

Spartanburg County

Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2022



Prepared by the Finance Department

[BLANK PAGE]

SPARTANBURG COUNTY SOUTH CAROLINA

Annual Comprehensive Financial Report For the Fiscal Year Ended June 30, 2022



County Administration

B. Cole Alverson, County Administrator
Earl Alexander, Deputy County Administrator
Kevin Stiens, Assistant County Administrator

Report prepared by:
Finance Department
Lisa M. Benfield, Director of Budget and Finance

[BLANK PAGE]

**Spartanburg County, South Carolina
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2022**

TABLE OF CONTENTS

	Page	Exhibit No.
INTRODUCTORY SECTION		
Letter of Transmittal	9	
GFOA Certificate of Achievement	16	
County Organization Chart	17	
List of Elected and Appointed Officials	18	
FINANCIAL SECTION		
Independent Auditor's Report	21	
Management's Discussion and Analysis	24	
Basic Financial Statements		
Government-wide Financial Statements:		
Statement of Net Position	37	S-30
Statement of Activities	38	S-31
Fund Financial Statements:		
Balance Sheet - Governmental Funds	39	S-32
Reconciliation of Balance Sheet to the Statement of Net Position	40	S-32R
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	41	S-33
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	42	S-33R
Statement of Net Position - Proprietary Internal Service Funds	43	S-34
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Internal Service Funds	44	S-35
Statement of Cash Flows - Proprietary Internal Service Funds	45	S-36
Statement of Fiduciary Net Position - Custodial Funds	46	S-40
Statement of Changes in Fiduciary Net Position - Custodial Funds	47	S-41
Notes to the Financial Statements	48	
Required Supplementary Information		
Schedules of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual:		
General Fund	85	S-39-1
Solid Waste Management Fund	87	S-39-2
Special Revenue Fund	88	S-39-3
Schedule of County's Proportionate Share of the Collective Net Pension - Liability (SCRS)	89	1
Schedule of the County's Contributions (SCRS)	89	2
Schedule of County's Proportionate Share of the Collective Net Pension - Liability (PORS)	90	3
Schedule of the County's Contributions (PORS)	90	4
Schedule of Changes in the County's Total OPEB Liability and Related Ratios	91	5
Infrastructure Condition Data:		
Roads	92	I-1
Bridges	93	I-2
Notes to the Required Supplementary Information	94	
Combining and Individual Fund Statements and Schedules		
Nonmajor Governmental Funds:		
Combining Governmental Balance Sheet - Nonmajor Governmental Funds	97	S-37-1
Combining Balance Sheet - Nonmajor Special Revenue Funds	98	S-37-2
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds	101	S-38-1
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Special Revenue Funds	102	S-38-2
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual:		
CIP	105	S-39-6
Capital Penny Sales Tax	106	S-39-7
Debt Service	107	S-39-8
Parks	108	S-39-9
Hospitality Tax	109	S-39-10
Road Maintenance Fee	110	S-39-11
Storm Water Management	111	S-39-12
Methane	112	S-39-13
Detention	113	S-39-14

Spartanburg County, South Carolina
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2022

TABLE OF CONTENTS

	Page	Exhibit No.
911 Phone System	114	S-39-15
Victim Assistance	115	S-39-16
Fire Department	116	S-39-17
Public Defender 7th Circuit	117	S-39-18
Upstate Workforce Board	118	S-39-19
Community Development	119	S-39-20
Community College	120	S-39-21
Charles Lea Center	121	S-39-22
Library	122	S-39-23
Proprietary Funds:		
Combining Statement of Net Position - Nonmajor Internal Service Funds	123	S-34-1
Combining Statement of Revenues, Expenses, and Changes in Net Position - Internal Service Funds	124	S-35-1
Combining Statement of Cash Flows - Proprietary Internal Service Funds	125	S-36-1
Fiduciary Funds:		
Statement of Fiduciary Net Position - Custodial Funds	127	S-40-1
Statement of Changes in Fiduciary Net Position- Custodial Funds	128	S-41-1
 STATISTICAL SECTION (Not covered by the Independent Auditor's Report)		
Government-wide information:		
Government-wide Expenses by Function / Employees by Function - Last 10 Fiscal Years	131	G-1
Government-wide Revenues - Last 10 Fiscal Years	132	G-2
Government-wide Net Position - Last 10 Fiscal Years	133	G-3
Government-wide Changes in Net Position - Last 10 Fiscal Years	134	G-4
Charges for Services by Function - Last 10 Fiscal Years	135	G-5
Fund information:		
General Governmental Expenditures by Function - Last 10 Fiscal Years	136	F-1
General Governmental Revenues by Source - Last 10 Fiscal Years	137	F-2
Fund Balances of Governmental Funds - Last 10 Fiscal Years - General Fund Details	138	F-3
Fund Balances of Governmental Funds - Last 10 Fiscal Years	139	F-4
Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds - Last 10 Fiscal Years	140	F-5
Miscellaneous information:		
Property Tax Levies and Collections - Last 10 Fiscal Years	141	M-1
Delinquent Property Tax Collections - Last 10 Fiscal Years	142	M-2
Assessed and Estimated Market Value of Property - Last 10 Years	143	M-3
Property Tax Rates - Direct and Overlapping Governments - Last 10 Fiscal Years	144	M-4
Principal Taxpayers	145	M-5
Computation of Legal Debt Margin / Ten Year Data	146	M-6
Ratios of Outstanding Debt by Type	147	M-7
Ratios of General Obligation Bonded Debt - Last 10 Fiscal Years	148	M-8
Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt to Total General Governmental Expenditures - Last 10 Fiscal Years	149	M-9
Computation of Direct and Overlapping Bonded Debt - Total Debt	150	M-10
Demographic Statistics	151	M-11
Property Value, Construction, Bank Deposits, and Retail Sales - Last 10 Fiscal Years	152	M-12
Miscellaneous Statistics	153	M-13
Major Employers and Changes in Employment Data - Last 10 Fiscal Years	154	M-14
Operating Indicators by Function - Last 10 Fiscal Years	155	M-15
Bonded Debt Information:		
Schedule of Bonds Outstanding	156	D-1
Bond Amortization Schedule	157	D-2
Capital Assets Used in the Operation of Governmental Funds by Function - Last 10 Years	158	C-1
Continuing Disclosures for Solid Waste and COPS		
Solid Waste Revenue Bonds - Historical Net Earnings, with Debt Service Coverage	159	SW-1
Solid Waste Revenue Bonds - DHEC Data	160	SW-2
Solid Waste Revenue Bonds - Disposal Data	161	SW-3
COPS - Monthly Collections	162	COPS-1
COPS - Projected Collection and Coverage & Establishments Remitting	163	COPS-2

INTRODUCTORY SECTION

[BLANK PAGE]



SPARTANBURG COUNTY

Administration

January 31, 2023

To the members of County Council and Citizens of Spartanburg County:

This document is Spartanburg County's **Annual Comprehensive Financial Report (Annual Report)** for the fiscal year ended June 30, 2022. This report is a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants in compliance with state law S.C.4-9-150.

This report consists of management's representations concerning the finances of Spartanburg County. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. Management has established a comprehensive framework of internal control to safeguard the County's assets from loss, theft, or misuse as well as to ensure compliance with applicable laws, regulations, and County policies. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal control has been designed to provide reasonable, rather than absolute, assurance that the financial statements are complete and free from material misstatement. As management, we assert that, to the best of our knowledge and belief, these statements are complete and accurate in all material respects, and present fairly the financial position and results of operations of the County.

Spartanburg County's financial statements have been audited by Halliday, Schwartz & Co., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Spartanburg County for the year ended June 30, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that Spartanburg County's financial statements for the fiscal year ended June 30, 2022, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of Spartanburg County was a part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in Spartanburg County's separately issued Single Audit Report.

Management has provided a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Spartanburg County's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

Spartanburg County, founded in 1785 and incorporated in 1976 under the South Carolina *Home Rule Act*, is located in the northwest Piedmont section of South Carolina. The County Seat, the City of Spartanburg, is located approximately 80 miles southwest of Charlotte, North Carolina, and 180 miles northeast of Atlanta, Georgia. The County is intersected by highways I-85 and I-26, has a land area of approximately 814 square miles, and is home to an estimated population (as of 2021) of 335,864. The County is part of the Spartanburg Metropolitan Statistical Area (MSA), which has a combined population of 363,170 including neighboring Union County. The County is also part of the Greenville-Spartanburg-Anderson Combined Statistical Area (CSA). It is comprised of the ten upstate counties with a combined population of 1,508,150.

The County has operated under the Council-Administrator form of government since 1976. Policymaking and legislative authority are vested in the County Council, which consists of a Council Chairman elected at-large and six (6) District Council Members elected to four-year staggered terms. The County is empowered by State law to levy a property tax on both real and personal property within its boundaries. The County Council is responsible for passing ordinances, adopting the budget, appointing committees, and hiring the County Administrator, County Attorney, and Clerk to Council. The County Administrator is responsible for carrying out the policies and ordinances of County Council, for overseeing the day-to-day operations of the county, and for appointing all non-elected county department heads.

The County provides a full range of services including law enforcement, public health and social services, building inspection, rural fire protection, libraries, road repair, maintenance and construction, recreation, emergency preparedness, and judicial and administrative services. The Spartanburg Regional Healthcare System, Spartanburg County School Districts, Spartanburg Memorial Auditorium, and various water and sewer districts do not meet the established criteria for inclusion in the County reporting entity, and accordingly are excluded from this report.

The annual operating budget and capital improvement plan serve as the foundation for Spartanburg County's financial planning and control. All departments and agencies of the County are required to submit requests for appropriation to the County Budget and Finance Director in January of each year. The Budget and Finance Director uses these requests as the starting point for developing the County Administrator's recommended budget that is presented to County Council for review prior to June 30. County Council is required by state statute to hold a public hearing and adopt a final budget ordinance after three readings no later than July 1, the start of the County's fiscal year. The budget is prepared by fund, function (e.g., public safety), and department (e.g., sheriff). The legal level of budgetary control is established at the department level for each fund for which a budget is required. Budgetary control is established at the department level by budget ordinance and authorizes Department Heads to request transfers of appropriations within their department with the approval of the County Administrator. The County Administrator may transfer funds between departments. Any transfers between funds require authorization by County Council through passage of a budget amendment resolution. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an annual budget has been adopted. Comparative information for the major funds (i.e., General Fund, Solid Waste Fund, and Special Revenue Fund) is shown in the Required Supplementary Information section of the financial statements. Comparative information for nonmajor special revenue funds, capital project funds and debt service funds is shown in the Combining and Individual Fund Statements section of the financial statements.

Factors Affecting Financial Condition

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

Local economy. Spartanburg is located in the foothills of the beautiful Blue Ridge Mountains and is uniquely situated at the crossroads of two major interstates, I-85 and I-26. It has attracted nationally recognized companies such as BMW Manufacturing USA, Milliken & Co., TTI Floor Care, Pall Corporation, and OshKosh Defense. Business flourishes in this area as a result of the I-85 and I-26 corridors, the Inland Port connection to the Port of Charleston, pro-business climate, cultural amenities, and unparalleled quality of life. Spartanburg is a prime destination of companies from around the world. Automotive, advanced materials, biosciences, energy, and logistics are all reflective of existing industries as well as sectors expected to perform well economically in this area.

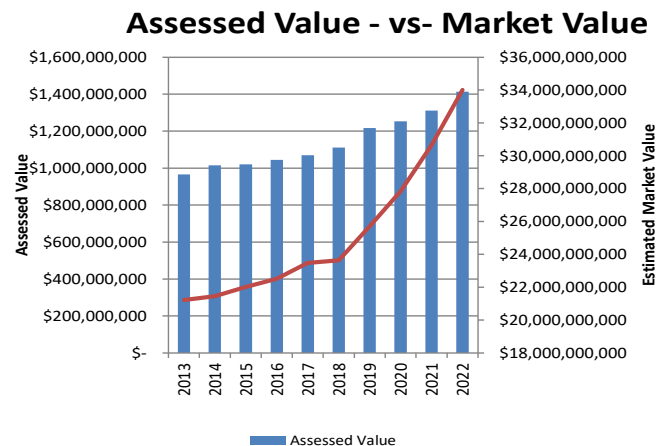
Spartanburg has revolutionized itself over the last century from its industrial beginnings in textiles in the early 20th century to an important, more diversified, manufacturing center with more than 500 manufacturing firms. Spartanburg County has a diverse economy with representation from over 200 international firms representing 25 different countries. International firms with a strong presence in Spartanburg include: BMW, Adidas, Dräxlmaier, Michelin, Röchling, Magna, Indorama, Toray Carbon Fibers of America, Jiangnan Mold Plastic Technology Corporation (Minghua), Trelleborg, Plastic Omnium and others rapidly joining this business community.

In addition to its strategic location, Spartanburg County also offers a favorable transportation environment to support a variety of business needs. The Greenville-Spartanburg International Airport (GSP) is served by 7 airlines. These airlines offer 50 non-stop daily departures to 22 destinations across the US. It has an 11,001 feet long runway that

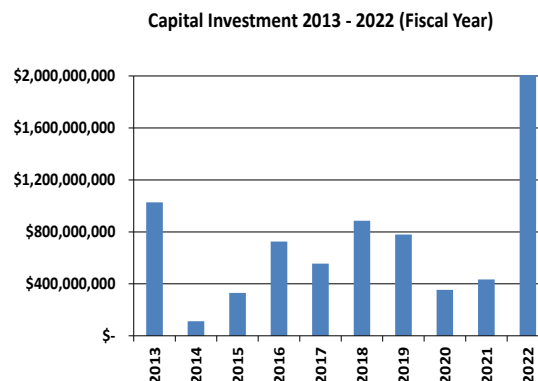
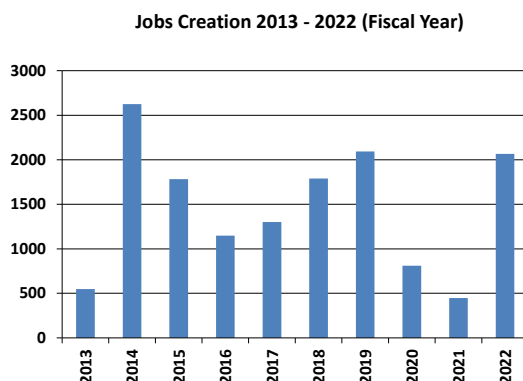
makes it possible for GSP to accommodate any aircraft currently in operation. GSP served more than 2.2 million passengers and handled over 97,000 tons of cargo in FY 2022. GSP was recently ranked the 20th busiest cargo hub in the nation and was recognized in April 2021 as “Best Small Airport in North America by Customers in 2020” by Airports Council International.

In October 2013, the SC Ports Authority opened a new \$43 million inland port in the northwest portion of Spartanburg County, offering a new, environmentally friendly, and cost-effective means of transporting containers via rail between the Port of Charleston and the Upstate. The Port is an intermodal facility located near GSP airport and extends the Port of Charleston’s reach by providing shippers with access to more than 95 million customers within a one-day drive. Additionally, the Port boosts efficiency for international freight movements between the Port and companies located across the Southeast. Volume has more than doubled since the first full year of operation in 2015 and continues to grow each year. Consequently, the Inland Port has expanded more rapidly than initially projected by the SC Ports Authority.

Evidence of the County’s thriving local economy, favorable business climate, and growing population can be seen through the trends in the following chart. Despite the onset of the pandemic, the County continues to see growth of the County’s tax base including continued improvement in the assessed value and market value of properties in the County. These values have all eclipsed their pre-recession highs.



The county also continues to see sustained levels of job creation and new capital investment bolstered by the addition of new companies and expansions of existing companies in the county. The following charts give a 10-year comparison of jobs created and capital investment in Spartanburg County presented by fiscal year.



BMW Manufacturing continues to be a mainstay in the county employment picture and serves as the county's largest employer. BMW employs 11,000 Team Members to produce all variants of the X3, X4, X5, X6, and the X7 vehicles. Production at the 1,150-acre, seven million square-foot facility began in September 1994 and to-date has produced over 5 million BMW vehicles for customers around the world.

In over two decades since it opened, the BMW plant has completed multiple major expansions and has invested nearly \$12 billion in its Spartanburg facility. About 70 percent of the plant's production is exported to customers in 125 world markets, making BMW Manufacturing the largest automotive exporter by value from the United States to the world. About 40 BMW suppliers are located in South Carolina, with nearly half of them in Spartanburg County. BMW's North American supplier network has grown from about 20 in 1992 to approximately 300 companies today. Recent announcements include the official opening in November 2022 of a new Vehicle Accessories Center in Greer, SC, amounting to an investment of \$25 million and the creation of 60 new jobs. Additionally, in October 2022, the company announced a \$1 billion investment at Plant Spartanburg to prepare for the production of battery electric vehicles and another \$700 million investment to build a new high-voltage battery assembly facility in Woodruff, SC. This investment will expand BMW's footprint in the state as well as allowing for the production of six fully electric BMW models by 2030.

In addition to continued investment by BMW, the County continues to add other new employers focused on manufacturing, distribution and logistics, and other related sectors. During the fiscal year 2022, various companies announced more than \$2.1 billion in investment, estimating the creation of approximately 2,100 new jobs. These announcements included the following:

- Walmart announced plans to build a new 720,000 square foot grocery distribution center in Spartanburg County, with a \$450 million investment and 450 new jobs.
- Iljin, USA Corp, plans to invest \$13.3 million for expansion of its facility, creating 89 new jobs.
- Proterra announced plans to manufacture electric vehicle battery systems, representing an investment of \$76 million and over 200 jobs.
- Ingram Micro, a California-based logistics company, announced the investment of \$37.9 million, creating over 200 jobs.
- Agape Care and MP Cloud Solutions relocated their corporate headquarters to downtown Spartanburg, representing a win in this emerging area for the county.

While the County continues to be highly successful in the recruitment and retention of industry, the County is also seeing a high level of commercial and residential development that is serving to expand the local economy. This development is disbursed throughout the County and its various population centers. In particular, the City of Spartanburg, the County seat, is seeing a strong presence in new development and redevelopment. Many new projects are serving to rejuvenate downtown Spartanburg including new apartments, new single-family homes, hotels, restaurants, retail and office space (to include speculative office space.) Collectively, these projects serve to broaden the appeal of downtown Spartanburg to citizens and visitors alike.

Under *GASB Statement No. 77, Tax Abatement Disclosures*, the County is required to disclose details about abated property tax revenues for each fiscal year. Note 17 – Tax Abatements provides details of these abatements for fiscal year ended June 30, 2022. These abatement programs allow the County to aggressively pursue new businesses and industries, while providing new jobs for local constituents. As evidenced from the list of newly announced investment in the above paragraphs, economic development remains strong throughout the County, despite the lingering impacts of the pandemic and other global economic factors.

Spartanburg County continues to maintain lower unemployment rates when compared to the state and federal rates. Locally, the pandemic resulted in several business closures during Spring of 2020, which temporarily drove unemployment rates as high as 15%. However, due to a resilient and flexible economy, rates had dropped back to 3.4% for June 2022 (4.1% annual unemployment rate for 2021.) The latest data indicates a further drop in rates to 2.6% in November 2022.

Long-term financial planning. County Council holds an annual visioning retreat where progress is assessed and goals and objectives are re-evaluated for the upcoming fiscal year. This process helps to guide decision-making and direct the allocation of both human and capital resources. This guidance is then used in the formation of the operating

budget for the following fiscal year and the five-year Capital Improvement Plan, where the allocation of resources is directly tied to the accomplishment of specific goals and objectives. A new Spartanburg County Vision Plan was formally adopted in September 2022. The new plan revises the Mission of the County, which is to steward an environment where all people have diverse opportunities to learn, do business, and live a quality life. In addition to revising the mission, the Vision Plan also incorporates the following visions into future budgeting and planning endeavors:

- Accelerate the improvement of County roads
- Make strategic use of land to foster both quality of life and economic growth
- Strike optimal balance between attracting corporate presence and supporting the growth and thriving of small businesses
- Expand access to housing that is affordable
- Champion a vibrant downtown

The Vision Plan will serve as the foundation for aligning actions, values, and resources, and is designed to be an adaptable roadmap that defines how the County prioritizes efforts and resources over the next five years.

The County recognizes the importance of developing a multi-year Capital Improvement Plan in conjunction with the County Comprehensive Plan and other long-term focused plans. These plans include the Comprehensive Plan, Tourism Action Plan, Parks Enhancement Plan, Solid Waste Master Plan, Trails and Greenways Master Plan and other documents. This provides for a coordination to maximize efforts, funds, and time. Each year the County develops a Capital Improvement Plan that includes a call for projects, capital project submission, capital project review, rating, and scheduling. For additional information on FY 2023 and future capital improvement projects, please review our FY 2023-26 Capital Improvement Plan at www.spartanburgcounty.org.

The FY 2022-26 Capital Improvement Plan included the planned issuance of \$30,230,000 in General Obligation Bonds during FY 2022 for the purpose of providing funds to defray the costs of construction and acquisition of various County owned road infrastructure projects throughout the County. Another \$30 million bond issue is planned in FY 2024 to continue the momentum already gained through prior bond issues as related to county road improvements. As of June 30, 2022, the County is rated AA+ by Standard and Poors, Aa1 by Moody's Investors Service, and AA+ by Fitch.

Over the years, the County has employed several funding mechanisms to provide for the long-term support of important endeavors. Council adopted a Local Hospitality tax on prepared meals and beverages to provide a dedicated source of revenue and an appropriate and efficient means of funding tourist-related infrastructure and capital improvement projects. It is Council's intent to enhance the County's appeal to tourists through further development of the County as a destination for tourist related activities. In 2017, voters of Spartanburg County elected to implement a one-cent sales tax for the construction of facilities to house County judicial functions, municipal police and judicial functions, a new Emergency Operations Center, and a joint City-County administrative complex. This tax was approved to begin May 1, 2018, and will expire April 30, 2024. A new parking garage, Central Energy Plant, and Emergency Operations Center have been completed to date. Construction of the Judicial Center and Municipal Police Building is currently in process. Planning has commenced for the new Joint Governmental Center, with the design phase soon to follow. To date, collections from the capital penny sales tax have significantly outperformed original expectations and are projected to continue to outpace prior year actual and current year budgeted revenues. This trend has allowed the County to build healthy reserves for the ongoing construction of planned capital projects and will ultimately allow for more investment in infrastructure.

Financial policies. Spartanburg County is responsible to its citizens for the care of public funds and wise management of County finances while providing for adequate funding of desired services and maintenance of public facilities. Financial policies have been adopted that provide governing provisions related to fiscal management. Basic principles include: maintaining an unassigned fund balance between 15% and 20% of revenues; utilizing a pay-as-you-go financing strategy to the extent possible given current and future revenues; providing prevailing market rates of pay to its employees; developing a five-year Capital Improvement Plan to be presented annually and approved by Council; and utilizing long-term debt for capital projects only when projects cannot be financed out of current revenue sources.

Major Initiatives

In carrying out the goals and objectives that County Council sets through its strategic visioning process, the County

develops a five-year Capital Improvement Plan that outlines major upcoming projects. Much of the CIP focuses resources on large road and sanitation infrastructure projects, while other areas of the plan focus on further developing and improving information technology and communications infrastructure, maintaining and expanding facilities, continuing the implementation of the Parks Enhancement Plan, and proceeding with an Area Performance Planning framework. Major County initiatives outlined in the FY 2023-27 CIP include:

- Continuation of the design and construction of a series of public facility projects funded by the Capital Penny Sales Tax to include the Municipal Police Headquarters, Joint Governmental Center, and a parking garage to support the Government Complex
- Over \$66 million in additional funding over the next 5 years for road infrastructure projects
- Funding for continued construction of Phase VII of the Class III MSW Landfill. Once completed, Phase VII will provide the potential for solid waste disposal up through 2045.
- Purchase and replacement of 800 MHz radios and body worn cameras for public safety
- Continued funding for technology upgrades and replacements, as well as for the continuance of implementations through the County's ERP system.
- Funding for replacement of mobile data terminals for the Sheriff's Office.
- Completion of a series of planned capital projects throughout the County's Parks system in order to maintain the safety and quality of these facilities for public use, including athletic field lighting, tennis court improvements, construction of a dog park, as well improvements to community centers, community parks and playground equipment
- Investment in a public access land bank to assist in the procurement of assets to acquire, hold, and improve land for future public access to open spaces
- Continued investment in the Trails Bank Project to continue the focus on trail interconnectivity throughout the county
- Continuation of vehicle and equipment replacement programs
- Continuation of the Countywide Asphalt Resurfacing and Pavement Preservation programs designed to maximize the longevity of County roads

On March 11, 2021, the American Rescue Plan Act ("**ARPA**") was signed into law, providing \$362 billion for states, municipalities, counties, tribes and territories to combat COVID-19, including public health and economic impacts. The State of South Carolina has been allocated \$1.9 billion in ARPA funding, of which the County is anticipated to receive \$62,114,487. The first tranche of funding totaling \$31,057,243.50 was received by the County in June 2021; the remainder of funding was received in June 2022. Funding is restricted for certain uses in accordance with ARPA, but generally provides for (1) responding to the public health emergency or its negative impact on the economy, (2) providing premium pay to employees performing essential work during the pandemic, (3) providing government services to the extent of the reduction of revenue due to the pandemic, and (4) investing in water, sewer, and broadband infrastructure. During FY 2022, County Council formally adopted a process for authorizing allocation of ARPA funds. As of June 20, 2022, Council had authorized the use of \$4.5 million of ARPA funds for a broadband infrastructure project in unserved or underserved households throughout the County. An additional \$45 million was approved by Council at its November 2022 meeting to be used for a series of projects to include sewer infrastructure enhancements, a small minority business development program, and funding for road infrastructure and animal welfare projects. Finally, funds were authorized in December 2022 for a blight removal project. To date, a cumulative total of \$50 million has been authorized by Council for the use of ARPA funding.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Spartanburg County for its Annual Comprehensive Financial Report (Annual Report) for the fiscal year ended June 30, 2021. This was the 29th consecutive year that the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, Spartanburg County had to publish an easily readable and efficiently organized Annual Report. This report must satisfy 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 Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Spartanburg County also received the GFOA's Distinguished Budget Presentation Award for the fiscal year beginning July 1, 2021 (FY22). This is the 13th consecutive year the County has achieved this award. To qualify for the Distinguished Budget Presentation Award, the budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report would not have been possible without the talent and dedication of the entire Finance/Budget Management Office and Internal Auditor's Office, all of whom have worked countless hours to produce an accurate and effective document that communicates the financial status of the County. We wish to thank all Spartanburg County Departments for their assistance in providing the necessary data to prepare this report.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "B. Cole Alverson".

B. Cole Alverson
County Administrator

A handwritten signature in blue ink, appearing to read "Lisa M. Benfield".

Lisa M. Benfield
Director of Budget and Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Spartanburg County
South Carolina**

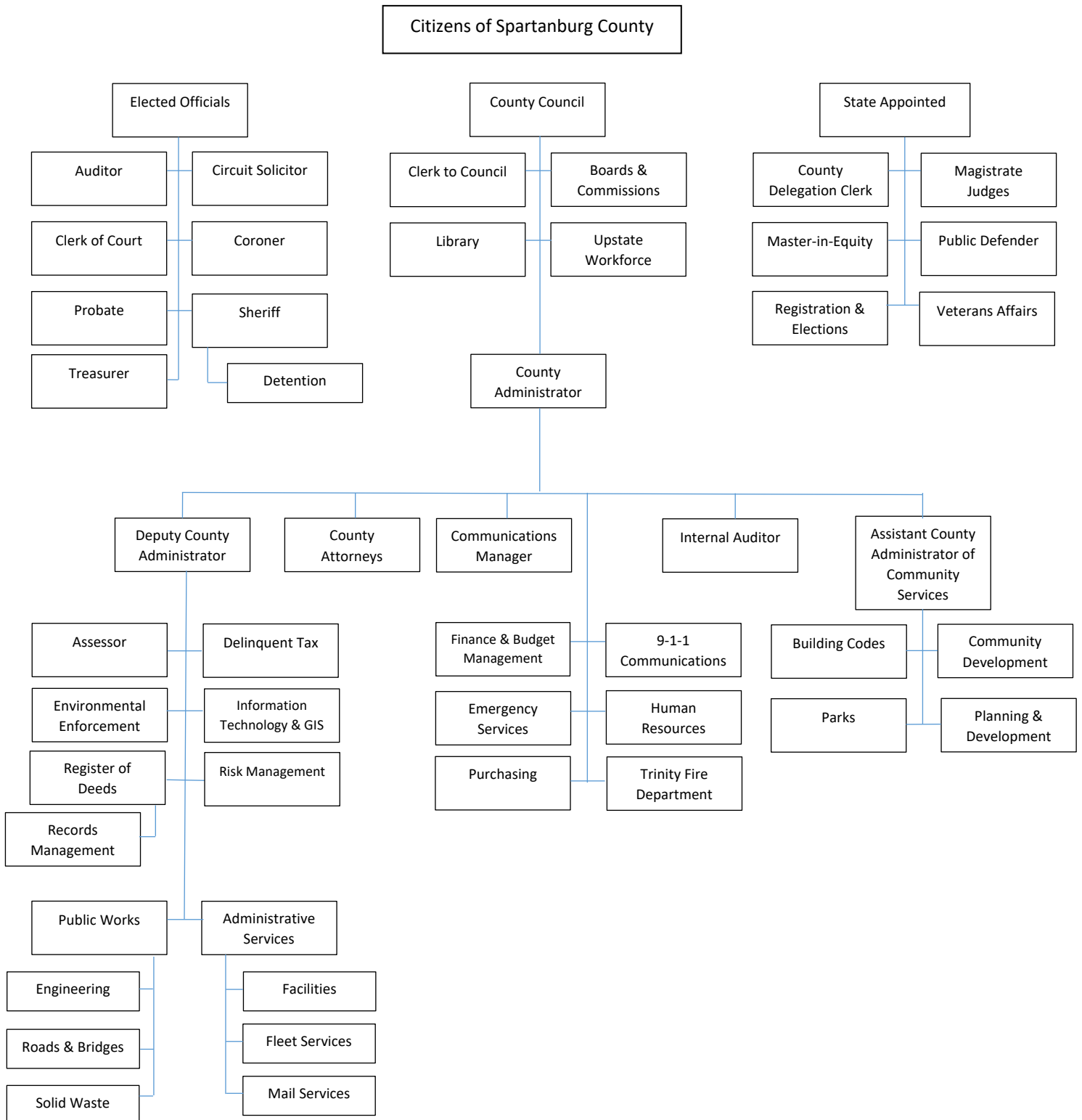
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

County Organization Chart



Spartanburg County, SC
LIST OF ELECTED AND APPOINTED OFFICIALS

Title (*Elected)	Name
County Council:	
*Chairman at large	A. Manning Lynch
*District 1	Monier Abusaft
*District 2	Jack A. Mabry
*District 3	H. David Britt
*District 4	Justin McCorkle
*District 5	Bob Walker
*District 6	Jessica Coker
Clerk to Council	Debbie Ziegler
Administrative/Financial:	
County Administrator	B. Cole Alverson
Deputy County Administrator	Earl Alexander, II
Assistant County Administrator	Kevin Stiens
Director of Budget and Finance	Lisa M. Benfield
Assessor	Robert E. Metts, Jr.
*Auditor (Assessed valuations)	Sharon West
Director of Internal Audit	Nikki Hall
Tax Collector	Lee Weeks
County Attorney	John Harris
Director of Administrative Services	Mike Emory
Planning Director	Joan Holliday
Procurement Director	Lisa Coleman
Human Resources Director	Lisa Coleman, Interim
Information Technology Director	Jessica Gilliland
Register of Deeds Director	Ashley Williams
Registration & Elections Director	Adam Hammons
*Treasurer	Oren L. Brady, III
Judicial:	
*Circuit Solicitor	Barry J. Barnette
*Clerk of Court	Amy W. Cox
Master-In-Equity	Shannon Phillips
*Probate Court	Ponda Caldwell
Public Defender	Michael Morin
Magisterial Court	Charles Jones
Public Safety:	
Environmental Enforcement Director	James Nelson, II
Emergency Management Director	Douglas Bryson
Emergency Services Academy	John Alley
Fire Services Coordinator	Chris Massey
*Coroner	Charles Clevenger
Detention Facility	Christopher Leso
Emergency Medical Services	Jeffrey Carroll
Building Codes Director	Gregg Hembree
*Sheriff	Charles Wright, Jr.
Communications (9-1-1)	Michael Flynn
Trinity Fire Department	Cody McCarley
Community Services:	
Library Director	Todd Stephens
Public Works Director	Travis Brown
Fleet Services Director	Randall Spake
Parks & Recreation Director	Jon Woodsby
Veteran's Affairs Director	Brent Cobb
Community & Economic Development Director	Kathy Rivers
Workforce Investment Board	Sylvia Angermeier

FINANCIAL SECTION

[BLANK PAGE]

INDEPENDENT AUDITOR'S REPORT

To the County Council
Spartanburg County, South Carolina

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Spartanburg County, South Carolina, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Spartanburg 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 accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Spartanburg County, South Carolina, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows 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 Spartanburg County Public Libraries, which represent 20 percent, 18 percent, and 19 percent, respectively, of the assets, fund balances, and revenues of the aggregate remaining fund information. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for Spartanburg County Public Libraries, is 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 (GAAS) 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 Spartanburg 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.

Emphasis of Matter - Change in Accounting Principle

As discussed in Notes 1, 7, and 8 to the financial statements, the County adopted GASB Statement No. 87, *Leases*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS, 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 Spartanburg 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 Spartanburg 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 and required supplementary information, 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 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 Spartanburg County, South Carolina's basic financial statements. The combining and individual fund statements and schedules as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Information Included in the Annual Report

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section, as listed in the table of contents, but does not include the financial statements and our auditor's report thereon. Our opinions on the 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 financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the 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 Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 31, 2023 on our consideration of Spartanburg County, South Carolina'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 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 Spartanburg County, South Carolina's internal control over financial reporting and compliance.

Halliday, Schwartz & Co.

Spartanburg, South Carolina
January 31, 2023, except for Note 19, as to which the date is March 1, 2023

Management's Discussion and Analysis

As management of Spartanburg County, we offer readers of Spartanburg County's financial statements this narrative and analysis of the financial activities of Spartanburg County for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal of this report.

Financial Highlights

The assets and deferred outflows of resources of Spartanburg County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$613,733,897. This amount is more than net investment in capital assets by \$48,810,357. Net position categories show the portion that must be spent for specific purposes and are not available for spending by the County General Fund.

The County's total net position increased by \$98,200,085. This increase is mainly due to the following:

- An increase in tax revenue due to a one percent sales tax imposed in Spartanburg County for six years beginning May 2, 2018, for the construction of a new Judicial Center, a City/County Government Complex, and other related capital projects.
- An increase in cash due to the collection of the second allocation of funding from the U.S. Department of Treasury for the American Rescue Plan Act, as well as funding to administer the Emergency Rental Assistance Program.
- Increased revenue over budgeted amounts and streamlined expenditures.

As of the close of the current fiscal year, Spartanburg County's governmental funds reported combined ending fund balances of \$347,655,701, an increase of \$65,948,818 in comparison with the prior year. \$273,804,798 of this total amount is available for spending.

Spartanburg County's total general obligation bonded debt increased by \$23,581,869 (63.8 percent) during the current fiscal year, the net effect of the issue of general obligation bonds for road projects less routine retirement of principal.

Overview of the Financial Statements

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

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

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

The **statement of activities** presents information showing how the County'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 result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused annual leave).

Both of the government-wide financial statements distinguish functions of Spartanburg 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 or grant revenue. The governmental activities of Spartanburg County include general government, culture & recreation, roads & bridges, sanitation, public safety, judicial services, health & welfare, community & economic development, transportation, buildings, and The Spartanburg County Library.

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. Spartanburg 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 Spartanburg County can be divided into three categories: government funds, proprietary funds, and 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. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

Spartanburg County maintains twenty-nine (29) individual governmental funds. The Stimulus Fund was added during FY 2021 to account for American Rescue Plan Act ("**ARPA**") funds received from the US Department of the Treasury. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Special Revenue Fund, Solid Waste Management Fund, Stimulus Fund, Capital Projects Fund, and Capital Penny Sales Tax Fund, each of which are considered to be a major fund. Data from the other twenty three governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the Combining and Individual Fund Statements and Schedules section of this report.

Spartanburg County adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund in the Required Supplementary Information section of these statements to demonstrate compliance with this budget.

Proprietary funds - Internal service funds are typically used to accumulate and allocate costs internally among the County's various departments. The County uses an internal service fund to account for its fleet services, facilities maintenance, information technologies, and employee health insurance. Because these services predominantly benefit the governmental functions, they are included within governmental activities in the government-wide financial statements.

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 statement 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.

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.

Other information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning major funds including the County's proportionate share of the collective net pension liability and contributions to both retirement systems, budget vs. actual data schedules, infrastructure condition data, and information about post-employment benefits. The combining statements for nonmajor governmental funds, proprietary funds, and fiduciary funds are presented immediately following the required supplementary information section. Additional trend information about the County can be found in the Statistical Section of the report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Spartanburg County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$613,733,897 at the close of the most recent fiscal year.

Spartanburg County's net position reflects its investment in capital assets (e.g., land, buildings, furniture & equipment, and infrastructure) less any related debt used to acquire those assets that is still outstanding. Spartanburg County uses these assets to provide services to citizens; consequently, these assets are not available for future spending. Although Spartanburg County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The County's net position increased by \$98,200,085 during the current fiscal year. Unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors. The deferred amounts related to pensions include the differences between expected and actual experience, and the County's contributions made subsequent to the measurement date.

Spartanburg County's Net Position
Governmental Activities

	2022	2021 as restated	Change
Current and other assets	\$ 477,096,854	\$ 367,225,604	\$ 109,871,250
Capital assets	611,928,958	550,859,815	61,069,143
Total assets	1,089,025,812	918,085,419	170,940,393
Deferred outflow of resources			
Net loss on refunding	1,167,664	1,332,591	(164,927)
Deferred amounts related to OPEB	14,152,516	14,599,725	(447,209)
Deferred amounts related to pensions	29,612,880	30,806,930	(1,194,050)
Total deferred outflow of resources	44,933,060	46,739,246	(1,806,186)
Total assets and deferred outflows of resources	1,133,958,872	964,824,665	169,134,207
Current and other liabilities	124,794,960	83,639,040	41,155,920
Long-term liabilities outstanding	352,846,176	353,620,494	(774,318)
Total liabilities	477,641,136	437,259,534	40,381,602
Deferred inflow of resources			
Deferred amounts related to pensions	28,347,411	5,665,060	22,682,351
Deferred amounts related to OPEB	7,454,038	6,366,259	1,087,779
Deferred amounts related to leases	6,782,390	-	6,782,390
Total deferred inflow of resources	42,583,839	12,031,319	23,770,130
Total liabilities and deferred inflows of resources	520,224,975	449,290,853	64,151,732
Net position	\$ 613,733,897	\$ 515,533,812	\$ 104,982,475
Allocation of net position:			
Net investment in capital assets	\$ 564,923,540	\$ 515,401,309	\$ 49,522,231
Restricted for:			
Capital projects	8,817,605	18,683,296	(9,865,691)
General Government	(151)	(80)	(71)
Community & economic development	143,431	121,215	22,216
Judicial	875,436	536,924	338,512
Library	21,638	15,501	6,137
Grants and other	3,839,486	2,481,998	1,357,488
Public Safety	2,074,636	2,218,619	(143,983)
Unrestricted (deficit)	33,038,276	(23,924,970)	56,963,246
Total net position	\$ 613,733,897	\$ 515,533,812	\$ 98,200,085

Governmental activities - Key elements in the change in Spartanburg County's net position are shown below:

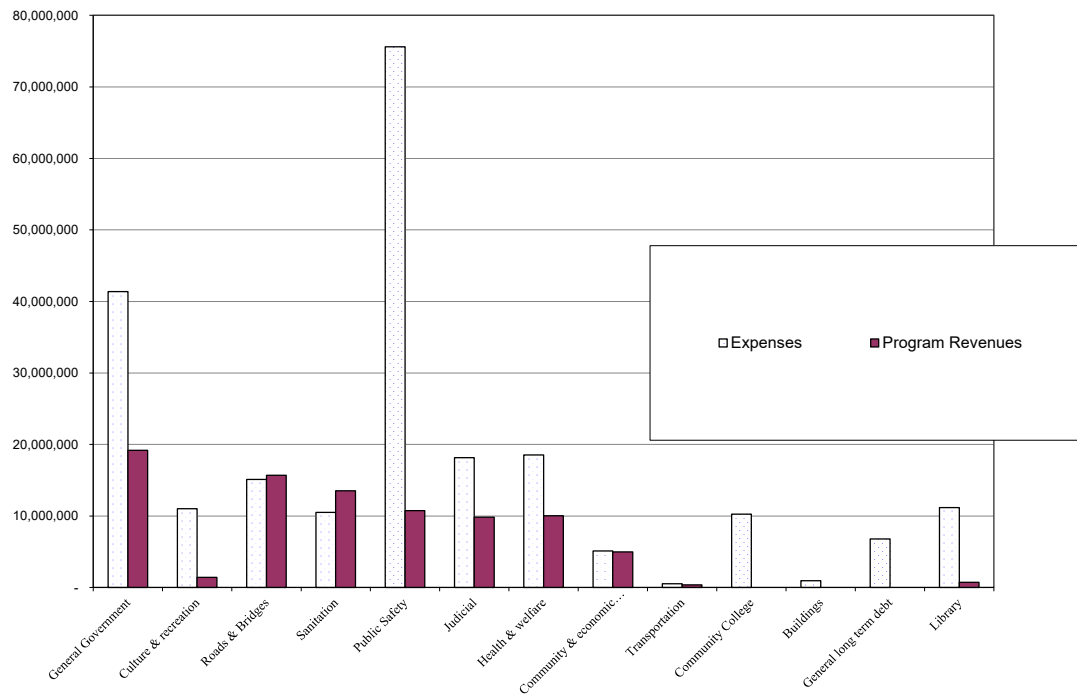
Spartanburg County's Changes in Net Position			
Governmental Activities			
	2022	2021	Change
Revenues:			
Program revenues:			
Charges for services	\$ 42,123,357	\$ 39,635,317	\$ 2,488,040
Operating grants and contributions	29,899,959	21,952,186	7,947,773
Capital grants and contributions	14,448,370	8,433,581	6,014,789
General revenues:			
Property taxes	143,734,001	132,813,571	10,920,430
Capital penny sales tax	61,895,695	55,003,196	6,892,499
State & local accommodations tax	662,174	487,545	174,629
Hospitality tax	6,041,697	5,491,163	550,534
Franchise fees-cable TV & landfill	2,171,023	2,194,513	(23,490)
Unrestricted intergovernmental revenue	12,966,372	11,674,359	1,292,013
Interest income	1,592,813	1,429,205	163,608
Miscellaneous revenue	7,696,919	3,678,369	4,018,550
Total revenues	<u>323,232,380</u>	<u>282,793,005</u>	<u>40,439,375</u>
Expenses:			
General government	41,371,801	41,390,731	(18,930)
Culture and recreation	10,995,044	10,244,382	750,662
Roads & bridges	15,106,974	34,350,714	(19,243,740)
Sanitation	10,504,509	10,969,273	(464,764)
Public safety	75,604,197	71,609,551	3,994,646
Judicial	18,133,024	16,934,590	1,198,434
Health and welfare	18,531,831	12,990,645	5,541,186
Community & economic development	5,116,637	5,358,590	(241,953)
Transportation	508,649	512,145	(3,496)
Community College	10,251,000	9,281,000	970,000
Buildings	946,954	960,399	(13,445)
Interest on long term debt	6,781,740	3,453,375	3,328,365
Library	11,179,935	15,380,304	(4,200,369)
Total expenses	<u>225,032,295</u>	<u>233,435,699</u>	<u>(8,403,404)</u>
Change in net position	<u>98,200,085</u>	<u>49,357,306</u>	<u>48,842,779</u>
Net position beginning of year	515,208,569	424,900,079	90,308,490
Prior Period Adjustment	325,243	40,951,184	(40,625,941)
Net position end of year	<u>\$613,733,897</u>	<u>\$515,208,569</u>	<u>\$ 98,525,328</u>

Highlights of changes to net position are as follows:

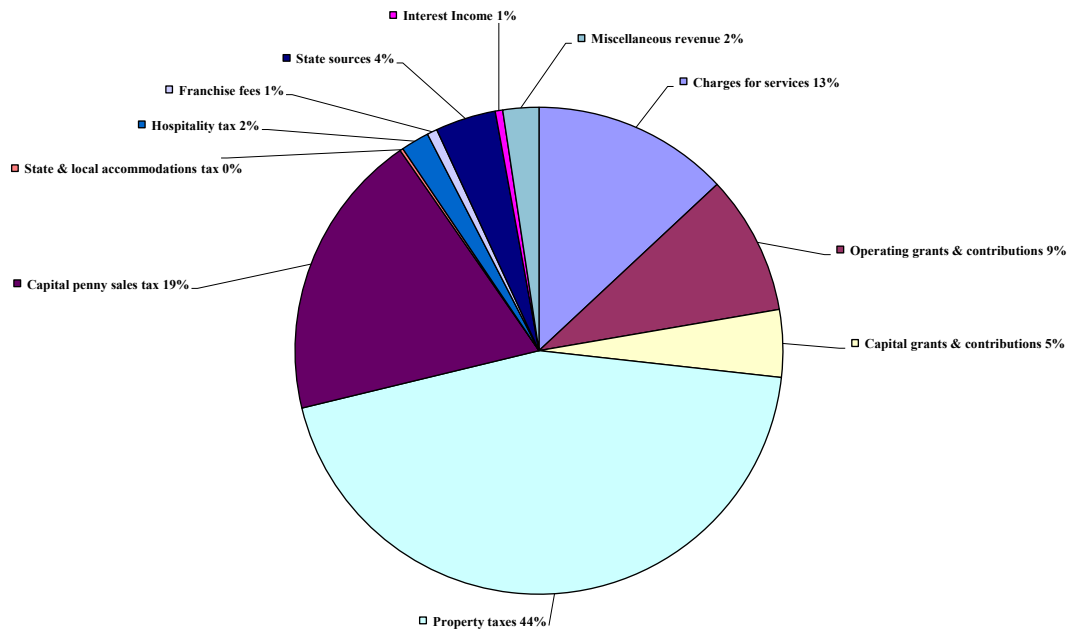
- Charges for services increased \$2,488,040 due to increases in development type revenue (i.e., County stamps, deed fees, building permits, etc.) related to continued growth throughout the county.
- Operating grants and contributions increased \$7,947,773 due to continued increases in federal funding from the U.S. Department of Treasury to administer the Emergency Rental Assistance Program.
- Capital grants and contributions increased by \$6,014,789 due to the inclusion of donated road infrastructure in the government-wide statements.
- Property tax collections increased \$10,920,430 over last year as a result of continued robust growth in property taxes due to an increased assessed tax base (approximately \$9.5 million) as well as increased fee-in-lieu-of-tax payments (approximately \$1.3 million.)

