

AUDITED FINANCIAL STATEMENTS

CLARENDON COUNTY

MANNING, SOUTH CAROLINA

YEAR ENDED JUNE 30, 2021

AUDITED FINANCIAL STATEMENTS

CLARENDON COUNTY

MANNING, SOUTH CAROLINA

YEAR ENDED JUNE 30, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Members of the
Clarendon County Council
Manning, South Carolina

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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INDEPENDENT AUDITOR'S REPORT
(continued)

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Clarendon County, as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of the County's proportionate share of the net OPEB liability and contributions, and the schedules of the County's proportionate share of the net pension liability and contributions (SCRS) and (PORS) on pages 7 through 14 and 85 through 88 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Clarendon County's basic financial statements. The combining and individual fund schedules, supplemental section, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual fund schedules, the schedule of expenditures of federal awards, and supplemental section are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial

INDEPENDENT AUDITOR'S REPORT
(continued)

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 fund schedules, the schedule of expenditures of federal awards, and supplemental section are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 14, 2022, on our consideration of Clarendon 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 Clarendon County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Clarendon County's internal control over financial reporting and compliance.

McGregor & Co. LLP

Orangeburg, South Carolina
January 14, 2022

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2021**

Clarendon County's management's discussion and analysis offers readers of the County's financial statements a narrative overview and analysis of the County's financial activities for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the financial statements and notes to the financial statements.

The government-wide financial statements include not only Clarendon County and its blended component units (known as the primary government), but also legally separate entities for which the County is financially accountable. Information included in this discussion and analysis focuses on the activities of the primary government. Accordingly, information provided does not include the activities of discretely-presented component units.

Financial Highlights:

- Clarendon County's assets exceeded its liabilities at June 30, 2021, by \$5.3 million (net position).
- The County's total net position increased \$2.6 million over the previous year.
- At June 30, 2021, the County's governmental fund balance sheet reported a combined ending fund balance of \$18.9 million, an increase of \$2.6 million over the previous fiscal year. Of the \$18.9 million, \$9.6 million remains in the various funds of the County as committed, assigned, or unassigned.
- The General Fund reported a fund balance of \$8.2 million, reflecting a \$2.4 million increase from last fiscal year. This total ending balance equates to 37.1% of General Fund expenditures for the year. The unassigned fund balance is 23.0% of General Fund expenditures for the year.
- Total bonded debt decreased a net \$0.6 million during the fiscal year.

Overview of the Financial Statements

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

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2021**

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.

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 the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of Clarendon 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 County's governmental activities include general government, public safety, judicial, physical environment, economic environment, transportation, agencies, and cultural/recreation. Financial information in the government-wide financial statements distinguishes discretely-presented component units from the financial information for the primary government itself.

The government-wide financial statements can be found on pages 15 and 16 of this report.

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

Governmental funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2021**

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 presented 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 funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Clarendon County maintains 14 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Capital Projects Fund, General County Debt Service Fund, Fire Rescue Fund and C-Program Roads Fund which are considered to be major funds. Data from other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Clarendon County adopts an annual appropriation budget for its governmental funds. Budgetary comparison statements have been provided for these funds to demonstrate compliance with the budget.

The basic governmental funds financial statements can be found on pages 17 through 20 of this report.

Proprietary funds: Clarendon County utilizes two proprietary funds associated with its Water and Sewer related activities and the Weldon Auditorium. These statements are found on pages 21 through 23.

Fiduciary fund: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs.

The basic fiduciary fund financial statement can be found on page 24 of this report.

Notes to the financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 25 through 84 of this report.

Other information: In addition to the basic financial statements and accompanying notes, the combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 89 through 109 of this report.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2021**

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Clarendon County, assets exceeded liabilities by \$5.3 million at the close of the most recent fiscal year. The County's increase in net position for this fiscal year amounts to \$2.6 million.

The largest portion of the County's net position (\$24.1 million) reflects its investment in capital assets (e.g. land, buildings, infrastructure, machinery and equipment); less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**Clarendon County's Net Position
(Dollars in Thousands)**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Current and other assets	\$ 23,537	\$ 17,643	\$ 532	\$ 646	\$ 24,069	\$ 18,289
Capital assets	<u>39,157</u>	<u>37,934</u>	<u>16,406</u>	<u>16,302</u>	<u>55,563</u>	<u>54,236</u>
Total assets	<u>62,694</u>	<u>55,577</u>	<u>16,938</u>	<u>16,948</u>	<u>79,632</u>	<u>72,525</u>
Deferred outflows of resources	<u>9,481</u>	<u>4,883</u>	<u>157</u>	<u>94</u>	<u>9,638</u>	<u>4,977</u>
Long-term liabilities outstanding	62,152	55,527	11,884	12,177	74,036	67,704
Other liabilities	<u>5,256</u>	<u>1,867</u>	<u>2,350</u>	<u>2,100</u>	<u>7,606</u>	<u>3,967</u>
Total liabilities	<u>67,408</u>	<u>57,394</u>	<u>14,234</u>	<u>14,277</u>	<u>81,642</u>	<u>71,671</u>
Deferred inflows of resources	<u>2,283</u>	<u>3,026</u>	<u>37</u>	<u>64</u>	<u>2,320</u>	<u>3,090</u>
Net position						
Invested in capital assets, net of related debt	20,424	19,587	3,644	3,627	24,068	23,214
Restricted	8,133	6,605	358	313	8,491	6,918
Unrestricted	<u>(26,073)</u>	<u>(26,152)</u>	<u>(1,178)</u>	<u>(1,239)</u>	<u>(27,251)</u>	<u>(27,391)</u>
Total net position	<u>\$ 2,484</u>	<u>\$ 40</u>	<u>\$ 2,824</u>	<u>\$ 2,701</u>	<u>\$ 5,308</u>	<u>\$ 2,741</u>

An additional portion of the County's net position of the governmental activities (\$8.1 million) represents resources that are subject to external restrictions on how they may be used or deemed to be unspendable.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2021**

The changes in net position displayed below shows the governmental and business-type activities during the fiscal year. Increases in property taxes resulted in a positive change in net position of \$2.6 million.

**Clarendon County's Changes in Net Position
(Dollars in Thousands)**

	<u>Governmental</u> <u>Activities</u>		<u>Business-type</u> <u>Activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenues						
Program Revenues:						
Charges for Services	\$ 4,481	\$ 2,506	\$ 1,162	\$ 959	\$ 5,643	\$ 3,465
Grants and Contributions	1,174	498	200	822	1,374	1,320
General revenues:						
Ad valorem taxes	22,657	20,730	-	-	22,657	20,730
Other taxes	4,330	3,587	-	-	4,330	3,587
State shared	4,324	3,862	-	-	4,324	3,862
Interest	30	104	1	4	31	108
Other	<u>633</u>	<u>327</u>	<u>-</u>	<u>-</u>	<u>633</u>	<u>327</u>
Total revenues	37,629	31,614	1,363	1,785	38,992	33,399
Expenses						
Government Activities:						
General government	8,554	8,321	-	-	8,554	8,321
Public safety	16,330	13,400	-	-	16,330	13,400
Physical environment	3,969	3,834	-	-	3,969	3,834
Transportation	265	198	-	-	265	198
Economic environment	1,093	688	-	-	1,093	688
Court related	1,961	1,933	-	-	1,961	1,933
Cultural and recreational	911	877	-	-	911	877
Agencies	920	920	-	-	920	920
Interest on long-term debt	1,072	652	-	-	1,072	652
Business-type Activities:						
Water and sewer fund	-	-	1,156	1,233	1,156	1,233
Weldon Auditorium	<u>-</u>	<u>-</u>	<u>289</u>	<u>257</u>	<u>289</u>	<u>257</u>
Total expenses	35,075	30,823	1,445	1,490	36,520	32,313
Transfers in (out)	<u>(115)</u>	<u>(109)</u>	<u>201</u>	<u>241</u>	<u>86</u>	<u>132</u>
Change in net position	<u>\$ 2,439</u>	<u>\$ 682</u>	<u>\$ 119</u>	<u>\$ 536</u>	<u>\$ 2,558</u>	<u>\$ 1,218</u>

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2021**

Primary Governmental Activities: Revenues for the County's governmental activities were \$37.6 million for fiscal year 2021. Taxes constitute the largest source of County revenues, amounting to approximately \$27.0 million for the fiscal year 2021. Real property taxes (\$18.3 million) represent 67.8% of total taxes and 48.7% of all revenue combined. Whereas, intergovernmental revenues increased to \$5.5 million for the fiscal year end.

Financial Analysis of Clarendon County's Funds

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

Governmental funds: The focus of Clarendon County governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Clarendon County's financing requirements. In particular, non-restricted fund balances (committed, assigned and unassigned) may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of June 30, 2021, Clarendon County governmental funds reported combined fund balances of \$18.9 million, an increase of \$2.6 million from the prior year balances. This increase was primarily the result of an increase in tax collections and bond issuance for capital projects.

The General Fund is the chief operating fund of the County. At June 30, 2021, total fund balance in the General Fund was \$8.2 million, of which \$5.4 million was not restricted. As a measure of the General Fund's liquidity, the total fund balance and total unrestricted and nonspendable fund balances compared to total fund expenditures shows percentages of 37.1% and 24.44%, respectively. The fund balance of the General Fund showed an increase of 41.4%, or \$2.4 million during the fiscal year.

General Fund Budgetary Highlights

A budget to actual statement is provided for the General Fund. A budget column for both the original budget adopted for fiscal year 2021 as well as the final budget is presented. Historically, neither grant revenue nor expenditures are budgeted. The variances reflected are primarily a result of greater tax collections, related grant activities and savings realized at the departmental level (staffing levels less than budgeted).

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2021**

Capital Asset and Debt Administration

Capital assets: Clarendon County's investment in capital assets for its governmental type activities as of June 30, 2021, amounts to \$39.2 million (net of accumulated depreciation) and \$16.0 million within its business-type activities. This investment in capital assets includes land, buildings and improvements, machinery and equipment and construction in progress. Clarendon County's investment in capital assets for the fiscal year was up 1.8% as water system expansion efforts continue.

**Clarendon County's Capital Assets (Net)
(Dollars in Thousands)**

	<u>Government Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Land	\$ 2,936	\$ 2,936	\$ 154	\$ 154	\$ 3,090	\$ 3,090
Infrastructure	5,659	4,532	-	-	5,659	4,532
Construction in progress	248	1,039	39	5,922	287	6,961
Buildings and improvements	24,968	24,737	2,547	2,633	27,515	27,370
Water distribution system	-	-	13,131	7,389	13,131	7,389
Machinery and equipment	<u>5,346</u>	<u>4,690</u>	<u>177</u>	<u>204</u>	<u>5,523</u>	<u>4,894</u>
Total	<u>\$ 39,157</u>	<u>\$ 37,934</u>	<u>\$16,048</u>	<u>\$16,302</u>	<u>\$ 55,205</u>	<u>\$ 54,236</u>

Additional information on the County's capital assets can be found in Note 7 on pages 43 through 44 of this report.

Long-term debt: At the end of the current fiscal year, Clarendon County had a total bonded debt and capital leases outstanding of \$30.5 million, of which \$6.5 million is backed by the full faith and credit of the County.

**Clarendon County's Outstanding Debt
(Dollars in Thousands)**

	<u>2021</u>	<u>2020</u>
General obligation bond(s)	\$ 6,520	\$ 7,253
Revenue bond(s)	22,687	22,845
Capital lease(s)	<u>1,286</u>	<u>1,229</u>
	<u>\$ 30,493</u>	<u>\$ 31,327</u>

The County's total debt decreased \$0.8 million. The County currently has a rating of "A+" from Standard & Poor's Corporation on general obligation bond issues. As of June 30, 2021, the County's general obligation debt and capital lease approximated two hundred twenty-five dollars (\$225) per capita.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2021**

Additional information on Clarendon County's long-term debt can be found in Note 10 on pages 48 through 57 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for Clarendon County is currently 5.3%, which represents a decrease from a year ago. This compares to the state's average unemployment rate of 4.5% and the national average rate of 6.1%.
- Assessed taxable property valuation increased to \$108.8 million in 2021, an increase of 2.4% over the prior year.
- County-wide gross taxable sales increased from \$478 million in 2020 to \$572 million in 2021 (19.7%); additionally, net taxable sales increased by 14.4% to \$190 million in 2021.

All of these factors were considered in preparing the County's budget for the 2022 fiscal year. Per the Fiscal Year 2022 Amended Adopted Budget, disbursements are budgeted at \$23.3 million, an increase of 6.9% from the fiscal year 2021 level for the General Fund. The County's commitment to programs such as public safety, health and welfare, community development, public works, and parks, recreation, and cultural activities remains strong. However, pressures on the County's budget due to the additional resources required to keep our communities safe will continue to be a challenge for the County in light of legislated constraints to revenue growth.

Requests for Information

This financial report is designed to provide a general overview of Clarendon County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to County Chief Financial Officer, 411 Sunset Drive, Manning, South Carolina 29102. Complete financial statements for each individual component unit may be obtained at each respective administrative office.

CLARENDON COUNTY, SOUTH CAROLINA
STATEMENT OF NET POSITION
JUNE 30, 2021

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Harvin Clarendon County Library	Business Development Corp.
ASSETS					
Current assets:					
Cash and investments	\$ 19,077,872	\$ 322,547	\$ 19,400,419	\$ 172,536	\$ 2,527,929
Receivables:					
Delinquent taxes	1,815,315	-	1,815,315	-	-
Other	722,968	194,956	917,924	2,355	36,364
Due from fiduciary funds	94,900	-	94,900	-	-
Prepaid expense	-	-	-	23,396	3,200
Due from other governments	1,735,651	14,050	1,749,701	-	-
Inventories	90,546	-	90,546	-	-
Capital leases and notes receivable	-	-	-	-	28,548
Total current assets	<u>23,537,252</u>	<u>531,553</u>	<u>24,068,805</u>	<u>198,287</u>	<u>2,596,041</u>
Non-current assets:					
Restricted cash and cash equivalents	-	358,301	358,301	-	257,190
Capital leases and notes receivable	-	-	-	-	431,198
Non-depreciable capital assets-net	3,184,419	192,535	3,376,954	24,000	3,721,336
Depreciable capital assets-net	35,972,733	15,855,013	51,827,746	79,139	961,945
Total non-current assets	<u>39,157,152</u>	<u>16,405,849</u>	<u>55,563,001</u>	<u>103,139</u>	<u>5,371,669</u>
Total assets	<u>62,694,404</u>	<u>16,937,402</u>	<u>79,631,806</u>	<u>301,426</u>	<u>7,967,710</u>
DEFERRED OUTFLOWS OF RESOURCES					
Pension Deferrals	4,981,961	81,232	5,063,193	257,526	-
OPEB Deferrals	4,499,458	75,486	4,574,944	-	-
Total deferred outflows of resources	<u>9,481,419</u>	<u>156,718</u>	<u>9,638,137</u>	<u>257,526</u>	<u>-</u>
LIABILITIES					
Current liabilities (payable from current assets):					
Accounts payable	902,074	42,928	945,002	12,277	5,067
Due to other governments	181,951	-	181,951	-	-
Internal balances	(1,940,754)	1,940,754	-	-	-
Due to fiduciary funds	318,373	-	318,373	-	-
Unearned revenue	3,167,568	106,903	3,274,471	-	909,544
Note payable	-	-	-	-	28,548
Other liabilities	80,513	-	80,513	-	-
Accrued compensated absences	558,237	11,225	569,462	-	-
Closures and maintenance costs payable	27,200	-	27,200	-	-
Capital lease	410,638	-	410,638	-	-
GBAN payable	364,070	-	364,070	-	-
Bond payable	1,186,325	247,754	1,434,079	-	-
Total current liabilities	<u>5,256,195</u>	<u>2,349,564</u>	<u>7,605,759</u>	<u>12,277</u>	<u>943,159</u>
Non-current liabilities:					
Accrued compensated absences	29,373	-	29,373	22,110	-
Closures and maintenance costs payable	441,850	-	441,850	-	-
Note payable	-	-	-	-	253,698
Net pension liability	23,190,797	520,051	23,710,848	711,371	-
OPEB payable	20,856,050	349,899	21,205,949	505,592	-
Capital lease	875,165	-	875,165	-	-
Bond payable	16,759,078	11,013,785	27,772,863	-	-
Total long-term liabilities	<u>62,152,313</u>	<u>11,883,735</u>	<u>74,036,048</u>	<u>1,239,073</u>	<u>253,698</u>
Total liabilities	<u>67,408,508</u>	<u>14,233,299</u>	<u>81,641,807</u>	<u>1,251,350</u>	<u>1,196,857</u>
DEFERRED INFLOWS OF RESOURCES					
Bond premium	146,448	-	146,448	-	-
Pension Deferrals	285,247	5,703	290,950	183,308	-
OPEB Deferrals	1,851,794	31,067	1,882,861	-	-
Total deferred inflows of resources	<u>2,283,489</u>	<u>36,770</u>	<u>2,320,259</u>	<u>183,308</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	20,423,848	3,643,476	24,067,324	103,139	4,401,035
Restricted:					
Debt service	3,417,340	348,301	3,765,641	-	-
Water system asset replacement	-	10,000	10,000	-	-
Drug interdiction	576,855	-	576,855	-	-
Third circuit solicitor	271,705	-	271,705	-	-
E-911 call center	1,061,307	-	1,061,307	-	-
Local option sales tax	2,769,986	-	2,769,986	-	-
I-95 Mega-site	36,072	-	36,072	-	1,218,950
Unrestricted	(26,073,287)	(1,177,726)	(27,251,013)	(978,845)	1,150,868
Total net position	<u>\$ 2,483,826</u>	<u>\$ 2,824,051</u>	<u>\$ 5,307,877</u>	<u>\$ (875,706)</u>	<u>\$ 6,770,853</u>

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

CLARENDON COUNTY, SOUTH CAROLINA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

Functions/Programs	Net (Expense) Revenue and Changes in Net Position								
	Program Revenues				Primary Government			Component Units	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	Harvin Clarendon County Library	Business Development Corporation
Primary Government:									
Governmental activities:									
Public safety	\$ 16,330,178	\$ 2,031,509	\$ 222,091	\$ 190,765	\$ (13,885,813)	\$ -	\$ (13,885,813)		
General government	8,554,197	181,994	103,123	-	(8,269,080)	-	(8,269,080)		
Physical environment	3,968,708	1,402,019	48,937	-	(2,517,752)	-	(2,517,752)		
Court related	1,960,935	692,878	-	4,963	(1,263,094)	-	(1,263,094)		
Agencies	920,324	-	-	-	(920,324)	-	(920,324)		
Culture/Recreation	911,075	43,399	6,520	116,176	(744,980)	-	(744,980)		
Economic environment	1,092,819	81,689	200,000	-	(811,130)	-	(811,130)		
Transportation	265,237	47,180	-	281,214	63,157	-	63,157		
Interest	1,072,034	-	-	-	(1,072,034)	-	(1,072,034)		
Total governmental activities	<u>35,075,507</u>	<u>4,480,668</u>	<u>580,671</u>	<u>593,118</u>	<u>(29,421,050)</u>	<u>-</u>	<u>(29,421,050)</u>		
Business-Type Activities:									
Water & Sewer Utility	1,155,698	1,138,690	-	200,134	-	183,126	183,126		
Weldon Auditorium	289,697	23,744	-	-	-	(265,953)	(265,953)		
Total business-type activities	<u>1,445,395</u>	<u>1,162,434</u>	<u>-</u>	<u>200,134</u>	<u>-</u>	<u>(82,827)</u>	<u>(82,827)</u>		
Total Primary Government:	<u>\$36,520,902</u>	<u>\$ 5,643,102</u>	<u>\$ 580,671</u>	<u>\$ 793,252</u>	<u>(29,421,050)</u>	<u>(82,827)</u>	<u>(29,503,877)</u>		
Component Units:									
Harvin Clarendon County Library	\$ 734,769	\$ 16,542	\$ 102,355	\$ -			\$ (615,872)	\$ -	
Business Development Corporation	588,772	161,766	304,751	55,683			-	(66,572)	
Total Component Units	<u>\$ 1,323,541</u>	<u>\$ 178,308</u>	<u>\$ 407,106</u>	<u>\$ 55,683</u>			<u>(615,872)</u>	<u>(66,572)</u>	
General Revenues:									
Taxes:									
Property taxes, levied for general purposes					20,153,842	-	20,153,842	-	-
Property taxes, levied for debt services					2,503,498	-	2,503,498	-	-
Sales and use taxes					4,329,773	-	4,329,773	-	-
Franchise fees					109,291	-	109,291	-	-
State shared revenues					4,324,741	-	4,324,741	-	-
Interest earnings					30,663	1,162	31,825	-	21,113
Gain on sale of capital assets					256,974	-	256,974	-	302,077
Miscellaneous					266,562	-	266,562	565,000	-
County appropriation					-	-	-	-	-
Total general revenues					<u>31,975,344</u>	<u>1,162</u>	<u>31,976,506</u>	<u>565,000</u>	<u>323,190</u>
Transfers					(115,182)	200,750	85,568	-	-
Total general revenues, transfers and contributions					<u>31,860,162</u>	<u>201,912</u>	<u>32,062,074</u>	<u>565,000</u>	<u>323,190</u>
Change in net position					2,439,112	119,085	2,558,197	(50,872)	256,618
Net position - beginning - as restated					44,714	2,704,966	2,749,680	(824,834)	6,514,235
Net position - ending					<u>\$ 2,483,826</u>	<u>\$ 2,824,051</u>	<u>\$ 5,307,877</u>	<u>\$ (875,706)</u>	<u>\$ 6,770,853</u>

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

CLARENDON COUNTY, SOUTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

	GENERAL	CAPITAL PROJECTS	GENERAL COUNTY DEBT SVC	FIRE RESCUE	C-PROGRAM ROADS	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS	
ASSETS								
Cash and cash equivalents	\$ 6,442,417	\$ 3,728,180	\$ 3,379,474	\$ 969,981	\$ 2,219,201	\$ 2,349,740	\$ 19,088,993	
Accounts receivable								
Property taxes	1,297,637	-	99,838	273,962	-	143,878	1,815,315	
Other	163,516	-	-	457,671	-	101,781	722,968	
Due from other funds	144,816	-	28,450	-	2,404	2,411	178,081	
Due from fiduciary funds	94,900	-	-	-	-	-	94,900	
Due from business enterprise	812,271	1,128,483	-	-	-	-	1,940,754	
Due from other governments	1,596,248	-	-	-	139,403	-	1,735,651	
Supplies inventory	90,546	-	-	-	-	-	90,546	
Total assets	<u>\$ 10,642,351</u>	<u>\$ 4,856,663</u>	<u>\$ 3,507,762</u>	<u>\$ 1,701,614</u>	<u>\$ 2,361,008</u>	<u>\$ 2,597,810</u>	<u>\$ 25,667,208</u>	
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 357,638	\$ 63,575	\$ -	\$ 36,206	\$ 112,991	\$ 14,715	\$ 585,125	
Accrued payroll and withholdings	296,837	-	-	20,112	-	-	316,949	
Cash overdraft	-	-	-	-	-	11,121	11,121	
Due to other funds	33,265	-	125,000	17,816	-	2,000	178,081	
Due to fiduciary funds	318,373	-	-	-	-	-	318,373	
Due to other governments	181,951	-	-	-	-	-	181,951	
Bonds payable	-	364,070	-	-	-	-	364,070	
Unearned revenue	37,084	3,124,296	-	-	-	-	3,161,380	
Advance mobile home revenue	6,188	-	-	-	-	-	6,188	
Other liabilities	80,513	-	-	-	-	-	80,513	
Total liabilities	<u>1,311,849</u>	<u>3,551,941</u>	<u>125,000</u>	<u>74,134</u>	<u>112,991</u>	<u>27,836</u>	<u>5,203,751</u>	
Deferred Inflows of Resources								
Unavailable Revenue-Property								
Taxes	1,112,074	-	80,915	228,195	-	119,742	1,540,926	
Total Deferred Inflows of Resources	<u>1,112,074</u>	<u>-</u>	<u>80,915</u>	<u>228,195</u>	<u>-</u>	<u>119,742</u>	<u>1,540,926</u>	
Fund balances:								
Nonspendable	90,546	-	-	-	-	-	90,546	
Restricted	2,806,058	1,128,483	3,301,847	-	-	2,025,360	9,261,748	
Committed	-	-	-	-	-	-	-	
Assigned	227,974	176,239	-	1,399,285	2,248,017	424,872	4,476,387	
Unassigned	5,093,850	-	-	-	-	-	5,093,850	
Total fund balances	<u>8,218,428</u>	<u>1,304,722</u>	<u>3,301,847</u>	<u>1,399,285</u>	<u>2,248,017</u>	<u>2,450,232</u>	<u>18,922,531</u>	
Total Liabilities, Deferred Inflows of Resources, and Fund balances	<u>\$ 10,642,351</u>	<u>\$ 4,856,663</u>	<u>\$ 3,507,762</u>	<u>\$ 1,701,614</u>	<u>\$ 2,361,008</u>	<u>\$ 2,597,810</u>		
Amounts reported for governmental activities in the statement of net position are different because:								
Capital assets used in governmental activities are not financial resources, therefore, are not reported in funds.								39,157,152
Long-term liabilities, including bonds payable (\$17,945,403), capital lease (\$1,285,803), accrued compensated absences (\$587,610), closure and maintenances costs payable (\$469,050) and bond premium (\$146,448) are not reported in funds.								(20,434,314)
Other Post Employment Benefits (OPEB) liability and deferred inflows/outflows represent the future unfunded costs associated with current benefits design.								(18,208,386)
Net pension liability and deferred outflow/inflows represent the proportionate share of the future unfunded costs associated with County's participation in the South Carolina Retirement System.								(18,494,083)
Delinquent taxes receivable are not financial resources in the current period and, therefore, are reported as unearned revenue in the funds.								<u>1,540,926</u>
Total net position - total governmental activities								<u>\$ 2,483,826</u>

