Outstanding at Year-End	<u>\$ 37,696,171</u>

Limited obligation bonds payable are comprised of the following individual issuances:

	Principal Outstanding At Year-End
\$14,465,000 2020 Oakbrook Tax Increment Financing District Bond due in annual principal installments of \$200,000 to \$1,000,000 through October 2044; interest ranging from 2.00% to 5.00%. Plus Unamortized Issuance Premium	\$ 14,465,000 764,020
Total Limited Obligation Bonds Outstanding at Year-End	<u>\$ 15,229,020</u>

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 7. LONG-TERM OBLIGATIONS (CONTINUED)

Notes payable are comprised of the following individual issuances:

	Principal Outstanding At Year-End
\$2,100,000 Promissory note, due in annual installments of \$180,000 to \$230,000, maturing October 1, 2022; interest at 2.00%.	\$ 230,000
\$4,034,983 Revolving Loan, \$3,860,225 drawn to date, due in quarterly installments of \$60,392, maturing August 2030; interest at 1.84%.	1,752,594
\$1,481,830 Revolving Loan, \$1,432,063 drawn to date, due in quarterly installments of \$20,460, maturing August 2030; interest at 1.00%.	851,565
\$3,654,740 Revolving Loan, \$3,411,871 drawn to date, due in quarterly installments of \$74,482, maturing February 2034; interest at 1.90%.	<u>2,887,096</u>
Total Notes Payable Outstanding at Year-End	<u>\$ 5,721,255</u>

Annual debt service requirements to maturity for all governmental activities long-term debt as of June 30, 2022 are as follows:

General Obligation Bonds			
Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 13,910,000	\$ 5,928,086	\$ 19,838,086
2024	12,455,000	5,308,254	17,763,254
2025	12,657,000	4,810,977	17,467,977
2026	11,813,000	4,319,017	16,132,017
2027	12,279,000	3,826,285	16,105,285
2028 – 2032	40,471,000	12,135,215	52,606,215
2033 – 2037	22,935,000	6,876,088	29,811,088
2038 – 2042	18,930,000	3,653,750	22,583,750
2043 – 2045	15,495,033	1,249,200	16,744,233
Total	<u>\$ 160,945,033</u>	<u>\$ 48,106,872</u>	<u>\$ 209,051,905</u>

Limited Obligation Bonds			
Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ -	\$ 459,700	\$ 459,700
2024	-	459,700	459,700
2025	-	459,700	459,700
2026	200,000	457,700	657,700
2027	370,000	452,000	822,000
2028 – 2032	3,035,000	2,047,800	5,082,800
2033 – 2037	3,620,000	1,456,900	5,076,900
2038 – 2042	4,325,000	759,550	5,084,550
2043 – 2045	2,915,000	132,825	3,047,825
Total	<u>\$ 14,465,000</u>	<u>\$ 6,685,875</u>	<u>\$ 21,150,875</u>

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 7. LONG-TERM OBLIGATIONS (CONTINUED)

Fiscal Year Ending June 30,	Financed Purchases		Total
	Principal	Interest	
2023	\$ 1,464,983	\$ 125,180	\$ 1,590,163
2024	1,479,983	110,723	1,590,706
2025	1,490,983	97,302	1,588,285
2026	1,542,957	84,571	1,627,528
2027	1,557,957	68,412	1,626,369
2028 – 2032	3,532,999	132,964	3,665,963
Total	<u>\$ 11,069,862</u>	<u>\$ 619,152</u>	<u>\$ 11,689,014</u>

Annual debt service requirements to maturity for all business-type activities long-term debt as of June 30, 2022 are as follows:

Fiscal Year Ending June 30,	Revenue Bonds		Total
	Principal	Interest	
2023	\$ 3,725,030	\$ 7,224,505	\$ 10,949,535
2024	3,663,000	6,787,351	10,450,351
2025	3,783,000	5,744,301	9,527,301
2026	3,900,000	4,972,951	8,872,951
2027	4,008,000	4,315,301	8,323,301
2028 – 2032	15,613,000	14,498,853	30,111,853
2033 – 2035	1,429,998	5,322,907	6,752,905
Total	<u>\$ 36,122,028</u>	<u>\$ 48,866,169</u>	<u>\$ 84,988,197</u>

Fiscal Year Ending June 30,	Notes Payable		Total
	Principal	Interest	
2023	\$ 740,225	\$ 97,392	\$ 837,617
2024	520,425	86,627	607,052
2025	529,429	77,608	607,037
2026	538,656	68,429	607,085
2027	548,113	59,086	607,199
2028 – 2032	2,252,853	154,692	2,407,545
2033 – 2034	591,554	10,249	601,803
Total	<u>\$ 5,721,255</u>	<u>\$ 554,083</u>	<u>\$ 6,275,338</u>

Landfill Postclosure Care Costs

State and federal laws and regulations require the County to place a final cover on its landfill sites when each site stops accepting waste and to perform certain maintenance and monitoring functions at the sites for 30 years after closure. Although postclosure care costs will be paid only after the date that the landfills stop accepting waste, the County reports a portion of these postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 7. LONG-TERM OBLIGATIONS (CONTINUED)

Landfill Postclosure Care Costs (Continued)

The accrual of approximately \$14,000 for landfill postclosure care at June 30, 2021 reflected the estimated remaining liability for postclosure care of the previously closed landfill site for another year based on the latest engineering estimates. The accrual was paid off in the current year.

NOTE 8. LEASES

Lessee – Lease Assets

A summary of lease asset activity for the County for the year ended June 30, 2022 is as follows:

Governmental Activities:	Beginning Balance	Increases	Decreases	Remeasure	Ending Balance
Lease Assets:					
Buildings	\$ 6,643,382	\$ -	\$ -	\$ -	\$ 6,643,382
Land	291,072	-	-	-	291,072
Less accumulated amortization, buildings	(524,542)	(402,469)	-	-	(927,011)
Less accumulated amortization, land	(122,394)	(1,917)	-	-	(124,311)
Total leased assets, net	<u>\$ 6,287,518</u>	<u>\$ (404,386)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,883,132</u>
Business-Type Activities:	Beginning Balance	Increases	Decreases	Remeasure	Ending Balance
Lease Assets:					
Land	\$ 78,411	\$ -	\$ -	\$ -	\$ 78,411
Less accumulated amortization, land	(35,248)	(6,199)	-	-	(41,447)
Total leased assets, net	<u>\$ 43,163</u>	<u>\$ (6,199)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,964</u>

The County's lease liabilities activity for the year ended June 30, 2022 is as follows:

Governmental Activities:	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Lease liabilities	\$ 6,287,517	\$ -	\$ (322,441)	\$ 5,965,076	\$ 292,631
Business-Type Activities:	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Lease liabilities	\$ 43,163	\$ -	\$ (6,400)	\$ 36,763	\$ 6,003

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 8. LEASES (CONTINUED)

Lessee – Lease Liabilities

The County enters into lease agreements for periods between three and 88 years as lessee for the use of certain buildings and land. The leases have an imputed interest rate of 1%. Principal and interest expenditures to maturity for lease liabilities as of June 30, 2022 are as follows:

Governmental Activities:			
Fiscal Year	Principal	Interest	Total
2023	\$ 292,631	\$ 62,974	\$ 355,605
2024	254,020	60,066	314,086
2025	205,240	57,564	262,804
2026	212,098	55,314	267,412
2027	219,123	52,989	272,112
2028-2032	1,093,314	229,659	1,322,973
2033-2037	1,252,860	166,996	1,419,856
2038-2042	1,472,444	93,633	1,566,077
2043-2047	830,067	19,151	849,218
2048-2052	7,875	7,125	15,000
2053-2057	8,309	6,691	15,000
2058-2062	8,768	6,232	15,000
2063-2067	9,251	5,749	15,000
2068-2072	9,762	5,238	15,000
2073-2077	10,301	4,699	15,000
2078-2082	10,869	4,131	15,000
2083-2087	11,469	3,531	15,000
2088-2092	12,101	2,899	15,000
2093-2097	12,769	2,231	15,000
2098-2102	13,474	1,526	15,000
2103-2107	14,217	783	15,000
2108-2109	4,114	96	4,210
Total	<u>\$ 5,965,076</u>	<u>\$ 849,277</u>	<u>\$ 6,814,353</u>

Business-Type Activities:			
Fiscal Year	Principal	Interest	Total
2023	\$ 6,003	\$ 397	\$ 6,400
2024	6,068	332	6,400
2025	4,533	267	4,800
2026	4,582	218	4,800
2027	3,832	168	4,000
2028-2030	11,745	255	12,000
Total	<u>\$ 36,763</u>	<u>\$ 1,637</u>	<u>\$ 38,400</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 9. INTERFUND BALANCES AND TRANSFERS

Transfers from (to) other funds for the year ended June 30, 2022 were as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 6,047,619	\$ 3,942,201
Grants Fund	769,303	-
Nonmajor Governmental Funds	6,697,848	7,107,002
Water and Sewer Fund	-	1,774,258
Nonmajor Enterprise Fund	-	637,141
Internal Service Fund	-	54,168
Total Transfers In/Out	<u>\$ 13,514,770</u>	<u>\$ 13,514,770</u>

General Fund

Transfers in: Funds were transferred into the General Fund from the Nonmajor Governmental Funds to partially fund various capital expenditures, from the Water and Sewer Fund and Nonmajor Enterprise Funds as an allocation of overhead costs.

Transfers out: The General Fund transferred funds into the Nonmajor Governmental Funds (Victim's Advocate Fund) to fund a portion of operating costs. Funds were transferred to Nonmajor Governmental Funds to fund ongoing capital projects as well as approved capital purchases.

Nonmajor Governmental Funds

Transfers in: Funds were transferred into the Nonmajor Governmental Funds from the General Fund to fund a portion of operating costs. Funds were transferred into the Nonmajor Governmental Funds from other Nonmajor Governmental Funds and the Water and Sewer Fund to fund capital improvements and grant matches.

Transfers out: Funds were transferred to the General Fund as an allocation of overhead costs. Funds were also transferred to the Water and Sewer Fund to fund capital improvements.

Water and Sewer Fund

Transfers out: Funds were transferred from the Water and Sewer Fund to the General Fund as an allocation of overhead costs; funds were also transferred to the Nonmajor Governmental Funds to partially fund capital improvements.

Nonmajor Enterprise Funds

Transfers out: Funds were transferred from the Nonmajor Enterprise Funds to the General Fund as an allocation of overhead costs.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 9. INTERFUND BALANCES AND TRANSFERS (CONTINUED)

Interfund Balances

Interfund balances at June 30, 2022 result from the timing of payments made by the General Fund for expenditures incurred by other funds during the year, all of which are expected to be paid within one year:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Total</u>
General Fund	Grants Fund	\$ 1,135,606
General Fund	Nonmajor Governmental Funds	723,231
		<u>\$ 1,858,837</u>

NOTE 10. PENSION PLANS

The South Carolina Public Employee Benefit Authority ("PEBA"), created July 1, 2012, is the state agency responsible for the administration and management of the various retirement systems and retirement programs of the state of South Carolina, including the State Optional Retirement Program and the South Carolina Deferred Compensation Program, as well as the State's employee insurance programs. As such, PEBA is responsible for administering the South Carolina Retirement Systems' ("SCRS") 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 Retirement 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 Retirement 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 Retirement Systems and additions to/deductions from the Retirement Systems' fiduciary net position have been determined on the accrual basis of accounting as they are reported by the Retirement Systems in accordance with 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 Retirement Systems' Pension Trust Funds. The ACFR is publicly available through the Retirement Benefits' link on PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is considered a division of the primary government of the State of South Carolina and, therefore, retirement trust fund financial information is also included in the ACFR of the state.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 10. PENSION PLANS (CONTINUED)

Plan Description

The South Carolina Retirement System ("SCRS"), a cost-sharing multiple-employer defined benefit pension plan, was established effective 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 employees of the state, its public school districts and political subdivisions. SCRS covers employees of state agencies, public school districts, higher education institutions, other participating local subdivisions of government and individuals newly elected to the South Carolina General Assembly at or after the 2012 general election.

The South Carolina Police Officers Retirement System ("PORS"), a cost-sharing multiple-employer defined benefit pension plan, was established effective 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 firemen of the state and its political subdivisions.

Plan Membership

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

- SCRS – Generally, all employees of covered employers are required to participate in and contribute to the Retirement System as a condition of employment. This plan covers general employees and teachers and individuals newly elected to the South Carolina General Assembly beginning with the November 2012 general election. An employee member of the Retirement System with an effective date of membership prior to July 1, 2012 is a Class Two member. An employee member of the Retirement 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 or her 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; or to serve as 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 the PORS. Magistrates are required to participate in the PORS for service as a magistrate. PORS members, other than magistrates and probate judges, must also earn at least \$2,000 per year and devote at least 1,600 hours per year to this work, unless exempted by statute. An employee member of the Retirement System with an effective date of membership prior to July 1, 2012 is a Class Two member. An employee member of the Retirement System with an effective date of membership on or after July 1, 2012 is a Class Three member.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 10. PENSION PLANS (CONTINUED)

Plan 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 benefit terms for each Retirement 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 1%, or \$500 every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase. Members who retire under the early retirement provisions at age 55 with 25 years of service are not eligible for the benefit adjustment until the second July 1 after reaching age 60, or the second July 1 after the date they would have had 28 years of service credit had they not retired.

- PORS – A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 55, or with 25 years of service regardless of age. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension at age 55, or with 27 years of service regardless of age. Both Class Two and Class Three members are eligible to receive a deferred annuity at age 55 with five or eight years of earned service, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program. Accidental death benefits are also provided upon the death of an active member working for a covered employer whose death was a natural and proximate result of an injury incurred while in the performance of duty.

The retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of 1%, or \$500 every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 10. PENSION PLANS (CONTINUED)

Plan Contributions

Actuarial valuations are performed annually by an external consulting actuary to ensure applicable contribution rates satisfy the funding parameters specified in Title 9 of the South Carolina Code of Laws. Under these provisions, SCRS and PORS contribution requirements must be sufficient to maintain an amortization period for the financing of the unfunded actuarial accrued liability ("UAAL") over a period that does not exceed the number of years scheduled in state statute. Legislation in 2017 increased, but also established a ceiling for SCRS and PORS employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.00% for SCRS and 9.75% for PORS. The legislation also increased employer contribution rates beginning July 1, 2017 for both SCRS and PORS by two percentage points and further scheduled employer contribution rates to increase by a minimum of one percentage point each year in accordance with state statute. However, the General Assembly postponed the 1% increase in the SCRS and PORS employer contribution rates that was scheduled to go into effect beginning July 1, 2020. If the scheduled contributions are not sufficient to meet the funding periods set in state statute, the Board shall increase the employer contribution rates as necessary to meet the funding periods set for the applicable year. The maximum funding period of SCRS and PORS is scheduled to be reduced over a ten-year schedule, from 30 years beginning fiscal year 2018 to 20 years by fiscal year 2028.

Additionally, the Board is prohibited from decreasing the SCRS and PORS contribution rates until the funded ratio is at least 85%. If the most recent annual actuarial valuation of the Retirement Systems for funding purposes shows a ratio of the actuarial value of system assets to the actuarial accrued liability of the System (the funded ratio) that is equal to or greater than 85%, then the Board, effective on the following July 1, may decrease the then current contribution rates upon making a finding that the decrease will not result in a funded ratio of less than 85%. If contribution rates are decreased pursuant to this provision, and the most recent annual actuarial valuation of the Retirement System shows a funded ratio of less than 85%, then effective on the following July 1, and annually thereafter as necessary, the Board shall increase the then current contribution rates until a subsequent annual actuarial valuation of the Retirement System shows a funded ratio that is equal to or greater than 85%.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 10. PENSION PLANS (CONTINUED)

Plan Contributions (Continued)

As noted earlier, both employees and the County are required to contribute to the plans at rates established and as amended by the PEBA. The County's contributions are actuarially determined but are communicated to and paid by the County as a percentage of the employees' annual eligible compensation. Required employer and employee contribution rates for the past three years are as follows:

	SCRS Rates			PORS Rates		
	2020	2021	2022	2020	2021	2022
Employer contribution rate:						
Retirement	15.41%	15.41%	16.41%	17.84%	17.84%	18.84%
Incidental death benefit	0.15%	0.15%	0.15%	0.20%	0.20%	0.20%
Accidental death contributions	0.00%	0.00%	0.00%	0.20%	0.20%	0.20%
	<u>15.56%</u>	<u>15.56%</u>	<u>16.56%</u>	<u>18.24%</u>	<u>18.24%</u>	<u>19.24%</u>
Employee contribution rate	<u>9.00%</u>	<u>9.00%</u>	<u>9.00%</u>	<u>9.75%</u>	<u>9.75%</u>	<u>9.75%</u>

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

The required contributions and percentages of amounts contributed to the Plans for the past three years were as follows:

Year Ended June 30,	SCRS Contributions		PORS Contributions	
	Required	% Contributed	Required	% Contributed
2022	\$ 5,460,665	100%	\$ 3,608,485	100%
2021	4,607,939	100%	3,057,464	100%
2020	4,834,633	100%	3,238,271	100%

Eligible payrolls of the County covered under the Plans for the past three years were as follows:

Year Ended June 30,	SCRS Payroll	PORS Payroll	Total Payroll
2022	\$ 33,054,185	\$ 18,755,122	\$ 51,809,307
2021	29,699,460	16,762,413	46,461,873
2020	31,155,149	17,753,678	48,908,827

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 10. PENSION PLANS (CONTINUED)

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. An experience report on the Retirement Systems was most recently issued for the period ended June 30, 2019.

The June 30, 2021 total pension liability, net pension liability and sensitivity information shown in this report were determined by the consulting actuary, Gabriel, Roeder, Smith and Company ("GRS"), and are based on an actuarial valuation performed as of July 1, 2020. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year-end, June 30, 2021, using generally accepted actuarial principles. There was no legislation enacted during the 2021 legislative session that had a material change in the benefit provisions for any of the systems. In fiscal year 2021 the Board adopted updated demographic assumptions. Also, the General Assembly permitted the investment return assumption at July 1, 2021 to decrease from 7.25% to 7.00%, as provided by Section 9-16-335 in South Carolina State Code.

The following table provides a summary of the actuarial assumptions and methods used to calculate the total pension liability as of June 30, 2021:

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

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 Retirement Systems' mortality experience. These base rates are adjusted for future improvement in mortality using 80% of Scale UMP projected from the year 2020.

Former Job Class	Males	Females
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%
Educators	2020 PRSC Males multiplied by 95%	2020 PRSC Females multiplied by 94%

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10. PENSION PLANS (CONTINUED)

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 rate of returns represent assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market based inputs. Expected returns are net of investment fees.

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2021 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the following table. For actuarial purposes, the 7.00% assumed annual investment rate of return used in the calculation of the total pension liability includes a 4.75% real rate of return and a 2.25% inflation component.

<u>Allocation/Exposure</u>	<u>Policy Target</u>	<u>Expected Arithmetic Real Rate of Return</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Public Equity	46.0%	6.87%	3.16%
Bonds	26.0%	0.27%	0.07%
Private Equity	9.0%	9.68%	0.87%
Private Debt	7.0%	5.47%	0.39%
Real Assets	12.0%		
Real Estate	9.0%	6.01%	0.54%
Infrastructure	3.0%	5.08%	0.15%
	<u>100%</u>		
	Total expected real return		5.18%
	Inflation for actuarial purposes		2.25%
	Total expected nominal return		<u><u>7.43%</u></u>

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 10. PENSION PLANS (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions

The net pension liability ("NPL") is calculated separately for each Retirement System and represents that particular Retirement System's total pension liability determined in accordance with GASB No. 67 less that system's fiduciary net position. NPL totals, as of the June 30, 2021 measurement date, for the SCRS and PORS, are presented in the following table:

System	Total Pension Liability	Plan Fiduciary Net Liability	Employers' Net Pension Liability	Plan Fiduciary Net Position as a percentage of the Total Pension Liability	County's Proportionate Share of the Collective Net Pension Liability
SCRS	\$ 150,210,398	\$ 91,247,099	\$ 58,963,299	60.7%	0.272458%
PORS	\$ 101,139,045	\$ 71,175,370	\$ 29,963,675	70.4%	1.164581%

The total pension liability is calculated by the Retirement Systems' actuary, and each plan's fiduciary net position is reported in the Retirement Systems' financial statements. The net pension liability is disclosed in accordance with the requirements of GASB No. 67 in the Retirement Systems' notes to the financial statements and required supplementary information. Liability calculations performed by the Retirement Systems' actuary for the purpose of satisfying the requirements of GASB Nos. 67 and 68 are not applicable for other purposes, such as determining the plans' funding requirements.

