

**Dorchester County, SC**  
**Department of Business Services**

**Comprehensive Annual  
Financial Report**

For the Fiscal Year Ended June 30, 2021

December 2021





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**DORCHESTER COUNTY, SOUTH CAROLINA**

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December 31, 2021

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, 2021.

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.

Greene Finney, LLP, Certified Public Accountants, have issued an unmodified opinion on Dorchester County's financial statements for the year ended June 30, 2021. 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 two 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 disbursal to appropriate entities/municipalities (Treasurer’s Office)
- Water & 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 has been shown in the government-wide statements in the governmental activities, and in the fund financial statements.

Discretely presented component units are reported in a separate column in the Statement of Net Position and in the Statement of Activities in order to emphasize that they are legally separate from the primary government, and to differentiate their financial position and results of operations from those of the primary government. The Dorchester County Library (DCL) is being presented as a discretely presented component unit.

### **Local Economy**

Population estimates for the County to continue to surge. Between the 2010 and 2020 Census, the County experienced population growth of 18.7%, resulting in an increase of 25,396, bringing total population to 161,540. Dorchester County has a strong tax base and continues to experience growth in business and residential activity. In 2021, several new and redeveloped properties were either opened or announced, along with an increase in new industrial growth. Even in the midst of the COVID-19 pandemic, low interest rates and a strong local economy promoted continued strong activity across the board. In the unincorporated area of the county, nearly 1,000 new homes were issued certificates of occupancy and over 30,000 building inspections were completed, twice the



number performed in 2019. The Summers Corner Improvement District, part of the East Edisto master-planned development, saw 142 parcels subdivided in the prior year, bringing the total residential lots to 445 as of January 1, 2021. The number of occupied residential units in the district now far exceeds 500 and County staff is performing 90-100 building inspections per day in this area alone.

Dorchester County continues to experience robust activity in residential and commercial construction. Building permits valued at \$299,811,874 (residential) and \$321,325,245 (commercial) were issued during fiscal year 2021. Permits are expected to continue on the rise as a result of newly announced residential communities, multifamily, and industrial development. Residential permit activity in fiscal year 2021 represents an 35.4% increase over the prior year.

The aforementioned Summers Corner is located in a rapidly growing area of the County and is bordered by portions of Highways 17A, 165 (Deleamar), and 61 (Beech Hill, Boone Hill) which consists of 6,932 acres of mixed-use planned development. At build-out, it is anticipated that there will be over 8,000 residential units and 193 acres of commercial development intertwined with open space and recreational amenities. According to the developer's continuing disclosure report issued in accordance with the Series 2018 Assessment Revenue Bonds, as of June 30, 2021 there were 76 residential properties under contract for sale in various stages of construction and another 115 closed during the same period.

Several unique retail and service industries established operations in Dorchester County in 2021. Retail strip centers that were previously vacant are being improved and leasing to capacity. Such examples are in the Jedburg area and Knightsville area of the County. New fast-food establishments, such as Freddy's Steakburgers and Culver's have either opened or are under development in the Ladson area on outparcels that remained vacant for many years. Even in St. George, new retail development has occurred, to include a Tractor Supply Company, overhaul and renovation to the Food Lion grocery store, and installation of a Tesla Supercharger location in the outparcel to the same grocery center. This investment is a testament to the growth in the area and will allow for continued advancement of the County's strategies to attract new retail and commercial outlets.

Additionally, numerous commercial projects are under construction or are in the plan review process. Walmart Supply Chain announced plans in 2020 to build a 3,000,000 square foot, \$220,000,000 distribution center at the Ridgeville Commerce Park. When completed in early 2022, the center will create over 1,000 jobs and is projected to increase traffic at the Port of Charleston by 5%. The County's previous investment in infrastructure at and adjacent to the site significantly increased the viability of industrial development in this area. Nearby, in the Jedburg area, the Eastport Commerce Center developed a 128,000 square foot speculative building, which has since been fully leased. Now, the developers are doubling the footprint of the building on the same property and will offer similar leasing opportunities for industry. Some of the tenants at this campus include Dennis Eagle, Staples, Red Bull Distribution, and PW Marine.

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

In 2020, Dorchester County completed the purchase of the 600+ acres of residual land at the Winding Woods Commerce Park, leaving behind only the land to be utilized by DHL Supply Chain in constructing their previously announced 1,700,000 square foot distribution center. This purchase, in the amount of \$7,600,000 was funded by a combination of grants and \$4,500,000 from a Special Source Revenue Bond that will be repaid from fee in lieu of tax revenues from other industries. With the land now controlled by the County, the future of the park will be controlled for industrial development. Since the time of that purchase, the County has awarded a contract to construct a 500,000 gallon above-ground water storage tank at the location, which will serve the industrial campus as well as the surrounding area.

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. Several firms, including an architect, civil engineer, and commercial real estate broker have been hired to master plan the campus with mixed-use amenities of office, residential, lodging accommodations, retail, and restaurants. Once the master plan is complete, the County will seek approvals required to list the property for sale and relocate certain services to maximize the potential for commercial growth in the area. Initial estimates indicate that the site could support over \$100 Million in new mixed-use investment given the state of the local market.

### **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 January 2020, Moody's Investors Service maintained Dorchester County's General Obligation bond rating of Aa1 as well Standard & Poor's affirmed its AA rating on the County's existing General Obligation debt.

## 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, 2021, the County's budget was balanced.

Unassigned fund balance of approximately \$30,909,000 in the General Fund for the fiscal year ended June 30, 2021, represents 45% 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 is to be transferred to the County Reserve Fund to be committed for disaster recovery. Based upon policy, there will be a transfer to the Reserve Fund in fiscal year 2022 of approximately \$3,359,000. With a balance of \$4,941,169 as of June 30, 2021, the balance of the Reserve Fund is equivalent to 7.2% of subsequent year projected revenues. The County is actively seeking reimbursement from FEMA for three federally declared disasters which will continue to increase this balance as reimbursements are received. A reimbursement for Hurricane Irma in the amount of \$40,173 was received as recently as March 17, 2021. 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](http://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 2020, Dorchester County issued \$25,000,000, Series 2020, General Obligation Bonds, pursuant to referendum measures that were passed by voters in November 2019. Since those bonds were issued, the majority of the proceeds have been expended to complete Davis-Bailey Park in St. George and the Ashley River Park near Summerville. Land acquisition is underway for new libraries that will commence construction in 2022. The remaining \$43,000,000 in General Obligation bonds authorized by the referendum will be issued in March 2022 in order to fund these libraries and remaining park projects.

During fiscal year 2022, County Council approved funding for four new Deputies in the Sheriff's Office in order to keep up with growth in call volumes. Also, with the opening of parks, a Park Manager, Assistant Park Manager, Operations Aides, Park Attendants, and Park Ranger positions were funded to supplement the maintenance staff added in the prior fiscal year. As the County experiences rapid growth, it will be important to continue to monitor all lines of service delivery to ensure long-term sustainability. As part of the base budget for fiscal year 2022, the County implemented an aggressive adjustment to the bottom-half of its pay scale, bringing the minimum hourly wage to \$13.50, which will aid in recruitment of new staff and retention of critical positions in those grades. The minimum hourly wage will be increased for each of the next three years until it reaches \$15.00, and another compensation study can be performed.

The County has taken a proactive approach to addressing public safety needs over the past year. Following the creation of a standalone public safety directorate, reporting to the Deputy County Administrator for Public Safety, these connected departments are now engaging in the process of creating a strategic plan which began with a community survey. This plan will shape the future of the County's approach to providing efficient and effective fire, emergency medical service, law enforcement, and emergency dispatch resources. It will also complement the strategies already employed to consolidate fire services, create a standalone consolidated dispatch center, and update facilities needed to provide these services.

Growth in Dorchester County poses a significant threat to the sustainability of operations from a long-term perspective. Updated residential growth figures point to a less than sustainable trend in this regard and staff is working across the board to provide creative

approaches to diversify the County's tax base and revenue sources. The Planning Department is working with staff in Business Services and independent consultants to create fiscal impact analyses for new residential development, to ensure this development does not adversely impact the County's operations or provision of services. With the changes to the County's planning and land development ordinance in 2021 requiring this analysis to occur, staff will be able to tie residential growth to the County's long-term capital plans and financial forecasts with more specificity.

In 2021, the County received \$15,811,870 of a total authorization for \$31,623,740 in funding from the American Rescue Plan Act. County Council has already obligated a significant portion of this funding for allowed purposes under the interim final rule from U.S. Treasury. Funding includes a major expansion to broadband internet service in unserved and under-served areas of the County, a partnership project to construct a homeless shelter, a medical facility in the St. George area, expansion of services in the Fire-Rescue and Emergency Medical Services departments, and other initiatives that aid the County in response to the COVID-19 pandemic. While not adversely impacted by the pandemic in terms of financial sustainability, this funding will address areas of need that the County hasn't previously been able to approach with local sources.

### **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 Comprehensive Annual Financial Report for the fiscal year ended June 30, 2020. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized CAFR, 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 CAFR 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 fifteenth time for fiscal year 2021. 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 FY2022 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 specifically the Financial Services Division. We wish to express our appreciation to the County's various departments who assisted and contributed to its preparation. Credit also must be given to County Council for their unfailing support for maintaining the highest standards of professionalism in the management of Dorchester County's finances.

Respectfully submitted,



Jason L. Ward  
County Administrator



Daniel T. Prentice  
Chief Financial Officer



Jessica D. Carraher  
Director of Business Services

DORCHESTER COUNTY, SC  
LISTING OF KEY OFFICIALS

County Council

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

Tracey L. Langley – Clerk to County Council

County Administration

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

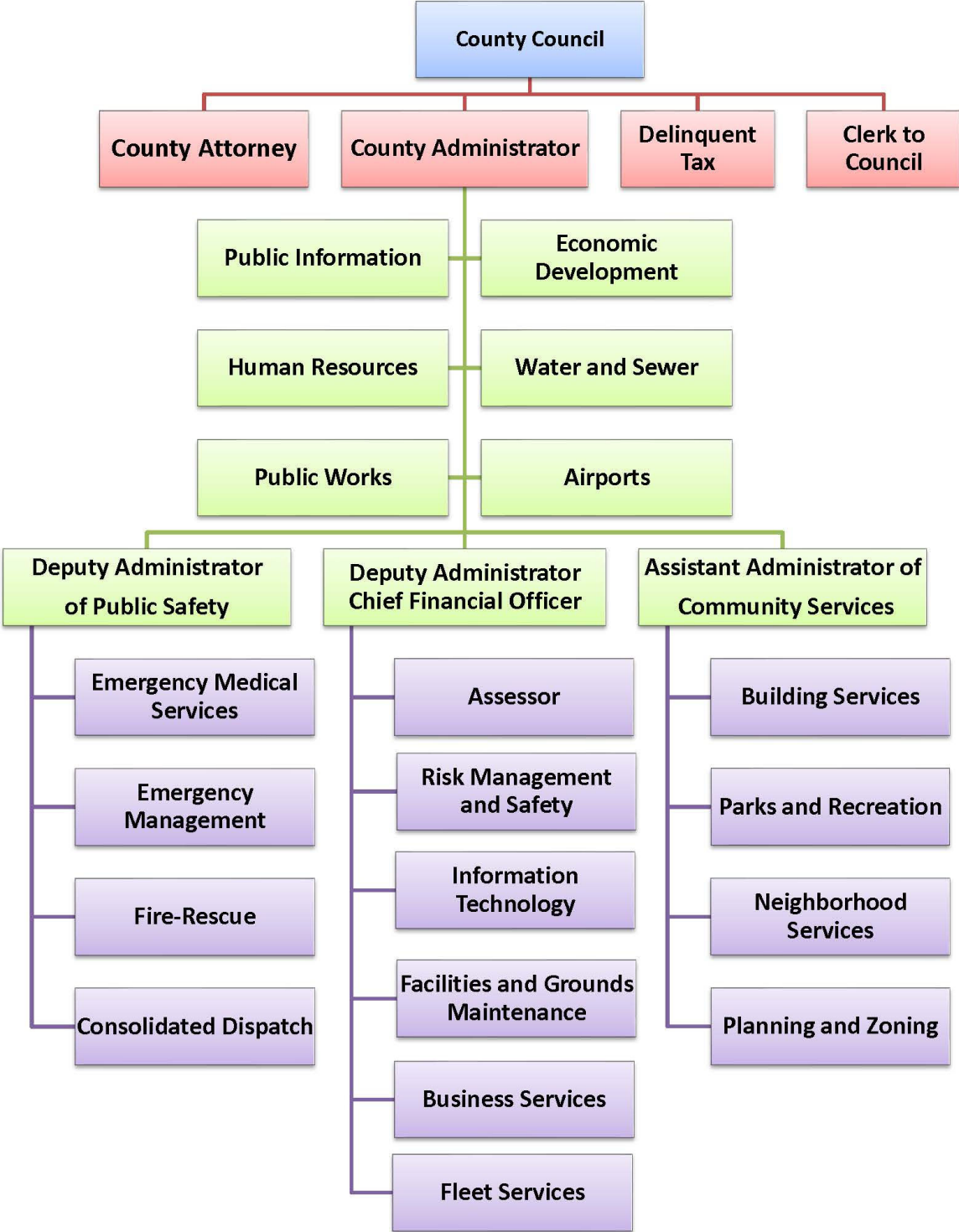
Elected Officials

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

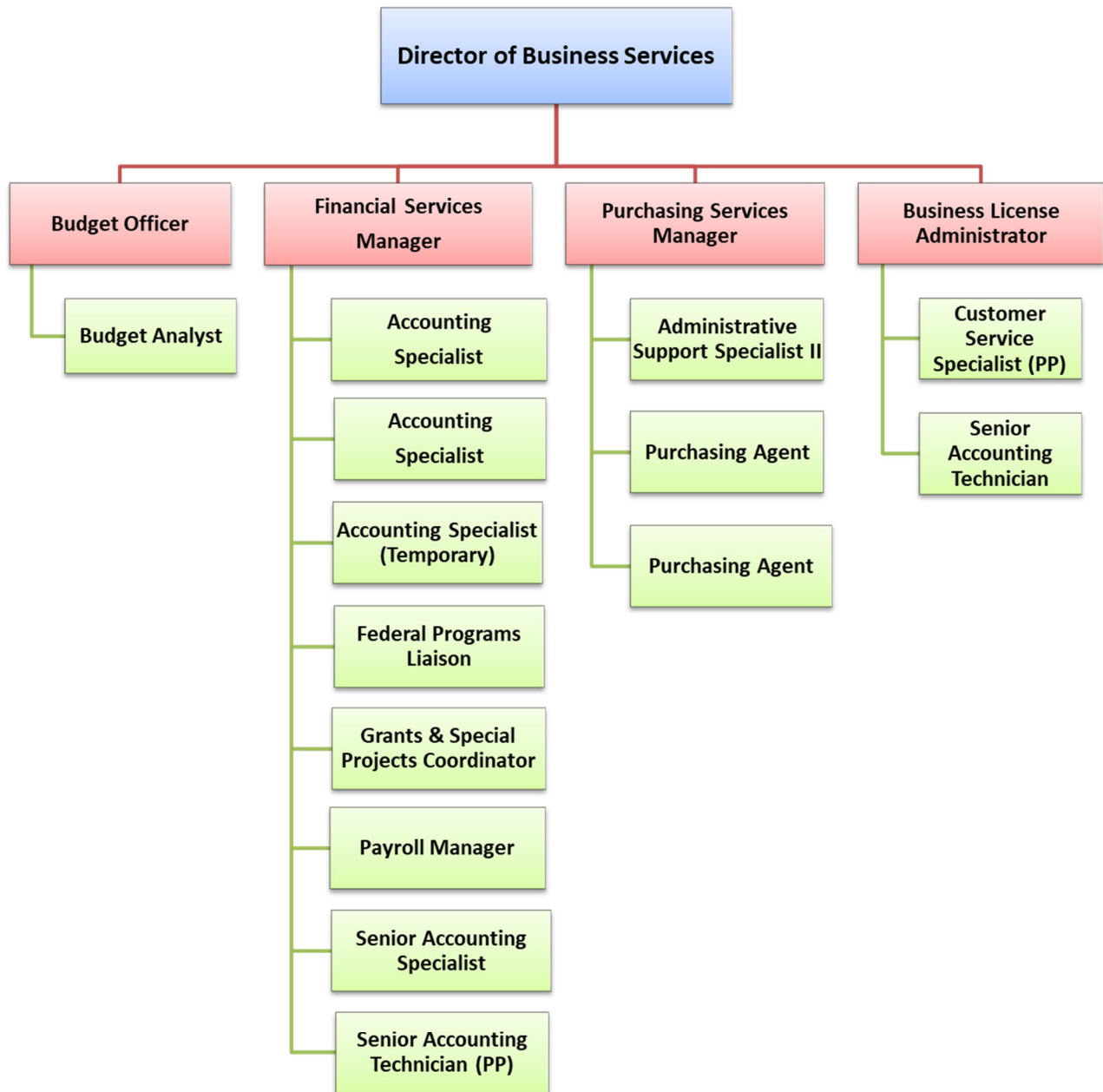
Appointed Officials

John Frampton – County Attorney  
Monty Jones - Delinquent Tax Collector  
Todd Billman – Director of Elections and Registration  
Jackie Jenkins – Chief Magistrate  
James Chellis – Master in Equity  
Johnny Brown – Veterans Affairs Officer

# Organization Chart



# Business Services Organization Chart





# **DORCHESTER COUNTY**

## **MISSION STATEMENT**

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

**ADOPTED BY DORCHESTER COUNTY COUNCIL NOVEMBER 18, 2002.**





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Dorchester County  
South Carolina**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2020

*Christopher P. Morill*

Executive Director/CEO



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# Greene Finney, LLP

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

## INDEPENDENT AUDITOR'S REPORT

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

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Dorchester County, South Carolina (the "County"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

### *Management's Responsibility 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; this includes 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.

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### *Opinions*

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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Dorchester County, South Carolina, as of June 30, 2021, 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.

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## **Other Matters**

### *Required Supplementary Information*

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

### *Supplementary and Other 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 introductory section, supplementary information, statistical section, and 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*, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2021 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 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 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.

*Greene Finney, LLP*

Greene Finney, LLP  
Mauldin, South Carolina  
December 31, 2021

## DORCHESTER COUNTY, SOUTH CAROLINA

### MANAGEMENT'S DISCUSSION AND ANALYSIS

#### YEAR ENDED JUNE 30, 2021

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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 Dorchester County for the year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with the basic financial statements and the accompanying notes. This overview and analysis do not include the Dorchester County Library System, which is a discretely presented component unit of the County.

#### FINANCIAL HIGHLIGHTS

The assets and deferred outflows of resources of Dorchester County exceeded its liabilities and deferred inflows of resources at June 30, 2021 by \$309,664,692.

The total net position increased during the year by \$43,629,890, including \$24,684,815 for governmental activities and \$18,945,075 for business-type activities.

At the end of the current fiscal year, unassigned fund balance for the general fund was \$30,908,537, which represents a 26.7 percent increase from the prior year and represents 49.0 percent of total general fund expenditures.

At the end of the current fiscal year, Dorchester County's governmental funds reported combined ending fund balances of \$150,462,459. This is an increase of \$4,243,977 from the prior year. Of this amount, nonspendable fund balance was \$873,473, restricted fund balance was \$108,846,532, committed fund balance was \$7,396,020, assigned fund balance was \$3,804,638 and unassigned fund balance was \$29,541,796.

On the government-wide basis, unrestricted net position was a deficit of \$27,758,102, primarily due to the net pension liability of \$107,457,620 and the net other postemployment benefits ("OPEB") liability of \$11,942,852. 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 Postemployment 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.

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*).

## DORCHESTER COUNTY, SOUTH CAROLINA

### MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2021

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#### OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

The governmental activities of Dorchester 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 Dorchester County include water and sewer systems and solid waste systems.

The government-wide financial statements include not only Dorchester County itself (known as the *primary government*), but also the legally separate Dorchester County Library, which is reported as a discretely presented component unit of the County, for which the County is financially accountable. Financial information for the component unit is reported separately from the financial information presented for the primary government itself.

**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 Dorchester County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds.** – *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. Most of Dorchester 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 Dorchester 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.

**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 postemployment benefit plan.

**DORCHESTER COUNTY, SOUTH CAROLINA****MANAGEMENT'S DISCUSSION AND ANALYSIS****YEAR ENDED JUNE 30, 2021****GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Net Position.** The County's net position comparing 2021 to 2020 (as reported) is as follows for the Governmental Activities and the Business-Type Activities:

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Current, Restricted and Other Assets	\$ 193,024,450	165,861,456	57,862,744	\$ 46,817,704
Capital Assets, Net	172,071,484	142,887,397	222,323,744	216,935,363
Total Assets	<u>365,095,934</u>	<u>308,748,853</u>	<u>280,186,488</u>	<u>263,753,067</u>
Deferred Outflows of Resources	<u>26,661,990</u>	<u>19,933,447</u>	<u>4,633,326</u>	<u>3,691,189</u>
Current and Other Liabilities	43,767,628	22,327,509	9,256,559	7,622,326
Net Pension Liability	92,108,164	76,338,110	15,349,456	13,696,528
Net OPEB Liability	10,466,311	11,360,939	1,476,541	1,674,345
Long-Term Liabilities Outstanding	<u>148,306,627</u>	<u>146,972,468</u>	<u>44,517,240</u>	<u>49,243,669</u>
Total Liabilities	<u>294,648,730</u>	<u>256,999,026</u>	<u>70,599,796</u>	<u>72,236,868</u>
Deferred Inflows of Resources	<u>1,452,551</u>	<u>708,017</u>	<u>211,969</u>	<u>144,414</u>
Net Position:				
Net Investment in Capital Assets	52,298,359	42,547,231	176,067,388	166,214,018
Restricted	82,810,801	65,081,388	26,246,246	19,273,935
Unrestricted	<u>(39,452,517)</u>	<u>(36,653,362)</u>	<u>11,694,415</u>	<u>9,575,021</u>
Total Net Position	<u>\$ 95,656,643</u>	<u>70,975,257</u>	<u>214,008,049</u>	<u>\$ 195,062,974</u>

**DORCHESTER COUNTY, SOUTH CAROLINA**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**YEAR ENDED JUNE 30, 2021**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)**

**Changes in Net Position.** The County's Change in Net Position for fiscal years ended June 30, 2021 and 2020 is as follows:

	Governmental Activities		Business-Type Activities	
	2021	2020	2021	2020
Revenues:				
Program Revenues:				
Charges for Services	\$ 21,117,450	16,995,532	48,991,733	\$ 38,995,521
Operating Grants and Contributions	11,214,181	8,057,070	80,211	87,384
Capital Grants and Contributions	11,157,008	10,092,216	5,476,971	6,441,904
General Revenues:				
Property Taxes	60,224,740	58,071,717	-	-
Other Taxes	26,249,393	20,289,017	-	-
Unrestricted Grants and Contributions	6,036,511	5,778,417	-	-
Interest and Investment Earnings	191,644	2,083,866	54,918	252,180
Miscellaneous	2,355,465	1,164,393	2,457	102,284
Gain on Disposal of Capital Assets	-	-	239,432	-
Total Revenues	138,546,392	122,532,228	54,845,722	45,879,273
Program Expenses:				
General Government	43,289,192	35,887,658	-	-
Public Safety	49,415,677	47,227,872	-	-
Roads and Drainage	6,010,755	5,716,211	-	-
Health and Welfare	1,065,604	1,106,028	-	-
Recreation and Culture	771,265	1,399,509	-	-
Airport	543,923	603,309	-	-
Economic Development	1,224,661	1,579,658	-	-
Intergovernmental and Nonprofit Assistance	5,985,055	5,401,085	-	-
Disaster Recovery	879,323	2,721,745	-	-
Interest and Fiscal Charges	6,125,267	5,458,252	-	-
Water and Sewer	-	-	25,415,220	25,368,652
Solid Waste	-	-	6,488,811	6,343,772
Stormwater Management	-	-	2,547,471	2,319,156
Total Expenses	115,310,722	107,101,327	34,451,502	34,031,580
Change in Net Position Before Transfers	23,235,670	15,430,901	20,394,220	11,847,693
Transfers	1,449,145	683,848	(1,449,145)	(683,848)
Change in Net Position	24,684,815	16,114,749	18,945,075	11,163,845
Net Position, Beginning	70,975,257	54,860,508	195,062,974	183,899,129
Cumulative Change in Accounting Principle	(3,429)	-	-	-
Net Position, Beginning- Restated	70,971,828	54,860,508	195,062,974	183,899,129
Net Position, Ending	\$ 95,656,643	70,975,257	214,008,049	\$ 195,062,974

**Governmental Activities.** Governmental activities increased the County's net position by \$24,688,454.

Charges for services accounted for \$21,117,450 or 15.2 percent 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, 2021**

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**GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)**

Property tax revenues accounted for \$60,224,740 of the \$138,546,392 total revenues for governmental activities, or 43.7 percent of total revenues. Other tax revenues, primarily for sales and use taxes, accounted for \$26,249,393 or 18.9 percent of total revenues. Another major component of general revenues was grants and contributions not restricted to specific programs, which accounted for \$6,036,511 or 4.3 percent of total revenues.

The largest governmental activities were public safety and general government, accounting for \$49,415,677 and \$43,289,192, 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*

	<b>Total Cost of Services</b>		<b>Net Cost of Services</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
General Government	\$ 43,289,192	35,887,658	25,296,185	\$ 22,522,467
Public Safety	49,415,677	47,227,872	37,574,539	36,511,376
Roads and Drainage	6,010,755	5,716,211	(2,423,240)	(2,463,537)
Health and Welfare	1,065,604	1,106,028	1,033,582	1,070,363
Recreation and Culture	771,265	1,399,509	467,265	1,067,928
Airport	543,923	603,309	265,017	595,280
Economic Development	1,224,661	1,579,658	(1,764,439)	(405,679)
Intergovernmental and Nonprofit Assistance	5,985,055	5,401,085	5,985,055	5,401,085
Disaster Recovery	879,323	2,721,745	(737,148)	2,198,974
Nondepartmental	-	-	-	-
Interest and Fiscal Charges	6,125,267	5,458,252	6,125,267	5,458,252
Total Expenses	<u>\$ 115,310,722</u>	<u>107,101,327</u>	<u>71,822,083</u>	<u>\$ 71,956,509</u>

Charges for services and operating grants of \$32,331,631 (27.9 percent of the total costs of services) were received and used to fund the governmental expenses of the County. An additional 9.6 percent, \$11,157,008, were for capital grants that were also used to fund governmental activities. The remaining \$71,822,083 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 \$18,945,075.

Charges for services were the County's largest program revenue for business-type activities, accounting for \$48,991,733, or 89.3 percent 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 \$9,996,212 compared to prior year primarily as a result of an increase in impact fees of \$3,868,032 and an increase in water and sewer charges for services of \$3,298,095 due to rate increases in the current year.

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

## DORCHESTER COUNTY, SOUTH CAROLINA

### MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2021

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#### 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, 2021, the County's governmental funds reported a combined ending fund balance of \$150,462,459, an increase of \$4,243,977 from the prior year. Approximately 19.6 percent of this total, \$29,541,796, 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 \$30,908,537. 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 49.0 percent of total general fund expenditures for the year ended June 30, 2021.

The fund balance of the County's General Fund increased by \$8,831,152 during the current fiscal year to \$40,371,332, or 28.0%, as revenues of \$68,238,904 and net other financing sources (primarily net transfers in) of \$3,599,723 exceeded expenditures of \$63,007,475. Revenues increased by \$6,977,820, primarily due to an increase in taxes of \$1,870,806 due to an increase in assessed values and an increase in licenses and permits of \$2,958,712 combined with changes in state, local and other miscellaneous revenues. Expenditures decreased by \$3,359, or less than 1%.

The fund balance of the County's Capital Improvements fund increased by \$3,927,600 during the current fiscal year to \$5,887,173. This was primarily due to the issuance of a lease purchase agreement during the current year of which only a portion of the proceeds were spent as of June 30, 2021.

The fund balance of the County's Grants fund increased by \$2,144,669 during the current fiscal year to \$867,706, as revenues of \$2,931,738 and net transfers received from other funds of \$854,317 exceeded expenditures of \$1,641,386.

The fund balance of the County's Capital Projects fund decreased by \$4,807,508 during the current fiscal year to \$12,653,623, as revenues of \$2,231,886 and net transfers received from other funds of \$6,174,657 were exceeded by expenditures of \$13,214,051.

The fund balance of the County's Transportation Authority fund increased by \$9,978,971 during the current fiscal year to \$50,466,896, as revenues of \$29,418,456 exceeded expenditures of \$19,439,485.

The fund balance of the County's Parks and Recreational Facilities fund decreased by \$15,015,838 during the current fiscal year to \$3,117,844, as revenues of \$32,268 and net transfers out of \$77,568 were exceeded by expenditures of \$14,970,538.

The fund balance of the County Bonds fund decreased by \$1,814,887 during the current fiscal year, as expenditures of \$6,468,918 for debt service exceeded revenues of \$4,272,467 (primarily property taxes) and transfers in of \$381,559.

**DORCHESTER COUNTY, SOUTH CAROLINA**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**YEAR ENDED JUNE 30, 2021**

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**FINANCIAL ANALYSIS OF DORCHESTER COUNTY'S FUNDS (CONTINUED)**

**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 \$3,890,549, \$5,619,706, and \$2,184,160, respectively. The net change in total net position was \$16,283,845, \$1,433,183, and \$1,228,047, 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 budget was not amended during the year.