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

CLARENDON COUNTY, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	GENERAL	CAPITAL PROJECTS	GENERAL COUNTY DEBT SVC	FIRE RESCUE	C-PROGRAM ROADS	OTHER GOVERNMENTAL FUNDS	TOTAL
REVENUES							
Taxes	\$ 18,698,817	\$ -	\$ 2,437,461	\$ 3,694,712	\$ -	\$ 2,268,580	\$ 27,099,570
Licenses and permits	149,129	-	-	-	-	-	149,129
Intergovernmental	2,811,738	252,990	-	-	1,530,870	799,379	5,394,977
Charges for services	1,966,840	-	-	1,564,309	-	121,949	3,653,098
Fines and forfeitures	332,981	-	-	-	-	154,328	487,309
Interest	9,782	3,162	668	1,199	9,218	6,634	30,663
Miscellaneous	567,950	-	-	71,340	-	-	639,290
Total revenues	<u>24,537,237</u>	<u>256,152</u>	<u>2,438,129</u>	<u>5,331,560</u>	<u>1,540,088</u>	<u>3,350,870</u>	<u>37,454,036</u>
EXPENDITURES							
Current:							
General government	6,303,701	6,172	-	-	699,877	273,841	7,283,591
Public safety	7,314,114	97,405	-	6,050,094	-	565,980	14,027,593
Physical environment	3,740,535	20,875	-	-	-	-	3,761,410
Transportation	204,424	-	-	-	-	-	204,424
Economic environment	663,634	384,487	-	-	-	-	1,048,121
Agencies	916,832	-	-	-	-	-	916,832
Culture/Recreation	552,309	-	-	-	-	212,307	764,616
Court Related	1,575,111	-	-	-	-	226,591	1,801,702
Debt service:							
Principal	-	-	1,752,788	-	-	75,870	1,828,658
Interest and fiscal charges	-	39,330	1,029,055	-	-	29,293	1,097,678
Capital outlay	872,122	1,319,191	-	552,108	935,674	63,250	3,742,345
Total expenditures	<u>22,142,782</u>	<u>1,867,460</u>	<u>2,781,843</u>	<u>6,602,202</u>	<u>1,635,551</u>	<u>1,447,132</u>	<u>36,476,970</u>
Excess of revenues over (under) expenditures	2,394,455	(1,611,308)	(343,714)	(1,270,642)	(95,463)	1,903,738	977,066
OTHER FINANCING SOURCES (USES)							
Sale of assets	113,832	-	-	182,417	-	48,125	344,374
Bond proceeds	-	-	287,500	-	-	-	287,500
Bond proceeds from refunding	-	-	7,475,821	-	-	-	7,475,821
Payment to refunded bond escrow	-	-	(6,900,000)	-	-	-	(6,900,000)
Lease proceeds	-	500,000	-	-	-	-	500,000
Transfers	(101,272)	207,581	-	1,514,890	-	(1,736,381)	(115,182)
Net other financing sources (uses)	<u>12,560</u>	<u>707,581</u>	<u>863,321</u>	<u>1,697,307</u>	<u>-</u>	<u>(1,688,256)</u>	<u>1,592,513</u>
Net changes in fund balances	<u>2,407,015</u>	<u>(903,727)</u>	<u>519,607</u>	<u>426,665</u>	<u>(95,463)</u>	<u>215,482</u>	<u>2,569,579</u>
Fund balances at beginning of year - as restated	<u>5,811,413</u>	<u>2,208,449</u>	<u>2,782,240</u>	<u>972,620</u>	<u>2,343,480</u>	<u>2,234,750</u>	<u>16,352,952</u>
Fund balances at end of year	<u>\$ 8,218,428</u>	<u>\$ 1,304,722</u>	<u>\$ 3,301,847</u>	<u>\$ 1,399,285</u>	<u>\$ 2,248,017</u>	<u>\$ 2,450,232</u>	<u>\$ 18,922,531</u>

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

**CLARENDON 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, 2021**

Net Changes in fund balances - total governmental funds		\$ 2,569,579
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense.		
Expenditures for capital assets	\$ 3,742,345	
Less current year depreciation	<u>(2,432,112)</u>	1,310,233
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.		
Difference between proceeds and book value of assets sold.	<u>(87,400)</u>	(87,400)
Lease and bond proceeds provide current financial resources to government funds, but incurring debt increases long-term liabilities in the statement of net position.		
Bond proceeds	(7,747,500)	
Bond premium	(15,821)	
Lease proceeds	(500,000)	
Bond principal payment	8,394,733	
Bond premium	25,644	
Capital lease payment	<u>443,553</u>	600,609
Some expenses reported in the statement of activities do not require the use of current financial resources, therefore, are not reported as expenditures in governmental funds.		
Change in compensated absences	16,517	
Change in OPEB liability, deferred outflows and inflows	(1,198,121)	
Change in Pension liability, deferred outflows and inflows	(689,946)	
Change in closure and maintenance costs payable	<u>(1,150)</u>	(1,872,700)
Some property tax will not be collected for several months after the County's fiscal year-end, they are not considered "available" revenues in the governmental funds.		<u>(81,209)</u>
Change in net position of governmental activities.		<u><u>\$ 2,439,112</u></u>

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

CLARENDON COUNTY, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		Actual Budget Basis (Note 2)	Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 16,777,840	\$ 16,777,840	\$ 18,698,817	\$ 1,920,977
Licenses and permits	132,500	132,500	149,129	16,629
Intergovernmental	1,929,530	1,963,146	2,811,738	848,592
Charges for services	1,772,750	1,772,750	1,966,840	194,090
Fines and forfeitures	315,200	315,200	332,981	17,781
Interest	12,000	12,000	9,782	(2,218)
Miscellaneous	545,500	511,884	567,950	56,066
Total revenues	<u>21,485,320</u>	<u>21,485,320</u>	<u>24,537,237</u>	<u>3,051,917</u>
EXPENDITURES				
Current:				
General government	5,878,630	5,870,130	6,841,992	(971,862)
Public safety	7,819,770	7,819,770	7,563,449	256,321
Physical environment	3,893,950	3,893,950	3,744,135	149,815
Transportation	223,580	223,580	221,504	2,076
Economic environment	739,970	739,970	692,134	47,836
Culture/Recreation	599,820	599,820	596,079	3,741
Court related	1,704,550	1,713,050	1,587,739	125,311
Agencies	918,050	918,050	916,832	1,218
Total expenditures	<u>21,778,320</u>	<u>21,778,320</u>	<u>22,163,864</u>	<u>(385,544)</u>
Excess of revenues over (under) expenditures	(293,000)	(293,000)	2,373,373	2,666,373
OTHER FINANCING SOURCES (USES)				
Sale of assets	190,000	190,000	113,832	(76,168)
Transfers In/(out)	103,000	103,000	(101,272)	(204,272)
Net other financing sources (uses)	<u>293,000</u>	<u>293,000</u>	<u>12,560</u>	<u>(280,440)</u>
Excess of revenues over (under) expenditures and other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	2,385,933	<u>\$ 2,385,933</u>
Fund balance at beginning of year as restated			<u>5,697,511</u>	
Fund balance at end of year			<u>\$ 8,083,444</u>	

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

CLARENDON COUNTY, SOUTH CAROLINA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2021

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS				
	WATER UTILITY	SEWER UTILITY	TOTAL UTILITY	WELDON AUDITORIUM	TOTAL ENTERPRISE FUNDS
ASSETS					
Current Assets					
Cash and cash equivalents	\$ 179,434	\$ 126,135	\$ 305,569	\$ 16,978	\$ 322,547
Accounts receivable, net of allowance	175,645	19,311	194,956	-	194,956
Due from other governments	14,050	-	14,050	-	14,050
Total current assets	<u>369,129</u>	<u>145,446</u>	<u>514,575</u>	<u>16,978</u>	<u>531,553</u>
Noncurrent Assets					
Restricted cash and cash equivalents	197,550	-	197,550	160,751	358,301
Capital assets:					
Land	114,764	38,771	153,535	-	153,535
Buildings and improvements	13,478	-	13,478	3,438,171	3,451,649
Machinery and equipment	443,233	28,026	471,259	6,485	477,744
Water and sewer system	14,604,081	313,184	14,917,265	-	14,917,265
Construction in Progress	39,000	-	39,000	-	39,000
Less: Accumulated Depreciation	<u>(1,913,067)</u>	<u>(175,952)</u>	<u>(2,089,019)</u>	<u>(902,626)</u>	<u>(2,991,645)</u>
Total noncurrent assets	<u>13,499,039</u>	<u>204,029</u>	<u>13,703,068</u>	<u>2,702,781</u>	<u>16,405,849</u>
TOTAL ASSETS	<u>13,868,168</u>	<u>349,475</u>	<u>14,217,643</u>	<u>2,719,759</u>	<u>16,937,402</u>
DEFERRED OUTFLOWS OF RESOURCES					
Pension deferrals	59,467	6,607	66,074	15,158	81,232
OPEB deferrals	54,442	5,947	60,389	15,097	75,486
Total deferred outflows of resources	<u>113,909</u>	<u>12,554</u>	<u>126,463</u>	<u>30,255</u>	<u>156,718</u>
LIABILITIES					
Current Liabilities:					
Accounts payable	32,485	6,281	38,766	3,865	42,631
Accrued payroll and withholdings	134	15	149	148	297
Due to other funds	1,472,103	167,066	1,639,169	301,585	1,940,754
Unearned revenue	106,164	739	106,903	-	106,903
Accrued compensated absences	7,897	877	8,774	2,451	11,225
Bond payable	167,754	-	167,754	80,000	247,754
Total current liabilities	<u>1,786,537</u>	<u>174,978</u>	<u>1,961,515</u>	<u>388,049</u>	<u>2,349,564</u>
Noncurrent Liabilities:					
Bond payable	8,923,785	-	8,923,785	2,090,000	11,013,785
Pension liability	380,707	42,301	423,008	97,043	520,051
Net OPEB liability	252,351	27,568	279,919	69,980	349,899
Total noncurrent liabilities	<u>9,556,843</u>	<u>69,869</u>	<u>9,626,712</u>	<u>2,257,023</u>	<u>11,883,735</u>
TOTAL LIABILITIES	<u>11,343,380</u>	<u>244,847</u>	<u>11,588,227</u>	<u>2,645,072</u>	<u>14,233,299</u>
DEFERRED INFLOWS OF RESOURCES					
Pension deferrals	4,175	464	4,639	1,064	5,703
OPEB deferrals	22,406	2,448	24,854	6,213	31,067
Total deferred inflows of resources	<u>26,581</u>	<u>2,912</u>	<u>29,493</u>	<u>7,277</u>	<u>36,770</u>
NET POSITION					
Net investment in capital assets	3,164,008	107,438	3,271,446	372,030	3,643,476
Restricted:					
Debt service	187,550	-	187,550	160,751	348,301
Replacement	10,000	-	10,000	-	10,000
Unrestricted	<u>(749,442)</u>	<u>6,832</u>	<u>(742,610)</u>	<u>(435,116)</u>	<u>(1,177,726)</u>
TOTAL NET POSITION	<u>\$ 2,612,116</u>	<u>\$ 114,270</u>	<u>\$ 2,726,386</u>	<u>\$ 97,665</u>	<u>\$ 2,824,051</u>

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

CLARENDON COUNTY, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

BUSINESS-TYPE ACTIVITIES
ENTERPRISE FUNDS

	WATER UTILITY	SEWER UTILITY	TOTAL UTILITY	WELDON AUDITORIUM	TOTAL ENTERPRISE FUNDS
OPERATING REVENUES					
Charges for services	\$ 952,158	\$ 186,532	\$ 1,138,690	\$ 23,744	\$ 1,162,434
Total operating revenues	<u>952,158</u>	<u>186,532</u>	<u>1,138,690</u>	<u>23,744</u>	<u>1,162,434</u>
OPERATING EXPENSES					
Cost of sales & services	188,935	84,795	273,730	-	273,730
Production expense	-	-	-	2,715	2,715
Personnel & benefits	195,170	21,854	217,024	55,243	272,267
Administration	38,775	12,925	51,700	61,903	113,603
Depreciation	382,754	11,989	394,743	86,062	480,805
Total operating expenses	<u>805,634</u>	<u>131,563</u>	<u>937,197</u>	<u>205,923</u>	<u>1,143,120</u>
OPERATING INCOME (LOSS)	<u>146,524</u>	<u>54,969</u>	<u>201,493</u>	<u>(182,179)</u>	<u>19,314</u>
NON-OPERATING REVENUE (EXPENSES)					
Investment income	242	842	1,084	78	1,162
Interest and fiscal charges	(218,501)	-	(218,501)	(83,774)	(302,275)
Total non-operating revenue (expenses)	<u>(218,259)</u>	<u>842</u>	<u>(217,417)</u>	<u>(83,696)</u>	<u>(301,113)</u>
NET INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>(71,735)</u>	<u>55,811</u>	<u>(15,924)</u>	<u>(265,875)</u>	<u>(281,799)</u>
CAPITAL CONTRIBUTIONS AND TRANSFERS					
Capital contributions	200,134	-	200,134	-	200,134
Transfers	(17,500)	(2,500)	(20,000)	220,750	200,750
Net other financing sources (uses)	<u>182,634</u>	<u>(2,500)</u>	<u>180,134</u>	<u>220,750</u>	<u>400,884</u>
CHANGE IN NET POSITION	110,899	53,311	164,210	(45,125)	119,085
Net position at beginning of year- as restated	<u>2,501,217</u>	<u>60,959</u>	<u>2,562,176</u>	<u>142,790</u>	<u>2,704,966</u>
NET POSITION AT END OF YEAR	<u>\$ 2,612,116</u>	<u>\$ 114,270</u>	<u>\$ 2,726,386</u>	<u>\$ 97,665</u>	<u>\$ 2,824,051</u>

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

CLARENDON COUNTY, SOUTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS		
	WATER & SEWER UTILITY	WELDON AUDITORIUM	TOTAL ENTERPRISE FUNDS
Cash Flows From Operating Activities:			
Cash received from customers	\$ 1,186,883	\$ 23,744	\$ 1,210,627
Cash paid to suppliers for goods and services	(349,272)	(61,682)	(410,954)
Cash paid to employees for services	(267,104)	(59,341)	(326,445)
Internal activity-payments to other funds	137,022	44,708	181,730
Net Cash Provided (Used) By Operating Activities	<u>707,529</u>	<u>(52,571)</u>	<u>654,958</u>
Cash Flows from Noncapital Financing Activities			
Transfers	(20,000)	220,750	200,750
Cash Flows From Capital and Related Financing Activities:			
Principal payments	(163,782)	(80,000)	(243,782)
Interest paid on debt	(218,501)	(83,774)	(302,275)
Capital contributions	200,134	-	200,134
Proceeds from sale of capital assets	9,664	-	9,664
Purchase of capital assets	(230,196)	(6,485)	(236,681)
Net Cash Provided (Used) By Capital and Related Financing Activities	<u>(402,681)</u>	<u>(170,259)</u>	<u>(572,940)</u>
Cash Flow From Investing Activities:			
Interest income	1,084	78	1,162
Net Cash Provided (Used) By Investing Activities	<u>1,084</u>	<u>78</u>	<u>1,162</u>
Net Increase (Decrease) in Cash and Cash Equivalents	285,932	(2,002)	283,930
Cash and Cash Equivalents at Beginning of Year	217,187	179,731	396,918
Cash and Cash Equivalents at End of Year	<u>\$ 503,119</u>	<u>\$ 177,729</u>	<u>\$ 680,848</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by operating Activities			
Operating income (loss)	\$ 201,493	\$ (182,179)	\$ 19,314
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities			
Depreciation expense	394,743	86,062	480,805
Adjustments for retirement and OPEB expense	(50,736)	(4,142)	(54,878)
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	44,411	-	44,411
Increase (decrease) in accounts payable	(23,842)	2,936	(20,906)
Increase (decrease) in due to other funds	137,022	44,708	181,730
Increase (decrease) in accrued compensated absences	656	44	700
Increase (decrease) in deferred revenue	3,782	-	3,782
Net Cash Provided by (Used for) Operating Activities	<u>\$ 707,529</u>	<u>\$ (52,571)</u>	<u>\$ 654,958</u>

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

CLARENDON COUNTY, SOUTH CAROLINA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2021

ASSETS

Cash and investments	\$ 6,395,990
Delinquent taxes receivable	1,522,654
Due from other funds	318,372
Due from other magistrates	122
Total Assets	<u>\$ 8,237,138</u>

LIABILITIES

Due to trust fund holders	\$ 8,134,182
Due to Treasurer - cash overage (shortage)	5,709
Due to other funds	94,900
Due to other	2,225
Due to other magistrates	122
Total Liabilities	<u>\$ 8,237,138</u>

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

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

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**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Clarendon County, South Carolina (the “County”) is a political subdivision of the state of South Carolina. Incorporated in 1855, the County encompasses 599 square miles of land with an estimated population of 34,652. The County is governed by an elected five member council.

The financial statements of the County have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting.

A. Reporting Entity

The concept underlying the definition of the reporting entity is that elected officials are accountable to their constituents for their actions. The reporting entity's financial statements should allow users to distinguish between the primary government (the County) and its component units. However, some component units, because of the closeness of their relationships with the County, should be blended as though they are part of the County. Otherwise, most component units should be discretely presented.

The following entities have been determined to be blended and discretely presented component units of Clarendon County:

Blended Component Unit:

The Clarendon Facilities Corporation (Facilities Corporation), a not-for-profit organization, was established in 2011 to acquire, construct and lease facilities to be used by the County. While the County does not appoint members to the Facilities Corporation's Board of Directors, it has a financial burden to the Facilities Corporation in that it is obligated for lease payments equaling the amount of debt to be relieved and associated interest payments. Activities of the Facilities Corporation are reported as major capital projects and debt service funds. Separate financial statements for the Facilities Corporation are not issued.

Discretely Presented Component Units:

Harvin Clarendon County Library

Clarendon County provides a significant portion of the Library funding and has the ability to influence operations significantly. Separate financial statements for the Library are available.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Reporting Entity (continued)

Discretely Presented Component Units: (continued)

Business Development Corporation of Clarendon County (BDC)

Clarendon County has the ability to influence operations of the Business Development Corporation of Clarendon County significantly. Separate financial statements for the BDC are available.

Because the component units have been reported as if they are part of the County, there are limited instances where special note reference or separation will be required. If no separate note reference or categorization is made, the user should assume that information presented is equally applicable.

B. Measurement Focus and Basis of Accounting

The basic financial statements of the County are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements

1. Government-wide Financial Statements

Government-wide financial statements display information about the reporting government as a whole, except for its fiduciary activities. These statements include separate columns for the governmental and business-type activities of the primary government (including its blended component units), as well as its discretely presented component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component unit for which the primary government is financially accountable.

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and agency fund financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement 33 - Accounting and Financial Reporting for Non-exchange Transactions.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Measurement Focus and Basis of Accounting (continued)

1. Government-wide Financial Statements (continued)

Program revenues include charges for services, special assessments, and payments made by parties outside of the reporting government's citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements, rather than as an other financing source. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. The County chooses to eliminate the indirect costs between governmental activities to avoid a "doubling up" effect.

2. Fund Financial Statements

The underlying accounting system of the County is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the primary government's governmental, proprietary, and fiduciary funds are presented after the government-wide financial statements. These statements display information about major funds individually and nonmajor funds in the aggregate for governmental and enterprise funds. The fiduciary statement includes financial information for the agency funds. The agency funds of the County primarily represent assets held by the County in a custodial capacity for other individuals or governments.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Measurement Focus and Basis of Accounting (continued)

Governmental Funds

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Franchise fees, licenses, sales taxes, gas taxes, operating and capital grants, 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 only when cash is received by the County.

Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be a measure of "available spendable resources". Governmental funds operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Non-current portions of long-term receivables (special assessments) due to governmental funds are reported on their balance sheets in spite of their spending measurement focus.

Non-current portions of other long-term receivables are offset by fund balance reserve accounts.

Because of their spending measurement focus, expenditure recognition for governmental fund types exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as an other financing source rather than as a fund liability. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Description of Funds

GASB Statement 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category and the governmental and enterprise combined) for the determination of major funds. The County has used GASB 34 minimum criteria for major fund determination and has also electively disclosed funds which either had debt outstanding or specific community focus as major funds. The nonmajor funds are combined in a column in the fund financial statements and detailed in the combining section.

1. Governmental Major Funds:

General Fund – The General Fund is the general operating fund of the County. It is used to account for all financial resources, except those required to be accounted for in another fund.

Capital Projects Fund – The Capital Projects Fund accounts for financial resources to be used for the acquisition and construction of major capital facilities, infrastructure or equipment.

General County Debt Service Fund – The General County Debt Service fund is established for the purpose of accumulating resources for the payment of principal and interest on general long term debt.

Fire Rescue Department – The Fire Department accounts for ad valorem taxes and other revenues to be used for the operations of the Fire Department and the provision of EMS services.

C-Program Roads – The C-Program fund accounts for fuel taxes collected for the construction and repair of public roads.

2. Other Governmental Funds:

Special Revenue Funds – These funds are established to account for the proceeds of specific revenue sources and certain special assessments that are legally restricted to expenditures for specified purposes. It is the County's policy not to budget for all Special Revenue Funds in the form of a legally adopted budget format.

Debt Service Fund – These funds are established for the purpose of accumulating resources for the payment of principal and interest on general long-term debt other than those payable from Special Revenue Funds.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Description of Funds (continued)

3. Other Fund Types:

Proprietary Funds

There are two proprietary funds representing the Water and Sewer fund and the Weldon Auditorium. The Water and Sewer fund is used to account for the cost of providing water and sewer services to unincorporated areas of the County. The Weldon Auditorium Fund is used to account for the operations of the Weldon Auditorium.

Agency Fund – The Agency Fund is used to account for the collection and disbursement of monies by the County on behalf of other governments and individuals, such as cash bonds, traffic fines, child support payments and ad valorem taxes.

D. Assets, Liabilities, and Net Position or Equity

1. Cash and Cash Equivalents

Cash includes operating accounts and cash invested in the South Carolina Local Government Investment Pool with maturities less than three months. These investments are presented at cost which reasonably approximates fair value.

For purposes of the cash flow statement, cash and cash equivalents include restricted cash, as follows:

	Water and Sewer	Weldon	Total
Cash and cash equivalents	\$ 305,569	\$ 16,978	\$ 322,547
Restricted cash and cash equivalents	<u>197,550</u>	<u>160,751</u>	<u>358,301</u>
Total cash – Statement of Cash Flows	<u>\$503,119</u>	<u>\$ 177,729</u>	<u>\$ 680,848</u>

2. Receivables and Payables

The accounts receivable of the Water and Sewer Enterprise Fund consists of unpaid user charges for the water and sewer systems of the Town. The amount of unpaid charges is reported net of an allowance for doubtful accounts.

The accounts receivable of the Fire Rescue Fund consists of charges for EMS services. The amount of unpaid charges is reported net of the allowance for doubtful accounts.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities, and Net Position or Equity (continued)

2. Receivables and Payables (continued)

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/from other funds.”

3. Inventory

Inventory represents the parts available for use by fleet maintenance. This inventory is stated at cost.

4. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, right-of-ways, water and sewer distribution systems and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Assets are recorded at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

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

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	15 – 50
Machinery and equipment	3 – 10
Infrastructure	25

5. Deferred Outflows/Inflows of Resources

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

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities, and Net Position or Equity (continued)

5. Deferred Outflows/Inflows of Resources (continued)

In addition to liabilities, the Statement of Net Position and/or the Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of resources that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

6. Amortization of Bond Premiums

Bond premiums are amortized over the terms of the bonds using the effective interest method and are recorded as a deduction from interest expense in the governmental activities.

7. Tax Abatements

The County implemented GASB Statement No. 77, *Tax Abatement Disclosures* (GASB 77) for the year ended June 30, 2017. The primary objective of GASB 77 was to provide tax abatement information to financial statement users so that they could more readily evaluate a government's ability to raise resources. This includes limitations on revenue-raising capacity resulting from government programs that use tax abatements to induce behavior by individuals and entities that is beneficial to the government or its citizens.

Although many governments offer tax abatements, the information necessary to assess how tax abatements affect their financial position and results of operations, including their ability to raise resources in the future, is lacking. GASB 77 requires disclosures of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues.

See Note 18 for more information regarding tax abatements that affect the County.

8. Accrued Compensated Absences

The County accrues accumulated unpaid vacation and sick leave when earned by the employee. The current portion is the amount estimated to be used in the following year. The non-current portion is the amount estimated to be used in subsequent fiscal years. Both the current and non-current estimated accrued compensated absences amounts for governmental funds are maintained separately and represent a reconciling item between the fund and government-wide presentations.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities, and Net Position or Equity (continued)

9. Landfill Closure Costs

Under the terms of current state and federal regulations, the County is required to place a final cover on closed landfill areas, and to perform certain monitoring and maintenance functions for a period of up to thirty years after closure. The County recognizes these costs of closure and post-closure maintenance over the active life of each landfill area, based on landfill capacity use during the period. Required obligations for closure and post-closure costs are recognized in the governmental activities column in the government-wide statement of net position.

10. Nature and Purpose of Restrictions of Fund Equity

GASB Statement 54 establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

GASB Statement 54 provides for two major types of fund balances, which are non-spendable and spendable. Non-spendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of this classification are prepaid items and inventories. The County has inventories that are considered non-spendable; however, the County's primary government does not have any prepaid items.

In addition to the non-spendable fund balances, GASB Statement 54 has provided a hierarchy of spendable fund balances, based on a hierarchy of spending constraints:

- Restricted – fund balances that are constrained by external parties, constitutional provisions or enabling legislation;
- Committed – fund balances that contain self-imposed constraints of the County from its highest level of decision making authority; that is, County Council;
- Assigned – fund balances that contain self-imposed constraints of the County to be used for a particular purpose; and,
- Unassigned – fund balance of the general fund that is not constrained for any particular purpose.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities, and Net Position or Equity (continued)

10. Nature and Purpose of Restrictions of Fund Equity (continued)

Committed fund balances are identified by County Council through the enactment of various ordinances. County Council, through ordinances, can remove a self-imposed constraint as well. Additionally, encumbrances are considered as assigned through the issuance of a purchase order or contract; thus the County has approved the purchase activity even though the other party has not performed. In other words, even though a formal “liability” does not exist, assets are assigned to the purchase of these goods or services.

