

PICKENS COUNTY, SOUTH CAROLINA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

As of and for the Year Ended June 30, 2019

And Reports of Independent Auditor

Prepared by:

Ralph Guarino, Finance Director

PICKENS COUNTY, SOUTH CAROLINA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2019

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INTRODUCTORY SECTION

COUNTY OF PICKENS

www.co.pickens.sc.us



ACTING COUNTY ADMINISTRATOR

**Ken Roper
CLERK TO COUNCIL
Meagan Bradford**

COUNCIL MEMBERS

**ROY COSTNER, CHAIRMAN
CHRIS BOWERS, VICE CHAIRMAN
WES HENDRICKS, VICE CHAIRMAN PRO-TEM
TREY WHITEHURST
R. ENSLEY FEEMSTER
CARL HUDSON**

DATE: November 14, 2019

Honorable Chairman, Council Members,
And County Administrator
Pickens County, South Carolina

The Comprehensive Annual Financial Report (Report) for the County of Pickens, South Carolina, for the fiscal year ended June 30, 2019, is hereby submitted pursuant to South Carolina Code Title 4 Chapter 9 Section 150 of the South Carolina Code of Laws. Responsibility for both the accuracy of the data and the completeness and fairness of presentation, including all disclosures rests with the County. The staff of the Finance Department compiled this report in close cooperation with the external auditors. It represents the official report of the County's financial operations and condition to the citizens, County Council, County management, rating agencies and other interested persons.

We believe that the Report, prepared by the County's Finance Department, based on U.S. generally accepted accounting principals (GAAP), presents fairly and consistently the County's financial position and changes in financial position and conforms to the standard of governmental accounting and financial reporting principals as promulgated by the Governmental Accounting Standards Board (GASB). We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to set forth fairly the financial position and changes in the financial position of the County; and that all disclosures necessary to enable the reader to gain an understanding of the County's financial activity have been included.

The County's management is responsible for establishing and maintaining internal control to provide reasonable but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits require estimates and judgments by management. All internal control evaluations occur within this framework. We believe the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

In compliance with the laws of the State of South Carolina, the County's financial statements have been audited by Cherry Bekaert LLP, a firm of licensed certified public accountants. The audit was performed to provide reasonable assurance that the financial statements are free of material misstatement for the fiscal year ended June 30, 2019. The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principals 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 County's financial statements for the fiscal year ended June 30, 2019, are fairly presented in conformity with GAAP. The Independent Auditors' report is presented in the Financial Section of this report.

GAAP requires 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 transmittal is designed to complement the MD&A and should be read in conjunction with it. Pickens County's MD&A can be found immediately following the report of the independent auditor.

PROFILE OF THE GOVERNMENT

Pickens County was founded in 1868 and named for Revolutionary War hero Andrew Pickens. The County is nestled in the beautiful Appalachian highlands of northwestern South Carolina and encompasses approximately 497 square miles. Seven incorporated municipalities are located in the County: Central, Clemson, Easley, Liberty, Norris, Pickens and Six Mile. Pickens County is considered to have four mild seasons with the average annual temperature in the low 60's.

The County adopted the Council – Administrator form of government in 1976. Under this form of government, a six-member Board of Council governs the County. Council members are elected to a four-year staggered term from the County by District. The Council elects a chairman and vice chairman at the first meeting in January following a general election. Policy-making and legislative authority are vested with the Council along with passing ordinances, adopting the budget, appointing committees and hiring the Chief Administrative Officer. The Chief Administrative Officer is responsible for carrying out the policies and ordinances of Council and overseeing the day-to-day operations of the County.

The County provides a full range of services including elections, assessment and taxation, public safety, corrections, criminal and civil court, roads and bridges maintenance, emergency management, animal control, parks, solid waste disposal, recycling and environmental services. In addition to the various operational departments of the County, one discretely presented component unit is presented in addition to the primary government. The Economic Development Alliance of Pickens County (the "Alliance") was established in 2005 to aggressively promote and preserve job opportunities and increase per capita income through high quality, environmentally sound recruitment and expansion of existing business and industry of Pickens County. A thirteen member Board of Directors, six of which are appointed to staggered terms by County Council, governs the Alliance.

BUDGETARY CONTROLS

Formal budgetary integration is employed as a management control device during the year for all fund types. Responsibility for the authorization and approval of funding rests with the County Council. The Budget Team comprised of the County Administrator and the Finance Director, maintains the primary responsibility for ensuring that County Council's objectives are examined for available funding and department's requests to fund initiatives are in alignment with the mission and goals of the County. Further, this team performs a detailed review of both revenue and expenditures in order to produce a recommended budget for County Council to review and approve.

Budget preparation, analysis and reporting is managed and facilitated on an annual basis by the Finance Department. Included within those responsibilities is the annual budget process which eventually results with the publication of the budget document consisting of the Annual Operating and Capital Budget.

The budgetary level of control resides at the departmental level; therefore, after appropriation, reallocation of appropriated budgets is allowable within the respective departments with a few exceptions. In order to amend the budget, a department director submits a budget adjustment form to the Finance Department. Finance staff reviews the adjustment for policy compliance and then forwards to the County Administrator's office for final approval.

Transfers between departments within the same fund, transfers between funds, and increases in total appropriations require County Council approval by ordinance.

FACTORS AFFECTING FINANCIAL CONDITION

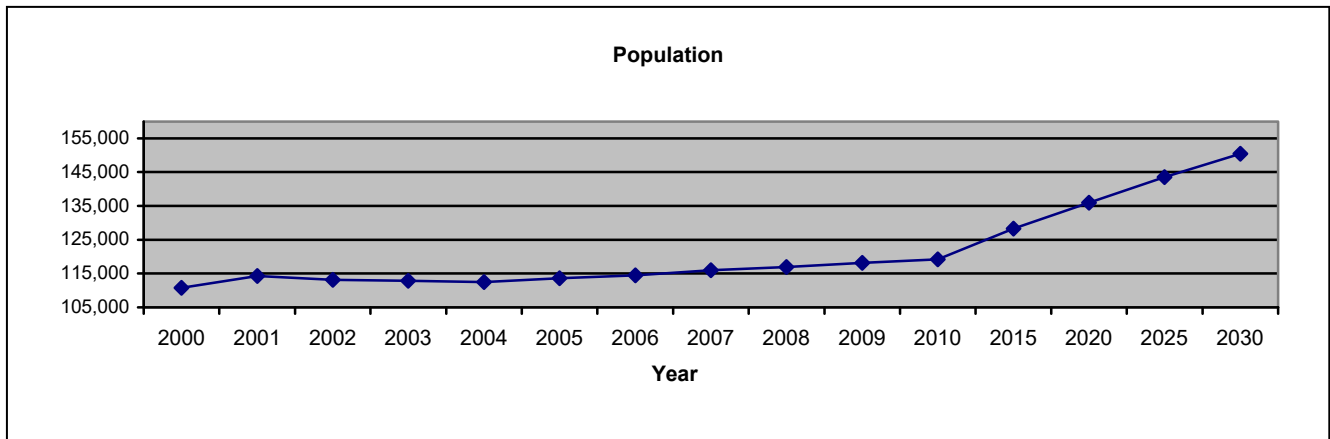
Local Economy

With a work force of over 57,500, Pickens County has an ample labor pool. It is a diverse work force - comprised of skilled advanced manufacturing workers in industries from metalworking and automotive to fibers and kayaks to ceramics and implant cardio defibrillators. In the Pickens County labor draw area, there are over 54,000 employed in manufacturing, with more than half employed in the metalworking/industrial equipment industries. But these figures don't tell the entire story. Underemployed figures give a more accurate depiction of employees, particularly skilled workers. Pickens and the surrounding counties comprise its true labor pool where 18,500 unemployed combine with 109,700 underemployed workers (those individuals who would take a better job if offered by a new or existing employer and who possess the skills, education, and experience to qualify them for a better job) and 14,700 who are not currently seeking employment but are contemplating re-entering the work force for a total available work force of over 174,000. The County also has a major presence within the area relating to education with Clemson University and the School District of Pickens County employing over 3,500 and 1,800 people, respectively.

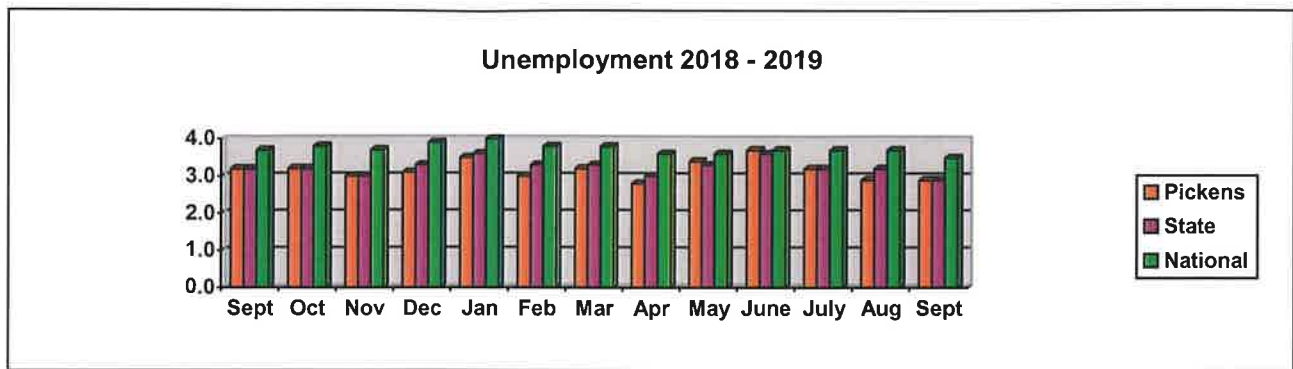
The County population grew 7.6% between the 2000 and 2010 censuses with average annual growth of .76% for the period. This has resulted in Pickens County lagging behind in the South Carolina Upstate region, which experienced an 11.2% population growth between censuses. The State of South Carolina experienced a 13.4% growth for the same period with an annual average growth of 1.3%. Pickens County, according to the U. S. Census Bureau, ranks 13th most populous county in the state and the 19th fastest growing county in the state among 45 other counties. Pickens County population is projected to increase by 26.2% between 2010 and 2030 with an average annual growth of 1.3%.

Expected Growth

Year	Population		
	County	SC Upstate	South Carolina
2000	110,757	1,220,542	4,012,012
2005	113,575	1,391,335	4,280,581
2010	119,224	1,356,900	4,549,150
2015	128,260	1,425,770	4,784,700
2020	135,920	1,494,650	5,020,400
2025	143,570	1,563,510	5,256,080
2030	150,420	1,629,510	5,488,460



According to the South Carolina Employment Security Commission, unemployment decreased in September (latest available numbers) from the previous year figure of 3.2% to 2.9%. This is below the State of South Carolina unemployment rate of 2.9% and lower than the national average for the United States of 3.5% for September 2019.



Long-Term Financial Planning

The County entered fiscal year 2019 with a strong financial position as noted with our credit rating with Moody's of Aa2 and Standard & Poor's of AA. Total fund balance and unassigned fund balance as of June 30, 2019, in the General Fund was \$30,828,489 and \$24,122,881 respectively. This represents 71.7% and 65.9% of expenditures, respectively.

Council approved in the fall of 2017 10 new cabins at Mile Creek Park. The Park only had the capacity for recreational vehicles and primitive camping sites. With the successful opening of the cabins in the fall of 2018, the park generated approximately \$40,000 in new revenue for fiscal year 2019. Council looks to continue improvements at the Park with upgrades to the electrical system at each campsite and renovations and upgrades to the bathrooms at the park. There are plans to expand the number of cabins at the park as funding becomes available in the future.

Pension Plans

Eligible employees of the County are participants in the South Carolina Retirement System (SCRS) and the South Carolina Police Retirement System (PORS), both of which are cost sharing multiple-employer defined benefit plans administered by the Retirement Division of the State Budget and Control Board. SCRS and PORS provide retirement and disability benefits, cost of living adjustments on an ad-hoc basis, life insurance benefits and survivor benefits to plan members and beneficiaries. The plans' provisions are established under Title 9 of the South Carolina Code of Laws. A comprehensive annual financial report containing financial statements and required supplementary information for the South Carolina Retirement System and the South Carolina Police Officers Retirement System are issued and publicly available by writing the South Carolina Retirement System, Post Office Box 11960, Columbia, South Carolina 29211-1960.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Pickens County for its comprehensive annual financial report for the fiscal year ended June 30, 2018. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report 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 that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of the comprehensive annual financial report would not have been possible without the assistance of the Finance Department staff. The hard work and dedication of these individuals significantly contributed to the completion of this document. Moreover, the support and leadership of the County Council and the Administrator have been instrumental in the development of this report. We would also like to thank the accounting firm of Cherry Bekaert LLP for its assistance with this project.

Respectfully,

Ralph E. Guarino, Jr.
 Ralph E. Guarino, Jr.
 Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Pickens County
South Carolina**

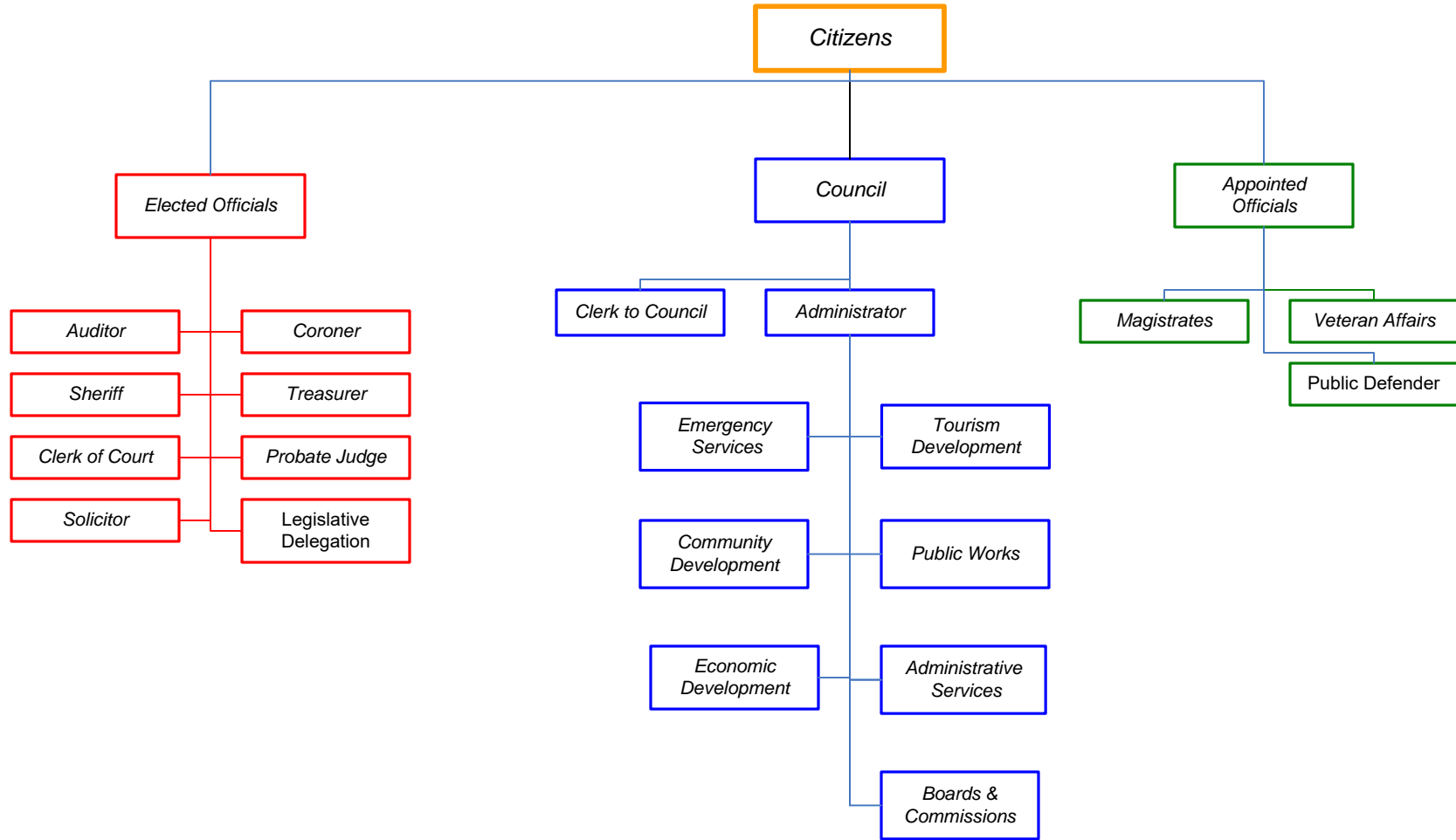
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill

Executive Director/CEO

Pickens County



PICKENS COUNTY, SOUTH CAROLINA

PRINCIPAL OFFICIALS

For the Year Ended June 30, 2019

MEMBERS OF COUNTY COUNCIL

Roy Costner, Chairman
Chris Bowers, Vice Chairman
Wes Hendricks
Carl Hudson
Trey Whitehurst
Robert Ensley Feemster

ELECTED OFFICIALS

Dale M. Looper, Treasurer
Rick Clark, Sheriff
David Allison, Probate Judge
Pat Welborn, Clerk of Court
Brent Suddeth, Auditor
Kandy Kelley, Coroner

ADMINISTRATIVE OFFICIALS

Ken Roper, Acting County Administrator
Ralph E. Guarino Jr., Finance Director
Meagan Bradford, Clerk to Council

FINANCIAL SECTION

Report of Independent Auditor

Pickens County Council
Pickens County, South Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the Economic Development Alliance of Pickens County (the "Alliance"), a discretely presented component unit, each major fund, and the aggregate remaining fund information of Pickens County, South Carolina (the "County"), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the County'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 to financial 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, the Alliance, a discretely presented component unit, each major fund, and the aggregate remaining fund information of Pickens County, South Carolina, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, Grants Fund, and Fire District Funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis and budgetary comparison information on pages 10 through 18 and the required supplementary information on pages 64 through 66 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 County’s basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, statistical section, and compliance section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards (“SEFA”), as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, (the “Uniform Guidance”), is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The combining and individual fund statements, schedules, and SEFA are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

The introductory, statistical and compliance information 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 November 14, 2019 on our consideration of the County’s internal control over financial reporting and on compliance 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 the 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 County’s internal control over financial reporting and compliance.



Greenville, South Carolina
November 14, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Pickens County, we offer readers of Pickens County's financial statements this narrative overview and analysis of the financial activities of Pickens County for the fiscal year ended June 30, 2019. We encourage readers to read the information presented here in conjunction with additional information we have furnished in the County's financial statements, which follow this narrative.

Financial Highlights

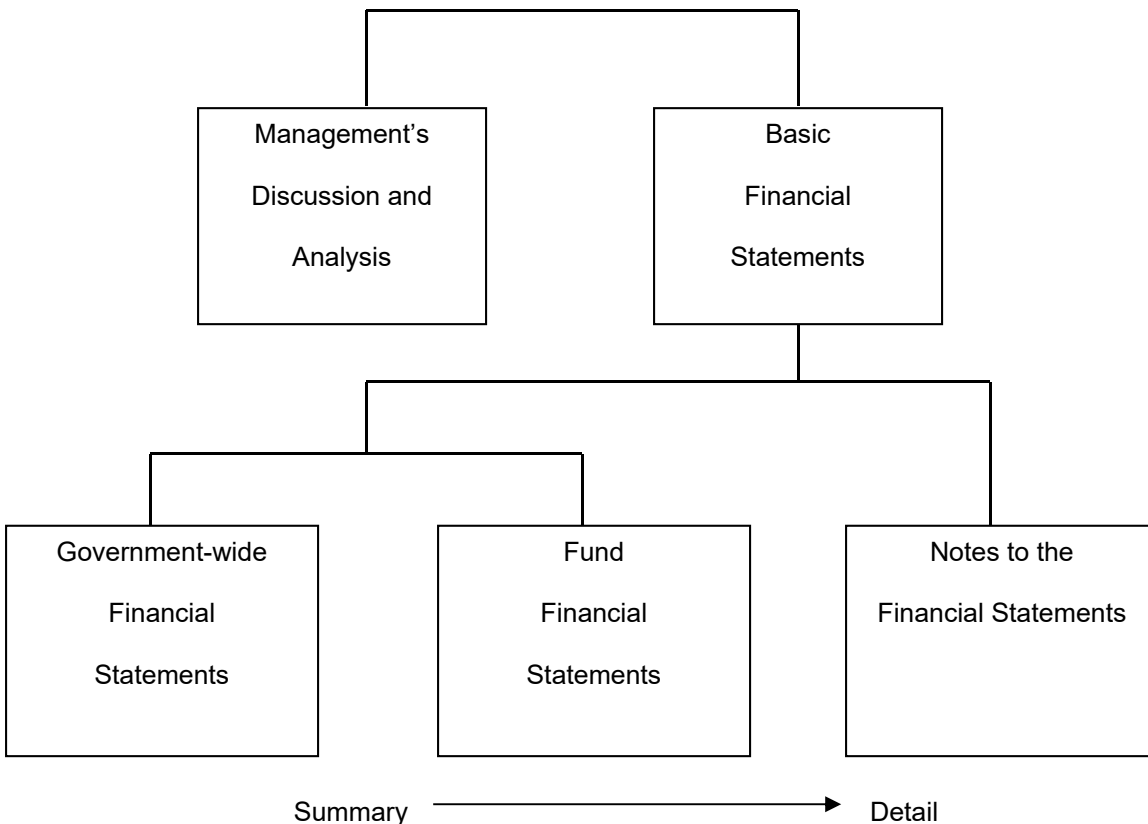
- The assets of Pickens County exceeded its liabilities at the close of the fiscal year by \$75,523,044. Of this amount \$3,787,413 may be used to meet the County's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$2,668,351. There were two items that mainly contributed to this increase in net position. The first was taxes in the General Fund came in higher than expected when the budget was approved. When the value of a millage was estimated in the spring of 2018, it was based on the latest information the County had on record. Once the millage rates were set in the fall of 2018 the value of a mil had increase by approximately \$5,000. This equated to an increase of revenue by \$280,000. A second reason for the increase in net position was Council reduced the millage rate on the debt service fund for the new detention center bond payment by .5 mils and increased the millage rate on the General Fund by .5 mil. This did not increase the overall operating millage for County residents but it gave the County revenue for operations of the General Fund. Another major contributing factor to the increase in the net position was attrition with employees. Council approved 14 additional detention officers for the new detention center. With a strong local economy in the marketplace, the County found itself in a difficult position to attract new employees. This in turn saved the County several thousand dollars in personnel services.
- The County's unassigned General Fund balance increased by \$3,011,289 during the 2019 fiscal year due to the items listed above for the increase in the total net position. Also the County received an additional \$496,000 from escheatment's not being recorded in the General Fund for the past several years.
- The County had \$64,230,313 in expenses related to governmental activities; program specific charges for services, grants or contributions offset \$20,669,414 of these expenses. General revenues (primarily taxes and unrestricted grants) and net position of \$46,530,630 provided the remaining funding for these programs.
- As of the close of the current fiscal year, Pickens County's governmental funds reported combined ending fund balances of \$49,267,661, a decrease of \$10,757,752 in comparison with the prior year. Approximately 59.6% of this total amount, or \$29,366,923, is available for spending at the government's discretion.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$24,122,881 or 56.1% of total general fund expenditures for the fiscal year.
- During the 2019 fiscal year, the County's governmental fund type revenues were \$67,241,603 compared to \$64,413,229 in the prior year.
- The total long-term liabilities of the governmental-type activities decreased by \$180,512. This is due to payments of outstanding General Obligation debt on the Detention Center bond and other bonds related to the fire districts.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Pickens County's basic financial statements. The County's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the County through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of Pickens County.

Required Components of the Annual Financial Report

Figure 1



Basic Financial Statements

The first two statements (Exhibits A and B) in the basic financial statements are the **government-wide financial statements**. They provide both short and long-term information about the County's financial status.

The next statements (Exhibits C through H) are **fund financial statements**. These statements focus on the activities of the individual parts of the County's government. These statements provide more detail than the government-wide statements. There are three parts to the Fund Financial Statements: 1) the governmental funds statements, 2) the proprietary fund statements, and 3) the fiduciary fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the County's non-major governmental funds, which are added together in one column on the basic financial statements. Budgetary information required by the General Statutes also can be found in this part of the statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the County's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the County's financial status as a whole.

The two government-wide statements report the County's net position and how it has changed. Net position is the difference between the County's total assets (including deferred inflows of resources) and total liabilities (including deferred inflows of resources). Measuring net position is one way to assess the County's financial condition.

The government-wide statements are divided into three categories: 1) governmental activities and 2) business-type activities and 3) a component unit. The governmental activities include most of the County's basic services such as public safety, parks and recreation and general administration. Property taxes and state and federal grant funds finance most of these activities. The business-type activities include the sewer and airport services offered by Pickens County. The County collects revenues from the users of these services. The component unit includes one other entity in its report – Pickens Alliance. Although legally separate, this "component unit" is important because the County is financially accountable for this operation.

The government-wide financial statements are on Exhibits A and B of this report.

Fund Financial Statements

The fund financial statements provide a more detailed look at the County's most significant activities. 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. Pickens County, like all other governmental entities in South Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the County's budget ordinance. All of the funds of Pickens County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the County's basic services are accounted for in governmental funds. These funds focus on how readily assets can be converted into cash and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting*. This method has a current financial resources focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine the financial resources available to finance the County's programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

Pickens County Council adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the County, the management of the County and the decisions of the Council about which services to provide and how to pay for them. It also authorizes the County to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the County complied with the budget ordinance and whether or not the County succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the Council, 2) the final budget as amended by the Council, 3) the actual resources, expenditures, and ending balances in the General Fund and 4) the difference or variance between the final budget and the actual resources and charges.

