CITY OF NORTH CHARLESTON
SOUTH CAROLINA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2022

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CITY OF NORTH CHARLESTON, SOUTH CAROLINA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
TABLE OF CONTENTS
Year Ended June 30, 2022

INTRODUCTORY SECTION		**Page(s)**
Letter of Transmittal		i-xviii
Certificate of Achievement for Excellence in Financial Reporting		xix
List of Principal Officials		xx
Organizational Chart		xxi
FINANCIAL SECTION		
Independent Auditor's Report		1-4
Management's Discussion and Analysis		5-15
Financial Statements:	**Exhibit**	
Government-Wide Financial Statements:		
Statement of Net Position	1	16-17
Statement of Activities	2	18
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet	3	19
Reconciliation of Fund Balances to Net Position	4	20
Statement of Revenues, Expenditures and Changes in Fund Balances	5	21
Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances to Statement of Activities	6	22
Proprietary Funds:		
Statement of Net Position	7	23
Statement of Revenues, Expenses and Changes in Fund Net Position	8	24
Statement of Cash Flows	9	25
Notes to Financial Statements		26-66
Required Supplementary Information:		
Budgetary Comparison Schedule – General Fund	10	67-68
Budgetary Comparison Schedule – Coliseum Operating Fund	11	69
Pension Schedule – Net Pension Liability – S.C. Retirement System	12	70
Pension Schedule – Contributions – S.C. Retirement System	13	71
Pension Schedule – Net Pension Liability - Police Officers Retirement System	14	72
Pension Schedule – Contributions – Police Officers Retirement System	15	73
OPEB Schedule – Net OPEB Liability and Related Ratios	16	74
OPEB Schedule – Contributions	17	75
Supplementary Information:		
Combining Fund Statements:		
Nonmajor Governmental Funds:	**Schedule**	
Fund Descriptions		76-77
Combining Balance Sheet	A-1	78
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	A-2	79
Nonmajor Special Revenue Funds:		
Combining Balance Sheet	B-1	80-81
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	B-2	82-83
Nonmajor Capital Project Funds:		
Combining Balance Sheet	C-1	84
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	C-2	85

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
TABLE OF CONTENTS
Year Ended June 30, 2022

FINANCIAL SECTION (continued)

Individual Fund Schedules (continued):

Nonmajor Special Revenue Funds Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual:

Accommodations Tax Fund	D-1	86
City Accommodations Tax Fund	D-2	87
Community Development Block Grant Fund	D-3	88
School Resource Officer Grant Fund	D-4	89
Justice Assistance Grant Fund	D-5	90
Community Policing Grant Fund	D-6	91
Victims Advocate Fund	D-7	92
Community Oriented Police Hiring Grant Fund	D-8	93
Parking Fund	D-9	94

Debt Service Funds Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual

General Obligation Bonds	E-1	95
Certificates of Participation and Limited Obligation Bonds	E-2	96
Installment Purchase Revenue Bonds	E-3	97

Capital Assets Used in Operations of Governmental Funds:

Comparative Schedule by Source	F-1	98

Fines, Assessments and Surcharges Used in Victims Advocate Operations:

Uniform Schedule by Source (Per Act 96)	G-1	99

STATISTICAL SECTION

	Table	
Net Position by Component	1	100
Changes in Net Position	2	101-103
Governmental Funds – Fund Balances – Last Ten Fiscal Years	3	104
Governmental Funds – Changes in Fund Balances – Last Ten Fiscal Years	4	105
Governmental Funds – Tax Revenues by Source – Last Ten Fiscal Years	5	106
Assessed and Estimated Actual Value of Taxable Property - Last Ten Fiscal Years	6	107
Direct and Overlapping Governments Property Tax Rates (Per $1000 of Assessed Value) – Last Ten Fiscal Years	7	108
Principal Property Taxpayers – Current Year and Nine Years Ago	8	109
Property Tax Levies and Collections – Last Ten Fiscal Years	9	110
Ratios of Outstanding Debt by Type – Last Ten Fiscal Years	10	111
Direct and Overlapping Governmental Activities Debt – As of June 30, 2022	11	112
Legal Debt Margin Information – Last Ten Fiscal Years	12	113
Pledged Revenue Coverage – Last Ten Fiscal Years	13	114
Demographic and Economic Statistics – Last Ten Fiscal Years	14	115
Principal Employers – Current Year and Nine Years Ago	15	116
Full-Time Equivalent City of North Charleston Employees by Function/Program	16	117
Operating Indicators by Function/Program	17	118
Capital Asset Statistics by Function/Program	18	119

INTRODUCTORY SECTION

November 20, 2022

To the Council and Citizens of the City of North Charleston
North Charleston, South Carolina

The Annual Comprehensive Financial Report (ACFR) of the City of North Charleston (the "City") for the fiscal year ended June 30, 2022 is hereby submitted for your review. This report was prepared by the City's Finance Department and it reflects the financial position and results of operations for the fiscal year ended June 30, 2022 in conformance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by an independent firm of licensed certified public accountants.

Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with City management. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, the enclosed data is complete and accurate in all material respects and is reported in a manner designated to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City is required by state law to have an annual independent financial audit. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2022 are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that the financial statements of the City of North Charleston present fairly in conformity with GAAP, in all material aspects, the financial position of the governmental activities, business-type activities, each major fund, and aggregate remaining funds at June 30, 2022, and respective changes in financial position and cash flows, where applicable, for the year then ended.

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To the Council and Citizens of the
City of North Charleston

The City is also required to undergo an annual Single Audit in conformity with provisions of the Federal Single Audit Act and "Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance)", **Audits of State and Local Governments**. Information related to this Single Audit, including the Schedule of Expenditures of Federal Awards, findings and recommendations, and auditor's reports on the internal control structure and compliance with applicable laws and regulations, has been issued in a separate bound document. GAAP require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of North Charleston's MD&A can be found immediately following the report of the independent auditor.

CITY PROFILE

The City of North Charleston is located in Charleston, Dorchester and Berkeley Counties, in the southeastern part of South Carolina. Incorporated in 1972, it is one of the State's youngest cities of significant size and has experienced consistent significant growth throughout its life. The City encompasses approximately 80 square miles and, through aggressive annexation, it has become the third most populous municipality in the State of South Carolina with an estimated population of 114,852, according to the 2020 Census. Census statistics as of July 1, 2021 reflect an estimated North Charleston population of over 117,500.

The City operates under the Mayor-Council form of government. The governing body is composed of a Mayor elected at large and ten Council members elected from ten individual, single-member districts. The Mayor is the chief executive and administrative officer of the City and the presiding officer of the City Council. The Council is the legislative body establishing policies for the City through the enactment of ordinances and resolutions governing all City affairs. The Mayor appoints department heads and staff members to assist in the administration of the daily operations and programs of the City.

The City is empowered to levy a property tax on both real and personal properties located within its boundaries. Such taxes are levied and collected by Charleston, Dorchester and Berkeley Counties and remitted to the City. The City is also empowered by state statutes to extend its corporate limits by voluntary annexation, which occurs periodically when deemed appropriate by Council. The City provides services to its citizens in the following areas: police, fire, public works (sanitation), building inspections, parks and recreation, cultural arts, housing and community development, planning, zoning, code enforcement and general administration. The City also operates a coliseum, convention center, performing arts center, parking facilities, and a municipal golf course.

The annual budget serves as the foundation for the City's financial planning and control. The South Carolina General Statutes require all governmental units to adopt a balanced budget by July 1 of each year for all funds for which an annual budget is required. Activities for the General Fund, Debt Service Funds and Special Revenue Funds are budgeted annually with the exception of the Firemen's Insurance and Inspection Fund and the Anti-Drug Fund, both of which had no activity or, due to the specialized nature of the funds, had expenditures approved on a case by case basis. The annual budget is prepared by fund, function (e.g., public safety) and department (e.g., police). The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by department within an individual fund.

To the Council and Citizens of the
City of North Charleston

The Mayor presents the proposed budget to Council for review, and after Council approval, a public hearing is then held on the proposed budget to hear suggestions. The Mayor may make transfers of appropriations within departments of individual funds, however, transfers between departments and/or funds require approval of the Council. Budget-to-actual comparisons are provided in this report for each governmental fund for which an appropriated budget has been adopted. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts do not lapse but are brought forward to the new year and added to the budget adopted by City Council for that year. As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

FACTORS AFFECTING FINANCIAL CONDITION

Local Economy. North Charleston's diverse economy is attributed to its unique blend of trade, manufacturing and service businesses and government. Local industry is characterized by the production of a wide range of products, including: paper, automobile components, health care, housewares, tools, machinery and electronics equipment and airplane components. Major non-manufacturing employers include those providing aerospace, defense, education, financial, transportation, marine, health care, food distribution and retail sales services. Area businesses have experienced continuing growth and development in the past year. This continued growth is indicative of the excellent market location of this area, which is served by major highways including Interstate 26, the Mark Clark Expressway (I-526), and U.S. Highways 17, 52 and 78. The City is also served by The Port of Charleston, an international container cargo port terminal, that ranks in the top eight busiest in the nation with cargo valued at more than $90 billion as of fiscal year ended June 30, 2022 which represented over a 12 percent change from the prior year. International trade through the South Carolina ports facilitates over 250,000 jobs across the State of South Carolina in the maritime, transportation, distribution and manufacturing industries while providing an overall economic impact of over $70 billion each year. The Port of Charleston is in the midst of spending over $2 billion in port related infrastructure improvements which includes the completed construction of a new terminal and rail yard on the former Navy Base property located in the City of North Charleston. The Charleston Harbor deepening project, which began in the fall of 2017 and was completed last year, created the deepest harbor on the East Coast.

North Charleston is part of a Metropolitan Statistical Area (MSA) that includes the City of Charleston, Town of Mount Pleasant and other areas of Berkeley, Dorchester and Charleston counties that features a population estimate exceeding 815,000 and a gross taxable sales estimate exceeding $35 billion for the 2021 calendar year. North Charleston remains the State's municipal leader in retail sales for the past twenty-eight years. In calendar year 2021, gross retail sales exceeded $8.2 billion and surpassed any other city in South Carolina by over $1 billion. The City has over 4.5 million square feet of retail space, the largest four areas being the Tanger Outlet Center, Northwoods Mall, Northwoods Market Place and Festival Center. Spending in building permit construction dollar values declined slightly in the City during the fiscal year ending June 30, 2022 compared to fiscal year ending June 30, 2021, while residential real estate sales volume is up over 10% in the region over that same time period with the median price of home sales up over 10%. The region has an estimated civilian labor workforce exceeding 375,000, which has grown by over 20% for the last ten years. The local unemployment rate of 3.0% as of June 30, 2022 is below both the State and National averages.

To the Council and Citizens of the
City of North Charleston

Tourism remains a vital segment of the local MSA economy. Overall hotel/motel occupancy rates increased over 8% from fical year 2021 to 2022 as the area recovered from the pandemic. Hotel/motel room inventory exceeds 8,000 rooms in the City of North Charleston as of the fiscal year ending 2022. This total represents over 40% of the total room inventory available in Charleston County and most of the growth is attributable to the City Center TIF District redevelopment area. In the last five years, hotel expansion in North Charleston has added over 2,500 rooms.

The Charleston International Airport, managed by the Charleston County Aviation Authority, is located in the City of North Charleston and is a joint use airport as the airfield is owned and operated by the USAF as part of the Joint Base Charleston. There are currently twelve scheduled passenger air carriers that operate at the airport to include: Alaska, Alevo, Allegiant, American, Breeze, Delta, Frontier, JetBlue, Silver, Southwest, Sun Country and United. Passenger traffic has increased tremendously during the 12 months ended June 30, 2022 as compared to the same 12 month period ending June 30, 2021. The airport experienced an almost 100% increase in passengers for the 12 months ending June 30, 2022 with totals exceeding over 5 million passengers. The Charleston County Aviation Authority has completed a $350 million renovation and expansion plan which included the addition of a third concourse allowing the airport to handle more airplane and passenger traffic. With the recently completed improvement projects and airline announcements and new airport services, the Authority expects an increase in tourism in the area for the foreseeable future.

Coliseum, Convention and Performing Arts Center. The City of North Charleston is the proud owner of the North Charleston Coliseum, Convention Center and Performing Arts Center complex. The Convention Center has over 202,000 square feet, including: 135,000 square feet of exhibit space, a 25,000 square foot ballroom (divisible into six separate rooms), 20 meeting rooms with seating capacities ranging from 50 to 200 people, a full service kitchen/concessions and ample on-site parking. The Performing Arts Center has over 2,300 cushioned seats, full production capabilities, an in-house sound and lighting system, a 110 foot by 40 foot stage, eight dressing rooms, and complete food and beverage services. The Coliseum, with capacity to seat over 10,000, hosts various events ranging from college basketball, NBA and NHL exhibition games, professional ice skating, Olympic gymnastics, concerts and Walt Disney productions. It has been the home facility for the South Carolina Stingrays hockey team (three-time Kelly Cup Champion) for the past twenty-seven years. The Stingrays, which are one of the olders and largest franchises in the ECHL, came under new ownership in 2018 and is signed to a lease with the City to remain at the Coliseum complex through August 2023.

In October 2009, the Mayor and City Council approved a comprehensive renovation project to facilitate improvements to the North Charleston Coliseum at an estimated cost of over $20,000,000. Plans included additions to the north and south entrances that provide new food court and concession areas designed to accommodate more patrons. These concession area changes helped to spur along the renovation of existing concession areas into new corporate suites. Other improvements included the replacement of the current sound system along with the addition of new catwalks with wider platforms capable of providing expanded rigging for spotlighting of larger events, and retrofitted box seats with kitchen areas. Construction of the new concession area in the southern end of the Coliseum was completed in September 2011. Renovations to the corporate suites were completed in early 2012. Improvements to the northern end of the concession area, at a cost of over $10 million, were completed by late summer of 2016.

To the Council and Citizens of the
City of North Charleston

The City also expanded event space to the Coliseum during 2011. The project known as the Montague Terrace added over 7,400 square feet and is used as an entertainment venue for small concerts, theater performances and comedy shows. It is also used as event space for private receptions and as a food court for the other Coliseum events. Montague Terrace was built for LEED Silver Certification by the U.S. Green Building Council making it one of the largest eco-friendly event venues in the Charleston area. In early 2021, the City completed construction of a five level parking garage adjacent to the Convention Center designed to accommodate 2,000 parking spaces. Additional site work included the construction of a 7,000 square foot office building to relocate the existing parking staff and other complex personnel. These facilities were completed at a cost of over $50 million.

The Charleston Area Convention Center Complex has been awarded the State of South Carolina Governor's Cup, which is presented annually by the South Carolina Department of Parks, Recreation and Tourism to an outstanding organization that has demonstrated a significant economic impact on the state and local community and has noticeably improved the quality of life for South Carolina. The Complex hosts over 300 events annually when not impacted by the pandemic (concerts, athletic contests, conferences, graduations, tournaments, etc.), many of which were held over several days or weeks with attendance exceeding 500,000. During the last ten years, over 3,500 additional hotel rooms have been added due to construction near the Complex which assists in the City's efforts to attract quality events and conferences that will have a significant financial impact to the local economy. According to studies prepared by the Charleston Area Convention and Visitors Bureau, estimates are that the total economic impact to the Charleston area by events held at the Charleston Area Convention Center Complex exceeds $75 million annually. Direct tax revenue for the Complex is estimated at over $6 million annually.

To the Council and Citizens of the
City of North Charleston

Municipal Golf Course. The City of North Charleston constructed a twenty-seven hole municipal golf course facility on land located in Dorchester County in 2001. The golf course is situated in the center of a residential and commercial development project that has already generated over $225 million in taxable property value. The City has experienced over a $12 million increase in annual property tax collections from Dorchester County over the past twenty years primarily attributable to the residential growth surrounding the golf course. Plans are underway to create a commercial/residential development district on a twenty-seven acre tract known as the Wescott Plantation Circle. A 120 room senior citizens assisted living facility was completed in the spring of 2017 with further plans calling for 140,000 square feet of commercial and office space and 200 housing units on four parcels surrounding the traffic circle.

To the Council and Citizens of the
City of North Charleston

Tax Increment Financing Districts. Over the past seventeen years, City Council has authorized the issuance and sale of over $56,000,000 in tax increment bonds for the purpose of providing a portion of the cost of constructing certain public improvements to the City Center Redevelopment Plan. There were several projects identified by the administration in this tax increment financing district, including: streetscaping and landscaping projects, the former Charlestowne Mall area improvements, drainage improvements, upgrade of sewer lift stations, a new fire museum, a new fire station, a new City Hall and the purchase of property for expansion of parking and outlying office space for the Convention Center Complex. In September 2009, employees from all departments except for public works moved into the new 167,000 square foot city hall located in the City Center TIF completed at a cost of $37.5 million.

The City Center TIF area hosts an outlet mall known as the Tanger Outlet Center. This 365,000 square foot outlet center has attracted over 95 retail stores along with a food court and other shopping and dining opportunities and is over 96% occupied. The Center generates over $1,500,000 in annual property tax revenues to the City of North Charleston. The outlet center, built at a cost of over $60 million, and other business construction is generating over 2,000 full and part-time jobs and attracting over four million shoppers and visitors annually. This area is already home to a Sam's Club, a Wal-Mart Supercenter and a

55,000-square-foot five-story office building leasing space to an engineering firm, medical practice and other professional firms. The City Center TIF area continues to enjoy significant growth but the ordinance creating the TIF expired in June 2017 resulting in over $2.5 million in additional municipal property taxes returning to the City's General Fund with another $6 million combined returning to Charleston County and the Charleston County School District. In September 2021, the City voted to create an overlay TIF district in the City Center Redevelopment area to spur additional development. Construction is already underway on a project labeled the Uptown North Charleston development project with plans to create a large mixed-use development valued at over $100 million which will bring in new hotels, apartments, offices and a Topgolf (golf-themed venue) park.

Another tax increment finance district known as the Noisette Community Redevelopment Project Area has experienced significant growth. As a result of this growth, the City has been able to issue over $62 million in TIF bonds for the purpose of revitalizing and rehabilitating public infrastructure improvements. The proposed development has already experienced the demolition of all structures in a 57 acre area known as the Oak Terrace Preserve and replaced them with new construction consisting of residential and commercial units. The Oak Terrace Preserve area was originally built by the federal government in the early 1940s for shipyard workers and other military personnel but over time the homes deteriorated. The City contracted with a real estate management firm to manage the development of the project and to market the property for resale. Demolition and infrastructure improvements have been completed for all phases of the three phase plan. Subsequently, the City has closed on the sale of over 300 parcels to developers and no other development sites remain available. In 2015, a 271 unit apartment complex which includes mixed use with residential units above retail stores called the Factory at Garco Park was announced in this TIF district area and was completed in early 2018. Construction is still underway in an area not far off Park Circle at the intersection of Mixson and Durant Avenues that involves the development of over 170 single family homes and over 80 townhomes, apartment complex units known as the Link Apartments Mixson and the Mixson Bath and Racquet Club.

To the Council and Citizens of the
City of North Charleston

An area adjacent to the Palmetto Commerce Park, known as the Ingleside Plantation, has the potential of becoming another prominent commercial and residential hub. This approximate 2,000 acre tract, with a build-out expected over a twenty year period, should attract hotels, light industry, offices, and retail stores along with apartments and single-family homes. The first construction project included a 300-unit apartment complex completed in 2012. In the spring of 2014, an additional 300 unit apartment complex opened with plans designed to construct two or three more multi-family developments over the next several years. Approximately 20 acres of the tract is being held out for a future elementary school and middle school. Future plans call for a 40,000 square foot multi-tenant office building at the corner of U.S. Highway 78 and the new Northside Drive Extension. The new Northside Drive Extension, completed in 2016, connects U.S. Highway 78 to Ashley Phosphate Road while the new Weber Drive connects Palmetto Commerce Parkway to Northside Drive. In October 2020, the City issued over $24 million in Ingleside TIF Bonds for the purpose of providing a portion of the cost of constructing certain public improvements in the Ingleside TIF Redevelopment Area.

In 2019, a new study by GoBankingRates found that the City of North Charleston is among the most affordable cities in the U.S. for the age group 23-38 that is soon to overtake baby boomers as the largest segment of the nation's population. Also, the Cottage Living magazine recognized the 3,000 acre area surrounding the old Navy Base that includes Oak Terrace Preserve, Horizon Village, Garco Park, Clemson's Restoration Institute and the Mixson Neighborhood development as one of the top ten cottage communities in the nation for its adaptive reuse of existing buildings and in-fill development. The Men's Journal named this same historical Park Circle neighborhood as one of the nation's top 30 "Coolest Neighborhoods". Other awards and honors include Bloomberg's Businessweek naming North Charleston to its list of America's Most Fun, Affordable Cities, the National League of Cities citing North Charleston for Municipal Excellence, the Home Depot Foundation extending the City of North Charleston its award of excellence for sustainable community development and Forbes naming the Charleston MSA the highest ranking S.C. metropolitan area for best places for business and careers. The Park Circle neighborhood in North Charleston was named among the best old house neighborhoods in the country by the editors of *This Old House*. Reasons to buy in Park Circle, according to *This Old House*, include its affordable housing and plenty of restaurants and shops on Montague Avenue, its main commercial thoroughfare, its popularity among first-time homebuyers and new public schools that draw families with school age children. *This Old House* scoured the United States to find neighborhoods that fit its criteria; architectural diversity, craftsmanship of the homes and the preservation of the area as well as neighborhood amenities including walkability, safety and community. In early 2020, the Investment Property Exchange Services analyzed home values and median rent along with other factors in over 300 cities with populations over 100,000 across the United States and ranked North Charleston as No. 1 to earn the highest return on rental real estate investment.

North Charleston's Palmetto Commerce Park. Charleston County's transportation improvements funded by an increase in the local option sales tax included a major project that is designed to alleviate traffic congestion along a busy thoroughfare known as Ashley Phosphate Road in North Charleston while attracting more business to the Palmetto Commerce Park. The six mile Palmetto Commerce Parkway construction project will link Palmetto Commerce Park to Ashley Phosphate Road and later will network with other North Charleston road projects. The construction effort consists of three phases with the main goal of attracting more companies to and near the industrial park and the ultimate connection of the Boeing main plants near the Charleston International Airport with businesses on Palmetto Commerce Parkway. The Palmetto Commerce Parkway expansion has already attracted business construction and improvements, including Roper Saint Francis Healthcare, Charleston County government facilities,

JAS Forwarding USA and the addition of Boeing's Interiors Fabrication Facility. In 2021, Cummins Turbo Technologies announced plans to expand its manufacturing operations in Palmetto Commerce Park with a more than $10.7 million investment expected to create over 250 new jobs. In the summer of 2021, Trinity Capital Advisors announced plans to develop an 850,000 square foot industrial park on Palmetto Commerce Parkway looking to attract a diverse range of manufacturers and distributors. In 2022, Elbit Sytems of America, LLC, a provider of high-performance products and system solutons for the defense, homeland security and commercial aviation industries, announced plans to develop an 135,000 square foot manufacturing facility which is expected to create over 300 jobs. Also announced in 2022, SHL Medical, a provider of drug delivery solutions, will invest over $90 million in a facility in the Palmetto Commerce Parkway area that will create over 165 new jobs. In perhaps the largest speculative project announced to date, Dalfen Industrial announced plans in 2022 to build a 1.32 million square foot retail distribution center on 114 acres in Palmetto Commerce Park

Redevelopment of the Former Charleston Navy Base. For years, the State Ports Authority (SPA) had sought to acquire additional port facilities in the vicinity of Charleston Harbor. The City of North Charleston also worked with the Charleston Naval Base Redevelopment Authority (RDA) for several years to acquire or otherwise assume control of property on the former Navy Base for purposes of economic development and community enrichment. Recognizing that land held by the RDA at the Navy Base could provide a solution to both entities needs, the South Carolina State Legislature passed a bill, effective July 1, 2002, ordering the RDA to transfer property to the City of North Charleston and SPA upon the City and SPA negotiating a mutually acceptable land division. A memorandum of understanding reflecting terms of an agreement was reached between the City, SPA and RDA that provided for the SPA to acquire land primarily on the southern end of the base for port expansion while the City acquire land on the northern end of the base. This transfer would be without purchase cost. The State of South Carolina agreed to provide for certain infrastructure improvements to protect area neighborhoods from SPA operations and truck and rail traffic. The agreement between the City and SPA was approved by the City Council and signed in October 2002.

The City of North Charleston had previously entered into a memorandum of understanding with the Noisette Company, LLC in an effort to revitalize property acquired in the former Navy Base area into a model for sustainable living through economic development and community enrichment. Various public development activities included street improvements, landscaping and beautification, utility system and drainage improvements, public park and amenity improvements as well as improved facilities for police, fire and other public services. However, the viability of the Noisette redevelopment project came into question due to the financial support of the project and the ongoing debate surrounding how best to serve the cargo expected from the $600 million S.C. State Ports Authority terminal under construction on the former Navy base. In December 2010, the S.C. Department of Commerce, through its division known as the S.C. Division of Public Railways (later its name was changed to Palmetto Railways) gained control of some of the property previously owned by Noisette during foreclosure proceedings. The Department of Commerce immediately unveiled a plan to develop a rail yard site designed to provide rail line access through the northern end of the base. In October 2013, the S.C. Division of Public Railways spent over $10 million to purchase all remaining property previously owned by Noisette. The project would allow trains from CSX Corporation and Norfolk Southern railroads access to the new cargo yard where containerized imports and exports would be loaded and unloaded. Palmetto Railways estimates the new rail yard facility, to be constructed at a cost over $280 million and scheduled to open in 2023, will employ over 120 people and handle over 1 million cargo containers of merchandise each year.

To the Council and Citizens of the
City of North Charleston

In December 2012, the City of North Charleston and the S.C Division of Public Railways settled a port rail dispute challenging the previous agreement with the SPA which prohibited rail access through the northern end of the base. In this settlement agreement, the S.C. Division of Public Railways agreed to pay the City $8 million over a four year period and assume the Series 2007 bonds outstanding debt service payments associated with the Noisette Community Redevelopment Project Area tax increment finance district. A memorandum of agreement was finalized in late 2016 between community groups within the City of North Charleston and Palmetto Railways that will channel $4 million into these communities to offset the impacts of the proposed rail yard. The agreement calls for funds to be used to build new recreational facilities and pay for programs promoting affordable housing, job training, educational facilities, environmental research and youth initiatives.

In December 2009, Clemson University announced it had landed a $45 million grant, set aside from the American Recovery and Reinvestment Act, to build a drivetrain and wind turbine testing facility on the former Navy Base. The grant was part of a $98 million proposal organized by the Clemson University Restorative Institute and other State of South Carolina agencies described as the largest research effort in the university's history. Construction was completed in the late 2013. The facility is equipped to test 7.5 and 15 megawatt drivetrains, which makes the institute the largest wind turbine testing facility in the world. In late 2013, the facility landed its first industry partner, General Electric, which began testing its next generation wind turbine drivetrain technology. In October 2015, Clemson announced it had landed a $6.7 million grant from the Department of Energy to perform research toward reducing energy consumption by developing more efficient industrial motors. In 2017, it landed a $23 million contract to test the Vestas MH1 turbine, called the world's most powerful turbine. Rapidly growing offshore wind farms and renewable energy sources could boost this testing facility's ability to contribute. The goal of the research project is to develop improved industrial motor technologies that reduce greenhouse emissions and costs. These technologies developed at the North Charleston facility will be applied to a variety of industries around the world.

The Navy Yard Charleston development, announced in the spring of 2021, aims to create a new urban center on the former North Charleston Naval Base. Approximately 1.2 million square feet of new offices, residences, shops and restaurants are planned near the northern end of the former Navy Base building with plans that include new construction and renovation of vacant historic buildings and is expected to play out over the next 10 to 15 years. In the fall of 2021, Camino Verde Group, a Las Vegas land develop company, acquired an abandoned 158,000 square foot building for purposes of renovating the facility into a multi-family development and develop additional land next door into an eight story building with over 295 multi-family units. In early winter of 2021, Capital Development Partners, a Savannah real estate developer, purchased 135 acres of land adjacent to the Port of Charleston to build a logistics facility at a cost of over $250 million scheduled to employ over 200.

On the northern end of the base, the City of North Charleston is building a $9 million pedestrian bridge across Noisette Creek connecting the existing riverfront park to an area across the creek it hopes to develop. For several years, the City has been in receipt of various Navy Base housing facilities from the State for purposes of developing a mixed-use community. These various properties include the Admiral's house, caretaker's house, the Chapel, old school house and various officers quarters facing the river currently being used for meeting spaces and restaurants. The Navy Yard Charleston development plans will complement the City's efforts in continuing development of the waterfront area.

Further Economic Development. With perhaps the largest economic impact announcement in South Carolina history, in late October 2009 Boeing announced it planned to expand its facilities in North Charleston to accommodate a new final assembly facility for its new 787 Dreamliner. Boeing completed construction of its 584,000 square foot manufacturing facility in 2011 and announced in September 2012 plans to improve production efficiencies by expanding its paint facility and its aft-body facility with over 100,000 square feet of capacity. In April 2012, the first manufactured 787 Dreamliner rolled out of Boeing's North Charleston final assembly facility. The State of South Carolina, along with various local governments, helped lure Boeing to North Charleston by offering an incentives package worth $450 million which called for Boeing to create at least 3,800 jobs and invest more than $750 million within seven years to take advantage of the incentives package. Boeing has already exceeded both incentive goals by a wide margin. With the potential influx of additional jobs and business created by suppliers to Boeing locating to the Lowcountry, which is supported by various announcements previously discussed in Palmetto Commerce Park, the North Charleston area hopes to benefit from the enormous economic impact this announcement has fueled.

In 2014, the Charleston Aviation Authority completed the sale of over 300 acres of property to Boeing for future expansion. Previously, S.C. built Dreamliners had to be flown to one of four paint facility sites to complete their final phase of painting. However, construction of a 360,000 square foot new paint facility on its North Charleston campus, large enough to paint all planes currently being built in North Charleston, was completed in early 2017.

To the Council and Citizens of the
City of North Charleston

Also in the summer of 2014, Boeing announced that it would produce the 787-10, the largest version of its popular Dreamliner commercial jetliner, exclusively at its factory in North Charleston. In late March 2017, the first 787-10 Dreamliner was rolled off the assembly line and took a test flight from the Charleston International Airport runway. In October 2020, as a result of the financial pressure from the coronavirus pandemic, Boeing announced it would consolidate all of its 787 Dreamliner production program to its North Charleston campus. In late summer of 2022, Boeing recovered from a long delivery drought of its 787s as it resolved various production and regulatory issues. The delivery reboot could mean more jobs for the area as Boeing attempts to regain its production level at over 14 planes a month. To help educate local workers for the increasing aerospace industry, Trident Technical College raised the $79 million needed for construction and equipment associated with the aeronautical training center on its North Charleston campus. The 224,000 square foot facility accommodates up to 5,400 students each year and opened in 2020.

In March 2015, Mercedes-Benz Vans, LLC, already operating a major van assembly plant in the Palmetto Commerce Park area, announced a major expansion that would bring over 1,200 additional jobs to meet its growing demand of Mercedes-Benz Sprinter vans already assembled at this plant facility. The company invested over $500 million to expand its full scale production facility on more than 200 acres it owns in this commerce park area with plans to employ over 1,600 individuals to operate this facility. In early 2017, Mercedes-Benz Vans purchased an additional 8 acres adjacent to their existing plant that currently houses a 75,000 square foot facility. Mercedes-Benz Vans plans to include the new site in its expansion plans to be used to house some of the logistical processes associated with the new Sprinter plant. The new production facility enables the company to get its vans to the United States/North America market faster, which has become its second largest market for vans worldwide with business up

over 30% from 2013. The site employs over 900 people as production is underway and vans are rolling off the assembly line. In 2021, Mercedes-Benz announced it would invest over $60 million in the North Charleston manufacturing site to build the next generation e-Sprinter van as part of the shift toward electrified vehicles. In the summer of 2021, it announced plans to invest over $53 million to create a new holding and staging warehouse for its completed vans. It is estimated that the automotive industry, with the addition of the new Volvo plant in Berkeley County, accounts for over 160,000 jobs and creates over $27 billion in annual economic impact in the State.

Another major area of redevelopment can be found in the old Park Circle area near the former site of the General Asbestos and Rubber Company (GARCO). A developer in the Charleston area, the Beach Company, is developing a mixed use project called the GARCO Park that will eventually include more than 270 apartments and various other residential and commercial sites on a 40 acre tract. The first apartments opened in 2017.

In July 2018, Ingevity, a chemicals manufacturer based in North Charleston providing specialty chemicals, high-performance carbon materials and engineered polymers used in a variety of demanding applications, announced it would be building its new $20 million headquarters in this area which was completed in 2020. Ingevity is the largest publically traded company based in North Charleston employing over 1,850 workers in over 25 locations worldwide, including over 500 in North Charleston. Ingevity is an independent company spin off in 2016 from the merger of RockTenn and MeadWestvaco and has been located in North Charleston for over 70 years.

To the Council and Citizens of the
City of North Charleston

Other announcements included a $13.5 million expansion project by Trident Medical Center, designed to upgrade its emergency departments, outpatient services, operating rooms and other care units. Construction was completed in late 2019. Comcast invested over $21 million in a facility in North Charleston's Ingleside Plantation which houses customer service and technical support personnel and employs an additional 550. T-Mobile has renovated a facility in North Charleston at a cost of $16.7 million that became its largest call center employing over 1,200 and in 2021 announced it would invest another $10.2 million in a nearly 50,000 square foot expansion at its customer care center creating an additional 500 jobs. Frontier Logistics, one of the nation's largest exporters of plastic resins made at refineries along the Gulf Coast, has opened a 100,000 square foot distribution center on a site near the planned rail yard in the old Navy Base. Wabco Holdings Inc. opened a $20 million manufacturing facility in 2017 that builds advanced single-piston disc brakes for large truck manufacturers such as Daimler and Volvo. In 2018, a 350,000 square foot seven building office complex known as the Aviation Business Park in North Charleston sold for $69 million. In other residential real estate news, Johnson Development Association purchased over 4,000 acres from MeadWestvaco for $14.3 million with plans to build out over 1,000 residential homes and various apartment sections and retail development in an area annexed by the City of North Charleston several years ago on the Ashley River. In October 2019, Spartan Motors announced plans to expand its operations by investing over $1.2 million at its production site in North Charleston and hire over 300 new employees. Spartan Motors is looking to expand its production of custom shelving, lighting and ergonomic design services for the commercial vehicles produced at the Mercedes-Benz Vans plant in North Charleston. In October 2019, the Medical University of South Carolina acquired a $28 million warehouse to use as its consolidated services center in North Charleston to manage its supply chain and sterilization equipment.

To the Council and Citizens of the
City of North Charleston

The City of North Charleston has also embarked on a couple of other sizable projects. In late 2019, the City opened a three gym athletic facility complex adjacent to its Public Works facility off of Remount Road. This $14 million complex contains one gym with seating capacity of around 1,500 while the other two gyms seat approximately 300 each with the ability to accommodate diversified events from various local, state and national organizations. Also in 2020, in partnership with Dorchester County School District Two, the City completed construction on the region's largest aquatics center that provides aquatics access for water safety, athletic exercises and competition. The $25 million facility is located on City owned property adjacent to Fort Dorchester High School and includes a 50 meter, 10 lane pool and a 25 yard therapeutic pool with spectator seating, locker rooms, administrative offices and community meeting space.

