



Finance Committee Meeting

Chairman
MARK LAWSON

Vice Chairman
CHRIS HERVOCHON

Committee Members
GERALD DAWSON
STU RODMAN
BRAIN FLEWELLING

Interim County Administrator
ERIC GREENWAY

Clerk to Council
SARAH W. BROCK

Staff Support
WHITNEY RICHLAND
RAYMOND WILLIAMS
PINKY HARRIOT

Administration Building
Beaufort County Government
Robert Smalls Complex
100 Ribaut Road

Contact
Post Office Drawer 1228
Beaufort, South Carolina 29901-1228
(843) 255-2180
www.beaufortcountysc.gov

Finance Committee Agenda

Monday, April 19, 2021 at 3:00 PM

****or immediately following the Public Facilities Committee no sooner than 3:00****

[This meeting is being held virtually in accordance with Beaufort County Resolution 2020-05]

ALL OF OUR MEETINGS ARE AVAILABLE FOR VIEWEING ONLINE AT WWW.BEAUFORTCOUNTYSC.GOV AND CAN ALSO BE VIEWED ON HARGRAY CHANNELS 9 AND 113, COMCAST CHANNEL 2, AND SPECTRUM CHANNEL 1304

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. *PUBLIC NOTIFICATION OF THIS MEETING HAS BEEN PUBLISHED, POSTED, AND DISTRIBUTED IN COMPLIANCE WITH THE SOUTH CAROLINA FREEDOM OF INFORMATION ACT*
4. APPROVAL OF AGENDA
5. APPROVAL OF MINUTES- FEBRUARY 25, 2021
6. **CITIZEN COMMENTS-** CITIZENS MAY JOIN VIA ZOOM USING THE LINK AND MEETING INFORMATION BELOW:

[MEETING LINK](#)

Meeting number: 161 373 3248

Password: BC123

(ANYONE who wishes to speak during the Citizen Comment portion of the meeting will limit their comments to no longer than three (3) minutes (a total of 15 minutes) and will address Council in a respectful manner appropriate to the decorum of the meeting, refraining from the use of profane, abusive, or obscene language)

7. UPDATE FROM CHIEF FINANCIAL OFFICER, WHITNEY RICHLAND REGARDING YEAR TO DATE FINANCIAL STATEMENTS FOR THE FISCAL YEAR 2021

ACTION ITEMS

8. PRESENTATION ON CARRYOVER BUDGET 2020 EXPENDITURES
9. DISCUSSION AND PRESENTATION OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR 2020 BY EXTERNAL AUDITOR'S MAULDIN & JENKINS CPA'S AND ADVISORS
10. FY 22 TREASURER'S BUDGET PRESENTATION
11. ADJOURNMENT



**County Council of
Beaufort County
Community Services
Committee Meeting**

Chairman
MARK LAWSON

Vice Chairman
CHRIS HERVOCHON

Committee Members
GERALD DAWSON
BRIAN FLEWELLING
STU RODMAN

Interim County Administrator
ERIC GREENWAY

Clerk to Council
SARAH W. BROCK

STAFF SUPPORT
RAYMOND WILLIAMS
WHITNEY RICHLAND

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Beaufort, South Carolina 29901-1228
(843) 255-2180
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Finance Committee Minutes

Thursday, February 25, 2021 at 2:00 PM

[This meeting is being held virtually in accordance with Beaufort County Resolution 2020-05]

ALL OF OUR MEETINGS ARE AVAILABLE FOR VIEWING ONLINE AT WWW.BEAUFORTCOUNTYSC.GOV AND CAN ALSO BE VIEWED ON HARGRAY CHANNELS 9 AND 113, COMCAST CHANNEL 2, AND SPECTRUM CHANNEL 1304

CALL TO ORDER

Committee Chairman Lawson called the meeting to order at 2:00 PM.

PRESENT

Committee Chairman Lawson
Committee Vice-Chairman Hervochoch
Council Member Glover
Council Member Flewelling
Council Member Dawson
Council Member Howard
Council Member Passiment
Council Member Rodman
Council Member McElynn

ABSENT

Council Member Cunningham
Council Member Sommerville

PLEDGE OF ALLEGIANCE

Committee Chairman Lawson led the Pledge of Allegiance.

FOIA

Committee Chairman Lawson noted that the Public Notification of this meeting has been published, posted, and distributed in compliance with the South Carolina Freedom of Information Act.

APPROVAL OF AGENDA

It was moved by Council Member Dawson, seconded by Council Member Howard to “**approve the agenda**”. 8:0 Motion carried

DISCUSSION ITEMS

Discussion of 2020 Awards of Local Accommodations Tax and Hospitality Tax- Raymond Williams, Finance Director and Shannon Milroy, Grants Accountant

[Link to Video and Report on Local Accommodations and Hospitality Awards from 2019-2020](#)

Last year Beaufort County Awarded \$1,165,600.00 from Local Accommodations Tax and Local Hospitality Tax to various agencies located in Beaufort County.

Discussion:

- Reviewing/defining criteria for awarding local accommodations and hospitality awards
- Review of where money went in 2019-2020 and accomplishments
- Black Chamber of Commerce, was awarded funds for the Kentucky Derby 2020 was canceled and money was not spent, discussed why additional funding was requested.
- \$143,404.00 spent
- \$985,296.00 not yet spent
- Majority of money not spend is tied up on buildings, repairs, etc., that are still waiting on construction/permits.

ACTION ITEMS

Recommendations to Finance Committee for the 2021 Awards of Local Accommodations and Hospitality Tax-Raymond Williams, Finance Director

Beaufort County started the Local Accommodation Tax and Local Hospitality Tax application process in September 2020, with the closing of applications on December 31, 2020. The applications were reviewed by the Local Accommodation Tax and Local Hospitality Tax Committee for compliance with the Local Statutes and their individual need and merit. The Local Accommodation Tax fund has approximately \$1,651,428.00 to award, and the Hospitality Tax Fund has approximately \$1,981,105.00 to award for a combined total of \$3,632,533.00 available to award for 2021.

[Link to Video and Report on 2021 Local Accommodations and Hospitality Tax](#)

Discussion:

- A lot of construction projects being awarded in 2021
- Spanish Moss Trail Bridge insured for repairs? Instead of awarding funds for upgrade/reconstruction.
- Boundary Street Tennis Court funding? There was design money but no money for repairs allocated within Community Services.
- Reconstruction Era discussion and awards. 4 Requested projects, 3 awarded. The Stokes Cottage was not awarded due to it being privately owned.

It was moved by Council Member Dawson, seconded by Council Member Hervochon to approve **“the recommendations to Finance Committee for the 2021 Awards for Local Accommodations and Hospitality Tax”**. Forward to Council. 9:0 Motion carried

Council Member Rodman gave an update on Heritage Tourism.

CITIZEN COMMENTS

No Citizen Comments.

ADJOURNMENT

The meeting adjourned at 2:53 pm.

Ratified by Committee:



BEAUFORT COUNTY COUNCIL AGENDA ITEM SUMMARY

ITEM TITLE:
<i>Discussion and presentation of year to date financial statements for FY 2021</i>
MEETING NAME AND DATE:
Finance Committee 04/19/2021
PRESENTER INFORMATION:
<i>Whitney Richland Chief Financial Officer 20 Minutes</i>
ITEM BACKGROUND:
<i>Discussion and presentation of the year to date financial reports for FY 2021.</i>
PROJECT / ITEM NARRATIVE:
Discussion and presentation of the year to date financial reports for FY 2021.
FISCAL IMPACT:
<i>None</i>
STAFF RECOMMENDATIONS TO COUNCIL:
Discussion and related questions.
OPTIONS FOR COUNCIL MOTION:
<i>N/A</i>

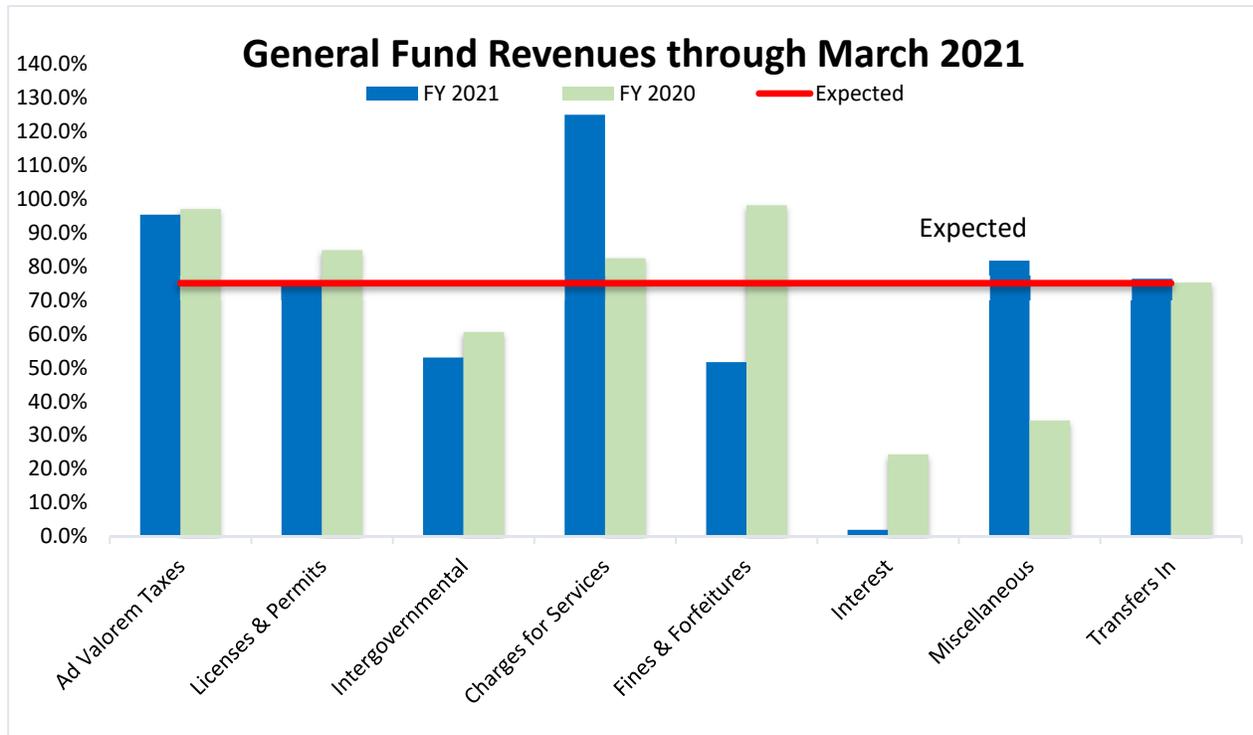
Executive Summary of Revenues and Expenditures

Through March 31, 2021

General Fund Revenues

Budget: \$130,300,431
 Revenue Collected to Date: \$121,273,756
 Revenue Remaining to be Collected: \$9,026,675

Percent of Total Budget Collected: 93.07%
 Percent of Year Completed: 75.00%



Revenue Analysis

Function	Budget	To Date	% Received	% Year Completed
Ad Valorem Taxes	\$106,217,968	\$101,236,305	95.31%	75.00%
Licenses & Permits	\$3,244,160	\$2,446,027	75.40%	75.00%
Intergovernmental	\$9,058,838	\$4,799,441	52.98%	75.00%
Charges for Services	\$8,862,160	\$11,070,722	124.92%	75.00%
Fines & Forfeitures	\$749,500	\$386,826	51.61%	75.00%
Interest	\$442,805	\$8,607	1.94%	75.00%
Miscellaneous	\$180,000	\$147,017	81.68%	75.00%
Transfers In	\$1,545,000	\$1,178,811	76.30%	75.00%

For revenues with variances over 5% of the year completed, a brief explanation is provided below.

Ad Valorem Taxes: Increase in collections because of the due date at March 31, 2021.

Intergovernmental: First and second quarter payments have been received for State Aid.

Charges for Services: Register of Deeds continues to have a record year.

Fines & Forfeitures: Forfeitures, Magistrate and Library fines are lagging.

Interest: This allocation is performed at year-end.

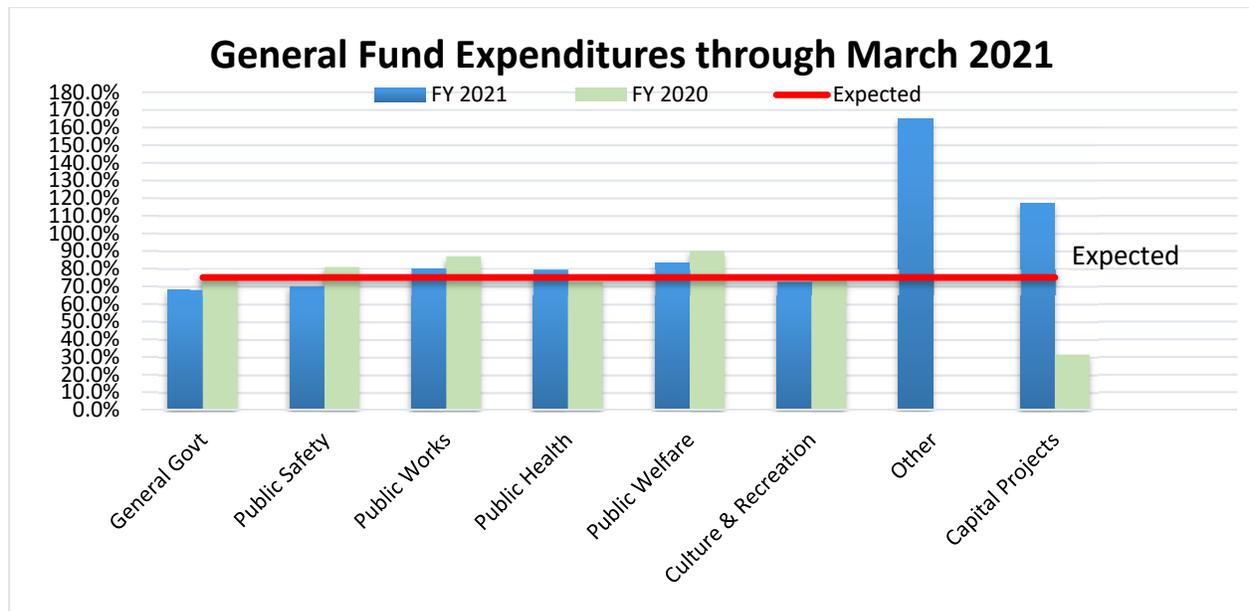
Miscellaneous: Sales of County Property and recyclables.

Executive Summary of Revenues and Expenditures

Through March 31, 2021

General Fund Expenditures

Budget:	\$130,300,431
Carryover from FY 2020:	\$1,352,447
Amendments and Transfers:	\$0
Total FY 2021 Budget:	\$131,652,878
Actual Expenditures to Date:	\$88,744,391
Encumbrances:	\$6,158,383
Total Exp'd & Enc'd to Date:	\$94,902,774
Budget Remaining:	\$36,750,104
Percent of Total Budget Exp'd & Enc'd:	72.09%
Percent of Year Completed:	75.00%



Expenditure Analysis

Function	Budget	To Date	% Expended	% Year Completed
General Government	\$43,758,595	\$29,859,854	68.24%	75.00%
Public Safety	\$51,471,577	\$36,141,795	70.22%	75.00%
Public Works	\$17,072,908	\$13,626,819	79.82%	75.00%
Public Health	\$3,751,392	\$2,977,896	79.38%	75.00%
Public Welfare	\$708,261	\$589,706	83.26%	75.00%
Culture & Recreation	\$13,475,265	\$9,805,347	72.77%	75.00%
Other	\$508,594	\$838,438	164.85%	75.00%
Capital Projects	\$906,286	\$1,062,919	117.28	75.00%

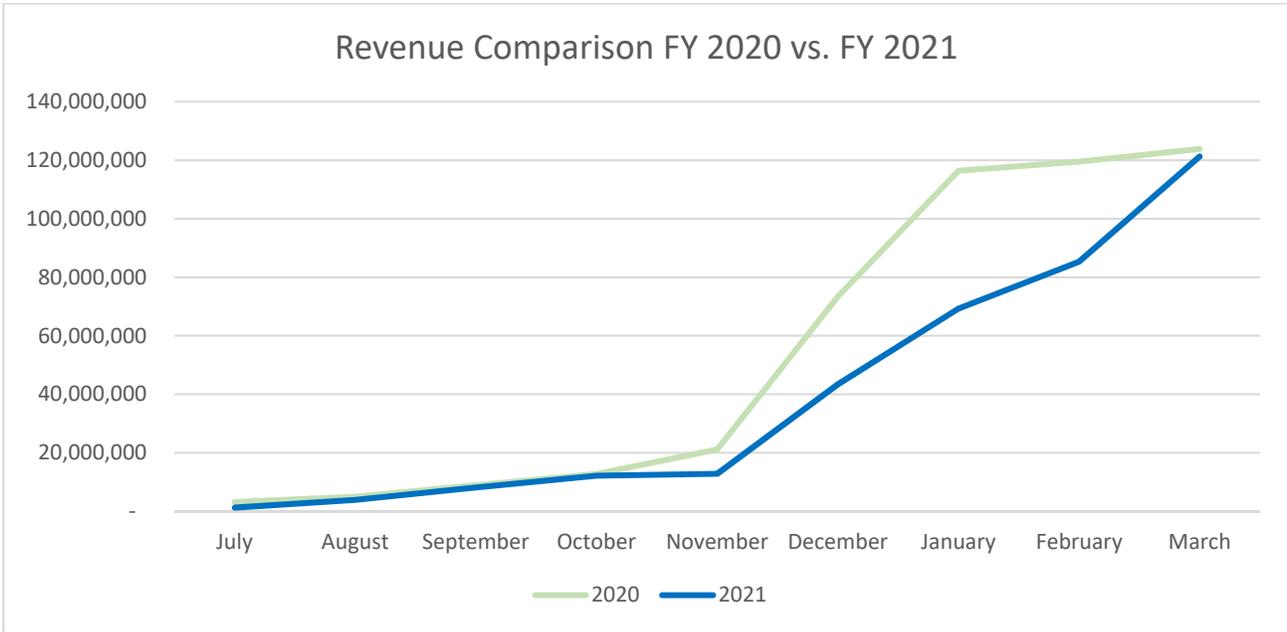
For expenditures with variances over 5% of the year completed or that do not follow the usual prior year trend, a brief explanation is provided below.

General Government: Trending lower than expected it should correct by year end.

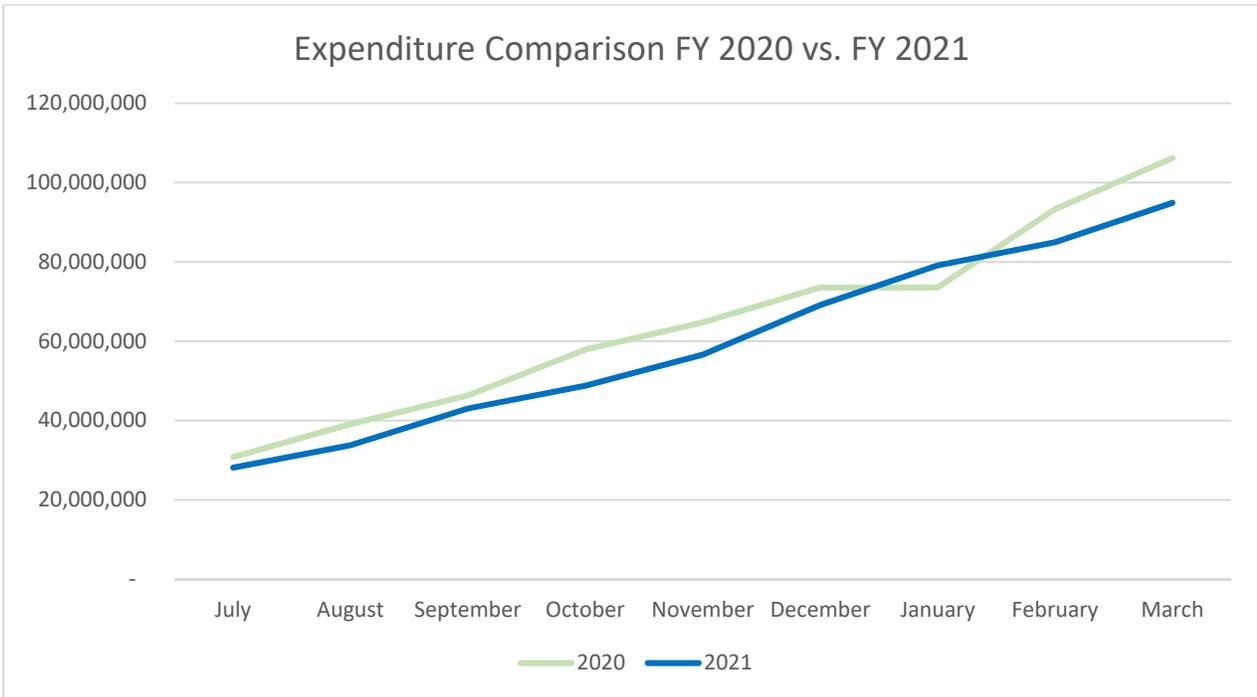
Public Welfare: Personnel costs and office space trending low.

Other: Use of fund balance for the Beaufort County Economic Development Corporation from escrow funds.

Capital Projects: The purchase of an ambulance from insurance proceeds may cause this category to exceed the annual budget but is offset by the insurance proceeds. Actual: \$319,681; Encumbered: \$698,582



Note that revenues are consistent through the first quarter but separate widely in November, due to the delay in Ad Valorem Taxation in fiscal year 2021. The revenue stream has recovered during the third quarter of fiscal year 2021, due to the due date of Ad Valorem taxes on March 31, 2021.



Note that expenditures follow a similar trajectory in both fiscal years. To date, expenditures in fiscal year 2021 are approximately \$11,278,272 lower than fiscal year 2020. While we expect this trend to continue through the remainder of the fiscal year, we feel that the spread will reduce by year end.



BEAUFORT COUNTY COUNCIL AGENDA ITEM SUMMARY

ITEM TITLE:
<i>Presentation on Carryover Budget 2020 Expenditures</i>
MEETING NAME AND DATE:
Finance Committee 04/19/2021
PRESENTER INFORMATION:
<i>Hayes Williams CFO 10 minutes</i>
ITEM BACKGROUND:
Approved at County Council meeting on 09/14/2020 on the Consent Agenda
PROJECT / ITEM NARRATIVE:
This is an update to County Council about the expenditures to date for the Carryover Budget FY2021.
FISCAL IMPACT:
<i>No fiscal impact these items were budgeted in 2020 and rolled into 2021.</i>
STAFF RECOMMENDATIONS TO COUNCIL:
N/A
OPTIONS FOR COUNCIL MOTION:
<i>N/A discussion update.</i>

Beaufort County, South Carolina
 Carryover Budget FY 2021

Description	Carryover Amount	Amount Expended	Amount Encumbered	Remaining Balance
GENERAL FUND				
Sheriff's Office				
Six Dodge Durango's	194,574	(194,574)	-	-
Geo Validation Upgrade	10,920	-	(10,920)	-
Install Two transfer switches for Shelter for emergencies	10,823	(10,823)	-	-
Four Computers	8,638	(8,638)	-	-
DNA Lab Expansion	461,176	(100,486)	(347,979)	12,711
DNA processing	5,000	(5,000)	-	-
Total Sheriff's Department	<u>691,131</u>	<u>(319,521)</u>	<u>(358,899)</u>	<u>12,711</u>
Public Works				
Repairing boat ramp Daufuskie Island	11,586	(11,586)	-	-
Repairing boat ramp Grays Hill	12,725	(12,725)	-	-
Bluffton Sound Wall	4,800	(4,800)	-	-
Broad River Blvd sidewalk repair	18,759	-	-	18,759
Total Public Works	<u>47,870</u>	<u>(29,111)</u>	<u>-</u>	<u>18,759</u>
Roads & Drainage				
Glass Crusher Shed	2,129	(2,129)	-	-
Repairing boat ramp Sands/ Sam's Point	7,475	(7,475)	-	-
Total Roads & Drainage	<u>9,604</u>	<u>(9,604)</u>	<u>-</u>	<u>-</u>
Mosquito Control				
Mosquito Control hanger heaters	21,214	-	-	21,214
Total Mosquito Control	<u>21,214</u>	<u>-</u>	<u>-</u>	<u>21,214</u>
Parks & Recreation				
2020 F250	28,579	(28,579)	-	-
Tennis or Pickle Ball Courts	65,000	-	(41,450)	23,550
Total Parks & Recreation	<u>93,579</u>	<u>(28,579)</u>	<u>(41,450)</u>	<u>23,550</u>
Animal Services				
Van for Animal Services	30,000	(30,000)	-	-
Total Animal Services	<u>30,000</u>	<u>(30,000)</u>	<u>-</u>	<u>-</u>
Treasurer's Office - General Fund Request				
Beaufort/ Bluffton/ Hilton Head Island Camera Update	12,610	(12,610)	-	-
Treasurer's Office	<u>12,610</u>	<u>(12,610)</u>	<u>-</u>	<u>-</u>

Beaufort County, South Carolina
Carryover Budget FY 2021

Description	Carryover Amount	Amount Expended	Amount Encumbered	Remaining Balance
Facilities Maintenance				
278 Landscaping	13,112	(10,728)	-	2,384
BW lighting	1,587	-	(1,587)	-
Install doors Lind Brown Center	3,332	(3,332)	-	-
Administration Roof Repair	4,799	-	(1,469)	3,330
Wetland delineation Camp St. Mary's	400	-	(400)	-
Survey Camp St. Mary's	930	-	(930)	-
Hilton Head Island Library roof repair	1,928	-	(1,928)	-
LEC Generator	72,283	(72,283)	-	-
Detention Center Water Heater	127,196	(98,461)	(28,735)	-
Detention Center Roof Top Unit	11,687	-	-	11,687
Detention Center Kitchen Hood	1,890	-	(1,890)	-
Detention Center Cooler/Freezer	4,051	-	(4,051)	-
Detention Center Generator	157,511	(157,511) 1	-	-
Pools Architecture & Engineering	23,750	-	(23,750)	-
Architecture & Engineering new building	9,372	(9,372)	-	-
Total Facilities Maintenance	433,829	(351,688)	(64,739)	17,401
Total Budget Amendment for General Fund	1,339,836	(781,113)	(465,088)	93,635
SPECIAL REVENUE FUND				
Treasurer's Office - Special Revenue Fund Request				
Beaufort/ Bluffton/ Hilton Head Island Camera Update	12,610	(12,610)	-	-
Treasurer's Office	12,610	(12,610)	-	-
STORMWATER PROPRIETARY FUND				
Stormwater				
Engineering service outfall erosion issues	3,320	(1,205)	(2,115)	-
Stormwater retention pond	20,550	-	-	20,550
Design & construct a regional stormwater best	22,764	-	-	22,764
Oak Marsh Plantation Drainage Improvements	6,725	-	(6,725)	-
Pine Tree & Water Oak Tree Removed & Dismantled	2,000	(2,000)	-	-
Remove & Install Drainage Pipe	2,800	(2,800)	-	-
Light bar install	2,053	(2,053)	-	-
International HX620 6x4 Dump Truck	164,779	(164,779)	-	-
International HX620 6x4 Dump Truck	164,779	(164,779)	-	-
Brewer Memorial Park BMP Demonstration	43,106	(4,610)	(38,496)	-
Sub watershed Regional Detention Center	265,806	(28,560)	(73,533)	163,713
Study & investigate to evaluate the current condition & capacity of the Stormwater Drainage Facilities	54,250	(54,250)	-	-
Total Stormwater	752,932	(425,036)	(120,869)	207,027
Total	2,105,378	(1,218,758)	(585,957)	300,662

1. Installed generator and wrapping up items with contractor before payment.



BEAUFORT COUNTY COUNCIL AGENDA ITEM SUMMARY

ITEM TITLE:
<i>Discussion and presentation of the Comprehensive Annual Financial Report for 2020 by external auditor's Mauldin & Jenkins CPA's and Advisors.</i>
MEETING NAME AND DATE:
Finance Committee 04/19/2021
PRESENTER INFORMATION:
<i>Whitney Richland Chief Financial Officer/ ACA and David Irwin Audit Partner Mauldin & Jenkins 30 Minutes</i>
ITEM BACKGROUND:
<i>Discussion and presentation of the 2020 Comprehensive Annual Financial Report and the Schedule of Findings and Questioned Costs along with the responses from Management.</i>
PROJECT / ITEM NARRATIVE:
<i>Discussion and presentation of the 2020 Comprehensive Annual Financial Report and the Schedule of Findings and Questioned Costs along with the Corrective Action Plan and responses from Management.</i>
FISCAL IMPACT:
<i>None</i>
STAFF RECOMMENDATIONS TO COUNCIL:
Allow staff to make the recommendations needed to address the Findings and Questioned costs.
OPTIONS FOR COUNCIL MOTION:
<i>N/A</i>



Comprehensive Annual

Financial Report

BEAUFORT COUNTY, SOUTH CAROLINA

For the Year Ended

June 30, 2020

Issued by

Beaufort County Finance Department

Post Office Box 1228

Beaufort, South Carolina 29901-1228

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

TABLE OF CONTENTS

Page

Table of Contents i – iv

INTRODUCTORY SECTION

Letter of Transmittal..... v – ix
Certificate of Achievement for Excellence in Financial Reporting x
Organizational Chart xi
Elected and Appointed Officials xii

FINANCIAL SECTION

Independent Auditor’s Report..... 1 – 3
Management’s Discussion and Analysis 4 – 19

Basic Financial Statements:

Government-wide Financial Statements:

Statement of Net Position..... 20
Statement of Activities..... 21

Fund Financial Statements:

Balance Sheet – Governmental Funds..... 22
Reconciliation of the Governmental Funds Balance
Sheet to the Statement of Net Position 23
Statement of Revenues, Expenditures and Changes in Fund
Balances – Governmental Funds 24
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances of Governmental Funds to the Statement of Activities 25
Statement of Net Position – Proprietary Funds 26
Statement of Revenues, Expenses and Changes in
Fund Net Position – Proprietary Funds 27
Statement of Cash Flows – Proprietary Funds 28 and 29
Statement of Fiduciary Assets and Liabilities 30

Notes to Financial Statements 31 – 73

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

TABLE OF CONTENTS (CONTINUED)

Page

FINANCIAL SECTION (CONTINUED)

Required Supplementary Information:

Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget (GAAP Basis) and Actual – General Fund 74 – 76

Schedules of County’s Proportionate Share of the Net Pension Liability –
South Carolina Retirement System 77

Schedules of County’s Proportionate Share of the Net Pension Liability –
South Carolina Police Officers Retirement System..... 77

Schedules of County Pension Contributions – South Carolina
Retirement System..... 78

Schedules of County Pension Contributions – South Carolina
Police Officers Retirement System 78

Schedule of Modified Approach for Airport Infrastructure Assets 79

Other Supplementary Information:

Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget (GAAP Basis) and Actual – County Wide General Obligation Bonds..... 80

Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget (GAAP Basis) and Actual – Local Hospitality Tax Program 81

Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget (GAAP Basis) and Actual – Road Impact Fees 82

Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget (GAAP Basis) and Actual – Sales Tax Project 83

Balance Sheet – Nonmajor Governmental Funds – General Government Programs 84

Schedule of Revenues, Expenditures and Changes in Fund Balances –
Nonmajor Governmental Funds 85 – 88

Combining Balance Sheet – All Nonmajor Special Revenue Funds 89 and 90

Combining Schedule of Revenues, Expenditures and Changes
in Fund Balances – Budget and Actual – All Nonmajor Special Revenue Funds 91 – 97

Combining Balance Sheet – Nonmajor Special Revenue Funds –
General Government Programs..... 98 and 99

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances –
Nonmajor Special Revenue Funds – General Government Programs100 – 110

Combining Balance Sheet – Nonmajor Special Revenue Funds –
Public Safety Programs 111

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances –
Nonmajor Special Revenue Funds – Public Safety Programs 112 – 116

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

TABLE OF CONTENTS (CONTINUED)

Page

FINANCIAL SECTION (CONTINUED)

Other Supplementary Information (Continued):

Combining Balance Sheet – Nonmajor Special Revenue Funds –
 Public Works Programs 117
 Combining Schedule of Revenues, Expenditures and Changes in Fund Balances –
 Nonmajor Special Revenue Funds – Public Works Programs 118 – 122
 Combining Balance Sheet – Nonmajor Special Revenue Funds –
 Public Health Programs 123
 Combining Schedule of Revenues, Expenditures and Changes in Fund Balances –
 Nonmajor Special Revenue Funds – Public Health Programs 124 – 126
 Combining Balance Sheet – Nonmajor Special Revenue Funds –
 Public Welfare Programs 127
 Combining Schedule of Revenues, Expenditures and Changes in Fund Balances –
 Nonmajor Special Revenue Funds – Public Welfare Programs 128 – 132
 Combining Balance Sheet – Nonmajor Special Revenue Funds –
 Cultural and Recreation Programs 133 and 134
 Combining Schedule of Revenues, Expenditures and Changes in Fund Balances –
 Nonmajor Special Revenue Funds – Cultural and Recreation Programs 135 – 141
 Balance Sheet – All Nonmajor Debt Service Funds 142
 Combining Schedule of Revenues, Expenditures and Changes in Fund
 Balances – Budget and Actual – All Nonmajor Debt Service Funds 143 and 144
 Combining Balance Sheet – All Nonmajor Capital Projects Funds 145 and 146
 Combining Schedule of Revenues, Expenditures and Changes in Fund
 Balances – All Nonmajor Capital Projects Funds 147 and 148
 Combining Statement of Changes in Assets and Liabilities –
 All Agency Funds 149 – 154
 Uniform Schedule of Court Fines, Assessments and Surcharges
 (per ACT 96) 155 and 156
 Alcohol and Drug Abuse Programs – Profit and Loss Statement 157 and 158
 Daufuskie Ferry Schedule of Budgeted to Actual 159

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

TABLE OF CONTENTS (CONTINUED)

Page

STATISTICAL SECTION

Net Position by Component 160

Changes in Net Position 161 – 163

Fund Balances – Governmental Funds..... 164

Changes in Fund Balances – Governmental Funds 165

Assessed Value and Market Value of Taxable Property 166

Property Tax Millages – All Overlapping Governments 167

Property Tax Levies and Collections 168

Ten Largest Taxpayers 169

Ratios of General Bonded Debt Outstanding..... 170

Computation of Legal Debt Margin 171

Legal Debt Margin Detail 172

Ratios of Outstanding Debt by Type 173

Computation of Direct and Overlapping Governmental Activities Debt 174

Demographic and Economic Statistics..... 175

Principal Employers..... 176

Full-time Equivalent Employees by Function..... 177

Capital Asset Statistics by Function 178

Operating Indicators by Function..... 179

COMPLIANCE SECTION

Independent Auditor’s Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on an Audit of the
Financial Statements Performed in Accordance with
Government Auditing Standards 180 and 181

Independent Auditor’s Report on Compliance for Each Major Federal Program
and Report on Internal Control over Compliance Required by the
Uniform Guidance..... 182 – 184

Schedule of Expenditures of Federal Awards..... 185 and 186

Notes to the Schedule of Expenditures of Federal Awards 187

Schedule of Findings and Questioned Costs..... 188 –192

Schedule of Prior Year Findings..... 193

Corrective Action Plan.....194 – 197

INTRODUCTORY SECTION



County Council of Beaufort County
Multi-Government Center ♦ 100 Ribaut Road
Post Office Drawer 1228
Beaufort, South Carolina 29901-1228
Telephone (843) 255-1000 FAX (843) 255-9422

March 26, 2021

To the Chairman, Members of Beaufort County Council,
 And Citizens of Beaufort County
 Beaufort, South Carolina

Presented herein is the Comprehensive Annual Financial Report of Beaufort County, South Carolina for the fiscal year ended June 30, 2020. This report has been prepared by the County's Finance Department, and the responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County. We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the County as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the County's financial affairs are included.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Mauldin & Jenkins LLC, a firm of licensed certified public accountants, has issued an unmodified ("clean") opinion on the County's financial statements for the year ended June 30, 2020. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis ("MD&A") immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF LOCAL GOVERNMENT

Beaufort County, which was founded in 1769, operates under the Council/Administrator form of government with Council members elected for four-year terms from each of the eleven single-member districts. This report includes all funds of Beaufort County that are controlled by this governing body, and are considered to be the "reporting entity" known as Beaufort County. The services provided by this reporting entity, and therefore reflected in this financial report, include, but are not limited to: General Government (general administrative services, tax assessment and collection, courts and criminal justice administration, economic development); Public Safety (law enforcement, detention center, emergency medical services, emergency management, building codes enforcement, animal services); Public Works (facilities and grounds maintenance, roads and drainage, engineering, solid waste); Public Health (mosquito control, alcohol and drug abuse programs, disabilities and special needs programs, various subsidies); Public Welfare (veterans services, social services, various subsidies); and Cultural and Recreation (library, parks and recreational services, education subsidies).

In light of GASB Statement 61, *The Financial Reporting Entity*, the County has excluded the school district, the various public service districts, the fire districts, and the municipalities located within its boundaries as County Council does not exercise oversight responsibility, and accordingly each entity has sufficient discretion in the management of its own affairs. The County Treasurer does collect property taxes and other forms of revenue on behalf of these other political entities. The results of the fiduciary responsibility are reported on the combined financial statements as Agency Funds.

LOCAL ECONOMY

Beaufort County is located in the southeastern corner of the State of South Carolina, known as the "Lowcountry." With a total area of approximately 923 square miles, of which approximately 576 square miles or 62% is land and approximately 347 square miles or 38% is water, it is bordered to the south and east by the Atlantic Ocean, to the west by Jasper County, and to the north by Hampton and Colleton Counties. Beaufort County stretches nearly 30 miles along the Atlantic Ocean and includes 64 major islands and hundreds of small islands.

The County is one of the fastest growing areas in South Carolina, with an estimated population of 195,388 in 2020, up from 162,233 in 2011 and 89,273 in 1991. The County is a center for tourism, retirement and the associated services, and the military in South Carolina. The County has a balanced and very stable economy, created by a diversity of public and private employers, with the unemployment rate well below the statewide average and that of the neighboring counties. The local tax base has grown an average of approximately 2% per year over the last five years (discounting the reassessment years).

In addition to the established resort community of Hilton Head Island, there are several major developments established in southern Beaufort County. These developments include Sun City Hilton Head, with more than 15,000 residents expected at build-out; Spring Island, Callawassie Island, Colleton River Plantation, Belfair, Berkeley Hall, Palmetto Bluff and Westbury Park. As expected, these developments have sparked an increase in commercial construction along the Highway 278 corridor, including a Home Depot, a Lowe's, an expanded Factory Outlet Mall, a Dick's Sporting Goods store, a Target department store, Sam's Club Wholesale store, Wal-mart and several major supermarkets. Likewise, in northern Beaufort County, communities continue to develop at Dataw Island, Lady's Island, Cat Island, Brays Island, and Habersham and throughout the City of Beaufort, as well as the Town of Port Royal.

Beaufort Memorial Hospital completed construction in 2020 on a new medical pavilion in the southern area of the County. The new medical pavilion is 70,000 square feet and is on a 19 acre site located in Okatie, South Carolina. The facility provides Beaufort County residents more convenient access to a variety of medical services and specialties, from primary care to cancer treatment.

Beaufort County is also the location for three major military installations, the U.S. Marine Corps Recruit Depot located at Parris Island, the Marine Corps Air Station-Beaufort, and the Beaufort Naval Hospital. These locations have benefited by the Department of Defense closing certain other military bases in the nation.

MAJOR INITIATIVES

Our number one goal is to make sure that Beaufort County remains financially sound and that we maintain a respectable contingency account to take care of the true emergencies that do arise from time to time; and to provide for a sufficient fund balance to enable our cash flow to carry us through those months prior to the billing and collection of property tax revenues. We have taken a systematic, businesslike approach to the running of Beaufort County. Additionally, we want to preserve our current "Aa1" Moody's and "AA+" Standard & Poor's bond ratings.

In December 2018, the County formally adopted written financial policy guidelines. This document provides policies and guidance for the County's operating budget, capital improvement projects ("CIP") budget, financial reserves including the general fund and debt service fund and a cash management and investment policy.

In December 1997, the County adopted a Comprehensive Plan for Beaufort County. A portion of this plan is a comprehensive land use study which proposes various "preservation areas and greenways". As a result, the County taxpayers approved four bond referendums totaling \$135,000,000 for the purchase of rural and critical lands. The County has issued the entire \$135 million of General Obligation bonds approved by the referendums. The County had expenditures of \$3,808,286 for this initiative during fiscal year 2020. The fifth bond referendum was approved in November 2018 in an amount not to exceed \$25 million for the purchase and maintenance of rural and critical lands, this bond was issued in August of 2020.

In November 2006, County voters approved a 1% sales tax referendum, with the proceeds, along with County road impact fees, funding various major road projects throughout Beaufort County. This 1% sales tax ended in 2013. These projects include the expansion of the Bluffton Parkway, Boundary Street improvements and the widening of South Carolina Highway 170. In addition to the sales tax and impact fee revenue, the County has obtained partial grant funding for these projects as well. The County had expenditures of \$90,897 for these projects during fiscal year 2020.

In November 2018, County voters approved a 1% sales tax referendum that became effective in May 2019 and will be in place for four years, or until a total of \$120 million in resulting revenue has been collected. This revenue will fund the repair and/or replacement of the Hilton Head Island bridge, roadway traffic improvements between the Woods Memorial Bridge and the Chowan Creek Bridge as outlined in the Lady's Island Corridor Study dated May 19, 2017, and install and repair sidewalks and multi-use pathways at multiple locations within Beaufort County to provide safe walking routes to schools and improved access to residential communities. The County collected \$45,195,996 in sales tax from the referendum and had related expenditures of \$2,409,672 for these projects in 2020.

LONG-TERM FINANCIAL PLANNING

In November 2014, the County issued \$19,450,000 of general obligation bonds bearing interest rates of 2.0% to 3.25% and with varying maturity dates through 2034. The proceeds of these bonds are currently being used for various planned facility upgrades including roof replacements, HVAC replacement, technology upgrades, a new Animal Services Facility that is centrally located within the County, as well as Hilton Head Island Airport Projects. The County had expenditures of \$17,936 for these projects during fiscal year 2020.

In March 2016, the County issued \$17,950,000 of general obligation advance refunding bonds bearing interest rates of 2.0% to 4.0% and with varying maturity dates through 2027. The bond proceeds were used to advance refund \$18,375,000 of outstanding 2007A general obligation bonds which had interest rates ranging from 4.0% to 4.75%.

In 2017, the County issued \$51,000,000 of general obligation bonds bearing interest rates of 3.13% to 5% and with varying maturity dates through 2037. \$31 million of the proceeds of these bonds will be used for various County and Stormwater Utility capital projects and \$20 million of the proceeds of these bonds will be used for the County's rural and critical land projects, as approved by referendum in November 2014. During fiscal year 2020, the County had expenditures of \$1,605,426 related to the capital projects funded by these bonds.

In 2017, the County issued \$6,110,000 of general obligation refunding bonds bearing interest rates of 5.0% and with varying maturity dates through 2020. The net proceeds of \$6,424,372 (including a \$362,230 premium and after payment of \$47,858 in underwriting fees and other issuance costs) were used to provide funds for the defeasance of the 2007B general obligation bonds in the amount of \$6,405,000 bearing interest rates of 4.0% to 5.0%. As a result, the 2007B general obligation bonds are considered to be fully defeased.

In 2019, the County issued \$11.25 million of general obligation bonds bearing interest rates of 2.75% to 5% and with varying maturity dates through 2039. The proceeds of these bonds will be used to replace and repair critical County facilities at the main administration building in Beaufort, South Carolina, security upgrades to the County's detention center, and improve information technology infrastructure. During fiscal year 2020, the County had expenditures of \$1,049,966 related to the capital projects funded by these bonds.

In August of 2020 the County issued \$36,775 million of general obligation bonds bearing interest rates of 1.0 to 5% and with various maturity rates through 2040. \$35 million of these bonds will be used to purchase real property in the County's Rural and Critical Land Program. The remaining \$11,775 million will be used to improve information technology infrastructure, construction of the Arthur Horne Building, purchase of a material recovery facility (MRF), and renovations to the detention center.

During fiscal year 2021, the County hired a consultant to conduct a facilities master plan for the major County facilities that house various administrative offices. The County is in the process of updating its capital project plan for which future debt will likely be incurred though estimates were not available at the time of this report.

In addition, the County is working with an outside firm to update its compensation and classification structure in an effort to recruit and retain highly-quality employees. The preliminary results of the compensation and classification study are intended to be included in the Fiscal Year 2022 operating budget.

RELEVANT FINANCIAL INFORMATION

The management of Beaufort County is responsible for developing and maintaining an internal control structure designed to ensure that the assets of the County are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The County's accounting system has given consideration to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. This concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived and that the evaluation of costs and benefits requires estimates and judgments by management. Accordingly, management believes that the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to Beaufort County, South Carolina for its comprehensive annual financial report for the fiscal year ended June 30, 2019. This was the eleventh consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

State statutes require an annual audit by independent certified public accountants or independent public accountants. The accounting firm of Mauldin & Jenkins LLC was selected and approved by County Council. In addition to meet

the requirements set forth in the statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). The auditor's report on the financial statements is included in the financial section of this report. The auditor's reports, pertinent to the requirements of the Uniform Guidance, are included in the Single Audit Section.

The preparation of this Comprehensive Annual Financial Report could not have been accomplished without the professional and dedicated services of the entire staff of the Finance Department throughout the fiscal year. We sincerely appreciate the efforts of other department heads and their employees who contributed to this report.

Additionally, we would like to express our appreciation to the County Council, County Administrator, Deputy County Administrator and the County legal staff for their continued support and understanding of the benefits of professional financial operations and reporting.

Respectfully submitted,



Whitney Richland, CPA, CGMA
Assistant County Administrator, Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Beaufort County
South Carolina**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

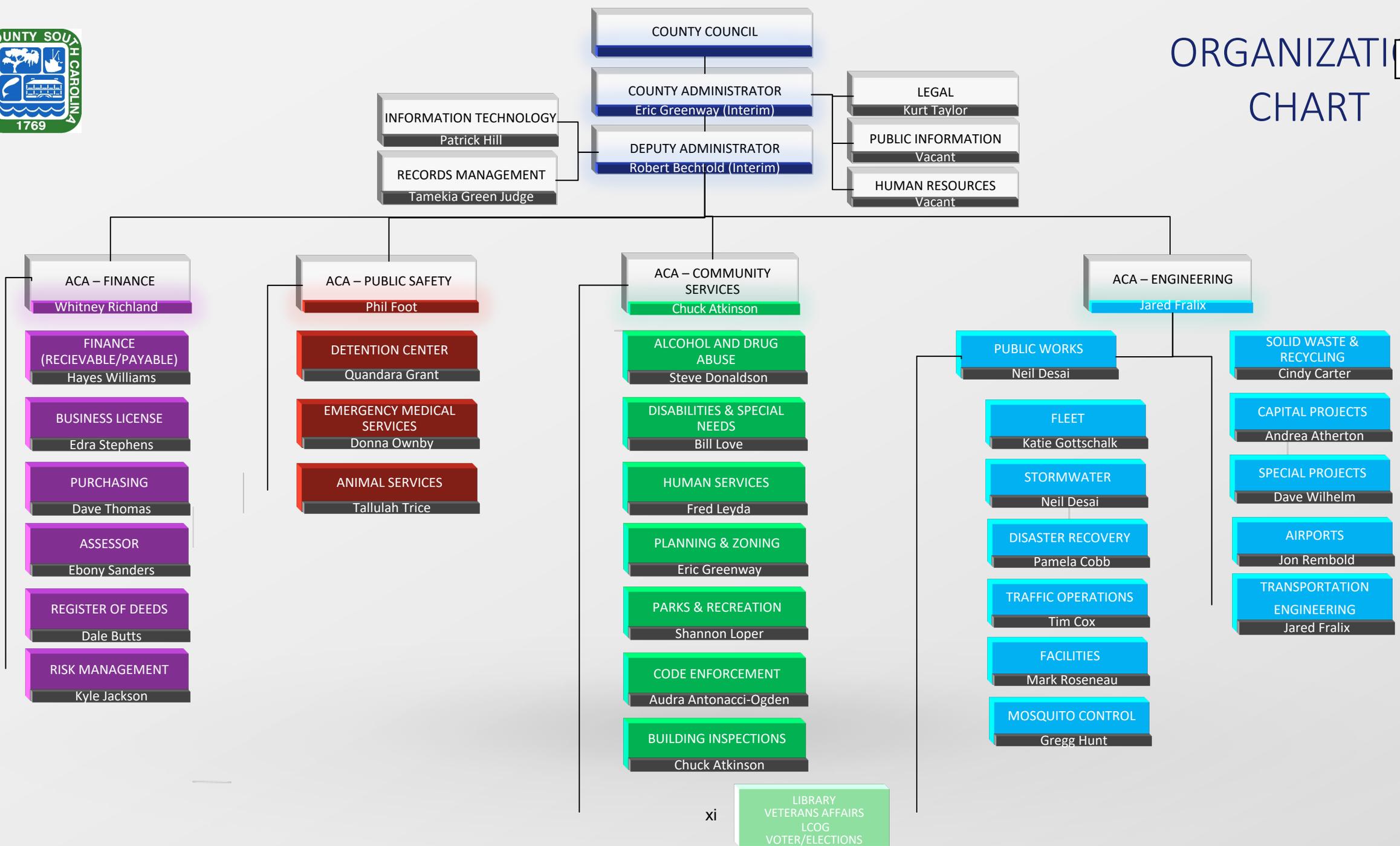
Christopher P. Morill

Executive Director/CEO



ORGANIZATION CHART

Item 9.



