

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

**County Administrator**

Dennis E. Marstall

County Attorney

Ginny L. Merck-Dupont

Clerk to Council

Sherrie Simpson

February 10, 2025

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: Dennis Marstall, 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; Brenda Thompson, Communications and Marketing Director; Clay Catoe, Emergency Medical Services Director; Grant Davis, Maulding and Jenkins and 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 power point 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 regular meeting of County Council 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 Steve Harper

Steve Harper 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 Billy Mosteller. The motion

Passed by a vote of 7-0.

Citizens Comments

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

1. MaryAnn Hudson, Lancaster, SC, explained that she was honored to have been recognized as the Employee of the Year for the General Services division.
2. Sam Beagle, Lancaster, SC, spoke in opposition of a development in the Indian Land area of the County which would bring more than 800 new homes to the area and noted that the County needed infrastructure improvements before developments were approved.
3. Bruce Cohen, Indian Land, SC, spoke regarding the proposed Kolter development and expressed traffic concerns.
4. Renee Chandler, Indian Land, SC, requested that a moratorium be placed on development until infrastructure was in place, and spoke regarding the lack of primary care doctors in the County for senior citizens.
5. Ann Dyckman, Van Wyck, SC, spoke regarding the need for funding for fire services and Emergency Medical Services (EMS) and expressed concerns regarding development and traffic in the Indian Land area of the County.
6. Kathy Storm, Van Wyck, SC, questioned the relationship of the Planning Commission and County Council and requested a moratorium on development until infrastructure was in place.

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

1. Tommy Rainey, Indian Land, SC, wrote in regarding short term rental (STR) properties and stated that regulations needed to be established. A copy of Mr. Rainey's comment is attached as Schedule A.

Special Presentations

- a. **Audit Presentation for the Annual Comprehensive Financial Report For The Fiscal Year Ended June 30, 2024, For Lancaster County - Presented by Grant Davis, CPA, Director, Mauldin and Jenkins and Subsidiaries, LLC**

Grant Davis provided an overview of the Annual Comprehensive Financial Report via the County's PowerPoint presentation. A copy of the Annual Comprehensive Financial Report is attached as Schedule B. Mr. Davis explained that Mauldin and Jenkins issued an unmodified opinion, or a clean opinion, on the County's financial statements and an unmodified opinion relative to compliance with federal spending. Mr. Davis explained that one material weakness related to internal control was identified during the audit. Steve Harper questioned if the weakness had been addressed, and Dennis Marstall stated that it had been addressed and the County had provided a response letter.

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 to

approve the Consent Agenda Passed by a vote of 7-0.

- a. **Approval of Minutes from the January 15, 2025, County Council Committee of the Whole Meeting**
- b. **Approval of Minutes from the January 23, 2025, County Council Committee of the Whole Meeting**
- c. **Approval of Minutes from the January 27, 2025, County Council Regular Meeting**
- d. **3rd Reading of Ordinance 2025-1946**
Ordinance Title: An Ordinance To Amend The Official Zoning Map Of Lancaster County To Rezone Approximately 2.68 Acres (TM# 0058-00-076.01), Which Is Located On North Rocky River Rd, From Rural Business (RUB) District To General Business (GB) District For The Purpose Of Self-Serve Mini-Storage - Planning Department Case Number: RZ-2024-2215. The Planning Commission recommended approval by unanimous vote and the Planning staff also recommended approval of the rezoning request. Passed 7-0 at the January 13, 2025, County Council Meeting. Passed 7-0 at the January 27, 2025, County Council Meeting. - Allison Hardin
- e. **3rd Reading of Ordinance 2025-1947**
Ordinance Title: An Ordinance To Amend The Official Zoning Map Of Lancaster County To Rezone Approximately 0.849 Acres (TM# 0087J-0B-010.00), Which Is Located At 1972 Lynwood Dr, From General Business (GB) District To Medium Density Residential (MDR) District For The Purpose Of Re-Establishing A Residence On The Site - Planning Department Case Number: RZ-2024-2459. The Planning Commission recommended approval by unanimous vote and the Planning staff also recommended approval of the rezoning request. Passed 7-0 at the January 13, 2025, County Council Meeting. Passed 7-0 at the January 27, 2025, County Council Meeting. - Allison Hardin

Non-Consent Agenda

- a. **Public Hearing and 3rd Reading of Ordinance 2025-1945**
Ordinance Title: An Ordinance To Amend The Unified Development Ordinance ("UDO") Chapter 4 To Increase The Height Limit For Properties Zoned General Business (GB) And Covered Under The Highway Corridor Overlay (HCO) District. - Planning Department Case Number: TA-2024-2207. The Planning Commission recommended approval by unanimous vote of 6-0 and the Planning staff also recommended approval of the text amendment. Passed 7-0 at the January 13, 2025, County Council Meeting. Passed 7-0 at the January 27, 2025, County Council Meeting. - Allison Hardin

Jose Luis moved to approve the 3rd Reading of Ordinance 2025-1945. Seconded by Stuart Graham.

April Williams explained that the only reason the 3rd Reading was not placed on the Consent Agenda was because a Public Hearing needed to be conducted.

Brian Carnes opened the Public Hearing for Ordinance 2025-1945 at approximately 6:28 p.m. He noted that no one signed up to speak at the Public Hearing for the Ordinance. There were approximately 29 citizens, including staff members, in attendance during the Public Hearing for

this Ordinance. The following speakers came forward to make comments or sent in written comments regarding the Ordinance: None. Brian Carnes closed the Public Hearing at approximately 6:28 p.m.

There was no discussion from Council. The 3rd Reading of Ordinance 2025-1945 Passed by a vote of 7-0.

b. 1st Reading of Ordinance 2025-1949

Ordinance Title: An Ordinance To Amend Ordinance No. 2024-1910, Relating To The Appropriation Of Funds And The Approval Of A Detailed Budget For Lancaster County For The Fiscal Year Beginning July 1, 2024, And Ending June 30, 2025 (FY 2024-2025), To Further Provide For Revenues And Expenditures During The Fiscal Year; And To Provide For Matters Related Thereto. - Sabrena Harris

Jose Luis moved to approve the 1st Reading of Ordinance 2025-1949. Seconded by Charlene McGriff.

Sabrena Harris explained that the budget amendment consisted of three parts. The first part was for the Sheriff's Office request to appropriate \$25,000 from their restricted fund balance to purchase a guardian property packaging system. The second part of the budget amendment was a fund balance appropriation from the County's general unassigned fund balance in the amount of \$110,000 to support housing juveniles through the Department of Juvenile Justice. The third part of the budget amendment was for the Emergency Medical Services (EMS) Department to be able to cover the cost of overruns for two of their units. The requested amount was \$21,500, and it would be appropriated from the EMS Impact Fee fund, which is a restricted fund and the intended use was to support infrastructure and equipment purchases in the Indian Land area of the County.

There was no discussion from Council. The 1st Reading of Ordinance 2025-1949 Passed by a vote of 7-0.

Discussion and Action Items

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

- 1. Reconstituted Board of Zoning Appeals**
- 2. Accommodations Tax Advisory Committee**
- 3. Community Relations**
- 4. Planning Commission**
- 5. Current Board/Commission Vacancies**
- 6. Upcoming Board/Commission Expirations**

1. Billy Mosteller moved to defer the appointment of a new member to the reconstituted Board of Zoning Appeals to the next regular Council meeting, scheduled for Monday, February 24, 2025. Seconded by Charlene McGriff. There was no discussion from Council. The motion Passed by a vote of 7-0.

2. Sherrie Simpson explained that staff had received an application from Armah Shiancoe for the Accommodations Tax Advisory (ATAX) Committee vacancy for a representative residing

north of Highway 5. Jose Luis moved to appoint Armah Shiancoe to the ATAX Committee. Seconded by Stuart Graham. There was no discussion from Council. The motion Passed by a vote of 7-0.

3. Sherrie Simpson explained that there were two At-Large vacancies for the Community Relations Commission, and staff had received an application from Mark Kahn and another from Meliessa Mendez Neira. Charlene McGriff moved to appoint Mark Kahn and Melissa Mendez Neira to the two vacant At-Large positions on the Community Relations Commission. Seconded by Steve Harper. There was no discussion from Council. The motion Passed by a vote of 7-0.

4. Sherrie Simpson explained that staff received an application from Tiffonya Yokima Cureton for the District 2 vacancy on the Planning Commission. Charlene McGriff moved to appoint Tiffonya Yokima Cureton to the Planning Commission as the District 2 representative, effective February 19, 2025. Seconded by Jose Luis. There was no discussion from Council. The motion Passed by a vote of 7-0.

5. Sherrie Simpson explained that the current list of Board and Commission vacancies were included in their agenda packet.

6. Sherrie Simpson explained that the list of upcoming Board and Commission expiration were included in their agenda packet.

b. Regional Park Update - *Stephany Snowden*

Stephany Snowden reviewed the regional park update via the County's PowerPoint presentation. Ms. Snowden reviewed the amenities that would be featured in the park, the project's budget, and the estimated cost projections. Council and staff discussed naming the regional park and the complexes within the park and the process and policies for naming rights. Jose Luis questioned what the total anticipated cost of the regional park project was, and Stephany Snowden explained that the price was still being adjusted due to cost escalations, but the estimated cost was \$35,355,220. Jose Luis questioned how many visitors were expected at the regional park, and Chris Clouden explained that a number had not been identified yet as staff still needed to adjust the estimated number based on the league numbers, the number of tournaments during the summer months, and the University of South Carolina Lancaster's (USC-L) athletic calendar.

c. Chair Appointments to Various Regional Organizations and Whether to Continue/Appoint New Members to the Regional Park Ad Hoc Committee - *Chairman Brian Carnes*

Brian Carnes stated that he would like to reappoint himself and Jose Luis to the Rock Hill Fort Mill Area Transportation Study (RFATS) Board. Mr. Carnes stated that he wanted to reappoint himself and Charlene McGriff to the Catawba Regional Council of Governments (COG) Board. Mr. Carnes stated that someone would be appointed to the I-77 Alliance Board at a later date. Council discussed if the Regional Park Ad Hoc Committee was still needed, and several Council members stated that all Council members needed to be kept up to date with matters regarding the regional park. Mr. Carnes explained that the Regional Park Ad Hoc Committee was no longer needed.

Status of Items Tabled, Recommitted, Deferred or Held

There was no discussion regarding items tabled, recommitted, deferred or held.

Executive Session

There was no Executive Session.

Items Requiring a Vote Following Executive Session

There were no items requiring a vote from Executive Session.

Adjournment

Jose Luis moved to adjourn the Council meeting. Seconded by Steve Harper. The motion to adjourn Passed by a vote of 7-0.

There being no further business to discuss, the regular meeting of Council adjourned at approximately 6:56 p.m.

Respectfully Submitted:

Lauren Hill

Lauren Hill
Deputy Clerk to Council

Approved by Council on February 24, 2025.

Bryant Neal

Bryant Neal, Secretary

Schedule A

Agenda Item for Discussion: Short term rental properties

Meeting Date: February 24, 2025 07:54 AM

Full Name
First Name: Tommy
Last Name: Rainey

Phone Number 8032621772

Email trainey3009@gmail.com

Address: 1025 Johnna Lane
Indian land, SC 29707

Citizen Comment - Regarding Agenda Item: I am writing to express my deep concern regarding the proliferation of short-term rentals (STRs), such as those listed on Airbnb, in my neighborhood and surrounding areas, particularly in Indian land. I have lived in Lancaster for 15 years, and in York County for 20 years prior, and have witnessed a significant and detrimental change in our community's character over the past year.

Our once quiet, family-oriented neighborhood is rapidly transforming into a de facto commercial district with a constant influx of unfamiliar residents. Within the past year alone, three houses on my street have been converted into STRs. This has drastically impacted our quality of life and sense of safety.

I no longer feel comfortable allowing my children to play freely in our front yard, and I have been forced to install security cameras around my property. On numerous occasions, I have had to contact the police due to disturbances caused by STR occupants, including loud parties, attempted break-ins, vehicles blocking my driveway and the road, and even physical altercations in the street. This past Christmas Eve, my children's view of Christmas lights turned out to be police car lights as officers responded to a large party and fight at the neighboring Airbnb, with guns drawn.

These incidents are not isolated. The constant turnover of occupants, coupled with the often-transient nature of STR guests, has created an environment of instability and unpredictability. Our community is being fundamentally altered, essentially being "sold" to the highest bidder, with little regard for the long-term residents who have built their lives here.

I urge the Lancaster County Council to take immediate action and implement regulations on short-term rentals. These regulations could include, but are not limited to:

* Licensing and registration requirements for STR operators.

- * Limits on the number of STRs allowed in specific areas.
- * Regulations addressing noise levels, parking, and occupancy limits.
- * A clear process for residents to report violations.

I believe that responsible regulation of STRs is crucial to preserving the character of our neighborhoods and ensuring the safety and well-being of our residents. I respectfully request that the Council consider this matter seriously and take swift action to address this growing problem as other cities and counties in SC have done.

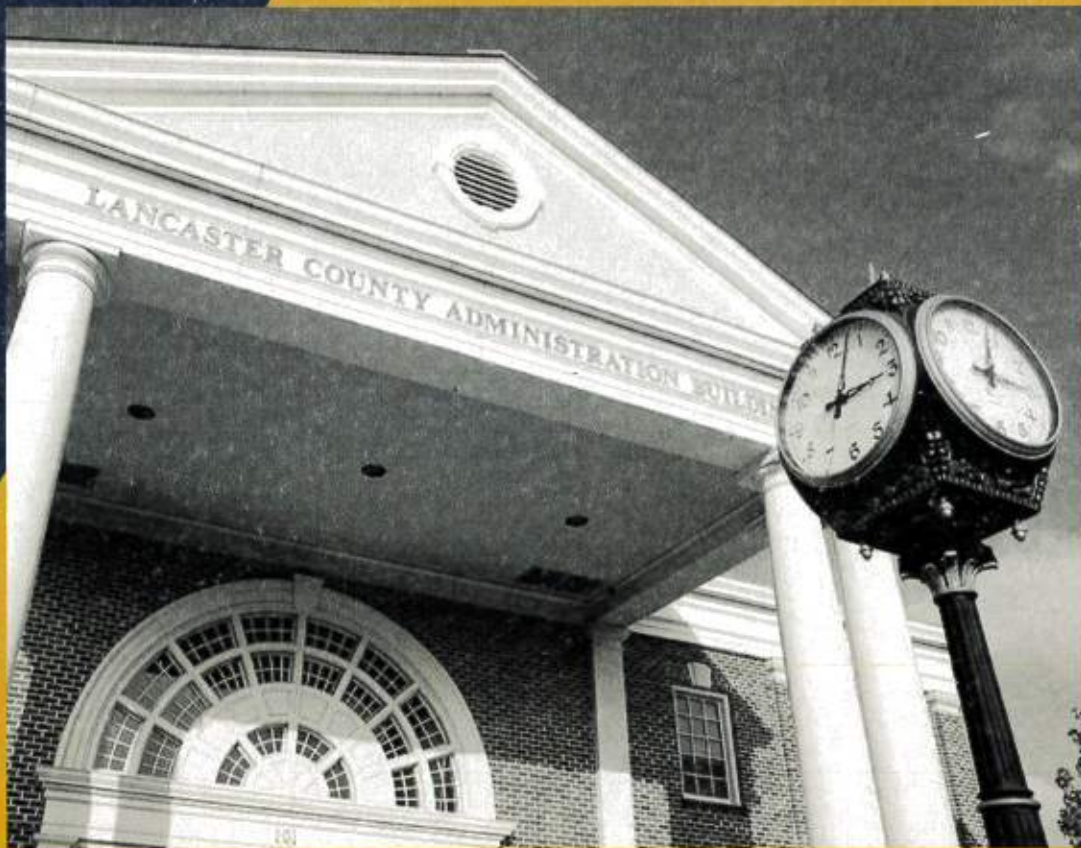
Lancaster
County

South Carolina

Schedule B

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2024



2024

**LANCASTER COUNTY,
SOUTH CAROLINA**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2024**

Prepared by:
Department of Finance

LANCASTER COUNTY, SOUTH CAROLINA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2024

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LANCASTER COUNTY, SOUTH CAROLINA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2024

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LANCASTER COUNTY, SOUTH CAROLINA

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INTRODUCTORY SECTION



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

803-285-1565
www.mylancastersc.org

February 5, 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, 2024. 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, 2024. 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 108,215 as of March 2024, a 12% population increase since 2021. 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 693 full-time employees and approximately 490 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 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.

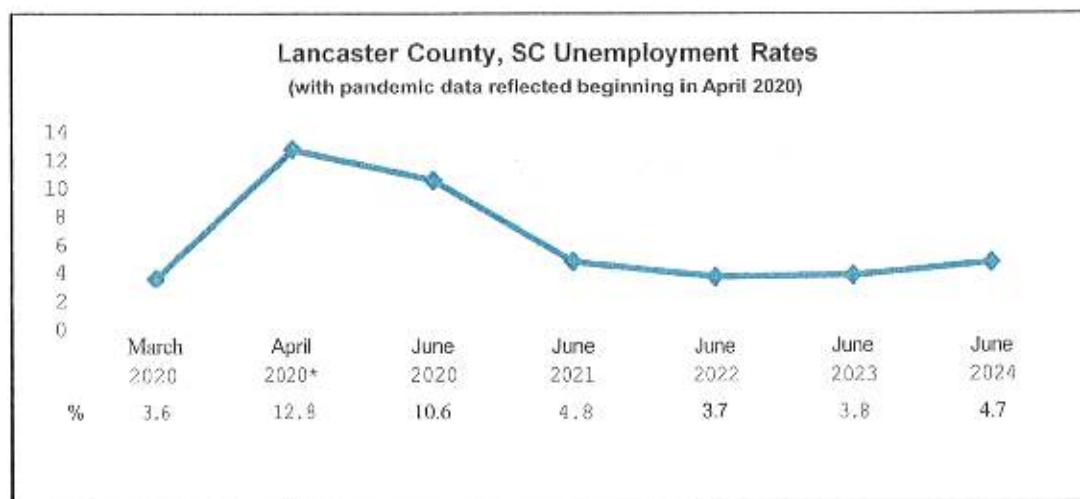
Budget-to-actual comparisons are provided in this report for all governmental funds with an adopted annual budget. The general fund comparison is included in the required supplementary information section, along with comparisons for special revenue, capital funds, and debt service funds.

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, employment in the manufacturing industry was highest in the first quarter of calendar year 2024. Health care & social assistance was the second highest during this period and retail trade third. There were 44,217 employed and 2,196 recorded as unemployed as of June 2024. The per capita income for the county is \$57,016 which is the seventh highest in the state per Bureau of Economic Analysis estimates.

The County's unemployment rate was 4.7% in June 2024. The five-year trend for unemployment is shown in the table below, along with data reflecting the beginning of the economic downturn during the pandemic.



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. The County recently announced the expansion of LCI-Lineberger, a leading heavy civil contractor which included a substantial investment of approximately \$8 million in new production equipment and the creation of at least 10 new jobs at its asphalt facility the Kershaw-Camden Industrial Park, adding to its current workforce of over 100 employees. Additionally, the U.S. Secretary of Commerce announced the Department's Economic Development Administration will award a \$3.1 million grant to the city of Lancaster, South Carolina, for water infrastructure improvements. This grant will provide increased water and sewer access to local businesses and

first responders in downtown Lancaster. This investment will be matched with \$768,600 in local funds.

Largest employers of the County include:

- **Lancaster County Schools:** Provides K-12 education to students throughout Lancaster County, employs 2,048
- **Continental Tire headquarters,** one of the leading automotive tire suppliers worldwide, employs 657.
- **Founders Federal Credit Union:** A not-for-profit financial cooperative serving individuals and businesses in the region, employs 385.
- **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 725.
- **Keer America,** a textile industry which has the capacity to produce a wide range of pure cotton yams, employs 401.
- **Medical University of South Carolina** Lancaster Medical Center, a 225-bed hospital, employs 605.
- **Movement Mortgage,** one of the nation's largest retail mortgage lenders, employs 840.
- **Nutramax Manufacturing, Inc.,** a manufacturer of nutritional supplements for people and pets, employs over 700.
- **Red Ventures,** a multibillion-dollar digital media company with a 180-acre campus, employs 1,052. The campus includes a sales center, 6-story office tower, a 260-unit apartment community, and a learning & development center.



RED VENTURES

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 Highway 521 corridor with new real estate developments announced near the Lancaster city limits. The building department issued commercial construction permits valued at \$49,472,828 and residential permits valued at \$287,557,192 during the fiscal year. Permit activity has remained consistent during the fiscal year with a competitive housing market. The Exchange Development,

which includes 390 townhomes and apartments, along with Lowes Foods, Costco Mercantile, and several other retail establishments, is currently under construction and anticipated to make significant progress in 2024. An increase in residential development spurs additional retail and dining options. Additionally, construction is planned in the CrossRidge Development. The retail portion of the development is projected to cover 270,000 square feet, housing a variety of businesses to include a Target store occupying 147,000 square feet, nine retail buildings, a Chase Bank, a Whataburger restaurant, and a childcare facility, providing a diverse mix of retail, restaurant, and office spaces. Together, these developments will add significant commercial square footage and amenities to the area.

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 2,000 students as of January 2024. 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 positive health and educational outcomes. 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 an Enterprise Resource Planning (ERP) project.

The County developed a comprehensive strategic plan which is noted 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 correspond with the annual budget process.

Relevant financial policies

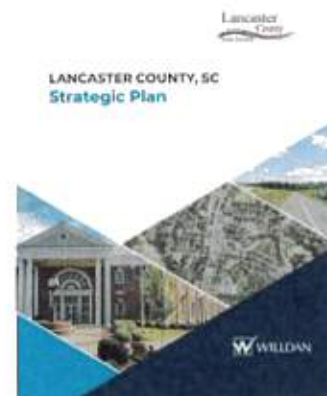
The County's financial policies were created with the general purpose of enabling the County to achieve a long-term stable and positive financial condition. Below are some of the relevant financial policies:

- 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 at www.mylancaster-sc.org.



Strategic Plan cover

Awards and Acknowledgements

The County received its tenth Distinguished Budget Presentation Award for the annual budget for fiscal year beginning July 1, 2022 and has an application under review for the fiscal year 2025 budget document. 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, 2023. This is the twenty-fourth consecutive year the County has received this award. To be awarded a Certificate of Achievement, Lancaster County published an easily readable and efficiently organized ACFR. This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe that our fiscal year 2024 ACFR will meet the Certificate of Achievement Program's requirements and, upon completion, will submit it to the GFOA to determine its eligibility for another certificate.

