

**DORCHESTER COUNTY
CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA**

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA**

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**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA**

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Greene Finney Cauley, LLP

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

Independent Auditor's Report

The Board of Trustees
Dorchester County Career & Technology Center
Dorchester, South Carolina

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of Dorchester County Career & Technology Center (the "Center"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Center's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Center, as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (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 Center 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 Center's ability to continue as a going concern for twelve 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 opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *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.

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In performing an audit in accordance with GAAS 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 Center'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 Center'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, budgetary comparison schedule, the pension plan schedules, and the OPEB plan 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 Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Center's basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 23, 2024 on our consideration of the Center'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 Center'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 Center's internal control over financial reporting and compliance.

Greene Finney Cauley, LLP

Greene Finney Cauley, LLP
Mauldin, South Carolina
October 23, 2024

**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2024

INTRODUCTION

The following management's discussion and analysis (MD&A) of Dorchester County Career & Technology Center (the "Center") offers a narrative overview and analysis of the Center's financial position and results of operations for the fiscal year ended June 30, 2024. The intent of this discussion and analysis is to look at the Center's financial performance as a whole; readers should also review the financial statements and the notes to the financial statements to enhance their understanding of the Center's financial performance.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the Center exceeded its liabilities and deferred inflows at June 30, 2024 by approximately \$9,541,000 (net position).
- Total government-wide revenues of approximately \$8,044,000 exceeded expenditures of approximately \$6,183,000 by approximately \$1,861,000 for the year ended June 30, 2024.
- The total fund balance of the General Fund increased by approximately \$574,000 to approximately \$7,528,000 compared to an increase of approximately \$880,000 in the prior year. The entire fund balance is unassigned.
- The increase in fund balance of the General Fund is due to total revenues and other financing sources of approximately \$7,375,000 exceeding expenditures and other financing uses of approximately \$6,801,000 by approximately \$574,000.
- The fund balance of the Capital Projects Fund decreased by approximately \$883,000 from the prior year to an ending fund balance of approximately \$4,812,000. The decrease is primarily the result of approximately \$2,108,000 of capital outlay primarily related to the purchase of land, partially offset by a transfer in from the General Fund of \$1,000,000. The entire fund balance is assigned for capital projects.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand as a financial whole, or as an entire operating entity.

The Statement of Net Position and Statement of Activities provide information about the activities of the Center, presenting both an aggregate view of the Center's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the Center's governmental funds.

The Statement of Net Position and Statement of Activities

One of the most important questions asked about the Center's finances is the following: Is the Center in better or worse condition as a result of the year's activities? The Statement of Net Position and the Statement of Activities report information about activities of the Center as a whole in a manner that helps to answer this question. These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the accrual basis of accounting, similar to the accounting used by private sector corporations. All of the current year's revenues and expenses are taken into consideration regardless of when cash is received or paid.

These two statements report the Center's net position and changes to it. The change in net position provides the reader the tool to assist in determining whether the Center's financial health is improving or deteriorating. The reader will need to consider other nonfinancial factors such as property tax base, current property tax laws, student enrollment growth, and facility conditions in arriving at their conclusion regarding the overall health of the Center.

The following table summarizes the major features of the Center's financial statements, including the portion of the Center's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA**

MANAGEMENT’S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2024

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

	Fund Financial Statements	
	Center-Wide Statements	Governmental Funds
Scope	Entire Center (except fiduciary funds)	The activities of the Center that are not proprietary or fiduciary
Required financial statements	<ul style="list-style-type: none"> • Statement of net position • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenues, expenditures, and changes in fund balances
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term.	Only assets expected to be used and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter

REPORTING THE CENTER’S GOVERNMENTAL FUNDS

Fund Financial Statements

Management’s analysis of the Center’s major funds begins on page 6. The fund financial statements can be found as listed in the table of contents and provide detailed information about the governmental funds—not the Center as a whole. Some funds are required to be established by State statute, while other funds are established by the Center to help manage money for particular purposes and compliance with various grant provisions.

All of the Center’s activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Center’s general government operations and the basic services it provides. Governmental fund information helps the reader to determine whether there are more or less financial resources available to spend in the near future to finance the Center’s programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the Center, assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources by approximately \$9,541,000 at the close of the most recent fiscal year.

The Center’s total assets increased by approximately \$1,996,000 over the prior year primarily due to an increase in capital assets of approximately \$1,965,000. This increase was primarily due to the purchase of land during the year ended June 30, 2024. Total liabilities at June 30, 2024 decreased by approximately \$236,000 from the prior year primarily due to a decrease in the Net Other Postemployment Benefit Plan (“OPEB”) liability of approximately \$439,000, partially offset by increases in the net pension liability and other liabilities. The decrease in deferred outflows of resources and increase in deferred inflows of resources were due to the actuarial change of the net pension and OPEB liabilities.

**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA**

MANAGEMENT’S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

The table below provides a summary of the Center’s net position at June 30, 2024 as compared to June 30, 2023:

	<u>2024</u>	<u>2023</u>
Assets		
Current and Other Assets	\$ 16,200,702	\$ 16,170,041
Capital Assets	<u>5,716,967</u>	<u>3,752,035</u>
Total Assets	<u>21,917,669</u>	<u>19,922,076</u>
Deferred Outflows of Resources	<u>1,912,494</u>	<u>1,952,709</u>
Liabilities		
Other Liabilities	707,118	616,079
Net OPEB Liability	3,204,141	3,643,236
Net Pension Liability	<u>4,888,794</u>	<u>4,776,800</u>
Total Liabilities	<u>8,800,053</u>	<u>9,036,115</u>
Deferred Inflows of Resources	<u>5,488,930</u>	<u>5,158,931</u>
Net Position		
Net Investment in Capital Assets	5,716,967	3,752,035
Restricted for		
Special Revenue	96,682	96,068
Unrestricted	<u>3,727,531</u>	<u>3,831,636</u>
Total Net Position	<u>\$ 9,541,180</u>	<u>\$ 7,679,739</u>

The Center’s net position increased in fiscal year 2024 by approximately \$1,861,000. Property tax revenues increased from the prior year by approximately \$305,000, or 8%, while Unrestricted Investment Earnings increased by approximately \$119,000. The increase in property tax revenues is primarily due to an increase in assessed values for the current year. The Center’s instruction and support services expenses increased by approximately \$488,000 and \$36,000, respectively, primarily as a result of changes in the net pension and OPEB expense and increases in salaries and fringe benefits.

**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA**

MANAGEMENT’S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

The table below provides a summary of the Center’s changes in net position for fiscal year 2024 compared to fiscal year 2023:

	<u>2024</u>	<u>2023</u>
Revenues		
Program Revenues		
Charge for Services	\$ 7,464	\$ 8,055
Operating Grants	675,363	617,822
General Revenues		
Property Taxes	4,354,460	4,049,648
State Revenue in Lieu of Taxes	2,481,328	2,300,637
Unrestricted Investment Earnings	516,805	398,205
Gain on Disposal of Capital Assets	9,005	-
Total Revenues	<u>8,044,425</u>	<u>7,374,367</u>
Program Expenses		
Instruction	3,121,481	2,633,345
Support Services	3,054,815	3,019,253
Community Services	6,688	6,571
Total Expenses	<u>6,182,984</u>	<u>5,659,169</u>
Change in Net Position	1,861,441	1,715,198
Net Position, Beginning of Year	<u>7,679,739</u>	<u>5,964,541</u>
Net Position, End of Year	<u>\$ 9,541,180</u>	<u>\$ 7,679,739</u>

FINANCIAL ANALYSIS OF THE CENTER’S FUNDS

The Center uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The analysis of governmental funds serves the purpose of looking at what resources came into the funds, how they were spent and what is available for future expenditures. Did the government generate enough revenue to pay for current obligations? What is available for spending at the end of the year?

The Center’s funds, all of which are considered major, are the General Fund, Special Revenue Fund, Special Revenue - EIA Fund, and Capital Projects Fund.

The Center’s General Fund reported total fund balance of approximately \$7,528,000 compared to approximately \$6,954,000 for the prior year. The increase of approximately \$574,000 is the result of revenues and other financing sources of approximately \$7,375,000 exceeding expenditures and other financing uses of approximately \$6,801,000. The total fund balance is reported as unassigned and thus is available for spending at the Center’s discretion.

The Center’s Special Revenue Fund reported total fund balance of approximately \$97,000 compared to approximately \$96,000 for the prior year. The increase of approximately \$1,000 is the result of revenues of approximately \$134,000 exceeding expenditures of approximately \$133,000. The total fund balance is reported as restricted for School Activities.

**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2024

FINANCIAL ANALYSIS OF THE CENTER'S FUNDS (CONTINUED)

Governmental Funds (Continued)

The Center's Special Revenue – EIA Fund is used to account for revenues derived from the State of South Carolina and the Federal government. These funds generally do not have fund balances as revenues should be expended, deferred, or returned to the grantor.

The Center's Capital Projects Fund is used to account for the acquisition and construction of major capital facilities. The Capital Projects Fund reported total fund balance of \$4,812,000 compared to \$5,695,000 for the prior year. The decrease is primarily the result of approximately \$2,108,000 of capital outlay primarily related to the purchase of land, partially offset by a transfer in from the General Fund of \$1,000,000 and investment earnings during the year of approximately \$225,000.

The Center's governmental funds reported a combined fund balance of approximately \$12,436,000, a decrease of approximately \$309,000 from the prior year.

Fund Balance: An accounting distinction is made between the portions of fund equity that is spendable and nonspendable. These are broken up into five categories:

Nonspendable: includes amounts that are not in a spendable form or are required to be maintained intact. Examples are inventory and prepaid expenditures.

Restricted: includes amounts that can be spent only for the specific purposes stimulated by external source providers either constitutionally or through enabling legislation. The Center's Student Activity Funds are restricted for School Activities.

Committed: includes self-imposed limitations set in place prior to the end of the fiscal year. These amounts can be used only for the specific purposes determined by a resolution of the Board of Trustees. The Center currently does not have any committed fund balance.

Assigned: includes amounts intended to be used by the school for a specific purpose. Intent can be expressed by the Director. The purpose of the assignment must be narrower than the purpose of the General Fund. Formal action is not necessary to impose, remove, or modify a constraint in the assigned fund balance. The entire fund balance for the Capital Projects Fund is assigned.

Unassigned: the residual classification of the General Fund. It is the goal of the Center to achieve and maintain for fiscal stability an unassigned fund balance equal to at least 30% of the annual budgeted expenditures.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Center's budget is prepared according to South Carolina law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. Key highlights are as follows:

- Actual revenues for the General Fund (excluding Other Financing Sources) were approximately \$1,094,000 higher than expected, due largely to property tax revenues and state sources exceeding budgeted amounts by approximately \$431,000 and \$482,000, respectively. Investment earnings were also higher than budget by approximately \$170,000.
- Actual expenditures were approximately \$741,000 under budget, primarily due to conservative spending.
- Instruction expenditures were approximately \$129,000 under budget while Support Services expenditures were approximately \$316,000 under budget.

**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA**

MANAGEMENT’S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2024

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2024, the Center had approximately \$5,717,000 invested in capital assets, net of depreciation. Balances as of June 30, 2024 and 2023 are presented below:

	Capital Assets (Net of Depreciation)	
	2024	2023
Land	\$ 2,442,158	\$ 334,177
Construction in Progress	58,682	47,219
Buildings and Improvements	1,307,505	1,389,563
Furniture and Equipment	1,606,568	1,638,024
Land Improvements	302,054	343,052
Totals	<u>\$ 5,716,967</u>	<u>\$ 3,752,035</u>

More detailed information on capital asset activity can be found in Note III.E to the financial statements.

