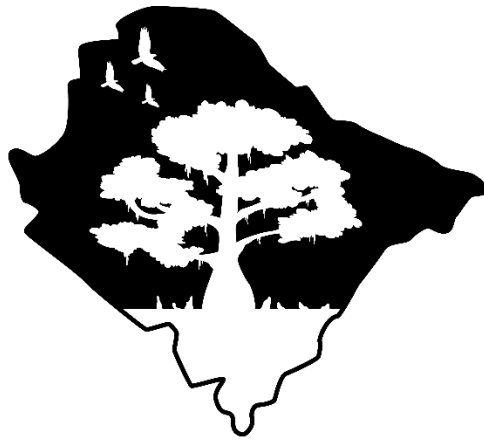


**BERKELEY COUNTY, SOUTH CAROLINA
FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITOR'S REPORT
YEAR ENDED JUNE 30, 2025**



BERKELEY
= COUNTY =
SOUTH CAROLINA

BERKELEY COUNTY, SOUTH CAROLINA

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BERKELEY COUNTY, SOUTH CAROLINA

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BERKELEY COUNTY, SOUTH CAROLINA

Established in 1942

LISTING OF ELECTED OFFICIALS

County Council

John P. Cribb, Supervisor and Chairman
Daniel Owens, District No. 1
Jarrod Brooks, District No. 2
Phillip Obie, II, District No. 3
Tommy Newell, District No. 4
Amy Stern, District No. 5
Marshal West, District No. 6
Caldwell Pinckney, Jr., District No. 7
Steve Davis, District No. 8

Other Elected Officials

Janet Brown Jurosko, Auditor
Leah Guerry Dupree, Clerk of Court
Darnell Hartwell, Coroner
Keith Kornahrens, Probate Judge
Cynthia Forte, Register of Deeds
Duane Lewis, Sheriff
Scarlett Wilson, Solicitor
Carolyn Umphlett, Treasurer



Thompson, Price, Scott, Adams & Co, P.A.

**P.O Box 398
1626 S. Madison Street
Whiteville, NC 28472
Telephone (910) 642-2109
Fax (910) 642-5958**

**Alan W. Thompson, CPA
R. Bryon Scott, CPA
Gregory S. Adams, CPA**

INDEPENDENT AUDITORS' REPORT

County Council
Berkeley County, South Carolina
Moncks Corner, South Carolina

Report on the Financial Statements

Opinions

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 Berkeley County, South Carolina, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Berkeley County's basic financial statements as listed in the table of contents.

In our opinion, based upon our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Berkeley County, South Carolina as of June 30, 2025, and the respective changes in financial position and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under these standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Berkeley County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibility of Management for the Audit of 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.

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

Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Governmental Auditing Standards* will always detect material statement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Governmental Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison information on pages 5-17 and 79-80, Schedules of the County's Proportionate Share of Net Pension Liability, Schedule of County's Contributions, and the Schedules of the Changes in Other Post-Employment Benefit Plan and Pension Schedules on page 81-86, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of Berkeley County, South Carolina. The combining and individual nonmajor fund financial statements, as listed in the table of contents, are presented for purpose of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and supplemental schedule of fines, assessments and surcharges 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, based on our audit, the procedures performed as described above, the combining and individual nonmajor fund financial statements, supplemental schedule of fines, assessments and surcharges 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.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the listed of elected officials but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 9, 2026 on our consideration of Berkeley 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 the report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Berkeley County's internal control over financial reporting and compliance.

Thompson, Price, Scott, Adams & Co., P.A.

Thompson, Price, Scott, Adams & Co., P.A.

Whiteville, NC

January 9, 2026

Our discussion and analysis of Berkeley County's annual financial report presents a narrative overview of the County's financial performance during the fiscal year ended June 30, 2025. This information should be read, in conjunction, with the financial statements and the accompanying notes.

FINANCIAL HIGHLIGHTS

- Berkeley County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources (net position) on June 30, 2025, by approximately \$1.2 billion compared to approximately \$1.1 billion at the prior fiscal year-end. Berkeley County's unrestricted net position on June 30, 2025, amounted to a balance of approximately \$203 million, which was an increase of approximately \$39 million from the previous fiscal year's balance of \$164 million.
- The County's total net position this fiscal year increased approximately \$170.2 million over the previous year. The increase consists of approximately a \$92.4 million increase from governmental activities and an increase of approximately \$77.9 million from business-type activities.
- At June 30, 2025, the County's governmental funds reported combined ending fund balances of approximately \$425.5 million, an increase of approximately \$62.0 million over the previous fiscal year. Total fund balances include approximately \$93.8 million for the General Fund, \$280.5 million for the Capital Projects Fund, and \$51.2 million for all other governmental funds.
- The General Fund reported an unassigned fund balance of approximately \$88.1 million, a decrease of approximately \$10.7 million over the prior year's unassigned fund balance of \$98.8 million.
- The County's total net capital assets were approximately \$974.8 million at June 30, 2025, an increase of approximately \$52.3 million from the prior year total capital assets of \$922.5 million.
- The County's total long-term indebtedness (bonds, loans, leases and financial purchased obligations (FPO), and subscription based information technology agreements (SBITA)) was approximately \$266.1 million at June 30, 2025, a decrease of approximately \$18.2 million from the previous year.
- The debt service coverage ratio for the Water, Sewer and Solid Waste revenue bonds (combined for this purpose as a result of the ordinances approved in August 2010) including fees was 406%, which exceeded the 120% required by the bond covenants.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Berkeley County's financial statements. The financial statements are comprised of three sections: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-Wide Financial Statements

Government-wide financial statements provide a broad overview of the financial position of Berkeley County and are similar to private-sector financial statements. They include a Statement of Net Position and a Statement of Activities.

The Statement of Net Position shows the County's assets and deferred outflows of resources less its liabilities and deferred inflows of resources at June 30, 2025. The difference between these assets/deferred outflows of resources and liabilities/deferred inflows of resources is reported as net position. Changes in net position over time may be helpful in indicating an improving or deteriorating financial condition.

The Statement of Activities follows the Statement of Net Position and presents information showing how the net position changed during the fiscal year. The statement presents all underlying events which give rise to the change, regardless of the timing of the related cash flows.

Both statements attempt to distinguish functions of Berkeley 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).

Governmental activities reported in the statements include general government, public safety, airport, highways and streets, culture and recreation, health and welfare, community development and disaster. The business-type activities are water and sewer and solid waste.

Fund Financial Statements

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

Governmental Funds – Governmental funds are used to account for essentially the same functions as reported under the governmental activities column of the government-wide Statement of Net Position and Statement of Activities. However, this set of financial statements focuses on events that produce near-term inflows and outflows of spendable resources, as well as on the balances of spendable resources available at the end of the fiscal year and is a narrower focus than the government-wide financial statements. Such information may be useful in evaluating Berkeley County's near-term financing requirements and available resources.

By comparing functions between the two sets of statements for governmental funds and governmental activities, 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 statements of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Proprietary Funds – Services for which the County charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long and short-term financial information. These funds are similar to the government-wide business-type activities, but provide more detail and additional information, such as a cash flow statement.

OVERVIEW OF THE FINANCIAL STATEMENTS

Fund Financial Statements (continued)

Fiduciary Funds – Berkeley County uses fiduciary funds to account for resources held for the benefit of parties outside county government. Although these funds are presented in the fund set of statements, they do not appear in the government-wide financial statements because the resources of fiduciary funds are not available to support Berkeley County Government’s own programs. Berkeley County reports its fiduciary funds in a separate Statement of Fiduciary Net Position.

Notes to the Financial Statements – The notes provide required disclosures and other information that are essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes present information about the County’s accounting policies, significant account balances and activities, material risks, obligations, commitments, contingencies and subsequent events.

Other Information – In addition to the financial statements and the accompanying notes, this report also presents certain required supplementary information that includes this analysis, the General Fund budgetary comparison, and pension and other post-employment benefit plan related schedules. As required by law, the County also presents a Schedule of Fines, Assessments, and Surcharges Collected. Additionally, supplementary information, which is not required but includes the combining statements, where nonmajor governmental funds are presented.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Comparative data for net position as of June 30, 2025 and 2024 are shown below:

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
ASSETS						
Current and Other Assets	\$ 599,774	\$ 532,804	\$ 306,017	\$ 264,766	\$ 905,791	\$ 797,570
Capital Assets, Net	321,216	296,743	653,630	625,775	974,846	922,518
TOTAL ASSETS	920,990	829,547	959,647	890,541	1,880,637	1,720,088
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Charges	295	368	5,849	6,910	6,144	7,278
Deferred Pension Charges	26,475	19,603	5,640	3,954	32,115	23,557
TOTAL DEFERRED OUTFLOWS OF RESOURCES	26,770	19,971	11,489	10,864	38,259	30,835
LIABILITIES						
Current Liabilities	71,199	80,637	48,537	46,192	119,736	126,829
Non-current Liabilities	204,450	203,928	188,234	198,998	392,684	402,926
TOTAL LIABILITIES	275,649	284,565	236,771	245,190	512,420	529,755
DEFERRED INFLOWS OF RESOURCES						
Deferred Revenue	110,533	96,849	-	-	110,533	96,849
Lease Receipts	448	525	-	-	448	525
Deferred Pension/OPEB Credits	8,853	7,667	1,736	1,442	10,589	9,109
TOTAL DEFERRED INFLOWS OF RESOURCES	119,834	105,041	1,736	1,442	121,570	106,483
NET POSITION						
Net Investment in Capital Assets	273,572	255,956	489,977	449,072	763,549	705,028
Restricted	316,095	244,022	2,136	1,645	318,231	245,667
Unrestricted	(37,390)	(40,066)	240,516	204,056	203,126	163,990
TOTAL NET POSITION	\$ 552,277	\$ 459,912	\$ 732,629	\$ 654,773	\$ 1,284,906	\$ 1,114,685

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Information about changes in net position can identify sources of County revenue, and how the County uses its funds. Below is a summary of the change in net position for the fiscal years ending June 30, 2025, and 2024:

Berkeley County						
Net Position (In Thousands)						
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Revenues:						
Program Revenues:						
Charges for Services	\$ 52,662	\$ 42,788	\$ 133,977	\$ 116,979	\$ 186,639	\$ 159,767
Operating Grants and Contributions	13,686	15,714	360	1,977	14,046	17,691
Capital Grants and Contributions	39,200	31,508	37,607	45,789	76,807	77,297
General Revenues:						
Property Taxes	70,900	61,474	-	-	70,900	61,474
Fee in Lieu of Taxes	28,385	26,039	-	-	28,385	26,039
Local Option Sales Tax	30,928	28,038	-	-	30,928	28,038
Transportation Sales Tax	62,533	59,275	-	-	62,533	59,275
Other Taxes	1,856	1,971	-	-	1,856	1,971
Unrestricted Grants	10,334	9,823	-	-	10,334	9,823
Interest Income	14,757	16,460	5,778	5,274	20,535	21,734
Gain on Sale of Assets	521	245	275	534	796	779
Insurance Proceeds	913	879	-	-	913	879
Miscellaneous	4,055	1,550	-	-	4,055	1,550
Total Revenues	<u>330,730</u>	<u>295,764</u>	<u>177,997</u>	<u>170,553</u>	<u>508,727</u>	<u>466,317</u>
Expenses:						
General Government	48,259	42,654	-	-	48,259	42,654
Public Safety	87,679	78,184	-	-	87,679	78,184
Airport, Highways and Streets	72,484	80,550	-	-	72,484	80,550
Culture and Recreation	8,365	6,952	-	-	8,365	6,952
Health and Welfare	10,293	4,831	-	-	10,293	4,831
Community Development	9,751	19,809	-	-	9,751	19,809
Interest and Fiscal Charges	1,034	1,575	-	-	1,034	1,575
Water and Sewer	-	-	69,333	59,888	69,333	59,888
Solid Waste	-	-	31,308	25,090	31,308	25,090
Total Expenses	<u>237,865</u>	<u>234,555</u>	<u>100,641</u>	<u>84,978</u>	<u>338,506</u>	<u>319,533</u>
Increase in Net Position before Transfers	92,865	61,209	77,356	85,575	170,221	146,784
Transfers in (out)	(500)	(500)	500	500	-	-
Change in Net Position	<u>92,365</u>	<u>60,709</u>	<u>77,856</u>	<u>86,075</u>	<u>170,221</u>	<u>146,784</u>
Net Position, Beginning of Year	<u>459,912</u>	<u>399,203</u>	<u>654,773</u>	<u>568,698</u>	<u>1,114,685</u>	<u>967,901</u>
Net Position, End of Year	<u>\$ 552,277</u>	<u>\$ 459,912</u>	<u>\$ 732,629</u>	<u>\$ 654,773</u>	<u>\$1,284,906</u>	<u>\$1,114,685</u>

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

The County reported positive balances in all categories of net position in both governmental and business-type activities for 2025 except for governmental activities unrestricted net position. The County's total unrestricted net position increased approximately \$39.1 million. Total restricted net position increased approximately \$74.3 million and net investment in capital assets increased \$58.5 million. Unrestricted net position is County resources that may be used to meet the County's ongoing obligations to citizens and creditors while restricted assets are resources subject to external restriction.

The largest portion of the County's net position (59.3%) reflects its net investment in capital assets (e.g., land, buildings, infrastructure, software, machinery, and equipment). These assets are presented less any outstanding debt related to the acquisition and accumulated depreciation of those assets. The County uses capital assets to provide services to citizens and consequently these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, the capital assets themselves cannot be used to liquidate that liability and other resources will be needed to repay any associated debt.

Governmental Activities.

The County recognized an overall increase in governmental activities revenues of approximately \$35.0 million (approx. 12%) in 2025 as compared to 2024 primarily due to an increase of approximately \$9.4 million in property tax, \$3.3 million in transportation sales tax, \$2.8 million in local option sales tax, \$9.9 million in charges for services and \$7.7 million in capital grants and contributions.

Expenses increased approximately \$1.6 million (approx. 1%) in 2025 compared to 2024 primarily due to a \$9.5 million increase in public safety, offsetting with a \$10.0 million decrease in community development and increase in airport, highways and streets of \$9.5 million.

Business-type Activities.

Revenues for business-type activities increased \$7.4 million (approx. 4%) mainly due to a \$17.0 million increase in charges for services, offsetting with a \$8.2 million decrease in capital grants and contributions.

Expenses for business-type activities increased \$15.6 million (approx. 18%) mainly due to a \$3.5 million increase in personnel, \$1.5 million increase in utilities, \$2.6 million increase in depreciation, \$5.6 million increase in landfill closure and post-closure cost and \$1.7 million in interest expense.

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

FINANCIAL ANALYSIS OF BERKELEY COUNTY'S FUNDS

Governmental Funds.

The following schedule presents a summary of all governmental fund revenues and other financing sources for the fiscal year ended June 30, 2025, and the amount and percentage of increases and decreases in relation to prior year amounts (in thousands):

	Amount	Percent of Total	Increase (Decrease) from 2024	Percent Increase (Decrease)
Revenues				
Property Taxes and Accommodations Fee	\$ 63,720	16.9%	\$ 8,198	14.8%
Fee in Lieu of Taxes	28,384	7.5%	2,346	9.0%
Local Taxes (transportation and local option sales tax)	101,646	26.9%	7,437	7.9%
Licenses, Fees and Permits	9,969	2.6%	3,138	45.9%
Fines, Forfeitures and Fees	41,566	11.0%	6,121	17.3%
Interest Income	15,117	4.0%	(1,777)	-10.5%
Local Revenue	1,563	0.4%	262	20.1%
Intergovernmental - Federal	9,923	2.6%	(10,960)	-52.5%
Intergovernmental - State and Local	35,812	9.5%	8,838	32.8%
Insurance Proceeds	911	0.3%	32	3.6%
Miscellaneous	5,906	1.6%	3,417	137.3%
Other Financing Sources				
Proceeds for Lease Financing	-	0.0%	(618)	-100.0%
Contributed Capital	3,392	0.9%	3,046	100.0%
Proceeds from Disposal of Assets	297	0.1%	38	14.7%
Transfers In	59,202	15.7%	34,411	138.8%
Total	<u>\$ 377,408</u>	<u>100.0%</u>	<u>\$ 63,929</u>	<u>20.4%</u>

Increases from prior year were reported within property and accommodations taxes, fee in lieu of taxes, local taxes, license, fees and permits, fines forfeitures and fees, local revenue, state intergovernmental revenue, insurance proceeds, miscellaneous revenue and other financing sources. Decreases include interest income, federal intergovernmental revenue and transfers in reported in other financing sources. Transfers consistent of activity between types of governmental activities and there is a corresponding transfer out reported as other financing uses.

The following schedule presents a summary of all governmental funds expenditures and other financing uses for the fiscal year ended June 30, 2025, and the percentage of increases and decreases in relation to prior year amounts (in thousands):

FINANCIAL ANALYSIS OF BERKELEY COUNTY'S FUNDS (CONTINUED)

Governmental Funds (Continued)

	Amount	Percent of Total	Increase (Decrease) from 2024	Percent Increase (Decrease)
Expenditures:				
General Government	\$ 46,113	14.6%	\$ 5,443	13.4%
Public Safety	79,370	25.2%	7,163	9.9%
Airport, Highways and Streets	36,188	11.5%	5,043	16.2%
Culture and Recreation	8,428	2.7%	1,594	23.3%
Health and Welfare	8,606	2.7%	3,660	74.0%
Community Development	7,223	2.3%	(413)	-5.4%
Capital Outlay	57,785	18.3%	(20,199)	-25.9%
Debt Service:				
Principal Retirement	8,318	2.6%	4,898	143.2%
Interest and Fiscal Charges	3,650	1.2%	(132)	-3.5%
Other Financing Uses:				
Transfers Out	59,702	18.9%	34,411	136.1%
Total	\$ 315,383	100.0%	\$ 41,468	15.1%

Total expenditures increased \$41.5 million, including a \$5.4 million increase in general government, \$7.2 million increase in public safety, \$5.0 million increase in airport, highways and streets, and \$34.4 million increase in transfers out. Transfers consist of activity between types of governmental activities and there is a corresponding transfer in reported as other financial sources.

Governmental Funds

The General Fund is the chief operating fund of the County. At the end of the fiscal year, the total fund balance in the General Fund was \$93.8 million of which \$88.1 million was unassigned. As a measure of the General Fund's liquidity, it may be useful to compare total unassigned fund balance to total General Fund expenditures and transfers to other funds. Total net unassigned fund balance of approximately \$88.1 million represents 52.9% of total General Fund expenditures, debt service and transfers to other funds of approximately \$166.8 million, while total fund balance of \$93.8 million represents 56.2% of that same amount as of June 30, 2025.

The Capital Projects Fund has a total fund balance of approximately \$280.5 million, all of which is either non-spendable due to prepaid items, or restricted for future transportation projects, the assessment district capital projects, or for other capital projects. The net increase in fund balance during the current year was approximately \$69.7 million primarily due mainly to increase in transportation sales tax and transfers in reported in other financing sources.

FINANCIAL ANALYSIS OF BERKELEY COUNTY'S FUNDS (CONTINUED)

Proprietary Funds

Proprietary fund statements provide the same information as in the business-type activities column of the government-wide statements, but in greater detail, and on a fund basis for enterprise funds. The two enterprise funds are Water and Sewer and Solid Waste.

At June 30, 2025, total net position amounted to approximately \$732.6 million for enterprise funds as compared to approximately \$654.8 million at June 30, 2024. Net position changes are a result of operations, other non-operating revenues and expenses, capital contributions and donated assets, grants and transfers from other funds.

Income from operations is the result of operational revenues less operational expenses. The table below shows net income or losses from operations for all enterprise funds.

Operating Income (Loss) (In Thousands)		
	2025	2024
Water and Sewer	\$ 41,658	\$ 32,977
Solid Waste	(4,922)	751
Total	<u>\$ 36,736</u>	<u>\$ 33,728</u>

The Water and Sewer Fund experienced a \$8.7 million increase in operating income primarily due to increases of \$16.7 million in charges for sales and services and impact fees, along with a \$7.8 million increase in operating expenses. The Solid Waste Fund experienced a \$5.7 million decrease in operating income primarily due to increases of \$.5 million in charges for sales and services and an increase in operating expenses of \$5.6 million for the estimate of landfill closure and post-closure costs.

General Fund Budgetary Highlights

The County's General Fund budget is the fiscal plan to provide services to the taxpayers and the resources required to provide those services. Budget to actual statements reporting these services and resources are provided in the financial statements for the General Fund.

Budget columns are provided for both the original budget adopted for the year ended June 30, 2025, as well as the final budget. The difference between the original budget and the final budget is primarily related to the supplemental appropriations approved by Council throughout the year. During the year ending June 30, 2025, net amendments totaling approximately \$40.3 million in use of fund balance were made to the General Fund budget.

FINANCIAL ANALYSIS OF BERKELEY COUNTY’S FUNDS (CONTINUED)

General Fund Budgetary Highlights (Continued)

A column for actual revenues and a column for differences between final budget and actual revenues follow the budgeted amounts columns. During the year ended June 30, 2025, revenues were more than budgetary estimates by approximately \$16.5 million as property taxes, fee in lieu of taxes, local option sales tax, fines, forfeitures, and fees and interest income were all over budget.

A column for actual expenditures and a column for differences between final budget and actual expenditures follow the budgeted amounts columns. During the year ended June 30, 2025, expenditures were less than budgetary estimates by approximately \$28.5 million. Personnel cost and IT services maintenance and services contracts represent much of this variance.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. As of June 30, 2025, the County had approximately \$974.8 million invested in capital assets, net of depreciation. This was an increase of approximately \$52.3 million from the prior year end. The investment in capital assets, both purchased and donated, includes land, buildings and utility systems, improvements, machinery and equipment, parks, roads, bridges and major drainage structures. Notable activity includes additional utility systems, construction in progress and building and improvements. The table below reflects the capital asset balances as of June 30, 2025, and 2024, net of accumulated depreciation (in thousands).

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 12,161	\$ 10,356	\$ 3,563	\$ 3,563	\$ 15,724	\$ 13,919
Construction in Progress	51,651	35,883	35,734	48,941	87,385	84,824
Buildings and Improvements	46,301	44,594	-	-	46,301	44,594
Furniture and Equipment	14,367	15,929	17,623	13,851	31,990	29,780
Utility Systems, Plants and Buildings	-	-	596,710	559,401	596,710	559,401
Right to use	1,065	1,235	-	-	1,065	1,235
SBITA	4,467	7	-	19	4,467	26
Infrastructure	175,335	175,482	-	-	175,335	175,482
Other	15,869	13,257	-	-	15,869	13,257
Total	<u>\$ 321,216</u>	<u>\$ 296,743</u>	<u>\$ 653,630</u>	<u>\$ 625,775</u>	<u>\$ 974,846</u>	<u>\$ 922,518</u>

More detailed information about the County’s capital assets is included in Note III. D of the Notes to the Financial Statements.

Long-Term Debt At June 30, 2025, the County had approximately \$266.1 million in bonds, loans and leases and financial purchase obligations (FPO) and subscription based information technology agreements (SBITA) outstanding versus approximately \$284.4 million at June 30, 2024, or a decrease of approximately \$18.2 million.

The County’s current general obligation rating is AA+/Standard and Poor’s, Aa1/Moody’s, and the County’s revenue bond rating is AA+/Standard and Poor’s and Aa2/Moody’s. These ratings reflect the financial strength of Berkeley County and its management staff.

CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)

Long-Term Debt (continued)

The table below reflects the outstanding balances (in thousands) as of June 30, 2025, and 2024

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
General Obligation Bonds & Premiums	\$ 90,951	\$ 99,075	\$ -	\$ -	\$ 90,951	\$ 99,075
Intergovernmental Loans	-	358	-	-	-	358
Revenue Bonds	-	-	84,424	97,240	84,424	97,240
State Revolving Loan Fund	-	-	84,632	85,143	84,632	85,143
Leases and Financial Purchase Obligations (FPO)	937	1,305	446	1,230	1,383	2,535
Subscription Based Information Technology Agreements	4,735	-	-	-	4,735	-
Total	\$ 96,623	\$ 100,738	\$ 169,502	\$ 183,613	\$ 266,125	\$ 284,351

More detailed information about the County's debt and other long-term liabilities is presented in Note III. G of the Notes to the Financial Statements.

ECONOMIC FACTORS AND THE 2025 BUDGET

Factors considered in preparing Berkeley County's budget for the year ended on June 30, 2025, included:

Despite global economic uncertainty and tariffs, Berkeley County continues to demonstrate strong competitiveness in industrial growth, both locally and statewide.

As of December, we have received over 116 RFI's (requests for information). Existing industry expansions and foreign direct investment remain robust, with core sectors such as defense, chemicals, and advanced manufacturing leading the way.

Berkeley County remains the third-fastest-growing county in South Carolina, after Horry and York counties. The Charleston metropolitan statistical area (MSA) is experiencing a daily net gain of 41 people, with 20 choosing to call Berkeley County home. The Charleston MSA is still projected to surpass 1 million residents by 2030. Average hourly wages in Berkeley County have increased \$2.20 an hour since 2024 and currently sit at \$27.71.

As we close out 2025, we have had two existing industry announcements totaling over \$173 million, with two other projects totaling \$390 million going through readings. We expect this positive trend line to continue well into 2026, including the possibility of a long-awaited project win for the Town of St. Stephen and Northern rural communities.

OTHER POTENTIALLY SIGNIFICANT MATTERS

Wastewater Treatment

The Central Berkeley Wastewater Treatment Plant has begun an expansion project that will increase capacity from 6 to 9 MGD. Construction started in August 2025 and is projected to be completed in the first quarter of 2027. This project is being funded from a \$10,000,000 South Carolina Infrastructure investment grant with the balance financed through the States Revolving Fund.

OTHER POTENTIALLY SIGNIFICANT MATTERS (CONTINUED)

Major Sewer Capital Project

Pump Station 047 Upgrade:

This pump station plays a major role in conveying wastewater to the lower Berkeley treatment facility. Due to significant growth and aging infrastructure, the station requires an upgrade. A preliminary engineering report is currently underway, and design is projected to begin in the first quarter of 2026.

Major Water Capital Project

Lake Marion Orangeburg-Berkeley Waterline Project:

This project is for the installation of 16 miles of 20-inch water distribution main to serve the western parts of Berkeley County. Once completed, the line will be capable of supplying up to 3 million gallons per day to the area. This project is projected to be completed in early 2026.

Solid Waste Collection and Disposal

In June of 2019, Repower South, a recovery and renewable energy company began operations with the County. There have been challenges which have equated to increased outstanding receivables in the Solid Waste Fund. Recently, the County approved a settlement and agreement with Repower South. The restructuring and closing of the new arrangement occurred in September 2025.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general financial overview of Berkeley County Government's finances for all those with an interest in our government. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed by mail to the Berkeley County Finance Department at Post Office Box 6122, Moncks Corner, SC, 29461-6120.

