

WILLIAMSBURG COUNTY, SOUTH CAROLINA

**AUDITED BASIC FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION**

FOR THE YEAR ENDED JUNE 30, 2022



WILLIAMSBURG COUNTY, SOUTH CAROLINA
AUDITED BASIC FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED JUNE 30, 2022

TABLE OF CONTENTS

	PAGE
FINANCIAL SECTION:	
Independent Auditor's Report	1-3
Basic Financial Statements:	
Government-Wide Financial Statements	
Statement of Net Position	4-5
Statement of Activities.....	6
Fund Financial Statements:	
Balance Sheet - Governmental Funds.....	7
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	8
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	9
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	10
Statement of Net Position - Proprietary Funds.....	11-12
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds	13
Statement of Cash Flows – Proprietary Funds	14-15
Statement of Fiduciary Net Position - Fiduciary Funds	16
Statement of Changes in Fiduciary Net Position - Fiduciary Funds	17
Notes to Financial Statements.....	18-54
Required Supplementary Information:	
Budgetary Comparison Schedule - General Fund.....	55-57
Budgetary Comparison Schedule - Rural Fire	58
Notes to Required Supplementary Information – Budgetary Schedules.....	59
Schedule of the County's Proportionate Share of the Net Pension Liability	60
Schedule of the County's Contributions – Pension Plans	61
Notes to Required Supplementary Information – Pension Plans	62

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
AUDITED BASIC FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED JUNE 30, 2022**

TABLE OF CONTENTS

	PAGE
FINANCIAL SECTION (CONTINUED):	
Required Supplementary Information (continued):	
Schedule of Changes in the Employer's Net OPEB Liability and Related Ratios – Retiree Health Insurance OPEB Plans	63
Schedule of the County's Proportionate Share of the Net OPEB Plans	64
Schedule of the County's Contributions – OPEB Plans	65
Notes to Required Supplementary Information – OPEB Plans.....	66
Supplemental Information:	
Combining Balance Sheet - Non Major Governmental Funds.....	67
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Non Major Governmental Funds	68
Williamsburg County Transit Budgetary Grant Schedules:	
Rural Transportation Grant PT-2010CA-20	69-70
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Basic Financial Statements Performed in Accordance With Government Auditing Standards	71-74



INDEPENDENT AUDITOR'S REPORT

To the Honorable Members of County Council
Williamsburg County, South Carolina

Disclaimer of Opinion

We were engaged to audit the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Williamsburg County, South Carolina, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Williamsburg County, South Carolina's basic financial statements as listed in the table of contents.

We do not express an opinion on the accompanying financial statements of Williamsburg County, South Carolina. Because of the significance of the matter(s) described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements.

Basis for Disclaimer of Opinion

We were unable to obtain a comprehensive trial balance from Williamsburg County, South Carolina, and noted numerous items that were unreconciled. Consequently, we could not obtain sufficient audit regarding specific assets, liabilities, revenues or expenditures.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

We did not audit the financial statements of Williamsburg County Library, a component unit. Those financial statements were audited by other auditors, whose report has been furnished to us, and our opinion on the financial statements insofar as it relates to the amounts included for Williamsburg County Library is based solely on the report of other auditors.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules of changes in the County's total OPEB liability and related ratios, pension schedules, and budgetary comparison information, as listed in the table of contents be presented to supplement the basic financial statements. Such information, 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 Williamsburg County, South Carolina's basic financial statements. The supplemental information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

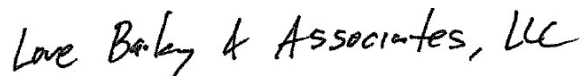
Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph above, we are not able to obtain sufficient evidence to provide a basis for an opinion and accordingly we do not opine on the supplemental information.

Other Matters

Management has omitted the management, discussion, and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 16, 2023, on our consideration of Williamsburg County, South Carolina's internal control over financial reporting and 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 Williamsburg County, South Carolina's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Williamsburg County, South Carolina's internal control over financial reporting and compliance.



Love Bailey & Associates, LLC
Laurens, South Carolina
October 16, 2023

WILLIAMSBURG COUNTY, SOUTH CAROLINA
STATEMENT OF NET POSITION
JUNE 30, 2022

	PRIMARY GOVERNMENT			COMPONENT UNIT
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	
ASSETS				
Cash and Cash Equivalents	\$ 5,752,739	\$ 672,028	\$ 6,424,767	\$ 112,231
Investments	-	360,969	360,969	-
Receivable (Net of Allowance):				
Taxes	1,495,630	-	1,495,630	-
Accounts	1,378,294	601,442	1,979,736	-
Fines	128,162	-	128,162	-
Other	703,706	581,201	1,284,907	205,410
Due from Other Governments	4,014,995	-	4,014,995	-
Internal Balances	-	-	-	54,513
Inventories	130,061	115,944	246,005	-
Prepaid Expenses	-	6,515	6,515	-
Temporarily Restricted Assets:				
Cash and Cash Equivalents	5,424,538	3,911	5,428,449	-
Investments	-	925,759	925,759	-
Capital Assets:				
Nondepreciable	3,563,412	3,196,441	6,759,853	-
Depreciable (Net of Accumulated Depreciation)	38,717,033	56,027,977	94,745,010	16,170
TOTAL ASSETS	\$ 61,308,570	\$ 62,492,187	\$ 123,800,757	\$ 388,324
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows of Resources Related to OPEB	\$ 40,880	\$ 8,373	\$ 49,253	\$ -
Deferred Outflows of Resources Related to Pensions	6,688,102	536,811	7,224,913	90,351
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ 6,728,982	\$ 545,184	\$ 7,274,166	\$ 90,351
LIABILITIES				
Accounts Payable	\$ 2,369,472	\$ 497,079	\$ 2,866,551	\$ 3,460
Construction & Retainage Payable	-	195,125	195,125	-
Due to Others	-	796,355	796,355	-
Due from Other Funds	838,601	-	838,601	-
Accrued Interest Payable	255,804	30,340	286,144	-
Accrued Salaries and Related Fringes	1,516,042	33,808	1,549,850	27,993
Customer Deposits	-	5,550	5,550	-
Unearned Revenue	2,464,961	-	2,464,961	-
Noncurrent Liabilities:				
Due Within One Year	266,687	31,167	297,854	18,788
Due In More Than One Year	50,486,027	31,640,064	82,126,091	-
Net OPEB Liability	137,116	28,084	165,200	-
Net Pension Liability	20,948,334	1,682,201	22,630,535	449,446
TOTAL LIABILITIES	\$ 79,283,044	\$ 34,939,773	\$ 114,222,817	\$ 499,687
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows of Resources Related to Pensions	\$ 6,872,488	\$ 551,611	\$ 7,424,099	\$ 76,455
TOTAL DEFERRED INFLOWS OF RESOURCES	\$ 6,872,488	\$ 551,611	\$ 7,424,099	\$ 76,455

The Accompanying Notes are an Integral Part of this Statement

WILLIAMSBURG COUNTY, SOUTH CAROLINA
STATEMENT OF NET POSITION
JUNE 30, 2022

	PRIMARY GOVERNMENT			COMPONENT UNIT
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	
NET POSITION				
Net Investment in Capital Assets	\$ -	\$ 27,840,986	\$ 27,840,986	\$ 16,170
Restricted For:	-			
Public Safety	840,450	-	840,450	-
Environmental Services	2,025,034	-	2,025,034	-
Roads and Bridges	83,492	-	83,492	-
Economic Development	1,227,969	-	1,227,969	-
Health & Human Services	309,668	-	309,668	-
Debt Service	2,588,949	925,759	3,514,708	-
Unrestricted	(25,193,542)	(1,220,758)	(26,414,300)	(113,637)
TOTAL NET POSITION	<u>\$ (18,117,980)</u>	<u>\$ 27,545,987</u>	<u>\$ 9,428,007</u>	<u>\$ (97,467)</u>

The Accompanying Notes are an Integral Part of this Statement

WILLIAMSBURG COUNTY, SOUTH CAROLINA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				NET REVENUE (EXPENSE) AND CHANGES IN NET POSITION			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT			COMPONENT UNIT
					GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	
Primary Government:								
Governmental Activities:								
General Government	\$ 12,615,146	\$ 1,383,541	\$ (13,160)	\$ -	\$ (11,244,765)	\$ -	\$ (11,244,765)	\$ -
Public Safety	8,215,028	238,478	5,343	-	(7,971,207)	-	(7,971,207)	-
Public Works	2,739,000	3,022,933	-	-	283,933	-	283,933	-
Health & Human Services	3,445,464	1,229,612	-	-	(2,215,852)	-	(2,215,852)	-
Economic Development	604,036	-	-	-	(604,036)	-	(604,036)	-
Cultural & Recreation	1,588,103	4,720	100	-	(1,583,283)	-	(1,583,283)	-
Environmental Services	832,431	-	-	-	(832,431)	-	(832,431)	-
Agency Contributions	1,023,766	-	-	-	(1,023,766)	-	(1,023,766)	-
Interest and Other Charges	300,755	-	-	-	(300,755)	-	(300,755)	-
Total Governmental Activities	<u>31,363,729</u>	<u>5,879,284</u>	<u>(7,717)</u>	<u>-</u>	<u>(25,492,162)</u>	<u>-</u>	<u>(25,492,162)</u>	<u>-</u>
Business-Type Activities:								
Water & Sewer Fund	2,815,202	2,446,802	-	888,877	-	520,477	520,477	-
Williamsburg County Transit System	1,543,196	100,437	922,820	-	-	(519,939)	(519,939)	-
Total Business-Type Activities	<u>4,358,398</u>	<u>2,547,239</u>	<u>922,820</u>	<u>888,877</u>	<u>-</u>	<u>538</u>	<u>538</u>	<u>-</u>
Total Primary Government	<u>\$ 35,722,127</u>	<u>\$ 8,426,523</u>	<u>\$ 915,103</u>	<u>\$ 888,877</u>	<u>\$ (25,492,162)</u>	<u>\$ 538</u>	<u>\$ (25,491,624)</u>	<u>\$ -</u>
Component Unit								
Williamsburg County Library	\$ 607,602	\$ 16,490	\$ 143,798	\$ -				\$ (447,314)
Total Component Unit	<u>\$ 607,602</u>	<u>\$ 16,490</u>	<u>\$ 143,798</u>	<u>\$ -</u>				<u>\$ (447,314)</u>
GENERAL REVENUES								
Property Taxes Levied For:								
General Purposes					\$ 10,340,129	\$ -	\$ 10,340,129	\$ -
Debt Services					2,910,286	-	2,910,286	-
Sales Taxes					2,611,000	-	2,611,000	-
Fee-in-Lieu of taxes					2,199,726	-	2,199,726	-
Water Availability Fees					-	273,007	273,007	-
Accommodations & Hospitality Tax					258,220	-	258,220	-
Intergovernmental					3,318,551	-	3,318,551	-
Contributions from Primary Government					-	-	-	475,000
Local Government Fund					-	-	-	-
Interest					6,551	784	7,335	55
Miscellaneous Revenue					1,479,437	13,573	1,493,010	-
Transfers					612,288	295,111	907,399	-
TOTAL GENERAL REVENUES AND TRANSFERS					<u>23,736,188</u>	<u>582,475</u>	<u>24,318,663</u>	<u>475,055</u>
CHANGES IN NET POSITION					(1,755,974)	583,013	(1,172,961)	27,741
NET POSITION, Beginning of Year - (As Restated)					(16,362,006)	26,962,974	10,600,968	(125,208)
NET POSITION, End of Year					<u>\$ (18,117,980)</u>	<u>\$ 27,545,987</u>	<u>\$ 9,428,007</u>	<u>\$ (97,467)</u>

The Accompanying Notes are ⁶an Integral Part of this Statement

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022**

	GENERAL FUND	RURAL FIRE FUND	FEDERAL AND STATE GRANT FUND	CAPITAL PROJECT SALES TAX	DEBT SERVICE FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS							
Cash and Cash Equivalents	\$ 4,588,177	\$ 206,922	\$ 229,208	\$ -	\$ 117	\$ 728,315	\$ 5,752,739
Receivables (Net of Allowance):							
Taxes	937,802	116,716	-	-	296,572	144,540	1,495,630
Accounts	599,875	-	-	-	-	778,420	1,378,295
Fines	128,162	-	-	-	-	-	128,162
Other	692,223	-	-	-	-	11,482	703,705
Due from Other Governments	3,806,250	39,564	90,758	-	42,530	35,892	4,014,994
Cash & Investments Restricted	359,612	-	-	1,106,286	2,855,161	1,103,479	5,424,538
Inventory	129,284	-	-	-	-	718	130,002
Due from Other Funds	-	-	-	-	-	-	-
TOTAL ASSETS	\$ 11,241,385	\$ 363,202	\$ 319,966	\$ 1,106,286	\$ 3,194,380	\$ 2,802,846	\$ 19,028,065
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE							
LIABILITIES							
Accounts Payable & Retainage Payable	\$ 2,350,901	\$ 17,991	\$ 228	\$ 782	\$ -	\$ (430)	\$ 2,369,472
Accrued Salaries and Related Fringes	1,501,966	10,030	-	2,106	-	1,940	1,516,042
Due to Other Funds	3,491,620	290,936	192,757	(363,210)	(1,205,526)	(1,454,122)	952,455
Due to Others	-	-	-	-	-	-	-
Unearned Revenue	282,371	-	232,723	-	-	-	515,094
TOTAL LIABILITIES	7,626,858	318,957	425,708	(360,322)	(1,205,526)	(1,452,612)	5,353,063
DEFERRED INFLOWS OF RESOURCES							
Unavailable Property Taxes	736,206	98,435	-	-	211,229	-	1,045,870
Unavailable Fees	509,201	-	-	-	-	56,615	565,816
Unavailable Court Fines	111,180	-	-	-	-	-	111,180
Unavailable Ambulance Fees	155,623	-	-	-	-	-	155,623
TOTAL DEFERRED INFLOWS OF RESOURCES	1,512,210	98,435	-	-	211,229	56,615	1,878,489
FUND BALANCE (DEFICIT)							
Nonspendable:							
Inventory	129,284	-	-	-	-	-	129,284
Restricted for:							
Public Safety	-	(54,190)	-	-	-	999,843	945,653
Debt Service	-	-	-	-	4,188,677	-	4,188,677
Environmental Services	-	-	-	-	-	2,196,423	2,196,423
Economic Development	-	-	(105,742)	-	-	1,421,858	1,316,116
Capital Projects	-	-	-	1,466,608	-	-	1,466,608
Public Works	-	-	-	-	-	76,322	76,322
Unassigned	1,973,033	-	-	-	-	(495,603)	1,477,430
TOTAL FUND BALANCE (DEFICIT)	2,102,317	(54,190)	(105,742)	1,466,608	4,188,677	4,198,843	11,796,513
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 11,241,385	\$ 363,202	\$ 319,966	\$ 1,106,286	\$ 3,194,380	\$ 2,802,846	\$ 19,028,065

WILLIAMSBURG COUNTY, SOUTH CAROLINA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
JUNE 30, 2022

Amounts reported for governmental activities in the statement of net position are different because:

