

**CHESTER COUNTY, SOUTH CAROLINA
ANNUAL AUDITED FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2021**

ISSUED BY:

CHESTER COUNTY

Management and Finance Departments

**Dr. Wylie G. Frederick
Interim County Supervisor**

**Thomas E. Darby
Treasurer**

CHESTER COUNTY, SOUTH CAROLINA
ANNUAL AUDITED FINANCIAL REPORT
 JUNE 30, 2021

TABLE OF CONTENTS

	Page No.
INDEPENDENT AUDITORS' REPORT	1
1. MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)	4
2. FINANCIAL STATEMENTS	
Exhibits:	
1 Statement of Net Position	14
2 Statement of Activities	15
3 Balance Sheet – Governmental Funds	17
4 Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	19
5 Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	20
6 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	22
7 Statement of Net Position – Proprietary Funds	23
8 Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds	24
9 Statement of Cash Flows – Proprietary Funds	25
10 Statement of Fiduciary Net Position – Fiduciary Funds	26
11 Combining Statement of Net Position – Discretely Presented Component Units	27
12 Combining Statement of Activities – Discretely Presented Component Units	29
Notes to Financial Statements	30
3. REQUIRED SUPPLEMENTARY INFORMATION	
Schedules:	
A-1 Budgetary Comparison Schedule – General Fund – Revenues	75
A-2 Budgetary Comparison Schedule – General Fund – Expenditures	77
A-3 Schedule of County's Proportionate Share of the Net Pension Liability – South Carolina Retirement System (SCRS)	80

CHESTER COUNTY, SOUTH CAROLINA
ANNUAL AUDITED FINANCIAL REPORT
 JUNE 30, 2021

TABLE OF CONTENTS

	Page No.
3. REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)	
Schedules (Continued):	
A-4 Schedule of County's Proportionate Share of the Net Pension Liability – Police Officers Retirement System (PORS).....	81
A-5 Schedule of County's Contributions – South Carolina Retirement System (SCRS).....	82
A-6 Schedule of County's Contributions – Police Officers Retirement System (PORS)	83
A-7 Schedule of Changes in the Total OPEB Liability and Related Ratios	84
4. SUPPLEMENTARY INFORMATION - COMBINING, INDIVIDUAL FUND AND ACCOUNT GROUP STATEMENTS AND SCHEDULES	
Schedules:	
B-1 Combining Balance Sheet – Nonmajor Governmental Funds	85
B-2 Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds.....	86
B-3 Combining Balance Sheet – Nonmajor Special Revenue Funds.....	87
B-4 Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	101
B-5 Combining Balance Sheet – Nonmajor Debt Service Funds	114
B-6 Combining Statement of Revenues, Expenditures and Changes In Fund Balances – Nonmajor Debt Service Funds.....	115
B-7 Combining Balance Sheet – Nonmajor Capital Projects Funds.....	116
B-8 Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds	121
B-9 Schedule of Court Fines, Assessments and Surcharges (Per ACT 96)	127
B-10 Schedule of Revenues, Expenditures and Changes in Fund Balance – 9-1-1 Fund	128
5. 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	129
Schedule of Findings and Responses.....	131



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INDEPENDENT AUDITORS' REPORT

The Honorable Chairman and
Members of the County Council
Chester County, 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 Chester County, South Carolina (the County), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 13, budgetary comparison information on pages 75 through 79, the County's Proportionate Share of the Net Pension Liability on pages 80 and 81, the Schedules of the County's Contributions on pages 82 and 83 and the Schedule of Changes in the Total OPEB Liability and Related Ratios on page 84 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 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 the County's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Uniform Schedule of Court Fines, Assessments and Surcharges (per ACT 96) and the Schedule of Revenues, Expenditures, and Changes in Fund Balance – 9-1-1 Fund are presented for purposes of additional analysis as required by the State of South Carolina and is not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the Schedule of Court Fines, Assessments and Surcharges (Per ACT 96), and the Schedule of Revenues, Expenditures, and Changes in Fund Balance – 9-1-1 Fund are the responsibility of management, were derived from, and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the Schedule of Court Fines, Assessments and Surcharges (Per ACT 96) and the Schedule of Revenues, Expenditures, and Changes in Fund Balance – 9-1-1 Fund are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2021, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Faulkner and Thompson, P.A.

Rock Hill, South Carolina
December 28, 2021

Chester County, South Carolina

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Management's Discussion and Analysis (MD&A)

The Management's Discussion and Analysis (MD&A) of Chester County Government's financial performance provides an overall review of the County's financial activities for the fiscal year ended June 30, 2021. It is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, issued in June 1999.

As management of Chester County, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities. The intent of this discussion and analysis is to look at the County's financial performance as a whole. Readers should also review the notes to the financial statements and the financial statements to enhance their understanding of Chester County Government's financial performance.

Financial Highlights

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$37,077,575 (net position).
- The government's total net position increased by \$11,163,841 (43 percent). General revenues from Property Taxes and Intergovernmental revenues for the County increased. At the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$44,347,688, an increase of \$9,617,385 in comparison with the prior year. The primary reason for the increase in combined ending fund balances was due to an increase in the General Fund and Capital Projects Fund - Covid Recovery Funds.
- General Fund actual revenues were \$387,330 higher than budgeted. This was primarily due to a favorable variance in Fee in Lieu of Tax revenues. General Fund actual expenditures were \$795,720 less than budgeted. Overall revenues and other financing sources exceeded expenditures and other financing uses by \$1,175,565, increasing the fund balance for the General Fund to \$11,313,779. The detail of these variances is outlined in Schedules A-1 and A-2, which are located on pages 75 through 79.
- In the County's governmental activities, revenues and transfers increased \$10,364,613 or 24 percent as compared to the prior year, while expenses also increased \$7,070,537 or 20 percent.

- The net position of the County's business-type activities (Landfill/Transfer Station and Gateway Conference Center) increased \$281,847. A major part of the increase in net position was due to an increase in operating income from the Landfill/Transfer Station.

Overview of the Financial Statements

The financial section of this annual report consists of four parts – management's discussion and analysis (this section), the basic financial statements, required supplementary information and supplementary information. The basic financial statements include two kinds of statements that present different views of the County.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of Chester County's finances, in a manner similar to a private-sector business. They provide both long-term and short-term information about the County's overall financial status.

The *statement of net position* presents information on all of the County's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases and decreases in the net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the County that are supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public safety, highways and streets, sanitation, health, welfare, and cultural and recreational. Chester County has two business-type activities, which are the Landfill/Transfer Station and Gateway Conference Center.

The government-wide financial statements include not only the County itself (known as the *primary government*), but also the following legally separate units: Chester County Airport Commission, Chester County Library, Chester Fire District, Lando Fire District, Richburg Fire District, Lewis Fire District, and Fort Lawn Fire District; all of which are fiscally dependent on the County, and for which Chester County is financially accountable. Financial information for these *component units* is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 14 through 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. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Chester County can be divided into these 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.

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

The County maintains ninety-four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Chester Facilities Corporation Debt Service Fund, Capital Projects 2021 Capital Project Fund, Chester Facilities Corporation (CFC) Gateway Bond Capital Project Fund and Covid Recovery Funds Capital Project Fund. These funds are considered to be major funds. Data from the other eighty-nine governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* and can be found on pages 85 through 126 of this report.

The County adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 17 through 22 of this report.

Proprietary funds. The County maintains two proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide statements. The County uses enterprise funds to account for its Solid Waste Disposal and Gateway Conference Center operations.

Proprietary funds provide the same types of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the solid waste disposal and Gateway Conference Center operations.

The basic proprietary fund financial statements can be found on pages 23 through 25 of this report.

Fiduciary funds. Fiduciary funds are used to account for assets held by the County in a trustee capacity or as an agent for others. 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. Fiduciary funds of the County, consisting of agency funds, are reported in the Statement of Fiduciary Net Position using an accrual basis of accounting. Agency funds held by the County involve only the receipt, temporary investment, and remittance of resources to individuals, or other governments in a purely custodial capacity (assets equal liabilities). The funds reported by the County include property taxes and other revenue collected, temporarily retained and distributed by the County Treasurer to the City of Chester, the Town of Fort Lawn, and the Town of Great Falls, in accordance with the Acts of the General Assembly of South Carolina. The County holds other funds on behalf of Chester County School District, Sheriff Drug Seizure and Clerk of Court Bonds, and funds related to the Chester County Tax Sale.

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 30 through 74 of this report.

Other information. In addition to the basic financial statements and accompanying notes, the report also presents certain *required supplementary information*. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 85 through 126 of this report.

Financial Analysis of the County as a Whole

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Chester County, total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$37,077,575 at the close of the most recent fiscal year.

Chester County's Net Position						
	Governmental activities		Business-type activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	52,410,168	42,390,613	335,783	246,023	52,745,951	42,636,636
Capital assets	40,278,663	40,094,532	824,631	906,742	41,103,294	41,001,274
Total assets	92,688,831	82,485,145	1,160,414	1,152,765	93,849,245	83,637,910
Deferred outflows of resources	6,002,562	4,525,846	40,766	34,023	6,043,328	4,559,869
Total assets and deferred outflows of resources	98,691,393	87,010,991	1,201,180	1,186,788	99,892,573	88,197,779
Long-term liabilities outstanding	24,355,154	26,643,338	1,080,174	1,105,380	25,435,328	27,748,718
Other liabilities	37,409,115	34,328,890	(824,820)	(582,982)	36,584,295	33,745,908
Total liabilities	61,764,269	60,972,228	255,354	522,398	62,019,623	61,494,626
Deferred inflows of resources	792,305	785,938	3,070	3,481	795,375	789,419
Net position:						
Invested in capital assets, net of related debt	15,923,509	13,451,194	824,631	906,742	16,748,140	14,357,936
Restricted	33,301,411	24,592,089	-0-	-0-	33,301,411	24,592,089
Unrestricted	(13,090,101)	(12,790,458)	118,125	(245,833)	(12,971,976)	(13,036,291)
Total net position	36,134,819	25,252,825	942,756	660,909	37,077,575	25,913,734
Total liabilities, deferred inflows of resources and net position	98,691,393	87,010,991	1,201,180	1,186,788	99,892,573	88,197,779

\$16,748,140 (47 percent) of the County's net position reflect its investment in capital assets (e.g., land, building, 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.

The balance of total unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the County is able to report positive balances in two categories of net position, both for the government as a whole, as well as for its business-type activities. The same situation held true for the prior fiscal year.

Governmental activities. There was an increase of \$10,881,994 or 43 percent in total net position as reported in connection with the County's governmental activities due primarily to an increase in property taxes and intergovernmental revenues. See Financial Highlights section presented on pages 4 and 5.

Business-type activities. The business-type net position increased by \$281,847 during fiscal year 2021. The primary reason for the increase relates to operating income for the Landfill/Transfer Station of \$207,646. Additional information on the County's solid waste landfill can be found in **Note 11 – Solid Waste Landfill Closure and Postclosure Care Costs** on page 52 of this report.

Chester County's Changes in Net Position

	Governmental activities		Business-type activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	2,845,294	2,700,943	1,749,618	1,591,155	4,594,912	4,292,098
Operating grants and Contributions	3,715,552	3,712,653	26,232	20,691	3,741,784	3,733,344
Capital grants and contributions	8,996,409	941,899	-0-	-0-	8,996,409	941,899
General revenues:						
Property taxes	23,087,423	22,597,937	-0-	-0-	23,087,423	22,597,937
Intergovernmental	12,968,493	11,603,615	-0-	-0-	12,968,493	11,603,615
Accommodation fees	261,880	220,456	-0-	-0-	261,880	220,456
Investment income	21,942	380,240	1,864	10,120	23,806	390,360
Other	893,364	347,800	195	-0-	893,559	347,800
Franchise fees	81,161	76,362	-0-	-0-	81,161	76,362
Transfers in (out)	-0-	(75,000)	-0-	75,000	-0-	-0-
Total revenues and transfers	52,871,518	42,506,905	1,777,909	1,696,966	54,649,427	44,203,871
Expenses:						
General government	20,622,575	16,902,339	145,382	143,833	20,767,957	17,046,172
Public safety	15,958,425	14,161,886	-0-	-0-	15,958,425	14,161,886
Highways and streets	2,304,853	780,893	-0-	-0-	2,304,853	780,893
Welfare	423,429	324,676	-0-	-0-	423,429	324,676
Cultural and recreational	1,103,158	1,165,203	-0-	-0-	1,103,158	1,165,203
Interest and fiscal charges on long-term debt	1,402,084	1,413,990	-0-	-0-	1,402,084	1,413,990
Bond issuance costs	175,000	170,000	-0-	-0-	175,000	170,000
Solid waste	-0-	-0-	1,350,680	1,040,128	1,350,680	1,040,128
Total expenses	41,989,524	34,918,987	1,496,062	1,183,961	43,485,586	36,102,948
Increase (decrease) in net position	10,881,994	7,587,918	281,847	513,005	11,163,841	8,100,923
Net position – Beginning	25,252,825	17,664,907	660,909	147,904	25,913,734	17,812,811
Net position – Ending	36,134,819	25,252,825	942,756	660,909	37,077,575	25,913,734

Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the County's general fund increased by \$1,175,565. Major debt service funds increased by \$1,314,072 due to Fee in Lieu of Tax revenues received in excess of principal retirement for the Chester Facilities Corporation Debt Service Fund. Major capital projects funds increased by \$6,586,920 due to the funds the County received from the federal government for Covid recovery. Other governmental funds increased by \$540,828 due to an excess of revenues over expenditures in various funds.

The general fund is the chief operating fund of the County. At the end of the current fiscal year, the County's total fund balance of the general fund was \$11,313,779. As a measure of the general fund's liquidity, it may be useful to compare the fund balance to total fund expenditures. Unassigned fund balance represents 50 percent of total general fund expenditures.

General Fund Budgetary Highlights

During fiscal year 2021, there were no budgetary supplemental appropriations needed by County Council. The County realized a favorable variance of \$387,330 in the collection of General Fund revenues and a favorable variance of \$795,720 in the County's General Fund expenditures. See Financial Highlights section presented on pages 4 and 5.

Capital Assets and Debt Administration

Capital assets. The County's investment in capital assets for its governmental and business-type activities as of June 30, 2021, amounts to \$41,103,294 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, park facilities, and roads.

Significant capital asset additions consisted of \$203,404 for construction of Chester Youth Softball fields, \$563,797 for a Pumper for West Chester fire Department and \$35,868 for EMS AutoPulse Resuscitation System.

Chester County's Capital Assets						
	Governmental activities		Business-type activities		Total	
	2021	2020	2021	2020	2021	2020
Land	4,010,477	4,010,477	112,144	112,144	4,122,621	4,122,621
Construction in progress	1,036,298	459,341	-0-	-0-	1,036,298	459,341
Buildings and improvements	25,959,665	26,658,498	193,178	272,950	26,152,843	26,931,448
Improvements other than buildings	1,079,738	957,441	356,018	318,344	1,435,756	1,275,785
Infrastructure	1,056,514	1,147,891	-0-	-0-	1,056,514	1,147,891
Machinery and equipment	3,268,371	3,453,880	163,291	203,304	3,431,662	3,657,184
Vehicles	3,867,600	3,407,004	-0-	-0-	3,867,600	3,407,004
Total capital assets	40,278,663	40,094,532	824,631	906,742	41,103,294	41,001,274

Additional information on the County's capital assets can be found in **Note 6 – Capital Assets** beginning on page 45 of this report.

Long-term debt. At the end of the current fiscal year, the County had total bonds outstanding of \$5,486,100. All of this debt is backed by the full faith and credit of the government.

During the current fiscal year, the County's total general obligation debt decreased by \$1,773,900. State statutes limit the amount of general obligation debt a governmental entity may issue, without a referendum, to 8 percent of its total assessed valuation of \$133,372,941. The current legal debt limit for the County is \$10,669,835. \$5,486,100 of the County's general obligation debt is subject to the 8 percent debt limit State statute; therefore, the available debt margin for the County is \$5,183,735.

Additional information on the County's long-term debt can be found in **Note 9 – Long-Term Debt** beginning on page 46 of this report.

Chester County's Outstanding Debt – General Obligation Bonds						
	Governmental activities		Business-type activities		Total	
	2021	2020	2021	2020	2021	2020
2013B General Obligation Bond	710,000	1,050,000	-0-	-0-	710,000	1,050,000
2014 General Obligation Bond	-0-	1,775,000	-0-	-0-	-0-	1,775,000
2016A General Obligation Bond	-0-	915,000	-0-	-0-	-0-	915,000
2017A General Obligation Bond	1,130,000	1,255,000	-0-	-0-	1,130,000	1,255,000
2018 General Obligation Bond	735,000	1,095,000	-0-	-0-	735,000	1,095,000
2019 General Obligation Bond	1,170,000	1,170,000	-0-	-0-	1,170,000	1,170,000
2020 General Obligation Bond	1,741,100	-0-	-0-	-0-	1,741,100	-0-
Total general obligation bonds	5,486,100	7,260,000	-0-	-0-	5,486,100	7,260,000

Economic Factors (As Reported by the South Carolina Office of Research and Statistics and the South Carolina Department of Employment and Workforce)

- The population of Chester County in 2021 was estimated at 32,294.
- The total number of jobs in June 2021 was estimated at 12,426, which is slightly more than last year.
- The State's unemployment rate was 6.2 percent in June 2021 as reported by the SC Department of Employment and Workforce. In comparison, the County's unemployment rate as of June 2021 was 8.9 percent.
- Chester County's average weekly wage in 2021 was \$816, while the South Carolinas average weekly wage was \$986, which ranks 42nd in the United States.

Requests for Information

This financial report is designed to provide a general overview of Chester 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 financial information should be addressed to the Chester County Treasurer, Chester County Government, P.O. Drawer 686, Chester, South Carolina 29706. Complete financial statements of the Chester County Library may be obtained at the Library's administrative office at 100 Center Street, Chester, South Carolina 29706 and of the Chester Fire District from the City of Chester, 100 West End Street, Chester, South Carolina 29706.

Chester County Treasurer

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

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and cash equivalents	\$ 25,072,223	\$ 145,470	\$ 25,217,693	\$ 1,256,714
Investments	19,016,982	-	19,016,982	-
Receivables:				
Taxes	2,503,952	-	2,503,952	233,229
Accounts	-	190,313	190,313	132,481
Other	600,897	-	600,897	-
Intergovernmental receivable	5,080,677	-	5,080,677	93,125
Prepaid insurance	135,437	-	135,437	-
Other assets	-	-	-	4,165
Fuel inventory	-	-	-	21,132
Capital assets	40,278,663	824,631	41,103,294	8,662,318
Total assets	<u>92,688,831</u>	<u>1,160,414</u>	<u>93,849,245</u>	<u>10,403,164</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension	5,930,660	40,766	5,971,426	180,963
OPEB	71,902	-	71,902	-
Total deferred outflows of resources	<u>6,002,562</u>	<u>40,766</u>	<u>6,043,328</u>	<u>180,963</u>
Total assets and deferred outflows of resources	<u>\$ 98,691,393</u>	<u>\$ 1,201,180</u>	<u>\$ 99,892,573</u>	<u>\$10,584,127</u>
LIABILITIES				
Accounts payable	\$ 1,399,065	\$ -	\$ 1,399,065	\$ 152,638
Accrued expenses	1,374,802	-	1,374,802	80,658
Due to other funds	1,065,760	(1,065,762)	(2)	-
Due to agency funds	773,786	-	773,786	-
Intergovernmental payable	32,394	-	32,394	5,468
Escrow tax sale	966,750	-	966,750	-
Net OPEB obligation	1,421,640	-	1,421,640	-
Unearned revenue	1,355,748	-	1,355,748	149,001
Net pension liability	29,019,170	240,942	29,260,112	1,106,657
Long-term liabilities:				
Due within one year	22,043,158	56,550	22,099,708	245,696
Due in more than one year	2,311,996	1,023,624	3,335,620	3,371,561
Total liabilities	<u>61,764,269</u>	<u>255,354</u>	<u>62,019,623</u>	<u>5,111,679</u>
DEFERRED INFLOWS OF RESOURCES				
Pension	604,624	3,070	607,694	24,060
OPEB	187,681	-	187,681	-
Total deferred inflows of resources	<u>792,305</u>	<u>3,070</u>	<u>795,375</u>	<u>24,060</u>
NET POSITION				
Invested in capital assets, net of related debt	15,923,509	824,631	16,748,140	5,200,005
Restricted for:				
Debt service	9,893,457	-	9,893,457	-
Capital projects	19,312,714	-	19,312,714	-
Other purposes	4,095,240	-	4,095,240	-
Unrestricted	(13,090,101)	118,125	(12,971,976)	248,383
Total net position	<u>36,134,819</u>	<u>942,756</u>	<u>37,077,575</u>	<u>5,448,388</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 98,691,393</u>	<u>\$ 1,201,180</u>	<u>\$ 99,892,573</u>	<u>\$10,584,127</u>

See the accompanying Notes to Financial Statements.

CHESTER COUNTY, SOUTH CAROLINA

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2021

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
PRIMARY GOVERNMENT				
GOVERNMENTAL ACTIVITIES				
General government	\$ 20,622,575	\$ 1,224,816	\$ 2,480,363	\$ 2,513,295
Public safety	15,958,425	1,620,478	1,235,189	6,483,114
Highways and streets	2,304,853	-	-	-
Welfare	423,429	-	-	-
Cultural and recreational	1,103,158	-	-	-
Interest and fiscal charges on long-term debt	1,402,084	-	-	-
Bond issuance costs	175,000	-	-	-
Total governmental activities	<u>41,989,524</u>	<u>2,845,294</u>	<u>3,715,552</u>	<u>8,996,409</u>
BUSINESS-TYPE ACTIVITIES				
Landfill/transfer station	1,350,680	1,558,326	24,482	-
Gateway Conference Center	145,382	191,292	1,750	-
Total business-type activities	<u>1,496,062</u>	<u>1,749,618</u>	<u>26,232</u>	<u>-</u>
Total primary government	<u>\$ 43,485,586</u>	<u>\$ 4,594,912</u>	<u>\$ 3,741,784</u>	<u>\$ 8,996,409</u>
COMPONENT UNITS				
Chester County Airport Commission	\$ 387,364	\$ 224,543	\$ -	\$ 1,727,502
Chester County Library	927,368	9,264	115,010	-
Chester Fire District	2,042,754	-	-	-
Lando Fire District	88,055	-	52,584	-
Richburg Fire District	411,271	65,564	-	70,972
Lewis Fire District	80,606	-	-	-
Fort Lawn Fire District	99,553	-	16,128	-
Total component units	<u>\$ 4,036,971</u>	<u>\$ 299,371</u>	<u>\$ 183,722</u>	<u>\$ 1,798,474</u>

General revenues:
 Property taxes levied for:
 General purposes
 Special revenue
 Debt service
 Intergovernmental
 Accommodation fees
 Franchise fees
 Investment income
 Miscellaneous
 Total general revenues
 Changes in net position
 Net position, beginning of year
 Prior period adjustment
 Net position, beginning of year, as restated
 Net position, end of year

See the accompanying Notes to Financial Statements.

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Discretely Presented Component Units
Governmental Activities	Business-Type Activities	Total	
\$ (14,404,101)	\$ -	\$ (14,404,101)	\$ -
(6,619,644)	-	(6,619,644)	-
(2,304,853)	-	(2,304,853)	-
(423,429)	-	(423,429)	-
(1,103,158)	-	(1,103,158)	-
(1,402,084)	-	(1,402,084)	-
(175,000)	-	(175,000)	-
<u>(26,432,269)</u>	<u>-</u>	<u>(26,432,269)</u>	<u>-</u>
-	232,128	232,128	-
-	47,660	47,660	-
<u>-</u>	<u>279,788</u>	<u>279,788</u>	<u>-</u>
<u>(26,432,269)</u>	<u>279,788</u>	<u>(26,152,481)</u>	<u>-</u>
-	-	-	1,564,681
-	-	-	(803,094)
-	-	-	(2,042,754)
-	-	-	(35,471)
-	-	-	(274,735)
-	-	-	(80,606)
<u>-</u>	<u>-</u>	<u>-</u>	<u>(83,425)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,755,404)</u>
16,378,502	-	16,378,502	3,398,017
4,345,960	-	4,345,960	-
2,362,961	-	2,362,961	-
12,968,493	-	12,968,493	-
261,880	-	261,880	-
81,161	-	81,161	-
21,942	1,864	23,806	175
893,364	195	893,559	87,355
<u>37,314,263</u>	<u>2,059</u>	<u>37,316,322</u>	<u>3,485,547</u>
<u>10,881,994</u>	<u>281,847</u>	<u>11,163,841</u>	<u>1,730,143</u>
25,252,825	660,909	25,913,734	4,009,526
<u>-</u>	<u>-</u>	<u>-</u>	<u>(291,281)</u>
<u>25,252,825</u>	<u>660,909</u>	<u>25,913,734</u>	<u>3,718,245</u>
<u>\$ 36,134,819</u>	<u>\$ 942,756</u>	<u>\$ 37,077,575</u>	<u>\$ 5,448,388</u>

See the accompanying Notes to Financial Statements.

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

	<u>General Fund</u>	<u>Debt Service Fund - Chester Facilities Corporation</u>
ASSETS		
Cash	\$ 6,551,081	\$ 4,933,017
Investments	15,435,762	-
Receivables:		
Property taxes	1,707,411	-
Other	193,733	-
Local sources	407,164	-
Due from other governments:		
Federal grant revenue	3,353,690	-
State shared revenue	1,726,987	-
Due from other funds	-	-
Total assets	<u>\$ 29,375,828</u>	<u>\$ 4,933,017</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
LIABILITIES		
Accounts payable	\$ 1,399,065	\$ -
Accrued liabilities	81,644	-
Due to:		
Other taxing authorities	32,394	-
Agency funds	773,786	-
Other funds	11,983,413	-
Escrow tax sale	966,750	-
Unearned revenue	1,355,748	-
Magistrate bonds pending	(21,696)	-
Total liabilities	<u>16,571,104</u>	<u>-</u>
 DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes	1,490,945	-
Total deferred inflows of resources	<u>1,490,945</u>	<u>-</u>
 FUND BALANCES		
Restricted	-	4,933,017
Committed	-	-
Assigned	-	-
Unassigned	11,313,779	-
Total fund balances	<u>11,313,779</u>	<u>4,933,017</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 29,375,828</u>	<u>\$ 4,933,017</u>

See the accompanying Notes to Financial Statements.

CFC Gateway Bond	Capital Projects 2021	Covid Recovery Funds	Other Governmental Funds	Total Governmental Funds
\$ 9,766,529	\$ -	\$ -	\$ 3,821,596	\$ 25,072,223
-	-	-	3,581,220	19,016,982
-	-	-	796,541	2,503,952
-	-	-	-	193,733
-	-	-	-	407,164
-	-	-	-	3,353,690
-	-	-	-	1,726,987
-	368,912	6,263,019	5,583,743	12,215,674
<u>\$ 9,766,529</u>	<u>\$ 368,912</u>	<u>\$ 6,263,019</u>	<u>\$ 13,783,100</u>	<u>\$ 64,490,405</u>
\$ -	\$ -	\$ -	\$ -	\$ 1,399,065
-	-	-	25,113	106,757
-	-	-	-	32,394
-	-	-	-	773,786
29,069	-	-	1,268,952	13,281,434
-	-	-	-	966,750
-	-	-	-	1,355,748
-	-	-	-	(21,696)
<u>29,069</u>	<u>-</u>	<u>-</u>	<u>1,294,065</u>	<u>17,894,238</u>
-	-	-	757,534	2,248,479
-	-	-	757,534	2,248,479
9,737,460	368,912	6,263,019	12,184,628	33,487,036
-	-	-	557,616	557,616
-	-	-	-	-
-	-	-	(1,010,743)	10,303,036
<u>9,737,460</u>	<u>368,912</u>	<u>6,263,019</u>	<u>11,731,501</u>	<u>44,347,688</u>
<u>\$ 9,766,529</u>	<u>\$ 368,912</u>	<u>\$ 6,263,019</u>	<u>\$ 13,783,100</u>	<u>\$ 64,490,405</u>

See the accompanying Notes to Financial Statements.

