



**ANNUAL COMPREHENSIVE
FINANCIAL REPORT
YEAR ENDED JUNE 30, 2021**

**City of West Columbia
South Carolina**

**CITY OF WEST COLUMBIA
ANNUAL COMPREHENSIVE
FINANCIAL REPORT
YEAR ENDED JUNE 30, 2021**

**BRIAN E. CARTER, CM-ICMA, AICP
City Administrator**

**Prepared by:
FINANCE DEPARTMENT**

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INTRODUCTORY SECTION

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February 23, 2022

To the Honorable Mayor, Members of the City Council and Citizens of the City of West Columbia:

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City of West Columbia, South Carolina, for the fiscal year ended June 30, 2021. The report contains a comprehensive analysis of the City's financial position and activities for the period.

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

The cost of internal control should not exceed anticipated benefits. The objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose.

The City of West Columbia's financial statements were audited by The Brittingham Group, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of West Columbia for the fiscal year ended June 30, 2021, are free of material misstatement. The independent audit involved examining on a test basis evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of West Columbia's financial statements for the fiscal year ended June 30, 2021 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The City is required to assess whether an annual single audit in conformity with the provisions by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards needs to be performed. In accordance with these requirements, no Single Audit was needed because the City's federal expenditures were below \$750,000.

Mayor

Temus C. "Tem" Miles, Jr.

Mayor Pro-Tem

R. Trevor Bedell

Council Members

Jimmy Brooks

Joseph D. Dickey, Jr.

Mike Green

Casey Jordan Hallman

David B. Moye

Erin Parnell Porter

Mickey Pringle

City Administrator

Brian E. Carter,
ICMA-CM, AICP

Deputy

City Administrator

Michelle M. Dickerson,
Esquire

City Treasurer/

Senior Assistant

City Administrator

Justin R. Black, CPA

City Clerk

Crystal Bouknight Parker

(803) 791-1880

FAX (803) 739-6231

200 N. 12th Street
West Columbia, SC 29169

PO Box 4044
West Columbia, SC 29171

www.westcolumbiasc.gov

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical and governmental auditing standards. The introductory section includes this transmittal letter, the government's organizational chart, and a list of principal officials. The financial section includes the general-purpose financial statements, the combining and individual fund financial statements, and schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The governmental auditing standards section includes the auditor's reports on the internal control structure and compliance with applicable laws and regulations.

This report includes all funds of the City of West Columbia. The City provides a full range of services, which include police and fire protection; sanitation services; the maintenance of highways, streets and infrastructure; recreational activities; planning and zoning, in addition to general government activities. The City also has a hospitality tax fund that accounts for tourism related activities. The City owns and operates a municipal water and sewer system serving residents and businesses within its corporate limits and in the territory adjacent thereto. Therefore, this activity also is included in the reporting entity.

GAAP require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of West Columbia's MD&A can be found immediately following the independent auditors' report.

Profile of the Government

The City of West Columbia was incorporated in 1894 and is located in the eastern part of Lexington County along the Saluda and Congaree Rivers. The City is located in the central part of the state, one of the top growth areas of South Carolina. Economic conditions and outlook of the government are progressively improving over the past three years. During this time, for example, regionally known retail and wholesale firms located in the greater West Columbia area have started or expanded activities. This growth has had a positive effect on employment and the government's tax base.

The City of West Columbia currently occupies a land area of 8.9 square miles and serves a population of 18,056 as of June 30, 2021. The City of West Columbia is empowered to levy a property tax on both real and personal properties located within its boundaries. The City also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when the City Council deems appropriate.

The City of West Columbia operates under a council form of government. Policy-making and legislative authority are vested in a governing council consisting of the mayor and eight other members. The city council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, hiring the city administrator and the city attorney, appointing the city treasurer and city clerk and selecting the independent auditor to audit the city's financial statements. The city administrator is responsible for carrying out the policies and ordinances of the city council, for overseeing the day-to-day operations of the government, and for appointing the heads of various departments. The council is elected on a non-partisan basis. Council members serve four-year staggered terms, with four council members elected every two years. The mayor is elected to serve a four-year term. All eight council members are elected by district. The mayor is elected at large.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of West Columbia operates.

Local Economy – The City of West Columbia is located near the City of Columbia, the state capital of South Carolina. The City is part of the greater Columbia Metropolitan area which has been experiencing stable economic conditions. The City and its neighbors, the Cities of Cayce and Columbia, have been constructing a park along the banks of the Congaree, Saluda and Broad Rivers as part of the Three Rivers Greenway Project, under the guidance of the coordinating agency, The River Alliance. The City of West Columbia's first phase of the project, known as the West Columbia Riverwalk Park and Amphitheater and the City's second phase of the park, designated the Riverwalk extension, have been completed. The remaining portion of the City's share of the Three Rivers Greenway project is a pedestrian bridge that will cross the Saluda River. This project is in the planning and development stage and should be completed within the next few years. When the entire Greenway project is completed, the park will have approximately twelve and a half miles of trails along the scenic Congaree, Saluda and Broad Rivers.

Long-term Financial Planning – During the fiscal year ending, June 30, 2020, the City refunded the 2019 general obligation bond for \$3,729,000. This bond covers various infrastructure and equipment needs. These needs included an expansion of City Hall and upgrade to the police department's evidence room. The City refunded the 2009A and 2009B water and sewer revenue bonds in the amount of \$10,540,000. These two bond refunds provided significant savings in debt service over their duration. The City issued no new debt during the 2021 fiscal year. Short- and long-term plans are updated periodically, which dictate the need for future indebtedness.

The Congaree and Saluda Rivers always have played a dominant role of strategic importance in the City of West Columbia's development. The ongoing Three Rivers Greenway project includes plans for a public nature park along both rivers that includes hiking trails, scenic overlooks on the river, concrete pathways, picnic shelters and emergency call boxes (for park visitor safety). Development on both sides of the Congaree River and Saluda Rivers is a driving force in the continuing economic development of the City of West Columbia. The City is coordinating efforts to enhance the economic development of property along the Congaree River that will be compatible to nearby residential areas.

Financial Information

Management of the government is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) The cost of a control should not exceed the benefits likely to be derived; and 2) the valuation of costs and benefits requires estimates and judgments by management.

Budgeting Controls – In addition, the government maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the government's governing body. Activities of the general fund only are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by function and activity within an individual fund. The government also maintains an encumbrance accounting system as one technique of accomplishing budgetary control.

The City Ordinances also provide for a non-appropriated budget for the proprietary and special revenue funds to facilitate the management review and approval process. As demonstrated by the statements and schedules included in the financial section of this report, the government continues meeting its responsibility for sound financial management.

Proprietary Operations – The government’s enterprise operation is comprised of the water and sewer utility system. Several of the government’s major initiatives directly relate to the water and sewer activities. The demand for housing in the City’s water service area is at an all time high, resulting in the construction of many new housing developments and an increased demand on water services. Based on the continuation of this trend, the water and sewer utility system should be in the position to generate revenues in an amount sufficient to cover debt service and operating costs.

Cash Management Policies and Practices – Cash temporarily idle during the year was held in local and regional banking institutions and consisted mainly of money market savings. The average yield on maturing investments during the year was roughly 1.20 percent. The government’s investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits were either insured by federal depository insurance or collateralized. All collateral on deposits was held either by the government, its agent or a financial institution’s trust department in the government’s name. It is the policy of the City of West Columbia to hold investments to maturity.

Risk Management – The City maintains an employee health insurance plan for all full-time employees through the South Carolina Public Employee Benefit Authority (PEBA), which is a state funded insurance program administered by Blue Cross / Blue Shield of South Carolina and workmen’s compensation insurance through a municipal pool, the South Carolina Municipal Insurance Trust (SCMIT). Specific excess insurance, such as liability insurance, is provided through the South Carolina Municipal Insurance and Risk Financing Fund (SCMIRF).

Other Information

Awards – The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of West Columbia, South Carolina for its annual comprehensive financial report (ACFR) for the fiscal year ended June 30, 2020. This was the 30th consecutive year that the City of West Columbia has received this prestigious award. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such ACFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements and are submitting it to the GFOA.

Acknowledgments – The preparation of the annual comprehensive financial report on a timely basis was made possible by the dedicated service of the entire staff and finance department. Each member of the department has our sincere appreciation for the contributions made in preparation of this report.

In closing, without the leadership and support of the Mayor and City Council, preparation of this report would not have been possible. We gratefully acknowledge the role played by the governing body.

Sincerely,



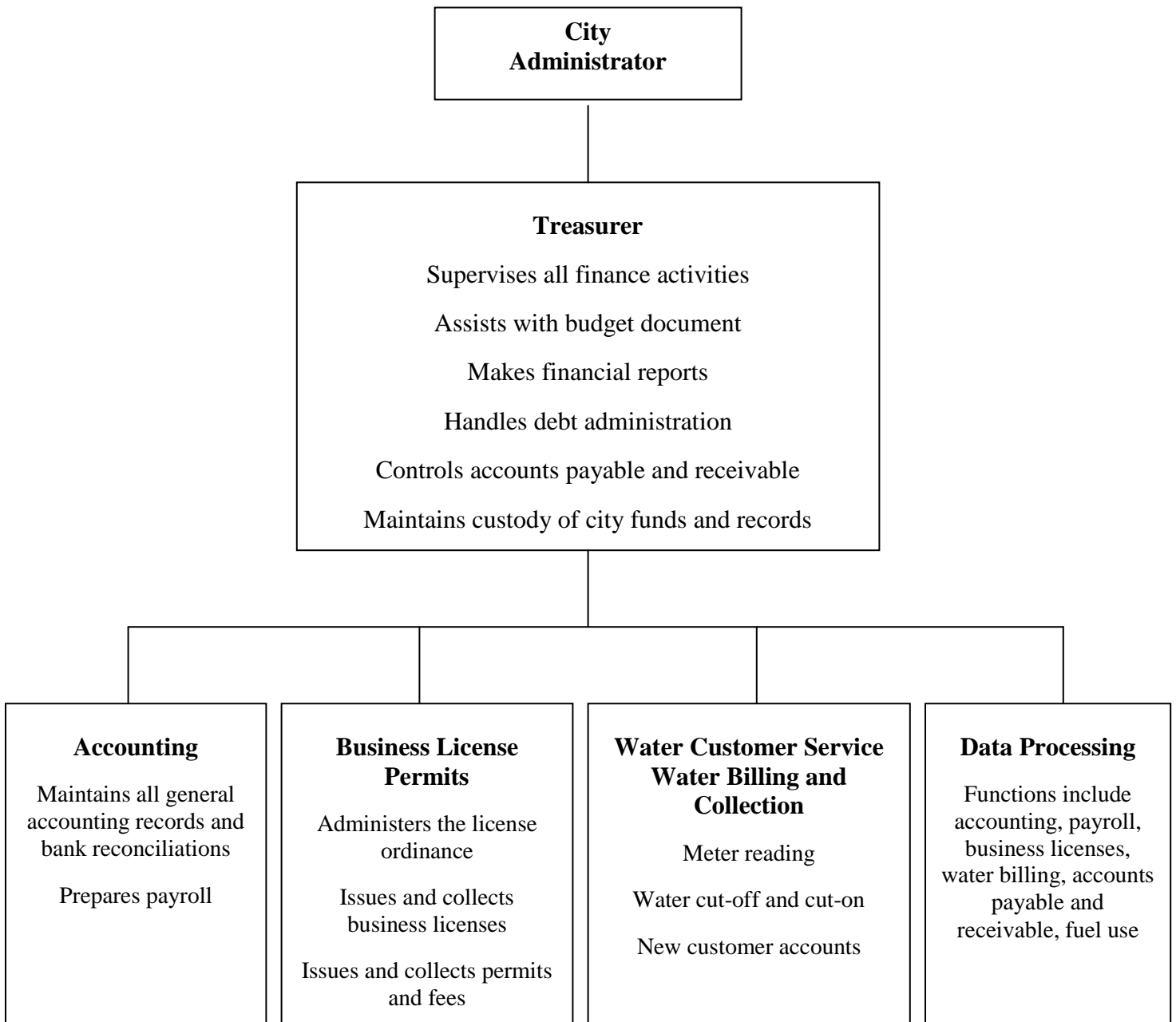
Justin R. Black, CPA
Senior Assistant City Administrator
& City Treasurer



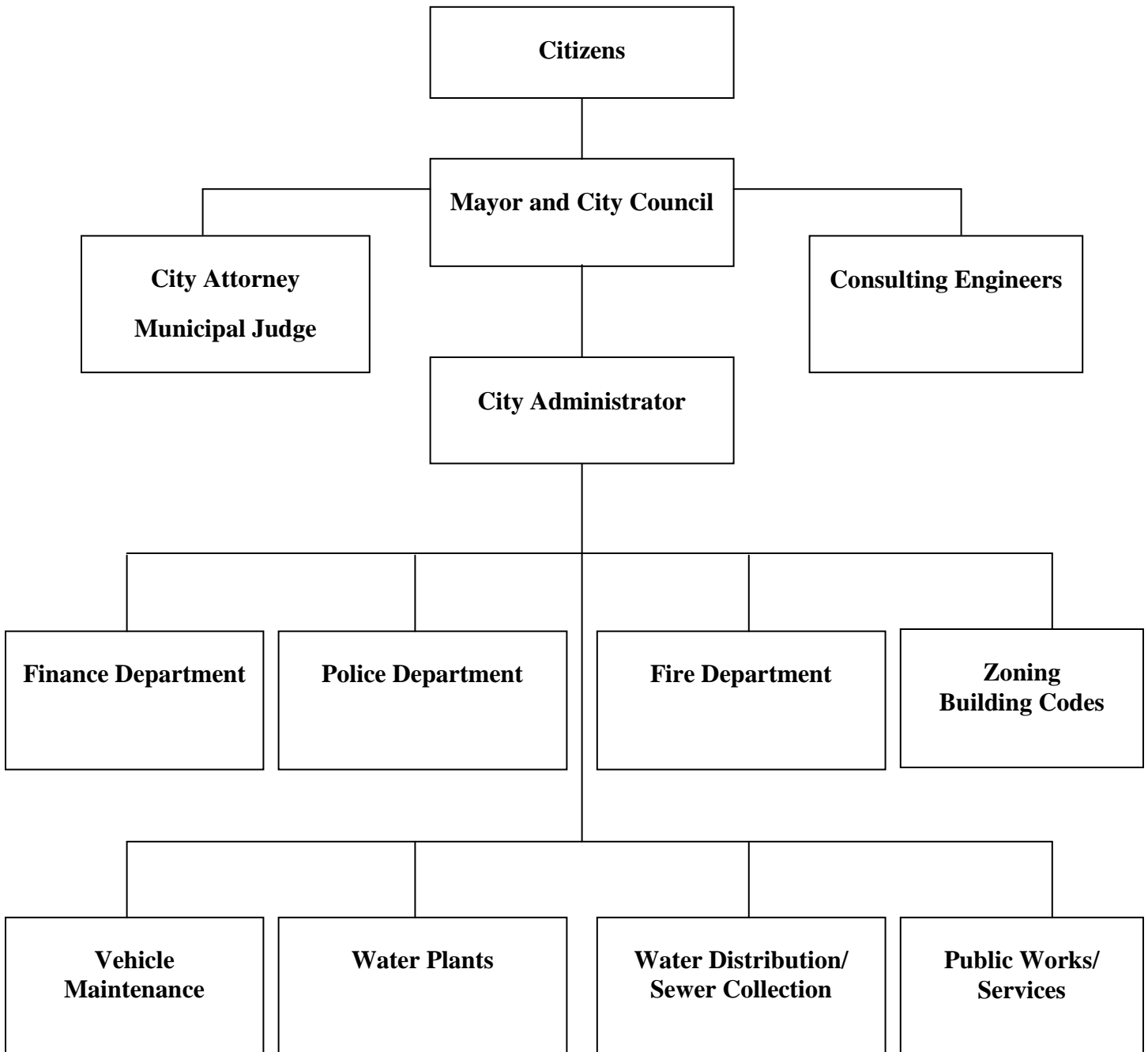
Brian E. Carter, CM-ICMA, AICP
City Administrator

City of West Columbia, South Carolina

**Finance Department
Organization Chart**



City of West Columbia, South Carolina



WEST COLUMBIA CITY COUNCIL

Temus C. “Tem” Miles, Jr., Mayor

COUNCIL MEMBERS

Jimmy Brooks, Mayor Pro-Tempore

**R. Trevor Bedell
Joseph Dickey
Mike Green
Casey Jordan Hallman
David Moye
Erin Parnell Porter
Mickey Pringle**

CITY ADMINISTRATION

**Brian E. Carter, CM-ICMA, AICP, City Administrator
Michelle M. Dickerson, Esq., Deputy City Administrator
Justin R. Black, CPA, Assistant City Administrator & City Treasurer**



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of West Columbia
South Carolina**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

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THE BRITTINGHAM GROUP, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

501 STATE STREET
POST OFFICE BOX 5949
WEST COLUMBIA, SOUTH CAROLINA 29171

PHONE: (803) 739-3090
FAX: (803) 791-0834

INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and Members of City Council
City of West Columbia, South Carolina
200 North 12th Street
West Columbia, South Carolina 29169

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the City of West Columbia, South Carolina (the "City"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, of the City as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 15 - 22, the Schedule of South Carolina Retirement Systems Contributions on page 75, the Schedule of Proportionate Share of South Carolina Retirement Systems Net Pension Liabilities on page 74, the Schedule of Changes in the City's Net OPEB Liability and Related Ratios on page 76, and the Schedule of OPEB Employer Contributions on page 77, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual non-major fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information in Schedules A-1 through F-1 is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information in Schedules A-1 through F-1 is fairly stated in all material respects in relation to the financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 23, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



West Columbia, South Carolina
February 23, 2022

City of West Columbia, SC

Management's Discussion and Analysis

The City of West Columbia's discussion and analysis offers readers of the City's financial statements a narrative overview and analysis of the City's financial activities for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, in the financial statements and the notes to the financial statements.

Financial Highlights

- The City of West Columbia's total assets and deferred outflows exceeded its total liabilities and deferred inflows on June 30, 2021, by \$47,250,953 (net position). The City's total net position increased \$6,513,616 with an increase of \$2,900,210 from governmental activities and an increase of \$3,613,406 resulting from business-type activities.
- The City's total assets increased \$3,533,209 over the prior year. This is mainly due to an increase in net capital assets and unrestricted cash. The City has many ongoing capital projects and infrastructure upgrades.
- The City's total liabilities decreased \$1,281,458 from the prior year. Although the City's net pension liability increased significantly, this decrease is mostly attributable to debt retirement during the fiscal year.
- For the fiscal year ending June 30, 2021, the City maintained two governmental funds which are its General Fund and Hospitality Tax Fund. The City's governmental fund balance sheet reported a combined ending fund balance of \$16,503,118, an increase of \$2,547,195 from the previous fiscal year. Of this amount, \$9,836,755 is unassigned.
- The General Fund reported actual revenues of \$1,964,345 over budget and expenditures under budgeted appropriations by \$84,166. General Fund expenditures include \$706,947 in capital outlay for projects funded by bond proceeds, as well as \$1,244,341 in debt service.
- The City's total long-term debt decreased by \$953,078 for the current fiscal year. The main reason for the decrease of the City's overall outstanding long-term debt is the retirement of debt through debt service payments.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of West Columbia's basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Overview of the Financial Statements (continued)

Government-wide financial statements – The government-wide financial statements are designed to provide readers with a broad overview of the City’s finances in a manner similar to a private-sector business.

The statement of net position presents information on all the City’s assets, liabilities, and deferred inflows/outflows of resources with the difference between them being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City’s net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of West Columbia that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The City’s governmental activities include general administration, police, fire, public works, and hospitality tax. The City’s business-type activities include a water and sewer utility system.

The government-wide financial statements can be found on pages 24-26 of this report.

Fund financial statements – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of West Columbia, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government’s near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government’s near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of West Columbia maintained two governmental funds during the fiscal year 2020-2021. Information is presented in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund and Hospitality Tax Fund which are both major funds.

Overview of the Financial Statements (continued)

The City of West Columbia adopts an annual appropriated budget for its General fund. Budgetary comparison statements have been provided for this fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 27-30 of this report.

Proprietary funds – The City of West Columbia maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer utility system.

Financial statements of proprietary funds provide the same type of information as the government-wide financial statements, but in greater detail. The proprietary fund financial statements provide separate information for the City of West Columbia's water and sewer utility system, which is considered to be a major fund of the City.

The basic proprietary fund financial statements can be found on pages 31-35 of this report.

Fiduciary funds – The City acts as agent, or fiduciary, for other resources. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the City's fiduciary activities are reported in a separate statement of fiduciary net position. We exclude these activities from the City's government-wide financial statements because the City cannot use these assets to finance its operations.

The fiduciary fund financial statements can be found on page 36-37 of this report.

Notes to the financial statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found on pages 38-71 of this report.

Government-wide Financial Analysis

The government-wide financial statements are provided as part of the approach mandated by the GASB, which sets the uniform standards for presenting government financial reports. This report represents the sixteenth year the City of West Columbia has applied this standard and therefore these reports provide complete comparative information as summarized in this Management's Discussion and Analysis. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of City of West Columbia, assets exceeded liabilities by \$47,250,953 at the close of the most recent fiscal year. The City's increase in net position for this fiscal year amounts to \$6,513,616.

For the current year, the largest portion of the City's net position reflects its investment in capital assets (land, buildings, infrastructure, machinery and equipment); less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Government-wide Financial Analysis (continued)

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current assets and other	\$18,935,076	\$15,894,288	\$38,772,810	\$38,978,940	\$57,707,886	\$54,873,228
Capital assets, net	23,074,014	22,890,142	59,613,295	59,098,616	82,687,309	81,988,758
Total assets	42,009,090	38,784,430	98,386,105	98,077,556	140,395,195	136,861,986
Deferred outflows	5,257,802	4,288,824	1,257,732	952,891	6,515,534	5,241,715
Total assets and deferred outflows	47,266,892	43,073,254	99,643,837	99,030,447	146,910,729	142,103,701
Long-term liabilities	29,479,648	28,419,993	58,698,518	61,462,350	88,178,166	89,882,343
Other liabilities	3,663,877	3,186,362	6,118,020	6,172,816	9,781,897	9,359,178
Total liabilities	33,143,525	31,606,355	64,816,538	67,635,166	97,960,063	99,241,521
Deferred inflows	941,983	1,185,725	757,730	939,118	1,699,713	2,124,843
Total liabilities and deferred inflows	34,085,508	32,792,080	65,574,268	68,574,284	99,659,776	101,366,364
Net Position						
Net Investment in capital assets	13,940,326	12,312,722	34,843,981	33,200,931	48,784,307	45,513,653
Restricted	3,855,586	2,724,559	339,702	338,437	4,195,288	3,062,996
Unrestricted	(4,614,528)	(4,756,107)	(1,114,114)	(3,083,205)	(5,728,642)	(7,839,312)
Total net position	\$13,181,384	\$10,281,174	\$34,069,569	\$30,456,163	\$47,250,953	\$40,737,337

An additional portion of the City's net position represents resources that are restricted as to how they may be used. The remaining balance of unrestricted net assets may be used to meet the government's ongoing obligations to citizens, creditors, and customers within the respective governmental and business-type activities. See Exhibit I for a breakdown of the City's unrestricted net position. At the end of the current fiscal year, the City of West Columbia is able to report positive balances in both categories of net position as a whole and individually within the governmental and business-type activities.

The changes in net position displayed below shows the governmental and business-type activities during the fiscal year. The increase in entity-wide net position is due to both the governmental and business-type activities revenues being over expenses. Charges for services and property taxes exceeded budgeted revenues in governmental activities due to an increase in tax assessments. Public safety was the main contributor to actual expenses being under budgeted expenses. The major difference in total expenses from the prior year is directly related to the overall changes in the net pension obligation. Business-type activities experienced roughly an 11% increase in operating revenues from the prior year. This increase is mainly attributed to the increase in water and sewer rates from the prior fiscal year, as well as growth. Total business-type expenses increased by roughly \$675,000 over the prior year. This is mainly due to increases in all operating expense categories.