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BASIC FINANCIAL STATEMENTS

BERKELEY COUNTY, SOUTH CAROLINA

STATEMENT OF NET POSITION

JUNE 30, 2025

	PRIMARY GOVERNMENT		
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	\$ 25,608,922	\$ 259,228,314	\$ 284,837,236
Investments	107,594,706	-	107,594,706
Receivables, Net of Allowances:			
Property Taxes	112,058,530	-	112,058,530
Transportation Sales Tax	16,657,185	-	16,657,185
Accounts Receivable	3,917,439	27,090,521	31,007,960
Lease Receivable	442,747	-	442,747
Federal, State and Local Governments	4,120,798	16,969,674	21,090,472
Internal Balances	3,189,614	(3,189,614)	-
Inventories, at Cost	64,268	1,006,742	1,071,010
Prepaid Items	3,144,635	1,221,277	4,365,912
Restricted Cash and Cash Equivalents	104,480,511	3,424,067	107,904,578
Restricted Investments	218,494,718	-	218,494,718
TOTAL CURRENT ASSETS	599,774,073	305,750,981	905,525,054
NON-CURRENT ASSETS			
CAPITAL ASSETS			
Non-Depreciable	63,812,355	39,297,325	103,109,680
Depreciable, Net of Accumulated Depreciation	251,871,485	614,332,595	866,204,080
Right to Use Leased Assets, Net of Accumulated Amortization	1,065,144	-	1,065,144
Subscription Based IT arrangements, Net of Accumulated Amortization	4,466,544	-	4,466,544
TOTAL CAPITAL ASSETS	321,215,528	653,629,920	974,845,448
OTHER NON-CURRENT ASSETS			
Accounts Receivable, Due in More Than One Year	-	265,021	265,021
TOTAL OTHER NON-CURRENT ASSETS	-	265,021	265,021
TOTAL NON-CURRENT ASSETS	321,215,528	653,894,941	975,110,469
TOTAL ASSETS	920,989,601	959,645,922	1,880,635,523
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charges	294,548	5,849,066	6,143,614
Deferred Pension/OPEB Outflows	26,474,666	5,640,269	32,114,935
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ 26,769,214	\$ 11,489,335	\$ 38,258,549

(Continued)

The notes to the financial statements are an integral part of this statement.

BERKELEY COUNTY, SOUTH CAROLINA

STATEMENT OF NET POSITION

JUNE 30, 2025

	PRIMARY GOVERNMENT		
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
LIABILITIES			
CURRENT LIABILITIES			
Accounts Payable and Accrued Liabilities	\$ 46,010,493	\$ 5,554,538	\$ 51,565,031
Accrued Interest Payable	454,871	148,096	602,967
Accrued Compensated Absences	4,812,342	373,139	5,185,481
Landfill Closure and Postclosure Cost Liability	-	21,245,511	21,245,511
Unearned Revenue	15,927,829	4,463,862	20,391,691
Bonds, Loans, Leases, SBITA, and FPO	3,993,222	16,751,476	20,744,698
TOTAL CURRENT LIABILITIES	71,198,757	48,536,622	119,735,379
NON-CURRENT LIABILITIES			
Accrued Compensated Absences, net of current portion	6,218,687	1,119,417	7,338,104
Total OPEB Liability	2,315,039	534,079	2,849,118
Landfill Closure and Postclosure Cost Liability, net of current portion	-	10,108,466	10,108,466
Bonds, Loans, Leases, SBITA and FPO, net of current portion	92,629,290	152,751,001	245,380,291
Accrued Arbitrage Rebate Liability	794,137	-	794,137
Net Pension Liability	102,492,495	23,721,095	126,213,590
TOTAL NON-CURRENT LIABILITIES	204,449,648	188,234,058	392,683,706
TOTAL LIABILITIES	275,648,405	236,770,680	512,419,085
DEFERRED INFLOWS OF RESOURCES			
Deferred Revenue	110,532,534	-	110,532,534
Lease Receipts	448,087	-	448,087
Deferred Pension/OPEB Inflows	8,852,591	1,736,130	10,588,721
TOTAL DEFERRED INFLOWS OF RESOURCES	119,833,212	1,736,130	121,569,342
NET POSITION			
Net Investment in Capital Assets	273,572,409	489,976,509	763,548,918
Restricted For:			
Capital Projects	280,491,147	-	280,491,147
Debt Service	12,857,081	2,135,936	14,993,017
Economic Development	2,819,492	-	2,819,492
Emergency Telephone	1,289,236	-	1,289,236
Stormwater Management	6,603,102	-	6,603,102
Other	12,034,633	-	12,034,633
Unrestricted	(37,389,902)	240,516,002	203,126,100
TOTAL NET POSITION	\$ 552,277,198	\$ 732,628,447	\$ 1,284,905,645

The notes to the financial statements are an integral part of this statement.

BERKELEY COUNTY, SOUTH CAROLINA

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2025

PRIMARY GOVERNMENT:	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT		TOTAL
					GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	
Governmental Activities:							
General Government	\$ 48,258,679	\$ 19,037,550	\$ 2,234,345	\$ 15,328	\$ (26,971,456)	\$ -	\$ (26,971,456)
Public Safety	87,679,837	24,379,761	8,715,814	5,184,675	(49,399,587)	-	(49,399,587)
Airport, Highways and Streets	72,485,195	7,257,702	-	23,766,738	(41,460,755)	-	(41,460,755)
Culture and Recreation	8,365,421	1,620,240	750,015	-	(5,995,166)	-	(5,995,166)
Health and Welfare	10,292,893	201,243	14,396	-	(10,077,254)	-	(10,077,254)
Community Development	9,751,815	165,076	1,971,271	10,233,297	2,617,829	-	2,617,829
Interest and Fiscal Charges	1,035,437	-	-	-	(1,035,437)	-	(1,035,437)
Total Governmental Activities	237,869,277	52,661,572	13,685,841	39,200,038	(132,321,826)	-	(132,321,826)
Business-Type Activities:							
Water and Sewer	69,332,822	107,675,073	194,494	37,607,118	-	76,143,863	76,143,863
Solid Waste	31,308,210	26,301,840	165,010	-	-	(4,841,360)	(4,841,360)
Total Business-Type Activities	100,641,032	133,976,913	359,504	37,607,118	-	71,302,503	71,302,503
Total Primary Government	\$ 338,510,309	\$ 186,638,485	\$ 14,045,345	\$ 76,807,156	(132,321,826)	71,302,503	(61,019,323)
General Revenues:							
Taxes and Fees:							
Property Taxes					70,900,292	-	70,900,292
Fee in Lieu of Taxes					28,384,127	-	28,384,127
Local Option Sales Tax					30,927,695	-	30,927,695
Transportation Sales Tax					62,532,541	-	62,532,541
County Accommodations					1,583,987	-	1,583,987
Franchise Taxes					277,772	-	277,772
Grants and Contributions not Restricted to Specific Programs					10,334,065	-	10,334,065
Interest Income					14,756,729	5,778,645	20,535,374
Gain on Sale of Assets					521,264	274,950	796,214
Insurance and Settlements Proceeds					912,799	-	912,799
Miscellaneous					4,055,381	-	4,055,381
Transfers					(500,000)	500,000	-
Total General Revenues and Transfers					224,686,652	6,553,595	231,240,247
CHANGE IN NET POSITION					92,364,826	77,856,098	170,220,924
NET POSITION - Beginning of Year					459,912,372	654,772,349	1,114,684,721
NET POSITION - End of Year					\$ 552,277,198	\$ 732,628,447	\$ 1,284,905,645

The notes to the financial statements are an integral part of this statement.

BERKELEY COUNTY, SOUTH CAROLINA

BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2025

	GENERAL FUND	CAPITAL PROJECTS FUND	AMERICAN RESCUE PLAN ACT	NONMAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS					
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ 25,608,922	\$ 25,608,922
Investments	107,594,706	-	-	-	107,594,706
Receivables, Net of Allowances:					
Property Taxes	81,093,339	-	-	30,965,191	112,058,530
Transportation Sales Tax	-	16,657,185	-	-	16,657,185
Accounts Receivable	3,277,815	-	-	639,624	3,917,439
Lease Receivable	442,747	-	-	-	442,747
Federal, State and Local Governments	2,638,010	-	-	1,482,788	4,120,798
Due from Other Funds	3,897,640	-	-	-	3,897,640
Inventories, at Cost	50,421	-	-	13,847	64,268
Prepaid Items	1,298,178	2,546,457	-	-	3,844,635
Restricted Cash and Cash Equivalents	-	68,479,141	17,708,380	18,292,990	104,480,511
Restricted Investments	-	207,124,835	-	11,369,883	218,494,718
TOTAL ASSETS	\$ 200,292,856	\$ 294,807,618	\$ 17,708,380	\$ 88,373,245	\$ 601,182,099
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES					
LIABILITIES					
Accounts Payable and Accrued Liabilities	\$ 24,813,225	\$ 13,844,881	\$ 2,575,840	\$ 4,776,546	\$ 46,010,492
Due to Other Funds	104,144	-	-	603,882	708,026
Unearned Revenue	323,699	471,590	15,132,540	-	15,927,829
TOTAL LIABILITIES	25,241,068	14,316,471	17,708,380	5,380,428	62,646,347
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	424,331	-	-	1,635,637	2,059,968
Lease Receipts	448,087	-	-	-	448,087
Deferred Revenue	80,409,689	-	-	30,122,845	110,532,534
TOTAL DEFERRED INFLOWS OF RESOURCES	81,282,107	-	-	31,758,482	113,040,589
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	106,523,175	14,316,471	17,708,380	37,138,910	175,686,936
FUND BALANCES					
Nonspendable:					
Inventory	50,421	-	-	13,847	64,268
Prepaid Items	1,298,178	2,546,457	-	-	3,844,635
Restricted for:					
Debt Service	-	-	-	12,857,081	12,857,081
Transportation Projects	-	157,920,978	-	-	157,920,978
Economic Development	-	-	-	2,819,492	2,819,492
Clerk of Court	-	-	-	189,459	189,459
Grants	-	-	-	271,629	271,629
Emergency Telephone	-	-	-	1,289,236	1,289,236
Stormwater Management	-	-	-	6,603,102	6,603,102
Capital and Infrastructure Projects	-	120,023,712	-	-	120,023,712
Accommodations	-	-	-	2,716,690	2,716,690
Other	-	-	-	7,567,619	7,567,619
Committed for:					
Special Tax Districts	-	-	-	2,935,294	2,935,294
Economic Development	-	-	-	7,363,611	7,363,611
Airport, Highways and Streets	-	-	-	908,846	908,846
Geographic Information Systems	-	-	-	86,084	86,084
Emergency Preparedness	-	-	-	15,276	15,276
Parks and Recreation	-	-	-	5,597,069	5,597,069
Assigned for:					
OPEB Contribution	3,230,409	-	-	-	3,230,409
Purchases on Order	1,059,810	-	-	-	1,059,810
Unassigned	88,130,863	-	-	-	88,130,863
TOTAL FUND BALANCES	93,769,681	280,491,147	-	51,234,335	425,495,163
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 200,292,856	\$ 294,807,618	\$ 17,708,380	\$ 88,373,245	\$ 601,182,099

The notes to the financial statements are an integral part of this statement.

BERKELEY COUNTY, SOUTH CAROLINA

RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION

YEAR ENDED JUNE 30, 2025

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS **\$ 425,495,163**

Amounts reported for the 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 as assets in governmental funds. The cost of the assets was \$642,386,154 and the accumulated depreciation was \$319,638,746 and accumulated amortization was \$1,531,880. 321,215,528

Prepaid lease obligation that is reclassified into a right to use capital asset but reported as a prepaid rent on the governmental funds. Right to use asset as a value of \$1 million with accumulated amortization of \$300,000. (700,000)

Other assets are not available to pay for current period expenditures and therefore are not reported or are considered unavailable in the funds:
Property Taxes 2,059,968

Bond deferred losses are amortized over the lives of the bonds in the statement of net position; however, in the governmental funds, bond deferred losses are expenditures the year they are incurred. The bond deferred losses of \$1,834,558 have been shown net of accumulated amortization of \$1,540,010 294,548

The County's proportionate shares of the net pension liability, deferred outflows of resources, and deferred inflows of resources related to its participation in the State pension plans are not recorded in the governmental funds but are recorded in the Statement of Net Position. (83,955,151)

The County's other post-employment benefits liability (OPEB) deferred outflows of resources and deferred inflows of resources related to its participation in the OPEB plan are not recorded in the governmental funds but are recorded in the Statement of Net Position. (3,230,309)

Long-term liabilities, including bonds and notes payable, are not due or payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consisted of the following:

General Obligation Bonds	(87,685,000)	
Bond Premium	(3,265,782)	
Financial Purchased Obligations (FPO)	(519,443)	
Lease and SBITA Liabilities	(5,152,287)	
Accrued Compensated Absences	(11,031,029)	
Accrued Arbitrage Rebate Liability	(794,137)	
Accrued Interest Liability	(454,871)	
	(108,902,549)	(108,902,549)

TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES **\$ 552,277,198**

BERKELEY COUNTY, SOUTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2025

	GENERAL FUND	CAPITAL PROJECTS FUND	AMERICAN RESCUE PLAN ACT	NONMAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES					
Property Taxes	\$ 49,625,385	\$ -	\$ -	\$ 12,510,668	\$ 62,136,053
Accommodations Fee	-	-	-	1,583,987	1,583,987
Fee in Lieu of Taxes	23,628,527	-	-	4,755,600	28,384,127
Local Option Sales Tax	31,727,705	7,386,212	-	-	39,113,917
Transportation Sales Tax	-	62,532,541	-	-	62,532,541
Licenses, Fees and Permits	9,456,335	-	-	512,165	9,968,500
Fines, Forfeitures and Fees	19,413,984	-	-	22,151,723	41,565,707
Interest Income	6,192,909	6,000,303	-	2,923,488	15,116,700
Local Revenue	415,247	-	-	1,148,056	1,563,303
Intergovernmental - Federal	192,692	233,297	5,689,724	3,807,582	9,923,295
Intergovernmental - State and Local	11,153,199	10,000,000	-	14,659,065	35,812,264
Insurance Proceeds	469,335	412,355	-	29,432	911,122
Miscellaneous	2,152,125	342,018	10,412	3,401,456	5,906,011
TOTAL REVENUES	154,427,443	86,906,726	5,700,136	67,483,222	314,517,527
EXPENDITURES					
Current:					
General Government	41,910,712	451,513	-	3,750,354	46,112,579
Public Safety	60,715,370	18,001	-	18,636,479	79,369,850
Airport, Highways and Streets	9,888,622	11,020,713	-	15,278,914	36,188,249
Culture and Recreation	4,758,739	454,317	-	3,215,442	8,428,498
Health and Welfare	4,759,401	44,150	2,168,689	1,633,925	8,606,165
Community Development	1,527,565	-	-	5,695,200	7,222,765
Capital Outlay	-	51,493,121	3,531,447	2,760,776	57,785,344
Debt Service:					
Principal Retirement	-	249,559	-	8,068,186	8,317,745
Interest and Fiscal Charges	-	20,714	-	3,629,033	3,649,747
TOTAL EXPENDITURES	123,560,409	63,752,088	5,700,136	62,668,309	255,680,942
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	30,867,034	23,154,638	-	4,814,913	58,836,585
OTHER FINANCING SOURCES (USES)					
Capital Contributions	-	3,392,194	-	-	3,392,194
Proceeds from Disposal of Assets	117,829	113,480	-	66,100	297,409
Transfers In	700,498	55,477,452	-	3,024,374	59,202,324
Transfers Out	(43,191,262)	(12,436,882)	-	(4,074,180)	(59,702,324)
TOTAL OTHER FINANCING SOURCES (USES)	(42,372,935)	46,546,244	-	(983,706)	3,189,603
NET CHANGE IN FUND BALANCES	(11,505,901)	69,700,882	-	3,831,207	62,026,188
FUND BALANCE - Beginning of Year	105,275,582	210,790,265	-	47,403,128	363,468,975
FUND BALANCE - End of Year	\$ 93,769,681	\$ 280,491,147	\$ -	\$ 51,234,335	\$ 425,495,163

The notes to the financial statements are an integral part of this statement.

BERKELEY COUNTY, SOUTH CAROLINA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

YEAR ENDED JUNE 30, 2025

TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS **\$ 62,026,188**

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

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. This amount represents the change in the following for the year.	
Unavailable Revenues	578,013
Interest Income subject to Arbitrage	(359,971)
Repayment of bond and note payable principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	8,317,745
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. This amount represents the change in accrued interest for the year and the interest expensed as a result of the refunding.	283,483
Some expenses reported in the Statement of Activities do not require the use of current financial resources and are not reported as expenditures in the governmental funds.	(802,038)
Changes in the County's deferred inflows of resources for the current year are not reported in the governmental funds but are reported in the Statement of Activities.	227,834
Changes in the County's proportionate share of the net pension liability, deferred outflows of resources, and deferred inflows of resources for the current year are not reported in the governmental funds but are reported in the Statement of Activities.	2,317,164
In the Statement of Activities, infrastructure and equipment contributed by developers and others are reported as revenues. Since such contributions result in neither the receipt nor the use of current financial resources, they are not reflected in the fund statements.	12,027,902
Governmental funds report capital asset additions as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation and amortization expense. This is the amount by which depreciation and amortization expense of \$26,857,176, net gain on disposals of \$521,261 (including \$736,708 in proceeds) on disposal and exceeded capital asset additions of \$34,821,130 excluding donated capital additions of \$7,516,397.	7,748,506

TOTAL CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES **\$ 92,364,826**

BERKELEY COUNTY, SOUTH CAROLINA

STATEMENT OF NET POSITION - PROPRIETARY FUNDS

JUNE 30, 2025

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	WATER AND SEWER	SOLID WASTE	TOTALS
ASSETS			
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 237,788,518	\$ 21,439,796	\$ 259,228,314
Accounts Receivable, Net of Allowance	6,513,658	20,576,863	27,090,521
Due from Federal, State and Local Governments	16,820,529	149,145	16,969,674
Due from Other Funds	-	104,144	104,144
Prepaid Items	1,221,277	-	1,221,277
Inventory	1,006,742	-	1,006,742
Cash and Cash Equivalents-Restricted	3,424,067	-	3,424,067
TOTAL CURRENT ASSETS	266,774,791	42,269,948	309,044,739
NON-CURRENT ASSETS:			
CAPITAL ASSETS:			
Non-Depreciable	36,752,098	2,545,227	39,297,325
Depreciable, Net of Accumulated Depreciation and Amortization	593,321,804	21,010,791	614,332,595
TOTAL CAPITAL ASSETS	630,073,902	23,556,018	653,629,920
OTHER NON-CURRENT ASSETS:			
Accounts Receivable, Due in More Than One Year	265,021	-	265,021
TOTAL OTHER NON-CURRENT ASSETS	265,021	-	265,021
TOTAL NON-CURRENT ASSETS	630,338,923	23,556,018	653,894,941
TOTAL ASSETS	897,113,714	65,825,966	962,939,680
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charges	5,798,872	50,194	5,849,066
Deferred Pension / OPEB Charges	3,840,366	1,799,903	5,640,269
TOTAL DEFERRED OUTFLOWS OF RESOURCES	9,639,238	1,850,097	11,489,335
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 906,752,952	\$ 67,676,063	\$ 974,429,015

The notes to the financial statements are an integral part of this statement.

(Continued)

BERKELEY COUNTY, SOUTH CAROLINA

STATEMENT OF NET POSITION - PROPRIETARY FUNDS

JUNE 30, 2025

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	WATER AND SEWER	SOLID WASTE	TOTALS
LIABILITIES			
CURRENT LIABILITIES:			
Accounts Payable and Accrued Liabilities	\$ 5,477,038	\$ 77,500	\$ 5,554,538
Landfill Closure and Postclosure Cost Liability	-	21,245,511	21,245,511
Accrued Interest Payable	146,312	1,784	148,096
Accrued Compensated Absences	248,759	124,380	373,139
Due to Other Funds	3,293,758	-	3,293,758
Unearned Revenue	4,451,947	11,915	4,463,862
Bonds, Leases, and Notes Payable	16,305,053	446,423	16,751,476
TOTAL CURRENT LIABILITIES	29,922,867	21,907,513	51,830,380
NON-CURRENT LIABILITIES:			
Total OPEB Liability	388,613	145,466	534,079
Accrued Compensated Absences, net of current portion	746,278	373,139	1,119,417
Landfill Closure and Postclosure Cost Liability, net of current portion	-	10,108,466	10,108,466
Bonds, Leases, and Notes Payable, net of current portion	152,615,041	135,960	152,751,001
Net Pension Liability	16,130,345	7,590,750	23,721,095
TOTAL NON-CURRENT LIABILITIES	169,880,277	18,353,781	188,234,058
TOTAL LIABILITIES	199,803,144	40,261,294	240,064,438
DEFERRED INFLOWS OF RESOURCES			
Deferred Pension/OPEB Inflows	1,188,802	547,328	1,736,130
TOTAL DEFERRED INFLOWS OF RESOURCES	1,188,802	547,328	1,736,130
NET POSITION			
Net Investment in Capital Assets	466,952,680	23,023,829	489,976,509
Restricted for Debt Service	2,135,936	-	2,135,936
Unrestricted	236,672,390	3,843,612	240,516,002
TOTAL NET POSITION	705,761,006	26,867,441	732,628,447
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 906,752,952	\$ 67,676,063	\$ 974,429,015

The notes to the financial statements are an integral part of this statement.

BERKELEY COUNTY, SOUTH CAROLINA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION - PROPRIETARY FUNDS

YEAR ENDED JUNE 30, 2025

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	WATER AND SEWER	SOLID WASTE	TOTALS
OPERATING REVENUES			
Sales and Services	\$ 68,684,056	\$ 26,241,104	\$ 94,925,160
Impact and Connection Fees	38,666,581	-	38,666,581
Other Operating Revenue	324,436	60,736	385,172
TOTAL OPERATING REVENUES	107,675,073	26,301,840	133,976,913
OPERATING EXPENSES			
Personnel Services	17,596,190	6,772,758	24,368,948
Utilities	10,423,220	140,453	10,563,673
Office Expenses	1,032,704	50,022	1,082,726
Maintenance and Repairs	4,751,509	4,677,861	9,429,370
Contractual Services	1,257,330	581,505	1,838,835
Other Services and Charges	6,754,164	4,829,075	11,583,239
Depreciation	24,201,748	3,071,047	27,272,795
Landfill Closure and Postclosure Costs	-	11,100,982	11,100,982
TOTAL OPERATING EXPENSES	66,016,865	31,223,703	97,240,568
OPERATING INCOME	41,658,208	(4,921,863)	36,736,345
NON-OPERATING REVENUES (EXPENSES)			
Interest Income	5,778,645	-	5,778,645
Grant Revenue	194,494	165,010	359,504
Gain on Disposition of Assets	44,550	230,400	274,950
Interest Expense	(3,315,957)	(84,507)	(3,400,464)
TOTAL NON-OPERATING REVENUES (EXPENSES)	2,701,732	310,903	3,012,635
INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	44,359,940	(4,610,960)	39,748,980
CAPITAL CONTRIBUTIONS AND TRANSFERS			
Capital Contributions	37,607,118	-	37,607,118
Transfers In	500,000	-	500,000
TOTAL CAPITAL CONTRIBUTIONS AND TRANSFERS	38,107,118	-	38,107,118
CHANGE IN NET POSITION	82,467,058	(4,610,960)	77,856,098
NET POSITION, Beginning of Year	623,293,948	31,478,401	654,772,349
NET POSITION, End of Year	\$ 705,761,006	\$ 26,867,441	\$ 732,628,447

The notes to the financial statements are an integral part of this statement.

BERKELEY COUNTY, SOUTH CAROLINA

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS

YEAR ENDED JUNE 30, 2025

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	WATER AND SEWER	SOLID WASTE	TOTALS
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers and Users	\$ 105,310,439	\$ 20,913,676	\$ 126,224,115
Cash Paid to Suppliers and Employees	(44,839,219)	(17,323,924)	(62,163,143)
NET CASH PROVIDED BY OPERATING ACTIVITIES	60,471,220	3,589,752	64,060,972
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Non-Capital Grant Contributions (Repayments)	(114,443)	161,723	47,280
Transfers and Advances Between Funds	500,000	-	500,000
NET CASH PROVIDED BY (USED IN) NON-CAPITAL FINANCING ACTIVITIES	385,557	161,723	547,280
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from the Sale of Assets	44,550	251,000	295,550
Acquisition and Construction of Capital Assets	(14,314,648)	(3,226,415)	(17,541,063)
Principal Paid - Bonds, Notes Payable, SBITA and Financed Purchases	(11,865,537)	(783,868)	(12,649,405)
Interest Paid - Bonds, Notes Payable, SBITA and Financed Purchases	(3,735,499)	(114,687)	(3,850,186)
NET CASH (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES	(29,871,134)	(3,873,970)	(33,745,104)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Income on Investments	5,778,645	-	5,778,645
NET CASH PROVIDED BY INVESTING ACTIVITIES	5,778,645	-	5,778,645
NET INCREASE IN CASH AND CASH EQUIVALENTS	36,764,288	(122,495)	36,641,793
CASH AND CASH EQUIVALENTS, Beginning of Year	204,448,297	21,562,291	226,010,588
CASH AND CASH EQUIVALENTS, End of Year	\$ 241,212,585	\$ 21,439,796	\$ 262,652,381
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position			
Cash and Cash Equivalents - Current Assets	\$ 237,788,518	\$ 21,439,796	\$ 259,228,314
Restricted Cash and Cash Equivalents - Current Assets	3,424,067	-	3,424,067
	\$ 241,212,585	\$ 21,439,796	\$ 262,652,381

(Continued)

The notes to the financial statements are an integral part of this statement.

BERKELEY COUNTY, SOUTH CAROLINA

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS

YEAR ENDED JUNE 30, 2025

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	WATER AND SEWER	SOLID WASTE	TOTALS
Reconciliation of Operating Income to Net Cash Provided By Operating Activities:			
Operating Income	\$ 41,658,208	\$ (4,921,863)	\$ 36,736,345
Adjustments to Reconcile Operating Income to Net Cash Provided By Operating Activities:			
Depreciation and Amortization	24,201,748	3,071,047	27,272,795
Non-Cash Pension Expense	(652,587)	(299,324)	(951,911)
(Increase) Decrease in Assets and Deferred Outflows of Resources:			
Accounts Receivable	54,800	(5,382,300)	(5,327,500)
Prepaid Items and Deposits	(1,176,577)	-	(1,176,577)
Increase (Decrease) in Liabilities and Deferred Inflows of Resources:			
Accounts Payable and Accrued Liabilities	(3,503,086)	-	(3,503,086)
Landfill Closure and Postclosure Cost Liability	-	11,100,982	11,100,982
Compensated Absences Payable	(71,912)	(35,955)	(107,867)
Due to Other Funds	2,214,816	(7,790)	2,207,026
Unearned Revenue	(2,419,434)	(5,864)	(2,425,298)
Unfunded OPEB Liability	165,244	70,819	236,063
Total Adjustments	18,813,012	8,511,615	27,324,627
Net Cash Provided by Operating Activities	\$ 60,471,220	\$ 3,589,752	\$ 64,060,972

Schedule of Noncash Investing, Capital and Financing Activities:

Acquisition of Capital Assets Through Developer Contributions	\$ 37,607,118	\$ -	\$ 37,607,118
Amortization of Bond Premium and Deferred Refunding Costs	\$ (616,548)	\$ (15,878)	\$ (632,426)

The notes to the financial statements are an integral part of this statement.

BERKELEY COUNTY, SOUTH CAROLINA

STATEMENT OF FIDUCIARY NET POSITION - CUSTODIAL FUNDS

JUNE 30, 2025

	<u>CUSTODIAL FUNDS</u>
ASSETS	
Cash and Cash Equivalents	\$ 28,425,170
Investments	58,332,550
Receivables:	
Accounts Receivable	791,178
Federal, State and Local Governments	1,061,267
TOTAL ASSETS	<u>88,610,165</u>
LIABILITIES	
Due to School District	31,937,040
Due to Other Designated Recipients	21,478,880
TOTAL LIABILITIES	<u>53,415,920</u>
NET POSITION	
Restricted:	
Gas Sales Tax	<u>35,194,245</u>
TOTAL NET POSITION	<u>\$ 35,194,245</u>

The notes to the financial statements are an integral part of this statement.