- Collections on the capital penny sales tax, imposed on May 1, 2018, for the construction of a new Judicial Center, a City/Government Complex, and other related capital projects continue to outperform initial expectations. Revenue increased \$6,892,499 from prior year.
- Unrestricted intergovernmental revenue increased \$1,292,013 due mainly to the State's catchup of prior year Local Governmental Fund allocations. During FY 2021, the state operated under a continuing resolution, resulting in the County receiving the same level of funding as in FY 2020. The State distributed the County's portion of increases (based on the statutory formula) for FY 2021 and FY 2022 during FY 2022.
- Miscellaneous revenue increased \$4,018,550 due mainly to the collection of a premium on the County's Series 2021A General Obligation Bond Issue for road infrastructure projects.
- Road and bridges expenses decreased by \$19,243,740 in FY 2022 due to an increase in capital expenditures that were recorded as capital assets in the government-wide statements, thus reducing the expense line item. Additionally, the County had fewer expenses related to repair and maintenance and municipal road projects in FY22.
- Public safety expenses increased by \$3,994,646 due to a cost-of-living adjustment for County employees and increased depreciation for prior year capital asset additions.
- Judicial expenses increased by \$1,198,434 due to a cost-of-living adjustment for County employees and a new contract for attorney services in the Public Defender's Office.
- Health and welfare expenses increased \$5,541,186 due to additional expenses to administer the Emergency Rental Assistance Program.
- Debt service expenses increased \$3,328,365 due to increased interest payments and amortization of the premium for the 2021A GO Bond issue and increased landfill closure and post-closure costs.
- Expenses for the Library decreased \$4,200,369 from prior year mainly due to the reduction of expenses to capitalize construction-in-progress costs for the Inman Branch.

Expenses and Program Revenues – Governmental Activities



Revenues by Source – Governmental Activities



Financial Analysis of the Government's Funds

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

Governmental funds - The focus of Spartanburg County's governmental funds 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.

As of the end of the current fiscal year, Spartanburg County's governmental funds reported combined ending fund balances of \$347,655,701, an increase of \$65,948,818 in comparison with the prior year. Approximately 78.8% of this total amount, \$273,804,798 is available for spending at the government's discretion. The remainder of the fund balance is restricted or nonspendable and is not available for new spending. The Statistical Section shows a more detailed breakdown of our fund balance.

The General Fund is the chief operating fund of Spartanburg County. At the end of the current fiscal year, unassigned fund balance was \$26,331,082 while the total fund balance was \$61,125,402. 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 revenues. Unassigned fund balance represents 20.5% of total general fund revenues, while total fund balance represents 47.8% of that same amount.

The fund balance of Spartanburg County's General Fund increased by \$11,033,853. Key factors in this positive variance are as follows:

- Increases in current tax collections (\$4.2 million) resulting from increases to the assessed base of the County and additional revenue from fee-in-lieu-of-tax agreements.
- Increases in building permit revenue (\$2.3 million) as a result of increased development activities.
- Collection of prior year and current year increases in State Local Government Fund allocations (\$1.1 million) based on the statutory formula.
- Increases in fines and fee revenue, particularly documentary stamps (\$1.9 million) and court fees (\$584 thousand.)
- Remaining balances on several one-time projects that will be carried forward and expended in future fiscal years.
- Continued management and streamlining of departmental expenses leading to healthy favorable budget variances.
- Continued increases in position vacancies caused by a constrictive labor market.

The Solid Waste Management Fund increased by \$703,574 mainly due to increases over prior year in user fees at the County's landfill.

The CIP Fund increased by \$28,731,163 due to unspent proceeds from the Series 2021A General Bond issue; unspent funds are carried over to the following year for expenditure.

The Capital Penny Sales Tax Fund increased by \$13,784,517 due to the Joint Government Center and Parking Garage, Municipal Police Building, and other planned projects being funded during FY2022 but not yet completed. Remaining budget balances on these projects will be carried forward and expended in future fiscal years.

General Fund Budgetary Highlights

Differences between **actual** and the **final** amended budget:

- Tax revenues exceeded the budget by \$4,069,009 due to stronger than expected assessed base growth and higher than anticipated growth in revenue from Fee-in-lieu-of-Tax agreements.
- Permits, fines, and fees exceeded expectations by \$1,665,836 due to continued increases in development revenue resulting from increased growth.
- Interest income exceeded the budget by \$1,179,932 due to the County's practice of budgeting this revenue stream very conservatively and pairing with one-time capital expenditures.
- Nondepartmental expenditures were under budget by \$5,210,911 due to lower than anticipated workers compensation claims and credit card convenience fees. Additionally, unspent contingency funds are carried over to the following year for expenditure on future one-time projects.
- Fire department expenditures were under budget by \$1,658,748 due to unspent appropriations to the Fire Advisory Board. These unspent funds will be carried over to be expended in future years.

- Emergency medical services expenditures were under budget by \$3,436,092 due to better-than-expected revenue from ambulance sales and transport revenue that ultimately reduced the County's allocation. A portion of these unspent funds will be carried over to be expended in future years for capital expenditures.

Capital asset and Debt Administration

Capital assets - Spartanburg County's investment in capital assets as of June 30, 2022 amounts to \$611,928,958 (net of accumulated depreciation). This investment in capital assets includes land, art collections, buildings, improvements, furniture and equipment, construction in progress, books and audiovisual materials, and infrastructure. Additionally, the County implemented GASB 87, Leases, during FY 2022, resulting in the initial reporting of right of use assets related to lease agreements. The net increase in capital assets for the current fiscal year was 11.3 percent. Infrastructure increased during the year due to increased investment in road infrastructure. Furniture and equipment increased during the year due to purchases of Sheriff and other vehicles and heavy equipment. Increased construction on projects funded by the Capital Penny Sales Tax led to an overall increase in Buildings and Construction in progress. Depreciation on these assets for the current fiscal year was \$15,838,758. Amortization of right to use assets amounted to \$1,158,270 for FY2022.

Major capital purchases and additions during the current fiscal year included the following:

- Judicial parking garage - \$12,668,713
- Va-du-Mar McMillan Park tennis court expansion - \$437,569
- Va-du-Mar McMillan Park athletic field lighting - \$893,345
- Valley Falls Collection Center - \$2,636,422
- IT equipment replacement - \$643,626
- Land development software - \$886,795
- Roads and Bridges equipment replacement - \$1,352,745
- Solid Waste equipment replacement - \$1,731,552
- Law Enforcement equipment replacement - \$2,064,800

The County has entered into several large construction contracts that are capital in nature. Details of those commitments can be found in Note 10 in the Notes to Financial Statements section.

Spartanburg County Capital Assets (net of depreciation)

	2022	2021	Change
Land	\$ 20,193,896	\$ 20,193,896	\$ -
Art Collections	902,534	902,534	-
Infrastructure	401,970,020	391,017,192	10,952,828
Construction in progress	70,207,390	31,280,401	38,926,989
Buildings	29,641,721	18,365,893	11,275,828
Improvements other than buildings	46,535,370	46,614,981	(79,611)
Furniture and equipment	33,886,775	32,694,192	1,192,583
Books and audiovisual materials	863,492	981,960	(118,468)
Right of use assets	7,727,760	8,808,766	(1,081,006)
Total	<u>\$ 611,928,958</u>	<u>\$ 550,859,815</u>	<u>\$ 62,150,149</u>

Infrastructure - The County has elected to use the "Modified Approach" as defined by governmental accounting standards for infrastructure reporting for its roads and bridges. Under those standards, eligible infrastructure capital assets are not required to be depreciated under the following requirements:

- The government uses an asset management system with characteristics of 1) providing an up-to-date inventory; 2) performing condition assessments and summarizing the results using a measurement scale; and 3) estimating the annual amount to maintain and preserve the assets at the established condition assessment level.
- The government documents that the eligible infrastructure capital assets are being preserved approximately at the established and disclosed condition assessment level.

During the FY2021, the County implemented a new Pavement Asset Management system that is now being used to assess the condition of the County's paved road infrastructure. This implementation resulted in a change to the way that the County estimates the carrying value of its road infrastructure. While this change revealed a decrease in the overall percentage of roads that are considered in fair or higher condition from prior years, it does provide a more accurate condition of roads at any point in time and, as such, gives the County more accurate data to use in planning for future road construction projects. Additional information can be found in the Infrastructure Condition Data schedule in the Required Supplementary Information section.

Roads - The County manages its road network using its pavement management system and accounts for them using the modified approach. The road condition rating (OCI) is a numerical scale ranging from 0 (failed) to 100 (new). The County's goal is to maintain roads at or above an OCI rating of 60 (Fair). Conditions in previous fiscal years are as follows:

- 06/30/18 95.1%
- 06/30/19 94.4%
- 06/30/20 94.6%
- 06/30/21 65.6%
- 06/30/22 59.8%

Current and additional road condition data is shown in the Required Supplementary Information section of the report.

Bridges - The County manages its bridge network using the State's Bridge Management and Inspection Program that determines a bridge's condition rating ("Sufficiency Rating"). The bridge "Sufficiency Rating" is a numerical scale ranging from 0 (failed) to 100 (new). The County's goal is to maintain bridges at or above a "Sufficiency Rating" of 50 (Fair). Conditions in previous fiscal years are as follows:

- 06/30/18 97%
- 06/30/19 98%
- 06/30/20 98%
- 06/30/21 98%
- 06/30/22 98%

Current and additional bridge condition data is shown in the Required Supplementary Information section of the report.

Additional information on capital assets can be found in the Notes to the Financial Statements section of this report.

Long-term debt - At the end of the current fiscal year, Spartanburg County had total general obligation bonded debt outstanding of \$60,552,725. This debt is backed by the full faith and credit of the County. The County's debt increased by \$23,581,869 due to the issue of Series 2021A GO Bonds. As of June 30, 2022, the County was rated AA+ by Standard and Poors, Aa1 by Moody's Investors Service, and AA+ by Fitch.

Spartanburg County Outstanding Debt			
General Obligation Bonds			
	2022	2021	Change
General obligation bonds	\$ 60,552,725	\$ 36,970,856	\$ 23,581,869

Article X Section 14 of the South Carolina Constitution sets no limit on general obligation debt if it is authorized by a majority vote of the qualified electors of the county voting in a referendum authorized by law. However, without a referendum, the County is authorized to incur general obligation debt for any of its purposes in an amount not exceeding eight percent of the assessed value of all taxable property. The current debt limitation for the County is \$113,026,056 and the amount of outstanding debt to be applied against that limit is \$59,230,000.

Additional information on capital assets can be found in Note 6 - Capital Assets of the Notes to the Financial Statements section of this report. Information about long-term debt activity can be found in Note 8 - Long-term Debt. The computation of the legal debt margin, and the changes in bonded debt are detailed in the Statistical Section.

Economic Factors

Unemployment - Prior to the onset of a novel pandemic, Spartanburg County's unemployment rate was at 2.7%. Due to closures of many businesses resulting from the onset of the pandemic, the unemployment rate rose as high as 15%, but had dropped to 3.4% as of June 2022. The County's unemployment rate continues to remain comparable to state and federal rates at 3.2% and 3.6%, respectively, for June 2022.

Economic Development

BMW Group's Spartanburg plant, through continued investment and expansion has become its largest production facility in the world, producing more than 1,500 vehicles per day. To date, BMW has invested over \$12 billion in the Spartanburg Facility, which serves as its center of competence for X models. Among the 28 facilities worldwide, Plant Spartanburg is BMW Group's largest plant by volume. With a production capacity of up to 450,000 vehicles, Plant Spartanburg's model portfolio includes five top-selling BMW X models, four Motorsport X models and two plug-in hybrid electric X models. More than 300 suppliers support operations at this facility, with 70 percent of the plant's production being exported to customers in 125 global markets.

Development activity in FY2022 continued to eclipse previous investment levels. More than \$2.1 billion of new investment was announced during the fiscal year, with anticipated creation of almost 2,100 new jobs. Development activity for the remainder of calendar year 2022 continues to show robust signs of unprecedented growth as compared to last year, with County Council just announcing at its December 2022 Council meeting a record-breaking investment for calendar year 2022 of over \$4 billion creating approximately 2,145 new jobs. Amongst many announcements during the fiscal year were:

- Walmart announced plans to build a new 720,000 square foot grocery distribution center in Spartanburg County, with a \$450 million investment and 450 new jobs.
- Iljin, USA Corp, plans to invest \$13.3 million for expansion of its facility, creating 89 new jobs.
- Proterra announced plans to manufacture electric vehicle battery systems, representing an investment of \$76 million and over 200 jobs.
- Ingram Micro, a California-based logistics company, announced the investment of \$37.9 million, creating over 200 jobs.

Requests for Information

This financial report is designed to provide a general overview of Spartanburg County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Spartanburg County, Director of Budget and Finance, 366 N. Church Street, Spartanburg, SC 29303 or you can email your request to lbenfield@spartanburgcounty.org. A PDF file of this report will be emailed to those making such a request or can be downloaded from our web site: www.spartanburgcounty.org.

The Spartanburg County Public Library issues a complete set of financial statements that are more detailed than the data presented herein. Copies of the separately issued Library statements can be obtained by contacting Mr. Todd Stephens, County Librarian or his assistant Christina Calitri, 151 S. Church Street, Spartanburg, SC 29306-3241.

[BLANK PAGE]

BASIC FINANCIAL STATEMENTS

[BLANK PAGE]

Spartanburg County, South Carolina
Statement of Net Position
June 30, 2022

	Primary Government Governmental Activities
ASSETS	
Current assets:	
Cash and investments	\$ 430,059,006
Delinquent taxes receivable (net)	4,522,376
Account receivable (net)	34,674,245
Lease receivable	214,957
Other receivables	490,684
Inventory	421,712
Total current assets	<u>470,382,980</u>
Noncurrent assets:	
Land	20,193,896
Art collections	902,534
Infrastructure	401,970,020
Construction in progress	70,207,390
Buildings	29,641,721
Improvements	46,535,370
Furniture and equipment	33,886,775
Books and audiovisual materials	863,492
Right-to-use assets	7,727,760
Total capital assets	<u>611,928,958</u>
Noncurrent lease receivable	<u>6,713,874</u>
Total noncurrent assets	<u>618,642,832</u>
Total assets	<u>1,089,025,812</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred amount related to net loss on refundings	1,167,664
Deferred amounts related other post employment benefits	14,152,516
Deferred amount related to pensions	29,612,880
Total deferred outflows of resources	<u>44,933,060</u>
Total assets and deferred outflows of resources	<u>1,133,958,872</u>
LIABILITIES	
Current liabilities:	
Construction retainage payable	4,050,730
Accounts payable	19,559,473
Accrued interest payable	721,589
Accrued liabilities, miscellaneous	3,937,130
Deposits	22,605
Other liabilities and unearned revenue	82,629,104
Due within one year	13,874,329
Total current liabilities	<u>124,794,960</u>
Noncurrent liabilities:	
Due after one year	109,792,918
Net pension liability	137,619,482
Total OPEB liability	105,433,776
Total noncurrent liabilities	<u>352,846,176</u>
Total liabilities	<u>477,641,136</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred amount related to pensions	28,347,411
Deferred amount related to other post retirement benefits	7,454,038
Deferred amount related to leases	6,782,390
Total deferred inflows of resources	<u>42,583,839</u>
Total liabilities and deferred inflows of resources	<u>520,224,975</u>
NET POSITION	
Net investment in capital assets	564,923,540
Restricted for:	
Capital Projects	8,817,605
Community & economic development	143,431
General Government	(151)
Grants and other	3,839,486
Judicial	875,436
Library	21,638
Public safety	2,074,636
Unrestricted	33,038,276
Total net position	<u>\$ 613,733,897</u>

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

Spartanburg County, South Carolina
Statement of Activities
For the Year Ended June 30, 2022

						Net (Expense) Revenue and Changes in Net Position
						Primary Government
Functions/Programs	Expenses	Charges for Services	Program Revenues		Total	
			Operating Grants and Contributions	Capital Grants and Contributions		
Primary government:						
Governmental activities:						
General government	\$ 41,371,801	\$ 16,752,946	\$ 2,427,172	\$ -	\$ (22,191,683)	
Culture & recreation	10,995,044	987,892	412,500	-	(9,594,652)	
Roads & bridges	15,106,974	2,979,056	838,051	11,865,921	576,054	
Sanitation	10,504,509	13,359,344	171,974	-	3,026,809	
Public safety	75,604,197	3,077,589	7,665,125	-	(64,861,483)	
Judicial	18,133,024	4,928,697	4,888,009	-	(8,316,318)	
Health & welfare	18,531,831	-	10,030,212	-	(8,501,619)	
Community & economic development	5,116,637	-	2,401,149	2,582,449	(133,039)	
Transportation	508,649	-	368,061	-	(140,588)	
Community college	10,251,000	-	-	-	(10,251,000)	
Buildings	946,954	-	-	-	(946,954)	
General long term debt	6,781,740	-	-	-	(6,781,740)	
Library	11,179,935	37,833	697,706	-	(10,444,396)	
Total governmental activities	225,032,295	42,123,357	29,899,959	14,448,370	(138,560,609)	
Total primary government	\$ 225,032,295	\$ 42,123,357	\$ 29,899,959	\$ 14,448,370	\$ (138,560,609)	
General revenues:						
Property taxes					143,734,001	
Capital penny sales tax					61,895,695	
State & local accommodations tax					662,174	
Hospitality tax					6,041,697	
Franchise fees					2,171,023	
Unrestricted intergovernmental revenue					12,966,372	
Interest income					1,592,813	
Miscellaneous revenue					7,696,919	
Total general revenues, special items, and transfers					236,760,694	
Change in net position					98,200,085	
Net position - beginning					515,208,569	
Adjustment for lease activity					325,243	
Net position, beginning, as restated					515,533,812	
Net position - ending					\$ 613,733,897	

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

Spartanburg County, South Carolina
Balance Sheet
Governmental Funds
June 30, 2022

	General Fund	Solid Waste Management	Special Revenue	Stimulus Funds	CIP	Capital Penny Sales Tax	Total Nonmajor Funds	Total Governmental Funds
ASSETS								
Cash	\$ 63,677,412	\$ 7,597,976	\$ 17,933,659	\$ 62,114,487	\$ 83,115,980	\$ 128,667,399	\$ 57,322,664	\$ 420,429,577
Delinquent taxes receivable (net)	2,431,517	362,349	-	-	-	-	1,728,510	4,522,376
Accounts receivable (net)	5,774,564	53,961	2,687,837	-	1,633,869	16,416,969	8,057,236	34,624,436
Other receivables	6,886	334,893	-	-	-	-	-	341,779
Lease receivable	6,928,831	-	-	-	-	-	-	6,928,831
Interfund receivable	944,628	-	-	-	-	-	-	944,628
Inventory	1,966	-	-	-	-	-	-	1,966
Advance to other funds	-	-	-	-	-	-	1,199,219	1,199,219
Total assets	<u>\$ 79,765,804</u>	<u>\$ 8,349,179</u>	<u>\$ 20,621,496</u>	<u>\$ 62,114,487</u>	<u>\$ 84,749,849</u>	<u>\$ 145,084,368</u>	<u>\$ 68,307,629</u>	<u>\$ 468,992,812</u>
LIABILITIES								
Construction retainage payable	\$ -	\$ -	\$ 304,179	\$ -	\$ 3,574	\$ 3,742,978	\$ -	\$ 4,050,731
Accounts payable	3,618,135	276,847	863,335	-	3,763,185	6,653,942	3,739,892	18,915,336
Accrued liabilities miscellaneous	2,737,963	139,228	137,962	-	-	-	819,454	3,834,607
Deposits	22,605	-	-	-	-	-	-	22,605
Other liabilities and unearned revenue	3,047,792	3,448	13,936,878	62,114,487	304,822	-	1,856,401	81,263,828
Interfund payable	-	-	-	-	-	-	746,019	746,019
Advance from other funds	-	-	-	-	-	-	1,199,219	1,199,219
Total liabilities	<u>9,426,495</u>	<u>419,523</u>	<u>15,242,354</u>	<u>62,114,487</u>	<u>4,071,581</u>	<u>10,396,920</u>	<u>8,360,985</u>	<u>110,032,345</u>
DEFERRED INFLOWS OF RESOURCES								
Deferred revenue from leases	6,782,390	-	-	-	-	-	-	6,782,390
Unavailable revenue - property taxes	2,431,517	362,349	-	-	-	-	1,728,510	4,522,376
Total deferred inflows of resources	<u>9,213,907</u>	<u>362,349</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,728,510</u>	<u>11,304,766</u>
Total liabilities and deferred inflows of resources	<u>18,640,402</u>	<u>781,872</u>	<u>15,242,354</u>	<u>62,114,487</u>	<u>4,071,581</u>	<u>10,396,920</u>	<u>10,089,495</u>	<u>121,337,111</u>
FUND BALANCES (DEFICITS)								
Nonspendable								
Inventory & prepaid items	1,966	-	-	-	-	-	-	1,966
Restricted								
Capital projects	-	-	-	-	66,894,461	-	-	66,894,461
Community & economic development	-	-	-	-	-	-	143,431	143,431
General government	-	-	-	-	-	-	(151)	(151)
Grants & other	-	-	3,839,486	-	-	-	-	3,839,486
Judicial	-	-	-	-	-	-	875,436	875,436
Library	-	-	-	-	-	-	21,638	21,638
Public safety	-	-	-	-	-	-	2,074,636	2,074,636
Committed								
Capital projects	-	-	-	-	7,674,833	134,687,448	-	142,362,281
Culture & recreation	-	-	-	-	-	-	10,328,745	10,328,745
Library	-	-	-	-	-	-	3,402,372	3,402,372
Other	457,016	-	1,430,626	-	-	-	-	1,887,642
Public safety	-	-	-	-	-	-	1,957,649	1,957,649
Roads & bridges	-	-	-	-	-	-	7,366,417	7,366,417
Sanitation	-	143,360	-	-	-	-	-	143,360
Assigned								
Activities associated with restricted rev	471,548	-	-	-	-	-	-	471,548
Capital project reserve	25,240,898	-	-	-	-	-	-	25,240,898
Carryover projects	7,020,597	-	-	-	-	-	-	7,020,597
Community college	-	-	-	-	-	-	2,505,686	2,505,686
Contingency or one-time projects	-	-	109,030	-	-	-	-	109,030
Debt service	-	-	-	-	-	-	11,660,294	11,660,294
Detention capital projects	-	-	-	-	186,607	-	-	186,607
Fund balance policy compliance	-	2,073,308	-	-	-	-	-	2,073,308
Future capital projects	-	4,706,779	-	-	-	-	-	4,706,779
Future vehicle & capital equipment	-	643,860	-	-	-	-	-	643,860
Half mil fire levy balance	1,294,989	-	-	-	-	-	-	1,294,989
Health & welfare	-	-	-	-	-	-	768,096	768,096
IT capital projects	-	-	-	-	266,407	-	-	266,407
Judicial activities	307,306	-	-	-	-	-	-	307,306
Library	-	-	-	-	-	-	6,881,235	6,881,235
Public safety	-	-	-	-	-	-	7,079,800	7,079,800
Roads & bridges	-	-	-	-	293,578	-	1,877,206	2,170,784
Sanitation	-	-	-	-	-	-	1,275,644	1,275,644
Solid Waste capital projects	-	-	-	-	1,033,146	-	-	1,033,146
Various other capital projects	-	-	-	-	4,329,236	-	-	4,329,236
Unassigned	26,331,082	-	-	-	-	-	-	26,331,082
Total fund balances (deficits)	<u>61,125,402</u>	<u>7,567,307</u>	<u>5,379,142</u>	<u>-</u>	<u>80,678,268</u>	<u>134,687,448</u>	<u>58,218,134</u>	<u>347,655,701</u>
Total liabilities and fund balances (deficits)	<u>\$ 79,765,804</u>	<u>\$ 8,349,179</u>	<u>\$ 20,621,496</u>	<u>\$ 62,114,487</u>	<u>\$ 84,749,849</u>	<u>\$ 145,084,368</u>	<u>\$ 68,307,629</u>	<u>\$ 468,992,812</u>

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

**Spartanburg County, South Carolina
Reconciliation of Balance Sheet
To the Statement of Net Position
June 30, 2022**

Fund balances of governmental funds	\$347,655,701
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Assets and liabilities of internal service funds are included in governmental activities in the Statement of Net Position.	9,420,923
Long term liabilities, including bonds, are not due and payable in the current period and, therefore, are not reported in the funds.	(123,446,709)
Accrued interest on bonds is not due and payable in the current period and, therefore, is not reported in the funds.	(721,589)
Unamortized deferred loss/costs on refunded bonds is considered an expenditure by governmental funds in the year of occurrence.	1,167,664
Uncollected delinquent tax revenue is not available in the current period and, therefore, is not reported in the funds.	4,522,376
Library uncollected receivables and prepaid expenses are not funds available in the current period and, therefore, are not reported in the funds.	148,906
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	610,075,936
Long term liabilities and deferred inflows/outflows related to pensions that are not due or payable in the current period are not reported in the funds.	(136,354,013)
Long term liabilities and deferred inflows/outflows related to other post employment benefits that are not due or payable in the current period are not reported in the funds.	(98,735,298)
	<hr/>
Net position of governmental activities	<u><u>\$613,733,897</u></u>

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

Spartanburg County, South Carolina
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2022

	General Fund	Solid Waste Management	Special Revenue	CIP	Capital Penny Sales Tax	Total Nonmajor Funds	Total Governmental Funds
REVENUES							
Taxes	\$ 86,954,812	\$ -	\$ 591,662	\$ -	\$ 61,895,696	\$ 63,041,188	\$ 212,483,358
Permits, fines, and fees	20,885,836	12,902,819	399,393	-	-	6,542,839	40,730,887
Intergovernmental - Federal	833,016	-	1,042,379	1,200,000	-	15,500,304	18,575,699
Intergovernmental - State	15,104,252	162,099	8,023,771	50,551	-	6,581,206	29,921,879
Intergovernmental - Local	2,027,871	-	3,233,655	-	-	419,202	5,680,728
Interest income	1,354,932	15,858	-	11,760	166,662	43,600	1,592,812
Miscellaneous	825,016	741,279	2,511	800,666	-	2,420,194	4,789,666
Total revenues	127,985,735	13,822,055	13,293,371	2,062,977	62,062,358	94,548,533	313,775,029
EXPENDITURES							
Current:							
General government	27,156,758	-	-	4,389,727	-	2,376,211	33,922,696
Culture & recreation	30,000	-	390,500	2,573,804	-	8,072,530	11,066,834
Roads & bridges	3,886,626	-	6,138,427	5,301,705	-	6,046,581	21,373,339
Sanitation	-	8,301,045	31,809	4,087,082	-	253,661	12,673,597
Public safety	36,734,640	-	4,081,854	2,837,526	-	31,011,279	74,665,299
Judicial	14,626,288	-	807,001	-	-	3,147,442	18,580,731
Health & welfare	6,604,764	-	975,865	-	-	10,871,164	18,451,793
Community & economic development	26,901	-	-	-	-	5,080,442	5,107,343
Transportation	48,500	-	460,149	-	-	-	508,649
Community college	-	-	-	-	-	10,251,000	10,251,000
Buildings	-	-	-	1,912,975	48,277,841	-	50,190,816
Library	-	-	-	-	-	14,484,542	14,484,542
Debt service:							
Administrative charges	-	-	-	-	-	238,271	238,271
Interest	55,856	331	4,393	-	-	2,334,826	2,395,406
Principal retirement	761,272	7,669	113,582	-	-	9,992,972	10,875,495
Total expenditures	89,931,605	8,309,045	13,003,580	21,102,819	48,277,841	104,160,921	284,785,811
Excess (deficiency) of revenues over expenditures	38,054,130	5,513,010	289,791	(19,039,842)	13,784,517	(9,612,388)	28,989,218
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	1,777,925	15,757,005	-	22,708,425	40,243,355
Transfers out	(27,478,848)	(4,809,436)	-	-	-	(8,426,076)	(40,714,360)
Lease proceeds	458,571	-	-	-	-	-	458,571
Bond issuance premiums	-	-	-	-	-	4,717,777	4,717,777
Issuance of debt	-	-	-	32,014,000	-	240,257	32,254,257
Total other financing sources (uses)	(27,020,277)	(4,809,436)	1,777,925	47,771,005	-	19,240,383	36,959,600
Net change in fund balances	11,033,853	703,574	2,067,716	28,731,163	13,784,517	9,627,995	65,948,818
Fund balances - beginning	50,091,549	6,863,733	3,311,426	51,947,105	120,902,931	48,590,139	281,706,883
Fund balances - ending	\$ 61,125,402	\$ 7,567,307	\$ 5,379,142	\$ 80,678,268	\$ 134,687,448	\$ 58,218,134	\$ 347,655,701

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

Spartanburg County, South Carolina
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances to the Statement of Activities
For the Year Ended June 30, 2022

Net change in fund balances - total governmental funds	\$65,948,818
--	--------------

Amounts reported for governmental activities in the Statement of Activities are different because:

Net revenue(loss) of internal service funds.	430,648
--	---------

Governmental funds report capital outlays as expenditures. In the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. (See details in Note 6)

	61,414,461
--	------------

Revenues in the Statement of Activities that do not provide current financial resources are reported as unearned revenues in the funds.

	(183,945)
--	-----------

Accrued interest on bonds is not recorded in the funds. The annual change in accrued interest is recorded as a current period expense in the Statement of Activities. Accrued interest changed by this amount this fiscal year.

	(203,947)
--	-----------

Long term liabilities are not recorded in the funds. The annual change in liability is recorded as a current period expense in the Statement of Activities:

Landfill closure cost	(1,196,825)	
Accrued vacation pay	(225,366)	(1,422,191)

Deferred change on refunding and premiums paid on bond sales (net).

	(3,934,221)
--	-------------

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. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term and related items. The details of the difference are as follows:

General obligation bond issue	(30,230,000)	
Capital lease financing	(2,014,000)	
Inception of lease agreements	(213,262)	
Lease repayments	989,794	
Principal repayments	10,010,934	(21,456,534)

The cost of pension benefits earned net of employee contributions is reported in the Statement of Activities as an element of pension expense. The fund financial statements report pension contributions as expenditures.

	1,886,624
--	-----------

The cost of other post employment benefits net of benefits payments is reported in the Statement of Activities as an element of OPEB expense.

	(4,279,628)
--	-------------

Change in net position of governmental activities	\$98,200,085
---	--------------

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

Spartanburg County, South Carolina
Statement of Net Position
Proprietary Funds
June 30, 2022

	<u>Governmental Activities</u>
	<u>Internal Service Funds</u>
ASSETS	
Current assets:	
Cash	\$ 9,629,429
Accounts receivable (net)	49,809
Inventory	<u>419,746</u>
Total current assets	<u>10,098,984</u>
Noncurrent assets:	
Furniture, fixtures, and equipment (net of depreciation)	<u>1,853,022</u>
Total noncurrent assets	<u>1,853,022</u>
Total assets	<u><u>\$ 11,952,006</u></u>
LIABILITIES	
Current liabilities:	
Accounts payable	\$ 644,141
Accrued liabilities miscellaneous	102,522
Other liabilities and unearned revenue	1,365,273
Interfund payable	<u>198,609</u>
Total current liabilities	<u>2,310,545</u>
Noncurrent liabilities:	
Accrued compensated absences	<u>220,538</u>
Total noncurrent liabilities	<u>220,538</u>
Total liabilities	<u><u>\$ 2,531,083</u></u>
NET POSITION	
Net investment in capital assets	1,853,022
Unrestricted	<u>7,567,901</u>
Total net position	<u><u>\$ 9,420,923</u></u>

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

Spartanburg County, South Carolina
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2022

	<u>Governmental Activities</u>
	<u>Internal Service Funds</u>
OPERATING REVENUES	
Charges for services	\$ 8,862,641
Miscellaneous	97,332
Premiums	<u>11,606,650</u>
Total operating revenues	<u>20,566,623</u>
OPERATING EXPENSES	
Personnel	14,780,339
Operating	4,998,911
Depreciation	<u>841,966</u>
Total operating expenses	<u>20,621,216</u>
Operating income (loss)	<u>(54,593)</u>
NONOPERATING REVENUES (EXPENSES)	
Gain or (loss) on disposition of capital assets	<u>14,236</u>
Total nonoperating revenues (expenses)	<u>14,236</u>
Income (loss) before contributions and transfers	(40,357)
Transfers in	<u>471,005</u>
Change in net position	430,648
Total net position - beginning	<u>8,990,275</u>
Total net position - ending	<u><u>\$ 9,420,923</u></u>

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

Spartanburg County, South Carolina
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2022

Governmental Activities

Internal Service Funds

CASH FLOWS FROM OPERATING ACTIVITIES

Cash receipts from customers	\$ 20,510,179
Payments to employees	(14,556,019)
Payments to suppliers	(5,341,734)
Due to other funds	22,864
Net cash provided (used) by operating activities	<u>635,290</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Transfers from other funds	<u>471,005</u>
Net cash provided (used) by noncapital financing activities	<u>471,005</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets	<u>(608,243)</u>
Net cash provided (used) by capital and related financing activities	<u>(608,243)</u>
Net increase (decrease) in cash and cash equivalents	498,052
Balances - beginning of year	<u>9,131,377</u>
Balances - end of the year	<u>\$ 9,629,429</u>

Reconciliation of operating income (loss) to net cash provided (used) by operating activities:

Operating income	\$ (54,593)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	841,966
Changes in assets and liabilities:	
Accounts payable - supplier	(175,850)
Compensated absences	(9,134)
Inventory	(166,884)
Other operating receivables	(36,210)
Salaries & benefits payable	14,391
Interfund payables	22,864
Other liabilities	<u>198,740</u>
Net cash provided (used) by operating activities	<u>\$ 635,290</u>

CASH RECONCILIATION

Actual Balance - end of year	<u>\$ 9,629,429</u>
------------------------------	---------------------

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

Spartanburg County, South Carolina
Statement of Fiduciary Net Position
Custodial Funds
June 30, 2022

	Custodial Funds	
	Other	External Investment Pool
ASSETS		
Cash and cash equivalents	\$ 65,753,431	\$ -
Investments at fair value	1,308,852	143,340,390
Delinquent taxes receivable (net)	14,787,334	-
Accounts receivable (net)	401,227	-
Total Assets	82,250,845	143,340,390
LIABILITIES		
Accounts payable	8,373,731	-
Total Liabilities	8,373,731	-
NET POSITION		
Restricted for:		
Individuals, organizations, and other governments	73,877,114	143,340,390
Total Net Position	\$ 73,877,114	\$ 143,340,390

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

Spartanburg County, South Carolina
Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended June 30, 2022

	Custodial Funds	
	Total Other Custodial Funds	External Investment Pool
ADDITIONS		
Child support remittances	\$ 1,137,611	\$ -
Contributions from businesses and individuals	12,542	-
Court ordered escrow from other entities/individuals	711,871	-
Fines, costs, and penalties on taxes	31,722,674	-
Forfeitures & seizures	2,487,737	-
General property tax	766,530,630	-
Interest income	1,286,955	113,420
Miscellaneous	1,429,421	-
Taxes and fees from state	354,052,646	-
Receipts from other entities	171,528,878	-
Local government investment pool net receipts	-	73,969,459
Total additions	<u>1,330,900,966</u>	<u>74,082,879</u>
DEDUCTIONS		
Administrative expense	127,822	-
Beneficiary payments to individuals	2,015,972	-
Escrow payments to other entities/individuals	301,589	-
Payments to state	907,950	-
Payments to other entities	1,314,821,406	-
Service charges	7,684	-
Local government investment pool net deductions	73,969,459	-
Total deductions	<u>1,392,151,882</u>	<u>-</u>
Change in net position	(61,250,916)	74,082,879
	-	
Net position - beginning	<u>135,128,030</u>	<u>69,257,511</u>
Net position - ending	<u>\$ 73,877,114</u>	<u>\$ 143,340,390</u>

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

Spartanburg County, South Carolina
Notes to Financial Statements
June 30, 2022
INDEX

	<u>Page</u>
Note 1 - Summary of Significant Accounting Policies	49
Note 2 - Stewardship	56
Note 3 - Deposits and Investments	56
Note 4 - Property Taxes	58
Note 5 - Retirement Plan	58
Note 6 - Capital Assets	66
Note 7 - Leases	67
Note 8 - Long-term Debt	72
Note 9 - Interfund Receivables, Payables, Advances and Transfers	75
Note 10 - Contracts and Commitments	76
Note 11 - Post Retirement Health Care and Life Insurance Benefits (OPEB)	76
Note 12 - Deferred Compensation Plans	80
Note 13 - Risk Management	80
Note 14 - Contingent Liabilities	80
Note 15 - Industrial Revenue Bonds	81
Note 16 - Tax Abatements	81
Note 17 - Subsequent Events	82
Note 18 - Prior Period Adjustment	82
Note 19 - Reissue Financial Statements	82

SPARTANBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Spartanburg County, South Carolina operates under the provisions of South Carolina 1975 Act No. 283 (Home Rule Act) using a council-administrator form of government. The County provides the following services: public safety (police, judicial and emergency management), public works (roads and bridges), sanitation, health and welfare, recreation, public improvements, planning and general administrative. In addition, the County operates as a collection agency for other taxing entities.

The accounting policies of Spartanburg County conform to U.S. generally accepted accounting principles as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting principles.

A. Reporting Entity

Spartanburg County is a corporate government entity incorporated in 1976 under the South Carolina *Home Rule Act* and is governed by an elected seven member County Council. As required by U.S. generally accepted accounting principles, these basic financial statements present the government and its component units, entities for which the government is considered to be financially accountable. A blended component unit, although a legally separate entity is, in substance, part of the County's operations, and data from the unit is presented in special revenue funds within the County's governmental activities. The County has no discretely presented component units. The following entity is presented as a blended component unit:

Spartanburg County Tourism Public Facilities Corporation – The Corporation is a public benefit non-profit corporation established under State law to provide service to the County. All of the members of the Corporation's Board of Directors are either elected or appointed officials of the County. The Board of Directors of the Corporation has been elected pursuant to an ordinance of the County Council.

The Corporation's Articles of Incorporation provide that it shall be operated exclusively for the benefit of, to perform the functions of, and to carry out the purpose of (i) holding title, owning, leasing, financing, constructing, acquiring, and operating land, buildings, equipment, and facilities functionally related thereto and (ii) performing any other lawful purpose related to the furtherance of the governmental powers of the County, that is not inconsistent with the Corporation's nonprofit status, provided that all property owned and leased by the Corporation shall be used for a public purpose.

B. Government-wide and fund financial statements

The government-wide financial statements, consisting of the statement of net position and the statement of activities, report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity, except any interfund services provided and used, 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 on a significant extent of fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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. Indirect allocations are made in the fund statements based on a percentage of budget, personnel, payroll, or collections, but these allocations have been reversed for the government-wide Statement of Activities. 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) operating grants and contributions or capital 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.

Separate financial statements are provided for governmental funds, proprietary funds, and custodial funds, even though the latter are excluded from the government-wide financial statements. The focus of governmental and proprietary fund financial statements is on major funds. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements, with non-major funds being aggregated and displayed in a single column.

C. **Measurement Focus and Basis of Accounting**

Basis of Accounting – The basis of accounting determines when transactions are reported in the financial statements. Government-wide, proprietary, and fiduciary financial statements are prepared using the accrual basis of accounting. Governmental fund statements are prepared using the modified accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time a liability is incurred. Under the modified accrual basis, revenues are recorded as soon as they are measurable and available.

Revenues – Exchange and Non-exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which resources are measurable and become available. Revenues are considered to be available when they are collectible within the current period or soon thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal year.

Non-exchange transactions, in which the County receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements imposed by the provider have been satisfied. Eligibility requirements include timing requirements which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements in which the County must provide local resources to be used for a specified purpose, and expenditure requirements in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: delinquent taxes, sales tax, grants, interest, fees, and charges for services.

Unearned Revenue - Unearned revenue arises when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenue also arises when resources are received by the County before it has a legal claim to them, as when grant money is received prior to the occurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or when the County has a legal claim to the resources, the liability for the unearned revenue is removed from the balance sheet and revenue is recognized.

Deferred Outflow/Inflows of Resources – On the governmental fund financial statements, receivables that will not be collected within the available period have been reported as deferred inflows of resources. This includes any uncollected property taxes as of June 30.

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This section represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditures) until then. In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This section represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until then.

Expenses/Expenditures – Under the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

When both restricted and unrestricted resources are available for use, it is the County’s policy to use restricted resources first, then unrestricted, as they are needed for their intended purposes.

When committed, assigned and unassigned resources are available for use for the same purpose, it is the County’s policy to use committed resources first, then assigned and unassigned, as needed for their intended purposes.

Funds - The County reports the following major governmental funds:

The *General Fund* is the government’s primary operating fund. It accounts for and reports all financial resources of the government which are not accounted for and reported in another fund.

The *Special Revenue Fund* is used to account for and report the proceeds of specific revenue sources that are legally restricted or committed to expenditure for specified purposes other than debt service or capital projects. Major recurring purposes may include state road funds, tourism funds, and some federal and state grants.

The *Solid Waste Management* fund is used to account for the operation of a landfill, trash hauling and collection costs, and the collection of residential and commercial fees for these services.

The *Stimulus* fund is used to account for federal funding related to programs designed to combat the effects of the pandemic, specifically related to its impact on public health and the local economy.

The *Capital Projects* fund is used to account for the acquisition, renovation, and construction of major capital projects.

The *Capital Penny Sales Tax* fund is used to account for proceeds from a one percent sales tax imposed in Spartanburg County for six years beginning May 2, 2018. The monies raised from this tax are used to fund the construction of a new Judicial Center and City/County Government Complex. Funds remaining after construction of these two facilities will be used for road and bridge improvements.

The County has no major proprietary funds.

Additionally, the government reports the following fund types:

The *Debt Service Fund* is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Proceeds from issuing general obligation bonds, revenues from federal grants, receipts designated for capital projects, and the related expenditures are recorded in the Capital Projects Fund.