The actual net increase in the General Fund balance was \$8,831,152. The primary reason for the variance in the General Fund was better than anticipated collections in licenses and permits, as actual revenues exceeded budget by \$3,389,475. Actual expenditures came in under budget by \$1,597,318, due primarily to emergency medical services expenditures that were \$1,066,986 under budget.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets.** The County's capital assets for its governmental activities at June 30, 2021, was \$172,071,484 (net of accumulated depreciation) and for its business-type activities was \$222,323,743. This investment in capital assets includes land and improvements, construction in progress, buildings and building improvements, improvements other than buildings, furniture and equipment, vehicles, infrastructure, sewer plant, and sewer and water systems.

The capital assets (net of accumulated depreciation) as of June 30, 2021 and 2020 (as adjusted to reflect the change in accounting principle as previously discussed) were as follows:

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Land, Improvements, and Right of Way	\$ 30,918,045	22,894,846	1,875,627	\$ 1,828,752
Construction in Progress	19,087,041	5,315,568	12,372,952	12,647,227
Buildings and Building Improvements	67,703,154	65,044,728	2,267,982	2,249,485
Infrastructure	130,290,319	124,980,799	2,217,455	2,217,455
Furniture and Equipment	41,798,280	36,821,414	12,068,191	10,373,074
Sewer Plant	-	-	42,231,941	42,231,941
Sewer System	-	-	191,775,008	184,090,289
Water System	-	-	40,265,542	38,033,468
Less: Accumulated Depreciation	(117,725,355)	(112,169,958)	(82,750,954)	(76,736,328)
Total	<u>\$ 172,071,484</u>	<u>142,887,397</u>	<u>222,323,744</u>	<u>\$ 216,935,363</u>

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

## DORCHESTER COUNTY, SOUTH CAROLINA

### MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2021

#### CAPITAL ASSETS AND DEBT ADMINISTRATION (CONTINUED)

**Long-Term Debt.** At June 30, 2021, the County had \$210,659,444 in outstanding debt consisting of general obligation bonds, limited obligation (TIF) bonds, revenue bonds, installment notes and capital leases. The general obligation bonds are secured by the full faith and credit, and taxing power of the County. The limited obligation and revenue bonds are secured by specific revenue sources.

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
General Obligation Bonds	\$ 122,997,172	\$ 132,647,663	-	-	122,997,172	\$ 132,647,663
Limited Obligation Bonds	14,465,000	14,465,000	-	-	14,465,000	14,465,000
Revenue Bonds and Notes Payable	4,650,000	-	48,817,936	53,153,447	53,467,936	53,153,447
Capital Leases	10,640,104	3,701,520	-	-	10,640,104	3,701,520
Total	\$ 152,752,276	\$ 150,814,183	48,817,936	53,153,447	201,570,212	\$ 203,967,630

The County's general obligation bonded debt decreased by \$9,650,491 (7.3 percent) during fiscal year 2021. This was due to the scheduled debt service during the year. The County's revenue bonded debt and notes payable obligations increased by \$314,489 (0.6 percent) during the year. The County issued its Series 2021 Special Source Revenue Bonds in the amount of \$4,650,000 in 2021 to fund the Winding Woods project. The County also issued its Series 2020 Waterworks and Sewer System Refunding Bonds in the amount of \$11,962,000 to advance refund \$10,820,000 of the outstanding Series 2012 Water and Sewer Revenue Bonds. These issuances were partially offset by scheduled principal payments. The County's capital lease obligations increased by \$6,938,584 during the year due to new leases of \$8,093,000 for the purchase of a fire truck and various equipment, partially offset by scheduled debt service payments during the year of \$1,154,416.

Additional information on the County's long-term debt can be found in Note III.F 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 US 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 plan reviews in FY 2020-21 was 1,974, which is an increase of 707 from last year.

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 early-2022. Notably, the Walmart Distribution Center near Ridgeville is nearly complete and currently serves as an epicenter of construction activity, complemented by water and sewer improvements, the widening of Highway 78, and the upcoming widening of Highway 27. The expanded infrastructure will support continued growth in this area of the County. Nearby in the Jedburg area of the County, the Eastport Commerce Center developed a 128,000 square foot speculative building, which has since been fully leased. Now, the developers are doubling the footprint of the building on the same property and will offer similar leasing opportunities for industry. Some of the tenants at this campus include Dennis Eagle, Staples, Red Bull Distribution, and PW Marine.

A robust capital improvement plan is being administered by the County, which includes a large increase in vertical construction, resulting in new, replacement, and expanded public facilities. Parks approved in the 2019 referendum, particularly Ashley River Park near Summerville, will be completed in the upcoming fiscal year. Library projects approved in the same referendum are in the planning phase and construction will begin in FY 2021-22. Lastly, the new Emergency Operations and Consolidated Dispatch Center funded by Series 2019 General Obligation bonds will be completed in June of 2022, whereby requisite operating costs have been factored into the budget.

## **DORCHESTER COUNTY, SOUTH CAROLINA**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**YEAR ENDED JUNE 30, 2021**

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#### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET (CONTINUED)**

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 FY 2020-21. 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 the next two years. As of the publication of the Annual Financial Report, County Council has appropriated from fund balance \$3,804,638 in the General Fund fund balance, consisting of carryover items not completed in the fiscal year ended June 30, 2021 in addition to funding the advanced implementation of a compensation study, the full implantation of which is funded by recurring sources.

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

As local and federal governments recommended or mandated restrictions on business and travel in an effort to curb the pandemic by changing consumer behavior, the County's revenues have experienced an element of sustainability not seen in peer organizations throughout the region. The County's unique mix of strong industrial and residential growth has enabled revenue projections to continue to exceed expectations throughout the pandemic. While the County utilizes revenues from special tax programs, such as hospitality and accommodations, these sources are not used to offset the cost of critical services. Budgets for both sources exceeded estimates in the prior fiscal year and are expected to do the same in FY 2021-22. Furthermore, the County did not have any revenue loss as classified by the US Department of Treasury when receiving American Rescue Plan Act funds in FY 2020-21. COVID-19 related expenses were offset by strong reserves set aside for disasters. Now, funding from the American Rescue Plan Act provides sustainable coverage for any ongoing needs surrounding the pandemic. The County is anticipating strong financial results with no adverse effect on the results of operations, net position/fund balance and liquidity for the year ended June 30, 2022.

#### **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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# **BASIC FINANCIAL STATEMENTS**

## DORCHESTER COUNTY, SOUTH CAROLINA

## STATEMENT OF NET POSITION

JUNE 30, 2021

	PRIMARY GOVERNMENT			COMPONENT
	Governmental	Business-Type	Total	UNIT
	Activities	Activities		Library System
<b>ASSETS</b>				
Current Assets:				
Cash and Investments	\$ 51,389,311	21,209,657	72,598,968	\$ 8,442,273
Cash and Investments, Restricted	114,516,571	27,347,932	141,864,503	-
Property Taxes Receivable, Net	580,667	-	580,667	98,268
Accounts Receivable, Net	3,811,979	8,893,443	12,705,422	-
Other Receivables, Net	945,596	-	945,596	-
Due from Other Governments	20,906,853	210,757	21,117,610	226,107
Prepaid Items	850,604	200,955	1,051,559	181,324
Inventories	22,869	-	22,869	-
Total Current Assets	193,024,450	57,862,744	250,887,194	8,947,972
Non-Current Assets:				
Capital Assets:				
Non-Depreciable	50,005,086	14,248,579	64,253,665	255,917
Depreciable, Net	122,066,398	208,075,165	330,141,563	4,613,870
Total Non-Current Assets	172,071,484	222,323,744	394,395,228	4,869,787
<b>TOTAL ASSETS</b>	<b>365,095,934</b>	<b>280,186,488</b>	<b>645,282,422</b>	<b>13,817,759</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Advance Refunding Charges	2,650,218	1,459,895	4,110,113	-
Deferred Pension Charges	21,228,544	2,780,785	24,009,329	85,271
Deferred Other Postemployment Benefit ("OPEB") Charges	2,783,228	392,646	3,175,874	532,192
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>26,661,990</b>	<b>4,633,326</b>	<b>31,295,316</b>	<b>617,463</b>
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	9,354,689	3,010,406	12,365,095	38,209
Accrued Liabilities	2,324,318	271,396	2,595,714	79,255
Assets Held for Others	1,693,306	700,264	2,393,570	-
Accrued Interest Payable	1,111,592	474,553	1,586,145	-
Unearned Revenue	16,888,852	-	16,888,852	-
Long-Term Liabilities, Due Within One Year	12,394,871	4,799,940	17,194,811	74,515
Total Current Liabilities	43,767,628	9,256,559	53,024,187	191,979
Non-Current Liabilities:				
Net Pension Liability	92,108,164	15,349,456	107,457,620	2,933,911
Net OPEB Liability	10,466,311	1,476,541	11,942,852	690,380
Long-Term Liabilities, Due in More than One Year	148,306,627	44,517,240	192,823,867	-
Total Non-Current Liabilities	250,881,102	61,343,237	312,224,339	3,624,291
<b>TOTAL LIABILITIES</b>	<b>294,648,730</b>	<b>70,599,796</b>	<b>365,248,526</b>	<b>3,816,270</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Pension Credits	382,996	61,081	444,077	24,417
Deferred OPEB Credits	1,069,555	150,888	1,220,443	122,198
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>1,452,551</b>	<b>211,969</b>	<b>1,664,520</b>	<b>146,615</b>
<b>NET POSITION</b>				
Net Investment in Capital Assets	52,298,359	176,067,388	228,365,747	4,869,787
Restricted For:				
Public Safety	5,881,671	-	5,881,671	-
Health and Welfare	1,247,200	-	1,247,200	-
Capital Projects	62,548,862	-	62,548,862	-
Capital Improvements	5,930,894	26,246,246	32,177,140	-
Debt Service	1,529,064	-	1,529,064	-
Other	5,681,643	-	5,681,643	-
Unrestricted	(39,461,050)	11,694,415	(27,766,635)	5,602,550
<b>TOTAL NET POSITION</b>	<b>\$ 95,656,643</b>	<b>214,008,049</b>	<b>309,664,692</b>	<b>\$ 10,472,337</b>

The notes to the financial statements are an integral part of this statement.  
See accompanying independent auditor's report.



DORCHESTER COUNTY, SOUTH CAROLINA

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2021

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION			Component Unit Library System
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Governmental Activities	Business-Type Activities		
<b>PRIMARY GOVERNMENT:</b>								
Governmental Activities:								
General Government	\$ 43,289,192	11,558,186	6,434,821	-	(25,296,185)	-	(25,296,185)	\$ -
Public Safety	49,415,677	9,547,604	2,293,534	-	(37,574,539)	-	(37,574,539)	-
Roads and Drainage	6,010,755	-	630,173	7,803,822	2,423,240	-	2,423,240	-
Health and Welfare	1,065,604	-	32,022	-	(1,033,582)	-	(1,033,582)	-
Recreation and Culture	771,265	-	-	304,000	(467,265)	-	(467,265)	-
Airport	543,923	11,660	-	267,246	(265,017)	-	(265,017)	-
Economic Development	1,224,661	-	207,160	2,781,940	1,764,439	-	1,764,439	-
Intergovernmental and Nonprofit Assistance	5,985,055	-	-	-	(5,985,055)	-	(5,985,055)	-
Disaster Recovery	879,323	-	1,616,471	-	737,148	-	737,148	-
Interest and Other Charges	6,125,267	-	-	-	(6,125,267)	-	(6,125,267)	-
Total Governmental Activities	<u>115,310,722</u>	<u>21,117,450</u>	<u>11,214,181</u>	<u>11,157,008</u>	<u>(71,822,083)</u>	<u>-</u>	<u>(71,822,083)</u>	<u>-</u>
Business-Type Activities:								
Water and Sewer	25,415,220	37,240,009	-	5,476,971	-	17,301,760	17,301,760	-
Solid Waste	6,488,811	7,737,717	80,211	-	-	1,329,117	1,329,117	-
Stormwater Management	2,547,471	4,014,007	-	-	-	1,466,536	1,466,536	-
Total Business-Type Activities	<u>34,451,502</u>	<u>48,991,733</u>	<u>80,211</u>	<u>5,476,971</u>	<u>-</u>	<u>20,097,413</u>	<u>20,097,413</u>	<u>-</u>
<b>TOTAL PRIMARY GOVERNMENT</b>	<b><u>149,762,224</u></b>	<b><u>70,109,183</u></b>	<b><u>11,294,392</u></b>	<b><u>16,633,979</u></b>	<b><u>(71,822,083)</u></b>	<b><u>20,097,413</u></b>	<b><u>(51,724,670)</u></b>	<b><u>-</u></b>
<b>COMPONENT UNIT:</b>								
Dorchester County Library System	3,064,123	61,913	304,494	-	-	-	-	(2,697,716)
<b>TOTAL COMPONENT UNIT</b>	<b><u>\$ 3,064,123</u></b>	<b><u>61,913</u></b>	<b><u>304,494</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>(2,697,716)</u></b>
<b>GENERAL REVENUES AND TRANSFERS:</b>								
General Revenues:								
Taxes:								
Property Taxes, Including Fee in Lieu of Taxes					60,224,740	-	60,224,740	3,968,304
Franchise Fees and Hospitality Taxes					2,163,565	-	2,163,565	-
Sales and Use Tax					24,085,828	-	24,085,828	-
Unrestricted Investment Earnings					191,644	54,918	246,562	6,758
Grants and contributions not restricted to specific programs					6,036,511	-	6,036,511	-
Miscellaneous					2,355,465	2,457	2,357,922	-
Gain on Disposal of Capital Assets					-	239,432	239,432	-
Transfers In (Out)					1,449,145	(1,449,145)	-	-
Total General Revenues and Transfers					<u>96,506,898</u>	<u>(1,152,338)</u>	<u>95,354,560</u>	<u>3,975,062</u>
<b>CHANGE IN NET POSITION</b>					<b><u>24,684,815</u></b>	<b><u>18,945,075</u></b>	<b><u>43,629,890</u></b>	<b><u>1,277,346</u></b>
NET POSITION, Beginning of Year					70,975,257	195,062,974	266,038,231	9,194,991
Cumulative Change in Accounting Principle - See Note I.B					(3,429)	-	(3,429)	-
NET POSITION, Beginning of Year - Restated					<u>70,971,828</u>	<u>195,062,974</u>	<u>266,034,802</u>	<u>9,194,991</u>
<b>NET POSITION, End of Year</b>	<b><u>\$ 95,656,643</u></b>	<b><u>214,008,049</u></b>	<b><u>309,664,692</u></b>	<b><u>\$ 10,472,337</u></b>				

The notes to the financial statements are an integral part of this statement.  
See accompanying independent auditor's report.

DORCHESTER COUNTY, SOUTH CAROLINA

BALANCE SHEET

GOVERNMENTAL FUNDS

JUNE 30, 2021

	GENERAL	CAPITAL IMPROVEMENTS	GRANTS FUND
<b>ASSETS</b>			
Cash and Investments	\$ 38,791,638	-	604,550
Cash and Investments, Restricted	-	6,567,470	15,834,471
Receivables, Net			
Taxes	382,343	48,663	-
Accounts	2,091,400	-	-
Other	-	275,894	-
Due From:			
Other Funds	2,293,273	-	-
Other Governments	4,042,566	-	651,425
Prepaid Items	694,119	-	138,033
Inventories	22,869	-	-
<b>TOTAL ASSETS</b>	<b>\$ 48,318,208</b>	<b>6,892,027</b>	<b>17,228,479</b>
<b>LIABILITIES</b>			
Accounts Payable	\$ 2,225,906	188,043	23,899
Accrued Liabilities	1,564,229	-	19,703
Assets Held for Others	1,543,306	-	-
Due to Other Funds	-	773,090	167,763
Unearned Revenue	618,276	-	15,806,790
<b>TOTAL LIABILITIES</b>	<b>5,951,717</b>	<b>961,133</b>	<b>16,018,155</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue	1,995,159	43,721	342,618
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>1,995,159</b>	<b>43,721</b>	<b>342,618</b>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>7,946,876</b>	<b>1,004,854</b>	<b>16,360,773</b>
<b>FUND BALANCES</b>			
Nonspendable:			
Prepaid Items	694,119	-	138,033
Inventories	22,869	-	-
Restricted for:			
Public Safety	-	-	-
Family Court	-	-	-
Growth Management	-	-	-
Tourism	-	-	-
Health and Welfare	-	-	-
Capital Projects	-	-	-
Capital Improvements	-	5,887,173	-
Debt Service	-	-	-
Airport Improvements	-	-	278,534
Other	-	-	451,139
Oakbrook Tax Increment Finance District	-	-	-
Parks and Recreation Improvements	-	-	-
Library Improvements	-	-	-
Committed for:			
Economic Development	-	-	-
Capital Projects	-	-	-
Contingencies	4,941,169	-	-
Assigned for:			
Next Year's Budgeted Shortfall	1,249,509	-	-
Budget Carryovers	2,555,129	-	-
Unassigned	30,908,537	-	-
<b>TOTAL FUND BALANCES</b>	<b>40,371,332</b>	<b>5,887,173</b>	<b>867,706</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 48,318,208</b>	<b>6,892,027</b>	<b>\$ 17,228,479</b>

The notes to the financial statements are an integral part of this statement.  
See accompanying independent auditor's report.

CAPITAL PROJECTS	TRANSPORTATION AUTHORITY	PARKS AND RECREATIONAL FACILITIES FUND	COUNTY BONDS	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
2,667,150	-	-	-	7,112,105	\$ 49,175,443
11,294,476	44,754,376	5,308,251	3,797,212	26,960,315	114,516,571
-	-	-	41,498	108,163	580,667
-	-	-	236,994	1,483,585	3,811,979
-	-	-	-	669,702	945,596
-	-	-	-	-	2,293,273
-	15,814,631	-	-	381,946	20,890,568
6,293	-	-	-	12,159	850,604
-	-	-	-	-	22,869
<b>13,967,919</b>	<b>60,569,007</b>	<b>5,308,251</b>	<b>4,075,704</b>	<b>36,727,975</b>	<b>\$ 193,087,570</b>
1,144,319	2,048,980	2,171,968	-	1,461,052	\$ 9,264,167
-	-	-	-	332,737	1,916,669
-	-	-	-	150,000	1,693,306
169,977	-	18,439	-	1,164,004	2,293,273
-	-	-	-	463,786	16,888,852
<b>1,314,296</b>	<b>2,048,980</b>	<b>2,190,407</b>	<b>-</b>	<b>3,571,579</b>	<b>32,056,267</b>
-	8,053,131	-	37,204	97,011	10,568,844
-	8,053,131	-	37,204	97,011	10,568,844
<b>1,314,296</b>	<b>10,102,111</b>	<b>2,190,407</b>	<b>37,204</b>	<b>3,668,590</b>	<b>42,625,111</b>
6,293	-	-	-	12,159	850,604
-	-	-	-	-	22,869
-	-	-	-	4,142,103	4,142,103
-	-	-	-	2,158,716	2,158,716
-	-	-	-	447,200	447,200
-	-	-	-	1,915,578	1,915,578
-	-	-	-	1,228,835	1,228,835
11,294,476	50,466,896	-	-	4,025,220	65,786,592
-	-	-	-	-	5,887,173
-	-	-	4,038,500	-	4,038,500
-	-	-	-	-	278,534
-	-	-	-	-	451,139
-	-	-	-	14,539,425	14,539,425
-	-	3,117,844	-	-	3,117,844
-	-	-	-	4,854,893	4,854,893
-	-	-	-	693,261	693,261
1,352,854	-	-	-	408,736	1,761,590
-	-	-	-	-	4,941,169
-	-	-	-	-	1,249,509
-	-	-	-	-	2,555,129
-	-	-	-	(1,366,741)	29,541,796
<b>12,653,623</b>	<b>50,466,896</b>	<b>3,117,844</b>	<b>4,038,500</b>	<b>33,059,385</b>	<b>150,462,459</b>
<b>13,967,919</b>	<b>60,569,007</b>	<b>5,308,251</b>	<b>4,075,704</b>	<b>36,727,975</b>	<b>\$ 193,087,570</b>



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**DORCHESTER COUNTY, SOUTH CAROLINA**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION**

**JUNE 30, 2021**

**TOTAL FUND BALANCES - GOVERNMENTAL FUNDS** **\$ 150,462,459**

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

Receivables will be collected in the future but are not available soon enough to pay for the current period's expenditures and therefore are reported as unavailable in the funds:

Property taxes	520,464
Grant reimbursements	4,127,546
EMS fees	1,652,629
Sales taxes	4,268,205
	10,568,844

The County's proportionate shares of the net pension liability, deferred outflows of resources, and deferred inflows of resources related to its participation in the State pension plans are not recorded in the governmental funds but are recorded in the Statement of Net Position. (71,262,616)

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets was \$289,796,839 and the accumulated depreciation was \$117,725,355. 172,071,484

Bond deferred losses are amortized over the lives of the bonds; however, in governmental accounting, bond deferred losses are expenditures the year they are incurred. The bond deferred losses of \$6,143,381 have been shown net of accumulated amortization expense of \$3,493,163. 2,650,218

The County's net OPEB liability and deferred outflows of resources related to its OPEB plan are not recorded in the governmental funds but are recorded in the Statement of Net Position. (8,752,638)

Accrued interest on the outstanding bonds in governmental accounting is not due and payable in the current period and therefore is not reported as a liability in the funds. (1,111,592)

The internal service fund is used by management to account for the costs and administration of workers compensation. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position. 1,731,982

Long-term obligations, including debt premiums and discounts, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consisted of the following:

Long-Term Debt	(152,752,276)	
Long-Term Debt Premiums	(4,959,553)	
Compensated Absences	(2,989,669)	(160,701,498)

**TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES** **\$ 95,656,643**

The notes to the financial statements are an integral part of this statement.  
See accompanying independent auditor's report.

DORCHESTER COUNTY, SOUTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2021

	GENERAL	CAPITAL IMPROVEMENTS	GRANTS FUND
<b>REVENUES</b>			
Taxes	\$ 40,252,683	4,918,384	-
Licenses and Permits	7,139,475	-	-
Intergovernmental Revenues:			
Federal	1,648,933	-	2,884,396
State	6,194,050	-	45,770
Local	1,613,993	-	-
Fees and Service Charges:			
Registrar of Deeds	2,954,356	-	-
EMS Charges	4,749,576	-	-
Cable Franchise Fees	781,805	-	-
Other Miscellaneous Fees	1,209,732	-	-
Judicial Fines and Assessments	1,377,530	-	-
Other Income	316,771	38,448	1,572
<b>TOTAL REVENUE ALL SOURCES</b>	<b>68,238,904</b>	<b>4,956,832</b>	<b>2,931,738</b>
<b>EXPENDITURES</b>			
Current:			
General Government	20,990,928	411,808	957,773
Public Safety	31,488,166	192,721	276,481
Roads and Drainage	2,099,133	-	-
Health and Welfare	1,069,700	-	12,534
Recreation and Culture	333,364	-	-
Airport	107,012	-	33,464
Economic Development	549,867	-	-
Intergovernmental and Nonprofit Assistance	3,754,229	-	-
Disaster Recovery	879,323	-	-
Nondepartmental	1,735,753	-	-
Capital Outlay	-	3,538,000	361,134
Debt Service:			
Principal Retirement	-	783,252	-
Interest and Fiscal Charges	-	63,515	-
<b>TOTAL EXPENDITURES</b>	<b>63,007,475</b>	<b>4,989,296</b>	<b>1,641,386</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>5,231,429</b>	<b>(32,464)</b>	<b>1,290,352</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Issuance of General Obligation Bonds	-	-	-
Issuance of Lease Purchase	-	4,650,000	-
Transfers In	4,326,360	903,583	862,246
Transfers Out	(894,925)	(1,845,924)	(7,929)
Sale of Capital Assets	-	195,416	-
Insurance Recoveries	168,288	56,989	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>3,599,723</b>	<b>3,960,064</b>	<b>854,317</b>
<b>NET CHANGES IN FUND BALANCES</b>	<b>8,831,152</b>	<b>3,927,600</b>	<b>2,144,669</b>
FUND BALANCES, Beginning of Year	31,540,180	1,959,573	(1,276,963)
Cumulative Change in Accounting Principle - See Note I.B	-	-	-
FUND BALANCES, Beginning of Year - Restated	31,540,180	1,959,573	(1,276,963)
<b>FUND BALANCES, End of Year</b>	<b>\$ 40,371,332</b>	<b>5,887,173</b>	<b>867,706</b>

The notes to the financial statements are an integral part of this statement.  
See accompanying independent auditor's report.

CAPITAL PROJECTS	TRANSPORTATION AUTHORITY	PARKS AND RECREATIONAL FACILITIES FUND	COUNTY BONDS	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
-	22,730,372	-	4,263,447	12,536,443	\$ 84,701,329
-	-	-	-	-	7,139,475
-	561,847	-	-	1,200,481	6,295,657
200,000	6,120,868	-	-	3,608,151	16,168,839
-	-	-	-	1,895,989	3,509,982
-	-	-	-	-	2,954,356
-	-	-	-	-	4,749,576
-	-	-	-	-	781,805
-	-	-	-	797,473	2,007,205
-	-	-	-	190,635	1,568,165
2,031,886	5,369	32,268	9,020	3,226,726	5,662,060
<b>2,231,886</b>	<b>29,418,456</b>	<b>32,268</b>	<b>4,272,467</b>	<b>23,455,898</b>	<b>135,538,449</b>
-	276,096	645	-	5,291,443	27,928,693
42,400	-	-	-	7,332,133	39,331,901
-	-	-	-	-	2,099,133
-	-	-	-	-	1,082,234
-	-	-	-	215,805	549,169
-	-	-	-	-	140,476
-	-	-	-	1,058,121	1,607,988
-	-	-	-	2,131,713	5,885,942
-	-	-	-	-	879,323
-	-	-	-	-	1,735,753
13,021,651	10,347,606	14,969,893	-	5,767,446	48,005,730
-	6,040,000	-	3,602,655	379,000	10,804,907
150,000	2,775,783	-	2,866,258	88,704	5,944,260
13,214,051	19,439,485	14,970,538	6,468,913	22,264,365	145,995,509
<b>(10,982,165)</b>	<b>9,978,971</b>	<b>(14,938,270)</b>	<b>(2,196,446)</b>	<b>1,191,533</b>	<b>(10,457,060)</b>
-	-	-	-	4,650,000	4,650,000
-	-	-	-	3,443,000	8,093,000
6,284,056	-	-	381,559	77,445	12,835,249
(109,399)	-	(77,568)	-	(8,450,359)	(11,386,104)
-	-	-	-	88,199	283,615
-	-	-	-	-	225,277
6,174,657	-	(77,568)	381,559	(191,715)	14,701,037
<b>(4,807,508)</b>	<b>9,978,971</b>	<b>(15,015,838)</b>	<b>(1,814,887)</b>	<b>999,818</b>	<b>4,243,977</b>
17,461,131	40,487,925	18,133,682	5,853,387	32,062,996	146,221,911
-	-	-	-	(3,429)	(3,429)
17,461,131	40,487,925	18,133,682	5,853,387	32,059,567	146,218,482
<b>12,653,623</b>	<b>50,466,896</b>	<b>3,117,844</b>	<b>4,038,500</b>	<b>33,059,385</b>	<b>\$ 150,462,459</b>

DORCHESTER COUNTY, SOUTH CAROLINA

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2021

<b>TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS</b>	<b>\$ 4,243,977</b>
Amounts reported for governmental activities in the Statement of Activities are different because:	
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. These amounts represent the changes in unavailable revenue for the year:	
Property taxes	(200,098)
Grant reimbursements	(343,717)
EMS fees	192,982
Sales taxes	1,355,456
	<u>1,004,623</u>
Repayment of bond and capital lease principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the Statement of Net Position.	10,804,907
Bond, capital lease, and note proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position.	(12,743,000)
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. This amount is the net change in accrued interest for the year.	(248,629)
Deferred advanced refunding charges are not recognized by the governmental funds but are amortized over the life of the refunded debt in the Statement of Activities. This amount represents the amortization for the year.	(324,980)
Bond premiums are revenues the year they are received in governmental funds but are amortized over the lives of the bonds in the Statement of Activities if material. This amount represents the premiums received during the year, net of current year amortization of premiums.	392,602
Changes in the County's proportionate shares of the net pension liability, deferred outflows of resources, and deferred inflows of resources for the current year are not reported in the governmental funds but are reported in the Statement of Activities.	(8,039,441)
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 the governmental funds.	173,919
Changes in the County's net OPEB liability and deferred outflows of resources for the current year are not reported in the governmental funds but are reported in the Statement of Activities.	(526,996)
The internal service fund is used by management to account for the costs and administration of workers compensation. The net revenue of the activities of the internal service fund is reported with governmental activities.	763,746
In the Statement of Activities the gain or loss on disposal of capital assets is reported, whereas in the governmental funds, proceeds from the disposal of capital assets increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the capital assets disposed.	(1,009,698)
In the Statement of Activities, infrastructure and equipment contributed by developers and others are reported as revenues. Since such contributions result in neither the receipt nor the use of current financial resources, they are not reflected in the fund statements.	2,003,320
Governmental funds report capital asset additions as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which current year additions of \$35,954,686, excluding contributed assets of \$2,003,320, exceeded current year depreciation expense of \$7,764,221.	28,190,465
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b>\$ 24,684,815</b>

The notes to the financial statements are an integral part of this statement.  
See accompanying independent auditor's report.