Proprietary Funds – Pickens County has one kind of proprietary fund. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Pickens County uses enterprise funds to account for its wastewater treatment activity and for its airport operations. These funds are the same as those activities shown in the business-type activities in the Statement of Net Position and the Statement of Activities.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Pickens County has eight fiduciary funds, all of which are agency funds.

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 as listed in the table of contents follow the basic financial statements.

Other Information – In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information concerning Pickens County’s general obligation debt. Required supplementary information, as listed in the table of contents, can be found in Exhibits I-K. Additional trend information about Pickens County can be found in the Statistical Section of the report.

Government-Wide Financial Analysis

Pickens County’s Net Position

Figure 2

	Governmental Activities		Business-type Activities		Total	Total
	2019	2018	2019	2018	2019	2018
Current and other assets	\$62,133,522	\$71,954,907	\$ 3,309,802	\$ 3,570,856	\$ 65,443,324	\$ 75,525,763
Capital assets	86,368,276	73,339,257	30,256,504	30,298,507	116,624,780	103,637,764
Land held for resale	728,727	728,731	-	-	728,727	728,731
Total assets	<u>149,230,525</u>	<u>146,022,895</u>	<u>33,566,306</u>	<u>33,869,363</u>	<u>182,796,831</u>	<u>179,892,258</u>
Deferred outflow of resources	11,229,882	10,079,301	333,412	313,757	11,563,294	10,393,058
Long-term liabilities outstanding	101,842,977	102,023,489	3,284,459	3,259,751	105,127,436	105,283,240
Other liabilities	10,424,833	10,175,135	299,465	122,293	10,724,298	10,297,428
Total liabilities	<u>112,267,810</u>	<u>112,198,624</u>	<u>3,583,924</u>	<u>3,382,044</u>	<u>115,851,734</u>	<u>115,580,668</u>
Deferred inflows	2,918,619	1,799,133	66,728	50,822	2,985,347	1,849,955
Net position:						
Net investment in capital assets	50,634,094	36,106,153	28,476,555	28,290,482	79,110,649	64,396,635
Restricted	17,403,330	16,513,038	209,520	832,788	17,612,850	17,345,826
Unrestricted	(22,763,446)	(10,514,752)	1,562,991	1,626,984	(21,200,455)	(8,887,768)
Total net position	<u>\$ 45,273,978</u>	<u>\$ 42,104,439</u>	<u>\$ 30,249,066</u>	<u>\$ 30,750,254</u>	<u>\$ 75,523,044</u>	<u>\$ 72,854,693</u>

As noted earlier, net position may serve over time as one useful indicator of a government’s financial condition. The assets and deferred outflows of Pickens County exceeded liabilities and deferred inflows by \$75,523,044 as of June 30, 2019. The County’s net position increased by \$2,668,351 for the fiscal year ended June 30, 2019. The County’s investment in capital assets (e.g. land, buildings, machinery and equipment), less any related debt still outstanding that was issued to acquire those items, which accounts for the largest portion was \$79,110,649. Pickens County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Pickens County’s investment in capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of Pickens County’s net position of \$17,612,850 represents resources that are subject to external restrictions on how they may be used. The remaining balance of (\$21,200,455) is unrestricted.

Figure 3

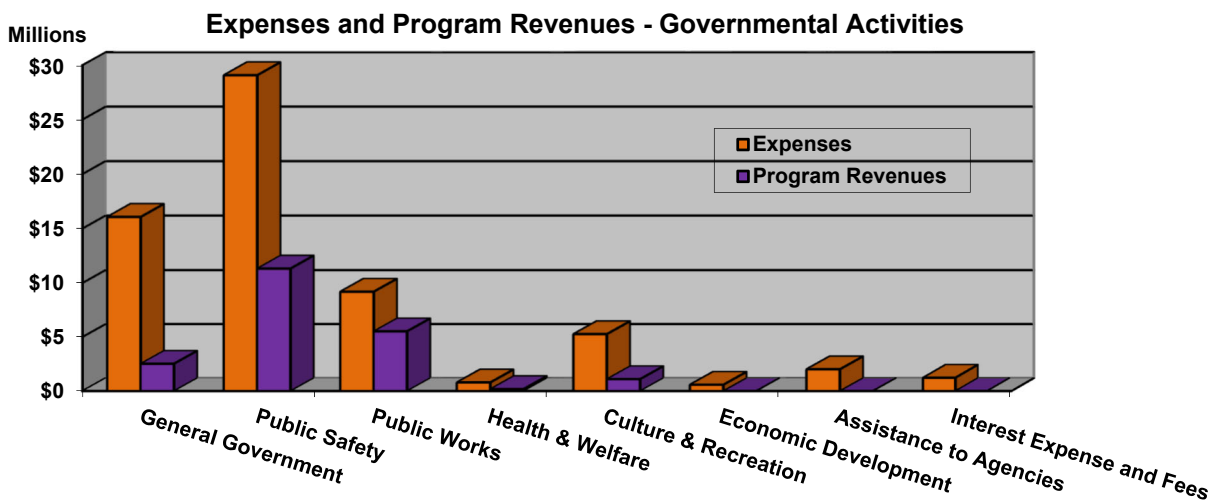
	Governmental		Business-type		Total	Total
	Activities		Activities			
	2019	2018	2019	2018		
Revenues:						
Program revenues:						
Charges for services	\$ 13,683,575	\$ 13,789,934	\$ 2,078,324	\$ 1,972,109	\$ 15,761,899	\$ 15,762,043
Operating grants and contributions	6,985,839	7,301,417	-	-	6,985,839	7,301,417
Capital grants and contributions	-	-	797,227	400,002	797,227	400,002
General revenues:						
Property taxes	29,704,515	27,527,741	-	-	29,704,515	27,527,741
Other taxes	10,276,953	9,844,549	-	-	10,276,953	9,844,549
Grants and contributions not restricted to specific programs	5,166,692	5,162,145	-	-	5,166,692	5,162,145
Other	1,594,687	930,220	6,580	90,742	1,601,267	1,020,962
Total revenues	<u>67,412,261</u>	<u>64,556,006</u>	<u>2,882,131</u>	<u>2,462,853</u>	<u>70,294,392</u>	<u>67,018,859</u>
Expenses:						
General government	16,070,136	15,338,224	-	-	16,070,136	15,338,224
Public safety	29,074,818	28,076,159	-	-	29,074,818	28,076,159
Public works	9,202,584	9,722,755	-	-	9,202,584	9,722,755
Health and welfare	792,130	717,643	-	-	792,130	717,643
Culture and recreation	5,268,494	5,345,076	-	-	5,268,494	5,345,076
Economic development	580,221	1,900,486	-	-	580,221	1,900,486
Assistance to other agencies	2,012,470	1,941,760	-	-	2,012,470	1,941,760
Unallocated interest expense and fees	1,229,460	941,288	-	-	1,229,460	941,288
Public service commission	-	-	2,537,191	2,910,549	2,537,191	2,910,549
Airport	-	-	858,537	921,266	858,537	921,266
Total expenses	<u>64,230,313</u>	<u>63,983,391</u>	<u>3,395,728</u>	<u>3,831,815</u>	<u>67,626,041</u>	<u>67,815,206</u>
Increase (decrease) in net position						
before transfers	3,181,948	572,615	(513,597)	(1,368,962)	2,668,351	(796,347)
Transfers	(12,409)	(5,489,524)	12,409	5,489,524	-	-
Increase (decrease) in net position	<u>3,169,539</u>	<u>(4,916,909)</u>	<u>(501,188)</u>	<u>4,120,562</u>	<u>2,668,351</u>	<u>(796,347)</u>
Net position, beginning	<u>42,104,439</u>	<u>53,789,006</u>	<u>30,750,254</u>	<u>26,840,443</u>	<u>72,854,693</u>	<u>80,629,449</u>
Change in accounting principle	-	(6,767,658)	-	(210,751)	-	(6,978,409)
Net assets - beginning, restated	<u>42,104,439</u>	<u>47,021,348</u>	<u>30,750,254</u>	<u>26,629,692</u>	<u>72,854,693</u>	<u>73,651,040</u>
Net position, ending	<u>\$ 45,273,978</u>	<u>\$ 42,104,439</u>	<u>\$ 30,249,066</u>	<u>\$ 30,750,254</u>	<u>\$ 75,523,044</u>	<u>\$ 72,854,693</u>

Changes in net position - The County's total revenues increased from the prior year by \$3.1 million or 4.5% (See figure 3 above). Property taxes accounts and program revenues (charges for services and restricted operating and capital grants) accounts for 42.1% and 33.6% of the County's revenues, respectively. Contributions and donation, other taxes, franchise fees and interest income account for the remainder of the revenue.

The total cost of all programs decreased \$189,165, or less than 1%, which includes depreciation for all capital assets as required under Governmental Accounting Standards Board Statement No. 34.

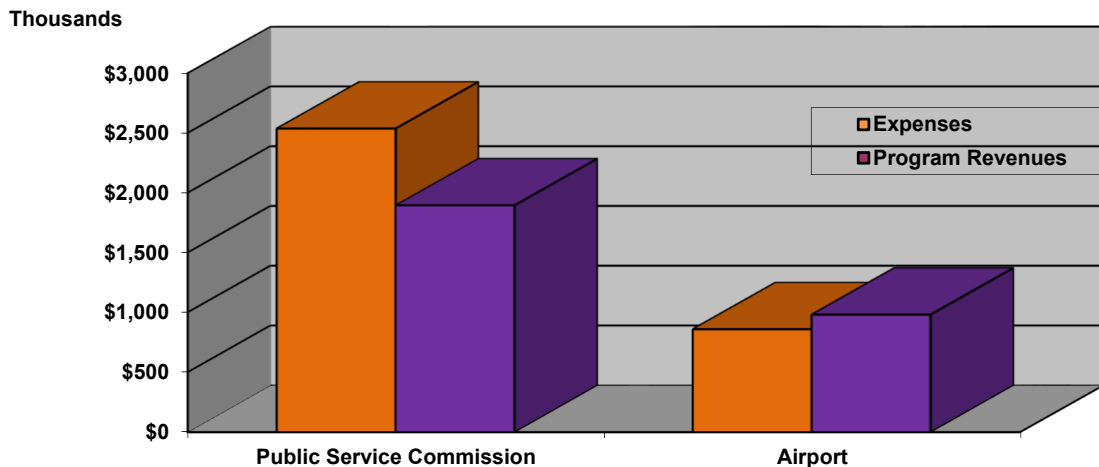
Governmental activities – Governmental activities increased the County’s net position by \$3.0 million. Several particular aspects of the County’s financial operations positively influenced the total governmental activities:

As noted earlier in the Management and Discussion Analysis, the first reason for the increase was taxes in the General Fund came in higher than expected when the budget was approved. When the value of a millage was estimated in the spring of 2018, it was based on the latest information the County had on record. Once the millage rates were set in the fall of 2018 the value of a mil had increase by approximately \$5,000. This equated to an increase of revenue by \$280,000. A second reason for the increase in net position was Council reduced the millage rate on the debt service fund for the new detention center bond payment by .5 mils and increased the millage rate on the General Fund by .5 mil. This did not increase the overall operating millage for County residents but it gave the County revenue for operations of the General Fund. Another major contributing factor to the increase in the net position was attrition with employees. Council approved 14 additional detention officers for the new detention center. With a strong local economy in the marketplace, the County found itself in a difficult position to attract new employees. This in turn saved the County several thousand dollars in personnel services.



Business-type activities – Business-type activities decreased Pickens County’s net position by \$501,188. Depreciation and refinancing of debt was the main factors that contributed to the increase in the net position of the business type activities. The Public Service Commission and Airport had depreciation expense of \$1,161,185 and \$182,350, respectively.

Expenses and Program Revenues - Business Activities



Financial Analysis of the County's Funds

As noted earlier, Pickens County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds – The focus of Pickens County's governmental funds is to provide information on short-term inflows, outflows and balances of usable resources. Such information is useful in assessing Pickens County's financing requirements. Specifically, unreserved fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of Pickens County. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$24,122,881, while total fund balance reached \$ 30,828,489. As a measure of the General Fund's liquidity, it may be useful to compare both, unassigned fund and total fund balance to its total original budgeted expenditures for the subsequent year. The unassigned fund balance represents 51.5 percent of the total General Fund budgeted expenditures for the fiscal year 2019-2020, while the total fund balance represents 65.8 percent of that same amount. General Fund expenditures decreased 1.7 percent primarily in capital replacement.

At June 30, 2019, the governmental funds of Pickens County reported a combined fund balance of \$49,267,661, a 17.9% decrease over the previous year.

General Fund Budgetary Highlights – During the fiscal year, the County revised the budget on one occasion. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund increased budgeted expenditures by \$3,552,673.

Other funds on the governmental balance sheet showed minor changes with the exception of the Capital Projects Fund. Pickens County issued \$25 million for the construction of a new Detention Center for Law Enforcement. The total cost of the project is estimated to be \$29.5 million of which \$28.2 million has already been spent. The completion date is expected in the fall of 2019.

The Road Maintenance Fund was established in the early 2000's to address the needs for road resurfacing and bridge replacement. Each vehicle in the County is assessed a \$20 fee which generates about \$2 million per year. Over the past two years, Council put a moratorium on expending funds for these projects. Council wanted to revisit how the money is being used and could it be better utilized if part of the funds were turned over to the Cities for them to administer resurfacing of city owned roads. This past year Council decided to turn the city roads maintenance responsibility back over to the Cities. The Cities will receive a prorate share of the \$20 maintenance fee to cover the cost of maintenance of their roads. All other funds had minor changes to their fund balance.

Proprietary Funds – Pickens County's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net position of the Public Service Commission Fund at the end of the fiscal year amounted to \$1,834,719 and those for the Airport equaled \$(271,728). The total current year change in net position for Public Service Commission and the Airport was \$(637,076) and \$135,888, respectively.

Capital Asset and Debt Administration

Capital assets – Pickens County's capital assets for its governmental and business-type activities as of June 30, 2019 totaled \$116,624,780 (net of accumulated depreciation). This is a net increase of \$12,987,016 or 12.5%. These assets include buildings, roads and bridges, land, machinery and equipment, park facilities, construction-in-progress and vehicles.

Major capital asset transactions during the year include:

- Purchased various types of new equipment for Sheriff's Office, Solid Waste, Roads & Bridges, Emergency Medical Service Department, and Information System.
- Purchased fire equipment and fire trucks for several of the fire districts in Pickens County
- Construction of new Detention Center for Law Enforcement

**Pickens County's Capital Assets
(net of depreciation)**

Figure 4

	Governmental Activities		Business-type Activities		Total	Total
	2019	2018	2019	2018	2019	2018
Land	\$ 4,681,741	\$ 4,659,941	\$ 2,060,937	\$ 2,060,937	\$ 6,742,678	\$ 6,720,878
Buildings	23,710,577	23,766,893	1,053,939	1,202,405	24,764,516	24,969,298
Improvements and infrastructure	16,422,584	16,263,869	25,459,670	26,624,227	41,882,254	42,888,096
Machinery and equipment	11,248,779	12,193,706	216,282	233,419	11,465,061	12,427,125
Construction in progress	30,304,595	16,454,848	1,465,676	177,519	31,770,271	16,632,367
Total	\$ 86,368,276	\$ 73,339,257	\$ 30,256,504	\$ 30,298,507	\$ 116,624,780	\$ 103,637,764

Additional information on the County's capital assets can be found in Note 6 of the basic financial statements.

Long-term Debt – As of June 30, 2019, Pickens County had total bonded debt outstanding of \$32,448,690, part of which is debt backed by the full faith and credit of the County.

**Pickens County's Outstanding Debt
General Obligation Bonds**

Figure 5

	Governmental Activities	
	2019	2018
General obligation bonds	\$ 32,448,690	\$ 34,885,394

The State of South Carolina limits the amount of general obligation debt that a unit of government can issue to 8% of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Pickens County is \$41,928,314. The County has \$25,879,351 in bonds and notes authorized at June 30, 2019, which are pledged against the full faith, credit and taxing power of Pickens County.

Additional information regarding Pickens County's long-term debt can be found in Note 7 of the basic financial statements.

Economic Factors and Next Year's Budgets and Rates

The following key economic indicators reflect the growth and prosperity of the County.

Pickens County is located in the I-85 "boom belt" of Upstate SC. The county has several features distinguishing it from other areas its size. From Clemson University and its renowned research to its scenic lake and beautiful Blue Ridge Mountain Foothills, Pickens County has the perfect mix of business and living amenities for growing industries.

With Clemson University located in Pickens County and its focus on academics and applied research, Pickens County has been a major draw for industry. The community's economic diversity stems in large part from the University's support of industries through applied programs, groundbreaking research and development and by supplying a skilled work force.

Manufacturing is the county's primary source of economic growth, with approximately 150 facilities in the Easley, Liberty and Pickens areas. Pickens County and the surrounding communities in the Upstate of South Carolina is an emerging automotive hub. From Clemson University's world class ICAR (International Center for Automotive Research) facility with plans for a full-scale 200 mph rolling test track and motor sport research facilities to the North American BMW manufacturing plant located within a 45 minute drive, Pickens County is the perfect location for tier-1, 2 and 3 automotive suppliers.

Alliance Pickens, the economic development organization, also fosters industry growth by offering aggressive incentives and existing industry programs such as a partnership with the well-known technical schools system that helps train workers at little or no cost to companies.

Budget Highlights for the Fiscal Year Ending June 30, 2020

The budget has an increase for fiscal year 2020. The total expenditures for fiscal year 2020 will be \$70,509,754, compared to \$64,648,869 for fiscal year 2019, which is an increase of 9.0%. The budget includes a 2% cost of living adjustment for employees and will go into effect on July 1st 2019. The budget includes capital equipment in the amount of \$4,858,775. The largest function of purchases for capital equipment will be in the Public Safety Departments and will include the purchase of three fire trucks for the Pickens Fire District (2) and Crosswell Fire District (1). Other purchases included in the budget for capital include construction of Construction and Demolition transfer station at Solid Waste to haul waste to the Greenville County landfill beginning in December of 2020. Several sources of revenue will pay for the capital including G O Bonds, fund balance from various funds, grants from the Federal government and Local Accommodation Tax. Council also approved contracting out services for the administration of the Hagood Mill Department. A not for profit called the "Hagood Mill Foundation" will now oversee all aspects of the Hagood Mill including administration of staff and marketing of events for the Mill. The largest portion of the General Fund expenditures is personnel services which account for 69.88% of the budget. The largest portion on the revenue side is taxes and this accounts for 65.5% of the revenue. Taxes are made up of property taxes and sales and use taxes and account for 66.5% and 33.5% of all taxes in the General Fund, respectively.

Requests for Information

This report is designed to provide an overview of the County's finances to those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Finance Director, Pickens County, 222 McDaniel Avenue B-4, Pickens, SC 29671. In addition, this Comprehensive Annual Financial Report may be found on the County's website at <http://www.co.pickens.sc.us>.

PICKENS COUNTY, SOUTH CAROLINA
STATEMENT OF NET POSITION

Exhibit A

JUNE 30, 2019

	Governmental Activities	Business-Type Activities	Total Primary Government	Alliance Pickens	Total Reporting Unit
ASSETS					
Current assets:					
Cash and investments	\$ 50,823,933	\$ 3,041,957	\$ 53,865,890	\$ 240,664	\$ 54,106,554
Property taxes receivable, net	3,284,047	-	3,284,047	-	3,284,047
Accounts receivable, net	3,085,375	189,050	3,274,425	17,508	3,291,933
Due from other governments	3,039,943	22,971	3,062,914	-	3,062,914
Advances to other funds	1,473,080	-	1,473,080	-	1,473,080
Inventories	388,697	55,824	444,521	-	444,521
Prepaid items	38,447	-	38,447	-	38,447
Total current assets	<u>62,133,522</u>	<u>3,309,802</u>	<u>65,443,324</u>	<u>258,172</u>	<u>65,701,496</u>
Noncurrent assets:					
Land held for resale	728,727	-	728,727	-	728,727
Capital assets, not being depreciated	34,986,336	3,526,613	38,512,949	-	38,512,949
Capital assets, net of accumulated depreciation	<u>51,381,940</u>	<u>26,729,891</u>	<u>78,111,831</u>	<u>-</u>	<u>78,111,831</u>
Total noncurrent assets	<u>87,097,003</u>	<u>30,256,504</u>	<u>117,353,507</u>	<u>-</u>	<u>117,353,507</u>
Total assets	<u>149,230,525</u>	<u>33,566,306</u>	<u>182,796,831</u>	<u>258,172</u>	<u>183,055,003</u>
DEFERRED OUTFLOW OF RESOURCES					
Deferred outflow related to state pension	10,484,128	311,219	10,795,347	-	10,795,347
Deferred outflows related to OPEB	<u>745,754</u>	<u>22,193</u>	<u>767,947</u>	<u>-</u>	<u>767,947</u>
Total deferred outflow of resources	<u>11,229,882</u>	<u>333,412</u>	<u>11,563,294</u>	<u>-</u>	<u>11,563,294</u>
LIABILITIES					
Current liabilities:					
Bank overdraft					
Accounts payable	5,319,005	238,174	5,557,179	2,248	5,559,427
Accrued payroll	1,191,769	23,760	1,215,529	11,621	1,227,150
Accrued interest payable	112,663	-	112,663	-	112,663
Advances from other funds	1,473,080	-	1,473,080	-	1,473,080
Current portion, long-term debt	<u>2,328,316</u>	<u>37,531</u>	<u>2,365,847</u>	<u>-</u>	<u>2,365,847</u>
Total current liabilities	<u>10,424,833</u>	<u>299,465</u>	<u>10,724,298</u>	<u>13,869</u>	<u>10,738,167</u>
Noncurrent liabilities:					
Landfill closure and post-closure	3,261,145	-	3,261,145	-	3,261,145
Notes payable	1,439,396	-	1,439,396	-	1,439,396
Net general obligation bonds	32,077,429	-	32,077,429	-	32,077,429
Revenue bonds	-	1,742,418	1,742,418	-	1,742,418
Accrued compensated absences	529,537	378	529,915	-	529,915
Net pension liability	52,361,246	1,179,358	53,540,604	-	53,540,604
Net OPEB obligation	<u>12,174,224</u>	<u>362,305</u>	<u>12,536,529</u>	<u>-</u>	<u>12,536,529</u>
Total noncurrent liabilities	<u>101,842,977</u>	<u>3,284,459</u>	<u>105,127,436</u>	<u>-</u>	<u>105,127,436</u>
Total liabilities	<u>112,267,810</u>	<u>3,583,924</u>	<u>115,851,734</u>	<u>13,869</u>	<u>115,865,603</u>
DEFERRED INFLOW OF RESOURCES					
Deferred revenue - taxes	802,717	3,785	806,502	150,713	957,215
Deferred inflow related to state pension	359,162	10,662	369,824	-	369,824
Deferred inflows related to OPEB	<u>1,756,740</u>	<u>52,281</u>	<u>1,809,021</u>	<u>-</u>	<u>1,809,021</u>
Total deferred inflow of resources	<u>2,918,619</u>	<u>66,728</u>	<u>2,985,347</u>	<u>150,713</u>	<u>3,136,060</u>
NET POSITION (DEFICIT)					
Net investment in capital assets	50,634,094	28,476,555	79,110,649	-	79,110,649
Restricted for:					
Debt service	1,961,157	-	1,961,157	-	1,961,157
Public works	7,474,534	-	7,474,534	-	7,474,534
Public safety	3,959,290	-	3,959,290	-	3,959,290
Cultural and recreation	2,891,898	-	2,891,898	-	2,891,898
Intergovernmental	1,116,451	-	1,116,451	-	1,116,451
USDA bonds	-	209,520	209,520	-	209,520
Net position (deficit), unrestricted	<u>(22,763,446)</u>	<u>1,562,991</u>	<u>(21,200,455)</u>	<u>93,590</u>	<u>(21,106,865)</u>
Total net position	<u>\$ 45,273,978</u>	<u>\$ 30,249,066</u>	<u>\$ 75,523,044</u>	<u>\$ 93,590</u>	<u>\$ 75,616,634</u>