Proprietary Funds (Internal Service Funds) – Fleet Services is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the County on a cost reimbursement basis. *Facilities Maintenance* is used to account for the repair of County buildings and facilities. *Information Technologies* is used to account for technology repairs and services and utilization of County networks, servers and technology infrastructure. *Health Insurance Fund* is used for the cost associated with the health insurance plan, dental plan, and the Employee Health Clinic. It also includes the costs for the retiree Medicare supplement program.

Custodial Funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. These funds are custodial in nature, use the economic resources measurement focus, and are not included in the government-wide financial statements. The Treasurer's Office and Tax Collector Office collect taxes for all taxing districts located within the county. The following offices collect fees, fines, child support, etc. for the state and other agencies: Sheriff, Circuit Solicitor, Clerk of Court, Master-in-Equity, Magisterial Court, and Probate Court. The Trinity Fire Department collects one-percent insurance funds designed to be used for the benefit of volunteer firefighters.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. As a general rule, the effect of interfund activity, except any interfund services provided and used, has been eliminated from the government-wide financial statements.

All proprietary funds are accounted for on a flow of economic resources measurement focus. Under this method, the accrual basis of accounting is utilized, revenues are recognized when earned, and expenses are recorded at the time liabilities are incurred. All assets and liabilities associated with the operation of these funds are included on the Statement of Net Position. Proprietary fund type operating statements present increases (i.e. revenue) and decreases (i.e. expenses) in net position by distinguishing 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 ongoing operations. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on all capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The County's fiduciary fund types consists only of Custodial Funds, which are custodial in nature and use the economic resources measurement focus. Custodial funds use the accrual basis of accounting.

D. Assets, Liabilities, Fund Equity, Revenue, Expenditures and Expenses

1. Cash, Cash Equivalents, and Equity in Pooled Cash and Investments – Cash includes currency on hand, demand deposits with financial institutions and other accounts that have the general characteristics of demand deposits where additional funds may be deposited any time and withdrawn without prior notice or penalty.

The County pools the cash of substantially all funds into an internal cash and investment pool that is available for use by all funds. Allocation of interest is made to each fund based on pro rata fund equity. Each individual fund's portion of the pool is displayed on the combining balance sheet as "cash."

The Spartanburg County Public Library maintains separate cash and investment accounts, generally in the form of cash in the bank and certificates of deposit.

For the purposes of the statement of cash flows, the County considers all short-term investments with original maturities of three months or less, when acquired, to be cash equivalents.

2. Investments – Investments are stated at fair value. See additional information on the County's investments in Note 3.

3. Receivables and Allowance for Doubtful Accounts – Accounts receivable are stated net of their allowance for uncollectible amounts. Receivables in governmental funds include revenue accruals that are recognized when they become measurable and available as previously defined.

Property taxes receivable represents delinquent and unpaid real and personal property tax billings, less an allowance for amounts estimated to be uncollectible.

4. Inventories and prepaid items – Inventories are valued at average cost, except for obsolete inventories which are written down to scrap value. The inventory of the General Fund consists of replacement radio parts and is recorded as an expenditure when consumed. Prepaid items (office, computer, and maintenance supplies) are charged to expense when purchased.

The inventory of the Internal Service Funds consists of materials and supplies held for consumption. Costs, determined on a first in/first out (FIFO) method, are recorded as expenditures when inventory is consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. Reported inventories and prepaid items in the governmental fund types are equally offset by a fund balance reserve which indicates that they do not constitute "available spendable resources" even though they are a component of current assets.

5. Interfund Receivables and Payables – Short-term advances between funds are accounted for in the appropriate interfund receivable and payable accounts. Transactions which constitute reimbursements of a fund for expenditures or expenses initially made from that fund which are properly applicable to another fund are recorded as expenditure or expense (transfers out) in the reimbursing fund and as reductions of the expenditure or expense (transfers in) in the fund that is reimbursed.

6. Restricted Assets – Restricted assets include monies or other resources, the use of which is restricted by legal or contractual requirements.

7. Capital Assets and Depreciation/Amortization – Capital assets, which include land, buildings, improvements, furniture and equipment, infrastructure assets (e.g., roads, bridges, and similar items), and intangible right-of-use assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$1,000 and an estimated useful life of more than one year (\$1,000 and an estimated useful life of two or more years for the Spartanburg County Public Library). Such assets are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Intangible right-of-use assets are

recorded are the present value of future lease payments. Donated capital assets, donated works of art and similar items and capital assets received in a service concession arrangement are reported at acquisition value. Donated capital assets of the Library are recorded at their acquisition value. 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. Road infrastructure capital assets have been capitalized based on their estimated historical costs; only those improvements that increase the effectiveness or efficiency of the asset (i.e., new roads, expansion of square yardage, etc.) are capitalized each fiscal year. Bridge infrastructure capital assets have been capitalized using actual or estimated historical costs of construction.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings	30
Office equipment	10
Vehicles	5
Computers	4

Intangible right-of-use assets are amortized over the remaining lease period or the life of the asset, whichever is shorter.

Infrastructure – The County has elected to use the “Modified Approach” as defined by governmental accounting standards for infrastructure reporting for its roads and bridges. Under governmental accounting standards, eligible infrastructure capital assets are not required to be depreciated under the following requirements:

- The government uses an asset management system with characteristics of 1) an up-to-date inventory; 2) perform condition assessments and summarize the results using a measurement scale; and 3) estimate the annual amount to maintain and preserve the assets at the established condition assessment level.
- The government documents that the eligible infrastructure capital assets are being preserved approximately at the established and disclosed condition assessment level.

Roads – The County manages its road network using its pavement management system and accounts for them using the modified approach. The road condition rating (OCI) is a numerical scale ranging from 0 (failed) to 100 (new). The County’s goal is to maintain roads at or above an OCI rating of 60 (Fair). Current road condition data is shown in the Required Supplementary Information section of this report.

Bridges – The County manages its bridge network using the State’s Bridge Management and Inspection Program that determines a bridge’s condition rating (“Sufficiency Rating”). The bridge “Sufficiency Rating” is a numerical scale ranging from 0 (failed) to 100 (new). The County’s goal is to maintain bridges at or above a “Sufficiency Rating” of 50 (Fair). Current bridge condition data is shown in the Required Supplementary Information section of this report.

8. Leases –

Lessee – The County is lessee on several leases of land, building space, and communication tower space. At the inception of leases with individual values over \$5,000, the County records a lease liability and an intangible right-to-use asset in the government-wide financial statements. The lease liability is initially measured at the present value of future payments that will be made over the life of the lease. The lease liability is reduced annually by the principal portion of the lease payment. The intangible right-to-use asset is initially measured at the present value of future payments made over the life of the lease plus any costs incurred to ready the asset for use. The asset is amortized annually over the life of the asset or the term of the lease, whichever is shorter.

The County uses the interest rate specified in the lease agreement to determine the interest portion of the lease payment. If no interest rate is specified in the lease agreement, the County uses its estimated incremental borrowing rate as the discount rate.

The lease term typically includes the original lease term plus any optional terms of renewal, if it is reasonably certain that the County will exercise those renewal options.

The County annually monitors changes in circumstances that may require remeasurement of the lease liability and/or intangible right to use asset. Adjustments are made when significant changes occur to the asset and/or liability.

Intangible right to use assets are reported as noncurrent assets in the Statement of Net Position. Details related to asset categories and amortization can be found in Note 6 – Capital Assets. Lease liabilities are reported as noncurrent liabilities. Details related to specific lease agreements can be found in Note 7 – Leases.

Lessor – The County is lessor on leases of communications tower leases. At the inception of the lease with individual values over \$5,000, the County records a lease receivable and deferred inflow of resources in the Governmental Balance Sheet and the government-wide Statement of Net Position. The lease receivable is measured at the present value of payments expected to be received and is reduced in subsequent years by the principal portion of payments received. The deferred inflow of resources is initially measured at the present value of future lease payments plus any payments received prior to the beginning of the lease period. The deferred inflow of resources is amortized over the life of the lease and is recognized as revenue in subsequent years.

The County uses the interest rate specified in the lease agreement to determine the interest portion of the lease payment. If no interest rate is specified in the lease agreement, the County uses its estimated incremental borrowing rate as the discount rate.

The lease term typically includes the original lease term plus any optional terms of renewal, if it is reasonably certain that those renewal options will be exercised.

The County annually monitors changes in circumstances that may require remeasurement of the lease receivable and deferred inflow of resources. Adjustments are made when significant changes occur to the asset and/or liability.

Lease receivables are reported as current assets in the Statement of Net Position and deferred inflows of resources are reported as deferred inflows of resources. Details related to specific lease agreements can be found in Note 7 – Leases.

9. Compensated Absences – It is the County’s policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the County does not have a policy to pay amounts when employees separate from service with the County. All vacation pay, holiday earned credit, and compensation time earned is accrued when incurred in the government-wide and proprietary fund financial statements. The General Fund is typically used to liquidate the liability for compensated absences.

10. Long-term Obligations – In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activity or proprietary fund type Statement of Net Position. Long-term debt represents unmatured principal of general and special obligation bond indebtedness. Other long-term obligations represent outstanding net present value portions due on capital lease obligations, and landfill closure costs.

11. Net Position and Fund Balances – In the government-wide financial statements, the difference between the County’s total assets and deferred outflows and total liabilities and deferred inflows represents net position. Net position for both governmental funds and proprietary fund types displays three components – net investment in capital assets; restricted (distinguished between major categories of restrictions); and unrestricted. Unrestricted net position represents the net position available for future operations.

In governmental fund financial statements, fund balances are classified as follows:

Nonspendable – Amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact. This classification includes inventories, prepaid amounts, assets held for sale, and long-term receivables.

Restricted – Amounts that can be spent only for specific purposes due to constraints on resources that are either externally imposed by creditors, grantors, contributors, or federal or state law.

Committed – Amounts that can be used only for specific purposes as determined by formal action of County Council through passage of an ordinance. These amounts cannot be used for any other purpose unless County Council removes or changes the specified use by amending, rescinding, or replacing the ordinance. Committed fund balance may also be created by contract. This classification captures fund balance held to meet obligations of open purchase orders at the end of the fiscal year, except where other external constraints require that the fund balance be classified as restricted.

Assigned – Amounts that are constrained by the County’s intent to be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by County Council which was authorized by the budget ordinance. This classification captures fund balance held to meet anticipated expenditures of budget carryforwards, except where other external constraints or Council ordinances require that the fund balance be classified as restricted or committed.

Unassigned – All amounts not included in other spendable classifications. The general fund is the only fund to report a positive unassigned fund balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance. It may be necessary to report a negative fund balance in a governmental fund other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed or assigned to those purposes.

The County first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted funds are available.

The County would typically use Restricted fund balances first, followed by Committed resources and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first and to defer the use of those other classified funds.

12. Deferred Outflows and Inflows of Resources – The Statement of Net Position must report deferred outflows of resources following the assets section and deferred inflows of resources following the liabilities section. Deferred outflows of resources represent a consumption of net assets and applies to future periods and will not be recognized as an expenditure until then. Deferred inflows of resources represents an acquisition of net assets that applies to future periods and will not be recognized as revenue until that time.

13. Pensions – 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 South Carolina Retirement Systems (SCRS), and additions to/deductions from the SCRS System fiduciary net position have been determined on the accrual basis of accounting as they are reported by the SCRS in accordance with generally accepted accounting principles (GAAP). For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Benefit and refund expenses are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

14. Fund Balance Policy – To maintain an “AA” County credit rating and meet seasonal cash flow shortfalls, the budget shall provide for an anticipated undesignated fund balance between 15% and 20% for general government and enterprise fund types of estimated annual revenues. The fund balance shall be exclusive of all reserves not anticipated to be readily available for use in emergencies and contingencies.

Special Purpose Levies are collected by the Treasurer and reported separately as required by County Council. The levy is separate from the ad valorem tax collected. All special purpose levies are reported as Special Revenue Funds. Special Revenue Fund reserves include, but are not limited to, special levies for Stormwater Management, Solid Waste Management, 911 Phone System, County Recreation District, Community College, Charles Lea Center, Fire Districts and the Library.

15. Landfill Closure and Post-Closure Care Costs – In accordance with governmental accounting standards, the County recognizes expenses for landfill closure and post-closure care costs over the life of the landfill’s operation in proportion to the usage of the landfill’s total capacity. Federal and state regulations related to landfill closure procedures are comprehensive and require post-closure care and monitoring for a period extending thirty (30) years after closure.

Site	Croft	Wellford I - IV	Wellford V & VB	Wellford VI	Wellford VII	Total
Closure completion	Completed	Completed	42%	0%	15%	
Closure costs	\$ -	\$ -	\$ 3,407,906	\$ 6,040,939	\$ 7,566,540	\$ 17,015,385
Post-closure estimated future costs	553,168	1,150,240	4,675,590	4,313,400	1,112,040	11,804,438
	553,168	1,150,240	8,083,496	10,354,339	8,678,580	28,819,823
Percentage of total landfill capacity used as of June 30, 2022	100%	100%	100.0%	92.0%	5.0%	
	553,168	1,150,240	8,083,496	9,525,992	433,929	19,746,825
Above amounts in FY23 budget	(95,000)	(75,000)	(95,000)	(95,000)	(95,000)	(455,000)
	<u>\$ 458,168</u>	<u>\$ 1,075,240</u>	<u>\$ 7,988,496</u>	<u>\$ 9,430,992</u>	<u>\$ 338,929</u>	<u>\$ 19,291,825</u>

The County will record the remaining estimated cost of closure and post-closure care costs of \$19,746,825 as the remaining capacity is filled. The liability recorded is based on current year estimated dollars. Actual costs may be higher due to inflation, changes in technology, or changes in the federal or state regulations. Based on a capacity analysis performed by Civil &

Environmental Consultants, Inc., dated September 13, 2022, the Wellford Phase VII permitted landfill is expected to reach capacity in approximately 42 years. However, the remaining time for the landfill operations is proportional to incoming waste stream and density determination.

16. Use of estimates – The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

17. Contributions – The County receives donations of land, rights-of-way, roads, bridges and other infrastructure assets from various contractors and private citizens. These contributions are recorded as revenue in accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

18. New Pronouncements – The GASB has issued the following statements:

Statement No. 91, “Conduit Debt Obligations” - The requirements of this Statement are effective for reporting periods beginning with the fiscal year ending December 31, 2022.

Statement No. 94, “Public-Private and Public-Public Partnerships and Availability Payment Arrangements” - The requirements of this Statement are effective for reporting periods beginning with the fiscal year ending June 30, 2023.

Statement No. 96, “Subscription-Based Information Technology Arrangements” - The requirements of this Statement are effective for reporting periods beginning with the fiscal year ending June 30, 2023.

Statement No. 99, “Omnibus 2022” - The requirements of this Statement are effective as follows:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance.
- The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.
- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

Statement No. 100, “Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62” - The requirements of this Statement are effective for reporting periods beginning after June 15, 2023.

Statement No. 101, “Compensated Absences” - The requirements of this Statement are effective for reporting periods beginning after December 15, 2023.

NOTE 2 – STEWARDSHIP

Excess of expenditures over appropriations - For the year ended June 30, 2022, there were no departments where expenditures exceeded appropriations (the legal level of budgetary control.) Detailed information on budget variations in the General Fund is presented in the **Required Supplementary Information** section.

Deficit fund equity – For the year ended June 30, 2022, the Upstate Workforce Board Fund had a deficit equity balance of \$151.

NOTE 3 – DEPOSITS AND INVESTMENTS

Restricted Cash - The bank balance of \$647,252,033 includes \$210,402,673 of custodial funds currently reported in the Statement of Fiduciary Net Position, of which \$59,539,381 is restricted as to withdrawal, committed, or assigned for expenditure in the acquisition of noncurrent assets, or segregated for the liquidation of long-term debt.

Custodial credit risk - deposits – Custodial credit risk is the risk that, in the event of financial institution failure, the County will not be able to recover the value of its deposits. The County’s Financial Policy dictates that all demand deposit bank accounts under the authority of Spartanburg County will be required to be adequately collateralized to the extent that the balance exceeds the \$250,000 limit covered by FDIC insurance. Pledged collateral should be held either in a Federal Reserve pledge account, or by an independent third-party institution that is the agent of Spartanburg County. Pledged collateral should be held in the name of Spartanburg County.

As of June 30, 2022, deposits in financial institutions, reported as components of cash, cash equivalents, and investments, had a bank balance of \$647,252,033. \$345,780 of the bank balance was uncollateralized as of June 30, 2022. The remaining balance is fully insured by depository insurance or secured with collateral held by the County's agent in its name as of June 30, 2022.

Investments - Statutes authorized the County to invest in obligations of the United States and its agencies, general obligations (not revenue obligations) of the State of South Carolina and its subdivisions, financial institutions to the extent of federal insurance, certificates of deposit collateralized secured, repurchase agreements secured by the foregoing obligations, and the State Treasurer's Investment Pool. A formal policy was adopted May 19, 2003. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital as prescribed in Section 12-45-220 of the South Carolina Code of Laws. The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. Full collateralization of the entire portfolio is required. The return on investment is of secondary importance compared to the safety and liquidity objectives. Spartanburg County currently participates in the State Local Government Investment Pool.

Investments measured and reported at fair value are classified according to the following hierarchy:

Level 1 – Investments reflect prices quoted in active markets.

Level 2 – Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include markets that are not considered to be active.

Level 3 – Investments reflect prices based upon unobservable sources.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk. Money market mutual funds classified in Level 1 of the fair value hierarchy are valued directly from a predetermined primary external pricing vendor. Assets classified in Level 2 are subject to pricing by an alternative pricing source due to lack of information available by the primary vendor.

South Carolina Local Government Investment Pool 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 local 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", investments are carried at fair value determined annually based upon quoted market prices for identical or similar investments. 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. 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, Post Office Box 11778, Columbia, South Carolina 29211-1950, or at www.treasurer.sc.gov.

Custodial credit risk - For an investment, custodial credit risk is the risk that, in the event of financial institution failure, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of June 30, 2022, the County had no exposed custodial credit risk on its investments.

Concentration Credit Risk - This is the risk of loss attributable to the magnitude of a government's investment in a single issuer. There is no formal limit on the amount the County may invest in any one issuer. However, the majority of the County's investments at June 30, 2022, were held in the State Local Government Investment Pool, which allocates pooled investments over a broad range of securities, thus limiting this risk.

Interest rate risk – This is the risk that the fair value of securities in a portfolio will fall due to changes in market interest rates. As a means of limiting its exposure to fair value losses arising from increasing interest rates, the County limits its investments to maturities of 2 years or less. A formal policy was adopted May 19, 2003.

At June 30, 2022, the County Treasurer held the following investments:

Investment Type	Value	Maturity	Rating	Fair Value Hierarchy
Repurchase Agreement	\$ 1,308,851	Daily	N/A	N/A
Local Government Investment Pool	\$ 463,496,265	Daily	N/A	N/A

The Repurchase Agreements are held in a fiduciary capacity for other taxing entities. The Local Government Investment Pool includes both County and fiduciary funds.

At June 30, 2022, the Library held the following investments:

Investment Type	Cost	Fair Value	Cumulative Unrealized Gain (Loss)
Insured Sweep	\$ -	\$ 495	\$ 495
Mutual Funds	250,000	243,677	\$ (6,323)
	<u>\$ 250,000</u>	<u>\$ 244,172</u>	<u>\$ (5,828)</u>

Library investments as of June 30, 2022, are stated at fair value based on quoted prices in active markets (all Level 1 measures.)

NOTE 4 – PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are normally levied in October, penalties are added beginning January 15, and, if unpaid, are transferred to delinquent status on March 15. The County bills and collects its own property taxes as well as taxes for the school districts, fire districts, certain water districts, and municipalities. Collections and remittances of taxes to other entities are accounted for in the Fiduciary Funds.

Property taxes on motor vehicles and watercraft are assessed on a monthly basis. Unpaid vehicle taxes are eventually removed from the tax records. If they are subsequently paid, they are entered as supplemental tax records.

Taxes receivable at June 30, 2022 represent delinquent taxes for tax years 2012 through 2021. An allowance for uncollectible taxes has been established for all uncollected taxes. The allowance in the governmental fund types and fiduciary funds is based on the percentage of actual uncollectibles to the total delinquent taxes receivable.

Unearned revenue has been recorded for the collectible portion of delinquent taxes since it is not anticipated to be received and/or available within 60 days of year end. The following is a schedule of delinquent taxes receivable and allowance for uncollectibles by fund type.

	Gross Delinquent Taxes Receivable	Allowance for Uncollectibles	Net Delinquent Taxes Receivable
General fund	\$4,779,865	\$2,348,348	\$2,431,517
Special revenue funds	3,624,472	1,780,703	\$1,843,769
Debt service funds	485,729	238,639	247,090
Agency funds	29,068,890	14,281,545	14,787,345
	<u>\$37,958,956</u>	<u>\$18,649,235</u>	<u>\$19,309,721</u>

NOTE 5 – RETIREMENT PLAN

A. South Carolina Retirement System

Plan Description - The County, as the employer, participates in the South Carolina Retirement System (SCRS) Plan - a cost-sharing multiple-employer defined benefit pension plan administered and managed by the South Carolina Public Employee Benefit Authority (PEBA). PEBA is the state agency responsible for the administration and management of the various Retirement Systems and programs of the State of South Carolina. As such, PEBA is responsible for administering the South Carolina Retirement System's five defined benefit pension plans. PEBA issues a Comprehensive Annual Financial Report (Annual Report) containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The Annual Report is publicly available through PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223.

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 System and additions to/deductions from the System's fiduciary net position have been determined on the accrual basis of accounting as they are reported by the System in accordance with generally accepted accounting principles (GAAP).

Benefits Provided/Membership – SCRS provides retirement and other benefits for teachers and employees of the state and its political subdivisions. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program. Membership requirements are prescribed in Title 9 of the South Carolina Code of Laws, and PEBA does

not have the authority to establish or amend benefit terms without a legislative change in the Code of Laws. Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. Key elements of the benefit calculation include the benefit multiplier, years of service, and average final compensation/current annual salary.

This plan covers general employees, teachers, and individuals newly elected to the South Carolina General Assembly beginning with the November 2012 general election. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. 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.

An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member. 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.

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.

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 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 the state statute. Legislation in 2017 increased, but also established a ceiling for SCRS employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.00% for SCRS. The legislation also increased employer contribution rates beginning July 1, 2017, for SCRS by two percentage points and further scheduled employer contribution rates to increase by a minimum of one percentage point each year in accordance with state statute. However, the General Assembly postponed the one percent increase in the SCRS employer contribution rate 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 the state statute, the System shall increase the employer contribution rates as necessary to meet the funding periods set for the applicable year. The maximum funding period of SCRS 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 System is prohibited from decreasing the SCRS contribution rates until the funded ratio is at least 85%. If the most recent actuarial valuation of the System for funding purposes shows a ratio of the actuarial value of the system assets to the actuarial accrued liability of the system (the funded ratio) that is equal or greater than 85%, then the system, effective on the following July 1st, 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 system shows a funded ratio of less than 85%, then effective on the following July 1st, and annually thereafter as necessary, the system shall increase the contribution rates until a subsequent annual actuarial valuation of the system shows a funded ratio that is equal to or greater than 85%.

Required employee (both Class II and III) contribution rates for the year ended June 30, 2022 was 9%. The required employer contribution rate for the year ended June 30, 2022 was 16.41%. Both required employee and employer contribution rates are calculated on earnable compensation as defined in Title 9 of the South Carolina Code of Laws. Employers also contribute an additional .15% of earnable compensation, if participating in the death benefit program.

Contributions to the Plan from the County were \$7,210,732. For the year ended June 30, 2022, the governmental funds recognized a total credit of \$354,393 within intergovernmental-state revenue. Similar to the year ended June 30, 2021, the County received the credit as a result of nonemployer contributions from the state of South Carolina. The General Assembly continued appropriating funds to offset a portion of the employer contribution rate that has been provided for most employers in the state retirement plans in previous years.

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

At June 30, 2022, the County reported a net pension liability of \$83,639,083 for its proportionate share of the collective net pension liability. The net pension liability was measured as of June 30, 2021. The total pension liability, net pension liability and sensitivity information 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 plan's fiscal year end June 30, 2021, using generally accepted actuarial principles. The allocation of the County's proportionate shares of the collective net pension liability and pension expense were calculated on the basis of the County's contributions actuarially remitted to the plan relative to the total contributions remitted to the plan for all participating employers, less employer contributions that are not representative of future contribution effort, as of June 30, 2021. Based upon this information, the County's proportion of the collective net pension liability is .38648%, an increase of .002344% since June 30, 2020, the prior measurement date.

For the year ended June 30, 2022, the County recognized pension expense of \$4,707,792. The County also recognized revenue of \$354,393 as a result of nonemployer contributions from the State of South Carolina. These funds, approved by the General Assembly to help offset a portion of the burden of increased employer contributions, were sent directly to PEBA for the SCRS trust fund for the year ended June 30, 2021. At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to the pension as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,424,695	\$ 112,882
Changes in assumptions	4,578,130	-
Net difference between projected and actual earnings on pension plan investments	-	12,149,681
Changes in proportion and differences between County contributions and proportionate share of contributions	1,442,362	3,787,148
County contributions subsequent to the measurement date	<u>7,210,732</u>	<u>-</u>
Total	<u>\$ 14,655,919</u>	<u>\$ 16,049,711</u>

\$7,210,732 reported as deferred outflows of resources related to pensions resulted from County contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Any other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	
2023	\$ 1,605,654
2024	1,526,124
2025	926,492
2026	<u>4,546,254</u>
	<u>\$ 8,604,524</u>

Actuarial Assumptions – 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 to 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 System was most recently issued for the period ending June 30, 2019.

The June 30, 2021, total pension liability, net pension liability, and sensitivity information were determined by and are based on an actuarial valuation as of July 1, 2020. The total pension liability was rolled forward from the valuation date to the plan's 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 FY 2021, the System 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 the South Carolina State Code.

Actuarial assumptions and methods used to calculate the total pension liability as of June 30, 2021, are as follows:

Actuarial cost method	Entry age normal
Inflation	2.25%
Salary increases	3.0% to 11.0% (varies by service and includes 2.25% inflation)
Benefit adjustments	lesser of 1% or \$500 annually
Investment rate of return	7.00% (includes 2.25% inflation)

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 System's mortality experience. The base rates are adjusted for future improvement in mortality using 80% of Scale UMP projected from the year 2020.

The long-term expected rate of return on pension plan investments is based upon the 20-year capital market assumptions. The long-term expected rates of return represent assumptions developed using an arithmetic building block approach, primarily based on consensus expectations and market-based inputs. Expected returns are net of investment fees. 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 then adding expected inflation and is summarized in the following table.

Allocation/Exposure	Target Allocation	Expected Arithmetic Real Rate of Return	Long-term Expected Portfolio Real Rate of Return
Public Equity	46%	6.87%	3.16%
Bonds	26%	0.27%	0.07%
Private Equity	9%	9.68%	0.87%
Private Debt	7%	5.47%	0.39%
Real Assets			
Real Estate	9%	6.01%	0.54%
Infrastructure	3%	5.08%	0.15%
Total Expected Real Return	<u>100%</u>		<u>5.18%</u>
Inflation for Actuarial Purposes			<u>2.25%</u>
			<u>7.43%</u>

For actuarial purposes, the 7% 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.

Discount Rate – The discount rate used to measure the total pension liability was 7%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS will be made based on actuarially determined rates based on the provisions of the South Carolina State Code of Laws. Based on those assumptions, the System's 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 of the Net Pension Liability to Changes in the Discount Rate – The following presents the County's proportionate share of the collective net pension liability calculated using the discount rate of 7%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1% lower (6%) or 1% higher (8%) than the current rate:

	1% Decrease (6%)	Discount Rate (7%)	1% Increase (8%)
County's proportionate share of the collective net pension liability	\$ 109,556,919	\$ 83,639,083	\$ 62,096,119

Pension Plan Fiduciary Net Position – Detailed information regarding the fiduciary net position of the plan, administered by PEBA, is available in the Systems' audited financial statements for the fiscal year ended June 30, 2021 (including the unmodified opinion on

the financial statements). Information about the fiduciary net position of the System and additions to/deductions from the system's fiduciary net position have been determined on the accrual basis of accounting. Additional actuarial information is available in the accounting and financial reporting actuarial valuation as of June 30, 2021. The additional information is publicly available on PEBA's Retirement Benefits website at www.peba.sc.gov.

B. South Carolina Police Officers Retirement System

Plan Description - The County, as the employer, participates in the South Carolina Police Officers Retirement System (PORS) Plan - a cost-sharing multiple-employer defined benefit pension plan administered and managed by the South Carolina Public Employee Benefit Authority (PEBA). PEBA is the state agency responsible for the administration and management of the various Retirement Systems and programs of the State of South Carolina. As such, PEBA is responsible for administering the South Carolina Retirement System's five defined benefit pension plans. PEBA issues a Comprehensive Annual Financial Report (Annual Report) containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The Annual Report is publicly available through PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223.

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 System and additions to/deductions from the System's fiduciary net position have been determined on the accrual basis of accounting as they are reported by the System in accordance with generally accepted accounting principles (GAAP).

Benefits Provided/Membership – PORS was established July 1, 1962, pursuant to the provisions of Section 9-11-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits for police officers and firefighters. PORS also covers peace officers, coroners, probate judges, and magistrate judges. 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. Benefit terms are prescribed in Title 9 of the South Carolina Code of Laws, and PEBA does not have the authority to establish or amend benefit terms without a legislative change in the Code of Laws.

To be eligible for PORS membership, an employee must be required by the terms of his employment, by election or appointment, to preserve public order, protect life and property, and detect crimes in the state; to prevent and control property destruction by fire; be a coroner in a full-time position; 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 PORS. Magistrates are required to participate in PORS for service as a magistrate. PORS members, other than magistrates and probate judges, must also earn at least \$2,000 per year and devote at least 1,600 hours per year to this work, unless exempted by statute. Key elements of the benefit calculation include the benefit multiplier, years of service, and average final compensation/current annual salary.

An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. 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.

An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member. 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.

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.

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, 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 the state statute. Legislation in 2017 increased, but also established a ceiling for, PORS employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.75% for PORS. The legislation also increased employer contribution rates beginning July 1, 2017, for PORS by two percentage

points and further scheduled employer contribution rates to increase by a minimum of one percentage point each year in accordance with state statute. However, the General Assembly postponed the one percent increase in the PORS employer contribution rate 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 the state statute, the System shall increase the employer contribution rates as necessary to meet the funding periods set for the applicable year. The maximum funding period of 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 System is prohibited from decreasing the PORS contribution rates until the funded ratio is at least 85%. If the most recent actuarial valuation of the System for funding purposes shows a ratio of the actuarial value of the system assets to the actuarial accrued liability of the system (the funded ratio) that is equal or greater than 85%, then the system, effective on the following July 1st, 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 system shows a funded ratio of less than 85%, then effective on the following July 1st, and annually thereafter as necessary, the system shall increase the contribution rates until a subsequent annual actuarial valuation of the system shows a funded ratio that is equal to or greater than 85%.

Contributions to the Plan from the County were \$5,816,123. For the year ended June 30, 2022, the governmental funds recognized a credit of \$259,475 within intergovernmental-state revenue. Similar to the year ended June 30, 2021, the County received the credit as a result of nonemployer contributions from the State of South Carolina. The General Assembly continued appropriating funds to offset a portion of the employer contribution rate that has been provided for most employers in the state retirement plan in previous years. The funds were sent directly to PEBA for the PORS trust fund.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions –
At June 30, 2022, the County reported a net pension liability of \$53,980,399 for its proportionate share of the collective net pension liability. The net pension liability was measured as of June 30, 2021. The total pension liability, net pension liability, and sensitivity information 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 plan's fiscal year end June 30, 2021, using generally accepted actuarial principles. The allocation of the County's proportion shares of the collective net pension liability and pension expense were calculated on the basis of the County's contributions actually remitted to the plan relative to the total contributions remitted to the plan for all participating employers, less employer contributions that are not representative of future contributions effort, as of June 30, 2021. Based upon this information, the County's proportion of the collective net pension liability is 2.098024%, an increase of .131044% since June 30, 2020, the prior measurement date.

For the year ended June 30, 2022, the County recognized pension expense of \$7,056,039. The County also recognized revenue of \$259,475 as a result of nonemployer contributions from the State of South Carolina. These funds, approved by the General Assembly to help offset a portion of the burden of increased employer contributions, were sent directly to PEBA for the PORS trust fund for the year ended June 30, 2021.

At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to the pension as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,836,367	\$ 168,114
Changes in assumptions	3,850,137	-
Net difference between projected and actual earnings on pension plan investments	-	12,102,162
Changes in proportion and differences between County contributions and proportionate share of contributions	3,454,334	27,424
County contributions subsequent to the measurement date	5,816,123	-
Total	<u>\$ 14,956,961</u>	<u>\$ 12,297,700</u>

\$5,816,123, reported as deferred outflows of resources related to pensions, resulted from County contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Any other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	
2023	\$ (607,981)
2024	(512,389)
2025	114,209
2026	4,163,023
	<u>\$ 3,156,862</u>

Actuarial Assumptions – Actuarial valuations of the plan involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision, as actual results are compared to 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 System was most recently issued for the period ending June 30, 2019.

The June 30, 2021, total pension liability, net pension liability, and sensitivity information was determined by and based on an actuarial valuation as of July 1, 2020. The total pension liability was rolled forward from the valuation date to the plan's 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 FY 2021, the System 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 the South Carolina State Code.

Actuarial assumptions and methods used to calculate the total pension liability as of June 30, 2021, are as follows:

Actuarial cost method	Entry age normal
Inflation	2.25%
Salary increases	3.5% to 10.5% (varies by service and includes 2.25% inflation)
Benefit adjustments	lesser of 1% or \$500 annually
Investment rate of return	7.00% (includes 2.25% inflation)

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

The long-term expected rate of return on pension plan investments is based upon the 20-year capital market assumptions. The long-term expected rates of return represent assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market-based inputs. Expected returns are net of investment fees. 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 then adding expected inflation and is summarized in the following table.

Allocation/Exposure	Target Allocation	Expected Arithmetic Real Rate of Return	Long-term Expected Portfolio Real Rate of Return
Public Equity	46%	6.87%	3.16%
Bonds	26%	0.27%	0.07%
Private Equity	9%	9.68%	0.87%
Private Debt	7%	5.47%	0.39%
Real Assets			
Real Estate	9%	6.01%	0.54%
Infrastructure	3%	5.08%	0.15%
Total Expected Real Return	<u>100%</u>		<u>5.18%</u>
Inflation for Actuarial Purposes			<u>2.25%</u>
			<u>7.43%</u>

For actuarial purposes, the 7% 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.

Discount Rate – The discount rate used to measure the total pension liability was 7%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in PORS will be made based on actuarially determined rates based on the provisions of the South Carolina State Code of Laws. Based on those assumptions, the System’s 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 of the Net Pension Liability to Changes in the Discount Rate – The following table presents the County’s proportionate share of the collective net pension liability calculated using the discount rate of 7%, as well as what the County’s net pension liability would be if it were calculated using a discount rate that is 1% lower (6%) or 1% higher (8%) than the current rate:

	1% Decrease (6%)	Discount Rate (7%)	1% Increase (8%)
County's proportionate share of the collective net pension liability	\$ 78,318,655	\$ 53,980,399	\$ 34,043,637

Pension Plan Fiduciary Net Position – Detailed information regarding the fiduciary net position of the plan, administered by PEBA, is available in the Systems’ audited financial statements for the fiscal year ended June 30, 2021 (including the unmodified opinion on the financial statements.) Information about the fiduciary net position of the System and additions to/deductions from the System’s fiduciary net position have been determined on the accrual basis of accounting. Additional actuarial information is available in the accounting and financial reporting actuarial valuation as of June 30, 2021. The additional information is publicly available on PEBA’s Retirement Benefits’ website at www.peba.sc.gov.

A reconciliation of pension-related amounts to the Government-wide Statement of Net Position is as follows:

	SCRS	PORS	Total
Deferred outflow of resources			
Deferred amounts related to pensions	\$ 14,655,919	\$ 14,956,961	\$ 29,612,880
Long-term liabilities			
Net pension liability	83,639,083	53,980,399	137,619,482
Deferred inflow of resources			
Deferred amounts related to pensions	16,049,711	12,297,700	28,347,411
Pension expense	4,707,792	7,056,039	11,763,831

NOTE 6 – CAPITAL ASSETS

A summary of changes in the capital assets during the year ended June 30, 2022 is as follows:

	Balance June 30, 2021	Additions	Deletions	Balance June 30, 2022
Capital assets not being depreciated:				
Land	\$ 20,193,896	-	-	20,193,896
Art Collections	902,534	-	-	902,534
Infrastructure	391,017,192	10,952,828	-	401,970,020
Construction in progress	31,280,401	55,128,919	(16,201,930)	70,207,390
Total capital assets not being depreciated	443,394,023	66,081,747	(16,201,930)	493,273,840
Capital assets, being depreciated:				
Buildings	74,518,390	13,216,499	(409,993)	87,324,896
Books & audiovisual materials	5,269,689	665,949	-	5,935,638
Improvements other than buildings	79,035,788	4,196,062	(37,587)	83,194,263
Furniture & equipment	94,537,819	11,054,228	(4,267,435)	101,324,612
Total capital assets being depreciated	253,361,686	29,132,739	(4,715,015)	277,779,410
Less accumulated depreciation for:				
Buildings	(56,152,497)	(1,940,671)	409,993	(57,683,175)
Books & audiovisual materials	(4,287,729)	(784,417)	-	(5,072,146)
Improvements other than buildings	(32,420,807)	(4,237,489)	(598)	(36,658,894)
Furniture & equipment	(61,843,627)	(8,876,182)	3,281,972	(67,437,837)
Total accumulated depreciation	(154,704,660)	(15,838,759)	3,691,367	(166,852,052)
Total capital assets being depreciated, net	98,657,026	13,293,980	(1,023,648)	110,927,358
Intangible right-to-use leased assets:				
Land	103,047	35,739	-	138,786
Equipment	362,127	-	-	362,127
Buildings	8,433,428	41,525	-	8,474,953
Communication Towers	1,198,179	-	-	1,198,179
	10,096,781	77,264	-	10,174,045
Less accumulated amortization	(1,288,015)	(1,158,270)	-	(2,446,285)
Net intangible right-to-use assets	8,808,766	(1,081,006)	-	7,727,760
Governmental activities capital assets, net	\$ 550,859,815	\$ 78,294,721	\$ (17,225,578)	\$ 611,928,958

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

Governmental activities:	
General government	\$ 1,931,472
Culture & recreation	2,860,358
Roads & bridges	787,990
Sanitation	1,912,948
Public safety	5,132,014
Judicial	72,150
Health & welfare	72,991
Community & economic development	7,705
Buildings	1,056,389
Library	2,004,741
Total depreciation expense - governmental activities	<u>\$ 15,838,758</u>

Capital asset outlay/depreciation reconciliation of the Statement of Revenues to the Statement of Activities:

Construction in progress:	
Additions	\$ 55,128,919
Deletions	(16,201,930)
Acquisitions:	
Infrastructure	10,952,828
Buildings	13,216,500
Books and audiovisual materials	665,949
Improvements other than buildings	4,196,154
Furniture & equipment	10,336,857
Right of use leased assets	77,264
Deletions:	
Depreciation charged to expense	(14,996,792)
Amortization charged to expense	(1,158,270)
Book value of assets disposed of (depreciated assets)	(803,018)
	<u>\$ 61,414,461</u>

NOTE 7 – LEASES

Financed Purchases

The County participates in master lease purchase agreements for the annual purchase of law enforcement vehicles. Outstanding balances as of June 30, 2022, are as follows:

\$584,000 master lease to Branch Bank and Trust for equipment payable in annual installments of principal and interest of \$155,681 through June 2023 at 2.58%; collateralized by equipment	\$ 151,713
\$2,788,156 master lease to Truist Bank for equipment payable in annual installments of principal and interest of \$728,590 through February 2024 at 1.78%; collateralized by equipment	1,418,871
\$1,665,666 master lease to Truist Bank for equipment payable in annual installments of principal and interest of \$424,789 through February 2025 at 0.79%; collateralized by equipment	1,254,216
\$2,014,000 master lease to Truist Bank for equipment payable in annual installments of principal and interest of \$522,777 through February 2026 at 1.52%; collateralized by equipment	2,014,000
	<u>4,838,800</u>
Less current portion	<u>(1,761,749)</u>
Long-term portion outstanding	<u>\$ 3,077,051</u>

Annual requirements to amortize all financed purchases outstanding as of June 30, 2022, are as follows:

Year Ending June 30	Principal	Interest	Totals
2023	1,761,749	70,088	1,831,837
2024	1,633,457	42,699	1,676,156
2025	928,644	18,922	947,566
2026	514,950	7,827	522,777
	<u>\$ 4,838,800</u>	<u>\$ 139,536</u>	<u>\$ 4,978,336</u>

The libraries have various master lease purchase agreements for computer hardware and software. The schedule of future minimum lease payments and net present value of the minimum lease payments are as follows:

Year Ending June 30	Principal	Interest	Totals
2023	88,862	14,903	103,765
2024	87,962	15,803	103,765
	<u>\$ 176,824</u>	<u>\$ 30,706</u>	<u>\$ 207,530</u>

The gross amount of capital assets recorded under financed purchases as of June 30, 2022 was \$18,725,680 and is included in Furniture and Equipment. These assets are depreciated over their useful lives and are included in depreciation expense (See Note 6.) Accumulated depreciation associated with these assets was \$14,432,773 as of June 30, 2022.

Leases with County as the Lessee

The County participates in the following lease agreements as lessee (refer to Note 6 for information about the Intangible Right-to-use Leased Assets):

Land

In January 2022, the County entered into a two-year lease agreement as lessee for the use of real property at 300 W. St. John Street. The agreement requires monthly principal and interest payments of \$1,500. Interest is calculated using the County's incremental borrowing rate of .7619%. The initial lease liability was recorded at \$35,739 and has an outstanding balance of \$25,356 as of June 30, 2022.

In June 2015, the County entered into a five-year lease agreement as lessee for the use of real property at 131 College Street. The lease included the option to renew for two additional five-year periods; the County has exercised the first renewal option and anticipates negotiating for one additional year in the second term. The agreement requires monthly principal and interest payments of \$750. Interest is calculated using the County's incremental borrowing rate of .7619%. The initial lease liability was recorded at \$41,999 as of the GASB 87 implementation date and has an outstanding balance of \$33,262 as of June 30, 2022.

In August 2021, the County entered into a five-year lease agreement as lessee for the use of real property known as parcel number 3-14-00-035.00. The agreement requires annual principal and interest payments of \$8,000, with an annual escalation clause equal to the County's CPI and growth calculation. Interest is calculated using the County's incremental borrowing rate of .7619%. The initial lease liability was recorded at \$43,504 as of the GASB 87 implementation date and has an outstanding balance of \$35,835 as of June 30, 2022.

Communication Tower Space

In July 2011, the County entered into a five-year lease agreement as lessee for the use of space on the Hobbysville Communication Tower. The lease included the option to renew for three additional five-year periods; the County anticipates exercising these renewal options. The agreement requires monthly principal and interest payments of \$2,220, with an annual 4% escalation clause. Interest is calculated using the County's incremental borrowing rate of .7619%. The initial lease liability was recorded at \$270,987 as of the GASB 87 implementation date and has an outstanding balance of \$246,407 as of June 30, 2022.

In July 2012, the County entered into a five-year lease agreement as lessee for the use of space on the communication tower at Hogback Mountain. The lease included the option to renew for five additional three-year periods; the County anticipates exercising these renewal options. The agreement requires monthly principal and interest payments of \$4,983, with an annual 4% escalation clause. Interest is calculated using the County's incremental borrowing rate of .7619%. The initial lease liability was recorded at \$768,368 as of the GASB 87 implementation date and has an outstanding balance of \$714,426 as of June 30, 2022.

In September 2000, the County entered into a five-year lease agreement as lessee for the use of space on the communication tower at Thicketty Mountain. The lease included the option to renew for four additional five-year consecutive periods; the County has exercised all of these renewal options. The agreement requires annual principal and interest payments of \$10,600, with an annual 4% escalation clause. Interest is calculated using the County's incremental borrowing rate of .7619%. The initial lease liability was recorded at \$44,152 as of the GASB 87 implementation date and has an outstanding balance of \$33,888 as of June 30, 2022.

