

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

**Annual Comprehensive
Financial Report**

For the Fiscal Year Ended June 30, 2023

December 2023





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DORCHESTER COUNTY, SOUTH CAROLINA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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INTRODUCTORY SECTION



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December 8, 2023

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

State law requires every general-purpose local government publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) in the United States of America and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. This report is published to fulfill that requirement for the fiscal year ended June 30, 2023.

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

Mauldin & Jenkins, LLC, have issued an unmodified opinion on Dorchester County's financial statements for the year ended June 30, 2023. The independent auditor's report is located at the front of the financial section of this report.

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

Profile of the Government

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

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

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

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

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

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

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

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

Local Economy

Population estimates for the County continue to surge. According to the most recent data available from the US Census Bureau released in July 2022, Dorchester County’s estimated population increased by 2,806 to 166,133 from July 2021 until July 2022. Dorchester County is the 12th largest County in South Carolina. Dorchester County has a strong tax base and continues to experience growth in business and residential activity. In 2023, the County’s growth projections continued to sustain in light of stabilized higher interest rates. This is evidenced by a 20% increase in inspections performed by the Building Services Department. Major residential developments, including Summers Corner, Homecoming, The Ponds, and Mallard Crossing saw record sales volumes unencumbered by the economy. Home prices have settled compared to a 24-month lookback but have not decreased overall. Prospective developments, such as the 1,000-plus home community off of Yerby Road near Summerville have continued to advance through the County’s review process and it is anticipated that they will enter construction phases in the next two years.

Dorchester County continues to experience robust activity in residential and commercial construction. Building permits valued at \$403,325,040 (residential) and \$240,559,166 (commercial) were issued during fiscal year 2023. Permits are expected to continue to rise as a result of newly announced residential communities, multi-family, and industrial development. Residential permit activity in fiscal year 2023 represents a 25% increase over the prior year. Commercial and residential construction are expected to show growth over the next four years and into the future.

Residential growth is occurring in other areas in a more significant fashion than prior years. This growth has been met with concern from citizens and elected officials alike due to the need to align infrastructure with the timing of development implementation. To combat the issue, the County has taken strategic steps to ensure long-term planning and funding align. In addition to implementing a new Transportation Sales Tax program, developers are being subjected to a fiscal impact analysis that contemplates the operating and capital needs resulting from their development. Equally important, the County has begun to share development absorption information with Dorchester School Districts Two and Four to assist with their capital planning and redistricting efforts. The results of these efforts have already begun to show promise in terms of developer cooperation. This is evidenced by elements of the Yerby Road development agreement, for example, which provides a significant capital contribution to the County for transportation infrastructure.

Additionally, numerous commercial projects are under construction or are in the plan review process. Interest in the County-owned industrial parks located at Winding Woods and the Pine Hill Business Campus have spurred rezonings which will likely result in substantial investment in the upcoming year. The County is continuing to invest significant capital in its Water and Sewer system to support both increased capacity and expanded service territory with an emphasis on industrial development. The State of South Carolina has taken note of these investments and awarded the County in excess of \$18 Million in grants through the Rural Infrastructure Authority (RIA) in 2023.

While a laser focus on industrial growth is important, Dorchester County continues to take a more active role in retail development and the potential for mixed-use projects in various areas. Recognizing the gap in the downtown Summerville area and the growth occurring on the other side of the County line, the County has taken steps to redevelop its services campus at 500 N Main Street. This property was an old hospital, converted into offices over the years, and sits on over five acres of property which represents the largest contiguous parcel in the downtown core. Over the past year, the County has selected a developer to purchase the site and has executed a letter of intent (LOI) for the sale. This also includes placing the property in the multi-county industrial park (MCIP) and granting a fee-in-lieu of tax (FILOT) agreement to the developer. In partnership with the Town of Summerville and Dorchester School District Two, the property has been removed from the Midtown Tax Increment Financing (TIF) District which will enable the County to use revenues resulting from the FILOT to construct various community improvement projects. These will include a contribution to Dorchester School District Two for school expansion and the construction of a County recreation center near the Summerville area. With limited incentive, there remains a strong interest in retail development, particularly in the Ladson and North Charleston areas. In the past year, new strip centers and standalone retail have been announced or opened, to include a Buffalo Wild Wings, First Watch, Fifth Third Bank, and more. Of note, retail development has recently blossomed in the St. George area with the opening of a Dunkin Donuts, construction of a RaceTrac gas station, and redevelopment of the primary retail strip center in town.

Long-Term Financial Planning

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

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

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

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

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

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

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

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

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

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

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

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

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

Relevant Financial Policies

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

The County, as a political subdivision of the State of South Carolina, is required to prepare and maintain a balanced budget. For the fiscal year ended June 30, 2023, the County's budget was balanced.

Unassigned fund balance of approximately \$35,672,945 in the General Fund for the fiscal year ended June 30, 2023, represents 42.5% of subsequent year projected revenues. County policy requires the unassigned fund balance in the General Fund be no less than 32% of General Fund projected revenues for the subsequent year. In the case of the General Fund, a goal of 40% of the subsequent fiscal year's projected revenues is also enacted via the County's fund balance policy. In the event that the 40% threshold is exceeded, the difference shall be transferred to the County Reserve Fund until it attains its requirement to be committed for disaster recovery. Based upon policy, there will be a transfer to the Reserve Fund in fiscal year 2024 of \$404,352. With a balance of \$8,647,535 as of June 30, 2023, the balance of the Reserve Fund is equivalent to 9.6% of subsequent year projected revenues. The County is actively

seeking reimbursement from FEMA for federally declared disasters which will continue to increase this balance as reimbursements are received. In the event that both unassigned fund balance meets 40% and the Reserve Fund exceeds 10%, excess fund balance may be used for one-time capital or to retire debt.

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

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

Major Initiatives

County Council continues to support an aggressive Capital Improvement Plan to better serve the needs of the community. In 2023, Dorchester County issued \$28,220,000 in Water and Sewer, Series 2023, Revenue Bonds, pursuant to increased rates and fees that were previously adopted by County Council in support of the expansion of the Lower Dorchester Wastewater Treatment Plant. The County also issued \$4,150,000 in Stormwater, Series 2022, Revenue Bonds to support the replacement of several aged bridges. While all capital funding needed to support the 2019 Parks and Libraries Referendum is in place, the County is rapidly approaching the completion of all approved projects. In FY2023, the North Charleston Library branch opened, and the Ashley River Library branch made significant progress in construction with completion estimated in FY2024. The Pine Trace Park and Swan Drive river access began construction in FY2023 with completion also anticipated in FY2024. This will leave only the downtown Summerville Library branch and a prospective branch in Ridgeville to be completed.

During fiscal year 2023, County Council began authorizing funds to advance the construction of several priority projects contemplated in the November 2022 Transportation Sales Tax Referendum. These include fully funding the Maple Street extension in the amount of \$22 Million, resurfacing Midland Parkway, constructing a new road to access the Dorchester School District Four middle school, and adding a turn lane to Wallace Ackerman Drive. While collections of this tax do not begin until May 2024, the County has issued two series of Bond Anticipation Notes (BAN) to fund the initial project cash flow. These BANs will be paid off after tax collections begin and only have a one-year maturity. As the referendum also included funding for a new Greenbelt program, the County has engaged Weston and Sampson to create a master plan for this program. A newly established Conservation and Greenbelt Commission will advise County Council on strategic acquisitions of land and conservation easements. The first acquisition with this funding source was a 100-plus acre tract bordering the Ashley River near Summerville which could have been developed for single and multi-family use.

From an operational standpoint, the County continues to strive to meet the demands of a growing community by providing adequate resources to departments. In the subsequent fiscal year, 14 full-time equivalent positions were added, the majority of which are in the Community Services Departments, which includes new planning and zoning, building services, neighborhood services, and recreation staff in order to aid in the growth occurring the County. As the County experiences rapid growth, it will be important to continue to monitor all lines of service delivery to ensure long-term sustainability. As part of the base budget for fiscal year 2023, the County implemented an adjustment to the entire pay scale, bringing the minimum hourly wage to \$15.00, which will aid in recruitment of new staff and retention of critical positions in those grades. This was previously planned to be implemented over two years, but the County determined the means to do this early in furthering recruitment and retention efforts.

Growth in Dorchester County poses a significant threat to the sustainability of operations from a long-term perspective. Updated residential growth figures point to a less than sustainable trend in this regard and staff is working across the board to provide creative approaches to diversify the County's tax base and revenue sources. The Planning Department implemented the previously mentioned fiscal impact analysis tool for new residential development, to ensure this development does not adversely impact the County's operations or provision of services. With the changes to the County's planning and land development ordinance in 2021 requiring this analysis to occur, staff will be able to tie residential growth to the County's long-term capital plans and financial forecasts with more specificity.

In 2023, the County continued to administer the expenditure of American Rescue Plan Act funds. All funds have been received and obligated as of the time of this report. Funding includes a major expansion to broadband internet service in unserved and under-served areas of the County, a partnership project to construct a homeless shelter, a medical facility in the St. George area, expansion of services in the Fire-Rescue and Emergency Medical Services departments, and the consolidation of the County's health, social, and indigent defense services to one location.

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized ACFR, which satisfies both generally accepted accounting principles and applicable legal requirements.

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

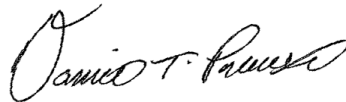
The County also received GFOA's Distinguished Budget Presentation Award for the eighteenth time for fiscal year 2023. To receive this award, the budget process and documents must meet program criteria as a policy document, operations guide, financial plan, and communications device. The FY2024 budget has been submitted to the awards program.

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

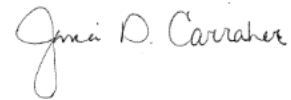
Respectfully submitted,



Jason L. Ward
County Administrator



Daniel T. Prentice
Chief Financial Officer



Jessica D. Carraher
Director of Business Services

DORCHESTER COUNTY, SOUTH CAROLINA
LISTING OF KEY OFFICIALS

County Council

Todd Friddle – District 4 – Chairman
David Chinnis – District 2 – Vice Chairman
Harriet Holman – District 1
Rita May Ranck – District 3
Eddie Crosby – District 5
William (Bill) Hearn – District 6
Jay Byars – District 7

Tracey L. Langley – Clerk to County Council

County Administration

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

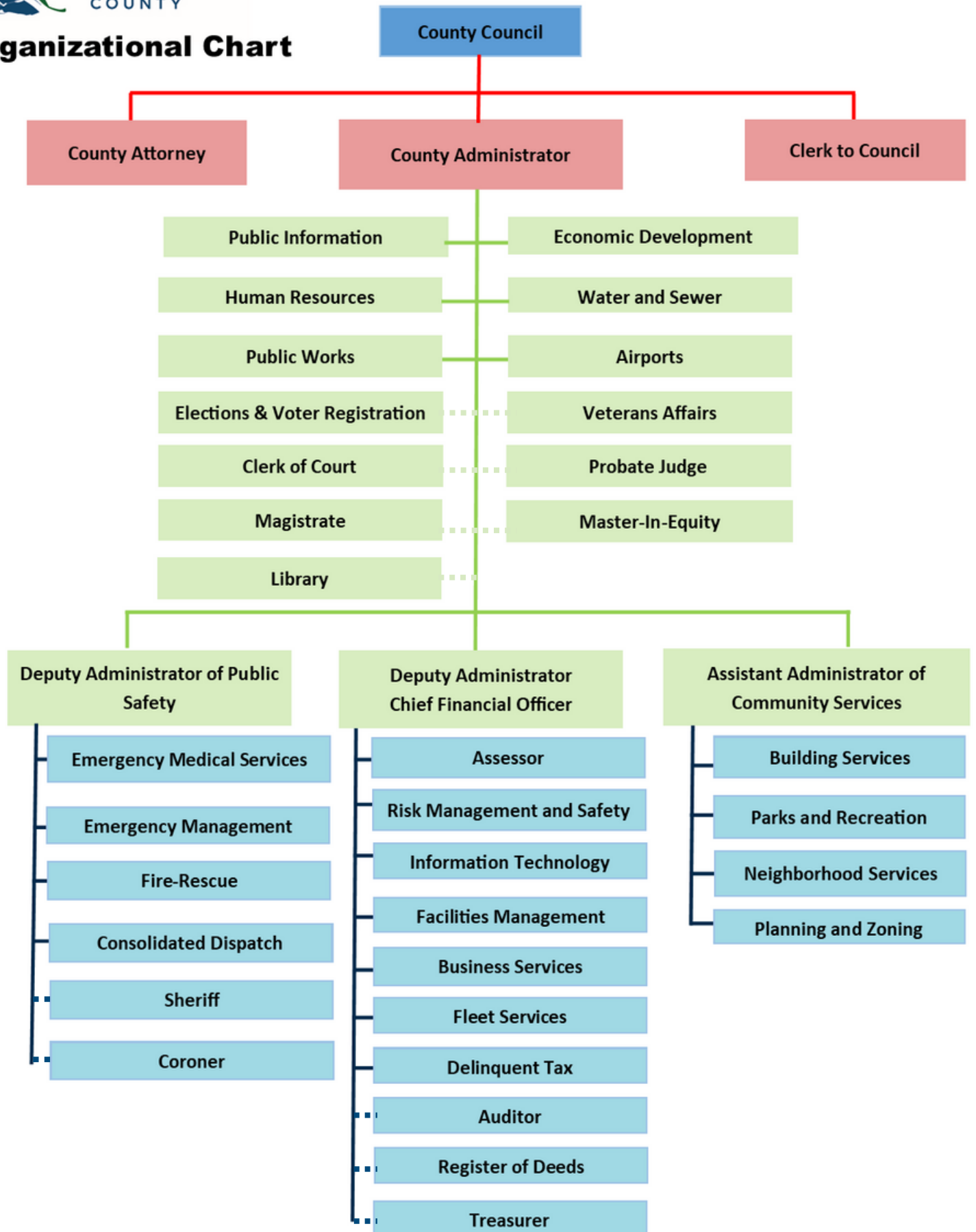
Elected Officials

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

Appointed Officials

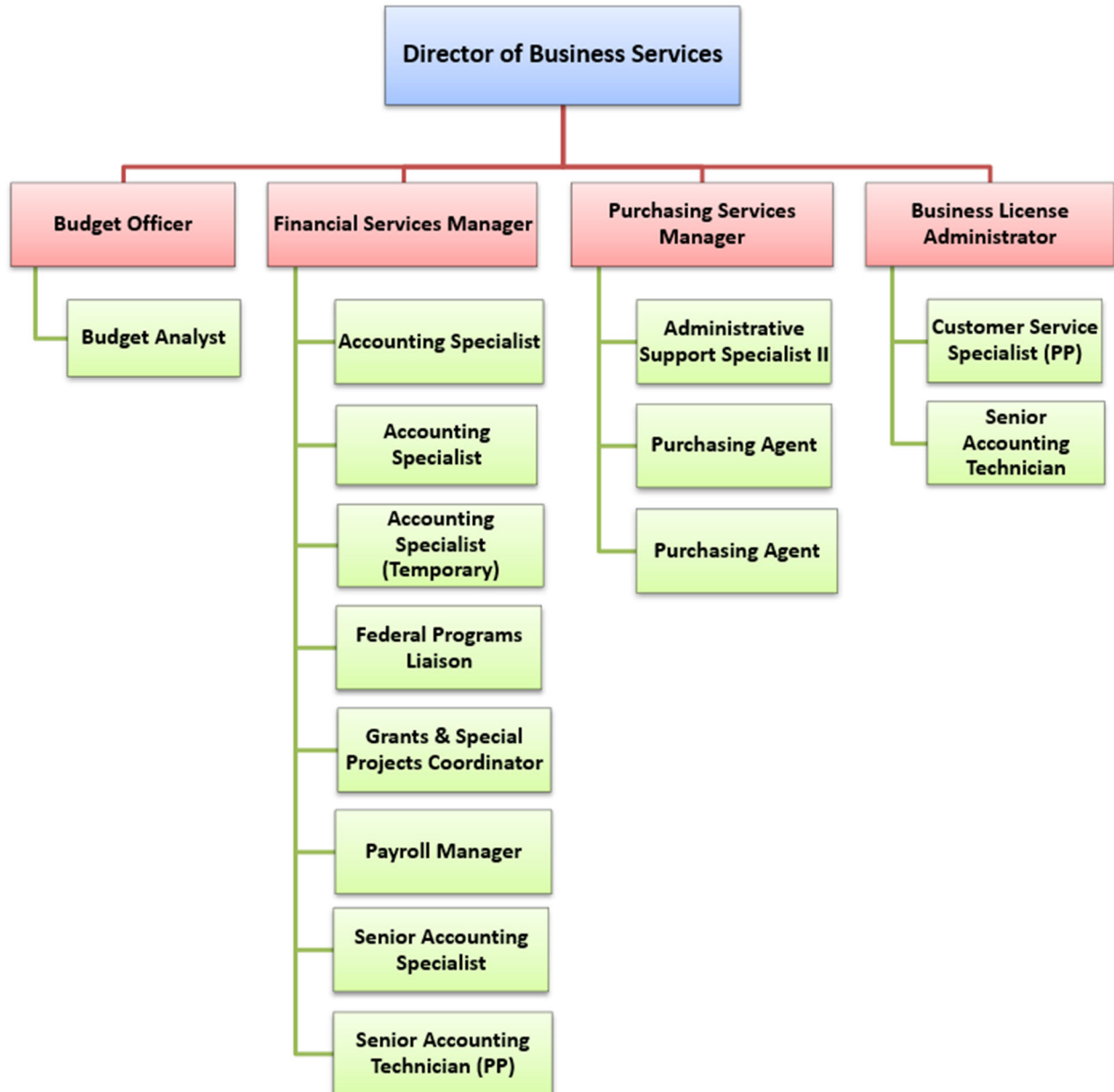
John Frampton – County Attorney
Kizzie Scott – Director of Elections and Registration
Jackie Jenkins – Chief Magistrate
James Chellis – Master in Equity
Johnny Brown – Veterans Affairs Officer

Organizational Chart



Elected and Appointed Officials report to the public, but Admin Liaison is reflected as a dotted line on the reporting structure.

Business Services Organization Chart





DORCHESTER COUNTY

MISSION STATEMENT

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

ADOPTED BY DORCHESTER COUNTY COUNCIL NOVEMBER 18, 2002.



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Dorchester County
South Carolina**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO



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FINANCIAL SECTION



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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of **Dorchester County, South Carolina** (the "County"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Change in Accounting Principle

The County implemented Governmental Accounting Standards Board ("GASB") Statement No. 96, *Subscription-Based Information Technology Arrangements*, as of July 1, 2022. This standard significantly changed accounting for the County's subscription-based information technology arrangements and the related disclosures. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund statements and schedules, as listed in the table of contents, the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the uniform schedule of court fines, assessments and surcharges (per ACT 96), are presented for the purposes of additional analysis and are not a required part of the basic financial statements of the County. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, the combining and individual fund statements and schedules, the schedule of expenditures of federal awards, and the uniform schedule of court fines, assessments and surcharges (per ACT 96) are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2023, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Mauldin & Jenkins, LLC". The script is cursive and fluid, with the letters "M", "J", and "L" being particularly large and stylized.

Savannah, Georgia
December 8, 2023

DORCHESTER COUNTY, SOUTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2023

As management of Dorchester County (the "County"), we offer the readers of Dorchester County's financial statements this narrative overview and analysis of the financial activities of the County for the year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with the basic financial statements and the accompanying notes.

FINANCIAL HIGHLIGHTS

The assets and deferred outflows of resources of Dorchester County exceeded its liabilities and deferred inflows of resources at June 30, 2023 by \$467,082,430.

The total net position increased during the year by \$85,942,403, including \$50,658,803 for governmental activities and \$35,283,600 for business-type activities.

At the end of the current fiscal year, unassigned fund balance for the General Fund was \$35,672,945, which represents a 3.6% increase from the prior year and represents 46.1% of total General Fund expenditures.

At the end of the current fiscal year, Dorchester County's governmental funds reported combined ending fund balances of \$191,674,209. This is a decrease of \$15,095,916 from the prior year. Of this amount, nonspendable fund balance was \$971,258, restricted fund balance was \$140,266,753, committed fund balance was \$14,747,328, assigned fund balance was \$2,043,346 and unassigned fund balance was \$33,645,524.

On the government-wide basis, unrestricted net position was \$8,524,579, primarily due to the net pension liability (including related deferred outflows and inflows of resources) of \$86,319,670 and the net other post-employment benefits ("OPEB") liability (including related deferred outflows and inflows of resources) of \$10,180,892. The net pension liability is required by Governmental Accounting Standard Boards ("GASB") Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* ("GASB 68"). The net OPEB liability is required by GASB Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions* ("GASB 75"). The County participates in the South Carolina Retirement System's ("SCRS") pension plans and the South Carolina Counties OPEB Trust. The County is required by GASB 68 to recognize its proportionate share of the SCRS' unfunded liabilities on the County's government-wide financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to Dorchester County's basic financial statements. The basic financial statements are comprised of three sections: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements – The *government-wide financial statements* provide a broad overview of Dorchester County's operations in a manner similar to a private-sector business. The statements provide both short-term and long-term information about Dorchester County's financial position.

DORCHESTER COUNTY, SOUTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2023

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

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

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

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

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

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

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

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

DORCHESTER COUNTY, SOUTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2023

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position. The County's net position comparing 2023 to 2022 (as reported) is as follows for the governmental activities and the business-type activities:

	Governmental Activities		Business-Type Activities	
	2023	2022	2023	2022
Current, restricted and other assets	\$ 264,686,335	\$ 260,446,504	\$ 121,666,084	\$ 72,077,789
Capital assets, net	226,477,958	202,431,888	253,012,336	233,125,627
Total assets	<u>\$ 491,164,293</u>	<u>\$ 462,878,392</u>	<u>\$ 374,678,420</u>	<u>\$ 305,203,416</u>
Total deferred outflows of resources	<u>\$ 20,094,286</u>	<u>\$ 21,976,336</u>	<u>\$ 3,895,457</u>	<u>\$ 4,116,068</u>
Long-term liabilities	\$ 249,734,820	\$ 271,630,133	\$ 84,882,938	\$ 53,576,793
Current and other liabilities	68,801,961	58,376,979	14,101,748	9,515,164
Total liabilities	<u>\$ 318,536,781</u>	<u>\$ 330,007,112</u>	<u>\$ 98,984,686</u>	<u>\$ 63,091,957</u>
Total deferred inflows of resources	<u>\$ 4,573,483</u>	<u>\$ 17,358,104</u>	<u>\$ 655,076</u>	<u>\$ 2,577,012</u>
Net position:				
Net investment in capital assets	\$ 112,871,503	\$ 61,462,186	\$ 210,683,542	\$ 189,940,981
Restricted	91,853,761	106,913,322	43,149,045	33,140,258
Unrestricted (deficit)	(16,576,949)	(30,885,996)	25,101,528	20,569,276
Total net position	<u>\$ 188,148,315</u>	<u>\$ 137,489,512</u>	<u>\$ 278,934,115</u>	<u>\$ 243,650,515</u>

DORCHESTER COUNTY, SOUTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2023

Changes in Net Position. The County's change in net position for fiscal years ended June 30, 2023 and 2022 is as follows:

	Governmental Activities		Business-Type Activities	
	2023	2022	2023	2022
Revenues				
Program revenues:				
Charges for services	\$ 18,806,372	\$ 18,437,151	\$ 53,456,276	\$ 48,866,430
Operating grants and contributions	22,118,253	16,007,856	98,247	90,301
Capital grants and contributions	5,315,027	9,476,019	22,785,069	20,526,668
General revenues:				
Property taxes	82,044,626	70,421,952	-	-
Other taxes	39,394,378	31,060,254	-	-
Unrestricted grants and contributions	6,915,315	6,897,686	-	-
Interest and investment earnings (loss)	7,202,745	-	1,871,757	119,230
Miscellaneous	6,053,528	3,241,887	24,680	-
Gain on disposal of capital assets	249,464	-	69,360	51,302
Total revenues	<u>188,099,708</u>	<u>155,542,805</u>	<u>78,305,389</u>	<u>69,653,931</u>
Program expenses				
Governmental activities:				
General government	37,405,705	35,988,196	-	-
Public safety	49,236,776	44,591,973	-	-
Roads and drainage	5,249,516	4,992,381	-	-
Health and welfare	1,411,616	1,089,281	-	-
Recreation and culture	2,322,488	1,046,190	-	-
Airport	476,392	449,657	-	-
Economic development	1,562,703	1,199,081	-	-
Intergovernmental and nonprofit assistance	28,477,781	24,860,274	-	-
Disaster recovery	-	-	-	-
Library system	4,078,142	3,622,105	-	-
Nondepartmental	3,316,644	2,282,872	-	-
Interest	6,448,859	6,471,662	-	-
Business-type activities:				
Water and sewer	-	-	29,933,373	28,290,723
Solid waste	-	-	7,686,523	6,589,978
Stormwater management	-	-	2,856,176	2,719,365
Total expenses	<u>139,986,622</u>	<u>126,593,672</u>	<u>40,476,072</u>	<u>37,600,066</u>
Change in net position before transfers	48,113,086	28,949,133	37,829,317	32,053,865
Transfers	<u>2,545,717</u>	<u>2,411,399</u>	<u>(2,545,717)</u>	<u>(2,411,399)</u>
Change in net position	50,658,803	31,360,532	35,283,600	29,642,466
Net position, beginning, as restated	<u>137,489,512</u>	<u>106,128,980</u>	<u>243,650,515</u>	<u>214,008,049</u>
Net position, ending	<u>\$ 188,148,315</u>	<u>\$ 137,489,512</u>	<u>\$ 278,934,115</u>	<u>\$ 243,650,515</u>

Governmental Activities. Governmental activities increased the County's net position by \$50,658,803.

Charges for services accounted for \$18,806,372 or 10.0% of total governmental activity revenues. These charges are for fees related to judicial activity, fees for real estate transfers, fees associated with the E911 service, emergency medical services, and fees associated with the collection of property taxes.

DORCHESTER COUNTY, SOUTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2023

Property tax revenues accounted for \$82,044,626 of the \$188,099,708 total revenues for governmental activities, or 43.6% of total revenues. A portion of the increase in property tax revenues can be attributed to FILOT revenues due to the new Wal-Mart Distribution Center agreement becoming effective as well as the expiration of the special source revenue credit on Showa Denko's FILOT agreement which caused a significant increase in FILOT revenue in fiscal year 2023. Additionally, property tax revenues increased from new construction, with market conditions further driving up property values. The County experienced 8.6% growth in assessed values in the current year. Other tax revenues, primarily for sales and use taxes, accounted for \$39,394,378 or 20.9% of total revenues. The 1% sales tax revenue generated from retail sales in Dorchester County have grown approximately 23.5% year over year in more recent years due to population growth in the County. Another major component of general revenues was grants and contributions not restricted to specific programs, which accounted for \$6,915,315 or 3.7% of total revenues. The County issued a \$10M Bond Anticipation Note in the current year to fund Transportation Sales Tax projects in advance of the new 1% sales tax revenues being collected beginning in May 2024. Furthermore, market conditions have continued to drive up interest rates accounting for a significant increase in interest and investment earnings.

The largest governmental activities were public safety and general government, accounting for \$49,236,776 and \$37,405,705, respectively.

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

Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2023	2022	2023	2022
General government	\$ 37,405,705	\$ 35,988,196	\$ 11,646,780	\$ 13,931,701
Public safety	49,236,776	44,591,973	35,835,830	32,930,512
Roads and drainage	5,249,516	4,992,381	894,952	(3,838,482)
Health and welfare	1,411,616	1,089,281	1,380,746	1,051,779
Recreation and culture	2,322,488	1,046,190	2,322,488	1,045,190
Airport	476,392	449,657	(873,345)	146,393
Economic development	1,562,703	1,199,081	1,039,346	752,444
Intergovernmental and nonprofit assistance	28,477,781	24,860,274	28,477,781	24,860,274
Disaster recovery	-	-	-	-
Library system	4,078,142	3,622,105	3,605,797	3,209,323
Nondepartmental	3,316,644	2,282,872	2,967,736	2,111,850
Interest	6,448,859	6,471,662	6,448,859	6,471,662
Total expenses	<u>\$ 139,986,622</u>	<u>\$ 126,593,672</u>	<u>\$ 93,746,970</u>	<u>\$ 82,672,646</u>

Charges for services and operating grants of \$40,924,625 (29.2% of the total costs of services) were received and used to fund the governmental expenses of the County. An additional 3.8%, \$5,315,027, were for capital grants that were also used to fund governmental activities. The remaining \$93,746,970 in general governmental expenses was funded by property taxes, sales and use taxes, unrestricted grants, and other revenue.

Business-Type Activities. Business-type activities increased the County's net position by \$35,283,600.

DORCHESTER COUNTY, SOUTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2023

Charges for services were the County's largest program revenue for business-type activities, accounting for \$53,456,276, or 68.3% of total business-type activity revenues. These charges are for sewer and water fees, impact fees, solid waste user fees, host fees, storm water fees, tap fees, origination fees, reconnection fees and other associated fees. Charges for services increased by \$4,589,846 compared to the prior year primarily as a result of rate increases in the current year.

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

FINANCIAL ANALYSIS OF DORCHESTER COUNTY'S FUNDS

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

Governmental Funds. The purpose of the County's governmental fund financial statements is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2023, the County's governmental funds reported a combined ending fund balance of \$191,674,209, a decrease of \$15,095,916 from the prior year. Approximately 17.6% of this total, \$33,645,524, is unassigned fund balance. The remainder of fund balance is not available for new spending because it has been restricted, committed, or assigned for a variety of purposes.

The General Fund is the primary operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$35,672,945. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 46.1% of total General Fund expenditures for the year ended June 30, 2023.