BERKELEY COUNTY, SOUTH CAROLINA

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS**

YEAR ENDED JUNE 30, 2025

	TOTAL CUSTODIAL FUNDS
ADDITIONS	
Taxes and Related Fees	\$ 581,163,063
Intergovernmental Revenue	358,583,303
Fines, Forfeitures and Fees	48,680,933
Miscellaneous	3,747,829
TOTAL ADDITIONS	992,175,128
DEDUCTIONS	
Taxes and fees paid to other governments	847,450,370
Other custodial disbursements	135,804,178
TOTAL DEDUCTIONS	983,254,548
Net increase (decrease) in fiduciary net position	8,920,580
FUND BALANCE - Beginning of Year	26,273,665
FUND BALANCE - End of Year	\$ 35,194,245

The notes to the financial statements are an integral part of this statement.

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Berkeley County, South Carolina (the “County”) was established under the provisions of Act 681 of the 1942 South Carolina Legislature. The County is governed by an eight-member County Council under the Council- Supervisor form of government. Members are elected from single member districts. The supervisor, elected at large, serves as the chief administrative officer executing the policies and legislative actions of County Council. The County provides the following services: public safety (emergency medical services (EMS), sheriff, and fire), airport, highways and streets, sanitation, health and social services, cultural and recreational programs, public improvements, economic development, planning and zoning, courts, community development, and general administrative services.

The core of the financial reporting entity is the primary government, which has a separately elected governing body. As required by generally accepted accounting principles, the financial reporting entity includes both the primary government and all of its component units. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In turn, component units may have component units.

An organization other than a primary government may serve as a nucleus for a reporting entity when it issues separate financial statements. That organization is identified herein as a primary entity. The financial reporting entity includes the County (a primary entity).

A primary government or entity is financially accountable if it appoints a voting majority of the organization's governing body, including situations in which the voting majority consists of the primary entity's officials serving as required by law (e.g., employees who serve in an ex officio capacity on the component unit's board are considered appointments by the primary entity) and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary entity. The primary entity is financially accountable if an organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) a jointly appointed board.

An organization can provide a financial benefit to, or impose a financial burden on, a primary government in a variety of ways. The benefit or burden may result from legal entitlements or obligations, or it may be less formalized and exist because of decisions made by the primary government or agreements between the primary government and a component unit. If a primary government appoints a voting majority of an organization’s officials or if the organization is fiscally dependent on the primary government and there is a potential for those organizations either to provide specific financial benefits to, or to impose specific financial burdens on, the primary government, the primary government is financially accountable for those organizations. An organization has a financial benefit or burden relationship with the primary government if, for example, any one of these conditions exists:

- 1) The primary government is legally entitled to or can otherwise access the organization’s resources.
- 2) The primary government is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization.
- 3) The primary government is obligated in some manner for the debt of the organization.

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Blended Component Unit

Based on the previously discussed criteria, the County has one blended component unit. The Berkeley County Economic Development Corporation is a non-profit corporate entity, established on January 26, 2016; the purpose of which is to exclusively support Berkeley County government in relieving and reducing unemployment in Berkeley County (the "County"); promoting and providing for additional and maximum employment and bettering and maintaining job opportunities; attracting new industry and business to, and encouraging the development and retention of industry and business in, the County; promoting, alone, or in concert with federal, state, and local officials and interested national, state, and local groups, the economic growth and business prosperity of the County; promoting and improving the County's freight roadway, rail and aviation assets; creating and coordinating financial incentives available in the County and increasing private investment in the County; preserving and augmenting the tax base of the County; and undertaking fundraising and projects to retain and increase economic development and improve quality of life in the County, including contracts with the County. This activity is reported in special revenue fund - miscellaneous special revenue.

Related Organizations

The County is a member of the Lake Moultrie Water Agency ("Lake Moultrie WA"), a Municipal Water System. It appoints one representative to the four-member board of Lake Moultrie WA. In 2008, the County executed an agreement with the Lake Marion Regional Water Agency ("Lake Marion WA"). The County has a 29% voting representation on this system's board, representing its proportionate commitment to purchase water to the system's total capacity. Both Lake Marion WA and Lake Moultrie WA are not owned by nor is it fiscally dependent upon the County. See Joint Municipal Water System Note III.D for further details.

B. Government-wide and Fund Financial Statements

The financial statements consist of the government-wide financial statements and fund financial statements. Both sets of statements distinguish between the governmental and business-type activities of the County.

1. Fund Financial Statements:

The County uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain County functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts.

Fund financial statements report detailed information about the County. The focus of governmental and proprietary (enterprise) fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a single column in the fund financial statements. Non-major funds are aggregated and presented in a single column. Fiduciary funds are presented by fund type and are excluded from the government-wide financial statements.

2. Major and Non-major Funds:

The County reports the following major and non-major governmental funds:

The **General Fund, a major fund**, is the general operating fund of the County and accounts for all revenues and expenditures of the County except those required to be accounted for in other funds. All general tax revenues and other receipts that (a) are not allocated by law or contractual agreement to other funds or (b) that have not been restricted, committed, or assigned to other funds are accounted for in the General Fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund.

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements (Continued)

2. Major and Non-major Funds (Continued):

The *Capital Projects Fund, a major fund*, is used to account for and report financial resources that are restricted, committed, or assigned for expenditures of capital outlay related to equipment, site acquisitions, construction, renovation of capital facilities, and other capital assets for the County that are not being financed by proprietary or nonexpendable trust funds.

The *American Rescue Plan Act, a major fund*, is used to account for and report proceeds from Coronavirus State and Local Fiscal Recovery Fund.

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources (that are expected to continue to comprise a substantial portion of the inflows of the fund) that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

The County reports the following non-major special revenue funds:

Non-major special revenue funds: Economic Development, Geographic Information System, Emergency Preparedness – Grants, Community Development Block Grant, Highway “C” Funds, Storm Water Management, Economic Development Project Special Revenue Fund, Clerk of Court, State Accommodations Tax, Sheriff’s Grants, Miscellaneous Special Revenue, Victims’ Assistance, Solicitor’s Grants, County Accommodations, Local Economic Development, Airport Improvements, Sangaree Special Tax District, Nexton Development, Pimlico Special Tax District, Tall Pines Special Tax District, Devon Forest Special Tax District, County Special Fire Tax District, Legal Forfeiture Proceeds, Parks and Recreation, and Emergency Telephone-E911.

The *Debt Service Fund, a non-major fund*, is used to account for and report the accumulation of financial resources that are restricted, committed, or assigned for the payment of all long-term debt principal, interest, and related costs of the County that are not being financed by proprietary or nonexpendable trust funds.

The County reports the following major proprietary funds:

The *Water and Sewer Fund, a major fund*, accounts for the sale and distribution of potable water, and for the operation of sewage treatment plants, pumping stations and systems for the collection and treatment of sewage.

The *Solid Waste Fund, a major fund*, accounts for the operation and maintenance of the County landfill and collection sites.

The *Custodial Funds* are fiduciary in nature and used to account for assets held by the government in a trustee capacity or as an agent on behalf of others. The funds account for the receipt and disbursement of taxes, related fees, intergovernmental revenue, fines, forfeitures and other miscellaneous receipts on behalf and distributed to other governments or designated third party recipients.

C. Measurement Focus and Basis of Accounting

“Measurement focus” is a term used to describe which transactions are recorded within the various financial statements. “Basis of accounting” refers to when transactions are recorded, regardless of the measurement focus applied. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting (Continued)

The government-wide statements are prepared using a different measurement focus from the manner in which governmental fund financial statements are prepared (see further detail below). Governmental fund financial statements, therefore, include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Governmental funds are reported using the current financial resources focus and the modified accrual basis of accounting in the Fund Financial Statements. Under the modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter to pay current liabilities. Expenditures (including capital outlay) are recorded when the related fund liability is incurred.

Custodial funds are reported using the economic resource measurement focus and the accrual basis of accounting.

Revenue Recognition

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available (i.e., collectible within the current year or within sixty days of year-end and available to pay obligations of the current period): investment earnings, fines and forfeitures, certain charges for services, and state-levied locally shared taxes. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the agency have been met. Revenues associated with natural disasters and federal state of emergencies are accrued once funds have been released from the agency.

Property taxes, special tax and fee assessments and emergency medical service charges not received within sixty days of year end, though measurable, are not available soon enough in the subsequent year to finance current period obligations. Therefore, property tax, special assessment and emergency medical service charges receivables are recorded but not recognized until they become available. Other revenues, including permits, licenses, franchise fees and miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until received.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing goods and services, in connection with a proprietary fund’s principal ongoing operations. The County’s business-type activities accounted for in proprietary funds are chiefly administering water and sanitation.

Expenditure Recognition

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds.

Operating expenses for proprietary 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.

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting (Continued)

Interfund Activity

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's water and sewer 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.

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

1. Cash, Cash Equivalents and Deposits

The "deposits" classification is used only in the notes, not on the face of the Statement of Net Position, Balance Sheet or Statement of Cash Flows. Deposits include only cash on hand, demand deposits, pooled money market funds, and/or certificates of deposit. For purposes of the Statement of Cash Flows for the Enterprise Funds, the County considers all highly liquid investments (including restricted assets) with original maturities of three months or less when purchased to be cash and cash equivalents.

2. Investments

The County's investment policy is designed to operate within existing statutes (which are identical for all funds and activities, fund types, and component units within the State of South Carolina) that authorize the County to invest in the following:

- (a) Obligations of the United States and its agencies, the principal and interest of which is fully guaranteed by the United States.
- (b) Obligations issued by the Federal Financing Bank, Federal Farm Credit Bank, the Bank of Cooperatives, the Federal Intermediate Credit Bank, the Federal Land Banks, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Housing Administration, and the Farmers Home Administration, if, at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations.
- (c) (i) General obligations of the State of South Carolina or any of its political units; or (ii) revenue obligations of the State of South Carolina or its political units, if at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations.
- (d) Savings and Loan Associations to the extent that the same are insured by an agency of the federal government.
- (e) Certificates of deposit where the certificates are collaterally secured by securities of the type described in (a) and (b) 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.
- (f) Repurchase agreements when collateralized by securities as set forth in this section.

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Inflows/Outflows of Resources and Net Position or Fund Balance (Continued)

2. Investments (Continued)

- (g) No load open-end or closed-end management type investment companies or investment trusts registered under the Investment Company Act of 1940, as amended, where the investment is made by a bank or trust company or savings and loan association or other financial institution when acting as trustee or agent for a bond or other debt issue of that local government unit, political subdivision, or county treasurer if the particular portfolio of the investment company or investment trust in which the investment is made (i) is limited to obligations described in items (a), (b), (c), and (f) of this subsection, and (ii) has among its objectives the attempt to maintain a constant net asset value of one dollar a share and to that end, value its assets by the amortized cost method.

In addition, South Carolina State statutes authorize the County to invest in the South Carolina Local Government Investment Pool (“SCLGIP”). The SCLGIP was created by state legislation which restricts the types of securities the pool can purchase. Specifically, the pool is permitted to purchase obligations of the United States, its agencies and instrumentalities, and any corporation within the United States if such obligations bear any of the three highest ratings of at least two nationally recognized rating services. The reported value of the County’s position in the pool, if any, is the same as the fair value of the pool shares. 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. The total fair value of the 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. Financial statements for SCLGIP can be obtained from www.osa.sc.gov.

The County’s cash investment objectives are preservation of capital, liquidity, and yield. Investments are reported at fair value, which is normally determined on quoted market prices. For additional information related to deposits and investments, see Note III.A. The County currently or in the past year has used the following investments:

- Open-end mutual funds which are primarily invested in money market funds which invest in short term obligations of the United States and related agencies.
- Securities as described in (b) above.

3. Restricted Assets

The County established certain accounts for assets restricted for specific purposes, typically by outside parties or legal agreement. Certain bond indentures require the establishment of (i) maximum annual principal and interest payments, unless a surety bond was provided; (ii) the next succeeding principal and accrued interest payment; and (iii) bond or notes payable proceeds to be used for construction purposes as required in the bond or note agreement. Restricted assets also include restrictions imposed by the revenue source.

4. Receivables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “interfund receivables/payables” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “Due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Inflows/Outflows of Resources and Net Position or Fund Balance (Continued)

4. Receivables (continued)

All trade and property tax receivables are shown net of an allowance for uncollectible amounts. The allowance for trade accounts receivable is computed based upon an estimate of collections within each aging category. The allowance for property taxes receivable is based upon a composite average of all years' collections applied to the outstanding balance at the beginning of the fiscal year.

The County bills and collects property taxes for itself and all other taxing entities within the County. The County recognizes property taxes in the period for which they are levied and available for financing current expenditures. Property taxes receivable represent delinquent real and personal taxes for the past ten years, less an allowance for amounts estimated to be uncollectible, plus taxes levied on the assessed value of real and personal property, excluding vehicles, as of January 1, 2025. All net property taxes receivable at year-end, except those collected within 60 days, are recorded as unavailable and thus not recognized as revenue until collected in the governmental funds.

Taxes on real property and certain personal property attach as an enforceable lien and levied on the property as of January 1. Taxes are billed the following October on all property other than vehicles and are payable without penalty until January 15 of the following year. Penalties are assessed on unpaid taxes on the following dates: January 16 - three percent, February 2 - an additional seven percent, March 16 - an additional five percent. If not paid by the first Monday of November, the property is subject to sale by the delinquent tax office. Taxes on licensed motor vehicles are levied during the month when the taxpayer's license registration is due for renewal. The taxpayer must provide proof of payment to the Highway Department before that agency will renew the vehicle license.

The County charges a user fee to real property owners and certain commercial and governmental entities representing revenues for a portion of the County's solid waste collection and disposal effort (e.g., incineration and landfill). The County also charges fees on real property in the various special tax districts for the specific services provided in such districts. Annual charges to real property owners are billed in the fall for the subsequent calendar year, but are recognized in full in the year of billing. For additional information related to receivables, see Note III.B.

5. Inventories and Prepaid Items

Inventories are valued at cost for the General Fund, Water and Sewer, and non-major Special Revenue Funds using the first-in, first-out method. Inventory in the General Fund and Water and Sewer consists of expendable supplies held for consumption. General Fund inventories have been charged as expenditures when consumed. Inventory in the non-major Special Revenue Funds consist of items for resale. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items, including capital projects to be performed by the South Carolina Department of Transportation for which funding has previously been provided and reported in the Capital Project Fund as prepaid.

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Inflows/Outflows of Resources and Net Position or Fund Balance (Continued)

6. Capital Assets

Capital assets, which include property, plant, equipment, software, lease (right to use), SBITA and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets other than infrastructure are defined by the government as assets with an initial individual cost of more than \$5,000 and an estimated useful life of two years or more. The County has various minimum capitalization thresholds for infrastructure assets based on the type of infrastructure. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Donated capital assets are recorded at acquisition value at the date of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Interest incurred during construction of capital assets for governmental activities is not capitalized. However, interest incurred during the construction phase of business-type activity capital assets is included in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period. Interest capitalized on assets not acquired with tax exempt debt is the product of the average accumulated expenditures during the year for such assets and the weighted average interest rate on debt. Interest is not capitalized on assets acquired or constructed with gifts and grants.

All reported capital assets, except land and construction in progress, are depreciated and amortized. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacements. Depreciation and amortization is provided using the straight-line method over the following estimated useful lives:

<u>Capital Asset Category</u>	<u>Useful Lives</u>
Buildings and Other Improvements	15-40 years
Equipment and Furniture	2-15 years
Software	5-15 years
Vehicles	5-10 years
Infrastructure	12-50 years
Right to Use Leased Equipment	5-20 years
Subscription Based Information Technology Agreements (SBITA)	5 years
Utility Systems, Treatment Plants & Buildings	15-50 years
Library Materials	5-10 years
Water Agreements	35 years

7. Compensated and Sick Absences

It is the County's policy to permit employees to accumulate earned but unused personal leave benefits. Some employees who were employed prior to the 2015 personal leave system have extended sick leave balances. Sick leave is restricted for use under the County policy for use only after 3 consecutive personal leave days have been used for illness. Accumulated personal leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability is recorded in the governmental fund financial statements only if they have matured, for example, as a result of employee resignations and retirements and employees may not accrue more than 135 days.

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Inflows/Outflows of Resources and Net Position or Fund Balance (Continued)

8. Long-term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred, if material, and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method.

Gains or losses on debt refunding, if material, are deferred and amortized over the shorter life of the refunded debt or the new debt. Amortization of premiums, discounts, and deferred advance refunding costs is included in interest expense. Bonds payable are reported net of the applicable bond premiums or discounts.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of issuances of long-term debt is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. It is the policy of the County to receive premiums from governmental activities bonds in the debt service fund for the purpose of repaying the bonds. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

9. Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Net Position and the Balance Sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County currently has two types of deferred outflows of resources: (1) The County reports *deferred charges* in its government-wide Statement of Net Position. *Deferred charges*, which are the differences between the reacquisition prices and the net carrying amount of the defeased debt, are deferred and amortized over the life of the refunding bonds, which has the same maturity as the bonds that were refunded. Amortization of *deferred charges* is included in interest expense in the Statement of Activities. (2) The County also reports *deferred pension charges* in its Statements of Net Position in connection with its participation in the South Carolina Retirement System and the South Carolina Police Officers Retirement System and OPEB. These *deferred pension charges* are either (a) recognized in the subsequent period as a reduction of the net pension liability (which includes pension contributions made after the measurement date) or (b) amortized in a systematic and rational method as pension expense in future periods in accordance with GAAP.

In addition to liabilities, the Statement of Net Position and the Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County currently has four types of deferred inflows of resources: (1) The County reports *unavailable revenue* only in the governmental funds Balance Sheet; it is deferred and recognized as an inflow of resources (delinquent property tax or EMS revenues) in the period the amounts become available. (2) The County also reports *deferred revenue* in its governmental fund Balance Sheet and the Statements of Net Position; it is deferred and recognized as an inflow of resources (revenue) in the period for which it was intended to finance (current property taxes). (3) The County also reports *deferred pension and OPEB credits* in its Statements of Net Position in connection with its participation in the South Carolina Retirement System and South Carolina Police Officers Retirement System and Other Post-Employment Benefits. These *deferred pension credits* are amortized in a systematic and rational method and recognized as a reduction of pension expense in future periods in accordance with GAAP. (4) Deferred inflows from lease receipts are reported in the Governmental Funds Balance Sheet as well as the government-wide Statement of Net Position. The County reports deferred inflows from lease receipts and amortized into lease revenues over the remaining life of the lease.

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Inflows/Outflows of Resources and Net Position or Fund Balance (Continued)

10. Net Position and Fund Balances

Government-Wide and Proprietary Fund Statements

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

During 2008, the County adopted a net position policy stating that the Water and Sewer Fund will maintain a minimum unrestricted net position equal to 50-75% of the operating and maintenance expenses for that fiscal year.

Governmental Fund Statements

The County classifies governmental fund balances as follows in accordance with GASB Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions*:

Nonspendable – includes amounts that inherently cannot be spent either because it is not in spendable form (i.e., prepaids, inventories, etc.) or because of legal or contractual requirements (i.e., principal on an endowment, etc.).

Restricted – includes amounts that are constrained by specific purposes which are externally imposed by (a) other governments through laws and regulations, (b) grantors or contributions through agreements, (c) creditors through debt covenants or other contracts, or (d) imposed by law through constitutional provisions or enabling legislation.

Committed – includes amounts that are constrained for specific purposes that are internally imposed by the government through formal action made by the County Council, which is the highest level of decision making authority, before the end of the reporting period. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.

Assigned – includes amounts that are intended to be used for specific purposes that are neither considered restricted or committed and that such assignments are made before the report issuance date. County Council is the only party that has the right to make assignments of fund balance for the County at this time.

Unassigned – includes amounts that do not qualify to be accounted for and reported in any of the other fund balance categories. This classification represents the amount of fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that can report a positive unassigned fund balance amount.

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Inflows/Outflows of Resources and Net Position or Fund Balance (Continued)

10. Net Position and Fund Balances (Continued)

Flow Assumptions - The County generally uses restricted amounts first when both restricted and unrestricted (committed, assigned, and unassigned) fund balance is available to be expended unless there are legal documents, contracts, or agreements that prohibit doing such. Additionally, the County generally would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made. For unrestricted amounts of fund balance, it is the County's policy to use fund balance in the following order: 1) committed, 2) assigned, and 3) unassigned.

The County has adopted a fund balance policy for the General Fund, with the goal of maintaining not less than 17% of the next year's original budget to be available as unassigned fund balance. The minimum fund balance amount that is required under the policy is approximately \$26.5 million as of June 30, 2025. This represents 17% expenditures, including transfers out, for the General Fund's original budget of approximately \$156 million for the year ending June 30, 2025. At June 30, 2025, the County reported approx. \$88.1 million in unassigned fund balance (56%) for the General Fund.

11. Pensions

In government-wide financial statements, pensions are required to be recognized and disclosed using the accrual basis of accounting (see Note IV.D and the required supplementary information immediately following the notes to the financial statements for more information), regardless of the amount recognized as pension expenditures on the modified accrual basis of accounting. The County recognizes a net pension liability for each qualified pension plan in which it participates, which represents the excess of the total pension liability over the fiduciary net position of the qualified pension plan, or the County's proportionate share thereof in the case of a cost-sharing multiple-employer plan, measured as of the County's fiscal year-end. Changes in the net pension liability during the period are recorded as pension expense, or as deferred outflows or inflows of resources depending on the nature of the change, in the period incurred. Those changes in net pension liability that are recorded as deferred outflows or inflows of resources that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience are amortized over the weighted average remaining service life of all participants in the respective qualified pension plan and recorded as a component of pension expense beginning with the period in which they are incurred. Projected earnings on qualified pension plan investments are recognized as a component of pension expense. Differences between projected and actual investment earnings are reported as deferred outflows or inflows of resources and amortized as a component of pension expense on a closed basis over a five-year period beginning with the period in which the difference occurred.

12. Contributed Capital

The County has received federal and state grants to pay a portion of the construction costs of the water and wastewater infrastructure. The County also receives contributions from contracting municipalities to finance water and sewer systems constructed by the County, as well as roads, water, and sewer systems that are constructed by developers and transferred to the County upon completion and acceptance by the County for its subsequent operation and maintenance. The County accounts for these contributions under GASB 33 Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Inflows/Outflows of Resources and Net Position or Fund Balance (Continued)

13. Other Postemployment Benefits

In government-wide financial statements and proprietary fund statements, other postemployment benefits (“OPEB”) are required to be recognized and disclosed using the accrual basis of accounting (see the required supplementary information immediately following the notes to the financial statements for more information), regardless of the amounts recognized as OPEB expenditures on the modified accrual basis of accounting. The County recognizes OPEB liabilities for the plan for which it participates. Changes in the OPEB liabilities during the period are recorded as OPEB expense, or as deferred outflows or inflows of resources depending on the nature of the change, in the period incurred. Those changes in OPEB liabilities that are recorded as deferred outflows or inflows of resources that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience are amortized over the weighted average of the remaining service life of all participants in the respective qualified plan and recorded as a component of OPEB expense beginning with the period in which they are incurred.

14. Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of assets and deferred outflows of resources and liabilities and deferred inflows of resources and disclosure of these balances as of the date of the financial statements. In addition, they affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates and assumptions. The most significant estimates are related to the County’s retirement plans and other post-employment benefit plans which are further discussed in Notes IV. D and E., respectively.

15. Leases

The County recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The County recognizes significant lease liabilities with an initial, individual value of \$5,000 or more. At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Inflows/Outflows of Resources and Net Position or Fund Balance (Continued)

15. Leases (continued)

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

The County is a lessor for a noncancellable lease of a building. The County recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements. At the commencement of a lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the County determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The County uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

16. Subscription Based Information Technology Arrangements

The County has a noncancellable SBITA for IT software. A SBITA liability and an intangible right-to-use SBITA asset is recognized on the Statement of Net Position. SBITA will have an initial, individual value of \$5,000 or more. SBITA liabilities are initially measured at the present value of payments expected to be made during the SBITA term. Subsequently, the SBITA liability is reduced by the principal portion of SBITA payments made. The SBITA asset is initially measured as the initial amount of the SBITA liability, adjusted for SBITA payments made at or before the SBITA commencement date, plus certain implementation and conversion costs. Subsequently, the SBITA asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to SBITA's include how the County determines (1) the discount rate it uses to discount the expected SBITA payments to present value, (2) the SBITA term, and (3) SBITA payments: The interest rate charged by the SBITA vendor as the discount rate; When the interest rate charged by the SBITA vendor is not provided, the County uses the 3% at the SBITA inception date as the discount rate. The County term includes the noncancellable period of the SBITA. SBITA payments included in the measurement of the SBITA liability are composed of fixed payments and purchase option prices that the SBITA is reasonably certain to exercise. The County monitors changes in circumstances that would require a remeasurement of its SBITA and will remeasure the SBITA asset and liability if certain changes occur that are expected to significantly affect the amount of the SBITA liability. The County reports SBITA assets with capital assets and SBITA liabilities are reported separately on the Statement of Net Position.

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Significant New Accounting Standards Adopted/Pending

GASB Statement No. 101, *Compensated Absences*, the objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. The County adopted this guidance for the fiscal year ending in 2025. Management evaluated the impact of applying the new standard to prior periods and concluded that any adjustment would have been immaterial. As a result, beginning balances were not restated. The requirements of the Statement have been applied prospectively in these financial statements.

GASB Statement No. 102, *Certain Risk Disclosures* — The objective of this Statement is to require disclosure of information about risks and uncertainties that could materially affect a government’s financial condition, especially concentrations or constraints that may expose the government to risk. The County implemented the new guidance with these 2024 financial statements, which had no effect on the financials.

GASB Statement No. 103, *Financial Reporting Model Improvements* — This Statement seeks to improve key components of the governmental financial reporting model to better meet the needs of financial-statement users and clarify application issues related to previously issued standards. The requirements become effective for fiscal years beginning after June 15, 2025, and all subsequent reporting periods. The County will implement the new guidance with the 2026 financial statements.

GASB Statement No. 104, *Disclosure of Certain Capital Assets* — The objective of this Statement is to require more detailed disclosures regarding certain types of capital assets. Specifically, it will require separate reporting by major class of capital assets and additional disclosure for assets held for sale. It becomes effective for fiscal years beginning after June 15, 2025, and for all reporting periods thereafter. The County will implement the new guidance with the 2026 financial statements.

Management has not yet determined the impact implementation of standards will have on the County’s financial statements, if any, for those standards that have future implementation dates.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with GAAP for the General Fund and for all the Special Revenue Funds except the following: Major Special Revenue Fund – American Rescue Plan Act, Nonmajor Special Revenue - Clerk of Court, Sheriff’s Grants, Highway “C” Funds, Economic Development, National Forest Fund, and Miscellaneous Special Revenue Funds. The excluded Nonmajor Special Revenue Funds and Capital Projects Funds are budgeted over the life of the grant or project. Formal budgetary policies are not employed for the Debt Service Fund because effective budgetary control is alternatively achieved through General Obligation Bond indenture provisions. Agencies of the County must submit requests for appropriations to the Supervisor by March along with revenue estimates so that a budget may be prepared. By May, the proposed budget is presented to County Council for review. The Council holds public hearings and adopts the final budget in June through passage of an ordinance. The level of budgetary control is determined by County Council at the County’s total appropriations level. Expenditures by fund, department, and category (i.e., personnel, operating and capital outlay), are further defined in the budget document. The County Supervisor is authorized to make transfers of up to \$10,000 per occurrence and request or transfers 10% of department operating budget, whichever is less. The budget ordinance must be amended by Council to effect changes in total appropriations. Budgets, as reported in the financial statements, are as originally passed by ordinance and subsequently amended. During the year ending June 30, 2025, net amendments were made that decreased the General Fund budget to a use of fund balance in the amount of approximately \$40.3 million. Annual appropriations lapse at the end of the fiscal year.