For the purposes of fund balance classification, expenditures are to be spent from restricted fund balances first, followed in order by committed fund balance, assigned fund balance and lastly unassigned fund balance. The County CFO has the authority to deviate from this policy if it is in the best interest of the County.

11. Net Position

Net position represents the difference between assets/deferred outflows of resources and liabilities/deferred inflows of resources. Net position in government-wide and proprietary fund financial statements is classified as net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds; restricted; and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through state statute. The government-wide statement of net position reports \$8,491,566 of restricted net position which \$2,769,986 is restricted by enabling legislation. The County will use restricted amounts first when both restricted and unrestricted fund balances are available. Additionally, the County would use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

12. Pensions

The Governmental Accounting Standards Board (GASB) issued Statement No. 68 entitled *Accounting and Financial Reporting for Pension Plans* in June 2012, and issued GASB No. 71 (an amendment of GASB No. 68) entitled *Pension Transition for Contributions Made Subsequent to the Measurement Date* in November 2013. The disclosure requirements applicable to employers participating in the South Carolina Retirement System or the Police Officers Retirement System are prescribed in paragraphs 48 through 82 of GASB 68. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the South Carolina Retirement System and additions to/deductions from the South Carolina Retire-

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities, and Net Position or Equity (continued)

12. Pensions (continued)

ment System's fiduciary net position have been determined on the same basis as they are reported by the South Carolina Retirement System. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

13. Other Postemployment Benefits (OPEB)

The Governmental Accounting Standards Board (GASB) issued Statement No. 75 entitled *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* in June 2015 and is effective for fiscal years commencing after June 15, 2017.

For purposes of measuring the net OPEB liability, deferred outflows and inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB Plan, and additions to and deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the OPEB Plan. For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Therefore, benefit and administrative expenses are recognized when due and payable. Investments are reported at fair value.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets and Budgetary Accounting

The County follows the following procedures in establishing the budgetary data reflected in the financial statements:

1. Each year, the County Administrator submits to the County Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Three public readings are conducted by County Council and one public hearing to obtain taxpayer comments.
3. Prior to June 30, the budget is legally enacted through passage of an ordinance.
4. The County Administrator is authorized to transfer budgeted amounts between departments within any fund, but this transfer cannot exceed \$25,000 or 25% of said department's budget; however, any revisions that alter the total expenditures of any fund must be approved by the County Council.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (continued)

Budgets and Budgetary Accounting (continued)

5. Formal budgetary integration is employed as a management control device during the year for the General Fund and Revenue Funds (Accommodation Tax Fund and the Fire Department).
6. The budget for the General Fund is adopted on a basis consistent with generally accepted accounting principles (GAAP) except for encumbrances. Budgetary comparisons presented for the General Fund in this report are on this non-GAAP budgetary basis.
7. Budgeted amounts are as originally adopted, or as amended by the County Council as close to June 30 as possible. Individual amendments were not material in relation to the original appropriations which were adopted.

Budgetary Basis Of Accounting

The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual presents a comparison of the County's legally adopted budget of the General Fund with actual data on the budgetary basis of accounting. Budgetary accounting principles, however, differ from generally accepted accounting principles (GAAP). These different accounting principles result in the following differences in the excess (deficiency) of revenues and other financing sources (uses) over expenditures at June 30, 2021:

	<u>General Fund</u>
Excess (deficiency) of revenues and other financing sources (uses) over expenditures - budgetary basis	\$ 2,385,933
Timing differences:	
Net change in encumbrances	<u>21,082</u>
Excess (deficiency) of revenues and other financing sources (uses) over expenditures - GAAP basis	<u>\$ 2,407,015</u>

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the County's general fund. Encumbrances outstanding at year end are reported as assignments of fund balances since they do not constitute expenditures or liabilities. Encumbrances are reported as expenditures in all budgetary basis statements.

Actual expenditures exceeded those budgeted by \$385,544 because grant expenditures are not budgeted (as grant revenues are not budgeted).

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 3 – CASH, CASH EQUIVALENTS AND INVESTMENTS

Primary Government

At June 30, 2021, the carrying amount of the County's deposits and investments was \$26,152,230 and the bank balances and investment pool balances were \$27,316,253. To reconcile this information to the financial statements, we include the following:

Cash and investments	\$ 26,152,230
Cash on hand	<u>2,480</u>
Total cash	<u>\$ 26,154,710</u>
Business-Type activities	\$ 680,848
Fiduciary funds	6,395,990
Governmental activities	<u>19,077,872</u>
Total all funds	<u>\$ 26,154,710</u>

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk. As of June 2021, none of the County's bank balance of \$18,008,520 was exposed to custodial credit risk.

Credit Risk: State law limits investments to obligations of the U.S. and its agencies, general obligations of this State or any of its political subdivisions, savings and loan associations if their deposits are insured by an agency of the federal government, and certificates of deposits. Also, no load open-end or closed-end management type investment companies or investment trusts registered under the Investment Company Act of 1940 are allowed under state law.

The County has investments in the State Treasurer's Investment Pool and Morgan Stanley Institutional Liquidity Government Portfolio Fund.

	<u>Maturities</u>	<u>Fair Value</u>
State investment pool	18 months to 2 years	\$ 5,995,814
Treasury money market	54 day weighted average	<u>3,311,919</u>
		<u>\$ 9,307,733</u>

The local government investment pool is a 2a7-like pool which is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but has a policy that it will operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. The South Carolina State Treasurer oversees the pool. The fair value of the position in the pool is the same as the value of the pool shares. The Pool is included as an investment trust fund in the State of South Carolina Comprehensive Annual Financial Report. At June 30, 2021, the underlying security ratings of the County's investment in the Local

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 3 – CASH, CASH EQUIVALENTS AND INVESTMENTS (continued)

Custodial Credit Risk-Deposits: (continued)

Government Investment Pool (LGIP) is classified in risk category “A” and may be obtained from the LGIP’s complete financial statements by writing to the following address:

Office of the State Treasurer
Local Government Investment Pool
Post Office Box 11778
Columbia, South Carolina 29211

Interest Rate Risk: In accordance with its investment policy, the County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than twelve months.

It is the policy of the State Treasurer’s Office that no derivatives of the U.S. Government Securities or Federal Agency Security or A1/P1 Commercial Paper be purchased by or for the S. C. Local Government Investment Pool. It is the policy of the State Treasurer’s Office that the weighted average maturity (WAM) of the LGIP portfolio not exceed 60 days.

Foreign Currency Risk: The County has no foreign currency investments.

Discretely Presented Component Units

A. Harvin Clarendon County Library

As of June 30, 2021, the carrying amount of the Library’s deposits totaled \$172,536 (including \$50 of cash on hand) and the bank balance totaled \$186,673. The bank balance was fully covered by the Federal Depository Insurance Corporation (FDIC).

B. Business Development Corporation of Clarendon County (BDC)

As of June 30, 2021, the book balance of the BDC’s deposits totaled \$2,785,119. The bank balance of \$2,520,139 and an additional \$264,980 in a certificate of deposit were covered by the Federal Depository Insurance Corporation (FDIC) or collateralized by securities pledged by the bank in the Corporation’s name.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 4 – ACCOUNTS RECEIVABLE

Receivables at June 30, 2021, consist of the following:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Accounts receivable:			
EMS charges	\$ 829,289	\$ -	\$ 829,289
Landfill charges	32,342	-	32,342
Water and sewer billings	-	161,303	161,303
Property taxes	1,815,315	-	1,815,315
Other receivables	<u>235,106</u>	<u>48,653</u>	<u>283,759</u>
Gross receivables	2,912,052	209,956	3,122,008
Less, allowance for uncollectibles	<u>(373,769)</u>	<u>(15,000)</u>	<u>(388,769)</u>
Net receivables	<u>\$ 2,538,283</u>	<u>\$ 194,956</u>	<u>\$2,733,239</u>

NOTE 5 – PROPERTY TAXES

Property taxes are levied by the County at varying rates per one hundred dollars (\$100) of assessed valuation of real estate and personal property owned and used in the County except exempt property as provided by the constitution and laws of the State of South Carolina and attach an enforceable lien when levied.

In Clarendon County, taxes are collected for county and school purposes as a single tax bill which must be paid in full by the individual taxpayer. Taxes are collected on a calendar year basis. Real and personal taxes in the County are payable without penalty on or before January 15 of each year (except taxes on motor vehicles, which are payable on a monthly basis). If taxes are not paid on or before January 15, a penalty of 3% is added thereon. If taxes are not paid on or before February 1, an additional penalty of 7% is added. If taxes are not paid on or before March 16, an additional 5% thereon is added plus all costs incurred and the property goes into execution. In September, properties on which the taxes have not been paid are advertised for public sale in a local newspaper for three consecutive weeks. The first Monday in October the property is sold. The County Treasurer is responsible for the collection of delinquent taxes and is empowered to sell so much of the defaulting taxpayer's estate - real, personal or both - as may be sufficient to satisfy the taxes. As collections are made, the delinquent tax revenue is remitted to the County Treasurer. Uncollectible property taxes are not material and have not been reported.

Property taxes at the fund level are recorded as receivables and unearned revenues at the time the taxes are assessed. Revenues are recognized as the related ad valorem taxes are collected. Additional amounts estimated to be collectible in time to be a resource for payment of obligations incurred during the fiscal year and therefore susceptible to accrual in accordance with generally accepted accounting principles have been recognized as revenue.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 6 – NOTES RECEIVABLE AND LEASE AGREEMENTS

Discretely Presented Component Units

Business Development Corporation of Clarendon County (BDC)

The BDC had a note receivable from a local industry dated January 14, 2013. Loan amount is \$150,000 with no interest. Upon satisfying a minimum investment threshold of \$3.5 million, credit is to be given at the rate of \$2,500 for each full-time or full-time equivalent job created by borrower, measured as of December 31, 2018. As of the extension date of January 8, 2019, the company had satisfied the minimum investment threshold and created 37 full-time equivalent jobs; therefore, the note receivable was reduced to \$57,500. The Board has approved extending the maturity date until January 8, 2023. Any principal unpaid after said date will be due in full.

The BDC has a note receivable from a local industry dated September 3, 2014. Loan amount is \$50,000 with no interest. Credit will be given at the rate of \$4,166 for each full time employee hired above the current 33 employees. The entire outstanding principal balance of this note shall be due and payable in full on the maturity date which was extended to September 3, 2023.

The BDC has a note receivable from a local industry dated March 8, 2021 under an infrastructure credit agreement. The loan amount is \$70,000 with no interest. The Company must make a minimum investment of \$5.8 million and create a minimum of 75 jobs within five years of the effective date of the agreement (or March 8, 2026) to receive full credit against the repayment of the note. The Company will repay a prorated amount based upon the actual investment and jobs created.

As of year end, the BDC had entered into lease agreements with the following companies who are leasing buildings owned by the BDC:

Meritor Heavy Vehicle Systems, LLC

The BDC leases a building to Meritor Heavy Vehicle Systems, LLC for \$12,162.50 per month. The BDC entered into a new five year lease agreement commencing on March 1, 2014. The lease was extended for a period of 3 years commencing on April 1, 2021 and expiring March 31, 2024. Meritor also makes an annual payment in December to reimburse the BDC for the property taxes on the property. These payments are used by the BDC to pay the note payable on the property and the property taxes. This lease is classified as an operating lease. The cost of the building is \$1,800,000 and the accumulated depreciation is \$1,355,000. The future minimum lease payments are as follows:

<u>June 30,</u>	
2022	\$ 145,950
2023	145,950
2024	<u>109,463</u>
Total minimum lease payments	<u>\$ 401,363</u>

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 6 – NOTES RECEIVABLE AND LEASE AGREEMENTS (continued)

Discretely Presented Component Units (continued)

Select Laboratories-SC, LLC

The BDC leases a building to Select Laboratories-SC, LLC for \$3,711.19 per month. These payments are used by the BDC to pay the notes payable on the property. The original amount of the lease receivable was \$509,000. After the initial lease term signed on May 10, 2010 expired, and every five years thereafter, the amount of rent will be renegotiated based on the recalculation of interest on the note and mortgage entered into between the corporation and the bank (the note payable has a current maturity date of June 10, 2024). At the end of the lease, the building transfers to Select Laboratories-SC, LLC. This lease is classified as a direct financing lease. The future minimum lease payments are as follows:

<u>June 30,</u>	
2022	\$ 44,534
2023	44,534
2024	<u>235,794</u>
Total minimum lease payments	324,862
Less amount representing interest	<u>(42,616)</u>
Present value of minimum lease payment	<u>\$ 282,246</u>
Current \$28,548 Long-term \$253,698	

Agricultural Leases

Farming agreements exist with various farmers to grow hay on unimproved and unleased BDC property.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 7 – CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Construction Completed</u>	<u>Additions</u>	<u>Retire- ments</u>	<u>Ending Balance</u>
Governmental Activities					
Capital assets not being depreciated:					
Land	\$ 2,936,014	\$ -	\$ -	\$ -	\$ 2,936,014
Construction in progress	<u>1,039,199</u>	<u>(1,033,176)</u>	<u>242,382</u>	-	<u>248,405</u>
Total capital assets not being depreciated	<u>3,975,213</u>	<u>(1,033,176)</u>	<u>242,382</u>	-	<u>3,184,419</u>
Capital assets being depreciated:					
Buildings and improvements	33,295,638	268,932	617,186	-	34,181,756
Infrastructure	10,414,337	764,244	935,674	-	12,114,255
Equipment	<u>16,865,445</u>	-	<u>1,947,103</u>	<u>370,103</u>	<u>18,442,445</u>
Total capital assets being depreciated	<u>60,575,420</u>	<u>1,033,176</u>	<u>3,499,963</u>	<u>370,103</u>	<u>64,738,456</u>
Less accumulated depreciation for:					
Buildings and improvements	8,558,919	-	654,884	-	9,213,803
Infrastructure	5,882,112	-	573,546	-	6,455,658
Equipment	<u>12,175,283</u>	-	<u>1,203,682</u>	<u>282,703</u>	<u>13,096,262</u>
Total accumulated depreciation	<u>26,616,314</u>	-	<u>2,432,112</u>	<u>282,703</u>	<u>28,765,723</u>
Total capital assets being depreciated, net	<u>33,959,106</u>	<u>1,033,176</u>	<u>1,067,851</u>	<u>87,400</u>	<u>35,972,733</u>
Governmental activities capital assets, net	<u>\$ 37,934,319</u>	<u>\$ -</u>	<u>\$ 1,310,233</u>	<u>\$ 87,400</u>	<u>\$ 39,157,152</u>

Depreciation expense was charged as direct expense to programs of the primary government as follows:

Governmental activities:	
General Government	\$ 1,106,407
Public Safety	1,093,003
Cultural/Recreation	101,712
Physical Environment	76,981
Transportation	42,879
Economic Environment	2,565
Court Related	<u>8,565</u>
Total depreciation expense-governmental activities	<u>\$ 2,432,112</u>

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 7 – CAPITAL ASSETS (continued)

	<u>Beginning Balance</u>	<u>Construction Completed</u>	<u>Additions</u>	<u>Retire- ments</u>	<u>Ending Balance</u>
Business-Type Activities					
Water and Sewer					
Capital assets not being depreciated:					
Land	\$ 153,535	\$ -	\$ -	\$ -	\$ 153,535
Construction in Progress	<u>5,922,302</u>	<u>(5,922,302)</u>	<u>39,000</u>	<u>-</u>	<u>39,000</u>
Total capital assets not being depreciated	<u>6,075,837</u>	<u>(5,922,302)</u>	<u>39,000</u>	<u>-</u>	<u>192,535</u>
Capital assets being depreciated:					
Buildings and improvements	13,478	-	-	-	13,478
Water system	8,820,047	5,922,302	191,196	16,280	14,917,265
Equipment	<u>471,259</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>471,259</u>
Total capital assets being depreciated	<u>9,304,784</u>	<u>5,922,302</u>	<u>191,196</u>	<u>16,280</u>	<u>15,402,002</u>
Less accumulated depreciation for:					
Buildings and improvements	2,027	-	575	-	2,602
Water system	1,431,498	-	361,096	6,617	1,785,977
Equipment	<u>267,368</u>	<u>-</u>	<u>33,072</u>	<u>-</u>	<u>300,440</u>
Total accumulated depreciation	<u>1,700,893</u>	<u>-</u>	<u>394,743</u>	<u>6,617</u>	<u>2,089,019</u>
Total capital assets being depreciated, net	<u>7,603,891</u>	<u>5,922,302</u>	<u>203,547</u>	<u>9,663</u>	<u>13,312,983</u>
Business-Type activities capital assets, net	<u>\$ 13,679,728</u>	<u>\$ -</u>	<u>\$ (164,547)</u>	<u>\$ 9,663</u>	<u>\$ 13,505,518</u>
	<u>Beginning Balance</u>	<u>Construction Completed</u>	<u>Additions</u>	<u>Retire- ments</u>	<u>Ending Balance</u>
Weldon Auditorium					
Capital assets being depreciated:					
Buildings and improvements	\$ 3,438,171	\$ -	\$ -	\$ -	\$ 3,438,171
Equipment	<u>-</u>	<u>-</u>	<u>6,485</u>	<u>-</u>	<u>6,485</u>
Total capital assets being depreciated	<u>3,438,171</u>	<u>-</u>	<u>6,485</u>	<u>-</u>	<u>3,444,656</u>
Less accumulated depreciation for:					
Buildings and improvements	816,564	-	85,954	-	902,518
Equipment	<u>-</u>	<u>-</u>	<u>108</u>	<u>-</u>	<u>108</u>
Total accumulated depreciation	<u>816,564</u>	<u>-</u>	<u>86,062</u>	<u>-</u>	<u>902,626</u>
Total capital assets being depreciated, net	<u>2,621,607</u>	<u>-</u>	<u>(79,577)</u>	<u>-</u>	<u>2,542,030</u>
Business-Type activities capital assets, net	<u>\$ 2,621,607</u>	<u>\$ -</u>	<u>\$ (79,577)</u>	<u>\$ -</u>	<u>\$ 2,542,030</u>
Grand Total Business-Type	<u>\$ 16,301,336</u>	<u>\$ -</u>	<u>\$ (244,124)</u>	<u>\$ 9,663</u>	<u>\$ 16,047,548</u>

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 7 – CAPITAL ASSETS (continued)

Component Units

Harvin Clarendon County Library

Capital assets included in the financial statements consist of the following:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 24,000	\$ -	\$ -	\$ 24,000
Capital assets being depreciated:				
Building	451,067	-	-	451,067
Equipment	401,378	-	-	401,378
Books	<u>157,749</u>	<u>-</u>	<u>43,760</u>	<u>113,989</u>
Total Capital Assets being depreciated	<u>1,010,194</u>	<u>-</u>	<u>43,760</u>	<u>966,434</u>
Less accumulated depreciation for:				
Building	363,164	11,882	-	375,046
Equipment	397,133	1,127	-	398,260
Books	<u>157,749</u>	<u>-</u>	<u>(43,760)</u>	<u>121,959</u>
Total accumulated depreciated	<u>918,046</u>	<u>13,009</u>	<u>(43,760)</u>	<u>887,295</u>
Total Capital Assets, being depreciated, net	<u>92,148</u>	<u>(13,009)</u>	<u>-</u>	<u>79,139</u>
Total Capital Assets, net	<u>\$ 116,148</u>	<u>\$ (13,009)</u>	<u>\$ -</u>	<u>\$ 103,139</u>

Depreciation expense for the year ended June 30, 2021, was \$13,009.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 7 – CAPITAL ASSETS (continued)

Component Units

Business Development Corporation of Clarendon County (BDC)

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Reclassi- fications</u>	<u>Ending Balance</u>
Capital assets not being depreciated:					
Land restricted for I-95					
Megasite	\$ 961,855	\$ -	\$ -	\$ -	\$ 961,855
Land	2,725,571	-	48,783	-	2,676,788
Construction WIP	59,885	19,517	-	-	79,402
Easement	<u>3,291</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,291</u>
Total capital assets not being depreciated	<u>3,750,602</u>	<u>19,517</u>	<u>48,783</u>	<u>-</u>	<u>3,721,336</u>
Capital assets being depreciated:					
Buildings and improvements	3,933,768	-	2,133,768	-	1,800,000
Signage	-	39,359	-	17,249	56,608
Infrastructure	<u>620,026</u>	<u>-</u>	<u>-</u>	<u>(17,249)</u>	<u>602,777</u>
Total capital assets being depreciated	<u>4,553,794</u>	<u>39,359</u>	<u>2,133,768</u>	<u>-</u>	<u>2,459,385</u>
Less accumulated depreciation for:					
Buildings and improvements	1,632,844	77,781	355,628	-	1,354,997
Signage	-	2,053	-	431	2,484
Infrastructure	<u>102,297</u>	<u>20,093</u>	<u>-</u>	<u>(431)</u>	<u>121,959</u>
Total accumulated depreciation	<u>1,753,141</u>	<u>99,927</u>	<u>355,628</u>	<u>-</u>	<u>1,497,440</u>
Total capital assets being depreciated, net	<u>2,800,653</u>	<u>(60,568)</u>	<u>1,778,140</u>	<u>-</u>	<u>961,945</u>
Total capital assets, net	<u>\$ 6,551,255</u>	<u>\$ (41,051)</u>	<u>\$ 1,826,923</u>	<u>\$ -</u>	<u>\$ 4,683,281</u>

The BDC uses the following estimated useful lives to compute depreciation:

Building, Improvements and Infrastructure	30 years
Signage	10 years

Depreciation expense for the year ended June 30, 2021, was \$99,927.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 8 – INTERFUND BALANCES

Individual fund interfund receivable and payable balances at June 30, 2021, were as follows:

	Interfund Receivables	Interfund Payables
Governmental Funds		
General Fund	\$ 144,816	\$ 33,265
Fire Department	-	17,816
Special Revenue Funds:		
Special Purpose Districts	1,248	-
C-Program Roads	2,404	-
Law Enforcement	-	2,000
Debt Service Funds:		
General Obligations	28,450	125,000
Fire Obligations	1,163	-
Governmental Funds	<u>178,081</u>	<u>178,081</u>
Enterprise Funds		
General Fund	812,271	-
Capital Projects Fund	1,128,483	-
Weldon Auditorium	-	301,585
Water & Sewer Fund	-	1,639,169
Enterprise Funds	<u>1,940,754</u>	<u>1,940,754</u>
Fiduciary Funds		
General Fund	94,900	318,372
Fiduciary Fund Types:		
Town of Summerton	2,391	-
City of Manning	25,585	-
Town of Turbeville	1,014	-
Probate	-	3,851
Magistrates		
General & Civil	-	65,003
Clerk of Court	-	26,046
School Districts Debt Service	37,904	-
School Districts Operating	251,478	-
Fiduciary Funds	<u>413,272</u>	<u>413,272</u>
	<u>\$ 2,532,107</u>	<u>\$ 2,532,107</u>

Interfund balances reflect amounts due for the last month's collections, amounts loaned for the water system purchase or other short term interfund arrangements.

<u>Operating Transfers</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 110,568	\$ 211,840
Capital Projects	207,581	-
Fire Operating Fund	1,514,890	-
Water & Sewer	-	20,000
Weldon Auditorium	220,750	-
Non Major Funds	4,259	1,740,640
Fiduciary Funds	-	85,568
	<u>\$ 2,058,048</u>	<u>\$ 2,058,048</u>

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 9 – SHORT-TERM OBLIGATIONS

During the year ended June 30, 2021, the following transactions occurred in short-term liabilities:

	<u>Balance at June 30, 2020</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance at June 30, 2021</u>
Governmental Activities				
GBAN – Series 2020B	\$ 128,800	-	\$ 128,800	-
GBAN – Series 2021B	-	\$ 364,070	-	\$ 364,070

In March 2021, GBAN Series 2020B was paid off utilizing proceeds from a \$750,000 GBAN (Series 2021B) to be used for facility renovations associated with a business development project located within the City of Manning.

NOTE 10 – LONG-TERM DEBT

A. Primary Government

Governmental Activities

General Obligation Bonds

\$720,000 Bond issued September 6, 2013, (Series 2013B) to fund acquisition of self contained breathing apparatus for the Fire service. Due in equal annual installments of \$62,518 (principal and interest) beginning September 6, 2014 and ending September 1, 2028. Interest accrues at a rate of 3.50%. \$ 429,688

\$3,500,000 Bond issued April 10, 2014, (Series 2014B) to fund construction of new office building for Dept. of Social Services, State Probation and Parole and County Coroner office. Due in annual installments beginning March 1, 2017, of \$105,000 and ending March 1, 2039, of \$220,000. Interest accrues at a blended rate of 3.61% and is payable semi-annually on March 1 and September 1 each year to maturity. 2,940,000

\$500,000 Bond issued October 13, 2015, (Series 2015B) to fund acquisition of fire engine. Due in annual principal and interest installments beginning October 1, 2016, of \$42,645 and ending October 13, 2030. Interest accrues at a rate of 3.25%. 359,163

\$750,000 Bond issued May 17, 2017, (Series 2017B) to fund renovations to office building for Dept. of Social Services, State Probation and Parole and County Coroner office. Due in annual installments beginning September 1, 2017, of \$36,998 and ending March 1, 2027, of \$41,601. Interest accrues at a rate of 2.35% and is payable semi-annually on March 1 and September 1 each year to maturity. 468,532

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 10 – LONG-TERM DEBT (continued)

A. Primary Government (continued)

Governmental Activities (continued)

General Obligation Bonds (continued)

\$1,800,000 Bond issued August 19, 2019, (Series 2019B) to fund various capital improvement projects. Due in annual installments beginning March 1, 2021, of \$185,052 and ending March 1, 2029, of \$215,630. Interest accrues at a rate of 1.93% and is payable semi-annually on March 1 and September 1 each year to maturity. 1,614,948

\$500,000 Bond issued December 20, 2019, (Series 2019C) to acquire and equip new ambulance as well as facility improvements to fire station. Due in annual installments beginning March 1, 2021, of \$95,830 and ending March 1, 2025, of \$104,259. Interest accrues at a rate of 2.13% and is payable semi-annually on March 1 and September 1 each year to maturity. 404,170

\$289,000 Bond issued February 12, 2020, (Series 2020A) to fund semi-annual installment lease purchase obligation on Courthouse Project. Due in annual installments beginning March 1, 2021, of \$272,598 and ending March 1, 2022, of \$16,402. Interest accrues at a rate of 2.67% and is payable semi-annually on March 1 and September 1 each year to maturity. 16,402

\$287,500 Bond issued February 10, 2021, (Series 2021A) to fund semi-annual installment lease purchase obligation on Courthouse Project. Due in annual installments beginning March 1, 2022, of \$141,378 and ending March 1, 2023, of \$146,122. Interest accrues at a rate of 0.94% and is payable semi-annually on March 1 and September 1 each year to maturity. 287,500

Total General Obligations Bonds Payable \$ 6,520,403

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**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 10 – LONG-TERM DEBT (continued)

B. Primary Government (continued)

Governmental Activities (continued)

General Obligation Bonds (continued)

The annual debt service payments for General Obligation bonds outstanding at June 30, 2021, are as follows:

General Obligation Bonds

June 30,	<u>Principal</u>	<u>Interest</u>
2022	\$ 716,325	\$ 190,069
2023	719,801	174,410
2024	589,058	158,906
2025	599,691	144,374
2026	509,103	129,582
2027 – 2031	1,836,425	455,421
2032 – 2036	910,000	239,800
2037 – 2039	<u>640,000</u>	<u>51,800</u>
	<u>\$ 6,520,403</u>	<u>\$1,544,362</u>

Blended Component Unit – Clarendon Facilities Corporation

In July 2015, the Clarendon Facilities Corporation (CFC) issued Installment Purchase Refunding Revenue Bonds (Series 2015) in the amount of \$5,460,000 to mature September 1, 2030, pursuant to an Installment Purchase and Use Agreement (“Agreement”) between the County and the CFC. Proceeds were to be used to defease Clarendon Facilities Corp IPRB (Series 2010), originally issued in the amount of \$6,500,000 in December 2010 for the acquisition and construction of the County Administrative Complex.

