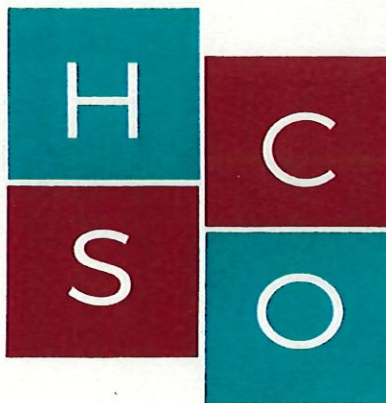


CHESTERFIELD COUNTY, SOUTH CAROLINA

BASIC FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION

JUNE 30, 2023



HALLIDAY, SCHWARTZ & CO.

CHESTERFIELD COUNTY, SOUTH CAROLINA
 BASIC FINANCIAL STATEMENTS
 AND SUPPLEMENTARY INFORMATION
 JUNE 30, 2023

TABLE OF CONTENTS

	<u>Exhibit/Schedule</u>	<u>Page</u>
Independent Auditor's Report		1-3
Management's Discussion and Analysis		4-11
Basic Financial Statements		
Government-Wide Financial Statements		
Statement of Net Position	A	12
Statement of Activities	B	13
Fund Financial Statements		
Governmental Funds		
Balance Sheet	C-1	14
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	C-2	15
Statement of Revenues, Expenditures, and Changes in Fund Balances	D-1	16
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	D-2	17
Fiduciary Funds		
Statement of Fiduciary Net Position	E	18
Statement of Changes in Fiduciary Net Position	F	19
Notes to Financial Statements		20-45
Required Supplementary Information		
Budgetary Comparison Schedule - General Fund	1	46-48
Schedule of the County's Proportionate Share of the Collective Net Pension Liability (SCRS)	2	49
Schedule of the County's Contributions (SCRS)	3	50
Schedule of the County's Proportionate Share of the Collective Net Pension Liability (PORS)	4	51
Schedule of the County's Contributions (PORS)	5	52
Schedule of Changes in the County's Total OPEB Liability	6	53
Other Supplementary Information		
Combining Balance Sheet - Nonmajor Governmental Funds	7	54
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds	8	55
Combining Balance Sheet - Fire Districts & Rescue Squads	9	56
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Fire Districts & Rescue Squads	10	57
Supplementary Information Required by the State of South Carolina		
Schedule of Revenues and Expenditures by Funding Source - Library	11	58
Summary Schedule of Court Fines, Assessments, and Surcharges	12	59
Schedule of Revenues, Expenditures and Changes in Fund Balance - E-911 Fund	13	60

INDEPENDENT AUDITOR'S REPORT

To Chesterfield County Council
Chesterfield, South Carolina

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Chesterfield County, South Carolina, as of June 30, 2023, and the respective changes in financial position, 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 (GAS)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and GAS 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 GAS, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Schedule - General Fund, Schedules of the County's Proportionate Share of the Net Pension Liability, Schedules of the County's Contributions, and Schedule of Changes in the County's Total OPEB Liability, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual nonmajor fund financial statements and the supplementary information required by the State of South Carolina are presented for purposes of additional analysis and are not a required part of the financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the supplementary information required by the State of South Carolina are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

To Chesterfield County Council
Page Three

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2023 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Halliday, Schwartz & Co.

Spartanburg, South Carolina
December 21, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

FINANCIAL HIGHLIGHTS

The following are key financial highlights for the fiscal year:

- Chesterfield County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources as of June 30, 2023 by \$8,658,073 (net position). This amount is significantly lower than fund balance primarily due to the implementation of GASB No. 68 and GASB No. 75 related to Accounting and Financial Reporting for Pension and Other Post-Employment Benefits. For additional information, please refer to footnotes 9 and 10 to the financial statements.
- Governmental activities have a negative unrestricted net position balance of \$30,284,176. This is primarily due to the implementation of GASB No. 68 and GASB No. 75 related to Accounting and Financial Reporting for Pension and Other Post-Employment Benefits. For additional information, please refer to footnotes 9 and 10 to the financial statements.
- The County's net position increased by \$5,054,893 during the fiscal year, primarily due to increases in both operating and capital grant revenues, as well as an increase in tax revenues.
- At the close of this fiscal year, the County's combined governmental funds reported ending fund balances of \$27,293,117, an increase of \$2,043,754 from the prior year. This is primarily due to increases in property tax and grant revenues received, partially offset by increases in public safety and economic development expenditures.
- At June 30, 2023, unassigned fund balance for the General Fund was \$711,736, a decrease of \$1,513,020 from the prior year. This is primarily due to revenues exceeding budget, and thus not needing to utilize monies from the reserve fund, as budgeted for.

OVERVIEW OF THE FINANCIAL STATEMENTS

The following discussion and analysis is intended to serve as an introduction to the County's basic financial statements as they are presented. 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 the County government.

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

The statement of activities presents information showing how the County's net position changed during the most recent fiscal year. All of 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 distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public safety, public works, economic development, judicial administration, culture and recreation, rescue and fire protections, legislative oversight and other.

Fund Financial Statements

The fund financial statements provide more detailed information about the County's most significant funds. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Chesterfield County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into two categories: governmental funds and fiduciary funds.

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 the governmental fund statement of revenues, expenditures, and changes in fund balances are accompanied by a reconciliation that facilitates this comparison.

The County maintains twenty individual governmental funds. The General Fund, which is considered to be a major fund, accounts for all financial resources except those required to be accounted for in another fund. The Capital Reserve Fund and the Capital Equipment Fund, both of which are capital project funds, sets aside a portion of property tax collections for future use of capital asset purchases. They are also considered to be major funds. The County's remaining funds are presented as non-major funds.

The County adopts an annual appropriated budget for its General Fund. A budgetary comparison schedule has been provided for the general fund as required supplementary information.

Fiduciary Funds - Fiduciary funds account for assets held by the County in a trustee capacity or as an agent on behalf of others. The resources of the fiduciary funds are not available to support the County's programs and are therefore excluded from the government-wide financial statements.

Notes to Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report presents a combining balance sheet and combining statement of revenues, expenditures and changes in fund balance for the non-major governmental funds, and a few other schedules required by the State of South Carolina.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, the statement of net position presents the difference between the County's assets, deferred outflows of resources, liabilities and deferred inflows of resources and over time may serve as an indicator of its financial position. In the case of Chesterfield County, assets and deferred outflows of resources were more than liabilities and deferred inflows of resources by \$8,658,073 at the close of the most recent fiscal year.

The following table presents a summary of the statement of net position as of June 30, 2023:

Table 1
Chesterfield County's Net Position

	Governmental Activities		Total Percent Change
	2023	2022	2023-2022
Current and Other Assets	\$ 34,624,696	\$ 34,552,164	0.2%
Capital Assets	21,662,738	20,515,582	5.6%
Total Assets	56,287,434	55,067,746	2.2%
Total Deferred Outflows of Resources	6,437,822	6,174,813	4.3%
Total Assets and Deferred Outflows of Resources	\$ 62,725,256	\$ 61,242,559	2.4%
Current Liabilities	\$ 9,350,389	\$ 11,060,193	-15.5%
Non-Current Liabilities	37,780,951	41,063,239	-8.0%
Total Liabilities	47,131,340	52,123,432	-9.6%
Total Deferred Inflows of Resources	6,935,843	5,515,947	25.7%
Net Position			
Net Investment in Capital Assets	12,345,483	10,177,772	21.3%
Restricted	26,596,766	23,013,320	15.6%
Unrestricted	(30,284,176)	(29,587,912)	-2.4%
Total Net Position	8,658,073	3,603,180	-140.3%
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 62,725,256	\$ 61,242,559	2.4%

Although the County's current and other assets were comparable from year-to-year, current liabilities decreased \$1,709,804, or 15.5%. This decrease was primarily due to a reduction in unearned revenue and recognition of American Rescue Plan grant revenues.

Capital assets, net of depreciation increased \$1,147,156, or 5.6%. This decrease was primarily due to current year additions being less than current year depreciation expense.

The County's long-term liabilities are comprised mainly of three components: general obligation (GO) bonds, installment purchase revenue (IPR) bonds and financed purchases. Also included in long-term liabilities are the County's proportionate share of the Net Pension Liability and the County's Total OPEB Liability. Long-term liabilities decreased \$3,282,288, or 8.0%, from prior year, primarily due to payments being made on GO / IPR bonds and a decrease to the Total OPEB liability, offset by an increase to the Net Pension Liability. More detailed information on the capital assets and long-term debt activity are provided in the notes to the financial statements.

The following table summarizes the change in net position of the County for the year ended June 30, 2023:

**Table 2
Changes in Chesterfield County's Net Position**

	Governmental Activities		Total Percent Change
	2023	2022	2023-2022
Revenues:			
Program Revenues:			
Charges for services	\$ 6,023,831	\$ 5,646,693	6.7%
Operating grants and contributions	3,429,130	2,873,683	19.3%
Capital grants and contributions	3,059,395	1,348,670	126.8%
General Revenues:			
Property taxes	14,014,870	12,460,585	12.5%
Other taxes	6,135,731	6,553,543	-6.4%
Grants	1,841,425	1,684,145	9.3%
Gain/(Loss) on sale of capital assets	111,897	221,998	-49.6%
Unrestricted investment earnings	893,765	56,604	1479.0%
Other	841,399	845,880	-0.5%
Total Revenues	36,351,443	31,691,801	14.7%
Expenses:			
General government	3,764,487	4,156,291	-9.4%
Public safety	12,237,887	10,631,713	15.1%
Public works	3,719,861	4,148,913	-10.3%
Economic development	2,888,940	930,458	210.5%
Judicial administration	1,338,927	1,297,123	3.2%
Culture and recreation	830,083	816,656	1.6%
Rescue and fire protection	2,027,318	1,882,904	7.7%
Non-departmental/other agencies	3,792,914	4,162,394	-8.9%
Legislative oversight	492,950	377,150	30.7%
Interest and other charges	203,183	204,210	-0.5%
Total Expenses	31,296,550	28,607,812	9.4%
Change in net position	5,054,893	3,083,989	-63.9%
Beginning net position	3,603,180	519,191	-594.0%
Ending net position	\$ 8,658,073	\$ 3,603,180	140.3%

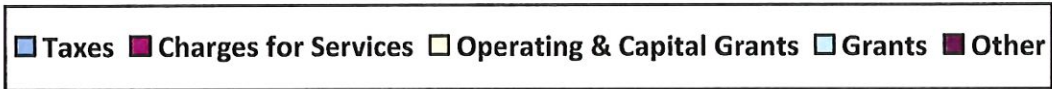
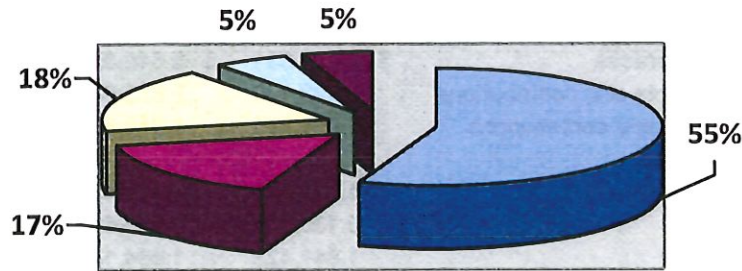
Governmental Activities

Governmental activities increased the County's net position by \$5,054,893 during the current fiscal year. This is primarily due to an increase in grant revenues for economic development and to support County operations and infrastructure.

The costs for all governmental activities were \$31,296,550 for the fiscal year. Providing activities for public safety was the largest expense (\$12,237,887) to the County. The total cost to the County for providing general government administration was (\$3,764,487), which includes various administrative functions such as county administrator, assessor, auditor, and treasurer.

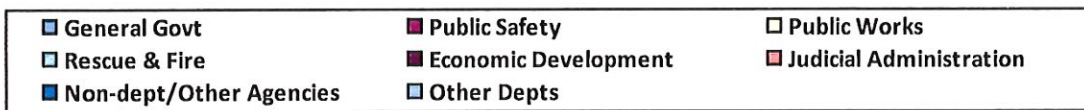
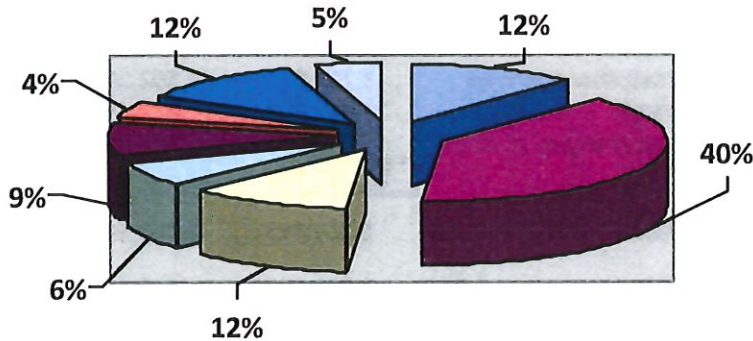
Total revenues increased by \$4,659,642, or 14.7%, from the prior year, primarily due to increases in capital grant (\$1,710,725 increase), property taxes (\$1,554,285 increase), and unrestricted investment earnings (\$837,161 increase) revenues.

