

Council Members

District 1: Stuart Graham
District 2: Charlene McGriff
District 3: Billy Mosteller, Vice Chair
District 4: Jose Luis
District 5: Steve Harper
District 6: Bryant Neal, Secretary
District 7: Brian Carnes, Chair



Interim County Administrator
Steve Willis

County Attorney
Ginny L. Merck-Dupont

Clerk to Council
Sherrie Simpson

January 12, 2026
6:00 PM

LANCASTER COUNTY COUNCIL
COUNTY COUNCIL CHAMBERS, COUNTY ADMINISTRATION
BUILDING, 101 NORTH MAIN STREET, LANCASTER, SC 29720

MINUTES

Council Members Present: Steve Harper, Bryant Neal, Brian Carnes, Billy Mosteller, Charlene McGriff, Jose Luis, Stuart Graham.

Staff Members/Others Present: Steve Willis, Interim County Administrator; Ginny Merck-Dupont, County Attorney; Sherrie Simpson, Clerk to Council; Stephany Snowden, Deputy County Administrator; Sabrena Harris, Chief Financial Officer; Jamie Privuznak, Budget Director; April Williams, Planning Director; Clay Catoe, Emergency Medical Services Director; Karla Deese, Coroner; Grant Davis, Maulding and Jenkins Subsidiaries, LLC; the press; various elected officials; various Department Heads; various employees; and citizens.

A quorum of Lancaster County Council was present for the meeting. The following press were notified of the meeting by e-mail in accordance with the Freedom of Information Act: *The Lancaster News*, *Kershaw News Era*, *The Rock Hill Herald*, Cable News 2, Channel 9 and the local government channel. The agenda was posted in the lobby of the County Administration Building and also on the County website the required length of time. The PowerPoint presentation utilized during the meeting is attached to the written minutes in the Clerk to Council's office.

Call to Order Regular Meeting - Chairman Brian Carnes

Chairman Brian Carnes called the Lancaster County Council meeting to order at approximately 6:00 p.m.

Welcome and Recognition - Chairman Brian Carnes

Chairman Brian Carnes welcomed everyone to the meeting.

Pledge of Allegiance and Invocation - Council Member Charlene McGriff

Charlene McGriff led the Pledge of Allegiance to the American Flag and delivered the Invocation.

Approval of the Agenda

Charlene McGriff moved to approve the agenda. Seconded by Steve Harper. The motion

Passed by a vote of 7-0.

Citizens Comments

The following citizens signed up for and spoke during Citizen Comments:

1. Libby Sweatt-Lambert, Van Wyck, SC, requested that Council not approve any more large development off of Highway 521 and requested a letter from Council explaining how the boundary lines of the residential moratorium were determined.
2. Jeannine Clifton, Indian Land, SC, expressed concerns regarding a commercial development on Barberville Road and non-compliance with the County's Unified Development Ordinance (UDO) and requested that County staff revoke the development's building permits.
3. Jean Doyle, Indian Land, SC, spoke regarding traffic concerns on Highway 521, her opposition to the Harris Tract rezoning, and the need for a commercial development moratorium.
4. Jane Alford, Fort Mill, SC, spoke on behalf of the Lancaster County Arts Council and highlighted their work in the County.

The following citizens submitted electronic, written comments for Citizen Comments, of which Council received a physical copy at their seats and which was acknowledged during the meeting by Sherrie Simpson, Clerk to Council:

1. Joseph Edger, Indian Land, SC wrote in regarding the need to vet the senior leadership of County staff for residency and the need to vet non-profit projects. A copy of his comments is attached as Schedule A to the minutes.

Special Presentations

a. Audit Presentation for the Annual Comprehensive Financial Report For The Fiscal Year Ended June 30, 2025, For Lancaster County - Presented by Grant Davis, CPA, Director, Mauldin and Jenkins and Subsidiaries, LLC

Grant Davis presented the results of the Annual Comprehensive Financial Report for FY25 via the County's PowerPoint presentation. Mr. Davis noted that there were no found deficiencies. Council received a copy of the Annual Comprehensive Financial Report and a copy of the Auditor's Discussion & Analysis, Financial & Compliance Audit Summary. A copy of each document is attached as Schedule B and C to the minutes. Council and Mr. Davis discussed the scope of the audit and what was reviewed. Steve Harper thanked the County's Finance Department for a clean audit for the past 25 years.

b. Overview of South Carolina Ambulance Supplemental Payment Program - Presented by Clay Catoe, EMS Director, and the Public Consulting Group (PCG)

Clay Catoe provided Council with three handouts: South Carolina Ambulance Supplemental Payment Program (ASPP), a letter from the South Carolina Department of Health and Human services, and a memo from the South Carolina Association of Counties highlighting their support of the program in other counties. A copy of these handouts are attached as Schedule D, E, and F to the minutes. Robert Wronski and Garrett Abrahamson reviewed the program and explained that the program would help Lancaster County Emergency Services (EMS) absorb Medicaid shortfalls and would also allow EMS to recover a portion of Medicaid costs already

incurred. They explained that in order for the County to participate, a cost report that detailed the EMS operations would need to be submitted, and an intergovernmental transfer would need to take place. Council requested that County staff place an item on a future Council meeting agenda to move forward with the program enrollment process.

Consent Agenda

Billy Mosteller moved to approve Consent Agenda Item **7a.**, **7b.**, **7c.**, **7d.**, and **7e.** [which are the same as Item **a.**, **b.**, **c.**, **d.**, and **e.** listed below]. Seconded by Charlene McGriff. The motion Passed by a vote of 7-0.

- a. **Approval of Minutes from the December 1, 2025, County Council Special Meeting**
- b. **Approval of Minutes from the December 8, 2025, County Council Regular Meeting**
- c. **Approval of Minutes from the December 10, 2025, County Council Committee of the Whole Meeting**
- d. **3rd Reading of Ordinance 2025-2005**
Ordinance Title: An Ordinance To Rescind Policies Related To Telecommuting And Remote Work Included In The Lancaster County Personnel Policies And Procedures In Accordance With Lancaster County Code, Chapter 2, Article IV, Relating To The Lancaster County Personnel Policy. - Passed 6-0 at the November 24, 2025, County Council Meeting (Charlene McGriff Absent). Passed 7-0 at the December 8, 2025, County Council Meeting. - Steve Willis
- e. **2nd Reading of Ordinance 2025-2009**
Ordinance Title: An Ordinance To Amend The Development Agreement To Approve A Third Amendment To The Development Agreement Between Lancaster County And C4 Exchange Land Co., LLC For A Mixed-Use Townhome / Multifamily Apartment And Nonresidential Development Project Known As "The Exchange" Upon Approximately 130 Acres Of Land, Located At 8918 Charlotte Highway, Lancaster, South Carolina, Establishing The Regulations For The Development Of The Property And Other Matters Related Thereto. - Passed 7-0 at the December 8, 2025, County Council Meeting. - April Williams

Non-Consent Agenda

- a. **Resolution 1314-R2026**
Resolution Title: A Resolution Authorizing An Amendment To The Amended And Restated Master Multi-County Park Agreement Between Chesterfield County And Lancaster County Originally Dated December 9, 2013, As The Same Has Been Amended From Time To Time (Cyclic Materials, Inc., F/K/A Project Maple Leaf) - Steve Willis

Charlene McGriff moved to approve Resolution 1314-R2026. Seconded by Steve Harper.

Steve Willis explained that the County was asked to adopt a Resolution to approve the addition of property located in a Multi-County Park Agreement between Chesterfield and Lancaster County.

There was no discussion from Council. Resolution 1314-R2026 Passed by a vote of 7-0.

b. Resolution 1315-R2026

Resolution Title: A Resolution Authorizing An Amendment To The Amended And Restated Master Multi-County Park Agreement Between Chesterfield County And Lancaster County Originally Dated December 9, 2013, As The Same Has Been Amended November 9, 2015, And As The Same Has Been Further Amended From Time To Time (Duke Energy Progress) - Steve Willis

Charlene McGriff moved to approve Resolution 1315-R2026. Seconded by Billy Mosteller.

Steve Willis explained that the County was asked to adopt a Resolution to approve the addition of property located in a Multi-County Park Agreement between Chesterfield and Lancaster County.

There was no discussion from Council. Resolution 1315-R2026 Passed by a vote of 7-0.

c. 3rd Reading of Ordinance 2025-2007

Ordinance Title: An Ordinance To Approve The Lease Of Certain Real Property Located At 1228 Colonial Commons Court, Suite 101 To Finding Serenity; And To Authorize County Officials To Take Such Actions As Necessary To Effectuate The Purposes Of This Ordinance. - Passed 5-1-1 at the November 10, 2025, County Council Meeting (Jose Luis Opposed and Charlene McGriff Recused). HELD at the November 24, 2025, County Council Meeting. Passed 6-0-1 at the December 8, 2025, County Council Meeting (Charlene McGriff Recused). - Steve Willis

Charlene McGriff recused herself from the Council meeting and stepped out of Council Chambers at approximately 7:04 p.m. A copy of her Statement of Recusal is attached as Schedule G to the minutes.

Billy Mosteller moved to approve the 3rd Reading of Ordinance 2025-2007. Seconded by Jose Luis.

Bryant Neal moved to amend the lease so that the County would not charge Finding Serenity for rent or utilities for the first year, and then renegotiate the rent and utilities following the first year. Seconded by Steve Harper. Julie Walters, the Executive Director for the Women's Enrichment Center, stated that their program/partnership with Amazon will serve over 30 non-profit organizations in Lancaster County. Council and staff discussed the changes to the lease the Council requested. There was no further discussion from Council. The motion to amend Passed by a vote of 6-0-1; Ayes: Harper, Neal, Carnes, Mosteller, Luis, Graham; Recused: McGriff.

There was no further discussion from Council. The 3rd Reading of Ordinance 2025-2007 Passed, as amended, by a vote of 6-0-1; Ayes: Harper, Neal, Carnes, Mosteller, Luis, Graham; Recused: McGriff.

Charlene McGriff re-entered Council Chambers at approximately 7:10 p.m.

d. 2nd Reading of Ordinance 2025-2004

Ordinance Title: An Ordinance To Amend The Ordinance Relating To The Appropriation Of Funds And The Approval Of A Detailed Budget For Lancaster County For The Fiscal Year Beginning July 1, 2025, And Ending June 30, 2026 (FY

2025 - 2026); To Further Provide For Revenues And Expenditures During The Fiscal Year; To Realign The Budget Appropriation In Ordinance No. 2025-1971 For The Purpose Of Establishing A Special Revenue Fund To Account For Department Of Social Services (DSS) Revenues ; And To Provide For Compliance With Federal And State Requirements Governing The Use Of DSS Funds. - Passed 7-0 at the November 10, 2025, County Council Meeting. Held at the November 24, 2025, County Council Meeting. Held at the December 8, 2025, County Council Meeting. - Sabrena Harris

Charlene McGriff moved to approve the 2nd Reading of Ordinance 2025-2004. Seconded by Stuart Graham.

Sabrena Harris reviewed the proposed budget amendment regarding establishing a special revenue fund for Department of Social Services (DSS) funds and noted no changes since the 1st Reading of the Ordinance.

There was no discussion from Council. The 2nd Reading of Ordinance 2025-2004 Passed by a vote of 7-0.

e. 2nd Reading of Ordinance 2025-2010

Ordinance Title: An Ordinance to Amend Ordinance No. 2025-1971, Relating To The Appropriation Of Funds And The Approval Of A Detailed Budget For Lancaster County For The Fiscal Year Beginning July 1, 2025 And Ending June 30, 2026 (FY2025-2026), To Further Provide For Revenues And Expenditures During The Fiscal Year, And To Provide For Matters Related Thereto. - Passed 7-0 at the December 8, 2025, County Council Meeting. - Stephany Snowden

Charlene McGriff moved to approve the 2nd Reading of Ordinance 2025-2010. Seconded by Stuart Graham.

Jamie Privuznak reviewed the proposed budget amendment regarding the Emergency Medical Services (EMS) garage bay project and noted no changes since the 1st Reading of the Ordinance.

There was no discussion from Council. The 2nd Reading of Ordinance 2025-2010 Passed by a vote of 7-0.

f. 1st Reading of Ordinance 2026-2014

Ordinance Title: An Ordinance To Amend The Title Of Ordinance 2025-1995, An Ordinance To Amend The Official Zoning Map Of Lancaster County To Rezone Approximately 59.14 Acres (TM# 0057-00-041.00), To Reflect The Correct Zoning Information For Said Property. - April Williams

Billy Mosteller moved to approve the 1st Reading of Ordinance 2026-2014. Seconded by Bryant Neal.

April Williams explained that the proposed Ordinance was to correct a scrivener's error in the title of Ordinance 2025-1995, and stated that the body of the Ordinance itself was correct, but the zoning district for the property was incorrectly noted in the title. Ms. Williams ensured that the scrivener's error in Ordinance 2025-1995 did not affect the action taken by Council.

There was no discussion from Council. The 1st Reading of Ordinance 2026-2014 Passed by a vote of 7-0.

g. 1st Reading of Ordinance 2026-2015

Ordinance Title: An Ordinance To Approve A Temporary Construction And Permanent Easement Grant To Lancaster County Water And Sewer District Upon Real Property Owned By Lancaster County And Located Off South Carolina Highway 9 Bearing Tax Parcel Number 00681-0f-023.00 And To Authorize County Officials To Take Such Actions As Are Necessary To Effectuate The Grant Of The Easements And To Effectuate The Purposes Of This Ordinance. - Steve Willis

Steve Harper moved to approve the 1st Reading of Ordinance 2026-2015. Seconded by Charlene McGriff.

Steve Willis explained that the County needed to approve a temporary construction and permanent easement grant to the Lancaster County Water and Sewer District in order to have the 12-inch water line serving the new Detention Center complex completed.

There was no discussion from Council. The 1st Reading of Ordinance 2026-2015 Passed by a vote of 7-0.

Discussion and Action Items

a. Receive Information and Take Desired Action Regarding Appointments and/or Re-Appointments to Various Boards and Commissions - Sherrie Simpson

1. Appointment to the Community Outreach and Engagement Advisory Board - George Sellers has re-applied to serve as the District 5 representative, and, if appointed, he would be serving his fourth term that would end on 06/30/2029 AND requires a super-majority vote of Council for appointment.

2. Appointment to the Library Board - there are 2 applicants for the Library Board for District 2 and, if one is appointed, they would be filling an unexpired term that would end on 06/30/2027.

3. Appointment to the Community Outreach and Engagement Advisory Board - Kyvia Crisco has applied to serve as the District 4 representative, and, if appointed, she would be serving an unexpired term that would end on 06/30/2027.

4. Current Board/Commission Vacancies

5. Upcoming Board/Commission Expirations

1. Sherrie Simpson explained that staff had received an application from George Sellers for the Community Outreach and Engagement Advisory Committee and noted that if Council wished to reappoint Mr. Sellers, it would take a super-majority vote from Council since Mr. Sellers would be serving his fourth term. Steve Harper moved to appoint Mr. Sellers. Seconded by Billy Mosteller. There was no discussion from Council. The motion Passed by a vote of 7-0.
2. Sherrie Simpson explained that staff had received two applications for the Library Board. Charlene McGriff explained that she wanted to appoint someone who lived within her district, so she would not be moving forward with either application at this time. Ms. McGriff made a motion to postpone the matter until the next regular Council meeting, which was scheduled for Monday, January 26, 2026. Seconded by Jose Luis. The motion

to postpone Passed by a vote of 7-0.

3. Sherrie Simpson explained that staff had received an application from Kyvia Crisco for the Community Outreach and Engagement Advisory Committee. Jose Luis explained that the application was for the District 4 representative, but he did not know the applicant. Mr. Luis made a motion to postpone the matter indefinitely. Seconded by Steve Harper. There was no discussion from Council. The motion to postpone Passed by a vote of 7-0.
4. Sherrie Simpson explained that the current list of Board and Commission vacancies was included in the agenda packet.
5. Sherrie Simpson explained that the list of upcoming Board and Commission expirations was included in the agenda packet.

Status of Items Tabled, Recommitted, Deferred or Held

There was no discussion regarding the status of any tabled, recommitted, deferred or held items.

- a. **POSTPONED AT APPLICANT'S REQUEST - Public Hearing and 1st Reading of Ordinance 2025-1976**
Ordinance Title: An Ordinance To Amend The Official Zoning Map Of Lancaster County To Rezone 159.64 Acres Located Off Old Hickory Road (TM# 0045-00-004.00), From RN, Rural Neighborhood District, To MDR, Medium Density Residential District. - Planning Department Case Number: RZ-2024-0367. The Planning Commission recommended denial by unanimous vote and the Planning staff also recommended denial of the rezoning request. Postponed at Applicant's Request on July 15, 2025. - April Williams
- b. **POSTPONED AT APPLICANT'S REQUEST - Public Hearing and 1st Reading of Ordinance 2025-1972**
Ordinance Title: An Ordinance To Approve The Request Of Old Hickory Hill, LLC To Amend The Future Land Use Map Contained In The Lancaster County, South Carolina Comprehensive Plan 2040, Changing The Future Land Use Designation For Their Property Located On Old Hickory Rd From Rural To Growth (TMS # 0045-00-004.00 And 0045-00-004.02). - Planning Department Case Number: CP-2024-0367. The Planning Commission recommended denial by unanimous vote and the Planning staff did not have a recommendation. Public Hearing and 1st Reading Postponed Until the July 21, 2025, County Council Meeting by Unanimous Vote at the May 27, 2025, County Council Meeting. Postponed at Applicant's Request on July 15, 2025. - April Williams
- c. **PENDING/SENT TO AD-HOC COMMITTEE - 1st Reading of Ordinance 2025-1988**
Ordinance Title: An Ordinance To Approve A Development Agreement With AM Group Land Holdings, LLC., In Connection With A Major Subdivision Preliminary Plat SD-2021-0528, Which Proposes A 92-Lot Single-Family Cluster Subdivision Overlay District (CSO) Development, Establishing The Regulations For The Development Of The Property, And Other Matters Related Thereto. - Planning Department Case Number: DA-2025-1506 (and DA-2021-0528). The Planning Commission recommended approval of the request by a vote of 5-1 and the Planning staff recommended conditional approval with the provision that staff edits are included in the Development Agreement. At the October 13, 2025, Council

Meeting, the 1st Reading was sent to the Ad-Hoc Development Agreement Committee for Recommendations. - April Williams

- d. POSTPONED AT APPLICANT'S REQUEST - 1st Reading of Ordinance 2025-2008**
Ordinance Title: An Ordinance To Amend The Official Zoning Map Of Lancaster County To Rezone Approximately 48.339 Acres (TM# 0044-00-004.00 And P/O 0044.00.006.00), Which Is Located On Charlotte Highway, Near McAteer Rd., From The Rural Neighborhood (RN) District To The General Business (GB) District - Planning Department Case Number: RZ-2025-1292. The Planning Commission recommended approval by unanimous vote and the Planning staff also recommends approval of the rezoning request. - April Williams
- e. PENDING/SENT TO AD-HOC COMMITTEE - 1st Reading of Ordinance 2025-2011**
Ordinance Title: An Ordinance To Amend The Development Agreement To Approve An Amendment To The Development Agreement Between Lancaster County And The Inspiration Network, Inc. For A Mixed-Use/ Multifamily Apartment And Nonresidential Development Project Known As "The City Of Light" Upon Approximately 91.90 Acres Of Land, Located In Lancaster, South Carolina, Establishing The Regulations For The Development Of The Property And Other Matters Related Thereto. - April Williams

Executive Session

a. Five Items:

- 1. Receipt of legal advice subject to the attorney-client privilege regarding a potential contractual matter relating to the P-Card audit.***
- 2. Receipt of legal advice subject to the attorney-client privilege regarding a potential contractual matter relating to a possible easement on County property.***
- 3. Receipt of legal advice subject to the attorney-client privilege regarding a potential contractual matter relating to the selection of a County Administrator Search Firm.***
- 4. Discussion of personnel matters pursuant to the South Carolina Code of Laws 30-4-70(a)(1) related to the County Administrator's office.***
- 5. Receipt of legal advice subject to the attorney-client privilege regarding a pending development matter in the Indian Land area.***

Brian Carnes stated that he needed a motion to go into Executive Session for five items: (1) for the receipt of legal advice subject to the attorney-client privilege regarding a potential contractual matter relating to the P-Card audit; (2) for the receipt of legal advice subject to the attorney-client privilege regarding a potential contractual matter relating to a possible easement on County property; (3) for the receipt of legal advice subject to the attorney-client privilege regarding a potential contractual matter relating to the selection of a County Administrator Search Firm; (4) for the discussion of personnel matters pursuant to the South Carolina Code of Laws 30-4-70(a)(1) related to the County Administrator's Office; and (5) for the receipt of legal advice subject to the attorney client privilege regarding a pending development matter in the Indian Land area. Charlene McGriff stated that she so moved. Seconded by Jose Luis. The

motion to go into Executive Session Passed by a vote of 7-0. At approximately 7:27 p.m., Council went into Executive Session.

Items Requiring a Vote Following Executive Session

Council came out of Executive Session and Brian Carnes called the Council meeting back to order at approximately 9:10 p.m. Charlene McGriff moved to come out of Executive Session. Seconded by Stuart Graham. The motion to come out of Executive Session Passed by a vote of 7-0.

Upon returning to open session, Ginny Merck-Dupont stated that Council met in Executive Session for five items: (1) for the receipt of legal advice subject to the attorney-client privilege regarding a potential contractual matter relating to the P-Card audit; (2) for the receipt of legal advice subject to the attorney-client privilege regarding a potential contractual matter relating to a possible easement on County property; (3) for the receipt of legal advice subject to the attorney-client privilege regarding a potential contractual matter relating to the selection of a County Administrator Search Firm; (4) for the discussion of personnel matters pursuant to the South Carolina Code of Laws 30-4-70(a)(1) related to the County Administrator's Office; and (5) for the receipt of legal advice subject to the attorney-client privilege regarding a pending development matter in the Indian Land area. She stated that during Executive Session, no motions were made, and no votes were taken.

Steve Harper moved to authorize the County Administrator to proceed with the execution of all documents necessary to enter into a contract for the County Administrator search firm within the parameters discussed in Executive Session. Seconded by Jose Luis. There was no discussion from Council. The motion Passed by a vote of 7-0.

Brian Carnes stated that he was going to appoint an Ad-Hoc Committee for the County Administrator search process, and the members would include himself as Chairman, Jose Luis, Charlene McGriff, and Bryant Neal.

Adjournment

Jose Luis moved to adjourn the Council meeting. There being no further business to discuss, the regular meeting of Council adjourned at approximately 9:12 p.m.

Respectfully Submitted:

Lauren Hill

Lauren Hill
Deputy Clerk to Council

Approved by Council on February 9, 2026

Bryant Neal

Bryant Neal, Secretary



Citizen Comment

Lancaster County

Submitted On:

Jan 12, 2026, 07:48AM EST

Schedule A

Agenda Item for Discussion: Ordinances - Non Profits

Meeting Date:

Full Name

First Name: Joseph

Last Name: Edger

Phone Number

Email

Address:

Please check which meeting this comment is for:

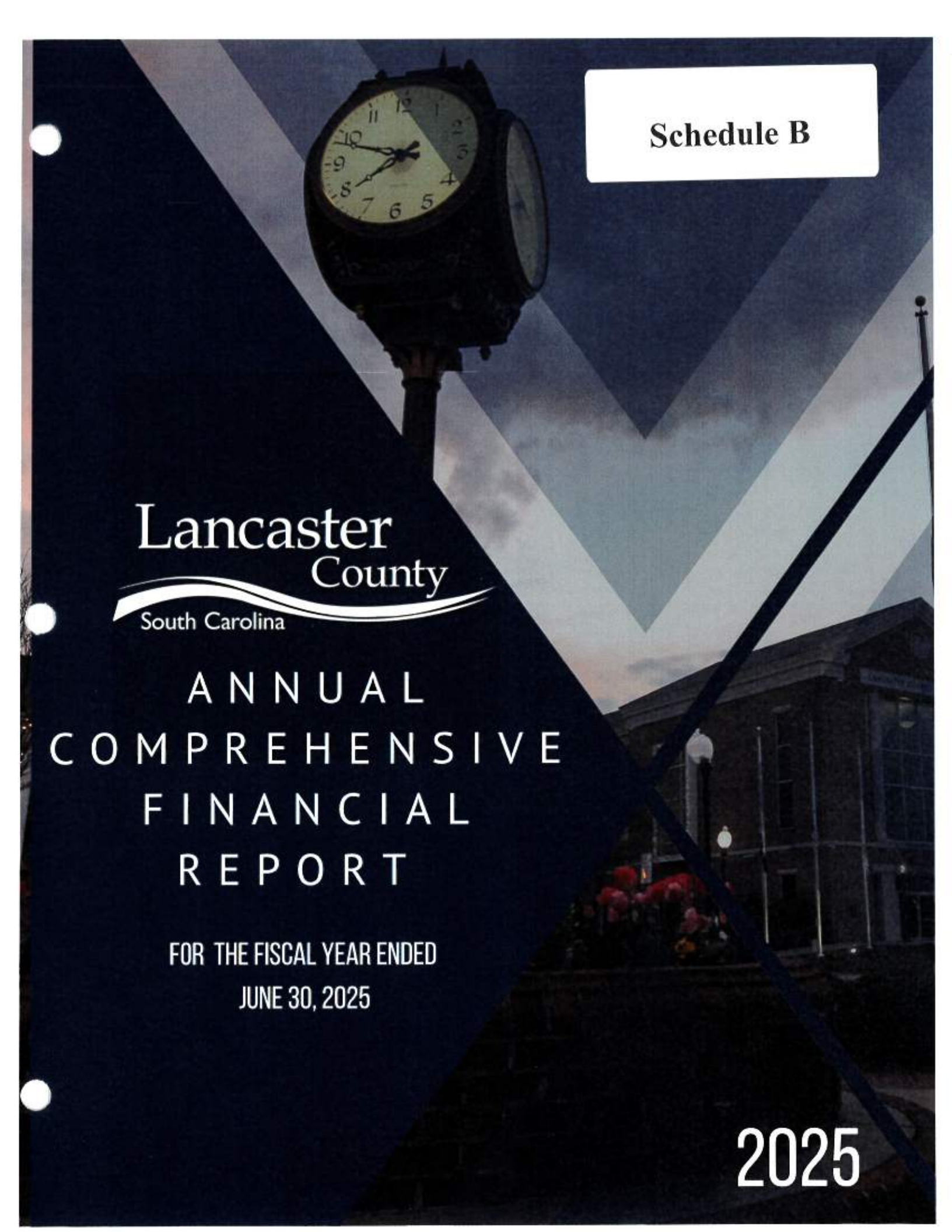
County Council Meeting

Citizen Comment - Regarding Agenda Item:

First of all, Happy New Year to this County Council. I'm certain we will be turning over a new leaf this year, considering all the changes, learnings and the hard lessons from 2025. For instance, will you actually be enforcing your very own ordinances when it comes to members of Council and/or the County? Or will you simply kick the can down the road again and make up lame excuses, act like it wasn't clear or misinterpreted, to get you off this hook? I'm sure you have completely vetted the senior leaders of the County for residency, given this will be the 3rd time you have ignored your own ordinances. Would be embarrassing right? You'd be at my door, dragging me off if I refused to follow an ordinance for the 3rd time.

Also, I do provide Uber Eats for non-profits, do I qualify for a \$1 per year lease for a county building like other Non-profits do if they know the right people? Will this be our Minnesota Day Care scandal in Lancaster in 2026? I think Council should consider the optics as you move on these type "projects" and do some more vetting. I don't want to see this County spiral into fraud.

I'll be waiting for the posted follow up on the County Website before Friday, transparency is critical.



Schedule B

Lancaster
County

South Carolina

ANNUAL
COMPREHENSIVE
FINANCIAL
REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2025

2025

**LANCASTER COUNTY,
SOUTH CAROLINA**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2025**

Prepared by:
Department of Finance

LANCASTER COUNTY, SOUTH CAROLINA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2025

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LANCASTER COUNTY, SOUTH CAROLINA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2025

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LANCASTER COUNTY, SOUTH CAROLINA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2025

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INTRODUCTORY SECTION



Lancaster County
PO Box 1809
101 North Main Street
Lancaster, SC 29721

803-285-1565
www.mylancasterc.org

December 19, 2025

To the Chairman, Members of County Council, and Citizens of Lancaster County:

In compliance with the South Carolina Code of Laws *Section 4-9-150*, we hereby issue the Annual Comprehensive Financial Report (ACFR) of Lancaster County, South Carolina, for the fiscal year ended June 30, 2025. Management assumes full responsibility for the completeness and reliability of all the information presented. To provide a reasonable basis for making these assertions, management has established an internal control structure designed to protect the county's assets from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The county's internal control structure has been designed to provide reasonable, but not absolute, assurance that the financial statements will be free from material misstatement. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management. As management we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The certified public accounting firm of Mauldin & Jenkins, LLC audited the financial statements of Lancaster County. The independent audit involved examining, on a test basis, the following: evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded that there was reasonable basis for rendering an unmodified opinion on the County's financial statement for the year ended June 30, 2025. The independent auditor's report is included at the beginning of the financial section of this report.

In addition to meeting the state statutory requirements, the audit of the financial statements was designed to meet the federally mandated requirements of the Single Audit Act, as amended by the Single Audit Act of 1996, and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards require the independent auditor to report not only on the fair presentation of the financial statements, but also on the County's internal controls and compliance with legal requirements applicable to the administration of federal grants. The independent auditor's reports related specifically to the Single Audit are included in the Single Audit Section.

This letter of transmittal is designed to complement the Management's Discussion and Analysis (MD&A), which immediately follows the report of the independent auditor in the financial section. Generally Accepted Accounting Principles

(GAAP) require that management provide the MD&A, which is a narrative introduction, overview, and analysis of the accompanying basic financial statements.

Profile of the Government

Lancaster County, SC, located in the fast-growing and highly desirable Charlotte, NC region, is one of the fastest growing counties in South Carolina with an estimated population of 111,652 as of July 2024, a 2.6% population increase since 2023. In August 2023, the County adopted a Strategic Plan and is committed to managing growth and enhancing the quality of life through sound policies, innovation, capital investments, business recruitment, public safety support, and parks and recreation amenities. The County is governed under the Council-Administrator form of government and includes six elected department directors. The workforce consists of 733 full-time employees and approximately 492 part-time employees and operates on a combined budget of \$149.5 million for FY25. The County consists of the City of Lancaster and three towns and is working to balance suburban growth and rural area service needs.



Lancaster County is governed under the Council-Administrator form of government. *The vision of the County is to be a network of thriving communities offering the highest quality of life in the Carolinas.* County Council, the governing body, represents seven single member districts. Councilmembers, who are elected on a partisan basis, serve four-year terms. The council bi-annually elects members to serve as Chairman, Vice-Chairman, and Secretary. The County Council is responsible for adopting ordinances, adopting the county budget, establishing fees, and appointing the

County Administrator. The County Administrator is responsible for the day-to-day operations of the government with the assistance of the Deputy County Administrator and senior leadership.

Lancaster County delivers several essential services, primarily to its unincorporated areas. These services include law enforcement, fire protection, solid waste management, and maintenance of roads and bridges. In addition, stormwater management services are provided in areas north of Highway 5 and are funded by a special fee. The County also provides a range of administrative services, such as voter registration, tax assessment and collection, parks and recreation, and health and welfare programs.

Lancaster County is committed to maintaining financial integrity and accountability through robust budgetary, fiscal, and internal control processes. These processes ensure compliance with the legal provisions of the annual budget, as approved by County Council, while upholding fiscal responsibility to the county residents. The County has received multiple awards in recognition of its comprehensive annual financial report and annual budget document.

Budgeting is an essential element of the financial planning, control, and evaluation process of the County. The County's budgets for governmental funds are formally appropriated on an annual basis by County Council. This annual budget process begins with the budget staff receiving requests from departments and agencies on behalf of the County Administrator. Meetings are held with senior leadership, the Deputy County Administrator, and the County Administrator to review these requests. Based on the Administrator's recommendations, the budget staff prepares a draft budget. The draft budget is prepared by fund and department. The recommended budget is

presented and reviewed in multiple workshops for the Council. The Council then holds three readings, a public hearing, and adopts the final budget no later than June 30. The legal level of budgetary control is the fund level.

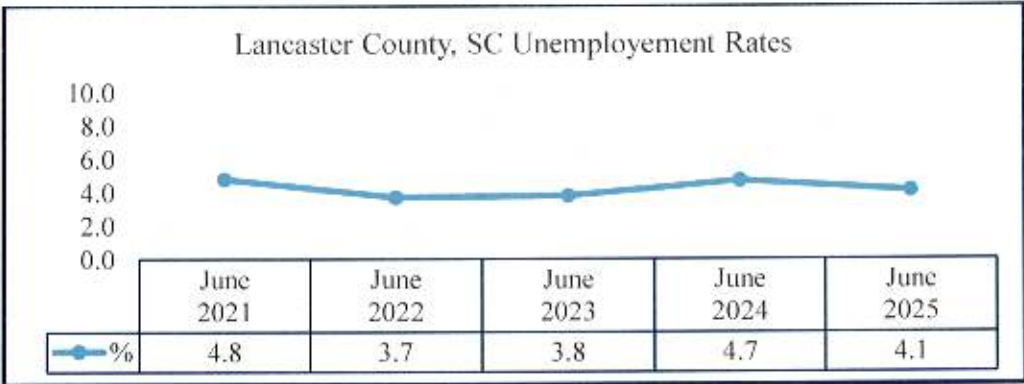
Budget-to-actual comparisons are presented in this report for all governmental funds for which an annual budget has been appropriated. The general fund comparison is included in the required supplementary information section, along with budget-to-actual comparisons for applicable special revenue, capital funds, and debt service funds. This supplementary section also includes financial activity for non-budgeted special revenue funds, including grants, special source revenue bonds, special assessment districts, and development agreements, which are reported for transparency and completeness but are not subject to annual appropriation.

Local Economy

Workforce and Economic Development

The County, once dependent upon manufacturing industries, has developed a diversified industry portfolio to include retail and headquarters of technical & professional industries. According to the South Carolina Department of Employment and Workforce, state employment in manufacturing, the second highest category in jobs by industry, experienced a slight year-over-year decline. Employment in the manufacturing sector totaled 264,700 in June 2024 compared to 264,100 in June 2025, reflecting a decrease of 600 jobs, or approximately 0.2 percent. Construction was the highest during this same period and trade, transportation, and utilities third. There were 48,785 employed and 2,334 recorded as unemployed as of June 2025. The per capita income for the county is \$58,926 per the U.S. Bureau of Economic Analysis estimates.

The County’s unemployment rate was 4.5% in June 2025. The five-year trend for unemployment is shown in the table below.



Source: Bureau of Labor Statistics

Economic development provides opportunities to stimulate the County’s economy and create jobs. We believe our economic development program expands the tax base while diversifying the local economy. Lancaster County announced Atlas Copco Compressors, part of Sweden-based Atlas Copco Group, was establishing a presence in the County. The South Carolina supported project will consist of a 400,000 square foot distribution center for air compressor products. The company plans to invest \$51 million in the first phase of the proposed property and create 163 jobs over a five-year period.

Oldcastle APG will expand its South Carolina footprint by launching a new operation in Lancaster County. The company will invest \$20 million and create 30 new jobs. The facility will manufacture residential and commercial concrete building and hardscape products, with operations expected to begin in the second quarter of 2026.

Colony Compute, Inc. is investing over \$4 million and creating 10 jobs at its headquarters located in The Grace Complex. Colony Compute, Inc. operates a centrally managed, geographically distributed network of high-efficiency data center colonies that utilize 100% immersion-cooling technology, resulting in significantly improved energy efficiency and reduced environmental impact.

Largest employers of the County include:

- **Lancaster County Schools:** Provides K-12 education to students throughout Lancaster County, employs 2,093
- **Medical University of South Carolina** Lancaster Medical Center, a 225-bed hospital, employs 1,206.
- **Red Ventures**, a multibillion-dollar digital media company with an 180-acre campus, employs 1,050. The campus includes a sales center, 6-story office tower, a 260-unit apartment community, and a learning & development center.
- **Movement Mortgage**, one of the nation's largest retail mortgage lenders, employs 1,010.
- **Haile Gold Mine (OceanaGold Corporation)**, in the southern area of the county, is the largest gold mining operation on the East Coast. The mine employs 847.
- **Nutramax Manufacturing, Inc.**, a manufacturer of nutritional supplements for people and pets, employs over 728.
- **Continental Tire headquarters**, one of the leading automotive tire suppliers worldwide, employs 654.
- **Keer America**, a textile industry which has the capacity to produce a wide range of pure cotton yarns, employs 383.
- **Founders Federal Credit Union:** A not-for-profit financial cooperative serving individuals and businesses in the region, employs 294.



Tax Abatements

The County offers industries tax incentives or tax abatements in the form of special source revenue credits and other methods permitted by state law. The abatement information for the County can be found in the Notes to the Financial Statements section. A cost-benefit analysis is performed by County Economic Development and presented to Council for consideration when reviewing a potential project. The analysis includes information such as job types, average wages, and the economic impact created by the industry. The economic development staff is responsible for monitoring and compliance. The industries are also required to file annual reports with the State of South Carolina.

Housing and Commercial Markets

The County's proximity to the Charlotte metropolitan region, along with favorable taxes, has created a market for strong and consistent growth since 2007. Growth is expected to extend down the 521 corridor with new real estate developments announced near the city limits. The Building Department issued permits in FY25 representing a total construction valuation of \$696,787,564. Of this amount, commercial construction permits accounted for \$144,100,984, while residential construction permits represented \$514,031,312. Permit activity remained strong throughout the fiscal year, supported by a competitive housing market. In total, the County issued 4,099 building permits and completed 26,773 building inspections, reflecting sustained development demand and continued investment across the County.

Fiscal year 2025 experienced continued growth in new construction activity across Lancaster County. Several major commercial projects reached completion during the year, including Lowe's Foods, Target, Cosco Mercantile, Chase Bank, and Whataburger. Increased permit activity included ongoing construction within Crossridge and The Exchange mixed-use developments, where there was significant progress on multiple parcels and numerous mercantile, retail, and restaurant upfits within newly constructed multi-tenant buildings. Additional commercial development included several new childcare facilities, such as Big Blue Marble Academy, Ivybrook Academy at Crossridge, and Lightbridge Academy.

Residential construction activity also expanded, with 1,096 new single-family housing permits issued during the fiscal year in developments like Roselyn, which accounted for 142 new housing permits, as well as growth in Kinsdale, Edgewater, Wilson Creek, Sugar Creek, and The Pines.

Higher Education

The University of South Carolina Lancaster (USCL) is an accredited two-year public university, which also offers the completion of selected bachelor's degrees through a partnership with USC Palmetto College. The university, established in 1959, is a regional campus of the University of South Carolina. USCL's enrollment is estimated to be just over 2,400 going into the fall 2025 semester. The university occupies a 150-acre campus and a satellite site in Indian Land. The County previously appropriated \$1 million of capital project sales tax to assist with creating a safe pedestrian and bike crossing on the main highway near the university. The County also appropriated \$1 million from its third capital project sales tax to defray the cost of constructing a new health education facility that will support an expansion of the existing nursing program.

The college is committed to health and education equity. As a part of that commitment, USCL partnered with the South Carolina Department of Health and Environmental Control (DHEC) in 2022 to offer a satellite site on campus for a teen clinic called, *The Hubb*. The Hubb offers young people, ages 13+, free and low-cost preventative health services whether they are a USCL student or not. This is an example of campus-community health partnerships.

Long-term Financial Planning

The County maintains a healthy fund balance by conservative budgeting and has established an unassigned fund balance threshold level of 28-32 percent of the general fund operating budget. The goal is to strategically earmark amounts above the threshold to address the CIP and other

infrastructure needs. One-time operational and capital needs can be met with fund balance appropriations. For example, the subsequent year's budget addresses the need for a data room upgrade for Information Technology, Phase III of a Solid Waste Study, and funds to support the next stage of our Enterprise Resource Planning (ERP) project.

The County developed a comprehensive strategic plan which is noted below as a major initiative. The County also adopted a Capital Improvement Program (CIP). Among several capital needs funded by fund balance and/or bonds, the CIP includes public safety and fire service projects funded by Impact Fees. The fees are collected with building permits, on new construction in the northern portion of the county, to help defray the cost of providing public facilities caused by growth. The Strategic Plan & CIP will be updated at regular intervals and corresponds with the annual budget process.

Relevant financial policies

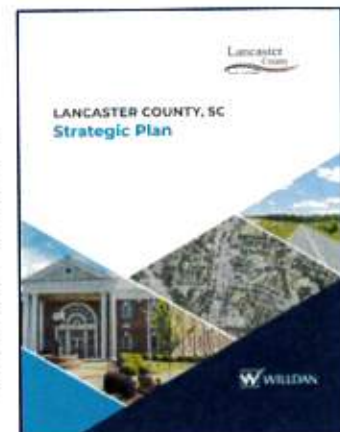
The County's financial policies were created with the general purpose of enabling the County to achieve a long-term stable and positive financial condition. Below are some of the relevant financial policies:

- Maintain a diversified and stable revenue system to protect itself from short run fluctuations.
- One-time or non-recurring revenues will not be used to fund current ongoing operations or for budget balancing purposes.
- The County's cash flow shall be managed to maximize the cash available to invest.
- The County Treasurer or designee shall minimize market risk while maintaining the highest possible yield.
- Conserve and protect the County's resources from accidents and loss exposures.

Major Initiatives

Lancaster County Strategic Plan

In August 2023, the County adopted a comprehensive strategic plan designed to guide its long-term vision, prioritize key initiatives, and set clear attainable goals. The development process actively involved community engagement through public meetings, surveys, and focus groups, which helped identify the County's strengths, weaknesses, opportunities, and challenges. At the heart of the plan is a commitment to enhancing the quality of life for all residents. The full Strategic Plan is available on the County's website under the About Us tab at www.mylancastercsc.org.



Strategic Plan cover

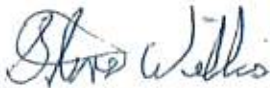
Awards and Acknowledgements

The County received its twelfth Distinguished Budget Presentation Award for the annual budget for fiscal year beginning July 1, 2024. The award signifies that the County prepares a budget document of the highest quality and is used as an operations guide, financial plan, and communication device. The award is valid for one year.

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to Lancaster County for its Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2024. Lancaster County has received this award for twenty-five consecutive years. To be awarded a Certificate of Achievement, Lancaster County published an easily readable and efficiently organized ACFR. This report satisfies both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year.

The preparation of the ACFR is not possible without the valuable teamwork and dedication of the Lancaster County Finance staff. Moreover, the support and leadership of the County Council have been instrumental in the development of this report. We would also like to thank the accounting firm of Mauldin & Jenkins, LLC for their assistance with this endeavor.