In August 2020, the Clarendon Facilities Corporation (CFC) issued Installment Purchase Refunding Revenue Bonds (Series 2020) in the amount of \$7,460,000 to mature September 1, 2042, pursuant to an Installment Purchase and Use Agreement (“Agreement”) between the County and the CFC. Proceeds were to be used to refund Clarendon Facilities Corp IPRB (Series 2012), originally issued in the amount of \$6,970,000 in October 2012 for the improvements and renovations to the County Courthouse.

The County will purchase the capital projects from CFC over twenty (20) years as required by the Agreements. The Agreements obligate the County to make payments to CFC in amounts calculated to be sufficient to enable CFC to pay the principal and interest on the outstanding bonds. The County’s obligations under the Agreements are from year to year only and do not constitute a mandatory payment obligation of the County in any fiscal year in which funds are not appropriated by the County to pay the installment payments of the purchase price due in such fiscal year. It is anticipated that the payments will be funded by the County with the future issuance of short-term general obligation bonds or restricted Fee-in-Lieu of revenue.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 10 – LONG-TERM DEBT (continued)

A. Primary Government (continued)

Governmental Activities (continued)

Blended Component Unit – Clarendon Facilities Corporation (continued)

The CFC bonds are not a debt of the County; however, as CFC is blended with the operations of the County, the debt of CFC is included with the County's other obligations as required by GAAP.

June 30, 2021 \$ 11,425,000

The annual debt service payments for Clarendon Facilities Corporation Installment Purchase Revenue bonds outstanding at June 30, 2021, are as follows:

Revenue Bonds

<u>June 30,</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 470,000	\$ 276,459
2023	475,000	265,497
2024	490,000	253,549
2025	500,000	240,801
2026	435,000	228,529
2027 – 2031	2,415,000	907,956
2032 – 2036	2,570,000	541,442
2037 – 2041	2,850,000	270,345
2042 – 2043	<u>1,220,000</u>	<u>25,653</u>
	<u>\$ 11,425,000</u>	<u>\$ 3,010,231</u>

On August 6, 2020, the Clarendon Facilities Corporation issued \$7.46 million installment purchase refunding revenue bonds (Series 2020) with an average coupon rate of 2.04 percent (with a net interest cost of 2.13 percent) to refund \$6.9 million of outstanding 2012 Series bonds with net interest cost of 3.87 percent. The CFC issued installment purchase refunding revenue bonds (Series 2020) to reduce its total debt service payments over the next 22 years by almost \$1.46 million and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$1.1 million.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 10 – LONG-TERM DEBT (continued)

A. Primary Government (continued)

Governmental Activities (continued)

Capital Leases

<p>\$190,271 – Lease/purchase agreement to finance the purchase of several motor vehicles. Due in monthly payments of \$3,323, including interest. First payment due January 1, 2017, and ending payment due December 1, 2021. The vehicles' gross cost is \$98,628 and the accumulated depreciation is \$95,340.</p>	<p>\$ 19,830</p>
<p>\$250,000 – Lease/purchase agreement to finance the purchase of several motor vehicles. Due in monthly payments of \$4,432, including interest. First payment due January 1, 2018, and ending payment due December 1, 2022. The vehicles' gross cost is \$219,528 and the accumulated depreciation is \$130,530.</p>	<p>78,414</p>
<p>\$250,000 – Lease/purchase agreement to finance the purchase of several motor vehicles. Due in monthly payments of \$4,587, including interest. First payment due January 1, 2019, and ending payment due December 1, 2023. The vehicles' gross cost is \$263,223 and the accumulated depreciation is \$103,602.</p>	<p>131,779</p>
<p>\$500,000 – Lease/purchase agreement to finance the purchase of several motor vehicles. Due in monthly payments from \$8,000, plus interest to \$9,000, plus interest. First payment due January 1, 2020, and ending payment due December 1, 2024. The vehicles' gross cost is \$586,813 and the accumulated depreciation is \$126,260.</p>	<p>308,558</p>
<p>\$450,881 – Lease/purchase agreement to finance the purchase of energy efficient lighting fixtures/systems for several facilities. Due in monthly payments from \$7,515, no interest. First payment due October 14 2020, and ending payment due September 4, 2024. The vehicles' gross cost is \$450,881 and the accumulated depreciation is \$28,180.</p>	<p>293,073</p>
<p>\$250,000 – Lease/purchase agreement to finance the purchase of heavy equipment and motor vehicle for use within Public Works department. Due in monthly payments of \$4,430, including interest. First payment due January 1, 2021, and ending payment due December 1, 2025. The vehicles' gross cost is \$141,566 and the accumulated depreciation is \$5,614.</p>	<p>226,528</p>

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 10 – LONG-TERM DEBT (continued)

A. Primary Government (continued)

Governmental Activities (continued)

\$250,000 – Lease/purchase agreement to finance the purchase of several motor vehicles. Due in monthly payments of \$4,451, including interest. First payment due January 1, 2021, and ending payment due December 1, 2025. The vehicles' gross cost is \$245,205 and the accumulated depreciation is \$28,513.

227,621

Total Capital Leases

\$ 1,285,803

Future minimum lease payments under capital leases, together with the present value of the net minimum lease payments, as of June 30, 2021:

Year Ending June 30,	
2022	\$ 433,436
2023	385,824
2024	332,107
2025	130,181
2026	<u>53,183</u>
Total Minimum Lease Payment	1,334,731
Less Amount Representing Interest	<u>48,928</u>
Present Value of Net Minimum Lease Payment	<u>\$1,285,803</u>

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**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 10 – LONG-TERM DEBT (continued)

B. Business Type Activities

Enterprise Revenue Bond – Weldon Auditorium

On March 14, 2019, the County issued a \$2,250,000 Enterprise Charge Limited Obligation Refunding Revenue Bond. The net proceeds (plus available sinking fund monies) were used to refund \$2.8 million balance of the \$3,250,000 Enterprise Charge Limited Obligation Bond issued May 13, 2010, originally used to finance a capital project. These securities were deposited in an irrevocable trust with an escrow agent to provide all future debt service payments. Due in annual installments beginning July 1, 2020, of \$80,000 and ending July 1, 2039, of \$155,000. Interest accrues at 3.79% and is payable semi-annually on January 1 and July 1 each year until maturity. Revenue from County's Hospitality charge has been dedicated for required debt service.

\$ 2,170,000

The annual debt service payments for Weldon Auditorium Enterprise Charge Limited Obligation bonds outstanding at June 30, 2021, are as follows:

Revenue Bonds	Principal	Interest
<u>June 30,</u>		
2022	\$ 80,000	\$ 80,727
2023	85,000	77,600
2024	85,000	74,379
2025	90,000	71,063
2026	95,000	67,557
2027 – 2031	520,000	281,028
2032 – 2036	625,000	172,918
2037 - 2040	<u>590,000</u>	<u>45,669</u>
	<u>\$ 2,170,000</u>	<u>\$ 870,941</u>

Enterprise Revenue Bonds – Water & Sewer

\$2,533,000 Bond issued April 19, 2012, (Series 2012A) to fund water system expansion. Interest only, due April 19, 2013, and April 19, 2014. Due in equal monthly installments thereafter beginning May 1, 2014, of \$8,967 and ending April 19, 2052. Interest accrues at a rate of 2.75%.

\$ 2,233,777

\$1,007,800 Bond issued April 19, 2012, (Series 2012B) to fund water system expansion. Interest only, due April 19, 2013, and April 19, 2014. Due in equal monthly installments thereafter beginning May 1, 2014, of \$3,568 and ending April 19, 2052. Interest accrues at a rate of 2.75%.

888,761

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 10 – LONG-TERM DEBT (continued)

B. Business Type Activities (continued)

Enterprise Revenue Bonds – Water & Sewer (continued)

<p>\$1,179,000 Bond issued October 28, 2016, (Series 2016A) to fund construction of elevated water tank and accompanying well. Due in equal monthly installments thereafter beginning November 28, 2016, of \$3,502 and ending October 28, 2056. Interest accrues at a rate of 1.875%.</p>	1,082,744
<p>\$257,000 Bond issued October 28, 2016, (Series 2016B) to fund construction of elevated water tank and accompanying well. Due in equal monthly installments thereafter beginning November 28, 2016, of \$764 and ending October 28, 2056. Interest accrues at a rate of 1.875%.</p>	236,026
<p>\$2,501,000 Bond issued February 14, 2020, (Series 2020A) to fund water system expansion. Due in equal monthly installments thereafter beginning March 14, 2020, of \$7,929 and ending February 14, 2060. Interest accrues at a rate of 2.25%.</p>	2,448,984
<p>\$2,248,000 Bond issued February 14, 2020, (Series 2020B) to fund water system expansion. Due in equal monthly installments thereafter beginning March 14, 2020, of \$7,127 and ending February 14, 2060. Interest accrues at a rate of 2.25%.</p>	<u>2,201,247</u>
<p>Balance at June 30, 2021</p>	<p><u>\$ 9,091,539</u></p>

The annual debt service payments for Water and Sewer Enterprise Revenue bonds outstanding at June 30, 2021, are as follows:

Revenue Bonds	Principal	Interest
June 30,		
2022	\$ 167,754	\$ 214,530
2023	171,818	210,466
2024	175,986	206,298
2025	180,256	202,028
2026	184,630	197,654
2027 – 2031	992,656	918,764
2032 – 2036	1,119,445	791,975
2037– 2041	1,262,732	648,688
2042 – 2046	1,424,699	486,721
2047 – 2051	1,607,837	303,583
2052 – 2056	1,151,622	133,048
2057 - 2060	<u>652,104</u>	<u>27,424</u>
	<u>\$ 9,091,539</u>	<u>\$ 4,341,179</u>

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 10 – LONG-TERM DEBT (continued)

C. Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2021, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities					
General Obligation Bonds					
- Series 2013B	\$ 475,561	\$ -	\$ 45,873	\$ 429,688	\$ 47,479
- Series 2014B	3,060,000	-	120,000	2,940,000	120,000
- Series 2015B	389,161	-	29,998	359,163	30,972
- Series 2017B	540,432	-	71,900	468,532	73,600
- Series 2019A	198,482	-	198,482	-	-
- Series 2019B	1,800,000	-	185,052	1,614,948	188,623
- Series 2019C	500,000	-	95,830	404,170	97,871
- Series 2020A	289,000	-	272,598	16,402	16,402
- Series 2021A	-	287,500	-	287,500	141,378
Revenue Bonds					
- IPRB (Admin) Refunding	4,440,000	-	355,000	4,085,000	365,000
- IPRB (Courthouse)	6,900,000	-	6,900,000	-	-
- IPRB (Courthouse) Refun	-	<u>7,460,000</u>	<u>120,000</u>	<u>7,340,000</u>	<u>105,000</u>
Total Bonds	<u>18,592,636</u>	<u>7,747,500</u>	<u>8,394,733</u>	<u>17,945,403</u>	<u>1,186,325</u>
Other Liabilities					
Compensated Absences	604,127	-	16,517	587,610	558,237
Closure & Maintenance	467,900	1,150	-	469,050	27,200
Capital Leases	1,229,356	500,000	443,553	1,285,803	410,638
Net Pension Liability	20,105,150	3,085,647	-	23,190,797	-
OPEB Payable	<u>16,722,229</u>	<u>4,133,821</u>	-	<u>20,856,050</u>	-
Total Other Liabilities	<u>39,128,762</u>	<u>7,720,618</u>	<u>460,070</u>	<u>46,389,310</u>	<u>996,075</u>
Governmental Activities Long Term Liabilities	<u>57,721,398</u>	<u>15,468,118</u>	<u>8,854,803</u>	<u>64,334,713</u>	<u>2,182,400</u>
Business Type Activities					
Revenue Bonds					
Weldon Refunding 2019	2,250,000	-	80,000	2,170,000	80,000
Water Expansion (2012A)	2,279,154	-	45,377	2,233,777	46,644
Water Expansion (2012B)	906,813	-	18,052	888,761	18,557
Water Expansion (2016A)	1,104,090	-	21,346	1,082,744	21,754
Water Expansion (2016B)	240,677	-	4,651	236,026	4,740
Water Expansion (2020A)	2,488,143	-	39,159	2,448,984	40,056
Water Expansion (2020B)	<u>2,236,444</u>	-	<u>35,197</u>	<u>2,201,247</u>	<u>36,003</u>
Total Bonds	<u>11,505,321</u>	-	<u>243,782</u>	<u>11,261,539</u>	<u>247,754</u>
Other Liabilities					
Compensated Absences	10,525	700	-	11,225	7,792
Net Pension Liability	459,041	61,010	-	520,051	-
OPEB Payable	<u>376,165</u>	-	<u>26,267</u>	<u>349,898</u>	-
Total Other Liabilities	<u>845,731</u>	<u>61,710</u>	<u>26,267</u>	<u>881,174</u>	<u>7,792</u>
Business Type Activities Long Term Liabilities	<u>12,351,052</u>	<u>61,710</u>	<u>270,049</u>	<u>12,142,713</u>	<u>255,546</u>
Total Combined	<u>\$ 70,072,450</u>	<u>\$ 15,529,828</u>	<u>\$ 9,124,852</u>	<u>\$ 76,477,426</u>	<u>\$ 2,437,946</u>

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 10 – LONG-TERM DEBT (continued)

D. Discretely Presented Component Units

Business Development Corporation of Clarendon County (BDC)

Note payable to bank with monthly payments of \$3,711.19, including interest at 5.95% due June 10, 2024.	\$ 282,246
Less current portion	<u>(28,548)</u>
Notes payable – noncurrent portion	<u>\$ 253,698</u>

The maturities of long-term debt are as follows:

<u>June 30,</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 28,548	\$ 15,987
2023	30,293	14,241
2024	<u>223,405</u>	<u>12,388</u>
	<u>\$ 282,246</u>	<u>\$ 42,616</u>

NOTE 11 – OPERATING LEASES

The County entered into an operating lease for its judicial building. The thirty (30) year lease term began October 1, 2004, and was to end September 30, 2034. In September, 2020 said lease was amended to terminate September 30, 2035. There is a renewal option for an additional ten years with a thirty-day notice. The rental amount is \$6,400 per month for a term of ten years. The remaining rental amount is \$4,100 plus the percentage of increase or decrease in the Consumer Price Index of all urban consumers for the next five years. The lease does contain cancellation provisions and is subject to annual appropriations. The lease expense for 2020-21 is \$69,726.

The County entered into an operating lease for a 410L John Deere loader backhoe. The 60-month lease term began December 1, 2016, and ends December 1, 2021. Annual lease payments are \$9,919.

The County entered into an operating lease for a 6105M John Deere tractor mower. The 60-month lease term began August 30, 2016, and ends August 30, 2021. Monthly lease payments are \$2,429.

The County entered into an operating lease for a 670G John Deere motor grader. The 60-month lease term began October 19, 2017, and ends September 15, 2022. Monthly lease payments are \$2,147.

The County entered into an operating lease for a 650K John Deere Dozer. The 60-month lease term began September 19, 2019, and ends August 15, 2024. Monthly lease payments are \$2,119.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 11 – OPERATING LEASES (continued)

The County entered into an operating lease for a 670G John Deere motor grader. The 60-month lease term began November 19, 2019, and ends October 15, 2024. Monthly lease payments are \$1,871.

The County entered into an operating lease for a 620G John Deere motor grader. The 60-month lease term began December 17, 2020, and ends November 17, 2025. Monthly lease payments are \$2,857.

The future annual rental payments are as follows:

2022	\$ 187,165
2023	165,411
2024	158,969
2025	122,808
2026	91,085
2027 - 2031	363,300
2032 - 2035	<u>209,100</u>
	<u>\$ 1,297,838</u>

NOTE 12 – PROVISION FOR CLOSURE COSTS

State and federal laws and regulations as governed by Solid Waste management Regulation R.61-107.258, Subpart C, Section (c) and the South Carolina Solid Waste Policy and Management Act of 1991, Section 44-96-390 require that Clarendon County place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. In August 1993, the GASB issued GASB-18, Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs, in order to reduce the diversity of acceptable accounting practices in this area. GASB-18 applies to all governmental municipal solid waste landfills irrespective of what type of accounting model is used to account for the activities of a landfill. As defined by GASB-18, the basic objective is to recognize all landfill costs by the time a landfill is closed. The costs to be identified for closure and postclosure care include (1) capital assets, (2) final cover and (3) monitoring and maintenance activities.

While Clarendon County's original landfill was closed and capped in 2002 to municipal waste, the construction demolition and land clearing debris (C&D) landfill is still open with a life expectancy of nineteen years. The county landfill's liability at June 30, 2021, is \$469,050. See Note 10.

The nature and source of landfill closure and postclosure care requirements are monitored by both federal and State of South Carolina environmental protection agencies. Levels of ground water pollutants are set by State agencies and the monitoring of these amounts have been reported to County officials to be in conformity with guidelines. The County annually obtains updated and revised estimates of total future closure and post-closure costs from its consulting engineers. The provision for closure costs reported in the financial statements as operating expense represents the portion of these estimated future outlays which

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 12 – PROVISION FOR CLOSURE COSTS (continued)

are allocable to the current year based on the amount of capacity used. The estimated total current cost of the landfill closure and post-closure care is based on the amount that would be paid if all equipment, facilities and services required to close, monitor, and maintain the landfill were acquired as of June 30, 2021. However, the actual cost of closure and post-closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations. Clarendon County has not accumulated or segregated funds to meet this reserve.

NOTE 13 – RETIREMENT PLANS

Description of the Entity

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

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Systems and additions to/deductions from the Systems fiduciary net position have been determined on the accrual basis of accounting as they are reported by the Systems in accordance with generally accepted accounting principles (GAAP). For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Benefit and refund expenses are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

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

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 13 – RETIREMENT PLANS (continued)

Plan Descriptions

- The South Carolina Retirement System (SCRS), a cost-sharing multiple-employer defined benefit pension plan, was established July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits for teachers and employees of the state and its political subdivisions. SCRS covers employees of state agencies, public school districts, higher education institutions, other participating local subdivisions of government and individuals newly elected to the South Carolina General Assembly at or after the 2012 general election.
- The South Carolina Police Officers Retirement System (PORS), a cost-sharing multiple-employer defined benefit pension plan, was established July 1, 1962, pursuant to the provisions of Section 9-11-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits to police officers and firefighters. PORS also covers peace officers, coroners, probate judges, and magistrates.

In addition to the plans described above, PEBA also administers three single employer defined benefit pension plans, which are not covered in this report. They are the Retirement System for Members of the General Assembly of the State of South Carolina (GARS), the Retirement System for Judges and Solicitors of the State of South Carolina (JSRS), and the South Carolina National Guard Supplemental Retirement Plan (SCNG).

Membership

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

- SCRS - Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. This plan covers general employees and teachers and individuals newly elected to the South Carolina General Assembly beginning with the November 2012 general election. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.
- PORS - To be eligible for PORS membership, an employee must be required by the terms of his employment, by election or appointment, to preserve public order, protect life and property, and detect crimes in the state; to prevent and control property destruction by fire; be a coroner in a full-time permanent position; or be a peace officer employed by the Department of Corrections, the Department of Juvenile Justice or the Department of Mental Health. Probate judges and coroners may elect membership in 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

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 13 – RETIREMENT PLANS (continued)

Membership (continued)

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

Benefits

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

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

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

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

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 13 – RETIREMENT PLANS (continued)

Benefits (continued)

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

Contributions

Actuarial valuations are performed annually by an external consulting actuary to ensure applicable contribution rates satisfy the funding parameters specified in Title 9 of the South Carolina Code of Laws. Under these provisions, SCRS and PORS contribution requirements must be sufficient to maintain an amortization period for the financing of the unfunded actuarial accrued liability (UAAL) over a period that does not exceed the number of years scheduled in state statute. Legislation in 2017 increased, but also established a ceiling for SCRS and PORS employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.00 percent for SCRS and 9.75 percent for PORS. The legislation also increased employer contribution rates beginning July 1, 2017 for both SCRS and PORS by two percentage points and further scheduled employer contribution rates to increase by a minimum of one percentage point each year through July 1, 2022. However, the General Assembly postponed the one percent increase in the SCRS and PORS employer contribution rates that was scheduled to go into effect beginning July 1, 2020. If the scheduled contributions are not sufficient to meet the funding periods set in state statute, the board shall increase the employer contribution rates as necessary to meet the funding periods set for the applicable year. The maximum funding period of SCRS and PORS is scheduled to be reduced over a ten-year schedule from 30 years beginning fiscal year 2018 to 20 years by fiscal year 2028.

Additionally, the Board is prohibited from decreasing the SCRS and PORS contribution rates until the funded ratio is at least 85 percent. If the most recent annual actuarial valuation of the Systems for funding purposes shows a ratio of the actuarial value of system assets to the actuarial accrued liability of the system (the funded ratio) that is equal to or greater than 85 percent, then the board, effective on the following July 1, may decrease the then current contribution rates upon making a finding that the decrease will not result in a funded ratio of less than 85 percent. If contribution rates are decreased pursuant to this provision, and the most recent annual actuarial valuation of the system shows a funded ratio of less than 85 percent, then effective on the following July 1, and annually thereafter as necessary, the Board shall increase the then current contribution rates until a subsequent annual actuarial valuation of the system shows a funded ratio that is equal to or greater than 85 percent.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 13 – RETIREMENT PLANS (continued)

Contributions (continued)

Required **employee** contribution rates¹ for fiscal year 2020-2021 are as follows:

<u>SCRS</u>	
Employee Class Two	9.00%
Employee Class Three	9.00%
<u>PORS</u>	
Employee Class Two	9.75%
Employee Class Three	9.75%

Required **employer** contribution rates¹ are as follows:

<u>SCRS</u>	
Employer Class Two	15.41%
Employer Class Three	15.41%
Employer Incidental Death Benefit	0.15%
<u>PORS</u>	
Employer Class Two	17.84%
Employer Class Three	17.84%
Employer Incidental Death Benefit	0.20%
Employer Accidental Death Program	0.20%

¹ Calculated on earnable compensation as defined in Title 9 of the South Carolina Code of Laws.

The County's and Harvin Clarendon County Library's contributions to the SCRS and PORS for the last three fiscal years were are follows:

County:

	<u>2021</u>	<u>2020</u>	<u>2019</u>
SCRS			
Employee Contributions	\$ 501,542	\$ 488,895	\$ 462,628
Employer Contributions	858,750	837,094	740,717
Employer Group Life Contributions	<u>8,359</u>	<u>8,148</u>	<u>7,710</u>
Total	<u>\$1,368,651</u>	<u>\$1,334,137</u>	<u>\$1,211,055</u>
PORS			
Employee Contributions	\$ 699,885	\$ 500,528	\$ 466,281
Employer Contributions	1,280,611	915,836	805,349
Employer Group Life Contributions	<u>28,713</u>	<u>20,534</u>	<u>19,129</u>
Total	<u>\$2,009,209</u>	<u>\$1,436,898</u>	<u>\$1,290,759</u>

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 13 – RETIREMENT PLANS (continued)

Contributions (continued)

Harvin Clarendon County Library:

SCRS	<u>2021</u>	<u>2020</u>	<u>2019</u>
Employee Contributions	\$ 27,443	\$ 27,954	\$ 28,018
Employer Contributions	44,024	44,903	41,112
Employer Group Life Contributions	<u>458</u>	<u>466</u>	<u>467</u>
Total	<u>\$ 71,925</u>	<u>\$ 73,323</u>	<u>\$ 69,597</u>

The County and the Library have contributed 100% of the required contributions for the current year and in each of the two preceding years.

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

At June 30, 2021, the County reported a liability of \$12,441,421 for its proportionate share of the net pension liability for SCRS and a liability of \$11,269,427 for its proportionate share of the net pension liability for PORS. Harvin Clarendon County Library reported a liability of \$711,371 for its proportionate share of the net pension liability for SCRS. The net pension liability of the defined benefit plan was determined based on the most recent actuarial valuation as of July 1, 2019, using membership as of that date projected forward to the end of the retirement plan's fiscal year, and financial information of the pension trust funds as of June 30, 2020. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental units, actuarially determined.