The fund balance of the County's General Fund increased by \$2,035,551 during the current fiscal year to \$47,099,429, or 4.5%, as revenues of \$77,098,446 and net other financing sources (primarily net transfers in) of \$2,236,869 exceeded expenditures of \$77,299,764. Revenues increased by \$7,140,866, primarily due to an increase in taxes of \$3,753,323 due to an increase in assessed values. Expenditures increased by \$9,810,281, or 14.5%.

The fund balance of the County's Grants fund increased by \$1,959,697 during the current fiscal year to \$650,850, as revenues of \$11,366,756 exceeded expenditures of \$9,591,200 and net transfers received from other funds of \$184,141.

The fund balance of the County's Transportation Authority fund decreased by \$11,651,944 during the current fiscal year to \$46,933,215, as expenditures of \$51,383,080 exceeded revenues of \$39,731,136.

The fund balance of the County's Transportation Sales Tax fund decreased by \$1,653,246 during the current fiscal year to a deficit of \$1,653,246, as expenditures of \$1,903,621 exceeded revenues of \$250,375.

DORCHESTER COUNTY, SOUTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2023

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

Unrestricted net position of the water and sewer fund, solid waste fund, and stormwater fund at the end of the year were 10,859,567, \$8,283,794, and \$5,958,167, respectively. The net change in total net position was \$31,757,718, \$1,172,334, and \$2,353,548, respectively, for those same funds. Other factors concerning the finances of these funds have already been addressed in the discussion of the County's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

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

The actual net increase in the General Fund balance was \$2,035,551. The primary reason for the variance in the General Fund was better than anticipated collections in property taxes, licenses, permits, and interest as actual revenues exceeded budget by \$5,074,552. Actual expenditures came in over budget by \$4,617,598, due primarily to transfers to the Capital Improvement Fund and Capital Projects Fund as outlined in the County's Fund Balance and Working Capital Policy after meeting County Reserve Fund Balance requirements.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The County's capital assets for its governmental activities at June 30, 2023 was \$226,477,958 (net of accumulated depreciation and amortization) and for its business-type activities was \$253,012,336. This investment in capital assets includes land and improvements, construction in progress, buildings and building improvements, improvements other than buildings, furniture and equipment, vehicles, infrastructure, sewer plant, and sewer and water systems.

The capital assets (net of accumulated depreciation and amortization) as of June 30, 2023 and 2022 (as adjusted to reflect the change in accounting principle as previously discussed) were as follows:

	Governmental Activities		Business-Type Activities	
	2023	2022	2023	2022
Land, improvements, and right of way	\$ 41,886,309	\$ 41,882,455	\$ 2,024,268	\$ 1,906,617
Construction in progress	35,840,890	13,683,400	21,459,892	11,546,521
Buildings and building improvements	87,158,273	83,181,802	2,691,093	2,660,572
Infrastructure	141,390,013	137,887,984	3,863,066	3,651,321
Furniture and equipment	50,870,065	50,841,845	15,699,528	14,090,010
Sewer plant	-	-	47,295,928	43,676,057
Sewer system	-	-	213,281,426	201,569,976
Water system	-	-	44,402,505	43,969,114
Lease assets	7,095,654	-	78,411	-
SBITA assets	2,080,002	-	-	-
Less: accumulated depreciation and amortization	(139,843,248)	(130,928,730)	(97,783,781)	(89,981,525)
Total capital assets	\$ 226,477,958	\$ 196,548,756	\$ 253,012,336	\$ 233,088,663

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

DORCHESTER COUNTY, SOUTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2023

Long-Term Debt. At June 30, 2023, the County had \$218,451,490 in outstanding debt consisting of general obligation bonds, limited obligation (TIF) bonds, revenue bonds, installment notes and financed purchases. The general obligation bonds are secured by the full faith and credit, and taxing power of the County. The limited obligation and revenue bonds are secured by specific revenue sources.

	Governmental Activities		Business-Type Activities	
	2023	2022	2023	2022
General obligation bonds	\$ 124,835,000	\$ 160,945,033	\$ -	\$ -
Limited obligation bonds	14,465,000	14,465,000	-	-
Revenue bonds and notes payable	-	-	69,550,755	41,843,283
Financed purchases	9,600,735	11,069,862	-	-
Total	<u>\$ 148,900,735</u>	<u>\$ 186,479,895</u>	<u>\$ 69,550,755</u>	<u>\$ 41,843,283</u>

The County's general obligation bonded debt decreased by \$36,110,033 (22.4%) during fiscal year 2023. This was primarily due to retiring the Series 2009 general obligation bond during the year. The County's revenue bonded debt and notes payable obligations increased by \$27,707,472 (66.2%) during the year. This was due to the issuance of a \$4,150,000 Stormwater Revenue Bond as well as a \$28,220,000 Water and Sewer Revenue Bond. The County's financed purchase obligations decreased by \$1,469,127 during the year due to scheduled debt service payments during the year.

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Dorchester County is part of the three-county Charleston metropolitan area and is closely associated with the major economic centers of the metropolitan area including the military, the aerospace industry, tourism, and shipping and logistics. In addition, Dorchester County was one of the fastest growing counties in South Carolina over the past decade. According to recent U.S. Census figures, Dorchester County has grown from a population of 136,555 in 2010 to 161,540 in 2020. Dorchester County continues to be fast growing and 2020 Census data shows the County as the fifth fastest-growing in the state, which will begin to have a positive impact on state-shared revenue in upcoming fiscal years. Recent permit filings and development plan submittals including those for large format apartment complexes and master planned residential communities indicate continued growth in the local economy. The number of building inspections conducted in the prior year increased by 6,641 over the prior year to 40,257.

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

DORCHESTER COUNTY, SOUTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2023

A robust capital improvement plan is being administered by the County, which includes a large increase in vertical construction, resulting in new, replacement, and expanded public facilities. Libraries approved in the 2019 referendum, particularly the North Charleston Library branch was completed in 2023. This library has experienced strong patronage since opening with over 18,000 visitors in the first two months. Pine Trace Park in Summerville is under construction and expected to open in 2024. Emphasizing the continued investment in public safety infrastructure, the County opened the new Ladson Road Fire and EMS station in fiscal year 2023 and expected to open another full-service station in Summers Corner in the next year.

The County continues to incur increased costs associated with employee benefits provided by the state on the County's behalf. This includes an increase in employer premiums associated with the County's participation in the State Health Plan in fiscal year 2022-2023. Moreover, the County included required increases in the contribution rates for both the Police Officers Retirement System (PORS) and the South Carolina Retirement System (SCRS). Management expects costs associated with these benefits to continue to rise based on the pension reform plan which calls for continuous 1% increases to both SCRS and PORS for one more year. As of the publication of the Annual Comprehensive Financial Report, County Council has appropriated from fund balance \$2,043,346 in the General Fund balance, consisting of carryover items not completed in the fiscal year ended June 30, 2023 in addition to funding the advanced implementation of a April 2023 compensation study, the full implementation of which is funded by recurring sources.

REQUESTS FOR INFORMATION

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



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DORCHESTER COUNTY, SOUTH CAROLINA

STATEMENT OF NET POSITION
JUNE 30, 2023

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Current assets			
Cash and investments	\$ 81,437,927	\$ 31,828,143	\$ 113,266,070
Cash and investments, restricted	146,882,225	77,013,151	223,895,376
Receivable, net	3,898,387	12,303,020	16,201,407
Due from other governments	31,494,429	210,757	31,705,186
Prepaid items	973,367	311,013	1,284,380
Total current assets	<u>264,686,335</u>	<u>121,666,084</u>	<u>386,352,419</u>
Non-current assets			
Capital assets			
Non-depreciable	77,727,199	23,484,160	101,211,359
Depreciable, net	148,750,759	229,528,176	378,278,935
Total non-current assets	<u>226,477,958</u>	<u>253,012,336</u>	<u>479,490,294</u>
Total assets	<u>491,164,293</u>	<u>374,678,420</u>	<u>865,842,713</u>
DEFERRED OUTFLOWS OF RESOURCES			
Advance refunding charges	2,000,258	1,153,491	3,153,749
Deferred pension charges	16,023,343	2,486,512	18,509,855
Deferred other post-employment b ("OPEB") charges	2,070,685	255,454	2,326,139
Total deferred outflows of resources	<u>20,094,286</u>	<u>3,895,457</u>	<u>23,989,743</u>
Total assets and deferred outflows of resources	<u>\$ 511,258,579</u>	<u>\$ 378,573,877</u>	<u>\$ 889,832,456</u>
LIABILITIES			
Current liabilities			
Accounts payable	\$ 18,387,928	\$ 6,814,935	\$ 25,202,863
Accrued liabilities	4,026,243	890,533	4,916,776
Assets held for others	3,021,283	865,937	3,887,220
Accrued interest payable	1,312,490	484,771	1,797,261
Unearned revenue	18,309,955	-	18,309,955
Lease liabilities, due within one year	355,422	6,068	361,490
SBITA liabilities, due within one year	517,423	-	517,423
Bond anticipation note	10,000,000	-	10,000,000
Current portion of long-term debt	12,871,217	5,039,504	17,910,721
Total current liabilities	<u>68,801,961</u>	<u>14,101,748</u>	<u>82,903,709</u>
Non-current liabilities			
Net pension liability	87,097,913	15,733,076	102,830,989
Net OPEB liability	8,126,659	1,150,349	9,277,008
Total OPEB liability	897,268	-	897,268
Lease liabilities, due in more than one year	5,538,347	24,693	5,563,040
SBITA liabilities, due within one year	730,399	-	730,399
Long-term debt obligations	147,344,234	67,974,820	215,319,054
Total non-current liabilities	<u>249,734,820</u>	<u>84,882,938</u>	<u>334,617,758</u>
Total liabilities	<u>318,536,781</u>	<u>98,984,686</u>	<u>417,521,467</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred pension credits	1,733,595	264,941	1,998,536
Deferred OPEB credits	2,839,888	390,135	3,230,023
Total deferred inflows of resources	<u>4,573,483</u>	<u>655,076</u>	<u>5,228,559</u>
NET POSITION			
Net investment in capital assets	112,871,503	210,683,542	323,555,045
Restricted for:			
Public safety	6,817,085	-	6,817,085
Health and welfare	1,622,999	-	1,622,999
Capital projects	63,328,593	-	63,328,593
Capital improvements	4,700,903	43,149,045	47,849,948
Debt service	4,211,337	-	4,211,337
Other	11,172,844	-	11,172,844
Unrestricted	<u>(16,576,949)</u>	<u>25,101,528</u>	<u>8,524,579</u>
Total net position	<u>188,148,315</u>	<u>278,934,115</u>	<u>467,082,430</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 511,258,579</u>	<u>\$ 378,573,877</u>	<u>\$ 889,832,456</u>

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

DORCHESTER COUNTY, SOUTH CAROLINA

**STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Totals
					Governmental Activities	Business-Type Activities	
Governmental activities:							
General government	\$ 37,405,705	\$ 9,191,768	\$ 16,567,157	\$ -	\$ (11,646,780)	\$ -	\$ (11,646,780)
Public safety	49,236,776	9,534,603	3,866,343	-	(35,835,830)	-	(35,835,830)
Roads and drainage	5,249,516	-	705,973	3,648,591	(894,952)	-	(894,952)
Health and welfare	1,411,616	-	30,870	-	(1,380,746)	-	(1,380,746)
Recreation and culture	2,322,488	-	-	-	(2,322,488)	-	(2,322,488)
Airport	476,392	32,658	-	1,317,079	873,345	-	873,345
Economic development	1,562,703	-	174,000	349,357	(1,039,346)	-	(1,039,346)
Intergovernmental and nonprofit assistance	28,477,781	-	-	-	(28,477,781)	-	(28,477,781)
Library system	4,078,142	47,343	425,002	-	(3,605,797)	-	(3,605,797)
Nondepartmental	3,316,644	-	348,908	-	(2,967,736)	-	(2,967,736)
Interest	6,448,859	-	-	-	(6,448,859)	-	(6,448,859)
Total governmental activities	<u>139,986,622</u>	<u>18,806,372</u>	<u>22,118,253</u>	<u>5,315,027</u>	<u>(93,746,970)</u>	<u>-</u>	<u>(93,746,970)</u>
Business-type activities:							
Water and sewer	29,933,373	39,351,972	-	22,785,069	-	32,203,668	32,203,668
Solid waste	7,686,523	8,991,329	98,247	-	-	1,403,053	1,403,053
Stormwater management	2,856,176	5,112,975	-	-	-	2,256,799	2,256,799
Total business-type activities	<u>40,476,072</u>	<u>53,456,276</u>	<u>98,247</u>	<u>22,785,069</u>	<u>-</u>	<u>35,863,520</u>	<u>35,863,520</u>
Total	<u>\$ 180,462,694</u>	<u>\$ 72,262,648</u>	<u>\$ 22,216,500</u>	<u>\$ 28,100,096</u>	<u>(93,746,970)</u>	<u>35,863,520</u>	<u>(57,883,450)</u>
General Revenues:							
Property taxes					82,044,626	-	82,044,626
Franchise fees and hospitality taxes					2,287,684	-	2,287,684
Sales and use tax					37,106,694	-	37,106,694
Unrestricted investment earnings					7,202,745	1,871,757	9,074,502
Grants and contributions not restricted to specific programs					6,915,315	-	6,915,315
Miscellaneous					6,053,528	24,680	6,078,208
Gain on disposal of capital assets					249,464	69,360	318,824
Transfers					2,545,717	(2,545,717)	-
Total general revenues					<u>144,405,773</u>	<u>(579,920)</u>	<u>143,825,853</u>
Change in net position					50,658,803	35,283,600	85,942,403
Net position, beginning					<u>137,489,512</u>	<u>243,650,515</u>	<u>381,140,027</u>
Net position, ending					<u>\$ 188,148,315</u>	<u>\$ 278,934,115</u>	<u>\$ 467,082,430</u>

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

DORCHESTER COUNTY, SOUTH CAROLINA

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023**

	General	Grants Fund	Transportation Authority	Transportation Sales Tax Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and investments	\$ 49,011,991	\$ -	\$ -	\$ -	\$ 29,184,881	\$ 78,196,872
Cash and investments, restricted	-	19,289,847	40,953,435	10,065,119	76,573,824	146,882,225
Receivables, net	2,629,621	-	97,997	-	1,170,769	3,898,387
Due from other funds	2,573,684	-	-	-	40,000	2,613,684
Due from other governments	2,832,585	1,667,387	25,166,573	-	1,827,884	31,494,429
Prepaid items	735,603	69,017	3,886	-	162,752	971,258
Total assets	<u>\$ 57,783,484</u>	<u>\$ 21,026,251</u>	<u>\$ 66,221,891</u>	<u>\$ 10,065,119</u>	<u>\$ 108,960,110</u>	<u>\$ 264,056,855</u>
LIABILITIES						
Accounts payable	\$ 2,508,299	\$ 908,954	\$ 5,693,164	\$ 1,516,784	\$ 7,525,218	\$ 18,152,419
Accrued liabilities	2,446,970	23,447	-	-	620,988	3,091,405
Accrued interest	-	-	-	201,581	-	201,581
Assets held for others	2,871,283	-	-	-	150,000	3,021,283
Due to other funds	-	1,456,824	-	-	1,156,860	2,613,684
Unearned revenue	629,534	17,096,047	-	-	584,374	18,309,955
Bond anticipation note	-	-	-	10,000,000	-	10,000,000
Total liabilities	<u>8,456,086</u>	<u>19,485,272</u>	<u>5,693,164</u>	<u>11,718,365</u>	<u>10,037,440</u>	<u>55,390,327</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	2,227,969	890,129	13,595,512	-	278,709	16,992,319
Total deferred inflows of resources	<u>2,227,969</u>	<u>890,129</u>	<u>13,595,512</u>	<u>-</u>	<u>278,709</u>	<u>16,992,319</u>
FUND BALANCE						
Nonspendable:						
Prepaid items	735,603	69,017	3,886	-	162,752	971,258
Restricted:						
Public safety	-	-	-	-	4,950,074	4,950,074
Family court	-	-	-	-	2,702,469	2,702,469
Growth management	-	-	-	-	513,140	513,140
Tourism	-	-	-	-	2,715,348	2,715,348
Health and welfare	-	-	-	-	1,600,101	1,600,101
Capital projects	-	-	46,929,329	-	19,154,830	66,084,159
Capital improvements	-	-	-	-	2,949,765	2,949,765
Debt service	-	-	-	-	5,467,775	5,467,775
Airport improvements	-	311,409	-	-	-	311,409
Other	-	270,424	-	-	-	270,424
Oakbrook tax increment finance district	-	-	-	-	12,245,982	12,245,982
Parks and recreation improvements	-	-	-	-	12,266,107	12,266,107
Library improvements	-	-	-	-	20,664,180	20,664,180
Library system	-	-	-	-	7,525,820	7,525,820
Committed for:						
Economic development	-	-	-	-	1,047,233	1,047,233
Capital projects	-	-	-	-	406,075	406,075
Capital improvements	-	-	-	-	4,646,485	4,646,485
Contingencies	8,647,535	-	-	-	-	8,647,535
Assigned for:						
Next year's budgeted shortfall	624,755	-	-	-	-	624,755
Budget carryovers	1,418,591	-	-	-	-	1,418,591
Unassigned	35,672,945	-	-	(1,653,246)	(374,175)	33,645,524
Total fund balances (deficits)	<u>47,099,429</u>	<u>650,850</u>	<u>46,933,215</u>	<u>(1,653,246)</u>	<u>98,643,961</u>	<u>191,674,209</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 57,783,484</u>	<u>\$ 21,026,251</u>	<u>\$ 66,221,891</u>	<u>\$ 10,065,119</u>	<u>\$ 108,960,110</u>	<u>\$ 264,056,855</u>

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

DORCHESTER COUNTY, SOUTH CAROLINA

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2023**

Total governmental fund balances:	\$ 191,674,209
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Amounts reported for governmental activities in the statement of net position are different because of the following:

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

Costs of assets	\$ 366,321,206	
Accumulated depreciation and amortization	<u>(139,843,248)</u>	226,477,958

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

Unavailable revenue	16,992,319
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Deferred outflows of resources are not due and payable in the current period and, therefore, are not reported in the funds. These deferred outflows of resources consist of pension and OPEB related experience differences, assumption changes, differences between projected and actual earnings on plan investments, differences from changes in proportionate share and differences between employer contributions and proportionate share of total plan employer contributions, and contributions subsequent to the measurement date. These deferred outflows of resources also consist of deferred refunding charges on debt that was refunded:

Deferred outflows related to pensions	16,023,343	
Deferred outflows related to OPEB	2,070,685	
Advance refunding charges	<u>2,000,258</u>	20,094,286

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

General obligation bonds	(124,835,000)	
Limited obligation bonds	(14,465,000)	
Premiums	(7,558,389)	
Financed purchases	(9,600,735)	
Lease liabilities	(5,893,769)	
SBITA liabilities	(1,247,822)	
Compensated absences	(3,756,327)	
Accrued interest	(1,110,909)	
Net pension liability	(87,097,913)	
Total OPEB liability	(897,268)	
Net OPEB liability	<u>(8,126,659)</u>	(264,589,791)

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

2,072,817

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

Deferred inflows related to pensions	(1,733,595)	
Deferred inflows related to OPEB	<u>(2,839,888)</u>	<u>(4,573,483)</u>

Net position of governmental activities	<u>\$ 188,148,315</u>
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The accompanying notes are an integral part of these financial statements.

DORCHESTER COUNTY, SOUTH CAROLINA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>General</u>	<u>Grants Fund</u>	<u>Transportation Authority</u>	<u>Transportation Sales Tax Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues						
Taxes	\$ 45,681,495	\$ -	\$ 34,760,382	\$ -	\$ 35,065,592	\$ 115,507,469
Licenses and permits	6,984,271	-	-	-	-	6,984,271
Intergovernmental	10,370,796	10,509,666	3,975,464	-	9,400,839	34,256,765
Charges for services	10,004,187	-	-	-	588,379	10,592,566
Judicial fines and assessments	1,723,816	-	-	-	194,518	1,918,334
Interest	1,755,289	857,090	995,290	250,375	3,344,701	7,202,745
Miscellaneous	578,592	-	-	-	5,343,397	5,921,989
Total revenues	<u>77,098,446</u>	<u>11,366,756</u>	<u>39,731,136</u>	<u>250,375</u>	<u>53,937,426</u>	<u>182,384,139</u>
Expenditures						
Current:						
General government	26,160,948	2,227,959	119,580	10,631	7,145,589	35,664,707
Public safety	37,469,112	310,009	-	-	8,879,703	46,658,824
Roads and drainage	2,561,461	-	-	-	231,977	2,793,438
Health and welfare	1,369,589	5,306	-	-	-	1,374,895
Recreation and culture	1,058,931	-	-	-	635,791	1,694,722
Airport	169,055	-	-	-	-	169,055
Economic development	669,018	-	-	-	826,328	1,495,346
Intergovernmental and nonprofit assistance	3,642,636	-	20,689,551	1,517,909	2,427,809	28,277,905
Library system	-	-	-	-	3,396,041	3,396,041
Nondepartmental	3,316,644	-	-	-	-	3,316,644
Capital outlay	-	7,047,926	-	-	25,077,563	32,125,489
Debt service:						
Principal retirement	802,940	-	28,695,032	-	8,951,123	38,449,095
Interest and fiscal charges	79,430	-	1,878,917	375,081	4,222,728	6,556,156
Total expenditures	<u>77,299,764</u>	<u>9,591,200</u>	<u>51,383,080</u>	<u>1,903,621</u>	<u>61,794,652</u>	<u>201,972,317</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(201,318)</u>	<u>1,775,556</u>	<u>(11,651,944)</u>	<u>(1,653,246)</u>	<u>(7,857,226)</u>	<u>(19,588,178)</u>
Other Financing Sources (Uses)						
Issuance of leases and SBITAs	847,858	-	-	-	-	847,858
Sale of capital assets	4,000	-	-	-	784,471	788,471
Insurance recoveries	127,366	-	-	-	101,172	228,538
Transfers in	5,975,497	184,141	-	-	9,362,715	15,522,353
Transfers out	(4,717,852)	-	-	-	(8,177,106)	(12,894,958)
Total other financing sources, net	<u>2,236,869</u>	<u>184,141</u>	<u>-</u>	<u>-</u>	<u>2,071,252</u>	<u>4,492,262</u>
Net change in fund balance	2,035,551	1,959,697	(11,651,944)	(1,653,246)	(5,785,974)	(15,095,916)
Fund balance (deficit) - beginning	<u>45,063,878</u>	<u>(1,308,847)</u>	<u>58,585,159</u>	<u>-</u>	<u>104,429,935</u>	<u>206,770,125</u>
Fund balance (deficit) - ending	<u>\$ 47,099,429</u>	<u>\$ 650,850</u>	<u>\$ 46,933,215</u>	<u>\$ (1,653,246)</u>	<u>\$ 98,643,961</u>	<u>\$ 191,674,209</u>

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

DORCHESTER COUNTY, SOUTH CAROLINA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Net change in fund balances - total governmental funds	\$ (15,095,916)
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Amounts reported for governmental activities in the statement of activities are different because:

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

Capital outlay	\$ 34,383,141	
Depreciation and amortization expense	<u>(10,989,783)</u>	23,393,358

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.	(545,880)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:

Unavailable revenue	5,237,567
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The effects of these items are as follows:

Repayment of the principal of long-term debt	37,579,160	
Repayment of the principal of leases and SBITAs	869,935	
Issuance of leases and SBITAs	(847,858)	
Amortization of premium on long-term debt	582,743	
Amortization of deferred charge on refunding	<u>(324,980)</u>	37,859,000

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The following amounts represent the net liability changes using the full accrual method of accounting:

Net pension liability	363,353	
Total OPEB liability	(80,174)	
Net OPEB liability	180,883	
Compensated absences	(497,905)	
Accrued interest on long-term debt	<u>(150,466)</u>	(184,309)

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

(5,017)

\$ 50,658,803

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

DORCHESTER COUNTY, SOUTH CAROLINA

**STATEMENT OF NET POSITION
ENTERPRISE FUNDS
JUNE 30, 2023**

	Enterprise Funds			Internal
	Water and Sewer	Nonmajor Enterprise Funds	Totals	Service Fund Workers Compensation
ASSETS				
Current assets:				
Cash and investments	\$ 18,499,681	\$ 13,328,462	\$ 31,828,143	\$ 3,241,055
Cash and investments, restricted	72,839,531	4,173,620	77,013,151	-
Receivables, net	5,425,567	6,877,453	12,303,020	-
Due from other governments	210,757	-	210,757	-
Prepaid items	257,616	53,397	311,013	2,109
Total current assets	97,233,152	24,432,932	121,666,084	3,243,164
Noncurrent assets:				
Capital assets:				
Nondepreciable	22,427,602	1,056,558	23,484,160	-
Depreciable, net of accumulated depreciation and amortization	224,628,407	4,899,769	229,528,176	-
Total noncurrent assets	247,056,009	5,956,327	253,012,336	-
Total assets	344,289,161	30,389,259	374,678,420	3,243,164
DEFERRED OUTFLOWS OF RESOURCES				
Pension	1,663,691	822,821	2,486,512	-
OPEB	170,989	84,465	255,454	-
Advance refunding charges	1,153,491	-	1,153,491	-
Total deferred outflows of resources	2,988,171	907,286	3,895,457	-
Total assets and deferred outflows of resources	<u>\$ 347,277,332</u>	<u>\$ 31,296,545</u>	<u>\$ 378,573,877</u>	<u>\$ 3,243,164</u>
LIABILITIES				
Current liabilities:				
Account payable	\$ 5,659,597	\$ 1,155,338	\$ 6,814,935	\$ 235,509
Accrued liabilities	749,915	140,618	890,533	934,838
Assets held for others	865,937	-	865,937	-
Accrued interest	452,271	32,500	484,771	-
Current portion of lease liabilities	-	6,068	6,068	-
Current portion of compensated absences	269,032	69,685	338,717	-
Current portion of notes payable	522,373	-	522,373	-
Current portion of revenue bonds	3,820,414	358,000	4,178,414	-
Total current liabilities	12,339,539	1,762,209	14,101,748	1,170,347
Non-current liabilities:				
Net pension liability	10,526,785	5,206,291	15,733,076	-
Net OPEB liability	769,992	380,357	1,150,349	-
Lease liabilities	-	24,693	24,693	-
Compensated absences	159,525	58,529	218,054	-
Notes payable	4,688,382	-	4,688,382	-
Revenue bonds	59,703,384	3,365,000	63,068,384	-
Total non-current liabilities	75,848,068	9,034,870	84,882,938	-
Total liabilities	88,187,607	10,797,079	98,984,686	1,170,347
DEFERRED INFLOWS OF RESOURCES				
Pension	177,269	87,672	264,941	-
OPEB	261,139	128,996	390,135	-
Total deferred inflows of resources	438,408	216,668	655,076	-
NET POSITION				
Net investment in capital assets	204,642,705	6,040,837	210,683,542	-
Restricted for capital improvements	43,149,045	-	43,149,045	-
Unrestricted	10,859,567	14,241,961	25,101,528	2,072,817
Total net position	258,651,317	20,282,798	278,934,115	2,072,817
Total liabilities, deferred inflows of resources, and net position	<u>\$ 347,277,332</u>	<u>\$ 31,296,545</u>	<u>\$ 378,573,877</u>	<u>\$ 3,243,164</u>

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

DORCHESTER COUNTY, SOUTH CAROLINA

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Enterprise Funds			Internal Service Fund
	Water and Sewer	Nonmajor Enterprise Funds	Totals	Workers Compensation
Operating Revenues				
Charges for services, net	\$ 33,612,651	\$ 13,188,967	\$ 46,801,618	\$ -
Tap fees	3,575,284	-	3,575,284	-
Origination fee	206,104	-	206,104	-
Reconnection fee	1,242,781	-	1,242,781	-
Inspection fee	396,807	396,878	793,685	-
Premiums and billings to other funds	-	-	-	1,800,000
Other charges	318,345	518,459	836,804	20,326
Total operating revenues	<u>39,351,972</u>	<u>14,104,304</u>	<u>53,456,276</u>	<u>1,820,326</u>
Operating Expenses				
Personnel services	7,848,277	3,572,733	11,421,010	-
Contractual services	4,725,585	5,315,361	10,040,946	-
Maintenance and repairs	1,531,582	452,872	1,984,454	-
Utilities	1,396,440	47,352	1,443,792	-
Office expenses	252,609	25,164	277,773	-
Truck expenses	368,920	118,949	487,869	-
Other services and charges	1,925,718	124,998	2,050,716	-
Supplies	1,418,101	157,389	1,575,490	-
Collection expenses	931,738	-	931,738	-
Claims paid and premium expenses	-	-	-	1,750,538
Depreciation	7,750,565	513,290	8,263,855	-
Amortization	-	6,199	6,199	-
Total operating expenses	<u>28,149,535</u>	<u>10,334,307</u>	<u>38,483,842</u>	<u>1,750,538</u>
Operating income	<u>11,202,437</u>	<u>3,769,997</u>	<u>14,972,434</u>	<u>69,788</u>
Non-Operating Revenues (Expenses)				
Investment income	1,407,077	464,680	1,871,757	-
Impact fees	10,231,422	-	10,231,422	-
Settlement of legal claim	24,680	-	24,680	-
Gain (loss) on disposition of capital assets	26,633	42,727	69,360	-
Grant revenue	-	98,247	98,247	-
Interest expense	(1,783,838)	(208,392)	(1,992,230)	-
Total non-operating revenues, net	<u>9,905,974</u>	<u>397,262</u>	<u>10,303,236</u>	<u>-</u>
Income before capital contributions and transfers	<u>21,108,411</u>	<u>4,167,259</u>	<u>25,275,670</u>	<u>69,788</u>
Capital Contributions and Transfers				
Capital contributions	12,553,647	6,873	12,560,520	-
Transfer in	-	113,895	113,895	-
Transfer out	(1,904,340)	(762,145)	(2,666,485)	(74,805)
Total contributions and transfers	<u>10,649,307</u>	<u>(641,377)</u>	<u>10,007,930</u>	<u>(74,805)</u>
Change in net position	<u>31,757,718</u>	<u>3,525,882</u>	<u>35,283,600</u>	<u>(5,017)</u>
Net position, beginning	<u>226,893,599</u>	<u>16,756,916</u>	<u>243,650,515</u>	<u>2,077,834</u>
Net position, ending	<u>\$ 258,651,317</u>	<u>\$ 20,282,798</u>	<u>\$ 278,934,115</u>	<u>\$ 2,072,817</u>