Building Space

In March 2019, the County entered into a ten-year lease agreement as lessee for the use of building space at 145 N. Church Street. The agreement requires monthly principal and interest payments of \$17,959 with an annual 2.5% escalation clause and required \$231,237 in uncapitalized upfit costs to ready the space for use. Interest is calculated using the County's incremental borrowing rate of .7619%. The initial lease liability was recorded at \$1,817,970 as of the GASB 87 implementation date and has an outstanding balance of \$1,616,313 as of June 30, 2022.

In November 2020, the County entered into a ten-year lease agreement as lessee for the use of building space at 5844 Reidville Road. The lease includes the option to renew for one additional three-year period; the County anticipates exercising this renewal option. The agreement requires monthly principal and interest payments of \$2,750 beginning June 2022 with an annual 2.0% escalation clause. The lease includes a common area maintenance component which has been excluded from the lease liability and required a \$2,750 security deposit at inception and \$81,100 in upfit costs to ready the space for use. Interest is calculated using the County's incremental borrowing rate of .7619%. The initial lease liability was recorded at \$458,571 as of the GASB 87 implementation date and has an outstanding balance of \$458,571 as of June 30, 2022.

In October 2018, the County entered into a three-year lease agreement as lessee for the use of building space at 4224 Boiling Springs Highway. The agreement requires monthly principal and interest payments of \$1,075 with an annual increase of \$25 per month. The lease includes a common area maintenance component which has been excluded from the lease liability. Interest is calculated using the County's incremental borrowing rate of .7619%. The initial lease liability was recorded at \$31,958 as of the GASB 87 implementation date and has an outstanding balance of \$19,451 as of June 30, 2022.

In December 2010, the County entered into a twenty-year lease agreement as lessee for the use of building space at 630 Chesnee Highway. The lease includes the option to renew for two additional five-year periods and includes a common area maintenance component which has been excluded from the lease liability. The agreement requires monthly principal and interest payments of \$39,360 with a 15% escalation clause every five years. Interest is calculated using the County's incremental borrowing rate of .7619%. The initial lease liability was recorded at \$4,429,386 as of the GASB 87 implementation date and has an outstanding balance of \$3,990,804 as of June 30, 2022.

In April 2019, the County entered into a five-year lease agreement as lessee for the use of building space at 1000 N. Pine Street. The lease includes the option to renew for two additional one-year periods, which the County expects to exercise. The agreement requires monthly principal and interest payments of \$9,831. Interest is calculated using the County's incremental borrowing rate of .7619%. The initial lease liability was recorded at \$576,628 as of the GASB 87 implementation date and has an outstanding balance of \$463,046 as of June 30, 2022.

In June 2021, the County entered into a two-year lease agreement as lessee for the use of building space at 202 N. Petty Street. The agreement requires monthly principal and interest payments of \$1,750. Interest is calculated using the County's incremental borrowing rate of .7619%. The initial lease liability was recorded at \$41,525 as of the GASB 87 implementation date and has an outstanding balance of \$20,841 as of June 30, 2022.

The annual requirements to amortize all lease liabilities outstanding as of June 30, 2022 are as follows:

Year Ended June 30,	Principal	Interest	Total
2023	\$ 956,449	\$ 58,253	\$ 1,014,702
2024	936,368	50,989	987,357
2025	940,302	43,895	984,197
2026	1,014,938	36,733	1,051,671
2027	898,851	29,030	927,881
2028	916,715	22,182	938,897
2029	935,053	15,178	950,231
2030	691,294	8,074	699,368
2031	120,950	2,806	123,756
2032	126,048	1,884	127,932
2033	39,300	924	40,224
2034	40,404	624	41,028
2035	41,528	316	41,844
	<u>\$ 7,658,200</u>	<u>\$ 270,888</u>	<u>\$ 7,929,088</u>

Leases with County as the Lessor

The County participates in several agreements as lessor for the lease of space at County-owned communication towers. The County recorded deferred inflows during FY22 of \$350,240 from lease revenue and \$54,345 from interest earned.

In August 2019, the County entered into a five-year lease agreement as lessor for the use of space at communication towers owned by the County (Site ID: CR03AW123-A). The lease included the option to renew for 4 additional five-year periods; the County anticipates the lessee will exercise these renewal options. The agreement requires annual principal and interest payments of \$51,164, with an annual 4% escalation clause. Interest is calculated using the County's incremental borrowing rate of .7619%. The initial lease receivable was recorded at \$1,690,540 as of the GASB 87 implementation date and has an outstanding balance of \$1,652,256 as of June 30, 2022. A deferred inflow of resources was recorded for \$1,690,540 and is being amortized over the remaining life of the lease. The unamortized deferred inflow of resources as of June 30, 2022, was \$1,617,038 and had accumulated amortization of \$73,502.

In August 2019, the County entered into a five-year lease agreement as lessor for the use of space at communication towers owned by the County (Site ID: CR03AW062-A). The lease included the option to renew for 4 additional five-year periods; the County anticipates the lessee will exercise these renewal options. The agreement requires annual principal and interest payments of \$51,164, with an annual 4% escalation clause. Interest is calculated using the County's incremental borrowing rate of .7619%. The initial lease receivable was recorded at \$1,690,540 as of the GASB 87 implementation date and has an outstanding balance of \$1,652,256 as of June 30, 2022. A deferred inflow of resources was recorded for \$1,690,540 and is being amortized over the remaining life of the lease. The unamortized deferred inflow of resources as of June 30, 2022, was \$1,617,038 and had accumulated amortization of \$73,502.

In December 2019, the County entered into a five-year lease agreement as lessor for the use of space at communication towers owned by the County (Site ID: CR72XC129-A). The lease included the option to renew for 4 additional five-year periods; the County anticipates the lessee will exercise these renewal options. The agreement requires annual principal and interest payments of \$54,007, with an annual 4% escalation clause. Interest is calculated using the County's incremental borrowing rate of .7619%. The initial lease receivable was recorded at \$1,784,455 as of the GASB 87 implementation date and has an outstanding balance of \$1,744,044 as of June 30, 2022. A deferred inflow of resources was recorded for \$1,784,455 and is being amortized over the remaining life of the lease. The unamortized deferred inflow of resources as of June 30, 2022, was \$1,706,870 and had accumulated amortization of \$77,585.

In December 2019, the County entered into a five-year lease agreement as lessor for the use of space at communication towers owned by the County (Site ID: 8GV0178A). The lease included the option to renew for 4 additional five-year periods; the County anticipates the lessee will exercise these renewal options. The agreement requires annual principal and interest payments of \$53,723, with an annual 4% escalation clause. Interest is calculated using the County's incremental borrowing rate of .7619%. The initial lease receivable was recorded at \$1,668,132 as of the GASB 87 implementation date and has an outstanding balance of \$1,627,119 as of June 30, 2022. A deferred inflow of resources was recorded for \$1,668,132 and is being amortized over the remaining life of the lease. The unamortized deferred inflow of resources as of June 30, 2022, was \$1,592,308 and had accumulated amortization of \$75,824.

The County entered into a lease agreement as lessor for the use of space at communication towers owned by the County (Site ID: 177-017). The current lease term expires on June 30, 2027. The agreement requires annual principal and interest payments of \$25,719,

with an annual 2.5% escalation clause. Interest is calculated using the County's incremental borrowing rate of .7619%. The initial lease receivable was recorded at \$159,906 as of the GASB 87 implementation date and has an outstanding balance of \$135,405 as of June 30, 2022. A deferred inflow of resources was recorded for \$159,906 and is being amortized over the remaining life of the lease. The unamortized deferred inflow of resources as of June 30, 2022, was \$133,255 and had accumulated amortization of \$26,651.

The County entered into a lease agreement as lessor for the use of space at communication towers owned by the County (Site ID: 177-253). The current lease term expires on May 31, 2027. The agreement requires annual principal and interest payments of \$22,366, with an annual 2.5% escalation clause. Interest is calculated using the County's incremental borrowing rate of .7619%. The initial lease receivable was recorded at \$139,057 as of the GASB 87 implementation date and has an outstanding balance of \$117,751 as of June 30, 2022. A deferred inflow of resources was recorded for \$139,057 and is being amortized over the remaining life of the lease. The unamortized deferred inflow of resources as of June 30, 2022, was \$115,881 and had accumulated amortization of \$23,176.

Leases with Library as the Lessee

The Library leases various computer hardware and software. The Library determines whether a contract contains a lease at inception by determining if the contract conveys the right to control the use of identified property, plant, or equipment for a period of time in exchange for consideration.

Right-to-use assets and lease liabilities are recognized at the commencement date based on the present value of the future minimum lease payments over the lease term. Renewal and termination clauses that are factored into the determination of the lease term if it is reasonably certain that these options would be exercised by the Library. Lease assets are amortized over the lease term. In order to determine the present value of lease payments, the Library uses the implicit rate when it is readily determinable.

The Library's lease agreements do not contain any material residual value guarantees or material restrictive covenants. The Library does not have leases where it is involved with the construction or design of an underlying asset.

The following is a schedule summarizing the leasing terms for lease agreements held by the Library at June 30, 2022:

	Year <u>Commenced</u>	Length <u>of Lease</u>	Interest <u>Rates</u>	Lease <u>Liability</u>
Computers lease	2019	37 months	5.37%	15,826
Computers lease	2021	37 months	5.04%	23,394
Computers lease	2022	37 months	5.36%	9,571

The annual requirements to amortize all lease liabilities outstanding for the Library as of June 30, 2022 are as follows:

Year Ended June 30,	Principal	Interest	Total
2023	\$ 33,230	\$ 1,570	\$ 34,800
2024	11,827	383	\$ 12,210
2025	3,734	115	\$ 3,849
	<u>\$ 48,791</u>	<u>\$ 2,068</u>	<u>\$ 50,859</u>

NOTE 8 – LONG-TERM DEBT

General Obligation Bonds

General Obligation Bonds at June 30, 2022 are comprised of the following bond issues:

Description of Issue	Original Issue Amount	Date of Issue	Date of Maturity	Interest Rate	Outstanding June 30, 2022
GENERAL OBLIGATION BONDS					
Road Projects GO Bonds	\$ 30,230,000	09/22/21	04/01/31	0.76%	\$ 27,630,000
Detention Facility GO Bonds	9,995,000	04/15/21	04/01/31	0.87%	8,795,000
Road Projects GO Bonds	16,030,000	02/05/20	04/01/29	1.09%	7,805,000
Library & Public Improvement GO Bonds	14,165,000	02/26/19	04/01/38	2.85%	10,590,000
Refunding of GO Bonds	12,725,000	12/15/15	04/01/29	1.96%	4,410,000
Duncan Fire Service Bonds	2,250,000	09/10/14	11/01/29	2.66%	1,322,725
Total	\$ 85,395,000				\$ 60,552,725

The South Carolina constitution permits the County to incur general obligation (general purpose) bonded indebtedness not to exceed eight percent of the assessed value of taxable property in the County. At June 30, 2022, the County was in compliance with this requirement. Further, the general obligation bonds are supported by the full faith, credit, and taxing power of the County.

The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2022 are as follows:

Year Ended June 30,	Principal	Interest	Total
2023	\$ 6,607,629	\$ 1,989,495	\$ 8,597,124
2024	6,232,263	1,791,829	8,024,092
2025	6,147,033	1,600,238	7,747,271
2026	6,242,100	1,408,742	7,650,842
2027	6,602,400	1,214,529	7,816,929
2028	6,718,000	983,563	7,701,563
2029	6,628,700	748,139	7,376,839
2030	5,129,600	514,303	5,643,903
2031	5,090,000	338,119	5,428,119
2032	665,000	158,619	823,619
2033	685,000	138,669	823,669
2034	710,000	118,119	828,119
2035	735,000	96,819	831,819
2036	760,000	74,769	834,769
2037	785,000	51,019	836,019
2038	815,000	26,487	841,487
	\$ 60,552,725	\$ 11,253,458	\$ 71,806,183

The \$2,250,000 Spartanburg County South Carolina General Obligation Bonds (Duncan Fire Service Area) are general obligation bonds of the County. While they are general obligations, the County anticipates the full debt service will be paid by an ad valorem tax on all taxable property in the Duncan Fire Service Area. In the unanticipated event the debt service funds do not have sufficient revenues, bondholders will be paid from general fund revenues.

Certificates of Participation

Description of Issue	Original Issue Amount	Date of Issue	Date of Maturity	Interest Rate	Outstanding June 30, 2022
COPS Refunding	\$ 10,695,000	05/24/16	04/01/30	2.28%	\$ 8,180,000

The annual requirements to amortize all COPS revenue bonds outstanding as of June 30, 2022 are as follows:

Year Ended June 30,	Principal	Interest	Total
2023	890,000	327,200	1,217,200
2024	925,000	291,600	1,216,600
2025	965,000	254,600	1,219,600
2026	995,000	216,000	1,211,000
2027	1,035,000	176,200	1,211,200
2028	1,080,000	134,800	1,214,800
2029	1,125,000	91,600	1,216,600
2030	1,165,000	46,600	1,211,600
	<u>\$ 8,180,000</u>	<u>\$ 1,538,600</u>	<u>\$ 9,718,600</u>

The following provides information with respect to the original sale and delivery of \$18,940,000 Spartanburg County Tourism Public Facilities Corporation Certificates of Participation, Series 2009 evidencing proportionate undivided interests of the registered owners thereof in the right to receive payments of certain rental payments to be made by Spartanburg County, South Carolina (the **“County”**), a body politic and corporate and a political subdivision of the State of South Carolina, under the terms of a Lease Agreement dated as of October 1, 2009, between the Spartanburg County Tourism Public Facilities Corporation, a South Carolina non-profit corporation (the **“Corporation”**), as lessor, and the County, as lessee (the **“Lease”**).

The Series 2009 Certificates were issued to provide funds to be used by the County (i) to acquire, construct, and equip various tourism-related capital improvement projects (ii) fund the Reserve Fund for the Series 2009 Certificates at the Reserve Requirement, and (iii) pay costs of issuance of the Series 2009 Certificates.

Pursuant to a Ground Lease Agreement dated as of October 1, 2009 between the County, as landlord, and the Corporation, as tenant, the Corporation has leased from the County certain parcels of real property and improvements now existing or hereafter to be constructed, which constitute a portion of the 2009 Projects. Pursuant to a Trust Agreement dated as of October 1, 2009, between the Corporation and U.S. Bank National Association, as trustee, the Corporation assigned all of its right, title, and interest in the Lease (except rights to receive certain notices and to reimbursement for certain expenses) to the Trustee for the benefit of the Registered Owners of proportionate undivided interests in the right to receive revenues under the Lease represented by the Certificates issued under the Trust Agreement, including the Series 2009 Certificates.

On May 14, 2016, the County issued \$10,695,000 Hospitality Tax Refunding Certificates, Series 2016 that were used to (1) advance refund and defease outstanding Series 2009 Certificates of Participation, (2) fund the applicable debt service reserve fund, and (3) pay related costs of issuance. Additionally, a First Supplement to Lease Agreement was added to the Original Ground Lease Agreement between the County and the Corporation. The original Trust Agreement dated October 1, 2009, was supplemented with the First Supplement to Trust Agreement.

The County is not a party to the Trust Agreement of the Series 2016 Certificates. Pursuant to the terms of the Lease, the Corporation has leased the Facilities back to the County in consideration for the County’s payment of the Base Rent, Additional Rent, and other agreements as described therein. Pursuant to the lease, the Corporation advanced a portion of the proceeds of the Series 2009 Certificates to the County to pay the costs of acquisition, construction, and equipping of the Hospitality Tax projects.

The Base Rent scheduled to be paid by the County under the Lease consists of amounts designated as principal components and interest components. The Base Rent and the division and allocation thereof is designed to provide for the timely payment of such amounts assuming, but subject to, continuing lawful appropriations thereof by the County Council of the County.

The Lease is subject to automatic annual renewals, with the final renewal term ending on April 1, 2030, subject to nonappropriation. If the County does not appropriate sufficient funds to make all payments required under the Lease for an upcoming fiscal year, the County is required to surrender possession of the facilities to the Corporation and all payment obligations of the County under the Lease, including payment of base rent, shall terminate.

The County has covenanted in the Lease that all hospitality taxes received by it will be deposited into a special fund held by the County separate from all other funds held by the County. Subject to an event of nonappropriation, the County has covenanted that so long as the Series 2016 Certificates are outstanding, the County will, to the extent it makes annual appropriations of hospitality taxes, appropriate *first* to pay base rent, *second* to pay additional rent, and *third* to any other lawful purposes. Pursuant to the Lease, in all

events, the County is only obligated to pay Lease rentals from the hospitality tax or any other authorized sources and only then upon a valid appropriation by the County Council from the hospitality tax or such authorized sources to pay the same. Upon the occurrence of any event of nonappropriation, pursuant to the Lease, all covenants of the County under the Lease shall terminate.

The Hospitality Tax Refunding Certificates, Series 2016 is not a debt of the County, however, as the Corporation is blended with the operations of the County, the debt of the Corporation is included with the County's other obligations as required by generally accepted accounting principles.

Revenue Bonds

The County issued bonds where the government pledges income derived from the acquired or constructed assets to pay debt service. The revenue bonds were issued for Solid Waste/Landfill projects.

<u>Description of Issue</u>	<u>Original Issue Amount</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Outstanding June 30, 2022</u>
Solid Waste Refunding	\$ 8,670,000	05/31/16	04/01/29	1.98%	\$ 6,390,000

The annual requirements to amortize all revenue bonds outstanding as of June 30, 2022 are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	810,000	255,600	1,065,600
2024	840,000	223,200	1,063,200
2025	875,000	189,600	1,064,600
2026	910,000	154,600	1,064,600
2027	945,000	118,200	1,063,200
2028	985,000	80,400	1,065,400
2029	1,025,000	41,000	1,066,000
	<u>\$ 6,390,000</u>	<u>\$ 1,062,600</u>	<u>\$ 7,452,600</u>

Prior Year Defeasance of Debt

In prior years, advance refundings resulted in book losses that are being amortized over the remaining life of the either the bonds that were defeased or the refunded bonds, whichever had the shortest remaining life. The unamortized loss at June 30, 2022, is shown as a deferred outflow of resources on the Statement of Net Position. Amortization expense of \$164,927 has been included in interest expense for the year ended June 30, 2022.

Summary

The following is a summary of the changes in long-term debt for the year ended June 30, 2022:

	<u>Balance June 30, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2022</u>	<u>Due Within One Year</u>
General obligation bonds	\$ 36,970,856	\$ 30,230,000	\$ (6,648,131)	\$ 60,552,725	\$ 6,607,629
COPS Refunding	9,040,000	-	(860,000)	\$ 8,180,000	890,000
Special Revenue Refunding	7,175,000	-	(785,000)	\$ 6,390,000	810,000
Compensated absences	7,462,883	735,604	(519,371)	\$ 7,679,116	1,231,314
Landfill closure liability	18,550,000	1,364,201	(167,376)	\$ 19,746,825	455,000
Lease liability	8,483,523	213,262	(989,794)	\$ 7,706,991	989,679
Financed purchase agreements	4,721,409	2,014,000	(1,719,785)	\$ 5,015,624	1,850,611
Unamortized premium	4,626,672	4,717,777	(948,483)	\$ 8,395,966	1,040,096
	<u>\$ 97,030,343</u>	<u>\$ 39,274,844</u>	<u>\$ (12,637,940)</u>	<u>\$ 123,667,247</u>	<u>\$ 13,874,329</u>

Long-term liability reconciling item details: (Does not include Internal Service Funds accrued compensated absences - \$220,538)
Compensated absences are covered by all funds containing employees – General, Special Revenue, Solid Waste, Capital Projects, and other Funds.

Description	Amount
General obligation bonds	\$ 60,552,725
COPS refunding	8,180,000
Special revenue refunding	6,390,000
Compensated absences	7,458,578
Landfill closure liability	19,746,825
Lease liability	7,706,991
Financed purchase agreements	5,015,624
Unamortized premium	8,395,966
	<u>\$ 123,446,709</u>

The County incurred \$2,395,406 in interest cost for leases, financed purchase agreements and long-term debt obligations during FY 2022. This cost was charged to interest expense.

NOTE 9 – INTERFUND RECEIVABLES , PAYABLES, ADVANCES AND TRANSFERS

Interfund Receivables and Payables

The interfund balances as of June 30, 2022, are as follows:

	Receivable	Payable
General Fund	\$ 944,628	\$ -
Victim Assistance	-	(9,547)
Upstate Workforce Board	-	(642,724)
Industrial Development	-	(93,748)
Internal Service Funds:		
Fleet Services	-	(198,609)
	<u>\$ 944,628</u>	<u>\$ (944,628)</u>

The outstanding balances between funds result mainly from the time lag between the dates that 1) interfund goods or services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payment between funds are made.

Advances To and From Other Funds

Effective July 1, 2019, the Woodruff Community Fire Service Area merged with Trinity Fire Department, a County-owned department, and all assets, debt, and tax millage belonging to Woodruff Fire were absorbed by the County. Woodruff Fire had \$1,180,000 in outstanding General Obligation Bonds payable from their Series 2009 issue for the Woodruff Community Fire Service Area Project. On September 1, 2019, Spartanburg County elected to exercise its option to call for redemption the outstanding balance of \$1,180,000 plus interest. The County has recorded an Advance from Other Funds in the Fire Department fund in the amount of \$1,199,219 (\$1,180,000 principal plus \$19,219 interest), along with a corresponding Advance to Other Funds in the Debt Service Fund. A promissory note was executed on September 1, 2019, with annual installments of principal and interest at 2.07% due to the County over a period of 10 years, with the first installment payable on July 1, 2022.

Transfers

Transfers between funds as of June 30, 2022, are as follows:

	Transfers In	Transfers Out
General Fund	\$ -	\$ 27,478,848
Solid Waste Management	-	4,809,436
Special Revenue	1,777,925	-
Community Development	69,669	-
Nonmajor Special Revenue Funds:		
Parks	2,530,000	1,341,000
Hospitality Tax	-	4,668,000
Storm Water Management	-	119,293
Methane	-	250,000
Detention	15,429,261	-
911 Phone System	-	460,969
Victim Assistance	237,422	-
Fire Department	-	770,937
Public Defender 7th Circuit	1,375,051	-
Library	-	774,218
Debt Service Fund	3,067,022	41,659
Capital Projects Fund	15,757,005	-
Internal Service Funds:		
Insurance	471,005	-
	<u>\$ 40,714,360</u>	<u>\$ 40,714,360</u>

Transfers are used to move restricted and unrestricted resources collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorization.

NOTE 10 – CONTRACTS AND COMMITMENTS

Contracts – The County has entered into the following contracts for provision of services:

- Various rural fire departments and municipal fire departments contracted to provide fire protection services for the service areas in Special Fire Districts Fund. The terms of the contracts are for one year which expire June 30 of each year. The costs of services are based on the amount of fees assessed by the districts and collected by the County Treasurer in the form of property taxes.
- Spartanburg Regional Medical Center is contracted to operate emergency medical services and a public transportation project. The terms of the contracts require that the County reimburse the hospital for all costs related to these programs.

Construction Contracts – Outstanding commitments at June 30, 2022 totaled \$70,770,287 on contracts amounting to \$112,217,424 for construction maintenance projects.

Vendor	Purpose	Contract Amount	Outstanding Balance
Turner Construction	50% CD Courthouse	\$ 105,228,415	\$ 68,331,658
Turner Construction	Emergency Operations Center	5,762,294	1,742,403
N/S Carolina Storage Systems, Inc.	Aquastore Glass Fused Leachate Storage Tank	553,912	443,130
Vulcan Materials Company	Vulcan 2021 Soil Haul	315,000	33,952
Civil & Environmental Consultants, Inc.	Ph. VII Cell 1B Construction Docs and Leachate Tank Design	168,788	64,219
MP Services LLC	Pacolet Concessions Restroom Upfit	136,500	136,500
Civil & Environmental Consultants, Inc.	2020 LFG Phasing Plan and Master Plan	27,625	18,321
Civil & Environmental Consultants, Inc.	Leachate Pretreatment Evaluation	24,890	105
		<u>\$ 112,217,424</u>	<u>\$ 70,770,287</u>

NOTE 11 – POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (OPEB)

Plan Description – Spartanburg County – The County’s single-employer defined benefit OPEB plan (the plan), provides eligible retirees certain postretirement healthcare benefits. The plan provides medical and dental insurance coverage through the South Carolina Public Employee Benefit Authority (PEBA) health plan and is administered by the County. Participants must be eligible to retire under the South Carolina Retirement Systems (SCRS and PORS) and have worked for a minimum of five consecutive years in a full-time

permanent position with the County to receive continued health insurance coverage. Retirees under the age of 65 that retired before July 1, 2000 (Group 1) are waived the retiree single coverage premium while spouses pay the same premiums as active employees paid at the time of the retiree's retirement. Retirees under the age of 65 that retired between July 1, 2000, and October 1, 2002 (Group 2) are eligible for discounted premiums that vary depending on years of service. Retirees under the age of 65 that retired after October 1, 2002 (Group 3) are eligible for discounted premiums. The County ceases healthcare coverage when a retiree becomes eligible for Medicare coverage. However, beginning January 1, 2015, the Medicare Advantage Plan previously available to retirees was discontinued, so the County offers a \$350 per month contribution to a Retiree Health Reimbursement Account (RHRA) for those individuals that previously participated in the Medicare Advantage Plan. Future post-retirees will be offered the same \$350 monthly RHRA contribution. As of January 1, 2014, existing retirees receive life insurance coverage equal to one times their salary at the time of retirement. This benefit is not offered for individuals retiring after January 1, 2014. The County, upon majority vote of the elected seven-member County Council, has the authority to establish and amend benefit provisions. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75. Because the plan consists solely of the County's firm commitment to provide OPEB through the payment of premiums ("pay as you go") to the SC PEBA state health plan, no stand-alone financial report is either available or generated.

Plan Description – Library – Covered employees who retire from the Library's service prior to July 1, 2011, and are receiving benefits under the SCRS are eligible to continue under the group dental, health, and life insurance program until they reach the age of 65 or become eligible for other health insurance if the employee has a minimum of 10 years continuous service and is at least 55 years of age or has a minimum of 10 years continuous service and is eligible for full retirement benefits under the SCRS.

Effective July 1, 2011, covered employees who retire from the Library's service and begin receiving benefits under the SCRS are eligible to continue under the group dental, health, and life insurance program until they reach the age of 65 or become eligible for other health insurance if the employee has a minimum of 20 years of continuous service and is at least 62 years of age or the employee has a minimum of 20 years of continuous service and has reached eligibility for full retirement benefits with the System.

All employees hired after July 1, 2010, will not be eligible to receive retiree insurance benefits. They may not remain on the Library's health, life, dental, or Medicare Supplement plans during retirement.

For employees who retired before July 1, 2011, insurance premiums are pro-rated according to the number of years in continuous service. The Library pays cost of coverage for these benefits under the following scale:

10 - 14 years of continuous service	50%
15 - 19 years of continuous service	75%
20 or more years of continuous service	100%

Effective October 1, 2010, all employees retiring with 20 or more years of continuous service will pay the Active Employee rate for health insurance, and the Library will pay the employer's portion of the premium. Retirees may purchase coverage for their dependents at the Library's group rates provided the dependent was covered under the plan for ten continuous years prior to the employee's retirement.

A retiree aged 65 or older, who is eligible for Medicare, will have the option of participating in the Library's Medicare Supplement Plan. The retiree pays the full amount of the Medicare supplement.

Plan Participants - The following table provides a summary of the number of participants in the plan as of June 30, 2021, the date of the last actuarial valuation:

	Total	Primary Government	Library
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	475	470	5
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	-	-	-
Active Plan Members	1,329	1,285	44
Total Plan Members	1,804	1,755	49

Contributions – The County, including the Library, has elected to fund the OPEB plan on a "pay as you go" basis. Plan members under 65, once retired, contribute to the plan based on insurance coverage elected. The County and Library paid \$3,409,241 and \$55,711, respectively, for a total of \$3,464,952 for benefits for the OPEB plan for the year ended June 30, 2022.

Total OPEB Liability – The County’s total OPEB liability of \$103,934,359 was measured as of June 30, 2021, and was determined by an actuarial valuation as of June 30, 2021. The Library’s total OPEB liability is \$1,499,417, was measured as of June 30, 2021, and was determined by an actuarial valuation as of June 30, 2021.

Actuarial Assumptions and Other Inputs – The County’s total OPEB liability in the June 30, 2021 actuarial valuation was determined by using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date:	June 30, 2021
Actuarial Cost Method:	Individual Entry – Age Normal
Discount Rate:	1.92% as of June 30, 2021
Inflation:	2.25%
Salary Increases:	3.00% to 9.50% for SCRS and 3.50% to 10.50% for PORS, including inflation
Demographic Assumptions:	Based on the experience study covering the five-year period ending June 30, 2019, as conducted for the South Carolina Retirement System (SCRS).
Mortality:	For healthy retirees, the gender-distinct South Carolina Retirees 2020 Mortality Tables are used with the following multipliers applied to the base tables: 97% for male SCRS members, 107% for female SCRS members, 127% for male PORS members, and 107% for female PORS members. The rates are projected on a fully generational basis using 80% of the ultimate rates of Scale MP-2019 to account for future mortality improvements.
Health Care Trend Rates:	Initial rate of 6.00% (6.75% for Library) declining to an ultimate rate of 4.00% after 14 years (12 years for Library.)
Participation Rates:	90% (100% for Library retirees who are eligible for funded premiums) for eligible employees who retire before age 65; 100% for eligible employees who retire at the age of 65 or later.
Notes:	The discount rate changed from 2.45% as of June 30, 2020 to 1.92% as of June 30, 2021. The healthcare trend rates were reset to better reflect the plan's anticipated experience the demographic assumptions were updated to reflect the 2020 SCRS Experience Study, and the methodology for determining service cost has changed for the Library. Additionally, the period of service used for the allocation of service costs was changed to only reflect service with Spartanburg County.

The discount rate was based on the Fidelity “20-Year Municipal GO AA Index” as of June 30, 2021.

Changes in the Total OPEB Liability – The changes in the OPEB liability are as follows for the year ending June 30, 2021:

	Total	Primary Government	Library
Service cost	\$ 4,990,603	\$ 4,945,447	\$ 45,156
Interest on the total OPEB liability	2,535,220	2,503,660	31,560
Changes of benefit terms	-	-	-
Difference between expected and actual experience of the total OPEB liability	1,403,868	1,299,293	104,575
Changes of assumptions	(2,772,915)	(2,848,175)	75,260
Benefit payments	(3,412,136)	(3,366,672)	(45,464)
Net change in total OPEB liability	2,744,640	2,533,553	211,087
Total OPEB liability – beginning	102,689,136	101,400,806	1,288,330
Total OPEB liability – ending	\$105,433,776	\$103,934,359	\$1,499,417
Covered-employee payroll	\$ 72,039,760	\$ 69,759,048	\$ 2,280,712
Total OPEB liability as a percentage of covered-employee payroll	146.35%	148.99%	65.74%

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate or the Discount Rate Assumption – The following presents the County's total OPEB liability calculated using a discount rate of 1.92%, as well as what the plan's total OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

	1% Decrease 0.92%	Current Discount Rate Assumption 1.92%	1% Increase 2.92%
Primary Government	\$ 115,126,606	\$ 103,934,359	\$ 94,466,514
Library	\$ 1,652,535	\$ 1,499,417	\$ 1,358,719

Sensitivity of the Total OPEB Liability to the Healthcare Cost Trend Rate Assumption – The following presents the County's total OPEB liability, calculated using the assumed trend rates as well as what the plan's total OPEB liability would be if it were calculated using a trend rate that is 1% lower or 1% higher than the current discount rate:

	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
Primary Government	\$ 96,758,636	\$ 103,934,359	\$ 112,519,768
Library	\$ 1,321,602	\$ 1,499,417	\$ 1,709,123

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – For the year ended June 30, 2022, the County recognized OPEB expense of \$7,688,455. At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,565,158	\$ 2,118,016
Changes in assumptions	8,862,877	5,143,094
Contributions subsequent to the measurement date	3,409,241	-
Total	\$ 13,837,276	\$ 7,261,110

The \$3,409,241 reported as deferred outflows of resources related to OPEB in 2022 resulted from County contributions subsequent to the measurement date and will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2023. Any other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense for the years ended June 30, as follows:

	Net Deferred Outflows/(Inflows)
2023	\$ 239,348
2024	239,348
2025	252,017
2026	1,036,354
2027	985,156
Thereafter	414,702
Total	\$ 3,166,925

For the year ended June 30, 2022, the Library recognized OPEB expense of \$56,125. At June 30, 2022, the Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 116,482	\$ 164,593
Changes in assumptions	143,047	28,335
Contributions subsequent to the measurement date	55,711	-
Total	<u>\$ 315,240</u>	<u>\$ 192,928</u>

The \$55,711 reported as deferred outflows of resources related to OPEB in 2022 resulted from Library contributions subsequent to the measurement date and will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2023. Any other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense for the years ended June 30, as follows:

	Net Deferred Outflows/(Inflows)
2023	(20,591)
2024	(16,714)
2025	(2,235)
2026	41,386
2027	23,016
Thereafter	41,739
Total	<u>\$ 66,601</u>

NOTE 12 – DEFERRED COMPENSATION PLANS

Several optional deferred compensation plans are available to the County's employees. The multiple-employer plans, created under Internal Revenue Code Sections 457, 401(k), and 403(b) are accounted for by the State of South Carolina. Employees may withdraw the current value of their contributions when they terminate employment. With approval of the State's Deferred Compensation Commission, employees may also withdraw the current value of their contributions prior to termination of employment if they meet certain requirements. These requirements differ among the three plans. Compensation deferred under the Section 457, 401(k) and 403(b) plans is placed in trust for the contributing employees. Neither the State nor the County has any liability for losses under the plans.

NOTE 13 – 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; injury to employees; and natural disasters. The County maintains commercial insurance coverage covering each of those risks of loss. The County participates in certain state-wide funds for the purchase of workers compensation insurance and liability insurance. The County's primary risk with regard to these funds is only for the annual premiums. However, the County does bear a secondary risk if the funds were to default due to either a wide-spread increase in claim experience or mismanagement of the funds' assets. If this event were to occur, the County, along with all other participants in the funds, would be charged additional assessments. Management believes such coverage is sufficient to preclude any significant uninsured losses to the County. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

Description of coverage	FY21	FY22
Unemployment claims:		
Unpaid claims at beginning of year	30,895	230
Claims incurred & paid (net)	(30,665)	500
Unpaid claims at year end	230	730

NOTE 14 – CONTINGENT LIABILITIES

The County participates in a number of federally assisted grant programs. These programs were subjected to financial and compliance audits of major program requirements under Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance), the results of which are published in a supplementary

report. The supplementary report may include certain findings of noncompliance which will be reviewed by the "cognizant" federal agency at some future date. The amount, if any, of 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.

The federal government has a lien on all capital assets acquired with federal funds. The lien remains in effect until the assets are considered fully depreciated.

The County is named as a defendant in various lawsuits presently pending. The outcome of these lawsuits is not presently determinable. In the opinion of the County's legal counsel, an estimate of possible loss for the resolution of these matters cannot be made. A tort liability insurance policy is maintained by the County with the State Fiscal Accountability Authority for losses up to \$1,000,000 per occurrence. Liability limits in excess of \$600,000 per occurrence shall apply only in actions or claims to which Chapter 78 of the South Carolina Code of Laws does not apply. There are a few cases where an unfavorable outcome could result in amounts not covered by insurance or liability caps; however, the amount of potential loss from these cases is unknown as of the date of this report and, therefore, contingent liabilities have not been recorded in these statements for these cases.

NOTE 15 – INDUSTRIAL REVENUE BONDS

Industrial Revenue Bonds are issued 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, such 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. Neither Spartanburg County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. No Industrial Revenue Bonds were approved by the County in fiscal year 2022.

NOTE 16 – TAX ABATEMENTS

The County utilizes an economic development program to attract businesses and industry to the County for the purposes of expanding and diversifying the local economy and creating jobs. This is the only program under which taxes are abated at the County. South Carolina law allows two primary mechanisms that the County may employ in order to improve its ability to compete with other jurisdictions, both in-state and out-of-state, and incentivize new or additional investment in the County. These mechanisms effectively allow the County to reduce the amount of ad valorem property taxes that will be paid on new business investments. These two mechanisms include: Fee in Lieu of Tax (FILOT) agreements and Special Source Revenue Credits (SSRC).

While these two mechanisms do not totally level the playing field, they do position the County to allow its other attributes, geographic location, labor quality, etc. to be better evaluated in a company's decision process. These two mechanisms are key in making Spartanburg County competitive with our neighboring states for quality economic development projects.

Fee in Lieu of Tax (FILOT)

Under this mechanism, the County, through passage of an ordinance, may choose to reduce the taxes paid by the company if certain investment and job creation thresholds are met as statutorily required and agreed upon by the parties. Four types of FILOT agreements may be entered into; however, the applicable statutory thresholds must be met. The types of FILOT agreements are as follows:

- Simple Fee – authorized by Chapter 44 of Title 12 of S.C. Code of Laws. Minimum new investment to qualify for incentives is \$2.5 million, subject to other conditions.
- Little Fee – authorized by Chapter 12 of Title 4 of S.C. Code of Laws. Minimum new investment to qualify for incentives is \$2.5 million, subject to other conditions.
- Big Fee – authorized by S.C. Code § 4-29-67. Minimum new investment to qualify for incentives is \$45 million, subject to other conditions.
- Enhanced Fee – authorized by Chapter 44 of Title 12 of S.C. Code of Laws. Minimum new investment to qualify for incentives is \$400 million or \$150 million with at least 125 new full-time jobs.

FILOT agreements reduce the assessment ratio of property, determine the millage rate, investment period, investment amount, job creation levels, and in some cases determine the amount to be paid by the company. As of June 30, 2021, County taxes abated under FILOT agreements totaled \$22,963,425. This includes the proportionate values for all County operating levies and County-set levies to include fire service areas.

The failure of the company to meet the required investment and job creation thresholds could result in the discontinuation of the FILOT agreement. Depending on the terms of the agreement, a failure may also result in the payment of additional taxes for prior years. The terms of the agreement also provide whether the SSRC is reduced and if so, by how much if investment levels are not met.

Special Source Revenue Credits (SSRC)

S.C. Code § 4-1-175 and § 4-29-68 allow the County, as part of its economic development program, to offer property tax reductions through a SSRC provided, however, that the property is located within a multi-county industrial park. The statutes authorize the County to offer credit to the company against annual park FILOT payments as identified by either a specified percentage or dollar amount for a specified number of years contingent on certain investment and/or job creation conditions. The amount of the SSRC is limited by statute to the amount of money spent by the company on infrastructure related to the project. As of June 30, 2021, County taxes abated under SSRCs totaled \$9,290,760. This includes the proportionate values for all County operating levies and County-set levies to include fire service areas.

NOTE 17 – SUBSEQUENT EVENTS

The County has begun the planning and design process of Phase II of the Capital Penny Sales Tax Projects. Phase II includes the construction of the Joint Government Center, which will house offices for both Spartanburg County and the City of Spartanburg. The proposed Center will provide better and more efficient delivery of services for citizens and will streamline costs by allowing opportunities for sharing resources. An architect and designer have been selected through the RFQ process.

At its November meeting, County Council approved approximately \$50 million for projects to be funded with American Rescue Plan funds. In addition to \$4.5 million in broadband projects approved in March 2022, these projects will include support for small and minority business development, a grant match for Stormwater, and a series of projects in partnership with Spartanburg Water to enhance sewer expansion throughout the county. Through its allocation under the “replacing lost public sector revenue” category, the County will provide partial funding for construction of a pet resource center as well as for various road infrastructure projects.

The County entered into a Master Lease agreement with Truist Bank in September 2022 for \$2,212,000 for the purchase of 50 law enforcement vehicles. The lease is payable over a four-year period commencing February 25, 2023, with an interest rate of 2.9% per year.

NOTE 18 – PRIOR PERIOD ADJUSTMENT

The County implemented GASB Statement No. 87, “Leases” as of July 1, 2021. Beginning balances were adjusted to account for the effects of this implementation.

The government-wide statements were restated as follows:

	Government-wide Statements
	Governmental Activities
Net position as of June 30, 2021	\$ 515,208,569
Effects of implementation of GASB 87	325,243
Net position as of July 1, 2021, as restated	<u>\$ 515,533,812</u>

NOTE 19 – REISSUE OF FINANCIAL STATEMENTS

The FY 2022 financial statements, previously issued on January 31, 2023, were reissued on March 1, 2023, due to the correction of errors found in the following schedules:

- S-39-1 Schedule of Revenue, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund
In the Debt Service section, the amounts did not add across. The amount of misstatement was (\$817,128).
- S-39-3 Schedule of Revenue, Expenditures, and Changes in Fund Balances – Budget and Actual – Special Revenue Fund
In the Debt Service section, the amounts did not add across. Additionally, the Final Budget amount in the Principal Retirement line was overstated by \$330,000. The net effect of these misstatements on this schedule was (\$117,975).

The net effect of the misstatements in the above referenced schedules in the previously issued financial statements was (\$935,103). The statements have been restated to show correct amounts. These errors have no effect on either the government-wide or the governmental fund financial statements found in the Basic Financial Statements section of this report.