BEAUFORT COUNTY, SOUTH CAROLINA

Item 9.

**ELECTED AND APPOINTED OFFICIALS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

COUNTY COUNCIL

Joe Passiment, Chairman

D. Paul Sommerville, Vice – Chairman

Stu Rodman

Gerald Dawson

Brian E. Flewelling

York Glover, Sr.

Chris Hervochon

Alice G. Howard

Mark Lawson

Lawrence P. McElynn

Michael Covert

COUNTY ADMINISTRATOR

Ashley Jacobs

DEPUTY COUNTY ADMINISTRATOR

N/A

INTERIM CHIEF FINANCIAL OFFICER

Hayes Williams

COUNTY AUDITOR

Jim Beckert

COUNTY TREASURER

Maria Walls, CPA

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

**County Council
of Beaufort County
Beaufort, South Carolina**

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of **Beaufort County, South Carolina** (the "County"), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Beaufort County, South Carolina's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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, each major fund, and the aggregate remaining fund information of the County as of June 30, 2020, 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 – 19), the Schedule of Modified Approach for Airport Infrastructure Assets (on page 79), the Schedule of County's Proportionate Share of the Net Pension Liability (on page 77), the Schedule of County's Pension Contributions (on page 78), and the Budgetary Comparison Schedule of the General Fund (on pages 74 – 76) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, the combining and individual nonmajor fund financial statements and schedules, the budgetary comparison schedules, the combining statement of changes in assets and liabilities – agency funds, the statistical section, the Alcohol and Drug Abuse Programs Profit and Loss Statement, and the Daufuskie Ferry Schedule of Budgeted to Actual listed in the table of contents 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) is 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 accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance), and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules, the budgetary comparison schedules, the combining statement of changes in assets and liabilities – agency funds, the Alcohol and Drug Abuse Programs Profit and Loss Statement, the Daufuskie Ferry Schedule of Budgeted to Actual, the Uniform Schedule of Court Fines, Assessments, and Surcharges (per ACT 96), and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, the budgetary comparison schedules, the combining statement of changes in assets and liabilities – agency funds, the Alcohol and Drug Abuse Programs Profit and Loss Statement, the Daufuskie Ferry Schedule of Budgeted to Actual, the Uniform Schedule of Court Fines, Assessments, and Surcharges (per ACT 96), and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Savannah, Georgia
March 30, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

As management of Beaufort County, South Carolina (the "County"), we offer the readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2020. We encourage the readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages v – ix of this report.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at June 30, 2020 by \$478,331,348 (net position). The County's net position is categorized in three categories. Of the total net position, \$396,744,385 is the County's investment in capital assets less the related debt, \$102,903,269 is restricted for specific purposes and (\$21,316,306) is the County's unrestricted deficit.
- The government's total net position increased by \$66,612,818 during the fiscal year ended June 30, 2020 with a \$60,417,731 increase resulting from governmental activities and a \$6,195,087 increase resulting from business type activities.
- At the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$229,838,218, an increase of \$57,499,625 in comparison with the prior year. Approximately 20.7%, \$47,561,147 is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, the County's unassigned fund balance of the general fund was \$47,561,147, or approximately 26.3% of the general fund expenditures and transfers out.
- The County's net capital assets increased by \$1,624,038 during the current fiscal year. The decrease in governmental activities net capital assets of \$7,428,581 was the result of significant building improvements, road improvements, and real property acquisition as part of the County's land preservation program. The increase in business type activities net capital assets of \$9,034,934 was primarily due to land acquisition at the Lady's Island Airport.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management's Discussion and Analysis ("MD&A") is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements – The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

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

Both the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public safety, public works, public health, public welfare, and cultural and recreation. The business-type activities include the Stormwater Utility, the Lady's Island Airport, and the Hilton Head Island Airport. The business-type activities function for all practical purposes as departments of the County and, therefore, have been included as integral parts of the primary government.

The government-wide financial statements can be found on pages 20 and 21 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 the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

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, the County-wide general obligation bonds fund, and the sales tax projects fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* following the notes to the financial statements in 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 this budget.

The basic fund financial statements for governmental funds can be found on pages 22 – 25 of this report.

Proprietary funds – The County maintains four different types of proprietary funds, three of which are *enterprise funds*. Enterprise funds are used to report the same functions as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for its Stormwater Utility, Lady's Island Airport and Hilton Head Island Airport operations. These funds report the services provided by the County for which the County charges a user fee or charge intended to recover all or a significant portion of their costs.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for Stormwater Utility, Lady's Island Airport, and the Hilton Head Island Airport, all of which are considered to be major funds of the County.

Internal service funds are an accounting mechanism to accumulate and allocate costs internally for the County. The County uses internal service funds to account for its garage.

The basic proprietary fund financial statements can be found on pages 26 – 29 of this report.

Fiduciary funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for the fiduciary funds is much like that used for proprietary funds.

The statement of fiduciary net position can be found on page 30 of this report.

Notes to financial statements – The notes provide additional information that is essential to a full understanding of the data provided in both the government-wide and the fund financial statements. The notes are presented on pages 31 – 73 of the report.

Other supplemental information – In addition to the basic financial statements and accompanying notes, this report also presents certain supplemental information that further supports the financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The combining statements referred to earlier in connection with nonmajor governmental funds are presented within this section of this report and can be found on pages 89 – 154.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$478,331,348 as of June 30, 2020.

Of this amount, \$396,744,385 (approximately 82.8%) reflects the County's investment in capital assets (land, buildings and equipment); less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide a variety of services to citizens. Accordingly, 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 repay the debt.

An additional \$102,903,269 of the County's net position (approximately 21.5%) represents resources that are subject to external restrictions on how they may be used. Therefore, 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 separate governmental and business-type activities.

The third category and remaining balance of net position is an unrestricted deficit of \$21,316,306 of which \$16,413,940 pertains to governmental activities and \$4,902,366 pertains to business-type activities. The unrestricted deficit in net position for governmental activities decreased in the current fiscal year while the unrestricted deficit in net position for business-type activities increased. Part of this increase is a result of the increased pension liability reported in fiscal year 2020. The pension liability is required to be measured and recognized in accordance with standards established by Governmental Accounting Standards Board ("GASB") Statement No. 68 and No. 71.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Beaufort County's Net Position

June 30, 2020 and 2019

	Governmental Activities		Business-Type Activities		Total		Percent Change
	2020	2019	2020	2019	2020	2019	
Current and other assets	\$ 230,402,560	\$ 180,777,693	\$ 19,011,255	\$ 14,015,431	\$ 249,413,815	\$ 194,793,124	28.0%
Capital assets	534,106,691	541,517,587	39,388,762	30,353,828	573,495,453	571,871,415	0.3%
Total assets	<u>\$ 764,509,251</u>	<u>\$ 722,295,280</u>	<u>\$ 58,400,017</u>	<u>\$ 44,369,259</u>	<u>\$ 822,909,268</u>	<u>\$ 766,664,539</u>	7.3%
Total deferred outflows of resources	\$ 20,944,862	\$ 25,405,408	\$ 752,911	\$ 861,795	\$ 21,697,773	\$ 26,267,203	-17.4%
Long-term liabilities	\$ 318,928,435	\$ 336,839,104	\$ 5,530,581	\$ 5,134,439	\$ 324,459,016	\$ 341,973,543	-5.1%
Other liabilities	19,976,441	26,168,661	19,059,386	11,762,933	39,035,827	37,931,594	2.9%
Total liabilities	<u>\$ 338,904,876</u>	<u>\$ 363,007,765</u>	<u>\$ 24,589,967</u>	<u>\$ 16,897,372</u>	<u>\$ 363,494,843</u>	<u>\$ 379,905,137</u>	-4.3%
Total deferred inflows of resources	\$ 2,704,285	\$ 1,265,702	\$ 76,565	\$ 42,373	\$ 2,780,850	\$ 1,308,075	112.6%
Net Position:							
Net investment in capital assets	\$ 357,355,623	\$ 350,435,861	\$ 39,388,762	\$ 30,353,828	\$ 396,744,385	\$ 380,789,689	4.2%
Restricted	102,903,269	97,597,158	-	-	102,903,269	97,597,158	5.4%
Unrestricted (deficit)	(16,413,940)	(64,605,798)	(4,902,366)	(2,062,519)	(21,316,306)	(66,668,317)	-68.0%
Total Net Position	<u>\$ 443,844,952</u>	<u>\$ 383,427,221</u>	<u>\$ 34,486,396</u>	<u>\$ 28,291,309</u>	<u>\$ 478,331,348</u>	<u>\$ 411,718,530</u>	16.2%

The County's total net position increased \$66.61 million during the 2020 fiscal year. Key elements of this increase are as follows:

- The County's current and other assets increased by \$54.6 million as compared to fiscal year 2019. This increase is mainly due to an increase in the County's cash, investments and receivables. Additionally, fiscal year 2020 is the first full year in which the County received proceeds of the 1% sales tax approved by referendum in November 2018 and for which collections began in May 2019 for repair and replacement of major roadways and bridges as well as traffic improvements, sidewalks and pathways. During fiscal year 2020, the County received nearly \$45.2 million in this particular sales tax.
- The County's net capital assets increased by \$1.62 million as compared to fiscal year 2019. This increase occurred mostly from building improvements, completion of significant road projects, and real property acquisition as part of the County's land preservation program. See the capital assets and debt administration section below for more detail.
- The County's long-term liabilities decreased by \$17.5 million. This decrease is mostly attributable to the decrease of general obligation bonds outstanding in the amount of \$16.5 million. No new general obligations debt was issued during the fiscal year.
- In fiscal year 2020, the County had \$21.7 million of deferred outflows of resources related to the inclusion of the County's proportionate share of its pension liability in accordance with GASB Statement No. 68 and No. 71. This is a \$4.6 million decrease as compared to fiscal year 2019.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Beaufort County's Changes in Net Position

For the Fiscal Years Ended June 30, 2020 and 2019

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues						
Program Revenues:						
Charges for services	\$ 38,494,314	\$ 38,634,187	\$ 11,190,238	\$ 8,534,736	\$ 49,684,552	\$ 47,168,923
Operating grants and contributions	14,469,479	13,405,223	44,300	47,260	14,513,779	13,452,483
Capital grants and contributions	2,117,383	9,275,113	3,069,935	7,290,165	5,187,318	16,565,278
General Revenues:						
Property taxes	128,952,186	119,334,712	-	-	128,952,186	119,334,712
Sales taxes	45,195,996	46,453	-	-	45,195,996	46,453
Grants and contributions	9,547,798	9,215,559	-	-	9,547,798	9,215,559
Unrestricted investment earnings	5,044,088	5,557,428	181,486	272,185	5,225,574	5,829,613
Miscellaneous	3,617,284	3,631,771	-	-	3,617,284	3,631,771
Total Revenues	<u>247,438,528</u>	<u>199,100,446</u>	<u>14,485,959</u>	<u>16,144,346</u>	<u>261,924,487</u>	<u>215,244,792</u>
Program Expenses						
Governmental Activities:						
General government	50,963,220	67,483,600	-	-	50,963,220	67,483,600
Public safety	63,648,919	55,090,970	-	-	63,648,919	55,090,970
Public works	25,077,022	13,085,477	-	-	25,077,022	13,085,477
Public health	15,366,160	14,714,866	-	-	15,366,160	14,714,866
Public welfare	7,951,215	4,208,514	-	-	7,951,215	4,208,514
Cultural and recreation	17,948,284	17,544,898	-	-	17,948,284	17,544,898
Interest	6,065,977	4,981,961	-	-	6,065,977	4,981,961
Business-Type Activities:						
Stormwater Utility	-	-	4,796,915	4,366,551	4,796,915	4,366,551
Lady's Island Airport	-	-	548,152	1,404,657	548,152	1,404,657
Hilton Head Airport	-	-	2,945,805	7,587,534	2,945,805	7,587,534
Total Expenses	<u>187,020,797</u>	<u>177,110,286</u>	<u>8,290,872</u>	<u>13,358,742</u>	<u>195,311,669</u>	<u>190,469,028</u>
Change in net position	<u>60,417,731</u>	<u>21,990,160</u>	<u>6,195,087</u>	<u>2,785,604</u>	<u>66,612,818</u>	<u>24,775,764</u>
Net Position, beginning, as originally reported	<u>383,427,221</u>	<u>361,437,061</u>	<u>28,091,309</u>	<u>25,305,705</u>	<u>411,518,530</u>	<u>386,742,766</u>
Net Position, beginning	<u>383,427,221</u>	<u>361,437,061</u>	<u>28,091,309</u>	<u>25,305,705</u>	<u>411,518,530</u>	<u>386,742,766</u>
Net Position, ending	<u>\$ 443,844,952</u>	<u>\$ 383,427,221</u>	<u>\$ 34,286,396</u>	<u>\$ 28,091,309</u>	<u>\$ 478,131,348</u>	<u>\$ 411,518,530</u>

Governmental activities increased the County's net position by \$60.4 million, thereby accounting for 90.7% of the total increase in the net position of the County. Key elements in fiscal year 2020's activity are as follows:

- Charges for services increased by \$2.5 million, or 5.3%, in fiscal year 2020 as compared to fiscal year 2019. The increase in charges for services is due to increased recording fees. The increased recording fees are directly related to the growth of the economy in the County.
- Property tax revenues increased by \$9.6 million, or 8.1%, in fiscal year 2020 as compared to fiscal year 2019. This increase is attributable to the county continuing to recover from the recession that began in 2007 and a millage rate increase in fiscal year 2020 as compared to fiscal year 2019.
- During fiscal year 2020, the County received approximately \$45 million in sales tax revenues as a result of a referendum in November 2018 for which collections began in May 2019 for road, bridges and infrastructure repairs and replacements.

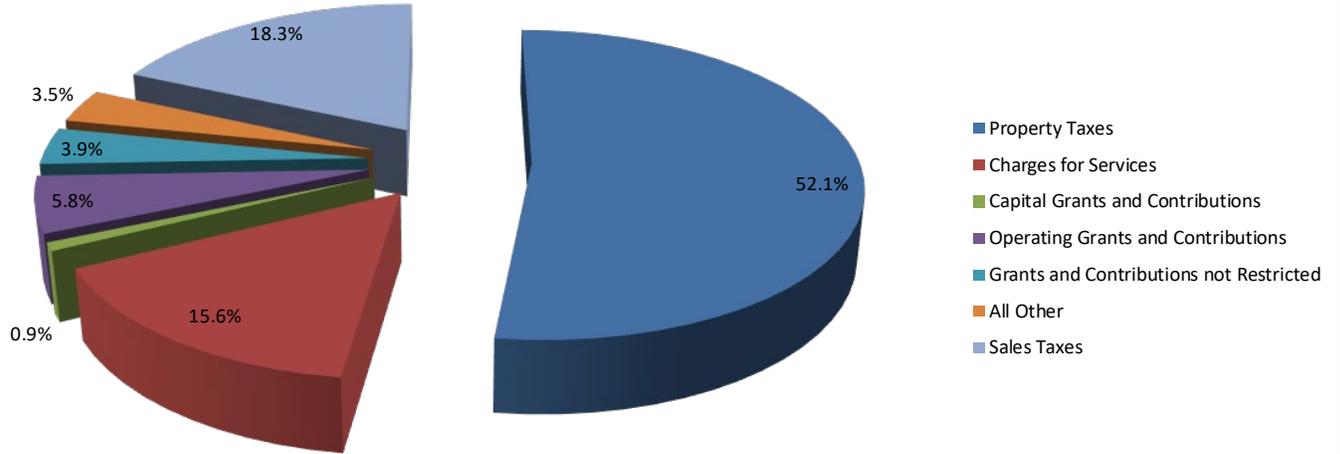
MANAGEMENT'S DISCUSSION AND ANALYSIS

Business-type activities increased the County's net position by nearly \$6.2 million, accounting for 9.2% of the total growth in the net position of the County. Key elements of this increase are as follows:

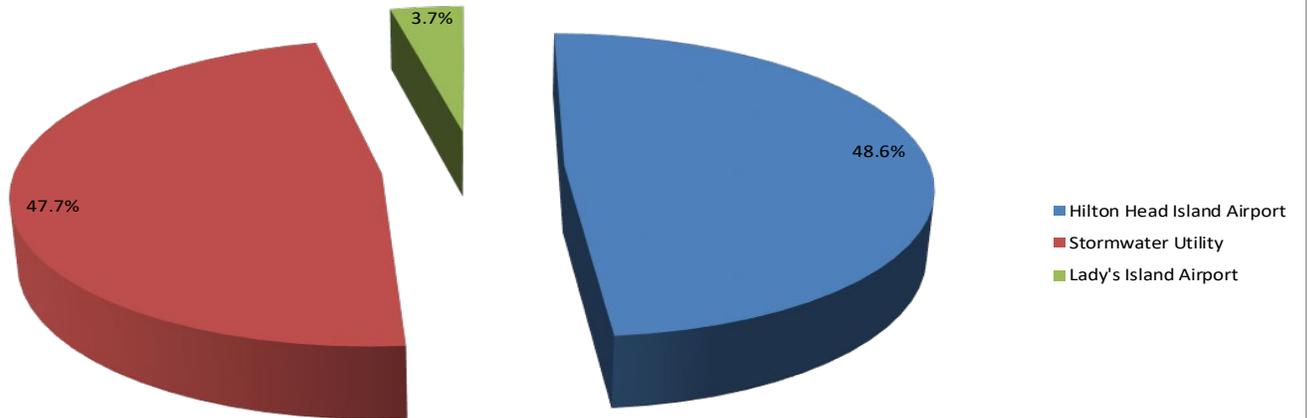
- Charges for services increased \$2.6 million, or 30.1%, in fiscal year 2020. This was primarily due to the increased revenue (\$1.655 million more in fiscal year 2020 than in fiscal year 2019) at the Hilton Head Airport made possible by the increased activity and exposure continuing from the runway extension project at the Hilton Head Island Airport was completed at the end of fiscal year 2018.
- Additionally, both airports saw a decrease in expenses during the fiscal year; the Lady's Island Airport's expenses decreased in fiscal year 2020 by \$865 thousand as compared to fiscal year 2019; Hilton Head Airport's expenses decreased \$4.64 million. These decreases in expenses were due to airport improvement projects at the airports in the prior year that gave rise to increased expenses in that year.

MANAGEMENT'S DISCUSSION AND ANALYSIS

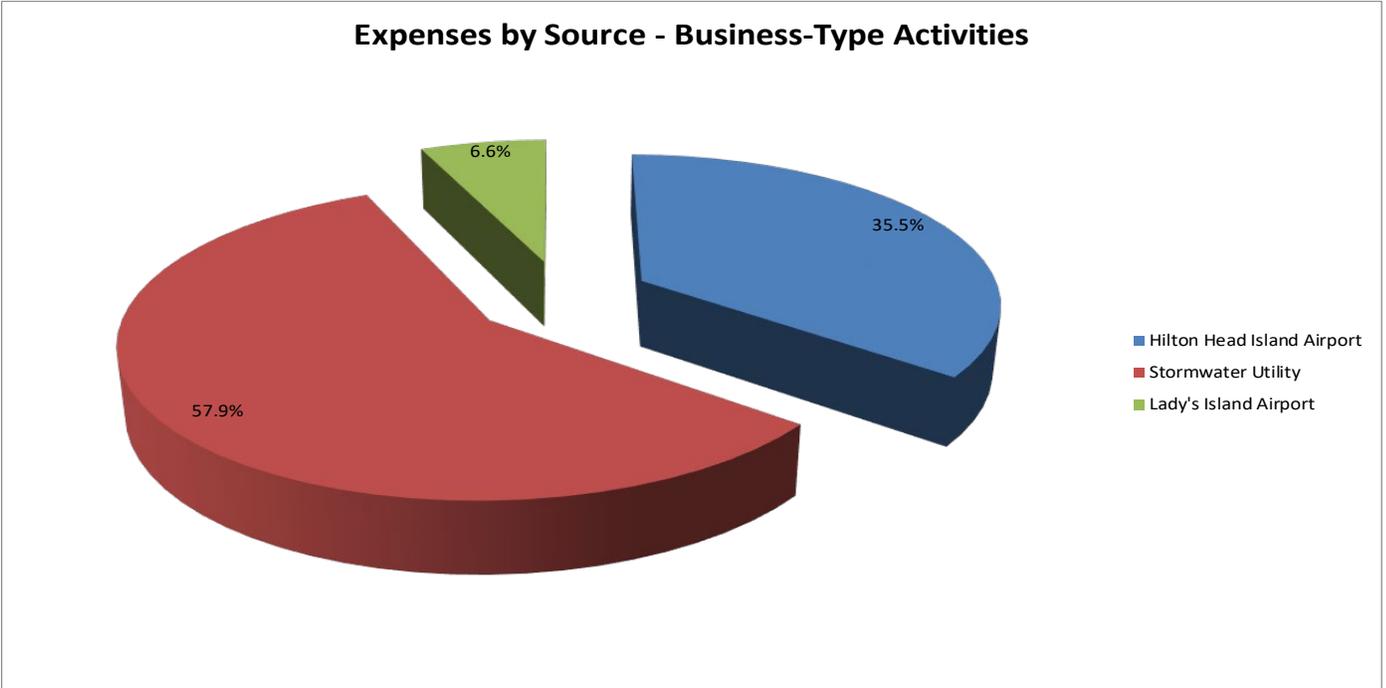
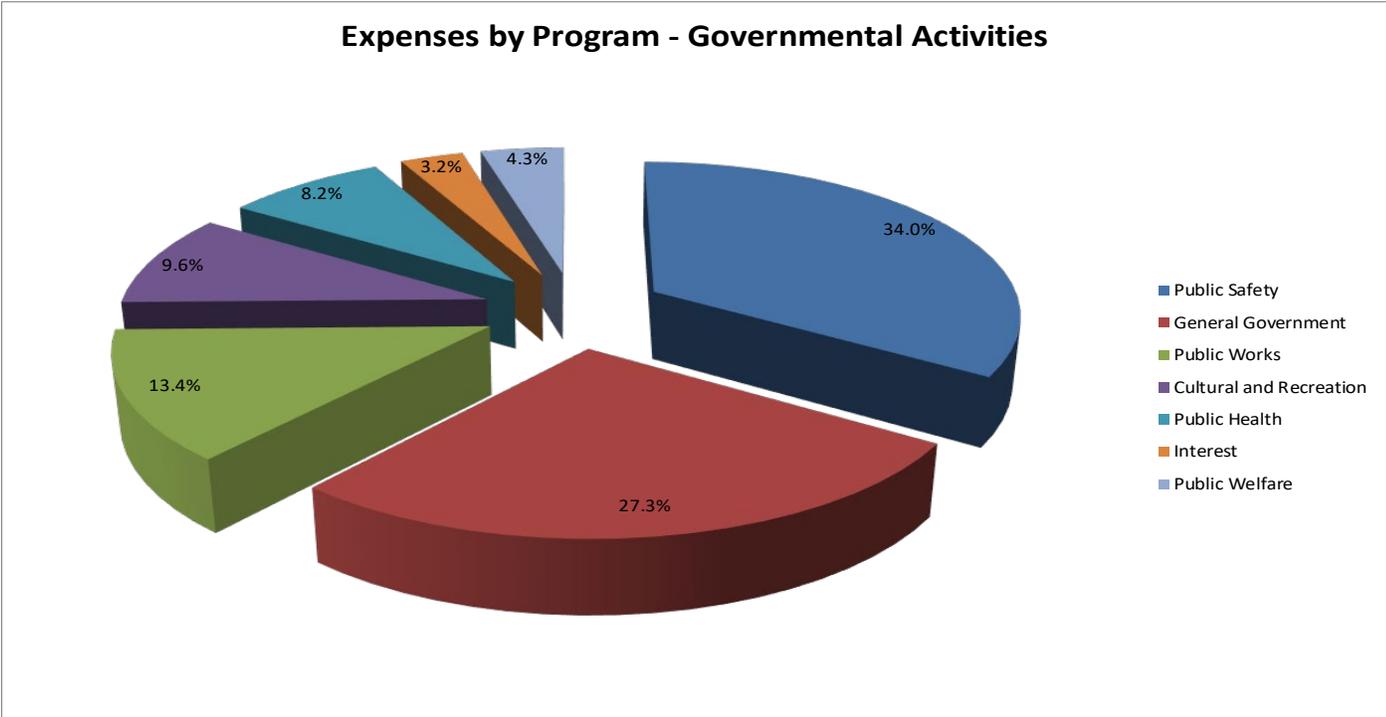
Revenues by Source - Governmental Activities



Revenues by Source - Business-Type Activities



MANAGEMENT'S DISCUSSION AND ANALYSIS



MANAGEMENT'S DISCUSSION AND ANALYSIS

FINANCIAL ANALYSIS OF THE GOVERNMENTAL 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.

At the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$229,838,218, an increase of \$57,499,625, in comparison with the prior year. Approximately 20.7% of this total fund balance, \$47,561,147 constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance totaling \$182,277,071 is either nonspendable, restricted, committed, or assigned for specific spending. This includes \$1,749,592 "not in spendable form" for items that are not expected to be converted to cash within one year, such as prepaid items. The remainder includes \$180,527,479 restricted, committed, or assigned for programs.

General Fund – The general fund is the main operating fund of the County. As of the fiscal year ended June 30, 2020, the unassigned portion of the fund balance of the general fund was \$47,561,147, while the total fund balance was \$53,817,297. As a measure of the general fund's liquidity, a comparison is made of both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents approximately 26.26% of total general fund expenditures and transfers out, while the total fund balance represents approximately 29.71% of total general fund expenditures and transfers out. Refer to pages 22 and 24 for the key elements of fiscal year 2020's general fund activity. The increased fund balance as of June 30, 2020 is due to increased revenues from taxes, charges for services and miscellaneous sources above and beyond the budgeted amounts as well as decreased expenditures in general government, public works and capital outlays below the budgeted amounts.

County-wide General Obligation Bonds Fund – At the end of the current fiscal year, the total fund balance of the County-wide general obligation bonds fund was \$21,480,852. The County-wide general obligation bonds fund balance is restricted for debt service. This fund recognized revenues of \$11,338,854 and total expenditures of \$11,699,336 for a decrease in fund balance of \$360,482. While the County typically collects enough revenue through a combination of taxes, intergovernmental revenue and interest earnings to fully service the debt, sufficient revenue was not collected in fiscal year 2020 partially due to the decrease in interest rates and thus, interest earned, but also because the County realized sufficient fund balance in the prior year to service the debt during fiscal year 2020.

Local Hospitality Tax Program Fund – At the end of the current fiscal year, the total fund balance of the local hospitality tax program fund was \$2,338,376, most of which was restricted. The local hospitality tax program fund recognized revenues of \$2,354,635, total expenditures of \$868,007 and other financing uses of \$1,500,000, for a net change in fund balance of (\$13,372). Like the County-wide general obligations bond fund, interest earnings in fiscal year 2020 were significantly less than anticipated and had the earnings environment remained level, no deficit would have been realized.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Road Impact Fees Fund – At the end of the current fiscal year, the total fund balance of the road impact fees fund was \$23,157,494 all of which was restricted for system improvements as set forth in the County's adopted capital improvements plan. The road impact fees fund recognized revenues of \$5,039,943, total expenditures of \$201,628 and other financing uses of \$2,076,852, for a net change in fund balance of \$2,761,463. While few expenditures were made during fiscal year 2020, the County has several projects lined up for fiscal year 2021 that will consume much of the addition to fund balance from fiscal year 2020.

Sales Tax Project Fund – At the end of the current fiscal year, the total fund balance of the sales tax project fund was \$45,468,829 almost all of which was restricted for capital improvements as set forth in the County's adopted capital improvements plan. The sales tax project fund recognized revenues of \$45,452,708, total expenditures of \$2,409,672 for a change in fund balance of \$43,043,036. This is to be expected as fiscal year 2020 was the first full year of collections and projects are just getting started.

Further details of the County's major funds and nonmajor funds can be found in the notes to financial statements.

Proprietary funds – The focus of the County's proprietary funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County proprietary funds' financing requirements. As restrictions, commitments, and other limitations on net position significantly affect the availability of fund resources for future use, unreserved net position may serve as a useful measure of a government's proprietary net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's proprietary funds reported combined ending net position of \$34,486,396, which is an increase of \$6,195,087 in comparison with the prior year. The proprietary funds recognized operating revenues of \$11,190,238 and operating expenses of \$8,030,827. Non-operating revenues and expenses totaled (\$34,259), while capital contributions totaled \$3,069,935 in fiscal year 2020, for a change in net position of \$6,195,087.

Stormwater Utility – At the end of the current fiscal year, the net position of the stormwater utility fund was \$9,790,536, of which \$2,995,701 was invested in capital assets, net of related debt, leaving a balance of \$6,794,835 in unrestricted net position. The stormwater utility fund recognized operating revenues of \$6,725,471, total operating expenses of \$4,613,651, and (\$1,778) in net non-operating revenues for an increase in net position of \$2,110,042. The increase in net position within the Stormwater Utility Fund for the fiscal year ended June 30, 2020, was related to increased operating revenues that outpaced the rate of expenditure; few expenses for capital outlay were made. The county is working toward a comprehensive capital replacement plan under which expenses for capital outlay will be made in future fiscal years.

Lady's Island Airport – At the end of the current fiscal year, the net position of the Lady's Island Airport fund was \$2,616,178, of which \$4,306,620 was invested in capital assets, net of related debt, leaving a deficit balance of \$1,690,442 in unrestricted net position. The Lady's Island Airport recognized operating revenues of \$539,273, total operating expenses of \$547,146, and \$1,006 in net non-operating expenses for a decrease in net position of \$8,879. The decrease in the Lady's Island Airport fund balance in the 2020 fiscal year was the result of decreased operating revenues and a lack of capital grants.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Hilton Head Island Airport – At the end of the current fiscal year, the net position of the Hilton Head Island Airport fund was \$22,079,682, of which \$32,086,441 was invested in capital assets, net of related debt, leaving a deficit balance of \$10,006,759 in unrestricted net position. The Hilton Head Island Airport recognized operating revenues of \$3,925,494, total operating expenses of \$2,870,030, \$31,475 in net non-operating expenses, and \$3,069,935 in capital contributions for an increase in net position of \$4,093,924. The increase in net position within the Hilton Head Island Airport fund in the 2020 fiscal year was related to increased capital contributions as well as operating revenues which is attributable to the previous expansion completed at the end of fiscal year 2018 that is slowly attracting more business to this airport.

GENERAL FUND BUDGETARY HIGHLIGHTS

Original Budget to Final Budget Comparison for the Fiscal Year Ended June 30, 2020

	Original Budget	Final Budget	Variance with Final Budget Positive (Negative)
Revenues:			
Taxes	\$ 104,929,234	\$ 104,929,234	\$ -
Licenses and permits	4,055,200	4,055,200	-
Intergovernmental	9,249,610	9,249,610	-
Charges for services	12,661,700	12,661,700	-
Fines and forfeitures	676,500	676,500	-
Interest	442,805	442,805	-
Miscellaneous	290,165	290,165	-
Total Revenues	<u>132,305,214</u>	<u>132,305,214</u>	-
Expenditures:			
General government	40,465,330	40,465,330	-
Public safety	48,853,088	48,853,088	-
Public works	17,166,419	17,166,419	-
Public health	3,723,944	3,723,944	-
Public welfare	712,288	712,288	-
Cultural and recreation	14,331,252	14,331,252	-
Capital	4,639,596	4,639,596	-
Total Expenditures	<u>129,891,917</u>	<u>129,891,917</u>	-
Excess (deficiency) of revenues over expenditures	2,413,297	2,413,297	-
Other financing sources (uses)			
Transfers in	1,568,750	1,568,750	-
Transfers out	(5,240,281)	(5,240,281)	-
Total Other Financing Sources (Uses)	<u>(3,671,531)</u>	<u>(3,671,531)</u>	-
Net Change in Fund Balance	(1,258,234)	(1,258,234)	-
Fund balance - beginning	<u>43,310,928</u>	<u>43,310,928</u>	-
Fund balance - ending	<u>\$ 42,052,694</u>	<u>\$ 42,052,694</u>	<u>\$ -</u>

The County did not prepare a final or amended budget for the general fund during fiscal year 2020. Therefore, there are no variances noted. This was due to the vacancy in the Chief Financial Officer's position shortly before fiscal year-end.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Final Budget to Actual Comparison for the Fiscal Year Ended June 30, 2020

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Taxes	\$ 104,929,234	\$ 107,168,819	\$ 2,239,585
Licenses and permits	4,055,200	3,933,782	(121,418)
Intergovernmental	9,249,610	9,552,145	302,535
Charges for services	12,661,700	14,195,437	1,533,737
Fines and forfeitures	676,500	759,043	82,543
Interest	442,805	754,550	311,745
Miscellaneous	290,165	1,528,159	1,237,994
Total Revenues	132,305,214	137,891,935	5,586,721
Expenditures:			
General government	40,465,330	37,196,755	3,268,575
Public safety	48,853,088	49,274,785	(421,697)
Public works	17,166,419	16,121,935	1,044,484
Public health	3,723,944	3,376,730	347,214
Public welfare	712,288	666,754	45,534
Cultural and recreation	14,331,252	13,479,756	851,496
Disaster related	-	-	-
Debt Service - principal	-	-	-
Debt Service - interest and fees	-	-	-
Capital	4,639,596	3,009,777	1,629,819
Total Expenditures	129,891,917	123,126,492	6,765,425
Excess (deficiency) of revenues over expenditures	2,413,297	14,765,443	12,352,146
Other Financing Sources (Uses)			
Transfers in	1,568,750	1,554,205	(14,545)
Transfers out	(5,240,281)	(5,813,279)	(572,998)
Total Other Financing Sources (Uses)	(3,671,531)	(4,259,074)	(587,543)
Net Change in Fund Balance	(1,258,234)	10,506,369	11,764,603
Fund balance - beginning	43,310,928	43,310,928	-
Fund balance - ending	<u>\$ 42,052,694</u>	<u>\$ 53,817,297</u>	<u>\$ 11,764,603</u>

The actual net position of the County's general fund varied from its final budget's net position by \$11.7 million. Key elements of this are as follows:

- The County's general fund actual revenues had a positive variance of \$5.58 million as compared to the final budget of fiscal year 2020. This positive variance is attributable to increased actual revenue as compared to expected revenue related to Property taxes, Charges for services, and Miscellaneous revenues.
- The County's general fund actual expenditures had a positive variance of \$6.76 million as compared to the final budget of fiscal year 2020. This positive variance is directly related to decreased expenditures in the General government, Public works and Culture and recreation functions.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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, 2020 was \$573,495,453 (net of accumulated depreciation). This investment in capital assets includes land and easements, buildings and improvements, infrastructure, and equipment. The total increase in the County's investment in capital assets for the current fiscal year was 0.28%.

In lieu of annual depreciation, the County has elected to use the modified approach for its airport infrastructure assets, which include runways, taxiways, and aprons. As of June 30, 2020, 100% of airport infrastructure assets were in a fair or better condition.

Additional information on the County's modified approach for airport infrastructure assets can be found on Schedule 1 on page 79 of this report.

Beaufort County's Capital Assets (Net of Depreciation)

June 30, 2020 and 2019

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 135,155,062	\$ 131,740,701	\$ 18,655,857	\$ 13,561,714	\$ 153,810,919	\$ 145,302,415
Easements	18,059,927	18,059,927	-	-	18,059,927	18,059,927
Construction in progress	16,843,535	16,823,960	4,121,319	257,890	20,964,854	17,081,850
Buildings and improvements	99,795,393	101,904,692	3,812,625	4,292,660	103,608,018	106,197,352
Infrastructure	248,971,439	257,172,929	10,176,812	9,229,801	259,148,251	266,402,730
Equipment	15,281,335	15,833,063	2,622,149	3,011,763	17,903,484	18,844,826
Total Capital Assets	<u>\$ 534,106,691</u>	<u>\$ 541,535,272</u>	<u>\$ 39,388,762</u>	<u>\$ 30,353,828</u>	<u>\$ 573,495,453</u>	<u>\$ 571,889,100</u>

Major capital asset events during the current fiscal year included the following:

- An additional \$5.1 million of land purchased for the Hilton Head Island Airport.

Additional information on the County's capital assets can be found in Note 4 on pages 49 – 51 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Long-Term Debt – At the end of the current fiscal year, the County had \$337,174,328 of total long-term obligations outstanding. The total amount of general obligation debt is backed by the full faith and credit of the government.

Beaufort County's Outstanding Debt

June 30, 2020 and 2019

	Governmental Activities	
	2020	2019
General Obligation Bonds	\$ 197,277,817	\$ 213,830,070
Net Pension Liability	125,657,105	124,654,927
Compensated Absences	4,504,195	3,568,726
Premiums	9,735,210	11,837,257
Total Outstanding Debt	\$ 337,174,327	\$ 353,890,980
 Deferred Charge on Refundings	 \$ 2,613,134	 \$ 3,137,408

Major outstanding debt events during the current fiscal year included the following:

- The County's pension liability increased by \$1 million as compared to fiscal year 2019.

The County maintains an underlying, uninsured "AA+" bond rating from Standard & Poor's Rating Group for all of its general obligation bonds, an underlying, uninsured "Aa1" bond rating from Moody's Investors Service for all of its general obligation bonds.

State statutes limit the amount of general obligation debt a governmental entity may issue to 8% of its total assessed valuation less debt issued by referendum and debt issued and paid by other sources. The current debt limitation for the County is \$178,602,970. The County was \$98,505,548 under this legal limit at June 30, 2020.

Additional information on the County's long-term debt can be found in Note 5 on pages 51 – 57 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

- The unemployment rate for the County was 7.4% at June 30, 2020, which is higher than the rate of 3.3% a year ago. This compares favorably with the State of South Carolina's average unemployment rate of 7.7% at June 30, 2020, and with the national average unemployment rate of 11.1% at June 30, 2020.
- The cost of living in this region still compares favorably to other areas of the country.

All of these factors were considered in preparing the County's budget for the 2021 fiscal year. As of June 30, 2020, the County's unassigned general fund balance was \$47,561,147. During fiscal year 2020, there was an increase to the County's general fund balance in the amount of \$10,506,369.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Beaufort 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 Finance Department, Post Office Box 1228, Beaufort, South Carolina 29901-1228.

BEAUFORT COUNTY, SOUTH CAROLINA

STATEMENT OF NET POSITION JUNE 30, 2020

	Governmental Activities	Business-Type Activities	Totals
<u>ASSETS</u>			
Current assets			
Cash and equity in pooled cash and investments	\$ 146,635,836	\$ 14,951,531	\$ 161,587,367
Receivables	15,448,764	688,987	16,137,751
Due from other governments	6,366,106	3,069,549	9,435,655
Notes receivable	85,088	-	85,088
Inventories	-	175,788	175,788
Prepaid items	1,753,599	125,400	1,878,999
Total current assets	<u>170,289,393</u>	<u>19,011,255</u>	<u>189,300,648</u>
Non-current assets			
Equity in pooled investments	59,636,974	-	59,636,974
Notes receivable	476,193	-	476,193
	<u>60,113,167</u>	<u>-</u>	<u>60,113,167</u>
Capital assets			
Non-depreciable	170,058,524	32,953,987	203,012,511
Depreciable	364,048,167	6,434,775	370,482,942
	<u>534,106,691</u>	<u>39,388,762</u>	<u>573,495,453</u>
Total non-current assets	<u>594,219,858</u>	<u>39,388,762</u>	<u>633,608,620</u>
Total assets	<u>764,509,251</u>	<u>58,400,017</u>	<u>822,909,268</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred charge on refundings	2,613,137	-	2,613,137
Pension	18,331,725	752,911	19,084,636
Total deferred outflows of resources	<u>20,944,862</u>	<u>752,911</u>	<u>21,697,773</u>
Total assets and deferred outflows of resources	<u>785,454,113</u>	<u>59,152,928</u>	<u>844,607,041</u>
<u>LIABILITIES</u>			
Current liabilities			
Accounts payable	10,317,974	1,467,914	11,785,888
Accrued payroll	4,152,751	166,383	4,319,134
Accrued liabilities	3,323,017	-	3,323,017
Accrued compensated absences	630,587	24,936	655,523
Internal balances	(17,400,153)	17,400,153	-
Current portion of long-term debt	17,615,306	-	17,615,306
Due to others	1,336,959	-	1,336,959
Total current liabilities	<u>19,976,441</u>	<u>19,059,386</u>	<u>39,035,827</u>
Non-current liabilities			
Accrued compensated absences	3,873,608	153,177	4,026,785
Net pension liability	125,657,105	5,377,404	131,034,509
Long-term obligations	189,397,722	-	189,397,722
Total non-current liabilities	<u>318,928,435</u>	<u>5,530,581</u>	<u>324,459,016</u>
Total liabilities	<u>338,904,876</u>	<u>24,589,967</u>	<u>363,494,843</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Pension	2,704,285	76,565	2,780,850
Total deferred inflows of resources	<u>2,704,285</u>	<u>76,565</u>	<u>2,780,850</u>
<u>NET POSITION</u>			
Investment in capital assets	357,355,623	39,388,762	396,744,385
Restricted for			
General government programs:	14,462,499	-	14,462,499
Public safety programs	7,732,734	-	7,732,734
Public works programs	9,501,872	-	9,501,872
Public health programs	6,685,251	-	6,685,251
Public welfare programs	38,550	-	38,550
Cultural and recreational programs	12,503,971	-	12,503,971
Capital projects	26,483,794	-	26,483,794
Debt service	25,494,598	-	25,494,598
Unrestricted (deficit)	<u>(16,413,940)</u>	<u>(4,902,366)</u>	<u>(21,316,306)</u>
Total net position	<u>443,844,952</u>	<u>34,486,396</u>	<u>478,331,348</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 785,454,113</u>	<u>\$ 59,152,928</u>	<u>\$ 844,607,041</u>

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

BEAUFORT COUNTY, SOUTH CAROLINA

STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Functions/Programs	Net (Expense) Revenue and Changes in Net Position						
	Expenses	Program Revenues			Primary Government		Totals
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities	
Governmental activities:							
General government	\$ 50,963,220	\$ 17,780,576	\$ 2,285,768	\$ 2,117,383	\$ (28,779,493)	\$ -	\$ (28,779,493)
Public safety	63,648,919	9,584,384	2,647,448	-	(51,417,087)	-	(51,417,087)
Public works	25,077,022	7,564,330	321,775	-	(17,190,917)	-	(17,190,917)
Public health	15,366,160	547,458	8,026,239	-	(6,792,463)	-	(6,792,463)
Public welfare	7,951,215	282,529	863,693	-	(6,804,993)	-	(6,804,993)
Cultural and recreation	17,948,284	2,735,037	324,556	-	(14,888,691)	-	(14,888,691)
Interest	6,065,977	-	-	-	(6,065,977)	-	(6,065,977)
Total governmental activities	<u>187,020,797</u>	<u>38,494,314</u>	<u>14,469,479</u>	<u>2,117,383</u>	<u>(131,939,621)</u>	<u>-</u>	<u>(131,939,621)</u>
Business-type activities:							
Stormwater utility	4,796,915	6,725,471	-	-	-	1,928,556	1,928,556
Lady's Island Airport	548,152	539,273	-	-	-	(8,879)	(8,879)
Hilton Head Airport	2,945,805	3,925,494	44,300	3,069,935	-	4,093,924	4,093,924
Total business-type activities	<u>8,290,872</u>	<u>11,190,238</u>	<u>44,300</u>	<u>3,069,935</u>	<u>-</u>	<u>6,013,601</u>	<u>6,013,601</u>
Total	<u>\$ 195,311,669</u>	<u>\$ 49,684,552</u>	<u>\$ 14,513,779</u>	<u>\$ 5,187,318</u>	<u>(131,939,621)</u>	<u>6,013,601</u>	<u>(125,926,020)</u>
			General revenues				
			Property taxes	128,952,186	-	-	128,952,186
			Sales taxes	45,195,996	-	-	45,195,996
			Grants and contributions not restricted	9,547,798	-	-	9,547,798
			Unrestricted investment earnings	5,044,088	181,486	-	5,225,574
			Miscellaneous	3,617,284	-	-	3,617,284
			Total general revenues	<u>192,357,352</u>	<u>181,486</u>	<u>-</u>	<u>192,538,838</u>
			Change in net position	60,417,731	6,195,087	-	66,612,818
			Net position, beginning	383,427,221	28,291,309	-	411,718,530
			Net position, ending	<u>\$ 443,844,952</u>	<u>\$ 34,486,396</u>	<u>\$ -</u>	<u>\$ 478,331,348</u>

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

BEAUFORT COUNTY, SOUTH CAROLINA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020

	General	County Wide General Obligation Bonds	Local Hospitality Tax Program	Road Impact Fees	Sales Tax Project	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS							
Cash and equity							
in pooled cash and investments	\$ 49,004,624	\$ 13,041,789	\$ 2,342,629	\$ 21,633,744	\$ 35,631,285	\$ 84,618,739	\$ 206,272,810
Receivables	2,717,564	332,835	-	1,533,104	9,287,665	1,454,590	15,325,758
Due from other governments	3,181,365	-	-	-	552,501	2,632,240	6,366,106
Advances to enterprise funds	9,626,570	7,773,583	-	-	-	-	17,400,153
Notes receivable	-	561,281	-	-	-	-	561,281
Prepaid items	1,601,190	-	315	-	94	147,993	1,749,592
Total assets	<u>66,131,313</u>	<u>21,709,488</u>	<u>2,342,944</u>	<u>23,166,848</u>	<u>45,471,545</u>	<u>88,853,562</u>	<u>247,675,700</u>
LIABILITIES							
Accounts payable	6,128,904	806	3,759	9,354	2,394	4,013,383	10,158,600
Accrued payroll	3,330,653	-	809	-	322	820,967	4,152,751
Accrued liabilities	749,000	-	-	-	-	-	749,000
Due to others	893,117	-	-	-	-	443,842	1,336,959
Total liabilities	<u>11,101,674</u>	<u>806</u>	<u>4,568</u>	<u>9,354</u>	<u>2,716</u>	<u>5,278,192</u>	<u>16,397,310</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - property taxes	1,212,342	227,830	-	-	-	-	1,440,172
Total deferred inflows of resources	<u>1,212,342</u>	<u>227,830</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,440,172</u>
FUND BALANCE							
Nonspendable	1,601,190	-	315	-	94	147,993	1,749,592
Restricted	-	21,480,852	2,338,061	23,157,494	45,468,735	83,100,475	175,545,617
Committed	1,104,309	-	-	-	-	326,902	1,431,211
Assigned	3,748,371	-	-	-	-	-	3,748,371
Unassigned	47,363,427	-	-	-	-	-	47,363,427
Total fund balances	<u>53,817,297</u>	<u>21,480,852</u>	<u>2,338,376</u>	<u>23,157,494</u>	<u>45,468,829</u>	<u>83,575,370</u>	<u>229,838,218</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 66,131,313</u>	<u>\$ 21,709,488</u>	<u>\$ 2,342,944</u>	<u>\$ 23,166,848</u>	<u>\$ 45,471,545</u>	<u>\$ 88,853,562</u>	<u>\$ 247,675,700</u>

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

BEAUFORT COUNTY, SOUTH CAROLINA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION JUNE 30, 2020

Total governmental fund balances:	\$	229,838,218
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Amounts reported for governmental activities in the statement of net position are different because of the following:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the government funds.		534,074,330
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Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds:

Property taxes and other special assessments	\$	1,440,172	
Deferred charge on refunding		<u>2,613,137</u>	4,053,309

Deferred outflows of resources are not due and payable in the current period and, therefore, are not reported in the funds. These deferred outflows of resources consist of pension related experience differences, assumption changes, and differences between projected and actual earnings on plan investments:

Deferred outflows related to pensions		18,331,725
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Long term liabilities, including bonds payable and accrued interest, are not due and payable in the current period and, therefore, are not reported in the funds:

General obligation bonds	\$	(197,277,818)	
Bond premiums		(9,735,210)	
Compensated absences		(4,504,195)	
Accrued interest		(2,574,017)	
Net pension liability		<u>(125,657,105)</u>	(339,748,345)

Deferred inflows of resources are not available to pay for current period expenditures and, therefore, are not reported in the funds. These deferred inflows of resources consist of pension related differences between projected and actual earnings on plan investments.