Revenues by Source: Governmental Activities



Total expenses increased by \$2,688,738, or 9.4%, primarily due to increased public safety and economic development spending.

Expenses by Category: Governmental Activities



FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

Governmental Funds

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of its fiscal year.

The General Fund is the major governmental fund of the County. At the end of the fiscal year, Chesterfield County reported an unassigned fund balance of \$711,736 in the General Fund. Total fund balance for all the governmental funds was \$27,293,117. As a measure of the General Fund's liquidity, the total unassigned fund balance represents 2.3% of total general fund expenditures.

The County has fourteen special revenue funds. Eleven special revenue funds account for fire protection and rescue squad services provided to various sections of the County. The other funds account for revenues provided from various funding sources for emergency preparedness, E-911, and the sheriff's department drug law enforcement activities.

During the year, the County also operated four capital project funds. Two of these funds, the Capital Reserve Fund and the Capital Equipment Fund, were determined to be major funds.

The County also maintains a Debt Service Fund that accounts for the property taxes levied and collected to pay principal and interest on the outstanding general obligation bonds.

GENERAL FUND BUDGETARY HIGHLIGHTS

A budgetary comparison schedule for the General Fund is provided in the Required Supplementary Information. The schedule shows the original adopted budget, the final budget, the actual results on GAAP basis, and the variance between budget and actual. After the original budget is approved, it may be revised for a variety of reasons such as unforeseen circumstances, new bond or loan proceeds, new grant awards, or other unanticipated revenues. The General Fund budget was only revised during the current fiscal year to account for additional grants.

Actual revenues exceeded budgeted revenues by \$5,794,576, primarily due to recognized ARP grant and local option sales tax revenues, as well as significantly increased investment earnings. Actual expenditures exceeded budgeted expenditures by \$4,650,181, due to increased public safety, economic development, and grant expenditures.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

Chesterfield County's investment in capital assets for its governmental activities as of June 30, 2023, totaled \$21,662,738, net of accumulated depreciation. This investment in capital assets includes land, buildings and building improvements, and vehicles, furniture and equipment.

Majority of capital asset expenditures during the current fiscal year were related to placing in service the purchase of various vehicles, machinery and equipment.

Net capital assets at June 30, 2023 and 2022 included:

	Governmental Activities		Total Percent
	2023	2022	Change 2023-2022
Land	\$ 1,552,006	\$ 1,552,006	0.0%
Construction in Progress	239,718	-	100.0%
Buildings and Improvements	16,027,657	16,243,543	-1.3%
Vehicles/Machinery/Equipment	3,843,357	2,720,033	41.3%
	<u>\$ 21,662,738</u>	<u>\$ 20,515,582</u>	<u>5.6%</u>

Additional information on the County's capital assets can be found in Note 4.

Long-Term Debt

The legal limit on the amount of general obligation bond indebtedness that a County can incur is 8% of their assessed value. At the end of the current fiscal year, the County had total long-term debt outstanding of \$9,317,254. General obligation bonds constitute 31.8% of long-term debt and are backed by the full faith and credit of the County. The County also has an installment purchase revenue bond (47.5%) and seven financed purchases (20.7%).

	Governmental Activities		Total Percent
	2023	2022	Change 2023-2022
General obligation bonds	\$ 2,964,000	\$ 3,559,941	-16.7%
Installment purchase revenue bonds	4,423,000	4,935,000	-10.4%
Financed purchases	1,930,254	1,894,572	1.9%
	<u>\$ 9,317,254</u>	<u>\$ 10,389,513</u>	<u>-10.3%</u>

During fiscal year 2016, the County entered into an Installment Purchase and Use Agreement with the SCAGO Public Facilities Corporation for Chesterfield County (the Corporation). This 501(c)3 is a blended component unit of the County due to the specific charitable purpose of the Corporation to serve as a "support organization" for the capital projects of the County. Because of this, the installment purchase revenue bonds issued by the Corporation is blended with that of the County.

The County's long-term debt from bonds and financed purchases decreased \$1,072,259 from the prior fiscal year. During fiscal year 2023, the County made payments on current long-term debt and entered into one new financed purchase agreement during the year. No new long-term bonds were issued during the fiscal year.

Other long-term obligations of the County include accrued compensated absences of \$533,341 and landfill closure and post closure costs of \$1,180,500.

Additional information on the County's long-term debt can be found in Note 6.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Local, national and international economic factors influence the County's revenues. Positive economic growth is correlated with increased revenues from property taxes, sales taxes, charges for services, as well as state and federal grants. Economic growth in the local economy may be measured by a variety of indicators such as employment growth, unemployment, new construction, and assessed valuation.

- As of October 2023, the unemployment rate for Chesterfield County was 3.2%, which is a decrease of 0.4% from last October. Statewide unemployment was at 2.9%, while the nationwide average was 3.9%.
- In 2006, the South Carolina General Assembly enacted property tax reform legislation. The legislation imposed limitations on the millage rate increase and on increased in assessed valuations due to reassessment at 15%. For the tax year 2023, the County implemented an increase to operations millage (123.34 mills) from the previous year (118.04 mills). Debt service millage, however, remained unchanged (7.50 mills).

County Council adopted a budget for fiscal year 2024, where budgeted expenditures are projected to be \$25,712,489, an increase of approximately \$2,127,543, or 9.0%, over the fiscal year 2023 budgeted expenditures, as to approximately reflect fiscal year 2023 actual expenditures. The County has added no major new programs or initiatives to the fiscal year 2024 budget.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Chesterfield County, South Carolina'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 the County Administrator, Chesterfield County, 178 Mill Street, Chesterfield, SC 29709.

CHESTERFIELD COUNTY, SOUTH CAROLINA
STATEMENT OF NET POSITION
JUNE 30, 2023

	<u>Governmental Activities</u>
Assets	
Cash and cash equivalents	\$ 16,326,649
Investments	16,625,918
Taxes receivable - net	677,326
Other receivables	283,756
Due from other governments	711,047
Capital assets - net of accumulated depreciation	<u>21,662,738</u>
	<u>56,287,434</u>
Deferred Outflows of Resources	
Deferred loss on refunding	94,666
Deferred amounts related to pensions	3,689,842
Deferred amounts related to OPEB	<u>2,653,314</u>
	<u>6,437,822</u>
Liabilities	
Accounts payable and accrued expenses	1,209,999
Unearned revenue	6,035,873
Accrued interest payable	76,482
Non-current liabilities:	
Due within one year:	
General obligation bonds	577,000
Installment purchase revenue bonds	521,000
Financed purchases	855,035
Landfill post-closure costs	75,000
Due in more than one year:	
General obligation bonds	2,387,000
Installment purchase revenue bonds	3,902,000
Financed purchases	1,075,219
Compensated absences	533,341
Landfill post-closure costs	1,105,500
Net pension liability	18,373,408
Total OPEB liability	<u>10,404,483</u>
	<u>47,131,340</u>
Deferred Inflows of Resources	
Deferred amounts related to pensions	689,480
Deferred amounts related to OPEB	<u>6,246,363</u>
	<u>6,935,843</u>
Net Position	
Net investment in capital assets	12,345,483
Restricted for:	
Public safety	858,376
Public works	574,576
Economic development	1,185,406
Capital projects	23,419,480
Debt service	558,928
Unrestricted	<u>(30,284,176)</u>
	<u>\$ 8,658,073</u>

The accompanying notes are an integral part of these statements.

CHESTERFIELD COUNTY, SOUTH CAROLINA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Functions/Programs	Program Revenue				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government					
Governmental activities					
General government	\$ 3,764,487	\$ 343,886	\$ 462,753	\$ 1,721,420	\$ (1,236,428)
Public safety	12,237,887	1,637,777	1,404,505	-	(9,195,605)
Public works	3,719,861	2,650,588	465,982	329,607	(273,684)
Economic development	2,888,940	-	651,658	241,708	(1,995,574)
Judicial administration	1,338,927	501,150	213,970	-	(623,807)
Culture and recreation	830,083	77,814	230,262	197,093	(324,914)
Rescue and fire protection	2,027,318	812,616	-	51,200	(1,163,502)
Non-departmental/other agencies	3,792,914	-	-	-	(3,792,914)
Legislative oversight	492,950	-	-	-	(492,950)
Interest and other charges	203,183	-	-	518,367	315,184
	<u>\$ 31,296,550</u>	<u>\$ 6,023,831</u>	<u>\$ 3,429,130</u>	<u>\$ 3,059,395</u>	<u>(18,784,194)</u>

General revenues:

Taxes:

Property taxes, levied for general purposes	\$ 11,684,748
Property taxes, levied for rural fire service	1,250,921
Property taxes, levied for debt service	1,079,201
Fees in lieu of taxes	2,329,419
Local option sales tax	3,806,312
Grants and contributions not restricted to specific program	1,841,425
Unrestricted investment earnings	893,765
Gain (Loss) on sale of capital assets	111,897
Miscellaneous	841,399
Total general revenues	<u>23,839,087</u>

Change in Net Position	5,054,893
Net Position - Beginning of Year	<u>3,603,180</u>
Net Position - End of Year	<u>\$ 8,658,073</u>

The accompanying notes are an integral part of these statements.

CHESTERFIELD COUNTY, SOUTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	General Fund	Capital Reserve Fund	Capital Equipment Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets and Deferred Outflows of Resources					
Assets:					
Cash and cash equivalents	\$ 15,336,975	\$ -	\$ -	\$ 989,674	\$ 16,326,649
Investments	16,625,918	-	-	-	16,625,918
Taxes receivable - net	410,139	151,664	45,826	69,697	677,326
Due from other funds	134,665	22,325,161	925,608	1,407,048	24,792,482
Due from other governments	711,047	-	-	-	711,047
Other receivables	274,855	-	-	8,901	283,756
	<u>\$ 33,493,599</u>	<u>\$ 22,476,825</u>	<u>\$ 971,434</u>	<u>\$ 2,475,320</u>	<u>\$ 59,417,178</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities:					
Accounts payable and accrued expenses	\$ 679,690	\$ -	\$ 1,405	\$ 43,304	\$ 724,399
Accrued payroll	485,600	-	-	-	485,600
Due to other funds	24,657,817	-	-	134,665	24,792,482
Unearned revenue	6,035,873	-	-	-	6,035,873
	<u>31,858,980</u>	<u>-</u>	<u>1,405</u>	<u>177,969</u>	<u>32,038,354</u>
Deferred Inflows of Resources:					
Unearned revenue	29,306	26,038	7,659	22,704	85,707
	<u>29,306</u>	<u>26,038</u>	<u>7,659</u>	<u>22,704</u>	<u>85,707</u>
Fund Balances:					
Restricted					
Public safety	22,672	-	-	835,704	858,376
Public works	574,576	-	-	-	574,576
Economic development	227,078	-	-	958,328	1,185,406
Capital projects	-	22,450,787	962,370	6,323	23,419,480
Debt service	-	-	-	558,928	558,928
Assigned					
Public safety	14,583	-	-	-	14,583
Culture and recreation	54,668	-	-	-	54,668
Unassigned	711,736	-	-	(84,636)	627,100
	<u>1,605,313</u>	<u>22,450,787</u>	<u>962,370</u>	<u>2,274,647</u>	<u>27,293,117</u>
	<u>\$ 33,493,599</u>	<u>\$ 22,476,825</u>	<u>\$ 971,434</u>	<u>\$ 2,475,320</u>	<u>\$ 59,417,178</u>

The accompanying notes are an integral part of these statements.

**CHESTERFIELD COUNTY, SOUTH CAROLINA
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2023**

Fund Balance - Total Governmental Funds \$ 27,293,117

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. 21,662,738

Uncollected delinquent tax revenue is not available in the current period and, therefore, are deferred in the funds. 85,707

Deferred outflows and inflows of resources are not available to use in the current period and, therefore, are not reported in the funds:

Deferred loss on refunding	94,666
Pension related deferred outflows	3,689,842
OPEB related deferred outflows	2,653,314
Pension related deferred inflows	(689,480)
OPEB related deferred inflows	(6,246,363)

Non-current liabilities, including bonds payable, are not due and payable in the current period and, therefore, not reported in the funds:

Accrued interest payable	(76,482)
General obligation bonds	(2,964,000)
Installment purchase revenue bonds	(4,423,000)
Financed purchases	(1,930,254)
Compensated absences	(533,341)
Landfill post-closure costs	(1,180,500)
Net pension liability	(18,373,408)
Total OPEB liability	<u>(10,404,483)</u>

Net Position of Governmental Activities in the Statement of Net Position \$ 8,658,073

The accompanying notes are an integral part of these statements.