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES

A. Deposits and Investments

Deposits

Custodial Credit Risk for Deposits:

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the County’s deposits might not be recovered. The County does not have a deposit policy for custodial credit risk but follows the investment policy statutes of the State of South Carolina. As of June 30, 2025, none of the County’s bank balances, including money market accounts in the amount of approx. \$424 million (with a carrying value of approx. \$421 million) were exposed to custodial credit risk.

Investments

As of June 30, 2025, the County had the following investments that are held for less than one year:

Investment Type	Fair Value	Credit Ratings			Weighted Average Maturity
		S & P	Moody's	Fitch	
Federal Home Loan Bank Discount Notes	\$ 384,395,294	AA+	Aaa	AA+	< 1 Year
Certificate of Deposits	26,680	N/A	N/A	N/A	< 1 Year
Total Investments	<u>\$384,421,974</u>				

Fair Value of Investments

The County measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investments in active markets
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs.

At June 30, 2025, the County had the following recurring fair value measurements:

Investment Type	Fair Value	Fair Value Measurements		
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Federal Home Loan Bank Discount Notes	\$ 384,395,294	\$ -	\$ 384,395,294	\$ -
Certificate of Deposits	26,680	-	26,680	-
Total Investments	<u>\$384,421,974</u>	<u>\$ -</u>	<u>\$ 384,421,974</u>	<u>\$ -</u>

Securities classified in Level 2 are valued using observable inputs other than quoted market prices. Level 2 inputs are based primarily on prices from several third-party vendors.

Interest Rate Risk:

The County does not have a formal policy limiting investment maturities that would help manage its exposure to fair value losses from increasing interest rates.

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

A. Deposits and Investments (Continued)

Credit Risk for Investments:

Credit risk for investments is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The County does not have an investment policy for credit risk, but follows the investment policy statutes of the State of South Carolina.

Custodial Credit Risk for Investments:

Custodial credit risk for investments is the risk that, in the event of a counterparty failure, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County does not have an investment policy for custodial credit risk but follows the investment policy statutes of the State of South Carolina. As of June 30, 2025, none of the County's investments were exposed to custodial credit risk for investments.

Concentration of Credit Risk for Investments:

The County places no limit on the amount it may invest in any one issuer. Investments issued by or explicitly guaranteed by the U.S. Government and investments in mutual funds, external investment pools, and other pooled investments are exempt from concentration of credit risk disclosures.

Reconciliation to the Financial Statements

A reconciliation of cash and investments as shown in the Statements of Net Position and the Statement of Fiduciary Net Position is as follows:

Description:	Amount
Carrying Amount of Deposits	\$ 421,166,984
Fair Value of Investments	384,421,974
Total	<u>\$ 805,588,958</u>
Statement of Net Position:	
Cash and Cash Equivalents	\$ 284,837,236
Investments	107,594,706
Restricted Cash and Cash Equivalents	107,904,578
Restricted Investments	218,494,718
Statement of Fiduciary Net Position:	
Cash and Cash Equivalents	28,425,170
Investments	58,332,550
Total	<u>\$ 805,588,958</u>

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

B. Receivables

Receivables as of year-end, including the applicable allowances for uncollectible accounts, are as follows:

Receivables:	General	Capital Projects Fund	Nonmajor Funds	Water and Sewer	Solid Waste	Totals
Property Taxes	\$ 85,425,108	\$ -	\$ 33,185,224	\$ -	\$ -	\$118,610,332
Transportation Sales Tax	-	16,657,185	-	-	-	16,657,185
Accounts	12,755,561	-	639,624	7,249,951	21,476,863	42,121,999
Lease	442,747	-	-	-	-	442,747
Federal, State and Local Governments	2,638,010	-	1,482,788	16,820,529	149,145	21,090,472
Total	<u>101,261,426</u>	<u>16,657,185</u>	<u>35,307,636</u>	<u>24,070,480</u>	<u>21,626,008</u>	<u>198,922,735</u>
Less Allowance for Uncollectibles:						
Taxes	(4,331,769)	-	(2,220,033)	-	-	(6,551,802)
Accounts	(9,477,746)	-	-	(736,293)	(900,000)	(11,114,039)
Total	<u>(13,809,515)</u>	<u>-</u>	<u>(2,220,033)</u>	<u>(736,293)</u>	<u>(900,000)</u>	<u>(17,665,841)</u>
Net Receivables	<u>\$ 87,451,911</u>	<u>\$16,657,185</u>	<u>\$ 33,087,603</u>	<u>\$23,334,187</u>	<u>\$20,726,008</u>	<u>\$181,256,894</u>

The Water and Sewer Fund includes a non-current receivable in the amount of \$265,021. This was not included in the above schedule.

C. Interfund Receivables and Payables

The composition of interfund balances at June 30, 2025 is as follows:

	Receivable Fund	Payable Fund
General Fund	\$ 3,897,640	\$ 104,144
Special Revenue Funds:		
Emergency Preparedness	-	3,602
Sheriff's Grants	-	439,835
Miscellaneous Special Revenue	-	22,435
Solictor's Grants	-	101,154
Community Development Block Grant	-	36,856
Enterprise Funds:		
Water and Sewer	-	3,293,758
Solid Waste	104,144	-
Total	<u>\$ 4,001,784</u>	<u>\$ 4,001,784</u>

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

D. Capital Assets

Governmental capital asset activity for the year ended June 30, 2025, is as follows:

	Balance 6/30/2024	Increases	Decreases	Balance 6/30/2025
Capital Assets, Not Being Depreciated:				
Land	\$ 10,355,898	\$ 1,804,976	\$ -	\$ 12,160,874
Construction in Progress	35,882,612	23,747,008	(7,978,139)	51,651,481
Total Capital Assets, Not Being Depreciated	<u>46,238,510</u>	<u>25,551,984</u>	<u>(7,978,139)</u>	<u>63,812,355</u>
Capital Assets, Being Depreciated:				
Buildings	50,550,726	3,341,973	-	53,892,699
Furniture	1,635,148	-	-	1,635,148
Equipment	43,509,629	2,306,091	(322,241)	45,493,479
Software	3,094,285	633,107	-	3,727,392
Vehicles	35,899,613	6,168,634	(2,269,140)	39,799,107
Improvements	43,951,077	1,427,748	-	45,378,825
Library Materials	3,115,359	189,781	(174,515)	3,130,625
Infrastructure	363,610,414	14,842,542	-	378,452,956
Total Capital Assets, Being Depreciated	<u>545,366,251</u>	<u>28,909,876</u>	<u>(2,765,896)</u>	<u>571,510,231</u>
Less: Accumulated Depreciation For:				
Buildings	25,426,550	1,159,876	-	26,586,426
Furniture	1,585,191	9,083	-	1,594,274
Equipment	27,630,878	3,857,015	(321,424)	31,166,469
Software	2,549,791	105,183	-	2,654,974
Vehicles	24,061,978	3,696,581	(2,054,510)	25,704,049
Improvements	24,480,626	1,904,571	-	26,385,197
Library Materials	2,240,312	363,565	(174,515)	2,429,362
Infrastructure	188,127,978	14,990,017	-	203,117,995
Total Accumulated Depreciation	<u>296,103,304</u>	<u>26,085,891</u>	<u>(2,550,449)</u>	<u>319,638,746</u>
Total Capital Assets, Being Depreciated, Net	<u>249,262,947</u>	<u>2,823,985</u>	<u>(215,447)</u>	<u>251,871,485</u>
Governmental Activities Capital Assets, Net	<u>\$ 295,501,457</u>	<u>\$ 28,375,969</u>	<u>\$ (8,193,586)</u>	<u>\$ 315,683,840</u>
Governmental Activities Right to Use Assets				
Right to Use Capital Assets:				
Radio Towers	\$ 507,382	\$ -	\$ -	\$ 507,382
Library Space	1,000,000	-	-	1,000,000
Register of Deeds Contract	495,120	-	-	495,120
Total Right to Use Capital Assets:	<u>2,002,502</u>	<u>-</u>	<u>-</u>	<u>2,002,502</u>
Less: Accumulated Amortization For:				
Radio Towers	198,924	37,462	-	236,386
Library Space	250,000	50,000	-	300,000
Register of Deeds Contract	318,452	82,520	-	400,972
Total Accumulated Amortization	<u>767,376</u>	<u>169,982</u>	<u>-</u>	<u>937,358</u>
Governmental Activities Right to Use Assets, Net	<u>\$ 1,235,126</u>	<u>\$ (169,982)</u>	<u>\$ -</u>	<u>\$ 1,065,144</u>

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

D. Capital Assets (Continued)

	Balance 6/30/2024	Increases	Decreases	Balance 6/30/2025
Governmental Activities - SBITA				
SBITA	\$ 101,782	\$ 5,061,066	\$ (101,782)	\$ 5,061,066
Total SBITA	<u>101,782</u>	<u>5,061,066</u>	<u>(101,782)</u>	<u>5,061,066</u>
Less: Accumulated Amortization For:				
SBITA	94,940	601,364	(101,782)	594,522
Total Accumulated Amortization, SBITA	<u>94,940</u>	<u>601,364</u>	<u>(101,782)</u>	<u>594,522</u>
Governmental Activities SBITA, Net	<u>\$ 6,842</u>	<u>\$ 4,459,702</u>	<u>\$ -</u>	<u>\$ 4,466,544</u>

During the year ended June 30, 2025, the County recorded approximately \$12.0 million in infrastructure contributed from developers for its governmental activities. The County also participates in capital projects that result in capital assets that will be turned over to federal, state or other local governments. These expenditures have been reported as capital outlay in the governmental fund activity but not additions to the County's capital assets.

Business-Type capital asset activity for the year ended June 30, 2025, is as follows:

	Balance 6/30/2024	Increases	Decreases	Balance 6/30/2025
Capital Assets, Not Being Depreciated:				
Land	\$ 3,563,403	\$ -	\$ -	\$ 3,563,403
Construction in Progress	48,941,188	12,780,947	(25,988,213)	35,733,922
Total Capital Assets, Not Being Depreciated	<u>52,504,591</u>	<u>12,780,947</u>	<u>(25,988,213)</u>	<u>39,297,325</u>
Capital Assets, Being Depreciated:				
Utility Systems, Treatment Plants and Buildings	845,294,627	61,574,483	-	906,869,110
Equipment, Vehicles and Furniture	37,351,472	6,780,966	(2,120,451)	42,011,987
Lake Moultrie Water Agency	29,721,702	-	-	29,721,702
Total Capital Assets, Being Depreciated	<u>912,367,801</u>	<u>68,355,449</u>	<u>(2,120,451)</u>	<u>978,602,799</u>
Less: Accumulated Depreciation For:				
Utility Systems, Treatment Plants and Buildings	303,556,272	23,350,365	-	326,906,637
Equipment, Vehicles and Furniture	23,500,459	2,988,165	(2,099,850)	24,388,774
Lake Moultrie Water Agency	12,059,027	915,766	-	12,974,793
Total Accumulated Depreciation	<u>339,115,758</u>	<u>27,254,296</u>	<u>(2,099,850)</u>	<u>364,270,204</u>
Total Capital Assets, Being Depreciated, Net	<u>573,252,043</u>	<u>41,101,153</u>	<u>(20,601)</u>	<u>614,332,595</u>
Business-Type Activities Capital Assets, Net	<u>\$ 625,756,634</u>	<u>\$ 53,882,100</u>	<u>\$ (26,008,814)</u>	<u>\$ 653,629,920</u>

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

D. Capital Assets (Continued)

Business- Type Activities - Subscription Based IT Arrangements	Balance 6/30/2024	Increases	Decreases	Balance 6/30/2025
Subscription Based IT Arrangements	275,189	-	(275,189)	-
Total Subscription Based IT Arrangements	275,189	-	(275,189)	-
Less: Accumulated Amortization For:				
Subscription Based IT Arrangements	256,689	18,500	(275,189)	-
Total Accumulated Amortization	256,689	18,500	(275,189)	-
Governmental Activities Right to Use Assets, Net	\$ 18,500	\$ (18,500)	\$ -	\$ -

During the year ended June 30, 2025, the County recorded approximately \$37.6 million in utility systems contributed by developers and others. No interest was capitalized for the business-type activities during the year ended June 30, 2025.

Depreciation and amortization expense for the year ended June 30, 2025, was charged to County functions as follows:

Governmental Activities:		
General Government	\$	1,543,541
Public Safety		7,034,574
Airport, Highways and Streets		17,379,516
Culture and Recreation		456,672
Health and Welfare		337,453
Community Development		105,420
Total Governmental Activities Depreciation and Amortization	\$	26,857,176
Business-Type Activities:		
Water and Sewer	\$	24,201,748
Solid Waste		3,071,047
Total Business-Type Activities Depreciation and Amortization	\$	27,272,795

Construction Commitments

On July 31, 2015, Berkeley County entered into an agreement with Volvo for the construction of a new manufacturing facility in the county. The estimated total budget for the infrastructure on this project is approximately \$200,947,000, of which, the majority of this amount will be funded by state grants. Berkeley County has agreed to fund approximately \$18,000,000 of the total project costs that include various infrastructure upgrades, as well as, the County agreed to purchase land for the project in the amount of \$5,000,000, which was funded by the Water and Sewer Fund. The Water and Sewer Fund will be reimbursed through amounts collected through the FILOT paid by Volvo beginning three years after the completion of the project.

At June 30, 2025, the Capital Projects Fund and The Water and Sewer Fund had commitments under contract for construction of various projects not completed of approximately \$41.6 million and \$18.8 million respectively. A significant portion of these commitments will be funded through state grants.

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

D. Capital Assets (Continued)

Joint Municipal Water Systems

The County previously, entered a contract with the Lake Moultrie Water Authority (WA) to purchase 32.6% of the finished water produced by Lake Moultrie WA. The contract expires on October 2, 2027. Provisions of the contract require a deposit to reserve the capacity and to pay monthly demand (fixed) and volumetric (variable) charges. The original deposit was recognized as a deferred charge and is being amortized over the life of the contract; the remaining unamortized amount is included in other non-current assets. The County paid \$8,921,929 to Lake Moultrie WA to reserve the desired capacity. In June 2007, Segment 7 was sold to the City of Goose Creek for \$44,451, reducing the residual purchase price to \$8,877,478. During 2008, the construction to upgrade the transmission portion of the plant was completed; the County's portion of these charges totaled \$2,208,867, which increased the purchase price to \$11,086,345. During 2015, the Lake Moultrie WA began expansion of the water plant from 24 MGD to 40 MGD, which will increase BCWS capacity to 13.04 MGD. The construction of the project will be in two phases, the first of which started in the first quarter of 2014. The County issued revenue bonds in the amount of \$20,340,000 to fund its portion of the plant expansion and any additional capacity purchased from other members. The expansion project was completed May 2020 at a cost of approx. \$18,635,000. Accumulated amortization at June 30, 2025 was approximately \$12.975 million and amortization recognized during the year was approximately \$915 thousand which is included in depreciation expense for the Water and Sewer Fund.

The estimated demand charges, excluding amortization of deferred charges for the next five years, are as follows:

Fiscal Year	Amount
2026	\$ 1,785,253
2027	2,599,578
2028	2,607,126
2029	3,040,528
2030	3,472,012
	<u>\$ 13,504,497</u>

The Lake Marion WA was formed in the mid 1990's in order to provide safe reliable drinking water to the residents of central South Carolina and to help bring economic growth to the Interstate 95 corridor. Members include Calhoun, Clarendon, Dorchester, Orangeburg, and Berkeley Counties and the Town of Santee. In November 2007, the County entered into a contract with Lake Marion WA. The County has committed to purchase up to 3.04 million gallons a day, or 38% of the total capacity of the plant. The initial term of the agreement is for twenty years, which shall be extended for subsequent twenty-year terms unless the County notifies Lake Marion WA in writing of its intent to terminate not less than thirty months prior to the expiration of the initial term or the expiration date of any renewal. Provisions of the agreement require the County to pay its share of the funds required to operate and maintain Lake Marion WA and to defray its capital costs, in addition to monthly demand (fixed) and volumetric (variable) charges based upon the amount of water purchased. An 8 MGD water treatment plant came online in May of 2008.

Clarendon County opted out of their membership in the fall of 2013 requiring the remaining members to accept a proportionate amount of water capacity left by Clarendon County and therefore pay additional costs.

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

D. Capital Assets (Continued)

Joint Municipal Water Systems (continued)

In 2012 the Lake Marion WA lost special appropriations in the Federal Budget, thus halting further system expansion beyond that already obligated. The agency has investigated borrowing the additional monies; however that option was deemed non-viable. In January 2012 the Lake Marion WA voted to use the remaining funds available for system expansion to lay pipe toward Dorchester County as opposed to Berkeley County. Based on that decision, the lack of a funding source and monthly payments of over \$15,000, the County chose to resign its membership from the Lake Marion WA. Berkeley County Council passed a resolution to withdraw on March 25, 2013. A letter forwarding the resolution to the Lake Marion WA was dated May 3, 2013. The Lake Marion WA subsequently accepted the resignation of membership but claimed the County was still required to pay obligations outlined in the Water Purchase agreement signed in 2007 as a part of membership. In response, the County filed suit in Berkeley County on October 9, 2013. Lake Marion WA filed a motion to change venue, which was denied, then appealed and denied again. In June 2015, the County Council approved a settlement resolving all legal claims with the Lake Marion WA and authorizing reinstatement of the water sales agreement. Future plans call for the Lake Marion WA to extend lines to the County to provide water for the new Volvo Plant that is currently under construction.

A line to provide 1 MGD from Lake Marion by way of Ridgeville (Hwy 178) has been completed and the line from Holly Hill to provide 2.04 MGD, possibly 3MGD, is currently in construction and projected to be completed by the end of 2025.

E. Interfund Transfers

Interfund transfers for the year ended June 30, 2025, consisted of the following:

	Transfers In	Transfers Out
General Fund	\$ 700,498	\$ 43,191,262
Capital Projects Fund	55,477,452	12,436,882
Non-major Special Revenue Funds:		
Geographic Information System Fund	596,886	-
Emergency Preparedness Fund	9,781	-
Storm Water Management	600,000	600,000
State Accommodations Fund	-	35,346
Sheriffs Grants Fund	788,917	-
Clerk of Court Fund	377,422	-
Miscellaneous Special Revenue Fund	24,672	809,006
Victims' Assistance	264,476	-
County Accommodations Fund	336,227	418,639
Local Economic Development Fund	-	2,211,189
Parks and Recreation	25,993	-
Enterprise Funds:		
Water and Sewer	500,000	-
Total	\$ 59,702,324	\$ 59,702,324

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

E. Interfund Transfers (continued)

Transfers are used (1) to move revenues from the fund that a statute or budget requires to collect them to the fund that a statute or budget requires to expend them, and (2) to use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

In July 2009, County Council passed an ordinance regarding revenues received from the Mt. Holly Commerce Park (reported in Miscellaneous Special Revenue Funds), stating that an annual transfer of \$500,000 of revenues collected are to be sent to the Water and Sewer Fund until a total of approximately \$4.8 million. In July 2015, then amended September 2019, the County Council passed an ordinance reallocating the funding source to be revenues received from all fee in lieu of tax agreements "FILOT", excluding Volvo Car US Operations, Inc. paid by businesses located in the multi-county business/industrial park. This ordinance directed that FILOT be distributed to the Water and Sewer fund for the purpose of repayment on the purchase of land in the amount of \$5 million in addition to the original estimate of \$4.8 million resulting in transfer up to \$10 million. The County transferred the total of \$4,800,000 to the Water and Sewer Fund with the final payment made during the year ended June 30, 2018 in the amount of \$27,310 under the 2009 ordinance. During the year ended June 30, 2025, a transfer in the amount of \$500,000 was made from the Miscellaneous Special Revenue Fund to the Water and Sewer Fund as a result of this resolution. As of June 30, 2025, the County had transferred a total of \$3,972,690 to the Water and Sewer Fund in relation to the purchase of land for a total transfer of approximately \$5.8 million under the original ordinance.

F. Unearned Revenues, Deferred Revenues, and Unavailable Revenues

The government-wide financial statements, the governmental funds and enterprise funds recognize unearned revenues in connection with resources that have been received, but not yet earned. The balance in unearned revenue of approximately \$15.9 million for governmental funds which is comprised mostly of unearned grant revenue and approximately \$4.5 million for enterprise funds represents resources received in the current and prior periods, but unearned as of June 30, 2025. Government-wide financial statements and governmental funds also recognize deferred revenues in connection with resources applicable to a future period. The balance in deferred revenue (component of deferred inflows of resources) of approximately \$110.5 million at June 30, 2025 represents property tax and stormwater fee receivables that are applicable to and will be received in future periods but have already been levied. In addition, governmental funds report unavailable revenue in the fund financial statements in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. The balance in unavailable revenue in (component of deferred inflows of resources) of approximately \$2.1 million at June 30, 2025 represents property tax applicable to the current period, but not received within sixty days of year end. The balance in lease receipts (component of deferred inflows of resources) of approximately \$448,000 at June 30, 2025 represents future lease revenue not received during the current year.

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

G. Long-term Obligations

Presented below is a summary of changes in long-term obligations for the year ended June 30, 2025:

Long-Term Obligations	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
General Obligation Bonds:					
Series 2015 General Obligation Refunding Bonds	\$ 4,910,000	\$ -	\$ 4,910,000	\$ -	\$ -
Series 2016 General Obligation Bonds	18,240,000	-	1,650,000	16,590,000	1,830,000
Series 2016 Refunding Bonds	7,345,000	-	1,150,000	6,195,000	1,135,000
Series 2022 General Obligation Bonds	64,900,000	-	-	64,900,000	-
Subtotal	<u>95,395,000</u>	<u>-</u>	<u>7,710,000</u>	<u>87,685,000</u>	<u>2,965,000</u>
Premium - Series 2015 Bond	105,018	-	105,018	-	-
Premium - Series 2016 General Obligation Bonds	1,447,827	-	206,833	1,240,994	-
Premium - Series 2016 Refunding Bonds	65,662	-	13,132	52,530	-
Premium - Series 2022 General Obligation Bonds	2,061,903	-	89,648	1,972,255	-
Total - General Obligation Bonds	<u>99,075,410</u>	<u>-</u>	<u>8,124,631</u>	<u>90,950,779</u>	<u>2,965,000</u>
Intergovernmental Loan	358,186	-	358,186	-	-
Lease Liabilities	535,391	-	117,973	417,418	121,719
SBITA Liabilities	-	5,396,510	661,642	4,734,868	650,232
Financed Purchased Obligations	769,001	-	249,559	519,442	256,271
Compensated Absences	9,958,270	6,175,904	5,103,145	11,031,029	4,812,342
Total Governmental Activities	<u>\$ 110,696,258</u>	<u>\$ 11,572,414</u>	<u>\$ 14,615,136</u>	<u>\$ 107,653,536</u>	<u>\$ 8,805,564</u>

For the governmental activities obligations, General Fund or Special Revenue Fund using the resource that typically been used in prior years to liquidate compensated absences payable, loans, leases, financed purchased obligations, and subscription based information technology agreements. The Debt Service Fund has been used to liquidate all other general obligation long-term bonds.

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

G. Long-term Obligations (Continued)

Long-Term Obligations	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Revenue Bonds					
Series 2019 Revenue Bond - Combined Utilities	\$ 11,230,000	\$ -	\$ 2,675,000	\$ 8,555,000	\$ 2,765,000
Series 2023A Revenue Bond - Combined Utilities	61,157,000	-	8,595,000	52,562,000	8,758,000
Series 2024 Revenue Bond - Combined Utilities	15,185,000	-	85,000	15,100,000	190,000
Subtotal	87,572,000	-	11,355,000	76,217,000	11,713,000
Premium - Series 2019 Refunding Bond - Combined Utilities	1,776,949	-	430,779	1,346,170	-
Premium - Series 2020F (2023A) Refunding Bond - Combined Utilities	5,349,475	-	817,536	4,531,939	-
Premium - Series 2024 Refunding Bond - Combined Utilities	2,541,906	-	213,269	2,328,637	-
Total Revenue Bonds	97,240,330	-	12,816,584	84,423,746	11,713,000
State Revolving Fund Loan - Drinking Water - Water & Sewer	320,840	-	66,286	254,554	66,952
State Revolving Fund Loan - 2020A - Water Pollution - Water & Sewer	759,579	-	39,434	720,145	40,389
State Revolving Fund Loan 2020B - Water Quality - Water & Sewer	894,159	-	46,421	847,738	47,545
State Revolving Fund Loan 2020C - Water Quality - Water & Sewer	6,293,091	-	309,115	5,983,976	316,601
State Revolving Fund Loan 2020D - Water Quality - Water & Sewer	6,568,952	-	316,907	6,252,045	324,582
State Revolving Fund Loan 2020E - Water Quality - Water & Sewer	8,752,622	-	436,764	8,315,858	444,679
State Revolving Fund Loan 2020G - Water Quality - Water & Sewer	15,052,986	-	714,774	14,338,212	727,727
State Revolving Fund Loan 2020H - Water Quality - Water & Sewer	4,118,579	-	205,521	3,913,058	209,245
State Revolving Fund Loan 2021A - Water Quality - Water & Sewer	8,260,731	-	334,658	7,926,073	409,074
State Revolving Fund Loan 2021B - Water Quality - Water & Sewer	2,939,151	-	281,351	2,657,800	285,879
State Revolving Fund Loan 2021C - Water Quality - Water & Sewer	3,283,341	-	167,337	3,116,004	169,017
State Revolving Fund Loan 2022A - Water Quality - Water & Sewer	6,465,063	2,629,691	429,864	8,664,890	436,348
State Revolving Fund Loan 2022B - Water Quality - Water & Sewer	8,695,526	-	478,250	8,217,276	485,058
State Revolving Fund Loan 2022C - Water Quality - Water & Sewer	12,738,271	-	633,011	12,105,260	519,471
State Revolving Fund Loan 2024A - Water Quality - Water & Sewer	-	1,346,559	27,133	1,319,426	109,486
Financed Purchased Obligations	1,230,291	-	783,868	446,423	446,423
Landfill Closure and Postclosure Care Cost	20,252,995	11,100,982	-	31,353,977	21,245,511
Compensated Absences	1,600,425	-	107,868	1,492,557	373,139
Total Business-Type Activities	\$ 205,466,932	\$ 15,077,232	\$ 18,195,146	\$ 202,349,018	\$ 38,370,126

General Obligation Bonds

The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the County. The primary source of revenue for repayment of bonds reported in the governmental activities is debt millage property taxes.

General obligation bonds payable at June 30, 2025 are comprised of the following issues:

Title of Issues	Principal Amount Outstanding
Series 2016 General Obligation Bonds, with interest ranging from 3.0% to 5.0%, matures 2031.	\$ 16,590,000
Series 2016 General Obligation Advance Refunding Bonds, interest ranging from 2.0% to 2.25%, matures 2029.	6,195,000
Series 2022 General Obligation Bonds, with interest ranging from 3.5% to 5%, matures 2047.	64,900,000
Total	<u>\$ 87,685,000</u>

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

G. Long-term Obligations (Continued)

Intergovernmental Note Payable

On June 15, 2017, the County entered into a ten-year intergovernmental loan agreement with the South Carolina Public Service Authority (the “Public Service Authority”) whereby the Public Service Authority advanced \$4,000,000 to be used in funding the construction of a manufacturing training facility within the County. The County has the ability to receive up to an additional \$2,500,000 of funding, if necessary. The loan will be paid using Fee in Lieu of Tax payments reported in Economic Development Special Revenue Fund. The Loan will accrue no interest for the first three years and then interest accrues on the loan at a rate equal to the rate borne by 10-year U.S. Treasury Bonds, with such rate adjusted annually on January 15. The rate at June 30, 2017 was approximately 4.8%. The County paid the outstanding principal balance of this note during the year ended June 30, 2025.