Ending fund balances - governmental funds balance sheet	\$ 11,796,513
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	42,280,445
Other long-term assets, such as property taxes, court fines, ambulance fees, road user fees, landfill fees, and solid waste fees, are not available to pay for current expenditures, and, therefore, are deferred in the funds.	
Property Tax	1,045,870
EMS, Solid Waste fees, Road fees and Court Fines	832,619
The County's proportionate shares of net pension liability, deferred outflows of resources, and deferred inflows of resources related to its participation in the State pension plans are not recorded in the governmental funds but are recorded in the Statement of Net Position	
Net Pension Liability	(20,948,334)
Deferred Inflows of Resources	(6,872,488)
Deferred Outflows of Resources	6,688,102
The County's net OPEB liability, deferred outflows of resources, and deferred inflows of resources related to its OPEB plans are not recorded in the governmental funds but are recorded in the Statement of Net Position	
Net OPEB Liability	(137,116)
Deferred Outflows of Resources	40,880
Long-term liabilities, including bonds payable (net of premiums and discounts), capital leases, compensated absences, intercompany accounts, and accrued interest, are not due and payable in the current period and, therefore, are not reported in the funds.	
Long-Term Debt	(40,086,493)
Long-Term Debt Premiums and Discounts	(2,408,893)
Landfill Closure and Postclosure Costs	(7,533,236)
Capital Lease	(211,161)
Compensated Absences	(512,931)
Due to from Accounts	(1,835,953)
Interest Payable	(255,804)
Net position of governmental activities	\$ (18,117,980)

The Accompanying Notes are an Integral Part of this Statement

WILLIAMSBURG COUNTY, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	GENERAL FUND	RURAL FIRE FUND	FEDERAL AND STATE GRANT FUND	CAPITAL PROJECT SALES TAX	DEBT SERVICE FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES							
Taxes	\$ 13,718,152	\$ 996,263	\$ -	\$ -	\$ 3,249,374	\$ -	\$ 17,963,789
Fees, Licenses & Permits	3,435,835	-	-	-	-	605,955	4,041,790
Intergovernmental Revenue	1,868,911	-	653,048	2,062,662	-	782,756	5,367,377
Charges for Services	1,518,385	-	37,730	-	-	-	1,556,115
Fines & Forfeitures	228,439	-	-	-	-	-	228,439
Miscellaneous Revenues	441,995	27,730	83,221	-	2,397	935,985	1,491,328
TOTAL REVENUES	21,211,717	1,023,993	773,999	2,062,662	3,251,771	2,324,696	30,648,838
EXPENDITURES							
Current:							
General Government	9,773,235	-	492,839	125,015	-	196,555	10,587,644
Public Safety	7,247,264	1,292,815	-	-	-	19,405	8,559,484
Public Works	2,547,279	-	-	-	-	-	2,547,279
Health and Human Services	3,043,851	-	-	-	-	-	3,043,851
Cultural and Recreational	875,233	-	-	-	-	-	875,233
Environmental Services	745,554	-	-	-	-	86,877	832,431
Economic Development	229,690	-	-	-	-	374,346	604,036
Other	-	-	-	-	-	-	-
Capital Outlay:							
General Government	-	-	185,693	108,056	-	-	293,749
Cultural and Recreational	-	-	-	48,549	-	403,736	452,285
Public Safety	-	-	-	-	-	-	-
Public Works	-	-	489,507	-	-	-	489,507
Health and Human Services	-	-	-	-	-	-	-
Environmental Services	-	-	-	-	-	-	-
Economic Development	-	-	-	-	-	-	-
Debt Service:							
Principal	-	-	-	1,465,000	365,056	-	1,830,056
Interest	-	-	-	404,750	101,205	-	505,955
Bond Issuance Costs and Trustee Fees	15,000	-	-	-	568	-	15,568
TOTAL EXPENDITURES	24,477,106	1,292,815	1,168,039	2,151,370	466,829	1,080,919	30,637,078
EXCESS REVENUES OVER EXPENDITURES	(3,265,389)	(268,822)	(394,040)	(88,708)	2,784,942	1,243,777	11,760
OTHER FINANCING SOURCES (USES)							
Transfers In	494,492	300,000	-	-	-	-	794,492
Transfers (Out)	-	(100,000)	-	-	(1,028,521)	(217,062)	(1,345,583)
RDA Loan & Bond Proceeds	-	-	-	-	-	-	-
Bond Proceeds and Bond Premiums	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	494,492	200,000	-	-	(1,028,521)	(217,062)	(551,091)
EXCESS REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)	(2,770,897)	(68,822)	(394,040)	(88,708)	1,756,421	1,026,715	(539,331)
FUND BALANCE, Beginning of Year (As Restated)	4,873,214	14,632	288,298	1,555,316	2,432,256	3,172,128	12,209,070
FUND BALANCE, End of Year	\$ 2,102,317	\$ (54,190)	\$ (105,742)	\$ 1,466,608	\$ 4,188,677	\$ 4,198,843	\$ 11,796,513

WILLIAMSBURG COUNTY, SOUTH CAROLINA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

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

Net change in fund balances - total governmental funds	\$ (539,331)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital Outlays	-
Depreciation Expense	-
Revenues in the Statement of Activities, such as property taxes, ambulance fees, court fines, road user fees, landfill fees, and solid waste fees that will not be collected for several months after year end and do not provide for current financial resources, are not reported as revenues in the funds.	
Property Taxes	339,550
EMS, Road Fees, Solid Waste Fees, and Court Fines	(43,054)
Repayment of Bond principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the Statement of Net Position.	1,830,056
Landfill closure and postclosure costs accrued on the Statement of Net Position do not require the use of current financial resources and therefore not reported in the governmental funds.	-
Bond, bond premiums, and note proceeds provide current financial resources to the governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position.	-
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. This amount is net change in accrued interest for the year.	-
Bond premiums and discounts are recognized as other financing sources and used the year they are received in the governmental funds but are amortized over the life of the bonds in the Statement of Activities if material. This amount represents the current year amortization of premiums and discounts.	-
Changes in the County's proportionate shares of the net pension liability, deferred outflows of resources, and deferred inflows of resources for the current year are not reported in the governmental funds are reported in the Statement of Activities.	
Net Pension Liability	4,935,618
Deferred Inflows of Resources	(6,400,958)
Deferred Outflows of Resources	1,319,172
Changes in the County's proportionate shares of the net OPEB liability, deferred outflows of resources, and deferred inflows of resources for the current year are not reported in the governmental funds are reported in the Statement of Activities.	
Net OPEB Liability	132,225
Deferred Inflows of Resources	7,091
Deferred Outflows of Resources	(7,648)
In the Statement of Activities the net loss on the disposal of capital assets is reported, whereas in the governmental, proceeds from the disposal increase financial resources. The difference is the net book value.	-
Some Expenses reported in the Statement of Activities do not require the use of current financial resources and therefore not reported in the governmental funds but are reported in the Statement of Activities.	(3,328,695)
Change in net position of governmental activities	\$ (1,755,974)

The Accompanying Notes are an Integral Part of this Statement

WILLIAMSBURG COUNTY, SOUTH CAROLINA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2022

	BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS		
	WATER & SEWER FUND	WILLIAMSBURG COUNTY TRANSIT SYSTEM FUND	TOTAL
ASSETS			
CURRENT ASSETS			
Cash	\$ 553,045	\$ 118,983	\$ 672,028
Investments	-	360,969	360,969
Restricted Cash	3,911	-	3,911
Restricted Investments	925,759	-	925,759
Inventory	62,829	53,115	115,944
Accounts Receivable, Net of Allowance	601,442	-	601,442
Water Availability Fees Receivable, Net	89,034	-	89,034
Due from Other Governments	-	492,167	492,167
Prepaid Expenses	-	6,515	6,515
TOTAL CURRENT ASSETS	2,236,020	1,031,749	3,267,769
PROPERTY, PLANT, AND EQUIPMENT			
Land	120,000	28,000	148,000
Construction in Progress	3,048,441	-	3,048,441
Water & Sewer System	71,479,489	-	71,479,489
Machinery and Equipment	-	381,336	381,336
Vehicles	48,499	3,699,895	3,748,394
Buildings	-	172,099	172,099
Building Improvements	-	46,362	46,362
Land Improvements	-	227,619	227,619
Less: Accumulated Depreciation	(16,347,355)	(3,679,967)	(20,027,322)
NET PROPERTY, PLANT, AND EQUIPMENT	58,349,074	875,344	59,224,418
TOTAL ASSETS	\$ 60,585,094	\$ 1,907,093	\$ 62,492,187
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows of Resources Related to OPEB	\$ -	\$ 8,373	\$ 8,373
Deferred Outflows of Resources Related to Pensions	88,144	448,667	536,811
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ 88,144	\$ 457,040	\$ 545,184

The Accompanying Notes are an Integral Part of this Statement

WILLIAMSBURG COUNTY, SOUTH CAROLINA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2022

	BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS		
	WATER & SEWER FUND	WILLIAMSBURG COUNTY TRANSIT SYSTEM FUND	TOTAL
LIABILITIES			
CURRENT LIABILITIES			
Accounts Payable	\$ 381,657	\$ 115,422	\$ 497,079
Construction & Retainage Payable	195,125	-	195,125
Salaries & Accrued Benefits	6,039	27,769	33,808
Due to Other Funds	87,302	709,053	796,355
Compensated Absences Payable	6,706	24,461	31,167
Bonds Payable - RDA	-	-	-
Accrued Interest Payable	30,340	-	30,340
Customer Deposits	5,550	-	5,550
TOTAL CURRENT LIABILITIES	712,719	876,705	1,589,424
NON-CURRENT LIABILITIES			
Compensated Absences Payable	6,706	24,461	31,167
OPEB Liability	-	28,084	28,084
Bonds Payable - RDA	31,608,897	-	31,608,897
Net Pension Liability	276,216	1,405,985	1,682,201
TOTAL NON-CURRENT LIABILITIES	31,891,819	1,458,530	33,350,349
TOTAL LIABILITIES	\$ 32,604,538	\$ 2,335,235	\$ 34,939,773
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows of Resources Related to Pensions	\$ 90,574	\$ 461,037	\$ 551,611
TOTAL DEFERRED INFLOWS OF RESOURCES	\$ 90,574	\$ 461,037	\$ 551,611
NET POSITION			
Net Investment in Capital Assets	\$ 26,965,642	\$ 875,344	\$ 27,840,986
Restricted for Debt Service	925,759	-	925,759
Unrestricted	86,725	(1,307,483)	(1,220,758)
TOTAL NET POSITION	\$ 27,978,126	\$ (432,139)	\$ 27,545,987

The Accompanying Notes are an Integral Part of this Statement

WILLIAMSBURG COUNTY, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS		
	WATER & SEWER FUND	WILLIAMSBURG COUNTY TRANSIT SYSTEM	TOTAL
OPERATING REVENUES			
Charges for Services	\$ 2,446,802	\$ 100,437	\$ 2,547,239
TOTAL OPERATING REVENUES	\$ 2,446,802	\$ 100,437	\$ 2,547,239
OPERATING EXPENSES			
Cost of Sales & Services	\$ 701,658	\$ 319,399	\$ 1,021,057
Personnel & Benefits	144,092	577,144	721,236
Administration	51,930	257,800	309,730
Depreciation	1,621,558	388,853	2,010,411
TOTAL OPERATING EXPENSES	\$ 2,519,238	\$ 1,543,196	\$ 4,062,434
OPERATING INCOME (LOSS)	\$ (72,436)	\$ (1,442,759)	\$ (1,515,195)
NON-OPERATING REVENUES (EXPENSES)			
Investment Income	\$ 605	\$ 179	\$ 784
Interest Expense	(295,964)	-	(295,964)
RDA Grant	888,877	-	888,877
Water Availability Fees	273,007	-	273,007
Other Nonoperating Income	-	13,573	13,573
Government Subsidies	-	922,820	922,820
TOTAL NON-OPERATING REVENUES (EXPENSES)	\$ 866,525	\$ 936,572	\$ 1,803,097
INCOME (LOSS) BEFORE TRANSFERS	\$ 794,089	\$ (506,187)	\$ 287,902
TRANSFERS			
Transfers In (out)	\$ 89,420	\$ 205,691	\$ 295,111
TOTAL TRANSFERS	\$ 89,420	\$ 205,691	\$ 295,111
CHANGE IN NET POSITION	\$ 883,509	\$ (300,496)	\$ 583,013
NET POSITION, Beginning of Year	\$ 27,094,617	\$ (131,643)	\$ 26,962,974
NET POSITION, End of Year	\$ 27,978,126	\$ (432,139)	\$ 27,545,987

The Accompanying Notes are an Integral Part of this Statement

WILLIAMSBURG COUNTY, SOUTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS		
	WATER & SEWER FUND	WILLIAMSBURG COUNTY TRANSIT SYSTEM FUND	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers	\$ 2,387,569	\$ 100,437	\$ 2,488,006
Cash Payments to Suppliers for Goods and Services	(869,880)	(713,499)	(1,583,379)
Cash Payments to and for Employee's Benefit	(143,007)	(560,247)	(703,254)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 1,374,682	\$ (1,173,309)	\$ 201,373
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Other Nonoperating Income	-	13,572	13,572
Operating Grants	-	727,821	727,821
Water Availability Fees	273,007	-	273,007
Payments Received from Other Funds	89,420	205,691	295,111
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	\$ 362,427	\$ 947,084	\$ 1,309,511
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital Grants Received	888,877	123,953	1,012,830
RDA Bond Proceeds	-	-	-
Bond Anticipation Notes	-	-	-
Property, Plant and Equipment Additions	(1,606,692)	-	(1,606,692)
Principal Payment Revenue Bonds	(1,350,469)	-	(1,350,469)
Interest Paid	(386,278)	-	(386,278)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	\$ (2,454,562)	\$ 123,953	\$ (2,330,609)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Investments	(160,317)	-	(160,317)
Interest Received	-	-	-
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	\$ (160,317)	\$ -	\$ (160,317)
NET CHANGE IN CASH AND CASH EQUIVALENTS	\$ (877,770)	\$ (102,272)	\$ (980,042)
CASH AND CASH EQUIVALENTS, Beginning of Year	\$ 1,434,726	\$ 221,255	\$ 1,655,981
CASH AND CASH EQUIVALENTS, End of Year	\$ 556,956	\$ 118,983	\$ 675,939

The Accompanying Notes are an Integral Part of this Statement

WILLIAMSBURG COUNTY, SOUTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS		
	WATER & SEWER FUND	WILLIAMSBURG COUNTY TRANSIT SYSTEM FUND	TOTAL
RECONCILIATION OF OPERATING INCOME TO NET			
CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating Income (Loss)	\$ (72,436)	\$ (1,442,759)	\$ (1,515,195)
Adjustments to Reconcile Operating Income to			
Net Cash Provided by Operating Activities:			
Depreciation	1,621,558	388,853	2,010,411
(Increase) Decrease in Accounts and			
Other Operating Receivables	(59,233)	-	(59,233)
(Increase) Decrease in Inventory	(3,835)	(9,514)	(13,349)
(Increase) Decrease in Prepaid Expenses		(6,515)	
Increase (Decrease) in Accounts Payable	334,389	66,589	400,978
Increase (Decrease) in Construction and			
Retainage Payable	(313,536)		(313,536)
Increase (Decrease) in Due to General Fund	(49,586)	264,887	215,301
Increase (Decrease) in Net OBEP Liability and			
Related Deferred Resources	-	(423,550)	(423,550)
Increase (Decrease) in Net Pension Liability and			
Related Deferred Resources	(68,737)	(28,197)	(96,934)
Increase (Decrease) in Salaries and			
Payroll Related Liabilities	1,085	16,897	17,982
Increase (Decrease) in Customer Deposits	(14,987)	-	(14,987)
NET CASH PROVIDED (USED) BY			
OPERATING ACTIVITIES	\$ 1,374,682	\$ (1,173,309)	\$ 201,373

The Accompanying Notes are an Integral Part of this Statement

WILLIAMSBURG COUNTY, SOUTH CAROLINA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2022

	CUSTODIAL FUNDS	REVOLVING LOAN TRUST FUND	TOTAL
ASSETS			
Cash	\$ 3,706,656	\$ 339,723	\$ 4,046,379
Note Receivable, Net of Allowance	-	520,650	520,650
TOTAL ASSETS	<u>3,706,656</u>	<u>860,373</u>	<u>4,567,029</u>
LIABILITIES			
Due to Other Taxing Units	2,120,769	-	2,120,769
Due to Estate & Trust Beneficiaries	320,221	-	320,221
Due to Others	170,953	-	170,953
Due to Bidders & Redeemers of Land Sales	939,223	-	939,223
Due to Fine Recipients and Bond Payors	71,195	-	71,195
Due to Seized Asset Recipient	86,295	-	86,295
TOTAL LIABILITIES	<u>3,708,656</u>	<u>-</u>	<u>3,708,656</u>
NET POSITION			
Held in Trust for Other Purposes	<u>\$ -</u>	<u>\$ 860,373</u>	<u>\$ 860,373</u>

The Accompanying Notes are an Integral Part of this Statement

WILLIAMSBURG COUNTY, SOUTH CAROLINA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	REVOLVING LOAN TRUST FUND
ADDITIONS	
Interest Income	\$ 314
TOTAL ADDITIONS	\$ 314
DEDUCTIONS	
Program Expenses	\$ -
TOTAL DEDUCTIONS	\$ -
CHANGE IN NET POSITION	\$ 314
NET POSITION, Beginning of Year	860,059
NET POSITION, End of Year	\$ 860,373

The Accompanying Notes are an Integral Part of this Statement

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The Reporting Entity

Williamsburg County (the “County”) is governed by a seven-member County Council under the Council-Administrator form of government established in 1974, pursuant to the South Carolina Home Rule Act. Williamsburg County operates under the Council - Supervisor form of government. The basic financial statements herein reflect those operations subject to the control of Williamsburg County Council and the County Supervisor.