Long-Term Financial Planning. Unassigned fund balance in the General Fund (38.4% of the fiscal year 2022/2023 General Fund budgeted expenditures) falls above the fund balance policy guidelines set by the Council for budgetary and planning purposes, which is at least 20% of the budgeted General Fund expenditures. The fiscal year 2022/2023 General Fund budget as approved is a balanced budget that recommends no use of the unassigned fund balance as a source of revenue. The 2022/2023 budget was originally adopted at $137,593,795.

The City, in January 2017, issued $80 million in limited obligation bonds to facilitate the construction of a new parking garage at the Coliseum/Convention Center/Performing Arts Center Complex, a new aquatics facility, a new three gym athletic complex and additional parks and recreational facilities. In July 2018, the City issued $20.55 million in limited obligation bonds for the purpose of constructing and/or improving various facilities throughout the City, for other improvements to the coliseum complex and to refund the remaining $13.115 million in Series 2008 Certificates of Participation.

To the Council and Citizens of the
City of North Charleston

In February 2019, the City issued $15 million in general obligation bonds to pay costs associated with acquiring, constructing and improving various municipal facilities to include roof improvements to the City Hall and other improvements to the City's golf course facilities, the fire museum and the riverfront park. The City also was able to upgrade its $5 million investment in mobile radio inventory. In June 2019, the City issued over $13 million in Navy Base limited obligation (tax increment pledge) bonds for the purpose of building a pedestrian bridge over Noisette Creek to connect with the existing riverfront park facility, make improvements to the Navy Base Memorial and to provide other street and sidewalk and shoreline improvements in the riverfront park area. In October 2019, the City issued over $19 million in Noisette TIF limited obligation (tax increment pledge) bonds for the purpose of reimbursing developers for certain public infrastructure improvements within the Noisette Community Redevelopment Project Area and for the City's additional property acquisition, public park and infrastructure improvements. In October 2020, the City issued over $24 million in Ingleside TIF bonds for the purpose of reimbursing developers for certain public infrastructure improvements within the Ingleside Community Redevelopment Project Area and for the City's additional property acquisition, public park and infrastructure improvements. In June 2021, the City refunded its outstanding Series 2012 Installment Purchase Revenue Bonds and issued $22 million in additional IPRB to fund new sidewalk construction. In January 2022, the City issued over $42 million in TIF bonds for improvements within the Noisette Community Redevelopment Project area to include rebuilding the Felix C.Davis community center, renovating the Danny Jones Pool and Gym Complex and to construct Miracle League fields.

The City plans to continue the development of the Riverfront Park and other properties it owns in the old Navy Base area. Other capital improvement programs, such as future growth expectations in the Palmetto Commerce Park, include assisting Charleston County and Dorchester County with transportation and recreational needs that will significantly benefit the City of North Charleston.

Awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of North Charleston for its Annual Comprehensive Financial Report (ACFR) for the Fiscal Year ended June 30, 2021. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

To the Council and Citizens of the
City of North Charleston

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. An ACFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of North Charleston has received a Certificate of Achievement for the last thirty-four fiscal years from June 30, 1988 through 2021. We believe our current report continues to meet the Certificate of Achievement Program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

Acknowledgments. The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Finance Department and the staff of Mauldin & Jenkins, Certified Public Accountants and Consultants.

Sincerely,

R. Keith Summey
Mayor

E. Warren Newton
Director of Administration and Finance

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of North Charleston South Carolina

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

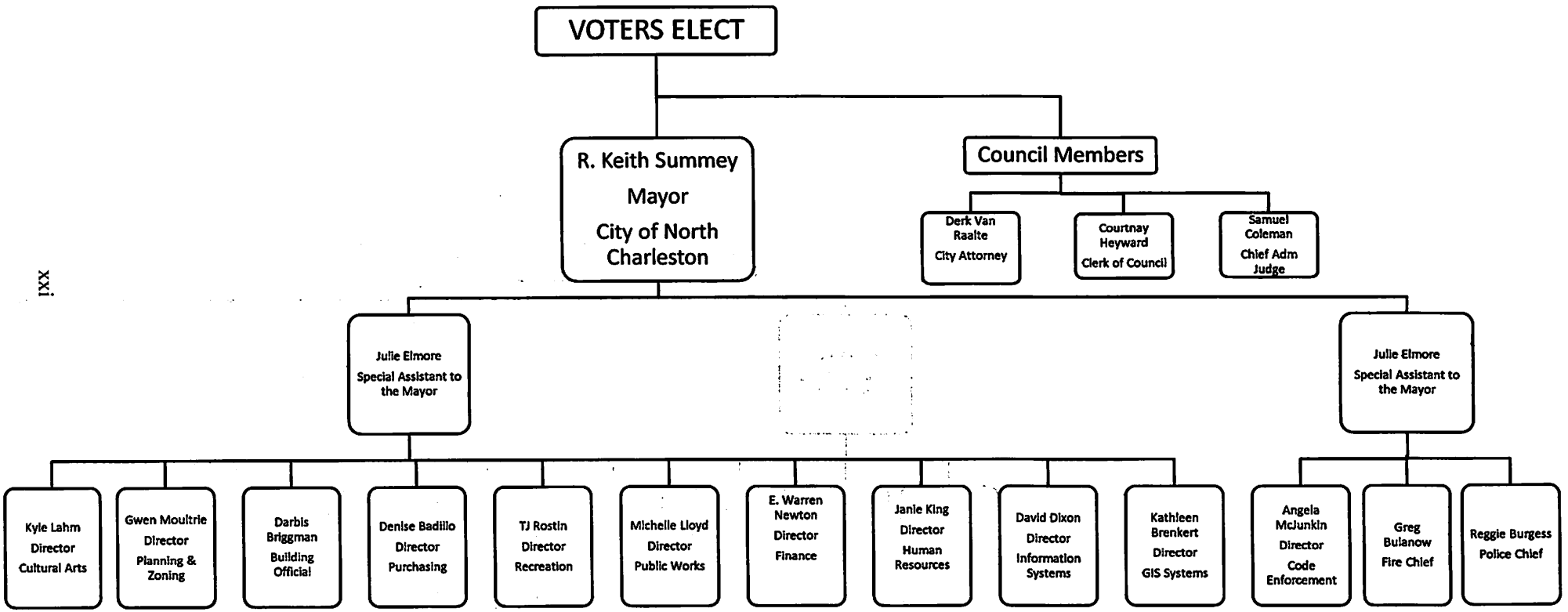
Christopher P. Morrill

Executive Director/CEO

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
LIST OF PRINCIPAL OFFICIALS
JUNE 30, 2022

Mayor and Chief Executive Officer	R. Keith Summey
Council Member	Mike A. Brown
Council Member	Rhonda Jerome
Council Member	Virginia Jamison
Council Member	Ron Brinson
Council Member	Jerome Heyward
Council Member	Dorothy K. Williams
Council Member	Samuel L. Hart
Council Member	Robert N. King
Council Member	Kenny Skipper
Council Member	Michael Brown
Special Assistant to Mayor	Julie Elmore
Director of Administration & Finance	E. Warren Newton
City Attorney	Derk Van Raalte
Municipal Clerk of Council	Courtnay Heyward
Fire Chief	Greg Bulanow
GIS Director	Kathleen Brenkert
Public Works Director	Michelle Lloyd
Human Resources Director	Janie King
Code Enforcement Director	Angela McJunkin
Director of Information Systems	David Dixon
Director of Recreation	TJ Rostin
Purchasing Director	Denise Badillo
Building Official	Darbis Briggman
Director of Zoning and Planning	Gwen Moultrie
Cultural Arts Director	Kyle Lahm
Police Chief	Reggie Burgess
Chief Administrative Judge	Samuel Coleman

City of North Charleston Organizational Chart



FINANCIAL SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the City Council
City of North Charleston, South Carolina
North Charleston, South Carolina

Report on the Audit of 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 the **City of North Charleston, South Carolina** (the "City"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2022, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City 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.

Change in Accounting Principle

As discussed in Notes I and III to the financial statements, in 2022 the City adopted a new accounting guidance, Governmental Accounting Standards Board ("*GASB") No. 87, Leases*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement 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 generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain 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 the City'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 City's ability to continue as a going concern for a reasonable period of time.

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, the budgetary comparison schedules for the General Fund and Coliseum Operating Fund, and the pension and other post-employment benefit schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the GASB, 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

We have previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the City as of and for the year ended June 30, 2021 (not presented herein), and have issued our report thereon dated October 26, 2021, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, and the capital assets used in operations of governmental funds – comparative schedule by source are presented for purposes of additional analysis and are not a required part of the basic financial statements of the City. The Uniform Schedule of Court Fines, Assessments and Surcharges (per ACT 96) is presented for purposes of additional analysis as required by the State of South Carolina, and is not a required part of the basic financial statements of the City. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is 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 introductory section and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance 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 November 14, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of North Charleston, South Carolina's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Savannah, Georgia
November 14, 2022

Management's Discussion and Analysis

As management of the City of North Charleston, we offer readers of our financial statements this narrative overview and analysis of the financial activities of the City of North Charleston for the fiscal year ended June 30, 2022. The Management's Discussion and Analysis (MD&A) section is designed to assist the reader in focusing on significant financial issues, providing an overview of the City's financial activity and identifying changes in the City's financial condition, material deviations from the financial budget and individual fund issues or concerns. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages ***i-xviii*** of this report, and the City's financial statements, which follow this section.

Financial Highlights

- ❖ Total assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $280,189,690 (net position). Net position increased $31,375,865 or 12.6%, for the fiscal year ending June 30, 2022.
  - Governmental activities net position was $269,483,401, an increase of $31,462,811, or 13.2%. Unrestricted net position increased $43,635,363 to a deficit of $35,124,748 as of June 30, 2022.
  - Business-type net position amounted to $10,706,289, a decrease of $86,946 or .8%. Unrestricted net position decreased $1,058,756 to $3,755,740 as of June 30, 2022.

- ❖ At June 30, 2022, the total fund balance of the City's governmental funds was $224,216,757, an increase of $66,359,815, or 42.0%.
  - The fund balance of the General Fund increased $13,902,972, or 25.4%, to $68,626,725. $52,810,811 of this fund balance was unassigned at year-end, an increase of $9,001,957, or 20.5%, from the $43,808,854 balance at June 30, 2021.
  - General Fund revenues exceeded expenditures by $11,966,710 before other financing sources or uses and special items, a decrease of $4,399,843 from the prior year and it was a $15,449,478 favorable variance to the final budget.

- ❖ Total capital assets (net of accumulated depreciation) for the City amounted to $476,195,390 at June 30, 2022, a decrease of $4,350,597, or .91%.
  - Governmental activities capital assets (net of accumulated depreciation) amounted to $466,041,762, a decrease of $4,526,839, or .96%.
  - Business-type capital assets (net of accumulated depreciation) amounted to $10,153,628, an increase of $176,242, or 1.77%.

- ❖ At June 30, 2022, the City's total debt, including financed purchase obligations and compensated absences was $317,477,502 (net of unamortized premiums and discounts), an increase of $34,625,148 or 12.8%.
  - Governmental funds total debt amounted to $314,024,175, an increase of $35,541,793 or 12.8%.
  - Business-type funds total debt amounted to $3,453,327, a decrease of $916,645, or 21.0%.

- ❖ The City of North Charleston maintained its AA and Aa2 general obligation bond ratings from Standard & Poor's and Moody's Investor Services, respectively, and the AA- rating from Standard & Poor's on its municipal golf course mortgage revenue bonds and limited obligation bonds.

Overview of the Financial Statements

This MD&A is intended to serve as an introduction to the City of North Charleston's financial statements. The City's financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The Statement of Net Position and Statement of Activities present government-wide financial statements using the economic resources measurement focus and the *full accrual* basis of accounting. The proprietary funds use the same measurement focus and basis of accounting. The governmental funds are reported using the current financial resources measurement focus and the *modified accrual* basis of accounting. Both sets of statements are essential and provide complementary components that will allow the user to broaden his/her basis for comparison and enhance the City's accountability. In addition to the financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the City.

Financial Statements

The first two statements (Exhibits 1 and 2) in the financial statements are the **government-wide financial statements**. They provide both short and long-term full accrual information about the City's financial condition as a whole, focusing on the government's operational accountability. The next statements (Exhibits 3 through 9) are **fund financial statements** with necessary reconciliation information. These statements focus on the activities of the major funds and provide more detail than the government-wide statements. There are two parts to the fund financial statements: 1) the governmental funds statements, reported on a modified accrual basis; and 2) the proprietary fund statements, reported on a full accrual basis. The next section of the financial statements is the **notes to the financial statements.** The notes explain in detail some of the data contained in those statements.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City of North Charleston's finances, similar in format to a financial statement of a private-sector business in that all governmental and business-type activities are consolidated into columns which add to a total for the primary government. The Statement of Net Position presents information on all of the City's assets, deferred outflows/inflows of resources and liabilities, with the difference being reported as net position. Net position represents the equity of the City, presented on the full accrual basis of accounting. Net position and other Statement of Net Position information convey the City's financial position, primarily on a historical cost basis, at a point in time.

The Statement of Activities presents information showing how the government's net position has changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the City of North Charleston that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, street and drainage maintenance, sanitation, economic development, housing and community development, and culture and recreation. The business-type activities of the City include the golf course operations and the stormwater utility management program. The government-wide financial statements can be found on pages 16-18 of this report.

Fund financial statements. The fund financial statements provide a more detailed look at the City's most significant activities while focusing on fiscal accountability. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of North Charleston uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as those required by state law, bond covenants or City ordinances. All of the funds of the City of North Charleston can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the City's basic services are accounted for in governmental funds, which focus on how cash and other financial assets can readily be converted into cash flow as well as on the balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

The focus of governmental funds is narrower than that of the government-wide financial statements and, therefore, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of North Charleston maintains twenty-three individual governmental funds. Information is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, Coliseum Operating Fund, Tax Infrastructure Capital Projects Fund, American Rescue Plan Act Grant Fund, Installment Purchase Revenue Bonds Capital Projects Fund and the Limited Obligation Bonds Capital Projects Fund, all considered major funds. Data from the other seventeen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining and individual funds statements elsewhere in this report. The governmental fund financial statements can be found on pages 19-22 of this report.

Proprietary funds. Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds provide the same type of information as the government-wide statements, only in more detail. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its golf course operations and the stormwater utility management program. The proprietary fund financial statements can be found on pages 23-25 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 26-66 of this report.

Other information. In addition to the financial statements and accompanying notes, this report also presents certain required supplementary information in the form of budgetary comparison schedules relative to the City's General Fund and the Coliseum Operating Fund and pension and OPEB schedules. The required supplementary information is presented after the notes to the financial statements and can be found on pages 67-75 of this report. The combining and individual funds schedules and supplementary schedules referred to earlier in connection with nonmajor governmental funds are presented after the notes to the financial statements and can be found on pages 76-99 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the end of the current fiscal year, the City is able to report positive net position total balances for its separate governmental and business-type activities as assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $280,189,690 at June 30, 2022.

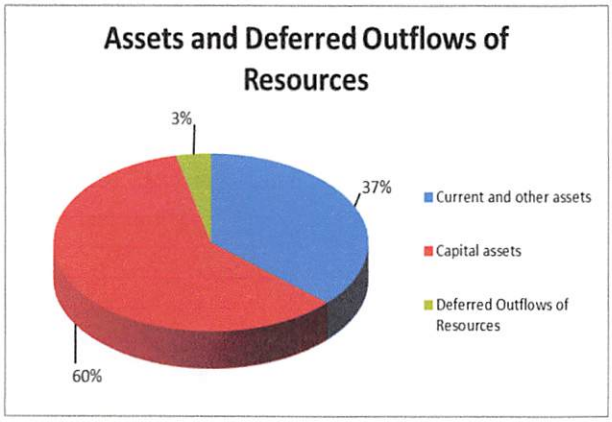
City of North Charleston's Net Position

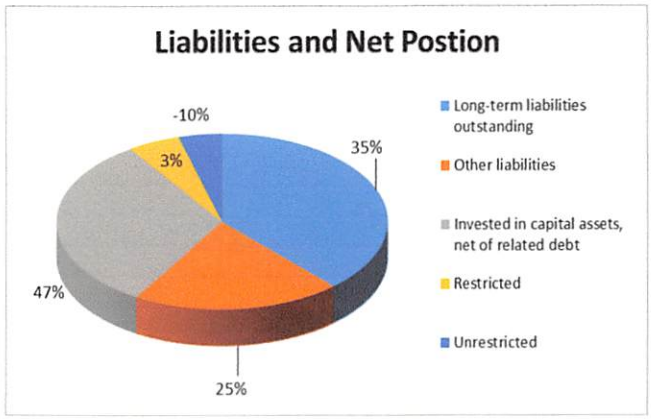
	Governmental Activities		Business-Type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Current and other assets	$289,938,890	$209,067,664	$ 5,992,748	$ 7,044,539	$295,931,638	$216,112,203
Capital and leased assets	467,191,783	470,568,601	10,183,581	9,977,386	477,375,364	480,545,987
Total assets	757,130,673	679,636,265	16,176,329	17,021,925	773,307,002	696,658,190
Total deferred outflows of resources	27,841,115	32,017,521	721,213	886,603	28,562,328	32,904,124
Long-term liabilities outstanding	315,178,805	278,482,382	3,483,813	4,369,972	318,662,618	282,852,354
Net pension and OPEB liabilities	113,536,923	146,583,910	1,750,294	2,112,396	115,287,217	148,696,306
Other liabilities	54,159,427	43,029,867	488,287	501,910	54,647,714	43,531,772
Total liabilities	482,875,155	468,096,154	5,722,394	6,984,278	488,597,549	475,080,432
Total deferred inflows of resources	32,613,232	5,537,042	468,859	131,015	33,082,091	5,668,057
Net position:						
Net investment in capital assets	262,949,805	253,105,551	6,950,549	5,978,739	269,900,354	259,084,290
Restricted	41,658,344	63,675,150	-	-	41,658,344	63,675,150
Unrestricted	(35,124,748)	(78,760,111)	3,755,740	4,814,496	(31,369,008)	(73,945,615)
Total net position	$269,483,401	$238,020,590	$10,706,289	$10,793,235	$280,189,690	$248,813,825

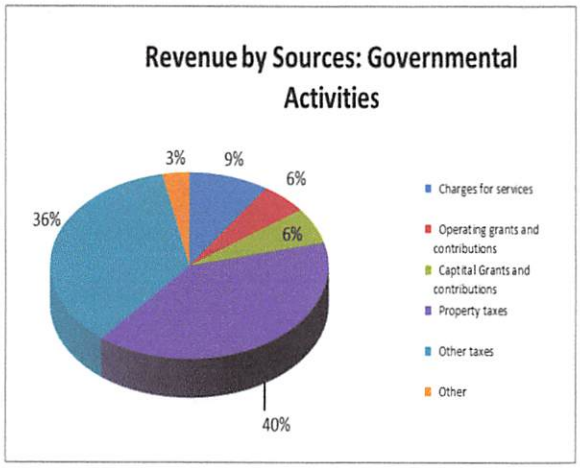
By far the largest portion of the City's net position reflects its net investment in capital assets (e.g., land, buildings, improvements, infrastructure, and equipment) less any related debt used to acquire those assets that is still outstanding. It should be noted, however, that the resources needed to repay the debt must be provided from sources other than capital assets, since the capital assets themselves cannot be used to liquidate these liabilities. The largest portion of the City's increase in its investment in capital assets during the fiscal year ending June 30, 2022 was a result of land purchases, large equipment purchases and the ongoing construction of the riverfront park pedestrian bridge.

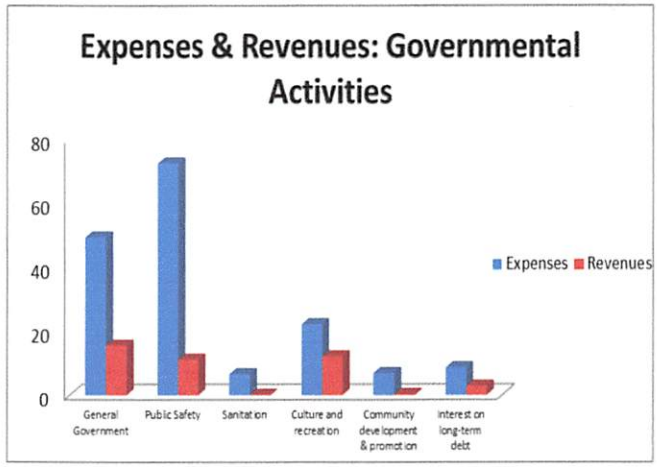
A portion of the City's net position is represented by resources that are subject to external restrictions on how they may be used and thus this portion of net position is restricted. This net position is restricted primarily for capital projects, debt service, tourism related and tax increment financing district expenditures, law enforcement grants, grant projects and victim assistance. Restricted net position of the governmental activities is represented by $308,792 of seized and forfeited drug funds, $1,162,783 in grant funds, $1,612,953 for other special revenue funds, $24,019,751 held for redevelopment activities and $14,554,065 held for debt service requirements.

Unrestricted net position of the governmental activities increased $43,635,363 largely due to the improved operating results of the General Fund and the collections of various grant related funds and the business-type activities unrestricted net position decreased $1,058,756 largely due to the decrease in operational net income. The $76,648,812 increase in overall total assets is largely attributable to the increase in net capital assets and remaining bond proceeds from the various bond issuances. The City's net increase in total liabilities of $13,517,117 is primarily due to the debt assumed from the new bond issuance.









City of North Charleston's Changes in Net Position

Revenues:	Governmental Activities 2022	Governmental Activities 2021	Business-Type Activities 2022	Business-Type Activities 2021	Totals 2022	Totals 2021
Program revenues:						
Charges for services	$18,372,096	$11,355,373	$8,474,900	$7,812,775	$26,846,996	$19,168,148
Operating grants and contributions	10,701,450	5,987,059	-	-	10,701,450	5,987,059
Capital grants and contributions	12,225,880	899,525	-	-	12,225,880	899,525
General revenues:						
Property taxes	78,670,277	77,086,954	-	-	78,670,277	77,086,954
Other taxes	71,132,048	61,878,804	-	-	71,132,048	61,878,804
Other	6,157,939	6,756,416	135,996	115,387	6,293,935	6,871,803
Total revenues	197,259,690	163,964,131	8,610,896	7,928,162	205,870,586	171,892,293
Expenses:						
General government	49,150,093	64,770,214	-	-	49,150,093	64,770,214
Public safety	72,322,466	70,629,319	-	-	72,322,466	70,629,319
Sanitation	6,515,840	6,190,874	-	-	6,515,840	6,190,874
Culture and recreation	22,057,460	16,049,191	-	-	22,057,460	16,049,191
Community development	6,793,358	4,392,536	-	-	6,793,358	4,392,536
Interest on long-term debt	8,576,358	6,722,838	-	-	8,576,358	6,722,838
Golf course expenses	-	-	2,631,241	2,407,941	2,631,241	2,407,941
Stormwater utility expenses	-	-	6,436,679	4,877,820	6,436,679	4,877,820
Total expenses	165,426,801	168,754,972	9,067,920	7,285,761	174,494,721	176,040,733
Increase/Decrease in net position before transfers	31,832,889	(4,790,841)	(457,024)	642,401	31,375,865	(4,148,440)
Transfers in (out)	(370,078)	(371,456)	370,078	371,456	-	-
Increase/Decrease in net position	31,462,811	(5,162,297)	(86,946)	1,013,857	31,375,865	(4,148,440)
Net position at beginning of year	238,020,590	243,182,887	10,793,235	9,779,378	248,813,825	252,962,265
Net position at end of year	$269,483,401	$238,020,590	$10,706,289	$10,793,235	$280,189,690	$248,813,825

Total government-wide revenues of $205,870,586 were derived primarily from property taxes, business licenses and other taxes (79.1%) while charges for services, grants and other revenues made up the remaining revenues (20.9%). Revenues increased $33,978,293 or 19.8% primarily from the rise in various tax revenue collections and capital grants. Total government-wide expenses of all programs were $174,494,721, reflecting a decrease of $1,546,012 (.8%) from the prior year. The expenses cover a wide range with public safety (police and fire) representing 41.4% of the total, with general government and culture and recreation making up the next largest balances at 28.2% and 12.6%, respectively.

Governmental activities. Governmental activities increased the City of North Charleston's net position by $31,462,811. Increases in tax revenues and capital grants and contributions were the major reasons for the increase in governmental net position.

Business-type activities. Business-type activities realized a decrease in net position in the amount of $86,946. The Stormwater Utility Enterprise Fund realized a decrease in net position largely due to increased drainage related costs and the Golf Course Enterprise Fund realized an increase in net position largely due to improved operational results.

Financial Analysis of the City's Funds

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

Governmental funds. The focus of the City of North Charleston's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. Specifically, unassigned fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2022, the governmental funds of the City of North Charleston reported a combined fund balance of $224,216,757, an increase of $66,359,815 in comparison with the prior year. Nonspendable, restricted, committed and assigned governmental fund balances increased $57,357,858 reflecting primarily the accumulation of bond proceeds held for capital improvements.

The General Fund is the chief operating fund of the City of North Charleston. At the end of the current fiscal year, unassigned fund balance of the General Fund was $52,810,811 or 40.0% of the operating budget for the fiscal year ending June 30, 2022, while total fund balance is $68,626,725. Unassigned fund balance at June 30, 2022 increased by $9,001,957 or 20.5% from prior year totals. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 41.3% of total General Fund expenditures including transfers to other funds, while total fund balance represents 53.6% of that same amount.

Key governmental revenue and expenditure highlights are as follows:

- Property taxes increased by $1,678,055 or 2.2% over fiscal year ending June 30, 2021. Tax Infrastructure Fund incremental property taxes increased $1,050,436 as a result of the continued rise in taxable value within each TIF district. General fund and debt service fund property tax revenues increased by $627,619, which was the result of continued growth in the overall citywide assessed property value.
- Intergovernmental revenues increased by $23,090,431 or 64.6% due largely to the increase in capital grant related revenues and other tax revenues used to support debt service payments. Sales tax, hospitality and accommodation tax collections only increased by $5,763,974 as of result of the strong recovery from the prior year impact of the pandemic.
- Business licenses, franchise fees and permits increased by $3,189,223 largely due to the strong recovery from the impact of the pandemic on prior year results.
- General government expenditures increased by $3,175,525 as a result of land purchases that occurred during the fiscal year ending June 30, 2022 and higher personnel and benefit related costs.
- Capital outlay expenditures decreased by $24,805,568 primarily due to major project expenditures occurring while under construction during the fiscal year ending June 30, 2021 and the same projects were near completion during fiscal year June 30, 2022 and thus incurring less in construction costs.
- Public safety expenditures increased by $9,443,734 as a result of an increase in vehicle replacement costs and higher wages and benefits related to renewed hiring to fill vacancies resulting during the pandemic.
- Sanitation, culture and recreation, and community development and promotion expenditures increased by $9,425,865 largely due to the increase in the operational costs associated with

Coliseum Complex as a result of the increase in programs/activities that were shut down during the prior years due to the pandemic and the expenditure of grant related expenses in the American Rescue Plan Grant Fund.

- Debt service expenditures increased by $206,066 primarily as a result of the implementation of GASB87 through accounting for lease principal debt.

The Installment Purchase Revenue Bonds Capital Projects Fund has a total fund balance of $23,765,495. The net decrease in fund balance during the fiscal year ended June 30, 2022 was $1,746,640 and resulted primarily from the expenditure of bond proceeds. The Tax Infrastructure Capital Projects Fund has a total fund balance of $92,922,127. The net increase in fund balance during the fiscal year ending June 30, 2022 was $44,345,411 and resulted from the issuance of over $42 million in Noisette Community Redevelopment Project Area TIF Bonds. The Coliseum Operating Fund has a total fund balance of $426,213 due to the General Fund contributing $750,952 during the fiscal year ending June 30, 2022 to offset the $656,937 deficiency of expenditures over revenues from operations. The Limited Obligation Bonds Capital Projects Fund has a total balance of $7,925,076. The net increase in fund balance during the fiscal year ending June 30, 2022 was $25,158.

Proprietary Funds. As discussed in the business-type activities section earlier, the City has two enterprise funds, the Golf Course Fund and the Stormwater Utility Fund. The City of North Charleston's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Factors concerning the finances of the enterprise funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The General Fund budget for fiscal year ending June 30, 2022 was originally adopted at $124,281,115, inclusive of transfers out to other funds. During the fiscal year, the City revised the budget on several occasions primarily as a result of the pandemic. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once adequate information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services. The final amended General Fund budget for June 30, 2022 totals $133,482,126.

Differences between the original budget and the final amended budget are represented by an increase in appropriations of $9,201,011. The sanitation, culture and recreation budgets received an increase in allocation of $850,916 largely due to an increase in program services provided following the impact of the pandemic. The general government budget received an increase in allocation of $2,973,633 as a result of the increase in purchases of real property and equipment. The public safety budget received an increase in allocation of $4,280,462 primarily due to an increase in personnel costs from a ramp up in hiring after the pandemic. Transfers budget received an additional allocation of $700,000.

Activities, which contributed to significant differences between the General Fund final amended budget and final actual amounts, were as follows:

- Property taxes were $833,641 above the amended budget primarily due to an increase in the property tax collections as a result of an increase in overall property value and construction growth.

- Business licenses, franchise fees and permit collections were $4,863,625 above the amended budget primarily due to unexpected realization of revenue collections following the pandemic months.
- Intergovernmental revenues were $4,006,783 above the amended budget primarily due to unexpected realization of revenue collections following the pandemic months.
- Revenues from use of monies and property and other revenues were $663,912 above the amended budget primarily due to an increase in interest earnings as a result in the rise in investment rates and investment of bond proceeds.
- Fines and forfeitures were $100,085 under the amended budget primarily due to a lower issuance of public safety tickets as a result of decreased violation notices and continued periodic closures in court operations.
- Charges for services were $139,939 above the amended budget primarily due to the increase in revenues collected from recreational program operations reopened following the pandemic.

Capital Asset and Debt Administration

Capital Assets. The City's investment in capital assets for its governmental and business-type activities as of June 30, 2022 was $476,195,390 (net of accumulated depreciation). These assets include land, land improvements, buildings and improvements, park facilities, machinery and equipment, and vehicles. The total decrease in the City's investment in net capital assets for the current fiscal year was $4,350,597 or .91%.

City of North Charleston's Capital Assets
(net of depreciation)

	Governmental Activities		Business-Type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Construction in progress	$ 15,214,784	$ 11,081,382	$ -	$ -	$ 15,214,784	$ 11,081,382
Land	56,819,086	55,059,126	1,397,188	1,397,188	58,216,274	56,456,134
Buildings	250,005,874	256,427,887	1,718,405	1,776,237	251,724,279	258,204,124
Infrastructure	68,898,145	72,635,509	677,234	692,802	69,575,379	73,328,311
Improvements	54,268,346	53,889,003	3,498,429	3,619,332	57,766,775	57,508,335
Machinery and equipment	20,835,527	21,475,694	2,862,372	2,491,827	23,697,899	23,967,521
Total Capital Assets	$466,041,762	$470,568,601	$10,153,628	$ 9,977,386	$476,195,390	$480,545,987

Major capital asset events during the fiscal year ending June 30, 2022 included the following:

- The City expended over $4,600,000 towards the construction of a new pedestrian bridge.
- The City spent over $4,600,000 on vehicle and heavy duty equipment replacements.
- The City spent over $2,000,000 on recreational facilities improvements.

Additional information on the City of North Charleston's capital assets can be found in note III.C on pages 41-42 of this report.

Long-term debt. As of June 30, 2022, the City of North Charleston had total bonded debt outstanding of $297,262,588, which is inclusive of $22,307,588 in deferred amounts consisting of unamortized premiums and discounts. Of this amount, $28,095,000 is backed by the full faith and credit of the government. The remainder of the City's debt represents bonds secured solely by specified revenue sources.

City of North Charleston's Outstanding Debt
General Obligation, Limited Obligation, Tax Increment and Revenue Bonds

	Governmental Activities		Business-Type Activities		Totals	
	2022	2021	2022	2021	2022	2021
General Obligation Bonds	$28,095,000	$31,390,000	$ -	$ -	$28,095,000	$31,390,000
Limited Obligation Bonds	84,970,000	90,040,000	-	-	84,970,000	90,040,000
Installment Purchase Rev. Bonds	61,065,000	63,625,000	-	-	61,065,000	63,625,000
Tax Increment Bonds	99,185,000	59,810,000	-	-	99,185,000	59,810,000
Revenue Bonds	-	-	1,640,000	2,415,000	1,640,000	2,415,000
Subtotal	273,315,000	244,865,000	1,640,000	2,415,000	274,955,000	247,280,000
Add (Less): Unamortized discounts, premiums and amounts on refunding	32,311,338	16,705,402	(3,750)	(7,510)	22,307,588	16,697,892
Total	$295,626,338	$261,570,402	$1,636,250	$2,407,490	$297,262,588	$263,977,892

The City of North Charleston's long-term debt increased by $33,284,696 during the fiscal year ended June 30, 2022. The key factors in this overall increase were the principal reduction of $15,145,000 in both governmental and business-type activity bonds during the fiscal year ending June 30, 2022 along with the net issuance of $42,820,000 in new bonds.

The City of North Charleston maintained its AA bond rating from Standard and Poor's and its Aa2 bond rating from Moody's Investors Services for its general obligation debt. The golf course revenue bonds and the limited obligation bonds have been rated AA- from Standard and Poor's. South Carolina statutes limit the amount of general obligation debt a government may issue to 8 percent of its total assessed valuation (in the absence of a referendum). The City's legal debt limit is $71,634,174 and its legal debt margin or the amount available to issue under the legal debt limit is $43,539,174.

Additional information on the City of North Charleston's long-term debt can be found in note III.F on pages 42-51 of this report.

Economic Factors and Next Year's Budget and Rates

- The unemployment rate for the Charleston-North Charleston MSA (separate data for the City of North Charleston is not available) at June 30, 2022 was 3.0%. For the same time period, the National unemployment rate was 3.6% while the unemployment rate for the State of South Carolina was 3.4%.
- Retail sales in the City rose from $7.9 billion in calendar year 2020 to $8.2 billion in calendar year 2021.
- Spending in building permit construction dollar values decreased slightly for the fiscal year ending June 30, 2022 compared to fiscal year ending June 30, 2021 as permit collections decreased from $3,083,548 in fiscal year ending June 30, 2021 to $2,885,300 in fiscal year ending June 30, 2022.

The City's originally adopted budget for the General Fund for the fiscal year ending June 30, 2023 was $137.6 million. The City's property tax rate remained at 95.0 mills, yet new commercial and industrial construction growth in assessment value should help to bring in an additional estimated $2.0 million in property taxes. Business license fees, franchise fees, permits, sales taxes and other taxes are projected to remain relatively flat in the fiscal year ending June 30, 2023 as compared to June 30, 2022 due to conservative estimates relative to the state of the economy. Operational and capital expenses have

been increased by a little less than $1 million while salaries and benefits have been increased by over $7 million in anticipation of new hiring and wage increases.