At June 30, 2022, the County reported liabilities of \$56,507,319 and \$29,963,675 for its proportionate share of the net pension liabilities for the SCRS and PORS, respectively. The net pension liabilities were measured as of June 30, 2021, and the total pension liabilities for the plans used to calculate the net pension liabilities were determined based on the most recent actuarial valuation report of July 1, 2020 that was projected forward to the measurement date. The County's proportion of the net pension liabilities were based on a projection of the County's long-term share of contributions to the plans relative to the projected contributions of all participating South Carolina state and local governmental employers, actuarially determined. At the June 30, 2021 measurement date, the County's SCRS proportion was 0.261109%, which was a decrease of 0.006917% from its proportion measured as of June 30, 2020. At the June 30, 2021 measurement date, the County's PORS proportion was 1.164581%, which was a decrease of 0.010629% from its proportion measured as of June 30, 2020.

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10. PENSION PLANS (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

For the year ended June 30, 2022, the County recognized pension expense of \$8,958,547, which represents \$4,280,610 for SCRS and \$4,677,937 for PORs. At June 30, 2022, the County reported deferred outflows of resources (deferred pension charges) and deferred inflows of resources (deferred pension credits) related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
SCRS		
Differences between expected and actual experience	\$ 1,004,372	\$ 79,579
Net difference between projected and actual earnings on pension plan investments	-	8,565,196
Assumption changes	3,227,457	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,347,708	1,292,530
Employer contributions subsequent to the measurement date	5,460,666	-
Total	<u>\$ 11,040,203</u>	<u>\$ 9,937,305</u>
	Deferred Outflows of Resources	Deferred Inflows of Resources
PORS		
Differences between expected and actual experience	\$ 1,019,339	\$ 93,318
Net difference between projected and actual earnings on pension plan investments	-	6,717,722
Assumption changes	2,137,151	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,962,302	238,750
Employer contributions subsequent to the measurement date	3,608,485	-
Total	<u>\$ 8,727,277</u>	<u>\$ 7,049,790</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10. PENSION PLANS (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

The amounts of \$5,460,666 and \$3,608,485 that were reported as deferred outflows of resources related to the County's contributions subsequent to the measurement date to the SCRS and PORS, respectively, will be recognized as a reduction of the net pension liabilities in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources (deferred pension charges) and deferred inflows of resources (deferred pension credits) related to the SCRS and PORS will increase (decrease) pension expense as follows:

<u>Year ending June 30,</u>	<u>SCRS</u>	<u>PORS</u>
2023	\$ 110,881	\$ 693,757
2024	(135,693)	310,217
2025	(1,127,971)	(548,557)
2026	(3,204,985)	(2,386,415)
Total	<u>\$ (4,357,768)</u>	<u>\$ (1,930,998)</u>

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in the 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, each Retirement Systems' fiduciary net position was projected to be available to make all 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 total pension liability.

Sensitivity Analysis

The following table presents the sensitivity of the County's proportionate share of the net pension liability of the plans to changes in the discount rate, calculated using the discount rate of 7.00%, as well as what it would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
County's portion - SCRS	\$ 77,234,581	\$ 58,963,299	\$ 43,776,085
County's portion - PORS	\$ 43,473,460	\$ 29,963,675	\$ 18,897,094

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10. PENSION PLANS (CONTINUED)

Plans Fiduciary Net Position

Detailed information regarding the fiduciary net position of the plan administered by the PEBA is available in the separately issued ACFR containing financial statements and required supplementary information for the SCRS and PORS. The ACFR is publicly available through the Retirement Benefits' link on the 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.

Payable to Plans

The County reported payables of approximately \$684,000 and \$421,000 to the PEBA as of June 30, 2022, representing required employer and employee contributions for the month of June 2022 for the SCRS and PORS, respectively. These amounts are included in accounts payable and accrued liabilities on the financial statements and were paid in July 2022.

NOTE 11. OTHER POST-EMPLOYMENT BENEFITS – COUNTY

Plan Description

The County is a participant in the South Carolina Counties OPEB Trust, an agent multiple-employer irrevocable trust administered by the South Carolina Association of Counties (the "Plan"). The Plan provides lifetime healthcare insurance for eligible retirees and their spouses through the County's group health insurance plan, which covers both active and retired members. Benefit provisions are established by County Council. The Plan does not issue a publicly available financial report. The County is a participant in the South Carolina Counties OPEB Trust, an irrevocable trust for the benefit of participants.

Plan Membership

As of June 30, 2021, the valuation date, the following employees were covered by the OPEB Plan's benefit terms:

Inactive Members or Beneficiaries Currently Receiving Benefits	104
Active Members	<u>864</u>
Total Membership	<u><u>968</u></u>

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 11. OTHER POST-EMPLOYMENT BENEFITS – COUNTY (CONTINUED)

Plan Membership (Continued)

Contribution requirements are established by County Council. The required contribution is based on projected pay-as-you-go financing requirements. Medical coverage levels and premiums for retirees and their families are the same as coverage provided to active County employees under the State Health Insurance Plan. For employees who retired on or before December 31, 2011 or employees who had at least 25 years of service as of December 31, 2011, the County pays 100% of the employer portion of the retiree's insurance premium provided:

- The retiree has a minimum of 15 years of continuous lifetime employment with the County.
- The retiree has reached eligibility for full retirement under the SCRS or the PORS.

In addition, the County pays 25% of the spouse's premium if the employee retired from the County with 20 years of continuous lifetime employment with the County and has reached eligibility for full retirement under SCRS or PORS. For employees with less than 25 years of continuous full-time service with Dorchester County as of December 31, 2011, Dorchester County will pay 100% of the employer portion of the medical and dental premiums for the retiree until the retiree reaches age 65 or is Medicare eligible provided the employee:

- Meets all eligibility criteria for fulltime retiree and insurance benefits set by PEBA.
- Has 15 years continuous full-time service with Dorchester County.
- Elects to receive retirement and insurance benefits at the time of separation from the County.

If the employee retires with 20 or more years continuous lifetime service, Dorchester County will pay 25% of the spousal portion of the premiums for medical dental benefits for the spouse until the spouse reaches age 65 or is Medicare eligible.

The State Health Insurance Plan prohibits its participants from separately rating retiree and active employees. The County, therefore, pays an equal blended rate premium for both groups. Although both groups are charged the same rate, GASB 75 requires the actuarial figures to be calculated using age adjusted premiums approximating claim cost for retirees separately from active employees. The use of age adjusted premiums results in the addition of an implicit rate subsidy into the actuarial accrued liability.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 11. OTHER POST-EMPLOYMENT BENEFITS – COUNTY (CONTINUED)

Actuarial Assumptions and Methods

Actuarial valuations of the OPEB 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, inflation, healthcare cost trend rates, and future salary changes. Amounts determined regarding the net OPEB liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

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

The following table provides a summary of the significant actuarial assumptions and methods used in the latest actuarial valuation for the OPEB Plan:

Actuarial Valuation Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Amortization Period	21 Years
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Discount Rate	3.54%
Inflation	2.50%
Healthcare Cost Trend Rate	6.20% for 2022 decreasing to an ultimate rate of 4.00%
Salary Increases	2.50% per year
Investment Rate of Return	1.50%
Coverage Elections	70% of eligible retirees will elect coverage, 17% of male spouses 7% of female spouses will elect to receive coverage upon retirement
Active Participation/Marriage	80% of all active employees are assumed to be married with female spouses assumed to be three years younger
Retirement Rates	July 1, 2020 SCRS and PORS Valuations
Mortality Table	July 1, 2020 SCRS and PORS Valuations

The discount rate was increased from 2.16% in the prior year to 3.54% for the year ended June 30, 2022. During the fiscal year ended June 30, 2022, the actual return on assets was 0.48% compared to an expected return of 1.50%.

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11. OTHER POST-EMPLOYMENT BENEFITS – COUNTY (CONTINUED)

Long-Term Expected Rate of Return

The long-term expected rate of return on OPEB Plan Investments is based upon market assumptions related to historical rates of return for the South Carolina Counties OPEB Trust. The long-term expected rate of return represent assumptions developed using an arithmetic building block approach and are presented net of investment fees. The expected returns, along with the expected inflation rate, form the basis for the target asset allocation for the beginning of the 2022 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the following table.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected Arithmetic Real Rate of Return</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
U.S. Governmental Fixed Income			
U.S. Government Obligations	100.0%	1.50%	1.50%
Total expected real rate of return	<u>100.0%</u>		<u>1.50%</u>
Inflation for actuarial purposes			2.50%
Total expected nominal return			<u>4.00%</u>

OPEB Liabilities, Expense, and Deferred Outflows/Inflows of Resources

The County's net OPEB liability was measured as of June 30, 2022 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021.

	<u>Total OPEB Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net OPEB Liability (a) - (b)</u>
Balances as of June 30, 2021	\$ 14,936,419	\$ 2,993,567	\$ 11,942,852
Changes for the year:			
Service cost	757,162	-	757,162
Interest	316,241	-	316,241
Net investment income	-	14,512	(14,512)
Change of assumptions	(2,053,239)	-	(2,053,239)
Benefit payments	(396,553)	-	(396,553)
Implicit rate subsidy fulfillment	(197,852)	-	(197,852)
Administrative expense	-	(1,200)	1,200
Net changes	<u>(1,574,241)</u>	<u>13,312</u>	<u>(1,587,553)</u>
Balances as of June 30, 2022	<u>\$ 13,362,178</u>	<u>\$ 3,006,879</u>	<u>\$ 10,355,299</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11. OTHER POST-EMPLOYMENT BENEFITS – COUNTY (CONTINUED)

**OPEB Liabilities, Expense, and Deferred Outflows/Inflows of Resources
(Continued)**

For the year ended June 30, 2022, the County recognized OPEB expense of approximately \$1,177,000. At June 30, 2022, the County reported deferred outflows of resources (deferred OPEB charges) and deferred inflows of resources (deferred OPEB credits) related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 867,995	\$ 1,046,813
Net difference between projected/actual earnings on investments	44,514	-
Change of assumptions	1,717,465	1,797,511
Total	<u>\$ 2,629,974</u>	<u>\$ 2,844,324</u>

The amounts reported as deferred outflows of resources (deferred OPEB charges) related to the OPEB Plan will increase (decrease) OPEB expense as follows:

Year Ending June 30,	Total
2023	\$ 139,296
2024	140,602
2025	138,803
2026	132,829
2027	(115,843)
Thereafter	(650,037)
Total	<u>\$ (214,350)</u>

Discount Rate

Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects: (1) the long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) the tax-exempt municipal bond rate on an index of 20-year general obligation bonds with an average AA/Aa crediting rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). The actuarial valuation expected rate of return on OPEB plan investments is 1.50% and the municipal bond rate is 3.54% (based on the daily rate closest to but not later than the measurement date of the Bond Buyer 20-Bond GO Index. Since the municipal bond rate exceeds the expected rate of return on OPEB plan investments, a Single Discount Rate of 3.54% was used to measure the total OPEB liability.

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11. OTHER POST-EMPLOYMENT BENEFITS – COUNTY (CONTINUED)

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following table presents the sensitivity of the County's net OPEB liability to changes in the discount rate, calculated using the discount rate of 3.54%, as well as what it would be if it were calculated using a discount rate that is 1% point lower (2.54%) or 1% point higher (4.54%) than the current rate:

	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
Net OPEB Liability	\$ 11,804,704	\$ 10,355,299	\$ 9,086,866

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following table presents the sensitivity of the County's net OPEB liability to changes in the healthcare cost trend rate, calculated using the healthcare cost trend rate of 6.20% decreasing to 4.00%, as well as what it would be if it were calculated using a healthcare cost trend rate that is 1% point lower (5.20% decreasing to 3.00%) or 1% point higher (7.20% decreasing to 5.00%) than the current rate:

	1% Decrease (5.20% decreasing to 3.00%)	Current Healthcare Cost Trend Rate (6.20% decreasing to 4.00%)	1% Increase (7.20% decreasing to 5.00%)
Net OPEB Liability	\$ 10,135,564	\$ 10,355,299	\$ 14,124,220

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS – LIBRARY SYSTEM

Plan Description

The Library administers the Retiree Health Plan, a single-employer defined benefit other post-employment benefit plan ("OPEB Plan"). This plan provides healthcare insurance for eligible retirees and their spouses under the Medicare eligible age through the Library's group health insurance plan which covers both active and retired members. Benefit provisions are established by the Library's Board of Directors. No assets are accumulated in a trust as defined by GAAP. The OPEB Plan does not issue a stand-alone financial report.

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS – LIBRARY SYSTEM (CONTINUED)

Plan Membership

As of June 30, 2022, the last actuarial valuation, the following employees were covered by the OPEB Plan's benefit terms:

Inactive Members or Beneficiaries Currently Receiving Benefits	7
Active Members	<u>22</u>
Total Membership	<u><u>29</u></u>

Plan Benefits and Contributions

Benefit terms are established and amended by the Library Board and are based on years of service. The required contribution is based on projected pay-as-you-go financing requirements. Medical coverage levels and premiums for retirees and their families are the same as coverage provided to active Library employees under the State Health Insurance Plan. The Library pays 100% of employer portion of the premium for the retiree, provided:

- The retiree has a minimum of fifteen years of continuous fulltime employment with the Library.
- The retiree has reached eligibility for full retirement under the South Carolina Retirement System.

In addition, the Library pays 25% of the employee's spouse's premium if the employee retires from the Library with 20 years of continuous full-time employment with the Library.

Effective January 1, 2012, all current retirees (including those who have retired as of December 31, 2011) and employees with at least 25 years of service as of December 31, 2011, will be grandfathered under the current retirees' health and dental benefits policy above. Employees with ten or more years of service with Dorchester County Library as of January 1, 2012 will receive current benefits at the time of retirement until they are eligible for Medicare (currently age 65). Effective July 1, 2013, employees who had less than ten years of service or new hires as of January 1, 2012, will be covered for health and dental through age 65 or until they are eligible for Medicare, whichever is later as long as they meet the other service requirements Class III employees: (hired as of July 1, 2012) must meet full retirement qualifications as amended—the age at retirement plus years of service must equal 90.

The State Health Insurance Plan prohibits its participants from separately rating retirees and active employees. The Library, therefore, pays an equal blended rate premium for both groups. Although both groups are charged the same rate, GASB 75 requires the actuarial figures to be calculated using age adjusted premiums approximating claim costs for retirees separately from active employees. The use of age adjusted premiums results in the addition of an implicit rate subsidy into the actuarial accrued liability.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS – LIBRARY SYSTEM (CONTINUED)

Actuarial Assumptions and Methods

Actuarial valuations of the OPEB 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, inflation, healthcare cost trend rates, and future salary changes. Amounts determined regarding the total OPEB liability ("TOL") are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

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

Actuarial Assumptions and Methods

The following table provides a summary of the significant actuarial assumptions and methods used in the latest actuarial valuation for the OPEB Plan:

Actuarial Valuation Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	3.54%
Inflation	2.50%
Healthcare Cost Trend Rate	Based on the rates used in the June 30, 2020 SC OPEB Valuation
Salary Increases	2.50% per year
Investment Rate of Return	1.50%
Coverage Elections	70% of eligible retirees will elect coverage, 17% of male spouses and 7% of female spouses will elect to receive coverage upon retirement
Active Participation/Marriage	80% of all active employees are assumed to be married with female spouses assumed to be three years younger
Retirement Rates	July 1, 2020 SCRS and PORS Valuations
Mortality Table	July 1, 2020 SCRS and PORS Valuations
Termination Rates	July 1, 2020 SCRS and PORS Valuations

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS – LIBRARY SYSTEM (CONTINUED)

OPEB Liability, Expense, and Deferred Outflows/Inflows of Resources

The Library's total OPEB liability was measured as of June 30, 2022 which was determined by an actuarial valuation as of June 30, 2021 that was rolled forward to the measurement date.

	Total OPEB Liability
Balances as of June 30, 2021	\$ 690,380
Changes for the year:	
Service cost	11,364
Interest	14,672
Change of assumptions	(99,886)
Benefit payments	(17,166)
Implicit rate subsidy fulfillment	(5,215)
Net changes	(96,231)
Balances as of June 30, 2022	\$ 594,149

The discount rate was increased from 2.16% to 3.54% for the June 30, 2022 measurement date.

For the year ended June 30, 2022, the Library recognized OPEB expense of approximately \$28,000. At June 30, 2022, the Library reported deferred outflows of resources (deferred OPEB charges) and deferred inflows of resources (deferred OPEB credits) related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 18,116
Change of assumptions	63,019	85,581
Total	\$ 63,019	\$ 103,697

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS – LIBRARY SYSTEM (CONTINUED)

**OPEB Liability, Expense, and Deferred Outflows/Inflows of Resources
(Continued)**

Amounts reported as deferred outflows of resources (deferred OPEB charges) and deferred inflows of resources (deferred OPEB credits) related to the OPEB Plan will increase (decrease) OPEB expense as follows:

<u>Year Ending June 30,</u>	<u>Total</u>
2023	\$ 1,646
2024	1,649
2025	725
2026	(15,329)
2027	(15,313)
Thereafter	<u>(14,056)</u>
Total	<u>\$ (40,678)</u>

Discount Rate

The discount rate used to measure the TOL was 3.54%. Because the Plan is not funded, a single discount rate that approximates the municipal bond rate was considered appropriate for this valuation.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following table presents the sensitivity of the Library's total OPEB liability to changes in the discount rate, calculated using the discount rate of 3.54%, as well as what it would be if it were calculated using a discount rate that is 1% point lower (2.54%) or 1% point higher (4.54%) than the current rate:

	<u>1% Decrease (2.54%)</u>	<u>Current Discount Rate (3.54%)</u>	<u>1% Increase (4.54%)</u>
Total OPEB Liability	\$ 664,018	\$ 594,149	\$ 535,431

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS – LIBRARY SYSTEM (CONTINUED)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following table presents the sensitivity of the Library's TOL to changes in the healthcare cost trend rate, calculated using the healthcare cost trend rate of 6.20% decreasing to 4.00%, as well as what it would be if it were calculated using a healthcare cost trend rate that is 1% point lower (5.20% decreasing to 3.00%) or 1% point higher (7.20% decreasing to 5.00%) than the current rate:

	1% Decrease (5.20% decreasing to 3.00%)	Current Healthcare Cost Trend Rate (6.20% decreasing to 4.00%)	1% Increase (7.20% decreasing to 5.00%)
Total OPEB Liability	\$ 530,338	\$ 594,149	\$ 669,745

NOTE 13. DEFERRED COMPENSATION PLANS

Internal Revenue Code Section 457 Plan – The County offers its employees a deferred compensation plan, offered through the South Carolina Deferred Compensation Program (SCDCP), created in accordance with Internal Revenue Code Section 457. The plan, available to all regular full-time employees, permits participants to defer a portion of their salaries until future years. The deferred compensation is not available to the employee or his beneficiaries until termination, retirement, death, disability or an approved hardship.

All amounts of compensation deferred under the plan are held in trust for the contributing employee and are not subject to claims of the employer's general creditors. The plan is administered by the SCDCP.

Internal Revenue Code Section 401(k) Plan – The County also offers its employees participation in a deferred compensation plan, offered through SCDCP, created in accordance with Internal Revenue Code Section 401(k). The 401(k) plan has the same eligibility requirements as the 457 plan, although the withdrawal provisions are different under the 401(k) plan. All amounts of compensation deferred under the plan are held in trust for the contributing employee and are not subject to claims of the employer's general creditors. The funds are administrated by the SCDCP.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 14. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, and natural disasters for which the County is covered by the Insurance Reserve Fund administered by the SFAA. The County pays an annual premium for general insurance coverage. The County is also subject to risks of loss from providing life, accident, dental and other medical benefits to employees, retirees, and their dependents. The County has enrolled substantially all employees in the state's health insurance plans administered by the Public Employees Benefit Authority. The state reinsures through commercial companies for these risks.

In addition, the County insures the risk of job-related injury or illness to employees through the South Carolina Counties Worker's Compensation Trust, a public entity risk pool operating for the benefit of local governments. The County pays an annual premium to the Worker's Compensation Trust for insurance coverage. The County uses an internal service fund for workers compensation. This fund is responsible for collecting premiums from departments and for paying claims up to the deductible. The County increased its deductible from \$100,000 per claim to \$200,000 per claim, effective July 1, 2019.