Among services which the County funds in whole or in part are the following: (1) general government; (2) public safety; (3) public works; (4) health and human services; (5) economic development; (6) cultural and recreation; (7) environmental services; (8) water and sewer services; and (9) transit services.

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

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) as applied to governmental units. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. As required by GAAP, these financial statements present the County (primary government) and its component units, entities for which the County is considered to be financially accountable. Blended component units, although legally separate entities, are in substance, part of the County’s operations and data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the financial statements to emphasize that they are legally separate from the County. The County has one blended component unit and one discretely presented component unit, as discussed below.

The Williamsburg County Public Facilities Corporation (the “Corporation”), a blended component unit, was incorporated as a nonprofit 501 (C)(3) organization for the purpose of assisting Williamsburg County with the acquisition or sale of real and/or personal property in connection with the design, construction, operation, financing and refinancing of public facilities to be used by Williamsburg County, South Carolina and such other projects located in or for benefit of the County. Because Williamsburg County Public Facilities Corporation exclusively benefits the County, the Facilities Corporation’s financial information is blended with that of the County in these basic financial statements. Separate financial statements of the Facilities Corporation are not issued.

The Williamsburg County Library System (the “Library”), a discretely presented component unit, provides library services to the residents of Williamsburg County. The members of the Library’s governing board are appointed by Williamsburg County Council. The Library is fiscally dependent upon the County because the County Council approves the Library’s budgets, levies taxes, and must approve any debt issuances.

The complete financial statements for the Library may be obtained from the Library’s administrative office at the following address:

215 North Jackson
Kingstree, South Carolina 29556

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from any legally separate component unit(s) for which the primary government is financially responsible.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*. The comparison of direct expenses with program revenues identifies the extent to which each business segment, or governmental function, is self-financing or draws from the general revenues of the County.

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government generally considers all revenues to be available if they are collected within 60 days of the end of the current fiscal period (one year for grant revenues). Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Real property taxes, federal and state grant programs and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash has been received by the government.

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

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

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

The following are the County's governmental funds:

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

The **Rural Fire Fund, a major special revenue fund** and a budgeted fund, is used to account for and report the financial resources provided by property taxes that are restricted for the rural fire district.

The **Federal and State Grant Fund, a major special revenue fund**, is used to account for and report the proceeds of intergovernmental grants that are legally restricted to expenditures for specified purposes.

The **Capital Projects Sales Tax Fund, a major fund**, is used to account for and report the one percent sales tax revenues approved through referendum and restricted for County capital improvements.

The **Debt Service Fund, a major fund**, is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest on long-term debt for the County.

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

Landfill Fund	Title IV Incentive Funds
Sheriff Special Fund	Industrial Park Fund

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

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

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

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

The *Williamsburg County Transit System Fund, a nonmajor fund*, accounts for the cost of providing transportation services to the citizens of Williamsburg County.

Fiduciary funds are used to account for assets held in a trustee or agency capacity for others. Assets held by fiduciary funds are not available to support the County's own programs. The County reports two fiduciary funds:

The *Custodial Fund* is generally used to account for assets that the government holds on behalf of others, including municipalities, school districts, special districts and other agencies that use the County as a depository of property taxes that are collected on behalf of the other governments. The *Custodial Fund* is custodial in nature and does not present results of operations.

The *Private-Purpose Trust Fund* is used to account for resources legally held in trust for revolving loans. There is no requirement that any portion of these resources be preserved as capital.

Accounting Estimates

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

Comparative Data

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

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity

1. Cash, Cash Equivalents, and Investments

Cash and Cash Equivalents

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

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

2. Investments

Investments

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

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

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

Restricted Cash and Investments include amounts legally restricted by bond covenants and funding sources.

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

2. Investments (Continued)

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

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

3. Interfund Receivables and Payables

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

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

4. Inventories

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

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

5. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure is reported in the year in which the services are consumed.

6. Capital Assets

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

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

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Other Improvements	15 - 40 Years
Furniture and Equipment	3 - 15 Years
Infrastructure	20 Years
Vehicles	3 - 10 Years

7. Compensated Absences

The County reports compensated absences in accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*. It is the primary government's policy to permit employees to accumulate earned but unused vacation, compensatory time and sick pay benefits. There is no liability for unpaid accumulated sick leave, since it is the County's policy to record the cost of sick leave only when it is paid and no benefits vest upon termination.

All vacation time and compensatory pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only to the extent they are payable from current resources, and represent matured liabilities, for example, as a result of employee resignations and retirements. The entire compensated absence liability and expense is reported on the government-wide financial statements. The portion applicable to the Proprietary Funds is also recorded in the Proprietary Fund financial statements.

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

8. *Accrued Liabilities and Long-Term Obligations*

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

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

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

9. *Fund Balance*

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

Nonspendable – includes amounts that inherently cannot be spent either because it is not in spendable form (i.e. prepaids, inventories, etc.) or because of legal or contractual requirements (i.e. principal on an endowment, etc.).

Restricted – includes amounts that are constrained by specific purposes which are externally imposed by (a) other governments through laws and regulations, (b) grantors or contributions through agreements, (c) creditors through debt covenants or other contracts, or (d) imposed by law through constitutional provisions or enabling legislation.

Committed – includes amounts that are constrained for specific purposes that are internally imposed by the government through formal action (an ordinance or resolution) made by the Council, which is the highest level of decision-making authorities, before the end of the reporting period. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.

Assigned – includes amounts that are intended to be used for specific purposes that are neither considered restricted or committed and that such assignments are made before the report issuance date. The Council is the only party that has the right to make assignments of fund balance for the County.

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

9. Fund Balance (Continued)

Unassigned – includes amounts that do not qualify to be accounted for and reported in any of the other fund balance categories. This classification represents the amount of fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts of restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

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

10. Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Net Position and the Balance Sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County currently has two types of deferred outflows of resources: (1) The County reports *deferred pension charges* in its Statements of Net Position in connection with its participation in the South Carolina Retirement System and the South Carolina Police Officers Retirement System. (2) The County reports *deferred other postemployment benefits (“OPEB”) charges* in its Statements of Net Position in connection with the Williamsburg County OPEB Plan and the South Carolina Long-Term Disability Insurance Trust Fund (“SCLTDITF”). The *deferred pension and OPEB charges* are either (a) recognized in the subsequent period as a reduction of the net pension/OPEB liability (which includes contributions made after the measurement date) or (b) amortized in a systematic and rational method as pension/OPEB expense in future periods in accordance with GAAP.

In addition to liabilities, the Statement of Net Position and the Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County currently has three types of deferred inflows of resources: (1) The County reports *unavailable revenue* only in the governmental funds’ Balance Sheet; it is deferred and recognized as an inflow of resources (revenues) in the period the amounts become available. (2) The County also reports *deferred pension credits* in its Statements of Net Position in connection with its participation in the South Carolina Retirement System and the South Carolina Police Officers Retirement System. (3) The County also reports *deferred OPEB credits* in its Statements of Net Position in connection with its participation in the Williamsburg County OPEB Plan and the SCLTDITF. These *deferred pension and OPEB credits* are amortized in a systematic and rational method and recognized as a reduction of OPEB expense in future periods in accordance with GAAP.

11. Net Position

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

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

12. Pensions and Other Postemployment Benefits

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

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

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

Encumbrances are recorded in order to reserve that portion of the applicable appropriation and are employed as an extension of formal budgetary integration in all funds except the Sheriff's Fund, which is subject to the Sheriff's discretion. Encumbrances are used as budgetary controls in certain special revenue funds and Capital Projects Fund. All encumbrances lapse at year-end.

B. Deficit Fund Balance

The non-major Capital Projects Fund reported a deficit fund balance at year-end. The deficit is expected to be resolved through future revenues.

III. DEPOSITS AND INVESTMENTS

Deposits

Custodial Credit Risk for Deposits: Custodial credit risk for deposits is the risk that, in the event of a bank failure, the County's deposits might not be recovered. The County does not have a formal policy related to custodial credit risk but follows the investment policy statutes of the State of South Carolina. As of June 30, 2022, none of the County's total bank balances of \$20,577,657 (with a carrying value of approximately \$17,186,322) were exposed to custodial credit risk.

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

III. DEPOSITS AND INVESTMENTS (CONTINUED)

Investments

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

Investment Type	Fair Value Level ⁽¹⁾	Credit Rating [^]	Fair Value	Investment Maturity in Years
				< 1 yr
Certificates of Deposits	N/A	NR	\$ 1,286,728	\$ 1,286,728
SC Local Government Investment Pool	N/A	NR	484,499	484,499
Wells Fargo Money Market	Level 1	NR	1,757,802	1,757,802
Total			<u>\$ 3,529,029</u>	<u>\$ 3,529,029</u>

[^] If available, credit ratings are for Standard & Poor's and Moody's Investors Service.

(1) See Note I.C.12 for details on the County's fair value hierarchy.

N/A - Not Applicable

NR - Not rated.

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

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

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

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

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

Financial Statements			
<u>Statement of Net Position:</u>	Governmental	Business-Type	Total
	Activities	Activities	
Unrestricted Cash and Cash Equivalents	\$ 5,752,739	\$ 672,028	\$ 6,424,767
Unrestricted Investments	-	360,969	360,969
Temporarily Restricted Cash and Cash Equivalents	5,424,538	3,911	5,428,449
Temporarily Restricted Investments	-	925,759	925,759
Total	<u>\$ 11,177,277</u>	<u>\$ 1,962,667</u>	<u>\$ 13,139,944</u>
<u>Balance Sheet:</u>	Governmental Funds		
Unrestricted Cash and Investments	\$ 5,752,739		
Restricted Cash and Investments	5,424,538		
Total	<u>\$ 11,177,277</u>		

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

III. DEPOSITS AND INVESTMENTS (CONTINUED)

<u>Statement of Net Position - Proprietary Funds</u>	
Unrestricted Cash and Cash Equivalents	\$ 672,028
Unrestricted Investments	360,969
Temporarily Restricted Cash and Cash Equivalents	3,911
Temporarily Restricted Investments	925,759
Total	<u>\$ 1,962,667</u>
<u>Statement of Fiduciary Net Position</u>	
Cash and Investments	<u>\$ 4,046,379</u>
<u>Notes to the Financial Statements</u>	
Deposits	\$ 15,894,537
Petty Cash	5,058
Investments	1,286,728
Total	<u>\$ 17,186,323</u>

Fair Value

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

- Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the County can access at the measurement date.
- Level 2 – Inputs to the valuation methodology, other than quoted prices included in Level 1, that are observable for an asset or liability either directly or indirectly and include:
 - Quoted prices for similar assets and liabilities in active markets.
 - Quoted prices for identical or similar assets or liabilities in inactive markets.
 - Inputs other than quoted market prices that are observable for the asset or liability.
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 – Inputs to the valuation methodology that are unobservable for an asset or liability and include:
 - Fair value is often based on developed models in which there are few, if any, observable inputs.

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

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

IV. PROPERTY TAXES AND OTHER RECEIVABLES

The County is responsible for levying and collecting property taxes for itself and other taxing entities in the County under joint billing and collection agreements. The property taxes are considered both measurable and available for

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

purposes of recognizing revenue and a receivable from the County at the time they are collected by the County or if they are collected within 60 days of the end of the fiscal year.

Property taxes are levied and billed by the County on real and personal properties on October 1 based on an assessed value as of the preceding December 31 of approximately \$95.3 million at rates of 115.0 mills for the General Fund, 10.8 mills for the Hospital, 29.7 mills for Debt Service, 15.4 mills for the Rural Fire District, 7.85 mills for the Fire Bonds, and 11.0 mills for the Technical College for the current year. These taxes are due without penalty through January 15.