At the retirement plan's year end of June 30, 2020, the County's proportion was .04869 percent and .33983 percent for SCRS and PORS, respectively. The Library's proportion was .002784 percent.

For the year ended June 30, 2021, the County recognized pension expense of \$2,888,669, including \$1,277,942 for SCRS and \$1,610,727 for PORS, respectively. Harvin Clarendon County Library recognized pension expense of \$62,338. At June 30, 2021, the County and the Library reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 13 – RETIREMENT PLANS (continued)

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

County:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
<u>SCRS</u>		
Differences between Expected and Actual Experience Assumption Changes	\$ 143,558	\$ 47,046
Net Difference between Projected and Actual Investment Earnings	15,243	-
Deferred Amounts from Changes in Proportionate Share and Differences between Employer Contributions and Proportionate Share of Total Plan Employer Contributions	915,171	-
Direct Contributions Subsequent to the Measurement Date	2,276	89,401
	<u>867,109</u>	<u>-</u>
Total	<u>\$ 1,943,357</u>	<u>\$ 136,447</u>

PORS

Differences between Expected and Actual Experience Assumption Changes	\$ 239,499	\$ 49,605
Net Difference between Projected and Actual Investment Earnings	137,524	-
Deferred Amounts from Changes in Proportionate Share and Differences between Employer Contributions and Proportionate Share of Total Plan Employer Contributions	1,153,963	-
Direct Contributions Subsequent to the Measurement Date	279,526	104,898
	<u>1,309,324</u>	<u>-</u>
Total	<u>\$ 3,119,836</u>	<u>\$ 154,503</u>

Harvin Clarendon County Library:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
<u>SCRS</u>		
Differences between Expected and Actual Experience Assumption Changes	\$ 8,208	\$ 2,690
Net Difference between Projected and Actual Investment Earnings	872	-
Deferred Amounts from Changes in Proportionate Share and Differences between Employer Contributions and Proportionate Share of Total Plan Employer Contributions	59,946	-
Investment Experience	144,018	172,999
Direct Contributions Subsequent to the Measurement Date	-	7,619
	<u>44,482</u>	<u>-</u>
Total	<u>\$ 257,526</u>	<u>\$ 183,308</u>

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 13 – RETIREMENT PLANS (continued)

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

The amounts of \$867,109 for SCRS, \$1,309,324 for PORS, and \$44,482 for Harvin Clarendon County Library for SCRS reported as deferred outflows of resources related to pensions resulting from County and Library contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022.

As discussed in GASB 68, collective deferred outflows/inflows of resources arising from differences between projected and actual pension plan investment earnings in different measurement periods should be aggregated and included as a net collective deferred outflow or inflow of resources related to pensions. The following schedules reflect the County's proportionate share of amortization of collective deferred outflows/(inflows) of resources related to pensions outstanding at June 30, 2020.

	County		Harvin Clarendon County Library
	<u>SCRS</u>	<u>PORS</u>	<u>SCRS</u>
2021	\$ 132,802	\$ 453,871	\$ (1,087)
2022	255,101	448,877	40,612
2023	318,365	443,797	(23,141)
2024	<u>233,533</u>	<u>309,464</u>	<u>13,352</u>
Total	<u>\$ 939,801</u>	<u>\$ 1,656,009</u>	<u>\$ 29,736</u>

Actuarial Assumptions and Methods

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

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

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 13 – RETIREMENT PLANS (continued)

Actuarial Assumptions and Methods (continued)

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2020.

	<u>SCRS</u>	<u>PORS</u>
Actuarial Cost Method	Entry age normal	Entry age normal
Investment rate of return ¹	7.25%	7.25%
Projected salary increases	3.0% - 12.5% (varies by service) ¹	3.5% - 9.5% (varies by service) ¹
Benefit adjustments	Lesser of 1% or \$500 annually	Lesser of 1% or \$500 annually

¹ Includes inflation at 2.25%

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

Assumptions used in the determination of the June 30, 2020, TPL are as follows.

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

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 13 – RETIREMENT PLANS (continued)

Net Pension Liability

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

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

The TPL is calculated by the Systems' actuary, and each plan's fiduciary net position is reported in the Systems' financial statements. The NPL is disclosed in accordance with the requirements of GASB 67 in the Systems' notes to the financial statements and required supplementary information. Liability calculations performed by the Systems' actuary for the purpose of satisfying the requirements of GASB Nos. 67 and 68 are not applicable for other purposes, such as determining the plans' funding requirements.

Long-term Expected Rate of Return

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

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2020 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the following table. For actuarial purposes, the 7.25 percent assumed annual investment rate of return used in the calculation of the TPL includes a 5.00 percent real rate of return and a 2.25 percent inflation component.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 13 – RETIREMENT PLAN (continued)

Long-term Expected Rate of Return (continued)

Allocation / Exposure	Policy Target	Expected Arithmetic Real Rate of Return	Long Term Expected Portfolio Real Rate of Return
Global Equity	51.0%		
Global Public Equity ^{1,2}	35.0%	7.81%	2.73%
Private Equity ^{2,3}	9.0%	8.91%	0.80%
Equity Options Strategies ¹	7.0%	5.09%	0.36%
Real Assets	12.0%		
Real Estate (Private) ^{2,3}	8.0%	5.55%	0.44%
Real Estate (REITs) ²	1.0%	7.78%	0.08%
Infrastructure (Private) ^{2,3}	2.0%	4.88%	0.10%
Infrastructure (Public) ²	1.0%	7.05%	0.07%
Opportunistic	8.0%		
Global Tactical Asset Allocation ¹	7.0%	3.56%	0.25%
Other Opportunistic Strategies	1.0%	4.41%	0.04%
Credit	15.0%		
High Yield Bonds/Bank Loans ^{1,2}	4.0%	4.21%	0.17%
Emerging Markets Debt	4.0%	3.44%	0.14%
Private Debt ^{2,3}	7.0%	5.79%	0.40%
Rate Sensitive	14.0%		
Core Fixed Income ¹	13.0%	1.60%	0.21%
Cash and Short Duration (Net)	1.0%	0.56%	0.01%
Total Expected Return ⁴	100.0%		5.80%
Inflation for Actuarial Purposes			2.25%
			8.05%

¹ Portable Alpha Strategies will be capped at 12% of total assets; Hedge funds (including all hedge funds used in portable alpha implementation) capped at 20% of total assets.

² The target weights to Private Equity, Private Debt, Private Infrastructure and Private Real Estate will be equal to their actual weights as of prior month end. Private Equity and Public Equity combine for 44 percent of entire portfolio. Private Debt and High Yield/Bank Loans combine for 11 percent of the entire portfolio. Private Infrastructure and Public Infrastructure combine for 3 percent of the entire portfolio. Private Real Estate and Real Estate (REITs) combine for 9 percent of entire portfolio.

³ RSIC staff and Consultant will notify the Commission if Private Markets Assets exceed 25% of total assets.

⁴ The expected return for each of the Portable Alpha asset classes includes the expected return attributed to the Overlay Program. For benchmarking purposes there is a 10% weight assigned to Portable Alpha Hedge Funds in the Policy Benchmark.

Discount Rate

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

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 13 – RETIREMENT PLAN (continued)

Sensitivity Analysis

The following table presents the County's and Harvin Clarendon County Library's collective NPL of the participating employers calculated using the discount rate of 7.25 percent, as well as what the employers' NPL would be if it were calculated using a discount rate that is 1.00 percent lower (6.25 percent) or 1.00 percent higher (8.25 percent) than the current rate.

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

<u>System</u>	<u>1.00% Decrease (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1.00% Increase (8.25%)</u>
County:			
SCRS	\$ 15,419,604	\$ 12,441,421	\$ 9,954,585
PORS	\$ 14,918,899	\$ 11,269,427	\$ 8,339,237
Harvin Clarendon County Library:			
SCRS	\$ 881,657	\$ 711,371	\$ 569,180

Additional Financial and Actuarial Information

Information contained in these Notes to the Schedules of Employer and Nonemployer Allocations and Schedules of Pension Amounts by Employer (Schedules) was compiled from the System's audited financial statements for the fiscal year ended June 30, 2020, and the accounting valuation report as of June 30, 2020. Additional financial information supporting the preparation of the Schedules (including the unmodified audit opinion on the financial statements and required supplementary information) is available in the System's CAFR.

Payables to the Pension Plan

As of June 30, 2021, the County had \$287,330 in payables outstanding to the pension plans for its legally required contributions. The Library had \$6,217 in payables outstanding to the pension plan for its legally required contributions.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 14 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS

Background

The County follows Governmental Accounting Standards Board (GASB) Statement No. 75 (implemented July 1, 2017) for other post-employment benefits (OPEB) offered to retirees. This standard addresses how local governments should account for and report their costs related to post-employment health care and other non-pension benefits, such as the County's retiree health benefit subsidy. Historically, the County's subsidy was funded on a pay-as-you-go basis, but GASB 75 (previously GASB 45) requires that the County accrue the cost of retiree health subsidy and other post-employment benefits during the period of the employees' active employment, while the benefits are being earned, and disclose the unfunded actuarial liability in order to accurately account for the total future cost of post-employment benefits and the financial impact on the County. This funding methodology mirrors the funding approach used for pension benefits.

Plan Description

The County's defined benefit OPEB plan provides OPEB for all permanent full-time general and public safety employees of the County. The plan is a single-employer defined benefit OPEB plan administered by the County. Pursuant to Section 1-11-710/720 of the State Code of Laws, the County is allowed to provide OPEB benefits and establish and amend the benefit terms and financing requirements of the County. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Other postemployment benefits provided by the County include a retiree health insurance premium contribution plan that covers retirees.

Some retirees, who are referred to as "non-funded retirees," are eligible for insurance but must pay the full premium, which includes the retiree share plus the employer contribution. These retirees worked in an insurance-eligible position prior to May 2, 2008, with an employer participating in the state insurance program and include:

- Employees who retire at age 55 with at least 25 years of retirement service credit (including at least 10 years of earned service credit with an employer that participates in the state insurance program). This is commonly referred to as the "55/25 rule." These retirees must pay the full insurance premium until they reach age 60 or the date they would have had 28 years of service credit, whichever occurs first. At that time, they will be eligible for funded retiree rates. This rule applies only to SCRS participants.
- Employees who are eligible to retire and have at least five years, but fewer than 10 years, of earned SCRS service credit with a participating state insurance program employer.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 14 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS (continued)

- Former County Council members who served on Council for at least 12 years and were covered under the state's plan when they left the Council. It is up to the County Council to decide whether to allow former members to have this coverage.

Whether you are a funded or a non-funded retiree, the following types of service do not count toward your earned service credit requirement for insurance eligibility: non-qualified, federal, military, out-of-state employment, educational service, leave of absence, unused sick leave or service with employers that do not participate in the state insurance program. Earned service credit does not include any purchased service credit not considered earned service in the retirement plans (e.g., non-qualified service) or service accrued with an employer that does not participate in the State Health Plan. Retirees under the retiree health plan prior to July 1, 2005, will be grandfathered into the system, with their (retiree) monthly premiums paid by the County. A retiree who has elected to cover their spouse and/or eligible dependent children will continue to be responsible for paying the entire cost of the dependent's monthly insurance premium as set by the State Employee Insurance Program.

Employees Hired Before May 2, 2008

If you worked in an insurance-eligible position prior to May 2, 2008, with an employer participating in the state insurance program, your health insurance benefits in retirement are eligible for funding if you fall into one of these categories:

- Employees who leave employment when they are eligible to retire and have at least 10 years of earned service credit with Clarendon County.
- Employees who leave employment before they are eligible to retire and who have at least 20 years of earned SCRS service credit with Clarendon County. These employees are not eligible for insurance coverage until age 60 when they are eligible to receive a retirement check. Employees who qualify under the Police Officers Retirement System (PORS) become eligible at age 55.

Employees Hired on or After May 2, 2008

New retiree insurance provisions were created by Act 195 of 2008 that apply to new employees hired on or after May 2, 2008. At retirement, you must meet established insurance eligibility rules, and funding for your health insurance will be determined by calculating the number of years of earned service with an employer participating in the state insurance program.

These new funding provisions apply to SCRS and PORS participants, as follows:

- a) If an employee retires with 25 or more years of earned service credit with Clarendon County, the County pays 100 percent of the employer's share of the premium. The retiree pays the retiree's share.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 14 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS (continued)

- b) If an employee retires with 15 years, but fewer than 25 years of earned service credit with Clarendon County, the County pays 50 percent of the employer's share of the premium. The retiree pays the retiree's share plus the remaining 50 percent of the employer's contribution.

- c) If an employee retires with 5 years, but fewer than 15 years, of earned service credit with Clarendon County, the retiree pays the full premium. There is no County contribution.

Duty Death in Service/Non-Duty Death Retirement Benefits

Spouses or children who are covered as dependents under the State Health Plan must pay the full premium to continue coverage. Dental premiums are not waived; however, survivors can continue dental coverage by paying the full premium. County does not pay premiums for spouse or dependents that were covered by the employee at time of employees' death. Spouse or dependents pay premiums at survivor rate.

Duty and Non-Duty Disabled Retirement Benefits

Eligibility for health insurance is determined by the guidelines previously stated in Funded Retirees and Non-funded Retirees sections.

Benefits for Spouses of Eligible Retired Employees

Spouses of retired employees are eligible to receive retiree health care benefits. Retirees must pay the entire cost of the dependent's monthly insurance premium as set by the State Employee Insurance Program.

Vision Coverage

Retirees and covered dependents are eligible for the discount vision program the same as active regular full-time employees.

Dental Coverage

Retirees and covered dependents are eligible for dental benefits the same as active regular full-time employees.

Employees covered by benefit terms in the Plan as of June 30, 2020:

Inactive Plan members or beneficiaries currently receiving benefits	79
Active plan members	<u>287</u>
Total Plan members	<u>366</u>

The County's total OPEB liability of \$21,205,949 was measured as of June 30, 2020, and was determined by an actuarial valuation as of June 30, 2020.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 14 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS (continued)

Funding Policy

The County established a policy to fund the “OPEB” Obligation on a pay-as-you-go basis “PAYGO” (no funding of the future obligation). The County will review the funding policy and contribution annually. No assets are accumulated in a Trust that meets the criteria in paragraph 4 of GASB Statement 75.

Actuarial Methods and Assumptions

The total OPEB liability in the June 30, 2020, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial cost method	Individual entry-age Normal
Discount rate	2.45% as of June 30, 2020
Inflation	2.25%
Salary increases	3.5% to 9.5% for PORS and 3.0% to 7.0% for SCRS, including inflation
Demographic assumptions	Based on the experience study covering the five-year period ending June 30, 2015 as conducted for the South Carolina Retirement Systems (SCRS)
Mortality	For healthy retirees, the 2016 Public Retirees of South Carolina Mortality Table for Males and Females are used with fully generational mortality projections based on Scale AA from the year 2016. The following multipliers are applied to the base tables: 100% for male SCRS members, 111% for female SCRS members, 125% for male PORS members and 111% for female PORS members
Health care trend rates	6.0% decreasing to an ultimate rate of 4.0% over 15 years.
Participation rates	It was assumed that 90% of retirees who are eligible for the full County premium subsidy, 60% of retirees who are eligible for a partially funded County subsidy and 20% of retirees who are not eligible for any subsidy would choose to receive retiree health care benefits through the Plan.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 14 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS (continued)

Changes in the Total OPEB Liability

Balance at June 30, 2020	\$17,098,394
Changes for the year	
Service cost	881,722
Interest on the OPEB liability	541,205
Changes of benefit terms	-
Difference between expected and actual experience of the total OPEB liability	667,061
Changes of assumptions	2,514,306
Benefit payments	<u>(496,739)</u>
Net change in total OPEB liability	<u>4,107,555</u>
Balance at June 30, 2021	<u>\$21,205,949</u>

Changes of assumptions reflect a change in the discount rate from 3.13% as of June 30, 2019, to 2.45% as of June 30, 2020 and updates to the health care trend rates to reflect the repeal of the excise tax on high-cost employer health plans.

The following table 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 that is one percent lower or one percent higher:

	1% Decrease	Current Discount Rate Assumption	1% Increase
	1.45%	2.45%	3.45%
Total OPEB liability	\$ 25,076,791	\$ 21,205,949	\$ 18,139,289

Regarding the sensitivity of the total OPEB liability to changes in the healthcare cost trend rates, the following presents the Plan's total liability, calculated using the assumed trend rates as well as what the Plan's total OPEB liability would be if it were calculated using a trend rate that is one percent lower or one percent higher:

	1% Decrease	Current Healthcare cost Rate Assumption	1% Increase
Total OPEB liability	\$ 17,594,475	\$ 21,205,949	\$ 25,954,959

For the year ended June 30, 2021, the County recognized OPEB benefit of \$1,120,956.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 14 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS (continued)

At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 675,138	\$ 968,075
Changes in assumptions	3,359,684	914,786
Contributions subsequent to the measurement date	<u>540,122</u>	<u>-</u>
Total	<u>\$4,574,944</u>	<u>\$ 1,882,861</u>

The County reported deferred outflows of resources related to contributions subsequent to the measurement date which will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2022. The difference between expected and actual experience and changes in assumptions are reported as deferred outflows (inflows) of resources and will be amortized over the average of the expected remaining service lives of all employees that are provided OPEB through the OPEB Plan (active and inactive members) determined as of the beginning of the measurement period. Average remaining service lives of all employees that are provided OPEB through the OPEB Plan at the June 30, 2020, measurement date was 7.2152 years. The following schedule reflects the amortization of the County's net balance of remaining deferred outflows/(inflows) at June 30, 2021:

<u>Year ending June 30,</u>	<u>Net Deferred Outflows/(Inflows)</u>
2022	\$ 238,151
2023	238,151
2024	238,151
2025	291,722
2026	545,351
Thereafter	<u>600,435</u>
Total	<u>\$ 2,151,961</u>

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 14 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS (continued)

Harvin Clarendon County Library

Background

The Library implemented GASB Statement No. 75 July 1, 2017, for other post-employment benefits offered to retirees. See the background information as provided by the County above.

Plan Description

Other postemployment benefits provided by the Library include a retiree health insurance premium contribution plan that covers retirees with the same benefits provided by the County as described above.

Funding Policy

The Library has elected not to pre-fund OPEB liabilities and to fund healthcare benefits on a “pay-as-you-go basis” (no funding of the Obligation). The Library will review the funding policy and contributions annually. No assets are accumulated in a Trust that meets the criteria in paragraph 4 of Statement 75.

Employees covered by benefit terms in the Plan as of June 30, 2020:

Inactive plan members or beneficiaries currently receiving benefits	2
Active plan members	<u>8</u>
Total plan members	<u>10</u>

The Library's total OPEB liability of \$505,592 was measured as of June 30, 2021, and was determined by using the Alternative Measurement Method (AMM) valuation of an actuarial valuation as of June 30, 2021.

Changes in the Total OPEB Liability

Balance at June 30, 2020	\$ 463,775
Changes for the year	
Service cost	8,611
Interest on the OPEB liability	11,468
Difference between expected and actual experience of the total OPEB liability (Effect of Economic/Demographic gains and losses)	910
Changes in assumptions	29,490
Benefit payments	<u>(8,662)</u>
Net change in total OPEB liability	<u>41,817</u>
Balance at June 30, 2021	<u>\$ 505,592</u>
Covered-employee payroll	<u>\$ 282,087</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>179.23%</u>

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 14 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS (continued)

Harvin Clarendon County Library (continued)

Changes in the Total OPEB Liability (continued)

Changes of assumptions reflect a change in the discount rate from 2.45% as of June 30, 2020, to 1.92% as of June 30, 2021.

The following table presents the total OPEB Liability of the Library, as well as what the Library's total OPEB liability would be if it were calculated using a discount rate that is one percent lower or one percent higher:

	1% Decrease .92%	Current Discount Rate Assumption 1.92%	1% Increase 2.92%
Total OPEB liability	\$ 568,476	\$ 505,592	\$ 451,918

Regarding the sensitivity of the total OPEB liability to changes in the healthcare cost trend rates, the following presents the Plan's total liability, calculated using the assumed trend rates as well as what the Plan's total OPEB liability should be if it were calculated using a trend rate that is one percent lower or one percent higher:

	1% Decrease	Current Healthcare cost Rate Assumption	1% Increase
Total OPEB liability	\$ 454,448	\$ 505,592	\$ 563,977

In accordance with GASB 75 paragraph 43(a), deferred inflows/outflows of resources related to differences between actual and expected experience with regard to economic or demographic factors or changes in assumptions and other inputs are not used under the Alternative Measurement Method. These items are recognized in OPEB expense immediately. For the year ended June 30, 2021, the Library recognized OPEB expense of \$41,817.

Methods and Assumptions

These are detailed in the Library's separate notes to the financial statements.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 15 – FUND BALANCE REPORTING

The County and Library have classified their fund balances with the following hierarchy: Nonspendable, Restricted, Committed, Assigned and Unassigned according to GASB Statement 54.

The County fund balance as of June 30, 2021, was classified as follows:

<u>Description</u>	<u>General Fund</u>	<u>Capital Projects</u>	<u>General County Debt Svc</u>	<u>Fire Rescue</u>	<u>C-Program Roads</u>	<u>Other Govern- mental</u>	<u>Total Governmental Funds</u>
Nonspendable:							
Inventory	\$ 90,546	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 90,546
Restricted:							
LOST Reserve	2,769,986	-	-	-	-	-	2,769,986
Local drug interdiction	-	-	-	-	-	576,855	576,855
Solicitor's office	-	-	-	-	-	271,705	271,705
Debt service	-	-	3,301,847	-	-	115,493	3,417,340
I-95 Megasite	36,072	-	-	-	-	-	36,072
911 Center improvements	-	-	-	-	-	1,061,307	1,061,307
Future capital projects	-	1,128,483	-	-	-	-	1,128,483
Committed:	-	-	-	-	-	-	-
Assigned:							
Encumbrances	134,983	-	-	32,695	-	-	167,678
Fire protection	-	-	-	1,366,590	-	16,553	1,383,143
Facility improvements	-	176,239	-	-	-	-	176,239
Road improvements	-	-	-	-	2,248,017	-	2,248,017
Vocational school	-	-	-	-	-	7,721	7,721
Tourism related efforts	-	-	-	-	-	400,598	400,598
Clerk of Court Title IV-D	82,344	-	-	-	-	-	82,344
Clerk of Court discretion	8,521	-	-	-	-	-	8,521
Archives collection	2,126	-	-	-	-	-	2,126
Unassigned:	<u>5,093,850</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,093,850</u>
Total fund balances	<u>\$ 8,218,428</u>	<u>\$ 1,304,722</u>	<u>\$ 3,301,847</u>	<u>\$ 1,399,285</u>	<u>\$ 2,248,017</u>	<u>\$ 2,450,232</u>	<u>\$ 18,922,531</u>

Discretely Presented Component Units:

The fund balances as of June 30, 2021, was classified as follows:

<u>Description</u>	<u>Harvin Clarendon County Library</u>	<u>Business Development Commission</u>
Non-spendable	\$ 23,396	\$ 3,200
Restricted	-	1,218,950
Committed:		
Capital building fund	95,000	-
Assigned	-	-
Unassigned	<u>67,614</u>	<u>1,147,668</u>
Total fund balances	<u>\$ 186,010</u>	<u>\$ 2,369,818</u>

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 16 – RISK MANAGEMENT

The County is exposed to various risks of loss and maintains elements of both self-insurance and purchased insurance policies divided into coverage for worker's compensation, property and casualty and employee health insurance. Management believes such coverage is sufficient to preclude any significant uninsured losses for the covered risks. The County also pays insurance premiums to certain other commercial insurers to cover risks that may occur in normal operations. The insurers promise to pay to or on behalf of the insured for covered economic losses sustained during the policy in accordance with insurance policy and benefit program limits. State funds accumulate assets and the State itself assumes substantially all risks for the following:

- 1) Claims of covered public employees for health and dental insurance benefits (Office of Insurance Services) and
- 2) Claims of covered public employees for long-term disability and group-life insurance benefits (Retirement System).

The County assumes the risk for unemployment compensation benefits by paying directly to the Employment Security Commission actual claims filed against the County.

Employees elect health coverage of either a health maintenance organization or through the State's self-insured plan. All other insurance coverages listed above are through the applicable State self-insured plan except dependent and optional life premiums which are remitted to commercial carriers.

The County has recorded insurance premium expenditures in the applicable functional expenditure categories of the unrestricted current funds. These expenditures do not include estimated claim losses and estimable premium adjustments.

The County has not reported a supplemental premium assessment expenditure, and the related liability at June 30, 2021, because the requirements of GASB Statement No. 10, which state that a liability for supplemental assessments must be reported if information prior to issuance of the financial statements indicates that it is probable that an asset has been impaired or a liability has been incurred on or before June 30, 2021, and that the amount of the premium is reasonably estimable, have not been satisfied.

In management's opinion, supplemental premium assessments, if any, would not be significant enough to have a material adverse effect on the financial position of the County.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 17 – CONTINGENCIES AND COMMITMENTS

Grants:

The County participates in a number of federally assisted grant programs and state funded grant programs. These programs are subject to financial compliance audits by the County's auditors and by auditors of the federal or state grantor agencies. Upon audit, should it be determined that the County has failed to comply with applicable requirements of the grants, then some or all of the grant expenditures may be disallowed and a portion of the grant expenditures may become reimbursable to the grantor.

Construction Commitments:

In October, 2018, the County entered into a contract with a builder in the amount of \$4,967,380 (reduced \$59,636 in change-orders thus far) for expansion and improvements to water system. As of June 30, 2021, the County had incurred \$4,593,519 in costs. The project is anticipated to be completed January, 2022.

In January, 2021, the County entered into a contract with a builder in the amount of \$132,092 (reduced \$30,720 in change-orders) for the improvements to various paved roadways within the County. As of June 30, 2021, the County had incurred \$90,776 in costs. The project was completed November, 2021.

In April, 2021, the County entered into a contract with a builder in the amount of \$78,817 (an additional \$53,520 in change-orders eventually added) for the construction of a floating fishing pier and boat ramp (non-motorized vessels). As of June 30, 2021, the County had incurred \$114,277 in costs. The project is anticipated to be completed December, 2021.