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 has 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,


Dennis E. Marston
County Administrator


Sabrena V. Harris
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**County of Lancaster
South Carolina**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

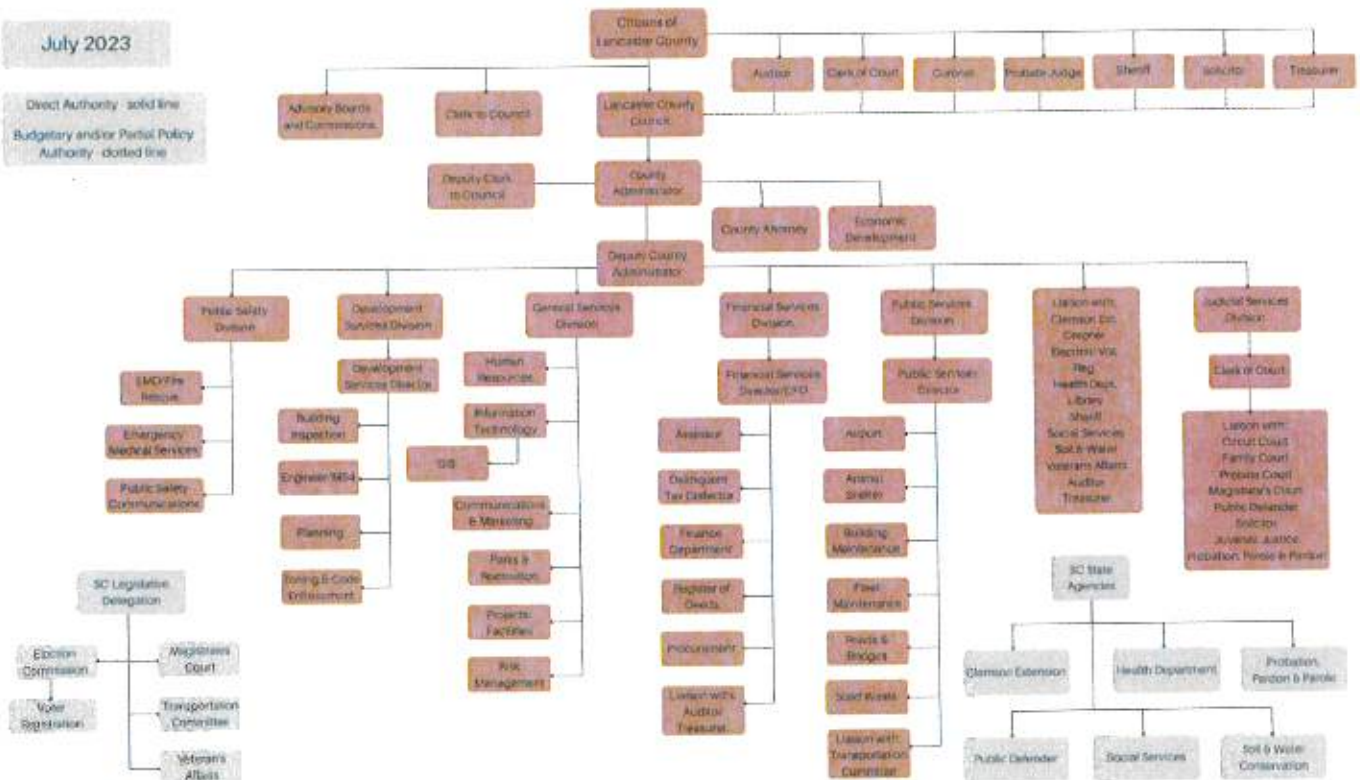
June 30, 2023

Christopher P. Morill

Executive Director/CEO

July 2023

Direct Authority - solid line
 Budgetary and/or Partial Policy Authority - dotted line





**LANCASTER COUNTY,
SOUTH CAROLINA
PRINCIPAL COUNTY OFFICIALS
JUNE 30, 2024**

MEMBERS OF COUNTY COUNCIL

Terry Graham, District 1, Member
 Charlene McGriff, District 2, Member
Billy Mosteller, District 3, Secretary
 Jose Luis, District 4, Member
Steve Harper, District 5, Chair
 Allen Blackmon, District 6, Member
Brian Carnes, District 7, Vice Chair

Seated: *Carnes, Harper, Mosteller*
 Standing: Blackmon, McGriff, Graham, Luis

ELECTED & APPOINTED OFFICIALS

Suzette Murphy, Auditor
 Jeff Hammond, 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, 2024, 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, 2024, 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 (*Government Auditing Standards*). 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 17), the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the General Fund (on pages 82 and 83), the Schedule of Changes in the County's Total OPEB Liability and Related Ratios (on page 84), the Schedules of the Proportionate Share of the Net Pension Liability (on page 85), and the Schedules of Contributions (on pages 86 and 87) 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 February 5, 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.

Mauldin & Jenkins, LLC

Columbia, South Carolina
February 5, 2025

LANCASTER COUNTY, SOUTH CAROLINA
Management's Discussion and Analysis
FOR THE YEAR ENDED JUNE 30, 2024

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, 2024. 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, 2024, by \$240,012,290 for governmental and business-type activities as reflected in the Statement of Net Position.
- A positive increase in net position of \$41,639,609 was reported.
- At the close of the fiscal year, the County's combined governmental funds reported ending fund balances of \$259,803,656, an increase of \$114,706,324 from the prior year.
- Total Unassigned Fund Balance for the Governmental Funds was \$55,467,741.

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 18-19 of this report.

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 fiduciary.

LANCASTER COUNTY, SOUTH CAROLINA
Management's Discussion and Analysis
FOR THE YEAR ENDED JUNE 30, 2024

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 twenty-nine 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.
- 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-three 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 20-25 of this report.

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 26-28 of this report.

LANCASTER COUNTY, SOUTH CAROLINA
Management's Discussion and Analysis
FOR THE YEAR ENDED JUNE 30, 2024

Fiduciary funds

Fiduciary funds account for resources held by the County for the benefit of other parties. The resources of fiduciary 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 fiduciary 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 fiduciary financial statements can be found beginning on page 29 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 31.

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 88.

LANCASTER COUNTY, SOUTH CAROLINA
Management's Discussion and Analysis
FOR THE YEAR ENDED JUNE 30, 2024

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 \$240,012,290 on June 30, 2024.

The following table presents a summary of the statement of net position on June 30, 2024:

Lancaster County's Net position						
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>FY 2024</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2023</u>
Assets						
Current and other assets	\$293,493,642	\$173,203,743	\$ (3,088,903)	\$ (69,013)	\$290,404,739	\$173,134,730
Capital assets	149,573,588	132,950,559	10,756,365	6,882,345	160,329,953	139,832,904
Total assets	443,067,230	306,154,302	7,667,462	6,813,332	450,734,692	312,967,634
Deferred Outflows of Resources	13,191,294	13,029,925	22,677	22,753	13,213,971	13,052,678
Liabilities						
Long-term liabilities	194,113,764	102,523,668	141,415	143,485	194,255,179	102,523,668
Other liabilities	26,674,872	21,851,887	341,002	3,600	30,740,379	30,740,379
Total liabilities	220,788,636	124,375,555	482,417	147,085	133,407,532	133,407,532
Deferred Inflows of Resources	2,582,336	3,030,705	82,984	94,286	2,665,320	3,124,991
Net position:						
Net investment in capital assets	134,161,211	107,577,789	10,406,719	6,871,289	144,567,930	114,449,078
Restricted	49,839,671	52,382,274	-	-	49,839,671	52,382,274
Unrestricted	48,886,670	31,817,904	(3,281,981)	(276,575)	45,604,689	31,541,329
Total net position	\$232,887,552	\$191,777,967	\$7,124,738	\$6,864,997	\$240,012,290	\$198,372,681

The largest portion (60%) 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** increase due to the issuance of the Installment Purchase Revenue Bonds of \$92,795,000 to fund the Sheriff's Detention Center and Regional Park. **Other liabilities** reflected an increase due to unearned ARPA funds in the amount of \$7,066,046. 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.

LANCASTER COUNTY, SOUTH CAROLINA
Management's Discussion and Analysis
FOR THE YEAR ENDED JUNE 30, 2024

Governmental Activities. As stated before, the County's activities increased the net position \$41,109,585 from the prior year.

Key elements of the change include:

- **Total revenues** increased for the government's activities by \$14,657,268 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 \$5,279,606 for governmental activities compared to the prior year. Overall, there was a 6.5% cost of living adjustment for employees. *Public safety* expenses increased by \$7,807,062 primarily due to equipment for special projects (\$2.8M), salaries (\$1.3M), and less federal grant funding (\$3M).

Interest on long-term debt expenses increased by \$3,354,260 resulting from of the issuance of Installment Purchase Revenue Bonds.

Business-Type Activities. Business-type activities (Airport) net position increased by \$530,024 compared to the prior year. Fuel sales increased during the year and the County increased its support to airport operations.

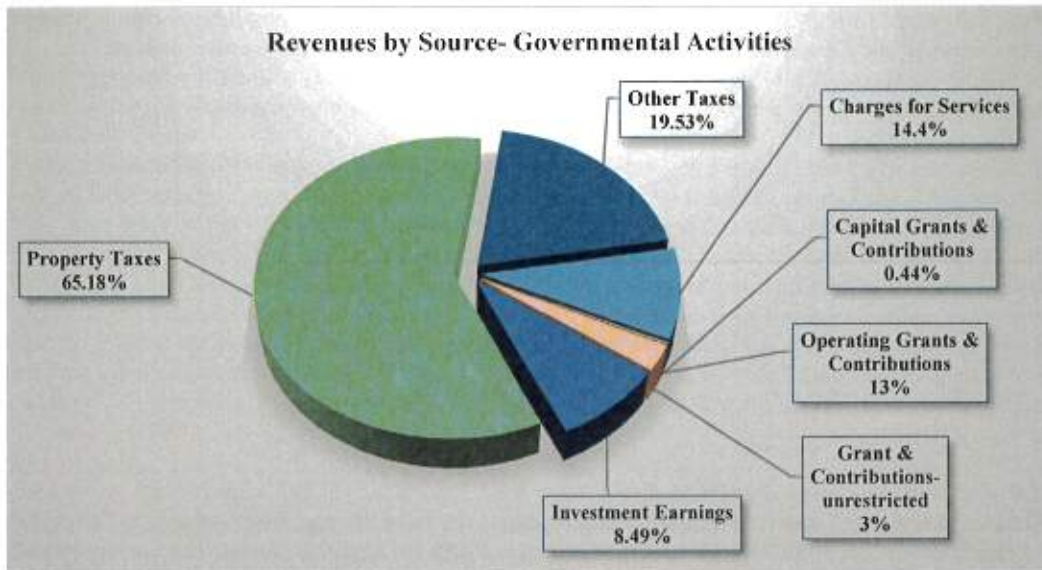
LANCASTER COUNTY, SOUTH CAROLINA
Management's Discussion and Analysis
FOR THE YEAR ENDED JUNE 30, 2024

The table below summarizes the changes in net position for the County for the year ended June 30, 2024:

Lancaster County's Changes in Net Position						
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	FY 2024	FY 2023	FY 2024	FY 2023	FY 2024	FY 2023
Revenues:						
Program Revenues:						
Charges for services	\$21,654,804	\$17,891,626	\$359,121	\$323,972	\$18,215,598	\$18,215,598
Operating grants & contributions	13,735,590	16,195,636	-	-	13,735,590	16,195,636
Capital grants & contributions	259,850	550,278	1,089,416	-	1,349,266	550,278
General Revenues:						
Property taxes	68,028,330	61,878,984	-	-	68,028,330	61,878,984
Other taxes	23,027,455	24,263,011	-	-	23,027,455	24,263,011
Unrestricted grants & contributions	3,153,176	3,914,930	-	-	3,153,176	3,914,930
Unrestricted investment earnings	9,801,009	3,439,254	-	-	9,801,009	3,439,254
Other	3,945,390	-	-	-	3,945,390	-
Total revenues	143,605,604	128,133,719	1,448,537	323,972	145,054,141	128,457,691
Expenses:						
General government	20,188,254	24,408,479	-	-	20,188,254	24,408,479
Administration of justice	3,887,655	2,808,011	-	-	3,887,655	2,808,011
Public safety and law enforcement	41,099,474	33,292,412	-	-	41,099,474	33,292,412
Public works	16,827,735	17,132,542	-	-	16,827,735	17,132,542
Public health & welfare	8,675,945	12,145,377	-	-	8,675,945	12,145,377
Economic development	610,310	1,227,196	-	-	610,310	1,227,196
Culture & recreation	7,056,014	5,406,724	-	-	7,056,714	5,406,724
Interest on long-term debt	4,149,932	795,672	-	-	4,149,932	795,672
Airport	-	-	918,513	792,343	918,513	24,408,479
Total expenses	102,496,019	97,216,413	918,513	792,343	103,414,532	98,008,756
Increase (Decrease) in net position before Transfers	41,109,585	30,917,307	530,024	(468,371)	41,639,609	30,448,936
Transfers	-	(198,088)	-	198,088	-	-
Increase (Decrease) in net position	41,109,585	30,719,219	530,024	(270,283)	41,639,609	30,448,936
Net position- beginning of year (restated)	191,777,967	161,058,748	6,594,714	6,864,997	198,372,681	167,923,745
Net position- end of year	\$232,887,552	\$191,777,967	\$7,124,738	\$6,594,714	\$240,012,290	\$198,372,681

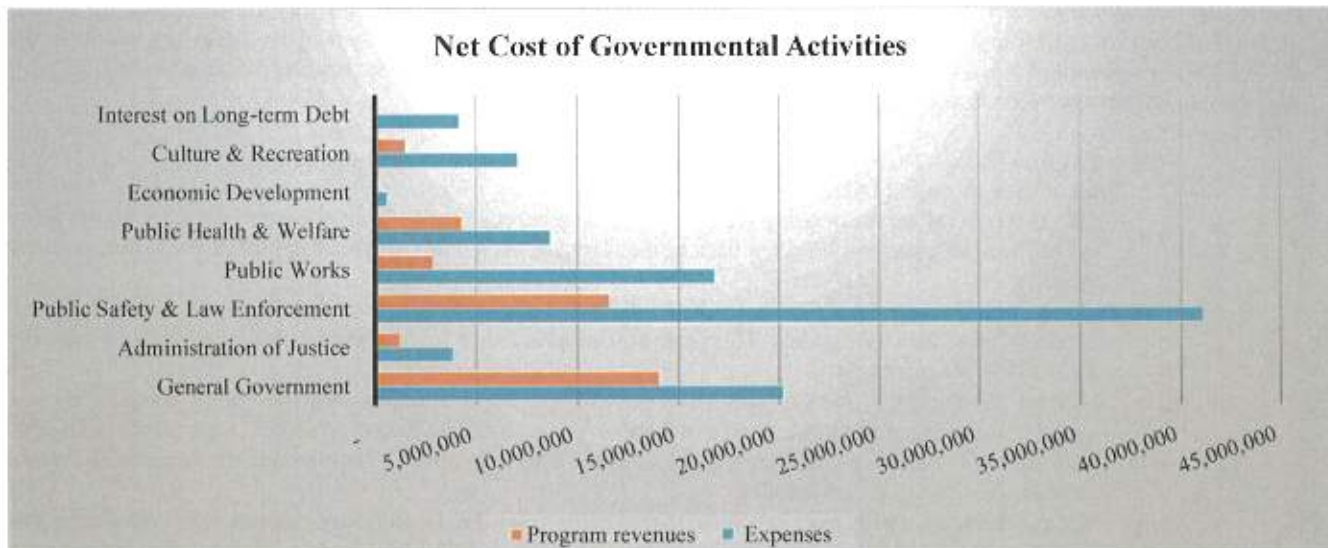
LANCASTER COUNTY, SOUTH CAROLINA
Management's Discussion and Analysis
FOR THE YEAR ENDED JUNE 30, 2024

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 (65.18%)** 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 (14.05%), include: Stormwater management, EMS charges, & building permit fees. **Investment earnings** represent the least source of general revenue. **Other taxes** (19.53%) 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, 2024, the sum of all the County's governmental funds fund balances totaled \$259,803,656 of which \$53,326,732 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 \$55,467,741 compared to \$54,288,945 the prior year. Property taxes account for 65% 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 29% decrease in register of deed fees compared to the prior year. This is reflective of a decrease 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 vacancy 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 increased by \$10,605,929 compared to the prior year. The county utilized \$4,263,460 on the Installment Purchase Revenue Bonds. 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)**, a new 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 72-73. After accounting for other financing sources and uses, the net change in fund balance was an increase of \$4,673,292. Actual revenues were above budgetary estimates by \$7,817,230. Actual expenditures were below budgetary appropriations by \$8,603,379 due to reasons explained below.

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

- **Property Taxes-** Taxes were more than anticipated in the following categories: Rollback taxes (\$203K), fee-in-lieu of taxes (\$432,280), and local option sales tax rollback (\$669K), and road improvement fee (\$632K). 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-**Include Road fees per vehicle and the increase is due to population growth, which collected \$484,698 more than anticipated. This year represents an entire year the fee was \$40 which was an increase from \$35 in the prior year.
- **Licenses & permits-** Total Collections were \$171,506 below revenue estimates in this category due to conservative budgeting for this market-driven revenue. Building permits collected were \$846,916 below estimates and register of deeds fees, were \$254,451 above estimates. These excess revenues contribute to building the County's fund balance.
- **Interest Revenue-** Rates have rebounded from prior years due to monetary changes implemented by the federal government.
- **Other Revenue-** a favorable variance due reclassifying unearned revenue for funds received from a developer for improvements and 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:

- Lancaster County Firefighters (\$61,528) - Increase in overtime expense
- Debt Service (\$315,781) - Increase in leases, subscriptions.

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

- Non-Departmental \$430,190 - Unemployment compensation volunteer workers' compensation expenditure lower than expected and property insurance \$172K lower than budgeted
- County Council \$1,728,714 - Savings in grant match and special project
- Council Transfers \$148,133 - Savings in transfer amount needed for the airport
- Administration \$254,444 - Savings in professional services for employees' medical contract, travel and training, and in contracted services for office renovations
- Information Technology \$370,228 - Savings in full-time wages and maintenance service agreements
- Building \$356,945 - Savings in full-time wages and contracted services
- Planning/Zoning \$1,146,096 - Savings in wages full-time due to vacancies, contracted services, demolition expense, and unspent carry-forward funds for special area/corridor planning
- Registration & Elections \$272,850 - Savings in full- and part-time wages
- Clerk of Court \$302,887 - Unspent one-time funding for boiler replacements and A/V upgrades
- Detention Center \$193,716 - Savings in full-time wages
- Public Safety Communications \$771,532 - Unspent one-time funding for dispatch console replacement and flooring inside the call center and savings in contracted services for pre-paid air time
- Lancaster EMS \$88,260 - Savings in full-time wages and capital equipment
- Road Maintenance \$1,556,778 - Savings in full-time wages, stone expenses, and carry-forward funds for contracted services
- Solid Waste Collections \$218,523 - Unspent one-time funding for Solid Waste Study and convenience site upgrades
- Recreation, Operations \$149,041 - Savings in part-time wages, general supplies, and unspent one-time funding for an automated control system and recreation center lights

LANCASTER COUNTY, SOUTH CAROLINA
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Capital Assets

Lancaster County's investment in capital assets, net of accumulated depreciation for its governmental activities on June 30, 2024, totaled \$149,573,588, 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 \$544,535.

Lancaster County's Capital Assets (net of depreciation) and Lease Assets						
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	FY 2024	FY 2023	FY 2024	FY 2023	FY 2024	FY 2023
Land	\$ 15,082,640	\$ 15,002,640	\$598,607	\$ 598,607	\$ 15,601,247	\$ 15,601,247
Buildings & Improvements	73,375,597	66,239,557	5,196,846	5,627,641	78,572,443	71,867,198
Vehicles	15,904,019	10,615,004	8,518	13,164	15,912,537	10,628,168
Furniture & Equipment	14,208,883	9,568,767	53,298	78,328	14,262,181	9,647,055
Infrastructure	9,129,406	10,065,557	-	-	9,129,406	10,065,557
Construction in Progress	21,080,956	20,456,834	4,890,607	553,747	25,971,563	21,010,581
Lease assets, net	544,535	671,506	8,489	10,859	553,024	682,365
Lease subscription assets, net	247,552	-	-	-	247,552	-
Total	\$149,573,588	\$132,791,590	\$10,756,365	\$6,882,345	\$160,329,953	\$139,832,904

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

Administration of Justice

- Courtroom audio & video upgrades- \$187,911
- Public Defender Office additions - \$276,285

Culture and Recreation

- Security and lighting upgrades - \$690,339

General Administration

- IT overhaul - \$2,415,385
- New Fleet & Elections building acquisition - \$4,264,545
- Election poll scanner upgrades - \$148,991
- Air rail park improvements - \$1,450,734

Public Health & Welfare

- Ambulance - \$524,255
- MVP Bus - \$1,066,657

Public Safety

- 33 public safety vehicles
- Security
- Mobile Training unit - \$949,000

Public Works

- Excavator with buckets- \$159,510
- Three 2023 Mack trucks- \$548,354

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Construction in progress

- MPV Truck - \$218,681
- IL recreation building improvements- \$635,862
- IL soccer complex- \$173,132
- EMS Roof Replacement - \$118,008

Additional information on the County's capital assets can be found in note 5 beginning on page 48.

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 \$46,795,584 with a legal debt margin of \$43,943,117 available without a referendum. At the end of the current fiscal year, the County's long-term liabilities outstanding totaled \$194,255,179, which includes long-term debt, leases, compensated absences, and net pension liability. General obligation bonds make up 10% (19,178,725) of long-term debt and are backed by the full faith and credit of the government.

Lancaster County's Outstanding Debt						
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	FY 2024	FY 2023	FY 2024	FY 2023	FY 2024	FY 2023
General Obligation Bonds	\$19,178,725	\$23,586,875	-	-	\$19,178,725	\$23,586,875
Special Source Revenue Bonds	-	3,945,390	-	-	-	3,945,390
Special Obligation Bonds	5,740,000	6,075,000	-	-	5,740,000	6,075,000
Installment Purchase Revenue Bonds	92,795,000	-	-	-	92,795,000	-
Total	\$117,713,725	\$33,607,265	-	-	\$117,713,725	\$33,607,265

The County's general obligation debt decreased by \$4,408,150 partially due a large principal payment for a 2015A Referendum Debt in the amount of \$3,600,000. The 2015A debt matured in the reported fiscal year. There were principal payments made for the 2015C, 2016A, 2019, and 2022 bond series. The County issued general obligation debt in the amount of 471,833. Installment Purchase Revenue Bond Debt was also issued in the amount of \$96,800,000 to construct and equip a new detention center and a regional park.

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 50 through 56 of this report.

Economic Factors and Next Year's Budgets and Tax Rates

As of June 2024, the unemployment rate for Lancaster County, South Carolina, was 4.7%, while the statewide unemployment rate was 3.6%. Nationally, the unemployment rate stood at 4.1% during the same period.

The fiscal year 2024-2025 budgets reflected the following major focus areas:

- Low to no impact on millage
- Competitive Compensation
- Establish a high performing organization through technology, tools, and training
- Productive work environments and facilities
- Plan for the future

LANCASTER COUNTY, SOUTH CAROLINA
Management's Discussion and Analysis
FOR THE YEAR ENDED JUNE 30, 2024

The fiscal year 2025 budget includes the following:

- 3.5% of across-the-board salary increase for non-sworn staff
- 5% across-the-board increase for sworn staff
- \$3,500 base salary increase for 31 Corrections Officers
- 9 new FTEs
- Adjusted certain department positions to ensure efficient execution of departmental functions
- Fair Labor Standards Act overtime increases
- \$500 Christmas supplement for full-time staff (\$250 for part-time)
- Enterprise Resource Planning software
- Public Safety airbags and ballistic vests
- Information Technology data room upgrades
- Solid Waste study - Phase III
- Assessor's audit program for mobile homes
- Expanded ball field lights for Parks and Recreation
- Seed funding for "Friends of Parks & Recreation" non-profit

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 2025 which includes 88.6 mils. The County Council also adopted 6.4 mils for capital replacement needs, 6.0 mils for debt service, and 3.9 mils 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 2025 Budget Book](#)

The County approved budgets total, \$149,528,955:

Lancaster County, South Carolina		
Original Adopted Budgets		
Fiscal Year Ended June 30, 2025		
General Fund		90,671,293
Capital Project Sales Tax 2 and 3 Funds		27,885,518
Other Special Revenue Funds¹		
Court Mandated Security Fund	\$ 2,704,461	
E-911 Fund	724,446	
Hospitality Tax Fund	1,900,000	
State Accommodations Tax Fund	224,250	
Stormwater Fund	1,840,355	
County Transportation Committee Fund	1,400,000	
Local Accommodations Tax Fund	120,000	
Airport Fund	482,842	
Van Wyck Fire Protection District	155,922	
Indian Land Consolidated Fire District	7,440,960	
	<u>\$ 16,993,236</u>	16,993,236
Debt Service Fund		
Debt Service		10,952,007
Capital Fund		
Capital Replacement		<u>3,026,901</u>
Total All Budgeted Funds		<u><u>\$ 149,528,955</u></u>

¹ Two Victims Advocate grant funded positions were absorbed into the Sheriff's Department budget for FY25. The Indian Land Fire Protection District and the Pleasant Valley Fire Protection District funds were consolidated into the Indian Land Consolidated Fire District Fund in FY24.