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

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

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

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

	General	Rural Fire	Federal and State Grant	Capital Project Sales Tax	Debt Service	Nonmajor Funds	Water and Sewer	Transit	Total
Gross Receivables:									
Taxes	\$ 1,308,306	\$ 145,894	\$ -	\$ -	\$ 370,715	\$ 180,674	\$ -	\$ -	\$ 2,005,589
Accounts Receivable	3,147,047	-	-	-	-	778,420	1,108,858	32,883	3,925,467
Court Fines	160,203	-	-	-	-	-	-	-	160,203
Due From Others	692,223	39,564	-	-	-	11,482	-	-	743,269
Due from Other Govts	3,806,250	-	90,758	-	42,530	35,892	-	459,284	3,975,430
Total Gross Receivables	9,114,029	185,458	90,758	-	413,245	1,006,468	1,108,858	492,167	10,809,958
Less Allowance For:									
Taxes	(370,504)	(29,178)	-	-	(74,143)	(36,134)	-	-	(509,959)
Accounts Receivable	(2,547,172)	-	-	-	-	-	(418,382)	-	(2,547,172)
Court Fines	(32,041)	-	-	-	-	-	-	-	(32,041)
Due From Others	-	-	-	-	-	-	-	-	-
Due from Other Govts	-	-	-	-	-	-	-	-	-
Total Allowance	(2,949,717)	(29,178)	-	-	(74,143)	(36,134)	(418,382)	-	(3,089,172)
Net Receivables:									
Taxes	937,802	116,716	-	-	296,572	144,540	-	-	1,495,630
Accounts Receivable	599,875	-	-	-	-	778,420	690,476	32,883	1,378,295
Court Fines	128,162	-	-	-	-	-	-	-	128,162
Due From Others	692,223	39,564	-	-	-	11,482	-	-	743,269
Due from Other Govts	3,806,250	-	90,758	-	42,530	35,892	-	459,284	3,975,430
Net Receivables	\$ 6,164,312	\$ 156,280	\$ 90,758	\$ -	\$ 339,102	\$ 970,334	\$ 690,476	\$ 492,167	\$ 7,720,786

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

V. UNEARNED AND UNAVAILABLE REVENUE

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

Unavailable Revenue:	
Property Taxes Receivable	\$ 1,045,870
Fees for Emergency Medical Services	155,623
Road User Fees	52,824
Court Fines	111,180
Landfill Special Fees	56,615
Solid Waste Fees	456,377
Total Unavailable Revenue - Governmental Funds	<u>\$ 1,878,489</u>
Unearned Revenue:	
Grant Awards	<u>\$ 515,093</u>
Total Unearned Revenue - Governmental Funds	<u>\$ 515,093</u>

VI. SHORT-TERM OBLIGATIONS

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

Governmental Activities:	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Tax Anticipation Note	\$ -	\$ 3,500,000	\$ 3,500,000	\$ -
Total Governmental Activities	<u>\$ -</u>	<u>\$ 3,500,000</u>	<u>\$ 3,500,000</u>	<u>\$ -</u>

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

VII. CAPITAL ASSETS

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

	Beginning Balance (As Restated)	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Non Depreciable:				
Land	\$ 3,463,568	\$ -	\$ -	\$ 3,463,568
Construction in Progress	99,844	590,217	-	690,061
Total Capital Assets, Non Depreciable	3,563,412	590,217	-	4,153,629
Capital Assets, Depreciable:				
Land Improvements	7,432,388	56,002	-	7,488,390
Infrastructure	7,074,729	-	-	7,074,729
Buildings and Improvements	44,960,963	388,097	-	45,349,060
Leasehold Improvements	572,122	47,497	-	619,619
Vehicles	12,915,709	-	-	12,915,709
Furniture and Equipment	11,103,313	319,869	-	11,423,182
Total Capital Assets, Depreciable	84,059,224	811,465	-	84,870,689
Less: Accumulated Depreciation for:				
Land Improvements	5,378,422	169,690	-	5,548,112
Infrastructure	5,926,903	242,108	-	6,169,011
Buildings and Improvements	14,306,455	1,189,503	-	15,495,958
Leasehold Improvements	480,143	10,374	-	490,517
Vehicles	11,041,200	526,400	-	11,567,600
Furniture and Equipment	8,263,194	597,924	-	8,861,118
Total Accumulated Depreciation	45,396,317	2,735,999	-	48,132,316
Capital Assets, Depreciable Net of Accumulated Depreciation				
Land Improvements	2,053,966	(113,688)	-	1,940,278
Infrastructure	1,147,826	(242,108)	-	905,718
Buildings and Improvements	30,654,508	(801,406)	-	29,853,102
Leasehold Improvements	91,979	37,123	-	129,102
Vehicles	1,874,509	(526,400)	-	1,348,109
Furniture and Equipment	2,840,119	(278,055)	-	2,562,064
Total Capital Assets, Depreciable, Net	38,662,907	(1,924,534)	-	36,738,373
Total Governmental Activities Capital Assets, Net	\$ 42,226,319	\$ (1,334,317)	\$ -	\$ 40,892,002

The beginning balance has been restated to include assets purchased in the previous year that were not capitalized in the amount of \$522,812. Assets with a net book value of \$1,493 were disposed of during the year.

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

VII. CAPITAL ASSETS (CONTINUED)

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

Governmental Activities:	
General Government	\$ -
Public Safety	-
Public Works	-
Health and Human Services	-
Culture and Recreation	-
Economic Development	-
Environmental Services	-
	<u>-</u>
Total	<u>\$ -</u>

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

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-Type Activities:					
Capital Assets, Non Depreciable:					
Land	\$ 148,000	\$ -	\$ -	\$ -	\$ 148,000
Construction in Progress	14,659,897	1,606,690	-	(13,218,146)	3,048,441
Total Capital Assets, Non Depreciable	<u>14,807,897</u>	<u>1,606,690</u>	<u>-</u>	<u>(13,218,146)</u>	<u>3,196,441</u>
Capital Assets, Depreciable:					
Land Improvements	227,619	-	-	-	227,619
Buildings	172,099	-	-	-	172,099
Building Improvements	46,362	-	-	-	46,362
Infrastructure	58,261,341	13,218,146	-	-	71,479,487
Machinery and Equipment	381,336	-	-	-	381,336
Vehicles	3,748,394	-	-	-	3,748,394
Total Capital Assets, Depreciable	<u>62,837,151</u>	<u>13,218,146</u>	<u>-</u>	<u>-</u>	<u>76,055,297</u>
Less: Accumulated Depreciation for:					
Land Improvements	33,836	91,790	-	-	125,626
Buildings	233,290	1,683	(63,315)	-	171,657
Building Improvements	41,815	4,593	-	-	46,408
Water and Sewer System	14,677,298	1,621,558	-	-	16,298,856
Machinery and Equipment	336,658	19,496	-	-	356,154
Vehicles	2,694,012	334,607	-	-	3,028,619
Total Accumulated Depreciation	<u>18,016,909</u>	<u>2,073,727</u>	<u>(63,315)</u>	<u>-</u>	<u>20,027,320</u>
Capital Assets, Depreciable Net of Accumulated Depreciation					
Land Improvements	193,783	(91,790)	-	-	101,993
Buildings	(61,191)	(1,683)	63,315	-	442
Building Improvements	4,547	(4,593)	-	-	(46)
Water and Sewer System	43,584,043	11,596,588	-	-	55,180,631
Machinery and Equipment	44,678	(19,496)	-	-	25,182
Vehicles	1,054,382	(334,607)	-	-	719,775
Total Capital Assets, Depreciable, Net	<u>44,820,242</u>	<u>11,144,419</u>	<u>63,315</u>	<u>-</u>	<u>56,027,977</u>
Total Business-Type Activities Capital Assets, Net	<u>\$ 59,628,139</u>	<u>\$ 12,751,110</u>	<u>\$ 63,315</u>	<u>\$ (13,218,146)</u>	<u>\$ 59,224,418</u>

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

VII. CAPITAL ASSETS (CONTINUED)

Capital assets of the discretely presented component unit, the Williamsburg County Library System, at June 30, 2022, are as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Williamsburg County Library System					
Capital Assets, Depreciable					
Vehicles	\$ 88,000	\$ -	\$ -	\$ -	\$ 88,000
Equipment	101,734	-	-	-	101,734
Furniture and Fixtures	42,617	-	-	-	42,617
Total Capital Assets, Depreciable	232,351	-	-	-	232,351
Less: Accumulated Depreciation for:					
Vehicles	88,000	-	-	-	88,000
Equipment	91,768	6,579	-	-	98,347
Furniture and Fixtures	25,572	4,262	-	-	29,834
Total Accumulated Depreciation	205,340	10,841	-	-	216,181
Total Capital Assets, Depreciable, Net	27,011	(10,841)	-	-	16,170
Total Capital Assets, Net	\$ 27,011	\$ (10,841)	\$ -	\$ -	\$ 16,170

VIII. TRANSFERS IN AND (OUT) AND INTERFUND BALANCES

Transfers are used to move certain revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations. Transfers between the County's various funds are generally made to fund Council-approved projects. Transfers from (to) other funds for the year ended June 30, 2022 were as follows:

Fund	Transfers In	Transfers Out
General Fund	\$ 494,492	\$ -
Rural Fire	300,000	100,000
Capital Projects Sales Tax	-	-
Transit System	-	-
Debt Service	-	1,028,521
Nonmajor Governmental Funds	-	217,062
Total Transfers In/Out	\$ 794,492	\$ 1,345,583

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

VIII. TRANSFERS IN AND (OUT) AND INTERFUND BALANCES (CONTINUED)

Outstanding balances between funds result mainly from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur and payments between funds are made. All balances are expected to be paid within one year:

Fund	Receivables	Payables
General Fund	\$ -	\$ -
Rural Fire	-	-
Federal and State Grants	-	-
Capital Project Sales Tax	-	-
Debt Service	-	-
Water and Sewer Fund	-	-
Williamsburg County Transit System	-	-
Nonmajor Governmental Funds	-	-
Total Transfers In/Out	\$ -	\$ -

IX. LONG-TERM OBLIGATIONS

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

General Obligation Bonds – The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for use in governmental activities. General obligation bonds reported in governmental activities are direct obligations and pledge the full faith and credit of the County. Resources from the Debt Service and Capital Project Sales Tax Funds have been used in the past to liquidate these obligations.

Installment Purchase Revenue Bonds – The Corporation (blended component unit) issues installment purchase revenue bonds to provide funds for the acquisition and construction of major capital facilities for use in governmental activities. Resources from the Debt Service Fund have been used in the past to liquidate these obligations.

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

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

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

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

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

IX. LONG-TERM OBLIGATIONS (CONTINUED)

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

Long-Term Obligations	Type of Issue	Beginning of Year	Additions	Reductions	End of Year	Due Within One Year
Governmental Activities:						
Debt:						
General Obligation Bonds						
2015A Rural Fire Refunding (\$299,700)	DBP	\$ 197,885	\$ -	\$ 19,070	\$ 178,815	\$ 19,748
2016A USDA: Voter Registration Bldg (\$482,300)	DBP	449,544	-	11,990	437,554	12,440
2016A USDA: Voter Registration Impv. (\$96,800)	DBP	90,113	-	2,410	87,703	2,490
2016A USDA: Chavis (\$1,704,500)	DBP	1,023,186	-	42,570	980,616	16,072
2016A USDA: EMS/Alex Chatman (\$216,400)	DBP	201,769	-	5,378	196,391	5,585
2018A-1 USDA: Chavis/Chatman (\$300,000)	DBP	300,000	-	-	300,000	7,113
2018A-2 USDA: Chavis/Chatman (\$300,000)	DBP	5,000	-	-	5,000	112
2018 GOB (\$12,500,000)	DBP	8,095,000	-	1,465,000	6,630,000	1,540,000
2019 GOB (\$1,942,000)	DBP	1,591,000	-	1,591,000	-	-
2020 Rural Fire Refunding (\$2,322,800)	DBP	1,956,100	-	377,100	1,579,000	384,600
2021 GOB Refunding (\$1,626,249)	DBP	-	1,626,249	274,572	1,351,677	-
Installment Purchase Revenue Bonds:						
2021 IPRB (WCPFC comp unit) (\$26,260,000)	DBP	26,150,000	-	910,000	25,240,000	945,000
Conserfund @1.5% (\$319,067)	DBP	-	319,067	-	319,067	37,836
Total Bonded Debt		40,059,597	1,945,316	4,699,090	37,305,823	2,970,996
Premiums / Discounts						
2018 GOB	DBP	701,878	-	123,069	578,809	123,069
2021 IPRB Premium	DBP	1,929,665	-	99,581	1,830,084	99,581
Total Premiums		2,631,543	-	222,650	2,408,893	222,650
Total Net Debt		42,691,140	1,945,316	4,921,740	39,714,716	3,193,646
Capital Lease Trust Ambulances	DBP	-	282,346	71,185	211,161	69,352
Landfill Closure and Postclosure Costs		7,339,143	194,093	-	7,533,236	277,450
Compensated Absences		609,650	-	96,719	512,931	256,466
Governmental Activities Long-Term Obligations		\$ 50,639,933	\$ 2,421,755	\$ 5,089,644	\$ 47,972,044	\$ 3,796,914

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

IX. LONG-TERM OBLIGATIONS (CONTINUED)

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

Long-Term Obligations	Type of Issue	Beginning of Year	Additions	Reductions	End of Year	Due Within One Year
Business-Type Activities:						
Debt:						
Revenue Bonds						
2002A - Nesmith 1 (\$37,100)	DBP	\$ 27,125	\$ -	\$ 824	\$ 26,301	\$ 863
2002B - Nesmith 2 (\$485,600)	DBP	357,392	-	10,593	346,799	10,890
2009A - South Williamsburg (\$2,102,000)	DBP	1,802,032	-	33,312	1,768,720	34,415
2010 B - Kingstree East - Phase I (\$3,587,000)	DBP	3,025,114	-	66,403	2,958,711	72,662
2010A - Town of Lane (\$684,000)	DBP	562,134	-	13,930	548,204	14,929
2011A - Kingstree East - Phase II (\$3,576,000)	DBP	3,087,267	-	71,598	3,015,669	72,672
2012 - Millwood/Bloomingvale (\$9,528,000)	DBP	8,327,318	-	190,769	8,136,549	194,392
2017A - St. Lawrence/Blakely/Trio (\$3,455,000)	DBP	3,284,653	-	56,519	3,228,134	57,816
Water Improvement Bond (Trio/Earle) (\$1,411,900)	DBP	1,345,331	-	25,030	1,320,301	25,636
2021 BAN Mouzon	DBP	3,151,000	-	3,151,000	-	-
Trio Water Improvement Project	DBP	7,990,000	-	151,323	7,838,677	156,461
Total Bonded Debt		32,959,366	-	3,771,301	29,188,065	640,736
Compensated Absences		56,505	4,523	-	61,028	30,514
Business-Type Activities Long-Term Obligations		\$ 33,015,871	\$ 4,523	\$ 3,771,301	\$ 29,249,093	\$ 671,250

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

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

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

IX. LONG-TERM OBLIGATIONS (CONTINUED)

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

Issue	Type	Interest Rate	Payment Amount	Payment Frequency	Final Payment Date	Original Issue Amount	Amount Outstanding at Year End
2015A Rural Fire General Obligation Refunding Bond	DBP	3.50%	\$ 26,023	Annual	May-30	\$ 299,700	\$ 178,815
2016A USDA Community Facilities Bond	DBP	2.75%	\$ 24,352	Annual	Jul-46	\$ 482,300	437,554
2016A USDA Community Facilities Bond	DBP	2.75%	\$ 4,888	Annual	Jul-46	\$ 96,800	87,703
2016A USDA Community Facilities Bond	DBP	2.75%	\$ 86,061	Annual	Jul-46	\$ 1,704,500	980,616
2016A USDA Community Facilities Bond	DBP	2.75%	\$ 10,927	Annual	Jul-46	\$ 216,400	196,391
2018A Rural Development Community Facilities Bond. Interest only payments will be made for the first three years that began on October 25, 2019.	DBP	3.25%	\$ 17,140	Annual	Oct-48	\$ 300,000	300,000
2018B Rural Development Community Facilities Bond. The County has drawn down \$5,000 of these bonds. Interest only payments will be made for the first three years that began on October 25, 2019.	DBP	3.25%	\$ 112	Annual	Oct-48	\$ 300,000	5,000
2018 General Obligation Bond	DBP	5.00%	\$1,330,000 to \$1,780,000	Annual	Mar-26	\$ 12,500,000	6,630,000
2020 Rural Fire General Obligation Refunding Bond	DBP	1.78%	\$367,000 to \$404,000	Annual	Apr-26	\$ 2,322,800	1,579,000
2021 GOB Refunding	DBP	1.03%	\$272,006 to \$284,203	Annual	Jun-27	\$ 1,626,249	1,351,677
Installment Purchase Revenue Bond	DBP	1.00% to 4.00%	\$ 1,755,263	Semi-Annual Interest; Annual Principal	Jun-41	\$26,260,000	25,240,000
Conserfund	DBP	1.50%	\$ 42,622	Annual	Dec-29	\$ 319,067	319,067
Total General Obligation Bonds and IPRB Outstanding at Year End							<u>\$ 37,305,823</u>