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

PICKENS COUNTY, SOUTH CAROLINA
STATEMENT OF ACTIVITIES

Exhibit B

YEAR ENDED JUNE 30, 2019

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Unit	Total Reporting Unit
					Governmental Activities	Business-Type Activities	Total Primary Government	Alliance Pickens	
Governmental activities:									
General government	\$ 16,070,136	\$ 1,785,787	\$ 740,725	\$ -	\$ (13,543,624)	\$ -	\$ (13,543,624)	\$ -	\$ (13,543,624)
Public safety	29,074,818	9,499,204	1,833,137	-	(17,742,477)	-	(17,742,477)	-	(17,742,477)
Public works	9,202,584	1,494,691	4,034,924	-	(3,672,969)	-	(3,672,969)	-	(3,672,969)
Health and welfare	792,130	126,970	53,791	-	(611,369)	-	(611,369)	-	(611,369)
Cultural and recreation	5,268,494	776,923	323,262	-	(4,168,309)	-	(4,168,309)	-	(4,168,309)
Economic development	580,221	-	-	-	(580,221)	-	(580,221)	-	(580,221)
Assistance to other agencies	2,012,470	-	-	-	(2,012,470)	-	(2,012,470)	-	(2,012,470)
Debt service - other	1,229,460	-	-	-	(1,229,460)	-	(1,229,460)	-	(1,229,460)
Total governmental activities	<u>64,230,313</u>	<u>13,683,575</u>	<u>6,985,839</u>	<u>-</u>	<u>(43,560,899)</u>	<u>-</u>	<u>(43,560,899)</u>	<u>-</u>	<u>(43,560,899)</u>
Business-type activities:									
Public Service Commission	2,537,191	1,494,499	-	400,368	-	(642,324)	(642,324)	-	(642,324)
Airport	858,537	583,825	-	396,859	-	122,147	122,147	-	122,147
Total business-type activities	<u>3,395,728</u>	<u>2,078,324</u>	<u>-</u>	<u>797,227</u>	<u>-</u>	<u>(520,177)</u>	<u>(520,177)</u>	<u>-</u>	<u>(520,177)</u>
Total primary government	<u>\$ 67,626,041</u>	<u>\$ 15,761,899</u>	<u>\$ 6,985,839</u>	<u>\$ 797,227</u>	<u>\$ (43,560,899)</u>	<u>\$ (520,177)</u>	<u>\$ (44,081,076)</u>	<u>\$ -</u>	<u>\$ (44,081,076)</u>
Component unit:									
Alliance Pickens	\$ 563,678	\$ -	\$ 67,822	\$ -	\$ -	\$ -	\$ -	\$ (495,856)	\$ (495,856)
Total component units	<u>\$ 563,678</u>	<u>\$ -</u>	<u>\$ 67,822</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (495,856)</u>	<u>\$ (495,856)</u>
General revenues (expenses):									
Property taxes					\$ 29,704,515	\$ -	\$ 29,704,515	\$ -	\$ 29,704,515
Sales taxes					9,829,162	-	9,829,162	-	9,829,162
Franchise taxes					447,791	-	447,791	-	447,791
Grants and contributions not restricted to specific programs					5,166,692	350	5,167,042	-	5,167,042
Investment earnings					841,595	-	841,595	657	842,252
Gain on sale of capital assets					(25,162)	-	(25,162)	-	(25,162)
Other revenues and expenses					778,254	6,230	784,484	426,912	1,211,396
Transfers					(12,409)	12,409	-	-	-
Total general revenues and transfers, net					<u>46,730,438</u>	<u>18,989</u>	<u>46,749,427</u>	<u>427,569</u>	<u>47,176,996</u>
Change in net position					<u>3,169,539</u>	<u>(501,188)</u>	<u>2,668,351</u>	<u>(68,287)</u>	<u>2,600,064</u>
Net position - beginning					<u>42,104,439</u>	<u>30,750,254</u>	<u>72,854,693</u>	<u>161,877</u>	<u>73,016,570</u>
Net position - ending					<u>\$ 45,273,978</u>	<u>\$ 30,249,066</u>	<u>\$ 75,523,044</u>	<u>\$ 93,590</u>	<u>\$ 75,616,634</u>

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

PICKENS COUNTY, SOUTH CAROLINA
BALANCE SHEET - GOVERNMENTAL FUNDS

Exhibit C-1

JUNE 30, 2019

	General Fund	Grants Fund	Fire Districts	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and investments	\$ 28,665,702	\$ 725,999	\$ 3,744,933	\$ 2,914,721	\$ 14,772,578	\$ 50,823,933
Property taxes receivable, net	1,863,588	-	829,528	-	590,931	3,284,047
Accounts receivable - EMS, net	2,233,564	-	-	-	-	2,233,564
Accounts receivable - other	753,934	-	7,196	29,026	61,655	851,811
Due from other governments	2,355,785	156,721	-	-	527,437	3,039,943
Advances to other funds	1,473,080	-	-	-	-	1,473,080
Inventories	388,697	-	-	-	-	388,697
Prepaid items	35,873	-	578	-	1,996	38,447
Land held for resale	728,727	-	-	-	-	728,727
Total assets	<u>\$ 38,498,950</u>	<u>\$ 882,720</u>	<u>\$ 4,582,235</u>	<u>\$ 2,943,747</u>	<u>\$ 15,954,597</u>	<u>\$ 62,862,249</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 3,306,820	\$ 74,426	\$ 98,333	\$ 1,602,209	\$ 237,217	\$ 5,319,005
Accrued payroll	988,865	5,577	98,058	-	99,269	1,191,769
Advances from general fund	-	-	1,150,029	-	323,051	1,473,080
Total liabilities	<u>4,295,685</u>	<u>80,003</u>	<u>1,346,420</u>	<u>1,602,209</u>	<u>659,537</u>	<u>7,983,854</u>
Deferred Inflows of Resources:						
Deferred revenue - delinquent taxes	3,374,776	-	778,384	-	654,857	4,808,017
Deferred revenue - unearned	-	802,717	-	-	-	802,717
Total deferred inflows of resources	<u>3,374,776</u>	<u>802,717</u>	<u>778,384</u>	<u>-</u>	<u>654,857</u>	<u>5,610,734</u>
Fund Balances:						
Nonspendable	1,153,296	-	578	-	1,996	1,155,870
Restricted	-	-	2,765,123	-	14,638,207	17,403,330
Committed	-	-	-	1,341,538	-	1,341,538
Assigned	5,552,312	-	-	-	-	5,552,312
Unassigned	24,122,881	-	(308,270)	-	-	23,814,611
Total fund balances	<u>30,828,489</u>	<u>-</u>	<u>2,457,431</u>	<u>1,341,538</u>	<u>14,640,203</u>	<u>49,267,661</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 38,498,950</u>	<u>\$ 882,720</u>	<u>\$ 4,582,235</u>	<u>\$ 2,943,747</u>	<u>\$ 15,954,597</u>	<u>\$ 62,862,249</u>

PICKENS COUNTY, SOUTH CAROLINA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION

Exhibit C-2

JUNE 30, 2019

Total Governmental Fund Balances	\$ 49,267,661
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	86,368,276
Deferred inflows reported in governmental funds balance sheet includes balances of taxes receivable and other receivables. The balances were deferred because funds were not available to pay current-period expenditures.	4,808,017
Net deferred outflows reported in governmental funds balance sheet includes balances related to the state pension and OPEB liabilities. The balances were deferred because funds were not available to pay current-period expenditures	9,113,980
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Landfill closure and post-closure	(3,395,445)
Capital leases	(34,234)
Notes payable	(1,784,434)
General obligation bonds	(33,842,173)
Net pension liability	(52,361,246)
Accrued compensated absences	(579,537)
Net OPEB obligation	(12,174,224)
Accrued interest payable	(112,663)
Net Position of Governmental Activities	<u>\$ 45,273,978</u>

PICKENS COUNTY, SOUTH CAROLINA

Exhibit D-1

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS**

YEAR ENDED JUNE 30, 2019

	General Fund	Grants Fund	Fire Districts	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Revenues						
Taxes	\$ 29,532,597	\$ -	\$ 1,929,280	\$ -	\$ 7,769,676	\$ 39,231,553
Intergovernmental	5,784,804	1,244,595	179,390	-	2,630,053	9,838,842
Fees, licenses and permits	1,008,126	-	3,758,187	-	3,207,593	7,973,906
Charges for services	7,744,241	-	-	-	103,028	7,847,269
Fines and forfeitures	460,218	-	-	-	177,085	637,303
Investment income	886,289	-	8,739	-	365	895,393
Rental income	19,200	-	-	-	-	19,200
Contributions	41,266	-	200	-	56,524	97,990
Other revenues	677,444	-	12,664	-	10,039	700,147
Total revenues	46,154,185	1,244,595	5,888,460	-	13,954,363	67,241,603
Expenditures						
Current:						
General government	12,731,091	226,571	-	-	-	12,957,662
Public safety	20,580,025	330,261	5,022,338	-	888,656	26,821,280
Public works	5,378,165	124,442	-	-	2,571,889	8,074,496
Health and welfare	750,943	12	-	-	-	750,955
Culture and recreation	1,051,136	32,742	-	-	3,803,070	4,886,948
Economic development and assistance	59,529	-	-	-	-	59,529
Intergovernmental	877,306	-	-	-	-	877,306
Other	62,612	-	-	-	1,585,100	1,647,712
Capital outlay	1,478,870	530,567	307,751	14,944,432	367,202	17,628,822
Debt service:						
Principal retirement	-	-	69,923	-	2,895,826	2,965,749
Interest and fiscal charges	-	-	63,531	-	1,252,956	1,316,487
Total expenditures	42,969,677	1,244,595	5,463,543	14,944,432	13,364,699	77,986,946
Excess (deficiency) of revenues over (under) expenditures	3,184,508	-	424,917	(14,944,432)	589,664	(10,745,343)
Other financing sources (uses)						
Transfers in (out)	(173,219)	-	(400,000)	-	560,810	(12,409)
Total other financing sources (uses)	(173,219)	-	(400,000)	-	560,810	(12,409)
Net change in fund balances	3,011,289	-	24,917	(14,944,432)	1,150,474	(10,757,752)
Fund balance - beginning	27,817,200	-	2,432,514	16,285,970	13,489,729	60,025,413
Fund balance - ending	\$ 30,828,489	\$ -	\$ 2,457,431	\$ 1,341,538	\$ 14,640,203	\$ 49,267,661

PICKENS COUNTY, SOUTH CAROLINA

Exhibit D-2

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

YEAR ENDED JUNE 30, 2019

Net Change in Fund Balances - Total Governmental Funds \$ (10,757,752)

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

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay of \$17,643,032 exceeded depreciation expense of \$4,472,664 in the current period.	13,170,368
Net gain on disposal of assets not recorded in funds	(25,162)
Proceeds of sales not recorded in governmental activities	(116,187)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:	
Property taxes	102,139
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	2,965,749
In the statement of activities, interest is accrued on outstanding bonds and charged for amortization of bond premiums, whereas in governmental funds an interest expenditure is reported when due.	87,027
Compensated absences that have not matured, together with expenditures associated with changes in compensated absence accruals, are not reported at the fund level.	72,637
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:	
Landfill closure and post-closure costs	47,312
Change in net pension liability	(1,807,013)
Change in net OPEB obligation	(569,579)
Change in Net Position of Governmental Activities	<u><u>\$ 3,169,539</u></u>

PICKENS COUNTY, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - GENERAL FUND

Exhibit D-3

YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
Revenues				
Taxes	\$ 27,776,970	\$ 27,776,970	\$ 29,532,597	\$ 1,755,627
Intergovernmental	5,705,466	5,763,209	5,784,804	21,595
Fees, licenses and permits	980,000	980,000	1,008,126	28,126
Charges for services	7,059,807	7,059,807	7,744,241	684,434
Fines and forfeitures	451,000	451,000	460,218	9,218
Investment income	392,692	392,692	886,289	493,597
Rental income	19,200	19,200	19,200	-
Contributions	-	34,062	41,266	7,204
Other revenues	59,200	59,200	677,444	618,244
Total revenues	<u>42,444,335</u>	<u>42,536,140</u>	<u>46,154,185</u>	<u>3,618,045</u>
Expenditures				
Current:				
General government	12,756,749	13,493,704	12,731,091	762,613
Public safety	20,826,364	21,222,070	20,580,025	642,045
Public works	5,438,077	5,628,257	5,378,165	250,092
Health and welfare	711,571	779,191	750,943	28,248
Culture and recreation	939,971	1,228,772	1,051,136	177,636
Economic development and assistance	-	2,285,554	59,529	2,226,025
Intergovernmental	840,096	921,780	877,306	44,474
Other	811,429	105,356	62,612	42,744
Capital outlay	1,463,797	1,676,043	1,478,870	197,173
Total expenditures	<u>43,788,054</u>	<u>47,340,727</u>	<u>42,969,677</u>	<u>4,371,050</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,343,719)</u>	<u>(4,804,587)</u>	<u>3,184,508</u>	<u>7,989,095</u>
Other financing uses				
Transfers out	(677,858)	(677,858)	(173,219)	504,639
Total other financing uses	<u>(677,858)</u>	<u>(677,858)</u>	<u>(173,219)</u>	<u>504,639</u>
Net change in fund balances	<u>\$ (2,021,577)</u>	<u>\$ (5,482,445)</u>	3,011,289	<u>\$ 8,493,734</u>
Fund balance - beginning			<u>27,817,200</u>	
Fund balance - ending			<u>\$ 30,828,489</u>	

PICKENS COUNTY, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - FIRE DISTRICTS

Exhibit D-4

YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
Revenues				
Taxes	\$ 1,880,160	\$ 1,880,160	\$ 1,929,280	\$ 49,120
Intergovernmental	-	256,013	179,390	(76,623)
Fees, licenses and permits	3,829,388	3,829,388	3,758,187	(71,201)
Investment income	3,000	3,000	8,739	5,739
Contributions	-	-	200	200
Other revenues	2,300	2,300	12,664	10,364
Total revenues	<u>5,714,848</u>	<u>5,970,861</u>	<u>5,888,460</u>	<u>(82,401)</u>
Expenditures				
Current:				
Public safety	5,154,035	5,316,389	5,022,338	294,051
Capital outlay	280,354	694,158	307,751	386,407
Debt service:				
Principal retirement	217,707	217,707	69,923	147,784
Interest and fiscal charges	63,532	63,532	63,531	1
Total expenditures	<u>5,715,628</u>	<u>6,291,786</u>	<u>5,463,543</u>	<u>828,243</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(780)</u>	<u>(320,925)</u>	<u>424,917</u>	<u>745,842</u>
Other financing sources (uses)				
Transfers in (out)	<u>(400,000)</u>	<u>(400,000)</u>	<u>(400,000)</u>	<u>-</u>
Total other financing uses	<u>(400,000)</u>	<u>(400,000)</u>	<u>(400,000)</u>	<u>-</u>
Net change in fund balances	<u>\$ (400,780)</u>	<u>\$ (720,925)</u>	<u>24,917</u>	<u>\$ 745,842</u>
Fund balance - beginning			<u>2,432,514</u>	
Fund balance - ending			<u>\$ 2,457,431</u>	

PICKENS COUNTY, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - GRANTS FUND

Exhibit D-5

YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 3,871,244	\$ 4,783,336	\$ 1,244,595	\$ (3,538,741)
Total revenues	<u>3,871,244</u>	<u>4,783,336</u>	<u>1,244,595</u>	<u>(3,538,741)</u>
Expenditures				
Current:				
General government	142,468	227,943	226,571	1,372
Public safety	434,706	373,585	330,261	43,324
Public works	61,010	124,442	124,442	-
Health and welfare	14	14	12	2
Culture and recreation	41,581	34,217	32,742	1,475
Capital outlay	1,461,366	1,397,497	530,567	866,930
Total expenditures	<u>2,141,145</u>	<u>2,157,698</u>	<u>1,244,595</u>	<u>913,103</u>
Deficiency of revenues under expenditures	<u>1,730,099</u>	<u>2,625,638</u>	<u>-</u>	<u>(2,625,638)</u>
Net change in fund balances	<u>\$ 1,730,099</u>	<u>\$ 2,625,638</u>	<u>-</u>	<u>\$ (2,625,638)</u>
Fund balance - beginning			<u>-</u>	
Fund balance - ending			<u>\$ -</u>	

PICKENS COUNTY, SOUTH CAROLINA
STATEMENT OF NET POSITION - PROPRIETARY FUNDS

Exhibit E

JUNE 30, 2019

	Enterprise Funds		
	Public Service Commission	Airport	Total
ASSETS			
Current assets:			
Cash and investments	\$ 2,911,725	\$ 130,232	\$ 3,041,957
Accounts receivable - other	189,050	-	189,050
Due from other governments	21,402	1,569	22,971
Inventories	-	55,824	55,824
Total current assets	3,122,177	187,625	3,309,802
Capital assets:			
Land	336,166	1,724,771	2,060,937
Construction in process	4,200	1,461,476	1,465,676
Capacity	5,938,636	-	5,938,636
Buildings	372,442	2,797,136	3,169,578
Improvements other than buildings	34,307,150	4,825,273	39,132,423
Machinery and equipment	677,189	468,928	1,146,117
Less accumulated depreciation	(16,967,870)	(5,688,993)	(22,656,863)
Total noncurrent assets	24,667,913	5,588,591	30,256,504
Total assets	27,790,090	5,776,216	33,566,306
DEFERRED OUTFLOW OF RESOURCES			
Deferred outflow related to state pension	213,424	97,795	311,219
Deferred outflow related to OPEB liability	15,205	6,988	22,193
Total deferred outflow of resources	228,629	104,783	333,412
LIABILITIES			
Current liabilities:			
Accounts payable	80,665	157,509	238,174
Accrued payroll	16,468	7,292	23,760
Unearned revenue	3,785	-	3,785
Current portion of long-term debt	37,531	-	37,531
Total current liabilities	138,449	164,801	303,250
Long-term liabilities:			
Revenue bonds	1,742,418	-	1,742,418
Net pension liability	914,195	265,163	1,179,358
Net OPEB obligation	248,223	114,082	362,305
Accrued compensated absences	101	277	378
Total noncurrent liabilities	2,904,937	379,522	3,284,459
Total liabilities	3,043,386	544,323	3,587,709
DEFERRED INFLOW OF RESOURCES			
Deferred inflow related to state pension	7,311	3,351	10,662
Deferred inflow related to OPEB liability	35,819	16,462	52,281
Total deferred inflow of resources	43,130	19,813	62,943
NET POSITION			
Net investment in capital assets	22,887,964	5,588,591	28,476,555
Restricted for USDA	209,520	-	209,520
Unrestricted	1,834,719	(271,728)	1,562,991
Total net position	\$ 24,932,203	\$ 5,316,863	\$ 30,249,066

PICKENS COUNTY, SOUTH CAROLINA

Exhibit F

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITON - PROPRIETARY FUNDS

YEAR ENDED JUNE 30, 2019

	Enterprise Funds		
	Public Service Commission	Airport	Total
Operating revenues			
Charges for services	\$ 1,494,499	\$ 583,825	\$ 2,078,324
Miscellaneous	-	350	350
Total operating revenues	<u>1,494,499</u>	<u>584,175</u>	<u>2,078,674</u>
Operating expenses			
Salaries and benefits	511,057	226,680	737,737
Depreciation	1,161,185	182,350	1,343,535
Other expenses	824,449	449,507	1,273,956
Total operating expenses	<u>2,496,691</u>	<u>858,537</u>	<u>3,355,228</u>
Operating loss	<u>(1,002,192)</u>	<u>(274,362)</u>	<u>(1,276,554)</u>
Nonoperating expense			
Interest and fiscal charges	(40,500)	-	(40,500)
Other nonoperating revenue	4,272	1,958	6,230
Total nonoperating expense	<u>(36,228)</u>	<u>1,958</u>	<u>(34,270)</u>
Loss before transfers and contributions	<u>(1,038,420)</u>	<u>(272,404)</u>	<u>(1,310,824)</u>
Transfers in	976	11,433	12,409
Capital contributions	400,368	396,859	797,227
Change in net position	<u>(637,076)</u>	<u>135,888</u>	<u>(501,188)</u>
Total net position	<u>25,569,279</u>	<u>5,180,975</u>	<u>30,750,254</u>
Total net position - ending	<u>\$ 24,932,203</u>	<u>\$ 5,316,863</u>	<u>\$ 30,249,066</u>

PICKENS COUNTY, SOUTH CAROLINA
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS

Exhibit G

YEAR ENDED JUNE 30, 2019

	Enterprise Funds		
	Public Service Commission	Airport	Total
Operating activities			
Receipts from customers and users	\$ 1,391,656	\$ 582,606	\$ 1,974,262
Payments to suppliers	(757,700)	(319,128)	(1,076,828)
Payments to employees	(476,191)	(196,556)	(672,747)
Net cash from operating activities	157,765	66,922	224,687
Noncapital financing activities			
Transfers from other funds	976	11,433	12,409
Pension credit	4,272	1,958	6,230
Net cash from noncapital financing activities	5,248	13,391	18,639
Capital and related financing activities			
Capital contributions	400,368	396,859	797,227
Acquisition and construction of capital assets	(13,375)	(1,288,157)	(1,301,532)
Principal paid on capital debt	(36,804)	-	(36,804)
Interest paid on capital debt	(40,500)	-	(40,500)
Net cash from capital and related financing activities	309,689	(891,298)	(581,609)
Net change in cash and cash equivalents/investments	472,702	(810,985)	(338,283)
Cash and investments			
Beginning of year	2,439,023	941,217	3,380,240
End of year	\$ 2,911,725	\$ 130,232	\$ 3,041,957
Reconciliation of operating loss to net cash from operating activities			
Operating loss	\$ (1,002,192)	\$ (274,362)	\$ (1,276,554)
Adjustments to reconcile operating loss to net cash used in operating activities:			
Depreciation	1,161,185	182,350	1,343,535
Change in operating assets and liabilities:			
Accounts receivable - other and due from other governments:	(75,466)	(1,569)	(77,035)
Inventories	-	(537)	(537)
Deferred outflow related to state pension	9,403	(7,473)	1,930
Deferred outflow related to OPEB	(14,772)	(6,813)	(21,585)
Decrease in prepaid assets	343	-	343
Accounts payable and accrued expenses	39,566	136,873	176,439
Unearned revenue	(27,377)	-	(27,377)
Net pension liability	63,637	29,159	92,796
Net OPEB obligation	(31,459)	908	(30,551)
Deferred inflow related to state pension	15,971	(1,240)	14,731
Deferred inflow related to OPEB	18,926	9,626	28,552
Total adjustments	1,159,957	341,284	1,501,241
Net cash from operating activities	\$ 157,765	\$ 66,922	\$ 224,687

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

PICKENS COUNTY, SOUTH CAROLINA

Exhibit H

**COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES -
AGENCY FUNDS**

JUNE 30, 2019

	Total Agency Funds
ASSETS	
Cash and investments	\$ 55,185,694
Accounts receivable - other	47,051
Property taxes receivable	7,922,341
Total assets	<u>\$ 63,155,086</u>
LIABILITIES	
Accounts payable	\$ 90,172
Due to others	63,064,914
Total liabilities	<u>\$ 63,155,086</u>

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 1—Summary of significant accounting policies

Pickens County (the “County”) was organized in 1868 and operates under a Council/Administrator form of government as provided in Title 14 of the 1962 Code of Laws of South Carolina as amended (Home Rule Act) and provides the following services: public safety, highways and streets, sanitation, health and social services, cultural and recreational programs, planning and zoning and general administrative services.

Reporting Entity

The basic financial statements of the County present the reporting entity that consists of the primary government and those organizations for which the primary government is financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion could cause the County’s financial statements to be misleading or incomplete. The reporting entity has been defined to include all offices of elected officials of Pickens County, South Carolina, including Clerk of Court, Probate Judge, Coroner, Auditor, Treasurer, Solicitor and Sheriff, as well as various administrative offices of the County.

The Economic Development Alliance of Pickens County, Inc. (the “Alliance”), a legally separate 501(c)(3) entity, is included as a discretely presented component unit of the County. Founded in 1995, the Alliance’s primary mission is to attract, retain and increase the number of jobs and tax base in Pickens County. The County appoints a voting majority of the Alliance’s board and is financially responsible for any deficits. The Alliance’s fiscal year ends on June 30. Complete financial statements for the Alliance may be obtained at its administrative offices at 509 S. Lewis Street, Suite B, Pickens, SC 29671.

As the financially significant political subdivisions of the County, including the school district, have the authority to hire and fire employees, establish their own operating budgets and enter into their own contracts, it is determined that the County does not significantly influence their operations. As these entities have the authority to borrow funds, establish their own budgets and are responsible for funding their own deficits, it is construed that the County does not have accountability for their fiscal matters. Accordingly, these political subdivisions have been excluded from the County’s financial statements. Additionally, property tax revenues levied and collected for certain of these excluded entities, as a result of the County’s levy allocation, are not presented in these financial statements, except to the extent they remain in an agency fund at fiscal year-end.

Basis of Presentation

The County’s basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information. The accounts of the County are organized and operated on the basis of funds.

A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. There are three categories of funds: governmental, proprietary and fiduciary.

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 1—Summary of significant accounting policies (continued)

Basis of Presentation (continued)

Government-wide Financial Statements:

The statement of net position and the statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. For the most part, the effect of interfund activity, except any interfund services provided and used, has been removed from these statements. Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements:

The County segregates transactions related to certain County functions or activities in separate funds in order to aid management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at a more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

The major funds types are as follows:

Governmental funds are used to account for general governmental activities. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the County's major funds:

General Fund – This is the primary operating fund of the County and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Fire District Fund – This special revenue fund is used to account for the County's fire district operations. Revenues are generated by a fire fee for ten of the thirteen fire districts and a millage rate is imposed on the other three fire districts. The fire fees and millage rates vary by district depending on the operations of the district.

Grants Fund – This special revenue fund accounts for revenues and expenditures for federal and state financial assistance.

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 1—Summary of significant accounting policies (continued)

Basis of Presentation (continued)

Capital Projects Fund – This fund is used to account for the County’s resources to be used for the acquisition or construction of major capital facilities.

Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flow. Proprietary funds are classified either as enterprise or as internal service. These funds use the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Enterprise Funds – These funds are used to account for those operations that are financed and operated in a manner similar to private business. In the enterprise funds, a fee is charged to external users. The County reports the following as major proprietary funds:

Public Service Commission – This fund is used to account for the County’s wastewater treatment operations.

Airport Fund – This fund is used to account for the County’s airport operations.

Fiduciary fund reporting focuses on changes in net position. This fund accounts for assets held by the County as an agent on behalf of others.

Agency Funds – These funds account for assets held by the County as an agent for other governmental units and courts in accordance with Acts of the General Assembly of South Carolina. The County’s only fiduciary funds are agency funds.

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Basis of accounting refers to when revenues and expenditures/expenses are recognized in the accounts and reported in the financial statements.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are accounted for 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 (i.e. when they become both measurable and available). “Measurable” means the amount of the transaction can be identified and “available” means collectible within the current period or soon enough thereafter (generally not to exceed 60 days) to be used to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 1—Summary of significant accounting policies (continued)

Measurement Focus and Basis of Accounting (continued)

However, debt service expenditures, as well as expenditures related to compensated absences, are recorded when payment is due.

Property taxes, sales taxes, franchise taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

Deferred inflow arises when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenue arises when resources are received by the County before it has a legal claim to them, as when grant money is received prior to the occurrence of qualifying expenditures. In subsequent periods, when both revenue criteria are met for deferred inflow or when the County has a legal claim to the resources for unearned revenue, amounts are removed from the balance sheet and revenue is recognized.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions and 3) capital grants and contributions, including special assessments. General revenues include all taxes.

