

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, 2023

	Fleet Management	Office Support Services	Workers' Compensation	Employee Benefits	Telecom- munications	Totals
ASSETS						
Current assets:						
Pooled cash and cash equivalents	\$ 9,704,263	\$ 200,867	\$ 7,349,708	\$ 59,155,710	\$ 313,567	\$ 76,724,115
Cash with fiscal agent	-	-	125,000	-	-	125,000
Receivables (net of allowances for uncollectibles)	16,048	135	5,754	448,160	-	470,097
Due from other funds	-	-	128,065	46,117,353	-	46,245,418
Inventories	434,018	-	-	-	-	434,018
Total current assets	10,154,329	201,002	7,608,527	105,721,223	313,567	123,998,648
Capital assets:						
Buildings	1,550,503	145,180	-	-	-	1,695,683
Machinery and equipment	42,517,812	526,723	925,241	-	1,032,510	45,002,286
Construction in Progress	836,632	-	-	-	-	836,632
Right to use assets	-	1,709,374	-	-	-	1,709,374
Intangible SBITA assets	208,464	-	-	-	-	208,464
Less accumulated depreciation	(30,608,898)	(2,245,348)	(625,861)	-	(818,302)	(34,298,409)
Total capital assets (net of accumulated depreciation)	14,504,513	135,929	299,380	-	214,208	15,154,030
Total assets	24,658,842	336,931	7,907,907	105,721,223	527,775	139,152,678
DEFERRED OUTFLOWS OF RESOURCES						
Deferred pension charges	-	-	-	41,539,044	-	41,539,044
Deferred OPEB charges	-	-	-	15,716,678	-	15,716,678
Total deferred outflows of resources	-	-	-	57,255,722	-	57,255,722
LIABILITIES						
Current liabilities:						
Accounts payable	665,416	26,815	2,558,582	23,560	93,625	3,367,998
Accrued payroll and fringe benefits	112,081	30,652	23,493	5,030	20,490	191,746
Unearned revenue	-	-	-	1,150,020	-	1,150,020
Compensated absences-current	39,122	-	-	-	-	39,122
Accrued interest payable	46	-	-	-	-	46
Intergovernmental payable	3,116	201	15,834	-	-	19,151
Lease liability - current	-	6,196	-	-	-	6,196
Subscription liability - current	20,494	-	-	-	-	20,494
Total current liabilities	840,275	63,864	2,597,909	1,178,610	114,115	4,794,773
Noncurrent liabilities:						
Net OPEB liability	-	-	-	52,857,308	-	52,857,308
Compensated absences	200,286	44,689	57,567	5,759	43,240	351,541
Lease liability	-	18,286	-	-	-	18,286
Subscription liability	64,046	-	-	-	-	64,046
Net pension liability	-	-	-	275,442,454	-	275,442,454
Total noncurrent liabilities	264,332	62,975	57,567	328,305,521	43,240	328,733,635
Total liabilities	1,104,607	126,839	2,655,476	329,484,131	157,355	333,528,408
DEFERRED INFLOWS OF RESOURCES						
Deferred pension credits	-	-	-	11,434,769	-	11,434,769
Deferred OPEB credits	-	-	-	41,977,408	-	41,977,408
Total deferred inflows of resources	-	-	-	53,412,177	-	53,412,177
NET POSITION						
Net investment in capital assets	14,419,973	111,447	299,380	-	214,208	15,045,008
Unrestricted	9,134,262	98,645	4,953,051	(219,919,363)	156,212	(205,577,193)
Total net position	\$ 23,554,235	\$ 210,092	\$ 5,252,431	\$ (219,919,363)	\$ 370,420	\$ (190,532,185)