CHESTERFIELD COUNTY, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	General Fund	Capital Reserve Fund	Capital Equipment Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Property taxes	\$ 9,724,140	\$ 3,526,868	\$ 1,068,172	\$ 2,237,891	\$ 16,557,071
Local option sales tax	3,806,312	-	-	-	3,806,312
Fees and fines	351,193	-	-	2,340	353,533
Licenses and permits	2,239,809	-	-	-	2,239,809
Intergovernmental	3,807,576	-	-	225,000	4,032,576
Charges for services	2,099,934	-	-	443,478	2,543,412
Investment earnings	880,353	-	-	13,414	893,767
Miscellaneous	769,551	-	-	152,749	922,300
Fire department dues	812,616	-	-	-	812,616
Grants	3,898,087	-	-	-	3,898,087
Contributions	16,621	-	-	67,488	84,109
	<u>28,406,192</u>	<u>3,526,868</u>	<u>1,068,172</u>	<u>3,142,360</u>	<u>36,143,592</u>
Expenditures					
Current:					
General government	4,252,204	-	-	216,729	4,468,933
Public safety	11,360,101	-	718,732	690,164	12,768,997
Public works	2,746,471	-	937,551	-	3,684,022
Economic development	2,949,759	-	-	-	2,949,759
Judicial administration	1,313,581	-	-	-	1,313,581
Culture and recreation	822,289	-	-	-	822,289
Rescue and fire protection	915,191	-	-	1,103,847	2,019,038
Grant programs	4,837,975	-	-	-	4,837,975
Legislative oversight	441,246	-	-	51,704	492,950
Debt Service:					
Principal	23,392	-	770,926	1,107,941	1,902,259
Interest and other charges	1,131	-	52,392	137,681	191,204
	<u>29,663,340</u>	<u>-</u>	<u>2,479,601</u>	<u>3,308,066</u>	<u>35,451,007</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,257,148)</u>	<u>3,526,868</u>	<u>(1,411,429)</u>	<u>(165,706)</u>	<u>692,585</u>
Other Financing Sources (Uses)					
Proceeds from capital leases	-	-	1,348,367	-	1,348,367
Proceeds from sale of capital assets	2,802	-	-	-	2,802
Transfers in	74,776	-	-	45,000	119,776
Transfers out	(45,000)	-	-	(74,776)	(119,776)
	<u>32,578</u>	<u>-</u>	<u>1,348,367</u>	<u>(29,776)</u>	<u>1,351,169</u>
Net Change in Fund Balances	(1,224,570)	3,526,868	(63,062)	(195,482)	2,043,754
Fund Balances - Beginning of Year	2,829,883	18,923,919	1,025,432	2,470,129	25,249,363
Fund Balances - End of Year	<u>\$ 1,605,313</u>	<u>\$ 22,450,787</u>	<u>\$ 962,370</u>	<u>\$ 2,274,647</u>	<u>\$ 27,293,117</u>

The accompanying notes are an integral part of these statements.

CHESTERFIELD COUNTY, SOUTH CAROLINA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Net Change in Fund Balances - Total Governmental Funds:	\$ 2,043,754
Amounts reported for governmental activities in the Statement of Activities are different because of the following:	
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay of \$3,052,532 exceeded depreciation expense of \$1,888,070.	1,164,462
Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the difference between the proceeds received from the sale of assets and the gain or loss on the sale.	(17,306)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. However, neither transaction has any effect on net position. The issuance of long-term debt increases non-current liabilities on the Statement of Net Position and the repayment of principal on long-term debt reduces non-current liabilities on the Statement of Net Position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized over the term of the long-term debt in the Statement of Activities.	
Principal payments on long-term debt	1,902,259
Amortization of deferred loss on advanced refunding	(14,119)
Proceeds from debt issuances are an other financing source in the governmental funds, but a debt issuance increases non-current liabilities in the Statement of Net Position.	(830,000)
In the Statement of Activities, interest is accrued on outstanding debt, whereas in the governmental funds, interest is recognized as an expenditure when due.	2,140
The cost of pension benefits earned net of employee contributions is reported in the Statement of Activities as an element of pension expense. The fund financial statements report pension contributions as expenditures.	422,791
The cost of OPEB benefits earned net of employee contributions is reported in the Statement of Activities as an element of OPEB expense. The fund financial statements report OPEB contributions as expenditures.	664,037
Some items reported in the Statement of Activities do not provide or use current financial resources, and therefore, are not reported as revenues or expenditures in the governmental funds:	
Property taxes	(212,783)
Landfill post-closure costs	26,600
Compensated absences	(96,942)
Change in Net Position of Governmental Activities	<u>\$ 5,054,893</u>

The accompanying notes are an integral part of these statements.

CHESTERFIELD COUNTY, SOUTH CAROLINA
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2023

	Custodial Funds			
	Clerk of Court	Magistrates	Treasurer's Office	Total
Assets				
Cash and cash equivalents	\$ 262,392	\$ 92,725	\$ 21,154,969	\$ 21,510,086
Investments	-	-	11,720,522	11,720,522
	262,392	92,725	32,875,491	33,230,608
Deferred Inflows of Resources				
Unearned revenue - sales tax	-	-	666	666
	-	-	666	666
Net Position				
Restricted for:				
Other governments	-	-	30,515,667	30,515,667
Other claimants	262,392	92,725	2,359,158	2,714,275
	\$ 262,392	\$ 92,725	\$ 32,874,825	\$ 33,229,942

The accompanying notes are an integral part of these statements.

CHESTERFIELD COUNTY, SOUTH CAROLINA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Custodial Funds</u>			
	<u>Clerk of Court</u>	<u>Magistrates</u>	<u>Treasurer's Office</u>	<u>Total</u>
Additions				
Collections of taxes	\$ -	\$ -	\$ 62,918,864	\$ 62,918,864
Collections on behalf of school district	-	-	64,532,047	64,532,047
Collections of fines and fees	344,988	228,414	-	573,402
Collections of assessments	1,845	213,156	-	215,001
Collections of surcharges	24,254	83,526	-	107,780
	<u>371,087</u>	<u>525,096</u>	<u>127,450,911</u>	<u>128,347,094</u>
Deductions				
Payments to other governments	-	-	116,570,557	116,570,557
Payments to taxpayers	-	-	5,557,364	5,557,364
Payments to State Treasurer	195,746	261,112	-	456,858
Payments to other claimants	185,722	250,205	1,463,138	1,899,065
	<u>381,468</u>	<u>511,317</u>	<u>123,591,059</u>	<u>124,483,844</u>
Net change in fiduciary net position	(10,381)	13,779	3,859,852	3,863,250
Net Position - Beginning	272,773	78,946	29,014,973	29,366,692
Net Position - Ending	\$ 262,392	\$ 92,725	\$ 32,874,825	\$ 33,229,942

The accompanying notes are an integral part of these statements.

CHESTERFIELD COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

Chesterfield County, South Carolina (the County), is a political subdivision of the State of South Carolina. The County operates under the "Council-Administrator" form of government and is governed by an elected nine-member council. The council employs an administrator who is responsible for the day-to-day management of the County's operations.

The County has one blended component unit, the Chesterfield County Public Facilities Corporation (PFC), which is a not-for-profit 501(c)(3) organization incorporated for the specific charitable purpose of serving as a "support organization" for the capital projects of the County. The Corporation's board members are selected as follows: three shall be elected from among members of Chesterfield County Council, and three are appointed by Chesterfield County Council. Since the Corporation exclusively benefits the County, the Corporation's financial information is blended with that of the County in these basic financial statements. Separate financial statement information for the Corporation is included in individual columns throughout the financial statements. The Corporation does not issue separate financial statements.

The County's financial statements are prepared in accordance with U.S. generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (statements and interpretations).

Basis of Presentation

Financial statements for governments like that of Chesterfield County are presented from two perspectives, the government-wide perspective and the fund perspective.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all non-fiduciary activities of the primary government and its component units. Net position is calculated based on information on all the County's assets, deferred outflows/inflows of resources, and liabilities, including capital assets and long-term debt. For the most part, the effect of inter-fund activity, if any, has been removed from these statements. In these statements, governmental activities, which are normally supported by taxes and intergovernmental revenues, are distinguished from any business-type activities in which the government may be engaged, which rely on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses, including depreciation of capital assets, are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items that are not properly included among program revenues are reported as general revenues.

Separate fund financial statements are provided for governmental and fiduciary funds, groupings of accounts used to control resources that have been segregated for specific activities or objectives. Major individual governmental funds are reported as separate columns in the fund financial statements. The governmental fund balance sheet includes a reconciliation of the total fund balance for all governmental funds to total net position of governmental activities reported in the government-wide statement of net position. In addition, the governmental statement of revenues, expenditures, and changes in fund balances also includes a reconciliation of the changes in fund balances of the governmental funds to the government-wide statement of activities.

CHESTERFIELD COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. 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.

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

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The funds of the reporting entity are described below:

Governmental Funds

The following governmental funds are included in these financial statements:

General Fund - The general fund is the government's primary operating fund and is always classified as a major fund. It is used to account for all activities except those required to be accounted for in other funds.

Special Revenue Funds – Special revenue funds are used to account and report the proceeds for specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Debt Service Funds – The debt service fund accounts for and reports financial resources that are restricted, committed, or assigned for the payment of general long-term debt principal and interest.

Capital Projects Funds – Capital project funds are used to account for the resources that are restricted, committed, or assigned for the acquisition and construction of major capital facilities. The Industrial Spec Building Construction Fund and the Capital Projects Fund - Public Facilities Corporation have been classified as major funds.

Fiduciary Funds (not included in the government-wide statements)

Custodial Funds – Custodial funds account for assets held by the County as an agent for other governmental units and courts in accordance with the Acts of the General Assembly of South Carolina. The County's only category of fiduciary funds is custodial funds for education, clerk of court, magistrates, and property taxes.

CHESTERFIELD COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Revenues, Exchange, and Nonexchange Transactions

In the government-wide financial statements, revenue is recognized when earned. Property taxes are recognized when levied. By referendum the County has adopted the provisions of State statutes which allow the collection of a one-percent sales tax on essentially all consumer goods sold at retail in the County. In addition, as a "small" county, Chesterfield County shares a portion of the one-percent sales tax collected in the "larger" counties which have elected to participate. The State collects the revenue and distributes it monthly to the County. By ordinance, the County has decreed that all monies received will be used to reduce *ad valorem* taxes. Revenue is recognized when credits are applied to the taxpayers' property tax bills. Sales tax revenue received in advance of these credit applications is deferred and held in a custodial fund until earned. At June 30, 2023, the amount deferred was \$666.

Property taxes on licensed motor vehicles are collected on a monthly basis in the month in which individual motor vehicle licenses are renewed and revenue is recognized as collected. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Service and fee revenue is recognized as it is earned. In governmental funds, the recognition of property tax revenue not collected within sixty days is deferred since they are not available to finance current activities. Grants from other governments are recognized when qualifying expenditures are incurred. Other revenues are recorded when received in cash because they are generally not measurable until actually received.

Property taxes on real and personal property, other than licensed motor vehicles, are levied on July 1 based on the assessed value of property lists on the previous January 1. Assessed values are an approximation of market value. Periodic revaluation of all real property is made in accordance with state statutes. Property taxes are due January 15, after which penalties accrue. At March 15, delinquent costs accrue and uncollected taxes are assigned into execution for collection.

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.

Expenditures/Expenses

Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance

Cash and Investments

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the primary government and its component units to invest in (1) obligations of the United States and its agencies, (2) general obligations of the State of South Carolina and its political subdivisions, (3) savings and loan associations if their deposits are insured by an agency of the federal government, (4) certificates of deposit which are collaterally secured by securities of the type described at (1) and (2) held by a third party, and (5) the State Treasurer's Investment Pool.

Investments are stated at fair value, which approximates costs.

CHESTERFIELD COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Cash and Investments – Continued

The County Treasurer collects, receives, and holds funds belonging to the County (internal) and to external entities (e.g., other governments). Internal and external funds are not commingled. For the purposes of these financial statements the cash and investments belonging to the County funds are reported as cash and investments on the statements of net position and governmental fund balance sheets. The funds belonging to external entities are reported in a custodial fund.

Receivables and Payables

Property tax receivables are shown net of all allowances for uncollectible amounts. The County reserves all property taxes that did not arise from the latest tax levy year. For collection purposes, taxes receivable are written off at the end of ten years in accordance with South Carolina law. All other levies are recognized as revenue on the government-wide financial statements, while all those not collected within sixty days are deferred on the governmental fund statements. The uncollectible reserve at June 30, 2023, was \$836,059.

Outstanding balances between funds are reported as “due to/from other funds”.