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

DORCHESTER COUNTY, SOUTH CAROLINA

**STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Enterprise Funds			Internal Service Fund
	Water and Sewer	Nonmajor Enterprise Funds	Totals	Workers Compensation
Cash Flows from Operating Activities:				
Cash received from customers and users	\$ 38,453,029	\$ 13,711,966	\$ 52,164,995	\$ 1,826,864
Cash paid to employees	(7,019,107)	(3,378,733)	(10,397,840)	-
Cash paid to suppliers, premiums and claims	(8,908,859)	(6,038,313)	(14,947,172)	(1,296,158)
Total provided by operating activities	<u>22,525,063</u>	<u>4,294,920</u>	<u>26,819,983</u>	<u>530,706</u>
Cash Flows from Non-Capital Financing Activities:				
Noncapital transfers and advances between funds	(1,904,340)	(648,250)	(2,552,590)	(74,805)
Noncapital grants	-	98,247	98,247	-
Total (used in) noncapital financing activities	<u>(1,904,340)</u>	<u>(550,003)</u>	<u>(2,454,343)</u>	<u>(74,805)</u>
Cash Flows from Capital and Related Financing Activities:				
Acquisition and construction of capital assets	(14,886,324)	(1,288,460)	(16,174,784)	-
Impact fees	10,231,422	-	10,231,422	-
Proceeds from the sale of capital assets	25,660	66,572	92,232	-
Proceeds from the issuance of debt	28,453,000	4,150,000	32,603,000	-
Bond premium	1,490,069	-	1,490,069	-
Debt forgiveness	216,459	-	216,459	-
Principal paid on debt	(4,252,069)	(433,002)	(4,685,071)	-
Interest paid	(1,626,785)	(175,892)	(1,802,677)	-
Total provided by capital and related financing activities	<u>19,651,432</u>	<u>2,319,218</u>	<u>21,970,650</u>	<u>-</u>
Cash Flows from Investing Activities:				
Interest income	<u>1,407,077</u>	<u>464,680</u>	<u>1,871,757</u>	<u>-</u>
Total provided by investing activities	<u>1,407,077</u>	<u>464,680</u>	<u>1,871,757</u>	<u>-</u>
Net change in cash and cash equivalents, including restricted	41,679,232	6,528,815	48,208,047	455,901
Cash and cash equivalents, beginning of year, including restricted	<u>49,659,980</u>	<u>10,973,267</u>	<u>60,633,247</u>	<u>2,785,154</u>
Cash and cash equivalents, end of year, including restricted	<u>\$ 91,339,212</u>	<u>\$ 17,502,082</u>	<u>\$ 108,841,294</u>	<u>\$ 3,241,055</u>

(Continued)

DORCHESTER COUNTY, SOUTH CAROLINA

**STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Enterprise Funds			Internal Service Fund
	Water and Sewer	Nonmajor Enterprise Funds	Totals	Workers Compensation
Reconciliation of Operating Income to Net Cash Flows Provided by Operating Activities:				
Operating income	\$ 11,202,437	\$ 3,769,997	\$ 14,972,434	\$ 69,788
Adjustments to reconcile:				
Depreciation and amortization	7,750,565	519,489	8,270,054	-
Changes in assets and liabilities:				
(Increase) in accounts receivable	(898,943)	(392,338)	(1,291,281)	-
Decrease in due from other governments	-	-	-	6,538
(Increase) in prepaid items	(46,920)	(42,047)	(88,967)	(2,109)
Increase in accounts payable	3,579,537	245,819	3,825,356	114,743
Increase in assets held for others	109,217	-	109,217	-
Increase in accrued liabilities	443,509	28,447	471,956	341,746
Increase (decrease) in accrued compensated absences	43,879	(3,492)	40,387	-
Increase in pension and OPEB deferred inflows/outflows and liability	341,782	169,045	510,827	-
	<u>3,572,061</u>	<u>5,434</u>	<u>3,577,495</u>	<u>460,918</u>
Net cash flow provided by operating activities	<u>\$ 22,525,063</u>	<u>\$ 4,294,920</u>	<u>\$ 26,819,983</u>	<u>\$ 530,706</u>
Schedule of Noncash Capital and Financing Activities:				
Acquisition of capital assets through developer contributions	\$ 12,337,188	\$ -	\$ 12,337,188	\$ -
Capital assets transferred from governmental activities	-	6,873	6,873	-
	<u>\$ 12,337,188</u>	<u>\$ 6,873</u>	<u>\$ 12,344,061</u>	<u>\$ -</u>

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

DORCHESTER COUNTY, SOUTH CAROLINA

**STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2023**

	Custodial Funds
ASSETS	
Cash and investments	\$ 52,071,996
Receivables, net	2,696,135
Due from other governments	215,966
Total assets	<u>54,984,097</u>
LIABILITIES	
Due to others	19,509,390
Total liabilities	<u>19,509,390</u>
NET POSITION	
Restricted:	
Individuals, organizations and other governments	<u>35,474,707</u>
Total net position	<u><u>\$ 35,474,707</u></u>

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

DORCHESTER COUNTY, SOUTH CAROLINA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

CUSTODIAL FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Custodial Funds
Additions	
Tax collections for other governments	\$ 190,789,824
Grant revenues	235,804,617
Fines and fees	6,434,597
Miscellaneous	9,308,529
Total additions	<u>442,337,567</u>
Deductions	
Payments of taxes to other governments	378,867,228
Disbursement of debt proceeds	55,926,883
Payments to designated beneficiaries	1,050
Total deductions	<u>434,795,161</u>
Net increase in fiduciary net position	7,542,406
Net position, beginning of year	<u>27,932,301</u>
Net position, end of year	<u><u>\$ 35,474,707</u></u>

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

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

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

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

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

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

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

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

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

The Dorchester County Library System (the "Library System"), a blended component unit, was established on April 12, 1979 pursuant to the provisions of Act 564 of 1978. The Library System operates under a Board of Trustees, which is appointed by the Dorchester County Council. The Library System provides library services to the residents of Dorchester County. The Library System is fiscally dependent upon the County because the County Council approves the Library System's budgets, levies taxes, and must approve any debt issuances. It is reported as a blended component unit and considered part of the primary government. The Library System's financial information is presented in individual columns throughout the financial statements within the nonmajor governmental funds. Separate financial statements for the Library System are not issued.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Related Organizations

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

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

Measurement Focus, Basis of Accounting, and Basis of Presentation

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

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

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

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government generally considers all revenues to be available if they are collected within 90 days of the end of the current fiscal period (60 days for property taxes). Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, including lease liabilities and subscription-based information technology arrangements ("SBITAs"), as well as expenditures related to compensated absences, claims and judgments, and pension/OPEB benefits are recorded only when payment is due. General capital asset acquisitions, including entering contracts giving the County the right to use leased assets and SBITAs, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

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

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

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

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The government reports the following major governmental funds:

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

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

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

The **Transportation Sales Tax Fund**, a major capital projects fund, is used to account for and report the collection of the one percent sales tax. The tax is used for transportation needs of 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:

Capital Improvements Fund
Sheriff's Fund
Hospitality Tax Fund
Economic Development
Family Court DSS
E911
Victims' Advocate
First Circuit Solicitor
C-Funds
Public Defender

Other Special Revenue Fund
Upper Dorchester Economic Development
Children in Crisis
Senior Citizens Center
Fire Protection Improvement Fund
Firefighters' 1% Fund
Dorchester County Economic Development
Corporation
Library System

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

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

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

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

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and the governmental funds balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County currently has three types of deferred outflows of resources: (1) The County reports advance refunding charges in its statements of net position. Advance refunding charges, which are the differences between the reacquisition prices and the net carrying amounts of the defeased debt, are deferred and amortized over the life of the refunding bonds. Amortization of advanced refunding charges is included in interest expense in the statement of activities. (2) The County reports deferred pension charges in its statements of net position in connection with its participation in the South Carolina Retirement System and the South Carolina Police Officers Retirement System. (3) The County reports deferred other post-employment benefits ("OPEB") charges in its statements of net position in connection with the Dorchester County OPEB Plan. The deferred pension and OPEB charges are either: (a) recognized in the subsequent period as a reduction of the net pension/OPEB liability (which includes contributions made after the measurement date), or (b) amortized in a systematic and rational method as pension/OPEB expense in future periods in accordance with GAAP. See Note 11, Note 12, and Note 13 and the required supplementary information immediately following the notes to the financial statements for more information related to the deferred outflows for pension and OPEB.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of net position and the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County currently has three types of deferred inflows of resources: (1) The County reports unavailable revenue only in the governmental funds' balance sheet; it is deferred and recognized as an inflow of resources (revenues) in the period the amounts become available. (2) The County also reports deferred pension credits in its statements of net position in connection with its participation in the South Carolina Retirement System and the South Carolina Police Officers Retirement System. (3) The County also reports deferred OPEB credits in its statements of net position in connection with its participation in the Dorchester County OPEB Plan. These deferred pension and OPEB credits are amortized in a systematic and rational method and recognized as a reduction of OPEB expense in future periods in accordance with GAAP. See Note 11, Note 12, and Note 13 and the required supplementary information immediately following the notes to the financial statements for more information related to the deferred outflows for pension and OPEB.

Cash and Cash Equivalents

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

Investments

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

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

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments (Continued)

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

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

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments (Continued)

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

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

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interfund Receivables and Payables

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

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

Inventories

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

Prepaid Items

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

Capital Assets

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

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

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

All reported capital assets, including right to use lease and SBITA assets, except land and certain infrastructure assets are depreciated/amortized. 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/amortization is provided using the straight-line method over the following estimated useful lives:

Buildings and other improvements	10 - 50 Years
Furniture and equipment	3 - 7 Years
Infrastructure	10 - 30 Years
Water and sewer systems	50 Years
Right-to-use leased buildings	3 - 15 Years
Right-to-use leased land	3 - 88 Years
Right-to-use SBITAs	3 - 5 Years

Leases – Lessee

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

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

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

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

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases – Lessee (Continued)

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

Lease assets are reported with capital assets and lease liabilities are reported separately on the statement of net position.

Subscription-Based Information Technology Arrangements (SBITAs)

The County has noncancellable SBITAs of various IT software. The County recognizes a SBITA liability and an intangible right-to-use SBITA asset on the statement of net position. The County recognizes SBITA's with an initial, individual value of \$5,000 or more.

At the commencement of a SBITA, the County initially measures the SBITA liability at the present value of payments expected to be made during the SBITA term. Subsequently, the SBITA liability is reduced by the principal portion of SBITA payments made. The SBITA asset is initially measured as the initial amount of the SBITA liability, adjusted for SBITA payments made at or before the SBITA commencement date, plus certain implementation and conversion costs. Subsequently, the SBITA asset is amortized on a straight-line basis over its useful life.

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

- The County uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the County uses the ten-year treasury rate at the SBITA inception date as the discount rate.
- The County term includes the noncancellable period of the SBITA. SBITA payments included in the measurement of the SBITA liability are composed of fixed payments and purchase option prices that the SBITA is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its SBITA and will remeasure the SBITA asset and liability if certain changes occur that are expected to significantly affect the amount of the SBITA liability. The County reports SBITA assets with capital assets and SBITA liabilities are reported separately on the statement of net position.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

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

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

Accrued Liabilities and Long-Term Obligations

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

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

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accrued Liabilities and Long-Term Obligations (Continued)

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

Fund Balances

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

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

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balances (Continued)

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

The County's Council has formally adopted a minimum fund balance policy that supports maintaining an unassigned fund balance in the General Fund of at least 32% of the subsequent fiscal year's projected revenues in the General Fund. The unassigned fund balance of the General Fund as of June 30, 2023 is approximately \$35,673,000, which represents approximately 42% of the fiscal year 2024 General Fund projected revenues of approximately \$83,946,000.

Net Position

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

Pension and Other Post-Employment Benefits

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

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pension and Other Post-Employment Benefits (Continued)

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

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

Fair Value

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

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

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

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

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

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

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

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value (Continued)

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

Accounting Estimates

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

Comparative Data

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

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

Encumbrances are recorded in order to reserve that portion of the applicable appropriation and are employed as an extension of formal budgetary integration in all funds except the Sheriff's Fund, which is subject to the Sheriff's discretion. Annual budgets are used for all funds except the Capital Projects Funds, Grants Fund, Family Court DSS Fund, Sheriff's Fund, C-Funds, Senior Citizens Center Fund, Upper Dorchester Economic Development Fund, Children in Crisis Fund, Economic Development Fund, Dorchester County Economic Development Corporation, Firefighters' 1% Fund, the two nonmajor capital project funds, and some Other Special Revenue Funds which use project-length budgets. Encumbrances are used as budgetary controls in certain special revenue funds and Capital Projects Fund. At June 30, 2023, the County had no outstanding encumbrances.

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

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

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

Deficit Fund Balances

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

<u>Fund</u>	<u>Deficit</u>	<u>Resource for Elimination</u>
Transportation Sales Tax Fund	\$ 1,653,246	Future revenues
Nonmajor Governmental Fund - C-Funds	42,656	Future revenues
Nonmajor Governmental Fund - Public Defender	98,776	Future revenues

Excess of Expenditures Over Appropriations

For the year ended June 30, 2023, the following functions had excess of actual expenditures over appropriations. The over-expenditures in the General Fund were funded by under-expenditures in other functions. The over-expenditures in the County Bonds Fund were funded by excess revenues over appropriations. The over-expenditures in the E911 Fund were funded by excess revenues over appropriations as well as under-expenditures in other functions. The over-expenditures in the Public Defender Fund were funded by excess revenues over appropriations. The over-expenditures in Fire Protection Improvement Fund were funded by previous years fund balance.

	<u>Excess</u>
General Fund:	
Airport	\$ 3,985
Intergovernmental and nonprofit assistance	56,010
Nondepartmental	1,002,171
Debt service	882,370
Nonmajor Governmental Fund - County Bonds Fund:	
Debt service	153
Nonmajor Governmental Fund - E911:	
Capital outlay	670,662
Nonmajor Governmental Fund - Public Defender:	
General government	105,757
Debt service	40,050
Nonmajor Governmental Fund - Fire Protection Improvement:	
Public safety	28,981
Debt service	6,000

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 3. DEPOSITS AND INVESTMENTS

Deposits

Custodial Credit Risk for Deposits: Custodial credit risk for deposits is the risk that, in the event of a bank failure, the County's deposits might not be recovered. The County does not have a formal policy related to custodial credit risk but follows the investment policy statutes of the State of South Carolina. As of June 30, 2023, The County's bank balances were not exposed to custodial credit risk.

Investments

As of June 30, 2023, the County had the following investments and maturities:

Investment Type	Fair Value Level	Credit Rating	Fair Value	Investment Maturities		
				Less than 1 year	More than 1 year but less than 5 years	More than 5 years
S.C. local government investment pool	N/A	N/A	\$ 244,983,622	\$ 244,983,622	\$ -	\$ -
U.S. government sponsored enterprise	Level 2	N/A	5,997,483	950,320	4,650,542	396,621
U.S. agency bonds	Level 1	N/A	5,554,483	-	5,554,483	-
U.S. agency bonds	Level 2	N/A	7,843,074	-	4,353,258	3,489,816
Total			<u>\$ 264,378,662</u>	<u>\$ 245,933,942</u>	<u>\$ 14,558,283</u>	<u>\$ 3,886,437</u>

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

Custodial Credit Risk for Investments: Custodial credit risk for investments is the risk that, in the event of a bank failure, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County does not have an investment policy for custodial credit risk but follows the investment policy statutes of the State of South Carolina. As of June 30, 2023, none of the County's investments were exposed to custodial credit risk.

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

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

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (Continued)

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

As reported in the statement of net position:	
Cash and investments	\$ 113,266,070
Cash and investments, restricted	223,895,376
Cash and investments - custodial funds	52,071,996
Total	<u>\$ 389,233,442</u>
Deposits	\$ 124,854,780
Investments	264,378,662
Total	<u>\$ 389,233,442</u>

NOTE 4. PROPERTY TAXES AND OTHER RECEIVABLES

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

Property taxes are levied and billed by the County on real and personal properties on October 1 based on an assessed value as of the preceding December 31 of approximately \$803 million at rates of 5.5 mills for the Library, 1.0 mills for the Children in Crisis Fund, 1.9 mills for the Senior Citizens Center Fund, 54.9 mills for the General Fund, 8.5 mills for the County Bonds Fund, 6.8 mills for the Capital Improvements Fund, and 21.2 mills for the Fire Protection Fund for the current year. These taxes are due without penalty through January 15.

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

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

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

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 4. PROPERTY TAXES AND OTHER RECEIVABLES

Receivables as of June 30, 2023 for the County's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Grant Fund	Transportation Authority	Water and Sewer	Nonmajor Funds	Total
Receivables:						
Taxes	\$ 1,230,977	\$ -	\$ -	\$ -	\$ 694,755	\$ 1,925,732
Accounts	12,211,234	-	97,997	7,123,575	7,926,410	27,359,216
Other	-	-	-	-	-	-
Other governments	2,832,585	1,667,387	25,166,573	210,757	1,827,884	31,705,186
Gross receivables	16,274,796	1,667,387	25,264,570	7,334,332	10,449,049	60,990,134
Less allowance for uncollectibles	(10,812,590)	-	-	(1,698,008)	(572,943)	(13,083,541)
Net total receivable	<u>\$ 5,462,206</u>	<u>\$ 1,667,387</u>	<u>\$ 25,264,570</u>	<u>\$ 5,636,324</u>	<u>\$ 9,876,106</u>	<u>\$ 47,906,593</u>

NOTE 5. UNEARNED AND UNAVAILABLE REVENUE

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also report unearned revenue in connection with resources that have been received, but not yet earned. At June 30, 2023, the various components of unearned revenue and deferred inflows of resources reported in the governmental funds are as follows:

Unavailable revenue:	
Property taxes receivable	\$ 708,943
Grant reimbursements	7,278,140
Fees for emergency medical services	1,724,228
Sales taxes receivable	7,281,008
Total unavailable revenue - governmental funds	<u>\$ 16,992,319</u>
Unearned revenue:	
Advance tax installments	\$ 585,514
Parks and recreation deposits	10,950
Communication tower deposits	33,070
American Rescue Plan Act Funds	17,096,047
Deposits held for collateral	114,991
Assets seized in connection with adjudicated cases	469,383
Total unearned revenue - governmental funds	<u>\$ 18,309,955</u>

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 6. CAPITAL ASSETS

Capital asset activity for governmental activities for the year ended June 30, 2023 was as follows:

	Balance June 30, 2022	Additions	Deletions	Transfers	Balance June 30, 2023
Capital assets not being depreciated					
Land, improvements, and right of way	\$ 41,882,455	\$ 531,548	\$ (528,131)	\$ 437	\$ 41,886,309
Construction in progress	13,683,400	23,518,694	(10,876)	(1,350,328)	35,840,890
Total capital assets not being depreciated	55,565,855	24,050,242	(539,007)	(1,349,891)	77,727,199
Capital assets being depreciated					
Infrastructure	137,887,984	3,502,029	-	-	141,390,013
Buildings and improvements	83,181,802	3,227,925	(47,385)	795,931	87,158,273
Furniture and equipment	50,841,845	2,755,087	(3,269,044)	542,177	50,870,065
Total capital assets being depreciated	271,911,631	9,485,041	(3,316,429)	1,338,108	279,418,351
Less accumulated depreciation					
Infrastructure	(78,287,329)	(3,879,857)	-	-	(82,167,186)
Buildings and improvements	(23,106,804)	(2,023,272)	47,385	-	(25,082,691)
Furniture and equipment	(29,534,597)	(4,149,055)	3,269,044	4,910	(30,409,698)
Total accumulated depreciation	(130,928,730)	(10,052,184)	3,316,429	4,910	(137,659,575)
Total capital assets being depreciated, net	140,982,901	(567,143)	-	1,343,018	141,758,776
Governmental activities capital assets, net, excluding leases and SBITAs	\$ 196,548,756	\$ 23,483,099	\$ (539,007)	\$ (6,873)	219,485,975
Leases and SBITAs					6,991,983
Total per statement of net position					<u>\$ 226,477,958</u>

Depreciation expense for the year ended June 30, 2023 was charged to functions of the primary government as follows:

General government	\$ 1,312,775
Public safety	3,196,294
Roads and drainage	3,259,859
Health and welfare	41,395
Recreation and culture	748,187
Airport	401,189
Economic development	131,632
Intergovernmental and nonprofit assistance	209,029
Library system	751,824
Total	<u>\$ 10,052,184</u>

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 6. CAPITAL ASSETS (CONTINUED)

Capital asset activity for business-type activities for the year ended June 30, 2023 was as follows:

	Balance June 30, 2022	Additions	Deletions	Transfers	Balance June 30, 2023
Capital assets not being depreciated					
Land, improvements, and right of way	\$ 1,906,617	\$ 10,000	\$ -	\$ 107,651	\$ 2,024,268
Construction in progress	11,546,521	13,993,743	(352,850)	(3,727,522)	21,459,892
Total capital assets not being depreciated	<u>13,453,138</u>	<u>14,003,743</u>	<u>(352,850)</u>	<u>(3,619,871)</u>	<u>23,484,160</u>
Capital assets being depreciated					
Infrastructure	3,651,321	211,745	-	-	3,863,066
Sewer plant	43,676,057	-	-	3,619,871	47,295,928
Sewer system	201,569,976	11,711,450	-	-	213,281,426
Water system	43,969,114	433,391	-	-	44,402,505
Buildings and improvements	2,660,572	30,521	-	-	2,691,093
Furniture and equipment	14,090,010	2,127,995	(530,260)	11,783	15,699,528
Total capital assets being depreciated	<u>309,617,050</u>	<u>14,515,102</u>	<u>(530,260)</u>	<u>3,631,654</u>	<u>327,233,546</u>
Less accumulated depreciation					
Infrastructure	(486,608)	(198,993)	-	-	(685,601)
Sewer plant	(25,967,116)	(1,522,222)	-	-	(27,489,338)
Sewer system	(47,345,409)	(4,188,570)	-	-	(51,533,979)
Water system	(9,121,247)	(886,510)	-	-	(10,007,757)
Buildings and improvements	(576,756)	(105,671)	-	-	(682,427)
Furniture and equipment	(6,484,389)	(1,361,889)	514,155	(4,910)	(7,337,033)
Total accumulated depreciation	<u>(89,981,525)</u>	<u>(8,263,855)</u>	<u>514,155</u>	<u>(4,910)</u>	<u>(97,736,135)</u>
Total capital assets being depreciated, net	<u>219,635,525</u>	<u>6,251,247</u>	<u>(16,105)</u>	<u>3,626,744</u>	<u>229,497,411</u>
Business-type activities capital assets, net excluding leases	<u>\$ 233,088,663</u>	<u>\$ 20,254,990</u>	<u>\$ (368,955)</u>	<u>\$ 6,873</u>	<u>252,981,571</u>
Leases					30,765
Total per statement of net position					<u>\$ 253,012,336</u>

Depreciation expense for the year ended June 30, 2023 was charged to Water and Sewer, Solid Waste, and Stormwater in the amounts of \$7,750,565, \$162,886, and \$350,404, respectively.

NOTE 7. LONG-TERM OBLIGATIONS

The County has the following forms of long-term indebtedness as of June 30, 2023:

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

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

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 7. LONG-TERM OBLIGATIONS (CONTINUED)

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

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

Financed Purchase Obligations – The County uses financed purchase agreements on various equipment. Resources in the Capital Improvements Fund and the Fire Improvements Fund have been used in the past to liquidate these obligations.

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

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

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

The South Carolina Constitution permits the County to incur general obligation (general purpose) bonded indebtedness not to exceed 8% of the assessed value of taxable property in the County, approved by referendum. The 2020 general obligation bonds, 2022 general obligation bonds, 2013A general obligation bonds issued by the Authority, as well as a portion of the 2021 general obligation bond, were approved by referendum and are not subject to the debt limit. At June 30, 2023, 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.

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 7. LONG-TERM OBLIGATIONS (CONTINUED)

From time to time, the County issues industrial development revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Additionally, not-for-profit entities which provide fire protection within the County occasionally borrow funds to purchase equipment. The lending institutions require the County to authorize the borrowings although the loans and the related assets belong to the not-for-profit entities. The County is not obligated in any manner for repayment of the bonds and notes. Accordingly, the bonds and notes are not reported as liabilities in the accompanying financial statements. As of June 30, 2023, there were an undetermined number of industrial revenue bonds and notes outstanding and the principal payable at June 30, 2023 could not be determined.

In October 2022, the County issued its Series 2022 Stormwater System Revenue Bond in the amount of \$4,150,000 with an interest rate of 3.55%. Principal payments are due annually beginning on April 1, 2023 through April 1, 2032 with interest due semi-annually beginning on April 1, 2023.

In June 2023, the County issued its Series 2023 Waterworks and Sewer System Revenue Bonds in the amount of \$28,220,000 with interest ranging from 4.00% to 5.00%. Principal payment are due annually beginning on October 1, 2024 through October 1, 2048 with interest due semi-annually beginning on October 1, 2023.

During the current fiscal year, the County drew down the remaining balance available on the State Revolving Loan Series 2018 in the amount of \$233,000. Principal payments are due quarterly, maturing February 24, 2034. Quarterly interest payments at a rate of 1.90% are due beginning May 1, 2020.

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 7. LONG-TERM OBLIGATIONS (CONTINUED)

The following is a summary of changes in the County's governmental activities long-term obligations for the year ended June 30, 2023:

	Balance			Balance	Due in
	June 30, 2022	Additions	Retirements	June 30, 2023	One Year
General obligation bonds	\$ 160,945,033	\$ -	\$ 36,110,033	\$ 124,835,000	\$ 9,135,000
Limited obligation bonds	14,465,000	-	-	14,465,000	-
Premiums	8,141,132	-	582,743	7,558,389	537,013
Financed purchases	11,069,862	-	1,469,127	9,600,735	1,475,839
Compensated absences	3,258,422	2,345,384	1,847,479	3,756,327	1,723,365
Net pension liability	75,692,960	23,614,080	12,209,127	87,097,913	-
Net OPEB liability	9,071,242	953,197	1,897,780	8,126,659	-
Total OPEB liability	594,149	325,371	22,252	897,268	-
Total	\$ 283,237,800	\$ 27,238,032	\$ 54,138,541	\$ 256,337,291	\$ 12,871,217

The following is a summary of changes in the County's business-type activities long-term obligations for the year ended June 30, 2023:

	Balance			Balance	Due in
	June 30, 2022	Additions	Retirements	June 30, 2023	One Year
Revenue bonds	\$ 36,122,028	\$ 32,370,000	\$ 4,152,028	\$ 64,340,000	\$ 4,021,000
Premiums on bonds	1,574,143	1,490,069	157,414	2,906,798	157,414
Notes payable	5,721,255	233,000	743,500	5,210,755	522,373
Compensated absences	516,384	392,267	351,880	556,771	338,717
Net pension liability	13,234,014	3,664,901	1,165,839	15,733,076	-
Net OPEB liability	1,284,057	134,927	268,635	1,150,349	-
Total	\$ 58,451,881	\$ 38,285,164	\$ 6,839,296	\$ 89,897,749	\$ 5,039,504

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 7. LONG-TERM OBLIGATIONS (CONTINUED)

The following is a summary of each long-term obligation of the County at June 30, 2023.

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

	Principal Outstanding At Year-End
\$18,000,000 Series 2012 general obligation bond due in annual principal installments of \$475,000 to \$1,015,000 through April 1, 2038; interest ranging from 3.00 to 4.00%. Plus unamortized issuance premium	\$ 12,460,000 421,655
\$9,005,000 2013B Series refunding bonds due in annual principal installments of \$85,000 to \$760,000 through April 1, 2031; interest ranging from 1.50 to 5.00%. Plus unamortized issuance premium	5,335,000 304,203
\$43,890,000 (Transportation Projects) Series 2013A serial refunding bonds due in annual payments of \$2,655,000 to \$4,170,000 through May 1, 2029; interest ranging from 3.00% to 5.00%. Plus unamortized issuance premium	23,025,000 1,277,609
\$19,030,000 2019 general obligation serial refunding and improvement bond due in annual payments of \$550,000 to \$2,810,000 through April 1, 2039; interest ranging from 3.00% to 5.00%.	12,400,000
\$25,000,000 2020 general obligation bond due in annual payments of \$630,000 to \$1,340,000 through April 1, 2045; interest ranging from 2.00% to 5.00%. Plus unamortized issuance premium	22,910,000 1,395,437
\$4,650,000 Winding Woods Special Source Revenue Bonds due in annual payments of \$1,132,000 to \$1,787,000 through March 2025; interest at 1.77%.	2,863,000
\$5,275,000 Series 2021 general obligation bond due in annual installments of \$340,000 to \$654,000 through April 1, 2031; interest at 1.44%.	4,692,000
\$43,000,000 Series 2022 general obligation bond due in annual installments of \$1,055,000 to \$2,450,000 through April 1, 2047; interest ranging from 3.00% to 5.00%. Plus unamortized issuance premium	41,150,000 3,429,770
Total general obligation bonds outstanding at year-end	<u>\$ 131,663,674</u>

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 7. LONG-TERM OBLIGATIONS (CONTINUED)

The County has entered into financed purchase agreements with payment terms varying from three to eight years with interest rates varying from 0% to 2.60%, secured by various vehicles, computer hardware, cameras and other equipment. As of June 30, 2023, the County's liability for financed purchase agreements was \$9,600,735.