Financed Purchased Obligations

The County entered into a financed purchased agreement for the use of commercial software related to the tax system project reported in the capital project fund during the fiscal year ended June 30, 2020. The net book value of the software is approximately \$705,000 at June 30, 2025 and as it has not been placed into service. The agreement is for a seven-year term with an annual interest rate of approximately 1.81% and will terminate in June 2027. The County has the option of purchasing the software at the end of each payment cycle for a predetermined price.

The County entered into a financed purchased agreement related to the Sheriff’s equipment reported in the capital project fund during the fiscal year ended June 30, 2025. The net book value of the agreement is approximately \$850,000 at June 30, 2025. The agreement is for a four-year term with an imputed interest rate of approximately 3.25% and will terminate in September 2029.

Lease Liabilities

The County has entered into agreements to lease certain equipment. The lease agreements qualify as other than short-term leases under GASB 87 and therefore, have been recorded at the present value of the future minimum lease payments as of July 1, 2021, or the date of their inception, if the inception date was after July 1, 2021.

In December 2018, the County entered into a lease agreement for use of radio towers. The lease agreement was for a 120-month period commencing December 2018, ending in 2028, with a minimum monthly charge of \$1,200.

In July 2018, the County entered into a lease agreement for use of radio towers. The lease agreement was for a 120-month period commencing August 2018, ending in 2028, with a minimum monthly charge of \$417.

In March 2019, the County entered into a lease agreement for use of radio towers. The lease agreement was for a 120-month period commencing March 2019, ending in 2028, with a minimum monthly charge of \$417.

In June 2019, the County entered into a lease agreement for use of radio towers. The lease agreement was for a 240-month period commencing June 2019, ending in 2028, with a minimum monthly charge of \$1,100.

In September 2020, the County entered into a lease agreement for access to a database. The lease agreement was for a 72-month period commencing September 2020, ending in 2026, with a minimum monthly charge of \$7,082.

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

G. Long-term Obligations (Continued)

Software Based Information Technology Agreements (SBITA)

In November 2024, the County entered a SBITA agreement for 3 years commencing November 2024, ending on October 31, 2028, with an annual charge of \$91,464. This is reported in Governmental Activities and is included as part of the management fee charges to Berkeley County Water and Sanitation, where fifty percent is reimbursed back to Governmental Activities.

During the year ended June 30, 2025, the County entered a SBITA agreement for public safety software reported in Governmental Activities. The agreement was for 10 years, ending in 2035, with an annual charge of \$480,000.

During the year ended June 30, 2025, the County entered a SBITA agreement for E911 public safety software reported in Governmental Activities. The agreement was for 5 years, ending in 2029, with an annual charge of \$228,815.

South Carolina State Drinking Water Revolving Fund Loan

The County entered into an agreement with the South Carolina State Budget and Control Board for a State Drinking Water Revolving Fund Loan in 2009 for a revised amount of \$1,253,812. The proceeds of this loan are being used to partially fund the costs to rehabilitate the AD Hare Water System. As of June 30, 2025, the outstanding balance of the loan was \$254,553 and is being repaid through quarterly payments of \$17,312 through June 2029, including interest at 1%.

South Carolina Water Pollution Control Revolving Fund Loan

The County entered into an agreement with the South Carolina Rural Infrastructure Authority for the following Water Pollution Control Revolving Fund Loans on June 30, 2020. The 2020A Note for Jedburg/I-26 Interchange Water Line Improvements, with an outstanding balance of \$720,145 as of June 30, 2025. This note is being repaid through quarterly payments of \$14,328 through June 2040, including interest at 2.4%. The 2020B Note for Jedburg/I-26 Interchange Sewer Line Relocation with an outstanding balance of \$847,738 as of June 30, 2025. This note is being repaid through quarterly payments of \$16,866 through June 2040, including interest at 2.4%.

The 2020C Note for Renovation of Pump Station #002 with an outstanding balance of \$5,983,976 as of June 30, 2025. This note is being repaid through quarterly payments of \$114,345 through February 2041, including interest at 2.4%. The 2020D Note for Pump Station #001 Force Main Replacement with an outstanding balance of \$6,252,045 as of June 30, 2025. This note is being repaid through quarterly payments of \$117,931 through July 2041, including interest at 2.4%. The 2020E Note for Central Berkeley Wastewater Treatment Plant Upgrade with an outstanding balance of \$8,315,858 as of June 30, 2025. This note is being repaid through quarterly payments of \$147,843 through September 2041, including interest at 1.8%. The 2020G Note for Lower Berkeley Wastewater Treatment Plant Expansion with an outstanding balance of \$14,338,212 as of June 30, 2025. This note is being repaid through quarterly payments of \$245,230 through June 2042, including interest at 1.8%. The 2020H Note for Mount Holly Commerce Park Improvements (Pump Station #094) with an outstanding balance of \$3,913,058 as of June 30, 2025. This note is being repaid through quarterly payments of \$69,568 through September 2041, including interest at 1.8%. The County closed on three additional Water Pollution Control Revolving Fund Loans in September 2021. The 2021A Note for Pump Station #106 Improvements with an outstanding balance of \$7,926,073, as of June 30, 2025. This note is being repaid through quarterly payments of \$133,361 through June 2042 including interest at 1.6%. The 2021B Note for the Hwy 176 Water Line Relocation, with an outstanding balance of \$2,657,800 as of June 30, 2025. This note is being repaid through quarterly payments of \$93,571 through August 2042 including interest at 1.6%. The 2021C Note for the Pump Station #007 Force Main Relocation with an outstanding balance of \$3,116,004. This note is being repaid through quarterly payments of \$49,886 through June 2042 including interest at 1.0%.

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

G. Long-term Obligations (Continued)

In August 2022, the County closed on three additional Water Pollution Control Revolving Fund Loans. The 2022A Note for Red Bank gravity Line Replacement with an outstanding balance of \$8,664,890 as of June 30, 2025. This note is being repaid through quarterly payments of \$140,968 through November 2042 including interest at 1.5%. The 2022B note for Pump Station #001 Force Main Replacement – Phase III in the amount of \$10,894,511 with an outstanding balance of \$8,217,276 as of June 30, 2025. This note is being repaid through quarterly payments of \$157,882 through November 2042 including interest at 1.5%. The 2022C note for Central Berkeley Wastewater Treatment Plant Effluent Force Main with an outstanding balance of \$12,105,260 as of June 30, 2025. This note is being repaid through quarterly payments of \$195,877 through March 2043 including interest at 1.5%.

In April 2024, the County closed on Combined Utility System Refunding Revenue Bonds, Series 2024A (refunding of Combined Utilities System Revenue Bonds, Series 2014) with a par value \$15,185,000 and premium of \$2,552,894 and initial cash deposit of \$339,203 to purchase US Government Treasury Securities to generate resources for all future debt service payments on the \$17,595,000 Refunded Bonds. Annual principal payments begin in June 2025 and semi-annual interest payments in December 2024 with a maturity date of June 2034. The revised debt service was decreased approx. \$1,480,600 over the next ten years and resulted in an economic gain of approx. \$1,273,000.

In July 2024, the 2024 Note for Pump Stations 64 & 131, with an outstanding balance of \$1,319,426. The note is being repaid through quarterly payments of \$35,883 through April 2045, including interest at 1.4%. In February of 2025, the 2025 Note for Cane Bay Water Tower, with no outstanding balance at June 30, 2025 and a loan amount of \$11,000,000. The note is being repaid through quarterly payments of \$171,929 through January 2046, including interest at 2.3%.

Revenue Bonds

The County issues revenue bonds to provide funds for the acquisition and construction of major capital facilities. The government pledges income derived from the acquired or constructed assets to pay debt service. The Water and Sewer Revenue Bonds are payable from revenues derived by the County from the operation of its system and monies on deposit established pursuant to the bond ordinance. Similarly, the debt service on the solid waste bonds is payable from revenues derived from the operation of the landfill and monies on deposit established pursuant to the bond ordinance.

The amount placed in escrow related to the Series 2005A Combined Utility Revenue Bonds will be used to redeem \$104,000,000 of the outstanding balance on the Series 2005A Combined Utility Revenue Bonds maturing on June 1, 2016 through June 1, 2030. The proceeds in the trust will be used to make future debt service payments related to these bonds. The reacquisition price exceeded the net carrying amount of the old debt by \$7,376,165. This amount is being amortized over the life of the new debt, which has the same life as the old debt. This refunding was undertaken to increase gross cash flow savings by \$24,111,020 and resulted in a gross economic gain of \$21,355,284. With the \$8,936,362 contributed from prior Debt Service Reserve Funds taken into consideration, the net cash flow savings were \$15,174,658 and the net economic gain was \$12,418,922. The portion of the bonds that has been refunded is considered to be defeased until redemption which began on June 1, 2016 has been removed from the Statement of Net Position.

On August 23, 2010, County Council enacted Ordinance Nos. 10-08-28 and 10-08-29 (together, the "Combining Ordinances"). Ordinance No. 10-08-29 amended General Bond Ordinance No. 91-4-10 and General Bond Ordinance No. 03-03-12, each of which authorized and provided for the issuance of Water and Sewer System Revenue Bonds of the County (collectively, the "Water and Sewer Bond Ordinances"), and Ordinance No.

10-08-28 amended General Bond Ordinance No. 96-7-33, which authorized and provided for the issuance of Solid Waste System Revenue Bonds of the County (the "Solid Waste Bond Ordinance" and, together with the Water and Sewer Bond Ordinances, the "Bond Ordinances"). The amendments effected by the Combining Ordinances became effective as of November 12, 2010 (the effective date).

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

G. Long-term Obligations (Continued)

Revenue Bonds (Continued)

Advance Refunding

In October 2019, the County closed on Combined Utility System Revenue Refunding Bond, Series 2019, (refunding of Citigroup Combined Utility System Revenue Bond, Series 2018A) with a par value of \$24,535,000 and premium of \$3,996,545 to provide resources to purchase US Government Treasury Notes that will be placed in an irrevocable trust for the purpose of generating resources for all future debt service payments on \$28,253,000 of Citigroup Combined Utility System Revenue Bond, Series 2018A. Annual principal payments began in June 2020 and semi-annual interest payments began in December 2019. These bonds mature in June 2028. The revised debt service was decreased by approx. \$1,355,000 over the next eight years and resulted in an economic gain of approx. \$1,263,000. Pursuant to each of the Combining Ordinances, the County (1) combined its existing water and sewer system and its existing solid waste system for purposes of the Bond Ordinances and (2) expanded the definitions of "System" (as defined in each of the Bond Ordinances) thereunder to include the County's water, sewer and solid waste system. The pledge of and lien upon "Net Revenues" (as defined in each of the Bond Ordinances) of the System, which secures indebtedness issued by the County under the Bond Ordinances, is unaffected by the effectiveness of the Combining Ordinances; however, by consent of the holders of the bonds issued pursuant to the Solid Waste Bond Ordinance which remains outstanding as of the Effective Date (the "Solid Waste Bonds"), such pledge and lien is and shall be junior and subordinate to the pledge and lien on Net Revenues securing "Bonds" (as such term is defined in the Water and Sewer Bond Ordinances) issued pursuant to the Water and Sewer Bond Ordinances. The County has further covenanted in the Bond Ordinances that it would no longer issue debt under the authority of the Solid Waste Bond Ordinance and that the Solid Waste Bonds shall constitute "Junior Bonds" (as defined in the Water and Sewer Bond Ordinances) for all purposes of the Water and Sewer Bond Ordinances.

There are numerous limitations, restrictions, and covenants contained in the various revenue bond indentures and ordinances, for which the County is in compliance for the year ended June 30, 2025.

Revenue bonds payable at June 30, 2025 are comprised of the following issues:	<u>Outstanding Principal</u>
Combined Utilities System Revenue Bonds, Series 2019, due June 2028, with annual principal payments ranging from \$2,690,000 to \$2,950,000 and interest at 5.0%	\$ 8,555,000
Combined Utilities System Revenue Bonds, Taxable Series 2023A, due June 2030, with annual principal payments ranging from \$1,367,000 to \$12,973,000 and interest at 1.09%	52,562,000
Combined Utilities System Revenue Bonds, Taxable Series 2024, due June 2034, with annual principal payments ranging from \$85,000 to \$3,755,000 and interest at 5.0%	<u>15,100,000</u>
Total Revenue Bonds	<u>\$ 76,217,000</u>

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

G. Long-term Obligations (Continued)

Debt Service Requirements to Maturity

Presented below is a summary of debt service requirements to maturity by year for the governmental and business- type activities.

Year Ending June 30	Bonded Indebtedness		Lease Liabilities	
	Principal	Interest	Principal	Interest
<u>Governmental Activities</u>				
2026	\$ 2,965,000	\$ 3,348,631	\$ 121,719	\$ 9,243
2027	3,165,000	3,234,431	54,391	7,488
2028	3,370,000	3,110,531	42,933	6,514
2029	5,155,000	3,020,931	24,750	5,073
2030	3,950,000	2,890,475	75,297	19,121
2031-2035	16,720,000	12,457,025	98,328	7,140
2036-2040	18,920,000	8,806,744	-	-
2041-2045	22,910,000	4,928,200	-	-
2046-2047	10,530,000	636,000	-	-
Total Governmental Activities	<u>\$ 87,685,000</u>	<u>\$42,432,968</u>	<u>\$ 417,418</u>	<u>\$ 54,579</u>

Year Ending June 30	SBITA Liabilities		Financial Purchased Obligations		Total
	Principal	Interest	Principal	Interest	
<u>Governmental Activities</u>					
2026	\$ 650,232	\$ 142,046	\$ 256,270	\$ 14,004	\$ 7,507,145
2027	669,740	122,539	263,172	7,101	7,523,862
2028	607,080	102,446	-	-	7,239,504
2029	616,979	84,234	-	-	8,906,967
2030	414,275	65,725	-	-	7,414,893
2031-2035	1,776,562	134,834	-	-	31,193,889
2036-2040	-	-	-	-	27,726,744
2041-2045	-	-	-	-	27,838,200
2046-2047	-	-	-	-	11,166,000
Total Governmental Activities	<u>\$4,734,868</u>	<u>\$ 651,824</u>	<u>\$ 519,442</u>	<u>\$ 21,105</u>	<u>\$136,517,204</u>

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

G. Long-term Obligations (Continued)

Debt Service Requirements to Maturity

Business-Type Activities	Bonded Indebtedness		Intergovernmental Loan		Financial Purchased Obligations		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2026	\$ 11,713,000	\$ 1,755,676	\$ 4,592,053	\$ 1,452,632	\$ 446,423	37,364	\$ 19,997,148
2027	11,976,000	1,512,464	4,707,943	1,431,994	-	-	19,628,401
2028	12,241,000	1,263,257	4,789,452	1,350,486	-	-	19,644,195
2029	13,024,000	1,006,469	4,855,119	1,267,507	-	-	20,153,095
2030	13,273,000	855,906	4,887,226	1,183,464	-	-	20,199,596
2031-2035	13,990,000	1,791,250	25,747,063	4,606,391	-	-	46,134,704
2036-2040	-	-	28,082,082	2,271,372	-	-	30,353,454
2041-2045	-	-	6,971,377	225,406	-	-	7,196,783
Total Business-Type Activities	\$ 76,217,000	\$ 8,185,022	\$ 84,632,315	\$ 13,789,252	\$ 446,423	\$ 37,364	\$ 183,307,376

Landfill Closure and Postclosure Care Costs

State and federal laws and regulations require the County to place a final cover on its landfill sites when each site stops accepting waste and to perform certain maintenance and monitoring functions at the sites for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfills stop accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

The approximately \$31.4 million reported as an accrual for landfill closure and postclosure care at June 30, 2025, includes the estimated remaining liability of \$87,000 for postclosure care of the previously closed landfill site plus the estimated total liability less amounts paid to date for the open sites of both a subtitle D landfill as well as a C&D landfill, based on the following information:

Landfill	Estimated Remaining Landfill Life	Percentage Balance of Capacity Used	Estimated Total Costs			Remaining To Be Recognized
			Closure	Postclosure	Total	
Subtitle D Cells 1 (# 081001-1102)	0.00	100.0%	\$ -	\$ 1,505,000	\$ 1,505,000	-
Subtitle D Cells 2-14 (# 081001-1102)	2.10	84.8%	17,860,400	7,643,900	25,504,300	3,884,403
Subtotal - Subtitle D			17,860,400	9,148,900	27,009,300	3,884,403
DPW-105 (# 081001-1101)	0.00	100.0%	-	817,200	817,200	-
C&D (# 081001-1201)	2.80	69.0%	8,711,700	2,024,000	10,735,700	3,323,820
			\$ 26,572,100	\$ 11,990,100	\$ 38,562,200	\$ 7,208,223

These amounts are based on what it would cost to perform all closure and postclosure care as of June 30, 2025. Actual costs may be higher due to inflation, changes in technology or changes in regulations. The County provides financial assurance for closure and postclosure care costs through its ability to meet the requirements of the local government financial test as contained in SC DHEC regulations. The Subtitle D landfill site began accepting waste in July 2000.

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

IV. OTHER INFORMATION

A. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters. For all of these risks, the County is a member of the State of South Carolina Insurance Reserve Fund, a public entity risk trust currently operating as a common risk management and insurance program for local governments. The County pays an annual premium to the State Insurance Reserve Fund for its general insurance coverage. The State Insurance Reserve Fund is self-sustaining through member premiums and reinsures through commercial companies for certain claims. The State accumulates assets to cover risks that its members incur in their normal operations. Specifically, the State assumes substantially all of the risk of the above.

The County is also subject to risks of loss from providing health, life, accident, dental and other medical benefits to employees, retirees and their dependents. The County enrolled substantially all of its employees in a plan provided by Healthgram (Cigna). In addition, the County insures the risk of job-related injury or illness to its employees through South Carolina Association of Counties Workers' Compensation Trust, a self-insured trust operating for the benefit of local governments. The County pays an annual premium to the Workers' Compensation Trust for its insurance coverage.

For all of the above risk management programs, the County has not significantly reduced insurance coverage from the previous year, and settled claims in excess of insurance coverage for the past three years were immaterial. For each of the insurance programs and public entity risk pools in which they participate, the County has effectively transferred all risk with no liability for unfunded claims.

B. Contingent Liabilities

Litigation

The County, its officers, and its employees are defendants in various claims and lawsuits. It is the opinion of the County's attorney and external counsel that resolution of these matters, either individually or in the aggregate, will not have a material adverse effect on the financial condition of the County. See subsequent event note for details on a contingent liability that was settled prior to issuance of the June 30, 2025 statements.

Grants

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial. Management has not been informed of any significant matters of noncompliance with grant provisions or planned grantor audits. American Rescue Plan Act monies received in advance during the current year have been deferred and reported as such in a special revenue fund.

C. Deferred Compensation Plan

The County offers its employees several deferred compensation plans, offered through the State of South Carolina, created in accordance with Internal Revenue Code Section 457 and 401 (k). The plans, available to all regular full-time employees, permits participants to defer a portion of their salaries until future years. The deferred compensation is not available to the employee or his beneficiaries until termination, retirement, death, disability, or an approved hardship. All amounts of compensation deferred under the plans are held in trust for the contributing employee and are not subject to claims of the employer's general creditors. The plan is administered by the State of South Carolina.

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

IV. OTHER INFORMATION (CONTINUED)

D. Retirement Plans

State Retirement Plans

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

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

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

Plan Description

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

The South Carolina Police Officers Retirement System (PORS), a cost-sharing multiple-employer defined benefit pension plan, was established July 1, 1962, pursuant to the provisions of Section 9-11-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits to police officers and firefighters. PORS also covers peace officers, coroners, probate judges and magistrates.

Membership

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

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

IV. OTHER INFORMATION (CONTINUED)

D. Retirement Plans (Continued)

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

- SCRS - A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 65 or with 28 years credited service regardless of age. A member may elect early retirement with reduced pension benefits payable at age 55 with 25 years of service credit. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension upon satisfying the Rule of 90 requirement that the total of the member's age and the member's creditable service equals at least 90 years. Both Class Two and Class Three members are eligible to receive a reduced deferred annuity at age 60 if they satisfy the five- or eight- year earned service requirement, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program. The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase. Members who retire under the early retirement provisions at age 55 with 25 years of service are not eligible for the benefit adjustment until the second July 1 after reaching age 60 or the second July 1 after the date they would have had 28 years of service credit had they not retired.
- PORS - A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 55 or with 25 years of service regardless of age. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension at age 55 or with 27 years of service regardless of age. Both Class Two and Class Three members are eligible to receive a deferred annuity at age 55 with five or eight years of earned service, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program. Accidental death benefits are also provided upon the death of an active member working for a covered employer whose death was a natural and proximate result of an injury incurred while in the performance of duty. The retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase.

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

IV. OTHER INFORMATION (CONTINUED)

D. Retirement Plans (Continued)

Contributions

Actuarial valuations are performed annually by an external consulting actuary to ensure applicable contribution rates satisfy the funding parameters specified in Title 9 of the South Carolina Code of Laws. Under these provisions, SCRS and PORS contribution requirements must be sufficient to maintain an amortization period for the financing of the unfunded actuarial accrued liability (UAAL) over a period that does not exceed the number of years scheduled in state statute. Legislation in 2017 increased, but also established a ceiling for SCRS and PORS employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.00 percent for SCRS and 9.75 percent for PORS. The legislation also increased employer contribution rates beginning July 1, 2017 for both SCRS and PORS by two percentage points and further scheduled employer contribution rates to increase by a minimum of one percentage point each year in accordance with state statute. The General Assembly postponed the one percent increase in the SCRS and PORS employer contribution rates that was scheduled to go into effect beginning July 1, 2020. In accordance with the legislative funding schedule, employer contribution rates will continue to increase by 1 percentage point each year until reaching 18.56 percent for SCRS and 21.24 percent for PORS but may be increased further, if the scheduled contributions are not sufficient to meet the funding periods set for the applicable year. The board shall increase the employer contribution rates as necessary to meet the amortization period set in statute.

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

Required employee contribution rates are as follows:

As noted above, both employees and the County are required to contribute to the Plans at rates established and as amended by the PEBA. The County’s contributions are actuarially determined, but are communicated to and paid by the County as a percentage of the employees’ annual eligible compensation as follows for the past three years:

	SCRS Rates			PORS Rates		
	2025	2024	2023	2025	2024	2023
Employer Contribution Rate: ^						
Retirement	18.41%	18.41%	17.41%	20.84%	20.84%	19.84%
Incidental Death Benefit	0.15%	0.15%	0.15%	0.20%	0.20%	0.20%
Accidental Death Contributions	0.00%	0.00%	0.00%	0.20%	0.20%	0.20%
	<u>18.56%</u>	<u>18.56%</u>	<u>17.56%</u>	<u>21.24%</u>	<u>21.24%</u>	<u>20.24%</u>
Employee Contribution Rate	<u>9.00%</u>	<u>9.00%</u>	<u>9.00%</u>	<u>9.75%</u>	<u>9.75%</u>	<u>9.75%</u>

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

Of this employer contribution, 5% of earnable compensation must be remitted by the employer directly to the ORP service provider to be allocated to the member’s account with the remainder of the employer contribution remitted to the SCRS

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

IV. OTHER INFORMATION (CONTINUED)

D. Retirement Plans (Continued)

Actuarial Assumptions and Methods - Actuarial valuations of the ongoing plan involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. The GASB Statement No. 67 valuation report prepared as of June 30, 2024, is based on the experience study report for the period ending June 30, 2019. A more recent experience report on the Systems was issued for the period ending June 30, 2023 and will be used for future valuations.

The June 30, 2024, total pension liability (TPL), net pension liability (NPL), and sensitivity information shown in this report were determined by our consulting actuary, Gabriel Roeder Smith & Company (GRS) and are based on an actuarial valuation performed as of July 1, 2023. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year end, June 30, 2024, using generally accepted actuarial principles. There was no legislation enacted during the 2024 legislative session that had a material change in the benefit provisions for any of the systems.

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2024.

Actuarial cost method	SCRS	PORS
	Entry Age Normal	Entry Age Normal
Actuarial assumptions:		
Investment rate of return	7.00%	7.00%
Projected salary increases	3.0% to 11.0% (varies by service)	3.5% to 10.5% (varies by service)
Includes inflation at	2.25%	2.25%
Benefit adjustments	lesser of 1% or \$500 annually	lesser of 1% or \$500 annually

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

Assumptions used in the determination of the June 30, 2024, TPL are as follows:

Former Job Class	Males	Females
General Employees and Members of the General Assembly	2020 PRSC Males multiplied by 97%	2020 PRSC Females multiplied by 107%
Public Safety and Firefighters	2020 PRSC Males multiplied by 127%	2020 PRSC Females multiplied by 107%

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

IV. OTHER INFORMATION (CONTINUED)

D. Retirement Plans (Continued)

Net Pension Liability

The NPL is calculated separately for each system and represents that particular system’s TPL determined in accordance with GASB No. 67 less that System’s fiduciary net position. NPL totals, as of June 30, 2024, for SCRS and PORS are presented below.

System	Total Pension Liability	Plan Fiduciary Net Position	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	\$ 61,369,806,968	\$ 37,919,492,371	23,450,314,597	61.8%	0.405%
PORS	\$ 10,177,904,231	\$ 7,178,118,865	2,998,979,179	70.5%	1.044%

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

Discount Rate - The discount rate used to measure the TPL was 7 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina Code of Laws. Based on those assumptions, the System’s fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

Long-term Expected Rate of Return

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

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2024 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the table on the following page. For actuarial purposes, the 7 percent assumed annual investment rate of return used in the calculation of the TPL includes a 4.75 percent real rate of return and a 2.25 percent inflation component.

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

IV. OTHER INFORMATION (CONTINUED)

D. Retirement Plans (Continued)

Actuarial Assumptions and Methods

Asset Class	Target Allocation	Expected Arithmetic Real Rate of Return	Long Term Expected Portfolio Real Rate of Return
Public Equity	46.0%	6.23%	2.86%
Bonds	26.0%	2.60%	0.68%
Private equity (1,2)	9.0%	9.60%	0.86%
Private Debt (1)	7.0%	6.90%	0.48%
Real Assets	12.0%		
Real Estate (1)	9.0%	4.30%	0.39%
Infrastructure (1)	3.0%	7.30%	0.22%
Total Expected Return (2)	100.0%		5.49%
Inflation for Actuarial Purposes			2.25%
			<u>7.74%</u>

1 RSIC staff and consultant will notify the Commission if the collective exposure to Private Equity, Private Debt and Private Real Assets exceeds 30 percent of total plan assets.

2 Portable Alpha Strategies, which are not included in the Policy Target, will be capped at 15% of total assets; hedge funds (including all hedge funds used in portable alpha implementation) are capped at 15% of total assets.

Sensitivity Analysis

The following table presents the collective NPL of the participating employers calculated using the discount rate of 7 percent, as well as what the employers' NPL would be if it were calculated using a discount rate that is 1.00 percent lower (6 percent) or 1.00 percent higher (8 percent) than the current rate:

System	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
County's proportionate share of the net pension liability of the SCRS	\$ 122,959,498	\$ 94,884,382	\$ 69,029,512
County's proportionate share of the net pension liability of the PORS	\$ 45,389,951	\$ 31,329,208	\$ 19,812,641

Additional Financial and Actuarial Information

Information contained in these Notes to the Schedules of Employer and Nonemployer Allocations and Schedules of Pension Amounts by Employer (Schedules) was compiled from the Systems' audited financial statements for the fiscal year ended June 30, 2024, and the accounting valuation report as of June 30, 2024. Additional financial information supporting the preparation of the Schedules (including the unmodified audit opinion on the financial statements and required supplementary information) is available in the Systems' ACFR.