Debt Administration

The Center does not have any outstanding debt at this time.

ECONOMIC FACTORS AND FISCAL YEAR 2024 BUDGET

Dorchester County is served by two (2) separate school districts. The Dorchester County Career & Technology Center serves all students in the county - those from both school districts, private schools, and home schools.

Dorchester County has a land area of 568.5 square miles. The 2020 Federal census (last census taken) shows a population of 161,540. This is a 18.3% increase since the 2010 census which showed a population of 136,555.

According to the SC Department of Employment and Workforce, the unemployment rate for Dorchester County for June 2024 was 4.0%. This is an increase of 1.0% since June 2023. Although the rate can significantly fluctuate from month to month, this rate is maintaining it’s current level overall or slightly increasing.

The Center’s administration holds an annual budget workshop with the Center’s Board of Directors to review such economic, population, curriculum, and other factors that may impact the development and drafting of its budget for the following year. For fiscal year 2025, the Center appropriated \$7,135,337 in the General Fund for expenditures, which is 9.8% higher than the 2024 budgeted amount of \$6,541,732. This budget was based on current assessed values in the county with no tax increase to the taxpayers. The Center’s budget reflects an effort to maintain or increase its current standard of education while adhering to a level of expenditure consistent with the fluctuating economy.

CONTACTING THE CENTER’S FINANCIAL MANAGEMENT

This financial report is designed to provide the Center’s citizens, investors and creditors with a general overview of the Center’s finances and to demonstrate the Center’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Center’s Director or the Office of Finance, Dorchester County Career & Technology Center, 507 School House Road, Dorchester, SC 29437. Additional information can be obtained from the Center’s website, www.dccctc.net.

Basic Financial Statements

**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA**

STATEMENT OF NET POSITION

JUNE 30, 2024

	PRIMARY GOVERNMENT AND TOTAL
	Governmental Activities
ASSETS	
Cash and Cash Equivalents	\$ 2,016,833
Cash and Investments Held by County Treasurer	10,776,697
Property Taxes Receivable, Net	3,242,216
Accounts Receivable	43,285
Due from Other Governments	121,671
Capital Assets:	
Non-Depreciable	2,500,840
Depreciable, Net	3,216,127
TOTAL ASSETS	21,917,669
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Pension Charges	781,517
Deferred Other Postemployment Benefit Plan Charges	1,130,977
TOTAL DEFERRED OUTFLOWS OF RESOURCES	1,912,494
LIABILITIES	
Accounts Payable and Accrued Expenses	420,015
Unearned Revenue	128,373
Non-Current Liabilities:	
Net Pension Liability	4,888,794
Net Other Postemployment Benefit Plan Liability	3,204,141
Long-Term Obligations - Due Within One Year	46,814
Long-Term Obligations - Due in More than One Year	111,916
TOTAL LIABILITIES	8,800,053
DEFERRED INFLOWS OF RESOURCES	
Deferred Pension Credits	250,467
Deferred Other Postemployment Benefit Plan Credits	2,068,687
Deferred Revenue - Property Taxes	3,169,776
TOTAL DEFERRED INTFLOWS OF RESOURCES	5,488,930
NET POSITION	
Net Investment in Capital Assets	5,716,967
Restricted For:	
School Activities	96,682
Unrestricted	3,727,531
TOTAL NET POSITION	\$ 9,541,180

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

**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA**

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2024

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government and Total Governmental Activities
PRIMARY GOVERNMENT:					
Governmental Activities:					
Instruction	\$ 3,121,480	7,463	592,686	-	\$ (2,521,331)
Support Services	3,054,815	-	82,677	-	(2,972,138)
Community Services	6,688	-	-	-	(6,688)
TOTAL PRIMARY GOVERNMENT	\$ 6,182,983	7,463	675,363	-	(5,500,157)
GENERAL REVENUES:					
General Revenues:					
Property Taxes Levied for General Purposes					4,354,460
State Revenue In Lieu of Taxes					2,481,328
Unrestricted Investment Earnings					516,805
Gain on Disposal of Capital Assets					9,005
Total General Revenues					<u>7,361,598</u>
CHANGE IN NET POSITION					1,861,441
NET POSITION, Beginning of Year					<u>7,679,739</u>
NET POSITION - End of Year					\$ 9,541,180

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

**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA**

BALANCE SHEET

GOVERNMENTAL FUNDS

JUNE 30, 2024

	GENERAL	SPECIAL REVENUE
ASSETS		
Cash and Cash Equivalents	\$ 1,919,303	97,530
Cash and Investments Held by County Treasurer	5,907,510	-
Receivables, Net:		
Taxes	3,242,216	-
Accounts	43,285	-
Due From:		
State Agencies	-	13,248
County Treasurer	108,423	-
Other Funds	71,635	-
TOTAL ASSETS	\$ 11,292,372	110,778
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
LIABILITIES:		
Accounts Payable	\$ 30,992	114
Accrued Salaries and Fringe Benefits	388,909	-
Due To:		
Other Funds	128,373	13,982
Unearned Revenue	-	-
TOTAL LIABILITIES	548,274	14,096
DEFERRED INFLOWS OF RESOURCES:		
Unavailable Revenue - Property Taxes	46,374	-
Deferred Revenue - Property Taxes	3,169,776	-
TOTAL DEFERRED INFLOWS OF RESOURCES	3,216,150	-
FUND BALANCES:		
Restricted For:		
School Activities	-	96,682
Assigned For:		
Capital Projects	-	-
Unassigned	7,527,948	-
TOTAL FUND BALANCES	7,527,948	96,682
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 11,292,372	110,778

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

SPECIAL REVENUE - EIA	CAPITAL PROJECTS	TOTAL GOVERNMENTAL FUNDS
-	-	\$ 2,016,833
-	4,869,187	10,776,697
-	-	3,242,216
-	-	43,285
-	-	13,248
-	-	108,423
128,373	-	200,008
128,373	4,869,187	\$ 16,400,710
-	-	\$ 31,106
-	-	388,909
-	57,653	200,008
128,373	-	128,373
128,373	57,653	748,396
-	-	46,374
-	-	3,169,776
-	-	3,216,150
-	-	96,682
-	4,811,534	4,811,534
-	-	7,527,948
-	4,811,534	12,436,164
128,373	4,869,187	\$ 16,400,710

**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA**

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

JUNE 30, 2024

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS	\$ 12,436,164
Amounts reported for the governmental activities in the Statement of Net Position are different because:	
Property taxes and other revenues that will be collected in the future, but are not available soon enough to pay for the current period's expenditures are therefore unavailable in the governmental funds.	46,374
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$11,549,347, and the accumulated depreciation is \$5,832,380.	5,716,967
The Center's proportionate shares of the net pension liability, deferred outflows of resources, and deferred inflows of resources related to their participation in the South Carolina Retirement System is not recorded in the governmental funds but is recorded in the Statement of Net Position.	(4,357,744)
The Center's proportionate shares of the net other postemployment benefit ("OPEB") plan liability, deferred outflows of resources, and deferred inflows of resources related to their participation in South Carolina's cost-sharing multiple-employer OPEB plans is not recorded in the governmental funds but is recorded in the Statement of Net Position.	(4,141,851)
Long-term obligations are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds. Long-term obligations at year-end consisted of compensated absences.	(158,730)
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES	\$ 9,541,180

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

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**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2024

	GENERAL	SPECIAL REVENUE
REVENUES		
Local Sources:		
Taxes	\$ 4,361,349	-
Investment Earnings	291,332	624
Other Local Sources	12,528	31,229
State Sources	2,641,935	37,331
Federal Sources	-	64,890
Intergovernmental Revenue	58,543	-
TOTAL REVENUE ALL SOURCES	7,365,687	134,074
EXPENDITURES		
Current:		
Instruction	2,809,291	88,515
Support Services	2,891,972	44,945
Community Services	6,688	-
Capital Outlay	93,099	-
TOTAL EXPENDITURES	5,801,050	133,460
EXCESS OF REVENUES OVER EXPENDITURES	1,564,637	614
OTHER FINANCING SOURCES (USES)		
Sale of Capital Assets	9,005	-
Transfers In	-	-
Transfers Out	(1,000,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	(990,995)	-
NET CHANGES IN FUND BALANCES	573,642	614
FUND BALANCES, Beginning of Year	6,954,306	96,068
FUND BALANCES, End of Year	\$ 7,527,948	96,682

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

SPECIAL REVENUE - EIA	CAPITAL PROJECTS	TOTAL GOVERNMENTAL FUNDS
-	-	\$ 4,361,349
-	224,849	516,805
-	-	43,757
317,698	-	2,996,964
-	-	64,890
-	-	58,543
317,698	224,849	8,042,308
192,763	-	3,090,569
1,050	-	2,937,967
-	-	6,688
123,885	2,107,982	2,324,966
317,698	2,107,982	8,360,190
-	(1,883,133)	(317,882)
-	-	9,005
-	1,000,000	1,000,000
-	-	(1,000,000)
-	1,000,000	9,005
-	(883,133)	(308,877)
-	5,694,667	12,745,041
-	4,811,534	\$ 12,436,164

**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA**

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

YEAR ENDED JUNE 30, 2024

TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS **\$ (308,877)**

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

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds. This amount represents the change in unearned property tax revenues for the year. (6,889)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. This amount represents the change in compensated absences for the year. (7,211)

Changes in the Center's proportionate share of the net pension liability, deferred outflows of resources, and deferred inflows of resources related to the South Carolina Retirement System for the current year are not reported in the governmental funds but are reported in the Statement of Activities. 131,293

Changes in the Center's proportionate share of the net OPEB plan liability, deferred outflows of resources, and deferred inflows of resources related to the South Carolina's cost-sharing multiple-employer OPEB plans for the current year are not reported in the governmental funds but are reported in the Statement of Activities. 88,193

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets that are considered capital asset additions is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital asset additions of \$2,324,966 exceeded depreciation expense of \$360,034 in the current period. 1,964,932

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES **\$ 1,861,441**

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

**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

Dorchester County Career & Technology Center, Dorchester, South Carolina (the “Center”) was established in 1972 to provide vocational education in instructional programs for students in grades ten through twelve. The Center serves the high schools in Dorchester County School Districts Two and Four (collectively “School Districts”), private schools, and home schools. The Center receives funding from local, state, and federal government sources and must comply with the related requirements of these funding source entities.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The Reporting Entity

The Center is controlled by a five-member Board of Trustees (the “Board”), which has oversight responsibility over the education activities of the Center. The Board is the level of government which has governance responsibilities over all activities related to public secondary school education within the jurisdiction of the Center.

The Center (the primary government) is the lowest level of government which has oversight responsibility and control over all activities related to public school education. The Center is not included in any other governmental reporting entity because it does not meet the financial accountability criteria for inclusion established by Governmental Accounting Standards Board (“GASB”) Statement No. 61.

The financial statements of the Center have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) as applied to governmental units. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. As required by GAAP, these financial statements present the Center and its component units, entities for which the Center is considered to be financially accountable or for which exclusion of a component unit would render the financial statements incomplete or 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. Discretely presented component units, on the other hand, are reported in a separate column in the financial statements to emphasize that they are legally separate from the Center. Based on this criterion, the Center has no component units.

B. Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the Center. For the most part, the effect of interfund activity has been removed from these statements.

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. The Center does not report any business-type activities.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or 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 or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the Center.