An estimate for workers compensation claims that were incurred on or before June 30, 2022 but were unreported at that time has been accrued in the internal service fund. This estimate is based upon the County's claims history, claims processed following the close of year end and other factors. The County estimates that all of the workers compensation claims will be paid within one year.

Changes in the reported liabilities for the workers compensation claims, which are included in accounts payable and accrued liabilities in the statement of net position, were as follows:

Fund/Year	Beginning Liability	Current Year Claims and Changes in Estimate	Claim Payments	Ending Liability
2022	\$ 498,171	\$ 987,350	\$ 771,663	\$ 713,858
2021	598,577	600,170	700,576	498,171
2020	245,624	750,540	397,587	598,577

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 15. COMMITMENTS AND CONTINGENCIES

Grants – The County participates in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The amount of program expenditures which may be disallowed by the granting agencies cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

Litigation – The County is party to various legal proceedings that normally occur in governmental operations. These lawsuits involve environmental issues, employment matters and certain claims under contractual agreements. In the opinion of County management, based on the advice of legal counsel with respect to litigation, the ultimate disposition of these lawsuits and claims will not have a material adverse effect on the County's financial position. Additionally, the County would be allowed to appropriate any required funds in a subsequent fiscal year.

Construction Commitments – As of June 30, 2022, the County had approximately \$52,363,000 in construction commitments remaining on various projects.

Summers Corner Improvement District – In April 2017, the County Council approved an ordinance creating the Summers Corner Improvement District ("SCID"), approving and authorizing the improvement plan, providing for the financing of improvements within the SCID by assessment, approving the rate and method of apportionment of assessments, and approving the assessment reports. The improvements, which are estimated to cost approximately \$100,000,000 (inflated cost), include recreational facilities, a fire station, an EMS station, various infrastructure, and other public facilities. As a result of this ordinance, the County will levy two annual assessments on properties in the SCID: (1) Special Assessment A will be levied to finance certain capital improvements, and (2) Special Assessment B will be levied to pay for maintenance and operations of the improvements. Special Assessment A is expected to finance approximately \$65,000,000 (uninflated cost) of the cost of the improvements and will be used to pay the debt service on bonds that the County expects to issue to finance the improvements. Special Assessment A was first levied in the year ended June 30, 2018. Special Assessment B will be levied in future years when the SCID begins to incur maintenance and operations expenditures. In addition, the County issued its SCID Special Assessment Revenue Bonds, Series 2018 in the amount of \$17,105,000 in December 2018. The County is not obligated in any manner for this special assessment debt. Accordingly, the County has not recorded this debt in its financial statements. The County is recording the assessments collected and then remitted to the Trustee in a special revenue fund as the bond documents required the establishment of a special revenue fund to account for these transactions.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 16. JOINT VENTURES

Lake Marion Water Agency – During fiscal year 2008, the County executed an agreement with the Lake Marion Regional Water Agency (“Lake Marion WA”), a joint municipal water system. The County has an 11.8% voting representation on this system’s board, representing its proportionate commitment to purchase water to the system’s total capacity. Lake Marion WA is not owned nor is it fiscally dependent upon the County.

The Lake Marion WA was formed in the mid 1990’s in order to provide safe reliable drinking water to the residents of central South Carolina and to help bring economic growth to the Interstate 95 corridor. Members include Calhoun, Clarendon, Dorchester, Orangeburg, and Berkeley Counties and the Town of Santee. In November 2007, the County entered into a contract with Lake Marion WA. The County has committed to purchase up to 1.0 million gallons a day, or 11.8% of the total capacity of the plant. The initial term of the agreement is for 20 years, which shall be extended for subsequent 20 year terms unless the County notifies Lake Marion WA in writing of its intent to terminate not less than 30 months prior to the expiration of the initial term or the expiration date of any renewal. Provisions of the agreement require the County to pay its share of the funds required to operate and maintain Lake Marion WA and to defray its capital costs, in addition to monthly demand (fixed) and volumetric (variable) charges based upon the amount of water purchased. The County is not currently purchasing water from the Lake Marion WA but is paying its annual membership fees for contract demand in monthly installments.

Construction of the Dorchester Reach/Highway 27 Extension is complete and closeout activities continue. Prior to a Permit to Operate (“PTO”), all upstream reaches (Holly Hill, Wells Cross Roads, and Harleyville) must have current bacteriological testing so PTO’s can be requested.

Winding Woods Reach has completed the design level and is now in the construction phase. Surveys for real estate easements have been completed. As of June 30, 2022, approximately \$23,000 was spent on land easement purchases for this project. Approximately \$108,000 was spent as of June 30, 2022 on engineering and construction work.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 17. OAKBROOK TAX INCREMENT FINANCING DISTRICT

In November 2019, the County Council approved an ordinance establishing the Oakbrook Redevelopment Project Area; the County subsequently created a Tax Increment Financing ("TIF") District in the Oakbrook area to fund public infrastructure projects after receiving the approval of the Town of Summerville and Dorchester School District Two. A TIF District is a funding mechanism outlined in the SC Code of Laws §31-7-10 to §31-7-130 that allows a government to utilize the incremental increase in property tax revenues in an area to issue bonds to fund public infrastructure projects in a designated redevelopment area. The establishment of a TIF District is not a tax increase and all funds generated by the TIF District must be utilized on public infrastructure projects.

These projects are intended to encourage redevelopment and revitalization and reduce blight in the Oakbrook area. These projects are listed in the Redevelopment Plan and were presented to County Council and the public at a public hearing held, as required by State law, in November 2019. The County also approved its redevelopment plans for this new TIF District. The County issued its Series 2020 Limited Obligation Oakbrook TIF Bonds in the amount of \$14,465,000 in June 2020 for a first of a series of bonds not to exceed the approved amount of \$35,000,000, which will depend on growth in the TIF District. The County is accounting for all transactions for the TIF District in the Oakbrook TIF Fund, which is a nonmajor capital projects fund.

NOTE 18. CONCENTRATIONS OF CREDIT RISK

The County grants credit to water, sewer and solid waste customers in Dorchester County, South Carolina. In addition, the County grants credit to individuals requiring emergency medical services while in Dorchester County. Accounts receivable and financed impact fees are financial instruments that potentially subject the County to credit risk. No collateral is required for credit granted to customers. The County may terminate services for water, sewer and solid waste accounts unpaid after 90 days, but may not refuse emergency medical services to citizens for non-payment of accounts. The County also participates in the State of South Carolina debt collection program whereby delinquent customer balances may be withheld from customers' state income tax refunds.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 19. TAX ABATEMENTS

The County enters into property tax abatement agreements with local businesses through the Fee in Lieu of Ad Valorem Tax ("FILOT") program under the Title 12, Chapter 44 "Fee in Lieu of Tax Simplification Act" and the related Special Source Revenue Credit ("SSRC") program under Title 4, Chapter 29 "Industrial Development Projects" of the Code of Laws of South Carolina 1976, as amended. Under the FILOT program, taxpayers are eligible to receive a reduction in property taxes, through reduced assessed values and locked millage rates, if they enter into an agreement with the County and invest at least \$2.5 million in taxable property (or some other negotiated investment floor) in the County within a five year period. The amount of the tax abatement is determined by applying the reduced assessment rate and locked millage rate to the total taxable values of the taxpayer. Under the SSRC program, taxpayers are eligible to receive a reduction in property taxes, through bill credits, if the taxpayer is located in a Multi-County Industrial Park ("MCIP"), and infrastructure credits are granted as part of the FILOT program agreements. The amount of the tax abatement is generally determined by multiplying the agreed-upon SSRC percentage by the FILOT. These abatements may be granted to businesses located within or promising to relocate to the County.

If the taxpayers do not meet the minimum requirements agreed to as part of the FILOT and SSRC programs, the County can terminate the abatement agreements and collect the total amount of ad valorem taxes that would result from normal operations.

For the fiscal year ended June 30, 2022, the County abated property taxes totaling approximately \$5,444,000.

NOTE 20. SUBSEQUENT EVENTS

The County closed on a Stormwater System Revenue Bond, Series 2022 for \$4,150,000 on October 25, 2022, with Pinnacle Bank. The purpose of this bond issuance is to defray the costs of the construction of box culverts to replace certain bridges throughout the County in order to promote effective stormwater management.

NOTE 21. CHANGE IN REPORTING – LIBRARY SYSTEM

In prior years, the Library System had been presented as a discretely presented component unit, however, in the current year, the Library System met the criteria of a blended component unit. As such, the Library System has been presented as a nonmajor special revenue fund of the County for the year ending June 30, 2022. As a result of this change, net position of governmental activities as of July 1, 2021 required a restatement of \$10,472,337, from \$95,656,643 to \$106,128,980. Also, fund balance as of July 1, 2021 for nonmajor special revenues funds was restated by \$8,758,710, from \$13,665,067 to \$22,423,777 as a result of this change. Beginning balances in certain footnote tables (capital assets, long-term obligations, retirement plans, and required supplementary information for retirement plans) have been restated accordingly.



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REQUIRED SUPPLEMENTARY INFORMATION



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DORCHESTER COUNTY, SOUTH CAROLINA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
REQUIRED SUPPLEMENTARY INFORMATION — BUDGETARY COMPARISON SCHEDULE — GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes	\$ 41,234,668	\$ 41,234,668	\$ 41,928,172	\$ 693,504
Licenses and permits	4,143,000	4,143,000	5,653,240	1,510,240
Intergovernmental	8,165,177	8,648,009	9,150,288	502,279
Charges for services	9,178,410	9,616,689	11,261,686	1,644,997
Judicial fines and assessments	1,471,896	1,471,896	1,506,890	34,994
Interest	-	-	112,029	112,029
Miscellaneous	288,904	334,629	345,275	10,646
Total revenues	<u>64,482,055</u>	<u>65,448,891</u>	<u>69,957,580</u>	<u>4,508,689</u>
Expenditures				
Current:				
General government	23,164,126	24,594,234	23,242,827	1,351,407
Public safety	34,988,437	36,202,263	33,667,783	2,534,480
Roads and drainage	2,509,414	3,232,631	2,341,756	890,875
Health and welfare	1,216,789	1,225,490	1,051,754	173,736
Recreation and culture	855,491	828,119	514,631	313,488
Airport	139,649	154,269	147,886	6,383
Economic development	580,693	839,283	605,847	233,436
Intergovernmental and nonprofit assistance	3,662,891	3,528,370	3,336,664	191,706
Nondepartmental	1,639,898	2,249,839	2,282,872	(33,033)
Debt service:				
Principal retirement	-	-	241,734	(241,734)
Interest and fiscal charges	-	-	55,729	(55,729)
Total expenditures	<u>68,757,388</u>	<u>72,854,498</u>	<u>67,489,483</u>	<u>5,365,015</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,275,333)</u>	<u>(7,405,607)</u>	<u>2,468,097</u>	<u>9,873,704</u>
Other Financing Sources (Uses)				
Appropriation of fund balance	1,249,509	5,204,638	-	(5,204,638)
Insurance recoveries	-	118,360	119,031	671
Transfers In	3,143,823	4,162,495	6,047,619	1,885,124
Transfers out	(117,999)	(2,079,886)	(3,942,201)	(1,862,315)
Total other financing sourcing (uses)	<u>4,275,333</u>	<u>7,405,607</u>	<u>2,224,449</u>	<u>(5,181,158)</u>
Net change in fund balance	-	-	4,692,546	4,692,546
Fund Balance - beginning	<u>40,371,332</u>	<u>40,371,332</u>	<u>40,371,332</u>	<u>-</u>
Fund Balance - ending	<u>\$ 40,371,332</u>	<u>\$ 40,371,332</u>	<u>\$ 45,063,878</u>	<u>\$ 4,692,546</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF THE COUNTY'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

South Carolina Retirement System					
Plan Year Ended June 30,	County's proportion of the net pension liability	County's proportionate share of the net pension liability	County's covered payroll	County's share of the net pension liability as a percentage of its covered	Plan fiduciary net position as a percentage of the total pension liability
2021	0.272458%	\$ 58,963,299	\$ 29,699,460	198.5%	60.7%
2020	0.279508%	71,419,220	31,155,149	229.2%	50.7%
2019	0.271704%	62,041,104	28,678,490	216.3%	54.4%
2018	0.263815%	59,112,588	27,324,712	216.3%	54.1%
2017	0.264160%	59,466,664	26,600,702	223.6%	53.3%
2016	0.269770%	57,622,473	26,129,126	220.5%	52.9%
2015	0.249084%	47,239,974	23,359,594	202.2%	57.0%
2014	0.255524%	43,992,762	21,841,915	201.4%	59.9%

South Carolina Police Officers' Retirement System					
Plan Year Ended June 30,	County's proportion of the net pension liability	County's proportionate share of the net pension liability	County's covered payroll	County's share of the net pension liability as a percentage of its covered	Plan fiduciary net position as a percentage of the total pension liability
2021	1.16458%	\$ 29,963,675	\$ 16,762,413	178.8%	70.4%
2020	1.17521%	38,972,311	17,753,678	219.5%	58.8%
2019	1.07215%	30,727,153	15,526,072	197.9%	62.7%
2018	1.02414%	29,019,562	14,172,111	204.8%	61.7%
2017	0.92950%	25,464,136	12,482,162	204.0%	60.9%
2016	0.87967%	22,312,734	11,214,684	199.0%	60.4%
2015	0.81799%	17,828,084	10,128,315	176.0%	64.6%
2014	0.83372%	15,960,869	10,027,025	159.2%	67.5%

The above schedules will present 10 years of information once it is accumulated.

The assumptions used in the preparation of the above schedules are disclosed in Note 10 to the financial statements.

DORCHESTER COUNTY, SOUTH CAROLINA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF THE COUNTY'S PENSION CONTRIBUTIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

South Carolina Retirement System						
Fiscal Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	County's covered payroll	Contributions as a percentage of covered payroll	
2022	\$ 5,460,666	\$ 5,460,666	\$ -	\$ 33,054,185	16.52%	
2021	4,607,939	4,607,939	-	29,699,460	15.52%	
2020	4,834,633	4,834,633	-	31,155,149	15.52%	
2019	4,162,481	4,162,481	-	28,678,490	14.51%	
2018	3,690,384	3,690,384	-	27,324,712	13.51%	
2017	3,073,295	3,073,295	-	26,600,702	11.55%	
2016	2,887,931	2,887,931	-	26,129,126	11.05%	
2015	2,543,636	2,543,636	-	23,359,594	10.89%	

South Carolina Police Officers' Retirement System						
Fiscal Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	County's covered payroll	Contributions as a percentage of covered payroll	
2022	\$ 3,608,485	\$ 3,608,485	\$ -	\$ 18,755,122	19.24%	
2021	3,057,464	3,057,464	-	16,762,413	18.24%	
2020	3,238,271	3,238,271	-	17,753,678	18.24%	
2019	2,676,695	2,676,695	-	15,526,072	17.24%	
2018	2,301,551	2,301,551	-	14,172,111	16.24%	
2017	1,777,460	1,777,460	-	12,482,162	14.24%	
2016	1,540,900	1,540,900	-	11,214,684	13.74%	
2015	1,358,939	1,358,939	-	10,128,315	13.42%	

The above schedule will present 10 years of information once it is accumulated.

The assumptions used in the preparation of the above schedules are disclosed in Note 10 to the financial statements.

DORCHESTER COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN THE COUNTY'S NET OPEB LIABILITY AND RELATED RATIOS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	2022	2021	2020	2019	2018
Total OPEB liability					
Service cost	\$ 757,162	\$ 779,036	\$ 614,895	\$ 561,116	\$ 540,210
Interest	316,241	339,970	445,438	388,204	368,853
Difference between actual and expected experience	-	(1,394,073)	-	1,710,363	-
Change of assumptions	(2,053,239)	118,846	2,153,089	532,903	-
Implicit rate of subsidy fulfillment	(197,852)	(201,312)	(166,677)	(122,606)	(90,664)
Benefit payments	(396,553)	(376,743)	(367,772)	(336,961)	(268,826)
Net change in total OPEB liability	(1,574,241)	(734,276)	2,678,973	2,733,019	549,573
Total OPEB liability - beginning	14,936,419	15,670,695	12,991,722	10,258,703	9,709,130
Total OPEB liability - ending (a)	13,362,178	14,936,419	15,670,695	12,991,722	10,258,703
Plan Fiduciary Net Position					
Employer contribution	-	346,960	-	-	-
Net investment income	14,512	12,340	30,216	44,937	288
Administrative expense	(1,200)	(1,144)	(964)	(889)	(678)
Net change in plan fiduciary net position	13,312	358,156	29,252	44,048	(390)
Plan fiduciary net position - beginning	2,993,567	2,635,411	2,606,159	2,562,111	2,562,501
Plan fiduciary net position - ending (b)	3,006,879	2,993,567	2,635,411	2,606,159	2,562,111
Net OPEB liability - ending (a) - (b)	\$ 10,355,299	\$ 11,942,852	\$ 13,035,284	\$ 10,385,563	\$ 7,696,592
OPEB plan fiduciary net position as a percentage of the total OPEB liability	22.50%	20.04%	16.82%	20.06%	24.97%
Covered payroll	\$ 42,836,017	\$ 42,836,017	\$ 43,754,628	\$ 38,197,851	\$ 33,965,132
Net OPEB liability as a percentage of covered payroll	24.17%	27.88%	29.79%	27.19%	22.66%

The above schedule will present 10 years of information once it is accumulated.

The assumptions used in the preparation of the above schedule are disclosed in Note 11 to the financial statements.

DORCHESTER COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF THE COUNTY'S OPEB CONTRIBUTIONS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Fiscal Year Ended June 30,	2022	2021	2020	2019	2018
Actuarially Determined Employer Contribution ("ADEC")	\$ 1,332,392	\$ 1,380,932	\$ 1,152,970	\$ 963,376	\$ 900,926
Contributions in relation to the ADEC	396,553	723,703	367,772	336,961	268,726
Annual contribution deficiency (excess)	\$ 935,839	\$ 657,229	\$ 785,198	\$ 626,415	\$ 632,200
Covered payroll	\$ 42,836,017	\$ 42,836,017	\$ 43,754,628	\$ 38,197,851	\$ 33,965,132
Actual contributions as a percentage of covered payroll	0.93%	1.69%	0.84%	0.88%	0.79%

The above schedule will present 10 years of information once it is accumulated.

The assumptions used in the preparation of the above schedule are disclosed in Note 11 to the financial statements.

DORCHESTER COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION – LIBRARY SYSTEM SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Year Ended June 30,				
	2022	2021	2020	2019	2018
Total OPEB liability					
Service cost	\$ 11,364	\$ 6,709	\$ 5,378	\$ 2,797	\$ 2,693
Interest	14,672	15,188	20,493	22,810	23,097
Differences between expected and actual experience	-	(13,486)	-	(25,972)	-
Change of assumptions	(99,886)	6,334	101,204	25,645	-
Benefit payments	(17,166)	(17,767)	(23,093)	(22,007)	(27,183)
Implicit rate subsidy fulfillment	(5,215)	(5,360)	(4,306)	(8,915)	(8,265)
Net changes in total OPEB liability	(96,231)	(8,382)	99,676	(5,642)	(9,658)
Total OPEB liability - beginning of year	690,380	698,762	599,086	604,728	614,386
Total OPEB liability - end of year	<u>\$ 594,149</u>	<u>\$ 690,380</u>	<u>\$ 698,762</u>	<u>\$ 599,086</u>	<u>\$ 604,728</u>
Covered-employee payroll	\$ 923,917	\$ 923,917	\$ 665,429	\$ 665,429	\$ 379,858
Total OPEB liability as a percentage of covered-employee payroll	64.31%	74.72%	105.01%	90.03%	159.20%

The above schedule will present 10 years of information once it is accumulated.

The assumptions used in the preparation of the above schedule are disclosed in Note 12 to the financial statements.