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

IV. OTHER INFORMATION (CONTINUED)

D. Retirement Plans (Continued)

Deferred Outflows (Inflows) of Resources

For the year ended June 30, 2025, The County recognized pension expense of approximately 14.6 million, of which \$10.2 million was for SCRS and \$4.4 million was for PORS. At June 30, 2025, the County reported deferred outflows (inflows) of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
SCRS		
Differences Between Expected and Actual Experience	\$ 3,118,236	\$ (117,757)
Change in Assumptions	1,672,795	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(3,655,921)
Changes in Proportion and Differences Between the County's Contributions and Proportionate Share of Contributions	4,159,185	(1,523,969)
The County's Contributions Subsequent to the Measurement Date	12,614,323	-
Total SCRS	21,564,539	(5,297,647)
PORS		
Differences Between Expected and Actual Experience	2,942,219	(179,615)
Change in Assumptions	682,092	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(1,756,439)
Changes in Proportion and Differences Between the County's Contributions and Proportionate Share of Contributions	1,079,249	(1,175,458)
The County's Contributions Subsequent to the Measurement Date	4,745,127	-
Total PORS	9,448,687	(3,111,512)
Total SCRS and PORS	\$ 31,013,226	\$ (8,409,159)

Approximately \$12.6 million and \$4.7 million that were reported as deferred outflows of resources related to the County's contributions subsequent to the measurement date to the SCRS and PORS, respectively, will be recognized as a reduction of the net pension liability in the plan year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the SCRS and PORS will be recognized in pension expense as follows:

Year Ended June 30,	SCRS	PORS	Total
2026	\$ 1,057,814	\$ 619,485	\$ 1,677,299
2027	(5,000,869)	(2,156,638)	(7,157,507)
2028	(669,592)	(519,296)	(1,188,888)
2029	960,079	464,400	1,424,479
Total	\$ (3,652,568)	\$ (1,592,049)	\$ (5,244,617)

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

V. OTHER INFORMATION (CONTINUED)

D. Retirement Plans (Continued)

Payable to Plans - The County reported payables of approximately \$2.2 million and \$833 thousand to the PEBA as of June 30, 2025, representing required employer and employee contributions for the months of May and June 2025 for the SCRS and PORS, respectively. These amounts are included in Accounts Payable and Accrued Liabilities on the financial statements and were paid in July 2025.

E. Other Post-Employment Benefits

Plan Description - The County sponsors a single-employer defined benefit healthcare plan (the "Plan") that provides medical and dental insurance for retirees for the duration of their lives. Employees who: (1) were hired prior to October 1, 2011, (2) retire having worked full-time with Berkeley County or Berkeley County Water & Sanitation for 10 consecutive years, (3) are SCRS or PORS retirement eligible with at least 20 years of service in that program are eligible for post-employment benefits. Information regarding SCRS and PORS eligibility may be found in Note IV. D. The amount the County contributes to the retirees' health insurance is approved in the annual budget. These contributions are neither guaranteed nor mandatory. The County has retained the right to unilaterally modify its payments toward retiree health care benefits at any time. The Plan does not issue a stand-alone financial report.

As of June 30, 2025, the measurement date, there were 253 covered participants, including 231 active participants and 22 retired participants receiving benefits.

Funding Policy -The County contributes a fixed dollar amount each year. In fiscal year 2025, the County contributed, on a monthly basis, up to \$175 per month for retiree only and retiree family healthcare coverage. For the Plan, the retiree contributes the balance between the actuarially calculated costs less the fixed dollar amount. The retiree pays 100% of the actuarially calculated dental costs. The County contributed the contractually required contribution amount of approximately \$115,000 for the year ended June 30, 2025. This represented .68% of the covered payroll in the amount of approximately \$18.1 million.

Total OPEB Liability - In previous years, the County reported a net OPEB obligation (liability) consisting of the difference between the annual required contribution into the plan and the actual contributions made by the County. New reporting standards (GASB Statement No. 75) require employers to determine the total OPEB liability using the entry age normal actuarial funding method and to report a net OPEB liability consisting of the difference between the total OPEB liability and the plan's fiduciary net position, if any.

Actuarial Methods and Assumptions - Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive Plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point.

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

IV. OTHER INFORMATION (CONTINUED)

E. Other Post-Employment Benefits (Continued)

The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The following table summarizes the key actuarial assumptions and cost method:

Actuarial Valuation Date:	June 30, 2025
Actuarial Cost Method:	Entry Age Normal
Amortization Method:	Level Dollar Method
Amortization Period:	30 Years
Actuarial Assumptions:	
Health Cost Trend:	6.3% to 4.25% in 0.20% annual steps
Coverage Elections:	80% of eligible retirees and 30% of spouses will elect to receive coverage upon retirement.
Active Participant Marriage Assumption:	80% of all active employees are assumed to be married with female spouses assumed to be 3 years younger.
Mortality Table:	July 2024 valuation of the South Carolina Retirement System
Implicit Rate Subsidy:	Total cost of coverage for pre-65 retirees is 50% higher than the average premium rate to account for the implicitly subsidized costs.
Changes in Actuarial Assumptions/Cost Method:	Change in healthcare plan provider.

Funding Policy – There are no plan assets accumulated in a trust by the County. The County provides retiree healthcare benefits on a pay-as-you-go basis.

Discount Rate – Projected benefit payments are required to be discounted to their actuarial present value using a Single Discount Rate that reflects: (1) the long-term expected rate of return on OPEB plan investments (to the extent that the plan’s fiduciary net position is projected to be sufficient to pay benefits) and (2) the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA/Aa credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). For the purpose of this valuation, the municipal bond rate is 4.71% (based on the daily rate closest to but not later than the measurement date of the Bond Buyer “20-Bond GO Index”). Since the plan is not funded, a Single Discount Rate of 4.71% was chosen for this valuation.

Sensitivity Analysis - Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability, calculated using the discount rate of 4.71%, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (3.71%) or 1-percentage point higher (5.71%) than the current rates:

System	Current Discount		
	1% Decrease (3.71%)	Rate (4.71%)	1% Increase (5.71%)
Total OPEB Liability	\$ 3,084,348	\$ 2,849,118	\$ 2,628,052

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

IV. OTHER INFORMATION (CONTINUED)

E. Other Post-Employment Benefits (Continued)

Sensitivity of the total OPEB liability to changes in healthcare cost trends rates – The following presents the total OPEB liability as well as what the total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare cost trend rates:

System	1% Decrease	Healthcare Cost Trend	1% Increase
Total OPEB Liability	\$ 2,602,450	\$ 2,849,118	\$ 3,132,178

The following schedule presents the changes in the County’s total OPEB liability from the valuation date to the measurement date.

Total OPEB Liability	2025
Service cost	\$ 45,300
Interest	70,022
Changes in assumptions	(146,165)
Differences between expected and actual experience	1,141,577
Benefit payments	(7,175)
Implicit rate subsidy fulfillment	(43,141)
Net Change in total OPEB liability	1,060,418
Total OPEB liability - beginning	1,788,700
Total OPEB liability - ending	\$ 2,849,118
Berkeley County's Covered Payroll	\$ 18,095,576
Total OPEB liability as a percentage of covered payroll	15.74%

At June 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 979,012	\$ (1,719,806)
Change in Assumptions or other inputs	122,697	(459,756)
Total OPEB	\$ 1,101,709	\$ (2,179,562)

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

IV. OTHER INFORMATION (CONTINUED)

E. Other Post-Employment Benefits (Continued)

Collective amounts reported as deferred outflows or resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense in future years as follows:

Year Ended June 30,	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
2026	\$ (238,140)	\$ 536,891	\$ 298,751
2027	(199,337)	523,206	323,869
2028	(171,933)	420,054	248,121
2029	(163,473)	362,906	199,433
2030	(162,639)	247,499	84,860
Thereafter	(166,187)	89,006	(77,181)
Total	<u><u>\$(1,101,709)</u></u>	<u><u>\$ 2,179,562</u></u>	<u><u>\$ 1,077,853</u></u>

The calculation of OPEB expense for the fiscal year ended June 30, 2025 is presented in the following table:

	2025
Service cost	\$ 45,301
Interest	70,022
Changes in Assumptions	<u>(321,124)</u>
OPEB Expense	<u><u>\$ (205,801)</u></u>

F. Concentrations of Credit Risk

The Water and Sewer and the Solid Waste Enterprise Funds grant credit to customers in Berkeley County, South Carolina. Accounts receivable and financed impact fees are financial instruments that potentially subject the Funds to credit risk. No collateral is required for credit granted to customers.

The County terminates services for accounts unpaid after 60 days. Additionally, the County participates in the State of South Carolina debt collection program, whereby delinquent customer balances may be withheld from customers' state income tax refunds.

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

IV. OTHER INFORMATION (CONTINUED)

G. Conduit Debt

From time to time, the County issues industrial development, pollution control, special source and other bonds as a conduit issuer and in its own name to assist private-sector entities in the financing of the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2025, there were twenty series of Special Source Revenue Bonds with an outstanding aggregate principal amount of approximately \$164 million.

H. Reciprocal Interfund Transactions

During the year ended June 30, 2025, the County's General Fund charged the Water and Sewer and the Solid Waste Funds approximately \$342,000 for administrative services.

I. Property Taxes

The County is permitted under South Carolina law to levy property taxes for general governmental services and for the principal and interest on long-term debt. The County tax rate to finance general governmental services payments for the year ended June 30, 2025, was set by County Council in June 2024 for fiscal 2025 at 41.0 mills (\$4.10 per \$100 assessed valuation) for general uses and purposes of the County. Additional tax rates were applied beginning in the year ended June 30, 2022, as follows: 48.5 mills for the Sangaree Special Tax District, 4.5 mills for debt retirement, and 1.0 mill for Cypress Gardens. The assessed valuation of properties within the County's boundaries for the 2024 tax levy year was approximately \$1.74 billion, exclusive of vehicles valued at approximately \$169 million, according to the records of the County Auditor and Assessor.

J. Local Option Sales Tax

The County has a one percent local option sales tax ("LOST") that was approved via voter referendum in November of 1996. The South Carolina Department of Revenue ("SC DOR") collects the tax and disburses it to the County, who holds it in an agency fund. County Council allocated eighty (80%) percent of these funds to be used to offset taxpayers' County property tax liabilities for the year ended June 30, 2025. The remaining twenty (20%) of funds were allocated by County Council for capital expenditures and for general county operational expenditures.

K. Transportation Sales Tax

The County has a special one percent transportation sales tax that was approved via voter referendum in November of 2008 and 2014. The tax is to be imposed for not more than seven years to fund the construction and maintenance of highways, roads, streets, bridges, and road amenities such as sidewalks, curbs, gutter repairs, and repairs to drainage facilities relating to highways, roads, streets and bridges and other transportation-related projects in the County. During the November 2022 elections, the voters of Berkeley County approved an extension to the one-cent transportation sales tax program through April 2030. In addition, the voters approved the issuance of up to \$89,000,000 in general obligation bonds to be payable from the one-cent transportation sales tax program. The South Carolina Department of Revenue collects the tax and disburses it to the County. Transportation Sales Tax revenues for the year ended June 30, 2025, totaled approximately \$62.5 million.

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

IV. OTHER INFORMATION (CONTINUED)

L. Nexton Improvement District

On September 22, 2014, County Council adopted Ordinance No. 14-28 authorizing the creation of the Nexton Improvement District (“NID”), approving and authorizing the implementation of the Improvement Plan – Nexton Improvement District (the “Plan”), providing for the financing of improvements within the NID by assessment, approving the rate and method of apportionment of assessments, approving the assessment report, and ordering the preparation of an assessment roll with a notice of the assessment sent to the property owners in the NID. The NID is located in the vicinity of the I-26 and US Highway 176 and consists of approximately 3,834 acres of mixed-use planned development, primarily consisting of residential land use. The Plan outlines various infrastructure improvements within the NID. The improvements as outlined in the Plan are expected to cost approximately \$75,140,000. The current expectation is that assessments will not be used to fund all of the potential improvements, but that assessments will be set aside to fund approximately \$58,725,000 of the uninflated cost of the improvements. The Nexton Improvement District Assessment Revenue Bonds, Series 2019, in the principal amount of \$33,535,000 were issued pursuant to (i) a bond ordinance, which was enacted by the County Council on September 23, 2019, (ii) the Act and (iii) a Master Trust Indenture, dated as of November 1, 2019, as supplemented by a First Supplemental Trust Indenture, dated as of the same day, each by and between the County and Regions Bank, as trustee for the Series 2019 Bonds. These Bonds are to be repaid from Special Assessment A.

The County is not obligated in any manner for this special assessment debt. Accordingly, The County has not recorded this debt in its financial statements. The County is recording the assessments collected in the Treasurer’s custodial fund reported in the Statement of Fiduciary Net Position.

M. Tax Abatement

Pursuant to Governmental Accounting Standard’s Board (GASB) Statement No. 77, *Tax Abatement Disclosures*, the County is required to disclose certain information about tax abatements as defined in the Statement. For purposes of GASB Statement No. 77, a tax abatement is a reduction in tax revenues that results from an agreement between one or more governments and an individual entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered that contributes to economic development or otherwise benefits the County or the citizens of the County. The County has entered into such agreements.

The Multi-County Park Program is an economic development tool administered by the county that provides real and personal property tax exemptions and abatements as well as revenue credits to businesses making investments in Berkeley County. Typically, these businesses bring jobs and additional economic benefits to the Berkeley County.

The Authority for which the abatement agreements have been established are SC Code Title 12-Chapter 44, Title 4-Chapter 29 or Title 4-Chapter 12 as well as SC Code Section 4-29-68, Section 4-1-270 and Section 12-44-70 for any eligible revenue credits. There are criteria established in order for an entity to receive an abatement which includes, a minimum investment requirement of generally \$2.5M of investment within a five-year period.

The Multi-County Park geographical area is identified by the county and is authorized under the statutes listed above. The entity must file annual state property tax forms to the state to receive the exemption and the entity must certify to the County eligibility requirements have been met to receive revenue credits. The County may terminate or modify the exemptions and credits from taxation granted under the agreement if the terms of the agreement are not met. Recipient’s taxes are reduced through a reduction of the properties assessed value and/or a special source revenue credit against the taxes owed and each agreement is individually negotiated, and abatements may be based on a specific dollar amount or percentage of taxes owed. The abated taxes cannot be recaptured and there are no other types of commitments made by the County other than to reduce taxes.

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

IV. OTHER INFORMATION (CONTINUED)

M. Tax Abatement (continued)

The gross dollar amount, on accrual basis, by which the County's tax revenues were reduced as a result of abatement agreements is as follows; Fiscal Year 2025 (Tax Year 2024) Total abatement for County Operations/Debt of approximately \$15.5 million, Special Source Revenue Credits of \$334,000 and Multi-County Park/Fee in Lieu agreements of approximately \$7.5 million. There are individual accounts with abatements greater than ten percent of the total abatement, but the County is not legally authorized to release the details on the account(s) meeting the threshold due to non-disclosure agreements.

N. Subsequent Events and Uncertainties

In preparing these financial statements, the County's management has evaluated events and transactions for potential recognition or disclosure through December 10, 2025, the date the financial statements were available for issuance.

In December of 2025, the Berkeley County Council authorized and approved a significant appropriation from the General Fund's unassigned fund balance, the purpose of which was to complete funding of capital contributions towards the construction of a new Administrative and Judicial Center. A total of \$11.9 million was approved, from the General Fund's unassigned balance to complete funding for the project. This strategic investment aligns with the County's long-term plan to improve its judicial infrastructure to meet the growing needs of the community. In addition, during the budget preparation for the 2026 fiscal year, the County appropriated \$9M of General Fund, fund balance, for additional county-wide capital projects.

The County maintains a fund balance policy requiring a fund balance of at least 17% of General Fund's subsequent year's budgeted expenditures to ensure sufficient liquidity and financial flexibility. As of the end of the current fiscal year, the fund balance of the General Fund is \$93.8 million, or approximately 60.1% of the subsequent year's budgeted expenditures.

These additional appropriations will reduce the fund balance of the General Fund balance by \$20.9 million, resulting in an estimated remaining fund balance of \$72.8 million, or approximately 46.7% of the subsequent year's budgeted expenditures (\$156,014,345). While this drawdown significantly impacts the fund balance of the General Fund, it remains substantially above the County's 17% policy threshold, ensuring continued compliance with fiscal policies.

This subsequent event does not affect the financial position as of the reporting date but will have a material impact on the General Fund balance in the next fiscal year.

December of 2025, Council approved the 3rd (and final) reading of a bond ordinance, intended to issue an additional \$40M of general obligation bonds, which are planned to be sold in February of 2026. The intended use of these funds is for infrastructure improvements to existing county-owned campus, renovations of existing buildings and the construction of new county facilities.

Subsequent to June 30, 2025, and prior to the issuance of the financial statements, the County Council approved a settlement in the amount of \$1.75 million related to a contingency existing at fiscal year-end. Based on the information available as of June 30, 2025, the liability was considered probable and reasonably estimable and, accordingly, has been accrued and reported in the Capital Projects Fund for the fiscal year then ended.

**REQUIRED SUPPLEMENTARY
INFORMATION**

**BERKELEY COUNTY, SOUTH CAROLINA
REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND

YEAR ENDED JUNE 30, 2025

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
REVENUES				
Property Taxes	\$ 47,409,793	\$ 47,409,793	\$ 49,625,385	\$ 2,215,592
Fee in Lieu of Taxes	22,040,000	22,040,000	23,628,527	1,588,527
Local Options Sales Tax	30,311,179	30,311,179	31,727,705	1,416,526
Licenses, Fees and Permits	6,741,000	6,741,000	9,456,335	2,715,335
Fines, Forfeitures and Fees	13,862,182	14,275,342	19,413,984	5,138,642
Interest Income	4,500,000	4,500,000	6,192,909	1,692,909
Local Revenue	200,000	200,000	415,247	215,247
Intergovernmental - Federal	312,000	312,000	192,692	(119,308)
Intergovernmental - State and Local	11,106,419	11,138,957	11,153,199	14,242
Insurance Proceeds	-	418,737	469,335	50,598
Miscellaneous	544,296	573,357	2,152,125	1,578,768
TOTAL REVENUES	137,026,869	137,920,365	154,427,443	16,507,078
EXPENDITURES				
Current:				
General Government				
Legislative	408,588	415,376	292,970	122,406
Judicial	12,391,099	12,681,787	11,891,438	790,349
Executive	1,018,811	1,025,094	893,046	132,048
Finance and Administration	33,335,369	32,469,819	27,701,415	4,768,404
Elections	1,009,955	1,052,583	1,131,843	(79,260)
Total General Government	48,163,822	47,644,659	41,910,712	5,733,947
Public Safety				
Sheriff	24,060,372	24,353,027	24,854,351	(501,324)
Crime Stoppers	3,000	3,000	-	3,000
Corrections	13,980,977	14,094,612	12,927,620	1,166,992
Communications	7,687,157	7,755,535	6,182,567	1,572,968
Emergency Medical Services	16,227,928	16,394,626	15,138,983	1,255,643
Dorchester/Berkeley Children's Center	250,000	250,000	250,000	-
Coroner	1,341,879	1,372,967	1,361,849	11,118
Total Public Safety	63,551,313	64,223,767	60,715,370	3,508,397
Airport, Highways and Streets				
Airport	643,672	647,776	594,378	53,398
Highways and Streets	5,275,507	5,341,900	4,576,487	765,413
Fleet Management	4,087,400	4,524,319	3,631,177	893,142
Engineering	1,206,656	1,456,090	1,086,580	369,510
Total Airport, Highways and Streets	11,213,235	11,970,085	9,888,622	2,081,463
Culture and Recreation				
Library	4,923,585	4,996,312	4,758,739	237,573
Total Culture and Recreation	4,923,585	4,996,312	4,758,739	237,573

(Continued)

See accompanying independent auditor's report.

**BERKELEY COUNTY, SOUTH CAROLINA
REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND

YEAR ENDED JUNE 30, 2025

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
EXPENDITURES (CONTINUED)				
Current (Continued):				
Health and Welfare				
Health State	\$ 95,070	\$ 95,070	\$ 116,211	\$ (21,141)
Mosquito Abatement	1,948,466	1,963,040	1,276,598	686,442
Veterans Services	601,148	612,178	478,108	134,070
Animal Shelter	2,117,890	2,138,936	2,039,157	99,779
Other Programs Assistance	890,146	891,479	849,327	42,152
Total Health and Welfare	5,652,720	5,700,703	4,759,401	941,302
Community Development				
Regional Development Alliance	333,300	333,300	333,300	-
BCD Council of Governments	287,326	287,326	287,326	-
Welfare Programs	100,000	39,454	531,939	(492,485)
Trident Tech Nursing Program	375,000	375,000	375,000	-
Total Community Development	1,095,626	1,035,080	1,527,565	(492,485)
TOTAL EXPENDITURES	134,600,301	135,570,606	123,560,409	12,010,197
EXCESS (DEFICIENCY) OF REVENUES (UNDER) OVER EXPENDITURES	2,426,568	2,349,759	30,867,034	28,517,275
OTHER FINANCING SOURCES (USES)				
Proceeds from Disposal of Assets	10,000	10,000	117,829	107,829
Transfers In	718,479	724,479	700,498	(23,981)
Transfers Out	(3,155,047)	(43,356,094)	(43,191,262)	164,832
Total Other Financing Sources (Uses)	(2,426,568)	(42,621,615)	(42,372,935)	248,680
NET CHANGE IN FUND BALANCES	-	(40,271,856)	(11,505,901)	28,765,955
FUND BALANCE - Beginning of Year	105,275,582	105,275,582	105,275,582	-
FUND BALANCE - End of Year	\$ 105,275,582	\$ 65,003,726	\$ 93,769,681	\$ 28,765,955

Note: This schedule has been presented on the modified accrual basis of accounting, which is consistent with accounting principle generally accepted in the United States of America

See accompanying independent auditor's report.

BERKELEY COUNTY, SOUTH CAROLINA
REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST-EMPLOYMENT BENEFIT PLAN - DEFINED BENEFIT HEALTHCARE PLAN -
SCHEDULES OF CHANGES IN THE COUNTY'S TOTAL OPEB AND RELATED RATIOS

YEAR ENDED JUNE 30, 2025

Total OPEB Liability	2025	2024	2023	2022
Service cost	\$ 45,300	\$ 46,437	\$ 111,595	\$ 139,569
Interest	70,022	63,458	144,457	95,639
Changes in assumptions	(146,165)	(42,388)	(156,839)	(439,420)
Differences between expected and actual experience	1,141,577	-	(2,351,315)	-
Benefit payments	(7,175)	(9,975)	(47,343)	(81,079)
Implicit rate subsidy fulfillment	(43,141)	(27,282)	(91,769)	(65,867)
Net Change in total OPEB liability	1,060,418	30,250	(2,391,214)	(351,158)
Total OPEB liability - beginning	1,788,700	1,758,450	4,149,664	4,500,822
Total OPEB liability - ending	\$ 2,849,118	\$ 1,788,700	\$ 1,758,450	\$ 4,149,664
Berkeley County's Covered Payroll	\$ 18,095,576	\$ 16,280,358	\$ 16,280,358	\$ 18,643,434
Total OPEB liability as a percentage of covered payroll	15.74%	10.99%	10.80%	22.26%

Total OPEB Liability	2021	2020	2019	2018
Service cost	\$ 161,078	\$ 123,870	\$ 137,084	\$ 139,207
Interest	111,031	154,129	173,698	159,133
Changes in assumptions	32,448	493,995	101,498	(116,913)
Differences between expected and actual experience	(745,299)	-	(357,069)	-
Benefit payments	(87,021)	(90,531)	(91,032)	(86,120)
Implicit rate subsidy fulfillment	(76,964)	(48,473)	(50,143)	(48,762)
Net Change in total OPEB liability	(604,727)	632,990	(85,964)	46,545
Total OPEB liability - beginning	5,105,549	4,472,559	4,558,523	4,511,978
Total OPEB liability - ending	\$ 4,500,822	\$ 5,105,549	\$ 4,472,559	\$ 4,558,523
Berkeley County's Covered Payroll	\$ 18,643,434	\$ 21,566,098	\$ 21,566,098	\$ 23,130,892
Total OPEB liability as a percentage of covered payroll	24.14%	23.67%	20.74%	19.71%

The amounts presented for each fiscal year were determined as of June 30th of the current year. Only eight years of data was available; thus, only eight years was presented.

BERKELEY COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION

**OTHER POST-EMPLOYMENT BENEFIT PLAN - DEFINED BENEFIT HEALTHCARE PLAN -
SCHEDULES OF CONTRIBUTIONS OF THE COUNTY'S TOTAL OPEB AND RELATED RATIOS**

YEAR ENDED JUNE 30, 2025

	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Berkeley County's Covered Payroll	Contributions as a percentage of the covered payroll
2025	\$ 115,323	\$ (115,323)	\$ -	\$ 18,095,576	0.64%
2024	109,945	(109,945)	-	16,280,358	0.68%
2023	256,002	(256,002)	-	16,280,358	1.57%
2022	235,208	(235,208)	-	18,643,434	1.26%
2021	272,097	(272,097)	-	18,643,434	1.46%
2020	277,999	(277,999)	-	21,566,098	1.29%
2019	310,794	(310,794)	-	21,566,098	1.44%
2018	298,342	(298,342)	-	23,130,892	1.29%

Notes to Schedule:

The amounts presented for each fiscal year were determined as of June 30th of the current year.
Only eight years of data was available; thus, only eight years was presented.

See accompanying independent auditor's report.

BERKELEY COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF BERKELEY COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
SOUTH CAROLINA RETIREMENT SYSTEM

LAST TEN FISCAL YEARS

Year Ended June 30,	Berkeley County's Proportion of the Net Pension Liability	Berkeley County's Proportionate Share of the Net Pension Liability	Berkeley County's Covered Payroll	Berkeley County's Proportionate 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
2025	0.40462%	94,884,382	44,674,187	212.40%	61.80%
2024	0.38517%	93,124,435	49,112,315	231.80%	58.60%
2023	0.33706%	91,408,473	46,115,178	244.20%	57.10%
2022	0.40923%	88,561,521	36,375,018	221.10%	60.70%
2021	0.39231%	100,242,688	43,744,743	275.60%	50.70%
2020	0.38938%	88,911,707	36,498,489	243.60%	54.40%
2019	0.37040%	82,993,942	35,948,466	230.87%	54.10%
2018	0.35424%	79,745,570	36,391,744	219.13%	53.30%
2017	0.34382%	73,438,802	33,271,284	220.73%	52.90%
2016	0.33982%	64,449,260	31,924,641	201.88%	56.99%

Notes to Schedule:

The amounts presented for each fiscal year were determined as of June 30th of the preceding year.

See accompanying independent auditor's report.

BERKELEY COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF BERKELEY COUNTY'S CONTRIBUTIONS
SOUTH CAROLINA RETIREMENT SYSTEM**

LAST TEN FISCAL YEARS

Year Ended June 30,	Contractually Required Contribution*	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Berkeley County's Covered Payroll	Contributions as a Percentage of Covered Payroll
2025	\$ 12,614,323	\$ (12,614,323)	\$ -	\$ 67,965,100	18.56%
2024	10,319,149	(10,319,149)	-	55,598,863	18.56%
2023	8,550,454	(8,550,454)	-	48,692,790	17.56%
2022	7,643,297	(7,643,297)	-	46,155,175	16.56%
2021	6,023,703	(6,023,703)	-	36,375,018	16.56%
2020	6,806,682	(6,806,682)	-	43,744,743	15.56%
2019	5,314,180	(5,314,180)	-	36,498,489	14.56%
2018	4,874,612	(4,874,612)	-	35,948,466	13.56%
2017	4,152,298	(4,152,298)	-	36,391,744	11.41%
2016	3,679,804	(3,679,804)	-	33,271,284	11.06%

Notes to Schedule:

* The County's actual contributions to SCRS equal the required contribution before the state credit of one percent issued in accordance with South Carolina 2018-2020 Appropriations Act, Section 117.139

See accompanying independent auditor's report.