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, 2023

	Fleet Management	Office Support Services	Workers' Compensation	Employee Benefits	Telecom- munications	Totals
Operating revenues:						
Charges for services	\$ 14,550,135	\$ 1,838,098	\$ 5,660,413	\$ 63,381,677	\$ 2,348,482	\$ 87,778,805
Total operating revenues	<u>14,550,135</u>	<u>1,838,098</u>	<u>5,660,413</u>	<u>63,381,677</u>	<u>2,348,482</u>	<u>87,778,805</u>
Operating expenses:						
Personnel services	2,641,903	779,600	480,860	112,733	468,377	4,483,473
Contractual services	2,853	35,838	353,185	55,132	1,824	448,832
Materials and supplies	7,543,007	329,024	95,701	3,830	2,038	7,973,600
Utilities	89,528	16,274	-	-	59,621	165,423
Repairs and maintenance	1,967,295	228,212	40,630	-	105,032	2,341,169
Rental expenses	2,280	5,145	-	-	-	7,425
Vehicle fleet charges	113,503	13,953	9,145	-	918	137,519
Employee benefits	-	-	-	50,750,444	-	50,750,444
Other expenses	180,811	34,733	2,228,919	110,007	1,712,859	4,267,329
Depreciation and amortization	3,325,976	407,836	21,495	-	86,150	3,841,457
Total operating expenses	<u>15,867,156</u>	<u>1,850,615</u>	<u>3,229,935</u>	<u>51,032,146</u>	<u>2,436,819</u>	<u>74,416,671</u>
Operating income (loss)	<u>(1,317,021)</u>	<u>(12,517)</u>	<u>2,430,478</u>	<u>12,349,531</u>	<u>(88,337)</u>	<u>13,362,134</u>
Nonoperating revenues (expenses):						
Interest income	270,786	7,521	255,646	2,182,753	9,489	2,726,195
Interest expense	(2,386)	(57,831)	-	-	-	(60,217)
Intergovernmental revenues	-	-	-	1,149,949	-	1,149,949
Gain (loss) on disposal of capital assets	594,792	-	-	-	-	594,792
Total nonoperating revenues (expenses)	<u>863,192</u>	<u>(50,310)</u>	<u>255,646</u>	<u>3,332,702</u>	<u>9,489</u>	<u>4,410,719</u>
Income (loss) before transfers	(453,829)	(62,827)	2,686,124	15,682,233	(78,848)	17,772,853
Transfers in	7,388,976	50,000	-	-	37,500	7,476,476
Transfers out	(1,082,403)	-	-	-	-	(1,082,403)
Change in net position	5,852,744	(12,827)	2,686,124	15,682,233	(41,348)	24,166,926
Total net position - beginning	<u>17,701,491</u>	<u>222,919</u>	<u>2,566,307</u>	<u>(235,601,596)</u>	<u>411,768</u>	<u>(214,699,111)</u>
Total net position - ending	<u>\$ 23,554,235</u>	<u>\$ 210,092</u>	<u>\$ 5,252,431</u>	<u>\$ (219,919,363)</u>	<u>\$ 370,420</u>	<u>\$ (190,532,185)</u>

See independent auditor's report.

COUNTY OF CHARLESTON, SOUTH CAROLINA
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 For the Year Ended June 30, 2023