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**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 17 – CONTINGENCIES AND COMMITMENTS (continued)

Other Matters

On January 8, 2017, the South Carolina Department of Revenue (*Agency*) entered into an agreement with Farmers Telephone Cooperative Corp. (FTC), FTC Communications, LLC and FTC Diversified Services, LLC (*Taxpayers*) exempting taxpayers from any local property tax on real and personal property located outside of a municipality. The exemption was granted pursuant to SC Code 12-37-220(B)(10), as interpreted by Agency. Additionally, the exemption shall be retroactive to tax year 2010 and all taxes paid (net) are to be refunded/returned to Taxpayers. The County has brought an action before the SC Administrative Court requesting that said agreement be found null and void. While a hearing was held in May 2019, both parties have appealed the resulting ruling. Lastly, no determination has been made by the Agency as to the specific amount(s) involved, either in terms of future ad valorem revenue or refunds owed. County Auditor and Treasurer have estimated the potential impact to be as follows within its Governmental funds:

Other Matters (continued) Governmental Fund	Annual revenue (net) tax year 2015	Total potential refund
General Fund	\$ 82,760	\$ 408,371
General County Debt	4,056	18,893
Fire Operating	18,742	83,585
Fire Debt	369	3,666
Other	<u>1,966</u>	<u>11,843</u>
Total	<u>\$ 107,893</u>	<u>\$ 526,358</u>

NOTE 18 – TAX ABATEMENT DISCLOSURES

As of June 30, 2021, the County provides tax incentives under its various Fee in Lieu of Tax Agreements (FILO). The purpose of both programs is the retention of jobs, job growth and/or capital investment. The County has entered into fee in lieu of tax agreements pursuant to the authority granted by Title 12, Chapter 44, Title 4, Chapter 29, and/or Title 4, Chapter 12 of the Code of Laws of South Carolina, 1976, as amended. Property subject to a fee in lieu of tax agreement is exempt from ad valorem property tax and is instead subject to a fee in lieu of tax equal to the product of the value of the property, an assessment ratio that is generally no lower than 6% (but may be as low as 4% for extraordinary projects that satisfy the statutory definition of an “enhanced investment”), and a millage rate that is either fixed for the life of the agreement or is adjusted every five years based on the trailing five-year average. Generally, the taxpayer must invest at least \$2.5 million within a 5-6 year period, beginning with the date the property is placed in service and ending five years after the last day of the property tax year in which the property is initially placed in service. For the fiscal year ended June 30, 2021, the County abated property taxes totaling \$6,110,426 under its various fee in lieu of tax agreements.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 19 – PRIOR PERIOD ADJUSTMENTS

The net position/fund balance as of June 30, 2020, was restated as follows:

Primary Government	Net Position		Fund Balance
	Governmental Activities	Business-type Activities	GAAP Basis
Net position/fund balance as originally presented, June 30, 2020	\$ 40,371	\$ 2,700,688	\$ 16,348,609
Checks debited revenue rather than employee withholding	(11,572)		(11,572)
Unclaimed assets turned over to the State	(37,490)		(37,490)
Corrected for voided checks			
Water and sewer utility	-	4,278	-
Capital projects fund	28,450	-	28,450
Fire rescue fund	<u>24,955</u>	<u>-</u>	<u>24,955</u>
Net position/fund balance as restated, June 30, 2020	<u>\$ 44,714</u>	<u>\$ 2,704,966</u>	<u>\$ 16,352,952</u>

NOTE 20 – UNCERTAINTIES

The global COVID-19 pandemic, beginning in March 2020, has effected operations of Clarendon County. The full extent and impact of COVID-19 on the operations and cash flows is currently unknown, and depends on future developments that are uncertain and unpredictable, including duration and spread of the pandemic and any developments in the ability to contain and treat its impact.

NOTE 21 – SUBSEQUENT EVENTS

In July 2021, the County issued \$350,000 Capital Lease (lease/purchase agreement) to purchase boom truck and dump truck for Public Works department. Due in monthly installments beginning January 1, 2022, of \$6,266 (includes interest) and ending December 1, 2026. Interest accrues at a rate of 2.44%.

The American Rescue Plan Act of 2021 (ARPA) included funding to states, counties and municipalities throughout the country via the Coronavirus State and Local Fiscal Recovery Funds (SLFRF). The County has been allocated \$6.6 million, funded in equal amounts over two years. County Council has identified numerous projects to utilize the funds on over the next several years. All ARPA/SLFRF funding must be fully obligated by December 31, 2024, and subsequently, fully disbursed by December 31, 2026.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 22 – NEW ACCOUNTING PRONOUNCEMENT

In June 2018, the GASB issued Statement No. 87, Leases, which provides guidance for lease contracts for nonfinancial assets, including vehicles, heavy equipment, and buildings, but excludes nonexchange transactions, including donated assets and leases of intangible assets (such as patents and software licenses). Under the new standard, a lessee entity is required to recognize a lease liability and an intangible asset representing the lessee's right to use the leased asset. A lessor entity is required to recognize a lease receivable and a deferred inflow of resources. A lessor will continue to report the leased asset in its financial statements. The provisions of Statement No. 87 are effective for reporting periods beginning after June 15, 2021. The County is currently in the process of evaluating the impact of adoption of this guidance on the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

CLARENDON COUNTY
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE COUNTY'S
TOTAL OPEB LIABILITY AND RELATED RATIOS

LAST 10 FISCAL YEARS ENDING JUNE 30

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Service Cost	\$ 881,722	\$ 739,007	\$ 740,010	\$ 903,965	N/A *	N/A *	N/A *	N/A *	N/A *	N/A *
Interest	541,205	550,513	629,848	541,509	N/A *	N/A *	N/A *	N/A *	N/A *	N/A *
Changes in Benefit Terms	-	-	(2,260,857)	-						
Differences Between Expected and Actual Experience	667,061	(3,908)	(1,624,020)	207,669	N/A *	N/A *	N/A *	N/A *	N/A *	N/A *
Changes of Assumptions or Other Inputs	2,514,306	1,212,615	520,199	(1,889,754)	N/A *	N/A *	N/A *	N/A *	N/A *	N/A *
Benefit Payments	<u>(496,739)</u>	<u>(475,748)</u>	<u>(503,213)</u>	<u>(564,603)</u>	N/A *	N/A *	N/A *	N/A *	N/A *	N/A *
Net Change in Total OPEB Liability	<u>4,107,555</u>	<u>2,022,479</u>	<u>(2,498,033)</u>	<u>(801,214)</u>	N/A *	N/A *	N/A *	N/A *	N/A *	N/A *
Total OPEB Liability - Beginning	<u>17,098,394</u>	<u>15,075,915</u>	<u>17,573,948</u>	<u>18,375,162</u>	N/A *	N/A *	N/A *	N/A *	N/A *	N/A *
Total OPEB Liability - Ending	<u>\$ 21,205,949</u>	<u>\$ 17,098,394</u>	<u>\$ 15,075,915</u>	<u>\$ 17,573,948</u>	N/A *	N/A *	N/A *	N/A *	N/A *	N/A *
Covered - Employee Payroll	\$ 10,470,906	\$ 9,958,111	\$ 9,655,694	\$ 9,559,233	N/A *	N/A *	N/A *	N/A *	N/A *	N/A *
Total OPEB Liability as a Percentage of Covered - Employee Payroll	202.52%	171.70%	156.13%	183.84%	N/A *	N/A *	N/A *	N/A *	N/A *	N/A *

*N/A Not Available - This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

Notes to Schedule

The discount rate was updated from 3.13% to 2.45 % as of June 30, 2020.

Medical per capita costs were changed to the rates shown above based on updated premium information and census data.

The mortality table was updated from 2016 Public Retirees of SC Mortality Tables for males and females.

The retirement rates were updated to reflect the rates used for "General Employees" in the South Carolina Retirement System Actuarial Valuation as of July 1, 2018.

See Independent Auditor's Report on Required Supplementary Information

CLARENDON COUNTY
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE COUNTY'S CONTRIBUTIONS (OPEB)

LAST 10 FISCAL YEARS ENDING JUNE 30

Fiscal Year	Employer Contribution Information									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually Determined Employer Contribution	\$ 540,122	\$ 496,739	\$ 475,748	\$ 513,099	N/A *	N/A *	N/A *	N/A *	N/A *	N/A *
Actual Employer Contribution	\$ (540,122)	\$ (496,739)	\$ (475,748)	\$ (513,099)	N/A *	N/A *	N/A *	N/A *	N/A *	N/A *
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	N/A *	N/A *	N/A *	N/A *	N/A *	N/A *
Covered - Employee payroll	\$ 11,768,419	\$ 10,470,906	\$ 9,958,111	\$ 9,655,694	N/A *	N/A *	N/A *	N/A *	N/A *	N/A *
Contributions as Percent of Covered Payroll	5.65%	5.20%	4.98%	5.37%	N/A *	N/A *	N/A *	N/A *	N/A *	N/A *

* N/A Available - This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

See Independent Auditor's Report on Required Supplementary Information

CLARENDON COUNTY
Schedules of Required Supplementary Information
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (SCRS) and (PORS)
Last 10 Fiscal Years

SCRS	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
County's proportion of the net pension liability (asset)	0.048691%	0.048676%	0.049312%	0.049605%	0.051076%	0.050338%	0.051777%	0.051777%	NA*	NA*
County's proportionate share of the net pension liability (asset)	\$12,441,421	\$11,114,808	\$11,049,215	\$11,166,883	\$10,909,758	\$ 9,546,844	\$ 8,914,283	\$ 9,286,947	NA*	NA*
County's covered-employee payroll	\$ 5,432,149	\$ 5,140,294	\$ 5,108,606	\$ 4,991,257	\$ 4,946,164	\$ 4,719,753	\$ 4,700,195	\$ 4,010,728	NA*	NA*
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	229.03%	216.23%	216.29%	223.73%	220.57%	202.27%	189.66%	231.55%	NA*	NA*
Plan fiduciary net position as a percentage of the total pension liability	50.70%	54.40%	54.10%	53.30%	52.90%	57.00%	59.90%	56.40%	NA*	NA*
PORS										
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
County's proportion of the net pension liability (asset)	0.339828%	0.329710%	0.324085%	0.332450%	0.348660%	0.344100%	0.343190%	0.343190%	NA*	NA*
County's proportionate share of the net pension liability (asset)	\$11,269,427	\$ 9,449,383	\$ 9,183,074	\$ 9,107,560	\$ 8,843,800	\$ 7,499,560	\$ 6,570,219	\$ 7,114,338	NA*	NA*
County's covered-employee payroll	\$ 5,133,611	\$ 4,782,357	\$ 4,485,815	\$ 4,476,972	\$ 4,445,013	\$ 4,262,881	\$ 4,127,257	\$ 3,341,860	NA*	NA*
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	219.52%	197.59%	204.71%	203.43%	198.96%	175.93%	159.19%	212.89%	NA*	NA*
Plan fiduciary net position as a percentage of the total pension liability	58.80%	62.70%	61.70%	60.90%	60.40%	64.60%	67.50%	63.00%	NA*	NA*

NA* - Not Available

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

Source: Audit report on the schedules of employer allocations, schedules of pension amounts by employer, and related notes of the South Carolina Retirement Systems, as administered by the SC Public Employee Benefits Authority for the year ended June 30, 2020.

See Independent Auditor's Report on Required Supplementary Information

CLARENDON COUNTY
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF COUNTY CONTRIBUTIONS (SCRS) and (PORS)

Last 10 Fiscal Years

SCRS	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually required contribution	\$ 867,109	\$ 845,242	\$ 748,427	\$ 692,727	\$ 576,989	\$ 547,030	\$ 514,453	\$ 498,271	NA*	NA*
Contributions in relation to the contractually required contribution	\$ (867,109)	\$ (845,242)	\$ (748,427)	\$ (692,727)	\$ (576,989)	\$ (547,030)	(514,453)	\$ (498,271)	NA*	NA*
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	\$ 5,572,683	\$ 5,432,149	\$ 5,140,294	\$ 5,108,606	\$ 4,991,257	\$ 4,946,164	\$ 4,719,753	\$ 4,700,195	NA*	NA*
Contributions as a percentage of covered-employee payroll	15.56%	15.56%	14.56%	13.56%	11.56%	11.06%	10.90%	10.60%	NA*	NA*

PORS	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually required contribution	\$ 1,309,324	\$ 936,371	\$ 824,478	\$ 728,497	\$ 637,524	\$ 610,745	\$ 571,651	\$ 530,004	NA*	NA*
Contributions in relation to the contractually required contribution	\$ (1,309,324)	\$ (936,371)	\$ (824,478)	\$ (728,497)	(637,524)	\$ (610,745)	(571,651)	\$ (530,004)	NA*	NA*
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	\$ 7,178,310	\$ 5,133,611	\$ 4,782,357	\$ 4,485,815	\$ 4,476,972	\$ 4,445,013	\$ 4,262,881	\$ 4,127,257	NA*	NA*
Contributions as a percentage of covered-employee payroll	18.24%	18.24%	17.24%	16.24%	14.24%	13.74%	13.41%	12.84%	NA*	NA*

NA* - Not Available

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.
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Source: County quarterly retirement contribution reports.

See Independent Auditor's Report on Required Supplementary Information

COMBINING AND INDIVIDUAL FUND SCHEDULES

CLARENDON COUNTY, SOUTH CAROLINA
 COMBINING BALANCE SHEET
 DISCRETELY PRESENTED COMPONENT UNITS
 JUNE 30, 2021

	GOVERNMENTAL FUNDS		
	HARVIN CLARENDON COUNTY LIBRARY	BUSINESS DEVELOPMENT CORPORATION	TOTAL
ASSETS			
Cash	\$ 172,536	\$ 2,785,119	\$ 2,957,655
Prepaid items	23,396	3,200	26,596
Notes and interest receivable	-	193,374	193,374
Capital and operating lease receivable	-	282,246	282,246
Grants and miscellaneous receivable	2,355	20,490	22,845
TOTAL ASSETS	\$ 198,287	\$ 3,284,429	\$ 3,482,716
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts and payroll withholdings payable	\$ 12,277	\$ 5,067	\$ 17,344
Unearned revenue	-	909,544	909,544
Total Liabilities	12,277	914,611	926,888
Fund Balances			
Nonspendable	23,396	3,200	26,596
Restricted	-	1,218,950	1,218,950
Committed	95,000	-	95,000
Unassigned	67,614	1,147,668	1,215,282
Total Fund Balances	186,010	2,369,818	2,555,828
TOTAL LIABILITIES AND FUND BALANCES	\$ 198,287	\$ 3,284,429	\$ 3,482,716

**CLARENDON COUNTY, SOUTH CAROLINA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 DISCRETELY PRESENTED COMPONENT UNITS
 FOR THE YEAR ENDED JUNE 30, 2021**

	<u>GOVERNMENTAL FUNDS</u>		
	HARVIN CLARENDON COUNTY LIBRARY	BUSINESS DEVELOPMENT CORPORATION	TOTAL
REVENUES			
Federal	\$ 2,355	\$ -	\$ 2,355
State	100,000	10,000	110,000
Local	581,542	533,313	1,114,855
TOTAL REVENUES	<u>683,897</u>	<u>543,313</u>	<u>1,227,210</u>
EXPENDITURES			
General operations	663,274	468,383	1,131,657
Capital outlay	-	58,876	58,876
Debt service	-	727,081	727,081
TOTAL EXPENDITURES	<u>663,274</u>	<u>1,254,340</u>	<u>1,917,614</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>20,623</u>	<u>(711,027)</u>	<u>(690,404)</u>
OTHER FINANCING SOURCES (USES)			
Sale of assets	-	2,129,000	2,129,000
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>2,129,000</u>	<u>2,129,000</u>
NET CHANGE IN FUND BALANCES	20,623	1,417,973	1,438,596
FUND BALANCES, BEGINNING OF YEAR	<u>165,387</u>	<u>951,845</u>	<u>1,117,232</u>
FUND BALANCES, END OF YEAR	<u>\$ 186,010</u>	<u>\$ 2,369,818</u>	<u>\$ 2,555,828</u>

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Bureau of Tourism Accommodations	To account for the County's portion of accommodations taxes.
Hospitality Tax	To account for the County's collection of hospitality taxes.
Drug Enforcement and Other Sheriff's Funds	To account for restricted revenues received by the Sheriff.
Special Purpose District	To account for ad valorem taxes collected to be used for F. E. DuBose Career Center (vocational training).
E-911	To account for fees collected by telephone companies to be used to provide emergency assistance through the nationwide 911 system.
Emergency Services Tax District	To account for the accumulation of ad valorem taxes to pay the costs associated with provision of EMS services throughout county
Victims Advocate	To account for state assessments and surcharges on fines to be used for victim services.
Third Circuit Drug Court	To account for restricted revenue for operation of drug court.

DEBT SERVICE FUNDS

Fire Protection	To account for the accumulation of ad valorem taxes to pay the principal, interest, and fiscal charges.
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CLARENDON COUNTY, SOUTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2021

	Special Revenue				
	Bureau of Tourism Accommodation Fund	Hospitality Tax Fund	Drug Enforcement and Other Sheriff's Fund	Special Purpose District	E-911
ASSETS					
Cash and cash equivalents	\$ 45,758	\$ 317,523	\$ 578,855	\$ -	\$ 1,020,422
Accounts receivable	-	38,759	-	-	51,658
Due from other funds	-	-	-	1,248	-
Delinquent taxes receivable	-	-	-	77,709	-
Total Assets	<u>\$ 45,758</u>	<u>\$ 356,282</u>	<u>\$ 578,855</u>	<u>\$ 78,957</u>	<u>\$ 1,072,080</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 1,442	\$ -	\$ -	\$ -	\$ 10,773
Cash overdraft	-	-	-	-	-
Due to other funds	-	-	2,000	-	-
Total Liabilities	<u>1,442</u>	<u>-</u>	<u>2,000</u>	<u>-</u>	<u>10,773</u>
Deferred Inflows of Resources:					
Unavailable Revenue - Property Taxes	-	-	-	71,236	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>71,236</u>	<u>-</u>
Fund Balances:					
Restricted	-	-	576,855	-	1,061,307
Assigned	44,316	356,282	-	7,721	-
Total Fund	<u>44,316</u>	<u>356,282</u>	<u>576,855</u>	<u>7,721</u>	<u>1,061,307</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 45,758</u>	<u>\$ 356,282</u>	<u>\$ 578,855</u>	<u>\$ 78,957</u>	<u>\$ 1,072,080</u>

CLARENDON COUNTY, SOUTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2021

	<u>Special Revenue</u>			<u>Debt Service</u>	Total Nonmajor Governmental Funds
	Emergency Services Fund	Victims Advocate Fund	Third Circuit Drug Court	Fire Protection	
ASSETS					
Cash and cash equivalents	\$ -	\$ -	\$ 273,962	\$ 113,220	\$ 2,349,740
Accounts receivable	-	11,364	-	-	101,781
Due from other funds	-	-	-	1,163	2,411
Delinquent taxes receivable	57,997	-	-	8,172	143,878
	<u>57,997</u>	<u>-</u>	<u>-</u>	<u>8,172</u>	<u>143,878</u>
Total Assets	<u>\$ 57,997</u>	<u>\$ 11,364</u>	<u>\$ 273,962</u>	<u>\$ 122,555</u>	<u>\$ 2,597,810</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ 243	\$ 2,257	\$ -	\$ 14,715
Cash overdraft	-	11,121	-	-	11,121
Due to other funds	-	-	-	-	2,000
Total Liabilities	<u>-</u>	<u>11,364</u>	<u>2,257</u>	<u>-</u>	<u>27,836</u>
Deferred Inflows of Resources:					
Unavailable Revenue - Property Taxes	41,444	-	-	7,062	119,742
Total Deferred Inflows of Resources	<u>41,444</u>	<u>-</u>	<u>-</u>	<u>7,062</u>	<u>119,742</u>
Fund Balances:					
Restricted	-	-	271,705	115,493	2,025,360
Assigned	16,553	-	-	-	424,872
	<u>16,553</u>	<u>-</u>	<u>271,705</u>	<u>115,493</u>	<u>2,450,232</u>
Total Fund Balances	<u>16,553</u>	<u>-</u>	<u>271,705</u>	<u>115,493</u>	<u>2,450,232</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 57,997</u>	<u>\$ 11,364</u>	<u>\$ 273,962</u>	<u>\$ 122,555</u>	<u>\$ 2,597,810</u>

CLARENDON COUNTY, SOUTH CAROLINA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021

	Special Revenue				
	Bureau of Tourism Accommodation Fund	Hospitality Tax Fund	Drug Enforcement and Other Sheriff's Fund	Special Purpose District	E-911
REVENUES					
Taxes	\$ -	\$ 391,274	\$ -	\$ 275,602	\$ -
Intergovernmental	142,273	-	-	-	316,959
Charges for services	-	-	-	-	121,949
Fines and forfeitures	-	-	113,884	-	-
Interest	72	1,344	1,460	-	2,261
Total Revenues	<u>142,345</u>	<u>392,618</u>	<u>115,344</u>	<u>275,602</u>	<u>441,169</u>
EXPENDITURES					
Current:					
General government	-	-	-	273,841	-
Public safety	-	-	110,900	-	350,227
Culture/Recreation	129,807	82,500	-	-	-
Court related	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest and fees	-	-	-	-	-
Capital outlay	-	-	63,250	-	-
Total Expenditures	<u>129,807</u>	<u>82,500</u>	<u>174,150</u>	<u>273,841</u>	<u>350,227</u>
Excess of revenues over (under) expenditures	<u>12,538</u>	<u>310,118</u>	<u>(58,806)</u>	<u>1,761</u>	<u>90,942</u>
OTHER FINANCING SOURCES (USES)					
Sale of Assets	-	-	48,125	-	-
Transfers in (out)	-	(230,750)	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(230,750)</u>	<u>48,125</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>12,538</u>	<u>79,368</u>	<u>(10,681)</u>	<u>1,761</u>	<u>90,942</u>
Fund balances at beginning of year	<u>31,778</u>	<u>276,914</u>	<u>587,536</u>	<u>5,960</u>	<u>970,365</u>
Fund balances at end of year	<u>\$ 44,316</u>	<u>\$ 356,282</u>	<u>\$ 576,855</u>	<u>\$ 7,721</u>	<u>\$ 1,061,307</u>

CLARENDON COUNTY, SOUTH CAROLINA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021

	Special Revenue			Debt Service	Total Nonmajor Governmental Funds
	Emergency Services Fund	Victims Advocate Fund	Third Circuit Drug Court	Fire Protection	
REVENUES					
Taxes	\$ 1,521,443	\$ -	\$ -	\$ 80,261	\$ 2,268,580
Intergovernmental	-	60,147	280,000	-	799,379
Charges for services	-	-	-	-	121,949
Fines and forfeitures	-	40,444	-	-	154,328
Interest	-	3	1,305	189	6,634
Total Revenues	1,521,443	100,594	281,305	80,450	3,350,870
EXPENDITURES					
Current:					
General government	-	-	-	-	273,841
Public safety	-	104,853	-	-	565,980
Culture/Recreation	-	-	-	-	212,307
Court related	-	-	226,591	-	226,591
Debt service:					
Principal	-	-	-	75,870	75,870
Interest and fees	-	-	-	29,293	29,293
Capital outlay	-	-	-	-	63,250
Total Expenditures	-	104,853	226,591	105,163	1,447,132
Excess of revenues over (under) expenditures	1,521,443	(4,259)	54,714	(24,713)	1,903,738
OTHER FINANCING SOURCES (USES)					
Sale of Assets	-	-	-	-	48,125
Transfers in (out)	(1,504,890)	4,259	(5,000)	-	(1,736,381)
Total Other Financing Sources (Uses)	(1,504,890)	4,259	(5,000)	-	(1,688,256)
Net change in fund balances	16,553	-	49,714	(24,713)	215,482
Fund balances at beginning of year	-	-	221,991	140,206	2,234,750
Fund balances at end of year	\$ 16,553	\$ -	\$ 271,705	\$ 115,493	\$ 2,450,232

CLARENDON COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Favorable (Unfavorable)
	Original	Final				
REVENUES						
Taxes						
Real estate taxes	\$ 10,470,985	\$ 10,470,985	\$ 11,252,402	\$ -	\$ 11,252,402	\$ 781,417
Local option sales tax	2,800,000	2,800,000	3,704,226	-	3,704,226	904,226
Vehicle taxes	1,647,855	1,647,855	1,766,762	-	1,766,762	118,907
Watercraft taxes	-	-	165,222	-	165,222	165,222
Delinquent taxes	1,325,000	1,325,000	1,101,626	-	1,101,626	(223,374)
Local accommodations	200,000	200,000	234,273	-	234,273	34,273
Payment in lieu of taxes	75,000	75,000	54,742	-	54,742	(20,258)
Treasurer's cost to cities	29,000	29,000	31,248	-	31,248	2,248
Payment in lieu - motor carrier	230,000	230,000	388,316	-	388,316	158,316
Total taxes	16,777,840	16,777,840	18,698,817	-	18,698,817	1,920,977
Licenses and permits						
Moving permits	2,500	2,500	2,280	-	2,280	(220)
Building permits	130,000	130,000	146,849	-	146,849	16,849
Total licenses and permits	132,500	132,500	149,129	-	149,129	16,629
Charges for services						
Assessors fees	1,000	1,000	1,617	-	1,617	617
Master in Equity fees	7,500	7,500	4,734	-	4,734	(2,766)
Probate fees	53,000	53,000	72,581	-	72,581	19,581
Planning and public service fees	8,000	8,000	12,320	-	12,320	4,320
ROD fees and charges	176,000	176,000	289,982	-	289,982	113,982
Coroner fees	1,000	1,000	865	-	865	(135)
Animal control fees	750	750	1,782	-	1,782	1,032
Landfill fees	300,000	300,000	324,293	-	324,293	24,293
County road user fee	1,040,000	1,040,000	1,077,726	-	1,077,726	37,726
Municipal Law Enforcement	175,000	175,000	175,000	-	175,000	-
Municipal inmate housing	10,500	10,500	5,940	-	5,940	(4,560)
Total charges for services	1,772,750	1,772,750	1,966,840	-	1,966,840	194,090
Fines and forfeitures						
Clerk of court fines and fees	115,000	115,000	117,222	-	117,222	2,222
Magistrate fines and fees	190,000	190,000	206,200	-	206,200	16,200
Sex offender registry fees	7,000	7,000	7,400	-	7,400	400
Sheriff's fines and fees	3,200	3,200	2,159	-	2,159	(1,041)
	315,200	315,200	332,981	-	332,981	17,781
Investment income						
	12,000	12,000	9,782	-	9,782	(2,218)
Miscellaneous						
Hangar rent	50,000	50,000	47,180	-	47,180	(2,820)
Multi-County Industrial Park	85,000	85,000	69,369	-	69,369	(15,631)
Miscellaneous revenue	210,000	176,384	186,981	-	186,981	10,597
Recreation Programs	72,000	72,000	43,399	-	43,399	(28,601)
Franchise fees	125,000	125,000	109,291	-	109,291	(15,709)
Contributions	3,500	3,500	8,177	-	8,177	4,677
Non-governmental grants	-	-	103,553	-	103,553	103,553
	545,500	511,884	567,950	-	567,950	56,066