**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

The **government-wide financial statements** (which exclude fiduciary activities) are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Governmental funds financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers property taxes to be available if they are collected within 60 days of the end of the current fiscal period. A 60-day availability period is generally used for revenue recognition for all other governmental fund revenue with the exception of certain expenditure driven grants for which a one-year availability period is used. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Fund financial statements report detailed information about the Center. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

When both restricted and unrestricted resources are available for use, it is the Center's practice to use restricted resources first, then unrestricted resources as they are needed.

The accounts of the government are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The following major funds and fund types are used by the Center.

Governmental fund types are those through which the governmental functions of the Center are financed. The Center's expendable financial resources and related assets and liabilities are accounted for through governmental funds. Governmental funds are accounted for using a current financial resources measurement focus and the modified accrual basis of accounting. The following are the Center's governmental funds:

The **General Fund, a major fund** and a budgeted fund, is the general operating fund of the Center and accounts for all revenues and expenditures of the Center 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) that have not been restricted, committed, or assigned to other funds are accounted for in the General Fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund.

**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

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

- i) **The Special Revenue Fund, a major fund** and an unbudgeted fund, is used to account for financial resources provided by federal, state and local projects and grants (including student activity funds) that are restricted or committed for specific educational programs.
- ii) **Education Improvement Act (“EIA”) Fund, a major fund** and an unbudgeted fund, is used to account for and report the restricted revenue from the South Carolina Education Improvement Act of 1984 (which is legally required by the state to be accounted for as a specific revenue source) which are restricted for specific programs authorized or mandated by the EIA.

The *Capital Projects Fund, a major fund*, and an unbudgeted fund is used to account for and report financial resources that are restricted, committed, or assigned for expenditures of capital outlay related to equipment, site acquisitions, construction, renovation of capital facilities, and other capital assets for the Center.

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity

1. Cash, Cash Equivalents, and Investments

Cash and Cash Equivalents

The Center considers all highly liquid investments with original maturities of three months or less when purchased and certificates of deposit to be cash equivalents. Securities with an initial maturity of more than three months (from when initially purchased) are reported as investments.

Investments

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

- (a) Obligations of the United States and its agencies, the principal and interest of which is fully guaranteed by the United States;
- (b) Obligations issued by the Federal Financing Bank, Federal Farm Credit Bank, the Bank of Cooperatives, the Federal Intermediate Credit Bank, the Federal Land Banks, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Housing Administration, and the Farmers Home Administration, if, at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations;
- (c) (i) General obligations of the State of South Carolina or any of its political units; or (ii) revenue obligations of the State of South Carolina or its political units, if at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations;

**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

1. Cash, Cash Equivalents, and Investment (Continued)

Investments (Continued)

- (d) Savings and Loan Associations to the extent that the same are insured by an agency of the federal government;
- (e) Certificates of deposit where the certificates are collaterally secured by securities of the type described in (a) and (b) above held by a third party as escrow agent or custodian, of a market value not less than the amount of the certificates of deposit so secured, including interest; provided, however, such collateral shall not be required to the extent the same are insured by an agency of the federal government;
- (f) Repurchase agreements when collateralized by securities as set forth in this section; and
- (g) No load open-end or closed-end management type investment companies or investment trusts registered under the Investment Company Act of 1940, as amended, where the investment is made by a bank or trust company or savings and loan association or other financial institution when acting as trustee or agent for a bond or other debt issue of that local government unit, political subdivision, or county treasurer if the particular portfolio of the investment company or investment trust in which the investment is made (i) is limited to obligations described in items (a), (b), (c), and (f) of this subsection, and (ii) has among its objectives the attempt to maintain a constant net asset value of one dollar a share and to that end, value its assets by the amortized cost method.

The Center's cash investment objectives are preservation of capital, liquidity and yield. The Center reports its cash and investments at fair value which is normally determined by quoted market prices (except as noted).

2. Receivables and Payables

Transactions between funds that are representative of reimbursement arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds." On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." These amounts are eliminated in the Statement of Net Position. All trade and property taxes receivable are shown net of an allowance for uncollectible amounts.

3. Inventories and Prepaid Items

Under the system of accounting for inventories, materials and supplies are charged to expenditures/expenses when purchased rather than when consumed. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

4. Capital Assets

General capital assets, which include land, buildings and improvements, furniture, equipment and vehicles, generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Position, but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at estimated acquisition value (as estimated by the Center) at the date of donation. The Center maintains a capitalization threshold of \$5,000. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of capital assets is not capitalized for governmental activities in accordance with GAAP.

All reported capital assets except land and construction in progress are depreciated. Construction projects begin being depreciated once they are complete, at which time the complete costs of the project are transferred to the appropriate capital asset category. Improvements are depreciated over the remaining useful lives of the related capital assets.

Depreciation is computed using the straight-line method over the following useful lives:

Description	Estimated Lives
Land Improvements	10-50 Years
Buildings and Improvements	10-50 years
Furniture and Equipment	3-20 Years

5. Compensated Absences

The Center reports compensated absences in accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*. Center employees are granted vacation and sick leave in varying amounts. Upon termination of employment, an employee is reimbursed for accumulated vacation days in accordance with the Center's policy. The entire compensated absence liability and expense is reported on the government-wide financial statements.

6. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental funds financial statements regardless of whether they will be liquidated with current resources.

However, claims and judgments, compensated absences, contractually required retirement contributions and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. In general, payments made within sixty days after year-end are considered to have been made with current available financial resources.

**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

7. *Deferred Outflows and Inflows of Resources*

In addition to assets, the Statement of Net Position and the Balance Sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Center currently has two types of deferred outflows of resources: (1) The Center reports *deferred pension charges* in its Statement of Net Position in connection with its participation in the South Carolina Retirement System. (2) The Center reports *deferred Other Postemployment Benefit ("OPEB") charges* in its Statement of Net Position in connection with its participation in the South Carolina Retiree Health Insurance Trust Fund. The *deferred pension and OPEB charges* are either (a) recognized in the subsequent period as a reduction of the net pension/OPEB liability (which includes contributions made after the measurement date) or (b) amortized in a systematic and 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 Center currently has four types of deferred inflows of resources: (1) The Center reports *unavailable revenue* for property taxes only in the governmental funds Balance Sheet; it is deferred and recognized as an inflow of resources (revenues) in the period the amounts become available. (2) The Center also reports *deferred revenue* not only in the governmental funds Balance Sheet but also in the government-wide Statement of Net Position; it is deferred and recognized as an inflow of resources (property tax revenue) in the period for which it is used to finance. (3) The Center also reports *deferred pension credits* in its Statement of Net Position in connection with its participation in the South Carolina Retirement System. (4) The Center reports *deferred OPEB credits* in its Statement of Net Position in connection with its participation in the South Carolina Retiree Health Insurance Trust Fund. The *deferred pension and OPEB credits* are amortized in a systematic and rational method and recognized as a reduction of pension/OPEB expense in future periods in accordance with GAAP.

8. *Fund Balance*

In accordance with GAAP, the Center classifies its governmental fund balances as follows:

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

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

Committed – includes amounts that are constrained for specific purposes that are internally imposed by the government through formal action made by the highest level of decision making authority (Board of Trustees) before the end of the reporting period. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. Committed amounts for the Center consist of amounts approved by a majority vote of the Board of Trustees (a) in the annual budget or (b) in subsequent requests made throughout the year.

**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

8. Fund Balance (Continued)

Assigned – includes amounts that are intended to be used for specific purposes that are neither considered restricted or committed and that such assignments are made before the report issuance date. Assignments of fund balance are established by the Center’s administration.

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

9. Net Position

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows in the Statement of Net Position. Net position is classified as net investment in capital assets; restricted; and unrestricted. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Outstanding debt which has not been spent is included in the same net position component as the unspent proceeds.

Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments.

10. 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.A and Note IV.B and the required supplementary information immediately following the notes to the financial statements for more information), regardless of the amounts recognized as pension and OPEB expenditures on the modified accrual basis of accounting. The Center recognizes net pension and net OPEB liabilities (assets) for each plan for which it participates (if material), which represents the excess of the total pension and OPEB liabilities over the fiduciary net position of the qualified plan, or the Center’s proportionate share thereof in the case of a cost-sharing multiple-employer plan, measured as of the Center’s fiscal year-end. Changes in the net pension and OPEB liabilities during the period are recorded as pension and OPEB expenses, 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 multi-year period beginning with the period in which the difference occurred.

**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

11. 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 Center 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 Center 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.

12. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for expenditures are recorded to reflect the use of the applicable spending appropriations, is used by the General Fund during the year to control expenditures. Encumbrances do not constitute expenditures or liabilities. For budget purposes, encumbrances and unused expenditure appropriations lapse at year end.

13. 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 liabilities and disclosure of contingent assets and liabilities at 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.

**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Formal budgetary accounting is employed as a management tool for the Center. Budgets are presented in the required supplemental section of the financial statements for the General Fund. The budget is presented on the modified accrual basis of accounting which is consistent with accounting principles generally accepted in the United States of America. The budget is prepared by function and object as dictated by the State of South Carolina adopted Program Oriented Budgeting and Accounting System and for management control purposes. The Center's policies allow funds to be transferred between functions. However, the total budget cannot be increased beyond that level without approval of the Board in supplementary action. The legal level of control is at the fund level.

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES

A. Deposits and Investments

Deposits

Custodial Credit Risk for Deposits: Custodial credit risk for deposits is the risk that, in the event of a bank failure, the Center's deposits might not be recovered. The Center does not have a deposit policy for custodial credit risk but follows the investment policy statutes of the State of South Carolina. As of June 30, 2024, none of the Center's bank balances of approximately \$2,033,000 (which had a carrying amount of approximately \$2,017,000) were exposed to custodial credit risk.

Investments

As of June 30, 2024, the Center had the following investments:

Investment Type	Fair Value Level ⁽¹⁾	Credit Rating ^	Fair Value	Weighted Average Maturity
Cash and Investments Held by County Treasurer	N/A	NR, NR	\$ 10,776,697	<1 Year

^ If available, credit ratings are for Standard & Poor's and Moody's Investors Service.

⁽¹⁾ See Note I.C.11 for details of the Center's fair value hierarchy.

NR - Not Rated

N/A - Not Applicable

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

Custodial Credit Risk for Investments: Custodial credit risk for investments is the risk that, in the event of a bank failure, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Center does not have an investment policy for custodial credit risk but follows the investment policy statutes of the State of South Carolina. As of June 30, 2024, none of the Center's investments was exposed to custodial credit risk.

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

**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

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

A. Deposits and Investments (Continued)

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

Cash and Investments Held by County Treasurer

The Dorchester County Treasurer’s Office collects the Center’s taxes and state revenues. The County Treasurer invests the Center’s monies with the South Carolina Local Government Investment Pool until the Center submits a claim voucher. At June 30, 2024, the Center had approximately \$10,777,000 held by the County Treasurer. This pool is collateralized by investments permitted by South Carolina State statutes.

Reconciliation to the Financial Statements

The following table reconciles the amounts reported as deposits and investments in the notes to the financial statements to cash and cash equivalents and investments reported in the financial statements:

	Financial Statements	
<hr/>		
<u>Statement of Net Position</u>		
Cash and Cash Equivalents	\$	2,016,833
Cash and Investments Held by County Treasurer		10,776,697
Total	<u>\$</u>	<u>12,793,530</u>
<hr/>		
	Notes	
Deposits and Cash on Hand	\$	2,016,833
Investments		10,776,697
Total	<u>\$</u>	<u>12,793,530</u>

B. Property Taxes Receivable

Dorchester County, South Carolina (the “County”) is responsible for levying and collecting sufficient property taxes to meet its funding obligation for the Center. This obligation is established each year by the Dorchester County Auditor, an elected official, who calculates and applies millage to collect sufficient property taxes as approved by the Dorchester County Delegation; it does not necessarily represent actual taxes levied or collected.