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

IX. LONG-TERM OBLIGATIONS (CONTINUED)

Revenue bonds payable are comprised of the following individual issuances:

Issue	Type	Interest Rate	Payment Amount	Payment Frequency	Final Payment Date	Original Issue Amount	Amount Outstanding at Year End
2002A Waterworks System Revenue Bond	DBP	4.500%	\$ 2,028	Annual	Feb-42	\$ 37,100	\$ 26,301
2002B Waterworks System Revenue Bond	DBP	4.500%	\$ 26,460	Annual	Feb-42	\$ 485,600	\$ 346,799
2009A Waterworks System Revenue Bond	DBP	4.375%	\$ 111,492	Annual	Oct-49	\$ 2,102,000	\$ 1,768,720
2010B Waterworks System Revenue Bond	DBP	3.000%	\$ 156,252	Annual	Oct-50	\$ 3,587,000	\$ 2,958,711
2010A Waterworks System Revenue Bond	DBP	2.250%	\$ 26,436	Annual	Oct-50	\$ 684,000	\$ 548,204
2011A Waterworks System Revenue Bond	DBP	2.750%	\$ 140,328	Annual	Dec-51	\$ 3,576,000	\$ 3,015,669
2012 Waterworks System Revenue Bond	DBP	2.500%	\$ 365,880	Annual	Aug-52	\$ 9,528,000	\$ 8,136,549
2017A Waterworks System Revenue Bond	DBP	2.238%	\$ 133,920	Annual	Aug-58	\$ 3,455,000	\$ 3,228,134
2018 Rural Development Bond	DBP	2.125%	\$ 53,376	Annual	Jan-41	\$ 1,411,900	\$ 1,320,301
2020 Rural Development Bond	DBP	1.125%	\$ 254,088	Annual	Aug-61	\$ 7,990,000	\$ 7,838,677
Total Revenue Bonds Outstanding at Year End							<u>\$ 29,188,065</u>

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, unless approved by referendum. The 2015A, 2018 and 2020 general obligation bonds, as well as the 2010 installment purchase revenue bonds issued by the Corporation, are not subject to the debt limit. At June 30, 2022, the County was in compliance with this requirement. Further, the general obligation bonds, as well as the revenue bonds, are supported by the full faith, credit, and taxing power of the County.

Annual debt service requirements to maturity for all governmental activities long-term debt as of June 30, 2021 are as follows:

Year Ending June 30,	Direct Borrowing/Placement		Total
	Principal	Interest	
Governmental Activities:			
2023	\$ 3,229,097	\$ 1,275,642	\$ 4,504,739
2024	3,362,977	1,150,764	4,513,741
2025	3,496,281	1,020,281	4,516,562
2026	3,637,091	883,945	4,521,036
2027	1,500,367	745,157	2,245,524
2028-2032	6,725,235	2,967,958	9,693,193
2033-2037	7,685,447	1,805,093	9,490,540
2038-2042	7,052,066	680,474	7,732,540
2043-2047	584,591	104,903	689,494
2048-2052	32,671	1,601	34,272
Totals	<u>\$ 37,305,823</u>	<u>\$ 10,635,818</u>	<u>\$ 47,941,641</u>

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

IX. LONG-TERM OBLIGATIONS (CONTINUED)

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

Year Ending June 30,	Direct Borrowing/Placement		Total
	Principal	Interest	
Business-Type Activities:			
2023	\$ 640,735	\$ 629,525	\$ 1,270,260
2024	655,011	615,249	1,270,260
2025	669,647	600,613	1,270,260
2026	684,654	585,606	1,270,260
2027	700,043	570,217	1,270,260
2028-2032	3,745,208	2,606,092	6,351,300
2033-2037	4,194,020	2,157,280	6,351,300
2038-2042	4,706,772	1,646,328	6,353,100
2043-2047	5,128,223	1,080,637	6,208,860
2048-2052	4,840,790	492,083	5,332,873
2053-2057	2,099,540	167,888	2,267,428
2058-2062	1,123,422	28,907	1,152,329
Totals	\$ 29,188,065	\$ 11,180,425	\$ 40,368,490

The Direct Placement General Obligation Bonds are collateralized by the full faith, credit and taxing power of Williamsburg County. In the event of default, the bond owner may take action as necessary and appropriate, including seeking injunctive relief or court order, to cause the County to comply with its obligations.

The Installment Purchase Revenue Bonds were issued pursuant to the Williamsburg County Public Facilities Corporation for purpose of assisting Williamsburg County with the acquisition, construction, financing or refinancing of public facilities. The County's obligation under the facilities agreement are from year to year only and do not constitute a mandatory payment obligation of the County in any fiscal year in which funds are not appropriated by the County to pay the installment payments of purchase price due in such fiscal year. However, the County would forfeit possession of the facilities for the remainder of the lease. It is anticipated that the payments will be funded by the County by the future issuance of short-term general obligation bonds. Upon termination/completion of the installment purchase revenue bonds, the County will own the capital assets financed by the Installment Purchase Revenue Bonds.

Landfill Closure and Postclosure Care Costs

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

The approximately \$7,339,143 reported as an accrual for landfill closure and postclosure care at June 30, 2022 includes the estimated remaining liability of approximately \$5,871,236 for postclosure care of the previously closed MSW landfill which was closed in April 2011. The accrual also includes the estimated closure and postclosure care of approximately \$1,467,907, based on the capacity used to date, for the estimated total of approximately \$1,881,632 for the C&D landfill, which is active and is estimated to be at approximately 78% capacity.

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

IX. LONG-TERM OBLIGATIONS (CONTINUED)

Below are details of the estimated costs:

Landfill	Percentage Balance of Capacity Used	Estimated Closure & Postclosure Costs			Remaining To Be Recognized
		Closure	Postclosure	Total	
MSW Landfill	100.00%	\$ -	\$ 5,826,459	\$ 5,826,459	\$ -
C&D	74.10%	700,171	1,006,606	1,706,777	596,566
		<u>\$ 700,171</u>	<u>\$ 6,833,065</u>	<u>\$ 7,533,236</u>	<u>\$ 596,566</u>

These amounts are based on what it would cost to perform all closure and postclosure care in fiscal year 2022. Actual costs may be higher due to inflation, changes in technology or changes in regulations.

Conduit Debt

Williamsburg County Regional Hospital Revenue Bonds were issued in 2012 at an original par value of \$7,500,000 at an interest rate of 5.894% with a final maturity in September 2042. The County is not obligated to repay these bonds but does collect the assessed millage for the Hospital. The outstanding principal balance at June 30, 2022 is \$5,584,645.

XI. OPERATING LEASES

The County is engaged in a 40 year operating lease with Williamsburg County Development Corporation for an office building occupied by the Williamsburg County Department of Social Services. The lease agreement was executed on September 12, 2012 in the amount of \$17,000 per month. The rent payment will be reviewed for increase after 20 years.

On June 29, 2019, the County entered into an operating lease agreement with Caterpillar for equipment for the landfill and roads and bridges. The County paid operating lease payments totaling approximately \$451,788 during the year ended June 30, 2022. The annual operating lease payments for equipment are as follows:

Year Ending June 30,	Amount
2023	\$ 392,294
2024	238,984
2025	238,984
2026	99,495
2027	99,495
Total	<u>\$ 1,069,252</u>

X. RETIREMENT PLANS

The County participates in the State of South Carolina's retirement plans. The South Carolina Public Employee Benefit Authority ("PEBA"), created July 1, 2012, is the state agency responsible for the administration and management of the various retirement systems and retirement programs of the state of South Carolina, including the State Optional Retirement Program and the S.C. Deferred Compensation Program, as well as the state's employee insurance programs. As such, PEBA is responsible for administering the South Carolina Retirement Systems' ("Systems") five defined benefit plans. PEBA has an 11-member Board of Directors ("PEBA Board"), appointed by the Governor and General Assembly leadership, which serves as custodian, co-trustee and co-fiduciary of the Systems and the assets of the retirement trust funds. The Retirement System Investment Commission (Commission

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

X. RETIREMENT PLANS (CONTINUED)

as the governing body, RSIC as the agency), created by the General Assembly in 2005, has exclusive authority to invest and manage the retirement trust funds' assets. The Commission, an eight-member board, serves as co-trustee and co-fiduciary for the assets of the retirement trust funds. By law, the State Fiscal Accountability Authority ("SFAA"), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the actuary of the Systems.

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

The PEBA issues an Annual Comprehensive Financial Report ("ACFR") containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The CAFR 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. The PEBA is considered a division of the primary government of the state of South Carolina and therefore, retirement trust fund financial information is also included in the comprehensive annual financial report of the state.

Plan Description

The South Carolina Retirement System ("SCRS"), a cost-sharing multiple-employer defined benefit pension plan, was established effective July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for employees of the state, its public school districts, and political subdivisions. SCRS covers employees of state agencies, public school districts, higher education institutions, other participating local subdivisions of government and individuals newly elected to the South Carolina General Assembly at or after the 2012 general election.

The South Carolina Police Officers Retirement System ("PORS"), a cost-sharing multiple-employer defined benefit pension plan, was established effective July 1, 1962, pursuant to the provisions of Section 9-11-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for police officers and firefighters. PORS also covers peace officers, coroners, probate judges, and magistrates.

In addition to the plans described above, PEBA also administers three single employer defined benefit pension plans, which are not covered in this report. They are the Retirement System for Members of the General Assembly of the State of South Carolina (GARS), the Retirement System for Judges and Solicitors of the State of South Carolina (JSRS), and the South Carolina National Guard Supplemental Retirement Plan (SCNG).

Plan Membership

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

- SCRS – Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. This plan covers general employees and teachers and individuals 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. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

X. RETIREMENT PLANS (CONTINUED)

- **PORS** – To be eligible for PORS membership, an employee must be required by the terms of his employment, by election or appointment, to preserve public order, protect life and property, and detect crimes in the state; to prevent and control property destruction by fire; be a coroner in a full-time permanent position; or to serve as a peace officer employed by the Department of Corrections, the Department of Juvenile Justice, or the Department of Mental Health. Probate judges and coroners may elect membership in the PORS. Magistrates are required to participate in the PORS for service as a magistrate. PORS members, other than magistrates and probate judges, must also earn at least \$2,000 per year and devote at least 1,600 hours per year to this work, unless exempted by statute. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.

Plan Benefits

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

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

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

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

The retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase.

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

X. RETIREMENT PLANS (CONTINUED)

Plan Contributions

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

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

Required employee contribution rates¹ for fiscal years 2022 and 2021 are as follows:

	<u>Fiscal Year 2022</u>	<u>Fiscal Year 2021</u>
SCRS		
Employee Class Two	9.00%	9.00%
Employee Class Three	9.00%	9.00%
PORS		
Employee Class Two	9.75%	9.75%
Employee Class Three	9.75%	9.75%

Required employer contribution rates¹ for fiscal years 2022 and 2021 are as follows:

	<u>Fiscal Year 2022</u>	<u>Fiscal Year 2021</u>
SCRS		
Employer Class Two	16.41%	15.41%
Employer Class Three	16.41%	15.41%
Employer Incidental Death Benefit	0.15%	0.15%
PORS		
Employer Class Two	18.84%	17.84%
Employer Class Three	18.84%	17.84%
Employer Incidental Death Benefit	0.20%	0.20%
Employer Accidental Death Program	0.20%	0.20%

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

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

X. RETIREMENT PLANS (CONTINUED)

Plan Contributions (Continued)

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

Year Ended June 30,	SCRS Contributions		PORS Contributions	
	Required	% Contributed	Required	% Contributed
2022	\$ 1,243,924	100%	\$ 873,633	100%
2021	\$ 1,181,733	100%	\$ 859,469	100%
2020	\$ 1,314,850	100%	\$ 769,313	100%

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

Year Ended June 30,	SCRS Payroll		PORS Payroll		Total Payroll
2022	\$	7,511,614	\$	4,540,714	\$ 12,052,328
2021	\$	7,595,843	\$	4,712,003	\$ 12,307,846
2020	\$	8,450,196	\$	4,217,723	\$ 12,667,919

Actuarial Assumptions and Methods

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 with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. An experience report on the Systems was most recently issued for the period ending June 30, 2019.

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

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2021.

	SCRS	PORS
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Actuarial Assumptions:		
Investment Rate of Return*	7.00%	7.00%
Projected Salary Increases*	3.0% to 11% (varies by service)	3.5% to 10.5% (varies by service)
Benefit Adjustments	Lesser of 1% or \$500 annually	Lesser of 1% or \$500 annually

* Includes inflation at 2.25%.

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

X. RETIREMENT PLANS (CONTINUED)

Actuarial Assumptions and Methods (Continued)

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

Assumptions used in the determination of the June 30, 2021, TPL are as follows:

Former Job Class	Males	Females
General Employees and Members of the General Assembly	2020 PRSC Males multiplied by 97%	2020 PRSC Females multiplied by 107%
Public Safety and Firefighters	2020 PRSC Males multiplied by 127%	2020 PRSC Females multiplied by 107%

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments is based upon 20-year capital market assumptions. The long-term expected rate of returns represents assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market based inputs. Expected returns are net of investment fees.

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

Asset Class	Policy Target	Expected Arithmetic Real Rate of Return	Long Term Expected Portfolio Real Rate of Return
Public Equity	46.0%	6.87%	3.16%
Bonds	26.0%	0.27%	0.07%
Private Equity	9.0%	9.68%	0.87%
Private Debt	7.0%	5.47%	0.39%
Real Assets	12.0%		
Real Estate	9.0%	6.01%	0.54%
Infrastructure	3.0%	5.08%	0.15%
Total Expected Real Return	100%		5.18%
Inflation for Actuarial Purposes			2.25%
Total Expected Nominal Return			7.43%

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

X. RETIREMENT PLANS (CONTINUED)

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

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

System	Total Pension Liability	Plan Fiduciary Net Position	Employers' Net Position Liability (Asset)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
SCRS	\$ 55,131,579,363	\$ 33,490,305,970	\$ 21,641,273,393	60.7%
PORS	8,684,586,488	6,111,672,064	2,572,914,424	70.4%

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

Discount Rate

The discount rate used to measure the TPL was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in the SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina Code of Laws. Based on those assumptions, each 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 TPL.

Sensitivity Analysis

The following table presents the collective NPL of the participating employers calculated using the discount rate of 7.00 percent, as well as what the employers' NPL would be if it were calculated using a discount rate that is 1.00 percent lower (6.00 percent) or 1.00 percent higher (8.00 percent) than the current rate.

System	1 % Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
SCRS	\$ 28,347,373,779	\$ 21,641,273,393	\$ 16,067,117,006
PORS	3,732,969,713	2,572,914,424	1,622,651,580

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

The following table presents the collective NPL of the County using the discount rate of 7.00 percent, as well as what the County's NPL would be if it were calculated using a discount rate that is 1% point lower (6.00 percent) or 1% point higher (8.00 percent) than the current rate:

System	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
SCRS	\$ 19,095,500	\$ 14,578,107	\$ 10,823,222
PORS	\$ 11,697,732	\$ 8,062,554	\$ 5,084,784

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

X. RETIREMENT PLANS (CONTINUED)

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

At June 30, 2022, the County reported liabilities of \$14,578,107 and \$8,062,554 for its proportionate share of the NPL for the SCRS and PORS, respectively. The NPL were measured as of June 30, 2021, and the TPL for the Plans used to calculate the NPL were determined based on the most recent actuarial valuation report of July 1, 2020 that was projected forward to the measurement date. The County's proportion of the NPL were based on a projection of the County's long-term share of contributions to the Plans relative to the projected contributions of all participating South Carolina state and local governmental employers, actuarially determined.