CLARENDON COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Favorable (Unfavorable)
	Original	Final				
Intergovernmental						
State						
Accommodations tax	32,000	32,000	32,488	-	32,488	488
Merchant's inventory tax	48,910	48,910	48,909	-	48,909	(1)
Solid waste tire fees	20,000	20,000	20,542	-	20,542	542
State aid and allocations	1,494,000	1,494,000	1,422,609	-	1,422,609	(71,391)
Election commission	91,250	91,250	83,766	-	83,766	(7,484)
Clerk/Sheriff/Probate Judge supplements	13,870	13,870	7,875	-	7,875	(5,995)
Palmetto Pride	-	-	4,019	-	4,019	4,019
Body worn cameras	-	-	27,105	-	27,105	27,105
EMS Grant in aid	-	-	7,858	-	7,858	7,858
EMS Trauma grant	-	-	11,344	-	11,344	11,344
Waste oil grant(s)	-	-	2,367	-	2,367	2,367
Waste tire grant(s)	-	-	41,501	-	41,501	41,501
Solid waste grant(s)	-	-	1,050	-	1,050	1,050
SC DNR - Fishing Pier	-	-	116,176	-	116,176	116,176
SC PARD	-	-	6,520	-	6,520	6,520
Economic Development grant(s)	-	-	100,000	-	100,000	100,000
Federal						
Veterans affairs	5,500	5,500	4,798	-	4,798	(702)
Marshal's service - inmate housing	-	-	106,863	-	106,863	106,863
Dept. Interior	-	33,616	33,616	-	33,616	-
Title IV-D Clerk of Court	160,000	160,000	197,962	-	197,962	37,962
Title IV-D Sheriff	9,000	9,000	2,129	-	2,129	(6,871)
DSS - Revenue	55,000	55,000	32,935	-	32,935	(22,065)
USDA Coroner equipment	-	-	33,371	-	33,371	33,371
Emergency management grants	-	-	74,617	-	74,617	74,617
FEMA Covid-19	-	-	2,421	-	2,421	2,421
Cares Act	-	-	72,918	-	72,918	72,918
Airport improvement program	-	-	255,030	-	255,030	255,030
Justice Assistance grants	-	-	60,949	-	60,949	60,949
	<u>1,929,530</u>	<u>1,963,146</u>	<u>2,811,738</u>	<u>-</u>	<u>2,811,738</u>	<u>848,592</u>
TOTAL REVENUES	<u>\$ 21,485,320</u>	<u>\$ 21,485,320</u>	<u>\$ 24,537,237</u>	<u>\$ -</u>	<u>\$ 24,537,237</u>	<u>\$ 3,051,917</u>

CLARENDON COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Favorable (Unfavorable)
	Original	Final				
General Government and Administration:						
Administration:						
Salaries and related	\$ 409,830	\$ 409,830	402,705	\$ -	\$ 402,705	\$ 7,125
Operations	15,500	15,500	17,215	-	17,215	(1,715)
	<u>425,330</u>	<u>425,330</u>	<u>419,920</u>	<u>-</u>	<u>419,920</u>	<u>5,410</u>
County Council:						
Salaries and related	113,750	138,350	141,649	-	141,649	(3,299)
Operations	8,600	8,600	4,201	-	4,201	4,399
	<u>122,350</u>	<u>146,950</u>	<u>145,850</u>	<u>-</u>	<u>145,850</u>	<u>1,100</u>
Assessor:						
Salaries and related	540,760	540,760	502,960	-	502,960	37,800
Operations	73,900	73,900	55,383	-	55,383	18,517
	<u>614,660</u>	<u>614,660</u>	<u>558,343</u>	<u>-</u>	<u>558,343</u>	<u>56,317</u>
Auditor:						
Salaries and related	221,830	221,830	219,121	-	219,121	2,709
Operations	12,000	12,000	8,776	-	8,776	3,224
	<u>233,830</u>	<u>233,830</u>	<u>227,897</u>	<u>-</u>	<u>227,897</u>	<u>5,933</u>
Treasurer:						
Salaries and related	333,470	333,470	320,942	-	320,942	12,528
Operations	93,310	93,310	81,658	1,912	83,570	9,740
	<u>426,780</u>	<u>426,780</u>	<u>402,600</u>	<u>1,912</u>	<u>404,512</u>	<u>22,268</u>
Finance:						
Salaries and related	302,900	278,300	272,092	-	272,092	6,208
Operations	8,500	8,500	9,052	-	9,052	(552)
	<u>311,400</u>	<u>286,800</u>	<u>281,144</u>	<u>-</u>	<u>281,144</u>	<u>5,656</u>
Human Resources:						
Salaries and related	183,510	183,510	178,758	-	178,758	4,752
Operations	15,690	15,690	8,340	-	8,340	7,350
	<u>199,200</u>	<u>199,200</u>	<u>187,098</u>	<u>-</u>	<u>187,098</u>	<u>12,102</u>
Grants Administration						
Salaries and related	120,840	120,840	119,736	-	119,736	1,104
Operations	5,730	5,730	1,158	2,343	3,501	2,229
	<u>126,570</u>	<u>126,570</u>	<u>120,894</u>	<u>2,343</u>	<u>123,237</u>	<u>3,333</u>
Procurement						
Salaries and related	129,020	129,020	127,327	-	127,327	1,693
Operations	9,750	9,750	7,296	-	7,296	2,454
	<u>138,770</u>	<u>138,770</u>	<u>134,623</u>	<u>-</u>	<u>134,623</u>	<u>4,147</u>
Voter Registration:						
Salaries and related	198,930	198,930	214,800	-	214,800	(15,870)
Operations	87,120	87,120	100,226	-	100,226	(13,106)
	<u>286,050</u>	<u>286,050</u>	<u>315,026</u>	<u>-</u>	<u>315,026</u>	<u>(28,976)</u>
Information Technology:						
Salaries and related	121,930	121,930	110,549	-	110,549	11,381
Operations	328,520	328,520	329,385	(14,977)	314,408	14,112
	<u>450,450</u>	<u>450,450</u>	<u>439,934</u>	<u>(14,977)</u>	<u>424,957</u>	<u>25,493</u>
Veterans Affairs:						
Salaries and related	68,060	68,060	67,127	-	67,127	933
Operations	7,950	7,950	5,345	-	5,345	2,605
	<u>76,010</u>	<u>76,010</u>	<u>72,472</u>	<u>-</u>	<u>72,472</u>	<u>3,538</u>

CLARENDON COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Favorable (Unfavorable)
	Original	Final				
Nondepartmental Expenditures:						
Special Projects	91,480	82,980	140,579	21,812	162,391	(79,411)
Contract Security	79,000	79,000	79,272	-	79,272	(272)
Legal Assistance	20,000	20,000	63,250	-	63,250	(43,250)
Rent - Judicial Annex	105,000	105,000	93,726	-	93,726	11,274
Workmen's compensation	154,000	154,000	159,813	-	159,813	(5,813)
Audit fee	41,000	41,000	47,135	-	47,135	(6,135)
Unemployment	5,000	5,000	12,277	-	12,277	(7,277)
Electricity	380,000	380,000	399,553	-	399,553	(19,553)
Contractual services	102,000	102,000	97,985	-	97,985	4,015
Printing and postage	100,000	100,000	85,118	-	85,118	14,882
Christmas bonus	35,000	35,000	46,342	-	46,342	(11,342)
Property and liability insurance	449,050	449,050	460,326	-	460,326	(11,276)
Drug screening	12,000	12,000	10,351	-	10,351	1,649
Water	45,000	45,000	36,872	-	36,872	8,128
Retirees' insurance	535,000	535,000	493,262	-	493,262	41,738
Telephone	175,000	175,000	215,945	-	215,945	(40,945)
Holiday compensation	71,000	71,000	76,349	-	76,349	(5,349)
Retirement expense	2,100	2,100	2,079	-	2,079	21
FICA expense	8,700	8,700	9,444	-	9,444	(744)
Police retirement	9,900	9,900	11,013	-	11,013	(1,113)
Bank fees and charges	47,000	47,000	24,914	-	24,914	22,086
	<u>2,467,230</u>	<u>2,458,730</u>	<u>2,565,605</u>	<u>21,812</u>	<u>2,587,417</u>	<u>(128,687)</u>
Grant Expense:						
Santee Cooper airport improvement	-	-	278,848	-	278,848	(278,848)
SC parks and recreation	-	-	8,150	-	8,150	(8,150)
Palmetto Pride	-	-	4,019	-	4,019	(4,019)
Non-governmental grants	-	-	80,443	-	80,443	(80,443)
SC Dept of Natural Resources	-	-	116,176	-	116,176	(116,176)
Emergency management plan(s)	-	-	53,688	-	53,688	(53,688)
EMS Grant in aid	-	-	8,041	-	8,041	(8,041)
EMS Trauma grant	-	-	11,191	-	11,191	(11,191)
Waste oil grant(s)	-	-	2,429	-	2,429	(2,429)
Waste tire grant(s)	-	-	106,085	-	106,085	(106,085)
Solid waste grant(s)	-	-	27,454	-	27,454	(27,454)
SC Law Enforcement body cameras	-	-	31,369	-	31,369	(31,369)
Bullet proof vest	-	-	7,229	-	7,229	(7,229)
USDA Coroner equipment	-	-	44,530	-	44,530	(44,530)
FEMA Covid-19	-	-	1,290	-	1,290	(1,290)
Cares act related grants	-	-	73,040	-	73,040	(73,040)
Justice Assistance grant(s)	-	-	5,514	-	5,514	(5,514)
Economic Development grant(s)	-	-	100,000	-	100,000	(100,000)
	<u>-</u>	<u>-</u>	<u>959,496</u>	<u>-</u>	<u>959,496</u>	<u>(959,496)</u>
Total General Government and Administration	<u>5,878,630</u>	<u>5,870,130</u>	<u>6,830,902</u>	<u>11,090</u>	<u>6,841,992</u>	<u>(971,862)</u>

CLARENDON COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Favorable (Unfavorable)
	Original	Final				
Court Related:						
Clerk of Court:						
Salaries and related	195,030	195,030	187,685	-	187,685	7,345
Operations	36,620	36,620	19,268	-	19,268	17,352
	<u>231,650</u>	<u>231,650</u>	<u>206,953</u>	<u>-</u>	<u>206,953</u>	<u>24,697</u>
Magistrates:						
Salaries and related	506,960	506,960	472,881	-	472,881	34,079
Operations	34,730	34,730	17,699	-	17,699	17,031
	<u>541,690</u>	<u>541,690</u>	<u>490,580</u>	<u>-</u>	<u>490,580</u>	<u>51,110</u>
Probate Judge:						
Salaries and related	164,790	164,790	159,912	-	159,912	4,878
Operations	13,260	13,260	6,876	-	6,876	6,384
	<u>178,050</u>	<u>178,050</u>	<u>166,788</u>	<u>-</u>	<u>166,788</u>	<u>11,262</u>
Family Court:						
Salaries and related	150,710	150,710	148,818	-	148,818	1,892
Operations	6,800	6,800	5,857	-	5,857	943
	<u>157,510</u>	<u>157,510</u>	<u>154,675</u>	<u>-</u>	<u>154,675</u>	<u>2,835</u>
Register of Deeds:						
Salaries and related	89,650	89,650	88,662	-	88,662	988
Operations	27,420	27,420	14,979	-	14,979	12,441
	<u>117,070</u>	<u>117,070</u>	<u>103,641</u>	<u>-</u>	<u>103,641</u>	<u>13,429</u>
Master in Equity:						
Salaries and related	38,280	38,280	37,215	-	37,215	1,065
Operations	10,020	10,020	8,400	-	8,400	1,620
	<u>48,300</u>	<u>48,300</u>	<u>45,615</u>	<u>-</u>	<u>45,615</u>	<u>2,685</u>
Title IV-D Funds - Clerk of Court:						
Salaries and related	123,220	123,220	110,059	-	110,059	13,161
Operations	11,500	11,500	5,559	-	5,559	5,941
	<u>134,720</u>	<u>134,720</u>	<u>115,618</u>	<u>-</u>	<u>115,618</u>	<u>19,102</u>
Circuit Court Judges:						
Allowance	750	750	559	-	559	191
Solicitor:						
Allowance	169,310	169,310	169,310	-	169,310	-
Public Defender:						
Allowance	125,500	134,000	134,000	-	134,000	-
	<u>295,560</u>	<u>304,060</u>	<u>303,869</u>	<u>-</u>	<u>303,869</u>	<u>191</u>
Total Court Related	1,704,550	1,713,050	1,587,739	-	1,587,739	125,311
Public Safety:						
Sheriff:						
Salaries and related	3,532,760	3,532,760	3,481,337	-	3,481,337	51,423
Operations	864,900	864,900	959,385	(63,569)	895,816	(30,916)
	<u>4,397,660</u>	<u>4,397,660</u>	<u>4,440,722</u>	<u>(63,569)</u>	<u>4,377,153</u>	<u>20,507</u>
Emergency Preparedness:						
Salaries and related	78,270	78,270	77,739	-	77,739	531
Operations	12,250	12,250	7,114	-	7,114	5,136
	<u>90,520</u>	<u>90,520</u>	<u>84,853</u>	<u>-</u>	<u>84,853</u>	<u>5,667</u>
Correctional Center:						
Salaries and related	1,753,350	1,753,350	1,554,187	-	1,554,187	199,163
Operations	483,850	483,850	510,858	(3,450)	507,408	(23,558)
	<u>2,237,200</u>	<u>2,237,200</u>	<u>2,065,045</u>	<u>(3,450)</u>	<u>2,061,595</u>	<u>175,605</u>

CLARENDON COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Favorable (Unfavorable)
	Original	Final				
Coroner:						
Salaries and related	106,100	106,100	101,993	-	101,993	4,107
Operations	90,800	90,800	61,690	34,311	96,001	(5,201)
	<u>196,900</u>	<u>196,900</u>	<u>163,683</u>	<u>34,311</u>	<u>197,994</u>	<u>(1,094)</u>
Communications:						
Salaries and related	892,990	892,990	840,285	-	840,285	52,705
Operations	4,500	4,500	1,569	-	1,569	2,931
	<u>897,490</u>	<u>897,490</u>	<u>841,854</u>	<u>-</u>	<u>841,854</u>	<u>55,636</u>
Total Public Safety	<u>7,819,770</u>	<u>7,819,770</u>	<u>7,596,157</u>	<u>(32,708)</u>	<u>7,563,449</u>	<u>256,321</u>
Physical Environment:						
Facilities Management:						
Salaries and related	440,060	440,060	428,056	-	428,056	12,004
Operations	162,030	162,030	158,966	3,600	162,566	(536)
	<u>602,090</u>	<u>602,090</u>	<u>587,022</u>	<u>3,600</u>	<u>590,622</u>	<u>11,468</u>
Solid Waste:						
Salaries and related	341,710	341,710	260,391	-	260,391	81,319
Operations	1,891,650	1,891,650	1,885,890	-	1,885,890	5,760
	<u>2,233,360</u>	<u>2,233,360</u>	<u>2,146,281</u>	<u>-</u>	<u>2,146,281</u>	<u>87,079</u>
County Engineer:						
Salaries and related	114,690	114,690	113,551	-	113,551	1,139
Operations	48,400	48,400	62,065	-	62,065	(13,665)
	<u>163,090</u>	<u>163,090</u>	<u>175,616</u>	<u>-</u>	<u>175,616</u>	<u>(12,526)</u>
Public Works:						
Salaries and related	461,410	461,410	423,355	-	423,355	38,055
Operations	434,000	434,000	408,261	-	408,261	25,739
	<u>895,410</u>	<u>895,410</u>	<u>831,616</u>	<u>-</u>	<u>831,616</u>	<u>63,794</u>
Total Physical Environment	<u>3,893,950</u>	<u>3,893,950</u>	<u>3,740,535</u>	<u>3,600</u>	<u>3,744,135</u>	<u>149,815</u>
Economic Environment:						
Planning and Public Service Commission:						
Salaries and related	324,990	324,990	282,513	-	282,513	42,477
Operations	58,580	58,580	54,556	28,500	83,056	(24,476)
	<u>383,570</u>	<u>383,570</u>	<u>337,069</u>	<u>28,500</u>	<u>365,569</u>	<u>18,001</u>
Development Board:						
Salaries and related	190,950	190,950	196,544	-	196,544	(5,594)
Operations	165,450	165,450	130,021	-	130,021	35,429
	<u>356,400</u>	<u>356,400</u>	<u>326,565</u>	<u>-</u>	<u>326,565</u>	<u>29,835</u>
Total Economic Environment	<u>739,970</u>	<u>739,970</u>	<u>663,634</u>	<u>28,500</u>	<u>692,134</u>	<u>47,836</u>

**CLARENDON COUNTY, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Favorable (Unfavorable)
	Original	Final				
Transportation:						
Fleet Maintenance:						
Salaries and related	185,050	185,050	183,268	-	183,268	1,782
Operations	9,600	9,600	14,511	-	14,511	(4,911)
	<u>194,650</u>	<u>194,650</u>	<u>197,779</u>	<u>-</u>	<u>197,779</u>	<u>(3,129)</u>
Airport Commission:						
Operations	28,930	28,930	13,125	10,600	23,725	5,205
	<u>28,930</u>	<u>28,930</u>	<u>13,125</u>	<u>10,600</u>	<u>23,725</u>	<u>5,205</u>
Total Transportation	<u>223,580</u>	<u>223,580</u>	<u>210,904</u>	<u>10,600</u>	<u>221,504</u>	<u>2,076</u>
Recreation and Culture:						
Recreation:						
Salaries and related	371,110	371,110	368,321	-	368,321	2,789
Operations	131,300	131,300	154,147	-	154,147	(22,847)
	<u>502,410</u>	<u>502,410</u>	<u>522,468</u>	<u>-</u>	<u>522,468</u>	<u>(20,058)</u>
County Archives:						
Salaries and related	92,250	92,250	69,832	-	69,832	22,418
Operations	5,160	5,160	3,779	-	3,779	1,381
	<u>97,410</u>	<u>97,410</u>	<u>73,611</u>	<u>-</u>	<u>73,611</u>	<u>23,799</u>
Total Recreation and Culture	<u>599,820</u>	<u>599,820</u>	<u>596,079</u>	<u>-</u>	<u>596,079</u>	<u>3,741</u>
Miscellaneous:						
Agencies:						
Santee-Lynches Council of Government	40,630	40,630	40,122	-	40,122	508
Santee Wateree RTA	7,000	7,000	7,000	-	7,000	-
Clarendon Soil and Water Conservation	32,000	32,000	32,000	-	32,000	-
Clemson Extension	28,800	28,800	28,800	-	28,800	-
SC Association of Counties	8,670	8,670	8,670	-	8,670	-
Delegation allowance	14,000	14,000	14,000	-	14,000	-
Behavioral Services	5,000	5,000	5,000	-	5,000	-
Clarendon County Library	565,000	565,000	565,000	-	565,000	-
SC DHEC	30,000	30,000	30,000	-	30,000	-
Indigent care	38,950	38,950	38,240	-	38,240	710
County Adult Education	28,000	28,000	28,000	-	28,000	-
Central Carolina Scholarship Program	20,000	20,000	20,000	-	20,000	-
Central Carolina Technical College	100,000	100,000	100,000	-	100,000	-
	<u>918,050</u>	<u>918,050</u>	<u>916,832</u>	<u>-</u>	<u>916,832</u>	<u>1,218</u>
Total Miscellaneous	<u>918,050</u>	<u>918,050</u>	<u>916,832</u>	<u>-</u>	<u>916,832</u>	<u>1,218</u>
Total Expenditures	<u>\$ 21,778,320</u>	<u>\$ 21,778,320</u>	<u>\$ 22,142,782</u>	<u>\$ 21,082</u>	<u>\$ 22,163,864</u>	<u>\$ (385,544)</u>
Other Financing Sources (Uses)						
Sale of Assets	\$ 190,000	\$ 190,000	\$ 113,832	\$ -	\$ 113,832	\$ (76,168)
Transfers In (Out)	103,000	103,000	(101,272)	-	(101,272)	(204,272)
	<u>\$ 293,000</u>	<u>\$ 293,000</u>	<u>\$ 12,560</u>	<u>\$ -</u>	<u>\$ 12,560</u>	<u>\$ (280,440)</u>

FIDUCIARY FUNDS

AGENCY FUNDS

To account for assets held solely in a custodial capacity by the County.

CLARENDON COUNTY, SOUTH CAROLINA
 COMBINING SCHEDULE OF FIDUCIARY ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 JUNE 30, 2021

	School Districts Debt Service	School Districts Operations	Forfeited Land	Probate Judge	Master-In Equity	Municipalities
ASSETS						
Cash and investments	\$ 4,357,582	\$ -	\$ 1,323	\$ 4,091	\$ 25	\$ -
Delinquent taxes receivable	100,419	1,422,235	-	-	-	-
Due from General Fund	37,904	251,478	-	-	-	28,990
Due from other magistrates	-	-	-	-	-	-
Total assets	<u>\$ 4,495,905</u>	<u>\$ 1,673,713</u>	<u>\$ 1,323</u>	<u>\$ 4,091</u>	<u>\$ 25</u>	<u>\$ 28,990</u>
LIABILITIES						
Due to trust fund holders	\$ 4,495,905	\$ 1,673,713	\$ 1,323	\$ 240	\$ 25	\$ 28,990
Due to Treasurer	-	-	-	3,851	-	-
Due to Treasurer - cash overage (shortage)	-	-	-	-	-	-
Due to others	-	-	-	-	-	-
Due to other magistrates	-	-	-	-	-	-
Total liabilities	<u>\$ 4,495,905</u>	<u>\$ 1,673,713</u>	<u>\$ 1,323</u>	<u>\$ 4,091</u>	<u>\$ 25</u>	<u>\$ 28,990</u>

CLARENDON COUNTY, SOUTH CAROLINA
 COMBINING SCHEDULE OF FIDUCIARY ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 JUNE 30, 2021

	General Account	Magistrates Civil Account	Part- Time	Clerk of Court	Tax Collector	Total
ASSETS						
Cash and investments	\$ 91,953	\$ 3,545	\$ 122	\$ 609,545	\$ 1,327,804	\$ 6,395,990
Delinquent taxes receivable	-	-	-	-	-	1,522,654
Due from General Fund	-	-	-	-	-	318,372
Due from other magistrates	122	-	-	-	-	122
Total assets	\$ 92,075	\$ 3,545	\$ 122	\$ 609,545	\$ 1,327,804	\$ 8,237,138
LIABILITIES						
Due to trust fund holders	\$ 30,007	\$ -	\$ -	\$ 576,175	\$ 1,327,804	\$ 8,134,182
Due to Treasurer	61,458	3,545	-	26,046	-	94,900
Due to Treasurer - cash overage (shortage)	610	-	-	5,099	-	5,709
Due to others	-	-	-	2,225	-	2,225
Due to other magistrates	-	-	122	-	-	122
Total liabilities	\$ 92,075	\$ 3,545	\$ 122	\$ 609,545	\$ 1,327,804	\$ 8,237,138

CLARENDON COUNTY, SOUTH CAROLINA
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Balance July 1, 2020	Additions	Deductions	Balance June 30, 2021
Municipalities				
Assets				
Due from General Fund	\$ -	\$ 2,495,107	\$ 2,466,117	\$ 28,990
Total Assets	<u>\$ -</u>	<u>\$ 2,495,107</u>	<u>\$ 2,466,117</u>	<u>\$ 28,990</u>
Liabilities				
Due to trust fund holders	\$ -	\$ 2,108,198	\$ 2,079,208	\$ 28,990
Total Liabilities	<u>\$ -</u>	<u>\$ 2,108,198</u>	<u>\$ 2,079,208</u>	<u>\$ 28,990</u>
School Districts Debt Service				
Assets				
Cash and investments	\$ 3,961,009	\$ 6,261,295	\$ 5,864,722	\$ 4,357,582
Due from General Fund	116,079	1,039,399	1,117,574	37,904
Delinquent taxes receivable	131,349	-	30,930	100,419
Total Assets	<u>\$ 4,208,437</u>	<u>\$ 7,300,694</u>	<u>\$ 7,013,226</u>	<u>\$ 4,495,905</u>
Liabilities				
Due to trust fund holders	\$ 4,208,437	\$ 5,735,351	\$ 5,447,883	\$ 4,495,905
Total Liabilities	<u>\$ 4,208,437</u>	<u>\$ 5,735,351</u>	<u>\$ 5,447,883</u>	<u>\$ 4,495,905</u>
School District Operations				
Assets				
Delinquent taxes receivable	\$ 1,492,211	\$ -	\$ 69,976	\$ 1,422,235
Due from General Fund	32,214	13,076,853	12,857,589	251,478
Total Assets	<u>\$ 1,524,425</u>	<u>\$ 13,076,853</u>	<u>\$ 12,927,565</u>	<u>\$ 1,673,713</u>
Liabilities				
Due to trust fund holders	\$ 1,524,425	\$62,690,161	\$62,540,873	\$ 1,673,713
Total Liabilities	<u>\$ 1,524,425</u>	<u>\$62,690,161</u>	<u>\$62,540,873</u>	<u>\$ 1,673,713</u>