Requests for Information

This financial report is designed to provide a general overview of the City of North Charleston's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to City of North Charleston Finance Department, Office of the Finance Director, P.O. Box 190016, North Charleston, S.C., 29419.

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
STATEMENT OF NET POSITION
June 30, 2022

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	$ 84,157,674	$ 5,594,641	$ 89,752,315
Account receivables (net of allowance for uncollectibles)	11,433,797	232,132	11,665,929
Lease receivables	3,192,556	-	3,192,556
Due from other governments	13,440,019	-	13,440,019
Inventories, at cost	899,007	17,521	916,528
Other assets and prepaid items	2,663,982	5,975	2,669,957
Restricted assets:			
Temporarily restricted:			
Cash and cash equivalents	174,151,855	142,479	174,294,334
Leased assets, net of accumulated amortization	1,150,021	29,953	1,179,974
Capital assets (not being depreciated):			
Construction in progress	15,214,784	-	15,214,784
Land	56,819,086	1,397,188	58,216,274
Capital assets (net of accumulated depreciation):			
Buildings	250,005,874	1,718,405	251,724,279
Infrastructure	68,898,145	677,234	69,575,379
Improvements	54,268,346	3,498,429	57,766,775
Equipment	20,835,527	2,862,372	23,697,899
Total assets	**757,130,673**	**16,176,329**	**773,307,002**
DEFERRED OUTFLOWS OF RESOURCES			
Accumulated decrease in fair value of hedging derivatives	-	36,167	36,167
Deferred pension charges	20,021,882	398,413	20,420,295
Deferred other postemployment benefits charges	6,315,593	191,468	6,507,061
Deferred loss on refunding	1,503,640	95,165	1,598,805
Total deferred outflows of resources	**27,841,115**	**721,213**	**28,562,328**

(continued)

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
STATEMENT OF NET POSITION
June 30, 2022

	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Accounts payable	9,230,043	441,330	9,671,373
Other accrued liabilities	15,866,764	10,790	15,877,554
Escrow for seized funds	501,582	-	501,582
Unearned revenue	28,561,038	-	28,561,038
Derivative instrument	-	36,167	36,167
Long-term obligations:			
Due within one year:			
General obligation bonds	3,455,000	-	3,455,000
Limited obligation bonds	2,925,000	-	2,925,000
Tax increment financing bonds	11,260,000	-	11,260,000
Installment purchase revenue bonds	2,635,000	-	2,635,000
Revenue bonds	-	805,000	805,000
Financed purchase obligations	3,031,193	453,768	3,484,961
Lease liability	310,238	30,486	340,724
Compensated absences	5,109,584	139,575	5,249,159
Due in more than one year (noncurrent):			
Net pension liability	96,347,478	1,229,166	97,576,644
Net other postemployment benefits liability	17,189,445	521,128	17,710,573
General obligation bonds	27,893,319	-	27,893,319
Limited obligation bonds	84,099,445	-	84,099,445
Tax increment financing bonds	101,816,381	-	101,816,381
Installment purchase revenue bonds	61,542,193	-	61,542,193
Revenue bonds	-	831,250	831,250
Financed purchase obligations	9,689,328	1,208,226	10,897,554
Lease liability	844,392	-	844,392
Compensated absences	567,732	15,508	583,240
Total liabilities	**482,875,155**	**5,722,394**	**488,597,549**
DEFERRED INFLOWS OF RESOURCES			
Deferred leases	3,192,556	-	3,192,556
Deferred pension credits	25,069,357	336,941	25,406,298
Deferred other postemployment benefits credits	4,351,319	131,918	4,483,237
Total deferred inflows of resources	**32,613,232**	**468,859**	**33,082,091**
NET POSITION			
Net investment in capital assets	262,949,805	6,950,549	269,900,354
Restricted for:			
Redevelopment projects	24,019,751	-	24,019,751
Public safety and service	3,084,528	-	3,084,528
Debt service	14,554,065	-	14,554,065
Unrestricted	(35,124,748)	3,755,740	(31,369,008)
Total net position	**$ 269,483,401**	**$ 10,706,289**	**$ 280,189,690**

The notes to the financial statements are an integral part of this statement.
See accompanying independent auditor's report.

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-type Activities	Net (Expense) Revenue and Changes in Net Position: Total
Governmental activities:							
General government	$ 49,150,093	$ 3,297,127	$ 1,365,294	$ 10,812,950	$ (33,674,722)	$ -	$ (33,674,722)
Public safety	72,322,466	3,089,373	6,495,493	1,412,930	(61,324,670)	-	(61,324,670)
Sanitation	6,515,840	65,147	-	-	(6,450,693)	-	(6,450,693)
Culture and recreation	22,057,460	11,920,449	74,602	-	(10,062,409)	-	(10,062,409)
Community development & promotion	6,793,358	-	246,718	-	(6,546,640)	-	(6,546,640)
Interest on long-term debt	8,587,584	-	2,519,343	-	(6,068,241)	-	(6,068,241)
Total governmental activities	165,426,801	18,372,096	10,701,450	12,225,880	(124,127,375)	-	(124,127,375)
Business-type activities:							
Golf course enterprise fund	2,631,241	2,818,271	-	-	-	187,030	187,030
Stormwater utility enterprise fund	6,436,679	5,656,629	-	-	-	(780,050)	(780,050)
Total business-type activities	9,067,920	8,474,900	-	-	-	(593,020)	(593,020)
Totals	$ 174,494,721	$ 26,846,996	$ 10,701,450	$ 12,225,880	(124,127,375)	(593,020)	(124,720,395)
General revenues:							
Property taxes					78,670,277	-	78,670,277
Business license taxes					30,506,646	-	30,506,646
Sales taxes					16,306,497	-	16,306,497
Franchise taxes					8,125,179	-	8,125,179
Alcoholic beverage taxes					244,700	-	244,700
Hospitality taxes					9,350,824	-	9,350,824
Accommodations taxes					6,598,202	-	6,598,202
State shared revenues, unrestricted					3,581,618	-	3,581,618
Investment earnings					599,456	20,806	620,262
Gain on sale of capital assets					189,150	-	189,150
Miscellaneous					1,787,715	115,190	1,902,905
Total general revenues before transfers					155,960,264	135,996	156,096,260
Transfers					(370,078)	370,078	-
Total general revenues and transfers					155,590,186	506,074	156,096,260
Change in net position					**31,462,811**	**(86,946)**	**31,375,865**
Net position at beginning of year					238,020,590	10,793,235	248,813,825
Net position at end of year					$ **269,483,401**	$ **10,706,289**	$ **280,189,690**

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

See accompanying independent auditor's report.

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
GOVERNMENTAL FUNDS
BALANCE SHEET
June 30, 2022
(With Comparative Totals at June 30, 2021)

	General	Coliseum Operating	Tax Infrastructure	American Rescue Grant Fund	Installment Purchase Revenue Bonds Capital Projects	Limited Obligation Bonds Capital Projects	Nonmajor Governmental	Total Governmental Funds 2022	Total Governmental Funds 2021
Assets									
Cash and cash equivalents	$ 67,005,244	$ 13,104,252	$ -	$ -	$ -	$ -	$ 4,048,178	$ 84,157,674	$ 76,030,836
Receivables, net of allowances:									
Property taxes	3,440,647	-	-	-	-	-	-	3,440,647	4,278,501
Accounts receivable	7,443,059	550,091	-	-	-	-	-	7,993,150	1,111,830
Lease receivables	3,192,556	-	-	-	-	-	-	3,192,556	-
Due from other funds	141,405	-	-	-	-	-	-	141,405	142,709
Due from other governments	7,706,349	-	4,785,000	-	-	-	948,670	13,440,019	11,367,501
Inventories, at cost	899,007	-	-	-	-	-	-	899,007	696,669
Prepaid items	2,494,608	169,374	-	-	-	-	-	2,663,982	562,844
Restricted assets:									
Cash and cash equivalents	5,067,214	-	93,889,963	16,753,498	23,909,797	7,979,231	26,552,152	174,151,855	115,019,483
Total assets	$ 97,390,089	$ 13,823,717	$ 98,674,963	$ 16,753,498	$ 23,909,797	$ 7,979,231	$ 31,549,000	$ 290,080,295	$ 209,210,373
Liabilities, Deferred Inflows of Resources and Fund Balances									
Liabilities:									
Accounts payable	$ 7,312,673	$ 365,673	$ 967,836	$ 29,542	$ 7,656	$ 54,155	$ 492,508	$ 9,230,043	$ 8,451,439
Other accrued liabilities	12,310,273	1,193,779	-	-	-	-	-	13,504,052	13,458,971
Escrow for seized funds	-	-	-	-	-	-	501,582	501,582	432,303
Due to other funds	-	-	-	-	136,646	-	4,759	141,405	142,709
Unearned revenue	-	11,838,052	-	16,722,986	-	-	-	28,561,038	18,706,374
Total liabilities	19,622,946	13,397,504	967,836	16,752,528	144,302	54,155	998,849	51,938,120	41,191,796
Deferred Inflows of Resources:									
Deferred lease revenue	3,192,556	-	-	-	-	-	-	3,192,556	-
Unavailable revenues	5,947,862	-	4,785,000	-	-	-	-	10,732,862	10,161,635
Total deferred inflows of resources	9,140,418	-	4,785,000	-	-	-	-	13,925,418	10,161,635
Fund balances:									
Nonspendable:									
Prepaid items	2,494,608	169,374	-	-	-	-	-	2,663,982	562,844
Inventories	899,007	-	-	-	-	-	-	899,007	696,669
Restricted for:									
Public safety and public service	-	-	-	-	-	-	3,084,528	3,084,528	2,619,863
Facility and infrastructure improvements	-	-	-	-	23,765,495	7,925,076	11,702,989	43,393,560	38,285,919
Debt service	-	-	-	-	-	-	14,554,065	14,554,065	12,478,571
Other capital projects	2,684,743	-	92,922,127	-	-	-	-	95,606,870	49,233,216
Committed for:									
Disaster funds	1,745,060	-	-	-	-	-	-	1,745,060	1,250,027
Assigned for:									
Community promotions	-	-	-	970	-	-	1,208,569	1,209,539	839,922
Facility operations	-	256,839	-	-	-	-	-	256,839	99,946
Education, boat landing, loans and other	7,992,496	-	-	-	-	-	-	7,992,496	7,981,111
Unassigned	52,810,811	-	-	-	-	-	-	52,810,811	43,808,854
Total fund balances	68,626,725	426,213	92,922,127	970	23,765,495	7,925,076	30,550,151	224,216,757	157,856,942
Total liabilities, deferred inflows of resources and fund balances	$ 97,390,089	$ 13,823,717	$ 98,674,963	$ 16,753,498	$ 23,909,797	$ 7,979,231	$ 31,549,000	$ 290,080,295	$ 209,210,373

The notes to the financial statements are an integral part of this statement
See accompanying independent auditor's report.

Exhibit 4

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
GOVERNMENTAL FUNDS
RECONCILIATION OF FUND BALANCES TO NET POSITION
June 30, 2022

Total fund balances of Governmental Funds		$ 224,216,757
Amounts reported for Governmental Activities in the Statement of Net Position are different because:		
Leased assets, net of accumulated amortization		1,150,021
Capital assets used in Governmental Activities are not financial resources and therefore are not reported in fund balances:		
Cost of capital assets	$ 671,433,899	
Accumulated depreciation	(205,392,137)	
Net carrying value of capital assets included in net position, not included in fund balances		466,041,762
Long-term liabilities are not due and payable in the current period and accordingly, are not reported as fund liabilities:		
General obligation bonds, including unamortized premiums of $3,253,319 and deferred loss on refunding of $38,305	(31,310,014)	
Limited obligation bonds, including unamortized premiums of $2,054,445	(87,024,445)	
Installment purchase revenue bonds, including unamortized premiums of $3,112,193 and deferred loss on refunding of $1,465,335	(62,711,858)	
Tax increment financing bonds, including unamortized premiums of $13,891,381	(113,076,381)	
Financed purchase obligations	(12,720,521)	
Lease liability	(1,154,630)	
Compensated absences	(5,677,316)	
Accrued interest on long-term debt	(2,362,712)	
Other postemployment benefits liability, net of benefits credits of $4,351,319 and benefits charges of $6,315,593	(15,225,171)	
Pension liability, net of pension credits of $25,069,357 and pension charges of $20,021,882	(101,394,953)	
Total liabilities included in Statement of Net Position, not included in fund liabilities		(432,658,001)
Other assets are not available to pay for current period expenditures and therefore are unavailable or not reported in the fund balances:		
Special item - settlement agreement	4,785,000	
Hospitality taxes, accommodations taxes, and State shared revenues	3,323,584	
Property taxes	2,624,278	
Total long-term assets included in net position, not included in fund balances		10,732,862
Total net position of Governmental Activities		**$ 269,483,401**

The notes to the financial statements are an intregral part of this statement.
See accompanying independent auditor's report.

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2022
(With Comparative Totals for the Year Ended June 30, 2021)

	General	Coliseum Operating	Tax Infrastructure	American Rescue Grant Fund	Installment Purchase Revenue Bonds Capital Projects	Limited Obligation Bonds Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds 2022	Total Governmental Funds 2021
Revenues:									
Property taxes	$ 60,583,641	$ -	$ 9,900,313	$ -	$ -	$ -	$ 8,076,224	$ 78,560,178	$ 76,882,123
Licenses and permits	41,517,125	-	-	-	-	-	-	41,517,125	38,327,902
Intergovernmental	27,175,575	-	241,648	7,569,229	-	-	23,827,620	58,814,072	35,723,641
Fines and forfeitures	374,915	-	-	-	-	-	510,707	885,622	790,597
Charges for services	3,012,030	-	-	-	-	-	-	3,012,030	2,748,142
Revenues from use of monies and property	2,640,012	7,316,098	259,990	22,448	19,197	798,102	1,870,888	12,926,735	6,161,730
Other revenues	783,550	-	-	-	-	-	-	783,550	779,597
Total revenues	136,086,848	7,316,098	10,401,951	7,591,677	19,197	798,102	34,285,439	196,499,312	161,413,732
Expenditures:									
Current:									
General government	32,935,229	-	-	542,677	-	-	-	33,477,906	30,302,381
Public safety	69,649,473	-	-	4,083,941	-	-	1,754,405	75,487,819	66,044,085
Sanitation	6,290,646	-	-	192,225	-	-	-	6,482,871	5,370,606
Culture and recreation	8,647,173	7,973,035	-	289,422	-	-	801,207	17,710,837	12,076,859
Community development and promotion	2,565,253	-	-	2,483,412	-	-	1,315,973	6,364,638	3,685,016
Capital outlay	-	-	11,565,761	-	1,765,837	772,944	4,114,870	18,219,412	43,024,980
Debt service:									
Financed purchase obligations principal	3,408,034	-	3,445,000	-	-	-	10,925,000	17,778,034	17,581,338
Lease liability principal	392,744	-	-	-	-	-	-	392,744	-
Interest and fiscal charges	231,586	-	2,758,078	-	-	-	6,719,311	9,708,975	9,505,695
Bond issuance costs	-	-	429,366	-	-	-	-	429,366	1,016,020
Total expenditures	124,120,138	7,973,035	18,198,205	7,591,677	1,765,837	772,944	25,630,766	186,052,602	188,606,980
Excess (deficiency) of revenues over expenditures	11,966,710	(656,937)	(7,796,254)	-	(1,746,640)	25,158	8,654,673	10,446,710	(27,193,248)
Other financing sources (uses):									
Transfers in	-	750,952	1,688,858	-	-	-	5,074,991	7,514,801	9,280,513
Transfers (out)	(3,894,113)	-	-	-	-	-	(3,990,765)	(7,884,878)	(9,651,969)
Proceeds from sale of property	232,375	-	-	-	-	-	-	232,375	3,466,417
Payments to escrow agent	-	-	-	-	-	-	-	-	(48,086,994)
Refunding bonds issued	-	-	-	-	-	-	-	-	47,465,000
Bonds issued	-	-	42,820,000	-	-	-	-	42,820,000	46,200,000
Premiums on bonds issued	-	-	7,632,807	-	-	-	-	7,632,807	8,578,337
Financed purchase obligations	5,598,000	-	-	-	-	-	-	5,598,000	656,500
Total other financing sources (uses)	1,936,262	750,952	52,141,665	-	-	-	1,084,226	55,913,105	57,907,804
Net changes in fund balances	**13,902,972**	**94,015**	**44,345,411**	**-**	**(1,746,640)**	**25,158**	**9,738,899**	**66,359,815**	**30,714,556**
Fund balances at beginning of year	54,723,753	332,198	48,576,716	970	25,512,135	7,899,918	20,811,252	157,856,942	127,142,386
Fund balances at end of year	$ 68,626,725	$ 426,213	$ 92,922,127	$ 970	$ 23,765,495	$ 7,925,076	$ 30,550,151	$ 224,216,757	$ 157,856,942

The notes to the financial statements are an integral part of this statement.
See accompanying independent auditor's report.

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
GOVERNMENTAL FUNDS
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2022

Net change in fund balances of Governmental Funds activities:		$ 66,359,815
Amounts reported for Governmental Activities in the Statement of Activities are different because:		
Leased assets are reported as expenditures, whereas amortization is not a change in fund balance. In the Statement of Activities the cost of leased assets is capitalized and amortization is expensed.		
Total leased asset additions	-	
Amortization expense	(397,353)	
Net effect of leased asset acquisitions and amortization expense		(397,353)
Capital outlays are reported as expenditures, whereas depreciation is not a change in fund balance. In the Statement of Activities the cost of capital outlays is capitalized and depreciation is expensed. Also capital assets contributed to the City and financed acquisitions are capitalized and recognized in the Statement of Net Position:		
Total capital asset additions	12,901,336	
Depreciation expense	(17,384,950)	
Net effect of capital asset acquisitions and depreciation expense		(4,483,614)
Proceeds from sale of capital assets are reported as a change in fund balance, whereas the gain (loss) on the sale or disposal of capital assets is reported in the Statement of Activities:		
Proceeds from sale of capital assets	(232,375)	
Gain (loss) on sale or disposal	189,150	
Net effect of capital assets sales and disposals		(43,225)
Long-term liability payments and lease liability payments are recorded as expenditures and bond proceeds are recorded as other financing sources whereas there is no effect on the Statement of Activities. Amortization of related premiums, discounts and deferred loss on refundings are expensed within the Statement of Activities, whereas these costs and receipts are expenditures and resources of fund balances when incurred:		
Payments of long-term debt - general obligation bonds , installment purchase revenue bonds and tax increment financing bonds	14,370,000	
Amortization of premiums, discounts and refunding deferrals	1,932,694	
Financed purchase obligation payments	3,408,034	
Lease liability payments	392,744	
Bonds issued	(42,820,000)	
Premiums on bonds issued	(7,632,807)	
Proceeds from financed purchase obligations	(5,598,000)	
Net effect of long-term debt related activities		(35,947,335)
Revenues and expenses in the Statement of Activities, which do not represent or require the use of current financial resources and are reported in fund balances:		
Reimbursement of debt	(205,000)	
Hospitality taxes, accommodations taxes and State shared revenues	666,128	
Property taxes	110,099	
Accrued interest on borrowings	(381,937)	
Other postemployment benefits expense	1,407,317	
Pension expense	3,673,807	
Compensated absences	704,109	
Net effect of revenue and expense activities		5,974,523
Change in net position		$ 31,462,811

The notes to the financial statements are an intregral part of this statement.
See accompanying independent auditor's report.

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
June 30, 2022
(With Comparative Totals at June 30, 2021)

	Enterprise Funds			
	2022			
	Golf Course	Stormwater Utility	Total	2021 Total
ASSETS				
Current Assets:				
Cash and cash equivalents	$ 1,556,258	$ 4,038,383	$ 5,594,641	$ 6,423,699
Accounts receivable, net	10,081	222,051	232,132	137,897
Inventories, at cost	17,521	-	17,521	12,718
Prepaid items	5,975	-	5,975	40,670
Restricted assets:				
Cash and cash equivalents	-	142,479	142,479	429,555
Total current assets	1,589,835	4,402,913	5,992,748	7,044,539
Noncurrent Assets:				
Leased assets, net of accumulated amortization	29,953	-	29,953	-
Capital assets:				
Land	1,397,188	-	1,397,188	1,397,188
Buildings	3,745,821	-	3,745,821	3,706,299
Infrastructure	-	778,429	778,429	778,429
Improvements	8,137,008	-	8,137,008	8,125,508
Machinery and equipment	1,931,156	6,943,805	8,874,961	8,022,354
Less accumulated depreciation	(8,464,361)	(4,315,418)	(12,779,779)	(12,052,392)
Total capital assets (net of accumulated depreciation)	6,746,812	3,406,816	10,153,628	9,977,386
Total noncurrent assets	6,776,765	3,406,816	10,183,581	9,977,386
Total assets	8,366,600	7,809,729	16,176,329	17,021,925
DEFERRED OUTFLOWS OF RESOURCES				
Deferred other postemployment benefits charges	-	191,468	191,468	140,769
Deferred pension charges	-	398,413	398,413	398,172
Accumulated decrease in fair value of hedging derivatives	36,167	-	36,167	157,332
Deferred loss on refunding	95,165	-	95,165	190,330
Total deferred outflows of resources	131,332	589,881	721,213	886,603
LIABILITIES				
Current liabilities:				
Accounts payable	139,857	301,473	441,330	330,228
Accrued interest payable	5,036	5,754	10,790	14,350
Lease liabilities	30,486	-	30,486	-
Revenue bonds payable	805,000	-	805,000	775,000
Financed purchase obligations	-	453,768	453,768	442,303
Compensated absences	-	139,575	139,575	162,896
Total current liabilities	980,379	900,570	1,880,949	1,724,777
Noncurrent liabilities:				
Other postemployment benefits liability	-	521,128	521,128	543,110
Pension liability	-	1,229,166	1,229,166	1,569,286
Derivative instrument	36,167	-	36,167	157,332
Revenue bonds payable, net	831,250	-	831,250	1,632,490
Financed purchase obligations	-	1,208,226	1,208,226	1,339,184
Compensated absences	-	15,508	15,508	18,099
Total noncurrent liabilities	867,417	2,974,028	3,841,445	5,259,501
Total liabilities	1,847,796	3,874,598	5,722,394	6,984,278
DEFERRED INFLOWS OF RESOURCES				
Deferred other postemployment benefits credits	-	131,918	131,918	78,165
Deferred pension credits	-	336,941	336,941	52,850
Total deferred inflows of resources	-	468,859	468,859	131,015
NET POSITION				
Net investment in capital assets	5,205,727	1,744,822	6,950,549	5,978,739
Unrestricted	1,444,409	2,311,331	3,755,740	4,814,496
Total net position	$ 6,650,136	$ 4,056,153	$ 10,706,289	$ 10,793,235

The notes to the financial statements are an integral part of this statement.
See accompanying independent auditor's report.

Exhibit 8

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
For the Year Ended June 30, 2022
(With Comparative Totals for the Year Ended June 30, 2021)

	Enterprise Funds			
	2022			
	Golf Course	Stormwater Utility	Total	2021 Total
Operating revenues:				
Golf course fees	$ 2,204,841	$ -	$ 2,204,841	$ 1,861,484
Food & beverage sales	613,430	-	613,430	430,675
Stormwater utility fees	-	5,656,629	5,656,629	5,520,616
Miscellaneous revenues	115,190	-	115,190	105,261
Total operating revenues	2,933,461	5,656,629	8,590,090	7,918,036
Operating expenses:				
Contractual management services	1,574,454	-	1,574,454	1,467,295
Food & beverage expenses	494,186	-	494,186	361,390
Salaries and benefits	-	3,019,907	3,019,907	2,865,363
Repairs and maintenance	-	2,708,551	2,708,551	1,408,353
Supplies and materials	-	176,118	176,118	129,103
Administrative	26,077	73,870	99,947	89,432
Amortization expense	129,149	-	129,149	98,925
Depreciation expense	300,262	427,125	727,387	695,256
Total operating expenses	2,524,128	6,405,571	8,929,699	7,115,117
Operating income (loss)	409,333	(748,942)	(339,609)	802,919
Nonoperating revenues (expenses):				
Investment income	1,364	19,442	20,806	10,126
Interest expense:				
Revenue bonds	(98,515)	-	(98,515)	(121,133)
Leases and financed purchase obligations	(2,035)	(31,108)	(33,143)	(36,448)
Fiscal agent fees	(6,563)	-	(6,563)	(13,063)
Total nonoperating revenues (expenses)	(105,749)	(11,666)	(117,415)	(160,518)
Change in net position, before transfers	303,584	(760,608)	(457,024)	642,401
Transfers out	-	(510,000)	(510,000)	(510,000)
Transfers in	880,078	-	880,078	881,456
Change in net position	**1,183,662**	**(1,270,608)**	**(86,946)**	**1,013,857**
Total net position at beginning of year	5,466,474	5,326,761	10,793,235	9,779,378
Total net position at end of year	**$ 6,650,136**	**$ 4,056,153**	**$ 10,706,289**	**$ 10,793,235**

The notes to the financial statements are an integral part of this statement.
See accompanying independent auditor's report.

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	Enterprise Funds			
	2022			
	Golf Course	Stormwater Utility	Total	2021 Total
Cash flows from operating activities:				
Receipts from customers and users	$ 2,926,329	$ 5,569,526	$ 8,495,855	$ 7,898,179
Payments to employees	-	(3,095,105)	(3,095,105)	(2,757,989)
Payments to suppliers and contractors	(2,063,477)	(2,878,257)	(4,941,734)	(3,431,073)
Net cash provided by (used for) operating activities	862,852	(403,836)	459,016	1,709,117
Cash flows from noncapital financing activities:				
Transfers out	-	(510,000)	(510,000)	(510,000)
Transfers in	880,078	-	880,078	881,456
Net cash provided by (used for) noncapital financing activities	880,078	(510,000)	370,078	371,456
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(99,789)	(803,840)	(903,629)	(243,851)
Lease principal payments	(29,691)	-	(29,691)	-
Principal paid on capital debt	(775,000)	(471,993)	(1,246,993)	(1,195,651)
Proceeds from financed purchase obligations	-	352,500	352,500	609,000
Interest and fiscal charges paid on capital debt	(107,113)	(31,108)	(138,221)	(170,644)
Net cash provided by (used for) capital and related financing activities	(1,011,593)	(954,441)	(1,966,034)	(1,001,146)
Cash flows from investing activities:				
Interest received	1,364	19,442	20,806	10,126
Net cash provided by (used for) investing activities	1,364	19,442	20,806	10,126
Net increase (decrease) in cash and cash equivalents	**732,701**	**(1,848,835)**	**(1,116,134)**	**1,089,553**
Cash and cash equivalents at beginning of year	823,557	6,029,697	6,853,254	5,763,701
Cash and cash equivalents at end of year	$ 1,556,258	$ 4,180,862	$ 5,737,120	$ 6,853,254
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	$ 409,333	$ (748,942)	$ (339,609)	$ 802,919
Adjustments:				
Increase (decrease) in operating payables	1,348	80,282	81,630	59,241
(Increase) decrease in accounts receivable	(7,132)	(87,103)	(94,235)	(19,857)
(Increase) decrease in inventories, at cost	(4,803)	-	(4,803)	(632)
(Increase) decrease in prepaid items	34,695	-	34,695	(34,109)
Amortization expense	129,149	-	129,149	98,925
Depreciation expense	300,262	427,125	727,387	695,256
Non-cash other postemployment benefits expense	-	(18,928)	(18,928)	(12,804)
Non-cash pension expense	-	(56,270)	(56,270)	120,178
Net cash provided (used) by operating activities	$ 862,852	$ (403,836)	$ 459,016	$ 1,709,117
Reconciliation of cash and cash equivalents - Statement of Net Position to Statement of Cash Flows:				
Cash and cash equivalents	1,556,258	4,038,383	5,594,641	6,423,699
Cash and cash equivalents, restricted	-	142,479	142,479	429,555
Total cash and cash equivalents at end of year	$ 1,556,258	$ 4,180,862	$ 5,737,120	$ 6,853,254

The notes to the financial statements are an integral part of this statement.
See accompanying independent auditor's report.

CITY OF NORTH CHARLESTON, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

INDEX

		Beginning Page
I.	Summary of Significant Accounting Policies	
	A. Reporting Entity	26
	B. Government-wide and Fund Financial Statements	27
	C. Measurement Focus, Basis of Accounting and Financial Statement Presentation	27
	D. Assets, Deferred Outflow of Resources, Liabilities, Deferred Inflow of Resources, Net Position or Equity, Revenues and Expenditures/Expenses	
	1. Cash and Cash Equivalents, Deposits and Investments	30
	2. Receivables and Payables	30
	3. Assets Held for Resale	30
	4. Inventories and Prepaid Items	30
	5. Restricted Assets	30
	6. Capital Assets and Depreciation Expense	31
	7. Compensated Absences	31
	8. Deferred Outflows and Inflows of Resources	31
	9. Short-term and Long-term Obligations and Interest Expense	32
	10. Leases	33
	11. Unearned and Unavailable Revenue	34
	12. Fund Equity and Balance	34
	13. Net Position	35
	14. Pensions and Other Postemployment Benefits (OPEB)	35
	15. Accounting Estimates	36
	16. Operating Revenues and Expenses	36
	17. Extraordinary and Special Items	36
	18. Interfund Activity	36
	19. Revenues and Contributions, Exchange and Non-Exchange Transactions	36
	20. Reconciliation from Fund Balances to Net Position	37
	21. Fair Value	37
	22. Comparative Data/Reclassifications	38
II.	Stewardship, Compliance and Accountability	
	A. Budgetary Information	38
	B. Fund Deficits and Excess Expenditures over Appropriations	38
III.	Detailed Notes on All Funds	
	A. Deposits and Investments	38
	B. Receivables, Deferred Inflows of Resources and Unearned Revenue	40
	C. Capital Assets, Depreciation Expense	41
	D. Interfund Receivables, Payables and Transfers	42
	E. Short-term Obligations	42
	F. Long-term Obligations	42
	G. Leases	51
	H. Net Position Classifications	52
IV.	Other Information	
	A. Risk Management	53
	B. Deferred Compensation Plans, Pension Plans and Employee Retirement Systems	53
	C. Other Postemployment Benefits	61
	D. Contingent Liabilities and Litigation	65
	E. Tax Abatements	65
	F. Significant Long-term Management Contracts	66
	G. Commitments and Contingencies	66
	H. Subsequent Events	66

The City of North Charleston (the City) was organized under a charter granted by the State of South Carolina on June 12, 1972. Section 47-26 of the 1962 Code of Laws, as amended (Home Rule Act), requires that municipalities adopt a specific form of government. Accordingly, the City adopted the Mayor-Council form of government. The City Council is composed of a mayor and ten council members.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

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

As required by GAAP, the financial statements must present the City of North Charleston's financial information with any of its component units. The primary criterion for determining inclusion or exclusion of a legally separate entity (component unit) is financial accountability, which is presumed to exist if the City of North Charleston both appoints a voting majority of the entity's governing body, and either 1) the City of North Charleston is able to impose its will on the entity or, 2) there is a potential for the entity to provide specific financial benefits to, or impose specific financial burdens on the City of North Charleston. If either or both of the foregoing conditions are not met, the entity could still be considered a component unit if it is fiscally dependent on the City of North Charleston and there is a potential that the entity could either provide specific financial benefits to, or to impose specific financial burdens on the City of North Charleston.

In order to be considered fiscally independent, an entity must have the authority to do all of the following: (a) determine its budget without the City of North Charleston having the authority to approve or modify that budget; (b) levy taxes or set rates or charges without approval by the City of North Charleston; and (c) issue bonded debt without approval by the City of North Charleston. An entity has a financial benefit or burden relationship with the City of North Charleston if, for example, any one of the following conditions exists: (a) the City of North Charleston is legally entitled to or can otherwise access the entity's resources, (b) the City of North Charleston is legally obligated or has otherwise assumed the obligation to finance the deficits, or provide financial support to the entity, or (c) the City of North Charleston is obligated in some manner for the debt of the entity. Finally, an entity could be a component unit even if it met all the conditions described above for being fiscally independent if excluding it would cause the City of North Charleston's financial statements to be misleading.

Blended component units, although legally separate entities, are in substance, part of the government's operations and data from these units are combined with data of the primary government in the fund financial statements. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the City of North Charleston. Based on the criteria above, the City reports two blended component units but has no component units to discretely present. Neither of the blended component units issue separate financial statements.

Blended component units - North Charleston Public Facilities Corporation is a single purpose corporate entity which is prohibited from engaging in any business other than to construct, own and lease facilities to be used for essential City functions in connection with the issuance of tax exempt certificates of participation, limited obligation bonds and installment purchase revenue bonds to finance such facilities. Since the corporation is governed by a board of directors appointed by City Council and solely exists for the benefit of the City, the data of the component unit is blended with the data of the City. The reported funds are the Certificates of Participation and Limited Obligation Bonds Debt Service Fund, the Installment Purchase Revenue Bonds Debt Service Fund and the Limited Obligation Bonds Capital Projects Fund.

I. SUMMARY OF SIGNFICANT ACCOUNTING POLICIES (continued)

A. REPORTING ENTITY (continued)

The North Charleston Redevelopment Commission was established by City Council in 1985. This separate corporation is composed of members of City Council and exists to review property to determine if redevelopment is necessary and to plan and conduct redevelopment. State law requires that various criteria exist for the Commission to undertake redevelopment. The Commission may acquire and sell land, contract with developers, issue bonds and borrow from private sources. Since there exists a financial benefit and burden relationship, the data of the component unit are blended with the data of the City. Through June 30, 2022, the Commission had begun one redevelopment plan, but had no financial authority or obligation.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The financial statements include both government-wide (based on the City as a whole) and fund financial statements. The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements; however, interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is to be reported separately from certain legally separate component units for which the primary government is financially accountable. The City of North Charleston reports no legally separate component units other than the above mentioned blended component units.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function/segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function/segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function/segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function/segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the governmental funds and proprietary funds. The focus of the governmental and proprietary fund financial statements is on major funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns on the fund financial statements. Non-major funds are summarized into a single column.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

Government-wide Financial Statements - The government-wide financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. All assets and liabilities (whether current or non-current) associated with these activities are included in the government-wide financial statements, resulting in net position.

Fund Financial Statements - Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are measurable and available, or when susceptible to accrual. Revenues are considered measurable when the amount of the transaction can be determined and available when they are collectible within the current period or soon thereafter to pay liabilities of the current period. For this purpose, the City considers property and sales taxes associated with the current year to be available if they are collected within 60 days after year-end. The City generally considers hospitality and accommodations taxes, state aid to subdivisions, business

I. SUMMARY OF SIGNFICANT ACCOUNTING POLICIES (continued)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (continued)

licenses and franchise fees to be available if received within 30 days after year-end. Grant revenues and proceeds from the sale of properties earned during the year are considered available if received within one year after year-end. All other revenue items are recognized when cash is received, unless they are subject to deferral to a future period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service principal and interest expenditures on general long-term debt, including lease liabilities, as well as expenditures related to compensated absences, claims and judgments, and postemployment benefits are recorded generally when payment is due. General capital asset acquisitions, including entering into contracts giving the City the right to use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

Only current assets and current liabilities are generally included on the Balance Sheets of the governmental funds. Operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, the reported fund balance presents a summary of sources and uses of "available spendable resources" during a period. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the governmental activities column in the government-wide statements, a reconciliation is presented following each statement, which briefly explains the adjustments necessary to transform the fund-based financial statements into the governmental activities column of the government-wide presentation.