Deferred inflows related to pensions		<u>(2,704,285)</u>
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Net position of governmental activities	\$	<u><u>443,844,952</u></u>
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The accompanying notes are an integral part of these financial statements.

BEAUFORT COUNTY, SOUTH CAROLINA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	County Wide General Obligation Bonds	Local Hospitality Tax Program	Road Impact Fees	Sales Tax Project	Nonmajor Governmental Funds	Total Governmental Funds
	General					
Revenues						
Property taxes	\$ 107,168,819	\$ 10,822,382	\$ -	\$ -	\$ -	\$ 129,057,671
Licenses and permits	3,933,782	-	2,309,961	4,779,548	-	16,740,438
Intergovernmental	9,552,145	256,184	-	-	45,195,996	72,999,518
Charges for services	14,195,437	-	-	-	-	20,499,738
Fines and forfeitures	759,043	-	12,278	-	-	1,373,531
Interest	754,550	260,288	32,396	260,395	256,712	2,624,384
Miscellaneous	1,528,159	-	-	-	-	4,248,732
Total revenues	<u>137,891,935</u>	<u>11,338,854</u>	<u>2,354,635</u>	<u>5,039,943</u>	<u>45,452,708</u>	<u>247,544,012</u>
Expenditures						
General government services	37,196,755	-	868,007	-	-	44,137,817
Public safety services	49,274,785	-	-	-	-	52,467,265
Public works services	16,121,935	-	-	-	-	16,558,486
Public health services	3,376,730	-	-	-	-	13,865,957
Public welfare services	666,754	-	-	-	-	3,249,314
Cultural and recreation services	13,479,756	-	-	-	-	14,033,306
Debt service - principal	-	8,455,720	-	-	-	16,552,252
Debt service - interest and fees	-	3,243,616	-	-	-	7,776,219
Capital projects	3,009,777	-	-	201,628	2,409,672	20,830,773
Total expenditures	<u>123,126,492</u>	<u>11,699,336</u>	<u>868,007</u>	<u>201,628</u>	<u>2,409,672</u>	<u>189,471,389</u>
Excess (deficiency) of revenues over (under) expenditures	<u>14,765,443</u>	<u>(360,482)</u>	<u>1,486,628</u>	<u>4,838,315</u>	<u>43,043,036</u>	<u>58,072,623</u>
Other Financing Sources (Uses)						
Transfers in	1,554,205	-	-	-	-	9,833,827
Transfers out	(5,813,279)	-	(1,500,000)	(2,076,852)	-	(10,406,825)
Total other financing sources (uses)	<u>(4,259,074)</u>	<u>-</u>	<u>(1,500,000)</u>	<u>(2,076,852)</u>	<u>-</u>	<u>(572,998)</u>
Net change in fund balance	10,506,369	(360,482)	(13,372)	2,761,463	43,043,036	57,499,625
Fund balance - beginning	43,310,928	21,841,334	2,351,748	20,396,031	2,425,793	172,338,593
Fund balance - ending	<u>\$ 53,817,297</u>	<u>\$ 21,480,852</u>	<u>\$ 2,338,376</u>	<u>\$ 23,157,494</u>	<u>\$ 45,468,829</u>	<u>\$ 229,838,218</u>

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

BEAUFORT COUNTY, SOUTH CAROLINA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Net change in fund balances - total governmental funds	\$	57,499,625
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Amounts reported for governmental activities in the statement of activities are different because:

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

Capital outlay	\$ 17,906,447	
Depreciation expense	<u>(24,560,289)</u>	(6,653,842)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.	(748,286)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:

Property taxes and other special assessments	(105,484)
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The effects of these items are as follows:

Repayment of the principal of long-term debt	\$ 16,552,252	
Amortization of premium on long-term debt	2,102,046	
Amortization of deferred charge on refunding	<u>(524,271)</u>	18,130,027

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

Pension liability	\$ (6,377,036)	
Compensated absences	(935,469)	
Accrued interest on long-term debt	<u>(391,804)</u>	<u>(7,704,309)</u>
	\$	<u><u>60,417,731</u></u>

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

BEAUFORT COUNTY, SOUTH CAROLINA

STATEMENT OF NET POSITION PROPRIETARY FUNDS JUNE 30, 2020

	Business-Type Activities - Enterprise Funds				Internal Service Fund
	Stormwater Utility	Lady's Island Airport	Hilton Head Airport	Totals	Garage
<u>ASSETS</u>					
Current assets:					
Cash and cash equivalents	\$ 14,951,281	\$ 250	\$ -	\$ 14,951,531	\$ -
Receivables, operating	227,025	30,105	431,857	688,987	123,006
Receivables, federal and state grants	-	-	3,069,549	3,069,549	-
Inventories	143,707	32,081	-	175,788	-
Prepayments	58,419	19,464	47,517	125,400	4,007
Total current assets	<u>15,380,432</u>	<u>81,900</u>	<u>3,548,923</u>	<u>19,011,255</u>	<u>127,013</u>
Capital assets	5,945,586	5,526,329	43,582,141	55,054,056	445,159
Accumulated depreciation	<u>(2,949,885)</u>	<u>(1,219,709)</u>	<u>(11,495,700)</u>	<u>(15,665,294)</u>	<u>(412,798)</u>
	<u>2,995,701</u>	<u>4,306,620</u>	<u>32,086,441</u>	<u>39,388,762</u>	<u>32,361</u>
Total assets	<u>18,376,133</u>	<u>4,388,520</u>	<u>35,635,364</u>	<u>58,400,017</u>	<u>159,374</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>					
Pension	500,704	30,035	222,172	752,911	-
Total deferred outflows of resources	<u>500,704</u>	<u>30,035</u>	<u>222,172</u>	<u>752,911</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 18,876,837</u>	<u>\$ 4,418,555</u>	<u>\$ 35,857,536</u>	<u>\$ 59,152,928</u>	<u>\$ 159,374</u>
<u>LIABILITIES</u>					
Current liabilities:					
Account payable	\$ 105,632	\$ 55,050	\$ 1,307,232	\$ 1,467,914	\$ 159,374
Accrued payroll	113,681	4,203	48,499	166,383	-
Accrued compensated absences	17,820	-	7,116	24,936	-
Advances from other funds	-	1,517,921	8,108,649	9,626,570	-
Current portion - due to debt service fund	-	-	174,286	174,286	-
Total current liabilities	<u>237,133</u>	<u>1,577,174</u>	<u>9,645,782</u>	<u>11,460,089</u>	<u>159,374</u>
Non-current liabilities:					
Accrued compensated absences	109,468	-	43,709	153,177	-
Net pension liability	3,710,146	223,597	1,443,661	5,377,404	-
Due to debt service fund	5,000,000	-	2,599,297	7,599,297	-
Total non-current liabilities	<u>8,819,614</u>	<u>223,597</u>	<u>4,086,667</u>	<u>13,129,878</u>	<u>-</u>
Total liabilities	<u>9,056,747</u>	<u>1,800,771</u>	<u>13,732,449</u>	<u>24,589,967</u>	<u>159,374</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Pension	29,554	1,606	45,405	76,565	-
Total deferred inflows of resources	<u>29,554</u>	<u>1,606</u>	<u>45,405</u>	<u>76,565</u>	<u>-</u>
<u>NET POSITION</u>					
Net investment in capital assets	2,995,701	4,306,620	32,086,441	39,388,762	32,361
Unrestricted (deficit)	<u>6,794,835</u>	<u>(1,690,442)</u>	<u>(10,006,759)</u>	<u>(4,902,366)</u>	<u>(32,361)</u>
Total net position	<u>9,790,536</u>	<u>2,616,178</u>	<u>22,079,682</u>	<u>34,486,396</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 18,876,837</u>	<u>\$ 4,418,555</u>	<u>\$ 35,857,536</u>	<u>\$ 59,152,928</u>	<u>\$ 159,374</u>

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

BEAUFORT COUNTY, SOUTH CAROLINA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION PROPRIETARY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Business-Type Activities - Enterprise Funds				Internal
	Stormwater Utility	Lady's Island Airport	Hilton Head Airport	Totals	Service Fund Garage
Operating Revenues					
Garage billings	\$ -	\$ -	\$ -	\$ -	\$ 77,266
Fuel and oil sales	-	345,140	-	345,140	573,111
Stormwater Utility fees	6,020,371	-	-	6,020,371	-
Stormwater Utility project billings	694,800	-	-	694,800	-
Fixed base operator revenue	-	-	419,927	419,927	-
Passenger facility charges	-	-	526,608	526,608	-
Operating agreements/commission revenue	-	2,721	615,436	618,157	-
Concession sales	-	2,567	-	2,567	-
Firefighting/security fees	-	-	607,676	607,676	-
Landing fees	-	18,904	217,236	236,140	-
Parking/taxi fees	-	-	235,737	235,737	-
Rentals	-	-	693,711	693,711	-
Hangar rentals	-	169,304	190,244	359,548	-
Other charges	10,300	637	418,919	429,856	32,525
Total operating revenues	<u>6,725,471</u>	<u>539,273</u>	<u>3,925,494</u>	<u>11,190,238</u>	<u>682,902</u>
Operating Expenses					
Costs of sales and services	-	214,889	-	214,889	-
Personnel	2,868,494	135,848	1,155,379	4,159,721	-
Purchased services	1,026,434	130,051	1,135,710	2,292,195	684,113
Supplies	319,945	12,352	77,431	409,728	563,020
Capital	-	-	3,198	3,198	-
Depreciation	398,778	54,006	498,312	951,096	8,767
Total operating expenses	<u>4,613,651</u>	<u>547,146</u>	<u>2,870,030</u>	<u>8,030,827</u>	<u>1,255,900</u>
Operating income (loss)	<u>2,111,820</u>	<u>(7,873)</u>	<u>1,055,464</u>	<u>3,159,411</u>	<u>(572,998)</u>
Non-Operating Revenues (Expenses)					
Operating grant	-	-	44,300	44,300	-
Non-operating grant expenses	-	(1,006)	(429)	(1,435)	-
Gain on sale of capital assets	4,929	-	-	4,929	-
Interest income	181,486	-	-	181,486	-
Interest expense	(188,193)	-	(75,346)	(263,539)	-
Total non-operating revenues (expenses)	<u>(1,778)</u>	<u>(1,006)</u>	<u>(31,475)</u>	<u>(34,259)</u>	<u>-</u>
Income (loss) before capital contributions and transfers	<u>2,110,042</u>	<u>(8,879)</u>	<u>1,023,989</u>	<u>3,125,152</u>	<u>(572,998)</u>
Capital Contributions					
Capital grants - federal	-	-	3,069,935	3,069,935	-
Total capital contributions	<u>-</u>	<u>-</u>	<u>3,069,935</u>	<u>3,069,935</u>	<u>-</u>
Transfers					
Transfer in	-	-	-	-	572,998
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>572,998</u>
Change in net position	2,110,042	(8,879)	4,093,924	6,195,087	-
Net position, beginning	<u>7,680,494</u>	<u>2,625,057</u>	<u>17,985,758</u>	<u>28,291,309</u>	<u>-</u>
Net position, ending	<u>\$ 9,790,536</u>	<u>\$ 2,616,178</u>	<u>\$ 22,079,682</u>	<u>\$ 34,486,396</u>	<u>\$ -</u>

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

BEAUFORT COUNTY, SOUTH CAROLINA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Business-Type Activities - Enterprise Funds				Internal
	Stormwater Utility	Lady's Island Airport	Hilton Head Airport	Totals	Service Fund Garage
Cash Flows from Operating Activities:					
Cash received from customers and users	\$ 6,625,197	\$ 618,434	\$ 1,625,635	\$ 8,869,266	\$ 855,401
Cash received from other funds	-	580,229	5,827,515	6,407,744	-
Cash paid to employees	(2,414,120)	(151,034)	(1,003,826)	(3,568,980)	-
Cash paid to suppliers	(1,513,111)	(353,325)	(114,524)	(1,980,960)	(1,428,399)
Total provided by (used in) operating activities	2,697,966	694,304	6,334,800	9,727,070	(572,998)
Cash Flows from Non-capital Financing Activities:					
Operating grant - TSA	-	-	44,300	44,300	-
Interfund transfer	-	-	-	-	572,998
Non-operating grant expenses	-	(1,006)	(429)	(1,435)	-
Principal payment on note payable - Due to debt service fund	-	-	(169,896)	(169,896)	-
Interest paid	(188,193)	-	(75,346)	(263,539)	-
Total provided by (used in) non-capital financing activities	(188,193)	(1,006)	(201,371)	(390,570)	572,998
Cash Flows from Capital and Related Financing Activities:					
FAA grants	-	-	3,069,935	3,069,935	-
Proceeds from sale of capital assets	4,929	-	-	4,929	-
Purchase of capital assets	(89,168)	(693,298)	(9,203,564)	(9,986,030)	-
Total used in capital and related financing activities	(84,239)	(693,298)	(6,133,629)	(6,911,166)	-
Cash Flows from Investing Activities:					
Interest income	181,486	-	-	181,486	-
Total provided by investing activities	181,486	-	-	181,486	-
Net change in Cash and Cash Equivalents	2,607,020	-	(200)	2,606,820	-
Cash and Cash Equivalents, beginning of year	12,344,261	250	200	12,344,711	-
Cash and Cash Equivalents, end of year	\$ 14,951,281	\$ 250	\$ -	\$ 14,951,531	\$ -

(Continued)

BEAUFORT COUNTY, SOUTH CAROLINA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Business-Type Activities - Enterprise Funds			Internal	
	Stormwater Utility	Lady's Island Airport	Hilton Head Airport	Service Fund Garage	
			Totals		
Reconciliation of Operating Income (Loss) to Net Cash Flows Provided by (Used in) Operating Activities:					
Operating Income (loss)	\$ 2,111,820	\$ (7,873)	\$ 1,055,464	\$ 3,159,411	\$ (572,998)
Adjustments to reconcile:					
Depreciation	398,778	54,006	498,312	951,096	8,767
Changes in Assets and Liabilities:					
Decrease (increase) in accounts receivable	(100,274)	79,161	(2,299,859)	(2,320,972)	172,499
Increase in inventories	(10,931)	(5,828)	-	(16,759)	-
Increase in other current assets	(19,020)	(13,040)	(19,213)	(51,273)	(2,841)
Increase (decrease) in accounts payable	(136,781)	22,835	1,121,028	1,007,082	(178,425)
Increase in due to general fund	-	580,229	5,827,515	6,407,744	-
Increase (decrease) in accrued payroll	35,977	(1,168)	14,316	49,125	-
Increase (decrease) in accrued compensated absences	10,843	(6,484)	12,768	17,127	-
Increase (decrease) in pension deferred inflows/outflows and liability	407,554	(7,534)	124,469	524,489	-
	187,368	648,171	4,781,024	5,616,563	(8,767)
Net Cash Flow Provided by (used in) Operating Activities	\$ 2,697,966	\$ 694,304	\$ 6,334,800	\$ 9,727,070	\$ (572,998)

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

BEAUFORT COUNTY, SOUTH CAROLINA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2020

<u>ASSETS</u>	
Cash and Equity in Pooled Cash and Investments	<u>\$ 201,176,144</u>
<u>LIABILITIES</u>	
Due to other taxing districts and agencies	<u>\$ 201,176,144</u>

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

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

The County operates under the Council/Administrator form of government with Council members elected for four-year terms from each of the eleven single-member districts. This report includes all funds of the County that are controlled by this governing body, and are considered to be the "reporting entity" known as Beaufort County.

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. For the most part, the effect of interfund activity has been removed from the statements. The statements distinguish between those activities of the County that are governmental and those that are considered business-type activities.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds. The fiduciary fund financial statements are reported using no measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

The government reports the following major governmental funds:

- The **General Fund** is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The **County Wide General Obligation Bond Fund** accounts for the debt service of the bonds issued for various capital projects throughout the County.
- The **Local Hospitality Tax Program Fund** is a special revenue fund that accounts for the 2% hospitality tax imposed on the gross proceeds derived from the sale of prepared meals and beverages sold in establishments located in unincorporated areas of the County. The revenue generated by the hospitality tax must be used exclusively for the purposes specified in Section 66-534 of the Code of Ordinances Beaufort County, South Carolina.
- The **Road Impact Fees Fund** accounts for the road facilities development impact fees imposed on and collected from all developers (fee payors) for which authorization of commencement of a development (building permit or, if no subsequent building permit is required, a development permit), is sought from the County, or from a municipality in the County pursuant to an intergovernmental agreement, in accordance with the procedures set forth in the Beaufort County Impact Fee Procedures Ordinance. All road facilities development impact fees collected shall be used for system improvements as set forth in the County's adopted capital improvements plan for roads in the County. System improvements generally include, but are not limited to, the following: acquisition of land for, and construction of, new roads, road improvements, new intersection and intersection improvements, traffic signals and related facilities designed to expand the road system capacity, longevity and durability.
- The **Sales Tax Projects Fund** accounts for the expenditures of the 1% local sales tax referendum (2006) proceeds which are used for various capital projects throughout the County.

The County reports the following enterprise funds as major proprietary funds:

- The **Stormwater Utility Fund** is used to account for all revenue and expenses related to the County's Stormwater Utility operations.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

- The *Lady's Island Airport Fund* is used to account for all revenue and expenses related to the County's Lady's Island Airport.
- The *Hilton Head Island Airport Fund* is used to account for all revenue and expenses related to the County's Hilton Head Island Airport.

The County's proprietary funds also include an Internal Service Fund to account for the financing of goods and services provided by one department or agency to other departments or agencies of the County or to other governments, on a user charge basis. This fund includes the County Garage, which accounts for the maintenance and repair of vehicles.

Additionally, the government reports the following non-major fund types:

Special Revenue Funds

- The special revenue funds are used to account for the proceeds of specific revenue sources (other than special assessments, or major capital projects) that are legally restricted or committed to expenditures for specified purposes other than debt service and capital projects.

Debt Service Funds

- Debt service funds are used to account for the accumulation of restricted resources for, and the payment of, general long-term debt principal and interest.

Capital Projects Funds

- Capital projects funds are used to account for financial restricted resources to be used for the acquisition or construction of major capital facilities.

Agency Funds

- The agency funds account for monies held on behalf of school districts, special districts, and other agencies that use the County as a depository or property taxes are collected on behalf of the other governments. These funds are custodial in nature and do not involve measurement of results of operations.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

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

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Net Position

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

	<u>Governmental</u>	<u>Business Type</u>
Net Capital Assets	\$ 534,106,691	\$ 39,388,762
Less: Current Portion of Long-Term Debt	(17,615,306)	-
Long-Term Obligations	(189,397,722)	-
Unspent Bond Proceeds	27,648,823	-
Add Deferred Charge on Refundings	2,613,137	-
	<u>\$ 357,355,623</u>	<u>\$ 39,388,762</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for *deferred outflows of resources*. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has five items that qualify for reporting in this category. These five items relate to the County's pension plan and are reported in the government-wide and proprietary fund Statements of Net Position. (1) Experience gains result from periodic studies by the County's actuary, which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains are recorded as deferred outflows of resources and are amortized into pension expense over the expected remaining service lives of the plan members. (2) Changes in actuarial assumptions adjust the net pension liabilities and are amortized into pension expense over the expected remaining service lives of plan members. (3) The differences between projected investment return on pension investments and actual return on those investments are deferred and amortized against pension expense over a five-year period. (4) The changes in the County's proportionate share of the collective net pension liability and differences between actual employer contributions and proportionate share of the total plan employer contributions are specific to cost-sharing multiple employer defined benefit pension plans and represent the current period amortized portions of these deferred outflows. (5) Any contributions made by the County to the pension plan before year-end but subsequent to the measurement date of the County's net pension liability are reported as deferred outflows of resources.

In addition to liabilities, the Statement of Net Position and the Governmental Funds Balance Sheet reports a separate section for *deferred inflows of resources*. This separate financial statement element represents an acquisition of fund balance or net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has three types of items that qualify for reporting in this category, one of which arises only under the modified accrual basis of accounting. Accordingly, the item, *unavailable revenue*, is reported only in the Governmental Funds Balance Sheet. The governmental funds report unavailable revenues from: 1) property taxes, and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. The other items relate to the County's pension and are reported in the government-wide and proprietary fund Statements of Net Position; 2) certain experience losses (discussed on the previous page) are deferred and amortized against expense over a five-year period, resulting in recognition as deferred inflows of resources; and 3) additionally, the changes in the County's proportionate share of the collective net pension liability and differences between actual employer contributions and proportionate share of the total plan employer contributions (discussed in the previous paragraph) are specific to cost-sharing multiple employer defined benefit pension plans and represent the current period amortized portions of these deferred inflows.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position Flow Assumption

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Cash and Cash Equivalents

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

Equity in Pooled Cash and Investments

The County maintains a pooled cash and investment account for all funds for accounting and investment purposes. This gives the County the ability to invest idle cash for short periods of time and to earn the most favorable available rate of return. The "equity in pooled cash and investments" represents the amount of pooled cash and investments owned by each fund of the County. Certain individual funds may reflect a cash deficit, from time to time. These cash deficits are not considered an equity transfer since the transfer has not been approved by County Council and is considered to be temporary in nature.

Investments

Investments with a readily determined fair value are stated at fair value, which approximates cost. State statutes authorize the County to invest in obligations of the United States and its agencies, general obligations (not revenue obligations) of the State of South Carolina and its political subdivisions, savings and loan associations to the extent of federal insurance, certificates of deposits collaterally secured, and the State Treasurer's Investment Pool ("LGIP"). The LGIP is an investment mechanism authorized by the South Carolina State Legislature and is not registered with the SEC as an investment company. There is no regulatory oversight of the pool. The pool's primary objective is to acquire maximum returns on investments by pooling available funds with funds from other political subdivisions. The total fair value of the investment pool is apportioned to the entities with funds invested on an equal basis for each share owned, which are acquired at a cost of \$1. Investments in the pool are stated at fair value, which approximates cost. The remaining investments of the County are reported at fair value.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Receivables

All receivables are reported at their gross value and when appropriate, are reduced by the estimated portion that is uncollectible.

Inventories

Inventories recorded in the Lady’s Island Airport Fund and the Stormwater Utility Fund consist of fuels and supplies. Supplies are reported at cost, and fuel is reported at the lower of “first in, first out” cost or market.

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is calculated on the straight-line basis starting in the month of purchase/completion over the following estimated useful lives:

Buildings	25 Years
Improvements	25 Years
Infrastructure	25 Years
Equipment	5 – 10 Years

In lieu of annual depreciation, the County has elected to use the “modified approach” for its infrastructure assets within its Hilton Head Island Airport and its Lady’s Island Airport, which consists of reporting as required supplemental information (“RSI”) the current assessed condition of the assets pursuant to its runway, taxiway, and apron management system and the estimated annual amounts to maintain and preserve such assets along with actual amounts expensed during the period.

Long-Term Obligations

In the government-wide financial statements and proprietary funds financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable government 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 effective interest method.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-Term Obligations (Continued)

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as bond proceeds. Premiums received on debt issuances are reported as interest on investments while discounts and issuance costs are reported as interest and fees expenditures.

Compensated Absences

The County accrues compensated absences and associated employee-related costs when earned by the employee. The General Fund is used to liquidate the liability for non-proprietary fund accrued compensated absences.

Due to and from Other Funds/Internal Balances

Interfund receivables and payables in the fund financial statements and internal balances in the government-wide financial statements arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Revenues

Substantially all governmental fund revenues are accrued. Property taxes are billed and collected within the same period in which the taxes are levied.

Expenditures

Expenditures are recognized when the related fund liability is incurred.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the County's financial position and results of operations and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets and Budgetary Accounting

The County uses GAAP as the basis for its budgeting and uses the following procedures in establishing the budgetary data reflected in the financial statements:

- 1) The County Administrator submits to County Council, prior to June 1, proposed operating, special revenue, debt service, and capital improvement ("CIP") budgets for the fiscal year commencing July 1. The operating, special revenue, debt service, and CIP budgets include proposed expenditures, revenues, and financing sources.
- 2) The Council requires such changes to be made as it deems necessary, provided the budget remains in balance and is subject to the notice of hearing requirements of Section 4-9-140 of the South Carolina Statutes.
- 3) Public hearings are held pursuant to Section 4-9-140 of the South Carolina Statutes in order for the Council to adopt the tentative and final budget.
- 4) Prior to July 1, the operating, special revenue, debt service and CIP budgets are legally enacted through passage of an ordinance setting forth anticipated revenues and appropriations by fund.
- 5) The County Administrator or his designee is authorized to transfer funds among operating accounts or among capital accounts within a department. All transfers over \$25,000 between departments and programs or between operating and capital accounts must be authorized by the Council in accordance with Section 4-9-140 of the South Carolina Statutes. In accordance with County Ordinance 2012/07, Section 10, amounts of \$25,000 or less can be approved by the County Administrator and/or his designee. Any transfer in excess of \$25,000 for individual expenditures or in excess of \$50,000 cumulatively during any fiscal year is to be authorized by County Council, or its designee.
- 6) Formal budgetary integration is employed as a measurement control device for all governmental funds of the County. The legal level of budgetary control (i.e. the level at which expenditures may not legally exceed appropriations) is the department level.
- 7) Budgets for the governmental fund types are adopted on a basis consistent with generally accepted accounting principles. This was consistent across all funds other than the capital projects fund which budgets a project by project basis.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets and Budgetary Accounting (Continued)

- 8) Revenues in excess of the current budget ordinance may be expended as directed by the revenue source or for the purpose for which the funds were generated without further approval by County Council, as per Section 14 of County Ordinance 2006/14.
- 9) Revenues and expenditures of the capital projects fund are budgeted on a project basis and are, therefore, excluded from presentation in the financial statements.

NOTE 2. CASH AND INVESTMENTS

State Statute authorizes the County to invest in: 1) obligations of the United States and agencies thereof; 2) general obligations of the State of South Carolina or any of its political units provided such obligations are rated as an "A" or better by Moody's Investors Service, Inc. and Standard and Poor's Corporation or their respective successors; 3) interest bearing accounts in financial institutions to the extent that same are insured by an agency of the Federal Government; 4) certificates of deposit where the certificates are collaterally secured by securities of the type described 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; or 5) deposit accounts with banking institutions insured and secured in the same manner. The Statutes provide that all authorized investments shall have maturities consistent with the time or times when the invested monies will be needed in cash.

Deposits

Deposits include cash and cash equivalents on deposits in banks and non-negotiable certificates of deposit. All deposits under the control of the County Treasurer are fully insured or collateralized as of June 30, 2020 with securities held by the counterparty's trust department, line of credit, or agent in the County's name.

Investments

The County's certificates of deposit are presented at cost, whereas, the County's remaining investments are presented at fair value. Securities are valued at the last reported sales price as provided by an independent pricing service. Investment income consists of realized and unrealized appreciation (depreciation) in the fair value of investments and interest income earned.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

As of June 30, 2020, the County had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities		
		Less than 1 year	More than 1 year but less than 5 years	More than 5 years
Certificate	\$ 10,000,000	\$ 10,000,000	\$ -	\$ -
U.S. Government Agencies Securities	70,771,812	11,134,838	53,562,809	6,074,165
State of S.C. Treasurer's Investment Pool	<u>311,531,816</u>	<u>311,531,816</u>	<u>-</u>	<u>-</u>
Total Investments held in the County's name	<u>\$ 392,303,628</u>	<u>\$ 332,666,654</u>	<u>\$ 53,562,809</u>	<u>\$ 6,074,165</u>

The County's investments measured and reported at fair value are classified according to the following hierarchy:

- Level 1 – Investments reflect prices quoted in active markets.
- Level 2 – Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active.
- Level 3 – Investments reflect prices based upon unobservable sources.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk. Money market mutual funds classified in Level 1 of the fair value hierarchy are valued directly from a predetermined primary external pricing vendor. Assets classified in Level 2 are subject to pricing by an alternative pricing source due to lack of information available by the primary vendor. The County has no investments classified in Level 3 of the fair value hierarchy.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

Investment	Fair Value	Fair Value Measurements		
		Level 1	Level 2	Level 3
Investments by Fair Value Level				
U.S. Government Agencies Securities	\$ 70,771,812	\$ 17,209,003	\$ 53,562,809	\$ -
Total Investments by Fair Value Level	<u>\$ 70,771,812</u>	<u>\$ 17,209,003</u>	<u>\$ 53,562,809</u>	<u>\$ -</u>

The South Carolina Local Government Investment Pool ("State of S.C. Treasurer's Investment Pool") investments are invested with the South Carolina State Treasurer's Office, which established the State of S.C. Treasurer's Investment Pool pursuant to Section 6-6-10 of the South Carolina Code. The State of S.C. Treasurer's Investment Pool is an investment trust fund, in which public monies in excess of current needs, which are under the custody of any county treasurer or any governing body of a political subdivision of the State, may be deposited. In accordance with GASB Statement No. 31 *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, investments are carried at fair value determined annually based upon quoted market prices for identical or similar investments. The total fair value of the State of S.C. Treasurer's Investment Pool is apportioned to the entities with funds invested on an equal basis for each share owned, which are acquired at a cost of \$1.00. Funds may be deposited by State of S.C. Treasurer's Investment Pool participants at any time and may be withdrawn upon 24 hours' notice. Financial Statements for the State of S.C. Treasurer's Investment Pool may be obtained by writing the Office of State Treasurer, Local Government Investment Pool, Post Office Box 11778, Columbia, South Carolina 29211.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. CASH AND INVESTMENTS (CONTINUED)

Custodial Credit Risk

Custodial Credit Risk for investments is the risk that in the event of a failure of the counterparty to a transaction, the County will not be able to recover the value of investments or collateral securities that are in possession of an outside party. The County's policy with respect to custodial credit risk is that all of the County's investments must be insured or collateralized.

Credit Risk

As of June 30, 2020, the County's investments in U.S. Government Agencies Securities are rated Aaa by Moody's Investors. Statutes also allow the State Treasurer to assist local governments in investing funds. The State Treasurer also provides oversight for the State Treasurer's Investment Pool which is unrated, of which; the fair value of the County's investments is the same as the value of the pooled shares. The County's investment in the certificate of deposit is also unrated. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to the County. The County's credit risk policy to mitigate the potential loss of principal is to purchase only high investment grade fixed-income securities. The County's investments are fully collateralized by U.S. Government Securities and are not subject to credit risk.

Interest Rate Risk

Interest rate risk is the risk that changes in the interest rates will adversely affect the fair value of an investment. The County's respective maturity dates are as noted on a previous page. The County does not have a policy with respect to interest rate risk.

Concentration of Credit Risk

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

The County does not invest in foreign securities or have transactions with foreign currency, and as a result does not have a policy for foreign currency risk.

NOTES TO FINANCIAL STATEMENTS

NOTE 3. RECEIVABLES/DUE FROM OTHER GOVERNMENTS/NOTE RECEIVABLE

Receivables

All property taxes receivable are shown net of allowances for uncollectibles. The County considers all taxes to be collectible; therefore, no allowance for uncollectibles has been established.

The following details net receivables by governmental fund:

	General	County Wide General Obligation Bonds	Road Impact Fees	Sales Tax Project	Nonmajor Governmental Funds
Property Tax Receivable	\$ 2,248,955	\$ 332,835	\$ 1,533,104	\$ -	\$ -
Accounts Receivable - Other	468,609	-	-	9,287,665	1,454,590
	<u>\$ 2,717,564</u>	<u>\$ 332,835</u>	<u>\$ 1,533,104</u>	<u>\$ 9,287,665</u>	<u>\$ 1,454,590</u>

The following details net receivables by proprietary fund:

	Stormwater Utility	Lady's Island Airport	Hilton Head Airport	Internal Service Fund - Garage
Licenses and Fees Receivable	\$ 227,025	\$ 30,105	\$ 431,857	\$ 123,006
	<u>\$ 227,025</u>	<u>\$ 30,105</u>	<u>\$ 431,857</u>	<u>\$ 123,006</u>

Due from Other Governments

The following details the due from other governments by governmental fund:

	General Fund	Sales Tax Projects	Nonmajor Governmental Funds
Due from Other Governments	\$ 3,181,365	\$ 552,501	\$ 2,627,240
	<u>\$ 3,181,365</u>	<u>\$ 552,501</u>	<u>\$ 2,627,240</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 3. RECEIVABLES/DUE FROM OTHER GOVERNMENTS/NOTE RECEIVABLE (CONTINUED)

Due from Other Governments (Continued)

The following details the due from other governments by proprietary fund:

	Hilton Head Airport
Due from Other Governments	\$ 3,069,549
	\$ 3,069,549

Note Receivable from the Technical College of the Lowcountry

In November 2006, the County issued \$17,500,000 in General Obligation bonds bearing interest rates of 3.5% to 8.0% and with varying maturities through 2026. The Technical College of the Lowcountry's portion of this bond is \$1,500,000.

The following reflects the future minimum payments receivable at June 30, 2020, under this note receivable:

Fiscal Year Ending June 30,	Amount
2021	\$ 102,724
2022	102,724
2023	102,724
2024	102,724
2025 – 2027	205,448
Total Minimum Note Payments	616,344
Less Amount Representing Interest	(55,063)
Present Value of Minimum Note Payments	561,281
Less Current Portion	(85,088)
Long-Term Portion	\$ 476,193

Note Receivable from Hilton Head Airport Fund

In September 2007, the County issued a note for \$1,800,000 for the balance owed for the construction of hangars at the Hilton Head Island Airport. The note is payable in quarterly payments of \$24,185, including interest at 2.07% through June 2032.

NOTES TO FINANCIAL STATEMENTS

NOTE 3. RECEIVABLES/DUE FROM OTHER GOVERNMENTS/NOTE RECEIVABLE (CONTINUED)

Note Receivable from Hilton Head Airport Fund (Continued)

Annual requirements to amortize the note receivable from Hilton Head Airport Fund outstanding at June 30, 2020, are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Note Payable to Debt Service Fund</u>	<u>Principal</u>	<u>Interest</u>
2021	\$ 96,740	76,098	\$ 20,642
2022	96,740	77,685	19,055
2023	96,740	79,306	17,434
2024	96,740	80,961	15,779
2025	96,740	82,650	14,090
2026 – 2030	483,703	439,845	43,858
2031 and 2032	193,484	189,055	4,429
Total	<u>\$ 1,160,887</u>	<u>\$ 1,025,600</u>	<u>\$ 135,287</u>

In November 2014, the County issued a note for \$2,260,000 for various capital projects at the Hilton Head Island Airport. The Federal Aviation Administration (“FAA”) provides grants that are 90% funded. The other 10% of project costs are provided by the South Carolina Aeronautical Commission (“SCAC”) and the Hilton Head Island Airport, 5% each. The proceeds from this note are intended to offset the Airport’s share of costs for these projects. The note is payable in quarterly payments of \$37,125, including interest at 2.94% through December 2034.

Annual requirements to amortize the note receivable from Hilton Head Airport Fund outstanding at June 30, 2020, are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Note Payable to Debt Service Fund</u>	<u>Principal</u>	<u>Interest</u>
2021	\$ 148,503	\$ 98,188	\$ 50,315
2022	148,502	101,106	47,396
2023	148,502	104,111	44,391
2024	148,502	107,206	41,296
2025	148,502	110,393	38,109
2026 – 2030	742,509	603,181	139,328
2031 – 2035	668,258	623,798	44,460
Total	<u>\$ 2,153,278</u>	<u>\$ 1,747,983</u>	<u>\$ 405,295</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 3. RECEIVABLES/DUE FROM OTHER GOVERNMENTS/NOTE RECEIVABLE (CONTINUED)

Note Receivable from Stormwater Utility Fund

In June 2017, the County issued a bond for \$5,000,000 to provide capital funding for the MS4 Stormwater initiative. The bond is payable in semi-annual payments, including interest at 2.88% through June 2037.

Annual requirements to amortize the note receivable from Stormwater Utility Fund outstanding at June 30, 2020, are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Note Payable to Debt Service Fund</u>	<u>Principal</u>	<u>Interest</u>
2021	\$ 188,268	\$ -	\$ 188,268
2022	247,092	58,824	188,268
2023	244,151	58,824	185,327
2024	241,210	58,824	182,386
2025	238,268	58,824	179,444
2026 – 2030	2,335,410	1,578,923	756,487
2031 – 2035	2,558,737	2,194,116	364,621
2036 and 2037	1,038,387	991,665	46,722
Total	<u>\$ 7,091,523</u>	<u>\$ 5,000,000</u>	<u>\$ 2,091,523</u>

Interfund Balances between the General Fund and the Proprietary Funds

Interfund advances to/from as of June 30, 2020, are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Total</u>
General Fund	Hilton Head Airport Fund	\$ 8,108,649
General Fund	Lady's Island Airport Fund	1,517,921
		<u>\$ 9,626,570</u>

Advances are used for the long-term interfund loans. The General Fund has two outstanding advances at June 30, 2020 to the Hilton Head Airport Fund and Lady's Island Airport Fund for ongoing projects.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. CAPITAL ASSETS

Governmental Activities

	<u>GOVERNMENTAL CAPITAL ASSETS</u>			
	<u>Balance June 30, 2019</u>	<u>Additions</u>	<u>Disposals and Transfers</u>	<u>Balance June 30, 2020</u>
Capital assets not being depreciated				
Land	\$ 131,740,701	\$ 3,414,361	\$ -	\$ 135,155,062
Easements	18,059,927	-	-	18,059,927
Construction in progress	16,823,960	10,614,124	(10,594,549)	16,843,535
Total capital assets not being depreciated	<u>166,624,588</u>	<u>14,028,485</u>	<u>(10,594,549)</u>	<u>170,058,524</u>
Capital assets being depreciated				
Buildings and improvements	213,013,144	9,415	3,554,396	216,576,955
Infrastructure	335,989,439	-	6,505,634	342,495,073
Equipment	89,810,001	3,868,547	(1,827,477)	91,851,071
Total capital assets being depreciated	<u>638,812,584</u>	<u>3,877,962</u>	<u>8,232,553</u>	<u>650,923,099</u>
Less accumulated depreciation				
Buildings and improvements	111,108,452	5,673,110	-	116,781,562
Infrastructure	78,816,510	14,707,124	-	93,523,634
Equipment	73,994,623	4,188,822	(1,613,709)	76,569,736
Total accumulated depreciation	<u>263,919,585</u>	<u>24,569,056</u>	<u>(1,613,709)</u>	<u>286,874,932</u>
Total capital assets being depreciated, net	<u>374,892,999</u>	<u>(20,691,094)</u>	<u>9,846,262</u>	<u>364,048,167</u>
Governmental activities capital assets, net	<u>\$ 541,517,587</u>	<u>\$ (6,662,609)</u>	<u>\$ (748,287)</u>	<u>\$ 534,106,691</u>

For the capital assets of the governmental activities, depreciation is computed on the straight-line method of depreciation over the estimated useful lives of the assets, which range from five to 25 years. Depreciation expense for the year ended June 30, 2020 was \$24,569,056 and the accumulated depreciation as of June 30, 2020 was \$286,874,932.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. CAPITAL ASSETS (CONTINUED)

Governmental Activities (Continued)

The depreciation expense was allocated as follows:

GOVERNMENTAL DEPRECIATION EXPENSE

General Government	\$ 7,055,665
Public Safety	3,089,225
Public Works	10,470,376
Public Health	807,682
Public Welfare	23,041
Cultural and Recreation	3,123,067
Total	<u>\$ 24,569,056</u>

Business-Type Activities

PROPRIETARY CAPITAL ASSETS

	<u>Balance June 30, 2019</u>	<u>Additions</u>	<u>Disposals and Transfers</u>	<u>Balance June 30, 2020</u>
Capital assets not being depreciated				
Land	\$ 13,561,714	\$ 5,094,142	\$ -	\$ 18,655,856
Infrastructure	9,229,801	947,011	-	10,176,812
Construction in progress	257,890	3,863,429	-	4,121,319
Total capital assets not being depreciated	<u>23,049,405</u>	<u>9,904,582</u>	<u>-</u>	<u>32,953,987</u>
Capital assets being depreciated				
Buildings and improvements	14,359,399	-	-	14,359,399
Equipment	7,659,222	81,448	-	7,740,670
Total capital assets being depreciated	<u>22,018,621</u>	<u>81,448</u>	<u>-</u>	<u>22,100,069</u>
Less accumulated depreciation				
Buildings and improvements	10,066,739	480,034	-	10,546,773
Equipment	4,647,459	471,062	-	5,118,521
Total accumulated depreciation	<u>14,714,198</u>	<u>951,096</u>	<u>-</u>	<u>15,665,294</u>
Total capital assets being depreciated, net	<u>7,304,423</u>	<u>(869,648)</u>	<u>-</u>	<u>6,434,775</u>
Business-type activities capital assets, net	<u>\$ 30,353,828</u>	<u>\$ 9,034,934</u>	<u>\$ -</u>	<u>\$ 39,388,762</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 4. CAPITAL ASSETS (CONTINUED)

Business-Type Activities (Continued)

For the capital assets of the business-type activities, depreciation is computed on the straight-line method of depreciation over the estimated useful lives of the assets, which range from five to 25 years. Depreciation expense for the year ended June 30, 2020 was \$951,096 and the accumulated depreciation as of June 30, 2020 was \$15,665,294.

The depreciation expense was allocated as follows:

PROPRIETARY DEPRECIATION EXPENSE

Stormwater Utility	\$	398,778
Lady's Island Airport		54,006
Hilton Head Airport		498,312
Total		\$ 951,096

NOTE 5. LONG-TERM OBLIGATIONS

A schedule of the County's long-term obligations for governmental activities as of June 30, 2020 are as follows:

	Balance June 30, 2019	Additions	Retirements	Balance June 30, 2020	Due in One Year
General Obligation Bonds	\$ 213,830,070	\$ -	\$ 16,552,252	\$ 197,277,818	\$ 17,615,306
Premiums	11,837,256	-	2,102,046	9,735,210	-
Compensated Absences	3,568,726	8,205,731	7,270,262	4,504,195	630,587
Net pension liability	124,654,927	16,621,370	15,619,192	125,657,105	-
Total	\$ 353,890,979	\$ 24,827,101	\$ 41,543,752	\$ 337,174,328	\$ 18,245,893
 Deferred Charge on Refundings	\$ 3,137,408	\$ -	\$ 524,274	\$ 2,613,134	\$ -

A schedule of the County's long-term obligations for business-type activities as of June 30, 2020 are as follows:

	Balance June 30, 2019	Additions	Retirements	Balance June 30, 2020	Due in One Year
Compensated Absences	\$ 160,986	\$ 314,792	\$ 297,665	\$ 178,113	\$ 24,936
Net pension liability	4,995,991	722,552	341,139	5,377,404	-
Total	\$ 5,156,977	\$ 1,037,344	\$ 638,804	\$ 5,555,517	\$ 24,936

NOTES TO FINANCIAL STATEMENTS

NOTE 5. LONG-TERM OBLIGATIONS (CONTINUED)

For the governmental activities, compensated absences and the net pension liability are substantially liquidated by the General Fund.

General Obligation Bonds

In November 2010, the County issued \$8,125,000 of general obligation refunding bonds bearing interest rates of 2.0% to 4.0% and with varying maturity dates through 2022. The refunding bonds provide resources to purchase U.S. Government State and Local Government Series Securities that were placed in an irrevocable trust for the purpose of generating resources for most future debt service payments on the 2002 County Bonds. As a result, the refunded bonds are considered to be partially defeased and the liability has been removed from the governmental activities column of the statement of net position. The reacquisition price exceeded the net carrying value of the old debt by \$547,943, as the transaction resulted in an economic gain of \$420,749.

In December 2011, the County issued \$10,000,000 of general obligation bonds bearing interest rates of 2.0% to 3.5% and with varying maturity dates through 2031. The proceeds of these bonds were used for the County's rural and critical lands projects, as approved by referendum in November 2006.

In January 2012, the County issued \$15,295,000 of general obligation refunding bonds bearing interest rates of 2.0% to 4.0% and with varying maturity dates through 2023. The refunding bonds provide resources to purchase U.S. Government State and Local Government Series Securities that were placed in an irrevocable trust for the purpose of generating resources for most future debt service payments on the 2003 County Bonds. As a result, the refunded bonds are considered to be partially defeased and the liability has been removed from the governmental activities column of the statement of net position. The reacquisition price exceeded the net carrying value of the old debt by \$1,400,206, as the transaction resulted in an economic gain of \$2,196,519.

NOTES TO FINANCIAL STATEMENTS

NOTE 5. LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds (Continued)

In August 2012, the County issued \$25,185,000 of general obligation refunding bonds bearing interest rates of 2.0% to 5.0% and with varying maturity dates through 2025. The proceeds were used to advance refund \$27,050,000 of outstanding 2005 general obligation bonds which had interest rates ranging from 3.0% to 5.0%. The net proceeds of \$28,882,311 (including a \$3,938,020 premium and after payment of \$240,709 in underwriting fees and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payments on the refunded bonds. As a result, the 2005 general obligation bonds are considered to be partially defeased and the liability has been removed from the governmental activities column of the statement of net position. The reacquisition price exceeded the net carrying value of the old debt by \$1,832,311, as the transaction resulted in an economic gain of \$4,316,298.

In October 2012, the County issued \$6,000,000 of general obligation bonds through the United States Department of Agriculture bearing an interest rate of 3.5% and with varying maturity dates through 2052. The proceeds of these bonds were used for the County's St. Helena Library project.

In May 2013, the County issued \$7,580,000 of general obligation bonds bearing interest rates of 1.5% to 4.0% and with varying maturity dates through 2033. The proceeds of these bonds were used to pay off the related bond anticipation notes of \$2,500,000 and \$5,000,000 that were issued in May 2012 and October 2012, respectively.

In May 2013, the County issued \$25,000,000 of general obligation bonds bearing interest rates of 1.5% to 5.0% and with varying maturity dates through 2029. The proceeds of these bonds were used for the County's rural and critical land projects, as approved by referendum in November 2012.

In May 2013, the County issued \$33,150,000 of general obligation refunding bonds bearing interest rates of 1.5% to 5.0% and with varying maturity dates through 2026. The proceeds were used to advance refund \$11,250,000 and \$21,900,000 of outstanding 2006 and 2006B general obligation bonds which had interest rates ranging from 3.5% to 8.0% and 4.0% to 6.75%, respectively. The net proceeds of \$37,026,992 (including a \$4,174,601 premium and after payment of \$297,609 in underwriting fees and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payments on the refunded bonds. As a result, the 2006 and 2006B general obligation bonds are considered to be partially defeased and the liability has been removed from the governmental activities column of the statement of net position. The reacquisition price exceeded the net carrying value of the old debt by \$3,876,919, as the transaction resulted in an economic gain of \$2,013,870.

NOTES TO FINANCIAL STATEMENTS

NOTE 5. LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds (Continued)

In November 2014, the County issued \$19,450,000 of general obligation bonds bearing interest rates of 2% to 5% and with varying maturity dates through 2034. The proceeds of these bonds will be used for various County and Hilton Head Island Airport capital projects.

In November 2014, the County issued \$22,570,000 of general obligation refunding bonds bearing interest rates of 2.5% to 4% and with varying maturity dates through 2029. The proceeds of these bonds will be used to advance refund the outstanding 2010B Build America General Obligation Bonds. The net proceeds of \$25,106,406 (including a \$2,246,455 premium after payment of \$289,951 in underwriting fees and other issuance costs) were deposited with an escrow agent to refund the bonds. As a result, the 2010B general obligation bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net position. The reacquisition price exceeded the net carrying value of the old debt by \$225,674, as the transaction resulted in an economic gain of \$2,439,944.

In March 2016, the County issued \$17,950,000 of general obligation refunding bonds bearing interest rates of 2.0% to 4.0% and with varying maturity dates through 2027. The proceeds were used to advance refund \$18,375,000 of outstanding 2007 general obligation bonds which had interest rates ranging from 4.0% to 5.0%. The net proceeds of \$19,200,267 (including a \$1,312,194 premium and after payment of \$168,556 in underwriting fees and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payments on the refunded bonds. As a result, the 2007 general obligation bonds are considered to be partially defeased and the liability has been removed from the governmental activities column of the statement of net position. The prior debt service, \$24,241,000, exceeded the refunding debt service, \$21,453,453, and results in cash flow savings in the amount of \$2,787,547. The reacquisition price exceeded the net carrying value of the old debt by \$716,723, as the transaction resulted in an economic gain of \$2,551,735.