Respectfully submitted,



Steve Willis
Interim County Administrator



Sabrena V. Harris
Chief Financial Officer



The Government Finance Officers Association of
the United States and Canada

presents this

AWARD OF FINANCIAL REPORTING ACHIEVEMENT

to

Finance Department
County of Lancaster, South Carolina

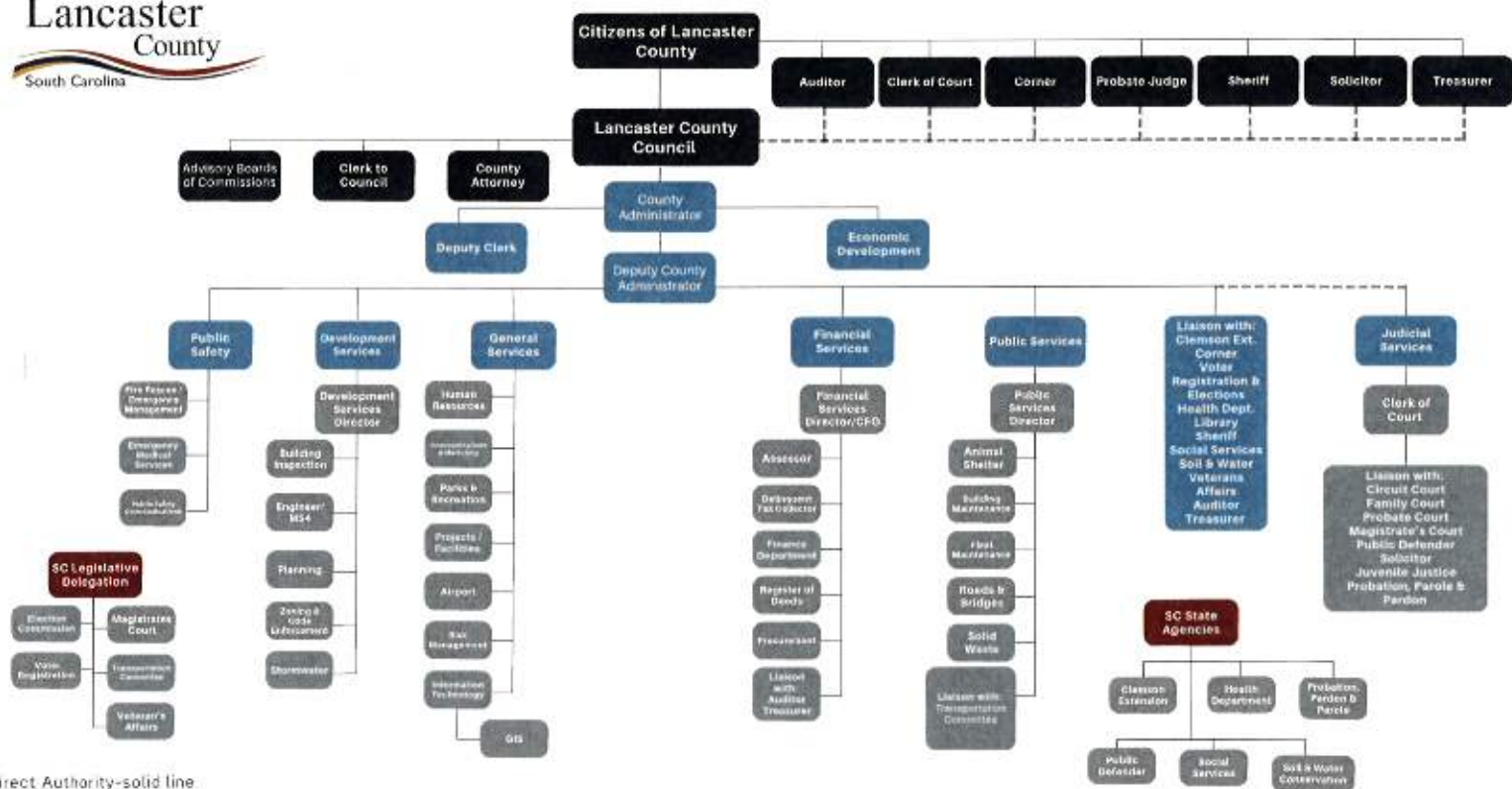


The Award of Financial Reporting Achievement is presented by the Government Finance Officers Association to the department or individual designated as instrumental in the government unit achieving a Certificate of Achievement for Excellence in Financial Reporting. A Certificate of Achievement is presented to those government units whose annual financial reports are judged to adhere to program standards and represents the highest award in government financial reporting.

Executive Director:

Christopher P. Morrell

Date: 12/12/2025





Standing: Graham, Harper, McGriff, Luis
Seated: Mosteller, Carnes, Neal

**LANCASTER COUNTY,
SOUTH CAROLINA
PRINCIPAL COUNTY OFFICIALS
JUNE 30, 2025**

MEMBERS OF COUNTY COUNCIL

Stuart Graham, District 1, Member
Charlene McGriff, District 2, Member
Billy Mosteller, District 3, Vice Chair
Jose Luis, District 4, Member
Steve Harper, District 5, Member
Bryant Neal, District 6, Secretary
Brian Carnes, District 7, Council Chair

ELECTED & APPOINTED OFFICIALS

Suzette Murphy, Auditor
Mike Watkins, Clerk of Court
Karla Deese, Coroner
Mary Rathel, Probate Judge
Barry Faile, Sheriff
Carrie Helms, Treasurer
Brittany Grant, Register of Deeds

ADMINISTRATIVE OFFICIALS

Dennis Marstall, County Administrator
Stephany Snowden, Assistant County Administrator
Ginny Merck-Dupont, County Attorney
Sherrie Simpson, Clerk to Council

Sabrena Harris, Financial Services Director
Allison Hardin, Development Services Director
Jeffery Catoe, Public Services Director

FINANCIAL SECTION



Independent Auditor's Report

To the County Council
of Lancaster County
Lancaster, South Carolina

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of **Lancaster County, South Carolina** (the "County") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis (on pages 5 through 16), the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the General Fund (on pages 81 and 82), the Schedule of Changes in the County's Total OPEB Liability and Related Ratios (on page 83), the Schedules of the Proportionate Share of the Net Pension Liability (on page 84), and the Schedules of Contributions (on pages 85 and 86) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's financial statements. The combining and individual nonmajor fund financial statements and schedules, the budgetary comparison schedules, the Schedule of Expenditures of Federal Awards, as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards*, and the Uniform Schedule of Court Fines, Assessments, and Surcharges, as required by the State of South Carolina are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

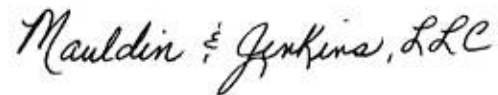
Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2025, on our consideration of Lancaster County, South Carolina's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Lancaster County, South Carolina's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lancaster County, South Carolina's internal control over financial reporting and compliance.



Columbia, South Carolina
December 18, 2025

LANCASTER COUNTY, SOUTH CAROLINA
Management's Discussion and Analysis
FOR THE YEAR ENDED JUNE 30, 2025

As management of Lancaster County, South Carolina, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with additional information furnished in our letter of transmittal on pages i-vii and the County's financial statements.

Financial Highlights

- Lancaster County's assets and deferred outflows exceeded its liabilities and deferred inflows at the close of June 30, 2025, by \$276,502,364 for governmental and business-type activities as reflected in the Statement of Net Position.
- Implementation of GASB Statement No. 101, *Compensated Absences*, increased long-term liabilities by \$4.4 million and required a retrospective recalculation of compensated absences for the prior three years, resulting in a \$2.3 million reduction to beginning net position.
- A positive increase in net position of \$38,745,886 was reported.
- At the close of the fiscal year, the County's combined governmental funds reported ending fund balances of \$274,313,309, an increase of \$14,509,653 from the prior year.
- Total Unassigned Fund Balance for the Governmental Funds was \$68,861,338.

Overview of the Financial Statements

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

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. These statements consist of a statement of net position and a statement of activities, which report information about the overall financial position and activities of Lancaster County government as a whole.

The *statement of net position* presents financial information on all the County's assets and liabilities, deferred inflows/outflows of resources, with the difference reported as net position. The County's net position is a way to measure financial health. Over time, increases or decreases in the County's net position are one indicator of whether financial health is improving or deteriorating.

The *statement of activities* presents information on how the County's net position changed during the most recent fiscal year. All the current year's revenues and expenses are accounted for in the statement of activities, regardless of when cash is received or paid. The focus of the statement of activities is on the net cost of activities provided by the County.

The government-wide financial statements include information about the County (known as the primary government), which is mainly supported by taxes and charges for services. The County Airport (Enterprise Fund) is also reflected, which is supported by fees, charges, and the primary government.

The government-wide financial statements can be found on pages 17-18 of this report.

LANCASTER COUNTY, SOUTH CAROLINA
Management's Discussion and Analysis
FOR THE YEAR ENDED JUNE 30, 2025

Fund financial statements

The fund financial statements provide detailed information about the County's most significant funds. A fund is a group of related accounts used to maintain control over resources which have been segregated for specific activities or objectives. Lancaster County, like other state and local governments, utilizes fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the County can be divided into three categories: governmental, proprietary, and custodial.

Governmental Funds

Governmental funds are used to account for the County's general government activities. Unlike the government-wide financial statements, governmental fund financial statements are reported using current financial resources. Revenues are recognized to the degree that they are available to finance expenditures of the fiscal period being reported.

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

The County maintains thirty individual governmental funds. The General Fund accounts for all financial resources except those required to be accounted for in another fund. Major Funds, other than the *General Fund*, include:

- The Capital Projects Sales Tax 3 Fund, approved by county council in May 2022, activities to include funding the detention center and other various projects.
- The Capital Projects Sales Tax 2 Fund, accounts for 1 cent sales tax approved by a referendum and became effective, May 1, 2016. Activity for the current fiscal year includes road improvements, library improvements, and a transfer to the debt service fund.
- The General Obligation Bond Projects Fund which accounts for activity for recreation projects, EMS headquarter improvements, and the purchase of fire apparatus.
- The Debt Service Fund is used to account for the payment of governmental activities long term debt principal and interest payments.
- ARPA (American Rescue Plan Act) Fund used to account for funds allocated by the federal government to address the economic and public health effects of Covid-19.
- The Lancaster County Public Facilities Corporation used to account for the issuance of revenue bonds and the acquisition of capital assets from bond proceeds.

The County's remaining twenty-nine funds, (7) capital projects funds and (16) special revenue funds are presented as non-major funds.

Lancaster County annually adopts a budget for its general, debt service and special revenue funds. Project length budgets are adopted for the capital projects fund. Budgetary comparison statements have been provided for the General Fund as required supplementary information. The OPEB and Pension liability schedules are also required supplementary information. Budgetary comparisons for the debt service, capital projects, and special revenue funds, are included as other supplementary information.

The governmental fund financial statements can be found on pages 19-24 of this report.

LANCASTER COUNTY, SOUTH CAROLINA
Management's Discussion and Analysis
FOR THE YEAR ENDED JUNE 30, 2025

Proprietary Funds

Proprietary funds are used to account for the same functions presented as business-like transactions of the government. The types of proprietary funds are enterprise and internal service. The County maintains one enterprise fund used to account for its airport operations.

The proprietary fund financials can be found on pages 25-27 of this report.

Custodial funds

Custodial funds account for resources held by the County for the benefit of other parties. The resources of custodial funds are not available to support the County's programs and are therefore excluded from the government-wide financial statements. There are four types of custodial funds: pension and other employee benefit trust funds, investment trust funds, private purpose trust funds and custodial funds. The County only reports custodial funds.

The custodial financial statements can be found beginning on page 28 of this report.

Notes to the financial statements

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

The notes to the financial statements begin on page 30.

Other information

In addition to the basic financial statements and accompanying notes, this report presents the previously mentioned budgetary comparisons for the general fund, special revenue and capital projects funds. Combining and individual statements and schedules for nonmajor funds are presented. Pension and other post-employment benefits (OPEB) funding obligations are also included as supplementary information. Included are a schedule required by state law applicable to expenditures on behalf of victims of crime and financial trends information.

The supplementary information begins on page 81.

LANCASTER COUNTY, SOUTH CAROLINA
Management's Discussion and Analysis
FOR THE YEAR ENDED JUNE 30, 2025

Government-wide Financial Analysis

As noted earlier, the statement of net position over time may serve as an indicator of its financial position. In the case of Lancaster County, assets and deferred outflow of resources exceeded liabilities and deferred inflow of resources by \$276,502,364 on June 30, 2025.

The following table presents a summary of the statement of net position on June 30, 2025:

Lancaster County's Net position						
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	FY 2025	FY 2024	FY 2025	FY 2024	FY 2025	FY 2024
Assets						
Current and other assets	\$308,955,427	\$293,493,642	\$(3,182,502)	\$(3,088,903)	\$305,772,925	\$290,404,739
Capital assets	168,645,523	149,573,588	12,393,875	10,756,365	181,039,398	160,329,953
Total assets	477,600,950	443,067,230	9,211,373	7,667,462	486,812,323	450,734,692
Deferred Outflows of Resources	16,643,875	13,191,294	24,276	22,677	16,668,151	13,213,971
Liabilities						
Long-term liabilities	195,372,214	194,113,764	138,081	141,415	195,510,295	194,255,179
Other liabilities	26,035,673	26,674,872	497,330	341,002	26,533,003	27,015,874
Total liabilities	221,407,887	220,788,636	635,411	482,417	222,043,298	221,271,053
Deferred Inflows of Resources	4,860,971	2,582,336	73,841	82,984	4,934,812	2,665,320
Net position:						
Net investment in capital assets	155,010,321	134,161,211	11,890,313	10,406,719	166,900,634	144,567,930
Restricted	47,369,900	49,839,671	-	-	47,369,900	49,839,671
Unrestricted	65,595,746	48,886,670	(3,363,916)	(3,281,981)	62,231,830	45,604,689
Total net position	\$267,975,967	\$232,887,552	\$8,526,397	\$7,124,738	\$276,502,364	\$240,012,290

The largest portion (60.4%) of Lancaster County's **net position** reflects **net investment in capital assets**, less any outstanding debt used to acquire those assets. These capital investments play an integral role in providing services and addressing population growth. The **restricted** portion represents resources that are subject to external restrictions on their use such as funds for property tax reduction, general obligations bond proceeds, gasoline tax funds, and capital projects sales tax 2 and 3. The increase in restricted net position is attributed to hospitality tax revenue which will be used to fund a future regional park. Debt service funds restricted also increased from activity in the bond fund. The increase in the **current and other assets** includes pooled cash for various funds and reflected increase in hospitality tax, capital projects sales tax 3, county transportation and development agreement funds. Investments include ARPA funds and cash held at the state investment pool. The **capital assets** of the government increased due to several construction projects, such as recreation improvements and a public safety facility and equipment. The capital assets are discussed in detail later in this analysis. **Long-term liabilities** increased during the fiscal year largely due to the growth in subscription-based arrangements and the implementation of GASB Statement No. 101, *Compensated Absences*. Subscription liabilities increased by \$2,074,481, and compensated absences increased by \$4,368,739. As required by GASB Statement No. 101, compensated absences were recalculated retrospectively for the prior three fiscal years, resulting in a restatement of beginning net position, reduced by \$2,255,812.

LANCASTER COUNTY, SOUTH CAROLINA
Management's Discussion and Analysis
FOR THE YEAR ENDED JUNE 30, 2025

The accrued payables also increased compared to the prior year. Deferred inflows increased from the prior year based upon the actuarial report from the state, these resources were not available for this period. **Net investment in capital assets** increased due to an increase in assets acquired during the period, including construction in progress. The capital assets are discussed later in this report.

Governmental Activities. The County's activities decreased the change in net position \$3,765,358 from the prior year.

Key elements of the change include:

- **Total revenues** increased for the government's activities by \$17,345,754 for the fiscal year. Charges for services, operating grants & contributions, and property taxes attribute to the increase. *Operating grants & contributions* include ARPA revenue used during the year, a grant to make ongoing improvements to the DSS building, and an increase in state aid. *Property taxes* increased due to growth in the ad-valorem, interest income, and vehicle taxes.
- **Total expenses** increased by \$21,111,112 for governmental activities compared to the prior year. Overall, there was a 5% cost of living adjustment for employees. *Public safety* expenses increased by \$9,736,960 primarily due to equipment for special projects and replacement of 31 sheriff vehicles (\$1.6M), salaries (\$1.7M), and less federal grant funding (\$3M). *General government administration* expenses increased by \$4,630,155 for salaries and IT subscriptions. *Public works* expenses increased by \$1,897,784 for salaries, vehicle replacement, and increased road maintenance projects. *Public health* and welfare expenses increased by \$3,900,466 for salaries, new equipment, vehicle replacements, and special projects. *Economic Development* expenses increased by \$632,109 for expansion of new businesses.

Business-type Activities. Business-type activities (Airport) change in net position increased by \$871,635 compared to the prior year. Fuel sales increased during the year, and the County increased its support to airport operations.

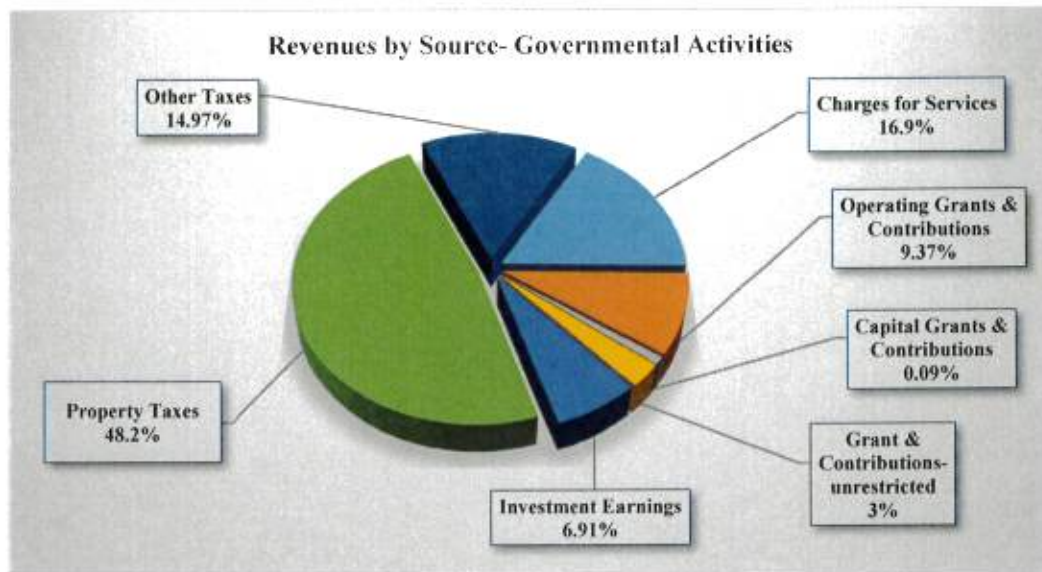
LANCASTER COUNTY, SOUTH CAROLINA
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The table below summarizes the changes in net position for the County for the year ended June 30, 2025:

Lancaster County's Changes in Net Position						
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	FY 2025	FY 2024	FY 2025	FY 2024	FY 2025	FY 2024
Revenues:						
Program Revenues:						
Charges for services	\$27,273,252	\$21,654,804	\$470,469	\$359,121	\$27,743,721	\$22,013,925
Operating grants & contributions	15,090,527	13,735,590	-	-	15,090,527	13,735,590
Capital grants & contributions	1,431,241	259,850	1,930,123	1,089,416	3,361,364	1,349,266
General Revenues:						
Property taxes	77,589,067	68,028,330	-	-	77,589,067	68,028,330
Other taxes	24,103,602	23,027,455	-	-	24,103,602	23,027,455
Unrestricted grants & contributions	4,345,344	3,153,176	-	-	4,345,344	3,153,176
Unrestricted investment earnings	11,118,325	9,801,009	-	-	11,118,325	9,801,009
Other		3,945,390	-	-		3,945,390
Total revenues	160,951,358	143,605,604	2,400,592	1,448,537	163,351,950	145,054,141
Expenses:						
General government	24,818,409	20,188,254	-	-	24,818,409	20,188,254
Administration of justice	3,675,809	3,887,655	-	-	3,675,809	3,887,655
Public safety and law enforcement	50,836,434	41,099,474	-	-	50,836,434	41,099,474
Public works	18,725,519	16,827,735	-	-	18,725,519	16,827,735
Public health & welfare	12,576,411	8,675,945	-	-	12,576,411	8,675,945
Economic development	1,242,419	610,310	-	-	1,242,419	610,310
Culture & recreation	7,129,689	7,056,714	-	-	7,129,689	7,056,714
Interest on long-term debt	4,602,441	4,149,932	-	-	4,602,441	4,149,932
Airport	-	-	998,933	918,513	998,933	918,513
Total expenses	123,607,131	102,496,019	998,933	918,513	124,606,064	103,414,532
Increase (Decrease) in net position before Transfers	37,344,227	41,109,585	1,401,659	530,024	38,745,886	41,639,609
Transfers	-	-	-	-	-	-
Increase (Decrease) in net position	37,344,227	41,109,585	1,401,659	530,024	38,745,886	41,639,609
Net position- beginning of year (restated)	230,631,740	191,777,967	7,124,738	6,594,714	237,756,478	198,372,681
Net position- end of year	\$267,975,967	\$232,887,552	\$8,526,397	\$7,124,738	\$276,502,364	\$240,012,290

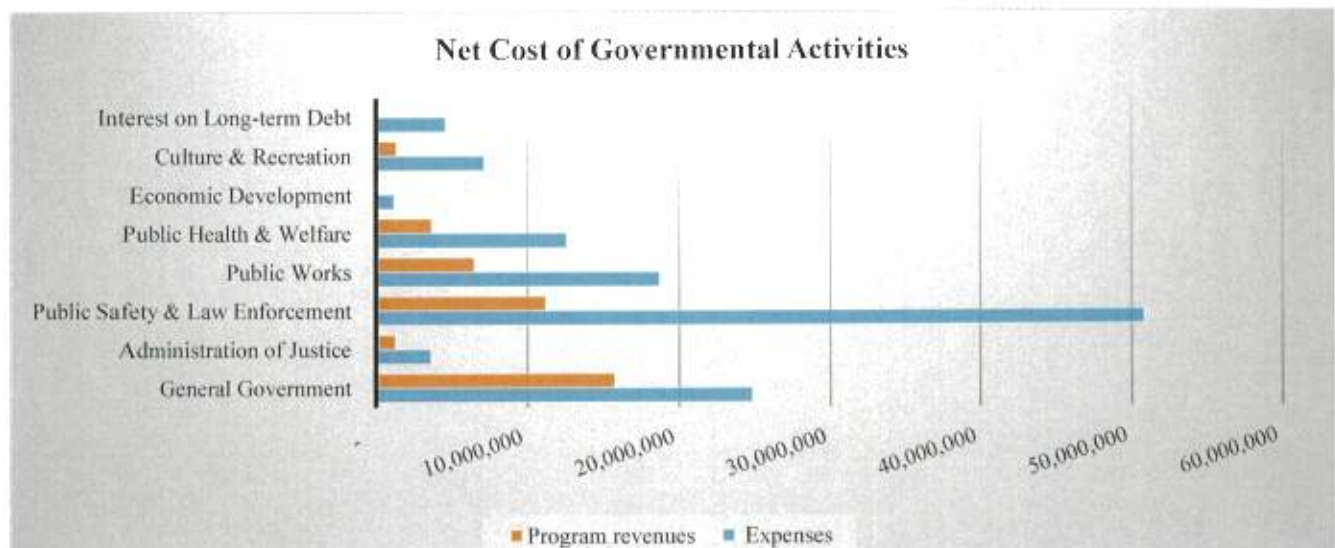
LANCASTER COUNTY, SOUTH CAROLINA
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FOR THE YEAR ENDED JUNE 30, 2025

The pie chart below depicts the percentages of revenues by source for the County's governmental activities:



As illustrated in the pie chart above, **Property Taxes** (48.2%) are the government's main source of revenue. This category includes taxes collected for general fund, debt service, court security, and capital improvement. **Charges for services**, another major source (16.9%), include: Stormwater management, EMS charges, & building permit fees. **Investment earnings** represent the least source of general revenue. **Other taxes** (14.97%) reflect revenue from road improvement fees, hospitality taxes, and capital projects sales tax 3 (CPST3).

The chart below represents the cost of governmental activities in comparison to the program revenues that support them (net cost of governmental activities):



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Financial Analysis of the County's Funds

As noted earlier, Lancaster County's fund accounting ensures and demonstrates compliance with finance-related legal requirements. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. 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.

On June 30, 2025, the sum of all the County's governmental funds fund balances totaled \$274,313,309 of which \$68,861,338 is classified as unassigned. The **General Fund** is the major governmental fund of the County. At the end of the fiscal year, the general fund reported an unassigned fund balance of \$72,005,083 compared to \$55,467,741 the prior year. Property taxes account for 48% of the general fund revenues. Property tax collections increased due to growth in assessed values and local option sales tax revenue. The permits have contributed to the growth of the County's reserves since the year 2007. Historically, when there are positive collections in building permits the same trend is apparent with register of deed fees. There was a 13% increase in register of deed fees compared to the prior year. This is reflective of an increase in the number of deeds recorded. The County continues to maintain a healthy fund balance due to conservatively estimating revenues and controlled spending. There were vacant savings throughout the year and projects carried forward, as explained in the *general budgetary highlights* below.

The **Capital Projects Sales Tax 3 Fund (CPST)**, also a major fund, reports the County's third CPST approved by the voters which became effective May 2022 and is effective for seven years. The fund balance decreased by \$6,769,573 compared to the prior year. The county utilized \$4,302,750 in principal and interest payments on the Installment Purchase Revenue Bonds, specifically related to the portion of debt for the new Detention Center. The County intends to use the funds in this account to pay for the new Sheriff's Detention Center and continue road improvement projects approved by the CPST2 projects.

The **Lancaster County Public Facilities Corporation (PFC)**, major fund, is a capital project fund used to report the proceeds from the issuance of the Installment Purchase Revenue Bonds, Series 2023 (IPRB Series 2023). These bonds were issued to fund the Sheriff's new Detention Center and the Regional Park project. The PFC will purchase the capital assets with the bond proceeds.

General Fund Budgetary Highlights

A budgetary comparison schedule is included for the general fund on pages 81-82. After accounting for other financing sources and uses, the net change in fund balance was an increase of \$14,005,488. Actual revenues were above budgetary estimates by \$14,388,497. Actual expenditures were below budgetary appropriations by \$9,750,943 due to reasons explained below. No transfers were made out of the General Fund.

Significant variances between final budgets to actual amounts for *revenues* include:

- **Property Taxes** - Taxes were more than anticipated in the following categories: Current property taxes (\$731K), delinquent property taxes (\$1.6M), local option sales tax (\$1.2M), local option sales tax rollback (\$1.6M), and vehicle taxes (\$738K). All reflect the ongoing residential and commercial growth in the County. The local option sales tax rollback revenue will be given back to the taxpayers as a credit on their tax bills in the subsequent tax year.
- **Other Taxes** - Includes a \$40 road fees per vehicle and the increase is due to population growth, which collected \$607,454 more than anticipated.
- **Licenses & permits** - Total Collections were a net \$2,756,040 above revenue estimates in this category due to conservative budgeting for this market-driven revenue. Building permits collected were \$2,870,835 above estimates and register of deeds fees, although significantly higher than last fiscal year, were \$683,823 below estimates. The net increase in revenues contributes to building the County's fund balance.
- **Interest Revenue** - Rates have rebounded from prior years due to monetary changes implemented by the federal government, reflected in \$2,135,418 above estimates.
- **Other Revenue** - a favorable variance due to insurance claim funds for various departments.

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The County reported significant negative & positive variances between final budgets and actual amounts for *expenditures* at the departmental level. At the fund level, the County's legal level of budgetary control, the overall ending variances were positive.

Below were the significant negative variances:

- Coroner (\$95,601) - Increase in professional medical service expenses
- Magistrate (59,484) - Increase in full-time wages and fringe benefits
- EMS (\$50,754) - Increase in full-time wages and fringe benefits, gasoline, and medical supplies

Below were the significant positive variances and the explanations for those variances:

- Non-Departmental \$388,354- Unemployment compensation, volunteer workers' compensation expenditure, and retiree insurance lower than expected and property insurance \$157K lower than budgeted
- County Council \$1,125,658 - Savings in grant match and professional services
- Council Transfers \$207,738 - Savings in transfer amount needed for the airport
- Administration \$1,957,137- Savings in professional services for employees' medical contract and in contracted services for office renovations
- Information Technology \$1,007,700 - Savings in full-time wages, fringe benefits, and maintenance service agreements
- Building Inspections \$493,087 - Savings in full-time wages, fringe benefits, contracted services, and demolition expense
- Planning & Zoning \$1,232,277 - Savings in full-time wages and fringe benefits due to vacancies, contracted services, demolition expense, and special projects
- Registration & Elections \$304,087 - Savings in full- and part-time wages and fringe benefits
- Sheriff \$1,857,095 - Savings in full-time wages and fringe benefits, supplies, protective clothing, and building construction
- Public Safety Communications \$462,463 - Savings in full-time wages and fringe benefits, gasoline expenses, maintenance and contracted services
- Lancaster County Firefighters \$258,991 - Savings in full-time wages, capital equipment, and special projects
- Road Maintenance \$1,198,777 - Savings in full-time wages, stone expenses, special projects, and contracted services
- Building Maintenance \$323,223 - Savings in full-time wages and fringe benefits, telephone, gasoline, and maintenance expenses
- Solid Waste Collections \$1,954,123 - Unspent one-time funding for Solid Waste Study and reconfiguration of convenience sites
- Recreation-Operations \$250,814 - Savings in part-time and overtime wages and fringe benefits, and special projects

LANCASTER COUNTY, SOUTH CAROLINA
Management's Discussion and Analysis
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Capital Assets

Lancaster County's net investment in capital assets for its governmental activities on June 30, 2025, totaled \$168,645,523, net of accumulated depreciation. This investment in capital assets includes land, buildings and building improvements, vehicles, furniture and equipment, and infrastructure assets added during the fiscal year. The lease assets are now reported at a total of \$315,080.

	Lancaster County's Capital Assets (net of depreciation) and Lease Assets					
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	FY 2025	FY 2024	FY 2025	FY 2024	FY 2025	FY 2024
Land	\$15,082,640	\$15,082,640	\$598,607	\$598,607	\$15,681,247	\$15,681,247
Buildings & Improvements	80,296,856	73,375,597	4,766,052	5,196,846	85,062,908	78,572,443
Vehicles	15,697,958	15,904,019	3,872	8,518	15,701,830	15,912,537
Furniture & Equipment	14,253,992	14,208,883	41,909	53,298	14,295,901	14,262,181
Infrastructure	8,209,439	9,129,406	-	-	8,209,439	9,129,406
Construction in Progress	32,334,201	21,080,956	6,977,315	4,890,607	39,311,516	25,971,563
Lease assets, net	315,080	544,535	6,120	8,489	321,200	553,024
Lease subscription assets, net	2,455,357	247,552	-	-	2,455,357	247,552
Total	\$168,645,523	\$149,573,588	\$12,393,875	\$10,756,365	\$181,039,398	\$160,329,953

Major capital asset activities during the fiscal year included the following:

Emergency Management Services

- 2 Ambulances and an SUV - \$900,000

Fleet Maintenance

- Vehicle replacements - \$495,300

Road Maintenance & Solid Waste

- Dump truck replacements - \$155,000
- Public Works office remodel - \$30,000
- New and replacement roll-off refuse trucks and refuse can - \$285,000
- Trailer and hydroseeder - \$65,000

Parks & Recreation

- Gym wall padding and flooring for multiple facilities - \$250,000

Public Safety

- Two brush trucks - \$296,601
- 31 replacement vehicles - \$2,502,875
- Tek84 Body Scanner - \$218,700

Construction in progress

- New Coroner's Office - \$359,266
- New Sheriff's Evidence Building - \$192,175
- Emergency Management Storage Warehouse - \$717,730
- Regional Park - \$1,832,569
- New Detention Center - \$18,201,200

Additional information on the County's capital assets can be found in note 5 beginning on page 51.

LANCASTER COUNTY, SOUTH CAROLINA
Management's Discussion and Analysis
FOR THE YEAR ENDED JUNE 30, 2025

Debt Administration

The legal limit on the amount of general obligation bonded indebtedness that the County can incur is 8% of assessed value. The debt limit is estimated to be \$50,174,844 with a legal debt margin of \$50,433,526 available without a referendum. At the end of the current fiscal year, the County's long-term liabilities outstanding totaled \$123,546,155, which includes long-term debt, leases, compensated absences, and net pension liability. General obligation bonds make up 13% (16,002,196) of long-term debt and are backed by the full faith and credit of the government.

Lancaster County's Outstanding Debt						
	Governmental Activities		Business-type Activities		Total	
	FY 2025	FY 2024	FY 2025	FY 2024	FY 2025	FY 2024
General Obligation Bonds	\$16,002,196	\$19,178,725	-	-	\$16,002,196	\$19,178,725
Special Source Revenue Bonds	-	-	-	-	-	-
Special Obligation Bonds	5,390,000	5,740,000	-	-	5,390,000	5,740,000
Installment Purchase Revenue Bonds	91,160,000	92,795,000	-	-	91,160,000	92,795,000
Total	\$112,552,196	\$117,713,725	-	-	\$112,552,196	\$117,713,725

The County's general obligation debt decreased by \$3,176,529 during the fiscal year, primarily due to the defeasance of the 2015B Referendum Bond and scheduled principal payments on the 2017, 2019, 2021, and 2023 bond series.

The County currently has ratings of AA- and Aa1 from Standard & Poor's Corporation and Moody's Investors Service, respectively, on general obligation bond issues. Additional information on the County's long-term debt can be found in note 6 on pages 53 through 61 of this report.

Economic Factors and Next Year's Budgets and Tax Rates

As of June 2025, the unemployment rate for Lancaster County, South Carolina, was 4.5%, while the statewide unemployment rate was 4.4%. Nationally, the unemployment rate stood at 4.4% during the same period.

The fiscal year 2025-2026 budgets reflected the following major focus areas:

- Align with the County's Strategic Plan and Councilmember goals, particularly quality of life
- Maintain the County's fiscal health
- Provide competitive compensation and benefits
- Provide for technology and facilities needs
- Address the impact of growth
- Plan for the future
- Deliver high level of county services

The fiscal year 2025 budget includes the following:

- 5% of across-the-board salary increase for all staff
- Improve service delivery of County departments by funding an unprecedented 42 new positions
- Adjusted 16 existing department positions to ensure efficient execution of departmental functions
- EMS Station 8 roof repair
- Emergency Management facility upfit
- Parks and Recreation Master Plan Study, additional renovations, and structural upgrades for five parks and two ball fields
- Road Maintenance drainage project
- Sheriff's equipment, replacement and new vehicles, office improvements, and the Body Worn Cameras

LANCASTER COUNTY, SOUTH CAROLINA
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- County Council/Administration Enterprise Resource Planning Year 1 (includes software, consultation, and project contingency)
- Information Technology hardware for new positions in various departments
- Public Safety Communications hand-held radios and other public safety equipment

To maintain the County's net position and fund balances at current levels and address the focus areas mentioned above, County Council adopted a general fund budget for fiscal year 2026 which includes 76.5 mills. The County Council also adopted 5.0 mills for capital replacement needs, 7.2 mills for debt service, and 3.9 mills for Court Security. The Budget in its entirety can be found on the County's website on the Finance Department's webpage at: [Fiscal Year 2026 Budget Book](#)

The County approved budgets total, \$160,194,556:

Lancaster County, South Carolina		
Original Adopted Budgets		
Fiscal Year Ending June 30, 2026		
General Fund		102,976,461
Capital Project Sales Tax 3 Fund		24,611,492
Other Special Revenue Funds		
Airport Fund	\$ 566,408	
County Transportation Committee Fund	6,336,660	
Court Mandated Security Fund	2,344,495	
E-911 Fund	748,415	
Hospitality Tax Fund	1,973,000	
Impact Fee Fund	343,880	
Indian Land Consolidated Fire Protection District Fund	7,970,665	
Local Accommodations Tax Fund	160,000	
State Accommodations Tax Fund	225,000	
State Aid to Library Fund	247,806	
Stormwater Fund	2,780,021	
Van Wyck Fire Protection District Fund	163,751	
	<u>\$ 23,860,101</u>	23,860,101
Debt Service Fund(s)		
County Debt Fund		4,760,286
Capital Fund		
Capital Replacement Fund		<u>3,986,216</u>
Total All Budgeted Funds		<u>\$ 160,194,556</u>

Requests for Information

This financial report is designed to provide a general overview of Lancaster 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:

Chief Financial Officer
Lancaster County
P O Box 1809
Lancaster, SC 29721

LANCASTER COUNTY, SOUTH CAROLINA

STATEMENT OF NET POSITION JUNE 30, 2025

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 69,050,335	\$ -	\$ 69,050,335
Investments	214,635,965	-	214,635,965
Receivables:			
Taxes	2,513,393	-	2,513,393
Accounts	12,299,013	-	12,299,013
Leases	69,518	78,821	148,139
Due from other governments	3,611,106	1,930,123	5,541,229
Internal balances	5,282,790	(5,282,790)	-
Inventories	191,586	91,544	283,130
Prepaid expenses	486,595	-	486,595
Assets held for resale	815,126	-	815,126
Capital assets:			
Nondepreciable	47,416,841	7,575,922	54,992,763
Depreciable, net	121,228,682	4,817,953	126,046,635
Total assets	<u>477,600,950</u>	<u>9,211,373</u>	<u>486,812,323</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	10,269	-	10,269
Pension - South Carolina Retirement System	6,531,426	24,276	6,555,702
Pension - South Carolina Police Officers Retirement System	9,274,095	-	9,274,095
Other postemployment benefits	828,085	-	828,085
Total deferred outflows of resources	<u>16,643,875</u>	<u>24,276</u>	<u>16,668,151</u>
LIABILITIES			
Accounts payable	17,632,178	497,330	18,129,508
Accrued liabilities	3,749,393	-	3,749,393
Unearned revenues	4,194,436	-	4,194,436
Accrued interest payable	459,666	-	459,666
Noncurrent liabilities:			
Due within one year	10,208,277	2,412	10,210,689
Due in more than one year	120,887,689	3,820	120,891,509
Total other postemployment benefits liability, net of current portion	2,772,699	-	2,772,699
Net pension liability:			
South Carolina Retirement System	35,365,837	131,849	35,497,686
South Carolina Police Officers Retirement System	26,137,712	-	26,137,712
Total liabilities	<u>221,407,887</u>	<u>635,411</u>	<u>222,043,298</u>
DEFERRED INFLOWS OF RESOURCES			
Lease receipts	61,779	70,710	132,489
Pension - South Carolina Retirement System	1,408,660	3,131	1,411,791
Pension - South Carolina Police Officers Retirement System	1,615,236	-	1,615,236
Other postemployment benefits	1,775,296	-	1,775,296
Total deferred inflows of resources	<u>4,860,971</u>	<u>73,841</u>	<u>4,934,812</u>
NET POSITION			
Net investment in capital assets	155,010,321	11,890,313	166,900,634
Restricted for:			
Property tax reduction	2,728,300	-	2,728,300
Capital projects	18,559,087	-	18,559,087
Public safety	6,618,929	-	6,618,929
Public works	7,786,833	-	7,786,833
Public health and welfare	163,938	-	163,938
Cultural and recreation	1,030,032	-	1,030,032
Economic development	8,302,062	-	8,302,062
Debt service	2,180,719	-	2,180,719
Unrestricted	65,595,746	(3,363,916)	62,231,830
Total net position	<u>\$ 267,975,967</u>	<u>\$ 8,526,397</u>	<u>\$ 276,502,364</u>

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

LANCASTER COUNTY, SOUTH CAROLINA

STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental activities:							
General government	\$ 24,818,409	\$ 11,649,228	\$ 4,097,229	\$ -	\$ (9,071,952)	\$ -	\$ (9,071,952)
Administration of justice	3,875,809	1,105,814	193,719	-	(2,376,276)	-	(2,376,276)
Public safety	50,838,434	10,465,407	4,446,177	270,257	(35,654,593)	-	(35,654,593)
Public works	18,725,519	212,251	6,236,943	-	(12,276,325)	-	(12,276,325)
Public health and welfare	12,575,411	3,620,521	64,568	-	(8,891,322)	-	(8,891,322)
Culture and recreation	7,129,689	157,560	49,141	1,160,984	(5,762,004)	-	(5,762,004)
Economic development	1,242,419	62,471	2,750	-	(1,177,188)	-	(1,177,188)
Interest on long-term debt	4,602,441	-	-	-	(4,602,441)	-	(4,602,441)
Total governmental activities	123,607,131	27,273,252	15,090,527	1,431,241	(79,812,111)	-	(79,812,111)
Business-type activities:							
Airport	998,933	470,489	-	1,930,123	-	1,401,659	1,401,659
Total business-type activities	998,933	470,489	-	1,930,123	-	1,401,659	1,401,659
Total primary government	\$ 124,606,064	\$ 27,743,741	\$ 15,090,527	\$ 3,361,364	(79,812,111)	1,401,659	(78,410,452)
General revenues:							
Property taxes levied for:							
General purposes					86,267,070	-	86,267,070
Public safety					2,599,431	-	2,599,431
Debt service					4,062,566	-	4,062,566
Capital projects					4,660,000	-	4,660,000
Other taxes:							
Capital projects sales tax					17,473,504	-	17,473,504
E-911 taxes					140,617	-	140,617
Local accommodations tax					191,407	-	191,407
Hospitality taxes					2,290,620	-	2,290,620
Road improvement fees and taxes					4,007,454	-	4,007,454
Grants and contributions not restricted for a specific purpose					4,345,344	-	4,345,344
Unrestricted investment earnings					11,118,325	-	11,118,325
Total general revenues and the special item					117,156,338	-	117,156,338
Change in net position					37,344,227	1,401,659	38,745,886
Net position, beginning of year, as previously reported					232,887,552	7,124,738	240,012,290
Adjustment for change in accounting principle - Note 14					(2,255,812)	-	(2,255,812)
Net position, beginning of year, as adjusted					230,631,740	7,124,738	237,756,478
Net position, end of year					\$ 267,975,967	\$ 8,526,397	\$ 276,502,364