## DORCHESTER COUNTY, SOUTH CAROLINA

## STATEMENT OF NET POSITION

## PROPRIETARY FUNDS

JUNE 30, 2021

	WATER AND SEWER	SOLID WASTE	STORMWATER NONMAJOR FUND	TOTAL ENTERPRISE FUNDS	WORKERS COMPENSATION INTERNAL SERVICE FUND
<b>ASSETS</b>					
Current Assets:					
Cash and Investments	\$ 13,659,663	5,126,523	2,423,471	21,209,657	\$ 2,213,868
Cash and Investments, Restricted	27,347,932	-	-	27,347,932	-
Accounts Receivable, Net	2,707,192	4,227,985	1,958,266	8,893,443	-
Due From Other Governments	210,757	-	-	210,757	16,285
Prepaid Items	189,798	5,463	5,694	200,955	-
Total Current Assets	44,115,342	9,359,971	4,387,431	57,862,744	2,230,153
Noncurrent Assets:					
Capital Assets:					
Nondepreciable	13,233,976	655,515	359,088	14,248,579	-
Depreciable, Net	204,666,513	784,384	2,624,268	208,075,165	-
Total Noncurrent Assets	217,900,489	1,439,899	2,983,356	222,323,744	-
<b>TOTAL ASSETS</b>	<b>262,015,831</b>	<b>10,799,870</b>	<b>7,370,787</b>	<b>280,186,488</b>	<b>2,230,153</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Advance Refunding Charges	1,459,895	-	-	1,459,895	-
Deferred OPEB Charges	256,399	79,669	56,578	392,646	-
Deferred Pension Charges	1,830,867	552,858	397,060	2,780,785	-
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>3,547,161</b>	<b>632,527</b>	<b>453,638</b>	<b>4,633,326</b>	<b>-</b>
<b>LIABILITIES</b>					
Current Liabilities:					
Accounts Payable	2,131,593	770,510	108,303	3,010,406	90,522
Accrued Liabilities	183,765	49,896	37,735	271,396	407,649
Assets Held for Others	700,264	-	-	700,264	-
Accrued Interest	474,553	-	-	474,553	-
Current Portion of Landfill Postclosure Liability	-	14,410	-	14,410	-
Current Portion of Compensated Absences	202,612	39,371	38,042	280,025	-
Current Portion of Notes Payable	729,782	-	-	729,782	-
Current Portion of Revenue Bonds	3,775,723	-	-	3,775,723	-
Total Current Liabilities	8,198,292	874,187	184,080	9,256,559	498,171
Noncurrent Liabilities:					
Net Pension Liability	10,017,824	3,117,609	2,214,023	15,349,456	-
Net OPEB Liability	964,185	299,594	212,762	1,476,541	-
Landfill Postclosure Liability	-	-	-	-	-
Compensated Absences	150,937	38,380	15,492	204,809	-
Notes Payable	5,437,845	-	-	5,437,845	-
Revenue Bonds	38,874,586	-	-	38,874,586	-
Total Noncurrent Liabilities	55,445,377	3,455,583	2,442,277	61,343,237	-
<b>TOTAL LIABILITIES</b>	<b>63,643,669</b>	<b>4,329,770</b>	<b>2,626,357</b>	<b>70,599,796</b>	<b>498,171</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred OPEB Credits	98,530	30,616	21,742	150,888	-
Deferred Pension Credits	39,865	12,406	8,810	61,081	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>138,395</b>	<b>43,022</b>	<b>30,552</b>	<b>211,969</b>	<b>-</b>
<b>NET POSITION</b>					
Net Investment in Capital Assets	171,644,133	1,439,899	2,983,356	176,067,388	-
Restricted for Capital Improvements	26,246,246	-	-	26,246,246	-
Unrestricted	3,890,549	5,619,706	2,184,160	11,694,415	1,731,982
<b>TOTAL NET POSITION</b>	<b>\$ 201,780,928</b>	<b>7,059,605</b>	<b>5,167,516</b>	<b>214,008,049</b>	<b>\$ 1,731,982</b>

The notes to the financial statements are an integral part of this statement.  
See accompanying independent auditor's report.

## DORCHESTER COUNTY, SOUTH CAROLINA

## STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

## PROPRIETARY FUNDS

YEAR ENDED JUNE 30, 2021

	WATER AND SEWER	SOLID WASTE	STORMWATER NONMAJOR FUND	TOTAL ENTERPRISE FUNDS	WORKERS COMPENSATION INTERNAL SERVICE FUND
<b>OPERATING REVENUES</b>					
Charges for Services, Net	\$ 25,058,290	7,649,210	3,235,649	35,943,149	\$ -
Tap Fees	2,750,801	-	-	2,750,801	-
Origination Fee	195,445	-	-	195,445	-
Reconnection Fee	969,049	-	-	969,049	-
Inspection Fee	253,016	-	441,255	694,271	-
Premiums and Billings to Other Funds	-	-	-	-	2,000,000
Other Revenue	242,872	88,507	337,103	668,482	16,858
<b>TOTAL OPERATING REVENUES</b>	<b>29,469,473</b>	<b>7,737,717</b>	<b>4,014,007</b>	<b>41,221,197</b>	<b>2,016,858</b>
<b>OPERATING EXPENSES</b>					
Personnel Services	6,217,246	1,687,418	1,421,340	9,326,004	-
Contractual Services	4,104,416	4,466,391	239,578	8,810,385	-
Maintenance and Repairs	2,028,514	8,279	395,866	2,432,659	-
Utilities	1,337,409	34,278	12,880	1,384,567	-
Office Expenses	231,918	16,488	19,094	267,500	-
Truck Expenses	205,915	57,631	41,695	305,241	-
Other Services and Charges	1,475,494	74,560	53,287	1,603,341	-
Supplies	684,697	25,372	49,064	759,133	-
Collection Expenses	577,336	-	-	577,336	-
Claims Paid and Premium Expenses	-	-	-	-	1,253,112
Depreciation	6,770,601	118,394	314,667	7,203,662	-
<b>TOTAL OPERATING EXPENSES</b>	<b>23,633,546</b>	<b>6,488,811</b>	<b>2,547,471</b>	<b>32,669,828</b>	<b>1,253,112</b>
<b>OPERATING INCOME</b>	<b>5,835,927</b>	<b>1,248,906</b>	<b>1,466,536</b>	<b>8,551,369</b>	<b>763,746</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Investment Income	48,726	4,240	1,952	54,918	-
Impact Fees	7,770,536	-	-	7,770,536	-
Settlement of Legal Claim	2,457	-	-	2,457	-
Gain (Loss) on Disposition of Capital Assets	162,830	82,808	(6,206)	239,432	-
Grant Revenue	-	80,211	-	80,211	-
Bond Issuance Costs	(86,740)	-	-	(86,740)	-
Interest Expense	(1,694,934)	-	-	(1,694,934)	-
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>6,202,875</b>	<b>167,259</b>	<b>(4,254)</b>	<b>6,365,880</b>	<b>-</b>
<b>CONTRIBUTIONS AND TRANSFERS</b>					
Capital Contributions	5,476,971	-	-	5,476,971	-
Transfers In	840,759	407,642	-	1,248,401	-
Transfers Out	(2,072,687)	(390,624)	(234,235)	(2,697,546)	-
<b>TOTAL CONTRIBUTIONS AND TRANSFERS</b>	<b>4,245,043</b>	<b>17,018</b>	<b>(234,235)</b>	<b>4,027,826</b>	<b>-</b>
<b>CHANGE IN NET POSITION</b>	<b>16,283,845</b>	<b>1,433,183</b>	<b>1,228,047</b>	<b>18,945,075</b>	<b>763,746</b>
NET POSITION, Beginning of Year	185,497,083	5,626,422	3,939,469	195,062,974	968,236
<b>NET POSITION, End of Year</b>	<b>\$ 201,780,928</b>	<b>7,059,605</b>	<b>5,167,516</b>	<b>214,008,049</b>	<b>\$ 1,731,982</b>

The notes to the financial statements are an integral part of this statement.  
See accompanying independent auditor's report.

DORCHESTER COUNTY, SOUTH CAROLINA

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

YEAR ENDED JUNE 30, 2021

	WATER AND SEWER	SOLID WASTE	STORMWATER NONMAJOR FUND	TOTAL ENTERPRISE FUNDS	WORKERS COMPENSATION INTERNAL SERVICE FUND
<b>OPERATING ACTIVITIES</b>					
Cash Received from Customers and Users	\$ 29,008,004	7,266,340	3,431,285	39,705,629	\$ 2,033,983
Cash Paid to Suppliers, Premiums and Claims	(9,775,019)	(4,455,377)	(790,134)	(15,020,530)	(1,353,518)
Cash Paid to Employees	(5,956,107)	(1,608,133)	(1,304,691)	(8,868,931)	-
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>13,276,878</b>	<b>1,202,830</b>	<b>1,336,460</b>	<b>15,816,168</b>	<b>680,465</b>
<b>NONCAPITAL FINANCING ACTIVITIES</b>					
Noncapital Transfers and Advances Between Funds	(1,231,928)	17,018	(234,235)	(1,449,145)	-
Noncapital Grants	-	80,211	-	80,211	-
<b>NET CASH PROVIDED BY (USED IN) NONCAPITAL FINANCING ACTIVITIES</b>	<b>(1,231,928)</b>	<b>97,229</b>	<b>(234,235)</b>	<b>(1,368,934)</b>	<b>-</b>
<b>CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Acquisition and Construction of Capital Assets	(6,574,615)	(526,134)	(286,553)	(7,387,302)	-
Proceeds from the Sale of Capital Assets	293,217	111,737	-	404,954	-
Proceeds from the Issuance of Debt	11,962,000	-	-	11,962,000	-
Bond Issuance Costs	(86,740)	-	-	(86,740)	-
Legal Settlement	2,457	-	-	2,457	-
Principal Paid on Debt	(15,078,161)	-	-	(15,078,161)	-
Interest Paid	(2,643,843)	-	-	(2,643,843)	-
<b>NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>(4,355,149)</b>	<b>(414,397)</b>	<b>(286,553)</b>	<b>(5,056,099)</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
Interest on Investments	48,726	4,240	1,952	54,918	-
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<b>48,726</b>	<b>4,240</b>	<b>1,952</b>	<b>54,918</b>	<b>-</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS / INVESTMENTS (including RESTRICTED CASH)</b>	<b>7,738,527</b>	<b>889,902</b>	<b>817,624</b>	<b>9,446,053</b>	<b>680,465</b>
CASH AND CASH EQUIVALENTS / INVESTMENTS (including RESTRICTED CASH), Beginning of Year	33,269,068	4,236,621	1,605,847	39,111,536	1,533,403
<b>CASH AND CASH EQUIVALENTS / INVESTMENTS (including RESTRICTED CASH), End of Year</b>	<b>\$ 41,007,595</b>	<b>5,126,523</b>	<b>2,423,471</b>	<b>48,557,589</b>	<b>\$ 2,213,868</b>

(Continued)

DORCHESTER COUNTY, SOUTH CAROLINA

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

YEAR ENDED JUNE 30, 2021

	WATER AND SEWER	SOLID WASTE	STORMWATER NONMAJOR FUND	TOTAL ENTERPRISE FUNDS	WORKERS COMPENSATION INTERNAL SERVICE FUND
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided By Operating Activities:</b>					
Operating Income (Loss)	\$ 5,835,927	1,248,906	1,466,536	8,551,369	\$ 763,746
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:					
Depreciation Expense	6,770,601	118,394	314,667	7,203,662	-
Noncash Pension Expense	225,860	(9,059)	188,028	404,829	-
Noncash OPEB Expense	13,543	87,010	(78,042)	22,511	-
Decrease (Increase) in Operating Assets:					
Accounts Receivable	(559,697)	(471,377)	(582,722)	(1,613,796)	33,410
Due From Other Governments	-	-	-	-	(16,285)
Prepaid Items	15,647	2,259	(3,097)	14,809	-
Increase (Decrease) in Operating Liabilities:					
Accounts Payable	855,033	239,773	24,427	1,119,233	(88,973)
Assets Held for Others	98,228	-	-	98,228	-
Accrued Liabilities	30,648	2,870	2,555	36,073	(11,433)
Landfill Postclosure Liability	-	(14,410)	-	(14,410)	-
Accrued Compensated Absences	(8,912)	(1,536)	4,108	(6,340)	-
<b>Total Adjustments</b>	<u>7,440,951</u>	<u>(46,076)</u>	<u>(130,076)</u>	<u>7,264,799</u>	<u>(83,281)</u>
<b>Net Cash Provided by Operating Activities</b>	<u>\$ 13,276,878</u>	<u>1,202,830</u>	<u>1,336,460</u>	<u>15,816,168</u>	<u>\$ 680,465</u>
<b>Schedule of Noncash Capital and Financing Activities:</b>					
Acquisition of Capital Assets Through					
Developer Contributions	\$ 5,476,971	-	-	5,476,971	\$ -
Amortization of Premiums	1,219,350	-	-	1,219,350	-
Amortization of Deferred Refunding Charges	\$ (259,910)	-	-	(259,910)	\$ -

The notes to the financial statements are an integral part of this statement.  
See accompanying independent auditor's report.

**DORCHESTER COUNTY, SOUTH CAROLINA**

**STATEMENT OF NET POSITION**

**FIDUCIARY FUND**

**JUNE 30, 2021**

	<b>CUSTODIAL FUND</b>
<b>ASSETS</b>	
Cash and Investments	\$ 52,542,398
Accounts Receivable, Net	1,000,700
Taxes Receivable, Net	1,933,035
Due From Other Governments	215,966
Investments	-
<b>TOTAL ASSETS</b>	<b><u>\$ 55,692,099</u></b>
<b>LIABILITIES</b>	
Due To Other Governments	\$ 22,098,864
<b>TOTAL LIABILITIES</b>	<b><u>22,098,864</u></b>
<b>NET POSITION</b>	
Restricted for:	
Individuals, Organizations, and Other Governments	33,593,235
<b>TOTAL NET POSITION</b>	<b><u>\$ 33,593,235</u></b>

The notes to the financial statements are an integral part of this statement.  
See accompanying independent auditor's report.

**DORCHESTER COUNTY, SOUTH CAROLINA**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**

**FIDUCIARY FUND**

**YEAR ENDED JUNE 30, 2021**

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	<b>CUSTODIAL FUND</b>
<b>ADDITIONS</b>	
Tax Collections for Other Governments	\$ 156,174,117
Grant Revenues	154,495,991
Fines and Fees	4,907,190
Miscellaneous	11,246,249
<b>TOTAL ADDITIONS</b>	<b>326,823,547</b>
<b>DEDUCTIONS</b>	
Payments of Taxes to Other Governments	281,311,452
Disbursement of Debt Proceeds	44,871,105
Payments to Designated Beneficiaries	31,442
<b>TOTAL DEDUCTIONS</b>	<b>326,213,999</b>
<b>CHANGE IN FIDUCIARY NET POSITION</b>	<b>609,548</b>
NET POSITION, Beginning of Year	32,983,687
<b>NET POSITION, End of Year</b>	<b>\$ 33,593,235</b>

The notes to the financial statements are an integral part of this statement.  
See accompanying independent auditor's report.

# DORCHESTER COUNTY, SOUTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2021

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### I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. The Reporting Entity

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.

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 two 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 has one discretely presented component unit as discussed below.

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 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 twenty-five years and will terminate within twelve months of the final sales and use tax collection. 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.

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**A. The Reporting Entity (Continued)**

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 10 members with voting power and 4 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”), a discretely presented component unit, provides library services to the residents of Dorchester County. The members of the Library’s governing board are appointed by Dorchester County Council. The Library is fiscally dependent upon the County because the County Council approves the Library’s budgets, levies taxes, and must approve any debt issuances.

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

506 N. Parler Avenue  
St. George, South Carolina 29477

***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.

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

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



DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2021

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

**Governmental fund financial statements** are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government generally considers all revenues to be available if they are collected within 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, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

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

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2021

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

The following are the County's governmental funds:

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

The *Capital Improvements Fund, a major special revenue fund* and a budgeted fund, is used to account for and report the financial resources provided by property taxes and lease purchase proceeds that are restricted for use on capital and other operating expenditures as well as various capital improvements and assets identified in the lease purchase agreements.

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 *Capital Projects Fund, a major fund*, is used to account for and report the financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition and construction of capital facilities and other capital assets.

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 *Parks and Recreational Facilities Fund, a major capital projects fund*, is used to account for and report financial resources that are restricted, committed, or assigned to expenditures of the parks and recreation department.

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

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

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:

Sheriff's Fund	Upper Dorchester Economic Development
Economic Development	Children in Crisis
Hospitality Tax Fund	Senior Citizens Center
Family Court DSS	Recreation Fund
E-911	Fire Protection
Victims' Advocate	Improvement Fund
First Circuit Solicitor	Firefighters' 1% Fund
C-Funds	Dorchester County Economic
Public Defender	Development Corporation
Other Special Revenue Fund	

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
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**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:

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2021

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

The *Solid Waste Fund, a major 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.

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.

*Change in Accounting Principle*

The County adopted GASB Statement No. 84 "*Fiduciary Activities*" ("Statement" or "GASB #84") for the year ended June 30, 2021. The primary objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement made it clear that the Firefighters' 1% balances and activities should be reported by the County in a special revenue fund. The balances and activities were previously unrecorded on the financial statements. This Statement also made it clear that the Fire Protection balances and activities should be reported by the County in a fiduciary (custodial) fund. The balances and activities were previously reported as a special revenue fund.

The adoption of GASB #84 has resulted in the restatement of the County's fund balance and net position as of July 1, 2020 for its governmental fund financial statements and its government-wide financial statements to reflect the reporting of the Fire Protection Fund as part of the custodial fund. Fund balance of the County's governmental funds and net position of the County's governmental activities were decrease by approximately \$3,000, reflecting the cumulative change in accounting principle related to the adoption of GASB #84.

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

***1. Cash, Cash Equivalents, and Investments***

***Cash and Cash Equivalents***

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

***Investments***

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

- (a) Obligations of the United States and agencies thereof;
- (b) Obligations issued by the Federal Financing Bank, Federal Farm Credit Bank, the Bank of Cooperatives, the Federal Intermediate Credit Bank, the Federal Land Banks, The Federal Home Loan Banks, the Federal Home Loan Mortgage Corporations, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Housing Administration, and the Farmers Home Administration, if, at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories issued by at least two nationally recognized credit rating organizations;
- (c) General obligations of the State of South Carolina or any of its political units; or revenue obligations of the State of South Carolina if, at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories issued by at least two nationally recognized credit rating organizations;
- (d) Savings and Loan Associations to the extent that the same are insured by an agency of the Federal Government;
- (e) Certificates of Deposit and funds in deposit accounts with banking institutions provided that such certificates and funds in deposit accounts are collaterally secured by securities of the type described in (a) and (b) above, held by a third party as escrow agent, or custodian of a market value, not less than the amount of the certificates or funds in deposit accounts so secured, including interest; provided, however, such collateral shall not be required to the extent the same are insured by an agency of the federal government;
- (f) Collateralized repurchase agreements when collateralized by securities as set forth in (a) and (b) above and held by the governmental entity or a third party as escrow agent or custodian; and

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**1. Cash, Cash Equivalents, and Investments (Continued)**

- (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.

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 THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

---

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**2. *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."

**3. *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.

**4. *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.

**5. *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.

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

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Other Improvements	10 - 50 Years
Furniture and Equipment	3 - 7 Years
Infrastructure	10 - 30 Years
Water and Sewer Systems	50 Years

**6. *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.

**7. *Accrued Liabilities and Long-Term Obligations***

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

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

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



**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**8. Fund Balance**

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

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

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

**Committed** – includes amounts that are constrained for specific purposes that are internally imposed by the government through formal action (an ordinance or resolution, 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.

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 Board of Trustees 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, 2021 is approximately \$30,909,000, which represents approximately 45% of the fiscal year 2022 General Fund projected revenues of approximately \$68,875,000.

DORCHESTER COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2021

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

9. *Deferred Outflows and Inflows of Resources*

In addition to assets, the Statement of Net Position and the Balance Sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County currently has 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 postemployment 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.

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

9. *Net Position*

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

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

***10. Pensions and Other Postemployment Benefits***

In government-wide financial statements, pensions and OPEB are required to be recognized and disclosed using the accrual basis of accounting (see Note IV.A and Note IV.B and the required supplementary information immediately following the notes to the financial statements for more information), regardless of the amounts recognized as pension and OPEB expenditures on the modified accrual basis of accounting.

The County recognizes net pension and 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. 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.

***11. 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 THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

---

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

***11. Fair Value***

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.

***12. 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

***13. 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.

**II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. 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, Fire Protection 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, 2021, 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 THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

**II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**B. Deficit Fund Balances**

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

Nonmajor Special Revenue Fund	Deficit	Resource for Elimination
Victims' Advocate	\$ 681	Future revenues
First Circuit Solicitor	147,085	Future revenues
Sheriff's	127,730	Future revenues
Public Defender	66,289	Future revenues
C- Funds	\$ 1,024,956	Future revenues

**III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES**

**A. 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, 2021, approximately \$1,519,000 of the County's total bank balances of approximately \$113,538,000 (with a carrying value of approximately \$111,498,000) were exposed to custodial credit risk, as they were uninsured and uncollateralized.

*Investments*

As of June 30, 2021, the County had the following investments and maturities:

Investment Type	Fair Value Level <sup>(1)</sup>	Credit Rating <sup>^</sup>	Fair Value	Investment Maturity in Years			
				< 1 yr	1 - 3 yrs	3 - 5 yrs	> 5 yrs
SC Local Government Investment Pool	N/A	NR, NR	\$ 106,615,604	106,615,604	-	-	\$ -
US Treasuries	Level 1	N/A	4,639,302	4,639,302	-	-	-
US Govt Agencies	Level 1	N/A	40,340,492	12,326,878	6,985,087	13,419,826	7,608,701
Money Market	Level 1	Aaa, AA+	2,902,272	2,902,272	-	-	-
Certified Deposits	N/A	N/A	1,010,268	504,835	505,433	-	-
<b>Total</b>			<b>\$ 155,507,938</b>	<b>126,988,891</b>	<b>7,490,520</b>	<b>13,419,826</b>	<b>\$ 7,608,701</b>

<sup>^</sup> If available, credit ratings are for Standard & Poor's and Moody's Investors Service.

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

N/A – Not applicable

NR – Not rated

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

**Custodial Credit Risk for Investments:** Custodial credit risk for investments is the risk that, in the event of a bank failure, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County does not have an investment policy for custodial credit risk but follows the investment policy statutes of the State of South Carolina. As of June 30, 2021, none of the County's investments were exposed to custodial credit risk.

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

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**III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)**

**A. Deposits and Investments (Continued)**

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

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

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

	Financial Statements	
Statement of Net Position:		
Cash and Investments	\$	72,598,968
Cash and Investments, Restricted		141,864,503
Statement of Fiduciary Net Position - Custodial Fund		
Cash and Investments		52,542,398
Total	\$	<u>267,005,869</u>
	Notes to the Financial Statements	
Deposits	\$	111,497,931
Investments		155,507,938
Total	\$	<u>267,005,869</u>

**B. 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 \$687 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, 5.9 mills for the County Bonds Fund, 6.8 mills for the Capital Improvements Fund, 4.0 mills for the Fire Improvements Fund, and 17.2 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

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

**III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)**

**B. Property Taxes and Other Receivables (Continued)**

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

Receivables as of June 30, 2021 for the County's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

Receivables:	General	Capital Improvements	Grant Fund	Transportation Authority	County Bonds	Water and Sewer	Solid Waste	Nonmajor Funds
Taxes	\$ 1,178,792	150,032	-	-	127,940	-	-	349,344
Accounts	11,011,671	-	-	-	236,994	4,687,657	4,381,136	3,518,905
Other	-	275,894	-	-	-	-	-	669,702
Due From Other Governments	4,042,566	-	651,425	15,814,631	-	210,757	-	381,946
Gross Receivables	16,233,029	425,926	651,425	15,814,631	364,934	4,898,414	4,381,136	4,919,897
Less Allowance For:								
Taxes	(796,449)	(101,369)	-	-	(86,442)	-	-	(241,181)
Accounts	(8,920,271)	-	-	-	-	(1,980,465)	(153,151)	(77,054)
Net Receivables	\$ 6,516,309	324,557	651,425	15,814,631	278,492	2,917,949	4,227,985	4,601,662

**C. 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, 2021, the various components of unearned revenue and deferred inflows of resources reported in the governmental funds are as follows:

Unavailable Revenue:	
Property Taxes Receivable	\$ 520,464
Grant Reimbursements	4,127,546
Fees for Emergency Medical Services	1,652,629
Sales Taxes Receivable	4,268,205
Total Unavailable Revenue - Governmental Funds	<u>\$ 10,568,844</u>
Unearned Revenue:	
Advance Tax Installments	\$ 585,206
Communication Tower Deposits	33,070
American Rescue Plan Act Funds	15,806,790
Deposits Held for Collateral	100,000
Assets Seized in Connection with Unadjudicated Cases	363,786
Total Unearned Revenue - Governmental Funds	<u>\$ 16,888,852</u>

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

**III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)**

**D. Capital Assets**

Capital asset activity for governmental activities for the year ended June 30, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<b>Governmental Activities:</b>					
Capital Assets, Non Depreciable:					
Land, Improvements, and Right of Way	\$ 22,894,846	8,023,199	-	-	\$ 30,918,045
Construction in Progress	5,315,568	21,998,611	(603,155)	(7,623,983)	19,087,041
<b>Total Capital Assets, Non Depreciable</b>	<b>28,210,414</b>	<b>30,021,810</b>	<b>(603,155)</b>	<b>(7,623,983)</b>	<b>50,005,086</b>
Capital Assets, Depreciable:					
Infrastructure	124,980,799	1,777,881	-	3,531,639	130,290,319
Buildings and Improvements	65,044,728	51,639	(33,076)	2,639,863	67,703,154
Furniture and Equipment	36,821,414	6,106,676	(2,582,291)	1,452,481	41,798,280
<b>Total Capital Assets, Depreciable</b>	<b>226,846,941</b>	<b>7,936,196</b>	<b>(2,615,367)</b>	<b>7,623,983</b>	<b>239,791,753</b>
Less: Accumulated Depreciation for:					
Infrastructure	71,267,562	3,398,542	-	-	74,666,104
Buildings and Improvements	17,509,244	1,378,675	(11,105)	-	18,876,814
Furniture and Equipment	23,393,152	2,987,004	(2,197,719)	-	24,182,437
<b>Total Accumulated Depreciation</b>	<b>112,169,958</b>	<b>7,764,221</b>	<b>(2,208,824)</b>	<b>-</b>	<b>117,725,355</b>
<b>Total Capital Assets, Depreciable, Net</b>	<b>114,676,983</b>	<b>171,975</b>	<b>(406,543)</b>	<b>7,623,983</b>	<b>122,066,398</b>
<b>Total Governmental Activities Capital Assets, Net</b>	<b>\$ 142,887,397</b>	<b>30,193,785</b>	<b>(1,009,698)</b>	<b>-</b>	<b>\$ 172,071,484</b>

Capital additions include donated infrastructure of approximately \$2,003,000.

Depreciation expense for the year ended June 30, 2021 was charged to functions of the primary government as follows:

Governmental Activities:	
General Government	\$ 1,063,761
Public Safety	2,876,573
Roads and Drainage	3,116,751
Health and Welfare	33,140
Parks and Recreation	70,452
Airport	401,189
Economic Development and Assistance	163,097
Intergovernmental and Nonprofit Assistance	39,258
<b>Total</b>	<b>\$ 7,764,221</b>



**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

**III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)**

**D. Capital Assets (Continued)**

Capital asset activity for business-type activities for the year ended June 30, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<b>Business-Type Activities:</b>					
Capital Assets, Non Depreciable:					
Land, Improvements, and Right of Way	\$ 1,828,752	46,875	-	-	\$ 1,875,627
Construction in Progress	12,647,227	3,787,619	(92,525)	(3,969,369)	12,372,952
<b>Total Capital Assets, Non Depreciable</b>	<b>14,475,979</b>	<b>3,834,494</b>	<b>(92,525)</b>	<b>(3,969,369)</b>	<b>14,248,579</b>
Capital Assets, Depreciable:					
Infrastructure	2,217,455	-	-	-	2,217,455
Sewer Plant	42,231,941	-	-	-	42,231,941
Sewer System	184,090,289	4,665,718	-	3,019,001	191,775,008
Water System	38,033,468	1,281,706	-	950,368	40,265,542
Buildings and Improvements	2,249,485	18,497	-	-	2,267,982
Furniture and Equipment	10,373,074	2,957,150	(1,262,033)	-	12,068,191
<b>Total Capital Assets, Depreciable</b>	<b>279,195,712</b>	<b>8,923,071</b>	<b>(1,262,033)</b>	<b>3,969,369</b>	<b>290,826,119</b>
Less: Accumulated Depreciation for:					
Infrastructure	263,851	105,404	-	-	369,255
Sewer Plant	23,202,507	1,367,927	-	-	24,570,434
Sewer System	39,650,456	3,724,026	-	-	43,374,482
Water System	7,447,543	793,961	-	-	8,241,504
Buildings and Improvements	428,336	60,667	-	-	489,003
Furniture and Equipment	5,743,635	1,151,677	(1,189,036)	-	5,706,276
<b>Total Accumulated Depreciation</b>	<b>76,736,328</b>	<b>7,203,662</b>	<b>(1,189,036)</b>	<b>-</b>	<b>82,750,954</b>
<b>Total Capital Assets, Depreciable, Net</b>	<b>202,459,384</b>	<b>1,719,409</b>	<b>(72,997)</b>	<b>3,969,369</b>	<b>208,075,165</b>
<b>Total Business-Type Activities Capital Assets, Net</b>	<b>\$ 216,935,363</b>	<b>5,553,903</b>	<b>(165,522)</b>	<b>-</b>	<b>\$ 222,323,744</b>

Capital additions include developer contributions of approximately \$5,477,000.