CHESTER COUNTY, SOUTH CAROLINA
**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
 TO NET POSITION OF GOVERNMENTAL ACTIVITIES**
 JUNE 30, 2021

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS \$ 44,347,688

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION ARE DIFFERENT BECAUSE:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Land	4,010,477
Construction in progress	1,036,298
Buildings and improvements	37,198,082
Improvements other than buildings	7,012,274
Machinery and equipment	9,390,656
Infrastructure assets	8,460,801
Vehicles	12,223,731
Accumulated depreciation	<u>(39,053,656)</u>
Total capital assets	<u>40,278,663</u>

Some revenue will be collected after year-end but is not available soon enough to pay for the current period's expenditures and therefore is recorded as deferred inflows of resources in the funds.

Property taxes	2,248,479
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Discounts on bonds that are other financing uses in the fund financial statements are an asset that is amortized over the life of the bonds and is netted with general obligation bonds in the government-wide financial statements.

165,971

Expenditures recorded under the purchases method that apply to a future period are reported as prepaid expenses in the Statement of Net Position. The change in prepaid is an adjustment to expenses in the current period.

135,437

Deferred outflows of resources related to pensions and OPEB are not outflows of the current period and are not reported in the funds.

6,002,562

Deferred inflows of resources related to pensions and OPEB are not inflows of the current period and are not reported in the funds.

(792,305)

Some long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. These liabilities consist of:

General obligation debt	(5,486,100)
Chester Facilities Corporation revenue bonds	(18,525,000)
Capital leases	(510,025)
Accrued interest	(293,014)
Proportionate share of collective net pension liability	(29,019,170)
Net OPEB liability	(1,421,640)
Compensated absences	<u>(996,727)</u>
Total long-term liabilities	<u>(56,251,676)</u>

NET POSITION OF GOVERNMENTAL FUNDS \$ 36,134,819

See the accompanying Notes to Financial Statements.

CHESTER COUNTY, SOUTH CAROLINA
**STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**
 For the Year Ended June 30, 2021

	General Fund	Debt Service Fund - Chester Facilities Corporation
REVENUES		
Property taxes	\$ 16,279,111	\$ -
Licenses, fines, fees and permits	2,788,548	-
State sources	-	-
Federal sources	-	-
Local sources	-	2,464,187
County sources	-	-
Intergovernmental	4,051,378	-
Income on investments	10,662	-
Other income	880,600	-
	24,010,299	2,464,187
EXPENDITURES		
Current		
General government	10,607,228	-
Public safety	10,534,321	-
Highways and streets	391,327	-
Welfare	322,357	-
Cultural and recreational	136,979	-
Capital outlay	545,038	-
Debt service		
Principal retirement	82,121	-
Interest and fiscal charges	20,953	1,150,115
Bond issuance costs	-	-
	22,640,324	1,150,115
Total expenditures		
	22,640,324	1,150,115
Excess (deficiency) of revenues over expenditures	1,369,975	1,314,072
OTHER FINANCING SOURCES (USES)		
Bond and capital lease proceeds	-	-
Operating transfers in (out)	(194,410)	-
	(194,410)	-
Total other financing sources (uses)		
	(194,410)	-
Net changes in fund balances	1,175,565	1,314,072
FUND BALANCES, BEGINNING OF YEAR	10,138,214	3,618,945
FUND BALANCES, END OF YEAR	\$ 11,313,779	\$ 4,933,017

See the accompanying Notes to Financial Statements.

CFC Gateway Bond	Capital Projects 2021	Covid Recovery Funds	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 2,362,961	\$ 18,642,072
-	-	-	-	2,788,548
-	-	-	7,288,678	7,288,678
-	-	6,263,019	2,411,683	8,674,702
-	-	-	3,522,130	5,986,317
-	-	-	4,345,960	4,345,960
-	-	-	-	4,051,378
2,163	-	-	6,973	19,798
-	-	-	94,074	974,674
<u>2,163</u>	<u>-</u>	<u>6,263,019</u>	<u>20,032,459</u>	<u>52,772,127</u>
47,174	71,482	-	8,568,144	19,294,028
-	-	-	3,968,362	14,502,683
-	-	-	1,803,291	2,194,618
-	-	-	-	322,357
-	-	-	966,179	1,103,158
-	1,125,706	-	344,278	2,015,022
-	-	-	3,834,472	3,916,593
-	-	-	201,315	1,372,383
-	175,000	-	-	175,000
<u>47,174</u>	<u>1,372,188</u>	<u>-</u>	<u>19,686,041</u>	<u>44,895,842</u>
<u>(45,011)</u>	<u>(1,372,188)</u>	<u>6,263,019</u>	<u>346,418</u>	<u>7,876,285</u>
-	1,741,100	-	-	1,741,100
-	-	-	194,410	-
<u>-</u>	<u>1,741,100</u>	<u>-</u>	<u>194,410</u>	<u>1,741,100</u>
(45,011)	368,912	6,263,019	540,828	9,617,385
<u>9,782,471</u>	<u>-</u>	<u>-</u>	<u>11,190,673</u>	<u>34,730,303</u>
<u>\$ 9,737,460</u>	<u>\$ 368,912</u>	<u>\$ 6,263,019</u>	<u>\$ 11,731,501</u>	<u>\$ 44,347,688</u>

See the accompanying Notes to Financial Statements.

CHESTER 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 \$ 9,617,385

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES ARE DIFFERENT BECAUSE:

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current year, changes in these amounts are:

Capital outlay	2,637,120
Depreciation expense	(2,043,987)
Disposals	(409,002)
Excess of capital outlay over depreciation expense and disposals	184,131

Because some revenue is not collected until several months after the County's fiscal year ends, it is not considered "available" and is deferred in the governmental funds. Unavailable revenue - property taxes increased by this amount this year.

99,391

Bond and capital lease and related discount and cost proceeds provide current financial resources to governmental funds; however, issuing debt increases long-term liabilities in the statement of net assets.

(1,741,100)

Repayment of long-term debt is reported as an expenditure in governmental funds but the repayment reduces long-term liabilities in the statement of net position. In the current year, these amounts consisted of:

Bond principal retirement	3,885,000
Capital lease principal	150,431
	4,035,431

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, interest is expensed when due.

(23,554)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Change in accrued compensated absences liability	(82,147)
Change in accrued other postemployment benefits (OPEB) liability	157,395
Change in accrued net pension liability	(1,353,775)
Amortization of bond discount	(11,163)
	(1,289,690)

CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 10,881,994

See the accompanying Notes to Financial Statements.

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

	Gateway Conference Center	Landfill/ Transfer Station	Total
ASSETS			
CURRENT ASSETS			
Cash	\$ 145,470	\$ -	\$ 145,470
Accounts receivable, net of allowance of \$10,000	-	190,313	190,313
Total current assets	<u>145,470</u>	<u>190,313</u>	<u>335,783</u>
NONCURRENT ASSETS			
Capital assets:			
Land and land improvements	-	293,644	293,644
Buildings and improvements	133,293	379,093	512,386
Machinery and equipment	275,009	958,132	1,233,141
Improvements other than buildings	306,253	-	306,253
Accumulated depreciation	(459,995)	(1,060,798)	(1,520,793)
Total noncurrent assets	<u>254,560</u>	<u>570,071</u>	<u>824,631</u>
Total assets	<u>400,030</u>	<u>760,384</u>	<u>1,160,414</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension	-	40,766	40,766
Total deferred outflows of resources	<u>-</u>	<u>40,766</u>	<u>40,766</u>
Total assets and deferred outflows of resources	<u>\$ 400,030</u>	<u>\$ 801,150</u>	<u>\$ 1,201,180</u>
LIABILITIES			
CURRENT LIABILITIES			
Current portion of postclosure care	\$ -	\$ 56,550	\$ 56,550
Total current liabilities	<u>-</u>	<u>56,550</u>	<u>56,550</u>
LONG-TERM LIABILITIES			
Long-term portion of postclosure care	-	1,023,624	1,023,624
Interfund payable	626,717	(1,692,479)	(1,065,762)
Net pension liability	-	240,942	240,942
Total long-term liabilities	<u>626,717</u>	<u>(427,913)</u>	<u>198,804</u>
Total liabilities	<u>626,717</u>	<u>(371,363)</u>	<u>255,354</u>
DEFERRED INFLOWS OF RESOURCES			
Pension	-	3,070	3,070
Total deferred inflows of resources	<u>-</u>	<u>3,070</u>	<u>3,070</u>
NET POSITION			
Invested in capital assets, net of related debt	254,560	570,071	824,631
Unrestricted	(481,247)	599,372	118,125
Total net position	<u>(226,687)</u>	<u>1,169,443</u>	<u>942,756</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 400,030</u>	<u>\$ 801,150</u>	<u>\$ 1,201,180</u>

See the accompanying Notes to Financial Statements.

CHESTER COUNTY, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended June 30, 2021

EXHIBIT 8

	Gateway Conference Center	Landfill/ Transfer Station	Total
OPERATING REVENUES			
Disposal fees	\$ -	\$ 1,558,326	\$ 1,558,326
Rental income	193,042	-	193,042
Total operating revenues	193,042	1,558,326	1,751,368
OPERATING EXPENSES			
Disposal fees	-	1,199,781	1,199,781
Salaries and wages	-	97,320	97,320
Depreciation	36,032	53,579	89,611
Other	109,350	-	109,350
Total operating expenses	145,382	1,350,680	1,496,062
Operating income (loss)	47,660	207,646	255,306
NON-OPERATING REVENUE (EXPENSE)			
State sources	-	24,482	24,482
Interest income	-	1,864	1,864
Other	-	195	195
Total non-operating revenue (expense)	-	26,541	26,541
OTHER FINANCING SOURCES (USES)			
Operating transfer in	-	-	-
Total other financing sources (uses)	-	-	-
Changes in net position	47,660	234,187	281,847
NET POSITION, BEGINNING OF YEAR	(274,347)	935,256	660,909
NET POSITION, END OF YEAR	\$ (226,687)	\$ 1,169,443	\$ 942,756

See the accompanying Notes to Financial Statements.

CHESTER COUNTY, SOUTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2021

	Gateway Conference Center	Landfill/ Transfer Station	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 193,042	\$ 1,500,286	\$ 1,693,328
Payments to suppliers	(109,350)	(1,214,038)	(1,323,388)
Payments to employees	-	(97,320)	(97,320)
	<u>83,692</u>	<u>188,928</u>	<u>272,620</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
State revenue	-	24,482	24,482
Acquisition of capital assets	-	(7,500)	(7,500)
	<u>-</u>	<u>16,982</u>	<u>16,982</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Change in interfund balance	(51,972)	(207,969)	(259,941)
Interest income	-	1,864	1,864
Other income	-	195	195
	<u>(51,972)</u>	<u>(205,910)</u>	<u>(257,882)</u>
Net increase in cash and cash equivalents	31,720	-	31,720
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>113,750</u>	<u>-</u>	<u>113,750</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 145,470</u>	<u>\$ -</u>	<u>\$ 145,470</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating income (loss)	\$ 47,660	\$ 207,646	\$ 255,306
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation expense	36,032	53,579	89,611
Changes in current assets and liabilities:			
Accrual for postclosure liability	-	(25,206)	(25,206)
Pension expense	-	10,949	10,949
Accounts receivable	-	(58,040)	(58,040)
	<u>\$ 83,692</u>	<u>\$ 188,928</u>	<u>\$ 272,620</u>

See the accompanying Notes to Financial Statements.

CHESTER COUNTY, SOUTH CAROLINA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2021

ASSETS	
Cash and cash equivalents	\$ 556,976
Investments	2,197,851
Due from Chester County	<u>208,357</u>
Total assets	<u><u>\$ 2,963,184</u></u>
LIABILITIES	
Funds held in trust for others	<u>\$ 2,963,184</u>
Total liabilities	<u><u>\$ 2,963,184</u></u>

See the accompanying Notes to Financial Statements.

CHESTER COUNTY, SOUTH CAROLINA
COMBINING STATEMENT OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS
 JUNE 30, 2021

	<u>Chester County Airport Commission</u>	<u>Chester County Library</u>	<u>Chester Fire District</u>
ASSETS			
Cash and cash equivalents	\$ 175,426	\$ 759,311	\$ 101,085
Receivables:			
Taxes	-	-	137,126
Accounts	121,232	11,249	-
Intergovernmental	-	-	-
Fuel inventory	21,132	-	-
Other assets	-	-	-
Capital assets:			
Land	29,376	-	-
Construction in progress	1,799,999	-	-
Art collection	-	20,132	-
Circulation collection	-	1,799,192	-
Buildings and improvements	1,683,314	120,340	190,977
Equipment, furniture and fixtures	155,960	375,065	639,321
Apron improvements	22,017	-	-
Taxiway and runway	2,881,588	-	-
Less accumulated depreciation	(2,221,709)	(1,916,479)	(582,191)
Total assets	<u>4,668,335</u>	<u>1,168,810</u>	<u>486,318</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension	28,877	152,086	-
Total deferred outflows of resources	<u>28,877</u>	<u>152,086</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 4,697,212</u>	<u>\$ 1,320,896</u>	<u>\$ 486,318</u>
LIABILITIES			
Accounts payable	\$ 131,356	\$ 21,282	\$ -
Accrued expenses	5,555	75,103	-
Intergovernmental payable	5,468	-	-
Unearned revenue	-	-	131,900
Net pension liability	160,950	945,707	-
Current portion of long-term debt	-	-	118,697
Long-term debt	-	-	220,373
Total liabilities	<u>303,329</u>	<u>1,042,092</u>	<u>470,970</u>
DEFERRED INFLOWS OF RESOURCES			
Pension	900	23,160	-
Total deferred inflows of resources	<u>900</u>	<u>23,160</u>	<u>-</u>
NET POSITION			
Invested in capital assets, net of related debt	4,350,545	398,250	(90,963)
Unrestricted	42,438	(142,606)	106,311
Total net position	<u>4,392,983</u>	<u>255,644</u>	<u>15,348</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 4,697,212</u>	<u>\$ 1,320,896</u>	<u>\$ 486,318</u>

See the accompanying Notes to Financial Statements.

<u>Lando Fire District</u>	<u>Richburg Fire District</u>	<u>Lewis Fire District</u>	<u>Fort Lawn Fire District</u>	<u>Total</u>
\$119,867	\$ 66,937	\$ 21,006	\$ 13,082	\$ 1,256,714
8,262	-	7,035	80,806	233,229
-	-	-	-	132,481
71,660	-	6,101	15,364	93,125
-	-	-	-	21,132
-	2,379	1,786	-	4,165
-	200,004	66,084	-	295,464
9,836	-	30,574	-	1,840,409
-	-	-	-	20,132
-	-	-	-	1,799,192
-	2,287,768	-	526,220	4,808,619
365,022	819,259	284,220	63,685	2,702,532
-	-	-	-	22,017
-	-	-	-	2,881,588
(355,894)	(509,488)	(69,590)	(52,284)	(5,707,635)
<u>218,753</u>	<u>2,866,859</u>	<u>347,216</u>	<u>646,873</u>	<u>10,403,164</u>
-	-	-	-	180,963
-	-	-	-	180,963
<u>\$218,753</u>	<u>\$ 2,866,859</u>	<u>\$ 347,216</u>	<u>\$ 646,873</u>	<u>\$ 10,584,127</u>
\$ -	\$ -	\$ -	\$ -	\$ 152,638
-	-	-	-	80,658
-	-	-	-	5,468
8,021	2,400	6,680	-	149,001
-	-	-	-	1,106,657
14,260	44,142	29,056	39,541	245,696
26,610	2,755,077	125,888	243,613	3,371,561
<u>48,891</u>	<u>2,801,619</u>	<u>161,624</u>	<u>283,154</u>	<u>5,111,679</u>
-	-	-	-	24,060
-	-	-	-	24,060
(21,906)	(1,676)	311,288	254,467	5,200,005
191,768	66,916	(125,696)	109,252	248,383
<u>169,862</u>	<u>65,240</u>	<u>185,592</u>	<u>363,719</u>	<u>5,448,388</u>
<u>\$218,753</u>	<u>\$ 2,866,859</u>	<u>\$ 347,216</u>	<u>\$ 646,873</u>	<u>\$ 10,584,127</u>

See the accompanying Notes to Financial Statements.

CHESTER COUNTY, SOUTH CAROLINA
COMBINING STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS
For the Year Ended June 30, 2021

	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expenses) Revenues and Changes in Net Position</u>
		<u>Charges For Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
FUNCTIONS/PROGRAMS					
Chester County Airport Commission	\$ 387,364	\$ 224,543	\$ -	\$ 1,727,502	\$ 1,564,681
Chester County Library	927,368	9,264	115,010	-	(803,094)
Chester Fire District	2,042,754	-	-	-	(2,042,754)
Lando Fire District	88,055	-	52,584	-	(35,471)
Richburg Fire District	411,271	65,564	-	70,972	(274,735)
Lewis Fire District	80,606	-	-	-	(80,606)
Fort Lawn Fire District	99,553	-	16,128	-	(83,425)
	<u>\$ 4,036,971</u>	<u>\$ 299,371</u>	<u>\$ 183,722</u>	<u>\$ 1,798,474</u>	<u>\$ (1,755,404)</u>

General revenues:

Property taxes levied for:

Chester County Library	762,000
Chester Fire District	2,109,185
Lando Fire District	85,012
Richburg Fire District	245,548
Lewis Fire District	70,072
Fort Lawn Fire District	126,200
Interest and investment earnings	175
Other income	87,355

Total general revenues 3,485,547

Changes in net position 1,730,143

Net position, beginning of year 4,009,526

Prior period adjustment (291,281)

Net position, beginning of year, as restated 3,718,245

Net position, end of year \$ 5,448,388

See the accompanying Notes to Financial Statements.

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Chester County, South Carolina (the "County") and its component units conform to Generally Accepted Accounting Principles (GAAP) applicable to governments. The following is a summary of significant accounting policies:

Reporting Entity

Chester County was organized in 1785 and operates under a council/supervisor form of government as provided in Title 14 of the 1976 Code of Laws of South Carolina as amended (Home Rule Act). As required by accounting principles generally accepted in the United States of America, these financial statements include those of the County (the primary government) and its component unit entities for which the government is considered to be financially accountable. Operational activities of various constitutional officers, judges and other judicial officials are included in agency funds. These include the Clerk of Court, Probate Court, Sheriff and Magistrate Court. Also included are taxes collected by the County on behalf of school districts and towns.

The financial statements of Chester County have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing accounting and financial reporting principles. The County's reporting entity applies all relevant GASB pronouncements. Proprietary funds apply Financial Accounting Standards Board (FASB) and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

The following is a description of the County's component units:

Blended Component Unit

A blended component unit, although a legally separate entity is, in substance, part of the County's operations, and data from the unit is presented in a debt service fund within the County's governmental activities. The following entity is presented as a blended component unit.

Chester Facilities Corporation

Chester Facilities Corporation (CFC), a not-for-profit organization, was established in 2012 to acquire, construct and lease facilities to be used by the County. While the County does not appoint members to CFC's Board of Directors, it has a financial burden to CFC in that it is obligated for lease payments equaling the amount of debt to be relieved and associated interest payments. Activities of CFC are reported in a debt service fund. Separate financial statements are not issued.

Discretely Presented Component Units

The discretely presented component units discussed below are included in the County's financial reporting entity because of the significance of their operational and financial relationship with the County. The component unit column in the combined financial statements includes the financial data from the Chester County Airport Commission, Chester County Library, Chester Fire District, Lando Fire District, Richburg Fire District, Lewis Fire District and Fort Lawn Fire District for the year ended June 30, 2019. These units were reported in a column separate from the County's financial information to emphasize that they are legally separate from the County.

Chester County Airport Commission

The Chester County Airport Commission manages and coordinates activities of the Chester Airport and assists the Federal government, the City of Chester and Chester County in all matters affecting the Airport. The Airport Commission is a component unit because a majority of the governing board is appointed by Chester County Council and the County can impose its will on the Airport Commission because the County has the ability to remove appointed members of the governing board at will.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Discretely Presented Component Units (Continued)

Chester County Library

The Chester County Library provides library services to the citizens throughout the County. The Library is fiscally dependent on the County because the County levies and collects property taxes for the Library. Property tax revenue constitutes approximately eighty-two percent of the Library's operating revenue. Chester County Council appoints all of the members of the Library's Board of Trustees, which is the governing authority for the Library, and the County can impose its will on the Library because the Library is required to submit its budget to County Council for approval. In turn, the Board is responsible for hiring and firing management personnel.

Chester Fire District

The Chester Fire District provides fire protection within its respective fire district. The Fire District is fiscally dependent on the County because the County levies and collects property taxes for the Fire District. Property tax revenue constitutes one hundred percent of the Fire District's operating revenue. Chester County Council appoints two of the Fire District's five board members. In addition, the Fire District is required to submit its budget to County Council, which approves both the budget and the millage rate. The County also has a financial benefit/burden relationship with the Chester Fire District. Complete financial statements for the Chester Fire District may be obtained at the City of Chester, 100 West End Street, Chester, South Carolina 29706; telephone (803) 581-2123.

Lando Fire District

The Lando Fire District provides fire protection within its respective fire district. The Fire District is fiscally dependent on the County because the County levies and collects property taxes for the Fire District. Chester County Council appoints members of the Fire District's board. In addition, the Fire District is required to submit its budget to County Council, which approves both the budget and the millage rate. The County also has a financial benefit/burden relationship with the Lando Fire District.

Richburg Fire District

The Richburg Fire District provides fire protection within its respective fire district. The Fire District is fiscally dependent on the County because the County levies and collects property taxes for the Fire District. Chester County Council appoints members of the Fire District's board. In addition, the Fire District is required to submit its budget to County Council, which approves both the budget and the millage rate. The County also has a financial benefit/burden relationship with the Richburg Fire District.

Lewis Fire District

The Lewis Fire District provides fire protection within its respective fire district. The Fire District is fiscally dependent on the County because the County levies and collects property taxes for the Fire District. Chester County Council appoints members of the Fire District's board. In addition, the Fire District is required to submit its budget to County Council, which approves both the budget and the millage rate. The County also has a financial benefit/burden relationship with the Lewis Fire District.

Fort Lawn Fire District

The Fort Lawn Fire District provides fire protection within its respective fire district. The Fire District is fiscally dependent on the County because the County levies and collects property taxes for the Fire District. Chester County Council appoints members of the Fire District's board. In addition, the Fire District is required to submit its budget to County Council, which approves both the budget and the millage rate. The County also has a financial benefit/burden relationship with the Fort Lawn Fire District.

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation

The County's basic financial statements consist of government-wide financial statements that include a statement of net position, a statement of activities and fund financial statements that provide a more detailed level of financial information.

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the County that are governmental in nature, which normally are supported by taxes and intergovernmental revenues, and those that are considered business-type activities, which rely to a significant extent on fees and charges for support. The statement of net position presents the financial condition of the governmental and business-type activities of the County at year-end.

The statement of activities presents a comparison between direct expenses and program revenue for each program or function of the County's governmental activities and business-type activities. Direct expenses are those that are specifically associated with a service program or department and therefore, are clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues that are not classified as program revenues are presented as general revenues of the County. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity is self-financing or draws from the general revenues of the County.

The government-wide financial statements and the proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized in the period earned; expenses are recognized when a liability is incurred. Property taxes are recognized as revenues in the year in which they are levied. Grants and intergovernmental revenues are recognized as revenue when the eligibility requirements imposed by the grantor or other government agency have been met. Fees and charges of the proprietary fund are recognized as revenue when the services are provided.

The statement of activities, which shows the changes in net position, presents direct expenses offset by program revenues for each core service area. Program revenues include fees and charges to customers for specific services provided and grants and contributions restricted for use in specific operations of a core service area. Tax revenues, interest and other revenue items that benefit the entire primary government are considered general revenues.

Fund Financial Statements

During the year, the County segregates transactions related to certain county functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. The focus of governmental and proprietary fund financial statements is on major funds. Each major fund is presented in a separate column. The general fund, the debt service fund - Chester Facilities Corporation, and the capital projects funds - Chester Facilities Corporation Gateway Bond, Capital Projects 2021 and Covid Recovery Funds, are considered major governmental funds.

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Fund Financial Statements (Continued)

The general fund is the primary operating fund of the County. The debt service fund, Chester Facilities Corporation, accounts primarily for receipt of Fee in Lieu of Tax Agreement revenue and the principle and interest payments related to Chester Facilities Corporation bonds. The capital projects fund, Capital Projects 2021, accounts for the proceeds of a \$1,741,000 general obligation bond used for financing various capital projects for the County. The capital projects fund, CFC Gateway Bond, accounts for the proceeds of a \$19,255,000 general obligation bond used for financing various capital projects for Chester Facilities Corporation. The capital projects fund, Covid Recovery Fund, accounts for the funds received from the federal government related to the American Rescue Plan Act of 2021.

The Landfill/Transfer Station fund is considered a major proprietary fund. The proprietary fund - Landfill/Transfer Station accounts for the activities at the County's Municipal Solid Waste (MSW) and Construction and Demolition (C&D) landfills.

Non-major funds are aggregated and presented in a single column.

Fund Accounting

The accounts of the government are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. The County has the following fund types:

Governmental Fund Types

Governmental funds are used to account for the County's general governmental activities. Governmental fund types use the flow of current financial resources measurement focus and modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The County considers all revenues available if they are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for interest on general long-term debt, which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Property taxes, cablevision franchise fees, state shared revenues, grants, and other miscellaneous fees are susceptible to accrual. Property taxes and franchise fees are recognized as revenue in the fiscal year for which they are levied. Intergovernmental sources are recognized as revenue when the underlying eligibility requirements are met and the resources become available. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met. Other sources become measurable and available when cash is received by the County and are recognized as revenue at that time.

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Accounting (Continued)

Governmental funds include the following types:

General Fund

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

Special Revenue Funds

Special revenue funds account for revenue sources that are legally restricted to expenditures for specific purposes (not including major capital projects).

Debt Service Funds

Debt service funds account for the accumulation of resources for, and the payment of, long-term general obligation principal, interest and related costs not being financed by proprietary funds.

Capital Projects Funds

Capital projects funds account for the construction or acquisition of major capital projects not being financed by proprietary funds.

Proprietary Fund Types

Proprietary funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Landfill/Transfer Station and Gateway Conference Center user charges are accrued as receivables at year-end and are reported as revenues of the enterprise funds. These funds account for activities of the County similar to those found in the private sector, where cost recovery and the determination of net income is useful or necessary for sound fiscal management.

Enterprise Funds

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The County has two enterprise funds (Landfill/Transfer Station and Gateway Conference Center).

The Landfill/Transfer Station and the Gateway Conference Center distinguish between operating revenues and expenses and non-operating revenues and expenses. The principal operating revenue of the Landfill/Transfer Station is disposal fees. The principal operating revenue of the Gateway Conference Center is rental income. Operating expenses consist of costs for services provided, administrative costs and depreciation of assets. All other revenues and expenses are classified as non-operating.