In June 2017, the County issued \$51,000,000 of general obligation bonds bearing interest rates of 3.13% to 5% and with varying maturity dates through 2037. \$31 million of the proceeds of these bonds will be used for various County and Stormwater Utility capital projects and \$20 million of the proceeds of these bonds will be used for the County's rural and critical land projects, as approved by referendum in November 2014.

NOTES TO FINANCIAL STATEMENTS

NOTE 5. LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds (Continued)

In March 2019, the County issued \$11,250,000 of general obligation bonds bearing interest rates of 2.5% to 5% and with varying maturity dates through 2039. The net proceeds of \$11,740,552 (including a \$609,072 premium and after payment of \$118,520 in underwriting fees and other issuance costs) were used to provide funds to finance various projects including the re-skinning of the County administration building, phase one of the Arthur Horn building replacement, detention center security upgrades, and the renovation of three County pools.

The 2010A, 2010C, 2011, 2012A, 2012C, 2012E, 2013A, 2013B, 2013C, 2014A, 2014B, 2016A, 2017A, 2017B, and 2019A general obligation bonds are collateralized by the full faith and credit of the County and are payable from ad valorem taxes.

NOTES TO FINANCIAL STATEMENTS

NOTE 5. LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds (Continued)

General obligation bonds accounted for in the County's Statement of Net Position consist of the following at June 30, 2020:

Description	Rates	Dates	Maturity	Original Issue	Outstanding at June 30, 2020
2010C County Bonds	2.0% - 4.0%	2/1 and 8/1	2022	8,125,000	2,025,000
2011 County Bonds	2.0% - 3.5%	3/1 and 9/1	2031	10,000,000	8,925,000
2012A County Bonds	2.0% - 4.0%	3/1 and 9/1	2023	15,295,000	5,150,000
2012C County Bonds	2.0% - 5.0%	2/1 and 8/1	2025	25,185,000	18,390,000
2012E County Bonds	3.5%	10/12	2052	6,000,000	5,447,818
2013A County Bonds	1.5% - 4.0%	5/1 and 11/1	2033	7,580,000	5,170,000
2013B County Bonds	1.5% - 5.0%	5/1 and 11/1	2029	25,000,000	17,260,000
2013C County Bonds	1.5% - 5.0%	3/1 and 9/1	2026	33,150,000	21,975,000
2014A County Bonds	2.0% - 5.0%	3/1 and 9/1	2034	19,450,000	14,925,000
2014B County Bonds	2.5% - 4.0%	3/1 and 9/1	2029	22,570,000	22,570,000
2016A County Bonds	2.0% - 4.0%	3/1 and 9/1	2027	17,950,000	13,560,000
2017A County Bonds	3.0% - 5.0%	2/1 and 8/1	2037	51,000,000	51,000,000
2019A County Bonds	2.5% - 5.0%	3/1 and 9/1	2039	11,250,000	10,880,000
				<u>\$ 252,555,000</u>	<u>\$ 197,277,818</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 5. LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds (Continued)

A schedule of the debt service requirements associated with the general obligation bonds is as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 17,615,306	\$ 7,260,231	\$ 24,875,537
2022	18,308,467	6,554,370	24,862,837
2023	18,271,738	6,078,849	24,350,587
2024	18,475,124	5,087,463	23,562,587
2025	17,028,629	4,375,208	21,403,837
2026 – 2030	51,390,155	14,869,942	66,260,097
2031 – 2035	39,453,103	6,083,630	45,536,733
2036 – 2040	13,841,313	1,314,637	15,155,950
2041 – 2045	963,585	441,315	1,404,900
2046 – 2050	1,144,437	260,463	1,404,900
2051 – 2053	785,961	56,980	842,941
Total	<u>\$ 197,277,818</u>	<u>\$ 52,383,088</u>	<u>\$ 249,660,906</u>

Total interest paid on bonds outstanding for the year ended June 30, 2020 was \$7,957,393.

NOTE 6. INTERFUND TRANSFERS

Interfund transfers (in/out) were used to move resources to/from other funds in accordance with budgetary authorizations, or other requirements. These transfers were permanent in nature and as such there are not any anticipated repayments. The following interfund transfers were made during the year ended June 30, 2020.

<u>Recipient Fund</u>	<u>Transferring Fund</u>	<u>Amount</u>
General Fund	Local Hosp Tax	\$ 1,500,000
General Fund	Nonmajor Special Revenue Funds	54,205
Nonmajor Special Revenue Funds	Road Impact Fees Fund	2,076,852
Nonmajor Special Revenue Funds	Nonmajor Special Revenue Funds	962,489
Nonmajor Special Revenue Funds	General Fund	5,240,281
Internal Service Fund	General Fund	572,998
		<u>\$ 10,406,825</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. DEFERRED COMPENSATION PLANS

All state and local government employees can participate in a deferred compensation plan created in accordance with Internal Revenue Code 457. The plan, administered by the state public employee retirement system through a state approved nongovernmental third-party, permits governmental employees to defer a portion of their salary until future years. The deferred compensation is not available to an employee until termination, retirement, death, or unforeseeable emergency. Contributions by employees under the 457 program totaled \$441,079 for the year ended June 30, 2020. There are no employer contributions made by the County to this plan. Participant account balances are not included in these financial statements.

County employees may participate in a 401(k) or a Roth 401(k) deferred compensation plans available to state and local governmental employees through the state public employee retirement system. The 401(k) and Roth 401(k) programs are administered by a state approved nongovernmental third party. Contributions by employees under the 401(k) and Roth 401(k) programs totaled \$710,923 and \$35,220, respectively, for the year ended June 30, 2020. There are no employer contributions made by the County to these plans. Participant account balances are not included in these financial statements.

NOTE 8. SELF-INSURED HEALTH INSURANCE

The County is self-insured for health claims incurred by employees and/or their dependents. The plan establishes a "Stop Loss" of \$200,000 per person per contract year. There are not any individuals excluded from the stop loss coverage with a specific deductible. At June 30, 2020, claims due and payable total approximately \$749,000 and are recorded as a liability and expenditure within the General Fund.

The following indicates claims versus premiums for the past fiscal year:

<u>For the Year Ended June 30,</u>	<u>Beginning Liability</u>	<u>Current Year Claims and Changes in Estimate</u>	<u>Claim Payments</u>	<u>Ending Liability</u>
2020	\$ 778,203	\$ 9,545,483	\$ 9,574,686	\$ 749,000
2019	\$ 632,077	\$ 11,373,425	\$ 11,227,299	\$ 778,203

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLANS

Overview

The South Carolina Public Employee Benefit Authority (“PEBA”), which was created July 1, 2012, administers the various retirement systems and retirement programs managed by its Retirement Division. PEBA has an 11-member Board of Directors, appointed by the Governor and General Assembly leadership, which serves as co-trustee and co-fiduciary of the systems and the trust funds. By law, the State Fiscal Accountability Authority (“SFAA”), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the funding of the Systems and serves as a co-trustee of the Systems in conducting that review. Effective July 1, 2017, the Retirement System Funding and Administration Act of 2017 assigned the PEBA Board of Directors as the Custodian of the Retirement Trust Funds and assigned SC PEBA and the Retirement Systems Investment Commission (“RSIC”) as co-trustees of the Retirement Trust Funds. PEBA issues a Comprehensive Annual Financial Report containing financial statements and required supplementary information for the South Carolina Retirement Systems’ Pension Trust Funds. The Comprehensive Annual Financial Report is publicly available on the Retirement Benefits’ link on PEBA’s website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, P.O. Box 11960, Columbia, South Carolina 29211-1960. PEBA is considered a division of the primary government of the State of South Carolina, and, therefore, retirement trust fund financial information is also included in the comprehensive annual financial report of the state.

Plan Description

The County contributes to the South Carolina Retirement System (“SCRS”), a cost-sharing multiple-employer defined benefit pension plan that 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.

In addition to the SCRS pension plan, the County also contributes to the South Carolina Police Officers Retirement System (“PORS”), a cost-sharing multiple-employer defined benefit pension plan that 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 firemen of the state and its political subdivisions.

Membership

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

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLANS (CONTINUED)

Membership (Continued)

South Carolina Retirement System. Generally, all employees of covered employers are required to participate in and contribute to the SCRS as a condition of employment. This plan covers general employees, teachers and individuals newly elected to the South Carolina General Assembly beginning with the November 2012 general election.

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

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

Benefits

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

South Carolina Retirement System. A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 65 or with 28 years credited service regardless of age. A member may elect early retirement with reduced pension benefits payable at age 55 with 25 years of service credit. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension upon satisfying the Rule of 90 requirement that the total of the member's age and the member's creditable service equals at least 90 years. Both Class Two and Class Three members are eligible to receive a reduced deferred annuity at age 60 if they satisfy the five or eight-years 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLANS (CONTINUED)

Benefits (Continued)

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

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

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

Contributions

Contributions are prescribed in Title 9 of the South Carolina 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% of earnable compensation for SCRS and 5% for PORS. An increase in the contribution rates adopted by the Board may not provide for an increase of more than one-half of 1% 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 30-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 30-year amortization period; and, this increase is not limited to one-half of 1% per year.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLANS (CONTINUED)

Contributions (Continued)

If the most recent annual actuarial valuation of the Systems for funding purposes shows a ratio of the actuarial value of system assets to the actuarial accrued liability of the system (the funded ratio) that is equal to or greater than 90%, then the Board, effective on the following July first, may decrease the then current contribution rates upon making a finding that the decrease will not result in a funded ratio of less than 90%. Any decrease in contribution rates must maintain the 2.9% and 5% differentials between the SCRS and PORS employer and employee contribution rates, respectively.

If contribution rates are decreased pursuant to this provision, and the most recent annual actuarial valuation of the system shows a funded ratio of less than 90%, then effective on the following July 1st, and annually thereafter as necessary, the Board shall increase the then current contribution rates until a subsequent annual actuarial valuation of the system shows a funded ratio that is equal to or greater than 90%.

The Retirement System Funding and Administration Act increases employer contribution rates to 13.56% for SCRS and 16.24% for PORS, effective July 1, 2017. It also removes the 2.9% and 5% differential and increases and establishes a ceiling on employee contribution rates at 9% and 9.75% for SCRS and PORS, respectively. The employer contribution rates will continue to increase annually by 1% through July 1, 2022. The legislation's ultimate scheduled employer rate is 18.56% for SCRS and 21.24% for PORS. The amortization period is scheduled to be reduced one year for each of the next ten years to a 20-year amortization schedule. The recent pension reform legislation also changes the long-term funded ratio requirement from 90 to 85. For the year ended June 30, 2020, the County contributed \$6,853,521 to the SCRS plan and \$3,856,736 to the PORS plan.

Required employee contribution rates for the year ended June 30, 2020, are as follows:

South Carolina Retirement System

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

South Carolina Police Officers Retirement System

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

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLANS (CONTINUED)

Contributions (Continued)

Required employer contribution rates for the year ended June 30, 2020, are as follows:

South Carolina Retirement System

Employee Class Two	15.41% of earnable compensation
Employee Class Three	15.41% of earnable compensation
Employer incidental death benefit	0.15% of earnable compensation

South Carolina Police Officers Retirement System

Employee Class Two	17.84% of earnable compensation
Employee Class Three	17.84% of earnable compensation
Employer incidental death benefit	0.20% of earnable compensation
Employer accidental death program	0.20% of earnable compensation

Net Pension Liability

The June 30, 2019 (the measurement date) total pension liability, net pension liability, and sensitivity information were determined by the consulting actuary, Gabriel, Roeder, Smith and Company (“GRS”) and are based on the July 1, 2018, actuarial valuations, as adopted by the PEBA Board and Budget and Control Board, which utilized membership data as of July 1, 2018. The total pension liability was rolled-forward from the valuation date to the plan’s fiscal year ended June 30, 2019, using generally accepted actuarial principles. Information included in the following schedules is based on the certification provided by GRS.

The net pension liability is calculated separately for each system and represents that particular system’s total pension liability determined in accordance with GASB No. 67, less that system’s fiduciary net position. As of June 30, 2020 (measurement date of June 30, 2019), the net pension liability amounts for the County’s proportionate share of the collective net pension liabilities associated with the SCRS and PORS plans are as follows:

System	Total Pension Liability	Plan Fiduciary Net Liability	Employers' Net Pension Liability	Plan Fiduciary Net Position as a percentage of the Total Pension Liability	County's Proportionate Share of the Collective Net Pension Liability
SCRS	\$ 199,912,186	\$ 108,748,973	\$ 91,163,213	54.4%	0.399241%
PORS	\$ 106,869,347	\$ 66,998,051	\$ 39,871,296	62.7%	1.391211%

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLANS (CONTINUED)

Actuarial Assumptions and Methods

Actuarial valuations 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 during the valuation process 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. The last experience study was performed on data through June 30, 2020, and the next experience study is scheduled to be conducted after the June 30, 2025, annual valuation is complete.

The following table provides a summary of the actuarial assumptions and methods used in the July 1, 2018 valuations for SCRS and PORS.

	SCRS	PORS
Actuarial cost method	Entry Age Normal	Entry Age Normal
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)
Benefit adjustments	Lesser of 1% or \$500 annually	Lesser of 1% or \$500 annually

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

Former Job Class	Males	Females
General Employees and Members of the General Assembly	2016 PRSC Males multiplied by 125%	2016 PRSC Females multiplied by 111%
Public Safety and Firefighters	2016 PRSC Males multiplied by 125%	2016 PRSC Females multiplied by 111%

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLANS (CONTINUED)

Actuarial Assumptions and Methods (Continued)

The long-term expected rate of return on pension plan investments for actuarial purposes is based upon the 30-year capital market assumptions. The actuarial 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 real rates of investment return, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2017 fiscal year of the Systems. For actuarial purposes, the long-term expected rate of return is calculated by weighting the expected future real rates of return by the target allocation percentage and then adding the actuarial expected inflation, which is summarized in the table below.

<u>Asset Class</u>	<u>Target Asset Allocation</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%	7.29%	2.55%
Private equity	9.0%	7.67%	0.69%
Equity options securities	7.0%	5.23%	0.37%
Real assets	12.0%		
Real estate (private)	8.0%	5.59%	0.45%
Real estate (REITs)	1.0%	8.16%	0.08%
Infrastructure (private)	2.0%	5.03%	0.10%
Infrastructure (public)	1.0%	6.12%	0.06%
Opportunistic	8.0%		
GTAA/Risk parity	7.0%	3.09%	0.22%
Other opportunistic strategies	1.0%	3.82%	0.04%
Diversified credit	15.0%		
Bank Loans	4.0%	3.14%	0.13%
Emerging markets	4.0%	3.31%	0.13%
Private debt	7.0%	5.49%	0.38%
Conservative fixed income	14.0%		
Core fixed income	13.0%	1.62%	0.21%
Cash and short duration (net)	1.0%	0.31%	0.00%
	<u>100%</u>		
		Total expected real return	5.41%
		Inflation for actuarial purposes	2.25%
		Total expected nominal return	<u>7.66%</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLANS (CONTINUED)

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. 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 State Code of Laws. Based on those assumptions, the County's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The following table presents the sensitivity of the net pension liabilities to changes in the discount rate.

The following table presents the sensitivity of the net pension liability to changes in the discount rate.

Sensitivity of the Net Position Liability to Changes in the Discount Rate			
	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
SCRS	\$ 114,846,637	\$ 91,163,213	\$ 71,398,119
PORS	\$ 54,035,051	\$ 39,871,296	\$ 28,267,591

Pension Expense

For the year ended June 30, 2020, the County recognized its proportionate share of collective pension expense of \$10,403,748 and recognition of deferred amounts from changes in proportionate share and differences between employer contributions and the proportionate share of total plan employer contributions of \$1,834,425 for a total of \$12,238,173 for the SCRS plan. Additionally, for the year ended June 30, 2020, the County recognized its proportionate share of collective pension expense of \$5,923,147 and recognition of deferred amounts from changes in proportionate share and differences between employer contributions and the proportionate share of total plan employer contributions of (\$552,128) for a total of \$5,371,019 for the PORS plan.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLANS (CONTINUED)

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

At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to the SCRS and PORS pension plans, respectively, from the following sources:

SCRS	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 62,666	\$ 654,900
Net difference between projected and actual earnings on pension plan investments	807,098	-
Assumption changes	1,837,071	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	2,685,123	-
Employer contributions subsequent to the measurement date	6,853,521	-
Total	\$ 12,245,479	\$ 654,900

PORS	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 819,837	\$ 294,678
Net difference between projected and actual earnings on pension plan investments	505,540	-
Assumption changes	1,581,098	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	118,235	1,831,272
Employer contributions subsequent to the measurement date	3,814,447	-
Total	\$ 6,839,157	\$ 2,125,950

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLANS (CONTINUED)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

County contributions subsequent to the measurement date of \$6,853,521 and \$3,814,447 for the SCRS plan and the PORS plan, respectively, are deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30,	SCRS	PORS
2020	\$ 4,020,210	\$ 1,330,785
2021	2,152	(150,991)
2022	397,167	(352,509)
2023	317,529	71,475
Total	\$ 4,737,058	\$ 898,760

Pension Plan Fiduciary Net Position

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

NOTES TO FINANCIAL STATEMENTS

NOTE 10. ACCRUED COMPENSATED ABSENCES AND OTHER BENEFITS

Effective February 15, 1993, Beaufort County adopted a new leave policy for all employees. The TOWP/SCA policy was replaced with a policy granting Personal Leave Days and Personal Disability Leave. Under the new policy, employees were entitled to a maximum Personal Leave balance of 280 hours. Upon termination, employees will be paid for all unused, unpaid Personal Leave up to this maximum. The liability recorded at June 30, 2020, to cover unused, unpaid Personal Leave including fringe benefits totaled \$4,682,309.

Accrued compensated absences for governmental activities as of June 30, 2020 are as follows:

<u>Balance</u> <u>June 30, 2019</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2020</u>	<u>Due in</u> <u>One Year</u>
\$ 3,568,726	\$ 8,205,731	\$ 7,270,262	\$ 4,504,195	\$ 630,587

Accrued compensated absences for business-type activities as of June 30, 2020 are as follows:

<u>Balance</u> <u>June 30, 2019</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2020</u>	<u>Due in</u> <u>One Year</u>
\$ 160,986	\$ 314,792	\$ 297,665	\$ 178,113	\$ 24,936

The County considers accrued compensated absences to be reported as a current and long-term liability. For governmental activities, compensated absences payable are liquidated by the General Fund.

All leave hours accrued in excess of this Personal Leave maximum were accrued to the employee's Personal Disability leave account. A maximum of 360 hours may be maintained in an employee's Personal Disability leave account. The only accrual to this balance occurs when an employee's Personal Leave account exceeds 280 hours, at which time excess hours are "rolled over" to the Personal Disability leave account. Personal Disability leave is to be used in the case of an extended or life threatening illness. This account can only be used once all accrued hours in the Personal Leave account have been used to a balance of 80 hours or less. The employee must present a doctor's statement verifying the disability or illness in order to utilize his/her Personal Disability leave. Employees with remaining SCA leave balances may retain those balances. The same rules governing the use of Personal Disability leave apply to the use of SCA leave. Upon termination of employment with Beaufort County, no payment for any unused SCA or Personal Disability leave will be made.

The County does not provide post-employment health care benefits except those mandated by the Consolidated Omnibus Budget Reconciliation Act ("COBRA"). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the County.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. FUND BALANCES

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2020, fund balances for government funds are made up of the following:

- Nonspendable Fund Balance includes amounts that are: a) not in spendable form, or b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: inventories, prepaid amounts, and long-term notes receivable.
- Restricted Fund Balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of the resource providers.
- Committed Fund Balance includes amounts that can only be used for the specific purposes determined by a formal action of the County’s highest level of decision-making authority, County Council. Commitments may be changed or lifted only by the County taking the same formal action that imposes the constraint originally.
- Amounts in the assigned fund balance classification are intended to be used by the County for specific purposes but do not meet the criteria to be classified as committed. County Council has by resolution authorized the County Administrator to assign fund balance. County Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.
- Unassigned Fund Balance is the residual classification when the balances do not meet the above criterion. The County reports, positive unassigned fund balance only in the General Fund. Negative unassigned fund balance may be reported in any governmental funds.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of restricted, committed, assigned, and unassigned.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. FUND BALANCES (CONTINUED)

Beaufort County Council is the County's highest level of decision-making authority that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

The County considers restricted amounts to have been spent when an expenditure is incurred for the purposes for which both restricted and unrestricted amounts are available. When an expenditure is incurred for which committed, assigned, or unassigned amounts could be used, the County considers expenditures to be used in this respective order.

The County has established a General Fund fund balance policy, through Ordinance No. 2014/6, that requires the maintenance of a fund balance of at least 30% of the total General Fund expenditures of the previous fiscal year as an unassigned General Fund fund balance.

The County has established a Debt Service Fund balance policy, through Ordinance No. 2014/7, that requires the maintenance of a fund balance that covers the County's interest payments, occurring on August 1st and September 1st of every fiscal year.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. FUND BALANCES (CONTINUED)

Fund balances for all the major and nonmajor funds as of June 30, 2020, were distributed as follows:

	General Fund	County Wide General Obligation Bonds	Local Hospitality Tax Program	Road Impact Fees	Sales Tax Project	Nonmajor Governmental Funds	Total
Nonspendable:							
Prepaid items	\$ 1,601,190	\$ -	\$ -	\$ -	\$ 94	\$ 147,993	\$ 1,749,277
	<u>1,601,190</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>94</u>	<u>147,993</u>	<u>1,749,277</u>
Restricted:							
General government grants	-	-	-	-	-	14,314,506	14,314,506
Public safety grants	-	-	-	-	-	7,732,734	7,732,734
Public works grants	-	-	-	-	-	9,501,872	9,501,872
Public health grants	-	-	-	-	-	6,685,251	6,685,251
Public welfare grants	-	-	-	-	-	38,550	38,550
Cultural and recreation grants	-	-	-	-	-	12,503,971	12,503,971
Capital projects	-	-	2,338,376	23,157,494	45,468,735	28,636,747	99,601,352
Debt service	-	21,480,852	-	-	-	4,013,746	25,494,598
	<u>-</u>	<u>21,480,852</u>	<u>2,338,376</u>	<u>23,157,494</u>	<u>45,468,735</u>	<u>83,427,377</u>	<u>175,872,834</u>
Committed:							
General government services	159,379	-	-	-	-	-	159,379
Public safety facility	245,585	-	-	-	-	-	245,585
Public works equipment	691,623	-	-	-	-	-	691,623
Cultural and recreation equipment	7,722	-	-	-	-	-	7,722
	<u>1,104,309</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,104,309</u>
Assigned:							
General government	3,261,035	-	-	-	-	-	3,261,035
Traffic engineering	64,666	-	-	-	-	-	64,666
Parks and leisure special events	422,670	-	-	-	-	-	422,670
	<u>3,748,371</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,748,371</u>
Unassigned							
	<u>47,363,427</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>47,363,427</u>
	<u>\$ 53,817,297</u>	<u>\$ 21,480,852</u>	<u>\$ 2,338,376</u>	<u>\$ 23,157,494</u>	<u>\$ 45,468,829</u>	<u>\$ 83,575,370</u>	<u>\$ 229,838,218</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 12. COMMITMENTS AND CONTINGENCIES

Arbitrage rules - State and local bonds issued after 1984 are subject to arbitrage restrictions as enacted by the Federal Government. To retain the bonds' tax exempt status, local governments must comply with the regulations as adopted by the government and expend all of the bond proceeds within designated periods which could be up to three years. The County believes it is in compliance with all arbitrage rules.

As of June 30, 2020, the County has outstanding construction contracts of \$14,698,339.

NOTE 13. RISK MANAGEMENT AND LITIGATION

The County is exposed to various risks of losses related to torts; thefts of; damage to and destruction of assets; errors and omissions; injuries to employees; and natural disaster. The County manages risk through employee educational and prevention programs and through the purchase of casualty and liability insurance. All risk management activities are accounted for in the General Fund.

For all of these risks, the County is a member of the State of South Carolina Insurance Reserve Fund. The County pays premiums to the Fund for its general insurance coverage. The agreement for formation of the Fund provides that the Fund will be self-sustaining through member premiums and will reinsure through commercial companies for each insured event.

Expenditures and claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported are considered.

The County is a party to several lawsuits which seek to recover property taxes paid under protest and to overturn property sold at "tax sales." The County's attorney estimates that the amount of actual or potential claims against the County at June 30, 2020 will not materially affect the financial conditions of the County. Therefore, the General Fund contains no provision for estimated claims.

The County is a party to a lawsuit regarding the termination of other post-employment healthcare insurance coverage for which management cannot determine the outcome. Therefore, there is no provision provided in the financial statements.

The County has not significantly reduced insurance coverage from the previous year nor has it settled claims in excess of insurance coverage for the last three years that were material.

REQUIRED SUPPLEMENTARY INFORMATION

BEAUFORT COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET (GAAP BASIS) AND ACTUAL - GENERAL FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Budgeted Amounts			Variance from Final Budget Positive / (Negative)
	Original	Final	Actual	
Revenues				
Property taxes:				
Current taxes	\$ 96,183,266	\$ 96,183,266	\$ 97,141,808	\$ 958,542
Delinquent taxes	1,500,000	1,500,000	2,690,047	1,190,047
Automobile taxes	6,345,968	6,345,968	6,079,886	(266,082)
Penalties	900,000	900,000	1,257,078	357,078
Total property taxes	<u>104,929,234</u>	<u>104,929,234</u>	<u>107,168,819</u>	<u>2,239,585</u>
Licenses and permits				
Business licenses	2,300,000	2,300,000	2,291,767	(8,233)
Building permits	1,125,000	1,125,000	1,091,206	(33,794)
Cable franchise fees	450,000	450,000	411,454	(38,546)
Marriage licenses	90,000	90,000	61,855	(28,145)
Other licenses and permits	90,200	90,200	77,500	(12,700)
Total licenses and permits	<u>4,055,200</u>	<u>4,055,200</u>	<u>3,933,782</u>	<u>(121,418)</u>
Intergovernmental				
State aid to subdivisions	6,746,324	6,746,324	6,522,417	(223,907)
Homestead exemption	1,937,733	1,937,733	2,049,754	112,021
Merchants' inventory tax	186,308	186,308	186,309	1
Manufacturers tax	36,000	36,000	19,284	(16,716)
Motor carrier tax	200,000	200,000	93,169	(106,831)
Payments in lieu of taxes	110,000	110,000	201,049	91,049
Veterans office stipend	5,370	5,370	6,848	1,478
Registration and election	12,000	12,000	10,817	(1,183)
Salary supplements	7,875	7,875	9,845	1,970
Local traffic signal maintenance	5,000	5,000	109,540	104,540
Local, state and federal grant funds	-	-	340,161	340,161
Pollution control penalties	3,000	3,000	2,952	(48)
Total intergovernmental	<u>9,249,610</u>	<u>9,249,610</u>	<u>9,552,145</u>	<u>302,535</u>
Charges for services				
Register of deeds fees	4,250,000	4,250,000	5,226,195	976,195
Sheriff's service contracts and fees	3,250,000	3,250,000	3,240,814	(9,186)
Emergency medical service fees	3,005,000	3,005,000	3,439,171	434,171
Court support services	1,410,000	1,410,000	1,405,505	(4,495)
Recreation fees	402,700	402,700	567,298	164,598
Administrative services	271,500	271,500	244,342	(27,158)
DSO/rezoning/CRB fees	66,000	66,000	64,562	(1,438)
Solid waste disposal fees	6,500	6,500	7,550	1,050
Total charges for services	<u>12,661,700</u>	<u>12,661,700</u>	<u>14,195,437</u>	<u>1,533,737</u>
Fines and forfeitures				
Clerk of court fines	12,500	12,500	8,327	(4,173)
Bond escrement	5,000	5,000	43,745	38,745
Magistrate's court fines	555,000	555,000	566,209	11,209
Library fines	75,000	75,000	51,687	(23,313)
Other fines	22,000	22,000	89,075	67,075
Forfeitures	7,000	7,000	-	(7,000)
Total fines and forfeitures	<u>676,500</u>	<u>676,500</u>	<u>759,043</u>	<u>82,543</u>
Interest earned on investments	<u>442,805</u>	<u>442,805</u>	<u>754,550</u>	<u>311,745</u>
Miscellaneous				
Rental of county property	34,000	34,000	29,687	(4,313)
Sale of county property	200,000	200,000	120,393	(79,607)
Miscellaneous	56,165	56,165	1,378,079	1,321,914
Total Miscellaneous	<u>290,165</u>	<u>290,165</u>	<u>1,528,159</u>	<u>1,237,994</u>
Total Revenues	<u>132,305,214</u>	<u>132,305,214</u>	<u>137,891,935</u>	<u>5,586,721</u>

(Continued)

BEAUFORT COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET (GAAP BASIS) AND ACTUAL - GENERAL FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance from Final Budget Positive / (Negative)
	Original	Final		
Expenditures				
General government				
Elected and state appointed officials:				
Magistrate's court	\$ 2,246,800	\$ 2,246,800	\$ 2,137,347	\$ 109,453
Clerk of court and family court	1,341,857	1,341,857	1,115,005	226,852
Treasurer	1,717,523	1,717,523	1,717,523	-
Solicitor	1,424,500	1,424,500	1,887,500	(463,000)
Probate court	869,397	869,397	897,438	(28,041)
County council	1,335,979	1,335,979	1,335,979	-
County council - supplemental appropriations	10,000	10,000	10,000	-
Auditor	994,318	994,318	984,436	9,882
Coroner	527,432	527,432	500,000	27,432
Master in equity	393,885	393,885	358,091	35,794
Department of social services	87,349	87,349	73,561	13,788
Legislative delegation	67,242	67,242	52,527	14,715
Total elected and state appointed officials	<u>11,016,282</u>	<u>11,016,282</u>	<u>11,069,407</u>	<u>(53,125)</u>
Administrative services				
County administrator	758,207	758,207	607,228	150,979
Communications and accountability	606,334	606,334	479,145	127,189
Broadcast services	346,696	346,696	372,270	(25,574)
County attorney	728,594	728,594	728,594	-
Finance, risk management and purchasing	1,539,933	1,539,933	1,476,497	63,436
Assessor	2,561,262	2,561,262	1,621,520	939,742
Register of deeds	551,188	551,188	582,673	(31,485)
Community planning and development	1,114,998	1,114,998	1,124,060	(9,062)
Business license	89,833	89,833	104,451	(14,618)
Voter registration and elections	670,907	670,907	735,899	(64,992)
Management and geographical information systems	4,484,910	4,484,910	4,317,897	167,013
Records management	613,215	613,215	541,640	71,575
Employee services	883,944	883,944	808,474	75,470
Nondepartmental	13,476,953	13,476,953	11,551,799	1,925,154
Total administrative services	<u>28,426,974</u>	<u>28,426,974</u>	<u>25,052,147</u>	<u>3,374,827</u>
Economic and regional development				
Lowcountry Council of Governments	143,217	143,217	146,344	(3,127)
Lowcountry Regional Transportation Authority	348,857	348,857	348,857	-
Economic development	495,000	495,000	545,000	(50,000)
Small business center	35,000	35,000	35,000	-
Total economic and regional development	<u>1,022,074</u>	<u>1,022,074</u>	<u>1,075,201</u>	<u>(53,127)</u>
Total General Government Services	<u>40,465,330</u>	<u>40,465,330</u>	<u>37,196,755</u>	<u>3,268,575</u>
Public safety services				
Sheriff's office	24,063,680	24,063,680	24,063,680	-
Emergency and traffic management	7,452,340	7,452,340	7,452,340	-
Emergency medical services	8,529,734	8,529,734	8,529,734	-
Detention center	6,040,343	6,040,343	6,380,348	(340,005)
Building codes and enforcement	1,222,640	1,222,640	1,217,502	5,138
Animal services	999,235	999,235	1,182,918	(183,683)
Traffic and transportation engineering	545,116	545,116	448,263	96,853
Total public safety services	<u>48,853,088</u>	<u>48,853,088</u>	<u>49,274,785</u>	<u>(421,697)</u>

(Continued)

BEAUFORT COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET (GAAP BASIS) AND ACTUAL - GENERAL FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Budgeted Amounts			Variance from Final Budget Positive / (Negative)
	Original	Final	Actual	
Expenditures (Continued)				
Public works services				
Public works general support	\$ 2,546,562	\$ 2,546,562	\$ 2,546,562	\$ -
Engineering	452,753	452,753	328,428	124,325
Facilities maintenance	5,494,042	5,494,042	5,317,229	176,813
Solid waste and recycling	8,673,062	8,673,062	7,929,716	743,346
Total public works services	<u>17,166,419</u>	<u>17,166,419</u>	<u>16,121,935</u>	<u>1,044,484</u>
Public health services				
Mosquito control	1,625,853	1,625,853	1,398,282	227,571
Medical indigent act contributions	2,098,091	2,098,091	1,978,448	119,643
Total public health services	<u>3,723,944</u>	<u>3,723,944</u>	<u>3,376,730</u>	<u>347,214</u>
Public welfare services				
Veterans' affairs office	226,939	226,939	212,754	14,185
Human services alliance	398,000	398,000	398,000	-
HUD home consortium	87,349	87,349	56,000	31,349
Total public welfare services	<u>712,288</u>	<u>712,288</u>	<u>666,754</u>	<u>45,534</u>
Cultural and recreation services				
Parks and seisure services	5,382,744	5,382,744	4,531,248	851,496
Libraries	4,312,476	4,312,476	4,312,476	-
Education allocation	4,636,032	4,636,032	4,636,032	-
Total cultural and recreation services	<u>14,331,252</u>	<u>14,331,252</u>	<u>13,479,756</u>	<u>851,496</u>
Disaster related expenditures	-	-	-	-
Capital outlay	<u>4,639,596</u>	<u>4,639,596</u>	<u>3,009,777</u>	<u>1,629,819</u>
Total Expenditures	<u>129,891,917</u>	<u>129,891,917</u>	<u>123,126,492</u>	<u>6,765,425</u>
Excess of revenues over expenditures	<u>2,413,297</u>	<u>2,413,297</u>	<u>14,765,443</u>	<u>12,352,146</u>
Other Financing Sources (Uses)				
Transfers in	1,568,750	1,568,750	1,554,205	14,545
Transfers out	(5,240,281)	(5,240,281)	(5,813,279)	572,998
Total other financing sources (uses)	<u>(3,671,531)</u>	<u>(3,671,531)</u>	<u>(4,259,074)</u>	<u>587,543</u>
Net Change in Fund Balance	(1,258,234)	(1,258,234)	10,506,369	(11,764,603)
Fund Balance - beginning	43,310,928	43,310,928	43,310,928	-
Fund Balance - ending	<u>\$ 42,052,694</u>	<u>\$ 42,052,694</u>	<u>\$ 53,817,297</u>	<u>\$ (11,764,603)</u>

BEAUFORT COUNTY, SOUTH CAROLINA

Item 9.

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES OF COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY FOR THE FISCAL YEAR ENDED JUNE 30, 2020

South Carolina Retirement System

Plan Year Ended June 30,	County's proportion of the net pension liability	County's proportionate share of the net pension liability	County's covered payroll	County's share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2019	0.399241%	\$ 91,163,213	\$ 40,402,521	225.6%	54.4%
2018	0.393551%	88,182,198	38,542,987	228.8%	54.1%
2017	0.384938%	86,655,734	38,829,871	223.2%	53.3%
2016	0.368452%	78,700,803	35,677,230	220.6%	52.9%
2015	0.300690%	68,288,822	33,748,204	202.3%	57.0%
2014	0.367597%	63,288,017	33,248,858	190.3%	59.9%

South Carolina Police Officers Retirement System

Plan Year Ended June 30,	County's proportion of the net pension liability	County's proportionate share of the net pension liability	County's covered payroll	County's share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2019	1.39121%	\$ 39,871,296	\$ 17,288,882	230.6%	62.7%
2018	1.46349%	41,468,720	17,304,198	239.6%	61.7%
2017	1.49866%	41,056,757	20,178,336	203.5%	60.9%
2016	1.49638%	37,955,357	19,093,765	198.8%	60.4%
2015	1.46238%	31,872,585	17,974,479	177.3%	64.6%
2014	1.48971%	28,534,997	18,070,889	157.9%	67.5%

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

The assumptions used in the preparation of the above schedules are disclosed in Note 9 to the financial statements.

BEAUFORT COUNTY, SOUTH CAROLINA

Item 9.

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES OF COUNTY PENSION CONTRIBUTIONS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

South Carolina Retirement System

Fiscal Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	County's covered payroll	Contributions as a percentage of covered payroll
2020	\$ 6,853,521	\$ 6,853,521	\$ -	\$ 44,045,764	15.56%
2019	6,136,750	6,136,750	-	40,402,521	15.19%
2018	5,530,147	5,530,147	-	38,542,987	14.35%
2017	4,488,733	4,488,733	-	38,829,871	11.56%
2016	3,945,902	3,945,902	-	35,677,230	11.06%
2015	3,678,554	3,678,554	-	33,478,204	10.99%

South Carolina Police Officers Retirement System

Fiscal Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	County's covered payroll	Contributions as a percentage of covered payroll
2020	\$ 3,814,447	\$ 3,814,447	\$ -	\$ 21,144,386	18.04%
2019	3,440,718	3,440,718	-	17,288,882	19.90%
2018	3,288,903	3,288,903	-	17,304,198	19.01%
2017	2,873,395	2,873,395	-	20,178,336	14.24%
2016	2,623,483	2,623,483	-	19,093,765	13.74%
2015	2,410,378	2,410,378	-	17,974,479	13.41%

System	SCRS	PORS
Calculation date	July 1, 2017	July 1, 2017
Actuarial cost method	Entry Age Normal	Entry Age Normal
Asset valuation method	Five-year smoothed	Five-year smoothed
Amortization method	Level % of pay	Level % of pay
Amortization period	30 years variable, but not to exceed 30 years	30 years variable, but not to exceed 30 years
Investment return	7.25%	7.25%
Inflation	2.25%	2.25%
Salary increases	3.00% plus step-rate increases for members with less than 21 years of service	3.50% plus step-rate increases for members with less than 15 years of service.
Mortality	The 2016 Public Retirees of South Carolina Mortality Tables for Males and Females, both projected at Scale AA from the year 2016. Male rates multiplied by 100% for non-educators and 92% for educators. Female rates multiplied by 111% for non-educators and 98% for educators.	The 2016 Public Retirees of South Carolina Mortality Tables for Males and Females, both projected at Scale AA from the year 2016. Male rates are multiplied by 125% and female rates are multiplied by 111%.

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

BEAUFORT COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF MODIFIED APPROACH FOR AIRPORT INFRASTRUCTURE ASSETS JUNE 30, 2020

Beaufort County's airport infrastructure assets consist of approximately 25% airport runways, 25% airport taxiways, and 50% airport aprons. The condition of the runways, taxiways, and aprons is measured using several distress factors found in pavement surfaces. The airports' pavement management system uses a measurement scale that is based on a condition index. For the Lady's Island Airport, the South Carolina Aeronautics Commission ("SCAC") condition scale is used to classify runways, taxiways, and aprons. The SCAC condition scale is as follows: good or better condition (70 - 100), fair condition (50 - 69), and substandard condition (less than 50). For the Hilton Head Island Airport, the Federal Aviation Administration ("FAA") condition scale is used to classify runways, taxiways, and aprons. The FAA condition scale is as follows: excellent condition (5), good condition (4), fair condition (3), poor condition (2), and failed condition (1). It is the County's policy to maintain the runways, taxiways, and aprons at a fair condition or better. Condition assessments are determined every year by the County at both airports, the SCAC at the Lady's Island Airport, and the FAA at the Hilton Head Island Airport. The County's runways, taxiways, and aprons have an estimated useful life, without resurfacing, of 25 years. Due to the strong safety concerns of airplanes landing, taking off, and taxiing on these surfaces, all surfaces are repaired immediately if and when there is a need for such repairs.

Actual maintenance of runways, taxiways, and aprons involves scraping and providing improved surface materials on an as needed basis or filling cracks within the pavement on an as needed basis.

	<u>FY 2020</u>	<u>FY 2019</u>	<u>FY 2018</u>	<u>FY 2017</u>	<u>FY 2016</u>
Percent of Runways in Fair or Better Condition	100%	100%	100%	100%	100%
Percent of Taxiways in Fair or Better Condition	100%	100%	100%	100%	100%
Percent of Aprons in Fair or Better Condition	100%	100%	100%	100%	100%
Percent of Annual Resurfacing of Runways Completed	0%	0%	0%	0%	0%
Percent of Annual Resurfacing of Taxiways Completed	0%	0%	0%	0%	0%
Percent of Annual Resurfacing of Aprons Completed	0%	0%	0%	0%	0%

The County estimates maintenance expense in the amount of \$650,000 to be incurred every five years for paving costs in order to maintain and preserve at (or above) the condition level established and disclosed above. The County adopted the modified approach for its airport infrastructure assets in fiscal year 2011. There were no actual maintenance and preservation costs for fiscal years 2011, 2012, 2013, 2014 and 2015.

During Fiscal Years 2020, 2019, 2018, 2017 and 2016, the Hilton Head Island Airport expended \$2.4 million, \$4.4 million, \$15.6 million, \$9.2 million and \$4.3 million, respectively, related to the relocation of taxiways A and F and replacement of the general aviation ("GA") ramp and the runway extension project. The County also has a grant request in process with the FAA and the SCAC to obtain funding for the resurfacing of the entire runway to increase the weight bearing capacity due to jet service beginning July 2018.