BERKELEY COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF BERKELEY COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
POLICE OFFICERS RETIREMENT SYSTEM**

LAST TEN FISCAL YEARS

Year Ended June 30,	Berkeley County's Proportion of the Net Pension Liability	Berkeley County's Proportionate Share of the Net Pension Liability	Berkeley County's Covered Payroll	Berkeley County's Proportionate 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
2025	1.04438%	31,329,208	20,600,179	187.30%	70.50%
2024	0.99644%	30,332,550	17,823,110	201.10%	67.80%
2023	1.04141%	31,231,572	17,470,876	209.00%	66.40%
2022	1.31304%	29,083,326	17,003,284	178.60%	70.40%
2021	1.04749%	34,737,077	14,437,079	240.60%	58.80%
2020	1.04669%	29,997,433	14,092,278	212.86%	62.70%
2019	1.07487%	30,456,974	14,032,457	217.05%	61.70%
2018	1.00252%	27,464,645	13,638,287	201.38%	60.90%
2017	0.89888%	22,800,222	11,353,009	200.83%	60.40%
2016	0.83882%	18,282,052	10,314,427	177.25%	64.60%

Notes to Schedule:

The amounts presented for each fiscal year were determined as of June 30th of the preceding year.

See accompanying independent auditor's report.

BERKELEY COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF BERKELEY COUNTY'S CONTRIBUTIONS
POLICE OFFICERS RETIREMENT SYSTEM

LAST TEN FISCAL YEARS

Year Ended June 30,	Contractually Required Contribution*	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Berkeley County's Covered Payroll	Contributions as a Percentage of Covered Payroll
2025	\$ 4,745,126	\$ (4,745,126)	\$ -	\$ 22,340,525	21.24%
2024	4,375,478	(4,375,478)	-	20,600,179	21.24%
2023	3,536,105	(3,536,105)	-	17,823,110	20.24%
2022	3,271,432	(3,271,432)	-	17,470,876	19.24%
2021	2,633,323	(2,633,323)	-	17,003,284	18.24%
2020	2,890,946	(2,890,946)	-	14,437,079	17.24%
2019	2,385,178	(2,385,178)	-	14,092,278	16.24%
2018	2,278,871	(2,278,871)	-	14,032,457	15.24%
2017	1,942,092	(1,942,092)	-	13,638,287	14.24%
2016	1,554,227	(1,554,227)	-	11,353,009	13.69%

Notes to Schedule:

* The County's actual contributions to SCRS equal the required contribution before the state credit of one percent issued in accordance with South Carolina 2018-2020 Appropriations Act, Section 117.139

See accompanying independent auditor's report.

SUPPLEMENTARY INFORMATION

BERKELEY COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2025

	DEBT SERVICE FUND	NONMAJOR SPECIAL REVENUE FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
ASSETS			
Cash and Cash Equivalents	\$ -	\$ 25,608,922	\$ 25,608,922
Receivables, Net of Allowances:			
Property Taxes	8,158,004	22,807,187	30,965,191
Accounts Receivable	-	639,624	639,624
Federal, State and Local Governments	-	1,482,788	1,482,788
Inventories, at Cost	-	13,847	13,847
Restricted Cash and Cash Equivalents	1,446,037	16,846,953	18,292,990
Restricted Investment	11,369,883	-	11,369,883
TOTAL ASSETS	\$ 20,973,924	\$ 67,399,321	\$ 88,373,245
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
LIABILITIES			
Accounts Payable and Accrued Liabilities	\$ 2,500	\$ 4,774,046	\$ 4,776,546
Due to Other Funds	-	603,882	603,882
TOTAL LIABILITIES	2,500	5,377,928	5,380,428
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue	68,949	1,566,688	1,635,637
Deferred Revenue	8,045,394	22,077,451	30,122,845
TOTAL DEFERRED INFLOWS OF RESOURCES	8,114,343	23,644,139	31,758,482
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	8,116,843	29,022,067	37,138,910
FUND BALANCES			
Nonspendable:			
Inventory	-	13,847	13,847
Restricted for:			
Debt Service	12,857,081	-	12,857,081
Economic Development	-	2,819,492	2,819,492
Clerk of Court	-	189,459	189,459
Grants	-	271,629	271,629
Emergency Telephone	-	1,289,236	1,289,236
Stormwater Management	-	6,603,102	6,603,102
Accommodations	-	2,716,690	2,716,690
Other	-	7,567,619	7,567,619
Committed For:			
Special Tax Districts	-	2,935,294	2,935,294
Economic Development	-	7,363,611	7,363,611
Airport, Highways and Streets	-	908,846	908,846
Geographic Information Systems	-	86,084	86,084
Emergency Preparedness	-	15,276	15,276
Parks and Recreation	-	5,597,069	5,597,069
TOTAL FUND BALANCES	12,857,081	38,377,254	51,234,335
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 20,973,924	\$ 67,399,321	\$ 88,373,245

See accompanying independent auditor's report.

BERKELEY COUNTY, SOUTH CAROLINA

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS**

YEAR ENDED JUNE 30, 2025

	DEBT SERVICE FUND	NONMAJOR SPECIAL REVENUE FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
REVENUES			
Property Taxes	\$ 8,562,834	\$ 3,947,834	\$ 12,510,668
Accommodations Fee	-	1,583,987	1,583,987
Fee in Lieu of Taxes	20,422	4,735,178	4,755,600
Licenses, Fees and Permits	-	512,165	512,165
Fines, Forfeitures and Fees	-	22,151,723	22,151,723
Interest Income	2,911,190	12,298	2,923,488
Local Revenue	-	1,148,056	1,148,056
Intergovernmental - Federal	-	3,807,582	3,807,582
Intergovernmental - State and Local	-	14,659,065	14,659,065
Insurance Proceeds	-	29,432	29,432
Miscellaneous	-	3,401,456	3,401,456
TOTAL REVENUES	11,494,446	55,988,776	67,483,222
EXPENDITURES			
Current:			
General Government	2,500	3,747,854	3,750,354
Public Safety	-	18,636,479	18,636,479
Airport, Highways and Streets	-	15,278,914	15,278,914
Culture and Recreation	-	3,215,442	3,215,442
Health and Welfare	-	1,633,925	1,633,925
Community Development	-	5,695,200	5,695,200
Capital Outlay	-	2,760,776	2,760,776
Debt Service:			
Principal Retirement	7,710,000	358,186	8,068,186
Interest and Fiscal Charges	3,613,384	15,649	3,629,033
TOTAL EXPENDITURES	11,325,884	51,342,425	62,668,309
EXCESS OF REVENUES OVER EXPENDITURES	168,562	4,646,351	4,814,913
OTHER FINANCING SOURCES (USES)			
Proceeds from Disposal of Assets	-	66,100	66,100
Transfers In	-	3,024,374	3,024,374
Transfers Out	-	(4,074,180)	(4,074,180)
TOTAL OTHER FINANCING SOURCES (USES), NET	-	(983,706)	(983,706)
NET CHANGE IN FUND BALANCES	168,562	3,662,645	3,831,207
FUND BALANCE - Beginning of Year	12,688,519	34,714,609	47,403,128
FUND BALANCE - End of Year	\$ 12,857,081	\$ 38,377,254	\$ 51,234,335

See accompanying independent auditor's report.

BERKELEY COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2025

	ECONOMIC DEVELOPMENT	GEOGRAPHIC INFORMATION SYSTEM	EMERGENCY PREPAREDNESS GRANTS
ASSETS			
Cash and Cash Equivalents	\$ -	\$ 131,022	\$ -
Receivables, Net of Allowances:			
Property Taxes	-	-	-
Accounts Receivable	-	-	-
Federal, State and Local Governments	-	-	23,829
Due from Other Funds	-	-	-
Inventories, At Cost	-	-	-
Restricted Cash and Cash Equivalents	1,402,536	-	-
TOTAL ASSETS	<u>\$ 1,402,536</u>	<u>\$ 131,022</u>	<u>\$ 23,829</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
LIABILITIES			
Accounts Payable and Accrued Liabilities	\$ -	\$ 44,938	\$ 4,951
Due to Other Funds	-	-	3,602
TOTAL LIABILITIES	<u>-</u>	<u>44,938</u>	<u>8,553</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue	-	-	-
Deferred Revenue	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>44,938</u>	<u>8,553</u>
FUND BALANCES			
Nonspendable:			
Inventories	-	-	-
Restricted For:			
Economic Development	1,402,536	-	-
Clerk of Court	-	-	-
Grants	-	-	-
Emergency Telephone	-	-	-
Stormwater Management	-	-	-
Accommodations	-	-	-
Other	-	-	-
Committed For:			
Special Tax Districts	-	-	-
Economic Development	-	-	-
Airport, Highways and Streets	-	-	-
Geographic Information Systems	-	86,084	-
Emergency Preparedness	-	-	15,276
Parks and Recreation	-	-	-
TOTAL FUND BALANCES	<u>1,402,536</u>	<u>86,084</u>	<u>15,276</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 1,402,536</u>	<u>\$ 131,022</u>	<u>\$ 23,829</u>

(Continued)

BERKELEY COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2025

	COMMUNITY DEVELOPMENT BLOCK GRANT	HIGHWAY "C" FUNDS	STORM WATER MANAGEMENT
ASSETS			
Cash and Cash Equivalents	\$ -	\$ 2,482,979	\$ -
Receivables, Net of Allowances:			
Property Taxes	-	-	5,658,234
Accounts Receivable	-	-	3,353
Federal, State and Local Governments	144,083	-	-
Due from Other Funds	-	-	-
Inventories, At Cost	-	-	-
Restricted Cash and Cash Equivalents	-	-	6,959,569
TOTAL ASSETS	\$ 144,083	\$ 2,482,979	\$ 12,621,156
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
LIABILITIES			
Accounts Payable and Accrued Liabilities	\$ 31,442	\$ 2,482,979	\$ 391,211
Due to Other Funds	36,856	-	-
TOTAL LIABILITIES	68,298	2,482,979	391,211
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue	75,785	-	155,220
Deferred Revenue	-	-	5,471,623
TOTAL DEFERRED INFLOWS OF RESOURCES	75,785	-	5,626,843
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	144,083	2,482,979	6,018,054
FUND BALANCES			
Nonspendable:			
Inventories	-	-	-
Restricted For:			
Economic Development	-	-	-
Clerk of Court	-	-	-
Grants	-	-	-
Emergency Telephone	-	-	-
Stormwater Management	-	-	6,603,102
Accommodations	-	-	-
Other	-	-	-
Committed For:			
Special Tax Districts	-	-	-
Economic Development	-	-	-
Airport, Highways and Streets	-	-	-
Geographic Information Systems	-	-	-
Emergency Preparedness	-	-	-
Parks and Recreation	-	-	-
TOTAL FUND BALANCES	-	-	6,603,102
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 144,083	\$ 2,482,979	\$ 12,621,156

(Continued)

BERKELEY COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2025

	ECONOMIC DEVELOPMENT PROJECT - SPECIAL REVENUE FUND	CLERK OF COURT	STATE ACCOMMODATIONS
ASSETS			
Cash and Cash Equivalents	\$ -	\$ -	\$ -
Receivables, Net of Allowances:			
Property Taxes	-	-	-
Accounts Receivable	-	-	-
Federal, State and Local Governments	2,662	150,234	66,211
Due from Other Funds	-	-	-
Inventories, At Cost	-	-	-
Restricted Cash and Cash Equivalents	1,790,791	90,652	286,080
TOTAL ASSETS	<u>\$ 1,793,453</u>	<u>\$ 240,886</u>	<u>\$ 352,291</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
LIABILITIES			
Accounts Payable and Accrued Liabilities	\$ 376,497	\$ 51,427	\$ 19,863
Due to Other Funds	-	-	-
TOTAL LIABILITIES	<u>376,497</u>	<u>51,427</u>	<u>19,863</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue	-	-	-
Deferred Revenue	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>376,497</u>	<u>51,427</u>	<u>19,863</u>
FUND BALANCES			
Nonspendable:			
Inventories	-	-	-
Restricted For:			
Economic Development	1,416,956	-	-
Clerk of Court	-	189,459	-
Grants	-	-	-
Emergency Telephone	-	-	-
Stormwater Management	-	-	-
Accommodations	-	-	332,428
Other	-	-	-
Committed For:			
Special Tax Districts	-	-	-
Economic Development	-	-	-
Airport, Highways and Streets	-	-	-
Geographic Information Systems	-	-	-
Emergency Preparedness	-	-	-
Parks and Recreation	-	-	-
TOTAL FUND BALANCES	<u>1,416,956</u>	<u>189,459</u>	<u>332,428</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 1,793,453</u>	<u>\$ 240,886</u>	<u>\$ 352,291</u>

(Continued)

BERKELEY COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2025

	SHERIFF'S GRANTS	MISCELLANEOUS SPECIAL REVENUE	VICTIMS' ASSISTANCE
ASSETS			
Cash and Cash Equivalents	\$ -	\$ 5,744,194	\$ -
Receivables, Net of Allowances:			
Property Taxes	-	-	-
Accounts Receivable	166,699	23,801	14,629
Federal, State and Local Governments	577,160	136,866	-
Due from Other Funds	-	-	-
Inventories, At Cost	-	-	-
Restricted Cash and Cash Equivalents	53,722	-	12,423
TOTAL ASSETS	\$ 797,581	\$ 5,904,861	\$ 27,052
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
LIABILITIES			
Accounts Payable and Accrued Liabilities	\$ 232,493	\$ 248,418	\$ 27,052
Due to Other Funds	439,835	22,435	-
TOTAL LIABILITIES	672,328	270,853	27,052
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue	-	328,513	-
Deferred Revenue	69,963	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	69,963	328,513	-
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	742,291	599,366	27,052
FUND BALANCES			
Nonspendable:			
Inventories	-	-	-
Restricted For:			
Economic Development	-	-	-
Clerk of Court	-	-	-
Grants	55,290	216,339	-
Emergency Telephone	-	-	-
Stormwater Management	-	-	-
Accommodations	-	-	-
Other	-	5,089,156	-
Committed For:			
Special Tax Districts	-	-	-
Economic Development	-	-	-
Airport, Highways and Streets	-	-	-
Geographic Information Systems	-	-	-
Emergency Preparedness	-	-	-
Parks and Recreation	-	-	-
TOTAL FUND BALANCES	55,290	5,305,495	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 797,581	\$ 5,904,861	\$ 27,052

(Continued)

BERKELEY COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2025

	SOLICITOR'S GRANTS	COUNTY ACCOMMODATIONS	LOCAL ECONOMIC DEVELOPMENT
ASSETS			
Cash and Cash Equivalents	\$ -	\$ -	\$ 7,418,086
Receivables, Net of Allowances:			
Property Taxes	-	-	1,461,498
Accounts Receivable	-	261,378	-
Federal, State and Local Governments	125,148	-	7,085
Due from Other Funds	-	-	-
Inventories, At Cost	-	-	-
Restricted Cash and Cash Equivalents	-	2,824,182	-
TOTAL ASSETS	\$ 125,148	\$ 3,085,560	\$ 8,886,669
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
LIABILITIES			
Accounts Payable and Accrued Liabilities	\$ 23,994	\$ 201,298	\$ 61,560
Due to Other Funds	101,154	-	-
TOTAL LIABILITIES	125,148	201,298	61,560
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue	-	500,000	40,638
Deferred Revenue	-	-	1,420,860
TOTAL DEFERRED INFLOWS OF RESOURCES	-	500,000	1,461,498
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	125,148	701,298	1,523,058
FUND BALANCES			
Nonspendable:			
Inventories	-	-	-
Restricted For:			
Economic Development	-	-	-
Clerk of Court	-	-	-
Grants	-	-	-
Emergency Telephone	-	-	-
Stormwater Management	-	-	-
Accommodations	-	2,384,262	-
Other	-	-	-
Committed For:			
Special Tax Districts	-	-	-
Economic Development	-	-	7,363,611
Airport, Highways and Streets	-	-	-
Geographic Information Systems	-	-	-
Emergency Preparedness	-	-	-
Parks and Recreation	-	-	-
TOTAL FUND BALANCES	-	2,384,262	7,363,611
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 125,148	\$ 3,085,560	\$ 8,886,669

(Continued)

BERKELEY COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2025

	AIRPORT IMPROVEMENTS	SANGAREE SPECIAL TAX DISTRICT	NEXTON DEVELOPMENT
ASSETS			
Cash and Cash Equivalents	\$ 1,043,086	\$ 1,212,583	\$ -
Receivables, Net of Allowances:			
Property Taxes	-	1,381,683	-
Accounts Receivable	-	389	-
Federal, State and Local Governments	34,022	-	-
Due from Other Funds	-	-	-
Inventories, At Cost	-	-	-
Restricted Cash and Cash Equivalents	-	-	2,475,006
TOTAL ASSETS	<u>\$ 1,077,108</u>	<u>\$ 2,594,655</u>	<u>\$ 2,475,006</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
LIABILITIES			
Accounts Payable and Accrued Liabilities	\$ 168,262	\$ 52,865	\$ -
Due to Other Funds	-	-	-
TOTAL LIABILITIES	<u>168,262</u>	<u>52,865</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue	-	6,992	-
Deferred Revenue	-	1,369,544	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>1,376,536</u>	<u>-</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>168,262</u>	<u>1,429,401</u>	<u>-</u>
FUND BALANCES			
Nonspendable:			
Inventories	-	-	-
Restricted For:			
Economic Development	-	-	-
Clerk of Court	-	-	-
Grants	-	-	-
Emergency Telephone	-	-	-
Stormwater Management	-	-	-
Accommodations	-	-	-
Other	-	-	2,475,006
Committed For:			
Special Tax Districts	-	1,165,254	-
Economic Development	-	-	-
Airport, Highways and Streets	908,846	-	-
Geographic Information Systems	-	-	-
Emergency Preparedness	-	-	-
Parks and Recreation	-	-	-
TOTAL FUND BALANCES	<u>908,846</u>	<u>1,165,254</u>	<u>2,475,006</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 1,077,108</u>	<u>\$ 2,594,655</u>	<u>\$ 2,475,006</u>

(Continued)

BERKELEY COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2025

	PIMLICO SPECIAL TAX DISTRICT	TALL PINES SPECIAL TAX DISTRICT	DEVON FOREST SPECIAL TAX DISTRICT
ASSETS			
Cash and Cash Equivalents	\$ 47,400	\$ 104,397	\$ 131,783
Receivables, Net of Allowances:			
Property Taxes	31,140	65,765	44,529
Accounts Receivable	-	-	-
Federal, State and Local Governments	-	-	-
Due from Other Funds	-	-	-
Inventories, At Cost	-	-	-
Restricted Cash and Cash Equivalents	-	-	-
TOTAL ASSETS	\$ 78,540	\$ 170,162	\$ 176,312
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
LIABILITIES			
Accounts Payable and Accrued Liabilities	\$ -	\$ 1,600	\$ 1,007
Due to Other Funds	-	-	-
TOTAL LIABILITIES	-	1,600	1,007
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue	13	225	75
Deferred Revenue	31,127	65,040	44,254
TOTAL DEFERRED INFLOWS OF RESOURCES	31,140	65,265	44,329
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	31,140	66,865	45,336
FUND BALANCES			
Nonspendable:			
Inventories	-	-	-
Restricted For:			
Economic Development	-	-	-
Clerk of Court	-	-	-
Grants	-	-	-
Emergency Telephone	-	-	-
Stormwater Management	-	-	-
Accommodations	-	-	-
Other	-	-	-
Committed For:			
Special Tax Districts	47,400	103,297	130,976
Economic Development	-	-	-
Airport, Highways and Streets	-	-	-
Geographic Information Systems	-	-	-
Emergency Preparedness	-	-	-
Parks and Recreation	-	-	-
TOTAL FUND BALANCES	47,400	103,297	130,976
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 78,540	\$ 170,162	\$ 176,312

(Continued)

BERKELEY COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2025

	COUNTY SPECIAL FIRE TAX DISTRICT	LEGAL FORFEITURE PROCEEDS	PARKS AND RECREATION
ASSETS			
Cash and Cash Equivalents	\$ 1,597,034	\$ -	\$ 5,696,358
Receivables, Net of Allowances:			
Property Taxes	12,275,609	-	1,888,729
Accounts Receivable	14,688	-	-
Federal, State and Local Governments	-	-	-
Due from Other Funds	-	-	-
Inventories, At Cost	-	-	13,847
Restricted Cash and Cash Equivalents	-	3,457	-
TOTAL ASSETS	<u>\$ 13,887,331</u>	<u>\$ 3,457</u>	<u>\$ 7,598,934</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
LIABILITIES			
Accounts Payable and Accrued Liabilities	\$ 213,726	\$ -	\$ 108,989
Due to Other Funds	-	-	-
TOTAL LIABILITIES	<u>213,726</u>	<u>-</u>	<u>108,989</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue	443,906	-	15,321
Deferred Revenue	11,741,332	-	1,863,708
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>12,185,238</u>	<u>-</u>	<u>1,879,029</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>12,398,964</u>	<u>-</u>	<u>1,988,018</u>
FUND BALANCES			
Nonspendable:			
Inventories	-	-	13,847
Restricted For:			
Economic Development	-	-	-
Clerk of Court	-	-	-
Grants	-	-	-
Emergency Telephone	-	-	-
Stormwater Management	-	-	-
Accommodations	-	-	-
Other	-	3,457	-
Committed For:			
Special Tax Districts	1,488,367	-	-
Economic Development	-	-	-
Airport, Highways and Streets	-	-	-
Geographic Information Systems	-	-	-
Emergency Preparedness	-	-	-
Parks and Recreation	-	-	5,597,069
TOTAL FUND BALANCES	<u>1,488,367</u>	<u>3,457</u>	<u>5,610,916</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 13,887,331</u>	<u>\$ 3,457</u>	<u>\$ 7,598,934</u>

(Continued)

BERKELEY COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2025

	EMERGENCY TELEPHONE - E911	TOTAL SPECIAL REVENUE FUNDS
ASSETS		
Cash and Cash Equivalents	\$ -	\$ 25,608,922
Receivables, Net of Allowances:		
Property Taxes	-	22,807,187
Accounts Receivable	154,687	639,624
Federal, State and Local Governments	215,488	1,482,788
Due from Other Funds	-	-
Inventories, At Cost	-	13,847
Restricted Cash and Cash Equivalents	948,535	16,846,953
TOTAL ASSETS	\$ 1,318,710	\$ 67,399,321
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES		
LIABILITIES		
Accounts Payable and Accrued Liabilities	\$ 29,474	\$ 4,774,046
Due to Other Funds	-	603,882
TOTAL LIABILITIES	29,474	5,377,928
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue	-	1,566,688
Deferred Revenue	-	22,077,451
TOTAL DEFERRED INFLOWS OF RESOURCES	-	23,644,139
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	29,474	29,022,067
FUND BALANCES		
Nonspendable:		
Inventories	-	13,847
Restricted For:		
Economic Development	-	2,819,492
Clerk of Court	-	189,459
Grants	-	271,629
Emergency Telephone	1,289,236	1,289,236
Stormwater Management	-	6,603,102
Accommodations	-	2,716,690
Other	-	7,567,619
Committed For:		
Special Tax Districts	-	2,935,294
Economic Development	-	7,363,611
Airport, Highways and Streets	-	908,846
Geographic Information Systems	-	86,084
Emergency Preparedness	-	15,276
Parks and Recreation	-	5,597,069
TOTAL FUND BALANCES	1,289,236	38,377,254
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 1,318,710	\$ 67,399,321

See accompanying independent auditor's report.

BERKELEY COUNTY, SOUTH CAROLINA

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
NONMAJOR SPECIAL REVENUE FUNDS**

YEAR ENDED JUNE 30, 2025

	ECONOMIC DEVELOPMENT	GEOGRAPHIC INFORMATION SYSTEM	EMERGENCY PREPAREDNESS GRANTS
REVENUES			
Property Taxes	\$ -	\$ -	\$ -
Accommodations Fee	-	-	-
Fee in Lieu of Taxes	-	-	-
Licenses, Fees and Permits	-	-	-
Fines, Forfeitures and Fees	-	12,474	-
Interest Income	-	-	-
Local Revenue	-	136,376	-
Intergovernmental - Federal	-	-	91,835
Intergovernmental - State and Local	475,000	-	-
Insurance Proceeds	-	-	-
Miscellaneous	750,000	-	-
TOTAL REVENUES	1,225,000	148,850	91,835
EXPENDITURES			
Current:			
General Government	-	745,736	-
Public Safety	-	-	101,616
Airport, Highways and Streets	-	-	-
Culture and Recreation	-	-	-
Health and Welfare	1,625,000	-	-
Community Development	-	-	-
Capital Outlay	-	-	-
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
TOTAL EXPENDITURES	1,625,000	745,736	101,616
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(400,000)	(596,886)	(9,781)
OTHER FINANCING SOURCES (USES)			
Proceeds from Disposal of Assets	-	-	-
Transfers In	-	596,886	9,781
Transfers Out	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	596,886	9,781
NET CHANGE IN FUND BALANCES	(400,000)	-	-
FUND BALANCE - Beginning of Year	1,802,536	86,084	15,276
FUND BALANCE - End of Year	\$ 1,402,536	\$ 86,084	\$ 15,276

(Continued)

BERKELEY COUNTY, SOUTH CAROLINA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
NONMAJOR SPECIAL REVENUE FUNDS

YEAR ENDED JUNE 30, 2025

	COMMUNITY DEVELOPMENT BLOCK GRANT	HIGHWAY "C" FUNDS	STORM WATER MANAGEMENT
REVENUES			
Property Taxes	\$ -	\$ -	\$ 1,152
Accommodations Fee	-	-	-
Fee in Lieu of Taxes	-	-	-
Licenses, Fees and Permits	-	-	-
Fines, Forfeitures and Fees	-	-	6,227,067
Interest Income	-	-	-
Local Revenue	-	-	-
Intergovernmental - Federal	1,004,300	-	-
Intergovernmental - State and Local	-	8,703,602	-
Insurance Proceeds	-	-	29,211
Miscellaneous	-	-	3,916
TOTAL REVENUES	1,004,300	8,703,602	6,261,346
EXPENDITURES			
Current:			
General Government	-	-	-
Public Safety	-	-	-
Airport, Highways and Streets	-	8,703,602	6,575,312
Culture and Recreation	-	-	-
Health and Welfare	-	-	-
Community Development	1,004,625	-	-
Capital Outlay	-	-	367,133
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
TOTAL EXPENDITURES	1,004,625	8,703,602	6,942,445
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(325)	-	(681,099)
OTHER FINANCING SOURCES (USES)			
Proceeds from Disposal of Assets	-	-	51,000
Transfers In	-	-	600,000
Transfers Out	-	-	(600,000)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	51,000
NET CHANGE IN FUND BALANCES	(325)	-	(630,099)
FUND BALANCE - Beginning of Year	325	-	7,233,201
FUND BALANCE - End of Year	\$ -	\$ -	\$ 6,603,102

(Continued)

BERKELEY COUNTY, SOUTH CAROLINA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
NONMAJOR SPECIAL REVENUE FUNDS

YEAR ENDED JUNE 30, 2025

	ECONOMIC DEVELOPMENT PROJECT - SPECIAL REVENUE FUND	CLERK OF COURT	STATE ACCOMMODATIONS
REVENUES			
Property Taxes	\$ -	\$ -	\$ -
Accommodations Fee	-	-	-
Fee in Lieu of Taxes	373,835	-	-
Licenses, Fees and Permits	-	-	-
Fines, Forfeitures and Fees	-	-	-
Interest Income	-	-	-
Local Revenue	-	-	-
Intergovernmental - Federal	-	567,276	-
Intergovernmental - State and Local	16,266	-	231,929
Insurance Proceeds	-	-	-
Miscellaneous	-	-	-
TOTAL REVENUES	390,101	567,276	231,929
EXPENDITURES			
Current:			
General Government	-	914,723	-
Public Safety	-	-	-
Airport, Highways and Streets	-	-	-
Culture and Recreation	-	-	-
Health and Welfare	-	-	-
Community Development	16,266	-	180,578
Capital Outlay	-	-	-
Debt Service:			
Principal Retirement	358,186	-	-
Interest and Fiscal Charges	15,649	-	-
TOTAL EXPENDITURES	390,101	914,723	180,578
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(347,447)	51,351
OTHER FINANCING SOURCES (USES)			
Proceeds from Disposal of Assets	-	-	-
Transfers In	-	377,422	-
Transfers Out	-	-	(35,346)
TOTAL OTHER FINANCING SOURCES (USES)	-	377,422	(35,346)
NET CHANGE IN FUND BALANCES	-	29,975	16,005
FUND BALANCE - Beginning of Year	1,416,956	159,484	316,423
FUND BALANCE - End of Year	\$ 1,416,956	\$ 189,459	\$ 332,428

(Continued)

BERKELEY COUNTY, SOUTH CAROLINA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
NONMAJOR SPECIAL REVENUE FUNDS

YEAR ENDED JUNE 30, 2025

	SHERIFF'S GRANTS	MISCELLANEOUS SPECIAL REVENUE	VICTIMS' ASSISTANCE
REVENUES			
Property Taxes	\$ -	\$ -	\$ -
Accommodations Fee	-	-	-
Fee in Lieu of Taxes	-	500,000	-
Licenses, Fees and Permits	-	512,165	-
Fines, Forfeitures and Fees	-	-	202,931
Interest Income	-	172	-
Local Revenue	1,011,680	-	-
Intergovernmental - Federal	376,089	1,646,199	-
Intergovernmental - State and Local	1,348,629	2,438,861	-
Insurance Proceeds	-	-	-
Miscellaneous	-	2,464,220	1,185
TOTAL REVENUES	2,736,398	7,561,617	204,116
EXPENDITURES			
Current:			
General Government	-	1,732,885	-
Public Safety	3,508,000	914,100	468,592
Airport, Highways and Streets	-	-	-
Culture and Recreation	-	682,977	-
Health and Welfare	-	8,925	-
Community Development	-	-	-
Capital Outlay	13,734	471,260	-
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
TOTAL EXPENDITURES	3,521,734	3,810,147	468,592
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(785,336)	3,751,470	(264,476)
OTHER FINANCING SOURCES (USES)			
Proceeds from Disposal of Assets	-	-	-
Transfers In	788,917	24,672	264,476
Transfers Out	-	(809,006)	-
TOTAL OTHER FINANCING SOURCES (USES)	788,917	(784,334)	264,476
NET CHANGE IN FUND BALANCES	3,581	2,967,136	-
FUND BALANCE - Beginning of Year	51,709	2,338,359	-
FUND BALANCE - End of Year	\$ 55,290	\$ 5,305,495	\$ -

(Continued)

See accompanying independent auditor's report.