	Fleet Management	Office Support Services	Workers' Compensation	Employee Benefits	Telecom- munications	Totals
Cash flows from operating activities:						
Cash received from customers	\$ 187,204	\$ -	\$ -	\$ -	\$ -	\$ 187,204
Cash receipts from interfund services provided	14,388,317	1,831,086	5,726,580	63,488,394	2,348,482	87,782,859
Cash payments to suppliers for goods and services	(9,927,912)	(686,640)	(3,609,652)	(59,704,744)	(1,916,229)	(75,845,177)
Cash payments to employees for services	(2,656,469)	(753,957)	(486,580)	(116,743)	(453,247)	(4,466,996)
Net cash provided by (used in) operating activities	<u>1,991,140</u>	<u>390,489</u>	<u>1,630,348</u>	<u>3,666,907</u>	<u>(20,994)</u>	<u>7,657,890</u>
Cash flows from noncapital financing activities:						
Transfers in	7,388,976	50,000	-	-	37,500	7,476,476
Transfers (out)	(1,082,403)	-	-	-	-	(1,082,403)
Intergovernmental receipt	-	-	-	1,149,949	-	1,149,949
Net cash provided by noncapital financing activities	<u>6,306,573</u>	<u>50,000</u>	<u>-</u>	<u>1,149,949</u>	<u>37,500</u>	<u>7,544,022</u>
Cash flows from capital and related financing activities:						
Principal paid on long-term debt	-	(369,753)	-	-	-	(369,753)
Interest paid	(2,386)	(57,831)	-	-	-	(60,217)
Proceeds from sale of capital assets	797,495	-	-	-	-	797,495
Acquisition and construction of capital assets (including capitalized interest)	(5,005,204)	(59,122)	(224,533)	-	(7,800)	(5,296,659)
Net cash used in capital and related financing activities	<u>(4,210,095)</u>	<u>(486,706)</u>	<u>(224,533)</u>	<u>-</u>	<u>(7,800)</u>	<u>(4,929,134)</u>
Cash flows from investing activities:						
Interest received	270,786	7,521	255,646	2,182,753	9,489	2,726,195
Net cash provided by investing activities	<u>270,786</u>	<u>7,521</u>	<u>255,646</u>	<u>2,182,753</u>	<u>9,489</u>	<u>2,726,195</u>
Net increase (decrease) in cash and cash equivalents	4,358,404	(38,696)	1,661,461	6,999,609	18,195	12,998,973
Cash and cash equivalents at beginning of year	5,345,859	239,563	5,813,247	52,156,101	295,372	63,850,142
Cash and cash equivalents at end of year	<u>\$ 9,704,263</u>	<u>\$ 200,867</u>	<u>\$ 7,474,708</u>	<u>\$ 59,155,710</u>	<u>\$ 313,567</u>	<u>\$ 76,849,115</u>
Reconciliation to balance sheet:						
Pooled cash and cash equivalents	\$ 9,704,263	\$ 200,867	\$ 7,349,708	\$ 59,155,710	\$ 313,567	\$ 76,724,115
Cash with fiscal agent	-	-	125,000	-	-	125,000
Cash and cash equivalents at end of year	<u>\$ 9,704,263</u>	<u>\$ 200,867</u>	<u>\$ 7,474,708</u>	<u>\$ 59,155,710</u>	<u>\$ 313,567</u>	<u>\$ 76,849,115</u>

COUNTY OF CHARLESTON, SOUTH CAROLINA
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 For the Year Ended June 30, 2023

	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)	\$ (1,317,021)	\$ (12,517)	\$ 2,430,478	\$ 12,349,531	\$ (88,337)	\$ 13,362,134
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:						
Depreciation and amortization	3,325,976	407,836	21,495	-	86,150	3,841,457
Changes in assets, deferred outflows and inflows of resources, and liabilities:						
(Increase) decrease in receivables	25,386	(135)	66,168	106,646	-	198,065
(Increase) decrease in inventory	48,681	-	-	-	-	48,681
Increase (decrease) in accounts payable	(77,316)	(30,338)	(882,073)	(4,488)	(33,937)	(1,028,152)
Increase (decrease) in accrued payroll	(14,566)	25,643	(5,720)	(4,010)	15,130	16,477
Increase (decrease) in net pension liability	-	-	-	24,494,156	-	24,494,156
Increase (decrease) in net OPEB liability	-	-	-	(37,612,895)	-	(37,612,895)
Decrease in deferred outflows of resources for pensions	-	-	-	6,413,281	-	6,413,281
Increase (decrease) in deferred inflows of resources for pensions	-	-	-	(37,830,112)	-	(37,830,112)
(Increase) decrease in deferred outflows of resources for OPEB	-	-	-	2,837,713	-	2,837,713
Increase (Decrease) in deferred inflows of resources for OPEB	-	-	-	32,917,085	-	32,917,085
Total adjustments	3,308,161	403,006	(800,130)	(8,682,624)	67,343	(5,704,244)
Net cash provided by (used in) operating activities	\$ 1,991,140	\$ 390,489	\$ 1,630,348	\$ 3,666,907	\$ (20,994)	\$ 7,657,890
Noncash investing, capital, and financing activities:						
Right to use assets leased	\$ -	\$ 13,646	\$ -	\$ -	\$ -	\$ 13,646
Intangible SBITA Assets	\$ 84,540	\$ -	\$ -	\$ -	\$ -	\$ 84,540

See independent auditor's report.

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