OTHER SUPPLEMENTARY INFORMATION

BEAUFORT COUNTY, SOUTH CAROLINA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
COUNTY WIDE GENERAL OBLIGATION BONDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Property taxes	\$ 10,948,300	\$ 10,822,382	\$ (125,918)
Intergovernmental	260,400	256,184	(4,216)
Interest	150,000	260,288	110,288
Total revenues	<u>11,358,700</u>	<u>11,338,854</u>	<u>(19,846)</u>
Expenditures			
Debt service - principal	7,626,429	8,455,720	(829,291)
Debt service - interest and fees	3,732,271	3,243,616	488,655
Total debt service expenditures	<u>11,358,700</u>	<u>11,699,336</u>	<u>(340,636)</u>
Net Change in Fund Balance	-	(360,482)	(360,482)
Fund Balance - beginning	<u>21,841,334</u>	<u>21,841,334</u>	-
Fund Balance - ending	<u>\$ 21,841,334</u>	<u>\$ 21,480,852</u>	<u>\$ (360,482)</u>

BEAUFORT COUNTY, SOUTH CAROLINA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET (GAAP BASIS) AND ACTUAL LOCAL HOSPITALITY TAX PROGRAM FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Licenses and permits	\$ 2,300,000	\$ 2,309,961	9,961
Fines and forfeitures	2,500	12,278	9,778
Interest	25,000	32,396	7,396
Total revenues	<u>2,327,500</u>	<u>2,354,635</u>	<u>27,135</u>
Expenditures			
General government:			
Personnel	63,272	39,191	24,081
Purchased services	22,900	88,444	(65,544)
Supplies	1,150	362	788
Capital	-	10	(10)
Other	740,178	740,000	178
Total expenditures	<u>827,500</u>	<u>868,007</u>	<u>(40,507)</u>
Excess (deficiency) of revenues over expenditures	1,500,000	1,486,628	(13,372)
Other Financing uses			
Transfers out	(1,500,000)	(1,500,000)	-
Total other financing uses	<u>(1,500,000)</u>	<u>(1,500,000)</u>	<u>-</u>
Net Change in Fund Balance	-	(13,372)	(13,372)
Fund Balance - beginning	2,351,748	2,351,748	-
Fund Balance - ending	<u>\$ 2,351,748</u>	<u>\$ 2,338,376</u>	<u>\$ (13,372)</u>

BEAUFORT COUNTY, SOUTH CAROLINA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET (GAAP BASIS) AND ACTUAL ROAD IMPACT FEES FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Licenses and permits	\$ 4,000,000	\$ 4,779,548	\$ 779,548
Interest	35,000	260,395	225,395
Total revenues	<u>4,035,000</u>	<u>5,039,943</u>	<u>1,004,943</u>
Expenditures			
Capital projects	7,458,148	201,628	7,256,520
Excess (deficiency) of revenues over (under) expenditures	(3,423,148)	4,838,315	8,261,463
Other Financing Uses			
Transfers out	(2,076,852)	(2,076,852)	-
Total other financing uses	<u>(2,076,852)</u>	<u>(2,076,852)</u>	<u>-</u>
Net Change in Fund Balance	(5,500,000)	2,761,463	8,261,463
Fund Balance - beginning	<u>20,396,031</u>	<u>20,396,031</u>	<u>-</u>
Fund Balance - ending	<u><u>\$ 14,896,031</u></u>	<u><u>\$ 23,157,494</u></u>	<u><u>\$ 8,261,463</u></u>

BEAUFORT COUNTY, SOUTH CAROLINA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET (GAAP BASIS) AND ACTUAL SALES TAX PROJECT FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Intergovernmental	\$ 120,000,247	\$ 45,195,996	\$ (74,804,251)
Interest	28,021	256,712	228,691
Miscellaneous	250,000	-	(250,000)
Total revenues	<u>120,278,268</u>	<u>45,452,708</u>	<u>(74,825,560)</u>
Expenditures			
Capital projects	<u>110,281,131</u>	<u>2,409,672</u>	<u>107,871,459</u>
Net Change in Fund Balance	9,997,137	43,043,036	33,045,899
Fund Balance - beginning	<u>2,425,793</u>	<u>2,425,793</u>	<u>-</u>
Fund Balance - ending	<u>\$ 12,422,930</u>	<u>\$ 45,468,829</u>	<u>\$ 33,045,899</u>

BEAUFORT COUNTY, SOUTH CAROLINA

**BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
GENERAL GOVERNMENT PROGRAMS
JUNE 30, 2020**

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and equity in pooled cash and investments	\$ 50,728,862	\$ 4,013,746	\$ 29,876,131	\$ 84,618,739
Receivables, net	1,178,855	-	275,735	1,454,590
Due from other governments	2,632,240	-	-	2,632,240
Prepaid items	147,993	-	-	147,993
Total assets	<u>\$ 54,687,950</u>	<u>\$ 4,013,746</u>	<u>\$ 30,151,866</u>	<u>\$ 88,853,562</u>
LIABILITIES				
Accounts payable	\$ 2,498,264	\$ -	\$ 1,515,119	\$ 4,013,383
Accrued payroll	820,967	-	-	820,967
Due to others	443,842	-	-	443,842
Total liabilities	<u>3,763,073</u>	<u>-</u>	<u>1,515,119</u>	<u>5,278,192</u>
FUND BALANCE				
Nonspendable	147,993	-	-	147,993
Restricted	50,449,982	4,013,746	28,636,747	83,100,475
Committed	326,902	-	-	326,902
Total fund balance	<u>50,924,877</u>	<u>4,013,746</u>	<u>28,636,747</u>	<u>83,575,370</u>
Total liabilities and fund balances	<u>\$ 54,687,950</u>	<u>\$ 4,013,746</u>	<u>\$ 30,151,866</u>	<u>\$ 88,853,562</u>

BEAUFORT COUNTY, SOUTH CAROLINA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Special Revenue Funds		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property taxes	\$ 10,557,326	\$ 10,768,643	\$ 211,317
Licenses and permits	5,164,000	5,717,147	553,147
Intergovernmental	15,462,040	17,995,193	2,533,153
Charge for services	6,210,749	6,304,301	93,552
Fines and forfeitures	292,000	602,210	310,210
Interest	84,500	602,958	518,458
Miscellaneous	979,584	2,428,789	1,449,205
Total revenues	<u>38,750,199</u>	<u>44,419,241</u>	<u>5,669,042</u>
Expenditures			
General government	7,027,464	6,073,055	954,409
Public safety	2,821,745	3,192,480	(370,735)
Public works	237,466	436,551	(199,085)
Public health	12,225,055	10,489,227	1,735,828
Public welfare	2,732,766	2,582,560	150,206
Cultural and recreation	1,009,135	553,550	455,585
Capital projects	4,938,300	6,418,803	(1,480,503)
Debt service - principal	6,614,206	6,124,641	489,565
Debt service - interest and fees	3,359,133	3,848,706	(489,573)
Total expenditures	<u>40,965,270</u>	<u>39,719,573</u>	<u>1,245,697</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,215,071)</u>	<u>4,699,668</u>	<u>6,914,739</u>
Other Financing Sources (Uses)			
Transfers in	5,240,281	5,240,281	-
Transfers out	(1,031,238)	(1,016,694)	14,544
Total other financing sources, net	<u>4,209,043</u>	<u>4,223,587</u>	<u>14,544</u>
Net Change in Fund Balance	1,993,972	8,923,255	6,929,283
Fund Balance - beginning	<u>42,001,622</u>	<u>42,001,622</u>	<u>-</u>
Fund Balance - ending	<u>\$ 43,995,594</u>	<u>\$ 50,924,877</u>	<u>\$ 6,929,283</u>

BEAUFORT COUNTY, SOUTH CAROLINA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Debt Service Funds		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$ 10,000	\$ 52,295	\$ 42,295
Total revenues	<u>10,000</u>	<u>52,295</u>	<u>42,295</u>
Expenditures			
Debt service - principal	2,311,619	1,971,891	339,728
Debt service - interest and fees	727,722	683,897	43,825
Total expenditures	<u>3,039,341</u>	<u>2,655,788</u>	<u>383,553</u>
Deficiency of revenues under expenditures	<u>(3,029,341)</u>	<u>(2,603,493)</u>	<u>425,848</u>
Other Financing Sources (Uses)			
Transfers in	3,039,341	3,039,341	-
Total other financing sources (uses)	<u>3,039,341</u>	<u>3,039,341</u>	<u>-</u>
Net Change in Fund Balance	10,000	435,848	425,848
Fund Balance - beginning	<u>3,577,898</u>	<u>3,577,898</u>	<u>-</u>
Fund Balance - ending	<u>\$ 3,587,898</u>	<u>\$ 4,013,746</u>	<u>\$ 425,848</u>

(Continued)

BEAUFORT COUNTY, SOUTH CAROLINA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Capital Projects Funds
Revenues	
Property taxes	\$ 297,827
Interest	404,790
Miscellaneous	291,784
Total revenues	994,401
Expenditures	
Capital projects	8,790,893
Total expenditures	8,790,893
Net Change in Fund Balance	(7,796,492)
Fund Balance - beginning	36,433,239
Fund Balance - ending	\$ 28,636,747

(Continued)

BEAUFORT COUNTY, SOUTH CAROLINA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Total Nonmajor Governmental Funds		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property taxes	\$ 10,557,326	\$ 11,066,470	\$ 509,144
Licenses and permits	5,164,000	5,717,147	553,147
Intergovernmental	15,462,040	17,995,193	2,533,153
Charge for services	6,210,749	6,304,301	93,552
Fines and forfeitures	292,000	602,210	310,210
Interest	94,500	1,060,043	965,543
Miscellaneous	979,584	2,720,573	1,740,989
Total revenues	<u>38,760,199</u>	<u>45,465,937</u>	<u>6,705,738</u>
Expenditures			
General government	7,027,464	6,073,055	954,409
Public safety	2,821,745	3,192,480	(370,735)
Public works	237,466	436,551	(199,085)
Public health	12,225,055	10,489,227	1,735,828
Public welfare	2,732,766	2,582,560	150,206
Cultural and recreation	1,009,135	553,550	455,585
Debt service - principal	8,925,825	8,096,532	829,293
Debt service - interest and fees	4,086,855	4,532,603	(445,748)
Capital projects	4,938,300	15,209,696	(10,271,396)
Total expenditures	<u>44,004,611</u>	<u>51,166,254</u>	<u>(7,161,643)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,244,412)</u>	<u>(5,700,317)</u>	<u>(455,905)</u>
Other Financing Sources			
Transfers in	8,279,622	8,279,622	-
Transfers out	(1,031,238)	(1,016,694)	14,544
Total other financing sources, net	<u>7,248,384</u>	<u>7,262,928</u>	<u>14,544</u>
Net Change in Fund Balance	2,003,972	1,562,611	(441,361)
Fund Balance - beginning	<u>45,579,520</u>	<u>82,012,759</u>	<u>36,433,239</u>
Fund Balance - ending	<u>\$ 47,583,492</u>	<u>\$ 83,575,370</u>	<u>\$ 35,991,878</u>

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET ALL NONMAJOR SPECIAL REVENUE FUNDS JUNE 30, 2020

	General Government Programs	Public Safety Programs	Public Works Programs
ASSETS			
Cash and equity in pooled cash and investments	\$ 14,556,673	\$ 7,771,163	\$ 8,838,751
Receivables, net	388,694	83,352	-
Due from other governments	300,492	1,481,425	679,445
Prepaid items	23,239	59,458	315
Total assets	<u>\$ 15,269,098</u>	<u>\$ 9,395,398</u>	<u>\$ 9,518,511</u>
LIABILITIES			
Accounts payable	\$ 666,858	\$ 946,862	\$ 13,759
Accrued payroll	139,741	271,960	2,880
Due to others	-	443,842	-
Total liabilities	<u>806,599</u>	<u>1,662,664</u>	<u>16,639</u>
FUND BALANCE			
Nonspendable	23,239	59,458	315
Restricted	14,439,260	7,673,276	9,501,557
Committed	-	-	-
Total fund balances	<u>14,462,499</u>	<u>7,732,734</u>	<u>9,501,872</u>
Total liabilities and fund balances	<u>\$ 15,269,098</u>	<u>\$ 9,395,398</u>	<u>\$ 9,518,511</u>

Public Health Programs	Public Welfare Programs	Cultural and Recreational Programs	Total
\$ 7,139,242	\$ 86,797	\$ 12,336,236	\$ 50,728,862
18,187	92,539	596,083	1,178,855
165,878	5,000	-	2,632,240
63,697	1,284	-	147,993
<u>\$ 7,387,004</u>	<u>\$ 185,620</u>	<u>\$ 12,932,319</u>	<u>\$ 54,687,950</u>
\$ 311,337	\$ 131,100	\$ 428,348	\$ 2,498,264
390,416	15,970	-	820,967
-	-	-	443,842
<u>701,753</u>	<u>147,070</u>	<u>428,348</u>	<u>3,763,073</u>
63,697	1,284	-	147,993
6,621,554	67,393	12,146,942	50,449,982
-	(30,127)	357,029	326,902
<u>6,685,251</u>	<u>38,550</u>	<u>12,503,971</u>	<u>50,924,877</u>
<u>\$ 7,387,004</u>	<u>\$ 185,620</u>	<u>\$ 12,932,319</u>	<u>\$ 54,687,950</u>

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL ALL NONMAJOR SPECIAL REVENUE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	General Government Programs		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property taxes	\$ 10,557,326	\$ 10,768,643	\$ 211,317
Licenses and permits	3,200,000	3,650,817	450,817
Intergovernmental	2,446,400	2,481,785	35,385
Charge for services	1,300,000	993,325	(306,675)
Fines and forfeitures	150,000	297,677	147,677
Interest	36,500	165,887	129,387
Miscellaneous	433,000	1,658,237	1,225,237
Total revenues	<u>18,123,226</u>	<u>20,016,371</u>	<u>1,893,145</u>
Expenditures			
General government	7,027,464	6,073,055	954,409
Capital	-	373,223	(373,223)
Debt service - principal	6,087,902	5,598,337	489,565
Debt service - interest and fees	3,165,909	3,655,482	(489,573)
Total expenditures	<u>16,281,275</u>	<u>15,700,097</u>	<u>581,178</u>
Excess of revenues over expenditures	<u>1,841,951</u>	<u>4,316,274</u>	<u>2,474,323</u>
Other Financing Sources (Uses)			
Transfers in	899,809	899,809	-
Transfers out	(1,031,238)	(1,016,694)	14,544
Total other financing sources (uses), net	<u>(131,429)</u>	<u>(116,885)</u>	<u>14,544</u>
Net Change in Fund Balance	1,710,522	4,199,389	2,488,867
Fund Balance - beginning	<u>10,263,110</u>	<u>10,263,110</u>	<u>-</u>
Fund Balance - ending	<u>\$ 11,973,632</u>	<u>\$ 14,462,499</u>	<u>\$ 2,488,867</u>

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL ALL NONMAJOR SPECIAL REVENUE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Public Safety Programs		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Licenses and permits	\$ 30,000	\$ 33,300	\$ 3,300
Intergovernmental	1,353,542	3,425,313	2,071,771
Charge for services	1,200,000	1,714,465	514,465
Fines and forfeitures	142,000	304,533	162,533
Interest	13,000	70,917	57,917
Miscellaneous	120,000	163,710	43,710
Total revenues	<u>2,858,542</u>	<u>5,712,238</u>	<u>2,853,696</u>
Expenditures			
Public safety	2,821,745	3,192,480	(370,735)
Capital	300,000	1,199,115	(899,115)
Total expenditures	<u>3,121,745</u>	<u>4,391,595</u>	<u>(1,269,850)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(263,203)</u>	<u>1,320,643</u>	<u>1,583,846</u>
Other Financing Sources			
Transfers in	187,264	187,264	-
Total other financing sources	<u>187,264</u>	<u>187,264</u>	<u>-</u>
Net Change in Fund Balance	(75,939)	1,507,907	1,583,846
Fund Balance - beginning	<u>6,224,827</u>	<u>6,224,827</u>	<u>-</u>
Fund Balance - ending	<u>\$ 6,148,888</u>	<u>\$ 7,732,734</u>	<u>\$ 1,583,846</u>

BEAUFORT COUNTY, SOUTH CAROLINA

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
ALL NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Public Works Programs		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$ 2,500,000	\$ 2,829,274	\$ 329,274
Charge for services	2,800,000	2,777,232	(22,768)
Interest	35,000	127,770	92,770
Miscellaneous	75,040	288,560	213,520
Total revenues	<u>5,410,040</u>	<u>6,022,836</u>	<u>612,796</u>
Expenditures			
Public works	237,466	436,551	(199,085)
Capital	2,650,500	4,135,879	(1,485,379)
Debt service - principal	320,624	320,624	-
Debt service - interest and fees	53,222	53,222	-
Total expenditures	<u>3,261,812</u>	<u>4,946,276</u>	<u>(1,684,464)</u>
Net Change in Fund Balance	2,148,228	1,076,560	(1,071,668)
Fund Balance - beginning	<u>8,425,312</u>	<u>8,425,312</u>	<u>-</u>
Fund Balance - ending	<u>\$ 10,573,540</u>	<u>\$ 9,501,872</u>	<u>\$ (1,071,668)</u>

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL ALL NONMAJOR SPECIAL REVENUE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Public Health Programs		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$ 7,871,351	\$ 8,077,420	\$ 206,069
Charge for services	712,649	634,781	(77,868)
Interest	-	90,493	90,493
Miscellaneous	215,609	182,114	(33,495)
Total revenues	<u>8,799,609</u>	<u>8,984,808</u>	<u>185,199</u>
Expenditures			
Public health	12,225,055	10,489,227	1,735,828
Capital	1,102,800	667,884	434,916
Total expenditures	<u>13,327,855</u>	<u>11,157,111</u>	<u>2,170,744</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,528,246)</u>	<u>(2,172,303)</u>	<u>2,355,943</u>
Other Financing Sources			
Transfers in	3,787,205	3,787,205	-
Total other financing sources	<u>3,787,205</u>	<u>3,787,205</u>	<u>-</u>
Net Change in Fund Balance	(741,041)	1,614,902	2,355,943
Fund Balance - beginning	<u>5,070,349</u>	<u>5,070,349</u>	<u>-</u>
Fund Balance - ending	<u>\$ 4,329,308</u>	<u>\$ 6,685,251</u>	<u>\$ 2,355,943</u>

BEAUFORT COUNTY, SOUTH CAROLINA

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
ALL NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Public Welfare Programs		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$ 1,015,747	\$ 856,845	\$ (158,902)
Charge for services	113,100	96,256	(16,844)
Interest	-	168	168
Miscellaneous	135,800	135,598	(202)
Total revenues	<u>1,264,647</u>	<u>1,088,867</u>	<u>(175,780)</u>
Expenditures			
Public welfare	2,732,766	2,582,560	150,206
Total expenditures	<u>2,732,766</u>	<u>2,582,560</u>	<u>150,206</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,468,119)</u>	<u>(1,493,693)</u>	<u>(25,574)</u>
Other Financing Sources			
Transfers in	366,003	366,003	-
Total other financing sources	<u>366,003</u>	<u>366,003</u>	<u>-</u>
Net Change in Fund Balance	(1,102,116)	(1,127,690)	(25,574)
Fund Balance - beginning	1,166,240	1,166,240	-
Fund Balance - ending	<u>\$ 64,124</u>	<u>\$ 38,550</u>	<u>\$ (25,574)</u>

BEAUFORT COUNTY, SOUTH CAROLINA

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
ALL NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Cultural and Recreation Programs		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Licenses and permits	\$ 1,934,000	\$ 2,033,030	\$ 99,030
Intergovernmental	275,000	324,556	49,556
Charge for services	85,000	88,242	3,242
Interest	-	147,723	147,723
Miscellaneous	135	570	435
Total revenues	2,294,135	2,594,121	299,986
Expenditures			
Cultural and recreation	1,009,135	553,550	455,585
Capital	885,000	42,702	842,298
Debt service - principal	205,680	205,680	-
Debt service - interest and fees	140,002	140,002	-
Total expenditures	2,239,817	941,934	1,297,883
Net Change in Fund Balance	54,318	1,652,187	1,597,869
Fund Balance - beginning	10,851,784	10,851,784	-
Fund Balance - ending	\$ 10,906,102	\$ 12,503,971	\$ 1,597,869

BEAUFORT COUNTY, SOUTH CAROLINA

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
ALL NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Totals		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property taxes	\$ 10,557,326	\$ 10,768,643	\$ 211,317
Licenses and permits	5,164,000	5,717,147	553,147
Intergovernmental	15,462,040	17,995,193	2,533,153
Charge for services	6,210,749	6,304,301	93,552
Fines and forfeitures	292,000	602,210	310,210
Interest	84,500	602,958	518,458
Miscellaneous	979,584	2,428,789	1,449,205
Total revenues	<u>38,750,199</u>	<u>44,419,241</u>	<u>5,669,042</u>
Expenditures			
General government	7,027,464	6,073,055	954,409
Public safety	2,821,745	3,192,480	(370,735)
Public works	237,466	436,551	(199,085)
Public health	12,225,055	10,489,227	1,735,828
Public welfare	2,732,766	2,582,560	150,206
Cultural and recreation	1,009,135	553,550	455,585
Capital	4,938,300	6,418,803	(1,480,503)
Debt service - principal	6,614,206	6,124,641	489,565
Debt service - interest and fees	3,359,133	3,848,706	(489,573)
Total expenditures	<u>40,965,270</u>	<u>39,719,573</u>	<u>1,245,697</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,215,071)</u>	<u>4,699,668</u>	<u>6,914,739</u>
Other Financing Sources (Uses)			
Transfers in	5,240,281	5,240,281	-
Transfers out	(1,031,238)	(1,016,694)	14,544
Total other financing sources, net	<u>4,209,043</u>	<u>4,223,587</u>	<u>14,544</u>
Net Change in Fund Balance	1,993,972	8,923,255	6,929,283
Fund Balance - beginning	<u>42,001,622</u>	<u>42,001,622</u>	<u>-</u>
Fund Balance - ending	<u>\$ 43,995,594</u>	<u>\$ 50,924,877</u>	<u>\$ 6,929,283</u>

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET NONMAJOR SPECIAL REVENUE FUNDS GENERAL GOVERNMENT PROGRAMS JUNE 30, 2020

	State Accommodations Tax Program	Purchase of Real Property Program	Local Accommodations Tax Program	Local Admissions Fee Program
ASSETS				
Cash and equity in pooled cash and investments	\$ -	\$ 2,709,162	\$ 4,193,841	\$ 1,979,816
Receivables, net	-	105,005	-	230,474
Due from other governments	214,477	-	-	-
Prepaid items	-	-	315	315
Total assets	<u>\$ 214,477</u>	<u>\$ 2,814,167</u>	<u>\$ 4,194,156</u>	<u>\$ 2,210,605</u>
LIABILITIES				
Accounts payable	\$ 183,652	\$ 20,031	\$ 363,882	\$ 1,218
Accrued payroll	-	-	320	1,299
Total liabilities	<u>183,652</u>	<u>20,031</u>	<u>364,202</u>	<u>2,517</u>
FUND BALANCE				
Nonspendable	-	-	315	315
Restricted	30,825	2,794,136	3,829,639	2,207,773
Total fund balance	<u>30,825</u>	<u>2,794,136</u>	<u>3,829,954</u>	<u>2,208,088</u>
Total liabilities and fund balances	<u>\$ 214,477</u>	<u>\$ 2,814,167</u>	<u>\$ 4,194,156</u>	<u>\$ 2,210,605</u>

Treasurer Execution Fees	Clerk of Court Incentives	Clerk of Court Unit Cost	Employer Group Benefit Trust	Public Defender Trust	Reforestation Trust	Total
\$ 2,591,777	\$ 380,485	\$ 257,110	\$ 300,100	\$ 307,258	\$ 1,837,124	\$ 14,556,673
-	-	27,959	-	25,256	-	388,694
-	34,635	51,380	-	-	-	300,492
3,768	-	176	11,709	6,956	-	23,239
<u>\$ 2,595,545</u>	<u>\$ 415,120</u>	<u>\$ 336,625</u>	<u>\$ 311,809</u>	<u>\$ 339,470</u>	<u>\$ 1,837,124</u>	<u>\$ 15,269,098</u>
\$ 38,683	\$ 2,209	\$ 1,907	\$ -	\$ 35,030	\$ 20,246	\$ 666,858
16,886	-	2,192	-	119,044	-	139,741
<u>55,569</u>	<u>2,209</u>	<u>4,099</u>	<u>-</u>	<u>154,074</u>	<u>20,246</u>	<u>806,599</u>
3,768	-	176	11,709	6,956	-	23,239
2,536,208	412,911	332,350	300,100	178,440	1,816,878	14,439,260
<u>2,539,976</u>	<u>412,911</u>	<u>332,526</u>	<u>311,809</u>	<u>185,396</u>	<u>1,816,878</u>	<u>14,462,499</u>
<u>\$ 2,595,545</u>	<u>\$ 415,120</u>	<u>\$ 336,625</u>	<u>\$ 311,809</u>	<u>\$ 339,470</u>	<u>\$ 1,837,124</u>	<u>\$ 15,269,098</u>

BEAUFORT COUNTY, SOUTH CAROLINA

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
GENERAL GOVERNMENT PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	State Accommodations Tax Program		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$ 850,000	\$ 823,568	\$ (26,432)
Total revenues	<u>850,000</u>	<u>823,568</u>	<u>(26,432)</u>
Expenditures			
General government:			
Other	796,500	784,571	11,929
Total expenditures	<u>796,500</u>	<u>784,571</u>	<u>11,929</u>
Excess of revenues over expenditures	<u>53,500</u>	<u>38,997</u>	<u>(14,503)</u>
Other Financing Uses			
Transfers out	(68,750)	(54,206)	14,544
Total other financing uses	<u>(68,750)</u>	<u>(54,206)</u>	<u>14,544</u>
Net Change in Fund Balance	(15,250)	(15,209)	41
Fund Balance - beginning	<u>46,034</u>	<u>46,034</u>	<u>-</u>
Fund Balance - ending	<u>\$ 30,784</u>	<u>\$ 30,825</u>	<u>\$ 41</u>

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS GENERAL GOVERNMENT PROGRAMS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Purchase of Real Property Program		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property taxes	\$ 10,557,326	\$ 10,768,643	\$ 211,317
Intergovernmental	196,400	216,679	20,279
Interest	5,000	28,182	23,182
Miscellaneous	-	15,977	15,977
Total revenues	<u>10,758,726</u>	<u>11,029,481</u>	<u>270,755</u>
Expenditures			
General government:			
Purchased services	40,000	20,031	19,969
Debt service:			
Principal	6,087,902	5,598,337	489,565
Interest and fees	3,165,909	3,655,482	(489,573)
Total expenditures	<u>9,293,811</u>	<u>9,273,850</u>	<u>19,961</u>
Net Change in Fund Balance	1,464,915	1,755,631	290,716
Fund Balance - beginning	<u>1,038,505</u>	<u>1,038,505</u>	<u>-</u>
Fund Balance - ending	<u>\$ 2,503,420</u>	<u>\$ 2,794,136</u>	<u>\$ 290,716</u>

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS GENERAL GOVERNMENT PROGRAMS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Local Accommodations Tax Program		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Licenses and permits	\$ 1,300,000	\$ 1,228,094	\$ (71,906)
Fines and forfeitures	-	3,717	3,717
Interest	5,000	49,312	44,312
Total revenues	<u>1,305,000</u>	<u>1,281,123</u>	<u>(23,877)</u>
Expenditures			
General government:			
Personnel	63,272	39,206	24,066
Purchased services	22,900	66,784	(43,884)
Supplies	1,150	370	780
Capital	-	10,170	(10,170)
Other	1,217,678	928,644	289,034
Total expenditures	<u>1,305,000</u>	<u>1,045,174</u>	<u>259,826</u>
Net Change in Fund Balance	-	235,949	235,949
Fund Balance - beginning	<u>3,594,005</u>	<u>3,594,005</u>	<u>-</u>
Fund Balance - ending	<u>\$ 3,594,005</u>	<u>\$ 3,829,954</u>	<u>\$ 235,949</u>

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS GENERAL GOVERNMENT PROGRAMS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Local Admissions Fee Program		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Licenses and permits	\$ 1,900,000	\$ 2,422,723	\$ 522,723
Interest	5,000	20,688	15,688
Total revenues	<u>1,905,000</u>	<u>2,443,411</u>	<u>538,411</u>
Expenditures			
General government:			
Personnel	63,272	39,199	24,073
Purchased services	22,900	16,937	5,963
Supplies	1,150	358	792
Total expenditures	<u>87,322</u>	<u>56,494</u>	<u>30,828</u>
Excess of revenues over expenditures	<u>1,817,678</u>	<u>2,386,917</u>	<u>569,239</u>
Other Financing Uses			
Transfers out	(962,488)	(962,488)	-
Total other financing uses	<u>(962,488)</u>	<u>(962,488)</u>	<u>-</u>
Net Change in Fund Balance	855,190	1,424,429	569,239
Fund Balance - beginning	<u>783,659</u>	<u>783,659</u>	<u>-</u>
Fund Balance - ending	<u>\$ 1,638,849</u>	<u>\$ 2,208,088</u>	<u>\$ 569,239</u>

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS GENERAL GOVERNMENT PROGRAMS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Treasurer Execution Fees		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for services	\$ 1,300,000	\$ 993,325	\$ (306,675)
Interest	15,000	31,679	16,679
Miscellaneous	6,500	12,566	6,066
Total revenues	<u>1,321,500</u>	<u>1,037,570</u>	<u>(283,930)</u>
Expenditures			
General government:			
Personnel	822,641	668,176	154,465
Purchased services	694,300	409,831	284,469
Supplies	19,500	23,924	(4,424)
Capital	-	17,151	(17,151)
Other	-	225	(225)
Total expenditures	<u>1,536,441</u>	<u>1,119,307</u>	<u>417,134</u>
Net Change in Fund Balance	(214,941)	(81,737)	133,204
Fund Balance - beginning	<u>2,621,713</u>	<u>2,621,713</u>	<u>-</u>
Fund Balance - ending	<u>\$ 2,406,772</u>	<u>\$ 2,539,976</u>	<u>\$ 133,204</u>

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS GENERAL GOVERNMENT PROGRAMS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Clerk of Court Incentives		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$ 50,000	\$ 65,379	\$ 15,379
Interest	500	4,558	4,058
Total revenues	<u>50,500</u>	<u>69,937</u>	<u>19,437</u>
Expenditures			
General government:			
Purchased services	21,500	(6,850)	28,350
Supplies	29,000	337	28,663
Total expenditures	<u>50,500</u>	<u>(6,513)</u>	<u>57,013</u>
Net Change in Fund Balance	-	76,450	76,450
Fund Balance - beginning	<u>336,461</u>	<u>336,461</u>	-
Fund Balance - ending	<u>\$ 336,461</u>	<u>\$ 412,911</u>	<u>\$ 76,450</u>

BEAUFORT COUNTY, SOUTH CAROLINA

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
GENERAL GOVERNMENT PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Clerk of Court Unit Cost		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$ 250,000	\$ 298,203	\$ 48,203
Interest	-	8,348	8,348
Total revenues	<u>250,000</u>	<u>306,551</u>	<u>56,551</u>
Expenditures			
General government:			
Personnel	246,403	105,357	141,046
Purchased services	27,000	6,010	20,990
Supplies	2,000	-	2,000
Total expenditures	<u>275,403</u>	<u>111,367</u>	<u>164,036</u>
Net Change in Fund Balance	(25,403)	195,184	220,587
Fund Balance - beginning	<u>137,342</u>	<u>137,342</u>	<u>-</u>
Fund Balance - ending	<u>\$ 111,939</u>	<u>\$ 332,526</u>	<u>\$ 220,587</u>

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS GENERAL GOVERNMENT PROGRAMS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Employer Group Benefit Trust		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Miscellaneous	\$ -	\$ 257,198	\$ 257,198
Total revenues	<u>-</u>	<u>257,198</u>	<u>257,198</u>
Expenditures			
General government:			
Other	-	268,396	(268,396)
Total expenditures	<u>-</u>	<u>268,396</u>	<u>(268,396)</u>
Net Change in Fund Balance	-	(11,198)	(11,198)
Fund Balance - beginning	<u>323,007</u>	<u>323,007</u>	<u>-</u>
Fund Balance - ending	<u>\$ 323,007</u>	<u>\$ 311,809</u>	<u>\$ (11,198)</u>

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS GENERAL GOVERNMENT PROGRAMS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Public Defender Trust		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$ 1,100,000	\$ 1,077,956	\$ (22,044)
Interest	3,000	-	(3,000)
Miscellaneous	426,500	522,496	95,996
Total revenues	<u>1,529,500</u>	<u>1,600,452</u>	<u>70,952</u>
Expenditures			
General government:			
Personnel	2,526,798	2,429,446	97,352
Purchased services	237,500	187,915	49,585
Supplies	19,000	15,187	3,813
Capital	-	38,126	(38,126)
Total expenditures	<u>2,783,298</u>	<u>2,670,674</u>	<u>112,624</u>
Excess (deficiency) of revenues over (under) expenditure	(1,253,798)	(1,070,222)	183,576
Other Financing Sources			
Transfers in	899,809	899,809	-
Total other financing sources	<u>899,809</u>	<u>899,809</u>	<u>-</u>
Net Change in Fund Balance	(353,989)	(170,413)	183,576
Fund Balance - beginning	<u>355,809</u>	<u>355,809</u>	<u>-</u>
Fund Balance - ending	<u>\$ 1,820</u>	<u>\$ 185,396</u>	<u>\$ 183,576</u>

BEAUFORT COUNTY, SOUTH CAROLINA

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
GENERAL GOVERNMENT PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Reforestation Trust		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Fines and forfeitures	\$ 150,000	\$ 293,960	\$ 143,960
Interest	3,000	23,120	20,120
Miscellaneous	-	850,000	850,000
Total revenues	<u>153,000</u>	<u>1,167,080</u>	<u>1,014,080</u>
Expenditures			
General government:			
Purchased services	153,000	69,001	83,999
Capital	-	307,776	(307,776)
Total expenditures	<u>153,000</u>	<u>376,777</u>	<u>(223,777)</u>
Net Change in Fund Balance	-	790,303	790,303
Fund Balance - beginning	<u>1,026,575</u>	<u>1,026,575</u>	<u>-</u>
Fund Balance - ending	<u>\$ 1,026,575</u>	<u>\$ 1,816,878</u>	<u>\$ 790,303</u>

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS GENERAL GOVERNMENT PROGRAMS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Total		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property taxes	\$ 10,557,326	\$ 10,768,643	\$ 211,317
Licenses and permits	3,200,000	3,650,817	450,817
Intergovernmental	2,446,400	2,481,785	35,385
Charges for services	1,300,000	993,325	(306,675)
Fines and forfeitures	150,000	297,677	147,677
Interest	36,500	165,887	129,387
Miscellaneous	433,000	1,658,237	1,225,237
Total revenues	<u>18,123,226</u>	<u>20,016,371</u>	<u>1,893,145</u>
Expenditures			
General government:			
Personnel	3,722,386	3,281,384	441,002
Purchased services	1,219,100	769,659	449,441
Supplies	71,800	40,176	31,624
Capital	-	373,223	(373,223)
Other	2,014,178	1,981,836	32,342
Debt service:			
Principal	6,087,902	5,598,337	489,565
Interest and fees	3,165,909	3,655,482	(489,573)
Total expenditures	<u>16,281,275</u>	<u>15,700,097</u>	<u>581,178</u>
Excess of revenues over expenditures	1,841,951	4,316,274	2,474,323
Other Financing Sources (Uses)			
Transfers in	899,809	899,809	-
Transfers out	(1,031,238)	(1,016,694)	14,544
Total other financing sources (uses)	<u>(131,429)</u>	<u>(116,885)</u>	<u>14,544</u>
Net Change in Fund Balance	1,710,522	4,199,389	2,488,867
Fund Balance - beginning	<u>10,263,110</u>	<u>10,263,110</u>	<u>-</u>
Fund Balance - ending	<u>\$ 11,973,632</u>	<u>\$ 14,462,499</u>	<u>\$ 2,488,867</u>

BEAUFORT COUNTY, SOUTH CAROLINA

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
PUBLIC SAFETY PROGRAMS
JUNE 30, 2020**

	E-911 Telephone Program	Victims Assistance Program	Sheriff's Office Special Projects	Public Safety Grants	Total
ASSETS					
Cash and equity in pooled cash and investments	\$ 4,497,863	\$ 561,225	\$ 2,161,451	\$ 550,624	\$ 7,771,163
Receivables, net	42,722	11,256	-	29,374	83,352
Due from other governments	1,426,728	-	1,056	53,641	1,481,425
Prepaid items	48,996	780	9,682	-	59,458
Total assets	<u>\$ 6,016,309</u>	<u>\$ 573,261</u>	<u>\$ 2,172,189</u>	<u>\$ 633,639</u>	<u>\$ 9,395,398</u>
LIABILITIES					
Accounts payable	\$ 893,274	\$ 3,538	\$ 19,967	\$ 30,083	\$ 946,862
Accrued payroll	22,182	215,278	34,500	-	271,960
Due to others	-	-	394,995	48,847	443,842
Total liabilities	<u>915,456</u>	<u>218,816</u>	<u>449,462</u>	<u>78,930</u>	<u>1,662,664</u>
FUND BALANCE					
Nonspendable	48,996	780	9,682	-	59,458
Restricted	5,051,857	353,665	1,713,045	554,709	7,673,276
Total fund balance	<u>5,100,853</u>	<u>354,445</u>	<u>1,722,727</u>	<u>554,709</u>	<u>7,732,734</u>
Total liabilities and fund balance	<u>\$ 6,016,309</u>	<u>\$ 573,261</u>	<u>\$ 2,172,189</u>	<u>\$ 633,639</u>	<u>\$ 9,395,398</u>

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS PUBLIC SAFETY PROGRAMS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	E-911 Telephone Program		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$ 725,000	\$ 2,096,531	\$ 1,371,531
Charges for services	1,200,000	1,508,913	308,913
Interest	10,000	49,224	39,224
Total revenues	<u>1,935,000</u>	<u>3,654,668</u>	<u>1,719,668</u>
Expenditures			
Public safety:			
Personnel	469,980	396,662	73,318
Purchased services	1,082,000	937,079	144,921
Supplies	78,200	32,438	45,762
Capital	300,000	723,640	(423,640)
Other	125,650	299,165	(173,515)
Total expenditures	<u>2,055,830</u>	<u>2,388,984</u>	<u>(333,154)</u>
Net Change in Fund Balance	(120,830)	1,265,684	1,386,514
Fund Balance - beginning	3,835,169	3,835,169	-
Fund Balance - ending	<u>\$ 3,714,339</u>	<u>\$ 5,100,853</u>	<u>\$ 1,386,514</u>

BEAUFORT COUNTY, SOUTH CAROLINA

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
PUBLIC SAFETY PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Victims Assistance Program		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$ 63,542	\$ 63,542	\$ -
Fines and forfeitures	142,000	120,565	(21,435)
Interest	2,000	7,238	5,238
Total revenues	<u>207,542</u>	<u>191,345</u>	<u>(16,197)</u>
Expenditures			
Public safety:			
Personnel	214,913	225,901	(10,988)
Supplies	-	1,504	(1,504)
Total expenditures	<u>214,913</u>	<u>227,405</u>	<u>(12,492)</u>
Deficiency of revenues under expenditures	<u>(7,371)</u>	<u>(36,060)</u>	<u>(28,689)</u>
Other Financing Sources			
Transfers in	31,573	31,573	-
Total other financing sources	<u>31,573</u>	<u>31,573</u>	<u>-</u>
Net Change in Fund Balance	24,202	(4,487)	(28,689)
Fund Balance - beginning	<u>358,932</u>	<u>358,932</u>	<u>-</u>
Fund Balance - ending	<u>\$ 383,134</u>	<u>\$ 354,445</u>	<u>\$ (28,689)</u>

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS PUBLIC SAFETY PROGRAMS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Sheriff's Office Special Projects		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Licenses and permits	\$ 30,000	\$ 33,300	\$ 3,300
Intergovernmental	505,000	539,722	34,722
Charges for services	-	205,552	205,552
Fines and Forfeitures	-	183,968	183,968
Interest	500	10,347	9,847
Miscellaneous	-	41,932	41,932
Total revenues	<u>535,500</u>	<u>1,014,821</u>	<u>479,321</u>
Expenditures			
Public safety:			
Personnel	586,002	830,973	(244,971)
Purchased services	37,100	45,605	(8,505)
Supplies	22,900	21,528	1,372
Capital	-	79,876	(79,876)
Other	25,000	107,868	(82,868)
Total expenditures	<u>671,002</u>	<u>1,085,850</u>	<u>(414,848)</u>
Excess (deficiency) of revenues over expenditures	<u>(135,502)</u>	<u>(71,029)</u>	<u>64,473</u>
Other Financing Sources			
Transfers in	155,691	155,691	-
Total other financing sources	<u>155,691</u>	<u>155,691</u>	<u>-</u>
Net Change in Fund Balance	20,189	84,662	64,473
Fund Balance - beginning	1,638,065	1,638,065	-
Fund Balance - ending	<u>\$ 1,658,254</u>	<u>\$ 1,722,727</u>	<u>\$ 64,473</u>

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS PUBLIC SAFETY PROGRAMS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Public Safety Grants		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$ 60,000	\$ 725,518	\$ 665,518
Interest	500	4,108	3,608
Miscellaneous	120,000	121,778	1,778
Total revenues	<u>180,500</u>	<u>851,404</u>	<u>670,904</u>
Expenditures			
Public safety			
Purchased services	35,000	20,727	14,273
Supplies	-	134,762	(134,762)
Capital	-	395,599	(395,599)
Other	145,000	138,268	6,732
Total expenditures	<u>180,000</u>	<u>689,356</u>	<u>(509,356)</u>
Net Change in Fund Balance	500	162,048	161,548
Fund Balance - beginning	<u>392,661</u>	<u>392,661</u>	<u>-</u>
Fund Balance - ending	<u>\$ 393,161</u>	<u>\$ 554,709</u>	<u>\$ 161,548</u>

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS PUBLIC SAFETY PROGRAMS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Total		Variance Positive (Negative)
	Final Budget	Actual	
Revenues			
Licenses and permits	\$ 30,000	\$ 33,300	\$ 3,300
Intergovernmental	1,353,542	3,425,313	2,071,771
Charges for services	1,200,000	1,714,465	514,465
Fines and forfeitures	142,000	304,533	162,533
Interest	13,000	70,917	57,917
Miscellaneous	120,000	163,710	43,710
Total revenues	<u>2,858,542</u>	<u>5,712,238</u>	<u>2,853,696</u>
Expenditures			
Public safety:			
Personnel	1,270,895	1,453,536	(182,641)
Purchased services	1,154,100	1,003,411	150,689
Supplies	101,100	190,232	(89,132)
Capital	300,000	1,199,115	(899,115)
Other	295,650	545,301	(249,651)
Total expenditures	<u>3,121,745</u>	<u>4,391,595</u>	<u>(1,269,850)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(263,203)</u>	<u>1,320,643</u>	<u>1,583,846</u>
Other Financing Sources			
Transfers in	187,264	187,264	-
Total other financing sources	<u>187,264</u>	<u>187,264</u>	<u>-</u>
Net Change in Fund Balance	(75,939)	1,507,907	1,583,846
Fund Balance - beginning	<u>6,224,827</u>	<u>6,224,827</u>	<u>-</u>
Fund Balance - ending	<u>\$ 6,148,888</u>	<u>\$ 7,732,734</u>	<u>\$ 1,583,846</u>

BEAUFORT COUNTY, SOUTH CAROLINA

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
PUBLIC WORKS PROGRAMS
JUNE 30, 2020**

	Solid Waste & Recycling Grants	County Road Improvement Program	Barton's Run Agreement	Del Webb Boat Ramp Repair Fees	Total
ASSETS					
Cash and equity in pooled cash and investments	\$ 366,141	\$ 8,432,828	\$ 36,158	\$ 3,624	\$ 8,838,751
Due from other governments	34,734	644,711	-	-	679,445
Prepaid Items	-	315	-	-	315
Total assets	<u>\$ 400,875</u>	<u>\$ 9,077,854</u>	<u>\$ 36,158</u>	<u>\$ 3,624</u>	<u>\$ 9,518,511</u>
LIABILITIES					
Accounts payable	\$ 9,351	\$ 4,408	\$ -	\$ -	\$ 13,759
Accrued payroll	-	2,880	-	-	2,880
Total liabilities	<u>9,351</u>	<u>7,288</u>	<u>-</u>	<u>-</u>	<u>16,639</u>
FUND BALANCE					
Nonspendable	-	315	-	-	315
Restricted	391,524	9,070,251	36,158	3,624	9,501,557
Total fund balance	<u>391,524</u>	<u>9,070,566</u>	<u>36,158</u>	<u>3,624</u>	<u>9,501,872</u>
Total liabilities and fund balance	<u>\$ 400,875</u>	<u>\$ 9,077,854</u>	<u>\$ 36,158</u>	<u>\$ 3,624</u>	<u>\$ 9,518,511</u>

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
 PUBLIC WORKS PROGRAMS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Solid Waste and Recycling Grants		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$ -	\$ 230,962	\$ 230,962
Miscellaneous	-	13,400	13,400
Total revenues	-	244,362	244,362
Expenditures			
Public works			
Purchased services	-	111,712	(111,712)
Supplies	-	100,088	(100,088)
Capital	-	23,995	(23,995)
Total expenditures	-	235,795	(235,795)
Net Change in Fund Balance	-	8,567	8,567
Fund Balance - beginning	382,957	382,957	-
Fund Balance - ending	\$ 382,957	\$ 391,524	\$ 8,567

BEAUFORT COUNTY, SOUTH CAROLINA

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
PUBLIC WORKS PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	County Road Improvement Program		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$ 2,500,000	\$ 2,598,312	\$ 98,312
Charges for services	2,800,000	2,772,732	(27,268)
Interest	35,000	127,726	92,726
Miscellaneous	75,000	275,000	200,000
Total revenues	<u>5,410,000</u>	<u>5,773,770</u>	<u>363,770</u>
Expenditures			
Public works:			
Personnel	129,966	105,351	24,615
Purchased services	102,500	116,393	(13,893)
Supplies	5,000	3,007	1,993
Capital	2,650,500	4,111,884	(1,461,384)
Debt service:			
Principal	320,624	320,624	-
Interest and fees	53,222	53,222	-
Total expenditures	<u>3,261,812</u>	<u>4,710,481</u>	<u>(1,448,669)</u>
Net Change in Fund Balance	2,148,188	1,063,289	(1,084,899)
Fund Balance - beginning	<u>8,007,277</u>	<u>8,007,277</u>	<u>-</u>
Fund Balance - ending	<u>\$ 10,155,465</u>	<u>\$ 9,070,566</u>	<u>\$ (1,084,899)</u>

BEAUFORT COUNTY, SOUTH CAROLINA

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
PUBLIC WORKS PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Barton's Run Agreement		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for services	\$ -	\$ 4,500	\$ 4,500
Total revenues	<u>-</u>	<u>4,500</u>	<u>4,500</u>
Net Change in Fund Balance	-	4,500	4,500
Fund Balance - beginning	<u>31,658</u>	<u>31,658</u>	<u>-</u>
Fund Balance - ending	<u>\$ 31,658</u>	<u>\$ 36,158</u>	<u>\$ 4,500</u>

BEAUFORT COUNTY, SOUTH CAROLINA

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
PUBLIC WORKS PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Del Webb Boat Ramp Repair Fees		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$ -	\$ 44	\$ 44
Miscellaneous	40	160	120
Total revenues	<u>40</u>	<u>204</u>	<u>164</u>
Net Change in Fund Balance	40	204	164
Fund Balance - beginning	<u>3,420</u>	<u>3,420</u>	<u>-</u>
Fund Balance - ending	<u>\$ 3,460</u>	<u>\$ 3,624</u>	<u>\$ 164</u>

BEAUFORT COUNTY, SOUTH CAROLINA

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
PUBLIC WORKS PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Total</u>		Variance Positive (Negative)
	Final Budget	Actual	
Revenues			
Intergovernmental	\$ 2,500,000	\$ 2,829,274	\$ 329,274
Charges for services	2,800,000	2,777,232	(22,768)
Interest	35,000	127,770	92,770
Miscellaneous	75,040	288,560	213,520
Total revenues	<u>5,410,040</u>	<u>6,022,836</u>	<u>612,796</u>
Expenditures			
Public works:			
Personnel	129,966	105,351	24,615
Purchased services	102,500	228,105	(125,605)
Supplies	5,000	103,095	(98,095)
Capital	2,650,500	4,135,879	(1,485,379)
Debt service:			
Principal	320,624	320,624	-
Interest and fees	53,222	53,222	-
Total expenditures	<u>3,261,812</u>	<u>4,946,276</u>	<u>(1,684,464)</u>
Net Change in Fund Balance	2,148,228	1,076,560	(1,071,668)
Fund Balance - beginning	<u>8,425,312</u>	<u>8,425,312</u>	<u>-</u>
Fund Balance - ending	<u>\$ 10,573,540</u>	<u>\$ 9,501,872</u>	<u>\$ (1,071,668)</u>

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
PUBLIC HEALTH PROGRAMS
JUNE 30, 2020

	Alcohol and Drug Abuse Department	Disabilities and Special Needs Department	Total
ASSETS			
Cash and equity in pooled cash and investments	\$ 1,403,256	\$ 5,735,986	\$ 7,139,242
Receivables, net	7,937	10,250	18,187
Due from other governments	147,710	18,168	165,878
Prepaid items	3,765	59,932	63,697
Total assets	\$ 1,562,668	\$ 5,824,336	\$ 7,387,004
LIABILITIES			
Accounts payable	\$ 29,491	\$ 281,846	\$ 311,337
Accrued payroll	72,819	317,597	390,416
Total liabilities	102,310	599,443	701,753
FUND BALANCE			
Nonspendable	3,765	59,932	63,697
Restricted	1,456,593	5,164,961	6,621,554
Total fund balance	1,460,358	5,224,893	6,685,251
Total liabilities and fund balance	\$ 1,562,668	\$ 5,824,336	\$ 7,387,004

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS PUBLIC HEALTH PROGRAMS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Alcohol and Drug Abuse Department		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$ 973,966	\$ 869,614	\$ (104,352)
Charges for services	406,269	317,271	(88,998)
Interest	-	19,070	19,070
Miscellaneous	4,000	40,725	36,725
Total revenues	<u>1,384,235</u>	<u>1,246,680</u>	<u>(137,555)</u>
Expenditures			
Public health:			
Personnel	1,660,708	1,519,033	141,675
Purchased services	166,170	148,663	17,507
Supplies	71,022	33,847	37,175
Total expenditures	<u>1,897,900</u>	<u>1,701,543</u>	<u>196,357</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(513,665)</u>	<u>(454,863)</u>	<u>58,802</u>
Other Financing Sources			
Transfers in	626,605	626,605	-
Total other financing sources	<u>626,605</u>	<u>626,605</u>	<u>-</u>
Net Change in Fund Balance	112,940	171,742	58,802
Fund Balance - beginning	<u>1,288,616</u>	<u>1,288,616</u>	<u>-</u>
Fund Balance - ending	<u>\$ 1,401,556</u>	<u>\$ 1,460,358</u>	<u>\$ 58,802</u>

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS PUBLIC HEALTH PROGRAMS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Disabilities and Special Needs Department		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$ 6,897,385	\$ 7,207,806	\$ 310,421
Charges for services	306,380	317,510	11,130
Interest	-	71,423	71,423
Miscellaneous	211,609	141,389	(70,220)
Total revenues	<u>7,415,374</u>	<u>7,738,128</u>	<u>322,754</u>
Expenditures			
Public health:			
Personnel	7,854,487	6,635,827	1,218,660
Purchased services	2,121,896	1,866,243	255,653
Supplies	350,772	285,614	65,158
Capital	1,102,800	667,884	434,916
Total expenditures	<u>11,429,955</u>	<u>9,455,568</u>	<u>1,974,387</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,014,581)</u>	<u>(1,717,440)</u>	<u>2,297,141</u>
Other Financing Sources			
Transfers in	3,160,600	3,160,600	-
Total other financing sources	<u>3,160,600</u>	<u>3,160,600</u>	<u>-</u>
Net Change in Fund Balance	(853,981)	1,443,160	2,297,141
Fund Balance - beginning	<u>3,781,733</u>	<u>3,781,733</u>	<u>-</u>
Fund Balance - ending	<u>\$ 2,927,752</u>	<u>\$ 5,224,893</u>	<u>\$ 2,297,141</u>

BEAUFORT COUNTY, SOUTH CAROLINA

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
PUBLIC HEALTH PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Total		Variance Positive (Negative)
	Final Budget	Actual	
Revenues			
Intergovernmental	\$ 7,871,351	\$ 8,077,420	\$ 206,069
Charges for services	712,649	634,781	(77,868)
Interest	-	90,493	90,493
Miscellaneous	215,609	182,114	(33,495)
Total revenues	<u>8,799,609</u>	<u>8,984,808</u>	<u>185,199</u>
Expenditures			
Public health:			
Personnel	9,515,195	8,154,860	1,360,335
Purchased services	2,288,066	2,014,906	273,160
Supplies	421,794	319,461	102,333
Capital	1,102,800	667,884	434,916
Total expenditures	<u>13,327,855</u>	<u>11,157,111</u>	<u>2,170,744</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,528,246)</u>	<u>(2,172,303)</u>	<u>2,355,943</u>
Other Financing Sources			
Transfers in	3,787,205	3,787,205	-
Transfers out	-	-	-
Total other financing sources	<u>3,787,205</u>	<u>3,787,205</u>	<u>-</u>
Net Change in Fund Balance	(741,041)	1,614,902	2,355,943
Fund Balance - beginning	<u>5,070,349</u>	<u>5,070,349</u>	<u>-</u>
Fund Balance - ending	<u>\$ 4,329,308</u>	<u>\$ 6,685,251</u>	<u>\$ 2,355,943</u>

BEAUFORT COUNTY, SOUTH CAROLINA

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
PUBLIC WELFARE PROGRAMS
JUNE 30, 2020**

	Daufuskie Ferry Grant	HUD Homes Program	CDBG Water Grants	Collaborative Organization for Services to Youth	Total
<u>ASSETS</u>					
Cash and equity in pooled cash and investments	\$ -	\$ -	\$ 67,393	\$ 19,404	\$ 86,797
Receivables, net	91,139	-	-	1,400	92,539
Due from other governments	-	-	5,000	-	5,000
Prepaid items	-	-	-	1,284	1,284
Total assets	<u>\$ 91,139</u>	<u>\$ -</u>	<u>\$ 72,393</u>	<u>\$ 22,088</u>	<u>\$ 185,620</u>
<u>LIABILITIES</u>					
Accounts payable	\$ 116,446	\$ -	\$ 5,000	\$ 9,654	\$ 131,100
Accrued payroll	-	-	-	15,970	15,970
Total liabilities	<u>116,446</u>	<u>-</u>	<u>5,000</u>	<u>25,624</u>	<u>147,070</u>
<u>FUND BALANCE</u>					
Nonspendable	-	-	-	1,284	1,284
Restricted	-	-	67,393	-	67,393
Unassigned	(25,307)	-	-	(4,820)	(30,127)
Total fund balance	<u>(25,307)</u>	<u>-</u>	<u>67,393</u>	<u>(3,536)</u>	<u>38,550</u>
Total liabilities and fund balance	<u>\$ 91,139</u>	<u>\$ -</u>	<u>\$ 72,393</u>	<u>\$ 22,088</u>	<u>\$ 185,620</u>