LANCASTER COUNTY, SOUTH CAROLINA
Management's Discussion and Analysis
FOR THE YEAR ENDED JUNE 30, 2024

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, 2024

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 45,822,991	\$ -	\$ 45,822,991
Investments	227,086,723	-	227,086,723
Receivables:			
Taxes	2,140,962	-	2,140,962
Accounts	10,687,390	-	10,687,390
Leases	98,631	90,973	189,604
Due from other governments	1,877,817	1,089,416	2,967,233
Internal balances	4,339,584	(4,339,584)	-
Inventories	173,752	70,292	244,044
Prepaid expenses	450,666	-	450,666
Assets held for resale	815,126	-	815,126
Capital assets:			
Nondepreciable	36,163,596	5,489,214	41,652,810
Depreciable, net	113,409,992	5,267,151	118,677,143
Total assets	<u>443,067,230</u>	<u>7,867,462</u>	<u>450,734,692</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	20,982	-	20,982
Pension - South Carolina Retirement System	5,592,466	22,677	5,615,143
Pension - South Carolina Police Officers Retirement System			
Retirement System	6,642,736	-	6,642,736
Other postemployment benefits	935,110	-	935,110
Total deferred outflows of resources	<u>13,191,294</u>	<u>22,677</u>	<u>13,213,971</u>
LIABILITIES			
Accounts payable	15,207,948	341,002	15,548,950
Accrued liabilities	3,508,348	-	3,508,348
Unearned revenues	7,408,046	-	7,408,046
Accrued interest payable	550,530	-	550,530
Noncurrent liabilities:			
Due within one year	7,272,903	2,412	7,275,315
Due in more than one year	123,699,706	6,232	123,705,938
Total other postemployment benefits liability, net of current portion	2,709,445	-	2,709,445
Net pension liability:			
South Carolina Retirement System	35,907,228	132,771	36,039,999
South Carolina Police Officers Retirement System	24,524,482	-	24,524,482
Total liabilities	<u>220,788,636</u>	<u>482,417</u>	<u>221,271,053</u>
DEFERRED INFLOWS OF RESOURCES			
Lease receipts	90,292	82,000	172,292
Pension - South Carolina Retirement System	148,291	984	149,275
Pension - South Carolina Police Officers Retirement System	344,422	-	344,422
Other postemployment benefits	1,999,331	-	1,999,331
Total deferred inflows of resources	<u>2,582,336</u>	<u>82,984</u>	<u>2,665,320</u>
NET POSITION			
Net investment in capital assets	134,161,211	10,406,719	144,567,930
Restricted for:			
Property tax reduction	2,728,300	-	2,728,300
Animal shelter	9,263	-	9,263
Capital projects	23,889,953	-	23,889,953
Public safety	6,448,446	-	6,448,446
Public works	6,420,236	-	6,420,236
Public health and welfare	123,206	-	123,206
Cultural and recreation	840,114	-	840,114
Economic development	7,728,895	-	7,728,895
Debt service	1,651,258	-	1,651,258
Unrestricted	48,886,670	(3,281,981)	45,604,689
Total net position	<u>\$ 232,887,552</u>	<u>\$ 7,124,738</u>	<u>\$ 240,012,290</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, 2024**

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental activities:							
General government	\$ 20,188,254	\$ 8,581,517	\$ 5,496,741	\$ -	\$ (5,129,986)	\$ -	\$ (6,129,986)
Administration of justice	3,887,655	992,671	248,925	-	(2,646,059)	-	(2,646,059)
Public safety	41,099,474	6,426,769	5,085,856	43,600	(29,533,249)	-	(29,533,249)
Public works	16,827,736	191,873	2,704,272	-	(13,931,590)	-	(13,931,590)
Public health and welfare	8,675,945	4,193,150	108,277	-	(4,374,518)	-	(4,374,518)
Culture and recreation	7,056,714	1,202,522	81,519	215,250	(5,556,423)	-	(5,556,423)
Economic development	610,310	86,302	-	-	(524,008)	-	(524,008)
Interest on long-term debt	4,149,932	-	-	-	(4,149,932)	-	(4,149,932)
Total governmental activities	102,495,019	21,654,804	13,735,580	259,850	(66,845,775)	-	(66,845,775)
Business-type activities:							
Airport	918,513	359,121	-	1,089,416	-	530,024	530,024
Total business-type activities	918,513	359,121	-	1,089,416	-	530,024	530,024
Total primary government	\$ 103,414,532	\$ 22,013,925	\$ 13,735,580	\$ 1,349,266	(66,845,775)	530,024	(66,315,751)
General revenues:							
Property taxes levied for:							
General purposes					57,353,008	-	57,353,008
Public safety					2,394,719	-	2,394,719
Debt service					4,380,079	-	4,380,079
Capital projects					3,900,524	-	3,900,524
Other taxes:							
Capital projects sales tax					16,556,686	-	16,556,686
E-911 taxes					189,810	-	189,810
Local accommodations tax					165,789	-	165,789
Hospitality taxes					2,248,686	-	2,248,686
Road improvement fees and taxes					3,886,524	-	3,886,524
Grants and contributions not restricted for a specific purpose					3,153,178	-	3,153,178
Unrestricted investment earnings					9,801,009	-	9,801,009
Special item - debt cancellation					3,945,390	-	3,945,390
Total general revenues and the special item					107,955,360	-	107,955,360
Change in net position					41,109,585	530,024	41,639,609
Net position, beginning of year					191,777,957	5,594,714	198,372,681
Net position, end of year					<u>\$ 232,867,552</u>	<u>\$ 7,124,738</u>	<u>\$ 240,012,290</u>

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

LANCASTER COUNTY, SOUTH CAROLINA

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024**

	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	\$ 44,128,421	\$ -	\$ -	\$ -	\$ 1,677,102
Investments	87,338,235	-	21,645,146	1,781,635	-
Taxes receivable, net	1,785,610	-	-	-	174,496
Accounts receivable, net	6,194,174	-	4,263,460	-	-
Leases receivable	98,631	-	-	-	-
Due from other governments	1,107,809	-	-	-	-
Due from other funds	10,609,153	19,382,602	-	-	-
Prepaid expenditures	450,666	-	-	-	-
Inventories	173,752	-	-	-	-
Land held for resale	815,126	-	-	-	-
Total assets	<u>\$ 152,681,577</u>	<u>\$ 19,382,602</u>	<u>\$ 25,908,606</u>	<u>\$ 1,781,635</u>	<u>\$ 1,851,598</u>
LIABILITIES					
Accounts payable	\$ 14,984,380	\$ 46,983	\$ -	\$ -	\$ -
Accrued liabilities	3,508,348	-	-	-	-
Due to other funds	50,688,264	-	363,872	262,161	26,046
Unearned revenues	342,000	-	-	-	-
Total liabilities	<u>69,522,992</u>	<u>46,983</u>	<u>363,872</u>	<u>262,161</u>	<u>26,046</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	1,765,611	-	-	-	174,294
Unavailable revenue - emergency medical services	4,733,078	-	-	-	-
Unavailable revenue - intergovernmental	-	-	-	-	-
Unavailable revenue - other	522,676	-	-	-	-
Lease receipts	90,292	-	-	-	-
Total deferred inflows of resources	<u>7,111,657</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>174,294</u>
FUND BALANCES					
Nonspendable:					
Prepaid expenditures	450,666	-	-	-	-
Inventories	173,752	-	-	-	-
Land held for resale	815,126	-	-	-	-
Restricted for:					
Property tax reduction	2,728,300	-	-	-	-
DSS IV-D Incentive	123,206	-	-	-	-
Animal shelter	9,263	-	-	-	-
Emergency management	156,837	-	-	-	-
Victim services	-	-	-	-	-
Drug task force	171,614	-	-	-	-
Inmate commissary	237,762	-	-	-	-
Capital projects	-	17,993,048	4,263,460	-	-
Public safety	65,197	-	-	-	-
Public works	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Economic development	8,481	-	-	-	-
Roads and bridges	-	-	-	-	-
Debt service	-	-	-	-	1,651,258
Assigned:					
General government	378,000	-	-	-	-
Public safety	95,373	-	-	-	-
Roads and bridges	1,000,000	-	-	-	-
Subsequent year's budget	14,165,610	1,342,571	21,281,274	1,519,474	-
Unassigned	55,467,741	-	-	-	-
Total fund balances	<u>76,046,928</u>	<u>19,335,619</u>	<u>25,544,734</u>	<u>1,519,474</u>	<u>1,651,258</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 152,681,577</u>	<u>\$ 19,382,602</u>	<u>\$ 25,908,606</u>	<u>\$ 1,781,635</u>	<u>\$ 1,851,598</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
\$ -	\$ -	\$ 17,468	\$ 45,822,991
10,971,620	105,349,010	1,077	227,086,723
-	-	200,856	2,140,962
-	-	229,756	10,687,390
-	-	-	98,631
-	-	770,008	1,877,817
-	-	31,305,662	61,297,417
-	-	-	450,666
-	-	-	173,752
-	-	-	815,126
<u>\$ 10,971,620</u>	<u>\$ 105,349,010</u>	<u>\$ 32,524,827</u>	<u>\$ 350,451,475</u>
\$ -	\$ -	\$ 176,585	\$ 15,207,948
-	-	-	3,508,348
2,629,708	-	2,987,782	56,957,833
7,066,046	-	-	7,408,046
<u>9,695,754</u>	<u>-</u>	<u>3,164,367</u>	<u>83,082,175</u>
-	-	200,806	2,140,711
-	-	-	4,733,078
-	-	78,887	78,887
-	-	-	522,676
-	-	-	90,292
<u>-</u>	<u>-</u>	<u>279,693</u>	<u>7,565,644</u>
-	-	-	450,666
-	-	-	173,752
-	-	-	815,126
-	-	-	2,728,300
-	-	-	123,206
-	-	-	9,263
-	-	-	156,837
-	-	139,868	139,868
-	-	-	171,614
-	-	-	237,762
-	105,349,010	3,152,919	130,758,437
82,703	-	5,594,465	5,742,365
-	-	4,935,555	4,935,555
-	-	840,114	840,114
-	-	7,720,414	7,728,895
-	-	1,484,681	1,484,681
-	-	-	1,651,258
-	-	-	378,000
-	-	-	95,373
-	-	-	1,000,000
1,193,163	-	7,353,760	46,855,852
-	-	(2,141,009)	53,326,732
<u>1,275,866</u>	<u>105,349,010</u>	<u>29,080,767</u>	<u>259,803,656</u>
<u>\$ 10,971,620</u>	<u>\$ 105,349,010</u>	<u>\$ 32,524,827</u>	<u>\$ 350,451,475</u>

LANCASTER COUNTY, SOUTH CAROLINA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION JUNE 30, 2024

Total fund balances for governmental funds:	\$ 259,803,656
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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.	149,573,588
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Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	7,475,352
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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	\$ (19,178,725)	
Unamortized refunding deferral amount on general obligation bonds	20,982	
Special obligation bonds	(5,740,000)	
Installment purchase revenue bonds	(92,795,000)	
Unamortized bond premium	(8,833,436)	
Financed purchases payable	(420,000)	
Leases payable	(556,145)	
Subscriptions payable	(230,783)	
Post-closure care liabilities	(898,234)	
Compensated absences payable	(2,118,877)	
Total other postemployment benefits liability, net of related outflows and inflows of resources	(3,975,075)	
Net pension liability, net of related outflows and inflows of resources	<u>(48,689,221)</u>	
Total long-term liabilities		(183,414,514)

Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	<u>(550,530)</u>
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Net position of governmental activities	<u><u>\$ 232,887,552</u></u>
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LANCASTER COUNTY, SOUTH CAROLINA

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	General Fund	Capital Projects Sales Tax 2 Fund	Capital Projects Sales Tax 3 Fund	Bond Projects Fund	Debt Service Fund
REVENUES					
Property taxes	\$ 56,528,101	\$ -	\$ -	\$ -	\$ 4,380,079
Sales and other local taxes	3,866,524	-	16,556,686	-	-
Licenses and permits	6,124,216	-	-	-	-
Intergovernmental	5,766,269	-	-	-	-
Charges for services	4,999,934	-	-	-	-
Fines and forfeitures	822,685	-	-	-	-
Interest revenue	5,263,000	-	1,158,256	110,683	10,036
Contributions and donations	186,667	-	-	-	-
Other revenues	515,872	-	-	-	-
Total revenues	<u>84,073,268</u>	<u>-</u>	<u>17,714,942</u>	<u>110,683</u>	<u>4,390,115</u>
EXPENDITURES					
Current:					
General government	23,503,356	-	-	-	-
Administration of justice	3,132,154	-	-	-	-
Public safety	28,179,130	-	2,803,874	-	-
Public works	8,229,192	3,205,884	-	-	-
Public health and welfare	9,916,745	-	-	-	-
Culture and recreation	5,594,389	1,338,991	-	-	-
Economic development	453,595	-	-	-	-
Capital outlay	140,904	-	-	706,240	-
Debt service:					
Principal	365,781	-	2,625,000	-	3,445,000
Interest	-	-	1,680,142	-	1,061,082
Fees	-	-	-	-	7,800
Total expenditures	<u>79,515,246</u>	<u>4,544,875</u>	<u>7,109,016</u>	<u>706,240</u>	<u>4,513,882</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,558,022</u>	<u>(4,544,875)</u>	<u>10,605,926</u>	<u>(595,557)</u>	<u>(123,767)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	(59,605)	-	-	-	-
Issuance of lease liabilities	121,530	-	-	-	-
Issuance of subscription liabilities	19,374	-	-	-	-
Issuance of bonds	-	-	-	-	-
Sale of capital assets	33,971	-	-	-	-
Total other financing sources, net	<u>115,270</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	4,673,292	(4,544,875)	10,605,926	(595,557)	(123,767)
Fund balances, beginning of year	<u>71,373,636</u>	<u>23,880,494</u>	<u>14,938,808</u>	<u>2,115,031</u>	<u>1,775,025</u>
Fund balances, end of year	<u>\$ 76,046,928</u>	<u>\$ 19,335,619</u>	<u>\$ 25,544,734</u>	<u>\$ 1,519,474</u>	<u>\$ 1,651,258</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
\$ -	\$ -	\$ 6,367,861	\$ 67,276,041
-	-	2,604,245	23,027,455
-	-	-	6,124,216
5,637,983	-	8,063,091	19,467,343
-	-	6,167,951	11,167,885
-	-	65,720	888,405
692,375	2,553,059	13,600	9,801,009
-	-	92,400	279,067
-	-	-	515,872
<u>6,330,358</u>	<u>2,553,059</u>	<u>23,374,668</u>	<u>138,547,293</u>
4,226,215	-	1,253,169	28,982,740
276,285	-	55,949	3,484,388
310,803	-	10,214,558	41,508,365
-	-	5,650,345	17,085,421
768,605	-	251,678	10,937,028
56,075	-	159,031	7,148,486
-	-	60,464	514,059
-	-	3,717,489	4,564,633
-	-	3,211,778	9,647,559
-	-	672,981	3,414,205
-	1,060,892	20,000	1,088,692
<u>5,637,983</u>	<u>1,060,892</u>	<u>25,267,442</u>	<u>128,355,576</u>
<u>692,375</u>	<u>1,492,167</u>	<u>(1,892,574)</u>	<u>10,191,717</u>
-	-	59,605	59,605
-	-	-	(59,605)
-	-	11,056	132,586
-	-	-	19,374
-	103,856,843	471,833	104,328,676
-	-	-	33,971
<u>-</u>	<u>103,856,843</u>	<u>542,494</u>	<u>104,514,607</u>
692,375	105,349,010	(1,350,080)	114,706,324
<u>583,491</u>	<u>-</u>	<u>30,430,847</u>	<u>145,097,332</u>
<u>\$ 1,275,866</u>	<u>\$ 105,349,010</u>	<u>\$ 29,080,767</u>	<u>\$ 259,803,656</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, 2024

Net change in fund balances - total governmental funds	\$ 114,706,324
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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	\$ 25,547,906	
Depreciation and amortization expense	<u>(8,924,877)</u>	16,623,029

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	1,112,921
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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	\$ 9,647,559	
Extinguishment/Cancellation of long-term debt	3,945,390	
Issuance of general obligation bonds	(471,833)	
Issuance of installment purchase revenue bonds	(103,856,843)	
Issuance of leases payable	(132,586)	
Issuance of subscriptions payable	(19,374)	
Amortization of premium/discount on long-term debt	676,782	
Amortization of the refunding deferral amount on the refunding general obligation bonds	<u>(14,011)</u>	(90,224,916)

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	\$ (437,279)	
Landfill post-closure liability	17,688	
Compensated absences	(463,596)	
Accrued interest on long-term debt	(323,817)	
Other postemployment benefits liability	<u>99,231</u>	(1,107,773)
Change in net position - governmental activities		<u>\$ 41,109,585</u>

LANCASTER COUNTY, SOUTH CAROLINA

STATEMENT OF NET POSITION PROPRIETARY FUND JUNE 30, 2024

	Enterprise Fund Airport Fund
ASSETS	
CURRENT ASSETS	
Current portion of lease receivable	\$ 12,352
Due from other governments	1,089,416
Inventory	70,292
Total current assets	1,172,060
NONCURRENT ASSETS	
Lease receivable, net of current portion	78,621
Capital assets:	
Nondepreciable	5,489,214
Depreciable, net of accumulated depreciation and amortization	5,267,151
Total noncurrent assets	10,834,986
Total assets	12,007,046
DEFERRED OUTFLOWS OF RESOURCES	
Pension	22,677
Total deferred outflows of resources	22,677
LIABILITIES	
CURRENT LIABILITIES	
Accounts payable	341,002
Due to other funds	4,339,584
Current portion of lease liability	2,412
Total current liabilities	4,682,998
NONCURRENT LIABILITIES	
Lease liability, net of current portion	6,232
Net pension liability	132,771
Total noncurrent liabilities	139,003
Total liabilities	4,822,001
DEFERRED INFLOWS OF RESOURCES	
Lease receipts	82,000
Pension	984
Total deferred inflows of resources	82,984
NET POSITION	
Net investment in capital assets	10,406,719
Unrestricted	(3,281,981)
Total net position	\$ 7,124,738

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, 2024

	Enterprise Fund Airport Fund
OPERATING REVENUES	
Charges for services:	
Sale of fuel	\$ 317,441
Rental income	41,680
Total operating revenues	<u>359,121</u>
OPERATING EXPENSES	
Salaries and fringe benefits	86,921
Costs of services	368,752
Depreciation and amortization	462,840
Total operating expenses	<u>918,513</u>
Operating loss	<u>(559,392)</u>
Loss before capital contributions and transfers	(559,392)
CAPITAL CONTRIBUTIONS	<u>1,089,416</u>
Change in net position	530,024
Net position, beginning of year	<u>6,594,714</u>
Net position, end of year	<u>\$ 7,124,738</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, 2024

	<u>Enterprise Fund</u> <u>Airport</u> <u>Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 3,366,295
Payments to suppliers	(30,024)
Payments to employees	(86,515)
Net cash provided by operating activities	<u>3,249,756</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital assets	(4,336,860)
Intergovernmental revenues	1,089,416
Principal paid on lease payable	(2,412)
Net cash used in capital and related financing activities	<u>(3,249,856)</u>
Net change in cash and cash equivalents	(100)
Cash and cash equivalents:	
Beginning of year	<u>100</u>
End of year	<u>\$ -</u>
Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	\$ (559,392)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation and amortization	462,840
Changes in assets and liabilities:	
Decrease in lease receivable	12,173
Increase in due from other governments	(1,089,416)
Increase in inventory	(2,274)
Decrease in deferred outflows of resources	76
Decrease in accounts payable	341,002
Increase in due to other funds	4,099,307
Decrease in unearned revenues	(3,600)
Decrease in deferred inflows of resources - lease receipts	(11,290)
Increase in net pension liability	342
Decrease in deferred inflows of resources	(12)
Net cash provided by operating activities	<u>\$ 3,249,756</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, 2024

	Custodial Funds
ASSETS	
Cash and cash equivalents	\$ 23,225,365
Investments	15,480,728
Taxes receivable	5,754,486
Accounts receivable	618,715
Total assets	<u>\$ 45,079,294</u>
LIABILITIES	
Due to other taxing districts and agencies	\$ 35,795,218
Due to others	5,754,486
Total liabilities	<u>\$ 41,549,704</u>
FIDUCIARY NET POSITION	
Restricted for individuals, organizations, and other governments	<u>\$ 3,529,590</u>
Total fiduciary net position	<u>\$ 3,529,590</u>

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

LANCASTER COUNTY, SOUTH CAROLINA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Custodial Funds
ADDITIONS	
Taxes and assessments	\$ 126,471,953
Fine and fees	1,773,680
Funds from state and participants	23,737
Inmate funds collected	572,379
Funds from foreclosure sales	3,731,934
Total additions	132,573,683
DEDUCTIONS	
Taxes and fees paid to other governments	130,757,009
Inmate funds disbursed	572,379
Other custodial disbursements	23,737
Total deductions	131,353,125
Change in fiduciary net position	1,220,558
FIDUCIARY NET POSITION, BEGINNING OF YEAR	2,309,032
FIDUCIARY NET POSITION, END OF YEAR	\$ 3,529,590

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, 2024

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 2024. 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 2024 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 \$1,503,654, \$1,342,571, \$21,281,274, \$1,519,474, \$1,193,163 and \$7,353,760 in the General Fund, the Capital Projects Sales Tax 2 Fund, the Capital Projects Sales Tax 3 Fund, Bond Projects Fund, the 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 \$12,661,965 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 uncollectible.

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 is accrued when incurred in the government-wide and proprietary fund financial statements. 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. No liability is reported for unpaid accumulated sick leave.

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, and Development Agreements 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 up to \$20,000 without approval of County Council. The legal level of budgetary control is the fund level.

Deficit Fund Equity

For the year ended June 30, 2024, the SCIP Grant Fund and Restricted Grants Fund reported a deficit fund balance of \$940,960 and \$1,200,049, 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.

Excess of Expenditures over Appropriations

For the year ended June 30, 2024, expenditures exceeded budget, as follows:

<u>Fund</u>	<u>Excess</u>
E-911	\$ 133,602
Hospitality Tax	2,228,507
Debt Service	2,132

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. CASH AND INVESTMENTS

Total deposits and investments at June 30, 2024, are summarized below:

As reported in the Statement of Net Position:	
Cash and cash equivalents	\$ 45,822,991
Investments	227,086,723
As reported in the Statement of Fiduciary Net Position:	
Custodial Fund - cash and cash equivalents	23,225,365
Custodial Fund - investments	15,480,728
	<u>\$ 311,615,807</u>
Cash deposited with financial institutions	\$ 69,048,356
State Treasurer's Local Government Investment Pool	115,028,178
U.S. Government Treasuries	12,119,153
U.S. Government Agencies	79,057
Money market accounts	115,341,063
	<u>\$ 311,615,807</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, 2024, the carrying amount of the County's deposits was \$69,048,356 and the bank balance was \$75,064,530. 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 \$12,185 are reflected as cash.

As of June 30, 2024, 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	\$ 115,028,178	\$ 115,028,178	\$ -	\$ -
Money market accounts	115,341,063	115,341,063	-	-
U.S. Government Treasuries	12,119,153	4,078,629	8,040,524	-
U.S. Government Agencies	79,057	79,057	-	-
	<u>\$ 242,567,451</u>	<u>\$ 234,526,927</u>	<u>\$ 8,040,524</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.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. CASH AND INVESTMENTS (CONTINUED)

The County has the following recurring fair value measurements as of June 30, 2024:

Investment	Level 1	Level 2	Level 3	Fair Value
Investments by Fair Value Level				
Debt securities:				
U.S. Treasuries	\$ 12,119,153	\$ -	\$ -	\$ 12,119,153
U.S. Agencies	79,057	-	-	79,057
Total investments by fair value level	<u>\$ 12,198,210</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,198,210</u>

The U.S. Treasuries and U.S. Agencies 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.