Property taxes are levied and billed by the County on real and personal properties on October 1 based on an assessed value as of the preceding December 31 of approximately \$500 million at a rate of 9.2 mills for the General Fund. These taxes are due without penalty through January 15. Penalties are added to taxes depending on the date paid as follows:

January 16 through February 1	-	3% of tax
February 2 through March 15	-	10% of tax
After March 15	-	15% of tax plus collection costs

**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

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

B. Property Taxes Receivable (Continued)

Current year real and personal taxes become delinquent on March 16. Unpaid property taxes become a lien against the property as of June 1 of the calendar year following the levy date. The levy date for motor vehicles is the first day of the month in which the motor vehicle license expires. These taxes are due by the last day of the same month.

Taxes receivable in the General Fund totaled approximately \$3,242,000 as of June 30, 2024, net of an allowance of approximately \$88,000. Of the total receivable, \$3,170,000 represents tax year 2024 billings which are reported as deferred revenues as of June 30, 2024.

C. Interfund Receivables and Payables

Interfund balances at June 30, 2024 consisted of the following individual fund receivables and payables, all of which are expected to be repaid within one year:

Fund	Receivables	Payables
General Fund	\$ 71,635	\$ 128,373
Special Revenue	-	13,982
Special Revenue - EIA	128,373	-
Capital Projects Fund	-	57,653
	<u>\$ 200,008</u>	<u>\$ 200,008</u>

The General Fund payable is the result of amounts due to the Special Revenue - EIA Fund for cash held in the General Fund for the benefit of the Special Revenue – EIA Fund; these funds will be paid out from the General Fund in the next fiscal year as the Special Revenue – EIA Fund expends them. The Special Revenue and Capital Projects Fund payable is the result of reimbursements owed to the General Fund.

D. Transfers In and (Out)

Interfund transfers for the year ended June 30, 2024, consisted of the following:

Fund	Transfer In	Transfer Out
General Fund	\$ -	\$ 1,000,000
Capital Projects Fund	1,000,000	-
	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>

The transfer from the General Fund to the Capital Projects Fund was made to fund future capital improvements of the Center as approved by the Board.

**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

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

E. Capital Assets

Capital asset activity for the Center for the year ended June 30, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital Assets, Non-Depreciable:					
Land	\$ 334,177	2,107,981	-	-	\$ 2,442,158
Construction in Progress	47,219	22,923	-	(11,460)	58,682
Total Capital Assets, Non-Depreciable	<u>381,396</u>	<u>2,130,904</u>	<u>-</u>	<u>(11,460)</u>	<u>2,500,840</u>
Capital Assets, Depreciable:					
Buildings and Improvements	4,719,181	-	-	11,460	4,730,641
Furniture and Equipment	3,371,195	194,062	(67,379)	-	3,497,878
Land Improvements	819,988	-	-	-	819,988
Total Capital Assets, Depreciable	<u>8,910,364</u>	<u>194,062</u>	<u>(67,379)</u>	<u>11,460</u>	<u>9,048,507</u>
Less: Accumulated Depreciation for:					
Buildings and Improvements	3,329,618	93,518	-	-	3,423,136
Furniture and Equipment	1,733,171	225,518	(67,379)	-	1,891,310
Land Improvements	476,936	40,998	-	-	517,934
Total Accumulated Depreciation	<u>5,539,725</u>	<u>360,034</u>	<u>(67,379)</u>	<u>-</u>	<u>5,832,380</u>
Total Capital Assets, Depreciable	<u>3,370,639</u>	<u>(165,972)</u>	<u>-</u>	<u>11,460</u>	<u>3,216,127</u>
Governmental Activities Capital Assets, Net	<u>\$ 3,752,035</u>	<u>1,964,932</u>	<u>-</u>	<u>-</u>	<u>\$ 5,716,967</u>

Depreciation expense was charged to functions/programs of the government as follows in the year ended June 30, 2024:

Governmental Activities:	
Instruction	\$ 137,478
Support Services	222,556
Total Depreciation Expense - Governmental Activities	<u>\$ 360,034</u>

**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

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

F. Long-Term Obligations

The Center reports its liability for compensated absences in long-term obligations; the Center does not have any outstanding indebtedness. The following is a summary of changes in long-term obligations for the year ended June 30, 2024:

Long-Term Obligations	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Compensated Absences	\$ 151,519	53,555	46,344	158,730	\$ 46,814
Total Governmental Activities	<u>\$ 151,519</u>	<u>53,555</u>	<u>46,344</u>	<u>158,730</u>	<u>\$ 46,814</u>

IV. OTHER INFORMATION

A. Retirement Plans

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

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

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 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 ACFR of the state.

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

IV. OTHER INFORMATION (CONTINUED)

A. Retirement Plans (Continued)

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 and other benefits for teachers and employees of the state and its political subdivisions. SCRS covers employees of state agencies, public school districts and participating charter schools, public higher education institutions, other participating local subdivisions of government and individuals first elected to the South Carolina General Assembly at or after the general election in November 2012.

The State Optional Retirement Program (“State ORP”) is a defined contribution plan that is offered as an alternative to the SCRS to newly hired state, public higher education institution and public school district employees, as well as individuals first elected to the South Carolina General Assembly at or after the general election in November 2012. State ORP participants direct the investment of their funds into an account administered by one of four third party service providers. The PEBA assumes no liability for State ORP benefits. Rather, the benefits are the liability of the four third party service providers. For this reason, State ORP assets are not part of the retirement systems’ trust funds for financial statement purposes.

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 and other benefits to police officers and firefighters. The PORS also covers peace officers, coroners, probate judges, and magistrates.

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 first elected to the South Carolina General Assembly at or after the general election in November 2012. A member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. A member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.
- State ORP – As an alternative to membership in the SCRS, newly hired state, public school and higher education employees, as well as individuals first elected to the South Carolina General Assembly at or after the general election in November 2012 have the option to participate in the State ORP. Contributions to the State ORP are at the same rates as the SCRS. A direct remittance is required from the employer to the member’s account with the ORP service provider for the employee contribution and a portion of the employer contribution (5 percent). A direct remittance is also required to the SCRS for the remaining portion of the employer contribution and an incidental death benefit contribution, if applicable, which is retained by the SCRS.

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

IV. OTHER INFORMATION (CONTINUED)

A. Retirement Plans (Continued)

Plan Membership (Continued)

- 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; be a coroner in a full-time permanent position; or be 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 the PORS. Magistrates are required to participate in the 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. A member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. A 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/current annual salary. A brief summary of benefit terms for each system is presented below.

- SCRS – A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 65 or with 28 years credited service regardless of age. A member may elect early retirement with reduced pension benefits payable at age 55 with 25 years of service credit. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension upon satisfying the Rule of 90 requirement that the total of the member's age and the member's creditable service equals at least 90 years. Both Class Two and Class Three members are eligible to receive a reduced deferred annuity at age 60 if they satisfy the five- or eight-year earned service requirement, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program.

The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase. Members who retire under the early retirement provisions at age 55 with 25 years of service are not eligible for the benefit adjustment until the second July 1 after reaching age 60 or the second July 1 after the date they would have had 28 years of service credit had they not retired.

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

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

IV. OTHER INFORMATION (CONTINUED)

A. Retirement Plans (Continued)

Plan Benefits (Continued)

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, the SCRS and PORS (“Plans”) 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. Effective July 1, 2017, employee rates were increased and capped at 9.00 percent for the SCRS and 9.75 percent for the PORS. The legislation also increased employer contribution rates beginning July 1, 2017 for both the SCRS and PORS until reaching 18.56 percent for the SCRS and 21.24 percent for the PORS. The legislation included a further provision that if the scheduled contributions are not sufficient to meet the funding periods set in state statute, the PEBA Board would increase the employer contribution rates as necessary to meet the funding periods set for the applicable year.

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

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

	SCRS and State ORP Rates	PORS Rates
	2024	2024
Employer Contribution Rate: ^		
Retirement*	18.41%	20.84%
Incidental Death Benefit	0.15%	0.20%
Accidental Death Contributions	0.00%	0.20%
	<u>18.56%</u>	<u>21.24%</u>
Employee Contribution Rate ^	<u>9.00%</u>	<u>9.75%</u>

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

* Of the rate for the State ORP Plan, 5% of earnable compensation must be remitted by the employer directly to the ORP vendor to be allocated to the member's account with the remainder of the employer contribution remitted to the SCRS.

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

IV. OTHER INFORMATION (CONTINUED)

A. Retirement Plans (Continued)

Plan Contributions (Continued)

The actual and required contributions to the SCRS, ORP, and PORS were approximately \$537,000, \$4,000, and \$7,000, respectively, for the year ended June 30, 2024 and include the nonemployer contributions noted below.

Nonemployer Contributions

In an effort to help offset a portion of the burden of the increased contribution requirement for employers, the State General Assembly (“State”) funded 1 percent of the SCRS and PORS contribution increases for the year ended June 30, 2024. The State’s budget appropriated these funds directly to the PEBA for the South Carolina Retirement System Trust Fund and the Police Officers Retirement System Trust Fund. The amount of funds appropriated by the State (nonemployer contributing entity) for the year ended June 30, 2024 were approximately \$16,000 and \$0 for the SCRS and PORS, respectively. These contributions (on-behalf benefits) from the State were recognized as intergovernmental revenues and pension expenditures in the Center’s governmental fund financial statements.

Actuarial Assumptions and Methods

Actuarial valuations of the 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, 2023 total pension liability (“TPL”), net pension liability (“NPL”), and sensitivity information shown in this report were determined by the consulting actuary, Gabriel, Roeder, Smith and Company, and are based on an actuarial valuation performed as of July 1, 2022. The TPL was rolled-forward from the valuation date to the Plans' fiscal year end, June 30, 2023, using generally accepted actuarial principles. There was no legislation enacted during the 2023 legislative session that had a material change in the benefit provisions for any of the systems.

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2023 (measurement date) for the SCRS and PORS.

	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”), were 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.

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

IV. OTHER INFORMATION (CONTINUED)

A. Retirement Plans (Continued)

Actuarial Assumptions and Methods (Continued)

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 2023 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 following table. For actuarial purposes, the 7.00 percent assumed annual investment rate of return used in the calculation of the TPL includes a 4.75 percent real rate of return and a 2.25 percent inflation component.

Allocation/Exposure	Policy Target	Expected Arithmetic Real Rate of Return	Long-Term Expected Portfolio Real Rate of Return
Public Equity	46.0%	6.62%	3.04%
Bonds	26.0%	0.31%	0.08%
Private Equity	9.0%	10.91%	0.98%
Private Debt	7.0%	6.16%	0.43%
Real Assets	12.0%		
Real Estate	9.0%	6.41%	0.58%
Infrastructure	3.0%	6.62%	0.20%
Total Expected Real Rate of Return	<u>100.0%</u>		<u>5.31%</u>
Inflation for Actuarial Purposes			<u>2.25%</u>
Total Expected Nominal Return			<u><u>7.56%</u></u>

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

IV. OTHER INFORMATION (CONTINUED)

A. Retirement Plans (Continued)

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

The NPL is calculated separately for each System and represents that particular System’s TPL determined in accordance with GASB No. 67 less that System’s fiduciary net position. NPL totals, as of the June 30, 2023 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	\$ 58,464,402,454	34,286,961,942	\$ 24,177,440,512	58.6%
PORS	\$ 9,450,021,576	6,405,925,370	\$ 3,044,096,206	67.8%

The TPL is calculated by the Systems’ actuary, and each Plans’ fiduciary net position is reported in the Systems’ financial statements. The NPL 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, 2024, the Center reported liabilities of approximately \$4,835,000 and \$54,000 for its proportionate share of the NPL for the SCRS and PORS, respectively. The NPL were measured as of June 30, 2023, and the TPL for the Plans used to calculate the NPL were determined based on the most recent actuarial valuation report of July 1, 2022 that was projected forward to the measurement date. The Center’s proportion of the NPL were based on a projection of the Center’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, 2023 measurement date, the Center’s SCRS proportion was 0.019997 percent, which was an increase of 0.000511 percent from its proportion measured as of June 30, 2022. At the June 30, 2023 measurement date, the Center’s PORS proportion was 0.001773 percent, which was an increase of 0.000008 percent from its proportion measured as of June 30, 2022.

