

CHARLESTON COUNTY COMBINING STATEMENTS - INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments of the government, on a cost reimbursement basis.

Fleet Management - This fund is used to account for all operations of the County's centrally administered vehicle operation. Functions included within this operation are writing the specifications and assisting in the purchase of all on and off-road vehicles and equipment; owning all vehicles and equipment not specifically used in other County proprietary operations; maintaining all vehicles and equipment; operating a County-wide fuel distribution and monitoring system; operating a fleet of pool cars for those departments not directly assigned vehicles; and operating a vehicle parts warehouse.

Office Support Services - This fund is used to account for the mail pick-up and delivery service, duplicating machines, postage metering service and records management. Records management includes establishing records retention schedules for all County operations, centralized storage of records and a centralized microfilming operation.

Workers' Compensation - This fund is used to account for the costs of staffing a workers' compensation division as well as the cost of providing insurance through the S.C. Association of County Commissioners Self-Insurance Fund. Funding is provided by levying a percentage charge against all departmental payrolls. In fiscal year 1996, insurance was converted to self-insurance coverage for all claims less than \$100,000.

Employee Benefits - This fund is used to account for costs of providing health and life insurance to the County's employees and retirees, as well as providing retirement benefits. Funding is provided by a percentage charge against all departmental payrolls and payments from retirees. The fund is administered by seven trustees; the Finance Director and Human Resources Director as permanent members, the Chairman of the Employee Insurance Committee for the duration of term in office, and for two year periods, trustees appointed by the 1) Elected Officials, 2) Appointed Officials, 3) County Administrator, and 4) Deputy Administrator for Finance. As of January 1, 1993, the County contracted with the South Carolina Department of Insurance to provide all of the County's health and life insurance. To provide retirement benefits to its employees, the County contracts with the South Carolina Public Employee Benefits Authority (PEBA) which administers the various retirement systems and retirement programs managed by its retirement division.

Telecommunications – This fund is used to account for the centrally administered telecommunications system, which includes pagers and cellular telephones.

COUNTY OF CHARLESTON, SOUTH CAROLINA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
June 30, 2021

	Fleet Management	Office Support Services	Workers' Compensation	Employee Benefits	Telecom- munications	Totals
ASSETS						
Current assets:						
Pooled cash and cash equivalents	\$ 5,644,529	\$ 230,950	\$ 5,216,700	\$ 50,827,143	\$ 328,211	\$ 62,247,533
Cash with fiscal agent	-	-	125,000	-	-	125,000
Receivables (net of allowances for uncollectibles)	105,106	82	19,612	169,568	-	294,368
Due from other funds	-	-	165,676	41,595,503	-	41,761,179
Inventories	318,912	-	-	-	-	318,912
Total current assets	6,068,547	231,032	5,526,988	92,592,214	328,211	104,746,992
Capital assets:						
Buildings	1,550,503	145,180	-	-	-	1,695,683
Machinery and equipment	40,131,275	2,189,370	667,936	-	991,332	43,979,913
Construction in Progress	-	-	-	-	33,377	33,377
Less accumulated depreciation	(30,730,739)	(1,552,616)	(570,971)	-	(638,613)	(33,492,939)
Total capital assets (net of accumulated depreciation)	10,951,039	781,934	96,965	-	386,096	12,216,034
Total assets	17,019,586	1,012,966	5,623,953	92,592,214	714,307	116,963,026
DEFERRED OUTFLOWS OF RESOURCES						
Deferred pension charges	-	-	-	54,043,663	-	54,043,663
Deferred OPEB charges	-	-	-	13,449,777	-	13,449,777
Total deferred outflows of resources	-	-	-	67,493,440	-	67,493,440
LIABILITIES						
Current liabilities:						
Accounts payable	318,852	35,932	3,195,306	10,933	152,384	3,713,407
Accrued payroll and fringe benefits	89,223	25,957	17,609	3,864	14,842	151,495
Unearned revenue	-	-	-	1,149,949	-	1,149,949
Compensated absences-current	39,304	12,069	-	-	2,551	53,924
Intergovernmental payable	1,832	-	280,781	-	-	282,613
Lease payable - current	-	333,800	-	-	-	333,800
Total current liabilities	449,211	407,758	3,493,696	1,164,746	169,777	5,685,188
Noncurrent liabilities:						
Net OPEB liability	-	-	-	80,667,997	-	80,667,997
Compensated absences	242,086	48,135	61,305	8,681	23,572	383,779
Lease payable	-	372,595	-	-	-	372,595
Net pension liability	-	-	-	301,826,444	-	301,826,444
Total noncurrent liabilities	242,086	420,730	61,305	382,503,122	23,572	383,250,815
Total liabilities	691,297	828,488	3,555,001	383,667,868	193,349	388,936,003
DEFERRED INFLOWS OF RESOURCES						
Deferred pension credits	-	-	-	6,004,766	-	6,004,766
Deferred OPEB credits	-	-	-	11,034,793	-	11,034,793
Total deferred inflows of resources	-	-	-	17,039,559	-	17,039,559
NET POSITION						
Net investment in capital assets	10,951,039	75,539	96,965	-	386,096	11,509,639
Unrestricted	5,377,250	108,939	1,971,987	(240,621,773)	134,862	(233,028,735)
Total net position	\$ 16,328,289	\$ 184,478	\$ 2,068,952	\$ (240,621,773)	\$ 520,958	\$ (221,519,096)