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 Agencies, including the Federal Farm Credit Banks (FFCB), Federal Home Loan Banks (FHLB), Federal Home Loan Mortgage Corporation (FHLMC), and Federal National Mortgage Association (FNMA) were rated AA+ by Standard & Poor's and Aaa by Moody's Investor Services. As of June 30, 2024, the County owned \$79,057 of government sponsored entity (GSE) debt securities. These bonds are the direct obligation of the FFCB, FHLB, FHLMC, and FNMA, which are 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.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. CASH AND INVESTMENTS (CONTINUED)

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4. RECEIVABLES AND PROPERTY TAXES

Receivables as of June 30, 2024, 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	\$ 1,858,537	\$ -	\$ -	\$ 183,680
Accounts receivable	10,483,956	-	4,263,460	-
Lease receivable	98,631	-	-	-
Due from other governments	1,107,809	-	-	-
Less: allowance	(4,382,709)	-	-	(9,184)
Net receivables	<u>\$ 9,166,224</u>	<u>\$ -</u>	<u>\$ 4,263,460</u>	<u>\$ 174,496</u>

	ARPA	Nonmajor Governmental	Airport	Total
Taxes receivable	\$ -	\$ 206,896	\$ -	\$ 2,249,113
Accounts receivable	-	229,756	-	14,977,172
Lease receivable	-	-	90,973	189,604
Due from other governments	-	770,008	1,089,416	2,967,233
Less: allowance	-	(6,040)	-	(4,397,933)
Net receivables	<u>\$ -</u>	<u>\$ 1,200,620</u>	<u>\$ 1,180,389</u>	<u>\$ 15,985,189</u>

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS

Capital asset activity for the County's governmental activities for the year ended June 30, 2024, was as follows:

	Balance June 30, 2023	Additions	Deletions	Transfers	Balance June 30, 2024
Governmental activities					
Capital assets not being depreciated					
Land	\$ 15,002,640	\$ 80,000	\$ -	\$ -	\$ 15,082,640
Construction in progress	20,456,834	3,551,114	-	(2,926,992)	21,080,956
Total capital assets not being depreciated	35,459,474	3,631,114	-	(2,926,992)	36,163,596
Capital assets being depreciated					
Buildings and improvements	96,415,353	8,431,409	-	1,537,801	106,384,563
Vehicles	37,343,796	7,015,418	(246,310)	819,661	44,932,565
Furniture and equipment	34,319,921	6,318,005	-	569,530	41,207,456
Infrastructure	25,039,305	-	-	-	25,039,305
Right-to-use lease asset	1,041,106	132,586	-	-	1,173,692
Right-to-use subscription asset	429,703	19,374	-	-	449,077
Total capital assets being depreciated	194,589,184	21,916,792	(246,310)	2,926,992	219,186,658
Less accumulated depreciation					
Buildings and improvements	(30,175,796)	(2,833,170)	-	-	(33,008,966)
Vehicles	(26,728,792)	(2,546,064)	246,310	-	(29,028,546)
Furniture and equipment	(24,751,194)	(2,247,379)	-	-	(26,998,573)
Infrastructure	(14,973,748)	(936,151)	-	-	(15,909,899)
Right-to-use lease asset	(369,600)	(259,557)	-	-	(629,157)
Right-to-use subscription asset	(98,969)	(102,556)	-	-	(201,525)
Total accumulated depreciation	(97,098,099)	(8,924,877)	246,310	-	(105,776,666)
Total capital assets being depreciated, net	97,491,085	12,991,915	-	2,926,992	113,409,992
Governmental activities capital assets, net	\$ 132,950,559	\$ 16,623,029	\$ -	\$ -	\$ 149,573,588

Depreciation and amortization expense was charged to functions as follows:

General government	\$ 1,274,071
Administration of justice	865,102
Public safety	3,253,289
Public works, including depreciation of infrastructure assets	1,603,983
Public health and welfare	795,904
Culture and recreation	1,036,277
Economic development	96,251
Total governmental activities depreciation and amortization expense	\$ 8,924,877

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, 2024, was as follows:

	Balance June 30, 2023	Additions	Deletions	Transfers	Balance June 30, 2024
Business-type activities					
Capital assets not being depreciated					
Land	\$ 598,607	\$ -	\$ -	\$ -	\$ 598,607
Construction in progress	553,747	4,336,860	-	-	4,890,607
Total capital assets not being depreciated	1,152,354	4,336,860	-	-	5,489,214
Capital assets being depreciated					
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 depreciated	14,884,555	-	-	-	14,884,555
Less accumulated depreciation					
Buildings and improvements	(9,059,175)	(430,794)	-	-	(9,489,969)
Vehicles	(10,066)	(4,646)	-	-	(14,712)
Furniture and equipment	(85,126)	(25,030)	-	-	(110,156)
Right-to-use lease asset	(197)	(2,370)	-	-	(2,567)
Total accumulated depreciation	(9,154,564)	(462,840)	-	-	(9,617,404)
Total capital assets being depreciated, net	5,729,991	(462,840)	-	-	5,267,151
Business-type activities capital assets, net	\$ 6,882,345	\$ 3,874,020	\$ -	\$ -	\$ 10,756,365

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

Airport	\$ 462,840
Total business-type activities depreciation and amortization expense	\$ 462,840

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, 2024:

	Balance June 30, 2023	Additions	Reductions	Balance June 30, 2024	Due within One Year
Governmental activities					
General obligation bonds	\$ 23,586,875	\$ 471,833	\$ (4,879,983)	\$ 19,178,725	\$ 3,176,529
Special obligation bonds	6,075,000	-	(335,000)	5,740,000	350,000
Installment purchase revenue bonds	-	96,800,000	(4,005,000)	92,795,000	1,635,000
Leases	691,297	132,586	(267,738)	556,145	200,640
Subscriptions	321,247	19,374	(109,838)	230,783	116,141
Financed purchases	470,000	-	(50,000)	420,000	50,000
Special source revenue bonds	3,945,390	-	(3,945,390)	-	-
Post-closure care costs	915,922	-	(17,688)	898,234	57,855
Compensated absences	1,655,281	1,948,925	(1,485,329)	2,118,877	1,485,329
Total postemployment benefit liability	2,873,674	288,607	(251,427)	2,910,854	201,409
Net pension liability - SCRS	35,706,283	4,470,494	(4,269,549)	35,907,228	-
Net pension liability - PORS	23,829,324	4,748,857	(4,053,699)	24,524,482	-
Deferred amounts:					
Unamortized premium	2,453,375	7,056,843	(676,782)	8,833,436	-
	<u>\$ 102,523,668</u>	<u>\$ 115,937,519</u>	<u>\$ (24,347,423)</u>	<u>\$ 194,113,764</u>	<u>\$ 7,272,903</u>
Business-type activities					
Net pension liability - SCRS	\$ 132,429	\$ 7,613	\$ (7,271)	\$ 132,771	\$ -
Leases	11,056	-	(2,412)	8,644	2,412
	<u>\$ 143,485</u>	<u>\$ 7,613</u>	<u>\$ (9,683)</u>	<u>\$ 141,415</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 Funds.

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 place \$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	\$ 6,560,000
General obligation refunding bonds, series 2015C	6,110,000	3% to 5%	2025	\$120,000 to \$1,475,000	1,475,000
General obligation bonds, series 2017 (Brookchase)	650,000	2.61%	2030	\$40,000 to \$60,000	327,107
General obligation refunding & improvement bonds, series 2019	19,905,000	5.00%	2039	\$595,000 to \$890,000	10,405,000
General obligation bonds, series 2023 (Reid Pointe)	471,833	5.06%	2031	\$50,462 to \$67,857	411,818
					<u>\$ 19,178,725</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, 2024, including interest payments, are as follows:

Year Ending June 30,	General Obligation Bonds		
	Principal	Interest	Total
2025	\$ 3,176,529	\$ 717,915	\$ 3,894,444
2026	1,785,416	560,279	2,345,695
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
2030-2034	5,355,536	1,236,352	6,591,888
2035-2039	5,905,000	464,850	6,369,850
	<u>\$ 19,178,725</u>	<u>\$ 4,256,740</u>	<u>\$ 23,435,465</u>

Debt service funds of \$1,677,102 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, 2024, the unamortized premium was \$977,952.

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, 2024, are classified as a deferred outflow of resources on the Statement of Net Position. Amortization of \$41,496 has been included in interest expense for the year ended June 30, 2024. As of June 30, 2024, the County's outstanding in-substance defeased general obligation bond debt totaled \$930,000.

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	\$ 5,740,000
					<u>\$ 5,740,000</u>

The annual requirements to amortize all special obligation bonds as of June 30, 2024, including interest payments, are as follows:

Year Ending June 30,	Special Obligation Bonds		
	Principal	Interest	Total
2025	\$ 350,000	\$ 204,300	\$ 554,300
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
2030-2034	2,290,000	472,650	2,762,650
2035-2037	1,565,000	94,950	1,659,950
	<u>\$ 5,740,000</u>	<u>\$ 1,444,300</u>	<u>\$ 7,184,300</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
2025	\$ 50,000	\$ -	\$ 50,000
2026	50,000	-	50,000
2027	50,000	-	50,000
2028	50,000	-	50,000
2029	50,000	-	50,000
2030-2033	170,000	-	170,000
	<u>\$ 420,000</u>	<u>\$ -</u>	<u>\$ 420,000</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. The effect of this forgiveness is reported in the Statement of Activities as a "Special item – debt cancellation".

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
2025	\$ 1,635,000	\$ 4,639,750	\$ 6,274,750
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
2030-2034	21,960,000	19,090,250	41,050,250
2035-2039	30,960,000	12,502,000	43,462,000
2040-2043	30,830,000	3,947,500	34,777,500
	<u>\$ 92,795,000</u>	<u>\$ 55,301,250</u>	<u>\$ 148,096,250</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, 2024, the County has \$8,644 outstanding in leases payable.

The annual requirements to amortize all leases payable as of June 30, 2024, including interest payments, are as follows:

Year Ending June 30,	Leases		
	Principal	Interest	Total
2025	\$ 2,412	\$ 43	\$ 2,455
2026	2,412	43	2,455
2027	2,412	43	2,455
2028	1,408	25	1,433
	<u>\$ 8,644</u>	<u>\$ 154</u>	<u>\$ 8,798</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, 2024, the County has \$556,145 outstanding in leases payable.

The annual requirements to amortize all leases payable as of June 30, 2024, including interest payments, are as follows:

Year Ending June 30,	Leases		
	Principal	Interest	Total
2025	\$ 200,640	\$ 374	\$ 201,014
2026	158,035	211	158,246
2027	118,559	183	118,742
2028	72,152	154	72,306
2029	1,076	124	1,200
2030-2034	5,683	317	6,000
	<u>\$ 556,145</u>	<u>\$ 1,363</u>	<u>\$ 557,508</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 1.983% to 0.8534%. As of June 30, 2024, the County has \$230,783 outstanding in subscriptions payable.

The annual requirements to amortize all leases payable as of June 30, 2024, including interest payments, are as follows:

Year Ending June 30,	Subscriptions		
	Principal	Interest	Total
2025	\$ 116,141	\$ 5,618	\$ 121,759
2026	109,876	2,367	112,243
2027	4,766	56	4,822
	<u>\$ 230,783</u>	<u>\$ 8,041</u>	<u>\$ 238,824</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 2024, the County expended \$17,688 in landfill closure costs. Remaining post-closure care costs are estimated at \$898,234 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, 2024, 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, 2024, the outstanding balance on this debt was \$2,741,000.

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, 2024, the outstanding balances on this debt were \$10,665,047, \$6,515,000, 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, 2024, the outstanding balance on this debt was \$10,269,514.

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, 2024, the outstanding balance on this debt was \$28,389,564.

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, 2024, 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, 2024, was as follows:

	Balance June 30, 2023	Additions	Remeasurements	Deletions	Balance June 30, 2024
Governmental activities					
Lease asset					
Equipment	\$ 702,070	\$ 132,586	\$ -	\$ -	\$ 834,656
Buildings	112,827	-	-	-	112,827
Land	226,209	-	-	-	226,209
Total lease assets	<u>1,041,106</u>	<u>132,586</u>	<u>-</u>	<u>-</u>	<u>1,173,692</u>
Less accumulated amortization					
Equipment	(174,858)	(162,185)	-	-	(337,043)
Buildings	(75,218)	(37,609)	-	-	(112,827)
Land	(119,524)	(59,763)	-	-	(179,287)
Total accumulated amortization	<u>(369,600)</u>	<u>(259,557)</u>	<u>-</u>	<u>-</u>	<u>(629,157)</u>
Total lease assets net of accumulated amortization	<u>\$ 671,506</u>	<u>\$ (126,971)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 544,535</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	(197)	(2,370)	-	-	(2,567)
Total accumulated amortization	<u>(197)</u>	<u>(2,370)</u>	<u>-</u>	<u>-</u>	<u>(2,567)</u>
Total lease assets net of accumulated amortization	<u>\$ 10,859</u>	<u>\$ (2,370)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,489</u>

Subscription asset activity for the County's governmental activities for the year ended June 30, 2024, was as follows:

	Balance June 30, 2023	Additions	Remeasurements	Deletions	Balance June 30, 2024
Governmental activities					
Subscription asset	\$ 429,703	\$ 19,374	\$ -	\$ -	\$ 449,077
Total capital assets	<u>429,703</u>	<u>19,374</u>	<u>-</u>	<u>-</u>	<u>449,077</u>
Less accumulated amortization					
Subscription asset	(98,969)	(102,556)	-	-	(201,525)
Total accumulated amortization	<u>(98,969)</u>	<u>(102,556)</u>	<u>-</u>	<u>-</u>	<u>(201,525)</u>
Total subscription assets net of accumulated amortization	<u>\$ 330,734</u>	<u>\$ (83,182)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 247,552</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, 2024, the County contributed \$3,741,017 to the SCRS plan and \$3,537,383 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, 2024, 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, 2024, 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, 2023, (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, 2022, actuarial valuations, as adopted by the PEBA Board and Budget and Control Board, which utilized membership data as of July 1, 2022. The total pension liability was rolled-forward from the valuation date to the plan's fiscal year ended June 30, 2023, 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, 2024, (measurement date of June 30, 2023), 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	\$ 58,464,402,454	\$34,286,961,942	\$ 24,177,440,512	58.6%	0.149065%
PORS	9,450,021,576	6,405,925,370	3,044,096,206	67.8%	0.805641%

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, 2019.

The following table provides a summary of the actuarial assumptions and methods used in the July 1, 2022 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 2023 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the 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%	6.62%	3.04%
Bonds	26.0%	0.31%	0.08%
Private Equity	9.0%	10.91%	0.98%
Private Debt	7.0%	6.16%	0.43%
Real Assets	12.0%		
Real estate	9.0%	6.41%	0.58%
Infrastructure	3.0%	6.62%	0.20%
	100.0%		
	Total expected real return		5.31%
	Inflation for actuarial purposes		2.25%
	Total expected nominal return		7.56%

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 Position Liability to Changes in the Discount Rate				
	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)	
SCRS	\$ 46,567,248	\$ 36,039,999	\$ 27,290,301	
PORS	\$ 34,595,496	\$ 24,524,482	\$ 16,275,074	

Pension Expense:

For the year ended June 30, 2024, the County recognized its proportionate share of collective pension expense of \$3,558,698 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 \$548,824 for a total of \$4,107,522 for the SCRS plan. Additionally, for the year ended June 30, 2024, the County recognized its proportionate share of collective pension expense of \$2,886,207 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 \$939,582 for a total of \$3,825,789 for the PORS plan. Total pension expense for the County, for all plans, is \$7,933,311.

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, 2024, 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	\$ 625,717	\$ 99,944
Changes of assumptions	552,185	-
Net difference between projected and actual earnings on pension plan investments	-	49,331
Changes in proportionate share and differences between employer contributions and proportionate share of total plan employer contributions	696,224	-
Employer contributions subsequent to the measurement date	3,741,017	-
Total	<u>\$ 5,615,143</u>	<u>\$ 149,275</u>
PORS	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,154,144	\$ 302,334
Changes of assumptions	533,754	-
Net difference between projected and actual earnings on pension plan investments	-	42,088
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,417,455	-
Employer contributions subsequent to the measurement date	3,537,383	-
Total	<u>\$ 6,642,736</u>	<u>\$ 344,422</u>
Total SCRS and PORS	<u>\$ 12,257,879</u>	<u>\$ 493,697</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 \$3,741,017 and \$3,537,383 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, 2025. 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
2025	\$ 1,138,559	\$ 1,496,138
2026	(504,043)	36,607
2027	1,111,474	1,253,841
2028	(21,139)	(25,655)

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 647 covered members as of June 30, 2022, the date of the most recent actuarial valuation; 83 members are retirees receiving benefits and 564 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, 2024, the County paid \$188,370 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, 2023, and was determined by an actuarial valuation as of June 30, 2022, 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, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount rate:	3.86% as of June 30, 2023
Healthcare cost trend rate:	6.00% - 4.00%, Ultimate Trend after 13 years
Inflation rate:	2.25%
Salary increase:	3.00% - 9.50% for SCRS eligible employees and 3.50% - 10.50% 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-2019 to account for future mortality improvements.

Discount Rate. The discount rate used to measure the total OPEB liability was 3.86% as of June 30, 2023. 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 3.86% as determined by the Bond Buyer 20-Bond GO Index Rate as of June 30, 2023.

Changes in the Total OPEB Liability. The changes in the total OPEB liability of the County for the year ended June 30, 2024 (June 30, 2023 measurement date), were as follows:

	Total OPEB Liability
Balances beginning of year	\$ 2,873,674
Changes for the year:	
Service cost	162,630
Interest	105,323
Difference between actual and expected experience	20,654
Assumption changes	(50,018)
Benefit payments and implicit subsidy	(201,409)
Net changes	37,180
Balances end of year	<u>\$ 2,910,854</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, 2024 (June 30, 2023 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 (2.86%) or 1-percentage-point higher (4.86%) than the current discount rate:

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate		
1% Decrease (2.86%)	Current Discount Rate (3.86%)	1% Increase (4.86%)
\$ 3,225,088	\$ 2,910,854	\$ 2,641,133

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, 2024 (June 30, 2023 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 (5.00% decreasing to 3.00%) or 1-percentage-point higher (7.00% decreasing to 5.00%) than the current healthcare cost trend rates:

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate		
1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
\$ 2,634,705	\$ 2,910,854	\$ 3,258,631

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, 2024, 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, 2024, the County recognized OPEB expense as follows:

<u>Description</u>		
Service cost (annual cost of current service)	\$	162,630
Interest on the total OPEB liability		105,323
Recognition of current year amortization - difference between expected and actual experience and assumption changes		(3,516)
Recognition of prior year amortization - difference between expected and actual experience and assumption changes		(175,298)
Total aggregate OPEB expense	\$	<u>89,139</u>

At June 30, 2024, 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	\$ 268,521	\$ 1,458,365
Changes of assumptions	478,219	540,966
Employer contributions subsequent to the measurement date	188,370	-
Total	<u>\$ 935,110</u>	<u>\$ 1,999,331</u>

County contributions subsequent to the measurement date of \$188,370 are deferred outflows of resources and will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2025. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Retiree Health Insurance Plan

Year ended June 30:

2025	\$ (178,814)
2026	(169,739)
2027	(155,515)
2028	(169,560)
2029	(196,986)
Thereafter	(381,977)

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, 2024, were as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Airport Fund	\$ 4,339,584
General Fund	Bond Projects Fund	262,161
General Fund	Nonmajor Governmental Fund	2,987,782
General Fund	Capital Projects Sales Tax 3 Fund	363,872
General Fund	Debt Service Fund	26,046
General Fund	ARPA	2,629,708
Capital Projects Sales Tax 2 Fund	General Fund	19,382,602
Nonmajor Governmental Funds	General Fund	31,305,662
		<u>\$ 61,297,417</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. These balances normally clear within one to two months and are considered payable with 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, 2024, consisted of the following individual amounts:

Transfer In Fund	Transfer Out Fund	Amount
Nonmajor Governmental Funds	General Fund	59,605
		<u>\$ 59,605</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

The County participates in a number of federal and state assisted grant programs. These programs are subject to audits by grantors or their representatives. The audits of these programs for or including the year ended June 30, 2024, have not yet been conducted. Therefore, the County's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures, which may be disallowed, cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

Construction commitments at June 30, 2024, totaled approximately \$7,133,630.

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, 2024, 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 \$2,039,026 for the year ended June 30, 2024.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 14. ACCOUNTING CHANGES

Changes to or within the Financial Reporting Entity

For the current year, the County's nonmajor Indian Land Fire Protection District Fund and nonmajor Pleasant Valley Fire District Fund were consolidated into the nonmajor Indian Land Consolidated Fire Fund and therefore, beginning fund balance of those two (2) funds has been restated as follows:

	Indian Land Fire Protection District Fund	Pleasant Valley Fire District Fund	Indian Land Consolidated Fire Fund
June 30, 2023, Fund Balance, as previously reported	\$ 321,402	\$ 779,801	\$ -
Change within County reporting entity	(321,402)	-	321,402
Change within County reporting entity	-	(779,801)	779,801
June 30, 2023, Fund Balance, as restated	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,101,203</u>

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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, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES:				
Property taxes	\$ 54,399,008	\$ 54,399,008	\$ 56,528,101	\$ 2,129,093
Sales and other local taxes	3,280,488	3,280,488	3,866,524	586,036
Licenses and permits	6,295,722	6,295,722	6,124,216	(171,506)
Intergovernmental	6,383,990	6,383,990	5,766,269	(617,721)
Charges for services	4,278,200	4,278,200	4,999,934	721,734
Fines and forfeitures	787,525	787,525	822,685	35,160
Interest revenue	500,000	500,000	5,263,000	4,763,000
Contributions and donations	7,500	7,500	186,667	179,167
Other revenues	323,605	323,605	515,872	192,267
Total revenues	76,256,038	76,256,038	84,073,268	7,817,230
EXPENDITURES:				
Current:				
General government:				
Non-departmental expenditures	2,678,162	2,678,162	2,247,972	430,190
Direct assistance to other agencies	1,787,669	1,787,669	1,717,576	70,093
County council	5,387,052	5,387,052	3,658,338	1,728,714
Administrator	1,138,080	1,138,080	883,636	254,444
Legal team	474,790	474,790	459,792	14,998
Finance	945,105	945,105	802,607	142,498
Human resources	931,070	931,070	870,141	60,929
Risk management	142,220	142,220	139,012	3,208
Management information services	4,167,536	4,167,536	3,797,308	370,228
GIS	-	-	2,215	(2,215)
Building	1,594,520	1,594,520	1,237,575	356,945
Zoning	-	-	11,355	(11,355)
Planning	2,205,692	2,205,692	1,048,241	1,157,451
Assessor	1,120,350	1,120,350	1,045,989	74,361
Auditor	436,709	436,709	428,402	8,307
Treasurer	598,135	598,135	582,089	16,046
Delinquent tax collector	511,495	511,495	489,864	21,631
Voter registration and elections	982,457	982,457	709,607	272,850
Register of deeds	470,750	470,750	386,399	84,351
Procurement	257,760	257,760	255,697	2,063
Vehicle maintenance	870,995	870,995	733,386	137,609
Building maintenance	2,102,808	2,102,808	1,996,155	106,653
Total general government	28,803,355	28,803,355	23,503,356	5,299,999
Administration of justice:				
Circuit court	88,875	88,875	59,350	29,525
Clerk of court	980,553	980,553	677,666	302,887
Family court	439,577	439,577	369,335	70,242
Probate court	663,190	663,190	642,899	20,291
Magistrate court	1,355,550	1,355,550	1,382,904	(27,354)
Total administration of justice	3,527,745	3,527,745	3,132,154	395,591
Public safety:				
Coroner	1,128,582	1,128,582	1,154,620	(26,038)
Sheriff	15,541,328	15,541,328	15,458,996	82,332
Detention center	3,977,531	3,977,531	3,783,815	193,716
Communications	3,367,655	3,367,655	2,596,123	771,532
Emergency management	501,055	501,055	412,795	88,260
Fire commission	4,711,253	4,711,253	4,772,781	(61,528)
Total public safety	29,227,404	29,227,404	28,179,130	1,048,274