**E. Transfers In and (Out) and Interfund Balances**

Transfers from (to) other funds for the year ended June 30, 2021 were as follows:

Fund	Transfers In	Transfers Out
General Fund	\$ 4,326,360	\$ 894,925
Capital Improvements	903,583	1,845,924
Capital Projects	6,284,056	109,399
County Bonds	381,559	-
Grants Fund	862,246	7,929
Parks and Recreational Facilities Fund	-	77,568
Nonmajor Governmental Funds	77,445	8,450,359
Water and Sewer Fund	840,759	2,072,687
Solid Waste Fund	407,642	390,624
Nonmajor Enterprise Fund	-	234,235
<b>Total Transfers In/Out</b>	<b>\$ 14,083,650</b>	<b>\$ 14,083,650</b>

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

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**III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)**

**E. Transfers In and (Out) and Interfund Balances (Continued)**

**General Fund**

Transfers in: Funds were transferred into the General Fund from the Capital Improvements Fund and Capital Projects Fund to partially fund various capital expenditures, from the Water and Sewer Fund, Solid Waste Fund, Stormwater Fund and Fire Improvements Fund 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 Capital Improvements and Capital Projects to fund ongoing capital projects as well as approved capital purchases.

**Capital Improvements Fund**

Transfers in: Funds were transferred into the Capital Improvements Fund from the General Fund and Capital Projects Fund to partially fund ongoing capital projects.

Transfers out: The Capital Improvements Fund transferred funds into the General Fund, the Capital Projects Fund, and the Nonmajor Governmental Funds to fund Council approved capital projects and for grant matches.

**Capital Projects Fund**

Transfers in: Funds were transferred into the Capital Projects Fund from the Capital Improvements Fund and the General Fund to fund Council approved capital projects.

Transfers out: The Capital Projects Fund transferred funds into the General Fund and Capital Improvements Fund to partially fund various operating and capital expenditures.

**County Bonds Fund**

Transfers in: Funds were transferred into the County Bonds Funds from the Nonmajor Governmental Funds to fund debt service requirements.

**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 the Capital Improvements Fund, Capital Projects Fund and the Water and Sewer Fund to fund capital improvements and grant matches.

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

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

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**III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)**

**E. Transfers In and (Out) and Interfund Balances (Continued)**

**Water and Sewer Fund**

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

**Solid Waste and Stormwater Funds**

Transfers out: Funds were transferred from the Solid Waste and Stormwater Funds to the General Fund as an allocation of overhead costs.

**Interfund Balances**

Interfund balances at June 30, 2021 result from the timing of payments made by the General Fund for expenditures incurred by other funds during the year, all of which are expected to be paid within one year:

Fund	Receivables	Payables
General Fund	\$ 2,293,273	\$ -
Capital Improvements	-	773,090
Capital Projects	-	169,977
Grants Fund	-	167,763
Parks and Recreation Fund	-	18,439
Nonmajor Governmental Funds	-	1,164,004
Total Interfund Balances	<u>\$ 2,293,273</u>	<u>\$ 2,293,273</u>

**F. Long-Term Obligations**

The County has the following forms of long-term indebtedness as of June 30, 2021:

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

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

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

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

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**III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)**

**F. Long-Term Obligations (Continued)**

*Notes Payable* – The County finances certain Proprietary Fund capital projects through State Revolving Loan Funds and other similar loans.

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

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

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

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

The South Carolina constitution permits the County to incur general obligation (general purpose) bonded indebtedness not to exceed eight percent of the assessed value of taxable property in the County, unless approved by referendum. The 2010 general obligation bonds and the 2020 general obligation bonds, as well as the 2009 and 2013A general obligation bonds issued by the Authority, were approved by referendum and are not subject to the debt limit. At June 30, 2021, 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.

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, 2021, there were an undetermined number of industrial revenue bonds and notes outstanding and the principal payable at June 30, 2021 could not be determined.

In August 2020, the County issued its Water and Sewer Refunding Bond, Series 2020 in the amount of \$11,962,000 with an interest rate of 1.40%. Principal is due on the bonds annually beginning October 1, 2020 through October 1, 2028 with interest due semi-annually beginning on October 1, 2020. These bonds were issued for the purpose of advance refunding \$10,820,000 of the outstanding Series 2012 Water and Sewer Revenue Bonds. The County used the proceeds from the issuance of the refunding bonds to place approximately \$12,047,000 in an irrevocable trust which will be used to pay the principal and interest payments on the refunded bonds until October 1, 2022, the earliest date of optional redemption, at which time the refunded bonds will be redeemed.

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

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**III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)**

**F. Long-Term Obligations (Continued)**

The reacquisition price exceeded the net carrying amount of the old debt by approximately \$802,000. This amount is being amortized over the life of the new debt, which has the same life as the old debt. This refunding was undertaken to reduce total debt service payments over the next 8 years by \$890,381 and resulted in an economic gain of \$833,973. The refunded bonds are considered to be defeased until redemption in October 2022, and the liability has been removed from the governmental activities column of the Statement of Net Position.

In November 2020, the County issued the 2020 Lease Purchase Agreement in the amount of \$3,443,000 to fund the purchase of Pumper Trucks and other Public Safety equipment. Principal payments are due annually beginning December 1, 2024 through December 1, 2031. Annual interest payments at a rate of 1.77% are due annually beginning March 1, 2021.

In January 2021, the County issued its Series 2021 Special Source Revenue Bonds in the amount of \$4,650,000. The issuance is for the joint county development of an industrial park. Principal payments are due annually beginning March 1, 2023 through March 1, 2025. Annual interest payments at a rate of 1.68% are due annually beginning December 1, 2021.

In March 2021, the County issued the 2021 Equipment Lease Purchase Agreement in the amount of \$4,650,000. This lease agreement was issued to fund the acquisition and installation of HVAC equipment, phone system, and security cameras. Principal payments are due annually beginning March 1, 2022 through March 1, 2029. Annual interest payments at a rate of 1.13% are due annually beginning March 1, 2022.

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

**III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)**

**F. 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, 2021:

Long-Term Obligations	Beginning of Year	Additions	Reductions	End of Year	Due Within One Year
<b>Governmental Activities:</b>					
<b>Direct Borrowing / Placement:</b>					
General Obligation Bonds					
2010 Series	\$ 3,297,663	-	240,491	3,057,172	\$ 250,880
2015 Series	2,860,000	-	250,000	2,610,000	260,000
Total DBP General Obligation Bonds	<u>6,157,663</u>	<u>-</u>	<u>490,491</u>	<u>5,667,172</u>	<u>510,880</u>
2021 Winding Woods Special Source Revenue Bond	-	4,650,000	-	4,650,000	-
Capitalized Leases	3,701,520	8,093,000	1,154,416	10,640,104	1,140,026
<b>Total Direct Borrowing / Placement</b>	<u>9,859,183</u>	<u>12,743,000</u>	<u>1,644,907</u>	<u>20,957,276</u>	<u>1,650,906</u>
<b>Publicly Traded:</b>					
General Obligation Bonds					
2012 Series	14,325,000	-	600,000	13,725,000	620,000
2013B Series: Refunding	6,920,000	-	505,000	6,415,000	525,000
2009 Series: Transportation Authority	31,380,000	-	2,935,000	28,445,000	3,060,000
2013A Series: Refunding - Transportation Authority	32,645,000	-	3,105,000	29,540,000	3,205,000
2019 Series GO Refunding and Improvement Bonds	16,220,000	-	1,215,000	15,005,000	1,270,000
2020 Series	25,000,000	-	800,000	24,200,000	630,000
Total PT General Obligation Bonds	<u>126,490,000</u>	<u>-</u>	<u>9,160,000</u>	<u>117,330,000</u>	<u>9,310,000</u>
Premiums on PT General Obligation Bonds					
2012 Series	507,314	-	28,553	478,761	-
2013B Series: Refunding	421,782	-	39,193	382,589	-
2009 Series: Transportation Authority	69,205	-	7,825	61,380	-
2013A Series: Refunding - Transportation Authority	1,933,487	-	218,626	1,714,861	-
2020 Series	1,587,737	-	64,100	1,523,637	-
Total Premiums on PT General Obligation Bonds	<u>4,519,525</u>	<u>-</u>	<u>358,297</u>	<u>4,161,228</u>	<u>-</u>
Limited Obligation Bonds					
2020 Series Oakbrook TIF	14,465,000	-	-	14,465,000	-
Premiums on PT Limited Obligation Bonds					
2020 Series Oakbrook TIF	832,630	-	34,305	798,325	-
<b>Total Publicly Traded</b>	<u>146,307,155</u>	<u>-</u>	<u>9,552,602</u>	<u>136,754,553</u>	<u>9,310,000</u>
<b>Total Indebtedness</b>	156,166,338	12,743,000	11,197,509	157,711,829	10,960,906
Compensated Absences	3,163,588	1,260,046	1,433,965	2,989,669	1,433,965
<b>Governmental Activities Long-Term Obligations</b>	<u>\$ 159,329,926</u>	<u>14,003,046</u>	<u>12,631,474</u>	<u>160,701,498</u>	<u>\$ 12,394,871</u>

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

**III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)**

**F. Long-Term Obligations (Continued)**

The following is a summary of changes in the County's business-type activities long-term obligations for the year ended June 30, 2021:

Long-Term Obligations	Beginning of Year	Additions	Reductions	End of Year	Due Within One Year
<b>Business-Type Activities:</b>					
<b>Direct Borrowing / Placement:</b>					
Revenue Bonds					
2017 Waterworks and Sewer System Revenue Bond	\$ 1,452,000	-	221,000	1,231,000	\$ 210,000
2017 Waterworks and Sewer System Refunding Bond	6,110,000	-	335,000	5,775,000	342,000
Total DBP Revenue Bonds	<u>7,562,000</u>	<u>-</u>	<u>556,000</u>	<u>7,006,000</u>	<u>552,000</u>
Notes Payable	6,883,313	-	715,686	6,167,627	729,782
<b>Total Direct Borrowing / Placement</b>	<u>14,445,313</u>	<u>-</u>	<u>1,271,686</u>	<u>13,173,627</u>	<u>1,281,782</u>
<b>Publicly Traded:</b>					
Revenue Bonds					
2012 Waterworks and Sewer System Revenue Bond	15,230,000	-	12,235,000	2,995,000	1,465,000
2012B Waterworks and Sewer System Revenue Bond	542,227	-	177,475	364,752	180,723
2015 Waterworks and Sewer System Revenue Bond	19,985,000	-	1,270,000	18,715,000	1,335,000
2020 Waterworks and Sewer System Refunding Bond	-	11,962,000	124,000	11,838,000	243,000
Total PT Revenue Bonds	<u>35,757,227</u>	<u>11,962,000</u>	<u>13,806,475</u>	<u>33,912,752</u>	<u>3,223,723</u>
Premiums on PT Revenue Bonds					
2012 Waterworks and Sewer System Revenue Bond	1,061,936	-	1,061,936	-	-
2015 Waterworks and Sewer System Revenue Bond	1,888,971	-	157,414	1,731,557	-
Total Premiums on PT Revenue Bonds	<u>2,950,907</u>	<u>-</u>	<u>1,219,350</u>	<u>1,731,557</u>	<u>-</u>
Total PT Revenue Bonds	<u>38,708,134</u>	<u>11,962,000</u>	<u>15,025,825</u>	<u>35,644,309</u>	<u>3,223,723</u>
<b>Total Publicly Traded</b>	<u>38,708,134</u>	<u>11,962,000</u>	<u>15,025,825</u>	<u>35,644,309</u>	<u>3,223,723</u>
<b>Total Indebtedness</b>	53,153,447	11,962,000	16,297,511	48,817,936	4,505,505
Landfill Postclosure Costs	28,820	-	14,410	14,410	14,410
Compensated Absences	491,174	273,681	280,023	484,832	280,023
Business-Type Activities Long-Term Obligations	<u>\$ 53,673,441</u>	<u>12,235,681</u>	<u>16,591,944</u>	<u>49,317,178</u>	<u>\$ 4,799,938</u>

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

**III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)**

**F. Long-Term Obligations (Continued)**

The following is a summary of each long-term obligation of the County at June 30, 2021.

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

Issue	Type	Outstanding at Year End
\$5,000,000 2010 general obligation bond due in annual principal installments of \$382,950 through April 1, 2031; interest at 4.32%	DBP	\$ 3,057,172
\$18,000,000 2012 general obligation bond due in annual principal installments of \$475,000 to \$1,015,000 through April 1, 2038; interest ranging from 3.0 to 4.0%	PT	13,725,000
Plus Unamortized Issuance Premium	PT	478,761
\$9,005,000 2013B serial refunding bonds due in annual principal installments of \$85,000 to \$760,000 through April 1, 2031; interest ranging from 1.5 to 5.0%	PT	6,415,000
Plus Unamortized Issuance Premium	PT	382,589
\$4,040,000 2015 general obligation bond due in annual principal installments of \$225,000 to \$325,000 through June 30, 2030; interest at 2.49%	DBP	2,610,000
\$57,000,000 (Transportation Projects) Series 2009 serial Build America Bonds (35% of interest costs to be reimbursed by the federal government over the life of the bonds), due in annual payments of \$1,345,000 to \$4,110,000 through May 2029; interest ranging from 0.85 to 5.7%.	PT	28,445,000
Plus Unamortized Issuance Premium	PT	61,380
\$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 3.0 to 5.0%	PT	29,540,000
Plus Unamortized Issuance Premium	PT	1,714,861
\$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 3.0 to 5.0%	PT	15,005,000
\$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 2.0 to 5.0%	PT	24,200,000
Plus Unamortized Issuance Premium		1,523,637
\$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%.	PT	4,650,000
Total Bonds Outstanding at Year End		<u>\$ 131,808,400</u>



**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

**III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)**

**F. Long-Term Obligations (Continued)**

The County has entered into several lease agreements with payment terms varying from three to eight years with interest rates varying from 0% to 2.60%, secured by various vehicles, computer hardware, cameras and other equipment. As of June 30, 2021, the assets acquired through capital leases in the amount of approximately \$10,300,000 are included in equipment with accumulated amortization of approximately \$1,450,000 included in accumulated depreciation.

Revenue bonds payable are comprised of the following individual issuances:

Issue	Type	Outstanding at Year End
\$22,760,000 2012 Waterworks and Sewer System Revenue Bond due in annual principal installments of \$1,150,000 to \$2,020,000 through October 1, 2028; Interest ranging from 3.00 to 5.00%	PT	\$ 2,995,000
\$1,700,000 2012B Waterworks and Sewer System Revenue Bond due in annual principal installments of \$157,930 to \$184,030 through December 31, 2022; Interest at 1.83%	PT	364,752
\$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%	PT	18,715,000
Plus: Unamortized Issuance Premium	PT	1,731,557
\$1,750,000 2017 Waterworks and Sewer System Revenue Bond due in annual principal installments of \$114,000 to \$245,000 through March 1, 2028; Interest at 3.54%	DBP	1,231,000
\$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%	DBP	5,775,000
\$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%	PT	11,838,000
Total Revenue Bonds Outstanding at Year End		<u>\$ 42,650,309</u>

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

Issue	Type	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%.	PT	\$ 14,465,000
Plus: Unamortized Issuance Premium	PT	798,325
Total Limited Obligation Bonds Outstanding at Year End		<u>\$ 15,263,325</u>

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

**III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)**

**F. Long-Term Obligations (Continued)**

Notes payable are comprised of the following individual issuances:

Issue	Type	Outstanding at Year End
\$2,100,000 Promissory note, due in annual installments of \$180,000 to \$230,000, maturing October 1, 2022, interest at 2.0%	DBP	\$ 455,000
\$4,034,983 Revolving Loan, \$3,860,225 drawn to date, due in quarterly installments of \$60,392, maturing August 2030, interest at 1.84%	DBP	1,947,792
\$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%	DBP	924,434
\$3,654,740 Revolving Loan, \$3,128,461 drawn to date, due in quarterly installments of \$74,482, maturing February 2034, interest at 1.90%	DBP	2,840,401
<b>Total Notes Payable Outstanding at Year End</b>		<b>\$ 6,167,627</b>

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

Year Ending June 30,	Direct Borrowing/Placement		Publicly Traded		Total
	Principal	Interest	Principal	Interest	
<b>Governmental Activities:</b>					
2022	\$ 1,650,906	416,322	9,310,000	5,007,441	\$ 16,384,669
2023	3,464,744	387,232	9,690,000	4,612,241	18,154,217
2024	3,265,050	323,240	9,305,000	4,129,414	17,022,704
2025	3,053,845	263,724	9,690,000	3,718,394	16,725,963
2026	1,816,123	208,495	10,090,000	3,309,046	15,423,664
2027-2031	7,250,608	497,292	39,285,000	9,961,076	56,993,976
2032-2036	456,000	54,579	14,045,000	4,687,312	19,242,891
2037-2041	-	-	10,735,000	2,168,739	12,903,739
2042-2046	-	-	5,180,000	545,126	5,725,126
<b>Totals</b>	<b>\$ 20,957,276</b>	<b>2,150,884</b>	<b>117,330,000</b>	<b>38,138,789</b>	<b>\$ 178,576,949</b>

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

**III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)**

**F. Long-Term Obligations (Continued)**

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

Year Ending June 30,	Direct Borrowing/Placement		Publicly Traded		Total
	Principal	Interest	Principal	Interest	
<b>Business-Type Activities:</b>					
2022	\$ 1,281,766	312,821	3,223,723	1,537,237	\$ 6,355,547
2023	1,290,483	282,689	3,370,029	1,401,657	6,344,858
2024	1,057,196	252,756	3,301,000	767,610	5,378,562
2025	1,059,384	227,501	3,409,000	666,100	5,361,985
2026	1,059,577	202,542	3,516,000	560,205	5,338,324
2027-2031	5,113,410	628,823	15,028,000	1,377,284	22,147,517
2032-2036	2,311,811	109,743	2,065,000	34,847	4,521,401
Totals	<u>\$ 13,173,627</u>	<u>2,016,875</u>	<u>33,912,752</u>	<u>6,344,940</u>	<u>\$ 55,448,194</u>

***Landfill Postclosure Care Costs***

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

The accrual of approximately \$14,000 for landfill postclosure care at June 30, 2021 reflects the estimated remaining liability for postclosure care of the previously closed landfill site for another year based on the latest engineering estimates. This amount is based on what it would cost to perform all postclosure care as of June 30, 2021. Actual costs may be higher due to inflation, changes in technology or changes in regulations. The County provides financial assurance for postclosure care costs through its ability to meet the requirements of the local government financial test as contained in South Carolina DHEC regulations.

# DORCHESTER COUNTY, SOUTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2021

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### IV. OTHER INFORMATION

#### A. Retirement Plans

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

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

#### *Plan Description*

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

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

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

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**IV. OTHER INFORMATION (CONTINUED)**

**A. Retirement Plans (Continued)**

*Plan Membership*

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

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

*Plan Benefits*

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

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

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

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**IV. OTHER INFORMATION (CONTINUED)**

**A. Retirement Plans (Continued)**

*Plan Benefits (Continued)*

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

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

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

*Plan Contributions*

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

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

**IV. OTHER INFORMATION (CONTINUED)**

**A. Retirement Plans (Continued)**

*Plan Contributions (Continued)*

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

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		
	2019	2020	2021	2019	2020	2021
Employer Contribution Rate: <sup>^</sup>						
Retirement	14.41%	15.41%	15.41%	16.84%	17.84%	17.84%
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>14.56%</u>	<u>15.56%</u>	<u>15.56%</u>	<u>17.24%</u>	<u>18.24%</u>	<u>18.24%</u>
Employee Contribution Rate <sup>^</sup>	<u>9.00%</u>	<u>9.00%</u>	<u>9.00%</u>	<u>9.75%</u>	<u>9.75%</u>	<u>9.75%</u>

<sup>^</sup> 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
2021	\$ 4,421,504	100%	\$ 3,057,464	100%
2020	4,648,204	100%	3,238,271	100%
2019	\$ 3,992,484	100%	\$ 2,676,695	100%

In an effort to help offset a portion of the burden of the increased contribution requirement for employers, the State General Assembly ("State") funded 1 percent of the SCRS and PORS contribution increases for the year ended June 30, 2020. The State's budget appropriated these funds directly to the PEBA for the South Carolina Retirement System Trust Fund and the Police Officers Retirement System Trust Fund. The amount of funds appropriated by the State (nonemployer contributing entity) for the year ended June 30, 2020 (measurement date) to the County were approximately \$253,000 and \$115,000 for the SCRS and PORS, respectively.

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

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**IV. OTHER INFORMATION (CONTINUED)**

**A. Retirement Plans (Continued)**

*Plan Contributions (Continued)*

The County recognized contributions (on-behalf benefits) from the State of approximately \$253,000 and \$115,000 for the year ended June 30, 2021 for the SCRS and PORS, respectively. These contributions by the State are recognized as intergovernmental revenues and pension expenditures in the County's governmental fund financial statements.

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
2021	\$ 28,415,834	16,762,413	\$ 45,178,247
2020	29,872,775	17,753,678	47,626,453
2019	\$ 27,420,904	15,526,072	\$ 42,946,976

*Actuarial Assumptions and Methods*

Actuarial valuations of the plan involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. An experience report on the Systems was most recently issued for the period ending June 30, 2019 for first use in the July 1, 2021 actuarial valuation (previous report was issued for the period ending June 30, 2015).

The June 30, 2020 total pension liability ("TPL"), net pension liability ("NPL"), and sensitivity information shown in this report were determined by the consulting actuary, Gabriel, Roeder, Smith and Company, and are based on an actuarial valuation performed as of July 1, 2019. The TPL was rolled-forward from the valuation date to the Plans' fiscal year end, June 30, 2020, using generally accepted actuarial principles.

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2020 (measurement date) for the SCRS and PORS.

	SCRS	PORS
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Actuarial Assumptions:		
Investment Rate of Return*	7.25%	7.25%
Projected Salary Increases*	3.0% to 12.5% (varies by service)	3.5% to 9.5% (varies by service)
Benefit Adjustments	Lesser of 1% or \$500 annually	Lesser of 1% or \$500 annually

\* Includes inflation at 2.25%.



**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

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**IV. OTHER INFORMATION (CONTINUED)**

**A. Retirement Plans (Continued)**

*Actuarial Assumptions and Methods (Continued)*

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumptions, the 2016 Public Retirees of South Carolina Mortality table ("2016 PRSC"), were developed using the Systems' mortality experience. These base rates are adjusted for future improvement in mortality using published Scale AA projected from the year 2016.

Former Job Class	Males	Females
Educators	2016 PRSC Males multiplied by 92%	2016 PRSC Females multiplied by 98%
General Employees and Members of the General Assembly	2016 PRSC Males multiplied by 100%	2016 PRSC Females multiplied by 111%
Public Safety and Firefighters	2016 PRSC Males multiplied by 125%	2016 PRSC Females multiplied by 111%

*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 2020 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 7.25 percent assumed annual investment rate of return used in the calculation of the TPL includes a 5.00 percent real rate of return and a 2.25 percent inflation component.

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

**IV. OTHER INFORMATION (CONTINUED)**

**A. Retirement Plans (Continued)**

*Long-Term Expected Rate of Return (Continued)*

Asset Class	Target Allocation	Expected Arithmetic Real Rate of Return	Long-Term Expected Portfolio Real Rate of Return
<b>Global Equity</b>	<b>51.0%</b>		
Global Public Equity	35.0%	7.81%	2.73%
Private Equity	9.0%	8.91%	0.80%
Equity Options Strategies	7.0%	5.09%	0.36%
<b>Real Assets</b>	<b>12.0%</b>		
Real Estate (Private)	8.0%	5.55%	0.44%
Real Estate (REITs)	1.0%	7.78%	0.08%
Infrastructure (Private)	2.0%	4.88%	0.10%
Infrastructure (Public)	1.0%	7.05%	0.07%
<b>Opportunistic</b>	<b>8.0%</b>		
Global Tactical Asset Allocations	7.0%	3.56%	0.25%
Other Opportunistic Strategies	1.0%	4.41%	0.04%
<b>Credit</b>	<b>15.0%</b>		
High Yield Bonda/Bank Loans	4.0%	4.21%	0.17%
Emerging Markets Debt	4.0%	3.44%	0.14%
Private Debt	7.0%	5.79%	0.40%
<b>Rate Sensitive</b>	<b>14.0%</b>		
Core Fixed Income	13.0%	1.60%	0.21%
Cash and Short Duration (Net)	1.0%	0.56%	0.01%
Total Expected Real Return	100.0%		5.80%
Inflation for Actuarial Purposes			2.25%
Total Expected Nominal Return			8.05%

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

The NPL is calculated separately for each system and represents that particular system's TPL determined in accordance with GASB No. 67 less that System's fiduciary net position. NPL totals, as of the June 30, 2020 measurement date, for the SCRS and PORs, are presented in the following table:

System	Total Pension Liability	Plan Fiduciary Net Position	Employers' Net Pension Liability (Asset)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
SCRS	\$ 51,844,187,763	26,292,418,682	\$ 25,551,769,081	50.7%
PORS	\$ 8,046,386,629	4,730,174,642	\$ 3,316,211,987	58.8%

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

**IV. OTHER INFORMATION (CONTINUED)**

**A. Retirement Plans (Continued)**

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

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

At June 30, 2021, the County reported liabilities of approximately \$68,485,000 and \$38,972,000 for its proportionate share of the NPL for the SCRS and PORS, respectively. The NPL were measured as of June 30, 2020, and the TPL for the Plans used to calculate the NPL were determined based on the most recent actuarial valuation report of July 1, 2019 that was projected forward to the measurement date. The County's proportion of the NPL were based on a projection of the County's long-term share of contributions to the Plans relative to the projected contributions of all participating South Carolina state and local governmental employers, actuarially determined. At the June 30, 2020 measurement date, the County's SCRS proportion was 0.268026 percent, which was an increase of 0.008294 from its proportion measured as of June 30, 2019. At the June 30, 2020 measurement date, the County's PORS proportion was 1.17521 percent, which was an increase of 0.10306 from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the County recognized pension expense of approximately \$8,429,000 and \$7,499,000 for the SCRS and PORS, respectively. At June 30, 2021, the County reported deferred outflows of resources (deferred pension charges) and deferred inflows of resources (deferred pension credits) related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
<b>SCRS</b>		
Differences Between Expected and Actual Experience	\$ 790,230	\$ 258,972
Change in Assumptions	83,906	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	5,037,668	-
Changes in Proportion and Differences Between the Employer's Contributions and Proportionate Share of Contributions	2,138,931	13,558
Employer Contributions Subsequent to the Measurement Date	4,168,139	-
Total SCRS	12,218,874	272,530
<b>PORS</b>		
Differences Between Expected and Actual Experience	828,241	171,547
Change in Assumptions	475,590	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	3,990,675	-
Changes in Proportion and Differences Between the Employer's Contributions and Proportionate Share of Contributions	3,553,787	-
Employer Contributions Subsequent to the Measurement Date	2,942,162	-
Total PORS	11,790,455	171,547
Total SCRS and PORS	\$ 24,009,329	\$ 444,077

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

**IV. OTHER INFORMATION (CONTINUED)**

**A. Retirement Plans (Continued)**

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

Approximately \$4,168,000 and \$2,942,000 that were reported as deferred outflows of resources related to the County's contributions subsequent to the measurement date to the SCRS and PORS, respectively, will be recognized as a reduction of the NPL in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources (deferred pension charges) and deferred inflows of resources (deferred pension credits) related to the SCRS and PORS will increase (decrease) pension expense as follows:

Year Ended June 30,	SCRS	PORS	Total
2022	\$ 1,846,423	3,130,110	\$ 4,976,533
2023	2,426,602	2,391,492	4,818,094
2024	2,219,677	2,008,112	4,227,789
2025	1,285,503	1,147,032	2,432,535
Total	<u>\$ 7,778,205</u>	<u>8,676,746</u>	<u>\$ 16,454,951</u>

*Discount Rate*

The discount rate used to measure the TPL was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in the SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina Code of Laws. Based on those assumptions, each System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

*Sensitivity Analysis*

The following table presents the sensitivity of the County's proportionate share of the NPL of the Plans to changes in the discount rate, calculated using the discount rate of 7.25 percent, as well as what it would be if it were calculated using a discount rate that is 1% point lower (6.25 percent) or 1% point higher (8.25 percent) than the current rate:

System	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
The County's proportionate share of the net pension liability of the SCRS	\$ 84,879,143	68,485,309	\$ 54,796,260
The County's proportionate share of the net pension liability of the PORS	51,592,779	38,972,311	28,838,887
Total	<u>\$ 136,471,922</u>	<u>107,457,620</u>	<u>\$ 83,635,147</u>

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

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**IV. OTHER INFORMATION (CONTINUED)**

**A. Retirement Plans (Continued)**

*Plans Fiduciary Net Position*

Detailed information regarding the fiduciary net position of the Plans administered by the PEBA is available in the separately issued annual report containing financial statements and required supplementary information for the SCRS and PORS. The annual report is publicly available through the Retirement Benefits' link on the PEBA's website at [www.peba.sc.gov](http://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 a payable of approximately \$922,000 to the PEBA as of June 30, 2021, representing required employer and employee contributions for the month of June 2021 for the SCRS and PORS. This amount is included in Accrued Liabilities on the financial statements and was paid in July 2021.