All proprietary funds are accounted for on a flow of economic resources measurement focus. Under this method, the accrual basis of accounting is utilized. Revenues are recognized when earned and expenses are recorded at the time liabilities are incurred. All assets and liabilities associated with the operation of these funds are included on the statement of net position. Proprietary fund type operating statements present increases (i.e. revenues) and decreases (i.e. expenses) in net position by distinguishing operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing or delivering goods in connection with a proprietary fund’s 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.

Fiduciary fund reporting focuses on net position and changes in net position. This fund accounts for assets held by the County as an agent on behalf of others. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. The County’s only fiduciary funds are agency funds held for the benefit of the School District and others.

When both restricted and unrestricted resources are available for use, it is the County’s policy to use restricted resources first, then unrestricted resources as they are needed.

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance

Cash and Investments

The County follows the practice of pooling cash and investments of all funds with the County Treasurer, except for restricted funds generally held by outside custodians and imprest funds.

Income from pooled funds of the County is allocated by the Treasurer’s office to agency funds and the general fund based on the Treasurer’s estimate of which fund represented the income producing asset. Income of the general fund is further allocated by the Finance Director to special revenue funds which have substantial cash balances by review of earnings rates and cash balances.

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 1—Summary of significant accounting policies (continued)

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (continued)

For the purpose of the financial statements, the County considers all short-term investments with original maturities of three months or less, when acquired, to be cash equivalents.

Investments are stated at fair value. The fair value of the County's investments approximated cost.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the current fiscal year are referred to as "advances to/from other funds". Any residual balances between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Accounts receivable are stated net of their allowance for uncollectible amounts. Receivables in governmental funds include revenue accruals that are recognized when they become measurable and available as previously defined.

Property taxes receivable represents delinquent and unpaid real and personal property tax billings less an allowance for amounts estimated to be uncollectible.

Due from Other Governments

Amounts due from state and federal grants represent reimbursable costs which have been incurred by the County but have not been reimbursed by the grantor agency. Costs under grant programs are recognized as expenditures in the period in which they are incurred by the County.

Note Receivable

The note receivable, resulting from a building agreement between Pickens County and the Appalachian Council of Governments, is stated at its net realizable amount.

Inventories and Prepaid Items

Inventories are valued at average cost and consist of fuel, supplies and auto parts held for consumption. The cost of inventories is recorded as an expense at the time individual inventory items are consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements at the time the purchase is made.

Land Held for Resale

The land held for resale at the Pickens County Commerce Park is recorded at the lower of cost or its net realizable value in the general fund.

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 1—Summary of significant accounting policies (continued)

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (continued)

Capital Assets and Depreciation

Capital assets, which include land, buildings, improvements, machinery and equipment and infrastructure assets, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the County as assets with an initial individual cost of \$5,000 or more and an estimated useful life in excess of two years.

All capital assets are valued at historical cost if purchased or constructed or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their acquisition cost value on the date donated.

The costs of normal repairs and maintenance that do not add to the value of the asset or materially extend asset lives are not capitalized by governmental or business-type activities.

All reported capital assets, except land, are depreciated using the straight-line method over the estimated useful lives of the respective assets ranging as follows: buildings, 20-40 years; improvements other than buildings (includes infrastructure), 20-40 years; and machinery and equipment, 5-20 years.

Long-Term Obligations

In the government-wide financial statements and the proprietary fund types 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 type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the period incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of the debt is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Compensated Absences

All full-time County employees earn annual leave based on length of service. It is the County's policy to permit employees to accumulate earned but unused annual leave up to the equivalent of six work weeks. Compensated absences in both governmental and business-type activities are classified as long-term liabilities. For the governmental activities, compensated absences are generally liquidated by the general fund and certain special revenue funds.

Landfill Closure and Post-closure Care Costs

Federal and state laws and regulations require the County to place a final cover on its landfill sites when it stops accepting waste and to perform certain maintenance and monitoring functions at the sites for 30 years after closure. The liability reported as landfill closure and post-closure represents estimated total costs based on 100% use of the landfill capacity of two of the County's landfills. The landfill capacity used to date on these two equals 100%, and there are no current costs remaining to be recognized.

The landfill capacity used to date of the third County landfill equals 96%. Actual cost may be higher due to inflation, changes in technology or changes in regulation. The County anticipates that available resources will be the primary source of funds to pay for closure and post-closure care costs.

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 1—Summary of significant accounting policies (continued)

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County recognized a deferred outflow for the year ended June 30, 2019 related to contributions subsequent to the measurement date of the net pension liability and other postemployment benefit obligation (“OPEB”) as well as differences in expected and actual experience, changes in assumptions, projected and actual investment earnings and changes in proportionate share in the measurement of the net pension liability and OPEB.

In addition to liabilities, the statement of net 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(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has three such items which qualify for reporting in this category. The first item, *deferred revenue – taxes*, is reported in the governmental funds balance sheet and the government wide statement of net position. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The second item, *deferred inflow related to state pension*, relates to the net differences between expected and actual experience and changes in proportionate share. The third item, *deferred inflows related to OPEB*, relates to the difference between expected and actual experiences or changes in assumptions.

Net Position and Fund Balances

Net position in the government-wide financial statements is classified as net investment in capital assets, restricted and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments, or imposed by law through state statute.

Under Governmental Accounting Standards Board (“GASB”) *Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions*, the County classifies fund balances as follows:

Nonspendable – Amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact.

Restricted – Amounts that can be spent only for specific purposes because of state or federal laws or externally imposed conditions by grantors or creditors.

Committed – Includes amounts that can only be used for specific purposes imposed by formal action (ordinance) of County Council. Those committed amounts cannot be used for any other purpose unless County Council removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by County Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 1—Summary of significant accounting policies (continued)

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (continued)

Assigned – Amounts that are designated by the County for specific purposes but do not meet the definition of restricted or committed fund balance. In the general fund, assigned amounts represent items designated for capital projects, as well as items reserved for encumbrances.

Unassigned – All amounts not included in other spendable classifications.

At June 30, 2019, the County’s governmental fund balances were classified as follows:

	<u>General Fund</u>	<u>Grants Fund</u>	<u>Fire Districts</u>	<u>Capital Projects Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Net position						
Nonspendable:						
Prepaid items	\$ 35,873	\$ -	\$ 578	\$ -	\$ 1,996	\$ 38,447
Inventories	388,696	-	-	-	-	388,696
Land held for resale	728,727	-	-	-	-	728,727
Total nonspendable	<u>1,153,296</u>	<u>-</u>	<u>578</u>	<u>-</u>	<u>1,996</u>	<u>1,155,870</u>
Restricted:						
Tri-County Tech	-	-	-	-	1,116,451	1,116,451
Fixed nuclear	-	-	-	-	30,322	30,322
Law enforcement	-	-	-	-	432,703	432,703
Library	-	-	-	-	2,479,644	2,479,644
Culture and recreation	-	-	-	-	412,254	412,254
Transportation roads	-	-	-	-	3,467,132	3,467,132
Emergency phone system	-	-	-	-	731,142	731,142
Debt service	-	-	-	-	1,961,157	1,961,157
Fire rescue	-	-	2,765,123	-	-	2,765,123
State Road C-Fund	-	-	-	-	4,007,402	4,007,402
Total restricted	<u>-</u>	<u>-</u>	<u>2,765,123</u>	<u>-</u>	<u>14,638,207</u>	<u>17,403,330</u>
Committed:						
Capital projects	-	-	-	1,341,538	-	1,341,538
Total committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,341,538</u>	<u>-</u>	<u>1,341,538</u>
Assigned:						
Advances and encumbrances	2,191,749	-	-	-	-	2,191,749
Capital projects	3,360,563	-	-	-	-	3,360,563
Total assigned	<u>5,552,312</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,552,312</u>
Unassigned	24,122,881	-	(308,270)	-	-	23,814,611
Total fund balances	<u>\$ 30,828,489</u>	<u>\$ -</u>	<u>\$ 2,457,431</u>	<u>\$ 1,341,538</u>	<u>\$ 14,640,203</u>	<u>\$ 49,267,661</u>

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 1—Summary of significant accounting policies (continued)

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (continued)

The details of the fund balances are included in the Governmental Fund Balance Sheet. Restricted funds are first used as appropriate, followed by committed and then assigned funds to the extent that expenditure authority has been appropriated or budgeted by the County's Council.

The general fund is the only fund that reports a positive unassigned fund balance. All other funds have fund balances that are either nonspendable, restricted, committed or unassigned. In the event an expenditure occurs for a specified purpose that exceeds the available fund balance, a negative unassigned fund balance is reported.

The County strives to maintain an unassigned general fund reserve to be used for cash flow requirements, equipment acquisition and replacement, and to enable the County to meet unexpected expenditure demands or revenue shortfalls. The unassigned general fund reserve will be between 10% and 15% of the current year operating budget, excluding capital items. When the unassigned general fund reserve is projected to decrease below 10% of the general fund budget, the Administrator shall initiate one of the following measures to ensure that the year-end general fund balance for the budget year in question does not fall below 10%: generated additional revenue, implement a hiring freeze on non-critical positions or reduce expenditures through a budget cut.

Adopted Pronouncements – The County has implemented the following GASB pronouncements:

GASB Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*, effective for period beginning after June 15, 2018, was issued to improve the information that is disclosed in the notes to financial statements related to debt, including direct borrowings and direct placements. Statement No. 88 also clarifies which liabilities should be included when disclosing information related to debt. The adoption of this Statement updated information provided in Note 7 of these financial statements.

Upcoming Pronouncements – The following GASB pronouncements are effective in future years

GASB Statement No. 84, *Fiduciary Activities*, effective for reporting periods beginning after December 15, 2018, improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This standard is not expected to have a material impact on the financial statements of the County.

GASB Statement No. 87, *Leases*, effective for periods beginning after December 15, 2019, requires lessees to recognize certain lease assets and lease liabilities for leases that previously were classified as operating leases. The Statement requires the recognition of amortization expense for using the leased asset over the shorter of the term of the lease or the useful life of the underlying asset, interest expense on the lease liability, and note disclosures about the lease. The County is currently assessing the impact this statement will have on the County's financial statements.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, effective for reporting periods beginning after December 15, 2019, requires interest costs incurred during a construction period be recognized as an expense in the period incurred for financial statements prepared using the economic resource measurement focus. This standard is not expected to have a material impact on the financial statements of the County.

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 1—Summary of significant accounting policies (continued)

Risk Management

The County is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, job related illnesses and accidents. The County pays premiums to a public entity risk pool for workman's compensation insurance and for property and casualty coverage. The public entity risk pool promises to pay to or on behalf of the insured for covered economic losses sustained during policy period in accordance with insurance policy and benefit program limits.

Management believes such coverage is sufficient to preclude any significant uninsured losses for the covered risks. There has been no significant reduction in coverage and amounts of settlements have not exceeded coverage in any of the last three years. The County continues to carry insurance for employee health and dental care under various plans.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in United States of America ("U.S. GAAP") requires management to make estimates. The estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Annual budgets are adopted on a basis consistent with U.S. GAAP for the general fund and certain special revenue funds including Tri-County Tech Fund, Library Fund, Victim Rights Fund, Emergency Phone System Fund, the Fire District funds, Accommodation Tax Fund, Tourism Development Fee Fund, Fixed Nuclear Fund, Grants Fund, Road Fee Fund, Tourism Restricted Resources Fund and the Debt Service Fund. The balance of the special revenue funds and the capital projects funds are budgeted over the life of the grant or project. For the year ended June 30, 2019, the Six Mile Fire District Fund, Liberty Fire District Fund and the Dacusville Fire District Fund had an unassigned deficit of \$141,028, \$113,992 and \$52,967, respectively. These fund deficits will be replenished over the next 6 years as the fire districts pay the County for an advance of funds.

Note 2—Stewardship, compliance and accountability

Budgets and Budgetary Accounting

The various departments of the County are bound to the appropriated expenditures by object classification codes (i.e. salaries and wages, office furniture and equipment). The County Administrator is authorized to make transfers between the object classification codes within the same department. County Council may affect transfers between departments by ordinance; however, the budget ordinance must be amended to effect changes in fund totals.

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 2—Stewardship, compliance and accountability (continued)

Budgets and Budgetary Accounting (continued)

Encumbrance accounting, under which purchase orders, contracts and other commitments for expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the general fund, special revenue fund and capital projects fund. Restricted, committed, and assigned fund balances include encumbrances at June 30, 2019, as follows:

General Fund	\$ 718,669
State Road C-Fund	399,806
Fire Districts	471,187
Other Governmental Funds	1,898,367
	<u>\$ 3,488,029</u>

Note 3—Deposits and investments

State statute authorizes the County to invest in (1) obligations of the United States and agencies thereof; (2) general obligations of the State of South Carolina or any of its political units; (3) interest bearing accounts in savings and loan associations to the extent insured by the Federal Deposit Insurance Corporation (“FDIC”); (4) certificates of deposit and repurchase agreements collateralized by securities of the type described in (1) and (2) above held by third party as escrow agent or custodian, of a fair value not less than the certificates of deposit and repurchase agreements so secured, including interest; and (5) deposit accounts with banking institutions insured and secured in the same manner.

Deposits for the County

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposit or will not be able to recover collateral securities that are in the possession of an outside party.

The County places its cash and cash equivalents on deposit with financial institutions in the United States. The FDIC covers \$250,000 for substantially all depository accounts. The County from time to time may have amounts on deposit in excess of the insured limits. The County’s deposits had a carrying value of \$107,989,624 and a total bank balance of \$107,750,492, of which \$29,313,646 was covered by FDIC insurance and \$78,173,518 was collateralized by securities held by the pledging bank’s trust department or agent in the County’s name.

Deposits for the Alliance

At June 30, 2019, the Alliance’s deposits had a carrying value of \$240,664 and a bank balance of \$166,266. Of this bank balance, \$250,000 is covered by FDIC insurance and \$10,675 in uncollateralized.

Reconciliation of cash and investments to the government-wide statement of net position:

Unrestricted cash and investments, including time deposits	\$ 53,865,890
Agency fund cash (not included in government-wide statement)	54,123,734
	<u>\$ 107,989,624</u>

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 3—Deposits and investments (continued)

Interest rate risk is the risk that the market value of securities in the portfolio will fall due to changes in the market interest rates. In accordance with its investment policy, the County manages its exposure to declines in fair values by structuring the investment portfolio so that securities mature in time to meet cash requirements for ongoing operations and by investing operating funds primarily in shorter-term securities, money market mutual funds or similar investment pools.

Credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. In accordance with its investment policy, the County manages its exposure to credit risk by 1) limiting investments to types of securities allowed by law; 2) pre-qualifying the financial institutions, brokers, intermediaries, and advisers with which the County invests; and 3) diversifying the investment portfolio so that the impact of potential losses from one type of security or from any one individual issuer are minimized.

For an investment, custodial credit risk is the risk that in event of the failure of the counterparty, the County will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. In accordance with its investment policy, the County minimizes custodial credit risk by limiting investments to the types of securities allowed by law and by pre-qualifying the financial institutions, brokers, intermediaries and advisers with which the County invests.

Investments are reported at fair value and categorized within the fair value hierarchy established under U.S. GAAP). The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Gains or losses that results from market fluctuation are reported in the current period. As of June 30, 2019, the County had certificates of deposit that are classified as Level 2 investments.

Cash and investments at June 30, 2019 are summarized as follows:

Cash and investments:

Checking and other cash	\$ 25,340,740
Certificates of deposit	28,525,150
	<u>\$ 53,865,890</u>

Investment maturities are as follows as of June 30, 2019:

Investment Type	Fair Value	Investment Maturities (in Years)		
		Less than 1 Year	1 to 5 Years	More than 5 Years
Certificates of deposit	\$ 28,525,150	\$ 12,034,906	\$ 16,490,244	\$ -
	<u>\$ 28,525,150</u>	<u>\$ 12,034,906</u>	<u>\$ 16,490,244</u>	<u>\$ -</u>

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 4—Property taxes

The County's property taxes are levied each September (except vehicles which are annually assessed on the first day of the month the vehicles are registered) on the assessed value as of the prior December 31 for all real and personal property located in the County. Assessed values are established by the County Assessor and the South Carolina Department of Revenue at various rates ranging from 4% to 10.5% of the estimated market value. The assessed value as of June 30, 2019 was \$503,168,231. The estimated market value was \$9,176,884,829, making the assessed value approximately 5.5% of the estimated market value.

The County is permitted under South Carolina law to levy property taxes for general governmental services and principal and interest on long-term debt. The combined tax rate to finance general government services and principal and interest on long-term debt for the year ended June 30, 2019 was \$61.30 per \$1,000 of assessed value.

Taxes on property (except vehicle taxes which are due on the last day of the month levied) are due on or before January 15. A 3% penalty is added on January 16. If taxes remain unpaid on February 2, a 7% penalty is added to the original tax. If taxes remain unpaid on the March 17 lien date, an additional 5% penalty is added to the original levy, totaling a 15% penalty. The County bills and collects its own property taxes and also those for all other taxing entities within the County which are accounted for in various agency funds.

Property taxes receivable and allowances for doubtful accounts at June 30, 2019 are summarized as follows:

	General Fund	Grant Fund	Fire Districts	Other Governmental Funds	Total Government Funds	Agency Funds
Gross receivables	\$ 1,958,996	\$ -	\$ 873,189	\$ 622,033	\$ 3,454,218	\$ 8,328,602
Allowance for doubtful accounts	(95,408)	-	(43,661)	(31,102)	(170,171)	(406,261)
	<u>\$ 1,863,588</u>	<u>\$ -</u>	<u>\$ 829,528</u>	<u>\$ 590,931</u>	<u>\$ 3,284,047</u>	<u>\$ 7,922,341</u>

Note 5—Accounts receivable

Accounts receivable at June 30, 2019 are summarized as follows:

	Fund Wide Statements						
	General Fund	Capital Projects Fund	Fire Districts	Other Governmental Funds	Total Government Funds	Business-Type Activities	Agency Funds
EMS fees	\$ 17,076,959	\$ -	\$ -	\$ -	\$ 17,076,959	\$ -	\$ -
Less allowance for doubtful accounts	(14,843,395)	-	-	-	(14,843,395)	-	-
	<u>2,233,564</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,233,564</u>	<u>-</u>	<u>-</u>
Interest	487,395	-	6,956	-	494,351	-	47,051
Landfill	81,642	-	-	-	81,642	-	-
Other	184,897	29,026	240	61,655	275,818	189,050	-
	<u>753,934</u>	<u>29,026</u>	<u>7,196</u>	<u>61,655</u>	<u>851,811</u>	<u>189,050</u>	<u>47,051</u>
	<u>\$ 2,987,498</u>	<u>\$ 29,026</u>	<u>\$ 7,196</u>	<u>\$ 61,655</u>	<u>\$ 3,085,375</u>	<u>\$ 189,050</u>	<u>\$ 47,051</u>

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 6—Capital assets

Capital asset activity for the year ended June 30, 2019 was as follows:

	Balance June 30, 2018	Additions	Deletions	Transfers	Balance June 30, 2019
Governmental Activities:					
Capital assets not being depreciated:					
Land	\$ 4,659,941	\$ 21,800	\$ -	\$ -	\$ 4,681,741
Construction in progress	16,454,848	16,022,211	(2,172,464)	-	30,304,595
Total capital assets not being depreciated	<u>21,114,789</u>	<u>16,044,011</u>	<u>(2,172,464)</u>	<u>-</u>	<u>34,986,336</u>
Capital assets being depreciated:					
Buildings	41,278,077	1,035,420	(110,378)	-	42,203,119
Improvements and infrastructure	31,542,648	1,013,304	-	-	32,555,952
Machinery and equipment	34,465,572	1,722,760	(1,025,302)	(25,263)	35,137,767
Total capital assets being depreciated	<u>107,286,297</u>	<u>3,771,484</u>	<u>(1,135,680)</u>	<u>(25,263)</u>	<u>109,896,838</u>
Less accumulated depreciation:					
Buildings	(17,511,184)	(1,041,606)	60,248	-	(18,492,542)
Improvements and infrastructure	(15,278,779)	(854,589)	-	-	(16,133,368)
Machinery and equipment	(22,271,866)	(2,576,469)	934,084	25,263	(23,888,988)
Total accumulated depreciation	<u>(55,061,829)</u>	<u>(4,472,664)</u>	<u>994,332</u>	<u>25,263</u>	<u>(58,514,898)</u>
Total capital assets being depreciated, net	<u>52,224,468</u>	<u>(701,180)</u>	<u>(141,348)</u>	<u>-</u>	<u>51,381,940</u>
Governmental activities capital assets, net	<u>\$ 73,339,257</u>	<u>\$ 15,342,831</u>	<u>\$ (2,313,812)</u>	<u>\$ -</u>	<u>\$ 86,368,276</u>
Business-Type Activities:					
Capital assets not being depreciated:					
Land	\$ 2,060,937	\$ -	\$ -	\$ -	\$ 2,060,937
Construction in progress	177,519	1,342,611	(54,454)	-	1,465,676
Total capital assets not being depreciated	<u>2,238,456</u>	<u>1,342,611</u>	<u>(54,454)</u>	<u>-</u>	<u>3,526,613</u>
Capital assets being depreciated:					
Capacity	5,938,636	-	-	-	5,938,636
Buildings	3,169,578	-	-	-	3,169,578
Improvements and infrastructure	39,132,423	-	-	-	39,132,423
Machinery and equipment	1,131,090	13,375	(23,611)	25,263	1,146,117
Total capital assets being depreciated	<u>49,371,727</u>	<u>13,375</u>	<u>(23,611)</u>	<u>25,263</u>	<u>49,386,754</u>
Less accumulated depreciation:					
Capacity	(1,102,308)	(82,766)	-	-	(1,185,074)
Buildings	(1,967,173)	(148,466)	-	-	(2,115,639)
Improvements and infrastructure	(17,344,524)	(1,081,791)	-	-	(18,426,315)
Machinery and equipment	(897,671)	(30,512)	23,611	(25,263)	(929,835)
Total accumulated depreciation	<u>(21,311,676)</u>	<u>(1,343,535)</u>	<u>23,611</u>	<u>(25,263)</u>	<u>(22,656,863)</u>
Total capital assets being depreciated, net	<u>28,060,051</u>	<u>(1,330,160)</u>	<u>-</u>	<u>-</u>	<u>26,729,891</u>
Business-type activities capital assets, net	<u>\$ 30,298,507</u>	<u>\$ 12,451</u>	<u>\$ (54,454)</u>	<u>\$ -</u>	<u>\$ 30,256,504</u>

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 6—Capital assets (continued)

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 476,183
Public Safety	2,224,712
Public Works	1,206,043
Health and Welfare	44,749
Cultural and Recreation	388,590
Economic Development	93,780
Intergovernmental	38,607
Total	<u>\$ 4,472,664</u>

Construction in progress in the Governmental Activities as of June 30, 2019 represents costs incurred to date on LEC Jail Expansion, Commerce Park Grading, Madden Bridge Park and E-911 upgrades. Construction in progress in the Business-type Activities as of June 30, 2019 represents costs of construction for the Septic System at Stockade, Hangar Development, and the Crossfield Terminal Development.

Note 7—Long-term debt

Governmental Activities Debt

Changes in the County's long-term debt for its Governmental Activities are as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
General obligation bonds	\$ 34,885,394	\$ -	\$ 2,436,704	\$ 32,448,690	\$ 1,691,403
Premium on general obligation bonds	1,466,824	-	73,339	1,393,483	73,341
Capital leases	67,157	-	32,923	34,234	34,234
Notes from direct borrowings and direct placements	2,280,556	-	496,122	1,784,434	345,038
Compensated absences	652,174	8,400	81,037	579,537	50,000
Net OPEB obligation	12,615,631	-	441,407	12,174,224	-
Net pension liability	49,235,208	3,126,038	-	52,361,246	-
Landfill closure and postclosure	3,442,757	-	47,312	3,395,445	134,300
Total	<u>\$ 104,645,701</u>	<u>\$ 3,134,438</u>	<u>\$ 3,608,844</u>	<u>\$ 104,171,293</u>	<u>\$ 2,328,316</u>

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 7—Long-term debt (continued)

Governmental Activities Debt – continued

General obligation (general purpose) bonds payable at June 30, 2019, are comprised of the following individual issues:

\$1,024,709 2008 general obligation bond used for the Cramer Upgrade project; due in quarterly installments of principal and interest of \$16,416 through October 1, 2027; interest at 2.25%.	\$ 493,158
\$3,266,039 2008 general obligation bond used for the Roper Upgrade project; due in quarterly installments of principal and interest of \$51,732 through May 1, 2028; interest at 2.25%.	1,681,634
\$197,000 2008 general obligation bond used for the purchase of fire trucks; due in semi-annual installments of principal and interest of \$395 to \$20,790 through April 23, 2023; interest at 3.95%.	70,000
\$950,000 2010 general obligation bond used to fund multiple fire districts throughout Pickens County; due in semi-annual installments of principal and interest of \$145,000 to \$149,000 through July 1, 2020; interest of 2.28%.	148,620
\$2,000,000 2013 general obligation bond used to fund Pickens and Liberty Fire Districts; due in annual installments of principal and interest in the amount of \$158,595 through May 1, 2028; interest of 2.43%.	1,268,324
\$700,000 2015 general obligation bond used to fund Shady Grove Fire District; due in annual installments of principal and interest in the amount of \$95,589 to \$104,521 through March 1, 2022; interest of 1.50%.	308,954
\$650,000 2017 general obligation bond used to fund Pumpkintown Fire District; due in annual installments of principal and interest in the amount of \$39,000 to \$54,000 through March 1, 2032; interest of 2.65%.	573,000
\$25,000,000 2018 general obligation bond used to fund the jail expansion; due in annual installments of principal and interest in the amount of \$1,743,513 through June 30, 2038; interest of 4.00%.	24,150,000
\$3,995,000 general obligation bond used for the payment of USDA Upper/Middle revenue bonds; due in annual installments in the amount of \$302,475 through June 30, 2036; interest of 5.00%.	3,755,000
	<u>32,448,690</u>
Plus bond premium	1,393,483
	<u>33,842,173</u>
Less current portion	1,764,744
Long-term portion outstanding	<u><u>\$ 32,077,429</u></u>

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 7—Long-term debt (continued)

Governmental Activities Debt – continued

Annual requirements to amortize all general obligation bonds outstanding as of June 30, 2019 are as follows:

Years Ending June 30	Principal	Interest	Totals
2020	\$ 1,691,403	\$ 1,117,882	\$ 2,809,285
2021	1,592,527	1,061,186	2,653,713
2022	1,653,486	1,005,077	2,658,563
2023	1,604,576	946,626	2,551,202
2024	1,644,387	887,638	2,532,025
2025 to 2029	8,692,311	3,486,153	12,178,464
2030 to 2034	8,510,000	1,896,241	10,406,241
2035 to 2038	7,060,000	528,844	7,588,844
	<u>\$ 32,448,690</u>	<u>\$ 10,929,647</u>	<u>\$ 43,378,337</u>

Capital leases payable at June 30, 2019, are comprised of the following lease:

\$289,000 capital lease to a bank used for the purchase of a fire truck; payable in annual installments of principal and interest of \$35,596 through April 2020 at 3.980%; collateralized by equipment	\$ 34,234
Less current portion	34,234
Long-term portion outstanding	<u>\$ -</u>

Annual requirements to amortize all capital leases outstanding as of June 30, 2019 are as follows:

Years Ending June 30	Principal	Interest	Totals
2020	\$ 34,234	\$ 1,363	\$ 35,597
	<u>\$ 34,234</u>	<u>\$ 1,363</u>	<u>\$ 35,597</u>

As of June 30, 2019, the County had assets under capital leases with a total cost of \$639,000.