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, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
EXPENDITURES: (CONTINUED)				
Current: (Continued)				
Public works:				
Roads and bridges	\$ 6,036,312	\$ 6,036,312	\$ 4,479,534	\$ 1,556,778
Landfill	57,855	57,855	17,688	40,167
Solid waste	3,950,493	3,950,493	3,731,970	218,523
Total public works	10,044,660	10,044,660	8,229,192	1,815,468
Public health and welfare:				
EMS	8,881,041	8,881,041	8,789,191	91,850
Animal control	677,685	677,685	658,520	19,165
Health services	85,040	85,040	30,368	54,672
Social services and food stamps	102,489	102,489	85,013	17,476
DSS family independence	61,800	61,800	74,030	(12,230)
Veteran affairs	282,900	282,900	279,623	3,277
Total public health and welfare	10,090,955	10,090,955	9,916,745	174,210
Culture and recreation:				
Recreation	4,345,062	4,345,062	4,196,021	149,041
Library	1,482,915	1,482,915	1,398,368	84,547
Total culture and recreation	5,827,977	5,827,977	5,594,389	233,588
Economic development:				
Economic development	546,529	546,529	453,595	92,934
Debt service:				
Principal	50,000	50,000	365,781	(315,781)
Total debt service	50,000	50,000	365,781	(315,781)
Capital Outlay	-	-	140,904	(140,904)
Total expenditures	88,118,625	88,118,625	79,515,246	8,603,379
Excess (deficiency) of revenues over (under) expenditures	(11,862,587)	(11,862,587)	4,558,022	16,420,609
OTHER FINANCING SOURCES (USES)				
Issuance of subscriptions	-	-	19,374	19,374
Transfers in	32,750	32,750	-	(32,750)
Transfers out	(207,738)	(207,738)	(59,605)	148,133
Sale of capital assets	-	-	33,971	33,971
Issuance of leases	-	-	121,530	121,530
Total other financing sources (uses), net	(174,988)	(174,988)	115,270	290,258
Net change in fund balances	(12,037,575)	(12,037,575)	4,673,292	\$ 16,710,867
Fund balances, beginning of year	71,373,636	71,373,636	71,373,636	
Fund balances, end of year	\$ 59,336,061	\$ 59,336,061	\$ 76,046,928	

LANCASTER COUNTY, SOUTH CAROLINA

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

	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability							
Service cost	\$ 162,630	\$ 252,751	\$ 229,495	\$ 178,804	\$ 162,511	\$ 176,708	\$ 168,154
Interest on total OPEB liability	105,323	101,109	119,338	120,571	136,528	128,818	109,436
Assumption changes	(50,018)	(588,672)	311,321	343,020	204,242	(31,988)	(207,209)
Difference between actual and expected experience	20,654	(1,899,030)	(8,905)	404,976	(9,702)	96,201	(22,432)
Benefit payments and implicit subsidy	(201,409)	(264,405)	(271,017)	(232,163)	(226,649)	(192,635)	(170,414)
Net change in total OPEB liability	37,180	(2,396,247)	380,232	821,208	266,930	177,094	(122,465)
Total OPEB liability - beginning	2,873,674	5,271,921	4,891,090	4,070,482	3,803,552	3,626,458	3,748,923
Total OPEB liability - ending	\$ 2,910,854	\$ 2,873,674	\$ 5,271,922	\$ 4,891,690	\$ 4,070,482	\$ 3,803,552	\$ 3,626,458
Covered-employee payroll	\$ 28,870,402	\$ 26,982,846	\$ 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	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.

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
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%
2014	0.112016%	19,285,442	8,328,188	231.6%	59.9%

South Carolina Police Officers Retirement System

Plan Year Ended June 30,	County's proportion of the net pension liability	County's proportionate share of the net pension liability	County's covered payroll	County's share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
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%
2014	0.59357%	11,363,505	6,132,698	185.3%	67.5%

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 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
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%
2015	1,005,716	1,005,716	-	6,953,011	14.46%

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
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%
2015	1,005,716	1,005,716	-	6,953,011	14.46%

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, 2021	July 1, 2021
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	26 years maximum, closed	26 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 15 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, 2024

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 17,468	\$ -	\$ 17,468
Investments	-	1,077	1,077
Taxes receivable, net	86,061	114,795	200,856
Accounts receivable, net	229,756	-	229,756
Due from other governments	770,008	-	770,008
Due from other funds	28,004,607	3,301,055	31,305,662
Total assets	<u>\$ 29,107,900</u>	<u>\$ 3,416,927</u>	<u>\$ 32,524,827</u>
LIABILITIES			
Accounts payable	\$ 173,432	\$ 3,153	\$ 176,585
Due to other funds	2,987,782	-	2,987,782
Total liabilities	<u>3,161,214</u>	<u>3,153</u>	<u>3,164,367</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	86,053	114,753	200,806
Unavailable revenue - intergovernmental	78,887	-	78,887
Total deferred inflows of resources	<u>164,940</u>	<u>114,753</u>	<u>279,693</u>
FUND BALANCES			
Restricted for:			
Victim services	139,868	-	139,868
Public safety	5,594,465	-	5,594,465
Public works	4,935,555	-	4,935,555
Culture and recreation	840,114	-	840,114
Economic development	7,720,414	-	7,720,414
Roads and bridges	1,484,681	-	1,484,681
Capital projects	-	3,152,919	3,152,919
Assigned:			
Subsequent year's budget	7,207,658	146,102	7,353,760
Unassigned	(2,141,009)	-	(2,141,009)
Total fund balances	<u>25,781,746</u>	<u>3,299,021</u>	<u>29,080,767</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 29,107,900</u>	<u>\$ 3,416,927</u>	<u>\$ 32,524,827</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, 2024

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
Property taxes	\$ 2,467,337	\$ 3,900,524	\$ 6,367,861
Other taxes	2,604,245	-	2,604,245
Intergovernmental	8,063,091	-	8,063,091
Charges for services	6,105,940	62,011	6,167,951
Fines and forfeitures	65,720	-	65,720
Interest revenue	13,561	39	13,600
Contributions and donations	92,400	-	92,400
Total revenues	<u>19,412,294</u>	<u>3,962,574</u>	<u>23,374,868</u>
Expenditures:			
Current:			
General government	1,253,169	-	1,253,169
Administration of justice	55,949	-	55,949
Public safety	10,214,558	-	10,214,558
Public works	5,650,345	-	5,650,345
Public health and welfare	251,678	-	251,678
Culture and recreation	159,031	-	159,031
Economic development	60,464	-	60,464
Capital outlay	11,056	3,706,433	3,717,489
Debt service:			
Principal	2,511,795	699,983	3,211,778
Interest	634,960	38,021	672,981
Fees	-	20,000	20,000
Total expenditures	<u>20,803,005</u>	<u>4,464,437</u>	<u>25,267,442</u>
Deficiency of revenues under expenditures	<u>(1,390,711)</u>	<u>(501,863)</u>	<u>(1,892,574)</u>
Other financing sources (uses):			
Transfers in	-	59,605	59,605
Issuance of leases	11,056	-	11,056
Issuance of bonds	-	471,833	471,833
Total other financing sources	<u>11,056</u>	<u>531,438</u>	<u>542,494</u>
Net change in fund balances	(1,379,655)	29,575	(1,350,080)
Fund balances, beginning of year	<u>27,161,401</u>	<u>3,269,446</u>	<u>30,430,847</u>
Fund balances, end of year	<u>\$ 25,781,746</u>	<u>\$ 3,299,021</u>	<u>\$ 29,080,767</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 **Indian Land Fire Protection District Fund** accounts for the revenues that are collected for use in the Indian Land Fire Special Tax Districts for fire protection. An annual fee is levied per each residential unit that is serviced by the fire department.

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 **Pleasant Valley Fire District Fund** accounts for the revenues that are collected for use in the Pleasant Valley Fire Special Tax Districts for fire protection.

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.

LANCASTER COUNTY, SOUTH CAROLINA

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS (CONTINUED)

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.

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, 2024

	Local Accommodations Tax Fund	Indian Land Fire Protection District Fund	E911 Fund	Pleasant Valley Fire District Fund	Indian Land Consolidated Fire Fund	Court Mandated Security Fund	Victim Services Fund	Transportation Fund
ASSETS								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Taxes receivable, net	-	-	-	-	-	86,061	-	-
Accounts receivable, net	14,839	-	20,838	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-	375,722
Due from other funds	825,275	-	1,427,735	-	1,091,461	2,796,427	139,898	6,034,384
Total assets	<u>\$ 840,114</u>	<u>\$ -</u>	<u>\$ 1,448,571</u>	<u>\$ -</u>	<u>\$ 1,091,461</u>	<u>\$ 2,882,488</u>	<u>\$ 139,898</u>	<u>\$ 6,410,106</u>
LIABILITIES								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 173,432
Due to other funds	-	-	-	-	513,906	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>513,906</u>	<u>-</u>	<u>-</u>	<u>173,432</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue - property taxes	-	-	-	-	-	86,053	-	-
Unavailable revenue - intergovernmental	-	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>86,053</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)								
Restricted for:								
Victim services	-	-	-	-	-	-	139,868	-
Public safety	-	-	1,426,971	-	577,555	2,788,592	-	-
Public works	-	-	-	-	-	-	-	-
Culture and recreation	840,114	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-
Roads and bridges	-	-	-	-	-	-	-	1,484,681
Assigned:								
Subsequent year's budget	-	-	21,600	-	-	7,843	-	4,751,993
Unassigned	-	-	-	-	-	-	-	-
Total fund balances (deficits)	<u>840,114</u>	<u>-</u>	<u>1,448,571</u>	<u>-</u>	<u>577,555</u>	<u>2,796,435</u>	<u>139,868</u>	<u>6,236,674</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 840,114</u>	<u>\$ -</u>	<u>\$ 1,448,571</u>	<u>\$ -</u>	<u>\$ 1,091,461</u>	<u>\$ 2,882,488</u>	<u>\$ 139,898</u>	<u>\$ 6,410,106</u>

(Continued)

Sunday Alcohol Sales Fund	Restricted Grants Fund	Economic Development Fund	Development Agreements Fund	Hospitality Tax Fund	State Accommodations Tax Fund	SCIIP Grant Fund	Stormwater Fund	County Impact Fees Fund	Van Wyck Fire Protection District Fund	Totals
\$ -	\$ 17,488	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,488
-	-	-	-	194,081	-	-	-	-	-	86,061
-	-	-	-	-	-	-	-	-	-	229,756
-	394,286	-	-	-	-	-	-	-	-	776,006
241,048	-	318,576	560,299	9,479,105	154,874	-	4,120,383	428,895	388,177	28,004,607
\$ 241,048	\$ 411,754	\$ 318,576	\$ 560,299	\$ 9,673,186	\$ 154,874	\$ -	\$ 4,120,383	\$ 428,895	\$ 388,177	\$ 29,107,900
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 173,432
-	1,532,918	-	-	-	-	940,960	-	-	-	2,987,782
-	1,532,918	-	-	-	-	940,960	-	-	-	3,161,214
-	-	-	-	-	-	-	-	-	-	86,063
-	78,887	-	-	-	-	-	-	-	-	78,887
-	78,887	-	-	-	-	-	-	-	-	164,940
-	-	-	-	-	-	-	-	-	-	139,868
241,048	-	-	560,299	-	-	-	-	-	-	5,594,495
-	-	-	-	-	-	-	4,120,383	428,895	388,177	4,935,556
-	-	-	-	-	-	-	-	-	-	840,114
-	-	318,576	-	7,321,214	80,624	-	-	-	-	7,729,414
-	-	-	-	-	-	-	-	-	-	1,484,581
-	-	-	-	2,351,972	74,250	-	-	-	-	7,207,868
-	(1,200,049)	-	-	-	-	(940,960)	-	-	-	(2,141,009)
241,048	(1,200,049)	318,576	560,299	9,673,186	154,874	(940,960)	4,120,383	428,895	388,177	25,751,746
\$ 241,048	\$ 411,754	\$ 318,576	\$ 560,299	\$ 9,673,186	\$ 154,874	\$ -	\$ 4,120,383	\$ 428,895	\$ 388,177	\$ 29,107,900

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, 2024

	Local Accommodations Tax Fund	Indian Land Fire Protection District Fund	E-911 Fund	Pleasant Valley Fire District Fund	Indian Land Consolidated Fire Fund	Court Mandated Security Fund	Victim Services Fund	Transportation Fund
Revenues:								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,394,719	\$ -	\$ -
Other taxes	155,759	-	185,810	-	-	-	-	-
Intergovernmental	-	-	1,192,203	-	-	-	-	2,534,205
Charges for services	-	-	-	-	3,997,570	-	-	-
Fines and forfeitures	-	-	-	-	9,714	-	51,224	-
Interest revenue	13,551	-	-	-	-	-	-	-
Contributions and donations	-	-	-	-	300	-	-	-
Total revenues	179,330	-	1,382,013	-	3,997,584	2,394,719	51,224	2,534,205
Expenditures:								
Current:								
General government	-	-	-	-	-	-	-	-
Administration of justice	-	-	-	-	-	-	-	-
Public safety	-	-	1,756,654	-	3,408,241	1,807,916	2,505	-
Public works	-	-	-	-	-	-	-	4,296,636
Public health and welfare	-	-	-	-	-	-	-	-
Culture and recreation	44,395	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	1,070,000	-	-	-
Interest	-	-	-	-	42,991	-	-	-
Total expenditures	44,395	-	1,756,654	-	4,521,232	1,807,916	2,505	4,296,636
Excess (deficiency) of revenues over (under) expenditures	134,934	-	(374,641)	-	(523,648)	586,803	48,719	(1,662,431)
Other financing sources:								
Issuance of leases	-	-	-	-	-	-	-	-
Total other financing sources	-	-	-	-	-	-	-	-
Net change in fund balances	134,934	-	(374,641)	-	(523,648)	586,803	48,719	(1,662,431)
Fund balances (deficits), beginning of year	705,180	321,402	1,823,212	779,801	-	2,209,632	91,149	7,899,105
Change in reporting entity (Note 14)	-	(321,402)	-	(779,801)	1,101,203	-	-	-
Fund balances (deficits), end of year	\$ 840,114	\$ -	\$ 1,448,571	\$ -	\$ 577,555	\$ 2,796,435	\$ 139,868	\$ 6,236,674

(Continued)

Sunday Alcohol Sales Fund	Restricted Grants Fund	Economic Development Fund	Development Agreements Fund	Hospitality Tax Fund	State Accommodations Tax Fund	SCBP Grant Fund	Stormwater Fund	County Impact Fees Fund	Van Wyck Fire Protection District Fund	Totals
\$ -	\$ -	\$ 72,618	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,467,337
-	-	-	-	2,248,886	-	-	-	-	-	2,604,245
-	4,227,212	-	-	-	9,471	-	-	-	-	8,063,091
-	-	-	-	-	-	-	1,715,942	242,765	159,663	6,105,940
-	-	-	-	-	-	-	4,782	-	-	65,720
-	-	-	-	-	-	-	-	-	-	13,551
-	48,600	-	43,600	-	-	-	-	-	-	92,400
-	4,275,712	72,618	43,600	2,248,666	9,471	-	1,720,724	242,765	159,663	19,412,294
-	-	-	-	-	-	-	-	-	-	-
-	55,671	-	-	256,538	-	940,950	-	-	-	1,253,189
-	55,949	-	-	-	-	-	-	-	-	55,949
-	3,154,710	-	-	-	-	-	-	-	84,526	10,214,558
-	252,792	-	-	-	-	-	1,100,917	-	-	6,650,345
-	251,678	-	-	-	-	-	-	-	-	251,678
-	53,970	-	-	-	80,665	-	-	-	-	159,031
-	60,484	-	-	-	-	-	-	-	-	60,484
-	-	-	-	-	-	-	11,056	-	-	11,056
-	-	-	-	1,390,000	-	-	61,795	-	-	2,511,795
-	-	-	-	501,969	-	-	-	-	-	834,980
-	3,885,249	-	-	2,228,507	60,685	940,950	1,173,708	-	84,526	20,803,005
-	-	-	-	-	-	-	-	-	-	-
-	390,472	72,618	43,600	20,159	(51,194)	(940,960)	546,866	242,765	75,137	(1,390,711)
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	11,056	-	-	11,056
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	11,056	-	-	11,056
-	-	-	-	-	-	-	-	-	-	-
-	390,472	72,618	43,600	20,159	(51,194)	(940,960)	558,012	242,765	75,137	(1,379,555)
241,048	(1,590,521)	245,058	516,699	9,653,027	206,068	-	3,582,371	184,230	313,040	27,161,401
-	-	-	-	-	-	-	-	-	-	-
\$ 241,048	\$ (1,200,049)	\$ 318,578	\$ 590,299	\$ 9,673,186	\$ 154,874	\$ (940,960)	\$ 4,120,383	\$ 428,995	\$ 398,177	\$ 25,781,746

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, 2024

	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	\$ -	\$ -	\$ -	\$ -	\$ 1,077	\$ -	\$ -	\$ 1,077
Taxes receivable, net	-	-	114,755	-	-	-	40	114,795
Due from other funds	539,009	162,009	2,557,569	931	126	2,096	39,315	3,301,055
Total assets	<u>\$ 539,009</u>	<u>\$ 162,009</u>	<u>\$ 2,672,324</u>	<u>\$ 931</u>	<u>\$ 1,203</u>	<u>\$ 2,096</u>	<u>\$ 39,355</u>	<u>\$ 3,416,927</u>
LIABILITIES								
Accounts payable	\$ -	\$ -	\$ -	\$ 931	\$ 126	\$ 2,096	\$ -	\$ 3,153
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>931</u>	<u>126</u>	<u>2,096</u>	<u>-</u>	<u>3,153</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue - property taxes	-	-	114,751	-	-	-	2	114,753
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>114,751</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2</u>	<u>114,753</u>
FUND BALANCES								
Restricted for:								
Capital projects	539,009	162,009	2,411,471	-	1,077	-	39,353	3,152,919
Assigned:								
Subsequent year's budget	-	-	146,102	-	-	-	-	146,102
Total fund balances	<u>539,009</u>	<u>162,009</u>	<u>2,557,573</u>	<u>-</u>	<u>1,077</u>	<u>-</u>	<u>39,353</u>	<u>3,299,021</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 539,009</u>	<u>\$ 162,009</u>	<u>\$ 2,672,324</u>	<u>\$ 931</u>	<u>\$ 1,203</u>	<u>\$ 2,096</u>	<u>\$ 39,355</u>	<u>\$ 3,416,927</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, 2024

	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	\$ 539,009	\$ -	\$ 3,250,725	\$ -	\$ -	\$ -	\$ 110,790	\$ 3,900,524
Charges for services	-	62,011	-	-	-	-	-	62,011
Interest revenue	-	-	-	-	39	-	-	39
Total revenues	539,009	62,011	3,250,725	-	39	-	110,790	3,962,574
Expenditures:								
Capital outlay:								
General government	-	-	473,690	-	-	-	-	473,690
Public safety	-	-	840,522	-	-	-	-	840,522
Public works	-	-	349,642	-	-	-	-	349,642
Public health and welfare	-	-	1,493,316	-	-	-	-	1,493,316
Culture and recreation	-	-	549,263	-	-	-	-	549,263
Debt service:								
Principal	-	49,768	-	-	-	-	650,215	699,983
Interest	-	9,836	-	-	-	-	26,185	36,021
Fees	-	-	-	-	-	-	20,000	20,000
Total expenditures	-	59,604	3,706,433	-	-	-	696,400	4,464,437
Excess (deficiency) of revenues over (under) expenditures	539,009	2,407	(455,708)	-	39	-	(587,610)	(501,863)
Other financing sources:								
Transfers in	-	59,605	-	-	-	-	-	59,605
Issuance of bonds	-	-	-	-	-	-	471,833	471,833
Total other financing sources	-	59,605	-	-	-	-	471,833	531,438
Net change in fund balances	539,009	62,012	(455,708)	-	39	-	(115,777)	29,575
FUND BALANCES, beginning of year	-	99,997	3,013,281	-	1,038	-	155,130	3,269,446
FUND BALANCES, end of year	\$ 539,009	\$ 162,009	\$ 2,557,573	\$ -	\$ 1,077	\$ -	\$ 39,353	\$ 3,299,021

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, 2024**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Other taxes	\$ 120,000	\$ 120,000	\$ 165,769	\$ 45,769
Interest revenue	-	-	13,561	13,561
Total revenues	<u>120,000</u>	<u>120,000</u>	<u>179,330</u>	<u>59,330</u>
EXPENDITURES				
Current:				
Culture and recreation	120,000	120,000	44,396	75,604
Total expenditures	<u>120,000</u>	<u>120,000</u>	<u>44,396</u>	<u>75,604</u>
Net change in fund balance	-	-	134,934	<u>\$ 134,934</u>
FUND BALANCES, beginning of year	<u>705,180</u>	<u>705,180</u>	<u>705,180</u>	
FUND BALANCES, end of year	<u>\$ 705,180</u>	<u>\$ 705,180</u>	<u>\$ 840,114</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, 2024

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Charges for services	\$ 3,980,481	\$ 3,980,481	\$ 3,987,570	\$ 7,089
Fines and forfeitures	-	-	9,714	9,714
Contributions and donations	-	-	300	300
Total revenues	<u>3,980,481</u>	<u>3,980,481</u>	<u>3,997,584</u>	<u>17,103</u>
EXPENDITURES				
Current:				
Public safety	4,416,601	4,416,601	3,408,241	1,008,360
Debt Service				
Principal	140,000	140,000	1,070,000	(930,000)
Interest	<u>32,713</u>	<u>32,713</u>	<u>42,991</u>	<u>(10,278)</u>
Total expenditures	<u>4,589,314</u>	<u>4,589,314</u>	<u>4,521,232</u>	<u>68,082</u>
Deficiency of revenues under expenditures	(608,833)	(608,833)	(523,648)	85,185
Other financing uses				
Transfers out	<u>(171,763)</u>	<u>(171,763)</u>	-	171,763
Total other financing uses	<u>(171,763)</u>	<u>(171,763)</u>	-	171,763
Net change in fund balance	(780,596)	(780,596)	(523,648)	<u>\$ 256,948</u>
FUND BALANCES, beginning of year restated	<u>1,101,203</u>	<u>1,101,203</u>	<u>1,101,203</u>	
FUND BALANCES, end of year	<u>\$ 320,607</u>	<u>\$ 320,607</u>	<u>\$ 577,555</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, 2024**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Other taxes	\$ 332,085	\$ 332,085	\$ 189,810	\$ (142,275)
Intergovernmental	885,437	885,437	1,192,203	306,766
Total revenues	<u>1,217,522</u>	<u>1,217,522</u>	<u>1,382,013</u>	<u>164,491</u>
EXPENDITURES				
Current:				
Public safety	1,623,052	1,623,052	1,756,654	(133,602)
Total expenditures	<u>1,623,052</u>	<u>1,623,052</u>	<u>1,756,654</u>	<u>(133,602)</u>
Net change in fund balance	(405,530)	(405,530)	(374,641)	<u>\$ 30,889</u>
FUND BALANCES, beginning of year	<u>1,823,212</u>	<u>1,823,212</u>	<u>1,823,212</u>	
FUND BALANCES, end of year	<u>\$ 1,417,682</u>	<u>\$ 1,417,682</u>	<u>\$ 1,448,571</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, 2024

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Property taxes	\$ 2,081,750	\$ 2,081,750	\$ 2,394,719	\$ 312,969
Total revenues	<u>2,081,750</u>	<u>2,081,750</u>	<u>2,394,719</u>	<u>312,969</u>
EXPENDITURES				
Current:				
Public safety	2,088,988	2,088,988	1,807,916	281,072
Total expenditures	<u>2,088,988</u>	<u>2,088,988</u>	<u>1,807,916</u>	<u>281,072</u>
Net change in fund balance	(7,238)	(7,238)	586,803	<u>\$ 594,041</u>
FUND BALANCES, beginning of year	<u>2,209,632</u>	<u>2,209,632</u>	<u>2,209,632</u>	
FUND BALANCES, end of year	<u>\$ 2,202,394</u>	<u>\$ 2,202,394</u>	<u>\$ 2,796,435</u>	