OTHER SUPPLEMENTARY INFORMATION



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DORCHESTER COUNTY, SOUTH CAROLINA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022**

	Capital Project Funds	Special Revenue Funds	Debt Service County Bonds	Total Nonmajor Governmental Funds
ASSETS				
Cash and investments	\$ 1,783,465	\$ 19,399,546	\$ -	\$ 21,183,011
Cash and investments, restricted	63,051,176	15,293,290	7,081,851	85,426,317
Receivables, net	985	1,774,715	310,832	2,086,532
Due from other governments	-	563,336	-	563,336
Prepaid items	19,697	242,575	-	262,272
Total assets	<u>\$ 64,855,323</u>	<u>\$ 37,273,462</u>	<u>\$ 7,392,683</u>	<u>\$ 109,521,468</u>
LIABILITIES				
Accounts payable	\$ 2,122,212	\$ 738,991	\$ -	\$ 2,861,203
Accrued liabilities	-	509,003	-	509,003
Assets held for others	-	150,000	-	150,000
Due to other funds	-	723,231	-	723,231
Unearned revenue	-	595,607	-	595,607
Total liabilities	<u>2,122,212</u>	<u>2,716,832</u>	<u>-</u>	<u>4,839,044</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	985	211,823	39,681	252,489
Total deferred inflows of resources	<u>985</u>	<u>211,823</u>	<u>39,681</u>	<u>252,489</u>
FUND BALANCE				
Nonspendable:				
Prepaid items	19,697	242,575	-	262,272
Restricted:				
Public safety	-	4,440,837	-	4,440,837
Family court	-	2,446,164	-	2,446,164
Growth management	-	447,200	-	447,200
Tourism	-	2,333,584	-	2,333,584
Health and welfare	-	1,309,303	-	1,309,303
Capital projects	7,870,968	5,708,406	-	13,579,374
Capital improvements	-	3,553,451	-	3,553,451
Parks and recreation improvements	12,712,436	-	-	12,712,436
Oakbrook tax increment finance district	14,777,992	-	-	14,777,992
Library improvements	27,456,708	-	-	27,456,708
Debt service	-	-	7,353,002	7,353,002
Library system	-	10,078,676	-	10,078,676
Committed:				
Economic development	-	1,076,464	-	1,076,464
Capital projects	-	408,735	-	408,735
Capital improvements	-	2,785,167	-	2,785,167
Unassigned	(105,675)	(485,755)	-	(591,430)
Total fund balance	<u>62,732,126</u>	<u>34,344,807</u>	<u>7,353,002</u>	<u>104,429,935</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 64,855,323</u>	<u>\$ 37,273,462</u>	<u>\$ 7,392,683</u>	<u>\$ 109,521,468</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Capital Project Funds	Special Revenue Funds	Debt Service County Bonds	Total Nonmajor Governmental Funds
Revenues				
Taxes	\$ 810,495	\$ 22,403,194	\$ 6,315,762	\$ 29,529,451
Intergovernmental	-	6,309,377	-	6,309,377
Charge for services	-	482,975	-	482,975
Judicial fines and assessments	-	264,293	-	264,293
Interest	188,057	46,021	20,745	254,823
Miscellaneous	-	2,825,415	-	2,825,415
Total revenues	<u>998,552</u>	<u>32,331,275</u>	<u>6,336,507</u>	<u>39,666,334</u>
Expenditures				
Current:				
General government	60,399	5,850,160	-	5,910,559
Public safety	20,399	8,228,744	-	8,249,143
Roads and drainage	-	72,062	-	72,062
Recreation and culture	-	241,147	-	241,147
Economic development	-	395,892	-	395,892
Intergovernmental and nonprofit assistance	-	2,223,742	-	2,223,742
Library system	-	3,032,168	-	3,032,168
Capital outlay	16,265,936	6,360,196	-	22,626,132
Debt service:				
Principal retirement	-	1,220,734	9,462,139	10,682,873
Interest and fiscal charges	390,058	261,015	2,765,022	3,416,095
Total expenditures	<u>16,736,792</u>	<u>27,885,860</u>	<u>12,227,161</u>	<u>56,849,813</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(15,738,240)</u>	<u>4,445,415</u>	<u>(5,890,654)</u>	<u>(17,183,479)</u>
Other Financing Sources (Uses)				
Issuance of bonds	43,000,000	750,000	5,275,000	49,025,000
Premiums on bonds issued	3,610,284	-	-	3,610,284
Issuance of lease purchase	-	1,569,784	-	1,569,784
Transfers in	625,499	2,142,193	3,930,156	6,697,848
Transfers out	(3,931,202)	(3,175,800)	-	(7,107,002)
Sale of capital assets	-	242,669	-	242,669
Insurance recoveries	-	59,596	-	59,596
Total other financing sources, net	<u>43,304,581</u>	<u>1,588,442</u>	<u>9,205,156</u>	<u>54,098,179</u>
Net change in fund balance	27,566,341	6,033,857	3,314,502	36,914,700
Fund balance - beginning of year	<u>35,165,785</u>	<u>28,310,950</u>	<u>4,038,500</u>	<u>67,515,235</u>
Fund balance - end of year	<u>\$ 62,732,126</u>	<u>\$ 34,344,807</u>	<u>\$ 7,353,002</u>	<u>\$ 104,429,935</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2022**

	Capital Projects	Parks and Recreational Facilities Fund	Oakbrook TIF Fund	Library Facilities Fund	Total Nonmajor Capital Project Funds
ASSETS					
Cash and investments	\$ 1,447,297	\$ -	\$ 336,168	\$ -	\$ 1,783,465
Cash and investments, restricted	7,870,968	13,092,980	14,472,654	27,614,574	63,051,176
Receivables, net	-	-	985	-	985
Prepaid items	-	19,697	-	-	19,697
Total assets	<u>\$ 9,318,265</u>	<u>\$ 13,112,677</u>	<u>\$ 14,809,807</u>	<u>\$ 27,614,574</u>	<u>\$ 64,855,323</u>
LIABILITIES					
Accounts payable	\$ 1,552,972	380,544	30,830	157,866	2,122,212
Total liabilities	<u>1,552,972</u>	<u>380,544</u>	<u>30,830</u>	<u>157,866</u>	<u>2,122,212</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	-	985	-	985
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>985</u>	<u>-</u>	<u>985</u>
FUND BALANCES					
Nonspendable:					
Prepaid items	-	19,697	-	-	19,697
Restricted:					
Capital projects	7,870,968	-	-	-	7,870,968
Parks and recreation improvements	-	12,712,436	-	-	12,712,436
Oakbrook tax increment finance district	-	-	14,777,992	-	14,777,992
Library improvements	-	-	-	27,456,708	27,456,708
Unassigned	(105,675)	-	-	-	(105,675)
Total fund balances	<u>7,765,293</u>	<u>12,732,133</u>	<u>14,777,992</u>	<u>27,456,708</u>	<u>62,732,126</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 9,318,265</u>	<u>\$ 13,112,677</u>	<u>\$ 14,809,807</u>	<u>\$ 27,614,574</u>	<u>\$ 64,855,323</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Capital Projects	Parks and Recreational Facilities Fund	Oakbrook TIF Fund	Library Facilities Fund	Total Nonmajor Capital Project Funds
Revenues					
Taxes	\$ -	\$ -	\$ 810,495	\$ -	\$ 810,495
Interest	37,060	36,004	47,956	67,037	188,057
Total revenues	<u>37,060</u>	<u>36,004</u>	<u>858,451</u>	<u>67,037</u>	<u>998,552</u>
Expenditures					
General government	-	2,641	57,098	660	60,399
Public safety	20,399	-	-	-	20,399
Capital outlay	5,529,444	8,314,228	103,086	2,319,178	16,265,936
Debt service - interest and fees	-	163,434	-	226,624	390,058
Total expenditures	<u>5,549,843</u>	<u>8,480,303</u>	<u>160,184</u>	<u>2,546,462</u>	<u>16,736,792</u>
Excess (deficiency) of revenues over (under) expenditures	(5,512,783)	(8,444,299)	698,267	(2,479,425)	(15,738,240)
Other Financing Sources (Uses)					
Issuance of bonds	-	18,000,000	-	25,000,000	43,000,000
Premiums on bonds issued	-	1,512,709	-	2,097,575	3,610,284
Transfers in	625,499	-	-	-	625,499
Transfers out	(1,046)	(1,454,121)	(459,700)	(2,016,335)	(3,931,202)
Total other financing sources (uses)	<u>624,453</u>	<u>18,058,588</u>	<u>(459,700)</u>	<u>25,081,240</u>	<u>43,304,581</u>
Net change in fund balance	(4,888,330)	9,614,289	238,567	22,601,815	27,566,341
Fund balances - beginning of year	<u>12,653,623</u>	<u>3,117,844</u>	<u>14,539,425</u>	<u>4,854,893</u>	<u>35,165,785</u>
Fund balances - end of year	<u>\$ 7,765,293</u>	<u>\$ 12,732,133</u>	<u>\$ 14,777,992</u>	<u>\$ 27,456,708</u>	<u>\$ 62,732,126</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022**

	<u>Capital Improvements</u>	<u>Sheriffs Fund</u>	<u>Economic Development</u>	<u>Hospitality Tax Fund</u>	<u>Family Court DSS</u>
ASSETS					
Cash and investments	\$ -	\$ -	\$ 5,857,804	\$ 2,100,473	\$ -
Cash and investments, restricted	6,515,138	617,004	15,829	-	345,864
Receivables, net	277,680	-	174,357	179,370	138
Due from other governments	-	-	-	-	-
Prepaid items	-	-	40,360	-	-
Total assets	<u>\$ 6,792,818</u>	<u>\$ 617,004</u>	<u>\$ 6,088,350</u>	<u>\$ 2,279,843</u>	<u>\$ 346,002</u>
LIABILITIES					
Accounts payable	\$ 413,281	\$ -	\$ 15,227	\$ 7,199	\$ -
Accrued liabilities	-	-	-	4,757	1,038
Assets held for others	-	-	150,000	-	-
Due to other funds	-	-	-	-	-
Unearned revenue	-	421,250	174,357	-	-
Total liabilities	<u>413,281</u>	<u>421,250</u>	<u>339,584</u>	<u>11,956</u>	<u>1,038</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	40,919	-	-	-	-
Total deferred inflows of resources	<u>40,919</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE					
Nonspendable:					
Prepaid items	-	-	40,360	-	-
Restricted for:					
Public safety	-	392,949	-	-	-
Family court	-	-	-	-	344,964
Growth management	-	-	-	-	-
Tourism	-	-	-	2,267,887	-
Health and welfare	-	-	-	-	-
Capital projects	-	-	5,708,406	-	-
Capital improvements	3,553,451	-	-	-	-
Library system	-	-	-	-	-
Committed for:					
Economic development	-	-	-	-	-
Capital projects	-	-	-	-	-
Capital improvements	2,785,167	-	-	-	-
Unassigned	-	(197,195)	-	-	-
Total fund balance	<u>6,338,618</u>	<u>195,754</u>	<u>5,748,766</u>	<u>2,267,887</u>	<u>344,964</u>
Total liabilities, deferred inflows or resources and fund balances	<u>\$ 6,792,818</u>	<u>\$ 617,004</u>	<u>\$ 6,088,350</u>	<u>\$ 2,279,843</u>	<u>\$ 346,002</u>

(Continued)

<u>E911</u>	<u>Victims Advocate</u>	<u>First Circuit Solicitor</u>	<u>C-Funds</u>	<u>Public Defender</u>	<u>Upper Dorchester Economic Development</u>	<u>Children In Crisis</u>
\$ 233,947	\$ -	\$ -	\$ -	\$ -	\$ 368,100	\$ -
-	-	-	-	-	-	-
90,021	5,453	-	-	-	288,580	8,782
-	-	63,678	-	334,778	-	-
-	-	7,500	-	3,295	-	-
<u>\$ 323,968</u>	<u>\$ 5,453</u>	<u>\$ 71,178</u>	<u>\$ -</u>	<u>\$ 338,073</u>	<u>\$ 656,680</u>	<u>\$ 8,782</u>
\$ 2,982	\$ -	\$ 29,600	\$ -	\$ 15,806	\$ -	\$ -
-	4,814	96,608	-	72,410	-	-
-	-	-	-	-	-	-
-	639	80,543	42,656	349,393	-	-
-	-	-	-	-	-	-
<u>2,982</u>	<u>5,453</u>	<u>206,751</u>	<u>42,656</u>	<u>437,609</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	5,915
-	-	-	-	-	-	5,915
-	-	7,500	-	3,295	-	-
320,986	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	2,867
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	656,680	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	(143,073)	(42,656)	(102,831)	-	-
<u>320,986</u>	<u>-</u>	<u>(135,573)</u>	<u>(42,656)</u>	<u>(99,536)</u>	<u>656,680</u>	<u>2,867</u>
<u>\$ 323,968</u>	<u>\$ 5,453</u>	<u>\$ 71,178</u>	<u>\$ -</u>	<u>\$ 338,073</u>	<u>\$ 656,680</u>	<u>\$ 8,782</u>

(Continued)

Senior Citizens Center	Firefighters 1% Fund	Fire Protection Improvement	Dorchester County Economic Development Corporation	Other Special Revenue Fund	Library System	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ 435,540	\$ 408,735	\$ 9,994,947	\$ 19,399,546
1,243,051	302,288	3,582,420	-	2,671,696	-	15,293,290
72,886	-	483,604	24,350	45,157	124,337	1,774,715
-	-	-	-	-	164,880	563,336
-	-	4,586	-	-	186,834	242,575
<u>\$ 1,315,937</u>	<u>\$ 302,288</u>	<u>\$ 4,070,610</u>	<u>\$ 459,890</u>	<u>\$ 3,125,588</u>	<u>\$ 10,470,998</u>	<u>\$ 37,273,462</u>
\$ -	\$ -	\$ 134,645	40,106	\$ 62,191	\$ 17,954	\$ 738,991
-	-	219,333	-	-	110,043	509,003
-	-	-	-	-	-	150,000
-	-	250,000	-	-	-	723,231
-	-	-	-	-	-	595,607
<u>-</u>	<u>-</u>	<u>603,978</u>	<u>40,106</u>	<u>62,191</u>	<u>127,997</u>	<u>2,716,832</u>
11,243	-	76,255	-	-	77,491	211,823
<u>11,243</u>	<u>-</u>	<u>76,255</u>	<u>-</u>	<u>-</u>	<u>77,491</u>	<u>211,823</u>
-	-	4,586	-	-	186,834	242,575
-	302,288	3,385,791	-	38,823	-	4,440,837
-	-	-	-	2,101,200	-	2,446,164
-	-	-	-	447,200	-	447,200
-	-	-	-	65,697	-	2,333,584
1,304,694	-	-	-	1,742	-	1,309,303
-	-	-	-	-	-	5,708,406
-	-	-	-	-	-	3,553,451
-	-	-	-	-	10,078,676	10,078,676
-	-	-	419,784	-	-	1,076,464
-	-	-	-	408,735	-	408,735
-	-	-	-	-	-	2,785,167
-	-	-	-	-	-	(485,755)
<u>1,304,694</u>	<u>302,288</u>	<u>3,390,377</u>	<u>419,784</u>	<u>3,063,397</u>	<u>10,265,510</u>	<u>34,344,807</u>
<u>\$ 1,315,937</u>	<u>\$ 302,288</u>	<u>\$ 4,070,610</u>	<u>\$ 459,890</u>	<u>\$ 3,125,588</u>	<u>\$ 10,470,998</u>	<u>\$ 37,273,462</u>



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DORCHESTER COUNTY, SOUTH CAROLINA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Capital Improvements	Sheriffs Fund	Economic Development	Hospitality Tax Fund	Family Court DSS
Revenues					
Taxes	\$ 5,175,020	\$ -	\$ 769,068	\$ 1,498,305	\$ -
Intergovernmental	-	-	8,726	-	74,561
Charges for services	-	-	-	-	-
Judicial fines and assessments	-	104,901	-	-	-
Interest	21,079	747	13,097	-	728
Miscellaneous	6,008	5,508	390,000	-	-
Total revenues	<u>5,202,107</u>	<u>111,156</u>	<u>1,180,891</u>	<u>1,498,305</u>	<u>75,289</u>
Expenditures					
Current:					
General government	515,444	-	-	-	58,534
Public safety	68,544	28,495	-	-	-
Roads and drainage	-	-	-	-	-
Recreation and culture	-	-	-	241,147	-
Economic development	-	-	173,951	-	-
Intergovernmental and nonprofit assistance	-	-	-	-	-
Library system	-	-	-	-	-
Capital outlay	5,114,225	35,815	201,089	-	-
Debt service:					
Principal	754,026	22,001	-	-	-
Interest and fees	95,814	1,399	82,305	-	-
Total expenditures	<u>6,548,053</u>	<u>87,710</u>	<u>457,345</u>	<u>241,147</u>	<u>58,534</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,345,946)</u>	<u>23,446</u>	<u>723,546</u>	<u>1,257,158</u>	<u>16,755</u>
Other Financing Sources (Uses)					
Issuance of bonds	750,000	-	-	-	-
Issuance of lease purchase	1,569,784	-	-	-	-
Transfers in	1,022,863	65,849	1,000,000	-	-
Transfers out	(1,811,462)	(65,849)	-	(863,329)	-
Sale of capital assets	221,213	-	-	-	-
Insurance recoveries	44,993	-	-	-	-
Total other financing sources (uses)	<u>1,797,391</u>	<u>-</u>	<u>1,000,000</u>	<u>(863,329)</u>	<u>-</u>
Net change in fund balance	451,445	23,446	1,723,546	393,829	16,755
Fund balance (deficit) - beginning	<u>5,887,173</u>	<u>172,308</u>	<u>4,025,220</u>	<u>1,874,058</u>	<u>328,209</u>
Fund balance (deficit) - ending	<u>\$ 6,338,618</u>	<u>\$ 195,754</u>	<u>\$ 5,748,766</u>	<u>\$ 2,267,887</u>	<u>\$ 344,964</u>

(Continued)

E911	Victims Advocate	First Circuit Solicitor	C-Funds	Public Defender	Upper Dorchester Economic Development	Children In Crisis
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 781,035
438,333	1,060	3,188,089	1,471,127	11,138	288,580	-
428,278	-	-	-	-	-	-
-	85,702	73,690	-	-	-	-
-	8	-	-	-	-	-
-	-	405	-	2,045,250	-	-
866,611	86,770	3,262,184	1,471,127	2,056,388	288,580	781,035
-	-	3,231,774	-	2,038,769	-	-
569,773	139,570	-	-	-	-	-
-	-	-	72,062	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	778,892
-	-	-	-	-	-	-
252,280	-	-	416,765	-	-	-
-	-	-	-	52,707	-	-
-	-	-	-	1,353	-	-
822,053	139,570	3,231,774	488,827	2,092,829	-	778,892
44,558	(52,800)	30,410	982,300	(36,441)	288,580	2,143
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	53,481	-	-	-	-	-
-	-	(26,398)	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	53,481	(26,398)	-	-	-	-
44,558	681	4,012	982,300	(36,441)	288,580	2,143
276,428	(681)	(139,585)	(1,024,956)	(63,095)	368,100	724
\$ 320,986	\$ -	\$ (135,573)	\$ (42,656)	\$ (99,536)	\$ 656,680	\$ 2,867

(Continued)

Senior Citizens Center	Firefighters 1% Fund	Fire Protection Improvement	Dorchester County Economic Development Corporation	Other Special Revenue Fund	Library System	Total Nonmajor Special Revenue Funds
\$ 1,459,427	\$ -	\$ 8,552,421	\$ -	\$ -	\$ 4,167,918	\$ 22,403,194
-	82,469	57,381	47,911	362,659	277,343	6,309,377
-	-	-	-	-	54,697	482,975
-	-	-	-	-	-	264,293
1,598	-	5,314	-	96	3,354	46,021
-	-	28,849	268,653	-	80,742	2,825,415
1,461,025	82,469	8,643,965	316,564	362,755	4,584,054	32,331,275
-	-	-	-	5,639	-	5,850,160
-	-	7,422,362	-	-	-	8,228,744
-	-	-	-	-	-	72,062
-	-	-	-	-	-	241,147
-	-	-	221,941	-	-	395,892
1,382,700	-	-	-	62,150	-	2,223,742
-	-	-	-	-	3,032,168	3,032,168
-	-	294,936	-	-	45,086	6,360,196
-	-	392,000	-	-	-	1,220,734
-	-	80,144	-	-	-	261,015
1,382,700	-	8,189,442	221,941	67,789	3,077,254	27,885,860
78,325	82,469	454,523	94,623	294,966	1,506,800	4,445,415
-	-	-	-	-	-	750,000
-	-	-	-	-	-	1,569,784
-	-	-	-	-	-	2,142,193
-	-	(408,762)	-	-	-	(3,175,800)
-	-	21,456	-	-	-	242,669
-	-	14,603	-	-	-	59,596
-	-	(372,703)	-	-	-	1,588,442
78,325	82,469	81,820	94,623	294,966	1,506,800	6,033,857
1,226,369	219,819	3,308,557	325,161	2,768,431	8,758,710	28,310,950
\$ 1,304,694	\$ 302,288	\$ 3,390,377	\$ 419,784	\$ 3,063,397	\$ 10,265,510	\$ 34,344,807