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 7—Long-term debt (continued)

Governmental Activities Debt – continued

Notes from direct borrowings and direct placements at June 30, 2019 are comprised of the following individual notes:

\$3,256,865 note to the SC Water Pollution Control Revolving Fund used for the 18-Mile Creek Sewer project; payable in quarterly installments of principal and interest of \$59,336 through October 2019 at 4.0%.	\$ 55,082
\$3,112,288 intergovernmental contract between Pickens County and Renewable Water Resources used for the Georges Creek (Capacity) Project; payable in monthly installments of principal and interest of \$18,860 through October 2023 at 4.0%.	1,070,105
\$1,988,315 intergovernmental contract between Pickens County and Renewable Water Resources used for the Georges Creek (Trunk Line) project; payable in monthly installments of principal and interest of \$10,500 through September 2024 at 3.75%.	659,247
	<u>1,784,434</u>
Less current portion	345,038
Long-term portion outstanding	<u>\$ 1,439,396</u>

Annual requirements to amortize all notes from direct borrowing and direct placements outstanding as of June 30, 2019 are as follows:

Years Ending June 30	Principal	Interest	Totals
2020	\$ 345,038	\$ 62,675	\$ 407,713
2021	301,500	50,819	352,319
2022	313,507	38,812	352,319
2023	325,992	26,327	352,319
2024	338,975	13,344	352,319
2025 to 2028	159,422	2,157	161,579
	<u>\$ 1,784,434</u>	<u>\$ 194,134</u>	<u>\$ 1,978,568</u>

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 7—Long-term debt (continued)

Business-Type Activities Debt

Changes in the County’s long-term debt for its business-type activities are as follows:

	Balance June 30, 2018	Additions	Retirements	Balance June 30, 2019	Due Within One Year
Revenue bonds	\$ 1,816,751	\$ -	\$ 36,802	\$ 1,779,949	\$ 37,531
Net pension liability	1,086,562	92,796	-	1,179,358	-
Net OPEB obligation	392,856	-	30,551	362,305	-
Compensated absences	384	-	6	378	-
Total	<u>\$ 3,296,553</u>	<u>\$ 92,796</u>	<u>\$ 67,359</u>	<u>\$ 3,321,990</u>	<u>\$ 37,531</u>

Revenue bonds payable recorded in the Public Service Commission Enterprise Fund at June 30, 2019 are comprised of the following individual issues:

\$352,000 USDA Rural Development revenue bond used for the Central-North Wastewater Treatment Plant Project; due in monthly installments of principal and interest of \$1,116 through January 2052 at 2.25%. At June 30, 2019, pledged revenue was zero for the Central-North Wastewater Treatment bond.	\$ 308,081
\$1,680,000 USDA Rural Development revenue bond used for the Central-North Wastewater Treatment Plant Project; due in monthly installments of principal and interest of \$5,326 through January 2052 at 2.25%. At June 30, 2019, pledged revenue was \$56,760 for the Central-North Wastewater Treatment bond.	1,471,868
	<u>1,779,949</u>
Less current portion	37,531
Long-term portion outstanding	<u>\$ 1,742,418</u>

The County has pledged future revenues derived from the operation of the County’s wastewater treatment facility, net of operating and maintenance expenses, to repay \$1,680,000 in sewer system revenue bonds. Proceeds from the bonds provided financing for improvements to the sanitary sewer system. The bonds are payable solely from the net earnings of the Public Service Commission Enterprise Fund and are payable through 2052. The total principal and interest remaining to be paid on the bonds is \$2,146,378 with annual payments expected to require 5% of net revenues. Principal and interest paid for the current year and net system revenues were \$63,912 and \$1,494,499, respectively.

The outstanding bonds, as described above, contain a provision that in an event of default, the bondholder may declare the principal and interest be due and payable immediately.

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 7—Long-term debt (continued)

Business-Type Activities Debt – continued

Annual requirements to amortize all revenue bonds outstanding as of June 30, 2019 are as follows:

Years Ended June 30	Principal	Interest	Totals
2020	\$ 37,531	\$ 39,773	\$ 77,304
2021	38,494	38,810	77,304
2022	39,369	37,935	77,304
2023	40,264	37,040	77,304
2024	41,080	36,224	77,304
2025 to 2029	220,269	166,251	386,520
2030 to 2034	246,484	140,039	386,523
2035 to 2039	275,810	110,710	386,520
2040 to 2044	308,601	77,919	386,520
2045 to 2049	345,380	41,140	386,520
2050 to 2053	186,667	5,445	192,112
	<u>\$ 1,779,949</u>	<u>\$ 731,286</u>	<u>\$ 2,511,235</u>

Under the revenue bonds with the USDA Rural Development, the Public Service Commission is required to maintain certain reservations of retained earnings. At June 30, 2019, management of the Public Service Commission believes it is in compliance with the following reserve requirements:

Reserved for debt services	\$ 56,760
Reserved for depreciation funding	152,760
Total	<u>\$ 209,520</u>

Note 8—Interfund receivables, payables and transfers

	<u>Advance Receivable</u>	<u>Advance Payable</u>
Major Governmental Fund:		
General Fund	\$ 1,473,080	\$ -
Fire Districts	-	1,150,029
Non-major Governmental Funds	-	323,051
	<u>\$ 1,473,080</u>	<u>\$ 1,473,080</u>

Long-term advances from the General Fund to other funds are commonly made without specific repayment terms to finance capital expenditures. The fund balance maintained in the General Fund for this advance is presented as assigned, since the County has designated these funds for a specific purpose.

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 8—Interfund receivables, payables and transfers (continued)

Transfers

	<u>Transfers In</u>	<u>Transfers Out</u>
Major Governmental Fund:		
General Fund	\$ -	\$ 173,219
Fire Districts	-	400,000
Non-major Governmental Funds	560,810	-
Major Enterprise Funds:		
Public Service Commission Fund	976	-
Airport	11,433	-
	<u>\$ 573,219</u>	<u>\$ 573,219</u>

Interfund transfers include transfers of restricted resources collected in the General Fund to finance various programs accounted for in other funds, in accordance with budgetary authorizations, and transfers of revenues from the fund that is required to collect them to the fund that is required or allowed to expend them.

Note 9—Employee pension plans

The South Carolina Public Employee Benefit Authority (“PEBA”), created July 1, 2012 and governed by an 11-member board, is the state agency responsible for the administration and management of the various Retirement Systems and retirement programs of the state of South Carolina, including the State Optional Retirement Program (“State ORP”) and the South Carolina Deferred Compensation Program, as well as the State’s employee insurance programs. As such, PEBA is responsible for administering the South Carolina Retirement Systems’ (“Systems”) five defined benefit pension plans. The Retirement Funding and Administration Act of 2017, which became effective July 1, 2017, increased the employer and employee contribution rates, established a ceiling on the South Carolina Retirement System (“SCRS”) and South Carolina Police Officers Retirement System (“PORS”) employee contribution rates, lowered the assumed rate of return, required a scheduled reduction of the funding periods, and addressed various governance issues including the assignment of the PEBA Board as custodian of the retirement trust funds and assignment of the Retirement Systems Investment Commission (“RSIC”) and PEBA as co-trustees of the assets of the retirement trust funds. By law, the State Fiscal Accountability Authority (“SFAA”), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the actuary of the Systems.

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

PEBA issues a Comprehensive Annual Financial Report (“CAFR”) containing financial statements and required supplementary information for the Systems’ Pension Trust Funds. The CAFR is publicly available through the Retirement Benefits’ link on PEBA’s website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is considered a division of the primary government of the State of South Carolina and, therefore, retirement trust fund financial information is also included in the comprehensive annual financial report of the State.

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 9—Employee pension plans (continued)

Plan Description

SCRS, a cost-sharing, multiple-employer defined benefit pension plan, was established effective July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits for teacher and employees of the state and political subdivisions. SCRS covers employees of state agencies, public school districts, higher education institutions, other participating local subdivisions of government and individuals newly elected to the South Carolina General Assembly at or after the 2012 general election.

PORS, a cost-sharing, multiple-employer defined benefit pension plan, was established effective July 1, 1962, pursuant to the provisions of Section 9-11-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for police officers and firefighters. PORS also covers peace officers, coroners, probate judges and magistrates.

Membership:

Membership requirements are prescribed in Title 9 of the South Carolina Code of Laws. A brief summary of the requirements under each system is presented below:

SCRS - Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. This plan covers general employees, teachers and individuals newly elected to the South Carolina General Assembly beginning with the November 2012 general election. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.

PORS - To be eligible for PORS membership, an employee must be required by the terms of his employment, by election or appointment, to preserve public order, protect life and property, and detect crimes in the State; to prevent and control property destruction by fire; or to serve as a peace officer employed by the Department of Corrections, the Department of Juvenile Justice, or the Department of Mental Health. Probate judges and coroners may elect membership in PORS. Magistrates are required to participate in PORS for service as a magistrate. PORS members, other than magistrates and probate judges, must also earn at least \$2,000 per year and devote at least 1,600 hours per year to this work, unless exempted by statute. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.

Benefits:

Benefit terms are prescribed in Title 9 of the South Carolina Code of Laws. PEBA does not have the authority to establish or amend benefit terms without a legislative change in the code of laws. Key elements of the benefit calculation include the benefit multiplier, years of service and average final compensation. A brief summary of the benefit terms for each system is presented below:

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

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 9—Employee pension plans (continued)

Plan Description (continued)

Benefits (continued):

The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or \$500 every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase. Members who retire under the early retirement provisions at age 55 with 25 years of service are not eligible for the benefit adjustment until the second July 1 after reaching age 60 or the second July 1 after the date they would have had 28 years of service credit had they not retired.

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

The retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of 1 percent or \$500 every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase.

Contributions:

Contributions are prescribed in Title 9 of the South Carolina Code of Laws. If the scheduled employee and employer contributions provided in statute or the rates last adopted by the board are insufficient to maintain the amortization period set in statute, the board shall increase employer contribution rates as necessary.

After June 30, 2027, if the most recent annual actuarial valuation of the Systems for funding purposes shows a ratio of the actuarial value of system assets to the actuarial accrued liability of the system (the funded ratio) that is equal to or greater than 85 percent, then the board, effective on the following July 1, may decrease the then current contribution rates upon making a finding that the decrease will not result in a funded ratio of less than 85 percent. If contribution rates are decreased pursuant to this provision, and the most recent annual actuarial valuation of the system shows a funded ratio of less than 85 percent, then effective on the following July 1, and annually thereafter as necessary, the board shall increase the then current contribution rates until a subsequent annual actuarial valuation of the system shows a funded ratio that is equal to or greater than 85 percent.

The Retirement System Funding and Administration Act establishes a ceiling on employee contribution rates at 9 percent and 9.75 percent for SCRS and PORS, respectively. The employer contribution rates will continue to increase annually by 1 percent through July 1, 2022. The legislation's ultimate scheduled employer rate is 18.56 percent for SCRS and 21.24 percent for PORS. The amortization period is scheduled to be reduced one year for each of the next 10 years to a 20-year amortization schedule.

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 9—Employee pension plans (continued)

Contributions (continued):

Required employee contribution rates¹ are as follows:

	<u>Fiscal Year 2019</u>	<u>Fiscal Year 2018</u>
SCRS:		
Employee Class Two	9.00%	9.00%
Employee Class Three	9.00%	9.00%
PORS:		
Employee Class Two	9.75%	9.75%
Employee Class Three	9.75%	9.75%

Required employer contribution rates¹ are as follows:

	<u>Fiscal Year 2019</u>	<u>Fiscal Year 2018</u>
SCRS:		
Employer Class Two	14.41%	13.41%
Employer Class Three	14.41%	13.41%
Employer Incidental Death Benefit	0.15%	0.15%
PORS:		
Employer Class Two	16.84%	15.84%
Employer Class Three	16.84%	15.84%
Employer Incidental Death Benefit	0.20%	0.20%
Employer Accidental Death Program	0.20%	0.20%

¹ Calculated on earnable compensation as defined in Title 9 of the South Carolina Code of Laws.

As described above, total required employer contributions to the SCRS and PORS pension plans from the County were \$2,147,291 and \$1,503,937, respectively, for the year ended June 30, 2019.

Actuarial assumptions and methods:

Actuarial valuations of the plan involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina State statute requires that an actuarial experience study be completed at least once in each five-year period. An experience report on the Systems was most recently issued as of July 1, 2015.

The June 30, 2018 SCRS and PORS data are based on actuarial valuation performed as of July 1, 2017. The pension liability was rolled forward from the valuation date to the plans' fiscal year-end June 30, 2018, using generally accepted actuarial principles.

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 9—Employee pension plans (continued)

Actuarial assumptions and methods (continued):

The following table provides a summary of the actuarial assumptions and methods used to calculate the pension liability as of June 30, 2018:

	SCRS	PORS
Actuarial cost method	Entry age normal	Entry age normal
Investment rate of return ¹	7.25%	7.25%
Projected salary increases	3.0% to 12.5% (varies by service) ¹	3.5% to 9.5% (varies by service) ¹
Benefit adjustments	Lesser of 1% or \$500 annually	Lesser of 1% or \$500 annually
¹ Includes inflation at 2.25%		

The post-retiree mortality assumption is dependent upon the member’s job category and gender. The base mortality assumptions, the 2016 Public Retirees of South Carolina (“PRSC”) Mortality table, 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.

Assumptions used in the determination of the June 30, 2018 pension liability 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%

Long-term expected rate of return:

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

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 9—Employee pension plans (continued)

Long-term expected rate of return (continued):

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Long-Term Expected Portfolio Real Rate of Return
Global Equity	47.00%		
Global Public Equity	33.00%	6.99%	2.31%
Private Equity	9.00%	8.73%	0.79%
Equity Options Strategies	5.00%	5.52%	0.28%
Real Assets	10.00%		
Real Estate (Private)	6.00%	3.54%	0.21%
Real Estate (REITs)	2.00%	5.46%	0.11%
Infrastructure	2.00%	5.09%	0.10%
Opportunistic	13.00%		
GTAA/Risk Parity	8.00%	3.75%	0.30%
Hedge Funds (non-PA)	2.00%	3.45%	0.07%
Other Opportunistic Strategies	3.00%	3.75%	0.11%
Diversified Credit	18.00%		
Mixed Credit	6.00%	3.05%	0.18%
Emerging Markets Debt	5.00%	3.94%	0.20%
Private Debt	7.00%	3.89%	0.27%
Conservative Fixed Income	12.00%		
Core Fixed Income	10.00%	0.94%	0.09%
Cash and Short Duration (Net)	2.00%	0.34%	0.01%
Total Expected Return	100.00%		5.03%
Inflation for Actuarial Purposes			2.25%
Total Expected Nominal Return			7.28%

Discount rate:

The discount rate used to measure the pension liability was 7.25%. 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 System's 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 pension liability.

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 9—Employee pension plans (continued)

Sensitivity analysis:

The following table presents the College's proportionate share of the net pension liability of the respective plan calculated using the discount rate of 7.25%, as well as what the College's net pension liability would be if it were calculated using a discount rate that is 1.00 % lower (6.25%) or 1.00% higher (8.25%) than the current rate.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate			
	<u>1.00% Decrease (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1.00% Increase (8.25%)</u>
SCRS	\$ 44,590,796	\$ 34,896,110	\$ 27,965,402
PORS	\$ 25,135,092	\$ 18,644,494	\$ 13,328,128

Net pension liability:

At June 30, 2019, the County reported liabilities of \$34,896,110 and \$18,644,493 for its proportionate shares of the SCRS and PORS net pension liabilities, respectively. The net pension liabilities were measured as of June 30, 2018, and the total pension liabilities used to calculate the net pension liabilities were determined by an actuarial valuation as of July 1, 2017 projected forward to June 30, 2018. The County's proportionate shares of the net pension liabilities were based on a projection of the County's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2018, the County's proportionate shares of the SCRS and PORS plans were .155739% and .657992%, respectively, which was the same as its proportionate shares of the net pension liabilities measured as of June 30, 2018.

Pension expense:

For the year ended June 30, 2019, the County recognized pension expense for the SCRS and PORS plans of \$3,574,326 and \$2,992,564, respectively.

Deferred inflows of resources and deferred outflows of resources:

At June 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources for the combined plans:

	<u>Deferred Outflows of Resources SCRS</u>	<u>Deferred Inflows of Resources SCRS</u>	<u>Deferred Outflows of Resources PORS</u>	<u>Deferred Inflows of Resources PORS</u>
Differences between expected and actual experience	\$ 62,992	\$ 205,354	\$ 574,467	\$ -
Assumption changes	1,384,482	-	1,229,322	-
Net difference between projected and actual earnings on Plan investments	554,325	-	372,845	-
Changes in the employer's proportion and differences between the County's contributions and the County's proportionate share of contributions	1,066,068	117,937	1,899,617	46,533
Contributions subsequent to the measurement date	2,147,291	-	1,503,938	-
	<u>\$ 5,215,158</u>	<u>\$ 323,291</u>	<u>\$ 5,580,189</u>	<u>\$ 46,533</u>

The \$3,651,229 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date for the SCRS and PORS plans during the year ended June 30, 2019 will be recognized as a reduction of the net pension liabilities in the year ending June 30, 2020.

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 9—Employee pension plans (continued)

Deferred inflows of resources and deferred outflows of resources (continued):

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Measurement Period Ending June 30,</u>	<u>SCRS</u>	<u>PORS</u>
2018	\$ 1,740,300	\$ 1,689,514
2019	1,212,298	1,369,201
2020	(164,601)	729,048
2021	(43,421)	241,955
Net Balance of Deferred Outflows of Resources	<u>\$ 2,744,576</u>	<u>\$ 4,029,718</u>

During the year ended June 30, 2019, the County recognized a combined SCRS and PORS revenue amount of \$216,098 through a non-employer contribution appropriated in the State of South Carolina’s budget. In an effort to help offset a portion of the burden of the increased contribution requirement for employers, the General Assembly funded 1.0% of the SCRS and PORS contribution increases for the SCRS and PORS year ended June 30, 2018. The State of South Carolina’s budget appropriated these funds directly to PEBA for the SCRS and PORS trust funds. This non-employer contribution balance is recorded within other revenues and expenses on the statement of activities and other non-operating revenues on the statement of revenues, expenses and changes in net position at Exhibit F.

Additional financial and actuarial information:

Detailed information regarding the fiduciary net position of the plans administered by PEBA is available in the Systems’ audited financial statements for the fiscal year ended June 30, 2018, which includes the accounting and financial reporting actuarial valuation as of June 30, 2018 (including the unmodified audit opinion on the financial statements). Additional actuarial information is available in the accounting and financial reporting actuarial valuation as of June 30, 2018.

Note 10—Post-retirement health care and life insurance benefits

Plan Summary

In accordance with the provisions of the County personnel manual, retired employees are eligible for individual insurance coverage on the same terms as active employees until age 65. The total cost of any dependent coverage is charged to the retiree. Benefits provided include health and dental insurance coverage.

As of year-end, there were 30 employees retired and under the age of 65 that were receiving insurance benefits. For the year ended June 30, 2019, the County incurred net expenditures for the plan of approximately \$620,534 financed on a pay-as-you-go basis.

Medical/Prescription Drug – Eligible retirees of Pickens County receive health care coverage through one of three medical PPO plans: Economy, Base and Buy-Up.

Dental –Eligible retired employees have the option to remain on the County’s dental insurance plan. The County provides a subsidy to offset some of the cost for this benefit.

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 10—Post-retirement health care and life insurance benefits (continued)

Required Monthly Contributions – With the exception of employee only coverage in the economy plan, contributions are required for both retiree and dependent coverage. Depending on the plan selected, the County provides a subsidy to offset the full cost of coverage. Employee monthly costs are outlined below:

	Medical Economy Plan	Medical Base Plan	Dental
Employee Only	\$25.75	\$56.28	\$3.62
Employee + Spouse	\$755.00	\$821.39	\$39.88
Employee + Child(ren)	\$440.00	\$491.53	\$48.07
Employee + Family	\$1,092.75	\$1,177.03	\$86.10

Plan Descriptions – Pickens County postemployment benefit plan is a single employer defined plan that is self-funded for medical / prescription drugs and fully insured for life insurance to eligible retirees and their dependents.

The changes in the OPEB liability are as follows for the year ended June 30:

Service cost	\$ 375,820
Interest on OPEB obligation	463,213
Difference between expected and actual experience of total OPEB liability	(1,289,927)
Changes of assumptions	348,560
Benefit payments	(369,624)
Increase in net OPEB obligation	(471,958)
Net OPEB obligation as of beginning of the year	13,008,487
Net OPEB obligation as of end of year	<u>\$ 12,536,529</u>

The Sensitivity of Total OPEB Liability to Change in Discount Rate and Healthcare Trend Rate – OPEB Plan's liability was prepared using a discount rate of 3.62% which was a change from 3.56% applied in the prior year. If the discount rate were 1% lower than what was used in this valuation, the OPEB Plan liability would increase by \$1,336,432 or by 10.66%. If the discount rate were 1% higher than was used in this valuation, the OPEB Plan liability would decrease by \$1,200,164 or by 9.57%.

Discount Rate		
1.00% Decrease (2.62%)	Current Discount Rate (3.62%)	1.00% Increase (4.62%)
\$13,872,962	\$12,536,529	\$11,336,366

The June 30, 2018 OPEB Plan liability was prepared using an initial trend rate of 7.50%. If the trend rate were 1% higher than what was used in this valuation, the OPEB Plan liability would increase by \$1,633,096 or by 13.03%. If the trend rate were 1% lower than was used in this valuation, the OPEB Plan liability would decrease by \$1,397,680 or by 11.15%.

Healthcare Cost Trend Rate		
1.00% Decrease	Current Discount Rate	1.00% Increase
\$11,138,880	\$12,536,529	\$14,169,656

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 10—Post-retirement health care and life insurance benefits (continued)

At June 30, 2018, the County reported deferred outflows and inflows of resources related to the OPEB Plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference in expected and actual experience	\$ 17,645	\$ 1,121,225
Changes in assumptions	302,974	687,796
Contributions subsequent to the measurement date	447,328	-
	<u>\$ 767,947</u>	<u>\$ 1,809,021</u>

The \$447,328 reported as deferred outflows of resources related to OPEB resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ending June 30, 2020.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB Plan will be recognized in OPEB expense for the year ended June 30, as follows:

2020	\$ (218,530)
2021	(218,530)
2022	(218,530)
2023	(218,530)
2024	(218,530)
Thereafter	(395,752)
	<u>\$ (1,488,402)</u>

Note 11—Closure and post-closure care costs for solid waste landfills

On October 9, 1991, federal regulations issued by the Environmental Protection Agency (EPA) placed specific requirements pertaining to the closing of municipal solid waste landfills as well as post-closure maintenance for a period of 30 years after closure. The \$3,395,445 liability reported as landfill closure and post-closure represents total costs to date, as of June 30, 2019 based on 100% use of two landfills and 96% of one landfill. Actual cost for closure and post-closure care may vary due to inflation, developments in technology or changes in laws and regulations. The following table shows the landfills, which Pickens County owns, and the remaining number of years out of 30 years; each has to be maintained in accordance with the 1991 ruling.

<u>Landfill</u>	<u>Post-Closure Years Remaining</u>	<u>Percent Used</u>	<u>Open/Close Years</u>	<u>Closure/ Post-Closure Costs</u>
Easley	13	100%	2003	\$ 963,490
Central	3	100%	1994	121,000
C & D	20	96%	1998	2,310,955
				<u>3,395,445</u>
Less current portion				(134,300)
Long-term portion outstanding				<u>\$ 3,261,145</u>

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 12—Tax abatement

The County has two tax abatement programs pursuant to which the County reduces certain taxpayers' property tax liability.