Fiduciary Funds

Fiduciary funds account for assets held by the County in a trustee capacity or as an agent for individuals, other governmental units, and/or other funds. The County's only fiduciary funds are its agency funds. Agency funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. Property taxes and other revenue are collected, temporarily retained and distributed by the County Treasurer in accordance with Acts of the General Assembly of South Carolina. Each governmental unit for which an agency fund is maintained is administered by a governing body independent of the County Council. Cash held by fiscal agents, which has been transferred from the County Treasurer for the retirement of long-term debt principal and interest of other governmental units, is considered an asset.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues

Exchange and Non-Exchange Transactions

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

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

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

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

Unearned Revenue

Revenues collected in advance of the fiscal year in which they are earned are recorded as unearned revenues in the government-wide and governmental fund financial statements.

Deferred Outflows and Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to future periods and will not be recognized as an expenditure until then. Deferred inflows of resources represent an acquisition of net position that applies to future periods and will not be recognized as revenue until that time.

Outflows and inflows from changes in the net pension liability are reported in the Government-Wide Financial Statements as deferred outflows of resources and deferred inflows of resources, respectively. See Note 13 for further details.

Property tax revenues in the governmental fund financial statements that are measurable but not available (as previously defined) are reported as deferred inflows of resources.

Grants and entitlements, if any, received before the eligibility requirements are met are also recorded as deferred inflows of resources.

Expenses/Expenditures

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

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable.

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Investments

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

Investments with a readily determinable fair value are stated at fair value in accordance with GASB Statement 31. All other investments are at cost. The County's current policy does not utilize amortized cost for any applicable investments.

Statutes established by the State of South Carolina allow the County to invest in the following:

1. Obligations of the United States and its agencies, the principal and interest of which is fully guaranteed by the United States;
2. Obligations issued by the Federal Financing Bank, Federal Farm Credit Bank, the Bank of Cooperatives, the Federal Intermediate Credit Bank, the Federal Land Banks, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Housing Administration, and the Farmers Home Administration, if, at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations;
3. (i) General obligations of the State of South Carolina or any of its political units; or (ii) revenue obligations of the State of South Carolina or its political units, if at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations;
4. Savings and loan associations to the extent that the same are insured by an agency of the federal government;
5. Certificates of deposit where the certificates are collaterally secured by securities of the type described in (1) and (2) above held by a third party as escrow agent or custodian, of a market value not less than the amount of the certificates of deposit so secured, including interest; provided, however, such collateral shall not be required to the extent the same are insured by an agency of the federal government;
6. Repurchase agreements when collateralized by securities as set forth in this section;
7. No load open-end or closed-end management type investment companies or investment trusts registered under the Investment Company Act of 1940, as amended, where the investment is made by a bank or trust company or savings and loan association or other financial institution when acting as trustee or agent for a bond or other debt issue of that local government unit, political subdivision, or county treasurer if the particular portfolio of the investment company or investment trust in which the investment is made (i) is limited to obligations described in the aforementioned items (1), (2), (3), and (6), and (ii) has among its objectives the attempt to maintain a constant net asset value of one dollar a share and to that end, value its assets by the amortized cost method; and

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Investments (Continued)

8. A political subdivision receiving Medicaid funds appropriated by the General Assembly in the annual general appropriations act may utilize appropriated funds and other monies generated by hospital operations to participate in principal protected investments in the form of notes, bonds, guaranteed investment contracts, debentures, or other contracts issued by a bank chartered in the United States or agency of a bank if chartered in the United States, financial institution, insurance company, or other entity which provides for full principal payment at the end of a contract term not to exceed twelve years if the issuer has received a rating in one of three highest general rating categories issued by no fewer than two nationally recognized credit rating organizations. No more than forty percent of the appropriated funds and other monies generated by hospital operations may be invested in the manner provided in this item. Revenue realized pursuant to these investments must be expended on health care services.

For purposes of the statement of cash flows, the proprietary fund considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of a fiscal year are reported as *due to/from other funds*.

Real property taxes receivable are the actual property taxes levied and still outstanding after the fiscal year end.

For proprietary funds, all accounts receivables are shown net of an allowance for doubtful accounts.

Internal balances are eliminated in the statement of net position to minimize the effect on assets and liabilities within the governmental fund-type activities columns.

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

Property Tax Calendar

Property taxes are levied on real properties owned on the preceding December 31 of each county fiscal year ended June 30. Liens attach to the property at the time the taxes are levied, which is usually in October of each year ended June 30.

These taxes are due without penalty until January 15. Penalties are added to taxes depending on the date paid as follows:

January 16 through February 1	3% of tax
February 2 through March 16	10% of tax
March 17 and thereafter	15% of tax plus collection costs

Current year taxes become delinquent March 17. The levy date for motor vehicle taxes is the first day of the month in which the motor vehicle license expires. These taxes are due by the last day of the month.

Certain property taxes are uncollected at June 30, 2021 and not considered available to liquidate current period liabilities. These are accounts not collected within sixty days of fiscal year end. The County has provided deferred inflows of resources equal to these delinquent accounts.

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property Tax Calendar (Continued)

The lien and collection date for motor vehicle taxes is the last day of the month in which the motor vehicle license expires. The County bills and collects its own property taxes. The County also bills and collects property taxes for the special service districts, school districts and municipalities. Property tax revenue is recognized when due or past due and collectible within the current period or soon enough thereafter (defined as sixty days) to pay liabilities of the current period. An allowance is provided for an estimated amount of taxes billed, which may ultimately prove to be uncollectible. Deferred inflows of resources (property taxes) represent that portion of property taxes which is deemed not available to pay current expenditures.

The County follows Governmental Accounting Standards Board (GASB) Statement Number 33, *Accounting and Financial Reporting for Nonexchange Transactions*, to account for nonexchange revenues, which primarily consist of imposed nonexchange revenues or ad valorem taxes. Under the standard, a receivable is recorded when an enforceable legal claim for property taxes has arisen, and revenue is recognized when the resources are available.

Capital Assets

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

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

Major outlays for capital assets and improvements are capitalized as the projects are constructed. Interest incurred during the construction phase of proprietary capital assets is included as part of the capitalized value of the assets constructed.

All reported capital assets, except for the land and construction in progress, are depreciated. Amortization of assets recorded under capital lease obligations has been included with depreciation expense. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure are estimated based on the County's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

Building improvements	15 to 25 Years
Buildings	50 Years
Furniture and equipment	3 to 10 Years
Infrastructure	10 to 50 Years
Land improvements	10 to 20 Years
Machinery and equipment	5 to 15 Years
Vehicles	8 Years

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bond issuance costs are expensed when incurred. Bonds payable are reported net of the applicable bond premium or discount.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-Term Obligations (Continued)

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period.

The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Bond insurance, if incurred, is recognized as an expenditure in the fund financial statements, however, is recognized as prepaid in the government-wide financial statements and amortized over the life of the bonds using the straight-line method. Principal and interest payments are recorded as expenditures when due.

Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since it is the County's policy to record the cost of sick leave only when it is used. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for vacation pay is reported in the governmental funds financial statements only if the benefit has matured, for example, as a result of employee resignations and retirements.

Employees accrue different amounts of vacation hours each month based on the number of years of service with the County. Accrued hours are as follows: length of service 0-1 year, 3.75 hours/month; length of service 1-4 years, 7.5 hours/month; length of service 5-9 years, 11.25 hours/month, length of service 10-14 years, 15 hours/month; length of service 15-19 years, 18.75 hours/month; and length of service 20 or more years, 22.50 hours/month of vacation pay. Employees may carry over from one calendar year to another a maximum carryover equivalent to 45 days of unused annual leave. For all County employees, no more than 720 hours may be carried over from one calendar year to another for sick leave benefits.

Net Position

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

Fund Balance Reporting

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned or unassigned based primarily on the extent to which the County is bound to honor constraints on how specific amounts can be spent.

- *Nonspendable fund balance* - Amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- *Restricted fund balance* - Amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- *Committed fund balance* - Amounts that can only be used for specific purposes determined by formal action of the County's highest level of decision-making authority (the County Council) and that remain binding unless removed or changed in the same manner. The underlying action that imposed the limitation needs to occur before the close of the reporting period.

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance Reporting (Continued)

- *Assigned fund balance* - Amounts that are constrained by the County's *intent* to be used for specific purposes. The intent can be established by either the County Council or by a body or an official designated for that purpose. This is also the classification for residual funds in the County's special revenue funds.
- *Unassigned fund balance* - The residual classification for the County's general fund that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The County Council establishes, modifies or rescinds fund balance commitments and assignments by passage of an ordinance or resolution. This is done through adoption of the budget and subsequent budget amendments that occur throughout the year.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, followed by the unrestricted, committed, assigned and unassigned resources as they are needed.

Fund Balance Policy

The County believes that sound financial management principles require that sufficient funds be retained by the County to provide a stable financial base at all times. To retain this stable financial base, the County needs to maintain unrestricted fund balance in its County funds sufficient to fund cash flows of the County and to provide financial reserves for unanticipated expenditures and/or revenue shortfalls of an emergency nature. Committed, assigned and unassigned fund balances are considered unrestricted.

The purpose of the County's fund balance policy is to maintain a prudent level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls or unpredicted one-time expenditures.

Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and a reduction of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Generally, the effect of interfund activity is eliminated from government-wide financial statements to remove the effect of overstating internal service fund activity.

Management Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates. The estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Future Accounting Pronouncements

The following GASB Statements will be implemented in future financial statements:

Statement No. 87	<i>Leases</i>	This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It is effective for financial statements for reporting periods beginning after June 15, 2021.
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NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

County Council adopts an annual budget for general fund revenue and expenditures prior to the beginning of each fiscal year of the County. The adopted budget specifies expenditure limits appropriated to each County department. Departmental expenditures may not exceed amounts appropriated without the approval of County Council and unencumbered appropriations lapse at fiscal year-end. Budget amounts reflected in the accompanying financial statements represent the budget and any revisions approved by Council during the fiscal year. Line item transfers within operating departments are approved by the County Supervisor; any additional appropriations and transfers between departments are approved by the Council. The legal level of budgetary control is the department level. During the year, no supplementary appropriations were made.

Budgets for the Chester County Airport Commission, Chester County Library, Chester Fire District, Lando Fire District, Richburg Fire District, Lewis Fire District and Fort Lawn Fire District (discretely presented component units) are adopted by their respective Boards prior to the beginning of each fiscal year and are approved by County Council. Departmental expenditures may not exceed amounts appropriated without approval of the respective governing boards and unencumbered appropriations lapse at fiscal year-end. Line item transfers within operating departments are approved by the directors of each institution; any additional appropriations and transfers between departments are approved by the respective governing boards.

On or before March 1, heads of county departments and agencies submit requests for appropriation to the County Treasurer who compiles the information and submits a budget request document to the County Supervisor. After adjustments, the County Supervisor submits a comprehensive budget request document to County Council. The County Council conducts a public hearing on the proposed budget and adopts the budget not later than June 30.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as reservations of fund balances and do not constitute GAAP expenditures or liabilities and are carried forward and honored during the subsequent year. There were no significant encumbrances at June 30, 2021.

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

Budgetary Information (Continued)

The County has an appropriated budget for the enterprise fund but is not required to report budgetary comparisons in the financial statements.

Deficit Fund Equity

Individual funds with deficit fund equity are as follows:

1997 Short Fund	\$ 2,357	Jag Grant CFDA #16.738	\$ 32,712
Victims/Witness Surcharges and Assessments	23,828	Census Operations	47
Solid Waste Collection Site	360,471	COVID-19 Fund	104,258
EMPG 01 Multiple	7,611	FBI Task Force	865
SOS DUI Enforcement	11,212	Election Grant	7,079
EMS Donations	133	LEN Trailer	1,814
HMEP CFDA #20.703	121	JM Sims Foundation	22,160
SLPG CFDA #97.042	1,417	COPS Hiring Grant	206,591
Public Defender	1,443	Golf Course/Great Falls & Republic	1,488
SCPRT Republic Park	4,177	EECBG Energy Grant	8,440
Bennett Landfill Fire	554	Hazard Mitigation Program	15,660
Palmetto Pride Enforcement Grant	31	E-911 Jail Lightning Strike Damage	19,933
Sale of County Property	33,000	Hurricane Florence	6,136
LEN Grant	912	DSS/DHEC Building Renovation	109,092
DHEC SC HPP Grant	3,519	Roundtree Circle Pump Station	23,682

Deficit fund balances result primarily from the timing of the appropriate reimbursement or receipt of revenue. The deficits will be made up primarily from future restricted revenues, state shared revenues and fund transfers from the general fund.

NOTE 3 - DEPOSITS AND INVESTMENTS

Deposits

All of the County's deposits are either insured or collateralized by using one of two methods, the dedicated method or the pooling method. Under the *dedicated method*, all deposits exceeding the Federal depository insurance coverage level are collateralized with securities held by the County's agent in the County's name. Under the *pooling method*, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the County, these deposits are considered to be held by the County's agent in the County's name. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest bearing deposits. Depositories using the pooling method report the adequacy of their pooled collateral covering uninsured deposits to the State Treasurer. The State Treasurer does not confirm this information with the County or the escrow agent.

Because of the inability to measure, the exact amount of collateral pledged for the County under the pooling method, the potential exists for under collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer enforces strict standards of financial stability for each depository that collateralizes public deposits under the pooling method. The County does not have policies regarding custodial credit risk for deposits.

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021

NOTE 3 - DEPOSITS AND INVESTMENTS (CONTINUED)

Deposits (Continued)

At June 30, 2021, the County's governmental fund deposits had a carrying amount of \$25,072,223 and a bank balance of \$25,218,362, which was entirely covered by Federal depository insurance or collateralized.

Agency funds had a carrying amount of \$556,976 and a bank balance of \$642,350 at June 30, 2021. The County had \$2,300 of cash on hand.

Investments

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

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less than 6 Months</u>	<u>1 – 3 Years</u>
U.S. Government Agencies	\$ 1,565,686	\$ -	\$ 1,565,686
S.C. State Investment Pool	<u>17,451,296</u>	<u>17,451,296</u>	<u>-</u>
	<u>\$ 19,016,982</u>	<u>\$ 17,451,296</u>	<u>\$ 1,565,686</u>

At June 30, 2021, the County held \$2,197,851 of investments in S.C. State Investment Pool for agency funds.

The Treasurer has implemented investment policies that are included as a section of the County's financial policies. These policies enhance the guidelines provided by the State of South Carolina and incorporate the Government Finance Officers Association's recommendation on treatment of collateralized mortgage obligations. While operating under the adopted financial policies, Chester County can, if necessary to prevent a loss, hold all investments until their maturity. The fair value of the South Carolina pooled investment is the same as the value of the pooled shares. Regulatory oversight is provided by the South Carolina State Treasurer.

Interest Rate Risk As a means of limiting its exposure to fair value losses arising from rising interest rates, Chester County's investment policies allow for building the investment portfolio so that securities mature to meet ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity. Risk is also minimized by investing in shorter-term securities, generally with maturities of less than five years.

Credit Risk In accordance with Chester County's investment policies, all investment instruments used by the Treasurer are authorized by current state statute, or any permissible investment as redefined by State legislature. The County's investments in U.S. Government agencies, including Federal National Mortgage Association, Federal Home Loan Banks, Federal Home Loan Mortgage Corporation and Federal Farm Credit Banks are rated AAA by Standard and Poor's and AAA by Moody's Investors Service. The South Carolina State Investment Pool is unrated.

Custodial Credit Risk For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investment of collateral that is in possession of an outside party. All of Chester County's investments are fully collateralized by securities that either are in the County's name or held by their agent in the County's name.

Concentration of Credit Risk The County's investment policy requires diversifying the investment portfolio. Assets held are diversified to control the risk of loss resulting from over-concentration of assets in a specific maturity, issuer, class of security, and/or dealers through whom these instruments are bought and sold. To control the risk of liquidity within the pooled cash area, an average minimum dollar amount equivalent to six weeks of expenditures shall be held in a liquid investment. However, the dollar amount placed in a liquid investment has no maximum restrictions.

Interest is recorded when earned and is distributed to each fund based on the fund's proportionate equity in pooled cash and investments.

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021

NOTE 4 - RECEIVABLES

Receivables as of year-end for the County's individual major funds and non-major funds in the aggregate, including the applicable allowance for uncollectible accounts, are as follows:

	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Due from other governments	\$ 5,080,677	\$ -	\$ 5,080,677
Property taxes	1,724,657	804,589	2,529,246
Emergency management (EMS)	742,403	-	742,403
Local sources	407,164	-	407,164
Other receivables	<u>45,252</u>	<u>-</u>	<u>45,252</u>
Gross receivables	<u>8,000,153</u>	<u>804,589</u>	<u>8,804,742</u>
Less allowance for:			
Taxes	(17,246)	(8,048)	(25,294)
EMS	<u>(593,922)</u>	<u>-</u>	<u>(593,922)</u>
Net receivables	<u>\$ 7,388,985</u>	<u>\$ 796,541</u>	<u>\$ 8,185,526</u>

NOTE 5 - INTERFUND RECEIVABLES AND PAYABLES

A summary of net amounts due from/to other funds at June 30, 2021 is as follows:

	<u>Receivable</u>	<u>Payable</u>
General fund	\$ -	\$(12,757,199)
Debt service funds	1,445,087	-
Special revenue funds	2,773,795	-
Capital projects funds	6,698,769	-
Enterprise funds	1,065,762	-
Agency funds	<u>773,786</u>	<u>-</u>
	<u>\$ 12,757,199</u>	<u>\$(12,757,199)</u>

Governmental funds interfund receivables and payables represent lending/borrowing arrangements resulting from the timing of expenditures versus the receipt of revenues.

The general fund transferred \$186,925 to a special revenue fund to support the Solicitor's Office operations and \$45,000 to a special revenue fund to support the purchase of equipment for a fire district. The general fund also transferred \$75,000 to a capital projects fund for ongoing projects. A special revenue fund transferred \$112,515 of Family Court IV-D funds to the general fund. Another special revenue fund transferred \$16,711 to a capital projects fund.

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021

NOTE 6 - CAPITAL ASSETS

Primary government capital asset activity for the year ended June 30, 2021 is as follows:

	<u>Balance</u> <u>July 1, 2020</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Transfers</u>	<u>Balance</u> <u>June 30, 2021</u>
Governmental Activities:					
Capital assets not being depreciated:					
Land	\$ 4,010,477	\$ -	\$ -	\$ -	\$ 4,010,477
Construction in progress	459,341	685,515	(20,677)	(87,881)	1,036,298
	<u>4,469,818</u>	<u>685,515</u>	<u>(20,677)</u>	<u>(87,881)</u>	<u>5,046,775</u>
Capital assets being depreciated:					
Buildings and improvements	37,148,783	49,299	-	-	37,198,082
Improvements other than buildings	6,808,870	115,523	-	87,881	7,012,274
Machinery and equipment	8,953,749	436,907	-	-	9,390,656
Infrastructure	8,460,801	-	-	-	8,460,801
Vehicles	11,262,180	1,349,876	(388,325)	-	12,223,731
	<u>72,634,383</u>	<u>1,951,605</u>	<u>(388,325)</u>	<u>87,881</u>	<u>74,285,544</u>
Less accumulated depreciation	(37,009,669)	(2,432,312)	388,325	-	(39,053,656)
Total capital assets, net depreciation	<u>35,624,714</u>	<u>(480,707)</u>	<u>-</u>	<u>87,881</u>	<u>35,231,888</u>
Governmental activities capital assets, net	<u>\$ 40,094,532</u>	<u>\$ 204,808</u>	<u>\$ (20,677)</u>	<u>\$ -</u>	<u>\$ 40,278,663</u>
Business-Type Activities:					
Landfill					
Capital assets not being depreciated:					
Land	\$ 112,144	\$ -	\$ -	\$ -	\$ 112,144
Capital assets being depreciated:					
Improvements	181,500	-	-	-	181,500
Buildings and improvements	379,093	-	-	-	379,093
Machinery and equipment	950,632	7,500	-	-	958,132
	<u>1,511,225</u>	<u>7,500</u>	<u>-</u>	<u>-</u>	<u>1,518,725</u>
Less accumulated depreciation	(1,007,219)	(53,579)	-	-	(1,060,798)
	<u>504,006</u>	<u>(46,079)</u>	<u>-</u>	<u>-</u>	<u>457,927</u>
Landfill capital assets, net	<u>616,150</u>	<u>(46,079)</u>	<u>-</u>	<u>-</u>	<u>570,071</u>
Gateway Conference Center					
Capital assets being depreciated:					
Buildings and improvements	133,293	-	-	-	133,293
Improvements, other than buildings	306,253	-	-	-	306,253
Machinery and equipment	275,009	-	-	-	275,009
	<u>714,555</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>714,555</u>
Less accumulated depreciation	(423,963)	(36,032)	-	-	(459,995)
Gateway Conference Center capital assets, net	<u>290,592</u>	<u>(36,032)</u>	<u>-</u>	<u>-</u>	<u>254,560</u>
Business-type activities, net	<u>\$ 906,742</u>	<u>\$ (82,111)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 824,631</u>

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021

NOTE 6 - CAPITAL ASSETS (CONTINUED)

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

Governmental Activities:

General government	\$ 450,814
Public safety	1,770,191
Highways and streets	110,235
Cultural and recreational	<u>101,072</u>
	<u>\$ 2,432,312</u>

Business-Type Activities:

Solid waste	\$ 53,579
Gateway Conference Center	<u>36,032</u>
	<u>\$ 89,611</u>

NOTE 7 - ACCOUNTS PAYABLE

Accounts payable consist of general fund trade accounts payable of \$1,399,065.

NOTE 8 - UNEARNED REVENUE

Unearned revenue in the government-wide and governmental funds financial statements consists of collections of local options sales tax revenue of \$1,355,748 during the fiscal year ended June 30, 2021 that relate to the subsequent fiscal year.

NOTE 9 - LONG-TERM DEBT

Assets acquired and liabilities incurred through capital lease agreements for general governmental activities are accounted for under governmental activities. Assets and liabilities related to proprietary-type funds are accounted for under the business-type activities.

Long-term debt consists of the following at June 30, 2021:

	<u>Balance</u> <u>July 1, 2020</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2021</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
Governmental Activities:					
Bonds payable					
General obligation bonds	\$ 7,260,000	\$ 1,741,100	\$(3,515,000)	\$ 5,486,100	\$ 1,770,000
Chester Facilities Corporation revenue bonds	18,895,000	-	(370,000)	18,525,000	380,000
Less: Unamortized discounts	(172,118)	-	6,147	(165,971)	6,147
Net bonds payable	25,982,882	1,741,100	(3,878,853)	23,845,129	2,156,147
Notes payable and capital leases	<u>660,456</u>	<u>-</u>	<u>(150,431)</u>	<u>510,025</u>	<u>155,849</u>
	26,643,338	1,741,100	(4,029,284)	24,355,154	2,311,996
Accrued compensated absences	<u>914,580</u>	<u>789,017</u>	<u>(706,870)</u>	<u>996,727</u>	<u>-</u>
Governmental activities long-term debt	<u>\$ 27,557,918</u>	<u>\$ 2,530,117</u>	<u>\$(4,736,154)</u>	<u>\$ 25,351,881</u>	<u>\$ 2,311,996</u>

For the governmental funds, accrued compensated absences and OPEB liability is liquidated by the general fund.

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 9 - LONG-TERM DEBT (CONTINUED)

General Obligation Bonds

General obligation bonds currently outstanding are as follows:

2013B \$2,950,000 General Obligation Bond due in annual principal installments of \$300,000 to \$360,000 through March 1, 2023, plus interest semiannually at 2.24%.	\$ 710,000
2017A \$2,500,000 General Obligation Bond due in annual principal installments of \$75,000 to \$1,055,000 through March 1, 2023, plus interest semiannually at 1.99%.	1,130,000
2018 \$1,800,000 General Obligation Bond due in annual principal installments of \$350,000 to \$370,000 through March 1, 2023, plus interest semiannually at 2.84%.	735,000
2019 \$1,170,000 General Obligation Bond due in annual principal installments of \$150,000 to \$1,020,000 through March 1, 2024, plus interest semiannually at 1.924%.	1,170,000
2020 \$1,741,100 General Obligation Bond due in principal installments of \$55,000 and \$1,686,100 on March 1, 2023 and March 1, 2024, respectively, plus interest semiannually at 1.22%.	<u>1,741,100</u>
Total general obligation bonds outstanding	<u>\$ 5,486,100</u>

Chester Facilities Corporation Revenue Bonds

Chester Facilities Corporation revenue bonds payable currently outstanding are as follows:

\$19,255,000 Installment Purchase Revenue Bonds, Series 2018. Interest at 2.7% - 4.35% due annually on September 1, 2019 through September 1, 2048. Bonds mature September 1, 2038 through September 1, 2048.	<u>\$18,525,000</u>
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Chester Facilities Corporation (CFC) is a separate legal entity and its debts, CFC 2018 Installment Purchase Revenue Bonds, are not a debt of the County. However, as CFC is blended with the operations of the County, CFC's debts are included with the County's other obligations as required by generally accepted accounting principles.

Notes Payable and Capital Leases

Governmental notes payable and capital leases currently outstanding are as follows:

2014 \$525,000 Capital Lease due in annual principal installments of \$57,065 to \$71,643 through March 15, 2023; plus interest annually at 2.33%. The note is collateralized by firefighting equipment.	\$ 141,535
2019 \$529,083 Capital Lease due in annual principal installments of \$82,121 to \$98,495 through August 30, 2024; plus interest annually at 4.65%. The note is collateralized by 911 communication equipment.	<u>368,490</u>
Total notes payable and capital leases outstanding	<u>\$ 510,025</u>

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 9 - LONG-TERM DEBT (CONTINUED)

Notes Payable and Capital Leases (Continued)

The annual requirement to amortize debt in the governmental activities long-term debt at June 30, 2021 is as follows:

Year Ending June 30,	2013B General Obligation Bond Payable		2017A General Obligation Bond Payable		2018 General Obligation Bond Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 350,000	\$ 15,604	\$ 1,055,000	\$ 22,487	\$ 365,000	\$ 20,874
2023	360,000	8,064	75,000	22,487	370,000	10,508
2024	-	-	-	-	-	-
2025	-	-	-	-	-	-
2026	-	-	-	-	-	-
2027-2031	-	-	-	-	-	-
2032-2036	-	-	-	-	-	-
2037-2041	-	-	-	-	-	-
2042-2046	-	-	-	-	-	-
2047-2051	-	-	-	-	-	-
Totals	<u>\$ 710,000</u>	<u>\$ 23,968</u>	<u>\$ 1,130,000</u>	<u>\$ 44,974</u>	<u>\$ 735,000</u>	<u>\$ 31,382</u>

Year Ending June 30,	2019 General Obligation Bond Payable		2020 General Obligation Bond Payable		2018 Installment Purchase Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ -	\$ 22,511	\$ -	\$ 21,241	\$ 380,000	\$ 768,865
2023	1,020,000	22,511	55,000	21,241	390,000	756,925
2024	150,000	2,886	1,686,100	21,241	405,000	743,901
2025	-	-	-	-	415,000	729,855
2026	-	-	-	-	430,000	714,853
2027-2031	-	-	-	-	2,400,000	3,319,728
2032-2036	-	-	-	-	2,910,000	2,792,775
2037-2041	-	-	-	-	3,585,000	2,104,634
2042-2046	-	-	-	-	4,440,000	1,225,730
2047-2051	-	-	-	-	3,170,000	218,250
Totals	<u>\$ 1,170,000</u>	<u>\$ 47,908</u>	<u>\$ 1,741,000</u>	<u>\$ 63,723</u>	<u>\$ 18,525,000</u>	<u>\$ 13,375,516</u>

Year Ending June 30,	\$525,000 2014 Capital Lease		\$529,083 2019 Capital Lease		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 69,909	\$ 3,298	\$ 85,940	\$ 17,135	\$ 2,305,849	\$ 892,315
2023	71,626	1,669	89,936	13,139	2,431,562	856,544
2024	-	-	94,118	8,957	2,335,218	776,985
2025	-	-	98,496	4,580	513,496	734,435
2026	-	-	-	-	430,000	714,853
2027-2031	-	-	-	-	2,400,000	3,319,728
2032-2036	-	-	-	-	2,910,000	2,792,775
2037-2041	-	-	-	-	3,585,000	2,104,634
2042-2046	-	-	-	-	4,440,000	1,225,730
2047-2051	-	-	-	-	3,170,000	218,250
Totals	<u>\$ 141,535</u>	<u>\$ 4,967</u>	<u>\$ 368,490</u>	<u>\$ 43,811</u>	<u>\$ 24,521,125</u>	<u>\$ 13,636,249</u>

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021

NOTE 9 - LONG-TERM DEBT (CONTINUED)

Notes Payable and Capital Leases (Continued)

The County leases certain property and equipment under capital leases. Assets recorded under capital leases are included in property and equipment and consist of the following at June 30, 2020:

	<u>Cost</u>	<u>Accumulated Amortization</u>
Governmental Activities:		
Lando fire equipment	\$ 525,000	\$(423,955)
911 Communication equipment	529,083	(144,747)
Total	\$ 1,054,083	\$(568,702)

Chester Facilities Corporation - 2018 Installment Purchase Revenue Bonds

Chester County and Chester Facilities Corporation (CFC or the Corporation), a nonprofit corporation, entered into a Base Lease and Conveyance Agreement, dated April 10, 2012, as amended in 2018, pursuant to which the County conveyed certain improvements and leased real property to the Corporation on which certain capital projects have been acquired, constructed, renovated and equipped. The County and CFC also entered into a supplemental and Installment Purchase and Use Agreement, as amended in 2018, pursuant to which the County is purchasing certain facilities from CFC and CFC has agreed to make certain improvements known as the 2018 Projects.