DORCHESTER COUNTY, SOUTH CAROLINA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
CAPITAL IMPROVEMENTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes	\$ 6,387,021	\$ 5,175,020	\$ (1,212,001)
Interest	9,085	21,079	11,994
Miscellaneous	2,584	6,008	3,424
Total revenues	<u>6,398,690</u>	<u>5,202,107</u>	<u>(1,196,583)</u>
Expenditures			
Current:			
General government	1,157,759	515,444	642,315
Public safety	71,974	68,544	3,430
Capital outlay	4,253,215	5,114,225	(861,010)
Debt service:			
Principal retirement	754,026	754,026	-
Interest and fiscal charges	56,814	95,814	(39,000)
Total expenditures	<u>6,293,788</u>	<u>6,548,053</u>	<u>(254,265)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>104,902</u>	<u>(1,345,946)</u>	<u>(1,450,848)</u>
Other Financing Sources (Uses)			
Issuance of bonds	-	750,000	750,000
Issuance of lease purchase	-	1,569,784	1,569,784
Sale of capital assets	125,529	221,213	95,684
Insurance recoveries	2,945	44,993	42,048
Transfers in	1,028,429	1,022,863	(5,566)
Transfers out	(1,261,805)	(1,811,462)	(549,657)
Total other financing sourcing (uses)	<u>(104,902)</u>	<u>1,797,391</u>	<u>1,902,293</u>
Net change in fund balance	-	451,445	451,445
Fund balance - beginning	<u>5,887,173</u>	<u>5,887,173</u>	<u>-</u>
Fund balance - ending	<u><u>\$ 5,887,173</u></u>	<u><u>\$ 6,338,618</u></u>	<u><u>\$ 451,445</u></u>

DORCHESTER COUNTY, SOUTH CAROLINA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
COUNTY BONDS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes	\$ 5,748,397	\$ 6,315,762	\$ 567,365
Interest	12,000	20,745	8,745
Total revenues	<u>5,760,397</u>	<u>6,336,507</u>	<u>576,110</u>
Expenditures			
Debt service:			
Principal retirement	3,555,881	9,462,139	(5,906,258)
Interest and fiscal charges	2,664,216	2,765,022	(100,806)
Total debt service expenditures	<u>6,220,097</u>	<u>12,227,161</u>	<u>(6,007,064)</u>
Deficiency of revenues under expenditures	(459,700)	(5,890,654)	(5,430,954)
Other Financing Sources			
Issuance of bonds	-	5,275,000	5,275,000
Transfers in	459,700	3,930,156	3,470,456
Total other financing sources	<u>459,700</u>	<u>9,205,156</u>	<u>8,745,456</u>
Net change in fund balance	-	3,314,502	3,314,502
Fund balance - beginning	<u>4,038,500</u>	<u>4,038,500</u>	<u>-</u>
Fund balance - ending	<u>\$ 4,038,500</u>	<u>\$ 7,353,002</u>	<u>\$ 3,314,502</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
HOSPITALITY TAX FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes	\$ 1,372,224	\$ 1,498,305	\$ 126,081
Total revenues	<u>1,372,224</u>	<u>1,498,305</u>	<u>126,081</u>
Expenditures			
Current:			
Recreation and culture	<u>508,895</u>	<u>241,147</u>	<u>267,748</u>
Total expenditures	<u>508,895</u>	<u>241,147</u>	<u>267,748</u>
Excess of revenues over expenditures	<u>863,329</u>	<u>1,257,158</u>	<u>393,829</u>
Other Financing Uses			
Transfers out	<u>(863,329)</u>	<u>(863,329)</u>	<u>-</u>
Total other financing uses	<u>(863,329)</u>	<u>(863,329)</u>	<u>-</u>
Net change in fund balance	-	393,829	393,829
Fund balance - beginning	<u>1,874,058</u>	<u>1,874,058</u>	<u>-</u>
Fund balance - ending	<u>\$ 1,874,058</u>	<u>\$ 2,267,887</u>	<u>\$ 393,829</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
E-911 FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$ 263,764	\$ 438,333	\$ 174,569
Charges for services	419,000	428,278	9,278
Total revenues	<u>682,764</u>	<u>866,611</u>	<u>183,847</u>
Expenditures			
Current:			
Public safety	682,764	569,773	112,991
Capital outlay	-	252,280	(252,280)
Total expenditures	<u>682,764</u>	<u>822,053</u>	<u>(139,289)</u>
Net change in fund balance	-	44,558	44,558
Fund balance - beginning	<u>276,428</u>	<u>276,428</u>	<u>-</u>
Fund balance - ending	<u>\$ 276,428</u>	<u>\$ 320,986</u>	<u>\$ 44,558</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
VICTIMS ADVOCATE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$ 1,060	\$ 1,060	\$ -
Judicial fines and assessments	83,964	85,702	1,738
Interest	8	8	-
Total revenues	<u>85,032</u>	<u>86,770</u>	<u>1,738</u>
Expenditures			
Current:			
Public safety	<u>202,231</u>	<u>139,570</u>	<u>62,661</u>
Total expenditures	<u>202,231</u>	<u>139,570</u>	<u>62,661</u>
Deficiency of revenues under expenditures	(117,199)	(52,800)	64,399
Other Financing Sources			
Transfers in	<u>117,199</u>	<u>53,481</u>	<u>(63,718)</u>
Total other financing sources	<u>117,199</u>	<u>53,481</u>	<u>(63,718)</u>
Net change in fund balance	-	681	681
Fund balance - beginning	<u>(681)</u>	<u>(681)</u>	<u>-</u>
Fund balance - ending	<u>\$ (681)</u>	<u>\$ -</u>	<u>\$ 681</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
FIRST CIRCUIT SOLICITOR
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$ 3,026,014	\$ 3,188,089	\$ 162,075
Judicial fines and assessments	73,690	73,690	-
Miscellaneous	-	405	405
Total revenues	<u>3,099,704</u>	<u>3,262,184</u>	<u>162,480</u>
Expenditures			
Current:			
General government	<u>3,099,704</u>	<u>3,231,774</u>	<u>(132,070)</u>
Total expenditures	<u>3,099,704</u>	<u>3,231,774</u>	<u>(132,070)</u>
Excess of revenues over expenditures	<u>-</u>	<u>30,410</u>	<u>30,410</u>
Other Financing Uses			
Transfers out	<u>-</u>	<u>(26,398)</u>	<u>(26,398)</u>
Total other financing uses	<u>-</u>	<u>(26,398)</u>	<u>(26,398)</u>
Net change in fund balance	-	4,012	4,012
Fund deficit - beginning	<u>(139,585)</u>	<u>(139,585)</u>	<u>-</u>
Fund deficit - ending	<u>\$ (139,585)</u>	<u>\$ (135,573)</u>	<u>\$ 4,012</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
PUBLIC DEFENDER FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$ 11,137	\$ 11,138	\$ 1
Miscellaneous	2,097,884	2,045,250	(52,634)
Total revenues	<u>2,109,021</u>	<u>2,056,388</u>	<u>(52,633)</u>
Expenditures			
Current:			
General government	2,109,021	2,038,769	70,252
Debt service:			
Principal	-	52,707	(52,707)
Interest and fees	-	1,353	(1,353)
Total expenditures	<u>2,109,021</u>	<u>2,092,829</u>	<u>16,192</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(36,441)</u>	<u>(68,825)</u>
Other Financing Uses			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing uses	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	(36,441)	(36,441)
Fund deficit - beginning	<u>(63,095)</u>	<u>(63,095)</u>	<u>-</u>
Fund deficit - ending	<u>\$ (63,095)</u>	<u>\$ (99,536)</u>	<u>\$ (36,441)</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
FIRE PROTECTION IMPROVEMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes	\$ 8,544,883	\$ 8,552,421	\$ 7,538
Intergovernmental	63,578	57,381	(6,197)
Interest	3,500	5,314	1,814
Miscellaneous	27,182	28,849	1,667
Total revenues	<u>8,639,143</u>	<u>8,643,965</u>	<u>4,822</u>
Expenditures			
Current:			
Public safety	7,362,175	7,422,362	(60,187)
Capital outlay	432,277	294,936	137,341
Debt service:			
Principal retirement	386,000	392,000	(6,000)
Interest and fiscal charges	80,145	80,144	1
Total expenditures	<u>8,260,597</u>	<u>8,189,442</u>	<u>71,155</u>
Excess of revenues over expenditures	378,546	454,523	75,977
Other Financing Sources (Uses)			
Sale of capital assets	8,135	21,456	13,321
Insurance recoveries	-	14,603	14,603
Transfers out	(386,681)	(408,762)	(22,081)
Total other financing uses, net	<u>(378,546)</u>	<u>(372,703)</u>	<u>5,843</u>
Net change in fund balance	-	81,820	81,820
Fund balance - beginning	<u>3,308,557</u>	<u>3,308,557</u>	<u>-</u>
Fund balance - ending	<u>\$ 3,308,557</u>	<u>\$ 3,390,377</u>	<u>\$ 81,820</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
LIBRARY SYSTEM
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes	\$ 3,776,323	\$ 4,167,918	\$ 391,595
Intergovernmental	273,110	277,343	4,233
Charges for services	110,040	54,697	(55,343)
Interest	10,000	3,354	(6,646)
Miscellaneous	5,200	80,742	75,542
Total revenues	<u>4,174,673</u>	<u>4,584,054</u>	<u>409,381</u>
Expenditures			
Current:			
Library system	4,104,673	3,032,168	1,072,505
Capital outlay	70,000	45,086	24,914
Total expenditures	<u>4,174,673</u>	<u>3,077,254</u>	<u>1,097,419</u>
Net change in fund balance	-	1,506,800	1,506,800
Fund balance - beginning	<u>8,758,710</u>	<u>8,758,710</u>	<u>-</u>
Fund balance - ending	<u>\$ 8,758,710</u>	<u>\$ 10,265,510</u>	<u>\$ 1,506,800</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2022**

	Solid Waste	Stormwater Fund	Totals
ASSETS			
Current assets:			
Cash and investments	\$ 6,351,400	\$ 4,621,867	\$ 10,973,267
Receivables, net	4,365,157	2,119,958	6,485,115
Prepaid items	6,414	4,936	11,350
Total current assets	<u>10,722,971</u>	<u>6,746,761</u>	<u>17,469,732</u>
Non-current assets:			
Lease assets, net of accumulated amortization	36,964	-	36,964
Capital assets:			
Nondepreciable	372,258	283,104	655,362
Depreciable, net of accumulated depreciation	1,144,668	3,367,334	4,512,002
Total non-current assets	<u>1,553,890</u>	<u>3,650,438</u>	<u>5,204,328</u>
Total assets	<u>12,276,861</u>	<u>10,397,199</u>	<u>22,674,060</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension	473,961	347,783	821,744
OPEB	63,119	44,710	107,829
Total deferred outflows of resources	<u>537,080</u>	<u>392,493</u>	<u>929,573</u>
Total assets and deferred outflows of resources	<u>\$ 12,813,941</u>	<u>\$ 10,789,692</u>	<u>\$ 23,603,633</u>
LIABILITIES			
Current liabilities:			
Account payable	\$ 735,164	\$ 174,355	\$ 909,519
Accrued liabilities	68,190	43,981	112,171
Current portion of lease liabilities	6,003	-	6,003
Current portion of compensated absences	36,177	33,965	70,142
Total current liabilities	<u>845,534</u>	<u>252,301</u>	<u>1,097,835</u>
Non-current liabilities:			
Net pension liability	2,525,877	1,853,440	4,379,317
Net OPEB liability	248,527	176,040	424,567
Lease liabilities	30,760	-	30,760
Compensated absences	49,246	12,318	61,564
Total non-current liabilities	<u>2,854,410</u>	<u>2,041,798</u>	<u>4,896,208</u>
Total liabilities	<u>3,699,944</u>	<u>2,294,099</u>	<u>5,994,043</u>
DEFERRED INFLOWS OF RESOURCES			
Pension	424,538	311,518	736,056
OPEB	68,264	48,354	116,618
Total deferred inflows of resources	<u>492,802</u>	<u>359,872</u>	<u>852,674</u>
NET POSITION			
Net investment in capital assets	1,509,630	3,553,891	5,063,521
Unrestricted	7,111,565	4,581,830	11,693,395
Total net position	<u>8,621,195</u>	<u>8,135,721</u>	<u>16,756,916</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 12,813,941</u>	<u>\$ 10,789,692</u>	<u>\$ 23,603,633</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Solid Waste	Stormwater Fund	Totals
Operating Revenues			
Charges for services, net	\$ 8,252,147	\$ 3,962,300	\$ 12,214,447
Inspection fee	-	488,934	488,934
Other charges	187,819	445,150	632,969
Total operating revenues	<u>8,439,966</u>	<u>4,896,384</u>	<u>13,336,350</u>
Operating Expenses			
Personnel services	1,769,673	1,400,107	3,169,780
Contractual services	4,464,222	406,729	4,870,951
Maintenance and repairs	5,156	330,598	335,754
Utilities	36,032	12,955	48,987
Office expenses	15,252	11,838	27,090
Truck expenses	80,899	51,476	132,375
Other services and charges	63,201	52,070	115,271
Supplies	25,399	47,223	72,622
Depreciation	123,945	316,722	440,667
Amortization	6,199	-	6,199
Total operating expenses	<u>6,589,978</u>	<u>2,629,718</u>	<u>9,219,696</u>
Operating income	<u>1,849,988</u>	<u>2,266,666</u>	<u>4,116,654</u>
Non-Operating Revenues (Expenses)			
Investment income	10,480	5,548	16,028
Gain (loss) on disposition of capital assets	20,000	(89,647)	(69,647)
Grant revenue	90,301	-	90,301
Total non-operating revenues (expenses)	<u>120,781</u>	<u>(84,099)</u>	<u>36,682</u>
Income before capital contributions and transfers	<u>1,970,769</u>	<u>2,182,567</u>	<u>4,153,336</u>
Capital Contributions and Transfers			
Capital contributions	-	1,013,600	1,013,600
Transfer out	(409,179)	(227,962)	(637,141)
Total contributions and transfers	<u>(409,179)</u>	<u>785,638</u>	<u>376,459</u>
Change in net position	1,561,590	2,968,205	4,529,795
Net position, beginning	<u>7,059,605</u>	<u>5,167,516</u>	<u>12,227,121</u>
Net position, ending	<u><u>\$ 8,621,195</u></u>	<u><u>\$ 8,135,721</u></u>	<u><u>\$ 16,756,916</u></u>

DORCHESTER COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Solid Waste	Stormwater Fund	Totals
Cash Flows from Operating Activities:			
Cash received from customers and users	\$ 8,302,794	\$ 4,734,692	\$ 13,037,486
Cash paid to employees	(1,841,279)	(1,407,952)	(3,249,231)
Cash paid to suppliers, premiums and claims	(4,740,868)	(846,079)	(5,586,947)
Total provided by operating activities	<u>1,720,647</u>	<u>2,480,661</u>	<u>4,201,308</u>
Cash Flows from Non-capital Financing Activities:			
Noncapital transfers and advances between funds	(409,179)	(227,962)	(637,141)
Noncapital grants	90,301	-	90,301
Total (used in) non-capital financing activities	<u>(318,878)</u>	<u>(227,962)</u>	<u>(546,840)</u>
Cash Flows from Capital and Related Financing Activities:			
Acquisition and construction of capital assets	(200,972)	(243,972)	(444,944)
Proceeds from the sale of capital assets	20,000	184,121	204,121
Principal paid on debt	(6,400)	-	(6,400)
Total used in capital and related financing activities	<u>(187,372)</u>	<u>(59,851)</u>	<u>(247,223)</u>
Cash Flows from Investing Activities:			
Interest income	<u>10,480</u>	<u>5,548</u>	<u>16,028</u>
Total provided by investing activities	<u>10,480</u>	<u>5,548</u>	<u>16,028</u>
Net change in cash and cash equivalents, including restricted	1,224,877	2,198,396	3,423,273
Cash and cash equivalents, beginning of year	<u>5,126,523</u>	<u>2,423,471</u>	<u>7,549,994</u>
Cash and cash equivalents, end of year	<u>\$ 6,351,400</u>	<u>\$ 4,621,867</u>	<u>\$ 10,973,267</u>

(Continued)

DORCHESTER COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Solid Waste	Stormwater Fund	Totals
Reconciliation of Operating Income to Net Cash			
Flows Provided by Operating Activities:			
Operating income	\$ 1,849,988	\$ 2,266,666	\$ 4,116,654
Adjustments to reconcile:			
Depreciation and amortization	130,144	316,722	446,866
Changes in assets and liabilities:			
(Increase) in accounts receivable	(137,172)	(161,692)	(298,864)
Decrease (increase) in prepaid items	(951)	758	(193)
Increase (decrease) in accounts payable	(35,346)	66,052	30,706
Increase in accrued liabilities	18,294	6,246	24,540
(Decrease) in landfill post-closure liability	(14,410)	-	(14,410)
Increase (decrease) in accrued compensated absences	7,672	(7,251)	421
(Decrease) in pension and OPEB deferred	(97,572)	(6,840)	(104,412)
	<u>(259,485)</u>	<u>(102,727)</u>	<u>(362,212)</u>
Net cash flow provided by operating activities	<u>\$ 1,720,647</u>	<u>\$ 2,480,661</u>	<u>\$ 4,201,308</u>
Schedule of Noncash Capital and Financing Activities:			
Acquisition of capital assets through developer contributions	\$ -	\$ 1,013,600	\$ 1,013,600
	<u>\$ -</u>	<u>\$ 1,013,600</u>	<u>\$ 1,013,600</u>



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DORCHESTER COUNTY, SOUTH CAROLINA

**COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2022**

	Municipalities, School Districts, and Special Districts	Clerk of Court	Family Court	Magistrates Fund	Orangeburg County FILOT
ASSETS					
Cash and investments	\$ 34,032,530	\$ 107,959	\$ 116,752	\$ 165,728	\$ 10,278
Receivables, net	3,012,314	-	-	-	-
Due from other governments	215,966	-	-	-	-
Total assets	<u>37,260,810</u>	<u>107,959</u>	<u>116,752</u>	<u>165,728</u>	<u>10,278</u>
LIABILITIES					
Due to others	<u>9,498,428</u>	<u>67,078</u>	<u>136,187</u>	<u>101,582</u>	<u>-</u>
Total liabilities	<u>9,498,428</u>	<u>67,078</u>	<u>136,187</u>	<u>101,582</u>	<u>-</u>
NET POSITION					
Restricted:					
Individuals, organizations and other governments	<u>27,762,382</u>	<u>40,881</u>	<u>(19,435)</u>	<u>64,146</u>	<u>10,278</u>
Total net position	<u>\$ 27,762,382</u>	<u>\$ 40,881</u>	<u>\$ (19,435)</u>	<u>\$ 64,146</u>	<u>\$ 10,278</u>

SC Trans Committee	Delinquent Agency Fund	Treasurer's Agency Fund	Miscellaneous Fund	Total
\$ 1,109	\$ 5,654,616	\$ 9,412,113	\$ 1,516,220	\$ 51,017,305
-	-	-	304,163	3,316,477
-	-	-	-	215,966
<u>1,109</u>	<u>5,654,616</u>	<u>9,412,113</u>	<u>1,820,383</u>	<u>54,549,748</u>
-	5,585,349	9,405,850	1,822,973	26,617,447
-	<u>5,585,349</u>	<u>9,405,850</u>	<u>1,822,973</u>	<u>26,617,447</u>
<u>1,109</u>	<u>69,267</u>	<u>6,263</u>	<u>(2,590)</u>	<u>27,932,301</u>
<u>\$ 1,109</u>	<u>\$ 69,267</u>	<u>\$ 6,263</u>	<u>\$ (2,590)</u>	<u>\$ 27,932,301</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Municipalities, School Districts, and Special Districts	Clerk of Court	Family Court	Magistrates Fund
Additions				
Tax collections for other governments	\$ 171,034,879	\$ -	\$ -	\$ -
Grant revenues	341,630,238	-	-	-
Fines and fees	4,651,867	226,707	356,475	806,543
Miscellaneous	7,551,665	-	-	-
Total additions	<u>524,868,649</u>	<u>226,707</u>	<u>356,475</u>	<u>806,543</u>
Deductions				
Payments of taxes to other governments	472,603,265	226,707	357,525	811,479
Disbursement of debt proceeds	57,940,256	-	-	-
Payments to designated beneficiaries	1,050	-	-	-
Total deductions	<u>530,544,571</u>	<u>226,707</u>	<u>357,525</u>	<u>811,479</u>
Net increase (decrease) in fiduciary net position	(5,675,922)	-	(1,050)	(4,936)
Net position, beginning of year	<u>33,438,304</u>	<u>40,881</u>	<u>(18,385)</u>	<u>69,082</u>
Net position, end of year	<u>\$ 27,762,382</u>	<u>\$ 40,881</u>	<u>\$ (19,435)</u>	<u>\$ 64,146</u>