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

Major Funds - The standards set forth minimum quantitative criteria for the determination of major funds, and permit governments to select additional funds as major if officials believe such presentation is important to financial statement users. The City reports the following major governmental funds:

General Fund – The General Fund is the primary operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. All general tax revenues and other receipts that (a) are not allocated by law or contractual agreement to other funds or (b) have not been restricted, committed or assigned to other funds are accounted for in the General Fund.

Coliseum Operating Special Revenue Fund – The Coliseum Operating Fund is used to account for and report the financial resources that are restricted, committed or assigned to the operations of the North Charleston Coliseum, Convention Center and Performing Arts Complex. Sources of revenue include the rental of the facilities, direct event income through ticket sales, commissions on food and beverage sales and advertising revenue.

Tax Infrastructure Capital Projects Fund – The Tax Infrastructure Fund is used to account for and report the financial resources that are restricted, committed or assigned through proceeds from the sale of tax increment financing bonds and collection of incremental property tax revenues to fund expenditures associated with the purchase of and improvements made to redevelopment areas within the City and to pay for the related debt service.

I. SUMMARY OF SIGNFICANT ACCOUNTING POLICIES (continued)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (continued)

American Rescue Plan Grant Fund – The American Rescue Plan Grant Fund is used to account for and report financial resources and expenditures associated with the U.S. Department of Treasury's Coronavirus State and Local Fiscal Recovery Funds established by the American Rescue Plan Act of 2021.

Installment Purchase Revenue Bonds Capital Projects Fund – The Installment Purchase Revenue Bonds Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to the costs of improvements to facilities, infrastructure and other capital assets owned by the City.

Limited Obligation Bonds Capital Projects Fund – The Limited Obligation Bonds Capital Projects Fund is used to account for and report the financial resources that are restricted, committed or assigned through proceeds from the sale of limited obligation bonds to fund expenditures associated with the purchase of and improvements made to City owned facilities.

The City reports the following major proprietary funds:

Golf Course Enterprise Fund – The Golf Course Enterprise Fund is used to account for the construction, funding, operation and maintenance of the City's municipal golf course known as the Golf Club at Wescott Plantation, consisting of twenty-seven holes, a driving range, full service clubhouse, maintenance facilities, carts, parking and certain roads.

Stormwater Utility Enterprise Fund – The Stormwater Utility Enterprise Fund is used to account for managing the planning, designing, constructing and maintaining of the City's stormwater utility program as authorized by the Stormwater Management and Sediment Reduction Act adopted by the South Carolina General Assembly. The major source of revenue is the imposition of stormwater management utility fees as approved by the City Council in action taken during June of 2003.

Nonmajor Funds - The City also reports the following nonmajor governmental funds:

Special Revenue Funds – Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted, committed or assigned to expenditures for specific purposes other than debt service or capital projects. The City of North Charleston has the following nonmajor special revenue funds: Accommodations Tax, City Accommodations Tax, CDBG, Fireman's Insurance & Inspection, Anti-Drug, Justice Assistance Grant, Victims Advocate, Community Policing Grant, School Resource Officer Grant, COPS Hiring Grant, and Parking.

Capital Project Funds – Capital project funds are 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 (other than those financed by proprietary funds). The City's nonmajor capital project funds include the Citywide Capital Projects Fund and the Street Light and Drainage Fund.

General Obligation Bonds Debt Service Fund – The General Obligation Bonds Debt Service Fund is used to account for and report the accumulation of resources that are restricted, committed or assigned for the payment of long-term debt principal, interest and related costs on general obligation debt of the governmental funds.

Certificates of Participation and Limited Obligation Bonds Debt Service Fund – The Certificates of Participation and Limited Obligation Bonds Debt Service 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 on certificates of participation and limited obligation bonds debt of the governmental funds.

I. SUMMARY OF SIGNFICANT ACCOUNTING POLICIES (continued)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (continued)

Installment Purchase Revenue Bonds Debt Service Fund – The Installment Purchase Revenue Bonds Debt Service 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 on installment purchase revenue bond debt of the governmental funds.

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, NET POSITION/EQUITY, REVENUES AND EXPENDITURES/EXPENSES

1. Cash and Cash Equivalents, Deposits and Investments

The City's cash and cash equivalents include currency on hand, demand deposits with banks, amounts included in pooled cash and investment accounts and liquid investments with an original maturity of three months or less from the date of acquisition. State statutes authorize the City to invest in certificates of deposit, United States Treasury obligations, United States Agencies, repurchase agreements and the State Treasurer's Local Government Investment Pool. Investments for the City are reported at fair value. The State Treasurer's Local Government Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the position in the State Treasurer's Local Government Investment Pool is the same as the value of the pool shares.

2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances". Property taxes are recognized in the fiscal year for which taxes are levied. All receivables are shown net of any allowance for uncollectibles. The property taxes receivable amount for the General Fund is reduced by an allowance for uncollectibles of $916,509.

3. Assets Held for Resale

Real estate owned by the City that is held for resale is recorded at the lower of cost, or the net realizable value.

4. Inventories and Prepaid Items

Inventories are valued at cost using the first-in, first-out method. Inventories consist primarily of food and beverage items at the golf course, Fire Museum gift shop items for sale and the Public Works Shop/Garage Department materials/supplies held for consumption. The consumption method of accounting is used to record inventories as an expenditure when consumed rather than when purchased. Certain payments made to vendors reflect costs for services applicable to future accounting periods and are recorded as prepaid expenditures in both the government-wide and fund financial statements. The consumption method of accounting is used to record prepaid expenditures proportionately over the periods that the service is provided.

5. Restricted Assets

Certain proceeds of the City's revenue, general obligation, limited obligation, certificates of participation and installment purchase revenue bonds, financed purchases and grant funds, as well as resources set aside for their repayment, are classified as restricted assets on the Balance Sheet because they are maintained in separate bank accounts and their use is limited by applicable bond covenants, outside parties or legal agreements. Certain bond indentures of trust agreements require the establishment of (i) maximum annual principal/ interest payments, unless a surety bond was provided, and (ii) the next succeeding principal/interest payment.

I. SUMMARY OF SIGNFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, NET POSITION/EQUITY, REVENUES AND EXPENDITURES/EXPENSES (continued)

6. Capital Assets and Depreciation Expense

Capital assets, which include property, plant, equipment, infrastructure assets (i.e., roads, bridges, sidewalks, stormwater improvements, drainage improvements and similar items) and right to use leased assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an individual cost of more than $5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated and contributed capital assets, donated works of art and similar items and capital assets received in a service concession arrangement should be reported at acquisition value rather than fair value. Major outlays for capital assets and improvements are capitalized as projects when constructed and completed. Historically, for business-type capital assets, interest incurred (net of interest earned for tax exempt debt) is capitalized during the construction phase for qualifying assets.

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. Improvements that produce permanent benefits, such as fill and grading costs that ready land for structures and landscaping, are capitalized but not depreciated. Improvements that are considered part of a structure or that deteriorate with use or the passage of time, such as parking lots, fencing, modern greens and certain other golf course improvements, are depreciated. Impaired capital assets are written down or off, based on the nature and extent of damage, deterioration or other impairment.

Depreciation expense of capital assets that can be specifically identified with a function or program is included in such captions in the Statement of Activities. Depreciation expense related to shared capital assets, such as City Hall, is reported as part of the "general government" function in the Statement of Activities. Depreciation expense for infrastructure assets is reported as a direct expense of the "general government" function, where maintenance is located. Capital assets of the City are depreciated using the straight line method over the following estimated useful lives: buildings, 50 years; improvements, 20-50 years; infrastructure, 20-50 years; equipment, 5-20 years; right to use leased assets and vehicles, 5-10 years.

7. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused sick leave and vacation benefits. There is no liability reported for the unpaid accumulated sick leave since the City does not have a policy to pay any amounts when employees separate from service with the City. All vacation leave is accrued when incurred in government-wide and proprietary fund financial statements. Compensated absences that are expected to be liquidated with expendable financial resources as a result of employee resignations and retirements as of the end of the fiscal year are reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts related to the Stormwater Utility Enterprise Fund will be liquidated from that fund with the balance being liquidated from the General Fund.

8. Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Net Position and the Balance Sheet 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 City currently has four types of deferred outflows of resources: (1) The City reports a *deferred loss on refunding* in its government-wide Statement of Net Position which represents the difference between the reacquisition price and the net carrying amount of the defeased debt. The *deferred loss on refunding* is amortized over the life of the refunding bonds. Amortization expense related to the *deferred loss on refunding* is included in interest expense in the Statement of Activities. (2) The City reports *accumulated decrease in fair value of hedging derivative* in its Statements of Net Position in

I. SUMMARY OF SIGNFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, NET POSITION/EQUITY, REVENUES AND EXPENDITURES/EXPENSES (continued)

connection with the fair value position of its interest rate swap associated with the golf course enterprise fund debt. (3) The City 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. (4) The City reports *deferred OPEB charges* in its Statement of Net Position in connection with the OPEB plan. The *deferred pension and OPEB 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 rational method as pension/OPEB 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 City currently has three types of deferred inflows of resources: (1) The City reports *unavailable revenues* only in the governmental funds Balance Sheet; it is deferred and recognized as an inflow of resources (various revenues) in the period the amounts become available. (2) The City 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 OPEB Plan. These *deferred pension and OPEB credits* are amortized in a systematic and rational method and recognized as a reduction of pension and OPEB expense in future periods in accordance with GAAP. (3) The City also reports *deferred lease revenue* in the governmental funds Balance Sheet and its Statement of Net Position as a deferred inflow of resources measured as the initial amount of lease receivables adjusted for lease payments recognized as revenue over the life of the lease term.

9. Short-Term and Long-Term Obligations and Interest Expense

In the government-wide financial statements, and proprietary fund types in the fund financial statements, short-term debt, 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 amortized over the life of the bonds using the straight line method, which approximates the effective interest method. Bonds payable are reported net of applicable unamortized bond premium or discount.

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 debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from actual debt proceeds received, are reported as debt service expenditures.

In the proprietary funds (and for the governmental funds, in the government-wide statements) the difference between the re-acquisition price (new debt) and the net carrying value of the old debt on refunded debt transactions is shown as a deferred outflow or inflow of resources and amortized as a component of interest expense using the bonds outstanding method over the shorter of the remaining life of the old debt or the life of the new debt.

All interest expense is unallocated, and thus is not included in the functions and programs of the Statement of Activities. Contributions received from other governments as direct coverage of the certificates of participation debt, which funded the Convention and Performing Arts Center and the parking lot, are reported as program revenues related to interest expense.

I. SUMMARY OF SIGNFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, NET POSITION/EQUITY, REVENUES AND EXPENDITURES/EXPENSES (continued)

10. Leases

Lessee. The City of North Charleston is a lessee for noncancellable leases of various equipment. The City recognizes a lease liability and an intangible right-to-use lease asset in its financial statements. The City recognizes lease liabilities with an initial, individual value of $5,000 or more.

At the commencement of a lease, the City 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 City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments:

- The City uses the implicit interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided or can be imputed, the City 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 prices that the City is reasonably certain to exercise.

The City 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.

Lessor. The City of North Charleston is a lessor for noncancellable leases of land, office space, warehouses, parking lots and various equipment. The City recognizes a lease receivable in its financial statements. The City recognizes lease receivables for leases with a term greater than 12 months.

At the commencement of a lease, the City 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 related to leases include how the City determines (1) the discount rate it uses to discount the expected lease receivable to present value, (2) lease term, and (3) lease revenue:

- The City uses the 10 year treasury rate at the lease inception date as the discount rate.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease receivable are composed of fixed payments expected to be received during the lease period.

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

I. SUMMARY OF SIGNFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, NET POSITION/EQUITY, REVENUES AND EXPENDITURES/EXPENSES (continued)

11. Unearned and Unavailable Revenue

In the government-wide financial statements and in the governmental fund types and the proprietary fund types in the fund financial statements, certain assets are recognized in connection with a transaction before the earnings process is complete. These assets are generally offset by a corresponding liability for unearned revenue. Unearned revenue in the government-wide statements and in the fund financial statements is represented by various deposits on contracts. In the fund financial statements, governmental funds report certain assets that are not yet available to finance expenditures for the current fiscal period and are classified as unavailable revenue and reported as a deferred inflow of resources. Unavailable revenue in the governmental funds is primarily represented by taxes receivable and amounts due from other governments.

12. Fund Equity and Balance

The City of North Charleston implemented GASB #54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB #54), in the fiscal year ended June 30, 2011. The objective of GASB #54 is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and clarify the existing governmental fund type definitions. GASB #54 creates fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in the governmental funds. The City of North Charleston classifies governmental fund balances as follows:

Nonspendable - This represents 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 - This represents 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 - This represents amounts that can be used only for the specific purposes determined by a formal action of the City Council. The Council is the highest level of decision-making authority for the City that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Assigned - This represents amounts intended to be used by the City for specific purposes that do not meet the criteria to be classified as committed. Only the City Council has the authority to assign fund balance and does so by assigning fund balance through appropriations made during the budgetary process or during the fiscal year through budget amendment actions.

Unassigned - This represents 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 with the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, NET POSITION/EQUITY, REVENUES AND EXPENDITURES/EXPENSES (continued)

The City of North Charleston generally requires restricted amounts to be spent first when both restricted and unrestricted (committed, assigned and unassigned) fund balance is available unless there are legal documents, contracts or agreements that prohibit doing such. Additionally, the City of North Charleston would generally first use committed and assigned amounts of unrestricted fund balance before using unassigned amounts.

The City of North Charleston has formally adopted a minimum fund balance policy that requires 20% of the next year's General Fund appropriations be available as unassigned fund balance. The original General Fund budget for the fiscal year ending June 30, 2023 is $137,593,795, thus $27,518,759 is the minimum amount to be set aside as the unassigned General Fund balance. As of June 30, 2022, the City's unassigned fund balance for the General Fund was $52,810,811.

13. Net Position

The government-wide and business-type fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

Net Investment in Capital Assets is intended to reflect the portion of net position which is associated with non-liquid, capital assets less outstanding capital asset related debt (i.e., bonds, finance purchase obligations, notes). Debt for this purpose is reduced by any unspent debt proceeds. Net related debt includes debt applicable to capital assets, net of unamortized discounts, premiums and refunding amounts.

Restricted Net Position is represented by liquid assets (typically generated from certain revenues and bond proceeds) which have third-party (statutory, bond covenant or granting agency) limitations on their use. Restrictions may also be imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position represents net position that does not meet the definitions of restricted or net investment in capital assets. Unrestricted net position may be designated for management's specific purposes.

14. Pensions and Other Postemployment Benefits

In government-wide financial statements, pensions and other postemployment benefits ("OPEB") are required to be recognized and disclosed using the accrual basis of accounting (see Note IV.B and Note IV.C and the required supplementary information immediately following the notes to the financial statements for more information), regardless of the amount recognized as pension and OPEB expenditures on the modified accrual basis of accounting. The City recognizes net pension and net OPEB liabilities for each plan in which it participates, which represents the excess of the total pension and OPEB liabilities over the fiduciary net position of the qualified plan, or the City's proportionate share thereof in the case of a cost-sharing multiple-employer plan, measured as of the City's fiscal year-end. Changes in the net pension and OPEB liabilities during the period are recorded as pension and OPEB 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 and 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 remaining service life of all participants in the respective qualified plan and recorded as a component of pension and OPEB expense beginning with the period in which they are incurred. Any projected earnings on qualified pension and OPEB plan investments are recognized as a component of pension and OPEB expense. Differences between projected and actual investment earnings are reported as deferred outflows or inflows of resources and amortized as a component of pension and OPEB expense on a closed basis over a five-year period beginning with the period in which the difference occurred. The General Fund has typically been used in prior years as the governmental fund to liquidate pension and OPEB liabilities.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, NET POSITION/EQUITY, REVENUES AND EXPENDITURES/EXPENSES (continued)

15. 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.

16. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. The principal operating revenues for the City's proprietary funds are charges to customers in the form of fees for sales and services. Operating expenses for the proprietary funds include contractual management services, salaries and benefits, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

17. Extraordinary and Special Items

Extraordinary items are both unusual in nature and infrequent in occurrence. Special items are significant items subject to management control that meet one but not both of the extraordinary items criteria.

18. Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without the requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to funds that initially paid for them are not presented on the financial statements. Interfund loans may occur between two funds. Short-term interfund loans outstanding at year-end are recorded as interfund receivables/payables and are expected to be paid within one year. Advances to/from other funds represent long-term interfund loans receivable and payable. Reimbursements result when one fund makes an expenditure on behalf of another. Reimbursements reduce expenditures in the reimbursed fund and increase those in the reimbursing fund.

19. Revenues and Contributions, Exchange and Non-Exchange Transactions

Non-exchange Transactions - These are transactions in which the City receives value without directly giving equal value in return. Such items may include property taxes, grants, entitlements, donations and other contributions. On a modified accrual basis, revenue from non-exchange transactions must be available before it can be recognized.

Property Tax Revenues - Real property and business personal property taxes, excluding automobile property taxes, become enforceable liens and are based on the assessed values as of January 1. Real property taxes are levied in October, due when billed and payable without penalty before January 16. Automobile property taxes are levied throughout the year depending on vehicle tag expiration dates. Business personal property taxes are levied in September, payable upon receipt and become delinquent after January 15. Property taxes are assessed and collected by Charleston, Berkeley and Dorchester Counties under joint billing and collection agreements.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, NET POSITION/EQUITY, REVENUES AND EXPENDITURES/EXPENSES (continued)

Intergovernmental Revenues - These revenues include grants, entitlements, and shared revenues from Federal and State grants and are recognized when the related expenditures are recorded and contractual requirements are met. State sales taxes and other shared revenues are entitlements and are recorded when collected by the State.

20. Reconciliation from Fund Balances to Net Position

The Reconciliation of Fund Balances to Net Position (Exhibit 4) is an extension of the Balance Sheet (Exhibit 3), and the Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities (Exhibit 6) is an extension of the Statement of Revenues, Expenditures and Changes in Fund Balances (Exhibit 5). These reconciliations provide explanations of differences between the modified accrual basis of accounting in the funds statements and the full accrual basis of accounting used to determine net position and related activities. All significant differences are explained within the reconciliations, and by reference to various other notes to the financial statements.

21. Fair Value

The fair value measurement and disclosure framework provides for a three-tier fair value hierarchy that gives highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the City can access at the measurement date.

Level 2 – Inputs to the valuation methodology, other than quoted prices included in Level 1 that are observable for an asset or liability either directly or indirectly and include:

- Quoted prices for similar assets and liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted market prices that are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology that are unobservable for an asset or liability and include:

- Fair value is often based on developed models in which there are few, if any, observable inputs.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

The valuation methodologies described above may produce a fair value calculation that may not be indicative of future net realizable values or reflective of future fair values. The City believes that the valuation methods used are appropriate and consistent with GAAP. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There have been no significant changes from the prior year in the methodologies used to measure fair value.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, NET POSITION/EQUITY, REVENUES AND EXPENDITURES/EXPENSES (continued)

22. Comparative Data/Reclassifications

Comparative total data for the prior year have been presented in the fund financial statements in order to provide an understanding of the changes in financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with GAAP for all governmental funds except certain special revenue funds indicated as follows: the American Rescue Plan Grant Fund, the Anti-Drug Fund, the Fireman's Insurance and Inspection Fees Fund and the capital project funds, which adopt project-length budgets. Encumbered amounts do not lapse but are brought forward to the new budget year and added to the budget adopted by the City Council.

Prior to June 30, the Mayor submits to the City Council a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are then conducted at City Hall to obtain taxpayer comments, and the budget is legally enacted through passage of an ordinance. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level. The Mayor, as chief executive officer, is authorized to administer the budget and may transfer appropriated funds within departments. Transfers of appropriations between departments require the approval of the Council. Additional funds may be appropriated as necessary with Council's approval to achieve the goals of the budget. Expenditures may not exceed budgeted appropriations at the departmental level without Council's approval. The City's policy is to adopt balanced revenue and expenditure budgets. Prior year fund balances may be appropriated as resources. However, these appropriated fund balances are not reported as revenues in budgetary data within their financial statements. City Council made several supplemental budgetary appropriations throughout the year.

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the governmental funds. Encumbrances outstanding at year-end are reported as an assignment of the fund balance since they do not constitute expenditures or liabilities and are appropriated in the ensuing year's budget, which is formally adopted by City Council for that year. The City reports $4,563,535 in encumbrances assigned in fund balances, all of which is assigned in the General Fund.

B. Fund Deficits and Excess Expenditures over Appropriations

For the fiscal year ended June 30, 2022, the City had no expenditures that exceeded appropriations at the legal level of budgetary control and no fund deficits in its individual funds.

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

As of June 30, 2022, the City had the following cash and investment balances:

III. DETAILED NOTES ON ALL FUNDS (continued)

A. Deposits and Investments (continued)

Cash on hand	$	69,767
Carrying amount of deposits		20,675,863
Carrying amount of investments		243,301,019
Total	$	264,046,649
Statement of Net Position balances:		
Cash and cash equivalents	$	89,752,315
Cash and cash equivalents – restricted		174,294,334
Total	$	264,046,649

Investment Type	Fair Value Level(1)	Credit Rating ^	Fair Value	Weighted Average Maturity
Governmental Money Market Funds	Level 1	*	81,377,515	< 1 year
SC Local Government Investment Pool	N/A	NR	161,923,504	< 1 year
Total			$ 243,301,019	

* U.S. government securities are not considered to have credit risk. Credit ratings for these investments have not been disclosed.

(1) See Note I.D.21 for details of the City's fair value hierarchy.

N/A - The SCLGIP operates in conformity with all requirements of the SEC Rule 2a7 a promulgated under the Investment Company Act of 1940, as amended. Accordingly, the Pool qualifies as a 2a7-like pool and is reported at the net asset value per share (which approximates fair value)

NR – Not rated.

Interest Rate Risk - In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than six months.

Credit Risk - State law limits investments to certificates of deposit, U.S. government securities, U.S. agency securities, repurchase agreements secured by U.S. government securities and/or U.S. agency securities and the State Treasurer's Local Government Investment Pool. It is the City's policy to limit its investments in these government types to the top rating issued by nationally recognized statistical rating organizations (NRSROs).

Concentration of Credit Risk - The City does not have a policy for the concentration of credit risk. The City has restricted its investments to the state law requirements and has generally had the bulk of its investments in the State Treasurer's Local Government Investment Pool, which limits its investments to the same state law requirements. No rating for the investment pool is available as it is unrated.

Custodial Credit Risk for Deposits - In the case of deposits, this is the risk that, in the event of a bank failure, the City's deposits may not be returned to it. The City's policy is to have its deposits covered by depository insurance or to have them collateralized with securities held by the pledging financial institution's trust department in the City's name.

Custodial Credit Risk for Investments - This type of risk defines whether the City will be able to recover the value of an investment or collateral security that is in the possession of an outside party in the event of the failure of the counterparty to the transaction. As of June 30, 2022, the City was not exposed to any custodial credit risk for its investments.

III. DETAILED NOTES ON ALL FUNDS (continued)

B. Receivables, Deferred Inflows of Resources and Unearned Revenue

During the fiscal years from 1996 through 2022, the City applied for and received funds from HOME grants totaling $5,855,758 for the purpose of repairs and maintenance on low income housing. These loans are secured by mortgages with the recipients in individual amounts ranging from $10,000 to $75,000. These mortgage notes have been recorded in the government-wide and fund financial statements along with a corresponding allowance for uncollectibles for the same amount due to the extenuating circumstances of the loan structure. The outstanding balance of these notes at June 30, 2022 was $803,456.

Property taxes receivables of $3,440,647 represent total receivables of $4,357,156 less an estimated allowance for uncollectibles of $916,509. User fees receivable of $232,132 represents delinquent stormwater utility fees billed of $1,534,705 and golf course user fees of $10,081 less an estimated allowance for uncollectibles of $1,312,654. Governmental and business-type activities receivables and amounts due from other governments as of June 30, 2022 in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

Description	Governmental Activities	Business-Type Activities	Total
Notes receivable – restricted	$ 803,456	$ -	$ 803,456
Property taxes	4,357,156	-	4,357,156
Sales, accommodation & hospitality taxes	5,660,403	-	5,660,403
State aid to subdivision	672,918	-	672,918
Business licenses	2,094,936	-	2,094,936
Franchise fees	7,104,784	-	7,104,784
Grant income	6,470	-	6,470
Palmetto Railways settlement agreement	4,785,000	-	4,785,000
Rents & other receivables	1,108,658	-	1,108,658
User fees	-	1,544,786	1,544,786
Gross receivables	26,593,781	1,544,786	28,138,567
Less: allowance for uncollectibles	(1,719,965)	(1,312,654)	(3,032,619)
Net total receivables	$ 24,873,816	$ 232,132	$ 25,105,948

As of June 30, 2022, the City reported the following for the governmental activities in the Statement of Net Position:

Receivables, net	$11,433,797
Due from other governments	13,440,019
Total	$24,873,816

Palmetto Railways settlement agreement - In February 2013, the City of North Charleston and the S.C Department of Commerce, through its division known as Palmetto Railways, entered into a settlement agreement and release concerning a dispute relative to the development of and including rail access to an inter-modal container transfer facility located in the City of North Charleston. This settlement agreement also results in the transfer of title to property between both parties, $9,165,000 of which was recognized in the fiscal year ended June 30, 2015. Additional terms of the agreement state that Palmetto Railways will pay $8 million to the City of North Charleston over a four year period. Palmetto Railways will also assume responsibility for debt service payments relative to the Navy Base Tax Increment Finance District debt outstanding at the time of the agreement, which had an outstanding balance of $4,785,000 as of June 30, 2022.

Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds and proprietary funds also record unearned revenues in connection with resources that have been received, but not yet earned.

III. DETAILED NOTES ON ALL FUNDS (continued)

B. Receivables, Deferred Inflows of Resources and Unearned Revenue

At June 30, 2022, the various components of deferred inflows, unavailable/unearned revenue were as follows:

Governmental Funds:	Fund	Unavailable	Unearned	Deferred Lease	Total
Property taxes receivable	General	$ 2,624,278	$ -	$ -	$ 2,624,278
Deferred lease revenue	General	-	-	3,192,556	3,192,556
Due from other governments:					
Other taxes	General	3,323,584	-	-	3,323,584
Settlement agreement	Tax Infrastructure	4,785,000	-	-	4,785,000
Unearned grant revenue	ARPA Grant		16,722,986	-	16,722,986
Ticket sales and deposits	Coliseum	-	11,838,052	-	11,838,052
Total Deferred Revenue		$10,732,862	$28,561,038	$3,192,556	$42,486,456

C. Capital Assets, Depreciation Expense

Capital asset activity for the year ending June 30, 2022 was as follows:

Governmental Activities:	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets not being depreciated:					
Land	$ 55,059,126	$ 1,759,960	$ -	$ -	$ 56,819,086
Construction in progress	11,081,382	6,890,239	-	(2,756,837)	15,214,784
Total assets not being depreciated	66,140,508	8,650,199	-	(2,756,837)	72,033,870
Capital assets being depreciated:					
Buildings	321,357,851	-	-	-	321,357,851
Infrastructure	95,433,672	-	-	-	95,433,672
Improvements other than buildings	89,381,471	456,634	-	2,756,837	92,594,942
Machinery and equipment	89,166,559	3,794,503	2,947,498	-	90,013,564
Total capital assets being depreciated	595,339,553	4,251,137	2,947,498	2,756,837	599,400,029
Less accumulated depreciation for:					
Buildings	64,929,964	6,422,013	-	-	71,351,977
Infrastructure	22,798,163	3,737,364	-	-	26,535,527
Improvements other than buildings	35,492,468	2,834,128	-	-	38,326,596
Machinery and equipment	67,690,865	4,391,445	2,904,273	-	69,178,037
Total accumulated depreciation	190,911,460	17,384,950	2,904,273	-	205,392,137
Total capital assets being depreciated, net	404,428,093	(13,133,813)	43,225	2,756,837	394,007,892
Governmental activities capital assets, net	$470,568,601	$(4,483,614)	$ 43,225	$ -	$466,041,762

Business-Type Activities:	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets not being depreciated:					
Land	$1,397,188	$ -	$ -	$ -	$1,397,188
Total assets not being depreciated	1,397,188	-	-	-	1,397,188
Capital assets being depreciated:					
Buildings	3,706,299	39,522	-	-	3,745,821
Infrastructure	778,429	-	-	-	778,429
Improvements	8,125,508	11,500	-	-	8,137,008
Machinery and equipment	8,022,354	852,607	-	-	8,874,961
Total capital assets being depreciated	20,632,590	903,629	-	-	21,536,219
Less accumulated depreciation for:					
Buildings	1,930,062	97,354			2,027,416
Infrastructure	85,627	15,568	-	-	101,195
Improvements	4,506,176	132,403	-	-	4,638,579
Machinery and equipment	5,530,527	482,062	-	-	6,012,589
Total accumulated depreciation	12,052,392	727,387	-	-	12,779,779
Total capital assets being depreciated, net	8,580,198	176,242	-	-	8,756,440
Business-type activities capital assets, net	$ 9,977,386	$ 176,242	$ -	$ -	$10,153,628

III. DETAILED NOTES ON ALL FUNDS (continued)

C. Capital Assets, Depreciation Expense (continued)

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

Functions/Programs	Governmental Activities	Business-type Activities
General government	$ 7,765,126	$ -
Public safety	3,522,777	-
Sanitation	762,816	-
Culture and recreation	4,774,688	-
Community development	559,543	-
Stormwater utility	-	427,125
Golf course	-	300,262
Total Depreciation Expense	$17,384,950	$ 727,387

D. Interfund Receivables, Payables and Transfers

The following is a schedule of interfund balances at June 30, 2022:

Receivable Fund	Payable Fund	
General Fund	Community Development Block Grant	$ 2,888
	Installment Purchase Revenue Bond Cap Project	136,646
	Justice Assistance Grant	1,871
Total due General Fund /due from all other funds		$ 141,405

Interfund activity refers to funding from the City's governmental funds related to the City's policies for cash flow and operating cash levels of all governmental funds, which are expected to be collected within one year. Transfers are used to move receipts restricted to debt service from the funds collecting the receipts as debt service payments become due and to use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs.

The following is a schedule of interfund transfers for the fiscal year ending June 30, 2022:

		Transfers Out		
Transfers In:	General Fund	Stormwater Utility Fund	NonMajor Governmental Funds	Total
Coliseum Operating Fund	$ 750,952	$ -	$ -	$ 750,952
Golf Course Fund	880,078	-	-	880,078
Tax Infrastructure Funds	1,688,858	-	-	1,688,858
Nonmajor Governmental Funds	574,225	510,000	3,990,765	5,074,990
Total Transfers Out	$3,894,113	$ 510,000	$ 3,990,765	$ 8,394,878

E. Short-term Obligations

The City of North Charleston did not issue any short-term debt during the fiscal year ending June 30, 2022 and, therefore, there was no short-term debt outstanding as of June 30, 2022.

F. Long-term Obligations

Long-term debt of the City of North Charleston consists of general obligation bonds, certificates of participation, limited obligation bonds, installment purchase revenue bonds, tax increment financing bonds, revenue bonds, and financed purchase obligations.

III. DETAILED NOTES ON ALL FUNDS (continued)

F. Long-term Obligations (continued)

General Obligation Bonds - The City issues general obligation bonds to provide for the acquisition and construction of major capital facilities which are collateralized by the full faith, credit and taxing power of the City. General obligation bonds outstanding as of June 30, 2022 are as follows:

$16,000,000 serial bonds issued in February 2015 due in annual installments of $400,000 to $1,630,000 through June 2029, with semi-annual interest at 3% to 5%	$10,110,000
$15,000,000 serial bonds issued in February 2019 due in annual installments of $705,000 to $1,770,000 through March 2034, with semi-annual interest at 3% to 5%	11,670,000
$7,710,000 refunding bonds issued in October 2020 due in annual installments of $1,395,000 to $1,700,000 through December 2025, with semi-annual interest at 5%	6,315,000
Total General Obligation Bonds	28,095,000
Add: Unamortized premiums	3,253,319
Net General Obligation Bonds	$ 31,348,319

In December 2010, the City of North Charleston issued $22,500,000 in general obligation bonds to defray the costs of designing, acquiring, constructing and expanding various capital improvements. $16,460,000 of this Series 2010 issue represented taxable Build America Bonds that yielded a 35% interest payment subsidy from the United States Federal Government. $6,040,000 of this Series 2010 issue represented taxable Recovery Zone Economic Development Bonds that yielded a 45% interest payment subsidy from the United States Federal Government. In October 2020, the City issued $7,710,000 in general obligation bonds to refund the $2,590,000 in outstanding Build America Bonds and $6,040,000 in outstanding Recovery Zone Economic Development Bonds. As a result, the refunded bonds are considered defeased and the liability has been removed from the Statement of Net Position and interest rate subsidies discontinued. The reacquisition price exceeded the carrying amount by $63,843 and is being amortized over the life of the refunded debt and is being reported as a deferred outflow of resources. The refunding was undertaken to take advantage of the interest rate market at the time and to reduce future debt service payments. The transaction resulted in an economic gain of $555,886 and a reduction of $1,093,997 in future debt service payments.

Annual debt service requirements to maturity for the general obligation bonds are as follows:

Year Ending	Governmental Activities		
June 30	Principal	Interest	Total
2023	$ 3,455,000	$ 1,224,625	$ 4,679,625
2024	3,630,000	1,050,125	4,680,125
2025	3,810,000	866,525	4,676,625
2026	4,005,000	674,000	4,679,000
2027	2,420,000	516,250	2,936,250
2028-2032	8,400,000	1,196,950	9,596,950
2033-2037	2,375,000	107,400	2,482,400
Total	$28,095,000	$ 5,635,975	$33,730,975

III. DETAILED NOTES ON ALL FUNDS (continued)

F. Long-term Obligations (continued)

Installment Purchase Revenue Bonds - Installment purchase revenue bonds relate to debt issued by the North Charleston Public Facilities Corporation ("Corporation"), a nonprofit corporation whose principal purpose is to facilitate the financing of public capital projects. The Corporation issued in June 2012 $52,520,000 in installment purchase revenue bonds with the proceeds being used to construct, acquire or renovate certain buildings and facilities on City owned property for use by the City and to acquire and install certain equipment. The City leases the assets acquired with the proceeds from the installment purchase revenue bonds under a Base Lease Agreement and Municipal Facilities Purchase and Occupancy Agreement. For financial reporting purposes, the City accounts for the installment purchase revenue bonds as its own debt.