**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

IV. OTHER INFORMATION (CONTINUED)

A. Retirement Plans (Continued)

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

For the year ended June 30, 2024, the Center recognized pension expense of approximately \$400,000 and \$16,000 for the SCRS and PORS, respectively. At June 30, 2024, the Center 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	\$ 83,941	\$ 13,408
Change in Assumptions	74,076	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	6,617
Changes in Proportion and Differences Between the Employer's		
Contributions and Proportionate Share of Contributions	86,487	229,685
Employer Contributions Subsequent to the Measurement Date	523,751	-
Total SCRS	768,255	249,710
PORS		
Differences Between Expected and Actual Experience	2,540	665
Change in Assumptions	1,175	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	92
Changes in Proportion and Differences Between the Employer's		
Contributions and Proportionate Share of Contributions	2,287	-
Employer Contributions Subsequent to the Measurement Date	7,260	-
Total PORS	13,262	757
Total SCRS and PORS	\$ 781,517	\$ 250,467

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

IV. OTHER INFORMATION (CONTINUED)

A. Retirement Plans (Continued)

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

Approximately \$524,000 and \$7,000 that were reported as deferred outflows of resources related to the Center’s contributions subsequent to the measurement date to the SCRS and PORS, respectively, will be recognized as a reduction of the NPL in the year ended June 30, 2025. 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
2025	\$ (12,941)	3,548	\$ (9,393)
2026	(153,426)	(908)	(154,334)
2027	163,995	2,661	166,656
2028	(2,834)	(56)	(2,890)
Total	<u>\$ (5,206)</u>	<u>5,245</u>	<u>\$ 39</u>

Discount Rate

The discount rate used to measure the TPL was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in the 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 TPL.

Sensitivity Analysis

The following table presents the sensitivity of the Center’s proportionate share of the NPL 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% point lower (6.00 percent) or 1% point higher (8.00 percent) than the current rate:

System	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Center’s proportionate share of the net pension liability of the SCRS	\$ 6,247,054	4,834,825	\$ 3,661,028
Center’s proportionate share of the net pension liability of the PORS	76,131	53,969	35,815
Total	<u>\$ 6,323,185</u>	<u>4,888,794</u>	<u>\$ 3,696,843</u>

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 for the SCRS and PORS. The ACFR is publicly available through 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.

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

IV. OTHER INFORMATION (CONTINUED)

B. Other Postemployment Benefit Plans

The PEBA is the state agency responsible for the administration and management of the state’s employee insurance programs, other postemployment benefits trusts, and retirement systems. The laws of the State and the policies and procedures specified by the State for State agencies are applicable to all activities of the PEBA. By law, the SFAA also reviews certain PEBA Board decisions in administering the State Health Plan and other postemployment benefits (“OPEB”). See Note IV.A for more details on the PEBA and the SFAA.

For purposes of measuring the net OPEB liability (“NOL”), deferred outflows and inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB trusts, and additions to and deductions from the OPEB trusts fiduciary net position have been determined on the same basis as they were reported by the OPEB trusts. For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Therefore, benefit and administrative expenses are recognized when due and payable. Investments are reported at fair value.

The PEBA – Insurance Benefits issues audited financial statements and required supplementary information for the OPEB trust funds. This information is publicly available through the PEBA – Insurance Benefits’ link on the PEBA’s website at www.peba.sc.gov or a copy may be obtained by submitting a request to the PEBA – Insurance Benefits, 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, OPEB trust fund financial information is also included in the Annual Comprehensive Financial Report of the state.

Plan Descriptions

The Other Postemployment Benefits Trust Funds (“OPEB Trusts” or “OPEB Plans”), collectively refers to the South Carolina Retiree Health Insurance Trust Fund (“SCRHITF”) and the South Carolina Long-Term Disability Insurance Trust Fund (“SCLTDITF”), were established by the State of South Carolina as Act 195, which became effective on May 2008. The SCRHITF was created to fund and account for the employer costs of the State’s retiree health and dental plans. The SCLTDITF was created to fund and account for the employer costs of the State’s Basic Long-Term Disability Income Benefit Plan.

In accordance with Act 195, the OPEB Trusts are administered by the PEBA – Insurance Benefits and the State Treasurer is the custodian of the funds held in trust. The PEBA Board has been designated as the Trustee.

The OPEB Trusts are cost-sharing multiple-employer defined benefit OPEB plans. Article 5 of the State Code of Laws defines the two plans and authorizes the Trustee to at any time adjust the plans, including its benefits and contributions, as necessary to insure the fiscal stability of the plans. In accordance with the South Carolina Code of Laws and the annual Appropriations Act, the State provides postemployment health and dental and long-term disability benefits to retired State and school district employees and their covered dependents.

Plan Benefits

The SCRHITF is a healthcare plan that covers retired employees of the State of South Carolina, including all agencies, and public school districts. The SCRHITF provides health and dental insurance benefits to eligible retirees. Generally, retirees are eligible for the health and dental benefits if they have established at least ten years of retirement service credit. For new hires beginning employment May 2, 2008 and after, retirees are eligible for benefits if they have established 25 years of service for 100% employer funding and 15-24 years of service for 50% employer funding.

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

IV. OTHER INFORMATION (CONTINUED)

B. Other Postemployment Benefit Plans (Continued)

Plan Benefits (Continued)

The SCLTDITF is a long-term disability plan that covers employees of the State of South Carolina, including all agencies and public school districts and all participating local governmental entities. The SCLTDITF provides disability payments to eligible employees that have been approved for disability. Since the employer contribution/premium paid and the proportionate share of the NOL and related deferred outflows and inflows of resources related to the SCLTDITF are not material to the Center no SCLTDITF OPEB amounts have been recorded in these financial statements and only limited note disclosures have been provided related to these benefits.

Plan Contributions and Funding Policies

Section 1-11-710 of the South Carolina Code of Laws of 1976, as amended, requires the postemployment and long-term disability benefits to be funded through nonemployer and employer contributions for active employees and retirees to the PEBA – Insurance Benefits. Nonemployer contributions may consist of an annual appropriation by the General Assembly and the statutorily required transfer from PEBA – Insurance Benefits reserves.

The SCRHITF is funded through participating employers that are mandated by State statute to contribute at a rate assessed each year by the Department of Administration Executive Budget Office on active employee covered payroll. The covered payroll surcharge for the year ended June 30, 2023 was 6.25 percent. The South Carolina Retirement System collects the monthly covered payroll surcharge for all participating employers and remits it directly to the SCRHITF. Other sources of funding for the SCRHITF also include implicit subsidy, or age-related subsidy inherent in the healthcare premiums structure. The implicit subsidy represents a portion of the health care expenditures paid on behalf of the employer’s active employees. For purposes of GASB Statement No. 75, this expenditure on behalf of the active employee is reclassified as a retiree health care expenditure so that the employer’s contributions towards the plan reflect the underlying age-adjusted, retiree benefit costs. Nonemployer contributions consist of an annual appropriation by the General Assembly and the statutorily required transfer from PEBA – Insurance Benefits reserves. However, due to the COVID-19 pandemic and the impact it has had on the PEBA – Insurance Benefits reserves, the General Assembly has indefinitely suspended the statutorily required transfer until further notice. It is also funded through investment income.

The covered payroll surcharge rate for the year ended June 30, 2024 was 6.35% and was calculated on earnable compensation as defined in Title 9 of the South Carolina Code of Laws. The actual and required contributions to the SCRHITF were approximately \$187,000 for the year ended June 30, 2024.

The State (via state appropriations) and the PEBA – Insurance Benefits (via state statute to transfer amounts above 140% of incurred but not reported claims) contributed to the SCRHITF on behalf of the Center approximately \$600 for the year ended June 30, 2023 (measurement period).

In accordance with part (b) of paragraph 69 of GASB Statement No. 75, participating employers should recognize revenue in an amount equal to the employer’s proportionate share of the change in the collective NOL arising from contributions to the OPEB plan during the measurement period from nonemployer contributing entities for purposes other than the separate financing of specific liabilities to the OPEB plan. Therefore, employers should classify this revenue in the same manner as it classifies grants from other entities, if material.

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DORCHESTER, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

IV. OTHER INFORMATION (CONTINUED)

B. Other Postemployment Benefit Plans (Continued)

Actuarial Assumptions and Methods

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of the Center's Proportionate Share of the Net OPEB Liability and the Schedule of the Center's Contributions, presented as required supplementary information following the notes to the financial statements, present multi-year trend information about the Center's NOL, funded status of the OPEB Plan, and the Center's contributions to the OPEB Plan.

Projections of benefits for financial reporting purposes are based on the substantive plans (as understood by the employer and plan participants) and include the types of benefits provided at the time the valuation and the historical pattern of sharing of 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 accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The total OPEB liability ("TOL"), NOL, and sensitivity information were determined by the consulting actuary and are based on the June 30, 2022 actuarial valuation. The TOL was rolled-forward from the valuation date to the OPEB Plan's fiscal year ended June 30, 2023 using generally accepted actuarial principles.

The following table provides a summary of the actuarial assumptions and methods used in the latest valuation for the SCRHITF:

Valuation Date:	June 30, 2022
Actuarial Cost Method:	Entry Age Normal
Actuarial Assumptions:	
Inflation:	2.25%
Investment Rate of Return:	2.75%, net of plan investment expense (including inflation)
Single Discount Rate:	3.86% as of June 30, 2023
Demographic Assumptions:	Based on the experience study performed for the South Carolina Retirement Systems for the five-year period ending June 30, 2019
Mortality:	For healthy retirees, the gender-distinct South Carolina Retirees 2020 Mortality Tables are used with multipliers based on plan experience; the rates are projected on a fully generational basis using 80% of the ultimate rates of Scale MP-2019 to account for future mortality improvements.
Health Care Trend Rate:	Initial trend starting at 6.00% and gradually decreasing to an ultimate trend rate of 4.00% over a period of 13 years
Participation Assumption:	79% for retirees who are eligible for funded premiums 59% for retirees who are eligible for partial funded premiums 20% for retirees who are eligible for non-funded premiums
Notes:	The single discount rate changed from 3.69% as of June 30, 2022 to 3.86% as of June 30, 2023.

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

IV. OTHER INFORMATION (CONTINUED)

B. Other Postemployment Benefit Plans (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of returns represents assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market based inputs. The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2018 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. This information is summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Arithmetic Real Rate of Return	Allocation-Weighted Long-Term Expected Real Rate of Return
US Domestic Fixed Income	80.0%	0.95%	0.76%
Cash Equivalents	20.0%	0.35%	0.07%
Total	100.0%		0.83%
Expected Inflation			2.25%
Total Return			3.08%
Investment Return Assumption			2.75%

Single Discount Rate

The Single Discount Rate of 3.86% was used to measure the TOL for the SCRHITF. The accounting policy for this plan is to set the Single Discount Rate equal to the prevailing municipal bond rate. Due to the SCRHITF's investment and funding policies, the difference between a blended discount rate and the municipal bond rate would be less than several basis points (several hundredths of one percent).