All other receivables are reported at amounts management expects to collect and are considered delinquent when not collected within one year. All delinquent receivables are reserved.

Capital Assets

Capital assets include property, plant, equipment, and infrastructure assets (e.g., roads, sidewalks, and similar items) and are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects that are constructed.

In accordance with U.S. generally accepted accounting principles, the County has elected to implement only prospective reporting of infrastructure assets. Accordingly, only infrastructures acquired or constructed after June 30, 2003, are included in capital assets.

Depreciation of capital assets is computed and recorded by the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows: infrastructure assets-50 years; buildings-20 to 50 years; improvements-5 to 50 years; equipment-5 to 15 years.

Deferred Outflows/Inflows of Resources

In addition to assets and liabilities, the statement of financial position includes separate sections for deferred outflows and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position that applies to future periods and will not be recognized as an expenditure until then. Deferred inflows of resources represent an acquisition of net position that applies to future periods and will not be recognized as revenue until that time. The County has deferred outflows/inflows of resources related to unearned revenue, pensions and other post-employment benefits.

Pension Plans

For purposes of measuring the net pension liability, deferred outflows/inflows of resources related to pensions and pension expense, information about the fiduciary net position of South Carolina Retirement Systems (SCRS) and additions to/deductions from the SCRS' fiduciary net position have been determined on the accrual basis of accounting as they are reported by the SCRS in accordance with generally accepted accounting principles (GAAP).

CHESTERFIELD COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Pension Plans - Continued

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 of the plan are reported at fair value.

Compensated Absences

The County permits employees to accumulate earned but unused vacation (up to thirty days) and sick pay benefits (up to ninety days). There is no liability for unpaid accumulated sick leave since the County does not have a policy to pay any amounts when employees separate from service from the County. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for that amount is reported in the governmental funds only if they have matured and are material.

Long - Term Debt

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the lives of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond issue premiums and discounts 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.

Fund Balance

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

Nonspendable - amounts that are not in a spendable form (such as inventory) or are required to be maintained intact. The County has classified assets held for resale as being nonspendable because they are not expected to be converted to cash within the next current year.

Restricted - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions or by enabling legislation.

Committed - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.

Assigned - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.

Unassigned - amounts that are available for any purpose; positive amounts are reported only in the general fund. The unassigned classification also includes negative residual fund balances of any governmental fund that cannot be eliminated by the offsetting assigned fund balance amounts.

County Council establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund.

CHESTERFIELD COUNTY, SOUTH CAROLINA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Fund Balance - Continued

Assigned fund balance is established by County Council through adoption or amendment of the budget as intended for a specific purpose (such as the purchase of capital assets, construction, debt service, etc.).

Although the County has not formally adopted a fund balance spending policy, the County would typically use restricted funds 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 classified funds. Where applicable, these classifications are presented on the face of the governmental fund balance sheet.

Net Position

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

Restricted Sources

When both restricted and unrestricted resources are available, it is the County's policy to use restricted resources first, and then unrestricted resources as needed.

Use of Estimates

The preparation of the basic financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

An annual budget is adopted on a basis consistent with U.S. generally accepted accounting principles for the General Fund. Each year, all County departments submit requests for appropriations to the county finance director. After the department requests are submitted, the finance director prepares a draft budget. The proposed budget is presented to County Council for review and approval. County Council holds public hearings and adopts the budget no later than June 30. The appropriated budget is prepared by fund, function, and department. The legal level of budgetary control is the departmental level.

Excess of Expenditures over Appropriations

The following departments presented in the budgetary comparison schedule had excess expenditures over appropriations:

Public Safety	\$ 717,158	Grant Programs	\$ 2,483,616
Economic Development	\$ 1,658,073	Legislative Oversight	\$ 60,081
Culture and Recreation	\$ 32,075	Debt Service	\$ 24,523
Rescue and Fire Protection	\$ 149		

Deficit Fund Balance

The Chesterfield Fire District had a deficit fund balance as of June 30, 2023 of \$84,636.

**CHESTERFIELD COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 3 – CASH AND INVESTMENTS

Cash

The County does not have a formal deposit policy for custodial credit risk, which is the risk that in the event of bank failure, the deposits may not be returned to the County.

As of June 30, 2023, the County had the following deposits:

	Carrying Amount	Bank Balance
Demand deposits	\$ 37,834,255	\$ 38,177,740

Of the County's bank balance, \$750,991 was covered by FDIC insurance and \$37,426,749 was collateralized by securities held by the pledging bank's trust department or agent in the County's name.

Investments

The County's investments are categorized 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 Level 3 inputs are significant unobservable inputs.

As of June 30, 2023, the County's investments consisted of the following:

Investment Type	Fair Value	Maturity	Rating
State Treasurer's Investment Pool	\$ 28,346,440	<60 days	Not Rated

The County Treasurer has invested, in accordance with their instructions, funds belonging to the Chesterfield County School District in the South Carolina State Treasurer's Investment Pool. The State Treasurer's Investment Pool is a 2a 7-like pool, which is not registered with the Securities and Exchange Commission (SEC), but has a policy that it will operate in a manner consistent with the SEC's Rule 2a 7 of the Investment Company Act of 1940.

Interest rate risk is the risk that the market value of securities in the portfolio will fall due to changes in the market interest rates. Although the County does not have a formal investment policy, the County minimizes interest rate risk by investing operating funds in money market funds or similar investment pools and limiting the average maturity in accordance with the County's cash requirements.

Credit risk 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 nationally recognized statistical rating organization. The County's policy is to invest only in those securities allowed by state statute and that are highly rated. The State Treasurer's Investment Pool is not rated, but generally investments in the 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.

Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County minimizes credit risk by limiting investments to the types of securities allowed by state statute.

Concentration of credit risk is the risk of loss attributable to the magnitude of the County's investment in a single issuer. The risk is mitigated by diversifying the investment portfolio so that the impact of potential losses from any one type of security or investor will be minimized. The County places no limits on the amount that may be invested in any one issuer.

CHESTERFIELD COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 – CASH AND INVESTMENTS – CONTINUED

Reconciliation of cash and investments to the financial statements is as follows:

	Cash	Investments
Statement of Net Position	\$ 16,326,649	\$ 16,625,918
Statement of Fiduciary Net Position	21,510,086	11,720,522
Less: Petty cash	(2,480)	-
	\$ 37,834,255	\$ 28,346,440

NOTE 4 – CAPITAL ASSETS AND DEPRECIATION

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

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities:				
<i>Capital Assets Not Being Depreciated:</i>				
Land	\$ 1,552,006	\$ -	\$ -	\$ 1,552,006
Construction in progress	-	239,718	-	239,718
	1,552,006	239,718	-	1,791,724
<i>Capital Assets Being Depreciated:</i>				
Buildings and improvements	23,112,512	336,580	-	23,449,092
Intangible assets	172,377	-	-	172,377
Vehicles/machinery/equipment	13,422,365	2,476,234	(329,704)	15,568,895
	36,707,254	2,812,814	(329,704)	39,190,364
<i>Accumulated Depreciation:</i>				
Buildings and improvements	(6,868,969)	(552,466)	-	(7,421,435)
Intangible assets	(172,377)	-	-	(172,377)
Vehicles/machinery/equipment	(10,702,332)	(1,335,604)	312,398	(11,725,538)
	(17,743,678)	(1,888,070)	312,398	(19,319,350)
Net Assets Being Depreciated	18,963,576	924,744	(17,306)	19,871,014
Net Capital Assets - Governmental Activities	\$ 20,515,582	\$ 1,164,462	\$ (17,306)	\$ 21,662,738

Depreciation was charged to functions/programs as follows:

General government	\$ 414,782
Public safety	601,745
Public works	825,620
Culture and recreation	6,059
Judicial administration	31,581
Rescue and fire protection	8,283
	\$ 1,888,070

CHESTERFIELD COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 5 – SHORT-TERM DEBT

On November 2, 2022, the County issued \$596,000 in General Obligation Bonds, Series 2022, to help pay for various maintenance costs with the County Administration Building. The bond was paid on March 1, 2023, in full, with interest of \$7,388. As of June 30, 2023, there was no outstanding balance for short-term debt.

NOTE 6 – LONG-TERM DEBT

The following is a summary of long-term debt of the County for the year ended June 30, 2023:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due within One Year
Governmental Activities:					
Non-Current Liabilities					
General obligation bonds	\$ 3,559,941	\$ -	\$ 595,941	\$ 2,964,000	\$ 577,000
Installment purchase revenue bonds	4,935,000	-	512,000	4,423,000	521,000
Financed purchases	1,894,572	830,000	794,318	1,930,254	855,035
Compensated absences	436,399	96,942	-	533,341	-
Landfill post-closure costs	1,207,100	-	26,600	1,180,500	75,000
Total Non-Current Liabilities for Governmental Activities	\$ 12,033,012	\$ 926,942	\$ 1,928,859	\$ 11,031,095	\$ 2,028,035

Payments on general obligation bonds are made by the debt service fund. Governmental activities lease purchase agreements are paid for by the general fund, special revenue funds, capital project funds, and debt service fund. Compensated absences and landfill closure and post closure care costs are liquidated by the general fund.

General Obligation Bonds

The County issues general obligation bonds to provide funds for the acquisition, construction, and major improvement to its buildings and other facilities. On November 5, 2020, the County issued \$4,098,000 in General Obligation Refunding Bonds, which are direct obligations and pledged with the full faith and credit of the County. These bonds were issued as multi-year serial bonds with varying amounts of principal maturing each year, at an interest rate of 1.31% maturing March 1, 2028. Payments on general obligation bonds are made by the debt service fund.

Annual debt service requirements to maturity for general obligations bonds are as follows:

Year Ending June 30	Principal	Interest	Total
2024	\$ 577,000	\$ 38,828	\$ 615,828
2025	585,000	31,270	616,270
2026	593,000	23,606	616,606
2027	601,000	15,838	616,838
2028	608,000	7,964	615,964
	<u>\$ 2,964,000</u>	<u>\$ 117,506</u>	<u>\$ 3,081,506</u>

CHESTERFIELD COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 6 – LONG-TERM DEBT – CONTINUED

Installment Purchase Revenue Bonds

The Chesterfield County Public Facilities Corporation (the Corporation) Installment Purchase Revenue Bonds were issued pursuant to an Installment Purchase and Use Agreement and evidence proportionate interest of owners in certain rental payments to be made by the County under the terms of a Base Lease Agreement between the County and the Corporation dated December 1, 2015. The County leased certain real property and conveyed the improvements to the Corporation so that the Corporation may finance the cost of renovating, remodeling and improving the County's main administration building, the County's main animal shelter and the County's main Judicial Center, to be sold to the County pursuant to a Purchase and Use Agreement dated December 1, 2015. The Purchase and Use Agreement obligates the County to make annual installment payments of the purchase price to the Corporation, in amounts calculated to be sufficient to enable the Corporation to pay the principal and interest on the outstanding bonds and amounts budgeted as reserves for the repair and replacement of the facilities. The County's obligations under the Purchase and Use Agreement are from year-to-year only and do not constitute a mandatory payment obligation by the County in any fiscal year in which funds are not appropriated by the County to pay the installment payments due in such fiscal year. The County has no continuing obligation to appropriate funds to pay the installment payments under the Purchase and Use Agreement and may terminate its obligations under the Purchase and Use Agreement on an annual basis without penalty. However, the County would forfeit possession of the facilities for the remainder of the lease term.

The Corporation's Installment Purchase Revenue Bonds are not a debt of the County; however, as the Corporation is blended with the operations of the County, the debt of the Corporation is included with the County's other obligations, as required by generally accepted accounting principles.

On December 1, 2020, the Corporation issued \$5,438,000 of Installment Purchase Revenue Refunding Bonds, Series 2020, due in annual installments with varying amounts of principal maturing each year, beginning December 1, 2021, through December 1, 2030, with an interest rate of 1.69%. The proceeds of these bonds were used, during the year of their issuance, to advance refund the remaining balances of existing Series 2015 (\$3,000,000, dated December 18, 2015) and Series 2016 (\$3,800,000, dated May 26, 2016) Installment Purchase Revenue Bonds. The unspent bond proceeds from the Installment Purchase Revenue Bonds, Series 2016, combined with the proceeds of the new Installment Purchase Revenue Refunding Bonds, Series 2020, were placed into an escrow account to fund various capital projects at the discretion of County Council.

Arbitrage is the difference between the yield on the issuer's tax-exempt bonds and the investment income earned on the proceeds. Arbitrage restrictions imposed by the Federal Government prohibit an issuer from retaining arbitrage profits when investing bond proceeds at a yield that exceeds the yield on the bonds. Any excess arbitrage must be relayed to the U.S. Treasury. The Chesterfield County Public Facilities Corporation (the Corporation) Installment Purchase Revenue Bonds are subject to an arbitrage calculation. As of June 30, 2023, no arbitrage liability exists.