Revenue bonds payable are comprised of the following individual issuances:

	Principal Outstanding At Year-End
\$23,445,000 2015 Waterworks and Sewer System Revenue Refunding Bond due in annual principal installments of \$1,100,000 to \$2,065,000 through October 1, 2031; interest ranging from 3.00% to 5.00%. Plus unamortized issuance premium	\$ 15,970,000 1,416,729
\$6,219,000 2017 Waterworks and Sewer System Revenue Refunding Bond due in annual principal installments of \$54,000 to \$490,000 through October 1, 2034; interest at 2.69%.	5,078,000
\$11,962,000 2020 Waterworks and Sewer System Refunding Bond due in annual principal installments of \$124,000 to \$1,958,000 through October 1, 2028; interest at 1.40%.	11,349,000
\$4,150,000 2022 Stormwater System Revenue Bond due in annual principal installments of \$358,000 to \$474,000 through April 1, 2032; interest at 3.55%.	3,723,000
\$28,220,000 2023 Waterworks and Sewer System Revenue Bond due in annual principal installments of \$590,000 to \$1,840,000 through October 1, 2048; interest ranging from 4.00% to 5.00%. Plus unamortized issuance premium	28,220,000 1,490,069
Total revenue bonds outstanding at year-end	<u>\$ 67,246,798</u>

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

	Principal Outstanding At Year-End
\$14,465,000 2020 Oakbrook Tax Increment Financing District Bond due in annual principal installments of \$200,000 to \$1,000,000 through October 2044; interest ranging from 2.00% to 5.00%. Plus unamortized issuance premium	\$ 14,465,000 729,715
Total limited obligation bonds outstanding at year-end	<u>\$ 15,194,715</u>

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 7. LONG-TERM OBLIGATIONS (CONTINUED)

Notes payable are comprised of the following individual issuances:

	Principal Outstanding At Year-End
\$4,034,983 Revolving Loan, \$3,860,225 drawn to date, due in quarterly installments of \$60,392, maturing August 2030; interest at 1.84%.	\$ 1,551,762
\$1,481,830 Revolving Loan, \$1,432,063 drawn to date, due in quarterly installments of \$20,460, maturing August 2030; interest at 1.00%.	777,965
\$3,654,740 Revolving Loan, \$3,411,871 drawn to date, due in quarterly installments of \$74,482, maturing February 2034; interest at 1.90%.	2,881,028
Total notes payable outstanding at year-end	<u>\$ 5,210,755</u>

Annual debt service requirements to maturity for all governmental activities long-term debt as of June 30, 2023 are as follows:

General Obligation Bonds			
Fiscal Year Ending June 30,	Principal	Interest	Total
2024	\$ 9,135,000	\$ 4,463,407	\$ 13,598,407
2025	9,202,000	3,752,639	12,954,639
2026	8,203,000	3,448,977	11,651,977
2027	8,509,000	3,156,600	11,665,600
2028	8,830,000	2,855,712	11,685,712
2029 - 2033	27,896,000	10,252,549	38,148,549
2034 - 2038	23,635,000	6,175,069	29,810,069
2039 - 2043	17,390,000	3,129,175	20,519,175
2044 - 2047	12,035,000	808,913	12,843,913
Total	<u>\$ 124,835,000</u>	<u>\$ 38,043,041</u>	<u>\$ 162,878,041</u>

Limited Obligation Bonds			
Fiscal Year Ending June 30,	Principal	Interest	Total
2024	\$ -	\$ 459,700	\$ 459,700
2025	-	459,700	459,700
2026	200,000	457,700	657,700
2027	370,000	452,000	822,000
2028	575,000	442,550	1,017,550
2029 - 2033	3,135,000	1,945,225	5,080,225
2034 - 2038	3,760,000	1,316,619	5,076,619
2039 - 2043	4,455,000	633,131	5,088,131
2044 - 2045	1,970,000	59,550	2,029,550
Total	<u>\$ 14,465,000</u>	<u>\$ 6,226,175</u>	<u>\$ 20,691,175</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 7. LONG-TERM OBLIGATIONS (CONTINUED)

<u>Fiscal Year Ending June 30,</u>	Financed Purchases		Total
	<u>Principal</u>	<u>Interest</u>	
2024	\$ 1,475,839	\$ 110,723	\$ 1,586,562
2025	1,490,983	97,302	1,588,285
2026	1,542,957	84,571	1,627,528
2027	1,557,957	68,412	1,626,369
2028	1,260,000	52,050	1,312,050
2029 - 2032	2,272,999	80,913	2,353,912
Total	<u>\$ 9,600,735</u>	<u>\$ 493,971</u>	<u>\$ 10,094,706</u>

Annual debt service requirements to maturity for all business-type activities long-term debt as of June 30, 2023 are as follows:

<u>Fiscal Year Ending June 30,</u>	Revenue Bonds		Total
	<u>Principal</u>	<u>Interest</u>	
2024	\$ 4,021,000	\$ 2,096,827	\$ 6,117,827
2025	4,744,000	2,197,113	6,941,113
2026	4,904,000	2,037,602	6,941,602
2027	5,061,000	1,880,042	6,941,042
2028	5,205,000	1,725,129	6,930,129
2029 - 2033	17,770,000	6,439,235	24,209,235
2034 - 2038	6,110,000	4,293,660	10,403,660
2039 - 2043	6,565,000	2,836,550	9,401,550
2044 - 2048	8,120,000	1,281,000	9,401,000
2049	1,840,000	39,100	1,879,100
Total	<u>\$ 64,340,000</u>	<u>\$ 24,826,258</u>	<u>\$ 89,166,258</u>

<u>Fiscal Year Ending June 30,</u>	Notes Payable		Total
	<u>Principal</u>	<u>Interest</u>	
2024	\$ 522,373	\$ 86,770	\$ 609,143
2025	531,404	77,739	609,143
2026	540,596	68,547	609,143
2027	549,952	59,191	609,143
2028	559,475	49,669	609,144
2029 - 2033	2,295,212	113,511	2,408,723
2034 - 2038	211,743	2,106	213,849
Total	<u>\$ 5,210,755</u>	<u>\$ 457,533</u>	<u>\$ 5,668,288</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 8. LEASES AND SBITAS

Lessee – Lease and SBITA Assets

A summary of lease and SBITA assets activity for the County for the year ended June 30, 2023 is as follows:

Governmental Activities:	Beginning Balance	Increases	Decreases	Remeasure	Ending Balance
Leased buildings and land	\$ 6,934,454	\$ 304,989	\$ (143,789)	\$ -	\$ 7,095,654
Subscription based IT arrangements	1,537,133	542,869	-	-	2,080,002
Less accumulated amortization for: leased Leased buildings and land	(1,051,322)	(453,086)	143,789	-	(1,360,619)
Subscription based IT arrangements	(338,541)	(484,513)	-	-	(823,054)
Total leases and SBITA's, net	<u>\$ 7,081,724</u>	<u>\$ (89,741)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,991,983</u>
Business-Type Activities:	Beginning Balance	Increases	Decreases	Remeasure	Ending Balance
Leased land	\$ 78,411	\$ -	\$ -	\$ -	\$ 78,411
Less accumulated amortization for: leased Leased land	(41,447)	(6,199)	-	-	(47,646)
Total leases, net	<u>\$ 36,964</u>	<u>\$ (6,199)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,765</u>

Lessee – Lease and SBITA Liabilities

The County's lease and SBITA liabilities activity for the year ended June 30, 2023 is as follows:

Governmental Activities:	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Lease liabilities	\$ 5,965,076	\$ 304,989	\$ (376,296)	\$ 5,893,769	\$ 355,422
SBITA liabilities	1,198,592	542,869	(493,639)	1,247,822	517,423
Total lease and SBITA liabilities	<u>\$ 7,163,668</u>	<u>\$ 847,858</u>	<u>\$ (869,935)</u>	<u>\$ 7,141,591</u>	<u>\$ 872,845</u>
Business-Type Activities:	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Lease liabilities	<u>\$ 36,763</u>	<u>\$ -</u>	<u>\$ (6,002)</u>	<u>\$ 30,761</u>	<u>\$ 6,068</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 8. LEASES AND SBITAS (CONTINUED)

Lessee – Lease and SBITA Liabilities (Continued)

The County enters into lease agreements for periods between three and 88 years as lessee for the use of certain buildings and land. The leases have an imputed interest rate of 1%. Principal and interest expenditures to maturity for lease liabilities as of June 30, 2023 are as follows:

Governmental Activities:			
Fiscal Year	Principal	Interest	Total
2024	\$ 355,422	\$ 61,936	\$ 417,358
2025	307,742	58,334	366,076
2026	227,728	55,342	283,070
2027	219,123	52,989	272,112
2028	220,463	50,593	271,056
2029 - 2033	1,107,092	217,779	1,324,871
2034 - 2038	1,294,696	153,259	1,447,955
2039 - 2043	1,519,599	77,499	1,597,098
2044 - 2048	508,377	11,768	520,145
2049 - 2053	7,960	7,040	15,000
2054 - 2058	8,399	6,601	15,000
2059 - 2063	8,862	6,138	15,000
2064 - 2068	9,351	5,649	15,000
2069 - 2073	9,867	5,133	15,000
2074 - 2078	10,412	4,588	15,000
2079 - 2083	10,986	4,014	15,000
2084 - 2088	11,592	3,408	15,000
2089 - 2093	12,232	2,768	15,000
2094 - 2098	12,907	2,093	15,000
2099 - 2103	13,619	1,381	15,000
2104 - 2108	14,371	629	15,000
2109	2,969	32	3,001
Total	<u>\$ 5,893,769</u>	<u>\$ 788,973</u>	<u>\$ 6,682,742</u>

Business-Type Activities:			
Fiscal Year	Principal	Interest	Total
2024	\$ 6,068	\$ 332	\$ 6,400
2025	4,533	267	4,800
2026	4,582	218	4,800
2027	3,832	168	4,000
2028	3,873	127	4,000
2029 - 2030	7,873	128	8,001
Total	<u>\$ 30,761</u>	<u>\$ 1,240</u>	<u>\$ 32,001</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 8. LEASES AND SBITAS (CONTINUED)

Lessee – Lease and SBITA Liabilities (Continued)

The County enters into SBITA's for periods between three and five years as for the use of certain information technology items. Interest is calculated at a rate of 1.08% on all SBITA's. Principal and interest requirements to maturity for the SBITA's as of June 30, 2023 are as follows:

Fiscal Year	Governmental Activities:		Total
	Principal	Interest	
2024	\$ 517,423	\$ 11,932	\$ 529,355
2025	195,129	6,816	201,945
2026	96,462	5,270	101,732
2027	90,520	4,292	94,812
2028	91,503	3,309	94,812
2029 - 2031	256,785	3,948	260,733
Total	<u>\$ 1,247,822</u>	<u>\$ 35,567</u>	<u>\$ 1,283,389</u>

NOTE 9. SHORT-TERM OBLIGATIONS

In December 2022, the County issued its Series 2022 General Obligation Bond Anticipation Note in the amount of \$10,000,000 with an interest rate of 4.00%. Principal of \$10,000,000 and interest of \$391,111 are due on December 20, 2023.

NOTE 10. INTERFUND BALANCES AND TRANSFERS

Transfers from (to) other funds for the year ended June 30, 2023 were as follows:

Fund	Transfers In	Transfers Out
General Fund	\$ 5,975,497	\$ 4,717,852
Grants Fund	184,141	-
Nonmajor Governmental Funds	9,362,715	8,177,106
Water and Sewer Fund	-	1,904,340
Nonmajor Enterprise Funds	113,895	762,145
Internal Service Fund	-	74,805
Total Transfers In/Out	<u>\$ 15,636,248</u>	<u>\$ 15,636,248</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 10. INTERFUND BALANCES AND TRANSFERS (CONTINUED)

General Fund

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

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

Grants Fund

Transfers in: Funds were transferred into the Grants Fund from the Nonmajor Governmental Funds to partially fund grant expenditures.

Nonmajor Governmental Funds

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

Transfers out: Funds were transferred to the General Fund as an allocation of overhead costs. Funds were also transferred to Nonmajor Governmental Funds to fund a portion of operating costs. Funds were also transferred to the Grants Fund to fund grant matches.

Water and Sewer Fund

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

Nonmajor Enterprise Funds

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

Transfers out: Funds were transferred from the Nonmajor Enterprise Funds to the General Fund as an allocation of overhead costs. Funds were also transferred to Nonmajor Governmental Funds to fund a portion of operating costs.

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 10. INTERFUND BALANCES AND TRANSFERS (CONTINUED)

Internal Service Fund

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

Interfund Balances

Interfund balances at June 30, 2023 result from the timing of payments made by the General Fund and Nonmajor Governmental Funds for expenditures incurred by other funds during the year, all of which are expected to be paid within one year:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Total</u>
General Fund	Grants Fund	\$ 1,456,824
General Fund	Nonmajor Governmental Funds	1,116,860
Nonmajor Governmental Funds	Nonmajor Governmental Funds	40,000
		<u>\$ 2,613,684</u>

NOTE 11. PENSION PLANS

The South Carolina Public Employee Benefit Authority ("PEBA"), created July 1, 2012, is the state agency responsible for the administration and management of the various retirement systems and benefit programs of the state of South Carolina, including the State Optional Retirement Program and the South Carolina Deferred Compensation Program, as well as the state's employee insurance programs. As such, PEBA is responsible for administering the South Carolina Retirement Systems' ("SCRS") five defined benefit pension plans. PEBA has an 11-member Board of Directors, appointed by the Governor and General Assembly leadership, which serves as custodian, co-trustee and co-fiduciary of the Systems and the assets of the retirement trust funds. The Retirement System Investment Commission ("Commission" as the governing body, "RSIC" as the agency), created by the General Assembly in 2005, has exclusive authority to invest and manage the retirement trust funds' assets. The Commission, an eight-member board, serves as co-trustee and co-fiduciary for the assets of the retirement trust funds. By law, the State Fiscal Accountability Authority (SFAA), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the actuary of the Systems.

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the systems and additions to/deductions from the systems fiduciary net position have been determined on the accrual basis of accounting as they are reported by the systems in accordance with 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.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 11. PENSION PLANS (CONTINUED)

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

Plan Description

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

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

Plan Membership

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

- SCRS - Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. This plan covers general employees and teachers and individuals newly elected to the South Carolina General Assembly. 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.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 11. PENSION PLANS (CONTINUED)

Plan Membership (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 be a peace officer employed by the Department of Corrections, the Department of Juvenile Justice or the Department of Mental Health. Probate judges and coroners may elect membership in PORS. Magistrates are required to participate in PORS for service as a magistrate. PORS members, other than magistrates and probate judges, must also earn at least \$2,000 per year and devote at least 1,600 hours per year to this work, unless exempted by statute. 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.

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 11. PENSION PLANS (CONTINUED)

Plan Benefits (Continued)

The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of 1% or \$500 every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase. Members who retire under the early retirement provisions at age 55 with 25 years of service are not eligible for the benefit adjustment until the second July 1 after reaching age 60 or the second July 1 after the date they would have had 28 years of service credit had they not retired.

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

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

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 11. PENSION PLANS (CONTINUED)

Plan Contributions

Actuarial valuations are performed annually by an external consulting actuary to ensure applicable contribution rates satisfy the funding parameters specified in Title 9 of the South Carolina Code of Laws. Under these provisions, SCRS and PORS contribution requirements must be sufficient to maintain an amortization period for the financing of the unfunded actuarial accrued liability (UAAL) over a period that does not exceed the number of years scheduled in state statute. Legislation in 2017 increased, but also established a ceiling for SCRS and PORS employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.00% for SCRS and 9.75% for PORS. The legislation also increased employer contribution rates beginning July 1, 2017 for both SCRS and PORS by two percentage points and further scheduled employer contribution rates to increase by a minimum of one percentage point each year in accordance with state statute. However, the General Assembly postponed the 1% increase in the SCRS and PORS employer contribution rates that was scheduled to go into effect beginning July 1, 2020. In accordance, with the legislative funding schedule, employer contribution rates will continue to increase by one percentage point each year until reaching 18.56% for SCRS and 21.24% for PORS but may be increased further, if the scheduled contributions are not sufficient to meet the funding periods set for the applicable year. Upon resuming following the postponement the annual increases will subside effective July 1, 2024. The board shall increase the employer contribution rates as necessary to meet the amortization period set in statute.

Pension reform legislation modified statute such that the employer contribution rates for SCRS and PORS to be further increased, not to exceed one-half of 1% in any one year if necessary, in order to improve the funding of the plans. The statute set rates intended to reduce the unfunded liability of SCRS and PORS to the maximum amortization period of 20 years from 30 years over a ten-year schedule, as determined by the annual actuarial valuations of the plan. Finally, under the revised statute, the contribution rates for SCRS and PORS may not be decreased until the plans are at least 85% funded.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 11. PENSION PLANS (CONTINUED)

Plan Contributions (Continued)

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

	SCRS Rates			PORS Rates		
	2021	2022	2023	2021	2022	2023
Employer contribution rate:						
Retirement	15.41%	16.41%	17.41%	17.84%	18.84%	19.84%
Incidental death benefit	0.15%	0.15%	0.15%	0.20%	0.20%	0.20%
Accidental death contributions	0.00%	0.00%	0.00%	0.20%	0.20%	0.20%
	<u>15.56%</u>	<u>16.56%</u>	<u>17.56%</u>	<u>18.24%</u>	<u>19.24%</u>	<u>20.24%</u>
Employee contribution rate	<u>9.00%</u>	<u>9.00%</u>	<u>9.00%</u>	<u>9.75%</u>	<u>9.75%</u>	<u>9.75%</u>

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

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

Year Ended June 30,	SCRS Contributions		PORS Contributions	
	Required	% Contributed	Required	% Contributed
2023	\$ 6,514,328	100%	\$ 4,348,386	100%
2022	5,460,665	100%	3,608,485	100%
2021	4,607,939	100%	3,057,464	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
2023	\$ 37,097,540	\$ 21,484,119	\$ 58,581,659
2022	33,054,185	18,755,122	51,809,307
2021	29,699,460	16,762,413	46,461,873

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 11. PENSION PLANS (CONTINUED)

Actuarial Assumptions and Methods

Actuarial valuations of the ongoing plan involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. An experience report on the Retirement Systems was most recently issued for the period ended June 30, 2019.

The June 30, 2022 total pension liability, net pension liability and sensitivity information shown in this report were determined by the consulting actuary, Gabriel, Roeder, Smith and Company ("GRS"), and are based on an actuarial valuation performed as of July 1, 2021. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year-end, June 30, 2022, using generally accepted actuarial principles. There was no legislation enacted during the 2022 legislative session that had a material change in the benefit provisions for any of the systems.

The following table provides a summary of the actuarial assumptions and methods used to calculate the total pension liability as of June 30, 2022:

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

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

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

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 11. PENSION PLANS (CONTINUED)

Long-Term Expected Rate of Return

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

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2022 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the following table. For actuarial purposes, the 7.00% assumed annual investment rate of return used in the calculation of the total pension liability includes a 4.75% real rate of return and a 2.25% inflation component.

<u>Allocation/Exposure</u>	<u>Policy Target</u>	<u>Expected Arithmetic Real Rate of Return</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Public equity	46.0%	6.79%	3.12%
Bonds	26.0%	-0.35%	-0.09%
Private equity	9.0%	8.75%	0.79%
Private debt	7.0%	6.00%	0.42%
Real assets	12.0%		
Real estate	9.0%	4.12%	0.37%
Infrastructure	3.0%	5.88%	0.18%
	100%		
	Total expected real return		4.79%
	Inflation for actuarial purposes		2.25%
	Total expected nominal return		7.04%

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 11. PENSION PLANS (CONTINUED)

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

The net pension liability ("NPL") is calculated separately for each Retirement System and represents that particular Retirement System's total pension liability determined in accordance with GASB No. 67 less that system's fiduciary net position. NPL totals, as of the June 30, 2022 measurement date, for the SCRS and PORS, are presented in the following table:

System	Total Pension Liability	Plan Fiduciary Net Liability	Employers' Net Pension Liability	Plan Fiduciary Net Position as a percentage of the Total Pension Liability	County's Proportionate Share of the Collective Net Pension Liability
SCRS	\$ 156,442,969	\$ 89,265,019	\$ 67,177,950	57.1%	0.277112%
PORS	\$ 106,254,798	\$ 70,601,759	\$ 35,653,039	66.4%	1.188840%

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

At June 30, 2023, the County reported liabilities of \$67,177,950 and \$35,653,039 for its proportionate share of the net pension liabilities for the SCRS and PORS, respectively. The net pension liabilities were measured as of June 30, 2022, and the total pension liabilities for the plans used to calculate the net pension liabilities were determined based on the most recent actuarial valuation report of July 1, 2021 that was projected forward to the measurement date. The County's proportion of the net pension liabilities were based on a projection of the County's long-term share of contributions to the plans relative to the projected contributions of all participating South Carolina state and local governmental employers, actuarially determined. At the June 30, 2022 measurement date, the County's SCRS proportion was 0.277112%, which was an increase of 0.016003% from its proportion measured as of June 30, 2021. At the June 30, 2022 measurement date, the County's PORS proportion was 1.18884%, which was an increase of 0.02426% from its proportion measured as of June 30, 2021.

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 11. PENSION PLANS (CONTINUED)

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

For the year ended June 30, 2023, the County recognized pension expense of \$10,669,177, which represents \$6,083,351 for SCRS and \$4,585,826 for PORs. At June 30, 2023, the County reported deferred outflows of resources (deferred pension charges) and deferred inflows of resources (deferred pension credits) related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
SCRS		
Differences between expected and actual experience	\$ 583,651	\$ 292,759
Net difference between projected and actual earnings on pension plan investments	103,602	-
Assumption changes	2,154,554	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,260,910	838,504
Employer contributions subsequent to the measurement date	6,514,328	-
Total	<u>\$ 10,617,045</u>	<u>\$ 1,131,263</u>
	Deferred Outflows of Resources	Deferred Inflows of Resources
PORS		
Differences between expected and actual experience	\$ 598,186	\$ 704,801
Net difference between projected and actual earnings on pension plan investments	107,663	-
Assumption changes	1,484,649	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,353,926	162,472
Employer contributions subsequent to the measurement date	4,348,386	-
Total	<u>\$ 7,892,810</u>	<u>\$ 867,273</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 11. PENSION PLANS (CONTINUED)

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

The amounts of \$6,514,328 and \$4,348,386 that were reported as deferred outflows of resources related to the County's contributions subsequent to the measurement date to the SCRS and PORS, respectively, will be recognized as a reduction of the net pension liabilities in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources (deferred pension charges) and deferred inflows of resources (deferred pension credits) related to the SCRS and PORS will increase (decrease) pension expense as follows:

<u>Year ending June 30,</u>	<u>SCRS</u>	<u>PORS</u>
2024	\$ 1,795,201	\$ 1,628,385
2025	792,848	764,349
2026	(1,368,551)	(1,101,408)
2027	1,751,956	1,385,825
Total	<u>\$ 2,971,454</u>	<u>\$ 2,677,151</u>

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in the SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina Code of Laws. Based on those assumptions, each Retirement Systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity Analysis

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

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
County's portion - SCRS	\$ 86,130,422	\$ 67,177,950	\$ 51,421,433
County's portion - PORS	\$ 49,716,015	\$ 35,653,039	\$ 24,141,168

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 11. PENSION PLANS (CONTINUED)

Plans Fiduciary Net Position

Detailed information regarding the fiduciary net position of the plan administered by the PEBA is available in the separately issued ACFR containing financial statements and required supplementary information for the SCRS and PORS. The ACFR is publicly available through the Retirement Benefits' link on the PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223.

Payable to Plans

The County reported payables of approximately \$767,000 and \$535,000 to the PEBA as of June 30, 2023, representing required employer and employee contributions for the month of June 2023 for the SCRS and PORS, respectively. These amounts are included in accounts payable and accrued liabilities on the financial statements and were paid in July 2023.

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS – COUNTY

Plan Description

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

Plan Membership

As of June 30, 2023, the valuation date, the following employees were covered by the OPEB Plan's benefit terms:

Inactive members or beneficiaries currently receiving benefits	109
Active members	898
Total membership	<u>1,007</u>

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

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

Plan Membership (Continued)

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

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

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

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

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

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

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

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

Actuarial Assumptions and Methods

Actuarial valuations of the OPEB Plan involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, inflation, healthcare cost trend rates, and future salary changes. Amounts determined regarding the net OPEB liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

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

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

Actuarial Valuation Date	June 30, 2023
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Amortization Period	20 Years
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Discount Rate	3.65%
Inflation	2.50%
Healthcare Cost Trend Rate	6.00% for 2023 decreasing to an ultimate rate of 4.00%
Salary Increases	2.50% per year
Investment Rate of Return	3.00%
Coverage Elections	70% of eligible retirees will elect coverage, 17% of male spouses and 7% of female spouses will elect to receive coverage upon retirement
Active Participation/Marriage	80% of all active employees are assumed to be married with female spouses assumed to be three years younger
Retirement Rates	July 1, 2022 SCRS and PORS Valuations
Mortality Table	July 1, 2022 SCRS and PORS Valuations
Termination Rates	July 1, 2022 SCRS and PORS Valuations

The discount rate was increased from 3.54% in the prior year to 3.65% for the year ended June 30, 2023. During the fiscal year ended June 30, 2023, the actual return on assets was 3.04% compared to an expected return of 3.00%.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

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

Long-Term Expected Rate of Return

The long-term expected rate of return on OPEB Plan Investments is based upon market assumptions related to historical rates of return for the South Carolina Counties OPEB Trust. The long-term expected rate of return represent assumptions developed using an arithmetic building block approach and are presented net of investment fees. The expected returns, along with the expected inflation rate, form the basis for the target asset allocation for the beginning of the 2023 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the following table.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected Arithmetic Real Rate of Return</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
U.S. governmental fixed income			
U.S. government obligations	100.0%	3.00%	3.00%
Total expected real rate of return	100.0%		1.50%
Inflation for actuarial purposes			2.50%
Total expected nominal return			4.00%

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

The County's net OPEB liability was measured as of June 30, 2023 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2023.

	<u>Total OPEB Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net OPEB Liability (a) - (b)</u>
Balances as of June 30, 2022	\$ 13,362,178	\$ 3,006,879	\$ 10,355,299
Changes for the year:			
Service cost	625,284	-	625,284
Interest	461,618	-	461,618
Net investment income	-	105,214	(105,214)
Experience differences	(460,249)	-	(460,249)
Change of assumptions	(407,269)	-	(407,269)
Contributions - employer	-	543,801	(543,801)
Benefit payments	(412,771)	-	(412,771)
Implicit rate subsidy fulfillment	(237,111)	-	(237,111)
Administrative expense	-	(1,222)	1,222
Net changes	(430,498)	647,793	(1,078,291)
Balances as of June 30, 2023	\$ 12,931,680	\$ 3,654,672	\$ 9,277,008

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

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

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

For the year ended June 30, 2023, the County recognized OPEB expense of approximately \$987,000. At June 30, 2023, the County reported deferred outflows of resources (deferred OPEB charges) and deferred inflows of resources (deferred OPEB credits) related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 657,403	\$ 1,261,159
Net difference between projected/actual earnings on investments	30,758	-
Change of assumptions	1,371,945	1,885,098
Total	<u>\$ 2,060,106</u>	<u>\$ 3,146,257</u>

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

Year Ending June 30,	Total
2024	\$ 4,072
2025	2,273
2026	(3,701)
2027	(252,375)
2028	(518,518)
Thereafter	(317,902)
Total	<u>\$ (1,086,151)</u>

Discount Rate

Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects: (1) the long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) the tax-exempt municipal bond rate on an index of 20-year general obligation bonds with an average AA/Aa crediting rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). The actuarial valuation expected rate of return on OPEB plan investments is 3.00% and the municipal bond rate is 3.65% (based on the daily rate closest to but not later than the measurement date of the Bond Buyer 20-Bond GO Index. Since the municipal bond rate exceeds the expected rate of return on OPEB plan investments, a Single Discount Rate of 3.65% was used to measure the total OPEB liability.

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

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

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

The following table presents the sensitivity of the County's net OPEB liability to changes in the discount rate, calculated using the discount rate of 3.65%, as well as what it would be if it were calculated using a discount rate that is 1% point lower (2.65%) or 1% point higher (4.65%) than the current rate:

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
Net OPEB Liability	\$ 10,699,061	\$ 9,277,008	\$ 8,044,507

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

The following table presents the sensitivity of the County's net OPEB liability to changes in the healthcare cost trend rate, calculated using the healthcare cost trend rate of 6.00% decreasing to 4.00%, as well as what it would be if it were calculated using a healthcare cost trend rate that is 1% point lower (5.00% decreasing to 3.00%) or 1% point higher (7.00% decreasing to 5.00%) than the current rate:

	1% Decrease (5.00% decreasing to 3.00%)	Current Healthcare Cost Trend Rate (6.00% decreasing to 4.00%)	1% Increase (7.00% decreasing to 5.00%)
Net OPEB Liability	\$ 7,863,588	\$ 9,277,008	\$ 10,967,339

NOTE 13. OTHER POST-EMPLOYMENT BENEFITS – LIBRARY SYSTEM

Plan Description

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

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 13. OTHER POST-EMPLOYMENT BENEFITS – LIBRARY SYSTEM (CONTINUED)

Plan Membership

As of June 30, 2023, the last actuarial valuation, the following employees were covered by the OPEB Plan's benefit terms:

Inactive members or beneficiaries currently receiving benefits	19
Active members	<u>29</u>
Total membership	<u><u>48</u></u>

Plan Benefits and Contributions

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

- The retiree has a minimum of 15 years of continuous fulltime employment with the Library.
- The retiree has reached eligibility for full retirement under the South Carolina Retirement System.