CLARENDON COUNTY, SOUTH CAROLINA
 COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021

	Balance July 1, 2020	Additions	Deductions	Balance June 30, 2021
Forfeited Land Commission				
Assets				
Cash and investments	\$ 520	\$ 803	\$ -	\$ 1,323
Due from General Fund	-	-	-	-
Due from others	-	-	-	-
Total Assets	<u>\$ 520</u>	<u>\$ 803</u>	<u>\$ -</u>	<u>\$ 1,323</u>
Liabilities				
Due to trust fund holders	\$ 520	\$ 803	\$ -	\$ 1,323
Total Liabilities	<u>\$ 520</u>	<u>\$ 803</u>	<u>\$ -</u>	<u>\$ 1,323</u>
Probate Judge				
Assets				
Cash	\$ 5,417	\$ 77,582	\$ 78,908	\$ 4,091
Total Assets	<u>\$ 5,417</u>	<u>\$ 77,582</u>	<u>\$ 78,908</u>	<u>\$ 4,091</u>
Liabilities				
Due to Treasurer	\$ 5,177	\$ -	\$ 1,326	\$ 3,851
Due to trust fund holders	240	-	-	240
Total Liabilities	<u>\$ 5,417</u>	<u>\$ -</u>	<u>\$ 1,326</u>	<u>\$ 4,091</u>
Master In Equity				
Assets				
Cash	\$ 25	\$ 34,360	\$ 34,360	\$ 25
Total Assets	<u>\$ 25</u>	<u>\$ 34,360</u>	<u>\$ 34,360</u>	<u>\$ 25</u>
Liabilities				
Due to trust fund holders	\$ 25	-	-	\$ 25
Total Liabilities	<u>\$ 25</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25</u>

CLARENDON COUNTY, SOUTH CAROLINA
 COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021

	Balance July 1, 2020	Additions	Deductions	Balance June 30, 2021
Magistrate: General Account				
Assets				
Cash	\$ 71,286	\$ 456,859	\$ 436,192	\$ 91,953
Due from other magistrates	122	-	-	122
Total Assets	<u>\$ 71,408</u>	<u>\$ 456,859</u>	<u>\$ 436,192</u>	<u>\$ 92,075</u>
Liabilities				
Due to Treasurer	\$ 10,742	\$ 61,458	\$ 10,742	\$ 61,458
Due to trust fund holders	58,245	30,008	58,246	30,007
Due to Treasurer - cash overage/(shortage)	2,421	610	2,421	610
Total Liabilities	<u>\$ 71,408</u>	<u>\$ 92,076</u>	<u>\$ 71,409</u>	<u>\$ 92,075</u>
Magistrate: Civil Account				
Assets				
Cash	\$ 6,360	\$ 42,660	\$ 45,475	\$ 3,545
Total Assets	<u>\$ 6,360</u>	<u>\$ 42,660</u>	<u>\$ 45,475</u>	<u>\$ 3,545</u>
Liabilities				
Due to Treasurer	\$ 6,360	\$ 42,584	\$ 45,399	\$ 3,545
Total Liabilities	<u>\$ 6,360</u>	<u>\$ 42,584</u>	<u>\$ 45,399</u>	<u>\$ 3,545</u>
Magistrate: Part-time				
Assets				
Cash	\$ 122	\$ 33,752	\$ 33,752	\$ 122
Total Assets	<u>\$ 122</u>	<u>\$ 33,752</u>	<u>\$ 33,752</u>	<u>\$ 122</u>
Liabilities				
Due to other magistrates	\$ 122	\$ 33,752	\$ 33,752	\$ 122
Total Liabilities	<u>\$ 122</u>	<u>\$ 33,752</u>	<u>\$ 33,752</u>	<u>\$ 122</u>

**CLARENDON COUNTY, SOUTH CAROLINA
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	Balance July 1, 2020	Additions	Deductions	Balance June 30, 2021
Clerk of Court				
Assets				
Cash	\$ 501,297	\$ 153,030	\$ 44,782	\$ 609,545
Total Assets	<u>\$ 501,297</u>	<u>\$ 153,030</u>	<u>\$ 44,782</u>	<u>\$ 609,545</u>
Liabilities				
Due to Treasurer	\$ 25,480	\$ 681	\$ 115	\$ 26,046
Due to trust fund holders	426,114	150,096	35	576,175
Due to others	3,245	37	1,057	2,225
Due to Treasurer - cash overage/(shortage)	46,458	3,307	44,666	5,099
Total Liabilities	<u>\$ 501,297</u>	<u>\$ 154,121</u>	<u>\$ 45,873</u>	<u>\$ 609,545</u>
Tax Collector				
Assets				
Cash	\$ 1,189,230	\$ 8,339,308	\$ 8,200,734	\$ 1,327,804
Total Assets	<u>\$ 1,189,230</u>	<u>\$ 8,339,308</u>	<u>\$ 8,200,734</u>	<u>\$ 1,327,804</u>
Liabilities				
Due to trust fund holders	\$ 1,189,230	\$ 3,021,842	\$ 2,883,268	\$ 1,327,804
Total Liabilities	<u>\$ 1,189,230</u>	<u>\$ 3,021,842</u>	<u>\$ 2,883,268</u>	<u>\$ 1,327,804</u>
Total All Agency Funds				
Assets				
Cash and Investments	\$ 5,735,266	\$ 15,399,649	\$ 14,738,925	\$ 6,395,990
Delinquent taxes receivable	1,623,560	-	100,906	1,522,654
Due from General Fund	148,293	16,611,359	16,441,280	318,372
Due from other magistrates	122	-	-	122
Total Assets	<u>\$ 7,507,241</u>	<u>\$ 32,011,008</u>	<u>\$ 31,281,111</u>	<u>\$ 8,237,138</u>
Liabilities				
Due to Treasurer	\$ 47,759	\$ 104,723	\$ 57,582	\$ 94,900
Due to Treasurer - cash overage/(shortage)	48,879	3,917	47,087	5,709
Due to trust fund holders	7,407,236	73,736,459	73,009,513	8,134,182
Due to others	3,245	37	1,057	2,225
Due to other magistrates	122	33,752	33,752	122
Total Liabilities	<u>\$ 7,507,241</u>	<u>\$ 73,878,888</u>	<u>\$ 73,148,991</u>	<u>\$ 8,237,138</u>

CLARENDON COUNTY, SOUTH CAROLINA
 UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES (per ACT 96)
 FOR YEAR ENDED JUNE 30, 2021

FOR THE STATE TREASURER'S OFFICE:

COUNTY / MUNICIPAL FUNDS COLLECTED BY CLERK OF COURT	General Sessions	Magistrate Court	Municipal Court	Total
Court Fines and Assessments:				
Court fines and assessments collected	14,325	392,863		407,188
Court fines and assessments remitted to State Treasurer	6,826	186,824		193,650
Total Court Fines and Assessments retained	7,499	206,039	-	213,538
Surcharges and Assessments retained for victim services:				
Surcharges collected and retained	8,325	9,221		17,546
Assessments retained	1,978	20,855		22,833
Total Surcharges and Assessments retained for victim services	10,303	30,076	-	40,379

FOR THE DEPARTMENT OF CRIME VICTIM COMPENSATION (DCVC)

VICTIM SERVICE FUNDS COLLECTED	Municipal	County	Total
Carryforward from Previous Year - Beginning Balance	-	-	-
Victim Service Revenue:			
Victim Service Fines Retained by City/County Treasurer	-	22,833	22,833
Victim Service Assessments Retained by City/County Treasurer		17,546	17,546
Victim Service Surcharges Retained by City/County Treasurer		-	-
Interest Earned		3	3
Contributions Received		65	65
Grant Funds Received			
Grant from:	-	-	-
General Funds Transferred to Victim Service Fund	-	4,259	4,259
Contribution Received from Victim Service Contracts:			
(1) Town of Summerton	-	29,197	29,197
(2) Town of Turbeville	-	30,950	30,950
(3) City of	-	-	-
Total Funds Allocated to Victim Service Fund + Beginning Balance (A)	-	104,853.00	104,853.00
Expenditures for Victim Service Program:	Municipal	County	Total
Salaries and Benefits	-	104,853	104,853
Operating Expenditures		-	-
Victim Service Contract(s):			
(1) Entity's Name	-	-	-
(2) Entity's Name	-	-	-
Victim Service Donation(s):			
(1) Domestic Violence Shelter:		-	-
(2) Rape Crisis Center:	-	-	-
(3) Other local direct crime victims service agency:	-	-	-
Transferred to General Fund	-	-	-
Total Expenditures from Victim Service Fund/Program (B)	-	104,853	104,853
Total Victim Service Funds Retained by Municipal/County Treasurer (A-B)	-	-	-
Less: Prior Year Fund Deficit Repayment	-	-	-
Carryforward Funds - End of Year	-	-	-

**CLARENDON COUNTY, SOUTH CAROLINA
COMPUTATION OF LEGAL DEBT MARGIN
JUNE 30, 2021**

Real and Other Personal Property Assessed Value	\$ 78,724,999
Vehicles Assessed Value	13,172,823
Public Utilities and Railroads	7,940,346
Fee-in-Lieu-of Taxes	5,266,899
Other Business Personal Property	462,100
Manufacturer's Assessed Value	2,528,363
Merchants Inventory Value	<u>688,290</u>
Total Taxable Assessed Value	<u>108,783,820</u>
Debt Limit - Eight Percent (8%) of Total Taxable Assessed Value	8,702,706
Amount of Debt Applicable to Debt Limit:	<u>6,520,403</u>
LEGAL DEBT MARGIN	<u><u>\$ 2,182,303</u></u>

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
STATISTICAL SECTION**

The information in this section is not covered by the Independent Auditor's Report, but is presented as supplemental data for the benefit of the readers of the annual financial report. The objective of the statistical section information is to provide financial statement users with additional detailed information as a context for understanding what the information in the basic financial statements, notes to the basic financial statements, required supplementary information and other supplementary data says about the County's overall financial health.

Five Year Summary of the General Fund

The following is a summary of the General Fund revenues and expenditures for the fiscal year ended June 30, 2017 through 2021 (audited) and the amended budget for fiscal year 2022.

(000's omitted)	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022 Budget</u>
REVENUES						
Taxes	\$ 15,898	\$ 16,206	\$ 16,912	\$ 18,368	\$ 18,699	\$ 17,619
Licenses and permits	114	108	135	139	149	138
Intergovernmental	2,711	2,559	3,657	2,216	2,811	1,921
Charges for service	1,559	1,647	1,613	1,643	1,967	2,020
Fine and forfeitures	387	324	317	281	333	310
Investment income	2	2	11	15	10	13
Miscellaneous	538	597	531	476	568	521
Total revenue	<u>21,209</u>	<u>21,443</u>	<u>23,176</u>	<u>23,138</u>	<u>24,537</u>	<u>22,542</u>
EXPENDITURES						
General government	5,885	5,796	6,188	5,990	6,831	6,675
Public safety	7,607	7,579	7,718	8,271	7,596	8,281
Physical environment	3,707	3,772	3,712	3,716	3,740	4,039
Transportation	204	256	180	196	211	225
Economic environment	640	623	598	646	664	784
Agencies	931	911	916	918	917	920
Culture and recreation	529	567	625	544	596	624
Court related	1,515	1,634	1,580	1,581	1,588	1,725
Total expenditures	<u>21,018</u>	<u>21,138</u>	<u>21,517</u>	<u>21,862</u>	<u>22,143</u>	<u>23,273</u>
Excess of revenues over/(under) expenditures	191	305	1,659	1,276	2,394	(731)
OTHER SOURCES (USES)						
Sale of assets	5	35	13	73	114	90
Transfers	5	(151)	78	(83)	(101)	70
Net other financing sources	<u>10</u>	<u>(116)</u>	<u>91</u>	<u>(10)</u>	<u>13</u>	<u>160</u>
Net change in fund balance	<u>201</u>	<u>189</u>	<u>1,750</u>	<u>1,266</u>	<u>2,407</u>	<u>(571)</u>
Fund balance at beginning of year	<u>2,405</u>	<u>2,606</u>	<u>2,795</u>	<u>4,545</u>	<u>5,811</u>	<u>8,218</u>
Fund balance at end of year	<u>\$ 2,606</u>	<u>\$ 2,795*</u>	<u>\$ 4,545*</u>	<u>\$ 5,811*</u>	<u>\$ 8,218</u>	<u>\$ 7,647</u>
Ending fund balance as % of total expenditures	12.4%	13.2%	21.1%	26.6%	37.1%	32.9%

* As restated

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
STATISTICAL SECTION**

Assessed Values of the County

The assessed value of all taxable property in the County for the last ten (10) years for which data is available is set forth below:

(000's omitted)

<u>Tax Year</u>	<u>Real Property</u>	<u>Personal</u>	<u>SCTC</u>	<u>Manu- facturing</u>	<u>Vehicles</u>	<u>Fee-in-Lieu Taxes</u>	<u>Total Taxable Property*</u>
2011	73,678	1,399	9,249	870	9,557	458	95,211
2012	73,084	1,312	9,395	1,132	10,260	3,866	99,049
2013	74,211	1,259	9,274	1,119	11,276	4,129	101,268
2014	75,097	1,325	9,920	712	11,542	4,305	102,901
2015	75,725	1,297	9,863	353	12,699	4,806	104,743
2016	71,342	1,504	9,508	179	12,585	4,752	99,870
2017	71,705	1,549	9,357	368	12,290	4,820	100,089
2018	73,336	1,647	9,367	1,088	12,157	4,979	102,574
2019	74,695	1,732	9,587	266	12,677	6,594	105,551
2020	76,849	1,876	10,469	462	13,172	5,267	108,095

Source: Clarendon County Auditor

* The assessed value of Merchant's Inventory (\$688,290) is not included in this table

Note that the assessed values are established by the County Assessor and the South Carolina Department of Revenue at various rates between 4 and 10.5 percent of the estimated market value.

Largest Taxpayers

The ten (10) largest taxpayers in the County, the total amount of County taxes paid with ranking and percentage of total assessed value of the taxable property of each for the fiscal year 2021 (tax year 2020) and the prior year are reflected below:

(000's omitted)

<u>Taxpayer</u>	<u>Fiscal Year 2021 (Tax Year 2020)</u>			<u>Fiscal Year 2020 (Tax Year 2019)</u>		
	<u>Total Taxes Paid</u>	<u>Rank *</u>	<u>Percentage of Total Taxable Assessed Value</u>	<u>Total Taxes Paid</u>	<u>Rank *</u>	<u>Percentage of Total Taxable Assessed Value</u>
Georgia Pacific Clarendon LP	\$ 1,191	1	4.26%	\$ 1,183	1	4.33%
Santee Electric Co-op, Inc.	1,015	2	2.39%	1,000	2	2.45%
Duke Energy Progress, Inc.	942	3	1.95%	-	-	-
Black River Electric Co-op, Inc.	334	4	0.82%	313	3	0.80%
Wal-Mart Real Estate	257	5	0.50%	159	6	0.51%
CSX Transportation, Inc.	249	6	0.62%	234	4	0.62%
Central Electric Power Co-op, Inc.	190	7	0.43%	190	5	0.44%
Meritor Heavy Vehicle Systems	134	8	0.41%	-	-	-
Starflo Corp.	134	9	0.29%	-	-	-
Spectrum Southeast LLC	130	10	0.30%	107	8	0.30%
Kent International, Inc.	-	-	-	132	7	0.39%
ACM Investment Co., LLC	-	-	-	103	9	0.28%
Edwards Wood Products, Inc.	-	-	-	62	10	0.30%
Totals	<u>\$ 4,576</u>		<u>11.97%</u>	<u>\$ 3,483</u>		<u>10.42%</u>

Source: Clarendon County Treasurer

*Ranking based on total taxes paid and not taxable assessed value

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
STATISTICAL SECTION**

Tax Collection Record

The following table shows all of the County's property taxes levied for governmental services as of June 30 of the year following the year in which the levy was made, and the amount of delinquent taxes collected for the fiscal years shown. Delinquent taxes include taxes levied in prior years but collected in the year shown.

(000's omitted)

Fiscal Year Ended June 30th	Budgeted Tax Collections	Budgeted Delinquent Tax Collections	Budgeted Total Collections	Current Tax Collections	Delinquent Tax Collections	Total Tax Collections	Collection Rates	
							Current Tax Collections vs. Budgeted Tax Collections	Total Tax Collections vs. Budgeted Total Collections
2012	12,735	1,399	14,134	11,761	1,743	13,504	92.4%	95.5%
2013	13,049	1,540	14,589	12,494	1,601	14,095	95.8%	96.6%
2014	13,238	1,300	14,538	13,209	1,667	14,876	99.8%	102.3%
2015	13,814	1,640	15,454	14,476	1,686	16,162	104.8%	104.6%
2016	14,951	1,860	16,811	14,989	1,713	16,702	100.3%	99.4%
2017	15,595	1,780	17,375	15,406	1,442	16,848	98.8%	97.0%
2018	15,949	1,800	17,749	15,759	1,463	17,222	98.8%	97.0%
2019	16,566	1,590	18,156	16,027	1,711	17,738	96.8%	97.7%
2020	17,227	1,640	18,867	17,659	1,880	19,539	102.5%	103.6%
2021	18,814	1,505	20,319	19,954	1,486	21,440	106.1%	105.5%

Hospitality Fee Collections

The following table shows the County's collection of its Hospitality fee levied on prepared foods and beverages for the last five fiscal years.

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
July	\$ 26,740	\$ 28,781	\$ 30,327	\$ 26,220	\$ 25,594
August	21,680	20,445	25,719	27,317	41,864
September	23,917	26,108	28,084	24,391	30,084
October	18,227	22,965	23,750	23,888	28,589
November	27,413	25,028	22,311	14,685	21,724
December	41,939	27,824	26,694	42,313	31,303
January	24,976	22,268	24,278	27,350	43,437
February	22,292	19,374	22,134	39,548	25,613
March	27,062	13,242	26,891	19,993	37,495
April	24,645	22,168	29,818	16,574	34,092
May	23,763	27,755	26,933	24,654	32,720
June	<u>26,988</u>	<u>24,273</u>	<u>56,084</u>	<u>31,139</u>	<u>38,759</u>
Total	<u>\$ 309,642</u>	<u>\$ 280,231</u>	<u>\$ 343,023</u>	<u>\$ 318,072</u>	<u>\$ 391,274</u>

COMPLIANCE SECTION

PARTNERS

C.C. McGregor, CPA
1906-1968

G.D. Skipper, CPA
L.R. Leaphart, Jr, CPA
M.J. Blinnicker, CPA
D.L. Richardson, CPA
E.C. Inabinet, CPA

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H.D. Brown, Jr, CPA
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J.R. Matthews II, CPA
C.D. Hinchee, CPA
G.P. Davis, CPA
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ASSOCIATES

V.K. Laroche, CPA
G.N. Mundy, CPA
M.L. Layman, CPA
P.A. Betette, Jr, CPA

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H.S. Mims, CPA
T. Solorzano, CPA
C.W. Bolen, CPA

W.C. Sanders, CPA
C.L.T. Valentine, CPA
C.D. Radley, CPA
*Active Retired

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

To the Members of the
Clarendon County Council
Manning, South Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Clarendon County, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Clarendon County's basic financial statements and have issued our report thereon dated January 14, 2022.

Internal Control Over Financial Reporting

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

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2021-001 that we consider to be a material weakness.

Compliance and Other Matters

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

Clarendon County's Response to the Finding

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

Purpose of this Report

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

McGregor & Co. LLP

Orangeburg, South Carolina
January 14, 2022

McGregor & COMPANY^{LLP}

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*Active Retired

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

To the Members of the
Clarendon County Council
Manning, South Carolina

Report on Compliance for Each Major Federal Program

We have audited Clarendon County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Clarendon County's major federal programs for the year ended June 30, 2021. Clarendon County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Clarendon County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Clarendon County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

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340 FULDNER ROAD | PO BOX 1305 | BARNWELL, SC 29812
(803) 259-1163 | FAX (803) 259-5469

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

Opinion on Each Major Federal Program

In our opinion, Clarendon County, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of Clarendon County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Clarendon County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Clarendon County's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

McGregor & Co. LLP

Orangeburg, South Carolina
January 14, 2022

**CLARENDON COUNTY, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021**

Grantor	Grantor Number	Federal CFDA Number	Award Amount	Total Awards Expended
U. S. DEPARTMENT OF JUSTICE:				
Through SC Department of Public Safety:				
COVID-19 Response	1CF20035	16.034	\$ 18,914	\$ 9,110
Courtroom Digital Recording	1G20035	16.738	5,130	4,963
Through SC Attorney General Office:				
Criminal Domestic Violence Investigator	1K19021	16.588	48,026	35,673
Criminal Domestic Violence Investigator	1K17044	16.588	47,365	11,203
Equitable Sharing Program	N/A	16.922	36,239	36,239
U. S. DEPARTMENT OF TREASURY:				
Asset Forfeiture Program	N/A	21.016	101,887	101,887
ARPA - SLFRF	N/A	21.027	6,554,571	152,990
Through SC Department of Administration:				
Cares Act	N/A	21.019	29,070	29,070
Through SC Department of Public Safety:				
CARES ACT Response	1CF20076	16.034	21,764	17,664
U.S. DEPARTMENT OF HOMELAND SECURITY:				
Through SC Emergency Management Division:				
FEMA - Covid	FEMA 4492-PA-SC	98.036	2,421	2,421
LEMPG 2020 Supplemental	20EMPG01-S01	97.042	17,089	13,341
Local Emergency Mgmt. Planning 2021	20EMPG01	97.042	61,276	61,276
U. S. DEPARTMENT OF TRANSPORTATION:				
Federal Aviation Administration				
Airport Improvement Program	3-45-0038-010-2019	20.106	336,087	103,356
Airport Improvement Program	3-45-0038-012-2020	20.106	128,710	126,600
FAA Cares Act	3-45-0038-013-2020	20.106	20,000	18,994
CRRSA Airport-COVID	SC MNI-ACRGP	20.106	13,000	7,190
U. S. DEPARTMENT OF AGRICULTURE:				
Rural Utilities Service Grant:				
Phase 2 Water Project	11160-0014	10.760	1,481,000	200,134
Rural Housing Service Grant:				
Coroner Office	17-2020	10.766	36,200	33,371
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:				
Through Department of Social Services:				
Office of Child Support Enforcement:				
Filing Fees	G-04SC404	93.563	N/A	7,800
Federal Financial Assistance	G-04SC404	93.563	N/A	32,935
Family Court	G-04SC404	93.563	N/A	197,962
Sheriff's Department	G-04SC404	93.563	N/A	2,129
TOTAL FEDERAL ASSISTANCE			\$ 1,206,308	

See Independent Auditor's Report on Supplementary Information.
See Notes to Schedule of Expenditures of Federal Awards.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021**

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Clarendon County and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE B – Expenditures reported in the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principals contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* or *OMB Circular A-87 – Cost Principles for State, Local and Indian Tribe Governments*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – DE MINIMUS INDIRECT COST RATE

The County has not elected to use the 10 percent de minimus indirect cost rate, except for the Child Support Enforcement grant.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021**

SECTION A.

<u>Financial Statements</u>	<u>Summary of Auditor's Results</u>
1.) Type of auditor's report issued:	Unmodified
2.) Internal controls over financial reporting:	
a.) Material weakness identified?	Yes
b.) Significant deficiencies identified not considered to be material weaknesses?	No
3.) Noncompliance material to financial statements noted?	No
 <u>Federal Awards</u>	
1.) Internal control over major programs:	
a.) Material weakness identified?	No
b.) Significant deficiencies identified not considered to be material weaknesses?	No
2.) Type of auditor's report issued on compliance for major programs:	Unmodified
3.) Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	No
4.) Identification of major programs:	
<u>CFDA Number</u>	<u>Name of Federal Program</u>
10.760	Rural Utilities Service Direct Loan and Grant
10.766	Community Facilities Grants
20.016	Asset Forfeiture Program
20.106	Airport Improvements
5.) Dollar Threshold used to distinguish between Type A and Type B programs?	\$750,000
6.) Auditee qualified as a low-risk auditee under The Uniform Guidance?	No

CLARENDON COUNTY
MANNING, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021

B. Summary of Audit Results

2021-001 Material Audit Adjustment

Criteria: The County should present a trial balance to the auditor that does not require any audit adjustments that would have a material effect on the financial statements.

Condition: An audit adjustment was proposed and posted to the County's trial balance to correct a material misstatement.

Cause: An accrual was not made for a June 2021 invoice in the C Funds Special Revenue Fund.

Effect: Without the proposed audit adjustment, the County's financial statements would have been materially misstated for the year ended June 30, 2021.

Auditor's Recommendation: While some errors are inherent in a County of this size, trial balances of all funds should be reviewed for all year end type journal entries that are necessary prior to presenting the auditors with a final working trial balance.

County's Response: County agrees. See Corrective Action Plan at page 124.

**CLARENDON COUNTY
MANNING, SOUTH CAROLINA
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2021**

Findings – Relating to the Basic Financial Statements in Accordance with *Government Auditing Standards*

2020-001 Material Audit Adjustment

Condition: An audit adjustment was proposed and posted to the County's trial balance to correct a material misstatement. An accrual was not made for the June 2020 fuel tax revenue in the C Funds Special Revenue Fund. This appears to be an isolated case and not a reoccurring issue. Without the proposed audit adjustment, the County's financial statements would have been materially misstated for the year ended June 30, 2020.

Corrective Action Taken: Material audit adjustment involving this fund remains.

Clarendon County Finance

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January 14, 2022

McGregor & Company, LLP
1190 Boulevard NE
Orangeburg, South Carolina 29115

Finding 2020-001 Material Audit Adjustments

Name of Contact Person: Lynden Anthony, Chief Financial Officer

Corrective Action: The County agrees with the finding. An accrual was not made; as a result, expenses were under stated within the C-Funds Special Revenue Fund. As recommended, trial balances of all funds will be reviewed for all year-end type journal entries that are necessary prior to presenting the auditors with a final working trial balance.

Proposed Completion Date: August 31, 2022