Fee-in-Lieu of Ad Valorem Property Tax Program – One of the County's tax abatement programs is the "Fee-in-Lieu of Ad Valorem Property Tax" ("FILOT") program. The FILOT program is authorized by South Carolina State law, specifically, Chapter 44, Title 12 of the Code of Laws of South Carolina, 1976, as amended. The purpose of the FILOT program is to reduce the disparately higher property tax rates applied to manufacturing and certain commercial properties in South Carolina, which have previously impeded new and expanding business from locating in South Carolina.

A taxpayer is eligible to receive a property tax reduction under the FILOT program if the taxpayer agrees to make a minimum investment of \$2,500,000 in a project located in the County within a 5-year period. Additionally, the County Council, the governing body of the County, must find that (i) the project is anticipated to benefit the general public welfare by providing services, employment, recreation or other public benefits not otherwise adequately provided locally; (ii) the project gives rise to no pecuniary liability of the County or a charge against its general credit or taxing power; (iii) the purposes to be accomplished by the project are proper governmental and public purposes; and (iv) the benefits of the project are greater than the costs.

Property taxes are abated under the FILOT program through an agreement, executed by the County and the taxpayer, pursuant to which a fee-in-lieu of *ad valorem* property tax payment for the economic development property associated with the project is calculated using (i) a reduced assessment ratio, which may be reduced from 10.5% to a floor of 6% (or 4% in the case of certain enhanced investments), and (ii) a locked millage rate (or a millage rate that is allowed to increase or decrease every fifth year), for a term of not more than 30 years (or 40 years in the case of certain enhanced investments).

If the taxpayer does not make the minimum investment of \$2,500,000 in a project within the 5-year period as described above, then the agreement is automatically terminated. On termination, the taxpayer is obligated to pay to the County the difference between (i) the total amount of *ad valorem* property taxes that would have been paid by the taxpayer had the economic development property not been subject to the agreement, taking into account exemptions from property taxes that would have been available to the taxpayer, and (ii) the total amount of fee-in-lieu of *ad valorem* property tax payment made by the taxpayer with respect to the economic development property. In addition to the minimum eligibility requirements to receive a property tax reduction under the FILOT program as described above, the taxpayer may also make certain commitments to (i) invest certain amounts in taxable real and personal property at a project in an amount greater than \$2,500,000 and (ii) create a certain number of new, full-time jobs at a project.

For tax year 2019, County property taxes abated, resulting from active FILOT agreements to which it is a party, totaled \$247,458.

Special Source Revenue Credit Program – The County also abates property taxes through the "Special Source Revenue Credit" ("SSRC") program. The SSRC program is authorized by South Carolina state law, specifically, Section 4-1-175 of the Code of Laws of South Carolina 1976, as amended. The purpose of the SSRC program is to enhance the economic development of the County.

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 12—Tax abatement (continued)

A taxpayer is eligible to receive an SSRC, thereby reducing its property taxes, if (i) the taxpayer's property is located in a multicounty industrial or business park, and (ii) the taxpayer uses the SSRC to pay the cost of designing, acquiring, constructing, improving or expanding (a) infrastructure serving the County or the taxpayer's property, or (b) improved or unimproved real estate and personal property, including machinery and equipment used in the operation of a manufacturing or commercial enterprise.

Property taxes are abated under the SSRC program through the County providing an SSRC (in the form of a percentage or fixed dollar amount) against a taxpayer's property tax liability. Although not required by state law, often, the County and the taxpayer enter into an agreement pursuant to which the County agrees to provide an SSRC against a taxpayer's property tax liability for a period of years, and the taxpayer commits to (i) invest certain amounts in taxable real and personal property at a project, or (ii) create a certain number of new, full-time jobs at a project. In the instances where the County has entered into an agreement to effect the SSRC program, if the taxpayer does not meet the commitments as set forth in the agreement, the County frequently reserves the right to require the taxpayer to repay to the County, either all or some other portion, as determined by formula, the SSRC received by the taxpayer.

The County may use the SSRC program in connection with the FILOT program. Following the calculation of a taxpayer's fee-in-lieu of *ad valorem* payment under the FILOT program, the County may also apply an SSRC to further abate the taxpayer's property tax liability. To receive property tax abatements under the SSRC program and the FILOT program, the taxpayer must meet the eligibility criteria for both programs.

For tax year 2019, County property taxes abated, resulting from SSRC agreements to which it is a party, totaled \$14,097, including taxes abated via stand-alone SSRC agreements and those in connection with active FILOT agreements.

Multicounty Industrial or Business Park – As noted above, to receive a property tax abatement under the SSRC program, a taxpayer's property must be located in a multicounty industrial or business park. To locate a taxpayer's property in a multicounty industrial or business park, the county must develop, with one or more contiguous counties, a multicounty industrial or business park by entering into an agreement with the contiguous counties which sets forth how the counties will share the expenses and revenues from the multicounty industrial or Business Park. The agreement must further specify how the revenues from the multicounty industrial or Business Park will be distributed to each taxing entity in the participating counties. For tax year 2019, of the total payments made by taxpayers, who were subject to the County's multicounty industrial park agreements, \$10,088 would have been received by the County but for the taxpayers' location within its multicounty industrial park.

Note 13—Commitments and contingencies

In the normal course of operation, the County participates in and receives grant funds from various federal and state agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Such audits could result in potential liability for reimbursement or refund of grant monies to the grantor agencies. The County's management believes that any liability for reimbursement would be immaterial.

The County is involved in several pending lawsuits. The attorneys representing the County are of the opinion that these pending lawsuits are either covered by applicable insurance and that none of the claims, if any, would exceed such coverage, or that the pending lawsuits will not have a material adverse effect on the County's financial statements.

PICKENS COUNTY, SOUTH CAROLINA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE COUNTY TOTAL OPEB LIABILITY AND
RELATED RATIOS

Exhibit I

JUNE 30, 2019
(UNAUDITED)

	2019	2018
Service cost	\$ 375,820	\$ 518,383
Interest on the total OPEB liability	463,213	390,495
Changes of benefit terms	-	-
Difference between expected and actual experience of the total OPEB liability	(1,289,927)	22,672
Changes of assumptions	348,560	(883,650)
Benefit payments	<u>(369,624)</u>	<u>(306,644)</u>
Net change in total OPEB liability	(471,958)	(258,744)
Total OPEB liability - beginning	<u>13,008,487</u>	<u>13,267,231</u>
Total OPEB liability - ending	<u><u>\$ 12,536,529</u></u>	<u><u>\$ 13,008,487</u></u>
Covered-employee payroll	\$ 8,828,553	\$ 10,188,408
Total OPEB liability as a % of covered-employee payroll	142.00%	127.68%

* Information is presented for these years for which information is available

Notes to Schedule

Changes of assumptions reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2019	3.62%
2018	3.56%
2017	2.92%

There are no assets accumulated in an irrevocable trust to pay related benefits.

PICKENS COUNTY, SOUTH CAROLINA

Exhibit J

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

JUNE 30, 2019

(UNAUDITED)

Fiscal Year*	County's Proportion of Net Pension Liability	County's Proportionate Share of the Net Pension Liability	County's Total Covered Payroll	County's Proportionate Share of the Net Pension Liability as a Percentage of Total Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
South Carolina Retirement System					
2018	0.155739%	\$ 34,896,110	\$ 15,936,393	219.0%	54.1%
2017	0.153611%	34,580,308	15,064,743	229.5%	53.3%
2016	0.146109%	31,208,667	15,500,570	201.3%	52.9%
2015	0.147756%	28,022,638	14,173,932	197.7%	57.0%
2014	0.152572%	26,267,840	13,854,884	189.6%	59.9%
Police Officers' Retirement System					
2018	0.657992%	\$ 18,644,493	\$ 9,357,302	199.3%	61.7%
2017	0.574600%	15,741,462	8,652,721	181.9%	60.9%
2016	0.548040%	13,900,770	7,736,185	179.7%	60.4%
2015	0.540350%	11,776,909	6,967,691	169.0%	64.6%
2014	0.553720%	10,600,472	6,693,259	158.4%	67.5%

*Represents South Carolina Retirement System's and Police Officers' Retirement System's fiscal year.

This data is presented for those years in which information is available.

PICKENS COUNTY, SOUTH CAROLINA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PENSION CONTRIBUTIONS

Exhibit K

JUNE 30, 2019
(UNAUDITED)

Fiscal Year*	Actuarial Required Contribution	Actual Contributions	Contribution Deficiency (Excess)	County's Total Covered Payroll	Contributions as a Percentage of Total Covered Payroll
South Carolina Retirement System					
2019	\$ 2,147,291	\$ 2,147,291	\$ -	\$ 15,936,393	13.47%
2018	2,020,182	2,020,182	-	15,064,743	13.41%
2017	1,768,615	1,768,615	-	15,500,570	11.41%
2016	1,546,376	1,546,376	-	14,173,932	10.91%
2015	1,489,400	1,489,400	-	13,854,884	10.75%
2014	1,469,041	1,469,041	-	14,057,809	10.45%
2013	1,464,897	1,464,897	-	13,819,783	10.60%
2012	1,317,178	1,317,178	-	13,806,897	9.54%
2011	1,236,724	1,236,724	-	13,170,650	9.39%
2010	1,255,938	1,255,938	-	13,375,272	9.39%
Police Officers' Retirement System					
2019	\$ 1,503,938	\$ 1,503,938	\$ -	\$ 9,357,302	16.07%
2018	1,370,591	1,370,591	-	8,652,721	15.84%
2017	1,070,688	1,070,688	-	7,736,185	13.84%
2016	929,490	929,490	-	6,967,691	13.34%
2015	870,793	870,793	-	6,693,259	13.01%
2014	854,195	854,195	-	6,866,519	12.44%
2013	800,549	800,549	-	6,508,528	12.30%
2012	780,925	780,925	-	6,640,519	11.76%
2011	705,155	705,155	-	6,115,828	11.53%
2010	666,542	666,542	-	6,032,054	11.05%

*Represents South Carolina Retirement System's and Police Officers' Retirement System's fiscal year end. This data is presented for those years in which information is available.

PICKENS COUNTY, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

Schedule 1

YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
Revenues				
Taxes	\$ 27,776,970	\$ 27,776,970	\$ 29,532,597	\$ 1,755,627
Intergovernmental	5,705,466	5,763,209	5,784,804	21,595
Fees, licenses and permits	980,000	980,000	1,008,126	28,126
Charges for services	7,059,807	7,059,807	7,744,241	684,434
Fines and forfeitures	451,000	451,000	460,218	9,218
Investment income	392,692	392,692	886,289	493,597
Rental income	19,200	19,200	19,200	-
Contributions	-	34,062	41,266	7,204
Other revenues	59,200	59,200	677,444	618,244
Total revenues	42,444,335	42,536,140	46,154,185	3,618,045
Expenditures				
Current				
General government				
County council	237,629	257,685	242,034	15,651
County attorney	199,126	306,811	295,258	11,553
State solicitor	1,056,895	1,076,413	1,010,664	65,749
Public defender	284,069	289,373	275,309	14,064
Probate judge	382,678	392,782	380,975	11,807
Register of deeds	271,652	276,452	271,451	5,001
Clerk of court	803,596	822,310	764,441	57,869
Administrator	415,319	357,386	310,525	46,861
Purchasing	85,727	87,376	76,867	10,509
Finance	546,806	566,244	561,690	4,554
Building maintenance	2,392,710	2,755,872	2,570,354	185,518
Human resources	222,805	238,399	238,103	296
Delinquent tax	257,721	260,375	245,595	14,780
Risk manager	86,998	91,699	91,133	566
Circuit judge	820	820	685	135
Treasurer	504,910	513,995	500,418	13,577
Auditor	402,343	408,429	393,594	14,835
Tax assessor	994,960	1,014,124	938,233	75,891
Board of appeals	4,000	4,000	400	3,600
GIS mapping	383,802	392,527	387,389	5,138
Registration and elections	253,914	322,537	320,699	1,838
Planning commission	301,037	334,138	236,645	97,493
Information services	1,044,927	1,066,055	923,345	142,710
County magistrates	732,850	752,872	745,845	7,027
Vehicle maintenance	671,488	686,693	686,618	75
Public relations	8,000	8,370	9,312	(942)
Retiree health and dental	209,967	209,967	253,509	(43,542)
Total expenditures	12,756,749	13,493,704	12,731,091	762,613

PICKENS COUNTY, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

Schedule 1 - continued

YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
Public safety				
Sheriff's department	\$ 12,546,896	\$ 12,685,418	\$ 12,342,987	\$ 342,431
Emergency management	376,946	384,241	363,903	20,338
County coroner	330,145	334,393	288,588	45,805
Prison camp	1,288,578	1,382,457	1,199,882	182,575
Emergency medical services	5,903,920	6,034,250	5,998,470	35,780
Building codes	377,239	398,148	383,036	15,112
Fire district	2,640	3,163	3,159	4
	<u>20,826,364</u>	<u>21,222,070</u>	<u>20,580,025</u>	<u>642,045</u>
Public works				
Roads and bridges	2,143,584	2,180,766	2,044,897	135,869
Solid waste department	3,179,924	3,299,454	3,185,217	114,237
Engineering	114,569	148,037	148,051	(14)
	<u>5,438,077</u>	<u>5,628,257</u>	<u>5,378,165</u>	<u>250,092</u>
Health and welfare				
Health department	26,619	26,619	18,853	7,766
Animal control	286,839	327,350	316,109	11,241
Veterans affairs	143,470	149,414	146,942	2,472
Storm water management	254,643	275,808	269,039	6,769
	<u>711,571</u>	<u>779,191</u>	<u>750,943</u>	<u>28,248</u>
Culture and recreation				
Cultural commission	544,000	829,516	711,952	117,564
Parks department	395,971	399,256	339,184	60,072
	<u>939,971</u>	<u>1,228,772</u>	<u>1,051,136</u>	<u>177,636</u>
Economic development and assistance				
Economic development	-	2,285,554	59,529	2,226,025
Intergovernmental				
Legislative delegation	22,136	22,594	21,291	1,303
Department of social services	56,796	56,796	52,003	4,793
Medically indigent fund	200,000	200,000	192,986	7,014
SC Appalachian Council of Governments	61,631	61,631	61,631	-
Clemson extension	74,530	74,530	74,336	194
Soil and water conservation	3,000	84,226	48,147	36,079
Pickens Alliance Transfer	422,003	422,003	426,912	(4,909)
	<u>840,096</u>	<u>921,780</u>	<u>877,306</u>	<u>44,474</u>

PICKENS COUNTY, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

Schedule 1 - continued

YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
Other				
Contingency	\$ 764,904	\$ 58,831	\$ 17,130	\$ 41,701
SCAC	39,025	39,025	45,482	(6,457)
Non-departmental	7,500	7,500	-	7,500
	<u>811,429</u>	<u>105,356</u>	<u>62,612</u>	<u>42,744</u>
Capital outlay	<u>1,463,797</u>	<u>1,676,043</u>	<u>1,478,870</u>	<u>197,173</u>
Total expenditures	<u>43,788,054</u>	<u>47,340,727</u>	<u>42,969,677</u>	<u>4,371,050</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,343,719)</u>	<u>(4,804,587)</u>	<u>3,184,508</u>	<u>7,989,095</u>
Other financing uses				
Transfers out	<u>(677,858)</u>	<u>(677,858)</u>	<u>(173,219)</u>	<u>504,639</u>
Total other financing uses	<u>(677,858)</u>	<u>(677,858)</u>	<u>(173,219)</u>	<u>504,639</u>
Net change in fund balances	<u><u>\$ (2,021,577)</u></u>	<u><u>\$ (5,482,445)</u></u>	<u>3,011,289</u>	<u><u>\$ 8,493,734</u></u>
Fund balance - beginning			<u>27,817,200</u>	
Fund balance - ending			<u><u>\$ 30,828,489</u></u>	

NOTE: The County's budget is prepared and monitored on the U.S. generally accepted accounting principles (U.S. GAAP) basis.

PICKENS COUNTY, SOUTH CAROLINA
COMBINING BALANCE SHEET - MAJOR FUND - FIRE DISTRICTS

Schedule 2

JUNE 30, 2019

	<u>Easley</u>	<u>Liberty</u>	<u>Pumpkintown</u>	<u>Crosswell</u>	<u>Six Mile</u>	<u>Pickens</u>	<u>Dacusville</u>
ASSETS							
Cash and investments	\$ 286,128	\$ 157,591	\$ 477,502	\$ 631,703	\$ 161,491	\$ 164,036	\$ 277,150
Property taxes receivable, net	134,374	146,490	35,792	143,411	45,401	170,346	78,469
Accounts receivable - other	-	-	-	6,956	-	-	-
Prepaid items	-	-	-	127	-	332	-
Total assets	<u>\$ 420,502</u>	<u>\$ 304,081</u>	<u>\$ 513,294</u>	<u>\$ 782,197</u>	<u>\$ 206,892</u>	<u>\$ 334,714</u>	<u>\$ 355,619</u>
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ -	\$ 2,892	\$ 12,712	\$ 27,173	\$ 5,224	\$ 2,062	\$ 2,032
Accrued payroll	-	18,458	1,946	14,826	2,425	13,861	3,589
Advances from general fund	-	260,261	-	260,261	298,416	-	331,091
Total liabilities	<u>-</u>	<u>281,611</u>	<u>14,658</u>	<u>302,260</u>	<u>306,065</u>	<u>15,923</u>	<u>336,712</u>
Deferred Inflows of Resources:							
Unavailable revenue - delinquent taxes	128,093	136,462	33,660	135,928	41,855	159,796	71,874
Total deferred inflows of resources	<u>128,093</u>	<u>136,462</u>	<u>33,660</u>	<u>135,928</u>	<u>41,855</u>	<u>159,796</u>	<u>71,874</u>
Fund Balances:							
Nonspendable Prepaid items	-	-	-	127	-	332	-
Restricted	292,409	-	464,976	343,882	-	158,663	283
Unassigned	-	(113,992)	-	-	(141,028)	-	(53,250)
Total fund balances	<u>292,409</u>	<u>(113,992)</u>	<u>464,976</u>	<u>344,009</u>	<u>(141,028)</u>	<u>158,995</u>	<u>(52,967)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 420,502</u>	<u>\$ 304,081</u>	<u>\$ 513,294</u>	<u>\$ 782,197</u>	<u>\$ 206,892</u>	<u>\$ 334,714</u>	<u>\$ 355,619</u>

PICKENS COUNTY, SOUTH CAROLINA
COMBINING BALANCE SHEET - MAJOR FUND - FIRE DISTRICTS

Schedule 2 - continued

JUNE 30, 2019

	Holly Springs	Central	Shady Grove	Rocky Bottom	Vineyards	Springs	Total
ASSETS							
Cash and investments	\$ 134,276	\$ 194,038	\$ 248,021	\$ 17,374	\$ 517,583	\$ 478,040	\$ 3,744,933
Property taxes receivable, net	15,438	18,615	10,345	131	17,380	13,336	829,528
Accounts receivable - other	-	-	240	-	-	-	7,196
Prepaid items	-	-	119	-	-	-	578
Total assets	<u>\$ 149,714</u>	<u>\$ 212,653</u>	<u>\$ 258,725</u>	<u>\$ 17,505</u>	<u>\$ 534,963</u>	<u>\$ 491,376</u>	<u>\$ 4,582,235</u>
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 266	\$ 10,162	\$ 4,413	\$ -	\$ 26,849	\$ 4,548	\$ 98,333
Accrued payroll	-	-	12,774	-	19,838	10,341	98,058
Advances from general fund	-	-	-	-	-	-	1,150,029
Total liabilities	<u>266</u>	<u>10,162</u>	<u>17,187</u>	<u>-</u>	<u>46,687</u>	<u>14,889</u>	<u>1,346,420</u>
Deferred Inflows of Resources:							
Unavailable revenue - delinquent taxes	14,632	17,074	10,360	131	17,380	11,139	778,384
Total deferred inflows of resources	<u>14,632</u>	<u>17,074</u>	<u>10,360</u>	<u>131</u>	<u>17,380</u>	<u>11,139</u>	<u>778,384</u>
Fund Balances:							
Nonspendable Prepaid items	-	-	119	-	-	-	578
Restricted	134,816	185,417	231,059	17,374	470,896	465,348	2,765,123
Unassigned	-	-	-	-	-	-	(308,270)
Total fund balances	<u>134,816</u>	<u>185,417</u>	<u>231,178</u>	<u>17,374</u>	<u>470,896</u>	<u>465,348</u>	<u>2,457,431</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 149,714</u>	<u>\$ 212,653</u>	<u>\$ 258,725</u>	<u>\$ 17,505</u>	<u>\$ 534,963</u>	<u>\$ 491,376</u>	<u>\$ 4,582,235</u>

PICKENS COUNTY, SOUTH CAROLINA

Schedule 3

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MAJOR FUND - FIRE DISTRICTS

YEAR ENDED JUNE 30, 2019

	<u>Easley</u>	<u>Liberty</u>	<u>Pumpkintown</u>	<u>Crosswell</u>	<u>Six Mile</u>	<u>Pickens</u>	<u>Dacusville</u>
Revenues							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	169,052	-	936	-	7,559
Fees, licenses and permits	535,749	894,214	216,418	662,793	295,065	570,233	306,088
Investment income	-	-	-	8,739	-	-	-
Contributions	-	-	-	200	-	-	-
Other revenues	-	-	-	-	-	-	-
Total revenues	<u>535,749</u>	<u>894,214</u>	<u>385,470</u>	<u>671,732</u>	<u>296,001</u>	<u>570,233</u>	<u>313,647</u>
Expenditures							
Current:							
Personnel services	-	692,533	61,006	524,797	92,187	498,020	112,830
Supplies	-	23,298	13,566	31,739	21,704	22,000	22,276
Contractual services	520,060	3,328	5,352	6,690	654	5,746	6,242
Utilities	-	13,908	10,560	12,637	9,763	19,669	16,650
Repairs and maintenance	-	20,323	11,024	31,788	11,912	15,152	27,665
Fuel and oil	-	10,839	4,264	8,386	2,944	11,379	6,807
Furniture, machinery and equipment	-	4,318	3,138	11,783	4,619	6,587	15,176
Insurance, bonds and licenses	-	19,691	9,544	11,034	6,643	12,037	9,005
Rent	-	92	120	-	-	-	-
Other	-	3,172	21,356	4,399	7,608	3,878	7,578
Capital outlay	-	-	169,026	11,394	-	-	11,000
Debt service:							
Principal retirement	-	-	37,000	-	-	-	-
Interest and fiscal charges	-	12,259	16,165	12,259	11,558	-	8,617
Total expenditures	<u>520,060</u>	<u>803,761</u>	<u>362,121</u>	<u>666,906</u>	<u>169,592</u>	<u>594,468</u>	<u>243,846</u>
Excess (deficiency) of revenues over (under) expenditures	<u>15,689</u>	<u>90,453</u>	<u>23,349</u>	<u>4,826</u>	<u>126,409</u>	<u>(24,235)</u>	<u>69,801</u>
Other financing sources (uses)							
Transfers (out) in	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>15,689</u>	<u>90,453</u>	<u>23,349</u>	<u>4,826</u>	<u>126,409</u>	<u>(24,235)</u>	<u>69,801</u>
Fund balance - beginning	<u>276,720</u>	<u>(204,445)</u>	<u>441,627</u>	<u>339,183</u>	<u>(267,437)</u>	<u>183,230</u>	<u>(122,768)</u>
Fund balance - ending	<u>\$ 292,409</u>	<u>\$ (113,992)</u>	<u>\$ 464,976</u>	<u>\$ 344,009</u>	<u>\$ (141,028)</u>	<u>\$ 158,995</u>	<u>\$ (52,967)</u>

PICKENS COUNTY, SOUTH CAROLINA

Schedule 3 - continued

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MAJOR FUND - FIRE DISTRICTS

YEAR ENDED JUNE 30, 2019

	Holly Springs	Central	Shady Grove	Rocky Bottom	Vineyards	Springs	Total
Revenues							
Taxes	\$ -	\$ -	\$ 510,060	\$ -	\$ 775,200	\$ 644,020	\$ 1,929,280
Intergovernmental	1,134	-	-	-	709	-	179,390
Fees, licenses and permits	61,092	213,459	-	3,076	-	-	3,758,187
Investment income	-	-	-	-	-	-	8,739
Contributions	-	-	-	-	-	-	200
Other revenues	2,199	-	4,965	-	5,500	-	12,664
Total revenues	64,425	213,459	515,025	3,076	781,409	644,020	5,888,460
Expenditures							
Current:							
Personnel services	2,690	-	409,899	-	572,878	429,350	3,396,190
Supplies	13,425	11,030	19,366	-	17,588	15,264	211,256
Contractual services	1,890	112,567	3,847	2,200	8,356	7,700	684,632
Utilities	5,467	6,780	14,739	-	25,661	21,368	157,202
Repairs and maintenance	11,551	5,085	8,266	-	56,366	11,223	210,355
Fuel and oil	1,142	3,719	7,360	-	7,940	8,683	73,463
Furniture, machinery and equipment	1,772	22,542	5,608	-	19,445	3,771	98,759
Insurance, bonds and licenses	5,858	5,538	10,192	(181)	14,753	10,386	114,500
Rent	-	-	-	-	64	-	276
Other	67	4,064	2,609	-	8,912	12,062	75,705
Capital outlay	-	-	52,054	-	64,277	-	307,751
Debt service:							
Principal retirement	-	32,923	-	-	-	-	69,923
Interest and fiscal charges	-	2,673	-	-	-	-	63,531
Total expenditures	43,862	206,921	533,940	2,019	796,240	519,807	5,463,543
Excess (deficiency) of revenues over (under) expenditures	20,563	6,538	(18,915)	1,057	(14,831)	124,213	424,917
Other financing sources (uses)							
Transfers (out) in	-	-	-	-	-	(400,000)	(400,000)
Total other financing sources (uses)	-	-	-	-	-	(400,000)	(400,000)
Net change in fund balances	20,563	6,538	(18,915)	1,057	(14,831)	(275,787)	24,917
Fund balance - beginning	114,253	178,879	250,093	16,317	485,727	741,135	2,432,514
Fund balance - ending	\$ 134,816	\$ 185,417	\$ 231,178	\$ 17,374	\$ 470,896	\$ 465,348	\$ 2,457,431