**B. Other Postemployment Benefits**

*Plan Description*

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

*Plan Membership*

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

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

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

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**IV. OTHER INFORMATION (CONTINUED)**

**B. Other Postemployment Benefits (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, and
- 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 fulltime 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 fulltime 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.

*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.

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

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**IV. OTHER INFORMATION (CONTINUED)**

**B. Other Postemployment Benefits (Continued)**

*Actuarial Assumptions and Methods (Continued)*

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

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

Actuarial Valuation Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Amortization Period	22 Years
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Discount Rate	2.16%
Inflation	2.50%
Healthcare Cost Trend Rate	6.20% for 2021 decreasing to an ultimate rate of 4.00%
Salary Increases	2.50%
Investment Rate of Return	1.50%
Coverage Elections	70% of eligible retirees will elect coverage, 17% of male spouses and 7% of female spouses will elect to receive coverage upon retirement
Active Participation/Marriage	80% of all active employees are assumed to be married with female spouses assumed to be 3 years younger
Retirement Rates	July 1, 2020 SCRS and PORS Valuations
Mortality Table	July 1, 2020 SCRS and PORS Valuations

The discount rate was decreased from 2.21% in the prior year to 2.16% for the year ended June 30, 2021. During the fiscal year ended June 30, 2021, the actual return on assets was 0.44% compared to an expected return of 1.50%.

*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 2021 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the following table.

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

**IV. OTHER INFORMATION (CONTINUED)**

**B. Other Postemployment Benefits (Continued)**

*Long-Term Expected Rate of Return (Continued)*

Asset Class	Target Allocation	Expected Arithmetic Real Rate of Return	Long-Term Expected Portfolio Real Rate of Return
<b>US Government Fixed Income</b>			
US Government Obligations	100.0%	1.50%	1.50%
Total Expected Real Rate of Return	100.0%		1.50%
Inflation for Actuarial Purposes			2.50%
Total Expected Nominal Return			4.00%

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

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

	Total OPEB Liability (a)	OPEB Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (a) - (b)
Balances as of June 30, 2020	\$ 15,670,695	2,635,411	\$ 13,035,284
Changes for the year:			
Service Cost	779,036	-	779,036
Interest	339,970	-	339,970
Difference Between Expected/Actual Experience	(1,394,073)	-	(1,394,073)
Changes in assumptions or other inputs	118,846		118,846
Contributions - Employer	-	346,960	(346,960)
Net Investment Income	-	12,340	(12,340)
Benefit Payments	(376,743)	-	(376,743)
Implicit Rate Subsidy Fulfillment	(201,312)	-	(201,312)
Administrative Expense	-	(1,144)	1,144
Net Changes	(734,276)	358,156	(1,092,432)
Balances as of June 30, 2021	\$ 14,936,419	2,993,567	\$ 11,942,852



**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

**IV. OTHER INFORMATION (CONTINUED)**

**B. Other Postemployment Benefits (Continued)**

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

For the year ended June 30, 2021, the County recognized OPEB expense of approximately \$1,474,000. At June 30, 2021, 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	\$ 1,078,585	\$ 1,220,443
Net Difference Between Projected/Actual Earnings on OPEB Plan Investments	34,304	-
Changes of Assumptions	2,062,985	-
Total	<u>\$ 3,175,874</u>	<u>\$ 1,220,443</u>

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

Year Ended June 30,	Total
2022	\$ 396,578
2023	388,947
2024	390,253
2025	388,454
2026	382,482
Thereafter	8,717
Total	<u>\$ 1,955,431</u>

*Discount Rate*

Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) the long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) the tax-exempt municipal bond rate on an index of 20-year general obligation bonds with an average AA/Aa crediting rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). The actuarial valuation expected rate of return on OPEB plan investments is 1.50% and the municipal bond rate is 3.50% (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 2.16% was used to measure the total OPEB liability.

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

**IV. OTHER INFORMATION (CONTINUED)**

**B. Other Postemployment Benefits (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 2.16%, as well as what it would be if it were calculated using a discount rate that is 1% point lower (1.16%) or 1% point higher (3.16%) than the current rate:

	1% Decrease (1.16%)	Current Discount Rate (2.16%)	1% Increase (3.16%)
Net OPEB Liability	\$ 13,683,983	11,942,852	\$ 10,433,218

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

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

	1% Decrease (5.20% decreasing to 3.00%)	Current Healthcare Cost Trend Rate (6.20% decreasing to 4.00%)	1% Increase (7.20% decreasing to 5.00%)
Net OPEB Liability	\$ 10,135,564	11,942,852	\$ 14,124,220

**C. 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 THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

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**IV. OTHER INFORMATION (CONTINUED)**

**D. 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, 2021 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:

<u>Fund/Year</u>	<u>Beginning Balance</u>	<u>Claims and Changes in Estimates</u>	<u>Claims/ Payments</u>	<u>Ending Balance</u>
2021	\$ 598,577	600,170	(700,576)	\$ 498,171
2020	245,624	750,540	(397,587)	598,577
2019	\$ -	462,020	(216,396)	\$ 245,624

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

**E. 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.

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

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**IV. OTHER INFORMATION (CONTINUED)**

**E. Commitments and Contingencies (Continued)**

*Construction Commitments* – As of June 30, 2021, the County had approximately \$42,843,000 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.

*Operating Lease* - In August 2019 the County entered into a ten year lease for 28,100 square feet at 10055 Dorchester Road for a Trident Technical College campus, beginning January 1, 2020 and continuing through December 31, 2029. The initial monthly base rent is approximately \$17,600 plus upfit and other fees in the amount of approximately \$11,100, for a total monthly payment of approximately \$28,700. The lease also includes annual increases throughout the term.

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

**F. 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.

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

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**IV. OTHER INFORMATION (CONTINUED)**

**F. Joint Ventures (Continued)**

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 twenty years, which shall be extended for subsequent twenty-year terms unless the County notifies Lake Marion WA in writing of its intent to terminate not less than thirty 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, 2021, approximately \$7,591,000 was spent on land easement purchases for this project. Approximately \$273,000 was spent as of June 30, 2021 on engineering and construction work.

**G. 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.

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

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**IV. OTHER INFORMATION (CONTINUED)**

**H. 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.

**I. 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 5-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, 2021, the County abated property taxes totaling approximately \$5,976,000.

**J. Subsequent Events**

The County entered into a Lease-Purchase Agreement with Motorola Solutions on September 22, 2021 in the amount of \$1,569,784 for mobile and portable radio equipment. The lease is a 60-month term commencing on October 1, 2021 with 5 annual payments starting on October 1, 2022.

The County adopted a resolution in September 2021 for the construction of an Elevated Water Storage tank to be financed by the Issuance of Bonds not to exceed \$2,500,000.

The County Council approved the obligation of \$21,330,764 of American Rescue Plan Act ("ARPA") funding for eligible uses.

County Council approved an Ordinance for a Refunding General Obligation Bond not to exceed \$5,275,000 in December 2021 for the refunding of Series 2010A, which are currently outstanding in the amount of \$3,057,172, and Series 2015, which are currently outstanding in the amount of \$2,610,000.

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2021**

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**IV. OTHER INFORMATION (CONTINUED)**

**J. Subsequent Events (Continued)**

County Council approved the purchase of property occupied by Dorchester County Drug and Alcohol Commission at 320 Midland Parkway in December 2021. The purchase will be funded with a Taxable General Obligation Bond not to exceed \$750,000 to purchase the property that is currently being rented by the County for Dorchester Alcohol and Drug Commission as well as a private dentist office. The remaining portion of the purchase price will be covered with ARPA funding.



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# **REQUIRED SUPPLEMENTARY INFORMATION**

DORCHESTER COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGETS AND ACTUAL

YEAR ENDED JUNE 30, 2021

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
Taxes	\$ 38,899,994	38,899,994	40,252,683	\$ 1,352,689
Licenses and Permits	3,750,000	3,750,000	7,139,475	3,389,475
Intergovernmental Revenues:				
Federal	29,000	29,000	1,648,933	1,619,933
State	6,059,025	6,059,025	6,194,050	135,025
Local	1,613,478	1,613,478	1,613,993	515
Fees and Service Charges:				
Registrar of Deeds	1,995,150	1,995,150	2,954,356	959,206
EMS Charges	5,300,000	5,300,000	4,749,576	(550,424)
Cable Franchise Fees	790,000	790,000	781,805	(8,195)
Other Miscellaneous Fees	1,164,884	1,164,884	1,209,732	44,848
Judicial Fines and Assessments	1,777,212	1,777,212	1,377,530	(399,682)
Other Income	542,736	542,736	316,771	(225,965)
<b>TOTAL REVENUE ALL SOURCES</b>	<b>61,921,479</b>	<b>61,921,479</b>	<b>68,238,904</b>	<b>6,317,425</b>
<b>EXPENDITURES</b>				
Current:				
General Government:				
County Council	414,611	414,611	346,595	68,016
County Administrator	1,467,733	1,467,733	1,281,606	186,127
Human Resources	532,014	532,014	401,618	130,396
Planning	691,190	691,190	605,178	86,012
Building Services	738,012	738,012	738,819	(807)
Business Services	1,504,142	1,504,142	1,452,952	51,190
Information Technology Services	1,961,298	1,961,298	1,941,476	19,822
Elections And Voter Registration	592,184	592,184	589,454	2,730
Risk Management And Safety	273,654	273,654	267,169	6,485
Magistrates	1,480,990	1,480,990	1,315,943	165,047
Circuit Court	95,251	95,251	58,280	36,971
Probate Court	631,794	631,794	597,036	34,758
Master In Equity	283,835	283,835	251,646	32,189
Attorney	443,645	443,645	433,688	9,957
Juvenile Justice	54,710	54,710	51,136	3,574
Solicitor	-	-	-	-
Building Utilities	1,079,342	1,079,342	987,613	91,729
Fleet Services	1,071,854	1,071,854	1,149,804	(77,950)
Facilities, Grounds And Recreation	2,470,339	2,470,339	3,000,565	(530,226)
Auditor	770,144	770,144	723,160	46,984
Treasurer	920,552	920,552	880,658	39,894
Clerk Of Court	740,630	740,630	716,526	24,104
Delinquent Tax Collector	474,767	474,767	423,159	51,608
Assessor	1,622,001	1,622,001	1,570,680	51,321
Register Of Deeds	561,278	561,278	525,124	36,154
Family Court	715,468	715,468	674,463	41,005
Forfeited Land Commission	1,050	1,050	6,580	(5,530)
Total General Government	\$ 21,592,488	21,592,488	20,990,928	\$ 601,560

(Continued)

DORCHESTER COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGETS AND ACTUAL

YEAR ENDED JUNE 30, 2021

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
Public Safety:				
Sheriff	\$ 14,394,011	14,394,011	14,407,469	\$ (13,458)
Jail	8,058,329	8,058,329	7,587,515	470,814
Coroner	516,082	516,082	536,579	(20,497)
Communications Support	1,914,707	1,914,707	1,413,090	501,617
Emergency Management	614,507	614,507	545,635	68,872
Emergency Medical Services	8,064,864	8,064,864	6,997,878	1,066,986
Total Public Safety	33,562,500	33,562,500	31,488,166	2,074,334
Roads and Drainage:				
Roads Maintenance	2,468,647	2,468,647	2,099,133	369,514
Total Roads and Drainage	2,468,647	2,468,647	2,099,133	369,514
Health and Welfare:				
Health Department	25,545	25,545	10,283	15,262
Community Services	1,116,382	1,116,382	1,059,417	56,965
Total Health and Welfare	1,141,927	1,141,927	1,069,700	72,227
Airport	139,129	139,129	107,012	32,117
Economic Development	557,483	557,483	549,867	7,616
Recreation	322,502	322,502	333,364	(10,862)
Intergovernmental and Nonprofit Assistance	3,579,772	3,579,772	3,754,229	(174,457)
Disaster Recovery	-	-	879,323	(879,323)
Nondepartmental:				
Contingency	39,254	39,254	346,960	(307,706)
Insurance	1,131,618	1,131,618	1,032,206	99,412
Other	69,473	69,473	356,587	(287,114)
Total Nondepartmental	1,240,345	1,240,345	1,735,753	(495,408)
TOTAL EXPENDITURES	64,604,793	64,604,793	63,007,475	1,597,318
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(2,683,314)</b>	<b>(2,683,314)</b>	<b>5,231,429</b>	<b>7,914,743</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	2,775,109	2,775,109	4,326,360	1,551,251
Transfers Out	(91,795)	(91,795)	(894,925)	(803,130)
Insurance Recoveries	-	-	168,288	168,288
TOTAL OTHER FINANCING SOURCES (USES)	2,683,314	2,683,314	3,599,723	916,409
<b>NET CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>-</b>	<b>8,831,152</b>	<b>8,831,152</b>
FUND BALANCES, Beginning of Year	31,540,180	31,540,180	31,540,180	-
<b>FUND BALANCES, End of Year</b>	<b>\$ 31,540,180</b>	<b>31,540,180</b>	<b>40,371,332</b>	<b>\$ 8,831,152</b>

Note: The budgets are presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.

DORCHESTER COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE - CAPITAL IMPROVEMENTS FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGETS AND ACTUAL

YEAR ENDED JUNE 30, 2021

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
Taxes	\$ 4,814,579	4,814,579	4,918,384	\$ 103,805
Other Income	64,712	64,712	38,448	(26,264)
<b>TOTAL REVENUE ALL SOURCES</b>	<b>4,879,291</b>	<b>4,879,291</b>	<b>4,956,832</b>	<b>77,541</b>
<b>EXPENDITURES</b>				
Current:				
General Government	338,294	338,294	411,808	(73,514)
Public Safety	91,337	91,337	192,721	(101,384)
Roads and Drainage	150,000	150,000	-	150,000
Nondepartmental	646,593	646,593	-	646,593
Capital Outlay	3,775,604	3,775,604	3,538,000	237,604
Debt Service:				
Principal Retirement	792,174	792,174	783,252	8,922
Interest and Fiscal Charges	18,918	18,918	63,515	(44,597)
<b>TOTAL EXPENDITURES</b>	<b>5,812,920</b>	<b>5,812,920</b>	<b>4,989,296</b>	<b>823,624</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(933,629)</b>	<b>(933,629)</b>	<b>(32,464)</b>	<b>901,165</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of Lease Purchase	1,106,073	1,106,073	4,650,000	3,543,927
Transfers In	382,993	382,993	903,583	520,590
Transfers Out	(555,437)	(555,437)	(1,845,924)	(1,290,487)
Sale of Capital Assets	-	-	195,416	195,416
Insurance Recoveries	-	-	56,989	56,989
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>933,629</b>	<b>933,629</b>	<b>3,960,064</b>	<b>3,026,435</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>-</b>	<b>3,927,600</b>	<b>3,927,600</b>
FUND BALANCES, Beginning of Year	1,959,573	1,959,573	1,959,573	-
<b>FUND BALANCES, End of Year</b>	<b>\$ 1,959,573</b>	<b>1,959,573</b>	<b>5,887,173</b>	<b>\$ 3,927,600</b>

Note: The budgets are presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.

**DORCHESTER COUNTY, SOUTH CAROLINA**

**REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF DORCHESTER COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
SOUTH CAROLINA RETIREMENT SYSTEM**

**LAST EIGHT FISCAL YEARS**

	Year Ended June 30,							
	2021	2020	2019	2018	2017	2016	2015	2014
Dorchester County's Proportion of the Net Pension Liability	0.268026%	0.259732%	0.252709%	0.252626%	0.256500%	0.234735%	0.240675%	0.240675%
Dorchester County's Proportionate Share of the Net Pension Liability	\$ 68,485,309	59,307,485	56,624,101	56,870,175	54,788,021	44,518,617	41,436,256	\$ 43,168,509
Dorchester County's Covered Payroll	\$ 29,872,775	27,420,904	26,165,560	25,436,922	24,829,671	22,010,722	21,841,915	\$ 21,860,495
Dorchester County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	229.3%	216.3%	216.4%	223.6%	220.7%	202.3%	189.7%	197.5%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	50.7%	54.4%	54.1%	53.3%	52.9%	57.0%	59.9%	56.4%

**Notes to Schedule:**

The amounts presented for each fiscal year were determined as of June 30th of the preceding year. The County implemented GASB #68/71 during the year ended June 30, 2015. Information before 2014 is not available. The discount rate was lowered from 7.50% to 7.25% for the year ended June 30, 2018.

**DORCHESTER COUNTY, SOUTH CAROLINA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CONTRIBUTIONS**  
**SOUTH CAROLINA RETIREMENT SYSTEM**

**LAST EIGHT FISCAL YEARS**

	Year Ended June 30,							
	2021	2020	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	\$ 4,421,504	4,648,204	3,992,484	3,548,050	2,940,508	2,746,160	2,399,007	\$ 2,316,115
Contributions in Relation to the Contractually Required Contribution								
Contributions from the County	4,168,139	4,394,839	3,739,119	3,294,685	2,940,508	2,746,160	2,399,007	2,316,115
Contributions from the State	253,365	253,365	253,365	253,365	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	\$ -
Dorchester County's Covered Payroll	\$ 28,415,834	29,872,775	27,420,904	26,165,560	25,436,922	24,829,671	22,010,722	\$ 21,841,915
Contributions as a Percentage of Covered Payroll	15.56%	15.56%	14.56%	13.56%	11.56%	11.06%	10.90%	10.60%

**Notes to Schedule:**

The County implemented GASB #68/71 during the year ended June 30, 2015. Information before 2014 is not available.

**DORCHESTER COUNTY, SOUTH CAROLINA**

**REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF DORCHESTER COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
POLICE OFFICERS RETIREMENT SYSTEM**

**LAST EIGHT FISCAL YEARS**

	Year Ended June 30,							
	2021	2020	2019	2018	2017	2016	2015	2014
Dorchester County's Proportion of the Net Pension Liability	1.17521%	1.07215%	1.02414%	0.92950%	0.87967%	0.81799%	0.83372%	0.83372%
Dorchester County's Proportionate Share of the Net Pension Liability	\$ 38,972,311	30,727,153	29,019,562	25,464,136	22,312,734	17,828,084	15,960,869	\$ 17,282,683
Dorchester County's Covered Payroll	\$ 17,753,678	15,526,072	14,172,111	12,482,162	11,214,684	10,128,315	10,027,025	\$ 9,285,854
Dorchester County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	219.5%	197.9%	204.8%	204.0%	199.0%	176.0%	159.2%	186.1%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.8%	62.7%	61.7%	60.9%	60.4%	64.6%	67.5%	63.0%

**Notes to Schedule:**

The amounts presented for each fiscal year were determined as of June 30th of the preceding year. The County implemented GASB #68/71 during the year ended June 30, 2015. Information before 2014 is not available. The discount rate was lowered from 7.50% to 7.25% for the year ended June 30, 2018.

**DORCHESTER COUNTY, SOUTH CAROLINA**

**REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CONTRIBUTIONS  
POLICE OFFICERS RETIREMENT SYSTEM**

**LAST EIGHT FISCAL YEARS**

	Year Ended June 30,							
	2021	2020	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	\$ 3,057,464	3,238,271	2,676,695	2,301,551	1,777,460	1,540,900	1,358,939	\$ 1,287,528
Contributions in Relation to the Contractually Required Contribution								
Contributions from the County	2,942,162	3,122,969	2,561,393	2,186,249	1,777,460	1,540,900	1,358,939	1,287,528
Contributions from the State	115,302	115,302	115,302	115,302	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	\$ -
Dorchester County's Covered Payroll	\$ 16,762,413	17,753,678	15,526,072	14,172,111	12,482,162	11,214,684	10,128,315	\$ 10,027,025
Contributions as a Percentage of Covered Payroll	18.24%	18.24%	17.24%	16.24%	14.24%	13.74%	13.42%	12.84%

**Notes to Schedule:**

The County implemented GASB #68/71 during the year ended June 30, 2015. Information before 2014 is not available.



DORCHESTER COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION - OPEB PLAN SCHEDULES

SCHEDULE OF CHANGES IN THE COUNTY'S NET OPEB LIABILITY AND RELATED RATIOS

LAST FOUR FISCAL YEARS

	Year Ended June 30, 2021	Year Ended June 30, 2020	Year Ended June 30, 2019	Year Ended June 30, 2018
Total OPEB Liability:				
Service Cost	\$ 779,036	614,895	561,116	\$ 540,210
Interest	339,970	445,438	388,204	368,853
Differences Between Expected and Actual Experience	(1,394,073)	-	1,710,363	-
Changes of Assumptions	118,846	2,153,089	532,903	-
Implicit Rate Subsidy Fulfillment	(201,312)	(166,677)	(122,606)	(90,664)
Benefit Payments, Including Refunds of Member Contributions	(376,743)	(367,772)	(336,961)	(268,826)
Net Change in Total OPEB Liability	(734,276)	2,678,973	2,733,019	549,573
Total OPEB Liability - Beginning of Year	15,670,695	12,991,722	10,258,703	9,709,130
Total OPEB Liability - End of Year (a)	<u>\$ 14,936,419</u>	<u>15,670,695</u>	<u>12,991,722</u>	<u>\$ 10,258,703</u>
OPEB Plan Fiduciary Net Position:				
Employer Contribution	\$ 346,960	-	-	\$ -
Net Investment Income	12,340	30,216	44,937	288
Administrative Expense	(1,144)	(964)	(889)	(678)
Net Change in OPEB Plan Fiduciary Net Position	358,156	29,252	44,048	(390)
OPEB Plan Fiduciary Net Position - Beginning of Year	2,635,411	2,606,159	2,562,111	2,562,501
OPEB Plan Fiduciary Net Position - End of Year (b)	<u>\$ 2,993,567</u>	<u>2,635,411</u>	<u>2,606,159</u>	<u>\$ 2,562,111</u>
Net OPEB Liability (Asset) - End of Year (a) - (b)	<u>\$ 11,942,852</u>	<u>13,035,284</u>	<u>10,385,563</u>	<u>\$ 7,696,592</u>
OPEB Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	20.04%	16.82%	20.06%	24.97%
Covered Payroll	\$ 42,836,017	43,754,628	38,197,851	\$ 33,965,132
Net OPEB Liability as a Percentage of Covered Payroll	27.88%	29.79%	27.19%	22.66%

Notes to Schedule:

The County adopted GASB #75 during the year ended June 30, 2018. Information is not available for prior years.

DORCHESTER COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION - OPEB PLAN SCHEDULES

SCHEDULE OF THE COUNTY'S CONTRIBUTIONS

LAST FOUR FISCAL YEARS

	Year Ended June 30, 2021	Year Ended June 30, 2020	Year Ended June 30, 2019	Year Ended June 30, 2018
Actuarially Determined Contribution	\$ 1,380,932	1,152,970	963,376	\$ 900,926
Contributions in Relation to the Actuarially Determined Contribution	723,703	367,772	336,961	268,826
Contribution Deficiency (Excess)	\$ 657,229	785,198	626,415	\$ 632,100
Covered Payroll	\$ 42,836,017	43,754,628	38,197,851	\$ 33,965,132
Contributions as a Percentage of Covered Payroll	1.69%	0.84%	0.88%	0.79%

**Notes to Schedule:**

The County adopted GASB #75 during the year ended June 30, 2018. Information is not available for prior years.

Valuation Date: June 30, 2021

**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Amortization Period	22 Years
Asset Valuation Method	Market Value
Discount Rate	2.16%
Inflation	2.5%
Healthcare Cost Trend Rates	6.2% initial, decreasing to an ultimate rate of 4.00%
Salary Increases	2.5%
Investment Rate of Return	1.5%
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 3 years younger
Retirement Rates	July 1, 2020 SCRS and PORS Valuations
Mortality	July 1, 2020 SCRS and PORS Valuations

**Other Information:**

**Assumption changes:**

The Discount Rate was decreased from 2.21% to 2.16%.

The actual return on assets was 0.44% compared to an expected return of 1.50%.

# **SUPPLEMENTARY INFORMATION**

DORCHESTER COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2021

	CAPITAL PROJECT FUNDS	SPECIAL REVENUE FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
<b>ASSETS</b>			
Cash and Investments	\$ 1,685	7,110,420	\$ 7,112,105
Cash and Investments, Restricted	19,450,929	7,509,386	26,960,315
Receivables, Net:			
Taxes	240	107,923	108,163
Accounts	-	1,483,585	1,483,585
Other	-	669,702	669,702
Due From:			
Other Governments	-	381,946	381,946
Prepaid Items	-	12,159	12,159
<b>TOTAL ASSETS</b>	<b>\$ 19,452,854</b>	<b>17,275,121</b>	<b>\$ 36,727,975</b>
<b>LIABILITIES</b>			
Accounts Payable	24,635	1,436,417	1,461,052
Accrued Liabilities	-	332,737	332,737
Assets Held for Others	-	150,000	150,000
Due to Other Funds	33,661	1,130,343	1,164,004
Unearned Revenue	-	463,786	463,786
<b>TOTAL LIABILITIES</b>	<b>58,296</b>	<b>3,513,283</b>	<b>3,571,579</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue	240	96,771	97,011
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>240</b>	<b>96,771</b>	<b>97,011</b>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>58,536</b>	<b>3,610,054</b>	<b>3,668,590</b>
<b>FUND BALANCES</b>			
Nonspendable:			
Prepaid Items	-	12,159	12,159
Restricted for:			
Public Safety	-	4,142,103	4,142,103
Family Court	-	2,158,716	2,158,716
Growth Management	-	447,200	447,200
Tourism	-	1,915,578	1,915,578
Health and Welfare	-	1,228,835	1,228,835
Capital Projects	-	4,025,220	4,025,220
Oakbrook Tax Increment Finance District	14,539,425	-	14,539,425
Library Improvements	4,854,893	-	4,854,893
Committed for:			
Economic Development	-	693,261	693,261
Capital Projects	-	408,736	408,736
Unassigned	-	(1,366,741)	(1,366,741)
<b>TOTAL FUND BALANCES</b>	<b>19,394,318</b>	<b>13,665,067</b>	<b>33,059,385</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 19,452,854</b>	<b>17,275,121</b>	<b>\$ 36,727,975</b>

DORCHESTER COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2021

	CAPITAL PROJECT FUNDS	SPECIAL REVENUE FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
<b>REVENUES</b>			
Taxes	\$ 164,359	12,372,084	\$ 12,536,443
Intergovernmental Revenues:			
Federal	-	1,200,481	1,200,481
State	-	3,608,151	3,608,151
Local	-	1,895,989	1,895,989
Fees and Service Charges:			
Other Miscellaneous Fees	-	797,473	797,473
Judicial Fines and Assessments	-	190,635	190,635
Other Income	40,426	3,186,300	3,226,726
<b>TOTAL REVENUE ALL SOURCES</b>	<b>204,785</b>	<b>23,251,113</b>	<b>23,455,898</b>
<b>EXPENDITURES</b>			
Current:			
General Government	5,161	5,286,282	5,291,443
Public Safety	-	7,332,133	7,332,133
Recreation and Culture	-	215,805	215,805
Economic Development	-	1,058,121	1,058,121
Intergovernmental and Nonprofit Assistance	-	2,131,713	2,131,713
Capital Outlay	587,241	5,180,205	5,767,446
Debt Service:			
Principal Retirement	-	379,000	379,000
Interest and Fiscal Charges	5,265	83,439	88,704
<b>TOTAL EXPENDITURES</b>	<b>597,667</b>	<b>21,666,698</b>	<b>22,264,365</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(392,882)</b>	<b>1,584,415</b>	<b>1,191,533</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Issuance of General Obligation Bonds	-	4,650,000	4,650,000
Transfers In	-	77,445	77,445
Transfers Out	(157,674)	(8,292,685)	(8,450,359)
Sale of Capital Assets	-	88,199	88,199
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(157,674)</b>	<b>(34,041)</b>	<b>(191,715)</b>
<b>NET CHANGES IN FUND BALANCES</b>	<b>(550,556)</b>	<b>1,550,374</b>	<b>999,818</b>
FUND BALANCES, Beginning of Year	19,944,874	12,118,122	32,062,996
Cumulative Change in Accounting Principle - See Note I.B	-	(3,429)	(3,429)
FUND BALANCES, Beginning of Year - Restated	19,944,874	12,114,693	32,059,567
<b>FUND BALANCES, End of Year</b>	<b>\$ 19,394,318</b>	<b>13,665,067</b>	<b>\$ 33,059,385</b>