See independent auditor's report.

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COUNTY OF CHARLESTON, SOUTH CAROLINA
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
 INTERNAL SERVICE FUNDS
 For the Year Ended June 30, 2021

	Fleet Management	Office Support Services	Workers' Compensation	Employee Benefits	Telecom- munications	Totals
Operating revenues:						
Charges for services	\$ 13,723,067	\$ 2,015,347	\$ 5,396,294	\$ 49,558,425	\$ 2,142,940	\$ 72,836,073
Total operating revenues	13,723,067	2,015,347	5,396,294	49,558,425	2,142,940	72,836,073
Operating expenses:						
Personnel services	2,717,784	814,072	493,853	113,934	433,046	4,572,689
Contractual services	3,230	38,610	4,876,643	58,846	1,399,524	6,376,853
Materials and supplies	8,145,218	578,915	100,456	4,346	1,354	8,830,289
Utilities	81,525	14,093	-	-	46,291	141,909
Repairs and maintenance	1,991,562	214,041	40,630	-	94,184	2,340,417
Rental expenses	2,400	8,099	-	-	-	10,499
Vehicle fleet charges	118,891	13,401	9,258	-	1,006	142,556
Employee benefits	-	-	-	62,481,289	-	62,481,289
Other expenses	160,209	42,408	33,433	117,925	21,950	375,925
Depreciation	3,622,532	370,365	50,958	-	101,776	4,145,631
Total operating expenses	16,843,351	2,094,004	5,605,231	62,776,340	2,099,131	89,418,057
Operating income (loss)	(3,120,284)	(78,657)	(208,937)	(13,217,915)	43,809	(16,581,984)
Nonoperating revenues (expenses):						
Interest income	10,405	384	10,205	94,089	704	115,787
Interest expense	-	(116,857)	-	-	-	(116,857)
Intergovernmental revenues	-	2,614	-	1,149,949	-	1,152,563
Gain (loss) on disposal of capital assets	(48,779)	-	-	-	-	(48,779)
Total nonoperating revenues (expenses)	(38,374)	(113,859)	10,205	1,244,038	704	1,102,714
Income (loss) before transfers	(3,158,658)	(192,516)	(198,732)	(11,973,877)	44,513	(15,479,270)
Transfers in	2,714,536	100,000	-	-	-	2,814,536
Transfers out	(518,346)	-	-	-	(100,000)	(618,346)
Change in net position	(962,468)	(92,516)	(198,732)	(11,973,877)	(55,487)	(13,283,080)
Total net position - beginning	17,290,757	276,994	2,267,684	(228,647,896)	576,445	(208,236,016)
Total net position - ending	\$ 16,328,289	\$ 184,478	\$ 2,068,952	\$ (240,621,773)	\$ 520,958	\$ (221,519,096)

See independent auditor's report.

COUNTY OF CHARLESTON, SOUTH CAROLINA
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 For the Year Ended June 30, 2021