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS PUBLIC WELFARE PROGRAMS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Daufuskie Ferry Grant		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$ 80,000	\$ -	\$ (80,000)
Charges for services	45,000	43,756	(1,244)
Miscellaneous	110,800	121,598	10,798
Total revenues	<u>235,800</u>	<u>165,354</u>	<u>(70,446)</u>
Expenditures			
Public welfare:			
Other	451,200	421,995	29,205
Total expenditures	<u>451,200</u>	<u>421,995</u>	<u>29,205</u>
Deficiency of revenues under expenditures	<u>(215,400)</u>	<u>(256,641)</u>	<u>(41,241)</u>
Other Financing Sources			
Transfers in	180,000	180,000	-
Total other financing sources	<u>180,000</u>	<u>180,000</u>	<u>-</u>
Net Change in Fund Balance	(35,400)	(76,641)	(41,241)
Fund Balance - beginning	51,334	51,334	-
Fund Balance (Deficit) - ending	<u>\$ 15,934</u>	<u>\$ (25,307)</u>	<u>\$ (41,241)</u>

BEAUFORT COUNTY, SOUTH CAROLINA

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
PUBLIC WELFARE PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	HUD Homes Program		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$ 500,000	\$ 421,098	\$ (78,902)
Total revenues	<u>500,000</u>	<u>421,098</u>	<u>(78,902)</u>
Expenditures			
Public welfare			
Other	500,000	421,098	78,902
Total expenditures	<u>500,000</u>	<u>421,098</u>	<u>78,902</u>
Net Change in Fund Balance	-	-	-
Fund Balance - beginning	-	-	-
Fund Balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

BEAUFORT COUNTY, SOUTH CAROLINA

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
PUBLIC WELFARE PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	CDBG Water Grants		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$ 238,515	\$ 238,515	\$ -
Total revenues	<u>238,515</u>	<u>238,515</u>	<u>-</u>
Expenditures			
Public welfare:			
Purchased services	1,305,231	1,237,838	67,393
Total expenditures	<u>1,305,231</u>	<u>1,237,838</u>	<u>67,393</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,066,716)</u>	<u>(999,323)</u>	<u>67,393</u>
Net Change in Fund Balance	(1,066,716)	(999,323)	67,393
Fund Balance - beginning	<u>1,066,716</u>	<u>1,066,716</u>	<u>-</u>
Fund Balance - ending	<u>\$ -</u>	<u>\$ 67,393</u>	<u>\$ -</u>

BEAUFORT COUNTY, SOUTH CAROLINA

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
PUBLIC WELFARE PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Collaborative Organization for Services to Youth		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$ 197,232	\$ 197,232	\$ -
Charges for services	68,100	52,500	(15,600)
Interest	-	168	168
Miscellaneous	25,000	14,000	(11,000)
Total revenues	<u>290,332</u>	<u>263,900</u>	<u>(26,432)</u>
Expenditures			
Public welfare:			
Personnel	225,249	293,588	(68,339)
Purchased services	119,850	103,271	16,579
Supplies	5,800	6,154	(354)
Other	125,436	98,616	26,820
Total expenditures	<u>476,335</u>	<u>501,629</u>	<u>(25,294)</u>
Deficiency of revenues under expenditures	<u>(186,003)</u>	<u>(237,729)</u>	<u>(51,726)</u>
Other Financing Sources			
Transfers in	186,003	186,003	-
Total other financing sources	<u>186,003</u>	<u>186,003</u>	<u>-</u>
Net Change in Fund Balance	-	(51,726)	(51,726)
Fund Balance - beginning	48,190	48,190	-
Fund Balance (Deficit) - ending	<u>\$ 48,190</u>	<u>\$ (3,536)</u>	<u>\$ (51,726)</u>

BEAUFORT COUNTY, SOUTH CAROLINA

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
PUBLIC WELFARE PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Total		Variance Positive (Negative)
	Final Budget	Actual	
Revenues			
Intergovernmental	\$ 1,015,747	\$ 856,845	\$ (158,902)
Charges for services	113,100	96,256	(16,844)
Interest	-	168	168
Miscellaneous	135,800	135,598	(202)
Total revenues	<u>1,264,647</u>	<u>1,088,867</u>	<u>(175,780)</u>
Expenditures			
Public welfare:			
Personnel	225,249	293,588	(68,339)
Purchased services	1,425,081	1,341,109	83,972
Supplies	5,800	6,154	(354)
Other	1,076,636	941,709	134,927
Total expenditures	<u>2,732,766</u>	<u>2,582,560</u>	<u>150,206</u>
Deficiency of revenues under expenditures	<u>(1,468,119)</u>	<u>(1,493,693)</u>	<u>(25,574)</u>
Other Financing Sources			
Transfers in	366,003	366,003	-
Total other financing sources	<u>366,003</u>	<u>366,003</u>	<u>-</u>
Net Change in Fund Balance	(1,102,116)	(1,127,690)	(25,574)
Fund Balance - beginning	<u>1,166,240</u>	<u>1,166,240</u>	<u>-</u>
Fund Balance - ending	<u>\$ 64,124</u>	<u>\$ 38,550</u>	<u>\$ (25,574)</u>

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 CULTURAL AND RECREATION PROGRAMS
 JUNE 30, 2020

	Library Grants	Library Trusts	Library Impact Fees	PALS Capital Program
ASSETS				
Cash and equity in pooled cash and investments	\$ 83,745	\$ 234,732	\$ 4,662,491	\$ 357,185
Receivables, net	-	-	174,849	-
Total assets	83,745	234,732	4,837,340	357,185
LIABILITIES				
Accounts payable	19,959	-	556	156
Total liabilities	19,959	-	556	156
FUND BALANCE				
Restricted	63,786	234,732	4,836,784	-
Committed	-	-	-	357,029
Total fund balance	63,786	234,732	4,836,784	357,029
Total liabilities and fund balance	\$ 83,745	\$ 234,732	\$ 4,837,340	\$ 357,185

PALS Impact Fees	PALS PARD Grant	Total
\$ 6,956,726	\$ 41,357	\$ 12,336,236
421,234	-	596,083
<u>7,377,960</u>	<u>41,357</u>	<u>12,932,319</u>
407,677	-	428,348
<u>407,677</u>	<u>-</u>	<u>428,348</u>
6,970,283	41,357	12,146,942
-	-	357,029
<u>6,970,283</u>	<u>41,357</u>	<u>12,503,971</u>
<u>\$ 7,377,960</u>	<u>\$ 41,357</u>	<u>\$ 12,932,319</u>

BEAUFORT COUNTY, SOUTH CAROLINA

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
CULTURAL AND RECREATION PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Library Grants		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$ 275,000	\$ 324,556	\$ 49,556
Total revenues	<u>275,000</u>	<u>324,556</u>	<u>49,556</u>
Expenditures			
Cultural and recreation:			
Supplies	275,000	327,906	(52,906)
Total expenditures	<u>275,000</u>	<u>327,906</u>	<u>(52,906)</u>
Net Change in Fund Balance	-	(3,350)	(3,350)
Fund Balance - beginning	<u>67,136</u>	<u>67,136</u>	<u>-</u>
Fund Balance - ending	<u>\$ 67,136</u>	<u>\$ 63,786</u>	<u>\$ (3,350)</u>

BEAUFORT COUNTY, SOUTH CAROLINA

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
CULTURAL AND RECREATION PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Library Trusts		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$ -	\$ 2,887	\$ 2,887
Total revenues	-	2,887	2,887
Expenditures			
Cultural and recreation:			
Supplies	-	1,511	(1,511)
Other	-	9,750	(9,750)
Total expenditures	-	11,261	(11,261)
Net Change in Fund Balance	-	(8,374)	(8,374)
Fund Balance - beginning	243,106	243,106	-
Fund Balance - ending	\$ 243,106	\$ 234,732	\$ (8,374)

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS CULTURAL AND RECREATION PROGRAMS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Library Impact Fees		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Licenses and permits	\$ 685,000	\$ 727,004	\$ 42,004
Interest	-	56,253	56,253
Miscellaneous	135	540	405
Total revenues	<u>685,135</u>	<u>783,797</u>	<u>98,662</u>
Expenditures			
Cultural and recreation:			
Supplies	685,135	202,572	482,563
Total expenditures	<u>685,135</u>	<u>202,572</u>	<u>482,563</u>
Net Change in Fund Balance	-	581,225	581,225
Fund Balance - beginning	<u>4,255,559</u>	<u>4,255,559</u>	-
Fund Balance - ending	<u>\$ 4,255,559</u>	<u>\$ 4,836,784</u>	<u>\$ 581,225</u>

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS CULTURAL AND RECREATION PROGRAMS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	PALS Capital Program		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for services	\$ 85,000	\$ 88,242	\$ 3,242
Interest	-	4,178	4,178
Miscellaneous	-	30	30
Total revenues	85,000	92,450	7,450
Expenditures			
Cultural and recreation:			
Supplies	-	299	(299)
Capital	85,000	42,702	42,298
Total expenditures	85,000	43,001	41,999
Net Change in Fund Balance	-	49,449	49,449
Fund Balance - beginning	307,580	307,580	-
Fund Balance - ending	\$ 307,580	\$ 357,029	\$ 49,449

BEAUFORT COUNTY, SOUTH CAROLINA

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
CULTURAL AND RECREATION PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	PALS Impact Fees		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Licenses and permits	\$ 1,249,000	\$ 1,306,026	\$ 57,026
Interest	-	84,405	84,405
Total revenues	<u>1,249,000</u>	<u>1,390,431</u>	<u>141,431</u>
Expenditures			
Cultural and recreation:			
Purchased services	49,000	11,512	37,488
Capital	800,000	-	800,000
Debt service:			
Principal	205,680	205,680	-
Interest and fees	140,002	140,002	-
Total expenditures	<u>1,194,682</u>	<u>357,194</u>	<u>837,488</u>
Net Change in Fund Balance	54,318	1,033,237	978,919
Fund Balance - beginning	<u>5,937,046</u>	<u>5,937,046</u>	-
Fund Balance - ending	<u>\$ 5,991,364</u>	<u>\$ 6,970,283</u>	<u>\$ 978,919</u>

BEAUFORT COUNTY, SOUTH CAROLINA

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
CULTURAL AND RECREATION PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	PARD Grant		Variance Positive (Negative)
	Final Budget	Actual	
Revenues			
Intergovernmental	\$ -	\$ -	\$ -
Total revenues	-	-	-
Expenditures			
Cultural and recreation:			
Capital	-	-	-
Total expenditures	-	-	-
Net Change in Fund Balance	-	-	-
Fund Balance - beginning	41,357	41,357	-
Fund Balance - ending	\$ 41,357	\$ 41,357	\$ -

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS CULTURAL AND RECREATION PROGRAMS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Total		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Licenses and permits	\$ 1,934,000	\$ 2,033,030	\$ 99,030
Intergovernmental	275,000	324,556	49,556
Charges for services	85,000	88,242	3,242
Interest	-	147,723	147,723
Miscellaneous	135	570	435
Total revenues	2,294,135	2,594,121	299,986
Expenditures			
Cultural and recreation:			
Purchased services	49,000	11,512	37,488
Supplies	960,135	532,288	427,847
Capital	885,000	42,702	842,298
Other	-	9,750	(9,750)
Debt service:			
Principal	205,680	205,680	-
Interest and fees	140,002	140,002	-
Total expenditures	2,239,817	941,934	1,297,883
Net Change in Fund Balance	54,318	1,652,187	1,597,869
Fund Balance - beginning	10,851,784	10,851,784	-
Fund Balance - ending	\$ 10,906,102	\$ 12,503,971	\$ 1,597,869

BEAUFORT COUNTY, SOUTH CAROLINA

**BALANCE SHEET
ALL NONMAJOR DEBT SERVICE FUNDS
JUNE 30, 2020**

	Bluffton Parkway Bonds	Total
	<hr/>	<hr/>
ASSETS		
Cash and equity in pooled cash and investments	\$ 4,013,746	\$ 4,013,746
Total assets	<u>\$ 4,013,746</u>	<u>\$ 4,013,746</u>
FUND BALANCE		
Restricted	\$ 4,013,746	\$ 4,013,746
Total fund balance	<u>\$ 4,013,746</u>	<u>\$ 4,013,746</u>

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - BUDGET AND ACTUAL
 ALL NONMAJOR DEBT SERVICE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Bluffton Parkway Bonds		
	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$ 10,000	\$ 52,295	\$ 42,295
Total revenues	10,000	52,295	42,295
Expenditures			
Debt service - principal	2,311,619	1,971,891	339,728
Debt service - interest and fees	727,722	683,897	43,825
Total debt service expenditures	3,039,341	2,655,788	383,553
Deficiency of revenues under expenditures	(3,029,341)	(2,603,493)	425,848
Other Financing Sources			
Transfers in	3,039,341	3,039,341	-
Total other financing sources	3,039,341	3,039,341	-
Net Change in Fund Balance	10,000	435,848	425,848
Fund Balance - beginning	3,577,898	3,577,898	-
Fund Balance - ending	\$ 3,587,898	\$ 4,013,746	\$ 425,848

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL ALL NONMAJOR DEBT SERVICE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Total		Variance Positive (Negative)
	Final Budget	Actual	
Revenues			
Interest	\$ 10,000	\$ 52,295	\$ 42,295
Total revenues	<u>10,000</u>	<u>52,295</u>	<u>42,295</u>
Expenditures			
Debt service - principal	2,311,619	1,971,891	339,728
Debt service - interest and fees	727,722	683,897	43,825
Total debt service expenditures	<u>3,039,341</u>	<u>2,655,788</u>	<u>383,553</u>
Deficiency of revenues under expenditures	<u>(3,029,341)</u>	<u>(2,603,493)</u>	<u>425,848</u>
Other Financing Sources			
Transfers in	3,039,341	3,039,341	-
Total other financing sources	<u>3,039,341</u>	<u>3,039,341</u>	<u>-</u>
Net Change in Fund Balance	10,000	435,848	425,848
Fund Balance - beginning	<u>3,577,898</u>	<u>3,577,898</u>	<u>-</u>
Fund Balance - ending	<u>\$ 3,587,898</u>	<u>\$ 4,013,746</u>	<u>\$ 425,848</u>

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET ALL NONMAJOR CAPITAL PROJECTS FUNDS JUNE 30, 2020

	2009 GO Bond Projects	2013 GO Bond Projects	2014 GO Bond Projects	2017 GO Bond Projects	2019 GO Bond Projects
ASSETS					
Cash and equity in pooled cash and investments	\$ -	\$ 283,838	\$ 99,300	\$ 13,648,473	\$ 10,343,043
Receivables, net	-	-	-	226,635	-
Total assets	<u>\$ -</u>	<u>\$ 283,838</u>	<u>\$ 99,300</u>	<u>\$ 13,875,108</u>	<u>\$ 10,343,043</u>
LIABILITIES					
Accounts payable	\$ -	\$ 38,675	\$ -	\$ 283,570	\$ 243,002
Total liabilities	<u>-</u>	<u>38,675</u>	<u>-</u>	<u>283,570</u>	<u>243,002</u>
FUND BALANCE					
Restricted for capital projects	-	245,163	99,300	13,591,538	10,100,041
Total fund balance	<u>-</u>	<u>245,163</u>	<u>99,300</u>	<u>13,591,538</u>	<u>10,100,041</u>
Total liabilities and fund balance	<u>\$ -</u>	<u>\$ 283,838</u>	<u>\$ 99,300</u>	<u>\$ 13,875,108</u>	<u>\$ 10,343,043</u>

<u>Rural and Critical Lands Program</u>	<u>Multi-county Industrial Park</u>	<u>Spanish Moss Rail Trail</u>	<u>Myrtle Park Phase II</u>	<u>Totals</u>
\$ 3,713,536	\$ 917,964	\$ 142,048	\$ 727,929	\$ 29,876,131
49,100	-	-	-	275,735
<u>\$ 3,762,636</u>	<u>\$ 917,964</u>	<u>\$ 142,048</u>	<u>\$ 727,929</u>	<u>\$ 30,151,866</u>
\$ 149,873	\$ 799,999	\$ -	\$ -	\$ 1,515,119
149,873	799,999	-	-	1,515,119
3,612,763	117,965	142,048	727,929	28,636,747
<u>3,612,763</u>	<u>117,965</u>	<u>142,048</u>	<u>727,929</u>	<u>28,636,747</u>
<u>\$ 3,762,636</u>	<u>\$ 917,964</u>	<u>\$ 142,048</u>	<u>\$ 727,929</u>	<u>\$ 30,151,866</u>

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES ALL NONMAJOR CAPITAL PROJECTS FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	2009 GO Bond Projects	2013 GO Bond Projects	2014 GO Bond Projects	2017 GO Bond Projects	2019 GO Bond Projects
Project Authorization	\$ 5,134,187	\$ 7,733,813	\$ 17,295,405	\$ 28,542,198	\$ 11,309,265
Prior year's revenues	5,134,187	7,733,813	17,295,405	28,542,198	11,309,265
Prior year's expenditures	5,132,889	7,288,252	17,178,168	13,690,551	294,500
Fund Balances - beginning of year	<u>1,298</u>	<u>445,561</u>	<u>117,237</u>	<u>14,851,647</u>	<u>11,014,765</u>
Revenues					
Property taxes	-	-	-	-	-
Interest	-	4,899	-	177,405	135,242
Miscellaneous	-	-	-	167,912	-
Total revenues	<u>-</u>	<u>4,899</u>	<u>-</u>	<u>345,317</u>	<u>135,242</u>
Expenditures					
Capital projects	1,298	205,297	17,937	1,605,426	1,049,966
Bond issuance costs	-	-	-	-	-
Total expenditures	<u>1,298</u>	<u>205,297</u>	<u>17,937</u>	<u>1,605,426</u>	<u>1,049,966</u>
Net Change in Fund Balance	(1,298)	(200,398)	(17,937)	(1,260,109)	(914,724)
Fund Balances - end of year	<u>\$ -</u>	<u>\$ 245,163</u>	<u>\$ 99,300</u>	<u>\$ 13,591,538</u>	<u>\$ 10,100,041</u>

Rural and Critical Lands Program	Multi-county Industrial Park	Spanish Moss Rail Trail	Myrtle Park Phase II	Totals
\$ 148,144,550	\$ 713,388	\$ 2,273,751	\$ 5,930,492	\$ 266,032,002
148,144,550	713,388	2,273,751	5,930,492	266,032,002
139,377,064	348,118	2,131,703	5,202,563	229,598,761
<u>8,767,484</u>	<u>365,270</u>	<u>142,048</u>	<u>727,929</u>	<u>36,433,239</u>
-	297,827	-	-	297,827
82,376	4,868	-	-	404,790
123,872	-	-	-	291,784
<u>206,248</u>	<u>302,695</u>	<u>-</u>	<u>-</u>	<u>994,401</u>
5,360,969	550,000	-	-	8,790,893
-	-	-	-	-
<u>5,360,969</u>	<u>550,000</u>	<u>-</u>	<u>-</u>	<u>8,790,893</u>
(5,154,721)	(247,305)	-	-	(7,796,492)
\$ 3,612,763	\$ 117,965	\$ 142,048	\$ 727,929	\$ 28,636,747

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES ALL AGENCY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
Broad Creek Public Service District				
Assets:				
Equity in pooled cash and investments	\$ 128,391	\$ 1,552,424	\$ 1,574,073	\$ 106,742
Due to Agency:				
Operations	\$ 81,100.00	\$ 1,527,423.00	\$ 1,502,169.00	\$ 106,354.00
Water/sewer	437	24,736	25,124	49
Debt service	46,780	265	46,780	265
Capital projects	74	-	-	74
	<u>\$ 128,391</u>	<u>\$ 1,552,424</u>	<u>\$ 1,574,073</u>	<u>\$ 106,742</u>
Fripp Island Public Service District				
Assets:				
Equity in pooled cash and investments	\$ 1,656,694	\$ 2,109,551	\$ 1,812,271	\$ 1,953,974
Due to Agency:				
Erosion control	\$ 164,270	\$ 148,020	\$ 49,412	\$ 262,878
Water/sewer	359,565	369,959	364,157	365,367
Debt service	406,501	970,996	797,348	580,149
Fire operations	416,196	589,583	600,000	405,779
Fire department 1% funds	310,162	30,993	1,354	339,801
	<u>\$ 1,656,694</u>	<u>\$ 2,109,551</u>	<u>\$ 1,812,271</u>	<u>\$ 1,953,974</u>
Forest Beach Public Service District				
Assets:				
Equity in pooled cash and investments	\$ 9	\$ 262,034	\$ 260,348	\$ 1,695
Due to Agency:				
Operations	\$ -	\$ 96.00	\$ 72.00	\$ 24.00
Fire operations	8	5,922	4,443	1,487
Fire debt service	1	735	552	184
Fire department 1% funds	-	255,281	255,281	-
	<u>\$ 9</u>	<u>\$ 262,034</u>	<u>\$ 260,348</u>	<u>\$ 1,695</u>

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES ALL AGENCY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
Hilton Head #1 Public Service District				
Assets:				
Equity in pooled cash and investments	\$ 772,983	\$ 3,175,903	\$ 3,170,027	\$ 778,859
Due to Agency:				
Operations	\$ 51,382	\$ 1,036,499	\$ 1,039,500	\$ 48,381
Water/sewer	17,875	456,206	459,001	15,080
Debt service	698,035	1,423,505	1,413,225	708,315
Assessment A	2	-	2	-
Assessment B	716	24,753	24,700	769
Assessment C	421	74,672	73,501	1,592
Assessment D	261	29,897	29,900	258
Assessment H11	299	34,384	34,400	283
Folly field area front foot assessment	1,918	28,572	30,299	191
Front foot assessment revenue bonds	679	26,997	27,499	177
Front foot assessment revenue bonds	1,395	40,418	38,000	3,813
	<u>\$ 772,983</u>	<u>\$ 3,175,903</u>	<u>\$ 3,170,027</u>	<u>\$ 778,859</u>
South Beach Public Service District				
Assets:				
Equity in pooled cash and investments	\$ 40,050	\$ 26,954	\$ 9,717	\$ 57,287
Due to Agency:				
Water/sewer	\$ 5,138	\$ 11,775	\$ -	\$ 16,913
Debt service	34,894	2,229	-	37,123
Fire operations	17	12,225	9,172	3,070
Fire debt service	1	725	545	181
	<u>\$ 40,050</u>	<u>\$ 26,954</u>	<u>\$ 9,717</u>	<u>\$ 57,287</u>
Bluffton Fire District				
Assets:				
Equity in pooled cash and investments	\$ 9,760,864	\$ 17,216,581	\$ 19,455,574	\$ 7,521,871
Due to Agency:				
Operations	\$ 3,059,035	\$ 15,259,897	\$ 14,869,235	\$ 3,449,697
Debt service	560,929	1,011,561	992,680	579,810
Capital projects	5,294,034	49,037	3,218,486	2,124,585
Fire department 1% fund	90,124	371,304	375,173	86,255
Fire impact fees	756,742	524,782	-	1,281,524
	<u>\$ 9,760,864</u>	<u>\$ 17,216,581</u>	<u>\$ 19,455,574</u>	<u>\$ 7,521,871</u>

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES ALL AGENCY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
Burton Fire District				
Assets:				
Equity in pooled cash and investments	\$ 484,650	\$ 5,697,456	\$ 5,734,828	\$ 447,278
Due to Agency:				
Operations	\$ (75,905)	\$ 5,215,903	\$ 5,203,094	\$ (63,096)
Debt service	363,614	383,262	372,490	374,386
Fire department 1% fund	58,301	38,370	59,244	37,427
Fire impact fees	138,640	59,921	100,000	98,561
	<u>\$ 484,650</u>	<u>\$ 5,697,456</u>	<u>\$ 5,734,828</u>	<u>\$ 447,278</u>
Daufuskie Island Fire District				
Assets:				
Equity in pooled cash and investments	\$ (26,256)	\$ 1,183,854	\$ 1,163,258	\$ (5,660)
Due to Agency:				
Operations	\$ (37,133)	\$ 1,158,973	\$ 1,128,580	\$ (6,740)
Debt service	621	(134)	-	487
Fire department 1% fund	2,597	10,537	12,700	434
Fire impact fees	7,659	14,478	21,978	159
	<u>\$ (26,256)</u>	<u>\$ 1,183,854</u>	<u>\$ 1,163,258</u>	<u>\$ (5,660)</u>
Ladys Island/St Helena Island Fire District				
Assets:				
Equity in pooled cash and investments	\$ 1,652,108	\$ 6,654,787	\$ 6,744,540	\$ 1,562,355
Due to Agency:				
Operations	\$ 448,253	\$ 6,150,250	\$ 6,386,294	\$ 212,209
Debt service	22,469	307,712	308,614	21,567
Fire department 1% fund	244,824	86,485	49,632	281,677
Fire impact fees	936,562	110,340	-	1,046,902
	<u>\$ 1,652,108</u>	<u>\$ 6,654,787</u>	<u>\$ 6,744,540</u>	<u>\$ 1,562,355</u>
Sheldon Fire District				
Assets:				
Equity in pooled cash and investments	\$ 442,988	\$ 2,628,563	\$ 1,993,829	\$ 1,077,722
Due to Agency:				
Operations	\$ 193,564	\$ 1,446,137	\$ 1,472,161	\$ 167,540
Debt service	124,306	152,779	246,366	30,719
Capital Projects	-	1,000,705	246,075	754,630
Fire department 1% fund	88,513	23,492	23,268	88,737
Fire impact fees	36,605	5,450	5,959	36,096
	<u>\$ 442,988</u>	<u>\$ 2,628,563</u>	<u>\$ 1,993,829</u>	<u>\$ 1,077,722</u>

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES ALL AGENCY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
City of Beaufort				
Assets:				
Equity in pooled cash and investments	\$ 68,863	\$ 8,206,812	\$ 8,178,647	\$ 97,028
Due to Agency:				
Municipal	\$ 57,538	\$ 7,025,184	\$ 6,994,598	\$ 88,124
Stormwater fees	11,325	1,125,317	1,127,738	8,904
Fire department 1% fund	-	56,311	56,311	-
	<u>\$ 68,863</u>	<u>\$ 8,206,812</u>	<u>\$ 8,178,647</u>	<u>\$ 97,028</u>
Town of Port Royal				
Assets:				
Equity in pooled cash and investments	\$ 50,893	\$ 3,426,414	\$ 3,448,101	\$ 29,206
Due to Agency:				
Municipal	\$ 49,180	\$ 3,185,727	\$ 3,204,531	\$ 30,376
Stormwater fees	1,713	215,502	218,385	(1,170)
Fire department 1% fund	-	25,185	25,185	-
	<u>\$ 50,893</u>	<u>\$ 3,426,414</u>	<u>\$ 3,448,101</u>	<u>\$ 29,206</u>
Town of Bluffton				
Assets:				
Equity in pooled cash and investments	\$ 82,535	\$ 11,087,911	\$ 11,203,019	\$ (32,573)
Due to Agency:				
Municipal	\$ 78,272	\$ 9,613,235	\$ 9,725,911	\$ (34,404)
Stormwater fees	4,263	1,474,676	1,477,108	1,831
	<u>\$ 82,535</u>	<u>\$ 11,087,911</u>	<u>\$ 11,203,019</u>	<u>\$ (32,573)</u>
Town of Yemassee				
Assets:				
Equity in pooled cash and investments	\$ 598	\$ 45,429	\$ 44,620	\$ 1,407
Due to Agency:				
Municipal	\$ 598	\$ 45,338	\$ 44,529	\$ 1,407
Fire department 1% fund	-	91	91	-
	<u>\$ 598</u>	<u>\$ 45,429</u>	<u>\$ 44,620</u>	<u>\$ 1,407</u>

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES ALL AGENCY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
Town of Hilton Head				
Assets:				
Equity in pooled cash and investments	\$ 268,748	\$ 36,308,522	\$ 36,221,384	\$ 355,886
Due to Agency:				
Municipal	\$ 163,997	\$ 30,186,812	\$ 30,131,479	\$ 219,330
Motor vehicle fee	78,800	1,015,865	992,465	102,200
Stormwater fees	5,935	4,768,641	4,766,429	8,147
Fire operations	-	19,777	14,833	4,944
Fire debt service	20,016	1,249	-	21,265
Fire department 1% fund	-	316,178	316,178	-
	<u>\$ 268,748</u>	<u>\$ 36,308,522</u>	<u>\$ 36,221,384</u>	<u>\$ 355,886</u>
City of Hardeeville				
Assets:				
Equity in pooled cash and investments	\$ 84	\$ 136,878	\$ 136,674	\$ 288
Due to Agency:				
Municipal	\$ 84	\$ 136,878	\$ 136,674	\$ 288
	<u>\$ 84</u>	<u>\$ 136,878</u>	<u>\$ 136,674</u>	<u>\$ 288</u>
Beaufort-Jasper Academy for Career Excellence				
Assets:				
Equity in pooled cash and investments	\$ 653,983	\$ 2,669,472	\$ 2,917,293	\$ 406,162
Due to Agency:				
General	\$ 443,711	\$ 2,444,339	\$ 2,785,675	\$ 102,375
Special revenue funds	31,371	46,969	58,121	20,219
Education improvement act	178,901	178,164	73,497	283,568
	<u>\$ 653,983</u>	<u>\$ 2,669,472</u>	<u>\$ 2,917,293</u>	<u>\$ 406,162</u>
Beaufort County School District				
Assets:				
Equity in pooled cash and investments	\$ 85,794,576	\$ 485,278,124	\$ 398,746,369	\$ 172,326,331
Due to Agency:				
General	\$ 27,660,789	\$ 272,154,452	\$ 254,219,134	\$ 45,596,107
Special revenue funds	(1,139,068)	18,813,845	14,885,602	2,789,175
School lunch program	(103,475)	10,345,786	8,917,636	1,324,675
Education improvement act	12,249,594	13,986,788	22,676,408	3,559,974
Debt service	18,256,747	66,008,208	68,200,045	16,064,910
Capital projects	1,342,728	16,762	-	1,359,490
School 8% projects	14,295,988	103,623,700	29,115,401	88,804,287
Facilities 2005	7,960,354	211,695	-	8,172,049
Facilities 2007	31,136	389	732,143	(700,618)
Facilities 2008	5,239,783	116,499	-	5,356,282
	<u>\$ 85,794,576</u>	<u>\$ 485,278,124</u>	<u>\$ 398,746,369</u>	<u>\$ 172,326,331</u>

BEAUFORT COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES ALL AGENCY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Balance July 1, 2019</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2020</u>
Special Assessments				
Assets:				
Equity in pooled cash and investments	\$ 154,857	\$ 49,418	\$ 37,407	\$ 166,868
Due to Agency:				
Burlington estates	\$ 24,773	\$ 309	\$ -	\$ 25,082
Burlington land	18,244	230	-	18,474
Kings grant II	21,437	270	-	21,707
O'Neal place	14,836	186	-	15,022
Pleasant farm	7	-	-	7
Robin wood	20,184	252	-	20,436
Seabrook point	37,842	37,601	37,407	38,036
Woodland estates	17,270	217	-	17,487
Brown's island	264	10,353	-	10,617
	<u>\$ 154,857</u>	<u>\$ 49,418</u>	<u>\$ 37,407</u>	<u>\$ 166,868</u>
Departmentally Held Funds				
Assets:				
Equity in pooled cash and investments	\$ 9,950,418	\$ 21,373,690	\$ 17,000,690	\$ 14,323,418
Due to Agency:				
Clerk of court	\$ 1,960,079	\$ 567,822	\$ 1,066,152	\$ 1,461,749
Master in equity - foreclosures	362,331	6,657,800	6,484,816	535,315
Register of deeds - bonds	88,279	258,599	160,122	186,756
Treasurer - JPC escrow	443,133	544,234	-	987,367
Treasurer - bankruptcy escrow	410,252	90,874	1,436	499,690
Treasurer - surplus tax escrow	6,686,344	13,254,361	9,288,164	10,652,541
	<u>\$ 9,950,418</u>	<u>\$ 21,373,690</u>	<u>\$ 17,000,690</u>	<u>\$ 14,323,418</u>
Total - All Agency Funds				
Assets:				
Equity in pooled cash and investments	\$ 111,938,036	\$ 609,090,777	\$ 519,852,669	\$ 201,176,144
Due to Agency:				
General	\$ 111,938,036	\$ 609,090,777	\$ 519,852,669	\$ 201,176,144

UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES (per ACT 96)
FOR THE YEAR ENDED JUNE 30, 2020

FOR THE STATE TREASURER'S OFFICE¹

COUNTY / MUNICIPAL FUNDS COLLECTED BY CLERK OF COURT	General Sessions	Magistrate Court	Municipal Court	Total
Court Fines and Assessments:				
Court fines and assessments collected	\$ 581,750	\$ 1,677,375	N/A	\$ 2,259,125
Court fines and assessments remitted to State Treasurer and other State Agencies	\$ 384,142	\$ 831,516	N/A	\$ 1,215,658
Total Court Fines and Assessments retained	\$ 197,608	\$ 845,859	N/A	\$ 1,043,467
Surcharges and Assessments retained for victim services:				
Surcharges collected and retained	30,186	-	N/A	\$ 30,186
Assessments retained	-	-	N/A	\$ -
Total Surcharges and Assessments retained for victim services	\$ 30,186	\$ -	N/A	\$ 30,186

FOR THE DEPARTMENT OF CRIME VICTIM COMPENSATION (DCVC)

<u>VICTIM SERVICE FUNDS COLLECTED</u>	<u>Municipal</u>	<u>County</u>	<u>Total</u>
Carryforward from Previous Year – Beginning Balance	N/A	\$ 358,932	\$ 358,932
<u>Victim Service Revenue:</u>			
Victim Service Fines Retained by City/County Treasurer	N/A	\$ 90,379	\$ 90,379
Victim Service Assessments Retained by City/County Treasurer	N/A	-	-
Victim Service Surcharges Retained by City/County Treasurer	N/A	\$ 30,186	\$ 30,186
Interest Earned	N/A	\$ 7,238	\$ 7,238
Grant Funds Received			
Grant from:	N/A	-	-
General Funds Transferred to Victim Service Fund	N/A	\$ 31,573	\$ 31,573
Contribution Received from Victim Service Contracts:			
(1) Town of Hilton Head Island	N/A	\$ 63,542	\$ 63,542
(2) Town of	N/A	-	-
(3) City of	N/A	-	-
Total Funds Allocated to Victim Service Fund + Beginning Balance (A)	N/A	\$ 581,850	\$ 581,850

UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES (per ACT 96)
FOR THE YEAR ENDED JUNE 30, 2020

<u>Expenditures for Victim Service Program:</u>	<u>Municipal</u>	<u>County</u>	<u>Total</u>
Salaries and Benefits	N/A	\$ 225,901	\$ 225,901
Operating Expenditures	N/A	1,504	1,504
Victim Service Contract(s):			
(1) Entity's Name	N/A	-	-
(2) Entity's Name	N/A	-	-
Victim Service Donation(s):			
(1) Domestic Violence Shelter:	N/A	-	-
(2) Rape Crisis Center:	N/A	-	-
(3) Other local direct crime victims service agency:	N/A	-	-
Transferred to General Fund	N/A	-	-
Total Expenditures from Victim Service Fund/Program (B)	N/A	\$ 227,405	\$ 227,405
Total Victim Service Funds Retained by Municipal/County Treasurer (A-B)	N/A	\$ 354,445	\$ 354,445
Less: Prior Year Fund Deficit Repayment	N/A	-	-
Carryforward Funds – End of Year	N/A	\$ 354,445	\$ 354,445

BEAUFORT COUNTY, SOUTH CAROLINA

**ALCOHOL AND DRUG ABUSE PROGRAMS - PROFIT AND LOSS STATEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Central Administration	Safety Action	School Intervention	Community Based Treatment	Preventive Education	Intensive Outpatient
Revenues						
State Mini Bottles	\$ -	\$ -	\$ 80,603	\$ 80,603	\$ 80,603	\$ 80,603
DAODOS Block Grant: ¹						
Special Grant	40,000	-	-	158	-	-
IOP Uninsured Treatment	-	-	-	-	-	47,758
Outpatient - TB Testing	-	-	-	1,356	-	-
Outpatient	-	-	-	194,820	-	-
Outpatient Uninsured Treatment	-	-	-	31,000	-	-
Outpatient - Adolescent	-	-	-	-	-	-
ADSAP	-	29,007	-	-	-	-
Adolescent Intervention	-	-	9,505	-	-	-
Primary Prevention	-	-	-	-	115,800	-
Primary Prevention	-	-	-	-	1,500	-
SBIRT Funds	-	-	-	-	-	-
MAT Medical Reimbursement	-	-	-	-	-	-
Bridge Program Reimbursement	-	-	-	-	-	-
Peer Support Specialist	-	-	-	-	-	-
SAPT BG Assessment ²	-	-	-	20,965	-	-
SBG (State Block Grant) ⁴	-	6,308	-	-	-	-
COLA (Cost of Living Allowance) ⁵	-	10,261	2,660	15,201	7,221	2,660
STEP UP ⁷	-	-	-	5,679	-	-
Charges for Services - Fees	-	103,416	-	64,117	-	-
AEP Books	-	375	-	-	-	-
ECHO Grant	-	-	-	-	-	-
Prevention ECHO Grant	-	-	-	-	-	-
Charges for Services - Medicaid	-	-	-	149,364	-	-
Interest Income	19,070	-	-	-	-	-
Miscellaneous	-	-	-	-	725	-
Total Revenues	59,070	149,367	92,768	563,263	205,849	131,021
Expenditures						
Personnel	211,787	146,688	82,718	534,055	273,552	234,276
Purchased Services	96,169	10,453	1,041	9,166	7,169	1,432
Supplies	15,114	6,796	1,068	2,445	112	1,850
Capital	-	-	-	-	-	-
Total Expenditures	323,070	163,937	84,827	545,666	280,833	237,558
Excess of Revenues Over (Under)						
Expenditures	(264,000)	(14,570)	7,941	17,597	(74,984)	(106,537)
Other Financing Sources						
Transfers In (Out)	425,620	-	7,981	44,677	98,885	49,442
Net Change in Fund Balance	161,620	(14,570)	15,922	62,274	23,901	(57,095)
Fund Balance - beginning	1,072,349	212,345	155,286	148,227	2,351	(301,942)
Fund Balance - ending	\$ 1,233,969	\$ 197,775	\$ 171,208	\$ 210,501	\$ 26,252	\$ (359,037)

- Notes:**
- 1: Fiscal Year 2020 Department of Alcohol and Other Drug Abuse Services (DAODAS) Block Grant is contract number BEA-BG-20 and is comprised of federal funds in the amount of \$475,460 and state funds in the amount of \$49,663, for a total annual contract amount of \$525,123 (contract number BEA-BG-20; CFDA No. 93.959).
 - 2: Fiscal Year 2020 Substance Abuse Prevention and Treatment Block Grant (SAPT BG) for Assessment consists of federal funds in the amount OF \$16,000 (CFDA No. 93.959).
 - 3: Fiscal Year 2020 Synar/STEP Youth Tobacco Buys consists of federal funds in the amount of \$1,409 (CFDA No. 93.959).
 - 4: Fiscal Year 2020 DAODAS State Block Grant consists of state funds in the amount of \$6,308 (contract number BEA-SBG-19).
 - 5: Fiscal Year 2020 Cost of Living Allowance (COLA) is state funds in the amount of \$38,003 (contract number BEA-COLA-19).
 - 6: Fiscal Year 2020 Assessment State is identified as state funds in the amount of \$5,679.

Legend:
 F - Federal Funds
 S - State Funds
 L - Local Funds
 O - Other Funds

SBIRT	Medication Assisted Treatment	Bridge Program	Prevention ECHO Grant	Prevention Counter Tools	Peer Support Specialists	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 322,412
-	-	-	-	-	-	40,158 S
-	-	-	-	-	-	47,758 F
-	-	-	-	-	-	1,356 F
-	-	-	-	-	-	194,820 F
-	-	-	-	-	-	31,000 F
-	-	-	-	-	-	- F
-	-	-	-	-	-	29,007 F
-	-	-	-	-	-	9,505 L
-	-	-	-	-	-	115,800 F
-	-	-	-	-	-	1,500 s
2,350	-	-	-	-	-	2,350 F
-	21,310	-	-	-	-	21,310 F
-	-	1,582	-	-	-	1,582 S
-	-	-	-	-	8,012	8,012 S
-	-	-	-	-	-	20,965 F
-	-	-	-	-	-	6,308 S
-	-	-	-	-	-	38,003 S
-	-	-	-	-	-	5,679 O
-	-	-	-	-	-	167,533
-	-	-	-	-	-	375 S
-	-	-	4,963	-	-	4,963 F
-	-	-	-	7,125	-	7,125 F
-	-	-	-	-	-	149,364
-	-	-	-	-	-	19,070
-	-	-	-	-	-	725
2,350	21,310	1,582	4,963	7,125	8,012	1,246,680
16,985	-	-	-	-	18,972	1,519,033
2,504	19,832	122	775	-	-	148,663
2,461	-	1,031	2,416	554	-	33,847
-	-	-	-	-	-	-
21,950	19,832	1,153	3,191	554	18,972	1,701,543
(19,600)	1,478	429	1,772	6,571	(10,960)	(454,863)
-	-	-	-	-	-	626,605
(19,600)	1,478	429	1,772	6,571	(10,960)	171,742
-	-	-	-	-	-	1,288,616
\$ (19,600)	\$ 1,478	\$ 429	\$ 1,772	\$ 6,571	\$ (10,960)	\$ 1,460,358

476,454
418,350
346,487
5,679
\$ 1,246,970

BEAUFORT COUNTY, SOUTH CAROLINA

**DAUFUSKIE FERRY SCHEDULE OF BUDGETED TO ACTUAL
SOUTH CAROLINA DEPARTMENT OF TRANSPORTATION - STATE MASS TRANSIT FUNDS (SMTF)
CONTRACT PT-9G699-28
FOR THE PERIOD BEGINNING JULY 1, 2019 AND ENDED JUNE 30, 2020**

	<u>Budget</u>	<u>Actual - SMTF</u>	<u>Actual - Local</u>	<u>Total Actual</u>	<u>Variance</u>
Revenues					
Intergovernmental ¹	\$ 80,000	\$ -	\$ -	\$ -	\$ (80,000)
Charges for Services ²	45,000	-	43,756	43,756	(1,244)
Miscellaneous ³	110,000	-	121,598	121,598	11,598
Total Revenues	<u>235,000</u>	<u>-</u>	<u>165,354</u>	<u>165,354</u>	<u>(69,646)</u>
Expenditures					
Ferry Service	450,000	-	420,107	420,107	29,893
Utilities ³	1,200	-	1,888	1,888	(688)
Total Expenditures	<u>451,200</u>	<u>-</u>	<u>421,995</u>	<u>421,995</u>	<u>29,205</u>
Other Financing Sources					
Transfers In ²	180,000	-	180,000	180,000	-
Total Other Financing Sources	<u>180,000</u>	<u>-</u>	<u>180,000</u>	<u>180,000</u>	<u>-</u>
Net Change in Fund Balance	(36,200)	-	(76,641)	(76,641)	(40,441)
Fund Balance - beginning	<u>51,334</u>	<u>-</u>	<u>51,334</u>	<u>51,334</u>	<u>-</u>
Fund Balance (deficit) - ending	<u>\$ 15,134</u>	<u>\$ -</u>	<u>\$ (25,307)</u>	<u>\$ (25,307)</u>	<u>\$ (40,441)</u>

Notes:

Note 1: The intergovernmental revenues are provided by the South Carolina Department of Transportation, State Mass Transit Funds.

Note 2: The Charges for Services are Ridership Fees. The transfer in is funding provided by Beaufort County's General Fund.

Note 3: In July 2018, Beaufort County purchased real property that is the embarkation point for the Daufuskie Ferry. Beaufort County receives rental income and also incurs utility expenditures for the real property.