LANCASTER COUNTY, SOUTH CAROLINA
VICTIM SERVICES FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Fines and forfeitures	\$ 47,000	\$ 47,000	\$ 51,224	\$ 4,224
Total revenues	<u>47,000</u>	<u>47,000</u>	<u>51,224</u>	<u>4,224</u>
EXPENDITURES				
Current:				
Public safety	47,000	47,000	2,505	44,495
Total expenditures	<u>47,000</u>	<u>47,000</u>	<u>2,505</u>	<u>44,495</u>
Net change in fund balance	-	-	48,719	<u>\$ 48,719</u>
FUND BALANCES, beginning of year	<u>91,149</u>	<u>91,149</u>	<u>91,149</u>	
FUND BALANCES, end of year	<u>\$ 91,149</u>	<u>\$ 91,149</u>	<u>\$ 139,868</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, 2024**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Intergovernmental	\$ 10,200,000	\$ 10,200,000	\$ 2,634,205	\$ (7,565,795)
Total revenues	<u>10,200,000</u>	<u>10,200,000</u>	<u>2,634,205</u>	<u>(7,565,795)</u>
EXPENDITURES				
Current:				
Public works	19,379,024	19,379,024	4,296,636	15,082,388
Total expenditures	<u>19,379,024</u>	<u>19,379,024</u>	<u>4,296,636</u>	<u>15,082,388</u>
Net change in fund balance	(9,179,024)	(9,179,024)	(1,662,431)	<u>\$ 7,516,593</u>
FUND BALANCES, beginning of year	<u>7,899,105</u>	<u>7,899,105</u>	<u>7,899,105</u>	
FUND BALANCES, end of year	<u>\$ (1,279,919)</u>	<u>\$ (1,279,919)</u>	<u>\$ 6,236,674</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, 2024**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Intergovernmental	\$ 150,000	\$ 150,000	\$ 9,471	\$ (140,529)
Total revenues	<u>150,000</u>	<u>150,000</u>	<u>9,471</u>	<u>(140,529)</u>
EXPENDITURES				
Current:				
Culture and recreation	194,500	194,500	60,665	133,835
Total expenditures	<u>194,500</u>	<u>194,500</u>	<u>60,665</u>	<u>133,835</u>
Deficiency of revenues under expenditures	(44,500)	(44,500)	(51,194)	(6,694)
Other financing 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	(74,250)	(74,250)	(51,194)	<u>\$ 23,056</u>
FUND BALANCES, beginning of year	<u>206,068</u>	<u>206,068</u>	<u>206,068</u>	
FUND BALANCES, end of year	<u>\$ 131,818</u>	<u>\$ 131,818</u>	<u>\$ 154,874</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, 2024**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Charges for services	\$ 1,638,985	\$ 1,638,985	\$ 1,715,942	\$ 76,957
Fines and forfeitures	-	-	4,782	4,782
Total revenues	<u>1,638,985</u>	<u>1,638,985</u>	<u>1,720,724</u>	<u>81,739</u>
EXPENDITURES				
Current:				
Public works	2,825,512	2,825,512	1,100,917	1,724,595
Capital outlay	-	-	11,056	(11,056)
Debt service:				
Principal	-	-	61,795	(61,795)
Total expenditures	<u>2,825,512</u>	<u>2,825,512</u>	<u>1,173,768</u>	<u>1,651,744</u>
Excess (deficiency) of revenues over (under) expenditures	(1,186,527)	(1,186,527)	546,956	1,733,483
Other financing sources				
Issuance of leases	-	-	11,056	11,056
Total other financing sources	<u>-</u>	<u>-</u>	<u>11,056</u>	<u>11,056</u>
Net change in fund balance	(1,186,527)	(1,186,527)	558,012	<u>\$ 1,744,539</u>
FUND BALANCES, beginning of year	<u>3,562,371</u>	<u>3,562,371</u>	<u>3,562,371</u>	
FUND BALANCES, end of year	<u>\$ 2,375,844</u>	<u>\$ 2,375,844</u>	<u>\$ 4,120,383</u>	

LANCASTER COUNTY, SOUTH CAROLINA
HOSPITALITY TAX FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Other taxes	\$ 1,900,000	\$ 1,900,000	\$ 2,248,666	\$ 348,666
Total revenues	<u>1,900,000</u>	<u>1,900,000</u>	<u>2,248,666</u>	<u>348,666</u>
EXPENDITURES				
Current:				
General government	-	-	256,538	(256,538)
Debt service:				
Principal	-	-	1,380,000	(1,380,000)
Interest	-	-	591,969	(591,969)
Total expenditures	<u>-</u>	<u>-</u>	<u>2,228,507</u>	<u>(2,228,507)</u>
Net change in fund balance	1,900,000	1,900,000	20,159	<u>\$ (1,879,841)</u>
FUND BALANCES, beginning of year	<u>9,653,027</u>	<u>9,653,027</u>	<u>9,653,027</u>	
FUND BALANCES, end of year	<u>\$ 11,553,027</u>	<u>\$ 11,553,027</u>	<u>\$ 9,673,186</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, 2024**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Charges for services	\$ 155,520	\$ 155,520	\$ 159,663	\$ 4,143
Total revenues	<u>155,520</u>	<u>155,520</u>	<u>159,663</u>	<u>4,143</u>
EXPENDITURES				
Current:				
Public safety	87,790	87,790	84,526	3,264
Total expenditures	<u>87,790</u>	<u>87,790</u>	<u>84,526</u>	<u>3,264</u>
Net change in fund balance	67,730	67,730	75,137	<u>\$ 7,407</u>
FUND BALANCES, beginning of year	<u>313,040</u>	<u>313,040</u>	<u>313,040</u>	
FUND BALANCES, end of year	<u>\$ 380,770</u>	<u>\$ 380,770</u>	<u>\$ 388,177</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, 2024

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Property taxes	\$ 2,956,695	\$ 2,956,695	\$ 3,250,725	\$ 294,030
Total revenues	<u>2,956,695</u>	<u>2,956,695</u>	<u>3,250,725</u>	<u>294,030</u>
EXPENDITURES				
Capital outlay:				
General government	655,595	655,595	473,690	181,905
Public safety	846,601	846,601	840,522	6,079
Public works	352,298	352,298	349,642	2,656
Public health and welfare	1,493,316	1,493,316	1,493,316	-
Culture and recreation	554,160	554,160	549,263	4,897
Total expenditures	<u>3,901,970</u>	<u>3,901,970</u>	<u>3,706,433</u>	<u>195,537</u>
Net change in fund balance	(945,275)	(945,275)	(455,708)	<u>\$ 489,567</u>
FUND BALANCES, beginning of year	<u>3,013,281</u>	<u>3,013,281</u>	<u>3,013,281</u>	
FUND BALANCES, end of year	<u>\$ 2,068,006</u>	<u>\$ 2,068,006</u>	<u>\$ 2,557,573</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, 2024

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
EXPENDITURES				
Current:				
Public works	\$ 4,412,404	\$ 4,412,404	\$ 3,205,884	\$ 1,206,520
Culture and recreation	1,500,000	1,500,000	1,338,991	161,009
Total expenditures	<u>5,912,404</u>	<u>5,912,404</u>	<u>4,544,875</u>	<u>1,367,529</u>
Net change in fund balance	(5,912,404)	(5,912,404)	(4,544,875)	<u>\$ 1,367,529</u>
FUND BALANCES, beginning of year	<u>23,880,494</u>	<u>23,880,494</u>	<u>23,880,494</u>	
FUND BALANCES, end of year	<u>\$ 17,968,090</u>	<u>\$ 17,968,090</u>	<u>\$ 19,335,619</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, 2024

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Sales and other local taxes	\$ 15,000,000	\$ 15,000,000	\$ 16,556,686	\$ 1,556,686
Other revenues	1,500	1,500	1,158,256	1,156,756
Total revenues	<u>15,001,500</u>	<u>15,001,500</u>	<u>17,714,942</u>	<u>2,713,442</u>
EXPENDITURES				
Capital outlay:				
Public safety	10,420,400	10,420,400	2,803,874	7,616,526
Debt service:				
Principal	-	-	2,625,000	(2,625,000)
Interest and other charges	-	-	1,680,142	(1,680,142)
Total expenditures	<u>10,420,400</u>	<u>10,420,400</u>	<u>7,109,016</u>	<u>3,311,384</u>
Net change in fund balance	4,581,100	4,581,100	10,605,926	<u>\$ 6,024,826</u>
FUND BALANCES, beginning of year	<u>14,938,808</u>	<u>14,938,808</u>	<u>14,938,808</u>	
FUND BALANCES, end of year	<u>\$ 19,519,908</u>	<u>\$ 19,519,908</u>	<u>\$ 25,544,734</u>	

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, 2024

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Property taxes	\$ 3,810,718	\$ 3,810,718	\$ 4,380,079	\$ 569,361
Interest revenue	2,515	2,515	10,036	7,521
Total revenues	<u>3,813,233</u>	<u>3,813,233</u>	<u>4,390,115</u>	<u>576,882</u>
EXPENDITURES				
Debt service:				
Principal	3,445,000	3,445,000	3,445,000	-
Interest	1,061,750	1,061,750	1,061,082	668
Fees	5,000	5,000	7,800	(2,800)
Total expenditures	<u>4,511,750</u>	<u>4,511,750</u>	<u>4,513,882</u>	<u>(2,132)</u>
Net change in fund balance	(698,517)	(698,517)	(123,767)	<u>\$ 574,750</u>
FUND BALANCES, beginning of year	<u>1,775,025</u>	<u>1,775,025</u>	<u>1,775,025</u>	
FUND BALANCES, end of year	<u>\$ 1,076,508</u>	<u>\$ 1,076,508</u>	<u>\$ 1,651,258</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, 2024

	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	\$ 519,070	\$ 131,533	\$ 164,032	\$ 37,812	\$ 10,780	\$ -	\$ -
Investments	-	-	-	-	-	6,878,778	1,020,912
Taxes receivable	-	-	-	-	-	-	-
Receivables	-	-	-	-	-	1,399	-
Total assets	519,070	131,533	164,032	37,812	10,780	6,880,147	1,020,912
LIABILITIES							
Due to others	380,428	131,533	163,971	37,812	10,780	6,880,147	1,020,912
Uncollected taxes	-	-	-	-	-	-	-
Total liabilities	380,428	131,533	163,971	37,812	10,780	6,880,147	1,020,912
FIDUCIARY NET POSITION							
Restricted for individuals, organizations and other governments	138,642	-	61	-	-	-	-
Total fiduciary net position	\$ 138,642	\$ -	\$ 61	\$ -	\$ -	\$ -	\$ -

Edgewater Improvement District	Sun City Improvement District	Forfeited Land Commission	City of Lancaster	Town of Kershaw	Town of Chester	Chesterfield	Education Fund	Tax Collector	Total
\$ -	\$ -	\$ 1,833,902	\$ -	\$ -	\$ -	\$ -	\$ 18,971,451	\$ 1,556,985	\$ 23,225,385
631,459	828,861	-	-	-	-	-	6,120,718	-	15,480,726
-	-	-	291,689	25,872	-	-	5,436,925	-	5,754,486
-	-	-	-	-	-	-	617,346	-	618,715
631,459	828,861	1,833,902	291,689	25,872	-	-	31,146,440	1,556,985	45,079,294
631,459	828,861	-	-	-	-	-	25,709,515	-	35,795,218
-	-	-	291,689	25,872	-	-	5,436,925	-	6,754,486
631,459	828,861	-	291,689	25,872	-	-	31,146,440	-	41,548,704
-	-	1,833,902	-	-	-	-	-	1,556,985	3,529,590
\$ -	\$ -	\$ 1,833,902	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,556,985	\$ 3,529,590

LANCASTER COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,474,189	\$ 294,530
Fines and fees	317,779	557,992	897,909	-	-	-	-
Funds from state and participants	-	-	-	-	23,737	-	-
Inmate funds collected	-	-	-	572,379	-	-	-
Funds from foreclosure sales	-	-	-	-	-	-	-
Total additions	317,779	557,992	897,909	572,379	23,737	2,474,189	294,530
DEDUCTIONS							
Taxes and fees paid to other governments	312,778	557,992	897,909	-	-	2,474,189	294,530
Inmate funds disbursed	-	-	-	572,379	-	-	-
Other custodial disbursements	-	-	-	-	23,737	-	-
Total deductions	312,778	557,992	897,909	572,379	23,737	2,474,189	294,530
Change in fiduciary net position	5,001	-	-	-	-	-	-
Fiduciary net position, beginning of year	133,841	-	81	-	-	-	-
Fiduciary net position, end of year	\$ 138,842	\$ -	\$ 81	\$ -	\$ -	\$ -	\$ -

Edgewater Improvement District	Sun City Improvement District	Forfeited Land Commission	City of Lancaster	Town of Kershaw	Town of Chester	Chesterfield	Education Fund	Tax Collector	Total
\$ 376,706	\$ 1,052,619	\$ -	\$ 4,060,840	\$ 103,478	\$ 88,275	\$ 41,026	\$ 117,980,510	\$ -	\$ 126,471,953
-	-	-	-	-	-	-	-	-	1,773,880
-	-	-	-	-	-	-	-	-	23,737
-	-	1,273,301	-	-	-	-	-	2,458,633	572,379
-	-	-	-	-	-	-	-	-	3,731,934
376,706	1,052,619	1,273,301	4,060,840	103,478	88,275	41,026	117,980,510	2,458,633	132,573,883
376,706	1,052,619	66,231	4,060,840	103,478	88,275	41,026	117,980,510	2,450,146	130,757,009
-	-	-	-	-	-	-	-	-	572,379
-	-	-	-	-	-	-	-	-	23,737
376,706	1,052,619	66,231	4,060,840	103,478	88,275	41,026	117,980,510	2,450,146	131,353,125
-	-	1,207,070	-	-	-	-	-	8,487	1,220,558
-	-	626,832	-	-	-	-	-	1,548,498	2,309,032
\$ -	\$ -	\$ 1,833,902	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,556,985	\$ 3,529,590

**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, 2024

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	\$ 197,971	\$ 770,477	N/A	\$ 968,448
Court fines and assessments remitted to State Treasurer	135,242	437,675	N/A	572,917
Total Court Fines and Assessments retained	\$ 62,729	\$ 332,802	N/A	\$ 395,531
Surcharges and Assessments retained for victim services:				
Surcharges collected and retained	\$ 10,909	\$ 11,649	N/A	\$ 22,558
Assessments retained	943	27,723	N/A	28,666
Total Surcharges and Assessments retained for victim services	\$ 11,852	\$ 39,372	N/A	\$ 51,224

FOR THE DEPARTMENT OF CRIME VICTIM COMPENSATION (DCVC)

VICTIM SERVICE FUNDS COLLECTED	Municipal	County	Total
Carryforward from Previous Year – Beginning Balance	N/A	\$ 91,149	\$ 91,149
Victim Service Revenue:			
Victim Service Fines Retained by City/County Treasurer	N/A	-	-
Victim Service Assessments Retained by City/County Treasurer	N/A	28,666	28,666
Victim Service Surcharges Retained by City/County Treasurer	N/A	22,558	22,558
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	\$ 142,373	\$ 142,373

LANCASTER COUNTY, SOUTH CAROLINA
UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES (per ACT 96)
FOR THE YEAR ENDED JUNE 30, 2024

<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	2,505	2,505
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	2,505	2,505
Total Victim Service Deficit Retained by Municipal/County Treasurer (A-B)	N/A	139,868	139,868
Less: Prior Year Fund Deficit Repayment	N/A	-	-
Carryforward Funds – End of Year	N/A	\$ 139,868	\$ 139,868

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 113 - 124

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 125 - 129

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

Debt Capacity 130 - 133

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 134 - 135

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 136 - 138

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									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities										
Net investment in capital assets	\$ 28,262,587	\$ 41,708,030	\$ 49,292,814	\$ 64,061,125	\$ 57,624,123	\$ 73,911,732	\$ 90,773,584	\$ 106,455,305	\$ 107,677,789	\$ 134,161,211
Restricted	42,783,910	10,692,005	19,325,909	16,283,439	46,407,439	33,112,801	38,876,120	42,641,349	52,382,274	49,839,871
Unrestricted	(14,302,454)	6,065,091	(1,842,111)	372,744	(14,229,476)	1,401,381	(976,772)	11,952,084	31,817,904	48,896,570
Total governmental activities net position	\$ 56,734,043	\$ 58,465,215	\$ 66,776,702	\$ 79,737,308	\$ 89,702,084	\$ 108,425,914	\$ 129,672,937	\$ 181,058,748	\$ 191,777,967	\$ 232,897,552
Business-type activities										
Net investment in capital assets	\$ 5,400,419	\$ 5,898,351	\$ 5,762,870	\$ 7,051,570	\$ 6,987,971	\$ 6,510,928	\$ 7,080,290	\$ 7,143,320	\$ 6,871,289	\$ 10,406,719
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	(165,515)	(147,558)	(181,902)	(191,828)	(208,237)	(193,847)	(300,395)	(300,395)	(276,575)	(3,281,981)
Total business-type activities net position	\$ 5,234,904	\$ 5,750,793	\$ 5,580,968	\$ 6,859,742	\$ 6,779,734	\$ 6,317,081	\$ 6,780,504	\$ 6,842,925	\$ 6,594,714	\$ 7,124,739
Primary government										
Net investment in capital assets	\$ 33,713,005	\$ 47,606,381	\$ 55,055,684	\$ 61,132,695	\$ 64,512,094	\$ 80,522,660	\$ 97,863,883	\$ 113,598,625	\$ 114,449,078	\$ 144,567,930
Restricted	42,783,910	10,692,095	19,325,989	16,283,439	46,407,439	33,112,801	38,876,125	42,641,349	52,382,274	49,839,871
Unrestricted	(14,467,959)	5,947,533	(2,024,813)	181,116	(14,437,716)	1,207,834	(1,277,167)	11,661,699	31,541,329	45,804,689
Total primary government net position	\$ 62,028,947	\$ 64,246,009	\$ 72,357,870	\$ 77,597,250	\$ 96,481,818	\$ 114,842,965	\$ 135,462,841	\$ 187,801,873	\$ 198,372,681	\$ 240,012,290

LANCASTER COUNTY, SOUTH CAROLINA

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

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Primary government:										
Governmental activities:										
General government	\$ 13,056,703	\$ 15,201,832	\$ 16,993,372	\$ 17,494,730	\$ 17,459,461	\$ 20,570,980	\$ 20,581,700	\$ 27,134,070	\$ 24,408,479	\$ 20,188,254
Public safety	18,601,559	18,876,595	21,395,171	24,935,032	26,339,671	28,036,341	29,659,261	28,913,591	33,292,412	41,099,474
Public works	7,212,342	21,072,721	11,779,317	11,075,052	10,105,887	11,870,816	13,257,472	12,818,503	17,132,542	16,927,735
Other activities	22,736,802	17,617,220	15,798,155	18,305,309	16,889,293	17,563,018	20,143,558	17,479,506	22,382,980	24,380,556
Total governmental activities expenses	62,107,418	72,768,359	65,878,015	71,811,139	70,774,312	78,041,155	82,641,371	86,345,372	97,216,413	102,496,019
Business-type activities:										
Airport	404,801	433,400	408,115	570,727	576,281	855,519	885,304	731,612	792,343	918,513
Total business-type activities expenses	404,801	433,400	408,115	570,727	576,281	855,519	885,304	731,612	792,343	918,513
Total primary government expenses	62,512,217	73,201,759	66,286,130	72,381,866	71,350,593	78,896,674	83,308,675	87,077,584	98,008,756	103,414,532
Program revenues										
Primary government:										
Governmental activities:										
Charges for services										
General government	6,066,247	8,833,003	6,664,079	7,463,310	8,305,241	9,326,484	10,827,479	13,508,091	8,572,114	8,561,517
Administration of justice	1,017,178	972,856	1,004,613	1,138,355	1,002,573	893,735	868,195	919,217	956,140	592,671
Public health and welfare	2,589,580	1,675,770	3,135,621	2,216,563	2,907,460	2,752,845	4,185,335	3,955,055	2,625,345	4,193,150
Other activities	2,457,280	2,650,051	2,814,012	4,088,330	4,402,003	4,260,604	4,099,737	5,276,912	5,638,027	7,507,466
Operating grants and contributions	3,644,838	7,981,217	5,324,829	5,248,920	4,848,593	5,070,517	7,027,593	12,745,081	16,195,636	13,735,590
Capital grants and contributions	1,943,850	3,834,853	3,027,181	2,584,615	4,258,929	3,331,129	249,204	1,050,320	550,278	259,850
Total governmental activities program revenues	17,949,548	23,947,750	21,770,336	22,740,093	25,725,189	25,635,404	27,257,544	37,454,858	34,637,540	35,650,244
Business-type activities:										
Charges for services										
Airport	179,870	150,127	113,511	164,079	159,551	199,758	180,551	230,789	323,972	359,121
Capital grants and contributions	1,873,922	674,876	57,493	1,618,622	184,601	18,478	778,646	466,786	-	1,089,416
Total business-type activities program revenues	2,053,892	825,003	171,004	1,782,701	344,152	218,236	959,197	697,575	323,972	1,448,537
Total primary government program revenues	20,003,441	24,772,753	21,941,339	24,522,794	26,069,341	25,853,640	28,216,741	38,152,231	34,961,512	37,099,781

(Continued)

LANCASTER COUNTY, SOUTH CAROLINA

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

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net (expense) revenue										
Governmental activities	\$ (44,159,867)	\$ (49,820,509)	\$ (44,105,680)	\$ (49,071,048)	\$ (45,049,123)	\$ (52,405,751)	\$ (55,353,527)	\$ (48,091,316)	\$ (82,578,873)	\$ (86,845,775)
Business-type activities	1,549,091	391,803	(236,111)	1,211,974	(232,109)	(437,289)	293,893	(34,037)	(468,371)	530,024
Total primary government	(42,599,776)	(48,429,006)	(44,340,791)	(47,859,072)	(45,281,232)	(52,843,034)	(55,059,634)	(48,925,353)	(83,047,244)	(86,315,751)
General revenues and other changes in net position										
Primary government:										
Governmental activities:										
Property taxes	32,542,322	34,917,971	35,433,675	38,920,804	45,315,865	50,027,001	52,258,108	56,297,856	61,878,984	68,028,330
Other taxes	11,937,073	12,582,362	12,828,695	13,315,857	14,622,673	16,721,546	29,189,722	21,136,519	24,293,012	23,027,455
Unrestricted grants and contributions	3,080,863	2,981,803	3,117,955	3,081,886	2,954,940	3,113,058	3,119,897	3,719,212	3,914,930	3,153,178
Unrestricted investment earnings	62,046	163,832	271,927	553,374	1,272,202	1,342,606	154,065	233,670	3,439,254	9,801,009
Other	-	-	-	-	-	-	-	-	-	3,845,390
Prior period adjustment	-	-	-	(2,773,179)	-	-	-	-	-	-
Transfers	(50,000)	(84,286)	(85,288)	(87,000)	(151,901)	(74,830)	(78,930)	(109,130)	(198,088)	-
Total governmental activities general revenues and other changes in net position	47,472,304	50,581,702	52,387,109	53,031,852	64,013,899	71,129,551	75,830,650	81,277,127	93,298,092	107,955,360
Business-type activities:										
Unrestricted investment earnings	-	-	-	-	-	-	-	-	-	-
Transfers	50,000	84,286	85,288	87,000	151,901	74,830	78,930	109,130	198,088	-
Total business-type activities general revenues and other changes in net position	50,000	84,286	85,288	87,000	151,901	74,830	78,930	109,130	198,088	-
Total primary government general revenues and other changes in net position	47,522,304	50,665,988	52,452,402	53,088,652	64,165,800	71,204,211	75,709,790	81,386,257	93,496,180	107,955,360
Change in net position										
Governmental activities	3,313,437	1,761,173	8,281,488	3,960,606	18,564,776	18,723,830	20,247,023	32,385,811	30,719,219	41,109,585
Business-type activities	1,889,091	455,889	(169,825)	1,278,974	(80,206)	(362,653)	372,823	75,093	(279,253)	530,024
Total primary government change in net position	\$ 5,012,528	\$ 2,217,062	\$ 8,111,663	\$ 5,239,580	\$ 18,684,569	\$ 18,361,177	\$ 20,619,846	\$ 32,460,904	\$ 30,440,000	\$ 41,639,609