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

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

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

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 13. OTHER POST-EMPLOYMENT BENEFITS – LIBRARY SYSTEM (CONTINUED)

Actuarial Assumptions and Methods

Actuarial valuations of the OPEB Plan involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, inflation, healthcare cost trend rates, and future salary changes. Amounts determined regarding the total OPEB liability ("TOL") are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

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

Actuarial Assumptions and Methods

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

Actuarial Valuation Date	June 30, 2023
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	3.65%
Inflation	2.50%
Healthcare Cost Trend Rate	Based on the rates used in the June 30, 2022 SC OPEB Valuation
Salary Increases	2.50% per year
Investment Rate of Return	3.00%
Coverage Elections	70% of eligible retirees will elect coverage, 17% of male spouses and 7% of female spouses will elect to receive coverage upon retirement
Active Participation/Marriage	80% of all active employees are assumed to be married with female spouses assumed to be three years younger
Retirement Rates	July 1, 2022 SCRS and PORS Valuations
Mortality Table	July 1, 2022 SCRS and PORS Valuations
Termination Rates	July 1, 2022 SCRS and PORS Valuations

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 13. OTHER POST-EMPLOYMENT BENEFITS – LIBRARY SYSTEM (CONTINUED)

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

The Library's total OPEB liability was measured as of June 30, 2023 which was determined by an actuarial valuation as of June 30, 2023.

	Total OPEB Liability
Balances as of June 30, 2022	\$ 594,149
Changes for the year:	
Service cost	9,504
Interest	20,658
Experience differences	295,209
Change of assumptions	(885)
Benefit payments	(16,310)
Implicit rate subsidy fulfillment	(5,057)
Net changes	303,119
Balances as of June 30, 2023	\$ 897,268

The discount rate was increased from 3.54% to 3.65% for the June 30, 2023 measurement date.

For the year ended June 30, 2023, the Library recognized OPEB expense of approximately \$102,000. At June 30, 2023, the Library reported deferred outflows of resources (deferred OPEB charges) and deferred inflows of resources (deferred OPEB credits) related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 225,266	\$ 11,815
Change of assumptions	40,767	71,951
Total	\$ 266,033	\$ 83,766

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 13. OTHER POST-EMPLOYMENT BENEFITS – LIBRARY SYSTEM (CONTINUED)

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

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

<u>Year Ending June 30,</u>	<u>Total</u>
2024	\$ 71,382
2025	70,458
2026	54,404
2027	79
2028	<u>(14,056)</u>
Total	<u>\$ 182,267</u>

Discount Rate

The discount rate used to measure the TOL was 3.65%. Because the Plan is not funded, a single discount rate that approximates the municipal bond rate was considered appropriate for this valuation.

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

The following table presents the sensitivity of the Library's total OPEB liability to changes in the discount rate, calculated using the discount rate of 3.65%, as well as what it would be if it were calculated using a discount rate that is 1% point lower (2.65%) or 1% point higher (4.65%) than the current rate:

	<u>1% Decrease (2.65%)</u>	<u>Current Discount Rate (3.65%)</u>	<u>1% Increase (4.65%)</u>
Total OPEB Liability	\$ 1,003,463	\$ 897,268	\$ 807,627

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 13. OTHER POST-EMPLOYMENT BENEFITS – LIBRARY SYSTEM (CONTINUED)

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

The following table presents the sensitivity of the Library's TOL to changes in the healthcare cost trend rate, calculated using the healthcare cost trend rate of 6.00% decreasing to 4.00%, as well as what it would be if it were calculated using a healthcare cost trend rate that is 1% point lower (5.00% decreasing to 3.00%) or 1% point higher (7.00% decreasing to 5.00%) than the current rate:

	1% Decrease (5.00% decreasing to 3.00%)	Current Healthcare Cost Trend Rate (6.00% decreasing to 4.00%)	1% Increase (7.00% decreasing to 5.00%)
Total OPEB Liability	\$ 808,882	\$ 897,268	\$ 1,000,701

NOTE 14. DEFERRED COMPENSATION PLANS

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

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

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

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 15. RISK MANAGEMENT

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

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

An estimate for workers compensation claims that were incurred on or before June 30, 2023 but were unreported at that time has been accrued in the internal service fund. This estimate is based upon the County's claims history, claims processed following the close of year end and other factors. The County estimates that all of the workers compensation claims will be paid within one year.

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

Fund/Year	Beginning Liability	Current Year Claims and Changes in Estimate	Claim Payments	Ending Liability
2023	\$ 713,858	\$ 1,549,723	\$ 1,093,234	\$ 1,170,347
2022	498,171	987,350	771,663	713,858
2021	598,577	600,170	700,576	498,171

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 16. COMMITMENTS AND CONTINGENCIES

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

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

Construction Commitments – As of June 30, 2023, the County had approximately \$78,134,000 in construction commitments remaining on various projects.

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

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 17. JOINT VENTURES

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

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

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

Winding Woods Reach has completed the design level and is now in the construction phase. Surveys for real estate easements have been completed. As of June 30, 2023, approximately \$50,000 was spent on land easement purchases for this project. Approximately \$933,000 was spent as of June 30, 2023, on engineering and construction work.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 18. OAKBROOK TAX INCREMENT FINANCING DISTRICT

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

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

NOTE 19. CONCENTRATIONS OF CREDIT RISK

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

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 20. TAX ABATEMENTS

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

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

For the fiscal year ended June 30, 2023, the County abated property taxes totaling approximately \$5,189,000.

NOTE 21. SUBSEQUENT EVENTS

The County plans to close on a General Obligation Bond Anticipation Note for \$25,000,000 on December 7, 2023. The purpose of this bond issuance is to defray a portion of the design, engineering, construction, and improvement costs of various transportation related projects in the County as well as to retire the Series 2022 General Obligation Bond Anticipation Note. The County's voters approved the continuation of the 1% sales tax in the County as well as the issuance of bonds associated with these tax collections.

The County plans to close on Summers Corner Improvement District Assessment Revenue Bonds for \$18,895,000 on December 28, 2023. The purpose of this bond issuance is to reimburse Lennar for \$10,000,000 for construction of Clayfield Trail, provide \$2,500,000 for the construction of a Fire/EMS Station in Summers Corner and provide the balance of funding to build a recreational facility in Summers Corner that would be open to the public.

DORCHESTER COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 21. SUBSEQUENT EVENTS (CONTINUED)

County Council authorized the County Administrator to execute a Development Agreement and Management Agreement with the Summerville Family Young Men's Christian Association (YMCA) for the purpose of constructing a new 17.48-acre athletic complex in Summerville. The County will expend \$4,200,000 in TIF Limited Obligation Bond proceeds and \$2,000,000 in SCPRT legislative grant funds to construct the facility in exchange for the YMCA deeding the land to the County. The County will allow the YMCA to operate the facility as a public athletic complex with control over programming.

Dorchester County terminated its relationship with the State Fiscal Accountability Authority (SFAA) effective June 30, 2023 for property and liability insurance. This action was taken due to the County binding a policy with the SC Association of Counties Property and Liability Trust. This policy also includes crime and cyber coverage, which were previously exclusions of the SFAA policy.



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REQUIRED SUPPLEMENTARY INFORMATION



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DORCHESTER COUNTY, SOUTH CAROLINA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
REQUIRED SUPPLEMENTARY INFORMATION — BUDGETARY COMPARISON SCHEDULE — GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes	\$ 44,398,073	\$ 44,398,073	\$ 45,681,495	\$ 1,283,422
Licenses and permits	5,160,632	5,160,632	6,984,271	1,823,639
Intergovernmental	9,380,721	9,658,993	10,370,796	711,803
Charges for services	10,715,881	10,739,881	10,004,187	(735,694)
Judicial fines and assessments	1,530,680	1,530,680	1,723,816	193,136
Interest	-	-	1,755,289	1,755,289
Miscellaneous	327,050	478,159	578,592	100,433
Total revenues	<u>71,513,037</u>	<u>71,966,418</u>	<u>77,098,446</u>	<u>5,132,028</u>
Expenditures				
Current:				
General government	26,742,751	27,813,201	26,160,948	1,652,253
Public safety	38,742,248	38,875,182	37,469,112	1,406,070
Roads and drainage	2,671,482	2,968,357	2,561,461	406,896
Health and welfare	1,447,416	1,465,044	1,369,589	95,455
Recreation and culture	1,065,126	1,149,381	1,058,931	90,450
Airport	183,675	165,070	169,055	(3,985)
Economic development	708,695	708,695	669,018	39,677
Intergovernmental and nonprofit assistance	3,454,118	3,586,626	3,642,636	(56,010)
Nondepartmental	1,917,358	2,314,473	3,316,644	(1,002,171)
Debt service:				
Principal retirement	-	-	802,940	(802,940)
Interest and fiscal charges	-	-	79,430	(79,430)
Total expenditures	<u>76,932,869</u>	<u>79,046,029</u>	<u>77,299,764</u>	<u>1,746,265</u>
Deficiency of revenues under expenditures	<u>(5,419,832)</u>	<u>(7,079,611)</u>	<u>(201,318)</u>	<u>6,878,293</u>
Other Financing Sources (Uses)				
Appropriation of fund balance	1,249,509	3,369,781	-	(3,369,781)
Insurance recoveries	-	114,995	127,366	12,371
Issuance of leases and SBITAs	-	-	847,858	847,858
Sale of capital assets	-	-	4,000	4,000
Transfers in	4,242,177	4,688,263	5,975,497	1,287,234
Transfers out	(71,854)	(1,093,428)	(4,717,852)	(3,624,424)
Total other financing sourcing, net	<u>5,419,832</u>	<u>7,079,611</u>	<u>2,236,869</u>	<u>(4,842,742)</u>
Net change in fund balance	-	-	2,035,551	2,035,551
Fund Balance - beginning	<u>45,063,878</u>	<u>45,063,878</u>	<u>45,063,878</u>	<u>-</u>
Fund Balance - ending	<u>\$ 45,063,878</u>	<u>\$ 45,063,878</u>	<u>\$ 47,099,429</u>	<u>\$ 2,035,551</u>

DORCHESTER COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY FOR THE FISCAL YEAR ENDED JUNE 30, 2023

South Carolina Retirement System					
Plan Year Ended June 30,	County's Proportion of the Net Pension Liability	County's Proportionate Share of the Net Pension Liability	County's Covered Payroll	County's Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2022	0.277112%	\$ 67,177,950	\$ 33,054,185	203.2%	57.1%
2021	0.272458%	58,963,299	29,699,460	198.5%	60.7%
2020	0.279508%	71,419,220	31,155,149	229.2%	50.7%
2019	0.271704%	62,041,104	28,678,490	216.3%	54.4%
2018	0.263815%	59,112,588	27,324,712	216.3%	54.1%
2017	0.264160%	59,466,664	26,600,702	223.6%	53.3%
2016	0.269770%	57,622,473	26,129,126	220.5%	52.9%
2015	0.249084%	47,239,974	23,359,594	202.2%	57.0%
2014	0.255524%	43,992,762	21,841,915	201.4%	59.9%

South Carolina Police Officers' Retirement System					
Plan Year Ended June 30,	County's Proportion of the Net Pension Liability	County's Proportionate Share of the Net Pension Liability	County's Covered Payroll	County's Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2022	1.18884%	\$ 35,653,039	\$ 18,755,122	190.1%	66.4%
2021	1.16458%	29,963,675	16,762,413	178.8%	70.4%
2020	1.17521%	38,972,311	17,753,678	219.5%	58.8%
2019	1.07215%	30,727,153	15,526,072	197.9%	62.7%
2018	1.02414%	29,019,562	14,172,111	204.8%	61.7%
2017	0.92950%	25,464,136	12,482,162	204.0%	60.9%
2016	0.87967%	22,312,734	11,214,684	199.0%	60.4%
2015	0.81799%	17,828,084	10,128,315	176.0%	64.6%
2014	0.83372%	15,960,869	10,027,025	159.2%	67.5%

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

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

DORCHESTER COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES OF THE COUNTY'S PENSION CONTRIBUTIONS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

South Carolina Retirement System						
Fiscal Year Ended June 30,	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contribution	Contribution Deficiency (Excess)	County's Covered Payroll	Contributions as a Percentage of Covered Payroll	
2023	\$ 6,514,328	\$ 6,514,328	\$ -	\$ 37,097,540	17.56%	
2022	5,460,666	5,460,666	-	33,054,185	16.52%	
2021	4,607,939	4,607,939	-	29,699,460	15.52%	
2020	4,834,633	4,834,633	-	31,155,149	15.52%	
2019	4,162,481	4,162,481	-	28,678,490	14.51%	
2018	3,690,384	3,690,384	-	27,324,712	13.51%	
2017	3,073,295	3,073,295	-	26,600,702	11.55%	
2016	2,887,931	2,887,931	-	26,129,126	11.05%	
2015	2,543,636	2,543,636	-	23,359,594	10.89%	

South Carolina Police Officers' Retirement System						
Fiscal Year Ended June 30,	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contribution	Contribution Deficiency (Excess)	County's Covered Payroll	Contributions as a Percentage of Covered Payroll	
2023	\$ 4,348,386	\$ 4,348,386	\$ -	\$ 21,484,119	20.24%	
2022	3,608,485	3,608,485	-	18,755,122	19.24%	
2021	3,057,464	3,057,464	-	16,762,413	18.24%	
2020	3,238,271	3,238,271	-	17,753,678	18.24%	
2019	2,676,695	2,676,695	-	15,526,072	17.24%	
2018	2,301,551	2,301,551	-	14,172,111	16.24%	
2017	1,777,460	1,777,460	-	12,482,162	14.24%	
2016	1,540,900	1,540,900	-	11,214,684	13.74%	
2015	1,358,939	1,358,939	-	10,128,315	13.42%	

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

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

DORCHESTER COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN THE COUNTY'S NET OPEB LIABILITY AND RELATED RATIOS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	2023	2022	2021	2020	2019	2018
Total OPEB liability						
Service cost	\$ 625,284	\$ 757,162	\$ 779,036	\$ 614,895	\$ 561,116	\$ 540,210
Interest	461,618	316,241	339,970	445,438	388,204	368,853
Difference between actual and expected experience	(460,249)	-	(1,394,073)	-	1,710,363	-
Change of assumptions	(407,269)	(2,053,239)	118,846	2,153,089	532,903	-
Implicit rate of subsidy fulfillment	(237,111)	(197,852)	(201,312)	(166,677)	(122,606)	(90,664)
Benefit payments	(412,771)	(396,553)	(376,743)	(367,772)	(336,961)	(268,826)
Net change in total OPEB liability	(430,498)	(1,574,241)	(734,276)	2,678,973	2,733,019	549,573
Total OPEB liability - beginning	13,362,178	14,936,419	15,670,695	12,991,722	10,258,703	9,709,130
Total OPEB liability - ending (a)	12,931,680	13,362,178	14,936,419	15,670,695	12,991,722	10,258,703
Plan fiduciary net position						
Employer contribution	543,801	-	346,960	-	-	-
Net investment income	105,214	14,512	12,340	30,216	44,937	288
Administrative expense	(1,222)	(1,200)	(1,144)	(964)	(889)	(678)
Net change in plan fiduciary net position	647,793	13,312	358,156	29,252	44,048	(390)
Plan fiduciary net position - beginning	3,006,879	2,993,567	2,635,411	2,606,159	2,562,111	2,562,501
Plan fiduciary net position - ending (b)	3,654,672	3,006,879	2,993,567	2,635,411	2,606,159	2,562,111
Net OPEB liability - ending (a) - (b)	\$ 9,277,008	\$ 10,355,299	\$ 11,942,852	\$ 13,035,284	\$ 10,385,563	\$ 7,696,592
OPEB plan fiduciary net position as a percentage of the total OPEB liability	28.26%	22.50%	20.04%	16.82%	20.06%	24.97%
Covered payroll	\$ 52,420,565	\$ 42,836,017	\$ 42,836,017	\$ 43,754,628	\$ 38,197,851	\$ 33,965,132
Net OPEB liability as a percentage of covered payroll	17.70%	24.17%	27.88%	29.79%	27.19%	22.66%

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

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

DORCHESTER COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF THE COUNTY'S OPEB CONTRIBUTIONS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

<u>Fiscal Year Ended June 30,</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined employer contribution ("ADEC")	\$ 1,236,414	\$ 1,332,392	\$ 1,380,932	\$ 1,152,970	\$ 963,376	\$ 900,926
Contributions in relation to the ADEC	956,572	396,553	723,703	367,772	336,961	268,726
Annual contribution deficiency (excess)	<u>\$ 279,842</u>	<u>\$ 935,839</u>	<u>\$ 657,229</u>	<u>\$ 785,198</u>	<u>\$ 626,415</u>	<u>\$ 632,200</u>
Covered payroll	<u>\$ 52,420,565</u>	<u>\$ 42,836,017</u>	<u>\$ 42,836,017</u>	<u>\$ 43,754,628</u>	<u>\$ 38,197,851</u>	<u>\$ 33,965,132</u>
Actual contributions as a percentage of covered payroll	1.82%	0.93%	1.69%	0.84%	0.88%	0.79%

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

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

DORCHESTER COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS – LIBRARY SYSTEM FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	2023	2022	Year Ended June 30,		2019	2018
			2021	2020		
Total OPEB liability						
Service cost	\$ 9,504	\$ 11,364	\$ 6,709	\$ 5,378	\$ 2,797	\$ 2,693
Interest	20,658	14,672	15,188	20,493	22,810	23,097
Differences between expected and actual experience	295,209	-	(13,486)	-	(25,972)	-
Change of assumptions	(885)	(99,886)	6,334	101,204	25,645	-
Benefit payments	(16,310)	(17,166)	(17,767)	(23,093)	(22,007)	(27,183)
Implicit rate subsidy fulfillment	(5,057)	(5,215)	(5,360)	(4,306)	(8,915)	(8,265)
Net changes in total OPEB liability	303,119	(96,231)	(8,382)	99,676	(5,642)	(9,658)
Total OPEB liability - beginning of year	594,149	690,380	698,762	599,086	604,728	614,386
Total OPEB liability - end of year	\$ 897,268	\$ 594,149	\$ 690,380	\$ 698,762	\$ 599,086	\$ 604,728
Covered-employee payroll	\$ 1,194,350	\$ 923,917	\$ 923,917	\$ 665,429	\$ 665,429	\$ 379,858
Total OPEB liability as a percentage of covered-employee payroll	75.13%	64.31%	74.72%	105.01%	90.03%	159.20%

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

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

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.

OTHER SUPPLEMENTARY INFORMATION



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DORCHESTER COUNTY, SOUTH CAROLINA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023**

	Capital Project Funds	Special Revenue Funds	Debt Service County Bonds	Total Nonmajor Governmental Funds
ASSETS				
Cash and investments	\$ 8,467,930	\$ 20,716,951	\$ -	\$ 29,184,881
Cash and investments, restricted	53,781,721	17,428,225	5,363,878	76,573,824
Receivables, net	4,359	1,006,620	159,790	1,170,769
Due from other funds	-	40,000	-	40,000
Due from other governments	-	1,827,884	-	1,827,884
Prepaid items	-	162,593	159	162,752
Total assets	<u>\$ 62,254,010</u>	<u>\$ 41,182,273</u>	<u>\$ 5,523,827</u>	<u>\$ 108,960,110</u>
LIABILITIES				
Accounts payable	\$ 5,859,674	\$ 1,665,544	\$ -	\$ 7,525,218
Accrued liabilities	-	620,988	-	620,988
Assets held for others	-	150,000	-	150,000
Due to other funds	40,000	1,116,860	-	1,156,860
Unearned revenue	-	584,374	-	584,374
Total liabilities	<u>5,899,674</u>	<u>4,137,766</u>	<u>-</u>	<u>10,037,440</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	2,717	220,099	55,893	278,709
Total deferred inflows of resources	<u>2,717</u>	<u>220,099</u>	<u>55,893</u>	<u>278,709</u>
FUND BALANCE				
Nonspendable:				
Prepaid items	-	162,593	159	162,752
Restricted:				
Public safety	-	4,950,074	-	4,950,074
Family court	-	2,702,469	-	2,702,469
Growth management	-	513,140	-	513,140
Tourism	-	2,715,348	-	2,715,348
Health and welfare	-	1,600,101	-	1,600,101
Capital projects	11,175,350	7,979,480	-	19,154,830
Capital improvements	-	2,949,765	-	2,949,765
Parks and recreation improvements	12,266,107	-	-	12,266,107
Oakbrook tax increment finance district	12,245,982	-	-	12,245,982
Library improvements	20,664,180	-	-	20,664,180
Debt service	-	-	5,467,775	5,467,775
Library system	-	7,525,820	-	7,525,820
Committed:				
Economic development	-	1,047,233	-	1,047,233
Capital projects	-	406,075	-	406,075
Capital improvements	-	4,646,485	-	4,646,485
Unassigned	-	(374,175)	-	(374,175)
Total fund balance	<u>56,351,619</u>	<u>36,824,408</u>	<u>5,467,934</u>	<u>98,643,961</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 62,254,010</u>	<u>\$ 41,182,273</u>	<u>\$ 5,523,827</u>	<u>\$ 108,960,110</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Capital Project Funds	Special Revenue Funds	Debt Service County Bonds	Total Nonmajor Governmental Funds
Revenues				
Taxes	\$ 1,413,586	\$ 26,622,302	\$ 7,029,704	\$ 35,065,592
Intergovernmental	-	9,400,839	-	9,400,839
Charge for services	-	588,379	-	588,379
Judicial fines and assessments	-	194,518	-	194,518
Interest	2,482,943	593,731	268,027	3,344,701
Miscellaneous	1,140,000	4,203,397	-	5,343,397
Total revenues	<u>5,036,529</u>	<u>41,603,166</u>	<u>7,297,731</u>	<u>53,937,426</u>
Expenditures				
Current:				
General government	913,569	6,232,020	-	7,145,589
Public safety	12,995	8,866,708	-	8,879,703
Roads and drainage	-	231,977	-	231,977
Recreation and culture	-	635,791	-	635,791
Economic development	-	826,328	-	826,328
Intergovernmental and nonprofit assistance	-	2,427,809	-	2,427,809
Library system	-	3,396,041	-	3,396,041
Capital outlay	16,472,996	8,604,567	-	25,077,563
Debt service:				
Principal retirement	-	3,323,123	5,628,000	8,951,123
Interest and fiscal charges	-	208,229	4,014,499	4,222,728
Total expenditures	<u>17,399,560</u>	<u>34,752,593</u>	<u>9,642,499</u>	<u>61,794,652</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(12,363,031)</u>	<u>6,850,573</u>	<u>(2,344,768)</u>	<u>(7,857,226)</u>
Other Financing Sources (Uses)				
Transfers in	6,019,465	2,883,550	459,700	9,362,715
Transfers out	(565,361)	(7,611,745)	-	(8,177,106)
Sale of capital assets	528,420	256,051	-	784,471
Insurance recoveries	-	101,172	-	101,172
Total other financing sources (uses)	<u>5,982,524</u>	<u>(4,370,972)</u>	<u>459,700</u>	<u>2,071,252</u>
Net change in fund balance	(6,380,507)	2,479,601	(1,885,068)	(5,785,974)
Fund balance - beginning of year	<u>62,732,126</u>	<u>34,344,807</u>	<u>7,353,002</u>	<u>104,429,935</u>
Fund balance - end of year	<u>\$ 56,351,619</u>	<u>\$ 36,824,408</u>	<u>\$ 5,467,934</u>	<u>\$ 98,643,961</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2023**

	Capital Projects	Parks and Recreational Facilities Fund	Oakbrook TIF Fund	Library Facilities Fund	Total Nonmajor Capital Project Funds
ASSETS					
Cash and investments	\$ 7,816,321	\$ -	\$ 651,609	\$ -	\$ 8,467,930
Cash and investments, restricted	4,663,151	12,341,212	12,564,294	24,213,064	53,781,721
Receivables, net	-	-	4,359	-	4,359
Total assets	<u>\$ 12,479,472</u>	<u>\$ 12,341,212</u>	<u>\$ 13,220,262</u>	<u>\$ 24,213,064</u>	<u>\$ 62,254,010</u>
LIABILITIES					
Accounts payable	\$ 1,304,122	35,105	\$ 971,563	\$ 3,548,884	\$ 5,859,674
Due to other funds	-	40,000	-	-	40,000
Total liabilities	<u>1,304,122</u>	<u>75,105</u>	<u>971,563</u>	<u>3,548,884</u>	<u>5,899,674</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	-	2,717	-	2,717
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>2,717</u>	<u>-</u>	<u>2,717</u>
FUND BALANCES					
Restricted:					
Capital projects	11,175,350	-	-	-	11,175,350
Parks and recreation improvements	-	12,266,107	-	-	12,266,107
Oakbrook tax increment finance district	-	-	12,245,982	-	12,245,982
Library improvements	-	-	-	20,664,180	20,664,180
Total fund balances	<u>11,175,350</u>	<u>12,266,107</u>	<u>12,245,982</u>	<u>20,664,180</u>	<u>56,351,619</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 12,479,472</u>	<u>\$ 12,341,212</u>	<u>\$ 13,220,262</u>	<u>\$ 24,213,064</u>	<u>\$ 62,254,010</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Capital Projects	Parks and Recreational Facilities Fund	Oakbrook TIF Fund	Library Facilities Fund	Total Nonmajor Capital Project Funds
Revenues					
Taxes	\$ -	\$ -	\$ 1,413,586	\$ -	\$ 1,413,586
Interest	330,200	513,150	562,015	1,077,578	2,482,943
Miscellaneous	1,140,000	-	-	-	1,140,000
Total revenues	<u>1,470,200</u>	<u>513,150</u>	<u>1,975,601</u>	<u>1,077,578</u>	<u>5,036,529</u>
Expenditures					
General government	-	645	912,763	161	913,569
Public safety	12,995	-	-	-	12,995
Intergovernmental and nonprofit assistance	-	-	-	-	-
Capital outlay	<u>4,489,372</u>	<u>978,531</u>	<u>3,135,148</u>	<u>7,869,945</u>	<u>16,472,996</u>
Total expenditures	<u>4,502,367</u>	<u>979,176</u>	<u>4,047,911</u>	<u>7,870,106</u>	<u>17,399,560</u>
Deficiency of revenues under expenditures	(3,032,167)	(466,026)	(2,072,310)	(6,792,528)	(12,363,031)
Other Financing Sources (Uses)					
Sale of capital assets	528,420	-	-	-	528,420
Transfers in	6,019,465	-	-	-	6,019,465
Transfers out	<u>(105,661)</u>	<u>-</u>	<u>(459,700)</u>	<u>-</u>	<u>(565,361)</u>
Total other financing sources (uses)	<u>6,442,224</u>	<u>-</u>	<u>(459,700)</u>	<u>-</u>	<u>5,982,524</u>
Net change in fund balance	3,410,057	(466,026)	(2,532,010)	(6,792,528)	(6,380,507)
Fund balances - beginning of year	<u>7,765,293</u>	<u>12,732,133</u>	<u>14,777,992</u>	<u>27,456,708</u>	<u>62,732,126</u>
Fund balances - end of year	<u>\$ 11,175,350</u>	<u>\$ 12,266,107</u>	<u>\$ 12,245,982</u>	<u>\$ 20,664,180</u>	<u>\$ 56,351,619</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2023**

	Capital Improvements	Sheriffs Fund	Economic Development	Hospitality Tax Fund	Family Court DSS
ASSETS					
Cash and investments	\$ -	\$ -	\$ 8,188,110	\$ 2,559,052	\$ -
Cash and investments, restricted	7,856,051	630,047	15,683	-	362,077
Receivables, net	216,238	-	115,060	157,003	-
Due from other funds	-	-	40,000	-	-
Due from other governments	-	-	-	-	-
Prepaid items	-	-	37,083	-	-
Total assets	<u>\$ 8,072,289</u>	<u>\$ 630,047</u>	<u>\$ 8,395,936</u>	<u>\$ 2,716,055</u>	<u>\$ 362,077</u>
LIABILITIES					
Accounts payable	\$ 421,621	\$ -	\$ 114,382	\$ 69,675	\$ 1,781
Accrued liabilities	-	-	-	4,884	2,546
Assets held for others	-	-	150,000	-	-
Due to other funds	-	-	-	-	-
Unearned revenue	-	469,383	114,991	-	-
Total liabilities	<u>421,621</u>	<u>469,383</u>	<u>379,373</u>	<u>74,559</u>	<u>4,327</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	54,418	-	-	-	-
Total deferred inflows of resources	<u>54,418</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE					
Nonspendable:					
Prepaid items	-	-	37,083	-	-
Restricted for:					
Public safety	-	390,069	-	-	-
Family court	-	-	-	-	357,750
Growth management	-	-	-	-	-
Tourism	-	-	-	2,641,496	-
Health and welfare	-	-	-	-	-
Capital projects	-	-	7,979,480	-	-
Capital improvements	2,949,765	-	-	-	-
Library system	-	-	-	-	-
Committed for:					
Economic development	-	-	-	-	-
Capital projects	-	-	-	-	-
Capital improvements	4,646,485	-	-	-	-
Unassigned	-	(229,405)	-	-	-
Total fund balance	<u>7,596,250</u>	<u>160,664</u>	<u>8,016,563</u>	<u>2,641,496</u>	<u>357,750</u>
Total liabilities, deferred inflows or resources and fund balances	<u>\$ 8,072,289</u>	<u>\$ 630,047</u>	<u>\$ 8,395,936</u>	<u>\$ 2,716,055</u>	<u>\$ 362,077</u>