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

LANCASTER COUNTY, SOUTH CAROLINA

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025**

	General Fund	Capital Projects Sales Tax 2 Fund	Capital Projects Sales Tax 3 Fund	Bond Projects Fund	Debt Service Fund
ASSETS					
Cash and cash equivalents	\$ 67,695,968	\$ -	\$ -	\$ -	\$ 1,332,073
Investments	91,959,416	-	3,620,551	1,615,775	-
Taxes receivable, net	2,063,670	-	-	-	198,215
Accounts receivable, net	7,202,499	-	4,695,851	-	94
Leases receivable	69,518	-	-	-	-
Due from other governments	2,533,434	-	-	-	-
Due from other funds	11,024,726	17,658,502	12,135,731	-	-
Prepaid expenditures	486,595	-	-	-	-
Inventories	191,586	-	-	-	-
Land held for resale	815,126	-	-	-	-
Total assets	<u>184,042,538</u>	<u>17,658,502</u>	<u>20,452,133</u>	<u>1,615,775</u>	<u>1,530,382</u>
LIABILITIES					
Accounts payable	15,239,079	-	1,676,972	-	-
Accrued liabilities	3,749,393	-	-	-	-
Due to other funds	66,267,804	-	-	54,894	22,822
Unearned revenues	342,000	-	-	-	-
Total liabilities	<u>85,598,276</u>	<u>-</u>	<u>1,676,972</u>	<u>54,894</u>	<u>22,822</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	4,024,428	-	-	-	189,205
Unavailable revenue - emergency medical services	4,131,414	-	-	-	-
Unavailable revenue - intergovernmental	-	-	-	-	-
Unavailable revenue - other	174,225	-	-	-	-
Lease receipts	61,779	-	-	-	-
Total deferred inflows of resources	<u>8,391,846</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>189,205</u>
FUND BALANCES					
Nonspendable:					
Prepaid expenditures	486,595	-	-	-	-
Inventories	191,586	-	-	-	-
Land held for resale	815,126	-	-	-	-
Airport Advance	5,282,790	-	-	-	-
Restricted for:					
Property tax reduction	2,728,300	-	-	-	-
DSS IV-D Incentive	163,938	-	-	-	-
Victim services	-	-	-	-	-
Drug task force	224,885	-	-	-	-
Inmate commissary	251,386	-	-	-	-
Capital projects	-	14,754,566	334,385	-	-
Public safety	65,297	-	-	-	-
Public works	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Economic development	-	-	-	-	-
Roads and bridges	-	-	-	-	-
Debt service	-	-	-	1,560,881	619,838
Assigned:					
General government	378,000	-	-	-	-
Public safety	366,854	-	-	-	-
Roads and bridges	1,000,000	-	-	-	-
Subsequent year's budget	6,092,576	2,903,936	18,440,776	-	698,517
Unassigned	72,005,083	-	-	-	-
Total fund balances	<u>90,052,416</u>	<u>17,658,502</u>	<u>18,775,161</u>	<u>1,560,881</u>	<u>1,318,355</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 184,042,538</u>	<u>\$ 17,658,502</u>	<u>\$ 20,452,133</u>	<u>\$ 1,615,775</u>	<u>\$ 1,530,382</u>

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

ARPA Fund	Lancaster County Public Facilities Corporation Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 22,294	\$ 69,050,335
7,075,985	110,363,150	1,088	214,635,965
-	-	251,508	2,513,393
-	-	400,569	12,299,013
-	-	-	69,518
-	-	1,077,672	3,611,106
-	-	36,473,571	77,292,530
-	-	-	486,595
-	-	-	191,586
-	-	-	815,126
<u>7,075,985</u>	<u>110,363,150</u>	<u>38,226,702</u>	<u>380,965,167</u>
-	-	716,127	17,632,178
-	-	-	3,749,393
1,527,570	-	4,136,650	72,009,740
3,852,436	-	-	4,194,436
<u>5,380,006</u>	<u>-</u>	<u>4,852,777</u>	<u>97,585,747</u>
-	-	239,348	4,452,981
-	-	-	4,131,414
-	-	245,712	245,712
-	-	-	174,225
-	-	-	61,779
<u>-</u>	<u>-</u>	<u>485,060</u>	<u>9,066,111</u>
-	-	-	486,595
-	-	-	191,586
-	-	-	815,126
-	-	-	5,282,790
-	-	-	2,728,300
-	-	-	163,938
-	-	199,540	199,540
-	-	-	224,885
-	-	-	251,386
-	110,363,150	5,031,017	130,483,118
-	-	5,877,821	5,943,118
-	-	5,414,940	5,414,940
-	-	1,030,032	1,030,032
-	-	8,302,062	8,302,062
-	-	2,371,893	2,371,893
-	-	-	2,180,719
-	-	-	378,000
-	-	-	366,854
-	-	-	1,000,000
1,695,979	-	7,805,305	37,637,089
-	-	(3,143,745)	68,861,338
<u>1,695,979</u>	<u>110,363,150</u>	<u>32,888,865</u>	<u>274,313,309</u>
<u>\$ 7,075,985</u>	<u>\$ 110,363,150</u>	<u>\$ 38,226,702</u>	<u>\$ 380,965,167</u>

LANCASTER COUNTY, SOUTH CAROLINA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION JUNE 30, 2025

Total fund balances for governmental funds:		\$ 274,313,309
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		168,645,523
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.		9,004,332
Certain long-term liabilities are not due and payable in the current period and are, therefore, not reported in the funds. All liabilities, both current and long-term, are reported in the Statement of Net Position net of issuance premiums and discounts.		
General obligation bonds	\$ (16,002,196)	
Unamortized refunding deferral amount on general obligation bonds	10,269	
Special obligation bonds	(5,390,000)	
Installment purchase revenue bonds	(91,160,000)	
Unamortized bond premium	(7,954,546)	
Financed purchases payable	(370,000)	
Leases payable	(357,917)	
Subscriptions payable	(2,305,264)	
Post-closure care liabilities	(880,057)	
Compensated absences payable	(6,487,616)	
Total other postemployment benefits liability, net of related outflows and inflows of resources	(3,908,280)	
Net pension liability, net of related outflows and inflows of resources	(48,721,924)	
Total long-term liabilities		(183,527,531)
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.		(459,666)
Net position of governmental activities		<u>\$ 267,975,967</u>

LANCASTER COUNTY, SOUTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	General Fund	Capital Projects Sales Tax 2 Fund	Capital Projects Sales Tax 3 Fund	Bond Projects Fund	Debt Service Fund
REVENUES					
Property taxes	\$ 63,778,073	\$ -	\$ -	\$ -	\$ 4,062,566
Sales and other local taxes	4,007,454	-	17,473,504	-	-
Licenses and permits	9,018,331	-	-	-	-
Intergovernmental	8,219,822	-	-	-	-
Charges for services	4,729,261	-	-	-	-
Fines and forfeitures	891,293	-	-	-	-
Interest revenue	4,706,948	-	930,435	42,626	3,900
Contributions and donations	177,971	-	-	-	-
Other revenues	691,667	-	-	-	-
Total revenues	96,220,820	-	18,403,939	42,626	4,066,466
EXPENDITURES					
Current:					
General government	21,069,303	-	-	-	-
Administration of justice	3,313,644	-	-	-	-
Public safety	30,264,279	-	20,870,762	-	-
Public works	9,738,812	1,622,098	-	-	-
Public health and welfare	10,609,954	-	-	-	-
Culture and recreation	5,623,129	55,019	-	-	-
Economic development	496,407	-	-	-	-
Capital outlay	2,963,242	-	-	1,219	-
Debt service:					
Principal	1,099,804	-	855,000	-	3,425,000
Interest	-	-	3,447,750	-	892,585
Fees	-	-	-	-	10,494
Total expenditures	85,178,574	1,677,117	25,173,512	1,219	4,328,079
Excess (deficiency) of revenues over (under) expenditures	11,042,246	(1,677,117)	(6,769,573)	41,407	(261,613)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	(71,290)
Issuance of subscription liabilities	2,963,242	-	-	-	-
Total other financing sources (uses), net	2,963,242	-	-	-	(71,290)
Net change in fund balances	14,005,488	(1,677,117)	(6,769,573)	41,407	(332,903)
Fund balances, beginning of year	76,046,928	19,335,619	25,544,734	1,519,474	1,651,258
Fund balances, end of year	\$ 90,052,416	\$ 17,658,502	\$ 18,775,161	\$ 1,560,881	\$ 1,318,355

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

ARPA Fund	Lancaster County Public Facilities Corporation Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 7,436,158	\$ 75,276,797
-	-	2,622,644	24,103,602
-	-	-	9,018,331
3,213,609	-	11,349,209	22,782,640
-	-	10,107,079	14,836,340
-	-	85,012	976,305
420,113	5,014,140	163	11,118,325
-	-	440,400	618,371
-	-	-	691,667
<u>3,633,722</u>	<u>5,014,140</u>	<u>32,040,665</u>	<u>159,422,378</u>
115,820	-	2,449,790	23,634,913
-	-	-	3,313,644
1,269,117	-	13,752,007	66,156,165
-	-	7,075,264	18,436,174
946,971	-	169,368	11,726,293
881,701	-	184,092	6,743,941
-	-	645,059	1,141,466
-	-	1,888,197	4,852,658
-	-	918,714	6,298,518
-	-	1,221,366	5,561,701
-	-	-	10,494
<u>3,213,609</u>	<u>-</u>	<u>28,303,857</u>	<u>147,875,967</u>
<u>420,113</u>	<u>5,014,140</u>	<u>3,736,808</u>	<u>11,546,411</u>
-	-	71,290	71,290
-	-	-	(71,290)
-	-	-	2,963,242
-	-	71,290	2,963,242
420,113	5,014,140	3,808,098	14,509,653
<u>1,275,866</u>	<u>106,349,010</u>	<u>29,080,767</u>	<u>259,803,656</u>
<u>\$ 1,695,979</u>	<u>\$ 110,363,150</u>	<u>\$ 32,888,865</u>	<u>\$ 274,313,309</u>

LANCASTER COUNTY, SOUTH CAROLINA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Net change in fund balances - total governmental funds	\$ 14,509,653
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Amounts reported for governmental activities in the Statement of Activities are different because:

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

Capital outlay	\$ 32,690,922	
Depreciation and amortization expense	<u>(11,322,023)</u>	21,368,899

The net effect of various miscellaneous transactions (i.e., sales and donations) is to decrease net position.	(2,296,964)
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Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	1,528,980
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment and extinguishment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. Also, the refunding deferral amount, which is the difference in the amount that is sent to the paying agent to be escrowed for payment of refunded debt and the principal amount of debt refunded, is amortized as an adjustment of interest expense in the statement of activities. The effects of these items are as follows:

Repayment of the principal of long-term debt	\$ 6,298,518	
Issuance of subscriptions payable	(2,963,242)	
Amortization of premium/discount on long-term debt	878,890	
Amortization of the refunding deferral amount on the refunding general obligation bonds	<u>(10,713)</u>	4,203,453

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

Pension liability	\$ (32,703)	
Landfill post-closure liability	18,177	
Compensated absences	(2,112,927)	
Accrued interest on long-term debt	90,864	
Other postemployment benefits liability	<u>66,795</u>	(1,969,794)
Change in net position - governmental activities		<u>\$ 37,344,227</u>

LANCASTER COUNTY, SOUTH CAROLINA

STATEMENT OF NET POSITION PROPRIETARY FUND JUNE 30, 2025

	Enterprise Fund Airport Fund
ASSETS	
CURRENT ASSETS	
Current portion of lease receivable	\$ 12,533
Due from other governments	1,930,123
Inventory	91,544
Total current assets	<u>2,034,200</u>
NONCURRENT ASSETS	
Lease receivable, net of current portion	66,088
Capital assets:	
Nondepreciable	7,575,922
Depreciable, net of accumulated depreciation and amortization	4,817,953
Total noncurrent assets	<u>12,459,963</u>
Total assets	<u>14,494,163</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension	24,276
Total deferred outflows of resources	<u>24,276</u>
LIABILITIES	
CURRENT LIABILITIES	
Accounts payable	497,330
Due to other funds	5,282,790
Current portion of lease liability	2,412
Total current liabilities	<u>5,782,532</u>
NONCURRENT LIABILITIES	
Lease liability, net of current portion	3,820
Net pension liability	131,849
Total noncurrent liabilities	<u>135,669</u>
Total liabilities	<u>5,918,201</u>
DEFERRED INFLOWS OF RESOURCES	
Lease receipts	70,710
Pension	3,131
Total deferred inflows of resources	<u>73,841</u>
NET POSITION	
Net investment in capital assets	11,890,313
Unrestricted	(3,363,916)
Total net position	<u>\$ 8,526,397</u>

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

LANCASTER COUNTY, SOUTH CAROLINA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION PROPRIETARY FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Enterprise Fund Airport Fund
OPERATING REVENUES	
Charges for services:	
Sale of fuel	\$ 366,740
Rental income	103,729
Total operating revenues	<u>470,469</u>
OPERATING EXPENSES	
Salaries and fringe benefits	91,881
Costs of services	457,854
Depreciation and amortization	449,198
Total operating expenses	<u>998,933</u>
Operating loss	<u>(528,464)</u>
Loss before capital contributions and transfers	(528,464)
CAPITAL CONTRIBUTIONS	<u>1,930,123</u>
Change in net position	1,401,659
Net position, beginning of year	<u>7,124,738</u>
Net position, end of year	<u><u>\$ 8,526,397</u></u>

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

LANCASTER COUNTY, SOUTH CAROLINA

STATEMENT OF CASH FLOWS PROPRIETARY FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Enterprise Fund Airport Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 574,030
Payments to suppliers	(479,106)
Payments to employees	(92,255)
Net cash provided by operating activities	<u>2,669</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital assets	(1,930,380)
Intergovernmental revenues	1,930,123
Principal paid on lease payable	(2,412)
Net cash used in capital and related financing activities	<u>(2,669)</u>
Net change in cash and cash equivalents	-
Cash and cash equivalents:	
Beginning of year	<u>-</u>
End of year	<u><u>\$ -</u></u>
Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	\$ (528,464)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation and amortization	449,198
Changes in assets and liabilities:	
Decrease in lease receivable	12,352
Increase in due from other governments	(840,707)
Increase in inventory	(21,252)
Increase in deferred outflows of resources	(1,599)
Increase in due to other funds	943,206
Decrease in deferred inflows of resources - lease receipts	(11,290)
Decrease in net pension liability	(922)
Increase in deferred inflows of resources	2,147
Net cash provided by operating activities	<u><u>\$ 2,669</u></u>
Schedule of non-cash capital and related financing activities:	
Changes in assets and liabilities:	
Increase in retainage payable	156,328
	<u><u>\$ 156,328</u></u>

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

LANCASTER COUNTY, SOUTH CAROLINA

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2025

	Custodial Funds
ASSETS	
Cash and cash equivalents	\$ 23,003,602
Investments	46,282,551
Taxes receivable	6,797,889
Accounts receivable	2,801,534
Total assets	<u>\$ 78,885,576</u>
LIABILITIES	
Due to other taxing districts and agencies	\$ 70,266,139
Due to others	6,797,889
Total liabilities	<u>\$ 77,064,028</u>
FIDUCIARY NET POSITION	
Restricted for individuals, organizations, and other governments	<u>\$ 1,821,548</u>
Total fiduciary net position	<u>\$ 1,821,548</u>

LANCASTER COUNTY, SOUTH CAROLINA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Custodial Funds</u>
ADDITIONS	
Taxes and assessments	\$ 135,349,169
Fine and fees	1,928,517
Funds from state and participants	19,788
Inmate funds collected	535,425
Funds from foreclosure sales	<u>239,120,765</u>
Total additions	<u>376,953,664</u>
DEDUCTIONS	
Taxes and fees paid to other governments	378,106,493
Inmate funds disbursed	535,425
Other custodial disbursements	<u>19,788</u>
Total deductions	<u>378,661,706</u>
Change in fiduciary net position	(1,708,042)
FIDUCIARY NET POSITION, BEGINNING OF YEAR	<u>3,529,590</u>
FIDUCIARY NET POSITION, END OF YEAR	<u><u>\$ 1,821,548</u></u>

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

NOTES TO THE FINANCIAL STATEMENTS

LANCASTER COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Lancaster County, South Carolina (the "County") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the County's accounting policies are described below.

Reporting Entity

Lancaster County operates under Home Rule legislation effective July 1, 1976. The County operates under a Council-Administrator form of government and provides the following services as authorized by its charter: public safety (police and judicial), public works (roads and bridges), sanitation, health and welfare, culture-recreation, public improvements, and general administration services.

Lancaster County, South Carolina is a political subdivision of the State of South Carolina. These financial statements present all the fund types of the County. Component units may be presented by two different methods. Blended component units, although legally separate entities, are, in substance, part of the County's operations. Discretely presented component units are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the County. A summary of the County's blended and discretely presented component units follows:

Lancaster County Public Facilities Corporation – During fiscal year 2024, the County created the Lancaster County Public Facilities Corporation (the "Corporation") to facilitate the issuance of debt for the County. The activities of the Corporation have been "blended" with the County and are presented as a major fund for fiscal year 2025. County Council has appointed the officers and directors of the Corporation. The Corporation does not issue separate financial statements.

Basis of Presentation

The County's basic financial statements consist of government-wide statements, including a Statement of Net Position, a Statement of Activities, and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the County as a primary government. These statements include the financial activities of the primary government, except for fiduciary funds and component units that are fiduciary in nature. For the most part, the effect of interfund activity has been removed from the statements. The statements distinguish between those activities of the County that are governmental and those that are considered business-type activities.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Government-wide Financial Statements (Continued)

The Statement of Net Position presents the financial condition of the governmental and business-type activities for the County at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental activities and for the business-type activities of the County. Direct expenses are those that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the County, with certain limited exceptions. 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.

Fund Financial Statements

During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

The County reports the following major governmental funds:

The **General Fund** is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The **Capital Projects Sales Tax 2 Fund** is used to account for the County's second local one-cent sales and use tax revenues that are restricted to pay for projects outlined in the County's bond resolution as well as additional capital projects not funded with bond proceeds.

The **Capital Projects Sales Tax 3 Fund** accounts revenues received from the County's third imposition of its penny sales tax and is used for capital items approved by voter referendum.

The **Bond Projects Fund** accounts for various capital projects that are funded with General Obligation Bonds.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Fund Financial Statements (Continued)

The **Debt Service Fund** is used to account for and report financial resources that are restricted, committed or assigned for the payment of governmental activities long-term debt principal and interest.

The **ARPA Fund** accounts for the proceeds directed to the County by the U.S. Department of the Treasury under the American Rescue Plan.

The **Lancaster County Public Facilities Corporation** is a capital project fund used to account for the issuance of revenue bonds and the acquisition of capital assets from bond proceeds.

The County reports the following proprietary fund:

The **Airport Fund** accounts for the activities of the County's airport operations. It is also used to account for intergovernmental funds received from state and federal governments for grants that are restricted for airport improvements and capital projects.

Additionally, the County reports the following fund types:

The **Special Revenue Funds** are used to account for the proceeds of specific revenue sources (other than trusts for individuals, private organizations, or other governments or for major capital projects) that are legally restricted to expenditure for specified purposes. Resources restricted to expenditure for purposes normally financed from the General Fund may be accounted for through the General Fund provided that applicable legal requirements can be appropriately satisfied; and use of special revenue funds is not required unless they are legally mandated.

The **Capital Projects Funds** are used to account for and report financial resources that are restricted, committed or assigned for the acquisition of capital assets or construction of major capital facilities.

The **Custodial Funds** are used to account for monies held on behalf of school districts, special districts and other agencies that use the County as a depository or property taxes that are collected on behalf of the other governments.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting

Government-wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are 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. All assets and liabilities associated with the operation of the County are included on the Statement of Net Position.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's enterprise fund functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when 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 considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. 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 when payment is due.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued)

Fund Financial Statements (Continued)

With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify funds.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the Statement of Net Position. The Statement of Changes in Net Position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total position. The Statement of Cash Flows provides information about how the County finances and meets the cash flow needs of its proprietary activities.

Proprietary funds distinguish operating revenues and expenses from nonoperating 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 County enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue and in the presentation of expenses versus expenditures.

Revenue - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the County, available means expected to be received within 60 days of fiscal year-end.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued)

Revenue - Exchange and Non-exchange Transactions (Continued)

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

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

Unearned Revenue

The County reports unearned revenue on its Statement of Net Position and Governmental Funds Balance Sheet. In both the government-wide and governmental fund statements, resources received that are "intended to finance" a future period are reported as unearned revenue. In subsequent periods, the liability for unearned revenue is removed from the Statement of Net Position and Governmental Funds Balance sheet and revenue is recognized.

Unavailable Revenue

Unavailable revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of year-end, but which were levied to finance fiscal year 2025 operations, have been recorded as unavailable revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as unavailable revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as unavailable revenue.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued)

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration. Encumbrances outstanding at year-end are reported as assigned fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year. The assigned fund balance for the subsequent year's budget includes outstanding encumbrances of \$1,027,102; \$2,903,936; \$18,440,776; \$698,517; \$1,695,979; and \$7,805,305 in the General Fund, the Capital Projects Sales Tax 2 Fund, the Capital Projects Sales Tax 3 Fund, Debt Service Fund, ARPA Fund and the Nonmajor Governmental Funds, respectively. The assigned fund balance for the subsequent year's budget also includes appropriations of existing unassigned fund balance at year-end to eliminate a deficit in next year's budget of \$5,065,474 in the General Fund.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Position or Equity

Cash and Investments

Cash includes demand deposits as well as cash equivalents and short-term investments with a maturity date within three months of the date acquired by the County. State statutes authorize the County to invest in obligations of the United States and its agencies, general obligations (not revenue obligations) of the State of South Carolina and its political subdivisions, savings and loan associations to the extent of federal insurance, certificates of deposits collaterally secured, repurchase agreements secured by the foregoing obligations, and the State Treasurer's Local Government Investment Pool (LGIP). The LGIP is an investment mechanism authorized by the South Carolina State Legislature and is not registered with the SEC as an investment company. There is no regulatory oversight of the pool. The pool's primary objective is to acquire maximum returns on investments by pooling available funds with funds from other political subdivisions. The total fair value of the investment 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. Investments in the pool are stated at fair value, which approximates cost. The County's investments in mutual funds are reported at fair value based on quoted market prices. The remaining investments of the County are reported at fair value.

Taxes and Accounts Receivable

Property taxes receivable represents delinquent and unpaid real and personal property tax billings less an allowance for the amounts estimated to be uncollectible. Accounts receivable represent unpaid receipts as well as EMS billings that have not been collected as of year-end less an allowance for any amounts deemed to be uncollectable.

Intergovernmental Receivable

Amounts due from federal grants represent reimbursable costs, which have been incurred by the County but have not been reimbursed by the grantor agency. Costs under grant programs are recognized as expenditures in the period in which they are incurred by the County.

Inventories and Prepaid Assets

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased or produced.

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. Prepaid items are accounted for using the consumption method.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Position or Equity (Continued)

Capital Assets

Capital assets, which include property, plant, equipment, right-to-use assets, and infrastructure assets (e.g., roads, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of two years. Buildings and building improvements are capitalized when costs exceed \$50,000. Land improvements are capitalized when costs exceed \$25,000.

Such assets are recorded at historical cost or estimated historical cost, if purchased or constructed. Donated capital assets are recorded at acquisition value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as the projects are constructed.

All reported capital assets except land and site preparation are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	40
Right-to-use lease buildings	7-10
Vehicles	5 - 15
Right-to-use lease vehicles	7-10
Subscription assets	3
Furniture and equipment	5 - 15
Infrastructure	20

Compensated Absences

It is the County's policy to permit employees to accumulate earned, but unused, vacation pay benefits (up to a maximum of 240 hours) and sick pay benefits up to 75 days. Vacation pay and sick pay benefits are accrued when incurred in the government-wide and proprietary fund financial statements using the Average Annual Days Used method in accordance with GASB Statement No.101, *Compensated Absences*. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Position or Equity (Continued)

Deferred Inflows/Outflows of Resources

In addition to assets, the Statement of Net Position reports a separate section for *deferred outflows of resources*. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has five items that qualify for reporting in this category. One item is deferred charge on refunding, which is reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or the refunding debt. The other four items relate to the County's pension and other postemployment benefits (OPEB) plans and are reported in the government-wide and proprietary fund Statements of Net Position. (1) Experience gains result from periodic studies by the County's actuary, which adjust the net pension and OPEB liabilities for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains are recorded as deferred outflows of resources and are amortized into pension and OPEB expense over the expected remaining service lives of the plan members. (2) Changes in actuarial assumptions adjust the net pension and OPEB liabilities and are amortized into pension and OPEB expense over the expected remaining service lives of plan members. (3) The changes in the County's proportionate share of the collective net pension liability and differences between actual employer contributions and proportionate share of the total plan employer contributions are specific to cost-sharing multiple employer defined benefit pension plans and represent the current period amortized portions of these deferred outflows. (4) Any contributions made by the County to the pension and OPEB plan before year end but subsequent to the measurement date of the County's net pension liability and total OPEB liability are reported as deferred outflows of resources.

In addition to liabilities, the Statement of Net Position and the Governmental Funds Balance Sheet reports a separate section for *deferred inflows of resources*. This separate financial statement element represents an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has six types of items that qualify for reporting in this category, three of which arise only under a modified accrual basis of accounting. Accordingly, the items, *unavailable revenue*, are reported only in the Governmental Funds Balance Sheet. The governmental funds report unavailable revenues from (1) property taxes, (2) emergency medical services, and (3) intergovernmental grant revenues and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Position or Equity (Continued)

Deferred Inflows/Outflows of Resources (Continued)

The other items relate to the County's pension and OPEB plans and are reported in the government-wide and proprietary fund Statements of Net Position. (1) Certain experience losses (discussed in the previous paragraph) are deferred and amortized against expense over a five-year period, resulting in recognition as deferred inflows of resources. (2) The differences between projected investment return on pension investments and actual return on those investments are deferred and amortized against pension expense over a five-year period. (3) Finally, changes in actuarial assumptions (discussed in the previous paragraph) adjust the total OPEB liability and are amortized against OPEB expense over the expected remaining service lives of plan members. *Deferred inflows from lease receipts* are reported in the Governmental Funds Balance Sheet as well as the government-wide Statement of Net Position. The County reports deferred inflows from lease receipts and amortized into lease revenues over the remaining life of the lease.

Interfund Transactions

Transactions among the County's funds that would be treated as revenues and expenditures or expenses if they involved organizations external to County government are accounted for as revenues and expenditures or expenses in the funds involved. Transactions, which constitute reimbursements to a fund for expenditures initially made from it, which are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the reimbursed fund. Transactions, which constitute the transfer of resources from a fund receiving revenues to a fund through which the revenues are to be expended, are separately reported in the respective fund's operating statements. Activities between funds that are representative of lending/borrowing arrangements at the end of the fiscal year are referred to as "due to/from other funds" in the fund financial statements. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the lives of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when incurred. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Position or Equity (Continued)

Leases

Lessee

The County is a lessee for noncancellable leases of several pieces of equipment, buildings and land. The County recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements. The County recognizes lease liabilities with an initial, individual value of \$5,000 or more.

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

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

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

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

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the Statement of Net Position.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Position or Equity (Continued)

Leases (Continued)

Lessor

The County is the lessor for certain noncancellable lease of real property and spaces within existing County buildings. The County recognizes a lease receivable and a deferred inflow of resources for deferred lease receipts in accordance with these transactions.

At the commencement of a lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments made. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments made at or before the lease commencement date, less certain other amounts to be paid by the County (if any). Subsequently, the deferred inflow of resources is amortized into lease revenue on a straight-line basis over the lease term.

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

- The lease agreements entered into by the County as lessor do not include stated interest rates. Therefore, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease receivable are composed of fixed payments that the County will receive over the term of the lease agreement.

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Position or Equity (Continued)

Subscription-Based Information Technology Arrangements (SBITAs)

The County has noncancellable SBITAs of various IT software. The County recognizes a subscription liability and an intangible right-to-use subscription asset in the government-wide financial statements. The County recognizes subscription liabilities with an initial, individual value of \$5,000 or more. At the commencement of a SBITA, the County initially measures the subscription liability at the present value of payments expected to be made during the SBITA term. Subsequently, the subscription liability reduced by the principal portion of the SBITA payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for SBITA payments made at or before the SBITA commencement date, plus certain implementation and conversion costs. Subsequently, the subscription asset is amortized on a straight-line basis over its useful life. Key estimates and judgments related to SBITAs include how the City determines (1) the discount rate it uses to discount the expected SBITA payments to present value, (2) SBITA term, and (3) SBITA payments:

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

The County monitors changes in circumstances that would require a remeasurement of its SBITA and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability. Subscription assets are reported with other capital assets and subscription liabilities are reported with long-term liabilities on the Statement of Net Position.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Position or Equity (Continued)

Fund Balance

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable - This classification includes amounts that cannot be spent because they are either a) not in spendable form or b) are legally or contractually required to be maintained intact. The County has classified assets held for resale, inventories, and prepaid items as being nonspendable as these items are not expected to be converted to cash or are not expected to be converted to cash within the next current fiscal year.

Restricted - This classification includes amounts for which constraints have been placed on the use of the resources through either a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation.

Committed - This classification includes amounts that can only be used for specific purposes pursuant to constraints determined by a formal action of the government's highest level of decision-making authority, the County Council, through passage of an ordinance. These amounts cannot be used for any other purpose unless the County Council removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned - This classification includes amounts that are constrained by the County's intent to be used for a specific purpose but are neither restricted nor committed. Through resolution, the County Council has authorized the County Administrator and/or the Finance Director to assign fund balances to a specific purpose. The County Administrator must inform the County Council of assigned resources during the fiscal year. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.

Unassigned - This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balances of any other governmental fund that cannot be eliminated by the offsetting of assigned fund balance amounts.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Position or Equity (Continued)

Fund Balance (Continued)

The County would typically use restricted fund balances first, followed by committed resources and the assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

It is the policy of the County to maintain adequate levels of fund balance to mitigate current and future risks and to ensure stable tax rates. The County intends to maintain a General Fund unassigned fund balance of at least 28 to 32 percent of the General Fund operating budget. If the year-end unassigned fund balance exceeds 32 percent of the General Fund operating budget, the excess may be used to fund the following activities: a) one-time capital expenditures which do not increase ongoing operational costs; b) other one-time costs; and c) debt reduction.

If the unassigned fund balance declines below 28 percent of the General Fund operating budget, the County Council will pursue ways of increasing revenues or decreasing expenditures, or a combination of both until the 28 to 32 percent threshold is attained.

Proprietary net position is classified the same as in the government-wide statements.

Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

Restricted Resources

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, and then unrestricted resources as needed, but County Council reserves the right to selectively spend unrestricted resources first and to defer the use of the restricted funds.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Use of Estimates

The financial statements include estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenditures/expenses. Actual results could differ from these estimates.

Budgetary Information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General Fund, Special Revenue Funds (except for the ARPA Fund, Sunday Alcohol Sales Fund, Restricted Grants Fund, Economic Development Fund, County Impact Fees Fund, Development Agreements Fund, Victim Service Fund, and SCIIP Fund), Debt Service Fund, Capital Projects Sales Tax 2 Fund, Capital Projects Sales Tax 3 Fund, and the Capital Improvement Fund. The legally adopted budgets for the General Fund are presented as required supplementary information.

Each year, all County departments submit requests for appropriations to the County finance director. On the basis of the requests, the budget director prepares a draft budget. The proposed budget is presented to the County Council for review and approval. The County Council holds three readings of the proposed budget with a public hearing taking place at the third hearing. Adoption of the budget is required no later than June 30. The appropriated budget is prepared by fund, function, and department. County department heads may make certain transfers of appropriations within their own departmental budgets up to \$10,000 without approval of County Council, while the County Administrator may make transfers within and between departments without approval of County Council. The legal level of budgetary control is the department level.

Deficit Fund Equity

For the year ended June 30, 2025, the SCIIP Grant Fund and Restricted Grants Fund reported a deficit fund balance of \$1,561,980 and \$1,581,765, respectively. This deficit will be eliminated through the recognition of unearned and/or unavailable revenues in future periods, through transfers from other funds, and from other future revenues.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

Excess of Expenditures over Appropriations

For the year ended June 30, 2025, expenditures exceeded the budget in the Debt Service Fund, Stormwater Fund, and General Fund.

NOTE 3. CASH AND INVESTMENTS

Total deposits and investments at June 30, 2025, are summarized below:

As reported in the Statement of Net Position:	
Cash and cash equivalents	\$ 69,050,335
Investments	214,635,965
As reported in the Statement of Fiduciary Net Position:	
Custodial Fund - cash and cash equivalents	23,003,602
Custodial Fund - investments	46,282,551
	<u>\$ 352,972,453</u>
Cash deposited with financial institutions	\$ 92,053,937
State Treasurer's Local Government Investment Pool	120,489,430
U.S. Government Treasuries	23,393,891
Money market accounts	117,035,195
	<u>\$ 352,972,453</u>

Custodial Credit Risk – Cash. This is the risk that in the event of bank failure, the County's deposits may not be returned to it. The County's policy regarding cash custodial credit risk is to require the banks with which the County maintains deposits to collateralize or insure the County's funds. As of June 30, 2025, the carrying amount of the County's deposits was \$92,053,935 and the bank balance was \$27,259,035. All of the County's deposits at year-end were covered by federal depository insurance or by collateral held in the pledging financial institutions' trust departments in the County's name. Petty cash funds of \$12,175 are reflected as cash.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. CASH AND INVESTMENTS (CONTINUED)

As of June 30, 2025, the County has the following investments:

Investment Type	Fair Value	Investment Maturities (in years)		
		Less than 1	1-5	6-10
State Treasurer's Local Government Investment Pool	\$ 120,489,430	\$ 120,489,430	\$ -	\$ -
Money market accounts	117,035,195	117,035,195	-	-
U.S. Government Treasuries	23,393,891	6,024,354	17,369,537	-
	<u>\$ 260,918,516</u>	<u>\$ 243,548,979</u>	<u>\$ 17,369,537</u>	<u>\$ -</u>

Fair Value Measurements. The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs and are valued using a matrix-pricing technique; and Level 3 inputs are significant unobservable inputs.

The County has the following recurring fair value measurements as of June 30, 2025:

Investment	Level 1	Level 2	Level 3	Fair Value
Investments by Fair Value Level				
Debt securities:				
U.S. Treasuries	\$ 23,393,891	\$ -	\$ -	\$ 23,393,891
U.S. Agencies	-	-	-	-
Total debt securities	<u>23,393,891</u>	<u>-</u>	<u>-</u>	<u>23,393,891</u>
 Total investments by fair value level	 <u>\$ 23,393,891</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 23,393,891</u>

The U.S. Treasuries classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those investments.

The County has no investments classified in Level 2 or Level 3 of the fair value hierarchy. The LGIP is an investment pool, which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. As a result, the County does not disclose investment in the LGIP within the fair value hierarchy. The County's investments in money market accounts are valued at amortized cost, which approximates fair value. As a result, the County's money market funds are not disclosed within the fair value hierarchy.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. CASH AND INVESTMENTS (CONTINUED)

Credit Risk. This is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County's policy is to invest in only those securities allowed by state statutes and that are highly rated. The County's investments in the U.S. Government Treasuries were rated AA+ by Standard & Poor's and AAA by Moody's Investor Services. As of June 30, 2025, the County owned \$0 of government sponsored entity (GSE) debt securities. These bonds are the direct obligations of the U.S. Government, which is rated AA+ or equivalent by all rating agencies. The investments are either directly or indirectly guaranteed by the US Treasury. The money market accounts were rated AAA by Standard & Poor's and AAA by Moody Investor Services. The LGIP is not rated, but generally, investments in this pool are collateralized by debt securities in corporate obligations, state or political subdivision obligations of investment grade or higher quality and in federal agency securities.

Interest Rate Risk. This is the risk that the fair value of securities in the portfolio will fall due to changes in the market interest rates. The County's policy is to minimize interest rate risk by investing operating funds in primarily shorter-term securities, money market funds or similar investment pools and limiting the average maturity in accordance with the County's cash requirements.

Concentration of Credit Risk. This is the risk of loss attributable to the magnitude of the County's investment in a single issuer. The County's policy is to minimize the concentration of credit risk by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized, although there is no formal limit on the amount the County may invest in any one issuer.

Custodial Credit Risk – Investments. This is the risk that, in the event of a failure of the counterparty, the County may not be able to recover the value of investments, or collateral securities that are in possession of an outside party. The County's policy is to minimize custodial credit risk by limiting investments to the types of securities allowed by law.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4. RECEIVABLES AND PROPERTY TAXES

Property taxes are assessed on the value of real and personal property, excluding automobiles, as of January 1 preceding the fiscal year. Taxes are levied the following September, due January 15 and become delinquent March 15. Liens attach to the property at the time taxes are levied. The levy date for automobiles is the first day of the month in which the vehicle license expires and the tax is due by the end of the same month.

Property tax revenues are recognized when due or past due and collectible within the current period or soon enough thereafter (defined as 60 days) to pay liabilities of the current period. The County bills and collects its own property taxes and also collects taxes for the Lancaster County School District, the City of Lancaster, and the Town of Kershaw. Collections of the County taxes and remittance of them to these entities are accounted for in the custodial funds. Unavailable property tax revenue represents that portion of property taxes which is deemed not available to pay current expenditures.

Receivables as of June 30, 2025, including the applicable allowances for uncollectible accounts, are as follows:

	General	Capital Projects Sales Tax 2	Capital Projects Sales Tax 3	Debt Service
Taxes receivable	\$ 2,172,284	\$ -	\$ -	\$ 207,399
Accounts receivable	12,868,662	-	4,695,851	94
Lease receivable	69,518	-	-	-
Due from other governments	2,533,434	-	-	-
Less: allowance	(5,774,777)	-	-	(9,184)
Net receivables	<u>\$ 11,869,121</u>	<u>\$ -</u>	<u>\$ 4,695,851</u>	<u>\$ 198,309</u>

	ARPA	Nonmajor Governmental	Airport	Total
Taxes receivable	\$ -	\$ 257,548	\$ -	\$ 2,637,231
Accounts receivable	-	400,569	-	17,965,176
Lease receivable	-	-	78,621	148,139
Due from other governments	-	1,077,672	1,930,123	5,541,229
Less: allowance	-	(6,040)	-	(5,790,001)
Net receivables	<u>\$ -</u>	<u>\$ 1,729,749</u>	<u>\$ 2,008,744</u>	<u>\$ 20,501,774</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS

Capital asset activity for the County's governmental activities for the year ended June 30, 2025, was as follows:

	Balance June 30, 2024	Additions	Deletions	Transfers	Balance June 30, 2025
Governmental activities					
Capital assets not being depreciated					
Land	\$ 15,082,640	\$ -	\$ -	\$ -	\$ 15,082,640
Construction in progress	21,080,956	21,678,803	-	(10,425,558)	32,334,201
Total capital assets not being depreciated	36,163,596	21,678,803	-	(10,425,558)	47,416,841
Capital assets being depreciated/amortized					
Buildings and improvements	106,384,563	119,777	-	10,222,642	116,726,982
Vehicles	44,932,585	5,276,820	(3,364,221)	-	46,845,164
Furniture and equipment	41,207,456	2,601,397	(386,168)	202,916	43,625,601
Infrastructure	25,039,305	-	-	-	25,039,305
Right-to-use lease asset	1,173,692	-	-	-	1,173,692
Right-to-use subscription asset	449,077	3,014,125	-	-	3,463,202
Total capital assets being depreciated/amortized	219,186,658	11,012,119	(3,750,389)	10,425,558	236,873,946
Less accumulated depreciation/amortization					
Buildings and improvements	(33,008,966)	(3,421,160)	-	-	(36,430,126)
Vehicles	(29,028,546)	(3,324,725)	1,206,065	-	(31,147,206)
Furniture and equipment	(26,998,573)	(2,620,396)	247,360	-	(29,371,609)
Infrastructure	(15,909,899)	(919,967)	-	-	(16,829,866)
Right-to-use lease asset	(629,157)	(229,455)	-	-	(858,612)
Right-to-use subscription asset	(201,525)	(806,320)	-	-	(1,007,845)
Total accumulated depreciation/amortization	(105,776,866)	(11,322,023)	1,453,425	-	(115,645,264)
Total capital assets being depreciated/amortized, net	113,409,992	(309,904)	(2,296,964)	10,425,558	121,228,682
Governmental activities capital assets, net	\$ 149,573,588	\$ 21,368,899	\$ (2,296,964)	\$ -	\$ 168,645,523

Depreciation and amortization expense was charged to functions as follows:

General government	\$ 2,039,712
Administration of justice	285,691
Public safety	5,706,520
Public works, including depreciation of infrastructure assets	1,589,704
Public health and welfare	1,017,696
Culture and recreation	581,747
Economic development	100,953
Total governmental activities depreciation and amortization expense	<u>\$ 11,322,023</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (CONTINUED)

Capital asset activity for the County's business-type activities for the year ended June 30, 2025, was as follows:

	Balance June 30, 2024	Additions	Deletions	Transfers	Balance June 30, 2025
Business-type activities					
Capital assets not being depreciated					
Land	\$ 598,607	\$ -	\$ -	\$ -	\$ 598,607
Construction in progress	4,890,607	2,086,708	-	-	6,977,315
Total capital assets not being depreciated	5,489,214	2,086,708	-	-	7,575,922
Capital assets being depreciated/amortized					
Buildings and improvements	14,686,815	-	-	-	14,686,815
Vehicles	23,230	-	-	-	23,230
Furniture and equipment	163,454	-	-	-	163,454
Right-to-use lease asset	11,056	-	-	-	11,056
Total capital assets being depreciate/amortized	14,884,555	-	-	-	14,884,555
Less accumulated depreciation/amortization					
Buildings and improvements	(9,489,969)	(430,794)	-	-	(9,920,763)
Vehicles	(14,712)	(4,646)	-	-	(19,358)
Furniture and equipment	(110,156)	(11,389)	-	-	(121,545)
Right-to-use lease asset	(2,567)	(2,369)	-	-	(4,936)
Total accumulated depreciation/amortization	(9,617,404)	(449,198)	-	-	(10,066,602)
Total capital assets being depreciated/amortized, net	5,267,151	(449,198)	-	-	4,817,953
Business-type activities capital assets, net	\$ 10,756,385	\$ 1,637,510	\$ -	\$ -	\$ 12,393,875

Depreciation and amortization expense was charged to programs of the business-type activities as follows:

Airport	\$ 449,198
Total business-type activities depreciation and amortization expense	\$ 449,198

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. LONG-TERM LIABILITIES

The following is a summary of long-term debt activity for the primary government for the fiscal year ended June 30, 2025:

	(Restated)				
	Balance			Balance	Due within
	June 30, 2024	Additions	Reductions	June 30, 2025	One Year
Governmental activities					
General obligation bonds	\$ 19,178,725	\$ -	\$ (3,176,529)	\$ 16,002,196	\$ 1,785,416
Special obligation bonds	5,740,000	-	(350,000)	5,390,000	360,000
Installment purchase revenue bonds	92,795,000	-	(1,635,000)	91,160,000	1,720,000
Leases	556,145	-	(198,228)	357,917	162,859
Subscriptions	230,783	2,963,242	(888,761)	2,305,264	836,049
Financed purchases	420,000	-	(50,000)	370,000	50,000
Post-closure care costs	898,234	-	(18,177)	880,057	60,139
Compensated absences	4,374,689	2,112,927	-	6,487,616	5,045,444
Total postemployment benefit liability	2,910,854	288,607	(238,392)	2,961,069	188,370
Net pension liability - SCRS	35,907,228	4,713,938	(5,255,329)	35,365,837	-
Net pension liability - PORS	24,524,482	6,686,954	(5,073,724)	26,137,712	-
Deferred amounts:					
Unamortized premium	8,833,436	-	(878,890)	7,954,546	-
	<u>\$ 196,369,576</u>	<u>\$ 16,765,668</u>	<u>\$ (17,763,030)</u>	<u>\$ 195,372,214</u>	<u>\$ 10,208,277</u>

Beginning balances in the above table were restated as a result of the implementation of GASB Statement No. 101, *Compensated Absences*. The change in compensated absences presented in the above table is a net change.