**DORCHESTER COUNTY, SOUTH CAROLINA**

**COMBINING BALANCE SHEET**

**NONMAJOR CAPITAL PROJECT FUNDS**

**JUNE 30, 2021**

	<b>OAKBROOK TIF FUND</b>	<b>LIBRARY FACILITIES FUND</b>	<b>TOTAL NONMAJOR CAPITAL PROJECT FUNDS</b>
<b>ASSETS</b>			
Cash and Investments	\$ 1,685	-	\$ 1,685
Cash and Investments, Restricted	14,553,422	4,897,507	19,450,929
Receivables, Net:			
Taxes	240	-	240
<b>TOTAL ASSETS</b>	<b>\$ 14,555,347</b>	<b>4,897,507</b>	<b>\$ 19,452,854</b>
<b>LIABILITIES</b>			
Accounts Payable	\$ 15,682	8,953	\$ 24,635
Due to Other Funds	-	33,661	33,661
<b>TOTAL LIABILITIES</b>	<b>15,682</b>	<b>42,614</b>	<b>58,296</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue	240	-	240
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>240</b>	<b>-</b>	<b>240</b>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>15,922</b>	<b>42,614</b>	<b>58,536</b>
<b>FUND BALANCES</b>			
Restricted for:			
Oakbrook Tax Increment Finance District	14,539,425	-	14,539,425
Library Improvements	-	4,854,893	4,854,893
<b>TOTAL FUND BALANCES</b>	<b>14,539,425</b>	<b>4,854,893</b>	<b>19,394,318</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 14,555,347</b>	<b>4,897,507</b>	<b>\$ 19,452,854</b>

**DORCHESTER COUNTY, SOUTH CAROLINA**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

**NONMAJOR CAPITAL PROJECT FUNDS**

**YEAR ENDED JUNE 30, 2021**

	<b>OAKBROOK TIF FUND</b>	<b>LIBRARY FACILITIES FUND</b>	<b>TOTAL NONMAJOR CAPITAL PROJECT FUNDS</b>
<b>REVENUES</b>			
Taxes	\$ 164,359	-	\$ 164,359
Other Income	30,375	10,051	40,426
<b>TOTAL REVENUE ALL SOURCES</b>	<b>194,734</b>	<b>10,051</b>	<b>204,785</b>
<b>EXPENDITURES</b>			
Current:			
General Government	5,000	161	5,161
Capital Outlay	456,274	130,967	587,241
Debt Service:			
Interest and Fiscal Charges	5,265	-	5,265
<b>TOTAL EXPENDITURES</b>	<b>466,539</b>	<b>131,128</b>	<b>597,667</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(271,805)</b>	<b>(121,077)</b>	<b>(392,882)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers Out	(157,674)	-	(157,674)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(157,674)</b>	<b>-</b>	<b>(157,674)</b>
<b>NET CHANGES IN FUND BALANCES</b>	<b>(429,479)</b>	<b>(121,077)</b>	<b>(550,556)</b>
FUND BALANCES, Beginning of Year	14,968,904	4,975,970	19,944,874
<b>FUND BALANCES, End of Year</b>	<b>\$ 14,539,425</b>	<b>4,854,893</b>	<b>\$ 19,394,318</b>

DORCHESTER COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET

NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2021

	SHERIFF'S FUND	ECONOMIC DEVELOPMENT	HOSPITALITY TAX FUND	FAMILY COURT DSS
<b>ASSETS</b>				
Cash and Investments	\$ -	4,112,887	1,751,767	-
Cash and Investments, Restricted	536,094	15,829	-	330,836
Receivables, Net:				
Taxes	-	-	-	-
Accounts	-	1,001,943	129,158	-
Other	-	-	-	-
Due From:				
Other Governments	-	-	-	-
Prepaid Items	-	-	-	-
<b>TOTAL ASSETS</b>	<b>536,094</b>	<b>5,130,659</b>	<b>1,880,925</b>	<b>330,836</b>
<b>LIABILITIES</b>				
Accounts Payable	-	271,216	2,139	-
Accrued Liabilities	-	-	4,728	2,627
Assets Held for Others	-	150,000	-	-
Due to Other Funds	-	584,223	-	-
Unearned Revenue	363,786	100,000	-	-
<b>TOTAL LIABILITIES</b>	<b>363,786</b>	<b>1,105,439</b>	<b>6,867</b>	<b>2,627</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue	-	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>363,786</b>	<b>1,105,439</b>	<b>6,867</b>	<b>2,627</b>
<b>FUND BALANCES</b>				
Nonspendable:				
Prepaid Items	-	-	-	-
Restricted for:				
Public Safety	300,038	-	-	-
Family Court	-	-	-	328,209
Growth Management	-	-	-	-
Tourism	-	-	1,874,058	-
Health and Welfare	-	-	-	-
Capital Projects	-	4,025,220	-	-
Committed for:				
Economic Development	-	-	-	-
Capital Projects	-	-	-	-
Unassigned	(127,730)	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>172,308</b>	<b>4,025,220</b>	<b>1,874,058</b>	<b>328,209</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 536,094</b>	<b>5,130,659</b>	<b>1,880,925</b>	<b>330,836</b>



<b>E-911</b>	<b>VICTIMS' ADVOCATE</b>	<b>FIRST CIRCUIT SOLICITOR</b>	<b>C-FUNDS</b>	<b>RECREATION FUND</b>
214,994	1	132,188	-	\$ -
-	10,258	-	-	-
-	-	-	-	-
65,740	-	-	-	-
-	8,081	-	-	-
-	-	14,686	-	-
-	-	7,500	-	-
<b>280,734</b>	<b>18,340</b>	<b>154,374</b>	<b>-</b>	<b>\$ -</b>
2,465	-	27,928	982,300	-
1,841	3,980	87,223	-	-
-	-	-	-	-
-	15,041	178,808	42,656	-
-	-	-	-	-
<b>4,306</b>	<b>19,021</b>	<b>293,959</b>	<b>1,024,956</b>	<b>-</b>
-	-	-	-	-
-	-	-	-	-
<b>4,306</b>	<b>19,021</b>	<b>293,959</b>	<b>1,024,956</b>	<b>-</b>
-	-	7,500	-	-
276,428	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	(681)	(147,085)	(1,024,956)	-
<b>276,428</b>	<b>(681)</b>	<b>(139,585)</b>	<b>(1,024,956)</b>	<b>-</b>
<b>280,734</b>	<b>18,340</b>	<b>154,374</b>	<b>-</b>	<b>\$ -</b>

DORCHESTER COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET

NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2021

	PUBLIC DEFENDER	UPPER DORCHESTER ECONOMIC DEVELOPMENT	CHILDREN IN CRISIS	SENIOR CITIZENS CENTER
<b>ASSETS</b>				
Cash and Investments	\$ -	171,642	-	-
Cash and Investments, Restricted	-	-	-	1,144,206
Receivables, Net:				
Taxes	-	-	7,056	13,410
Accounts	-	196,458	-	80,786
Other	-	-	-	-
Due From:				
Other Governments	299,805	-	-	-
Prepaid Items	3,194	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 302,999</b>	<b>368,100</b>	<b>7,056</b>	<b>1,238,402</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ 477	-	-	-
Accrued Liabilities	56,002	-	-	-
Assets Held for Others	-	-	-	-
Due to Other Funds	309,615	-	-	-
Unearned Revenue	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>366,094</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue	-	-	6,332	12,033
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>6,332</b>	<b>12,033</b>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>366,094</b>	<b>-</b>	<b>6,332</b>	<b>12,033</b>
<b>FUND BALANCES</b>				
Nonspendable:				
Prepaid Items	3,194	-	-	-
Restricted for:				
Public Safety	-	-	-	-
Family Court	-	-	-	-
Growth Management	-	-	-	-
Tourism	-	-	-	-
Health and Welfare	-	-	724	1,226,369
Capital Projects	-	-	-	-
Committed for:				
Economic Development	-	368,100	-	-
Capital Projects	-	-	-	-
Unassigned	(66,289)	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>(63,095)</b>	<b>368,100</b>	<b>724</b>	<b>1,226,369</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 302,999</b>	<b>368,100</b>	<b>7,056</b>	<b>1,238,402</b>

<b>FIREFIGHTERS' 1% FUND</b>	<b>FIRE PROTECTION IMPROVEMENT</b>	<b>DORCHESTER COUNTY ECONOMIC DEVELOPMENT CORPORATION</b>	<b>OTHER SPECIAL REVENUE FUND</b>	<b>TOTAL NONMAJOR SPECIAL REVENUE FUNDS</b>
-	-	315,661	411,280	\$ 7,110,420
219,819	2,907,257	-	2,345,087	7,509,386
-	87,457	-	-	107,923
-	-	9,500	-	1,483,585
-	604,001	-	57,620	669,702
-	-	-	67,455	381,946
-	1,465	-	-	12,159
<b>219,819</b>	<b>3,600,180</b>	<b>325,161</b>	<b>2,881,442</b>	<b>\$ 17,275,121</b>
-	36,881	-	113,011	1,436,417
-	176,336	-	-	332,737
-	-	-	-	150,000
-	-	-	-	1,130,343
-	-	-	-	463,786
-	213,217	-	113,011	3,513,283
-	78,406	-	-	96,771
-	78,406	-	-	96,771
-	291,623	-	113,011	3,610,054
-	1,465	-	-	12,159
219,819	3,307,092	-	38,726	4,142,103
-	-	-	1,830,507	2,158,716
-	-	-	447,200	447,200
-	-	-	41,520	1,915,578
-	-	-	1,742	1,228,835
-	-	-	-	4,025,220
-	-	325,161	-	693,261
-	-	-	408,736	408,736
-	-	-	-	(1,366,741)
219,819	3,308,557	325,161	2,768,431	13,665,067
<b>219,819</b>	<b>3,600,180</b>	<b>325,161</b>	<b>2,881,442</b>	<b>\$ 17,275,121</b>

DORCHESTER COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR SPECIAL REVENUE FUNDS

YEAR ENDED JUNE 30, 2021

	SHERIFF'S FUND	ECONOMIC DEVELOPMENT	HOSPITALITY TAX FUND	FAMILY COURT DSS
<b>REVENUES</b>				
Taxes	\$ -	875,953	1,381,760	-
Intergovernmental Revenues:				
Federal	-	652,153	-	72,180
State	-	1,338,487	-	139
Local	-	-	-	-
Fees and Service Charges:				
Other Miscellaneous Fees	-	-	-	-
Judicial Fines and Assessments	28,770	-	-	-
Other Income	4,135	799,307	-	443
<b>TOTAL REVENUE ALL SOURCES</b>	<b>32,905</b>	<b>3,665,900</b>	<b>1,381,760</b>	<b>72,762</b>
<b>EXPENDITURES</b>				
Current:				
General Government	-	15,510	-	50,779
Public Safety	59,687	-	-	-
Recreation and Culture	-	-	215,805	-
Economic Development	-	529,873	-	-
Intergovernmental and Nonprofit Assistance	-	-	-	-
Capital Outlay	14,000	803,540	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	10,974	-	-
<b>TOTAL EXPENDITURES</b>	<b>73,687</b>	<b>1,359,897</b>	<b>215,805</b>	<b>50,779</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(40,782)</b>	<b>2,306,003</b>	<b>1,165,955</b>	<b>21,983</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of General Obligation Bonds	-	4,650,000	-	-
Proceeds from Lease Purchase	-	-	-	-
Transfers In	-	-	11,770	-
Transfers Out	-	(6,153,063)	(805,782)	-
Sale of Capital Assets	650	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>650</b>	<b>(1,503,063)</b>	<b>(794,012)</b>	<b>-</b>
<b>NET CHANGES IN FUND BALANCES</b>	<b>(40,132)</b>	<b>802,940</b>	<b>371,943</b>	<b>21,983</b>
FUND BALANCES, Beginning of Year	212,440	3,222,280	1,502,115	306,226
Cumulative Change in Accounting Principle - See Note I.B	-	-	-	-
FUND BALANCES, Beginning of Year - Restated	212,440	3,222,280	1,502,115	306,226
<b>FUND BALANCES, End of Year</b>	<b>\$ 172,308</b>	<b>4,025,220</b>	<b>1,874,058</b>	<b>328,209</b>

<b>E-911</b>	<b>VICTIMS' ADVOCATE</b>	<b>FIRST CIRCUIT SOLICITOR</b>	<b>C-FUNDS</b>	<b>RECREATION FUND</b>
-	-	-	-	\$ -
-	-	-	-	-
261,339	1,060	1,246,730	-	-
-	-	1,786,748	-	-
415,773	-	-	-	-
-	88,175	73,690	-	-
1	5	352	-	-
<b>677,113</b>	<b>89,240</b>	<b>3,107,520</b>	-	-
-	-	3,132,172	-	-
545,758	173,311	-	-	-
-	-	-	-	-
-	-	-	-	-
9,971	-	-	982,300	-
-	-	-	-	-
-	-	-	-	-
555,729	173,311	3,132,172	982,300	-
<b>121,384</b>	<b>(84,071)</b>	<b>(24,652)</b>	<b>(982,300)</b>	-
-	-	-	-	-
-	-	-	-	-
-	65,675	-	-	-
(90,525)	-	(27,883)	-	(562,878)
-	-	-	-	-
<b>(90,525)</b>	<b>65,675</b>	<b>(27,883)</b>	-	<b>(562,878)</b>
<b>30,859</b>	<b>(18,396)</b>	<b>(52,535)</b>	<b>(982,300)</b>	<b>(562,878)</b>
245,569	17,715	(87,050)	(42,656)	562,878
-	-	-	-	-
245,569	17,715	(87,050)	(42,656)	562,878
<b>276,428</b>	<b>(681)</b>	<b>(139,585)</b>	<b>(1,024,956)</b>	\$ -

DORCHESTER COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR SPECIAL REVENUE FUNDS

YEAR ENDED JUNE 30, 2021

	<b>PUBLIC DEFENDER</b>	<b>UPPER DORCHESTER ECONOMIC DEVELOPMENT</b>	<b>CHILDREN IN CRISIS</b>	<b>SENIOR CITIZENS CENTER</b>
<b>REVENUES</b>				
Taxes	\$ -	-	698,425	1,388,234
Intergovernmental Revenues:				
Federal	-	-	-	-
State	11,138	383,931	-	-
Local	-	-	-	-
Fees and Service Charges:				
Other Miscellaneous Fees	-	-	-	-
Judicial Fines and Assessments	-	-	-	-
Other Income	2,061,698	29	-	617
<b>TOTAL REVENUE ALL SOURCES</b>	<b>2,072,836</b>	<b>383,960</b>	<b>698,425</b>	<b>1,388,851</b>
<b>EXPENDITURES</b>				
Current:				
General Government	2,065,804	-	-	-
Public Safety	-	-	-	-
Recreation and Culture	-	-	-	-
Economic Development	-	330,000	-	-
Intergovernmental and Nonprofit Assistance	-	-	700,555	1,368,047
Capital Outlay	-	-	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>2,065,804</b>	<b>330,000</b>	<b>700,555</b>	<b>1,368,047</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>7,032</b>	<b>53,960</b>	<b>(2,130)</b>	<b>20,804</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of General Obligation Bonds	-	-	-	-
Proceeds from Lease Purchase	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Sale of Capital Assets	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGES IN FUND BALANCES</b>	<b>7,032</b>	<b>53,960</b>	<b>(2,130)</b>	<b>20,804</b>
FUND BALANCES, Beginning of Year	(70,127)	314,140	2,854	1,205,565
Cumulative Change in Accounting Principle - See Note I.B	-	-	-	-
FUND BALANCES, Beginning of Year - Restated	(70,127)	314,140	2,854	1,205,565
<b>FUND BALANCES, End of Year</b>	<b>\$ (63,095)</b>	<b>368,100</b>	<b>724</b>	<b>1,226,369</b>

<b>FIREFIGHTERS' 1% FUND</b>	<b>FIRE PROTECTION IMPROVEMENT</b>	<b>DORCHESTER COUNTY ECONOMIC DEVELOPMENT CORPORATION</b>	<b>OTHER SPECIAL REVENUE FUND</b>	<b>TOTAL NONMAJOR SPECIAL REVENUE FUNDS</b>
-	8,029,834	-	(2,122)	\$ 12,372,084
-	108,814	-	367,334	1,200,481
219,819	31,646	-	113,862	3,608,151
-	61,835	47,406	-	1,895,989
-	-	-	381,700	797,473
-	-	-	-	190,635
-	159,892	159,762	59	3,186,300
<b>219,819</b>	<b>8,392,021</b>	<b>207,168</b>	<b>860,833</b>	<b>23,251,113</b>
-	-	-	22,017	5,286,282
-	6,553,377	-	-	7,332,133
-	-	-	-	215,805
-	-	198,248	-	1,058,121
-	-	-	63,111	2,131,713
-	3,319,394	-	51,000	5,180,205
-	379,000	-	-	379,000
-	72,465	-	-	83,439
-	10,324,236	198,248	136,128	21,666,698
<b>219,819</b>	<b>(1,932,215)</b>	<b>8,920</b>	<b>724,705</b>	<b>1,584,415</b>
-	-	-	-	4,650,000
-	3,443,000	-	-	3,443,000
-	-	-	-	77,445
-	(482,554)	-	(170,000)	(8,292,685)
-	87,549	-	-	88,199
-	3,047,995	-	(170,000)	(34,041)
<b>219,819</b>	<b>1,115,780</b>	<b>8,920</b>	<b>554,705</b>	<b>1,550,374</b>
-	2,192,777	316,241	2,213,726	12,118,122
-	-	-	-	(3,429)
-	2,192,777	316,241	2,213,726	12,114,693
<b>219,819</b>	<b>3,308,557</b>	<b>325,161</b>	<b>2,768,431</b>	<b>\$ 13,665,067</b>

DORCHESTER COUNTY, SOUTH CAROLINA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - COUNTY BONDS FUND

YEAR ENDED JUNE 30, 2021

	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
<b>REVENUES</b>			
Taxes	\$ 4,065,298	4,263,447	\$ 198,149
Other Income	-	9,020	9,020
<b>TOTAL REVENUE ALL SOURCES</b>	<b>4,065,298</b>	<b>4,272,467</b>	<b>207,169</b>
<b>EXPENDITURES</b>			
Debt Service:			
Principal Retirement	3,610,491	3,602,655	7,836
Interest and Fiscal Charges	2,858,167	2,866,258	(8,091)
<b>TOTAL EXPENDITURES</b>	<b>6,468,658</b>	<b>6,468,913</b>	<b>(255)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(2,403,360)</b>	<b>(2,196,446)</b>	<b>206,914</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	378,067	381,559	3,492
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>378,067</b>	<b>381,559</b>	<b>3,492</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(2,025,293)</b>	<b>(1,814,887)</b>	<b>210,406</b>
FUND BALANCE, Beginning of Year	5,853,387	5,853,387	-
<b>FUND BALANCE, End of Year</b>	<b>\$ 3,828,094</b>	<b>4,038,500</b>	<b>\$ 210,406</b>

Note: The budget is presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.

Note: The final budget included a planned use of fund balance of \$2,025,293.



DORCHESTER COUNTY, SOUTH CAROLINA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - HOSPITALITY TAX FUND

YEAR ENDED JUNE 30, 2021

	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
<b>REVENUES</b>			
Taxes	\$ 1,455,000	1,381,760	\$ (73,240)
<b>TOTAL REVENUE ALL SOURCES</b>	<b>1,455,000</b>	<b>1,381,760</b>	<b>(73,240)</b>
<b>EXPENDITURES</b>			
Current:			
Recreation and Culture:			
Personnel Services	259,820	111,730	148,090
Professional Services	10,300	10,914	(614)
Rentals and Leases	-	9,317	(9,317)
Communications	480	562	(82)
Printing and Binding	2,500	340	2,160
Travel	4,650	188	4,462
Supplies	6,950	23,981	(17,031)
Advertising	-	4,500	(4,500)
Books and Periodicals	981	953	28
Programs	70,000	50,000	20,000
Other	2,000	2,290	(290)
<b>TOTAL EXPENDITURES</b>	<b>358,551</b>	<b>215,805</b>	<b>142,746</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>1,096,449</b>	<b>1,165,955</b>	<b>69,506</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	-	11,770	11,770
Transfers Out	(1,096,449)	(805,782)	290,667
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(1,096,449)</b>	<b>(794,012)</b>	<b>302,437</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>371,943</b>	<b>371,943</b>
FUND BALANCE, Beginning of Year	1,502,115	1,502,115	-
<b>FUND BALANCE, End of Year</b>	<b>\$ 1,502,115</b>	<b>1,874,058</b>	<b>\$ 371,943</b>

Note: The budget is presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.

DORCHESTER COUNTY, SOUTH CAROLINA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - E-911 FUND

YEAR ENDED JUNE 30, 2021

	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
<b>REVENUES</b>			
Intergovernmental Revenues:			
State	\$ 180,793	261,339	\$ 80,546
Fees and Service Charges:			
Other Miscellaneous Fees	429,685	415,773	(13,912)
Other Income	-	1	1
<b>TOTAL REVENUE ALL SOURCES</b>	<b>610,478</b>	<b>677,113</b>	<b>66,635</b>
<b>EXPENDITURES</b>			
Current:			
Public Safety:			
Personnel Services	75,318	61,369	13,949
Repairs and Maintenance	124,054	123,115	939
Communications	393,842	339,807	54,035
Other	9,764	21,467	(11,703)
Total Public Safety	602,978	545,758	57,220
Capital Outlay	7,500	9,971	(2,471)
<b>TOTAL EXPENDITURES</b>	<b>610,478</b>	<b>555,729</b>	<b>54,749</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>-</b>	<b>121,384</b>	<b>121,384</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers Out	-	(90,525)	(90,525)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>(90,525)</b>	<b>(90,525)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>30,859</b>	<b>30,859</b>
FUND BALANCE, Beginning of Year	245,569	245,569	-
<b>FUND BALANCE, End of Year</b>	<b>\$ 245,569</b>	<b>276,428</b>	<b>\$ 30,859</b>

Note: The budget is presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.

DORCHESTER COUNTY, SOUTH CAROLINA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - VICTIMS' ADVOCATE

YEAR ENDED JUNE 30, 2021

	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
<b>REVENUES</b>			
Intergovernmental Revenues:			
State	\$ 1,060	1,060	\$ -
Judicial Fines and Assessments	95,964	88,175	(7,789)
Other Income	53	5	(48)
<b>TOTAL REVENUE ALL SOURCES</b>	<b>97,077</b>	<b>89,240</b>	<b>(7,837)</b>
<b>EXPENDITURES</b>			
Current:			
Public Safety:			
Personnel Services	188,072	173,311	14,761
Total Public Safety	188,072	173,311	14,761
<b>TOTAL EXPENDITURES</b>	<b>188,072</b>	<b>173,311</b>	<b>14,761</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(90,995)</b>	<b>(84,071)</b>	<b>6,924</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	90,995	65,675	(25,320)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>90,995</b>	<b>65,675</b>	<b>(25,320)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>(18,396)</b>	<b>(18,396)</b>
FUND BALANCE, Beginning of Year	17,715	17,715	-
<b>FUND BALANCE, End of Year</b>	<b>\$ 17,715</b>	<b>(681)</b>	<b>\$ (18,396)</b>

Note: The budget is presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.

DORCHESTER COUNTY, SOUTH CAROLINA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - FIRST CIRCUIT SOLICITOR

YEAR ENDED JUNE 30, 2021

	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
<b>REVENUES</b>			
Intergovernmental Revenues:			
State	\$ 1,231,462	1,246,730	\$ 15,268
Local	1,782,689	1,786,748	4,059
Judicial Fines and Assessments	73,690	73,690	-
Other Income	-	352	352
<b>TOTAL REVENUE ALL SOURCES</b>	<b>3,087,841</b>	<b>3,107,520</b>	<b>19,679</b>
<b>EXPENDITURES</b>			
Current:			
General Government:			
Personnel Services	2,864,864	2,831,232	33,632
Professional Services	18,500	12,742	5,758
Repairs and Maintenance	10,000	20,071	(10,071)
Rentals and Leases	23,474	26,754	(3,280)
Insurance	13,503	10,290	3,213
Communications	32,000	35,924	(3,924)
Printing and Binding	4,000	5,311	(1,311)
Intergovernmental	10,000	10,957	(957)
Travel	36,500	15,448	21,052
Supplies	35,000	37,850	(2,850)
Utilities	15,000	14,855	145
Books and Periodicals	25,000	20,643	4,357
Direct Assistance	-	90,000	(90,000)
Other	-	95	(95)
Total General Government	3,087,841	3,132,172	(44,331)
<b>TOTAL EXPENDITURES</b>	<b>3,087,841</b>	<b>3,132,172</b>	<b>(44,331)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>-</b>	<b>(24,652)</b>	<b>(24,652)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers Out	-	(27,883)	(27,883)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>(27,883)</b>	<b>(27,883)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>(52,535)</b>	<b>(52,535)</b>
FUND BALANCE, Beginning of Year	(87,050)	(87,050)	-
<b>FUND BALANCE, End of Year</b>	<b>\$ (87,050)</b>	<b>(139,585)</b>	<b>\$ (52,535)</b>

Note: The budget is presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.

DORCHESTER COUNTY, SOUTH CAROLINA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - PUBLIC DEFENDER

YEAR ENDED JUNE 30, 2021

	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
<b>REVENUES</b>			
Intergovernmental Revenues:			
State	\$ -	11,138	\$ 11,138
Other Income	2,131,207	2,061,698	(69,509)
<b>TOTAL REVENUE ALL SOURCES</b>	<b>2,131,207</b>	<b>2,072,836</b>	<b>(58,371)</b>
<b>EXPENDITURES</b>			
Current:			
General Government:			
Personnel Services	2,079,962	2,018,338	61,624
Rentals and Leases	40,200	38,312	1,888
Insurance	6,545	6,087	458
Utilities	4,500	3,067	1,433
Total General Government	2,131,207	2,065,804	65,403
<b>TOTAL EXPENDITURES</b>	<b>2,131,207</b>	<b>2,065,804</b>	<b>65,403</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>7,032</b>	<b>7,032</b>
FUND BALANCES, Beginning of Year	(70,127)	(70,127)	-
<b>FUND BALANCES, End of Year</b>	<b>\$ (70,127)</b>	<b>(63,095)</b>	<b>\$ 7,032</b>

Note: The budget is presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.

DORCHESTER COUNTY, SOUTH CAROLINA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - FIRE PROTECTION IMPROVEMENT FUND

YEAR ENDED JUNE 30, 2021

	FINAL BUDGETED AMOUNTS	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
<b>REVENUES</b>			
Taxes	\$ 7,316,790	8,029,834	\$ 713,044
Intergovernmental Revenues:			
State	31,578	31,646	68
Local	30,000	61,835	31,835
Other Income	23,100	159,892	136,792
<b>TOTAL REVENUE ALL SOURCES</b>	<b>7,401,468</b>	<b>8,392,021</b>	<b>990,553</b>
<b>EXPENDITURES</b>			
Current:			
Public Safety:			
Personnel Services	5,883,800	5,749,376	134,424
Professional Services	5,500	8,145	(2,645)
Repairs and Maintenance	64,000	83,721	(19,721)
Rentals and Leases	9,200	9,222	(22)
Insurance	159,629	129,369	30,260
Communications	90,700	84,857	5,843
Printing and Binding	500	119	381
Intergovernmental	1,200	2,054	(854)
Travel	8,000	(210)	8,210
Supplies	135,100	203,068	(67,968)
Food	2,000	536	1,464
Utilities	237,500	213,073	24,427
Books and Periodicals	12,000	13,197	(1,197)
Firemen's Assistance	40,000	41,825	(1,825)
Technical	11,000	9,197	1,803
Special Programs	3,000	407	2,593
Other	39,777	5,421	34,356
Total Public Safety	<u>6,702,906</u>	<u>6,553,377</u>	<u>149,529</u>
Capital Outlay	91,600	3,319,394	(3,227,794)
Debt Service:			
Principal Retirement	379,000	379,000	-
Interest and Fiscal Charges	29,466	72,465	(42,999)
<b>TOTAL EXPENDITURES</b>	<b>7,202,972</b>	<b>10,324,236</b>	<b>(3,121,264)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>198,496</b>	<b>(1,932,215)</b>	<b>(2,130,711)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers Out	(198,496)	(482,554)	(284,058)
Sale of Capital Assets	-	87,549	87,549
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(198,496)</b>	<b>3,047,995</b>	<b>3,246,491</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>1,115,780</b>	<b>1,115,780</b>
FUND BALANCE, Beginning of Year	<u>2,192,777</u>	<u>2,192,777</u>	<u>-</u>
<b>FUND BALANCE, End of Year</b>	<b>\$ 2,192,777</b>	<b>3,308,557</b>	<b>\$ 1,115,780</b>

Note: The budgets are presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.