In June 2021, the Corporation issued (i) $39,755,000 in taxable Series 2021(A) Installment Purchase Revenue Bonds for an advance refunding of the remaining $37,765,000 of the Series 2012 Installment Purchase Revenue Bonds (as of June 2022); (ii) $22,105,000 in tax-exempt Series 2021(B) Installment Purchase Revenue Bonds to acquire, construct and install infrastructure improvements within the City; and (iii) to pay certain costs of issuance of the Series 2021 Installment Purchase Revenue Bonds. Proceeds of $39,393,151 were used to purchase government securities that were placed in an irrevocable trust for the purpose of repaying the refunded portion of the Series 2012 Installment Purchase Revenue Bonds. As a result, the refunded bonds are considered defeased and the liability has been removed from the Statement of Net Position. The outstanding amount of defeased Series 2021 Certificates at June 30, 2022 totaled $0. The transaction resulted in an economic gain of $4,983,444 and a reduction of $5,753,088 in future debt service payments. The reacquisition price exceeded the carrying amount by $1,628,151 which is being amortized over the life of the refunded debt and is being reported as a deferred outflow of resources. Installment purchase revenue bonds outstanding as of June 30, 2022 are as follows:

$61,860,000 in revenue bonds issued in June 2021, due in annual installments of $795,000 to $4,130,000 through June 2041, with semi-annual interest ranging from 3.0% to 4.0%	61,065,000
Total Installment Purchase Revenue Bonds	61,065,000
Add: Unamortized Premiums	3,112,193
Net Installment Purchase Revenue Bonds	$64,177,193

Annual debt service requirements to maturity for the installment purchase revenue bonds are as follows:

Year Ending	Governmental Activities		
June 30	Principal	Interest	Total
2023	$ 2,635,000	$ 1,617,292	$ 4,252,292
2024	2,660,000	1,593,289	4,253,289
2025	2,695,000	1,561,554	4,256,554
2026	2,735,000	1,520,546	4,255,546
2027	2,780,000	1,473,723	4,253,723
2028-2032	14,870,000	6,385,549	21,255,549
2033-2037	17,030,000	4,240,046	21,270,046
2038-2042	15,660,000	1,351,500	17,011,500
Total	$61,065,000	$ 19,743,499	$80,808,499

Limited Obligation Bonds – The City issued in January 2017 $80,000,000 in Tax-Exempt Series 2017A and Taxable Series 2017B Limited Obligation Bonds for the purpose of constructing and/or improving various tourism related facilities throughout the City. These bonds are supported by a hospitality fee pledge to cover annual debt service. Since the debt service on the Certificates of Participation are also supported by a similar hospitality fee pledge, the debt service on the Limited Obligation Bonds will be accounted for in the Certificates of Participation and Limited Obligations Bonds Debt Service Fund. $6,306,282 was placed in a capitalized interest fund to assist with paying interest on these bonds for the first few years with no principal payments until fiscal year ending June 2022.

III. DETAILED NOTES ON ALL FUNDS (continued)

F. Long-term Obligations (continued)

In July 2018, the Corporation issued $20,550,000 in Series 2018 Limited Obligation Bonds (i) for an advance refunding of the remaining $13,115,000 of the Series 2008 Certificates of Participation; (ii) to acquire, construct and install tourism-related improvements within the City; and (iii) to pay certain costs of issuance of the Series 2018 Limited Obligation Bonds. Proceeds of $13,311,607 were used to purchase government securities that were placed in an irrevocable trust for the purpose of repaying the refunded portion of the Series 2008 Certificates. As a result, the refunded bonds are considered defeased and the liability has been removed from the Statement of Net Position. The outstanding amount of defeased Series 2008 Certificates at June 30, 2022 totaled $0. The transaction resulted in an economic gain of $343,072 and a reduction of $378,793 in future debt service payments. The reacquisition price exceeded the carrying amount by $196,607 but is offset by $292,899 in unamortized premiums remaining on the Series 2008 Certificates. There are no certificates of participation outstanding as of June 30, 2022. Limited obligation bonds outstanding as of June 30, 2022 are as follows:

$80,000,000 in limited obligation bonds issued in January 2017, due in annual installments of $2,545,000 to $5,700,000 through October 2041, with semi-annual interest ranging from 2.60% to 5.0%	$77,455,000
$20,550,000 in limited obligation bonds issued in July 2018, due in annual installments of $310,000 to $6,580,000 through October 2038, with semi-annual interest ranging from 3.0% to 5.0%	7,515,000
Total Limited Obligation Bonds	84,970,000
Add: Unamortized premiums	2,054,445
Net Limited Obligation Bonds	$87,024,445

Annual debt service requirements to maturity for the limited obligation bonds are as follows:

Year Ending	Governmental Activities		
June 30	Principal	Interest	Total
2023	$ 2,925,000	$ 3,485,026	$ 6,410,026
2024	3,020,000	3,393,245	6,413,245
2025	3,120,000	3,289,251	6,409,251
2026	3,235,000	3,175,760	6,410,760
2027	3,360,000	3,052,663	6,412,663
2028-2032	18,920,000	13,133,391	32,053,391
2033-2037	23,260,000	8,787,722	32,047,722
2038-2042	27,130,000	3,132,208	30,262,208
Total	$84,970,000	$41,449,267	$126,419,267

Tax Increment Financing Bonds - On July 26, 2001, City Council approved the Tax Increment Finance District for the Noisette Community Redevelopment Project Area. In December 2003, the City issued $9,975,000 in Tax Increment Financing Bonds for the purpose of financing the cost of acquiring certain land and constructing publicly owned improvements within the project area. Proceeds and expenditures are reported in the Tax Infrastructure Capital Projects Fund. Principal was payable in annual installments beginning December 1, 2006 with the final installment maturing December 2018. The outstanding balance of the Series 2003 bonds at June 30, 2022 was $0.

In October 2019, the City issued $19,915,000 in Tax Increment Financing Bonds for the Noisette Community Redevelopment Project Area for the purpose of financing the cost of acquiring certain land and constructing publicly owned improvements within the project area. Proceeds and expenditures are reported in the Tax Infrastructure Capital Projects Fund. Principal is payable in annual installments beginning October 2020 with

III. DETAILED NOTES ON ALL FUNDS (continued)

F. Long-term Obligations (continued)

the final installment maturing October 2028. The bonds are repayable from, and secured by, the incremental property taxes on redevelopment area properties, applicable to property value increases subsequent to 2001.

In January 2022, the City issued $42,820,000 in Tax Increment Financing Bonds for the Noisette Community Redevelopment Project Area for the purpose of financing the cost of renovating and constructing publicly owned improvements within the project area. Proceeds and expenditures are reported in the Tax Infrastructure Capital Projects Fund. Principal is payable in annual installments beginning October 2022 with the final installment maturing October 2041. The bonds are repayable from, and secured by, the incremental property taxes on redevelopment area properties, applicable to property value increases subsequent to 2001.

During 2002, City Council approved the Tax Increment Finance District for the Navy Base Redevelopment Project Area. In September 2007, the City issued $7,020,000 of Tax Increment Financing Bonds for the purpose of reimbursing the City for a portion of the costs associated with the construction of the riverfront park located in the Navy Base TIF area. Proceeds and expenditures are reported in the Tax Infrastructure Capital Projects Fund. The bonds are repayable from, and secured by, the incremental property taxes on the redevelopment project area properties, applicable to property value increases subsequent to 2004. As discussed in Note III.B, Palmetto Railways has assumed responsibility for the debt service payments on these bonds. In June 2019, the City issued $13,120,000 in Series 2019 Tax Increment Financing Bonds for the purpose of acquiring land, constructing and installing improvements to facilities in the Navy Base TIF area.

In January 2012, City Council approved the Tax Increment Finance District for the Ingleside Redevelopment Project Area. In October 2020, the City issued $24,095,000 in Tax Increment Financing Bonds for the purpose of financing the cost of acquiring certain land and constructing publicly owned improvements within the project area. Proceeds and expenditures are reported in the Tax Infrastructure Capital Projects Fund. The bonds are repayable from, and secured by, the incremental property taxes on the redevelopment area properties, applicable to property value increases subsequent to 2012. Tax increment financing bonds outstanding as of June 30, 2022 are as follows:

$7,020,000 bonds issued in September 2007 due in annual installments of $125,000 to $400,000 through September 2037, with variable interest (1.00% at June 30, 2022) as determined by the remarketing agent amortized at an average coupon rate of 4%	$4,785,000
$13,120,000 bonds issued in June 2019 due in annual installments of $215,000 to $735,000 through October 2048, with semi-annual interest ranging from 3% to 5%	12,380,000
$19,915,000 bonds issued in October 2019 due in annual installments of $1,795,000 to $2,680,000 through October 2028, with semi-annual interest at 5%	16,230,000
$24,095,000 bonds issued in October 2020 due in annual installments of $1,125,000 to $2,075,000 through October 2035, with semi-annual interest ranging from 2% to 5%	22,970,000
$42,820,000 bonds issued in January 2022 due in annual installments of $625,000 to $7,645,000 through October 2041, with semi-annual interest ranging from 4% to 5%	42,820,000
Total Tax Increment Financing Bonds	99,185,000
Add: Unamortized premiums	13,891,381
Net Tax Increment Financing Bonds	$113,076,381

III. DETAILED NOTES ON ALL FUNDS (continued)

F. Long-term Obligations (continued)

Annual debt service requirements to maturity for the tax increment financing bonds are as follows:

Year Ending	Governmental Activities		
June 30	Principal	Interest	Total
2023	$11,260,000	$ 4,168,175	$ 15,428,175
2024	4,425,000	3,778,526	8,203,526
2025	4,860,000	3,548,025	8,406,025
2026	5,320,000	3,295,725	8,615,725
2027	5,755,000	3,021,150	8,776,150
2028-2032	24,705,000	10,994,005	35,699,005
2033-2037	21,990,000	6,016,811	28,006,811
2038-2042	16,280,000	2,454,075	18,734,075
2043-2047	3,150,000	583,675	3,733,675
2048-2052	1,440,000	58,200	1,498,200
Total	$99,185,000	$ 37,918,367	$137,103,367

Proprietary Enterprise Fund Mortgage Revenue Bonds - The City also issues bonds where the government pledges income derived from the acquired or constructed assets to pay debt service. Revenue bonds currently outstanding as of June 30, 2022 are as follows:

$11,700,000 Municipal Golf Course Mortgage Revenue Bonds Series 2003 due in annual principal installments of $180,000 to $835,000 during 2005 to 2024 with monthly variable interest (1.00% at June 30, 2022) fixed at 3.58% by an interest rate swap on the full amount of the note	$ 1,640,000
Unamortized discounts	(3,750)
Total long-term debt portion, net of discounts and deferred charges	$ 1,635,250

During July 2003, the City issued $11,700,000 of Series 2003 municipal golf course mortgage revenue refunding bonds to provide resources to purchase U.S. government securities that were placed in an irrevocable trust for the purpose of generating resources for future debt service payments of the refunded Series 1998 debt through the redemption date of May 2009. The total escrow deposit was $12,667,412, consisting of $11,624,810 of net bond proceeds after a discount, and $1,042,602 received from formerly held debt service funds and debt service reserve funds. As a result, the bonds are considered to be defeased and the liability has been removed from the Statement of Net Position. There is no outstanding amount of defeased Series 1998 golf course mortgage revenue bonds at June 30, 2022 as the refunded debt has been paid off prior to maturity when the call feature was exercised. The reacquisition price exceeded the net carrying amount of the old debt by $1,903,302, which is being amortized over the remaining life of the old debt and is being reported as a deferred outflow of resources. This advance refunding was undertaken to reduce total debt service payments by $1,586,091 and resulted in an economic gain of $837,950.

The City is required to comply with various covenants and restrictions of the revenue bonds including the establishment of adequate rates and charges to 1) pay all current operating and maintenance expenses, 2) cover 110% of annual principal and interest requirements and 3) meet any other obligations on the pledged and related revenues.

Annual debt service requirements to maturity for the golf course mortgage revenue bonds are as follows:

Year Ending	Business-Type Activities		
June 30	Principal	Interest	Total
2023	$ 805,000	$ 58,712	$ 863,712
2024	835,000	29,893	864,893
Total	$1,640,000	$ 88,605	$ 1,728,605

III. DETAILED NOTES ON ALL FUNDS (continued)

F. Long-term Obligations (continued)

Financed Purchase Obligations and Other Financing Agreements - The City has entered into financed purchase obligations and other financing agreements for certain equipment, land and infrastructure. Interest and principal are payable quarterly through 2030. Principal and interest requirements will be provided by an appropriation in the year in which they become due. Financed purchase obligations outstanding as of June 30, 2022 are as follows:

$2,865,000 ten-year financing agreement with JP Morgan Chase Equipment Finance, dated September 2012, in 3 separate amortization schedules of $1,165,000 (10 yrs), $545,000 (7 yrs) and $1,155,000 (5 yrs) payable in quarterly installments of $59,585 for 20 quarters, $20,502 for 28 quarters and $31,777 for 40 quarters, including interest ranging from1.24% to 1.76%	31,639
$4,425,000 ten-year financing agreement with Bank of America Leasing & Capital, LLC, dated September 2013, in 3 separate amortization schedules of $1,125,756 (10yrs), $1,156,000 (7 yrs) and $2,143,244 (5 yrs) payable in quarterly installments of $110,699 for 20 quarters, $43,756 for 28 quarters and $31,461 for 40 quarters, including interest ranging from 1.24% to 2.22%	154,719
$5,548,000 ten-year financing agreement with First Citizens Bank & Trust Company, Inc., dated October 2014, in 4 separate amortization schedules of $1,200,000 (10 yrs), $1,552,000 (7yrs), $2,216,000 (5yrs) and $580,000 (3 yrs) payable in quarterly installments of $256,731 for 12 quarters, $207,545 for 20 quarters, $92,420 for 28 quarters and $33,322 for 40 quarters, including interest ranging from 1.08% to 2.09%	323,842
$4,205,000 ten-year financing agreement with Bank of America Leasing & Capital, LLC, dated October 2015, in 3 separate amortization schedules of $1,195,000 (10 yrs), $1,077,000 (7yrs) and $1,928,000 (5yrs) payable in quarterly installments of $199,776 for 20 quarters, $81,480 for 28 quarters and $66,084 for 40 quarters, including interest ranging from 1.435% to 1.973%	523,647
$4,600,000 ten-year financing agreement with Bank of America Leasing & Capital, LLC, dated October 2016, in 4 separate amortization schedules of $1,250,000 (10 yrs), $1,160,000 (7yrs), $1,690,000 (5yrs) and $500,000 (3yrs) payable in quarterly installments of $207,826 for 12 quarters, $165,267 for 20 quarters, $77,615 for 28 quarters and $42,559 for 40 quarters, including interest ranging from 1.345% to 1.635%	846,628
$4,678,000 ten-year financing agreement with Bank of America Leasing & Capital, LLC, dated October 2017, in 3 separate amortization schedules of $898,000 (10 yrs), $1,318,500 (7yrs), and $2,461,500 (5yrs) payable in quarterly installments of $128,437 for 20 quarters, $75,144 for 28 quarters and $24,862 for 40 quarters, including interest ranging from 1.7515% to 2.1008%	1,062,850
$3,883,000 ten-year financing agreement with Bank of America Leasing & Capital, LLC, dated October 2018, in 3 separate amortization schedules of $1,820,000 (10 yrs), $945,000 (7yrs), and $1,118,000 (5yrs) payable in quarterly installments of $151,015 for 20 quarters, $90,713 for 28 quarters and $53,144 for 40 quarters, including interest ranging from 2.932% to 3.1208%	2,096,298
$4,530,000 ten-year financing agreement with Bank of America Leasing & Capital, LLC, dated October 2019, in 3 separate amortization schedules of $1,150,500 (10yrs), $1,196,000 (7yrs), and $2,183,500 (5yrs) payable in quarterly installments of $114,107 for 20 quarters, $45,506 for 28 quarters and $31,552 for 40 quarters, including interest ranging from 1.6981% to 1.8379%	2,782,917
$1,265,500 ten-year financing agreement with Bank of America Leasing & Capital, LLC, dated October 2020, in 3 separate amortization schedules of $656,500 (10 yrs), $567,000 (7 yrs) and $42,000 (5 yrs) payable in quarterly installments of $2,155 for 20 quarters, $21,041 for 28 quarters and $17,508 for 40 quarters, including interest ranging from 1.01% to 1.13%	1,046,566

III. DETAILED NOTES ON ALL FUNDS (continued)

F. Long-term Obligations (continued)

$5,950,500 ten-year financing agreement with Bank of America Leasing & Capital, LLC, dated October 2021, in 3 separate amortization schedules of $2,435,000 (10 yrs), $964,000 (7 yrs) and $2,551,500 (5 yrs) payable in quarterly installments of $130,159 for 20 quarters, $35,650 for 28 quarters and $64,806 for 40 quarters, including interest ranging from .7787% to 1.2456% — 5,518,409

Total Financed Purchase Obligations — $14,382,515

Capital assets acquired under financing agreements since inception fall in the machinery and equipment class and total $67,785,077 for Governmental Activities and $6,151,161 for Business-type Activities. Annual debt service requirements to maturity for the financed purchase obligations are as follows:

Year Ending	Governmental Activities		Business-Type Activities		
June 30	Principal	Interest	Principal	Interest	Total
2023	$3,031,193	$ 188,796	$ 453,768	$ 23,524	$3,697,281
2024	2,585,485	138,776	413,002	15,899	3,153,152
2025	2,047,394	98,954	312,464	9,460	2,468,272
2026	1,657,345	69,654	246,446	4,796	1,978,241
2027	1,208,987	45,973	156,986	1,786	1,413,732
2028-2032	2,190,117	57,623	79,328	490	2,327,558
Total	$12,720,521	$ 599,766	$1,661,994	$ 55,955	$15,038,236

Changes in long-term obligations - Activity for the fiscal year ended June 30, 2022 was as follows:

Governmental Activities:	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds payable:					
General obligations bonds	$ 31,390,000	$ -	$ 3,295,000	$ 28,095,000	$ 3,455,000
Limited obligation bonds	90,040,000	-	5,070,000	84,970,000	2,925,000
Inst. purchase revenue bonds	63,625,000	-	2,560,000	61,065,000	2,635,000
Tax increment bonds	59,810,000	42,820,000	3,445,000	99,185,000	11,260,000
Total bonds payable	244,865,000	42,820,000	14,370,000	273,315,000	20,275,000
Premiums	16,705,402	7,632,807	2,026,871	22,311,338	-
Total bonds payable, net	261,570,402	50,452,807	16,396,871	295,626,338	20,275,000
Financed purchase obligations	10,530,555	5,598,000	3,408,034	12,720,521	3,031,193
Compensated absences	6,381,425	4,952,749	5,656,858	5,677,316	5,109,584
Total governmental activities	$278,482,382	$61,003,556	$25,461,763	$314,024,175	$28,415,777

Business-type Activities:	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds payable	$ 2,415,000	$ -	$ 775,000	$ 1,640,000	$ 805,000
Discounts	(7,510)	-	(3,760)	(3,750)	-
Total bonds payable, net	2,407,490	-	771,240	1,636,250	805,000
Financed purchase obligations	1,781,487	352,500	471,993	1,661,994	453,768
Compensated absences	180,995	136,475	162,387	155,083	139,575
Total business-type activities	$ 4,369,972	$ 438,975	$ 1,405,620	$ 3,453,327	$ 1,399,343

Derivative Disclosures:

Interest Rate Swaps - The City has entered into two interest rate swap agreements for two bond issuances for the purpose of realizing certain cost savings associated with the debt refundings. The first swap agreement involved the issuance of $11,700,000 in Series 2003 municipal golf course mortgage revenue bonds to refund $11,080,000 in Series 1998 Bonds. This swap had an initial notional amount of $11,700,000 and terminates on the bond maturity date of May 1, 2024. Under this swap agreement, the City pays the counterparty a fixed rate of 3.58% and receives a variable payment based on 67% of the London Interbank Offered Rate (LIBOR). The other swap agreement was entered into in January 2005 and involved the issuance of $27,055,000 in

III. DETAILED NOTES ON ALL FUNDS (continued)

F. Long-term Obligations (continued)

Series 2005 certificates of participation to refund $24,370,000 in Series 1997 certificates. This swap had an initial notional amount of $27,055,000 and terminated on the bond maturity date of September 1, 2019. Under this swap agreement, the City paid the counterparty a fixed rate of 3.27% and received a variable payment based on 59% of the LIBOR plus 35 basis points. The fair value at June 30, 2022 for the interest rate swap outstanding is as follows:

	Changes in Fair Values		Fair Values at June 30, 2022		Notional Amount at
Reported in:	Reported as	Amount	Reported as	Amount	6/30/2022
Business-type Activities					
Cash Flow Hedges Interest Rate Swaps	Deferred outflow of resources	$121,165	Derivative Instrument Liability	$(36,167)	$ 1,640,000

Credit or Counterparty Risk - Credit or counterparty risk is the risk that a counterparty will not fulfill its obligation. As of June 30, 2022, the City was exposed to credit risk in the amount of the swap's fair value. Bank of America, N.A., the counterparty for the Series 2003 revenue bond swap agreement, is rated A3/A by Moody's Investor Services and Standard & Poors, respectively.

Interest Rate Risk - This is the risk that the rate of interest paid by the City may increase on the direct variable rate bonds or on the floating payer exchange contract. This risk is reduced by the swap agreements on the amount of interest ultimately due by the City.

Basis Risk - Basis risk arises when different indexes are used in connection with a derivative. The major contributing factor to this risk is the change in the floating index based payment the City receives versus the payment the City makes on the related variable rate debt. If the rates on the counterparty payments are lower than the variable monthly payments on the debt paid by the City, then the City will be liable for the difference.

Termination Risk - Termination risk is the risk that an unscheduled termination of a swap agreement could have an adverse effect on the City's ability to replace the bonds or could lead to unscheduled payments. The termination of a swap agreement could increase the City's debt service if at the time of the termination the swap has a negative fair value. As of June 30, 2022, the City had a negative fair value of $36,167 in the interest rate swap agreement.

Rollover Risk - Rollover risk arises when a derivative associated with the City's variable rate debt does not extend all the way to the maturity date of the associated debt, thereby creating a gap in the protection otherwise afforded by the derivative. The swap agreement's termination date is the final maturity date of the debt thus reducing the rollover risk. The remoteness of termination exists due to the wide termination rating trigger spread.

Market and Market-Access Risk - This is the risk that changes in market prices will reduce the fair value of an asset, increase the fair value of a liability, adversely affect the cash flows of an expected transaction or the risk that the City will not be able to enter credit markets or that credit will become more costly in the future.

Variable-Rate Bond Disclosures - Generally accepted accounting principles recommend that for variable rate programs, future debt service forecasts be based on the actual end of the year rate. In low interest rate market circumstances such as what the City has experienced over the past few years, this standard would significantly reduce the forecasted interest cost. Therefore, the annual debt service requirement tables listed previously utilize the expected interest rates in effect when the debt was issued. Using variable rates as of June 30, 2021, debt service requirements of the variable-rate bonds including the effects of the interest rate swap agreements, assuming current interest rates remain the same for their term, were as follows:

III. DETAILED NOTES ON ALL FUNDS (continued)

F. Long-term Obligations (continued)

	Variable-Rate Bonds			Adjustment to Current	Net Debt
FYE June 30	Principal	Interest	Total	Variable Rates	Service
2023	$1,020,000	$ 241,512	$ 1,261,512	$ (133,534)	$1,127,978
2024	1,060,000	204,169	1,264,169	(127,855)	1,136,314
2025	235,000	164,400	399,400	(120,950)	278,450
2026	245,000	154,600	399,600	(113,500)	286,100
2027	255,000	144,400	399,400	(105,750)	293,650
2028-2032	1,435,000	555,005	1,990,005	(402,055)	1,587,950
2033-2037	1,775,000	225,486	2,000,486	(150,736)	1,849,750
2038-2042	400,000	2,600	402,600	1,400	404,000
Total	$6,425,000	$1,692,172	$8,117,172	$ (1,152,980)	$6,964,192

Annual Leave and Sick Leave - The City's policy permits employees to accumulate up to seven weeks of earned but unused annual leave, which would be paid to employees upon separation from the City. Accumulated annual leave at June 30, 2022 amounted to $5,832,399, $5,677,316 of which relates to governmental activities and $155,083 of which relates to business-type activities. City employees had accumulated sick leave benefits of $12,079,332 at June 30, 2022, based on compensation rates in effect at that date. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit. Since the City has no obligation for the accumulated sick leave until it is actually taken, no accrual has been made for sick leave.

G. Leases

Lessee – Leased Assets

A summary of leased asset activity for the City for the year ended June 30, 2022 is as follows:

Governmental Activities:	Beginning Balance	Increases	Decreases	Remeasure	Ending Balance
Leased assets being amortized:					
Buildings and land improvements	$ 1,069,466	$ -	$ 57,910	$ -	$ 1,011,556
Machinery, vehicles and equipment	929,552	-	-	-	929,552
Total leased assets being amortized	1,999,018	-	57,910	-	1,941,108
Less accumulated amortization for:					
Buildings and land improvements	223,690	196,801	57,910		362,581
Machinery, vehicles and equipment	227,954	200,552	-	-	428,506
Total accumulated amortization	451,644	397,353	57,910	-	791,087
Total leased assets, net	$ 1,547,374	$ (397,393)	$ -	$ -	$1,150,021

Business-Type Activities:	Beginning Balance	Increases	Decreases	Remeasure	Ending Balance
Leased assets being amortized:					
Machinery, vehicles and equipment	$ 181,344	$ -	$ -	$ -	$ 181,344
Total leased assets being amortized	181,344	-	-	-	181,344
Less accumulated amortization for:					
Machinery, vehicles and equipment	121,167	30,224	-	-	151,391
Total accumulated amortization	121,167	30,224	-	-	151,391
Total leased assets, net	$ 60,177	$ (30,224)	$ -	$ -	$ 29,953

Lessee – Lease Liabilities

The City's lease liabilities activity for the year ended June 30, 2022 is as follows:

Governmental Activities:	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Lease liabilities	$ 1,547,374	$ -	$ 392,744	$ 1,154,630	$ 310,238

III. DETAILED NOTES ON ALL FUNDS (continued)

G. Leases (continued)

Business-Type Activities:	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Lease liabilities	$ 60,177	$ -	$ 29,691	$ 30,486	$ 30,486

The City enters into lease agreements for periods between two and ten years as lessee for the use of certain equipment and buildings. The leases have an imputed interest rate of .2% to 4.8%. The lease liabilities for the business-type activities are all current and matures in fiscal year June 30, 2023. Principal and interest expenditures to maturity for the governmental activities lease liabilities as of June 30, 2022 are as follows:

Year Ending June 30	Principal	Interest	Total
2023	$ 310,238	$ 7,623	$ 317,861
2024	287,092	6,045	293,137
2025	159,185	4,485	163,670
2026	122,810	3,357	126,167
2027	100,002	2,395	102,387
2028-2032	175,303	3,238	178,542
Total	$ 1,154,630	$ 27,143	$1,181,773

Lessor – Lease Receivable

The City is the lessor for various property and equipment as noted in Note I (D) (10). The City recognized $1,225,485 as lease revenue for the fiscal year ended June 30, 2022. Estimated future annual lease revenue for leases in effect as of June 30, 2022 is as follows:

Year Ending June 30	Principal	Interest	Total
2023	$ 456,985	$ 44,758	$ 501,743
2024	116,990	43,162	160,152
2025	116,063	41,689	157,752
2026	100,054	40,222	140,276
2027	91,973	38,827	130,800
2028-2032	462,340	172,760	635,100
2033-2037	446,175	137,158	583,333
2038-2042	292,568	107,432	400,000
2043-2047	318,584	81,416	400,000
2048-2052	346,913	53,087	400,000
2053-2057	377,762	22,238	400,000
2058-2062	66,149	518	66,667
Total	$ 3,192,556	$783,267	$3,975,823

H. Net Position Classification

Restricted net position includes amounts restricted for public safety by grants and related external restrictions, and for debt service by tax increment debt restrictions. Net investment in capital assets for governmental activities as of June 30, 2022 is as follows:

Capital assets, net of accumulated depreciation	$ 466,041,762
Less: 1) Capital related debt , net of unamortized discounts, amounts on refunding, plus premiums	(306,843,219)
2) Retainage payable	(792,387)
Add capital debt unspent proceeds:	
Bonds and capital leases	104,543,649
Net investment in capital assets	$ 262,949,805

IV. OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City protects itself from potential loss through a combination of risk-sharing participation, purchase of commercial insurance for primary and/or self-funded risk retention. Self-funded risks are primarily for health insurance costs, workers compensation costs and underground storage tank liabilities. The City currently reports all of its risk management activities in the General Fund.

The City is a member of the State of South Carolina Insurance Reserve Fund, a public entity risk pool currently operating as a common risk management and insurance program for local governments. The City pays an annual premium to the State Insurance Reserve Fund for its general property and casualty insurance coverage. The State Insurance Reserve Fund is self-sustaining through member premiums and reinsures through commercial companies for claims in excess of $10,000,000 for each insured event. Settlements have not exceeded coverage for any of the last three years.

The City has been self-insured for health insurance since its incorporation in June 1972 but only became self-insured for workers compensation coverage effective January 1, 2005. The City has contracted with plan administrators that directly handle the settlement of all claims. The City is insured through third parties for health insurance individual stop losses over $175,000 and aggregate stop-losses over $20,665,584, while for workers compensation, the individual stop losses must exceed $1,000,000 and the aggregate stop-losses must exceed $3,000,000. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported as of June 30, 2022. At June 30, 2022, the amount of this liability is the City's best estimate, based on the available information. Changes in the reported liability since July 1, 2017 resulted from the following:

Year Ended June 30	Liability at Beginning of Year	Current Year Claims and Changes in Estimates	Claim Payments	Liability at Year End
2018	$ 4,533,030	$17,155,611	$(16,477,830)	$5,210,811
2019	5,210,811	18,427,583	(17,852,221)	5,786,173
2020	5,786,173	19,625,110	(17,417,217)	7,994,066
2021	7,944,066	19,003,277	(16,954,828)	10,042,515
2022	10,042,515	18,063,663	(17,393,781)	10,712,397

B. Deferred Compensation Plans, Pension Plans and Employee Retirement Systems

The City offers its employees two options under the South Carolina Public Employees Deferred Compensation Plan. All amounts of compensation deferred under the 401(k) Plan (all income, property or rights attributable to such amounts) remain the sole property of the participating employee. Current year payroll covered under the 401(k) Plan was $9,025,634 of $60,170,894 total payroll for all City employees.

Employees may also defer the lesser of 100% of eligible compensation or $20,500 per year. Deferred compensation is not available to employees until termination of employment, retirement, death or unforeseeable emergency, with the exceptions of education and the purchase or improvement of a primary residence. There are no eligibility or vesting requirements. The City has no obligation to make contributions to the 401(k) Plan and has made no contributions during the year. Employee contributions were $439,278. There were no changes in plan provisions during the year and, as of June 30, 2022, the State Deferred Compensation 401(k) Plans held no assets of the City or its related parties and had no outstanding loans to the City or related parties.

IV. OTHER INFORMATION (continued)

B. Deferred Compensation Plans, Pension Plans and Employee Retirement Systems (continued)

Under the 457 plan, employees can defer the lesser of 100% of eligible compensation or $20,500 per year. During the fiscal year ended June 30, 1998, the City implemented GASB 32 (*Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*). A fiduciary relationship between the City and the 457 deferred compensation plan does not exist, therefore under GASB 32, the City does not report the balances and activities of the 457 plan in the financial statements. Employee contributions were $378,849 during fiscal year ending June 30, 2022.

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 various retirement systems and retirement programs of the State of South Carolina, including the State Optional Retirement Program and the South Carolina Deferred Compensation Program, as well as the State's employee insurance programs. As such, PEBA is responsible for administering the South Carolina Retirement Systems' ("SCRS") 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 retirement trust fund assets. The Retirement Systems 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 assets of the retirement trust funds. 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 GAAP. For this purpose, revenues are recognized when earned and expense 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.

The PEBA issues an Annual Comprehensive Financial Report ("ACFR") containing financial statements and required supplementary information for the System' Pension Trust Funds. The ACFR is publicly available through the Retirement Benefits' link on the 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. The 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 effective July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for employees of the state, its public school districts, and political subdivisions 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 effective July 1, 1962, pursuant to the provisions of Section 9-11-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for police officers and firemen of the state and its political subdivisions. PORS also covers peace officers, coroners, probate judges and magistrates.

IV. OTHER INFORMATION (continued)

B. Deferred Compensation Plans, Pension Plans and Employee Retirement Systems (continued)

Plan 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.

- 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.

Plan 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.

IV. OTHER INFORMATION (continued)

B. Deferred Compensation Plans, Pension Plans and Employee Retirement Systems (continued)

- 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.

Plan 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. However, the General Assembly postponed the one percent increase in the SCRS and PORS employer contribution rates scheduled to go into effect beginning July 1, 2020. If the scheduled contributions are not sufficient to meet the funding periods set in State statute, the board shall increase the employer contribution rates as necessary to meet the funding periods set for the applicable year. The maximum funding period of SCRS and PORS is scheduled to be reduced over a ten-year schedule from 30 years beginning fiscal year 2018 to 20 years by fiscal year 2028.

Additionally, the Board is prohibited from decreasing the SCRS and PORS contribution rates until the funded ratio is at least 85 percent. If the most recent annual actuarial valuation of the Systems for funding purposes shows a ratio of the actuarial value of system assets to the actuarial accrued liability of the system (the funded ratio) that is equal to or greater than 85 percent, then the board, effective on the following July first, may decrease the then current contribution rates upon making a finding that the decrease will not result in a funded ratio of less than 85 percent. If contribution rates are decreased pursuant to this provision, and the most recent annual actuarial valuation of the system shows a funded ratio of less than 85 percent, then effective on the next July first, and annually thereafter as necessary, the board shall increase the then current contribution rates until a subsequent annual actuarial valuation of the system shows a funded ratio that is equal to or greater than 85%.

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

IV. OTHER INFORMATION (continued)

B. Deferred Compensation Plans, Pension Plans and Employee Retirement Systems (continued)

	SCRS Rate			PORS Rates		
	2020	2021	2022	2020	2021	2022
Employer Contribution Rate:^						
Retirement	15.41%	15.41%	16.41%	17.84%	17.84%	18.84%
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%
	15.56%	15.56%	16.56%	18.24%	18.24%	19.24%
Employee Contribution Rate	9.00%	9.00%	9.00%	9.75%	9.75%	9.75%

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

The required contributions and percentages of amounts contributed by the City to the Plans for the past three years were as follows:

Year Ended	SCRS Contributions		PORS Contributions	
June 30,	Required	% Contributed	Required	% Contributed
2022	$ 3,860,760	100%	$ 6,443,758	100%
2021	3,395,162	100%	5,936,614	100%
2020	3,796,998	100%	6,100,282	100%

Eligible payrolls of the City covered under the Plans for the past three years were as follows:

SCRS Payroll	PORS Payroll	Total Payroll
$ 23,313,769	$ 33,333,642	$ 56,647,411
21,819,810	32,547,224	54,367,034
24,402,303	33,444,531	57,846,834

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. An experience report on the Systems was most recently issued for the period ending June 30, 2019.