Government-wide Financial Analysis (continued)

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues						
Program revenues						
Charges for services	\$ 6,976,098	\$ 6,538,178	\$21,520,481	\$19,402,214	\$28,496,579	\$25,940,392
Operating grants & contributions	607,568	272,301	-	-	607,568	272,301
Capital grants & contributions	-	158,899	1,800	904,475	1,800	1,063,374
General revenues						
Property taxes	6,707,519	5,920,947	-	-	6,707,519	5,920,947
Hospitality taxes	2,031,290	1,740,942	-	-	2,031,290	1,740,942
Intergovernmental	627,002	552,397	-	-	627,002	552,397
Investment earnings	47,490	80,435	261,104	310,965	308,594	391,400
Other	325,967	372,864	12,571	16,937	338,538	389,801
Total revenues	17,322,934	15,636,963	21,795,956	20,634,591	39,118,890	36,271,554
Expenses						
General Government	2,117,695	2,212,236	-	-	2,117,695	2,212,236
Community Development	586,830	498,789	-	-	586,830	498,789
Public Safety	10,488,682	10,007,570	-	-	10,488,682	10,007,570
Public Services	2,289,587	2,295,139	-	-	2,289,587	2,295,139
General Services	1,573,771	1,515,113	-	-	1,573,771	1,515,113
Tourism Related	191,163	212,425	-	-	191,163	212,425
Interest on Long-term Debt	254,996	322,509	-	-	254,996	322,509
Water & Sewer Utility	-	-	15,102,550	14,428,178	15,102,550	14,428,178
Total expenses	17,502,724	17,063,781	15,102,550	14,428,178	32,605,274	31,491,959
Excess (deficiency) before transfers	(179,790)	(1,426,818)	6,693,406	6,206,413	6,513,616	4,779,595
Transfers	3,080,000	2,940,000	(3,080,000)	(2,940,000)	-	-
Increase (decrease) in net position	2,900,210	1,513,182	3,613,406	3,266,413	6,513,616	4,779,595
Net Position - July 1	10,281,174	8,767,992	30,456,163	27,189,750	40,737,337	35,957,742
Net Position - June 30	<u>\$13,181,384</u>	<u>\$10,281,174</u>	<u>\$34,069,569</u>	<u>\$30,456,163</u>	<u>\$47,250,953</u>	<u>\$40,737,337</u>

Financial Analysis of City of West Columbia Funds

As noted earlier, The City of West Columbia uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds – The focus of the City’s governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

As of June 30, 2021, the City of West Columbia governmental funds reported combined fund balances of \$16,503,118, an increase of \$2,547,195 from the prior year balances. Sixty percent (60%) of this total amount constitutes unassigned fund balance, which is available for spending at the City’s discretion.

Financial Analysis of City of West Columbia Funds (Continued)

The remainder of the fund balance is split between a nonspendable amount of \$956,102 and \$5,710,261 being restricted that is not available for new spending. It has already been restricted for specific purposes.

The General Fund is the primary operating fund of the City. On June 30, 2021, the total fund balance in the general fund was \$14,650,451. The General Fund balance increased by \$2,077,569 during the current fiscal year. This increase is mainly a result of property taxes and business license fees exceeding budgeted projections. Also, actual expenditures were under budget in most general expenditure categories.

In addition to the General Fund the City's other major governmental fund is the Hospitality Tax Fund. This fund was created in fiscal year 2016-2017. The ending hospitality tax fund balance was \$1,852,667, which increased from the previous year due to revenues exceeding expectations.

Proprietary funds – The City's Proprietary Fund provides the same type of information found in the government-wide financial statements, but with greater detail. On June 30, 2021, total net position of the Water and Sewer Utility System amounted to \$34,069,569 as compared to a balance of \$30,456,163 at June 30, 2020. The increase in net position of \$3,613,406 for the fiscal year is due mainly to large amounts being paid annually on debt service, capital costs, and budgeted contributions to reserves.

General Fund Highlights

A budget to actual statement is provided for the General Fund. Columns for both the original budget adopted for fiscal year 2021 as well as the final budget are presented. Quarterly budget amendments and supplemental appropriations were approved during the 2020-2021 budget year. There was an overall increase of \$150,000 between the original budget and the final amended budget.

The General Fund prior year revenues of \$13,648,844 before other financing sources and achieved current year revenues of \$15,194,945, or \$1,546,101 more. This is mainly due to increased property tax assessments, franchise, and business license taxes. Expenditures in the prior year were \$20,297,078 before other uses with current year expenditures of \$17,135,834. Expenditures decreased mainly as a result of less debt service paid in the current year. This was mainly due to the GO bond refunding in the prior year. The City budgeted a deficiency of estimated revenues under its appropriated expenditures before other financing sources and uses totaling \$3,989,400, but achieved a deficiency of revenue under expenditures before other financing sources and uses of \$1,940,889. The General Fund's budget also included budgeted net transfers in from other funds of \$3,980,000.

Capital Assets and Debt Administration

Capital assets – The City of West Columbia's investments in capital assets for its governmental and business type activities as of June 30, 2021, amounts to \$82,687,309 (net accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment. Major capital asset events in the current year included the following (see Note 6):

- In order for the City of West Columbia to meet the needs of its citizens and continue to provide high quality services, the City bought new vehicles and equipment in excess of \$1 million.
- The City is in the middle of multiple water, sewer, and public capital projects, which accounts for increase in CIP city-wide. An update to our electronic control systems in our water treatment facility was completed during the year.
- The City is also in the early planning and design stages of a City Hall expansion project.

Capital Assets and Debt Administration (Continued)

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 3,852,943	\$ 3,852,943	\$ 407,727	\$ 407,727	\$ 4,260,670	\$ 4,260,670
Buildings & equipment	7,304,084	7,679,324	39,936,517	40,551,777	47,240,601	48,231,101
Improvements other than buildings	-	-	13,823,567	12,718,548	13,823,567	12,718,548
Equipment	-	-	2,728,908	2,884,884	2,728,908	2,884,884
Vehicles & equipment	2,542,761	2,145,263	785,046	897,493	3,327,807	3,042,756
Construction in progress	9,374,226	9,212,612	1,931,530	1,638,187	11,305,756	10,850,799
Total assets, net	<u>\$ 23,074,014</u>	<u>\$ 22,890,142</u>	<u>\$ 59,613,295</u>	<u>\$ 59,098,616</u>	<u>\$ 82,687,309</u>	<u>\$ 81,988,758</u>

Long-term debt - At the end of the current fiscal year, the City of West Columbia had total bonded debt outstanding of \$10,209,000 consisting of tax increment financing (TIF) bonds, series 2016, a hospitality tax bond (Htax), series 2018, and a general obligation (GO) bond, Series 2020. The TIF bonds outstanding debt is secured by the incremental tax revenue of the Tax Increment Finance District and by a junior pledge of the water and sewer system. The GO bond outstanding debt is secured by the full faith, credit, and taxing power of the City. The Htax bond is secured by hospitality tax revenues (see Note 8).

The City also had total revenue bonds outstanding in the amount of \$42,009,565 at year end. The outstanding balance of revenue bonds is secured by a pledge of the gross revenue of the Water and Sewer Utility System as well as a lien against the system (see Note 8).

The state limits the amount of general obligation debt the City of West Columbia can issue to 8 percent of the assessed value of all taxable property within the City's legal debt limit. Based on the assessed value of property the City could currently issue \$7,220,081, as reflected in Note 8 and Table 13.

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Capital leases	\$ 679,677	\$ 893,825	\$ 273,907	\$ 403,653	\$ 953,584	\$ 1,297,478
Net pension liability	18,809,847	16,197,148	7,235,233	6,455,755	26,045,080	22,652,903
Net OPEB liability	885,365	949,705	476,093	504,478	1,361,458	1,454,183
Tax increment finance bonds	3,958,000	4,414,000	-	-	3,958,000	4,414,000
General obligation bonds	3,336,000	3,729,000	-	-	3,336,000	3,729,000
Hospitality tax bonds	2,915,000	3,292,000	-	-	2,915,000	3,292,000
Revenue bonds	-	-	42,009,565	44,725,560	42,009,565	44,725,560
Accrued compensated absences	711,814	735,585	382,536	415,407	1,094,350	1,150,992
Total outstanding debt	<u>\$31,295,703</u>	<u>\$30,211,263</u>	<u>\$50,377,334</u>	<u>\$52,504,853</u>	<u>\$81,673,037</u>	<u>\$82,716,116</u>

Capital Assets and Debt Administration (Continued)

The net pension liability was introduced in fiscal year 2014-2015 with the adoption of GASB Stmt. No. 68 and represents the long-term liabilities for payments to retirees, net of the City's current pension investments. For additional information concerning the City's outstanding debt as of June 30, 2021, please see Notes 7, 8 and 10 in the Notes to the Financial Statements. In the fiscal year 2017-2018, GASB No. 75 was implemented and represents the long-term liabilities associated with the City's other post-employment benefits (OPEB) plan. For additional information concerning this plan, please see Notes 8 and 18.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for City of West Columbia is currently 3.9 percent, which is in line with previous years and amongst the lowest rates in more than ten years. This compares favorably with the state's rate of 4.5 percent and the national rate of 5.9 percent.
- In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in Wuhan, China and has since spread to other countries, including the U.S. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the U.S. have declared a state of emergency. It is anticipated that these impacts will continue for some time. There has been no immediate impact to the City's operations at this time. Future potential impacts are unknown.

These factors were taken into account when adopting the general budget for 2021-2022. Amounts available for appropriation in the general fund budget are \$18,285,000, an increase of roughly \$1 million from the final 2021 budget of \$17,220,000. It should be noted that the appropriated budget for 2022 includes \$520,000 in budgeted revenues to service a long-term general obligation bond the City issued in March of 2020. A debt service millage of 6.6 mills was levied for the 2021-2022 fiscal year in order to service the debt requirements.

Property tax revenues for the coming year are projected to increase due to growth through annexations, improving economic conditions, and overall assessments. The City will monitor economic conditions closely and make necessary budget adjustments as deemed appropriate.

Budgeted expenditures for 2022 have increased over the actual 2021 expenditures due mainly to increases in operating costs. The City does not anticipate entering into any major land acquisitions for economic development purposes in fiscal year 2021-2022.

As for the City's business-type activities, the City just recently adopted a new water and sewer rate ordinance in March 2018. This ordinance includes rate increases each year over the next nine (9) years. This was in anticipation of increased costs within the system and future capital costs to upgrade and replace aging infrastructure. The rate increases also account for new debt service that the City issues in the future. The City plans to issue new revenue bonds to enhance the water distribution and sewer collection systems and pay for capital costs associated with the City of Columbia sewer system upgrades. The City also anticipates upgrades to its Lake Murray Water Treatment plant in the coming years to not only enhance its great water quality, but also prepare the plant for future growth.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Justin R. Black, CPA, City of West Columbia, Assistant City Administrator and Treasurer.

BASIC FINANCIAL STATEMENTS

CITY OF WEST COLUMBIA, SOUTH CAROLINA
STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities	Business-Type Activities	Total
<u>ASSETS</u>			
Current Assets:			
Cash	\$ 10,604,362	\$ 12,990,453	\$ 23,594,815
Receivables, net	1,713,371	5,511,699	7,225,070
Prepaid Charges	956,102	88,774	1,044,876
Internal Balances, net	50,666	(50,666)	-
Notes Receivable - Municipal Government	-	523,454	523,454
Restricted Cash and Cash Equivalents	5,610,575	17,853,760	23,464,335
Total Current Assets	18,935,076	36,917,474	55,852,550
Non -Current assets:			
Notes Receivable - Municipal Government	-	1,855,336	1,855,336
Capital Assets, net:			
Land	3,852,943	407,727	4,260,670
Buildings and Improvements	7,304,084	39,936,517	47,240,601
Improvements Other Than Buildings	-	13,823,567	13,823,567
Vehicles and Equipment	2,542,761	3,513,954	6,056,715
Construction in Progress	9,374,226	1,931,530	11,305,756
Total Non -Current assets	23,074,014	61,468,631	84,542,645
<u>TOTAL ASSETS</u>	42,009,090	98,386,105	140,395,195
<u>DEFERRED OUTFLOW OF RESOURCES</u>			
Pension Plan	5,126,759	1,183,823	6,310,582
OPEB Plan	131,043	73,909	204,952
<u>TOTAL DEFERRED OUTFLOW OF RESOURCES</u>	5,257,802	1,257,732	6,515,534
<u>TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES</u>	47,266,892	99,643,837	146,910,729
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts Payable	1,372,623	1,440,164	2,812,787
Accrued Expenses and Other Liabilities	352,888	168,009	520,897
Accrued Interest Payable	122,311	97,283	219,594
Accrued Compensated Absences	329,239	175,107	504,346
Customer Deposits	-	743,289	743,289
Unearned Revenue	-	629,144	629,144
(Payable from Restricted Assets)			
Capital Leases	197,816	71,339	269,155
Bonds Payable	1,289,000	2,793,685	4,082,685
Total Current Liabilities	3,663,877	6,118,020	9,781,897
Long-Term (Non-Current) Liabilities:			
Capital Leases	481,861	202,568	684,429
Bonds Payable	8,920,000	39,215,880	48,135,880
Unearned Revenue	-	11,361,315	11,361,315
Accrued Compensated Absences	382,575	207,429	590,004
Net Pension Liability	18,809,847	7,235,233	26,045,080
Net OPEB Liability	885,365	476,093	1,361,458
Total Long-Term Liabilities	29,479,648	58,698,518	88,178,166
<u>TOTAL LIABILITIES</u>	33,143,525	64,816,538	97,960,063
<u>DEFERRED INFLOW OF RESOURCES</u>			
Pension Plan	655,886	614,680	1,270,566
OPEB Plan	286,097	143,050	429,147
<u>TOTAL DEFERRED INFLOW OF RESOURCES</u>	941,983	757,730	1,699,713
<u>TOTAL LIABILITIES AND DEFERRED INFLOW OF RESOURCES</u>	34,085,508	65,574,268	99,659,776

CITY OF WEST COLUMBIA, SOUTH CAROLINA
STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities	Business-Type Activities	Total
<u>NET POSITION</u>			
Net Investment in Capital Assets	13,940,326	34,843,981	48,784,307
Restricted to:			
Debt Service	1,568,644	339,702	1,908,346
Law Enforcement Grants & Programs	357,757	-	357,757
Accommodations Tax	127,599	-	127,599
Parks Program	48,605	-	48,605
Hospitality Tax	1,752,981	-	1,752,981
Unrestricted	(4,614,528)	(1,114,114)	(5,728,642)
<u>TOTAL NET POSITION</u>	<u>\$ 13,181,384</u>	<u>\$ 34,069,569</u>	<u>\$ 47,250,953</u>

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

CITY OF WEST COLUMBIA, SOUTH CAROLINA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021

FUNCTIONS AND PROGRAMS	Program Revenue				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Totals
Governmental activities:							
General Government	\$ 2,117,695	\$ 5,879,136	\$ 408,505		\$ 4,169,946		\$ 4,169,946
Community & Economic Development	586,830				(586,830)		(586,830)
Public Safety	10,488,682	1,096,962	192,363		(9,199,357)		(9,199,357)
Public Services	2,289,587		6,700		(2,282,887)		(2,282,887)
General Services	1,573,771				(1,573,771)		(1,573,771)
Tourism Related	191,163				(191,163)		(191,163)
Interest on Long-Term Debt	254,996				(254,996)		(254,996)
	<u>17,502,724</u>	<u>6,976,098</u>	<u>607,568</u>	<u>-</u>	<u>(9,919,058)</u>		<u>(9,919,058)</u>
Business-type activities:							
Water and sewer utility	15,102,550	21,520,481	-	\$ 1,800	-	\$ 6,419,731	6,419,731
Total Business-type activities	<u>15,102,550</u>	<u>21,520,481</u>	<u>-</u>	<u>1,800</u>	<u>-</u>	<u>6,419,731</u>	<u>6,419,731</u>
<u>TOTAL FUNCTIONS AND PROGRAMS</u>	<u>\$ 32,605,274</u>	<u>\$ 28,496,579</u>	<u>\$ 607,568</u>	<u>\$ 1,800</u>	<u>(9,919,058)</u>	<u>6,419,731</u>	<u>(3,499,327)</u>
<u>General Revenue and Transfers</u>							
Property Taxes					6,707,519		6,707,519
Hospitality Taxes					2,031,290		2,031,290
Intergovernmental - Unrestricted					627,002		627,002
Gain / (Loss) on sale of capital assets					38,458	12,571	51,029
Investment earnings - Unrestricted					47,490	261,104	308,594
Miscellaneous					287,509		287,509
Transfers					3,080,000	(3,080,000)	-
Total general revenue and transfers					<u>12,819,268</u>	<u>(2,806,325)</u>	<u>10,012,943</u>
Changes in net position					2,900,210	3,613,406	6,513,616
Net Position - July 1					10,281,174	30,456,163	40,737,337
Net Position- June 30					<u>\$ 13,181,384</u>	<u>\$ 34,069,569</u>	<u>\$ 47,250,953</u>

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

CITY OF WEST COLUMBIA, SOUTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF JUNE 30, 2021

	General Fund	Hospitality Tax Fund	Total Governmental Funds
<u>ASSETS</u>			
Cash	\$ 10,604,362		\$ 10,604,362
Receivables (Net of Allowance for Uncollectables)			
Property Taxes	415,761		415,761
State	157,206		157,206
Municipal Governments	696,680		696,680
Grants	25,948		25,948
Rehabilitation Loans	32,645		32,645
Hospitality Tax		\$ 210,564	210,564
Other	174,567		174,567
Prepaid Charges	956,102		956,102
Due From Other Funds	161,024		161,024
Restricted assets:			
Cash	3,857,594	1,752,981	5,610,575
<u>TOTAL ASSETS</u>	\$ 17,081,889	\$ 1,963,545	\$ 19,045,434
<u>LIABILITIES</u>			
Accounts Payable	\$ 1,372,103	\$ 520	\$ 1,372,623
Due To Other Funds		110,358	110,358
Accrued Payroll, Taxes, & Vacation Pay	682,127		682,127
<u>TOTAL LIABILITIES</u>	2,054,230	110,878	2,165,108
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Unavailable Revenue - property taxes	377,208		377,208
<u>TOTAL DEFERRED INFLOWS OF RESOURCES</u>	377,208	-	377,208
<u>FUND BALANCES</u>			
Nonspendable	956,102		956,102
Restricted	3,857,594	1,852,667	5,710,261
Unassigned	9,836,755		9,836,755
<u>TOTAL FUND BALANCES</u>	14,650,451	1,852,667	16,503,118
<u>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>	\$ 17,081,889	\$ 1,963,545	

Reconciliation to amounts reported for governmental activities in the
Statement of Net Position (See Note 19):

Capital assets used in governmental activities are not financial resources and therefore are not reported in these funds.	23,074,014
Other liabilities not payable from currently available resources are not reported in these funds.	(122,311)
The net pension liability and related deferred outflows and deferred inflows do not represent current financial resources and is not reported in these funds.	(14,338,974)
The net OPEB liability and related deferred outflows and deferred inflows do not represent current financial resources and is not reported in these funds.	(1,040,419)
Long-term liabilities, including bonds payable, unavailable revenue, and compensated absences, are not due and payable in the current period and therefore are not reported in these funds.	(10,894,044)
Net Position, end of year - Governmental Activities	<u>\$ 13,181,384</u>

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

CITY OF WEST COLUMBIA, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

	General	Hospitality Tax	Total Governmental Funds
<u>REVENUES</u>			
Property Taxes	\$ 6,652,612		\$ 6,652,612
Franchise Fees, Licenses, and Permits	5,879,136		5,879,136
Fines and Forfeitures	94,354		94,354
Interest	44,156	\$ 3,334	47,490
Intergovernmental	627,002		627,002
Charges For Services	1,002,608		1,002,608
Grant Proceeds	482,972		482,972
Police Program Income	124,596		124,596
Hospitality Tax		2,031,290	2,031,290
Other Revenues	287,509		287,509
<u>TOTAL REVENUES</u>	15,194,945	2,034,624	17,229,569
<u>EXPENDITURES</u>			
Current			
General Government	1,969,602		1,969,602
Community & Economic Development	578,628		578,628
Public Safety	9,039,120		9,039,120
Public Services	2,204,267		2,204,267
General Services	1,392,929		1,392,929
Tourism Related		80,555	80,555
Capital Outlay			
Public Safety	706,947		706,947
Tourism Related		125,801	125,801
Debt Service			
Principal	1,063,148	377,000	1,440,148
Interest	181,193	81,642	262,835
<u>TOTAL EXPENDITURES</u>	17,135,834	664,998	17,800,832
<u>EXCESS OF EXPENDITURES</u>			
<u>(OVER)/UNDER REVENUES</u>	(1,940,889)	1,369,626	(571,263)
<u>OTHER FINANCING SOURCES/(USES)</u>			
Transfers In/(Out)	3,980,000	(900,000)	3,080,000
Sale of Capital Assets	38,458		38,458
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	4,018,458	(900,000)	3,118,458
<u>NET CHANGE IN FUND BALANCES</u>	2,077,569	469,626	2,547,195
<u>FUND BALANCE - July 1</u>	12,572,882	1,383,041	13,955,923
<u>FUND BALANCE - June 30</u>	\$ 14,650,451	\$ 1,852,667	\$ 16,503,118

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

CITY OF WEST COLUMBIA, SOUTH CAROLINA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

Net change in fund balances - total governmental funds	\$	2,547,195
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Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation in the current period.		183,872
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Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in these funds.		54,907
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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.		9,727
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The issuance of long-term debt provides current financial resources to governmental funds, while repayment of the principal and interest consumes current financial resources of governmental funds. This amount is the net effect of these differences in the treatment of long-term debt and related items.		1,440,148
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The net pension liability and the related deferred outflows and deferred inflows relate to funding for future retiree benefit payments, which are not considered current. The net pension liability, deferred outflows and deferred inflows increased in the current year.		(1,374,838)
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The net OPEB liability and the related deferred outflows and deferred inflows relate to funding for future retiree benefit payments, which are not considered current. The net pension liability, deferred outflows and deferred inflows increased in the current year.		39,199
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Change in Net Position - Governmental Activities (See Note 19)	\$	2,900,210
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The accompanying notes to financial statements are an integral part of this statement.