In April 2012, CFC issued its \$6,385,000 Installment Purchase Revenue Bonds Series 2012 (2012 Bonds) pursuant to the Installment Purchase and Use Agreement between the County and CFC. Approximately \$4,500,000 of the proceeds were used for the acquisition, construction, renovating, improving, and equipping of new and existing public facilities, in particular a new County Conference Center.

In June 2018, CFC issued its \$19,225,000 Installment Purchase Revenue Bonds Taxable Series 2018 (2018 Bonds) pursuant to the same Installment Purchase and Use Agreement mentioned above. These bonds were offered at a discount of \$184,413. \$3,818,850 of proceeds from the 2018 Bonds were put into an irrevocable trust, along with existing debt service funds, to provide for all future debt service requirements and to defease the 2012 Bonds. Accordingly, the trust account assets and the liability for the \$6,385,000 of the 2012 Bonds are not included in the County's financial statements and are considered defeased at June 30, 2018.

The remaining proceeds from the 2018 Bonds will be used for capital projects outlined in the bond documents and denoted as the 2018 Projects. These projects will be for the benefit of the County and are located on real property currently owned or being acquired by the County.

The source of repayment for the 2018 Bonds and security for these bonds include certain rights of CFC under the Installment Purchase and Use Agreement and certain payments to be made by the County under this agreement. The 2018 Bonds are also insured and guaranteed by a municipal bond insurance policy. It is anticipated that the payments will be funded by the County with future fee-in-lieu revenue or the issuance of short-term general obligation bonds. The 2018 Bonds are also secured by a 2018 Trust Agreement and certain revenue due the Corporation as defined in the Installment Purchase and Use Agreement. Bond issuance costs were \$751,252. The cost of the insurance related to these bonds amounted to \$150,485.

Neither the financing obligations of the County under these agreements nor the bonds themselves are deemed to constitute, or create an indebtedness, liability or obligation of the County within the meaning of any State constitutional provision or statutory limitation or a pledge of the full faith and credit of the County. The County's obligations under the Agreement 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.

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021

NOTE 9 - LONG-TERM DEBT (CONTINUED)

Chester Facilities Corporation - 2018 Installment Purchase Revenue Bonds (Continued)

Chester Facilities Corporation is a separate legal entity and as noted, its debts 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 generally accepted accounting principles.

Debt Structure

Legal Debt Limit of the County

Section 14 of Article X of the State Constitution provides that subsequent to November 30, 1977, the counties of the State may issue bonded indebtedness in an amount not exceeding 8% of the assessed value of all taxable property without the necessity of conducting a referendum, and provides further that no bonded indebtedness incurred on or prior to November 30, 1977, and any refunding thereof, and no indebtedness approved in a referendum, or any refunding thereof, shall be charged against such 8% debt limitation.

The County's general obligation bond debt limitation as of June 30, 2021, is computed below:

Real and other personal property assessed value	\$ 60,886,933
Plus vehicles assessed value	12,889,804
Plus manufacturers assessed value	32,930,330
Plus fee-in-lieu and joint industrial park value	25,260,230
Plus motor vehicle carriers assessed value	<u>1,405,644</u>
	133,372,941
	x 8%
Constitutional debt limit	10,669,835
Less outstanding debt subject to limit	<u>(5,486,100)</u>
General obligation debt available without referendum	<u>\$ 5,183,735</u>

The following table sets forth the legal debt margin of the County at the end of each of the past five fiscal years:

<u>Year Ending June 30,</u>	<u>Legal Debt Margin</u>
2017	\$ 948,575
2018	3,114,396
2019	4,201,894
2020	5,510,007
2021	5,183,735

Overlapping Debt

The table below shows local subdivisions which overlap the County and which have outstanding debt as of June 30, 2021:

	<u>Outstanding Debt as of June 30, 2021</u>	<u>Assessed Value as of June 30, 2021</u>
<u>Municipalities</u>		
Chester Fire District	\$ 312,815	\$ 39,276,609
Richburg Fire District	2,203,992	15,762,661
Lando Rural Fire District	187,286	10,394,500
Fort Lawn Fire District	296,006	7,999,301
<u>School District</u>		
Chester County School District	\$ 8,075,676	\$ 122,118,013

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021

NOTE 10 - FUND BALANCES

Fund balances are presented in the following categories: nonspendable, restricted, committed, assigned and unassigned (see Note 1 for a description of each of these categories). As of June 30, 2021, the County had no nonspendable fund balance. A detailed schedule of fund balances at June 30, 2021 is as follows:

	Debt Service						Total Governmental Funds
	General Fund	Chester Facilities Corporation	CFC Gateway Bond	Capital Projects Funds		Other Governmental Funds	
				Capital Projects 2021	Covid Recovery Funds		
Fund Balances							
Restricted for							
C-Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,229,338	\$ 1,229,338
Capital Projects Sales Tax	-	-	-	-	-	6,614,153	6,614,153
Capital Projects 2017	-	-	-	-	-	109,162	109,162
Capital Projects 2018	-	-	-	-	-	32,946	32,946
Capital Projects 2020	-	-	-	-	-	95,046	95,046
Capital Projects 2021	-	-	-	368,912	-	-	368,912
Covid Recovery Funds	-	-	-	-	6,263,019	-	6,263,019
Drug Forfeiture Fund	-	-	-	-	-	8,564	8,564
Sheriff Department IV-D	-	-	-	-	-	5,367	5,367
Family Court Unit CFDA IV-D	-	-	-	-	-	437,464	437,464
6 th Judicial Court	-	-	-	-	-	18,237	18,237
Forfeited Land Commission	-	-	-	-	-	7,429	7,429
Sheriff's Department Donation	-	-	-	-	-	18,568	18,568
York Tech	-	-	-	-	-	190,135	190,135
Family Court	-	-	-	-	-	9,529	9,529
Animal Control Donations	-	-	-	-	-	2,577	2,577
DHEC Grant in Aid	-	-	-	-	-	990	990
Hazmat-Local	-	-	-	-	-	149,784	149,784
Duke-Local	-	-	-	-	-	40,214	40,214
A-Tax County Recreation Local	-	-	-	-	-	347,738	347,738
State A-Tax	-	-	-	-	-	73,446	73,446
Chester County Airport	-	-	-	-	-	115,372	115,372
Chester County Debt Service	-	-	-	-	-	199,768	199,768
Chester Fire District	-	-	-	-	-	1,055,120	1,055,120
Lando Fire District	-	-	-	-	-	121,028	121,028
Richburg Fire District	-	-	-	-	-	53,152	53,152
Lewis Fire District	-	-	-	-	-	35,602	35,602
Fort Lawn Fire District	-	-	-	-	-	100,856	100,856
DHEC SW Reduction Recycling	-	-	-	-	-	5,862	5,862
GIS Data Conversion	-	-	-	-	-	15,069	15,069
Sex Offender Registry	-	-	-	-	-	5,153	5,153
Veterans Affairs to Counties	-	-	-	-	-	16,577	16,577
Animal Control-Lutz Grant	-	-	-	-	-	8,043	8,043
Sheriff's Equitable Sharing	-	-	-	-	-	5,655	5,655
Body Worn Camera Grant	-	-	-	-	-	1,881	1,881
Inmate Welfare	-	-	-	-	-	20,448	20,448
Chester Fire Bond	-	-	-	-	-	119,201	119,201
Lando Fire Debt Service	-	-	-	-	-	39,200	39,200
Richburg Fire Bond	-	-	-	-	-	319,213	319,213
Fort Lawn Fire Bond	-	-	-	-	-	63,949	63,949
Chester Facilities Corporation	-	4,933,017	9,737,460	-	-	-	14,670,477
Economic Development							
Infrastructure	-	-	-	-	-	16,483	16,483
Vehicle Replacement	-	-	-	-	-	66,987	66,987
Meadowbrook Water Project	-	-	-	-	-	2,500	2,500
Eureka Performance Bond	-	-	-	-	-	49,975	49,975
Economic Development Grant	-	-	-	-	-	34,744	34,744
Dawson Drive Sewer	-	-	-	-	-	2,520	2,520
911 Subscriber Fees	-	-	-	-	-	231,434	231,435
Solicitor's Office	-	-	-	-	-	88,149	88,149
Total restricted	<u>-</u>	<u>4,933,017</u>	<u>9,737,460</u>	<u>368,912</u>	<u>6,263,019</u>	<u>12,184,628</u>	<u>33,487,036</u>

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021

NOTE 10 - FUND BALANCES (CONTINUED)

	General Fund	Debt Service Fund	Capital Projects Funds			Other Governmental Funds	Total Governmental Funds
		Chester Facilities Corporation	CFC Gateway Bond	Capital Projects 2021	Covid Recovery Funds		
Fund Balances (Continued)							
Committed to							
Chester County Library	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 391,495	\$ 391,495
EMS Trauma Fund	-	-	-	-	-	4,102	4,102
EMA Donations	-	-	-	-	-	15,725	15,725
EMS Local Grants	-	-	-	-	-	1,750	1,750
Economic Development							
Marketing	-	-	-	-	-	63,539	63,539
EMS Training	-	-	-	-	-	9,750	9,750
Homeland Security SHSP							
Grant	-	-	-	-	-	138	138
Coroner Fees	-	-	-	-	-	16,272	16,272
Emergency Training Center	-	-	-	-	-	736	736
Rossville Fire Department	-	-	-	-	-	5,100	5,100
Chester Detention Center	-	-	-	-	-	964	964
Courthouse Improvements	-	-	-	-	-	48,045	48,045
Total committed	-	-	-	-	-	557,616	557,616
Assigned	-	-	-	-	-	-	-
Unassigned	11,313,779	-	-	-	-	(1,010,743)	10,303,036
Total fund balances	<u>\$ 11,313,779</u>	<u>\$ 4,933,017</u>	<u>\$ 9,737,460</u>	<u>\$ 368,912</u>	<u>\$ 6,263,019</u>	<u>\$ 11,731,501</u>	<u>\$ 44,347,688</u>

NOTE 11 - SOLID WASTE LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

State and Federal laws and regulations (per EPA October 9, 1991 Rule, *Solid Waste Disposal Facility Criteria*) require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years (30) after closure. The liability is based on landfill capacity used to date. The County's MSW landfill is 100% full and no additional solid waste is being accepted. The County's C&D landfill was expanded and the original C&D landfill is full. The expanded portion of the C&D landfill has a remaining life of 2.5 years and is 98% full. The accompanying financial statements include a liability of \$1,105,379 for Landfill/Transfer Station postclosure care liability and C & D landfill closure and postclosure in the long-term debt of the landfill business-type enterprise fund, as required by generally accepted accounting principles.

The County has met the requirements of a local government financial test that is one option under State and Federal laws and regulations that help determine if a unit is financially able to meet closure and postclosure care requirements.

Additions to landfill closure and postclosure care costs are reported net of maturities. Actual cost of landfill closure and postclosure care may be higher due to inflation, changes in technology, changes in regulations and other variables.

	Balance July 1, 2020	Additions	Reductions	Balance June 30, 2021	Amounts Due Within One Year
Business-Type Activities:					
Landfill closure and postclosure care costs	\$ 1,105,379	\$ 31,345	\$ (56,550)	\$ 1,080,174	\$ 56,550

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 12 - RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County, along with other South Carolina counties, is insured under the State of South Carolina Insurance Reserve Fund, a public entity risk pool currently operating as a common risk management and insurance fund. The County pays annual premiums to the Insurance Reserve Fund for its general insurance coverage. The Insurance Reserve Fund is self-sustaining through member premiums and purchases of commercial insurance coverage on a portion of its liabilities. The State accumulates assets to cover risks incurred by its members in their normal operations. Specifically, the State assumes substantially all of the risk of the above.

The County continues to carry insurance for other risks of loss including workers compensation and employee health, dental, group life and accident insurance under various plans. For its employees' health and accident insurance coverage, the County participates in Blue Choice with employee basic dental coverage being borne by the County and healthcare supplemental coverage. Employees can elect to have dependent coverage at their own expense.

Workers' compensation is covered by a self-insured pool for counties in South Carolina and administered by Administrator Companion Property and Casualty Insurance. For the current fiscal year, settlements did not exceed the County's insurance coverage nor were there significant reductions in insurance coverage from the prior year.

The County pays unemployment claims on a pay-as-you-go basis as claims are presented. Actual claims paid by the County for the most recent two fiscal years are as follows:

<u>Fiscal Year</u>	<u>Claims Paid</u>
2020	7,709
2021	8,723

NOTE 13 - EMPLOYEES' PENSION PLAN AND OTHER POSTEMPLOYMENT BENEFITS

Substantially all County employees are members of the South Carolina Retirement System (SCRS) Class II and Class III or the Police Officers Retirement System (PORS) Class II and Class III. A Class II member is an employee member of the System with an effective date of membership prior to July 1, 2012. A Class III member is an employee member of the System with an effective date of membership on or after July 1, 2012. The SCRS was established effective July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for employees of the state, its public school districts, and political subdivisions. The PORS was established effective July 1, 1962, pursuant to the provisions of Section 9-11-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for police officers and firefighters of the state and its political subdivisions. Both Systems are cost-sharing, multiple-employer, defined benefit pension plans. The administration of the SCRS and PORS (the System or Systems) is vested in the South Carolina Public Employee Benefit Authority (PEBA).

A brief summary of benefit provisions, eligibility criteria and vesting is presented below:

Membership

- SCRS Generally, all employees are required to participate in and contribute to the System as a condition of employment.
- PORS Generally all full-time employees whose principle duties are the preservation of public order, to protect life and property and detect crimes in the State; to prevent and control property destruction by fire; or to serve as a peace officer employed by the Department of Corrections, the Department of Juvenile Justice or the Department of Mental Health, are required to participate in and contribute to the System as a condition of employment.

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021

NOTE 13 - EMPLOYEES' PENSION PLAN AND OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Pension Benefits

SCRS A Class II 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 III 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 II and Class III 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.

PORS A Class II 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 III 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 II and Class III members are eligible to receive a deferred annuity at age 55 with five or eight years of earned service, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program. Accidental death benefits are also provided upon the death of an active member working for a covered employer whose death was a natural and proximate result of an injury incurred while in the performance of duty.

The County and the employees are required to contribute to the retirement systems under authority of Title 9 of the SC Code of Laws. The PEBA Board may increase the SCRS and PORS employer and employee contribution rates on the basis of the actuarial valuations, but any such increase may not result in a differential between the employee and employer contribution rate that exceeds 2.9 percent of earnable compensation for SCRS and 5 percent for PORS. An increase in the contribution rates adopted by the Board may not provide for an increase of more than one-half of one percent in any one year. If the scheduled employee and employer contributions provided in statute or the rates last adopted by the Board are insufficient to maintain a thirty-year amortization schedule of the unfunded liabilities of the plans, the Board shall increase the contribution rates in equal percentage amounts for the employer and employee as necessary to maintain the thirty-year amortization period; and this increase is not limited to one-half of one percent per year. For the 2020-2021 year, the County contributed at a rate of 15.41% of earnable compensation, and the employees contributed at a rate of 9.00% of earnable compensation for those participating in the SCRS; for the PORS the County contributed at a rate of 17.84% of earnable compensation and the employees at a rate of 9.75%. The County pays 0.15% of earnable compensation under the SCRS and 0.20% of earnable compensation under PORS to provide group life insurance to retired members. The County also contributes 0.20% to an accidental death program under the PORS. Generally, all employees are required to participate and contribute unless they are part-time employees who have the option to participate if they choose to do so.

Total County and member contributions were as follows:

<u>Year Ending June 30,</u>	<u>Employer</u>		<u>Employee</u>	
	<u>SCRS</u>	<u>PORS</u>	<u>SCRS</u>	<u>PORS</u>
2021	\$ 1,488,185	\$ 759,676	\$ 869,451	\$ 415,182
2020	1,431,438	665,705	836,013	363,825
2019	1,252,791	622,822	782,451	362,601

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021

NOTE 13 - EMPLOYEES' PENSION PLAN AND OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Pension Benefits (Continued)

The County's wage expense for the year 2020-2021 totaled \$12,854,440. Wages for employees participating in the SCRS were \$9,108,861, while wages for those participating in the PORS totaled \$3,745,579.

Both Systems offer retirement and disability benefits, cost of living adjustments on an ad-hoc basis, life insurance and survivor benefits. Members' accounts for both Systems are vested after five years of service payable in the form of annuities. Contribution rates are determined through actuarial calculations.

At June 30, 2021, the County reported a pension liability of \$20,864,954 and \$8,154,216 for SCRS and PORS, respectively, as governmental activities. The County also reported a net pension liability of \$240,942 for SCRS as business-type activities.

The measurement date of the collective net pension liability is June 30, 2020. The most recent annual actuarial valuation report adopted by the PEBA Board and Budget and Control Board is as of July 1, 2019. The net pension liability of the defined benefit pension plan was therefore determined based on the July 1, 2019 actuarial valuation, using membership data as of July 1, 2019, projected forward to the end of the fiscal year, and financial information of the pension trust fund as of June 30, 2019, using generally accepted actuarial principles. Information included in the following schedules is based on the certification provided by the consulting actuary, Gabriel, Roeder, Smith and Company.

The net pension liability (NPL) is calculated separately for each system and represents that particular system's total pension liability determined in accordance with GASB No. 67 less that system's fiduciary net position. As of June 30, 2020, NPL amounts for the SCRS and PORS are as follows (shown in thousands):

<u>System</u>	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Employers' Net Pension Liability (Asset)</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
SCRS	\$ 51,844,188	\$ 26,292,419	\$ 22,551,769	50.7%
PORS	\$ 8,046,387	\$ 4,730,175	\$ 3,316,212	58.8%

Actuarial Assumptions and Methods

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

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.

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021

NOTE 13 - EMPLOYEES' PENSION PLAN AND OTHER POSTEMPLOYMENT BENEFITS (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.

Actuarial Cost Method	SCRS Entry Age	PORS Entry Age
Actuarial assumptions:		
Investment rate of return	7.25%	7.25%
Projected salary increases	3.0% to 12.5% (varies by service)	3.5% to 9.5% (varies by service)
Includes inflation at	2.25%	2.25%
Benefit adjustments	Lesser of 1% or \$500 annually	Lesser of 1% or \$500 annually

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality 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.

Former Job Class	Males	Females
Educators and Judges	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, Firefighters and Members of the South Carolina National Guard	2016 PRSC Males multiplied by 125%	2016 PRSC Females multiplied by 111%

Long-Term Expected Rate of Return

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

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 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 table below. For actuarial purposes, the 7.25 percent assumed annual investment rate of return used in the calculation of the total pension liability includes a 5.00 percent real rate of return and a 2.25 percent inflation component.

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021

NOTE 13 - EMPLOYEES' PENSION PLAN AND OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Long-Term Expected Rate of Return (Continued)

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

Discount Rate

The discount rate used to measure the TPL was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in 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.

The following table presents the collective net pension liability of the participating employers calculated using the discount rate of 7.25 percent, as well as what the employers' net pension liability 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.

Discount Rate Sensitivity Analysis

(Amounts expressed in thousands)

<u>System</u>	<u>1.00% Decrease (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1.00% Increase (8.25%)</u>
SCRS	\$31,668,285	\$25,551,769	\$20,444,405
PORS	4,390,106	3,316,212	2,453,944

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021

NOTE 13 - EMPLOYEES' PENSION PLAN AND OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Pension Plan Fiduciary Net Position

Detailed information regarding the fiduciary net position of the plans administered by PEBA is available in the separately issued CAFR containing financial statements and required supplementary information for SCRS. The CAFR of the Pension Trust Funds is publicly available on PEBA's Retirement Benefits' website at www.peba.sc.gov, or a copy may be obtained by submitting a request to South Carolina Public Employee Benefit Authority, 202 Arbor Lake Drive, Columbia, South Carolina 29223.

Other Information

The County's proportionate share of the collective net pension liability is \$21,266,845 and \$8,154,217 for SCRS and PORS, respectively. The County's proportion of the collective net pension liability is .0832% and .2459% for SCRS and PORS, respectively.

For the year ended June 30, 2021, the County recognized pension expense of \$4,075,807. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Governmental Activities:		
Differences between expected and actual experience	\$ 415,748	\$ 115,725
Changes in assumptions	125,251	-
Net difference between projected and actual earnings on pension plan investments	2,380,605	-
Changes in proportionate share of net pension liability, collective deferrals and differences in the proportionate share of employer contributions	740,193	488,899
County contributions subsequent to the measurement date	<u>2,268,863</u>	<u>-</u>
	<u>\$ 5,930,660</u>	<u>\$ 604,624</u>
Business-Type Activities:		
Differences between expected and actual experience	\$ 2,937	\$ 3,070
Changes in assumptions	312	-
Net difference between projected and actual earnings on pension plan investments	18,723	-
Changes in proportionate share of net pension liability, collective deferrals and differences in the proportionate share of employer contributions	7,765	-
County contributions subsequent to the measurement date	<u>11,029</u>	<u>-</u>
	<u>\$ 40,766</u>	<u>\$ 3,070</u>

\$2,279,892 reported as deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021

NOTE 13 - EMPLOYEES' PENSION PLAN AND OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Other Information (Continued)

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
2022	\$ 760,108	\$ 6,694
2023	760,108	6,694
2024	760,108	6,694
2025	750,355	6,585
2026	<u>26,494</u>	<u>-</u>
	<u>\$ 3,057,173</u>	<u>\$ 26,667</u>

Other Postemployment Benefits (OPEB)

A Chester County retiree, eligible for post-retirement medical contributions, is defined as a former employee of Chester County, previously employed in South Carolina Retirement System (SCRS) covered position, who retired prior to February 1, 2009 and is eligible to receive an early or regular retirement benefit from SCRS.

Eligible retirees participating in Chester County's defined contribution health plan, as described above, receive a monthly contribution to their defined contribution health account. The contribution amounts are determined separately for pre- and post-Medicare retirees.

Retired employees that were employed prior to July 1, 2008 are eligible to gain access to their Retiree Premium Reimbursement Account after having completed twenty (20) years of continuous service with Chester County and having reached the minimum age of sixty (60), or a combination of the two requirements that would equal eighty (80), otherwise known as the "Rule of 80". Upon gaining access to the Retiree Premium Reimbursement Account, retirees may use the funds as outlined in the Retiree Premium Reimbursement Account Plan Document.

Employees retiring after February 1, 2009 receive no post-employment contribution and must pay the full cost of health coverage.

A Retirement Health Reimbursement Account was started in order to help active employees pay insurance coverage upon retirement. The balance was established as of April 2009 based on years of service. Benefit payments will be recorded in the asset statements.

The County reimburses premiums up to a set monthly amount for a frozen class of retirees. The contribution amounts are determined separately for pre-Medicare and post-Medicare retirees by the plan administrator. For retirees on their own Medicare Supplement plan, actual disbursements were provided by Chester County and used for the purpose of this valuation. For retirees on the BCBS South Carolina state plan, actual 2017 state plan premiums and required retiree contributions were used for the purpose of this valuation.

The County's annual contribution towards premiums for the frozen class of retirees is limited to the caps shown below. These caps are not expected to increase in the future.

Age	Employer Contribution Cap	Spouse Contribution Cap
Under 65	6,744	6,816
Over 65	4,044	4,044

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021

NOTE 13 - EMPLOYEES' PENSION PLAN AND OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Other Postemployment Benefits (OPEB) (Continued)

Plan Membership

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

Active participants	42
Inactive receiving benefits	<u>47</u>
Total	<u><u>89</u></u>

Actuarial Methods and Assumptions

An actuarial cost method develops an orderly allocation of the actuarial present value of benefits payments over the working lifetime of the participants in the plan. The actuarial present value of benefits allocated to a particular fiscal year is called the normal cost. The actuarial present value of benefits allocated to all periods prior to a valuation date is called the actuarial accrued liability. The unfunded actuarial accrued liability is amortized over future years in accordance with the employer's established accounting policy.

Entry Age Actuarial Cost Method: Under this method, the actuarial present value of projected benefits of each individual included in the actuarial valuation is allocated on a level basis over future earnings of the individual between entry age and assumed exit age(s). The portion of this actuarial present value allocated to a valuation year is called the normal cost. The portion of this actuarial present value not provided for at a valuation date by the actuarial present value of future normal costs is called the actuarial accrued liability.

The following table details the selected and projected economic assumptions for the current fiscal year.

<u>Assumption Selection Date</u>	<u>June 30, 2021</u>
Discount rate	2.16%
2020 medical trend rate	7.00%
2021 medical trend rate	6.50%
Ultimate medical trend rate	5.00%
Year ultimate trend rates reached	2024
Annual payroll increase	2.50%

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

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

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021

NOTE 13 - EMPLOYEES' PENSION PLAN AND OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Other Postemployment Benefits (OPEB) (Continued)

	<u>Total OPEB Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Non Trust Activity</u>	<u>Net OPEB Liability</u>
Balances as of June 30, 2020	\$ <u>1,824,759</u>	\$ <u>6,214</u>	\$ <u>-</u>	\$ <u>1,818,545</u>
Changes for the year:				
Service cost	7,258	-	-	7,258
Interest	32,429	-	-	32,429
Difference between expected and actual experience	(280,724)	(134)	-	(280,590)
Contributions - employer	-	89,000	55,992	(144,992)
Expected investment income	-	137	-	(137)
Changes in benefit terms	-	-	-	-
Changes in assumptions	(10,873)	-	-	(10,873)
Benefit payments	(138,632)	(82,640)	(55,992)	-
Administrative expenses	-	-	-	-
Net changes	(<u>390,542</u>)	(<u>6,363</u>)	-	(<u>396,905</u>)
Balance as of June 30, 2021	\$ <u>1,434,217</u>	\$ <u>12,577</u>	\$ <u>-</u>	\$ <u>1,421,640</u>

For the year ended June 30, 2021, the County recognized OPEB expense of approximately \$56,551. At June 30, 2021, the County reported deferred outflows of resources (deferred OPEB charges) and deferred inflows of resources (deferred OPEB credits) related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ 178,979
Changes in assumptions	(68,886)	8,702
Investments	(3,016)	-
Total	\$(<u>71,902</u>)	\$ <u>187,681</u>

Amounts reported as deferred outflows of resources (deferred OPEB charges) and deferred inflows of resources (deferred OPEB credits) related to the OPEB Plan will increase (decrease) OPEB expense as follows:

<u>Year Ending June 30,</u>	<u>Total</u>
2022	\$(85,750)
2023	(30,209)
2024	154
2025	<u>26</u>
	\$(<u>115,779</u>)

Discount Rate

The discount rate was based on the Bond Buyer's 20 Bond Index. A discount rate of 2.16% was used as of June 30, 2021. A discount rate of 2.16% was used in the final calculation for the fiscal year ending June 30, 2021.