The June 30, 2021 total pension liability, net pension liability, and sensitivity information shown in this report were determined by the consulting actuary, Gabriel, Roeder, Smith and Company ("GRS") and are based on an actuarial valuation performed as of July 1, 2020. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year end, June 30, 2021, using generally accepted actuarial principles. There was no legislation enacted during the 2021 legislative session that had a material change in the benefit provisions for any of the systems. In FY 2021 the Board adopted updated demographic assumptions. Also, the General Assembly permitted the investment return assumption at July 1, 2021 to decrease from 7.25% to 7.00%, as provided by Section 9-16-335 in South Carolina State Code.

IV. OTHER INFORMATION (continued)

B. Deferred Compensation Plans, Pension Plans and Employee Retirement Systems (continued)

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2021.

	SCRS	PORS
Actuarial Cost Method	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)
Benefit Adjustments	Lesser of 1% or $500 annually	Lesser of 1% or $500 annually

* Includes inflation at 2.25%.

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.

Former Job Class	Males	Females
Educators	2020 PRSC Males multiplied by 95%	2020 PRSC Females multiplied by 94%
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%

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 represent assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market based inputs. Expected returns are net of investment fees.

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2021 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 7.00% assumed annual investment rate of return used in the calculation of the TPL includes a 4.75% real rate of return and a 2.25% inflation component.

IV. OTHER INFORMATION (continued)

B. Deferred Compensation Plans, Pension Plans and Employee Retirement Systems (continued)

Allocation/Exposure	Policy Target	Expected Arithmetic Real Rate of Return	Long Term Expected Portfolio Real Rate of Return
Public Equity	**46.0%**	6.87%	3.16%
Bonds	**26.0%**	0.27%	0.07%
Private Equity	**9.0%**	9.68%	0.87%
Private Debt	**7.0%**	5.47%	0.39%
Real Assets	**12.0%**		
Real Estate	9.0%	6.01%	0.54%
Infrastructure	3.0%	5.08%	0.15%
Total Expected Real Return	100.0%		5.18%
Inflation for Actuarial Purposes			2.25%
Total Expected Nominal Return			7.43%

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

The net pension liability ("NPL") is calculated separately for each system and represents that particular system's total pension liability determined in accordance with GASB No. 67 less that System's fiduciary net position. NPL totals, as of June 30, 2021 measurement date, for the SCRS and PORS are presented in the following table:

System	Total Pension Liability	Plan Fiduciary Net Position	Employers' Net Pension Liability (Asset)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
SCRS	$ 55,131,579,363	$ 33,490,305,970	$ 21,641,273,393	60.7%
PORS	$ 8,684,586,488	$ 6,111,672,064	$ 2,572,914,424	70.4%

The total pension liability is calculated by the Systems' actuary, and each Plan's fiduciary net position is reported in the Systems' financial statements. The net pension liability is disclosed in accordance with the requirements of GASB No. 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.

At June 30, 2022, the City reported liabilities of $41,773,277 and $55,803,367 for its proportionate share of the net pension liabilities for the SCRS and PORS ("Plans"), respectively. The net pension liabilities were measured as of June 30, 2021, and the total pension liabilities for the Plans used to calculate the net pension liabilities were determined based on the most recent actuarial valuation report of July 1, 2020 that was projected forward to the measurement date. The City's proportion of the net pension liabilities was based on a projection of the City's long-term share of contributions to the Plans relative to the projected contributions of all participating South Carolina state and local governmental employers, actuarially determined. At the June 30, 2021 measurement date, the City's SCRS proportion was 0.19302 percent, which was a decrease of 0.02571 percent from its proportion measured as of June 30, 2020. At the June 30, 2021 measurement date, the City's PORS proportion was 2.16888 percent, which was a decrease of 0.04643 percent from its proportion measured as of June 30, 2020.

IV. OTHER INFORMATION (continued)

B. Deferred Compensation Plans, Pension Plans and Employee Retirement Systems (continued)

For the year ended June 30, 2022, the City recognized pension expense of $674,199 and $5,912,274 for the SCRS and PORS, respectively. At June 30, 2022, the City reported deferred outflows of resources (deferred pension charges) and deferred inflows of resources (deferred pension credits) related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
SCRS		
Differences Between Expected and Actual Experience	$ 711,560	$ 56,379
Change in Assumptions	2,286,532	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	6,068,119
Changes in Proportion and Differences Between the Employer's Contributions and Proportionate Share of Contributions	-	5,326,476
Employer Contributions Subsequent to the Measurement Date	3,860,760	-
Total SCRS	6,858,852	11,450,974
PORS		
Differences Between Expected and Actual Experience	1,898,383	173,792
Change in Assumptions	3,980,161	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	12,510,866
Changes in Proportion and Differences Between the Employer's Contributions and Proportionate Share of Contributions	1,239,141	1,270,666
Employer Contributions Subsequent to the Measurement Date	6,443,758	-
Total PORS	13,561,443	13,955,324
Total SCRS and PORS	$ 20,420,295	$ 25,406,298

Approximately $3,861,000 and $6,444,000 that were reported as deferred outflows of resources related to the City's contributions subsequent to the measurement date to the SCRS and PORS, respectively, will be recognized as a reduction of the net pension liabilities in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources (deferred pension charges) and deferred inflows of resources (deferred pension credits) related to the SCRS and PORS will increase (decrease) pension expense as follows:

Year Ended June 30,	SCRS	PORS	Total
2023	$ (2,376,383)	$ (626,407)	$ (3,002,790)
2024	(1,876,876)	(418,909)	(2,295,785)
2025	(1,929,011)	(1,323,787)	(3,252,798)
2026	(2,270,612)	(4,468,536)	(6,739,148)
Total	$ (8,452,882)	$ (6,837,639)	$ (15,290,521)

Aggregate Amounts

Aggregate amounts for all pension plans are as follows:

	SCRS	PORS	Total
Net Pension Liability	$ 41,773,277	$ 55,803,367	$ 97,576,644
Deferred Outflows	6,858,852	13,561,443	20,420,295
Deferred Inflows	11,450,974	13,955,324	25,406,298
Pension Expense	674,199	5,912,274	6,586,473

IV. OTHER INFORMATION (continued)

B. Deferred Compensation Plans, Pension Plans and Employee Retirement Systems (continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. 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, each System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity Analysis

The following table presents the sensitivity of the City's proportionate share of the net pension liability of the Plans to changes in the discount rate, calculated using the discount rate of 7.00 percent, as well as what it would be if it were calculated using a discount rate that is 1.00 percent lower (6.00 percent) or 1.00 percent higher (8.00 percent) than the current rate:

System	1.00% Decrease (6.00%)	Current Discount Rate (7.00%)	1.00% Increase (8.00%)
The City's proportionate share of the net pension liability of the SCRS	$ 54,717,792	$ 41,773,277	$ 31,013,708
The City's proportionate share of the net pension liability of the PORS	80,963,547	55,803,367	35,193,328
Total Pension Liability	$ 135,681,339	$ 97,576,644	$ 66,207,036

Plans Fiduciary Net Position

Detailed information regarding the fiduciary net position of the Plans administered by the PEBA is available in the separately issued ACFR containing financial statements and required supplementary information. The ACFR is publicly available through the Retirement Benefits' link on the 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.

Payable to Plans

The City reported payables of $722,000 and $1,049,000 to the PEBA as of June 30, 2022, representing required employer and employee contributions for the month of June 2021 for the SCRS and PORS, respectively. These amounts are included in Accounts Payable on the financial statements and were paid in July 2022.

C. Other Postemployment Benefits (OPEB)

Plan Description - The City's defined benefit post-employment healthcare plan ("the OPEB Health Plan") provides healthcare insurance for eligible retirees and their spouses, under the Medicare eligible age, through the City's group health insurance plan which covers both active and retired members. Section 2-198 of the Code of Ordinances of the City grants the authority to establish and amend the benefit terms of the post-employment healthcare to the Mayor and City Council. The Plan is affiliated with the South Carolina Other Retirement Benefits Employer Trust (SC ORBET), an agent multi-employer irrevocable trust administered by the Municipal Association of South Carolina. Each participating employer is responsible for determining the appropriate amount of contributions to remit to the Trust. SC ORBET issues a publicly available financial report that includes audited financial statements and required supplementary information for the Plan.

IV. OTHER INFORMATION (continued)

C. Other Postemployment Benefits (OPEB) (continued)

A copy of the report may be obtained in writing to: Chief Financial Officer for Risk Management Services, Municipal Association of South Carolina, P.O. Box 12109, Columbia, South Carolina 29211.

Plan Membership - As of June 30, 2022, the following employees were covered by the benefit terms:

Inactive Members or Beneficiaries Currently Receiving Benefits	85
Active Members	980
Total Membership	1,065

Plan Benefits and Contributions - Benefit terms are established and amended by the Mayor and City Council and are based on years of service. Full-time employees and elected officials who retire under a state retirement system (either SCRS or PORS) after 20 years of service with the City are eligible to continue health benefits for themselves and their spouses. For those who retired prior to July 1, 2009, the service requirement was 15 years rather than 20 years. The years of service requirement is waived for eligible members who become disabled. The City pays a portion of the medical or dental premiums on behalf of eligible members based on the number of years of service as follows:

	Percentage of Premium Paid by the City	
Years of Service	Retired Before 7/1/2009	Retired on or After 7/1/2009
Less than 15	0%	0%
15-19	50%	0%
20-24	67%	50%
25-29	83%	67%
30 or more	100%	75%

Retirees pay 100% of premiums for dependent coverage.

Section 2-198 of the Code of Ordinances of the City grants the authority to establish and amend the contribution requirements of the post-employment healthcare to the Mayor and City Council. During the year ended June 30, 2022, the City made contributions of approximately $4,237,000, or an average of 7.87% of covered payroll. Employees are not required to contribute to the OPEB Plan.

Actuarial Methods and Assumptions - Actuarial valuations of an 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, future salary increases and the healthcare cost trend. Amounts determined regarding the net OPEB liability 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 OPEB Health 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 benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

IV. OTHER INFORMATION (continued)

C. Other Postemployment Benefits (OPEB) (continued)

The following table provides a summary of the actuarial assumptions and methods used in the latest actuarial valuation for the OPEB Plan.

Actuarial Valuation Date	December 31, 2020
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Inflation	2.25%
Projected Salary Increases	
SCRS	3.00% - 9.50%
PORS	3.50% - 10.50%
Investment Rate of Return	4.75%, net of OPEB plan investment expense, including inflation
Healthcare Cost Trend Rates	7.00% for 2021 decreasing to an ultimate rate of 4.50% by 2031

Mortality rates were based on the PUB-2010 Mortality Table for Employees with a 135 % multiplier to better reflect anticipated experience and provide a margin for future improvements.

Long-Term Expected Rate of Return - The long-term expected rate of return on OPEB plan investments was developed using a building block approach in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) are developed for each major asset class. These ranges are then combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. For actuarial purposes, the 4.75 percent assumed annual investment rate of return used in the calculation of the total OPEB liability includes a 2.50 percent real rate of return and a 2.25 percent inflation component.

The target allocation for each major asset class is summarized in the following table:

Asset Class	Target Allocation	Expected Arithmetic Real Rate of Return
US Government Agency	57.50%	4.50%
US Govt MBS/CMO/CMBS	40.00%	5.25%
Cash and Short Duration (Net)	2.50%	2.50%
Total	100.00%	12.25%

Based on the above target allocations, the long-term expected rate of return on OPEB plan investments was determined to be 4.75%.

OPEB Liabilities, OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB - The City's net OPEB liability was measured as of December 31, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2020 and was rolled forward to the measurement date.

IV. OTHER INFORMATION (continued)

C. Other Postemployment Benefits (OPEB) (continued)

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances as of December 31, 2020	$ 37,825,383	$ 18,482,777	$ 19,342,606
Changes for the year:			
Service Cost	1,473,086	-	1,473,086
Interest	1,775,224	-	1,775,224
Difference Between Expected and Actual Experience	(2,365,883)	-	(2,365,883)
Change of Assumptions or Other Inputs	(61,221)	-	(61,221)
Contributions - Employer	-	2,915,089	(2,915,089)
Net Investment Income	-	(450,792)	450,792
Benefit Payments	(915,089)	(915,089)	-
Adminstrative Expenses	-	(11,058)	11,058
Net Changes	(93,883)	1,538,150	(1,632,033)
Balances as of December 31, 2021	$ 37,731,500	$ 20,020,927	$ 17,710,573

For the year ended June 30, 2022, the City recognized OPEB expense of approximately $2,214,000. At June 30, 2022, the City reported deferred outflows of resources (deferred OPEB charges) and deferred inflows of resources (deferred OPEB credits) related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 86,077	$ 4,429,574
Change of Assumptions or Other Inputs	1,114,563	$ 53,663
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	1,069,770	-
Employer Contributions Subsequent to the Measurement Date	4,236,651	-
Total	$ 6,507,061	$ 4,483,237

Approximately $4,237,000 that was reported as deferred outflows of resources related to the City's contributions subsequent to the measurement date to the OPEB plan, respectively, will be recognized as a reduction of the net OPEB liabilities in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources (deferred OPEB charges) related to the OPEB plan will increase (decrease) OPEB expense as follows:

Year Ended June 30,	Total
2023	$ (172,804)
2024	(278,426)
2025	(261,431)
2026	(237,464)
2027	(516,167)
Thereafter	(746,535)
Total	$ (2,212,827)

IV. OTHER INFORMATION (continued)

C. Other Postemployment Benefits (OPEB) (continued)

Discount Rate - The discount rate used to measure the total OPEB liability was 4.75%. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the OPEB liability.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate - The following table presents the sensitivity of the City's proportionate share of the net pension liability of the Plans to changes in the discount rate, calculated using the discount rate of 4.75%, as well as what it would be if it were calculated using a discount rate that is 1% point lower (3.75%) or 1% point higher (5.75%) than the current rate:

	1% Decrease (3.75%)	Current Discount Rate (4.75%)	1% Increase (5.75%)
Net OPEB Liability	$ 22,178,108	$ 17,710,573	$ 13,782,190

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate - The following table presents the sensitivity of the City's proportionate share of the net pension liability of the Plans to changes in the healthcare cost trend rate, calculated using the healthcare cost trend rate of 7.00% decreasing to 4.50%, as well as what it would be if it were calculated using a healthcare cost trend rate that is 1% point lower (6.00% decreasing to 3.50%) or 1% point higher (8.00% decreasing to 5.50%) than the current rate:

	1% Decrease (6.00% decreasing to 3.50%)	Current Healthcare Cost Trend Rate (7.00% decreasing to 4.50%)	1% Increase (8.00% decreasing to 5.50%)
Net OPEB Liability	$ 12,726,771	$ 17,710,753	$ 23,723,068

D. Contingent Liabilities and Litigation

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the government expects amounts, if any, to be immaterial.

The City is party to a number of civil lawsuits and other legal proceedings. These suits are currently in discovery or preliminary stages. Additionally, other controversies from public safety services and other general government activities are expected to result in claims or lawsuits. The City maintains various insurances, subject to limitations, to minimize its exposure to such claims and judgments. Management and legal counsel believe the ultimate outcome of existing and potential legal actions is not likely to result in a material loss to the City.

E. Tax Abatements

The City is subject to tax abatements entered into by Charleston County, who enters into property tax abatement agreements with local businesses through various abatement programs. For the fiscal year ended June 30, 2022, the City's property tax abated by agreements entered into by Charleston County and Dorchester County totaled approximately $16,139,000. The City has not entered into any of its own tax abatement programs.

IV. OTHER INFORMATION (continued)

F. Significant Long-Term Management Contracts

Golf Course - The City has contracted with Classic Golf Management to manage, maintain and operate the Golf Course at Wescott Plantation through August 2024. The facilities management agreement states that Classic Golf Management provides personnel to operate these facilities. The City is required to reimburse the contractor for expenses, approved capital expenses and reserves and pays a monthly fixed management fee. The fixed monthly fee is $7,000 through August 2024. Contingent fees may be earned at the rate of 15% of the net operational profit generated, determined by the City's audited annual operational revenues exceeding annual operational expenses.

Coliseum, Convention and Performing Arts Center - During 1992 the City entered into a management agreement with Ogden Entertainment, Inc. to manage, market, promote, operate and maintain the North Charleston Coliseum, Convention Center and Performing Arts Center through May 2031. The City pays monthly management fees plus certain contingent fees on the excess of net operating income over approved targets. During fiscal year 2022, total monthly fees paid were $370,302. Ogden was acquired by ARAMARK during June 2000 and has assigned management rights of the facilities to SMG. The City consented to the transfer of ARAMARK's rights in an agreement signed February 2002.

G. Commitments and Contingencies

The City entered into an intergovernmental agreement with the Charleston Area Regional Transportation Authority (CARTA) to design and construct a new multi-modal transportation facility at a cost of over $15 million. The City purchased the land on which the facility will be situated. The improvements consisted of a station building, platforms and a parking area for station patrons. The facility is also the hub for Southeastern Stages, Inc. (Greyhound) and Amtrak providing intercity bus and rail service. The facility was completed in the fiscal year ended June 30, 2020. The City will pay all costs of ownership, operation and maintenance of the facility although a majority of the construction cost was borne by CARTA through borrowed funds and/or grants. CARTA retains no ownership beneficial interest in the completed facility.

The City has entered into an intergovernmental agreement with the Dorchester County School District No. 2 (District) to design, construct and operate an aquatics facility located in the City limits and in the School District territory. The City is utilizing a portion of the $80,000,000 in limited obligation bonds it issued in 2017 as its contribution towards the $24 million project and the District has agreed to contribute $7,500,000 towards the project completed late 2020. The City pays all costs of operation and maintenance of the facility.

The City entered into a settlement agreement with the South Carolina State Ports Authority (SPA) on December 20, 2021 whereby the SCSPA agrees to pay the City of North Charleston $40,000,000 in $10,000,000 equal payments for the next four years to be placed in a capital project fund for the purpose of constructing overpass and/or road infrastructure improvements to settle a dispute as to what the minimum infrastructure requirements were supposed to be prior to the SCSPA commencing container operations at the new Leatherman Terminal.

The City has construction contract commitments on capital projects at June 30, 2022 as follows:

Governmental funds:	
General Fund, Special revenue funds and capital projects funds	$ 39,460,948
Total governmental funds	$ 39,460,948

H. Subsequent Events

In October 2022, the City entered into a financed purchase agreement with Truist Financial Corporation related to the purchase of $5,465,500 in vehicles and equipment. The obligation is a ten year financing agreement with separate amortization schedules of $1,264,500 (5 yrs), $1,761,000 (7 yrs) and $2,440,000 (10 yrs) in quarterly installments of $68,277 for 20 quarters, $70,001 for 28 quarters and $71,024 for 40 quarters, including interest ranging from 3.02% to 3.08%.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022				
	Budgeted Amounts		Actual	Variance with Final Budget - Positive	2021
	Original	Final	Amounts	(Negative)	Actual
Revenues:					
Property taxes	$ 59,750,000	$ 59,750,000	$ 60,583,641	$ 833,641	$ 60,632,246
Licenses and permits	33,332,500	36,653,500	41,517,125	4,863,625	38,327,902
Intergovernmental	22,070,687	23,168,792	27,175,575	4,006,783	24,557,521
Fines and forfeitures	475,000	475,000	374,915	(100,085)	454,701
Charges for services	2,871,961	2,872,091	3,012,030	139,939	2,748,142
Revenues from use of monies and property	1,974,100	1,974,100	2,640,012	665,912	2,009,838
Other revenues	888,867	944,137	783,550	(160,587)	779,597
Total revenues	121,363,115	125,837,620	136,086,848	10,249,228	129,509,947
Expenditures:					
General government:					
Executive	2,374,712	2,638,012	2,629,807	8,205	2,430,065
Facilities	6,618,970	6,690,470	6,302,457	388,013	5,075,542
City Council	573,749	618,749	614,653	4,096	556,917
Finance	957,487	1,107,732	1,106,439	1,293	1,033,499
Purchasing	437,827	548,186	543,042	5,144	401,276
Information systems	2,811,591	3,171,991	3,153,303	18,688	2,639,271
Municipal court	1,010,119	1,018,019	1,010,065	7,954	1,002,062
Human resources	3,812,719	4,836,465	4,307,770	528,695	2,987,691
Legal	1,173,107	1,355,606	1,334,479	21,127	1,097,160
Maintenance	12,803,880	13,162,564	11,933,214	1,229,350	13,078,898
Total general government	32,574,161	35,147,794	32,935,229	2,212,565	30,302,381
Public safety:					
Police	40,971,096	42,277,440	40,608,442	1,668,998	37,806,908
Fire	25,182,798	27,995,203	27,381,012	614,191	25,087,543
Building inspections	1,502,568	1,664,281	1,660,019	4,262	1,516,853
Total public safety	67,656,462	71,936,924	69,649,473	2,287,451	64,411,304
Sanitation:					
Sanitation	6,321,046	6,775,476	6,290,646	484,830	5,370,606
Total sanitation	6,321,046	6,775,476	6,290,646	484,830	5,370,606

(continued)

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)
(continued)

	2022				
	Budgeted Amounts		Actual	Variance with Final Budget - Positive	2021
	Original	Final	Amounts	(Negative)	Actual
Culture and recreation:					
Fire museum	425,715	431,311	423,555	7,756	393,553
Recreation and parks	7,134,954	7,420,872	7,363,633	57,239	5,826,883
Cultural arts	845,669	861,094	859,985	1,109	703,293
Total culture and recreation	8,406,338	8,713,277	8,647,173	66,104	6,923,729
Community development:					
Planning & zoning	1,286,896	1,367,358	1,360,860	6,498	1,235,284
Code enforcement	1,281,427	1,290,512	1,204,393	86,119	1,125,831
Total community development	2,568,323	2,657,870	2,565,253	92,617	2,361,115
Debt Service:					
Financed purchase obligations principal	3,223,141	3,568,141	3,408,034	160,107	3,526,338
Lease liability principal	-	400,000	392,744	7,256	-
Interest and fiscal charges	222,519	273,519	231,586	41,933	247,921
Total debt service	3,445,660	4,241,660	4,032,364	209,296	3,774,259
Total expenditures	120,971,990	129,473,001	124,120,138	5,352,863	113,143,394
Excess (deficiency) of revenues over expenditures	391,125	(3,635,381)	11,966,710	15,602,091	16,366,553
Other financing sources (uses):					
Transfers (out)	(3,309,125)	(4,009,125)	(3,894,113)	115,012	(7,250,137)
Proceeds from sale of property	500,000	500,000	232,375	(267,625)	3,466,417
Financed purchase obligations	2,418,000	5,598,000	5,598,000	-	656,500
Total other financing sources (uses)	(391,125)	2,088,875	1,936,262	(152,613)	(3,127,220)
Net change in fund balance	-	**(1,546,506)**	**13,902,972**	**15,449,478**	**13,239,333**
Fund balance at beginning of year	54,723,753	54,723,753	54,723,753	-	41,484,420
Fund balance at end of year	$ 54,723,753	$ 53,177,247	$ 68,626,725	$ 15,449,478	$ 54,723,753

Notes: The basis for budgeting is the same as GAAP.

Exhibit 11

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
COLISEUM OPERATING FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022				
	Budgeted Amounts		Actual	Variance with Final Budget- Positive	2021
	Original	Final	Amounts	(Negative)	Actual
Revenues:					
Revenues from use of monies and property	$ 4,362,000	$ 6,362,000	$ 7,316,098	$ 954,098	$ 2,018,458
Total revenues	4,362,000	6,362,000	7,316,098	954,098	2,018,458
Expenditures:					
Culture and recreation:					
Insurance	150,000	200,000	175,798	24,202	150,962
Contractual services:					
Operating	5,200,000	6,750,000	6,715,758	34,242	3,650,793
Management and administration	875,000	1,275,000	1,081,479	193,521	769,497
Total expenditures	6,225,000	8,225,000	7,973,035	251,965	4,571,252
Excess (deficiency) of revenues over expenditures	(1,863,000)	(1,863,000)	(656,937)	1,206,063	(2,552,794)
Other financing sources (uses):					
Transfers in	1,863,000	1,863,000	750,952	(1,112,048)	2,552,794
Total other financing sources (uses)	1,863,000	1,863,000	750,952	(1,112,048)	2,552,794
Net change in fund balance	-	-	94,015	94,015	-
Fund balance at beginning of year	332,198	332,198	332,198	-	332,198
Fund balance at end of year	$ 332,198	$ 332,198	$ 426,213	$ 94,015	$ 332,198

Notes: The basis for budeting is the same as GAAP.

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CITY OF NORTH CHARLESTON'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
SOUTH CAROLINA RETIREMENT SYSTEM

LAST NINE FISCAL YEARS

	Year Ended June 30,								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
City of North Charleston's Proportion of the Net Pension Liability	0.193020%	0.218730%	0.222670%	0.229680%	0.234281%	0.237280%	0.231328%	0.229629%	0.229629%
City of North Charleston's Proportionate Share of the Net Pension Liability	$ 41,773,277	$ 55,889,387	$ 50,843,754	$ 51,464,419	$ 52,740,420	$ 50,682,658	$ 43,872,471	$ 39,534,501	$ 41,187,251
City of North Charleston's Covered Payroll	$ 21,819,810	$ 24,402,303	$ 23,500,745	$ 23,803,068	$ 23,638,152	$ 22,977,442	$ 21,697,445	$ 20,846,552	$ 19,874,740
City of North Charleston's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	191.45%	229.03%	216.35%	216.21%	223.12%	220.58%	202.20%	189.65%	207.23%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	60.746%	50.714%	54.398%	54.105%	53.338%	52.906%	56.992%	59.919%	56.388%

Notes to Schedule:

The amounts presented for each fiscal year were determined as of June 30th of the preceding year.
The City implemented GASB #68/71 during the year ended June 30, 2015. Information before 2014 is not available.

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CITY OF NORTH CHARLESTON'S CONTRIBUTIONS
SOUTH CAROLINA RETIREMENT SYSTEM

LAST NINE FISCAL YEARS

	Year Ended June 30,								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	$ 3,860,760	$ 3,395,162	$ 3,796,998	$ 3,421,708	$ 3,227,696	$ 2,732,570	$ 2,541,305	$ 2,365,022	$ 2,209,815
Contributions in Relation to the Contractually Required Contribution	$ 3,860,760	$ 3,395,162	$ 3,796,998	$ 3,421,708	$ 3,227,696	$ 2,732,570	$ 2,541,305	$ 2,365,022	$ 2,209,815
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
City of North Charleston's Covered Payroll	$ 23,313,769	$ 21,819,810	$ 24,402,303	$ 23,500,745	$ 23,803,068	$ 23,638,152	$ 22,977,442	$ 21,697,445	20,846,552
Contributions as a Percentage of Covered Payroll	16.56%	15.56%	15.56%	14.56%	13.56%	11.56%	11.06%	10.90%	10.60%

Notes to Schedule:

The City implemented GASB #68/71 during the year ended June 30, 2015. Information before 2014 is not available.

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CITY OF NORTH CHARLESTON'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
POLICE OFFICERS RETIREMENT SYSTEM

LAST NINE FISCAL YEARS

	Year Ended June 30,								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
City of North Charleston's Proportion of the Net Pension Liability	0.21689%	2.21531%	2.12646%	2.15330%	2.17925%	2.22832%	2.19082%	2.14016%	2.14016%
City of North Charleston's Proportionate Share of the Net Pension Liability	$ 55,803,367	$ 73,464,313	$ 60,943,185	$ 61,014,571	$ 59,701,824	$ 56,520,875	$ 47,748,908	$ 40,971,829	$ 44,364,949
City of North Charleston's Covered Payroll	$ 32,547,224	$ 33,444,531	$ 30,838,560	$ 29,798,995	$ 29,344,035	$ 28,400,316	$ 27,128,131	$ 25,727,728	$ 23,708,912
City of North Charleston's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	171.45%	219.66%	197.62%	204.75%	203.45%	199.01%	176.01%	159.25%	187.12%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.37%	58.79%	62.69%	61.73%	60.94%	60.44%	64.57%	67.55%	62.98%

Notes to Schedule:

The amounts presented for each fiscal year were determined as of June 30th of the preceding year.
The City implemented GASB #68/71 during the year ended June 30, 2015. Information before 2014 is not available.

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CITY OF NORTH CHARLESTON'S CONTRIBUTIONS
POLICE OFFICERS RETIREMENT SYSTEM

LAST NINE FISCAL YEARS

	Year Ended June 30,								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	$ 6,443,758	$ 5,936,614	$ 6,100,282	$ 5,316,568	$ 4,839,357	$ 4,178,591	$ 3,902,203	$ 3,637,882	$ 3,305,104
Contributions in Relation to the Contractually Required Contribution	$ 6,443,758	$ 5,936,614	$ 6,100,282	$ 5,316,568	$ 4,839,357	$ 4,178,591	$ 3,902,203	$ 3,637,882	$ 3,305,104
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
City of North Charleston's Covered Payroll	$ 33,333,642	$ 32,547,224	$ 33,444,531	$ 30,838,560	$ 29,798,995	$ 29,344,035	$ 28,400,316	$ 27,128,131	25,727,728
Contributions as a Percentage of Covered Payroll	19.33%	18.24%	18.24%	17.24%	16.24%	14.24%	13.74%	13.41%	12.85%

Notes to Schedule:

The City implemented GASB #68/71 during the year ended June 30, 2015. Information before 2014 is not available.

Exhibit 16

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CITY OF NORTH CHARLESTON'S NET OPEB LIABILITY AND RELATED RATIOS

	Year Ended June 30,				
	2022	2021	2020	2019	2018
Total OPEB Liability					
Service Cost	$ 1,473,086	$ 1,425,059	$ 1,396,964	$ 1,351,552	$ 1,307,620
Interest	1,775,224	1,676,633	1,651,775	1,560,139	1,463,266
Differences Between Expected and Actual Experience	(2,365,883)	(68,848)	(3,376,579)	(210,984)	206,292
Changes of Assumptions or Other Inputs	(61,221)	-	1,718,118	-	-
Benefit Payments	(915,089)	(998,431)	(738,462)	(803,855)	(1,068,547)
Net Change in Total OPEB Liability	(93,883)	2,034,413	651,816	1,896,852	1,908,631
Total OPEB Liability - Beginning of Year	37,825,383	35,139,154	35,139,154	33,242,302	31,333,671
Total OPEB Liability - End of Year (a)	$ 37,731,500	$ 37,173,567	$ 35,790,970	$35,139,154	$33,242,302
OPEB Plan Fiduciary Net Position					
Contributions - Employer	$ 2,915,089	$ 2,298,431	$ 1,738,462	$ 2,003,855	$ 1,965,966
Net Investment Income	(450,792)	971,144	793,826	122,838	326,662
Benefit Payments	(915,089)	(998,431)	(738,462)	(803,855)	(1,068,547)
Administrative Expense	(11,058)	(10,962)	-	(9,972)	(22,054)
Net Change in OPEB Plan Fiduciary Net Position	1,538,150	2,260,182	1,793,826	1,312,866	1,202,027
OPEB Plan Fiduciary Net Position - Beginning of Year	18,482,777	14,428,769	14,428,769	13,115,903	11,913,876
OPEB Plan Fiduciary Net Position - End of Year (b)	$ 20,020,927	$ 16,688,951	$ 16,222,595	$14,428,769	$13,115,903
City's Net OPEB Liability - End of Year (a) - (b)	$ 17,710,573	$ 20,484,616	$ 19,568,375	$20,710,385	$20,126,399
OPEB Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	53.06%	44.89%	45.33%	41.06%	39.46%
Covered Payroll	$ 53,833,647	$ 47,824,263	$ 47,824,263	$48,049,795	$48,049,795
City's Net OPEB Liability as a Percentage of the Covered Payroll	32.90%	42.83%	40.92%	43.10%	41.89%

Notes to Schedule:
The amounts presented for each fiscal year were determined as of December 31 (June 30, 2019 & 2018 balances were determined as of December 31, 2017 and rates for the year ended June 30, 2020 & 2021 were calculated as of December 31, 2018). Rates for the year ended June 30, 2022 were calculated as of December 31, 2021.
The City implemented GASB #75 during the year ended June 30, 2018.

Exhibit 17

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CITY OF NORTH CHARLESTON'S OPEB CONTRIBUTIONS

	Year Ended June 30,				
	2022	**2021**	**2020**	**2019**	**2018**
Actuarially Determined Contribution	$ 2,213,901	$ 2,254,253	$ 2,198,282	$ 2,145,067	$ 1,923,728
Contributions in Relation to the Actuarially Determined Contribution	2,915,089	2,298,431	1,738,462	2,003,855	1,965,966
Contribution Deficiency (Excess)	$ (701,188)	$ (44,178)	$ 459,820	$ 141,212	$ (42,238)
Covered Payroll	$60,170,894	$54,367,034	$57,840,834	$54,339,305	$53,592,063
Contributions as a Percentage of Covered Payroll	4.84%	4.23%	3.01%	3.69%	3.67%

Notes to Schedule:

The City implemented GASB #75 during the year ended June 30, 2018.

Valuation Date:
Actuarially determined contribution rates are calculated as of December 31 of the fiscal year in which contributions are reported
(rates presented for the year ended June 30, 2018 & 2019 were calculated as of December 31, 2017 and rates for the year ended June 30, 2020 & 2021 were calculated as of December
(Rates presented for the year ended June 30, 2022 were calculated as of December 31, 2021)

Methods and Assumptions Used to Determine Contibution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Amortization Period	30 years
Asset Valuation Method	5-year Smoothed Market
Inflation	2.25%
Healthcare Cost Trend Rates	7.00% decreasing to ultimate rate of 4.50% by 2031
Salary Increases	
SCRS	3.00% - 9.50%
PORS	3.50% - 10.50%
Investment Rate of Return	4.75%
Mortality	Mortality rates were based on the PUB-2010 Mortality Table with a 135% multiplier to better reflect anticipated experience and provide a margin for future improvements.

SUPPLEMENTARY INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

These funds are used to account for the proceeds of special sources (other than expendable trust or major capital projects) that are restricted (legally or by the Mayor or Council) to finance particular functions or activities.

Accommodations Tax accounts for the City's share of the two percent statewide tax on lodging and allocated from the State of South Carolina, for promotion of the Visitors Bureau and other tourism-related activities, including debt service related to the North Charleston Coliseum and Convention Center Complex.

City Accommodations Tax accounts for the one percent local tax collected from hotels and motels in the City.

Community Development Block Grant accounts for the Federal grants expended by the City that are funded by Community Development Block grants. These funds are budgeted for use by the City in areas such as residential rehabilitation, street and sidewalk improvements, drainage improvements, affordable housing and other revitalization programs that benefit the City's incorporated areas.

Firemen's Insurance and Inspection accounts for the Fire Department's share of the State's Insurance and Inspection Fees. Funds are used for the betterment of the Fire Department as approved by its Board of Trustees.

Parking accounts for the revenues and expenditures of the North Charleston Coliseum, Convention Center and Performing Arts Center Complex parking operations.