REQUIRED SUPPLEMENTARY INFORMATION

[BLANK PAGE]

Spartanburg County, South Carolina
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	(As Restated) Variance with Final
	Original	Final		Budget
Taxes	\$ 82,447,803	\$ 82,885,803	\$ 86,954,812	\$ 4,069,009
Permits, fines, and fees	12,904,000	19,220,000	20,885,836	1,665,836
Intergovernmental - Federal	990,000	990,000	833,016	(156,984)
Intergovernmental - State	14,061,231	14,464,856	15,104,252	639,396
Intergovernmental - Local	2,408,785	2,355,857	2,027,871	(327,986)
Interest income	175,000	175,000	1,354,932	1,179,932
Miscellaneous	550,181	553,331	825,015	271,684
Total revenues	113,537,000	120,644,847	127,985,734	7,340,887

EXPENDITURES

General government				
Administration	628,136	620,568	588,759	31,809
County Council	502,840	509,075	477,889	31,186
Legislative delegation	69,864	70,147	69,672	475
Auditor	1,454,319	1,459,171	1,337,151	122,020
Assessor	2,342,500	2,310,038	2,126,533	183,505
Register of deeds	858,780	863,802	859,777	4,025
Treasurer	1,271,719	1,276,985	1,219,910	57,075
Tax Collector	979,817	976,817	918,558	58,259
Building codes	1,597,442	1,607,383	1,499,076	108,307
Planning & development	1,132,088	1,162,768	1,096,408	66,360
Mail services	647,770	647,770	639,412	8,358
Records management	356,100	356,100	341,423	14,677
GIS	543,313	624,754	514,255	110,499
Finance	711,416	711,416	700,433	10,983
Budget management	263,257	261,900	245,294	16,606
Internal auditor	174,548	175,281	174,977	304
Purchasing	251,575	256,806	252,402	4,404
County attorney	588,761	588,761	583,653	5,108
Human resources	719,333	713,785	696,250	17,535
Outside agencies	1,460	6,460	6,460	-
Registration & elections	1,120,283	1,126,720	1,055,205	71,515
Non departmental	12,120,525	16,964,172	11,753,261	5,210,911
Culture & recreation				
Outside agencies	30,000	30,000	30,000	-
Roads & bridges				
Roads & bridges	4,270,405	4,128,081	3,886,626	241,455
Public safety				
Communications	5,503,067	5,352,458	4,947,675	404,783
Coroner	1,914,009	1,945,709	1,876,883	68,826
Sheriff	28,898,949	28,879,139	28,701,817	177,322
Emergency services	320,557	480,920	454,043	26,877
Emergency services academy	323,328	346,250	257,270	88,980
Hazardous materials	262,486	138,893	136,719	2,174
Fire departments	655,620	2,018,981	360,233	1,658,748
Judicial				
Circuit solicitor	5,539,458	5,408,770	5,345,455	63,315

(Continued)

Spartanburg County, South Carolina
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	(As Restated) Variance with Final
	Original	Final		Budget
Clerk of court	2,757,355	2,878,341	2,714,820	163,521
Magisterial court	3,651,655	3,806,701	4,152,374	(345,673)
Master-in-equity	492,173	496,568	495,096	1,472
Probate court	1,865,300	1,936,207	1,918,543	17,664
Health & welfare				
Animal services program	370,000	441,565	435,925	5,640
Environmental enforcement	1,484,180	1,665,925	1,173,371	492,554
Emergency medical service	5,279,022	6,179,022	2,742,930	3,436,092
Rescue squads	36,500	36,210	23,500	12,710
Outside agencies	1,228,459	1,295,342	1,290,667	4,675
Indigent care services	564,990	564,990	564,990	-
Veterans affairs	366,470	385,244	373,381	11,863
Community & economic development				
Economic development	26,901	26,901	26,901	-
Transportation				
Outside agencies	48,500	48,500	48,500	-
Total current	94,225,230	101,781,396	89,114,477	12,666,919
Debt service:				
Interest	55,856	55,856	55,856	-
Principal retirement	761,272	761,272	761,272	-
Total debt service	817,128	817,128	817,128	-
Total expenditures	95,042,358	102,598,524	89,931,605	12,666,919
Excess (deficiency) of revenues over expenditures	18,494,642	18,046,323	38,054,129	20,007,806
OTHER FINANCING SOURCES (USES)				
Lease proceeds	-	-	458,571	458,571
Transfers out	(24,904,642)	(27,530,727)	(27,478,848)	51,879
Total other financing sources (uses)	(24,904,642)	(27,530,727)	(27,020,277)	510,450
Net change in fund balances	(6,410,000)	(9,484,404)	11,033,852	20,518,256
Fund balances - beginning	50,091,549	50,091,549	50,091,549	-
Fund balances - ending	\$ 43,681,549	\$ 40,607,145	\$ 61,125,401	\$ 20,518,256

Spartanburg County, South Carolina
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Solid Waste Management
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Permits, fines, and fees	\$ 12,670,680	\$ 12,670,680	\$ 12,902,819	\$ 232,139
Intergovernmental - State	160,000	187,068	162,099	(24,969)
Interest income	5,000	5,000	15,858	10,858
Miscellaneous	345,314	612,896	741,279	128,383
Total revenues	13,180,994	13,475,644	13,822,055	346,411
EXPENDITURES				
Sanitation				
Environmental enforcement	585,646	611,226	573,654	37,572
Solid waste administration	1,554,917	1,532,100	1,407,068	125,032
Solid waste collection	3,169,583	3,230,174	3,132,138	98,036
Landfills	3,691,418	3,766,054	3,188,185	577,869
Total current	9,001,564	9,139,554	8,301,045	838,509
Debt service:				
Interest	331	331	331	-
Principal retirement	7,669	7,669	7,669	-
Total debt service	8,000	8,000	8,000	-
Total expenditures	9,009,564	9,147,554	8,309,045	838,509
Excess (deficiency) of revenues over expenditures	4,171,430	4,328,090	5,513,010	1,184,920
OTHER FINANCING SOURCES (USES)				
Transfers out	(4,254,436)	(4,809,436)	(4,809,436)	-
Total other financing sources (uses)	(4,254,436)	(4,809,436)	(4,809,436)	-
Net change in fund balances	(83,006)	(481,346)	703,574	1,184,920
Fund balances - beginning	6,863,733	6,863,733	6,863,733	-
Fund balances - ending	\$ 6,780,727	\$ 6,382,387	\$ 7,567,307	\$ 1,184,920

Spartanburg County, South Carolina
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Special Revenue
For the Year Ended June 30, 2022

	Budgeted Amounts			(As Restated)
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Taxes	\$ 380,000	\$ 380,000	\$ 591,662	\$ 211,662
Permits, fines, and fees	312,609	354,509	399,393	44,884
Intergovernmental - Federal	922,460	1,455,352	1,042,379	(412,973)
Intergovernmental - State	3,996,388	17,807,360	8,023,771	(9,783,589)
Intergovernmental - Local	3,472,482	3,360,320	3,233,655	(126,665)
Miscellaneous	-	1,000	2,511	1,511
Total revenues	9,083,939	23,358,541	13,293,371	(10,065,170)
EXPENDITURES				
Culture & recreation				
Non departmental	380,000	398,500	390,500	8,000
Roads & bridges				
C funds	2,693,652	18,997,069	6,138,427	12,858,642
Engineering	-	20,000	-	20,000
Sanitation				
Solid waste collection	167,591	167,682	31,809	135,873
Public safety				
Communications	-	4,160	-	4,160
Coroner	-	147,847	147,847	-
Sheriff	4,543,183	5,278,650	3,808,449	1,470,201
Emergency services	85,000	324,477	118,575	205,902
Hazardous materials	14,000	22,475	6,983	15,492
Judicial				
Drug Court	-	81,360	65,514	15,846
Circuit solicitor	154,971	1,709,821	204,908	1,504,913
Pretrial adult	353,941	467,356	338,007	129,349
Pretrial juvenile	58,668	58,668	58,715	(47)
Victim witness program	57,851	247,337	31,469	215,868
Juvenile arbitration	87,077	87,077	87,440	(363)
Clerk of court	48,930	896,344	20,948	875,396
Health & welfare				
Environmental enforcement	-	18,887	5,508	13,379
Non departmental	509,000	513,555	970,357	(456,802)
Transportation				
Planning & development	667,161	667,161	460,149	207,012
Total current	9,821,025	30,108,426	12,885,605	17,222,821
Debt service				
Interest	4,393	4,393	4,393	-
Principal retirement	113,582	113,582	113,582	-
Total debt service	117,975	117,975	117,975	-
Total expenditures	9,939,000	30,226,401	13,003,580	17,222,821
Excess (deficiency) of revenues over expenditures	(855,061)	(6,867,860)	289,791	7,157,651
OTHER FINANCING SOURCES (USES)				
Transfers in	725,494	1,776,469	1,777,925	\$ 1,456
Total other financing sources (uses)	725,494	1,776,469	1,777,925	1,456
Net change in fund balances	(129,567)	(5,091,391)	2,067,716	7,159,107
Fund balances - beginning	3,311,426	3,311,426	3,311,426	-
Fund balances - ending	\$ 3,181,859	\$ (1,779,965)	\$ 5,379,142	\$ 7,159,107

Spartanburg County, South Carolina
Schedule of the County's Proportionate Share of the
Collective Net Pension Liability
South Carolina Retirement System
Last Ten Fiscal Years*

	2022	2021	2020	2019	2018	2017	2016	2015
County's Proportion of the Collective Net Pension Liability	0.386480%	0.384136%	0.410499%	0.406673%	0.411457%	0.417069%	0.398943%	0.391676%
County's Proportionate Share of the Collective Net Pension Liability	\$ 83,639,083	\$ 98,153,440	\$ 93,733,933	\$ 91,122,461	\$ 92,625,589	\$ 89,085,323	\$ 75,661,550	\$ 67,433,622
County's Covered Payroll	\$ 43,614,811	\$ 42,765,878	\$ 43,243,203	\$ 42,048,683	\$ 41,404,748	\$ 40,311,520	\$ 37,369,430	\$ 35,523,671
County's Proportionate Share of the Collective Net Pension Liability as a Percentage of its Covered Payroll	191.77%	229.51%	216.76%	216.71%	223.71%	220.99%	202.47%	189.83%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	60.70%	50.71%	54.40%	54.10%	53.34%	52.91%	56.99%	59.92%

*The amounts presented were determined as of the prior fiscal year ending June 30.

Spartanburg County, South Carolina
Schedule of the County's Contributions
South Carolina Retirement System
Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015
Statutorially Required Contributions	\$ 7,565,125	\$ 6,434,038	\$ 6,303,824	\$ 5,573,991	\$ 5,292,446	\$ 4,786,328	\$ 4,457,123	\$ 4,082,686
Contributions in Relation to the Statutorially Required Contributions	7,565,125	6,434,038	6,303,824	5,573,991	5,292,446	4,786,328	4,457,123	4,082,686
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's Covered Payroll	\$ 45,665,656	\$ 43,614,811	\$ 42,765,878	\$ 43,243,203	\$ 42,048,683	\$ 41,404,748	\$ 40,311,520	\$ 37,369,430
Contributions as a Percentage of Covered Payroll	16.57%	14.75%	14.74%	12.89%	12.59%	11.56%	11.06%	10.93%

Notes to Schedules:

June 30, 2015 was the first year of GASB 68 implementation, therefore 10-year data is not yet available.

Spartanburg County, South Carolina
Schedule of the County's Proportionate Share of the
Collective Net Pension Liability
South Carolina Police Officers Retirement System
Last Ten Fiscal Years*

	2022	2021	2020	2019	2018	2017	2016	2015
County's Proportion of the Collective Net Pension Liability	2.098024%	1.966980%	1.934940%	1.932840%	1.870050%	1.986027%	1.970970%	1.986900%
County's Proportionate Share of the Collective Net Pension Liability	\$ 53,980,399	\$ 65,229,073	\$ 55,454,243	\$ 54,767,841	\$ 51,231,184	\$ 50,374,972	\$ 42,957,154	\$ 38,037,816
County's Covered Payroll	\$ 31,517,242	\$ 29,702,760	\$ 28,056,034	\$ 26,733,033	\$ 25,165,911	\$ 25,301,826	\$ 24,382,970	\$ 23,835,836
County's Proportionate Share of the Collective Net Pension Liability as a Percentage of its Covered Payroll	171.27%	219.61%	197.66%	204.87%	203.57%	199.10%	176.18%	159.58%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.40%	58.79%	62.69%	61.73%	60.94%	60.44%	64.57%	67.55%

*The amounts presented were determined as of the prior fiscal year ending June 30.

Spartanburg County, South Carolina
Schedule of the County's Contributions
South Carolina Police Officers Retirement System
Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015
Statutorially Required Contributions	\$ 6,075,598	\$ 5,490,662	\$ 5,160,399	\$ 4,298,935	\$ 4,080,666	\$ 3,585,914	\$ 3,478,524	\$ 3,274,117
Contributions in Relation to the Statutorially Required Contributions	6,075,598	5,490,662	5,160,399	4,298,935	4,080,666	3,585,914	3,478,524	3,274,117
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's Covered Payroll	\$ 31,575,191	\$ 31,517,242	\$ 29,702,760	\$ 28,056,034	\$ 26,733,033	\$ 25,165,911	\$ 25,301,826	\$ 24,382,970
Contributions as a Percentage of Covered Payroll	19.24%	17.42%	17.37%	15.32%	15.26%	14.25%	13.75%	13.43%

*The amounts presented were determined as of the prior fiscal year ending June 30.

Notes to Schedules:

June 30, 2015 was the first year of GASB 68 implementation, therefore 10-year data is not yet available.

Spartanburg County, South Carolina
Required Supplementary Information
Schedule of Changes in the County's Total OPEB Liability and Related Ratios
Last Ten Fiscal Years

	2022	2021	2020	2019	2018
Service cost	\$ 4,990,603	\$ 4,118,110	\$ 3,708,615	\$ 3,652,776	\$ 4,070,394
Interest on the total OPEB liability	2,535,220	2,866,017	3,110,604	2,938,378	2,493,829
Changes of benefit terms	-	-	-	-	-
Difference between expected and actual experience of the total OPEB liability	1,403,868	310,523	(3,776,658)	455,957	-
Changes of assumptions	(2,772,915)	7,464,388	5,566,837	(591,118)	(6,457,934)
Benefit payments	(3,412,136)	(3,153,741)	(3,199,089)	(2,989,554)	(2,538,226)
Net change in total OPEB liability	2,744,640	11,605,297	5,410,309	3,466,439	(2,431,937)
Total OPEB liability – beginning	102,689,136	91,083,839	85,673,530	82,207,091	84,639,028
Total OPEB liability – ending	\$ 105,433,776	\$ 102,689,136	\$ 91,083,839	\$ 85,673,530	\$ 82,207,091
Covered-employee payroll	\$ 72,039,760	\$ 66,636,516	\$ 66,372,329	\$ 66,080,908	\$ 58,056,636
Total OPEB liability as a percentage of covered-employee payroll	146.35%	154.10%	137.23%	129.65%	141.60%

Notes to Schedules:

There are no assets accumulated in a trust to pay the related benefits.

Changes of assumptions reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

FYE	Discount Rate
2022	1.92%
2021	2.45%
2020	3.13%
2019	3.62%
2018	3.56%
2017	2.92%

June 30, 2018 was the first year for implementation of GASB 75; therefore, ten-year data is not yet available.

Spartanburg County, South Carolina
Required Supplementary Information
Infrastructure Condition Data
Roads

The condition of the County's roads is determined using its pavement management system based on ASTM-D-6433. The County maintains 1,729 miles of paved roads which are broken down into 4,769 segments for management purposes.

Keeping the road inventory current consists of collecting 20 distress type measurements on each road segment. These measurements are used by the system to calculate an "Overall Condition Index" (OCI) for each segment of road. The index range is 0 to 100. A rating of 100 means a road segment has no distresses and is in perfect condition. A rating of 0 means a road segment has failed and needs to be completely rebuilt. The OCI ratings are broken down into the following condition categories:

0-40 Very poor

40-50 Poor

50-60 Fair

60-100 Good

The County's goal is to maintain each road segment to an OCI rating of not less than 60 which will result in the lowest long-term cost to taxpayers. For planning purposes, it is assumed that road segments with an OCI rating above 60 will deteriorate about 4 points per year. The table below shows the cost of the following road maintenance plan:

- Upgrade roads below 50 OCI in a five-year period.
- Resurface roads in the 50-60 OCI range in the next two years to keep OCI ratings above 60.
- Maintain current "Good" roads at 60 OCI or above.

Infrastructure Condition Assessment Results										
		FY2020			FY2021			FY2022		
				Amount Needed to Maintain Roads at 60 OCI			Amount Needed to Maintain Roads at 60 OCI			Amount Needed to Maintain Roads at 60 OCI
Rating		Square Yards	%		Square Yards	%		Square Yards	%	
Description	OCI									
Very Poor	0-40	204,808	1.0%	\$ 4,608,180	3,637,203	18.9%	\$ 87,292,872	4,860,860	24.7%	\$ 136,104,080
Poor	40-50	876,752	4.4%	12,712,904	2,998,824	15.6%	43,482,948	3,058,777	15.5%	51,999,209
Fair	50-60	1,443,061	7.3%	15,873,671	3,709,830	19.3%	40,808,130	3,289,568	16.7%	41,119,600
Good	60-100	17,361,882	87.3%	-	8,925,861	46.3%	-	8,486,302	43.1%	-
Total		19,886,503	100.0%	\$ 33,194,755	19,271,718	100.0%	\$ 171,583,950	19,695,507	100.0%	\$ 229,222,889

Estimated versus Actual Infrastructure Maintenance and Preservation Cost					
	FY2018	FY2019	FY2020	FY2021	FY2022
Estimated	\$ 22,824,605	\$ 30,256,793	\$ 33,586,497	\$ 33,194,755	\$ 171,583,950
Actual	\$ 4,748,215	\$ 6,535,238	\$ 3,670,298	\$ 7,193,590	\$ 6,389,531

Road condition summary – the percentage of road surface below "Fair" has increased by 35% over the past five years:

	FY2018	FY2019	FY2020	FY2021	FY2022
Very Poor	1.0%	1.1%	1.0%	18.9%	24.7%
Poor	3.9%	4.5%	4.4%	15.6%	15.5%
Fair	7.7%	7.0%	7.3%	19.2%	16.7%
Good	87.4%	87.4%	87.3%	46.3%	43.1%
	100.0%	100.0%	100.0%	100.0%	100.0%

No depreciation expense is reported for these roads and no amounts are capitalized in connection with improvements that lengthen the lives of the roads. As of June 30, 2022, the County's road network had a carrying value of \$354,209,020 and a replacement cost of approximately \$1,083,252,895. During fiscal year 2021, the County implemented a new Pavement Asset Management system, which utilized a consultant to drive each road and collect automated condition data including calibration verification, pavement distress data, and quality management data. This process provided tools that the County has never had at its disposal to more accurately analyze road condition and treatment data. This resulted in the development of a data quality management plan to address current and future road projects in a manner which utilizes resources, both financial and operational, in the most effective and efficient manner while also achieving Council's goals and objectives to formulate an infrastructure plan. While this change has resulted in adjustments to the OCI percentages and amounts needed to maintain roads at an OCI of 60 or above, the new system provides a much more accurate representation of the County's overall road condition at any given time.

Spartanburg County, South Carolina
Required Supplementary Information
Infrastructure Condition Data
Bridges

The condition of the County's bridges is determined using the State's Bridge Management and Inspection Program which determines a bridge condition rating ("Sufficiency Rating"). The County maintains 162 bridges.

The State of South Carolina, Department of Transportation evaluates the bridges every 1-2 years. This analysis is used to calculate a "Sufficiency Rating" for each bridge. The index range is 0 to 100. A rating of 100 means a bridge has no distresses and is in perfect condition. A rating of 0 means a bridge has failed and needs to be completely rebuilt. The "Sufficiency Ratings" are broken down into the following condition categories:

0-35	Needs replacing ASAP (load restricted)
36-50	Place on replacement list
51-75	Watch for further degradation
76-90	Average condition
91-100	Excellent or new condition

The County's goal is to maintain bridges at or above a "Sufficiency Rating" of 50 (Fair).

SPARTANBURG COUNTY BRIDGES

	2018	2019	2020	2021	2022
Acceptable	151	152	153	158	158
Sufficiency <50 (goal)	3	3	3	3	3
Sufficiency <50 (actual)	5	4	4	4	4
Replace Deficient Bridges (2 per year)	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Replace Non-posted Bridges (2 per year)					
Funds Expended	\$ 165,714	\$ 174,472	\$ 1,338,593	\$ 1,625,031	\$ -

Sufficiency Ratings	FY2020		FY2021		FY2022	
	Number of Bridges	Percent	Number of Bridges	Percent	Number of Bridges	Percent
0-35 Need Replacing ASAP	2	1%	2	1%	2	1%
36-50 Placed on Replacement List	2	1%	2	1%	2	1%
51-75 Watch for Further Degradation	43	27%	42	26%	42	26%
75-90 Average	17	11%	18	11%	18	11%
90-100 Excellent or New Condition	93	60%	98	61%	98	61%
Total	157	100%	162	100%	162	100%

No depreciation expense is reported for these bridges and no amounts are capitalized in connection with improvements that lengthen the lives of the bridges. As of June 30, 2022, the County had 162 bridges with a carrying value of \$47,761,000 and a replacement cost of approximately \$94,347,000. There were no bridges constructed or replaced during fiscal year 2022.

SPARTANBURG COUNTY, SOUTH CAROLINA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022

Budgets and Budgetary Accounting - The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to July 1, the County Administrator submits to the County Council a separate budgetary report which includes a proposed budget for the fiscal year commencing on that date. The operating budget includes proposed expenditures and the means of financing them.
2. The proposed budget is discussed at regular meetings of County Council.
3. After three (3) readings before County Council, the budget ordinance is legally enacted.
4. The County Administrator is authorized to transfer budgeted amounts within departments in any fund. During the year, as additional resources become available and/or additional services and programs are approved by County Council, the original budgeted amounts are amended to reflect such changes.
5. Legally adopted annual budgets and formal budgetary integration is employed as a management control device during the year for the General Fund, Solid Waste, Debt Service, and most Special Revenue Funds. Special Revenue Funds with adopted budgets include Parks, Hospitality Tax, Road Maintenance Fee, Storm Water Management, Methane, Detention, 911 Phone System, Victim Assistance, Public Defender 7th Circuit, Upstate Workforce Board, Community Development, Fire Departments, Capital Penny Sales Tax, Community College, Charles Lea Center, and the Library. Capital Projects Funds are budgeted on a long-term project basis, rather than annual appropriations.
6. Budgets for the General Fund, Special Revenue Funds, Solid Waste, and Debt Service Fund are adopted on a basis consistent with U.S. generally accepted accounting principles (GAAP). Appropriations for these funds lapse at the end of the fiscal year unless approved for carry forward as supplemental appropriations.
7. Budgets for most grants are not adopted until the grant has been awarded and the actual amount of the award is known. These budgets are for the duration of the grant which most times span fiscal years. Council approval is required before application can be made for a grant and any required local match has been appropriated by Council.

Encumbrances – Under encumbrance accounting, outstanding purchase orders are recorded in order to reserve that portion of the applicable appropriation in the governmental fund types. Encumbrances outstanding at year end are carried forward and are reported as committed fund balance. The following encumbrances were carried forward: General Fund - \$457,016, Solid Waste - \$143,360, Special Revenue - \$6,226,385, Capital Projects - \$30,909,391, and Other Nonmajor Special Revenue Funds - \$3,975,954.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Nonmajor Special Revenue Funds

Special revenue funds are used to account for and report proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Road Maintenance Fee Fund – Spartanburg County’s adopted budget for fiscal year 2006 enacted a \$25 road maintenance fee for vehicles registered within the County. The purpose of this fee was to ensure the long-term viability of the transportation infrastructure and to prevent deterioration of the road network. Council redacted this fee in the fall of 2021. The remaining balance of funds collected from the fee will be spent on road infrastructure projects.

Storm Water Management Fund – This fund was created to comply with the National Pollution Discharge Elimination System of the federal Clean Water Act addressing storm water related needs. The county imposes a one-mil levy for this purpose.

Drug Enforcement Fund – This fund is used to account for monies collected from court fines, seizures, etc. These funds can only be expended for drug enforcement purposes.

Sheriff Federal Sharing Fund – This fund is used to account for the expenditure of funds received from federally forfeited property (cash) from the U.S. Department of Justice. These funds are awarded to law enforcement agencies instrumental in the arrest and conviction of the criminals who have been prosecuted and fined in federal court.

Public Defender 7th Circuit Fund – This fund is used to account for the activities of the Cherokee Public Defender Office and the Spartanburg Public Defender Office. State statute mandated the creation of Public Defender Circuits, combining the activities of the Cherokee and Spartanburg County offices and requiring these activities to be accounted for separate from the County General Fund.

Methane Fund – This fund is used to account for the collection, treatment, distribution, and sale of landfill gas.

Detention – This fund is used to account for operation of the Detention Facility with oversight authority provided by the Sheriff.

911 Phone System Fund – This fund is used to account for monies collected from telephone subscribers. These funds can only be expended for costs associated with the operation of emergency E911 dispatching of police, fire, ambulance, and rescue services.

Upstate Workforce Board – This fund is used to account for the operation of the Upstate Workforce Board program that provides job training to unemployed individuals.

Community College – This fund is used to account for the receipt and disbursement of tax levy collections to Spartanburg Community College for operation of the Center for Business and Entrepreneurial Development, Downtown Campus, and Central Campus facilities.

Charles Lea Center – This fund is used to account for the receipt and disbursement of tax levy collections to the Charles Lea Center for operation of adult day programs.

Forfeited Gambling Fund – This fund is used to account for various revenues that are restricted to expenditure for law enforcement purposes.

Spartanburg County Public Library – A County appointed library board oversees the operation of a main downtown library and several branch libraries throughout the county. Summary data from the Library’s annual audit report is presented here.

Spartanburg County Recreation District – This fund is used to account for the operation of parks and recreation activities throughout the county. Tax millage is levied to cover the cost of these services.

Spartanburg County Hospitality Tax Fund – This fund receives the proceeds from a 2% Local Hospitality Tax on prepared meals and beverages adopted by ordinance as authorized in Article 7 of Chapter 1 of Title 6 of the Code of Laws of South Carolina, 1976, as amended, generally referred to as the “Local Hospitality Tax Act”. This fund provides a dedicated source of revenue and an appropriate and efficient means of funding tourist-related infrastructure and capital improvement projects.

Victim Assistance – This fund is used to account for victim services funds that are collected as part of Magistrate Court and General Sessions fines and fees.

Fire Department - This fund was created during FY19 to account for the operations of Trinity Fire Department. Tax millage is levied annually to cover the cost of these services.

Fire Districts – This fund is used to account for the operations of the various volunteer fire districts throughout the county.

Community Development – This fund is for federal and state grant monies used to upgrade/construct water lines, sewer lines, and roads.

Stimulus Fund – This fund is used to account for allocations received from the American Rescue Plan Act (ARP funds.)

Industrial Development – This fund is for pass-through state grant monies from the South Carolina Department of Commerce that are used for real property improvements by awarded companies who in return satisfy an investment and job requirement.

Capital Project Funds

Capital project funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.
--

Capital Penny Sales Tax – This fund accounts for the proceeds from a one percent sales tax imposed in Spartanburg County for six years beginning May 1, 2018. The monies raised from this tax are used to fund a new Judicial Center and City/County Government Complex. Funds remaining after construction of these two facilities will be used for road and bridge improvements.

Debt Service Fund

The debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.
--

Spartanburg County, South Carolina
Combining Governmental Balance Sheet
Nonmajor Governmental Funds
Summary by Fund Type
June 30, 2022

	Debt service funds	Special revenue funds	Total Nonmajor Governmental Funds
ASSETS			
Cash	\$ 10,340,376	\$ 46,982,288	\$ 57,322,664
Delinquent taxes receivable (net)	247,090	1,481,420	1,728,510
Accounts receivable (net)	121,199	7,936,037	8,057,236
Advance to other funds	1,199,219	-	1,199,219
Total assets	<u>\$ 11,907,884</u>	<u>\$ 56,399,745</u>	<u>\$ 68,307,629</u>
LIABILITIES			
Accounts payable	\$ 500	\$ 3,739,392	\$ 3,739,892
Accrued liabilities miscellaneous	-	819,454	819,454
Other liabilities and unearned revenue	-	1,856,401	1,856,401
Interfund payable	-	746,019	746,019
Advance from other funds	-	1,199,219	1,199,219
Total liabilities	<u>500</u>	<u>8,360,485</u>	<u>8,360,985</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	247,090	1,481,420	1,728,510
Total deferred inflows of resources	<u>247,090</u>	<u>1,481,420</u>	<u>1,728,510</u>
Total liabilities and deferred inflows of resources	<u>247,590</u>	<u>9,841,905</u>	<u>10,089,495</u>
FUND BALANCES (DEFICITS)			
Restricted			
Community & economic development	-	143,431	143,431
General government	-	(151)	(151)
Judicial	-	875,436	875,436
Library	-	21,638	21,638
Public safety	-	2,074,636	2,074,636
Committed			
Culture & recreation	-	10,328,745	10,328,745
Library	-	3,402,372	3,402,372
Public safety	-	1,957,649	1,957,649
Roads & bridges	-	7,366,417	7,366,417
Assigned			
Community college	-	2,505,686	2,505,686
Debt service	11,660,294	-	11,660,294
Health & welfare	-	768,096	768,096
Library	-	6,881,235	6,881,235
Public safety	-	7,079,800	7,079,800
Roads & bridges	-	1,877,206	1,877,206
Sanitation	-	1,275,644	1,275,644
Total fund balances (deficits)	<u>11,660,294</u>	<u>46,557,840</u>	<u>58,218,134</u>
Total liabilities and fund balances (deficits)	<u>\$ 11,907,884</u>	<u>\$ 56,399,745</u>	<u>\$ 68,307,629</u>

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

S-37-2

Spartanburg County, South Carolina

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2022

	Parks	Hospitality Tax	Road Maintenance Fee	Storm Water Management	Methane	Forfeited Gambling	Drug Enforcement
ASSETS							
Cash	\$ 7,147,874	\$ 2,966,308	\$ 7,304,349	\$ 1,940,217	\$ 1,294,326	\$ 3,316	\$ 66,148
Delinquent taxes receivable (net)	188,386	-	-	39,487	-	-	-
Accounts receivable (net)	90,735	554,698	33,048	15,191	289	-	-
Total assets	<u>\$ 7,426,995</u>	<u>\$ 3,521,006</u>	<u>\$ 7,337,397</u>	<u>\$ 1,994,895</u>	<u>\$ 1,294,615</u>	<u>\$ 3,316</u>	<u>\$ 66,148</u>
LIABILITIES							
Accounts payable	\$ 170,746	\$ 79,554	\$ 14,408	\$ 6,127	\$ 18,971	\$ -	\$ 13,281
Accrued liabilities miscellaneous	178,221	2,307	-	28,647	-	-	-
Other liabilities and unearned revenue	42	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	-	-
Advance from other funds	-	-	-	-	-	-	-
Total liabilities	<u>349,009</u>	<u>81,861</u>	<u>14,408</u>	<u>34,774</u>	<u>18,971</u>	<u>-</u>	<u>13,281</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - property taxes	188,386	-	-	39,487	-	-	-
Total deferred inflows of resources	<u>188,386</u>	<u>-</u>	<u>-</u>	<u>39,487</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>537,395</u>	<u>81,861</u>	<u>14,408</u>	<u>74,261</u>	<u>18,971</u>	<u>-</u>	<u>13,281</u>
FUND BALANCES (DEFICITS)							
Restricted							
Community & economic development	-	-	-	-	-	-	-
General government	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	-
Library	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	3,316	52,867
Committed							
Culture & recreation	6,889,600	3,439,145	-	-	-	-	-
Library	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Roads & bridges	-	-	7,322,989	43,428	-	-	-
Assigned							
Community college	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Health & welfare	-	-	-	-	-	-	-
Library	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Roads & bridges	-	-	-	1,877,206	-	-	-
Sanitation	-	-	-	-	1,275,644	-	-
Total fund balances (deficits)	<u>6,889,600</u>	<u>3,439,145</u>	<u>7,322,989</u>	<u>1,920,634</u>	<u>1,275,644</u>	<u>3,316</u>	<u>52,867</u>
Total liabilities and fund balances (deficits)	<u>\$ 7,426,995</u>	<u>\$ 3,521,006</u>	<u>\$ 7,337,397</u>	<u>\$ 1,994,895</u>	<u>\$ 1,294,615</u>	<u>\$ 3,316</u>	<u>\$ 66,148</u>

(Continued)

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

S-37-2
Spartanburg County, South Carolina
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2022

	Sheriff Federal Sharing	Detention	911 Phone System	Victim Assistance	Fire Department	Public Defender 7th Circuit	Upstate Workforce Board
ASSETS							
Cash	\$ 196,514	\$ 8,290,951	\$ 1,606,862	\$ -	\$ 1,936,980	\$ 910,586	\$ -
Delinquent taxes receivable (net)	-	-	-	-	36,558	-	-
Accounts receivable (net)	-	157,619	250,372	24,869	21,034	53,952	850,389
Total assets	<u>\$ 196,514</u>	<u>\$ 8,448,570</u>	<u>\$ 1,857,234</u>	<u>\$ 24,869</u>	<u>\$ 1,994,572</u>	<u>\$ 964,538</u>	<u>\$ 850,389</u>
LIABILITIES							
Accounts payable	\$ 3,403	\$ 271,807	\$ 27,259	\$ -	\$ 29,891	\$ 4,784	\$ 194,725
Accrued liabilities miscellaneous	-	451,650	4,617	15,321	28,453	84,318	11,327
Other liabilities and unearned revenue	11	749	5	-	-	-	1,764
Interfund payable	-	-	-	9,548	-	-	642,724
Advance from other funds	-	-	-	-	1,199,219	-	-
Total liabilities	<u>3,414</u>	<u>724,206</u>	<u>31,881</u>	<u>24,869</u>	<u>1,257,563</u>	<u>89,102</u>	<u>850,540</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - property taxes	-	-	-	-	36,558	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,558</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>3,414</u>	<u>724,206</u>	<u>31,881</u>	<u>24,869</u>	<u>1,294,121</u>	<u>89,102</u>	<u>850,540</u>
FUND BALANCES (DEFICITS)							
Restricted							
Community & economic development	-	-	-	-	-	-	-
General government	-	-	-	-	-	-	(151)
Judicial	-	-	-	-	-	875,436	-
Library	-	-	-	-	-	-	-
Public safety	193,100	-	1,825,353	-	-	-	-
Committed							
Culture & recreation	-	-	-	-	-	-	-
Library	-	-	-	-	-	-	-
Public safety	-	644,564	-	-	700,451	-	-
Roads & bridges	-	-	-	-	-	-	-
Assigned							
Community college	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Health & welfare	-	-	-	-	-	-	-
Library	-	-	-	-	-	-	-
Public safety	-	7,079,800	-	-	-	-	-
Roads & bridges	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Total fund balances (deficits)	<u>193,100</u>	<u>7,724,364</u>	<u>1,825,353</u>	<u>-</u>	<u>700,451</u>	<u>875,436</u>	<u>(151)</u>
Total liabilities and fund balances (deficits)	<u>\$ 196,514</u>	<u>\$ 8,448,570</u>	<u>\$ 1,857,234</u>	<u>\$ 24,869</u>	<u>\$ 1,994,572</u>	<u>\$ 964,538</u>	<u>\$ 850,389</u>

(Continued)

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

S-37-2

Spartanburg County, South Carolina

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2022

	Community Development	Industrial Development	Community College	Charles Lea Center	Library	Fire Districts	Total Nonmajor Special Revenue Funds
ASSETS							
Cash	\$ 1,127,240	\$ -	\$ 2,395,145	\$ 744,826	\$ 8,472,954	\$ 577,692	\$ 46,982,288
Delinquent taxes receivable (net)	-	-	299,423	60,322	670,431	186,813	1,481,420
Accounts receivable (net)	671,485	434,538	110,541	23,270	4,609,065	34,942	7,936,037
Total assets	<u>\$ 1,798,725</u>	<u>\$ 434,538</u>	<u>\$ 2,805,109</u>	<u>\$ 828,418</u>	<u>\$ 13,752,450</u>	<u>\$ 799,447</u>	<u>\$ 56,399,745</u>
LIABILITIES							
Accounts payable	\$ 205,097	\$ 300,000	\$ -	\$ -	\$ 2,399,339	\$ -	\$ 3,739,392
Accrued liabilities miscellaneous	14,593	-	-	-	-	-	819,454
Other liabilities and unearned revenue	1,435,605	40,790	-	-	377,435	-	1,856,401
Interfund payable	-	93,747	-	-	-	-	746,019
Advance from other funds	-	-	-	-	-	-	1,199,219
Total liabilities	<u>1,655,295</u>	<u>434,537</u>	<u>-</u>	<u>-</u>	<u>2,776,774</u>	<u>-</u>	<u>8,360,485</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - property taxes	-	-	299,423	60,322	670,431	186,813	1,481,420
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>299,423</u>	<u>60,322</u>	<u>670,431</u>	<u>186,813</u>	<u>1,481,420</u>
Total liabilities and deferred inflows of resources	<u>1,655,295</u>	<u>434,537</u>	<u>299,423</u>	<u>60,322</u>	<u>3,447,205</u>	<u>186,813</u>	<u>9,841,905</u>
FUND BALANCES (DEFICITS)							
Restricted							
Community & economic development	143,430	1	-	-	-	-	143,431
General government	-	-	-	-	-	-	(151)
Judicial	-	-	-	-	-	-	875,436
Library	-	-	-	-	21,638	-	21,638
Public safety	-	-	-	-	-	-	2,074,636
Committed							
Culture & recreation	-	-	-	-	-	-	10,328,745
Library	-	-	-	-	3,402,372	-	3,402,372
Public safety	-	-	-	-	-	612,634	1,957,649
Roads & bridges	-	-	-	-	-	-	7,366,417
Assigned							
Community college	-	-	2,505,686	-	-	-	2,505,686
Debt service	-	-	-	-	-	-	-
Health & welfare	-	-	-	768,096	-	-	768,096
Library	-	-	-	-	6,881,235	-	6,881,235
Public safety	-	-	-	-	-	-	7,079,800
Roads & bridges	-	-	-	-	-	-	1,877,206
Sanitation	-	-	-	-	-	-	1,275,644
Total fund balances (deficits)	<u>143,430</u>	<u>1</u>	<u>2,505,686</u>	<u>768,096</u>	<u>10,305,245</u>	<u>612,634</u>	<u>46,557,840</u>
Total liabilities and fund balances (deficits)	<u>\$ 1,798,725</u>	<u>\$ 434,538</u>	<u>\$ 2,805,109</u>	<u>\$ 828,418</u>	<u>\$ 13,752,450</u>	<u>\$ 799,447</u>	<u>\$ 56,399,745</u>

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

Spartanburg County, South Carolina
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Summary by FundType
For the Year Ended June 30, 2022

	Special revenue funds	Debt service funds	Total Nonmajor Governmental Funds
REVENUES			
Taxes	\$ 52,493,161	\$ 10,548,027	\$ 63,041,188
Permits, fines, and fees	6,542,839	-	6,542,839
Intergovernmental - Federal	15,500,304	-	15,500,304
Intergovernmental - State	6,578,230	2,976	6,581,206
Intergovernmental - Local	419,202	-	419,202
Interest income	43,453	147	43,600
Miscellaneous	2,405,630	14,564	2,420,194
Total revenues	<u>83,982,819</u>	<u>10,565,714</u>	<u>94,548,533</u>
EXPENDITURES			
Current:			
General government	2,376,211	-	2,376,211
Culture & recreation	8,072,530	-	8,072,530
Roads & bridges	6,046,581	-	6,046,581
Sanitation	253,661	-	253,661
Public safety	31,011,279	-	31,011,279
Judicial	3,147,442	-	3,147,442
Health & welfare	10,871,164	-	10,871,164
Community & economic development	5,080,442	-	5,080,442
Community college	10,251,000	-	10,251,000
Library	14,484,542	-	14,484,542
Debt service:			
Administrative charges	-	238,271	238,271
Interest	316	2,334,510	2,334,826
Principal retirement	204,754	9,788,218	9,992,972
Total expenditures	<u>91,799,922</u>	<u>12,360,999</u>	<u>104,160,921</u>
Excess (deficiency) of revenues over expenditures	<u>(7,817,103)</u>	<u>(1,795,285)</u>	<u>(9,612,388)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	19,641,403	3,067,022	22,708,425
Transfers out	(8,384,417)	(41,659)	(8,426,076)
Bond issuance premiums	-	4,717,777	4,717,777
Issuance of debt	10,257	230,000	240,257
Total other financing sources (uses)	<u>11,267,243</u>	<u>7,973,140</u>	<u>19,240,383</u>
Net change in fund balances	3,450,140	6,177,855	9,627,995
Fund balances - beginning	43,107,700	5,482,439	48,590,139
Fund balances - ending	<u>\$ 46,557,840</u>	<u>\$ 11,660,294</u>	<u>\$ 58,218,134</u>

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

S-38-2
Spartanburg County, South Carolina
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2022

	Parks	Hospitality Tax	Road Maintenance Fee	Storm Water Management	Methane	Forfeited Gambling	Drug Enforcement	Sheriff Federal Sharing
REVENUES								
Taxes	\$ 6,684,673	\$ 6,041,697	\$ -	\$ 1,407,801	\$ -	\$ -	\$ -	\$ -
Permits, fines, and fees	775,677	-	2,186,774	792,282	456,525	-	-	-
Intergovernmental - Federal	-	-	-	-	-	-	-	154,848
Intergovernmental - State	31,212	680	-	4,533	-	-	-	-
Intergovernmental - Local	-	-	-	-	-	-	-	-
Interest income	8,419	8,591	10,836	2,599	-	40	185	560
Miscellaneous	376,031	-	37,428	12,835	-	8,495	121,657	-
Total revenues	<u>7,876,012</u>	<u>6,050,968</u>	<u>2,235,038</u>	<u>2,220,050</u>	<u>456,525</u>	<u>8,535</u>	<u>121,842</u>	<u>155,408</u>
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	-	-
Culture & recreation	7,179,624	892,906	-	-	-	-	-	-
Roads & bridges	-	-	4,571,059	1,475,522	-	-	-	-
Sanitation	-	-	-	-	253,661	-	-	-
Public safety	-	-	-	-	-	56,247	119,791	263,396
Judicial	-	-	-	-	-	-	-	-
Health & welfare	-	-	-	-	-	-	-	-
Community & economic development	-	-	-	-	-	-	-	-
Community college	-	-	-	-	-	-	-	-
Library	-	-	-	-	-	-	-	-
Debt service:								
Interest	-	-	-	-	-	-	-	-
Principal retirement	-	-	-	-	-	-	-	-
Total expenditures	<u>7,179,624</u>	<u>892,906</u>	<u>4,571,059</u>	<u>1,475,522</u>	<u>253,661</u>	<u>56,247</u>	<u>119,791</u>	<u>263,396</u>
Excess (deficiency) of revenues over expenditures	<u>696,388</u>	<u>5,158,062</u>	<u>(2,336,021)</u>	<u>744,528</u>	<u>202,864</u>	<u>(47,712)</u>	<u>2,051</u>	<u>(107,988)</u>
OTHER FINANCING SOURCES (USES)								
Transfers in	2,530,000	-	-	-	-	-	-	-
Transfers out	(1,341,000)	(4,668,000)	-	(119,293)	(250,000)	-	-	-
Issuance of debt	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>1,189,000</u>	<u>(4,668,000)</u>	<u>-</u>	<u>(119,293)</u>	<u>(250,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	1,885,388	490,062	(2,336,021)	625,235	(47,136)	(47,712)	2,051	(107,988)
Fund balances - beginning	5,004,212	2,949,083	9,659,010	1,295,399	1,322,780	51,028	50,816	301,088
Fund balances - ending	<u>\$ 6,889,600</u>	<u>\$ 3,439,145</u>	<u>\$ 7,322,989</u>	<u>\$ 1,920,634</u>	<u>\$ 1,275,644</u>	<u>\$ 3,316</u>	<u>\$ 52,867</u>	<u>\$ 193,100</u>

(Continued)

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

S-38-2
Spartanburg County, South Carolina
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2022

	Detention	911 Phone System	Victim Assistance	Fire Department	Public Defender 7th Circuit	Upstate Workforce Board	Community Development	Industrial Development
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ 1,585,403	\$ -	\$ -	\$ -	\$ -
Permits, fines, and fees	1,495,586	403,687	350,351	10,050	-	-	-	-
Intergovernmental - Federal	1,584,622	-	-	-	-	2,373,522	11,387,312	-
Intergovernmental - State	91,570	1,599,294	2,560	-	1,678,685	2,618	2,897	2,582,449
Intergovernmental - Local	48,846	-	-	-	246,504	-	-	-
Interest income	-	-	-	-	-	-	-	-
Miscellaneous	1,130,237	-	-	493,842	13,508	-	46,494	-
Total revenues	<u>4,350,861</u>	<u>2,002,981</u>	<u>352,911</u>	<u>2,089,295</u>	<u>1,938,697</u>	<u>2,376,140</u>	<u>11,436,703</u>	<u>2,582,449</u>
EXPENDITURES								
Current:								
General government	-	-	-	-	-	2,376,211	-	-
Culture & recreation	-	-	-	-	-	-	-	-
Roads & bridges	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Public safety	19,263,964	1,532,346	397,127	1,549,705	-	-	-	-
Judicial	-	-	193,206	-	2,954,236	-	-	-
Health & welfare	-	-	-	-	-	-	8,986,164	-
Community & economic development	-	-	-	-	-	-	2,497,993	2,582,449
Community college	-	-	-	-	-	-	-	-
Library	-	-	-	-	-	-	-	-
Debt service:								
Interest	-	-	-	-	316	-	-	-
Principal retirement	-	-	-	-	20,684	-	-	-
Total expenditures	<u>19,263,964</u>	<u>1,532,346</u>	<u>590,333</u>	<u>1,549,705</u>	<u>2,975,236</u>	<u>2,376,211</u>	<u>11,484,157</u>	<u>2,582,449</u>
Excess (deficiency) of revenues over expenditures	<u>(14,913,103)</u>	<u>470,635</u>	<u>(237,422)</u>	<u>539,590</u>	<u>(1,036,539)</u>	<u>(71)</u>	<u>(47,454)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)								
Transfers in	15,429,261	-	237,422	-	1,375,051	-	69,669	-
Transfers out	-	(460,969)	-	(770,937)	-	-	-	-
Issuance of debt	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>15,429,261</u>	<u>(460,969)</u>	<u>237,422</u>	<u>(770,937)</u>	<u>1,375,051</u>	<u>-</u>	<u>69,669</u>	<u>-</u>
Net change in fund balances	516,158	9,666	-	(231,347)	338,512	(71)	22,215	-
Fund balances - beginning	<u>7,208,206</u>	<u>1,815,687</u>	<u>-</u>	<u>931,798</u>	<u>536,924</u>	<u>(80)</u>	<u>121,215</u>	<u>1</u>
Fund balances - ending	<u>\$ 7,724,364</u>	<u>\$ 1,825,353</u>	<u>\$ -</u>	<u>\$ 700,451</u>	<u>\$ 875,436</u>	<u>\$ (151)</u>	<u>\$ 143,430</u>	<u>\$ 1</u>

(Continued)

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

S-38-2
Spartanburg County, South Carolina
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2022