CITY OF WEST COLUMBIA, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2021

	<u>BUDGETED AMOUNTS</u>			Variance with Final Budget Positive (Negative)
<u>REVENUES</u>	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Property Taxes	\$ 5,770,000	\$ 5,770,000	\$ 6,652,612	\$ 882,612
Licenses and Permits	5,217,000	5,217,000	5,879,136	662,136
Fines and Forfeits	105,000	105,000	94,354	(10,646)
Interest	40,000	40,000	44,156	4,156
Intergovernmental	547,600	547,600	627,002	79,402
Charges For Services	950,000	950,000	1,002,608	52,608
Grant Proceeds	147,900	127,900	482,972	355,072
Police Program Income	61,100	81,100	124,596	43,496
Other Revenues	242,000	392,000	287,509	(104,491)
<u>TOTAL REVENUES</u>	13,080,600	13,230,600	15,194,945	1,964,345
<u>EXPENDITURES</u>				
Current				
General Government	2,032,850	2,202,850	1,969,602	233,248
Community & Economic Development	654,250	654,250	578,628	75,622
Public Safety	9,379,700	9,359,700	9,039,120	320,580
Public Services	2,265,600	2,265,600	2,204,267	61,333
General Services	1,492,800	1,492,800	1,392,929	99,871
Capital Outlay				
Public Safety	-	-	706,947	(706,947)
Debt Service				
Principal	1,063,300	1,063,300	1,063,148	152
Interest	181,500	181,500	181,193	307
<u>TOTAL EXPENDITURES</u>	17,070,000	17,220,000	17,135,834	84,166
<u>EXCESS OF EXPENDITURES OVER REVENUES</u>	(3,989,400)	(3,989,400)	(1,940,889)	2,048,511
<u>OTHER FINANCING SOURCES/(USES)</u>				
Transfers In	3,980,000	3,980,000	3,980,000	-
Sale of Capital Assets	9,400	9,400	38,458	29,058
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	3,989,400	3,989,400	4,018,458	29,058
<u>NET CHANGE IN FUND BALANCE</u>	\$ -	\$ -	2,077,569	\$ 2,077,569
<u>FUND BALANCE - July 1</u>			12,572,882	
<u>FUND BALANCE - June 30</u>			\$ 14,650,451	

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

CITY OF WEST COLUMBIA, SOUTH CAROLINA
STATEMENT OF NET POSITION
PROPRIETARY FUND - WATER AND SEWER
AS OF JUNE 30, 2021

	<u>Business-Type Activities</u>
<u>ASSETS</u>	
CURRENT ASSETS	
Cash	\$ 12,990,453
Accounts Receivable	5,511,699
Prepaid Charges	88,774
Notes Receivable- Municipal Government	523,454
Restricted Cash and Cash Equivalents	<u>17,853,760</u>
<u>TOTAL CURRENT ASSETS</u>	<u>36,968,140</u>
<u>NONCURRENT ASSETS</u>	
Noncurrent Receivable - Municipal Government	<u>1,855,336</u>
CAPITAL ASSETS	
Water Plant, Lines, and Sewer System	101,813,183
Less: Accumulated Depreciation	(44,131,418)
Construction in Progress	<u>1,931,530</u>
<u>TOTAL CAPITAL ASSETS (NET OF ACCUMULATED DEPRECIATION)</u>	<u>59,613,295</u>
<u>TOTAL NONCURRENT ASSETS</u>	<u>61,468,631</u>
<u>TOTAL ASSETS</u>	<u>98,436,771</u>
<u>DEFERRED OUTFLOW OF RESOURCES</u>	
Pension Plan	1,183,823
OPEB Plan	<u>73,909</u>
<u>TOTAL DEFERRED OUTFLOW OF RESOURCES</u>	<u>1,257,732</u>
<u>TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES</u>	<u>99,694,503</u>

CITY OF WEST COLUMBIA, SOUTH CAROLINA
STATEMENT OF NET POSITION
PROPRIETARY FUND - WATER AND SEWER
AS OF JUNE 30, 2021

	<u>Business-Type Activities</u>
<u>LIABILITIES</u>	
CURRENT LIABILITIES	
(Payable from Current Assets)	
Accounts Payable	\$ 1,440,164
Customer Deposits	743,289
Accrued Payroll and Vacation Pay	343,116
Capital Lease Obligation	71,339
Unearned Revenue	629,144
Due to Other Funds	50,666
(Payable from Restricted Assets)	
Revenue Bonds Payable	2,793,685
Accrued Interest Payable	97,283
<u>TOTAL CURRENT LIABILITIES</u>	<u>6,168,686</u>
LONG-TERM LIABILITIES	
Accrued Vacation Pay - Due After One Year	207,429
Capital Lease Obligation - Due After One Year	202,568
Revenue Bonds - Due After One Year	39,215,880
Unearned Revenue - Due After One Year	11,361,315
Net Pension Liability	7,235,233
Net OPEB Liability	476,093
<u>TOTAL LONG-TERM LIABILITIES</u>	<u>58,698,518</u>
<u>TOTAL LIABILITIES</u>	<u>64,867,204</u>
<u>DEFERRED INFLOW OF RESOURCES</u>	
Pension Plan	614,680
OPEB Plan	143,050
<u>TOTAL DEFERRED INFLOW OF RESOURCES</u>	<u>757,730</u>
<u>TOTAL LIABILITIES AND DEFERRED INFLOW OF RESOURCES</u>	<u>65,624,934</u>
<u>NET POSITION</u>	
Net Investment in Capital Assets	34,843,981
Restricted	
Debt Service	339,702
Unrestricted	(1,114,114)
<u>TOTAL NET POSITION</u>	<u>\$ 34,069,569</u>

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

CITY OF WEST COLUMBIA, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND - WATER AND SEWER
YEAR ENDED JUNE 30, 2021

	<u>Business-Type Activities</u>
<u>OPERATING REVENUES</u>	
Charges for Service	\$ 21,520,481
<u>TOTAL OPERATING REVENUES</u>	<u>21,520,481</u>
<u>OPERATING EXPENSES</u>	
Personnel Services	5,607,461
Material and Supplies	1,227,694
Contractual Services	2,285,329
Utilities	1,014,253
Repairs and Maintenance	764,852
Depreciation	2,704,451
Other Operating Expenses	256,479
<u>TOTAL OPERATING EXPENSES</u>	<u>13,860,519</u>
<u>OPERATING INCOME</u>	<u>7,659,962</u>
<u>NON-OPERATING REVENUES (EXPENSES)</u>	
Interest Revenue	261,104
Interest and Amortization Expense	(1,242,031)
Loss on Sale of Capital Assets	12,571
<u>TOTAL NON-OPERATING REVENUES (EXPENSES)</u>	<u>(968,356)</u>
<u>NET INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS</u>	<u>6,691,606</u>
<u>CAPITAL CONTRIBUTIONS</u>	
Grant Proceeds	1,800
<u>NET INCOME (LOSS) BEFORE TRANSFERS</u>	<u>6,693,406</u>
<u>TRANSFERS (OUT)</u>	
General Fund	(3,080,000)
<u>CHANGE IN NET POSITION</u>	<u>3,613,406</u>
<u>NET POSITION - July 1</u>	<u>30,456,163</u>
<u>NET POSITION - June 30</u>	<u>\$ 34,069,569</u>

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

CITY OF WEST COLUMBIA, SOUTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND - WATER AND SEWER
YEAR ENDED JUNE 30, 2021

	<u>Business-Type Activities</u>
<u>Cash Flows From Operating Activities</u>	
Cash Received From Customers	\$ 19,992,648
Cash Paid to Suppliers	(5,045,542)
Cash Paid to Employees	(5,346,220)
	<hr/>
<u>Net Cash Provided by Operating Activities</u>	9,600,886
	<hr/>
<u>Cash Flows From Non-Capital Financing Activities</u>	
Transfers Out	(3,080,000)
	<hr/>
<u>Net Cash Used by Non-Capital Financing Activities</u>	(3,080,000)
	<hr/>
<u>Cash Flows From Capital and Related Financing Activities</u>	
Principal Paid on Capital Debt	(2,845,750)
Interest Paid on Capital Debt	(1,250,989)
Aquisition of Capital Assets	(3,219,131)
Payments Received from Municipal Governments	475,885
Proceeds from Capital Grants	1,800
Proceeds from the Sale of Capital Assets	12,571
	<hr/>
<u>Net Cash Used by Capital and Related Financing Activities</u>	(6,825,614)
	<hr/>
<u>Cash Flows From Investing Activities</u>	
Interest on Investments	261,104
	<hr/>
<u>Net Cash Provided by Investing Activities</u>	261,104
	<hr/>
<u>Net Decrease in Cash and Cash Equivalents</u>	(43,624)
	<hr/>
<u>Cash and Cash Equivalents - July 1</u>	30,887,837
	<hr/>
<u>Cash and Cash Equivalents - June 30</u>	\$ 30,844,213
	<hr/>
<u>Cash</u>	\$ 12,990,453
	<hr/>
<u>Restricted Cash and Cash Equivalents</u>	17,853,760
	<hr/>
<u>Total Cash and Cash Equivalents</u>	\$ 30,844,213
	<hr/>

CITY OF WEST COLUMBIA, SOUTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND - WATER AND SEWER
YEAR ENDED JUNE 30, 2021

	<u>Business-Type Activities</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
<u>Operating Income</u>	<u>\$ 7,659,962</u>
<u>Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities</u>	
Depreciation	2,704,451
(Increase) Decrease in	
Accounts Receivable	(935,334)
Prepaid Charges	(82,699)
Due from Other Funds	653,988
Deferred Outflow of Resources	(304,841)
Increase (Decrease) in	
Accounts Payable	(118,890)
Unearned Revenue	(629,144)
Customer Deposits	36,645
Accrued Expenses	(3,623)
Due to Other Funds	50,666
Net Pension Liability	779,478
Net OPEB Liability	(28,385)
Deferred Inflow of Resources	(181,388)
<u>Total Adjustments</u>	<u>1,940,924</u>
<u>Net Cash Provided by Operating Activities</u>	<u>\$ 9,600,886</u>

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

CITY OF WEST COLUMBIA, SOUTH CAROLINA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
AS OF JUNE 30, 2021

	<u>Total Agency Funds</u>
<u>ASSETS</u>	
Cash and Cash Equivalents	<u>\$ 33,230</u>
<u>TOTAL ASSETS</u>	<u>\$ 33,230</u>
<u>LIABILITIES</u>	
Due to Fireman's Organization	<u>\$ 2,000</u>
Fiduciary Funds Held	<u>31,230</u>
<u>TOTAL LIABILITIES</u>	<u>\$ 33,230</u>
<u>TOTAL NET POSITION</u>	<u>\$ -</u>

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

CITY OF WEST COLUMBIA, SOUTH CAROLINA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
AS OF JUNE 30, 2021

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

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The City of West Columbia (the "City") was originally incorporated in 1894 as "Brookland." In 1938, the name was changed to West Columbia.

The Home Rule Act (Section 47-26) of the 1962 Code of Laws, as amended, requires municipalities to adopt a specific form of government. In 1975, the City adopted the Council form of government.

The financial statements of the reporting entity include only the City of West Columbia. There were no potential component units that merited inclusion because of the significance of their operations or financial relationships with the municipality.

B. Basis of Presentation

Government-Wide and Fund Financial Statements:

Government-Wide Financial Statements

The Government-Wide financial statements consist of a Statement of Net Position, the Statement of Activities and reports information on all the non-fiduciary activities of the government as a whole. Separate columns are used to distinguish between the City's governmental and business-type activities. Governmental activities are generally those activities financed by taxes and intergovernmental revenues. These activities are usually reported in governmental funds. Business-type activities are those activities, which are financed in whole or in part by user fees charged to external parties for goods and services. These activities are usually reported in Enterprise Funds. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. At June 30, 2021, there were no component units of the City.

The Statement of Net Position reports all financial and capital resources of the City and reports the difference between assets and liabilities as "net position," not fund balance or equity. The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues and reflects the "net (expenses) revenues" of the City's individual functions before applying "general" revenues.

Direct expenses are those that are clearly identifiable with a specific function. Program revenues are derived directly from the program itself or from parties outside the reporting government's taxpayers or citizenry, as a whole, and thus reduce the net cost of the function to be financed from the government's general revenues. They include (1) charges to customers who purchase, use or directly benefit from goods and services provided by a given function, (2) operating grants and contributions and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. All revenues are "general" revenues unless they are required to be reported as program revenues.

During fiscal year 2017 pursuant to SC Code Section 6-1-730, the City adopted a 2% Hospitality Tax on prepared foods and beverages. Proceeds of this tax must be used for the purposes outlined in the Code.

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 1. Summary of Significant Accounting Policies (continued)

B. Basis of Presentation (continued)

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the Government-Wide financial statements. The focus of governmental and proprietary fund financial statements is on “major” funds. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements, with “non-major” funds being aggregated and displayed in a single column.

The City reports the General Fund and Hospitality Tax Fund as the “major” governmental funds and the Water and Sewer Fund as the “major” proprietary fund.

Because of the basis of accounting and reporting differences, summary reconciliations to the Government-Wide financial statements are presented at the end of each applicable fund financial statement.

Governmental Funds

General Fund – The general fund is the general operating fund of the City. It is used to account for all financial resources except those required or earmarked to be accounted for in another fund.

Hospitality Tax Fund – The Hospitality Tax fund is used to account for revenues received from the City’s hospitality tax and expenditures that were approved to be paid from these funds.

Proprietary Funds

Proprietary Funds – Proprietary funds are used to account for operations (1) that are financed and operated in a manner similar to private business enterprise, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (2) where the governing body had decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Fiduciary Funds

Trust and Agency Funds – Trust and agency funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations and/or other governmental units. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The fiduciary operations of the City consist of agency funds as presented on Exhibit IX and X.

The agency funds consist of the Fireman’s Fund and the Narcotic Seizure Fund as presented on Schedule D-1. The Fireman’s Fund is used to account for revenue received from the State Fire Association’s Insurance Fund. The Narcotic Seizure Fund is used to account for cash seized in relation to controlled substance seizures.

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 1. Summary of Significant Accounting Policies (continued)

C. Measurement Focus and Basis of Accounting

The financial statements of the City of West Columbia, South Carolina have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting is a conceptual description of the timing of the accounting measurements made.

Government-Wide and Proprietary Fund financial statements use 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 grantor have been met.

As a general rule, the effect of inter-fund activity has been eliminated from the Government-Wide financial statements. The inter-fund activity currently relates only to inter-fund receivables, payables and transfers as described in Note 13 to the financial statements. The City currently has no internal service funds which provide services to other funds that would generate internal payments for services. However, elimination of such charges if they occur would distort the direct costs and program revenues reported for the various functions concerned.

Governmental Fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers all revenues available if they are collected within 60 days after year end.

Property taxes, franchise fees, licenses, and interest are susceptible to accrual and so have been recognized as revenues of the current fiscal period. State shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the City.

Proprietary Fund financial statements reflect net position and revenues, expenses and changes in net position using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis concept, revenues are recognized when earned and expenses are recognized when incurred.

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

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 1. Summary of Significant Accounting Policies (continued)

D. Budgets and Budgetary Accounting

An annual appropriated budget is adopted for the general fund only. The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to June 30, the City Administrator submits to the City Council a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
2. The budget is legally enacted by an ordinance passed by the Mayor and Council.
3. The City Administrator is authorized to administer the budget. Only the Mayor and Council can amend the budget once it has been adopted.
4. The level at which expenditures may not legally exceed budget is established by function and activity within an individual fund. Such appropriation transfers and amendments are incorporated into the minutes of their meetings.
5. A formal budget is adopted and employed as a management control device during the year for the general fund. Effective budgetary control is also achieved through the various grants, individual budgets as required by the grantors and terms of debt covenants. The City ordinances also provide for a non-appropriated budget for the proprietary fund to facilitate the management review and approval process. This budget is not presented for financial statement purposes but is utilized by management.
6. Budgets are adopted on a basis consistent with generally accepted accounting principles, which is the same basis whereby actual revenues and expenditures are recorded.
7. The budget at the end of the year represents the budget adopted and amended by the Mayor and Council. All operations and maintenance appropriations lapse at year-end. However, capital outlay financial plans are adopted for all capital type projects.
8. During the year ended June 30, 2021, the City Mayor and Council approved the General Fund budget as follows:

<u>Fund</u>	<u>Original Budget</u>	<u>Increase in Appropriation</u>	<u>Final Budget</u>
General	\$ 17,070,000	\$ 150,000	\$ 17,220,000

9. Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to encumber that portion of the applicable appropriation. Encumbrances outstanding at year-end are reported as assignments of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year. At June 30, 2021 all commitments lapsed and no encumbrances were recognized.

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 1. Summary of Significant Accounting Policies (continued)

E. Cash and Investments

The City is authorized to invest in obligations of the U.S. Government and agencies thereof, general obligations of the State of South Carolina or any of its political subdivisions, banks and savings and loan associations to the extent they are secured by the Federal Deposit Insurance Corporation. The City can hold cash in certificates of deposit where the certificates are collaterally secured by the preceding securities held in a third-party arrangement.

Cash includes amounts in demand, deposits, and cash on hand. Investments are stated at cost or amortized cost, which approximates fair value, and consist mainly of certificates of deposit, debt instruments of federal agencies and securities held under repurchase agreements.

F. Inter-fund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

G. Restricted Assets

Certain proceeds of enterprise revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

H. Inventories & Prepaid Items

Governmental Activities: Inventories are valued at cost using an average costing method and typically consist of both gasoline and diesel fuel. The cost of such prepayments to vendors are recorded as expenditures when consumed rather than when purchased.

Business-Type Activities: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures when consumed rather than when purchased.

I. Capital Assets

Governmental funds: Capital outlays are recorded as expenditures on the governmental fund financial statements and as assets on the government-wide financial statements. All capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. All assets with an initial cost of \$2,500 or greater and a useful life of five years or more are capitalized and reported on the government-wide financial statements. The City has no material general infrastructure assets.

Proprietary fund: Capital outlays of the proprietary fund are recorded as capital assets on both the fund basis and the government-wide basis. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. The property, plant, and equipment as shown on the proprietary fund balance sheet represent the historical cost in the aggregate of additions to the water treatment system, water and sewer lines and related expenditures over time as well as vehicles and equipment.

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 1. Summary of Significant Accounting Policies (continued)

I. Capital Assets (continued)

Depreciation of all exhaustible capital assets used by the primary government is charged as an expense against operations. Depreciation has been provided over the estimated useful lives for all assets using the straight-line method. A summary of the estimated useful lives is as follows:

Buildings and Improvements	10 to 40 years
System Infrastructure	40 to 50 years
Vehicles and Equipment	5 to 10 years
Office Equipment	5 to 7 years
Computer Equipment	3 to 5 years

J. Compensated Absences

It is the City's policy to allow employees to accumulate unused vacation and sick leave benefits up to certain hours. Accumulated unused vacation, to a maximum of two weeks for less than eleven years, three weeks for eleven to twenty years, and four weeks for over twenty years, is payable upon termination if the employee leaves the City in good standing. In accordance with the provisions of Statement of Governmental Accounting Standards No. 16, Accounting for Compensated Absences, no liability is recorded for non-vesting accumulation rights to receive sick pay benefits.

In the Government-Wide and Proprietary Fund financial statements, vacation pay is accrued when incurred and reported as a current and long-term liability. In Governmental Funds, such as the General Fund, vacation pay that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability. A liability for these amounts is reported in the General Fund only if they have matured, for example, as a result of employee retirement.

K. Long Term Debt

In the Government-Wide financial statements and the Proprietary Fund in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund Statement of Net Position. Long term debt represents unmatured principal of general obligation and revenue bond indebtedness, and outstanding portions due on long-term contracts. Liabilities arising from inter-fund activities do not constitute general long-term liabilities.

L. Net Position and Fund Balances

In the Government-Wide financial statements, the difference between the City's total assets and deferred outflows, and total liabilities and deferred inflows represents net position. Net position for both the governmental and proprietary fund types displays three components; 1) net investment in capital assets; 2) restricted; and 3) unrestricted. Unrestricted net position represents the net position available for future operations.

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 1. Summary of Significant Accounting Policies (continued)

L. Net Position and Fund Balances (continued)

In the fund level financial statements, the difference between the City's total assets and deferred outflows, and total liabilities and deferred inflows represents fund balance. The City reports fund balance in accordance with GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions," for the fund level financial statements. The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. Fund balance for the fund level financial statements can display five components: nonspendable, restricted, committed, assigned and unassigned. These components focus on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the fund can be spent. These five components are defined as:

Nonspendable Fund Balance

The nonspendable fund balance component includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that will never be converted to cash, for example, inventories of supplies and prepaid items. It may also include the long-term portion of loans and notes receivable, as well as nonfinancial assets held for resale.

Restricted Fund Balance

The restricted fund balance component includes amounts that are either restricted externally by creditors, grantor, contributors, or laws or regulation of other governments or restricted by law through constitutional provisions or enabling legislation.

Committed Fund Balance

The committed fund balance component includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City's highest level of decision-making authority, an ordinance passed by City Council. Those committed amounts cannot be used for any other purpose unless the City removes or changes the specified use by taking the same type of action it employed to commit those amounts. Committed fund balances also incorporate contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. The City recognizes committed fund balances that have been approved for specific purposes by City Council before the fiscal year end.

Assigned Fund Balance

The assigned fund balance component includes amounts that are constrained by the City's intent to be used for specific purposes but are not restricted or committed. The authority for making an assignment is not required to be the City's highest level of decision-making authority and as such, the nature of the actions necessary to remove or modify an assignment does not require the City's highest level of authority.

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 1. Summary of Significant Accounting Policies (continued)

L. Net Position and Fund Balances (continued)

Unassigned Fund Balance

The unassigned fund balance component includes amounts that have not been assigned to other funds and has not been restricted, committed, or assigned for specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount.

Based on the City's policies regarding fund balance components as noted above, the City considers amounts that are restricted, committed, or assigned to be spent when the corresponding expenditure that has been designated by the City Council or donors has been made. After these fund balances have been depleted, unassigned fund balance will be considered to have been spent.

M. Deferred Outflows / Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section of deferred outflow of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources until then. The City has two items that qualify for reporting in this category. These deferred items are associated with contributions and changes in the City's pension and OPEB plans for the current fiscal year (See Notes 10 and 18).

In addition to liabilities, the statement of financial position 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 position that applies to a future period and so will not be recognized as an inflow of resources until that time. The City has one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The City has two other deferred inflows that are recognized under the full accrual basis of accounting that is associated with the City's pension plan and other post-employment benefits (See Note 10 and Note 18).

N. Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the South Carolina Other Retirement Benefits Plan (the "Plan") and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 1. Summary of Significant Accounting Policies (continued)

O. Comparative Data

Comparative total data for the prior year has been presented in selected sections of the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. However, comparative data has not been presented in all statements since such inclusion would make certain statements unduly complex and more difficult to understand.

P. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Estimates are used to determine depreciation expense and the allowance for doubtful accounts among other accounts. Actual results could differ from those estimates.

Note 2. Deposits and Investments

Deposits

As of June 30, 2021, the City of West Columbia held no long-term investments. However, the City has held investments in prior years and anticipates investing available funds in subsequent years.

Interest Rate Risk

In accordance with its investment policy, the City manages its exposure to declines in fair value by limiting the weighted average maturity of its investment portfolio to short periods of time.

Credit Risk

State statute (SC Code Section 12-45-220) outlines acceptable investment vehicles and limits the level of risk that may be accepted by a government entity. State statute and the City's investment portfolio limits the City's investments to obligations of the United States and agencies thereof; general obligations of the State of South Carolina or any of its political units; interest bearing accounts in savings and loan associations to the extent that the same are insured by an agency of the Federal government; certificates of deposit where the certificates are collaterally secured by securities of the type described above, held by a third party as escrow agent or custodian, of a fair 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 United States Government; or deposit accounts with banking institutions insured and secured in the same manner.

State statutes also allow the State Treasurer to assist local governments in investing funds through the State Treasurer's Local Government Investment Pool (LGIP), of which the fair value of the City's investments is the same as the value of the pooled shares. The State Treasurer's investment pool is not rated, but generally, investments are collateralized by debt securities in corporate obligations, state or political subdivision obligations of investment grade or higher quality and in federal agency securities. The City does not participate in LGIP.

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 2. Deposits and Investments (continued)

Concentration of Credit Risk

The City's investment policy requires available surplus funds to be invested in certificates of deposits, of which no one institution is to hold 100 percent of the certificates, or the State Treasurer's Investment Pool, in which case credit risk is limited via allocation of investments over a broad range of securities.

Custodial Credit Risk-Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. It is the policy of the City to obtain adequate collateralization on all deposits that exceed FDIC insurance coverage. As of June 30, 2021, the City had cash on-hand of \$3,225 and cash deposits in demand, savings, money market and certificate of deposit accounts equal to \$47,099,547. Of the deposit amounts, \$750,000 is covered by FDIC insurance, and the balance of \$46,349,547 is collateralized by federal agency securities or letters of credit held by the various banks to secure the deposits of the City.

Custodial Credit Risk-Investments

For an investment, this is the risk that, in the event of the failure of the counter party, the government will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. As of June 30, 2021, all investments in agency securities or letters of credit, as noted above, are book entry and held by third parties in the City's name.

Note 3. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Water and Sewer Fund considers cash and all highly liquid investments, restricted and unrestricted, with a maturity of three months or less when purchased to be cash equivalents.

Note 4. Property Taxes

Property taxes are levied on real and personal properties owned on the preceding December 31 of each City fiscal year ending June 30. Liens attach to the property at the time the taxes are levied. 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 16 - 10% of tax

March 17 and thereafter - 15% of tax plus collection cost

Current year real and personal taxes go into execution on March 17. The levy date for motor vehicle taxes 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. Property tax revenues are recognized when due or past due and collectible within the current period or soon enough thereafter (defined as sixty days) to pay liabilities of the current period. An allowance is provided for an estimated amount of taxes billed, which may ultimately prove to be uncollectable. Deferred revenue (property taxes) for governmental funds represents that portion of delinquent property taxes, which is deemed not available to pay current expenditures.

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 4. Property Taxes (continued)

Property taxes are assessed and collected by Lexington County under a joint billing and collection agreement.

For Government-Wide financial statements, property taxes are recognized as revenue in the year for which they are levied. For Government Fund financial statements, City property tax revenues are recognized for the budget period to which they apply when they become measurable and available. Delinquent and unpaid property taxes are reported as receivables, less amounts estimated to be uncollectable.

Note 5. Notes Receivable – Proprietary Fund

This consists of amounts due from the Town of Lexington and the Joint Municipal Water and Sewer Commission pursuant to contracts that provide necessary improvements to the City's Lake Murray Water Treatment Facility that guarantee capacity of 4.5 million GPD to the Town and increase the Commission's guaranteed capacity from 4.5 million GPD to 10.07 million GPD.

The Town's contract also provides for installation of water lines for newly acquired customer service areas. The Town is obligated to pay its share of the 2013 refunding bond issue requirements (61.80%) for installation of water lines and for the water treatment facility upgrade. The Commission is obligated to pay its share of the 2005 bond issue requirements (53.72%) associated with an additional 9 million GPD upgrade to the Lake Murray Water Treatment facility completed in May 2007. The City has begun to amortize these deferred revenues and other sales of capacity over the remaining life of the plant.