Anti-Drug accounts for the seizures and forfeitures of cash confiscated during drug arrests. When forfeited by the courts, these funds are restricted for use in drug enforcement and education efforts.

Justice Assistance Grant accounts for Federal funds received for the purpose of providing equipment to our public safety departments in an effort to promote community policing projects.

Victims Advocate accounts for court fines received from certain violators to be expended for assistance to victims as prescribed by State of S.C. laws.

Community Policing Grant Fund accounts for governmental or donated funds received for the purpose of improving community relationships through patrolling and protection efforts.

School Resource Officer Grant accounts for funds received from the Charleston County School District under a memorandum of understanding that funds one School Resource Officer at a middle school for the entire school year.

COPS Hiring Grant Fund accounts for Federal funds received from the U.S. Department of Justice for the purpose of hiring 15 police officers in an effort to increase community policing capacity and crime prevention efforts.

DEBT SERVICE FUNDS

Debt service funds are used to account for the accumulation of resources and payments of long-term bond principal and interest from government resources.

General Obligation Bonds account for funding the accumulation of resources for, and the retirement of, the general obligation bonds issued.

Certificates of Participation and Limited Obligation Bonds account for funding the accumulation of resources for, and the retirement of, the certificates of participation and limited obligation bonds issued.

Installment Purchase Revenue Bonds account for funding the accumulation of resources for, and the retirement of, installment purchase revenue bonds issued.

CAPITAL PROJECT FUNDS

These funds are used to account for financial resources involving the acquisition or construction of nonmajor capital facilities (other than those financed by the Proprietary Enterprise Fund). The primary sources of revenue in these funds are proceeds of general obligation bonds, installment purchase revenue bonds, limited obligation bonds and certificates of participation, grants, contributions, property taxes and settlements from private sources. The City has the following nonmajor capital project funds:

Citywide Capital Improvements Project Fund accounts for and reports the financial resources that are restricted, committed or assigned to the costs of improvements to various roads and infrastructure and other citywide capital assets owned by the City.

Street Light and Drainage Fund accounts for the capital improvements to the City's drainage and street lighting systems.

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2022
(With Comparative Totals at June 30, 2021)

	Special Revenue Funds	General Obligation Bonds Debt Service Fund	Certificates of Participation and Limited Obligation Bonds Debt Service Fund	Installment Purchase Revenue Bonds Debt Service Fund	Capital Project Funds	Total Nonmajor Governmental Funds 2022	Total Nonmajor Governmental Funds 2021
Assets							
Cash and cash equivalents	$ 3,637,213	$ -	$ -	$ -	$ 410,965	$ 4,048,178	$ 3,417,212
Due from other governments	26,469	53,340	868,861	-	-	948,670	1,134,192
Restricted assets:							
Cash and cash equivalents	1,161,230	2,497,783	10,329,087	804,994	11,759,058	26,552,152	17,404,788
Total assets	**$ 4,824,912**	**$ 2,551,123**	**$ 11,197,948**	**$ 804,994**	**$ 12,170,023**	**$ 31,549,000**	**$ 21,956,192**
Liabilities and Fund Balances							
Liabilities:							
Accounts payable	$ 25,474	$ -	$ -	$ -	$ 467,034	$ 492,508	$ 569,928
Escrow for seized funds	501,582	-	-	-	-	501,582	432,303
Due to other funds	4,759	-	-	-	-	4,759	142,709
Total liabilities	531,815	-	-	-	467,034	998,849	1,144,940
Fund balances:							
Restricted for:							
Public safety and public service	3,084,528	-	-	-	-	3,084,528	2,619,863
Facility and infrastructure improvements	-	-	-	-	11,702,989	11,702,989	4,873,866
Debt service	-	2,551,123	11,197,948	804,994	-	14,554,065	12,478,571
Assigned for:							
Community promotions	1,208,569	-	-	-	-	1,208,569	838,952
Total fund balances	4,293,097	2,551,123	11,197,948	804,994	11,702,989	30,550,151	20,811,252
Total liabilities and fund balances	**$ 4,824,912**	**$ 2,551,123**	**$ 11,197,948**	**$ 804,994**	**$ 12,170,023**	**$ 31,549,000**	**$ 21,956,192**

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2022
(With Comparative Totals for the Year Ended June 30, 2021)

	Special Revenue Funds	General Obligation Bonds Debt Service Fund	Certificates of Participation and Limited Obligation Bonds Debt Service Fund	Installment Purchase Revenue Bonds Debt Service Fund	Capital Project Funds	Total Nonmajor Governmental Funds 2022	Total Nonmajor Governmental Funds 2021
Revenues:							
Property taxes	$ -	$ 4,038,112	$ -	$ 4,038,112	$ -	$ 8,076,224	$ 7,400,000
Intergovernmental	5,710,103	625,014	6,709,096	-	10,783,407	23,827,620	10,897,983
Fines and forfeitures	510,707	-	-	-	-	510,707	335,896
Revenues from the use of monies and property	1,672,436	3,859	27,946	6,061	160,586	1,870,888	1,964,046
Total revenues	7,893,246	4,666,985	6,737,042	4,044,173	10,943,993	34,285,439	20,597,925
Expenditures:							
Public safety:							
Police department	1,370,436	-	-	-	-	1,370,436	1,245,770
Fire department	383,969	-	-	-	-	383,969	387,011
Community promotion:							
Community promotion	819,255	-	250,000	-	-	1,069,255	884,889
Culture and recreation:							
Special projects	801,207	-	-	-	-	801,207	581,878
Community development:							
Community development	246,718	-	-	-	-	246,718	414,012
Capital outlay:							
Parking, walkways and infrastructure	-	-	-	-	4,114,870	4,114,870	8,037,443
Debt service:							
Principal	-	3,295,000	5,070,000	2,560,000	-	10,925,000	11,850,000
Interest and fiscal charges	-	1,392,825	3,635,593	1,690,893	-	6,719,311	7,221,722
Bond issuance costs	-	-	-	-	-	-	497,313
Total expenditures	3,621,585	4,687,825	8,955,593	4,250,893	4,114,870	25,630,766	31,120,038
Excess (deficiency) of revenues over expenditures	4,271,661	(20,840)	(2,218,551)	(206,720)	6,829,123	8,654,673	(10,522,113)
Other financing sources (uses):							
Transfers in	553,386	20,840	3,990,765	510,000	-	5,074,991	6,711,375
Transfers (out)	(3,990,765)	-	-	-	-	(3,990,765)	(2,401,832)
Payments to escrow agent	-	-	-	-	-	-	(48,086,994)
Refunding bonds issued	-	-	-	-	-	-	47,465,000
Premiums on bonds issued	-	-	-	-	-	-	1,119,785
Total other financing sources (uses)	(3,437,379)	20,840	3,990,765	510,000	-	1,084,226	4,807,334
Net change in fund balances	**834,282**	-	**1,772,214**	**303,280**	**6,829,123**	**9,738,899**	**(5,714,779)**
Fund balances at beginning of year	3,458,815	2,551,123	9,425,734	501,714	4,873,866	20,811,252	26,526,031
Fund balances at end of year	$ 4,293,097	$ 2,551,123	$ 11,197,948	$ 804,994	$ 11,702,989	$ 30,550,151	$ 20,811,252

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2022
(With Comparative Totals at June 30, 2021)

	Tax Fund Types			Public Safety and Service Type		
	Accommo-dations Tax	City Accommo-dations Tax	CDBG	SRO Grant	Anti-Drug	Justice Assistance Grant
Assets						
Cash and cash equivalents	$ 1,188,569	$ -	$ -	$ -	$ -	$ -
Due from other governments	20,000	-	4,598	-	-	1,871
Restricted assets:						
Cash and cash equivalents	-	-	-	-	814,882	-
Total assets	**$ 1,208,569**	**$ -**	**$ 4,598**	**$ -**	**$ 814,882**	**$ 1,871**
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	$ -	$ -	$ 1,710	$ -	$ 4,508	$ -
Escrow for seized funds	-	-	-	-	501,582	-
Due to other funds	-	-	2,888	-	-	1,871
Total liabilities	-	-	4,598	-	506,090	1,871
Fund balances:						
Restricted for:						
Public safety and public service	-	-	-	-	308,792	-
Assigned for:						
Community promotions	1,208,569	-	-	-	-	-
Total fund balances	1,208,569	-	-	-	308,792	-
Total liabilities and fund balances	**$ 1,208,569**	**$ -**	**$ 4,598**	**$ -**	**$ 814,882**	**$ 1,871**

(continued)

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2022
(With Comparative Totals at June 30, 2021)

	Public Safety and Service Type					Total Nonmajor Special Revenue Funds	
	Community Policing Grant	Victims Advocate	COPS Hiring Grant	Firemen's Insurance & Inspection	Parking	2022	2021
Assets							
Cash and cash equivalents	$ 1,168,631	$ -	$ -	$ -	$ 1,280,013	$ 3,637,213	$ 3,007,608
Due from other governments	-	-	-	-	-	26,469	211,014
Restricted assets:							
Cash and cash equivalents	-	402	-	345,946	-	1,161,230	935,781
Total assets	**$ 1,168,631**	**$ 402**	**$ -**	**$ 345,946**	**$ 1,280,013**	**$ 4,824,912**	**$ 4,154,403**
Liabilities and Fund Balances							
Liabilities:							
Accounts payable	$ 5,848	$ 402	$ -	$ 3,708	$ 9,298	$ 25,474	$ 120,576
Escrow for seized funds	-	-	-	-	-	501,582	432,303
Due to other funds	-	-	-	-	-	4,759	142,709
Total liabilities	5,848	402	-	3,708	9,298	531,815	695,588
Fund balances:							
Restricted for:							
Public safety and public service	1,162,783	-	-	342,238	1,270,715	3,084,528	2,619,863
Assigned for:							
Community promotions	-	-	-	-	-	1,208,569	838,952
Total fund balances	1,162,783	-	-	342,238	1,270,715	4,293,097	3,458,815
Total liabilities and fund balances	**$ 1,168,631**	**$ 402**	**$ -**	**$ 345,946**	**$ 1,280,013**	**$ 4,824,912**	**$ 4,154,403**

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	Tax Fund Types			Public Safety and Service Fund Type		
	Accommodations Tax	City Accommodations Tax	CDBG	SRO Grant	Anti-Drug	Justice Assistance Grant
Revenues:						
Intergovernmental	$ 2,594,308	$ 2,215,712	$ 246,718	$ 66,875	$ -	$ 112,930
Fines and forfeitures	-	-	-	-	452,121	-
Revenues from the use of monies and property	369,617	-	-	-	1,780	-
Total revenues	2,963,925	2,215,712	246,718	66,875	453,901	112,930
Expenditures:						
Public safety:						
Police department	-	-	-	66,875	370,799	112,930
Fire department	-	-	-	-	-	-
Community promotion:						
Community promotion	819,255	-	-	-	-	-
Culture and recreation:						
Special projects	-	-	-	-	-	-
Community development:						
Community development	-	-	246,718	-	-	-
Total expenditures	819,255	-	246,718	66,875	370,799	112,930
Excess (deficiency) of revenues over expenditures	2,144,670	2,215,712	-	-	83,102	-
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers (out)	(1,775,053)	(2,215,712)	-	-	-	-
Total other financing sources (uses)	(1,775,053)	(2,215,712)	-	-	-	-
Net change in fund balances	**369,617**	-	-	-	**83,102**	-
Fund balances at beginning of year	838,952	-	-	-	225,690	-
Fund balances at end of year	**$ 1,208,569**	**$ -**	**$ -**	**$ -**	**$ 308,792**	**$ -**

(continued)

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	Public Safety and Service Fund Type					Total Nonmajor Special Revenue Funds	
	Community Policing Grant	Victims Advocate	COPS Hiring Grant	Firemen's Insurance & Inspection	Parking	2022	2021
Revenues:							
Intergovernmental	$ -	$ -	$ -	$ 473,560	$ -	$ 5,710,103	$ 3,951,931
Fines and forfeitures	-	58,586	-	-	-	510,707	335,896
Revenues from the use of monies and property	4,000	11	-	1,358	1,295,670	1,672,436	1,927,652
Total revenues	4,000	58,597	-	474,918	1,295,670	7,893,246	6,215,479
Expenditures:							
Public safety:							
Police department	193,799	117,683	508,350	-	-	1,370,436	1,245,770
Fire department	-	-	-	383,969	-	383,969	387,011
Community promotion:							
Community promotion	-	-	-	-	-	819,255	509,889
Culture and recreation:							
Special projects	-	-	-	-	801,207	801,207	581,878
Community development:							
Community development	-	-	-	-	-	246,718	414,012
Total expenditures	193,799	117,683	508,350	383,969	801,207	3,621,585	3,138,560
Excess (deficiency) of revenues over expenditures	(189,799)	(59,086)	(508,350)	90,949	494,463	4,271,661	3,076,919
Other financing sources (uses):							
Transfers in	-	45,036	508,350	-	-	553,386	803,711
Transfers (out)	-	-	-	-	-	(3,990,765)	(2,385,488)
Total other financing sources (uses)	-	45,036	508,350	-	-	(3,437,379)	(1,581,777)
Net change in fund balances	**(189,799)**	**(14,050)**	**-**	**90,949**	**494,463**	**834,282**	**1,495,142**
Fund balances at beginning of year	1,352,582	14,050	-	251,289	776,252	3,458,815	1,963,673
Fund balances at end of year	$ 1,162,783	$ -	$ -	$ 342,238	$ 1,270,715	$ 4,293,097	$ 3,458,815

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
June 30, 2022
(With Comparative Totals at June 30, 2021)

	Citywide Capital Improvements	Street Light & Drainage	Total Nonmajor Capital Project Funds 2022	2021
Assets				
Cash and cash equivalents	$ -	$ 410,965	$ 410,965	$ 409,604
Restricted assets:				
Cash & cash equivalents	11,759,058	-	11,759,058	4,663,614
Total assets	$ 11,759,058	$ 410,965	$ 12,170,023	$ 5,073,218
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	$ 467,034	$ -	$ 467,034	$ 199,352
Total liabilities	467,034	-	467,034	199,352
Fund balances:				
Restricted for:				
Facility and infrastructure improvements	11,292,024	410,965	11,702,989	4,873,866
Total fund balances	11,292,024	410,965	11,702,989	4,873,866
Total liabilities and fund balances	$ 11,759,058	$ 410,965	$ 12,170,023	$ 5,073,218

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	Citywide Capital Improvements	Street Light & Drainage	Total Nonmajor Capital Project Funds 2022	Total Nonmajor Capital Project Funds 2021
Revenues:				
Intergovernmental revenues	$ 10,783,407	$ -	$ 10,783,407	$ 750,000
Revenues from use of monies and property	159,225	1,361	160,586	19,611
Total revenues	10,942,632	1,361	10,943,993	769,611
Expenditures:				
Capital outlay:				
Engineering, infrastructure and other	4,114,870	-	4,114,870	8,037,443
Total expenditures	4,114,870	-	4,114,870	8,037,443
Excess (deficiency) of revenues over expenditures	6,827,762	1,361	6,829,123	(7,267,832)
Other financing sources (uses):				
Transfers in	-	-	-	450,000
Transfers (out)	-	-	-	(16,344)
Total other financing sources (uses)	-	-	-	433,656
Net change in fund balance	6,827,762	1,361	6,829,123	(6,834,176)
Fund balance at beginning of year	4,464,262	409,604	4,873,866	11,708,042
Fund balance at end of year	**$ 11,292,024**	**$ 410,965**	**$ 11,702,989**	**$ 4,873,866**

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
SPECIAL REVENUE FUNDS
ACCOMMODATIONS TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022			
	Final Budget	Actual	Variance Over (Under)	2021 Actual
Revenues:				
Intergovernmental - State	$ 2,543,750	$ 2,594,308	$ 50,558	$ 1,590,881
Revenues from use of monies and property	156,250	369,617	213,367	117,500
Total revenues	2,700,000	2,963,925	263,925	1,708,381
Expenditures:				
Community promotion:				
Community promotion	843,750	819,255	(24,495)	509,889
Total expenditures	843,750	819,255	(24,495)	509,889
Excess (deficiency) of revenues over expenditures	1,856,250	2,144,670	288,420	1,198,492
Other financing sources (uses):				
Transfers to Debt Service Fund	(1,856,250)	(1,775,053)	(81,197)	(1,088,498)
Total other financing sources (uses)	(1,856,250)	(1,775,053)	(81,197)	(1,088,498)
Net change in fund balance	-	369,617	369,617	109,994
Fund balance at beginning of year	838,952	838,952	-	728,958
Fund balance at end of year	$ 838,952	$ 1,208,569	$ 369,617	$ 838,952

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
SPECIAL REVENUE FUNDS
CITY ACCOMMODATIONS TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022			
	Final Budget	Actual	Variance Over (Under)	2021 Actual
Revenues:				
Intergovernmental - State	$ 2,256,250	$ 2,215,712	$ (40,538)	$ 1,296,990
Total revenues	2,256,250	2,215,712	(40,538)	1,296,990
Expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	2,256,250	2,215,712	(40,538)	1,296,990
Other financing sources (uses):				
Transfers to Debt Service Fund	(2,256,250)	(2,215,712)	(40,538)	(1,296,990)
Total other financing sources (uses)	(2,256,250)	(2,215,712)	(40,538)	(1,296,990)
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	$ -	$ -	$ -	$ -

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
SPECIAL REVENUE FUNDS
COMMUNITY DEVELOPMENT BLOCK GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022			
	Final Budget	Actual	Variance Over (Under)	2021 Actual
Revenues:				
Intergovernmental - Federal	$ 1,579,842	$ 246,718	$ (1,333,124)	$ 414,012
Total revenues	1,579,842	246,718	(1,333,124)	414,012
Expenditures:				
Community development:				
Housing and infrastructure	1,579,842	246,718	(1,333,124)	414,012
Total expenditures	1,579,842	246,718	(1,333,124)	414,012
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	$ -	$ -	$ -	$ -

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
SPECIAL REVENUE FUNDS
SCHOOL RESOURCE OFFICER GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022			
	Final Budget	Actual	Variance Over (Under)	2021 Actual
Revenues:				
Intergovernmental - Local	$ 75,658	$ 66,875	$ (8,783)	$ 65,564
Total revenues	75,658	66,875	(8,783)	65,564
Expenditures:				
Public safety:				
Police department	75,658	66,875	(8,783)	65,564
Total expenditures	75,658	66,875	(8,783)	65,564
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	$ -	$ -	$ -	$ -

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
SPECIAL REVENUE FUNDS
JUSTICE ASSISTANCE GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022			
	Final Budget	Actual	Variance Over (Under)	2021 Actual
Revenues:				
Intergovernmental - Federal	$ 275,077	$ 112,930	$ (162,147)	$ 149,525
Total revenues	275,077	112,930	(162,147)	149,525
Expenditures:				
Public safety:				
Police department	275,077	112,930	(162,147)	149,525
Total expenditures	275,077	112,930	(162,147)	149,525
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	$ -	$ -	$ -	$ -

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
SPECIAL REVENUE FUNDS
COMMUNITY POLICING GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022			
	Final Budget	Actual	Variance Over (Under)	2021 Actual
Revenues:				
Revenues from the use of monies and property	$ 1,350,000	$ 4,000	$ (1,346,000)	$ 1,350,113
Total revenues	1,350,000	4,000	(1,346,000)	1,350,113
Expenditures:				
Public safety:				
Police department	1,350,000	193,799	(1,156,201)	-
Total expenditures	1,350,000	193,799	(1,156,201)	-
Net change in fund balance	-	(189,799)	(189,799)	1,350,113
Fund balance at beginning of year	1,352,582	1,352,582	-	2,469
Fund balance at end of year	$ 1,352,582	$ 1,162,783	$ (189,799)	$ 1,352,582

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
SPECIAL REVENUE FUNDS
VICTIMS ADVOCATE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022			
	Final Budget	Actual	Variance Over (Under)	2021 Actual
Revenues:				
Fines and forfeitures	$ 72,061	$ 58,586	$ (13,475)	$ 75,499
Revenues from use of monies and property	-	11	11	7,952
Total revenues	72,061	58,597	(13,464)	83,451
Expenditures:				
Public safety:				
Police department	118,111	117,683	(428)	106,253
Total expenditures	118,111	117,683	(428)	106,253
Excess (deficiency) of revenues over expenditures	(46,050)	(59,086)	(13,036)	(22,802)
Other financing sources (uses):				
Transfer from General Fund	32,000	45,036	13,036	22,802
Total other financing sources (uses)	32,000	45,036	13,036	22,802
Net change in fund balance	(14,050)	(14,050)	-	-
Fund balance at beginning of year	14,050	14,050	-	14,050
Fund balance at end of year	$ -	$ -	$ -	$ 14,050

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
SPECIAL REVENUE FUNDS
COMMUNITY ORIENTED POLICE HIRING GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022			
	Final Budget	Actual	Variance Over (Under)	2021 Actual
Revenues:				
Intergovernmental - Federal	$ -	$ -	$ -	$ -
Total revenues	-	-	-	-
Expenditures:				
Public safety:				
Police department	510,000	508,350	(1,650)	648,801
Total expenditures	510,000	508,350	(1,650)	648,801
Excess (deficiency) of revenues over expenditures	(510,000)	(508,350)	(1,650)	(648,801)
Other financing sources (uses):				
Transfer from General Fund	510,000	508,350	(1,650)	648,801
Total other financing sources (uses)	510,000	508,350	(1,650)	648,801
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	$ -	$ -	$ -	$ -

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
SPECIAL REVENUE FUNDS
PARKING FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022			
	Final Budget	Actual	Variance Over (Under)	2021 Actual
Revenues:				
Revenues from use of monies and property	$ 842,455	$ 1,295,670	$ 453,215	$ 449,770
Total revenues	842,455	1,295,670	453,215	449,770
Expenditures:				
Culture and recreation:				
Special projects	842,455	801,207	(41,248)	581,878
Total expenditures	842,455	801,207	(41,248)	581,878
Excess (deficiency) of revenues over expenditures	-	494,463	494,463	(132,108)
Other financing sources (uses):				
Transfers from General Fund	-	-	-	132,108
Total other financing sources (uses)	-	-	-	132,108
Net change in fund balance	-	494,463	494,463	-
Fund balance at beginning of year	776,252	776,252	-	776,252
Fund balance at end of year	$ 776,252	$ 1,270,715	$ 494,463	$ 776,252

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
DEBT SERVICE FUNDS
GENERAL OBLIGATION BONDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022			
	Final Budget	Actual	Variance Over (Under)	2021 Actual
Revenues:				
Property taxes	$ 3,750,000	$ 4,038,112	$ 288,112	$ 3,900,000
Intergovernmental - Federal	-	-	-	97,303
Intergovernmental - Local	575,000	625,014	50,014	591,074
Revenues from use of monies and property	5,000	3,859	(1,141)	3,341
Total revenues	4,330,000	4,666,985	336,985	4,591,718
Expenditures:				
Debt Service:				
Principal	3,295,000	3,295,000	-	3,570,000
Interest and fiscal charges	1,401,125	1,392,825	(8,300)	1,525,357
Bond issuance costs	-	-	-	126,273
Total expenditures	4,696,125	4,687,825	(8,300)	5,221,630
Excess (deficiency) of revenues over expenditures	(366,125)	(20,840)	345,285	(629,912)
Other financing sources (uses):				
Transfers in	366,125	20,840	(345,285)	654,945
Payments to escrow agent	-	-	-	(8,693,843)
Refunding bonds issued	-	-	-	7,710,000
Premiums on bonds issued	-	-	-	1,119,785
Total other financing sources (uses)	366,125	20,840	(345,285)	790,887
Net change in fund balance	-	-	-	160,975
Fund balance at beginning of year	2,551,123	2,551,123	-	2,390,148
Fund balance at end of year	$ 2,551,123	$ 2,551,123	$ -	$ 2,551,123

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
DEBT SERVICE FUNDS
CERTIFICATES OF PARTICIPATION & LIMITED OBLIGATION BONDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022			
	Final Budget	Actual	Variance Over (Under)	2021 Actual
Revenues:				
Intergovernmental - State	$ 3,635,000	$ 4,851,415	$ 1,216,415	$ 4,072,715
Intergovernmental - Local	1,435,000	1,857,681	422,681	1,434,960
Revenues from use of monies and property	15,000	27,946	12,946	12,924
Total revenues	5,085,000	6,737,042	1,652,042	5,520,599
Expenditures:				
Community promotion	250,000	250,000	-	375,000
Debt Service:				
Principal	5,070,000	5,070,000	-	6,580,000
Interest and fiscal charges	3,675,000	3,635,593	(39,407)	3,896,752
Total expenditures	8,995,000	8,955,593	(39,407)	10,851,752
Excess (deficiency) of revenues over expenditures	(3,910,000)	(2,218,551)	1,691,449	(5,331,153)
Other financing sources (uses):				
Transfers in	2,112,500	3,990,765	1,878,265	4,292,719
Total other financing sources (uses)	2,112,500	3,990,765	1,878,265	4,292,719
Net change in fund balance	(1,797,500)	1,772,214	3,569,714	(1,038,434)
Fund balance at beginning of year	9,425,734	9,425,734	-	10,464,168
Fund balance at end of year	$ 7,628,234	$ 11,197,948	$ 3,569,714	$ 9,425,734

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
DEBT SERVICE FUNDS
INSTALLMENT PURCHASE REVENUE BONDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022			
	Final Budget	Actual	Variance Over (Under)	2021 Actual
Revenues:				
Property taxes	$ 3,795,000	$ 4,038,112	$ 243,112	$ 3,500,000
Revenues from use of monies and property	-	6,061	6,061	518
Total revenues	3,795,000	4,044,173	249,173	3,500,518
Expenditures:				
Debt Service:				
Principal	2,560,000	2,560,000	-	1,700,000
Interest and fiscal charges	1,745,000	1,690,893	(54,107)	1,799,613
Bond issuance costs	-	-	-	371,040
Total expenditures	4,305,000	4,250,893	(54,107)	3,870,653
Excess (deficiency) of revenues over expenditures	(510,000)	(206,720)	303,280	(370,135)
Other financing sources (uses):				
Transfers in	510,000	510,000	-	510,000
Payments to escrow agent	-	-	-	(39,393,151)
Refunding bonds issued	-	-	-	39,755,000
Total other financing sources (uses)	510,000	510,000	-	871,849
Net change in fund balance	-	303,280	303,280	501,714
Fund balance at beginning of year	501,714	501,714	-	-
Fund balance at end of year	**$ 501,714**	**$ 804,994**	**$ 303,280**	**$ 501,714**

Schedule F-1

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
COMPARATIVE SCHEDULE BY SOURCE
June 30, 2022 and 2021

	2022	2021
Governmental funds capital assets:		
Land	$ 56,819,086	$ 55,059,126
Construction in progress	15,214,784	11,081,382
Buildings	321,357,851	321,357,851
Infrastructure	95,433,672	95,433,672
Furniture, fixtures and improvements	92,594,942	89,381,471
Equipment	90,013,564	89,166,559
Total governmental funds capital assets	**$ 671,433,899**	**$ 661,480,061**
Investment in governmental funds capital assets by source:		
Capital project funds	$ 463,434,151	$ 454,327,318
Governmental funds revenues	151,809,373	150,962,368
Federal and State grants	35,676,900	35,676,900
Donations and other	20,513,475	20,513,475
Total governmental funds capital assets	**$ 671,433,899**	**$ 661,480,061**

CITY OF NORTH CHARLESTON, SOUTH CAROLINA Schedule G-1

UNIFORM SUPPLEMENTAL SCHEDULE OF FINES, ASSESSMENTS, AND SURCHARGES (PER ACT 96)

YEAR ENDED JUNE 30, 2022

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			842,030	842,030
Court fines and assessments remitted to State Treasurer			(442,942)	(442,942)
Total Court Fines and Assessments retained			399,088	399,088
Surcharges and Assessments retained for victim services:				
Surcharges collected and retained			15,800	15,800
Assessments retained			42,786	42,786
Total Surcharges and Assessments retained for victim services			58,586	58,586

FOR THE DEPARTMENT OF CRIME VICTIM COMPENSATION (DCVC)

VICTIM SERVICE FUNDS COLLECTED	Municipal	County	Total
Carryforward from Previous Year – Beginning Balance	14,050		14,050
Victim Service Revenue:			
Victim Service Fines Retained by City/County Treasurer			
Victim Service Assessments Retained by City/County Treasurer	42,786		42,786
Victim Service Surcharges Retained by City/County Treasurer	15,800		15,800
Interest Earned & Other Income	11		11
Grant Funds Received			
Grant from:			
General Funds Transferred to Victim Service Fund	45,036		45,036
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)	117,683		117,683
Expenditures for Victim Service Program:	Municipal	County	Total
Salaries and Benefits	106,568		106,568
Operating Expenditures	11,115		11,115
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)	117,683		117,683
Total Victim Service Funds Retained by Municipal/County Treasurer (A-B)			
Less: Prior Year Fund Deficit Repayment			
Carryforward Funds – End of Year	-		-

STATISTICAL SECTION

This part of the City of North Charleston's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the City's overall financial health.

Contents **Page**

Financial Trends 100
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity 106
These schedules contain information to help the reader assess the City's most significant local revenue source, principally the property tax.

Debt Capacity 111
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information 115
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information 117
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Net investment in capital assets	$ 155,168,837	$ 181,770,720	$ 226,873,405	$ 255,827,193	$ 269,276,543	$ 276,808,151	$ 299,415,020	$ 287,536,690	$ 253,105,551	$ 262,949,805
Restricted	27,866,231	21,721,357	21,681,183	18,592,679	24,653,188	20,697,865	37,113,459	52,155,371	63,675,150	41,658,344
Unrestricted	42,013,899	52,355,841	(34,926,375)	(41,087,614)	(50,677,748)	(63,598,862)	(84,238,300)	(96,509,174)	(78,760,111)	(35,124,748)
Total governmental activities net position	225,048,967	255,847,918	213,628,213	233,332,258	243,251,983	233,907,154	252,290,179	243,182,887	238,020,590	269,483,401
Business-type activities										
Net investment in capital assets	$ 2,600,404	$ 2,785,583	$ 3,844,982	$ 4,157,046	$ 4,334,928	$ 5,022,064	$ 5,369,014	$ 5,942,418	$ 5,978,739	$ 6,950,549
Unrestricted	5,745,453	5,234,795	3,164,826	2,269,972	3,481,903	2,174,668	3,029,239	3,836,960	4,814,496	3,755,740
Total business-type activities net position	8,345,857	8,020,378	7,009,808	6,427,018	7,816,831	7,196,732	8,398,253	9,779,378	10,793,235	10,706,289
Primary government										
Net investment in capital assets	$ 157,769,241	$ 184,556,303	$ 230,718,387	$ 259,984,239	$ 273,611,471	$ 281,830,215	$ 304,784,034	$ 293,479,108	$ 259,084,290	$ 269,900,354
Restricted	27,866,231	21,721,357	21,681,183	18,592,679	24,653,188	20,697,865	37,113,459	52,155,371	63,675,150	41,658,344
Unrestricted	47,759,352	57,590,636	(31,761,549)	(38,817,642)	(47,195,845)	(61,424,194)	(81,209,061)	(92,672,214)	(73,945,615)	(31,369,008)
Total primary government net position	$ 233,394,824	$ 263,868,296	$ 220,638,021	$ 239,759,276	$ 251,068,814	$ 241,103,886	$ 260,688,432	$ 252,962,265	$ 248,813,825	$ 280,189,690

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities:										
Expenses										
General government	$ 27,445,090	$ 26,867,536	$ 26,457,600	$ 32,296,185	$ 34,530,826	$ 38,783,954	$ 42,215,486	$ 59,398,285	$ 64,770,214	$ 49,150,093
Public safety	51,619,681	54,457,376	58,491,261	61,633,465	67,170,655	66,992,191	69,552,562	74,696,804	70,629,319	72,322,466
Sanitation	6,011,879	6,389,844	6,129,667	6,306,562	7,000,290	6,493,504	6,300,832	6,462,848	6,190,874	6,515,840
Culture and recreation	14,148,047	15,489,110	16,495,636	17,469,972	17,925,304	18,772,388	19,161,665	19,839,395	16,049,191	22,057,460
Community development and promotion	4,906,786	4,709,825	5,174,995	4,709,983	6,679,525	4,618,764	4,503,967	4,755,152	4,392,536	6,793,358
Interest on long-term debt	7,098,192	7,649,242	5,888,319	5,488,761	7,178,924	7,879,075	8,472,792	8,554,244	6,722,838	8,587,584
Total governmental activities expenses	111,229,675	115,562,933	118,637,478	127,904,928	140,485,524	143,539,876	150,207,304	173,706,728	168,754,972	165,426,801
Program revenues										
Charges for services:										
General government	3,952,793	3,204,897	3,002,029	3,922,073	4,151,146	3,911,296	3,604,164	3,082,180	3,556,980	3,297,127
Public safety	3,872,664	3,688,314	3,974,967	3,599,404	3,089,174	3,112,088	3,465,147	3,432,519	3,113,215	3,089,373
Sanitation	67,556	74,729	58,175	83,800	82,601	32,375	84,714	129,017	-	65,147
Culture and recreation	7,216,389	9,034,247	7,722,471	8,293,168	10,452,107	9,514,023	9,587,826	8,038,127	4,685,178	11,920,449
Operating grants and contributions	4,831,230	3,534,071	4,802,442	3,892,060	4,391,958	3,918,886	4,203,707	4,450,205	5,987,059	10,701,450
Capital grants and contributions	1,244,990	16,298,998	19,860,711	7,986,236	1,570,651	8,075,233	13,139,697	3,125,348	899,525	12,225,880
Total governmental activities program revenues	21,185,622	35,835,256	39,420,795	27,776,741	23,737,637	28,563,901	34,085,255	22,257,396	18,241,957	41,299,426
Total Governmental Activities Net Program Expense	$ 90,044,053	$ 79,727,677	$ 79,216,683	$ 100,128,187	$ 116,747,887	$ 114,975,975	$ 116,122,049	$ 151,449,332	$ 150,513,015	$ 124,127,375

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities (continued):										
General Revenues and Other Changes in Net Position										
Taxes										
Property taxes	$ 52,270,893	$ 52,566,263	$ 53,869,578	$ 57,252,351	$ 61,028,053	$ 57,820,066	$ 64,309,746	$ 70,286,375	$ 77,086,954	$ 78,670,277
Business license taxes	21,421,988	22,249,041	22,931,298	24,692,314	26,306,512	27,341,722	26,448,488	28,626,726	27,418,252	30,506,646
Sales taxes	8,940,463	10,153,006	10,629,210	11,759,175	12,296,029	12,733,860	13,527,556	13,431,545	14,691,841	16,306,497
Franchise taxes	8,051,475	8,415,235	9,154,565	9,676,988	8,988,232	9,005,507	8,520,261	7,925,146	7,818,741	8,125,179
Hospitality taxes	5,679,436	5,961,759	6,763,503	7,077,470	7,265,612	7,667,819	8,322,621	7,868,244	7,732,270	9,350,824
Accommodations taxes	4,372,821	5,021,022	5,603,398	5,633,783	6,133,600	6,312,211	6,320,359	5,162,347	4,067,438	6,598,202
Other taxes	178,530	219,857	294,013	277,442	203,053	195,070	230,210	183,545	150,262	244,700
State shared revenues	2,511,770	2,523,874	2,542,418	2,542,418	2,641,066	3,136,864	3,163,926	3,246,249	3,246,250	3,581,618
Investment earnings	859,341	213,490	454,003	563,372	970,842	1,991,570	3,196,330	2,749,191	347,787	599,456
Miscellaneous	1,351,728	4,190,079	867,353	1,107,950	1,341,101	1,459,672	1,013,788	3,383,042	3,162,379	1,976,865
Special item-settlement agreement (Note 1)	14,360,000	-	9,165,000	-	-	-	-	-	-	-
Special item-settlement agreement (Note 2)	-	-	(5,500,000)	-	-	-	-	-	-	-
Transfers	(774,014)	(986,998)	(939,350)	(751,031)	(506,488)	(357,348)	(548,211)	(520,370)	(371,456)	(370,078)
Total general revenues and other changes in net position	119,224,431	110,526,628	115,834,989	119,832,232	126,667,612	127,307,013	134,505,074	142,342,040	145,350,718	155,590,186
Total Governmental Activities Change in Net Position	$ 29,180,378	$ 30,798,951	$ 36,618,306	$ 19,704,045	$ 9,919,725	$ 12,331,038	$ 18,383,025	$ (9,107,292)	$ (5,162,297)	$ 31,462,811

Note (1): The special item - settlement agreement represents amounts owed from Palmetto Railways as a result of an agreement dated in February 2013 and release concerning a dispute relative to the development of rail access to an intermodal container transfer facility located in the City of North Charleston. In September 2014, Palmetto Railways and the City reached a settlement that resulted in the exchange of property that amounted to an increase of $9,165,000 in capital asset value.