PICKENS COUNTY, SOUTH CAROLINA

Schedule 4

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - EASLEY FIRE DISTRICT FUND**

YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Positive (Negative)
Revenues				
Fees, licenses and permits	\$ 538,263	\$ 538,263	\$ 535,749	\$ (2,514)
Total revenues	<u>538,263</u>	<u>538,263</u>	<u>535,749</u>	<u>(2,514)</u>
Expenditures				
Current:				
Contractual services	507,375	507,375	520,060	(12,685)
Contingency	30,888	30,888	-	30,888
Total expenditures	<u>538,263</u>	<u>538,263</u>	<u>520,060</u>	<u>18,203</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>15,689</u>	<u>15,689</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>15,689</u>	<u>\$ 15,689</u>
Fund balance - beginning			<u>276,720</u>	
Fund balance - ending			<u>\$ 292,409</u>	

PICKENS COUNTY, SOUTH CAROLINA

Schedule 5

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - LIBERTY FIRE DISTRICT FUND**

YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
Revenues				
Fees, licenses and permits	\$ 924,878	\$ 924,878	\$ 894,214	\$ (30,664)
Total revenues	<u>924,878</u>	<u>924,878</u>	<u>894,214</u>	<u>(30,664)</u>
Expenditures				
Current:				
Personnel services	686,829	711,829	692,533	19,296
Supplies	26,300	25,368	23,298	2,070
Contractual services	16,090	5,437	3,328	2,109
Utilities	16,380	15,380	13,908	1,472
Repairs and maintenance	16,500	21,100	20,323	777
Fuel and oil	10,000	11,100	10,839	261
Furniture, machinery and equipment	6,400	5,023	4,318	705
Insurance, bonds and licenses	14,500	19,692	19,691	1
Rent	-	100	92	8
Other	6,400	4,355	3,172	1,183
Contingency	20,532	547	-	547
Debt service:				
Principal retirement	46,203	46,203	-	46,203
Interest and fiscal charges	12,259	12,259	12,259	-
Total expenditures	<u>878,393</u>	<u>878,393</u>	<u>803,761</u>	<u>74,632</u>
Excess of revenues over (under) expenditures	<u>46,485</u>	<u>46,485</u>	<u>90,453</u>	<u>43,968</u>
Net change in fund balances	<u>\$ 46,485</u>	<u>\$ 46,485</u>	<u>90,453</u>	<u>\$ 43,968</u>
Fund balance - beginning			<u>(204,445)</u>	
Fund balance - ending			<u>\$ (113,992)</u>	

PICKENS COUNTY, SOUTH CAROLINA

Schedule 6

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - PUMPKINTOWN FIRE DISTRICT FUND**

YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
Revenues				
Intergovernmental	\$ -	\$ 251,366	\$ 169,052	\$ (82,314)
Fees, licenses and permits	217,883	217,883	216,418	(1,465)
Total revenues	217,883	469,249	385,470	(83,779)
Expenditures				
Current:				
Personnel services	60,311	81,007	61,006	20,001
Supplies	29,545	28,164	13,566	14,598
Contractual services	4,000	6,712	5,352	1,360
Utilities	14,042	14,522	10,560	3,962
Repairs and maintenance	23,700	23,700	11,024	12,676
Fuel and oil	6,000	6,000	4,264	1,736
Furniture, machinery and equipment	7,000	6,700	3,138	3,562
Insurance, bonds and licenses	9,400	9,545	9,544	1
Rent	-	120	120	-
Other	10,580	42,805	21,356	21,449
Contingency	140	140	-	140
Capital outlay	-	440,323	169,026	271,297
Debt service:				
Principal retirement	37,000	37,000	37,000	-
Interest and fiscal charges	16,165	16,165	16,165	-
Total expenditures	217,883	712,903	362,121	350,782
Excess (deficiency) of revenues over (under) expenditures	-	(243,654)	23,349	267,003
Net change in fund balances	\$ -	\$ (243,654)	23,349	\$ 267,003
Fund balance - beginning			441,627	
Fund balance - ending			\$ 464,976	

PICKENS COUNTY, SOUTH CAROLINA

Schedule 7

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - CROSSWELL FIRE DISTRICT FUND**

YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Fees, licenses and permits	\$ 665,800	\$ 665,800	\$ 662,793	\$ (3,007)
Investment income	3,000	3,000	8,739	5,739
Contributions	-	-	200	200
Total revenues	<u>668,800</u>	<u>668,800</u>	<u>671,732</u>	<u>2,932</u>
Expenditures				
Current:				
Personnel services	489,912	535,752	524,797	10,955
Supplies	30,175	35,445	31,739	3,706
Contractual services	6,980	7,475	6,690	785
Utilities	12,308	12,163	12,637	(474)
Repairs and maintenance	9,831	33,931	31,788	2,143
Fuel and oil	9,000	9,488	8,386	1,102
Furniture, machinery and equipment	66,009	12,967	11,783	1,184
Insurance, bonds and licenses	10,300	11,034	11,034	-
Other	14,200	5,360	4,399	961
Capital outlay	53,109	56,209	11,394	44,815
Debt service:				
Principal retirement	46,203	46,203	-	46,203
Interest and fiscal charges	12,259	12,259	12,259	-
Total expenditures	<u>760,286</u>	<u>778,286</u>	<u>666,906</u>	<u>111,380</u>
Excess of revenues over (under) expenditures	<u>(91,486)</u>	<u>(109,486)</u>	<u>4,826</u>	<u>114,312</u>
Net change in fund balances	<u>\$ (91,486)</u>	<u>\$ (109,486)</u>	<u>4,826</u>	<u>\$ 114,312</u>
Fund balance - beginning			<u>339,183</u>	
Fund balance - ending			<u>\$ 344,009</u>	

PICKENS COUNTY, SOUTH CAROLINA

Schedule 8

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - SIX MILE FIRE DISTRICT FUND**

YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Intergovernmental	\$ -	\$ -	\$ 936	\$ 936
Fees, licenses and permits	306,185	306,185	295,065	(11,120)
Total revenues	<u>306,185</u>	<u>306,185</u>	<u>296,001</u>	<u>(10,184)</u>
Expenditures				
Current:				
Personnel services	94,740	103,412	92,187	11,225
Supplies	26,900	26,295	21,704	4,591
Contractual services	638	679	654	25
Utilities	9,737	9,737	9,763	(26)
Repairs and maintenance	23,500	22,900	11,912	10,988
Fuel and oil	5,000	5,000	2,944	2,056
Furniture, machinery and equipment	10,000	9,590	4,619	4,971
Insurance, bonds and licenses	5,945	6,644	6,643	1
Contingency	1,280	188	-	188
Other	23,000	16,295	7,608	8,687
Debt service:				
Principal retirement	31,854	31,854	-	31,854
Interest and fiscal charges	11,559	11,559	11,558	1
Total expenditures	<u>244,153</u>	<u>244,153</u>	<u>169,592</u>	<u>74,561</u>
Excess of revenues over expenditures	<u>62,032</u>	<u>62,032</u>	<u>126,409</u>	<u>64,377</u>
Net change in fund balances	<u>\$ 62,032</u>	<u>\$ 62,032</u>	<u>126,409</u>	<u>\$ 64,377</u>
Fund balance - beginning			<u>(267,437)</u>	
Fund balance - ending			<u>\$ (141,028)</u>	

PICKENS COUNTY, SOUTH CAROLINA

Schedule 9

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - PICKENS FIRE DISTRICT FUND**

YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
Revenues				
Fees, licenses and permits	\$ 583,887	\$ 583,887	\$ 570,233	\$ (13,654)
Total revenues	583,887	583,887	570,233	(13,654)
Expenditures				
Current:				
Personnel services	447,759	474,691	498,020	(23,329)
Supplies	11,800	24,971	22,000	2,971
Contractual services	4,800	6,832	5,746	1,086
Utilities	21,330	21,568	19,669	1,899
Repairs and maintenance	6,000	15,019	15,152	(133)
Fuel and oil	6,500	11,003	11,379	(376)
Furniture, machinery and equipment	49,392	10,319	6,587	3,732
Insurance, bonds and licenses	11,300	12,037	12,037	-
Other	19,200	5,987	3,878	2,109
Total expenditures	583,887	583,887	594,468	(10,581)
Excess (deficiency) of revenues over (under) expenditures	-	-	(24,235)	(24,235)
Net change in fund balances	\$ -	\$ -	(24,235)	\$ (24,235)
Fund balance - beginning			183,230	
Fund balance - ending			\$ 158,995	

PICKENS COUNTY, SOUTH CAROLINA

Schedule 10

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - DACUSVILLE FIRE DISTRICT FUND

YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
Revenues				
Intergovernmental	\$ -	\$ 4,647	\$ 7,559	\$ 2,912
Fees, licenses and permits	311,842	311,842	306,088	(5,754)
Total revenues	<u>311,842</u>	<u>316,489</u>	<u>313,647</u>	<u>(2,842)</u>
Expenditures				
Current:				
Personnel services	98,989	116,690	112,830	3,860
Supplies	24,220	22,586	22,276	310
Contractual services	8,980	7,788	6,242	1,546
Utilities	17,320	18,380	16,650	1,730
Repairs and maintenance	21,500	29,944	27,665	2,279
Fuel and oil	7,500	7,500	6,807	693
Furniture, machinery and equipment	6,600	14,940	15,176	(236)
Insurance, bonds and licenses	8,750	9,006	9,005	1
Other	24,900	9,139	7,578	1,561
Contingency	5,000	80	-	80
Capital outlay	39,100	11,000	11,000	-
Debt service:				
Principal retirement	23,524	23,524	-	23,524
Interest and fiscal charges	8,617	8,617	8,617	-
Total expenditures	<u>295,000</u>	<u>279,194</u>	<u>243,846</u>	<u>35,348</u>
Excess (deficiency) of revenues over (under) expenditures	<u>16,842</u>	<u>37,295</u>	<u>69,801</u>	<u>32,506</u>
Net change in fund balances	<u>\$ 16,842</u>	<u>\$ 37,295</u>	<u>69,801</u>	<u>\$ 32,506</u>
Fund balance - beginning			<u>(122,768)</u>	
Fund balance - ending			<u>\$ (52,967)</u>	

PICKENS COUNTY, SOUTH CAROLINA

Schedule 11

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - HOLLY SPRINGS FIRE DISTRICT FUND**

YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Intergovernmental	\$ -	\$ -	\$ 1,134	\$ 1,134
Fees, licenses and permits	62,170	62,170	61,092	(1,078)
Other revenues	2,300	2,300	2,199	(101)
Total revenues	<u>64,470</u>	<u>64,470</u>	<u>64,425</u>	<u>(45)</u>
Expenditures				
Current:				
Personnel services	-	2,690	2,690	-
Supplies	26,270	24,820	13,425	11,395
Contractual services	2,900	2,730	1,890	840
Utilities	7,580	8,680	5,467	3,213
Repairs and maintenance	7,000	14,452	11,551	2,901
Fuel and oil	2,500	2,500	1,142	1,358
Furniture, machinery and equipment	3,000	3,272	1,772	1,500
Insurance, bonds and licenses	5,000	6,250	5,858	392
Other	4,050	4,050	67	3,983
Contingency	6,170	1,788	-	1,788
Total expenditures	<u>64,470</u>	<u>71,232</u>	<u>43,862</u>	<u>27,370</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(6,762)</u>	<u>20,563</u>	<u>27,325</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ (6,762)</u>	<u>20,563</u>	<u>\$ 27,325</u>
Fund balance - beginning			<u>114,253</u>	
Fund balance - ending			<u>\$ 134,816</u>	

PICKENS COUNTY, SOUTH CAROLINA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - CENTRAL FIRE DISTRICT FUND**

YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
Revenues				
Fees, licenses and permits	\$ 215,400	\$ 215,400	\$ 213,459	\$ (1,941)
Total revenues	215,400	215,400	213,459	(1,941)
Expenditures				
Current:				
Supplies	14,050	14,475	11,030	3,445
Contractual services	88,940	112,405	112,567	(162)
Utilities	6,208	7,047	6,780	267
Repairs and maintenance	6,000	6,093	5,085	1,008
Fuel and oil	2,500	3,900	3,719	181
Furniture, machinery and equipment	50,714	22,743	22,542	201
Insurance, bonds and licenses	4,095	5,899	5,538	361
Other	3,825	7,225	4,064	3,161
Contingency	3,472	17	-	17
Debt service:				
Principal retirement	32,923	32,923	32,923	-
Interest and fiscal charges	2,673	2,673	2,673	-
Total expenditures	215,400	215,400	206,921	8,479
Excess (deficiency) of revenues over (under) expenditures	-	-	6,538	6,538
Net change in fund balances	\$ -	\$ -	6,538	\$ 6,538
Fund balance - beginning			178,879	
Fund balance - ending			\$ 185,417	

PICKENS COUNTY, SOUTH CAROLINA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - SHADY GROVE FIRE DISTRICT FUND**

YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Taxes	\$ 501,343	\$ 501,343	\$ 510,060	\$ 8,717
Other revenues	-	-	4,965	4,965
Total revenues	<u>501,343</u>	<u>501,343</u>	<u>515,025</u>	<u>13,682</u>
Expenditures				
Current:				
Personnel services	425,084	428,583	409,899	18,684
Supplies	21,450	19,845	19,366	479
Contractual services	5,500	4,766	3,847	919
Utilities	12,974	15,099	14,739	360
Repairs and maintenance	7,500	9,250	8,266	984
Fuel and oil	6,000	7,654	7,360	294
Furniture, machinery and equipment	500	6,215	5,608	607
Insurance, bonds and licenses	9,200	10,373	10,192	181
Other	9,900	3,538	2,609	929
Contingency	1,000	-	-	-
Capital outlay	40,177	106,144	52,054	54,090
Total expenditures	<u>539,285</u>	<u>611,467</u>	<u>533,940</u>	<u>77,527</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(37,942)</u>	<u>(110,124)</u>	<u>(18,915)</u>	<u>91,209</u>
Net change in fund balances	<u>\$ (37,942)</u>	<u>\$ (110,124)</u>	<u>(18,915)</u>	<u>\$ 91,209</u>
Fund balance - beginning			<u>250,093</u>	
Fund balance - ending			<u>\$ 231,178</u>	

PICKENS COUNTY, SOUTH CAROLINA

Schedule 14

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - ROCKY BOTTOM FIRE DISTRICT FUND**

YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
Revenues				
Fees, licenses and permits	\$ 3,080	\$ 3,080	\$ 3,076	\$ (4)
Total revenues	<u>3,080</u>	<u>3,080</u>	<u>3,076</u>	<u>(4)</u>
Expenditures				
Current:				
Supplies	160	160	-	160
Contractual services	2,537	2,537	2,200	337
Insurance, bonds and licenses	<u>383</u>	<u>383</u>	<u>(181)</u>	<u>564</u>
Total expenditures	<u>3,080</u>	<u>3,080</u>	<u>2,019</u>	<u>1,061</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>1,057</u>	<u>1,057</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>1,057</u>	<u>\$ 1,057</u>
Fund balance - beginning			<u>16,317</u>	
Fund balance - ending			<u>\$ 17,374</u>	

PICKENS COUNTY, SOUTH CAROLINA

Schedule 15

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - VINEYARDS FIRE DISTRICT FUND

YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Taxes	\$ 767,281	\$ 767,281	\$ 775,200	\$ 7,919
Intergovernmental	-	-	709	709
Miscellaneous	-	-	5,500	5,500
Total revenues	<u>767,281</u>	<u>767,281</u>	<u>781,409</u>	<u>14,128</u>
Expenditures				
Current:				
Personnel services	615,918	593,928	572,878	21,050
Supplies	20,600	18,850	17,588	1,262
Contractual services	6,000	8,153	8,356	(203)
Utilities	22,300	28,044	25,661	2,383
Repairs and maintenance	33,500	64,500	56,366	8,134
Fuel and oil	8,600	8,100	7,940	160
Furniture, machinery and equipment	13,800	20,390	19,445	945
Insurance, bonds and licenses	14,500	14,950	14,753	197
Rent	100	100	64	36
Other	12,300	10,103	8,912	1,191
Contingency	20,000	500	-	500
Capital outlay	40,500	40,500	64,277	(23,777)
Total expenditures	<u>808,118</u>	<u>808,118</u>	<u>796,240</u>	<u>11,878</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(40,837)</u>	<u>(40,837)</u>	<u>(14,831)</u>	<u>26,006</u>
Net change in fund balances	<u>\$ (40,837)</u>	<u>\$ (40,837)</u>	<u>(14,831)</u>	<u>\$ 26,006</u>
Fund balance - beginning			<u>485,727</u>	
Fund balance - ending			<u>\$ 470,896</u>	

PICKENS COUNTY, SOUTH CAROLINA

Schedule 16

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - SPRINGS FIRE DISTRICT FUND

YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Taxes	\$ 611,536	\$ 611,536	\$ 644,020	\$ 32,484
Total revenues	<u>611,536</u>	<u>611,536</u>	<u>644,020</u>	<u>32,484</u>
Expenditures				
Current:				
Personnel services	461,432	461,432	429,350	32,082
Supplies	14,150	17,090	15,264	1,826
Contractual services	6,600	7,551	7,700	(149)
Utilities	19,448	21,833	21,368	465
Repairs and maintenance	18,450	15,842	11,223	4,619
Fuel and oil	7,000	8,450	8,683	(233)
Furniture, machinery and equipment	5,900	8,000	3,771	4,229
Insurance, bonds and licenses	10,000	10,394	10,386	8
Other	11,250	12,444	12,062	382
Contingency	13,180	4,374	-	4,374
Total expenditures	<u>567,410</u>	<u>567,410</u>	<u>519,807</u>	<u>47,603</u>
Excess of revenues over expenditures	<u>44,126</u>	<u>44,126</u>	<u>124,213</u>	<u>80,087</u>
Other financing uses				
Transfers out	(400,000)	(400,000)	(400,000)	-
Total other financing uses	<u>(400,000)</u>	<u>(400,000)</u>	<u>(400,000)</u>	<u>-</u>
Net change in fund balances	<u>\$ (355,874)</u>	<u>\$ (355,874)</u>	<u>(275,787)</u>	<u>\$ 80,087</u>
Fund balance - beginning			<u>741,135</u>	
Fund balance - ending			<u>\$ 465,348</u>	

PICKENS COUNTY, SOUTH CAROLINA

Schedule 17

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - CAPITAL PROJECTS FUND**

YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Expenditures				
Current:				
Capital outlay	\$ 16,285,970	\$ 16,285,970	\$ 14,944,432	\$ 1,341,538
Total expenditures	<u>16,285,970</u>	<u>16,285,970</u>	<u>14,944,432</u>	<u>1,341,538</u>
Deficiency of revenues under expenditures	<u>(16,285,970)</u>	<u>(16,285,970)</u>	<u>(14,944,432)</u>	<u>1,341,538</u>
Other financing sources (uses):				
Transfers (out) in	<u>4,707</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>4,707</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u><u>\$ (16,281,263)</u></u>	<u><u>\$ (16,285,970)</u></u>	<u>(14,944,432)</u>	<u><u>\$ 1,341,538</u></u>
Fund balance - beginning			<u>16,285,970</u>	
Fund balance - ending			<u><u>\$ 1,341,538</u></u>	

PICKENS COUNTY, SOUTH CAROLINA

COMBINING SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Tri-County Tech – This fund is used to account for the property tax receipts and disbursements to Tri-County Technical College.

Fixed Nuclear – This fund is used to account for funds received for emergency management related to Oconee Nuclear Station.

Sheriff Special – This fund was established to account for asset forfeitures received in various drug interdiction activities used to fund law enforcement activities.

Library – This fund is used to account for revenues and expenditures associated with the County's Public Library System.

Victim Rights – This fund was established to account for court assessments and conviction surcharges received by the County to provide services to individuals victimized by criminal acts.

Law Enforcement Block Grant – This fund accounts for the revenues and expenditures received from the Local Law Enforcement Block Grant.

Tourism Restricted Resources – This fund accounts for the receipt and disbursement of contributions for the Pickens County Tourism Related Departments.

Accommodations Tax – This fund is used to account for the 2% accommodation fee collected by the State on transient room rentals throughout the County. All expenditures must be tourist related with the exception of the first \$25,000 and 5% of the remainder of the accommodations tax remitted by the State.

Road Fee – This fund accounts for the \$20 road maintenance fee collected for local road maintenance. A portion of this revenue is shared with the seven municipal governments located in Pickens County.

Tourism Development Fee – This fund accounts for the 1% local tourism fee. Revenues from this fee will be used for the payment of debt service on the County Museum expansion.

Emergency Phone System – This fund accounts for monies collected from telephone subscribers for the operation and maintenance of the County's E-911 system.

Prison Commission – This fund is used to account for funds received for emergency management related to the jail expansion.

PICKENS COUNTY, SOUTH CAROLINA
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS

Schedule 18

JUNE 30, 2019

	Special Revenue Funds	Debt Service Fund	Total Nonmajor Governmental Funds
ASSETS			
Cash and investments	\$ 12,513,307	\$ 2,259,271	\$ 14,772,578
Property taxes receivable, net	373,125	217,806	590,931
Accounts receivable - other	61,655	-	61,655
Due from other governments	527,437	-	527,437
Prepaid items	1,996	-	1,996
Total assets	<u>\$ 13,477,520</u>	<u>\$ 2,477,077</u>	<u>\$ 15,954,597</u>
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 237,217	\$ -	\$ 237,217
Accrued payroll	99,269	-	99,269
Advances from general fund	13,389	309,662	323,051
Total liabilities	<u>349,875</u>	<u>309,662</u>	<u>659,537</u>
Deferred Inflow of Resources:			
Unavailable revenue - delinquent taxes	448,599	206,258	654,857
Total deferred inflow of resources	<u>448,599</u>	<u>206,258</u>	<u>654,857</u>
Fund Balances			
Nonspendable	1,996	-	1,996
Restricted	12,677,050	1,961,157	14,638,207
Total fund balances	<u>12,679,046</u>	<u>1,961,157</u>	<u>14,640,203</u>
Total liabilities, deferred inflow of resources and fund balances	<u>\$ 13,477,520</u>	<u>\$ 2,477,077</u>	<u>\$ 15,954,597</u>

PICKENS COUNTY, SOUTH CAROLINA
COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS

Schedule 19

YEAR ENDED JUNE 30, 2019

	Special Revenue Funds	Debt Service Fund	Total Nonmajor Governmental Funds
Revenues			
Taxes	\$ 4,728,891	\$ 3,040,785	\$ 7,769,676
Intergovernmental	2,629,949	104	2,630,053
Fees, licenses and permits	2,897,927	309,666	3,207,593
Charges for services	103,028	-	103,028
Fines and forfeitures	177,085	-	177,085
Investment income	365	-	365
Contributions	56,524	-	56,524
Other revenues	10,039	-	10,039
Total revenues	<u>10,603,808</u>	<u>3,350,555</u>	<u>13,954,363</u>
Expenditures			
Current:			
Public safety	888,656	-	888,656
Public works	2,557,680	-	2,557,680
Culture and recreation	3,803,070	-	3,803,070
Other	1,585,100	-	1,585,100
Capital outlay	381,411	-	381,411
Debt service:			
Principal retirement	-	2,895,826	2,895,826
Interest and fiscal charges	-	1,252,956	1,252,956
Total expenditures	<u>9,215,917</u>	<u>4,148,782</u>	<u>13,364,699</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,387,891</u>	<u>(798,227)</u>	<u>589,664</u>
Other financing sources (uses)			
Transfers in (out)	<u>(14,273)</u>	<u>575,083</u>	<u>560,810</u>
Total other financing sources (uses)	<u>(14,273)</u>	<u>575,083</u>	<u>560,810</u>
Net change in fund balances	1,373,618	(223,144)	1,150,474
Fund balance - beginning	<u>11,305,428</u>	<u>2,184,301</u>	<u>13,489,729</u>
Fund balance - ending	<u>\$ 12,679,046</u>	<u>\$ 1,961,157</u>	<u>\$ 14,640,203</u>

PICKENS COUNTY, SOUTH CAROLINA
COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS

Schedule 20

YEAR ENDED JUNE 30, 2019

	Tri-County Tech	Fixed Nuclear	Sheriff Special	Library	Victim Rights	Law Enforcement Block Grants	State Road C-Fund
ASSETS							
Cash and investments	\$ 1,108,777	\$ 38,753	\$ 338,648	\$ 2,575,062	\$ 95,991	\$ -	\$ 3,698,095
Property taxes receivable, net	109,239	-	-	263,886	-	-	-
Accounts receivable - other	-	-	-	-	-	-	-
Due from other governments	1,441	-	-	1,500	-	13,390	315,307
Prepaid items	-	-	-	20	-	-	-
Total assets	<u>\$ 1,219,457</u>	<u>\$ 38,753</u>	<u>\$ 338,648</u>	<u>\$ 2,840,468</u>	<u>\$ 95,991</u>	<u>\$ 13,390</u>	<u>\$ 4,013,402</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ -	\$ 5,988	\$ -	\$ 33,233	\$ 1,288	\$ 1	\$ 6,000
Accrued payroll	-	2,443	-	78,495	3,069	-	-
Advances from general fund	-	-	-	-	-	13,389	-
Total liabilities	-	8,431	-	111,728	4,357	13,390	6,000
Deferred Inflows of Resources:							
Unavailable revenue - delinquent taxes	103,006	-	-	249,076	-	-	-
Total deferred inflows of resources	103,006	-	-	249,076	-	-	-
Fund Balances:							
Nonspendable:							
Prepaid items	-	-	-	20	-	-	-
Restricted	1,116,451	30,322	338,648	2,479,644	91,634	-	4,007,402
Total fund balances	1,116,451	30,322	338,648	2,479,664	91,634	-	4,007,402
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,219,457</u>	<u>\$ 38,753</u>	<u>\$ 338,648</u>	<u>\$ 2,840,468</u>	<u>\$ 95,991</u>	<u>\$ 13,390</u>	<u>\$ 4,013,402</u>