For the year ended June 30, 2022, the County recognized a reduction in pension expense of \$335,993 as a result of adjusting all balances to amounts determined by the State's actuary. At June 30, 2022, the County reported deferred outflows of resources (deferred pension charges) and deferred inflows of resources (deferred pension credits) related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
SCRS		
Differences Between Expected and Actual Experience	\$ 248,321	\$ 3,211,999
Change in Assumptions	797,958	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,074,662	-
Changes in Proportion and Differences Between the Employer's Contributions and Proportionate Share of Contributions	180,043	1,490,220
Employer Contributions Subsequent to the Measurement Date	1,243,924	-
Total SCRS	<u>\$ 3,544,908</u>	<u>\$ 4,702,219</u>
PORS		
Differences Between Expected and Actual Experience	\$ 274,281	\$ 2,720,607
Change in Assumptions	575,060	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	887,909	-
Changes in Proportion and Differences Between the Employer's Contributions and Proportionate Share of Contributions	1,069,122	1,273
Employer Contributions Subsequent to the Measurement Date	873,633	-
Total PORS	<u>\$ 3,680,005</u>	<u>\$ 2,721,880</u>
Total Pension Plan	<u>\$ 7,224,913</u>	<u>\$ 7,424,099</u>

\$1,243,924 and \$873,633 that were reported as deferred outflows of resources related to the County's contributions subsequent to the measurement date to the SCRS and PORS, respectively, will be recognized as a reduction of the NPL in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources (deferred pension charges) and deferred inflows of resources (deferred pension credits) related to the SCRS and PORS will increase (decrease) pension expense as follows:

Year Ended June 30,	SCRS	PORS	Total
2022	\$ (439,120)	\$ 320,783	\$ (118,337)
2023	(561,570)	278,633	(282,937)
2024	(608,144)	94,517	(513,627)
2025	(792,401)	(609,441)	(1,401,842)
Total	<u>\$ (2,401,235)</u>	<u>\$ 84,492</u>	<u>\$ (2,316,743)</u>

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

X. RETIREMENT PLANS (CONTINUED)

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

	SCRS	PORS	Total
Total Deferred Outflows	\$ 3,544,908	\$ 3,680,005	\$ 7,224,913
Total Deferred Inflows	(4,702,219)	(2,721,880)	(7,424,099)
Contributions after Measurement	(1,243,924)	(873,633)	(2,117,557)
Amount to amortize	\$ (2,401,235)	\$ 84,492	\$ (2,316,743)

Additional Financial and Actuarial Information

Detailed information regarding the fiduciary net position of the plan administered by PEBA is available in the System's audited financial statements for the fiscal year ended June 30, 2021 accounting and financial reporting actuarial valuation as of June 30, 2021.

X1. OTHER POST EMPLOYMENT BENEFITS

Plan Description

The County administers the Williamsburg County Postretirement Benefit Plan, a single-employer defined benefit other postemployment benefit plan ("OPEB Plan"). This plan provides healthcare insurance for eligible retirees under the Medicare eligible age through the County's group health insurance plan which covers both active and retired members. County Council has the authority to establish and amend the benefit terms of the OPEB Plan. No assets are accumulated in a trust as defined by GAAP. The OPEB Plan does not issue a stand-alone financial report.

Plan Membership

As of July 1, 2021, the valuation date, the following employees were covered by the OPEB Plan's benefit terms:

Inactive Members or Beneficiaries Currently Receiving Benefit Payments	7
Active Members	20
Total Membership	27

Plan Benefits and Contributions

Benefit terms are established and amended by the County Council and are based on years of service. Full-time employees participating in the County's medical and dental program who retire under a state retirement system (either the SCRS or PORS) and had completed nineteen years of service with the County as of July 1, 2009 are eligible to continue medical and dental benefits. The County pays a portion of the medical or dental premiums on behalf of eligible members. Retirees are responsible for paying 100% of the premiums in excess of the County contributions of \$465.12 and \$13.48 for medical and dental coverage, respectively, and coverage ceases at the earlier of Medicare eligibility or death.

The County's funding policy is to contribute annually an amount sufficient to satisfy benefit payment requirements to participants. Employees are not required to contribute to the plan, and no employee contributions were made during the current year.

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

XI. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Actuarial Assumptions and Methods

Actuarial valuations of the OPEB Plan involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, inflation, healthcare cost trend rates, and future salary changes. Amounts determined regarding the net OPEB liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. Projections of benefits for financial reporting purposes are based on the substantive OPEB Plan (the plan as understood by the employer and its members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

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

Actuarial Valuation Date	July 1, 2021
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Discount Rate	1.92%
Healthcare Cost Trend Rate	15.96% for the year ended June 30, 2022, then 7.00% for the fiscal year end 2023, decreasing 0.25% per year to an ultimate rate of 5.00%.
Dental Cost Trend Rate	0% for the year ended June 30, 2022, then 5.00% for the fiscal year end 2023 and thereafter
Payroll Growth	2.50%
Coverage Elections	100% of eligible retirees will elect medical coverage and 25% will elect dental coverage
Active Participation/Marriage	100% of all active employees are assumed to be married with female spouses assumed to be 3 years younger
Mortality Table	RP-2014 Mortality Table, fully generational with base year 2006, projected using two-dimensional mortality improvement scale MP-2021

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

The County's net OPEB liability was measured as of July 1, 2021 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

	Total OPEB Liability (a)	OPEB Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances as of July 1, 2021	\$ 324,000	\$ -	\$ 324,000
Changes for the year:			
Service Cost	8,000	-	8,000
Interest	7,500	-	7,500
Difference Between Expected/Actual Experience	(144,600)	-	(144,600)
Contributions - Employer	-	51,200	(51,200)
Benefit Payments	(51,200)	(51,200)	-
Assumption Changes	21,500	-	21,500
Net Changes	(158,800)	-	(158,800)
Balances as of June 30, 2022	\$ 165,200	\$ -	\$ 165,200

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

XI. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

For the year ended June 30, 2022, the County recognized a reduction in expenses as a result of adjusting OPEB balances per the actuarial study. Expenses were reduced by \$165,863. At June 30, 2022, the County reported deferred outflows of resources (deferred OPEB charges) related to employer contributions subsequent to the measurement date of \$49,253 which will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2023.

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer Contributions Subsequent to the Measurement Date	\$ 49,253	\$ -
Total	<u>\$ 49,253</u>	<u>\$ -</u>

Discount Rate

The discount rate used to measure the total OPEB liability was 1.92% and represents the Municipal GO AA 20-year yield curve rate as of the measurement date. The discount rate decreased from the rate of 2.45% used in the prior year.

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

The following table presents the sensitivity of the County's net OPEB liability to changes in the discount rate, calculated using the discount rate of 1.92%, as well as what it would be if it were calculated using a discount rate that is 1% point lower or 1% point higher than the current rate:

	1% Decrease (.92%)	Current Discount Rate (1.92%)	1% Increase (2.92%)
Net OPEB Liability	\$ 171,000	\$ 165,200	\$ 159,600

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

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

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Net OPEB Liability	\$ 159,200	\$ 165,200	\$ 171,500

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

XII. DEFERRED COMPENSATION PLANS

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

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

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

XIII. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, and natural disasters for which the County is covered by the Insurance Reserve Fund administered by the SFAA. The County pays an annual premium for general insurance coverage.

The County is also subject to risks of loss from providing life, accident, dental and other medical benefits to employees, retirees, and their dependents. The County has enrolled substantially all employees in the State's health insurance plans administered by the Public Employees Benefit Authority. The State reinsures through commercial companies for these risks.

The County also participates in the South Carolina State Accident Fund, a public entity risk pool operating as a common risk management and insurance program for workers' compensation. The County pays an annual premium for this coverage.

For the above risk management programs, the County has not significantly reduced insurance coverage from the previous year and settled claims in excess of insurance coverage for the past three years were immaterial.

XIV. COMMITMENTS AND CONTINGENCIES

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

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

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

XIV. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Construction Commitments

Governmental Activities:

As of June 30, 2022, the County had the following construction commitments remaining on various projects that are financed by the Capital Project 1% Sales Tax:

Project	Budget	Expended	Commitment
Town of Greeleyville	\$ 250,000	\$ 94,582	\$ 155,418
Sherriff Training Facility	250,000	10,000	240,000
Town of Lane	190,000	45,655	144,345
St. Lawrence Addition	327,750	195,349	132,401
Total Governmental Activities	\$ 1,017,750	\$ 345,586	\$ 672,164

Construction in progress in the governmental activities of \$690,060 represents funds expended for improvements to the behavioral health center and various other facility improvements.

Business-type Activities:

Construction in progress in the business-type activities totaling \$3,048,441 at June 30, 2022 represents funds expended on the following projects:

Project	Budget	Expended	Remaining Commitment
Mouzon	\$ 4,149,000	\$ 3,048,441	\$ 1,100,559

This project will be funded by RDA grants and RDA loan funds.

XV. TAX ABATEMENTS

The County enters into property tax abatement agreements with local businesses through the Fee in Lieu of Ad Valorem Tax ("FILOT") program under the Title 12, Chapter 44 "Fee in Lieu of Tax Simplification Act" and the related Special Source Revenue Credit ("SSRC") program under Title 4, Chapter 29 "Industrial Development Projects" of the Code of Laws of South Carolina 1976, as amended. Under the FILOT program, taxpayers are eligible to receive a reduction in property taxes, through reduced assessed values and locked millage rates, if they enter into an agreement with the County to invest in facilities and jobs in the County. The amount of the tax abatement is determined by applying the reduced assessment rate and locked millage rate to the total taxable values of the taxpayer. Under the SSRC program, taxpayers are eligible to receive a reduction in property taxes, through bill credits, and infrastructure credits are granted as part of the FILOT program agreements. The amount of the tax abatement is generally determined by multiplying the agreed-upon SSRC percentage by the FILOT.

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

During the fiscal year ended June 30, 2022, the SC Legislature under Act 288 amended Section 12-37-220 (b) to provide a 42.8571% exemption for manufacturing property. The Act also increased the amount provided by the State to reimburse for lost revenues from \$85 million to \$170 million. For the fiscal year ended June 30, 2022, the County abated property taxes totaling approximately \$866,866 as compared to \$4,022,953 in the prior year.

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

XVI. SUBSEQUENT EVENTS

On July 7, 2022, the County issued a \$3,500,000 Tax Anticipation Note that matures April 14, 2023 with an interest rate at 3.35%.

XVII. RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

GASB has issued Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*. This statement provides guidance on the accounting and financial reporting for government users and established that SBITAs result in right-to-use intangible assets with a corresponding subscription liability. This standard is applicable for the periods beginning after June 15, 2022. The County has not yet determined the impact of this statement on the financial statements.

During June of 2022, GASB issued Statement No. 101, *Compensated Absences*. This statement provides guidance on the accounting and financial reporting for government users by updating the recognition and measurement guidance for compensated absences. This standard is applicable for the periods beginning after December 15, 2023. The County has not yet determined the impact of this statement on the financial statements.

**REQUIRED SUPPLEMENTARY INFORMATION
WILLIAMSBURG COUNTY, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022**

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL	
REVENUES				
Taxes	\$ 12,601,521	\$ 12,601,521	\$ 14,223,219	\$ 1,621,698
Local Hospitality Tax	70,000	70,000	72,160	2,160
Fees, Licenses, & Permits	186,250	186,250	125,203	(61,047)
Fines & Forfeitures	490,500	490,500	695,101	204,601
Charges for Services	4,614,000	4,614,000	4,317,397	(296,603)
Intergovernmental Revenue	2,029,860	3,350,316	4,783,160	1,432,844
Other Revenues	284,469	284,469	714,253	429,784
TOTAL REVENUES	\$ 20,276,600	\$ 21,597,056	\$ 24,930,493	\$ 3,333,437
EXPENDITURES				
General Government				
County Council	\$ 226,687	\$ 235,814	\$ 235,345	\$ 469
Supervisor's Office	646,220	867,058	852,465	14,593
Information Technology	272,765	310,935	425,162	(114,227)
Council Discretionary	39,100	40,856	35,772	5,084
County Attorney	55,656	40,510	78,508	(37,998)
Treasurer	364,546	373,013	367,574	5,439
Building & Grounds	562,970	621,198	557,006	64,192
Chavis Building	126,096	123,203	107,770	15,433
Community Buildings	149,600	150,400	118,030	32,370
Health Department	82,300	82,300	100,466	(18,166)
Auditor	296,746	305,222	309,881	(4,659)
Tax Assessor	501,978	590,296	475,568	114,728
Mapping & Addressing	70,308	3,200	443	2,757
Tax Collector	215,892	239,756	244,776	(5,020)
Probate Judge	215,033	233,146	224,876	8,270
Clerk of Court	456,747	439,851	591,586	(151,735)
Magistrates	678,182	644,406	702,545	(58,139)
Coroner	135,303	161,623	194,874	(33,251)
Emergency Management	351,065	325,140	395,592	(70,452)
Communications	815,207	850,255	1,194,104	(343,849)
E-911	310,086	286,667	214,539	72,128
Veterans Affairs Office	118,476	125,495	105,333	20,162
Department of Social Services	237,000	237,000	231,006	5,994
Aeronautics Commission	46,800	46,800	27,283	19,517
Registration/Election Board	251,910	284,698	297,582	(12,884)
Grant Administration	171,465	129,483	131,745	(2,262)
Other Government	581,756	581,755	581,756	(1)
MIAP Program	-	-	602	(602)
Employee Benefits	603,524	603,524	846,597	(243,073)
Other Expenses	800,875	965,783	1,385,224	(419,441)
Pandemic Youth Program	14,000	14,000	-	14,000

**REQUIRED SUPPLEMENTARY INFORMATION
WILLIAMSBURG COUNTY, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022**

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL	
EXPENDITURES (continued)				
General Government (continued)				
Circuit Court Judge	1,775	1,775	1,205	570
Building Code Enforcement	168,292	178,869	179,507	(638)
Disaster Response	-	-	176	(176)
Covid 19	-	-	162,155	(162,155)
Forfeited Land Commission	2,100	2,100	159	1,941
Total General Government	9,570,460	10,096,131	11,377,212	(1,281,081)
Public Safety				
Victim Advocates	47,840	52,449	59,653	(7,204)
Sheriff	2,709,203	2,967,165	4,426,504	(1,459,339)
Detention Center	1,882,056	2,194,552	2,424,936	(230,384)
School Resource Officer	119,677	130,300	309,823	(179,523)
Covid 19	-	-	(19)	19
Parole & Corrections	700	700	-	700
Total Public Safety	4,759,476	5,345,166	7,220,897	(1,875,731)
Economic Development				
Economic Development	227,852	241,757	234,366	7,391
Total Economic Development	227,852	241,757	234,366	7,391
Health and Human Services				
Emergency Medical Services	2,116,556	2,051,076	2,002,953	48,123
Animal Care and Control	251,822	172,641	279,760	(107,119)
	2,368,378	2,223,717	2,282,713	(58,996)
Public Works				
Solid Waste Disposal Recycling	957,038	1,117,252	1,252,270	(135,018)
Roads and Bridges	1,317,193	1,133,561	1,211,119	(77,558)
Landfill Expense	476,833	499,716	578,970	(79,254)
Total Public Works	2,751,064	2,750,529	3,042,359	(291,830)
Social Service Agencies				
Social Service Agencies	44,216	44,216	42,592	1,624
Agencies	160,975	162,609	169,746	(7,137)
Public Defender	2,800	2,800	1,986	814
Senior Citizens	78,441	78,441	78,441	-
	286,432	288,066	292,765	(4,699)
Cultural and Recreation				
Recreation Department	479,442	403,422	465,818	(62,396)
Recreation Music Festival	500	500	(100)	600
Recreation Service and Programs	-	-	10,417	(10,417)
Chavis One Stop	-	-	932	(932)
Building, Grounds and Parks	-	26,327	13,383	12,944
	479,942	430,249	490,450	(60,201)