Note 6. Changes in Capital Assets

Governmental Activities:

A summary of changes in governmental activities capital assets is as follows:

	<u>Balance</u> <u>July 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Balance</u> <u>June 30, 2021</u>
Non-Depreciable					
Capital Assets:					
Construction in Process	\$ 9,212,612	\$ 161,614			\$ 9,374,226
Land	3,852,943				3,852,943
Total Non-Depreciable					
Capital Assets:	<u>13,065,555</u>	<u>161,614</u>			<u>13,227,169</u>
Depreciable Capital Assets:					
Buildings & Improvements	11,582,865				11,582,865
Vehicles and Equipment	10,665,059	852,588	\$ 115,825		11,401,822
Total Depreciable					
Capital Assets	<u>22,247,924</u>	<u>852,588</u>	<u>115,825</u>		<u>22,984,687</u>
Total Capital Assets:	<u>35,313,479</u>	<u>1,014,202</u>	<u>115,825</u>		<u>36,211,856</u>

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 6. Changes in Capital Assets (continued)

Governmental Activities (continued):

	<u>Balance</u> <u>July 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Balance</u> <u>June 30, 2021</u>
<u>Less accumulated</u>					
<u>Depreciation for:</u>					
Buildings and Improvements	\$3,903,541	\$ 375,240			\$ 4,278,781
Vehicles and Equipment	8,519,796	455,090	\$ 115,825		8,859,061
Total Accumulated					
Depreciation:	<u>12,423,337</u>	<u>830,330</u>	<u>115,825</u>		<u>13,137,842</u>
Governmental Activities					
Capital Assets, Net:	<u>\$22,890,142</u>	<u>\$ 183,872</u>			<u>\$ 23,074,014</u>

Depreciation expense was charged to functions/programs in governmental activities as follows:

General government	\$ 158,075
Community and economic development	3,151
Public safety	304,048
Public services	115,515
General services	184,474
Tourism related	65,067
Total depreciation expense – governmental activities	<u>\$ 830,330</u>

Business-Type Activities:

A summary of changes in business-type capital assets is as follows:

	<u>Balance</u> <u>July 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Balance</u> <u>June 30, 2021</u>
Non-Depreciable					
Capital Assets:					
Land	\$ 407,727				\$ 407,727
Construction in Progress	1,638,187	\$ 1,241,358		\$(948,015)	1,931,530
Total Non-Depreciable					
Capital Assets	<u>2,045,914</u>	<u>1,241,358</u>		<u>(948,015)</u>	<u>2,339,257</u>
Depreciable Capital Assets					
Buildings	62,899,009	1,123,707		128,996	64,151,712
Improvements Other					
Than Buildings	29,331,355	700,980		819,019	30,851,354
Equipment	4,548,103	96,039			4,644,142
Vehicles and Equipment	1,735,613	57,047	\$ 34,413		1,758,247
Total Depreciable					
Capital Assets:	<u>98,514,080</u>	<u>1,977,773</u>	<u>34,413</u>	<u>948,015</u>	<u>101,405,455</u>
Total Capital Assets:	<u>100,559,994</u>	<u>3,219,131</u>	<u>34,413</u>		<u>103,744,712</u>

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 6. Changes in Capital Assets (continued)

Business-Type Activities (continued):

	Balance				Balance
	<u>July 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>June 30, 2021</u>
Less accumulated Depreciation for:					
Buildings	\$22,347,233	\$ 1,867,962			\$24,215,195
Improvements Other Than Buildings	16,612,807	414,980			17,027,787
Equipment	1,663,219	252,015			1,915,234
Vehicles and Equipment	838,120	169,494	\$ 34,413		973,201
Total Accumulated Depreciation:	<u>41,461,379</u>	<u>2,704,451</u>	<u>34,413</u>		<u>44,131,417</u>
Business-Type Activities Capital Assets, Net:	<u>\$59,098,615</u>	<u>\$ 514,680</u>			<u>\$59,613,295</u>

Depreciation expense was charged to functions/programs in business-type activities as follows:

Water and sewer utility	<u>\$ 2,704,451</u>
Total depreciation expense – business-type activities	<u>\$ 2,704,451</u>

Note 7. Capital Leases

The City is obligated under certain non-cancelable leases accounted for as capital leases and are reported in the governmental activities' column of the government-wide financial statements and related obligations recorded in the Enterprise Fund are accounted for within that fund. Assets, net of accumulated depreciation, under capital leases totaled approximately \$788,073 at June 30, 2021 and are reported under the vehicle and equipment asset class. The following is a schedule of future minimum lease payments under capital leases, together with the net value of the minimum lease payments as of June 30, 2021.

Year Ending	Governmental-type	Business-type
<u>June 30</u>	<u>Activities</u>	<u>Activities</u>
2022	\$ 210,240	\$ 76,691
2023	210,240	76,691
2024	210,240	76,691
2025	76,691	57,339
Minimum lease payments for all capital leases	707,410	287,412
Less: Amount representing interest at the City's incremental borrowing rate of interest	<u>(27,733)</u>	<u>(13,505)</u>
Present value of minimum lease payments	<u>\$ 679,677</u>	<u>\$ 273,907</u>

Note 8. Changes in Bonds, Loans and Other Long Term Debt

The following is a summary of bond, loan and other long term debt transactions. Governmental activity obligations are repaid from the general fund and business-type obligations from the Proprietary fund for the debts as detailed below.

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 8. Changes in Bonds, Loans and Other Long Term Debt (continued)

Governmental Activities:

	<u>Balance</u> <u>July 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2021</u>
Long Term Debt:				
Capital Leases	\$ 893,825		\$ 214,148	\$ 679,677
Net Pension Liability	16,197,148	\$ 2,612,699		18,809,847
Net OPEB Liability	949,705		64,340	885,365
HTax Bond Series 2018	3,292,000		377,000	2,915,000
TIF Bond Series 2016A	2,255,000		233,000	2,022,000
TIF Bond Series 2016B	2,159,000		223,000	1,936,000
GO Bond Series 2020	3,729,000		393,000	3,336,000
Total Payable	<u>\$29,475,678</u>	<u>\$ 2,612,699</u>	<u>\$ 1,504,488</u>	<u>\$ 30,583,889</u>
 Compensated Absences	 <u>\$ 735,585</u>	 <u>\$ 39,735</u>	 <u>\$ 63,506</u>	 <u>\$ 711,814</u>

Long-term debt for Governmental Activities is comprised of the following:

		<u>June 30, 2021</u>	
	<u>Interest Rate</u>	<u>Current Portion</u>	<u>Long Term Portion</u>
Capital Leases	1.23 to 1.83%	\$ 197,816	\$ 481,861
HTax Bond, Series 2018	2.48%	386,000	2,529,000
TIF Bond, Series 2016A	3.35%	287,000	1,735,000
TIF Bond, Series 2016B	2.36%	227,000	1,709,000
General Obligation Bond, Series 2020	1.29%	389,000	2,947,000
Compensated Absences		329,239	382,575

On April 7, 2020, the City issued a long-term General Obligation Bond, Series 2020, in the amount of \$3,729,000 to refund the GO Bond, Series 2019. The 2020 bond will bear interest at 1.29% per annum and is providing \$224,032 in debt service savings.

On June 20, 2018, the City issued a new hospitality tax (Htax) bond. This new issuance will fund numerous tourism related projects. The total issuance amount is \$4,000,000 for 10 years at a rate of 2.48%. The Htax bond is secured by the fee revenue generated through the City's Hospitality Tax fund.

On November 15, 2016, the City issued a new tax increment financing (TIF) bond. This new issuance refunded the previous TIF bond and added another \$5,000,000 to be spent on publicly maintained infrastructure within a new development. The total issuance amount is \$6,049,000 for 12 years, with \$3,090,000 being tax-exempt at a rate of 2.36% and \$2,959,000 being taxable at a rate of 3.35%. The bonds are secured by the incremental tax revenue from the Tax Increment Financing District and a junior lien of the water and sewer revenues.

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 8. Changes in Bonds, Loans and Other Long Term Debt (continued)

Governmental Activities (continued):

Under the terms of the bond and loan covenants the City is required to maintain certain reserves and restricted assets. There are also a number of limitations and restrictions contained in the various bond indentures. The City is in compliance with all material and significant limitations and restrictions. Based on the constitutional debt limit as set by the State of South Carolina, the City could issue such up to eight percent (8%) of the assessed valuations of property on which property taxes are levied, or approximately \$7,220,081 at June 30, 2021 (Table 13).

The annual requirements for bonds payable for Governmental Activities are as follows:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>	
	<u>Principal Amount</u>	<u>Interest Amount</u>
2022	\$ 1,289,000	\$ 228,720
2023	1,321,000	199,161
2024	1,354,000	168,779
2025	1,385,000	137,593
2026	1,417,000	105,775
2027	1,452,000	73,549
2028	1,486,000	40,449
2029	426,000	6,509
2030	79,000	1,018
Totals	\$ <u>10,209,000</u>	\$ <u>961,553</u>

Business-Type Activities:

	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2021</u>
Long Term Debt:				
Capital Leases	\$ 403,653		\$ 129,746	\$ 273,907
Net Pension Liability	6,455,755	\$ 779,478		7,235,233
Net OPEB Liability	504,478		28,385	476,093
Revenue Bonds – 2005	4,193,570		691,005	3,502,565
Revenue Bonds – 2016	14,507,000		650,000	13,857,000
Revenue Bonds – 2018	15,485,000		390,000	15,095,000
Revenue Bonds – 2020	10,540,000		985,000	9,555,000
Total Payable	<u>\$52,089,456</u>	<u>\$ 779,478</u>	<u>\$ 2,874,136</u>	<u>\$ 49,994,798</u>
Compensated Absences:	<u>\$ 415,407</u>	<u>\$ 40,800</u>	<u>\$ 73,671</u>	<u>\$ 382,536</u>

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 8. Changes in Bonds, Loans and Other Long Term Debt (continued)

Business-Type Activities (continued):

Long-term debt for Business-type activities is comprised of the following:

	<u>Interest Rate</u>	<u>June 30, 2021</u> <u>Current Portion</u>	<u>Long Term Portion</u>
Capital Leases	1.59% - 1.80%	\$ 71,339	\$ 202,568
Revenue Bonds:			
Series 2005 Issue	2.25%	\$ 706,685	\$ 2,795,880
Series 2016 Issue	2.66%	667,000	13,190,000
Series 2018 Issue	4.04%	410,000	14,685,000
Series 2020 Issue	1.25%	1,010,000	8,545,000
Total Revenue Bonds		<u>\$ 2,793,685</u>	<u>\$39,215,880</u>
Compensated Absences		<u>\$ 175,107</u>	<u>\$ 207,429</u>

The City issued \$10,540,000 in Water and Sewer System Revenue bonds, series 2020 to refund the SRF 2009A and SRF 2009B series bonds. This bond issue is for 10 years at a rate of 1.25%. The 2020 revenue is providing \$467,357 in debt service savings. The 2018 series bond issue was a public issue for 25 years at an average rate of 4.04%. Moody's Investor Service, Inc. has assigned its municipal bond rating of "Aa3" to the Series 2018 Bonds.

The annual requirements for bonds payable for the Enterprise Fund are as follows:

	<u>Revenue Bonds</u>	
<u>Year Ended</u> <u>June 30</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Amount</u>
2022	\$ 2,793,685	\$ 1,166,385
2023	2,849,720	1,107,663
2024	2,912,119	1,049,747
2025	2,980,890	979,569
2026	2,905,151	914,440
2027	2,377,000	859,367
2028	2,436,000	799,925
2029	2,498,000	738,500
2030	2,559,000	675,049
2031-2035	8,005,000	2,529,192
2036-2040	6,003,000	1,253,058
2041-2044	3,690,000	365,000
Totals	<u>\$42,009,565</u>	<u>\$12,437,895</u>

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 9. Net Position

Net position of the Government – Wide and Proprietary Fund financial statements represent the difference between assets and liabilities. Reported amounts net investment in capital assets and restricted net assets were as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
<u>Net Investment in Capital Assets:</u>		
Net capital assets	\$ 23,074,014	\$ 59,613,295
Bond proceeds on deposit	1,754,989	17,514,158
Less: net bonds payable	(10,209,000)	(42,009,565)
Less: capital leases	(679,677)	(273,907)
Total investment in capital assets	<u>\$ 13,940,326</u>	<u>\$ 34,843,981</u>
<u>Restricted:</u>		
Debt Service	\$ 1,568,644	\$ 339,702
Hospitality Tax	1,752,981	
Law Enforcement Grants and Programs	357,757	
Parks Program	48,605	
Accommodations Tax	127,599	
Total restricted net position	<u>\$ 2,102,605</u>	<u>\$ 339,702</u>

Note 10. Pension Plan

The majority of employees of the City are covered by a retirement plan through the South Carolina Retirement System (SCRS), a cost-sharing multiple-employer defined benefit pension plan administered by the Retirement Division of the South Carolina Public Employee Benefit Authority (PEBA), a public employee retirement system. Generally, all full-time or part-time equivalent State employees in a permanent position are required to participate in and contribute to the SCRS as a condition of employment unless exempted by law as provided in Section 9-1-480 of the South Carolina Code of Laws, as amended, or are eligible and elect to participate in the State Optional Retirement Program (ORP). The SCRS plan provides a life-time monthly retirement annuity benefit to members as well as disability, survivor options, annual benefit adjustments, death benefits and incidental benefits to eligible employees and retired members.

The Retirement Division maintains five independent defined benefit plans and issues its own publicly available Annual Comprehensive Financial Report (ACFR) which includes financial statements and required supplementary information. A copy of the separately issued ACFR may be obtained by writing to the South Carolina Public Employee Benefit Authority, P.O. Box 11960, Columbia, South Carolina 29211-1960. Furthermore, the Division and the five pension plans are included in the State of South Carolina's ACFR.

Under the SCRS, Class II members are eligible for a full-service retirement annuity upon reaching age 65 or completion of 28 years of credited service regardless of age. Employees who first became members of the System after June 30, 2012 are considered Class III members and are eligible for a full service retirement annuity upon reaching age 65 or upon meeting the rule of 90 requirement (i.e., the members age plus the years of service add up to a total of at least 90).

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 10. Pension Plan (continued)

The benefit formula for full benefits effective since July 1, 1989 for the SCRS is 1.82 percent of an employee's average final compensation (AFC) multiplied by the number of years of credited service. For Class II members, AFC is the average annual earnable compensation during 12 consecutive quarters and includes an amount for up to 45 days termination pay at retirement for unused annual leave.

For Class III members, AFC is the average annual earnable compensation during 20 consecutive quarters and termination pay for unused annual leave at retirement is not included. Early retirement options with reduced benefits are available as early as age 55 for Class II members and age 60 for Class III members. Class II members are vested for a deferred annuity after five years of earned service. Class III members are vested for a deferred annuity after eight years of earned service. Members qualify for a survivor's benefit upon completion of 15 years of credited service (five years effective January 1, 2002).

Disability annuity benefits are payable to Class II members if they have permanent incapacity to perform regular duties of the member's job and they have at least 5 years of earned service (this requirement does not apply if the disability is a result of a job related injury). Class III members qualify for disability annuity benefits provided they have a minimum of eight years of credited service. An incidental death benefit equal to an employee's annual rate of compensation is payable upon the death of an active employee with a minimum of one year of credited service or to a working retired contributing member. There is no service requirement for death resulting from actual performance of duties for an active member.

For eligible retired members, a lump-sum payment is made to the retiree's beneficiary of up to \$6,000 based on years of service at retirement. TERI participants and retired contributing members are eligible for the increased death benefit equal to their annual salary in lieu of the standard retired member benefit.

Effective July 1, 2019, employees participating in the SCRS were required to contribute 9.00% of all earnable compensation. The employer contribution rate for SCRS was 15.56%. Included in the total SCRS employer contribution rate is a base retirement contribution of 15.41% and 0.15% contribution rate for the incidental death program. The City's contributions for the years ended June 30, 2021, 2020 and 2019 were \$1,071,546, \$1,092,865, and \$985,453, respectively, and equaled to the base required retirement contribution rate.

The South Carolina Police Officers Retirement System (PORS) is a cost-sharing multiple employer defined benefit public employee retirement system. Generally, all full-time employees whose principal duties are the preservation of public order or the protection or prevention and control of property destruction by fire are required to participate in and contribute to PORS as a condition of employment. This plan provides lifetime monthly annuity benefits as well as disability, survivor benefits and incidental benefits to eligible employees and retirees. In addition, participating employers in the PORS contribute to the accidental death fund which provides annuity benefits to beneficiaries of police officers and firemen killed in the actual performance of their duties. These benefits are independent of any other retirement benefits available to the beneficiary.

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 10. Pension Plan (continued)

Under the PORS, Class II members are eligible for a full service retirement annuity upon reaching age 55 or completion of 25 years of credited service regardless of age. Class III members are eligible for a full service retirement annuity upon reaching age 55 or 27 years of credited service. The benefit formula for full benefits effective since July 1, 1989 for the SCRS is 2.14 percent of an employee's average final compensation (AFC) multiplied by the number of years of credited service.

For Class II members, AFC is the average annual compensation during 12 consecutive quarters and includes an amount for up to 45 days termination pay for unused annual leave. For Class III members, AFC is the average annual earnable compensation during 20 consecutive quarters and termination pay for unused annual leave at retirement is not included. PORS does not have an early retirement option. Class II members are vested for a deferred annuity after five years of earned service. Class III members are vested for a deferred annuity after eight years of earned service. Members qualify for a survivor's benefit upon completion of 15 years of credited service (five years effective January 1, 2002).

Effective July 1, 2019, employees participating in the PORS were required to contribute 9.75% of all earnable compensation. The employer contribution rate for PORS was 18.24%. Included in the total PORS employer contribution rate is a base retirement contribution of 17.84% and .20% for the incidental death program and .20% for the accidental death program. The City's contributions for the years ended June 30, 2021, 2020 and 2019 were \$793,267, \$795,474, and \$668,608, respectively, and equaled to the base required retirement contribution rate.

Article X, Section 16, of the South Carolina Constitution requires that all State-operated retirement systems be funded on a sound actuarial basis. Title 9 of the South Carolina Code of Laws of 1976, as amended, prescribes requirements relating to membership, benefit, and employee/employer contributions for each retirement system. Employee and employer contribution rates to SCRS and PORS are actuarially determined.

At June 30, 2021, the City reported \$16,256,712 and \$9,788,368 for its proportionate share of the net pension liabilities of SCRS and PORS, respectively. The net pension liability of the defined benefit pension plan was determined based on the July 1, 2020 actuarial valuations, using membership data as of July 1, 2020, projected forward to June 30, 2021, and financial information of the pension trust funds as of June 30, 2021, using generally accepted actuarial procedures. The City's portion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. At June 30, 2021, the City's SCRS proportion was 0.063623% and its PORS proportion was 0.29517%. The City recognized pension expense in the amount of \$114,589 and \$15,042 for SCRS and PORS, respectively.

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 10. Pension Plan (continued)

At June 30, 2021 the state reported deferred outflows of resources and deferred inflows of resources to pensions from the following sources:

Deferred Outflows of Resources	SCRS	PORS
Differences between expected and actual experience	\$ 187,581	\$ 208,023
Assumption changes	19,917	119,450
Net difference between project and actual investment earnings	1,195,817	1,002,307
Differences between employer contributions and proportionate share	196,026	1,516,648
Contributions made from measurement date to June 30, 2020	1,071,546	793,267
Total deferred outflows of resources	2,670,887	3,639,695
Deferred Inflows of Resources		
Differences between expected and actual experience	61,474	43,086
Differences between employer contributions and proportionate share	1,142,110	23,896
Total deferred inflows of resources	1,203,584	66,982
Net deferred outflows/(inflows)	\$ 1,467,303	\$ 3,572,713

Deferred outflows of \$1,071,546 and \$793,267 for SCRS and PORS, respectively, reported as resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expenses as follows:

Year ended June 30,	SCRS	PORS	Net
2022	\$ 108,296	\$ (993,838)	\$ (885,542)
2023	142,162	(941,946)	(799,784)
2024	(341,068)	(561,384)	(902,452)
2025	(305,147)	(282,278)	(587,425)
	\$ (395,757)	\$ (2,779,446)	\$ (3,175,203)

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 10. Pension Plan (continued)

The total pension liabilities in the July 1, 2018 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

	<u>SCRS</u>	<u>PORS</u>
Actuarial Cost Method	Entry Age	Entry Age
Actuarial Assumptions:		
Investment Rate or Return	7.25%	7.25%
Projected Salary Increases	3.0% to 12.5%	3.5% to 9.5%
Inflation Rate	2.25%	2.25%
Benefit Adjustments	Lesser of 1% or \$500	Lesser of 1% or \$500

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumptions, the 2016 Public Retirees of South Carolina Mortality table (2016 PRSC), was developed using the Systems' mortality experience. These base rates are adjusted for future improvement in mortality using published Scale AA projected from the year 2016. Assumption used in the determination of the June 30, 2018, SCRS and PORS valuations are as follows:

Former Job Class	Males	Females
Educators	2016 PRSC Males Multiplied by 92%	2016 PRSC Females Multiplied by 98%
General Employees and Members of the General Assembly	2016 PRSC Males Multiplied by 100%	2016 PRSC Females Multiplied by 111%
Public Safety and Firefighters	2016 PRSC Males Multiplied by 125%	2016 PRSC Females Multiplied by 111%

The long-term expected rate of return on pension plan investments is based upon the 30 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 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 and is summarized in the table on the following page. For actuarial purposes, the 7.25 percent assumed annual investment rate of return used in the calculation of the TPL includes a 5.00 percent real rate of return and a 2.25 percent inflation component.

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 10. Pension Plan (continued)

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Expected Arithmetic Real Rate of Return</u>	<u>Long Term Expected Portfolio Real Rate of Return</u>
Global Equity	51.0%		
Global Public Equity	35.0%	7.81%	2.73%
Private Equity	9.0%	8.91%	0.80%
Equity Options Strategies	5.0%	5.09%	0.36%
Real Assets	12.0%		
Real Estate (Private)	8.0%	5.55%	0.44%
Real Estate (REITs)	1.0%	7.78%	0.08%
Infrastructure (Private)	2.0%	4.88%	0.10%
Infrastructure (Public)	1.0%	7.05%	0.07%
Opportunistic	8.0%		
Global tactical asset allocation	7.0%	3.56%	0.25%
Other Opportunistic Strategies	1.0%	4.41%	0.04%
Credit	15.0%		
High yield bonds/bank loans	4.0%	4.21%	0.17%
Emerging markets debt	4.0%	3.44%	0.14%
Private Debt	7.0%	5.79%	0.40%
Conservative Fixed Income	14.0%		
Core Fixed Income	13.0%	1.60%	0.21%
Cash and Short Duration (Net)	1.0%	0.56%	0.01%
Total Expected Real Return	100%		5.80%
Inflation for Actuarial Purposes			2.25%
Total Expected Nominal Return			8.05%

The discount rate used to measure the TPL was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina Code of Laws. Based on those assumptions, the Systems' fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 10. Pension Plan (continued)

The following table represents the City's proportionate share of the net SCRS and PORS pension liabilities calculated using the discount rate of 7.25 percent, as well as what the City's respective net pension liabilities would be if it were calculated using a discount rate of 1.00 percent lower (6.25 percent) or 1.00 percent higher (8.25 percent) than the current rate.

<u>Plan</u>	<u>Decrease 6.25%</u>	<u>Rate 7.25%</u>	<u>Increase 8.25%</u>
SCRS	\$ 20,148,201	\$ 16,256,712	\$ 13,007,272
PORS	12,958,151	9,788,368	7,243,235
	<u>\$ 33,106,352</u>	<u>\$ 26,045,080</u>	<u>\$ 20,250,507</u>

Note 11. Deferred Compensation Plan

The City offers its employees a state-sponsored deferred compensation plan (created in accordance with the Internal Revenue Code Section 457) available through the South Carolina State Treasurer's Office.

The plan, available to all City employees, permits them to defer a portion of their salary until future years. In effect, the employee temporarily loses access to the resources in exchange for the right to defer federal taxes. The deferred compensation cannot be withdrawn by employees until termination, retirement, death, disability or an approved hardship.

In 1996, Congress passed new legislation governing IRC Section 457 plans. The new legislation specifically states that all assets and income of the plan must be held in trust for the exclusive benefit of participants and their beneficiaries. All existing plans had to be modified to comply with the new legislation by January 1, 1999. The plan, which is available through the State of South Carolina, was modified to comply with the new legislation July 1, 1998.

GASB – Statement 32 eliminates all of the financial accounting and reporting related to IRC Section 457 plans. Therefore, the assets in the plan are no longer reported in the Agency Fund in these statements.

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 12. Risk Management

On July 1, 2011, the city began coverage in the South Carolina Public Employee Benefit Authority (PEBA), which is a state funded insurance benefit program administrated by Blue Cross / Blue Shield of South Carolina. This program is available to employees of the state, higher education institutions, public school districts and participating local subdivisions. The General Assembly passed legislation extending voluntary participation in PEBA to eligible local subdivisions. To be eligible to participate, the local subdivisions must fall within one of the categories, which include municipalities, established by statute (Section 1-11-720 of the S.C. Code of Laws, as amended). PEBA offers health, dental, vision, life, and long term disability. The City pays employee health (standard), basic dental, required life and long term disability.