	Fleet Management	Office Support Services	Workers' Compensation	Employee Benefits	Telecom- munications	Totals
Cash flows from operating activities:						
Cash received from customers	\$ 101,064	\$ -	\$ -	\$ -	\$ -	\$ 101,064
Cash receipts from interfund services provided	13,640,919	2,015,265	5,350,693	46,840,544	2,142,940	69,990,361
Cash payments to suppliers for goods and services	(10,547,692)	(920,305)	(5,154,055)	(45,454,689)	(1,570,970)	(63,647,711)
Cash payments to employees for services	(2,736,821)	(824,546)	(494,116)	(110,786)	(424,615)	(4,590,884)
Net cash provided by (used in) operating activities	<u>457,470</u>	<u>270,414</u>	<u>(297,478)</u>	<u>1,275,069</u>	<u>147,355</u>	<u>1,852,830</u>
Cash flows from noncapital financing activities:						
Transfers in	2,714,536	100,000	-	-	-	2,814,536
Transfers (out)	(518,346)	-	-	-	(100,000)	(618,346)
Intergovernmental receipt	-	2,614	-	1,149,949	-	1,152,563
Net cash provided by noncapital financing activities	<u>2,196,190</u>	<u>102,614</u>	<u>-</u>	<u>1,149,949</u>	<u>(100,000)</u>	<u>3,348,753</u>
Cash flows from capital and related financing activities:						
Principal paid on long-term debt	-	(299,044)	-	-	-	(299,044)
Interest paid	-	(116,857)	-	-	-	(116,857)
Proceeds from sale of capital assets	281,336	-	-	-	-	281,336
Acquisition and construction of capital assets (including capitalized interest)	(1,734,659)	-	(32,125)	-	(33,376)	(1,800,160)
Net cash used in capital and related financing activities	<u>(1,453,323)</u>	<u>(415,901)</u>	<u>(32,125)</u>	<u>-</u>	<u>(33,376)</u>	<u>(1,934,725)</u>
Cash flows from investing activities:						
Interest received	10,405	384	10,205	94,089	704	115,787
Net cash provided by investing activities	<u>10,405</u>	<u>384</u>	<u>10,205</u>	<u>94,089</u>	<u>704</u>	<u>115,787</u>
Net increase (decrease) in cash and cash equivalents	1,210,742	(42,489)	(319,398)	2,519,107	14,683	3,382,645
Cash and cash equivalents at beginning of year	4,433,787	273,439	5,661,098	48,308,036	313,528	58,989,888
Cash and cash equivalents at end of year	<u>\$ 5,644,529</u>	<u>\$ 230,950</u>	<u>\$ 5,341,700</u>	<u>\$ 50,827,143</u>	<u>\$ 328,211</u>	<u>\$ 62,372,533</u>
Reconciliation to balance sheet:						
Pooled cash and cash equivalents	\$ 5,644,529	\$ 230,950	\$ 5,216,700	\$ 50,827,143	\$ 328,211	\$ 62,247,533
Cash with fiscal agent	-	-	125,000	-	-	125,000
Cash and cash equivalents at end of year	<u>\$ 5,644,529</u>	<u>\$ 230,950</u>	<u>\$ 5,341,700</u>	<u>\$ 50,827,143</u>	<u>\$ 328,211</u>	<u>\$ 62,372,533</u>

COUNTY OF CHARLESTON, SOUTH CAROLINA
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 For the Year Ended June 30, 2021

	Fleet Management	Office Support Services	Workers' Compensation	Employee Benefits	Telecom- munications	Totals
Reconciliation of operating income (loss) to net cash provided by operating activities:						
Operating (loss)	\$ (3,120,284)	\$ (78,657)	\$ (208,937)	\$ (13,217,915)	\$ 43,809	\$ (16,581,984)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:						
Depreciation	3,622,532	370,365	50,958	-	101,776	4,145,631
Changes in assets, deferred outflows and inflows of resources, and liabilities:						
(Increase) decrease in receivables	18,916	(82)	(45,601)	(2,717,881)	-	(2,744,648)
(Increase) decrease in inventory	(45,626)	-	-	-	-	(45,626)
Increase (decrease) in accounts payable	969	(10,738)	(93,635)	(59,993)	(6,661)	(170,058)
Increase (decrease) in accrued payroll	(19,037)	(10,474)	(263)	3,148	8,431	(18,195)
Increase in net pension liability	-	-	-	28,627,302	-	28,627,302
Increase in net OPEB liability	-	-	-	6,065,576	-	6,065,576
Increase in deferred outflows of resources for pensions	-	-	-	(16,376,080)	-	(16,376,080)
Increase in deferred inflows of resources for pensions	-	-	-	3,183,900	-	3,183,900
(Increase) in deferred outflows of resources for OPEB	-	-	-	(5,917,390)	-	(5,917,390)
(Decrease) in deferred inflows of resources for OPEB	-	-	-	1,684,402	-	1,684,402
Total adjustments	3,577,754	349,071	(88,541)	14,492,984	103,546	18,434,814
Net cash provided by (used in) operating activities	\$ 457,470	\$ 270,414	\$ (297,478)	\$ 1,275,069	\$ 147,355	\$ 1,852,830

See independent auditor's report.

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