	Balance			Balance	Due within
	June 30, 2024	Additions	Reductions	June 30, 2025	One Year
Business-type activities					
Net pension liability - SCRS	\$ 132,772	\$ 308,027	\$ (308,950)	\$ 131,849	\$ -
Leases	8,644	-	(2,412)	6,232	2,412
	<u>\$ 141,416</u>	<u>\$ 308,027</u>	<u>\$ (311,362)</u>	<u>\$ 138,081</u>	<u>\$ 2,412</u>

Compensated absences, total post-employment benefit liability, the net pension liabilities, and post-closure care costs are ordinarily liquidated by the General Fund. Leases and subscriptions payable are ordinarily liquidated by General Fund and Stormwater Fund.

General Obligation Bonds

The County issues general obligation debt to provide funds for acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the government. During 2015, the County issued 2015A, 2015B and 2015C general obligation bonds for the purposes of defraying the cost of capital projects approved in a referendum held in the County on November 4, 2014, as well as to refund the 2010B and 2010C bonds. The current refunding of the 2010B and 2010C bonds resulted in a difference between the reacquisition price and the net carrying amount of the old debt of approximately \$31,145 and \$101,786, respectively. The differences reported in the Statement of Net Position as a deferred outflow of resources are being charged to increase expenses through the year 2030 for the 2010B bonds and the year 2025 for the 2010C bonds using the straight-line method. The refunding transactions resulted in an economic gain of \$54,667 and \$214,875 for the 2010B and 2010C bonds, respectively. The 2010B and 2010C refunding transactions decreased the total debt service payments over the next 13 years by \$60,689 and \$229,436, respectively.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. LONG-TERM LIABILITIES (CONTINUED)

General Obligation Bonds (Continued)

During 2016, the County issued 2016A general obligation bonds for the purposes of funding the acquisition of fire trucks and such other lawful purposes, as the County Council shall determine. During 2017, the County issued 2017 general obligation bonds for the purpose of improvements to the Brookchase district. During 2019, the County issued 2019 general obligation bonds for the purposes of defraying the cost of capital projects approved in a referendum held in the County on November 4, 2014, as well as to refund the 2009 bonds. The current refunding of the 2009 bonds resulted in a difference between the reacquisition price and the net carrying amount of the old debt of approximately \$41,589. The difference reported in the Statement of Net Position as a deferred outflow of resources are being charged to increase expenses through the year 2024 for the 2009 bonds using the straight-line method. The refunding transaction resulted in an economic gain of \$85,292 and decreased the total debt service payments over the next five years by \$86,910. During 2022, the County issued 2022 general obligation bonds for the Reid Pointe project. During 2022, the County issued the \$7,500,000 in general obligation bonds which was the remaining bonds authorized by the recreation bond referendum. The County also issued \$471,833 in general obligation bonds for the Reid Pointe special tax district.

During 2024, the County defeased the series 2015B general obligation bonds using existing County resources. The outstanding amount of the bond at the time of defeasance was \$1,070,000. The County placed \$1,096,635 into escrow to cover the remaining principal and interest payments and costs of issuance related to the defeasance.

General obligation bonds currently outstanding are as follows:

Description	Amount Issued	Interest Rate	Final Maturity	Annual Principal Payments	Amount Outstanding
General obligation bonds, series 2021	\$ 7,500,000	4% to 5%	2039	\$45,000 to \$515,000	\$ 6,230,000
General obligation bonds, series 2017 (Brookchase)	650,000	2.61%	2030	\$40,000 to \$60,000	276,039
General obligation refunding & improvement bonds, series 2019	19,905,000	5.00%	2039	\$595,000 to \$890,000	9,135,000
General obligation bonds, series 2023 (Reid Pointe)	471,833	5.06%	2031	\$50,462 to \$67,857	361,157
					<u>\$ 16,002,196</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. LONG-TERM LIABILITIES (CONTINUED)

General Obligation Bonds (Continued)

The annual requirements to amortize all general obligation bonds as of June 30, 2025, including interest payments, are as follows:

Year Ending June 30,	General Obligation Bonds		
	Principal	Interest	Total
2026	\$ 1,785,416	\$ 717,915	\$ 2,503,331
2027	939,467	472,229	1,411,696
2028	983,688	426,508	1,410,196
2029	1,033,089	378,607	1,411,696
2030	1,087,678	328,268	1,415,946
2031-2035	5,392,858	1,060,434	6,453,292
2036-2039	4,780,000	312,500	5,092,500
	<u>\$ 16,002,196</u>	<u>\$ 3,696,461</u>	<u>\$ 19,698,657</u>

Debt service funds of \$1,332,073 are available to service the general obligation bonds.

The general obligation bonds are secured by a pledge of the full faith, credit and taxing power of the County. In the event of default, the sole remedy of any bondholder or beneficial owner of the bonds shall be an action to compel performance by the County.

There are a number of limitations and restrictions contained in the various debt instruments. The County is in compliance with all significant limitations and restrictions including the legal debt limit imposed by Article X, Section 15 of the Constitution of the State of South Carolina, 1895, as amended.

Advanced Refunding

On June 1, 2009, the County issued \$4,630,000 General Obligation Refunding Bonds, Series 2009. The County issued the bonds to advance refund \$525,000 of outstanding General Obligation Bonds, Series 1996, \$3,790,000 of outstanding General Obligation Bonds, Series 1999, and to pay certain issuance costs. The proceeds of the Series 2009 were deposited into an irrevocable trust with an escrow agent to provide for all future debt service payments related to the Series 1996 and Series 1999 bonds being refunded. The advance refunding met the requirements of an in-substance defeasance, and the refunded bonds were removed from the County's Statement of Net Position.

On May 23, 2019, the County issued \$19,905,000 General Obligation Refunding and Improvement Bonds, Series 2019. These bonds were issued, and the proceeds were used to refund \$1,615,000 of outstanding General Obligation Refunding Bonds, Series 2009, and to pay certain issuance costs. In connection with the issuance of the bonds, a premium of \$2,116,323 was recorded and is being amortized over the life of the bonds. As of June 30, 2025, the unamortized premium was \$826,884.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. LONG-TERM LIABILITIES (CONTINUED)

Advanced Refunding (Continued)

In current and prior years, advance refunding transactions resulted in book losses that are being amortized over the original remaining life of the old bonds that were defeased. The unamortized losses at June 30, 2025, are classified as a deferred outflow of resources on the Statement of Net Position. Amortization of \$10,714 has been included in interest expense for the year ended June 30, 2025. As of June 30, 2025, the County's outstanding in-substance defeased general obligation bond debt totaled \$785,000.

Special Obligation Bonds

The County issues special obligation debt to provide funds for defraying the cost of capital acquisitions and construction. The special obligation bond does not constitute general obligations of the County to which its faith and credit or taxing power are pledged but are subject to and dependent upon lawful appropriations of funds being made by the County. In 2021 the County issued \$6,140,000 in special obligation bonds for three aerial trucks and a mobile command post.

Description	Amount Issued	Interest Rate	Final Maturity	Annual Principal Payments	Amount Outstanding
Special obligation bonds, series 2021	\$ 6,140,000	3% to 4%	2037	\$65,000-\$540,000	\$ 5,390,000
					<u>\$ 5,390,000</u>

The annual requirements to amortize all special obligation bonds as of June 30, 2025, including interest payments, are as follows:

Year Ending June 30,	Special Obligation Bonds		
	Principal	Interest	Total
2026	\$ 360,000	\$ 190,300	\$ 550,300
2027	375,000	175,900	550,900
2028	390,000	160,900	550,900
2029	410,000	145,300	555,300
2030	425,000	128,900	553,900
2031-2035	2,370,000	390,700	2,760,700
2036-2037	1,060,000	48,000	1,108,000
	<u>\$ 5,390,000</u>	<u>\$ 1,240,000</u>	<u>\$ 6,630,000</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. LONG-TERM LIABILITIES (CONTINUED)

Financed Purchases

The County has entered into agreements to finance the purchase of various pieces of equipment. The following is a schedule of the annual debt service requirements to maturity for the financed purchases:

Year Ending June 30,	Financed Purchases		
	Principal	Interest	Total
2026	\$ 50,000	\$ -	\$ 50,000
2027	50,000	-	50,000
2028	50,000	-	50,000
2029	50,000	-	50,000
2030	50,000	-	50,000
2031-2033	120,000	-	120,000
	<u>\$ 370,000</u>	<u>\$ -</u>	<u>\$ 370,000</u>

Special Source Revenue Bonds

During 2015, the County issued special source revenue bonds in the amount of \$7,504,000 to finance the construction of the Keer America Corporation/Affiliates project. These bonds are limited obligations of the County and are payable solely from the fee in lieu of tax revenues. The bonds were payable in annual installments through 2028 and had an annual interest rate of 4.0%. The revenue bonds contained an event of default that changes the timing of repayment of amounts to become immediately due if the County is unable to make payment. During fiscal year 2024, in accordance with the terms of the bond agreement for the Keer America Corporation Project, Series 2014, Special Source Revenue Bonds, the County was legally released from any future obligations or payments in association with these bonds in a debt extinguishment transaction.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. LONG-TERM LIABILITIES (CONTINUED)

Installment Purchase Revenue Bonds

During 2024, the County issued installment purchase revenue bonds in the amount of \$96,800,000 for improvements to the Regional Park and Detention Center facilities. The bonds are secured by a base lease and trust agreement encompassing the improvements to the facilities. Principal and interest payments on the bonds are due in semi-annual installments through June 2043. The bonds bear interest of 4.4% and 4.5%, respectively. The following is a schedule of the annual debt service requirements to maturity for the installment purchase revenue bonds:

Year Ending June 30,	Installment Purchase Revenue Bonds		
	Principal	Interest	Total
2026	\$ 1,720,000	\$ 4,558,000	\$ 6,278,000
2027	1,805,000	1,895,000	3,700,000
2028	1,895,000	4,381,750	6,276,750
2029	1,990,000	4,287,000	6,277,000
2030	2,085,000	4,187,500	6,272,500
2031-2035	25,480,000	17,992,250	43,472,250
2036-2040	32,510,000	10,954,000	43,464,000
2041-2044	23,675,000	2,406,000	26,081,000
	<u>\$ 91,160,000</u>	<u>\$ 50,661,500</u>	<u>\$ 141,821,500</u>

Leases

Business-type Activities

The County has entered into a noncancelable lease as the lessee for right-to-use equipment. The incremental borrowing rate is 1.836%. As of June 30, 2025, the County has \$6,232 outstanding in leases payable.

The annual requirements to amortize all leases payable as of June 30, 2025, including interest payments, are as follows:

Year Ending June 30,	Leases		
	Principal	Interest	Total
2026	\$ 2,412	\$ 43	\$ 2,455
2027	2,412	43	2,455
2028	1,408	25	1,433
	<u>\$ 6,232</u>	<u>\$ 111</u>	<u>\$ 6,343</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. LONG-TERM LIABILITIES (CONTINUED)

Leases (Continued)

Governmental Activities

The County has entered into multiple noncancelable leases as the lessee for various right-to-use assets. The incremental borrowing rate varies from 1.836% to 0.5135%. As of June 30, 2025, the County has \$357,917 outstanding in leases payable.

The annual requirements to amortize all leases payable as of June 30, 2025, including interest payments, are as follows:

Year Ending June 30,	Leases		
	Principal	Interest	Total
2026	\$ 162,859	\$ 211	\$ 163,070
2027	116,147	183	116,330
2028	72,152	154	72,306
2029	1,076	124	1,200
2030	1,096	104	1,200
2031-2034	4,587	212	4,799
	<u>\$ 357,917</u>	<u>\$ 988</u>	<u>\$ 358,905</u>

Subscriptions

The County has entered into multiple noncancelable subscriptions as the lessee for various right-to-use software. The incremental borrowing rate varies from 4.345% to 0.769%. As of June 30, 2025, the County has \$2,305,264 outstanding in subscriptions payable.

The annual requirements to amortize all leases payable as of June 30, 2025, including interest payments, are as follows:

Year Ending June 30,	Subscriptions		
	Principal	Interest	Total
2026	\$ 836,049	\$ 76,966	\$ 913,015
2027	540,413	50,567	590,980
2028	460,069	32,148	492,217
2029	468,733	16,276	485,009
	<u>\$ 2,305,264</u>	<u>\$ 175,957</u>	<u>\$ 2,481,221</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. LONG-TERM LIABILITIES (CONTINUED)

Landfill Closure and Post-closure Care Costs

The South Carolina Department of Health and Environmental Control (DHEC) requires landfill operators to provide for inspection and maintenance of the physical characteristics of the site, as well as monitoring and maintenance of the groundwater and gas monitoring systems and the leachate collection and treatment system, for a period of 30 years following the closing. DHEC also requires that operators cover the landfill with a minimum cover of a certain permeability. The County's liability for closure and post-closure care costs is based on landfill capacity used to date. Since the landfill was closed as of June 30, 1995, the County considers it to be at 100% of capacity.

During fiscal year 2025, the County expended \$18,177 in landfill closure costs. Remaining post-closure care costs are estimated at \$880,057 and included with the long-term liabilities in the Statement of Net Position. Post-closure care costs are reported in the General Fund and are based on engineering estimates that are subject to change due to inflation, deflation, technology and/or applicable laws and regulations.

Conduit Debt Obligations

From time to time, the County has issued Industrial 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. Neither the County, nor the State of South Carolina, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, these bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2025, there were no Industrial Revenue Bonds outstanding.

Special Assessment Debt Obligations

In July 2003, the County issued \$13,760,000 of special assessment debt. This debt is applicable to the Edgewater Improvement District, which is located in the southern part of the County and will be used to improve the area's infrastructure. The County is acting only as an agent and is in no manner obligated to repay the special assessment debt. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2025, the outstanding balance on this debt was \$2,631,440.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. LONG-TERM LIABILITIES (CONTINUED)

Special Assessment Debt Obligations (Continued)

In June 2006, the County issued 2006A and 2006B special assessment debt in the amount of \$35,615,000. This debt is applicable to the Walnut Creek Improvement District (formerly Edenmoor Improvement District) which is located in the northern part of the County and will be used to improve the area's infrastructure and to construct a sheriff and EMS substation. In February 2016, the County issued assessment district refunding revenue bonds: Walnut Creek Improvement District 2016A-1 in the amount of \$8,510,000, Walnut Creek Improvement District Series 2006A-2 in the amounts of \$8,100,000 and \$1,570,000; Walnut Creek Improvement District, Series 2006A-3 in the amounts of \$3,925,000 and \$770,000. In December 2016, the County issued the Walnut Creek Improvement District 2016A-2 in the amount of \$3,380,000. The County is acting only as an agent and is in no manner obligated to repay the special assessment debt. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2025, the outstanding balances on this debt were \$10,360,094, \$5,892,500, and \$2,735,000, respectively.

In March 2006, the County issued \$20,000,000 of special assessment debt. This debt is applicable to the Sun City Carolina Lakes Improvement District, which is located in the northern part of the County and will be used to improve the area's infrastructure and to construct a library branch. In December 2016, the County issued the Sun City Carolina Lakes Refunding Revenue Bonds 2016 in the amount of \$14,113,000 to refund the 2006 bonds. The County is acting only as an agent and is in no manner obligated to repay the special assessment debt. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2025, the outstanding balance on this debt was \$9,743,308.

In November 2007, the County issued \$28,880,000 of special assessment debt. This debt is applicable to the Edgewater II Improvement District, which is located in the southern part of the County and will be used to improve the area's infrastructure. The County is acting only as an agent and is in no manner obligated to repay the special assessment debt. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2025, the outstanding balance on this debt was \$25,936,716.

In June 2021, the County issued \$4,070,000 of special assessment debt. This debt is applicable to the Walnut Creek Improvement District and will be used to improve the area's infrastructure. The County is acting only as an agent and is in no manner obligated to repay the special assessment debt. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2025, the outstanding balance on this debt was \$4,070,000.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7. LEASE AND SUBSCRIPTION ASSETS

Lease asset activity for the County's governmental activities for the year ended June 30, 2025, was as follows:

	Balance June 30, 2024	Additions	Remeasurements	Deletions	Balance June 30, 2025
Governmental activities					
Lease asset					
Equipment	\$ 834,656	\$ -	\$ -	\$ -	\$ 834,656
Buildings	112,827	-	-	-	112,827
Land	226,209	-	-	-	226,209
Total lease assets	<u>1,173,692</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,173,692</u>
Less accumulated amortization					
Equipment	(337,043)	(156,794)	-	-	(493,837)
Buildings	(112,827)	(37,609)	-	-	(150,436)
Land	(179,287)	(35,052)	-	-	(214,339)
Total accumulated amortization	<u>(629,157)</u>	<u>(229,455)</u>	<u>-</u>	<u>-</u>	<u>(858,612)</u>
Total lease assets net of accumulated amortization	<u>\$ 544,535</u>	<u>\$ (229,455)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 315,080</u>
Business-type activities					
Lease asset					
Equipment	\$ 11,056	\$ -	\$ -	\$ -	\$ 11,056
Total lease assets	<u>11,056</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,056</u>
Less accumulated amortization					
Equipment	(2,567)	(2,369)	-	-	(4,936)
Total accumulated amortization	<u>(2,567)</u>	<u>(2,369)</u>	<u>-</u>	<u>-</u>	<u>(4,936)</u>
Total lease assets net of accumulated amortization	<u>\$ 8,489</u>	<u>\$ (2,369)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,120</u>

Subscription asset activity for the County's governmental activities for the year ended June 30, 2025, was as follows:

	Balance June 30, 2024	Additions	Remeasurements	Deletions	Balance June 30, 2025
Governmental activities					
Subscription asset	\$ 449,077	\$ 3,014,125	\$ -	\$ -	\$ 3,463,202
Total capital assets	<u>449,077</u>	<u>3,014,125</u>	<u>-</u>	<u>-</u>	<u>3,463,202</u>
Less accumulated amortization					
Subscription asset	(201,525)	(806,320)	-	-	(1,007,845)
Total accumulated amortization	<u>(201,525)</u>	<u>(806,320)</u>	<u>-</u>	<u>-</u>	<u>(1,007,845)</u>
Total subscription assets net of accumulated amortization	<u>\$ 247,552</u>	<u>\$ 2,207,805</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,455,357</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. EMPLOYEE BENEFITS

Retirement Plan

Overview:

The South Carolina Public Employee Benefit Authority (PEBA), created July 1, 2012, is the state agency responsible for the administration and management of the retirement systems and benefit 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' five defined benefit pension plans. PEBA has an 11-member Board of Directors, appointed by the Governor and General Assembly leadership, which serves as custodian, co-trustee and co-fiduciary of the Systems and the assets of the retirement trust funds. The Retirement System Investment Commission (Commission as the governing body, RSIC as the agency), created by the General Assembly in 2005, has exclusive authority to invest and manage the retirement trust funds' assets. The Commission, an eight-member board, serves as co-trustee and co-fiduciary for the assets of the retirement trust funds. By law, the State Fiscal Accountability Authority (SFAA), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the actuary of the Systems. For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Systems and additions to/deductions from the Systems fiduciary net position have been determined on the accrual basis of accounting as they are reported by the Systems in accordance with generally accepted accounting principles (GAAP). For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Benefit and refund expenses are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

Plan Description:

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

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. EMPLOYEE BENEFITS (CONTINUED)

Retirement Plan (Continued)

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 described below.

South Carolina Retirement System - 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, teachers, and individuals first elected to the South Carolina General Assembly at or after the general election in November 2012. A member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. A member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.

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

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 the benefit terms for each system is presented on the following page.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. EMPLOYEE BENEFITS (CONTINUED)

Retirement Plan (Continued)

South Carolina Retirement System - A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 65 or with 28 years credited service regardless of age. A member may elect early retirement with reduced pension benefits payable at age 55 with 25 years of service credit. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension upon satisfying the Rule of 90 requirement that the total of the member's age and the member's creditable service equals at least 90 years. Both Class Two and Class Three members are eligible to receive a reduced deferred annuity at age 60 if they satisfy the five- or eight-year earned service requirement, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program. The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase. Members who retire under the early retirement provisions at age 55 with 25 years of service are not eligible for the benefit adjustment until the second July 1 after reaching age 60 or the second July 1 after the date they would have had 28 years of service credit had they not retired.

South Carolina Police Officers Retirement System - 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.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. EMPLOYEE BENEFITS (CONTINUED)

Retirement Plan (Continued)

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. Effective July 1, 2017, employee rates were increased and capped at 9 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 until reaching 18.56 percent for SCRS and 21.24 percent for PORS. The legislation included a further provision that if the scheduled contributions are not sufficient to meet the funding periods set in state statute, the PEBA board would increase the employer contribution rates as necessary to meet the funding periods set for the applicable year.

Pension reform legislation modified statute such that the employer contribution rates for SCRS and PORS to be further increased, not to exceed one-half of one percent in any one year, if necessary, in order to improve the funding of the plans. The statute set rates intended to reduce the unfunded liability of SCRS and PORS to the maximum amortization period of 20 years from 30 years over a ten-year schedule, as determined by the annual actuarial valuations of the plan. Finally, under the revised statute, the contribution rates for SCRS and PORS may not be decreased until the plans are at least 85 percent funded. For the year ended June 30, 2025, the County contributed \$4,152,212 to the SCRS plan and \$4,252,984 to the PORS plan.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. EMPLOYEE BENEFITS (CONTINUED)

Retirement Plan (Continued)

Contributions (Continued):

Required employee contribution rates for the year ended June 30, 2025, are as follows:

South Carolina Retirement System

Employee Class Two	9.00% of earnable compensation
Employee Class Three	9.00% of earnable compensation

South Carolina Police Officers Retirement System

Employee Class Two	9.75% of earnable compensation
Employee Class Three	9.75% of earnable compensation

Required employer contribution rates for the year ended June 30, 2025, are as follows:

South Carolina Retirement System

Employee Class Two	18.41% of earnable compensation
Employee Class Three	18.41% of earnable compensation
Employer incidental death benefit	0.15% of earnable compensation

South Carolina Police Officers Retirement System

Employee Class Two	20.84% of earnable compensation
Employee Class Three	20.84% of earnable compensation
Employer incidental death benefit	0.20% of earnable compensation
Employer accidental death program	0.20% of earnable compensation

Net Pension Liability:

The June 30, 2024, (the measurement date) total pension liability, net pension liability, and sensitivity information were determined by the consulting actuary, Gabriel, Roeder, Smith and Company (GRS) and are based on the July 1, 2023, actuarial valuations, as adopted by the PEBA Board and Budget and Control Board, which utilized membership data as of July 1, 2023. The total pension liability was rolled-forward from the valuation date to the plan's fiscal year ended June 30, 2024, using generally accepted actuarial principles. Information included in the following schedules is based on the certification provided by GRS. The net pension liability is calculated separately for each system and represents that particular system's total pension liability determined in accordance with GASB No. 67, less that system's fiduciary net position. As of June 30, 2025, (measurement date of June 30, 2024), the net pension liability amounts for the County's proportionate share of the collective net pension liabilities associated with the SCRS and PORS plans are as follows:

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. EMPLOYEE BENEFITS (CONTINUED)

Retirement Plan (Continued)

Net Pension Liability (Continued):

System	Total Pension Liability	Plan Fiduciary Net Position	Employer's Net Pension Liability	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	County's Proportionate Share of the Collective Net Pension Liability
SCRS	\$ 81,369,808,968	\$ 37,919,492,371	\$ 23,450,314,597	61.8%	0.151374%
PORS	10,177,904,231	7,178,118,865	2,999,785,366	70.5%	0.871319%

Actuarial Assumptions and Methods:

Actuarial valuations of the ongoing plan involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. An experience report on the Systems was most recently issued for the period ending June 30, 2023.

The following table provides a summary of the actuarial assumptions and methods used in the July 1, 2023 valuations for SCRS and PORS.

	SCRS	PORS
Actuarial cost method	Entry Age Normal	Entry Age Normal
Actuarial assumptions:		
Investment rate of return	7.00%	7.00%
Projected salary increases	3.0% to 11.0% (varies by service)	3.5% to 10.5% (varies by service)
Includes inflation at	2.25%	2.25%
Benefit adjustments	lesser of 1% or \$500 annually	lesser of 1% or \$500 annually

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. EMPLOYEE BENEFITS (CONTINUED)

Retirement Plan (Continued)

Actuarial Assumptions and Methods (Continued):

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

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

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2024 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 table below. For actuarial purposes, the 7 percent assumed annual investment rate of return used in the calculation of the TPL includes a 4.75 percent real rate of return and a 2.25 percent inflation component.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the table below:

Allocation/Exposure	Policy Target	Expected Arithmetic Real Rate of Return	Long-term Expected Portfolio Real Rate of Return
Public Equity	46.0%	6.23%	2.86%
Bonds	26.0%	2.60%	0.68%
Private Equity	9.0%	9.60%	0.86%
Private Debt	7.0%	6.90%	0.48%
Real Assets	12.0%		
Real estate	9.0%	4.30%	0.39%
Infrastructure	3.0%	7.30%	0.22%
	100.0%		
		Total expected real return	5.49%
		Inflation for actuarial purposes	2.25%
		Total expected nominal return	7.74%

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. EMPLOYEE BENEFITS (CONTINUED)

Retirement Plan (Continued)

Discount Rate:

The discount rate used to measure the TPL was 7 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in 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, the System's fiduciary net position was projected to be available to make all the 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 of the Net Pension Liability to Changes in the Discount Rate

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
SCRS	\$ 46,000,989	\$ 35,497,686	\$ 25,824,974
PORS	37,868,540	26,137,712	16,529,557

Pension Expense:

For the year ended June 30, 2025, the County recognized its proportionate share of collective pension expense of \$3,426,245 and recognition of deferred amounts from changes in proportionate share and differences between employer contributions and the proportionate share of total plan employer contributions of \$625,336 for a total of \$4,051,581 for the SCRS plan. Additionally, for the year ended June 30, 2025, the County recognized its proportionate share of collective pension expense of \$3,317,619 and recognition of deferred amounts from changes in proportionate share and differences between employer contributions and the proportionate share of total plan employer contributions of \$1,301,095 for a total of \$4,618,714 for the PORS plan. Total pension expense for the County, for all plans, is \$8,670,295.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. EMPLOYEE BENEFITS (CONTINUED)

Retirement Plan (Continued)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

At June 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to the SCRS and PORS pension plans, respectively, from the following sources:

SCRS	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,166,579	\$ 44,055
Changes of assumptions	625,818	-
Net difference between projected and actual earnings on pension plan investments	-	1,367,736
Changes in proportionate share and differences between employer contributions and proportionate share of total plan employer contributions	611,093	-
Employer contributions subsequent to the measurement date	4,152,212	-
Total	<u>\$ 6,555,702</u>	<u>\$ 1,411,791</u>
PORS	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,454,671	\$ 149,852
Changes of assumptions	569,064	-
Net difference between projected and actual earnings on pension plan investments	-	1,465,384
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,997,376	-
Employer contributions subsequent to the measurement date	4,252,984	-
Total	<u>\$ 9,274,095</u>	<u>\$ 1,615,236</u>
Total SCRS and PORS	<u>\$ 15,829,797</u>	<u>\$ 3,027,027</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. EMPLOYEE BENEFITS (CONTINUED)

Retirement Plan (Continued)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued): County contributions subsequent to the measurement date of \$4,152,212 and \$4,252,984 for the SCRS plan and the PORS plan, respectively, are deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	SCRS	PORS
2026	\$ (171,626)	\$ 927,660
2027	1,470,715	2,283,848
2028	51,792	581,814
2029	(359,182)	(387,447)

Pension Plan Fiduciary Net Position:

Detailed information regarding the fiduciary net position of the plans administered by PEBA is available in the separately issued Annual Comprehensive Financial Report (ACFR) containing financial statements and required supplementary information for SCRS and PORS. The ACFR of the Pension Trust Funds is publicly available on PEBA's Retirement Benefits' website at www.retirement.sc.gov, or a copy may be obtained by submitting a request to PEBA, P.O. Box 11960, Columbia, SC 29211-1960.

Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457, which is administered and controlled by the State of South Carolina. The plan, available to all government employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

Great-West Retirement Services, P.O. Box 173764, Denver, CO 80217-3764, (under state contract) is the program administrator of the 457 plan as well as the 401(k) plan and 401(k) Roth plan which are also available to County employees at their option.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. EMPLOYEE BENEFITS (CONTINUED)

Other Post Employment Healthcare Benefits (OPEB)

Plan Description. In addition to providing pension benefits through the South Carolina Retirement System, the County, authorized by its County Council, participates in a single employer plan to provide certain healthcare benefits for employees who retire from service or who terminate with at least 20 years of service who meet one or more of the eligibility requirements, such as age, length of service, and hire date. Generally, those who retire must have at least 10 years of retirement service credit under the South Carolina Retirement System to qualify for benefits. Benefits are effective at date of retirement or when the employee is eligible for retirement benefits.

Plan Membership. The Plan has 649 covered members as of June 30, 2024, the date of the most recent actuarial valuation; 83 members are retirees receiving benefits and 566 are active participants and dependents.

Funding Policy and Contributions. The County currently pays for other post-employment benefits on a pay-as-you-go basis. For the year ended June 30, 2025, the County paid \$161,282 toward the cost of retiree health insurance for eligible retired employees. The County's obligation to contribute to the Plan was established and may be amended by the County Council. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 and a separate report was not issued for the plan.

Total OPEB Liability. The County's total OPEB liability was measured as of June 30, 2024, and was determined by an actuarial valuation as of June 30, 2024, with the actuary using standard techniques to roll forward the liability to the measurement date.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. EMPLOYEE BENEFITS (CONTINUED)

Other Post Employment Healthcare Benefits (OPEB) (Continued)

Actuarial Assumptions. The total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount rate:	3.97% as of June 30, 2024
Healthcare cost trend rate:	6.80% - 4.25%, Ultimate Trend after 15 years
Inflation rate:	2.25%
Salary increase:	3.00% - 9.65% for SCRS eligible employees and 3.50% - 11.00% for PORS eligible employees per annum
Participation rate:	40.00% of all eligible employees and 25% for dental only coverage.

For healthy retirees, the gender-distinct South Carolina Retirees 2020 Mortality Tables are used with the following multipliers applied to the base tables: 97% for male SCRS members, 107% for female SCRS members, 127% for male PORS members, and 107% for female PORS members. The rates are projected on a fully generational basis using 80% of the ultimate rates of Scale MP-2021 to account for future mortality improvements.

Discount Rate. The discount rate used to measure the total OPEB liability was 3.97% as of June 30, 2024. This rate was determined using an index rate of 20-year, tax-exempt general obligation municipal bonds with an average rating of AA or higher – which was 3.97% as determined by the Bond Buyer 20-Bond GO Index Rate as of June 30, 2024.

Changes in the Total OPEB Liability. The changes in the total OPEB liability of the County for the year ended June 30, 2025 (June 30, 2024 measurement date), were as follows:

	Total OPEB Liability
Balances beginning of year	\$ 2,910,854
Changes for the year:	
Service cost	166,033
Interest	111,928
Difference between actual and expected experience	87,993
Assumption changes	(127,369)
Benefit payments and implicit subsidy	(188,370)
Net changes	50,215
Balances end of year	<u>\$ 2,961,069</u>

The required schedule of changes in the County's total OPEB liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about the total OPEB liability.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. EMPLOYEE BENEFITS (CONTINUED)

Other Post Employment Healthcare Benefits (OPEB) (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the County as of June 30, 2025 (June 30, 2024 measurement date), as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.97%) or 1-percentage-point higher (4.97%) than the current discount rate:

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate		
	Current	
1% Decrease	Discount Rate	1% Increase
(2.97%)	(3.97%)	(4.97%)
\$ 3,274,703	\$ 2,961,069	\$ 2,690,938

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the total OPEB liability of the County as of June 30, 2025 (June 30, 2024 measurement date), as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.80% decreasing to 3.25%) or 1-percentage-point higher (7.80% decreasing to 5.25%) than the current healthcare cost trend rates:

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate		
	Current	
	Healthcare	
1% Decrease	Cost Trend Rates	1% Increase
\$ 2,688,289	\$ 2,961,069	\$ 3,299,577

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revisions as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of June 30, 2025, and the current sharing pattern of costs between employer and inactive employees.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. EMPLOYEE BENEFITS (CONTINUED)

Other Post Employment Healthcare Benefits (OPEB) (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended June 30, 2025, the County recognized OPEB expense as follows:

<u>Description</u>		
Service cost (annual cost of current service)	\$	166,033
Interest on the total OPEB liability		111,928
Recognition of current year amortization - difference between expected and actual experience and assumption changes		(4,660)
Recognition of prior year amortization - difference between expected and actual experience and assumption changes		(178,814)
Total aggregate OPEB expense	\$	<u>94,487</u>

At June 30, 2025, the County reported deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 286,532	\$ 1,226,193
Changes of assumptions	380,271	549,103
Employer contributions subsequent to the measurement date	161,282	-
Total	<u>\$ 828,085</u>	<u>\$ 1,775,296</u>

County contributions subsequent to the measurement date of \$161,282 are deferred outflows of resources and will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2026. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Retiree Health Insurance Plan</u>	
Year ended June 30:	
2026	\$ (174,399)
2027	(160,175)
2028	(174,220)
2029	(201,646)
2030	(277,727)
Thereafter	(120,326)

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9. RISK MANAGEMENT

The County participates in a self-funded program, the South Carolina Counties Workers' Compensation Trust, to provide workers' compensation insurance through the South Carolina Association of Counties. The County continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

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 carries insurance through the South Carolina Counties Property and Liability Trust. In addition, the County carries employee health and accident insurance through the South Carolina Office of Insurance Services. This South Carolina state health plan represents various South Carolina governmental entities joined together in a public entity risk pool. The County pays premiums to the Trust for its employee health and accident insurance. The agreement for formation of the Trust provides that the Trust will be self-sustaining through member premiums and will reinsure through commercial companies for each insured event.

The County continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

NOTE 10. INTERFUND ASSETS AND LIABILITIES

Interfund receivable and payable balances at June 30, 2025, were as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Airport Fund	\$ 5,282,790
General Fund	Bond Projects Fund	54,894
General Fund	Nonmajor Governmental Fund	4,136,650
General Fund	Debt Service Fund	22,822
General Fund	ARPA	1,527,570
Capital Projects Sales Tax 2 Fund	General Fund	17,658,502
Capital Projects Sales Tax 3 Fund	General Fund	12,135,731
Nonmajor Governmental Funds	General Fund	36,473,571
		<u>\$ 77,292,530</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. With the exception of the Airport Fund, whose balance will be repaid in over one year, these balances normally clear within one to two months and are considered payable within one year.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 10. INTERFUND ASSETS AND LIABILITIES (CONTINUED)

Any transactions to transfer revenues from the fund budgeted to receive them to the fund budgeted to expend them are reported as transfers from and to other funds. Total transfers during the year ended June 30, 2025, consisted of the following individual amounts:

Transfer In Fund	Transfer Out Fund	Amount
Nonmajor Governmental Funds	Debt Service Fund	71,290
		<u>\$ 71,290</u>

Transfers are used to (1) move revenues from the fund that the statute or budget requires to collect them to the fund that the statute or budget requires to expend them and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 11. COMMITMENTS AND CONTINGENT LIABILITIES

In the normal course of operation, the County participates and receives grant funds from various federal and state agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with condition precedent to the granting of funds. Such audits could result in the possible liability for reimbursement or refund of grant monies to the grantor agencies. However, the County's management believes that any liability for reimbursement which may arise as the result of such audits would not be material to the financial position of the County.

Construction commitments at June 30, 2025, totaled approximately \$63,228,120.

NOTE 12. LITIGATION

The County is party to a number of lawsuits arising in the course of operations. It is the opinion of management, in consultation with legal counsel, that it cannot be determined whether resolution of the other pending cases will have a material adverse effect on the financial condition of the County.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 13. TAX ABATEMENT PROGRAM

As of June 30, 2025, the County provides tax abatements through one program – the Economic Development Program.

The County, acting through its County Council, is authorized and empowered under and pursuant to the provisions of Chapter 44 of Title 12, Code of Laws of South Carolina 1976, as amended, to enter into agreements with any industry or business whereby the industry or business would pay fees in lieu of taxes with respect to certain properties which constitute "economic development properties" through which powers the industrial development of the State of South Carolina will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate or remain in the State and thus utilize and employ the manpower, products, and resources of the State and benefit the general public welfare of the County by providing services, employment, recreation, or other public benefits not otherwise provided locally.

Abatements are obtained through the program by application by a sponsor to County Council prior to commencing the improvements and are subject to approval by County Council by passage of an ordinance. Eligible abatement agreements are subject to a minimum investment as outlined in each individual agreement. The Code of Laws of South Carolina provides for a recapture of fees upon termination of approved agreements that did not meet the minimum investment criteria in the time frame provided for in each agreement. At the time of termination, the sponsor shall pay to the County an additional fee equal to the difference between the total amount of property taxes that would have been paid by the sponsor had the project been taxable, taking into account exemptions from property taxes that would have been available to the sponsor, and the amount of fee payments actually made by the sponsor.

Abatement agreements under the Economic Development Program equal a 100% reduction in property taxes during the exemption period as outlined in the agreement. A fee in lieu of tax (FILOT) is to be paid within the following parameters: the sponsor shall pay to the County an annual fee payment in connection with the economic development property which has been placed in service, in an amount not less than that the property taxes that would be due on the economic development property if it were taxable but using (1) an assessment ratio of not less than 4%; (2) a millage rate this is either fixed for the life of the fee or is allowed to increase or decrease every fifth year in step with the average cumulative actual millage rate applicable to the project based upon the preceding five-year period; or (3) a fair market value for the economic development property.

No other commitments were made by the County as part of the agreements.

Taxes abated as a result of the agreements under the Economic Development Program totaled \$963,928 for the year ended June 30, 2025.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 14. ACCOUNTING CHANGES

Change in Accounting Principle

The County determined that a restatement to the July 1, 2024, beginning net position was required to the implementation of a new accounting standard. Effective July 1, 2024, the County implemented GASB Statement No. 101, *Compensated Absences*. The implementation of GASB 101 required the County to adjust prior year Net Position and Compensated Absences in order to properly recognize a liability for the estimated amount of leave, including vacation and sick leave, that employees had earned but not yet used, resulting in the following change to beginning net position.

	Governmental Activities
June 30, 2024, Net Position, as previously reported	\$ 232,887,552
Restatement for the implementation of GASB 101	(2,255,812)
June 30, 2024, Net Position, as restated	<u>\$ 230,631,740</u>

REQUIRED SUPPLEMENTARY INFORMATION

LANCASTER COUNTY, SOUTH CAROLINA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL GENERAL FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES:				
Property taxes	\$ 58,020,032	\$ 58,020,032	\$ 63,778,073	\$ 5,758,041
Sales and other local taxes	3,400,000	3,400,000	4,007,454	607,454
Licenses and permits	6,262,291	6,262,291	9,018,331	2,756,040
Intergovernmental	6,853,406	6,853,406	8,219,822	1,366,416
Charges for services	3,714,164	3,714,164	4,729,261	1,015,097
Fines and forfeitures	697,685	697,685	891,293	193,608
Interest revenue	2,553,530	2,553,530	4,706,948	2,153,418
Contributions and donations	112,500	112,500	177,971	65,471
Other revenues	268,715	268,715	691,667	422,952
Total revenues	81,882,323	81,882,323	96,220,820	14,338,497
EXPENDITURES:				
Current:				
General government:				
Non-departmental expenditures	2,713,730	2,713,730	2,325,376	388,354
Direct assistance to other agencies	1,939,862	1,939,862	1,912,186	27,676
County council	1,742,858	1,742,858	617,200	1,125,658
Administrator	2,882,672	2,882,672	925,535	1,957,137
Legal team	476,268	476,268	432,313	43,955
Finance	982,811	982,811	913,893	68,918
Human resources	924,238	924,238	883,312	40,926
Risk management	153,200	153,200	141,784	11,416
Management information services	4,787,465	4,787,465	3,779,765	1,007,700
Building	1,642,396	1,642,396	1,149,309	493,087
Zoning	-	-	8,645	(8,645)
Planning	2,383,139	2,383,139	1,142,217	1,240,922
Assessor	1,254,859	1,254,859	1,074,352	180,507
Auditor	673,523	673,523	670,536	2,987
Treasurer	597,281	597,281	596,409	872
Delinquent tax collector	542,507	542,507	475,270	67,237
Voter registration and elections	883,518	883,518	579,431	304,087
Register of deeds	466,877	466,877	428,301	38,576
Procurement	269,666	269,666	224,530	45,136
Vehicle maintenance	925,701	925,701	855,337	70,364
Building maintenance	2,256,825	2,256,825	1,933,602	323,223
Total general government	28,499,396	28,499,396	21,069,303	7,430,093
Administration of justice:				
Circuit court	82,840	82,840	66,992	15,848
Clerk of court	791,936	791,936	755,941	35,995
Family court	461,980	461,980	378,859	83,121
Probate court	686,769	686,769	676,356	10,413
Magistrate court	1,376,012	1,376,012	1,435,496	(59,484)
Total administration of justice	3,399,537	3,399,537	3,313,644	85,893
Public safety:				
Coroner	1,131,491	1,131,491	1,227,092	(95,601)
Sheriff	18,446,462	18,446,462	16,589,367	1,857,095
Detention center	4,461,129	4,461,129	4,409,574	51,555
Communications	3,161,081	3,161,081	2,698,618	462,463
Emergency management	592,252	592,252	541,846	50,406
Fire commission	5,056,773	5,056,773	4,797,782	258,991
Total public safety	32,849,188	32,849,188	30,264,279	2,584,909

LANCASTER COUNTY, SOUTH CAROLINA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

GENERAL FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
EXPENDITURES: (CONTINUED)				
Current: (Continued)				
Public works:				
Roads and bridges	\$ 6,965,180	\$ 6,965,180	\$ 5,766,403	\$ 1,198,777
Landfill	59,083	59,083	18,019	41,064
Solid waste	5,908,513	5,908,513	3,954,390	1,954,123
Total public works	12,932,776	12,932,776	9,738,812	3,193,964
Public health and welfare:				
EMS	9,407,636	9,407,636	9,458,390	(50,754)
Animal control	646,902	646,902	620,923	25,979
Health services	85,040	85,040	22,437	62,603
Social services and food stamps	102,489	102,489	82,133	20,356
DSS family independence	61,800	61,800	73,141	(11,341)
Veteran affairs	373,377	373,377	352,930	20,447
Total public health and welfare	10,677,244	10,677,244	10,609,954	67,290
Culture and recreation:				
Recreation	4,376,058	4,376,058	4,125,244	250,814
Library	1,592,331	1,592,331	1,497,885	94,446
Total culture and recreation	5,968,389	5,968,389	5,623,129	345,260
Economic development:				
Economic development	552,987	552,987	496,407	56,580
Debt service:				
Principal	50,000	50,000	1,099,804	(1,049,804)
Total debt service	50,000	50,000	1,099,804	(1,049,804)
Capital Outlay	-	-	2,963,242	(2,963,242)
Total expenditures	94,929,517	94,929,517	85,178,574	9,750,943
Excess (deficiency) of revenues over (under) expenditures	(13,047,194)	(13,047,194)	11,042,246	24,089,440
OTHER FINANCING SOURCES (USES)				
Issuance of subscriptions	-	-	2,963,242	2,963,242
Transfers out	(207,738)	(207,738)	-	207,738
Total other financing sources (uses), net	(207,738)	(207,738)	2,963,242	3,170,980
Net change in fund balances	(13,254,932)	(13,254,932)	14,005,488	\$ 27,260,420
Fund balances, beginning of year, as adjusted	76,046,928	76,046,928	76,046,928	
Fund balances, end of year	\$ 62,791,996	\$ 62,791,996	\$ 90,052,416	

LANCASTER COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL OPEB LIABILITY AND RELATED RATIOS

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability								
Service cost	\$ 168,033	\$ 162,630	\$ 252,751	\$ 229,495	\$ 178,804	\$ 162,511	\$ 176,708	\$ 188,154
Interest on total OPEB liability	111,928	105,323	101,109	119,338	126,571	135,528	128,818	109,438
Assumption changes	(127,369)	(50,018)	(588,672)	311,321	343,020	204,242	(31,998)	(207,209)
Difference between actual and expected experience	87,993	20,654	(1,899,030)	(8,905)	404,975	(9,702)	96,201	(22,432)
Benefit payments and implicit subsidy	(188,370)	(201,409)	(264,405)	(271,017)	(232,153)	(228,649)	(192,635)	(170,414)
Net change in total OPEB liability	50,215	37,180	(2,398,247)	380,232	621,208	268,930	177,084	(122,455)
Total OPEB liability - beginning	2,910,854	2,873,674	5,271,921	4,891,690	4,070,482	3,803,552	3,626,458	3,748,923
Total OPEB liability - ending	\$ 2,961,069	\$ 2,910,854	\$ 2,873,674	\$ 5,271,922	\$ 4,691,690	\$ 4,070,482	\$ 3,803,552	\$ 3,626,458
Covered-employee payroll	\$ 35,369,916	\$ 28,870,402	\$ 25,982,848	\$ 24,487,823	\$ 24,039,547	\$ 21,838,377	\$ 20,344,803	\$ 19,252,683
Total OPEB liability as a percentage of covered-employee payroll	8.37%	10.08%	10.65%	21.53%	20.35%	18.64%	18.70%	18.84%

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

The County is not accumulating assets in a trust fund that meets the criteria in paragraph 4 of GASB Statement No. 75 for payment of future OPEB benefits.