Additional options are available that employees may purchase. The City is also a member of the South Carolina Municipal Insurance Trust (SCMIT), which is a self-funded workers compensation program. In this program, the City is part of a pool of local governments for the determination of rates. Each member of the SCMIT accepts responsibility for normal claims expense with no additional liabilities. Specific excess insurance, such as liability insurance, is provided through the South Carolina Municipal Insurance and Risk Financing Fund (SCMIRF).

Note 13. Inter-fund Receivables, Payables And Transfers

Individual fund inter-fund receivable and/or payable balances (shown as "Due to or Due from Other Funds") as of June 30, 2021 are as follows:

	<u>Inter-fund Receivables</u>	<u>Inter-fund Payables</u>
General Fund	\$ 161,024	
Hospitality Tax Fund		\$ 110,358
Proprietary Fund: Water and Sewer		50,666
Totals	<u>\$ 161,024</u>	<u>\$ 161,024</u>

The inter-fund balances reflect amounts due from one fund to the other for obligations of a fund that have been paid or otherwise satisfied by the other fund.

Inter-fund transfers for the year ended June 30, 2021 are as follows:

<u>Transfer Out</u>	<u>Transfer In</u>
	<u>General Fund</u>
Special Revenue Fund: Hospitality Tax	\$ 900,000
Proprietary Fund: Water and Sewer	3,080,000
	<u>\$ 3,980,000</u>

The transfer of \$3,080,000 to the General Fund from the Proprietary Fund is based on budgetary authorizations and the City's financial policies. The principal purpose of the transfers between funds is to support the general operations of the government and it is in compliance.

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 14. Commitments

Lake Murray Water Treatment Plant – The City of West Columbia has agreements with the Joint Municipal Water and Sewer Commission and the Town of Lexington relating to a water treatment plant at Lake Murray. This is not a joint venture. The role of the Commission and the Town is predominantly as one of the major users of the system. Based on capacity purchased as of June 30, 2021, fifty-three and sixty-five hundredths percent (53.65%) of the water produced is to be made available to the Commission and twenty-eight and eighty-nine hundredths percent (28.89%) to the Town. Water is sold at a bulk rate, which in turn would be sold to their customers. The Commission and the Town only have an operational interest in the plant and not an equitable interest.

Note 15. Construction Commitments

The City has multiple construction projects as of June 30, 2021. Through the TIF bond issuance, the City is in the middle of a multi-year project to create public parking and public space within a new development. This project is a great compliment to the Riverwalk Park and is providing much needed public parking for the entire River District. The City has committed \$5,500,000 to this project these last couple of years. The City is also in the final stages of completing a new enabling park, Carraway Park, which is a world class park for children of all abilities to play together, that should be online soon. Through water and sewer revenue bond funding, the City is engaged in many water and sewer infrastructure upgrade projects throughout the entire system. The City is also in construction of various capital projects at the Lake Murray Water Treatment Facility.

Note 16. Contingencies

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

Note 17. Compliance - Net Earnings Covenant - Series 2005, 2016, 2018, 2020 Bonds

The City covenants and agrees that it will, at times, prescribe and maintain and thereafter collect rates and charges for the services and facilities furnished by the System which, together with other income, are reasonably expected to yield annual net earnings in the current fiscal year equal to at least one hundred twenty percent (120%) of the total annual principal and interest requirements for all series of bonds outstanding in such fiscal year. However, the document for the Series 2005 Bonds provides a test that, when applied, could be more restrictive. The City is in compliance with this covenant.

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 18. Other Post-Employment Benefits (OPEB)

A. General Information about the OPEB Plan

Plan Description

The City's defined benefit postemployment healthcare plan (the Plan), which the City initiated July 1, 2008, provides medical and dental insurance to eligible retirees under the Medicare age of 65. Employees become eligible when the employee qualifies for retirement benefits under the SCRS or PORS. The City will contribute toward the medical premium for retirees who retire with 15 years of continuous service with the City and was employed with the City as of June 30, 2008 as a fulltime employee. The portion of the premium paid by the City for these retirees varies based on service at retirement. Anyone hired by the City on July 1, 2008 or later is required to pay the full premium regardless of service at retirement. Information regarding SCRS and PORS eligibility may be obtained from the Comprehensive Annual Financial Report of the Plan. See Note 10. The Plan is approved each year by City Council; the contribution requirements of the City and plan members are established and amended by Council. These contributions are neither guaranteed nor mandatory. Council has retained the right to unilaterally modify its payments toward retiree health care benefits.

Employees covered by benefit terms. At December 31, 2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	21
Inactive employees entitled to but not yet receiving benefits payments	-
Active employees	191
	<u>212</u>

Contributions

The Plan is affiliated with the South Carolina Other Retirement Benefits Employer Trust (SC ORBET), an agent multiple-employer irrevocable trust administered by the Municipal Association of South Carolina. Each participating employer is responsible for determining the appropriate amount of contributions to remit to the Trust. SC ORBET issues a publicly available financial report that includes audited financial statements and required supplementary information for the Plan. A copy of the report may be obtained by writing to: Chief Financial Officer for Risk Management Services, Municipal Association of SC, P.O. Box 12109, Columbia, South Carolina 29211.

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 18. Other Post-Employment Benefits (OPEB) (continued)

B. Net OPEB Liability

The City's net OPEB liability was measured as of December 31, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2018.

Actuarial assumptions

The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Real wage growth	
SCRS	0.75%
PORS	1.25%
Wage inflation	
SCRS	3.00%
PORS	3.50%
Salary increases	
SCRS	3.00% - 7.00%
PORS	3.50% - 9.50%
Long-term Investment Rate of Return, net of OPEB plan investment expense, including price inflation	4.75%
Municipal Bond Index Rate	
Prior Measurement Date	2.74%
Measurement Date	2.12%
Single Equivalents Interest Rate, net of OPEB plan investment expense, including price inflation	
Prior Measurement Date	4.75%
Measurement Date	4.75%
Health Care Cost Rates	
Pre-Medicare	7.25% for 2019 decreasing to an ultimate rate of 4.75% by 2029
Medicare	5.38% for 2019 decreasing to an ultimate rate of 4.75% by 2023

Mortality rates were based on the RP-2014 Mortality Table for Employees with a 95% multiplier to better reflect anticipated experience and provide a margin for future improvements.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study adopted by SCRS and PORS.

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 18. Other Post-Employment Benefits (OPEB) (continued)

B. Net OPEB Liability (continued)

Actuarial assumptions (continued)

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The long-term expected rate of return assumption is 4.75%. The target allocation for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>
Fixed income	94.30%
Equity funds	0.00%
Cash and cash equivalents	5.70%
Total	100%

Discount Rate

The discount rate used to measure the total OPEB liability as of the measurement date was 4.75 percent. The projection of cash flows used to determine the discount rate in accordance with GASB 75. The projections basis was an actuarial valuation performed as of December 31, 2018. In addition to the actuarial methods and assumptions of the December 31, 2018 actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- Total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase annually using the payroll growth assumption
- Active employees do not explicitly contribute to the Plan.
- In all future years, the employer continues to contribute the full ADEC through deposit to the Trust and direct payment of benefits to plan members as the benefits come due. The employer is assumed to have the ability and willingness to make contributions to the Trust and benefits payments from its own resources for all periods in the projection.
- Projected assets do not include employer contributions that fund the estimated service costs of future employees.
- Cash flows occur mid-year.

Based on these assumptions, the Plan's Fiduciary Net Position was projected to not be depleted.

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 18. Other Post-Employment Benefits (OPEB) (continued)

B. Net OPEB Liability (continued)

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB	Plan	Net OPEB
	Liability	Fiduciary	Liability
	(a)	Net Position	(a) - (b)
		(b)	
Balance at December 31, 2019	<u>\$ 3,541,845</u>	<u>\$ 2,087,662</u>	<u>\$ 1,454,183</u>
Changes for the year:			
Service cost	83,885		83,885
Interest on TOL and cash flows	164,040		164,040
Differences between expected and actual experience	(18,401)		(18,401)
Changes of assumption or other inputs			-
Contributions - employer		202,745	(202,745)
Net investment income		120,504	(120,504)
Benefit payments and implicit subsidy credit	(178,821)	(178,821)	-
Plan administrative expenses		(1,000)	1,000
Net changes	<u>50,703</u>	<u>143,428</u>	<u>(92,725)</u>
Balance at December 31, 2020	<u><u>\$ 3,592,548</u></u>	<u><u>\$ 2,231,090</u></u>	<u><u>\$ 1,361,458</u></u>

Sensitivity of the net OPEB liability to changes in the discount rate and healthcare cost trend rates

The following presents the net OPEB liability of the Plan, as well as what the Plan's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0 percent) or 1-percentagepoint higher (8.0 percent) than the current discount rate:

	1% Decrease	Discount Rate	1% Increase
	(6.0%)	(7.0%)	(8.0%)
Net OPEB liability	<u>\$ 1,005,442</u>	<u>\$ 1,361,458</u>	<u>\$ 1,769,222</u>

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 18. Other Post-Employment Benefits (OPEB) (continued)

B. Net OPEB Liability (continued)

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using the discount rate of 4.75%, as well as what the Plan's NOL would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (3.75%)	Current Discount Rate (4.75%)	1% Increase (5.75%)
Net OPEB liability	\$ 1,630,310	\$ 1,361,458	\$ 1,113,556

**C. OPEB Expense and Deferred Outflows of Resources
and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2020, the City recognized OPEB expense of \$115,982. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 56,601	\$ 429,147
Changes of assumptions or other inputs	129,083	-
Current year contributions	8,966	-
Net difference between projected and actual earnings on OPEB plan investments	10,302	-
Total	<u>\$ 204,952</u>	<u>\$ 429,147</u>

Deferred outflows of \$8,966, reported as resources related to OPEB resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expenses as follows:

Year ended December 31:

2021	\$ (17,932)
2022	(24,923)
2023	(37,361)
2024	(35,718)
2025	(31,559)
Thereafter	(85,668)
Total	<u>\$ (233,161)</u>

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 19. Reconciliation of Government – Wide Fund Financial Statements

A. Explanations of Differences Between the Governmental Fund Balance Sheet and the Governmental - Wide Statement of Net Position

The Governmental Fund Balance Sheet includes reconciliation between fund balance amounts and Net Position-Governmental Activities. The details of the reconciled amounts are as follows:

Capital assets in governmental activities are not financial resources and therefore are not reported in the fund financial statements:

Capital assets	\$ 36,211,856
Less, accumulated depreciation	<u>(13,137,842)</u>

Net amount reported	<u>\$23,074,014</u>
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Accrued interest on bonds and capital leases in governmental funds is not due and payable in the current period and therefore is not reported as a liability in the funds.

\$ (122,311)

Net amount reported	<u>\$ (122,311)</u>
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The net pension liability and the related deferred outflows and deferred inflows do not represent current financial resources and are not reported in the governmental funds.

Net pension liability	\$ (18,809,847)
Deferred outflows from pensions	5,126,759
Deferred inflows from pensions	<u>(655,886)</u>

Net amount reported	<u>\$(14,338,974)</u>
----------------------------	------------------------------

The net OPEB liability and the related deferred outflows and deferred inflows do not represent current financial resources and are not reported in the governmental funds.

Net OPEB liability	\$ (885,365)
Deferred outflows from OPEB	131,043
Deferred inflows from OPEB	<u>(286,097)</u>

Net amount reported	<u>\$(1,040,419)</u>
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Liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the fund financial statements:

Unavailable Revenue – property taxes	\$ 377,208
Bonds and Capital leases payable	(10,888,677)
Compensated absences	<u>(382,575)</u>

Net amount reported	<u>\$(10,894,044)</u>
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CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 19. Reconciliation of Government – Wide Fund Financial Statements (continued)

B. Explanations of Differences Between the Governmental Fund Statement of Revenue, Expenses and Changes in Fund Balances and the Government-Wide Statement of Activities

The Governmental Fund Statement of Revenue, Expenses and Changes in Fund Balances includes a reconciliation between net changes in fund balance and Changes in Net Position-Governmental Activities. The details of the reconciled amounts are as follows:

Governmental funds report capital outlays as expenditures;
however, in the Statement of Activities the cost of those assets
are allocated over their estimated useful lives and reported as
depreciation expense. This is the amount by which capital
outlay exceeds depreciation in the current period.

Capital outlay expenditures	\$ 1,014,202
Depreciation expense	<u>(830,330)</u>

Net amount reported	<u>\$ 183,872</u>
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Revenues in the Statement of Activities that do not provide current
financial resources are reported as revenues in these funds:

Property taxes	<u>\$ 54,907</u>
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Net amount reported	<u>\$ 54,907</u>
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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:

Change in Accrued compensated absences	\$ 1,888
Change in Accrued interest expense	<u>7,839</u>

Net amount reported	<u>\$ 9,727</u>
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The issuance of long-term debt provides current financial resources
to governmental funds, while repayment of principal and interest
consumes current financial resources of governmental funds.
This amount is the net effect of these differences in the treatment
of long-term debt and related items:

Principal payments – Bonds	\$ 1,226,000
Principal payments – Capital Leases	<u>214,148</u>

Net amount reported	<u>\$ 1,440,148</u>
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CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 19. Reconciliation of Government – Wide Fund Financial Statements (continued)

B. Explanations of Differences Between the Governmental Fund Statement of Revenue, Expenses and Changes in Fund Balances and the Government-Wide Statement of Activities (continued)

The net pension liability and the related deferred outflows and deferred inflows relate to funding for future retiree benefit payments, which are not considered current. The overall change in net pension liability, deferred outflows and deferred inflows increased in the current fiscal year.

Net Pension Liability increased	\$ (2,612,699)
Deferred outflows from pensions increased	1,022,978
Deferred inflows from pensions decreased	<u>214,883</u>

Net amount reported	<u><u>\$(1,374,838)</u></u>
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The net OPEB liability and the related deferred outflows and deferred inflows relate to funding for future retiree benefit payments, which are not considered current. The overall change in net OPEB liability, deferred outflows and deferred inflows decreased in the current fiscal year.

Net OPEB Liability decreased	\$ 64,340
Deferred outflows from OPEB decreased	(54,000)
Deferred inflows from OPEB decreased	<u>28,859</u>

Net amount reported	<u><u>\$ 39,199</u></u>
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Note 20. Subsequent Events

The City has evaluated all events subsequent to the basic financial statements for the year ended June 30, 2021 through February 23, 2022, which is the date the financial statements were available for issue. In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in Wuhan, China and has since spread to other countries, including the U.S. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the U.S. have declared a state of emergency. It is anticipated that these impacts will continue for some time. There has been no immediate impact to the City's operations at this time. Future potential impacts are unknown.

CITY OF WEST COLUMBIA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2021

Note 21. New GASB Pronouncements

GASB Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. Earlier application of the provisions addressed in this Statement is encouraged and is permitted to the extent specified in each pronouncement as originally issued. The requirements of this Statement are effective immediately.

GASB Statement No. 84, Fiduciary Activities. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged. The requirements of this Statement are effective immediately.

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Required Supplementary Information

City of West Columbia, SC
Schedule of Proportionate Share of South Carolina Retirement Systems
Net Pension Liabilities
Last Eight Fiscal Years*

Schedule 1

South Carolina Retirement System

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
City's proportion of the net pension liability	0.066843%	0.066843%	0.066216%	0.070317%	0.070317%	0.073653%	0.064762%	0.063623%
City's proportionate share of the net pension liability	\$ 11,989,250	\$ 11,508,454	\$ 12,558,184	\$ 15,829,488	\$ 15,829,488	\$ 16,503,254	\$ 14,787,805	\$ 16,256,712
City's covered payroll	\$ 6,145,082	\$ 6,145,082	\$ 6,275,436	\$ 6,186,941	\$ 6,679,388	\$ 7,064,832	\$ 6,838,675	\$ 7,304,963
City's proportionate share of the net pension liability as a percentage of its covered payroll	195.10%	187.28%	200.12%	255.85%	236.99%	233.60%	216.24%	222.54%
Plan fiduciary net position as a percentage of the total liability	56.39%	59.92%	56.99%	53.30%	53.30%	54.10%	54.40%	50.70%

South Carolina Police Officers Retirement System

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
City's proportion of the net pension liability	0.196980%	0.196980%	0.194510%	0.190240%	0.190240%	0.192450%	0.274430%	0.295170%
City's proportionate share of the net pension liability	\$ 4,083,300	\$ 3,773,317	\$ 4,239,338	\$ 5,211,604	\$ 5,211,604	\$ 5,453,234	\$ 7,865,098	\$ 9,788,368
City's covered payroll	\$ 2,455,989	\$ 2,455,989	\$ 2,484,382	\$ 2,520,072	\$ 2,455,074	\$ 2,475,177	\$ 3,970,356	\$ 4,492,134
City's proportionate share of the net pension liability as a percentage of its covered payroll	166.26%	153.64%	170.64%	206.80%	212.28%	220.32%	198.10%	217.90%
Plan fiduciary net position as a percentage of the total liability	62.98%	67.55%	64.57%	60.90%	60.90%	61.73%	62.69%	58.80%

* - The amounts presented for each fiscal year were determined as of July 1 of three years prior, using membership data as of the day, projected forward to June 30 of the previous year. Additionally, the City implemented GASB 68 during fiscal year 2015. As such, only the last eight years of information is available.

City of West Columbia, SC
Schedule of South Carolina Retirement Systems Contributions
Last Eight Fiscal Years*

Schedule 2

South Carolina Retirement System

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Contractually required contributions	\$ 642,161	\$ 677,745	\$ 705,930	\$ 828,912	\$ 947,394	\$ 985,453	\$ 1,092,865	\$ 1,071,546
Contributions in relation to the contractually required contribution	(642,161)	(677,745)	(705,930)	(828,912)	(947,394)	(985,453)	(1,092,865)	(1,071,546)
Contribution deficiency/(excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 6,145,082	\$ 6,275,436	\$ 6,186,941	\$ 6,679,388	\$ 7,064,832	\$ 6,838,675	\$ 7,091,920	\$ 6,953,576
Contributions as a percentage of covered payroll	10.45%	10.80%	11.41%	12.41%	13.41%	14.41%	15.41%	15.41%

South Carolina Police Officers Retirement System

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Contractually required contributions	\$ 305,525	\$ 323,218	\$ 348,778	\$ 364,333	\$ 392,068	\$ 668,608	\$ 795,474	\$ 793,267
Contributions in relation to the contractually required contribution	(305,525)	(323,218)	(348,778)	(364,333)	(392,068)	(668,608)	(795,474)	(793,267)
Contribution deficiency/(excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 2,455,989	\$ 2,484,382	\$ 2,520,072	\$ 2,455,074	\$ 2,475,177	\$ 3,970,356	\$ 4,458,935	\$ 4,446,564
Contributions as a percentage of covered payroll	12.44%	13.01%	13.84%	14.84%	15.84%	16.84%	17.84%	17.84%

* - The amounts presented for each fiscal year were determined as of July 1 of three years prior, using membership data as of the day, projected forward to June 30 of the previous year. Additionally, the City implemented GASB 68 during fiscal year 2015. As such, only the last eight years of information is available.

City of West Columbia, SC
Schedule of Changes in the City's Net OPEB Liability and Related Ratios
Last Four Fiscal Years*

	2018	2019	2020	2021
Total OPEB Liability				
Service cost	\$ 94,710	\$ 97,767	\$ 100,923	\$ 83,885
Interest	163,396	171,380	176,117	164,040
Changes of benefit terms	-	-	-	-
Difference between expected and actual experience	97,917	(8,918)	(520,739)	(18,401)
Changes of assumptions or other inputs	-	-	165,292	-
Benefit payments and implicit study credit	(226,571)	(148,386)	(172,933)	(178,821)
Net change in Total OPEB Liability	129,452	111,843	(251,340)	50,703
Total OPEB Liability - beginning	3,551,890	3,681,342	3,793,185	3,541,845
Total OPEB Liability - ending (a)	3,681,342	3,793,185	3,541,845	3,592,548
Plan Fiduciary Net Position				
Contributions - employer	\$ 319,299	\$ 224,576	\$ 230,183	\$ 202,745
Net investment income	47,918	26,606	101,297	120,504
Benefit payments	(226,571)	(148,386)	(172,933)	(178,821)
Administrative expense	(16,488)	-	(5,116)	(1,000)
Net change in plan fiduciary net position	124,158	102,796	153,431	143,428
Plan fiduciary net position - beginning	1,707,277	1,831,435	1,934,231	2,087,662
Plan fiduciary net position - ending (b)	\$ 1,831,435	\$ 1,934,231	\$ 2,087,662	\$ 2,231,090
Net OPEB Liability - ending (a) - (b)	<u>\$ 1,849,907</u>	<u>\$ 1,858,954</u>	<u>\$ 1,454,183</u>	<u>\$ 1,361,458</u>
 Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	 49.75%	 50.99%	 58.94%	 62.10%
Covered payroll	\$ 8,929,276	\$ 8,929,276	\$ 9,849,574	\$ 9,849,574
Total OPEB Liability as a percentage of covered payroll	20.72%	20.82%	14.76%	13.82%

* - The amounts presented for each fiscal year were determined as of July 1 of two years prior, using membership data as of the day, projected forward to June 30 of the previous year. Additionally, the City implemented GASB 75 during fiscal year 2018. As such, only four years subsequent to fiscal year 2017 have information available.

City of West Columbia, SC
Schedule of OPEB Employer Contributions
Last Four Fiscal Years*

Schedule 4

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Actuarially Determined Employer Contributions (ADEC)	\$ 221,485	\$ 215,579	\$ 201,150	\$ 186,663
Contributions in relation to the ADEC	<u>319,299</u>	<u>224,576</u>	<u>230,183</u>	<u>202,745</u>
Annual contribution deficiency (excess)	<u>\$ (97,814)</u>	<u>\$ (8,997)</u>	<u>\$ (29,033)</u>	<u>\$ (16,082)</u>
Covered payroll*	\$ 10,367,087	\$ 10,964,508	\$ 11,888,210	\$ 12,227,558
Actual contributions as a percentage of covered payroll	3.08%	2.05%	1.94%	1.66%

* - The amounts presented for each fiscal year were determined as of July 1 of two years prior, using membership data as of the day, projected forward to June 30 of the previous year. Additionally, the City implemented GASB 75 during fiscal year 2018. As such, only years subsequent to fiscal year 2017 have information available.

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GOVERNMENTAL FUNDS

GENERAL FUND

The general fund is used to account for resources that are traditionally associated with the City which are not required legally or by sound financial management to be accounted for in another fund.

HOSPITALITY TAX FUND

The Hospitality Tax fund is used to account for revenues received from the City's hospitality tax and expenditures that were approved to be paid from these funds.