	Community College	Charles Lea Center	Library	Fire Districts	Total Nonmajor Special Revenue Funds
REVENUES					
Taxes	\$ 10,250,714	\$ 2,085,328	\$ 16,803,602	\$ 7,633,943	\$ 52,493,161
Permits, fines, and fees	-	-	71,907	-	6,542,839
Intergovernmental - Federal	-	-	-	-	15,500,304
Intergovernmental - State	3,925	823	576,984	-	6,578,230
Intergovernmental - Local	-	-	123,852	-	419,202
Interest income	-	-	12,223	-	43,453
Miscellaneous	-	-	165,103	-	2,405,630
Total revenues	<u>10,254,639</u>	<u>2,086,151</u>	<u>17,753,671</u>	<u>7,633,943</u>	<u>83,982,819</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	2,376,211
Culture & recreation	-	-	-	-	8,072,530
Roads & bridges	-	-	-	-	6,046,581
Sanitation	-	-	-	-	253,661
Public safety	-	-	-	7,828,703	31,011,279
Judicial	-	-	-	-	3,147,442
Health & welfare	-	1,885,000	-	-	10,871,164
Community & economic development	-	-	-	-	5,080,442
Community college	10,251,000	-	-	-	10,251,000
Library	-	-	14,484,542	-	14,484,542
Debt service:					
Interest	-	-	-	-	316
Principal retirement	-	-	184,070	-	204,754
Total expenditures	<u>10,251,000</u>	<u>1,885,000</u>	<u>14,668,612</u>	<u>7,828,703</u>	<u>91,799,922</u>
Excess (deficiency) of revenues over expenditures	<u>3,639</u>	<u>201,151</u>	<u>3,085,059</u>	<u>(194,760)</u>	<u>(7,817,103)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	19,641,403
Transfers out	-	-	(774,218)	-	(8,384,417)
Issuance of debt	-	-	10,257	-	10,257
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(763,961)</u>	<u>-</u>	<u>11,267,243</u>
Net change in fund balances	3,639	201,151	2,321,098	(194,760)	3,450,140
Fund balances - beginning	<u>2,502,047</u>	<u>566,945</u>	<u>7,984,147</u>	<u>807,394</u>	<u>43,107,700</u>
Fund balances - ending	<u>\$ 2,505,686</u>	<u>\$ 768,096</u>	<u>\$ 10,305,245</u>	<u>\$ 612,634</u>	<u>\$ 46,557,840</u>

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

Spartanburg County, South Carolina
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
CIP
For the Year Ended June 30, 2022

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Intergovernmental - Federal	\$ -	\$ 1,200,000	\$ 1,200,000	\$ -
Intergovernmental - State	-	175,000	50,551	(124,449)
Interest income	-	-	11,760	11,760
Miscellaneous	-	3,080,437	800,666	(2,279,771)
Total revenues	-	4,455,437	2,062,977	(2,392,460)
EXPENDITURES				
General government				
Planning & development	-	256,893	-	256,893
Information technologies	164,000	275,151	79,570	195,581
Library	-	12,222,945	3,595,153	8,627,792
Non departmental	352,000	971,748	715,004	256,744
Culture & recreation				
Parks administration	2,116,000	5,311,455	2,573,804	2,737,651
Roads & bridges				
Roads & bridges	33,230,900	49,796,417	4,486,587	45,309,830
Engineering	32,000	860,053	815,118	44,935
Sanitation				
Environmental enforcement	125,163	166,884	162,170	4,714
Solid waste collection	330,520	639,757	316,959	322,798
Landfills	2,984,603	5,562,246	3,607,953	1,954,293
Public safety				
Communications	1,211,600	3,266,048	520,645	2,745,403
Sheriff	2,038,747	4,332,821	1,995,634	2,337,187
Detention facility	75,000	609,584	146,247	463,337
Fire departments	-	817,555	175,000	642,555
Judicial				
Circuit Solicitor	-	422	-	422
Buildings				
Facilities maintenance	2,250,900	15,744,631	1,912,089	13,832,542
Non departmental	-	1,074,627	886	1,073,741
Total expenditures	44,911,433	101,909,237	21,102,819	80,806,418
Excess (deficiency) of revenues over expenditures	(44,911,433)	(97,453,800)	(19,039,842)	78,413,958
OTHER FINANCING SOURCES (USES)				
Transfers in	12,894,786	15,756,790	15,757,005	215
Issuance of debt	32,016,647	32,014,000	32,014,000	-
Total other financing sources (uses)	44,911,433	47,770,790	47,771,005	215
Net change in fund balances	-	(49,683,010)	28,731,163	78,414,173
Fund balances - beginning	51,947,105	51,947,105	51,947,105	-
Fund balances - ending	\$ 51,947,105	\$ 2,264,095	\$ 80,678,268	\$ 78,414,173

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

Spartanburg County, South Carolina
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Capital Penny Sales Tax
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 41,906,000	\$ 41,906,000	\$ 61,895,696	\$ 19,989,696
Interest income	-	-	166,662	166,662
Total revenues	41,906,000	41,906,000	62,062,358	20,156,358
EXPENDITURES				
Buildings				
Operating	1,100,000	4,735,877	2,408,075	2,327,802
Capital outlay	40,806,000	126,683,818	45,869,766	80,814,052
Total expenditures	41,906,000	131,419,695	48,277,841	83,141,854
Excess (deficiency) of revenues over expenditures	-	(89,513,695)	13,784,517	103,298,212
Net change in fund balances	-	(89,513,695)	13,784,517	103,298,212
Fund balances - beginning	120,902,931	120,902,931	120,902,931	-
Fund balances - ending	\$ 120,902,931	\$ 31,389,236	\$ 134,687,448	\$ 103,298,212

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

Spartanburg County, South Carolina
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Debt Service
For the Year Ended June 30, 2022

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Taxes	\$ 9,770,607	\$ 9,770,607	\$ 10,548,027	\$ 777,420
Intergovernmental - State	-	-	2,976	2,976
Interest income	-	-	147	147
Miscellaneous	-	-	14,564	14,564
Total revenues	9,770,607	9,770,607	10,565,714	795,107
EXPENDITURES				
Debt service:				
Administrative charges	286,000	261,186	238,271	22,915
Interest	2,223,023	2,223,023	2,334,510	(111,487)
Principal retirement	11,109,977	11,109,977	9,788,218	1,321,759
Total expenditures	13,619,000	13,594,186	12,360,999	1,233,187
Excess (deficiency) of revenues over expenditures	(3,848,393)	(3,823,579)	(1,795,285)	2,028,294
OTHER FINANCING SOURCES (USES)				
Transfers in	3,067,023	3,067,023	3,067,022	(1)
Transfers out	-	-	(41,659)	(41,659)
Bond issuance premiums	-	-	4,717,777	4,717,777
Issuance of debt	250,000	250,000	230,000	(20,000)
Total other financing sources (uses)	3,317,023	3,317,023	7,973,140	4,656,117
Net change in fund balances	(531,370)	(506,556)	6,177,855	6,684,411
Fund balances - beginning	5,482,439	5,482,439	5,482,439	-
Fund balances - ending	\$ 4,951,069	\$ 4,975,883	\$ 11,660,294	\$ 6,684,411

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

Spartanburg County, South Carolina
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Parks
For the Year Ended June 30, 2022

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Taxes	\$ 6,354,881	\$ 6,474,881	\$ 6,684,673	\$ 209,792
Permits, fines, and fees	853,500	853,500	775,677	(77,823)
Intergovernmental - State	-	-	31,212	31,212
Interest income	-	-	8,419	8,419
Miscellaneous	287,000	297,000	376,031	79,031
Total revenues	7,495,381	7,625,381	7,876,012	250,631
EXPENDITURES				
Culture & recreation				
Parks administration	1,326,051	1,459,401	1,108,373	351,028
Parks maintenance	3,707,562	3,716,197	3,424,809	291,388
Parks operations	885,995	890,214	836,449	53,765
Senior programs	185,001	185,001	169,083	15,918
Recreation centers	789,028	791,722	753,726	37,996
Recreation programs	992,363	986,223	887,184	99,039
Total expenditures	7,886,000	8,028,758	7,179,624	849,134
Excess (deficiency) of revenues over expenditures	(390,619)	(403,377)	696,388	1,099,765
OTHER FINANCING SOURCES (USES)				
Transfers in	2,530,000	2,530,000	2,530,000	-
Transfers out	(1,191,000)	(1,341,000)	(1,341,000)	-
Total other financing sources (uses)	1,339,000	1,189,000	1,189,000	-
Net change in fund balances	948,381	785,623	1,885,388	1,099,765
Fund balances - beginning	5,004,212	5,004,212	5,004,212	-
Fund balances - ending	\$ 5,952,593	\$ 5,789,835	\$ 6,889,600	\$ 1,099,765

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

Spartanburg County, South Carolina
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Hospitality Tax
For the Year Ended June 30, 2022

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Taxes	\$ 5,060,000	\$ 5,060,000	\$ 6,041,697	\$ 981,697
Intergovernmental - State	-	-	680	\$ 680
Interest income	2,000	2,000	8,591	6,591
Total revenues	5,062,000	5,062,000	6,050,968	988,968
EXPENDITURES				
Culture & recreation				
Outside agencies	599,150	608,365	602,650	5,715
Personnel	82,820	82,820	78,425	4,395
Operating	148,030	147,813	211,596	(63,783)
Capital outlay	-	250	235	15
Total expenditures	830,000	839,248	892,906	(53,658)
Excess (deficiency) of revenues over expenditures	4,232,000	4,222,752	5,158,062	935,310
OTHER FINANCING SOURCES (USES)				
Transfers out	(4,668,000)	(4,668,000)	(4,668,000)	-
Total other financing sources (uses)	(4,668,000)	(4,668,000)	(4,668,000)	-
Net change in fund balances	(436,000)	(445,248)	490,062	935,310
Fund balances - beginning	2,949,083	2,949,083	2,949,083	-
Fund balances - ending	\$ 2,513,083	\$ 2,503,835	\$ 3,439,145	\$ 935,310

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

Spartanburg County, South Carolina
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Road Maintenance Fee
For the Year Ended June 30, 2022

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Permits, fines, and fees	\$ 7,377,000	\$ 1,896,000	\$ 2,186,774	\$ 290,774
Interest income	2,000	2,000	10,836	8,836
Miscellaneous	2,000	14,450	37,428	22,978
Total revenues	7,381,000	1,912,450	2,235,038	322,588
EXPENDITURES				
Roads & bridges				
Operating	2,395,000	1,807,242	1,410,856	396,386
Capital outlay	4,798,000	9,414,319	3,160,203	6,254,116
Total expenditures	7,193,000	11,221,561	4,571,059	6,650,502
Excess (deficiency) of revenues over expenditures	188,000	(9,309,111)	(2,336,021)	6,973,090
Net change in fund balances	188,000	(9,309,111)	(2,336,021)	6,973,090
Fund balances - beginning	9,659,010	9,659,010	9,659,010	-
Fund balances - ending	\$ 9,847,010	\$ 349,899	\$ 7,322,989	\$ 6,973,090

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

Spartanburg County, South Carolina
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Storm Water Management
For the Year Ended June 30, 2022

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Taxes	\$ 1,341,043	\$ 1,341,043	\$ 1,407,801	\$ 66,758
Permits, fines, and fees	250,000	250,000	792,282	542,282
Intergovernmental - State	-	-	4,533	4,533
Interest income	1,000	1,000	2,599	1,599
Miscellaneous	-	-	12,835	12,835
Total revenues	1,592,043	1,592,043	2,220,050	628,007
EXPENDITURES				
Roads & bridges				
Personnel	982,500	982,500	970,792	11,708
Operating	543,500	598,289	499,949	98,340
Capital outlay	-	4,300	4,781	(481)
Total expenditures	1,526,000	1,585,089	1,475,522	109,567
Excess (deficiency) of revenues over expenditures	66,043	6,954	744,528	737,574
OTHER FINANCING SOURCES (USES)				
Transfers out	(182,000)	(119,293)	(119,293)	-
Total other financing sources (uses)	(182,000)	(119,293)	(119,293)	-
Net change in fund balances	(115,957)	(112,339)	625,235	737,574
Fund balances - beginning	1,295,399	1,295,399	1,295,399	-
Fund balances - ending	\$ 1,179,442	\$ 1,183,060	\$ 1,920,634	\$ 737,574

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

Spartanburg County, South Carolina
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Methane
For the Year Ended June 30, 2022

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Permits, fines, and fees	\$ 340,000	\$ 340,000	\$ 456,525	\$ 116,525
Total revenues	340,000	340,000	456,525	116,525
EXPENDITURES				
Sanitation				
Operating	301,000	301,000	253,661	47,339
Total expenditures	301,000	301,000	253,661	47,339
Excess (deficiency) of revenues over expenditures	39,000	39,000	202,864	163,864
OTHER FINANCING SOURCES (USES)				
Transfers out	(250,000)	(250,000)	(250,000)	-
Total other financing sources (uses)	(250,000)	(250,000)	(250,000)	-
Net change in fund balances	(211,000)	(211,000)	(47,136)	163,864
Fund balances - beginning	1,322,780	1,322,780	1,322,780	-
Fund balances - ending	\$ 1,111,780	\$ 1,111,780	\$ 1,275,644	\$ 163,864

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

Spartanburg County, South Carolina
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Detention
For the Year Ended June 30, 2022

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Permits, fines, and fees	\$ 1,479,950	\$ 1,495,586	\$ 1,495,586	\$ -
Intergovernmental - Federal	1,750,000	1,770,814	1,584,622	(186,192)
Intergovernmental - State	-	-	91,570	91,570
Intergovernmental - Local	35,000	35,000	48,846	13,846
Miscellaneous	820,789	980,789	1,130,237	149,448
Total revenues	4,085,739	4,282,189	4,350,861	68,672
EXPENDITURES				
Public safety				
Personnel	15,723,700	15,377,700	14,403,072	974,628
Operating	4,101,009	5,456,156	4,129,507	1,326,649
Capital outlay	86,291	1,768,036	731,385	1,036,651
Total expenditures	19,911,000	22,601,892	19,263,964	3,337,928
Excess (deficiency) of revenues over expenditures	(15,825,261)	(18,319,703)	(14,913,103)	3,406,600
OTHER FINANCING SOURCES (USES)				
Transfers in	15,775,261	15,429,261	15,429,261	-
Total other financing sources (uses)	15,775,261	15,429,261	15,429,261	-
Net change in fund balances	(50,000)	(2,890,442)	516,158	3,406,600
Fund balances - beginning	7,208,206	7,208,206	7,208,206	-
Fund balances - ending	\$ 7,158,206	\$ 4,317,764	\$ 7,724,364	\$ 3,406,600

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

Spartanburg County, South Carolina
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
911 Phone System
For the Year Ended June 30, 2022

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Permits, fines, and fees	\$ 408,500	\$ 408,500	\$ 403,687	(4,813)
Intergovernmental - State	1,580,100	1,580,100	1,599,294	19,194
Total revenues	1,988,600	1,988,600	2,002,981	14,381
EXPENDITURES				
Public safety				
Personnel	214,200	190,231	163,431	26,800
Operating	1,399,800	1,374,440	1,340,920	33,520
Capital outlay	-	47,846	27,995	19,851
Total expenditures	1,614,000	1,612,517	1,532,346	80,171
Excess (deficiency) of revenues over expenditures	374,600	376,083	470,635	94,552
OTHER FINANCING SOURCES (USES)				
Transfers out	(437,000)	(437,000)	(460,969)	(23,969)
Total other financing sources (uses)	(437,000)	(437,000)	(460,969)	(23,969)
Net change in fund balances	(62,400)	(60,917)	9,666	70,583
Fund balances - beginning	1,815,687	1,815,687	1,815,687	-
Fund balances - ending	\$ 1,753,287	\$ 1,754,770	\$ 1,825,353	\$ 70,583

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

Spartanburg County, South Carolina
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Victim Assistance
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Permits, fines, and fees	\$ 260,000	\$ 353,092	\$ 350,351	\$ (2,741)
Intergovernmental - State	-	2,560	2,560	-
Total revenues	260,000	355,652	352,911	(2,741)
EXPENDITURES				
Public safety				
Sheriff	276,847	284,112	282,827	1,285
Outside agencies	114,300	114,300	114,300	-
Judicial				
Victim witness program	203,853	196,588	193,206	3,382
Total expenditures	595,000	595,000	590,333	4,667
Excess (deficiency) of revenues over expenditures	(335,000)	(239,348)	(237,422)	1,926
OTHER FINANCING SOURCES (USES)				
Transfers in	335,000	239,348	237,422	(1,926)
Total other financing sources (uses)	335,000	239,348	237,422	(1,926)
Net change in fund balances	-	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ -	\$ -	\$ -

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

Spartanburg County, South Carolina
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Fire Department
For the Year Ended June 30, 2022

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Taxes	\$ 1,434,000	\$ 1,654,300	\$ 1,585,403	\$ (68,897)
Permits, fines, and fees	10,000	10,000	10,050	50
Miscellaneous	-	468,884	493,842	24,958
Total revenues	1,444,000	2,133,184	2,089,295	(43,889)
EXPENDITURES				
Public safety				
Personnel	984,449	987,959	977,246	10,713
Operating	392,497	544,140	496,838	47,302
Capital outlay	41,500	149,016	75,621	73,395
Total current	1,418,446	1,681,115	1,549,705	131,410
Total expenditures	1,418,446	1,681,115	1,549,705	131,410
Excess (deficiency) of revenues over expenditures	25,554	452,069	539,590	87,521
OTHER FINANCING SOURCES (USES)				
Transfers out	(25,554)	(770,937)	(770,937)	-
Total other financing sources (uses)	(25,554)	(770,937)	(770,937)	-
Net change in fund balances	-	(318,868)	(231,347)	87,521
Fund balances - beginning	931,798	931,798	931,798	-
Fund balances - ending	\$ 931,798	\$ 612,930	\$ 700,451	\$ 87,521

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

Spartanburg County, South Carolina
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Public Defender 7th Circuit
For the Year Ended June 30, 2022

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Intergovernmental - State	\$ 1,217,772	\$ 1,590,863	\$ 1,678,685	\$ 87,822
Intergovernmental - Local	248,004	248,004	246,504	(1,500)
Miscellaneous	-	-	13,508	13,508
Total revenues	1,465,776	1,838,867	1,938,697	99,830
EXPENDITURES				
Judicial				
Personnel	2,638,782	2,815,990	2,642,962	173,028
Operating	141,218	322,722	295,189	27,533
Capital outlay	6,000	20,901	16,085	4,816
Total Current	2,786,000	3,159,613	2,954,236	205,377
Debt service				
Interest	316	316	316	-
Principal retirement	20,684	20,684	20,684	-
Total debt service	21,000	21,000	21,000	-
Total expenditures	2,807,000	3,180,613	2,975,236	205,377
Excess (deficiency) of revenues over expenditures	(1,341,224)	(1,341,746)	(1,036,539)	305,207
OTHER FINANCING SOURCES (USES)				
Transfers in	1,375,051	1,375,051	1,375,051	-
Total other financing sources (uses)	1,375,051	1,375,051	1,375,051	-
Net change in fund balances	33,827	33,305	338,512	305,207
Fund balances - beginning	536,924	536,924	536,924	-
Fund balances - ending	\$ 570,751	\$ 570,229	\$ 875,436	\$ 305,207

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

Spartanburg County, South Carolina
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Upstate Workforce Board
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental - Federal	\$ 1,949,754	\$ 3,309,362	\$ 2,373,522	\$ (935,840)
Intergovernmental - State	-	-	2,618	\$ 2,618
Total revenues	1,949,754	3,309,362	2,376,140	(933,222)
EXPENDITURES				
General government				
Personnel	356,559	359,545	358,066	1,479
Operating	1,590,195	2,949,203	2,017,635	931,568
Capital outlay	3,000	614	510	104
Total expenditures	1,949,754	3,309,362	2,376,211	933,151
Excess (deficiency) of revenues over expenditures	-	-	(71)	(71)
Net change in fund balances	-	-	(71)	(71)
Fund balances - beginning	(80)	(80)	(80)	-
Fund balances - ending	\$ (80)	\$ (80)	\$ (151)	\$ (71)

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

Spartanburg County, South Carolina
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Community Development
For the Year Ended June 30, 2022

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Intergovernmental - Federal	\$ 2,134,359	\$ 19,123,422	\$ 11,387,312	\$ (7,736,110)
Intergovernmental - State	-	-	2,897	2,897
Miscellaneous	-	189,431	46,494	(142,937)
Total revenues	2,134,359	19,312,853	11,436,703	(7,876,150)
EXPENDITURES				
Health & welfare				
Personnel	-	171,777	82,914	88,863
Operating	-	12,560,191	8,903,250	3,656,941
Community & economic development	-	-	-	-
Personnel	515,484	828,898	448,841	380,057
Operating	1,727,711	6,139,867	2,049,152	4,090,715
Total expenditures	2,243,195	19,700,733	11,484,157	8,216,576
Excess (deficiency) of revenues over expenditures	(108,836)	(387,880)	(47,454)	340,426
OTHER FINANCING SOURCES (USES)				
Transfers in	108,836	108,836	69,669	(39,167)
Total other financing sources (uses)	108,836	108,836	69,669	(39,167)
Net change in fund balances	-	(279,044)	22,215	301,259
Fund balances - beginning	121,215	121,215	121,215	-
Fund balances - ending	\$ 121,215	\$ (157,829)	\$ 143,430	\$ 301,259

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

Spartanburg County, South Carolina
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Community College
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 9,816,575	\$ 9,816,575	\$ 10,250,714	\$ 434,139
Intergovernmental - State	-	-	3,925	3,925
Total revenues	9,816,575	9,816,575	10,254,639	438,064
EXPENDITURES				
Community college				
Operating	10,251,000	10,251,000	10,251,000	-
Total expenditures	10,251,000	10,251,000	10,251,000	-
Excess (deficiency) of revenues over expenditures	(434,425)	(434,425)	3,639	438,064
Net change in fund balances	(434,425)	(434,425)	3,639	438,064
Fund balances - beginning	2,502,047	2,502,047	2,502,047	-
Fund balances - ending	\$ 2,067,622	\$ 2,067,622	\$ 2,505,686	\$ 438,064

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

Spartanburg County, South Carolina
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Charles Lea Center
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 1,990,738	\$ 1,990,738	\$ 2,085,328	\$ 94,590
Intergovernmental - State	-	-	823	823
Total revenues	1,990,738	1,990,738	2,086,151	95,413
EXPENDITURES				
Health & welfare				
Charles Lea Center	1,885,000	1,885,000	1,885,000	-
Total expenditures	1,885,000	1,885,000	1,885,000	-
Excess (deficiency) of revenues over expenditures	105,738	105,738	201,151	95,413
Net change in fund balances	105,738	105,738	201,151	95,413
Fund balances - beginning	566,945	566,945	566,945	-
Fund balances - ending	\$ 672,683	\$ 672,683	\$ 768,096	\$ 95,413

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

Spartanburg County, South Carolina
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Library
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 15,878,473	\$ 15,878,473	\$ 16,803,602	\$ 925,129
Permits, fines, and fees	50,000	50,000	71,907	21,907
Intergovernmental - State	562,527	562,527	576,984	14,457
Intergovernmental - Local	-	-	123,852	123,852
Interest income	-	-	12,223	12,223
Miscellaneous	-	-	165,103	165,103
Total revenues	<u>16,491,000</u>	<u>16,491,000</u>	<u>17,753,671</u>	<u>1,262,671</u>
EXPENDITURES				
Library				
Personnel	10,668,881	10,668,881	9,584,933	1,083,948
Operating	5,047,901	5,047,901	4,308,679	739,222
Capital outlay	-	-	590,930	(590,930)
Total current	<u>15,716,782</u>	<u>15,716,782</u>	<u>14,484,542</u>	<u>1,232,240</u>
Debt service:				
Principal retirement	-	-	184,070	(184,070)
Total debt service	<u>-</u>	<u>-</u>	<u>184,070</u>	<u>(184,070)</u>
Total expenditures	<u>15,716,782</u>	<u>15,716,782</u>	<u>14,668,612</u>	<u>1,048,170</u>
Excess (deficiency) of revenues over expenditures	<u>774,218</u>	<u>774,218</u>	<u>3,085,059</u>	<u>2,310,841</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(774,218)	(774,218)	(774,218)	-
Issuance of debt	-	-	10,257	10,257
Total other financing sources (uses)	<u>(774,218)</u>	<u>(774,218)</u>	<u>(763,961)</u>	<u>10,257</u>
Net change in fund balances	-	-	2,321,098	2,321,098
Fund balances - beginning	<u>7,984,147</u>	<u>7,984,147</u>	<u>7,984,147</u>	<u>-</u>
Fund balances - ending	<u>\$ 7,984,147</u>	<u>\$ 7,984,147</u>	<u>\$ 10,305,245</u>	<u>\$ 2,321,098</u>

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

Spartanburg County, South Carolina
Combining Statement of Net Position
Nonmajor Internal Service Funds
June 30, 2022

	Fleet Services	Facilities Maintenance	Information Technologies	Insurance	Total Nonmajor Internal service funds
ASSETS					
Current assets:					
Cash	\$ -	\$ 157,184	\$ 165,919	\$ 9,306,326	\$ 9,629,429
Accounts receivable (net)	49,584	-	-	225	49,809
Inventory	419,746	-	-	-	419,746
Total current assets	469,330	157,184	165,919	9,306,551	10,098,984
Noncurrent assets:					
Furniture, fixtures, and equipment (net of depreciation)	187,916	218,029	1,447,077	-	1,853,022
Total noncurrent assets	187,916	218,029	1,447,077	-	1,853,022
Total assets	\$ 657,246	\$ 375,213	\$ 1,612,996	\$ 9,306,551	\$ 11,952,006
LIABILITIES					
Current liabilities:					
Accounts payable	365,826	160,045	40,702	77,568	644,141
Accrued liabilities miscellaneous	32,474	33,671	36,377	-	102,522
Other liabilities and unearned revenue	35	-	-	1,365,238	1,365,273
Interfund payable	198,609	-	-	-	198,609
Total current liabilities	596,944	193,716	77,079	1,442,806	2,310,545
Noncurrent liabilities:					
Accrued compensated absences	58,798	97,135	64,605	-	220,538
Total noncurrent liabilities	58,798	97,135	64,605	-	220,538
Total liabilities	\$ 655,742	\$ 290,851	\$ 141,684	\$ 1,442,806	\$ 2,531,083
NET POSITION					
Net investment in capital assets	187,916	218,029	1,447,077	-	1,853,022
Unrestricted	(186,412)	(133,667)	24,235	7,863,745	7,567,901
Total net position	\$ 1,504	\$ 84,362	\$ 1,471,312	\$ 7,863,745	\$ 9,420,923

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

Spartanburg County, South Carolina
Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2022

	Fleet Services	Facilities Maintenance	Information Technologies	Insurance	Total Internal Service Funds
OPERATING REVENUES					
Charges for services	\$ 1,603,148	\$ 2,943,751	\$ 4,315,742	\$ -	\$ 8,862,641
Miscellaneous	10,443	16,499	6,638	63,752	97,332
Premiums	-	-	-	11,606,650	11,606,650
Total operating revenues	<u>1,613,591</u>	<u>2,960,250</u>	<u>4,322,380</u>	<u>11,670,402</u>	<u>20,566,623</u>
OPERATING EXPENSES					
Personnel	1,032,344	1,176,453	1,184,561	11,386,981	14,780,339
Operating	495,308	1,795,739	2,195,898	511,966	4,998,911
Depreciation	93,358	53,458	695,150	-	841,966
Total operating expenses	<u>1,621,010</u>	<u>3,025,650</u>	<u>4,075,609</u>	<u>11,898,947</u>	<u>20,621,216</u>
Operating income (loss)	<u>(7,419)</u>	<u>(65,400)</u>	<u>246,771</u>	<u>(228,545)</u>	<u>(54,593)</u>
NONOPERATING REVENUES (EXPENSES)					
Gain or (loss) on disposition of capital assets	7,418	8,011	(1,193)	-	14,236
Total nonoperating revenues (expenses)	<u>7,418</u>	<u>8,011</u>	<u>(1,193)</u>	<u>-</u>	<u>14,236</u>
Income (loss) before contributions and transfers	(1)	(57,389)	245,578	(228,545)	(40,357)
Transfers in	-	-	-	471,005	471,005
Change in net position	(1)	(57,389)	245,578	242,460	430,648
Total net position - beginning	<u>1,505</u>	<u>141,751</u>	<u>1,225,734</u>	<u>7,621,285</u>	<u>8,990,275</u>
Total net position - ending	<u>\$ 1,504</u>	<u>\$ 84,362</u>	<u>\$ 1,471,312</u>	<u>\$ 7,863,745</u>	<u>\$ 9,420,923</u>

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

Spartanburg County, South Carolina
Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2022

CASH FLOWS FROM OPERATING ACTIVITIES

	Fleet Services	Facilities Maintenance	Information Technologies	Insurance	Total
Cash receipts from customers	\$ 1,571,197	\$ 2,953,063	\$ 4,315,742	\$ 11,670,177	\$ 20,510,179
Payments to employees	(1,027,105)	(1,163,269)	(1,177,492)	(11,188,153)	(14,556,019)
Payments to suppliers	(664,073)	(1,774,125)	(2,392,268)	(511,268)	(5,341,734)
Interfund payables	22,864	-	-	-	22,864
Net cash provided (used) by operating activities	(97,117)	15,669	745,982	(29,244)	635,290

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Transfers from other funds	-	-	-	471,005	471,005
Net cash provided (used) by noncapital financing activities	-	-	-	471,005	471,005

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets	97,117	(61,734)	(643,626)	-	(608,243)
Net cash provided (used) by capital and related financing activities	97,117	(61,734)	(643,626)	-	(608,243)
Net increase (decrease) in cash and cash equivalents	-	(46,065)	102,356	441,761	498,052
Balances - beginning of year	-	203,249	63,563	8,864,565	9,131,377
Balances - end of the year	\$ -	\$ 157,184	\$ 165,919	\$ 9,306,326	\$ 9,629,429

Reconciliation of operating income (loss) to net cash provided (used) by operating activities:

Operating income (loss)	\$ (7,419)	\$ (65,400)	\$ 246,771	\$ (228,545)	\$ (54,593)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	93,358	53,458	695,150	-	841,966
Changes in assets and liabilities:					
Accounts payable - supplier	(1,833)	21,656	(196,371)	698	(175,850)
Compensated absences	(6,036)	2,388	(5,486)	-	(9,134)
Inventory	(166,884)	-	-	-	(166,884)
Other operating receivables	(35,985)	-	-	(225)	(36,210)
Salaries & benefits payable	4,864	3,609	5,918	-	14,391
Interfund payables	22,864	-	-	-	22,864
Other liabilities	(46)	(42)	-	198,828	198,740
Net cash provided (used) by operating activities	\$ (97,117)	\$ 15,669	\$ 745,982	\$ (29,244)	\$ 635,290

CASH RECONCILIATION

Actual Balance - end of year	\$ -	\$ 157,184	\$ 165,919	\$ 9,306,326	\$ 9,629,429
------------------------------	------	------------	------------	--------------	--------------

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

Custodial Funds

Custodial funds are used to account for assets held by the County for individuals, private organizations, other governments, and other funds.

Treasurer's Office and Delinquent Tax Office--These offices collect taxes for all taxing districts located within the County. These monies are held in a custodial capacity for the various taxing districts and are not assets or revenues of the County.

Other County offices which collect fees, fines, child support, etc., for the State and other agencies are:

Sheriff's Office

Circuit Solicitor

Clerk of Court (court administration)

Master-in-Equity (small claims court)

Magisterial Court

Probate Court

Detention Facility

Public Defender

The monies collected are held in a custodial capacity and are not assets or revenues of the County.

Spartanburg County, South Carolina
Combining Statement of Fiduciary Net Position
Fiduciary Funds - Other Custodial Funds
June 30, 2022

	Sheriff	Circuit Solicitor	Clerk of Court	Master-in-Equity	Magistrate Court	Probate Court	Delinquent Tax Office	Treasurer	Detention Facility	Trinity Fire	Total Other Custodial Funds
ASSETS:											
Cash and cash equivalents	\$ 1,513,028	\$ 684,777	\$ 6,288,185	\$ 591,646	\$ 377,178	\$ 4,726	\$ 10,846,828	\$ 43,233,215	\$ 2,179,971	\$ 33,878	\$ 65,753,431
Investments at fair value	-	-	-	-	-	-	-	1,308,852	-	-	1,308,852
Delinquent taxes receivable (net)	-	-	-	-	-	-	14,787,334	-	-	-	14,787,334
Accounts receivable (net)	-	-	-	-	-	-	331,502	69,725	-	-	401,227
Total Assets	1,513,028	684,777	6,288,185	591,646	377,178	4,726	25,965,664	44,611,792	2,179,971	33,878	82,250,845
LIABILITIES:											
Accounts payable	-	-	-	-	-	-	-	8,373,731	-	-	8,373,731
Total Liabilities	-	-	-	-	-	-	-	8,373,731	-	-	8,373,731
NET POSITION:											
Restricted for											
Individuals, organizations, other governments	\$ 1,513,028	\$ 684,777	\$ 6,288,185	\$ 591,646	\$ 377,178	\$ 4,726	\$ 25,965,664	\$ 36,238,061	\$ 2,179,971	\$ 33,878	\$ 73,877,114

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

Spartanburg County, South Carolina
Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds - Other Custodial Funds
For the Year Ended June 30, 2022

	Sheriff	Circuit Solicitor	Clerk of Court	Master-in- Equity	Magistrate Court	Probate Court	Delinquent Tax Office	Treasurer	Detention Facility	Trinity Fire	Total Other Custodial Funds
ADDITIONS											
Child support remittances	\$ -	\$ -	\$ 1,137,611	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,137,611
Contributions from businesses and individuals	12,542	-	-	-	-	-	-	-	-	-	12,542
Court ordered escrow from other entities/individuals	-	-	711,871	-	-	-	-	-	-	-	711,871
Fines, costs, and penalties on taxes	-	2,076	1,549,589	10,112,598	4,666,716	856,887	-	13,040,606	1,494,202	-	31,722,674
Forfeitures & seizures	216,558	33,401	-	-	-	-	-	-	2,237,777	-	2,487,737
General property tax	-	80,877	-	-	-	-	104,180,403	662,201,026	43,115	25,209	766,530,630
Interest income	431	608	2,324	513	-	-	15,983	1,267,096	-	-	1,286,955
Miscellaneous	-	-	-	-	-	-	-	1,429,421	-	-	1,429,421
Taxes and fees from state	-	-	1,026,326	-	-	-	-	353,026,320	-	-	354,052,646
Receipts from other entities	-	-	-	-	-	-	-	171,528,878	-	-	171,528,878
Local government investment pool net receipts	-	-	-	-	-	-	-	-	-	-	-
Total additions	229,531	116,962	4,427,721	10,113,111	4,666,716	856,887	104,196,386	1,202,493,347	3,775,094	25,209	1,330,900,965
DEDUCTIONS											
Administrative expense	1,157	59,902	9,624	-	-	-	-	-	27,678	29,461	127,822
Beneficiary payments to individuals	-	-	59,350	-	-	-	-	-	1,956,622	-	2,015,972
Escrow payments to other entities/individuals	-	-	301,589	-	-	-	-	-	-	-	301,589
Payments to state	4,760	-	903,190	-	-	-	-	-	-	-	907,950
Payments to other entities	183,896	11,578	2,455,829	9,711,627	4,989,245	856,948	106,877,174	1,188,211,125	1,523,984	-	1,314,821,406
Service charges	-	10	4,135	86	-	110	-	-	3,343	-	7,684
Local government investment pool net deductions	-	-	-	-	-	-	-	73,969,459	-	-	73,969,459
Total deductions	189,813	71,491	3,733,717	9,711,713	4,989,245	857,057	106,877,174	1,262,180,584	3,511,627	29,461	1,392,151,882
Change in net position	39,718	45,471	694,005	401,398	(322,529)	(170)	(2,680,788)	(59,687,237)	263,467	(4,251)	(61,250,916)
Net position - beginning	1,473,310	639,306	5,594,180	190,248	699,707	4,896	28,646,452	95,925,298	1,916,504	38,129	135,128,030
Net position - ending	\$ 1,513,028	\$ 684,777	\$ 6,288,185	\$ 591,646	\$ 377,178	\$ 4,726	\$ 25,965,664	\$ 36,238,061	\$ 2,179,971	\$ 33,878	\$ 73,877,114

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

STATISTICAL SECTION

Index

This section presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about Spartanburg County's overall financial health.

Ref. # Page No.

1. Financial Trend Information

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Government-wide Net Position - 10 years	G-3	133
Government-wide Changes in Net Position - 10 years	G-4	134
Charges for Services by Function	G-5	135
Fund Balance of Governmental Funds - 10 years	F-3/F-4	138-139
Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds - 10 years	F-5	140
Ratio of Annual Debt Service Expenditures for GO Bonded Debt to Total General Governmental Expenditures	M-9	149

2. Revenue Capacity Information

These schedules contain information to help the reader assess the County's most significant local revenue source, property tax collections.

Government-wide Revenues - 10 years	G-2	132
General Government Revenues by Source - 10 years	F-2	137
Property Tax Levies and Collections - 10 years	M-1	141
Delinquent Property Tax Collections - 10 years	M-2	142
Assessed and Estimated Market Value of Property - 10 years	M-3	143
Property Tax Rates of Direct and Overlapping Governments - 10 years	M-4	144
Principle Taxpayers - 10 years	M-5	145

3. Debt Capacity Information

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and its ability to issue additional debt in the future.

Computation of Legal Debt Margin - 10 years	M-6	146
Ratios of Outstanding Debt by Type - 10 years	M-7	147
Ratios of General Obligation Bonded Debt - 10 years	M-8	148
Computation of Direct and Overlapping Bonded Debt - Current Year	M-10	150
Schedule of Bonds Outstanding	D-1	156
Bond Amortization Schedule	D-2	157

4. Demographic & Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Demographic Statistics - 10 years	M-11	151
Property Value, Construction, Bank Deposits, and Retail Sales - 10 years	M-12	152
Major Employers and Changes in Employment Data	M-14	154

5. Operating Information

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.

Employees by Function - 10 years	G-1	131
Government-wide Expenses by Function - 10 years	G-1	131
General Governmental Expenditures by Function - 10 years	F-1	136
Miscellaneous Statistics	M-13	153
Operating Indicators by Function - Last 10 years	M-15	155
Capital Assets Used in the Operation of Governmental Funds - 10 years	C-1	158
Solid Waste Revenue Bonds - Historical Net Earnings with Debt Service Coverage	SW-1	159
Solid Waste Revenue Bonds - DHEC data	SW-2	160
Solid Waste Revenue Bonds - Disposal Data	SW-3	161
Certificates of Participation - Monthly Collections	COPS-1	162
Certificates of Participation - Projected Collection & Coverage / Establishments Remitting	COPS-2	163

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Report for the relevant year.

[BLANK PAGE]

Spartanburg County, South Carolina
Government-wide Expenses by Function
Last Ten Fiscal Years

Fiscal Year	General Government	Culture & Recreation	Roads & Bridges	Sanitation	Public Safety	Judicial	Health & Welfare
2013	\$ 30,842,622	\$ 7,149,760	\$ 16,705,058	\$ 8,127,850	\$ 50,356,490	\$ 13,418,232	\$ 8,103,673
2014	\$ 26,335,757	\$ 7,340,329	\$ 10,394,233	\$ 10,412,880	\$ 54,460,752	\$ 13,930,094	\$ 9,075,256
2015	\$ 28,773,170	\$ 8,001,127	\$ 28,463,251	\$ 9,478,060	\$ 56,884,478	\$ 14,670,377	\$ 9,321,826
2016	\$ 28,501,978	\$ 8,682,052	\$ 10,843,842	\$ 9,520,569	\$ 57,982,581	\$ 14,828,928	\$ 10,580,151
2017	\$ 35,196,362	\$ 9,797,272	\$ 5,499,185	\$ 11,181,194	\$ 58,608,826	\$ 15,889,596	\$ 11,062,401
2018	\$ 33,824,198	\$ 10,158,775	\$ 6,371,001	\$ 6,827,203	\$ 61,080,987	\$ 15,738,813	\$ 11,556,872
2019	\$ 34,318,299	\$ 10,698,290	\$ 3,776,488	\$ 8,572,875	\$ 64,733,266	\$ 16,336,104	\$ 12,215,981
2020	\$ 36,894,373	\$ 10,983,823	\$ 2,901,712	\$ 9,764,627	\$ 68,479,436	\$ 16,681,016	\$ 10,444,453
2021	\$ 41,390,731	\$ 10,244,382	\$ 34,350,714	\$ 10,969,273	\$ 71,609,551	\$ 16,934,590	\$ 12,990,645
2022	\$ 41,371,801	\$ 10,995,044	\$ 15,106,974	\$ 10,504,509	\$ 75,604,197	\$ 18,133,024	\$ 18,531,831

Fiscal Year	Community & Economic Development	Transportation	Community College	Buildings	General Long Term Debt	Library	Total
2013	\$ 1,330,433	\$ 1,665,241	\$ 6,600,000	\$ 1,752,500	\$ 2,781,449	\$ 11,838,721	\$ 160,672,029
2014	\$ 1,934,302	\$ 1,999,280	\$ 6,839,998	\$ 1,861,092	\$ 2,365,388	\$ 12,056,856	\$ 159,006,217
2015	\$ 2,091,571	\$ 1,623,432	\$ 7,005,000	\$ 1,757,405	\$ 2,202,378	\$ 12,098,575	\$ 182,370,650
2016	\$ 3,334,318	\$ 2,090,546	\$ 7,902,000	\$ 1,671,606	\$ 2,649,295	\$ 13,127,032	\$ 171,714,898
2017	\$ 26,508,164	\$ 1,639,844	\$ 7,729,000	\$ 1,630,062	\$ 1,839,011	\$ 13,725,264	\$ 200,306,181
2018	\$ 5,427,750	\$ 440,712	\$ 8,017,000	\$ 1,042,105	\$ 334,702	\$ 14,107,700	\$ 174,927,818
2019	\$ 6,563,208	\$ 474,159	\$ 8,269,000	\$ 2,137,205	\$ 2,145,369	\$ 14,375,742	\$ 184,615,986
2020	\$ 2,003,056	\$ 464,618	\$ 8,753,000	\$ 350,257	\$ 3,880,504	\$ 15,426,549	\$ 187,027,424
2021	\$ 5,358,590	\$ 512,145	\$ 9,281,000	\$ 960,399	\$ 3,453,375	\$ 15,380,304	\$ 233,435,699
2022	\$ 5,116,637	\$ 508,649	\$ 10,251,000	\$ 946,954	\$ 6,781,740	\$ 11,179,935	\$ 225,032,295

Employees by Function

Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General government	223	221	224	223	236	235	243	237	245	245
Culture & recreation	93	95	105	103	104	143	195	174	165	175
Roads & bridges	61	61	67	64	70	72	74	74	76	73
Sanitation	75	80	79	81	81	113	109	109	114	108
Public safety	618	620	626	615	609	631	665	683	693	682
Judicial	234	237	231	222	233	245	251	230	237	238
Health & welfare	36	46	45	53	53	54	12	12	13	22
Comm & economic development	6	7	7	8	6	6	6	6	7	7
Buildings	16	15	16	16	16	17	17	18	18	18
Library	136	136	136	136	162	217	214	200	190	199
	1498	1518	1536	1521	1570	1733	1786	1743	1758	1767

Spartanburg County, South Carolina
Government-wide Revenues
Last Ten Fiscal Years

PROGRAM REVENUES

Fiscal Year	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Program Revenues	Total General Revenues	Total
2013	\$ 31,746,410	\$ 23,571,344	\$ 619,586	\$ 55,937,340	\$ 110,367,221	\$ 166,304,561
2014	\$ 32,240,508	\$ 16,345,422	\$ 1,259,420	\$ 49,845,350	\$ 114,693,716	\$ 164,539,066
2015	\$ 33,067,516	\$ 34,417,889	\$ 658,368	\$ 68,143,773	\$ 124,200,982	\$ 192,344,755
2016	\$ 35,193,554	\$ 25,010,591	\$ 1,866,922	\$ 62,071,067	\$ 124,704,752	\$ 186,775,819
2017	\$ 37,379,517	\$ 14,031,943	\$ 36,117,037	\$ 87,528,497	\$ 130,076,718	\$ 217,605,215
2018	\$ 37,485,895	\$ 18,390,379	\$ 9,434,144	\$ 65,310,418	\$ 131,246,762	\$ 196,557,180
2019	\$ 38,755,280	\$ 18,732,943	\$ 9,880,116	\$ 67,368,339	\$ 187,052,424	\$ 254,420,763
2020	\$ 38,330,653	\$ 16,655,329	\$ 4,972,016	\$ 59,957,998	\$ 198,218,911	\$ 258,176,909
2021	\$ 39,635,317	\$ 21,952,186	\$ 8,433,581	\$ 70,021,084	\$ 212,771,921	\$ 282,793,005
2022	\$ 42,123,357	\$ 29,899,959	\$ 14,448,370	\$ 86,471,686	\$ 236,760,694	\$ 323,232,380

GENERAL REVENUES

Fiscal Year	Property Taxes	Capital Penny Sales Tax	State & Local Accommodations Tax	Hospitality Tax	Franchise Fees	Unrestrictive Intergovernmental Revenue	Interest Income	Miscellaneous
2013	\$ 88,813,729	\$ -	\$ 2,219,047	\$ 3,344,638	\$ 1,900,907	\$ 10,844,073	\$ 222,516	\$ 3,022,311
2014	\$ 92,876,923	\$ -	\$ 2,648,949	\$ 3,678,378	\$ 1,995,415	\$ 10,718,041	\$ 218,263	\$ 2,557,747
2015	\$ 97,425,673	\$ -	\$ 2,859,933	\$ 3,967,568	\$ 2,083,710	\$ 10,894,056	\$ 228,084	\$ 6,741,958
2016	\$ 100,370,670	\$ -	\$ 3,382,919	\$ 4,226,382	\$ 2,133,362	\$ 10,870,818	\$ 550,538	\$ 3,170,063
2017	\$ 104,284,848	\$ -	\$ 3,557,722	\$ 4,328,022	\$ 2,077,119	\$ 11,415,375	\$ 1,000,434	\$ 3,413,198
2018	\$ 108,418,240	\$ -	\$ 1,825,521	\$ 4,702,084	\$ 2,062,246	\$ 11,134,140	\$ 1,458,249	\$ 1,646,282
2019	\$ 116,875,711	\$ 44,524,677	\$ 1,388,147	\$ 4,949,509	\$ 2,253,835	\$ 11,339,275	\$ 3,878,597	\$ 1,842,673
2020	\$ 121,082,355	\$ 47,539,600	\$ 550,520	\$ 4,864,085	\$ 2,230,541	\$ 11,729,187	\$ 4,082,838	\$ 6,139,785
2021	\$ 132,813,571	\$ 55,003,196	\$ 487,545	\$ 5,491,163	\$ 2,194,513	\$ 11,674,359	\$ 1,429,205	\$ 3,678,369
2022	\$ 143,734,001	\$ 61,895,695	\$ 662,174	\$ 6,041,697	\$ 2,171,023	\$ 12,966,372	\$ 1,592,813	\$ 7,696,919

Spartanburg County, South Carolina
Government-wide Net Position
Last Ten Fiscal Years

Fiscal Year	Net Investment in Capital Assets	Restricted	Unrestricted	Total Net Position	Amount	Prime reason for change (A)
2013	\$ 379,419,117	\$ 4,576,649	\$ (7,005,347)	\$ 376,990,419	29,671,547	Increase in capital assets
2014	\$ 382,402,017	\$ 9,404,120	\$ (8,248,854)	\$ 383,557,283	6,566,864	Increase in property tax collection
2015	\$ 392,513,749	\$ 9,829,595	\$ (114,877,216)	\$ 287,466,128	(96,091,155)	Net pension liability
2016	\$ 408,556,145	\$ 9,369,027	\$ (115,398,123)	\$ 302,527,049	15,060,921	Increase in capital assets
2017	\$ 416,222,007	\$ 9,112,786	\$ (114,826,536)	\$ 310,508,257	7,981,208	Increase in capital assets
2018	\$ 431,231,319	\$ 9,874,783	\$ (154,731,070)	\$ 286,375,032	(24,133,225)	Implementation of GASB 75 - OPEB
2019	\$ 452,235,098	\$ 6,811,874	\$ (106,341,625)	\$ 352,705,347	66,330,315	Increase in capital penny sales tax
2020	\$ 470,040,878	\$ 10,336,602	\$ (55,477,401)	\$ 424,900,079	72,194,732	Increase in capital penny sales tax
2021	\$ 506,592,543	\$ 24,057,473	\$ (15,441,447)	\$ 515,208,569	90,308,490	Increase in federal revenue and capital assets
2022	\$ 564,923,540	\$ 15,772,081	\$ 33,038,276	\$ 613,733,897	98,525,328	Increase in federal revenue and capital assets

(A) For a more complete explanation, please refer to the Management Discussion & Analysis for the fiscal year.