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021

NOTE 13 - EMPLOYEES' PENSION PLAN AND OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Other Postemployment Benefits (OPEB) (Continued)

Discount Rate (Continued)

The following table presents the sensitivity of the County's net OPEB liability to changes in the discount rate, calculated using the discount rate of 2.16%, as well as what it would be if it were calculated using a discount rate that is 1% point lower (1.16%) or 1% point higher (3.16%) than the current rate:

<u>1% Decrease (1.16 %)</u>	<u>Discount Rate (2.16%)</u>	<u>1% Increase (3.16%)</u>
\$1,508,772	\$1,421,640	\$1,343,503

The following table presents the sensitivity of the County's net OPEB liability to changes in the healthcare cost trend rate, calculated using the healthcare cost trend rate as well as what it would be if it were calculated using a healthcare cost trend rate that is 1% point lower or 1% point higher than the current rate:

<u>1% Decrease (6.0% Decreasing to 4.0%)</u>	<u>Healthcare Cost Trend Rates (7.0% Decreasing to 5.0%)</u>	<u>1% Increase (8.0% Decreasing to 6.0%)</u>
\$1,412,959	\$1,421,640	\$1,428,505

NOTE 14 - DEFERRED COMPENSATION

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code §457. The plan, available to all full-time County employees at their option, permits participants to defer a portion of their salary until future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are held in trust for the exclusive benefit of participating employees and are not accessible by the County or its creditors.

NOTE 15 - COMMITMENTS AND CONTINGENCIES

Leases

The County's lease agreements, other than those agreements described in Note 9, consist of relatively minor commitments (generally for office machines) and are cancelable within one year as required by State law.

Grants

The County participates in a number of Federal and state assisted grant programs. Funds received from Federal and state grant programs are often subject to expenditures for designated purposes only and are subject to audit by various Federal and state agencies. The County can be required to replace any funds not used for the purposes required by the grants.

Arbitrage

Chester County is required to comply with Internal Revenue Code §148 concerning the arbitrage rules governing the invested proceeds of general obligation bonds. If bond proceeds are invested in securities higher than the yield of the bond proceeds, the County is subject to arbitrage. Arbitrage regulations require calculations and payments be made every five years after the issue date to the Federal government. As of June 30, 2021, the bond yield is estimated to be higher than the yield on investment securities and, therefore, the County does not anticipate any arbitrage liability for this period.

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 16 - DISCRETELY PRESENTED COMPONENT UNIT INFORMATION

In conformity with accounting principles generally accepted in the United States of America, the financial statements of the component units have been included in the financial reporting entity. The Chester County Airport Commission, Chester County Library, Chester Fire District, Lando Fire District, Richburg Fire District, Lewis Fire District and Fort Lawn Fire District are discretely presented on the financial statements and the following is the associated note disclosure.

Deposits

At June 30, 2021, deposits of the component units of Chester County had a carrying amount of \$1,256,714, which was covered in entirety by Federal depository insurance or collateralized.

Chester County Airport Commission

Cash and cash equivalents of the Chester County Airport Commission consist of petty cash and cash maintained with various financial institutions. Cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to cash and within three months of maturity when purchased.

At June 30, 2021, the deposits of the Chester County Airport Commission had a carrying amount and bank balance of \$175,426 and \$199,790, respectively.

Chester County Library

Cash and cash equivalents of Chester County Library consist of demand deposits and cash on hand. Cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to cash and within three months of maturity when purchased.

At June 30, 2021, the deposits of the Chester County Library had a carrying amount and bank balance of \$759,311 and \$760,051, respectively.

Chester Fire District

Cash and cash equivalents of the Chester Fire District consist of petty cash as well as cash maintained with various financial institutions. Cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to cash and are within three months of maturity when purchased.

At June 30, 2021, the deposits of the Chester Fire District had a carrying amount and bank balance of \$101,085 and \$103,562, respectively.

Lando Fire District

Cash and cash equivalents of the Lando Fire District consist of petty cash as well as cash maintained with various financial institutions. Cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to cash and are within three months of maturity when purchased.

At June 30, 2021, the deposits of the Lando Fire District had a carrying amount and bank balance of \$119,867 and \$130,284, respectively.

Richburg Fire District

Cash and cash equivalents of the Richburg Fire District consist of petty cash as well as cash maintained with various financial institutions. Cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to cash and are within three months of maturity when purchased.

At June 30, 2021, the deposits of the Richburg Fire District had a carrying amount and bank balance of \$66,937 and \$67,303, respectively.

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 16 - DISCRETELY PRESENTED COMPONENT UNIT INFORMATION (CONTINUED)

Deposits (Continued)

Lewis Fire District

Cash and cash equivalents of the Lewis Fire District consist of petty cash as well as cash maintained with various financial institutions. Cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to cash and are within three months of maturity when purchased.

At June 30, 2021, the deposits of the Lewis Fire District had a carrying amount and bank balance of \$21,006 and \$21,256, respectively.

Fort Lawn Fire District

Cash and cash equivalents of the Fort Lawn Fire District consist of petty cash as well as cash maintained with various financial institutions. Cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to cash and are within three months of maturity when purchased.

At June 30, 2021, the deposits of the Fort Lawn Fire District had a carrying amount and bank balance of \$13,082 and \$22,170, respectively.

Capital Assets

Component unit capital asset activity for the year ended June 30, 2021 is as follows:

	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Transfers</u>	<u>Balance June 30, 2021</u>
<i>Chester County Airport Commission:</i>					
Capital assets not being depreciated:					
Land	\$ 29,376	\$ -	\$ -	\$ -	\$ 29,376
Construction in Progress	<u>125,037</u>	<u>1,674,962</u>	<u>-</u>	<u>-</u>	<u>1,799,999</u>
Total capital assets not being depreciated	<u>154,413</u>	<u>1,674,962</u>	<u>-</u>	<u>-</u>	<u>1,829,375</u>
Capital assets being depreciated:					
Buildings and improvements	1,683,314	-	-	-	1,683,314
Runway	2,144,607	-	-	-	2,144,607
Taxiway	736,981	-	-	-	736,981
Machinery and equipment	128,031	27,929	-	-	155,960
Apron improvements	<u>22,017</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,017</u>
	4,714,950	27,929	-	-	4,742,879
Less accumulated depreciation	<u>(2,089,936)</u>	<u>(131,773)</u>	<u>-</u>	<u>-</u>	<u>(2,221,709)</u>
	<u>2,625,014</u>	<u>(103,844)</u>	<u>-</u>	<u>-</u>	<u>2,521,170</u>
Total Chester County Airport Commission capital assets, net	<u>\$ 2,779,427</u>	<u>\$1,571,118</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,350,545</u>
<i>Chester County Library:</i>					
Capital assets not being depreciated:					
Art collection	<u>\$ 20,132</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,132</u>
Capital assets being depreciated:					
Building improvements	120,340	-	-	-	120,340
Equipment, furniture and fixtures	387,779	-	(12,714)	-	375,065
Circulation collection	<u>1,763,278</u>	<u>35,914</u>	<u>-</u>	<u>-</u>	<u>1,799,192</u>
	2,271,397	35,914	(12,714)	-	2,294,597
Less accumulated depreciation	<u>(1,847,814)</u>	<u>(81,246)</u>	<u>12,581</u>	<u>-</u>	<u>(1,916,479)</u>
	<u>423,583</u>	<u>(45,332)</u>	<u>(133)</u>	<u>-</u>	<u>378,118</u>
Total Chester County Library capital assets, net	<u>\$ 443,715</u>	<u>\$ (45,332)</u>	<u>\$ (133)</u>	<u>\$ -</u>	<u>\$ 398,250</u>

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021

NOTE 16 - DISCRETELY PRESENTED COMPONENT UNIT INFORMATION (CONTINUED)

Capital Assets (Continued)

	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Transfers</u>	<u>Balance June 30, 2021</u>
<i>Chester Fire District:</i>					
Capital assets being depreciated:					
Buildings and improvements	\$ 190,977	\$ -	\$ -	\$ -	\$ 190,977
Fire equipment	<u>639,321</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>639,321</u>
	830,298	-	-	-	830,298
Less accumulated depreciation	<u>(539,131)</u>	<u>(43,060)</u>	<u>-</u>	<u>-</u>	<u>(582,191)</u>
Total Chester Fire District capital assets, net	<u>\$ 291,167</u>	<u>\$(43,060)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 248,107</u>
<i>Lewis Fire District:</i>					
Capital assets not being depreciated:					
Land	\$ 66,084	\$ -	\$ -	\$ -	\$ 66,084
Construction in Progress	<u>-</u>	<u>30,574</u>	<u>-</u>	<u>-</u>	<u>30,574</u>
Total capital assets not being depreciated	<u>66,084</u>	<u>30,574</u>	<u>-</u>	<u>-</u>	<u>96,658</u>
Capital assets being depreciated:					
Equipment	132,716	151,504	-	-	284,220
Less accumulated depreciation	<u>(21,421)</u>	<u>(48,169)</u>	<u>-</u>	<u>-</u>	<u>(69,590)</u>
	<u>111,295</u>	<u>103,335</u>	<u>-</u>	<u>-</u>	<u>214,630</u>
Total Lewis Fire District capital assets, net	<u>\$ 177,379</u>	<u>\$ 133,909</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 311,288</u>
<i>Lando Fire District:</i>					
Capital assets not being depreciated:					
Construction in progress	\$ 9,836	\$ -	\$ -	\$ -	\$ 9,836
Capital assets being depreciated:					
Machinery and equipment	355,154	9,868	-	-	365,022
Less accumulated depreciation	<u>(355,154)</u>	<u>(740)</u>	<u>-</u>	<u>-</u>	<u>(355,894)</u>
	<u>-</u>	<u>9,128</u>	<u>-</u>	<u>-</u>	<u>9,128</u>
Total Lando Fire District capital assets, net	<u>\$ 9,836</u>	<u>\$ 9,128</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,964</u>
<i>Richburg Fire District:</i>					
Capital assets not being depreciated:					
Land	\$ 200,004	\$ -	\$ -	\$ -	\$ 200,004
Capital assets being depreciated:					
Machinery and equipment	774,740	44,519	-	-	819,259
Buildings and improvements	<u>2,287,768</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,287,768</u>
	3,062,508	44,519	-	-	3,107,027
Less accumulated depreciation	<u>(395,114)</u>	<u>(114,374)</u>	<u>-</u>	<u>-</u>	<u>(509,488)</u>
	<u>2,667,394</u>	<u>(69,855)</u>	<u>-</u>	<u>-</u>	<u>2,597,539</u>
Total Richburg Fire District capital assets, net	<u>\$ 2,867,398</u>	<u>\$(69,855)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,797,543</u>
<i>Fort Lawn Fire District:</i>					
Capital assets being depreciated:					
Machinery and equipment	\$ 52,921	\$ 10,764	\$ -	\$ -	\$ 63,685
Buildings and improvements	<u>526,220</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>526,220</u>
	579,141	10,764	-	-	589,905
Less accumulated depreciation	<u>(40,157)</u>	<u>(12,127)</u>	<u>-</u>	<u>-</u>	<u>(52,284)</u>
Total Fort Lawn Fire District capital assets, net	<u>\$ 538,984</u>	<u>\$(1,363)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 537,621</u>

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021

NOTE 16 - DISCRETELY PRESENTED COMPONENT UNIT INFORMATION (CONTINUED)

Long-Term Debt

Chester Fire District

Chester Fire District's long-term liability activity for the year was comprised of a \$535,000 general obligation bond for the purchase of a 2007 American LaFrance Eagle Ladder Truck and a \$52,530 note payable related to the purchase of a truck. The bond is due in annual installments of \$79,298, including interest at 3.95%, through 2024. Activity for the fiscal year is as follows:

	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2021</u>	<u>Due Within One Year</u>
Chester Fire District					
\$535,000 General obligation bond	\$ 415,527	\$ -	\$(102,915)	\$ 312,612	\$ 105,452
\$52,530 Note payable	<u>52,530</u>	<u>-</u>	<u>(26,072)</u>	<u>26,458</u>	<u>13,245</u>
	<u>\$ 468,057</u>	<u>\$ -</u>	<u>\$(128,987)</u>	<u>\$ 339,070</u>	<u>\$ 118,697</u>

Chester Fire District interest expense for the year related to long-term debt totaled \$12,808.

Annual debt service requirements to maturity for the \$535,000 general obligation bond are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 105,452	\$ 7,048	\$ 112,500
2023	108,051	4,449	112,500
2024	<u>99,109</u>	<u>2,993</u>	<u>102,102</u>
	<u>\$ 312,612</u>	<u>\$ 14,490</u>	<u>\$ 327,102</u>

Annual debt service requirements to maturity for the \$52,530 note payable are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 13,245	\$ 1,403	\$ 14,648
2023	<u>13,213</u>	<u>1,226</u>	<u>14,439</u>
	<u>\$ 26,458</u>	<u>\$ 2,629</u>	<u>\$ 29,087</u>

Richburg Fire District

Richburg Fire District's long-term liability activity for the year was comprised of a \$1,899,350 note payable related to the purchase of a new fire station and a new \$1,200,000 note payable related to the purchase of a fire truck. Loan issuance costs related to the \$1,200,000 note payable were \$50,674. As of June 30, 2021, amortization of loan issuance costs totaled \$2,850, which was recorded to interest expense. Activity for the fiscal year is as follows:

	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2021</u>	<u>Due Within One Year</u>
Richburg Fire District					
\$1,899,350 Note payable	\$ 1,705,832	\$ -	\$(29,020)	\$ 1,676,812	\$ 30,056
\$1,200,000 Note payable	<u>1,183,782</u>	<u>-</u>	<u>(13,551)</u>	<u>1,170,231</u>	<u>14,086</u>
	<u>\$ 2,889,614</u>	<u>\$ -</u>	<u>\$(42,571)</u>	<u>\$ 2,847,043</u>	<u>\$ 44,142</u>

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021

NOTE 16 - DISCRETELY PRESENTED COMPONENT UNIT INFORMATION (CONTINUED)

Long-Term Debt (Continued)

Richburg Fire District (Continued)

Annual debt service requirements to maturity for the Richburg Fire District \$1,899,350 note payable are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 30,056	\$ 58,378	\$ 88,434
2023	31,128	57,306	88,434
2024	32,238	56,196	88,434
2025	33,388	55,046	88,434
2026	34,579	53,855	88,434
2027-2031	192,302	249,867	442,169
2032-2036	229,136	213,033	442,169
2037-2041	273,026	169,143	442,169
2042-2046	325,324	116,845	442,169
2047-2051	387,638	54,531	442,169
2052-2053	<u>107,997</u>	<u>2,544</u>	<u>110,541</u>
	<u>\$ 1,676,812</u>	<u>\$ 1,086,744</u>	<u>\$ 2,763,556</u>

Annual debt service requirements to maturity for the Richburg Fire District \$1,200,000 note payable are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 14,086	\$ 45,098	\$ 59,184
2023	14,642	44,542	59,184
2024	15,219	43,965	59,184
2025	15,819	43,365	59,184
2026	16,444	42,740	59,184
2027-2031	192,302	203,446	295,920
2032-2036	112,209	183,711	295,920
2037-2041	136,156	159,764	295,920
2042-2046	165,214	130,706	295,920
2047-2051	200,473	95,447	295,920
2052-2056	243,256	52,664	295,920
2057-2059	<u>144,239</u>	<u>7,518</u>	<u>151,757</u>
	<u>\$ 1,170,231</u>	<u>\$ 1,052,966</u>	<u>\$ 2,223,197</u>

Lewis Fire District

Lewis Fire District's long-term liability activity for the year was comprised of a \$75,000 note payable related to the purchase and upfit of a truck and a \$115,000 note payable related to the purchase of an additional truck. Activity for the fiscal year is as follows:

	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2021</u>	<u>Due Within One Year</u>
Lewis Fire District					
\$75,000 Note payable	\$ 64,000	\$ -	\$(24,056)	\$ 39,944	\$ 14,360
\$115,000 Note payable	<u>-</u>	<u>115,000</u>	<u>-</u>	<u>115,000</u>	<u>14,696</u>
	<u>\$ 64,000</u>	<u>\$ 115,000</u>	<u>\$(24,056)</u>	<u>\$ 154,944</u>	<u>\$ 29,056</u>

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021

NOTE 16 - DISCRETELY PRESENTED COMPONENT UNIT INFORMATION (CONTINUED)

Long-Term Debt (Continued)

Lewis Fire District (Continued)

Annual debt service requirements to maturity for the Lewis Fire District \$75,000 note payable are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 14,360	\$ 2,640	\$ 17,000
2023	14,979	2,021	17,000
2024	<u>10,605</u>	<u>1,376</u>	<u>11,981</u>
	<u>\$ 39,944</u>	<u>\$ 6,037</u>	<u>\$ 45,981</u>

Annual debt service requirements to maturity for the Lewis Fire District \$115,000 note payable are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 14,696	\$ 4,347	\$ 19,043
2023	15,251	3,792	19,043
2024	15,828	3,215	19,043
2025	16,426	2,617	19,043
2026	17,047	1,996	19,043
2027-2028	<u>35,752</u>	<u>2,033</u>	<u>37,785</u>
	<u>\$ 115,000</u>	<u>\$ 18,000</u>	<u>\$ 133,000</u>

Fort Lawn Fire District

Fort Lawn Fire District's long-term liability activity for the year was comprised of one note payable related to the construction of a new substation. Loan issuance costs were \$20,825. As of June 30, 2021, amortization of loan issuance costs totaled \$7,973, which was recorded to interest expense. Activity for the fiscal year is as follows:

	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2021</u>	<u>Due Within One Year</u>
Fort Lawn Fire District Note payable	\$ <u>334,684</u>	\$ <u>-</u>	\$(<u>38,678</u>)	\$ <u>296,006</u>	\$ <u>39,541</u>

Annual debt service requirements to maturity for the Fort Lawn Fire District note payable are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 39,541	\$ 6,160	\$ 45,701
2023	40,423	5,268	45,691
2024	41,324	4,357	45,681
2025	42,245	3,425	45,670
2026	43,188	2,473	45,661
2027-2028	<u>89,285</u>	<u>2,002</u>	<u>91,287</u>
	<u>\$ 296,006</u>	<u>\$ 23,685</u>	<u>\$ 319,691</u>

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021

NOTE 16 - DISCRETELY PRESENTED COMPONENT UNIT INFORMATION (CONTINUED)

Long-Term Debt (Continued)

Lando Fire District

Lando Fire District's long-term liability activity for the year was comprised of one note payable related to the purchase of new fire equipment. Activity for the fiscal year is as follows:

	<u>Balance</u> <u>July 1, 2020</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2021</u>	<u>Due Within</u> <u>One Year</u>
Lando Fire District Note payable	\$ <u>53,285</u>	<u>-</u>	\$(<u>12,415</u>)	\$ <u>40,870</u>	\$ <u>14,260</u>

Annual debt service requirements to maturity for the Lando Fire District note payable are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 14,260	\$ 1,442	\$ 15,702
2023	14,835	865	15,700
2024	<u>11,775</u>	<u>264</u>	<u>12,039</u>
	<u>\$ 40,870</u>	<u>\$ 2,571</u>	<u>\$ 43,441</u>

Complete financial statements of the Chester County Library may be obtained at the Library's administrative office at 100 Center Street, Chester, South Carolina 29706 and of the Chester Fire District from the City of Chester, 100 West End Street, Chester, South Carolina 29706.

NOTE 17 - TAX ABATEMENT PROGRAMS

For the fiscal year ended June 30, 2021, the County has three tax abatement programs pursuant to which the County has reduced some taxpayers' property tax liability.

Fee-in-Lieu of Ad Valorem Property Tax Program

One of the County's tax abatement programs is the "Fee-in-Lieu of *Ad Valorem* Property Tax" (FILOT) program. The FILOT program may take one of three forms: (a) a "Little Fee," as authorized by South Carolina Code Annotated section 4-12-10, *et seq.*, (b) a "Simplified Fee," as authorized by South Carolina Code Annotated section 12-44-10, *et seq.*, or (c) a "Big Fee," as authorized by South Carolina Code Annotated section 4-29-67. The FILOT program's purpose is to reduce property tax rates, which have previously impeded new and expanding business from locating in South Carolina, applied to manufacturing and some commercial properties.

A taxpayer receives a property tax reduction under the applicable FILOT program if the taxpayer agrees to make a minimum investment in a project located in the County during an approximately 5-year period. The minimum investment depends on the FILOT program the County and the taxpayer choose. Under the Little Fee and the Simplified Fee, a taxpayer must invest at least \$2,500,000. Under the Big Fee, a taxpayer must invest at least \$45,000,000. Additionally, before a taxpayer's project is eligible for benefits under the applicable FILOT program, the County's governing body (County Council) must find (i) the project is anticipated to benefit the general public welfare by providing services, employment, recreation, or other public benefits not otherwise adequately provided locally; (ii) the project gives rise to no pecuniary liability of the County or a charge against its general credit or taxing power; (iii) the purposes to be accomplished by the project are proper governmental and public purposes; and (iv) the benefits of the project are greater than the costs.

NOTE 17 - TAX ABATEMENT PROGRAMS (CONTINUED)

Fee-in-Lieu of Ad Valorem Property Tax Program (Continued)

Under the FILOT program, property taxes of economic development property associated with each project are abated by the agreement the County and the taxpayer execute. According to the agreement, a fee-in-lieu of ad valorem property tax payment is calculated using (i) a reduced assessment ratio, which may be reduced from 10.5% to as low as 6% (or 4% for enhanced investments as described in state law), and (ii) a millage rate fixed for the entire length of the agreement or a millage rate that is allowed to increase or decrease every fifth year, for a term of not more than 30 years (or 40 years for enhanced investments as described in state law). The FILOT program also permits qualifying taxpayers and the County to negotiate for equalized fee-in-lieu of ad valorem property tax payments over the agreement's term.

If a taxpayer fails to invest the statutorily required minimum amount in a project during the approximately 5-year investment period, then the agreement is automatically terminated, and the taxpayer is no longer entitled to any of the FILOT program's benefits. At an agreement's termination, the taxpayer is obligated to pay to the County the difference between (i) the total amount of ad valorem property taxes that would have been paid by the taxpayer had the economic development property not been subject to the agreement, taking into account exemptions from property taxes that would have otherwise been available to the taxpayer, and (ii) the total amount of fee-in-lieu of ad valorem property tax payments made by the taxpayer with respect to the economic development property.

In addition to the minimum eligibility requirements to receive a property tax reduction under the FILOT program, the taxpayer and the County may also negotiate other taxpayer commitments. For example, the taxpayer may commit (i) to invest amounts exceeding the statutorily-required minimum, and (ii) to create a specific number of jobs.

For tax year 2020, County property taxes abated resulting from active agreements to which the County is a party under the FILOT program, totaled \$1,039,043, which includes \$79,780 in estimated rollback taxes. In place of standard ad valorem property tax payments, the County received \$2,796,592 in fee-in-lieu of ad valorem property tax payments in tax year 2020.

Special Source Revenue Credit Program

The County also abates property taxes through the "Special Source Revenue Credit" ("SSRC") program, as authorized, specifically, by South Carolina Code Annotated section 4-1-175. The SSRC program's purpose is to enhance the County's economic development.

A taxpayer is eligible to receive an SSRC, thereby reducing its property taxes, if (i) the taxpayer's property is located in a multicounty industrial or business park, and (ii) the taxpayer uses the SSRC to pay the cost of designing, acquiring, constructing, improving, or expanding (a) infrastructure serving the County or the taxpayer's property, or (b) improved or unimproved real estate and personal property, including machinery and equipment used in the operation of a manufacturing or commercial enterprise.

Property taxes are abated under the SSRC program by the County's providing a credit (of a specific dollar amount or a percentage) against a taxpayer's property tax liability. Although not required by state law, often, the County and the taxpayer enter into an agreement pursuant to which the County agrees to provide the credit against a taxpayer's property tax liability for a specific period, and the taxpayer commits (i) to invest a specific amount in a project, (ii) to create a specific number of jobs at a project, or (iii) both. When the County and the taxpayer have executed an agreement to affect the SSRC program, if the taxpayer does not comply with the agreement's requirements, then the County may have the right to require the taxpayer to repay a portion, determined by formula, of the credit received by the taxpayer to the County.

NOTE 17 - TAX ABATEMENT PROGRAMS (CONTINUED)

Special Source Revenue Credit Program (Continued)

The County may use the SSRC program and the FILOT program in conjunction. Following the calculation of a taxpayer's fee-in-lieu of ad valorem property tax payment under the FILOT program, the County may then apply a credit to further abate the taxpayer's property tax liability. To receive a property tax abatement under the SSRC program and the FILOT program, the taxpayer must meet the eligibility criteria for both programs.

For tax year 2020, County property taxes abated resulting from active agreements to which the County is a party under the SSRC program (includes agreements under the SSRC program and those agreements providing for a credit as part of an agreement executed under the FILOT program) totaled \$314,444. In place of standard ad valorem property tax payments from taxpayers subject to an agreement executed solely under the SSRC program, the County received \$45,049 in tax year 2020.

Multicounty Industrial or Business Park

The County uses the "multicounty industrial or business park" designation in connection with the SSRC program and the FILOT program. Specifically, as described above, to receive a property tax abatement under the SSRC program, a taxpayer's property must be designated as "multicounty industrial or business park" property. Additionally, the County may designate a taxpayer's property in a multicounty industrial or business park at the taxpayer's request, so the taxpayer may obtain additional or enhanced State incentives. To be able to designate a taxpayer's property as "multicounty industrial or business park" property, the County must execute an agreement with one or more contiguous counties, which sets forth how the member counties will share expenses and revenues from the designated multicounty industrial or business park property. The agreement must specify how revenues collected from property designated as "multicounty industrial or business park" property will be distributed to each taxing entity in each member county's jurisdiction.

For tax year 2020, of the total payments made by taxpayers who were subject to the County's multicounty industrial or business park agreements, \$210,518 would have been received by the County but for a taxpayer's designation as "multicounty industrial or business park" property. For tax year 2020, fees-in-lieu of standard ad valorem property taxes received by the County from taxpayers with property designated as "multicounty industrial or business park" property totaled \$2,462,159.

Commitments Other Than To Abate Taxes

As part of an agreement executed according to one of the above-referenced tax abatement programs, the County may also make nonfinancial commitments. For the fiscal year ended June 30, 2021, the County did not have any nonfinancial commitments related to an agreement executed according to one of the above-referenced tax abatement programs. As part of one or more agreements executed according to one of the above-referenced tax abatement programs, the County also made commitments other than to abate taxes. For the fiscal year ended June 30, 2021, the County agreed to utilize State and Local Fiscal Recovery Funds, as defined under the American Recovery Plan Act of 2021, as a means of ensuring sufficient sewer capacity for a certain taxpayer. Additionally, the County agreed to utilize proceeds from the sale of County-owned property to provide 3-phase distribution power infrastructure for a certain taxpayer. Lastly, the County allowed a taxpayer to utilize land as a lay-down yard at a reduced cost.