CITY OF WEST COLUMBIA, SOUTH CAROLINA
GENERAL FUND
COMPARATIVE BALANCE SHEETS
AS OF JUNE 30, 2021 AND 2020

<u>ASSETS</u>	<u>June 30,</u> <u>2021</u>	<u>June 30,</u> <u>2020</u>
Cash	\$ 10,604,362	\$ 9,780,118
Receivables (Net of Allowance for Uncollectibles)		
Property Taxes - Delinquent	415,761	363,869
State	157,206	119,492
Municipal Governments	696,680	573,888
Grants	25,948	75,380
Rehabilitation Loans	32,645	32,645
Other	174,567	177,779
Prepaid Charges	956,102	797,555
Due from Other Funds	161,024	-
Restricted Cash and Equivalents	3,857,594	3,303,617
<u>TOTAL ASSETS</u>	<u>\$ 17,081,889</u>	<u>\$ 15,224,343</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 1,372,103	\$ 934,261
Payroll Withholding	6,080	10,534
Accrued Salaries	346,808	298,021
Accrued Vacation Pay	329,239	351,122
Due to Other Funds	-	735,222
<u>TOTAL LIABILITIES</u>	<u>2,054,230</u>	<u>2,329,160</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Unavailable revenue - property taxes	377,208	322,301
<u>TOTAL DEFERRED INFLOWS OF RESOURCES</u>	<u>377,208</u>	<u>322,301</u>
<u>FUND BALANCE</u>		
Nonspendable	956,102	797,555
Restricted	3,857,594	3,303,617
Unassigned	9,836,755	8,471,710
<u>TOTAL FUND BALANCE</u>	<u>14,650,451</u>	<u>12,572,882</u>
<u>TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES,</u> <u>AND FUND BALANCE</u>	<u>\$ 17,081,889</u>	<u>\$ 15,224,343</u>

CITY OF WEST COLUMBIA, SOUTH CAROLINA
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
YEARS ENDED JUNE 30, 2021 AND 2020

	June 30, 2021	June 30, 2020
<u>REVENUES</u>		
Property Taxes	\$ 6,652,612	\$ 5,901,500
Franchise Fees, Licenses, and Permits	5,879,136	5,446,686
Fines and Forfeitures	94,354	97,501
Interest	44,156	66,806
Intergovernmental	627,002	552,397
Charges For Services	1,002,608	993,991
Grant Proceeds	482,972	251,839
Police Program Income	124,596	88,361
Other Revenues	287,509	249,763
<u>TOTAL REVENUES</u>	<u>15,194,945</u>	<u>13,648,844</u>
<u>EXPENDITURES</u>		
Current		
General Government	1,969,602	2,059,548
Community and Economic Development	578,628	487,647
Public Safety	9,039,120	9,309,594
Public Services	2,204,267	2,096,135
General Services	1,392,929	1,388,691
Capital Outlay		
Public Safety	706,947	-
Debt Service		
Principal	1,063,148	4,687,077
Interest	181,193	268,386
<u>TOTAL EXPENDITURES</u>	<u>17,135,834</u>	<u>20,297,078</u>
<u>EXCESS OF EXPENDITURES OVER/(UNDER) REVENUES</u>	<u>(1,940,889)</u>	<u>(6,648,234)</u>
<u>OTHER FINANCING SOURCES (USES)</u>		
Transfers In	3,980,000	3,830,000
GO Bond Issuance	-	3,729,000
Sale of Capital Assets	38,458	31,283
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	<u>4,018,458</u>	<u>7,590,283</u>
<u>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</u>	<u>2,077,569</u>	<u>942,049</u>
<u>FUND BALANCE - July 1</u>	<u>12,572,882</u>	<u>11,630,833</u>
<u>FUND BALANCE - June 30</u>	<u>\$ 14,650,451</u>	<u>\$ 12,572,882</u>

CITY OF WEST COLUMBIA, SOUTH CAROLINA
GENERAL FUND
COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEARS ENDED JUNE 30, 2021 AND 2020

	June 30, 2021			June 30, 2020		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Property Taxes	\$ 5,770,000	\$ 6,652,612	\$ 882,612	\$ 5,370,000	\$ 5,901,500	\$ 531,500
Licenses and Permits	5,217,000	5,879,136	662,136	5,246,500	5,446,686	200,186
Fines and Forfeitures	105,000	94,354	(10,646)	104,000	97,501	(6,499)
Interest	40,000	44,156	4,156	60,000	66,806	6,806
Intergovernmental	547,600	627,002	79,402	557,600	552,397	(5,203)
Charges for Services	950,000	1,002,608	52,608	950,000	993,991	43,991
Grant Proceeds	127,900	482,972	355,072	245,400	251,839	6,439
Police Program Income	81,100	124,596	43,496	81,100	88,361	7,261
Other Revenues	392,000	287,509	(104,491)	245,100	249,763	4,663
TOTAL REVENUES	13,230,600	15,194,945	1,964,345	12,859,700	13,648,844	789,144
EXPENDITURES						
General Government	2,202,850	1,969,602	233,248	2,157,380	2,047,048	110,332
Community and Economic Development	654,250	578,628	75,622	539,330	487,647	51,683
Public Safety	9,359,700	9,039,120	320,580	9,109,170	8,824,263	284,907
Public Services	2,265,600	2,204,267	61,333	2,163,800	2,096,135	67,665
General Services	1,492,800	1,392,929	99,871	1,449,910	1,344,080	105,830
Capital Outlay						
General Government	-	-	-	-	12,500	(12,500)
Community and Economic Development	-	-	-	-	-	-
Public Safety	-	706,947	(706,947)	-	485,331	(485,331)
Public Services	-	-	-	-	-	-
General Services	-	-	-	-	44,611	(44,611)
Debt Service						
Principal	1,063,300	1,063,148	152	1,010,410	4,687,077	(3,676,667)
Interest	181,500	181,193	307	270,000	268,386	1,614
TOTAL EXPENDITURES	17,220,000	17,135,834	84,166	16,700,000	20,297,078	(3,597,078)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,989,400)	(1,940,889)	2,048,511	(3,840,300)	(6,648,234)	(2,807,934)
OTHER FINANCING SOURCES/(USES)						
Transfers In	3,980,000	3,980,000	-	3,830,000	3,830,000	-
GO Bond Issuance	-	-	-	-	3,729,000	3,729,000
Sale of Capital Assets	9,400	38,458	29,058	10,300	31,283	20,983
TOTAL OTHER FINANCING SOURCES/(USES)	3,989,400	4,018,458	29,058	3,840,300	7,590,283	3,749,983
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	\$ -	2,077,569	\$ 2,077,569	\$ -	942,049	\$ 942,049
FUND BALANCE - July 1		12,572,882			11,630,833	
FUND BALANCE - June 30		\$ 14,650,451			\$ 12,572,882	

CITY OF WEST COLUMBIA, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED WITH BUDGET
YEAR ENDED JUNE 30, 2021
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2020)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>2020 Actual</u>
<u>GENERAL GOVERNMENT</u>				
<u>LEGISLATIVE (MAYOR & COUNCIL)</u>				
Personnel Services	\$ 100,300	\$ 98,482	\$ 1,818	\$ 97,292
Other Services and Charges	32,200	21,983	10,217	35,823
<u>TOTALS</u>	132,500	120,465	12,035	133,115
<u>ADMINISTRATIVE</u>				
Personnel Services	1,147,650	1,139,089	8,561	1,033,912
Supplies	11,200	22,909	(11,709)	23,935
Other Services and Charges	826,230	621,117	205,113	767,950
Capital Outlay	85,270	66,022	19,248	113,134
Debt Service - Principal	849,100	849,000	100	4,437,460
Debt Service - Interest	164,900	164,815	85	247,600
<u>TOTALS</u>	3,084,350	2,862,952	221,398	6,623,991
<u>TOTAL GENERAL GOVERNMENT</u>	3,216,850	2,983,417	233,433	6,757,106
<u>COMMUNITY DEVELOPMENT</u>				
<u>INSPECTIONS / CODES COMPLIANCE</u>				
Personnel Services	456,000	408,136	47,864	372,602
Supplies	6,850	8,149	(1,299)	3,581
Other Services and Charges	38,700	29,657	9,043	28,626
Capital Outlay	36,800	28,695	8,105	1,760
<u>TOTAL COMMUNITY DEVELOPMENT</u>	538,350	474,637	63,713	406,569
<u>ECONOMIC DEVELOPMENT</u>				
Personnel Services	72,400	70,253	2,147	68,999
Supplies	1,400	107	1,293	1,175
Other Services and Charges	42,100	33,630	8,470	10,903
<u>TOTAL ECONOMIC DEVELOPMENT</u>	115,900	103,990	11,910	81,077
<u>TOTAL COMMUNITY & ECONOMIC DEVELOPMENT</u>	654,250	578,627	75,623	487,646
<u>PUBLIC SAFETY</u>				
<u>POLICE DEPARTMENT</u>				
<u>ADMINISTRATION</u>				
Personnel Services	3,637,150	3,478,590	158,560	3,463,944
Supplies	59,005	40,366	18,639	42,705
Other Services and Charges	784,115	687,028	97,087	668,228
Capital Outlay	77,530	152,249	(74,719)	68,117
Debt Service - Principal	57,400	57,378	22	56,358
Debt Service - Interest	5,000	5,031	(31)	6,027
<u>TOTALS</u>	4,620,200	4,420,642	199,558	4,305,379

CITY OF WEST COLUMBIA, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED WITH BUDGET
YEAR ENDED JUNE 30, 2021
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2020)

	Budget	Actual	Variance Favorable (Unfavorable)	2020 Actual
<u>PUBLIC SAFETY (CONTINUED)</u>				
DETECTIVES				
Personnel Services	1,229,700	1,114,334	115,366	1,099,978
Supplies	8,100	4,856	3,244	6,819
Other Services and Charges	95,700	68,583	27,117	70,076
Capital Outlay	-	-	-	2,842
<u>TOTALS</u>	1,333,500	1,187,773	145,727	1,179,715
DISPATCH - 911 CALL CENTER				
Personnel Services	283,390	271,540	11,850	274,252
Supplies	210	511	(301)	15,957
Other Services and Charges	32,900	27,445	5,455	30,767
Capital Outlay	4,000	4,420	(420)	-
<u>TOTALS</u>	320,500	303,916	16,584	320,976
COURT ADMINISTRATION				
Personnel Services	283,700	280,732	2,968	277,896
Supplies	4,250	2,338	1,912	3,931
Other Services and Charges	46,850	38,810	8,040	60,102
Capital Outlay	3,500	900	2,600	536
<u>TOTALS</u>	338,300	322,780	15,520	342,465
<u>TOTAL POLICE DEPARTMENT</u>	6,612,500	6,235,111	377,389	6,148,535
FIRE DEPARTMENT				
Personnel Services	2,388,500	2,360,739	27,761	2,297,325
Supplies	77,450	71,148	6,302	62,608
Other Services and Charges	316,150	410,465	(94,315)	311,993
Capital Outlay	27,500	731,013	(703,513)	539,019
Debt Service - Principal	15,700	15,699	1	15,419
Debt Service - Interest	1,300	1,323	(23)	1,599
<u>TOTALS</u>	2,826,600	3,590,387	(763,787)	3,227,963
<u>TOTAL PUBLIC SAFETY</u>	9,439,100	9,825,498	(386,398)	9,376,498

CITY OF WEST COLUMBIA, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED WITH BUDGET
YEAR ENDED JUNE 30, 2021
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2020)

	Budget	Actual	Variance Favorable (Unfavorable)	2020 Actual
<u>PUBLIC SERVICES</u>				
STREET DEPARTMENT				
Personnel Services	137,200	136,303	897	135,907
Supplies	1,800	263	1,537	232
Other Services and Charges	292,650	280,046	12,604	269,640
Capital Outlay	1,350	-	1,350	-
Debt Service - Principal	5,020	4,968	52	4,879
Debt Service - Interest	380	374	6	463
<u>TOTALS</u>	438,400	421,954	16,446	411,121
SANITATION DEPARTMENT				
Personnel Services	1,318,200	1,273,420	44,780	1,252,139
Supplies	58,200	54,033	4,167	55,447
Other Services and Charges	397,200	388,547	8,653	337,782
Capital Outlay	59,000	71,655	(12,655)	1,196
Debt Service - Principal	119,000	118,700	300	144,077
Debt Service - Interest	9,000	8,921	79	11,472
<u>TOTALS</u>	1,960,600	1,915,276	45,324	1,802,113
<u>TOTAL PUBLIC SERVICES</u>	2,399,000	2,337,230	61,770	2,213,234
<u>DIVISION OF GENERAL SERVICES</u>				
MAINTENANCE SHOP				
Personnel Services	272,900	249,321	23,579	256,611
Supplies	5,750	5,689	61	3,964
Other Services and Charges	43,250	31,415	11,835	35,881
Capital Outlay	23,000	16,773	6,227	9,314
<u>TOTALS</u>	344,900	303,198	41,702	305,770
PARKS AND RECREATION				
Personnel Services	875,800	799,939	75,861	804,835
Supplies	53,800	46,800	7,000	64,955
Other Service and Charges	202,800	228,068	(25,268)	161,798
Capital Outlay	15,500	14,925	575	95,127
Debt Service - Principal	17,400	17,403	(3)	28,884
Debt Service - Interest	600	729	(129)	1,225
<u>TOTALS</u>	1,165,900	1,107,864	58,036	1,156,824
<u>TOTAL GENERAL SERVICES</u>	1,510,800	1,411,062	99,738	1,462,594
<u>GRAND TOTAL</u>	\$ 17,220,000	\$ 17,135,834	\$ 84,166	\$ 20,297,078

SCHEDULE B-1

CITY OF WEST COLUMBIA, SOUTH CAROLINA
HOSPITALITY TAX FUND
BALANCE SHEET
AS OF JUNE 30, 2021
(WTH COMPARATIVE TOTALS FOR JUNE 30, 2020)

	<u>June 30,</u> <u>2021</u>	<u>June 30,</u> <u>2020</u>
<u>ASSETS</u>		
Receivables (Net)	\$ 210,564	\$ 151,586
Due from Other Funds	-	81,234
Restricted Cash and Equivalents	<u>1,752,981</u>	<u>1,172,347</u>
<u>TOTAL ASSETS</u>	<u>\$ 1,963,545</u>	<u>\$ 1,405,167</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 520	\$ 22,126
Due to General Fund	<u>110,358</u>	<u>-</u>
<u>TOTAL LIABILITIES</u>	<u>110,878</u>	<u>22,126</u>
<u>FUND BALANCE</u>		
Restricted	<u>1,852,667</u>	<u>1,383,041</u>
<u>TOTAL FUND BALANCE</u>	<u>1,852,667</u>	<u>1,383,041</u>
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ 1,963,545</u>	<u>\$ 1,405,167</u>

CITY OF WEST COLUMBIA, SOUTH CAROLINA
HOSPITALITY TAX FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2021
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2020)

	<u>June 30,</u> <u>2021</u>	<u>June 30,</u> <u>2020</u>
<u>REVENUES</u>		
Hospitality Tax	\$ 2,031,290	\$ 1,740,942
Grant Proceeds	-	91,000
Interest	3,334	13,629
Other	-	93,856
	<hr/>	<hr/>
<u>TOTAL REVENUES</u>	<u>2,034,624</u>	<u>1,939,427</u>
<u>EXPENDITURES</u>		
Current		
Tourism Related	80,555	201,595
Capital Outlay		
Tourism Related	125,801	1,551,433
Debt Service		
Principal	377,000	368,000
Interest	81,642	90,768
	<hr/>	<hr/>
<u>TOTAL EXPENDITURES</u>	<u>664,998</u>	<u>2,211,796</u>
<u>EXCESS OF EXPENDITURES OVER REVENUES</u>	<u>1,369,626</u>	<u>(272,369)</u>
<u>OTHER FINANCING SOURCES (USES)</u>		
Transfers (Out)	(900,000)	(890,000)
	<hr/>	<hr/>
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	<u>(900,000)</u>	<u>(890,000)</u>
<u>EXCESS OF REVENUES AND OTHER FINANCING SOURCES</u> <u>OVER EXPENDITURES AND OTHER FINANCING USES</u>	<u>469,626</u>	<u>(1,162,369)</u>
<u>FUND BALANCE - July 1</u>	<u>1,383,041</u>	<u>2,545,410</u>
<u>FUND BALANCE - June 30</u>	<u>\$ 1,852,667</u>	<u>\$ 1,383,041</u>

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ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the government’s council is that the costs of providing foods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where the government’s council has decided that periodic determination of net income is appropriate for accountability purposes.

Water and Sewer Fund – to provide for an accounting of water and sewer services and related charges to residents of the City of West Columbia and parts of Lexington County. All necessary activities in providing such services are accounted for in this fund, including but not limited to, administration, operations, maintenance, construction, financing and related debt service, billing and collection.

CITY OF WEST COLUMBIA, SOUTH CAROLINA
COMPARATIVE STATEMENTS OF NET POSITION
PROPRIETARY FUND - WATER AND SEWER
AS OF JUNE 30, 2021 AND 2020

	<u>June 30,</u> <u>2021</u>	<u>June 30,</u> <u>2020</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 12,990,453	\$ 11,317,862
Accounts Receivable	5,511,699	4,576,365
Prepaid Charges	88,774	6,075
Due from Other Funds	-	653,988
Notes Receivable - Municipal Government	523,454	523,454
Restricted Cash and Cash Equivalents	17,853,760	19,569,975
<u>TOTAL CURRENT ASSETS</u>	<u>36,968,140</u>	<u>36,647,719</u>
NONCURRENT ASSETS		
Noncurrent Receivable - Municipal Government	1,855,336	2,331,221
CAPITAL ASSETS		
Water Plant, Lines, and Sewer System	101,813,183	98,921,807
Less: Accumulated Depreciation	(44,131,418)	(41,461,378)
Construction in Progress	1,931,530	1,638,187
<u>TOTAL CAPITAL ASSETS (NET OF</u>		
<u>ACCUMULATED DEPRECIATION)</u>	<u>59,613,295</u>	<u>59,098,616</u>
<u>TOTAL NONCURRENT ASSETS</u>	<u>61,468,631</u>	<u>61,429,837</u>
<u>TOTAL ASSETS</u>	<u>98,436,771</u>	<u>98,077,556</u>
<u>DEFERRED OUTFLOW OF RESOURCES</u>		
Pension Plan	1,183,823	855,158
OPEB Plan	73,909	97,733
<u>TOTAL DEFERRED OUTFLOW OF RESOURCES</u>	<u>1,257,732</u>	<u>952,891</u>
<u>TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES</u>	<u>99,694,503</u>	<u>99,030,447</u>

CITY OF WEST COLUMBIA, SOUTH CAROLINA
COMPARATIVE STATEMENTS OF NET POSITION
PROPRIETARY FUND - WATER AND SEWER
AS OF JUNE 30, 2021 AND 2020

	<u>June 30,</u> <u>2021</u>	<u>June 30,</u> <u>2020</u>
<u>LIABILITIES</u>		
CURRENT LIABILITIES		
(Payable from Current Assets)		
Accounts Payable	1,440,164	1,559,054
Customer Deposits	743,289	706,644
Accrued Payroll and Vacation Pay	343,116	325,983
Capital Lease Obligation	71,339	129,745
Unearned Revenue	629,144	629,144
Due to Other Funds	50,666	-
(Payable from Restricted Assets)		
Revenue Bonds Payable	2,793,685	2,716,005
Accrued Interest Payable	97,283	106,241
<u>TOTAL CURRENT LIABILITIES</u>	<u>6,168,686</u>	<u>6,172,816</u>
LONG-TERM LIABILITIES		
Accrued Vacation Pay - Due After One Year	207,429	228,185
Capital Lease Obligation - Due After One Year	202,568	273,908
Revenue Bonds - Due After One Year	39,215,880	42,009,565
Unearned Revenue - Due After One Year	11,361,315	11,990,459
Net Pension Liability	7,235,233	6,455,755
Net OPEB Liability	476,093	504,478
<u>TOTAL LONG-TERM LIABILITIES</u>	<u>58,698,518</u>	<u>61,462,350</u>
<u>TOTAL LIABILITIES</u>	<u>64,867,204</u>	<u>67,635,166</u>
<u>DEFERRED INFLOW OF RESOURCES</u>		
Pension Plan	614,680	783,336
OPEB Plan	143,050	155,782
<u>TOTAL DEFERRED INFLOW OF RESOURCES</u>	<u>757,730</u>	<u>939,118</u>
<u>TOTAL LIABILITIES AND DEFERRED INFLOW OF RESOURCES</u>	<u>65,624,934</u>	<u>68,574,284</u>
<u>NET POSITION</u>		
Net Investment In Capital Assets	34,843,981	33,181,679
Restricted		
Debt Service	339,702	338,437
Unrestricted	(1,114,114)	(2,430,679)
<u>TOTAL NET POSITION</u>	<u>\$ 34,069,569</u>	<u>\$ 31,089,437</u>

CITY OF WEST COLUMBIA, SOUTH CAROLINA
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUND - WATER AND SEWER
YEARS ENDED JUNE 30, 2021 AND 2020

	<u>June 30,</u> <u>2021</u>	<u>June 30,</u> <u>2020</u>
<u>OPERATING REVENUES</u>		
Charges for Services	\$ 21,520,481	\$ 19,402,214
<u>TOTAL OPERATING REVENUES</u>	<u>21,520,481</u>	<u>19,402,214</u>
<u>OPERATING EXPENSES</u>		
Personnel Services	5,607,461	5,558,179
Material and Supplies	1,227,694	1,346,476
Contractual Services	2,285,329	1,822,410
Utilities	1,014,253	1,022,072
Repairs and Maintenance	764,852	529,356
Depreciation	2,704,451	2,585,288
Other Operating Expenses	256,479	207,511
<u>TOTAL OPERATING EXPENSES</u>	<u>13,860,519</u>	<u>13,071,292</u>
<u>OPERATING INCOME</u>	<u>7,659,962</u>	<u>6,330,922</u>
<u>NON-OPERATING REVENUES (EXPENSES)</u>		
Interest Revenue	261,104	310,965
Interest and Amortization Expense	(1,242,031)	(1,356,886)
Gain (Loss) on Sale of Capital Assets	12,571	16,937
<u>TOTAL NON-OPERATING REVENUES (EXPENSES)</u>	<u>(968,356)</u>	<u>(1,028,984)</u>
<u>NET INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS</u>	<u>6,691,606</u>	<u>5,301,938</u>
<u>CAPITAL CONTRIBUTIONS</u>		
Grant Proceeds	1,800	904,475
<u>NET INCOME BEFORE TRANSFERS</u>	<u>6,693,406</u>	<u>6,206,413</u>
<u>TRANSFERS IN/(OUT)</u>		
General Fund	(3,080,000)	(2,940,000)
<u>CHANGE IN NET POSITION</u>	<u>3,613,406</u>	<u>3,266,413</u>
<u>NET POSITION - July 1</u>	<u>30,456,163</u>	<u>27,189,750</u>
<u>NET POSITION - June 30</u>	<u>\$ 34,069,569</u>	<u>\$ 30,456,163</u>

CITY OF WEST COLUMBIA, SOUTH CAROLINA
COMPARATIVE STATEMENTS OF CASH FLOWS
PROPRIETARY FUND - WATER AND SEWER
YEARS ENDED JUNE 30, 2021 AND 2020

	<u>June 30,</u> <u>2021</u>	<u>June 30,</u> <u>2020</u>
<u>Cash Flows From Operating Activities</u>		
Cash Received From Customers	\$ 19,992,648	\$ 17,556,604
Cash Paid to Suppliers	(5,045,542)	(4,887,300)
Cash Paid to Employees	(5,346,220)	(5,197,922)
	<hr/>	<hr/>
Net Cash Provided by Operating Activities	9,600,886	7,471,382
	<hr/>	<hr/>
<u>Cash Flows from Non-Capital Financing Activities</u>		
Transfers Out	(3,080,000)	(2,940,000)
	<hr/>	<hr/>
Net Cash Used in Non-Capital Financing Activities	(3,080,000)	(2,940,000)
	<hr/>	<hr/>
<u>Cash Flows From Capital and Related Financing Activities</u>		
Proceeds from Capital Debt	-	10,540,000
Principal Paid on Capital Debt	(2,845,750)	(13,053,904)
Interest Paid on Capital Debt	(1,250,989)	(1,413,538)
Acquisition of Capital Assets	(3,219,131)	(2,765,259)
Payments Received from Municipal Governments	475,885	467,748
Proceeds from Capital Grants	1,800	904,475
Proceeds from the Sale of Capital Assets	12,571	16,937
	<hr/>	<hr/>
Net Cash Provided (Used) in Capital and Related Financing Activities	(6,825,614)	(5,303,541)
	<hr/>	<hr/>
<u>Cash Flows From Investing Activities</u>		
Interest on Investments	261,104	310,965
	<hr/>	<hr/>
Net Cash Provided by Investing Activities	261,104	310,965
	<hr/>	<hr/>
Net Increase (Decrease) in Cash and and Cash Equivalents	(43,624)	(461,194)
	<hr/>	<hr/>
<u>Cash and Cash Equivalents - July 1</u>	30,887,837	31,349,031
	<hr/>	<hr/>
<u>Cash and Cash Equivalents - June 30</u>	\$ 30,844,213	\$ 30,887,837
	<hr/>	<hr/>
<u>Cash</u>	\$ 12,990,453	\$ 11,317,862
	<hr/>	<hr/>
<u>Restricted Cash and Cash Equivalents</u>	17,853,760	19,569,975
	<hr/>	<hr/>
<u>Total Cash and Cash Equivalents</u>	\$ 30,844,213	\$ 30,887,837
	<hr/>	<hr/>

CITY OF WEST COLUMBIA, SOUTH CAROLINA
COMPARATIVE STATEMENTS OF CASH FLOWS
PROPRIETARY FUND - WATER AND SEWER
YEARS ENDED JUNE 30, 2021 AND 2020

**Reconciliation of Operating Income to Net Cash
Provided by Operating Activities**

	<u>June 30,</u> <u>2021</u>	<u>June 30,</u> <u>2020</u>
<u>Operating Income</u>	<u>\$ 7,659,962</u>	<u>\$ 6,330,922</u>
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities		
Depreciation	2,704,451	2,585,288
(Increase) Decrease in		
Accounts Receivable	(935,334)	(1,257,962)
Prepaid Charges	(82,699)	65,491
Due from Other Funds	653,988	(653,988)
Deferred Outflow of Resources	(304,841)	403,765
Increase (Decrease) in		
Accounts Payable	(118,890)	697,536
Unearned Revenue	(629,144)	(629,144)
Customer Deposits	36,645	41,496
Accrued Expenses	(3,623)	66,358
Due to Other Funds	50,666	(68,514)
Net Pension Liability	779,478	(855,837)
Net OPEB Liability	(28,385)	(133,781)
Deferred Inflow of Resources	(181,388)	879,752
Total Adjustments	<u>1,940,924</u>	<u>1,140,460</u>
<u>Net Cash Provided by Operating Activities</u>	<u>\$ 9,600,886</u>	<u>\$ 7,471,382</u>

FIDUCIARY FUNDS

Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or funds.