CHESTERFIELD COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 6 – LONG-TERM DEBT – CONTINUED

Installment Purchase Revenue Bonds - Continued

Annual debt service requirements for the Chesterfield County Public Facilities Corporation Installment Purchase Revenue Bonds are as follows:

Year Ending June 30	Principal	Interest	Total
2024	\$ 521,000	\$ 74,749	\$ 595,749
2025	530,000	65,944	595,944
2026	539,000	56,987	595,987
2027	548,000	47,878	595,878
2028	557,000	38,617	595,617
2029-2031	1,728,000	58,744	1,786,744
	<u>\$ 4,423,000</u>	<u>\$ 342,919</u>	<u>\$ 4,765,919</u>

Financed Purchases

The County has entered into seven financed purchase agreements to purchase equipment, which are each collateralized by the equipment purchased. The assets acquired through financed purchases totaled \$7,242,220, less accumulated depreciation of \$5,836,517, with a net book value at June 30, 2023 of \$1,405,703.

Financed Purchases currently outstanding are:

	Amounts
\$350,000 financed purchase agreement for equipment, due in annual installments of \$77,036 at an interest rate of 3.28%, maturing June 2024.	\$ 74,590
\$92,500 financed purchase agreement for vehicles, due in annual installments of \$24,523 at an interest rate of 2.39% maturing January 2024.	23,950
\$289,192 financed purchase agreement for equipment, due in annual installments of \$60,786 at an interest rate of 1.68% maturing September 2025.	176,398
\$728,500 financed purchase agreement for equipment, due in annual installments of \$249,027 at an interest rate of 1.27% maturing November 2023.	245,904
\$190,693 financed purchase agreement for equipment, due in annual installments of 65,006 at an interest rate of 1.13% maturing May 2024.	64,280
\$635,000 financed purchase agreement for equipment, due in annual installments of \$138,220 at an interest rate of 2.89% maturing April 2027.	515,132
\$830,000 financed purchase agreement for vehicles, due in annual installments of \$300,680 at an interest rate of 4.28% maturing March 2026.	830,000
	<u>\$ 1,930,254</u>

**CHESTERFIELD COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 6 – LONG-TERM DEBT – CONTINUED

Financed Purchases - Continued

Annual debt service requirements to maturity for general obligations bonds are as follows:

Year Ending June 30	Principal	Interest	Total
2024	\$ 855,035	\$ 60,243	\$ 915,278
2025	462,196	37,490	499,686
2026	478,685	21,001	499,686
2027	134,338	3,882	138,220
	<u>\$1,930,254</u>	<u>\$ 122,616</u>	<u>\$2,052,870</u>

Landfill Closure and Post Closure Care Costs

The South Carolina Department of Health and Environmental Control (DHEC) requires landfill operators to provide for the 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 thirty years following the closing of the landfill. DHEC also requires that operators cover the landfill with a minimum cover of certain permeability. The County's liability for closure and post-closure care costs is based on landfill capacity used to date. The County's landfill has been closed and is considered to be at 100 percent capacity. Remaining post-closure care costs are \$1,180,500 and the long-term liabilities in the statement of net position include that amount. Post-closure care costs are based on engineering estimates and are subject to change due to inflation, deflation, technology, and/or applicable laws and regulations and are reported in the General Fund.

NOTE 7 – UNEARNED REVENUE

At June 30, 2023, unearned revenue consisted of the following:

Victims of Crime Escrow	\$ 27,071
Deferred Tax Revenue	85,707
Sheriff's Drug Escrow	17,655
American Rescue Plan	<u>5,991,147</u>
	<u>\$ 6,121,580</u>

**CHESTERFIELD COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 8 – INTERFUND RECEIVABLES AND PAYABLES

Due To/From Other Funds

Interfund balances arise because the County Treasurer utilizes a cash pool to maximize earnings. Interfund balances at June 30, 2023, were as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Debt Service Fund	\$ 50,029
General Fund	Chesterfield Fire District	84,636
Capital Reserve	General Fund	22,325,161
Capital Projects Fund - PFC	General Fund	6,323
Emergency Preparedness	General Fund	44,881
E-911 Fund	General Fund	64,431
Industrial Site Fund	General Fund	648,328
Capital Equipment Fund	General Fund	925,608
Alligator Fire District	General Fund	49,990
Cash Fire District	General Fund	94,310
Cheraw Fire District	General Fund	260,217
Cheraw Rescue Squad	General Fund	87,277
Chesterfield Rescue Squad	General Fund	54,637
Harris Creek Fire District	General Fund	10,318
Jefferson Rescue Squad	General Fund	33,770
McBee Rescue Squad	General Fund	33,681
Pageland Rescue Squad	General Fund	5,656
Patrick Rescue Squad	General Fund	13,229
		<u>\$ 24,792,482</u>

Transfers To/From Other Funds

The following transfers were made during the year:

Transfers To	Transfers From	Amount
General Fund	Sheriff's Department	\$ 74,776
Alligator Fire District	General Fund	15,000
Cash Fire District	General Fund	15,000
Harris Creek Fire District	General Fund	15,000
		<u>\$ 119,776</u>

NOTE 9 – PENSION PLANS

South Carolina Retirement System

Plan Description

The County, as the employer, participates in the South Carolina Retirement System (SCRS) Plan - a cost-sharing multiple-employer defined benefit pension plan administered and managed by the South Carolina Public Employee Benefit Authority (PEBA), a state agency. PEBA issues an Annual Comprehensive Financial Report (ACFR) containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The ACFR that is publicly available through PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223.

CHESTERFIELD COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 9 – PENSION PLANS – CONTINUED

South Carolina Retirement System – Continued

Benefits Provided/Membership

SCRS provides retirement and other benefits for employees of the state, its public school districts, and political subdivisions. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program. Membership and benefit terms are prescribed in Title 9 of the South Carolina Code of Laws, and PEBA does not have the authority to establish or amend benefit terms without a legislative change in the code of laws. Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. Key elements of the benefit calculation include the benefit multiplier, years of service, and average final compensation/current year salary.

This plan covers general employees, teachers, and first-term individuals elected to the South Carolina General Assembly beginning with November 2012 general election. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. 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. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member. 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.

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

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 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. The Retirement Funding and Administrative Act of 2017 increased, but also established, a ceiling for SCRS employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.00% for SCRS. The legislation also increased employer contribution rates by two percentage points and further scheduled employer contribution rates to increase by a minimum of one percentage point each year in accordance with state statute. The General Assembly postponed the one percent increase in the SCRS employer contribution rate that was scheduled to go into effect beginning July 1, 2020. In accordance with the legislative funding schedule, employer contribution rates will continue to increase by one percentage point each year until reaching 18.56% for SCRS but may be increased further, if the scheduled contributions are not sufficient to meet the funding periods set for the applicable year. The board shall increase the employer contribution rates as necessary to meet the amortization period set by state statute.

Pension reform legislation modified state statute such that the employer contribution rates for SCRS to be further increased, not to exceed one-half of a percent in any one year if necessary, in order to improve the funding of the plans. The statute sets rates intended to reduce the unfunded liability of SCRS to the maximum amortization period of 20 years from 30 years over a 10-year schedule, as determined by the annual actuarial valuations of the plan. Finally, under the revised statute, the contribution rates for SCRS may not be decreased until the plan is at least 85% funded.

**CHESTERFIELD COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 9 – PENSION PLANS – CONTINUED

South Carolina Retirement System – Continued

Required employee (both Class II and III) contribution rates for the year ended June 30, 2023 was 9.00%. Required employer contribution rates for the year ended June 30, 2023 was 17.41%. Both required employee and employer contribution rates are calculated on earnable compensation, as defined in Title 9 of the South Carolina Code of Laws. Employers also contribute an additional 0.15% of earnable compensation, if participating in the death benefit program.

Contributions to the Plan from the County were \$961,694 for the year ended June 30, 2023. For the State's year end June 30, 2022, the State General Assembly appropriated funds to cover 1% of the 2% contribution rate increase for all employers participating in the State retirement plans. For the year ended June 30, 2022, \$51,592 of contributions paid on behalf of the County by the General Assembly for SCRS was recognized as other operating revenues.

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

At June 30, 2023, the County reported a net pension liability of \$11,030,510 for its proportionate share of the collective net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability, net pension liability and sensitivity information are based on an actuarial valuation performed as of July 1, 2021. The total pension liability was rolled-forward from the valuation date to the plan's fiscal year end June 30, 2022, using generally accepted actuarial principles. The allocation of the County's proportionate share of the collective net pension liability and pension expense were calculated on the basis of the County's contributions actually remitted to the plan relative to the total contributions remitted to the plan for all participating employers, less employer contributions that are not representative of future contribution efforts, as of June 30, 2022. Based upon this information, the County's proportion of the collective net pension liability is 0.045501%, an increase of 0.002612% since June 30, 2021, the prior measurement date.

For the year ended June 30, 2023, the County recognized pension expense of \$651,013. At June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to the pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 95,835	\$ 48,071
Changes in assumptions	353,774	-
Net difference between projected and actual earnings on pension plan investments	17,011	-
Changes in proportion and differences between County contributions and proportionate share of contributions	445,974	378,726
County contributions subsequent to the measurement date	961,694	-
Total	\$ 1,874,288	\$ 426,797

Deferred outflows of resources of \$961,694 related to pensions in 2023, resulted from County contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended June 30, 2024.

CHESTERFIELD COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 9 – PENSION PLANS – CONTINUED

South Carolina Retirement System.– Continued

Any 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	
2023	\$ (88,658)
2024	(246,666)
2025	137,195
2026	(287,668)
	<u>\$ (485,797)</u>

Actuarial Assumptions

Actuarial valuations of the plan involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision, as actual results are compared to 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 System was most recently issued for the period ending July 1, 2019.

The June 30, 2022 total pension liability, net pension liability, and sensitivity information determined by the July 1, 2021 valuation, which used the following actuarial assumptions and methods:

Actuarial cost method	Entry age normal
Inflation	2.25%
Salary increases	3.0% to 11.0% (varies by service and includes 2.25% inflation)
Benefit adjustments	lesser of 1% or \$500 annually
Investment rate of return	7.0% (includes 2.25% inflation)

There was no legislation enacted during the 2022 legislative session that had a material change in the benefit provision.

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

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

CHESTERFIELD COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 9 – PENSION PLANS – CONTINUED

South Carolina Retirement System – Continued

Allocation/Exposure	Policy Target	Expected Arithmetic Real Rate of Return	Long-Term Expected Portfolio Real Rate of Return
Public Equity	46%	6.79%	3.12%
Bonds	26%	-0.35%	-0.09%
Private Equity	9%	8.75%	0.79%
Private Debt	7%	6.00%	0.42%
Real Assets			
Real Estate	9%	4.12%	0.37%
Infrastructure	3%	5.88%	0.18%
Total Expected Return	100%		4.79%
Inflation for Actuarial Purposes			2.25%
			<u>7.04%</u>

Discount Rate

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

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

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

	1% Decrease (6.0%)	Discount Rate (7.0%)	1% Increase (8.0%)
County's proportionate share of the collective net pension liability	\$ 14,142,475	\$ 11,030,510	\$ 8,443,316

Pension Plan Fiduciary Net Position

Detailed information regarding the fiduciary net position of the plan, administered by PEBA, is available in the Systems' audited financial statements for the fiscal year ended June 30, 2022 (including the unmodified opinion on the financial statements). Information about the fiduciary net position of the System and additions to/deductions from the System's fiduciary net position have been determined on the accrual basis of accounting. Additional actuarial information is available in the accounting and financial reporting actuarial valuation as of June 30, 2022. The additional information is publicly available on PEBA's website at www.peba.sc.gov.

CHESTERFIELD COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 9 – PENSION PLANS – CONTINUED

South Carolina Police Officers Retirement System

Plan Description

The County, as the employer, participates in the South Carolina Police Officers Retirement System (PORS) Plan - a cost-sharing multiple-employer defined benefit pension plan administered and managed by the South Carolina Public Employee Benefit Authority (PEBA), a state agency. PEBA issues an Annual Comprehensive Financial Report (ACFR) containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The ACFR is publicly available through PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223.

Benefits Provided/Membership

PORS provides retirement allowances and other benefits for police officers and firemen of the state and its political subdivisions. PORS also covers peace officers, coroners, probate judges and magistrates. 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. Membership and benefit terms are prescribed in Title 9 of the South Carolina Code of Laws, and PEBA does not have the authority to establish or amend benefit terms without a legislative change in the code of laws. Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. Key elements of the benefit calculation include the benefit multiplier, years of service, and average final compensation/current year salary.

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

An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. 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. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member. 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.