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
2015	\$ 23,617,711	\$ 2,951,321	\$ 5,773,290	\$ 8,655,243	\$ 2,183,931	\$ 997,899	\$ 44,379,395
2016	25,395,536	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	28,840,615	3,446,079	6,634,110	8,596,418	2,411,954	2,307,295	52,236,471
2019	33,948,353	3,920,027	7,447,605	9,632,957	2,487,225	2,502,491	59,938,658
2020	36,868,463	4,539,885	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	13,087,334	3,154,315	3,028,073	72,425,828
2022	40,091,055	4,931,882	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

(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									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Funds										
Nonspendable	\$ 1,035,545	\$ 1,206,002	\$ 1,044,284	\$ 1,065,628	\$ 1,053,048	\$ 1,109,493	\$ 1,003,214	\$ 2,810,251	\$ 1,111,414	\$ 1,439,044
Restricted	1,884,859	1,904,639	1,038,721	1,443,333	2,403,626	3,117,090	3,381,858	2,849,877	3,201,287	3,500,890
Assigned	1,062,673	4,822,022	4,305,491	2,905,044	8,888,557	8,203,048	6,592,272	7,438,162	12,711,980	15,638,583
Unassigned	17,542,835	19,251,333	23,275,511	27,087,195	29,249,962	31,432,427	39,617,495	48,533,919	54,280,945	55,487,741
Total General Fund	\$ 22,205,715	\$ 27,427,899	\$ 30,581,987	\$ 32,500,699	\$ 39,575,193	\$ 43,862,048	\$ 92,874,839	\$ 81,630,209	\$ 71,373,836	\$ 76,046,928
All Other Governmental Funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	41,372,751	8,697,456	17,389,279	15,329,705	44,927,922	43,000,811	95,614,267	36,791,472	51,236,008	153,207,495
Assigned	48,289	17,446,567	8,306,791	12,972,107	10,855,989	10,970,508	14,211,676	18,456,852	24,078,208	32,090,242
Unassigned, reported in:										
Special revenue funds	(187,507)	(130,854)	(436,343)	(179,847)	(106,409)	(102,353)	(305,914)	(807,838)	(1,589,521)	(2,141,008)
Capital projects funds	(569,805)	(617,760)	-	(59,899)	-	-	-	(2,038,475)	-	-
Total all other governmental funds	\$ 40,564,658	\$ 25,389,401	\$ 25,262,756	\$ 28,058,067	\$ 55,514,202	\$ 53,900,067	\$ 49,420,024	\$ 55,401,011	\$ 73,723,095	\$ 183,756,728
Total all governmental funds	\$ 62,771,413	\$ 52,817,399	\$ 55,854,713	\$ 60,578,867	\$ 95,089,395	\$ 97,662,115	\$ 100,294,867	\$ 117,031,219	\$ 145,097,332	\$ 259,803,656

LANCASTER COUNTY, SOUTH CAROLINA

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

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues:										
Taxes	\$ 43,291,415	\$ 46,703,440	\$ 48,219,079	\$ 51,370,350	\$ 59,160,122	\$ 66,555,233	\$ 71,921,002	\$ 77,032,529	\$ 85,046,045	\$ 90,303,495
Licenses and permits	5,412,448	6,248,908	10,346,792	6,802,235	6,912,435	7,531,313	9,199,116	10,071,741	6,745,141	6,124,216
Intergovernmental	7,679,421	12,871,513	6,009,515	10,413,632	9,217,432	9,521,520	11,464,493	17,004,279	22,140,609	19,487,343
Charges for services	5,180,021	5,017,906	5,723,388	8,800,198	7,177,396	7,280,484	7,296,439	8,348,185	9,179,765	11,167,885
Fines, fees, and forfeitures	1,020,330	1,024,620	1,197,351	1,139,103	1,045,260	817,399	749,252	852,830	842,165	886,405
Interest income	62,046	163,832	1,177,037	553,374	1,279,202	1,342,906	164,055	233,670	3,439,254	9,501,009
Contributions and donations	344,344	2,831,040	271,820	493,436	526,831	208,776	487,821	1,077,329	300,533	279,067
Other	247,254	247,577	202,838	205,132	264,277	658,354	638,573	1,201,565	337,469	515,872
Total revenues	63,545,339	75,105,066	73,688,028	77,734,595	85,576,045	84,069,743	101,810,933	117,520,131	129,033,581	138,547,233
Expenditures:										
General government	11,645,926	11,593,170	13,170,074	15,763,730	14,922,267	16,595,200	18,685,485	24,136,705	28,791,262	29,892,740
Administration of justice	1,987,265	2,123,474	2,087,748	2,112,889	2,168,732	2,351,778	2,415,504	2,621,704	2,830,343	3,464,358
Public safety and law enforcement	17,195,385	16,821,053	18,942,981	20,048,477	22,431,573	25,227,341	26,393,806	27,000,589	34,808,128	41,508,365
Public works	8,656,469	20,103,712	11,736,026	19,308,899	9,276,583	10,850,271	17,355,234	11,343,363	17,642,723	17,085,421
Public health and welfare	6,353,534	6,943,375	7,373,955	7,292,478	7,630,114	10,005,880	8,582,318	8,074,512	8,253,165	10,937,078
Culture and recreation	3,698,364	3,605,227	1,074,008	3,845,233	4,236,825	6,155,651	10,080,754	4,277,866	5,208,929	7,148,486
Economic development	658,155	2,244,723	3,844,142	2,616,811	1,195,172	849,374	1,602,968	1,550,048	975,558	514,050
Capital outlay	9,575,828	8,919,489	7,452,904	3,565,405	2,086,336	6,775,685	6,525,495	24,791,873	3,807,285	4,504,033
Debt service										
Principal retirement	16,482,104	9,097,775	3,548,365	5,755,391	7,419,030	9,580,883	7,253,830	9,405,593	5,457,931	9,647,358
Interest	1,695,703	1,789,488	1,647,576	1,589,485	1,394,648	1,789,676	1,765,303	1,320,740	1,271,766	3,414,205
Fees	274,560	92,071	7,500	3,500	227,562	4,656	13,305	295,596	15,959	1,000,692
Total expenditures	78,382,444	83,735,367	70,887,668	73,068,501	72,355,340	81,417,393	100,077,211	118,376,778	101,581,788	128,325,076
Excess (deficiency) of revenues over (under) expenditures	(12,845,135)	(8,625,531)	2,220,027	4,636,079	12,615,706	2,647,350	1,633,722	1,143,353	27,452,183	30,191,717
Other financing sources (uses):										
Transfer in	9,295,417	26,469,059	2,326,475	3,651,522	5,628,487	4,895,885	4,741,680	4,392,288	-	59,005
Transfer out	(5,345,417)	(26,533,345)	(2,381,751)	(3,710,522)	(5,793,390)	(4,970,515)	(4,829,610)	(4,501,418)	(188,088)	(58,605)
Issuance of debt - leases & SBIFAS	445,000	-	-	-	-	-	-	-	530,683	151,900
Issuance of debt	35,305,119	6,750,000	650,000	-	18,505,000	-	600,000	14,289,190	500,000	104,328,678
Premium on bond	-	685,146	-	-	2,116,323	-	-	1,395,381	-	-
Payment to refunded debt escrow agent	-	(8,188,375)	-	-	-	-	-	-	-	-
Sale of capital assets	89,612	500,000	232,675	104,875	24,600	-	177,960	16,581	91,325	33,971
Special item - insurance recovered	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	35,865,631	(1,327,615)	517,295	67,875	21,894,022	(74,630)	759,030	15,593,002	1,013,820	104,514,607
Net change in fund balances	\$ 23,022,496	\$ (9,654,010)	\$ 3,037,310	\$ 4,723,954	\$ 34,510,728	\$ 2,572,720	\$ 2,632,752	\$ 16,738,355	\$ 28,066,113	\$ 114,706,324
Debt Service as a Percentage of Noncapital Expenditures	25.93%	14.63%	8.58%	10.90%	13.61%	15.52%	11.53%	9.22%	7.21%	12.71%

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
2015	\$ 23,648,295	\$ 2,951,321	\$ 5,773,290	\$ 8,055,243	\$ 2,183,931	\$ 379,335	\$ 43,591,415
2016	25,289,628	3,356,927	6,165,506	9,264,782	2,288,114	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	1,526,776	51,370,390
2019	33,869,494	3,920,027	7,447,605	9,632,957	2,487,225	1,982,814	59,160,122
2020	37,363,857	4,539,865	8,618,853	11,199,016	2,813,201	2,121,641	66,656,253
2021	37,201,411	4,743,265	10,432,363	13,987,334	3,154,315	2,402,395	71,921,083
2022	40,469,209	4,931,882	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	85,726,628
2024	49,701,449	5,909,673	11,684,919	16,556,686	3,866,524	2,604,245	90,303,496

(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
2015	\$ 24,653,264	\$ 4,226,086	\$ 5,191,197	\$ 3,999,763	\$ 937,975	\$ 2,359,029	\$ 41,367,314	\$ 235,915	\$ 41,603,229
2016	26,671,707	4,363,847	5,412,448	4,243,269	930,840	2,609,891	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	49,540,696	7,190,762	56,731,460
2018	30,394,663	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	37,751,876	5,003,978	6,912,416	4,438,960	974,883	3,884,591	58,966,706	46,470	59,013,176
2021	41,435,302	5,230,588	7,531,313	4,186,195	744,088	4,240,153	63,367,639	30,828	63,398,467
2022	44,039,177	5,754,340	9,199,118	4,174,242	687,475	4,049,472	67,903,824	209,554	68,113,378
2023	50,943,029	6,468,995	8,745,141	5,318,661	769,727	5,959,765	76,205,308	622,008	76,827,316
2024	56,528,101	5,766,269	6,124,216	4,999,934	822,685	9,832,083	84,073,268	174,875	84,248,143

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
2015	\$ 11,543,882	\$ 1,982,265	\$ 14,155,303	\$ 5,277,991	\$ 6,326,950	\$ 3,857,890	\$ 207,429	\$ 43,351,690	\$ 418,249	\$ 43,767,939
2016	11,827,178	2,108,384	14,145,424	4,805,405	6,919,809	3,787,090	450,489	44,043,779	7,468,400	51,510,179
2017	12,529,121	2,063,816	15,206,095	5,612,657	6,803,061	4,062,665	429,845	46,707,860	65,285	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	14,290,332	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	3,886,590	50,000	57,923,975	1,187,837	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	2,739,365	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	26,179,130	8,229,192	9,910,745	6,188,888	365,781	79,515,246	59,605	79,574,651

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		
2015	2014	\$ 241,517,630	\$ 4,830,352,600	\$ 82,400,776	\$ 995,933,689	\$ 323,918,406	\$ 5,826,286,289	5.56 %	92.80 %
2016	2015	255,663,400	5,113,268,000	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	268,360,810	5,787,216,200	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	1,563,997,430	567,286,528	10,316,132,230	5.50	102.10
2024	2023	481,853,580	10,731,990,583	136,861,508	2,571,822,420	618,715,088	13,303,813,003	4.65	100.50

(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				Lancaster County School District			Overlapping Rates (1)					Total Direct and Overlapping Rates
		County Operating	County Debt	County Capital Improvement and Court Security	Total County	School Operating	School Debt	Total School District	University of S.C. Lancaster	Town of Heath Springs	Town of Van Wyck (3)	Town of Kershaw	City of Lancaster	
2014	2015	78.00	7.00	7.80	92.80	149.50	43.00	192.50	4.10	-	-	75.00	156.90	521.30
2015	2016	80.80	5.30	8.20	94.30	149.50	53.00	202.50	4.30	-	-	75.00	164.40	540.50
2016	2017 (2)	76.00	7.00	8.20	91.20	149.50	68.00	217.50	4.30	-	-	77.00	178.40	565.40
2017	2018	80.10	7.10	8.40	95.60	149.50	68.00	217.50	4.50	-	-	82.00	179.50	579.10
2018	2019	84.20	8.30	8.70	101.20	154.50	65.00	219.50	4.70	-	-	85.00	172.90	583.30
2019	2020	88.70	11.25	8.80	108.75	159.50	65.00	224.50	4.80	-	-	85.00	172.90	598.05
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	228.50	4.80	-	-	95.00	175.90	606.50
2022	2023	84.30	9.60	8.20	102.10	171.00	65.00	236.00	4.60	-	-	95.60	178.60	617.10
2023	2024	89.30	6.90	5.30	100.50	171.00	65.00	236.00	4.60	-	-	100.00	202.00	643.10

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 2016.

LANCASTER COUNTY, SOUTH CAROLINA

PRINCIPAL PROPERTY TAXPAYERS CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2024				2015			
	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	\$ 26,760,570	1	5.97%	\$ 9,772,157	\$ 8,013,310	1	2.47%	\$ 2,367,433
Haile Gold Mine Inc.	9,414,821	2	1.95%	3,252,819	1,919,566	4	0.59%	543,262
Red Ventures	6,505,962	3	1.35%	2,247,810				
Capital Club SC Apartments LLC	3,992,670	4	0.83%	1,379,467				
Lancaster Real Estate Group	3,806,090	5	0.79%	1,315,695				
Snow Tac+ Propco III LLC	3,489,360	6	0.72%	1,205,574				
IMT Capital V Edgewater LLC	3,218,720	7	0.67%	1,112,068				
5209 Craftsman (SC) LLC	3,060,000	8	0.64%	1,057,230				
Keer America Corporation	2,743,277	9	0.57%	947,802				
ML Avondale LLC	2,192,910	10	0.46%	757,650				
Lancaster Hospital Corp.					4,355,710	2	1.34%	1,722,054
The Gillette Company					4,215,682	3	1.30%	1,741,872
Springs Global					1,463,180	6	0.45%	409,453
Lancaster Telephone Co.					1,398,540	7	0.43%	480,171
Springland Associates					1,322,840	8	0.41%	518,659
IX WR 3023 HSBC					1,302,184	10	0.40%	376,652
Lynches River Electric					1,314,640	9	0.41%	371,699
Pulte Home Corp.					1,709,460	5	0.53%	464,790
Total assessed value of ten largest taxpayers	\$ 67,186,360		13.94%	\$ 23,048,272	\$ 27,015,112		8.34%	\$ 8,996,245
Total assessed value of all taxpayers	\$ 481,853,580		92%		\$ 323,918,406		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
2014	\$ 20,736,283	\$ 435,654	\$ 21,171,937	\$ 20,418,390	96.44%	\$ 638,296	\$ 21,054,686	99.45%
2015	22,506,743	393,321	22,900,064	22,135,439	96.66%	843,372	22,778,811	99.47%
2016	23,702,396	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	24,809,606	97.11%	579,685	25,388,291	99.38%
2018	29,214,057	1,814,050	31,028,707	30,259,717	97.52%	573,289	30,833,006	99.37%
2019	32,866,150	703,975	33,670,125	32,887,097	97.67%	487,054	33,354,151	99.06%
2020	32,823,017	1,019,568	33,842,585	33,021,251	98.15%	509,846	33,591,099	99.85%
2021	35,049,897	1,565,667	36,615,564	36,109,720	98.58%	448,015	36,557,735	99.79%
2022	39,399,753	1,765,313	41,165,066	40,517,087	98.38%	-	40,517,087	98.38%
2023	44,438,364	1,821,117	46,259,481	45,413,214	98.17%	-	45,413,214	98.17%

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
2014	\$ 2,559,126	\$ 256,987	\$ 2,816,113	\$ 2,709,070	96.20%	\$ 102,130	\$ 2,811,200	99.83%
2015	2,846,803	419,696	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%	156,298	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%	162,864	3,586,157	95.96%
2019	3,856,161	625,661	4,481,842	4,106,769	91.63%	197,930	4,304,699	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	1,047,060	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%

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

Governmental & Business-Type Activities												
Fiscal Year	General Obligation Bonds	Special Obligation Bonds	SCAGC 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	Total Outstanding Debt	Percentage of Personal Income	Per Capita
2016	\$ 31,320,178	\$ -	\$ 14,445,000	\$ 2,875,844	\$ 8,394,000	\$ -	\$ -	\$ -	\$ 3,830,280	\$ 61,545,102	3.52%	\$ 740
2016	35,736,209	-	-	2,451,843	7,504,000	-	-	-	3,627,828	58,319,675	2.67%	598
2017	34,559,432	-	-	2,038,770	7,154,382	-	-	-	2,529,225	48,711,677	2.31%	521
2018	29,372,300	-	-	1,828,483	6,782,075	-	-	-	2,156,137	40,139,055	1.77%	434
2019	42,358,607	-	-	1,602,388	6,433,648	-	-	-	3,654,075	54,088,727	1.82%	557
2020	34,123,712	-	-	629,000	6,110,057	-	-	-	2,924,721	43,778,450	1.43%	447
2021	27,917,646	-	-	570,000	5,812,293	-	-	-	2,267,214	36,567,153	0.85%	381
2022	27,828,740	6,140,000	-	520,000	4,855,716	-	280,120	-	2,020,575	42,253,429	0.78%	416
2023	23,886,875	5,075,000	-	470,000	3,945,390	-	691,297	321,247	2,453,375	37,543,184	0.63%	349
2024	18,178,725	5,740,000	-	420,000	-	92,795,000	564,788	230,783	8,833,436	127,762,733	1.94%	1,105

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)
2015	\$ 31,300,178	\$ 3,530,280	\$ 2,857,126	\$ 31,973,332	0.55%	\$ 384
2016	36,736,205	3,627,629	3,264,525	37,099,309	0.60%	432
2017	34,589,492	2,929,225	1,631,995	35,886,722	0.54%	401
2018	29,372,360	2,158,137	839,211	30,691,286	0.44%	332
2019	42,398,607	3,654,075	4,461,216	41,591,466	0.57%	436
2020	34,123,712	2,924,721	2,334,738	34,713,695	0.44%	354
2021	27,917,646	2,267,214	1,528,049	28,656,811	0.35%	298
2022	27,525,740	2,157,227	1,371,015	28,311,952	0.30%	282
2023	23,586,875	1,779,099	1,076,508	24,289,466	0.23%	226
2024	19,178,725	1,457,890	1,651,258	18,985,357	0.15%	176

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, 2024

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable to County</u>	<u>Amount Applicable to County</u>
Direct debt:			
Lancaster County	\$ 127,762,733	100%	\$ 127,762,733
Overlapping debt:			
City of Lancaster	N/A	100%	N/A
Lancaster School District	211,949,752	100%	211,949,752
Total overlapping debt	211,949,752		211,949,752
Total direct and overlapping debt	\$ 339,712,485		\$ 339,712,485

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									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt Limit	\$ 24,665,722	\$ 26,153,377	\$ 27,890,673	\$ 29,389,302	\$ 30,639,461	\$ 32,738,053	\$ 34,227,352	\$ 39,048,145	\$ 42,667,116	\$ 46,795,584
Total Net G.O. Debt Applicable to Limit	12,147,161	16,740,199	14,737,497	12,795,789	13,993,784	12,635,261	11,176,952	15,078,145	5,123,492	2,852,467
Legal Debt Margin	\$ 12,518,561	\$ 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
Total Net G.O. Debt Applicable to the to the Limit as a Percentage of Debt Limit	49.25%	64.01%	52.86%	43.54%	45.67%	38.60%	32.60%	38.61%	12.04%	6.10%

Legal Debt Margin Calculation for Fiscal Year 2024

Assessed value (1)	\$ 584,079,280
Add back: exempt Merchant Inventory (2)	955,515
Total assessed value	584,944,795
Debt limit (8% of assessed value) (3)	46,795,584
Debt applicable to limit:	
Total general obligation bonds	19,178,725
Less amount set aside for repayment of G.O. debt (4)	(1,651,258)
Less G.O. bonds not applicable to 8% debt limit (5)	(14,675,000)
Net G.O. bonds applicable to limit	2,852,467
Legal debt margin without a referendum (6)	\$ 43,943,117

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 GO 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 \$11,500,000 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

Fiscal Year	County Population (1)	Total Personal Income (in thousands) (1)	Per Capita Personal Income ^	School Enrollment (2)	County Unemployment Rate (3)
2015	83,160	\$ 1,746,609	\$ 21,003	11,760	6.6%
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%

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	2024			2015		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Lancaster County Schools	2,048	1	4.41%	1,569	2	4.66%
Red Ventures	1,052	2	2.27%	1,600	1	4.75%
Movement Mortgage	840	3	1.81%			
Wal-Mart				723	5	2.15%
Oceana Gold	725	4	1.56%			
Nutramax Laboratories	700	5	1.51%			
Continental Tire	657	6	1.42%	430	7	1.28%
Lancaster County (1)	650	7	1.40%	837	3	2.49%
MUSC (Springs Memorial Hospital)	605	8	1.30%			
Keer America	401	9	0.86%	400	9	1.19%
Founders Federal Credit Union	385	10	0.83%			
Springs Memorial Hospital				700	6	2.08%
Duracell (Gillete)				405	8	1.20%
Cardinal Health				800	4	2.38%
Total	<u>8,063</u>		<u>17.37%</u>	<u>7,464</u>		<u>22.17%</u>
Total Labor Force	<u>46,413</u>			<u>33,665</u>		

Source: Lancaster County Economic Development Corporation and SC Department of Employment and Workforce
(1) 2015 data included part-time

LANCASTER COUNTY, SOUTH CAROLINA

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

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government Administration	96.00	102.00	103.00	105.00	103.00	107.00	112.00	111.00	119.00	133.00
Administration of Justice	36.00	38.00	37.00	38.00	37.00	36.00	36.00	37.00	34.00	34.00
Culture & Recreation	62.00	71.00	69.00	69.00	69.00	64.00	62.00	62.00	40.00	43.00
Public Safety & Law Enforcement	226.00	240.00	243.00	250.00	263.00	269.00	273.00	275.00	249.00	285.00
Public Works	45.00	49.00	47.00	51.00	63.00	64.00	69.00	69.00	47.00	45.00
Public Health & Welfare	79.00	85.00	84.00	87.00	92.00	98.00	102.00	104.00	67.00	82.00
	<u>544.00</u>	<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>

Source: Lancaster County Human Resources Department

LANCASTER COUNTY, SOUTH CAROLINA

OPERATING INDICATORS BY FUNCTION LAST TEN FISCAL YEARS

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Administration of Justice										
Clerk of Court general sessions cases disposed	1,977	2,859	2,059	2,624	2,693	3,148	1,940	4,044	5,958	2,513
Clerk of Court common pleas cases disposed	2,533	1,715	1,654	1,565	1,914	2,737	1,659	2,402	1,801	2,038
Family Court cases disposed	1,034	818	994	980	853	726	778	968	955	556
Magistrate Court										
Criminal Docket total cases filed	2,300	2,551	2,671	3,224	3,921	2,427	N/A	1,957	12,246	2,077
Traffic Docket total cases filed	8,604	10,645	11,537	9,342	12,555	7,864	9,436	8,829	12,423	10,514
Civil Docket total cases filed	2,418	2,437	2,536	3,076	3,106	2,425	2,437	2,051	2,656	2,808
Culture and Recreation										
Library - Circulation	n/a	276,906	278,736	282,774	279,304	145,921	76,134	200,864	194,305	210,486
Recreation - total number of participants	n/a	217,415	223,476	224,157	11,257	11,837	3,411	9,800	9,375	10,055
General Government										
Assessor - number of parcels revised	n/a	14,102	46,875 (1)	17,626	15,369	55,530 (1)	10,600	9,820	9,540	11,229
Building - number of permits issued	n/a	2,738	2,847	2,847	3,386	4,113	4,362	4,139	3,404	3,359
Delinquent Tax - number of properties redeemed	n/a	224	270	273	269	211	208	74	-	57
Human Resources - number of applications taken	n/a	1,034	663	518	254	311	317	291	317	217
Planning - number of rezoning cases	n/a	19	27	38	32	26	32	19	13	14
Risk Management - number of inspections performed	n/a	68	60	60	60	65	60	56	58	60
Fleet Operations - number of work orders	n/a	2,919	2,228	2,846	3,250	3,249	3,167	3,104	3,464	3,420
Public Safety & Law Enforcement										
Coroner - total number of deaths	n/a	463	500	560	571	647	810	848	780	750
Communication E911 - total number of calls	n/a	122,164	152,695	104,218	181,987	148,717	181,804	175,337	175,337	170,523
Detention Center - total number incarcerated	3,261	2,997	3,351	3,486	3,355	3,376	2,640	2,080	2,192	2,197
Fire Service - total number of calls	4,543	5,948	6,368	6,496	7,215	7,620	6,911	9,708	9,295	9,221
Sheriff Department										
Calls for services	n/a	61,707	67,515	65,906	68,758	70,533	64,279	63,516	75,441	83,529
Total arrests	n/a	3,275	3,677	3,549	3,838	3,840	3,019	2,927	3,131	4,920
Litter complaints	n/a	95	117	160	395	378	-	-	n/a	n/a
Public Works										
Road maintenance - total work orders	n/a	3,946	3,645	2,089	2,996	2,647	2,760	3,280	-	2,570
Solid Waste										
Tons of refuse collected	n/a	6,156	6,811	6,080	7,760	8,514	18,157	10,765	7,397	7,604
Tons of commingled recyclables collected	n/a	771	709	536	624	457	37	-	-	-
Public Health & Welfare										
Animal Control										
Number of animals through shelter	3,992	3,433	3,367	3,069	2,659	1,868	2,148	1,988	2,419	2,732
EMS - total number of calls	14,891	14,880	15,144	17,380	17,106	17,937	19,830	19,224	18,814	19,897

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									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Public safety and law enforcement										
Number of police stations	1	1	1	1	1 (1)	1	1	1	1	1
Number of police sub-stations	3	3	3	2	2	2	2	2	2	2
Number of police vehicles	135	143	135	148	155	148	148	137	170	170
Number of fire stations	18	18	18	18	18	18	18	18	18	18
Number of fire sub-stations	3	3	3	3	2	2	2	2	2	2
Number of fire emergency vehicles	111	111	111	112	113	114	114	114	114	141
Public works										
Miles of unpaved roads maintained	215.84	215.84	215.84	215.84	215.84	215.84	215.84	215.84	215.84	215.71
Miles of paved roads maintained	168.76	168.76	200.81	223.76	234.41	302.21	302.21	302.21	302.21	303.23
Public health and welfare										
Number of EMS stations	6	8	8	8	6	8	8	8	8	8
Number of emergency vehicles*	33	32	31	31	31	30	30	36	34	32
Culture and recreation										
Number of parks	16	16	16	18	16	16	16	16	16	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, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated February 5, 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 2024-001 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.