Orangeburg County FILOT	SC Trans Committee	Delinquent Agency Fund	Treasurer's Agency Fund	Miscellaneous Fund	Total
\$ 320,553	\$ -	\$ -	\$ -	\$ -	\$ 171,355,432
-	2,000	-	-	902,502	342,534,740
-	-	-	-	320	6,041,912
-	-	13,249	-	-	7,564,914
<u>320,553</u>	<u>2,000</u>	<u>13,249</u>	<u>-</u>	<u>902,822</u>	<u>527,496,998</u>
311,863	2,160	-	-	902,502	475,215,501
-	-	-	-	-	57,940,256
-	-	1,125	-	-	2,175
<u>311,863</u>	<u>2,160</u>	<u>1,125</u>	<u>-</u>	<u>902,502</u>	<u>533,157,932</u>
8,690	(160)	12,124	-	320	(5,660,934)
<u>1,588</u>	<u>1,269</u>	<u>57,143</u>	<u>6,263</u>	<u>(2,910)</u>	<u>33,593,235</u>
<u>\$ 10,278</u>	<u>\$ 1,109</u>	<u>\$ 69,267</u>	<u>\$ 6,263</u>	<u>\$ (2,590)</u>	<u>\$ 27,932,301</u>

DORCHESTER COUNTY, SOUTH CAROLINA

UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES (PER ACT 96)

YEAR ENDED JUNE 30, 2022

FOR THE STATE TREASURER'S OFFICE:

COUNTY / MUNICIPAL FUNDS COLLECTED BY CLERK OF COURT	General Sessions	Magistrate Court	Municipal Court	Total
Court Fines and Assessments:				
Court fines and assessments collected	698,754	1,565,936	530	2,265,219
Court fines and assessments remitted to State Treasurer	(548,406)	(773,012)		(1,321,418)
Total Court Fines and Assessments Retained	150,348	792,924	530	943,802
Surcharges and Assessments Retained for Victim Services:				
Surcharges collected and retained	18,395	9,696		28,091
Assessments retained	109	56,973	530	57,612
Total Surcharges and Assessments Retained for Victim Services	18,504	66,669	530	85,703

FOR THE DEPARTMENT OF CRIME VICTIM COMPENSATION (DCVC):

VICTIM SERVICE FUNDS COLLECTED	Municipal	County	Total
Carryforward from Previous Year – Beginning Balance	-	(681)	(681)
Victim Service Revenue:			
Victim Service Fines Retained by City/County Treasurer			
Victim Service Assessments Retained by City/County Treasurer		57,612	57,612
Victim Service Surcharges Retained by City/County Treasurer		28,091	28,091
Interest Earned		8	8
Grant Funds Received			
Grant from:		1,060	1,060
General Funds Transferred to Victim Service Fund		53,481	53,481
Contribution Received from Victim Service Contracts:			
(1) Town of			
(2) Town of			
(3) City of			
Total Funds Allocated to Victim Service Fund + Beginning Balance (A)	-	139,571	139,571
Expenditures for Victim Service Program:	Municipal	County	Total
Salaries and Benefits		139,571	139,571
Operating Expenditures			
Victim Service Contract(s):			
(1) Entity's Name			
(2) Entity's Name			
Victim Service Donation(s):			
(1) Domestic Violence Shelter:			
(2) Rape Crisis Center:			
(3) Other local direct crime victims service agency:			
Transferred to General Fund			
Total Expenditures from Victim Service Fund/Program (B)		139,571	139,571
Total Victim Service Funds Retained by Municipal/County Treasurer (A-B)		-	-
Less: Prior Year Fund Deficit Repayment		-	-
Carryforward Funds – End of Year		-	-

STATISTICAL SECTION



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**STATISTICAL SECTION
(UNAUDITED)**

This part of the County's, 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 County's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	119-124
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	
Revenue Capacity	125-130
These schedules contain information to help the reader assess the County's most significant local revenue source.	
Debt Capacity	131-135
These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	
Demographic and Economic Information.....	136-138
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help comparisons over time and with other governments.	
Operating Information.....	139 and 140
These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.	

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



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DORCHESTER COUNTY, SOUTH CAROLINA

**NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS**

	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>
Governmental Activities										
Net investment in capital assets	\$ 83,934,721	\$ 68,135,305	\$ 77,061,370	\$ 90,697,922	\$ 92,073,636	\$ 103,976,571	\$ 37,657,298	\$ 42,547,231	\$ 52,298,359	\$ 61,462,186
Restricted	9,912,214	27,732,371	24,218,572	15,150,003	39,319,601	47,100,010	55,642,172	65,081,388	82,810,801	106,913,322
Unrestricted	27,604,995	28,604,995	(21,067,847)	(16,018,266)	(18,553,376)	(28,597,323)	(32,037,359)	(36,653,362)	(39,452,517)	(30,885,996)
Total governmental activities net position	<u>\$ 121,451,930</u>	<u>\$ 124,472,671</u>	<u>\$ 80,212,095</u>	<u>\$ 89,829,659</u>	<u>\$ 112,839,861</u>	<u>\$ 122,479,258</u>	<u>\$ 61,262,111</u>	<u>\$ 70,975,257</u>	<u>\$ 95,656,643</u>	<u>\$ 137,489,512</u>
Business-Type Activities										
Net investment in capital assets	\$ 94,439,140	\$ 103,133,248	\$ 110,857,746	\$ 116,970,205	\$ 131,954,008	\$ 141,719,993	\$ 154,321,376	\$ 166,214,018	\$ 176,067,388	\$ 189,940,981
Restricted	-	17,380,812	18,634,320	20,820,572	16,558,963	15,059,860	16,668,345	19,273,935	26,246,246	33,140,258
Unrestricted	38,897,165	18,763,927	12,980,509	15,020,086	11,918,603	14,476,316	12,909,408	9,575,021	11,694,415	20,569,276
Total business-type activities net position	<u>\$ 133,336,305</u>	<u>\$ 139,277,987</u>	<u>\$ 142,472,575</u>	<u>\$ 152,810,863</u>	<u>\$ 160,431,574</u>	<u>\$ 171,256,169</u>	<u>\$ 183,899,129</u>	<u>\$ 195,062,974</u>	<u>\$ 214,008,049</u>	<u>\$ 243,650,515</u>
Primary Government										
Net investment in capital assets	\$ 178,373,861	\$ 171,268,553	\$ 187,919,116	\$ 207,668,127	\$ 224,027,644	\$ 245,696,564	\$ 191,978,674	\$ 208,761,249	\$ 228,365,747	\$ 251,403,167
Restricted	9,912,214	45,113,183	42,852,892	35,970,575	55,878,564	62,159,870	72,310,517	84,355,323	109,057,047	140,053,580
Unrestricted	66,046,412	47,368,922	(8,087,338)	(998,180)	(6,634,773)	(14,121,007)	(19,127,951)	(27,078,341)	(27,758,102)	(10,316,720)
Total primary government net position	<u>\$ 254,332,487</u>	<u>\$ 263,750,658</u>	<u>\$ 222,684,670</u>	<u>\$ 242,640,522</u>	<u>\$ 273,271,435</u>	<u>\$ 293,735,427</u>	<u>\$ 245,161,240</u>	<u>\$ 266,038,231</u>	<u>\$ 309,664,692</u>	<u>\$ 381,140,027</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>
Expenses										
Governmental Activities										
General government	\$ 21,911,552	\$ 19,861,442	\$ 22,424,729	\$ 23,886,033	\$ 26,662,840	\$ 28,454,911	\$ 29,925,262	\$ 36,191,548	\$ 43,289,192	\$ 35,988,196
Public safety	31,130,513	34,866,977	32,719,023	35,601,493	39,232,125	41,367,732	42,088,535	46,923,982	49,415,677	44,591,973
Roads and drainage	6,357,715	6,116,543	5,286,855	5,646,460	72,363,350	13,608,969	78,308,048	5,716,211	6,010,755	4,992,381
Health and welfare	222,328	241,831	244,878	241,183	238,746	1,017,901	1,025,696	1,106,028	1,065,604	1,089,281
Recreation and culture	118,776	35,234	110,993	237,200	514,668	313,874	310,336	1,399,509	771,265	1,046,190
Airport	189,107	275,423	454,663	453,120	496,346	468,790	478,903	603,309	543,923	449,657
Economic development	4,603,409	849,935	2,356,220	1,899,177	2,021,210	1,705,412	4,235,715	1,579,658	1,224,661	1,199,081
Intergovernmental and nonprofit	3,871,376	3,974,127	3,878,048	3,828,998	3,937,430	3,351,743	4,618,709	5,401,085	5,985,055	24,860,274
Library system	-	-	-	-	-	-	-	-	-	3,622,105
Disaster recovery	-	-	-	-	1,682,909	485,816	375,362	2,721,745	879,323	-
Nondepartmental	-	-	-	-	512,367	-	-	-	-	2,282,872
Interest and fiscal charges	1,415,801	1,492,345	1,534,015	1,506,366	5,029,018	4,834,904	4,859,879	5,458,252	6,125,267	6,471,662
Total Governmental Activities Expenses	<u>69,820,577</u>	<u>67,713,857</u>	<u>69,009,424</u>	<u>73,300,030</u>	<u>152,691,009</u>	<u>95,610,052</u>	<u>166,226,445</u>	<u>107,101,327</u>	<u>115,310,722</u>	<u>126,593,672</u>
Business-Type Activities										
Water and sewer	16,822,748	17,828,038	17,912,760	18,230,792	19,636,330	20,509,356	22,607,782	25,368,652	25,415,220	28,290,723
Stormwater	1,436,570	1,395,018	1,465,142	1,492,067	1,934,984	2,004,758	2,093,198	2,319,156	6,488,811	2,719,365
Solid waste	4,938,151	5,699,231	5,494,895	5,619,162	6,210,952	5,885,165	5,938,070	6,343,772	2,547,471	6,589,978
Total Business-Type Expenses	<u>23,197,469</u>	<u>24,922,287</u>	<u>24,872,797</u>	<u>25,342,021</u>	<u>27,782,266</u>	<u>28,399,279</u>	<u>30,639,050</u>	<u>34,031,580</u>	<u>34,451,502</u>	<u>37,600,066</u>
Total Government Expenses	<u>\$ 93,018,046</u>	<u>\$ 92,636,144</u>	<u>\$ 93,882,221</u>	<u>\$ 98,642,051</u>	<u>\$ 180,473,275</u>	<u>\$ 124,009,331</u>	<u>\$ 196,865,495</u>	<u>\$ 141,132,907</u>	<u>\$ 149,762,224</u>	<u>\$ 164,193,738</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>
Program Revenues										
Governmental Activities										
Charges for services										
General government	\$ 15,417,364	\$ 15,201,871	\$ 17,082,183	\$ 18,700,504	\$ 7,110,898	\$ 8,055,719	\$ 8,327,296	\$ 8,792,117	\$ 11,558,186	\$ 9,462,276
Public safety	1,613,412	1,313,635	1,863,387	1,989,904	7,141,414	7,381,311	6,590,055	8,195,488	9,547,604	8,893,490
Roads and drainage	-	-	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	402	130	-	-	-	-
Recreation and culture	244,706	325,711	333,555	351,474	-	-	-	-	-	-
Airport	-	-	-	8,894	8,002	8,480	7,462	7,927	11,660	26,688
Economic development	4,800	-	10,600	400	-	-	-	-	-	-
Library system	-	-	-	-	-	-	-	-	-	54,697
Operating grants and contributions	4,226,485	3,904,055	4,319,845	5,235,052	18,877,510	15,656,681	7,193,336	8,057,070	11,214,181	16,007,856
Capital grants and contributions	7,675,100	923,109	2,409,443	1,912,033	9,178,339	5,910,328	6,739,077	10,092,216	11,157,008	9,476,019
Total governmental activities program revenues	<u>29,181,867</u>	<u>21,668,381</u>	<u>26,019,013</u>	<u>28,198,261</u>	<u>42,316,565</u>	<u>37,012,649</u>	<u>28,857,226</u>	<u>35,144,818</u>	<u>43,488,639</u>	<u>43,921,026</u>
Business-Type Activities										
Charges for services										
Water and sewer	21,317,601	21,576,438	25,749,039	23,985,721	24,185,944	25,673,345	26,892,036	29,069,859	37,240,009	35,530,080
Stormwater	1,485,120	1,530,622	1,605,836	1,599,545	1,932,013	2,295,949	2,572,321	2,862,790	4,014,007	4,896,384
Solid waste	5,820,192	5,845,499	6,370,972	5,792,244	6,439,056	6,770,996	6,601,900	7,062,872	7,737,717	8,439,966
Operating grants and contributions	48,439	607,177	105,592	105,673	191,334	65,497	93,572	87,384	80,211	90,301
Capital grants and contributions	4,514,257	2,520,598	3,219,529	5,405,082	4,029,514	5,670,979	4,339,194	6,441,904	5,476,971	20,526,668
Total business-type activities program revenues	<u>33,185,609</u>	<u>32,080,334</u>	<u>37,050,968</u>	<u>36,888,265</u>	<u>36,777,861</u>	<u>40,476,766</u>	<u>40,499,023</u>	<u>45,524,809</u>	<u>54,548,915</u>	<u>69,483,399</u>
Total primary government program revenues	<u>\$ 62,367,476</u>	<u>\$ 53,748,715</u>	<u>\$ 63,069,981</u>	<u>\$ 65,086,526</u>	<u>\$ 79,094,426</u>	<u>\$ 77,489,415</u>	<u>\$ 69,356,249</u>	<u>\$ 80,669,627</u>	<u>\$ 98,037,554</u>	<u>\$ 113,404,425</u>
Net (Expense)/Revenue										
Governmental activities	\$ (40,638,710)	\$ (46,045,476)	\$ (42,990,411)	\$ (45,101,769)	\$ (110,374,444)	\$ (58,597,403)	\$ (137,369,219)	\$ (71,956,509)	\$ (71,822,083)	\$ (82,672,646)
Business-type activities	9,988,140	7,158,047	12,178,171	11,546,244	8,995,595	12,077,487	9,859,973	11,493,229	20,097,413	31,883,333
Total government net (expense)/revenue	<u>\$ (30,650,570)</u>	<u>\$ (38,887,429)</u>	<u>\$ (30,812,240)</u>	<u>\$ (33,555,525)</u>	<u>\$ (101,378,849)</u>	<u>\$ (46,519,916)</u>	<u>\$ (127,509,246)</u>	<u>\$ (60,463,280)</u>	<u>\$ (51,724,670)</u>	<u>\$ (50,789,313)</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>
<u>General Revenues and Other Changes in Net Assets:</u>										
Governmental Activities										
Property taxes	\$ 40,558,572	\$ 42,364,911	\$ 42,063,705	\$ 45,560,948	\$ 47,453,185	\$ 48,856,004	\$ 51,607,166	\$ 58,071,717	\$ 60,224,740	\$ 70,421,952
Franchise fees and hospitality taxes	367,059	327,164	333,555	351,474	634,424	735,830	1,395,542	1,950,211	2,163,565	2,256,926
Sales and use taxes	-	-	-	-	16,224,030	16,836,769	17,414,494	18,338,806	24,085,828	28,803,328
Grants and contributions not restricted	4,208,779	5,530,885	-	7,407,563	5,297,537	5,466,870	5,517,465	5,778,417	6,036,511	6,897,686
Unrestricted revenue from use of money and property	-	-	3,884,508	-	487,488	884,631	1,648,617	2,083,866	2,355,465	-
Gain/(loss) on disposition of assets	-	-	75,603	-	-	-	-	282,240	-	-
Miscellaneous	-	-	175,302	-	66,008	1,270,117	354,918	882,153	-	3,241,887
Investment income (loss)	-	-	-	96,882	-	-	-	-	191,644	-
Transfers in/(out)	(636,765)	1,299,005	1,334,230	1,302,466	3,178,869	895,273	(1,786,130)	683,848	1,449,145	2,411,399
Total Governmental Activities	<u>44,497,645</u>	<u>49,521,965</u>	<u>47,866,903</u>	<u>54,719,333</u>	<u>73,341,541</u>	<u>74,945,494</u>	<u>76,152,072</u>	<u>88,071,258</u>	<u>96,506,898</u>	<u>114,033,178</u>
Business-Type Activities										
Unrestricted revenue from use of money and property	-	-	-	-	103,170	128,211	220,068	252,180	-	-
Miscellaneous	-	-	-	-	-	-	667,000	22,433	2,457	-
Investment income	86,410	30,247	50,328	94,510	-	-	-	-	54,918	119,230
Gain on disposition of assets	111,679	52,393	-	-	67,701	487,155	109,789	79,851	239,432	51,302
Transfers in/(out)	636,765	(1,299,005)	(1,334,230)	(1,302,466)	(3,178,869)	(895,273)	1,786,130	(683,848)	(1,449,145)	(2,411,399)
Total Business-Type Activities	<u>834,854</u>	<u>(1,216,365)</u>	<u>(1,283,902)</u>	<u>(1,207,956)</u>	<u>(3,007,998)</u>	<u>(279,907)</u>	<u>2,782,987</u>	<u>(329,384)</u>	<u>(1,152,338)</u>	<u>(2,240,867)</u>
Total Government	<u>\$ 45,332,499</u>	<u>\$ 48,305,600</u>	<u>\$ 46,583,001</u>	<u>\$ 53,511,377</u>	<u>\$ 70,333,543</u>	<u>\$ 74,665,587</u>	<u>\$ 78,935,059</u>	<u>\$ 87,741,874</u>	<u>\$ 95,354,560</u>	<u>\$ 111,792,311</u>
<u>Changes in Net Position</u>										
Governmental activities	\$ 3,858,935	\$ 3,476,489	\$ 4,876,492	\$ 9,617,564	\$ (37,032,903)	\$ 16,348,091	\$ (61,217,147)	\$ 16,114,749	\$ 24,684,815	\$ 31,360,532
Business-type activities	10,822,994	5,941,682	10,894,269	10,338,288	5,987,597	11,797,580	12,642,960	11,163,845	18,945,075	29,642,466
Total Government Changes in Net Position	<u>\$ 14,681,929</u>	<u>\$ 9,418,171</u>	<u>\$ 15,770,761</u>	<u>\$ 19,955,852</u>	<u>\$ (31,045,306)</u>	<u>\$ 28,145,671</u>	<u>\$ (48,574,187)</u>	<u>\$ 27,278,594</u>	<u>\$ 43,629,890</u>	<u>\$ 61,002,998</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**FUND BALANCES — GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>
General Fund										
Nonspendable	\$ 291,602	\$ 295,392	\$ 545,846	\$ 175,150	\$ 218,763	\$ 510,299	\$ 611,510	\$ 2,146,331	\$ 716,988	\$ 608,655
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	3,799,711	1,304,804	3,965,900	3,988,014	3,154,772	5,825,950	5,310,010	3,740,193	4,941,169	7,072,047
Assigned	2,554,765	1,544,094	566,542	1,167,793	1,202,514	1,915,702	1,453,270	1,266,877	3,804,638	3,006,578
Unassigned	14,445,084	15,138,578	17,140,840	19,174,747	22,800,202	21,552,775	23,063,282	24,386,779	30,908,537	34,376,598
Total General Fund	<u>21,091,162</u>	<u>18,282,868</u>	<u>22,219,128</u>	<u>24,505,704</u>	<u>27,376,251</u>	<u>29,804,726</u>	<u>30,438,072</u>	<u>31,540,180</u>	<u>40,371,332</u>	<u>45,063,878</u>
All Other Governmental Funds										
Nonspendable	105,150	4,583	251,532	4,042	174,415	152,046	-	156,485	156,485	362,781
Restricted	28,733,579	27,732,371	24,218,572	15,161,003	34,510,714	42,659,166	64,212,565	110,584,391	108,846,536	159,070,000
Committed	9,475,595	8,970,109	7,400,381	8,943,633	6,288,134	4,669,456	5,965,146	5,722,264	2,454,851	4,270,366
Assigned	323,308	-	-	-	-	-	-	-	-	-
Unassigned (deficit)	(435,900)	(2,123,327)	(1,989,176)	(250,581)	(257,213)	(1,228,919)	(709,187)	(1,624,924)	(1,366,741)	(1,996,900)
Total All Other Governmental Funds	<u>38,201,732</u>	<u>34,583,736</u>	<u>29,881,309</u>	<u>23,858,097</u>	<u>40,716,050</u>	<u>46,251,749</u>	<u>69,468,524</u>	<u>114,838,216</u>	<u>110,091,131</u>	<u>161,706,247</u>
Total All Governmental Funds	<u>\$ 59,292,894</u>	<u>\$ 52,866,604</u>	<u>\$ 52,100,437</u>	<u>\$ 48,363,801</u>	<u>\$ 68,092,301</u>	<u>\$ 76,056,475</u>	<u>\$ 99,906,596</u>	<u>\$ 146,378,396</u>	<u>\$ 150,462,463</u>	<u>\$ 206,770,125</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>
Revenues										
Taxes	\$ 40,595,172	\$ 42,306,300	\$ 42,206,478	\$ 45,603,856	\$ 63,325,356	\$ 65,715,121	\$ 69,382,696	\$ 77,667,174	\$ 84,701,329	\$ 99,609,475
Licenses and permits	3,735,393	3,922,050	4,789,935	4,535,839	4,336,157	3,042,700	3,086,240	4,180,763	7,139,475	5,653,240
Charges for services	6,795,920	6,921,012	7,527,433	8,380,831	9,362,446	11,064,462	10,995,193	11,019,596	12,061,107	11,744,661
Intergovernmental	16,763,652	9,700,574	15,315,012	13,195,675	25,601,351	22,312,579	18,522,033	19,856,440	25,974,478	32,300,819
Judicial fines and assessments	-	-	-	-	-	-	-	-	-	1,771,183
Other income	2,261,812	1,400,609	2,271,365	3,419,154	6,072,083	5,561,463	5,632,799	5,750,688	5,662,060	2,456,263
Total Revenues	<u>70,151,949</u>	<u>64,250,545</u>	<u>72,110,223</u>	<u>75,135,355</u>	<u>108,697,393</u>	<u>107,696,325</u>	<u>107,618,961</u>	<u>118,474,661</u>	<u>135,538,449</u>	<u>153,535,641</u>
Expenditures										
General government	23,009,713	19,441,018	21,920,805	22,479,433	27,276,393	25,757,179	28,641,970	28,140,044	29,536,681	35,055,767
Public safety	29,025,905	32,650,690	30,162,858	33,225,811	34,991,866	35,311,816	36,893,632	40,651,301	39,331,901	42,111,458
Roads and drainage	2,783,891	2,439,988	2,112,544	2,348,247	2,252,331	2,469,416	3,357,025	2,853,959	2,239,609	2,413,818
Health and welfare	221,016	240,519	244,222	241,183	228,921	987,643	990,399	1,060,578	1,082,234	1,058,487
Recreation and culture	118,776	35,234	110,675	236,896	111,186	342,646	294,022	1,359,024	549,169	755,778
Airport	-	-	-	-	-	-	-	-	-	147,920
Economic development	-	-	-	-	-	-	-	-	-	1,001,739
Intergovernmental and nonprofit assistance	3,832,118	3,934,869	3,836,042	3,786,196	3,895,399	3,309,661	4,576,932	5,325,765	5,885,942	24,830,746
Library system	-	-	-	-	-	-	-	-	-	3,032,168
Disaster recovery	-	-	-	-	1,682,909	485,816	375,362	2,721,745	879,323	-
Non-departmental	481,074	1,736,818	1,062,342	758,228	512,367	956,487	860,071	972,040	1,735,753	2,282,872
Capital outlay	9,009,636	7,451,746	17,156,290	12,188,154	20,719,795	20,844,025	13,606,299	19,697,562	48,005,730	27,186,147
Debt Service										
Principal	2,293,868	3,075,557	2,971,114	3,669,800	8,945,476	8,931,777	9,288,982	11,225,943	10,804,907	17,189,607
Interest and fiscal charges	1,413,767	1,497,337	1,524,646	1,529,555	5,046,459	4,834,393	4,806,051	5,449,659	5,944,260	6,012,109
Payment to refund bond escrow	-	-	-	-	-	-	3,231,478	-	-	-
Total Expenditures	<u>72,189,764</u>	<u>72,503,776</u>	<u>81,101,538</u>	<u>80,463,503</u>	<u>105,663,102</u>	<u>104,230,859</u>	<u>106,922,223</u>	<u>119,457,620</u>	<u>145,995,509</u>	<u>163,078,616</u>
Excess (deficiency) of revenues over expenditures	(2,037,815)	(8,253,231)	(8,991,315)	(5,328,148)	3,034,291	3,465,466	696,738	(982,959)	(10,457,060)	(9,542,975)
Other Financing Sources (Uses)										
Transfers in	5,387,996	6,694,307	3,190,512	4,326,084	5,597,755	7,188,271	22,810,874	9,179,866	12,835,249	13,514,770
Transfers out	(6,024,761)	(5,395,302)	(1,856,282)	(2,845,382)	(2,418,886)	(6,292,998)	(20,774,731)	(5,466,435)	(11,386,104)	(11,049,203)
Sale of capital assets	276,510	489,101	336,863	58,638	257,253	90,199	168,754	256,119	283,615	242,669
Insurance proceeds	17,166	38,835	-	52,172	348,177	221,236	205,107	154,464	225,277	178,627
Issuance of leases	1,315,762	-	2,514,055	-	-	3,292,000	-	1,260,277	8,093,000	1,569,784
Issuance of bonds	28,617,065	-	4,040,000	-	-	-	19,030,000	39,465,000	4,650,000	49,025,000
Payments to refund general obligation bond	(9,741,374)	-	-	-	-	-	-	-	-	-
Premium on issuance of debt	-	-	-	-	-	-	1,713,379	2,448,983	-	-
Total Other Financing Sources (Uses)	<u>19,848,364</u>	<u>1,826,941</u>	<u>8,225,148</u>	<u>1,591,512</u>	<u>3,784,299</u>	<u>4,498,708</u>	<u>23,153,383</u>	<u>47,298,274</u>	<u>14,701,037</u>	<u>53,481,647</u>
Net change in fund balance	<u>\$ 17,810,549</u>	<u>\$ (6,426,290)</u>	<u>\$ (766,167)</u>	<u>\$ (3,736,636)</u>	<u>\$ 6,818,590</u>	<u>\$ 7,964,174</u>	<u>\$ 23,850,121</u>	<u>\$ 46,315,315</u>	<u>\$ 4,243,977</u>	<u>\$ 43,938,672</u>
Debt service as a percentage of non-capital expenditures	5.87%	7.03%	7.03%	7.62%	15.03%	14.91%	18.17%	15.76%	15.22%	17.38%