**REQUIRED SUPPLEMENTARY INFORMATION
WILLIAMSBURG COUNTY, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022**

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL	
EXPENDITURES (continued)				
Debt Service				
Bond Issuance Costs	15,750	15,750	15,000	750
	<u>15,750</u>	<u>15,750</u>	<u>15,000</u>	<u>750</u>
TOTAL EXPENDITURES	<u>20,459,354</u>	<u>21,391,365</u>	<u>24,955,762</u>	<u>(3,564,397)</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>(182,754)</u>	<u>205,691</u>	<u>(25,269)</u>	<u>(230,960)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	388,445	-	2,795,749	2,795,749
Transfers Out	<u>(205,691)</u>	<u>(205,691)</u>	<u>(482,691)</u>	<u>(277,000)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>182,754</u>	<u>(205,691)</u>	<u>2,313,058</u>	<u>2,518,749</u>
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)	<u>\$ -</u>	<u>\$ -</u>	<u>2,287,789</u>	<u>\$ 2,287,789</u>
FUND BALANCE, Beginning of Year (As Restated)			<u>2,148,983</u>	
FUND BALANCE, End of Year			<u>\$ 4,436,772</u>	

**REQUIRED SUPPLEMENTARY INFORMATION
WILLIAMSBURG COUNTY, SOUTH CAROLINA
BUDGETARY COMPARISION SCHEDULE
RURAL FIRE FUND
FOR THE YEAR ENDED JUNE 30, 2022**

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL	
REVENUES				
Taxes	\$ 1,053,139	\$ 1,048,839	\$ 1,152,819	\$ 103,980
Intergovernmental Revenue	-	-	62,384	62,384
Other Revenues	21,220	21,220	173,803	152,583
TOTAL REVENUES	\$ 1,074,359	\$ 1,070,059	\$ 1,389,006	\$ 318,947
EXPENDITURES				
Public Safety:				
Current	\$ 1,074,359	\$ 1,037,218	\$ 1,389,122	\$ (351,904)
Capital Outlay	-	32,841	102,168	(69,327)
TOTAL EXPENDITURES	1,074,359	1,070,059	1,491,290	(421,231)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	67,933	67,933
Transfers Out	-	-	(150,000)	(150,000)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(82,067)	(82,067)
EXCESS REVENUES OVER EXPENDITURES	\$ -	\$ -	(102,284)	\$ (102,284)
FUND BALANCE, Beginning of Year			198,983	
FUND BALANCE, End of Year			\$ 14,632	

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2022**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Annual budgets are adopted on a basis consistent with generally accepted accounting principles. Legal budgets are adopted for the following major governmental funds: General Fund and Rural Fire Fund.

The budget is prepared by the County Supervisor and the Budget Director and approved by the County Council. The appropriated budget is prepared by fund, function, department, activity and object and can be amended throughout the year by County Council approval. The County Supervisor may make transfers of appropriations within a function. Transfers of appropriations between funds require the approval of the County Council. The legal level of budgetary control is the fund level.

The budgetary calendar is as follows:

February 17 - Packets distributed to elected officials, department heads, agency directors, and contribution agencies.

March 17 - All packets returned to Budget Director.

March 26 - County Supervisor, Budget Director and Clerk to Council submit computerized budget worksheets and department budgets to County Supervisor, Finance Committee and County Council.

Prior to June 30 - County Supervisor prepares a budget and submits it to County Council for approval. County Council holds hearings to obtain taxpayers' comments.

June 30 - Budget is legally adopted by ordinance.

June 30 - Final budget distributed to libraries, banks, etc.

NOTE 2 – BUDGET APPROPRIATIONS EXCEEDED

The General Fund's actual expenditures of \$24,955,762 exceeded budgeted appropriations of \$20,391,365 by \$3,564,397. The expenditures were authorized by County Council to provide for current financial resources.

The Rural Fire Fund's actual expenditures of \$1,491,290 exceeded budgeted appropriations of \$1,070,058 by \$421,232. The expenditures were authorized by County Council.

WILLIAMSBURG COUNTY
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
SOUTH CAROLINA RETIREMENT SYSTEM
LAST 10 FISCAL YEARS

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	
South Carolina Retirement System (SCRS)										
County's proportion of the net pension liability (asset)	0.067363%	0.071141%	0.076260%	0.072930%	0.074676%	0.083481%	0.079511%	0.080362%	0.080362%	
County's proportionate share of the net pension liability (asset)	\$ 14,578,107	\$ 19,199,743	\$ 17,413,263	\$ 16,341,336	\$ 16,810,769	\$ 17,831,418	\$ 15,079,644	\$ 13,835,672	\$ 14,414,076	
County's covered payroll	\$ 7,511,614	\$ 6,596,200	\$ 7,003,017	\$ 7,557,805	\$ 7,546,031	\$ 8,076,436	\$ 7,420,380	\$ 7,330,797	\$ 7,064,050	
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	194.07%	275.60%	248.70%	216.20%	222.80%	220.80%	203.20%	188.70%	204.00%	
Plan fiduciary net position as a percentage of the total pension liability	60.70%	50.70%	54.40%	54.10%	53.30%	52.90%	57.00%	59.90%	56.40%	
South Carolina Police Officer Retirement System (PORS)										
County's proportion of the net pension liability (asset)	0.31336%	0.28017%	0.26071%	0.25032%	0.25098%	0.28929%	0.25534%	0.27066%	0.27066%	
County's proportionate share of the net pension liability (asset)	\$ 8,062,554	\$ 9,290,888	\$ 7,471,686	\$ 7,092,958	\$ 6,875,805	\$ 7,337,641	\$ 5,565,126	\$ 5,181,551	\$ 5,610,666	
County's covered payroll	\$ 4,540,714	\$ 3,861,400	\$ 3,407,326	\$ 3,464,611	\$ 3,376,910	\$ 3,703,806	\$ 3,195,688	\$ 3,226,021	\$ 3,108,245	
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	177.56%	240.60%	219.30%	204.70%	203.60%	198.10%	174.10%	160.60%	180.50%	
Plan fiduciary net position as a percentage of the total pension liability	70.40%	58.50%	62.70%	61.70%	60.90%	60.40%	64.60%	67.50%	62.90%	

Notes: The amounts presented above for each fiscal year were determined as of the measurement date of the plan's fiscal year end.

The County is retroactively reporting data back to the year of GASB Statement No. 68 implementation, which was fiscal year ending 2015. Information on the proportionate share of net position liability is not available prior to that fiscal year.

**WILLIAMSBURG COUNTY
SCHEDULE OF COUNTY CONTRIBUTIONS
SOUTH CAROLINA RETIREMENT SYSTEM
LAST 10 FISCAL YEARS**

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
South Carolina Retirement System (SCRS)										
Contractually required contribution	\$ 1,243,924	\$ 1,181,734	\$ 1,314,850	\$ 1,173,640	\$ 942,378	\$ 872,321	\$ 893,254	\$ 808,821	\$ 777,065	\$ 748,789
Contributions in relation to the contractually required contribution: Contributions from the County	<u>(1,243,924)</u>	<u>(1,181,734)</u>	<u>(1,314,850)</u>	<u>(1,173,640)</u>	<u>(942,378)</u>	<u>(872,321)</u>	<u>(893,254)</u>	<u>(808,821)</u>	<u>(777,065)</u>	<u>(748,789)</u>
Contribution deficiency (excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
County's covered payroll	\$ 7,511,614	\$ 7,595,843	\$ 8,450,196	\$ 8,450,196	\$ 8,060,717	\$ 7,546,031	\$ 8,076,436	\$ 7,420,380	\$ 7,330,797	\$ 7,064,050
Contributions as a percentage of covered payroll	16.56%	15.56%	15.56%	14.56%	12.47%	11.56%	11.06%	10.90%	10.60%	10.60%
South Carolina Police Officer Retirement System (PORS)										
Contractually required contribution	\$ 873,633	\$ 859,469	\$ 769,313	\$ 652,087	\$ 524,735	\$ 480,872	\$ 508,903	\$ 428,542	\$ 414,221	\$ 382,314
Contributions in relation to the contractually required contribution: Contributions from the County	<u>(873,633)</u>	<u>(859,469)</u>	<u>(769,313)</u>	<u>(652,087)</u>	<u>(524,735)</u>	<u>(480,872)</u>	<u>(508,903)</u>	<u>(428,542)</u>	<u>(414,221)</u>	<u>(382,314)</u>
Contribution deficiency (excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
County's covered payroll	\$ 4,540,714	\$ 4,712,002	\$ 4,217,723	\$ 3,782,405	\$ 3,464,611	\$ 3,376,910	\$ 3,703,806	\$ 3,195,688	\$ 3,226,021	\$ 3,108,245
Contributions as a percentage of covered payroll	19.24%	18.24%	18.24%	17.24%	15.15%	14.24%	13.74%	13.41%	12.84%	12.30%

WILLIAMSBURG COUNTY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – PENSION PLANS
JUNE 30, 2022

The table below provides a summary of the actuarial methods and assumptions used in calculations of the actuarially determined contributions for the South Carolina Retirement System (SCRS) and South Carolina Police Officer Retirement System (PORS). This information was obtained from the financial statements of the SCRS, which is administered by the retirement division of the South Carolina Public Employee Benefit Authority (PEBA) for the year ended June 30, 2021.

Summary of Actuarial Methods and Significant Assumptions

	SCRS	PORS
Actuarial valuation date	07/01/19	07/01/19
Actuarial cost method	Entry Age Normal	Entry Age Normal
Amortization method	Level percent of pay	Level percent of pay
Amortization period	28-year maximum, closed period	28-year maximum, closed period
Asset Valuation method	5-year smoothed	5-year smoothed
Inflation rate	2.25%	2.25%
Projected salary increases	3.0% plus step-rate increases for members with less than 21 years of service	3.5% plus step-rate increases for members with less than 15 years of service
Investment rate of return	7.25%	7.25%
Benefit adjustments	Lesser of 1.0% or \$500 annually	Lesser of 1.0% or \$500 annually
Mortality	The 2016 Public Retirees of South Carolina Mortality Tables for Males and Females, both projected at Scale AA from the Year 2016. Male rates multiplied by 100% for non-educators and 92% for educators. Female rates multiplied by 111% for non- educators and 98% for educators.	The 2016 Public Retirees of South Carolina Mortality Tables for Males and Females, both projected at Scale AA from the Year 2016. Male rates are multiplied by 125% and female rates are multiplied by 111%.

WILLIAMSBURG COUNTY
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET OPEB LIABILITY AND RELATED RATIOS -
RETIREE HEALTH INSURANCE
LAST 3 FISCAL YEARS

Fiscal Year Ending June 30,	<u>2022</u>	<u>2021</u>	<u>2020</u>
TOTAL OPEB LIABILITY			
Service cost	\$ 8,000	\$ 6,900	\$ 11,800
Interest	7,500	10,900	13,464
Differences between expected and actual experience	(144,600)	(15,100)	(110,000)
Changes of assumptions	21,500	6,200	(14,200)
Benefit payments, including refunds of member contributions	<u>(51,200)</u>	<u>(53,400)</u>	<u>(38,100)</u>
NET CHANGE IN TOTAL OPEB LIABILITY	<u>(158,800)</u>	<u>(44,500)</u>	<u>(137,036)</u>
TOTAL OPEB LIABILITY - BEGINNING	<u>324,000</u>	<u>368,500</u>	<u>505,536</u>
TOTAL OPEB LIABILITY - ENDING	<u><u>\$ 165,200</u></u>	<u><u>\$ 324,000</u></u>	<u><u>\$ 368,500</u></u>
PLAN FIDUCIARY NET POSITION			
Contributions - employer	\$ 51,200	\$ 53,400	\$ 38,100
Benefit payments, including refunds of employee contributions	<u>(51,200)</u>	<u>(53,400)</u>	<u>(38,100)</u>
NET CHANGE IN PLAN FIDUCIARY NET POSITION	<u>-</u>	<u>-</u>	<u>-</u>
PLAN FIDUCIARY NET POSITION - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
PLAN FIDUCIARY NET POSITION - ENDING	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
EMPLOYER'S NET OPEB LIABILITY	\$ 165,200	\$ 324,000	\$ 368,500
PLAN FIDUCIARY NET POSITION AS A PERCENTAGE OF TOTAL OPEB LIABILITY	0%	0%	0%
COVERED EMPLOYEE PAYROLL	\$ 172,900	\$ 693,000	\$ 693,000
EMPLOYER'S NET OPEB LIABILITY AS A PERCENTAGE OF COVERED PAYROLL	95.55%	46.75%	53.17%

NOTES TO SCHEDULE:

The amounts presented for each fiscal year were determined as of first day of the fiscal year (measurement date).

The County adopted GASB Statement No. 75 during the year ended June 30, 2018. Information is not available for prior years.

The discount rate decreased from 2.45% to 1.92% for the year ended June 30, 2022.

WILLIAMSBURG COUNTY
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
LAST 10 FISCAL YEARS

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Williamsburg County Retiree Health Insurance										
County's proportion of the net OPEB liability	0.00%	100.00%	100.00%	100.00%	100.00%	100.00%				
County's proportionate share of the net OPEB liability	\$ 165,200	\$ 324,000	\$ 368,500	\$ 505,536	\$ 494,800	\$ 503,800	\$	\$	\$	\$
County's covered payroll	\$ 172,900	\$ 693,000	\$ 693,000	\$ 1,253,200	\$ 1,253,200	\$ 1,111,737	\$	\$	\$	\$
County's proportionate share of the net OPEB liability as a percentage of its covered payroll	95.55%	46.75%	53.17%	40.34%	39.48%	45.32%				
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%				
South Carolina Long-Term Disability Insurance Trust Fund										
County's proportion of the net OPEB liability	0.000000%	0.138887%	0.141570%	0.144911%	0.145418%	0.145418%				
County's proportionate share of the net OPEB liability	\$ -	\$ 421	\$ 2,787	\$ 2,636	\$ 2,636	\$ 2,636	\$	\$	\$	\$
County's covered payroll	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$	\$	\$	\$
County's proportionate share of the net OPEB liability as a percentage of its covered payroll	N/A	N/A	N/A	N/A	N/A	N/A				
Plan fiduciary net position as a percentage of the total OPEB liability	92.84%	99.29%	95.17%	92.20%	95.29%	98.15%				

Notes: The OPEB schedule is intended to show information for ten years; additional years' information will be displayed as it becomes available.

The amount presented above for each fiscal year were determined as of the measurement date of the plan's fiscal year end.