Mauldin & Jenkins, LLC

Columbia, South Carolina
February 5, 2025

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND 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, 2024. 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, 2024.

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 have not been identified.

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

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

Mauldin & Jenkins, LLC

Columbia, South Carolina
February 5, 2025

LANCASTER COUNTY, SOUTH CAROLINA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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	15PBJA-23-GG-03754-JAGX	\$ 27,487	\$ -
Edward Byrne Memorial Assistance Grant Program	16.738	15PBJA-22-GG-02638-JAGX	23,642	-
Edward Byrne Memorial Assistance Grant Program	16.738	5G003321	249,295	-
			300,424	-
COVID-19 Coronavirus Emergency Supplemental Funding Program	16.034	1CF20085	10,367	-
			10,367	-
Victims Advocate	16.575	1V20020	68,781	-
			68,781	-
Treatment Court Discretion Grant Program	16.585	15PBJA-21-GG-04229-VTCX	125,383	-
Treatment Court Discretion Grant Program	16.585	2018-DC-BX-0048	53,542	-
			178,925	-
Project Safe Neighborhoods	16.609	15PBJA-22-GG-00828-	99,043	-
			99,043	-
Rural Violent Crime Initiative	16.039	15PBJA-23-GG-05316-	24,524	-
			24,524	-
Innovations in Community Based Crime Reduction	16.817	2019-BJ-BX-0012	420,849	-
			420,849	-
Comprehensive Opioid Abuse Site-based Program	16.838	2020-AR-BX-0036	232,968	-
			232,968	-
Total U.S. Department of Justice			1,335,881	-
U.S. Department of Homeland Security				
(Passed through the SC Emergency Management Division)				
Emergency Management Performance Grants	97.042	20EMPG01	44,774	-
			44,774	-
Total U.S. Department of Homeland Security			44,774	-
U.S. Department of Health and Human Services				
(Passed through the SC Department of Social Services)				
Child Support Enforcement	93.563	N/A	114,682	-
Child Support Enforcement	93.563	N/A	40,563	-
Child Support Enforcement	93.563	N/A	98,623	-
Child Support Enforcement	93.563	N/A	5,213	-
			259,081	-
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	1H79T1082533-02	716,941	-
			716,941	-
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	NU50CK00054	218,700	-
			218,700	-
477 Cluster				
Child Care Development Fund	93.575/93.596	N/A	256	-
			256	-
Temporary Assistance for Needy Families - TANF Block Grant	93.558	N/A	23,084	-
			23,084	-
Total 477 Cluster			23,340	-
Medicaid Cluster				
Medicaid Assistance Program	93.778	N/A	9,030	-
Total Medicaid Cluster			9,030	-
Social Services Block Grant Administration	93.667	N/A	4,436	-
Child Support Enforcement	93.563	N/A	26	-
Family Preservation (CWS Part II)	93.556	N/A	158	-
Foster Care	93.658	N/A	7,129	-
			11,749	-
Total U.S. Department of Health and Human Services			1,238,841	-

LANCASTER COUNTY, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

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	\$ 10,050	\$ -
Total SNAP Cluster			10,050	-
Total U.S. Department of Agriculture			10,050	-
<u>U.S. Department of Transportation</u>				
Airport Improvement Program	20.106	3-45-0034-026-2022	205,201	-
Airport Improvement Program	20.106	3-45-0034-028-2023	884,215	-
			1,089,416	-
(Passed through the SC Department of Public Safety)				
Highway Safety Cluster				
National Priority Safety Programs	20.616	MAHVE-2023-HS-45-23	22,116	-
National Priority Safety Programs	20.616	MAHVE-2023-HS-51-23	19,844	-
National Priority Safety Programs	20.616	MAHVE-2023-HS-33-23	94,980	-
			136,940	-
Total Highway Safety Cluster			136,940	-
Total U.S. Department of Transportation			1,226,356	-
<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	35,267	-
Community Development Block Grant	14.228	4-RP-17-003	272,203	-
			307,470	-
Total U.S. Department of Housing and Urban Development			307,470	-
<u>U.S. Institute of Museum and Library Services</u>				
Library Services and Technology Program	45.310	IID-ARPA-056	1,997	-
			1,997	-
Total U.S. Institute of Museum and Library Services			1,997	-
<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	5,637,983	-
			5,637,983	-
Total U.S. Department of the Treasury			5,637,983	-
Total Expenditures of Federal Awards			\$ 9,803,352	\$ -

LANCASTER COUNTY, SOUTH CAROLINA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2024

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 ten percent de Minimis indirect cost rate for the year ended June 30, 2024.

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, 2024

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

20.106

Name of Federal Program or Cluster

U.S. Department of Transportation –
Airport Improvement 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, 2024

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

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 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 \$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.

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, 2024.

Effect: The ultimate effect of the above condition is:

- a delayed conclusion to the 2024 fiscal year financial reporting process; and,
- 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, 2024

SECTION II

FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

2024-001 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.

SECTION IV

SCHEDULE OF PRIOR YEAR FINDINGS

2023-001 Year-end Close and General Accounting Matters

Status: Unresolved. See current year finding 2024-001.



Date: February 6, 2025

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

From: Dennis E. Marstall, 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, and we'll take the following steps as planned corrective actions.

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.

We recognize that the need for post-audit adjustments and delays in financial reporting indicate areas where improvements were necessary. In response, the County has taken proactive steps to strengthen the accounting function and address the concerns noted in the prior year audit. A new Chief Financial Officer has been hired, and staff changes have been implemented to enhance financial oversight and internal controls. Additionally, an Accounting Analyst has been hired to provide further support for reconciliations, financial reporting, and support the internal control process. The County is also actively evaluating the adequacy of our current staffing levels and identifying opportunities for further strengthening the accounting function. We recognize that grant administration and management have placed additional demands on the accounting function. This has been taken into consideration in our budget planning process, and as part of our upcoming budget request, we will be proposing measures to alleviate these challenges and ensure that the finance department is adequately resourced to meet the needs of a fast-growing County.

We are also committed to reinvesting in our staff with continuing education and training to build the capacity of the finance and accounting staff with targeted professional development focused on governmental accounting principles, internal controls, and financial reporting best practices. This includes participation in relevant certification programs, training workshops, and cross-training initiatives.

While we acknowledge that this issue was previously identified, we are continually taking steps toward resolving it and seeing improvements. We will continue to implement corrective measures to enhance financial reporting timeliness and accuracy, with a focus on achieving long-term sustainability in our internal controls.

Finally, the County is also well into the process of purchasing a new Enterprise Resource Planning (ERP) system, which will provide improved automation, streamlined workflows, and better

integration across all financial processes. This effort will also reduce the manual workload on the accounting team, particularly in areas such as accounts payable and reconciliations, allowing staff to focus more on financial analysis and reporting accuracy. By leveraging technology to enhance efficiency, the County anticipates stronger financial management and improved overall performance in maintaining timely and accurate financial records.

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.



Dennis E. Marstall
Lancaster County
County Administrator

MAULDIN & JENKINS

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Columbia, SC 29201

Lancaster County, South Carolina

Auditor's Discussion & Analysis

Financial & Compliance Audit Summary

June 30, 2024

Presented by:

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Going Further.

Lancaster County, South Carolina

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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

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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



VISION
We are a national firm, serving over 700 clients through our regional offices in 14 states. We are a firm of accountants, strategists, and business advisors.



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



MAULDIN & JENKINS

CPAs & ADVISORS

Lancaster County, South Carolina

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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

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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.

Opinion

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.

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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 2023 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.

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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 (3) 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 (2) 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 \$464,000,000 offset by liabilities (and deferred inflows of resources) of approximately \$224,000,000. This results in the County reporting net position (or equity) of approximately \$240,000,000.

A substantial element of the net position is composed of the net investment in capital assets in the approximate amount of \$145,000,000. Restricted net position amounts to approximately \$50,000,000 leaving unrestricted net position of \$46,000,000.

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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 \$42,000,000 for the fiscal year ended June 30, 2024.

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:

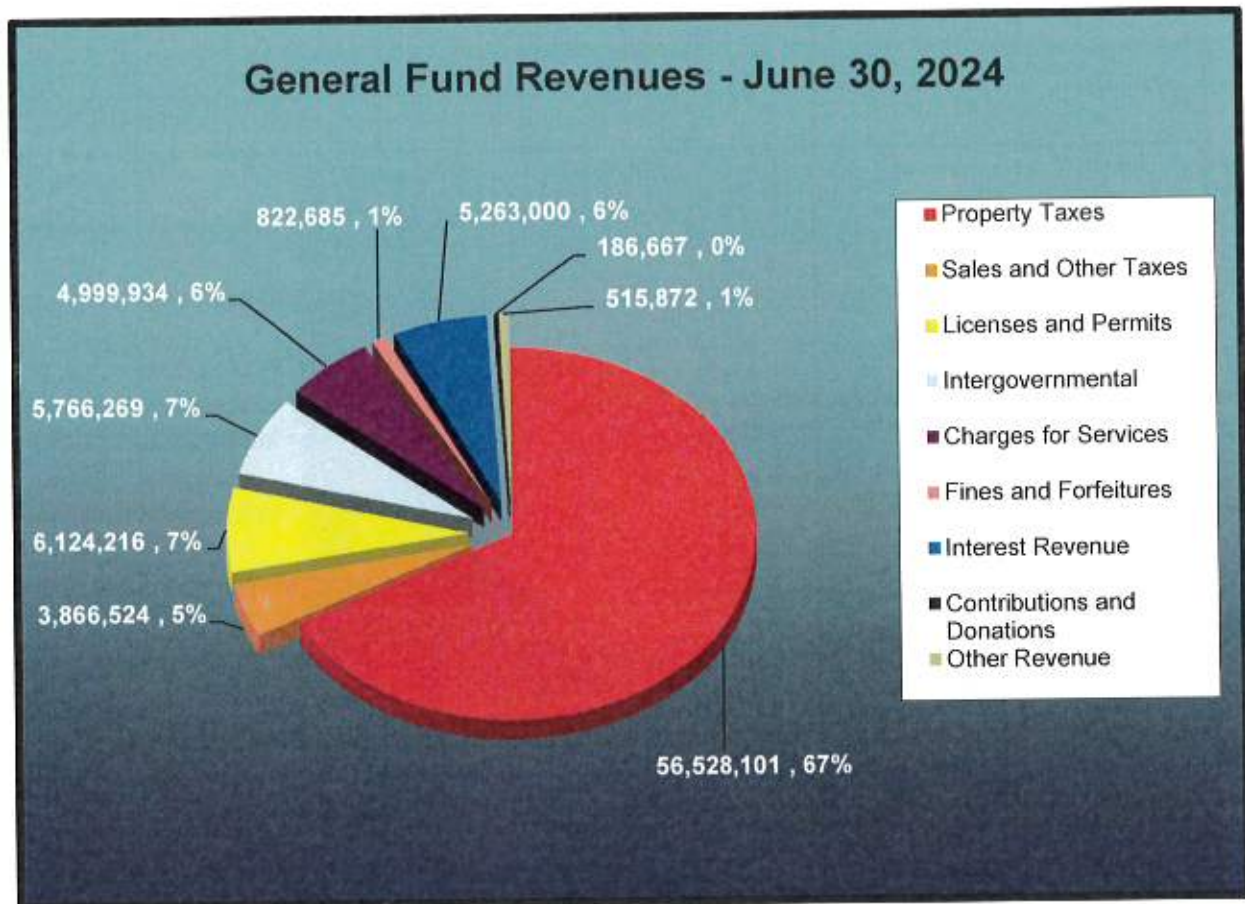
- General government
- Administration of Justice
- Public Safety
- Public Works
- Public Health and Welfare
- Culture and Recreation
- Economic Development
- Debt Service

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General Fund Revenues: The following chart depicts the primary revenue sources of the General Fund for the year ended June 30, 2024. Property taxes and other taxes represent key components of revenue.

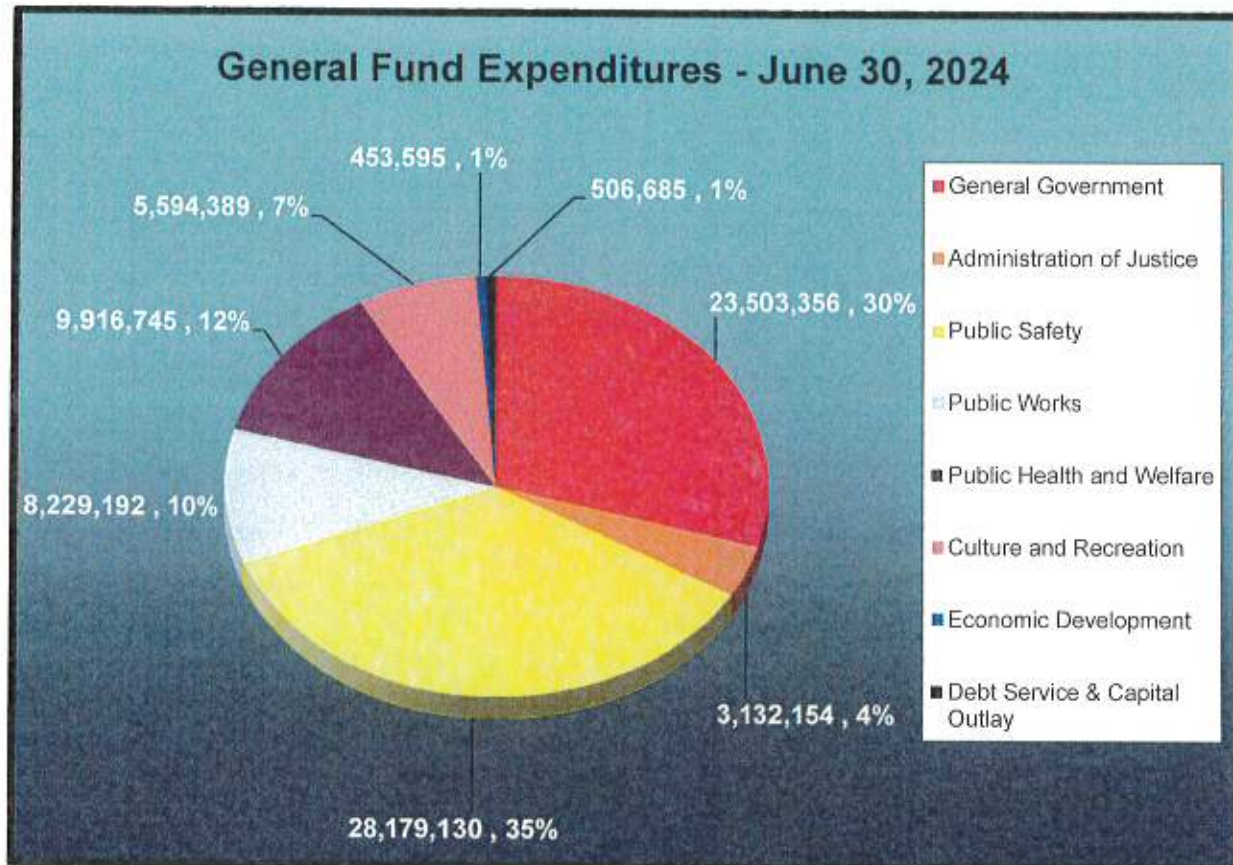


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General Fund Expenditures: The following chart presents the General Fund's expenditures by major function for the year ended June 30, 2024.



Other Governmental Funds

The County also maintains seventeen (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 (1) 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 (11) capital projects funds are maintained by the County.

Business-type Funds

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.

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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 \$12,030,000. Liabilities (and deferred inflows of resources) amounted to approximately \$4,822,000. This results in the County reporting net position (or equity) of approximately \$7,125,000. Also, a substantial element of the net position is composed of the net investment in capital assets in the approximate amount of \$10,407,000. Unrestricted net position amounts to a deficit of \$3,282,000.

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

Total operating revenues of the County amounted to approximately \$359,000 while total operating expenses amounted to \$919,000 resulting in an operating loss before capital contributions and transfers of \$559,000. The Airport fund reported capital contributions in the form of intergovernmental grants of \$1,089,000. In total net position increased by approximately \$530,000.

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 \$3,250,000. Cash received from other funds "comes to the rescue" of operating activities to provide approximately \$4,100,000 of this total net amount. Ultimately the County reported no change in its cash balance as of June 30, 2023.

Other highlights from the statement of cash flows include:

- The County purchased capital assets in the amount of approximately \$4,337,000.

Fiduciary Funds

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The County maintains seventeen (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
- Airport Improvement Program (AIP)

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.

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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, 2024. 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, 2024.
7. We performed a search for unrecorded liabilities via review of unpaid vouchers and subsequent disbursements.



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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, 2024, 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. 100. 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.

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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.

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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, 2024, 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.

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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.

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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.

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, 2024.

The ultimate effect of the above condition is:

- a delayed conclusion to the 2024 fiscal year financial reporting process; and,
- 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.

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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, 2024, 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. 100, *Accounting Changes and Error Corrections*** was issued in June 2022 and is effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. ***This standard was implemented by the County for its fiscal year ended June 30, 2024.***

The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of a

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new pronouncement in absence of specific transition provisions in the new pronouncement. This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.

This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated.

Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles.

- b) **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 **(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.

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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.

- c) **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 **(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.

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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.
- d) **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.

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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.

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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.

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:

- **Revenue and Expense Recognition** is another long-term project where the GASB is working to develop a comprehensive application model for recognition of revenues and expenses from non-exchange, exchange, and exchange-like transactions. The final standard is expected in mid-2027.
- **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. An exposure draft on this topic is expected by mid-2025.
- **Subsequent Events.** The objective of this project is to 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.

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- **Implementation Guidance Update – 2025.** The objective of this project is to update implementation guidance for additional issues that come to the attention of the staff. This project will result in the issuance of an Implementation Guide when sufficient need exists for new or improved guidance and the Board does not object to its issuance. All updates are incorporated into the Codification of Governmental Accounting and Financial Reporting Standards and the Comprehensive Implementation Guide, as appropriate.
- **Classification of Nonfinancial Assets.** The objective of this project would be to reconsider the existing classification of nonfinancial assets and other related sub-classifications (for example, capital assets or intangible assets) to ensure that (1) assets are classified in a way that provides the most relevant financial information and (2) the definitions of the classifications are understandable and appropriate to meeting financial reporting objectives. The project also will consider how any classification changes would affect financial statement presentation and disclosure of nonfinancial assets. The project will not, however, reexamine recognition or measurement of nonfinancial assets.
- **Infrastructure Assets.** This project 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.

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FREE QUARTERLY CONTINUING EDUCATION 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 (2) 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)



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- Grants (Accounting and Auditing)
- Human Capital Management
- 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

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- GASB No. 89, Accounting for Interest Cost Incurred Before the End of Construction
- GASB No. 91, Conduit Debt Obligations
- 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@micpa.com (send corresponding copy to gdavis@micpa.com), and provide individual names, mailing addresses, email addresses and phone numbers of anyone you wish to participate and be included in our database.

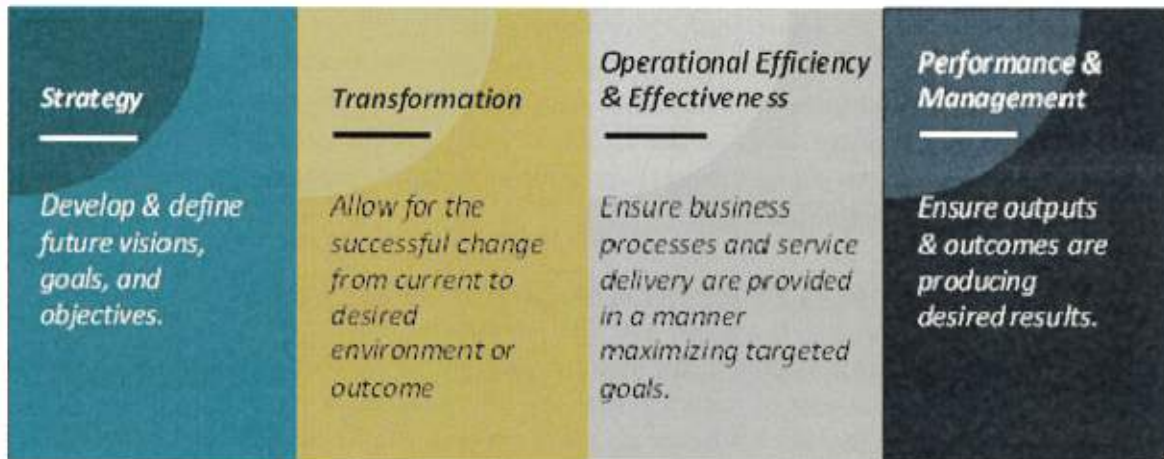
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Governmental Advisory Services

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.



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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.

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.

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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.