DORCHESTER COUNTY, SOUTH CAROLINA

**GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS**

Fiscal Year	Property Tax	Sales Tax	Hospitality Tax	Total
2013	\$ 40,558,572	\$ 10,867,238	\$ -	\$ 51,425,810
2014	42,364,911	11,945,213	-	54,310,124
2015	42,063,705	13,045,978	-	55,109,683
2016	45,560,948	15,128,857	-	60,689,805
2017	47,101,326	16,224,030	-	63,325,356
2018	49,041,116	16,674,005	-	65,715,121
2019	51,425,426	17,349,741	607,529	69,382,696
2020	58,121,506	18,402,011	1,143,657	77,667,174
2021	60,589,197	22,730,372	1,381,760	84,701,329
2022	69,959,318	28,151,852	1,498,305	99,609,475

Source: Dorchester County Treasurer

DORCHESTER COUNTY, SOUTH CAROLINA

**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

Fiscal Year	Real Property ^		Personal Property		Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Motor Vehicles	Other					
2013	\$ 237,450,480	\$ 157,859,970	\$ 52,980,226	\$ 70,068,167	\$ 8,122,640	\$ 510,236,203	0.0919	\$ 10,230,961,301	4.99%
2014	242,871,661	158,149,880	56,144,419	69,325,461	7,664,610	518,826,811	0.0941	10,424,958,992	4.98%
2015	249,383,731	156,629,160	61,233,413	69,539,321	7,501,820	529,283,805	0.0943	10,648,393,908	4.97%
2016	247,764,800	166,034,160	65,689,382	71,866,290	7,836,140	543,518,492	0.0988	10,856,593,273	5.01%
2017	258,088,630	169,548,000	69,126,712	77,304,139	7,116,040	566,951,441	0.0994	11,303,806,612	5.02%
2018	270,589,850	171,123,720	67,487,536	79,501,975	5,646,770	583,056,311	0.0994	11,643,814,763	5.01%
2019	284,748,990	178,374,370	66,846,342	84,257,983	6,191,700	608,035,985	0.0994	12,154,523,924	5.00%
2020	323,292,040	199,137,250	69,733,292	95,581,721	6,076,670	681,667,633	0.1005	13,640,165,782	5.00%
2021	336,275,580	210,550,390	71,505,730	96,544,878	7,065,060	707,811,518	0.1005	14,290,161,654	4.95%
2022	346,495,090	234,331,520	72,582,124	92,552,971	6,643,280	739,318,425	0.1005	14,821,894,778	4.99%

^ Real Property Assessment do not include exemptions

Source: Dorchester County Auditor

DORCHESTER COUNTY, SOUTH CAROLINA

**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS**

Fiscal Year	County									Total Direct Rate
	General	Capital	Debt	TTC	Library	Children in Crisis	Senior Center	Fire	Fire Capital	
2013	0.0502	0.0070	0.0043	0.0035	0.0050	0.0010	0.0019	0.0150	0.0040	0.0919
2014	0.0502	0.0070	0.0065	0.0035	0.0050	0.0010	0.0019	0.0150	0.0040	0.0941
2015	0.0502	0.0070	0.0065	0.0035	0.0052	0.0010	0.0019	0.0150	0.0040	0.0943
2016	0.0550	0.0070	0.0062	0.0035	0.0052	0.0010	0.0019	0.0150	0.0040	0.0988
2017	0.0550	0.0070	0.0062	0.0035	0.0058	0.0010	0.0019	0.0150	0.0040	0.0994
2018	0.0550	0.0070	0.0062	0.0035	0.0058	0.0010	0.0019	0.0150	0.0040	0.0994
2019	0.0561	0.0070	0.0062	0.0035	0.0058	0.0010	0.0019	0.0150	0.0040	0.1005
2020	0.0549	0.0068	0.0059	0.0033	0.0055	0.0010	0.0019	0.0172	0.0040	0.1005
2021	0.0549	0.0068	0.0059	0.0033	0.0055	0.0010	0.0019	0.0212	0.0000	0.1005
2022	0.0549	0.0068	0.0085	0.0033	0.0055	0.0010	0.0019	0.0212	0.0000	0.1031

Source: Dorchester County Auditor

Note: Milage rates above are per \$100 of assessed value.

DORCHESTER COUNTY, SOUTH CAROLINA

**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS**

Fiscal Year	Overlapping Rates (Continued)						Total School District Millage	Total Direct and Overlapping Rates
	School Districts							
	DD2 Op	DD2 Debt	Voc Oper	DD4 Op	DD4 Debt	Voc Oper		
2013	0.1686	0.0360	0.0093	0.2200	0.0280	0.0093	0.4712	0.5631
2014	0.1686	0.0460	0.0093	0.2200	0.0280	0.0093	0.4812	0.5753
2015	0.1686	0.0530	0.0093	0.2200	0.0280	0.0093	0.4882	0.5825
2016	0.1699	0.0530	0.0093	0.2150	0.0280	0.0093	0.4845	0.5833
2017	0.1699	0.0530	0.0093	0.2150	0.0280	0.0093	0.4845	0.5839
2018	0.1736	0.0530	0.0093	0.2150	0.0280	0.0093	0.4882	0.5876
2019	0.1736	0.0530	0.0093	0.2150	0.0280	0.0093	0.4882	0.5887
2020	0.1836	0.0530	0.0092	0.2100	0.0280	0.0092	0.4930	0.5935
2021	0.1836	0.0585	0.0092	0.2100	0.0280	0.0092	0.4985	0.5990
2022	0.1836	0.0650	0.0092	0.2100	0.0510	0.0092	0.5280	0.6311

DORCHESTER COUNTY, SOUTH CAROLINA

PRINCIPAL PROPERTY TAXPAYERS CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2022			2013		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Assessed Value
Dominion Energy (Formerly SCE&G)	\$ 21,827,820	1	3.18%	\$ 13,500,800	1	2.74%
Showa Denko Carbon Inc.	11,690,830	2	1.70%	5,063,710	4	1.03%
Robert Bosch LLC	11,369,270	3	1.66%	7,941,650	2	1.61%
Walmart Stores East LP	7,776,760	4	1.13%			
Norfolk Southern Railway Co	6,082,020	5	0.89%			
Lennar Carolina LLC	4,093,860	6	0.60%			
Giant Cement Co	3,291,560	7	0.48%	5,027,950	5	1.30%
McKewn Multifamily Owner LLC	2,572,100	8	0.37%			
Windsor Hill Properties CX LLC E	2,379,500	9	0.35%			
GRI Wescott LLC	2,213,950	10	0.32%			
Argos Cement LLC				5,631,120	3	1.14%
Charleston -N Chas MSA CO 646				2,365,780	6	0.48%
Bellsouth Telecommunications				2,242,850	7	0.46%
Trident medical Center LLC				1,512,980	8	0.31%
GS Windsor Club LLC				1,479,000	9	0.30%
Edisto Electric Coop Inc.				1,369,210	10	0.28%
Total	<u><u>\$ 73,297,670</u></u>		<u><u>10.68%</u></u>	<u><u>\$ 46,135,050</u></u>		<u><u>9.65%</u></u>

Source: Dorchester County Auditor

DORCHESTER COUNTY, SOUTH CAROLINA

PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

Fiscal Year	Total Tax Levy for Fiscal Year ⁽¹⁾	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years ⁽²⁾	Total Collections to Date	
		Amount ⁽²⁾	Percentage of Levy		Amount	Percentage of Levy
2012	31,379,527	\$ 30,165,665	96.1%	\$ 1,761,348	\$ 31,927,012	101.7%
2013	33,049,268	31,925,907	96.6%	1,417,765	33,343,672	100.9%
2014	33,715,378	32,667,544	96.9%	1,355,541	34,023,085	100.9%
2015	37,067,961	35,609,309	96.1%	1,475,835	37,085,144	100.0%
2016	38,666,088	37,127,741	96.0%	1,630,268	38,758,009	100.2%
2017	39,764,440	38,514,748	96.9%	1,454,441	39,969,189	100.5%
2018	42,136,894	40,613,787	96.4%	1,618,017	42,231,804	100.2%
2019	46,080,732	44,733,958	97.1%	1,425,895	46,159,853	100.2%
2020	47,848,059	46,631,419	97.5%	-	46,631,419	97.5%
2021	51,900,153	50,809,230	97.9%	-	50,809,230	97.9%

⁽¹⁾ The levy for any given fiscal year is based on the assessed values from the tax rolls of the preceding calendar year. The taxes included in this table are for the general operations, capital improvements, and County bonds.

⁽²⁾ All vehicle collections are shown in the fiscal year collected, regardless of the levy year. The only taxes shown as collections in the subsequent years are taxes collected on real property.

Source: Dorchester County Auditor and Dorchester County Treasurer

DORCHESTER COUNTY, SOUTH CAROLINA

**RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities				Business-Type Activities			Total Primary Government	Percentage of Personal Income ⁽¹⁾	Per Capita ⁽¹⁾
	General Obligation Bonds	Financing Purchases - Notes Payable	Limited Obligation Bonds	Revenue Bonds	Water/Sewer Revenue Bonds	Water/Sewer Financed Purchases	Water/Sewer Notes Payable			
2013	\$ 41,648,342	\$ 3,343,729	\$ -	\$ 1,844,474	70,489,753	187,712	-	\$ 117,514,010	2.37%	809
2014	39,707,418	2,675,628	-	1,576,695	68,480,771	127,549	-	112,568,061	2.13%	758
2015	41,784,084	4,452,463	-	1,294,189	64,915,270	65,035	-	112,511,041	2.04%	738
2016	39,498,844	3,324,866	-	996,146	61,468,766	-	-	105,288,622	1.87%	685
2017	121,400,675 *	2,186,364	-	681,709	54,182,091	-	5,223,007	183,673,846	3.15%	1174
2018	113,353,516 *	4,612,416	-	362,235	53,143,388	-	4,761,701	176,233,256	2.81%	1097
2019	121,034,180 *	3,506,654	-	-	49,798,827	-	5,007,197	179,346,858	2.71%	1109
2020	137,167,188 *	3,701,520	15,297,630	-	46,270,134	-	6,883,313	209,319,785	2.94%	1255
2021	127,158,400 *	10,640,104	15,263,325	4,650,000	42,650,309	-	6,167,627	206,529,765	2.85%	1216
2022	163,672,145 *	11,069,862	15,229,020	4,650,000	37,696,171	-	5,721,255	238,038,453	3.42%	1457

⁽¹⁾ See Table 15 for personal income and population data.

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

* The Dorchester County Transportation Authority was reported in prior years as a discretely presented component unit, however based on their governance, it was determined that they would be reported as part of the primary government's governmental activities in fiscal year 2017. Therefore, their outstanding principal on referendum approved General Obligation Bonds is reflected in the above figure.

DORCHESTER COUNTY, SOUTH CAROLINA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property ⁽¹⁾	Per Capita ⁽²⁾
2013	\$ 41,648,342	\$ 2,894,187	\$ 38,754,155	0.40%	285
2014	39,707,418	3,174,585	36,532,833	0.38%	265
2015	41,784,084	3,449,086	38,334,998	0.39%	271
2016	39,498,844	5,705,079	33,793,765	0.36%	256
2017	121,400,675 *	3,880,653	117,520,022	1.05%	756
2018	113,353,516 *	4,242,093	109,111,423	0.94%	684
2019	121,034,180 *	6,330,018	114,704,162	0.95%	720
2020	137,167,188 *	5,777,295	131,389,893	0.98%	826
2021	127,158,400 *	3,797,211	123,361,189	0.95%	740
2022	163,672,145 *	7,042,834	156,629,311	1.09%	993

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

⁽¹⁾ See Table 6 for property value data.

⁽²⁾ Population data can be found on Table 15.

* The Dorchester County Transportation Authority was reported in prior years as a discretely presented component unit, however based on their governance, it was determined that they would be reported as part of the primary government's governmental activities in fiscal year 2017. Therefore, their outstanding principal on referendum approved General Obligation Bonds is reflected in the above figures.

DORCHESTER COUNTY, SOUTH CAROLINA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT YEAR ENDED JUNE 30, 2022

	Governmental Activities Debt	Applicable to County Taxpayers	Taxpayers Share of Debt
Direct			
County	\$ 194,621,027 *	100%	\$ 194,621,027
Overlapping *			
School District #2	307,923,176	100%	307,923,176
School District #4	15,749,991	100%	15,749,991
Town of Summerville	25,461,326	74%	18,841,381
City of North Charleston	308,346,859	14%	43,168,560
Total Overlapping Debt	<u>657,481,352</u>		<u>385,683,109</u>
Total Direct and Overlapping Debt	<u>\$ 852,102,379</u>		<u>\$ 580,304,136</u>

Source: Contact with each entity in the county, requesting information.

* Net debt outstanding for the County is all general long-term debt (excluding compensated absences and financed purchases). Overlapping rates are those of the local governments that apply to property owners within Dorchester County.