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021

NOTE 17 - TAX ABATEMENT PROGRAMS (CONTINUED)

2020 Tax Abatement Summary

VIA ACTIVE FILOT AGREEMENTS

<u>Tax Entity (Effected Entities)</u>	<u>Taxes Abated</u>	<u>Taxes Received</u>
School District Operations and Bonds (Millage = 0.2579)	\$ 9,060,141	\$ 2,048,710
County Operating and Bonds (Millage = 0.1694)	1,039,043	2,796,592
Millage Fund/Solid Waste (Millage = 0.0076)	266,991	32,666
Library (Millage = 0.0069)	242,400	29,657
York Tech Chester Campus (Millage = 0.0023)	80,800	9,886
Chester Fire Operations and Bonds (Millage = 0.0508)	281,541	180,602
Lando Fire Operations and Bonds (Millage = 0.0189)	12,835	3,036
Lewis Fire Operations and Bonds (Millage = 0.0145)	86,291	12,983
Richburg Fire Operations and Bonds (Millage = 0.0149)	<u>337,997</u>	<u>70,511</u>
Total Via Active FILOT Agreements	<u>11,408,039</u>	<u>5,184,643</u>

VIA SSRC'S

Through FILOT Agreements:

<u>Tax Entity (Effected Entities)</u>	<u>Taxes Abated</u>	<u>Taxes Received</u>
School District Operations and Bonds (Millage = 0.2579)	\$ 8,717,004	\$ N/A
County Operating and Bonds (Millage = 0.1694)	1,813	N/A
Millage Fund/Solid Waste (Millage = 0.0076)	256,880	N/A
Library (Millage = 0.0069)	233,220	N/A
York Tech Chester Campus (Millage = 0.0023)	77,740	N/A
Chester Fire Operations and Bonds (Millage = 0.0508)	445,770	N/A
Lando Fire Operations and Bonds (Millage = 0.0189)	17,117	N/A
Lewis Fire Operations and Bonds (Millage = 0.0145)	97,003	N/A
Richburg Fire Operations and Bonds (Millage = 0.0149)	<u>259,698</u>	<u>N/A</u>
Total Through FILOT Agreements	<u>10,106,245</u>	<u>N/A</u>

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 17 - TAX ABATEMENT PROGRAMS (CONTINUED)

2020 Tax Abatement Summary (Continued)

VIA SSRC'S

Through "Stand-Alone" SSRC Agreements

<u>Tax Entity (Effected Entities)</u>	<u>Taxes Abated</u>	<u>Taxes Received</u>
School District Operations and Bonds (Millage = 0.2579)	\$ 496,774	\$ 68,584
County Operating and Bonds (Millage = 0.1694)	312,632	45,049
Town of Great Falls (Millage = 0.1285)	-	-
Millage Fund/Solid Waste (Millage = 0.0076)	14,639	2,021
Library (Millage = 0.0069)	13,291	1,835
York Tech Chester Campus (Millage = 0.0023)	4,430	612
Chester Fire Operations and Bonds (Millage = 0.0508)	-	-
Lando Fire Operations and Bonds (Millage = 0.0189)	427	-
Richburg Fire Operations and Bonds (Millage = 0.0149)	-	-
Total Through "Stand-Alone" SSRC Agreements	<u>842,193</u>	<u>118,101</u>
Total Taxes Abated/Received Through SSRC's	<u>10,948,438</u>	<u>118,101</u>

VIA MCIP AGREEMENTS

Through FILOT Agreements:

<u>Tax Entity (Effected Entities)</u>	<u>Taxes Abated</u>	<u>Taxes Received</u>
School District Operations and Bonds (Millage = 0.2579)	\$ 2,022,489	\$ N/A
County Operating and Bonds (Millage = 0.1694)	193,761	2,418,036
Millage Fund/Solid Waste (Millage = 0.0076)	59,600	N/A
Library (Millage = 0.0069)	54,111	N/A
York Tech Chester Campus (Millage = 0.0023)	18,037	N/A
Chester Fire Operations and Bonds (Millage = 0.0508)	35,811	N/A
Lando Fire Operations and Bonds (Millage = 0.0189)	17,007	N/A
Lewis Fire Operations and Bonds (Millage = 0.0145)	323	N/A
Richburg Fire Operations and Bonds (Millage = 0.0149)	<u>92,604</u>	<u>N/A</u>
Total Through FILOT Agreements	<u>2,493,743</u>	<u>2,418,036</u>

Through "Stand-Alone" SSRC Agreements

<u>Tax Entity (Effected Entities)</u>	<u>Taxes Abated</u>	<u>Taxes Received</u>
School District Operations and Bonds (Millage = 0.2579)	\$ 25,522	\$ N/A
County Operating and Bonds (Millage = 0.1694)	16,757	44,123
Town of Great Falls (Millage = 0.1285)	-	N/A
Millage Fund/Solid Waste (Millage = 0.0076)	752	N/A
Library (Millage = 0.0069)	683	N/A
York Tech Chester Campus (Millage = 0.0023)	228	N/A
Chester Fire Operations and Bonds (Millage = 0.0508)	-	N/A
Lando Fire Operations and Bonds (Millage = 0.0189)	1,819	N/A
Richburg Fire Operations and Bonds (Millage = 0.0149)	-	N/A
Total Through "Stand-Alone" SSRC Agreements	<u>45,761</u>	<u>44,123</u>
Total Taxes Abated/Received Through MCIP Agreements	<u>2,539,504</u>	<u>2,462,159</u>
Total Taxes Abated/Received	<u>\$ 24,895,981</u>	<u>\$ 7,764,903</u>

Note: Taxes received include fees-in-lieu of taxes, negotiated fees-in-lieu of taxes, and other revenues resulting from incentive agreements, but does not include penalties.

CHESTER COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 18 - ECONOMIC DEPENDENCY

The County has significant economic dependence on five major taxpayers. These taxpayers accounted for thirty-nine percent of taxes received by Chester County.

NOTE 19 - ECONOMIC UNCERTAINTY

On March 16, 2020, the County issued a Declaration of State of Emergency providing for certain duties available to assist the County with protecting public life, health and safety. Because of COVID-19 virus, economic uncertainties have arisen which may impact its operations and operating results. Management continues to actively monitor the impact from this health crisis on its financial condition, liquidity, operations, workforce and citizens. Given the daily evolution of the pandemic, the related financial impact cannot be reasonably estimated at this time.

NOTE 20 – PRIOR PERIOD ADJUSTMENTS

A prior period adjustment for the component unit, Chester Fire District, is related to two items as follows: 1) to correct the amount due from the City of Chester in prior period and, 2) to record equipment purchased and related debt not previously recorded. As a result of this adjustment beginning net position for Chester Fire District decreased by \$273,748.

A prior period adjustment for the component unit, Lando Fire District, is related to a cash account included in the Fire District's cash balance in previous years which is not under the purview of the District. As a result of this adjustment beginning net position for Lando Fire District decreased by \$17,533.

NOTE 21 - SUBSEQUENT EVENTS

These financial statements considered subsequent events through December 28, 2021, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

CHESTER COUNTY, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND - REVENUES
 For the Year Ended June 30, 2021

	Budget		Actual	Variance
	Original	Final		Favorable (Unfavorable)
TAXES				
Current property taxes	\$ 14,299,284	\$ 14,299,284	\$ 15,376,461	\$ 1,077,177
Delinquent taxes	740,000	740,000	902,650	162,650
Total taxes	<u>15,039,284</u>	<u>15,039,284</u>	<u>16,279,111</u>	<u>1,239,827</u>
LICENSES, FEES, FINES AND PERMITS				
Road maintenance fees	-	-	60	60
Clerk of court fines and fees	150,000	150,000	277,024	127,024
Family court fines and fees	119,000	119,000	125,443	6,443
Tax assessor fees	-	-	175	175
Tax collector fees	100,000	100,000	86,975	(13,025)
Probate judge - license	55,000	55,000	76,319	21,319
Zoning fees	12,000	12,000	13,186	1,186
Magistrate's fines and fees	328,000	328,000	271,870	(56,130)
Planning permits	219,000	219,000	331,332	112,332
Emergency medical services	1,420,000	1,420,000	1,606,164	186,164
Total licenses, fees, fines and permits	<u>2,403,000</u>	<u>2,403,000</u>	<u>2,788,548</u>	<u>385,548</u>
INTERGOVERNMENTAL				
State shared revenues:				
Local option sales tax	2,218,750	2,218,750	2,404,832	186,082
Local government revenue	1,368,493	1,368,493	1,450,814	82,321
Merchant's inventory tax	90,000	90,000	90,024	24
National forest fund	44,000	44,000	41,580	(2,420)
State salary supplement	6,300	6,300	6,300	-
DHEC vital records/FFP grant	28,700	28,700	14,944	(13,756)
Accommodations tax	30,000	30,000	30,790	790
Sheriff local revenue	100,468	100,468	12,094	(88,374)
Appropriation of fund balance	847,180	1,938,974	-	(1,938,974)
Total intergovernmental	<u>4,733,891</u>	<u>5,825,685</u>	<u>4,051,378</u>	<u>(1,774,307)</u>
INCOME ON INVESTMENTS				
	<u>150,000</u>	<u>150,000</u>	<u>10,662</u>	<u>(139,338)</u>
Total income on investments	<u>150,000</u>	<u>150,000</u>	<u>10,662</u>	<u>(139,338)</u>

CHESTER COUNTY, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND - REVENUES
 For the Year Ended June 30, 2021

SCHEDULE A-1
Continued

	Budget		Actual	Variance
	Original	Final		Favorable (Unfavorable)
OTHER INCOME				
Franchise fees	\$ 15,000	\$ 15,000	\$ 18,382	\$ 3,382
Sale of county property	-	-	735,111	735,111
Rentals	35,000	35,000	43,685	8,685
Animal control donations	-	-	2,220	2,220
Miscellaneous	130,000	130,000	53,767	(76,233)
Vehicle decal fee	25,000	25,000	27,435	2,435
	<u>205,000</u>	<u>205,000</u>	<u>880,600</u>	<u>675,600</u>
Total other income	<u>205,000</u>	<u>205,000</u>	<u>880,600</u>	<u>675,600</u>
Total revenue	<u>\$ 22,531,175</u>	<u>\$ 23,622,969</u>	<u>\$ 24,010,299</u>	<u>\$ 387,330</u>

CHESTER COUNTY, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND - EXPENDITURES
 For the Year Ended June 30, 2021

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Favorable</u> <u>(Unfavorable)</u>
GENERAL GOVERNMENT				
County council	\$ 138,770	\$ 148,770	\$ 132,230	\$ 16,540
Delegation	24,823	24,823	15,962	8,861
County supervisor	203,699	203,699	205,373	(1,674)
Finance	223,748	223,748	220,925	2,823
Human resources	155,015	155,015	134,698	20,317
Purchasing department	107,380	110,758	108,238	2,520
County treasurer	304,911	309,101	309,661	(560)
Tax collector	156,113	160,071	131,903	28,168
Auditor	149,330	149,330	147,448	1,882
Tax assessor	318,333	349,516	318,307	31,209
Planning/Zoning	521,537	525,654	407,623	118,031
Economic development	463,052	463,052	371,085	91,967
Coroner	193,063	193,963	196,130	(2,167)
Registration and election	208,348	208,348	142,040	66,308
County garage	259,444	259,444	248,269	11,175
Building maintenance	824,478	863,239	908,141	(44,902)
Airport	40,000	40,000	40,000	-
Network computer systems	338,529	340,128	372,844	(32,716)
Utilities	817,000	936,041	980,946	(44,905)
Postage	50,000	50,000	39,406	10,594
Property and liability insurance	629,529	629,529	650,594	(21,065)
Bond insurance	3,000	3,000	1,343	1,657
Workers compensation insurance	430,215	430,215	571,728	(141,513)
Unemployment benefits	30,000	30,000	-	30,000
Employee health insurance	1,565,000	1,571,938	1,708,856	(136,918)
Audit expense	56,000	56,000	72,375	(16,375)
Catawba Regional Planning Council	39,769	39,769	39,769	-
S.C. Association of Counties	8,898	8,898	8,898	-
Grant matching funds	340,803	245,638	19,500	226,138
Contingency	50,000	326,797	76,944	249,853
Copier lease and maintenance	110,000	110,000	137,793	(27,793)
Code enforcement	43,992	44,742	43,807	935
GIS system	50,030	50,030	48,119	1,911
QSI	165,683	165,683	134,706	30,977
Medical services	245,673	245,673	208,626	37,047
County attorney	93,840	93,840	112,958	(19,118)
Clerk of court	412,088	412,088	386,965	25,123
Family court	249,467	249,467	146,829	102,638
Probate judge	276,271	276,271	272,213	4,058

CHESTER COUNTY, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND - EXPENDITURES
 For the Year Ended June 30, 2021

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Favorable (Unfavorable)</u>
GENERAL GOVERNMENT (CONTINUED)				
Chester magistrate	\$ 441,997	\$ 441,997	\$ 416,175	\$ 25,822
Rossville magistrate	-	-	-	-
Family court judge	1,300	1,300	674	626
Public defender	110,828	116,410	113,619	2,791
Court of Appeals	5,000	5,000	3,508	1,492
Salary Study 2018	267,961	-	-	-
Total general government	<u>11,124,917</u>	<u>11,268,985</u>	<u>10,607,228</u>	<u>661,757</u>
PUBLIC SAFETY				
Sheriff's Department	3,574,803	4,039,803	3,571,419	468,384
Detention center	2,266,174	2,277,974	2,064,042	213,932
EMS	2,540,388	2,771,807	2,973,784	(201,977)
Fire coordinator	111,000	114,378	113,727	651
Rural fire departments	428,961	504,883	412,998	91,885
Emergency management	135,338	135,338	129,998	5,340
E911	1,062,463	1,077,463	938,688	138,775
Animal control	310,838	313,919	305,665	8,254
Chester County Rescue Squad	12,000	12,000	12,000	-
Great Falls Rescue Squad	12,000	12,000	12,000	-
Total public safety	<u>10,453,965</u>	<u>11,259,565</u>	<u>10,534,321</u>	<u>725,244</u>
HIGHWAYS AND STREETS				
Road department	216,857	220,568	193,967	26,601
Public works	116,868	119,025	117,815	1,210
Litter control	85,735	85,735	79,545	6,190
Total highways and streets	<u>419,460</u>	<u>425,328</u>	<u>391,327</u>	<u>34,001</u>
WELFARE				
Veterans Affairs	131,222	136,170	103,694	32,476
Department of Social Services	36,000	36,000	45,287	(9,287)
DHEC	38,300	38,300	60,009	(21,709)
Senior Services, Inc.	16,200	16,200	16,200	-
Chester/Lancaster Disabilities	4,050	4,050	4,050	-
Soil and Water Conservation	11,000	11,000	11,000	-
Palmetto Citizens Against Sexual Assault	5,000	5,000	5,000	-
Indigent patients	69,117	69,117	69,117	-
Keystone	5,000	5,000	5,000	-
Catawba Community Mental Health Center	3,000	3,000	3,000	-
Total welfare	<u>318,889</u>	<u>323,837</u>	<u>322,357</u>	<u>1,480</u>

CHESTER COUNTY, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND - EXPENDITURES
For the Year Ended June 30, 2021

SCHEDULE A-2
Continued

	Budget		Actual	Variance
	Original	Final		Favorable (Unfavorable)
CULTURAL AND RECREATIONAL				
Recreation	\$ 120,129	\$ 120,129	\$ 98,779	\$ 21,350
Fort Lawn Community Center	4,050	4,050	4,050	-
Great Falls Hometown Association	12,000	12,000	12,000	-
Summer Feeding Program	10,000	10,000	10,000	-
Clemson Extension	12,150	12,150	12,150	-
Total cultural and recreational	158,329	158,329	136,979	21,350
 CAPITAL OUTLAY	-	-	545,038	(545,038)
 DEBT SERVICE				
Principal retirements	-	-	82,121	(82,121)
Interest and fiscal charges	-	-	20,953	(20,953)
Total debt service	-	-	103,074	(103,074)
Total expenditures	22,475,560	23,436,044	22,640,324	795,720
 Excess (deficiency) of revenues over expenditures	55,615	186,925	1,369,975	1,183,050
 OTHER FINANCING SOURCES (USES)				
Operating transfers in	70,000	70,000	112,515	42,515
Operating transfers out	(125,615)	(186,925)	(306,925)	(120,000)
Total other financing sources (uses)	(55,615)	(116,925)	(194,410)	\$ (77,485)
 Excess (deficiency) of revenues over expenditures and other financing sources (uses)	\$ -	\$ 70,000	1,175,565	
 FUND BALANCE, BEGINNING OF YEAR			10,138,214	
 FUND BALANCE, END OF YEAR			\$ 11,313,779	

CHESTER COUNTY, SOUTH CAROLINA
SCHEDULE OF COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
SOUTH CAROLINA RETIREMENT SYSTEM (SCRS)
For the Year Ended June 30,

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
County's proportion of the collective net pension liability	0.0707%	0.0707%	0.0711%	0.0709%
County's proportionate share of the collective net pension liability	\$ 12,676,036	\$ 12,167,375	\$ 13,493,182	\$ 15,142,427
County's covered-employee payroll, prior fiscal year	\$ 6,190,489	\$ 6,406,651	\$ 6,662,648	\$ 6,866,666
County's proportionate share of the collective net pension liability as a percentage of its covered-employee payroll	204.7663%	189.9179%	202.5198%	220.5208%
Plan fiduciary net position as a percentage of the total pension liability	56.3882%	59.9194%	56.9917%	52.9064%
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
County's proportion of the collective net pension liability	0.0774%	0.0784%	0.0823%	0.0832%
County's proportionate share of the collective net pension liability	\$ 17,415,881	\$ 17,565,421	\$ 18,799,526	\$ 21,266,845
County's covered-employee payroll, prior fiscal year	\$ 7,805,729	\$ 8,123,226	\$ 8,693,903	\$ 9,289,021
County's proportionate share of the collective net pension liability as a percentage of its covered-employee payroll	223.1166%	216.2370%	216.2380%	228.9460%
Plan fiduciary net position as a percentage of the total pension liability	53.3384%	54.1048%	54.3983%	50.7143%

CHESTER COUNTY, SOUTH CAROLINA
SCHEDULE OF COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
POLICE OFFICERS RETIREMENT SYSTEM (PORS)
 For the Year Ended June 30,

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
County's proportion of the collective net pension liability	0.2545%	0.2545%	0.2605%	0.2493%
County's proportionate share of the collective net pension liability	\$ 5,274,969	\$ 4,871,529	\$ 5,678,024	\$ 6,322,518
County's covered-employee payroll, prior fiscal year	\$ 2,962,552	\$ 3,069,928	\$ 3,223,711	\$ 3,168,717
County's proportionate share of the collective net pension liability as a percentage of its covered-employee payroll	178.0549%	158.6854%	176.1332%	199.5293%
Plan fiduciary net position as a percentage of the total pension liability	62.9788%	67.5495%	64.5686%	60.4449%
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
County's proportion of the collective net pension liability	0.2858%	0.2768%	0.2554%	0.2459%
County's proportionate share of the collective net pension liability	\$ 7,828,706	\$ 7,843,609	\$ 7,318,553	\$ 8,154,217
County's covered-employee payroll, prior fiscal year	\$ 3,848,320	\$ 3,837,797	\$ 3,698,467	\$ 3,731,532
County's proportionate share of the collective net pension liability as a percentage of its covered-employee payroll	203.4318%	204.3779%	197.8807%	218.5220%
Plan fiduciary net position as a percentage of the total pension liability	60.9398%	61.7294%	62.6916%	58.7863%

CHESTER COUNTY, SOUTH CAROLINA
SCHEDULE OF COUNTY'S CONTRIBUTIONS
SOUTH CAROLINA RETIREMENT SYSTEM (SCRS)
 For the Year Ended June 30,

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Contractually required contribution	\$ 656,192	\$ 679,105	\$ 726,229	\$ 759,453	\$ 902,342
Contributions in relation to the contractually required contribution	<u>(656,192)</u>	<u>(679,105)</u>	<u>(726,229)</u>	<u>(759,453)</u>	<u>(902,342)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	\$ 6,190,489	\$ 6,406,651	\$ 6,662,648	\$ 6,866,666	\$ 7,805,729
Contributions as a percentage of covered-employee payroll	10.60%	10.60%	10.90%	11.06%	11.56%
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	
Contractually required contribution	\$ 1,101,509	\$ 1,265,842	\$ 1,445,372	1,503,183	
Contributions in relation to the contractually required contribution	<u>(1,101,509)</u>	<u>(1,265,842)</u>	<u>(1,445,372)</u>	<u>(1,503,183)</u>	
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
County's covered-employee payroll	\$ 8,123,226	\$ 8,693,903	\$ 9,289,021	9,660,561	
Contributions as a percentage of covered-employee payroll	13.56%	14.56%	15.56%	15.56%	

CHESTER COUNTY, SOUTH CAROLINA
SCHEDULE OF COUNTY'S CONTRIBUTIONS
POLICE OFFICERS RETIREMENT SYSTEM (PORS)
 For the Year Ended June 30,

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Contractually required contribution	\$ 358,469	\$ 394,179	\$ 432,300	\$ 435,382	\$ 548,001
Contributions in relation to the contractually required contribution	<u>(358,469)</u>	<u>(394,179)</u>	<u>(432,300)</u>	<u>(435,382)</u>	<u>(548,001)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	\$ 2,962,552	\$ 3,069,928	\$ 3,223,711	\$ 3,168,717	\$ 3,848,320
Contributions as a percentage of covered-employee payroll	12.10%	12.84%	13.41%	13.74%	14.24%
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	
Contractually required contribution	\$ 623,258	\$ 637,616	\$ 680,631	\$ 776,709	
Contributions in relation to the contractually required contribution	<u>(623,258)</u>	<u>(637,616)</u>	<u>(680,631)</u>	<u>(776,709)</u>	
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
County's covered-employee payroll	\$ 3,837,797	\$ 3,698,467	\$ 3,731,532	\$ 4,258,272	
Contributions as a percentage of covered-employee payroll	16.24%	17.24%	18.24%	18.24%	

CHESTER COUNTY, SOUTH CAROLINA
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS
 For the Year Ended June 30, 2021

Total OPEB Liability	
Service cost	\$ 7,258
Interest	32,429
Changes in benefit terms	-
Differences between expected and actual experience	(280,724)
Changes in assumptions and other inputs	(10,873)
Benefit payments	(138,632)
Net changes in total OPEB liability	<u>(390,542)</u>
Total OPEB liability, Beginning	1,824,759
Total OPEB liability, Ending	<u>1,434,217</u>
Plan Fiduciary Net Position	
Contributions employer	89,000
Expected investment income	137
Deifference between expected and actual experience	(134)
Benefit payments	(82,640)
Administration expenses	-
Net changes in plan fiducuary net position	<u>6,363</u>
Plan fiduciary net position, Beginning	6,214
Plan fiduciary net position, Ending	<u>12,577</u>
Net OPEB Liability, Ending	<u><u>\$ 1,421,640</u></u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB liability	0.88%
Covered Employee Payroll	N/A
Net OPEB Liability as a Percentage of Covered Employee Payroll	N/A

**SUPPLEMENTARY INFORMATION -
COMBINING, INDIVIDUAL FUND AND ACCOUNT GROUP
STATEMENTS AND SCHEDULES**

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

	Nonmajor Special Revenue Funds	Nonmajor Debt Services Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash	\$ 636,173	\$ 3,070,418	\$ 115,005	\$ 3,821,596
Investments	684,027	164,783	2,732,410	3,581,220
Property taxes receivable	516,389	280,152	-	796,541
Due from other funds	3,678,468	1,445,087	460,188	5,583,743
Total assets	\$ 5,515,057	\$ 4,960,440	\$ 3,307,603	\$ 13,783,100
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Due to other funds	\$ 904,672	\$ -	\$ 364,280	\$ 1,268,952
Accrued liabilities	25,113	-	-	25,113
Total liabilities	929,785	-	364,280	1,294,065
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue-property taxes	490,032	267,502	-	757,534
Total deferred inflows of resources	490,032	267,502	-	757,534
FUND BALANCES				
Restricted	4,418,781	4,692,938	3,072,909	12,184,628
Committed	502,771	-	54,845	557,616
Assigned	-	-	-	-
Unassigned	(826,312)	-	(184,431)	(1,010,743)
Total fund balances	4,095,240	4,692,938	2,943,323	11,731,501
Total liabilities, deferred inflows of resources and fund balances	\$ 5,515,057	\$ 4,960,440	\$ 3,307,603	\$ 13,783,100

CHESTER COUNTY, SOUTH CAROLINA
**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS**
For the Year Ended June 30, 2021

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES				
Property taxes and fee-in-lieu of taxes	\$ -	\$ 2,362,961	\$ -	\$ 2,362,961
Federal sources	2,000,900	-	410,783	2,411,683
State sources	3,598,092	3,358,560	332,026	7,288,678
County sources	4,345,960	-	-	4,345,960
Local sources	3,254,700	-	267,430	3,522,130
Investment income	-	4	6,969	6,973
Other income	93,557	517	-	94,074
Total revenues	13,293,209	5,722,042	1,017,208	20,032,459
EXPENDITURES				
General government	6,484,711	-	2,083,433	8,568,144
Public safety	3,953,099	-	15,263	3,968,362
Highways and streets	1,803,291	-	-	1,803,291
Cultural and recreational	966,179	-	-	966,179
Capital outlay	99,045	-	245,233	344,278
Debt service:				
Principal retirements	-	3,834,472	-	3,834,472
Interest and fiscal charges	-	201,315	-	201,315
Total expenditures	13,306,325	4,035,787	2,343,929	19,686,041
Excess (deficiency) of revenues over expenditures	(13,116)	1,686,255	(1,326,721)	346,418
OTHER FINANCING SOURCES (USES)				
Operating transfers in	248,636	-	75,000	323,636
Operating transfers out	(112,515)	-	(16,711)	(129,226)
Total other financing sources (uses)	136,121	-	58,289	194,410
Net changes in fund balances	123,005	1,686,255	(1,268,432)	540,828
FUND BALANCES, BEGINNING OF YEAR	3,972,235	3,006,683	4,211,755	11,190,673
FUND BALANCES, END OF YEAR	\$ 4,095,240	\$ 4,692,938	\$ 2,943,323	\$ 11,731,501

CHESTER COUNTY, SOUTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2021

	911 Subscriber Fees	1997 Short Fund	Solicitor's Office	Drug Forfeiture Fund	Sheriff's Department IV-D
ASSETS					
Cash	\$ -	\$ -	\$ -	\$ 50,493	\$ -
Investments	-	-	-	-	-
Property taxes receivable	-	-	-	-	-
Due from other funds	231,434	-	88,149	-	5,367
Total assets	\$ 231,434	\$ -	\$ 88,149	\$ 50,493	\$ 5,367
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Due to other funds	\$ -	\$ 2,357	\$ -	\$ 41,929	\$ -
Accrued liabilities	-	-	-	-	-
Total liabilities	-	2,357	-	41,929	-
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
FUND BALANCES					
Restricted	231,434	-	88,149	8,564	5,367
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	(2,357)	-	-	-
Total fund balances	231,434	(2,357)	88,149	8,564	5,367
Total liabilities, deferred inflows of resources and fund balances	\$ 231,434	\$ -	\$ 88,149	\$ 50,493	\$ 5,367