OPEB Liability, OPEB Expense, and Deferred Outflows/Inflows of Resources Related to OPEB

The NOL is calculated separately for each system and represents that particular system's TOL determined in accordance with GASB No. 74 less its fiduciary net position. NOL totals, as of the June 30, 2023 measurement date for the SCRHITF, are presented in the following table:

System	Total OPEB Liability	OPEB Plan Fiduciary Net Position	Net OPEB Liability (Asset)	OPEB Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
SCRHITF	\$ 14,749,639,155	1,658,152,923	\$ 13,091,486,232	11.24%

The TOL is calculated by PEBA's actuary, and the fiduciary net position is reported in the PEBA's financial statements. The NOL is disclosed in accordance with the requirements of GASB No. 74 in the PEBA's notes to the financial statements and required supplementary information. Liability calculations performed by the PEBA's actuary for the purpose of satisfying the requirements of GASB Nos. 74 and 75 are not applicable for other purposes, such as determining the OPEB Plan's funding requirements.

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

IV. OTHER INFORMATION (CONTINUED)

B. Other Postemployment Benefit Plans (Continued)

OPEB Liability, OPEB Expense, and Deferred Outflows/Inflows of Resources Related to OPEB (Continued)

At June 30, 2024, the Center reported a liability of approximately \$3,204,000 for its proportionate share of the NOL for the SCRHITF. The NOL was measured as of June 30, 2023, and the TOL for the SCRHITF used to calculate the NOL was determined based on the most recent actuarial valuation report of June 30, 2022 that was projected forward to the measurement date. The Center's proportion of the NOL was based on a projection of the Center's long-term share of contributions to the SCRHITF relative to the projected contributions of all participating South Carolina state and local governmental employers, actuarially determined. At the June 30, 2023 measurement date, the Center's proportion was 0.024475 percent, which was an increase of 0.000525 percent from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the Center recognized OPEB expense of approximately \$86,000 for the SCRHITF. At June 30, 2024, the Center reported deferred outflows of resources (deferred OPEB charges) and deferred inflows of resources (deferred OPEB credits) related to OPEBs from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 56,687	\$ 730,151
Change in Assumptions	642,788	1,029,452
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	32,179	-
Changes in Proportion and Differences Between the Employer's Contributions and Proportionate Share of Contributions	211,860	309,084
Employer Contributions Subsequent to the Measurement Date	187,463	-
Total	\$ 1,130,977	\$ 2,068,687

Approximately \$187,000 that was reported as deferred outflows of resources related to the Center's contributions subsequent to the measurement date to the SCRHITF, will be recognized as a reduction of the NOL in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources (deferred OPEB charges) and deferred inflows of resources (deferred OPEB credits) related to the SCRHITF will increase (decrease) OPEB expense as follows:

Year Ended June 30,	Increase (Decrease) OPEB Expense
2025	\$ (131,402)
2026	(125,941)
2027	(174,786)
2028	(286,261)
2029	(339,461)
2030	(67,322)
Total	\$ (1,125,173)

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

IV. OTHER INFORMATION (CONTINUED)

B. Other Postemployment Benefit Plans (Continued)

Sensitivity Analysis

The following table presents the sensitivity of the Center NOL for the SCRHITF to changes in the discount rate, calculated using the discount rate of 3.86%, as well as what it would be if it were calculated using a discount rate that is 1% point lower (2.86%) or 1% point higher (4.86%) than the current rate:

	1% Decrease (2.86%)	Current Discount Rate (3.86%)	1% Increase (4.86%)
Net OPEB Liability	\$ 3,782,359	3,204,141	\$ 2,737,804

The following table presents the sensitivity of the Center’s NOL to changes in the healthcare cost trend rate, calculated using the healthcare cost trend rate of 6.00% decreasing to 4.00%, as well as what it would be if it were calculated using a healthcare cost trend rate that is 1% point lower (5.00% decreasing to 3.00%) or 1% point higher (7.00% decreasing to 5.00%) than the current rate:

	1% Decrease (5.00% decreasing to 3.00%)	Current Healthcare Cost Trend Rate (6.00% decreasing to 4.00%)	1% Increase (7.00% decreasing to 5.00%)
Net OPEB Liability	\$ 2,660,529	3,204,141	\$ 3,902,566

OPEB Plans’ Fiduciary Net Position

Detailed information regarding the fiduciary net position of the OPEB Plans administered by the PEBA is available in the separately issued financial statements and required supplementary information for the South Carolina Public Employee Benefit Authority, Insurance Benefits and Other Post Employment Benefits Trust Funds. This information is publicly available through the Insurance Benefits’ link on the PEBA’s website at www.peba.sc.gov or a copy may be obtained by submitting a request to the PEBA – Insurance Benefits, 202 Arbor Lake Drive, Columbia, SC 29223.

C. Risk Management

The Center 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 Center, along with other school districts within the state, is insured under policies with the South Carolina School Boards Insurance Trust and the State of South Carolina Insurance Reserve Fund, a public entity risk pool currently operating as a common risk management and insurance fund. The Center pays annual premiums to the South Carolina School Boards Insurance Trust / Property and Casualty Pool for its general insurance coverage and pays premiums to the South Carolina School Boards Insurance Trust / Workers’ Compensation Pool for its workers’ compensation insurance coverage. These trusts are self-sustaining through member premiums and by purchases of commercial insurance coverage on a portion of its liabilities, and any deficiencies can be charged back to the member school districts in the event that a deficit arises.

The Center carries insurance for its employee health, dental, group life, and accident insurance under the State of South Carolina.

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

IV. OTHER INFORMATION (CONTINUED)

C. Risk Management (Continued)

Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three years and there has been no significant reduction in insurance coverage.

D. Contingencies

The Center participates in a number of federal and state assisted grant programs that are governed by various rules and regulations of grantor agencies. These programs are subject to financial and compliance audits by the grantors or their representatives. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. The Center believes it has substantially complied with the contract/grant provisions.

Based on prior experience, the Center's management believes such disallowances, if any, would not be significant; therefore, no provision has been recorded in the accompanying financial statements for such contingencies. In addition, the Center must apply for annual renewals of contracts and grants. Funding is subject to both increases and reductions at the discretion of the contractors and grantors.

E. Tax Abatements

Center's Tax Abatements

The Center does not have any of its own tax abatement agreements.

Dorchester County's Tax Abatements

The Center's property tax revenues were reduced by approximately \$531,000 under agreements entered into by Dorchester County, South Carolina.

Required Supplementary Information

REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE -
GENERAL FUND

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

YEAR ENDED JUNE 30, 2024

	BUDGETED AMOUNTS		ACTUAL	VARIANCE
	ORIGINAL	FINAL		WITH FINAL BUDGET
REVENUES				
Local Sources:				
Taxes	\$ 3,929,959	3,929,959	4,361,349	\$ 431,390
Investment Earnings	121,330	121,330	291,332	170,002
Other Local Sources	18,088	18,088	12,528	(5,560)
Intergovernmental	42,776	42,776	58,543	15,767
State Sources	2,159,551	2,159,551	2,641,935	482,384
TOTAL REVENUE ALL SOURCES	6,271,704	6,271,704	7,365,687	1,093,983
EXPENDITURES				
Current:				
Instruction	2,847,199	2,938,351	2,809,291	129,060
Support Services	3,297,588	3,207,793	2,891,972	315,821
Community Services	6,650	6,650	6,688	(38)
Capital Outlay	390,295	388,938	93,099	295,839
TOTAL EXPENDITURES	6,541,732	6,541,732	5,801,050	740,682
EXCESS OF REVENUES OVER EXPENDITURES	(270,028)	(270,028)	1,564,637	1,834,665
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	-	-	9,005	9,005
Transfers In	270,028	270,028	-	(270,028)
Transfers Out	-	-	(1,000,000)	(1,000,000)
TOTAL OTHER FINANCING SOURCES (USES)	270,028	270,028	(990,995)	(1,261,023)
NET CHANGE IN FUND BALANCE	-	-	573,642	573,642
FUND BALANCE, Beginning of Year	6,954,306	6,954,306	6,954,306	-
FUND BALANCE, End of Year	\$ 6,954,306	6,954,306	7,527,948	\$ 573,642

Note: The budget is presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.

Note: The transfer out of the General Fund was to the Capital Projects fund for future capital needs and is not budgeted but is dependent on current year actual results.

**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
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NOTES TO THE BUDGETARY COMPARISON SCHEDULE

YEAR ENDED JUNE 30, 2024

The General Fund budget is adopted on a basis consistent with generally accepted accounting principles. It is prepared by function and object as dictated by the State of South Carolina Adopted Program Oriented Budgeting and Accounting System and for management control purposes. The Center's policies allow funds to be transferred between functions. However, the total budget cannot be increased beyond that level without approval of the Board in supplementary action. The legal level of control is at the fund level.

The following procedures are followed in establishing the budgetary data reflected in the schedule:

- In fall of the preceding year, the Center begins its budget process for the next succeeding fiscal year.
- After the Center's finance staff reviews all requests and allocation requirements and related revenue, it presents a tentative proposed budget to the Director for his review and adjustment.
- The Director presents the proposed budget to the Board of Trustees for their review. Any adjustments deemed necessary are made during the review process.
- The Board of Trustees submits the budget to Dorchester County Council. County Council, limited to the requirements imposed by the South Carolina Department of Education, approves the operating budget.
- Prior to July 1, the budget is legally enacted through passage of a resolution by the Dorchester County Council.

The administration has discretionary authority to make transfers between budgeted revenue and expenditure accounts as long as the overall budget is not affected. The budget for the General Fund is prepared by function and object and includes current year estimates and requested appropriations for the next fiscal year. Budgets for the Special Revenue Fund and EIA Fund are approved by the appropriate granting agencies and, as such, these budgets are not part of the Center's legally adopted budget and are not presented in the Budgetary Comparison Schedule. No budgets are prepared for the Capital Projects Fund. Budget appropriations lapse at year-end.

DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION - PENSION PLAN SCHEDULES

SCHEDULE OF THE CENTER'S PROPORTIONATE SHARE OF THE NET
PENSION LIABILITY - SOUTH CAROLINA RETIREMENT SYSTEM

LAST TEN FISCAL YEARS

	Year Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Center's Proportion of the Net Pension Liability	0.019997%	0.001765%	0.021503%	0.021675%	0.021236%	0.020182%	0.019970%	0.016637%	0.016850%	0.021685%
Center's Proportionate Share of the Net Pension Liability	\$ 4,834,825	\$ 4,723,863	\$ 4,653,509	\$ 5,538,329	\$ 4,849,091	\$ 4,522,170	\$ 4,495,568	\$ 3,553,639	\$ 3,195,683	\$ 3,733,438
Center's Covered Payroll	\$ 2,534,930	\$ 2,326,147	\$ 2,414,147	\$ 2,424,266	\$ 2,242,478	\$ 2,091,428	\$ 2,014,885	\$ 1,611,101	\$ 1,579,905	\$ 1,968,757
Center's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	190.73%	203.08%	192.76%	228.45%	216.24%	216.22%	223.12%	220.57%	202.27%	189.63%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.65%	57.06%	60.75%	50.71%	54.40%	54.10%	53.34%	52.91%	56.99%	59.92%

Notes to Schedule:

The amounts presented for each fiscal year were determined as of June 30th of the preceding year.
The discount rate was lowered from 7.25% to 7.00% beginning with the year ended June 30, 2021 measurement date and 7.50% to 7.25% beginning with the year ended June 30, 2017 measurement date.

DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION - PENSION PLAN SCHEDULES

SCHEDULE OF CONTRIBUTIONS
SOUTH CAROLINA RETIREMENT SYSTEM

LAST TEN FISCAL YEARS

	Year Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 540,184	443,972	384,249	374,108	376,261	326,505	283,598	232,917	178,188	\$ 172,210
Contributions in Relation to the Contractually Required Contribution:										
Contributions from the Center	523,750	427,538	367,815	357,674	359,827	310,071	267,164	232,917	178,188	172,210
Contributions from the State	16,434	16,434	16,434	16,434	16,434	16,434	16,434	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	\$ -
Center's Covered Payroll	\$ 2,917,680	2,534,930	2,326,147	2,414,147	2,424,266	2,242,478	2,091,428	2,014,885	1,611,101	\$ 1,579,905
Contributions as a Percentage of Covered Payroll:	18.51%	17.51%	16.52%	15.50%	15.52%	14.56%	13.56%	11.56%	11.06%	10.90%

DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION - PENSION PLAN SCHEDULES

SCHEDULE OF THE CENTER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
SOUTH CAROLINA POLICE OFFICERS RETIREMENT SYSTEM

LAST TEN FISCAL YEARS

	Year Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Center's Proportion of the Net Pension Liability	0.00177%	0.00177%	0.00174%	0.00170%	0.00036%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%
Center's Proportionate Share of the Net Pension Liability	\$ 53,969	\$ 52,937	\$ 44,877	\$ 56,447	\$ 10,369	-	-	-	-	\$ -
Center's Covered Payroll	\$ 31,063	\$ 27,935	\$ 25,842	\$ 25,713	\$ 5,248	-	-	-	-	\$ -
Center's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	173.74%	189.50%	173.66%	219.5%	197.6%	0.0%	0.0%	0.0%	0.0%	0.0%
	67.8%	66.4%	70.4%	58.8%	62.7%	61.7%	60.9%	60.4%	64.6%	67.5%

Notes to Schedule:

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

The Center had no employees participating in the PORS program prior to fiscal year 2019.

The discount rate was lowered from 7.25% to 7.00% beginning with the year ended June 30, 2021 measurement date and 7.50% to 7.25% beginning with the year ended June 30, 2017 measurement date.

DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION - PENSION PLAN SCHEDULES

SCHEDULE OF CONTRIBUTIONS
SOUTH CAROLINA POLICE OFFICERS RETIREMENT SYSTEM

LAST TEN FISCAL YEARS

	Year Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 7,260	6,287	5,375	4,714	4,690	905	-	-	-	\$ -
Contributions in Relation to the Contractually Required Contribution:										
Contributions from the Center	7,260	6,287	5,375	4,714	4,690	905	-	-	-	-
Contributions from the State	-	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	\$ -
Center's Covered Payroll	\$ 34,182	31,063	27,935	25,842	25,713	5,248	-	-	-	\$ -
Contributions as a Percentage of Covered Payroll	21.24%	20.24%	19.24%	18.24%	18.24%	17.24%	0.00%	0.00%	0.00%	0.00%

Notes to Schedule:

The Center had no employees participating in the PORS program prior to fiscal year 2019.

DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION - OPEB PLAN SCHEDULES

SCHEDULE OF THE CENTER'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
SOUTH CAROLINA RETIREE HEALTH INSURANCE TRUST FUND

LAST EIGHT FISCAL YEARS

	Year Ended June 30,							
	2024	2023	2022	2021	2020	2019	2018	2017
Center's Proportion of the Net OPEB Liability	0.024475%	0.023950%	0.026164%	0.026579%	0.025700%	0.024252%	0.023893%	0.023893%
Center's Proportionate Share of the Net OPEB Liability	\$ 3,204,141	3,643,236	5,448,177	4,797,894	3,886,232	3,436,650	3,236,268	\$ 3,456,990
Center's Covered Payroll	\$ 2,565,993	2,354,082	2,439,989	2,449,979	2,247,726	2,091,428	2,014,885	\$ 1,611,101
Center's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	124.9%	154.8%	223.3%	195.8%	172.9%	164.3%	160.6%	214.6%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	11.2%	9.6%	7.5%	8.4%	8.4%	7.9%	7.6%	6.6%
The discount rates used by year were as follows:	3.86%	3.69%	1.92%	2.45%	3.13%	3.62%	3.56%	2.92%

Notes to Schedule:

The amounts presented for each fiscal year were determined as of June 30th of the preceding year (measurement date). The Center adopted GASB #75 during the year ended June 30, 2018. Information before 2017 is not available.

DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION - OPEB PLAN SCHEDULES

SCHEDULE OF THE CENTER'S CONTRIBUTIONS TO THE
SOUTH CAROLINA RETIREE HEALTH INSURANCE TRUST FUND

LAST EIGHT FISCAL YEARS

	Year Ended June 30,							
	2024	2023	2022	2021	2020	2019	2018	2017
Contractually Required Contribution	\$ 187,463	160,375	147,430	152,202	153,125	135,987	115,029	\$ 107,393
Contributions in Relation to the Contractually Required Contribution	187,463	160,375	147,430	152,202	153,125	135,987	115,029	107,393
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	\$ -
Center's Covered Payroll	\$ 2,951,862	\$ 2,565,993	2,354,082	2,439,989	2,449,979	2,247,726	2,091,428	\$ 2,014,885
Contributions as a Percentage of Covered Payroll	6.35%	6.25%	6.26%	6.24%	6.25%	6.05%	5.50%	5.33%

Notes to Schedule:

The amounts presented for each fiscal year were determined as of June 30th of the preceding year (measurement date).
The Center adopted GASB #75 during the year ended June 30, 2018. Information before 2017 is not available.

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Supplementary Information

GENERAL FUND

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

YEAR ENDED JUNE 30, 2024

	REVISED BUDGET	ACTUAL	VARIANCE
REVENUES			
1000 Revenue from Local Sources:			
1200 Revenue from Local Governmental Units Other than LEAs:			
1210 Ad Valorem Taxes-Including Delinquent (Dependent)	\$ 3,643,208	4,001,806	\$ 358,598
1280 Revenue in Lieu of Taxes (Independent and Dependent)	286,751	359,543	72,792
1300 Tuition:			
1310 From Patrons for Regular Day School	6,000	7,460	1,460
1500 Earnings on Investments:			
1510 Interest on Investments	121,330	291,332	170,002
1700 Pupil Activities:			
1790 Other Pupil Activity Income	-	2,420	2,420
1900 Other Revenue from Local Sources:			
1910 Rentals	-	1,881	1,881
1920 Contributions & Donations Private Sources	-	500	500
1990 Miscellaneous Local Revenue:			
1999 Revenue from Other Local Sources	12,088	267	(11,821)
Total Revenue from Local Sources	<u>4,069,377</u>	<u>4,665,209</u>	<u>595,832</u>
2000 Intergovernmental Revenue:			
2100 Payments from Other Governmental Units	42,776	42,043	(733)
2310 Payments from Nonprofit Entities (Other Than for First Steps)	-	16,500	16,500
Total Intergovernmental Revenue	<u>42,776</u>	<u>58,543</u>	<u>15,767</u>
3000 Revenue from State Sources:			
3100 Restricted State Funding:			
3181 Retiree Insurance (No Carryover Provision)	138,675	144,172	5,497
3800 State Revenue in Lieu of Taxes:			
3810 Reimbursement for Local Residential Property Tax Relief (Tier 1)	314,560	348,435	33,875
3820 Homestead Exemption (Tier 2)	85,539	85,539	-
3825 Reimbursement for Property Tax Relief (Tier 3)	1,545,115	1,824,123	279,008
3830 Merchant's Inventory Tax	18,171	18,172	1
3840 Manufacturers Depreciation Reimbursement	32,822	179,406	146,584
3890 Other State Property Tax Revenues (Includes Motor Carrier Vehicle Tax)	8,235	25,654	17,419
3900 Other State Revenue:			
3993 PEBA on-Behalf	16,434	16,434	-
Total Revenue from State Sources	<u>2,159,551</u>	<u>2,641,935</u>	<u>482,384</u>
TOTAL REVENUE ALL SOURCES	<u>\$ 6,271,704</u>	<u>7,365,687</u>	<u>\$ 1,093,983</u>

(Continued)

GENERAL FUND

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

YEAR ENDED JUNE 30, 2024

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
EXPENDITURES			
100 Instruction:			
110 General Instruction:			
115 Career and Technology Education Program:			
100 Salaries	\$ 1,646,113	1,639,438	\$ 6,675
140 Terminal Leave	10,000	12,556	(2,556)
200 Employee Benefits	785,264	754,374	30,890
300 Purchased Services - Other Than Tuition	113,285	85,513	27,772
400 Supplies and Materials	293,484	229,297	64,187
500 Capital Outlay	196,211	34,520	161,691
600 Other Objects	5,304	2,575	2,729
116 Career and Technology Education (Vocational) Programs - Middle School:			
100 Salaries	51,997	52,047	(50)
200 Employee Benefits	32,304	32,304	-
300 Purchased Services - Other Than Tuition	-	90	(90)
400 Supplies and Materials	-	508	(508)
140 Special Programs:			
142 Disadvantaged:			
400 Supplies and Materials	600	590	10
Total Instruction	<u>3,134,562</u>	<u>2,843,812</u>	<u>290,750</u>
200 Support Services:			
210 Pupil Services:			
211 Attendance and Social Work Services:			
100 Salaries	46,092	46,142	(50)
200 Employee Benefits	29,131	29,956	(825)
300 Purchased Services	105	-	105
400 Supplies and Materials	1,000	56	944
600 Other Objects	175	141	34
212 Guidance Services:			
100 Salaries	219,393	219,545	(152)
200 Employee Benefits	147,400	113,659	33,741
300 Purchased Services	3,100	1,691	1,409
400 Supplies and Materials	5,700	5,464	236
600 Other Objects	500	60	440
213 Health Services:			
400 Supplies and Materials	4,500	5,018	(518)
220 Instructional Staff Services:			
221 Improvement of Instruction-Curriculum Development:			
100 Salaries	8,000	8,000	-
200 Employee Benefits	1,324	2,638	(1,314)
300 Purchased Services	7,200	27,673	(20,473)
230 General Administrative Services:			
231 Board of Education:			
300 Purchased Services	24,500	12,055	12,445
318 Audit Services	28,500	27,750	750
400 Supplies and Materials	4,725	2,345	2,380
600 Other Objects	\$ 5,000	2,425	\$ 2,575

(Continued)