(Continued)

E911	Victims Advocate	First Circuit Solicitor	C-Funds	Public Defender	Upper Dorchester Economic Development	Children In Crisis
\$ 253,664	\$ -	\$ 326,461	\$ -	\$ -	\$ 458,680	\$ -
-	-	-	-	-	-	-
84,619	6,917	-	-	-	-	10,593
-	-	-	-	-	-	-
-	-	219,135	1,232,853	375,896	-	-
-	-	7,500	-	3,338	-	-
<u>\$ 338,283</u>	<u>\$ 6,917</u>	<u>\$ 553,096</u>	<u>\$ 1,232,853</u>	<u>\$ 379,234</u>	<u>\$ 458,680</u>	<u>\$ 10,593</u>
\$ 622	\$ -	\$ 7,153	\$ 743,680	\$ 1,032	\$ -	\$ -
3,956	5,626	116,436	-	92,197	-	-
-	-	-	-	-	-	-
-	250	-	531,829	384,781	-	-
-	-	-	-	-	-	-
<u>4,578</u>	<u>5,876</u>	<u>123,589</u>	<u>1,275,509</u>	<u>478,010</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	7,894
-	-	-	-	-	-	7,894
-	-	7,500	-	3,338	-	-
333,705	1,041	422,007	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	2,699
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	458,680	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	(42,656)	(102,114)	-	-
<u>333,705</u>	<u>1,041</u>	<u>429,507</u>	<u>(42,656)</u>	<u>(98,776)</u>	<u>458,680</u>	<u>2,699</u>
<u>\$ 338,283</u>	<u>\$ 6,917</u>	<u>\$ 553,096</u>	<u>\$ 1,232,853</u>	<u>\$ 379,234</u>	<u>\$ 458,680</u>	<u>\$ 10,593</u>

(Continued)

Senior Citizens Center	Firefighters 1% Fund	Fire Protection Improvement	Dorchester County Economic Development Corporation	Other Special Revenue Fund	Library System	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ 564,903	\$ 541,074	\$ 7,825,007	\$ 20,716,951
1,458,283	387,696	3,713,201	-	3,005,187	-	17,428,225
38,381	-	310,769	23,650	43,390	-	1,006,620
-	-	-	-	-	-	40,000
-	-	-	-	-	-	1,827,884
-	-	-	-	-	114,672	162,593
<u>\$ 1,496,664</u>	<u>\$ 387,696</u>	<u>\$ 4,023,970</u>	<u>\$ 588,553</u>	<u>\$ 3,589,651</u>	<u>\$ 7,939,679</u>	<u>\$ 41,182,273</u>
\$ 21,000	\$ -	\$ 23,152	\$ -	\$ 75,114	\$ 186,332	\$ 1,665,544
-	-	282,488	-	-	112,855	620,988
-	-	-	-	-	-	150,000
-	-	200,000	-	-	-	1,116,860
-	-	-	-	-	-	584,374
<u>21,000</u>	<u>-</u>	<u>505,640</u>	<u>-</u>	<u>75,114</u>	<u>299,187</u>	<u>4,137,766</u>
15,004	-	142,783	-	-	-	220,099
<u>15,004</u>	<u>-</u>	<u>142,783</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>220,099</u>
-	-	-	-	-	114,672	162,593
-	387,696	3,375,547	-	40,009	-	4,950,074
-	-	-	-	2,344,719	-	2,702,469
-	-	-	-	513,140	-	513,140
-	-	-	-	73,852	-	2,715,348
1,460,660	-	-	-	136,742	-	1,600,101
-	-	-	-	-	-	7,979,480
-	-	-	-	-	-	2,949,765
-	-	-	-	-	7,525,820	7,525,820
-	-	-	588,553	-	-	1,047,233
-	-	-	-	406,075	-	406,075
-	-	-	-	-	-	4,646,485
-	-	-	-	-	-	(374,175)
<u>1,460,660</u>	<u>387,696</u>	<u>3,375,547</u>	<u>588,553</u>	<u>3,514,537</u>	<u>7,640,492</u>	<u>36,824,408</u>
<u>\$ 1,496,664</u>	<u>\$ 387,696</u>	<u>\$ 4,023,970</u>	<u>\$ 588,553</u>	<u>\$ 3,589,651</u>	<u>\$ 7,939,679</u>	<u>\$ 41,182,273</u>



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DORCHESTER COUNTY, SOUTH CAROLINA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Capital Improvements	Sheriffs Fund	Economic Development	Hospitality Tax Fund	Family Court DSS
Revenues					
Taxes	\$ 5,621,093	\$ -	\$ 2,827,015	\$ 1,593,716	\$ -
Intergovernmental	-	-	349,357	-	74,530
Charges for services	-	-	-	-	-
Judicial fines and assessments	-	20,186	-	-	-
Interest	248,121	3,113	161,115	-	8,956
Miscellaneous	113,098	6,534	1,239,000	-	-
Total revenues	<u>5,982,312</u>	<u>29,833</u>	<u>4,576,487</u>	<u>1,593,716</u>	<u>83,486</u>
Expenditures					
Current:					
General government	517,538	-	-	-	70,700
Public safety	70,365	41,762	-	-	-
Roads and drainage	-	-	-	-	-
Recreation and culture	-	-	-	635,791	-
Economic development	-	-	294,640	-	-
Intergovernmental and nonprofit assistance	-	-	-	-	-
Library system	-	-	-	-	-
Capital outlay	4,442,594	-	144,745	-	-
Debt service:					
Principal	1,071,983	22,101	1,787,000	-	-
Interest and fees	50,621	1,299	82,305	-	-
Total expenditures	<u>6,153,101</u>	<u>65,162</u>	<u>2,308,690</u>	<u>635,791</u>	<u>70,700</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(170,789)</u>	<u>(35,329)</u>	<u>2,267,797</u>	<u>957,925</u>	<u>12,786</u>
Other Financing Sources (Uses)					
Transfers in	2,829,771	26,129	-	-	-
Transfers out	(1,685,440)	(26,129)	-	(584,316)	-
Sale of capital assets	187,062	239	-	-	-
Insurance recoveries	97,028	-	-	-	-
Total other financing sources (uses)	<u>1,428,421</u>	<u>239</u>	<u>-</u>	<u>(584,316)</u>	<u>-</u>
Net change in fund balance	1,257,632	(35,090)	2,267,797	373,609	12,786
Fund balance (deficit) - beginning	<u>6,338,618</u>	<u>195,754</u>	<u>5,748,766</u>	<u>2,267,887</u>	<u>344,964</u>
Fund balance (deficit) - ending	<u>\$ 7,596,250</u>	<u>\$ 160,664</u>	<u>\$ 8,016,563</u>	<u>\$ 2,641,496</u>	<u>\$ 357,750</u>

(Continued)

E911	Victims Advocate	First Circuit Solicitor	C-Funds	Public Defender	Upper Dorchester Economic Development	Children In Crisis
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 857,510
756,313	1,060	3,797,883	3,232,853	11,138	-	-
447,607	-	-	-	-	-	-
-	100,642	73,690	-	-	-	-
-	96	-	-	-	-	-
25,156	-	3,684	-	2,330,991	-	-
1,229,076	101,798	3,875,257	3,232,853	2,342,129	-	857,510
-	-	3,302,045	-	2,301,319	-	-
545,695	128,407	-	-	-	-	-
-	-	-	231,977	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	198,000	-
-	-	-	-	-	-	857,678
-	-	-	-	-	-	-
670,662	-	-	3,000,876	-	-	-
-	-	-	-	39,389	-	-
-	-	-	-	661	-	-
1,216,357	128,407	3,302,045	3,232,853	2,341,369	198,000	857,678
12,719	(26,609)	573,212	-	760	(198,000)	(168)
-	27,650	-	-	-	-	-
-	-	(8,132)	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	27,650	(8,132)	-	-	-	-
12,719	1,041	565,080	-	760	(198,000)	(168)
320,986	-	(135,573)	(42,656)	(99,536)	656,680	2,867
\$ 333,705	\$ 1,041	\$ 429,507	\$ (42,656)	\$ (98,776)	\$ 458,680	\$ 2,699

(Continued)

Senior Citizens Center	Firefighters 1% Fund	Fire Protection Improvement	Dorchester County Economic Development Corporation	Other Special Revenue Fund	Library System	Total Nonmajor Special Revenue Funds
\$ 1,591,627	\$ -	\$ 9,601,720	\$ -	\$ -	\$ 4,529,621	\$ 26,622,302
-	85,408	31,578	174,000	526,058	360,661	9,400,839
-	-	27,489	-	65,940	47,343	588,379
-	-	-	-	-	-	194,518
32,844	-	118,092	-	1,186	20,208	593,731
-	-	92,136	328,457	-	64,341	4,203,397
1,624,471	85,408	9,871,015	502,457	593,184	5,022,174	41,603,166
-	-	-	-	40,418	-	6,232,020
-	-	8,080,479	-	-	-	8,866,708
-	-	-	-	-	-	231,977
-	-	-	-	-	-	635,791
-	-	-	333,688	-	-	826,328
1,468,505	-	-	-	101,626	-	2,427,809
-	-	-	-	-	3,396,041	3,396,041
-	-	345,690	-	-	-	8,604,567
-	-	402,650	-	-	-	3,323,123
-	-	73,343	-	-	-	208,229
1,468,505	-	8,902,162	333,688	142,044	3,396,041	34,752,593
155,966	85,408	968,853	168,769	451,140	1,626,133	6,850,573
-	-	-	-	-	-	2,883,550
-	-	(1,056,577)	-	-	(4,251,151)	(7,611,745)
-	-	68,750	-	-	-	256,051
-	-	4,144	-	-	-	101,172
-	-	(983,683)	-	-	(4,251,151)	(4,370,972)
155,966	85,408	(14,830)	168,769	451,140	(2,625,018)	2,479,601
1,304,694	302,288	3,390,377	419,784	3,063,397	10,265,510	34,344,807
\$ 1,460,660	\$ 387,696	\$ 3,375,547	\$ 588,553	\$ 3,514,537	\$ 7,640,492	\$ 36,824,408

DORCHESTER COUNTY, SOUTH CAROLINA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
CAPITAL IMPROVEMENTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes	\$ 5,413,019	\$ 5,621,093	\$ 208,074
Interest	7,956	248,121	240,165
Miscellaneous	91,280	113,098	21,818
Intergovernmental	16,241	-	(16,241)
Total revenues	<u>5,528,496</u>	<u>5,982,312</u>	<u>453,816</u>
Expenditures			
Current:			
General government	785,332	517,538	267,794
Public safety	74,783	70,365	4,418
Capital outlay	5,357,008	4,442,594	914,414
Debt service:			
Principal retirement	1,071,983	1,071,983	-
Interest and fiscal charges	50,621	50,621	-
Total expenditures	<u>7,339,727</u>	<u>6,153,101</u>	<u>1,186,626</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,811,231)</u>	<u>(170,789)</u>	<u>1,640,442</u>
Other Financing Sources (Uses)			
Appropriation of fund balance	2,902,411	-	(2,902,411)
Sale of capital assets	181,998	187,062	5,064
Insurance recoveries	23,612	97,028	73,416
Transfers in	812,685	2,829,771	2,017,086
Transfers out	(2,109,475)	(1,685,440)	424,035
Total other financing sourcing (uses)	<u>1,811,231</u>	<u>1,428,421</u>	<u>(382,810)</u>
Net change in fund balance	-	1,257,632	1,257,632
Fund balance - beginning	<u>6,338,618</u>	<u>6,338,618</u>	<u>-</u>
Fund balance - ending	<u>\$ 6,338,618</u>	<u>\$ 7,596,250</u>	<u>\$ 1,257,632</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
COUNTY BONDS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes	\$ 6,604,795	\$ 7,029,704	\$ 424,909
Interest	-	268,027	268,027
Total revenues	<u>6,604,795</u>	<u>7,297,731</u>	<u>692,936</u>
Expenditures			
Debt service:			
Principal retirement	5,628,000	5,628,000	-
Interest and fiscal charges	4,014,346	4,014,499	(153)
Contingency for future debt service	892,605	-	892,605
Total debt service expenditures	<u>10,534,951</u>	<u>9,642,499</u>	<u>892,452</u>
Deficiency of revenues under expenditures	(3,930,156)	(2,344,768)	1,585,388
Other Financing Sources			
Appropriation of fund balance	3,470,456	-	(3,470,456)
Transfers in	459,700	459,700	-
Total other financing sources	<u>3,930,156</u>	<u>459,700</u>	<u>(3,470,456)</u>
Net change in fund balance	-	(1,885,068)	(1,885,068)
Fund balance - beginning	<u>7,353,002</u>	<u>7,353,002</u>	<u>-</u>
Fund balance - ending	<u>\$ 7,353,002</u>	<u>\$ 5,467,934</u>	<u>\$ (1,885,068)</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
HOSPITALITY TAX FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Taxes	\$ 1,400,000	\$ 1,593,716	\$ 193,716
Total revenues	<u>1,400,000</u>	<u>1,593,716</u>	<u>193,716</u>
Expenditures			
Current:			
Recreation and culture	<u>2,467,228</u>	<u>635,791</u>	<u>1,831,437</u>
Total expenditures	<u>2,467,228</u>	<u>635,791</u>	<u>1,831,437</u>
Excess of revenues over expenditures	<u>(1,067,228)</u>	<u>957,925</u>	<u>2,025,153</u>
Other Financing Uses			
Appropriation of fund balance	1,651,544	-	(1,651,544)
Transfers out	<u>(584,316)</u>	<u>(584,316)</u>	<u>-</u>
Total other financing uses	<u>1,067,228</u>	<u>(584,316)</u>	<u>(1,651,544)</u>
Net change in fund balance	-	373,609	373,609
Fund balance - beginning	<u>2,267,887</u>	<u>2,267,887</u>	<u>-</u>
Fund balance - ending	<u>\$ 2,267,887</u>	<u>\$ 2,641,496</u>	<u>\$ 373,609</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
E-911 FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$ 388,293	\$ 756,313	\$ 368,020
Charges for services	437,960	447,607	9,647
Miscellaneous	-	25,156	25,156
Total revenues	<u>826,253</u>	<u>1,229,076</u>	<u>402,823</u>
Expenditures			
Current:			
Public safety	837,967	545,695	292,272
Capital outlay	-	670,662	(670,662)
Total expenditures	<u>837,967</u>	<u>1,216,357</u>	<u>(378,390)</u>
Excess of revenues over expenditures	(11,714)	12,719	24,433
Other Financing Sources			
Appropriation of fund balance	11,714	-	(11,714)
Total Other Financing Sources	<u>11,714</u>	<u>-</u>	<u>(11,714)</u>
Net change in fund balance	-	12,719	12,719
Fund balance - beginning	<u>320,986</u>	<u>320,986</u>	<u>-</u>
Fund balance - ending	<u>\$ 320,986</u>	<u>\$ 333,705</u>	<u>\$ 12,719</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
VICTIMS ADVOCATE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Intergovernmental	\$ 1,060	\$ 1,060	\$ -
Judicial fines and assessments	72,715	100,642	27,927
Interest	3	96	93
Total revenues	<u>73,778</u>	<u>101,798</u>	<u>28,020</u>
Expenditures			
Current:			
Public safety	144,807	128,407	16,400
Total expenditures	<u>144,807</u>	<u>128,407</u>	<u>16,400</u>
Deficiency of revenues under expenditures	(71,029)	(26,609)	44,420
Other Financing Sources			
Transfers in	71,029	27,650	(43,379)
Total other financing sources	<u>71,029</u>	<u>27,650</u>	<u>(43,379)</u>
Net change in fund balance	-	1,041	1,041
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ 1,041</u>	<u>\$ 1,041</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
FIRST CIRCUIT SOLICITOR FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$ 3,430,135	\$ 3,797,883	\$ 367,748
Judicial fines and assessments	73,690	73,690	-
Miscellaneous	-	3,684	3,684
Total revenues	<u>3,503,825</u>	<u>3,875,257</u>	<u>371,432</u>
Expenditures			
Current:			
General government	<u>3,503,825</u>	<u>3,302,045</u>	<u>201,780</u>
Total expenditures	<u>3,503,825</u>	<u>3,302,045</u>	<u>201,780</u>
Excess of revenues over expenditures	<u>-</u>	<u>573,212</u>	<u>573,212</u>
Other Financing Uses			
Transfers out	<u>-</u>	<u>(8,132)</u>	<u>(8,132)</u>
Total other financing uses	<u>-</u>	<u>(8,132)</u>	<u>(8,132)</u>
Net change in fund balance	-	565,080	565,080
Fund deficit - beginning	<u>(135,573)</u>	<u>(135,573)</u>	<u>-</u>
Fund balance - ending	<u>\$ (135,573)</u>	<u>\$ 429,507</u>	<u>\$ 565,080</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
PUBLIC DEFENDER FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$ 11,137	\$ 11,138	\$ 1
Miscellaneous	2,184,425	2,330,991	146,566
Total revenues	<u>2,195,562</u>	<u>2,342,129</u>	<u>146,567</u>
Expenditures			
Current:			
General government	2,195,562	2,301,319	(105,757)
Debt service:			
Principal	-	39,389	(39,389)
Interest and fees	-	661	(661)
Total expenditures	<u>2,195,562</u>	<u>2,341,369</u>	<u>(145,807)</u>
Net change in fund balance	-	760	760
Fund deficit - beginning	<u>(99,536)</u>	<u>(99,536)</u>	-
Fund deficit - ending	<u>\$ (99,536)</u>	<u>\$ (98,776)</u>	<u>\$ 760</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
FIRE PROTECTION IMPROVEMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes	\$ 8,991,917	\$ 9,601,720	\$ 609,803
Intergovernmental	31,578	31,578	-
Charges for services	32,000	27,489	(4,511)
Interest	-	118,092	118,092
Miscellaneous	92,130	92,136	6
Total revenues	<u>9,147,625</u>	<u>9,871,015</u>	<u>723,390</u>
Expenditures			
Current:			
Public safety	8,051,498	8,080,479	(28,981)
Capital outlay	371,205	345,690	25,515
Debt service:			
Principal retirement	397,144	402,650	(5,506)
Interest and fiscal charges	72,849	73,343	(494)
Total expenditures	<u>8,892,696</u>	<u>8,902,162</u>	<u>(9,466)</u>
Excess of revenues over expenditures	254,929	968,853	713,924
Other Financing Sources (Uses)			
Appropriation of fund balance	732,245	-	(732,245)
Sale of capital assets	20,648	68,750	48,102
Insurance recoveries	4,144	4,144	-
Transfers out	(1,011,966)	(1,056,577)	(44,611)
Total other financing uses, net	<u>(254,929)</u>	<u>(983,683)</u>	<u>(728,754)</u>
Net change in fund balance	-	(14,830)	(14,830)
Fund balance - beginning	<u>3,390,377</u>	<u>3,390,377</u>	<u>-</u>
Fund balance - ending	<u>\$ 3,390,377</u>	<u>\$ 3,375,547</u>	<u>\$ (14,830)</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
LIBRARY SYSTEM
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes	\$ 4,741,086	\$ 4,529,621	\$ (211,465)
Intergovernmental	-	360,661	360,661
Charges for services	-	47,343	47,343
Interest	-	20,208	20,208
Miscellaneous	-	64,341	64,341
Total revenues	<u>4,741,086</u>	<u>5,022,174</u>	<u>281,088</u>
Expenditures			
Current:			
Library system	<u>4,741,086</u>	<u>3,396,041</u>	<u>1,345,045</u>
Total expenditures	<u>4,741,086</u>	<u>3,396,041</u>	<u>1,345,045</u>
Excess of revenues over expenditures	-	1,626,133	1,626,133
Other Financing Uses			
Transfers out	-	<u>(4,251,151)</u>	<u>(4,251,151)</u>
Total other financing uses	-	<u>(4,251,151)</u>	<u>(4,251,151)</u>
Net change in fund balance	-	(2,625,018)	(2,625,018)
Fund balance - beginning	<u>10,265,510</u>	<u>10,265,510</u>	<u>-</u>
Fund balance - ending	<u>\$ 10,265,510</u>	<u>\$ 7,640,492</u>	<u>\$ (2,625,018)</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2023**

	Solid Waste	Stormwater Fund	Totals
ASSETS			
Current assets:			
Cash and investments	\$ 7,059,038	\$ 6,269,424	\$ 13,328,462
Cash and investments, restricted	-	4,173,620	4,173,620
Receivables, net	4,584,933	2,292,520	6,877,453
Prepaid items	6,275	47,122	53,397
Total current assets	<u>11,650,246</u>	<u>12,782,686</u>	<u>24,432,932</u>
Non-current assets:			
Capital assets:			
Nondepreciable	500,717	555,841	1,056,558
Depreciable, net of accumulated depreciation and amortization	1,341,489	3,558,280	4,899,769
Total non-current assets	<u>1,842,206</u>	<u>4,114,121</u>	<u>5,956,327</u>
Total assets	<u>13,492,452</u>	<u>16,896,807</u>	<u>30,389,259</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pension charges	474,582	348,239	822,821
Deferred OPEB charges	49,443	35,022	84,465
Total deferred outflows of resources	<u>524,025</u>	<u>383,261</u>	<u>907,286</u>
Total assets and deferred outflows of resources	<u><u>\$ 14,016,477</u></u>	<u><u>\$ 17,280,068</u></u>	<u><u>\$ 31,296,545</u></u>
LIABILITIES			
Current liabilities:			
Account payable	\$ 681,172	\$ 474,166	\$ 1,155,338
Accrued liabilities	83,648	56,970	140,618
Accrued interest	-	32,500	32,500
Current portion of lease liabilities	6,068	-	6,068
Current portion of revenue bonds	-	358,000	358,000
Current portion of compensated absences	31,809	37,876	69,685
Total current liabilities	<u>802,697</u>	<u>959,512</u>	<u>1,762,209</u>
Non-current liabilities:			
Net pension liability	3,002,854	2,203,437	5,206,291
Net OPEB liability	222,648	157,709	380,357
Lease liabilities	24,693	-	24,693
Revenue bonds	-	3,365,000	3,365,000
Compensated absences	43,979	14,550	58,529
Total non-current liabilities	<u>3,294,174</u>	<u>5,740,696</u>	<u>9,034,870</u>
Total liabilities	<u>4,096,871</u>	<u>6,700,208</u>	<u>10,797,079</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred pension credits	50,567	37,105	87,672
Deferred OPEB credits	75,510	53,486	128,996
Total deferred inflows of resources	<u>126,077</u>	<u>90,591</u>	<u>216,668</u>
NET POSITION			
Net investment in capital assets	1,509,735	4,531,102	6,040,837
Unrestricted	8,283,794	5,958,167	14,241,961
Total net position	<u>9,793,529</u>	<u>10,489,269</u>	<u>20,282,798</u>
Total liabilities, deferred inflows of resources, and net position	<u><u>\$ 14,016,477</u></u>	<u><u>\$ 17,280,068</u></u>	<u><u>\$ 31,296,545</u></u>

DORCHESTER COUNTY, SOUTH CAROLINA

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Solid Waste	Stormwater Fund	Totals
Operating Revenues			
Charges for services, net	\$ 8,852,361	\$ 4,336,606	\$ 13,188,967
Inspection fee	-	396,878	396,878
Other charges	138,968	379,491	518,459
Total operating revenues	<u>8,991,329</u>	<u>5,112,975</u>	<u>14,104,304</u>
Operating Expenses			
Personnel services	2,131,132	1,441,601	3,572,733
Contractual services	5,080,500	234,861	5,315,361
Maintenance and repairs	49,140	403,732	452,872
Utilities	36,791	10,561	47,352
Office expenses	13,736	11,428	25,164
Truck expenses	73,905	45,044	118,949
Other services and charges	73,235	51,763	124,998
Supplies	58,601	98,788	157,389
Depreciation	162,886	350,404	513,290
Amortization	6,199	-	6,199
Total operating expenses	<u>7,686,125</u>	<u>2,648,182</u>	<u>10,334,307</u>
Operating income	<u>1,305,204</u>	<u>2,464,793</u>	<u>3,769,997</u>
Non-Operating Revenues (Expenses)			
Investment income	208,001	256,679	464,680
Gain on disposition of capital assets	25,828	16,899	42,727
Grant revenue	98,247	-	98,247
Interest expense	(398)	(207,994)	(208,392)
Total non-operating revenues (expenses)	<u>331,678</u>	<u>65,584</u>	<u>397,262</u>
Income before capital contributions and transfers	<u>1,636,882</u>	<u>2,530,377</u>	<u>4,167,259</u>
Capital Contributions and Transfers			
Capital contributions	6,873	-	6,873
Transfer in	2,875	111,020	113,895
Transfer out	(474,296)	(287,849)	(762,145)
Total transfers	<u>(464,548)</u>	<u>(176,829)</u>	<u>(641,377)</u>
Change in net position	1,172,334	2,353,548	3,525,882
Net position, beginning	<u>8,621,195</u>	<u>8,135,721</u>	<u>16,756,916</u>
Net position, ending	<u>\$ 9,793,529</u>	<u>\$ 10,489,269</u>	<u>\$ 20,282,798</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Solid Waste	Stormwater Fund	Totals
Cash Flows from Operating Activities:			
Cash received from customers and users	\$ 8,771,553	\$ 4,940,413	\$ 13,711,966
Cash paid to employees	(2,027,881)	(1,350,852)	(3,378,733)
Cash paid to suppliers, premiums and claims	(5,439,761)	(598,552)	(6,038,313)
Total provided by operating activities	<u>1,303,911</u>	<u>2,991,009</u>	<u>4,294,920</u>
Cash Flows from Non-Capital Financing Activities:			
Noncapital transfers and advances between funds	(471,421)	(176,829)	(648,250)
Noncapital grants	98,247	-	98,247
Total (used in) non-capital financing activities	<u>(373,174)</u>	<u>(176,829)</u>	<u>(550,003)</u>
Cash Flows from Capital and Related Financing Activities:			
Acquisition and construction of capital assets	(477,097)	(811,363)	(1,288,460)
Proceeds from the sale of capital assets	52,397	14,175	66,572
Proceeds from the issuance of debt	-	4,150,000	4,150,000
Principal paid on debt	(6,002)	(427,000)	(433,002)
Interest paid on debt	(398)	(175,494)	(175,892)
Total provided by (used in) capital and related financing activities	<u>(431,100)</u>	<u>2,750,318</u>	<u>2,319,218</u>
Cash Flows from Investing Activities:			
Interest income	<u>208,001</u>	<u>256,679</u>	<u>464,680</u>
Total provided by investing activities	<u>208,001</u>	<u>256,679</u>	<u>464,680</u>
Net change in cash and cash equivalents, including restricted	707,638	5,821,177	6,528,815
Cash and cash equivalents, beginning of year	<u>6,351,400</u>	<u>4,621,867</u>	<u>10,973,267</u>
Cash and cash equivalents, end of year, including restricted	<u>\$ 7,059,038</u>	<u>\$ 10,443,044</u>	<u>\$ 17,502,082</u>

(Continued)

DORCHESTER COUNTY, SOUTH CAROLINA

**COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Solid Waste	Stormwater Fund	Totals
Reconciliation of Operating Income to Net Cash			
Flows Provided by Operating Activities:			
Operating income	\$ 1,305,204	\$ 2,464,793	\$ 3,769,997
Adjustments to reconcile:			
Depreciation and amortization	169,085	350,404	519,489
Changes in assets and liabilities:			
(Increase) in accounts receivable	(219,776)	(172,562)	(392,338)
Decrease (increase) in prepaid items	139	(42,186)	(42,047)
Increase (decrease) in accounts payable	(53,992)	299,811	245,819
Increase in accrued liabilities	15,458	12,989	28,447
Increase (decrease) in accrued compensated absences	(9,635)	6,143	(3,492)
Increase in pension and OPEB deferred	97,428	71,617	169,045
	<u>(170,378)</u>	<u>175,812</u>	<u>5,434</u>
Net cash flow provided by operating activities	<u>\$ 1,303,911</u>	<u>\$ 2,991,009</u>	<u>\$ 4,294,920</u>
Schedule of Noncash Capital and Financing Activities:			
Capital assets transferred from governmental activities	\$ 6,873	\$ -	\$ 6,873
	<u>\$ 6,873</u>	<u>\$ -</u>	<u>\$ 6,873</u>



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DORCHESTER COUNTY, SOUTH CAROLINA

**COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2023**

	Municipalities, School Districts, and Special Districts	Clerk of Court	Family Court	Magistrates Fund	Orangeburg County FILOT
ASSETS					
Cash and investments	\$ 38,740,065	\$ 172,055	\$ 153,935	\$ 311,073	\$ 7,446
Receivables, net	2,391,972	-	-	-	-
Due from other governments	215,966	-	-	-	-
Total assets	<u>41,348,003</u>	<u>172,055</u>	<u>153,935</u>	<u>311,073</u>	<u>7,446</u>
LIABILITIES					
Due to others	<u>6,299,345</u>	<u>131,215</u>	<u>165,570</u>	<u>238,347</u>	<u>-</u>
Total liabilities	<u>6,299,345</u>	<u>131,215</u>	<u>165,570</u>	<u>238,347</u>	<u>-</u>
NET POSITION					
Restricted:					
Individuals, organizations and other governments	<u>35,048,658</u>	<u>40,840</u>	<u>(11,635)</u>	<u>72,726</u>	<u>7,446</u>
Total net position	<u>\$ 35,048,658</u>	<u>\$ 40,840</u>	<u>\$ (11,635)</u>	<u>\$ 72,726</u>	<u>\$ 7,446</u>