Spartanburg County, South Carolina
Government-wide Changes in Net Position
Last 10 Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
REVENUES										
Program revenues:										
Charges for services	\$ 42,123,357	\$ 39,635,317	\$ 38,330,653	\$ 38,755,280	\$ 37,485,895	\$ 37,379,517	\$ 35,193,554	\$ 33,067,516	\$ 32,240,508	\$ 31,746,410
Operating grants and contributions	29,899,959	21,952,186	16,655,329	18,732,943	18,390,379	14,031,943	25,010,591	34,417,889	16,345,422	23,571,344
Capital grants and contributions	14,448,370	8,433,581	4,972,016	9,880,116	9,434,144	36,117,037	1,866,922	658,368	1,259,420	619,586
General revenues:										
Property taxes	143,734,001	132,813,571	121,082,355	116,875,711	108,418,240	104,284,848	100,370,670	97,425,673	92,876,923	88,813,729
Capital Penny Sales Tax	61,895,695	55,003,196	47,539,600	44,524,677	-	-	-	-	-	-
State & local accommodations tax	662,174	487,545	550,520	1,388,147	1,825,521	3,557,722	3,382,919	2,859,933	2,648,949	2,219,047
Hospitality tax	6,041,697	5,491,163	4,864,085	4,949,509	4,702,084	4,328,022	4,226,382	3,967,568	3,678,378	3,344,638
Franchise fees-cable TV & landfill	2,171,023	2,194,513	2,230,541	2,253,835	2,062,246	2,077,119	2,133,362	2,083,710	1,995,415	1,900,907
Unrestrictive intergovernmental revenue	12,966,372	11,674,359	11,729,187	11,339,275	11,134,140	11,415,375	10,870,818	10,894,056	10,718,041	10,844,073
Interest income	1,592,813	1,429,205	4,082,838	3,878,597	1,458,249	1,000,434	550,538	228,084	218,263	222,516
Miscellaneous revenue	7,696,919	3,678,369	6,139,785	1,842,673	1,646,282	3,413,198	3,170,063	6,741,958	2,557,747	2,699,772
Gain on sale of capital assets	-	-	-	-	-	-	-	-	-	322,539
Total revenues	<u>323,232,380</u>	<u>282,793,005</u>	<u>258,176,909</u>	<u>254,420,763</u>	<u>196,557,180</u>	<u>217,605,215</u>	<u>186,775,819</u>	<u>192,344,755</u>	<u>164,539,066</u>	<u>166,304,561</u>
EXPENDITURES										
General government	41,371,801	41,390,731	36,894,373	34,318,299	33,824,198	35,196,362	28,501,978	28,773,170	26,335,757	30,842,622
Culture and recreation	10,995,044	10,244,382	10,983,823	10,698,290	10,158,775	9,797,272	8,682,052	8,001,127	7,340,329	7,149,760
Roads & bridges	15,106,974	34,350,714	2,901,712	3,776,488	6,371,001	5,499,185	10,843,842	28,463,251	10,394,233	16,705,058
Sanitation	10,504,509	10,969,273	9,764,627	8,572,875	6,827,203	11,181,194	9,520,569	9,478,060	10,412,880	8,127,850
Public safety	75,604,197	71,609,551	68,479,436	64,733,266	61,080,987	58,608,826	57,982,581	56,884,478	54,460,752	50,356,490
Judicial	18,133,024	16,934,590	16,681,016	16,336,104	15,738,813	15,889,596	14,828,928	14,670,377	13,930,094	13,418,232
Health and welfare	18,531,831	12,990,645	10,444,453	12,215,981	11,556,872	11,062,401	10,580,151	9,321,826	9,075,256	8,103,673
Community & economic development	5,116,637	5,358,590	2,003,056	6,563,208	5,427,750	26,508,164	3,334,318	2,091,571	1,934,302	1,330,433
Transportation	508,649	512,145	464,618	474,159	440,712	1,639,844	2,090,546	1,623,432	1,999,280	1,665,241
Community College	10,251,000	9,281,000	8,753,000	8,269,000	8,017,000	7,729,000	7,902,000	7,005,000	6,839,998	6,600,000
Buildings	946,954	960,399	350,257	2,137,205	1,042,105	1,630,062	1,671,606	1,757,405	1,861,092	1,752,500
General long term debt	6,781,740	3,453,375	3,880,504	2,145,369	334,702	1,839,011	2,649,295	2,202,378	2,365,388	2,781,449
Library	11,179,935	15,380,304	15,426,549	14,375,742	14,107,700	13,725,264	13,127,032	12,098,575	12,056,856	11,838,721
Total expenses	<u>225,032,295</u>	<u>233,435,699</u>	<u>187,027,424</u>	<u>184,615,986</u>	<u>174,927,818</u>	<u>200,306,181</u>	<u>171,714,898</u>	<u>182,370,650</u>	<u>159,006,217</u>	<u>160,672,029</u>
Special item	-	-	-	(3,474,462)	-	-	-	-	-	-
Change in net position	<u>98,200,085</u>	<u>49,357,306</u>	<u>71,149,485</u>	<u>66,330,315</u>	<u>21,629,362</u>	<u>17,299,034</u>	<u>15,060,921</u>	<u>9,974,105</u>	<u>5,532,849</u>	<u>5,632,532</u>
Prior period adjustment - OPEB Liability	-	-	-	-	(45,104,178)	-	-	-	-	-
Prior period adjustment - capital assets	-	40,951,184	1,045,247	-	(563,653)	(9,317,826)	-	(1,238,964)	-	-
Prior period adjustment - lease activity	325,243	-	-	-	-	-	-	-	-	-
Prior period adjustment - unearned revenues and bond costs	-	-	-	-	-	-	-	-	1,034,015	-
Prior period adjustment - pension liability	-	-	-	-	-	-	-	(104,602,935)	-	-
Prior period adjustment - receivables	-	-	-	-	(94,756)	-	-	(223,361)	-	-
Net position beginning of year	<u>515,208,569</u>	<u>424,900,079</u>	<u>352,705,347</u>	<u>286,375,032</u>	<u>310,508,257</u>	<u>302,527,049</u>	<u>287,466,128</u>	<u>383,557,283</u>	<u>376,990,419</u>	<u>371,357,887</u>
Net position end of year	<u>\$ 613,733,897</u>	<u>\$ 515,208,569</u>	<u>\$ 424,900,079</u>	<u>\$ 352,705,347</u>	<u>\$ 286,375,032</u>	<u>\$ 310,508,257</u>	<u>\$ 302,527,049</u>	<u>\$ 287,466,128</u>	<u>\$ 383,557,283</u>	<u>\$ 376,990,419</u>

Spartanburg County, South Carolina
Charges for Services by Function
Last 10 Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Program revenues										
Charges for services										
General government	\$ 16,752,946	\$ 12,130,698	\$ 10,655,843	\$ 10,679,712	\$ 10,184,615	\$ 6,833,080	\$ 6,437,233	\$ 5,404,565	\$ 3,668,072	\$ 3,110,073
Culture and recreation	987,892	847,429	846,060	1,172,123	1,224,632	812,075	789,197	712,955	707,353	984,194
Roads & bridges	2,979,056	8,035,913	6,992,381	6,873,423	6,765,225	7,053,244	7,017,727	6,789,825	6,214,021	6,085,893
Sanitation	13,359,344	12,033,964	11,178,919	10,744,887	10,478,005	10,256,085	9,062,632	7,869,222	8,183,584	8,534,168
Public safety	3,077,589	2,667,604	4,515,452	4,063,354	3,876,499	6,147,382	5,001,457	5,208,175	5,358,762	4,781,330
Judicial	4,928,697	3,885,402	3,975,850	4,621,841	4,221,773	4,827,183	5,394,626	5,391,253	6,200,035	6,629,753
Health and welfare	-	-	-	305,877	506,364	1,109,455	1,175,810	1,345,029	1,572,851	1,284,983
Community & economic development	-	-	-	-	-	6,929	5,000	-	4,547	9,537
Library	37,833	34,307	166,148	294,063	228,782	334,084	309,872	316,492	331,283	326,479
Total charges for services	<u>\$ 42,123,357</u>	<u>\$ 39,635,317</u>	<u>\$ 38,330,653</u>	<u>\$ 38,755,280</u>	<u>\$ 37,485,895</u>	<u>\$ 37,379,517</u>	<u>\$ 35,193,554</u>	<u>\$ 33,037,516</u>	<u>\$ 32,240,508</u>	<u>\$ 31,746,410</u>

Spartanburg County, South Carolina
General Governmental
Expenditures by Function (1)
Last Ten Fiscal Years

Fiscal Year	General Government	Culture & Recreation	Roads & Bridges	Sanitation	Public Safety	Judicial	Health & Welfare
2013	\$ 29,983,852	\$ 6,994,368	\$ 21,251,998	\$ 7,241,206	\$ 47,959,948	\$ 13,089,434	\$ 7,938,309
2014	\$ 25,199,098	\$ 8,716,140	\$ 12,812,306	\$ 7,549,519	\$ 53,543,000	\$ 13,417,300	\$ 8,795,592
2015	\$ 26,046,080	\$ 12,608,687	\$ 30,918,815	\$ 8,605,624	\$ 54,522,461	\$ 14,132,063	\$ 8,986,532
2016	\$ 26,486,383	\$ 12,036,487	\$ 18,969,526	\$ 10,204,838	\$ 58,751,193	\$ 14,438,317	\$ 10,258,555
2017	\$ 29,380,079	\$ 9,214,361	\$ 21,573,532	\$ 8,668,678	\$ 58,332,415	\$ 15,497,274	\$ 10,724,394
2018	\$ 26,072,107	\$ 10,052,318	\$ 16,056,197	\$ 7,913,780	\$ 63,326,379	\$ 15,764,258	\$ 11,569,689
2019	\$ 27,201,982	\$ 9,722,096	\$ 17,359,461	\$ 11,560,791	\$ 64,012,315	\$ 16,331,836	\$ 12,272,206
2020	\$ 31,219,988	\$ 9,676,092	\$ 18,986,866	\$ 9,213,863	\$ 65,811,654	\$ 16,544,553	\$ 10,444,913
2021	\$ 31,684,396	\$ 8,594,281	\$ 20,866,642	\$ 12,430,843	\$ 72,275,221	\$ 17,069,786	\$ 12,930,473
2022	\$ 33,922,696	\$ 11,066,834	\$ 21,373,339	\$ 12,673,597	\$ 74,665,299	\$ 18,580,731	\$ 18,451,793

Fiscal Year	Community & Economic Development	Transportation	Community College	Buildings	Library	Debt Service	Total
2013	\$ 1,272,099	\$ 1,665,243	\$ 6,600,000	\$ 246,159	\$ 12,139,222	\$ 8,058,244	\$ 164,440,082
2014	\$ 1,626,376	\$ 1,999,280	\$ 6,839,998	\$ 42,460	\$ 11,428,887	\$ 8,143,181	\$ 160,113,137
2015	\$ 1,744,642	\$ 1,623,431	\$ 7,005,000	\$ 43,990	\$ 11,674,379	\$ 9,908,185	\$ 187,819,889
2016	\$ 3,072,031	\$ 2,090,546	\$ 7,902,000	\$ 73,108	\$ 12,850,644	\$ 12,065,511	\$ 189,199,139
2017	\$ 26,249,751	\$ 1,639,844	\$ 7,729,000	\$ 78,148	\$ 12,531,635	\$ 8,465,202	\$ 210,084,313
2018	\$ 5,385,142	\$ 440,712	\$ 8,017,000	\$ 28,127	\$ 12,936,684	\$ 8,500,601	\$ 186,062,994
2019	\$ 6,560,204	\$ 474,159	\$ 8,269,000	\$ 2,783,549	\$ 13,639,465	\$ 9,393,216	\$ 199,580,280
2020	\$ 2,067,558	\$ 464,618	\$ 8,753,000	\$ 3,800,733	\$ 14,501,828	\$ 12,399,817	\$ 203,885,483
2021	\$ 5,343,847	\$ 512,145	\$ 9,281,000	\$ 21,423,791	\$ 12,512,749	\$ 9,724,075	\$ 234,649,249
2022	\$ 5,107,343	\$ 508,649	\$ 10,251,000	\$ 50,190,816	\$ 14,484,542	\$ 13,509,172	\$ 284,785,811

(1) Includes General Fund, Special Revenue Funds, Debt Service Fund, and Capital Project Funds.

Spartanburg County, South Carolina
General Governmental Revenues by Source (1)
Last Ten Fiscal Years

Fiscal Year	Taxes	Permits Fines & Fees	Inter- governmental	Interest	Miscellaneous	Total
2013	\$ 93,986,564	\$ 27,816,327	\$ 38,488,779	\$ 222,516	\$ 5,175,321	\$ 165,689,507
2014	\$ 98,518,893	\$ 28,407,499	\$ 31,932,234	\$ 218,263	\$ 4,980,012	\$ 164,056,901
2015	\$ 103,573,356	\$ 29,158,941	\$ 49,806,111	\$ 228,083	\$ 5,136,813	\$ 187,903,304
2016	\$ 107,810,320	\$ 34,086,095	\$ 38,341,130	\$ 550,538	\$ 5,387,769	\$ 186,175,852
2017	\$ 111,332,391	\$ 32,249,931	\$ 66,056,871	\$ 1,000,435	\$ 5,755,712	\$ 216,395,340
2018	\$ 114,896,938	\$ 34,797,780	\$ 42,015,052	\$ 1,458,248	\$ 2,902,868	\$ 196,070,886
2019	\$ 167,027,156	\$ 36,077,882	\$ 42,131,863	\$ 3,878,596	\$ 4,853,611	\$ 253,969,108
2020	\$ 173,883,035	\$ 35,406,726	\$ 37,771,026	\$ 4,082,839	\$ 5,283,520	\$ 256,427,146
2021	\$ 194,639,701	\$ 38,723,872	\$ 44,259,367	\$ 1,429,205	\$ 4,668,722	\$ 283,720,867
2022	\$ 212,483,358	\$ 40,730,887	\$ 54,178,306	\$ 1,592,812	\$ 4,789,666	\$ 313,775,029

(1) Includes General Fund, Special Revenue Funds, Debt Service Fund, and Capital Project Funds.

Spartanburg County, South Carolina
Fund Balance of Governmental Funds
Last Ten Fiscal Years

Fiscal Year	Total Governmental Funds	General Fund	Solid Waste Management Fund	Special Revenue Funds	Capital Project Funds	Debt Service Fund
2013	\$ 52,643,901	\$ 9,908,766	\$ 7,398,458	\$ 22,300,602	\$ 10,229,199	\$ 2,806,876
2014	\$ 60,362,277	\$ 13,737,717	\$ 7,559,121	\$ 23,756,891	\$ 11,924,330	\$ 3,384,218
2015	\$ 66,279,732	\$ 20,318,061	\$ 6,695,399	\$ 23,127,803	\$ 12,616,631	\$ 3,521,838
2016	\$ 65,252,846	\$ 23,592,526	\$ 5,647,986	\$ 24,261,736	\$ 10,298,403	\$ 1,452,195
2017	\$ 72,563,420	\$ 25,639,290	\$ 6,016,262	\$ 26,752,502	\$ 11,567,806	\$ 2,587,560
2018	\$ 83,245,420	\$ 31,268,940	\$ 4,804,482	\$ 30,351,754	\$ 13,208,135	\$ 3,612,109
2019	\$ 148,513,629	\$ 40,617,373	\$ 6,675,155	\$ 32,270,925	\$ 64,593,655	\$ 4,356,521
2020	\$ 220,907,914	\$ 46,421,277	\$ 5,579,551	\$ 36,418,991	\$ 128,523,467	\$ 3,964,628
2021	\$ 281,706,882	\$ 50,091,549	\$ 6,863,733	\$ 46,419,125	\$ 172,850,036	\$ 5,482,439
2022	\$ 347,655,701	\$ 61,125,402	\$ 7,567,307	\$ 51,936,982	\$ 215,365,716	\$ 11,660,294

General Fund Balances by Category
Unassigned, Assigned, Committed, and Nonspendable

Fiscal Year	Total	Unassigned	Assigned for Equipment Replacement	Assigned for Carryover of Appropriations to next year	Committed to Purchase Orders at year's end	Nonspendable Inventory & Prepaids
2013	\$ 9,908,766	\$ 9,097,069	\$ -	\$ 436,330	\$ 372,996	\$ 2,371
2014	\$ 13,737,717	\$ 11,585,942	\$ -	\$ 2,069,914	\$ 79,490	\$ 2,371
2015	\$ 20,318,061	\$ 14,133,898	\$ -	\$ 5,842,228	\$ 341,228	\$ 707
2016	\$ 23,592,526	\$ 17,517,587	\$ 3,100,000	\$ 2,453,361	\$ 518,548	\$ 3,030
2017	\$ 25,639,290	\$ 19,424,939	\$ 3,578,021	\$ 2,525,423	\$ 105,947	\$ 4,960
2018	\$ 31,268,940	\$ 20,820,454	\$ 8,138,021	\$ 2,248,419	\$ 58,953	\$ 3,093
2019	\$ 40,617,373	\$ 22,508,134	\$ 13,341,403	\$ 4,443,688	\$ 318,020	\$ 6,128
2020	\$ 46,421,277	\$ 23,694,613	\$ 16,710,457	\$ 5,806,015	\$ 199,451	\$ 10,741
2021	\$ 50,091,549	\$ 23,760,030	\$ 19,644,480	\$ 6,088,200	\$ 590,853	\$ 7,986
2022	\$ 61,125,402	\$ 26,331,082	\$ 25,240,898	\$ 9,094,440	\$ 457,016	\$ 1,966

General Fund:

Unassigned - These funds are available for spending (appropriation). A minimum balance of 15% of revenues is maintained in this account to keep from borrowing at the beginning of the fiscal year because a large portion of fund revenue comes from taxes which are not received until six months after the start of the fiscal year. These reserves are also necessary to maintain our AA+/Aa1 credit rating.

Assigned for equipment replacement - These funds are available for spending; however, the intention is to use these funds to replace equipment when it is prudent to do so without any impact on taxes in the year of purchase.

Assigned to carryover of appropriations to next year - Funds for projects not complete at the end of the fiscal year are carried over to the next year so the intended project can be completed. Most unused appropriations are closed into fund balance at year end.

Committed to outstanding purchase orders at year's end - These are legal obligations which must be paid out of existing funds.

Nonspendable inventory & prepaids - These items have been paid for and therefore reduce the amount available to spend.

Special Revenue Funds - This fund is used to account for resources (i.e. grants, donations, etc.) that are restricted by the donor for a specific purpose.

Solid Waste Management Fund - Fees are collected by this fund to support the operation of a landfill. A fund balance is maintained to provide funds for the replacement of landfill equipment when it is prudent to do so without any impact on fees in the year of purchase.

Capital Project Funds - This fund is used to account for capital outlays, including the acquisition or construction of facilities and other capital assets.

Debt Service Fund - This fund is used to account for resources that are restricted for payments of principal, interest, and other debt service costs.

Spartanburg County, South Carolina
Fund Balances of Governmental Funds
Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund										
Nonspendable	\$ 1,966	\$ 7,986	\$ 10,741	\$ 6,128	\$ 3,093	\$ 4,960	\$ 3,030	\$ 707	\$ 2,371	\$ 2,371
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	457,016	590,853	199,451	318,020	58,953	105,947	518,548	341,228	79,490	372,996
Assigned	34,335,338	25,732,680	22,516,472	17,785,091	10,386,440	6,103,444	5,553,361	5,842,228	2,069,914	436,330
Unassigned	26,331,082	23,760,030	23,694,613	22,508,134	20,820,454	19,424,939	17,517,587	14,133,898	11,585,942	9,097,069
Total general fund	<u>61,125,402</u>	<u>50,091,549</u>	<u>46,421,277</u>	<u>40,617,373</u>	<u>31,268,940</u>	<u>25,639,290</u>	<u>23,592,526</u>	<u>20,318,061</u>	<u>13,737,717</u>	<u>9,908,766</u>
All other governmental funds										
Debt service										
Restricted	-	-	-	-	-	-	-	2,663,023	2,663,026	-
Assigned	11,660,294	5,482,439	3,964,628	4,356,521	3,612,109	2,587,560	1,452,195	858,815	721,192	2,806,876
Special revenue funds										
Nonspendable	-	-	-	-	24,000	48,000	72,000	96,000	120,000	144,000
Restricted	6,954,476	5,374,177	4,872,835	4,035,421	7,748,347	7,956,834	8,792,919	7,268,384	6,744,948	4,758,964
Committed	24,629,169	22,364,798	16,738,156	13,588,851	10,804,870	3,211	8,477,382	7,969,693	10,691,858	11,456,425
Assigned	27,920,644	25,543,883	20,387,551	21,321,808	16,579,357	11,038	12,640,664	14,561,896	12,005,117	13,340,006
Unassigned	-	-	-	-	(338)	(336)	(73,243)	(72,771)	1,754,089	(335)
Capital project funds										
Restricted	66,894,461	43,530,774	33,384,645	15,881,873	2,109,096	2,109,096	2,328,526	3,603,313	1,063,709	1,406,099
Committed	142,362,281	126,547,157	88,730,932	45,135,353	5,602,001	5,407,789	2,817,872	5,122,165	7,461,890	5,714,619
Assigned	6,108,974	2,772,105	6,407,890	3,576,429	5,497,038	6,025,184	5,152,005	3,891,153	3,398,731	3,108,481
Total all other governmental funds	<u>286,530,299</u>	<u>231,615,333</u>	<u>174,486,637</u>	<u>107,896,256</u>	<u>51,976,480</u>	<u>24,148,376</u>	<u>41,660,320</u>	<u>45,961,671</u>	<u>46,624,560</u>	<u>42,735,135</u>
Total fund balances	<u>\$ 347,655,701</u>	<u>\$ 281,706,882</u>	<u>\$ 220,907,914</u>	<u>\$ 148,513,629</u>	<u>\$ 83,245,420</u>	<u>\$ 49,787,666</u>	<u>\$ 65,252,846</u>	<u>\$ 66,279,732</u>	<u>\$ 60,362,277</u>	<u>\$ 52,643,901</u>

Spartanburg County, South Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances
Government Funds
Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
REVENUES										
Taxes	\$ 212,483,358	\$ 194,639,701	\$ 173,883,035	\$ 167,027,156	\$ 114,896,938	\$ 111,332,391	\$ 107,810,320	\$ 103,573,356	\$ 98,518,893	\$ 93,986,564
Permits, fines, and fees	40,730,887	38,723,872	35,406,726	36,077,882	34,797,780	32,249,931	34,086,095	29,158,941	28,407,499	27,816,327
Intergovernmental - Federal	18,575,699	11,818,761	8,832,267	10,000,248	10,177,747	10,660,312	12,006,976	10,955,443	10,755,910	9,690,461
Intergovernmental - State	29,921,879	27,032,445	23,799,062	27,406,532	27,096,085	52,222,605	23,765,197	36,548,884	18,107,081	26,654,954
Intergovernmental - Local	5,680,728	5,408,161	5,139,697	4,725,083	4,741,220	3,173,954	2,568,957	2,301,784	3,069,243	2,143,364
Interest	1,592,812	1,429,205	4,082,839	3,878,596	1,458,248	1,000,435	550,538	228,083	218,263	222,516
Miscellaneous	4,789,666	4,668,722	5,283,520	4,853,611	2,902,868	5,755,712	5,387,769	5,136,813	4,980,012	5,175,321
Total revenues	<u>313,775,029</u>	<u>283,720,867</u>	<u>256,427,146</u>	<u>253,969,108</u>	<u>196,070,886</u>	<u>216,395,340</u>	<u>186,175,852</u>	<u>187,903,304</u>	<u>164,056,901</u>	<u>165,689,507</u>
EXPENDITURES										
General government	33,922,696	31,684,396	31,219,988	27,201,982	26,072,107	29,378,619	26,484,923	26,044,620	25,197,638	29,982,392
Culture & recreation	11,066,834	8,594,281	9,676,092	9,722,096	10,052,318	9,214,361	12,036,487	12,608,687	8,716,140	6,994,368
Roads & bridges	21,373,339	20,866,642	18,986,866	17,359,461	16,056,197	21,573,532	18,969,526	30,918,815	12,812,306	21,251,998
Sanitation	12,673,597	12,430,843	9,213,863	11,560,791	7,913,780	8,668,678	10,204,838	8,605,624	7,549,519	7,241,206
Public Safety	74,665,299	72,275,221	65,811,654	64,012,315	63,326,379	58,332,415	58,751,193	54,522,461	53,543,000	47,959,948
Judicial	18,580,731	17,069,786	16,544,553	16,331,836	15,764,258	15,497,274	14,438,317	14,132,063	13,417,300	13,089,434
Health & welfare	18,451,793	12,930,473	10,444,913	12,272,206	11,569,689	10,724,394	10,258,555	8,986,532	8,795,592	7,938,309
Community & economic development	5,107,343	5,343,847	2,067,558	6,560,204	5,385,142	26,249,751	3,072,031	1,744,642	1,626,376	1,272,099
Conservation	-	-	-	-	-	1,460	1,460	1,460	1,460	1,460
Mass transportation	508,649	512,145	464,618	474,159	440,712	1,639,844	2,090,546	1,623,431	1,999,280	1,665,243
Community College	10,251,000	9,281,000	8,753,000	8,269,000	8,017,000	7,729,000	7,902,000	7,005,000	6,839,998	6,600,000
Buildings	50,190,816	21,423,791	3,800,733	2,783,549	28,127	78,148	73,108	43,990	42,460	246,159
Library	14,484,542	12,512,749	14,501,828	13,639,465	12,936,684	12,531,635	12,850,644	11,674,379	11,428,887	12,139,222
Debt service:										
Administrative charges	238,271	189,514	195,887	195,413	23,678	-	-	-	-	-
Principal	2,395,406	7,751,540	10,619,960	7,871,341	6,995,070	6,826,541	6,739,246	7,757,379	5,838,565	5,604,115
Interest & fees	10,875,495	1,783,021	1,583,970	1,326,462	1,481,853	1,638,661	2,650,098	2,150,806	2,304,616	2,454,129
Advance refunding escrow	-	-	-	-	-	-	2,676,167	-	-	-
Total expenditures	<u>284,785,811</u>	<u>234,649,249</u>	<u>203,885,483</u>	<u>199,580,280</u>	<u>186,062,994</u>	<u>210,084,313</u>	<u>189,199,139</u>	<u>187,819,889</u>	<u>160,113,137</u>	<u>164,440,082</u>
Excess (deficiency) of revenues over (under) expenditures	<u>28,989,218</u>	<u>49,071,618</u>	<u>52,541,663</u>	<u>54,388,828</u>	<u>10,007,892</u>	<u>6,311,027</u>	<u>(3,023,287)</u>	<u>83,415</u>	<u>3,943,764</u>	<u>1,249,425</u>
OTHER FINANCING SOURCES (USES)										
Transfers in	40,243,355	33,745,207	33,814,307	29,223,845	32,873,677	30,328,362	31,137,271	26,348,478	25,900,857	7,205,943
Transfers out	(40,714,360)	(34,286,767)	(34,547,373)	(30,002,986)	(33,480,797)	(30,892,883)	(31,876,271)	(26,680,864)	(25,900,857)	(7,204,443)
Refunding bonds issued	-	-	-	-	-	-	32,090,000	-	-	-
Premium on refunding bonds issued	-	-	-	-	-	-	4,181,850	-	-	-
Premium on GO bonds issued	4,717,777	561,758	1,438,003	209,676	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	(29,086,236)	-	-	-
Payment for debt service principal	-	-	-	-	-	-	(6,528,333)	-	-	-
Lease proceeds	458,571	-	-	-	-	-	-	-	-	-
Proceeds from financed purchase agreements	2,024,257	1,712,152	3,334,320	989,434	1,497,413	1,564,067	2,078,120	3,916,400	2,017,706	1,606,078
Issuance of GO bonds	30,230,000	9,995,000	16,030,000	14,000,000	-	-	-	2,250,000	-	-
Library	-	-	(216,635)	(126,353)	(121,430)	-	-	-	-	-
Advance refunding	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>36,959,600</u>	<u>11,727,350</u>	<u>19,852,622</u>	<u>14,293,616</u>	<u>768,863</u>	<u>999,546</u>	<u>1,996,401</u>	<u>5,834,014</u>	<u>2,017,706</u>	<u>1,607,578</u>
SPECIAL ITEMS:										
Transfer of assets to The Forrester Center	-	-	-	(3,414,235)	-	-	-	-	-	-
Net change in fund balances	65,948,818	60,798,968	72,394,285	65,268,209	10,776,755	7,310,573	(1,026,886)	5,917,429	5,961,470	2,857,003
Fund balances at beginning of year	281,706,883	220,907,914	148,513,629	83,245,420	72,563,420	65,252,847	66,279,732	60,362,303	52,643,901	49,786,898
Prior period adjustment	-	-	-	-	(94,755)	-	-	-	1,756,906	-
Fund balances at end of year	<u>\$ 347,655,701</u>	<u>\$ 281,706,882</u>	<u>\$ 220,907,914</u>	<u>\$ 148,513,629</u>	<u>\$ 83,245,420</u>	<u>\$ 72,563,420</u>	<u>\$ 65,252,846</u>	<u>\$ 66,279,732</u>	<u>\$ 60,362,277</u>	<u>\$ 52,643,901</u>
Principal and Interest	13,509,172	9,724,075	12,399,817	9,393,216	8,476,923	8,465,202	9,389,344	9,908,185	8,143,181	8,058,244
Expenditures less capitalized expenditures	201,164,168	198,409,592	149,466,534	166,682,419	139,337,149	185,480,953	168,117,760	175,880,009	145,369,627	125,771,149
Ratio of total debt service to noncapital expenditures	6.72%	4.90%	8.30%	5.64%	6.08%	4.56%	5.58%	5.63%	5.60%	6.41%

Spartanburg County, South Carolina
Property Tax Levies and Collections
Last Ten Fiscal Years

Including County, School Districts, Municipalities, and Special Purpose District Taxes

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Total Levy
2013	363,799,418	343,035,696	94.3%	12,775,164	355,810,860	97.8%	23,826,502	6.5%
2014	388,235,985	365,474,343	94.1%	13,917,189	379,391,532	97.7%	25,775,015	6.6%
2015	393,718,474	371,440,445	94.3%	14,042,251	385,482,696	97.9%	27,271,040	6.9%
2016	411,570,799	389,401,741	94.6%	14,873,685	404,275,426	98.2%	24,931,622	6.1%
2017	423,556,730	401,606,376	94.8%	13,590,633	415,197,009	98.0%	27,373,402	6.5%
2018	442,338,394	422,918,424	95.6%	8,455,466	431,373,890	97.5%	30,423,705	6.9%
2019	502,311,148	478,937,551	95.3%	7,864,024	486,801,575	96.9%	33,199,970	6.6%
2020	526,990,138	502,297,983	95.3%	10,552,628	512,850,611	97.3%	35,496,521	6.7%
2021	564,581,216	537,596,519	95.2%	16,304,394	553,900,913	98.1%	31,825,821	5.6%
2022	601,805,974	576,784,767	95.8%	9,022,121	585,806,888	97.3%	33,672,675	5.6%

County Taxes: School Districts, Municipalities, and Special Purpose District Taxes are not included

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy
2013	65,092,882	61,333,336	94.2%	2,449,468	63,782,804	98.0%
2014	70,447,594	66,254,331	94.0%	2,466,263	68,720,594	97.5%
2015	71,344,079	67,250,134	94.3%	2,744,492	69,994,626	98.1%
2016	74,060,590	70,019,094	94.5%	2,796,064	72,815,158	98.3%
2017	75,387,558	71,481,257	94.8%	2,598,985	74,080,242	98.3%
2018	79,839,838	76,285,931	95.5%	1,778,229	78,064,160	97.8%
2019	88,420,084	84,763,227	95.9%	1,663,004	86,426,231	97.7%
2020	92,723,452	88,213,063	95.1%	2,628,195	90,841,258	98.0%
2021	99,422,926	95,533,309	96.1%	3,119,283	98,652,592	99.2%
2022	108,676,069	104,142,593	95.8%	1,936,536	106,079,129	97.6%

Source of data:

Spartanburg County Treasurer's Office except for Delinquent Tax date which comes from the Spartanburg County Tax Collector's Office

**Spartanburg County, South Carolina
Delinquent Property Tax Collections
Last Ten Fiscal Years**

Includes County, School Districts, Municipalities, and Special Purpose District Taxes

Fiscal Year	Delinquent Tax Collections	Year of Levy										Prior Years
		2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	
2013	14,711,569										5,227,328	9,484,241
2014	15,851,722									5,412,924	9,019,891	1,418,907
2015	16,008,069								5,553,200	8,890,775	596,605	967,489
2016	16,760,286							6,812,367	8,261,487	715,342	454,761	516,329
2017	15,254,923						5,712,732	8,425,200	525,348	234,396	131,952	225,295
2018	12,739,285					5,114,535	7,113,408	194,952	219,393	190,000	65,191	(158,194)
2019	10,794,947				2,570,379	6,612,830	276,688	271,381	255,852	266,472	139,919	401,426
2020	14,767,989			5,202,426	8,083,997	312,632	143,642	272,298	253,966	124,733	89,810	284,485
2021	22,935,540		12,162,503	9,501,667	197,002	319,266	299,071	257,865	71,490	83,399	7,084	36,193
2022	12,045,478	6,538,891	4,045,703	336,762	604,232	302,537	194,044	48,006	61,492	(95,473)	(104,150)	113,434

Source of data:
Spartanburg County Tax Collector's Office

Spartanburg County, South Carolina
Assessed and Estimated Market Value of Property
Last Ten Fiscal Years

Fiscal Year	(1) Real Property		(2) Personal Property		(1) Exemptions		(1) Total		Ratio of Total Assessed Value To Total Estimated Market Value	Total Direct Tax Rate Per \$1,000 of Assessed Value (3)
	Assessed Value	Estimated Market Value	Assessed Value	Estimated Market Value	New Manufacturing	Assessed Value	Estimated Market Value	Estimated Market Value		
2013	\$ 692,000,018	\$ 17,549,244,002	\$ 308,217,208	\$ 3,666,416,648	\$ 34,316,500	\$ 965,900,726	\$ 21,215,660,650	\$ 21,215,660,650	4.55%	79.6
2014	\$ 732,460,801	\$ 17,637,857,729	\$ 319,510,267	\$ 3,810,673,935	\$ 36,940,420	\$ 1,015,030,648	\$ 21,448,531,664	\$ 21,448,531,664	4.73%	81.3
2015	\$ 724,977,780	\$ 18,042,319,001	\$ 333,121,543	\$ 3,970,459,392	\$ 37,078,080	\$ 1,021,021,243	\$ 22,012,778,393	\$ 22,012,778,393	4.64%	83.0
2016	\$ 740,856,256	\$ 18,879,255,985	\$ 339,627,058	\$ 3,632,452,455	\$ 35,975,050	\$ 1,044,508,264	\$ 22,511,708,440	\$ 22,511,708,440	4.64%	83.0
2017	\$ 758,643,098	\$ 19,721,486,142	\$ 346,588,997	\$ 3,759,279,844	\$ 35,657,980	\$ 1,069,574,115	\$ 23,480,765,986	\$ 23,480,765,986	4.56%	83.0
2018	\$ 782,184,368	\$ 20,405,319,867	\$ 362,295,288	\$ 3,222,239,867	\$ 34,162,370	\$ 1,110,317,286	\$ 23,627,559,734	\$ 23,627,559,734	4.70%	83.0
2019	\$ 889,330,208	\$ 22,196,050,973	\$ 366,409,912	\$ 3,507,094,162	\$ 38,800,160	\$ 1,216,939,960	\$ 25,703,145,135	\$ 25,703,145,135	4.73%	110.9
2020	\$ 916,093,318	\$ 24,214,843,187	\$ 380,576,935	\$ 3,634,314,476	\$ 43,164,510	\$ 1,253,505,743	\$ 27,849,157,663	\$ 27,849,157,663	4.50%	110.9
2021	\$ 963,198,735	\$ 25,982,241,009	\$ 390,772,908	\$ 4,673,327,922	\$ 42,908,290	\$ 1,311,063,353	\$ 30,655,568,931	\$ 30,655,568,931	4.28%	110.9
2022	\$ 1,027,952,160	\$ 28,781,370,027	\$ 429,659,528	\$ 5,226,249,695	\$ 44,785,990	\$ 1,412,825,698	\$ 34,007,619,722	\$ 34,007,619,722	4.15%	112.9

Assessed value ratios applied to assessed market value:

Real property 4 - 6 %

Personal property 10.5%, Fee-in-lieu 6% & 4%

Exemptions for new manufacturing property do not apply to school districts.

Data Sources:

(1) Spartanburg County Auditor's Office

(2) Spartanburg County Assessor's Office

(3) M-4 (Millage for 2019 and thereafter includes Trinity Fire Department which was newly formed during FY19.)

Spartanburg County, South Carolina
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year	County Government		
	Operating	Debt Service	Total
2013	76.0	3.6	79.6
2014	77.6	3.7	81.3
2015	78.1	4.9	83.0
2016	78.1	4.9	83.0
2017	78.1	4.9	83.0
2018	78.1	4.9	83.0
2019 (1)	106.2	4.7	110.9
2020 (1)	106.2	4.7	110.9
2021 (1)	106.2	4.7	110.9
2022 (1)	106.2	6.7	112.9

Fiscal Year	Municipalities												
	City of Spartanburg	Campobello	Chesnee	Cowpens	Duncan	Greer	Inman	Landrum	Lyman	Pacolet	Wellford	Woodruff	Reidville
2013	101.0	123.0	136.0	108.4	71.3	97.8	60.2	73.9	54.6	75.0	56.2	103.0	15.0
2014	103.0	120.0	138.0	108.4	75.7	97.8	60.2	73.9	54.6	75.0	57.9	103.0	15.0
2015	105.0	123.2	138.0	108.4	77.3	97.8	60.2	73.9	54.6	76.7	61.5	103.0	15.0
2016	105.0	126.6	138.0	108.4	77.4	103.0	61.8	73.9	54.6	76.7	61.5	111.0	15.0
2017	105.0	128.5	138.0	108.4	80.7	167.4	61.8	75.1	54.6	77.9	61.5	111.0	15.0
2018	105.0	131.8	144.0	108.4	83.1	167.4	69.1	75.1	54.6	86.1	61.5	117.0	15.0
2019	104.4	148.3	144.0	101.4	77.9	167.4	76.2	68.2	54.6	84.2	61.5	117.0	15.0
2020	104.4	148.3	148.0	101.4	82.3	97.8	79.2	68.2	54.6	84.2	65.5	91.0	15.0
2021	104.4	148.3	148.0	101.4	83.9	97.8	76.2	68.2	54.6	84.2	65.5	91.0	15.0
2022	104.4	148.3	148.0	101.4	83.9	99.0	78.6	69.6	54.6	84.2	65.5	91.0	15.0

School Districts

Fiscal Year	School District 1			School District 2			School District 3			School District 4		
	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total
2013	198.5	72.0	270.5	163.3	36.3	199.6	227.9	37.1	265.0	184.1	12.5	196.6
2014	194.0	71.0	265.0	160.7	36.2	196.9	227.9	45.7	273.6	184.1	14.0	198.1
2015	194.0	72.0	266.0	160.7	50.0	210.7	227.9	45.7	273.6	188.6	12.5	201.1
2016	194.0	72.1	266.1	160.9	50.0	210.9	227.9	45.7	273.6	188.6	11.9	200.5
2017	194.0	72.1	266.1	160.9	50.0	210.9	227.9	45.7	273.6	188.6	11.8	200.4
2018	194.0	72.1	266.1	160.9	50.0	210.9	227.9	45.7	273.6	188.6	11.3	199.9
2019	197.2	74.0	271.2	160.4	51.0	211.4	227.9	45.7	273.6	184.0	11.1	195.1
2020	197.2	74.0	271.2	166.4	55.0	221.4	232.9	84.5	317.4	184.0	11.1	195.1
2021	197.2	74.0	271.2	166.4	55.0	221.4	232.9	56.8	289.7	186.0	9.1	195.1
2022	197.2	74.0	271.2	166.4	55.0	221.4	232.9	56.8	289.7	186.0	19.1	205.1

Fiscal Year	School District 5			School District 6			School District 7			School District 9		
	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total
2013	185.8	16.6	202.4	146.9	41.3	188.2	185.5	59.0	244.5	126.1	42.5	168.6
2014	184.8	16.6	201.4	150.1	41.2	191.3	184.8	59.0	243.8	130.0	47.5	177.5
2015	184.8	16.6	201.4	152.2	43.2	195.4	184.8	64.0	248.8	134.9	47.5	182.4
2016	184.8	16.6	201.4	155.1	48.0	203.1	184.8	64.0	248.8	137.4	47.5	184.9
2017	184.8	16.6	201.4	156.7	48.0	204.7	184.8	74.0	258.8	137.4	47.5	184.9
2018	184.8	21.6	206.4	160.2	48.0	208.2	184.8	74.0	258.8	139.7	52.1	191.8
2019	181.1	27.6	208.7	165.0	52.6	217.6	184.8	74.0	258.8	144.8	52.1	196.9
2020	181.1	32.6	213.7	165.0	52.6	217.6	184.8	74.0	258.8	150.8	52.1	202.9
2021	181.1	32.6	213.7	165.0	52.6	217.6	184.8	74.0	258.8	150.8	52.1	202.9
2022	181.1	32.6	213.7	165.0	52.6	217.6	184.8	74.0	258.8	143.2	51.0	194.2

* Since fiscal year 1996, the State of South Carolina has reimbursed the school districts for the taxes levied for school operations on residential property applying to assessed value of up to \$100,000. These rebates are shown as a credit against the above levies on the property owner's tax notice. School district funds are handled in an agency capacity by the County.