The discount rates used each year were as follows:

1.92%	2.83%	3.04%	3.91%	3.87%	3.87%
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WILLIAMSBURG COUNTY
SCHEDULE OF THE COUNTY CONTRIBUTIONS - OPEB PLANS
LAST 10 FISCAL YEARS

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Williamsburg County Retiree Health Insurance										
Contractually required contribution	\$ 51,200	\$ 53,400	\$ 38,100	\$ 23,564	\$ 37,800	\$ 38,700				
Contribution in relation to the contractually required contribution (see note)	\$ (51,200)	\$ (53,400)	\$ (38,100)	\$ (23,564)	\$ (37,800)	\$ (38,700)				
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
County's covered payroll	\$ 172,900	\$ 693,000	\$ 693,000	#####	#####	#####				
Contributions as a portion of covered payroll	29.61%	7.71%	5.50%	2.23%	3.02%	3.48%				
South Carolina Long-Term Disability Insurance Trust Fund										
Contractually required contribution	\$ -	\$ 10,660	\$ 9,460	\$ 4,896	\$ 10,846	\$ 10,768				
Contribution in relation to the contractually required contribution	\$ -	\$ (10,660)	\$ (9,460)	\$ (4,896)	\$ (10,846)	\$ (10,768)				
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
County's covered payroll	N/A	N/A	N/A	N/A	N/A	N/A				
Contributions as a portion of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A				

Notes: The OPEB schedule is intended to show information for ten years; additional years' information will be displayed as it becomes available.

The amounts reported as contributions to the Williamsburg County Retiree Health Insurance and the South Carolina Long-Term Disability Insurance Trust Fund (SCLTDITF) include the contractually required contributions to the Williamsburg County Retiree Health Insurance and SCLTDITF.

WILLIAMSBURG COUNTY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – OPEB PLANS
JUNE 30, 2022

The tables below provides a summary of the actuarial methods and assumptions used in calculations of the actuarially determined contributions for the Williamsburg County Retiree Health Insurance. This information was obtained from the Williamsburg County Post Retirement Health Insurance Benefit Plan actuarial valuation as of July 1, 2022.

Summary of Actuarial Methods and Significant Assumptions

The total OPEB liability in the July 1, 2021 actuarial valuation was determined using the following key actuarial assumptions, applied to all periods included in the measurement:

Actuarial Assumptions:	Williamsburg County Retiree Health Insurance
Discount Rate	1.92%
Salary Scale	2.50%
Healthcare Cost Trend Rates	15.96% for fiscal year end 2022 (to reflect actual experience), then 7.00% for fiscal year end 2023, decreasing 0.25% per year to an ultimate rate of 5.00%
Mortality	RP-2014 Mortality Table, fully generational with base year 2006, projected using two-dimensional mortality improvement scale MP-2021
Actuarial Cost Method	Entry Age Actuarial Cost Method

Expected Return on Assets:

None

Discount Rate:

The discount rate has been set equal to 1.92% and represents the Municipal GO AA 20-year yield curve rate as of the measurement date.

WILLIAMSBURG COUNTY, SOUTH CAROLINA
COMBINING BALANCE SHEET
NON MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

	SPECIAL REVENUE FUNDS							TOTAL
	LANDFILL FUND	TITLE IV INCENTIVE FUNDS	CAPITAL PROJECTS FUND	INDUSTRIAL PARK FUND	SHERIFF SPECIAL FUND	E911 FUND	ROADS & BRIDGES FUND	
ASSETS								
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ 727,122	\$ 1,193	\$ -	\$ -	\$ 728,315
Receivables (Net of Allowance):								
Taxes	144,540	-	-	-	-	-	-	144,540
Accounts	-	-	1	697,212	-	4,884	76,323	778,420
Other	-	11,482	-	-	-	-	-	11,482
Due From Other Governments	12,031	23,861	-	-	-	-	-	35,892
Cash & Investments Restricted	701,610	310,329	34,441	-	-	57,099	-	1,103,479
Inventory	-	-	-	-	110	-	608	718
TOTAL ASSETS	<u>\$ 858,181</u>	<u>\$ 345,672</u>	<u>\$ 34,442</u>	<u>\$ 1,424,334</u>	<u>\$ 1,303</u>	<u>\$ 61,983</u>	<u>\$ 76,931</u>	<u>\$ 2,802,846</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE								
LIABILITIES								
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ (430)	\$ -	\$ -	\$ (430)
Accrued Salaries and Related Fringes	-	1,940	-	-	-	-	-	1,940
Due to Other Funds	(1,394,857)	(654,230)	530,045	2,476	(148)	61,983	609	(1,454,122)
TOTAL LIABILITIES	<u>(1,394,857)</u>	<u>(652,290)</u>	<u>530,045</u>	<u>2,476</u>	<u>(578)</u>	<u>61,983</u>	<u>609</u>	<u>(1,452,612)</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable Fees	56,615	-	-	-	-	-	-	56,615
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>56,615</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>56,615</u>
FUND BALANCE								
Restricted for:								
Public Safety	-	997,962	-	-	1,881	-	-	999,843
Environmental Services	2,196,423	-	-	-	-	-	-	2,196,423
Economic Development	-	-	-	1,421,858	-	-	-	1,421,858
Public Works	-	-	-	-	-	-	76,322	76,322
Unassigned	-	-	(495,603)	-	-	-	-	(495,603)
TOTAL FUND BALANCE	<u>2,196,423</u>	<u>997,962</u>	<u>(495,603)</u>	<u>1,421,858</u>	<u>1,881</u>	<u>-</u>	<u>76,322</u>	<u>4,198,843</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ 2,253,038</u>	<u>\$ 345,672</u>	<u>\$ 34,442</u>	<u>\$ 1,424,334</u>	<u>\$ 1,303</u>	<u>\$ 61,983</u>	<u>\$ 76,931</u>	<u>\$ 2,802,846</u>

WILLIAMSBURG COUNTY, SOUTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	LANDFILL FUND	TITLE IV INCENTIVE FUND	CAPITAL PROJECTS FUND	INDUSTRIAL PARKS FUND	SHERIFF SPECIAL FUND	E911 FUND	ROADS & BRIDGES FUND	TOTAL
REVENUES								
Fees, Licenses & Permits	\$ 529,634	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 76,321	\$ 605,955
Charges For Services	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	450,189	332,567	-	-	-	-	782,756
Miscellaneous Revenues	<u>2,419</u>	<u>-</u>	<u>71,169</u>	<u>856,533</u>	<u>5,863</u>	<u>-</u>	<u>1</u>	<u>935,985</u>
TOTAL REVENUES	<u>532,053</u>	<u>450,189</u>	<u>403,736</u>	<u>856,533</u>	<u>5,863</u>	<u>-</u>	<u>76,322</u>	<u>2,324,696</u>
EXPENDITURES								
Current:								
General Government	-	196,555	-	-	-	-	-	196,555
Public Safety	-	8,000	-	-	11,405	-	-	19,405
Health and Human Services	-	-	-	-	-	-	-	-
Environmental Services	86,877	-	-	-	-	-	-	86,877
Economic Development	-	-	-	374,346	-	-	-	374,346
Capital Outlay								
Enviormental Services	-	-	-	-	-	-	-	-
Cultural and Recreation	-	-	403,736	-	-	-	-	403,736
General Government	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>86,877</u>	<u>204,555</u>	<u>403,736</u>	<u>374,346</u>	<u>11,405</u>	<u>-</u>	<u>-</u>	<u>1,080,919</u>
EXCESS REVENUES OVER EXPEDITURES	445,176	245,634	-	482,187	(5,542)	-	76,322	1,243,777
OTHER FINANCING SOURCES (USES)								
RDA Loan Proceeds	-	-	-	-	-	-	-	-
Transfers In (Out)	<u>(217,062)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(217,062)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(217,062)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(217,062)</u>
EXCESS REVENUES OVER EXPEDITURES AND OTHER FINANCING SOURCES (USES)	228,114	245,634	-	482,187	(5,542)	-	76,322	1,026,715
FUND BALANCE, Beginning of Year (As Restated)	<u>1,968,309</u>	<u>752,328</u>	<u>(495,603)</u>	<u>939,671</u>	<u>7,423</u>	<u>-</u>	<u>-</u>	<u>3,172,128</u>
FUND BALANCE, End of Year	<u>\$ 2,196,423</u>	<u>\$ 997,962</u>	<u>\$ (495,603)</u>	<u>\$ 1,421,858</u>	<u>\$ 1,881</u>	<u>\$ -</u>	<u>\$ 76,322</u>	<u>\$ 4,198,843</u>

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
WILLIAMSBURG COUNTY TRANSIT SYSTEM
SCHEDULE OF BUDGETED TO ACTUAL COSTS
FOR THE YEAR ENDED JUNE 30, 2022**

**CONTRACT NUMBER - PT-2010CA-20
CONTRACT PERIOD - FEBRUARY 1, 2020 - JUNE 30, 2023**

	<u>BUDGET</u>	<u>SECTION 5311</u>	<u>SMTF</u>	<u>LOCAL</u>	<u>TOTAL</u>	<u>VARIANCE</u>
Administration						
Personnel	\$ 322,170	\$ 259,390	\$ -	\$ -	\$ 259,390	\$ 62,780
Fringe Benefits	153,883	119,216	-	-	119,216	34,667
Contract Maintenance Services	40,919	32,842	-	-	32,842	8,077
Materials & supplies	12,250	8,012	-	-	8,012	4,238
Utilities	77,400	59,386	-	-	59,386	18,014
Casualty and Liability	281	281	-	-	281	-
Advertising & Promotion	5,300	529	-	-	529	4,771
Lease and Rental	13,340	8,920	-	-	8,920	4,420
	<u>625,543</u>	<u>488,576</u>	<u>-</u>	<u>-</u>	<u>488,576</u>	<u>136,967</u>
Operations						
Salaries	821,649	684,913	-	-	684,913	136,736
Employee Benefits	193,202	159,715	-	-	159,715	33,487
Fuel & Lubricants	434,918	146,793	-	-	146,793	288,125
Tires & Tubes	7,020	7,020	-	-	7,020	-
Insurance Casualty & Liability	119,900	92,925	-	-	92,925	26,975
Miscellaneous	55,250	42,244	-	-	42,244	13,006
	<u>1,631,939</u>	<u>1,133,610</u>	<u>-</u>	<u>-</u>	<u>1,133,610</u>	<u>498,329</u>
Capital						
Preventive Maintenance	417,401	361,697	-	-	361,697	55,704
	<u>417,401</u>	<u>361,697</u>	<u>-</u>	<u>-</u>	<u>361,697</u>	<u>55,704</u>
Total	\$ <u>2,674,883</u>	\$ <u>1,983,883</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>1,983,883</u>	\$ <u>691,000</u>

WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO SCHEDULE OF BUDGET TO ACTUAL COSTS – TRANSIT AUTHORITY
FOR THE YEAR ENDED JUNE 30, 2022

NOTE 1 – INDIRECT COST RATE

The County has an indirect cost rate approved by the Federal Transit Administration but does not charge indirect cost to County Transit Department.

NOTE 2 – COST METHODOLOGY

The Transit allocates transportation expenses attributable to more than one program to the following programs:

- Transportation PT-2010CA-20

Expenses are allocated based on revenue miles in line with an OPT authorized methodology. There were no changes to routes or programs.



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

To the Honorable Members of County Council
Williamsburg County, South Carolina

We were engaged to audit, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Williamsburg County, South Carolina, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Williamsburg County, South Carolina's basic financial statements and have issued our report thereon dated October 16, 2023. Our report disclaims an opinion on such financial statements because we were unable to obtain a comprehensive trial balance from Williamsburg County, South Carolina, and noted numerous items that were unreconciled. Consequently, we could not obtain sufficient audit evidence regarding specific assets, liabilities, revenues or expenditures.

Report on Internal Control over Financial Reporting

In connection with our engagement to audit the financial statements of Williamsburg County, South Carolina, we considered Williamsburg County, South Carolina's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Williamsburg County, South Carolina's internal control. Accordingly, we do not express an opinion on the effectiveness of Williamsburg County, South Carolina's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2022-1 – 2022-3 that we consider to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be significant deficiencies. However, significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

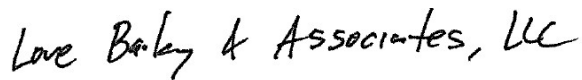
As part of obtaining reasonable assurance about whether Williamsburg County, South Carolina's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have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

Williamsburg County, South Carolina's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Williamsburg County, South Carolina's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Williamsburg County, South Carolina's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

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



Love Baily & Associates, LLC
Laurens, South Carolina
October 16, 2023

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2022**

Findings – Relating to the Basic Financial Statements Reported in Accordance with *Government Auditing Standards*

Material Weaknesses

2022-1 General Ledger Deficiencies

Criteria: In order to provide an accurate representation of the financial position and performance of the County, a complete and thorough general ledger must be maintained.

Condition and context: The County's general ledger is not being reviewed and balanced monthly. The County had many transactions posted to the wrong accounts as well as incorrect funds. In addition, the County lacks proper cutoff and month-end procedures.

Cause: Lack of personnel to perform accounting duties. Additionally, the County implemented a new accounting system which has been problematic and has exacerbated the existing challenges.

Effect: The lack of proper controls increases the risk of error, fraud, misappropriation of assets and inaccurate financial reporting.

Recommendation: (1) Regular monthly reviews and reconciliations of the general ledger should be instated. (2) Implement comprehensive month-end and cutoff procedures. (3) Allocate resources for continuous training to ensure that accounting personnel remain updated with best practices and standards. (4) Evaluate the current accounting system for functionality and user-friendliness, and consider seeking expert advice for potential improvements or a transition to a more efficient system

Organization response: The County has hired the professional services of a CPA to help update internal controls and processes.

2022-2 Property, Plant and Equipment Inventory Records

Criteria: Property, plant and equipment inventory requires an accounting of the government's capital assets including a physical inventory.

Condition and context: The County has an accounting system for capital assets that did not agree to the general ledger.

Cause: Lack of personnel to maintain the schedule.

Effect: The discrepancies in financial reporting may affect the credibility of the County's financial statements.

Recommendation: The County should hire an accountant that has both the experience and education to provide the County with proper accounting and finance expertise to maintain a property, plant and equipment inventory listing.

Organization response: The County has hired the professional services of a CPA to help update internal controls and processes.

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2022**

2022-3 Duplicate Payables

Criteria: Organizations should have internal controls in place to prevent, detect, and correct duplicate payments to vendors to ensure efficient use of resources and accurate financial reporting.

Condition and context: During our audit of the 2022 financial statements, we identified multiple instances where the same invoice was paid more than once to vendors. This was noted across different departments and was not isolated to a specific period.

Cause: A review of the payment process revealed a lack of checks and balances in the payables system. The system does not have automated checks to flag invoices that have similar or identical details. Additionally, manual reviews by the accounts payable staff appear to be inconsistent, leading to oversight of such duplicates.

Effect: Duplicate payments have resulted in an overstatement of expenses and liabilities on the financial statements. Additionally, this inefficiency may lead to potential cash flow issues, strain on vendor relationships, and a lack of trust in the financial reporting system.

Recommendation: (1) Implement an automated control in the payables system to flag potential duplicate invoices based on invoice number, vendor, and amount. (2) Regularly train accounts payable staff on the importance of identifying and resolving duplicate payments. (3) Periodically review the payables process to identify and correct lapses and to continuously improve the internal control system.

Organization response: The County has hired the professional services of a CPA to help update internal controls and processes.