SC Trans Committee	Delinquent Agency Fund	Treasurer's Agency Fund	Miscellaneous Fund	Total
\$ 869	\$ 8,076,198	\$ 3,274,838	\$ 1,335,517	\$ 52,071,996
-	-	-	304,163	2,696,135
-	-	-	-	215,966
<u>869</u>	<u>8,076,198</u>	<u>3,274,838</u>	<u>1,639,680</u>	<u>54,984,097</u>
-	7,762,388	3,268,575	1,643,950	19,509,390
-	<u>7,762,388</u>	<u>3,268,575</u>	<u>1,643,950</u>	<u>19,509,390</u>
<u>869</u>	<u>313,810</u>	<u>6,263</u>	<u>(4,270)</u>	<u>35,474,707</u>
<u>\$ 869</u>	<u>\$ 313,810</u>	<u>\$ 6,263</u>	<u>\$ (4,270)</u>	<u>\$ 35,474,707</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Municipalities, School Districts, and Special Districts	Clerk of Court	Family Court	Magistrates Fund
Additions				
Tax collections for other governments	\$ 190,598,296	\$ -	\$ -	\$ -
Grant revenues	234,711,297	-	-	-
Fines and fees	4,945,361	274,159	367,351	847,726
Miscellaneous	9,063,986	-	-	-
Total additions	<u>439,318,940</u>	<u>274,159</u>	<u>367,351</u>	<u>847,726</u>
Deductions				
Payments of taxes to other governments	376,104,731	274,200	359,551	839,146
Disbursement of debt proceeds	55,926,883	-	-	-
Payments to designated beneficiaries	1,050	-	-	-
Total deductions	<u>432,032,664</u>	<u>274,200</u>	<u>359,551</u>	<u>839,146</u>
Net increase (decrease) in fiduciary net position	7,286,276	(41)	7,800	8,580
Net position (deficit), beginning of year	<u>27,762,382</u>	<u>40,881</u>	<u>(19,435)</u>	<u>64,146</u>
Net position (deficit), end of year	<u>\$ 35,048,658</u>	<u>\$ 40,840</u>	<u>\$ (11,635)</u>	<u>\$ 72,726</u>

Orangeburg County FILOT	SC Trans Committee	Delinquent Agency Fund	Treasurer's Agency Fund	Miscellaneous Fund	Total
\$ 191,528	\$ -	\$ -	\$ -	\$ -	\$ 190,789,824
-	2,000	-	-	1,091,320	235,804,617
-	-	-	-	-	6,434,597
-	-	244,543	-	-	9,308,529
191,528	2,000	244,543	-	1,091,320	442,337,567
194,360	2,240	-	-	1,093,000	378,867,228
-	-	-	-	-	55,926,883
-	-	-	-	-	1,050
194,360	2,240	-	-	1,093,000	434,795,161
(2,832)	(240)	244,543	-	(1,680)	7,542,406
10,278	1,109	69,267	6,263	(2,590)	27,932,301
\$ 7,446	\$ 869	\$ 313,810	\$ 6,263	\$ (4,270)	\$ 35,474,707

DORCHESTER COUNTY, SOUTH CAROLINA

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

YEAR ENDED JUNE 30, 2023

FOR THE STATE TREASURER'S OFFICE:

COUNTY/MUNICIPAL FUNDS COLLECTED BY CLERK OF COURT	General Sessions	Magistrate Court	Municipal Court	Total
Court Fines and Assessments:				
Court fines and assessments collected	795,010	1,695,472	681	2,491,163
Court fines and assessments remitted to State Treasurer	(597,456)	(806,457)		(1,403,913)
Total Court Fines and Assessments Retained	197,554	889,015	681	1,087,250
Surcharges and Assessments Retained for Victim Services:				
Surcharges collected and retained	26,427	10,702		37,129
Assessments retained	1,240	61,592	681	63,513
Total Surcharges and Assessments Retained for Victim Services	27,667	72,294	681	100,642

FOR THE DEPARTMENT OF CRIME VICTIM COMPENSATION (DCVC):

VICTIM SERVICE FUNDS COLLECTED	Municipal	County	Total
Carryforward from Previous Year – Beginning Balance	-	-	-
Victim Service Revenue:			
Victim Service Fines Retained by City/County Treasurer			
Victim Service Assessments Retained by City/County Treasurer		63,513	63,513
Victim Service Surcharges Retained by City/County Treasurer		37,129	37,129
Interest Earned		96	96
Grant Funds Received			
Grant from:		1,060	1,060
General Funds Transferred to Victim Service Fund		27,650	27,650
Contribution Received from Victim Service Contracts:			
(1) Town of			
(2) Town of			
(3) City of			
Total Funds Allocated to Victim Service Fund + Beginning Balance (A)	-	129,448	129,448
Expenditures for Victim Service Program:	Municipal	County	Total
Salaries and Benefits		128,407	128,407
Operating Expenditures			
Victim Service Contract(s):			
(1) Entity's Name			
(2) Entity's Name			
Victim Service Donation(s):			
(1) Domestic Violence Shelter			
(2) Rape Crisis Center			
(3) Other local direct crime victims service agency			
Transferred to General Fund			
Total Expenditures from Victim Service Fund/Program (B)		128,407	128,407
Total Victim Service Funds Retained by Municipal/County Treasurer (A-B)		1,041	1,041
Less: Prior Year Fund Deficit Repayment		-	-
Carryforward Funds – End of Year		1,041	1,041

STATISTICAL SECTION



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**STATISTICAL SECTION
(UNAUDITED)**

This part of the County’s, Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, notes disclosure, and required supplementary information says about the County’s overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	123-128
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	
Revenue Capacity	129-134
These schedules contain information to help the reader assess the County’s most significant local revenue source.	
Debt Capacity	135-139
These schedules present information to help the reader assess the affordability of the County’s current levels of outstanding debt and the County’s ability to issue additional debt in the future.	
Demographic and Economic Information.....	140-142
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help comparisons over time and with other governments.	
Operating Information.....	143 and 144
These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.	
Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.	



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DORCHESTER COUNTY, SOUTH CAROLINA

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

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Governmental activities										
Net investment in capital assets	\$ 68,135,305	\$ 77,061,370	\$ 90,697,922	\$ 92,073,636	\$ 103,976,571	\$ 37,657,298	\$ 42,547,231	\$ 52,298,359	\$ 61,462,186	\$ 112,871,503
Restricted	27,732,371	24,218,572	15,150,003	39,319,601	47,100,010	55,642,172	65,081,388	82,810,801	106,913,322	91,853,761
Unrestricted	28,604,995	(21,067,847)	(16,018,266)	(18,553,376)	(28,597,323)	(32,037,359)	(36,653,362)	(39,452,517)	(30,885,996)	(16,576,949)
Total governmental activities net position	<u>\$ 124,472,671</u>	<u>\$ 80,212,095</u>	<u>\$ 89,829,659</u>	<u>\$ 112,839,861</u>	<u>\$ 122,479,258</u>	<u>\$ 61,262,111</u>	<u>\$ 70,975,257</u>	<u>\$ 95,656,643</u>	<u>\$ 137,489,512</u>	<u>\$ 188,148,315</u>
Business-type activities										
Net investment in capital assets	\$ 103,133,248	\$ 110,857,746	\$ 116,970,205	\$ 131,954,008	\$ 141,719,993	\$ 154,321,376	\$ 166,214,018	\$ 176,067,388	\$ 189,940,981	\$ 210,683,542
Restricted	17,380,812	18,634,320	20,820,572	16,558,963	15,059,860	16,668,345	19,273,935	26,246,246	33,140,258	43,149,045
Unrestricted	18,763,927	12,980,509	15,020,086	11,918,603	14,476,316	12,909,408	9,575,021	11,694,415	20,569,276	25,101,528
Total business-type activities net position	<u>\$ 139,277,987</u>	<u>\$ 142,472,575</u>	<u>\$ 152,810,863</u>	<u>\$ 160,431,574</u>	<u>\$ 171,256,169</u>	<u>\$ 183,899,129</u>	<u>\$ 195,062,974</u>	<u>\$ 214,008,049</u>	<u>\$ 243,650,515</u>	<u>\$ 278,934,115</u>
Primary government										
Net investment in capital assets	\$ 171,268,553	\$ 187,919,116	\$ 207,668,127	\$ 224,027,644	\$ 245,696,564	\$ 191,978,674	\$ 208,761,249	\$ 228,365,747	\$ 251,403,167	\$ 323,555,045
Restricted	45,113,183	42,852,892	35,970,575	55,878,564	62,159,870	72,310,517	84,355,323	109,057,047	140,053,580	135,002,806
Unrestricted	47,368,922	(8,087,338)	(998,180)	(6,634,773)	(14,121,007)	(19,127,951)	(27,078,341)	(27,758,102)	(10,316,720)	8,524,579
Total primary government net position	<u>\$ 263,750,658</u>	<u>\$ 222,684,670</u>	<u>\$ 242,640,522</u>	<u>\$ 273,271,435</u>	<u>\$ 293,735,427</u>	<u>\$ 245,161,240</u>	<u>\$ 266,038,231</u>	<u>\$ 309,664,692</u>	<u>\$ 381,140,027</u>	<u>\$ 467,082,430</u>

DORCHESTER COUNTY, SOUTH CAROLINA

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

	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>
Expenses										
Governmental activities										
General government	\$ 19,861,442	\$ 22,424,729	\$ 23,886,033	\$ 26,662,840	\$ 28,454,911	\$ 29,925,262	\$ 36,191,548	\$ 43,289,192	\$ 35,988,196	\$ 37,405,705
Public safety	34,866,977	32,719,023	35,601,493	39,232,125	41,367,732	42,088,535	46,923,982	49,415,677	44,591,973	49,236,776
Roads and drainage	6,116,543	5,286,855	5,646,460	72,363,350	13,608,969	78,308,048	5,716,211	6,010,755	4,992,381	5,249,516
Health and welfare	241,831	244,878	241,183	238,746	1,017,901	1,025,696	1,106,028	1,065,604	1,089,281	1,411,616
Recreation and culture	35,234	110,993	237,200	514,668	313,874	310,336	1,399,509	771,265	1,046,190	2,322,488
Airport	275,423	454,663	453,120	496,346	468,790	478,903	603,309	543,923	449,657	476,392
Economic development	849,935	2,356,220	1,899,177	2,021,210	1,705,412	4,235,715	1,579,658	1,224,661	1,199,081	1,562,703
Intergovernmental and nonprofit	3,974,127	3,878,048	3,828,998	3,937,430	3,351,743	4,618,709	5,401,085	5,985,055	24,860,274	28,477,781
Library system	-	-	-	-	-	-	-	-	3,622,105	4,078,142
Disaster recovery	-	-	-	1,682,909	485,816	375,362	2,721,745	879,323	-	-
Nondepartmental	-	-	-	512,367	-	-	-	-	2,282,872	3,316,644
Interest and fiscal charges	1,492,345	1,534,015	1,506,366	5,029,018	4,834,904	4,859,879	5,458,252	6,125,267	6,471,662	6,448,859
Total governmental activities expenses	<u>67,713,857</u>	<u>69,009,424</u>	<u>73,300,030</u>	<u>152,691,009</u>	<u>95,610,052</u>	<u>166,226,445</u>	<u>107,101,327</u>	<u>115,310,722</u>	<u>126,593,672</u>	<u>139,986,622</u>
Business-type activities										
Water and sewer	17,828,038	17,912,760	18,230,792	19,636,330	20,509,356	22,607,782	25,368,652	25,415,220	28,290,723	29,933,373
Stormwater	1,395,018	1,465,142	1,492,067	1,934,984	2,004,758	2,093,198	2,319,156	6,488,811	2,719,365	2,856,176
Solid waste	5,699,231	5,494,895	5,619,162	6,210,952	5,885,165	5,938,070	6,343,772	2,547,471	6,589,978	7,686,523
Total business-type txpenses	<u>24,922,287</u>	<u>24,872,797</u>	<u>25,342,021</u>	<u>27,782,266</u>	<u>28,399,279</u>	<u>30,639,050</u>	<u>34,031,580</u>	<u>34,451,502</u>	<u>37,600,066</u>	<u>40,476,072</u>
Total government expenses	<u>\$ 92,636,144</u>	<u>\$ 93,882,221</u>	<u>\$ 98,642,051</u>	<u>\$ 180,473,275</u>	<u>\$ 124,009,331</u>	<u>\$ 196,865,495</u>	<u>\$ 141,132,907</u>	<u>\$ 149,762,224</u>	<u>\$ 164,193,738</u>	<u>\$ 180,462,694</u>

DORCHESTER COUNTY, SOUTH CAROLINA

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

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Program revenues										
Governmental activities										
Charges for services										
General government	\$ 15,201,871	\$ 17,082,183	\$ 18,700,504	\$ 7,110,898	\$ 8,055,719	\$ 8,327,296	\$ 8,792,117	\$ 11,558,186	\$ 9,462,276	\$ 9,191,768
Public safety	1,313,635	1,863,387	1,989,904	7,141,414	7,381,311	6,590,055	8,195,488	9,547,604	8,893,490	9,534,603
Roads and drainage	-	-	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	402	130	-	-	-	-	-
Recreation and culture	325,711	333,555	351,474	-	-	-	-	-	-	-
Airport	-	-	8,894	8,002	8,480	7,462	7,927	11,660	26,688	32,658
Economic development	-	10,600	400	-	-	-	-	-	-	-
Library system	-	-	-	-	-	-	-	-	54,697	47,343
Operating grants and contributions	3,904,055	4,319,845	5,235,052	18,877,510	15,656,681	7,193,336	8,057,070	11,214,181	16,007,856	22,118,253
Capital grants and contributions	923,109	2,409,443	1,912,033	9,178,339	5,910,328	6,739,077	10,092,216	11,157,008	9,476,019	5,315,027
Total governmental activities program revenues	<u>21,668,381</u>	<u>26,019,013</u>	<u>28,198,261</u>	<u>42,316,565</u>	<u>37,012,649</u>	<u>28,857,226</u>	<u>35,144,818</u>	<u>43,488,639</u>	<u>43,921,026</u>	<u>46,239,652</u>
Business-type activities										
Charges for services										
Water and sewer	21,576,438	25,749,039	23,985,721	24,185,944	25,673,345	26,892,036	29,069,859	37,240,009	35,530,080	39,351,972
Stormwater	1,530,622	1,605,836	1,599,545	1,932,013	2,295,949	2,572,321	2,862,790	4,014,007	4,896,384	5,112,975
Solid waste	5,845,499	6,370,972	5,792,244	6,439,056	6,770,996	6,601,900	7,062,872	7,737,717	8,439,966	8,991,329
Operating grants and contributions	607,177	105,592	105,673	191,334	65,497	93,572	87,384	80,211	90,301	98,247
Capital grants and contributions	2,520,598	3,219,529	5,405,082	4,029,514	5,670,979	4,339,194	6,441,904	5,476,971	20,526,668	22,785,069
Total business-type activities program revenues	<u>32,080,334</u>	<u>37,050,968</u>	<u>36,888,265</u>	<u>36,777,861</u>	<u>40,476,766</u>	<u>40,499,023</u>	<u>45,524,809</u>	<u>54,548,915</u>	<u>69,483,399</u>	<u>76,339,592</u>
Total primary government program revenues	<u>\$ 53,748,715</u>	<u>\$ 63,069,981</u>	<u>\$ 65,086,526</u>	<u>\$ 79,094,426</u>	<u>\$ 77,489,415</u>	<u>\$ 69,356,249</u>	<u>\$ 80,669,627</u>	<u>\$ 98,037,554</u>	<u>\$ 113,404,425</u>	<u>\$ 122,579,244</u>
Net (expense)/revenue										
Governmental activities	\$(46,045,476)	\$(42,990,411)	\$(45,101,769)	\$(110,374,444)	\$(58,597,403)	\$(137,369,219)	\$(71,956,509)	\$(71,822,083)	\$(82,672,646)	\$(93,746,970)
Business-type activities	7,158,047	12,178,171	11,546,244	8,995,595	12,077,487	9,859,973	11,493,229	20,097,413	31,883,333	35,863,520
Total government net (expense)/revenue	<u>\$(38,887,429)</u>	<u>\$(30,812,240)</u>	<u>\$(33,555,525)</u>	<u>\$(101,378,849)</u>	<u>\$(46,519,916)</u>	<u>\$(127,509,246)</u>	<u>\$(60,463,280)</u>	<u>\$(51,724,670)</u>	<u>\$(50,789,313)</u>	<u>\$(57,883,450)</u>

DORCHESTER COUNTY, SOUTH CAROLINA

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

	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>
General revenues and other changes in net assets										
Governmental activities										
Property taxes	\$ 42,364,911	\$ 42,063,705	\$ 45,560,948	\$ 47,453,185	\$ 48,856,004	\$ 51,607,166	\$ 58,071,717	\$ 60,224,740	\$ 70,421,952	\$ 82,044,626
Franchise fees and hospitality taxes	327,164	333,555	351,474	634,424	735,830	1,395,542	1,950,211	2,163,565	2,256,926	2,287,684
Sales and use taxes	-	-	-	16,224,030	16,836,769	17,414,494	18,338,806	24,085,828	28,803,328	37,106,694
Grants and contributions not restricted	5,530,885	-	7,407,563	5,297,537	5,466,870	5,517,465	5,778,417	6,036,511	6,897,686	6,915,315
Unrestricted revenue from use of money and property	-	3,884,508	-	487,488	884,631	1,648,617	2,083,866	2,355,465	-	-
Gain/(loss) on disposition of assets	-	75,603	-	-	-	-	282,240	-	-	249,464
Miscellaneous	-	175,302	-	66,008	1,270,117	354,918	882,153	-	3,241,887	6,053,528
Investment income (loss)	-	-	96,882	-	-	-	-	191,644	-	7,202,745
Transfers in/(out)	1,299,005	1,334,230	1,302,466	3,178,869	895,273	(1,786,130)	683,848	1,449,145	2,411,399	2,545,717
Total governmental activities	<u>49,521,965</u>	<u>47,866,903</u>	<u>54,719,333</u>	<u>73,341,541</u>	<u>74,945,494</u>	<u>76,152,072</u>	<u>88,071,258</u>	<u>96,506,898</u>	<u>114,033,178</u>	<u>144,405,773</u>
Business-type activities										
Unrestricted revenue from use of money and property	-	-	-	103,170	128,211	220,068	252,180	-	-	-
Miscellaneous	-	-	-	-	-	667,000	22,433	2,457	-	24,680
Investment income	30,247	50,328	94,510	-	-	-	-	54,918	119,230	1,871,757
Gain on disposition of assets	52,393	-	-	67,701	487,155	109,789	79,851	239,432	51,302	69,360
Transfers in/(out)	(1,299,005)	(1,334,230)	(1,302,466)	(3,178,869)	(895,273)	1,786,130	(683,848)	(1,449,145)	(2,411,399)	(2,545,717)
Total business-type activities	<u>(1,216,365)</u>	<u>(1,283,902)</u>	<u>(1,207,956)</u>	<u>(3,007,998)</u>	<u>(279,907)</u>	<u>2,782,987</u>	<u>(329,384)</u>	<u>(1,152,338)</u>	<u>(2,240,867)</u>	<u>(579,920)</u>
Total government	<u>\$ 48,305,600</u>	<u>\$ 46,583,001</u>	<u>\$ 53,511,377</u>	<u>\$ 70,333,543</u>	<u>\$ 74,665,587</u>	<u>\$ 78,935,059</u>	<u>\$ 87,741,874</u>	<u>\$ 95,354,560</u>	<u>\$ 111,792,311</u>	<u>\$ 143,825,853</u>
Changes in net position										
Governmental activities	\$ 3,476,489	\$ 4,876,492	\$ 9,617,564	\$ (37,032,903)	\$ 16,348,091	\$ (61,217,147)	\$ 16,114,749	\$ 24,684,815	\$ 31,360,532	\$ 50,658,803
Business-type activities	5,941,682	10,894,269	10,338,288	5,987,597	11,797,580	12,642,960	11,163,845	18,945,075	29,642,466	35,283,600
Total government changes in net position	<u>\$ 9,418,171</u>	<u>\$ 15,770,761</u>	<u>\$ 19,955,852</u>	<u>\$ (31,045,306)</u>	<u>\$ 28,145,671</u>	<u>\$ (48,574,187)</u>	<u>\$ 27,278,594</u>	<u>\$ 43,629,890</u>	<u>\$ 61,002,998</u>	<u>\$ 85,942,403</u>

DORCHESTER COUNTY, SOUTH CAROLINA

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

	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>
General Fund										
Nonspendable	\$ 295,392	\$ 545,846	\$ 175,150	\$ 218,763	\$ 510,299	\$ 611,510	\$ 2,146,331	\$ 716,988	\$ 608,655	\$ 735,603
Committed	1,304,804	3,965,900	3,988,014	3,154,772	5,825,950	5,310,010	3,740,193	4,941,169	7,072,047	8,647,535
Assigned	1,544,094	566,542	1,167,793	1,202,514	1,915,702	1,453,270	1,266,877	3,804,638	3,006,578	2,043,346
Unassigned	15,138,578	17,140,840	19,174,747	22,800,202	21,552,775	23,063,282	24,386,779	30,908,537	34,376,598	35,672,945
Total General Fund	<u>18,282,868</u>	<u>22,219,128</u>	<u>24,505,704</u>	<u>27,376,251</u>	<u>29,804,726</u>	<u>30,438,072</u>	<u>31,540,180</u>	<u>40,371,332</u>	<u>45,063,878</u>	<u>47,099,429</u>
All other governmental funds										
Nonspendable	4,583	251,532	4,042	174,415	152,046	-	156,485	156,485	362,781	235,655
Restricted	27,732,371	24,218,572	15,161,003	34,510,714	42,659,166	64,212,565	110,584,391	108,846,536	159,070,000	140,266,753
Committed	8,970,109	7,400,381	8,943,633	6,288,134	4,669,456	5,965,146	5,722,264	2,454,851	4,270,366	6,099,793
Unassigned (deficit)	(2,123,327)	(1,989,176)	(250,581)	(257,213)	(1,228,919)	(709,187)	(1,624,924)	(1,366,741)	(1,996,900)	(2,027,421)
Total all other governmental funds	<u>34,583,736</u>	<u>29,881,309</u>	<u>23,858,097</u>	<u>40,716,050</u>	<u>46,251,749</u>	<u>69,468,524</u>	<u>114,838,216</u>	<u>110,091,131</u>	<u>161,706,247</u>	<u>144,574,780</u>
Total all governmental funds	<u>\$ 52,866,604</u>	<u>\$ 52,100,437</u>	<u>\$ 48,363,801</u>	<u>\$ 68,092,301</u>	<u>\$ 76,056,475</u>	<u>\$ 99,906,596</u>	<u>\$ 146,378,396</u>	<u>\$ 150,462,463</u>	<u>\$ 206,770,125</u>	<u>\$ 191,674,209</u>

DORCHESTER COUNTY, SOUTH CAROLINA

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

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Revenues										
Taxes	\$ 42,306,300	\$ 42,206,478	\$ 45,603,856	\$ 63,325,356	\$ 65,715,121	\$ 69,382,696	\$ 77,667,174	\$ 84,701,329	\$ 99,609,475	\$ 115,507,469
Licenses and permits	3,922,050	4,789,935	4,535,839	4,336,157	3,042,700	3,086,240	4,180,763	7,139,475	5,653,240	6,984,271
Charges for services	6,921,012	7,527,433	8,380,831	9,362,446	11,064,462	10,995,193	11,019,596	12,061,107	11,744,661	10,592,566
Intergovernmental	9,700,574	15,315,012	13,195,675	25,601,351	22,312,579	18,522,033	19,856,440	25,974,478	32,300,819	34,256,765
Judicial fines and assessments	-	-	-	-	-	-	-	-	1,771,183	1,918,334
Other income	1,400,609	2,271,365	3,419,154	6,072,083	5,561,463	5,632,799	5,750,688	5,662,060	2,456,263	13,124,734
Total revenues	64,250,545	72,110,223	75,135,355	108,697,393	107,696,325	107,618,961	118,474,661	135,538,449	153,535,641	182,384,139
Expenditures										
General government	19,441,018	21,920,805	22,479,433	27,276,393	25,757,179	28,641,970	28,140,044	29,536,681	35,055,767	35,664,707
Public safety	32,650,690	30,162,858	33,225,811	34,991,866	35,311,816	36,893,632	40,651,301	39,331,901	42,111,458	46,658,824
Roads and drainage	2,439,988	2,112,544	2,348,247	2,252,331	2,469,416	3,357,025	2,853,959	2,239,609	2,413,818	2,793,438
Health and welfare	240,519	244,222	241,183	228,921	987,643	990,399	1,060,578	1,082,234	1,058,487	1,374,895
Recreation and culture	35,234	110,675	236,896	111,186	342,646	294,022	1,359,024	549,169	755,778	1,694,722
Airport	-	-	-	-	-	-	-	-	147,920	169,055
Economic development	-	-	-	-	-	-	-	-	1,001,739	1,495,346
Intergovernmental and nonprofit assistance	3,934,869	3,836,042	3,786,196	3,895,399	3,309,661	4,576,932	5,325,765	5,885,942	24,830,746	28,277,905
Library system	-	-	-	-	-	-	-	-	3,032,168	3,396,041
Disaster recovery	-	-	-	1,682,909	485,816	375,362	2,721,745	879,323	-	-
Non-departmental	1,736,818	1,062,342	758,228	512,367	956,487	860,071	972,040	1,735,753	2,282,872	3,316,644
Capital outlay	7,451,746	17,156,290	12,188,154	20,719,795	20,844,025	13,606,299	19,697,562	48,005,730	27,186,147	32,125,489
Debt service										
Principal	3,075,557	2,971,114	3,669,800	8,945,476	8,931,777	9,288,982	11,225,943	10,804,907	17,189,607	38,449,095
Interest and fiscal charges	1,497,337	1,524,646	1,529,555	5,046,459	4,834,393	4,806,051	5,449,659	5,944,260	6,012,109	6,556,156
Payment to refund bond escrow	-	-	-	-	-	3,231,478	-	-	-	-
Total expenditures	72,503,776	81,101,538	80,463,503	105,663,102	104,230,859	106,922,223	119,457,620	145,995,509	163,078,616	201,972,317
Excess (deficiency) of revenues over expenditures	(8,253,231)	(8,991,315)	(5,328,148)	3,034,291	3,465,466	696,738	(982,959)	(10,457,060)	(9,542,975)	(19,588,178)
Other financing sources (uses)										
Transfers in	6,694,307	3,190,512	4,326,084	5,597,755	7,188,271	22,810,874	9,179,866	12,835,249	13,514,770	15,522,353
Transfers out	(5,395,302)	(1,856,282)	(2,845,382)	(2,418,886)	(6,292,998)	(20,774,731)	(5,466,435)	(11,386,104)	(11,049,203)	(12,894,958)
Sale of capital assets	489,101	336,863	58,638	257,253	90,199	168,754	256,119	283,615	242,669	788,471
Insurance proceeds	38,835	-	52,172	348,177	221,236	205,107	154,464	225,277	178,627	228,538
Issuance of leases	-	2,514,055	-	-	3,292,000	-	1,260,277	8,093,000	1,569,784	847,858
Issuance of bonds	-	4,040,000	-	-	-	19,030,000	39,465,000	4,650,000	49,025,000	-
Premium on issuance of debt	-	-	-	-	-	1,713,379	2,448,983	-	-	-
Total other financing sources (uses)	1,826,941	8,225,148	1,591,512	3,784,299	4,498,708	23,153,383	47,298,274	14,701,037	53,481,647	4,492,262
Net change in fund balance	\$ (6,426,290)	\$ (766,167)	\$ (3,736,636)	\$ 6,818,590	\$ 7,964,174	\$ 23,850,121	\$ 46,315,315	\$ 4,243,977	\$ 43,938,672	\$ (15,095,916)
Debt service as a percentage of non-capital expenditures	7.03%	7.03%	7.62%	15.03%	14.91%	18.17%	15.76%	15.22%	17.38%	26.85%

DORCHESTER COUNTY, SOUTH CAROLINA

GENERAL GOVERNMENT TAX REVENUES BY SOURCE LAST TEN FISCAL YEARS

Fiscal Year	Property Tax	Sales Tax	Hospitality Tax	Total
2014	\$ 42,364,911	\$ 11,945,213	\$ -	\$ 54,310,124
2015	42,063,705	13,045,978	-	55,109,683
2016	45,560,948	15,128,857	-	60,689,805
2017	47,101,326	16,224,030	-	63,325,356
2018	49,041,116	16,674,005	-	65,715,121
2019	51,425,426	17,349,741	607,529	69,382,696
2020	58,121,506	18,402,011	1,143,657	77,667,174
2021	60,589,197	22,730,372	1,381,760	84,701,329
2022	69,959,318	28,151,852	1,498,305	99,609,475
2023	79,153,371	34,760,382	1,593,716	115,507,469

Source: Dorchester County Treasurer.