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

CHESTERFIELD COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 9 – PENSION PLANS – CONTINUED

South Carolina Police Officers Retirement System – 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, 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. The Retirement Funding and Administrative Act of 2017 increased, but also established, a ceiling for PORS employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.75% for PORS. The legislation also increased employer contribution rates by two percentage points and further scheduled employer contribution rates to increase by a minimum of one percentage point each year in accordance with state statute. The General Assembly postponed the one percent increase in the PORS employer contribution rate that was scheduled to go into effect beginning July 1, 2020. In accordance with the legislative funding schedule, employer contribution rates will continue to increase by one percentage point each year until reaching 21.24% for PORS but may be increased further, if the scheduled contributions are not sufficient to meet the funding periods set for the applicable year. The board shall increase the employer contribution rates as necessary to meet the amortization period set by state statute.

Pension reform legislation modified state statute such that the employer contribution rates for PORS to be further increased, not to exceed one-half of a percent in any one year if necessary, in order to improve the funding of the plans. The statute sets rates intended to reduce the unfunded liability of PORS to the maximum amortization period of 20 years from 30 years over a 10-year schedule, as determined by the annual actuarial valuations of the plan. Finally, under the revised statute, the contribution rates for PORS may not be decreased until the plan is at least 85% funded.

Required employee (both Class II and III) contribution rates for the year ended June 30, 2023 was 9.75%. Required employer contribution rates for the year ended June 30, 2023 was 19.84%. Both required employee and employer contribution rates are calculated on earnable compensation, as defined in Title 9 of the South Carolina Code of Laws. Employers also contribute an additional 0.20% of earnable compensation, if participating in the incidental and/or accidental death benefit program, respectively.

Contributions to the Plan from the County were \$856,661, for the year ended June 30, 2023. For the State's year end June 30, 2022, the State General Assembly appropriated funds to cover 1% of the 2% contribution rate increase for all employers participating in the State retirement plans. For the year ended June 30, 2022, \$31,634 of contributions paid on behalf of the County by the General Assembly for PORS was recognized as other operating revenues.

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

At June 30, 2023, the County reported a net pension liability of \$7,342,898 for its proportionate share of the collective net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability, net pension liability and sensitivity information are based on an actuarial valuation performed as of July 1, 2020. The total pension liability was rolled-forward from the valuation date to the plan's fiscal year end June 30, 2022, using generally accepted actuarial principles. The allocation of the County's proportional share of the collective net pension liability and pension expense were calculated on the basis of the County's contributions actually remitted to the plan relative to the total contributions remitted to the plan for all participating employers, less employer contributions that are not representative of future contribution efforts, as of June 30, 2022. Based upon this information, the County's proportion of the collective net pension liability is 0.244847%, an increase of 0.019043% since June 30, 2021, the prior measurement date.

**CHESTERFIELD COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 9 – PENSION PLANS – CONTINUED

South Carolina Police Officers Retirement System – Continued

For the year ended June 30, 2023, the County recognized pension expense of \$826,822. At June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to the pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 123,199	\$ 145,157
Changes in assumptions	305,770	-
Net difference between projected and actual earnings on pension plan investments	22,174	-
Changes in proportion and differences between County contributions and proportionate share of contributions	507,750	117,526
County contributions subsequent to the measurement date	856,661	-
Total	\$ 1,815,554	\$ 262,683

Deferred outflows of resources of \$856,661 related to pensions in 2023, resulted from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Any 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	
2023	\$ (331,539)
2024	(221,178)
2025	141,924
2026	(285,417)
	\$ (696,210)

Actuarial Assumptions

Actuarial valuations of the plan involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision, as actual results are compared to 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 System was most recently issued for the period ending July 1, 2019.

The June 30, 2022 total pension liability, net pension liability, and sensitivity information is determined by the July 1, 2021 valuation, which used the following actuarial assumptions and methods:

Actuarial cost method	Entry age normal
Inflation	2.25%
Salary increases	3.5% to 10.5% (varies by service and includes 2.25% inflation)
Benefit adjustments	lesser of 1% or \$500 annually
Investment rate of return	7.0% (includes 2.25% inflation)

CHESTERFIELD COUNTY, SOUTH CAROLINA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2023

NOTE 9 – PENSION PLANS – CONTINUED

South Carolina Police Officers Retirement System – Continued

There was no legislation enacted during the 2022 legislative session that had a material change in the benefit provisions.

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

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

Allocation/Exposure	Policy Target	Expected Arithmetic Real Rate of Return	Long-Term Expected Portfolio Real Rate of Return
Public Equity	46%	6.79%	3.12%
Bonds	26%	-0.35%	-0.09%
Private Equity	9%	8.75%	0.79%
Private Debt	7%	6.00%	0.42%
Real Assets			
Real Estate	9%	4.12%	0.37%
Infrastructure	3%	5.88%	0.18%
Total Expected Return	100%		4.79%
Inflation for Actuarial Purposes			2.25%
			7.04%

Discount Rate

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

CHESTERFIELD COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 9 – PENSION PLANS – CONTINUED

South Carolina Police Officers Retirement System – Continued

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

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

	1% Decrease (6.0%)	Discount Rate (7.0%)	1% Increase (8.0%)
County's proportionate share of the collective net pension liability	\$ 10,239,229	\$ 7,342,898	\$ 4,971,978

Pension Plan Fiduciary Net Position

Detailed information regarding the fiduciary net position of the plan, administered by PEBA, is available in the Systems' audited financial statements for the fiscal year ended June 30, 2022 (including the unmodified opinion on the financial statements). Information about the fiduciary net position of the System and additions to/deductions from the System's fiduciary net position have been determined on the accrual basis of accounting. Additional actuarial information is available in the accounting and financial reporting actuarial valuation as of July 1, 2022. The additional information is publicly available through PEBA's website at www.peba.sc.gov.

Reconciliation of pension-related items to the Government-wide Statement of Net Position:

	SCRS	PORS	Total
Net pension liability	\$ 11,030,510	\$ 7,342,898	\$ 18,373,408
Deferred outflows related to pensions	\$ 1,874,288	\$ 1,815,554	\$ 3,689,842
Deferred inflows related to pensions	\$ 426,797	\$ 262,683	\$ 689,480

NOTE 10 – POST RETIREMENT HEALTHCARE BENEFITS

Plan Description

Chesterfield County maintains a single-employer defined benefit plan to provide certain post-retirement healthcare benefits, in accordance with County ordinances, to all employees hired before July 1, 2009, that retire from service with at least ten years of service. Employees must meet one or more of the SCRS eligibility requirements, such as age, length of service, and hire date. Benefits are effective at the date of retirement or when the employee is eligible for retirement benefits. The County does not issue separate audited financial statements for this plan.

Benefits Provided/Funding Policy

The County currently pays 100% of the employer's share of premiums towards eligible retirees' health insurance premiums to the State of South Carolina Insurance Benefits Program. The County has chosen to fund the healthcare benefits on a pay-as-you-go basis through an annual appropriation; and thus, no assets are accumulated in a trust. For the year ended June 30, 2023, the County paid \$399,209 to provide these benefits to eligible retirees. Membership in the plan as of June 30, 2022, the date of the last actuarial valuation was:

Inactive plan members or beneficiaries receiving benefits	70
Active plan members	209
Total plan members	279

**CHESTERFIELD COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 10 – POST RETIREMENT HEALTHCARE BENEFITS – CONTINUED

Total OPEB Liability

The County's total OPEB liability of \$10,404,483 was measured as of June 30, 2022 and was determined by an actuarial valuation as of June 30, 2022.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods including the measurement date, unless otherwise specified:

Actuarial Cost Method:	Individual Entry-Age Normal
Discount Rate:	3.69%, as of June 30, 2022
Inflation:	2.25%
Salary Increases:	3.50% to 10.50% for PORS and 3.00% to 9.50% for SCRS, including inflation
Healthcare Costs Trends:	Initial rate of 6.00%, declining to an ultimate rate of 4.00% after 13 years.
Retiree Participation Rates:	90% for fully funded; 60% for partially-funded; 15% for unfunded; unfunded retirees were assumed to discontinue coverage at age 65.

The discount rate changed from 1.92% as of June 30, 2021, to 3.69% as of June 30, 2022 (an increase of 1.77%) and was based on the Fidelity 20-Year Municipal GO AA Index. The health care trend rates were updated to reflect the plan's anticipated experience and the repeal of excise tax on high-cost employer health plans. The period of service used for the allocation of service cost was changed to only reflect service with the County.

For healthy retirees, the gender-distinct South Carolina Retirees 2020 Mortality Tables are used with fully generational mortality projections using 80% of Scale UMP to account for future mortality improvements and adjusted with multipliers based on plan experience.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study used for the valuations of the SCRS. The experience report on the SCRS was most recently issued as of July 1, 2019 and are required to be completed at least once in each five-year period by S.C. state statute.

Changes in the Total OPEB Liability

Balance as of June 30, 2022	\$ 15,915,977
Changes During the Year:	
Service Cost	419,225
Interest on Total OPEB Liability	305,779
Difference between expected and actual experience of the Total OPEB Liability	(2,991,590)
Changes of Assumptions	(2,845,699)
Benefit Payments	<u>(399,209)</u>
Balance as of June 30, 2023	<u>\$ 10,404,483</u>

**CHESTERFIELD COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 10 – POST RETIREMENT HEALTHCARE BENEFITS – CONTINUED

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

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate of 1% lower (2.69%) or 1% higher (4.69%) than the current discount rate:

	1% Decrease 2.69%	Current Discount Rate Assumption 3.69%	1% Increase 4.69%
Total OPEB Liability	\$ 11,884,028	\$ 10,404,483	\$ 9,189,247

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 well as what the County's total OPEB liability would be if it were calculated using a healthcare cost trend rates of 1% lower or 1% higher than the current healthcare cost trend rates:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability	\$ 9,033,386	\$ 10,404,483	\$ 12,102,096

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

For the year ended June 30, 2023, the County recognized OPEB expense of (\$205,192). At June 30, 2023, the County's contributions subsequent to the measurement date of \$458,845 are reported as deferred outflows of resources, and will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2023. The County reported deferred outflows of resources and deferred inflows of resources related to the OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 11,982	\$ 3,472,119
Changes in assumptions	2,182,487	2,774,244
County contributions subsequent to the measurement date	458,845	-
Total	\$ 2,653,314	\$ 6,246,363

NOTE 11 – TAX ABATEMENTS

The County enters into property tax abatement agreements with local businesses under Title 4, Chapter 12 and Title 12, Chapter 44 of the Code of Laws of South Carolina of 1976, as amended (the "Act"). Under the Act, localities may grant property tax abatements for the purpose of attracting or retaining businesses within their jurisdictions. The abatements may be granted to any business located within or promising to relocate to the County.

CHESTERFIELD COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 11 – TAX ABATEMENTS – CONTINUED

For the fiscal year ended June 30, 2023, the County abated property taxes totaling \$1,879,557 under this law, including the following tax abatement agreements that each exceeded 10 percent of the total amount abated:

- An ad valorem property tax abatement to Centerfield Cooper Solar, LLC. for investing at least \$78 million into the County and creating new jobs. The agreement states the fee payment will be determined using an assessment ratio of 6%, a fixed millage rate, and a fair market value estimate of original cost less allowable depreciation for personal property under SC law. For fiscal year 2023, the total abated taxes amounted to \$669,446.
- An ad valorem property tax abatement to Schaeffler Group USA, Inc. for investing at least \$65 million into the County and creating new jobs. The agreement states the fee payment will be determined using an assessment ratio of 6%, a fixed millage rate, and a fair market value estimate of original cost less allowable depreciation for personal property under SC law. For fiscal year 2023, the total abated taxes amounted to \$439,806.
- An ad valorem property tax abatement to Nestle Waters North America, Inc. for investing at least \$45 million into the County and creating new jobs. The agreement states the fee payment will be determined using an assessment ratio of 6%, a fixed millage rate, and a fair market value estimate of original cost less allowable depreciation for personal property under SC law. For fiscal year 2023, the total abated taxes amounted to \$353,258.
- An ad valorem property tax abatement to Walmart Stores, Inc. for investing at least \$45 million into the County and creating new jobs. The agreement states the fee payment will be determined using an assessment ratio of 6%, a fixed millage rate, and a fair market value estimate of original cost less allowable depreciation for personal property under SC law. For fiscal year 2023, the total abated taxes amounted to \$291,714.

NOTE 12 – RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the County. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NOTE 13 – COMMITMENTS AND CONTINGENCIES

Grants

Amounts received or receivable from grant programs are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

Litigation

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the County's legal counsel that resolution of these matters will not have a material adverse effect on the financial condition of the County.

**CHESTERFIELD COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 14 – SUBSEQUENT EVENTS

On September 14, 2023, County Council authorized the issuance of a \$175,500 General Obligation Bond, Series 2023, for new equipment for the Cash Fire District. This bond will be due in seven annual payments, beginning September 14, 2024, at an annual interest rate of 5.25%.