The discount rate changed from 3.56% as of June 30, 2018, 3.62% as of June 30, 2019, to 3.13% as of June 30, 2020, to 2.45% as of June 30, 2021, to 1.92% as of June 30, 2022, to 3.69% as of June 30, 2023, to 3.86% as of June 30, 2024, to 3.97% as of June 30, 2025.

The assumptions used in the preparation of the above schedule are disclosed in Note 8 to the financial statements.

LANCASTER COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY FOR THE YEAR ENDED JUNE 30

South Carolina Retirement System					
Plan Year Ended June 30,	County's proportion of the net pension liability	County's proportionate share of the net pension liability	County's covered payroll	County's share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2024	0.151374%	\$ 35,497,686	\$ 20,873,139	170.1%	61.8%
2023	0.149065%	36,039,999	18,900,443	190.7%	58.6%
2022	0.147836%	35,838,712	17,614,009	203.5%	57.1%
2021	0.145908%	31,576,383	16,493,795	191.4%	60.7%
2020	0.140752%	35,964,729	15,706,592	229.0%	50.7%
2019	0.140083%	31,986,679	14,807,814	216.0%	54.4%
2018	0.133931%	30,009,671	13,873,171	216.3%	54.1%
2017	0.132064%	29,729,731	13,176,119	225.6%	53.3%
2016	0.133662%	28,550,007	12,068,466	236.6%	52.9%
2015	0.119621%	22,686,700	10,331,540	219.6%	57.0%

South Carolina Police Officers Retirement System					
Plan Year Ended June 30,	County's proportion of the net pension liability	County's proportionate share of the net pension liability	County's covered payroll	County's share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2024	0.87132%	\$ 26,137,712	\$ 17,043,624	153.4%	70.5%
2023	0.80564%	24,524,482	14,079,259	174.2%	67.8%
2022	0.79458%	23,829,324	12,563,697	189.7%	66.4%
2021	0.72402%	18,628,456	10,887,037	171.1%	70.4%
2020	0.70029%	23,222,952	10,549,951	220.1%	58.8%
2019	0.67936%	19,470,007	9,750,660	199.7%	62.7%
2018	0.65684%	18,611,853	9,065,769	205.3%	61.7%
2017	0.63696%	17,449,878	8,363,722	208.6%	60.9%
2016	0.63075%	15,998,839	7,070,498	226.3%	60.4%
2015	0.60504%	13,186,911	6,953,011	189.7%	64.6%

The assumptions used in the preparation of the above schedules are disclosed in Note 8 to the financial statements.

LANCASTER COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CONTRIBUTIONS FOR THE YEAR ENDED JUNE 30

South Carolina Retirement System						
Fiscal Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	County's covered payroll	Contributions as a percentage of covered payroll	
2025	\$ 4,152,212	\$ 4,152,212	\$ -	\$ 22,371,929	18.56%	
2024	3,741,017	3,741,017	-	20,873,139	17.92%	
2023	3,181,980	3,181,980	-	18,900,443	16.84%	
2022	2,784,090	2,784,090	-	17,614,009	15.81%	
2021	2,556,434	2,556,434	-	16,493,795	15.50%	
2020	2,443,945	2,443,945	-	15,706,592	15.56%	
2019	2,156,017	2,156,017	-	14,807,814	14.56%	
2018	1,881,203	1,881,203	-	13,873,171	13.56%	
2017	1,519,493	1,519,493	-	13,176,119	11.53%	
2016	1,411,809	1,411,809	-	12,068,466	11.70%	

South Carolina Police Officers Retirement System						
Fiscal Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	County's covered payroll	Contributions as a percentage of covered payroll	
2025	\$ 4,252,984	\$ 4,252,984	\$ -	\$ 20,023,469	21.24%	
2024	3,537,383	3,537,383	-	17,043,624	20.75%	
2023	2,767,263	2,767,263	-	14,079,259	19.65%	
2022	2,334,573	2,334,573	-	12,563,697	18.58%	
2021	1,985,795	1,985,795	-	10,887,037	18.24%	
2020	1,924,311	1,924,311	-	10,549,951	18.24%	
2019	1,681,015	1,681,015	-	9,750,660	17.24%	
2018	1,472,281	1,472,281	-	9,065,769	16.24%	
2017	1,205,246	1,205,246	-	8,363,722	14.41%	
2016	1,069,368	1,069,368	-	7,070,498	15.12%	

LANCASTER COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CONTRIBUTIONS FOR THE YEAR ENDED JUNE 30

Actuarial assumptions used in determining the statutorily required contribution are as follows:

System	SCRS	PORS
Calculation date	July 1, 2022	July 1, 2022
Actuarial cost method	Entry Age Normal	Entry Age Normal
Asset valuation method	5-year smoothed	5-year smoothed
Amortization method	Level % of pay	Level % of pay
Amortization period	25 years maximum, closed	25 years maximum, closed
Investment return	7.00%	7.00%
Inflation	2.25%	2.25%
Salary increases	3.00% plus step-rate increases for members with less than 21 years of service.	3.50% plus step-rate increases for members with less than 21 years of service.
Mortality	The 2020 Public Retirees of South Carolina Mortality Tables for Males and Females, both projected at Scale UMP from the year 2020. Males rates multiplied by 97% for non-educators and 95% for educators. Female rates multiplied by 107% for non-educators and 94% for educators.	The 2020 Public Retirees of South Carolina Mortality Tables for Males and Females, both projected at Scale UMP from the year 2020. Males rates multiplied by 127% and female rates are multiplied by 107%.

COMBINING STATEMENTS AND SCHEDULES

LANCASTER COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2025

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 22,294	\$ -	\$ 22,294
Investments	-	1,088	1,088
Taxes receivable, net	101,781	149,727	251,508
Accounts receivable, net	400,569	-	400,569
Due from other governments	1,077,672	-	1,077,672
Due from other funds	30,045,003	6,428,568	36,473,571
Total assets	<u>31,647,319</u>	<u>6,579,383</u>	<u>38,226,702</u>
LIABILITIES			
Accounts payable	352,607	363,520	716,127
Due to other funds	4,136,650	-	4,136,650
Total liabilities	<u>4,489,257</u>	<u>363,520</u>	<u>4,852,777</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	97,186	142,162	239,348
Unavailable revenue - intergovernmental	245,712	-	245,712
Total deferred inflows of resources	<u>342,898</u>	<u>142,162</u>	<u>485,060</u>
FUND BALANCES			
Restricted for:			
Victim services	199,540	-	199,540
Public safety	5,877,821	-	5,877,821
Public works	5,414,940	-	5,414,940
Culture and recreation	1,030,032	-	1,030,032
Economic development	8,302,062	-	8,302,062
Roads and bridges	2,371,893	-	2,371,893
Capital projects	-	5,031,017	5,031,017
Assigned:			
Subsequent year's budget	6,782,621	1,042,684	7,805,305
Unassigned	(3,143,745)	-	(3,143,745)
Total fund balances	<u>26,815,164</u>	<u>6,073,701</u>	<u>32,888,865</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 31,647,319</u>	<u>\$ 6,579,383</u>	<u>\$ 38,226,702</u>

LANCASTER COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
Property taxes	\$ 2,776,158	\$ 4,660,000	\$ 7,436,158
Other taxes	2,622,644	-	2,622,644
Intergovernmental	11,349,209	-	11,349,209
Charges for services	10,044,608	62,471	10,107,079
Fines and forfeitures	85,012	-	85,012
Interest revenue	152	11	163
Contributions and donations	440,400	-	440,400
Total revenues	<u>27,318,183</u>	<u>4,722,482</u>	<u>32,040,665</u>
Expenditures:			
Current:			
General government	2,449,790	-	2,449,790
Public safety	13,752,007	-	13,752,007
Public works	7,075,264	-	7,075,264
Public health and welfare	169,368	-	169,368
Culture and recreation	184,092	-	184,092
Economic development	645,059	-	645,059
Capital outlay	-	1,888,197	1,888,197
Debt service:			
Principal	817,185	101,529	918,714
Interest	1,192,000	29,366	1,221,366
Total expenditures	<u>26,284,765</u>	<u>2,019,092</u>	<u>28,303,857</u>
Excess of revenues over expenditures	<u>1,033,418</u>	<u>2,703,390</u>	<u>3,736,808</u>
Other financing sources:			
Transfers in	-	71,290	71,290
Total other financing sources	<u>-</u>	<u>71,290</u>	<u>71,290</u>
Net change in fund balances	1,033,418	2,774,680	3,808,098
Fund balances, beginning of year,	<u>25,781,746</u>	<u>3,299,021</u>	<u>29,080,767</u>
Fund balances, end of year	<u>\$ 26,815,164</u>	<u>\$ 6,073,701</u>	<u>\$ 32,888,865</u>

LANCASTER COUNTY, SOUTH CAROLINA

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes.

The **Local Accommodations Tax Fund** accounts for the local accommodations tax funds that are used to promote tourism in the County.

The **E-911 Fund** accounts for fees levied through telephone bills to support the emergency 911 system. Funds are restricted for improvements and expansion of the County's emergency 911 system.

The **Court Mandated Security Fund** accounts for the revenues that are collected to pay for court security expenditures for the Lancaster County court system.

The **Victim Services Fund** accounts for funds collected through the courts that are restricted to pay for victim services.

The **Transportation Fund** accounts for State "C" fund revenues that are used for road improvements in the County.

The **Sunday Alcohol Sales Fund** accounts for revenues that are used for specific purposes as outlined by state law.

The **Restricted Grants Fund** accounts for the intergovernmental funds received from the state and federal governments for various grants. This fund is also used to account for private contributions for various grants. The funds received are restricted for projects as outlined in each grant award.

The **Economic Development Fund** accounts for fee-in-lieu of tax revenues that are collected to pay for the promotion of economic development activities in the County.

The **Development Agreements Fund** accounts for the revenues collected through development agreements that are restricted for specific purposes as outlined in the individual development agreements.

The **Hospitality Tax Fund** accounts for the revenues collected as a percentage of sales for restaurants in the County used for improvement of tourism related services and facilities.

The **State Accommodations Tax Fund** accounts for the revenues collected through South Carolina Accommodations Tax Act and be used for advertising and promotion of tourism and related expenditures.

The **Stormwater Fund** accounts for the revenues collected through a stormwater fee billed and be used for all stormwater activities in the panhandle SMS4 service area.

The **County Impact Fees Fund** accounts for fee revenue collected at the time of building permit for the approved impact fee district areas. The fees will be used according to the impact fee study for capital needs in the designated districts.

LANCASTER COUNTY, SOUTH CAROLINA

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS (CONTINUED)

The **Van Wyck Fire Protection District Fund** accounts for revenues collected for use in the Van Wyck Fire Protection District for fire protection.

The **SCIIP Grant Fund** accounts for intergovernmental funds received from the state government for the SCIIP program.

The **Indian Land Consolidated Fire Fund** accounts for revenues collected for use in the Indian Land Fire Special Tax Districts and Pleasant Valley Fire for fire protection. An annual fee is levied per each residential unit that is serviced by the fire department.

LANCASTER COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2025

	Local Accommodations Tax Fund	E911 Fund	Indian Land Consolidated Fire Fund	Court Mandated Security Fund	Victim Services Fund	Transportation Fund	Sunday Alcohol Sales Fund	Restricted Grants Fund	Economic Development Fund
ASSETS									
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,294	\$ -
Taxes receivable, net	-	-	-	101,781	-	-	-	-	-
Accounts receivable, net	18,165	12,313	-	-	4,148	-	-	-	-
Due from other governments	-	-	-	-	-	375,255	-	702,417	-
Due from other funds	1,011,867	966,059	2,395,780	3,020,610	185,382	6,134,018	241,048	-	495,303
Total assets	\$ 1,030,032	\$ 978,372	\$ 2,395,780	\$ 3,122,391	\$ 189,540	\$ 6,509,273	\$ 241,048	\$ 724,711	\$ 495,303
LIABILITIES									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 352,607	\$ -	\$ -	\$ -
Due to other funds	-	-	513,906	-	-	-	-	2,060,764	-
Total liabilities	-	-	513,906	-	-	352,607	-	2,060,764	-
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenue - property taxes	-	-	-	97,186	-	-	-	-	-
Unavailable revenue - intergovernmental	-	-	-	-	-	-	-	245,712	-
Total deferred inflows of resources	-	-	-	97,186	-	-	-	245,712	-
FUND BALANCES (DEFICITS)									
Restricted for:									
Victim services	-	-	-	-	189,540	-	-	-	-
Public safety	-	581,934	1,199,078	3,025,205	-	-	241,048	-	-
Public works	-	-	-	-	-	-	-	-	-
Culture and recreation	1,030,032	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	495,303
Roads and bridges	-	-	-	-	-	2,371,893	-	-	-
Assigned:									
Subsequent year's budget	-	398,438	682,798	-	-	3,784,773	-	-	-
Unassigned	-	-	-	-	-	-	-	(1,581,755)	-
Total fund balances (deficits)	1,030,032	978,372	1,881,874	3,025,205	189,540	6,156,666	241,048	(1,581,755)	495,303
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,030,032	\$ 978,372	\$ 2,395,780	\$ 3,122,391	\$ 189,540	\$ 6,509,273	\$ 241,048	\$ 724,711	\$ 495,303

(Continued)

Development Agreements Fund	Hospitality Tax Fund	State Accommodations Tax Fund	SCAP Grant Fund	Stormwater Fund	County Impact Fees Fund	Van Wyck Fire Protection District Fund	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,294
-	201,067	151,847	-	400	12,529	-	101,781
-	-	-	-	-	-	-	400,589
830,558	7,897,576	221,593	-	4,988,330	1,189,464	476,407	1,077,672
<u>\$ 830,558</u>	<u>\$ 8,098,643</u>	<u>\$ 373,440</u>	<u>\$ -</u>	<u>\$ 4,988,730</u>	<u>\$ 1,202,093</u>	<u>\$ 476,407</u>	<u>\$ 31,647,319</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 352,807
-	-	-	1,561,980	-	-	-	4,138,030
-	-	-	<u>1,561,980</u>	-	-	-	<u>4,409,257</u>
-	-	-	-	-	-	-	97,186
-	-	-	-	-	-	-	245,712
-	-	-	-	-	-	-	<u>342,898</u>
830,558	-	-	-	-	-	-	199,540
-	-	-	-	-	-	-	5,877,821
-	-	-	-	3,757,940	1,180,593	476,407	5,414,940
-	7,507,569	299,190	-	-	-	-	1,030,032
-	-	-	-	-	-	-	8,302,062
-	-	-	-	-	-	-	2,371,893
-	591,074	74,260	-	1,211,798	21,500	-	6,762,821
830,558	8,098,643	373,440	(1,561,980)	-	-	-	(3,143,745)
<u>830,558</u>	<u>8,098,643</u>	<u>373,440</u>	<u>(1,561,980)</u>	<u>4,988,730</u>	<u>1,202,093</u>	<u>476,407</u>	<u>25,815,164</u>
<u>\$ 830,558</u>	<u>\$ 8,098,643</u>	<u>\$ 373,440</u>	<u>\$ -</u>	<u>\$ 4,988,730</u>	<u>\$ 1,202,093</u>	<u>\$ 476,407</u>	<u>\$ 31,647,319</u>

LANCASTER COUNTY, SOUTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Local Accommodations Tax Fund	E-911 Fund	Indian Land Consolidated Fire Fund	Court Mandated Security Fund	Victim Services Fund	Transportation Fund	Sunday Alcohol Sales Fund	Restricted Grants Fund	Economic Development Fund
Revenues:									
Property taxes	\$ -	\$ -	\$ -	\$ 2,599,431	\$ -	\$ -	\$ -	\$ -	\$ 176,727
Other taxes	191,407	140,617	-	-	-	-	-	-	-
Intergovernmental	-	45,090	-	-	-	5,954,336	-	4,965,478	-
Charges for services	-	-	7,343,160	-	-	-	-	-	-
Fines and forfeitures	-	-	17,460	-	56,938	-	-	-	-
Interest revenue	-	-	-	-	-	-	-	-	-
Contributions and donations	-	-	400	-	-	-	-	169,743	-
Total revenues	191,407	185,707	7,361,020	2,599,431	56,938	5,954,336	-	5,135,221	176,727
Expenditures:									
Current:									
General government	-	-	-	-	-	-	-	(64,393)	-
Public safety	-	655,906	6,056,701	2,370,661	266	-	-	4,592,903	-
Public works	-	-	-	-	-	6,034,344	-	157,136	-
Public health and welfare	-	-	-	-	-	-	-	169,368	-
Culture and recreation	1,489	-	-	-	-	-	-	15,854	-
Economic development	-	-	-	-	-	-	-	645,059	-
Debt service:									
Principal	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Total expenditures	1,489	655,906	6,056,701	2,370,661	266	6,034,344	-	5,516,937	-
Net change in fund balances	189,918	(470,199)	1,304,319	228,770	56,672	(80,008)	-	(381,716)	176,727
Fund balances (deficits), beginning of year	840,114	1,448,571	577,555	2,796,435	139,868	5,235,574	241,048	(1,200,049)	318,576
Fund balances (deficits), end of year	\$ 1,030,032	\$ 978,372	\$ 1,881,874	\$ 3,025,205	\$ 196,540	\$ 5,155,566	\$ 241,048	\$ (1,581,785)	\$ 495,303

Development Agreements Fund	Hospitality Tax Fund	State Accommodations Tax Fund	SCIP Grant Fund	Stormwater Fund	County Impact Fees Fund	Van Wyck Fire Protection District Fund	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,776,158
-	2,290,620	-	-	-	-	-	2,622,844
-	-	384,305	-	-	-	-	11,349,209
-	-	-	-	1,762,550	775,090	163,800	10,044,808
-	-	-	-	7,614	-	-	85,012
-	-	-	-	152	-	-	152
270,257	-	-	-	-	-	-	440,400
270,257	2,290,620	384,305	-	1,770,316	775,090	163,800	27,318,183
-	1,893,163	-	521,020	-	-	-	2,449,790
-	-	-	-	-	-	75,570	13,752,007
-	-	-	-	883,784	-	-	7,075,264
-	-	-	-	-	-	-	169,360
-	-	165,738	-	-	-	-	184,092
-	-	-	-	-	-	-	645,009
-	780,000	-	-	37,185	-	-	817,185
-	1,192,000	-	-	-	-	-	1,192,000
-	3,865,163	165,738	521,020	920,969	-	75,570	26,284,765
270,257	(1,574,543)	218,568	(521,020)	849,347	775,090	88,230	1,033,418
560,289	9,673,186	154,874	(940,960)	4,120,363	428,985	388,177	25,781,746
\$ 530,556	\$ 8,098,643	\$ 373,440	\$ (1,561,980)	\$ 4,969,720	\$ 1,202,093	\$ 478,407	\$ 26,815,164

LANCASTER COUNTY, SOUTH CAROLINA

NONMAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities for the County's governmental funds.

The **Keer Special Sources Fund** accounts for the capital projects funded with special assessment debt that is restricted for improvements to the area's infrastructure.

The **Brookchase Special Tax District Fund** accounts for the fees levied in the district. These funds are restricted to fund improvements to the area's infrastructure.

The **Capital Improvement Fund** accounts for the capital projects and capital equipment replacement of the various County departments. Property taxes are levied specifically for this purpose.

The **Edgewater Improvement District Fund** accounts for the capital projects funded with special assessment debt that is restricted for improvements to the area's infrastructure.

The **Edgewater II Improvement District Fund** accounts for the capital projects funded with special assessment debt that is restricted for improvements to the area's infrastructure.

The **Sun City Special Assessments Fund** accounts for the capital projects funded with special assessment debt that is restricted for improvements to the area's infrastructure and a public library construction.

The **Reid Pointe Special Tax District Fund** accounts for the district's infrastructure improvements funded by special millage.

LANCASTER COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2025

	KEER Special Sources Fund	Brookchase Special Tax District Fund	Capital Improvement Fund	Edgewater Improvement District Fund	Edgewater II Improvement District Fund	Sun City Special Assessments Fund	Reid Pointe Special Tax District Fund	Totals
ASSETS								
Investments	\$ -	\$ -	\$ -	\$ -	\$ 1,088	\$ -	\$ -	\$ 1,088
Taxes receivable, net	-	-	149,685	-	-	-	42	149,727
Due from other funds	887,459	164,875	4,873,995	86,264	7,685	269,571	138,719	6,428,568
Total assets	<u>\$ 887,459</u>	<u>\$ 164,875</u>	<u>\$ 5,023,680</u>	<u>\$ 86,264</u>	<u>\$ 8,773</u>	<u>\$ 269,571</u>	<u>\$ 138,761</u>	<u>\$ 6,579,383</u>
LIABILITIES								
Accounts payable	\$ -	\$ -	\$ -	\$ 86,264	\$ 7,685	\$ 269,571	\$ -	\$ 363,520
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>86,264</u>	<u>7,685</u>	<u>269,571</u>	<u>-</u>	<u>363,520</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue - property taxes	-	-	142,122	-	-	-	40	142,162
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>142,122</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>40</u>	<u>142,162</u>
FUND BALANCES								
Restricted for								
Capital projects	887,459	164,875	3,838,874	-	1,088	-	138,721	5,031,017
Assigned:								
Subsequent year's budget	-	-	1,042,684	-	-	-	-	1,042,684
Total fund balances	<u>887,459</u>	<u>164,875</u>	<u>4,881,558</u>	<u>-</u>	<u>1,088</u>	<u>-</u>	<u>138,721</u>	<u>6,073,701</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 887,459</u>	<u>\$ 164,875</u>	<u>\$ 5,023,680</u>	<u>\$ 86,264</u>	<u>\$ 8,773</u>	<u>\$ 269,571</u>	<u>\$ 138,761</u>	<u>\$ 6,579,383</u>

LANCASTER COUNTY, SOUTH CAROLINA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	KEER Special Sources Fund	Brookchase Special Tax District Fund	Capital Improvement Fund	Edgewater Improvement District Fund	Edgewater II Improvement District Fund	Sun City Special Assessments Fund	Reid Pointe Special Tax District Fund	Totals
Revenues:								
Property taxes	\$ 348,450	\$ -	\$ 4,212,182	\$ -	\$ -	\$ -	\$ 99,368	\$ 4,660,000
Charges for services	-	62,471	-	-	-	-	-	62,471
Interest revenue	-	-	-	-	11	-	-	11
Total revenues	348,450	62,471	4,212,182	-	11	-	99,368	4,722,482
Expenditures:								
Capital outlay:								
General government	-	-	598,439	-	-	-	-	598,439
Public safety	-	-	841,533	-	-	-	-	841,533
Public works	-	-	196,059	-	-	-	-	196,059
Public health and welfare	-	-	118,244	-	-	-	-	118,244
Culture and recreation	-	-	133,922	-	-	-	-	133,922
Debt service:								
Principal	-	51,067	-	-	-	-	50,462	101,529
Interest	-	6,538	-	-	-	-	20,828	29,366
Total expenditures	-	59,605	1,888,197	-	-	-	71,290	2,019,092
Excess of revenues over expenditures	348,450	2,866	2,323,985	-	11	-	28,078	2,703,390
Other financing sources:								
Transfers in	-	-	-	-	-	-	71,290	71,290
Total other financing sources	-	-	-	-	-	-	71,290	71,290
Net change in fund balances	348,450	2,866	2,323,985	-	11	-	99,368	2,774,680
Fund balances, beginning of year	539,009	162,009	2,557,573	-	1,077	-	39,353	3,299,021
Fund balances, end of year	\$ 887,459	\$ 164,875	\$ 4,881,558	\$ -	\$ 1,088	\$ -	\$ 138,721	\$ 6,073,701

LANCASTER COUNTY, SOUTH CAROLINA
LOCAL ACCOMMODATIONS TAX

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Other taxes	\$ 120,000	\$ 120,000	\$ 191,407	\$ 71,407
Total revenues	<u>120,000</u>	<u>120,000</u>	<u>191,407</u>	<u>71,407</u>
EXPENDITURES				
Current:				
Culture and recreation	120,000	120,000	1,489	118,511
Total expenditures	<u>120,000</u>	<u>120,000</u>	<u>1,489</u>	<u>118,511</u>
Net change in fund balance	-	-	189,918	<u>\$ 189,918</u>
FUND BALANCES, beginning of year	<u>840,114</u>	<u>840,114</u>	<u>840,114</u>	
FUND BALANCES, end of year	<u>\$ 840,114</u>	<u>\$ 840,114</u>	<u>\$ 1,030,032</u>	

LANCASTER COUNTY, SOUTH CAROLINA
INDIAN LAND CONSOLIDATED FIRE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Charges for services	\$ 7,440,960	\$ 7,440,960	\$ 7,343,160	\$ (97,800)
Fines and forfeitures	-	-	17,460	17,460
Contributions and donations	-	-	400	400
Total revenues	<u>7,440,960</u>	<u>7,440,960</u>	<u>7,361,020</u>	<u>(79,940)</u>
EXPENDITURES				
Current:				
Public safety	7,133,608	7,133,608	6,056,701	1,076,907
Debt Service				
Principal	148,581	148,581	-	148,581
Interest	27,008	27,008	-	27,008
Total expenditures	<u>7,309,197</u>	<u>7,309,197</u>	<u>6,056,701</u>	<u>1,252,496</u>
Excess of revenues over expenditures	131,763	131,763	1,304,319	1,172,556
OTHER FINANCING SOURCES (USES)				
Transfers out	(171,763)	(171,763)	-	171,763
Total other financing uses	<u>(171,763)</u>	<u>(171,763)</u>	<u>-</u>	<u>171,763</u>
Net change in fund balance	(40,000)	(40,000)	1,304,319	<u>\$ 1,344,319</u>
FUND BALANCES, beginning of year	<u>577,555</u>	<u>577,555</u>	<u>577,555</u>	
FUND BALANCES, end of year	<u>\$ 537,555</u>	<u>\$ 537,555</u>	<u>\$ 1,881,874</u>	

LANCASTER COUNTY, SOUTH CAROLINA
E-911 FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Other taxes	\$ -	\$ -	\$ 140,617	\$ 140,617
Intergovernmental	724,446	724,446	45,090	(679,356)
Total revenues	<u>724,446</u>	<u>724,446</u>	<u>185,707</u>	<u>(538,739)</u>
EXPENDITURES				
Current:				
Public safety	746,046	746,046	655,906	90,140
Total expenditures	<u>746,046</u>	<u>746,046</u>	<u>655,906</u>	<u>90,140</u>
Net change in fund balance	(21,600)	(21,600)	(470,199)	<u>\$ (448,599)</u>
FUND BALANCES, beginning of year	<u>1,448,571</u>	<u>1,448,571</u>	<u>1,448,571</u>	
FUND BALANCES, end of year	<u>\$ 1,426,971</u>	<u>\$ 1,426,971</u>	<u>\$ 978,372</u>	

LANCASTER COUNTY, SOUTH CAROLINA
COURT MANDATED SECURITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Property taxes	\$ 2,704,461	\$ 2,704,461	\$ 2,599,431	\$ (105,030)
Total revenues	<u>2,704,461</u>	<u>2,704,461</u>	<u>2,599,431</u>	<u>(105,030)</u>
EXPENDITURES				
Current:				
Public safety	2,712,304	2,712,304	2,370,661	341,643
Total expenditures	<u>2,712,304</u>	<u>2,712,304</u>	<u>2,370,661</u>	<u>341,643</u>
Net change in fund balance	(7,843)	(7,843)	228,770	<u>\$ 236,613</u>
FUND BALANCES, beginning of year	<u>2,796,435</u>	<u>2,796,435</u>	<u>2,796,435</u>	
FUND BALANCES, end of year	<u>\$ 2,788,592</u>	<u>\$ 2,788,592</u>	<u>\$ 3,025,205</u>	

LANCASTER COUNTY, SOUTH CAROLINA
TRANSPORTATION FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Intergovernmental	\$ 5,970,300	\$ 5,970,300	\$ 5,954,336	\$ (15,964)
Total revenues	<u>5,970,300</u>	<u>5,970,300</u>	<u>5,954,336</u>	<u>(15,964)</u>
EXPENDITURES				
Current:				
Public works	10,722,293	10,722,293	6,034,344	4,687,949
Total expenditures	<u>10,722,293</u>	<u>10,722,293</u>	<u>6,034,344</u>	<u>4,687,949</u>
Net change in fund balance	(4,751,993)	(4,751,993)	(80,008)	<u>\$ 4,671,985</u>
FUND BALANCES, beginning of year	<u>6,236,674</u>	<u>6,236,674</u>	<u>6,236,674</u>	
FUND BALANCES, end of year	<u>\$ 1,484,681</u>	<u>\$ 1,484,681</u>	<u>\$ 6,156,666</u>	

LANCASTER COUNTY, SOUTH CAROLINA
STATE ACCOMMODATIONS TAX FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Intergovernmental	\$ 224,250	\$ 224,250	\$ 384,305	\$ 160,055
Total revenues	<u>224,250</u>	<u>224,250</u>	<u>384,305</u>	<u>160,055</u>
EXPENDITURES				
Current:				
Culture and recreation	194,500	194,500	165,739	28,761
Total expenditures	<u>194,500</u>	<u>194,500</u>	<u>165,739</u>	<u>28,761</u>
Excess of revenues over expenditures	29,750	29,750	218,566	188,816
OTHER FINANCING SOURCES (USES)				
Transfers out	(29,750)	(29,750)	-	29,750
Total other financing uses	<u>(29,750)</u>	<u>(29,750)</u>	<u>-</u>	<u>29,750</u>
Net change in fund balance	-	-	218,566	<u>\$ 218,566</u>
FUND BALANCES, beginning of year	<u>154,874</u>	<u>154,874</u>	<u>154,874</u>	
FUND BALANCES, end of year	<u>\$ 154,874</u>	<u>\$ 154,874</u>	<u>\$ 373,440</u>	

LANCASTER COUNTY, SOUTH CAROLINA
STORMWATER FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Charges for services	\$ 1,840,355	\$ 1,840,355	\$ 1,762,550	\$ (77,805)
Fines and forfeitures	-	-	7,614	7,614
Interest revenue	-	-	152	152
Total revenues	<u>1,840,355</u>	<u>1,840,355</u>	<u>1,770,316</u>	<u>(70,039)</u>
EXPENDITURES				
Current:				
Public works	1,840,355	1,840,355	883,784	956,571
Debt service:				
Principal	-	-	37,185	(37,185)
Total expenditures	<u>1,840,355</u>	<u>1,840,355</u>	<u>920,969</u>	<u>919,386</u>
Net change in fund balance	-	-	849,347	<u>\$ 849,347</u>
FUND BALANCES, beginning of year	<u>4,120,383</u>	<u>4,120,383</u>	<u>4,120,383</u>	
FUND BALANCES, end of year	<u>\$ 4,120,383</u>	<u>\$ 4,120,383</u>	<u>\$ 4,969,730</u>	

LANCASTER COUNTY, SOUTH CAROLINA
HOSPITALITY TAX

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Other taxes	\$ 1,900,000	\$ 1,900,000	\$ 2,290,620	\$ 390,620
Total revenues	<u>1,900,000</u>	<u>1,900,000</u>	<u>2,290,620</u>	<u>390,620</u>
EXPENDITURES				
Current:				
General government	2,351,972	2,351,972	1,893,163	458,809
Debt service:				
Principal	780,000	780,000	780,000	-
Interest	<u>1,192,000</u>	<u>1,192,000</u>	<u>1,192,000</u>	<u>-</u>
Total expenditures	<u>4,323,972</u>	<u>4,323,972</u>	<u>3,865,163</u>	<u>458,809</u>
Net change in fund balance	(2,423,972)	(2,423,972)	(1,574,543)	<u>\$ 849,429</u>
FUND BALANCES, beginning of year	<u>9,673,186</u>	<u>9,673,186</u>	<u>9,673,186</u>	
FUND BALANCES, end of year	<u>\$ 7,249,214</u>	<u>\$ 7,249,214</u>	<u>\$ 8,098,643</u>	

LANCASTER COUNTY, SOUTH CAROLINA
VAN WYCK FIRE PROTECTION DISTRICT FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Charges for services	\$ 155,922	\$ 155,922	\$ 163,800	\$ 7,878
Total revenues	<u>155,922</u>	<u>155,922</u>	<u>163,800</u>	<u>7,878</u>
EXPENDITURES				
Current:				
Public safety	155,922	155,922	75,570	80,352
Total expenditures	<u>155,922</u>	<u>155,922</u>	<u>75,570</u>	<u>80,352</u>
Net change in fund balance	-	-	88,230	<u>\$ 88,230</u>
FUND BALANCES, beginning of year	<u>388,177</u>	<u>388,177</u>	<u>388,177</u>	
FUND BALANCES, end of year	<u>\$ 388,177</u>	<u>\$ 388,177</u>	<u>\$ 476,407</u>	

LANCASTER COUNTY, SOUTH CAROLINA
CAPITAL IMPROVEMENT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Property taxes	\$ 3,026,901	\$ 3,026,901	\$ 4,212,182	\$ 1,185,281
Total revenues	<u>3,026,901</u>	<u>3,026,901</u>	<u>4,212,182</u>	<u>1,185,281</u>
EXPENDITURES				
Capital outlay:				
General government	641,402	641,402	598,439	42,963
Public safety	846,601	846,601	841,533	5,068
Public works	535,000	535,000	196,059	338,941
Public health and welfare	900,000	900,000	118,244	781,756
Culture and recreation	250,000	250,000	133,922	116,078
Total expenditures	<u>3,173,003</u>	<u>3,173,003</u>	<u>1,888,197</u>	<u>1,284,806</u>
Net change in fund balance	(146,102)	(146,102)	2,323,985	<u>\$ 2,470,087</u>
FUND BALANCES, beginning of year	<u>2,557,573</u>	<u>2,557,573</u>	<u>2,557,573</u>	
FUND BALANCES, end of year	<u>\$ 2,411,471</u>	<u>\$ 2,411,471</u>	<u>\$ 4,881,558</u>	

LANCASTER COUNTY, SOUTH CAROLINA
CAPITAL PROJECTS SALES TAX 2 FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Sales and other local taxes	\$ 8,733,618	\$ 8,733,618	\$ -	\$ (8,733,618)
Total revenues	<u>8,733,618</u>	<u>8,733,618</u>	<u>-</u>	<u>(8,733,618)</u>
EXPENDITURES				
Current:				
Public works	8,576,189	8,576,189	1,622,098	6,954,091
Culture and recreation	1,500,000	1,500,000	55,019	1,444,981
Total expenditures	<u>10,076,189</u>	<u>10,076,189</u>	<u>1,677,117</u>	<u>8,399,072</u>
Net change in fund balance	(1,342,571)	(1,342,571)	(1,677,117)	<u>\$ (334,546)</u>
FUND BALANCES, beginning of year	<u>19,335,619</u>	<u>19,335,619</u>	<u>19,335,619</u>	
FUND BALANCES, end of year	<u>\$ 17,993,048</u>	<u>\$ 17,993,048</u>	<u>\$ 17,658,502</u>	

LANCASTER COUNTY, SOUTH CAROLINA
CAPITAL PROJECTS SALES TAX 3 FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Sales and other local taxes	\$ 19,151,900	\$ 19,151,900	\$ 17,473,504	\$ (1,678,396)
Other revenues	-	-	930,435	930,435
Total revenues	19,151,900	19,151,900	18,403,939	(747,961)
EXPENDITURES				
Capital outlay:				
Public safety	35,219,749	35,219,749	20,870,762	14,348,987
Debt service:				
Principal	855,000	855,000	855,000	-
Interest and other charges	3,447,750	3,447,750	3,447,750	-
Total expenditures	39,522,499	39,522,499	25,173,512	14,348,987
Net change in fund balance	(20,370,599)	(20,370,599)	(6,769,573)	\$ 13,601,026
FUND BALANCES, beginning of year	25,544,734	25,544,734	25,544,734	
FUND BALANCES, end of year	\$ 5,174,135	\$ 5,174,135	\$ 18,775,161	

LANCASTER COUNTY, SOUTH CAROLINA
DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Property taxes	\$ 4,666,297	\$ 4,666,297	\$ 4,062,566	\$ (603,731)
Interest revenue	6,105	6,105	3,900	(2,205)
Total revenues	<u>4,677,257</u>	<u>4,677,257</u>	<u>4,066,466</u>	<u>(610,791)</u>
EXPENDITURES				
Debt service:				
Principal	3,721,529	3,721,529	3,425,000	296,529
Interest	950,728	950,728	892,585	58,143
Fees	5,000	5,000	10,494	(5,494)
Total expenditures	<u>4,677,257</u>	<u>4,677,257</u>	<u>4,328,079</u>	<u>349,178</u>
Deficiency of revenues under expenditures	<u>-</u>	<u>-</u>	<u>(261,613)</u>	<u>(261,613)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	(71,290)	(71,290)
Total other financing uses	<u>-</u>	<u>-</u>	<u>(71,290)</u>	<u>(71,290)</u>
Net change in fund balance	-	-	(332,903)	<u>\$ (332,903)</u>
FUND BALANCES, beginning of year	<u>1,651,258</u>	<u>1,651,258</u>	<u>1,651,258</u>	
FUND BALANCES, end of year	<u>\$ 1,651,258</u>	<u>\$ 1,651,258</u>	<u>\$ 1,318,355</u>	

CUSTODIAL FUNDS

LANCASTER COUNTY, SOUTH CAROLINA

CUSTODIAL FUNDS

Custodial Funds are used to account for resources held by the County for the benefit of other parties.

The **Clerk of Court** accounts for fines and fees generated from criminal and civil court cases.

The **Family Court** accounts for fines and fees generated through child support collection, divorce, and adoption services.

The **Magistrate Court** accounts for filing and other fees or fines derived from small claims court. Also, traffic trials and bail bond hearings are held in the magistrate court.

The **Detention Center Inmates** accounts for commission from the inmate commissary program which must be used for the benefit of the inmates.

The **Employee Funds** accounts for funds collected by the EMS and Sheriff's departments. The funds are used for employee activities.

The **Edenmoor & Walnut Creek 1 & 2 Improvement District** accounts for assessments collected on an annual basis to pay for debt incurred for infrastructure within the district.

The **Edgewater II Improvement District** accounts for assessments collected on an annual basis to pay for debt incurred for infrastructure within the district.

The **Edgewater Improvement District** accounts for assessments collected on an annual basis to pay for debt incurred for infrastructure within the district.

The **Sun City Improvement District** accounts for assessments collected on an annual basis to pay for debt incurred for infrastructure within the district.

The **Forfeit Land Commission** accounts for funds held after negotiating the sale of property not sold at the normal delinquent tax sale period.

The **City of Lancaster** accounts for property tax funds collected on their behalf and is remitted monthly.

The **Town of Kershaw** tax funds accounts for property tax funds collected on their behalf and is remitted monthly.

The **Town of Chester** accounts for property tax funds from a multi-park agreement collected on their behalf and is remitted monthly.

The **Chesterfield** tax funds accounts for property tax funds from a multi-park agreement collected on their behalf and is remitted monthly.

The **Education Fund** accounts for property tax funds collected on the school district's behalf and is remitted monthly. This fund also accounts for school state revenue and the school impact fee.

The **Tax Collector** accounts for funds held from the annual property tax sale and remains in the fund until the property is redeemed or deeded within a year.