DORCHESTER COUNTY, SOUTH CAROLINA

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

Fiscal Year	Real Property ^		Personal Property		Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Motor Vehicles	Other					
2014	\$ 242,871,661	\$ 158,149,880	\$ 56,144,419	\$ 69,325,461	\$ 7,664,610	\$ 518,826,811	0.0941	\$ 10,424,958,992	4.98%
2015	249,383,731	156,629,160	61,233,413	69,539,321	7,501,820	529,283,805	0.0943	10,648,393,908	4.97%
2016	247,764,800	166,034,160	65,689,382	71,866,290	7,836,140	543,518,492	0.0988	10,856,593,273	5.01%
2017	258,088,630	169,548,000	69,126,712	77,304,139	7,116,040	566,951,441	0.0994	11,303,806,612	5.02%
2018	270,589,850	171,123,720	67,487,536	79,501,975	5,646,770	583,056,311	0.0994	11,643,814,763	5.01%
2019	284,748,990	178,374,370	66,846,342	84,257,983	6,191,700	608,035,985	0.1005	12,154,523,924	5.00%
2020	323,292,040	199,137,250	69,733,292	95,581,721	6,076,670	681,667,633	0.1005	13,640,165,782	5.00%
2021	336,275,580	210,550,390	71,505,730	96,544,878	7,065,060	707,811,518	0.1005	14,290,161,654	4.95%
2022	346,495,090	234,331,520	72,582,124	92,552,971	6,643,280	739,318,425	0.1031	14,821,894,778	4.99%
2023	362,295,130	274,377,380	75,598,903	95,550,229	4,570,380	803,251,262	0.1031	16,015,016,059	5.02%

^ Real Property Assessment do not include exemptions.

Source: Dorchester County Auditor.

DORCHESTER COUNTY, SOUTH CAROLINA

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

Fiscal Year	Direct Rates									
	County									
	General	Capital	Debt	TTC	Library	Children in Crisis	Senior Center	Fire	Fire Capital	Total Direct Rate
2014	0.0502	0.0070	0.0065	0.0035	0.0050	0.0010	0.0019	0.0150	0.0040	0.0941
2015	0.0502	0.0070	0.0065	0.0035	0.0052	0.0010	0.0019	0.0150	0.0040	0.0943
2016	0.0550	0.0070	0.0062	0.0035	0.0052	0.0010	0.0019	0.0150	0.0040	0.0988
2017	0.0550	0.0070	0.0062	0.0035	0.0058	0.0010	0.0019	0.0150	0.0040	0.0994
2018	0.0550	0.0070	0.0062	0.0035	0.0058	0.0010	0.0019	0.0150	0.0040	0.0994
2019	0.0561	0.0070	0.0062	0.0035	0.0058	0.0010	0.0019	0.0150	0.0040	0.1005
2020	0.0549	0.0068	0.0059	0.0033	0.0055	0.0010	0.0019	0.0172	0.0040	0.1005
2021	0.0549	0.0068	0.0059	0.0033	0.0055	0.0010	0.0019	0.0212	0.0000	0.1005
2022	0.0549	0.0068	0.0085	0.0033	0.0055	0.0010	0.0019	0.0212	0.0000	0.1031
2023	0.0549	0.0068	0.0085	0.0033	0.0055	0.0010	0.0019	0.0212	0.0000	0.1031

Source: Dorchester County Auditor.

(Continued)

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

DORCHESTER COUNTY, SOUTH CAROLINA

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

Fiscal Year	Overlapping Rates School Districts						Total School District Millage	Total Direct and Overlapping Rates
	DD2 Op	DD2 Debt	Voc Oper	DD4 Op	DD4 Debt	Voc Oper		
2014	0.1686	0.0460	0.0093	0.2200	0.0280	0.0093	0.4812	0.5753
2015	0.1686	0.0530	0.0093	0.2200	0.0280	0.0093	0.4882	0.5825
2016	0.1699	0.0530	0.0093	0.2150	0.0280	0.0093	0.4845	0.5833
2017	0.1699	0.0530	0.0093	0.2150	0.0280	0.0093	0.4845	0.5839
2018	0.1736	0.0530	0.0093	0.2150	0.0280	0.0093	0.4882	0.5876
2019	0.1736	0.0530	0.0093	0.2150	0.0280	0.0093	0.4882	0.5887
2020	0.1836	0.0530	0.0092	0.2100	0.0280	0.0092	0.4930	0.5935
2021	0.1836	0.0585	0.0092	0.2100	0.0280	0.0092	0.4985	0.5990
2022	0.1836	0.0650	0.0092	0.2100	0.0510	0.0092	0.5280	0.6311
2023	0.1836	0.0650	0.0092	0.2100	0.0510	0.0092	0.5280	0.6311

DORCHESTER COUNTY, SOUTH CAROLINA

PRINCIPAL PROPERTY TAXPAYERS CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2023			2014		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Assessed Value
Dominion Energy (Formerly SCE&G)	\$ 21,827,820	1	2.72%	\$ 14,601,440	1	2.81%
Resonac Graphite America INC	11,690,830	2	1.46%	5,102,770	4	0.98%
Robert Bosch LLC	11,369,270	3	1.42%	8,159,080	2	1.57%
Walmart Stores East LP	7,776,760	4	0.97%			
Norfolk Southern Railway Co	6,082,020	5	0.76%			
Argos Cement LLC	4,638,030	6	0.58%	5,600,770	3	1.08%
Giant Cement Co	3,291,560	7	0.41%	4,567,190	5	0.88%
Lennar Carolina LLC	3,260,010	8	0.41%			
McKewn Multifamily Owner LLC	2,572,100	9	0.32%			
Harrison At Windsor Hill LP	2,379,500	10	0.30%			
Charleston -N Chas MSA CO 646				2,209,640	6	0.43%
Trident Medical Center LLC				1,492,160	7	0.29%
Kapstone Chaleston Kraft LLC				1,467,740	8	0.28%
Atrium At Wescott LLC				1,465,020	9	0.28%
Edisto Electric Coop Inc				1,397,650	10	0.27%
Total	<u><u>\$ 74,887,900</u></u>		<u><u>9.33%</u></u>	<u><u>\$ 46,063,460</u></u>		<u><u>8.87%</u></u>

Source: Dorchester County Auditor.

DORCHESTER COUNTY, SOUTH CAROLINA

PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

Tax Levy Year Ended June 30	Total Tax Levy for Fiscal Year ⁽¹⁾	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years ⁽²⁾	Total Collections to Date	
		Amount ⁽²⁾	Percentage of Levy		Amount	Percentage of Levy
2013	33,049,268	\$ 31,925,907	96.6%	\$ 1,417,765	\$ 33,343,672	100.9%
2014	33,715,378	32,667,544	96.9%	1,355,541	34,023,085	100.9%
2015	37,067,961	35,609,309	96.1%	1,475,835	37,085,144	100.0%
2016	38,666,088	37,127,741	96.0%	1,630,268	38,758,009	100.2%
2017	39,764,440	38,514,748	96.9%	1,454,441	39,969,189	100.5%
2018	42,136,894	40,613,787	96.4%	1,618,017	42,231,804	100.2%
2019	46,080,732	44,733,958	97.1%	1,425,895	46,159,853	100.2%
2020	47,848,059	46,631,419	97.5%	-	46,631,419	97.5%
2021	51,900,153	50,809,230	97.9%	-	50,809,230	97.9%
2022	56,388,239	55,102,454	97.7%	-	55,102,454	97.7%

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

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

Source: Dorchester County Auditor and Dorchester County Treasurer.

DORCHESTER COUNTY, SOUTH CAROLINA

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

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Personal Income ⁽¹⁾	Per Capita ⁽¹⁾
	General Obligation Bonds	Financing Purchases - Notes Payable	Limited Obligation Bonds	Revenue Bonds	Water/Sewer Revenue Bonds	Stormwater Revenue Bonds	Water/Sewer Financed Purchases	Water/Sewer Notes Payable			
2014	\$ 39,707,418	\$ 2,675,628	\$ -	\$ 1,576,695	\$ 68,480,771	\$ -	\$ 127,549	\$ -	\$ 112,568,061	2.13%	758
2015	41,784,084	4,452,463	-	1,294,189	64,915,270	-	65,035	-	112,511,041	2.04%	738
2016	39,498,844	3,324,866	-	996,146	61,468,766	-	-	-	105,288,622	1.87%	685
2017	121,400,675 *	2,186,364	-	681,709	54,182,091	-	-	5,223,007	183,673,846	3.15%	1174
2018	113,353,516 *	4,612,416	-	362,235	53,143,388	-	-	4,761,701	176,233,256	2.81%	1097
2019	121,034,180 *	3,506,654	-	-	49,798,827	-	-	5,007,197	179,346,858	2.71%	1109
2020	137,167,188 *	3,701,520	15,297,630	-	46,270,134	-	-	6,883,313	209,319,785	3.04%	1296
2021	127,158,400 *	10,640,104	15,263,325	4,650,000	42,650,309	-	-	6,167,627	206,529,765	2.96%	1265
2022	163,672,145 *	11,069,862	15,229,020	4,650,000	37,696,171	-	-	5,721,255	238,038,453	3.42%	1457
2023	128,800,674 *	9,600,735	15,194,715	2,863,000	63,523,798	3,723,000	-	5,210,755	228,916,677	2.94%	1378

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

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

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

DORCHESTER COUNTY, SOUTH CAROLINA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property ⁽¹⁾	Per Capita ⁽²⁾
2014	\$ 39,707,418	\$ 3,174,585	\$ 36,532,833	0.35%	246
2015	41,784,084	3,449,086	38,334,998	0.36%	251
2016	39,498,844	5,705,079	33,793,765	0.31%	220
2017	121,400,675 *	3,880,653	117,520,022	1.04%	751
2018	113,353,516 *	4,242,093	109,111,423	0.94%	679
2019	121,034,180 *	6,330,018	114,704,162	0.94%	709
2020	137,167,188 *	5,777,295	131,389,893	0.96%	813
2021	127,158,400 *	3,797,211	123,361,189	0.86%	755
2022	163,672,145 *	7,042,834	156,629,311	1.06%	959
2023	128,800,674 *	5,363,878	123,436,796	0.77%	743

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

⁽¹⁾ See Table 6 for property value data.

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

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

DORCHESTER COUNTY, SOUTH CAROLINA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT YEAR ENDED JUNE 30, 2023

	<u>Governmental Activities Debt</u>	<u>Applicable to County Taxpayers</u>	<u>Taxpayers Share of Debt</u>
Direct			
County	\$ 156,459,124 *	100%	\$ 156,459,124
Overlapping *			
School District #2	285,946,881	100%	285,946,881
School District #4	47,908,507	100%	47,908,507
Town of Summerville	47,370,269	74%	35,053,999
City of North Charleston	287,342,619	14%	40,227,967
Total Overlapping Debt	<u>668,568,276</u>		<u>409,137,354</u>
Total Direct and Overlapping Debt	<u>\$ 825,027,400</u>		<u>\$ 565,596,478</u>

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

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

DORCHESTER COUNTY, SOUTH CAROLINA

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

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt limit	\$ 41,710,796	\$ 42,448,581	\$ 43,583,540	\$ 45,115,800	\$ 45,930,967	\$ 48,642,879	\$ 54,533,411	\$ 56,625,163	\$ 59,145,474	\$ 64,260,101
Total net debt applicable to limit	<u>39,319,601</u>	<u>37,425,357</u>	<u>35,334,768</u>	<u>32,829,521</u>	<u>30,670,000</u>	<u>44,455,000</u>	<u>40,325,000</u>	<u>37,755,000</u>	<u>35,147,188</u>	<u>32,296,000</u>
Legal debt margin	<u>\$ 2,391,195</u>	<u>\$ 5,023,224</u>	<u>\$ 8,248,772</u>	<u>\$ 12,286,279</u>	<u>\$ 15,260,967</u>	<u>\$ 4,187,879</u>	<u>\$ 14,208,411</u>	<u>\$ 18,870,163</u>	<u>\$ 23,998,286</u>	<u>\$ 31,964,101</u>
Total net debt applicable to the limit as a percentage of debt limit	94.27%	88.17%	81.07%	72.77%	66.77%	91.39%	73.95%	66.68%	59.42%	50.26%

Legal debt margin calculation for fiscal year 2023

Assessed value	\$ 803,251,262
Debt limit (8% of total assessed value)	64,260,101
Debt applicable to limit:	
General obligation bonds	<u>32,296,000</u>
Legal debt margin	<u>\$ 31,964,101</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS**

Fiscal Year	Water and Sewer Revenue Bonds					
	Charges and Other Revenues ⁽¹⁾	Less: Operating Expenses ⁽²⁾	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2014	\$ 19,166,155	\$ 11,504,750	\$ 7,661,405	\$ 3,347,615	\$ 1,964,249	1.44
2015	19,651,915	11,447,522	8,204,393	3,524,459	1,784,886	1.55
2016	20,766,525	11,369,472	9,397,053	3,648,119	1,847,550	1.71
2017	21,750,557	12,357,589	9,392,968	3,724,461	1,797,625	1.70
2018	22,360,182	13,038,421	9,321,761	3,259,383	2,127,654	1.73
2019	23,240,536	14,870,350	8,370,186	3,069,154	1,959,591	1.66
2020	25,366,220	17,246,735	8,119,485	3,253,286	1,840,957	1.59
2021	29,518,199	16,862,945	12,655,254	3,116,161	1,699,900	2.63
2022	35,633,282	19,266,022	16,367,260	4,796,721	1,767,697	2.49
2023	40,759,049	20,398,970	20,360,079	3,725,029	1,290,130	4.06

⁽¹⁾ Total operating revenues plus interest income.

⁽²⁾ Total operating expenses less depreciation.

DORCHESTER COUNTY, SOUTH CAROLINA

DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS

Fiscal Year	Population ⁽¹⁾	Personal Income ⁽²⁾	Per Capita Personal Income ⁽²⁾	Unemployment Rate ⁽³⁾
2014	148,499	5,275,723,973	35,527	5.8%
2015	152,536	5,522,413,344	36,204	5.5%
2016	153,773	5,620,249,377	36,549	4.4%
2017	156,456	5,835,495,888	37,298	3.4%
2018	160,647	6,273,747,291	39,053	2.5%
2019	161,775	6,606,891,000	40,840	2.8%
2020	161,540	6,891,619,480	42,662	5.7%
2021	163,327	6,967,856,474	42,662	3.6%
2022	163,327	6,967,856,474	42,662	3.6%
2023	166,133	\$ 7,784,493,981	\$ 46,857	2.9%

Source:

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

⁽²⁾ South Carolina Revenue and Fiscal Affairs Office.

⁽³⁾ South Carolina Revenue and Fiscal Affairs Office.

These figures are based on the latest information available.

DORCHESTER COUNTY, SOUTH CAROLINA

**PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

Employer	2023			2014		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Robert Bosch Corporation	1,500	1	26.08%	1,900	1	40.61%
Walmart IDC	1,328	2	23.09%			
Scout Boats, Inc.	475	3	8.26%			
KION Linde Material Handling NA	466	4	8.10%			
ZF (Formerly WABCO)	450	5	7.82%			
Knight's Companies	435	6	7.56%	115	10	2.46%
Sportsman Boats Manufacturing	393	7	6.83%			
Resonac Graphite America (formerly Showa Denko Carbon, Inc.)	300	8	5.22%	273	4	5.83%
Key West Boats	242	9	4.21%	182	6	3.89%
Giant Cement Holdings	163	10	2.83%	205	5	4.38%
iQor				1,000	2	21.37%
InterContinental Holdings, Inc.				550	3	11.75%
KapStone Paper and Packaging Corp.				178	7	3.80%
ArborGen				140	8	2.99%
Linde Material Handling				136	9	2.91%
Total	5,752		100%	4,679		100%

Source: Dorchester County Economic Development.

DORCHESTER COUNTY, SOUTH CAROLINA
FULL-TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
General government:										
Administrator	6.00	7.00	8.00	8.00	7.00	7.00	8.00	11.00	11.00	12.00
Animal control	0.00	0.00	5.00	6.00	0.00	0.00	0.00	0.00	0.00	0.00
Assessor	20.00	20.00	20.00	20.00	21.50	22.00	22.00	22.00	22.00	22.00
Attorney	2.00	2.00	2.00	2.00	2.00	3.00	3.00	3.00	4.00	4.00
Auditor	12.00	12.00	12.00	12.00	12.00	13.00	14.00	13.00	13.00	13.00
Building services	9.00	9.00	10.00	10.00	10.00	10.00	12.00	12.00	13.00	13.00
Business services	0.00	0.00	0.00	0.00	12.50	13.00	15.00	17.00	17.00	18.00
Codes enforcement	7.00	7.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
County council	8.50	8.00	8.00	8.00	8.00	8.00	8.00	8.50	8.00	8.00
Delinquent tax collector	4.50	4.50	4.50	4.50	4.50	4.50	4.00	4.00	4.00	4.00
Elections and voter registration	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Facilities and ground maintenance	31.50	31.50	31.50	31.50	33.50	33.00	33.00	37.00	37.00	38.00
Finance	8.00	7.00	7.50	7.50	0.00	0.00	0.00	0.00	0.00	0.00
Fleet services	11.00	11.00	11.00	11.00	11.00	12.00	12.00	12.00	12.00	12.00
Human resources	4.00	4.00	4.00	4.00	5.00	5.00	5.00	6.00	6.00	7.00
Information technology	10.00	10.00	10.00	10.00	10.00	10.00	10.00	11.00	11.00	13.00
Planning and zoning	7.00	8.00	10.00	10.00	7.00	7.00	8.00	9.00	9.00	10.00
Purchasing	3.00	3.00	2.50	2.50	0.00	0.00	0.00	0.00	0.00	0.00
Register of deeds	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Risk management and safety	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	4.00	4.00
Treasurer	14.50	14.50	14.50	14.50	14.50	14.50	14.50	13.50	13.50	13.50
Judicial:										
Clerk of court	11.00	11.00	11.00	11.00	10.50	10.50	10.50	10.50	10.50	10.50
Family court	11.50	11.50	11.50	11.50	12.50	12.50	12.50	12.50	12.50	12.50
Magistrates	19.50	20.00	20.00	20.00	19.50	19.50	19.50	19.50	20.50	20.25
Master-in-equity	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Probate court	6.50	6.50	7.00	7.00	7.50	7.50	8.00	8.00	8.00	9.00
Public safety:										
Communication support	2.00	2.00	2.00	2.00	2.00	2.00	2.00	0.00	0.00	0.00
Consolidated dispatch	0.00	0.00	0.00	0.00	0.00	0.00	0.00	34.00	34.00	34.00
Coroner	5.00	5.00	5.00	5.00	5.00	5.50	5.50	5.50	6.00	6.00
Detention	70.00	74.00	101.00	101.00	102.00	102.00	102.00	108.00	108.00	108.00
E911	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Emergency management	2.50	3.00	3.00	3.00	3.00	3.00	3.00	5.00	5.00	5.00
Emergency medical services	74.00	74.00	89.50	89.50	90.50	94.50	98.50	98.50	98.50	99.50
Fire department	26.50	26.50	26.50	49.50	49.50	82.00	94.00	97.00	97.00	103.00
Sheriff	187.50	187.50	186.00	187.00	196.50	208.50	213.00	182.00	186.00	191.00
Victims advocate	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	2.00
Public works:										
Airport operations	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Road maintenance	48.00	47.00	47.00	47.00	47.00	44.00	45.00	45.00	45.00	45.00
Health and welfare:										
Neighborhood services	0.00	0.00	0.00	0.00	10.00	10.00	10.00	10.00	10.00	10.00
Veteran's affairs	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Economic development:										
Economic development	4.00	4.00	4.00	4.00	4.00	5.00	5.00	5.00	5.00	5.00
Culture and recreation:										
Hospitality tax - administrator	0.00	0.00	0.00	0.00	0.00	0.00	1.00	1.00	1.00	1.00
Recreation	1.00	1.00	1.00	1.00	2.00	2.50	2.50	3.50	13.50	15.75
Water and sewer	78.00	79.00	80.00	84.00	89.00	92.00	96.00	98.00	104.00	108.00
Stormwater utility	24.00	24.00	24.00	24.00	24.00	21.00	23.00	23.00	23.00	23.00
Solid waste	36.00	37.00	38.00	38.00	38.50	38.50	38.50	38.50	32.50	35.50
Total	792.50	799.00	844.50	873.50	899.00	950.00	985.50	1011.00	1,029.00	1,057.00

Source: Dorchester County Business Services - Budget and Revenue Division.

DORCHESTER COUNTY, SOUTH CAROLINA

**OPERATING INDICATORS
LAST TEN FISCAL YEARS**

	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>
General										
Number of building permits	383	564	479	502	417	473	753	1,157	1,025	1,199
Coroner										
Calls for service*	729	813	907	892	856	863	1,046	1,049	999	912
Sheriff										
Calls for service*	138,137	133,489	113,747	105,398	101,100	105,596	106,882	96,648	99,556	102,613
EMS										
Calls for service	15,840	17,595	19,038	19,901	20,033	21,352	21,836	20,235	22,092	23,796
Fire										
Number of calls answered	1,576	1,498	1,434	1,561	4,568	4,749	4,658	5,040	5,601	5,576
Number of inspections conducted	142	216	328	527	1,251	1,295	1,162	1,186	1,071	827
Number of investigations conducted	7	9	8	11	18	17	32	35	40	38
Number of customers										
Retail - water	8,292	8,478	8,655	9,090	9,539	9,821	10,135	10,604	10,919	11,465
Retail - sewer	23,894	24,518	25,204	26,087	26,969	28,040	28,657	29,770	30,447	32,292
Sales/usage in millions of gallons										
Retail average monthly water usage	2	2	2	3	3	2	3	2	3	3
Wholesale average monthly water usage	-	-	-	-	-	-	-	-	-	-
Total average monthly water usage	<u>2</u>	<u>2</u>	<u>2</u>	<u>3</u>	<u>3</u>	<u>2</u>	<u>3</u>	<u>2</u>	<u>3</u>	<u>3</u>
Retail gallons sold - water **	607	635	644	688	690	712	790	814	824	839
Wholesale gallons sold - water	-	-	-	-	-	-	-	-	-	-
Total gallons sold - water	<u>607</u>	<u>635</u>	<u>644</u>	<u>688</u>	<u>690</u>	<u>712</u>	<u>790</u>	<u>814</u>	<u>824</u>	<u>839</u>
Retail gallons sold - sewer **	3,059	3,277	3,016	3,118	3,138	3,330	3,647	3,744	4,020	4,293
Wholesale gallons sold - sewer	-	-	-	-	-	-	-	-	-	-
Total gallons sold - sewer	<u>3,059</u>	<u>3,277</u>	<u>3,016</u>	<u>3,118</u>	<u>3,138</u>	<u>3,330</u>	<u>3,647</u>	<u>3,744</u>	<u>4,020</u>	<u>4,293</u>

* These figures are as of November 1st

** Figures in 1 million gallons

Source:

Dorchester County Building Services, Dorchester County Emergency Medical Services, Dorchester County Sheriff's Office, Dorchester County Fire-Rescue, and Dorchester County Water and Sewer.

Dorchester County Coroner and Sheriff's Office data based on calendar year as this is how crime is reported nationally.

All sewer usage is commercial only - do not calculate residential sewer usage.

DORCHESTER COUNTY, SOUTH CAROLINA

**CAPITAL ASSET STATISTICS
LAST TEN FISCAL YEARS**

	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>
Public safety										
EMS stations	7	7	7	7	7	7	7	7	7	7
Fire stations	11	12	12	14	16	17	17	17	17	18
Sheriff vehicles	167	168	176	178	190	204	211	215	232	236
Sheriff stations (including substations)	2	2	2	2	2	2	2	2	2	2
Highways and streets										
County maintained paved roads (miles)	365	365	372	374	375	382	384	384	386	383
County maintained unpaved roads (miles)	76	76	70	70	69	57	56	56	56	56
Recreation										
Parks open to the public	2	2	2	2	3	3	4	4	4	4
Parklands open to the public	77.9	77.9	77.9	77.9	77.9	77.9	131.2	150.7	236.3	236.3
Parklands owned by the County for future development	491.5	491.5	491.5	495.5	613.0	620.0	620.0	637.7	852.6	861.3

Source:

EMS information provided by the County Emergency Medical Services Department.

Fire information provided by the County Fire Department.

Police information provided by the County Sheriff's Office.

Recreation information provided by County Recreation in terms of acreage.

COMPLIANCE SECTION



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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of **Dorchester County, South Carolina** (the "County"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 8, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink that reads "Mauldin & Jenkins, LLC". The script is cursive and fluid, with the letters "M", "J", and "L" being particularly large and stylized.

Savannah, Georgia
December 8, 2023



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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited **Dorchester County, South Carolina's** (the "County") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2023. The County's major federal programs are identified in the summary of audit results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Mauldin & Jenkins, LLC

Savannah, Georgia
December 8, 2023

DORCHESTER COUNTY, SOUTH CAROLINA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Assistance Listing Number	Pass Through Grantor's Number	Federal Award Expended	Passed Through to Subrecipients
<u>U.S. Department of Housing and Urban Development</u>				
Passed through the South Carolina Department of Commerce:				
Community Development Block Grant - Entitlement Grants	14.218	CV1-013	\$ 3,267	\$ -
Community Development Block Grant - Regional Planning Grant	14.228	4-RP-21-009	17,186	-
Total U.S. Department of Housing and Urban Development			<u>\$ 20,453</u>	<u>\$ -</u>
<u>U.S. Department of Justice</u>				
Direct Programs:				
State Criminal Alien Assistance Program	16.606	FY 2021 SCAAP	\$ 15,049	\$ -
Bulletproof Vest Partnership Program	16.607	BVP 2021	11,481	-
Bulletproof Vest Partnership Program	16.607	BVP 2022	7,492	-
Equitable Sharing Program	16.922	N/A	47,940	-
Passed through the South Carolina Attorney General:				
Crime Victim Assistance Program	16.575	1-V-22-061	95,051	-
Crime Victim Assistance Program	16.575	1-V-19-106	14,864	-
Total U.S. Department of Justice			<u>\$ 191,877</u>	<u>\$ -</u>
<u>U.S. Department of Transportation</u>				
Direct Programs:				
Federal Aviation Administration, Airport Improvement Programs				
Summerville Airport - Apron Expansion Construction	20.106	3-45-0062-018-2020	\$ 238,088	\$ -
Summerville Airport - Fuel Farm - Design	20.106	3-45-0062-020-2021	19,256	-
Total Airport Improvement Program			<u>257,344</u>	<u>-</u>
Passed through the South Carolina Department of Transportation:				
Safe, Accountable, Flexible, and Efficient Transportation Equity Act: A legacy for Users	20.205	IGA-11-07-A12	6,914,220	-
PW - Old Fort Road Multi-Use Path	20.205	LPA-11-15	106,931	-
PW - Old Fort Road Sidewalk	20.205	LPA-12-15	457,988	-
Total Highway Planning and Construction Cluster			<u>7,479,139</u>	<u>-</u>
Passed through the South Carolina Department of Public Safety:				
Highway Safety Cluster				
Sheriff's Host Agency - 1st Circuit Law Enforcement Network	20.600	2JC22001	1,831	-
Sheriff's Host Agency - 1st Circuit Law Enforcement Network	20.600	2JC23001	6,513	-
Total Highway Safety Cluster			<u>8,344</u>	<u>-</u>
Passed through the South Carolina Emergency Management Division:				
Hazardous Materials Emergency Preparedness (HMEP)				
EMD - HMEP - LEPC - Summerville Fire Hazmat Training	20.703	HMEP 693JK319400338HMEP	22,300	-
Total U.S. Department of Transportation			<u>\$ 7,767,127</u>	<u>\$ -</u>

DORCHESTER COUNTY, SOUTH CAROLINA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Assistance Listing Number	Pass Through Grantor's Number	Federal Award Expended	Passed Through to Subrecipients
<u>U.S. Department of Treasury</u>				
Direct Programs:				
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	\$ 8,042,755	\$ 122,519
Total U.S. Department of Treasury			<u>\$ 8,042,755</u>	<u>\$ 122,519</u>
<u>Museums for America</u>				
Passed through South Carolina State Library:				
Library Services and Technology Act - Summer Reading Resource Grant	45.310	IID-21-316	\$ 1,000	\$ -
Library Services and Technology Act - Save the Children - Story Walk	45.310	N/A	15,300	-
Library Services and Technology Act - Large Competitive Grant	45.310	ID-ARPA-044	22,781	-
Total Museums for America			<u>\$ 39,081</u>	<u>\$ -</u>
<u>U.S. Department of Health and Human Services</u>				
Passed through South Carolina Department of Social Services:				
Child Enforcement Support	93.563	N/A	\$ 373,177	\$ -
Total U.S. Department of Health and Human Services			<u>\$ 373,177</u>	<u>\$ -</u>
<u>U.S. Department of Homeland Security</u>				
Direct Programs:				
FY 2018 Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	EMW-2018-FH-00126	\$ 33,568	\$ -
FY 2020 Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	EMW-2020-FF-01463	52,810	-
Total Staffing for Adequate Fire and Emergency Response			<u>86,378</u>	<u>-</u>
Passed through South Carolina Emergency Management Division:				
Disaster Grants - Public Assistance	97.036	FEMA-4467-DR-SC	195,751	-
EMD - LEMPG 2021	97.042	21EMPG01	13,532	-
EMD - LEMPG 2022	97.042	22EMPG01	70,187	-
Total Local Emergency Management Performance			<u>279,470</u>	<u>-</u>
Total U.S. Department of Homeland Security			<u>\$ 365,848</u>	<u>\$ -</u>
Grand Total of Fiscal Year 2023 Schedule of Expenditures of Federal Awards			<u>\$ 16,800,318</u>	<u>\$ 122,519</u>

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1. BASIS OF PRESENTATION

Basis of Presentation

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

De-Minimis Indirect Cost Rate

During the year ended June 30, 2023, the County did not use the 10% de-Minimis indirect cost rate.

Non-Cash Awards

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

DORCHESTER COUNTY, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

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

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

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

Noncompliance material to financial statements noted? ___ Yes X No

Federal Awards

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

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

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

Any audit findings disclosed that are required to be reported in accordance with the 2 CFR 200.516(a)? ___ Yes X No

Identification of major programs:

AL Number

Name of Federal Program or Cluster

21.027

U.S. Department of the Treasury
Coronavirus State and Local Fiscal Recovery Funds

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

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

DORCHESTER COUNTY, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

None reported.

SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None reported.

DORCHESTER COUNTY, SOUTH CAROLINA

SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

None reported.



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