Fireman's Fund – to account for revenue received from another governmental agency on behalf of the employees of the City's fire department and to record the expenditures of such funds.

Narcotics Fund – to account for cash seized in relation to controlled substance seizures and the record of remittance of such monies to another local law enforcement agency.

CITY OF WEST COLUMBIA, SOUTH CAROLINA
FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED JUNE 30, 2021

	<u>Balance</u> <u>June 30, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2021</u>
<u>FIREMAN'S FUND</u>				
ASSETS- CASH	\$ 316	\$ 39,378	\$ 37,694	\$ 2,000
LIABILITIES				
Due to Fireman's Organization	\$ 316	\$ 39,378	\$ 37,694	\$ 2,000
<u>NARCOTIC SEIZURE</u>				
ASSETS- CASH	\$ 55,357	\$ 10,781	\$ 34,908	\$ 31,230
LIABILITIES				
Fiduciary Funds Held	\$ 55,357	\$ 10,781	\$ 34,908	\$ 31,230
<u>TOTAL - ALL FIDUCIARY FUNDS</u>				
ASSETS- CASH	\$ 55,673	\$ 50,159	\$ 72,602	\$ 33,230
LIABILITIES				
Due to Fireman's Organization	316	39,378	37,694	2,000
Fiduciary Funds Held	55,357	10,781	34,908	31,230
	\$ 55,673	\$ 50,159	\$ 72,602	\$ 33,230

**CAPITAL ASSETS USED IN THE OPERATION
OF GOVERNMENTAL FUNDS**

CITY OF WEST COLUMBIA, SOUTH CAROLINA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
COMPARATIVE SCHEDULES BY SOURCE
JUNE 30, 2021 AND 2020

	<u>June 30,</u> <u>2021</u>	<u>June 30,</u> <u>2020</u>
<u>CAPITAL ASSETS</u>		
Land	\$ 3,852,943	\$ 3,852,943
Construction in Process	9,374,226	9,212,612
Buildings and Improvements	11,582,866	11,582,866
Vehicles and Equipment	11,401,821	10,665,058
<u>TOTAL CAPITAL ASSETS</u>	<u>\$ 36,211,856</u>	<u>\$ 35,313,479</u>
<u>INVESTMENT IN CAPITAL ASSETS</u>		
<u>BY SOURCE</u>		
General Fund	30,832,187	30,014,070
Special Revenue Fund - Hospitality Tax	5,379,669	5,299,409
<u>TOTAL INVESTMENT IN CAPITAL ASSETS</u>	<u>\$ 36,211,856</u>	<u>\$ 35,313,479</u>

CITY OF WEST COLUMBIA, SOUTH CAROLINA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
JUNE 30, 2021

	Land, CIP, Buildings and Fixtures	Vehicles and Equipment	Total
<u>FUNCTION AND ACTIVITIES</u>			
GENERAL GOVERNMENT	\$ 7,188,540	\$ 353,971	\$ 7,542,511
COMMUNITY DEVELOPMENT	6,226,264	65,212	6,291,476
PUBLIC SAFETY			
Police	-	4,329,194	4,329,194
Fire	1,630,648	3,229,153	4,859,801
TOTAL PUBLIC SAFETY	1,630,648	7,558,347	9,188,995
PUBLIC SERVICES			
Street	-	566,360	566,360
Sanitation	76,418	1,868,884	1,945,302
TOTAL PUBLIC SERVICES	76,418	2,435,244	2,511,662
GENERAL SERVICES			
General Services	87,329	-	87,329
Maintenance Shop	103,008	258,196	361,204
Parks and Recreation	4,118,159	730,851	4,849,010
TOTAL GENERAL SERVICES	4,308,496	989,047	5,297,543
TOURISM RELATED	5,379,669	-	5,379,669
<u>TOTAL CAPITAL ASSETS</u>	<u>\$ 24,810,035</u>	<u>\$ 11,401,821</u>	<u>\$ 36,211,856</u>

CITY OF WEST COLUMBIA, SOUTH CAROLINA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

<u>FUNCTION AND ACTIVITY</u>	<u>Capital Assets June 30, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Capital Assets June 30, 2021</u>
GENERAL GOVERNMENT	\$ 7,462,212	\$ 80,299	\$ -	\$ 7,542,511
COMMUNITY DEVELOPMENT	6,285,162	27,524	21,210	6,291,476
PUBLIC SAFETY				
Police	4,347,408	-	18,214	4,329,194
Fire	4,152,854	706,947	-	4,859,801
TOTAL PUBLIC SAFETY	8,500,262	706,947	18,214	9,188,995
PUBLIC SERVICES				
Street	566,360	-	-	566,360
Sanitation	1,950,048	71,655	76,401	1,945,302
TOTAL PUBLIC SERVICES	2,516,408	71,655	76,401	2,511,662
GENERAL SERVICES				
General Services	87,329	-	-	87,329
Maintenance Shop	336,526	24,678	-	361,204
Parks and Recreation	4,826,171	22,839	-	4,849,010
TOTAL GENERAL SERVICES	5,250,026	47,517	-	5,297,543
TOURISM RELATED	5,299,409	80,260	-	5,379,669
<u>TOTAL CAPITAL ASSETS</u>	<u>\$ 35,313,479</u>	<u>\$ 1,014,202</u>	<u>\$ 115,825</u>	<u>\$ 36,211,856</u>

VICTIM'S RIGHTS ASSISTANCE

CITY OF WEST COLUMBIA
SCHEDULE OF COURT FINES, FEES, ASSESSMENTS AND SURCHARGES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Total Court Fines and Assessments

Court fines and assessments collected	\$ 151,288
Court fines and assessments remitted to State Treasurer	<u>(69,419)</u>
Total Court fines and assessments retained by City of West Columbia	<u><u>\$ 81,869</u></u>

Surcharges and Assessments retained for Victims' Services

Surcharges collected and retained	\$ 7,000
Assessments retained	<u>8,859</u>
Total surcharges and assessments retained for victims' services	<u><u>\$ 15,859</u></u>

Victims' Services Collected

Carryforward from previous year - beginning balance	\$ -
Victims' Service Revenue	
Victims' service fines retained by the City	-
Victims' service assessments retained by the City	8,859
Victims' service surcharges retained by the City	7,000
General funds allocated to victims' service fund	<u>84,090</u>
Total funds allocated to victims' service fund + beginning balance (A)	<u><u>99,949</u></u>
Expenditures for Victims' Service Program	
Operating expenditures	\$ 99,949
General funds received from victims' service fund	<u>-</u>
Total expenditures from victims' service fund/program (B)	<u><u>99,949</u></u>
Total victims' service funds retained by the City (A-B)	<u>-</u>
Carryforward funds - end of year	<u><u>\$ -</u></u>

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This section of the City of West Columbia’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the City of West Columbia’s overall financial health.

Contents	Page
Financial Trends	106
These schedules contain trend information to help the reader understand how the government’s financial performance and well-being have changed over time.	
Revenue Capacity	112
These schedules contain information to help the reader assess the government’s most significant local revenue source, the property tax.	
Debt Capacity	116
These schedules present information to help the reader to assess the affordability of the government’s current levels of outstanding debt and the government’s ability to issue additional debt in the future.	
Demographic and Economic Information	121
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government’s financial activities take place.	
Operating Information	123
These schedules contain service and infrastructure data to help the reader Understand how the information in the government’s financial report relates to the services the government provides and the activities it performs.	

Table 1

City of West Columbia, South Carolina
Net Position By Component
Last Ten Fiscal Years
(accrual basis of accounting)
(UNAUDITED)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental Activities										
Net investment in capital assets	\$ 7,429,902	\$ 7,594,825	\$ 7,754,760	\$ 7,226,074	\$ 7,630,796	\$ 6,833,900	\$ 9,890,265	\$ 12,303,667	\$ 12,312,722	\$ 13,940,326
Restricted	96,818	121,554	143,948	196,449	465,836	1,626,871	2,093,588	2,725,992	2,724,559	3,855,586
Unrestricted	<u>3,855,758</u>	<u>4,238,749</u>	<u>4,367,132</u>	<u>(6,370,468)</u>	<u>(5,252,945)</u>	<u>(5,413,419)</u>	<u>(5,714,087)</u>	<u>(6,261,667)</u>	<u>(4,756,107)</u>	<u>(4,614,528)</u>
Total Governmental Activities Net Position	<u>\$ 11,382,478</u>	<u>\$ 11,955,128</u>	<u>\$ 12,265,840</u>	<u>\$ 1,052,055</u>	<u>\$ 2,843,687</u>	<u>\$ 3,047,352</u>	<u>\$ 6,269,766</u>	<u>\$ 8,767,992</u>	<u>\$ 10,281,174</u>	<u>\$ 13,181,384</u>
Business-Type Activities										
Net investment in capital assets	\$ 23,918,424	\$ 24,500,510	\$ 25,210,043	\$ 25,731,877	\$ 25,948,977	\$ 26,803,984	\$ 29,645,047	\$ 30,838,875	\$ 33,200,931	\$ 34,843,981
Restricted	2,899,541	2,770,192	2,593,418	11,284,796	4,603,590	2,481,791	529,962	496,284	338,437	339,702
Unrestricted	<u>(4,671,804)</u>	<u>(5,637,529)</u>	<u>(5,921,368)</u>	<u>(18,185,198)</u>	<u>(11,586,573)</u>	<u>(7,651,434)</u>	<u>(5,912,901)</u>	<u>(4,145,409)</u>	<u>(3,083,205)</u>	<u>(1,114,114)</u>
Total Business-Type Activities Net Position	<u>\$ 22,146,161</u>	<u>\$ 21,633,173</u>	<u>\$ 21,882,093</u>	<u>\$ 18,831,475</u>	<u>\$ 18,965,994</u>	<u>\$ 21,634,341</u>	<u>\$ 24,262,108</u>	<u>\$ 27,189,750</u>	<u>\$ 30,456,163</u>	<u>\$ 34,069,569</u>
Primary Government										
Net investment in capital assets	\$ 31,348,326	\$ 32,095,335	\$ 32,964,803	\$ 32,957,951	\$ 33,579,773	\$ 33,637,884	\$ 39,535,312	\$ 43,142,542	\$ 45,513,653	\$ 48,784,307
Restricted	2,996,359	2,891,746	2,737,366	11,481,245	5,069,426	4,108,662	2,623,550	3,222,276	3,062,996	4,195,288
Unrestricted	<u>(816,046)</u>	<u>(1,398,780)</u>	<u>(1,554,236)</u>	<u>(24,555,666)</u>	<u>(16,839,518)</u>	<u>(13,064,853)</u>	<u>(11,626,988)</u>	<u>(10,407,076)</u>	<u>(7,839,312)</u>	<u>(5,728,642)</u>
Total Primary Governmental Net Position	<u>\$ 33,528,639</u>	<u>\$ 33,588,301</u>	<u>\$ 34,147,933</u>	<u>\$ 19,883,530</u>	<u>\$ 21,809,681</u>	<u>\$ 24,681,693</u>	<u>\$ 30,531,874</u>	<u>\$ 35,957,742</u>	<u>\$ 40,737,337</u>	<u>\$ 47,250,953</u>

City of West Columbia, South Carolina
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental activities:										
General government	\$ 1,467,482	\$ 1,656,211	\$ 1,346,552	\$ 1,715,597	\$ 1,271,502	\$ 1,869,396	\$ 2,171,290	\$ 2,719,820	\$ 2,212,236	\$ 2,117,695
Community & economic development	246,140	377,098	346,572	344,200	309,105	504,766	358,149	522,091	498,789	586,830
Public safety	7,468,321	7,256,373	7,275,636	7,158,809	7,054,030	8,918,738	7,144,296	8,459,804	10,007,570	10,488,682
Public services	1,754,463	1,708,734	1,800,762	1,778,287	1,688,882	2,526,198	1,805,330	2,223,485	2,295,139	2,289,587
General services	941,772	1,047,600	1,078,525	1,118,290	787,763	1,563,549	741,498	1,384,034	1,515,113	1,573,771
Tourism Related	-	-	-	-	-	34,204	253,695	198,026	212,425	191,163
Interest on Long-Term Debt	247,238	196,505	130,510	110,897	92,341	211,697	241,334	339,378	322,509	254,996
Total governmental activities expenses	12,125,416	12,242,521	11,978,557	12,226,080	11,203,623	15,628,548	12,715,592	15,846,638	17,063,781	17,502,724
Business-type activities:										
Water & sewer utility	8,456,581	8,633,742	8,540,261	8,935,396	10,894,406	12,521,055	11,361,508	13,324,511	14,428,178	15,102,550
Total business-type activities expenses	8,456,581	8,633,742	8,540,261	8,935,396	10,894,406	12,521,055	11,361,508	13,324,511	14,428,178	15,102,550
Total primary government expenses	<u>\$ 20,581,997</u>	<u>\$ 20,876,263</u>	<u>\$ 20,518,818</u>	<u>\$ 21,161,476</u>	<u>\$ 22,098,029</u>	<u>\$ 28,149,603</u>	<u>\$ 24,077,100</u>	<u>\$ 29,171,149</u>	<u>\$ 31,491,959</u>	<u>\$ 32,605,274</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 3,920,086	\$ 4,080,037	\$ 4,760,461	\$ 5,114,678	\$ 5,210,461	\$ 5,818,318	\$ 5,150,862	\$ 5,572,811	\$ 5,446,686	\$ 5,879,136
Public safety	470,971	314,430	173,004	184,943	159,905	159,296	1,103,635	1,098,510	1,091,492	1,096,962
Operating grants and contributions	405,215	377,865	10,459	53,609	177,395	867,856	123,001	83,623	272,301	607,568
Capital grants and contributions	505,634	481,603	37,797	245,866	-	-	789,309	522,070	158,899	-
Total governmental activities program revenues	5,301,906	5,253,935	4,981,721	5,599,096	5,547,761	6,845,470	7,166,807	7,277,014	6,969,378	7,583,666
Business-type activities:										
Charges for services:										
Water & sewer utility	10,788,398	10,814,210	11,036,602	12,413,206	13,229,678	17,299,814	16,514,282	18,857,064	19,402,214	21,520,481
Operating grants and contributions	-	-	-	-	-	-	25,755	-	-	-
Capital contributions and grants	8,470	202,491	183,856	-	-	385,458	513,397	152,614	904,475	1,800
Total business-type activities program revenues	10,796,868	11,016,701	11,220,458	12,413,206	13,229,678	17,685,272	17,053,434	19,009,678	20,306,689	21,522,281
Total primary government program revenues	<u>\$ 16,098,774</u>	<u>\$ 16,270,636</u>	<u>\$ 16,202,179</u>	<u>\$ 18,012,302</u>	<u>\$ 18,777,439</u>	<u>\$ 24,530,742</u>	<u>\$ 24,220,241</u>	<u>\$ 26,286,692</u>	<u>\$ 27,276,067</u>	<u>\$ 29,105,947</u>
Net (expense)/revenue										
Governmental activities	(6,823,510)	(6,988,586)	(6,996,836)	(6,626,984)	(5,655,862)	(8,783,078)	(5,548,785)	(8,569,624)	(10,094,403)	(9,919,058)
Business-type activities	2,340,287	2,382,959	2,680,197	3,477,810	2,335,272	5,164,217	5,691,926	5,685,167	5,878,511	6,419,731
Total primary government net expense	<u>\$ (4,483,223)</u>	<u>\$ (4,605,627)</u>	<u>\$ (4,316,639)</u>	<u>\$ (3,149,174)</u>	<u>\$ (3,320,590)</u>	<u>\$ (3,618,861)</u>	<u>\$ 143,141</u>	<u>\$ (2,884,457)</u>	<u>\$ (4,215,892)</u>	<u>\$ (3,499,327)</u>

City of West Columbia, South Carolina
Changes in Net Position (continued)
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Revenue and Other Changes in Net Position										
Governmental activities:										
Property taxes	\$ 3,947,495	\$ 4,006,034	\$ 4,124,188	\$ 4,193,861	\$ 4,451,419	\$ 4,370,273	\$ 4,969,306	\$ 5,526,625	\$ 5,920,947	\$ 6,707,519
Hospitality taxes	-	-	-	-	-	1,173,643	1,472,558	1,729,406	1,740,942	2,031,290
Gain on sale of capital asset	25,539	52,569	(41,384)	(924,125)	27,031	2,230	58,821	48,052	29,245	38,458
Intergovernmental	411,954	468,226	478,509	475,734	493,555	541,234	545,466	560,036	552,397	627,002
Investment earnings	224	162	164	41	57	5,022	5,204	54,645	80,435	47,490
Miscellaneous	479,996	476,311	201,949	156,903	175,432	268,341	165,606	269,086	343,619	287,509
Transfers	3,131,898	2,562,766	2,544,122	2,283,000	2,300,000	2,626,000	2,677,000	2,880,000	2,940,000	3,080,000
Total governmental activities	<u>7,997,106</u>	<u>7,566,068</u>	<u>7,307,548</u>	<u>6,185,414</u>	<u>7,447,494</u>	<u>8,986,743</u>	<u>9,893,961</u>	<u>11,067,850</u>	<u>11,607,585</u>	<u>12,819,268</u>
Business-type activities:										
Gain / (Loss) on sale of capital asset	7,800	-	-	1,778	-	2,767	78,857	(109,591)	16,937	12,571
Investment earnings	229,801	173,361	112,845	105,668	99,247	127,363	120,882	232,066	310,965	261,104
Transfers	(3,131,898)	(2,562,766)	(2,544,122)	(2,283,000)	(2,300,000)	(2,626,000)	(2,677,000)	(2,880,000)	(2,940,000)	(3,080,000)
Total Business-type activities	<u>(2,894,297)</u>	<u>(2,389,405)</u>	<u>(2,431,277)</u>	<u>(2,175,554)</u>	<u>(2,200,753)</u>	<u>(2,495,870)</u>	<u>(2,477,261)</u>	<u>(2,757,525)</u>	<u>(2,612,098)</u>	<u>(2,806,325)</u>
Total primary government	<u>\$ 5,102,809</u>	<u>\$ 5,176,663</u>	<u>\$ 4,876,271</u>	<u>\$ 4,009,860</u>	<u>\$ 5,246,741</u>	<u>\$ 6,490,873</u>	<u>\$ 7,416,700</u>	<u>\$ 8,310,325</u>	<u>\$ 8,995,487</u>	<u>\$10,012,943</u>
Change in Net Position										
Governmental activities	\$ 1,173,596	\$ 73,376	\$ 310,712	\$ (441,570)	\$ 1,791,632	\$ 3,330,881	\$ 1,110,883	\$ 2,498,226	\$ 1,513,182	\$ 2,900,210
Business-type activities	(554,010)	238,269	248,920	1,302,256	134,519	(160,598)	2,686,956	2,927,642	3,266,413	3,613,406
Total primary government	<u>\$ 619,586</u>	<u>\$ 311,645</u>	<u>\$ 559,632</u>	<u>\$ 860,686</u>	<u>\$ 1,926,151</u>	<u>\$ 3,170,283</u>	<u>\$ 3,797,839</u>	<u>\$ 5,425,868</u>	<u>\$ 4,779,595</u>	<u>\$ 6,513,616</u>

Table 3

City of West Columbia, South Carolina
Governmental Activities Tax Revenues By Source
Last Ten Fiscal Years
 (accrual basis of accounting)

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Franchise & Business License Tax</u>	<u>Accommodations Tax</u>	<u>State Shared Revenue Tax</u>	<u>Alcoholic Beverage Tax</u>	<u>Hospitality Tax</u>	<u>Total</u>
2012	\$ 3,947,495	\$ 3,153,516	\$ 60,906	\$ 333,372	\$ 6,900		\$ 7,502,189
2013	4,006,034	3,304,246	72,173	378,377	10,050		7,770,880
2014	4,124,188	3,943,850	80,594	380,239	9,150		8,538,021
2015	4,193,861	4,118,823	74,968	383,090	9,550		8,780,292
2016	4,451,419	4,272,928	92,789	383,090	5,400		9,205,626
2017	4,370,273	4,800,125	124,720	398,839	24,150	\$ 1,173,643	10,891,750
2018	4,969,306	5,024,307	134,246	393,545	20,650	1,472,558	12,014,612
2019	5,526,625	5,413,011	144,656	397,705	22,200	1,729,406	13,233,603
2020	5,920,947	5,298,227	124,288	410,363	20,950	1,740,942	13,515,717
2021	6,707,519	5,654,813	128,566	480,761	21,750	2,031,290	15,024,699

Table 4

City of West Columbia, South Carolina
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<u>Governmental Funds</u>										
General Fund										
Restricted	\$ 96,818	\$ 121,554	\$ 143,948	\$ 196,449	\$ 465,836	\$ 5,704,013	\$ 2,457,292	\$ 4,423,044	\$ 3,303,617	\$ 3,857,594
Nonspendable	-	19,439	20,779	100	2,863	13,437	19,807	246,441	797,555	956,102
Unassigned	4,006,469	4,396,007	4,508,614	4,640,117	5,187,980	7,254,229	6,952,936	6,961,348	8,471,710	9,836,755
Total general fund	<u>4,103,287</u>	<u>4,537,000</u>	<u>4,673,341</u>	<u>4,836,666</u>	<u>5,656,679</u>	<u>12,971,679</u>	<u>9,430,035</u>	<u>11,630,833</u>	<u>12,572,882</u>	<u>\$ 14,650,451</u>
Hospitality Tax Fund										
Restricted	-	-	-	-	-	799,439	5,195,220	2,545,410	1,383,041	1,852,667
Total hospitality tax fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>799,439</u>	<u>5,195,220</u>	<u>2,545,410</u>	<u>1,383,041</u>	<u>1,852,667</u>
Total Governmental Funds	<u>\$ 4,103,287</u>	<u>\$ 4,537,000</u>	<u>\$ 4,673,341</u>	<u>\$ 4,836,666</u>	<u>\$ 5,656,679</u>	<u>\$ 13,771,118</u>	<u>\$ 14,625,255</u>	<u>\$ 14,176,243</u>	<u>\$ 13,955,923</u>	<u>\$ 16,503,118</u>