CHESTER COUNTY, SOUTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2021

SCHEDULE B-3
Continued

	<u>Family Court IV-D</u>	<u>6th Judicial Circuit Court</u>	<u>Forfeited Land Commission</u>	<u>Sheriff's Department Donations</u>	<u>York Tech</u>
ASSETS					
Cash	\$ -	\$ -	\$ 10,004	\$ -	\$ -
Investments	-	-	-	-	-
Property taxes receivable	-	-	-	-	33,924
Due from other funds	437,464	18,237	-	18,568	188,711
Total assets	<u><u>\$ 437,464</u></u>	<u><u>\$ 18,237</u></u>	<u><u>\$ 10,004</u></u>	<u><u>\$ 18,568</u></u>	<u><u>\$ 222,635</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Due to other funds	\$ -	\$ -	\$ 2,575	\$ -	\$ -
Accrued liabilities	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>2,575</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	32,500
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,500</u>
FUND BALANCES					
Restricted	437,464	18,237	7,429	18,568	190,135
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	<u>437,464</u>	<u>18,237</u>	<u>7,429</u>	<u>18,568</u>	<u>190,135</u>
Total liabilities, deferred inflows of resources and fund balances	<u><u>\$ 437,464</u></u>	<u><u>\$ 18,237</u></u>	<u><u>\$ 10,004</u></u>	<u><u>\$ 18,568</u></u>	<u><u>\$ 222,635</u></u>

CHESTER COUNTY, SOUTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2021

SCHEDULE B-3
Continued

	Family Court	Animal Control Donations	DHEC Grant In Aid MFY	Hazmat Local	Duke Local
ASSETS					
Cash	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-
Property taxes receivable	-	-	-	-	-
Due from other funds	9,529	2,577	990	149,784	40,214
Total assets	\$ 9,529	\$ 2,577	\$ 990	\$ 149,784	\$ 40,214
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-	-
Total liabilities	-	-	-	-	-
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
FUND BALANCES					
Restricted	9,529	2,577	990	149,784	40,214
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	9,529	2,577	990	149,784	40,214
Total liabilities, deferred inflows of resources and fund balances	\$ 9,529	\$ 2,577	\$ 990	\$ 149,784	\$ 40,214

CHESTER COUNTY, SOUTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2021

SCHEDULE B-3
Continued

	<u>Victims/Witness Surcharges and Assessments</u>	<u>Solid Waste Collection Sites</u>	<u>Local Accommodations Tax</u>	<u>State Accommodations Tax</u>
ASSETS				
Cash	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-
Property taxes receivable	-	83,509	-	-
Due from other funds	-	-	347,738	98,559
	<u>-</u>	<u>-</u>	<u>347,738</u>	<u>98,559</u>
Total assets	<u>\$ -</u>	<u>\$ 83,509</u>	<u>\$ 347,738</u>	<u>\$ 98,559</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Due to other funds	\$ 23,828	\$ 363,962	\$ -	\$ -
Accrued liabilities	-	-	-	25,113
	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,113</u>
Total liabilities	<u>23,828</u>	<u>363,962</u>	<u>-</u>	<u>25,113</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	80,018	-	-
	<u>-</u>	<u>80,018</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>80,018</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted	-	-	347,738	73,446
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	(23,828)	(360,471)	-	-
	<u>(23,828)</u>	<u>(360,471)</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>(23,828)</u>	<u>(360,471)</u>	<u>347,738</u>	<u>73,446</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ -</u>	<u>\$ 83,509</u>	<u>\$ 347,738</u>	<u>\$ 98,559</u>

CHESTER COUNTY, SOUTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2021

SCHEDULE B-3
Continued

	<u>EMPG 01</u>	<u>SOS DUI</u>	<u>Chester</u>	<u>Chester</u>	<u>Chester</u>
	<u>Multiple</u>	<u>Enforcement</u>	<u>County</u>	<u>County</u>	<u>Fire</u>
			<u>Airport</u>	<u>Library</u>	<u>District</u>
			<u>Commission</u>		
ASSETS					
Cash	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-
Property taxes receivable	-	-	-	100,658	255,929
Due from other funds	-	-	115,372	387,232	1,039,268
	<u>-</u>	<u>-</u>	<u>115,372</u>	<u>387,232</u>	<u>1,039,268</u>
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 115,372</u>	<u>\$ 487,890</u>	<u>\$ 1,295,197</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Due to other funds	\$ 7,611	\$ 11,212	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>7,611</u>	<u>11,212</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	96,395	240,077
	<u>-</u>	<u>-</u>	<u>-</u>	<u>96,395</u>	<u>240,077</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>96,395</u>	<u>240,077</u>
FUND BALANCES					
Restricted	-	-	115,372	-	1,055,120
Committed	-	-	-	391,495	-
Assigned	-	-	-	-	-
Unassigned	(7,611)	(11,212)	-	-	-
	<u>(7,611)</u>	<u>(11,212)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>(7,611)</u>	<u>(11,212)</u>	<u>115,372</u>	<u>391,495</u>	<u>1,055,120</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 115,372</u>	<u>\$ 487,890</u>	<u>\$ 1,295,197</u>

CHESTER COUNTY, SOUTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2021

SCHEDULE B-3
Continued

	Lando Fire District	Richburg Fire District	Lewis Fire District	Fort Lawn Fire District	EMS Trauma Fund
ASSETS					
Cash	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-
Property taxes receivable	8,262	12,101	6,964	15,042	-
Due from other funds	120,787	53,004	35,318	100,202	4,102
Total assets	\$ 129,049	\$ 65,105	\$42,282	\$ 115,244	\$ 4,102
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-	-
Total liabilities	-	-	-	-	-
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	8,021	11,953	6,680	14,388	-
Total deferred inflows of resources	8,021	11,953	6,680	14,388	-
FUND BALANCES					
Restricted	121,028	53,152	35,602	100,856	-
Committed	-	-	-	-	4,102
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	121,028	53,152	35,602	100,856	4,102
Total liabilities, deferred inflows of resources and fund balances	\$ 129,049	\$ 65,105	\$42,282	\$ 115,244	\$ 4,102

CHESTER COUNTY, SOUTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2021

SCHEDULE B-3
Continued

	<u>EMA</u> <u>Donations</u>	<u>EMS</u> <u>Local</u> <u>Grants</u>	<u>EMS</u> <u>Donations</u>	<u>HMEP</u> <u>CFDA</u> <u>#20.703</u>	<u>DHEC SW</u> <u>Reduction</u>
ASSETS					
Cash	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-
Property taxes receivable	-	-	-	-	-
Due from other funds	<u>15,725</u>	<u>1,750</u>	<u>-</u>	<u>-</u>	<u>5,862</u>
Total assets	<u><u>\$ 15,725</u></u>	<u><u>\$ 1,750</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 5,862</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Due to other funds	\$ -	\$ -	\$ 133	\$ 121	\$ -
Accrued liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>133</u>	<u>121</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted	-	-	-	-	5,862
Committed	15,725	1,750	-	-	-
Assigned	-	-	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>(133)</u>	<u>(121)</u>	<u>-</u>
Total fund balances	<u>15,725</u>	<u>1,750</u>	<u>(133)</u>	<u>(121)</u>	<u>5,862</u>
Total liabilities, deferred inflows of resources and fund balances	<u><u>\$ 15,725</u></u>	<u><u>\$ 1,750</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 5,862</u></u>

CHESTER COUNTY, SOUTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2021

SCHEDULE B-3
Continued

	Economic Development Marketing	SLPG CFDA #97.042	GIS Data Conversion	Public Defender	Sex Offender Registry
ASSETS					
Cash	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-
Property taxes receivable	-	-	-	-	-
Due from other funds	63,539	-	15,069	-	5,153
Total assets	\$ 63,539	\$ -	\$ 15,069	\$ -	\$ 5,153
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Due to other funds	\$ -	\$ 1,417	\$ -	\$ 1,443	\$ -
Accrued liabilities	-	-	-	-	-
Total liabilities	-	1,417	-	1,443	-
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
FUND BALANCES					
Restricted	-	-	15,069	-	5,153
Committed	63,539	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	(1,417)	-	(1,443)	-
Total fund balances	63,539	(1,417)	15,069	(1,443)	5,153
Total liabilities, deferred inflows of resources and fund balances	\$ 63,539	\$ -	\$ 15,069	\$ -	\$ 5,153

CHESTER COUNTY, SOUTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2021

SCHEDULE B-3
 Continued

	<u>Veterans Affairs Aid to Counties</u>	<u>Animal Control- Lutz Grant</u>	<u>Sheriff's Equitable Sharing</u>	<u>EMS Training</u>	<u>SCPRT Republic Park</u>
ASSETS					
Cash	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-
Property taxes receivable	-	-	-	-	-
Due from other funds	16,577	8,043	5,655	9,750	-
Total assets	<u>\$ 16,577</u>	<u>\$ 8,043</u>	<u>\$ 5,655</u>	<u>\$ 9,750</u>	<u>\$ -</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ 4,177
Accrued liabilities	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,177</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted	16,577	8,043	5,655	-	-
Committed	-	-	-	9,750	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	(4,177)
Total fund balances	<u>16,577</u>	<u>8,043</u>	<u>5,655</u>	<u>9,750</u>	<u>(4,177)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 16,577</u>	<u>\$ 8,043</u>	<u>\$ 5,655</u>	<u>\$ 9,750</u>	<u>\$ -</u>

CHESTER COUNTY, SOUTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2021

SCHEDULE B-3
Continued

	Bennett Landfill Fire	Palmetto Pride Enf. Grant	Sale of County Property	Coroner Fees
ASSETS				
Cash	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-
Property taxes receivable	-	-	-	-
Due from other funds	-	-	-	16,272
	-	-	-	16,272
Total assets	\$ -	\$ -	\$ -	\$ 16,272
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Due to other funds	\$ 554	\$ 31	\$ 33,000	\$ -
Accrued liabilities	-	-	-	-
	-	-	-	-
Total liabilities	554	31	33,000	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	-	-	-
	-	-	-	-
Total deferred inflows of resources	-	-	-	-
FUND BALANCES				
Restricted	-	-	-	-
Committed	-	-	-	16,272
Assigned	-	-	-	-
Unassigned	(554)	(31)	(33,000)	-
	(554)	(31)	(33,000)	-
Total fund balances	(554)	(31)	(33,000)	16,272
Total liabilities, deferred inflows of resources and fund balances	\$ -	\$ -	\$ -	\$ 16,272

CHESTER COUNTY, SOUTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2021

	<u>Body Worn Camera Grant</u>	<u>LEN Grant</u>	<u>Homeland Security SHSP Grant</u>	<u>DHEC SC HPP Grant</u>
ASSETS				
Cash	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-
Property taxes receivable	-	-	-	-
Due from other funds	1,881	-	138	-
	<u>1,881</u>	<u>-</u>	<u>138</u>	<u>-</u>
Total assets	<u>\$ 1,881</u>	<u>\$ -</u>	<u>\$ 138</u>	<u>\$ -</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Due to other funds	\$ -	\$ 912	\$ -	\$ 3,519
Accrued liabilities	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>912</u>	<u>-</u>	<u>3,519</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted	1,881	-	-	-
Committed	-	-	138	-
Assigned	-	-	-	-
Unassigned	-	(912)	-	(3,519)
	<u>-</u>	<u>(912)</u>	<u>-</u>	<u>(3,519)</u>
Total fund balances	<u>1,881</u>	<u>(912)</u>	<u>138</u>	<u>(3,519)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,881</u>	<u>\$ -</u>	<u>\$ 138</u>	<u>\$ -</u>

CHESTER COUNTY, SOUTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2021

SCHEDULE B-3
Continued

	Special Revenue C-Funds	Inmate Welfare	JAG Grant CFDA 16.738	Census Operations
ASSETS				
Cash	\$ 575,676	\$ -	\$ -	\$ -
Investments	684,027	-	-	-
Property taxes receivable	-	-	-	-
Due from other funds	-	20,448	-	-
	<u>\$ 1,259,703</u>	<u>\$ 20,448</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Due to other funds	\$ 30,365	\$ -	\$ 32,712	\$ 47
Accrued liabilities	-	-	-	-
	<u>30,365</u>	<u>-</u>	<u>32,712</u>	<u>47</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted	1,229,338	20,448	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	(32,712)	(47)
	<u>1,229,338</u>	<u>20,448</u>	<u>(32,712)</u>	<u>(47)</u>
Total fund balances	<u>1,229,338</u>	<u>20,448</u>	<u>(32,712)</u>	<u>(47)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,259,703</u>	<u>\$ 20,448</u>	<u>\$ -</u>	<u>\$ -</u>

CHESTER COUNTY, SOUTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2021

SCHEDULE B-3
Continued

	COVID-19 Fund	FBI Task Force	Election Grant	LEN Trailer
ASSETS				
Cash	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-
Property taxes receivable	-	-	-	-
Due from other funds	-	-	-	-
	-	-	-	-
Total assets	\$ -	\$ -	\$ -	\$ -
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Due to other funds	\$ 104,258	\$ 865	\$ 7,079	\$ 1,814
Accrued liabilities	-	-	-	-
	-	-	-	-
Total liabilities	104,258	865	7,079	1,814
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	-	-	-
	-	-	-	-
Total deferred inflows of resources	-	-	-	-
FUND BALANCES				
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	(104,258)	(865)	(7,079)	(1,814)
	(104,258)	(865)	(7,079)	(1,814)
Total fund balances	(104,258)	(865)	(7,079)	(1,814)
Total liabilities, deferred inflows of resources and fund balances	\$ -	\$ -	\$ -	\$ -

CHESTER COUNTY, SOUTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2021

	JM Sims Foundation	COPS Hiring Grant	Totals
ASSETS			
Cash	\$ -	\$ -	\$ 636,173
Investments	-	-	684,027
Property taxes receivable	-	-	516,389
Due from other funds	-	-	3,678,468
	<u>-</u>	<u>-</u>	<u>3,678,468</u>
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,515,057</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Due to other funds	\$ 22,160	\$ 206,591	\$ 904,672
Accrued liabilities	-	-	25,113
	<u>-</u>	<u>-</u>	<u>25,113</u>
Total liabilities	<u>22,160</u>	<u>206,591</u>	<u>929,785</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	-	-	490,032
	<u>-</u>	<u>-</u>	<u>490,032</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>490,032</u>
FUND BALANCES			
Restricted	-	-	4,418,781
Committed	-	-	502,771
Assigned	-	-	-
Unassigned	(22,160)	(206,591)	(826,312)
	<u>(22,160)</u>	<u>(206,591)</u>	<u>(826,312)</u>
Total fund balances	<u>(22,160)</u>	<u>(206,591)</u>	<u>4,095,240</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,515,057</u>

CHESTER COUNTY, SOUTH CAROLINA
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS**
 For the Year Ended June 30, 2021

	<u>911 Subscriber Fees</u>	<u>1997 Short Fund</u>	<u>Solicitor's Office</u>	<u>Drug Forfeiture Fund</u>	<u>Sheriff's Department IV - D</u>
REVENUES					
Federal sources	\$ -	\$ -	\$ 16,260	\$ -	\$ 4,274
State sources	720,576	-	1,360,200	-	-
County sources - property taxes	-	-	-	-	-
Local sources	140,297	-	717,989	38,336	-
Other income	-	-	-	-	-
Total revenues	<u>860,873</u>	<u>-</u>	<u>2,094,449</u>	<u>38,336</u>	<u>4,274</u>
EXPENDITURES					
General government	-	-	2,169,039	-	10,910
Public safety	231,360	-	-	30,362	-
Highways and streets	-	-	-	-	-
Cultural and recreational	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	<u>231,360</u>	<u>-</u>	<u>2,169,039</u>	<u>30,362</u>	<u>10,910</u>
Excess (deficiency) of revenues over expenditures	<u>629,513</u>	<u>-</u>	<u>(74,590)</u>	<u>7,974</u>	<u>(6,636)</u>
OTHER FINANCING SOURCES (USES)					
Operating transfers in	-	-	186,925	-	-
Operating transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>186,925</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	629,513	-	112,335	7,974	(6,636)
FUND BALANCES, BEGINNING OF YEAR	<u>(398,079)</u>	<u>(2,357)</u>	<u>(24,186)</u>	<u>590</u>	<u>12,003</u>
FUND BALANCES, END OF YEAR	<u>\$ 231,434</u>	<u>\$ (2,357)</u>	<u>\$ 88,149</u>	<u>\$ 8,564</u>	<u>\$ 5,367</u>

CHESTER COUNTY, SOUTH CAROLINA
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS**
 For the Year Ended June 30, 2021

	Family Court IV-D	6th Judicial Circuit Court	Forfeited Land Commission	Sheriff's Department Donations	York Tech
REVENUES					
Federal sources	\$ 33,532	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-
County sources - property taxes	-	-	-	-	262,663
Local sources	-	-	-	10,593	-
Other income	-	-	-	-	-
Total revenues	<u>33,532</u>	<u>-</u>	<u>-</u>	<u>10,593</u>	<u>262,663</u>
EXPENDITURES					
General government	2,000	-	3,460	-	237,000
Public safety	-	-	-	1,986	-
Highways and streets	-	-	-	-	-
Cultural and recreational	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	<u>2,000</u>	<u>-</u>	<u>3,460</u>	<u>1,986</u>	<u>237,000</u>
Excess (deficiency) of revenues over expenditures	<u>31,532</u>	<u>-</u>	<u>(3,460)</u>	<u>8,607</u>	<u>25,663</u>
OTHER FINANCING SOURCES (USES)					
Operating transfers in	-	-	-	-	-
Operating transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	31,532	-	(3,460)	8,607	25,663
FUND BALANCES, BEGINNING OF YEAR	<u>405,932</u>	<u>18,237</u>	<u>10,889</u>	<u>9,961</u>	<u>164,472</u>
FUND BALANCES, END OF YEAR	<u>\$ 437,464</u>	<u>\$ 18,237</u>	<u>\$ 7,429</u>	<u>\$ 18,568</u>	<u>\$ 190,135</u>

CHESTER COUNTY, SOUTH CAROLINA
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS**
 For the Year Ended June 30, 2021

	<u>Family Court</u>	<u>Animal Control Donations</u>	<u>DHEC Grant In Aid MFY</u>	<u>Hazmat Local</u>	<u>Duke Local</u>
REVENUES					
Federal sources	\$ 147,500	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-
County sources - property taxes	-	-	-	-	-
Local sources	-	5,650	7,752	2,124	35,000
Other income	-	-	-	13,736	-
Total revenues	<u>147,500</u>	<u>5,650</u>	<u>7,752</u>	<u>15,860</u>	<u>35,000</u>
EXPENDITURES					
General government	34,985	7,589	7,514	-	-
Public safety	-	-	-	36,611	47,243
Highways and streets	-	-	-	-	-
Cultural and recreational	-	-	-	-	-
Capital outlay	-	-	-	24,413	-
Debt service					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	<u>34,985</u>	<u>7,589</u>	<u>7,514</u>	<u>61,024</u>	<u>47,243</u>
Excess (deficiency) of revenues over expenditures	<u>112,515</u>	<u>(1,939)</u>	<u>238</u>	<u>(45,164)</u>	<u>(12,243)</u>
OTHER FINANCING SOURCES (USES)					
Operating transfers in	-	-	-	-	-
Operating transfers out	<u>(112,515)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(112,515)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	-	(1,939)	238	(45,164)	(12,243)
FUND BALANCES, BEGINNING OF YEAR	<u>9,529</u>	<u>4,516</u>	<u>752</u>	<u>194,948</u>	<u>52,457</u>
FUND BALANCES, END OF YEAR	<u>\$ 9,529</u>	<u>\$ 2,577</u>	<u>\$ 990</u>	<u>\$ 149,784</u>	<u>\$ 40,214</u>

CHESTER COUNTY, SOUTH CAROLINA
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS**
 For the Year Ended June 30, 2021

SCHEDULE B-4
Continued

	<u>Victims/Witness Surcharges and Assessments</u>	<u>Solid Waste Collection Sites</u>	<u>Local Accommodations Tax</u>	<u>State Accommodations Tax</u>
REVENUES				
Federal sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	75,267
County sources - property taxes	-	755,273	-	-
Local sources	49,649	-	155,823	-
Other income	-	1,420	-	-
Total revenues	<u>49,649</u>	<u>756,693</u>	<u>155,823</u>	<u>75,267</u>
EXPENDITURES				
General government	-	982,359	-	-
Public safety	61,674	-	-	-
Highways and streets	-	-	-	-
Cultural and recreational	-	-	94,759	84,420
Capital outlay	-	-	-	-
Debt service				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>61,674</u>	<u>982,359</u>	<u>94,759</u>	<u>84,420</u>
Excess (deficiency) of revenues over expenditures	<u>(12,025)</u>	<u>(225,666)</u>	<u>61,064</u>	<u>(9,153)</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	(12,025)	(225,666)	61,064	(9,153)
FUND BALANCES, BEGINNING OF YEAR	<u>(11,803)</u>	<u>(134,805)</u>	<u>286,674</u>	<u>82,599</u>
FUND BALANCES, END OF YEAR	<u>\$ (23,828)</u>	<u>\$ (360,471)</u>	<u>\$ 347,738</u>	<u>\$ 73,446</u>

CHESTER COUNTY, SOUTH CAROLINA
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS**
 For the Year Ended June 30, 2021

	<u>EMPG 01 Multiple</u>	<u>SOS DUI Enforcement</u>	<u>Chester County Airport Commission</u>	<u>Chester County Library</u>	<u>Chester Fire District</u>
REVENUES					
Federal sources	\$ 79,018	\$ -	\$ 793,361	\$ -	\$ -
State sources	-	-	-	25,000	14,114
County sources - property taxes	-	-	-	787,852	1,951,065
Local sources	-	-	929,790	-	410
Other income	-	-	-	-	-
Total revenues	<u>79,018</u>	<u>-</u>	<u>1,723,151</u>	<u>812,852</u>	<u>1,965,589</u>
EXPENDITURES					
General government	43,553	-	1,631,540	-	-
Public safety	-	-	-	-	1,993,359
Highways and streets	-	-	-	-	-
Cultural and recreational	-	-	-	787,000	-
Capital outlay	27,401	-	-	-	-
Debt service					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	<u>70,954</u>	<u>-</u>	<u>1,631,540</u>	<u>787,000</u>	<u>1,993,359</u>
Excess (deficiency) of revenues over expenditures	<u>8,064</u>	<u>-</u>	<u>91,611</u>	<u>25,852</u>	<u>(27,770)</u>
OTHER FINANCING SOURCES (USES)					
Operating transfers in	-	-	-	-	-
Operating transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	8,064	-	91,611	25,852	(27,770)
FUND BALANCES, BEGINNING OF YEAR	<u>(15,675)</u>	<u>(11,212)</u>	<u>23,761</u>	<u>365,643</u>	<u>1,082,890</u>
FUND BALANCES, END OF YEAR	<u>\$ (7,611)</u>	<u>\$ (11,212)</u>	<u>\$ 115,372</u>	<u>\$ 391,495</u>	<u>\$ 1,055,120</u>

CHESTER COUNTY, SOUTH CAROLINA
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS**
 For the Year Ended June 30, 2021

	<u>Lando Fire District</u>	<u>Richburg Fire District</u>	<u>Lewis Fire District</u>	<u>Fort Lawn Fire District</u>	<u>EMS Trauma Fund</u>
REVENUES					
Federal sources	\$ -	\$ 8,544	\$ -	\$ -	\$ -
State sources	-	-	-	-	-
County sources - property taxes	128,368	162,169	77,872	94,374	-
Local sources	42,954	11,815	-	48,793	-
Other income	-	47,680	-	-	-
Total revenues	<u>171,322</u>	<u>230,208</u>	<u>77,872</u>	<u>143,167</u>	<u>-</u>
EXPENDITURES					
General government	-	-	-	-	-
Public safety	136,658	195,175	92,371	140,431	-
Highways and streets	-	-	-	-	-
Cultural and recreational	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	<u>136,658</u>	<u>195,175</u>	<u>92,371</u>	<u>140,431</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>34,664</u>	<u>35,033</u>	<u>(14,499)</u>	<u>2,736</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)					
Operating transfers in	-	-	45,000	-	-
Operating transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>45,000</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	34,664	35,033	30,501	2,736	-
FUND BALANCES, BEGINNING OF YEAR	<u>86,364</u>	<u>18,119</u>	<u>5,101</u>	<u>98,120</u>	<u>4,102</u>
FUND BALANCES, END OF YEAR	<u>\$ 121,028</u>	<u>\$ 53,152</u>	<u>\$ 35,602</u>	<u>\$ 100,856</u>	<u>\$ 4,102</u>

CHESTER COUNTY, SOUTH CAROLINA
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS**
 For the Year Ended June 30, 2021

	<u>EMA Donations</u>	<u>EMS Local Grants</u>	<u>EMS Donations</u>	<u>HMEP CFDA #20.703</u>	<u>DHEC SW Reduction</u>
REVENUES					
Federal sources	\$ -	\$ -	\$ -	\$ 48,700	\$ -
State sources	-	-	-	-	120
County sources - property taxes	-	-	-	-	-
Local sources	2,000	-	-	-	-
Other income	-	-	-	-	-
Total revenues	<u>2,000</u>	<u>-</u>	<u>-</u>	<u>48,700</u>	<u>120</u>
EXPENDITURES					
General government	-	-	-	28,632	300
Public safety	1,503	-	-	-	-
Highways and streets	-	-	-	-	-
Cultural and recreational	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	<u>1,503</u>	<u>-</u>	<u>-</u>	<u>28,632</u>	<u>300</u>
Excess (deficiency) of revenues over expenditures	<u>497</u>	<u>-</u>	<u>-</u>	<u>20,068</u>	<u>(180)</u>
OTHER FINANCING SOURCES (USES)					
Operating transfers in	-	-	-	-	-
Operating transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	497	-	-	20,068	(180)
FUND BALANCES, BEGINNING OF YEAR	<u>15,228</u>	<u>1,750</u>	<u>(133)</u>	<u>(20,189)</u>	<u>6,042</u>
FUND BALANCES, END OF YEAR	<u>\$ 15,725</u>	<u>\$ 1,750</u>	<u>\$ (133)</u>	<u>\$ (121)</u>	<u>\$ 5,862</u>

CHESTER COUNTY, SOUTH CAROLINA
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS**
 For the Year Ended June 30, 2021

	<u>Economic Development Marketing</u>	<u>SLPG CFDA #97.042</u>	<u>GIS Data Conversion</u>	<u>Public Defender</u>	<u>Sex Offender Registry</u>
REVENUES					
Federal sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-
County sources - property taxes	126,324	-	-	-	-
Local sources	-	-	-	990,555	7,635
Other income	-	-	-	-	-
Total revenues	<u>126,324</u>	<u>-</u>	<u>-</u>	<u>990,555</u>	<u>7,635</u>
EXPENDITURES					
General government	267,535	-	-	991,265	-
Public safety	-	-	-	-	9,643
Highways and streets	-	-	-	-	-
Cultural and recreational	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	<u>267,535</u>	<u>-</u>	<u>-</u>	<u>991,265</u>	<u>9,643</u>
Excess (deficiency) of revenues over expenditures	<u>(141,211)</u>	<u>-</u>	<u>-</u>	<u>(710)</u>	<u>(2,008)</u>
OTHER FINANCING SOURCES (USES)					
Operating transfers in	-	-	-	-	-
Operating transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	(141,211)	-	-	(710)	(2,008)
FUND BALANCES, BEGINNING OF YEAR	<u>204,750</u>	<u>(1,417)</u>	<u>15,069</u>	<u>(733)</u>	<u>7,161</u>
FUND BALANCES, END OF YEAR	<u>\$ 63,539</u>	<u>\$ (1,417)</u>	<u>\$ 15,069</u>	<u>\$ (1,443)</u>	<u>\$ 5,153</u>

CHESTER COUNTY, SOUTH CAROLINA
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS**
 For the Year Ended June 30, 2021