On September 14, 2023, County Council authorized a financed purchase of \$219,600 for new equipment for the Alligator Fire District. Per the agreement, the amount is due in four annual payments, beginning September 14, 2024, at an annual interest rate of 5.14%.

On September 14, 2023, County Council authorized a financed purchase of \$1,650,600 for new heavy equipment for Public Works. Per the agreement, the amount is due in three annual payments, beginning September 14, 2024, at an annual interest rate of 4.88%.

On October 15, 2023, the County entered into a contract with Lynches River Contracting Inc. for various paving projects with an estimated amount of \$710,850.

Management has evaluated subsequent events through December 21, 2023, the date on which the financial statements were available to be issued.

CHESTERFIELD COUNTY, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Budget		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 9,835,000	\$ 9,835,000	\$ 9,724,140	\$ (110,860)
Local option sales tax	3,000,000	3,000,000	3,806,312	806,312
Fees and fines	313,200	313,200	351,193	37,993
Licenses and permits	2,115,000	2,115,000	2,239,809	124,809
Intergovernmental	3,673,947	3,673,947	3,807,576	133,629
Charges for services	1,654,912	1,654,912	2,099,934	445,022
Investment earnings	45,000	45,000	880,353	835,353
Miscellaneous	190,025	190,025	769,551	579,526
Fire department dues	780,042	780,042	812,616	32,574
Grants	1,011,496	989,490	3,898,087	2,908,597
Contributions	15,000	15,000	16,621	1,621
	<u>22,633,622</u>	<u>22,611,616</u>	<u>28,406,192</u>	<u>5,794,576</u>
Expenditures				
General Government				
Register of deeds	187,329	187,329	179,883	7,446
Voter registration	280,451	280,451	309,764	(29,313)
County administrator	804,451	804,451	778,242	26,209
Assessor	494,536	494,536	460,911	33,625
Auditor	268,083	268,083	270,524	(2,441)
Treasurer / delinquent tax collector	583,830	583,830	561,472	22,358
Building codes	321,554	321,554	298,825	22,729
Public buildings	1,241,077	1,241,077	1,180,386	60,691
Data processing	211,497	211,497	212,197	(700)
	<u>4,392,808</u>	<u>4,392,808</u>	<u>4,252,204</u>	<u>140,604</u>
Public Safety				
Victim's advocate	68,145	68,145	62,391	5,754
Sheriff	3,758,200	3,758,200	4,058,441	(300,241)
Detention center	2,050,202	2,050,202	2,153,516	(103,314)
Coroner	245,107	245,107	347,417	(102,310)
Ambulance	1,416,089	1,416,089	1,348,452	67,637
School resource officers	1,161,270	1,153,032	1,414,003	(260,971)
Town of McBee officers	126,749	126,749	115,579	11,170
Civil processors	24,525	24,525	20,600	3,925
Jefferson law enforcement	136,703	136,703	146,524	(9,821)
Grant: Gang invest.	101,903	101,903	99,157	2,746
Grant: Domestic violence	108,193	108,193	137,492	(29,299)
Sex offender	6,087	6,087	8,398	(2,311)
Telecommunicators	786,691	786,691	730,132	56,559
Animal shelter	429,047	429,047	477,505	(48,458)
Emergency preparedness	232,270	232,270	240,494	(8,224)
	<u>10,651,181</u>	<u>10,642,943</u>	<u>11,360,101</u>	<u>(717,158)</u>

SCHEDULE 1 - CONTINUED

CHESTERFIELD COUNTY, SOUTH CAROLINA
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2023

	Budget		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Public Works				
Road department	2,190,183	2,190,183	2,147,078	43,105
Landfill	685,607	685,607	599,393	86,214
	<u>2,875,790</u>	<u>2,875,790</u>	<u>2,746,471</u>	<u>129,319</u>
Economic Development	<u>1,291,686</u>	<u>1,291,686</u>	<u>2,949,759</u>	<u>(1,658,073)</u>
Judicial Administration				
Clerk of court	376,416	376,416	360,207	16,209
Probate court	278,001	278,001	283,533	(5,532)
Magistrates	463,172	463,172	379,015	84,157
Family court	257,769	251,563	281,163	(29,600)
Solicitor	-	-	9,663	(9,663)
	<u>1,375,358</u>	<u>1,369,152</u>	<u>1,313,581</u>	<u>55,571</u>
Culture and Recreation				
Veterans' affairs	116,377	116,377	112,295	4,082
Library	673,837	673,837	709,994	(36,157)
	<u>790,214</u>	<u>790,214</u>	<u>822,289</u>	<u>(32,075)</u>
Rescue and Fire Protection	<u>915,042</u>	<u>915,042</u>	<u>915,191</u>	<u>(149)</u>
Grant Programs				
Other agencies	2,231,956	2,231,956	2,381,317	(149,361)
Other pass through funds	136,171	122,403	2,456,658	(2,334,255)
	<u>2,368,127</u>	<u>2,354,359</u>	<u>4,837,975</u>	<u>(2,483,616)</u>
Legislative Oversight				
County council members and attorney	331,790	331,790	392,408	(60,618)
Delegation	49,375	49,375	48,838	537
	<u>381,165</u>	<u>381,165</u>	<u>441,246</u>	<u>(60,081)</u>
Debt Service:				
Principal	-	-	23,392	(23,392)
Interest and other charges	-	-	1,131	(1,131)
	<u>-</u>	<u>-</u>	<u>24,523</u>	<u>(24,523)</u>
Total Expenditures	<u>25,041,371</u>	<u>25,013,159</u>	<u>29,663,340</u>	<u>(4,650,181)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(2,407,749)</u>	<u>(2,401,543)</u>	<u>(1,257,148)</u>	<u>1,144,395</u>
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	30,000	30,000	2,802	(27,198)
Transfers in	2,403,729	2,397,523	74,776	(2,322,747)
Transfers out	(25,980)	(25,980)	(45,000)	(19,020)
	<u>2,407,749</u>	<u>2,401,543</u>	<u>32,578</u>	<u>(2,368,965)</u>

CHESTERFIELD COUNTY, SOUTH CAROLINA
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2023

	Budget		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(1,224,570)	<u>\$ (1,224,570)</u>
Fund Balance - Beginning of Year			<u>2,829,883</u>	
Fund Balance - End of Year			<u>\$ 1,605,313</u>	

CHESTERFIELD COUNTY, SOUTH CAROLINA
 SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE
 OF THE COLLECTIVE NET PENSION LIABILITY
 SOUTH CAROLINA RETIREMENT SYSTEM
 LAST TEN FISCAL YEARS*

	2018	2017	2016	2015	2014
County's Proportion of the Collective Net Pension Liability	0.051441%	0.052231%	0.044875%	0.046159%	N/A
County's Proportionate Share of the Collective Net Pension Liability	\$ 11,580,196	\$ 11,156,465	\$ 8,510,760	\$ 7,947,050	N/A
County's Covered Payroll	\$ 5,195,004	\$ 5,040,222	\$ 4,267,195	\$ 4,190,233	N/A
County's Proportionate Share of the Collective Net Pension Liability as a Percentage of its Covered Payroll	222.91%	221.35%	199.45%	189.66%	N/A
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	53.30%	52.90%	57.00%	59.90%	N/A
County's Proportion of the Collective Net Pension Liability	0.045501%	0.042889%	0.044004%	0.048492%	0.050646%
County's Proportionate Share of the Collective Net Pension Liability	\$ 11,030,510	\$ 9,281,775	\$ 11,243,685	\$ 11,072,767	\$ 11,348,215
County's Covered Payroll	\$ 5,421,439	\$ 4,848,087	\$ 4,909,368	\$ 5,120,639	\$ 5,247,623
County's Proportionate Share of the Collective Net Pension Liability as a Percentage of its Covered Payroll	203.46%	191.45%	229.03%	216.24%	216.25%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	57.10%	60.70%	50.70%	54.40%	54.10%

Note to Schedule:
 June 30, 2015 was the first year of GASB 68 implementation, therefore 10-year data is not available yet.

* The amounts presented were determined as of the prior fiscal year ending June 30.

SCHEDULE 5

CHESTERFIELD COUNTY, SOUTH CAROLINA
 SCHEDULE OF THE COUNTY'S CONTRIBUTIONS
 SOUTH CAROLINA POLICE OFFICERS RETIREMENT SYSTEM
 LAST TEN FISCAL YEARS

	2023	2022	2021	2020	2019
Statutorially Required Contributions	\$ 856,661	\$ 714,315	\$ 587,684	\$ 609,599	\$ 516,602
Contributions in Relation to the Statutorially Required Contributions	856,661	714,315	587,684	609,599	516,602
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
County's Covered Payroll	\$ 4,388,807	\$ 3,877,073	\$ 3,395,385	\$ 3,515,534	\$ 3,180,025
Contributions as a Percentage of Covered Payroll	19.52%	18.42%	17.31%	17.34%	16.25%
Statutorially Required Contributions	\$ 485,642	\$ 445,455	\$ 421,197	\$ 390,557	N/A
Contributions in Relation to the Statutorially Required Contributions	485,642	445,455	421,197	390,557	N/A
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	N/A
County's Covered Payroll	\$ 3,185,197	\$ 3,128,197	\$ 3,065,478	\$ 2,854,805	N/A
Contributions as a Percentage of Covered Payroll	15.25%	14.24%	13.74%	13.68%	N/A

Note to Schedule:
 June 30, 2015 was the first year of GASB 68 implementation, therefore 10-year data is not available yet.

CHESTERFIELD COUNTY, SOUTH CAROLINA
SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL OPEB LIABILITY
LAST TEN FISCAL YEARS

	2023	2022	2021	2020	2019	2018
Total OPEB Liability						
Service cost	\$ 419,225	\$ 447,334	\$ 310,403	\$ 313,608	\$ 326,995	\$ 392,819
Interest on total OPEB liability	305,779	345,800	404,579	420,600	469,540	409,962
Effect of economic/demographic gains or (losses)	(2,991,590)	13,455	(434,241)	(20,761)	(1,862,714)	9,097
Effect of assumption changes or inputs	(2,845,699)	1,404,462	1,166,469	873,443	(203,381)	(1,314,397)
Benefit payments	(399,209)	(371,414)	(283,026)	(273,451)	(315,076)	(314,999)
Net Change in Total OPEB Liability	(5,511,494)	1,839,637	1,164,184	1,313,439	(1,584,636)	(817,518)
Total OPEB Liability - Beginning of Year	15,915,977	14,076,340	12,912,156	11,598,717	13,183,353	14,000,871
Total OPEB Liability - End of Year	\$ 10,404,483	\$ 15,915,977	\$ 14,076,340	\$ 12,912,156	\$ 11,598,717	\$ 13,183,353
Covered Payroll	\$ 8,016,140	\$ 7,225,995	\$ 6,751,025	\$ 7,411,069	\$ 7,952,315	\$ 7,229,129
Total OPEB Liability as a % of Covered Payroll	129.79%	220.26%	208.51%	174.23%	145.85%	182.36%

Note to Schedule:
 There are no assets accumulated in a trust to pay the related benefits.

June 30, 2018 was the first year of GASB 75 implementation, therefore 10-year data is not available yet.