DORCHESTER COUNTY, SOUTH CAROLINA

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

YEAR ENDED JUNE 30, 2021

FOR THE STATE TREASURER'S OFFICE:

COUNTY / MUNICIPAL FUNDS COLLECTED BY CLERK OF COURT	General Sessions	Magistrate Court	Municipal Court	Total
<b>Court Fines and Assessments:</b>				
Court fines and assessments collected	\$ 735,683	1,415,785	-	\$ 2,151,468
Court fines and assessments remitted to State Treasurer	(553,638)	(683,353)	-	(1,236,991)
<b>Total Court Fines and Assessments retained</b>	<b>182,045</b>	<b>732,432</b>	<b>-</b>	<b>914,477</b>
<b>Surcharges and Assessments retained for victim services:</b>				
Surcharges collected and retained	22,849	13,378	-	36,227
Assessments retained	1,784	50,164	-	51,948
<b>Total Surcharges and Assessments retained for victim services</b>	<b>\$ 24,633</b>	<b>63,542</b>	<b>-</b>	<b>\$ 88,175</b>

FOR THE DEPARTMENT OF CRIME VICTIM COMPENSATION (DCVC)

VICTIM SERVICE FUNDS COLLECTED	Municipal	County	Total
<b>Carryforward from Previous Year – Beginning Balance</b>	\$ -	17,715	\$ 17,715
<b>Victim Service Revenue:</b>			
Victim Service Fines Retained by City/County Treasurer	-	-	-
Victim Service Assessments Retained by City/County Treasurer	-	51,948	51,948
Victim Service Surcharges Retained by City/County Treasurer	-	36,227	36,227
Interest Earned	-	5	5
Grant Funds Received			
Grant from: South Carolina Public Employee Benefit Authority	-	1,060	1,060
General Funds Transferred to Victim Service Fund	-	65,675	65,675
<b>Contribution Received from Victim Service Contracts:</b>			
(1) Town of	-	-	-
(2) Town of	-	-	-
(3) City of	-	-	-
<b>Total Funds Allocated to Victim Service Fund + Beginning Balance (A)</b>	<b>\$ -</b>	<b>172,630</b>	<b>\$ 172,630</b>
<b>Expenditures for Victim Service Program:</b>	<b>Municipal</b>	<b>County</b>	<b>Total</b>
Salaries and Benefits	\$ -	173,311	\$ 173,311
Operating Expenditures	-	-	-
<b>Victim Service Contract(s):</b>			
(1) Beaufort County Sheriff's Office	-	-	-
(2) Entity's Name	-	-	-
<b>Victim Service Donation(s):</b>			
(1) Domestic Violence Shelter:	-	-	-
(2) Rape Crisis Center:	-	-	-
(3) Other local direct crime victims service agency:	-	-	-
Transferred to General Fund	-	-	-
<b>Total Expenditures from Victim Service Fund/Program (B)</b>	<b>-</b>	<b>173,311</b>	<b>173,311</b>
Total Victim Service Funds Retained by Municipal/County Treasurer (A-B)	-	(681)	(681)
Less: Prior Year Fund Deficit Repayment	-	-	-
<b>Carryforward Funds – End of Year</b>	<b>\$ -</b>	<b>(681)</b>	<b>\$ (681)</b>



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# STATISTICAL SECTION (UNAUDITED)

This part of Dorchester County's (the "County") comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

## Contents

### Financial Trends Information

*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 Information

*These schedules contain information to help the reader assess the County's most significant local revenue source.*

### Debt Capacity Information

*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

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

### Operating Information

*These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.*

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

DORCHESTER COUNTY, SOUTH CAROLINA

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS  
(accrual basis of accounting)

UNAUDITED

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Governmental Activities</b>										
Net Investment In Capital Assets	84,846,841	83,934,721	68,135,305	77,061,370	90,697,922	92,073,636	103,976,571	37,657,298	42,547,231	\$ 52,298,359
Restricted	6,372,705	9,912,214	27,732,371	24,218,572	15,150,003	39,319,601	47,100,010	55,642,172	65,081,388	82,810,801
Unrestricted	26,077,081	27,149,247	28,604,995	(21,067,847)	(16,018,266)	(18,553,376)	(28,597,323)	(32,037,359)	(36,653,362)	(39,452,517)
<b>Total Governmental Activities Net Position</b>	<b>117,296,627</b>	<b>120,996,182</b>	<b>124,472,671</b>	<b>80,212,095</b>	<b>89,829,659</b>	<b>112,839,861</b>	<b>122,479,258</b>	<b>61,262,111</b>	<b>70,975,257</b>	<b>\$ 95,656,643</b>
<b>Business-Type Activities</b>										
Net Investment In Capital Assets	94,195,771	94,439,140	103,133,248	110,857,746	116,970,205	131,954,008	141,719,993	154,321,376	166,214,018	\$ 176,067,388
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
Unrestricted	38,211,350	38,897,165	18,763,927	12,980,509	15,020,086	11,918,603	14,476,316	12,909,408	9,575,021	11,694,415
<b>Total Business-Type Activities Net Position</b>	<b>132,407,121</b>	<b>133,336,305</b>	<b>139,277,987</b>	<b>142,472,575</b>	<b>152,810,863</b>	<b>160,431,574</b>	<b>171,256,169</b>	<b>183,899,129</b>	<b>195,062,974</b>	<b>\$ 214,008,049</b>
<b>County</b>										
Primary Government										
Net Investment In Capital Assets	179,042,612	178,373,861	171,268,553	187,919,116	207,668,127	224,027,644	245,696,564	191,978,674	208,761,249	\$ 228,365,747
Restricted	6,372,705	9,912,214	45,113,183	42,852,892	35,970,575	55,878,564	62,159,870	72,310,517	84,355,323	109,057,047
Unrestricted	64,288,431	66,046,412	47,368,922	(8,087,338)	(998,180)	(6,634,773)	(14,121,007)	(19,127,951)	(27,078,341)	(27,758,102)
<b>Total Primary Government Net Position</b>	<b>249,703,748</b>	<b>254,332,487</b>	<b>263,750,658</b>	<b>222,684,670</b>	<b>242,640,522</b>	<b>273,271,435</b>	<b>293,735,427</b>	<b>245,161,240</b>	<b>266,038,231</b>	<b>\$ 309,664,692</b>

DORCHESTER COUNTY, SOUTH CAROLINA

Table 2

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS  
(accrual basis of accounting)

UNAUDITED

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Expenses</b>										
Governmental Activities:										
General Government	18,291,138	21,911,552	19,861,442	22,424,729	23,886,033	26,662,840	28,454,911	29,925,262	36,191,548	\$ 43,289,192
Public Safety	29,391,010	31,130,513	34,866,977	32,719,023	35,601,493	39,232,125	41,367,732	42,088,535	46,923,982	49,415,677
Roads and Drainage	5,636,111	6,357,715	6,116,543	5,286,855	5,646,460	72,363,350	13,608,969	78,308,048	5,716,211	6,010,755
Health and Welfare	202,674	222,328	241,831	244,878	241,183	238,746	1,017,901	1,025,696	1,106,028	1,065,604
Recreation and Culture	28,223	118,776	35,234	110,993	237,200	514,668	313,874	310,336	1,399,509	771,265
Airport	189,454	189,107	275,423	454,663	453,120	496,346	468,790	478,903	603,309	543,923
Economic Development	877,687	4,603,409	849,935	2,356,220	1,899,177	2,021,210	1,705,412	4,235,715	1,579,658	1,224,661
Intergovernmental and nonprofit	3,196,521	3,871,376	3,974,127	3,878,048	3,828,998	3,937,430	3,351,743	4,618,709	5,401,085	5,985,055
Disaster Recovery	-	-	-	-	-	1,682,909	485,816	375,362	2,721,745	879,323
Nondepartmental	-	-	-	-	-	512,367	-	-	-	-
Interest and fiscal charges	1,210,415	1,415,801	1,492,345	1,534,015	1,506,366	5,029,018	4,834,904	4,859,879	5,458,252	6,125,267
<b>Total Governmental Activities Expenses</b>	<b>59,023,233</b>	<b>69,820,577</b>	<b>67,713,857</b>	<b>69,009,424</b>	<b>73,300,030</b>	<b>152,691,009</b>	<b>95,610,052</b>	<b>166,226,445</b>	<b>107,101,327</b>	<b>115,310,722</b>
Business-Type Activities:										
Water and Sewer	16,575,397	16,822,748	17,828,038	17,912,760	18,230,792	19,636,330	20,509,356	22,607,782	25,368,652	25,415,220
Stormwater	1,363,335	1,436,570	1,395,018	1,465,142	1,492,067	1,934,984	2,004,758	2,093,198	2,319,156	6,488,811
Solid Waste	4,776,820	4,938,151	5,699,231	5,494,895	5,619,162	6,210,952	5,885,165	5,938,070	6,343,772	2,547,471
<b>Total Business-Type Activities Expenses</b>	<b>22,715,552</b>	<b>23,197,469</b>	<b>24,922,287</b>	<b>24,872,797</b>	<b>25,342,021</b>	<b>27,782,266</b>	<b>28,399,279</b>	<b>30,639,050</b>	<b>34,031,580</b>	<b>34,451,502</b>
<b>Total Primary Government Expenses</b>	<b>81,738,785</b>	<b>93,018,046</b>	<b>92,636,144</b>	<b>93,882,221</b>	<b>98,642,051</b>	<b>180,473,275</b>	<b>124,009,331</b>	<b>196,865,495</b>	<b>141,132,907</b>	<b>\$ 149,762,224</b>
<b>Program Revenues</b>										
Governmental Activities:										
Charges for Services:										
General Government	13,618,989	15,417,364	15,201,871	17,082,183	18,700,504	7,110,898	8,055,719	8,327,296	8,792,117	\$ 11,558,186
Public Safety	1,771,733	1,613,412	1,313,635	1,863,387	1,989,904	7,141,414	7,381,311	6,590,055	8,195,488	9,547,604
Roads and Drainage	-	-	-	-	-	-	402	-	-	-
Health and Welfare	-	-	-	-	-	-	130	-	-	-
Recreation and Culture	241,848	244,706	325,711	333,555	351,474	8,002	8,480	7,462	7,927	11,660
Airport	-	-	-	-	8,894	-	-	-	-	-
Economic Development	5,275	4,800	-	10,600	400	-	-	-	-	-
Operating Grants and Contributions	3,901,811	4,226,485	3,904,055	4,319,845	5,235,052	18,877,510	15,656,681	7,193,336	8,057,070	11,214,181
Capital Grants and Contributions	2,404,556	7,675,100	923,109	2,409,443	1,912,033	9,178,339	5,910,328	6,739,077	10,092,216	11,157,008
<b>Total Governmental Activities Program Revenues</b>	<b>21,944,212</b>	<b>29,181,867</b>	<b>21,668,381</b>	<b>26,019,013</b>	<b>28,198,261</b>	<b>42,316,565</b>	<b>37,012,649</b>	<b>28,857,226</b>	<b>35,144,818</b>	<b>43,488,639</b>
Business-Type Activities:										
Charges For Services:										
Water and Sewer	18,620,545	21,317,601	21,576,438	25,749,039	23,985,721	24,185,944	25,673,345	26,892,036	29,069,859	37,240,009
Stormwater	2,109,013	1,485,120	1,530,622	1,605,836	1,599,545	1,932,013	2,295,949	2,572,321	2,862,790	4,014,007
Solid Waste	5,897,575	5,820,192	5,845,499	6,370,972	5,792,244	6,439,056	6,770,996	6,601,900	7,062,872	7,737,717
Operating Grants and Contributions	52,141	48,439	607,177	105,592	105,673	191,334	65,497	93,572	87,384	80,211
Capital Grants and Contributions	4,692,662	4,514,257	2,520,598	3,219,529	5,405,082	4,029,514	5,670,979	4,339,194	6,441,904	5,476,971
<b>Total Business-Type Activities Program Revenues</b>	<b>31,371,936</b>	<b>33,185,609</b>	<b>32,080,334</b>	<b>37,050,968</b>	<b>36,888,265</b>	<b>36,777,861</b>	<b>40,476,766</b>	<b>40,499,023</b>	<b>45,524,809</b>	<b>54,548,915</b>
<b>Total Primary Government Program Revenues</b>	<b>53,316,148</b>	<b>62,367,476</b>	<b>53,748,715</b>	<b>63,069,981</b>	<b>65,086,526</b>	<b>79,094,426</b>	<b>77,489,415</b>	<b>69,356,249</b>	<b>80,669,627</b>	<b>\$ 98,037,554</b>

(continued)

DORCHESTER COUNTY, SOUTH CAROLINA

Table 2

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS  
(accrual basis of accounting)

UNAUDITED

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Net (Expense) Revenue	(37,079,021)	(40,638,710)	(46,045,476)	(42,990,411)	(45,101,769)	(110,374,444)	(58,597,403)	(137,369,219)	\$ (71,956,509)	\$ (71,822,083)
Governmental Activities	8,656,384	9,988,140	7,158,047	12,178,171	11,546,244	8,995,595	12,077,487	9,859,973	11,493,229	20,097,413
Business-Type Activities	(28,422,637)	(30,650,570)	(38,887,429)	(30,812,240)	(33,555,525)	(101,378,849)	(46,519,916)	(127,509,246)	\$ (60,463,280)	\$ (51,724,670)
Total Primary Government Net Expense										
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Property Taxes	36,458,591	40,558,572	42,364,911	42,063,705	45,560,948	47,453,185	48,856,004	51,607,166	\$ 58,071,717	\$ 60,224,740
Franchise Fees and Hospitality Taxes	362,772	367,059	327,164	333,555	351,474	634,424	735,830	1,395,542	1,950,211	2,163,565
Sales and Use Tax	-	-	-	-	-	16,224,030	16,836,769	17,414,494	18,338,806	24,085,828
Grants and contributions not restricted to specific programs	1,973,604	4,208,779	5,530,885	-	7,407,563	5,297,537	5,466,870	5,517,465	5,778,417	6,036,511
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 on disposition of assets	-	-	-	75,603	-	-	-	-	282,240	-
Miscellaneous	85,802	-	-	173,302	-	66,008	1,270,117	354,918	882,153	-
Investment Income	-	-	-	-	96,882	-	-	-	-	191,644
Transfers	1,573,778	(636,765)	1,299,005	1,334,230	1,302,466	3,178,869	895,273	(1,786,130)	683,848	1,449,145
Total Governmental Activities	40,454,547	44,497,645	49,521,965	47,866,903	54,719,333	73,341,541	74,945,494	76,152,072	88,071,258	96,506,898
Business-Type Activities:										
Unrestricted revenue from use of money and property	112,743	-	-	-	-	103,170	128,211	220,068	252,180	-
Miscellaneous	-	-	-	-	-	-	-	667,000	22,433	2,457
Investment Income	-	86,410	30,247	50,328	94,510	-	-	-	-	54,918
Gain on disposition of assets	45,496	111,679	52,393	-	-	67,701	487,155	109,789	79,851	239,432
Transfers	(1,573,778)	636,765	(1,299,005)	(1,334,230)	(1,302,466)	(3,178,869)	(895,273)	1,786,130	(683,848)	(1,449,145)
Total Business-Type Activities	(1,415,539)	834,854	(1,216,365)	(1,283,902)	(1,207,956)	(3,007,958)	(279,907)	2,782,987	(329,384)	(1,152,338)
Total primary government	39,039,008	45,332,499	48,305,600	46,583,001	53,511,377	70,333,543	74,665,587	78,935,059	\$ 87,741,874	\$ 95,354,560
<b>Change in Net Position</b>										
Governmental Activities	3,375,526	3,858,935	3,476,489	4,876,492	9,617,564	(37,032,903)	16,348,091	(61,217,147)	\$ 16,114,749	\$ 24,684,815
Business-Type Activities	7,240,845	10,822,994	5,941,682	10,894,269	10,338,288	5,987,597	11,797,580	12,642,960	11,163,845	18,945,075
Total Primary Government	10,616,371	14,681,929	9,418,171	15,770,761	19,955,852	(31,045,306)	28,145,671	(48,574,187)	\$ 27,278,594	\$ 43,629,890

**DORCHESTER COUNTY, SOUTH CAROLINA**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**

**LAST TEN FISCAL YEARS**  
(modified accrual basis of accounting)

**UNAUDITED**

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Nonspendable	270,837	291,602	295,392	545,846	175,150	218,763	510,299	611,510	2,146,331	\$ 716,988
Committed	3,780,688	3,799,711	1,304,804	3,965,900	3,988,014	3,154,772	5,825,950	5,310,010	3,740,193	4,941,169
Assigned	2,337,233	2,554,765	1,544,094	566,542	1,167,793	1,202,514	1,915,702	1,453,270	1,266,877	3,804,638
Unassigned	12,681,078	14,445,084	15,138,578	17,140,840	19,174,747	22,800,202	21,552,775	23,063,282	24,386,779	30,908,537
Total General Fund	19,069,836	21,091,162	18,282,868	22,219,128	24,505,704	27,376,251	29,804,726	30,438,072	31,540,180	\$ 40,371,332
All Other Governmental Funds										
Nonspendable	105,150	105,150	4,583	251,532	4,042	174,415	152,046	-	156,485	\$ 156,485
Restricted	7,488,836	28,733,579	27,732,371	24,218,572	15,161,003	34,510,714	42,659,166	64,212,565	110,584,391	108,846,532
Committed	15,126,341	9,475,595	8,970,109	7,400,381	8,943,633	6,288,134	4,669,456	5,965,146	5,722,264	2,454,851
Assigned	-	323,308	-	-	-	-	-	-	-	-
Unassigned	(307,818)	(435,900)	(2,123,327)	(1,989,176)	(250,581)	(257,213)	(1,228,919)	(709,187)	(1,624,924)	(1,366,741)
Total All Other Governmental Funds	22,412,509	38,201,732	34,583,736	29,881,309	23,858,097	40,716,050	46,251,749	69,468,524	114,838,216	\$ 110,091,127

DORCHESTER COUNTY, SOUTH CAROLINA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

UNAUDITED

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Revenues</b>										
Property Taxes	38,576,035	40,595,172	42,306,300	42,206,478	45,603,856	63,325,356	65,715,121	69,382,696	77,667,174	\$ 84,701,329
Licenses, Fines and Permits	3,536,872	3,735,393	3,922,050	4,789,935	4,535,839	4,336,157	3,042,700	3,086,240	4,180,763	7,139,475
Charges for Services	6,426,454	6,795,920	6,921,012	7,527,433	8,380,831	9,362,446	11,064,462	10,995,193	11,019,596	12,061,107
Intergovernmental	10,829,324	16,763,652	9,700,574	15,315,012	13,195,675	25,601,351	22,312,579	18,522,033	19,856,440	25,974,478
Other Income	1,711,674	2,261,812	1,400,609	2,271,365	3,419,154	6,072,083	5,561,463	5,632,799	5,750,688	5,662,060
<b>Total Revenues</b>	<b>61,080,359</b>	<b>70,151,949</b>	<b>64,250,545</b>	<b>72,110,223</b>	<b>75,135,355</b>	<b>108,697,393</b>	<b>107,696,325</b>	<b>107,618,961</b>	<b>118,474,661</b>	<b>135,538,449</b>
<b>Expenditures</b>										
General Government	18,579,997	23,009,713	19,441,018	21,920,805	22,479,433	27,276,393	25,757,179	28,641,970	28,140,044	29,536,681
Public Safety	27,209,316	29,025,905	32,650,690	30,162,858	33,225,811	34,991,866	35,311,816	36,893,632	40,651,301	39,331,901
Public Works	2,115,283	2,783,891	2,439,988	2,112,544	2,348,247	2,252,331	2,469,416	3,357,025	2,853,959	2,239,609
Health and Welfare	201,362	221,016	240,519	244,222	241,183	228,921	987,643	990,399	1,060,578	1,082,234
Culture and Recreation	28,223	118,776	35,234	110,675	236,896	111,186	342,646	294,022	1,359,024	549,169
Intergovernmental and nonprofit assistance	3,157,070	3,832,118	3,934,869	3,836,042	3,786,196	3,895,399	3,309,661	4,576,932	5,325,765	5,885,942
Disaster Recovery	-	-	-	-	-	1,682,909	485,816	375,362	2,721,745	879,323
Non-Departmental	667,029	481,074	1,736,818	1,062,342	758,228	512,367	956,487	860,071	972,040	1,735,753
Capital Outlay	7,471,886	9,009,636	7,451,746	17,156,290	12,188,154	20,719,795	20,844,025	13,606,299	19,697,562	48,005,730
Debt Service	-	-	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-	-	-
Interest and Fiscal Charges	2,532,756	2,293,868	3,075,557	2,971,114	3,669,800	8,945,476	8,931,777	9,288,982	11,225,943	10,804,907
Payment to Refund Bond Escrow	1,316,827	1,413,767	1,497,337	1,524,646	1,529,555	5,046,459	4,834,393	4,806,051	5,449,659	5,944,260
	-	-	-	-	-	-	-	3,231,478	-	-
<b>Total Expenditures</b>	<b>63,279,749</b>	<b>72,189,764</b>	<b>72,503,776</b>	<b>81,101,538</b>	<b>80,463,503</b>	<b>105,663,102</b>	<b>104,230,859</b>	<b>106,922,223</b>	<b>119,457,620</b>	<b>145,995,509</b>
Excess of Revenues Over (Under) Expenditures	(2,199,390)	(2,037,815)	(8,253,231)	(8,991,315)	(5,328,148)	3,034,291	3,465,466	696,738	(982,959)	(10,457,060)
<b>Other Financing Sources (Uses)</b>										
Transfers In	5,887,277	5,387,996	6,694,307	3,190,512	4,326,084	5,597,755	7,188,271	22,810,874	9,179,866	12,835,249
Transfers Out	(4,313,499)	(6,024,761)	(5,395,302)	(1,856,282)	(2,845,382)	(2,418,886)	(6,292,998)	(20,774,731)	(5,466,435)	(11,386,104)
Sale of Capital Assets	87,378	276,510	489,101	336,863	58,638	237,253	90,199	168,754	256,119	283,615
Insurance proceeds	72,932	17,166	38,835	-	52,172	348,177	221,236	205,107	154,464	225,277
Issuance of Leases	52,466	1,315,762	-	2,514,055	-	-	3,292,000	-	1,260,277	8,093,000
Issuance of Bonds	1,350,000	28,617,065	-	4,040,000	-	-	-	19,030,000	39,465,000	4,650,000
Payments to refund general obligation bond	-	(9,741,374)	-	-	-	-	-	-	-	-
Premium on issuance of debt	-	-	-	-	-	-	-	1,713,379	2,448,983	-
<b>Total Other Financing Sources (Uses)</b>	<b>3,136,554</b>	<b>19,848,364</b>	<b>1,826,941</b>	<b>8,225,148</b>	<b>1,591,512</b>	<b>3,784,299</b>	<b>4,498,708</b>	<b>23,153,383</b>	<b>47,298,274</b>	<b>14,701,037</b>
<b>Net Change in Fund Balances</b>	<b>937,164</b>	<b>17,810,549</b>	<b>(6,426,290)</b>	<b>(766,167)</b>	<b>(3,736,636)</b>	<b>6,818,590</b>	<b>7,964,174</b>	<b>23,850,121</b>	<b>46,315,315</b>	<b>\$ 4,243,977</b>
Debt Service as a Percentage of Noncapital Expenditures	6.90%	5.87%	7.03%	7.03%	7.62%	15.03%	14.91%	18.17%	15.76%	15.22%

## GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE

## LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

## UNAUDITED

<b>Fiscal Year Ended June 30</b>	<b>Property Tax</b>	<b>Sales Tax</b>	<b>Hospitality Tax</b>	<b>Total</b>
2012	36,458,591	10,356,875	-	46,815,466
2013	40,558,572	10,867,238	-	51,425,810
2014	42,364,911	11,945,213	-	54,310,124
2015	42,063,705	13,045,978	-	55,109,683
2016	45,560,948	15,128,857	-	60,689,805
2017	47,101,326	16,224,030	-	63,325,356
2018	49,041,116	16,674,005	-	65,715,121
2019	51,425,426	17,349,741	607,529	69,382,696
2020	58,121,506	18,402,011	1,143,657	77,667,174
2021	\$ 60,589,197	22,730,372	1,381,760	\$ 84,701,329

Source: Dorchester County Treasurer

DORCHESTER COUNTY, SOUTH CAROLINA

Table 6

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year Ended June 30	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					
2012	235,014,120	156,073,470	47,741,503	68,831,015	6,520,490	501,139,618	0.0919	10,057,534,031	4.98%
2013	237,450,480	157,859,970	52,980,226	70,068,167	8,122,640	510,236,203	0.0919	10,230,961,301	4.99%
2014	242,871,661	158,149,880	56,144,419	69,325,461	7,664,610	518,826,811	0.0941	10,424,958,992	4.98%
2015	249,383,731	156,629,160	61,233,413	69,539,321	7,501,820	529,283,805	0.0943	10,648,393,908	4.97%
2016	247,764,800	166,034,160	65,689,382	71,866,290	7,836,140	543,518,492	0.0988	10,856,593,273	5.01%
2017	258,088,630	169,548,000	69,126,712	77,304,139	7,116,040	566,951,441	0.0994	11,303,806,612	5.02%
2018	270,589,850	171,123,720	67,487,536	79,501,975	5,646,770	583,056,311	0.0994	11,643,814,763	5.01%
2019	284,748,990	178,374,370	66,846,342	84,257,983	6,191,700	608,035,985	0.0994	12,154,523,924	5.00%
2020	323,292,040	199,137,250	69,733,292	95,581,721	6,076,670	681,667,633	0.1005	13,640,165,782	5.00%
2021	\$ 338,476,010	206,699,480	77,685,087	70,639,450	6,954,030	686,545,997	0.1005	\$ 14,290,161,654	4.80%

^ Real Property Assessments do not include exemptions.

Source: Dorchester County Auditor



DORCHESTER COUNTY, SOUTH CAROLINA

Table 7

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

LAST TEN FISCAL YEARS

UNAUDITED

		County									
Fiscal Year	General	Capital	Debt	TTC	Library	Children in Crisis	Senior Center	Fire	Fire Capital	Total Direct Rate	
2012	0.0502	0.0070	0.0043	0.0035	0.0050	0.0010	0.0019	0.0150	0.0040	0.0919	
2013	0.0502	0.0070	0.0043	0.0035	0.0050	0.0010	0.0019	0.0150	0.0040	0.0919	
2014	0.0502	0.0070	0.0065	0.0035	0.0050	0.0010	0.0019	0.0150	0.0040	0.0941	
2015	0.0502	0.0070	0.0065	0.0035	0.0052	0.0010	0.0019	0.0150	0.0040	0.0943	
2016	0.0550	0.0070	0.0062	0.0035	0.0052	0.0010	0.0019	0.0150	0.0040	0.0988	
2017	0.0550	0.0070	0.0062	0.0035	0.0058	0.0010	0.0019	0.0150	0.0040	0.0994	
2018	0.0550	0.0070	0.0062	0.0035	0.0058	0.0010	0.0019	0.0150	0.0040	0.0994	
2019	0.0561	0.0070	0.0062	0.0035	0.0058	0.0010	0.0019	0.0150	0.0040	0.1005	
2020	0.0549	0.0068	0.0059	0.0033	0.0055	0.0010	0.0019	0.0172	0.0040	0.1005	
2021	0.0549	0.0068	0.0059	0.0033	0.0055	0.0010	0.0019	0.0212	0.0000	0.1005	

Source: Dorchester County Auditor

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

(Continued)

DORCHESTER COUNTY, SOUTH CAROLINA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

LAST TEN FISCAL YEARS

UNAUDITED

Overlapping Rates (Continued)

Fiscal Year	School Districts										Total Direct & Overlapping Rates
	DD2 Op	DD2 Debt	Voc Oper	DD4 Op	DD4 Debt	Voc Oper	Total School District Millage				
2012	0.1686	0.0360	0.0093	0.2302	0.0280	0.0093	0.4814				0.5733
2013	0.1686	0.0360	0.0093	0.2200	0.0280	0.0093	0.4712				0.5631
2014	0.1686	0.0460	0.0093	0.2200	0.0280	0.0093	0.4812				0.5753
2015	0.1686	0.0530	0.0093	0.2200	0.0280	0.0093	0.4882				0.5825
2016	0.1699	0.0530	0.0093	0.2150	0.0280	0.0093	0.4845				0.5833
2017	0.1699	0.0530	0.0093	0.2150	0.0280	0.0093	0.4845				0.5839
2018	0.1736	0.0530	0.0093	0.2150	0.0280	0.0093	0.4882				0.5876
2019	0.1736	0.0530	0.0093	0.2150	0.0280	0.0093	0.4882				0.5887
2020	0.1836	0.0530	0.0092	0.2100	0.0280	0.0092	0.4930				0.5935
2021	0.1836	0.0585	0.0092	0.2100	0.0280	0.0092	0.4985				0.5990

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS AGO

UNAUDITED

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Dominion Energy (Formerly SCE&G)	\$ 20,448,320	1	2.98%	\$ 11,217,880	1	2.28%
Showa Denko Carbon Inc.	17,299,880	2	2.52%	4,887,270	5	0.99%
Robert Bosch LLC	10,939,670	3	1.59%	10,283,800	2	2.09%
Argos Cement LLC	6,418,370	4	0.93%			
Norfolk Southern Railway Co	4,580,400	5	0.67%			
Giant Cement Co	4,591,160	6	0.67%	6,420,070	3	1.30%
Summer Wind Investments LLC	2,375,720	7	0.35%			
Latitude At Wescott Investments	1,867,500	8	0.27%			
Atrium At Wescott LLC	1,639,210	9	0.24%	1,331,920	9	0.27%
Edisto Electric Coop Inc.	1,976,900	10	0.29%			
LaFarge Building Materials, Inc.				5,449,440	4	1.11%
Charleston-J CHAS MSA				3,229,870	6	0.66%
Bellsouth Telecommunications				2,711,770	7	0.55%
Kapstone Charleston Kraft LLC				1,612,400	8	0.33%
Edisto Electric Coop Inc.				1,261,270	10	0.26%
Total	<u>\$ 72,137,130</u>		<u>10.51%</u>	<u>\$ 48,405,690</u>		<u>9.84%</u>

Source: Dorchester County Auditor

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS

UNAUDITED

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
2011	\$ 30,820,087	29,434,165	95.5%	1,591,794	\$ 31,025,959	100.7%
2012	31,379,527	30,165,665	96.1%	1,761,348	31,927,012	101.7%
2013	33,049,268	31,925,907	96.6%	1,417,765	33,343,672	100.9%
2014	33,715,378	32,667,544	96.9%	1,355,541	34,023,085	100.9%
2015	37,067,961	35,609,309	96.1%	1,475,835	37,085,144	100.0%
2016	38,666,088	37,127,741	96.0%	1,630,268	38,758,009	100.2%
2017	39,764,440	38,514,748	96.9%	1,454,441	39,969,189	100.5%
2018	42,136,894	40,613,787	96.4%	1,618,017	42,231,804	100.2%
2019	46,080,732	44,733,958	97.1%	1,425,895	46,159,853	100.2%
2020	\$ 46,410,509	46,631,419	100.5%	-	\$ 46,631,419	100.5%

(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 general operations, capital improvements and County bonds.