	<u>Veterans Affairs Aid to Counties</u>	<u>Animal Control- Lutz Grant</u>	<u>Sheriff's Equitable Sharing</u>	<u>EMS Training</u>	<u>SCPRT Republic Park</u>
REVENUES					
Federal sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	5,478	-	-	-	-
County sources - property taxes	-	-	-	-	-
Local sources	-	20,000	-	11,767	-
Other income	-	-	-	-	-
Total revenues	<u>5,478</u>	<u>20,000</u>	<u>-</u>	<u>11,767</u>	<u>-</u>
EXPENDITURES					
General government	1,551	21,616	-	-	-
Public safety	-	-	-	12,603	-
Highways and streets	-	-	-	-	-
Cultural and recreational	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	<u>1,551</u>	<u>21,616</u>	<u>-</u>	<u>12,603</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>3,927</u>	<u>(1,616)</u>	<u>-</u>	<u>(836)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)					
Operating transfers in	-	-	-	-	16,711
Operating transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,711</u>
Net changes in fund balances	3,927	(1,616)	-	(836)	16,711
FUND BALANCES, BEGINNING OF YEAR	<u>12,650</u>	<u>9,659</u>	<u>5,655</u>	<u>10,586</u>	<u>(20,888)</u>
FUND BALANCES, END OF YEAR	<u>\$ 16,577</u>	<u>\$ 8,043</u>	<u>\$ 5,655</u>	<u>\$ 9,750</u>	<u>\$ (4,177)</u>

CHESTER COUNTY, SOUTH CAROLINA
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS**
 For the Year Ended June 30, 2021

SCHEDULE B-4
 Continued

	Bennett Landfill Fire	Palmetto Pride Enf. Grant	Sale of County Property	Coroner Fees	Body Worn Camera Grant	LEN Grant
REVENUES						
Federal sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 900
State sources	-	-	-	-	-	-
County sources - property taxes	-	-	-	-	-	-
Local sources	-	-	-	3,629	-	-
Other income	-	-	-	-	-	-
Total revenues	-	-	-	3,629	-	900
EXPENDITURES						
General government	-	-	-	-	-	-
Public safety	-	961	-	-	2,757	1,673
Highways and streets	-	-	-	-	-	-
Cultural and recreational	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt service						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	-	961	-	-	2,757	1,673
Excess (deficiency) of revenues over expenditures	-	(961)	-	3,629	(2,757)	(773)
OTHER FINANCING SOURCES (USES)						
Operating transfers in	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net changes in fund balances	-	(961)	-	3,629	(2,757)	(773)
FUND BALANCES, BEGINNING OF YEAR	(554)	930	(33,000)	12,643	4,638	(139)
FUND BALANCES, END OF YEAR	\$ (554)	\$ (31)	\$ (33,000)	\$ 16,272	\$ 1,881	\$ (912)

CHESTER COUNTY, SOUTH CAROLINA
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS**
 For the Year Ended June 30, 2021

SCHEDULE B-4
Continued

	Homeland Security SHSP Grant	DHEC SC HPP Grant	Special Revenue C-Funds	Inmate Welfare	JAG Grant CFDA 16.738
REVENUES					
Federal sources	\$ -	\$ -	\$ 118,890	\$ -	\$ 119,847
State sources	-	-	1,397,337	-	-
County sources - property taxes	-	-	-	-	-
Local sources	-	-	-	21,139	-
Other income	-	-	2,144	-	-
Total revenues	-	-	1,518,371	21,139	119,847
EXPENDITURES					
General government	-	-	-	-	-
Public safety	-	-	-	35,625	142,877
Highways and streets	-	-	1,803,291	-	-
Cultural and recreational	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	-	-	1,803,291	35,625	142,877
Excess (deficiency) of revenues over expenditures	-	-	(284,920)	(14,486)	(23,030)
OTHER FINANCING SOURCES (USES)					
Operating transfers in	-	-	-	-	-
Operating transfers out	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net changes in fund balances	-	-	(284,920)	(14,486)	(23,030)
FUND BALANCES, BEGINNING OF YEAR	138	(3,519)	1,514,258	34,934	(9,682)
FUND BALANCES, END OF YEAR	\$ 138	\$ (3,519)	\$ 1,229,338	\$ 20,448	\$ (32,712)

CHESTER COUNTY, SOUTH CAROLINA
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS**
 For the Year Ended June 30, 2021

	<u>Census Operations</u>	<u>COVID-19 Fund</u>	<u>FBI Task Force</u>	<u>Election Grant</u>	<u>LEN Trailer</u>
REVENUES					
Federal sources	\$ -	\$ 630,074	\$ -	\$ -	\$ -
State sources	-	-	-	-	-
County sources - property taxes	-	-	-	-	-
Local sources	1,000	-	-	-	-
Other income	-	-	-	28,577	-
Total revenues	<u>1,000</u>	<u>630,074</u>	<u>-</u>	<u>28,577</u>	<u>-</u>
EXPENDITURES					
General government	6,393	-	-	35,656	1,814
Public safety	-	548,611	865	-	-
Highways and streets	-	-	-	-	-
Cultural and recreational	-	-	-	-	-
Capital outlay	-	47,231	-	-	-
Debt service					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	<u>6,393</u>	<u>595,842</u>	<u>865</u>	<u>35,656</u>	<u>1,814</u>
Excess (deficiency) of revenues over expenditures	<u>(5,393)</u>	<u>34,232</u>	<u>(865)</u>	<u>(7,079)</u>	<u>(1,814)</u>
OTHER FINANCING SOURCES (USES)					
Operating transfers in	-	-	-	-	-
Operating transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	(5,393)	34,232	(865)	(7,079)	(1,814)
FUND BALANCES, BEGINNING OF YEAR	<u>5,346</u>	<u>(138,490)</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ (47)</u>	<u>\$ (104,258)</u>	<u>\$ (865)</u>	<u>\$ (7,079)</u>	<u>\$ (1,814)</u>

CHESTER COUNTY, SOUTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2021

	<u>JM Sims Foundation</u>	<u>COPS Hiring Grant</u>	<u>Totals</u>
REVENUES			
Federal sources	\$ -	\$ -	\$ 2,000,900
State sources	-	-	3,598,092
County sources - property taxes	-	-	4,345,960
Local sources	-	-	3,254,700
Other income	-	-	93,557
Total revenues	<u>-</u>	<u>-</u>	<u>13,293,209</u>
EXPENDITURES			
General government	-	-	6,484,711
Public safety	22,160	206,591	3,953,099
Highways and streets	-	-	1,803,291
Cultural and recreational	-	-	966,179
Capital outlay	-	-	99,045
Debt service			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	<u>22,160</u>	<u>206,591</u>	<u>13,306,325</u>
Excess (deficiency) of revenues over expenditures	<u>(22,160)</u>	<u>(206,591)</u>	<u>(13,116)</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	-	-	248,636
Operating transfers out	-	-	(112,515)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>136,121</u>
Net changes in fund balances	(22,160)	(206,591)	123,005
FUND BALANCES, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>3,972,235</u>
FUND BALANCES, END OF YEAR	<u>\$ (22,160)</u>	<u>\$ (206,591)</u>	<u>\$ 4,095,240</u>

CHESTER COUNTY, SOUTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
 JUNE 30, 2021

	Chester County Debt Service	Chester Fire Bond	Lando Fire Debt Service	Richburg Fire Bond	Capital Projects Sales Tax	Fort Lawn Fire Bond	Totals
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ 3,070,418	\$ -	\$ 3,070,418
Investments	164,783	-	-	-	-	-	164,783
Receivables							
Property taxes, net	233,232	15,832	7,321	16,174	-	7,593	280,152
Due from state shared revenue	-	-	-	-	-	-	-
Due from other funds	24,011	118,206	39,024	319,038	881,189	63,619	1,445,087
Total assets	<u>\$ 422,026</u>	<u>\$ 134,038</u>	<u>\$ 46,345</u>	<u>\$ 335,212</u>	<u>\$ 3,951,607</u>	<u>\$ 71,212</u>	<u>\$ 4,960,440</u>
LIABILITIES							
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - property taxes	222,258	14,837	7,145	15,999	-	7,263	267,502
Total deferred inflows of resources	<u>222,258</u>	<u>14,837</u>	<u>7,145</u>	<u>15,999</u>	<u>-</u>	<u>7,263</u>	<u>267,502</u>
FUND BALANCES							
Restricted	199,768	119,201	39,200	319,213	3,951,607	63,949	4,692,938
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>199,768</u>	<u>119,201</u>	<u>39,200</u>	<u>319,213</u>	<u>3,951,607</u>	<u>63,949</u>	<u>4,692,938</u>
Total deferred inflows of resources and fund balances	<u>\$ 422,026</u>	<u>\$ 134,038</u>	<u>\$ 46,345</u>	<u>\$ 335,212</u>	<u>\$ 3,951,607</u>	<u>\$ 71,212</u>	<u>\$ 4,960,440</u>

CHESTER COUNTY, SOUTH CAROLINA
**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS**
For the Year Ended June 30, 2021

	Chester County Debt Service	Chester Fire Bond	Lando Fire Debt Service	Richburg Fire Bond	Capital Projects Sales Tax	Fort Lawn Fire Bond	Totals
REVENUES							
Property taxes	\$ 1,965,450	\$ 118,317	\$ 93,143	\$ 137,405	\$ -	\$ 48,646	\$ 2,362,961
Investment income	4	-	-	-	-	-	4
Federal sources	-	-	-	-	-	-	-
State sources	-	-	-	-	3,358,560	-	3,358,560
Other income	-	-	-	-	517	-	517
Total revenue	<u>1,965,454</u>	<u>118,317</u>	<u>93,143</u>	<u>137,405</u>	<u>3,359,077</u>	<u>48,646</u>	<u>5,722,042</u>
EXPENDITURES							
Debt service							
Principal retirement	1,740,000	102,915	82,886	94,993	1,775,000	38,678	3,834,472
Interest and fiscal charges	125,750	9,585	4,897	52,624	1,427	7,032	201,315
Total expenditures	<u>1,865,750</u>	<u>112,500</u>	<u>87,783</u>	<u>147,617</u>	<u>1,776,427</u>	<u>45,710</u>	<u>4,035,787</u>
Net changes in fund balances	99,704	5,817	5,360	(10,212)	1,582,650	2,936	1,686,255
FUND BALANCES, BEGINNING OF YEAR	<u>100,064</u>	<u>113,384</u>	<u>33,840</u>	<u>329,425</u>	<u>2,368,957</u>	<u>61,013</u>	<u>3,006,683</u>
FUND BALANCES, END OF YEAR	<u>\$ 199,768</u>	<u>\$ 119,201</u>	<u>\$ 39,200</u>	<u>\$ 319,213</u>	<u>\$ 3,951,607</u>	<u>\$ 63,949</u>	<u>\$ 4,692,938</u>

CHESTER COUNTY, SOUTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
 JUNE 30, 2021

	Economic Development Grant	Economic Development Infrastructure	Emergency Training Center	Rossville Fire Department
ASSETS				
Cash	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-
Due from other funds	34,744	16,483	736	5,100
Total assets	\$ 34,744	\$ 16,483	\$ 736	\$ 5,100
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Total liabilities	-	-	-	-
FUND BALANCES				
Restricted	34,744	16,483	-	-
Committed	-	-	736	5,100
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	34,744	16,483	736	5,100
Total liabilities and fund balances	\$ 34,744	\$ 16,483	\$ 736	\$ 5,100

CHESTER COUNTY, SOUTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
 JUNE 30, 2021

SCHEDULE B-7
Continued

	Chester Detention Center	Vehicle Replacement	Golf Course/ Great Falls & Republic	Meadowbrook Water Project
ASSETS				
Cash	\$ -	\$ -	\$ -	\$ 2,500
Investments	-	-	-	-
Due from other funds	964	66,987	-	-
	\$ 964	\$ 66,987	\$ -	\$ 2,500
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Due to other funds	\$ -	\$ -	\$ 1,488	\$ -
Total liabilities	-	-	1,488	-
FUND BALANCES				
Restricted	-	66,987	-	2,500
Committed	964	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	(1,488)	-
	964	66,987	(1,488)	2,500
Total fund balances	\$ 964	\$ 66,987	\$ -	\$ 2,500
Total liabilities and fund balances	\$ 964	\$ 66,987	\$ -	\$ 2,500

CHESTER COUNTY, SOUTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
 JUNE 30, 2021

SCHEDULE B-7
Continued

	EECBG Energy Grant	Courthouse Improvements	Eureka Performance Bond	Hazard Mitigation Program
ASSETS				
Cash	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-
Due from other funds	-	48,045	49,975	-
	-	48,045	49,975	-
Total assets	\$ -	\$ 48,045	\$ 49,975	\$ -
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Due to other funds	\$ 8,440	\$ -	\$ -	\$ 15,660
Total liabilities	8,440	-	-	15,660
FUND BALANCES				
Restricted	-	-	49,975	-
Committed	-	48,045	-	-
Assigned	-	-	-	-
Unassigned	(8,440)	-	-	(15,660)
Total fund balances	(8,440)	48,045	49,975	(15,660)
Total liabilities and fund balances	\$ -	\$ 48,045	\$ 49,975	\$ -

CHESTER COUNTY, SOUTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
 JUNE 30, 2021

SCHEDULE B-7
 Continued

	E-911 Jail Lightning Strike Damage	Capital Projects 2017	Hurricane Florence	DSS/DHEC Building Renovation	Roundtree Circle Pump Station
ASSETS					
Cash	\$ -	\$ -	\$ -	\$ 2,104	\$ 2,505
Investments	-	-	-	-	-
Due from other funds	-	109,162	-	-	-
	\$ -	\$ 109,162	\$ -	\$ 2,104	\$ 2,505
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Due to other funds	\$ 19,933	\$ -	\$ 6,136	\$ 111,196	\$ 26,187
Total liabilities	19,933	-	6,136	111,196	26,187
FUND BALANCES					
Restricted	-	109,162	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	(19,933)	-	(6,136)	(109,092)	(23,682)
Total fund balances	(19,933)	109,162	(6,136)	(109,092)	(23,682)
Total liabilities and fund balances	\$ -	\$ 109,162	\$ -	\$ 2,104	\$ 2,505

CHESTER COUNTY, SOUTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
 JUNE 30, 2021

SCHEDULE B-7
Continued

	Capital Projects Sales Tax	Capital Projects 2020	Dawson Drive Sewer	Capital Projects 2018	Totals
ASSETS					
Cash	\$ 105,376	\$ -	\$ 2,520	\$ -	\$ 115,005
Investments	2,732,410	-	-	-	2,732,410
Due from other funds		95,046	-	32,946	460,188
	\$ 2,837,786	\$ 95,046	\$ 2,520	\$ 32,946	\$ 3,307,603
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Due to other funds	\$ 175,240	\$ -	\$ -	\$ -	\$ 364,280
Total liabilities	175,240	-	-	-	364,280
FUND BALANCES					
Restricted	2,662,546	95,046	2,520	32,946	3,072,909
Committed	-	-	-	-	54,845
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	(184,431)
	2,662,546	95,046	2,520	32,946	2,943,323
Total fund balances	\$ 2,662,546	\$ 95,046	\$ 2,520	\$ 32,946	\$ 3,307,603
Total liabilities and fund balances	\$ 2,837,786	\$ 95,046	\$ 2,520	\$ 32,946	\$ 3,307,603

CHESTER COUNTY, SOUTH CAROLINA
**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS**
For the Year Ended June 30, 2021

	<u>Economic Development Grant</u>	<u>Economic Development Infrastructure</u>	<u>Emergency Training Center</u>	<u>Rossville Fire Department</u>
REVENUES				
Local sources	\$ 233,000	\$ -	\$ -	\$ -
Federal sources	-	-	-	-
State sources	326,780	-	-	-
Interest income	-	-	-	-
	<u>559,780</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues				
EXPENDITURES				
General government	508,905	-	-	-
Public safety	-	-	185	-
Capital outlay	-	-	-	-
	<u>508,905</u>	<u>-</u>	<u>185</u>	<u>-</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	<u>50,875</u>	<u>-</u>	<u>(185)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers in (out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	50,875	-	(185)	-
FUND BALANCES, BEGINNING OF YEAR				
	<u>(16,131)</u>	<u>16,483</u>	<u>921</u>	<u>5,100</u>
FUND BALANCES, END OF YEAR				
	<u>\$ 34,744</u>	<u>\$ 16,483</u>	<u>\$ 736</u>	<u>\$ 5,100</u>

CHESTER COUNTY, SOUTH CAROLINA
**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS**
For the Year Ended June 30, 2021

SCHEDULE B-8
Continued

	<u>Chester Detention Center</u>	<u>Vehicle Replacement</u>	<u>Golf Course/ Great Falls & Republic</u>	<u>Meadowbrook Water Project</u>
REVENUES				
Local sources	\$ -	\$ 34,405	\$ -	\$ -
Federal sources	-	-	-	-
State sources	-	-	-	-
Interest income	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	-	34,405	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
EXPENDITURES				
General government	-	32,279	-	-
Public safety	-	-	-	-
Capital outlay	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	-	32,279	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over expenditures	-	2,126	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)				
Operating transfers in (out)	-	-	(16,711)	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	-	-	(16,711)	-
	<hr/>	<hr/>	<hr/>	<hr/>
Net changes in fund balances	-	2,126	(16,711)	-
	<hr/>	<hr/>	<hr/>	<hr/>
FUND BALANCES, BEGINNING OF YEAR	964	64,861	15,223	2,500
	<hr/>	<hr/>	<hr/>	<hr/>
FUND BALANCES, END OF YEAR	<u>\$ 964</u>	<u>\$ 66,987</u>	<u>\$ (1,488)</u>	<u>\$ 2,500</u>

CHESTER COUNTY, SOUTH CAROLINA
**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS**
For the Year Ended June 30, 2021

SCHEDULE B-8
Continued

	EECBG Energy Grant	Courthouse Improvements	Eureka Performance Bond	Hazard Mitigation Program
REVENUES				
Local sources	\$ -	\$ -	\$ -	\$ -
Federal sources	-	-	-	-
State sources	-	-	-	-
Interest income	-	-	-	-
	-	-	-	-
Total revenues	-	-	-	-
EXPENDITURES				
General government	-	48,728	-	-
Public safety	-	-	-	2,502
Capital outlay	-	6,685	-	-
	-	6,685	-	-
Total expenditures	-	55,413	-	2,502
Excess (deficiency) of revenues over expenditures	-	(55,413)	-	(2,502)
OTHER FINANCING SOURCES (USES)				
Operating transfers in (out)	-	75,000	-	-
	-	75,000	-	-
Total other financing sources (uses)	-	75,000	-	-
Net changes in fund balances	-	19,587	-	(2,502)
FUND BALANCES, BEGINNING OF YEAR				
	(8,440)	28,458	49,975	(13,158)
FUND BALANCES, END OF YEAR				
	\$ (8,440)	\$ 48,045	\$ 49,975	\$ (15,660)

CHESTER COUNTY, SOUTH CAROLINA
**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS**
For the Year Ended June 30, 2021

**SCHEDULE B-8
Continued**

	E-911 Jail Lightning Strike Damage	Capital Projects 2017	Hurricane Florence	DSS/DHEC Building Renovations
REVENUES				
Local sources	\$ -	\$ -	\$ -	\$ -
Federal sources	-	-	-	190,688
State sources	-	-	-	-
Interest income	-	-	-	-
	-	-	-	-
Total revenues	-	-	-	190,688
EXPENDITURES				
General government	-	-	-	205,645
Public safety	12,101	475	-	-
Capital outlay	-	-	-	-
	-	-	-	-
Total expenditures	12,101	475	-	205,645
Excess (deficiency) of revenues over expenditures	(12,101)	(475)	-	(14,957)
OTHER FINANCING SOURCES (USES)				
Operating transfers in (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balances	(12,101)	(475)	-	(14,957)
FUND BALANCES, BEGINNING OF YEAR				
	(7,832)	109,637	(6,136)	(94,135)
FUND BALANCES, END OF YEAR	\$ (19,933)	\$ 109,162	\$ (6,136)	\$ (109,092)

CHESTER COUNTY, SOUTH CAROLINA
**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS**
For the Year Ended June 30, 2021

**SCHEDULE B-8
Continued**

	Roundtree Circle Pump Station	Capital Project Sales Tax	Capital Projects 2020	Dawson Drive Sewer
REVENUES				
Local sources	\$ -	\$ -	\$ -	\$ 25
Federal sources	220,095	-	-	-
State sources	-	-	-	5,246
Interest income	-	6,969	-	-
	<u>220,095</u>	<u>6,969</u>	<u>-</u>	<u>5,271</u>
Total revenues				
EXPENDITURES				
General government	246,277	869,622	164,710	2,751
Public safety	-	-	-	-
Capital outlay	-	211,709	-	-
	<u>246,277</u>	<u>1,081,331</u>	<u>164,710</u>	<u>2,751</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	<u>(26,182)</u>	<u>(1,074,362)</u>	<u>(164,710)</u>	<u>2,520</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers in (out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	(26,182)	(1,074,362)	(164,710)	2,520
FUND BALANCES, BEGINNING OF YEAR				
	<u>2,500</u>	<u>3,736,908</u>	<u>259,756</u>	<u>-</u>
FUND BALANCES, END OF YEAR				
	<u>\$ (23,682)</u>	<u>\$ 2,662,546</u>	<u>\$ 95,046</u>	<u>\$ 2,520</u>

CHESTER COUNTY, SOUTH CAROLINA
**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS**
For the Year Ended June 30, 2021

SCHEDULE B-8
Continued

	Capital Projects 2018	Totals
	<u>2018</u>	<u>Totals</u>
REVENUES		
Local sources	\$ -	\$ 267,430
Federal sources	-	410,783
State sources	-	332,026
Interest income	-	6,969
	<u>-</u>	<u>1,017,208</u>
EXPENDITURES		
General government	4,516	2,083,433
Public safety	-	15,263
Capital outlay	26,839	245,233
	<u>31,355</u>	<u>2,343,929</u>
Excess (deficiency) of revenues over expenditures	<u>(31,355)</u>	<u>(1,326,721)</u>
OTHER FINANCING SOURCES (USES)		
Operating transfers in (out)	-	58,289
	<u>-</u>	<u>58,289</u>
Total other financing sources (uses)	<u>-</u>	<u>58,289</u>
Net changes in fund balances	(31,355)	(1,268,432)
FUND BALANCES, BEGINNING OF YEAR		
	<u>64,301</u>	<u>4,211,755</u>
FUND BALANCES, END OF YEAR	<u><u>\$ 32,946</u></u>	<u><u>\$ 2,943,323</u></u>

SCHEDULE B-9

CHESTER COUNTY, SOUTH CAROLINA
UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES (Per ACT 96)
 For the 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	\$ 629,684	\$ 655,611	\$ -	\$1,285,295
Court fines and assessments remitted to State Treasurer	150,745	383,741	-	534,486
Total Court Fines and Assessments Retained	\$ 478,939	\$ 271,870	\$ -	\$ 750,809
Surcharges and Assessments Retained for Victim Services:				
Surcharges collected and retained	\$ 963	\$ 8,159	\$ -	\$ 9,122
Assessments retained	7,389	28,118	-	35,507
Total Surcharges and Assessments Retained for Victim Services	\$ 8,352	\$ 36,277	\$ -	\$ 44,629

FOR THE DEPARTMENT OF CRIME VICTIM COMPENSATION (DCVC)

VICTIM SERVICE FUNDS COLLECTED	Municipal	County	Total
Carryforward from Previous Year - Beginning Balance	\$ 22,278	\$ (45,049)	\$ (22,771)
Victim Service Revenue:			
Victim service fines retained by City/County Treasurer	-	-	-
Victim service assessments retained by City/County Treasurer	-	35,507	35,507
Victim service surcharges retained by City/County Treasurer	-	9,122	9,122
Interest earned	-	-	-
Grant funds received	-	-	-
Grant from:	-	-	-
General funds transferred to victim service fund	-	-	-
Contribution received from victim service contracts:	-	-	-
(1) Town of Great Falls	3,679	-	3,679
(2) Town of Fort Lawn	1,416	-	1,416
Total Funds Allocated to Victim Service Fund + Beginning Balance (A)	\$ 27,373	\$ (420)	\$ 26,953
Expenditures for Victim Service Program:			
Salaries and benefits	\$ -	\$ 50,613	\$ 50,613
Operating expenditures	-	11,061	11,061
Victim Service Contract(s):			
(1) Town of Great Falls	-	-	-
(2) Town of Fort Lawn	-	-	-
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)	-	61,674	61,674
Total Victim Service Funds Retained by Municipal/County Treasurer (A-B)	27,373	(62,094)	(34,721)
Less: Prior Year Fund Deficit Repayment	-	-	-
Carryforward Funds - End of Year	\$ 27,373	\$ (62,094)	\$ (34,721)

CHESTER COUNTY, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - 9-1-1- FUND
 For the Year Ended June 30, 2021

	YTD ACTUAL 9-1-1 FUND
REVENUES	
Intergovernmental revenues	
State	\$ 720,576
Local	140,297
Fees and service charges	-
Interest and investment income (loss)	-
Other	-
Total revenue all sources	860,873
EXPENDITURES	
Public Safety Communications:	
Personnel services	5,019
General operating	117,824
Repairs and maintenance	-
Contractual services	102,858
Supplies	5,659
Service charges	-
Other	-
Total Public Safety Communications	231,360
Capital outlay	-
Depreciation	-
Total expenditures	231,360
Excess (deficiency) of revenues over expenditures	629,513
OTHER FINANCING SOURCES	
Transfers in	-
Transfers out	-
Total other financing sources	-
Net change in fund balance	629,513
FUND BALANCE, BEGINNING OF YEAR	(398,079)
FUND BALANCE, END OF YEAR	\$ 231,434

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

NONE

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

N/A

Faulkner and Thompson, P.A.

Audited by

Faulkner and Thompson, P.A.

Signature

December 28, 2021

Date



ROBERT E. FAULKNER
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**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**

The Honorable Chairman and
Members of County Council for
Chester County, South Carolina

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Chester County, South Carolina (the "County") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon December 28, 2021.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses as item [19-01] that we consider to be a significant deficiency.

Compliance and Other Matters

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

Chester County, South Carolina's Response to Findings

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

Purpose of this Report

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

Faulkner and Thompson, P.A.

Rock Hill, South Carolina
December 28, 2021

CHESTER COUNTY, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND RESPONSES
For the Year Ended June 30, 2021

Findings Related to Generally Accepted Auditing Standards

Prior Year Findings:

19-01 Magistrates' Office

Criteria: Lack of segregation of duties can reduce the level of internal accounting controls over the magistrates' receipts and maintenance of funds.

Condition: During our audit of the magistrates' office, we noted a lack of segregation of duties over the cash receipts and disbursements function and the reconciliation process for the magistrates' bank accounts and its unadjudicated bonds.

Effect: Lack of internal controls can increase the likelihood funds on hand may be improperly reported and/or subject to errors or irregularities.

Cause: The magistrates' office has a limited number of administrative staff available for accounting functions. Currently the same staff that records cash receipts and disbursements is performing the reconciliations of cash accounts. The reconciliations are not currently reviewed and approved. The unadjudicated bonds are not being reconciled to cash on hand.

Recommendation: We suggest the magistrates' office consider the following:

1. We suggest the magistrates' cash accounts be reconciled monthly by someone independent of the recording of cash receipts and disbursements. We also suggest the reconciliation process for the magistrates' cash accounts be documented with written procedures. These procedures should include a process whereby these reconciliations are reviewed by someone independent of the reconciliation process.
2. A listing of adjudicated bonds should be maintained for each month-end and reconciled to cash on hand each month.

We believe such changes would strengthen controls over the County's funds and increase the efficiency of record keeping within the magistrates' office.

Current Status and Management's Response: Chester County understands the importance of a strong internal control system and will continue to work with the Magistrate's office to ensure these recommendations are implemented. We anticipate this finding to be resolved within the next fiscal year.