Note (2): The special item-settlement agreement represents a lawsuit settlement on October 8, 2015 resulting from a potential claim that would have been captioned the Estate of Walter Scott v. The City of North Charleston, et.al.

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Business-type Activities:										
Expenses										
Golf course enterprise fund	$ 2,408,010	$ 2,561,377	$ 2,321,730	$ 2,237,278	$ 2,619,428	$ 2,479,565	$ 2,557,198	$ 2,477,393	$ 2,407,941	$ 2,631,241
Stormwater utility enterprise fund	3,262,117	3,829,193	3,693,146	5,066,996	3,383,068	4,393,095	4,004,446	4,074,216	4,877,820	6,436,679
Total business-type activities expenses	5,670,127	6,390,570	6,014,876	7,304,274	6,002,496	6,872,660	6,561,644	6,551,609	7,285,761	9,067,920
Program revenues										
Charges for services:										
Golf course enterprise fund	1,284,175	1,259,730	1,144,490	1,241,324	1,818,460	2,014,022	1,970,120	1,839,951	2,292,159	2,818,271
Stormwater utility enterprise fund	3,556,993	3,793,027	3,724,405	4,095,088	4,855,735	4,298,656	5,162,712	5,409,171	5,520,616	5,656,629
Operating grants and contributions	-	-	-	-	46,690	-	-	-	-	-
Capital grants and contributions	-	-	330,000	550,000	117,750	-	-	-	-	-
Total business-type activities revenues	4,841,168	5,052,757	5,198,895	5,886,412	6,838,635	6,312,678	7,132,832	7,249,122	7,812,775	8,474,900
Total Business-type Activities Net Program Expense	828,959	1,337,813	815,981	1,417,862	(836,139)	559,982	(571,188)	(697,513)	(527,014)	593,020
Other Changes in Net Position										
Miscellaneous	64,910	25,336	65,331	84,041	47,186	62,057	82,122	163,242	115,387	135,996
Transfers, net	774,014	986,998	939,350	751,031	506,488	357,348	548,211	520,370	371,456	370,078
Total Business-type Activities Change in Net Position	$ 9,965	$ (325,479)	$ 188,700	$ (582,790)	$ 1,389,813	$ (140,577)	$ 1,201,521	$ 1,381,125	$ 1,013,857	$ (86,946)
Total Primary Government Change in Net Position	$ 29,190,343	$ 30,473,472	$ 36,807,006	$ 19,121,255	$ 11,309,538	$ 12,190,461	$ 19,584,546	$ (7,726,167)	$ (4,148,440)	$ 31,375,865

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
GOVERNMENTAL FUNDS
FUND BALANCES
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Nonspendable	274,984	237,272	1,151,727	859,957	490,969	488,245	640,904	642,148	1,027,261	3,393,615
Restricted	-	827,268	2,426,723	3,495,172	1,537,879	2,436,055	2,384,811	2,457,648	656,500	2,684,743
Committed	412,023	412,694	477,128	641,611	1,212,749	1,031,377	1,048,749	350,046	1,250,027	1,745,060
Assigned	4,452,826	5,069,487	4,933,417	4,113,187	7,071,580	8,470,192	7,981,859	8,838,293	7,981,111	7,992,496
Unassigned	20,485,406	20,620,802	12,827,624	12,714,812	13,972,612	21,586,634	27,160,114	29,196,285	43,808,854	52,810,811
Total General Fund	$ 25,625,239	$ 27,167,523	$ 21,816,619	$ 21,824,739	$ 24,285,789	$ 34,012,503	$ 39,216,437	$ 41,484,420	$ 54,723,753	$ 68,626,725
All Other Governmental Funds										
Nonspendable	52,936	42,520	50,163	187,641	55,046	95,751	47,685	193,380	232,252	169,374
Restricted	76,787,587	57,158,017	53,080,616	43,818,393	116,053,813	108,094,919	118,735,011	84,596,810	101,961,069	153,954,280
Assigned	384,680	369,852	417,966	347,757	247,118	681,997	797,592	867,776	939,868	1,466,378
Total All Other Governmental Funds	$ 77,225,203	$ 57,570,389	$ 53,548,745	$ 44,353,791	$ 116,355,977	$ 108,872,667	$ 119,580,288	$ 85,657,966	$ 103,133,189	$ 155,590,032

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
GOVERNMENTAL FUNDS
CHANGES IN FUND BALANCES
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Property taxes	$ 51,516,594	$ 52,409,847	$ 53,779,197	$ 57,042,134	$ 60,793,331	$ 57,479,535	$ 64,072,543	$ 70,025,598	$ 76,882,123	$ 78,560,178
Licenses and permits	31,420,738	32,991,422	34,119,753	37,036,183	37,991,977	39,102,975	37,864,749	39,164,130	38,327,902	41,517,125
Intergovernmental	27,652,503	43,841,104	50,986,549	40,024,244	36,791,204	43,482,009	48,287,287	36,710,919	35,723,641	58,814,072
Fines and forfeitures	1,826,523	1,918,180	2,009,689	1,678,485	1,111,709	1,107,993	896,351	851,081	790,597	885,622
Charges for services	1,918,865	1,611,405	1,761,270	2,175,807	2,238,554	2,283,811	2,946,825	2,957,832	2,748,142	3,012,030
Investment/property earnings	9,708,023	10,667,406	9,078,518	9,746,669	10,776,223	12,050,679	12,834,296	12,715,124	6,161,730	12,926,735
Other revenues	442,195	883,983	856,157	1,042,547	960,793	1,418,217	696,754	1,686,996	779,597	783,550
Total revenues	124,485,441	144,323,347	152,591,133	148,746,069	150,663,791	156,925,219	167,598,805	164,111,680	161,413,732	196,499,312
Expenditures										
General government	23,929,383	25,891,695	26,374,210	28,902,833	30,221,023	37,645,135	38,339,053	35,453,690	30,302,381	33,477,906
Public safety	52,819,352	55,207,576	56,716,601	61,935,194	62,787,241	62,469,821	66,791,421	70,658,250	66,044,085	75,487,819
Sanitation	5,756,066	6,099,718	6,652,304	6,038,348	6,732,214	5,901,967	5,938,587	6,475,682	5,370,606	6,482,871
Culture and recreation	13,135,932	14,165,731	14,101,241	14,499,420	14,753,130	15,369,627	15,942,208	16,063,749	12,076,859	17,710,837
Community development and promotion	4,250,510	4,496,711	4,818,173	4,430,162	6,825,907	4,242,797	4,003,977	3,967,421	3,685,016	6,364,638
Capital outlay	29,465,729	42,490,801	47,238,809	23,351,434	13,245,452	14,070,133	38,523,069	64,277,579	43,024,980	18,219,412
Debt service										
Financed purchase principal	17,207,010	18,069,793	19,303,029	19,277,287	20,490,579	15,926,659	16,212,335	17,793,043	17,581,338	17,778,034
Lease liability principal	-	-	-	-	-	-	-	-	-	392,744
Interest	7,178,755	6,718,366	6,237,230	6,026,731	5,916,063	8,175,152	7,807,582	9,170,170	9,505,695	9,708,975
Bond issuance costs	34,000	-	182,689	-	690,668	-	801,261	309,470	1,016,020	429,366
Total expenditures	153,776,737	173,140,391	181,624,286	164,461,409	161,662,277	163,801,291	194,359,493	224,169,054	188,606,980	186,052,602
Excess (deficiency) of revenues over expenditures	(29,291,296)	(28,817,044)	(29,033,153)	(15,715,340)	(10,998,486)	(6,876,072)	(26,760,688)	(60,057,374)	(27,193,248)	10,446,710
Other financing sources (uses)										
Transfers in	8,126,496	24,199,932	11,100,176	15,663,023	10,233,928	7,288,698	5,366,592	9,628,903	9,280,513	7,514,801
Transfers out	(8,900,510)	(25,186,930)	(12,039,526)	(16,414,054)	(10,740,416)	(7,646,046)	(5,914,803)	(10,149,273)	(9,651,969)	(7,884,878)
Proceeds from sale of property	186,676	5,596,512	525,415	1,193,537	413,455	5,312,824	383,665	1,538,882	3,466,417	232,375
Bonds issued	-	-	16,000,000	-	80,000,000	-	36,324,888	19,915,000	46,200,000	42,820,000
Premiums/Discounts on bonds	-	-	2,606,540	-	1,472,755	-	4,108,396	3,424,523	8,578,337	7,632,807
Refunding bonds issued	-	-	-	-	-	-	12,345,112	-	47,465,000	-
Payments to escrow agent	-	-	-	-	-	-	(13,311,607)	-	(48,086,994)	-
Financed purchase obligations	3,409,447	4,095,000	4,968,000	4,086,500	4,082,000	4,164,000	3,370,000	4,045,000	656,500	5,598,000
Total other financing sources (uses)	2,822,109	8,704,514	23,160,605	4,529,006	85,461,722	9,119,476	42,672,243	28,403,035	57,907,804	55,913,105
Special item										
Palmetto Railway settlement agreement	2,000,000	2,000,000	2,000,000	2,000,000	-	-	-	-	-	-
Public safety settlement agreement	-	-	(5,500,000)	-	-	-	-	-	-	-
Net change in fund balances	$ (24,469,187)	$ (18,112,530)	$ (9,372,548)	$ (9,186,334)	$ 74,463,236	$ 2,243,404	$ 15,911,555	$ (31,654,339)	$ 30,714,556	$ 66,359,815
Debt service as a percentage of noncapital expenditures	20.31%	20.02%	21.30%	18.51%	18.44%	16.92%	16.17%	15.91%	15.96%	15.87%

Table 5

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
GOVERNMENTAL FUNDS
TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Fiscal Year	Property	Business License	Sales	Franchise	Hospitality	Accommodations	Other	Total
2013	$ 51,516,594	$ 21,421,988	$ 8,940,463	$ 8,051,475	$ 5,621,345	$ 4,230,989	$ 178,530	$ 99,961,384
2014	52,409,847	22,249,041	10,153,006	8,415,235	5,956,801	4,713,438	219,857	104,117,225
2015	53,779,197	22,931,298	10,629,210	9,154,565	6,763,503	5,603,398	294,013	109,155,184
2016	57,042,134	24,692,314	11,759,175	9,676,988	7,077,470	5,633,783	277,442	116,159,306
2017	60,793,331	26,306,512	12,296,029	8,988,232	7,265,612	6,133,600	203,053	121,986,369
2018	57,479,535	27,341,722	12,733,860	9,005,507	7,667,819	6,312,211	195,070	120,735,724
2019	64,072,543	26,448,488	13,527,556	8,520,261	8,322,621	6,320,359	230,210	127,442,038
2020	70,025,598	28,626,726	13,431,545	7,925,146	7,868,244	5,162,347	183,545	133,223,151
2021	76,882,123	27,418,252	14,691,841	7,818,741	7,732,270	4,067,438	150,262	138,760,927
2022	78,560,178	30,506,646	16,306,497	8,125,179	9,350,824	6,598,202	244,700	149,692,226

Table 6

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year	Real Property	Personal Property	Vehicles	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Estimated Actual Taxable Value
2013	$ 419,113,667	$ 87,175,573	$ 38,043,324	$ 544,332,564	94.0	$ 7,891,135,602	6.90%
2014	436,798,501	84,512,130	41,658,740	562,969,371	95.0	8,379,692,010	6.72%
2015	453,258,440	80,527,770	49,427,010	583,213,220	95.0	8,453,128,499	6.90%
2016	484,484,213	83,986,320	51,947,391	620,417,924	95.0	8,795,399,100	7.05%
2017	536,000,515	92,269,430	58,737,763	687,007,708	95.0	9,283,031,806	7.40%
2018	563,037,152	95,731,915	62,491,503	721,260,570	95.0	9,880,554,290	7.30%
2019	603,573,670	95,650,529	59,316,763	758,540,962	97.0	10,342,481,875	7.33%
2020	648,371,197	101,248,986	64,655,562	814,275,745	97.0	11,150,448,425	7.30%
2021	676,749,425	107,885,474	63,387,815	848,022,714	95.0	11,970,380,356	7.08%
2022	727,031,843	103,165,591	65,229,738	895,427,172	95.0	14,372,836,970	6.23%

Source: Charleston County and Dorchester County Assessor's Offices

Notes: Property in both counties are reassessed once every five years on average. Effective with tax year 1987, merchant's inventory is no longer taxed, with the State of South Carolina reimbursing local governments for the loss of taxes computed on tax year 1987 assessed values and millage. Personal property values above include inventory of $7,051,360, which was based on the fiscal year 1988 assessed value.

Table 7

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
DIRECT AND OVERLAPPING[1] PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(rate per $1,000 of assessed value)

	(2) City of North Charleston			(2)(3) County of Charleston			Charleston County School District (3)			Total Charleston County Direct & Overlapping[1]
Fiscal Year	Direct Operating Millage	Debt Service Millage	Total City Millage	Direct Operating Millage	Debt Service Millage	Total County Millage	Direct Operating Millage	Debt Service Millage	Total School District Millage	Rates
2013	87.0	7.0	94.0	45.8	8.0	53.8	100.5	26.0	126.5	274.3
2014	88.0	7.0	95.0	47.2	7.4	54.6	100.5	26.0	126.5	276.1
2015	88.0	7.0	95.0	46.7	8.4	55.1	100.5	26.0	126.5	276.6
2016	88.0	7.0	95.0	50.9	8.4	59.3	100.7	26.0	126.7	281.0
2017	88.0	7.0	95.0	50.9	8.9	59.8	116.3	20.0	136.3	291.1
2018	88.0	7.0	95.0	50.9	8.9	59.8	119.2	26.0	145.2	300.0
2019	88.0	9.0	97.0	50.9	8.9	59.8	123.2	28.0	151.2	308.0
2020	88.0	9.0	97.0	50.9	8.9	59.8	126.7	28.0	154.7	311.5
2021	86.0	9.0	95.0	47.0	8.6	55.6	118.6	28.0	146.6	297.2
2022	86.0	9.0	95.0	47.0	8.6	55.6	123.7	28.0	151.7	302.3

	City of North Charleston			County of Dorchester			Dorchester County School District (3)			Total Dorchester County Direct & Overlapping[1]
Fiscal Year	Direct Operating Millage	Debt Service Millage	Total City Millage	Direct Operating Millage	Debt Service Millage	Total County Millage	Direct Operating Millage	Debt Service Millage	Total School District Millage	Rates
2013	87.0	7.0	94.0	77.9	4.3	82.2	168.6	36.0	204.6	380.8
2014	88.0	7.0	95.0	77.9	6.5	84.4	168.6	46.0	214.6	394.0
2015	88.0	7.0	95.0	78.1	6.5	84.6	168.6	53.0	221.6	401.2
2016	88.0	7.0	95.0	82.9	6.2	89.1	169.9	53.0	222.9	407.0
2017	88.0	7.0	95.0	83.5	6.2	89.7	169.9	53.0	222.9	407.6
2018	88.0	7.0	95.0	83.5	6.2	89.7	173.6	53.0	226.6	411.3
2019	88.0	9.0	97.0	84.6	6.2	90.8	173.6	53.0	226.6	414.4
2020	88.0	9.0	97.0	86.6	5.9	92.5	183.6	53.0	236.6	426.1
2021	86.0	9.0	95.0	82.6	5.9	88.5	183.6	58.5	242.1	425.6
2022	86.0	9.0	95.0	82.6	8.5	91.1	183.6	65.0	248.6	434.7

Source: Charleston County and Dorchester County Assessor's Offices

Notes: The City's property tax rate may only be increased by a majority vote of the Council members.

(1) Overlapping rates are those of local and county governments that apply to property owners within the City of North Charleston.

(2) Effective with the fiscal year 1991, Charleston County voters approved a local option sales tax, a portion of which is given as credit against taxes levied. This section does not reflect the effective tax rate for different classes of property after the tax credit.

(3) Effective with property tax year 1996, the State of South Carolina approved property tax relief for 100% of school operating taxes up to $100,000 of appraised values on legal residences. This section does not reflect this credit.

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2022 Taxable Assessed Value	2022 Percentage of Total City Taxable Assessed Value	2013 Taxable Assessed Value	2013 Percentage of Total City Taxable Assessed Value
Boeing (Note 1)	$ 65,172,003	7.28%	$ 29,216,623	5.37%
Dominion Energy	17,196,700	1.92%	14,698,066	2.70%
Kapstone	16,694,819	1.86%	12,388,477	2.28%
Mercedez Benz Vans LLC	15,018,623	1.68%	-	
Trident Medical Center	10,815,720	1.21%	3,472,380	0.64%
Tanger Properties	6,354,690	0.71%	4,632,450	0.85%
Ingevity	5,788,684	0.65%	-	
Cellco Partnership	4,951,815	0.55%	4,209,570	0.77%
LRC Leeds Holdings LLC	4,917,740	0.55%	5,428,950	1.00%
North Charleston Joint Venture	4,805,750	0.54%	4,305,010	0.79%
Total	**$ 151,716,544**	**16.94%**	**$ 78,351,526**	**14.39%**

Source: Charleston County and Dorchester County Assessor's offices.

Note 1: Taxable assessed value shown for Boeing represents the total of Charleston County's taxable assessment for Boeing. However, due to the fee-in-lieu agreement with Boeing, the net property tax revenues derived from Boeing are greatly reduced as a result of tax abatements.

Table 9

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Delinquent Tax Collections	Total Property Tax Collections	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2013	$ 45,196,538	$ 42,527,708	94.10%	$ 2,004,651	$ 44,532,359	98.53%
2014	47,576,013	44,846,696	94.26%	1,668,805	46,515,501	97.77%
2015	49,462,096	46,631,464	94.28%	1,545,818	48,177,282	97.40%
2016	51,523,304	49,000,660	95.10%	1,430,618	50,431,278	97.88%
2017	54,465,561	52,067,162	95.60%	1,651,349	53,718,511	98.63%
2018	56,953,386	54,233,480	95.22%	1,637,778	55,871,258	98.10%
2019	63,186,381	60,412,402	95.61%	1,430,627	61,843,029	97.87%
2020	68,342,118	65,176,983	95.37%	3,033,756	68,210,739	99.81%
2021	71,131,101	67,658,806	95.12%	1,520,316	69,179,122	97.26%
2022	73,730,581	70,064,519	95.03%	-	70,064,519	95.03%

Source: Charleston County and Dorchester County Assessor's offices.

Note: Beginning with fiscal year ending June 30, 2003, the Tax Infrastructure Fund began to account for the proceeds from the sale of tax increment financing bonds and the collection of incremental property tax revenues. Total property tax collections reported above do not include the County and School District incremental property tax revenues reflected in the Tax Infrastructure Fund.

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Gross General Bonded Debt: General Obligation Bonds	Restricted Accumulated Resources (4)	Net General Bonded Debt	Percentage of Actual Taxable Value of Property (1)	Gross General Bonded Debt Per Capita (2)	Other Governmental Activities Debt: Tax Increment Bonds	Certificates of Participation	Installment Purchase Rev. Bonds	Limited Obligation Bonds	Financed Purchase Obligations
2013	25,920,000	4,146,947	21,773,053	0.33%	248.59	33,887,261	53,670,085	55,022,000	-	8,943,118
2014	22,505,000	2,105,898	20,399,102	0.27%	210.29	27,678,256	48,566,648	53,616,917	-	10,508,325
2015	37,392,770	1,253,510	36,139,260	0.44%	342.91	21,199,251	43,093,211	52,171,834	-	12,523,296
2016	34,934,000	147,545	34,786,455	0.40%	318.36	14,430,244	37,209,774	50,661,751	-	13,187,009
2017	32,365,230	299,339	32,065,891	0.35%	291.94	7,710,119	30,896,337	49,086,668	81,472,755	13,538,430
2018	29,726,460	293,388	29,433,072	0.30%	265.41	6,565,000	24,122,899	47,441,585	81,413,845	13,560,771
2019	43,633,708	2,348,207	41,285,501	0.42%	379.42	19,758,202	3,555,000	45,726,502	102,945,470	13,163,436
2020	38,979,622	2,339,968	36,639,654	0.35%	339.40	42,183,665	-	43,951,419	98,901,795	13,400,393
2021	35,126,363	2,490,258	32,636,105	0.29%	300.87	67,259,326	-	66,976,593	92,208,120	10,530,555
2022	31,348,319	2,497,783	28,850,536	0.22%	266.79	113,076,381	-	64,177,193	87,024,445	12,720,521

Fiscal Year	Business-type Activities Debt: Golf Course Revenue Bonds	Financed Purchase Obligations	Total Primary Government (3)	Percentage of Personal Income (2)	Per Capita (2)
2013	7,622,410	129,427	185,194,301	0.63%	1,776.14
2014	7,051,170	345,076	170,271,392	0.55%	1,591.07
2015	6,459,930	798,963	173,639,255	0.53%	1,592.38
2016	5,843,690	771,926	157,038,394	0.45%	1,431.11
2017	5,207,450	1,110,729	221,387,718	0.60%	1,996.98
2018	4,546,210	1,352,953	208,729,723	0.52%	1,863.66
2019	3,859,970	1,539,825	234,182,113	0.59%	2,036.37
2020	3,148,730	1,623,138	242,188,762	0.58%	2,108.74
2021	2,407,490	1,781,487	276,289,934	N/A	2,366.51
2022	1,635,250	1,661,994	311,644,103	N/A	2,652.29

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
The amounts presented above are net of related premiums, discounts and adjustments.

(1) See Schedule Table 6 for taxable property value data.
(2) Population and personal income data can be found in Table 14.
(3) Includes gross general bonded debt, other governmental activities debt, and business-type activities debt.
(4) Represents accumulated resources restricted to repaying the principal of general obligation debt

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2022

Governmental Unit	Net Governmental Activities Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Overlapping Debt:			
Charleston County	$ 744,250,000	21.19%	$ 157,680,085
Charleston County Parks & Recreation Commission	56,440,000	21.19%	11,957,627
Charleston County School District	584,265,993	21.19%	123,785,168
Charleston County Aviation Authority	222,355,000	21.19%	47,109,110
North Charleston Sewer District	8,943,524	21.19%	1,894,814
Dorchester County	176,394,382	18.40%	32,465,224
Dorchester County School District	329,571,037	18.40%	60,657,246
Subtotal Overlapping Debt			$ 435,549,274
City Direct Debt			308,346,859
Total Direct and Overlapping Debt			$ 743,896,133

Sources: Assessed value data used to estimate applicable percentages provided by the Charleston County and Dorchester County Assessor's offices. Debt outstanding data provided by each governmental unit.

Notes: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of North Charleston. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account.

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Assessed Property Value	$ 544,332,564	$ 562,969,371	$ 583,213,220	$ 620,417,924	$ 687,007,708	$ 721,260,570	$ 758,540,962	$ 814,275,745	$ 848,022,714	$ 895,427,172
Debt Limit (8% of assessed value)	43,546,605	45,037,550	46,657,058	49,633,434	54,960,617	57,700,846	60,683,277	65,142,060	67,841,817	71,634,174
Net debt applicable to limit:										
General obligation bonds	25,920,000	22,505,000	34,960,000	32,675,000	30,280,000	27,815,000	40,275,000	35,880,000	31,390,000	28,095,000
Legal debt margin	$ 17,626,605	$ 22,532,550	$ 11,697,058	$ 16,958,434	$ 24,680,617	$ 29,885,846	$ 20,408,277	$ 29,262,060	$ 36,451,817	$ 43,539,174
Total net debt applicable to the limit as a percentage of debt limit	59.52%	49.97%	74.93%	65.83%	55.09%	48.21%	66.37%	55.08%	46.27%	39.22%

Note: Under State law, the City's outstanding general obligation debt should not exceed 8% of the total assessed property value.

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS

	Tax Increment Bonds (1)				Golf Course Mortgage Revenue Bonds						
Fiscal Year	Property Tax Increment	Debt Service Principal	Debt Service Interest	Coverage	Golf Course Operating Revenue	Transfers	Less: Operating Expenses	Net Available Revenues	Debt Service Principal	Debt Service Interest	Coverage
2013	8,073,564	5,590,000	1,209,490	1.19	1,337,345	1,274,014	1,543,771	1,067,588	550,000	345,574	1.19
2014	8,282,036	5,865,000	979,397	1.21	1,276,603	1,496,998	1,644,505	1,129,096	575,000	314,297	1.27
2015	8,101,050	6,135,000	738,762	1.18	1,200,372	1,449,350	1,508,246	1,141,476	595,000	286,631	1.29
2016	9,566,068	6,425,000	472,643	1.39	1,306,054	1,261,031	1,451,831	1,115,254	620,000	261,264	1.27
2017	10,464,035	6,725,000	245,889	1.50	1,882,514	1,016,488	1,920,401	978,601	640,000	250,871	1.10
2018	2,260,956	1,150,000	146,568	1.74	2,023,553	867,348	1,796,625	1,094,276	665,000	218,867	1.24
2019	3,660,081	1,190,000	119,757	2.79	1,981,353	1,058,211	1,921,203	1,118,361	690,000	185,465	1.28
2020	4,827,909	490,000	1,007,225	3.22	1,923,032	1,030,370	1,856,788	1,096,614	715,000	163,298	1.25
2021	8,849,877	2,205,000	2,036,052	2.09	2,397,420	881,456	1,859,966	1,418,910	745,000	121,133	1.64
2022	9,900,313	3,445,000	2,758,078	1.60	2,933,461	880,078	2,126,443	1,687,096	775,000	98,515	1.93

	Certificates of Participation and Limited Obligation Bonds										
Fiscal Year	Citywide ATAX Component	Citywide HTAX Component	County Shared ATAX	Total Tax Collections	(2) Other Revenues	Total Revenues	Capitalized Interest Fund	Total Available Resources	Debt Service Principal	Debt Service Interest	Coverage
2013	2,667,325	2,810,672	1,422,517	6,900,514	448,932	7,349,446	-	7,349,446	4,680,000	2,258,797	1.06
2014	3,047,485	2,978,400	1,424,616	7,450,501	519,638	7,970,139	-	7,970,139	5,015,000	2,069,097	1.13
2015	3,303,547	3,312,473	1,426,057	8,042,077	540,900	8,582,977	-	8,582,977	5,385,000	1,827,534	1.19
2016	3,451,543	3,533,891	1,428,806	8,414,240	623,311	9,037,551	-	9,037,551	5,795,000	1,588,179	1.22
2017	3,629,938	3,645,889	1,429,359	8,705,186	595,610	9,300,796	-	9,300,796	6,225,000	1,862,970	1.15
2018	3,903,744	3,809,870	1,431,576	9,145,190	557,745	9,702,935	1,804,931	11,507,866	6,685,000	4,396,434	1.04
2019	3,842,358	4,052,036	1,433,901	9,328,295	772,844	10,101,139	1,804,931	11,906,070	7,160,000	4,219,174	1.05
2020	3,541,375	3,934,122	1,434,959	8,910,456	1,981,560	10,892,016	1,804,931	12,696,947	7,485,000	4,164,021	1.09
2021	2,385,488	3,922,453	1,434,960	7,742,901	2,070,417	9,813,318	891,489	10,704,807	6,580,000	3,896,752	1.02
2022	3,990,765	4,606,715	1,434,960	10,032,440	695,367	10,727,807	-	10,727,807	5,070,000	3,635,593	1.23

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest, depreciation, or amortization expenses. ATAX is accommodations taxes, HTAX is hospitality taxes.

(1) The tax increment bonds are backed by the property tax incremental revenue created by the property value increases subsequent to 1996 for the City Center redevelopment area, 2001 for the Century Oaks redevelopment area and 2003 for the Navy Base redevelopment area.

(2) Other revenues include interest earnings, alcohol permits, other taxes and any transfers.

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population	(In thousands of dollars) Personal Income	Per Capita Personal Income	School Enrollment	Unemployment Rate
2013	104,268	29,167,000	39,853	23,513	7.3%
2014	107,017	30,861,000	42,038	23,902	5.1%
2015	109,044	32,791,000	45,016	24,273	5.8%
2016	109,732	35,242,000	46,439	24,625	4.9%
2017	110,861	37,085,000	48,921	24,850	4.2%
2018	112,000	40,353,000	50,814	25,164	3.1%
2019	115,000	40,001,000	53,279	25,211	3.0%
2020	114,850	41,917,000	55,321	25,550	9.0%
2021	116,750	**	**	25,175	4.0%
2022	117,500	**	**	25,100	3.0%

Sources: Population, personal income, and unemployment rate provided by the State of South Carolina Department of Revenue, Federal Bureau of Economic Analysis, U.S. Department of Commerce, and the State of South Carolina Division of Research and Statistical Service. School enrollment data is provided by the Charleston County and Dorchester County school districts.

Table 15

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

	2022		2013	
Employer	Employees	Percentage of Total MSA (1) Employment	Employees	Percentage of Total MSA (1) Employment
Joint Base Charleston	22,000	5.33%	18,000	5.14%
Boeing	5,700	1.38%	6,000	1.71%
Charleston County	2,700	0.65%	2,500	0.71%
Trident Regional, LLC	2,600	0.63%	2,500	0.71%
U.S. Postal Service	2,000	0.48%	1,200	0.34%
Mercedes-Benz Vans LLC	1,600	0.39%	-	
City of North Charleston	954	0.23%	1,051	0.30%
Dominion Energy	850	0.21%	1,000	0.29%
Kapstone	800	0.19%	1,000	0.29%
Cummins	600	0.15%	-	
Ingevity	520	0.13%	-	
Total	**40,324**	**9.76%**	**33,251**	9.50%

Source: Charleston County Chamber of Commerce and the State of South Carolina Division of Research and Statistical Service. MSA is the Metropolitan Statistical Area encompassing the City of North Charleston and Charleston.

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
FULL-TIME EQUIVALENT CITY OF NORTH CHARLESTON EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General government										
Executive	21	21	21	21	20	21	19	19	19	17
Facilities Management	5	5	5	5	5	2	2	2	2	13
City Council	12	12	12	12	12	12	12	12	12	11
Finance	10	10	10	10	12	11	11	10	10	10
Purchasing	5	6	5	5	5	5	4	4	4	5
Information Systems	10	10	11	11	11	11	11	12	12	12
Municipal Court	19	19	19	19	19	13	13	13	13	10
Human Resources	7	7	7	7	10	9	9	10	10	10
Legal	5	5	5	5	5	4	4	5	5	5
Public Safety										
Police	419	420	420	423	440	437	434	441	421	353
Fire	241	242	257	257	257	258	271	272	272	245
Building Inspections	18	18	19	19	19	18	18	18	18	16
Culture & Recreation										
Parks and Recreation	36	38	44	44	43	47	53	50	50	48
Cultural Arts	7	7	7	7	7	7	7	7	7	7
Community Development										
Planning	17	15	15	15	15	14	14	14	14	12
Code Enforcement	15	15	15	15	15	14	14	14	14	14
Public Works										
Administration	10	10	10	10	11	11	11	11	11	10
Maintenance	73	75	88	88	88	88	88	89	89	64
Sanitation	75	75	74	74	74	65	49	53	53	52
Stormwater Maintenance	46	46	47	47	46	45	45	45	45	40
Total	1,051	1,056	1,091	1,094	1,114	1,092	1,089	1,101	1,081	954

Source: City of North Charleston Human Resources Office.

Notes: A full-time employee is scheduled to work 2080 hours per year (including vacation and sick leave).

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General government										
Building permits issued	1,884	1,726	1,750	1,825	1,850	1,950	2,080	2,184	2,250	2,300
Business licenses issued	7,300	7,656	7,750	7,875	7,950	8,050	8,100	8,150	9,725	9,000
Police										
Physical arrests	13,000	13,636	14,000	10,500	8,750	7,500	5,800	6,000	5,700	6,000
Traffic violations	44,000	45,001	45,500	35,500	22,500	15,500	8,200	9,000	8,500	9,000
Fire										
Fire responses	15,055	17,890	18,500	19,500	19,750	20,500	21,000	22,000	22,500	23,000
Inspections	6,404	6,788	6,200	6,500	5,700	5,250	5,100	4,500	5,000	5,100
Refuse collection										
Garbage collection (annual tons)	29,542	24,670	28,000	29,000	29,500	30,250	30,400	30,750	32,000	31,500
Trash collection (annual tons)	19,563	20,817	21,500	22,500	23,250	24,500	24,250	25,000	26,000	26,500
Golf course										
Rounds played	42,081	41,100	36,113	38,401	43,035	43,380	43,301	46,979	52,133	57,934
Stormwater utility										
Accounts billed	23,951	28,370	29,141	29,343	29,436	32,656	32,242	32,698	32,935	34,370

Source: Various City departments.

CITY OF NORTH CHARLESTON, SOUTH CAROLINA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police stations	7	7	7	7	7	7	7	7	7	7
Fire stations	12	12	12	11	11	11	11	11	11	11
Public Works										
Collection trucks	35	33	35	36	37	35	34	35	32	32
Streetlights	7,500	7,600	7,700	7,800	7,900	8,000	8,050	8,100	8,250	8,250
Traffic signals	119	120	125	130	135	140	145	150	153	153
Parks and Recreation										
Playgrounds	33	34	35	36	37	38	39	40	40	40
Baseball/softball diamonds	27	27	26	26	25	25	24	24	24	24
Football/soccer fields	9	9	8	8	7	7	6	7	7	7
Community centers	20	20	20	20	20	20	21	22	22	22
Senior Citizens Centers	-	-	-	-	-	2	2	2	2	2

Source: Various City departments.