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

UNAUDITED

Fiscal Year	Governmental Activities				Business Type Activities				Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Financing Lease - Notes Payable	Limited Obligation Bonds	Revenue Bonds	Water/Sewer Revenue Bonds	Water/Sewer Capital Leases	Water/Sewer Notes Payable	Total Primary Government			
2012	24,105,236	2,875,599	-	2,098,293	69,155,341	245,589	-	98,480,058	2.03%	691	
2013	41,648,342	3,343,729	-	1,844,474	70,489,753	187,712	-	117,514,010	2.37%	809	
2014	39,707,418	2,675,628	-	1,576,695	68,480,771	127,549	-	112,568,061	2.13%	758	
2015	41,784,084	4,452,463	-	1,294,189	64,915,270	65,035	-	112,511,041	2.04%	738	
2016	39,498,844	3,324,866	-	996,146	61,468,766	-	-	105,288,622	1.87%	685	
2017	121,400,675 *	2,186,364	-	681,709	54,182,091	-	5,223,007	183,673,846	3.15%	1,174	
2018	113,353,516 *	4,612,416	-	362,235	53,143,388	-	4,761,701	176,233,256	2.81%	1,097	
2019	121,034,180 *	3,506,654	-	-	49,798,827	-	5,007,197	179,346,858	2.71%	1,109	
2020	137,167,188 *	3,701,520	15,297,630	-	46,270,134	-	6,883,313	209,319,785	2.94%	1,255	
2021	\$ 127,158,400 *	10,640,104	15,263,325	4,650,000	42,650,309	-	6,167,627	\$ 206,529,765	2.85%	\$ 1,216	

(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 FY2017. Therefore, their outstanding principal on referendum approved General Obligation Bonds is reflected in the above figure.

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING**

**LAST TEN FISCAL YEARS**

**UNAUDITED**

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Less: Amounts Available in Debt Service Fund</b>	<b>Total</b>	<b>Percentage of Estimated Actual Taxable Value of Property (1)</b>	<b>Per Capita (2)</b>
2012	24,105,236	(411,399)	24,516,635	0.24%	172
2013	41,648,342	261,026	41,387,316	0.40%	285
2014	39,707,418	297,745	39,409,673	0.38%	265
2015	41,784,084	451,185	41,332,899	0.39%	271
2016	39,498,844	92,031	39,406,813	0.36%	256
2017	121,400,675 *	3,140,297	118,260,378	1.05%	756
2018	113,353,516 *	3,519,132	109,834,384	0.94%	684
2019	121,034,180 *	5,428,877	115,605,303	0.95%	720
2020	137,167,188 *	3,608,316	133,558,872	0.98%	826
2021	\$ 127,158,400 *	1,529,064	\$ 125,629,336	0.88%	\$ 740

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.

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**

**YEAR ENDED JUNE 30, 2021**

**UNAUDITED**

	<u>Governmental Activities Debt</u>	<u>Applicable to County Taxpayers</u>	<u>Taxpayers Share of Debt</u>
<b>Direct</b>			
County	\$ 157,711,829 <sup>1</sup>	100%	\$ 157,711,829
<b>Overlapping</b>			
School District #2	322,315,881	100%	322,315,881
School District #4	15,124,726	100%	15,124,726
Town of Summerville	27,151,552	76%	20,635,180
City of North Charleston	272,100,957	14%	38,094,134
Total Overlapping Debt	<u>636,693,116</u>		<u>396,169,921</u>
Total Direct and Overlapping Debt	<u><u>\$ 794,404,945</u></u>		<u><u>\$ 553,881,750</u></u>

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

<sup>1</sup>Net debt outstanding for the County is all general long-term debt (excluding accrued vacation benefits).

DORCHESTER COUNTY, SOUTH CAROLINA

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS

UNAUDITED

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt limit	40,091,169	40,818,896	41,710,796	42,448,581	43,583,540	45,115,800	45,930,967	\$ 48,642,879	\$ 54,533,411	\$ 56,625,163
Total net debt applicable to limit	19,209,594	36,924,158	39,319,601	37,425,357	35,334,768	32,829,521	30,670,000	44,455,000	40,325,000	37,755,000
Legal debt margin	<u>20,881,575</u>	<u>3,894,738</u>	<u>2,391,195</u>	<u>5,023,224</u>	<u>8,248,772</u>	<u>12,286,279</u>	<u>15,260,967</u>	<u>\$ 4,187,879</u>	<u>\$ 14,208,411</u>	<u>\$ 18,870,163</u>
Total net debt applicable to the limit as a percentage of debt limit	47.91%	90.46%	94.27%	88.17%	81.07%	72.77%	66.77%	91.39%	73.95%	66.68%

Legal Debt Margin Calculation for Fiscal Year 2021

Assessed value	\$ 707,814,538
Debt limit (8% of total assessed value)	56,625,163
Debt applicable to limit:	
General obligation bonds	<u>37,755,000</u>
Legal debt margin	<u>\$ 18,870,163</u>



PLEDGED REVENUE COVERAGE

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year	Water and Sewer Revenue Bonds						Coverage	
	Charges and Other Revenues	(1)	Less: Operating Expenses	(2)	Net Available Revenue	Debt Service		
						Principal		Interest
2012	17,419,761		9,030,163		8,389,598	2,759,547	3,092,121	1.43
2013	17,779,769		10,637,441		7,142,328	2,831,719	2,009,248	1.48
2014	19,166,155		11,504,750		7,661,405	3,347,615	1,964,249	1.44
2015	19,651,915		11,447,522		8,204,393	3,524,459	1,784,886	1.55
2016	20,766,525		11,369,472		9,397,053	3,648,119	1,847,550	1.71
2017	21,750,557		12,357,589		9,392,968	3,724,461	1,797,625	1.70
2018	22,360,182		13,038,421		9,321,761	3,259,383	2,127,654	1.73
2019	23,240,536		14,870,350		8,370,186	3,069,154	1,959,591	1.66
2020	25,366,220		17,246,735		8,119,485	3,253,286	1,840,957	1.59
2021	\$ 29,518,199		16,862,945		12,655,254	3,116,161	\$ 1,699,900	2.63

- (1) Total operating revenues plus interest income
- (2) Total operating expenses less depreciation

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year	(1) Population	(2) Personal Income	(2) Per Capita Personal Income	(3) Unemployment Rate
2012	142,466	4,856,665,940	34,090	7.8%
2013	145,310	4,948,677,360	34,056	6.6%
2014	148,499	5,275,723,973	35,527	5.8%
2015	152,536	5,522,413,344	36,204	5.5%
2016	153,773	5,620,249,377	36,549	4.4%
2017	156,456	5,835,495,888	37,298	3.4%
2018	160,647	6,273,747,291	39,053	2.5%
2019	161,775	6,606,891,000	40,840	2.8%
2020	166,780	7,115,168,360	42,662	8.7%
2021	169,840	\$ 7,245,714,080	\$ 42,662	4.0%

Source:

- (1) South Carolina Revenue and Fiscal Affairs Office
- (2) South Carolina Revenue and Fiscal Affairs Office
- (3) U.S. Bureau of Labor and Statistics

## PRINCIPAL EMPLOYERS

## CURRENT YEAR AND NINE YEARS AGO

## UNAUDITED

Employer	2021			2012		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Robert Bosch Corporation	1,700	1	38.27%	2,400	1	39.41%
iQor	660	2	14.86%	460	5	7.55%
Scout Boats, Inc.	364	3	8.19%	180	9	2.96%
Sportsman Boats Manufacturing	280	4	6.30%			
Showa Denko Carbon, Inc.	275	5	6.19%	230	6	3.78%
ZF (Formerly WABCO)	254	6	5.72%			
Key West Boats	252	7	5.67%			
KION Linde Material Handling NA	239	8	5.38%	200	8	3.28%
Knight's Companies	228	9	5.13%	220	7	3.61%
ECMD	190	10	4.28%			
CAT Reman Powertrain Services				570	4	9.36%
Giant Cement Holdings, Inc.				1,050	2	17.24%
InterContinental Holdings, Inc.				650	3	10.67%
KapStone Paper and Packaging Corp.				130	10	2.13%
Total	<u>4,442</u>		<u>100.00%</u>	<u>6,090</u>		<u>100%</u>

Source: Dorchester County Economic Development

DORCHESTER COUNTY, SOUTH CAROLINA

Table 17

FULL TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION

LAST TEN FISCAL YEARS

UNAUDITED

Function	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General Government</b>										
Administrator	4.0	4.0	6.0	7.0	8.0	8.0	7.0	7.0	8.0	11.0
Animal Control	0.0	0.0	0.0	0.0	5.0	6.0	0.0	0.0	0.0	0.0
Assessor	20.0	20.0	20.0	20.0	20.0	20.0	21.5	22.0	22.0	22.0
Attorney	0.0	0.0	2.0	2.0	2.0	2.0	2.0	3.0	3.0	3.0
Auditor	12.0	12.0	12.0	12.0	12.0	12.0	12.0	13.0	14.0	13.0
Building Services	9.0	9.0	9.0	9.0	10.0	10.0	10.0	10.0	12.0	12.0
Business Services	0.0	0.0	0.0	0.0	0.0	0.0	12.5	13.0	15.0	17.0
Codes Enforcement	7.0	7.0	7.0	7.0	0.0	0.0	0.0	0.0	0.0	0.0
County Council	9.5	8.5	8.5	8.0	8.0	8.0	8.0	8.0	8.0	8.5
Delinquent Tax Collector	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.0	4.0
Elections and Voter Registration	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Facilities & Grounds Maintenance	29.0	30.5	31.5	31.5	31.5	31.5	33.5	33.0	33.0	37.0
Finance	8.0	8.0	8.0	7.0	7.5	7.5	0.0	0.0	0.0	0.0
Fleet Services	11.0	11.0	11.0	11.0	11.0	11.0	11.0	12.0	12.0	12.0
Human Resources	4.0	4.0	4.0	4.0	4.0	4.0	5.0	5.0	5.0	6.0
Information Technology	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	11.0
Planning & Zoning	7.0	7.0	7.0	8.0	10.0	10.0	7.0	7.0	8.0	9.0
Purchasing	3.0	3.0	3.0	3.0	2.5	2.5	0.0	0.0	0.0	0.0
Register of Deeds	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Risk Management & Safety	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Treasurer	14.5	14.5	14.5	14.5	14.5	14.5	14.5	14.5	14.5	13.5
<b>Judicial</b>										
Clerk of Court	11.0	11.0	11.0	11.0	11.0	11.0	10.5	10.5	10.5	10.5
Family Court	11.0	11.5	11.5	11.5	11.5	11.5	12.5	12.5	12.5	12.5
Magistrates	19.0	19.5	19.5	20.0	20.0	20.0	19.5	19.5	19.5	19.5
Master-in-Equity	2.0	2.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Probate Court	6.5	6.5	6.5	6.5	7.0	7.0	7.5	7.5	8.0	8.0

(Continued)

DORCHESTER COUNTY, SOUTH CAROLINA

Table 17

FULL TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION

LAST TEN FISCAL YEARS

UNAUDITED

Function	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Public Safety</b>										
Communications Support	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	0.0
Consolidated Dispatch	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	34.0
Coroner	4.0	5.0	5.0	5.0	5.0	5.0	5.0	5.5	5.5	5.5
Detention	70.5	70.0	70.0	74.0	101.0	101.0	102.0	102.0	102.0	108.0
E911	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Emergency Management	2.0	2.5	2.5	3.0	3.0	3.0	3.0	3.0	3.0	5.0
Emergency Medical Services	66.0	66.0	74.0	74.0	89.5	89.5	90.5	94.5	98.5	98.5
Fire Department	12.0	26.5	26.5	26.5	26.5	49.5	49.5	82.0	94.0	97.0
Sheriff	175.0	181.0	187.5	187.5	186.0	187.0	196.5	208.5	213.0	182.0
Victims Advocate	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
<b>Public Works</b>										
Airport Operations	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Road Maintenance	48.0	48.0	48.0	47.0	47.0	47.0	47.0	44.0	45.0	45.0
<b>Health and Welfare</b>										
Neighborhood Services	0.0	0.0	0.0	0.0	0.0	0.0	10.0	10.0	10.0	10.0
Veteran's Affairs	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
<b>Economic Development</b>										
Economic Development	4.0	4.0	4.0	4.0	4.0	4.0	4.0	5.0	5.0	5.0
<b>Culture and Recreation</b>										
Hospitality Tax - Administrator	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	1.0
Recreation	0.0	0.0	1.0	1.0	1.0	1.0	2.0	2.5	2.5	3.5
<b>Water &amp; Sewer</b>										
Stormwater Utility	24.0	24.0	24.0	24.0	24.0	24.0	24.0	21.0	23.0	23.0
<b>Solid Waste</b>										
Solid Waste	36.0	36.0	36.0	37.0	38.0	38.0	38.5	38.5	38.5	38.5
<b>Total</b>	<b>747.00</b>	<b>771.00</b>	<b>792.50</b>	<b>799.00</b>	<b>844.50</b>	<b>873.50</b>	<b>899.00</b>	<b>950.00</b>	<b>985.50</b>	<b>1011.00</b>

Source: Dorchester County Business Services - Budget & Revenue Division

DORCHESTER COUNTY, SOUTH CAROLINA

OPERATING INDICATORS

LAST TEN FISCAL YEARS

UNAUDITED

Function	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General										
Number of building permits	320	398	383	564	479	502	417	473	753	1,157
Coroner										
Calls for service*	503	639	729	813	907	892	856	863	1,046	1,049
Sheriff										
Calls for service*	143,007	138,992	138,137	133,489	113,747	105,398	101,100	105,596	106,882	96,648
EMS										
Calls for service	14,697	15,308	15,840	17,595	19,038	19,901	20,033	21,352	21,836	20,235
Fire										
Number of calls answered	-	425	1,576	1,498	1,434	1,561	4,568	4,749	4,658	5,040
Number of inspections conducted	-	38	142	216	328	527	1,251	1,295	1,162	1,186
Number of investigations conducted	-	6	7	9	8	11	18	17	32	35
Number of customers										
Retail - Water	7,972	8,148	8,292	8,478	8,655	9,090	9,539	9,821	10,135	10,604
Retail - Sewer	22,701	23,254	23,894	24,518	25,204	26,087	26,969	28,040	28,657	29,770
Sales/Usage in Millions of Gallons										
Retail Average Monthly Water Usage	1.95	1.87	2.34	2.27	2.43	2.65	2.87	2.37	3.12	2.49
Wholesale Average Monthly Water Usage	-	-	-	-	-	-	-	-	-	-
Total Average Monthly Water Usage	1.95	1.87	2.34	2.27	2.43	2.65	2.87	2.37	3.12	2.49
Retail Gallons Sold - Water **	624	604	607	635	644	688	690	712	790	814
Wholesale Gallons Sold - Water	-	-	-	-	-	-	-	-	-	-
Total Gallons Sold - Water	624	604	607	635	644	688	690	712	790	814
Retail Gallons Sold - Sewer **	3,654	3,093	3,059	3,277	3,016	3,118	3,138	3,330	3,647	3,744
Wholesale Gallons Sold - Sewer	-	-	-	-	-	-	-	-	-	-
Total Gallons Sold - Sewer	3,654	3,093	3,059	3,277	3,016	3,118	3,138	3,330	3,647	3,744

\* These figures are as of December 1, 2021

\*\* 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 & Sewer

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

Dorchester County Fire-Rescue Department was not established until 2013, therefore information is not available prior to this year.

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

DORCHESTER COUNTY, SOUTH CAROLINA

Table 19

CAPITAL ASSET STATISTICS

LAST TEN FISCAL YEARS

UNAUDITED

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public safety										
EMS stations	7	7	7	7	7	7	7	7	7	7
Fire stations	11	11	11	12	12	14	16	17	17	17
Sheriff vehicles	149	168	167	168	176	178	190	204	211	215
Sheriff stations (including substations)	2	2	2	2	2	2	2	2	2	2
Highways & Streets										
County maintained paved roads (miles)	353	362	365	365	372	374	375	382	384	384
County maintained unpaved roads (miles)	85	77	76	76	70	70	69	57	56	56
Recreation										
Parks open to the public	2	2	2	2	2	2	3	3	4	4
Parklands open to the public	77.9	77.9	77.9	77.9	77.9	77.9	77.9	77.9	131.2	150.7
Parklands owned by the County for future development	400.4	491.5	491.5	491.5	491.5	495.5	613.0	620.0	620.0	637.7

Source:

EMS information provided by the County Emergency Medical Services Department.

Fire information provided by the County Fire Department. DCFR was not established until 2013, therefore information is not available prior.

Police information provided by the County Sheriff's Office.

Recreation information provided by County Recreation in terms of acreage. County Recreation was not established until 2011, therefore information is not available prior to this year.



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# **COMPLIANCE SECTION**

DORCHESTER COUNTY, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2021

Federal Grantor/ Pass-through Grantor/ Program Title	Assistance Listing Number	Pass-Through Grantor's Number	Federal Share Expenditures
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			
Passed-through the South Carolina Department of Commerce:			
Community Development Block Grant - Regional Planning Grant	14.228	N/A	43,832
Total South Carolina National Heritage Corridor Grant Program			43,832
<b>TOTAL US DEPARTMENT OF THE INTERIOR</b>			<b>43,832</b>
<b>U.S. DEPARTMENT OF JUSTICE</b>			
Direct Programs:			
Bulletproof Vest Partnership Program (BVP)	16.607	BVP 2018	6,040
Coronavirus Emergency Supplemental Funding Program	16.034	N/A	60,367
Equitable Sharing Program	16.922	N/A	34,108
Edward Byrne Memorial Justice Assistance Grant Program:			
Direct Program:			
Sheriff's Office Specialized Entry Team (SET) Enhancement	16.738	2018-DJ-BX-0664	25,613
Total Edward Byrne Memorial Justice Assistance Grant Program			25,613
Passed-through the South Carolina Department of Public Safety:			
Solicitor's Victim Assistance Program	16.575	I-V-18-057	86,001
Solicitor's Victim Assistance Program	16.575	I-V-19-034	21,214
Total Solicitor's Victim Assistance Program			107,215
<b>TOTAL U.S. DEPARTMENT OF JUSTICE</b>			<b>233,343</b>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>			
Passed-through the South Carolina Department of Transportation:			
Highway Planning and Construction Cluster:			
Safe, Accountable, Flexible, and Efficient Transportation Equity Act:			
A Legacy for Users	20.205	IGA-11-07-A12	5,649,925
A Legacy for Users	20.205	IGA-11-07-A12	2,887,068
Fixing America's Surface Transportation	20.205	LPA-12-14	2,460
Total Highway Planning and Construction Cluster			8,539,453
Direct Programs:			
COVID-19: Airport Improvement Program - St. George Airport	20.106		30,000
COVID-19: Airport Improvement Program - Summerville Airport	20.106		13,228
Airport Improvement Program - Summerville Airport	20.106	3-45-0062-017-2019	42,093
Total Airport Improvement Program			85,321
Direct Programs:			
Recreational Trails Program	20.219		100,000
Total Airport Improvement Program			100,000
Passed-through the South Carolina Department of Public Safety:			
Highway Safety Cluster:			
Sheriff's Highway Safety Traffic Division Enhancement Unit - 3rd Year	20.600	PT-2019-HS-13-19	22,105
Sheriff's Host Agency	20.600	2JC20001	1,277
Total Highway Safety Cluster			23,382
<b>TOTAL U.S. DEPARTMENT OF TRANSPORTATION</b>			<b>8,748,156</b>
<b>U.S. DEPARTMENT OF TREASURY</b>			
Direct Program:			
American Rescue Plan Act	21.027	N/A	6,652
Passed-through the South Carolina Department of Administration:			
COVID-19: Coronavirus Relief Fund	21.019	N/A	972,250
<b>TOTAL U.S. DEPARTMENT OF HEALTH &amp; HUMAN SERVICES</b>			<b>\$ 978,902</b>

(Continued)

DORCHESTER COUNTY, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2021

Federal Grantor/ Pass-through Grantor/ Program Title	Assistance Listing Number	Pass-Through Grantor's Number	Federal Share Expenditures
<b>MUSEUMS FOR AMERICA</b>			
Passed-through the South Carolina State Library:			
Library Services & Technology Act - Summer Reading Resource Grant	45.310	N/A	\$ 1,000
Library Services & Technology Act - Large Competitive Grant	45.310	N/A	1,000
<b>TOTAL MUSEUMS FOR AMERICA</b>			<u>2,000</u>
<b>U.S. DEPARTMENT OF HEALTH &amp; HUMAN SERVICES</b>			
Passed-through the South Carolina Department of Social Services:			
Child Support Enforcement	93.563	N/A	364,613
<b>TOTAL U.S. DEPARTMENT OF HEALTH &amp; HUMAN SERVICES</b>			<u>364,613</u>
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>			
Direct Programs:			
Assistance to Firefighters Grant	97.044	EMW-2017-FO-03526	17,554
Assistance to Firefighters SAFER Grant	97.083	EMW-2017-FH-00487	80,343
Assistance to Firefighters SAFER Grant	97.083	EMW-2018-FH-00126	125,784
		Total Assistance to Firefighters SAFER	<u>206,127</u>
Passed-through the South Carolina Emergency Management Division:			
Disaster Grants - Public Assistance (Presidentially Declared Disasters) - South Carolina - Major Disasters and Related Determinations	97.036	FEMA-4464-DR-SC	49,557
Passed-through the South Carolina Emergency Management Division:			
Emergency Management Performance Grants:			
EMD - LEMPG 2018 Emergency Management	97.042	18EMPG01	22,345
EMD - LEMPG 2019 Emergency Management	97.042	19EMPG01	45,223
EMD - LEMPG 2017 - Emergency Management	97.042	17EMPG01	22,297
Total Emergency Management Performance Grants		Total EMD Performance Grants	<u>89,865</u>
<b>TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY</b>			<u>363,103</u>
<b>TOTAL FEDERAL EXPENDITURES</b>			<u>\$ 10,733,949</u>

Note: There were no federal awards disbursed to subrecipients during the year ended June 30, 2021.

**DORCHESTER COUNTY, SOUTH CAROLINA**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**YEAR ENDED JUNE 30, 2021**

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**Note 1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of Dorchester County (the "County") under programs of the federal government for the year ended June 30, 2021. 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*. Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position or cash flows of the County.

**Note 2. Summary of Significant Accounting Policies**

Expenditures reported in the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

**Note 3. Indirect Costs**

The County elected not to use the de minimis indirect cost rate of 10%.



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

**INDEPENDENT AUDITOR'S REPORT**

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Dorchester County, South Carolina (the "County") as of and for the year ended June 30, 2021, 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 31, 2021.

**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) to determine the 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2021-001, that we consider to be a material weakness.

**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 determination of financial statement amounts. 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*.

### **County's Response to the Finding**

The County's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **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 cursive script that reads "Greene Finney, LLP".

Greene Finney, LLP  
Mauldin, South Carolina  
December 31, 2021



**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON  
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

**INDEPENDENT AUDITOR'S REPORT**

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

**Report on Compliance for Each Major Federal Program**

We have audited Dorchester County, South Carolina's (the "County") compliance with the types of compliance requirements described 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, 2021. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. 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"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

***Opinion on Each Major Federal Program***

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 each of its major federal programs for the year ended June 30, 2021.

## Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

*Greene Finney, LLP*

Greene Finney, LLP  
Mauldin, South Carolina  
December 31, 2021



**DORCHESTER COUNTY, SOUTH CAROLINA**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**YEAR ENDED JUNE 30, 2021**

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**2020-001: BANK ACCOUNT RECONCILIATIONS AND RECORDING OF TRANSACTIONS**

**Condition, Context  
and Effect:**

Though the County made significant progress in addressing the weaknesses in internal control related to the bank account reconciliation process noted in the prior year audit, there were certain issues that were not fully resolved during the year ended June 30, 2020.

- 1) The County identified an investment account held by the County Treasurer's Office that was not recorded or reflected in the County's financial system until early November 2020; this account for an agency fund had a balance of approximately \$5,047,000 as of June 30, 2019.
- 2) The County Treasurer's Office did not provide supporting documentation for disbursements of funds to the Business Services department in a timely manner throughout the year. As a result, the County did not record all transactions timely or accurately for the County Operations account, the Water & Sewer Clearing account or the Treasurer's Clearing account for the greater part of fiscal 2020; this situation continues into the fall of fiscal year 2021. We noted approximately \$204,000,000 in fiscal 2020 disbursements from the Treasurer's Clearing account that were not timely recorded on the general ledger as of June 30, 2020. Following extensive research and investigation by County personnel, these items were identified and were appropriately recorded in October and November 2020 back to June 30, 2020. In addition, the County did not timely make transfers in the appropriate funds, in the correct amounts, or in the correct period.
- 3) We noted two material errors (\$2,200,000 and \$889,113) in the recorded balances for two accounts. These errors were corrected when brought to the County's attention.

**Criteria:**

The County should appropriately and timely record all transactions and prepare accurate and timely bank reconciliations as part of its system of internal controls.

**Cause:**

The County hired a staff accountant in the Business Services Department during 2020 to specifically address the reconciling of all County's bank accounts. However, the County was not able to adequately address and correct all of the issues as of June 30, 2020. The separation of duties within the County places responsibility on the County Treasurer's Office to provide the necessary information to Business Services so that Business Services can then complete the bank reconciliations. They have made tremendous progress subsequent to June 30, 2020.

**Status:**

The County has appropriately corrected items (1), (2) and (3) above during 2021.

DORCHESTER COUNTY, SOUTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2021

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Section I - Summary of Auditor's Results

*Financial Statements*

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	<u> X </u> Yes	<u> </u> No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	<u> </u> Yes	<u> X </u> None Reported
Noncompliance material to financial statements noted?	<u> </u> Yes	<u> X </u> No

*Federal Awards*

Internal control over major programs:

Material weakness(es) identified?	<u> </u> Yes	<u> X </u> No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	<u> </u> Yes	<u> X </u> None Reported

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 2 CFR 200.516(a) (Uniform Guidance)?	<u> </u> Yes	<u> X </u> No
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Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
20.205	Highway Planning and Construction Cluster
21.019	COVID-19: Coronavirus Relief Fund

Dollar threshold used to distinguish between type A and type B programs:	<u> \$ 750,000 </u>
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Auditee qualified as low-risk auditee?	<u> </u> Yes	<u> X </u> No
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**DORCHESTER COUNTY, SOUTH CAROLINA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**YEAR ENDED JUNE 30, 2021**

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**Section II – Current Year Financial Statement Findings**

**2021-001: RECORDING OF ACCRUED BALANCES**

**Condition, Context  
and Effect:**

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

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

**Criteria:**

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

**Cause:**

The County receives sales tax revenues from the State on a quarterly basis. Distributions are typically received two to three months following the end of the quarter. As a result of staff turnover during the year, there was confusion as to which months the July 2021 and October 2021 receipts related.

The Library’s misstatements were the result of a lack of management oversight during the closing process.

**Recommendation:**

We recommend the County and Library perform a detailed review of the trial balance after closing in order to identify any entries that may have been omitted or made in error. This review should include current year to prior year analytics of both the balance sheet and income statement as well as a review of supporting documentation for each balance sheet item.

**Response:**

In the future, the County will perform a review of the trial balance to ensure all adjustments are properly recorded, as outlined in the County’s updated Internal Audit operating procedures. Also, due to the material nature of the year-end journal entry needed to record 1% sales tax accrual balances, a separate procedure has been established to ensure the accrual balances are recorded properly for Fund 521. Management noted that this is an isolated annual adjustment that was required for the 1% Sales Tax Fund and is not an issue across any other funds.

The Library’s management will perform a review of the trial balance to ensure all adjustments are properly recorded.

**Section III – Findings and Questioned Costs – Major Federal Awards Programs Audit**

No matters to report.

**Corrective Action Plan**

**Year Ended June 30,2021**

**Section II – Current Year Financial Statement Findings**

**Finding:** 2021-001

**Contact Person:** Kimberly Clayton, Financial Services Manager  
843-563-0252  
[kclayton@dorchestercountysc.gov](mailto:kclayton@dorchestercountysc.gov)

**Corrective Action:** As a result of staff turnover during the year, there was some confusion as to which months the July 2021 and October 2021 sales tax receipts related causing the accrued balances for Fund 521 to be recorded inaccurately which resulted in a FY2021 material misstatement and audit finding.

Due to the material nature of the year-end entry necessary to record Fund 521 accrual balances for the quarterly 1% sales tax payments received from the State, a separate procedure has been developed to record Fund 521 1% Sales Tax year-end accruals to ensure balances are recorded properly going forward even if there is turnover in the staff who prepares the annual adjustment.

Business Services Internal Audit SOP has also been updated to include a review of the trial balance annually prior to the audit to ensure all adjustments are properly recorded.

**Proposed Completion**

**Date:** June 30, 2022