STATISTICAL SECTION

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends	160 – 165
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	
Revenue Capacity	166 – 169
These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property and sales taxes.	
Debt Capacity	170 – 174
These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	
Demographic and Economic Information	175 and 176
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help comparisons over time and with other governments.	
Operating Information	177 – 179
These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

BEAUFORT COUNTY, SOUTH CAROLINA

NET POSITION BY COMPONENT LAST TEN FISCAL YEARS

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Governmental Activities										
Net investment in capital assets	\$ 150,354,190	\$ 182,140,936	\$ 235,805,103	\$ 248,042,213	\$ 258,464,624	\$ 297,559,730	\$ 250,724,674	\$ 341,399,499	\$ 350,435,861	\$ 357,355,623
Restricted	110,042,845	109,480,674	81,168,869	94,621,380	103,427,275	74,429,250	132,328,862	130,694,943	97,597,158	102,903,269
Unrestricted	1,807,004	2,286,272	5,092,524	(9,776,030)	(67,733,915)	(47,981,906)	(69,322,749)	(110,657,381)	(64,605,798)	(16,413,940)
Total governmental activities net position	\$ 262,204,039	\$ 293,907,882	\$ 322,066,496	\$ 332,887,563	\$ 294,157,984	\$ 324,007,074	\$ 313,730,787	\$ 361,437,061	\$ 383,427,221	\$ 443,844,952
Business-Type Activities										
Net investment in capital assets	\$ 24,456,698	\$ 23,927,764	\$ 23,961,592	\$ 23,319,358	\$ 27,565,326	\$ 28,123,049	\$ 28,226,279	\$ 30,593,539	\$ 30,353,828	\$ 39,388,762
Unrestricted	(1,979,580)	(1,466,786)	(1,180,550)	(741,276)	(8,545,869)	(4,534,745)	(2,657,026)	(5,287,834)	(2,062,519)	(4,902,366)
Total business-type activities net position	\$ 22,477,118	\$ 22,460,978	\$ 22,781,042	\$ 22,578,082	\$ 19,019,457	\$ 23,588,304	\$ 25,569,253	\$ 25,305,705	\$ 28,291,309	\$ 34,486,396
Primary Government										
Net investment in capital assets	\$ 174,810,888	\$ 206,068,700	\$ 259,766,695	\$ 271,361,571	\$ 286,029,950	\$ 325,682,779	\$ 278,950,953	\$ 371,993,038	\$ 380,789,689	\$ 396,744,385
Restricted	110,042,845	109,480,674	81,168,869	94,621,380	103,427,275	74,429,250	132,328,862	130,694,943	97,597,158	102,903,269
Unrestricted	(172,576)	819,486	3,911,974	(10,517,306)	(76,279,784)	(52,516,651)	(71,979,775)	(115,945,215)	(66,668,317)	(21,316,306)
Total primary government net position	\$ 284,681,157	\$ 316,368,860	\$ 344,847,538	\$ 355,465,645	\$ 313,177,441	\$ 347,595,378	\$ 339,300,040	\$ 386,742,766	\$ 411,718,530	\$ 478,331,348

BEAUFORT COUNTY, SOUTH CAROLINA

CHANGES IN NET POSITION LAST TEN FISCAL YEARS

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Expenses										
Governmental Activities										
General Government	\$ 33,610,134	\$ 32,119,250	\$ 32,641,163	\$ 34,741,478	\$ 34,268,122	\$ 42,236,133	\$ 48,649,308	\$ 49,612,892	\$ 67,483,600	\$ 50,963,220
Public Safety	48,927,744	51,231,345	52,481,136	57,185,897	53,323,890	48,929,013	87,661,802	56,674,563	55,090,970	63,648,919
Public Works	20,753,287	19,944,114	23,403,821	22,259,047	24,696,310	22,106,941	23,251,203	19,930,159	13,085,477	25,077,022
Public Health	11,859,259	11,881,484	11,987,651	11,462,648	10,667,458	12,128,941	12,440,379	14,011,837	14,714,866	15,366,160
Public Welfare	3,143,475	2,373,551	2,317,902	3,243,469	3,023,487	2,108,695	2,342,367	5,935,476	4,208,514	7,951,215
Cultural and Recreation	15,339,501	13,863,794	16,064,581	15,583,049	14,936,898	13,887,875	14,006,380	15,682,409	17,544,898	17,948,284
Interest	11,585,371	10,596,657	9,087,049	9,293,605	6,641,311	6,222,321	5,643,381	6,116,157	4,981,961	6,065,977
Total Governmental Activities Expenses	145,218,771	142,010,195	147,983,303	153,769,193	147,557,476	147,619,919	193,994,820	167,963,493	177,110,286	187,020,797
Business-Type Activities										
Stormwater Utility	3,758,958	3,124,645	3,246,022	3,175,708	3,534,035	3,663,825	4,063,867	5,431,198	4,366,551	4,796,915
Lady's Island Airport	693,783	668,094	667,068	602,879	703,949	901,521	610,714	996,300	1,404,657	548,152
Hilton Head Airport	2,191,050	3,236,793	2,565,348	2,829,612	4,517,883	8,330,082	11,505,178	17,922,483	7,587,534	2,945,805
Total Business-Type Expenses	6,643,791	7,029,532	6,478,438	6,608,199	8,755,867	12,895,428	16,179,759	24,349,981	13,358,742	8,290,872
Total Government Expenses	\$ 151,862,562	\$ 149,039,727	\$ 154,461,741	\$ 160,377,392	\$ 156,313,343	\$ 160,515,347	\$ 210,174,579	\$ 192,313,474	\$ 190,469,028	\$ 195,311,669

BEAUFORT COUNTY, SOUTH CAROLINA

CHANGES IN NET POSITION LAST TEN FISCAL YEARS

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Program Revenues										
Governmental Activities										
Charges for services										
General Government	\$ 17,668,968	\$ 18,499,976	\$ 18,342,329	\$ 18,929,100	\$ 18,874,705	\$ 15,720,868	\$ 18,431,740	\$ 17,473,663	\$ 17,035,862	\$ 17,780,576
Public Safety	7,437,462	6,871,580	8,510,306	6,774,011	7,372,252	8,153,290	8,674,298	8,121,902	9,336,041	9,584,384
Public Works	3,031,913	3,680,979	4,283,664	4,319,788	4,545,834	5,865,323	9,444,459	8,001,763	8,081,666	7,564,330
Public Health	525,615	525,594	522,846	535,092	597,297	591,235	626,822	599,225	691,268	547,458
Public Welfare	40,715	40,913	64,283	60,147	87,992	144,682	170,795	132,341	308,496	282,529
Cultural and Recreation	1,453,157	1,602,628	1,912,336	2,035,420	2,301,655	2,019,478	3,478,117	3,337,726	3,180,854	2,735,037
Operating Grants and Contributions	9,055,697	9,549,138	9,328,245	10,398,779	11,962,524	11,249,681	12,444,349	14,438,073	13,405,223	14,469,479
Capital Grants and Contributions	1,833,055	2,405,145	13,271,813	17,270,372	16,053,234	17,613,148	9,881,571	33,826,796	9,275,113	2,117,383
Total Governmental Activities Program Revenues	41,046,582	43,175,953	56,235,822	60,322,709	61,795,493	61,357,705	63,152,151	85,931,489	61,314,523	55,081,176
Business-Type Activities										
Charges for services										
Garage	-	-	-	-	-	-	-	-	-	-
Stormwater Utility	3,381,644	3,209,895	3,155,000	3,190,705	3,232,499	5,393,162	5,818,715	5,715,709	5,653,287	6,725,471
Lady's Island Airport	530,525	567,734	560,766	528,390	552,091	529,750	567,029	619,624	611,654	539,273
Hilton Head Airport	1,449,414	1,495,360	1,793,155	1,830,654	1,777,043	1,638,483	1,605,813	1,601,465	2,269,795	3,925,494
Operating Grants and Contributions	134,837	116,234	112,695	116,090	65,450	65,440	50,560	42,960	47,260	44,300
Capital Grants and Contributions	1,563,425	1,562,938	1,175,792	735,231	1,476,192	9,782,233	10,095,453	15,956,279	7,290,165	3,069,935
Total Business-Type Activities Program Revenues	7,059,845	6,952,161	6,797,408	6,401,070	7,103,275	17,409,068	18,137,570	23,936,037	15,872,161	14,304,473
Total Government Program Revenues	\$ 48,106,427	\$ 50,128,114	\$ 63,033,230	\$ 66,723,779	\$ 68,898,768	\$ 78,766,773	\$ 81,289,721	\$ 109,867,526	\$ 77,186,684	\$ 69,385,649
Net (Expense) / Revenue										
Governmental Activities	\$ (100,963,613)	\$ (104,807,350)	\$ (97,533,371)	\$ (87,234,767)	\$ (85,824,426)	\$ (132,637,115)	\$ (104,811,342)	\$ (82,032,004)	\$ (115,795,763)	\$ (131,939,621)
Business-Type Activities	30,313	473,723	189,209	(2,354,797)	(5,792,153)	1,229,309	(6,212,411)	(413,944)	2,513,419	6,013,601
Total Government Net (Expense) / Revenue	\$ (100,933,300)	\$ (104,333,627)	\$ (97,344,162)	\$ (89,589,564)	\$ (91,616,579)	\$ (131,407,806)	\$ (111,023,753)	\$ (82,445,948)	\$ (113,282,344)	\$ (125,926,020)

BEAUFORT COUNTY, SOUTH CAROLINA

CHANGES IN NET POSITION LAST TEN FISCAL YEARS

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
General Revenues and Other										
<u>Changes in Net Assets</u>										
Governmental Activities										
Property Taxes	\$ 94,804,284	\$ 93,571,238	\$ 94,819,998	\$ 91,907,959	\$ 96,129,087	\$ 101,550,345	\$ 109,147,291	\$ 116,478,416	\$ 119,334,712	\$ 128,952,186
Sales Taxes	29,292,574	30,442,155	15,043,485	330,889	105,253	31,232	27,661	109,728	46,453	45,195,996
Grants and contributions not restricted	8,868,758	9,588,551	7,944,710	8,414,711	8,478,141	8,513,761	9,342,544	9,452,285	9,215,559	9,547,798
Unrestricted investment earnings	1,378,709	883,768	540,155	293,213	269,080	495,848	581,229	1,495,650	5,557,428	5,044,088
Special item - decrease in other post-employment benefit cost	-	-	-	-	27,520,071	1,353,498	-	-	-	-
Transfers In / (Out)	(2,500)	-	-	-	-	-	-	-	-	-
Gain/(Loss) on Sale of Capital Assets	(98,017)	-	-	-	-	-	-	-	-	-
Miscellaneous	1,833,934	1,841,926	1,557,747	3,320,779	2,366,433	1,955,858	1,467,657	2,202,199	3,631,771	3,617,284
Total Governmental Activities	136,077,742	136,327,638	119,906,095	104,267,551	134,868,065	113,900,542	120,566,382	129,738,278	137,785,923	192,357,352
Business-Type Activities										
Unrestricted Investments Earnings	11,282	11,231	4,835	4,169	3,133	14,710	19,694	150,396	272,185	181,486
Special item - decrease in other post-employment benefit cost	-	-	-	-	1,230,929	38,502	-	-	-	-
Transfers In / (Out)	2,500	-	-	-	-	-	-	-	-	-
Gain/(Loss) on Sale of Capital Assets	6,262	50,000	(3,741)	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	1,079	1,995	3,444	-	-	-
Total Business-Type Activities	20,044	61,231	1,094	4,169	1,235,141	55,207	23,138	150,396	272,185	181,486
Total Government	\$ 136,097,786	\$ 136,388,869	\$ 119,907,189	\$ 104,271,720	\$ 136,103,206	\$ 113,955,749	\$ 120,589,520	\$ 129,888,674	\$ 138,058,108	\$ 192,538,838
<u>Changes in Net Position</u>										
Governmental Activities	\$ 37,243,500	\$ 44,580,157	\$ 26,459,611	\$ 18,505,568	\$ 48,605,851	\$ (16,942,127)	\$ 38,534,378	\$ 47,706,274	\$ 21,990,160	\$ 60,417,731
Business-Type Activities	(57,327)	380,201	(206,035)	(1,648,423)	5,748,781	2,013,018	(390,806)	(263,548)	2,985,604	6,195,087
Total Government Changes in Net Position	\$ 37,186,173	\$ 44,960,358	\$ 26,253,576	\$ 16,857,145	\$ 54,354,632	\$ (14,929,109)	\$ 38,143,572	\$ 47,442,726	\$ 24,975,764	\$ 66,612,818

BEAUFORT COUNTY, SOUTH CAROLINA

FUND BALANCES GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
General Fund										
Nonspendable	\$ 2,829,512	\$ 2,227,326	\$ 2,061,612	\$ 1,289,814	\$ 1,607,787	\$ 1,198,811	\$ 1,980,794	\$ 1,653,435	\$ 1,441,679	\$ 1,601,190
Committed	960,216	150,788	218,526	186,084	23,537	247,507	313,641	451,287	1,104,309	1,104,309
Assigned	-	23,697	1,733,143	1,047,473	381,041	452,883	1,700,200	3,298,504	3,550,651	3,748,371
Unassigned	14,930,011	19,940,197	20,207,988	21,249,298	24,682,018	26,653,761	23,772,760	26,474,071	37,214,289	47,363,427
Total General Fund	18,719,739	22,342,008	24,221,269	23,772,669	26,694,383	28,552,962	27,767,395	31,877,297	43,310,928	53,817,297
All Other Governmental Funds										
Nonspendable	2,418,050	1,268,394	1,199,446	2,514,805	4,464,642	72,968	99,269	224,324	162,165	148,402
Restricted	126,929,680	124,459,879	108,228,779	92,038,827	98,868,411	87,145,361	132,176,998	130,293,307	128,557,920	175,545,617
Committed	4,466	32,889	56,058	67,748	94,222	94,911	52,595	177,312	307,580	326,902
Unassigned (Deficit)	(1,361)	(28,933)	365,494	-	-	-	-	-	-	-
Total All Other Governmental Funds	129,350,835	125,732,229	109,849,777	94,621,380	103,427,275	87,313,240	132,328,862	130,694,943	129,027,665	176,020,921
Total All Governmental Funds	\$ 148,070,574	\$ 148,074,237	\$ 134,071,046	\$ 118,394,049	\$ 130,121,658	\$ 115,866,202	\$ 160,096,257	\$ 162,572,240	\$ 172,338,593	\$ 229,838,218

GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, became effective for fiscal year 2011 and established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to honor constraints imposed upon the use of the resources reported in governmental funds.

BEAUFORT COUNTY, SOUTH CAROLINA

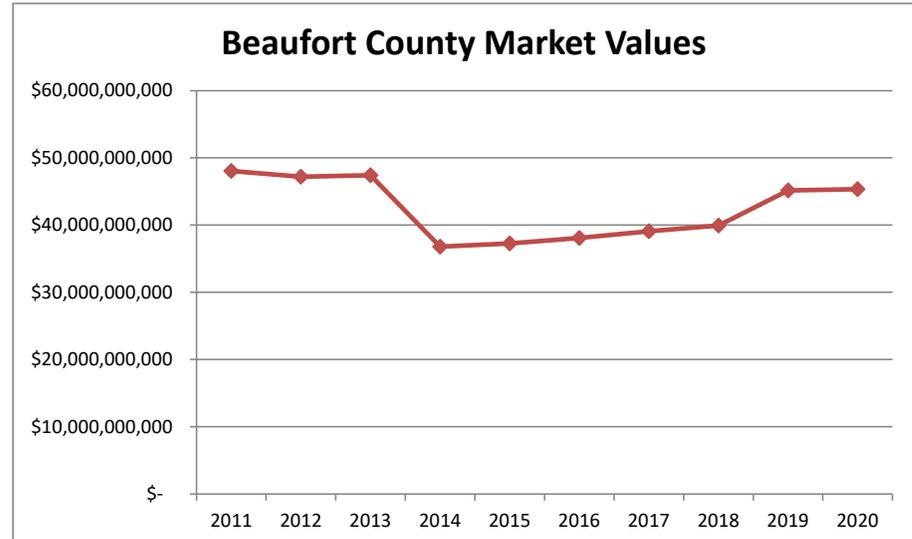
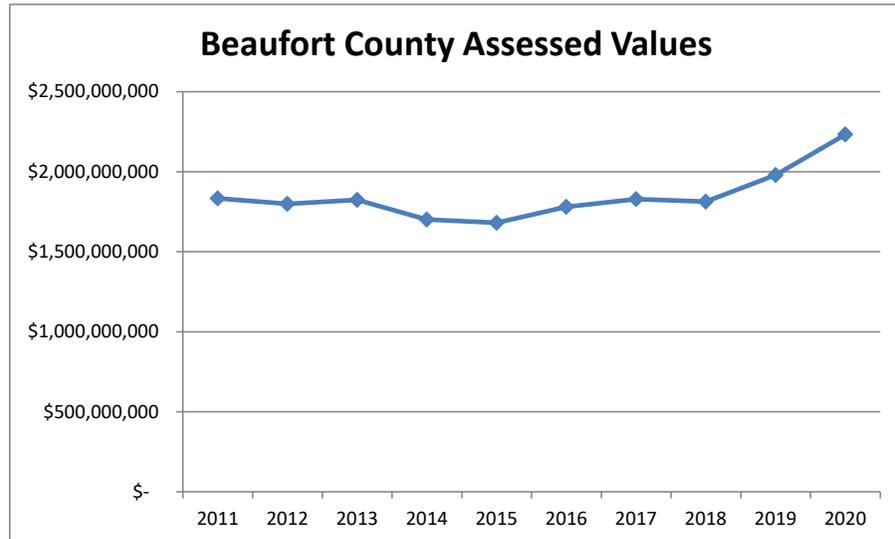
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Revenues										
Property Taxes	\$ 94,610,886	\$ 93,350,153	\$ 94,786,696	\$ 92,501,314	\$ 95,351,350	\$ 101,676,345	\$ 109,274,083	\$ 116,505,253	\$ 119,682,659	\$ 129,057,671
Licenses and Permits	7,960,357	9,924,740	10,705,122	11,348,536	12,074,801	12,655,858	18,366,032	17,355,544	16,891,099	16,740,438
Intergovernmental	49,050,084	51,984,989	45,588,253	36,414,751	36,611,786	33,572,097	35,530,696	57,821,939	34,902,586	72,999,518
Charges for Services	16,342,605	15,221,171	17,105,139	15,467,080	16,387,825	17,731,291	19,578,971	18,962,662	20,168,722	20,499,738
Fines and Forfeitures	1,126,116	1,015,739	898,436	1,007,091	1,073,474	1,344,423	922,497	1,347,402	1,257,718	1,373,531
Interest	782,749	883,768	540,155	293,213	269,082	495,852	581,160	1,495,652	2,708,652	2,624,384
Miscellaneous	1,833,934	1,841,926	1,557,747	3,320,779	2,365,713	1,955,857	1,492,658	2,208,149	3,816,470	4,248,732
Total Revenues	171,706,731	174,222,486	171,181,548	160,352,764	164,134,031	169,431,723	185,746,097	215,696,601	199,427,906	247,544,012
Expenditures										
General Government	24,479,751	23,497,733	23,658,058	24,808,234	25,358,150	37,126,529	39,552,934	39,290,337	45,821,182	44,137,817
Public Safety	42,639,887	43,222,080	44,182,336	46,846,910	48,381,271	45,583,499	45,115,821	47,216,422	48,294,980	52,467,265
Public Works	16,027,746	14,792,685	17,550,180	14,480,016	15,958,306	13,617,653	14,495,178	16,088,640	15,934,931	16,558,486
Public Health	11,598,713	11,218,245	11,306,171	10,758,045	10,490,248	11,487,899	11,742,116	12,815,828	13,891,165	13,865,957
Public Welfare	2,494,653	1,915,122	1,794,172	2,720,482	2,525,257	2,108,695	2,342,367	2,093,114	2,648,095	3,249,314
Cultural and Recreation	12,897,385	11,210,985	13,132,712	12,323,751	11,961,423	10,946,319	11,039,804	12,050,466	13,609,581	14,033,306
Disaster related expenditures	-	-	-	-	-	-	38,727,223	1,920,614	950,677	-
Debt Service - Principal	10,170,000	11,820,000	72,805,000	14,280,980	13,453,464	14,121,038	17,613,699	49,291,451	15,579,303	16,552,252
Debt Service - Interest and Fees	11,491,994	11,698,673	10,443,924	8,142,957	8,754,441	8,444,266	7,857,324	7,981,433	7,951,999	7,776,219
Capital Projects	59,155,593	49,619,275	43,528,784	41,668,386	36,170,318	44,421,752	38,110,477	23,813,730	35,956,124	20,830,773
Total Expenditures	190,955,722	178,994,798	238,401,337	176,029,761	173,052,878	187,857,650	226,596,943	212,562,035	200,638,037	189,471,389
Excess (deficiency) of revenues over expenditures	(19,248,991)	(4,772,312)	(67,219,789)	(15,676,997)	(8,918,847)	(18,425,927)	(40,850,846)	3,134,566	(1,210,131)	58,072,623
Other Financing Sources (Uses)										
Issuance of Bonds	8,125,000	12,500,000	49,265,000	-	19,450,000	-	51,000,000	-	11,250,000	-
Issuance of BANs	-	-	-	-	-	-	30,250,000	-	-	-
Refinancing of BANs	-	-	-	-	-	-	-	-	-	-
Issuance of Refunding Debt	-	15,295,000	58,335,000	-	22,570,000	17,950,000	6,110,000	-	-	-
Payments to Refunding Debt Escrow Agent	-	(17,312,305)	(65,909,303)	-	3	(19,091,723)	(6,405,000)	-	-	-
Issuance of Long-term Debt	-	-	-	-	-	4,000,000	-	-	-	-
Bond Premiums	595,960	2,368,280	11,525,901	-	3,438,394	1,312,194	4,794,335	-	609,072	-
Transfers In	13,351,316	15,409,058	27,323,615	23,928,262	19,629,618	8,759,152	11,158,117	10,965,003	10,853,793	9,833,827
Transfers Out	(13,353,816)	(15,409,058)	(27,323,615)	(23,928,262)	(19,629,618)	(8,759,152)	(11,826,551)	(11,623,586)	(11,641,881)	(10,406,825)
Total Other Financing Sources (Uses)	8,718,460	12,850,975	53,216,598	-	45,458,397	4,170,471	85,080,901	(658,583)	11,070,984	(572,998)
Net Change in Fund Balance	\$ (10,530,531)	\$ 8,078,663	\$ (14,003,191)	\$ (15,676,997)	\$ 36,539,550	\$ (14,255,456)	\$ 44,230,055	\$ 2,475,983	\$ 9,860,853	\$ 57,499,625
Debt Service as a Percentage of Non-capital Expenditures	16.4%	18.2%	42.7%	16.7%	16.2%	15.7%	13.5%	30.3%	14.3%	14.4%

BEAUFORT COUNTY, SOUTH CAROLINA

ASSESSED VALUE AND MARKET VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS

Fiscal Year	Real Property			Personal Property			Totals		Total Direct Tax Rate
	Assessed Value	Market Value		Assessed Value	Market Value		Assessed Value	Market Value	
2011	\$ 1,610,653,303	\$ 45,535,333,122	3.54%	\$ 222,826,243	\$ 2,522,695,723	8.83%	\$ 1,833,479,546	\$ 48,058,028,845	47.54
2012	1,614,373,168	45,028,233,052	3.59%	185,451,491	2,186,088,790	8.48%	1,799,824,659	47,214,321,842	47.54
2013	1,614,166,744	44,735,468,004	3.61%	210,531,440	2,692,952,990	7.82%	1,824,698,184	47,428,420,994	48.52
2014	1,503,246,950	34,226,412,913	4.39%	197,121,500	2,573,608,850	7.66%	1,700,368,450	36,800,021,763	56.30
2015	1,456,623,792	34,326,777,040	4.24%	224,587,180	2,943,436,442	7.63%	1,681,210,972	37,270,213,482	56.86
2016	1,537,918,460	34,954,579,643	4.40%	243,102,990	3,146,262,710	7.73%	1,781,021,450	38,100,842,353	59.15
2017	1,569,859,790	35,756,421,947	4.39%	258,073,760	3,352,079,267	7.70%	1,827,933,550	39,108,501,214	61.27
2018	1,575,924,542	36,784,111,791	4.28%	237,358,677	3,177,004,620	7.47%	1,813,283,219	39,961,116,411	63.39
2019	1,746,777,223	42,176,881,298	4.14%	233,576,952	2,987,568,570	7.82%	1,980,354,175	45,164,449,868	62.78
2020	2,005,077,400	44,106,415,380	4.55%	227,459,730	1,243,717,590	18.29%	2,232,537,130	45,350,132,970	64.20



Source: Beaufort County Tax Database

BEAUFORT COUNTY, SOUTH CAROLINA

PROPERTY TAX MILLAGES - ALL OVERLAPPING GOVERNMENTS LAST TEN FISCAL YEARS

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
County-wide Levies										
County - Operations	40.21	40.21	40.21	46.48	46.48	48.77	50.89	50.61	50.03	54.30
County - Higher Education	-	-	-	-	-	-	-	2.40	2.37	-
County - Debt Service	4.57	4.57	4.44	5.48	5.48	5.48	5.48	5.58	5.58	5.50
County-Purchase of Real Property Program	2.76	2.76	3.87	4.34	4.90	4.90	4.90	4.80	4.80	5.50
Total Direct Tax Rate	47.54	47.54	48.52	56.30	56.86	59.15	61.27	63.39	62.78	65.30
School - Operations										
School - Operations	90.26	90.26	92.26	97.45	103.50	103.50	111.50	113.50	104.60	114.00
School - Debt Service	26.33	28.00	28.00	31.71	31.71	31.71	31.71	31.71	31.71	31.71
Municipal Levies										
City of Beaufort	60.62	60.62	60.62	66.61	72.62	72.61	73.57	73.57	74.59	75.70
Town of Port Royal	69.00	69.00	69.00	69.00	69.00	72.00	72.00	74.00	74.00	74.00
Town of Bluffton	38.00	38.00	38.00	44.35	44.35	44.35	42.35	40.35	38.50	38.50
Town of Hilton Head	18.54	19.33	19.33	20.83	21.35	22.18	22.18	28.36	27.72	28.00
Town of Yemassee	70.00	70.00	70.00	70.00	70.00	70.00	70.00	71.00	66.63	66.60
Town of Hardeeville	-	-	-	-	-	-	-	-	-	114.00
Fire Levies										
Bluffton Fire - Operation	19.67	19.67	20.49	24.02	24.02	24.02	24.64	24.70	24.10	24.10
Bluffton Fire - Debt Service	0.38	0.38	-	-	-	1.22	1.10	1.04	1.45	1.60
Burton Fire - Operations	55.87	55.87	58.21	60.18	60.18	60.66	62.42	64.53	68.82	70.30
Burton Fire - Debt Service	5.53	5.53	5.53	5.74	5.74	5.26	5.26	5.26	5.15	5.10
Daufuskie Island Fire - Operations	30.71	31.74	33.07	52.57	54.72	56.98	58.44	60.27	60.27	60.20
Daufuskie Island Fire - Debt Service	-	-	-	2.00	2.00	2.00	-	-	-	-
Lady's Island/St. Helena - Operations	31.00	32.04	33.34	34.82	35.94	36.94	37.92	39.26	39.30	40.10
Lady's Island/St. Helena - Debt Service	1.50	1.50	1.50	2.30	2.36	2.20	2.20	2.11	2.00	3.00
Sheldon Fire - Operations	32.22	32.22	33.11	34.53	35.82	36.33	36.86	38.32	37.18	38.50
Sheldon Fire - Debt Services	2.18	2.18	2.18	2.20	2.20	2.20	2.20	3.21	3.21	4.10

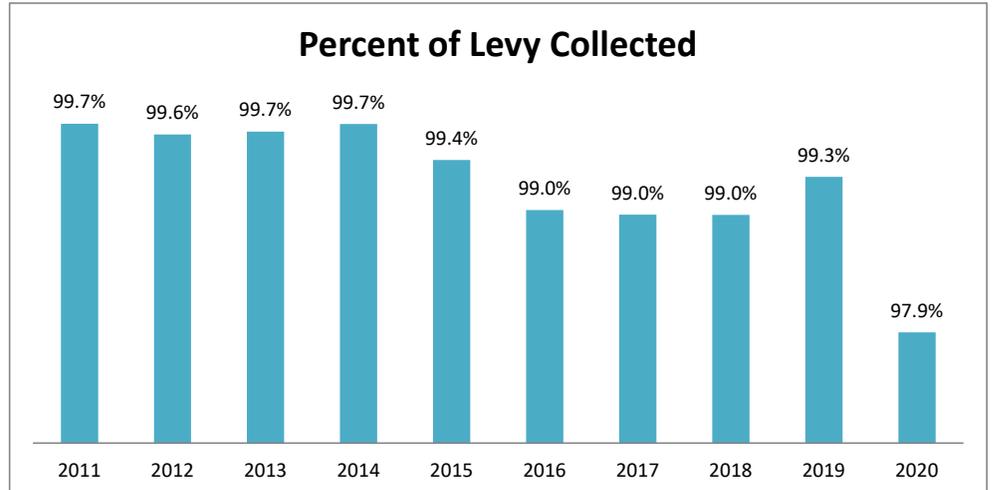
Source: Beaufort County Auditor

BEAUFORT COUNTY, SOUTH CAROLINA

PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

Fiscal Year	Total Levy (1)	Current Tax Collections	Percent of Levy Collected	Collections in Subsequent Years	Total Tax Collections	Total Collections As Percent of Levy
2011	\$ 89,536,355	\$ 83,429,923	93.2%	\$ 5,867,603	\$ 89,297,527	99.7%
2012	89,604,155	84,722,943	94.6%	4,558,994	89,281,937	99.6%
2013	91,676,253	86,938,308	94.8%	4,431,010	91,369,319	99.7%
2014	93,247,741	89,122,179	95.6%	3,873,520	92,995,699	99.7%
2015	96,864,480	92,817,395	95.8%	3,486,349	96,303,745	99.4%
2016	103,807,410	98,865,467	95.2%	3,896,610	102,762,077	99.0%
2017	110,259,100	104,977,928	95.2%	4,128,840	109,106,768	99.0%
2018	117,278,227	112,232,564	95.7%	3,817,348	116,049,911	99.0%
2019	116,392,375	113,789,436	97.8%	1,761,401	115,550,837	99.3%
2020	124,481,669	121,927,898	97.9%		121,927,898	97.9%

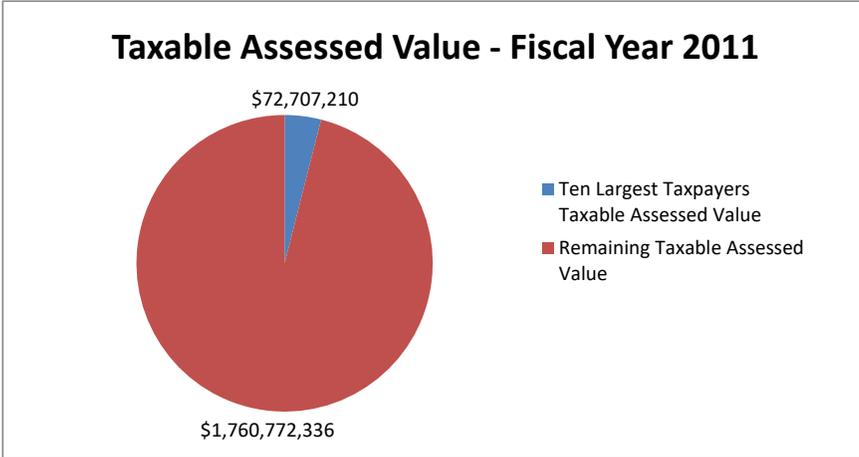
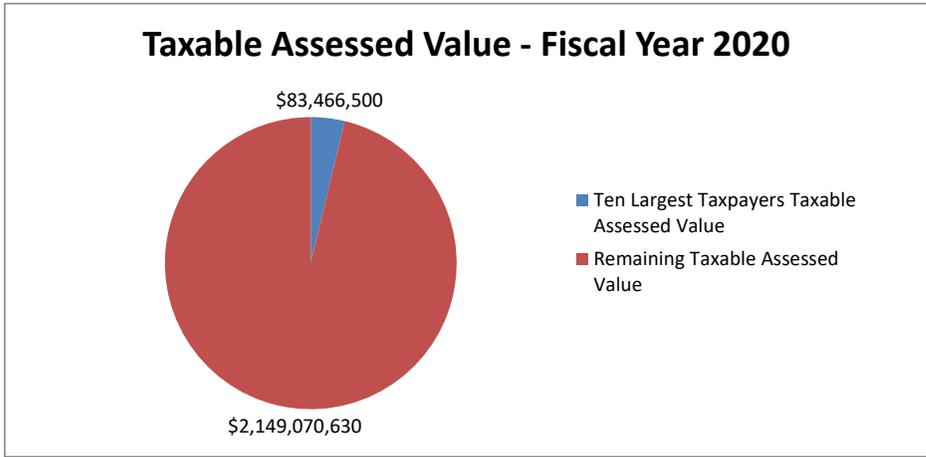
(1) - Includes County operations and maintenance levy, purchase of real property program levy, solid waste and recycling program levy, and debt service levy.



BEAUFORT COUNTY, SOUTH CAROLINA

TEN LARGEST TAXPAYERS CURRENT YEAR AND NINE YEARS AGO

Taxpayer	Taxes Paid	2020 Fiscal Year				2011 Fiscal Year		
		Taxable Assessed Value	Rank	Percentage of Total Taxes Levied	Percentage of Total Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Assessed Value
South Carolina Electric and Gas	\$ 6,709,605	\$ 25,134,040	1	5.66%	1.13%	\$ 4,260,000	5	1.00%
Marriot Ownership Resorts	4,116,620	16,817,020	2	3.36%	0.75%	20,419,020	2	3.62%
Palmetto Electric Corporation	2,649,282	11,034,420	3	2.09%	0.49%	9,791,060	3	2.31%
Bluffton Telephone Company	1,566,314	6,332,400	4	1.08%	0.28%	3,962,500	6	0.91%
Columbia Properties Hilton Head LLC	1,223,607	4,880,580	5	1.00%	0.22%	4,540,030	4	1.14%
Hargray Telephone Company	1,190,794	5,017,780	6	0.90%	0.22%	2,948,500	8	0.74%
SCG Hilton Head Property LLC	1,075,032	4,335,720	7	0.88%	0.19%	N/A	N/A	N/A
Sea Pines Resort	913,858	5,115,550	8	0.79%	0.23%	3,733,920	7	0.82%
PBLH LLC	685,650	2,447,120	9	0.75%	0.11%	N/A	N/A	N/A
Grand Oak Hampton Lakes LLC	683,004	2,351,870	10	0.59%	0.11%	N/A	N/A	N/A
Dominion Energy South Carolina	N/A	N/A	N/A	N/A	N/A	19,378,210	1	4.52%
Redfish Holdings LLC	N/A	N/A	N/A	N/A	N/A	1,790,100	9	0.62%
Hilton Head Health System LP	N/A	N/A	N/A	N/A	N/A	1,883,870	10	0.61%
Total	\$ 20,813,764	\$ 83,466,500		17.10%	3.74%	\$ 72,707,210		16.29%



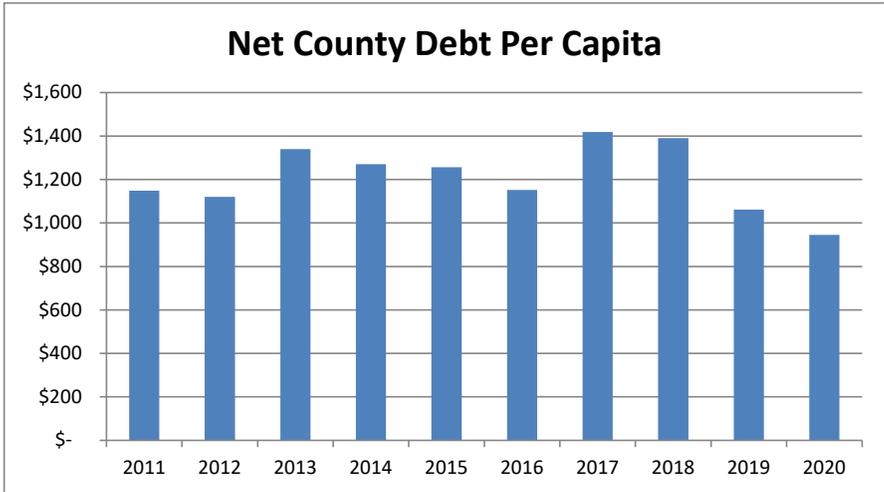
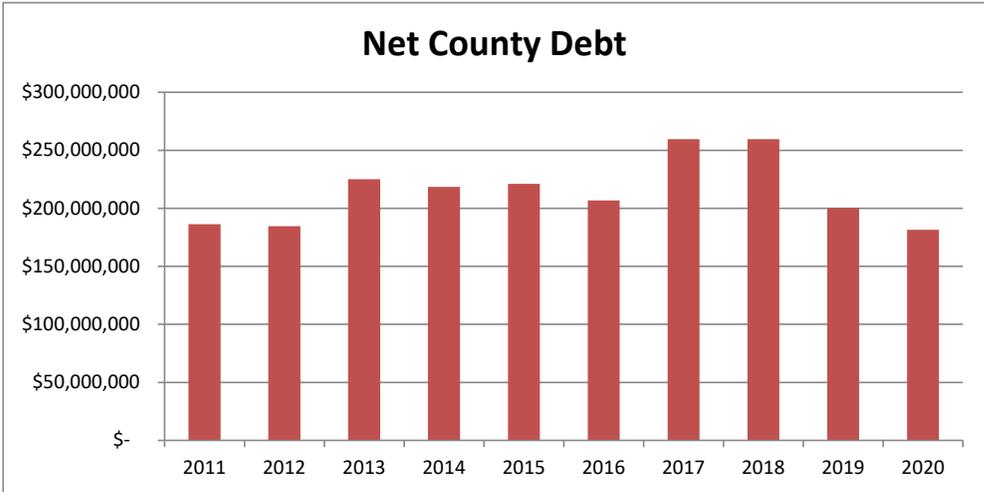
Source: Beaufort County Treasurer

BEAUFORT COUNTY, SOUTH CAROLINA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING LAST TEN FISCAL YEARS

Fiscal Year	Estimated Population (1)	Assessed Value	General Obligation Bonds	Less: Debt Service Funds	Net County Debt	Ratio of Net County Debt to Assessed Value	Net County Debt Per Capita
2011	162,233	\$ 1,833,479,546	\$ 200,555,000	\$ 14,234,168	\$ 186,320,832	10.16%	\$ 1,148
2012	164,684	1,799,824,659	190,915,000	6,428,998	184,486,002	10.25%	1,120
2013	168,049	1,824,698,184	235,811,387	10,729,541	225,081,846	12.34%	1,339
2014	171,838	1,700,368,450	228,837,985	10,426,750	218,411,235	12.84%	1,271
2015	175,852	1,681,210,972	233,933,174	12,920,104	221,013,070	13.15%	1,257
2016	179,589	1,781,021,450	219,434,622	12,640,471	206,794,151	11.61%	1,151
2017	183,149	1,827,933,550	283,501,455	23,799,011	259,702,444	14.21%	1,418
2018	186,844	1,813,283,219	283,501,455	23,799,011	259,702,444	14.32%	1,390
2019	188,715	1,980,354,175	225,667,326	25,419,232	200,248,094	10.11%	1,061
2020	192,122	2,232,537,130	207,013,028	25,494,598	181,518,430	8.13%	945

(1) - Source: U.S. Census Bureau



BEAUFORT COUNTY, SOUTH CAROLINA

**COMPUTATION OF LEGAL DEBT MARGIN
JUNE 30, 2020**

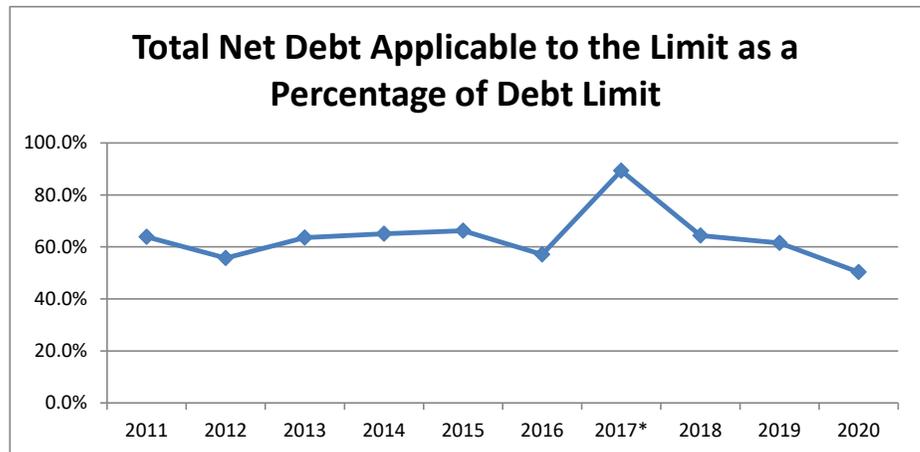
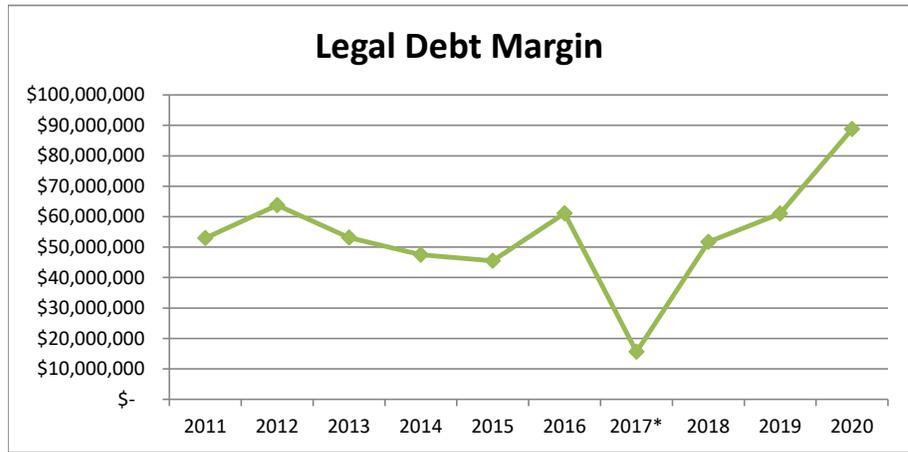
Assessed Value - 2019 Tax Year (Fiscal Year 2020)		\$ 2,232,537,130
		<u> x 8%</u>
Constitutional Debt Limit		178,602,970
Outstanding Subject to Debt Limit		<u>89,832,633</u>
Legal Debt Limit Remaining Without a Referendum		<u>\$ 88,770,337</u>
Total Outstanding General Obligation Debt	\$ 207,013,028	
Less General Obligation Debt Issued Under Referendum	(80,156,475)	
Less General Obligation Debt Issued Paid by Other Sources	(27,288,710)	
Less Premiums related to General Obligation Debt	<u>(9,735,210)</u>	
Total Outstanding Debt Subject to Debt Limit	<u>\$ 89,832,633</u>	

BEAUFORT COUNTY, SOUTH CAROLINA

LEGAL DEBT MARGIN DETAIL LAST TEN FISCAL YEARS

Fiscal Year	Debt Limit	Total Net Debt Applicable to Debt Limit	Legal Debt Margin	Total Net Debt Applicable to the Limit as a Percentage of Debt Limit
2011	\$ 146,678,364	\$ 93,722,603	\$ 52,955,761	63.9%
2012	143,985,973	80,253,597	63,732,376	55.7%
2013	145,975,855	92,854,428	53,121,427	63.6%
2014	136,029,476	88,506,497	47,522,979	65.1%
2015	134,496,878	89,034,715	45,462,163	66.2%
2016	142,481,716	81,400,573	61,081,143	57.1%
2017*	146,234,684	130,644,358	15,590,326	89.3%
2018	145,062,658	93,347,579	51,715,079	64.3%
2019	158,428,334	97,459,059	60,969,275	61.5%
2020	178,602,970	89,832,633	88,770,337	50.3%

* GO BAN in the amount of \$30.25 million issued for Hurricane Matthew disaster related expenses.



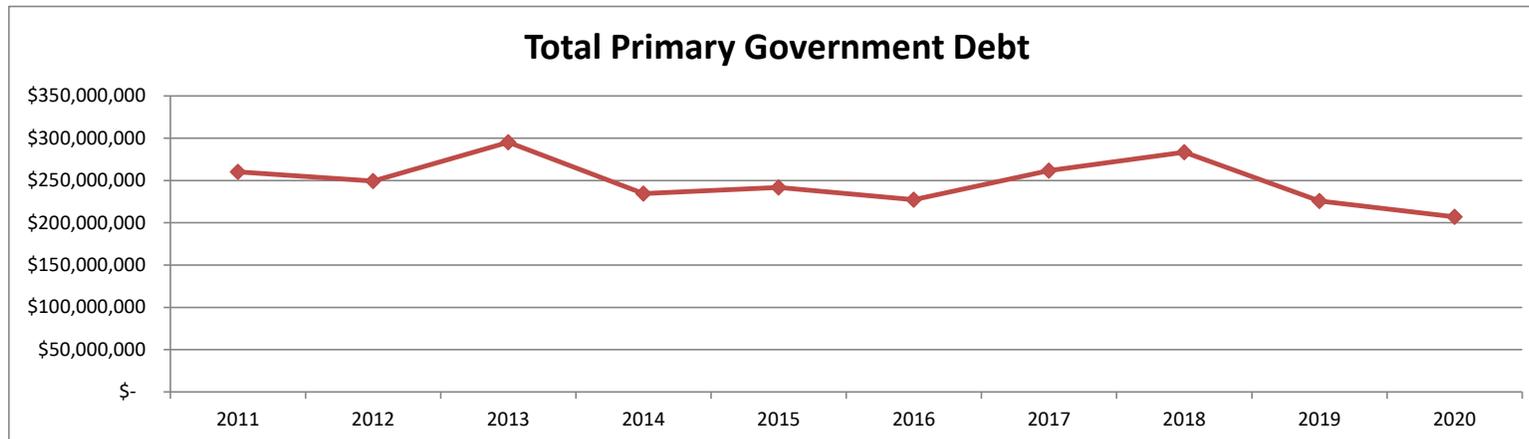
BEAUFORT COUNTY, SOUTH CAROLINA

RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

Fiscal Year	Estimated Population (1)	Governmental Activities				Total Primary Government Debt	Per Capita Personal Income (1)	Estimated Total Personal Income (2)	Percentage of Total Personal Income	Total Primary Government Debt Per Capita
		General Obligation Bonds	TIF Revenue Bonds and BANs	Capital Leases	Mortgage					
2011	162,233	\$ 200,555,000	\$ 59,715,000	\$ -	\$ -	\$ 260,270,000	\$ 43,584	\$ 7,070,763,072	3.68%	\$ 1,604
2012	164,684	190,915,000	58,470,000	-	-	249,385,000	45,122	7,430,871,448	3.36%	1,514
2013	168,049	235,811,387	59,410,000	-	-	295,221,387	45,222	7,599,511,878	3.88%	1,757
2014	171,838	228,837,985	5,685,000	-	-	234,522,985	46,137	7,928,089,806	2.96%	1,365
2015	175,852	233,933,174	5,767,750	2,148,791	-	241,849,715	47,664	8,381,809,728	2.89%	1,375
2016	179,589	220,921,444	4,586,750	1,790,659	-	227,298,853	49,914	8,964,005,346	2.54%	1,266
2017	183,149	227,555,765	30,250,000	-	4,000,000	261,805,765	52,147	9,550,670,903	2.74%	1,429
2018	186,844	249,251,455	-	-	-	283,501,455	53,766	10,045,854,504	2.82%	1,517
2019	188,715	225,667,326	-	-	-	225,667,326	56,711	10,702,216,365	2.11%	1,196
2020	192,122	207,013,028	-	-	-	207,013,028	73,043	14,033,167,246	1.48%	1,078

(1) - Source: U.S. Census Bureau

(2) - Calculated by multiplying the estimated population by the per capita income.



BEAUFORT COUNTY, SOUTH CAROLINA
COMPUTATION OF DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2020

	<u>Gross Debt Outstanding</u>	<u>Percentage Applicable to Beaufort County</u>	<u>Amount Applicable to Beaufort County</u>
Beaufort County School District	\$ 291,760,621	100%	\$ 291,760,621
City of Beaufort	39,071,186	100%	39,071,186
Town of Bluffton	9,704,274	100%	9,704,274
Town of Hilton Head	139,913,508	100%	139,913,508
Town of Port Royal	336,134	100%	336,134
Broad Creek Public Service District	2,010,000 *	100%	2,010,000
Fripp Island Public Service District	8,823,423 *	100%	8,823,423
Hilton Head No. 1 Public Service District	10,363,920	100%	10,363,920
Burton Fire District	26,952 *	100%	26,952
Bluffton Fire District	12,846,798	100%	12,846,798
Lady's Island/St. Helena Island Fire District	4,995,000 *	100%	4,995,000
Sheldon Fire District	<u>551,200</u>	100%	<u>551,200</u>
Subtotal of Overlapping Debt	520,403,016		520,403,016
Beaufort County Direct Debt			<u>207,013,028</u>
Total of Direct and Overlapping Debt			<u>\$ 727,416,044</u>

Source: Debt outstanding provided by each governmental unit.

* Data not available

Note: As all of this debt is within Beaufort County, the percentage of applicable debt to the County is 100%. This process recognizes that, when considering the County's ability to issue long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and, therefore, responsible for repaying debt of each overlapping government.

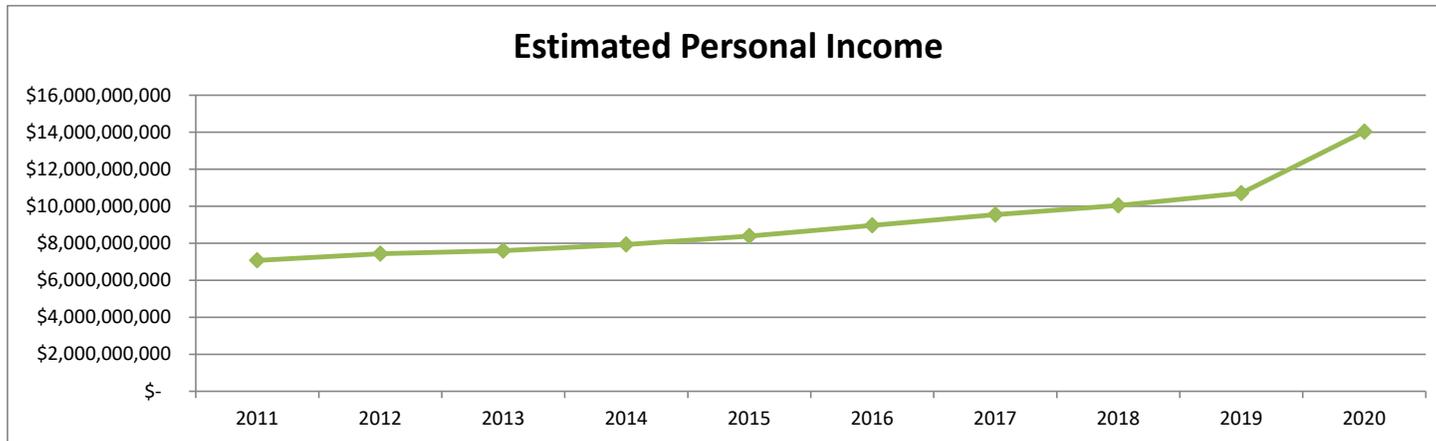
BEAUFORT COUNTY, SOUTH CAROLINA

DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS

Fiscal Year	Estimated Population (1)	Per Capita Personal Income (1)	Estimated Personal Income	Unemployment Margin	Unemployment Rate (2)
2011	162,233	\$ 43,584	\$ 7,070,763,072	118,649	9.1%
2012	164,684	45,122	7,430,871,448	119,562	8.8%
2013	168,049	45,222	7,599,511,878	122,827	8.8%
2014	171,838	46,137	7,928,089,806	125,701	7.9%
2015	175,852	47,664	8,381,809,728	128,188	5.6%
2016	179,589	49,914	8,964,005,346	129,675	5.0%
2017	183,149	52,147	9,550,670,903	131,002	4.0%
2018	186,844	53,766	10,045,854,504	133,078	3.4%
2019	188,715	56,711	10,702,216,365	132,004	3.3%
2020	192,122	73,043	14,033,167,246	119,079	7.4%

(1) - Source: United States Census Bureau

(2) - Source: United States Department of Labor - Bureau of Labor Statistics



BEAUFORT COUNTY, SOUTH CAROLINA

PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO

Employer	2020			2011		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Beaufort County School District	2,820	*	*	3,500	1	5.9%
SERG Group Restaurants	1,269	*	*	1,193	2	2.1%
Beaufort Memorial Hospital	*	*	*	7,358	3	12.3%
Publix Super Markets Inc	*	*	*	1,250	4	2.2%
Sea Pines Resort LLC	*	*	*	770	5	1.3%
Carecore National LLC (Evicore)	*	*	*	557	6	0.9%
Cypress Club Inc.	*	*	*	400	7	0.7%
Hargray Communications Group Inc	*	*	*	396	8	0.7%
Technical College of the Lowcountry	*	*	*	350	9	0.6%
Mariners Inn	*	*	*	200	10	0.3%
Sodexo, Inc.	*	*	*	200	10	0.3%

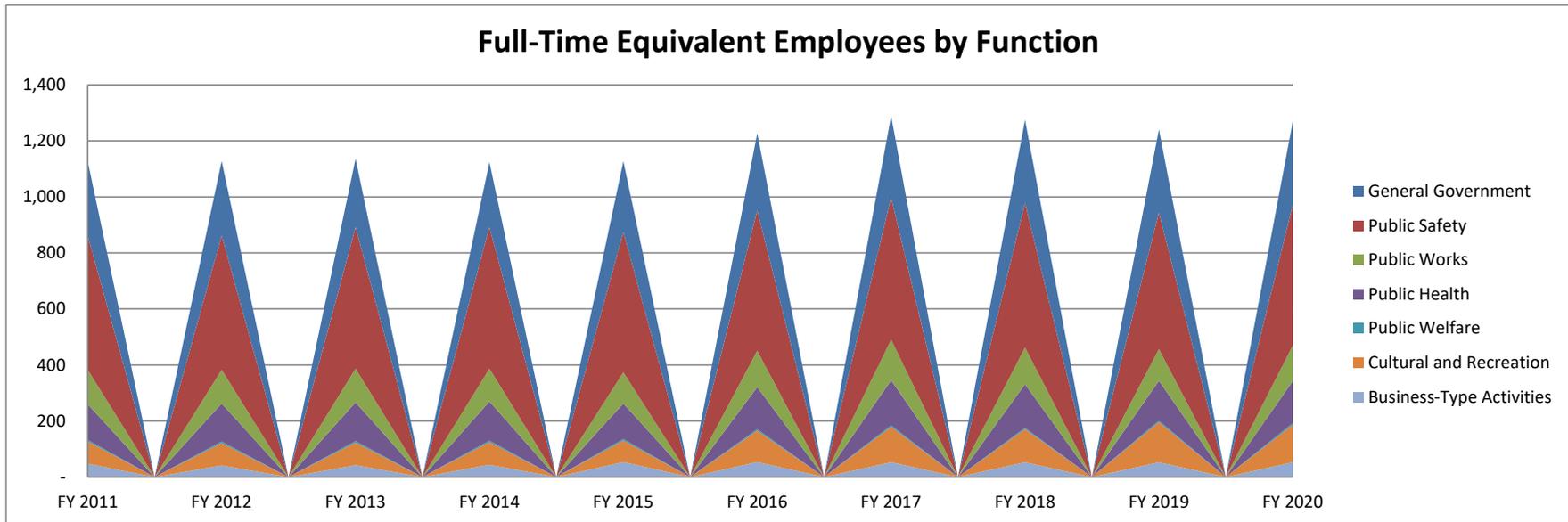
* Specific information related to those employers was deemed confidential by the South Carolina Department of Employment & Workforce.