LANCASTER COUNTY, SOUTH CAROLINA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2025

	Clerk of Court	Family Court	Magistrate Court	Detention Center Inmates	Employee Funds	Edenmoor & Walnut Creek 1 & 2 Improvement District	Edgewater II Improvement District
ASSETS							
Cash and cash equivalents	\$ 572,076	\$ 127,889	\$ 83,759	\$ 41,992	\$ 13,184	\$ -	\$ -
Investments	-	-	-	-	-	2,681,176	2,195,815
Taxes receivable	-	-	-	-	-	-	-
Receivables	-	-	-	-	-	430,504	-
Total assets	572,076	127,889	83,759	41,992	13,184	3,111,680	2,195,815
LIABILITIES							
Due to others	412,855	127,889	83,688	41,992	13,184	3,111,680	2,195,815
Uncollected taxes	-	-	-	-	-	-	-
Total liabilities	412,855	127,889	83,688	41,992	13,184	3,111,680	2,195,815
FIDUCIARY NET POSITION							
Restricted for individuals, organizations and other governments	159,221	-	81	-	-	-	-
Total fiduciary net position	\$ 159,221	\$ -	\$ 81	\$ -	\$ -	\$ -	\$ -

Edgewater Improvement District	Sun City Improvement District	Forfeit Land Commission	City of Lancaster	Town of Kershaw	Town of Chester	Chesterfield	Education Fund	Tax Collector	Total
\$ -	\$ -	\$ 623	\$ -	\$ -	\$ -	\$ -	\$ 20,492,466	\$ 1,861,843	\$ 23,003,602
568,051	589,416	-	-	-	-	-	40,237,093	-	46,262,551
-	-	-	293,904	17,008	-	-	8,496,977	-	6,797,889
-	-	-	-	-	-	-	2,371,030	-	2,601,534
568,051	589,416	623	293,904	17,008	-	-	69,587,566	1,861,843	76,885,578
568,051	589,416	-	-	-	-	-	63,100,579	-	70,266,139
-	-	-	293,904	17,008	-	-	8,496,977	-	8,797,889
568,051	589,416	-	293,904	17,008	-	-	69,587,566	-	77,064,028
-	-	623	-	-	-	-	-	1,861,843	1,821,548
\$ -	\$ -	\$ 623	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,861,843	\$ 1,821,548

LANCASTER COUNTY, SOUTH CAROLINA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Clerk of Court	Family Court	Magistrate Court	Detention Center Inmates	Employee Funds	Edenmoor & Walnut Creek 1 & 2 Improvement District	Edgewater II Improvement District
ADDITIONS							
Taxes and assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,866,306	\$ 1,288,251
Fines and fees	367,755	582,853	977,909	-	-	-	-
Funds from state and participants	-	-	-	-	19,788	-	-
Inmate funds collected	-	-	-	535,425	-	-	-
Funds from foreclosure sales	-	-	-	-	-	-	-
Total additions	367,755	582,853	977,909	535,425	19,788	1,866,306	1,288,251
DEDUCTIONS							
Taxes and fees paid to other governments	347,178	582,853	977,909	-	-	1,866,306	1,288,251
Inmate funds disbursed	-	-	-	535,425	-	-	-
Other custodial disbursements	-	-	-	-	19,788	-	-
Total deductions	347,178	582,853	977,909	535,425	19,788	1,866,306	1,288,251
Change in fiduciary net position	20,579	-	-	-	-	-	-
Fiduciary net position, beginning of year	138,642	-	81	-	-	-	-
Fiduciary net position, end of year	\$ 159,221	\$ -	\$ 81	\$ -	\$ -	\$ -	\$ -

Edgewater Improvement District	Sun City Improvement District	Forfeit Land Commission	City of Lancaster	Town of Kershaw	Town of Chester	Chesterfield	Education Fund	Tax Collector	Total
\$ 300,618	\$ 161,756	\$ -	\$ 3,973,102	\$ 46,756	\$ 91,607	\$ 46,737	\$ 127,476,036	\$ -	\$ 135,349,169
-	-	-	-	-	-	-	-	-	1,928,517
-	-	-	-	-	-	-	-	-	19,788
-	-	235,622,998	-	-	-	-	-	-	535,425
-	-	-	-	-	-	-	-	3,497,769	239,120,795
300,618	161,756	235,622,996	3,973,102	46,756	91,607	46,737	127,476,036	3,497,769	376,953,864
300,618	161,756	237,458,275	3,973,102	46,756	91,607	46,737	127,476,036	3,393,111	378,108,493
-	-	-	-	-	-	-	-	-	535,425
-	-	-	-	-	-	-	-	-	19,788
300,618	161,756	237,458,275	3,973,102	46,756	91,607	46,737	127,476,036	3,393,111	378,691,706
-	-	(1,933,279)	-	-	-	-	-	104,658	(1,708,042)
-	-	1,833,902	-	-	-	-	-	1,556,865	3,529,590
\$ -	\$ -	\$ 623	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,661,643	\$ 1,621,548

**SUPPLEMENTARY INFORMATION
REQUIRED BY STATE OF SOUTH CAROLINA**

LANCASTER COUNTY, SOUTH CAROLINA
UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES (per ACT 96)
FOR THE YEAR ENDED JUNE 30, 2025

FOR THE STATE TREASURER'S OFFICE:

COUNTY / MUNICIPAL FUNDS COLLECTED BY CLERK OF COURT	General Sessions	Magistrate Court	Municipal Court	Total
Court Fines and Assessments:				
Court fines and assessments collected	\$ 235,048	\$ 906,005	N/A	\$ 1,141,053
Court fines and assessments remitted to State Treasurer	148,594	460,645	N/A	609,239
Total Court Fines and Assessments retained	\$ 86,454	\$ 445,360	N/A	\$ 531,814
Surcharges and Assessments retained for victim services:				
Surcharges collected and retained	\$ 13,781	\$ 10,157	N/A	\$ 23,938
Assessments retained	4,660	31,340	N/A	36,000
Total Surcharges and Assessments retained for victim services	\$ 18,441	\$ 41,497	N/A	\$ 59,938

FOR THE DEPARTMENT OF CRIME VICTIM COMPENSATION (DCVC):

<u>VICTIM SERVICE FUNDS COLLECTED</u>	<u>Municipal</u>	<u>County</u>	<u>Total</u>
Carryforward from Previous Year – Beginning Balance	N/A	\$ 139,868	\$ 139,868
<u>Victim Service Revenue:</u>			
Victim Service Fines Retained by City/County Treasurer	N/A	-	-
Victim Service Assessments Retained by City/County Treasurer	N/A	36,000	36,000
Victim Service Surcharges Retained by City/County Treasurer	N/A	23,938	23,938
Interest Earned	N/A	-	-
Grant Funds Received			
Grant from:	N/A	-	-
General Funds Transferred to Victim Service Fund	N/A	-	-
Contribution Received from Victim Service Contracts:			
(1) Town of Kershaw	N/A	-	-
(2) Town of	N/A	-	-
(3) City of	N/A	-	-
Total Funds Allocated to Victim Service Fund + Beginning Balance (A)	N/A	\$ 199,806	\$ 199,806

LANCASTER COUNTY, SOUTH CAROLINA
UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES (per ACT 96)
FOR THE YEAR ENDED JUNE 30, 2025

<u>Expenditures for Victim Service Program:</u>	<u>Municipal</u>	<u>County</u>	<u>Total</u>
Salaries and Benefits	N/A	\$ -	\$ -
Operating Expenditures	N/A	266	266
Victim Service Contract(s):			
(1) Entity's Name: Palmetto Citizens Against Sexual Assault	N/A	-	-
(2) Entity's Name	N/A	-	-
Victim Service Donation(s):			
(1) Domestic Violence Shelter:	N/A	-	-
(2) Rape Crisis Center:	N/A	-	-
(3) Other local direct crime victims service agency:	N/A	-	-
Transferred to General Fund	N/A	-	-
Total Expenditures from Victim Service Fund/Program (B)	N/A	266	266
Total Victim Service Deficit Retained by Municipal/County Treasurer (A-B)	N/A	199,540	199,540
Less: Prior Year Fund Deficit Repayment	N/A	-	-
Carryforward Funds – End of Year	N/A	\$ 199,540	\$ 199,540

STATISTICAL SECTION

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

Contents

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Financial Trends 114 - 122

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 123 - 127

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

Debt Capacity 128 - 131

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 132 - 133

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 134 - 136

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 County's financial reports for the relevant year.

LANCASTER COUNTY, SOUTH CAROLINA

NET POSITION LAST TEN FISCAL YEARS (accrual basis of accounting)

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities										
Net investment in capital assets	\$ 41,708,030	\$ 49,292,814	\$ 54,081,125	\$ 57,524,123	\$ 73,911,732	\$ 50,773,584	\$ 106,455,305	\$ 107,577,789	\$ 134,161,211	\$ 155,010,321
Restricted	10,692,095	19,325,999	16,283,439	46,407,439	33,112,801	38,876,126	42,641,349	52,382,274	49,839,571	47,389,900
Unrestricted	6,095,091	(1,842,111)	372,744	(14,229,478)	1,401,381	(978,772)	11,962,094	31,817,904	48,886,670	85,595,746
Total governmental activities net position	\$ 58,495,216	\$ 66,776,702	\$ 70,737,308	\$ 89,702,084	\$ 109,425,914	\$ 128,672,937	\$ 161,058,748	\$ 191,777,967	\$ 232,887,552	\$ 267,975,967
Business-type activities										
Net investment in capital assets	\$ 5,898,351	\$ 5,762,870	\$ 7,051,570	\$ 6,987,971	\$ 6,610,928	\$ 7,090,299	\$ 7,143,320	\$ 6,871,289	\$ 10,405,719	\$ 11,890,313
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	(147,558)	(181,902)	(191,628)	(208,237)	(193,847)	(300,305)	(300,305)	(276,575)	(3,281,981)	(3,363,916)
Total business-type activities net position	\$ 5,750,793	\$ 5,580,968	\$ 6,859,942	\$ 6,779,734	\$ 6,417,081	\$ 6,789,994	\$ 6,842,925	\$ 6,594,714	\$ 7,124,738	\$ 8,526,397
Primary government										
Net investment in capital assets	\$ 47,606,381	\$ 55,055,684	\$ 61,132,695	\$ 64,512,094	\$ 80,522,660	\$ 57,863,883	\$ 113,596,625	\$ 114,449,078	\$ 144,567,930	\$ 166,900,634
Restricted	10,692,095	19,325,999	16,283,439	46,407,439	33,112,801	38,876,126	42,641,349	52,382,274	49,839,571	47,389,900
Unrestricted	5,947,533	(2,024,013)	181,118	(14,437,715)	1,207,534	(1,277,167)	11,661,699	31,541,329	48,604,689	82,231,830
Total primary government net position	\$ 64,246,009	\$ 72,357,670	\$ 77,597,252	\$ 96,481,818	\$ 114,842,995	\$ 135,462,841	\$ 167,901,673	\$ 198,372,681	\$ 240,012,290	\$ 276,502,364

LANCASTER COUNTY, SOUTH CAROLINA

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (accrual basis of accounting)

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Primary government:										
Governmental activities:										
General government	\$ 15,201,832	\$ 16,903,372	\$ 17,494,738	\$ 17,480,451	\$ 20,670,980	\$ 20,581,760	\$ 27,134,070	\$ 24,408,479	\$ 20,188,254	\$ 24,818,408
Public safety	18,876,588	21,395,171	24,935,032	25,338,571	28,035,341	28,658,281	28,913,591	33,292,412	41,099,474	50,836,434
Public works	21,072,721	11,779,317	11,076,062	10,105,887	11,870,816	13,257,472	12,918,933	17,132,542	16,827,735	18,725,519
Other activities	17,617,220	15,799,155	18,300,305	16,889,293	17,583,318	20,143,855	17,479,508	22,382,980	24,380,556	29,228,788
Total governmental activities expenses	72,768,359	65,878,015	71,811,138	70,774,312	78,041,155	82,641,371	86,345,972	97,216,413	102,496,019	123,607,131
Business-type activities:										
Airport	433,400	405,115	570,727	575,261	855,519	665,304	731,612	792,343	918,513	988,933
Total business-type activities expenses	433,400	405,115	570,727	575,261	855,519	665,304	731,612	792,343	918,513	988,933
Total primary government expenses	73,201,759	66,283,130	72,381,866	71,350,573	78,896,674	83,306,675	87,077,584	98,008,756	103,414,532	124,596,064
Program revenues										
Primary government:										
Governmental activities:										
Charges for services										
General government	8,893,083	8,664,079	7,483,310	8,305,241	9,325,484	10,827,479	13,508,091	9,872,114	8,581,517	11,548,228
Administration of justice	972,858	1,004,613	1,139,355	1,002,973	893,735	888,190	919,217	955,140	992,671	1,105,814
Public health and welfare	1,675,778	3,135,621	2,218,563	2,907,450	2,752,845	4,185,335	3,955,055	2,825,345	4,193,150	3,620,521
Other activities	2,850,051	2,814,012	4,099,330	4,402,003	4,260,694	4,099,737	5,276,912	5,638,027	7,907,488	10,897,589
Operating grants and contributions	7,981,217	5,324,829	5,248,920	4,848,593	5,070,517	7,027,593	12,745,061	15,190,535	13,735,090	15,080,527
Capital grants and contributions	3,836,853	3,027,181	2,584,615	4,258,929	3,331,129	249,204	1,050,320	550,278	289,850	1,431,241
Total governmental activities program revenues	23,947,759	21,770,338	22,740,093	25,725,189	25,635,404	27,257,544	37,454,656	34,937,540	35,690,244	43,795,020
Business-type activities:										
Charges for services										
Airport	150,127	113,511	164,079	159,551	199,758	180,551	230,789	323,972	359,121	470,469
Capital grants and contributions	674,876	57,483	1,618,622	184,601	18,479	778,646	466,786	-	1,089,418	1,930,123
Total business-type activities program revenues	825,003	171,004	1,782,701	344,152	218,236	959,197	697,575	323,972	1,448,539	2,400,592
Total primary government program revenues	24,772,763	21,941,339	24,522,794	26,069,341	25,853,640	28,216,741	38,152,231	34,961,512	37,098,781	46,195,612

(Continued)

LANCASTER COUNTY, SOUTH CAROLINA

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (accrual basis of accounting)

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net (expense) revenue										
Governmental activities	\$ (48,820,600)	\$ (44,105,680)	\$ (49,071,046)	\$ (46,049,123)	\$ (52,405,751)	\$ (55,383,827)	\$ (48,891,318)	\$ (62,578,873)	\$ (66,845,775)	\$ (79,812,111)
Business-type activities	391,603	(235,111)	1,211,974	(232,189)	(437,283)	293,893	(34,037)	(468,371)	530,024	1,401,659
Total primary government	(48,429,006)	(44,340,791)	(47,859,072)	(46,281,232)	(52,843,034)	(55,089,934)	(48,925,353)	(63,047,244)	(66,315,751)	(78,410,452)
General revenues and other changes in net position										
Primary government:										
Governmental activities:										
Property taxes	34,917,971	36,433,675	38,920,034	45,315,985	50,027,001	52,296,106	56,297,856	61,878,984	68,028,330	77,589,067
Other taxes	12,682,362	12,628,895	13,315,557	14,622,673	16,721,548	20,189,722	21,136,519	24,263,012	23,027,455	24,103,602
Unrestricted grants and contributions	2,981,903	3,117,955	3,081,995	2,964,940	3,113,058	3,119,897	3,718,212	3,914,930	3,153,178	4,345,344
Unrestricted investment earnings	183,832	271,927	553,374	1,272,202	1,342,608	164,055	233,670	3,439,254	9,801,009	11,118,325
Other	-	-	-	-	-	-	-	-	3,945,390	-
Prior period adjustment	-	-	(2,773,179)	-	-	-	-	-	-	-
Transfers	(64,286)	(65,295)	(57,000)	(161,501)	(74,630)	(78,930)	(109,130)	(198,088)	-	-
Total governmental activities general revenues and other changes in net position	50,581,782	52,387,166	53,031,652	64,013,899	71,129,581	75,630,650	81,277,127	93,298,992	107,955,360	117,156,338
Business-type activities:										
Unrestricted investment earnings	-	-	-	-	-	-	-	-	-	-
Transfers	64,286	65,295	87,000	151,801	74,630	78,930	109,130	198,088	-	-
Total business-type activities general revenues and other changes in net position	64,286	65,295	87,000	151,801	74,630	78,930	109,130	198,088	-	-
Total primary government general revenues and other changes in net position	50,646,068	52,452,452	53,098,652	64,165,600	71,204,211	75,709,580	81,386,257	93,498,180	107,955,360	117,156,338
Change in net position										
Governmental activities	1,791,173	8,281,486	3,960,695	18,964,776	18,723,830	20,247,023	32,385,811	30,719,219	41,109,585	37,344,227
Business-type activities	455,089	(169,825)	1,279,974	(90,289)	(362,853)	372,823	75,093	(270,283)	530,024	1,401,659
Total primary government change in net position	\$ 2,246,262	\$ 8,111,661	\$ 5,239,569	\$ 18,874,487	\$ 18,360,977	\$ 20,619,846	\$ 32,460,904	\$ 30,448,936	\$ 41,639,609	\$ 38,745,886

LANCASTER COUNTY, SOUTH CAROLINA

TAX REVENUES BY SOURCE - GOVERNMENTAL FUNDS (ACCRUAL BASIS) LAST TEN FISCAL YEARS

Year	Real Property Tax (1)	Vehicle Tax	Local Option Sales Tax Property Tax	Local Option Sales Tax Capital Projects	Road Improvement Fee Tax	Other Taxes	Total
2016	\$ 25,395,538	\$ 3,356,927	\$ 6,165,506	\$ 9,264,782	\$ 2,286,114	\$ 1,031,466	\$ 47,500,333
2017	26,277,300	3,520,652	6,635,723	8,591,056	2,382,448	1,655,391	49,062,570
2018	26,840,615	3,446,079	6,634,110	8,596,418	2,411,954	2,307,295	52,236,471
2019	33,946,353	3,920,027	7,447,605	9,632,957	2,487,225	2,502,491	59,938,658
2020	36,868,463	4,539,665	8,618,653	11,199,016	2,813,201	2,709,329	66,748,547
2021	37,080,476	4,743,265	10,432,363	13,987,334	3,154,315	3,026,073	72,425,828
2022	40,091,055	4,931,862	11,274,919	15,068,141	3,460,173	2,608,205	77,434,375
2023	45,279,853	5,320,653	11,401,596	17,780,349	3,807,819	2,232,309	85,822,579
2024	50,453,736	5,909,673	11,664,919	16,556,686	3,866,524	2,604,245	91,055,785
2025	52,598,214	6,611,155	14,506,922	17,473,504	4,007,454	2,622,644	97,819,893

(1) Includes ad valorem, penalties, inventory tax, homestead, manufacturer exemption, and payments in-lieu-of tax.

LANCASTER COUNTY, SOUTH CAROLINA

FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Nonspendable	\$ 1,260,002	\$ 1,044,264	\$ 1,065,028	\$ 1,053,040	\$ 1,109,493	\$ 1,003,214	\$ 2,810,201	\$ 1,111,414	\$ 1,430,544	\$ 6,778,067
Restricted	1,894,638	1,836,721	1,441,333	2,403,628	3,117,380	3,351,858	2,649,677	3,261,267	3,590,960	3,433,900
Assigned	4,322,022	4,330,491	2,925,044	6,055,557	8,200,348	8,892,272	7,436,162	12,711,880	15,630,963	7,937,430
Unassigned	18,251,333	23,276,511	27,087,195	29,240,962	31,432,427	39,617,495	48,533,818	54,298,945	55,487,741	72,806,883
Total General Fund	\$ 27,427,995	\$ 30,591,987	\$ 32,520,600	\$ 38,755,187	\$ 43,857,048	\$ 50,874,839	\$ 61,630,201	\$ 71,373,836	\$ 76,040,928	\$ 90,052,416
All Other Governmental Funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	41,372,751	8,697,455	17,398,278	15,325,708	44,927,622	43,003,611	35,214,267	39,791,472	51,235,008	155,860,125
Assigned	48,266	17,440,967	8,306,791	12,972,107	10,693,659	10,478,809	14,211,675	10,455,052	24,078,200	31,544,613
Unassigned, reported in:										
Special revenue funds	(187,527)	(130,854)	(436,343)	(179,047)	(106,408)	(182,353)	(305,914)	(807,838)	(1,590,621)	(3,143,745)
Capital projects funds	(686,806)	(817,788)	-	(59,859)	-	-	-	(2,039,475)	-	-
Total all other governmental funds	\$ 40,564,698	\$ 25,389,401	\$ 25,268,726	\$ 28,059,067	\$ 55,514,270	\$ 53,805,067	\$ 49,420,025	\$ 55,401,011	\$ 73,723,696	\$ 184,260,893
Total all governmental funds	\$ 67,992,694	\$ 55,981,388	\$ 57,789,326	\$ 67,633,292	\$ 99,371,290	\$ 104,679,906	\$ 111,050,236	\$ 126,774,847	\$ 149,770,624	\$ 274,313,309

LANCASTER COUNTY, SOUTH CAROLINA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (modified accrual basis of accounting)

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues:										
Taxes	\$ 46,703,440	\$ 48,219,079	\$ 51,370,900	\$ 59,180,127	\$ 66,858,283	\$ 71,921,040	\$ 77,832,529	\$ 86,046,045	\$ 90,383,486	\$ 99,380,399
License and permits	6,248,935	10,346,792	6,802,335	6,912,416	7,531,313	9,159,118	10,971,741	6,745,141	8,124,218	9,076,331
Intergovernmental	12,874,513	9,029,615	10,413,832	9,217,439	9,501,558	11,444,403	17,004,275	22,140,609	18,467,343	22,782,640
Charges for services	5,017,906	5,723,389	6,203,190	7,177,398	7,283,484	7,236,438	8,346,188	8,174,185	11,187,885	14,438,340
Fines, fees, and forfeitures	1,024,020	1,137,351	1,130,183	1,045,868	817,399	745,252	852,830	842,165	888,405	970,300
Interest income	183,830	1,177,007	853,374	1,212,232	1,342,636	154,355	233,579	3,438,254	9,801,009	11,118,325
Contributions and donations	2,831,040	271,528	492,436	525,931	259,776	497,921	1,677,329	333,533	279,682	618,371
Other	247,577	202,838	285,132	284,277	858,354	838,573	1,201,585	337,469	275,872	694,687
Total revenues	75,105,056	73,930,025	77,734,580	85,575,046	94,064,743	101,910,933	117,520,131	128,630,981	138,547,293	158,422,378
Expenditures:										
General government	11,590,170	13,170,074	15,750,730	14,522,267	16,595,200	18,688,495	24,130,785	20,791,362	28,982,780	23,534,913
Administration of justice	2,123,474	2,067,748	2,112,888	2,105,732	2,351,778	2,415,584	2,621,704	2,838,343	3,464,388	3,313,844
Public safety and law enforcement	15,921,063	15,942,981	20,045,477	22,431,573	26,227,341	25,350,306	27,760,889	34,805,128	41,568,385	56,155,155
Public works	20,150,712	11,738,928	10,306,869	8,278,853	10,868,273	17,358,204	11,343,363	17,642,723	17,085,421	18,435,174
Public health and welfare	8,840,315	7,373,685	7,282,478	7,630,114	10,065,890	8,592,318	8,874,512	8,253,165	10,037,028	11,726,293
Culture and recreation	3,605,227	1,074,095	3,845,233	4,236,875	6,165,851	10,080,794	4,277,866	5,208,529	7,148,498	6,743,941
Economic development	2,244,723	3,844,142	2,816,411	1,185,172	948,374	1,632,968	1,450,046	975,558	514,059	1,141,486
Capital outlay	8,919,489	7,452,924	3,581,409	2,086,338	6,775,685	6,325,495	24,791,873	3,897,285	4,564,633	4,802,658
Debt service										
Principal retirement	9,097,775	3,549,350	5,755,351	7,419,930	5,558,883	7,253,830	9,405,593	5,457,831	8,847,558	6,288,518
Interest	1,789,488	1,847,576	1,580,485	1,354,648	1,789,878	1,768,300	1,320,740	1,271,765	3,414,205	5,561,701
Fees	82,071	7,500	3,500	227,052	4,056	13,306	289,595	15,959	1,088,692	10,494
Total expenditures	83,735,367	70,867,992	73,038,561	72,950,340	91,417,303	100,077,211	116,376,778	101,981,738	128,355,576	147,875,957
Excess (deficiency) of revenues over (under) expenditures	(8,628,561)	2,220,027	4,836,019	12,616,705	2,647,440	1,833,722	1,143,353	27,052,123	10,191,717	11,546,411
Other financing sources (uses):										
Transfer in	26,918,059	2,325,479	3,051,522	5,623,487	4,595,055	4,741,030	4,382,285	-	59,605	71,290
Transfer out	(26,533,345)	(2,391,761)	(3,718,522)	(5,780,388)	(4,970,515)	(4,820,610)	(4,501,418)	(198,058)	(39,005)	(71,290)
Issuance of debt - leases & SBIFAS	-	-	-	-	-	-	-	530,883	151,960	2,983,240
Issuance of debt	6,750,000	650,000	-	10,905,000	-	700,000	14,289,160	590,000	104,328,675	-
Premium on bond	688,146	-	-	2,110,323	-	-	1,395,381	-	-	-
Payment to refunded debt escrow agent	(5,199,375)	-	-	-	-	-	-	-	-	-
Sale of capital assets	500,000	237,575	154,875	24,680	-	177,960	16,561	91,325	33,971	-
Total other financing sources (uses)	(1,327,515)	817,289	87,875	21,854,022	(4,375,460)	759,030	15,263,002	1,013,920	104,514,607	2,963,242
Net change in fund balances	\$ (9,454,016)	\$ 3,037,316	\$ 4,723,894	\$ 36,510,725	\$ 2,572,720	\$ 2,632,752	\$ 16,735,355	\$ 28,066,113	\$ 114,705,324	\$ 14,509,653
Debt Service as a Percentage of Noncapital Expenditures	14.03%	8.58%	10.50%	13.61%	15.02%	11.53%	9.22%	7.21%	12.71%	10.30%

LANCASTER COUNTY, SOUTH CAROLINA

TAX REVENUES BY SOURCE - GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (modified accrual basis of accounting)

Year	Real Property Tax (1)	Vehicle Tax	Local Option Sales Tax Property Tax Relief	Local Option Sales Tax Capital Projects	Road Improvement Fee Tax	Other Taxes	Total
2016	\$ 25,269,628	\$ 3,356,927	\$ 6,165,506	\$ 9,264,782	\$ 2,286,114	\$ 340,483	\$ 46,703,440
2017	26,173,979	3,520,652	6,635,723	8,591,056	2,382,448	915,221	48,219,079
2018	28,755,053	3,446,079	6,634,110	8,596,418	2,411,954	1,525,776	51,370,390
2019	33,689,494	3,920,027	7,447,605	9,632,957	2,487,225	1,982,814	59,160,122
2020	37,363,857	4,539,885	8,618,653	11,199,016	2,813,201	2,121,641	68,656,253
2021	37,201,411	4,743,265	10,432,363	13,987,334	3,154,315	2,402,395	71,921,083
2022	40,489,209	4,931,862	11,274,919	15,068,141	3,460,173	2,608,205	77,832,529
2023	45,163,902	5,320,653	11,401,596	17,780,349	3,807,819	2,232,309	85,728,628
2024	49,701,449	5,909,673	11,664,919	16,556,686	3,866,524	2,604,245	90,303,496
2025	50,265,944	6,611,155	14,506,922	17,473,504	4,007,454	2,622,644	95,507,623

(1) Includes ad valorem, penalties, inventory tax, homestead, manufacturer exemption, and payments in-lieu-of tax

LANCASTER COUNTY, SOUTH CAROLINA

GENERAL FUND REVENUES BY SOURCE (1) LAST TEN FISCAL YEARS (modified accrual basis of accounting)

Year	Property Taxes	Inter-governmental	Licenses and Permits	Charges for Services	Fines, Fees, and Forfeitures	Other	Total Revenues	Other Financing Sources	Grand Total Revenues Including Other Financing Sources
2016	\$ 26,871,707	\$ 4,383,847	\$ 5,412,448	\$ 4,243,269	\$ 930,840	\$ 2,609,881	\$ 44,451,992	\$ 1,115,839	\$ 45,567,831
2017	32,394,019	4,541,474	6,248,935	3,977,933	935,942	1,442,395	49,540,698	7,190,762	56,731,460
2018	30,394,683	4,670,820	6,009,615	4,619,066	1,051,759	2,926,604	49,674,547	262,590	49,937,137
2019	32,519,908	4,913,937	6,802,235	4,263,883	1,045,120	3,059,927	52,605,010	233,590	52,838,600
2020	37,751,878	5,003,978	6,912,416	4,436,960	974,883	3,084,591	58,966,706	46,470	59,013,176
2021	41,435,302	5,230,588	7,531,313	4,188,195	744,088	4,240,153	63,367,639	30,828	63,398,467
2022	44,039,177	5,754,340	8,189,118	4,174,242	687,475	4,049,472	67,903,824	209,554	68,113,378
2023	50,943,029	6,468,985	6,745,141	5,318,661	769,727	5,959,765	76,205,308	622,008	76,827,316
2024	56,526,101	5,766,269	6,124,216	4,999,934	822,685	9,832,063	84,073,268	174,875	84,248,143
2025	63,776,073	8,219,822	9,018,331	4,729,261	891,293	9,584,040	96,220,820	2,963,242	99,184,062

LANCASTER COUNTY, SOUTH CAROLINA

GENERAL FUND EXPENDITURES BY FUNCTION (1) LAST TEN FISCAL YEARS (modified accrual basis of accounting)

Year	General Government	Administration of Justice	Public Safety & Law Enforcement	Public Works	Public Health & Welfare	Other	Debt Service	Total Expenditures	Other Financing Uses	Grand Total Expenditures Including Other Financing Uses
2016	\$ 11,827,178	\$ 2,108,384	\$ 14,145,424	\$ 4,805,405	\$ 6,919,809	\$ 3,787,090	\$ 450,489	\$ 44,043,779	\$ 7,486,400	\$ 51,510,179
2017	12,529,121	2,063,616	15,206,095	5,612,657	6,803,861	4,062,665	429,845	46,707,860	65,286	46,773,146
2018	14,745,595	2,112,988	16,510,580	5,528,950	7,280,243	4,127,179	222,087	50,527,622	382,365	50,909,987
2019	14,298,332	2,157,241	17,947,213	5,479,025	7,618,327	4,089,295	227,249	51,816,682	151,901	51,968,583
2020	16,167,367	2,256,109	21,675,582	5,733,934	8,054,393	3,986,590	50,000	57,923,975	1,187,637	59,111,612
2021	18,450,984	2,301,657	20,369,784	6,404,447	8,293,700	4,217,149	50,000	60,087,721	1,012,766	61,100,487
2022	19,032,541	2,501,719	22,433,935	6,219,271	8,664,921	4,305,059	220,247	63,377,693	109,130	63,486,823
2023	18,924,737	2,739,385	24,272,434	6,196,054	8,847,566	5,670,388	235,236	66,885,800	198,088	67,083,888
2024	23,503,356	3,132,154	28,179,130	8,229,192	9,916,745	6,188,888	365,781	79,515,246	59,605	79,574,851
2025	21,069,303	3,313,644	30,264,279	9,738,812	10,609,954	9,082,778	1,099,804	85,178,574	-	85,178,574

LANCASTER COUNTY, SOUTH CAROLINA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY (1) LAST TEN FISCAL YEARS

Year	Levy Year	Real Property		Personal Property		Total		Assessed Value as a Percentage of Actual Value	Total Direct Tax Rate
		Assessed Value	Estimated Actual Value	Assessed Value	Estimated Assessed Value	Assessed Value	Estimated Actual Value		
2016	2015	\$ 255,663,400	\$ 5,113,269,000	\$ 87,570,084	\$ 1,066,887,072	\$ 343,233,484	\$ 6,180,155,072	5.55 %	94.30 %
2017	2016 (2)	272,287,050	5,445,741,000	96,647,049	1,166,052,922	368,934,099	6,611,793,922	5.58	91.20
2018	2017	286,360,810	5,767,216,200	101,725,024	1,211,912,052	390,085,834	6,979,128,252	5.59	95.60
2019	2018	302,285,440	6,045,708,800	109,715,204	1,301,444,272	412,000,644	7,347,153,072	5.61	101.20
2020	2019	325,248,500	6,504,970,000	109,997,560	1,319,960,975	435,246,060	7,824,930,975	5.56	108.75
2021	2020	341,045,420	6,820,908,400	116,572,389	1,401,840,457	457,617,809	8,222,748,857	5.57	105.10
2022	2021 (2)	395,081,510	7,901,630,200	127,309,026	1,533,002,371	522,390,536	9,434,632,571	5.54	101.60
2023	2022	436,606,740	8,732,134,800	130,679,788	1,583,997,430	567,286,528	10,316,132,230	5.50	100.50
2024	2023	481,853,580	10,731,090,583	136,861,508	2,571,622,420	618,715,088	13,303,613,003	4.65	92.60
2025	2024	514,604,010	11,550,751,333	150,830,896	2,164,146,160	665,434,906	13,714,897,493	4.65	92.60

(1) Source: Lancaster County Auditor. Includes all assessments including fee-in-lieu, joint industrial park, and reimbursement assessments.

(2) Real property was reassessed.

Note: Real property in Lancaster County is reassessed once every four years (unless an extension is granted by County Council) with a one year lag for implementation, unless there is a physical or legal change affecting the property. The County assesses real property at 4-6% (legal residency is 4%) of the appraised value. Personal property is assessed at 10.5% of market value, except railroads (9.5%) and non-business motor vehicles (6%).

LANCASTER COUNTY, SOUTH CAROLINA

PROPERTY TAX MILLAGE RATES OF DIRECT AND OVERLAPPING GOVERNMENTS LAST TEN FISCAL YEARS

Levy Year Ended December 31	Fiscal Year Ended June 30	Lancaster County				Overlapping Rates (1)								Total Direct and Overlapping Rates
		County Operating	County Debt	County Capital Improvement and Court Security	Total County	Lancaster County School District			University of S. C. Lancaster	Town of Heath Springs	Town of Van Wyck (3)	Town of Kershaw	City of Lancaster	
						School Operating	School Debt	Total School District						
2015	2016	80.80	5.30	8.20	94.30	149.50	53.00	217.50	4.30	-	-	75.00	164.40	555.50
2016	2017 (2)	76.00	7.00	8.20	91.20	149.50	66.00	217.50	4.30	-	-	77.00	176.40	566.40
2017	2018	80.10	7.10	8.40	95.60	149.50	66.00	219.50	4.50	-	-	82.00	178.50	580.10
2018	2019	84.20	8.30	8.70	101.20	154.50	65.00	224.50	4.70	-	-	85.00	172.90	586.30
2019	2020	88.70	11.25	8.80	108.75	159.50	65.00	228.50	4.90	-	-	85.00	172.90	600.05
2020	2021	88.70	7.60	8.80	105.10	163.50	65.00	228.50	4.90	-	-	95.00	174.70	608.20
2021	2022 (2)	84.30	8.50	8.80	101.60	163.50	65.00	236.00	4.60	-	-	95.90	175.90	614.00
2022	2023	84.30	9.60	8.20	102.10	171.00	65.00	236.00	4.60	-	-	95.60	178.80	617.10
2023	2024	88.30	6.90	5.30	100.50	171.00	65.00	236.00	4.60	-	-	100.00	202.00	643.10
2024	2025	76.50	7.20	8.90	92.60	176.00	65.00	241.00	4.60	-	-	93.00	209.80	641.00

Source: Lancaster County Auditor

(1) Overlapping rates are those of local governments that apply to property owners within Lancaster County. Not all overlapping rates apply to all Lancaster County property owners (ex. the rates for the City of Lancaster apply only to the proportion of property owners whose property is located within the geographic boundaries of the City of Lancaster).

(2) Real property was reassessed.

(3) Town of Van Wyck became municipality for tax year 2018.

LANCASTER COUNTY, SOUTH CAROLINA

PRINCIPAL PROPERTY TAXPAYERS CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2024				2016			
	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value	Taxes Paid (1)	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value	Taxes Paid (1)
Duke Energy	\$ 15,986,770	1	3.08%	\$ 5,526,227	\$ 19,237,710	1	6.20%	\$ 6,012,184
Haile Gold Mine Inc	9,363,541	2	1.79%	3,224,132	3,408,658	5	1.10%	1,032,522
Red Ventures	7,720,681	3	1.48%	2,667,496	4,798,658	4	1.55%	1,472,071
Madison 521 Owner LLC	4,057,200	4	0.78%	1,344,827				
Capital Club SC Apartments LLC	3,992,670	5	0.76%	1,323,437				
Lancaster Real Estate Group	3,608,090	6	0.73%	1,262,255				
AIREP Indigo Owner, LLC	3,440,240	7	0.66%	1,140,338				
IMT Capital V Edgewater LLC	3,218,540	8	0.62%	1,066,845				
Graybul Mason LLC	3,116,250	9	0.60%	1,032,933				
Lynches River Electric	3,566,760	10	0.50%	873,103				
Lancaster Hospital Corp.					8,618,150	3	2.78%	3,558,708
The Gillette Company					9,710,901	2	3.13%	4,013,767
Lennar Carolina's LLC					2,669,400	7	0.86%	745,381
Springland Associates					2,524,720	9	0.81%	1,029,716
Wal-Mart Stores East LP					2,100,960	10	0.68%	621,866
Lynches River Electric					2,595,480	8	0.84%	780,461
Pulte Home Corp.					2,631,290	6	0.91%	805,411
Total assessed value of ten largest taxpayers	\$ 58,290,742		10.98%	\$ 19,461,593	\$ 58,495,927		18.66%	\$ 20,072,087
Total assessed value of all taxpayers	\$ 522,390,536		100%		\$ 343,233,484		100%	

Source: Lancaster County Treasurer

(1) Taxes paid includes amounts paid to other taxing authorities within Lancaster County.

LANCASTER COUNTY, SOUTH CAROLINA
REAL PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

Levy Year	Original Levy	Adjustments	Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
				Amount	Percentage of Levy		Amount	Percentage of Levy
2015	\$ 22,508,743	\$ 393,321	\$ 22,900,064	\$ 22,135,439	96.66%	\$ 643,372	\$ 22,778,811	99.47%
2016	23,702,386	128,901	23,831,287	23,149,210	97.14%	550,989	23,700,199	99.45%
2017	24,415,252	1,131,332	25,546,584	24,808,606	97.11%	579,685	25,388,291	99.38%
2018	29,214,057	1,814,850	31,028,707	30,259,717	97.52%	573,289	30,833,006	99.37%
2019	32,966,150	703,975	33,670,125	32,887,097	97.67%	467,054	33,354,151	99.06%
2020	32,623,017	1,019,568	33,642,585	33,021,251	98.15%	569,848	33,591,099	99.85%
2021	35,049,897	1,585,667	36,635,564	35,109,720	95.56%	448,015	36,557,735	99.79%
2022	39,399,753	1,785,313	41,185,066	40,517,087	98.38%	-	40,517,087	98.38%
2023	44,436,364	1,821,117	46,259,481	45,413,214	98.17%	-	45,413,214	98.17%
2024	48,753,557	2,574,331	49,327,888	48,198,871	97.71%	-	48,198,871	97.71%

Source: Lancaster County Treasurer
Includes County Ordinary, County Debt, County Capital Improvement, and County Court Security

LANCASTER COUNTY, SOUTH CAROLINA
VEHICLE PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

Levy Year	Original Levy	Adjustments	Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
				Amount	Percentage of Levy		Amount	Percentage of Levy
2015	\$ 2,846,803	\$ 419,698	\$ 3,266,501	\$ 3,030,026	92.76%	\$ 137,317	\$ 3,167,343	96.96%
2016	3,144,338	512,265	3,656,603	3,381,874	92.49%	158,298	3,540,172	96.82%
2017	3,061,408	434,695	3,496,103	3,221,298	92.14%	141,340	3,362,638	96.18%
2018	3,274,821	463,679	3,738,500	3,425,273	91.62%	162,884	3,588,157	95.98%
2019	3,856,161	625,681	4,481,842	4,106,759	91.63%	197,930	4,304,689	96.05%
2020	3,916,497	971,371	4,887,868	4,492,005	91.90%	208,999	4,701,004	96.18%
2021	3,911,122	1,047,080	4,958,202	4,596,865	92.71%	182,242	4,779,107	96.39%
2022	4,189,779	1,028,196	5,217,975	4,730,142	90.65%	-	4,730,142	90.65%
2023	4,681,119	1,168,909	5,850,028	5,344,222	91.35%	-	5,344,222	91.35%
2024	5,232,963	1,256,025	6,488,988	5,963,134	91.90%	-	5,963,134	91.90%

Source: Lancaster County Treasurer

Includes County Ordinary, County Debt, County Capital Improvement, and County Court Security

LANCASTER COUNTY, SOUTH CAROLINA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities							Business-Type Activities				Total Outstanding Debt	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Special Obligation Bonds	SCAGS Public Facilities Installment Purchase Revenue Bonds	Financed Purchases	Special Source Revenue Bonds	Installment Purchase Revenue Bonds	Leases Payable	Subscriptions Payable	Unamortized Discount/Premium on Debt	Leases Payable				
2016	\$ 36,730,205	\$ -	\$ -	\$ 2,451,843	\$ 7,504,000	\$ -	\$ -	\$ -	\$ 3,627,628	\$ -	\$ 50,319,576	2.67%	\$ 686	
2017	34,069,492	-	-	2,039,778	7,154,382	-	-	-	2,929,225	-	46,711,677	2.31%	521	
2018	28,372,350	-	-	1,825,493	6,782,075	-	-	-	2,158,137	-	40,139,058	1.77%	434	
2019	42,388,657	-	-	1,502,390	6,433,549	-	-	-	3,054,075	-	54,085,727	1.82%	567	
2020	34,123,712	-	-	520,000	6,110,067	-	-	-	2,924,721	-	43,778,400	1.43%	447	
2021	27,917,844	-	-	520,000	5,812,293	-	-	-	2,267,214	-	36,567,153	0.88%	381	
2022	27,526,740	6,140,000	-	520,000	4,895,715	-	290,128	-	2,920,575	-	42,253,459	0.76%	410	
2023	23,568,875	6,075,000	-	470,000	3,945,360	-	681,297	321,247	2,463,375	-	37,543,184	0.63%	349	
2024	19,178,725	5,740,000	-	420,000	-	82,795,000	564,759	230,783	8,833,435	-	127,762,733	1.94%	1,105	
2025	16,002,106	5,590,000	-	370,000	-	91,180,000	357,917	2,305,984	7,954,546	6,232	123,545,105	1.94%	1,107	

Notes:
Population data and personal income data can be found in the Schedule of Demographic and Economic Statistics.

LANCASTER COUNTY, SOUTH CAROLINA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Unamortized Discount/Premium on Debt	Less: Amounts Available in Debt Service Fund	Net G.O. Bonds Outstanding	Percentage of Estimated Actual Taxable Value of Property (1)	Debt Per Capita (2)
2016	\$ 36,736,205	\$ 3,627,629	\$ 3,264,525	\$ 37,099,309	0.55%	\$ 384
2017	34,589,492	2,929,225	1,631,995	35,886,722	0.60%	432
2018	29,372,360	2,158,137	839,211	30,691,286	0.54%	401
2019	42,398,607	3,654,075	4,461,216	41,591,466	0.44%	332
2020	34,123,712	2,924,721	2,334,738	34,713,695	0.57%	436
2021	27,917,646	2,267,214	1,528,049	28,656,811	0.44%	354
2022	27,525,740	2,157,227	1,371,015	28,311,952	0.35%	298
2023	23,586,875	1,779,099	1,076,508	24,289,466	0.30%	282
2024	19,178,725	1,457,890	1,651,258	18,985,357	0.15%	176
2025	16,002,196	1,207,411	619,838	16,589,769	0.12%	149

Notes:

(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

(2) Population data can be found in the Schedule of Demographic and Economic Statistics.

LANCASTER COUNTY, SOUTH CAROLINA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT AS OF JUNE 30, 2025

Governmental Unit	Debt Outstanding	Percentage Applicable to County	Amount Applicable to County
Direct debt:			
Lancaster County	\$ 123,539,923	100%	\$ 123,539,923
Overlapping debt:			
City of Lancaster	N/A	100%	N/A
Lancaster School District	197,333,704	100%	197,333,704
Total overlapping debt	197,333,704		197,333,704
Total direct and overlapping debt	\$ 320,873,627		\$ 320,873,627

SOURCES:

Lancaster County Treasurer, City of Lancaster, and Lancaster County School District

NOTE:

All of the overlapping debt is issued by either school districts or municipalities whose geographic boundaries are wholly contained within the geographic boundary of the County. Therefore, the County's share of the overlapping debt is 100%. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Lancaster County, South Carolina. This process recognizes that, when considering the government's ability to issue and repay debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and, therefore, responsible for repaying the debt, of each overlapping government.