BERKELEY COUNTY, SOUTH CAROLINA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
NONMAJOR SPECIAL REVENUE FUNDS

YEAR ENDED JUNE 30, 2025

	SOLICITOR'S GRANTS	COUNTY ACCOMMODATIONS	LOCAL ECONOMIC DEVELOPMENT
REVENUES			
Property Taxes	\$ -	\$ -	\$ 411,984
Accommodations Fee	-	1,583,987	-
Fee in Lieu of Taxes	-	-	3,624,423
Licenses, Fees and Permits	-	-	-
Fines, Forfeitures and Fees	-	-	-
Interest Income	-	-	-
Local Revenue	-	-	-
Intergovernmental - Federal	-	-	121,883
Intergovernmental - State and Local	354,510	6,545	-
Insurance Proceeds	-	-	-
Miscellaneous	-	77,475	1,000
TOTAL REVENUES	354,510	1,668,007	4,159,290
EXPENDITURES			
Current:			
General Government	354,510	-	-
Public Safety	-	236,918	-
Airport, Highways and Streets	-	-	-
Culture and Recreation	-	424,304	-
Health and Welfare	-	-	-
Community Development	-	1,403,963	1,471,592
Capital Outlay	-	-	-
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
TOTAL EXPENDITURES	354,510	2,065,185	1,471,592
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(397,178)	2,687,698
OTHER FINANCING SOURCES (USES)			
Proceeds from Disposal of Assets	-	-	-
Transfers In	-	336,227	-
Transfers Out	-	(418,639)	(2,211,189)
TOTAL OTHER FINANCING SOURCES (USES)	-	(82,412)	(2,211,189)
NET CHANGE IN FUND BALANCES	-	(479,590)	476,509
FUND BALANCE - Beginning of Year	-	2,863,852	6,887,102
FUND BALANCE - End of Year	\$ -	\$ 2,384,262	\$ 7,363,611

(Continued)

BERKELEY COUNTY, SOUTH CAROLINA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
NONMAJOR SPECIAL REVENUE FUNDS

YEAR ENDED JUNE 30, 2025

	AIRPORT IMPROVEMENTS	SANGAREE SPECIAL TAX DISTRICT	NEXTON DEVELOPMENT
REVENUES			
Property Taxes	\$ -	\$ 1,614,656	\$ -
Accommodations Fee	-	-	-
Fee in Lieu of Taxes	-	-	-
Licenses, Fees and Permits	-	-	-
Fines, Forfeitures and Fees	-	-	747,223
Interest Income	-	-	-
Local Revenue	-	-	-
Intergovernmental - Federal	-	-	-
Intergovernmental - State and Local	34,022	-	-
Insurance Proceeds	-	221	-
Miscellaneous	-	5,002	-
TOTAL REVENUES	34,022	1,619,879	747,223
EXPENDITURES			
Current:			
General Government	-	-	-
Public Safety	-	-	-
Airport, Highways and Streets	-	-	-
Culture and Recreation	-	-	-
Health and Welfare	-	-	-
Community Development	-	1,461,826	-
Capital Outlay	194,630	135,679	-
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
TOTAL EXPENDITURES	194,630	1,597,505	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(160,608)	22,374	747,223
OTHER FINANCING SOURCES (USES)			
Proceeds from Disposal of Assets	-	15,100	-
Transfers In	-	-	-
Transfers Out	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	15,100	-
NET CHANGE IN FUND BALANCES	(160,608)	37,474	747,223
FUND BALANCE - Beginning of Year	1,069,454	1,127,780	1,727,783
FUND BALANCE - End of Year	\$ 908,846	\$ 1,165,254	\$ 2,475,006

(Continued)

BERKELEY COUNTY, SOUTH CAROLINA

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
NONMAJOR SPECIAL REVENUE FUNDS**

YEAR ENDED JUNE 30, 2025

	PIMLICO SPECIAL TAX DISTRICT	TALL PINES SPECIAL TAX DISTRICT	DEVON FOREST SPECIAL TAX DISTRICT
REVENUES			
Property Taxes	\$ -	\$ -	\$ -
Accommodations Fee	-	-	-
Fee in Lieu of Taxes	-	-	-
Licenses, Fees and Permits	-	-	-
Fines, Forfeitures and Fees	29,525	76,250	59,300
Interest Income	-	-	-
Local Revenue	-	-	-
Intergovernmental - Federal	-	-	-
Intergovernmental - State and Local	-	-	-
Insurance Proceeds	-	-	-
Miscellaneous	-	-	-
TOTAL REVENUES	29,525	76,250	59,300
EXPENDITURES			
Current:			
General Government	-	-	-
Public Safety	-	-	-
Airport, Highways and Streets	-	-	-
Culture and Recreation	-	-	-
Health and Welfare	-	-	-
Community Development	28,000	86,050	42,300
Capital Outlay	-	-	-
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
TOTAL EXPENDITURES	28,000	86,050	42,300
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,525	(9,800)	17,000
OTHER FINANCING SOURCES (USES)			
Proceeds from Disposal of Assets	-	-	-
Transfers In	-	-	-
Transfers Out	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-
NET CHANGE IN FUND BALANCES	1,525	(9,800)	17,000
FUND BALANCE - Beginning of Year	45,875	113,097	113,976
FUND BALANCE - End of Year	\$ 47,400	\$ 103,297	\$ 130,976

(Continued)

BERKELEY COUNTY, SOUTH CAROLINA

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
NONMAJOR SPECIAL REVENUE FUNDS**

YEAR ENDED JUNE 30, 2025

	COUNTY SPECIAL FIRE TAX DISTRICT	LEGAL FORFEITURE PROCEEDS	PARKS AND RECREATION
REVENUES			
Property Taxes	\$ -	\$ -	\$ 1,920,042
Accommodations Fee	-	-	-
Fee in Lieu of Taxes	-	-	236,920
Licenses, Fees and Permits	-	-	-
Fines, Forfeitures and Fees	12,494,582	-	1,550,727
Interest Income	-	-	12,126
Local Revenue	-	-	-
Intergovernmental - Federal	-	-	-
Intergovernmental - State and Local	-	-	-
Insurance Proceeds	-	-	-
Miscellaneous	-	-	98,568
TOTAL REVENUES	12,494,582	-	3,818,383
EXPENDITURES			
Current:			
General Government	-	-	-
Public Safety	12,209,358	-	-
Airport, Highways and Streets	-	-	-
Culture and Recreation	-	-	2,108,161
Health and Welfare	-	-	-
Community Development	-	-	-
Capital Outlay	133,161	45,360	793,620
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
TOTAL EXPENDITURES	12,342,519	45,360	2,901,781
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	152,063	(45,360)	916,602
OTHER FINANCING SOURCES (USES)			
Proceeds from Disposal of Assets	-	-	-
Transfers In	-	-	25,993
Transfers Out	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	25,993
NET CHANGE IN FUND BALANCES	152,063	(45,360)	942,595
FUND BALANCE - Beginning of Year	1,336,304	48,817	4,668,321
FUND BALANCE - End of Year	\$ 1,488,367	\$ 3,457	\$ 5,610,916

(Continued)

BERKELEY COUNTY, SOUTH CAROLINA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
NONMAJOR SPECIAL REVENUE FUNDS

YEAR ENDED JUNE 30, 2025

REVENUES	EMERGENCY TELEPHONE - E911	TOTAL SPECIAL REVENUE FUNDS
Property Taxes	\$ -	\$ 3,947,834
Accommodations Fee	-	1,583,987
Fee in Lieu of Taxes	-	4,735,178
Licenses, Fees and Permits	-	512,165
Fines, Forfeitures and Fees	751,644	22,151,723
Interest Income	-	12,298
Local Revenue	-	1,148,056
Intergovernmental - Federal	-	3,807,582
Intergovernmental - State and Local	1,049,701	14,659,065
Insurance Proceeds	-	29,432
Miscellaneous	90	3,401,456
TOTAL REVENUES	1,801,435	55,988,776
EXPENDITURES		
Current:		
General Government	-	3,747,854
Public Safety	1,197,895	18,636,479
Airport, Highways and Streets	-	15,278,914
Culture and Recreation	-	3,215,442
Health and Welfare	-	1,633,925
Community Development	-	5,695,200
Capital Outlay	606,199	2,760,776
Debt Service:		
Principal Retirement	-	358,186
Interest and Fiscal Charges	-	15,649
TOTAL EXPENDITURES	1,804,094	51,342,425
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,659)	4,646,351
OTHER FINANCING SOURCES (USES)		
Proceeds from Disposal of Assets	-	66,100
Transfers In	-	3,024,374
Transfers Out	-	(4,074,180)
TOTAL OTHER FINANCING SOURCES (USES)	-	(983,706)
NET CHANGE IN FUND BALANCES	(2,659)	3,662,645
FUND BALANCE - Beginning of Year	1,291,895	34,714,609
FUND BALANCE - End of Year	\$ 1,289,236	\$ 38,377,254

See accompanying independent auditor's report.

BERKELEY COUNTY, SOUTH CAROLINA

**COMBINING STATEMENT OF FIDUCIARY NET POSITION -
ALL CUSTODIAL FUNDS**

JUNE 30, 2025

	<u>CLERK OF COURT</u>	<u>MASTER IN EQUITY</u>	<u>TAX COLLECTOR</u>	<u>SHERIFF</u>
ASSETS				
Cash and Cash Equivalents	\$ 3,609,342	\$ 42,433	\$ 12,643,685	\$ 811,652
Investments	26,880	-	-	-
Receivables:				
Accounts Receivable	-	-	-	-
Federal, State and Local Governments	-	-	-	-
TOTAL ASSETS	<u>3,636,222</u>	<u>42,433</u>	<u>12,643,685</u>	<u>811,652</u>
LIABILITIES				
Due to School District	-	-	-	-
Due to Other Designated Recipients	3,636,222	42,433	12,643,685	811,652
TOTAL LIABILITIES	<u>3,636,222</u>	<u>42,433</u>	<u>12,643,685</u>	<u>811,652</u>
NET POSITION				
Gas Sales Tax	-	-	-	-
NET POSITION	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

BERKELEY COUNTY, SOUTH CAROLINA

**COMBINING STATEMENT OF FIDUCIARY NET POSITION -
ALL CUSTODIAL FUNDS**

JUNE 30, 2025

	<u>MAGISTRATES</u>	<u>TREASURER</u>	<u>"C" FUNDS ADMINISTRATION</u>	<u>TOTALS</u>
ASSETS				
Cash and Cash Equivalents	\$ 395,599	\$ 10,922,459	\$ -	\$ 28,425,170
Investments	-	24,172,692	34,132,978	58,332,550
Receivables:				
Accounts Receivable	-	791,178	-	791,178
Federal, State and Local Governments	-	-	1,061,267	1,061,267
TOTAL ASSETS	<u>395,599</u>	<u>35,886,329</u>	<u>35,194,245</u>	<u>88,610,165</u>
LIABILITIES				
Due to School District	-	31,937,040	-	31,937,040
Due to Other Designated Recipients	395,599	3,949,289	-	21,478,880
TOTAL LIABILITIES	<u>395,599</u>	<u>35,886,329</u>	<u>-</u>	<u>53,415,920</u>
NET POSITION				
Gas Sales Tax	-	-	35,194,245	35,194,245
NET POSITION	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,194,245</u>	<u>\$ 35,194,245</u>

See accompanying independent auditor's report.

BERKELEY COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
ALL CUSTODIAL FUNDS

JUNE 30, 2025

	<u>CLERK OF COURT</u>	<u>MASTER IN EQUITY</u>	<u>TAX COLLECTOR</u>	<u>SHERIFF</u>
ADDITIONS				
Taxes and Related Fees	\$ -	\$ -	\$ 34,096,498	\$ -
Intergovernmental Revenue	-	-	-	-
Fines, Forfeitures and Fees	5,920,480	43,930	-	1,418,700
Miscellaneous	200	-	-	-
TOTAL ADDITIONS	5,920,680	43,930	34,096,498	1,418,700
DEDUCTIONS				
Taxes and fees paid to other governments	-	-	21,707,225	-
Other custodial disbursements	5,920,680	43,930	12,389,273	1,418,700
TOTAL DEDUCTIONS	5,920,680	43,930	34,096,498	1,418,700
Net increase (decrease) in fiduciary net position	-	-	-	-
NET POSITION, BEGINNING OF YEAR	-	-	-	-
NET POSITION, END OF YEAR	\$ -	\$ -	\$ -	\$ -

(Continued)

BERKELEY COUNTY, SOUTH CAROLINA

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
ALL CUSTODIAL FUNDS**

JUNE 30, 2025

	<u>MAGISTRATES</u>	<u>TREASURER</u>	<u>"C" FUNDS ADMINISTRATION</u>	<u>TOTALS</u>
ADDITIONS				
Taxes and Related Fees	\$ -	\$ 538,973,750	\$ 8,092,815	\$ 581,163,063
Intergovernmental Revenue	-	358,583,303	-	358,583,303
Fines, Forfeitures and Fees	3,274,815	38,023,008	-	48,680,933
Miscellaneous	-	2,919,864	827,765	3,747,829
TOTAL ADDITIONS	<u>3,274,815</u>	<u>938,499,925</u>	<u>8,920,580</u>	<u>992,175,128</u>
DEDUCTIONS				
Taxes and fees paid to other governments	-	825,743,145	-	847,450,370
Other custodial disbursements	3,274,815	112,756,780	-	135,804,178
TOTAL DEDUCTIONS	<u>3,274,815</u>	<u>938,499,925</u>	<u>-</u>	<u>983,254,548</u>
Net increase (decrease) in fiduciary net position	-	-	8,920,580	8,920,580
NET POSITION, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>26,273,665</u>	<u>26,273,665</u>
NET POSITION, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,194,245</u>	<u>\$ 35,194,245</u>

See accompanying independent auditor's report.

ATTACHMENT S
COUNTY/MUNICIPAL NAME
UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES (per ACT 96)
For The Year Ended June 30, 2025

FOR THE STATE TREASURER'S OFFICE:

COUNTY / MUNICIPAL FUNDS COLLECTED BY CLERK OF COURT	General Sessions	Magistrate Court	Municipal Court	Total
Court Fines and Assessments:				
Court fines and assessments collected	2,166,778	2,221,760		4,388,538
Court fines and assessments remitted to State Treasurer	1,283,277	1,088,094		2,371,371
Total Court Fines and Assessments retained	883,501	1,133,666		2,017,167
Surcharges and Assessments retained for victim services:				
Surcharges collected and retained	78,157	24,279		102,436
Assessments retained	13,997	87,683		101,680
Total Surcharges and Assessments retained for victim services	92,154	111,962		204,116

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		-	
<u>Victim Service Revenue:</u>			
Victim Service Fines Retained by City/County Treasurer			
Victim Service Assessments Retained by City/County Treasurer		101,680.00	
Victim Service Surcharges Retained by City/County Treasurer		102,436.00	
Interest Earned			
Grant Funds Received			
Grant from:			
General Funds Transferred to Victim Service Fund		264,476.00	
Contribution Received from Victim Service Contracts:			
(1) Town of			
(2) Town of			
(3) City of			
Total Funds Allocated to Victim Service Fund + Beginning Balance (A)		468,592.00	

ATTACHMENT S
COUNTY/MUNICIPAL NAME
UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES (per ACT 96)
For The Year Ended June 30, 2025

<u>Expenditures for Victim Service Program:</u>	<u>Municipal</u>	<u>County</u>	<u>Total</u>
Salaries and Benefits		457,310.00	
Operating Expenditures		11,282.00	
Victim Service Contract(s):			
(1) Entity's Name			
(2) Entity's Name			
Victim Service Donation(s):			
(1) Domestic Violence Shelter:			
(2) Rape Crisis Center:			
(3) Other local direct crime victims service agency:			
Transferred to General Fund			
Total Expenditures from Victim Service Fund/Program (B)		468,592.00	
Total Victim Service Funds Retained by Municipal/County Treasurer (A-B)		-	
Less: Prior Year Fund Deficit Repayment			
Carryforward Funds – End of Year		-	

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COMPLIANCE SECTION

BERKELEY COUNTY, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2025

Federal Grantor/Pass Through Grantor/Program Title	Assistance Listing Number	Pass-Through Entity Identification Number	Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through South Carolina State Treasurer:			
National Forest Fund	10.665	NA	\$ 78,390
Total U.S. Department of Agriculture		Total ALN 10.665	78,390
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Passed Through South Carolina Office of the Governor:			
Division of Economic Development/CDBG Urban Entitlement Grant	14.218	NA	938,681
Home Investment Partnership Program	14.239	M25UC450214	65,619
Total U.S. Department Of Housing and Urban Development		Total ALN 14.218	1,004,300
U.S. DEPARTMENT OF JUSTICE			
Passed Through South Carolina Office of the Attorney General:			
Law Enforcement Victim Advocate	16.575	1S24076	39,957
Total Passed Through South Carolina Office of the Attorney General:		Total ALN 16.575	39,957
Passed Through South Carolina Public Safety:			
Edward Byrne Memorial Justice Assistance Grant	16.738	15PBJA-24-GG-04957-JAGX	33,879
		Total ALN 16.738	33,879
Total Passed Through South Carolina Public Safety:			33,879
Total U.S. Department of Justice			73,836
U.S. DEPARTMENT OF TRANSPORTATION			
Passed Through South Carolina Public Safety:			
Berkeley County Traffic Unit	20.600	PT-2025-HS-14-25	107,362
		Total ALN 20.600	107,362
Traffic DUI Enforcement	20.616	M5HVE-2025-HS-43-25	118,487
Traffic DUI Enforcement	20.616	M5HVE-2025-HS-39-25	70,860
		Total ALN 20.616	189,347
Berkeley County Traffic Unit	20.703	HMEP 693JK32240041HMEP	20,000
		Total ALN 20.600	20,000
Total Passed Through South Carolina Public Safety:			316,709
Total U.S. Department of Transportation			316,709
U.S. DEPARTMENT OF THE TREASURY			
ERA Assistance Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	5,923,022
Total U.S. Department of the Treasury			5,923,022
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed Through South Carolina Department of Public Health:			
ELC Vector-Borne Diseases and Tick-Associated Conditions	93.323	NU51CK000342	22,217

See accompanying notes to the schedule of expenditures of federal awards and accompanying independent auditor's report.

BERKELEY COUNTY, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2025

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

Passed Through South Carolina Department of Social Services:			
Child Support Enforcement IV-D Transaction Reimbursement	93.563	2401SCCSES; 2501SCCSES	447,603
Child Support Enforcement IV-D Incentive Payment	93.563	2401SCCSES; 2501SCCSES	110,021
Child Support Enforcement IV-D Service of Process	93.563	2401SCCSES; 2501SCCSES	9,653
Clerk of Court - Filing Fees	93.563	2401SCCSES; 2501SCCSES	14,696
Sheriffs Department	93.563	2401SCCSES; 2501SCCSES	5,544
Federal Financial Participation, Passed Through South Carolina Department of Social Services :			
Administration for Children and Families:			
Family Preservation (CWS-Part II)	93.563	2401SCCSES	8,186
Total Passed Through South Carolina Department of Social Services:		Total ALN 93.563	595,703
Total U.S. Department of Health and Human Services			617,920

U.S. DEPARTMENT OF HOMELAND SECURITY

Passed Through South Carolina Adjutant General's Office:			
Severe Storms and Flooding	97.036	FEMA-4241-PA-SC	148,126
Local Emergency Management Performance	97.042	24LEMPG08	71,835
Port Security Grant	97.056	EMW-2023-PU-00340-S01	152,768
Total Passed Through South Carolina Adjutant General's Office:			372,729
Total U.S. Department of Homeland Security			372,729

U.S. ENVIRONMENTAL PROTECTION AGENCY

Direct from the U.S. Environmental Protection Agency			
Brownsfield Assessment Grant	66.818	EPA-OLEM-OBLR-24-08	121,883
Total U.S. Environmental Protection Agency			121,883

U.S. DEPARTMENT OF ENERGY

Direct from the U.S. Department of Energy			
Energy Efficiency and Conservation Block Grant	81.128	EPA-OLEM-OBLR-24-08	6,329
Total U.S. Environmental Protection Agency			6,329

TOTAL EXPENDITURES OF FEDERAL AWARDS

\$ 8,515,118

BERKELEY COUNTY, SOUTH CAROLINA

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL

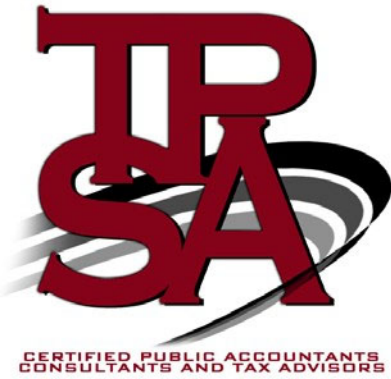
AWARDS YEAR ENDED JUNE 30, 2025

Basis of Presentation

- A. The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Berkeley County, South Carolina (the “County”) and is presented on the accrual basis of accounting. The information in the 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 this schedule may differ from amounts presented in or used in the preparation of the financial statements. Expenditures for federal financial assistance awarded directly from the federal agencies, as well as those passed through other government agencies, are included on the Schedule of Expenditures of Federal Awards. The non-federal share of certain program costs and loans are not included in the accompanying Schedule of Expenditures of Federal Awards. Of the federal expenditures presented in the accompanying schedule, the County provided federal awards of approximately \$726,000 to sub-recipients from the CDBG Local Planning Assistance Grant.

Summary of Significant Accounting Policies

- A. The financial information shown in the Schedule of Expenditures of Federal Awards reflects amounts recorded by Berkeley County, South Carolina during its fiscal year July 1, 2024 through June 30, 2025. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement.
- B. The County has elected not to use the 10 percent de minimus indirect cost rate as allowed under the Uniform Guidance.



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R. Bryon Scott, CPA

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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

Independent Auditors' Report

County Council
Berkeley County, South Carolina
Moncks Corner, South Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Berkeley County, South Carolina, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Berkeley County, South Carolina's basic financial statements, and have issued our report thereon dated January 9, 2026.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Berkeley County, South Carolina's internal control over financial reporting (internal control) to determine the 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 Berkeley County, South Carolina'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.

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Our consideration of the 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 weakness or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

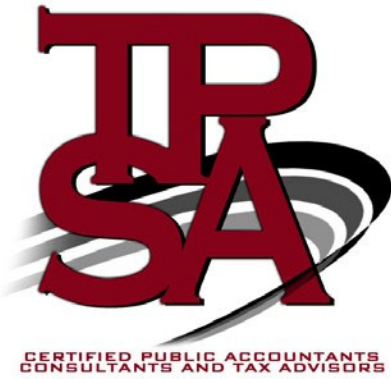
As part of obtaining reasonable assurance about whether Berkeley County, South Carolina's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

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.

Thompson, Price, Scott, Adams & Co., P.A.

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, NC
January 9, 2026



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Report On Compliance With Requirements Applicable To Each Major Federal
Program and Internal Control Over Compliance in Accordance with OMB
Uniform Guidance

Independent Auditors' Report

County Council
Berkeley County, South Carolina
Moncks Corner, South Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Berkeley County, South Carolina's, compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of Berkeley County, South Carolina's major federal programs for the year ended June 30, 2025. Berkeley County, South Carolina's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Berkeley County, South Carolina complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect in each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the State Single Audit Implementation Act. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report. We are required to be independent of Berkeley County, South Carolina and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provides a reasonable basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Berkeley County's compliance with the compliance requirements referred to above.

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Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grants agreements applicable to Berkeley County federal programs.

Auditors' Responsibility for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Berkeley County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Berkeley County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgement and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Berkeley County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of Berkeley County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Berkeley County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in Auditor's Responsibilities for the Audit of Compliance section and above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies or material weaknesses in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify

any deficiencies in internal control over compliance that we consider to be material weaknesses, nor did we identify deficiencies in internal control over compliance that we considered to be significant deficiencies.

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 a 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 combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

Thompson, Price, Scott, Adams & Co., P.A.

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, NC
January 9, 2026

Berkeley County, South Carolina
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2025

Section I - Summary of Auditors' Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ___ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses ___ yes X none reported
- Noncompliance material to financial statements noted ___ yes X no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? ___ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses ___ yes X none reported
- Noncompliance material to federal awards ___ yes X no

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) ___ yes X no

Identification of major federal programs:

<u>CFDA #</u>	<u>Names of Federal Program or Cluster</u>
21.027	American Rescue Plan Funding
14.218	Urban Entitlement Grant

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

Auditee qualified as low-risk auditee? X yes ___ no

Section II - Financial Statement Findings

None Reported.

Section III - Federal Award Findings and Questioned Costs

None Reported.

Berkeley County, South Carolina
Summary Schedule of Prior Year Audit Findings
For the Year Ended June 30, 2025

None reported.