GENERAL FUND

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

YEAR ENDED JUNE 30, 2024

	REVISED BUDGET	ACTUAL	VARIANCE
232 Office of Superintendent:			
100 Salaries	\$ 533,732	527,631	\$ 6,101
200 Employee Benefits	224,555	224,336	219
300 Purchased Services	44,100	28,470	15,630
400 Supplies and Materials	36,100	19,070	17,030
600 Other Objects	3,500	1,301	2,199
250 Finance and Operations Services:			
252 Fiscal Services:			
100 Salaries	226,908	227,583	(675)
200 Employee Benefits	96,246	95,319	927
300 Purchased Services	17,000	24,452	(7,452)
400 Supplies and Materials	4,200	2,433	1,767
500 Capital Outlay	-	6,704	(6,704)
600 Other Objects	3,000	2,503	497
254 Operation and Maintenance of Plant:			
100 Salaries	229,656	205,526	24,130
200 Employee Benefits	138,006	99,560	38,446
300 Purchased Services	257,700	280,005	(22,305)
321 Public Utilities (Excludes Gas, Oil, Elec. & Other Heating Fuels)	17,800	18,717	(917)
400 Supplies and Materials	136,500	95,804	40,696
470 Energy (Includes Gas, Oil, Elec. & Other Heating Fuels)	167,000	170,674	(3,674)
500 Capital Outlay	182,727	51,875	130,852
600 Other Objects	800	556	244
258 Security:			
300 Purchased Services	108,232	105,470	2,762
400 Supplies and Materials	2,500	-	2,500
260 Central Support Services:			
263 Information Services:			
100 Salaries	29,877	29,927	(50)
200 Employee Benefits	24,572	24,627	(55)
300 Purchased Services	22,350	4,960	17,390
400 Supplies and Materials	2,175	2,803	(628)
600 Other Objects	500	30	470
264 Staff Services:			
100 Salaries	5,000	5,000	-
200 Employee Benefits	1,655	1,632	23
300 Purchased Services	-	40	(40)
400 Supplies and Materials	34,000	29,496	4,504
600 Other Objects	-	85	(85)
266 Technology and Data Processing Services:			
100 Salaries	80,844	48,028	32,816
200 Employee Benefits	41,440	21,770	19,670
300 Purchased Services	51,500	52,655	(1,155)
400 Supplies and Materials	129,500	36,977	92,523
500 Capital Outlay	10,000	-	10,000
600 Other Objects	500	(87)	587
Total Support Services	\$ 3,400,520	2,950,550	\$ 449,970

(Continued)

GENERAL FUND

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

YEAR ENDED JUNE 30, 2024

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
300 Community Services:			
390 Other Community Services:			
400 Supplies and Materials	\$ 6,650	6,688	\$ (38)
Total Community Services	<u>6,650</u>	<u>6,688</u>	<u>(38)</u>
TOTAL EXPENDITURES	<u>6,541,732</u>	<u>5,801,050</u>	<u>740,682</u>
OTHER FINANCING SOURCES (USES)			
5300 Sale of Fixed Assets	-	9,005	9,005
Interfund Transfers, From (To) Other Funds:			
5230 Transfer from Special Revenue EIA Fund	270,028	-	(270,028)
424-710 Transfer to Capital Projects Fund	-	(1,000,000)	(1,000,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>270,028</u>	<u>(990,995)</u>	<u>(1,261,023)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	573,642	573,642
FUND BALANCE, Beginning of Year	<u>6,954,306</u>	<u>6,954,306</u>	<u>-</u>
FUND BALANCE, End of Year	<u>\$ 6,954,306</u>	<u>7,527,948</u>	<u>\$ 573,642</u>

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2024

	CATE (VA Projects) (207/208)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Student Activity Funds (700s)	Totals
REVENUES					
1000 Revenue from Local Sources:					
1500 Earnings on Investments:					
1510 Interest on Investments	\$ -	-	-	624	\$ 624
1700 Pupil Activities:					
1720 Bookstore Sales	-	-	-	88	88
1730 Pupil Organization Membership Dues and Fees	-	-	-	700	700
1790 Other Pupil Activity Income	-	-	-	30,441	30,441
Total Revenue from Local Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,853</u>	<u>31,853</u>
3000 Revenue from State Sources:					
3100 Restricted State Funding:					
3110 Occupational Education:					
3113 12-Months Agricultural Program	-	-	37,331	-	37,331
Total Revenue from State Sources	<u>-</u>	<u>-</u>	<u>37,331</u>	<u>-</u>	<u>37,331</u>
4000 Revenue from Federal Sources:					
4200 Occupational Education:					
4210 Perkins Aid, Title I	45,823	-	-	-	45,823
4900 Other Federal Sources:					
4977 ESSER II	-	-	19,067	-	19,067
Total Revenue from Federal Sources	<u>45,823</u>	<u>-</u>	<u>19,067</u>	<u>-</u>	<u>64,890</u>
TOTAL REVENUE ALL SOURCES	<u>45,823</u>	<u>-</u>	<u>56,398</u>	<u>31,853</u>	<u>134,074</u>
EXPENDITURES					
100 Instruction:					
115 Career and Technology Education Programs:					
100 Salaries	-	-	26,841	-	26,841
300 Purchased Services - Other Than Tuition	21,025	-	-	-	21,025
400 Supplies and Materials	24,798	-	5,361	-	30,159
116 Career and Technology Education (Vocational) Programs - Middle School:					
100 Salaries	-	-	10,490	-	10,490
Total Instruction	<u>45,823</u>	<u>-</u>	<u>42,692</u>	<u>-</u>	<u>88,515</u>
200 Support Services:					
254 Operation and Maintenance of Plant:					
400 Supplies and Materials	-	-	13,706	-	13,706
270 Support Services - Pupil Activity:					
271 Pupil Services Activities:					
300 Purchased Services (Optional)	-	-	-	1,000	1,000
400 Supplies and Materials (Optional)	-	-	-	3,338	3,338
600 Other Objects (Optional)	-	-	-	26,901	26,901
Total Support Services	<u>-</u>	<u>-</u>	<u>13,706</u>	<u>31,239</u>	<u>44,945</u>
TOTAL EXPENDITURES	<u>45,823</u>	<u>-</u>	<u>56,398</u>	<u>31,239</u>	<u>133,460</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	614	614
FUND BALANCES, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>96,068</u>	<u>96,068</u>
FUND BALANCE, End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>96,682</u>	<u>\$ 96,682</u>

**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA**

Schedule B-2

SPECIAL REVENUE FUND

SUPPLEMENTAL LISTING OF LEA SUBFUND CODES AND TITLES

YEAR ENDED JUNE 30, 2024

OTHER SPECIAL REVENUE PROGRAMS

225	ESSER II
802	12 Months Agricultural Program

OTHER DESIGNATED RESTRICTED STATE GRANTS

None

SPECIAL REVENUE FUND

SUMMARY SCHEDULE FOR OTHER DESIGNATED RESTRICTED STATE GRANTS

YEAR ENDED JUNE 30, 2024

Subfund	Revenue	Programs	Revenues	Expenditures	Special Revenue		Special Revenue Fund Deferred
					Interfund Transfers In (Out)	Other Fund Transfers In (Out)	
None							

**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA**

Schedule B-4

EDUCATION IMPROVEMENT ACT

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
ALL PROGRAMS**

YEAR ENDED JUNE 30, 2024

	<u>ACTUAL</u>
REVENUES	
3000 Revenue from State Sources:	
3500 Education Improvement Act:	
3528 Industry Certification	\$ 97,291
3529 Career and Technology Education	209,907
3577 Teacher Supplies (No Carryover Provision)	10,500
Total Revenue from State Sources	<u>317,698</u>
TOTAL REVENUE ALL SOURCES	<u>317,698</u>
EXPENDITURES	
100 Instruction:	
110 General Instruction:	
115 Career and Technology Education Program:	
300 Purchased Services	855
400 Supplies and Materials	191,558
500 Capital Outlay	123,885
116 Career and Technology Education (Vocational) Programs - Middle School:	
400 Supplies and Materials	350
Total Instruction	<u>316,648</u>
200 Support Services:	
210 Pupil Services:	
212 Guidance Services:	
400 Supplies and Materials	1,050
Total Support Services	<u>1,050</u>
TOTAL EXPENDITURES	<u>317,698</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-
FUND BALANCE, Beginning of Year	<u>-</u>
FUND BALANCE, End of Year	<u>\$ -</u>

**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA**

Schedule B-5

EDUCATION IMPROVEMENT ACT

SUMMARY SCHEDULE BY PROGRAM

YEAR ENDED JUNE 30, 2024

Program	Revenues	Expenditures	EIA Interfund Transfers In/(Out)	Other Fund Transfers In/(Out)	EIA Fund Deferred Revenue
3500 Education Improvement Act:					
3528 Industry Certification	\$ 97,291	97,291	-	-	\$ 6,115
3529 Career and technology Education	209,907	209,907	-	-	122,258
3577 Teacher Supplies	10,500	10,500	-	-	-
Totals	\$ 317,698	317,698	-	-	\$ 128,373

DETAILED SCHEDULE OF DUE TO STATE DEPARTMENT OF EDUCATION/FEDERAL GOVERNMENT

YEAR ENDED JUNE 30, 2024

<u>Program</u>	<u>Project/Grant Number</u>	<u>Revenue & Subfund Code</u>	<u>Description</u>	<u>Amount Due to State Department of Education or Federal Government</u>	<u>Status of Amount Due to Grantors</u>
None				\$ -	

**DORCHESTER COUNTY CAREER & TECHNOLOGY CENTER
DORCHESTER, SOUTH CAROLINA**

Schedule C-1

CAPITAL PROJECTS FUND - SCHOOL BUILDING FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
ALL PROGRAMS**

YEAR ENDED JUNE 30, 2024

	<u>ACTUAL</u>
REVENUES	
1000 Revenue from Local Sources:	
1500 Earnings on Investments:	
1510 Interest on Investments	\$ 224,849
Total Revenue from Local Sources	<u>224,849</u>
TOTAL REVENUE ALL SOURCES	<u>224,849</u>
EXPENDITURES	
200 Support Services:	
250 Finance and Operations Services:	
253 Facilities Acquisition and Construction:	
500 Capital Outlay:	
510 Land	2,107,982
Total Support Services	<u>2,107,982</u>
TOTAL EXPENDITURES	<u>2,107,982</u>
OTHER FINANCING SOURCES (USES)	
Interfund Transfers, From (To) Other Funds:	
5210 Transfer from General Fund (Excludes Indirect Costs)	1,000,000
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,000,000</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(883,133)
FUND BALANCE, Beginning of Year	<u>5,694,667</u>
FUND BALANCE, End of Year	<u><u>\$ 4,811,534</u></u>

LOCATION RECONCILIATION SCHEDULE

YEAR ENDED JUNE 30, 2024

<u>DISTRICT SERVED</u>	<u>SCHOOL SERVED</u>	<u>STUDENTS SERVED</u>
District Two	Summerville High School	281
District Two	Fort Dorchester High School	175
District Two	Ashley Ridge High School	169
District Four	Woodland High School	110
Other Schools	Dorchester Academy	17
Non-Schools	Holly Hill Academy	4
Non-Schools	Pinewood Preparatory School	1
Non-Schools	Home-Schooled	19
Total Students Served		<u><u>776</u></u>

<u>LOCATION ID</u>	<u>LOCATION DESCRIPTION</u>	<u>TOTAL EXPENDITURES</u>
01	Dorchester	\$ 4,907,459
02	Trolley Rd	3,452,731
		<u><u>\$ 8,360,190</u></u>

The following expenditures are reconciled to the Center's financial statements:

General Fund	\$ 5,801,050
Special Revenue Fund	133,460
Special Revenue Fund - Education Improvement Act	317,698
Capital Projects Fund	2,107,982
TOTAL EXPENDITURES / DISBURSEMENTS FOR ALL FUNDS	<u><u>\$ 8,360,190</u></u>

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Compliance Section

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

Independent Auditor's Report

The Board of Trustees
Dorchester County Career & Technology Center
Dorchester, South Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Dorchester County Career & Technology Center (the "Center"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Center's basic financial statements, and have issued our report thereon dated October 23, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Center's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control. Accordingly, we do not express an opinion on the effectiveness of the Center's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Center's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

Greene Finney Cauley, LLP

Greene Finney Cauley, LLP
Mauldin, South Carolina
October 23, 2024