N/A - Information not readily available.

LANCASTER COUNTY, SOUTH CAROLINA

LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt Limit	\$ 26,153,377	\$ 27,886,673	\$ 29,389,302	\$ 30,639,401	\$ 32,738,063	\$ 34,227,352	\$ 36,048,146	\$ 42,567,116	\$ 46,795,584	\$ 50,174,844
Total Net G.O. Debt Applicable to Limit	16,740,199	14,737,497	12,795,789	13,993,784	12,635,251	11,176,952	15,078,145	5,123,492	2,852,467	(258,882)
Legal Debt Margin	\$ 9,413,178	\$ 13,143,176	\$ 16,593,513	\$ 16,645,617	\$ 20,102,792	\$ 23,050,400	\$ 23,970,000	\$ 37,443,624	\$ 43,943,117	\$ 50,433,526
Total Net G.O. Debt Applicable to the to the Limit as a Percentage of Debt Limit	64.01%	52.86%	43.54%	45.67%	38.60%	32.68%	38.81%	12.04%	6.10%	-0.52%

Legal Debt Margin Calculation for Fiscal Year 2025

Assessed value (1)	\$ 626,320,030
Add back: exempt Merchant Inventory (2)	865,515
Total assessed value	627,185,545
Debt limit (8% of assessed value) (3)	50,174,844
Debt applicable to limit:	
Total general obligation bonds	16,002,198
Less amount set aside for repayment of G.O. debt (4)	(619,838)
Less G.O. bonds not applicable to 8% debt limit (5)	(15,641,040)
Net G.O. bonds applicable to limit	(258,882)
Legal debt margin without a referendum (6)	\$ 50,433,526

Notes:

(1) Property value data can be found in the Assessed Value and Estimated Actual Value of Taxable Property schedule. Fee-in-lieu, joint industrial park, and reimbursement assessments are not included in the assessed value for debt limit calculation.

(2) Business inventory is exempt from tax, but its 1987 assessed value is included in the computation of the legal debt margin.

(3) The legal debt limit is 8 percent of total assessed value.

(4) This is the amount available in the debt service funds for G.O. debt.

(5) G.O. bonds for the Pleasant Valley Fire District and Brookchase District are not subject to the 8% debt limit. Special fees are assessed to pay these bonds as approved by the voters. Also, a \$16,500,000 referendum bond was issued in FY2015 and a \$11,600,000 referendum bond was issued in 2019 and a Special Obligation Bond was issued in FY2021; these are not subject to the 8% debt limit.

(6) The legal debt margin is the government's available borrowing under SC Code of Laws and is calculated by subtracting the debt applicable to the legal debt limit from the legal debt limit.

LANCASTER COUNTY, SOUTH CAROLINA

DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>County Population (1)</u>	<u>Total Personal Income (in thousands) (1)</u>	<u>Per Capita Personal Income *</u>	<u>School Enrollment (2)</u>	<u>County Unemployment Rate (3)</u>
2016	85,842	\$ 1,883,631	\$ 21,943	12,420	6.0%
2017	89,594	2,020,076	22,547	12,758	4.6%
2018	92,550	2,270,066	24,528	13,017	3.9%
2019	95,380	2,973,662	31,177	13,258	4.1%
2020	98,012	3,057,190	31,192	13,936	10.6%
2021	96,016	5,348,952	52,999	14,722	4.8%
2022	100,336	5,521,791	55,033	14,414	3.7%
2023	104,577	5,758,562	55,065	14,791	3.8%
2024	108,215	6,153,446	57,016	15,175	4.7%
2025	111,652	6,376,656	58,926	15,298	4.3%

Sources:

(1) Bureau of Census/SC Budget & Control Board Office of Research & Statistics/Bureau of Economic Analysis. All are estimates except fiscal year 2021 which is based on the 2020 census.

(2) Lancaster County School District

(3) S.C. Department of Employment and Workforce

*Statistics are based on calendar year ending December 31 prior to the fiscal year ending date.

LANCASTER COUNTY, SOUTH CAROLINA

PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO

Employer	2025			2016		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Lancaster County Schools	2,114	1	4.45%	1,569	2	4.29%
Red Ventures	1,980	2	4.17%	1,600	1	4.37%
Movement Mortgage	725	3	1.53%			
Lancaster County (1)	684	4	1.44%	837	3	2.29%
MUSC (Springs Memorial Hospital)	640	5	1.35%			
Continental Tire	610	6	1.29%	430	7	1.18%
Nutramax Laboratories	510	7	1.07%			
Cardinal Health	440	8	0.93%	800	4	2.19%
Wal-Mart				723	5	1.98%
Oceana Gold	400	9	0.84%			
Keer America				400	9	1.09%
Founders Federal Credit Union	350	10	0.74%			
Springs Memorial Hospital				700	6	1.91%
Duracell (Gillete)				405	8	1.11%
Total	<u>8,453</u>		<u>17.81%</u>	<u>7,059</u>		<u>19.29%</u>
Total Labor Force	<u>47,462</u>			<u>36,595</u>		

Source: Lancaster County Economic Development Corporation and SC Department of Employment and Workforce
(1) 2016 data included part-time

LANCASTER COUNTY, SOUTH CAROLINA

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

Function	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government Administration	102.00	103.00	105.00	103.00	107.00	112.00	111.00	119.00	133.00	130.00
Administration of Justice	38.00	37.00	38.00	37.00	36.00	36.00	37.00	34.00	34.00	33.00
Culture & Recreation	71.00	69.00	69.00	69.00	64.00	62.00	62.00	40.00	43.00	43.00
Public Safety & Law Enforcement	240.00	243.00	250.00	263.00	269.00	273.00	275.00	249.00	285.00	288.00
Public Works	49.00	47.00	51.00	63.00	64.00	69.00	69.00	47.00	45.00	43.00
Public Health & Welfare	85.00	84.00	87.00	92.00	98.00	102.00	104.00	87.00	62.00	83.00
	<u>585.00</u>	<u>583.00</u>	<u>600.00</u>	<u>627.00</u>	<u>638.00</u>	<u>654.00</u>	<u>658.00</u>	<u>576.00</u>	<u>622.00</u>	<u>620.00</u>

Source: Lancaster County Human Resources Department

LANCASTER COUNTY, SOUTH CAROLINA

OPERATING INDICATORS BY FUNCTION LAST TEN FISCAL YEARS

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Administration of Justice										
Clerk of Court general sessions cases disposed	2,869	2,059	2,624	2,693	3,148	1,940	4,044	5,958	2,513	2,816
Clerk of Court common pleas cases disposed	1,715	1,654	1,565	1,914	2,737	1,659	2,402	1,801	2,038	1,981
Family Court cases disposed	818	994	988	853	726	778	968	955	556	762
Magistrate Court										
Criminal Docket total cases filed	2,551	2,671	3,224	3,921	2,427	N/A	1,957	12,246	2,077	1,851
Traffic Docket total cases filed	10,645	11,537	9,342	12,555	7,864	9,436	8,829	12,423	10,514	12,008
Civil Docket total cases filed	2,437	2,536	3,076	3,106	2,425	2,437	2,051	2,656	2,808	2,895
Culture and Recreation										
Library - Circulation	276,906	278,736	282,774	279,304	145,921	76,134	200,864	194,305	210,486	216,801
Recreation - total number of participants	217,415	223,476	224,157	11,257	11,837	3,411	9,600	9,375	10,055	18,500
General Government										
Assessor - number of parcels revised	14,102	46,875 (1)	17,626	15,369	55,530 (1)	10,600	9,820	9,540	11,229	11,325
Building - number of permits issued	2,738	2,847	2,847	3,386	4,113	4,362	4,139	3,404	3,359	3,359
Delinquent Tax - number of properties redeemed	224	270	273	269	211	208	74	-	57	106
Human Resources - number of applications taken	1,034	663	518	254	311	317	291	317	217	259
Planning - number of rezoning cases	19	27	38	32	26	32	19	13	14	20
Risk Management - number of inspections performed	68	60	60	60	65	60	56	58	60	60
Fleet Operations - number of work orders	2,919	2,228	2,846	3,250	3,249	3,167	3,104	3,484	3,420	3,214
Public Safety & Law Enforcement										
Coroner - total number of deaths	463	500	560	571	647	810	848	780	750	862
Communication 911 - total number of calls	122,164	152,695	104,218	161,987	148,717	181,804	175,337	175,337	170,523	149,828
Detention Center - total number incarcerated	2,997	3,351	3,486	3,355	3,376	2,640	2,060	2,192	2,197	2,303
Fire Service - total number of calls	5,948	6,368	6,495	7,215	7,620	6,911	9,708	9,295	9,221	9,408
Sheriff Department										
Calls for services	61,707	67,515	65,905	68,758	70,533	64,279	63,516	75,441	83,529	78,284
Total arrests	3,275	3,677	3,549	3,838	3,840	3,019	2,927	3,131	4,920	4,807
Litter complaints	95	117	160	395	378	-	-	n/a	n/a	n/a
Public Works										
Road maintenance - total work orders	3,946	3,645	2,089	2,996	2,647	2,760	3,280	-	2,570	2,686
Solid Waste										
Tons of refuse collected	6,155	6,811	6,090	7,760	8,514	18,157	10,765	7,397	7,604	7,600
Tons of commingled recyclables collected	771	709	536	624	457	37	-	-	-	-
Public Health & Welfare										
Animal Control										
Number of animals through shelter	3,433	3,387	3,069	2,659	1,868	2,148	1,988	2,419	2,732	3,169
EMS - total number of calls	14,880	15,144	17,380	17,106	17,937	19,830	19,224	18,814	19,897	20,253

Sources: Various county departments

Note: Statistics were not available for several departments until fiscal year 2016.

(1) Reassessment year - all parcels were revised

LANCASTER COUNTY, SOUTH CAROLINA

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Public safety and law enforcement										
Number of police stations	1	1	1	1	1	1	1	1	1	1
Number of police sub-stations	3	3	2	2	2	2	2	2	2	2
Number of police vehicles	143	135	148	155	148	148	137	170	170	170
Number of fire stations	18	18	18	18	18	18	18	18	18	18
Number of fire sub-stations	3	3	3	2	2	2	2	2	2	2
Number of fire emergency vehicles	111	111	112	113	114	114	114	114	141	141
Public works										
Miles of unpaved roads maintained	215.84	215.84	215.84	215.84	215.84	215.84	215.84	215.84	215.71	215.71
Miles of paved roads maintained	168.76	200.81	223.76	234.41	302.21	302.21	302.21	302.21	303.23	303.23
Public health and welfare										
Number of EMS stations	8	8	8	8	8	8	8	8	8	8
Number of emergency vehicles*	32	31	31	31	30	30	36	34	32	40
Culture and recreation										
Number of parks	16	16	16	16	16	16	16	16	21	21
Number of recreation centers	4	4	4	4	4	4	4	4	4	4
Number of libraries	3	3	3	3	3	3	3	3	3	3

Source: Various County departments

(1) - Item corrected in 2020.

*Beginning in FY2015, QRV vehicles are included.

COMPLIANCE SECTION



Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the County Council
of Lancaster County
Lancaster, South Carolina

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of **Lancaster County, South Carolina** (the "County"), as of and for the year ended June 30, 2025, 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 18, 2025.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2025-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of 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 of financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Lancaster County, South Carolina's Response to the Finding

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

Purpose of this Report

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



Columbia, South Carolina
December 18, 2025



Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance

To the County Council
of Lancaster County
Lancaster, South Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited **Lancaster 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 the County's major federal programs for the year ended June 30, 2025. 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.

In our opinion, Lancaster County, South Carolina 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, 2025.

Basis for Opinion on the Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibility for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

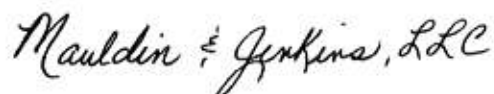
Report on Internal Control over Compliance

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

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

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

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



Columbia, South Carolina
December 18, 2025

LANCASTER COUNTY, SOUTH CAROLINA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-through Grantor/Program Title	Assistance Listing Number	Grant Identification Number	Total Expenditures	Passed through to Subrecipients
U.S. Department of Justice				
(Passed through the SC Department of Public Safety)				
Edward Byrne Memorial Assistance Grant Program	16.738	5G003622	\$ 87,781	\$ -
Edward Byrne Memorial Assistance Grant Program	16.738	5G003223/5G000124	317,223	-
BJA FY 23 Edward Byrne Memorial Justice Assistance Grant	16.738	15PBJA-23-GG-03754-JAGX	1,024	-
BJA FY 24 Edward Byrne Memorial Justice Assistance Grant	16.738	15PBJA-24-GG-04768-JAGX	14,178	-
BJA FY 23 Edward Byrne Memorial Justice Assistance Grant	16.738	15PBJA-22-GG-02023-COVE	3,180	-
			<u>423,386</u>	<u>-</u>
Victims Advocate	15.575	1S24058	64,633	-
			<u>64,633</u>	<u>-</u>
Treatment Court Discretion Grant Program	16.585	15PBJA-21-GG-04229-VTCX	72,900	-
Treatment Court Discretion Grant Program	16.585	1179TIC87216-01	56,969	-
			<u>129,869</u>	<u>-</u>
Project Safe Neighborhoods	16.609	15PBJA-22-GG-00828-	25,490	-
Project Safe Neighborhoods	16.609	15PBJA-24-GG-04012-	84,075	-
			<u>110,565</u>	<u>-</u>
BJA FY 23 Rural and Small Department Violent Crime Reduction Program	16.039	15PBJA-23-GG-05316-	111,914	-
BJA FY 23 Rural and Small Department Violent Crime Reduction Program	16.039	15JCOPS-24-GG-01430-	46,667	-
			<u>158,581</u>	<u>-</u>
Comprehensive Opioid Abuse Site-based Program	16.838	2020-AR-BX-0036	85,048	-
Comprehensive Opioid Abuse Site-based Program	16.838	15PBJA 23-GG-02381-	183,495	-
Comprehensive Opioid Abuse Site-based Program	16.838	15PBJA-24-GG-00277-BRND	774,725	-
			<u>1,023,269</u>	<u>-</u>
Total U.S. Department of Justice			<u>1,910,303</u>	<u>-</u>
U.S. Department of Homeland Security				
(Passed through the SC Emergency Management Division)				
Emergency Management Performance Grants	97.042	20EMPG01	64,679	-
			<u>64,679</u>	<u>-</u>
Total U.S. Department of Homeland Security			<u>64,679</u>	<u>-</u>
U.S. Department of Health and Human Services				
(Passed through the SC Department of Social Services)				
Child Support Enforcement	93.563	N/A	125,576	-
Child Support Enforcement	93.563	N/A	11,828	-
Child Support Enforcement	93.563	N/A	140,435	-
Child Support Enforcement	93.563	N/A	17,186	-
			<u>294,825</u>	<u>-</u>
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	5H79TI086379-02	351,923	-
	93.243	1H79TI086379-01	87,826	-
	93.243	1H79TI087101-01	99,400	-
			<u>539,149</u>	<u>-</u>
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	NU5OCK00054	218,700	-
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	15JQVW-24-GG-01506-	51,376	-
			<u>270,076</u>	<u>-</u>
477 Cluster				
Child Care Development Fund	93.575/93.595	N/A	100	-
			<u>100</u>	<u>-</u>
Temporary Assistance for Needy Families - TANF Block Grant	93.558	N/A	9,009	-
			<u>9,009</u>	<u>-</u>
Total 477 Cluster			<u>9,109</u>	<u>-</u>
Medicaid Cluster				
Medicaid Assistance Program	93.778	N/A	3,524	-
Total Medicaid Cluster			<u>3,524</u>	<u>-</u>
Social Services Block Grant Administration	93.667	N/A	1,731	-
Child Support Enforcement	93.563	N/A	10	-
Family Preservation (CWS Part II)	93.556	N/A	62	-
Foster Care	93.658	N/A	2,782	-
			<u>4,585</u>	<u>-</u>
Total U.S. Department of Health and Human Services			<u>1,121,268</u>	<u>-</u>

LANCASTER COUNTY, SOUTH CAROLINA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-through Grantor/Program Title	Assistance Listing Number	Grant Identification Number	Total Expenditures	Passed through to Subrecipients
<u>U.S. Department of Agriculture</u>				
(Passed through the SC Department of Social Services)				
SNAP Cluster				
State Administrative Matching Grants for Supplemental Nutrition Assistance	10.561	N/A	\$ 3,922	\$ -
Total SNAP Cluster			<u>3,922</u>	<u>-</u>
Total U.S. Department of Agriculture			<u>3,922</u>	<u>-</u>
<u>U.S. Department of Transportation</u>				
Airport Improvement Program	20.106	3-45-0034-026-2022	1,514,953	-
Airport Improvement Program	20.106	3-45-0034-028-2023	415,170	-
			<u>1,930,123</u>	<u>-</u>
(Passed through the SC Department of Public Safety)				
Highway Safety Cluster				
National Priority Safety Programs	20.616	PT-2024-HS-33-24	40,722	-
National Priority Safety Programs	20.616	PT-2025-HS-33-25	125,521	-
			<u>166,243</u>	<u>-</u>
Total Highway Safety Cluster			<u>166,243</u>	<u>-</u>
Total U.S. Department of Transportation			<u>2,096,366</u>	<u>-</u>
<u>U.S. Department of Housing and Urban Development</u>				
(Passed through the SC Department of Commerce)				
COVID-19 Community Development Block Grant	14.228	CDBG-CV1-003	70,169	-
			<u>70,169</u>	<u>-</u>
Total U.S. Department of Housing and Urban Development			<u>70,169</u>	<u>-</u>
<u>U.S. Department of the Treasury</u>				
(Passed through the State of South Carolina)				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	3,213,609	67,000
			<u>3,213,609</u>	<u>67,000</u>
Total U.S. Department of the Treasury			<u>3,213,609</u>	<u>67,000</u>
Total Expenditures of Federal Awards			<u>\$ 8,480,316</u>	<u>\$ 67,000</u>

LANCASTER COUNTY, SOUTH CAROLINA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE I. BASIS OF PRESENTATION

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

NOTE II. DE MINIMIS INDIRECT COST RATE

The County chose not to use the fifteen percent de Minimis indirect cost rate for the year ended June 30, 2025.

NOTE III. NONCASH ASSISTANCE AND LOANS

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

LANCASTER COUNTY, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

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

Unmodified

Internal control over financial reporting:
Material weaknesses identified?

☒ Yes ☐ No

Significant deficiencies identified?

☐ Yes ☒ None reported

Noncompliance material to financial statements noted?

☐ Yes ☒ No

Federal Awards

Internal Control over major programs:
Material weaknesses identified?

☐ Yes ☒ No

Significant deficiencies?

☐ Yes ☒ 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)?

☐ Yes ☒ No

Identification of major programs:

Assistance Listing Number

16.838

Name of Federal Program or Cluster

U.S. Department of Justice –
Comprehensive Opioid Abuse Site-based Program

21.027

U.S. Department of the Treasury –
COVID-19 – Coronavirus State and Local Fiscal
Recover Funds

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

☐ Yes ☒ No

LANCASTER COUNTY, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

2025-001 Year-end Close and General Accounting Matters

Criteria: Internal control is a process designed to provide reasonable assurance about the achievement of an entity's objectives with regard to the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations. Internal control is a process of safeguarding assets against unauthorized acquisition, use, or disposition, and includes controls related to financial reporting and operational objectives.

Generally accepted accounting principles require assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, and expenditures/expenses to be recognized in the accounting period in which they become measurable, and in certain instances, available. Further, a fundamental principle in accounting and financial reporting is the notion of timely recognition and recording of financial and non-financial transactions and activities.

Condition: A significant amount of accounting, reporting, and reconciling activity was not properly performed and reviewed during the fiscal year. Adjustments amounting to over \$25.3 million across 16 County funds were required to be recorded after the start of the County audit in the months that followed June 30, 2025. These adjustments were required to be made to account for activities that occurred during the year ended June 30, 2025, but were not reflected in the County's general ledger at the start of the audit process. Of the \$25.3 million in adjustments, \$5.1 million were identified corrected, and provided by County personnel, while the remaining \$20.2 million was identified through the application of our audit procedures and were subsequently corrected by County personnel. Further, and throughout the course of the audit process, we noted there were instances of a lack of accurate accounting on a timely basis. We noted deficiencies in timeliness, completeness, and accuracy. Specifically, we noted a lack of timely and accurate financial information needed:

- to properly maintain general ledgers, subsidiary ledgers, reconciliations; and,
- to close-out and report activities, events, and transactions on a periodic basis.

Context: We addressed these matters with County officials, who were able to ultimately determine the propriety of all respective details and reconciliations as of and for the fiscal year ended June 30, 2025.

Effect: The ultimate effect of the above condition is:

- the potential for errors and irregularities to occur and not be detected and corrected in a timely manner.

Cause: Certain internal controls and procedures were not adequately implemented during the fiscal year and the subsequent financial close process.

LANCASTER COUNTY, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

2025-001 Year-end Close and General Accounting Matters (Continued)

Recommendation: We recommend the County consider the following options to address the above condition. In no particular order, the County should evaluate the respective staffing of the accounting function and determine if an adequate number of qualified people are currently available to address the condition. The County also should consider and evaluate the strengths and weaknesses relative to the accounting function and take measures to address the concerns noted above with a goal of providing timely recording, reconciling, and reporting of County operations and financial activities.

We further recommend the County consider reinvesting in its accounting personnel by providing technical education and training via participation in continuing education in governmental accounting and financial reporting programs which are constantly available in the general geographic area of the County. Once certain levels of technical proficiency are observed by management, we further encourage the County to better cross-train the accounting personnel in an effort to make the accounting function a stronger and more capable finance department.

Views or Responsible Officials and Planned Corrective Action: Management concurs with the finding. Please refer to management's corrective action plan at the end of this document.

SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None reported.

LANCASTER COUNTY, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

SECTION IV
SCHEDULE OF PRIOR YEAR FINDINGS

2024-001 Year-end Close and General Accounting Matters

Criteria: Internal control is a process designed to provide reasonable assurance about the achievement of an entity's objectives with regard to the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations. Internal control is a process of safeguarding assets against unauthorized acquisition, use, or disposition, and includes controls related to financial reporting and operational objectives.

Generally accepted accounting principles require assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, and expenditures/expenses to be recognized in the accounting period in which they become measurable, and in certain instances, available. Further, a fundamental principle in accounting and financial reporting is the notion of timely recognition and recording of financial and nonfinancial transactions and activities.

Condition: A significant amount of accounting, reporting, and reconciling activity was not properly performed and reviewed during the fiscal year. Adjustments amounting to over \$38.6 million across eighteen (18) County funds were required to be recorded after the start of the County audit in the months that followed June 30, 2024. These adjustments were required to be made to account for activities that occurred during the year ended June 30, 2024, but were not reflected in the County's general ledger at the start of the audit process. Of the \$36.8 million in adjustments, \$8.2 million was identified, corrected, and provided by County personnel, while the remaining \$30.4 million was identified through the application of our audit procedures and was subsequently corrected by County personnel. Further, and throughout the course of the audit process, we noted there were instances of a lack of accurate accounting on a timely basis. We noted deficiencies in timeliness, completeness, and accuracy. Specifically, we noted a lack of timely and accurate financial information needed:

- to properly maintain general ledgers, subsidiary ledgers, reconciliations; and,
- to close-out and report activities, events, and transactions on a periodic basis.

Status: Unresolved. See current year finding 2025-001



Date: December 19, 2025

To: Grant, Davis, Partner, Mauldin and Jenkins, LLC

From: Steve Willis, Interim County Administrator

Subject: Management Response to Audit Recommendations and Planned Corrective Actions

Lancaster County appreciates the audit findings and recommendations. County management concurs with the findings and recommendations. We acknowledge and fully understand that internal control is a critical component of our financial operations, and we remain committed to improving our processes to ensure the timely and accurate recording, reconciliation, and reporting of financial activities. The County intends to continue the following ongoing efforts as part of our corrective action plan.

As noted in the prior fiscal year, the County continues to experience challenges related to the timeliness and completeness of accounting and financial reporting activities. While improvements were observed during the fiscal year ended June 30, 2025, reflected by a reduction in the number of affected funds and the total dollar amount of post-audit adjustments compared to the prior year, the underlying condition has not yet been fully resolved.

Since the prior year, the County has taken additional steps to address the issues identified in this finding. Management has continued to evaluate the structure, staffing, and internal controls within the Finance Division, particularly as they relate to accounting, reconciliations, and financial reporting. As part of this effort, the County upgraded a Fiscal Analyst position to an Accounting Analyst to assume expanded responsibility for certain reconciliations and financial reporting activities. In addition, the County hired a dedicated Grants Coordinator to centralize grant administration and compliance efforts, thereby reducing the strain on accounting staff and improving the timeliness and accuracy of grant-related financial activity. Additionally, as part of the FY 2027 budget process, Finance is evaluating the upgrade of the current part-time Accounting Clerk position to a full-time Accounting Specialist to support evolving operational and control needs. This position would perform routine, transactional reconciliations and close activities which will support improving segregation of duties, reducing key-person dependency, and mitigating audit risk.

We recognize that the County's legacy financial system relies heavily on manual processes for reconciliations and month-end and year-end close activities. These constraints, combined with continued County growth and an increasing volume of financial and grant activity, have contributed to the persistence of this finding despite staffing and process adjustments. To address these systemic challenges, the County is deeply involved in the implementation of a modernized Enterprise Resource Planning (ERP) system. This system is expected to significantly strengthen

internal control processes through improved automation, standardized workflows, and enhanced integration across accounting, grants, accounts payable, and financial reporting functions. The ERP implementation is highly prioritized, with a targeted go-live date of July 1, 2026.

While the County remains committed to reinvesting in professional development and cross-training to build the capacity of its finance and accounting staff, management acknowledges that competing priorities, particularly the resource demands associated with ERP implementation, have slowed the pace of these initiatives. We anticipate that expanded training and cross-training efforts will accelerate following ERP go-live and stabilization.

We strongly believe that the combination of staffing realignment, redistribution of responsibilities, and successful implementation of the new ERP system will result in improved timeliness, accuracy, and completeness of accounting records and financial reporting.

In addition to the corrective actions outlined above, the County intends to actively engage its external audit firm as a strategic partner to support ongoing improvement of the accounting and financial close process and to ensure audit readiness. This engagement will include a formal post-audit debrief, targeted training focused on strengthening monthly reconciliation and review practices, and proactive guidance on upcoming GASB standards to support timely and effective implementation. We will also leverage the audit firm's expertise to develop audit-ready checklists and templates, identify internal control and process improvement opportunities, and perform pre-audit planning and readiness activities. These efforts are intended to strengthen internal controls, enhance consistency, and further reduce the risk of post-audit adjustments as the County transitions to its new ERP environment. We fully expect these corrective actions to reduce the need for post-audit adjustments and strengthen our internal control environment.

We appreciate the Mauldin and Jenkins audit team's collaboration and constructive feedback, and we remain committed to making the necessary improvements to ensure financial integrity and operational efficiency.



Steve Willis
Lancaster County
Interim County Administrator

Schedule C

MAULDIN & JENKINS

mjcpa.com

508 Hampton Street

Columbia, SC 29201

Lancaster County, South Carolina

Auditor's Discussion & Analysis

Financial & Compliance Audit Summary

June 30, 2025

Presented by:

Grant Davis, CPA

(803) 799-5810



Going Further.

Lancaster County, South Carolina

Auditor's Discussion & Analysis (AD&A)

June 30, 2025

PURPOSE OF ANNUAL AUDITOR'S DISCUSSION & ANALYSIS

- ◆ Engagement Team and Firm Information:
 - The Governmental Practice
 - Additional Information Regarding Other Industries & Services
- ◆ Overview of:
 - Independent Auditor's Report
 - Review of the Annual Comprehensive Financial Report
 - Overview of the Financial Statements, Footnotes, and Supplementary Information
 - Compliance Reports (Internal Controls and Laws & Regulations)
- ◆ Required Communications under *Government Auditing Standards*
- ◆ Accounting and Related Matters:
 - Other Matters for Communication
- ◆ Free Continuing Education and Newsletters
- ◆ Closing Thoughts
- ◆ Answering Your Questions

Lancaster County, South Carolina

Auditor's Discussion & Analysis (AD&A)

June 30, 2025

MAULDIN & JENKINS BY THE NUMBERS



CONSISTENTLY RANKED AS A TOP
ACCOUNTING FIRM IN THE U.S.



100+ year
HISTORY
OF QUALITY SERVICE

Serve 725+
GOVERNMENT CLIENTS

GOVERNMENTAL
PARTNERS &
DIRECTORS

25



150+

TEAM MEMBERS DEDICATED
TO SERVING THE
GOVERNMENTAL INDUSTRY



To be a trusted advisor, earning more and lasting longer through our
commitment to excellence, we deliver a knowledge and experience



220+

SINGLE AUDITS PERFORMED LAST
YEAR COVERING OVER \$6 BILLION
OF FEDERAL GRANTS



156,000+

HOURS ANNUALLY
PROVIDED TO
GOVERNMENTAL CLIENTS

175+

CURRENT CLIENTS AWARDED
THE GFOA CERTIFICATE OF
EXCELLENCE

6

STATES

14

OFFICES



Engagement Team Leaders Include:

- Grant Davis - Engagement Lead Partner - 13 years' experience
- Tim Lyons – Engagement Technical Resource Partner – 17 years' experience
- Brian Nicholson – Engagement Director – 10 years' experience
- David Usefara – Quality Assurance Engagement Director – 8 years' experience



Lancaster County, South Carolina

Auditor's Discussion & Analysis (AD&A)

June 30, 2025

MAULDIN & JENKINS – ADDITIONAL INFORMATION

Other Industries & Services by Mauldin & Jenkins:

Each of Mauldin & Jenkins' offices provides a wide variety of services to a broad range of clientele. We have partners and managers who are responsible for specialized practice areas of auditing and accounting, taxes and management advisory services. Their purpose, as leaders in the particular practice area, is to establish policies with respect to technical matters in these specific areas and ensure that the quality of the Firm's practice is maintained.

Industries Served: Over the years, our partners have developed expertise in certain industries representative of a cross section of the U.S. economy, including:

- Governmental Entities (state entities, cities, counties, school systems, business type operations, libraries, and other special purpose entities)
- SEC Registrants
- Wholesale Distribution
- Agribusinesses
- Manufacturing
- Professional Services
- Employee Benefit Plans
- Financial Institutions (community banks, savings and loans, thrifts, credit unions, mortgage companies, and finance companies)
- Non-Profit Organizations
- Retail Businesses
- Long-term Healthcare
- Construction & Development
- Individuals, Estates and Trusts
- Real Estate Management

Services Provided: This diversity of practice enables our personnel to experience a wide variety of business, accounting and tax situations. We provide the traditional and not-so-traditional services such as:

- Financial Audit/Review/Compilation
- Compliance Audits and Single Audits
- Agreed-Upon Procedures
- Forensic Audits
- Bond Issuance Services
- Performance Audits
- State Sales Tax Matters
- International Tax Matters
- Business and Strategic Planning
- Profitability Consulting
- Budgeting
- Buy-Sell Agreements and Business Valuation Issues
- Income Tax Planning and Preparation
- Multi-State Income Tax Issues
- Information Systems Consulting
- Cost Accounting Analysis
- Healthcare Cost Reimbursement
- Outsourced Billing Services
- Fixed Asset Inventories
- Succession and Exit Strategy Consulting
- Estate Planning
- Management Information Systems
- Employee Benefit Plan Administration
- Merger/Acquisition and Expansion Financing

Lancaster County, South Carolina
Auditor's Discussion & Analysis (AD&A)
June 30, 2025

INDEPENDENT AUDITOR'S REPORT

The independent auditor's report has specific significance to readers of the financial report.

Management's Responsibility for the Financial Statements

The financial statements are the responsibility of management.

Auditor's Responsibility

Our responsibility, as external auditors, is to express an opinion 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. We planned and performed our audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Opinions

We have issued an unmodified audit report (i.e., "clean opinion"). The respective financial statements are considered to present fairly the financial position and results of operations as of, and for the year ended.

Other Matters

Certain required supplementary information and other information is included in the financial report, and as directed by relevant auditing standards, we have not expressed an opinion or provided any assurance on the respective information.

Other Reporting

Government Auditing Standards require auditors to issue a report on our consideration of internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. We have issued such a report and reference to this report is included in the independent auditor's report.

Lancaster County, South Carolina

Auditor's Discussion & Analysis (AD&A)

June 30, 2025

REVIEW OF ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

An Annual Comprehensive Financial Report (ACFR) goes beyond the normal financial reporting required by accounting principles generally accepted in the United States. An ACFR includes at a minimum the following elements/sections:

- **Introductory Section:** general information on the County's structure and the services it provides.
 - Letter of Transmittal
 - Organizational Chart
 - Directory of Officials
 - Certificate of Achievement for Excellence in Financial Reporting
- **Financial Section:** basic financial statements, footnotes and required supplementary information along with the auditor's report.
 - Independent Auditor's Report
 - Management Discussion & Analysis (MD&A)
 - Financial Statements and Footnotes
- **Statistical Section:** broad range of financial, demographic information useful in assessing the County's economic condition, and this information covers multiple years.
 - Financial Trends Information
 - Revenue Capacity Information
 - Debt Capacity Information
 - Operating Information

An ACFR goes far beyond the basic requirements of annual financial reporting, and the County should be commended for going beyond the minimum and providing such a report.

Recognition and Award

Once completed, the fiscal year 2024 ACFR was submitted to the Government Finance Officers Association (GFOA) for determination if the report would merit the GFOA's Certificate of Achievement for Excellence in Financial Reporting. We are happy to inform everyone that the GFOA did indeed review the ACFR and awarded the County with the sought after Certificate.

Lancaster County, South Carolina

Auditor's Discussion & Analysis (AD&A)

June 30, 2025

OVERVIEW OF FINANCIAL STATEMENTS

The County's basic financial statements include three components:

- 1) Government-wide financial statements;
- 2) Fund financial statements; and
- 3) Notes to the financial statements.

The **government-wide financial statements** provide a broad overview of all of the County's funds. The *Statement of Net Position* presents information on all assets (and deferred outflows) and liabilities (and deferred inflows) of the County, with the resulting difference reported as net position. The *Statement of Activities* presents information showing how the County's net position changed during the most recent fiscal year. Revenues are categorized as program revenues or general revenues. Expenses are categorized by function.

The **fund financial statements** more closely resemble the financial statements as presented prior to the adoption of GASB Statement No. 34. All of the funds of the County can be divided into three categories: governmental funds (includes the General Fund), business-type funds, and fiduciary funds.

The County also includes, as part of the ACFR, the following information:

- 1) Uniform Schedule of Court Fines, Assessments and Surcharges, and
- 2) Single Audit schedules and reports.

Government-wide (Full-accrual) Financial Statements

As noted above, the financial report of the County includes two entity-wide financial statements: a *Statement of Net Position*; and a *Statement of Activities*.

Highlights of the government-wide statements notes total assets (and deferred outflows of resources) of approximately \$503,000,000 offset by liabilities (and deferred inflows of resources) of approximately \$227,000,000. This results in the County reporting net position (or equity) of approximately \$276,000,000.

A substantial element of the net position is composed of the net investment in capital assets in the approximate amount of \$167,000,000. Restricted net position amounts to approximately \$47,000,000 leaving unrestricted net position of \$62,000,000.

Lancaster County, South Carolina
Auditor's Discussion & Analysis (AD&A)
June 30, 2025

The *Statement of Activities* attempts to report expenses in the first column with direct offsetting program revenues to the adjacent columns to arrive a net cost of the functional areas of operation.

General revenues (primarily property taxes and sales taxes) come to the rescue of the net cost functional areas resulting in the County reporting an increase in net position of approximately \$39,000,000 for the fiscal year ended June 30, 2025.

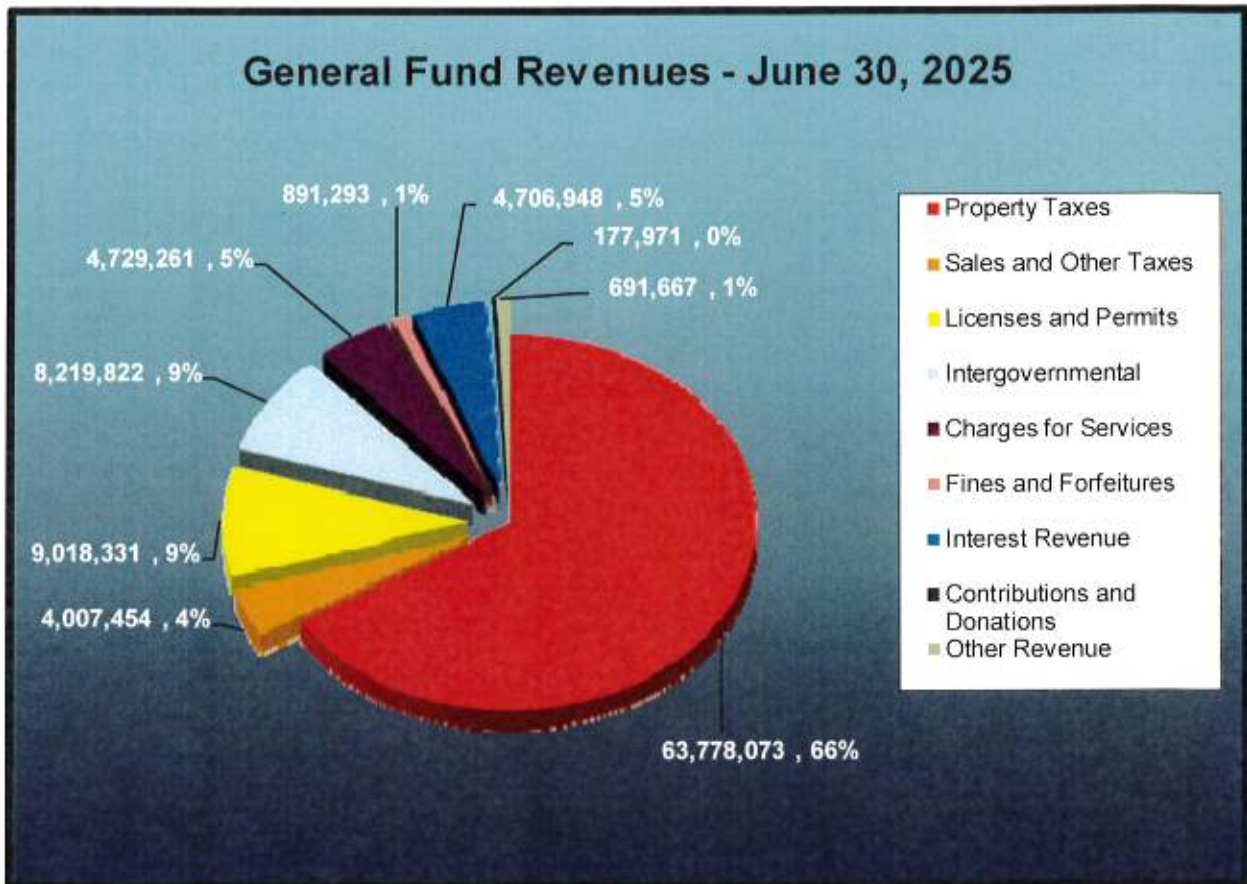
General Fund

Of primary interest to the County is the **General Fund**, which accounts for the majority of revenues received and funds expended in the operations of the County, including:

- General government
- Administration of Justice
- Public Safety
- Public Works
- Public Health and Welfare
- Culture and Recreation
- Economic Development
- Debt Service

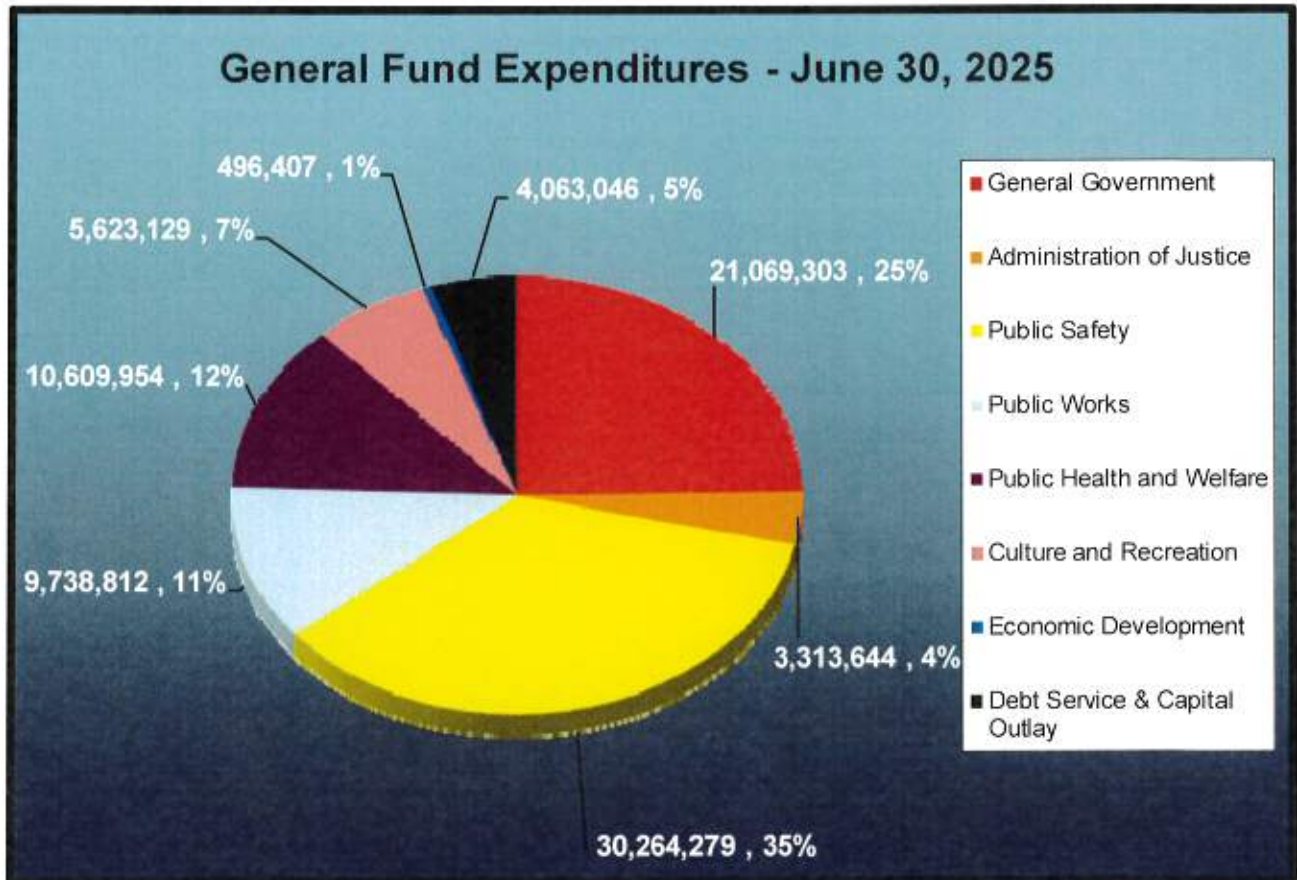
Lancaster County, South Carolina
Auditor's Discussion & Analysis (AD&A)
June 30, 2025

General Fund Revenues: The following chart depicts the primary revenue sources of the General Fund for the year ended June 30, 2025. Property taxes and other taxes represent key components of revenue.