CHESTERFIELD COUNTY, SOUTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023

	Emergency Preparedness	E-911 Fund	Sheriff's Department	Total Fire Districts & Rescue Squads	Total Special Revenue Funds	Industrial Site Fund	Capital Projects Fund-Public Facilities Corporation	Debt Service Fund	Total Nonmajor Governmental Funds
Assets and Deferred Outflows of Resources									
Assets:									
Cash and cash equivalents	\$ -	\$ 3,908	\$ 95,265	\$ -	\$ 99,173	\$ 310,000	\$ -	\$ 580,501	\$ 989,674
Taxes receivable - net	-	-	-	34,185	34,185	-	-	35,512	69,697
Due from other funds	44,881	64,431	-	643,085	752,397	648,328	6,323	-	1,407,048
Other receivables	-	8,901	-	-	8,901	-	-	-	8,901
	44,881	77,240	95,265	677,270	894,656	958,328	6,323	616,013	2,475,320
	\$ 44,881	\$ 77,240	\$ 95,265	\$ 677,270	\$ 894,656	\$ 958,328	\$ 6,323	\$ 616,013	\$ 2,475,320
Liabilities, Deferred Inflows of Resources, and Fund Balances									
Liabilities:									
Accounts payable and accrued expenses	\$ -	\$ 2,040	\$ -	\$ 41,264	\$ 43,304	\$ -	\$ -	\$ -	\$ 43,304
Due to other funds	-	-	-	84,636	84,636	-	-	50,029	134,665
	-	2,040	-	125,900	127,940	-	-	50,029	177,969
Deferred Inflows of Resources:									
Unearned revenue	-	-	-	15,648	15,648	-	-	7,056	22,704
	-	-	-	15,648	15,648	-	-	7,056	22,704
Fund balances:									
Restricted									
Public safety	44,881	75,200	95,265	620,358	835,704	-	-	-	835,704
Economic development	-	-	-	-	-	958,328	-	-	958,328
Capital projects	-	-	-	-	-	-	6,323	-	6,323
Assigned	-	-	-	-	-	-	-	558,928	558,928
Debt service	-	-	-	(84,636)	(84,636)	-	-	-	(84,636)
Unassigned	44,881	75,200	95,265	535,722	751,068	958,328	6,323	558,928	2,274,647
	\$ 44,881	\$ 77,240	\$ 95,265	\$ 677,270	\$ 894,656	\$ 958,328	\$ 6,323	\$ 616,013	\$ 2,475,320

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

	Emergency Preparedness	E-911 Fund	Sheriff's Department	Total Fire Districts & Rescue Squads	Total Special Revenue Funds	Industrial Site Fund	Capital Projects Fund-Public Facilities Corporation	Debt Service Fund	Total Nonmajor Governmental Funds
Revenues									
Property taxes	\$ -	\$ -	\$ -	\$ 1,149,197	\$ 1,149,197	\$ -	\$ -	\$ 1,088,694	\$ 2,237,891
Fees and fines	-	-	2,340	-	2,340	-	-	-	2,340
Intergovernmental	-	-	-	-	-	225,000	-	-	225,000
Charges for services	-	443,478	-	-	443,478	-	-	-	443,478
Investment earnings	-	433	178	-	611	-	-	12,803	13,414
Miscellaneous	-	-	152,645	104	152,749	-	-	-	152,749
Contributions	67,238	-	250	-	67,488	-	-	-	67,488
	<u>67,238</u>	<u>443,911</u>	<u>155,413</u>	<u>1,149,301</u>	<u>1,815,863</u>	<u>225,000</u>	<u>-</u>	<u>1,101,497</u>	<u>3,142,360</u>
Expenditures									
Current:									
General government	-	-	-	-	-	216,729	-	-	216,729
Public safety	74,849	485,331	129,984	-	690,164	-	-	-	690,164
Rescue and fire protection	-	-	-	1,103,847	1,103,847	-	-	-	1,103,847
Legislative oversight	-	-	-	-	-	-	51,704	-	51,704
Debt Service:									
Principal	-	-	-	24,941	24,941	-	-	1,083,000	1,107,941
Interest and other charges	-	-	-	553	553	-	-	137,128	137,681
	<u>74,849</u>	<u>485,331</u>	<u>129,984</u>	<u>1,129,341</u>	<u>1,819,505</u>	<u>216,729</u>	<u>51,704</u>	<u>1,220,128</u>	<u>3,308,066</u>
Excess (Deficiency) of Revenues Over Expenditures	(7,611)	(41,420)	25,429	19,960	(3,642)	8,271	(51,704)	(118,631)	(165,706)
Other Financing Sources (Uses)									
Transfers in	-	-	-	45,000	45,000	-	-	-	45,000
Transfers out	-	-	(74,776)	-	(74,776)	-	-	-	(74,776)
	<u>-</u>	<u>-</u>	<u>(74,776)</u>	<u>45,000</u>	<u>(29,776)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(29,776)</u>
Net Change in Fund Balances	(7,611)	(41,420)	(49,347)	64,960	(33,418)	8,271	(51,704)	(118,631)	(195,482)
Fund Balances - Beginning of Year	52,492	116,620	144,612	470,762	784,486	960,057	58,027	677,559	2,470,129
Fund Balances - End of Year	\$ 44,881	\$ 75,200	\$ 95,265	\$ 535,722	\$ 751,068	\$ 968,328	\$ 6,323	\$ 558,928	\$ 2,274,647

CHESTERFIELD COUNTY, SOUTH CAROLINA
COMBINING BALANCE SHEET
FIRE DISTRICTS & RESCUE SQUADS
JUNE 30, 2023

Alligator Fire District	Cash Fire District	Cheraw Fire District	Cheraw Fire District	Chesterfield Fire District	Chesterfield Creek Fire District	Harris Fire District	Cheraw Fire District	Chesterfield Fire District	Jefferson Fire District	McBee Fire District	Pageland Fire District	Patrick Fire District	Total
\$ 9,991	\$ 1,798	\$ 21,506	\$ -	\$ -	\$ 890	\$ -	\$ 87,277	\$ 54,637	\$ 33,770	\$ -	\$ -	\$ -	\$ 34,185
49,990	94,310	260,217	-	-	10,318	-	87,277	54,637	33,770	33,681	5,656	13,229	643,085
<u>\$ 59,981</u>	<u>\$ 96,108</u>	<u>\$ 281,723</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,208</u>	<u>\$ 87,277</u>	<u>\$ 54,637</u>	<u>\$ 33,770</u>	<u>\$ 33,681</u>	<u>\$ 5,656</u>	<u>\$ 13,229</u>	<u>\$ 677,270</u>	
\$ 41,264	\$ -	\$ -	\$ -	\$ 84,636	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,264
-	-	-	-	84,636	-	-	-	-	-	-	-	-	84,636
<u>41,264</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>84,636</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>125,900</u>
3,164	807	11,491	-	-	186	-	-	-	-	-	-	-	15,648
<u>3,164</u>	<u>807</u>	<u>11,491</u>	<u>-</u>	<u>-</u>	<u>186</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,648</u>
15,553	95,301	270,232	-	(84,636)	11,022	87,277	54,637	33,770	33,681	5,656	13,229	620,358	
-	-	-	-	(84,636)	-	-	-	-	-	-	-	-	(84,636)
<u>15,553</u>	<u>95,301</u>	<u>270,232</u>	<u>-</u>	<u>(84,636)</u>	<u>11,022</u>	<u>87,277</u>	<u>54,637</u>	<u>33,770</u>	<u>33,681</u>	<u>5,656</u>	<u>13,229</u>	<u>535,722</u>	
\$ 59,981	\$ 96,108	\$ 281,723	\$ -	\$ -	\$ 11,208	\$ 87,277	\$ 54,637	\$ 33,770	\$ 33,681	\$ 5,656	\$ 13,229	\$ 677,270	

Assets and Deferred Outflows of Resources:

Assets:
Taxes receivable - net
Due from other funds

Liabilities, Deferred Inflows of Resources, and Fund Balances

Liabilities:
Accounts payable and accrued expenses
Due to other funds

Deferred Inflows of Resources:
Unearned revenue

Fund Balances:
Restricted
Public safety
Unassigned

CHESTERFIELD COUNTY, SOUTH CAROLINA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 FIRE DISTRICTS & RESCUE SQUADS
 FOR THE YEAR ENDED JUNE 30, 2023

	Alligator Fire District	Cash Fire District	Cheraw Fire District	Chesterfield Fire District	Harris Creek Fire District	Cheraw Rescue Squad	Chesterfield Rescue Squad	Jefferson Rescue Squad	McBee Rescue Squad	Pageland Rescue Squad	Patrick Rescue Squad	Total
Revenues												
Property taxes	\$ 295,572	\$ 58,107	\$ 458,510	\$ 136,856	\$ 40,933	\$ 26,536	\$ 26,536	\$ 26,536	\$ 26,537	\$ 26,537	\$ 26,537	\$ 1,149,197
Miscellaneous	-	104	-	-	-	-	-	-	-	-	-	104
	<u>295,572</u>	<u>58,211</u>	<u>458,510</u>	<u>136,856</u>	<u>40,933</u>	<u>26,536</u>	<u>26,536</u>	<u>26,536</u>	<u>26,537</u>	<u>26,537</u>	<u>26,537</u>	<u>1,149,301</u>
Expenditures												
Current:												
Rescue and fire protection	296,537	34,355	401,815	170,000	75,810	32,505	14,794	11,092	15,482	36,788	14,669	1,103,847
Debt Service:												
Principal	-	24,941	-	-	-	-	-	-	-	-	-	24,941
Interest and other charges	-	553	-	-	-	-	-	-	-	-	-	553
	<u>296,537</u>	<u>59,849</u>	<u>401,815</u>	<u>170,000</u>	<u>75,810</u>	<u>32,505</u>	<u>14,794</u>	<u>11,092</u>	<u>15,482</u>	<u>36,788</u>	<u>14,669</u>	<u>1,129,341</u>
Excess (Deficiency) of Revenues Over Expenditures	(965)	(1,638)	56,695	(33,144)	(34,877)	(5,969)	11,742	15,444	11,055	(10,251)	11,868	19,960
Other Financing Sources (Uses)												
Transfers in	15,000	15,000	-	-	15,000	-	-	-	-	-	-	45,000
	<u>15,000</u>	<u>15,000</u>	<u>-</u>	<u>-</u>	<u>15,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,000</u>
Net Change in Fund Balances	14,035	13,362	56,695	(33,144)	(19,877)	(5,969)	11,742	15,444	11,055	(10,251)	11,868	64,960
Fund Balances - Beginning of Year	1,518	81,939	213,537	(51,492)	30,899	93,246	42,895	18,326	22,626	15,907	1,361	470,762
Fund Balances - End of Year	<u>\$ 15,553</u>	<u>\$ 95,301</u>	<u>\$ 270,232</u>	<u>\$ (84,636)</u>	<u>\$ 11,022</u>	<u>\$ 87,277</u>	<u>\$ 54,637</u>	<u>\$ 33,770</u>	<u>\$ 33,681</u>	<u>\$ 5,656</u>	<u>\$ 13,229</u>	<u>\$ 535,722</u>

CHESTERFIELD COUNTY, SOUTH CAROLINA
 SCHEDULE OF REVENUES AND EXPENDITURES BY FUNDING SOURCE
 LIBRARY
 FOR THE YEAR ENDED JUNE 30, 2023

Source of Funds	Beginning Balance	Revenues	Expenditures	Ending Balance
Local Sources:				
County or tax appropriation	\$ -	\$ 489,548	\$ 489,548	\$ -
Fees, fines, and other local revenue	45,047	77,814	68,193	54,668
	<u>45,047</u>	<u>567,362</u>	<u>557,741</u>	<u>54,668</u>
State Sources:				
* State aid	-	150,000	150,000	-
* Other state	-	2,253	2,253	-
	<u>-</u>	<u>152,253</u>	<u>152,253</u>	<u>-</u>
Total All Sources of Funds	<u>\$ 45,047</u>	<u>\$ 719,615</u>	<u>\$ 709,994</u>	<u>\$ 54,668</u>

* Indicates funds administered through the South Carolina State Library.

**CHESTERFIELD COUNTY, SOUTH CAROLINA
SUMMARY SCHEDULE OF COURT FINES, ASSESSMENTS, AND SURCHARGES
FOR THE YEAR ENDED JUNE 30, 2023**

	Total Collections	Amount Retained by County Treasurer	Amount Remitted to State Treasurer	Amount Allocated to Victims' Services
Clerk of Court:				
Fines and fees	\$ 344,988	\$ 159,805	\$ 185,183	\$ -
Assessments	1,845	-	1,431	414
Surcharges	24,254	-	9,132	15,122
	\$ 371,087	\$ 159,805	\$ 195,746	\$ 15,536
 Magistrates Court:				
Fines and fees	\$ 228,414	\$ 225,030	\$ 3,384	\$ -
Assessments	213,156	-	182,044	31,112
Surcharges	83,526	-	75,684	7,842
	\$ 525,096	\$ 225,030	\$ 261,112	\$ 38,954
 Victim's Advocate				
Amount reserved for victim's advocate, beginning of year				\$ 22,013
Plus: Amount allocated to victim's advocate				54,490
Less: Amounts spent for victim's advocate from assessments and surcharges:				
Salaries and benefits			\$ 62,391	
Unearned revenue			3,286	
				(65,677)
Amount reserved for victim's advocate, end of year				\$ 10,826

CHESTERFIELD COUNTY, SOUTH CAROLINA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 FOR THE YEAR ENDED JUNE 30, 2023

	E-911 FUND
REVENUES	
Fees and Service Charges	\$ 443,478
Interest and Investment Income	433
	443,911
TOTAL REVENUES ALL SOURCES	443,911
EXPENDITURES	
Public Safety Communications:	
Personnel Services	92,055
General Operating	145,449
Repairs and Maintenance	4,654
Contractual Services	222,154
Supplies	21,020
	485,332
TOTAL EXPENDITURES	485,332
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(41,421)
FUND BALANCE, BEGINNING OF YEAR	116,620
FUND BALANCE, END OF YEAR	\$ 75,199

FINANCIAL STATEMENT FINDINGS (APPLICABLE TO 9-1-1 FUND)

None

RECOMMENDED COURSE OF ACTION (APPLICABLE TO 9-1-1 FUND)

None