BEAUFORT COUNTY, SOUTH CAROLINA

FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION LAST TEN FISCAL YEARS

	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
General Government	264	266	244	232	252	275	291	297	297	298
Public Safety	480	479	505	505	501	501	507	516	487	501
Public Works	123	120	120	117	111	130	145	130	113	127
Public Health	127	136	138	140	127	150	161	156	142	150
Public Welfare	6	6	6	5	6	6	6	5	6	7
Cultural and Recreation	79	79	80	81	76	111	126	118	143	133
Business-Type Activities	48	42	43	44	54	54	53	53	53	53
Total Full-Time Employees	<u>1,127</u>	<u>1,128</u>	<u>1,136</u>	<u>1,124</u>	<u>1,127</u>	<u>1,227</u>	<u>1,289</u>	<u>1,275</u>	<u>1,241</u>	<u>1,269</u>

Source: Beaufort County Employee Services



BEAUFORT COUNTY, SOUTH CAROLINA

CAPITAL ASSET STATISTICS BY FUNCTION LAST TEN FISCAL YEARS

	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
<u>General Government</u>										
Number of Parcels Owned	225	234	245	249	284	293	299	302	312	312
Acreage of County-Owned Land	11,968	13,739	15,161	15,247	15,344	15,682	15,890	15,894	15,967	15,967
Miles of Paved (Maintained) Road	197	200	202	205	208	211	211	211	211	211
Miles of Unimproved Road	109	106	104	101	98	95	95	95	95	95
Total Miles of Road	306	306	306	306	306	306	306	306	306	306
Number of Vehicles	34	39	59	47	48	56	58	61	65	65
<u>Public Safety</u>										
Number of Vehicles	347	345	388	388	387	377	408	425	433	433
<u>Public Works</u>										
Number of Vehicles	93	90	92	91	89	98	105	112	113	113
<u>Public Health</u>										
Number of Vehicles	59	57	63	60	63	70	71	78	87	87
<u>Public Welfare</u>										
Number of Vehicles	2	2	3	3	3	3	5	5	5	5
<u>Cultural & Recreation</u>										
Total Acreage of Parks and Leisure Service-Owned Land	930	930	930	930	930	930	930	930	930	930
Number of Community Centers	13	13	13	13	13	13	13	13	13	13
Number of Playgrounds	19	20	20	20	20	20	20	20	20	20
Number of Football Fields	10	10	10	10	10	10	10	10	10	10
Number of Gymnasiums	4	4	4	4	4	4	4	4	4	4
Number of Basketball Courts	15	15	15	15	15	15	15	18	18	18
Number of Tennis Courts	21	21	21	21	21	21	21	21	21	21
Number of Baseball/Softball Fields	34	34	34	34	34	34	34	34	34	34
Number of Soccer Fields	23	23	23	23	23	23	23	23	23	23
Number of Passive Parks	6	6	6	6	3	6	6	6	6	6
Number of Racquetball Courts	2	2	2	2	2	2	2	4	4	4
Number of Fitness Centers	1	1	1	1	1	1	1	2	2	2
Number of Boat Landings	25	25	25	25	25	25	25	25	25	25
Number of Vehicles	27	28	31	31	31	31	31	35	35	35

Source: Beaufort County

BEAUFORT COUNTY, SOUTH CAROLINA

OPERATING INDICATORS BY FUNCTION LAST TEN FISCAL YEARS

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<u>Detention Center (1)</u>										
Inmates booked	N/A	4,142	3,907	3,154						
Average Daily Population (ADP)	N/A	177	180	154						
<u>Emergency Medical Services (1)</u>										
Number of Calls Responded to	15,207	13,799	12,744	14,906	14,350	15,121	15,507	15,751	16,360	16,391
<u>Building Codes and Enforcement (1)</u>										
Permits issued	N/A	3,299	4,023	3,671						
Plans reviewed	N/A	1,056	1,136	1,184						
Inspections completed	N/A	14,061	14,319	14,184						
Violations issued	N/A	1,710	1,745							
Complaints received	N/A	114	210							
<u>Animal Services (1)</u>										
Intake	4,983	4,770	4,524	4,274	3,271	3,276	3,116	3,408	3,013	2,502
Euthanasia rate	3,120	1,750	1,228	1,046	731	566	385	436	364	330
<u>Mosquito Control (1)</u>										
Service requests	N/A	611	966	776						
<u>Parks and Recreation (1)</u>										
Athletic registrations - youth	N/A	5,328	3,653							
Athletic registrations - adults	N/A	1,421	1,206							
Pool admissions	N/A	13,280	4,087							
<u>Registered Voters (2)</u>										
Beaufort County	98,145	100,320	111,168	100,320	101,761	113,271	115,600	119,685	122,447	132,338
State of South Carolina	2,677,766	2,722,280	2,932,402	2,722,287	2,948,772	3,153,521	3,196,012	3,085,276	3,147,589	3,329,755

(1) - Source: Beaufort County

(2) - Source: South Carolina State Election Commission

N/A - Data Not Available

COMPLIANCE SECTION



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

**County Council
of Beaufort County
Beaufort, South Carolina**

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of **Beaufort County, South Carolina** (the "County"), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Beaufort County, South Carolina's basic financial statements, and have issued our report thereon dated March 30, 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 have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2020-001 and 2020-002 that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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*.

County's Response to Findings

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

Purpose of this Report

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

Mauldin & Jenkins, LLC

Savannah, Georgia
March 30, 2021



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

**County Council
of Beaufort County
Beaufort, South Carolina**

Report on Compliance for Each Major Federal Program

We have audited **Beaufort County, South Carolina's** (the "County") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2020. The County's major federal program is identified in the summary of audit results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2020.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2020-003 and 2020-004. Our opinion on each major federal program is not modified with respect to these matters.

Beaufort County, South Carolina's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Beaufort County, South Carolina's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response

Report on Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified certain deficiencies in internal control over compliance as described in the accompanying schedule of findings and questioned cast as items 2020-003 and 2020-004, that we consider to be material weaknesses.

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

Mauldin & Jenkins, LLC

Savannah, Georgia
March 30, 2021

BEAUFORT COUNTY, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Federal CFDA Number	Project / Award Number	Federal Award Expended	Passed Through to Subrecipients
<u>U.S. Department of Housing and Urban Development</u>				
Passed through SC Department of Commerce				
Bonaire Estates Sewer Extension	14.228	4-CI-16-001	\$ 238,515	\$ 238,515
HOME Investments Partnership Program - Lowcountry Regional HOME Consortium	14.239	M17-DC-45-0210	421,098	421,098
Total Housing and Urban Development			<u>\$ 659,613</u>	<u>\$ 659,613</u>
<u>U.S. Department of Justice</u>				
State Criminal Alien Assistance Program	16.606	2020-AP-BX-0769	\$ 137,832	\$ -
DNA Backlog Reduction Program Fiscal Year 2018 DNA Capacity Enhancement and Backlog Reduction (CEBR) Program	16.741	2018-DN-BX-0061	35,000	-
Direct Program:				
BJA FY18 Edward Byrne Memorial Justice Assistance Grant (JAG) Program - Local Solicitation	16.738	2018-DJ-BX-0578	39,510	-
BJA FY19 Edward Byrne Memorial Justice Assistance Grant (JAG) Program - Local Solicitation	16.738	2019-DJ-BX-0210	29,374	-
Total JAG programs			<u>68,884</u>	<u>-</u>
Total U.S. Department of Justice			<u>\$ 241,716</u>	<u>\$ -</u>
<u>U.S. Department of Transportation</u>				
Direct Programs:				
Federal Aviation Administration, Airport Improvement Programs				
Lady's Island Airport, Expand GA Apron (5,400 SY) Design, Extend Runway Safety Area (175 feet X 150 feet) Design, Extend Parallel Taxiway (2,300 feet) Design, and Remove Obstructions in Runway 7 Approach	20.106	3-45-0008-013-2017	\$ 6,933	\$ -
Lady's Island Airport, Rehabilitate Runway 7/25 Lighting (Including PAPI's, REILs and Electrical Vault); Rehabilitate Taxiway Lighting (Including Lighted Signs)	20.106	3-45-0008-014-2018	617,941	-
Hilton Head Island Airport, Runway 21 Extension, Taxiway F Infield Drainage Improvements and Mitigation, Runway 21 EMAS, Runway 03 Extension	20.106	3-45-0030-039-2016	1,937,365	-
Hilton Head Island Airport, Environmental Assessment	20.106	3-45-0030-043-2019	234,369	-
Hilton Head Island Airport, CARES ACT	20.106	3-45-0030-044-2020	270,661	-
Total Airport Improvement Program			<u>\$ 3,067,269</u>	<u>\$ -</u>

BEAUFORT COUNTY, SOUTH CAROLINA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Federal CFDA Number	Project / Award Number	Federal Award Expended	Passed Through to Subrecipients
<u>U.S. Department of Health and Human Services</u>				
Passed through SC Department of Social Services				
Child Support Enforcement IV-D Transaction Reimbursement	93.563	1901SCCES	\$ 298,203	\$ -
Child Support Enforcement IV-D Incentive Payments	93.563	1901SCCES	65,379	-
Child Support Enforcement IV-D Service of Process Payments	93.563	1901SCCES	8,679	-
Child Support Enforcement IV-D Filing Fees	93.563	1901SCCES	24,750	-
Total Child Support Enforcement			<u>397,011</u>	<u>-</u>
Passed through SC Health and Human Services Finance Commission				
Collaborator / Coordinator - Medicaid Contract	93.778	A20200545A	98,616	-
Total Medicaid Cluster			<u>\$ 98,616</u>	<u>\$ -</u>
Passed through SC Department of Alcohol and Other Drug Abuse Services (SC DAODAS)				
SC DAODAS Block Grant	93.959	BEA-BG-20	\$ 391,871	\$ -
SAPT BG Assessment	93.959	BEA-BG-20	30,807	-
Total Substance Abuse Prevention and Treatment (SAPT) Pass-Through from SC DAODAS			<u>422,678</u>	<u>-</u>
Total U.S. Department of Health and Human Services			<u>\$ 918,305</u>	<u>\$ -</u>
<u>U.S. Department of Homeland Security</u>				
Passed through the Office of the SC Adjutant General, Emergency Management Division				
FEMA Disaster Grant - Public Assistance - Hurricane Dorian	97.036	FEMA-4464-DR-SC	\$ 48,492	\$ -
FEMA Disaster Grant - Public Assistance - Hurricane Matthew	97.036	FEMA-4286-PA-SC	181,252	-
Total Emergency Management Division			<u>229,744</u>	<u>-</u>
Passed through the Office of the SC Adjutant General				
Fiscal Year 2018 Local Emergency Management Performance Grant	97.042	18EMPG01	5,000	-
Fiscal Year 2019 Local Emergency Management Performance Grant	97.042	19EMPG01	60,282	-
Total Local Emergency Management Performance			<u>65,282</u>	<u>-</u>
Passed through SC Law Enforcement Division				
Low Country Regional WMD Bomb Squad, Beaufort County, SC	97.067	19SHSP04	33,808	-
Low Country Regional WMD SWAT Team, Beaufort County, SC	97.067	19SHSP11	58,062	-
Low Country Regional WMD Bomb Squad, Beaufort County, SC	97.067	18SHSP03	2,448	-
Low Country Regional WMD SWAT Team, Beaufort County, SC	97.067	18SHSP10	5,216	-
Total Passed through SC Law Enforcement Division			<u>99,535</u>	<u>-</u>
Transportation Security Administration				
Law Enforcement Officer Reimbursement Agreement Program	97.090	HSTS0216HSLR742	44,300	-
Total U.S. Department of Homeland Security			<u>\$ 438,860</u>	<u>\$ -</u>
Grand Total of Fiscal Year 2020 Schedule of Expenditures of Federal Awards			<u>\$ 5,325,763</u>	<u>\$ 659,613</u>

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOTE 1. BASIS OF PRESENTATION**Basis of Presentation**

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

De-Minimis Indirect Cost Rate

During the year ended June 30, 2020, the County did not use the 10% de-Minimis indirect cost rate.

Non-Cash Awards

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

BEAUFORT COUNTY, SOUTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

SECTION I SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:
Material weaknesses identified? Yes No

Significant deficiencies identified not considered
to be material weaknesses? Yes None Reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major programs:
Material weaknesses identified? Yes No

Significant deficiencies identified not considered
to be material weaknesses? Yes No

Type of auditor's report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in
accordance with the Uniform Guidance Yes No

Identification of major programs:

CFDA Number

20.106

Name of Federal Program or Cluster

U.S. Department of Transportation

Federal Aviation Administration, Airport Improvement Programs

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? Yes No

BEAUFORT COUNTY, SOUTH CAROLINA**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES****2020-001. General Accounting Matters**

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

Generally accepted accounting principles require assets, liabilities, revenues and expenditures/expenses to be recognized in the accounting period in which they become earned, measurable (and available for modified accrual funds). Further, a fundamental principle in accounting and financial reporting is the notion of timely recognition and recording of financial and non-financial transactions and activities.

Condition: Certain accounting, reporting and reconciling procedures were not properly performed and reviewed during the fiscal year, which required a significant effort to close the County's 2020 fiscal year. Significant adjustments were required to be recorded. We noted deficiencies in completeness, accuracy, and cut off. Specifically, we noted a lack of accurate financial and non-financial information needed:

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

Context/Cause: We addressed this matter with County officials, who worked diligently to determine the propriety of all respective details and reconciliations as of and for the year ended June 30, 2020. There was an overall lack of appropriate controls implemented at the County during the fiscal year. The County did not properly account for activity, or prepare and review all reconciliations typically required in a strong accounting system.

Effect: The ultimate effect of the above condition includes a significantly delayed conclusion to the 2020 fiscal year financial reporting process as well as the potential for errors and irregularities to occur and not be detected and corrected in a timely manner.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

2020-001. General Accounting Matters (Continued)

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

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

Views of Responsible Officials and Planned Corrective Action: We concur with the finding. We will continue to review and improve policies and procedures in an effort to eliminate errors and identify deficiencies from both operational and financial perspectives.

2020-002. Bank Reconciliations

Criteria: Internal controls should be in place to provide reasonable assurance that reconciliations of cash balances to their bank accounts are reviewed and approved by management.

Condition: During our testing of cash balances, we noted the bank reconciliation for the Payroll checking account had an unexplained difference between the general ledger balance and the reconciled cash balance of \$206,547.

Context/Cause: The County provided a reconciliation for the Payroll Checking Account that had unexplained differences between the bank balance and the general ledger balance of \$206,547.

Effect: Additional audit procedures were performed in order to verify the cash balance being tested.

Recommendation: We recommend management implement appropriate review procedures to ensure the accurate recording of the County's cash activities, as well as develop a process to research, investigate, and correct reconciling differences in a timely manner.

BEAUFORT COUNTY, SOUTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

2020-002. Bank Reconciliations (Continued)

Views of Responsible Officials and Planned Corrective Action: We concur with the finding. We will implement appropriate review procedures to ensure the accurate capture of the County's cash activities, as well as develop a process to research, investigate, and correct reconciling differences in a timely manner. Additionally, the County plans to hire a staff accountant whose sole responsibility is to perform monthly bank reconciliations during fiscal year 2021.

SECTION III FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

2020-003. Timeliness of Federal Drawdowns

Criteria: Airport Improvement Program Grant guidelines require that reimbursement of grant expenditures be submitted on a timely basis.

Condition: Grant expenditures were not being submitted in a timely manner during the fiscal year ended June 30, 2020.

Context/Cause: During the course of our audit, we noted reimbursements for grant expenditures were not being submitted in a timely manner, resulting in federal revenues and receivables not being properly recorded and an error in the preparation of the Schedule of Expenditures of Federal Awards.

Effect: An audit adjustment to increase revenues and accounts receivable in the amount of \$2,832,900 was required to be recorded in the Hilton Head Island Airport fund as of June 30, 2020.

Recommendation: We recommend management implement procedures to improve the reimbursement process, improve efficiency and allow the funds to be received and recognized in a timely manner.

Views of Responsible Officials and Planned Corrective Action: We concur with the finding. We have already discussed improvements with the Airports Manager and Grants Accountant to implement appropriate review procedures to ensure the reimbursement process is conducted in a timely manner in future years.

BEAUFORT COUNTY, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS (CONTINUED)

2020-004. Timeliness of Completing the Federal Financial Report (SF-425) Submission

Criteria: Airport Improvement Program Grant guidelines require that the Federal Financial Report form be submitted during the required period as outlined in the Airport Improvement Program guidelines.

Condition: The Federal Financial Report form was not submitted during the permitted time for the fiscal year ended June 30, 2020.

Context/Cause: – During our single audit testing, we noted that the Federal Financial Report form (SF-425) was not submitted to the Federal Aviation Administration (FAA) per the date required by the Airport Improvement Program guidelines.

Effect: A lack of timely submissions to the FAA could result in a loss of grant revenue.

Recommendation: We recommend management to implement appropriate review procedures to ensure the County meets the requirements imposed by the Uniform Guidance and the respective Federal Agencies.

Views of Responsible Officials and Planned Corrective Action: We concur with the finding. We will implement appropriate review procedures to ensure the County meets the necessary submission requirements.

BEAUFORT COUNTY, SOUTH CAROLINA

**SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

None reported.



COUNTY COUNCIL OF BEAUFORT COUNTY FINANCE DEPARTMENT

106 Industrial Village Road, Bldg 2, Post Office Drawer 1228
Beaufort, South Carolina 29901-1228

Whitney Richland, Chief, Financial Officer
whitney.richland@bcgov.net, 843.255.2297

CORRECTIVE ACTION PLAN AND SUMMARY SCHEDULE OF AUDIT FINDINGS FOR THE YEAR ENDED JUNE 30, 2020

March 30, 2021

U.S. Department of Transportation

Dear Sir or Madam:

Beaufort County, South Carolina (the "County") herein submits its Corrective Action Plan for the year ended June 30, 2020.

The name and address of the independent public accounting firm engaged to audit our records is:

Mauldin and Jenkins, LLC
6001 Chatham Center Drive
Suite 250
Savannah, Georgia 31405

The findings from Sections II and III of the Schedule of Findings and Questioned Costs for the Year Ended June 30, 2020 are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

II. FINDINGS AND QUESTIONED COSTS – FINANCIAL STATEMENT AUDIT

2020-001. General Accounting Matters

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

Generally accepted accounting principles require assets, liabilities, revenues and expenditures/expenses to be recognized in the accounting period in which they become earned, measurable (and available for modified accrual funds). Further, a fundamental principle in accounting and financial reporting is the notion of timely recognition and recording of financial and non-financial transactions and activities.

Condition: Certain accounting, reporting and reconciling procedures were not properly performed and reviewed during the fiscal year which required a significant effort to close the County's 2020 fiscal year. Significant adjustments were determined and required to be recorded. We noted deficiencies in completeness, accuracy, and

2020-001. General Accounting Matters (Continued)

cut off. Specifically, we noted a lack of accurate financial and non-financial information needed:

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

Context: We addressed this matter with County officials, who worked diligently to determine the propriety of all respective details and reconciliations as of and for the year ended June 30, 2020. There was an overall lack of appropriate controls implemented at the County during the fiscal year. The County did not properly account for activity, or prepare and review all reconciliations typically required in a strong accounting system.

Effect: The ultimate effect of the above condition includes a significantly delayed conclusion to the 2020 fiscal year financial reporting process as well as the potential for errors and irregularities to occur and not be detected and corrected in a timely manner.

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

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

Response: We concur with the finding. We will continue to review and improve policies and procedures in an effort to eliminate errors and identify deficiencies from both operational and financial perspectives.

2020-002. Bank Reconciliations

Criteria: Internal controls should be in place to provide reasonable assurance that reconciliations of cash balances to their bank accounts are reviewed and approved by management.

Condition: During our testing of cash balances, we noted the bank reconciliation for the Payroll checking account had an unexplained difference between the general ledger balance and the reconciled cash balance of \$206,547.

Context: The County provided a reconciliation for the Payroll Checking Account that had unexplained differences between the bank balance and the general ledger balance of \$206,547.

2020-002. Bank Reconciliations (Continued)

- Effect:** Additional audit procedures were performed in order to verify the cash balance being tested.
- Recommendation:** We recommend management to implement appropriate review procedures to ensure the accurate capture of the County's cash activities, as well as develop a process to research, investigate, and correct reconciling differences in a timely manner.
- Response:** We concur with the finding. We will implement appropriate review procedures to ensure the accurate capture of the County's cash activities, as well as develop a process to research, investigate, and correct reconciling differences in a timely manner. Additionally, the County plans to hire a staff accountant whose sole responsibility is to perform monthly bank reconciliations during fiscal year 2021.

II. FINDINGS AND QUESTIONED COSTS – FINANCIAL STATEMENT AUDIT**2020-003. Timeliness of Federal Drawdowns**

- Criteria:** Airport Improvement Program Grant guidelines require that reimbursement of grant expenditures be submitted on a timely basis.
- Condition:** Grant expenditures were not being submitted in a timely manner during the fiscal year ended June 30, 2020.
- Context:** During the course of our audit, we noted reimbursements for grant expenditures were not being sent in a timely manner, resulting in federal revenues and receivables not being booked and an error in the preparation of the Schedule of Expenditures of Federal Awards.
- Effect:** An audit adjustment to increase revenues and accounts receivable in the amount of \$2,832,900 was required to be recorded in the Hilton Head Island Airport fund as of June 30, 2020.
- Recommendation:** We recommend management implement procedures to improve the reimbursement process, improve efficiency and allow the funds to be received and recognized in a timely manner.
- Response:** We concur with the finding. We have already discussed improvements with the Airports Manager and Grants Accountant to implement appropriate review procedures to ensure the reimbursement process is conducted in a timely manner in fiscal year 2021 and thereafter.

2020-004. Timeliness of Completing the Federal Financial Report (SF-425) Submission

- Criteria:** Airport Improvement Program Grant guidelines require that the Federal Financial Report form be submitted during the required period as outlined in the AIP program guidelines.

2020-004. Timeliness of Completing the Federal Financial Report (SF-425) Submission (Continued)

- Condition:** The Federal Financial Report form was not submitted during the permitted time for the fiscal year ended June 30, 2020.
- Context:** During our single audit testing, we noted that the Federal Financial Report form (SF-425) was not submitted to the FAA per the date required by the AIP program guidelines.
- Effect:** A lack of timely submissions to the FAA could result in a loss of grant revenue.
- Recommendation:** We recommend management to implement appropriate review procedures to ensure the County meets the requirements imposed per the Uniform Guidance and the Federal Agencies.
- Response:** We concur with the finding. We will implement appropriate review procedures to ensure the County meets the necessary submission requirements.

Questions regarding this Corrective Action Plan or its implementation or questions regarding the Summary Schedule of Audit Findings should be directed to Whitney Richland at (843) 929-9965.

Sincerely,



Whitney Richland
Chief Financial Officer



BEAUFORT COUNTY COUNCIL AGENDA ITEM SUMMARY

Item 10.

ITEM TITLE:
<i>FY22 Treasurer's Budget Presentation</i>
MEETING NAME AND DATE:
PRESENTER INFORMATION:
<i>Maria Walls, CPA Treasurer</i>
ITEM BACKGROUND:
<i>FY22 Budget Presentation for Treasurer's Office</i>
PROJECT / ITEM NARRATIVE:
FISCAL IMPACT:
STAFF RECOMMENDATIONS TO COUNCIL:
OPTIONS FOR COUNCIL MOTION:
<i>N/A</i>



Beaufort County
TREASURER

Maria Walls, CPA

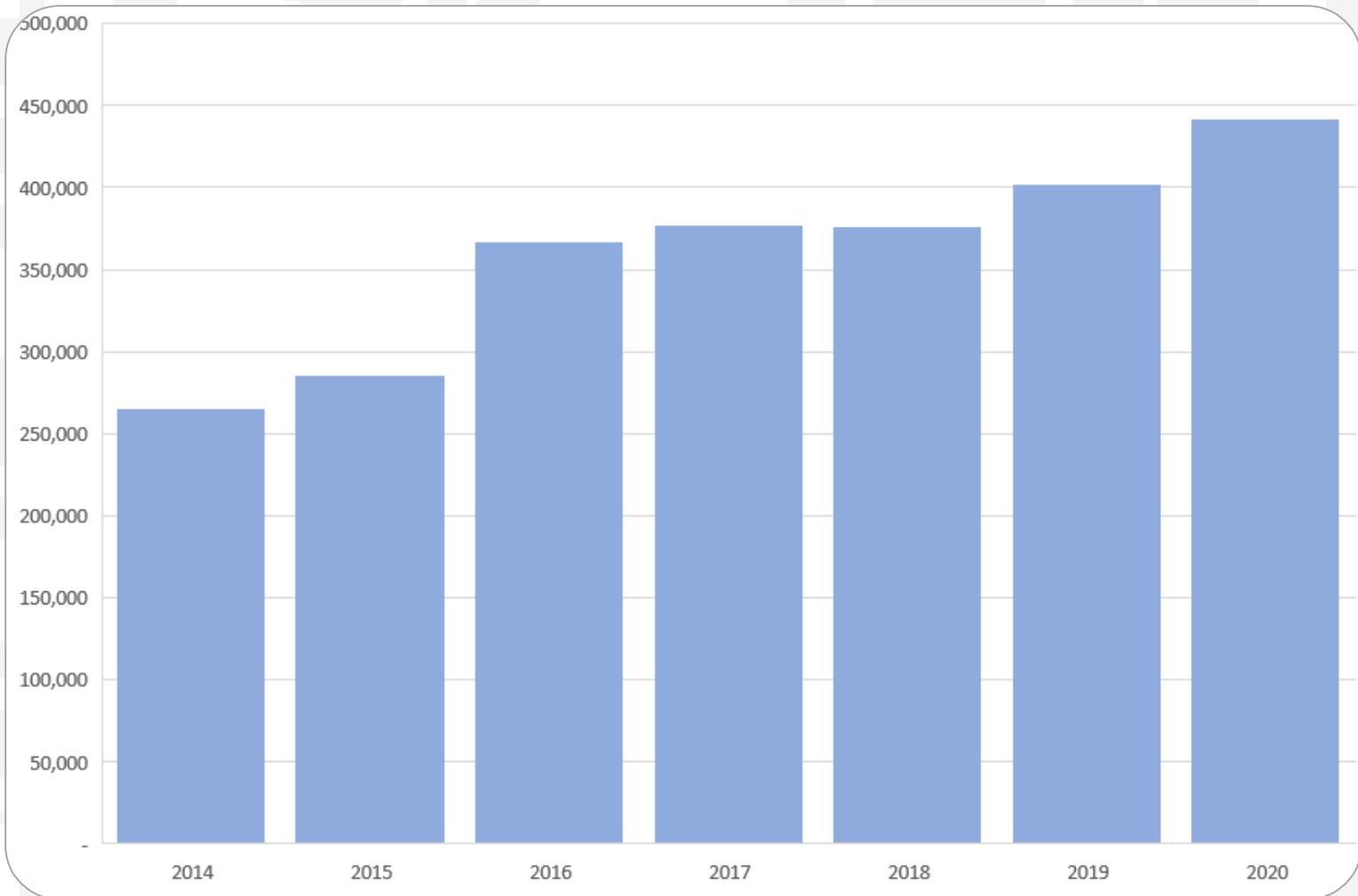
Introduction

- Beaufort County is growing in every way possible.
 - Number of Bills and Accounts
 - Inquiry Volume
 - Transaction Volume
 - Collection Rates
 - Dollars under management
- Two areas of focus for success in FY 2022:
 - People
 - Technology

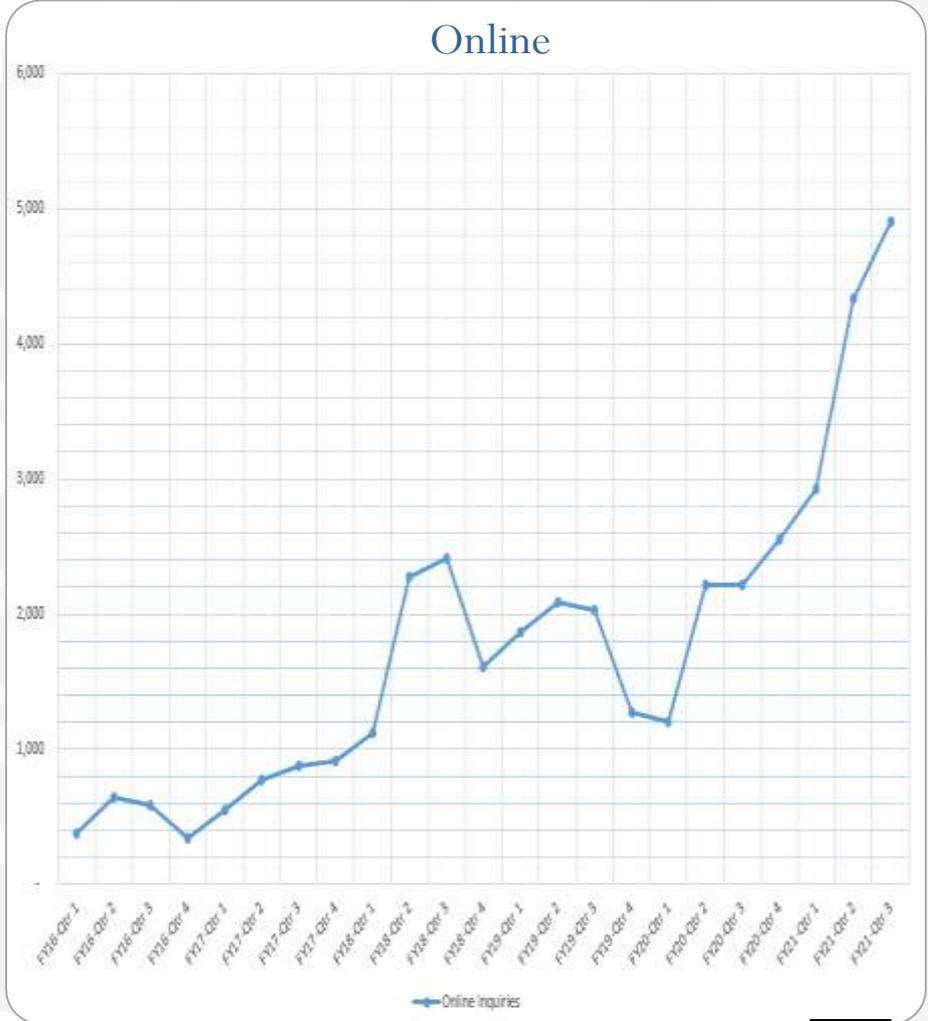
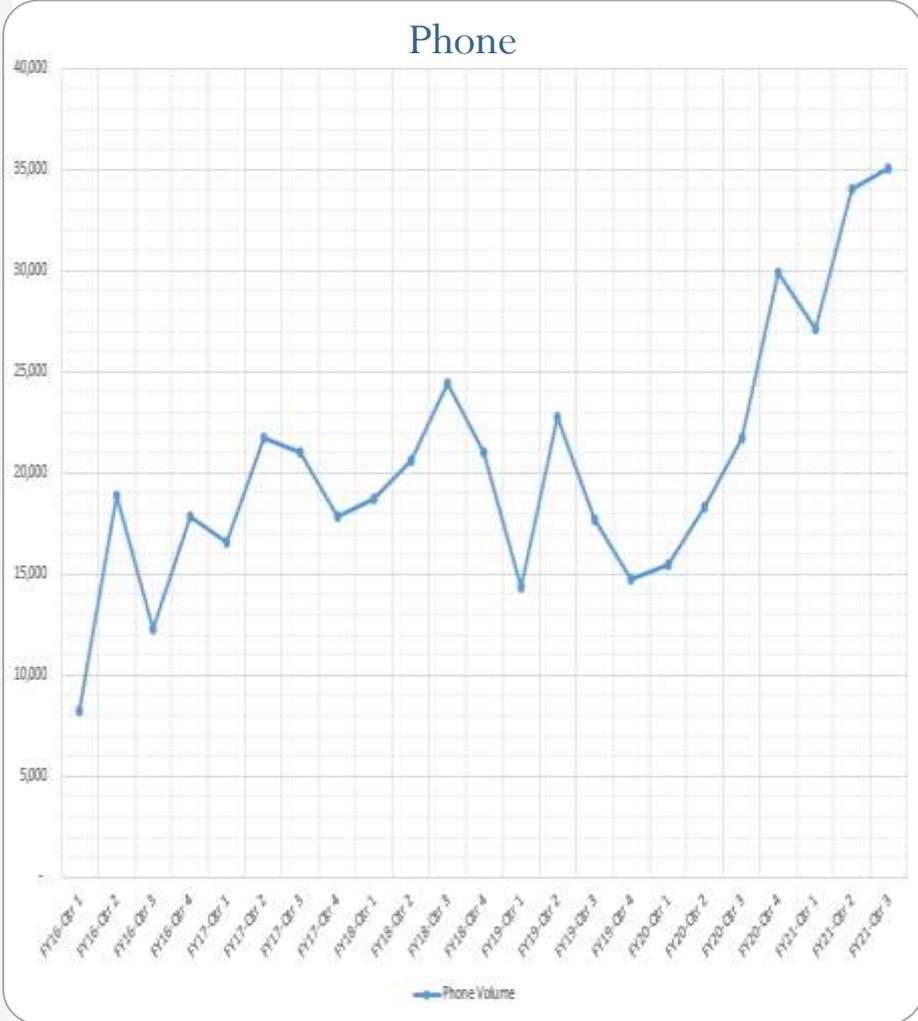
Collections Update

	County Operations	County Debt	School Operations	School Debt	Total
March 31, 2021					
Billed	\$ 113,448,581	\$ 11,573,156	\$ 158,943,218	\$ 75,944,175	\$486,630,061
Collected	\$ 105,513,872	\$ 10,763,812	\$ 144,204,841	\$ 70,643,274	\$ 446,921,494
% Collected	93.01%	93.01%	90.73%	93.02%	91.84%
January 15, 2020					
Billed	\$ 111,014,674	\$ 11,275,841	\$ 156,811,133	\$ 64,962,156	\$462,681,306
Collected	\$ 102,355,659	\$ 10,394,953	\$ 141,720,919	\$ 59,890,549	\$ 422,005,127
% Collected	92.20%	92.19%	90.38%	92.19%	91.21%

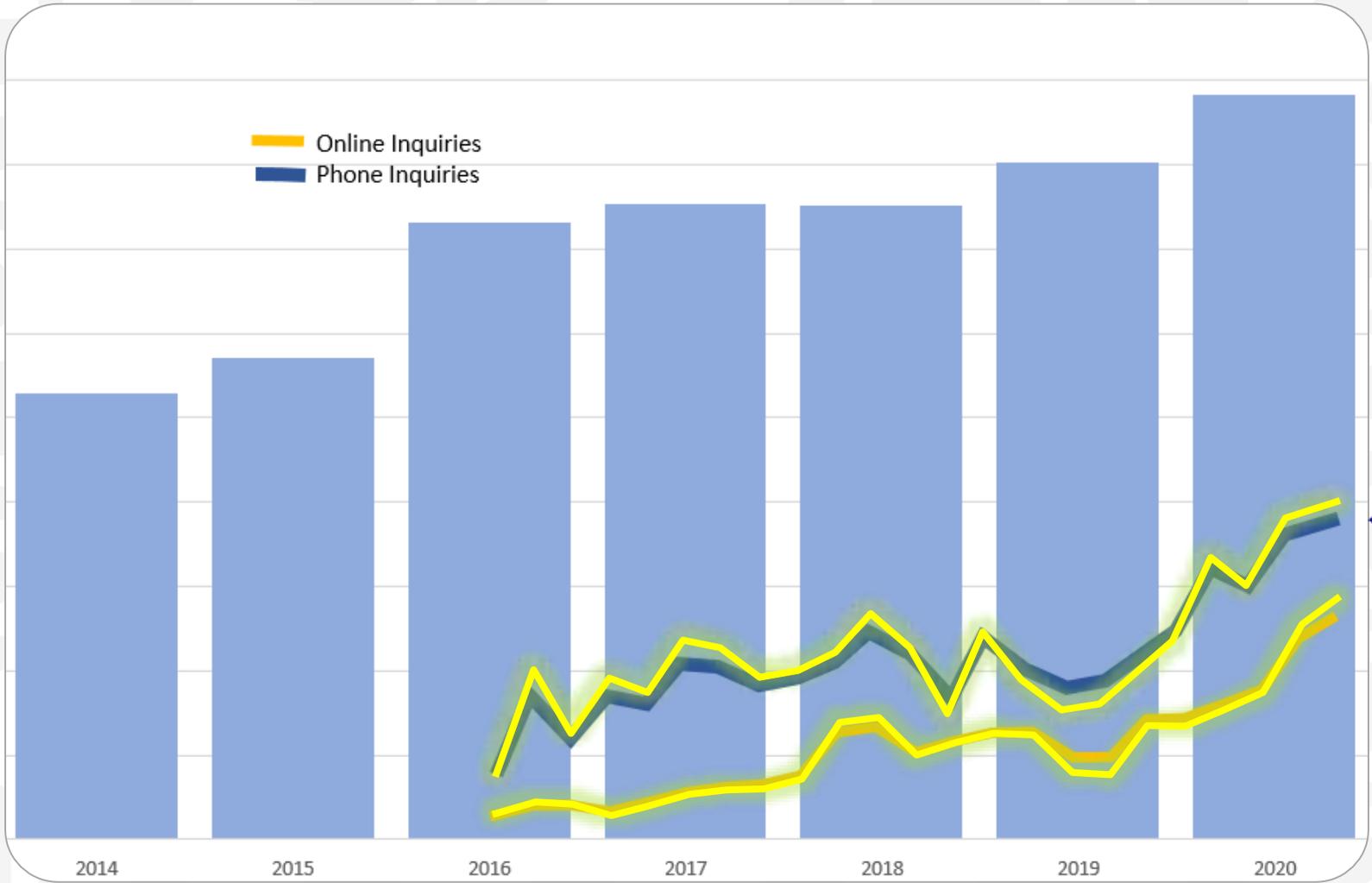
Billing Volume



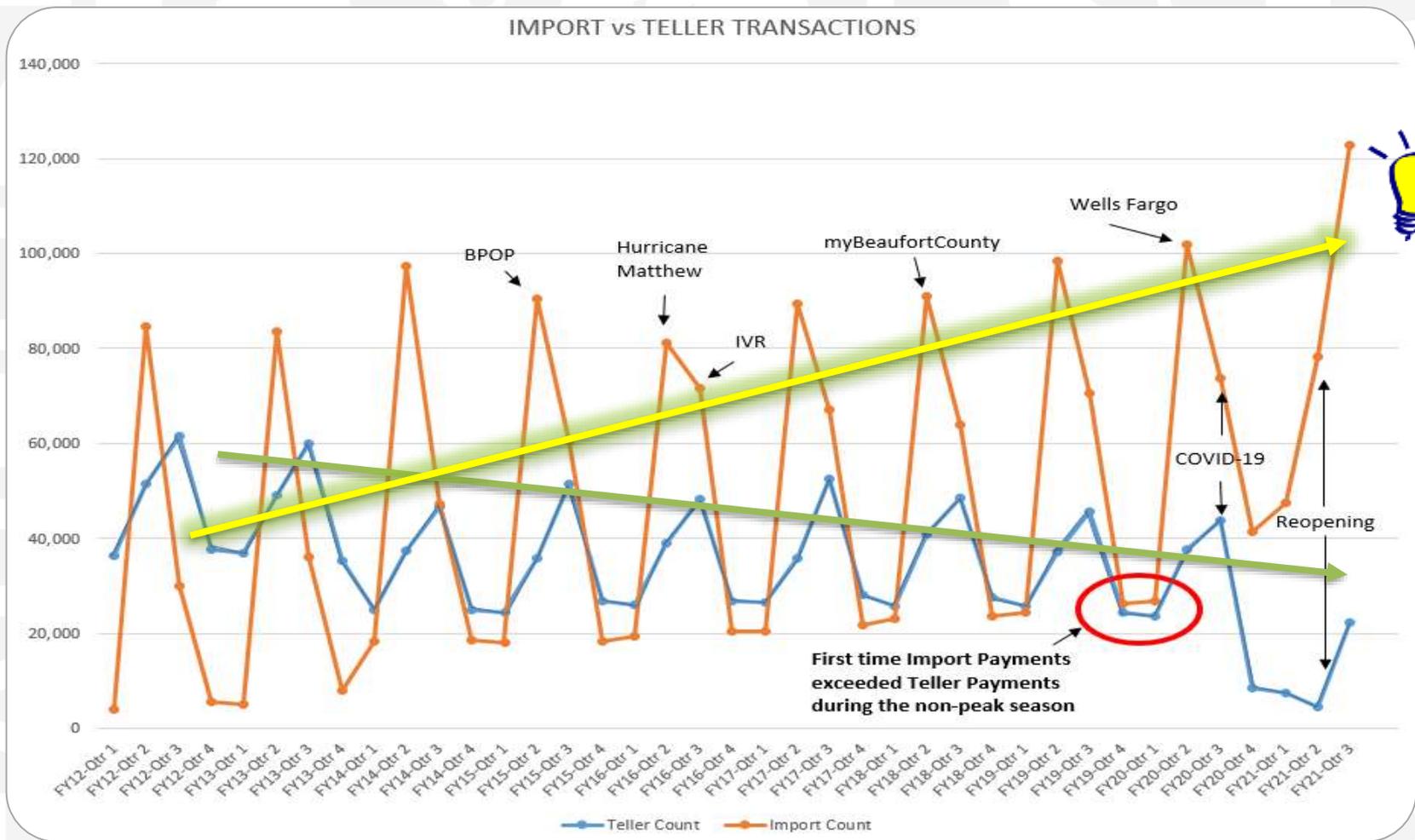
Customer Inquiries



Billing Driven Volume



Transaction Volumes



Solutions for Success

- Implementation of the County's compensation study.
 - Maintain great team members and attract new ones.
- Add additional team members to manage the increased volume of billings and imported data.
- Introduce next-level technologies that will enhance customer service and improve internal operations.

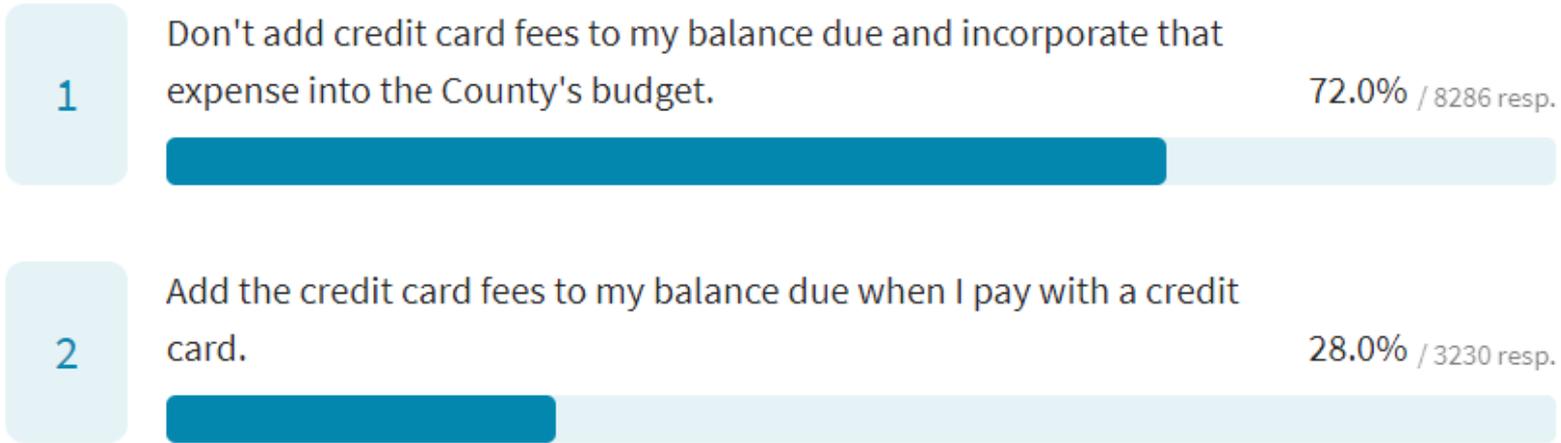
Credit Card Fees – Survey



CC Fee Budget

11,516 responses

How would you prefer credit card processing fees are paid?



Credit Card Fees – Projection

		Growth Rate					
		0%	10%	20%	30%	40%	50%
% of CC Payments	15%	\$ 406,026	\$ 446,629	\$ 487,231	\$ 527,834	\$ 568,437	\$ 609,039
	20%	541,368	595,505	649,642	703,779	757,916	812,052
	25%	676,710	744,381	812,052	879,723	947,394	1,015,065
	30%	812,052	893,258	974,463	1,055,668	1,136,873	1,218,079
	40%	1,082,736	1,191,010	1,299,284	1,407,557	1,515,831	1,624,105
	50%	1,353,421	1,488,763	1,624,105	1,759,447	1,894,789	2,030,131
	70%	2,030,131	2,233,144	2,436,157	2,639,170	2,842,183	3,045,196
	100%	2,706,841	2,977,525	3,248,209	3,518,894	3,789,578	4,060,262

Credit Card Fees – Direct Impact

	Actual Expenses
Salaries	\$ 730,813
Printing and Postage	1,594,538
Banking and Lockbox Expenses	241,020
Total	\$ 2,566,371



Beaufort County
TREASURER

Questions