Lancaster County, South Carolina
Auditor's Discussion & Analysis (AD&A)
June 30, 2025

General Fund Expenditures: The following chart presents the General Fund's expenditures by major function for the year ended June 30, 2025.



Other Governmental Funds

The County also maintains 17 *special revenue funds*. These funds account for revenues derived from specific sources which are legally restricted to finance particular functions or activities. *Debt service funds* are used to account for the accumulation of resources for payment of the County's long-term debt. The County maintains one debt service fund. *Capital projects funds* are used to account for revenues and expenditures related to the renovation and/or construction of major capital assets. Eleven capital projects funds are maintained by the County.

Business-type Funds

Lancaster County, South Carolina

Auditor's Discussion & Analysis (AD&A)

June 30, 2025

The County maintains one *enterprise fund*, which are used to account for operations in a manner similar to private business enterprises. The enterprise fund maintained is the Airport Fund.

Business-type Statement of Net Position

Assets and Deferred Outflows of Resources: The County reports total assets (and deferred outflows of resources) related to its business-type activities of approximately \$14,500,000. Liabilities (and deferred inflows of resources) amounted to approximately \$6,000,000. This results in the County reporting net position (or equity) of approximately \$8,500,000. Also, a substantial element of the net position is composed of the net investment in capital assets in the approximate amount of \$11,900,000. Unrestricted net position amounts to a deficit of \$3,400,000.

Business-type Statement of Revenues, Expenses and Changes in Net Position

Total operating revenues of the County amounted to approximately \$470,000 while total operating expenses amounted to \$999,000 resulting in an operating loss before capital contributions and transfers of \$528,000. The Airport fund reported capital contributions in the form of intergovernmental grants of \$1,930,000. In total net position increased by approximately \$1,402,000.

Business-type Statement of Cash Flows

The statement of cash flows is a very important statement for any enterprise, and the County is no different.

The "cash flows from operating activities" is the most important element in the statement of cash flows, because it should be the operations of an entity that provides a substantial portion of the capital needed in a growth environment. This section of the statement begins with operating income or loss (not net income as you see in the commercial sector) as reported in the statement of operations.

The County reported cash provided by operations of approximately \$2,700. Ultimately the County reported no change in its cash balance as of June 30, 2025.

Other highlights from the statement of cash flows include:

- The County purchased capital assets in the amount of approximately \$1,930,000.
- The County received intergovernmental grants of \$1,930,000.

Lancaster County, South Carolina

Auditor's Discussion & Analysis (AD&A)

June 30, 2025

Fiduciary Funds

The County maintains 17 *custodial funds* which are used to account for the collection and disbursement of funds by the County on behalf of other governments and individuals.

COMPLIANCE REPORT

The financial reporting package contains two (2) compliance reports.

Yellow Book Report: The first compliance report is a report on our tests of the County's internal controls and compliance with laws, regulations, etc. The tests of internal controls were those we determined to be required as a basis for designing our financial statement auditing procedures. Such tests also considered the County's 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. In accordance with the respective standards, the report is not intended to provide an opinion, but to provide a form of negative assurance as to the County's internal controls and compliance with applicable rules and regulations.

Single Audit Report: The second compliance report is a report on our tests of the County's internal controls and compliance with laws, regulations, etc. relative to certain Federal grant programs and the respective expenditures. Two major programs were selected for testing:

- COVID-19 State and Local Fiscal Recovery Fund
- Comprehensive Opioid, Stimulant, and Substance Abuse Site-based Program

Our tests were performed on the County's major programs (as defined by the relevant Federal guidelines) and were not applied to each and every Federal grant expended by the County. In accordance with the respective standards, we did provide an unmodified (or positive) opinion on the County's compliance based on our audit. However, we were not required to provide an opinion on the relevant internal controls, but to provide a form of negative assurance on such controls.

Lancaster County, South Carolina
Auditor's Discussion & Analysis (AD&A)
June 30, 2025

AUDIT SCOPES AND PROCEDURES

1. Governmental audit programs were used in all areas.
2. We observed and made an independent count of inventory at the Airport at June 30, 2025. There were no differences noted between our counts and those of the County's. We also performed certain price tests to determine the propriety of valuation of inventory.
3. We confirmed trade accounts receivable. Due to the timing of the audit as compared to the fiscal year end, a poor response rate was noted. Therefore, we performed alternate procedures to verify existence of the amounts.
4. For purposes of assessing the adequacy of the allowance for doubtful accounts, we reviewed the aging of accounts receivable, and considered the current economic environment coupled with recent history of the County. We also reviewed subsequent collection activity.
5. We evaluated the assumptions used by actuaries relative to the County's various benefit plans, and tested the respective valuations associated with these plans.
6. We reviewed supporting documentation for a sample of additions to capital assets during the year ended June 30, 2025.
7. We performed a search for unrecorded liabilities via review of unpaid vouchers and subsequent disbursements.



Lancaster County, South Carolina
Auditor's Discussion & Analysis (AD&A)
June 30, 2025

REQUIRED COMMUNICATIONS

**The Auditor's Responsibility Under Government Auditing Standards
and Auditing Standards Generally Accepted in the United States of America**

Our audit of the financial statements of Lancaster County, South Carolina (the "County") for the year ended June 30, 2025, was conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether caused by error, fraudulent financial reporting or misappropriation of assets. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Accordingly, the audit was designed to obtain reasonable, rather than absolute, assurance about the financial statements. We believe our audit accomplishes that objective.

In accordance with *Government Auditing Standards*, we have also performed tests of controls and compliance with laws and regulations that contribute to the evidence supporting our opinion on the financial statements. However, they do not provide a basis for opining on the County's internal control or compliance with laws and regulations.

Accounting Policies

Management has the ultimate responsibility for the selection and use of appropriate accounting policies used by the County. During the current year, the Government implemented **GASB Statement No. 101 and 102**. In addition, there are several new accounting standards which will be required to be implemented in the coming years. These are discussed later in this document.

In considering the qualitative aspects of the County's accounting policies, we did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus. The County's policies relative to the timing of recording of transactions are consistent with GAAP and typical government organizations.

Lancaster County, South Carolina
Auditor's Discussion & Analysis (AD&A)
June 30, 2025

Management Judgments and Accounting Estimates

Accounting estimates are an integral part of the preparation of financial statements and are based upon Management's current judgment. The process used by Management encompasses their knowledge and experience about past and current events and certain assumptions about future events. Management has informed us they used all the relevant facts available to them at the time to make the best judgments about accounting estimates and we considered this information in the scope of our audit. We considered this information and the qualitative aspects of Management's calculations in evaluating the County's significant accounting policies. Estimates significant to the financial statements include such items as: the estimated lives of depreciable assets; actuarial assumptions and concepts relative to the benefit plans; deferred revenues; valuation of financial and non-financial instruments; the estimated incurred-but-not-reported liabilities; conservation commitments; extraordinary items; and the estimated allowance for uncollectible accounts.

Financial Statement Disclosures

The footnote disclosures to the financial statements are also an integral part of the financial statements. The process used by Management to accumulate the information included in the disclosures was the same process used in accumulating the financial statements, and the accounting policies described above are included in those disclosures. The overall neutrality, consistency, and clarity of the disclosures was considered as part our audit and in forming our opinion on the financial statements.

Significant Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management relating to the performance of the audit.

Disagreements with Management

We encountered no disagreements with Management over the application of significant accounting principles, the basis for Management's judgments on significant matters, the scope of the audit or significant disclosures to be included in the financial statements.

Representation from Management

We requested written representations from management relating to the accuracy of information included in the financial statements and the completeness and accuracy of various information requested by us, during the audit. Management provided those written representations without a problem.

Lancaster County, South Carolina
Auditor's Discussion & Analysis (AD&A)
June 30, 2025

Management's Consultations with Other Accountants

We are not aware of any consultations management had with other accountants about accounting or auditing matters.

Significant Issues Discussed with Management

There were no significant issues discussed with Management related to business conditions, plans, or strategies that may have affected the risk of material misstatement of the financial statements. We are not aware of any consultations Management had with us or other accountants about accounting or auditing matters. No major issues were discussed with Management prior to our retention to perform the aforementioned audit.

Audit Adjustments

During our audit of the County's basic financial statements as of and for the year ended June 30, 2025, there were several adjustments, proposed to the funds of the County. The details of all adjustments have been provided to management and are available to share with governing board members. All adjustments have been discussed with management, and their concurrence was duly noted and have been posted.

Uncorrected Misstatements

We had no passed adjustments.

Independence

We are independent of the County, and all related organizations, in accordance with auditing standards promulgated by the American Institute of Certified Public Accountants and *Government Auditing Standards*, issued by the Comptroller General of the United States.

Other Information in Documents Containing Audited Financial Statements

We are not aware of any other documents that contain the audited basic financial statements. If such documents were to be published, we would have a responsibility to determine that such financial information was not materially inconsistent with the audited statements of the County.

Lancaster County, South Carolina
Auditor's Discussion & Analysis (AD&A)
June 30, 2025

Required Supplementary Information

We applied certain limited procedures to the pension and other post-employment benefit plan schedules, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Supplementary Information

We were engaged to report on the summarized schedule of comparative financial information, which accompanies the financial statements but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

ACCOUNTING RECOMMENDATIONS AND RELATED MATTERS

Item Cited as a Material Weakness in Internal Controls

1) Year-end Close and General Accounting Matters

Internal control is a process designed to provide reasonable assurance about the achievement of an entity's objectives with regard to the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations. Internal control is a process of safeguarding assets against unauthorized acquisition, use, or disposition, and includes controls related to financial reporting and operational objectives.

Generally accepted accounting principles require assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, and expenditures/expenses to be recognized in the accounting period in which they become measurable, and in certain instances, available. Further, a fundamental principle in accounting and financial reporting is the notion of timely recognition and recording of financial and non-financial transactions and activities.

Lancaster County, South Carolina
Auditor's Discussion & Analysis (AD&A)
June 30, 2025

A significant amount of accounting, reporting, and reconciling activity was not properly performed and reviewed during the fiscal year. Adjustments amounting to over \$25.3 million across 16 County funds were required to be recorded after the start of the County audit in the months that followed June 30, 2025. These adjustments were required to be made to account for activities that occurred during the year ended June 30, 2025, but were not reflected in the County's general ledger at the start of the audit process. Of the \$25.3 million in adjustments, \$2.1 million was identified, corrected, and provided by County personnel, while the remaining \$20.2 million was identified through the application of our audit procedures and was subsequently corrected by County personnel. Further, and throughout the course of the audit process, we noted there were instances of a lack of accurate accounting on a timely basis. We noted deficiencies in timeliness, completeness, and accuracy. Specifically, we noted a lack of timely and accurate financial information needed:

- to properly maintain general ledgers, subsidiary ledgers, reconciliations; and,
- to close-out and report activities, events, and transactions on a periodic basis.

We addressed these matters with County officials, who were able to ultimately determine the propriety of all respective details and reconciliations as of and for the fiscal year ended June 30, 2025.

The ultimate effect of the above condition is:

- the potential for errors and irregularities to occur and not be detected and corrected in a timely manner.

Certain internal controls and procedures were not adequately implemented during the fiscal year and the subsequent financial close process.

We recommend the County consider the following options to address the above condition. In no particular order, the County should evaluate the respective staffing of the accounting function and determine if an adequate number of qualified people are currently available to address the condition. The County also should consider and evaluate the strengths and weaknesses relative to the accounting function and take measures to address the concerns noted above with a goal of providing timely recording, reconciling, and reporting of County operations and financial activities.

We further recommend the County consider reinvesting in its accounting personnel by providing technical education and training via participation in continuing education in governmental accounting and financial reporting programs which are constantly available in the general geographic area of the County. Once certain levels of technical proficiency are observed by management, we further encourage the County to better cross-train the accounting personnel in an effort to make the accounting function a stronger and more capable finance department.

Lancaster County, South Carolina
Auditor's Discussion & Analysis (AD&A)
June 30, 2025

ACCOUNTING AND RELATED MATTERS

Other Matters for Communication to the Board and Management

During our audit of the financial statements as of and for the year ended June 30, 2025, we noted other matters which we wish to communicate to you in an effort to keep the County abreast of accounting matters that could present challenges in financial reporting in future periods.

1) New Governmental Accounting Standards Board (GASB) Standards



As has been the case for the past 10 years, GASB has issued several other new pronouncements which will be effective in future years. The following is a brief summary of the new standards:

- a) **Statement No. 101, *Compensated Absences*** was issued in June 2022 and is effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. ***The County implemented this new standard for its year ended June 30, 2025.***

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

Lancaster County, South Carolina
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This Statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used.

This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

- b) **Statement No. 102, *Certain Risk Disclosures*** was issued in December 2023 and is effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. ***The County implemented this new standard for its year ended June 30, 2025.***

State and local governments face a variety of risks that could negatively affect the level of service they provide or their ability to meet obligations as they come due. Although governments are required to disclose information about their exposure to some of those risks, essential information about other risks that are prevalent among state and local governments is not routinely disclosed because it is not explicitly required. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

This Statement defines a concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending.

This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

Lancaster County, South Carolina

Auditor's Discussion & Analysis (AD&A)

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If a government determines that those criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. The disclosure should include descriptions of the following:

- The concentration or constraint.
 - Each event associated with the concentration or constraint that could cause a substantial impact if the event had occurred or had begun to occur prior to the issuance of the financial statements.
 - Actions taken by the government prior to the issuance of the financial statements to mitigate the risk.
- c) **Statement No. 103, *Financial Reporting Model Improvements*** was issued in April 2024 and is effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter **(June 30, 2026)**.

The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues.

Management's Discussion and Analysis

This Statement continues the requirement that the basic financial statements be preceded by management's discussion and analysis (MD&A), which is presented as required supplementary information (RSI). MD&A provides an objective and easily readable analysis of the government's financial activities based on currently known facts, decisions, or conditions and presents comparisons between the current year and the prior year. This Statement requires that the information presented in MD&A be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions. Furthermore, this Statement stresses that the detailed analyses should explain why balances and results of operations changed rather than simply presenting the amounts or percentages by which they changed. This Statement emphasizes that the analysis provided in MD&A should avoid unnecessary duplication by not repeating explanations that may be relevant to multiple sections and that "boilerplate" discussions should be avoided by presenting only the most relevant information, focused on the primary government. In addition, this Statement continues the requirement that information included in MD&A distinguish between that of the primary government and its discretely presented component units.

Lancaster County, South Carolina

Auditor's Discussion & Analysis (AD&A)

June 30, 2025

Unusual or Infrequent Items

This Statement describes unusual or infrequent items as transactions and other events that are either unusual in nature or infrequent in occurrence. Furthermore, governments are required to display the inflows and outflows related to each unusual or infrequent item separately as the last presented flow(s) of resources prior to the net change in resource flows in the government-wide, governmental fund, and proprietary fund statements of resource flows.

Presentation of the Proprietary Fund Statement of Revenues, Expenses, and Changes in Fund Net Position

This Statement requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses. Operating revenues and expenses are defined as revenues and expenses other than nonoperating revenues and expenses. Nonoperating revenues and expenses are defined as (1) subsidies received and provided, (2) contributions to permanent and term endowments, (3) revenues and expenses related to financing, (4) resources from the disposal of capital assets and inventory, and (5) investment income and expenses.

In addition to the subtotals currently required in a proprietary fund statement of revenues, expenses, and changes in fund net position, this Statement requires that a subtotal for *operating income (loss) and noncapital subsidies* be presented before reporting other nonoperating revenues and expenses. Subsidies are defined as (1) resources received from another party or fund (a) for which the proprietary fund does not provide goods and services to the other party or fund and (b) that directly or indirectly keep the proprietary fund's current or future fees and charges lower than they would be otherwise, (2) resources provided to another party or fund (a) for which the other party or fund does not provide goods and services to the proprietary fund and (b) that are recoverable through the proprietary fund's current or future pricing policies, and (3) all other transfers.

Major Component Unit Information

This Statement requires governments to present each major component unit separately in the reporting entity's statement of net position and statement of activities if it does not reduce the readability of the statements. If the readability of those statements would be reduced, combining statements of major component units should be presented after the fund financial statements.

Lancaster County, South Carolina
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Budgetary Comparison Information

This Statement requires governments to present budgetary comparison information using a single method of communication—RSI. Governments also are required to present (1) variances between original and final budget amounts and (2) variances between final budget and actual amounts. An explanation of significant variances is required to be presented in notes to RSI.

- d) **Statement No. 104, Disclosure of Certain Capital Assets**, was issued in September 2024 and is effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. The objective of this Statement is to clarify which types of capital assets must be disclosed separately in the notes to the financial statements as well as to establish disclosure requirements for capital assets that are held for sale.

The following types of capital assets should be disclosed separately in the capital asset roll forward in the notes to the financial statements:

- Lease assets reported in accordance with Statement 87 by major class of underlying asset
- Intangible right-to-use assets recognized by an operator in accordance with Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, by major class of underlying public-public partnership asset
- Subscription assets reported in accordance with Statement 96
- Intangible assets other than those three items noted above; specifically, intangible assets that represent the right to use a type of underlying asset should not be disclosed in the same major class as any owned assets of that type.

In addition, the Statement requires that a capital asset held for sale should continue to be reported in the capital asset roll forward within the appropriate major class of asset. However, a government should disclose the historical cost and accumulated depreciation, as of the financial statement date, of capital assets held for sale, by major class of asset. In order to be considered held for sale, the Statement specifies that:

- A government has decided to pursue the sale of the asset; and
- It is probable (likely to occur) that the sale will be finalized within one year of the financial statement date.

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- e) **Other Pending or Current GASB Projects.** As noted by the numerous pronouncements issued by GASB over the past decade, the GASB continues to research various projects of interest to governmental units. Subjects of note include:
- **Going Concern Uncertainties and Severe Financial Stress** is a major project where the goal is to address issues related to disclosures regarding going concern uncertainties and severe financial stress. The project will consider (1) improvements to existing guidance for going concern considerations to address diversity in practice and clarify the circumstances under which disclosure is appropriate, (2) developing a definition of severe financial stress and criteria for identifying when governments should disclose their exposure to severe financial stress, and (3) what information about a government's exposure to severe financial stress is necessary to disclose. This technical topic is being examined by the GASB due to a wide diversity in practice regarding required presentation on the face of the financial statements, disclosures, etc. A preliminary views document on this topic is expected by late 2024 with an exposure draft to follow in 2025.
 - **Infrastructure Assets** is a project that will address issues related to accounting and financial reporting for infrastructure assets. The project will evaluate standard-setting options related to reporting infrastructure assets to make information (1) more comparable across governments and more consistent over time, (2) more useful for making decisions and assessing government accountability, (3) more relevant to assessments of a government's economic condition, and (4) better reflect the capacity of those assets to provide service and how that capacity may change over time. Preliminary views document has been issued with comments due back to GASB by the end of January 2025.
 - **Subsequent Events—Reexamination of Statement 56** is a project that will improve the accounting and financial reporting for subsequent events. The project will reexamine existing requirements related to subsequent events in Statement No. 56, Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards, to address issues related to (1) confusion about and challenges associated with applying the existing standards, (2) inconsistency in practice in the information provided about subsequent events, and (3) the usefulness of the information provided about subsequent events. Exposure draft on this topic is expected by late 2024.

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- **Revenue and Expense Recognition** is a major project where the overall objective is to develop a comprehensive, principles-based model that would establish categorization, recognition, and measurement guidance applicable to a wide range of revenue and expense transactions. Achieving that objective will include: (1) development of guidance applicable to topics for which existing guidance is limited, (2) improvement of existing guidance that has been identified as challenging to apply, (3) consideration of a performance obligation approach to the GASB's authoritative literature, and (4) assessment of existing and proposed guidance based on the conceptual framework. The expected outcome of the project is enhanced quality of information that users rely upon in making decisions and assessing accountability. The GASB is currently reviewing comments and other input received from the stakeholder community during the preliminary views stage that was completed in 2021. An exposure draft is expected in early 2025.



[FREE QUARTERLY CONTINUING EDUCATION](#)

Lancaster County, South Carolina
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AND NEWSLETTERS FOR GOVERNMENTAL CLIENTS

Free Continuing Education. We provide free quarterly continuing education for all of our governmental clients. Each quarter, we pick a couple of significant topics tailored to be of interest to governmental entities and offer the sessions several times per quarter at a variety of client provided locations resulting in greater networking among our governmental clients. We normally see approximately 100 people per quarter. We obtain the input and services of experienced outside speakers along with our in-house professionals.

"I've been a CPA for 32 years. Today's CPE class by Mauldin & Jenkins has been the best of my career". Terry Nall, CPA, City of Dunwoody (GA) Council Member

"They are always on top of new accounting pronouncements and provide training well before implementation deadlines. This is a very valuable resource for our organization". Laurie Puckett, CPA, CPFO, Gwinnett County (GA), Accounting Director



Examples of subjects addressed in past quarters include:

- Accounting for Debt Issuances
- Achieving Excellence in Financial Reporting
- Best Budgeting Practices, Policies and Processes
- Best Practices in Banking
- Budget Preparation
- ACFR Preparation (several times including a two day hands-on course)
- Capital Asset Accounting Processes and Controls
- Closing Out and Audit Preparation
- Collateralization of Deposits and Investments
- Component Units
- Cybersecurity Risk Management
- Evaluating Financial and Non-Financial Health of a Local Government
- Financial Report Card – Where Does Your Government Stand?
- Financial Reporting Model Improvements
- GASB No. 74 & 75, New OPEB Standards
- GASB No. 77, Tax Abatement Disclosures
- GASB No. 84, Fiduciary Activities
- GASB No. 87, Leases
- GASB Projects & Updates (ongoing and several sessions)
- Grants (Accounting and Auditing)
- Human Capital Management



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- Information Technology (IT) Risk Management
- Internal Controls Over Accounts Payable, Payroll and Cash Disbursements
- Internal Controls Over Receivables & the Revenue Cycle
- Internal Revenue Service (IRS) Compliance Issues, Primarily Payroll Matters
- Legal Considerations for Debt Issuances & Disclosure Requirements
- Policies and Procedures Manuals
- Presenting Financial Information to Non-Financial People
- Procurement Card Red Flags
- Risk, Efficiency, & Effectiveness in Governments
- Segregation of Duties
- Single Audits for Auditees
- SPLOST Accounting, Reporting & Compliance
- Uniform Grant Guidance



Governmental Newsletters. We periodically produce newsletters tailored to meet the needs of governments. The newsletters have addressed a variety of subjects and are intended to be timely in their subject matter. The newsletters are authored by Mauldin & Jenkins partners and managers and are not purchased from an outside agency. The newsletters are intended to keep you informed of current developments in the government finance environment.

In the past several years, the following topics have been addressed in our monthly newsletters:

- Are Your Government's Funds Secure?
- COVID-19 Updates (several)
- Cybersecurity Awareness
- Deposit Collateralization
- Employee vs Independent Contractor
- Escheat Laws on Unclaimed Property
- Federal Funding and Accountability Transparency Act
- Forensic Audit or Financial Audit?
- Form PT 440
- GASB Invitation to Comment – the New Financial Reporting Model
- GASB No. 72, Fair Value, It is Not Totally About Disclosure
- GASB No.'s 74 & 75, Other Post-Employment Benefits (OPEB)
- GASB No. 77, Abatements – Go Viral with GASB 77
- GASB No. 84 Fiduciary Activities (Series)
- GASB No. 87, Leases
- GASB No. 89, Accounting for Interest Cost Incurred Before the End of Construction
- GASB No. 91, Conduit Debt Obligations

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- GASB No. 93, Replacement of Interbank Offered Rates
- General Data Protection Regulation (GDPR)
- Grants Management
- OMB Compliance Supplements
- OPEB, What You Need to Know
- Public Funds and Secure Deposit Program
- Rotating or Not Rotating Auditors
- Property Tax Assessments
- Remote Auditing Best Practices
- Refunding Debt
- Sales & Use Taxes on Retail Sales of Jet Fuel
- Sales Tax Collections and Remittances by the State
- SAS Clarity Standards and Group Audits
- Single Audit, including Uniform Guidance (several)
- Social Security Administration (SSA) Incentive Payments
- Special Purpose Local Option Sales Taxes (SPLOST) Expenditures
- Subrecipient Risk Assessment Tool
- Supplemental Social Security for Inmates
- The New Tax Cuts and Jobs Act – Impact on Bond Refunding
- The Return of the Component Unit – GASB 61
- Uniform Guidance & New Procurement Requirements
- What's Happening with Property Tax Assessments



You are the best auditors I have ever worked with over my career. It is a big difference having a group that is dedicated to governmental accounting.

Wesley Ropp,
Charleston Water System,
Chief Financial Officer



Communication. In an effort to better communicate our free continuing education plans and newsletters, please email Paige Vercoe at pvercoe@mjcpa.com (send corresponding copy to gdavis@mjcpa.com), and provide individual names, mailing addresses, email addresses and phone numbers of anyone you wish to participate and be included in our database.

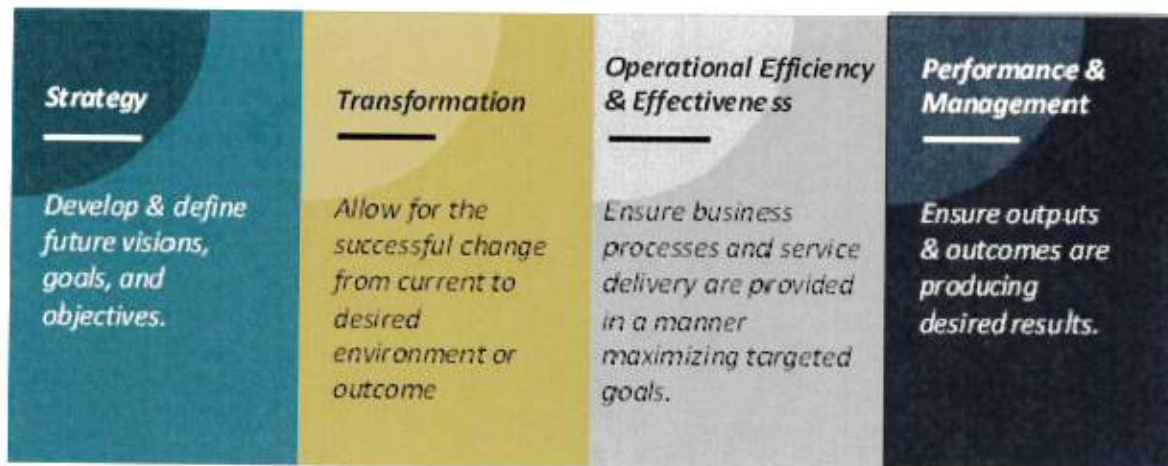
Lancaster County, South Carolina

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Governmental Advisory Services

Beyond traditional audit and accounting services and IT services, we provide advisory services that are wide-ranging in nature. Our experienced government advisory team helps governments, governmental agencies and special purpose governmental organizations balance fiscal responsibility with the latest business strategies to achieve targeted and overarching objectives. Our advisory services can be summarized via the following bubbles:



David Roberts
Partner, Governmental Advisory Services

David Roberts has more than 22 years of experience as a consultant and trusted advisor providing operational/organizational assessments and similar transformational projects for federal, state, and local governments across the country. David's experience includes leading numerous enterprise-wide/departmental/functional assessments and transformations over his career measuring the efficiency and effectiveness of organizational structures and culture, performance management, technology systems and strategies, staffing models, service delivery models, and customer satisfaction.

David helps his clients turn visions and goals into reality. He has helped multiple clients win national government industry awards for innovation, transformation, and cost savings.



David leads our Government Advisory practice, where he focuses on helping governments and individual agencies fulfill and exceed their financial, operational, and regulatory obligations to the public.

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David has completed hundreds of projects over his career. Below are representative sample management consulting projects demonstrating David's depth and breadth completed within the past 12 months:

Operational and Performance Assessment – Walton County, Georgia

David led a multi-department Operational and Performance Assessment for Walton County. The scope included assessing organizational structure, operational efficiency, staffing levels and resource utilization, comparison to leading practices, and observations and recommendations to assist the County in achieving the desired future state. The final report included numerous observations with associated recommendations and a detailed Roadmap/Implementation Plan.

Outsourcing Feasibility Study – City of Rocky Mount, North Carolina

David led a feasibility study for the City of Rocky Mount to assess its current service delivery model for providing parks maintenance and landscaping services. City operations used of a hybrid model of both internal resources and third-party contractors to provide parks maintenance and landscaping. The project evaluated the pros and cons (both financial and non-financial) of 1) maintaining the hybrid model, 2) performing all services in-house, and 3) performing all services externally.

Finance Functional Assessment – Richland County Library, South Carolina

David led a functional assessment of the Library's finance department. The project consisted of understanding the current state – current service provision, performance, workflow, business processes, internal controls, organizational structure, reporting, and communications. The current state was compared to leading practices and gaps were identified. An implementation roadmap was created that aligned recommendations to leaderships' vision to help the organization achieve its desired future state.

Technology Utilization Assessment – Mt. Pleasant Waterworks (South Carolina)

David led an objective evaluation of the organization's system usage and governance related to the existing financial system (Microsoft Dynamics) and the existing workorder management system (Maximo). The organization wanted to maximize the efficiency and effectiveness of both systems while maintaining internal controls and system of record. The project consisted of numerous interviews, data review, system mapping, and a collaborative workshop among stakeholders to define a future state.

Lancaster County, South Carolina

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Grant Compliance Audit – Decide DeKalb (Georgia)

David led a Grant Compliance Assessment of various development projects for Decide DeKalb. The project reviewed the established grant and contractual criteria to be maintained by developers and compared with tenant information related to low-income occupants. The project identified areas of compliance, non-compliance, and recommendations for remediation.

Forensic Audit – Confidential City

David led a forensic investigation into questionable cash management activity for a City Parks and Recreation department. The project reviewed bank account activity, cancelled checks, cash withdrawals, and purchased item documentation as well as conducted interviews with account cardholders to determine the collection, handling, and use of several hundred thousand dollars collected in fees, sponsorships, and contributions made to the City. Numerous observations and corresponding recommendations were developed to enhance internal controls, written policies, and procedures to correct conflicts of interest, mishandling of funds, and misappropriation of funds.

CLOSING

If you have any questions regarding any comments, suggestions or recommendations set forth in this memorandum, we will be pleased to discuss it with you at your convenience.

This information is intended solely for the use of the County's management, and others within the County's organization and is not intended to be and should not be used by anyone other than these specified parties.

We appreciate the opportunity to serve Lancaster County, South Carolina and look forward to serving the County in the future. Thank you.

Supporting South Carolina EMS Providers Access Additional Federal Funds

Public Consulting Group (PCG) and the South Carolina EMS Association (SCEMSA) have worked together since 2019 to design and promote the SC ASPP. This program provides federal funding for Medicaid Managed Care Organization (MCO) transports.

In May 2025, both Year 1 and Year 2 Preprints received approval from CMS. Over \$2.2M is slotted to be distributed among the eight providers below whom PCG completed Year 1 cost reports for, and 17 providers will receive over \$8.7M in Year 2.

Provider	FY26 Supplemental Funding	Provider	FY26 Supplemental Funding	Provider	FY26 Supplemental Funding
Berkely County EMS	\$378,107	Greenville County EMS	\$1,333,098	Newberry County EMS	\$112,392
Calhoun County EMS	\$70,104	Greenwood County EMS	\$314,335	Pickens County EMS	\$287,877
Colleton County Fire Rescue	\$201,265	Kershaw County EMS	\$184,531	Richland County EMS	\$1,633,864
Darlington County EMS	\$320,667	Lee County EMS	\$95,884	Spartanburg Medical Center	\$1,398,452
Dillon County EMS	\$209,406	Lexington County EMS	\$1,012,657	Sumter County EMS	\$411,349
Florence County EMS	\$611,484	Marlboro County EMS	\$148,574		

Why ASPP Matters for Lancaster County EMS

Medicaid reimbursement rates often **cover less than 20%** of EMS transport costs, creating a significant funding gap.

- ✓ **Higher reimbursements** to strengthen your EMS department
- ✓ **More resources** to support your operations
- ✓ **No financial risk** – ASPP participation is revenue-generating

📍 **Lancaster County EMS** could **receive \$245,180** on an annual basis in new federal funding by participating!

Revenue Estimate

Lancaster County EMS	
MCO Transports: (Based on FY25 Medicaid Management Information System (MMIS))	1,085
Year 2 FY25 SC MCO ASPP State Directed Payment Add-On per Trip	\$325
Gross Funding	\$352,625
Federal Share Received (Net new funding)	\$245,180
FY25 SC Federal Medical Assistance Percentage (FMAP) = 69.53%	
State share contribution (IGT) = 30.47%	\$107,445

Reminder: DHHS wishes to invoice on a quarterly basis. Lancaster County's estimated quarterly invoice amount is **\$26,861** (\$107,445 / 4) with a subsequent federal match of **\$61,295** (\$245,180 / 4).

How ASPP Works

SC ASPP Providers are required to complete an annual cost report used to calculate the supplemental add-on rate paid to providers when billing MCO patients for EMS transports.

✓ **PCG Handles Cost Reporting** – We help providers prepare and submit annual cost report and assists the SC Department of Health and Human Services (DHHS) with the administration of the SC ASPP.

✓ **MCOs Manage Reimbursements** – Providers contribute a quarterly Intergovernmental Transfer (IGT) as the state's Medicaid match. MCOs then return the full IGT contribution plus additional federal funding through quarterly ASPP payments. **This first quarterly IGT payment for Lancaster County would be in late Fall 2026 for the July-September 2026 quarter.**

🚚 **PCG takes care of the details – so you can focus on EMS.**

How to Participate & Secure Your Funding for Year 3

📌 **Deadline for Year 3 Cost Reports to PCG is:** February 27th, 2026

📌 **Preprint Submission:** March 31st, 2026

PCG is Here to Help

PCG simplifies program participation by taking on the administrative burden of cost reporting and ensuring EMS providers maximize reimbursements annually.

🚚 **Let's maximize your funding – this year and beyond!**

Ongoing Support Services – Maximizing Your ASPP Benefits Every Year

PCG's services include **long-term support** to ensure compliance, maximize funding, and streamline operations every year.

1. Annual Cost Report Completion

✓ **Accurate & On-Time Submission** – PCG prepares and submits cost reports in full compliance with South Carolina Medicaid requirements on behalf of providers, ensuring timely and accurate filing.

✓ **Data Accuracy & Optimization** – Our experts conduct a thorough review of all cost reporting data elements to maximize accuracy and meet all state and federal Medicaid regulations.

2. IGT & MCO Coordination

✓ **IGT Monitoring & MCO Coordination** – Assist with MCO payment modeling and track Intergovernmental Transfer (IGT) payments

✓ **IGT Education & Advocacy** – We assist EMS providers in educating their governing bodies on the Intergovernmental Transfer (IGT) process, ensuring a clear understanding of the funding mechanisms and compliance requirements.

3. Ongoing Program & Financial Guidance

✓ **Regulatory Updates & Compliance** – We provide real-time program and policy updates to keep providers informed.

✓ **Payment Model Development** – Work with SCEMSA, DHHS, and CMS to gain approval for the ASPP

✓ **Provider Advocacy & HHS Partnership** – PCG works directly with South Carolina Department of Health and Human Services, advocating for policy clarity, program sustainability, and provider interests.

✓ **Education & Compliance Guidance** – We offer ongoing education on the IGT process, reimbursement timelines, and quality measures to help EMS agencies maximize funding

Schedule E

Henry McMaster GOVERNOR
Robert M. Kerr DIRECTOR
P.O. Box 8206 • Columbia, SC 29202
www.scdhhs.gov

September 24, 2024

Dear EMS Provider:

On May 13th, 2024, the South Carolina Legislature and Governor McMaster passed HB 4113, a bill authorizing the implementation of an ambulance supplemental payment program that will support life-saving access to care for all South Carolinians, including improving health outcomes and establishing preventative care for those in rural areas where there is limited access to lifesaving services. South Carolina Department of Health and Human Services (SCDHHS) is diligently operationalizing the Ambulance Provider Assessment Program, which aims to support the state's ambulance industry while reducing health disparities and improving access to care for Medicaid recipients across the state. In conjunction with the Ambulance Provider Assessment Program, SCDHHS is also implementing an Ambulance Supplemental Payment Program (ASPP) for public EMS providers in the state.

This ASPP program establishes a mechanism to generate additional federal funding to establish a sustainable, stable revenue source to support these EMS services and is meant to supplement, not replace, reimbursement or general fund allocations for ambulance services.

To implement this ASPP program, a cost report is collected from ground governmental-owned ambulance service providers to quantify the estimated enhanced funding the program expects to generate and to design the program. SCDHHS and industry representative, the South Carolina Emergency Medical Services Association (SCEMSA) and their partner, Public Consulting Group (PCG), are assisting providers in completing cost reports to fulfill the request.

PCG is a national consulting firm with extensive experience in EMS Medicaid supplemental payment programs and provider data collection from ground governmental-owned ambulance service providers. PCG is actively onboarding providers eligible to participate in the ASPP program.

If you have questions, please contact Alissa Narode at anarode@pcgus.com.

Sincerely,



Brad Livingston
Chief Financial Officer



SC AMBULANCE SUPPLEMENTAL PAYMENT PROGRAM (ASPP) OVERVIEW

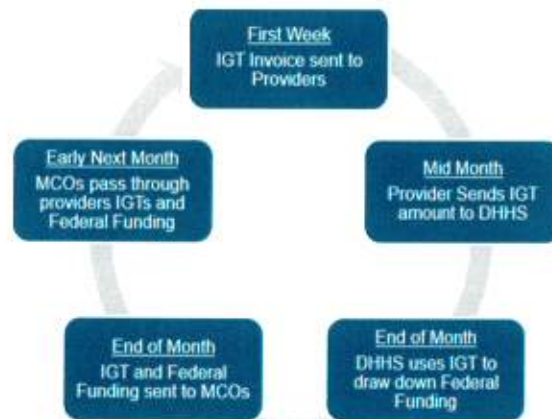
The SC ASPP allows SCAC members to access additional federal funding for EMS transports of Medicaid Managed Care (MCO) patients. Throughout FY26, over **\$8.7M** will be distributed among the following **17** providers currently participating the SC ASPP.

Provider	FY26 Supplemental Funding	Provider	FY26 Supplemental Funding	Provider	FY26 Supplemental Funding
Berkeley County EMS	\$378,107	Greenville County EMS	\$1,333,098	Newberry County EMS	\$112,392
Calhoun County EMS	\$70,104	Greenwood County EMS	\$314,335	Pickens County EMS	\$287,877
Colleton County Fire Rescue	\$201,265	Kershaw County EMS	\$184,531	Richland County EMS	\$1,633,864
Darlington County EMS	\$320,667	Lee County EMS	\$95,884	Spartanburg Medical Center	\$1,398,452
Dillon County EMS	\$209,406	Lexington County EMS	\$1,012,657	Sumter County EMS	\$411,349
Florence County EMS	\$611,484	Marlboro County EMS	\$148,574		

HOW IT WORKS

- SC ASPP providers are required to complete an annual **cost report** used to calculate the supplemental add-on rate paid to providers when billing MCO patients for EMS transports.
- Public Consulting Group (**PCG**) completes the required annual cost report on behalf of providers and assists the SC Department of Health and Human Services (DHHS) with the administration of the SC ASPP.
- Upon completion of the cost report, a quarterly intergovernmental transfer (**IGT**) will be issued to providers so that they may yield their federal supplemental payments from the Centers for Medicare and Medicaid Services (CMS). The key steps of the SC ASPP IGT process are outlined below.

- DHHS will notify providers of IGT invoice amount when the SC ASPP is approved annually by CMS.
- Providers will submit their respective IGT amounts to DHHS.
- DHHS will use IGTs to draw down Federal Match funding.
- The Providers' IGT amount, along with the Federal Matching funds, will be passed through to the MCOs who will be contractually required to pass payments back to providers.
- Typically, a 4–6-week turnaround process.



NEXT STEPS

- The FY25 (7/1/24 – 6/30/25) SC ASPP cost report must be completed by **January 30, 2026**.
- Please contact SCASPP@pcgus.com for your free revenue projection and proposed services agreement!
 - PCG can provide a letter from DHHS stating PCG is the sole vendor for SC ASPP services to streamline the procurement process for you

Schedule F

Schedule G



Lancaster County, South Carolina

Post Office Box 1809 Lancaster, South Carolina 29721-1809

STATEMENT OF RECUSAL

In accordance with State Code § 8-13-700(b), I hereby abstain from all votes, deliberations, and other action on the following matter(s):

3rd Reading of Ordinance 2025-2007

SECTION 8-13-700. Use of official position or office for financial gain; disclosure of potential conflict of interest.

(B) No public official, public member, or public employee may make, participate in making, or in any way attempt to use his office, membership, or employment to influence a governmental decision in which he, a member of his immediate family, an individual with whom he is associated, or a business with which he is associated has an economic interest. A public official, public member, or public employee who, in the discharge of his official responsibilities, is required to take an action or make a decision which affects an economic interest of himself, a member of his immediate family, an individual with whom he is associated, or a business with which he is associated shall:

(1) prepare a written statement describing the matter requiring action or decisions and the nature of his potential conflict of interest with respect to the action or decision;

(2) if the public official is a member of the General Assembly, he shall deliver a copy of the statement to the presiding officer of the appropriate house. The presiding officer shall have the statement printed in the appropriate journal and require that the member of the General Assembly be excused from votes, deliberations, and other action on the matter on which a potential conflict exists;

(3) if he is a public employee, he shall furnish a copy of the statement to his superior, if any, who shall assign the matter to another employee who does not have a potential conflict of interest. If he has no immediate superior, he shall take the action prescribed by the State Ethics Commission;

(4) if he is a public official, other than a member of the General Assembly, he shall furnish a copy of the statement to the presiding officer of the governing body of any agency, commission, board, or of any county, municipality, or a political subdivision thereof, on which he serves, who shall cause the statement to be printed in the minutes and require that the member be excused from any votes, deliberations, and other actions on the matter on which the potential conflict of interest exists and shall cause the disqualification and the reasons for it to be noted in the minutes;

(5) if he is a public member, he shall furnish a copy to the presiding officer of any agency, commission, board, or of any county, municipality, or a political subdivision thereof, on which he serves, who shall cause the statement to be printed in the minutes and shall require that the member be excused from any votes, deliberations, and other actions on the matter on which the potential conflict of interest exists and shall cause such disqualification and the reasons for it to be noted in the minutes.

Reason(s) for Disqualification:

Volunteer

Name:

Charles M. Buff
County Council Member

Date:

2-23-2026