Table 5

City of West Columbia, South Carolina
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Property taxes	\$ 3,926,503	\$ 4,049,721	\$ 4,101,037	\$ 4,167,660	\$ 4,413,888	\$ 4,338,397	\$ 4,963,119	\$ 5,475,411	\$ 5,901,500	\$ 6,652,612
Franchise fees, licenses and permits	3,208,692	3,371,652	4,028,076	4,262,892	4,346,796	4,955,572	5,150,862	5,572,811	5,446,686	5,879,136
Intergovernmental	411,954	468,226	478,509	475,734	493,555	541,234	545,466	560,036	552,397	627,002
Charges for services	711,394	708,385	732,385	851,786	863,665	862,746	964,941	975,011	993,991	1,002,608
Fines and forfeitures	452,259	276,023	161,744	169,025	153,866	159,296	138,694	123,499	97,501	94,354
Investment earnings	224	162	164	41	57	5,022	5,204	54,645	80,435	47,490
Grant proceeds	910,849	859,468	48,256	299,475	177,395	789,490	814,690	532,573	342,839	482,972
Police program	18,712	38,407	11,260	15,918	6,039	78,366	97,620	73,121	88,361	124,596
Hospitality tax	-	-	-	-	-	1,173,643	1,472,558	1,729,406	1,740,942	2,031,290
Other revenues	479,996	476,311	201,949	156,903	175,432	268,341	165,606	269,086	343,619	287,509
Total revenues	<u>10,120,583</u>	<u>10,248,355</u>	<u>9,763,380</u>	<u>10,399,434</u>	<u>10,630,693</u>	<u>13,172,107</u>	<u>14,318,760</u>	<u>15,365,599</u>	<u>15,588,271</u>	<u>17,229,569</u>
Expenditures										
General government	1,328,992	1,510,249	1,206,552	1,539,918	1,191,866	3,010,611	2,463,722	1,957,268	2,047,048	1,969,602
Public safety	7,264,921	6,860,122	7,100,438	7,037,456	7,019,681	7,690,492	7,907,957	8,959,056	8,824,263	9,039,120
Public services	1,730,813	1,559,523	1,741,512	1,765,063	1,734,673	2,388,898	2,008,161	2,136,167	2,096,135	2,204,267
General services	891,228	940,515	993,229	1,103,814	813,252	1,435,496	1,760,849	1,383,732	1,344,080	1,392,929
Community and economic development	245,729	375,206	341,838	530,722	341,290	390,385	410,951	490,241	487,647	578,628
Tourism related	-	-	-	-	-	34,204	486,801	198,026	201,595	80,555
Capital Outlay										
General government	-	-	-	-	-	-	-	1,028,356	12,500	-
Community and economic development	-	-	-	-	-	-	4,483,163	1,016,837	485,331	-
Public services	-	-	-	-	-	-	-	395,897	44,611	-
Public safety	-	-	-	-	-	-	-	-	-	706,947
Tourism related	-	-	-	-	-	-	-	3,380,140	1,551,433	125,801
Debt Service										
Principal	1,062,958	961,063	1,035,340	1,025,846	1,047,572	2,073,181	961,559	1,686,599	5,055,077	1,440,148
Interest	264,484	226,124	137,670	115,863	97,573	119,614	217,281	293,579	359,154	262,835
Total expenditures	<u>12,789,125</u>	<u>12,432,802</u>	<u>12,556,579</u>	<u>13,118,682</u>	<u>12,245,907</u>	<u>17,142,881</u>	<u>20,700,444</u>	<u>22,925,898</u>	<u>22,508,874</u>	<u>17,800,832</u>
Excess of revenues over (under) expenditures	(2,668,542)	(2,184,447)	(2,793,199)	(2,719,248)	(1,615,214)	(3,970,774)	(6,381,684)	(7,560,299)	(6,920,603)	(571,263)
Other financing sources (uses)										
Transfers in	3,131,898	2,562,766	2,544,122	2,283,000	2,300,000	2,626,000	2,677,000	2,880,000	2,940,000	3,080,000
Bonds issued	-	-	3,327,000	-	-	6,049,000	4,000,000	4,000,000	3,729,000	-
Payments to bond agent	-	-	(3,327,000)	-	-	-	-	-	-	-
Capital leases	-	-	247,350	300,000	96,250	870,000	500,000	-	-	-
Sale of capital assets	27,358	55,400	138,068	299,573	38,977	2,540,213	58,821	231,287	31,283	38,458
Total other financing sources (uses)	<u>3,159,256</u>	<u>2,618,166</u>	<u>2,929,540</u>	<u>2,882,573</u>	<u>2,435,227</u>	<u>12,085,213</u>	<u>7,235,821</u>	<u>7,111,287</u>	<u>6,700,283</u>	<u>3,118,458</u>
Net change in fund balances	<u>\$ 490,714</u>	<u>\$ 433,719</u>	<u>\$ 136,341</u>	<u>\$ 163,325</u>	<u>\$ 820,013</u>	<u>\$ 8,114,439</u>	<u>\$ 854,137</u>	<u>\$ (449,012)</u>	<u>\$ (220,320)</u>	<u>\$ 2,547,197</u>
Debt service as a percentage of noncapital expenditures	<u>10.97%</u>	<u>9.75%</u>	<u>9.73%</u>	<u>9.26%</u>	<u>9.48%</u>	<u>14.70%</u>	<u>8.42%</u>	<u>12.51%</u>	<u>26.78%</u>	<u>10.14%</u>

Table 6

City of West Columbia, South Carolina
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30	Tax Year	Real Property		Personal Property		Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
		Residential Property	Commercial Property	Motor Vehicles	Other					
2012	2011	17,834,150	26,757,350	5,088,520	6,534,807	1,659,460	54,555,367	6.1879	1,021,146,591	5.34%
2013	2012	18,151,150	28,035,150	5,826,080	6,165,820	1,345,020	56,833,180	6.1879	1,057,292,262	5.38%
2014	2013	18,259,320	27,955,530	6,295,020	6,814,480	895,080	58,429,270	6.1879	1,072,504,212	5.45%
2015	2014	18,522,460	27,529,920	6,694,170	7,826,520	516,770	60,056,300	6.1879	1,103,079,667	5.44%
2016	2015	18,948,660	28,668,790	7,067,710	7,711,980	485,900	61,911,240	6.1879	1,138,144,643	5.44%
2017	2016	19,457,900	29,081,840	7,272,590	7,580,890	300,650	63,092,570	6.1879	1,161,690,286	5.43%
2018	2017	22,247,370	33,528,230	7,642,150	8,385,460	212,140	71,591,070	6.1879	1,320,198,393	5.42%
2019	2018	22,897,380	36,143,660	7,651,810	9,392,240	309,970	75,775,120	6.5397	1,388,856,810	5.46%
2020	2019	23,442,440	40,079,610	8,228,920	10,042,300	552,130	81,241,140	6.5397	1,481,585,738	5.48%
2021	2020	25,179,910	46,036,830	9,394,410	10,639,860	527,510	90,723,500	6.5397	1,649,659,845	5.50%

Source: Lexington County Auditor

Table 7

City of West Columbia, South Carolina
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year	Tax Year	Overlapping Rates										Total Direct & Overlapping Rates
		City of West Columbia			Lexington County			School District				
		Operating Millage	Debt	Total	Operating Millage	Debt	Total	Operating Millage	Debt	Total	Special Districts	
			Service Millage	City Millage		Service Millage	County Millage		Service Millage	School Millage		
2012	2011	5.528	0.660	6.188	6.811	0.360	7.171	14.646	2.975	17.621	2.269	33.249
2013	2012	5.528	0.660	6.188	7.027	0.350	7.377	14.646	2.975	17.621	2.240	33.426
2014	2013	5.528	0.660	6.188	7.273	0.400	7.673	14.646	2.975	17.621	2.250	33.732
2015	2014	5.528	0.660	6.188	7.273	0.445	7.718	14.646	2.975	17.621	2.400	33.927
2016	2015	5.528	0.660	6.188	7.287	0.410	7.697	14.646	7.950	22.596	2.244	38.725
2017	2016	5.528	0.660	6.188	7.320	0.410	7.730	14.646	7.950	22.596	2.266	38.780
2018	2017	5.528	0.660	6.188	7.225	0.340	7.565	14.646	7.950	22.596	2.254	38.603
2019	2018	5.880	0.660	6.540	7.310	0.370	7.680	14.646	7.950	22.596	2.234	39.050
2020	2019	5.880	0.660	6.540	7.449	0.350	7.799	15.072	7.950	23.022	2.116	39.477
2021	2020	5.880	0.660	6.540	7.209	0.350	7.559	15.072	7.950	23.022	2.010	39.131

Source: Lexington County Auditor

Table 8

City of West Columbia, South Carolina
Principal Property Taxpayers
Current Fiscal Year and Ten Years Ago

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Dominion Energy South Carolina	3,447,600	1	3.84%	1,500,230	1	2.75%
WECO River District LLC	1,749,840	2	1.95%			
Abberly Village at W/C	1,641,600	3	1.83%			
500 Alexander LLC	1,320,690	4	1.47%			
Spectrum Southeast LLC	1,163,550	5	1.30%	346,750	10	0.64%
Wal-Mart Real Estate Business	875,040	6	0.98%	716,810	4	1.31%
ECA Buligo West Side Partners	817,310	7	0.91%			
Dinlas 7070 LLC	714,720	8	0.80%			
Southeastern Freight Lines	697,020	9	0.78%			
Lexington Medical Hotel Assoc	492,600	10	0.55%			
House of Raeford Farms, Inc.				934,970	3	1.71%
Campus Investors HSRE_SC				1,169,960	2	2.14%
Westside Meshekoff Family LP				569,360	5	1.04%
Bell South Telecommunications				449,980	6	0.82%
Sun, Inc				512,820	7	0.94%
Capital Hospitality LLC				445,620	8	0.82%
Granby Oaks Association				365,020	9	0.67%
Total Principal Taxpayers	<u>12,919,970</u>		<u>14.40%</u>	<u>7,011,520</u>		<u>12.85%</u>
City-wide Assessed Valuation	<u>89,723,500</u>		<u>100.00%</u>	<u>54,555,367</u>		<u>100.00%</u>

Table 9

City of West Columbia, South Carolina
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Tax Year	Total Tax Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Fiscal Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2012	2011	3,965,992	3,773,171	95.1%	186,656	3,959,827	99.8%
2013	2012	4,073,421	3,909,046	96.0%	151,102	4,060,148	99.7%
2014	2013	4,173,795	4,005,054	96.0%	150,423	4,155,477	99.6%
2015	2014	4,260,741	4,079,968	95.8%	156,711	4,236,679	99.4%
2016	2015	4,512,097	4,333,793	96.0%	149,842	4,483,635	99.4%
2017	2016	4,601,864	4,408,237	95.8%	158,472	4,566,709	99.2%
2018	2017	5,250,994	5,046,516	96.1%	152,389	5,198,904	99.0%
2019	2018	5,830,967	5,573,729	95.6%	180,455	5,754,184	98.7%
2020	2019	6,326,137	6,063,642	95.9%	165,712	6,229,354	98.5%
2021	2020	7,454,140	7,154,953	96.0%	-	7,154,953	96.0%

Source: Lexington County Treasurer's Office tax records

Table 10

City of West Columbia, South Carolina
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business-Type Activities		Total Primary Government ¹	Percentage of Personal Income ²	Per Capita ²
	General Obligation Bonds	Hospitality Tax Revenue Bond	Tax Increment Finance Bonds	Capital Leases	Water/Sewer Bonds	Capital Leases			
2012	\$ 2,323,817		\$ 3,154,571	\$ 822,687	\$ 29,096,796		\$ 35,397,871	9.55%	2,360
2013	2,068,923		2,741,000	592,745	27,130,705		32,533,373	9.88%	2,169
2014	1,804,600		2,208,000	602,077	25,464,675	\$ 7,650	30,087,002	8.70%	2,006
2015	1,530,500		1,668,000	690,372	23,841,865	6,168	27,736,905	7.36%	1,849
2016	1,246,261		1,120,000	571,353	33,373,210	293,412	36,604,236	8.82%	2,343
2017	951,508		5,630,000	1,201,927	35,940,192	236,076	43,959,703	9.60%	2,534
2018	645,852	\$ 4,000,000	5,236,000	1,440,024	33,806,355	677,724	45,805,955	9.73%	2,596
2019	4,000,000	3,660,000	4,831,000	1,143,441	47,111,950	531,167	61,277,558	12.80%	3,382
2020	3,729,000	3,292,000	4,414,000	893,825	44,725,570	403,653	57,458,048	10.90%	3,192
2021	3,336,000	2,915,000	3,958,000	679,677	42,009,565	273,907	53,172,149	9.35%	2,945

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

1 See note 8 to the financial statements.

2 See the Schedule of Demographics and Economic Statistics for personal income and population data.

Table 11

City of West Columbia, South Carolina
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Less: Amounts Available in Debt Service Fund</u>	<u>Total</u>	<u>Percentage of Estimated Actual Taxable Value of Property</u>	<u>Per Capita</u>
2012	2,323,817	68	2,323,749	0.23%	155
2013	2,068,923	50	2,068,873	0.20%	138
2014	1,804,600	21,523	1,783,077	0.17%	119
2015	1,530,500	53,460	1,477,040	0.13%	98
2016	1,246,261	91,094	1,155,167	0.10%	77
2017	951,508	127,690	823,818	0.07%	47
2018	645,852	220,211	425,641	0.03%	24
2019	4,000,000	25,764	3,974,236	0.29%	219
2020	3,729,000	67,535	3,661,465	0.25%	203
2021	3,336,000	184,686	3,151,314	0.19%	175

City of West Columbia, South Carolina
Direct and Overlapping Governmental Activities Debt
As of June 30, 2021

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Lexington County	\$ 20,415,000	6.14%	\$ 1,253,481
School District No. 2	216,435,000	26.87%	58,156,085
Lexington County Recreation District	20,660,000	8.11%	1,675,526
Riverbanks Park District	11,927,250	6.14%	732,333
Subtotal, overlapping debt			<u>61,817,425</u>
City of West Columbia, South Carolina direct debt			<u>10,888,677</u>
Total direct and overlapping debt			<u><u>72,706,102</u></u>

Sources: City of West Columbia Treasurer, Lexington County Treasurer, Auditor, and Finance officers of above-mentioned entities

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of West Columbia, SC. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

City of West Columbia, South Carolina
Legal Debt Margin Information
Last Ten Fiscal Years

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt limit	\$4,497,186	\$ 4,654,256	\$ 4,745,948	\$ 4,845,846	\$ 4,952,899	\$ 5,047,406	\$ 5,744,257	\$ 6,086,807	\$ 6,543,462	\$ 7,220,081
Total net debt applicable to limit	2,323,817	2,068,923	1,804,600	1,530,500	1,246,261	951,508	645,852	3,974,236	3,661,465	3,151,314
Legal debt margin	<u>2,173,369</u>	<u>2,585,333</u>	<u>2,941,348</u>	<u>3,315,346</u>	<u>3,706,638</u>	<u>4,095,898</u>	<u>5,098,405</u>	<u>2,112,571</u>	<u>2,881,997</u>	<u>4,068,767</u>
Total net debt applicable to the limit as a percentage of the debt limit	51.67%	44.45%	38.02%	31.58%	25.16%	18.85%	11.24%	65.29%	55.96%	43.65%

Legal Debt Margin Calculation for Fiscal Year 2017

Assessed Value	\$89,723,500
Add back: exempt real property	<u>527,510</u>
Total assessed value	90,251,010
Debt limit (8%)	7,220,081
Debt applicable to limit:	
General obligation bonds	3,336,000
Less: Amount set aside for repayment general obligation debt	<u>(184,686)</u>
Total net debt applicable to limit	<u>3,151,314</u>
Legal debt margin	<u>\$ 4,068,767</u>

Note: 1. The City of West Columbia issued \$3,729,000 in General Obligation Bonds on April 7, 2020. As authorized by an ordinance dated January 19, 2010, the City is able to issue General Obligation Bonds not to exceed \$4,000,000. Based on the constitutional debt limit as set by the State of South Carolina, the City could issue general obligation debt equal to eight percent (8%) of the assessed value of property located in the City without voter approval or approximately \$7,220,081 at June 30, 2020, which would be the legal debt limit.

Table 14

City of West Columbia, South Carolina
Pledged-Revenue Coverage
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Operating Revenues	\$ 10,788,398	\$ 10,814,210	\$ 11,036,602	\$ 12,413,206	\$ 13,229,677	\$ 17,299,814	\$ 16,514,278	\$ 18,857,064	\$ 19,402,214	\$ 21,520,481
Less: Deferred Charge Prior Year Adjustment ¹	(435,707)	(435,707)	(435,707)	(435,707)	(517,057)	(524,453)	(524,453)	(524,453)	(524,453)	(524,453)
Plus: Contractual Contribution ²	841,768	835,160	819,949	700,103	698,714	705,508	704,210	625,585	362,959	371,194
Plus: Capacity Payment ³	-	-	-	-	2,300,000	-	-	-	-	-
Plus: Interest Revenue ⁴	229,801	173,361	112,845	105,668	99,247	118,897	104,700	146,782	168,958	223,443
Plus: Sale of Capital Assets	7,800	-	-	1,778	-	2,767	78,857	34,688	16,937	12,571
Gross Revenues	11,432,060	11,387,024	11,533,689	12,785,048	15,810,581	17,602,533	16,877,592	19,139,666	19,426,615	21,603,236
Total Expenses	7,585,633	7,861,375	7,927,812	8,358,121	10,750,674	11,756,572	10,505,285	12,185,370	13,071,292	13,860,519
Less: Depreciation	(1,674,697)	(1,653,503)	(1,653,732)	(1,653,191)	(1,984,617)	(2,058,423)	(2,208,134)	(2,453,571)	(2,585,288)	(2,704,451)
Operation and Maintenance Expenses ⁵	5,910,936	6,207,872	6,274,080	6,704,930	8,766,057	9,698,149	8,297,151	9,731,799	10,486,004	11,156,068
Net Earnings	5,521,124	5,179,152	5,259,609	6,080,118	7,044,524	7,904,384	8,580,441	9,407,867	8,940,611	10,447,168
<u>Debt Service</u>										
Principal	1,868,197	1,993,044	2,036,930	1,907,311	1,627,123	1,929,070	2,133,828	2,179,414	2,223,775	2,716,005
Interest	884,185	701,216	625,217	583,752	407,622	688,216	852,701	1,139,141	1,385,085	1,243,283
Debt Service	2,752,382	2,694,260	2,662,147	2,491,063	2,034,745	2,617,286	2,986,529	3,318,555	3,608,860	3,959,288
Debt Service Coverage	2.01x	1.92x	1.98x	2.44x	3.46x	3.02x	2.87x	2.83x	2.48x	2.64x

¹ Represents capacity payments made by the Joint Commission and/or the Town in previous years that are being amortized by the City in its financial statements over the life of the respective water contracts. As these payments are realized in the year in which they were paid, net revenues are adjusted to exclude the "amortized" revenues

² Represents payments by the Town and/or the Joint Commission for their proportionate share of existing debt service issued by the City

³ Represents payments by the Joint Commission for the purchase of additional capacity in the Murray Lake Water Treatment Plant

⁴ Net of interest on bond proceeds

⁵ Net of depreciation

Notes: Details regarding the governments outstanding debt can be found in the notes to the financial statements.

This calculation is in accordance with the City's master bond ordinance.

Table 15

City of West Columbia, South Carolina
Demographic and Economic Statistics
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income</u>	<u>Per Capita Personal Income</u>	<u>Median Age</u>	<u>Education Level in Years of Formal Schooling</u>	<u>School Enrollment</u>	<u>Unemployment Rate</u>
2012	14,998	370,780,556	24,722	37.4	14.0	3,075	7.40%
2013	14,998	329,281,090	21,955	37.5	14.0	3,080	6.90%
2014	14,998	345,808,886	23,057	37.9	14.0	3,080	4.70%
2015	14,998	376,809,752	25,124	38.2	14.0	3,042	5.10%
2016	15,623	415,118,733	26,571	37.9	14.0	3,009	4.70%
2017	17,350	457,710,350	26,381	38.2	14.0	3,582	4.10%
2018	17,642	471,006,116	26,698	38.3	14.0	3,745	3.50%
2019	18,118	478,605,088	26,416	38.9	14.0	3,745	3.70%
2020	17,998	527,251,410	29,295	39.9	14.0	2,689	4.20%
2021	18,056	568,520,824	31,588	42.1	14.0	2,279	3.90%

Data sources: ESRI, Central Midlands Council of Governments and the
U. S. Bureau of Labor Statistics

Table 16

City of West Columbia, South Carolina
Principal Employers
Current Year and Ten Years Ago

Employers	2021			2012		
	Employees	Rank	Percentage of Principal Employers	Employees	Rank	Percentage of Principal Employers
South Eastern Freight Lines	1355	1	34.81%			
South Carolina Episcopal Home	663	2	17.03%	229	4	11.41%
House of Raeford Farms	530	3	13.61%	353	2	17.59%
Wal-Mart Stores	320	4	8.22%	537	1	26.76%
NHC Healthcare - Lexington	236	5	6.06%			
City of West Columbia	208	6	5.34%	196	5	9.77%
Three Rivers Behavioral Health	176	7	4.52%			
Lowe's Home Improvement	145	8	3.72%			
Lexington School District 2	130	9	3.34%	247	3	12.31%
Palmetto Imaging	130	10	3.34%			
Heartland of Lexington				125	6	6.23%
Belcher Staffing Services				92	7	4.58%
U S Postal Service				90	8	4.48%
Bi-Lo LLC				72	9	3.59%
H T Hackney Company				66	10	3.29%
Total	<u>3,893</u>		<u>100.0%</u>	<u>2,007</u>		<u>100.0%</u>

Table 17

City of West Columbia, South Carolina
Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government	14	16	16	17	19	21	21	26	27	28
Building Inspectors	3	3	2	2	2	2	2	2	2	2
Code Compliance	2	2	2	2	3	3	3	3	3	3
Community Development	1	1	1	1	1	1	1	1	1	1
Public Safety										
Police										
Officers	58	53	55	56	54	51	48	50	51	45
Civilians	14	12	11	11	11	11	13	10	9	10
Fire										
Firefighters and officers	24	24	24	24	24	25	25	25	26	25
Maintenance - Garage	7	7	7	7	7	7	6	6	6	6
Sanitation (Garbage & Trash)	32	27	24	24	22	22	22	18	21	19
Parks and Recreation	5	7	7	7	7	10	11	14	14	11
Water (Production & Distribution)	32	36	36	37	37	35	35	34	40	43
Sewer Collection	4	4	4	4	4	4	4	5	6	7
Total	196	192	189	192	191	192	191	194	206	200

Source: City of West Columbia Finance Office

City of West Columbia, South Carolina
Operating Indicators by Function
Last Ten Fiscal Years

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Function										
Police										
Physical arrests	2,097	741	1,179	1,248	1,173	1,184	1,169	1,059	918	942
Fire										
Number of calls answered	992	999	1,038	1,222	1,363	1,836	1,952	2,032	2,322	2,457
Inspections	1,406	1,472	1,597	1,205	1,295	1,884	2,169	1,957	1,254	1,535
Sanitation										
Refuse collected (tons/day) Lexington Landfill ¹	22	22	22	22	22	35	35	36	35	37
Recyclables collected (tons/day)	2	2	2	2	2	3	3	6	5	6
Culture and Recreation										
Community Center (Times Used)	118	116	152	118	98	130	110	175	64	108
Water										
New connections	82	116	139	132	109	36	161	142	166	237
Water mains breaks	24	16	27	11	22	26	19	31	25	22
Water customers	19,205	19,321	19,460	19,592	19,701	19,737	19,898	20,040	20,206	20,443
Water Plant I	3,227	3,074	3,123	3,122	3,323	3,363	3,328	3,250	3,467	3,420
Water Plant II	8,992	8,589	8,683	9,029	10,146	10,215	10,743	10,930	11,657	11,820
Total Average daily consumption (thousands of gallons)	12,219	11,663	11,806	12,151	13,469	13,578	14,071	14,180	15,124	15,240
Wastewater										
Average daily sewage treatment ² (thousands of gallons)	3,095	3,095	2,980	3,075	3,081	3,062	2,730	3,065	3,180	3,289
Sewer customers	11,197	11,268	11,334	11,397	11,474	11,510	11,552	11,586	11,604	11,771
Total sewer customers	11,197	11,268	11,334	11,397	11,474	11,510	11,552	11,586	11,604	11,771

Sources:

¹ Lexington Landfill² City of Columbia waste water treatment plant

Table 19

City of West Columbia, South Carolina
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	65	65	59	52	52	54	53	54	50	53
Fire stations	1	1	1	1	1	1	1	1	1	1
Responding units	11	11	9	10	10	9	10	13	11	11
Sanitation										
Garbage collection trucks	12	12	12	12	12	12	12	13	14	11
Yard trash collection trucks	7	7	7	7	7	7	7	7	7	10
Highways and streets										
Streetlights ¹	989	1017	1,262	1,284	1,284	1,333	1,354	1,369	1437	1444
Traffic signals	30	30	30	30	30	40	41	46	47	49
Culture and recreation										
Parks	5	5	5	5	5	5	5	6	7	8
Community centers	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)	251	255	257	265	270	278	279	281	279	279
Fire hydrants	965	986	986	1003	1010	1041	1023	1043	1082	1057
Water Plant I	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Water Plant II	<u>22.5</u>	<u>22.5</u>	<u>22.5</u>	<u>22.5</u>	<u>22.5</u>	<u>22.5</u>	<u>22.5</u>	<u>22.5</u>	<u>22.5</u>	<u>22.5</u>
Maximum daily capacity (millions of gallons)	28.5	28.5	28.5	28.5	28.5	28.5	28.5	28.5	28.5	28.5
Sewer										
Sanitary sewers (miles)	115	115	115	118	118	119	119	128	129	128
Maximum daily treatment capacity ² (millions of gallons)	3.27	3.27	3.27	3.27	3.27	3.27	3.27	3.27	3.27	3.27

Sources:

¹ South Carolina Electric & Gas Company² Contract with City of Columbia for capacity without additional surcharge.

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INDEPENDENT AUDITORS 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*

The Honorable Mayor and Members of City Council
City of West Columbia, South Carolina
200 North 12th Street
West Columbia, South Carolina 29169

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, the business-type activities, each major fund, and the aggregate remaining fund information of the City of West Columbia, South Carolina (the “City”), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements, and have issued our report thereon dated February 23, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control. Accordingly, we do not express an opinion on the effectiveness of the City’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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

The Brittingham Group LLP

West Columbia, South Carolina

February 23, 2022