(1) Millage includes Trinity Fire Department which was newly formed during FY19.

Data Source: Spartanburg County Auditor's Office

Spartanburg County, South Carolina
Principal Taxpayers
June 30, 2022 and 2012

Taxpayer	Type of Business	June 30, 2022			June 30, 2012		
		Assessed Valuation	(1) Taxes Paid	Percentage of Total Assessed Valuation	Assessed Valuation	(1) Taxes Paid	Percentage of Total Assessed Valuation
BMW Manufacturing Co, LLC	Automobile manufacturing	\$ 68,243,974	\$ 24,428,303	4.8%	\$ 20,842,248	\$ 7,068,450	2.2%
Duke Energy Corp	Electric utility	42,237,350	17,759,322	3.0%	25,526,790	9,552,969	2.7%
Michelin North America	Tire mfg/research & development	25,757,761	9,245,274	1.8%	8,145,867	2,688,363	0.9%
Plastic Omnium Auto Exteriors, LLC	Automobile components manufacturing	9,916,330	4,077,185	0.7%	N/A	N/A	0.0%
SEW Eurodrive, Inc.	Manufacturer of industrial gear motors	6,098,910	2,318,061	0.4%	3,992,719	1,357,710	0.4%
Spartanburg DC, Inc.	Distribution and customer service	5,959,723	2,280,786	0.4%	N/A	N/A	0.0%
Lexington Corporate Properties, Inc.	Property management	5,904,000	2,445,437	0.4%	N/A	N/A	0.0%
Transcontinental Gas Pipeline	Natural gas pipeline	5,732,320	2,144,586	0.4%	N/A	N/A	0.0%
Veyron/KDP I Partners, LLC	Beverage production and distribution	5,561,651	2,001,082	0.4%	N/A	N/A	0.0%
Piedmont Natural Gas	Natural gas provider	5,377,800	2,177,059	0.4%	N/A	N/A	0.0%
		<u>\$ 180,789,819</u>	<u>\$ 68,877,095</u>	<u>12.7%</u>	<u>\$ 58,507,624</u>	<u>\$ 20,667,492</u>	<u>6.2%</u>

(1) All tax districts

Data Source: Spartanburg County Auditor's Office

Spartanburg County, South Carolina
Computation of Legal Debt Margin
June 30, 2022

Assessed valuation:

Latest assessed valuation less manufacturing exemptions \$ 1,412,825,698

Legal debt limit - 8% of assessed valuation \$ 113,026,056

Amount of debt applicable to debt limit:

General obligation bonds outstanding June 30, 2022 60,552,725

Less: Pursuant to Section 12 of Article X of the State Constitution 1,322,725

Amount of debt applicable to debt limit 59,230,000

***Legal debt margin** \$ 53,796,056

*Article X Section 14 of the South Carolina Constitution sets no limit on general obligation debt if it is authorized by a majority vote of the qualified electors of the County voting in a referendum authorized by law. However, without a referendum, the County is authorized to incur general obligation debt for any of its purposes in an amount not exceeding eight percent of the assessed value of all taxable property.

Ten Year Data					
Fiscal Year	Debt Limit	Net Debt Subject to Limit	Legal Debt Margin	Outstanding Net Debt/Debt Ceiling	Legal Debt Margin/Debt Ceiling
2013	\$ 77,272,058	\$ 23,997,275	\$ 53,274,783	31.1%	68.9%
2014	\$ 79,917,464	\$ 21,513,922	\$ 58,403,542	26.9%	73.1%
2015	\$ 81,675,722	\$ 18,929,834	\$ 62,745,888	23.2%	76.8%
2016	\$ 83,560,661	\$ 15,371,526	\$ 68,189,135	18.4%	81.6%
2017	\$ 85,565,929	\$ 12,543,598	\$ 73,022,331	14.7%	85.3%
2018	\$ 88,825,383	\$ 9,612,789	\$ 79,212,594	10.8%	89.2%
2019	\$ 97,355,197	\$ 20,310,980	\$ 77,044,217	20.9%	79.1%
2020	\$ 100,280,459	\$ 29,863,103	\$ 70,417,356	29.8%	70.2%
2021	\$ 104,885,068	\$ 35,505,000	\$ 69,380,068	33.9%	66.1%
2022	\$ 113,026,056	\$ 59,230,000	\$ 53,796,056	52.4%	47.6%

Spartanburg County, South Carolina
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	(1) Population	(1) Per Capita Income	(2) Assessed Value	Primary Government				Ratio of Debt to Assessed Value	Debt per Capita	Ratio of Debt to Personal Income
				General Obligation Bonds	Capital Leases	COPS and Revenue Bonds	Total Debt			
2013	288,745	33,518	965,900,726	25,700,461	6,598,157	31,194,673	63,493,291	6.57%	220	0.66%
2014	290,969	35,040	998,968,294	23,152,005	6,501,788	29,810,710	59,464,503	5.95%	204	0.58%
2015	293,542	34,946	1,020,946,529	22,746,535	7,780,584	28,381,747	58,908,866	5.77%	201	0.57%
2016	297,302	39,700	1,044,508,264	20,484,882	7,138,242	26,860,618	54,483,742	5.22%	183	0.46%
2017	301,463	40,722	1,069,574,115	17,548,488	5,913,860	25,130,525	48,592,873	4.54%	161	0.40%
2018	306,854	41,709	1,110,317,286	14,509,213	4,604,903	23,340,432	42,454,548	3.82%	138	0.33%
2019	313,888	43,148	1,216,939,960	24,582,074	3,144,013	21,485,339	49,211,426	4.04%	157	0.36%
2020	319,785	44,169	1,253,505,743	34,118,268	4,916,897	19,730,246	58,765,411	4.69%	184	0.42%
2021	326,205	46,543	1,311,063,353	39,887,375	4,845,168	17,925,153	62,657,696	4.78%	192	0.41%
2022	335,864	50,596	1,412,825,698	67,443,631	5,015,624	16,075,060	88,534,315	6.27%	264	0.52%

(1) U.S. Bureau of Economic Analysis

(2) From M-3.

Spartanburg County, South Carolina
Ratios of General Obligation Bonded Debt
Last Ten Fiscal Years

Fiscal Year	(1) Population	(2) Assessed Value	Primary Government	Ratio of Debt to Assessed Value	Debt per Capita
			General Obligation Bonds		
2013	288,745	\$ 965,900,726	\$ 25,700,461	2.66%	89
2014	290,969	\$ 998,968,294	\$ 23,152,005	2.32%	80
2015	293,542	\$ 1,020,946,529	\$ 22,746,535	2.23%	77
2016	297,302	\$ 1,044,508,264	\$ 20,484,882	1.96%	69
2017	301,463	\$ 1,069,574,115	\$ 17,548,488	1.64%	58
2018	306,854	\$ 1,110,317,286	\$ 14,509,213	1.31%	47
2019	313,888	\$ 1,216,939,960	\$ 24,582,074	2.02%	78
2020	319,785	\$ 1,253,505,743	\$ 34,118,268	2.72%	107
2021	326,205	\$ 1,311,063,353	\$ 39,887,375	3.04%	122
2022	335,864	\$ 1,412,825,698	\$ 67,443,631	4.77%	201

(1) U.S. Bureau of Economic Analysis

(2) From M-3

Spartanburg County, South Carolina
Ratio of Annual Debt Service Expenditures for General Obligation
Bonded Debt to Total General Governmental Expenditures (1)
Last Ten Fiscal Years

Fiscal Year		Gross Debt Service	Total General Governmental Expenditures	Ratio of Debt Service to General Governmental Expenditures
2013	\$	8,058,244	\$ 164,440,082	4.9%
2014	\$	8,143,081	\$ 160,113,138	5.1%
2015	\$	9,908,185	\$ 187,819,889	5.3%
2016	\$	12,065,511	\$ 189,199,139	6.4%
2017	\$	8,465,202	\$ 210,084,313	4.0%
2018	\$	8,500,601	\$ 186,062,994	4.6%
2019	\$	9,393,216	\$ 199,580,280	4.7%
2020	\$	12,399,817	\$ 203,885,483	6.1%
2021	\$	9,507,986	\$ 233,712,160	4.1%
2022	\$	12,360,999	\$ 284,785,811	4.3%

(1) Includes General, Special Revenue, Debt Service, and Capital Project Funds

Spartanburg County, South Carolina
Computation of Direct and Overlapping Bonded Debt
Total Debt
June 30, 2022

	Assessed Value		Outstanding Debt		
	Total	Within County	Total Debt	Percentage Applicable to County (a)	County's Share of Debt
Direct:					
Spartanburg County	1,412,825,698	1,412,825,698	88,357,491	100%	88,357,491
Overlapping:					
Municipalities:					
Spartanburg	170,249,875	170,249,875	34,671,398	100%	34,671,398
Campobello	3,441,753	3,441,753	29,776	100%	29,776
Cowpens	5,234,335	5,234,335	234,516	100%	234,516
Duncan	20,982,258	20,982,258	1,593,396	100%	1,593,396
Greer	194,971,675	54,592,069	32,904,105	28%	9,213,149
Inman	11,168,029	11,168,029	6,435,549	100%	6,435,549
Landrum	10,907,932	10,907,932	1,755,133	100%	1,755,133
Pacolet	6,097,231	6,097,231	223,259	100%	223,259
Woodruff	12,045,007	12,045,007	6,285,524	100%	6,285,524
School Districts:					
One	134,725,175	124,659,886	63,862,273	93%	59,391,914
Two	274,441,089	268,750,824	107,225,000	98%	105,080,500
Three	63,810,914	63,810,914	40,467,000	100%	40,467,000
Four	68,813,421	68,813,421	4,108,042	100%	4,108,042
Five	331,047,799	331,047,799	117,359,000	100%	117,359,000
Six	320,206,551	320,206,551	12,096,000	100%	12,096,000
Seven	230,035,833	230,035,833	215,661,244	100%	215,661,244
Special Purpose Districts:					
Boiling Springs Fire District	106,646,703	106,646,703	789,624	100%	789,624
Campobello Fire District	12,722,874	12,722,874	97,358	100%	97,358
Cherokee Springs Fire District	40,350,966	40,350,966	663,541	100%	663,541
Converse Fire District	21,001,659	21,001,659	463,519	100%	463,519
Cooley Springs Fire District	9,687,961	9,687,961	440,464	100%	440,464
Duncan Fire District	20,738,967	20,738,967	1,322,725	100%	1,322,725
Gowansville Fire District	14,472,785	5,738,124	134,911	40%	53,964
Hilltop Fire District	16,125,592	16,125,592	1,220,606	100%	1,220,606
Holly Springs Fire District	31,446,045	31,446,045	1,352,060	100%	1,352,060
Inman Community Fire District	38,519,004	38,519,004	1,167,947	100%	1,167,947
Landrum Fire District	23,577,652	22,610,712	241,983	96%	232,059
Mayo Fire District	12,150,160	12,150,160	105,158	100%	105,158
New Prospect Fire District	50,657,682	50,657,682	145,303	100%	145,303
Pelham-Batesville Fire District	200,283,778	18,025,540	5,870,200	9%	528,318
Poplar Springs Fire District	82,405,837	82,405,837	1,095,533	100%	1,095,533
Reidville Fire District	115,640,740	115,640,740	6,182,752	100%	6,182,752
Roebuck Fire District	47,047,515	47,047,515	1,383,463	100%	1,383,463
Startex Fire District	16,192,779	16,192,779	307,192	100%	307,192
Tyger River Fire District	63,748,707	63,748,707	760,051	100%	760,051
Westview-Fairforest Fire District	115,292,913	115,292,913	940,859	100%	940,859
Whitney Fire District	34,569,833	34,569,833	1,130,000	100%	1,130,000
Inman-Campobello Water District	110,177,809	110,177,809	6,827,120	100%	6,827,120
Liberty Chesnee Fingerville Water District	44,225,603	44,225,603	2,239,003	100%	2,239,003
SJWD Water District	265,619,922	265,619,922	17,210,000	100%	17,210,000
Spartanburg Sanitary Sewer District	827,763,874	827,763,874	134,792,000	100%	134,792,000
Woodruff-Roebuck Water District	102,292,223	102,292,223	46,206,169	100%	46,206,169
Total Overlapping Debt			878,000,756		842,262,188
Total Direct and Overlapping Debt			966,358,247		930,619,679

(a) The percentage of overlap is calculated based on the portion of each district's assessment that lies within Spartanburg County's boundaries

Spartanburg County, South Carolina
Demographic Statistics
Last Ten Years

Calendar Year	(1) Population	(1) Personal Income	(1) Per Capita	(1) Median Age	(2) School Enrollment	(3) Annual Unemployment Rate
2012	288,745	\$ 9,819,000,000	33,518	35.5	44,174	9.6%
2013	290,969	\$ 10,033,000,000	35,040	38.5	46,846	7.8%
2014	293,542	\$ 10,252,621,000	34,946	38.5	47,306	6.3%
2015	297,302	\$ 10,738,530,000	33,600	38.4	47,298	5.8%
2016	301,463	\$ 11,501,469,000	38,686	38.5	47,825	4.7%
2017	306,854	\$ 12,798,599,000	41,709	38.2	48,659	4.0%
2018	313,888	\$ 13,543,549,000	43,148	37.8	50,706	3.1%
2019	319,785	\$ 14,124,521,000	44,169	38.2	49,078	2.5%
2020	326,205	\$ 15,182,676,000	46,543	38.2	48,569	6.7%
2021	335,864	\$ 16,993,490,000	50,596	38.0	52,324	4.1%

Data Sources:

- (1) U.S. Bureau of Economic Analysis
- (2) Local School Districts
- (3) U.S. Department of Labor, Bureau of Labor Statistics

Spartanburg County, South Carolina
Property Value, Construction, Bank Deposits, and Retail Sales
Last Ten Years

Year	(1) Real Property Estimated Market Value (A)			(2) Commercial Construction		(3) Industrial Investment		(2) Residential Construction		(4) Bank Deposits	(5) Retail Sales
	Commercial	Residential	Total	Number of Permits	Value	New Jobs	New Investment	Number of Permits	Value		
2012	\$ 3,978,940,390	\$ 13,570,303,612	\$ 17,549,244,002	136	\$ 60,409,090	547	\$ 1,026,900,000	889	\$ 101,977,289	\$ 3,452,000,000	\$ 10,304,876,000
2013	\$ 3,700,221,142	\$ 12,353,602,016	\$ 16,053,823,158	617	\$ 53,967,589	2,626	\$ 112,587,650	915	\$ 129,533,495	\$ 3,603,000,000	\$ 12,188,117,000
2014	\$ 3,917,420,809	\$ 14,124,898,192	\$ 18,042,319,001	274	\$ 117,939,699	1,783	\$ 329,672,360	1,040	\$ 179,673,160	\$ 4,033,631,000	\$ 10,897,820,851
2015	\$ 4,175,417,712	\$ 14,703,838,273	\$ 18,879,255,985	384	\$ 579,242,927	1,148	\$ 725,195,000	1,334	\$ 226,205,210	\$ 4,490,347,000	\$ 10,036,307,216
2016	\$ 4,426,630,758	\$ 15,294,855,384	\$ 19,721,486,142	384	\$ 237,206,361	1,300	\$ 555,300,000	1,745	\$ 296,562,736	\$ 5,004,392,000	\$ 10,356,006,511
2017	\$ 4,560,974,090	\$ 15,844,345,777	\$ 20,405,319,867	580	\$ 523,154,134	1,789	\$ 885,310,000	2,076	\$ 357,335,533	\$ 5,055,981,000	\$ 10,487,903,498
2018	\$ 4,673,913,337	\$ 17,522,137,636	\$ 22,196,050,973	383	\$ 422,386,777	2,094	\$ 779,539,000	2,436	\$ 397,327,602	\$ 5,442,162,000	\$ 11,559,427,445
2019	\$ 4,965,879,571	\$ 19,248,963,616	\$ 24,214,843,187	401	\$ 481,158,490	811	\$ 354,126,687	2,547	\$ 414,843,939	\$ 5,676,332,000	\$ 13,954,242,730
2020	\$ 5,409,217,804	\$ 20,573,023,205	\$ 25,982,241,009	286	\$ 258,045,536	446	\$ 433,607,625	2,807	\$ 454,114,497	\$ 6,019,093,000	\$ 11,078,033,746
2021	\$ 6,006,607,192	\$ 22,774,762,835	\$ 28,781,370,027	406	\$ 602,644,173	2,067	\$ 2,159,156,763	3,330	\$ 560,921,767	\$ 6,180,197,000	\$ 13,451,307,326

(A) Value of property based on SCDOR Sales/Appraisal Ratio Study for each year (time adjusted). Values do NOT include manufacturing, utility, transportation companies, exempt property, or construction in progress.

Data Sources:

- (1) Spartanburg County Assessor
- (2) Spartanburg County Building Permits
- (3) OneSpartanburg, Inc., based on fiscal year numbers
- (4) Federal Deposit Insurance Corporation
- (5) South Carolina Department of Revenue

Spartanburg County, South Carolina
Miscellaneous Statistics

Founded	1785
Date of Incorporation (South Carolina "Home Rule Act")	1976
Form of Government	Council - Administrator
Number of Employees (excluding police, fire, and detention)	1,075
Area in Square Miles	820

Spartanburg County facilities and services

Miles of paved streets and roads	1,729
Culture and Recreation:	
Community recreation centers	8
Parks	36
Park acreage	1,000
Tennis courts	34
Libraries	10
Fire Protection:	
Number of stations	63
Number of personnel and officers	1,142
Number of calls answered (annually)	34,785
Police Protection (County Sheriff):	
Number of stations	1
Number of personnel and officers	387
Number of patrol units	101
Number of law violations	79,029
Physical arrests	5,282
Traffic violations	5,213
Detention Facility:	
Number of personnel and officers	167
Average inmate population	817

Facilities and services not included in the reporting entity

Sewerage Systems:	
Miles of sanitary sewers	1,083
Number of treatment plants	8
Number of service connections	48,199
Daily average treatment in gallons	14.178 MGD
Maximum daily capacity of treatment plants in gallons	32.21 MGD
Water Systems:	
Miles of water mains	1,354
Number of service connections	66,252
Number of fire hydrants	4,940
Daily average consumption in gallons	22.962 MGD
Maximum daily capacity of plants in gallons	91 MGD
Education:	
Number of elementary, junior high and high schools	77
Enrollment	52,324
Spartanburg Community College - enrollment	4,108
University of South Carolina Upstate - enrollment	6,038
Wofford College - enrollment	1,764
Converse College - enrollment	1,481
Spartanburg Methodist College - enrollment	1,044
S. C. School for Deaf and Blind (serves State) - enrollment	168
Sherman College of Straight Chiropractic - enrollment	423
VCOM - Carolinas Campus	632
Hospitals:	
Number of hospitals	1
Number of patient beds	1,160
Transportation:	
Airports - 6 commercial airlines	2
Railroads (CSX, Norfolk Southern, Amtrak)	3
Bus lines (SPARTA and Greyhound)	2

Spartanburg County, South Carolina
Major Employers and Changes in Employment Data
 (Industrial and Office)

Company Name	Business/Product	Employees and % of workforce			
		2022	%	2012	%
BMW Manufacturing Corporation	Automotive manufacturer	11,000	7.3%	7,200	5.9%
Spartanburg Regional Medical Center	Hospital	9,648	6.4%	5,624	4.6%
Spartanburg County Schools	Public school system	7,851	5.2%	6,560	5.4%
State of South Carolina	State government	2,593	1.7%	2,275	1.9%
Spartanburg County	County government, courts, law enforcement	1,568	1.0%	1,453	1.2%
Adidas	Sporting and recreational goods and supplies	1,450	1.0%	N/A*	
Draexlmaier Automotive of America LLC	Automobile component supplier	1,225	0.8%	N/A*	
Michelin North America	Radial truck tire manufacturer	1,150	0.8%	1,070	0.9%
Benore Logistics Systems	Logistics	1,100	0.7%	N/A*	
Plastic Omnium	Plastic Injection Molded Interiors	1,100	0.7%	N/A*	

Data Sources:

OneSpartanburg, Inc. & individual employers

(N/A*) Data unavailable

Spartanburg County, South Carolina		
Total Employment and Unemployment Rates		
Last Ten Years		
Year	(1) Employment	Annual Unemployment Rate
2012	125,174	9.6%
2013	136,069	7.8%
2014	138,461	6.3%
2015	140,992	5.8%
2016	135,735	4.7%
2017	140,420	4.0%
2018	143,296	3.1%
2019	149,576	2.5%
2020	148,274	6.7%
2021	149,935	4.0%

(1) U.S. Bureau of Economic Analysis
 (US Department of Labor, Bureau of Labor Statistics)

Spartanburg County, South Carolina
Operating Indicators by Function
Last 10 Fiscal Years

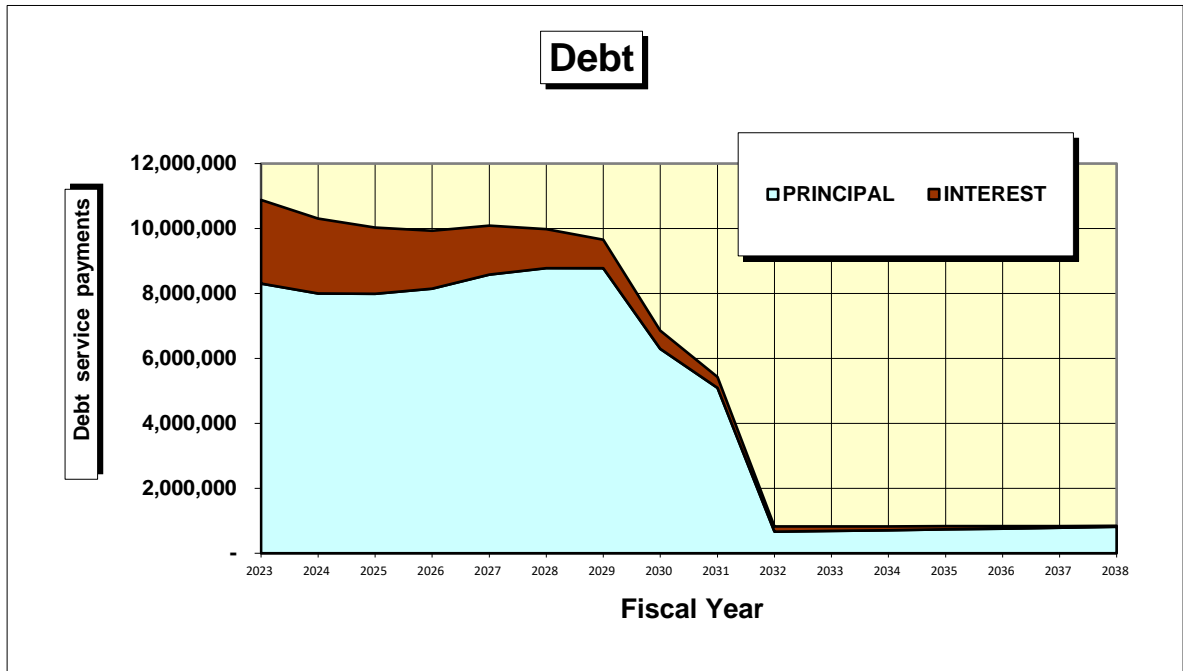
	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General government										
Finance										
Number of vendor checks	15,305	13,822	14,809	16,099	14,310	18,741	19,727	18,947	18,021	17,878
Number of invoices	24,421	25,675	22,475	21,787	7,767	18,914	19,930	19,234	18,619	18,954
Number of payroll checks	41,153	41,162	40,620	41,878	41,808	39,912	41,743	40,336	38,765	39,048
Building Codes										
Permits issued	3,736	9,035	10,081	10,754	12,327	11,045	8,058	6,767	5,903	5,372
Value of permits issued	\$ 1,163,565,940	\$ 874,830,598	\$ 1,042,912,282	\$ 971,894,714	\$ 1,048,627,758	\$ 799,931,700	\$ 938,462,692	\$ 611,930,607	\$ 337,440,273	\$ 395,487,581
Public safety										
Detention										
Average daily inmate population	886	686	716	834	781	790	769	744	727	782
Meals served	1,053,844	838,798	1,027,305	1,011,835	949,680	991,221	963,703	930,007	919,472	978,565
Communications Dispatching										
Number of calls	290,649	287,770	299,533	240,292	216,223	255,639	201,730	199,563	199,273	285,582
Sheriff										
Number of calls	114,900	120,607	118,984	216,339	172,040	205,855	113,826	117,544	117,868	115,956
Warrants/papers served	14,772	13,900	21,386	19,059	21,000	11,581	20,924	22,691	23,501	23,520
Roads										
Street signs installed/replaced	3,259	3,133	2,221	2,328	2,114	3,426	2,163	2,132	2,127	2,691
Miles bush hogged	2,540	2,640	1,968	3,341	3,402	2,940	4,028	4,289	4,373	5,573
Miles of road asphalted	22	12	15	15	20	15	27	30	30	22
Health & welfare										
Emergency Medical Services										
Number of calls	58,880	53,905	52,145	50,393	44,183	49,784	46,996	44,776	41,877	42,768
Sanitation										
Property Maintenance										
Structures condemned	219	201	309	265	329	134	120	126	127	292
Structures demolished	43	76	69	56	57	82	95	82	79	92
Request for service/complaints	14,384	15,405	12,559	13,924	13,848	12,599	10,506	10,628	11,087	12,274
Tickets issued	166	191	232	222	358	137	112	170	131	102
Fines	\$ 77,305	\$ 91,865	\$ 105,240	\$ 88,810	\$ 161,710	\$ 64,390	\$ 52,640	\$ 79,900	\$ 61,570	\$ 47,940
Animal Control										
Emergency calls	1,808	1,521	1,601	1,864	1,518	1,146	1,680	1,628	1,667	1,380
Tickets issued	366	366	384	622	663	629	1,024	1,018	923	972
Fines	\$ 120,425	\$ 103,650	\$ 102,700	\$ 171,511	\$ 230,182	\$ 150,913	\$ 236,782	\$ 207,464	\$ 187,412	\$ 171,877
Requests for service	15,922	15,689	14,052	15,988	17,993	16,185	13,464	17,181	16,723	18,000
Animals impounded	1,485	1,342	1,652	1,964	2,040	3,530	3,800	4,121	4,075	4,743
Litter Control										
Tickets issued	295	712	698	822	670	322	396	320	313	615
Fines	\$ 142,499	\$ 320,254	\$ 323,874	\$ 221,155	\$ 167,411	\$ 98,328	\$ 116,202	\$ 97,943	\$ 86,031	\$ 168,902
Complaints	1,243	2,008	2,008	2,016	1,554	734	817	566	696	1,239
Landfill										
Recycled - TONS	7,470	8,225	6,915	7,523	7,454	8,760	7,500	7,125	6,989	4,899
Yard debris - TONS	n/a	2,269	4,601	419	6,199	1,509	2,847	2,396	1,819	10,111
Construction waste - TONS	137,048	123,445	43,179	116,781	115,419	102,747	70,952	57,623	54,967	60,440
Municipal solid waste - TONS	147,910	167,695	203,339	133,088	129,848	134,030	141,611	125,263	113,651	110,911
Library										
Books loaned	1,987,808	1,901,370	2,149,550	2,354,938	2,071,756	1,839,944	1,852,737	1,883,455	1,863,693	1,813,164
Public internet use	203,847	88,018	161,357	400,075	490,042	299,404	361,277	482,624	498,353	483,417

Sources: Various Spartanburg County departments

Spartanburg County, South Carolina
Schedule of Bonds Outstanding
For the Fiscal Year Ended June 30, 2022

Description of Issue	Original Issue Amount	Date of Issue	Date of Maturity	Interest Rate	Outstanding June 30, 2021	Issued	Retired	Outstanding June 30, 2022
GENERAL OBLIGATION BONDS								
Refunding GO Bonds	\$ 12,725,000	12/15/15	04/01/15 - 04/01/29	1.96%	\$ 4,970,000	\$ -	\$ 560,000	\$ 4,410,000
Duncan Fire Service Bonds	2,250,000	09/10/14	05/01/15 - 05/01/29	2.66%	1,465,856	-	143,131	1,322,725
Series 2019 GO Bonds	14,165,000	02/26/19	04/01/19 - 04/01/38	2.85%	11,430,000	-	840,000	10,590,000
Series 2020 GO Bonds	16,030,000	02/05/20	04/01/20 - 04/01/29	1.09%	9,110,000	-	1,305,000	7,805,000
Series 2021 GO Bonds	9,995,000	04/15/21	04/01/22 - 04/01/31	0.87%	9,995,000	-	1,200,000	8,795,000
Series 2021A GO Bonds	30,230,000	09/22/21	04/01/22 - 04/01/31	0.76%	-	30,230,000	2,600,000	27,630,000
Total General Obligation Bonds	\$ 85,395,000				\$ 36,970,856	\$ 30,230,000	\$ 6,648,131	\$ 60,552,725
REVENUE BONDS								
Revenue Refunding	8,670,000	05/31/16	10/01/16 - 10/01/29	1.98%	7,175,000	-	785,000	6,390,000
COPS Refunding	10,695,000	05/31/16	10/01/16 - 10/01/30	2.28%	9,040,000	-	860,000	8,180,000
Total Revenue Bonds	\$ 19,365,000				\$ 16,215,000	\$ -	\$ 1,645,000	\$ 14,570,000
Total GO and Revenue Bonds	\$ 104,760,000				\$ 53,185,856	\$ 30,230,000	\$ 8,293,131	\$ 75,122,725

Spartanburg County, South Carolina
Bond Amortization Schedule
June 30, 2022



INDEBTEDNESS			
MATURITIES BY FISCAL YEAR			
FY ENDING	PRINCIPAL	INTEREST	TOTAL
June 30, 2023	8,307,629	2,572,295	10,879,924
June 30, 2024	7,997,263	2,306,629	10,303,892
June 30, 2025	7,987,033	2,044,438	10,031,471
June 30, 2026	8,147,100	1,779,342	9,926,442
June 30, 2027	8,582,400	1,508,929	10,091,329
June 30, 2028	8,783,000	1,198,763	9,981,763
June 30, 2029	8,778,700	880,739	9,659,439
June 30, 2030	6,294,600	560,903	6,855,503
June 30, 2031	5,090,000	338,119	5,428,119
June 30, 2032	665,000	158,619	823,619
June 30, 2033	685,000	138,669	823,669
June 30, 2034	710,000	118,119	828,119
June 30, 2035	735,000	96,819	831,819
June 30, 2036	760,000	74,769	834,769
June 30, 2037	785,000	51,019	836,019
June 30, 2038	815,000	26,487	841,487
TOTALS	\$ 75,122,725	\$ 13,854,658	\$ 88,977,383

Spartanburg County, South Carolina
Capital Assets Used in the Operation of Governmental Funds
Schedule By Function and Activity *
June 30, 2022

Function	Land	Art Collections	Books and Audiovisual Materials	Buildings	Improvements Other Than Buildings	Furniture and Equipment	Infrastructure	Construction in Progress	Total
General government	\$ 5,902,864	\$ -	\$ -	\$ -	\$ 2,343,953	\$ 12,444,774	\$ -	\$ 15,852	\$ 20,707,443
Culture and recreation	5,522,752	-	-	8,409,164	34,098,361	6,331,638	-	-	54,361,915
Roads and bridges	36,868	-	-	68,163	130,470	10,310,595	-	-	10,546,096
Sanitation	5,109,935	-	-	98,392	27,749,823	14,644,466	-	4,218,798	51,821,414
Public safety	456,180	-	-	16,226,140	3,730,797	43,341,773	-	-	63,754,890
Judicial	-	-	-	-	257,701	661,041	-	-	918,742
Health & welfare	333,469	-	-	1,282,394	86,182	405,252	-	-	2,107,297
Community & economic development	-	-	-	-	77,855	52,364	-	-	130,219
Buildings	-	-	-	35,964,027	12,687,071	2,066,265	-	62,117,846	112,835,209
Library	2,831,828	902,534	5,935,638	25,276,616	1,914,453	5,370,468	-	3,854,894	46,086,431
Roads	-	-	-	-	-	-	354,209,020	-	354,209,020
Bridges	-	-	-	-	-	-	47,761,000	-	47,761,000
Total governmental funds capital assets	20,193,896	902,534	5,935,638	87,324,896	83,076,666	95,628,636	401,970,020	70,207,390	765,239,676
Accumulated depreciation	-	-	5,072,146	57,683,176	36,583,473	63,552,705	-	-	162,891,500
Net book value	\$ 20,193,896	\$ 902,534	\$ 863,492	\$ 29,641,720	\$ 46,493,193	\$ 32,075,931	\$ 401,970,020	\$ 70,207,390	602,348,176
							Internal Service Funds		1,853,022
							Right of Use Assets		7,727,760
							S-30 total		\$ 611,928,958

Capital Assets Used in the Operation of Governmental Funds *
Last Ten Fiscal Years

Fiscal Year	Land	Buildings	Improvements Other Than Buildings	Furniture and Equipment	Total
2013	19,276,207	69,633,607	37,331,551	62,911,605	189,152,970
2014	19,602,941	69,622,607	37,666,409	60,741,306	187,633,263
2015	19,702,941	71,664,732	39,826,607	63,127,709	194,321,989
2016	19,702,941	72,086,734	40,423,449	68,122,706	200,335,830
2017	19,753,582	72,239,773	61,922,066	68,761,212	222,676,633
2018	19,846,541	72,431,963	64,790,335	70,571,141	227,639,980
2019	21,223,314	74,425,148	75,022,751	79,349,832	250,021,045
2020	21,223,314	74,498,148	79,150,490	84,559,254	259,431,206
2021	20,193,896	74,518,390	78,918,097	89,306,425	262,936,808
2022	20,193,896	87,324,896	83,076,666	95,628,636	286,224,094

* This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in the internal service funds are excluded from the above amounts. The capital assets of the internal service funds are included as governmental activities in the statement of net position.

Spartanburg County, South Carolina
Solid Waste Revenue Bonds - Historical Net Earnings, with Debt Service Coverage
June 30, 2022

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Revenues	\$ 7,811,028	\$ 7,775,548	\$ 8,767,423	\$ 9,918,333	\$ 10,678,589	\$ 11,110,007	\$ 10,698,801	\$ 12,411,789	\$ 13,822,055
less									
Operating Expenditures	\$ 5,435,178	\$ 5,377,442	\$ 5,593,793	\$ 6,056,574	\$ 6,135,008	\$ 6,685,099	\$ 7,214,926	\$ 7,711,579	\$ 8,301,045
Net Earnings	\$ 2,375,850	\$ 2,398,106	\$ 3,173,630	\$ 3,861,759	\$ 4,543,581	\$ 4,424,908	\$ 3,483,875	\$ 4,700,210	\$ 5,521,010
Series 2016 Bonds	\$ 1,271,435	\$ 1,267,060	\$ 1,270,260	\$ 1,086,500	\$ 1,140,600	\$ 1,140,400	\$ 1,059,000	\$ 1,061,950	\$ 1,064,150
Debt Service Coverage	1.87	1.89	2.50	3.55	3.98	3.88	3.29	4.43	5.19

Spartanburg County, South Carolina
Solid Waste Revenue Bonds - DHEC Data
June 30, 2022

CLASS II LANDFILL	2014	2015	2016	2017	2018	2019	2020	2021	2022
Permitted Annual Rate of Disposal	72,161 TONS/YR	72,161 TONS/YR	72,161 TONS/YR	122,161 TONS/YR	122,161 TONS/YR	122,161 TONS/YR	122,161 TONS/YR	172,161 TONS/YR	172,161 TONS/YR
Actual Fiscal Year Disposal	55,476 TONS	60,226 TONS	70,952 TONS	102,747 TONS	115,419 TONS	116,781 TONS	43,179 TONS	123,445 TONS	137,048 TONS
Estimated Remaining Capacity	820,899 CY	729,560 CY	690,416 CY	538,889 CY	357,740 CY	162,196 CY	46,232 CY	1,674,086 CY	1,430,918 CY
Estimated Life of Facility in Years	157 MONTHS	100 MONTHS	97 MONTHS	55 MONTHS	26 MONTHS	12 MONTHS	3 MONTHS	99 MONTHS	76 MONTHS
* Based on Permitted and Actual Disposal Rates									
CLASS III LANDFILL	2014	2015	2016	2017	2018	2019	2020	2021	2022
Permitted Annual Rate of Disposal	260,000 TONS/YR	260,000 TONS/YR	260,000 TONS/YR	260,000 TONS/YR	260,000 TONS/YR	260,000 TONS/YR	260,000 TONS/YR	260,000 TONS/YR	260,000 TONS/YR
Actual Fiscal Year Disposal	117,022 TONS	126,523 TONS	144,611 TONS	134,030 TONS	129,848 TONS	133,088 TONS	203,339 TONS	167,695 TONS	147,911 TONS
Estimated Remaining Capacity	1,041,095 CY	871,477 CY	712,539 CY	572,615 CY	443,202 CY	287,664 CY	7,453,002 CY	7,205,516 CY	7,032,386 CY
Estimated Life of Facility in Years	58 MONTHS	49 MONTHS	43 MONTHS	32 MONTHS	26 MONTHS	18 MONTHS	444 MONTHS	432 MONTHS	504 MONTHS
* Based on Permitted and Actual Disposal Rates									

Spartanburg County, South Carolina
Solid Waste Revenue Bonds – Disposal Data
Fiscal Year Ended June 30, 2022

Wellford Landfill Disposal Fees
Effective July 1, 2007 to June 30, 2022

Municipal Solid Waste (MSW)	\$ 33.00 per ton
Lead Based Material	\$ 37.00 per ton
Construction & Demolition (C&D)	\$ 30.00 per ton
Yard Waste Debris	\$ 15.00 per ton
Electronic Recycling	\$ 500.00 per ton
Cardboard Surcharge	\$ 66.00 per ton
Mixed Load Surcharge (MSW containing C&D)	\$ 37.00 per ton
Special Handling Surcharge	\$ 100.00 (loads requiring assistance of unacceptable waste)
Waste Tires	
Standard passenger	\$ 1.50 per tire
	\$ 150.00 per ton
Oversized tires	\$ 3.50 per tire
Mulch Loading Fee	\$ 50.00 per load for dump trucks
	\$ 100.00 per load for tractor trailers

Note: A \$5 per load mulch loading fee is charged for County residents. Residents can load their own mulch for no charge in designated areas at the Wellford Landfill Facility.

Annual Resident Landfill
Per Household Charge

2013	\$ 47
2014	\$ 47
2015	\$ 47
2016	\$ 52
2017	\$ 57
2018	\$ 57
2019	\$ 57
2020	\$ 57
2021	\$ 57
2022	\$ 64

Spartanburg County, South Carolina
Certificates of Participation - Monthly Collections
For the Fiscal Year Ended June 30, 2022

Month ⁽¹⁾	Fiscal Year 2012-2013	Fiscal Year 2013-2014	Fiscal Year 2014-2015	Fiscal Year 2015-2016	Fiscal Year 2016-2017	Fiscal Year 2017-2018	Fiscal Year 2018-2019	Fiscal Year 2019-2020	Fiscal Year 2020-2021	Fiscal Year 2021-2022
July	\$ 295,024	\$ 304,668	\$ 314,542	\$ 362,660	\$ 361,153	\$ 366,218	\$ 405,959	\$ 422,284	\$ 446,631	\$ 491,311
August	297,029	303,155	330,932	346,207	343,324	340,781	401,153	443,632	432,718	478,020
September	289,137	306,321	320,644	305,931	360,022	430,067	400,124	432,298	406,098	486,861
October	313,878	287,495	317,263	385,464	352,958	356,195	345,698	410,818	425,214	480,808
November	285,924	274,474	325,585	356,387	344,759	404,552	437,843	410,438	451,052	494,954
December	314,674	334,377	340,908	353,576	390,632	411,446	415,807	444,556	455,696	501,301
January	268,988	281,895	271,435	320,801	318,166	360,568	383,873	379,174	410,936	476,787
February	280,813	289,141	351,890	351,163	345,822	362,824	369,909	395,462	438,815	482,523
March	318,981	325,207	362,302	367,867	385,504	426,044	475,777	323,438	514,973	534,914
April	310,106	317,069	332,173	367,758	374,465	387,007	434,190	309,769	512,097	532,168
May	326,405	322,691	363,446	385,528	389,070	396,761	424,455	441,540	533,898	553,798
June	308,979	329,260	341,042	345,165	385,317	435,161	442,247	427,597	482,893	535,314
Fiscal Year Total:	<u>\$ 3,609,938</u>	<u>\$ 3,675,753</u>	<u>\$ 3,972,162</u>	<u>\$ 4,248,507</u>	<u>\$ 4,351,192</u>	<u>\$ 4,677,624</u>	<u>\$ 4,937,035</u>	<u>\$ 4,841,006</u>	<u>\$ 5,511,021</u>	<u>\$ 6,048,759</u>

(1) On an accrual basis. Actual collections were received in the month immediately subsequent to that shown.

Source: Spartanburg County Office of Budget Management

Spartanburg County
Certificates of Participation (COPS)
Projected Collection and Coverage and Establishments Remitting
Fiscal Year Ending June 30, 2022

	Fiscal Year													
	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026
Hospitality Tax Collections	\$ 3,350,940 ⁽¹⁾	\$ 3,685,988 ⁽¹⁾	\$ 3,977,316 ⁽¹⁾	\$ 4,242,099 ⁽¹⁾	\$ 4,342,170 ⁽¹⁾	\$ 4,702,144 ⁽¹⁾	\$ 4,942,479 ⁽¹⁾	\$ 4,861,002 ⁽¹⁾	\$ 5,491,163 ⁽¹⁾	\$ 6,041,697 ⁽¹⁾	\$ 6,222,948 ⁽²⁾	\$ 6,409,636 ⁽²⁾	\$ 6,601,925 ⁽²⁾	\$ 6,799,983 ⁽²⁾
Projected Debt Service	\$ 1,389,788	\$ 1,388,488	\$ 1,391,588	\$ 1,387,050	\$ 1,232,460	\$ 1,300,450	\$ 1,302,250	\$ 1,217,650	\$ 1,218,200	\$ 1,213,000	\$ 1,217,200	\$ 1,216,600	\$ 1,219,600	\$ 1,211,000
Projected Debt Service Coverage	2.41x	2.65x	2.86x	3.06x	3.52x	3.62x	3.80x	3.99x	4.51x	4.98x	5.11x	5.27x	5.41x	5.62x
Approximate Number of Establishments Remitting	468	456	463	449	452	469	478	479	477	490	n/a	n/a	n/a	n/a

(1) Audited hospitality tax collections, including penalties, net of refunds. Excludes interest earnings.

(2) Projected hospitality tax collections using 3% annual growth.