DORCHESTER COUNTY, SOUTH CAROLINA

**LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt limit	\$ 40,818,896	\$ 41,710,796	\$ 42,448,581	\$ 43,583,540	\$ 45,115,800	\$ 45,930,967	\$ 48,642,879	\$ 54,533,411	\$ 56,625,163	\$ 59,145,474
Total net debt applicable to limit	<u>36,924,158</u>	<u>39,319,601</u>	<u>37,425,357</u>	<u>35,334,768</u>	<u>32,829,521</u>	<u>30,670,000</u>	<u>44,455,000</u>	<u>40,325,000</u>	<u>37,755,000</u>	<u>35,147,188</u>
Legal debt margin	<u>\$ 3,894,738</u>	<u>\$ 2,391,195</u>	<u>\$ 5,023,224</u>	<u>\$ 8,248,772</u>	<u>\$ 12,286,279</u>	<u>\$ 15,260,967</u>	<u>\$ 4,187,879</u>	<u>\$ 14,208,411</u>	<u>\$ 18,870,163</u>	<u>\$ 23,998,286</u>
Total net debt applicable to the limit as a percentage of debt limit	90.46%	94.27%	88.17%	81.07%	72.77%	66.77%	91.39%	73.95%	66.68%	59.42%

Legal Debt Margin Calculation for Fiscal Year 2022

Assessed value	\$ 739,318,425
Debt limit (8% of total assessed value)	59,145,474
Debt applicable to limit: General obligation bonds	<u>35,147,188</u>
Legal debt margin	<u>\$ 23,998,286</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS**

Fiscal Year	Water and Sewer Revenue Bonds					
	Charges and Other Revenues ⁽¹⁾	Less: Operating Expenses ⁽²⁾	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2013	\$ 17,779,769	\$ 10,637,441	\$ 7,142,328	\$ 2,831,719	\$ 2,009,248	1.48
2014	19,166,155	11,504,750	7,661,405	3,347,615	1,964,249	1.44
2015	19,651,915	11,447,522	8,204,393	3,524,459	1,784,886	1.55
2016	20,766,525	11,369,472	9,397,053	3,648,119	1,847,550	1.71
2017	21,750,557	12,357,589	9,392,968	3,724,461	1,797,625	1.70
2018	22,360,182	13,038,421	9,321,761	3,259,383	2,127,654	1.73
2019	23,240,536	14,870,350	8,370,186	3,069,154	1,959,591	1.66
2020	25,366,220	17,246,735	8,119,485	3,253,286	1,840,957	1.59
2021	29,518,199	16,862,945	12,655,254	3,116,161	1,699,900	2.63
2022	35,633,282	19,266,022	16,367,260	4,796,721	1,767,697	2.49

⁽¹⁾ Total operating revenues plus interest income

⁽²⁾ Total operating expenses less depreciation

DORCHESTER COUNTY, SOUTH CAROLINA

DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS

Fiscal Year	Population ⁽¹⁾	Personal Income ⁽²⁾	Per Capita Personal Income ⁽²⁾	Unemployment Rate ⁽³⁾
2013	145,310	4,948,677,360	34,056	6.6%
2014	148,499	5,275,723,973	35,527	5.8%
2015	152,536	5,522,413,344	36,204	5.5%
2016	153,773	5,620,249,377	36,549	4.4%
2017	156,456	5,835,495,888	37,298	3.4%
2018	160,647	6,273,747,291	39,053	2.5%
2019	161,775	6,606,891,000	40,840	2.8%
2020	161,540	6,891,619,480	42,662	5.7%
2021	163,327	6,967,856,474	42,662	3.6%
2022	163,327	\$ 6,967,856,474	\$ 42,662	3.6%

Source:

⁽¹⁾ U.S. Bureau of Labor and Statistics

⁽²⁾ South Carolina Revenue and Fiscal Affairs Office

⁽³⁾ South Carolina Revenue and Fiscal Affairs Office

These figures are based on the latest information available

DORCHESTER COUNTY, SOUTH CAROLINA

PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO

Employer	2022			2013		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Robert Bosch Corporation	1,700	1	29.34%	1,800	1	40.78%
Walmart IDC	1,292	2	22.30%			
iQor	260	9	4.49%	950	2	21.52%
Scout Boats, Inc.	410	4	7.08%	136	9	3.08%
Sportsman Boats Manufacturing	349	7	6.02%			
Showa Denko Carbon, Inc.	309	8	5.33%	259	5	5.87%
ZF (Formerly WABCO)	460	3	7.94%			
Key West Boats	250	10	4.31%	138	8	3.13%
KION Linde Material Handling NA	365	6	6.30%	123	10	2.79%
Knight's Companies	400	5	6.90%	139	7	3.15%
CAT Reman Powertrain Services				280	4	6.34%
InterContinental Holdings, Inc.				425	3	9.63%
KapStone Paper and Packaging Corp.				164	6	3.72%
Total	5,795		100%	4,414		100%

Source: Dorchester County Economic Development

DORCHESTER COUNTY, SOUTH CAROLINA

**FULL-TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
General Government:										
Administrator	4.00	6.00	7.00	8.00	8.00	7.00	7.00	8.00	11.00	11.00
Animal control	0.00	0.00	0.00	5.00	6.00	0.00	0.00	0.00	0.00	0.00
Assessor	20.00	20.00	20.00	20.00	20.00	21.50	22.00	22.00	22.00	22.00
Attorney	0.00	2.00	2.00	2.00	2.00	2.00	3.00	3.00	3.00	4.00
Auditor	12.00	12.00	12.00	12.00	12.00	12.00	13.00	14.00	13.00	13.00
Building services	9.00	9.00	9.00	10.00	10.00	10.00	10.00	12.00	12.00	13.00
Business services	0.00	0.00	0.00	0.00	0.00	12.50	13.00	15.00	17.00	17.00
Codes enforcement	7.00	7.00	7.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
County council	8.50	8.50	8.00	8.00	8.00	8.00	8.00	8.00	8.50	8.00
Delinquent tax collector	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.00	4.00	4.00
Elections and voter registration	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Facilities and ground maintenance	30.50	31.50	31.50	31.50	31.50	33.50	33.00	33.00	37.00	37.00
Finance	8.00	8.00	7.00	7.50	7.50	0.00	0.00	0.00	0.00	0.00
Fleet services	11.00	11.00	11.00	11.00	11.00	11.00	12.00	12.00	12.00	12.00
Human resources	4.00	4.00	4.00	4.00	4.00	5.00	5.00	5.00	6.00	6.00
Information technology	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	11.00	11.00
Planning and zoning	7.00	7.00	8.00	10.00	10.00	7.00	7.00	8.00	9.00	9.00
Purchasing	3.00	3.00	3.00	2.50	2.50	0.00	0.00	0.00	0.00	0.00
Register of deeds	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Risk management and safety	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	4.00
Treasurer	14.50	14.50	14.50	14.50	14.50	14.50	14.50	14.50	13.50	13.50
Judicial:										
Clerk of court	11.00	11.00	11.00	11.00	11.00	10.50	10.50	10.50	10.50	10.50
Family court	11.50	11.50	11.50	11.50	11.50	12.50	12.50	12.50	12.50	12.50
Magistrates	19.50	19.50	20.00	20.00	20.00	19.50	19.50	19.50	19.50	20.50
Master-in-equity	2.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Probate court	6.50	6.50	6.50	7.00	7.00	7.50	7.50	8.00	8.00	8.00
Public Safety:										
Communication support	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	0.00	0.00
Consolidated dispatch	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	34.00	34.00
Coroner	5.00	5.00	5.00	5.00	5.00	5.00	5.50	5.50	5.50	6.00
Detention	70.00	70.00	74.00	101.00	101.00	102.00	102.00	102.00	108.00	108.00
E911	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Emergency management	2.50	2.50	3.00	3.00	3.00	3.00	3.00	3.00	5.00	5.00
Emergency medical services	66.00	74.00	74.00	89.50	89.50	90.50	94.50	98.50	98.50	98.50
Fire department	26.50	26.50	26.50	26.50	49.50	49.50	82.00	94.00	97.00	97.00
Sheriff	181.00	187.50	187.50	186.00	187.00	196.50	208.50	213.00	182.00	186.00
Victims advocate	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Public Works:										
Airport operations	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Road maintenance	48.00	48.00	47.00	47.00	47.00	47.00	44.00	45.00	45.00	45.00
Health and Welfare:										
Neighborhood services	0.00	0.00	0.00	0.00	0.00	10.00	10.00	10.00	10.00	10.00
Veteran's affairs	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Economic Development:										
Economic development	4.00	4.00	4.00	4.00	4.00	4.00	5.00	5.00	5.00	5.00
Culture and Recreation:										
Hospitality tax - administrator	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	1.00	1.00
Recreation	0.00	1.00	1.00	1.00	1.00	2.00	2.50	2.50	3.50	13.50
Water and Sewer:										
Stormwater utility	78.00	78.00	79.00	80.00	84.00	89.00	92.00	96.00	98.00	104.00
Solid waste	24.00	24.00	24.00	24.00	24.00	24.00	21.00	23.00	23.00	23.00
	36.00	36.00	37.00	38.00	38.00	38.50	38.50	38.50	38.50	32.50
Total	771.00	792.50	799.00	844.50	873.50	899.00	950.00	985.50	1011.00	1,029.00

Source: Dorchester County Business Services - Budget & Revenue Division

DORCHESTER COUNTY, SOUTH CAROLINA

**OPERATING INDICATORS
LAST TEN FISCAL YEARS**

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
General										
Number of building permits	398	383	564	479	502	417	473	753	1,157	1,025
Coroner										
Calls for service*	639	729	813	907	892	856	863	1,046	1,049	999
Sheriff										
Calls for service*	138,992	138,137	133,489	113,747	105,398	101,100	105,596	106,882	96,648	99,556
EMS										
Calls for service	15,308	15,840	17,595	19,038	19,901	20,033	21,352	21,836	20,235	22,092
Fire										
Number of calls answered	425	1,576	1,498	1,434	1,561	4,568	4,749	4,658	5,040	5,601
Number of inspections conducted	38	142	216	328	527	1,251	1,295	1,162	1,186	1,071
Number of investigations conducted	6	7	9	8	11	18	17	32	35	40
Number of customers										
Retail - Water	8,148	8,292	8,478	8,655	9,090	9,539	9,821	10,135	10,604	10,919
Retail - Sewer	23,254	23,894	24,518	25,204	26,087	26,969	28,040	28,657	29,770	26,445
Sales/Usage in Millions of Gallons										
Retail Average Monthly Water Usage	2	2	2	2	3	3	2	3	2	3
Wholesale Average Monthly Water Usage	-	-	-	-	-	-	-	-	-	-
Total Average Monthly Water Usage	2	2	2	2	3	3	2	3	2	3
Retail Gallons Sold - Water **	604	607	635	644	688	690	712	790	814	824
Wholesale Gallons Sold - Water	-	-	-	-	-	-	-	-	-	-
Total Gallons Sold - Water	604	607	635	644	688	690	712	790	814	824
Retail Gallons Sold - Sewer **	3,093	3,059	3,277	3,016	3,118	3,138	3,330	3,647	3,744	4,020
Wholesale Gallons Sold - Sewer	-	-	-	-	-	-	-	-	-	-
Total Gallons Sold - Sewer	3,093	3,059	3,277	3,016	3,118	3,138	3,330	3,647	3,744	4,020

* These figures are as of December 1, 2022

** Figures in 1 million gallons

Source:
Dorchester County Building Services, Dorchester County Emergency Medical Services, Dorchester County Sheriff's Office, Dorchester County Fire-Rescue, and Dorchester County Water and Sewer.
Dorchester County Coroner and Sheriff's Office data based on calendar year as this is how crime is reported nationally.
Dorchester County Fire-Rescue Department was not established until 2013, therefore information is not available prior to this year.
All sewer usage is commercial only - do not calculate residential sewer usage.

DORCHESTER COUNTY, SOUTH CAROLINA

**CAPITAL ASSET STATISTICS
LAST TEN FISCAL YEARS**

	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>
Public Safety										
EMS stations	7	7	7	7	7	7	7	7	7	7
Fire stations	11	11	12	12	14	16	17	17	17	17
Sheriff vehicles	168	167	168	176	178	190	204	211	215	232
Sheriff stations (including substations)	2	2	2	2	2	2	2	2	2	2
Highways and Streets										
County maintained paved roads (miles)	362	365	365	372	374	375	382	384	384	386
County maintained unpaved roads (miles)	77	76	76	70	70	69	57	56	56	56
Recreation										
Parks open to the public	2	2	2	2	2	3	3	4	4	4
Parklands open to the public	77.9	77.9	77.9	77.9	77.9	77.9	77.9	131.2	150.7	236.3
Parklands owned by the County for future development	491.5	491.5	491.5	491.5	495.5	613.0	620.0	620.0	637.7	852.6

Source:

EMS information provided by the County Emergency Medical Services Department.

Fire information provided by the County Fire Department.

Police information provided by the County Sheriff's Office.

Recreation information provided by County Recreation in terms of acreage.

COMPLIANCE SECTION



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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 Members of County Council
Dorchester County, South Carolina
St. George, South Carolina

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of **Dorchester County, South Carolina** (the "County"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 19, 2022. Our report includes a reference to other auditors who audited the financial statements of the Library System, as described in our report on the County's financial statements. This report does not include the results of the other auditors testing of internal controls over financial reporting or compliance and other matters that are reported on separately by the other auditors.

Report on Internal Control Over Financial Reporting

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

Purpose of this Report

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

A handwritten signature in black ink that reads "Mauldin & Jenkins, LLC". The script is cursive and fluid, with the company name written in a professional, yet personal, style.

Savannah, Georgia
December 19, 2022



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

To the Members of County Council
Dorchester County, South Carolina
St. George, South Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited **Dorchester County, South Carolina's** (the "County") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2022. The County's major federal programs are identified in the summary of audit results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

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

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

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

Mauldin & Jenkins, LLC

Savannah, Georgia
December 19, 2022



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DORCHESTER COUNTY, SOUTH CAROLINA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Assistance Listing Number	Pass Through Grantor's Number	Federal Award Expended	Passed Through to Subrecipients
<u>U.S. Department of Housing and Urban Development</u>				
Passed through the South Carolina Department of Commerce:				
Community Development Block Grant - Entitlement Grants	14.218	CV1-013	\$ 198,468	\$ -
Community Development Block Grant - Regional Planning Grant	14.228	4-RP-20-009	50,000	-
Total U.S. Department of Housing and Urban Development			<u>\$ 248,468</u>	<u>\$ -</u>
<u>U.S. Department of Justice</u>				
Direct Programs:				
Coronavirus Emergency Supplemental Funding Program	16.034	2020-DV-BX-0816	\$ 32,358	\$ -
State Criminal Alien Assistance Program	16.606	FY 2020 SCAAP	20,150	-
Bulletproof Vest Partnership Program	16.607	BVP 2020	885	-
Bulletproof Vest Partnership Program	16.607	BVP 2021	4,588	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-21-GG-01822-JAGX	27,087	-
Equitable Sharing Program	16.922	N/A	23,525	-
Passed through the South Carolina Attorney General:				
Crime Victim Assistance Program	16.575	1-V-20-028	22,664	-
Crime Victim Assistance Program	16.575	1-V-19-106	82,934	-
Total U.S. Department of Justice			<u>\$ 214,191</u>	<u>\$ -</u>
<u>U.S. Department of Transportation</u>				
Direct Programs:				
Federal Aviation Administration, Airport Improvement Programs				
Summerville Airport - Apron Expansion Construction	20.106	3-45-0062-018-2020	\$ 1,268,705	\$ -
Summerville Airport - Airport Coronavirus Response Grant Program (ACRGP)	20.106	3-45-0062-021-2021	34	-
Summerville Airport - Fuel Farm - Design	20.106	3-45-0062-020-2021	25,795	-
Total Airport Improvement Program			<u>1,294,534</u>	<u>-</u>
Passed through the South Carolina Department of Transportation:				
Highway Planning and Construction Cluster				
Safe, Accountable, Flexible, and Efficient Transportation Equity Act: A legacy for Users	20.205	IGA-11-07-A12	8,188,683	-
PW - Eagle Chandler Bridge Creek Trail	20.205	LPA-10-15	7,772	-
PW - Old Fort Road Multi-Use Path	20.205	LPA-11-15	518,458	-
PW - Old Fort Road Sidewalk	20.205	LPA12-15	177,282	-
Total Highway Planning and Construction Cluster			<u>8,892,195</u>	<u>-</u>
Passed through the South Carolina Department of Public Safety:				
Highway Safety Cluster				
Sheriff's Host Agency - 1st Circuit Law Enforcement Network	20.600	2JC21001	732	-
Sheriff's Host Agency - 1st Circuit Law Enforcement Network	20.600	2JC22001	6,097	-
Total Highway Safety Cluster			<u>6,829</u>	<u>-</u>
Total U.S. Department of Transportation			<u>\$ 10,193,558</u>	<u>\$ -</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Assistance Listing Number	Pass Through Grantor's Number	Federal Award Expended	Passed Through to Subrecipients
<u>U.S. Department of Treasury</u>				
Direct Programs:				
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	\$ 6,478,285	\$ 3,692,911
Total U.S. Department of Treasury			<u>\$ 6,478,285</u>	<u>\$ 3,692,911</u>
<u>Museums for America</u>				
Passed through South Carolina State Library:				
Library Services and Technology Act - Summer Reading Resource Grant	45.310	N/A	\$ 1,000	\$ -
Library Services and Technology Act - Save the Children - Story Walk	45.310	N/A	9,900	-
Library Services and Technology Act - Large Competitive Grant	45.310	S-246182L-20	31,150	-
Total Museums for America			<u>\$ 42,050</u>	<u>\$ -</u>
<u>U.S. Department of Health and Human Services</u>				
Passed through South Carolina Department of Social Services:				
Child Enforcement Support	93.563	N/A	\$ 373,060	\$ -
Total U.S. Department of Health and Human Services			<u>\$ 373,060</u>	<u>\$ -</u>
<u>U.S. Department of Homeland Security</u>				
Direct Programs:				
FY 2017 Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	EMW-2017-FH-00487	\$ 16,683	\$ -
FY 2018 Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	EMW-2018-FH-00126	118,516	-
FY 2020 Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	EMW-2020-FF-01463	40,498	-
Total Staffing for Adequate Fire and Emergency Response			<u>175,697</u>	<u>-</u>
Passed through South Carolina Emergency Management Division:				
EMD - LEMPG 2020	97.042	20EMPG01	24,358	-
EMD - LEMPG 2021 - American Rescue Plan Act (ARPA)	97.042	21EMPG01-ARPA01	23,711	-
EMD - LEMPG 2021	97.042	21EMPG01	54,356	-
Total Local Emergency Management Performance			<u>102,425</u>	<u>-</u>
Total U.S. Department of Homeland Security			<u>\$ 278,122</u>	<u>\$ -</u>
Grand Total of Fiscal Year 2022 Schedule of Expenditures of Federal Awards			<u><u>\$ 17,827,734</u></u>	<u><u>\$ 3,692,911</u></u>

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1. BASIS OF PRESENTATION

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Dorchester County, South Carolina (the "County"), and is presented on the modified accrual basis of accounting for governmental fund types and the accrual basis of accounting for the proprietary fund types. The County reporting entity is defined in Note 1 to the County's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

De-Minimis Indirect Cost Rate

During the year ended June 30, 2022, the County did not use the 10% de-Minimis indirect cost rate.

Non-Cash Awards

There were no federal awards expended in the form of noncash assistance during the fiscal year. There were also no loans or loan guarantees outstanding at year-end.



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DORCHESTER COUNTY, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP Unmodified

Internal control over financial reporting:
Material weaknesses identified? ___ Yes X No

Significant deficiencies identified not considered to be material weaknesses? ___ Yes X None Reported

Noncompliance material to financial statements noted? ___ Yes X No

Federal Awards

Internal control over major programs:
Material weaknesses identified? ___ Yes X No

Significant deficiencies identified not considered to be material weaknesses? ___ Yes X No

Type of auditor's report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? ___ Yes X No

Identification of major programs:

<u>AL Number</u>	<u>Name of Federal Program or Cluster</u>
20.106	U.S. Department of Transportation
	Federal Aviation Administration, Airport Improvement Programs
21.027	U.S. Department of the Treasury
	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? ___ Yes X No

DORCHESTER COUNTY, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

None reported.

SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None reported.

DORCHESTER COUNTY, SOUTH CAROLINA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

2021-001. Recording of Accrued Balances

Criteria: Revenues and related receivables should generally be recorded in governmental funds when both measurable and available.

Condition/Context: The County provides general accounting services to the Dorchester County Sales Tax Transportation Authority, which is a blended component unit of the County. The County's internal controls were not sufficient to prevent, or detect and correct, material misstatements in the financial statements. As a result, an adjustment of approximately \$6,440,000 was required to properly accrue sales tax revenue as of June 30, 2021 for the Transportation Authority. Of this amount, approximately \$2,156,000 was recognized as revenue for the year ended June 30, 2021. The remaining balance of approximately \$4,283,000 was reported as unavailable revenue.

The Dorchester County Library ("Library System"), a blended component unit for which the County does not provide general accounting services, also lacked sufficient internal controls to prevent, or detect and correct, material misstatements in the financial statements. The Library System required adjustments of \$68,000 to properly report revenues and related receivables related to state aid income, \$181,000 to properly report prepaid expenses, and \$45,000 to properly report accrued liabilities.

Auditee Response/Status: Resolved.



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