PICKENS COUNTY, SOUTH CAROLINA
COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS

Schedule 20 - continued

YEAR ENDED JUNE 30, 2019

	Tourism Restricted Resources	Accomodations Tax	Road Fee	Tourism Development Fee	Emergency Phone System	Prison Commission	Total Nonmajor Special Revenue Funds
ASSETS							
Cash and investments	\$ 7,434	\$ 176,147	\$ 3,520,098	\$ 239,281	\$ 712,600	\$ 2,421	\$ 12,513,307
Property taxes receivable, net	-	-	-	-	-	-	373,125
Accounts receivable - other	189	-	-	37,559	23,907	-	61,655
Due from other governments	-	48,797	-	-	147,002	-	527,437
Prepaid items	-	-	-	1,976	-	-	1,996
Total assets	<u>\$ 7,623</u>	<u>\$ 224,944</u>	<u>\$ 3,520,098</u>	<u>\$ 278,816</u>	<u>\$ 883,509</u>	<u>\$ 2,421</u>	<u>\$ 13,477,520</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 2,010	\$ 85,000	\$ 49,654	\$ 4,135	\$ 49,908	\$ -	\$ 237,217
Accrued payroll	1,061	-	3,312	4,947	5,942	-	99,269
Advances from general fund	-	-	-	-	-	-	13,389
Total liabilities	<u>3,071</u>	<u>85,000</u>	<u>52,966</u>	<u>9,082</u>	<u>55,850</u>	<u>-</u>	<u>349,875</u>
Deferred Inflows of Resources:							
Unavailable revenue - delinquent taxes	-	-	-	-	96,517	-	448,599
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>96,517</u>	<u>-</u>	<u>448,599</u>
Fund Balances:							
Nonspendable:							
Prepaid items	-	-	-	1,976	-	-	1,996
Restricted	<u>4,552</u>	<u>139,944</u>	<u>3,467,132</u>	<u>267,758</u>	<u>731,142</u>	<u>2,421</u>	<u>12,677,050</u>
Total fund balances	<u>4,552</u>	<u>139,944</u>	<u>3,467,132</u>	<u>269,734</u>	<u>731,142</u>	<u>2,421</u>	<u>12,679,046</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 7,623</u>	<u>\$ 224,944</u>	<u>\$ 3,520,098</u>	<u>\$ 278,816</u>	<u>\$ 883,509</u>	<u>\$ 2,421</u>	<u>\$ 13,477,520</u>

PICKENS COUNTY, SOUTH CAROLINA

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NONMAJOR SPECIAL REVENUE FUNDS**

YEAR ENDED JUNE 30, 2019

	Tri-County Tech	Fixed Nuclear	Sheriff Special	Library	Victim Rights	Law Enforcement Block Grants	State Road C-Fund
Revenues							
Taxes	\$ 1,385,616	\$ -	\$ -	\$ 3,343,275	\$ -	\$ -	\$ -
Intergovernmental	-	90,190	-	242,926	-	13,390	1,858,059
Fees, licenses and permits	-	-	-	-	-	-	-
Charges for services	-	-	-	77,876	-	-	-
Fines and forfeitures	-	-	97,869	-	79,216	-	-
Investment income	-	-	-	365	-	-	-
Contributions	-	-	56,083	-	-	-	-
Other revenues	-	-	-	-	-	-	-
Total revenues	<u>1,385,616</u>	<u>90,190</u>	<u>153,952</u>	<u>3,664,442</u>	<u>79,216</u>	<u>13,390</u>	<u>1,858,059</u>
Expenditures							
Current:							
Public safety	-	100,029	82,501	-	76,743	13,390	-
Public works	-	-	-	-	-	-	1,005,721
Culture and recreation	-	-	-	3,319,605	-	-	-
Other	1,585,100	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Total expenditures	<u>1,585,100</u>	<u>100,029</u>	<u>82,501</u>	<u>3,319,605</u>	<u>76,743</u>	<u>13,390</u>	<u>1,005,721</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(199,484)</u>	<u>(9,839)</u>	<u>71,451</u>	<u>344,837</u>	<u>2,473</u>	<u>-</u>	<u>852,338</u>
Other financing sources (uses)							
Transfers in (out)	-	19,151	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>19,151</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(199,484)</u>	<u>9,312</u>	<u>71,451</u>	<u>344,837</u>	<u>2,473</u>	<u>-</u>	<u>852,338</u>
Fund balance - beginning	<u>1,315,935</u>	<u>21,010</u>	<u>267,197</u>	<u>2,134,827</u>	<u>89,161</u>	<u>-</u>	<u>3,155,064</u>
Fund balance - ending	<u>\$ 1,116,451</u>	<u>\$ 30,322</u>	<u>\$ 338,648</u>	<u>\$ 2,479,664</u>	<u>\$ 91,634</u>	<u>\$ -</u>	<u>\$ 4,007,402</u>

PICKENS COUNTY, SOUTH CAROLINA

Schedule 21 - continued

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NONMAJOR SPECIAL REVENUE FUNDS

YEAR ENDED JUNE 30, 2019

	Tourism Restricted Resources	Accomodations Tax	Road Fee	Tourism Development Fee	Emergency Phone System	Prison Commission	Nonmajor Special Revenue Funds
Revenues							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,728,891
Intergovernmental	5,895	193,475	-	-	226,014	-	2,629,949
Fees, licenses and permits	-	-	2,176,865	394,788	326,274	-	2,897,927
Charges for services	25,152	-	-	-	-	-	103,028
Fines and forfeitures	-	-	-	-	-	-	177,085
Investment income	-	-	-	-	-	-	365
Contributions	441	-	-	-	-	-	56,524
Other revenues	8,735	-	-	-	-	1,304	10,039
Total revenues	40,223	193,475	2,176,865	394,788	552,288	1,304	10,603,808
Expenditures							
Current:							
Public safety	-	-	-	-	613,862	2,131	888,656
Public works	-	-	1,551,959	-	-	-	2,557,680
Culture and recreation	88,055	232,665	-	162,745	-	-	3,803,070
Other	-	-	-	-	-	-	1,585,100
Capital outlay	-	-	20,369	311,905	49,137	-	381,411
Total expenditures	88,055	232,665	1,572,328	474,650	662,999	2,131	9,215,917
Excess (deficiency) of revenues over (under) expenditures	(47,832)	(39,190)	604,537	(79,862)	(110,711)	(827)	1,387,891
Other financing sources (uses)							
Transfers in (out)	-	(33,424)	-	-	-	-	(14,273)
Total other financing sources (uses)	-	(33,424)	-	-	-	-	(14,273)
Net change in fund balances	(47,832)	(72,614)	604,537	(79,862)	(110,711)	(827)	1,373,618
Fund balance - beginning	52,384	212,558	2,862,595	349,596	841,853	3,248	11,305,428
Fund balance - ending	\$ 4,552	\$ 139,944	\$ 3,467,132	\$ 269,734	\$ 731,142	\$ 2,421	\$ 12,679,046

PICKENS COUNTY, SOUTH CAROLINA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - TRI-COUNTY TECH FUND**

YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
Revenues				
Taxes	\$ 1,324,373	\$ 1,324,373	\$ 1,385,616	\$ (61,243)
Total revenues	<u>1,324,373</u>	<u>1,324,373</u>	<u>1,385,616</u>	<u>(61,243)</u>
Expenditures				
Current:				
Other	1,585,100	1,585,100	1,585,100	-
Total expenditures	<u>1,585,100</u>	<u>1,585,100</u>	<u>1,585,100</u>	<u>-</u>
Deficiency of revenues under expenditures	<u>(260,727)</u>	<u>(260,727)</u>	<u>(199,484)</u>	<u>(61,243)</u>
Net change in fund balances	<u>\$ (260,727)</u>	<u>\$ (260,727)</u>	(199,484)	<u>\$ (61,243)</u>
Fund balance - beginning			<u>1,315,935</u>	
Fund balance - ending			<u>\$ 1,116,451</u>	

PICKENS COUNTY, SOUTH CAROLINA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - FIXED NUCLEAR FUND**

YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 90,190	\$ 90,190	\$ 90,190	\$ -
Total revenues	<u>90,190</u>	<u>90,190</u>	<u>90,190</u>	<u>-</u>
Expenditures				
Current:				
Public safety	110,516	103,508	100,029	3,479
Capital outlay	<u>-</u>	<u>7,008</u>	<u>-</u>	<u>7,008</u>
Total expenditures	<u>110,516</u>	<u>110,516</u>	<u>100,029</u>	<u>10,487</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(20,326)</u>	<u>(20,326)</u>	<u>(9,839)</u>	<u>10,487</u>
Other financing sources (uses)				
Transfers in (out)	<u>20,326</u>	<u>20,326</u>	<u>19,151</u>	<u>(1,175)</u>
Total other financing sources (uses)	<u>20,326</u>	<u>20,326</u>	<u>19,151</u>	<u>(1,175)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	9,312	<u>\$ 9,312</u>
Fund balance - beginning			<u>21,010</u>	
Fund balance - ending			<u>\$ 30,322</u>	

PICKENS COUNTY, SOUTH CAROLINA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - LIBRARY FUND**

YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Operations</u>	<u>State Aid</u>	<u>Totals</u>	<u>Variance With Final Positive (Negative)</u>
Revenues						
Taxes	\$ 3,192,131	\$ 3,192,131	\$ 3,343,275	\$ -	\$ 3,343,275	\$ 151,144
Intergovernmental	132,000	230,098	34,284	208,642	242,926	12,828
Charges for services	91,000	91,000	77,876	-	77,876	(13,124)
Investment income	1,000	1,000	365	-	365	(635)
Total revenues	<u>3,416,131</u>	<u>3,514,229</u>	<u>3,455,800</u>	<u>208,642</u>	<u>3,664,442</u>	<u>150,213</u>
Expenditures						
Current:						
Personnel services	2,648,900	2,649,207	2,543,222	-	2,543,222	105,985
Library collections	217,654	309,239	71,419	208,791	280,210	29,029
Supplies	57,100	62,402	54,742	-	54,742	7,660
Contractual services	137,696	138,930	124,069	-	124,069	14,861
Utilities	171,700	171,804	176,743	-	176,743	(4,939)
Repairs and maintenance	54,000	54,141	31,465	-	31,465	22,676
Fuel and oil	2,000	2,000	1,657	-	1,657	343
Furniture, machinery and equipment	33,700	33,700	18,929	-	18,929	14,771
Insurance, bonds and licenses	43,731	46,550	46,136	-	46,136	414
Rent	35,000	30,904	30,904	-	30,904	-
Other	14,650	15,352	11,528	-	11,528	3,824
Total expenditures	<u>3,416,131</u>	<u>3,514,229</u>	<u>3,110,814</u>	<u>208,791</u>	<u>3,319,605</u>	<u>194,624</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>344,986</u>	<u>(149)</u>	<u>344,837</u>	<u>344,837</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>344,986</u>	<u>(149)</u>	<u>344,837</u>	<u>\$ 344,837</u>
Fund balance - beginning			<u>2,169,769</u>	<u>(34,942)</u>	<u>2,134,827</u>	
Fund balance - ending			<u>\$ 2,514,755</u>	<u>\$ (35,091)</u>	<u>\$ 2,479,664</u>	

PICKENS COUNTY, SOUTH CAROLINA

Schedule 25

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - VICTIM RIGHTS FUND**

YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Fines and forfeitures	\$ 87,000	\$ 87,000	\$ 79,216	\$ (7,784)
Total revenues	<u>87,000</u>	<u>87,000</u>	<u>79,216</u>	<u>(7,784)</u>
Expenditures				
Current:				
Personnel services	97,268	97,268	71,123	26,145
Supplies	1,665	1,470	1,354	116
Contractual services	-	-	1,288	(1,288)
Utilities	775	775	744	31
Repairs and maintenance	500	500	77	423
Fuel and oil	897	897	837	60
Insurance, bonds and licenses	1,125	1,320	1,320	-
Other	3,000	3,000	-	3,000
Total expenditures	<u>105,230</u>	<u>105,230</u>	<u>76,743</u>	<u>28,487</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(18,230)</u>	<u>(18,230)</u>	<u>2,473</u>	<u>20,703</u>
Net change in fund balances	<u>\$ (18,230)</u>	<u>\$ (18,230)</u>	<u>2,473</u>	<u>\$ 20,703</u>
Fund balance - beginning			<u>89,161</u>	
Fund balance - ending			<u>\$ 91,634</u>	

PICKENS COUNTY, SOUTH CAROLINA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - TOURISM RESTRICTED RESOURCES FUND**

YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Intergovernmental	\$ -	\$ 1,338	\$ 5,895	\$ 4,557
Charges for services	51,500	51,500	25,152	(26,348)
Contributions	-	-	441	441
Other revenues	15,000	15,000	8,735	(6,265)
Total revenues	<u>66,500</u>	<u>67,838</u>	<u>40,223</u>	<u>(27,615)</u>
Expenditures				
Current:				
Culture and recreation	113,597	125,385	88,055	37,330
Total expenditures	<u>113,597</u>	<u>125,385</u>	<u>88,055</u>	<u>37,330</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(47,097)</u>	<u>(57,547)</u>	<u>(47,832)</u>	<u>9,715</u>
Net change in fund balances	<u>\$ (47,097)</u>	<u>\$ (57,547)</u>	<u>(47,832)</u>	<u>\$ 9,715</u>
Fund balance - beginning			<u>52,384</u>	
Fund balance - ending			<u>\$ 4,552</u>	

PICKENS COUNTY, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - ACCOMMODATION TAX FUND

Schedule 27

YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 90,000	\$ 90,000	\$ 193,475	\$ 103,475
Total revenues	<u>90,000</u>	<u>90,000</u>	<u>193,475</u>	<u>103,475</u>
Expenditures				
Current:				
Culture and recreation	61,750	162,148	232,665	(70,517)
Total expenditures	<u>61,750</u>	<u>162,148</u>	<u>232,665</u>	<u>(70,517)</u>
Excess of revenues over expenditures	<u>28,250</u>	<u>(72,148)</u>	<u>(39,190)</u>	<u>32,958</u>
Other financing uses				
Transfers out	(28,250)	(28,250)	(33,424)	(5,174)
Total other financing uses	<u>(28,250)</u>	<u>(28,250)</u>	<u>(33,424)</u>	<u>(5,174)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ (100,398)</u>	<u>(72,614)</u>	<u>\$ 27,784</u>
Fund balance - beginning			<u>212,558</u>	
Fund balance - ending			<u>\$ 139,944</u>	

PICKENS COUNTY, SOUTH CAROLINA

Schedule 28

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - ROAD FEE FUND**

YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
Revenues				
Fees, licenses and permits	\$ 2,000,000	\$ 2,176,865	\$ 2,176,865	\$ -
Total revenues	<u>2,000,000</u>	<u>2,176,865</u>	<u>2,176,865</u>	<u>-</u>
Expenditures				
Current:				
Public works	1,877,977	4,649,997	1,551,959	3,098,038
Capital outlay	407,973	407,973	20,369	387,604
Total expenditures	<u>2,285,950</u>	<u>5,057,970</u>	<u>1,572,328</u>	<u>3,485,642</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(285,950)</u>	<u>(2,881,105)</u>	<u>604,537</u>	<u>3,485,642</u>
Net change in fund balances	<u>\$ (285,950)</u>	<u>\$ (2,881,105)</u>	<u>604,537</u>	<u>\$ 3,485,642</u>
Fund balance - beginning			<u>2,862,595</u>	
Fund balance - ending			<u>\$ 3,467,132</u>	

PICKENS COUNTY, SOUTH CAROLINA

Schedule 29

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - TOURISM DEVELOPMENT FEE FUND

YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Fees, licenses and permits	\$ 400,000	\$ 400,000	\$ 394,788	\$ (5,212)
Total revenues	<u>400,000</u>	<u>400,000</u>	<u>394,788</u>	<u>(5,212)</u>
Expenditures				
Current:				
Personnel services	87,126	89,226	90,400	(1,174)
Supplies	42,150	36,484	15,624	20,860
Contractual services	-	2,333	2,645	(312)
Utilities	420	443	435	8
Repairs and maintenance	63,503	74,260	48,994	25,266
Fuel and oil	1,500	1,500	1,088	412
Furniture, machinery and equipment	-	-	-	-
Insurance, bonds and licenses	557	1,244	1,244	-
Other	4,744	5,470	2,315	3,155
Capital outlay	-	410,172	311,905	98,267
Total expenditures	<u>200,000</u>	<u>621,132</u>	<u>474,650</u>	<u>146,482</u>
Excess (deficiency) of revenues over (under) expenditures	<u>200,000</u>	<u>(221,132)</u>	<u>(79,862)</u>	<u>141,270</u>
 Net change in fund balances	 <u>\$ 200,000</u>	 <u>\$ (221,132)</u>	 (79,862)	 <u>\$ 141,270</u>
 Fund balance - beginning			 <u>349,596</u>	
Fund balance - ending			<u>\$ 269,734</u>	

PICKENS COUNTY, SOUTH CAROLINA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - EMERGENCY PHONE SYSTEM FUND

YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 460,779	\$ 460,779	\$ 226,014	\$ (234,765)
Fees, licenses and permits	420,000	420,000	326,274	(93,726)
Total revenues	<u>880,779</u>	<u>880,779</u>	<u>552,288</u>	<u>(328,491)</u>
Expenditures				
Current:				
Personnel services	272,272	272,322	245,951	26,371
Supplies	6,850	8,888	6,912	1,976
Contractual services	150,300	149,558	128,028	21,530
Utilities	266,460	266,460	184,680	81,780
Repairs and maintenance	2,200	2,200	1,571	629
Fuel and oil	650	1,379	1,458	(79)
Furniture, machinery and equipment	20,000	31,361	21,966	9,395
Insurance, bonds and licenses	2,544	2,821	2,530	291
Other	20,137	22,266	20,766	1,500
Capital outlay	179,301	163,459	49,137	114,322
Total expenditures	<u>920,714</u>	<u>920,714</u>	<u>662,999</u>	<u>257,715</u>
Deficiency of revenues under expenditures	<u>(39,935)</u>	<u>(39,935)</u>	<u>(110,711)</u>	<u>(70,776)</u>
Net change in fund balances	<u>\$ (39,935)</u>	<u>\$ (39,935)</u>	<u>(110,711)</u>	<u>\$ (70,776)</u>
Fund balance - beginning			<u>841,853</u>	
Fund balance - ending			<u>\$ 731,142</u>	

PICKENS COUNTY, SOUTH CAROLINA
COMBINING SCHEDULES

DEBT SERVICE FUNDS

Debt Service Fund

The debt service fund is used to account for the accumulation of resources and payment of principal and interest on general obligation bonds and notes payable.

PICKENS COUNTY, SOUTH CAROLINA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - DEBT SERVICE FUND

YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Taxes	\$ 3,124,162	\$ 3,124,162	\$ 3,040,785	\$ (83,377)
Intergovernmental	-	-	104	104
Fees, licenses and permits	309,667	309,667	309,666	(1)
Total revenues	<u>3,433,829</u>	<u>3,433,829</u>	<u>3,350,555</u>	<u>(83,274)</u>
Expenditures				
Debt service:				
Principal retirement	2,729,287	2,895,826	2,895,826	-
Interest and fiscal charges	1,266,488	1,252,359	1,252,956	(597)
Total expenditures	<u>3,995,775</u>	<u>4,148,185</u>	<u>4,148,782</u>	<u>(597)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(561,946)</u>	<u>(714,356)</u>	<u>(798,227)</u>	<u>(83,871)</u>
Other financing uses:				
Transfers out	<u>574,783</u>	<u>574,783</u>	<u>575,083</u>	<u>300</u>
Total other financing uses	<u>574,783</u>	<u>574,783</u>	<u>575,083</u>	<u>300</u>
Net change in fund balances	<u>\$ 12,837</u>	<u>\$ (139,573)</u>	<u>(223,144)</u>	<u>\$ (83,571)</u>
Fund balance - beginning			<u>2,184,301</u>	
Fund balance - ending			<u>\$ 1,961,157</u>	

PICKENS COUNTY, SOUTH CAROLINA
COMBINING SCHEDULES

AGENCY FUNDS

Agency Funds

Agency funds are custodial in nature (assets equal liabilities) and thus do not represent the measurement or results of operations.

Agency Funds – These funds primarily consist of monies collected and disbursed by the County Treasurer (an elected, constitutionally mandated official) for various governmental units and other entities within Pickens County. These monies are not under the control of Pickens County Council. This fund also consists of monies administered by several elected, appointed or other officials who, by nature of their position, collect and disburse cash. These officials consist of Magistrates, Family Court and Clerk of Court.

PICKENS COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND
LIABILITIES - AGENCY FUNDS

YEAR ENDED JUNE 30, 2019

	Balance June 30, 2018	Receipts	Disbursements	Balance June 30, 2019
School District Fund				
Assets				
Cash	\$ 40,554,103	\$ 197,077,465	\$ 183,787,825	\$ 53,843,743
Accounts receivable - other	11,953	47,051	11,953	47,051
Property taxes receivable, net	6,858,720	162,694	203,148	6,818,266
	<u>\$ 47,424,776</u>	<u>\$ 197,287,210</u>	<u>\$ 184,002,926</u>	<u>\$ 60,709,060</u>
Liabilities				
Due to others	<u>\$ 47,424,776</u>	<u>\$ 197,287,210</u>	<u>\$ 184,002,926</u>	<u>\$ 60,709,060</u>
Municipal Fund				
Assets				
Cash	\$ 63,518	\$ 10,864,076	\$ 10,888,267	\$ 39,327
Property taxes receivable, net	1,041,510	63,182	617	1,104,075
	<u>\$ 1,105,028</u>	<u>\$ 10,927,258</u>	<u>\$ 10,888,884</u>	<u>\$ 1,143,402</u>
Liabilities				
Accounts payable	\$ 63,518	\$ 10,943,005	\$ 10,916,351	\$ 90,172
Due to others	1,041,510	39,526	27,806	1,053,230
	<u>\$ 1,105,028</u>	<u>\$ 10,982,531</u>	<u>\$ 10,944,157</u>	<u>\$ 1,143,402</u>
Mini-Bottle Fund				
Assets				
Cash	\$ -	\$ 249,829	\$ 249,829	\$ -
Liabilities				
Due to others	<u>\$ -</u>	<u>\$ 249,829</u>	<u>\$ 249,829</u>	<u>\$ -</u>
Fire District Fund				
Assets				
Cash	\$ -	\$ 247,805	\$ 247,805	\$ -
Liabilities				
Due to others	<u>\$ -</u>	<u>\$ 247,805</u>	<u>\$ 247,805</u>	<u>\$ -</u>
Magistrates' Fund				
Assets				
Cash	\$ 64,085	\$ 769,402	\$ 762,301	\$ 71,186
Liabilities				
Due to others	<u>\$ 64,085</u>	<u>\$ 769,402</u>	<u>\$ 762,301</u>	<u>\$ 71,186</u>

PICKENS COUNTY, SOUTH CAROLINA

Schedule 32 - continued

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND
LIABILITIES - AGENCY FUNDS**

YEAR ENDED JUNE 30, 2018

	Balance June 30, 2018	Receipts	Disbursements	Balance June 30, 2019
Family Court Fund				
Assets				
Cash and investments	\$ 24,354	\$ 7,039,303	\$ 7,047,593	\$ 16,064
Liabilities				
Due to others	\$ 24,354	\$ 7,039,303	\$ 7,047,593	\$ 16,064
Clerk of Court Fund				
Assets				
Cash and investments	\$ 1,126,259	\$ 698,846	\$ 673,027	\$ 1,152,078
Liabilities				
Due to others	\$ 1,126,259	\$ 698,846	\$ 673,027	\$ 1,152,078
Prison				
Assets				
Cash and investments	\$ 6,223	\$ 91,430	\$ 91,892	\$ 5,761
Liabilities				
Due to others	\$ 6,223	\$ 91,430	\$ 91,892	\$ 5,761
Library Foundation				
Assets				
Cash and investments	\$ 57,594	\$ 150	\$ 209	\$ 57,535
Liabilities				
Due to others	\$ 57,594	\$ 150	\$ 209	\$ 57,535
Total of all Agency Funds				
Assets				
Cash and investments	\$ 41,896,136	\$ 217,038,306	\$ 203,748,748	\$ 55,185,694
Accounts receivable - other	11,953	47,051	11,953	47,051
Property taxes receivable	7,900,230	225,876	203,765	7,922,341
Total assets	<u>\$ 49,808,319</u>	<u>\$ 217,311,233</u>	<u>\$ 203,964,466</u>	<u>\$ 63,155,086</u>
Liabilities				
Accounts payable	\$ 63,518	\$ 10,943,005	\$ 10,916,351	\$ 90,172
Due to others	49,744,801	206,423,501	193,103,388	63,064,914
Total liabilities	<u>\$ 49,808,319</u>	<u>\$ 217,366,506</u>	<u>\$ 204,019,739</u>	<u>\$ 63,155,086</u>

PICKENS COUNTY, SOUTH CAROLINA

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS -
SCHEDULE OF CAPITAL ASSETS BY FUNCTION**

JUNE 30, 2019

Function	Land	Construction in Progress	Buildings and Improvements	Improvements and Infrastructure	Machinery and Equipment	Total
General government	\$ 1,778,247	\$ -	\$ 13,015,694	\$ 125,971	\$ 2,325,733	\$ 17,245,645
Public safety	781,227	28,037,703	12,692,868	219,130	20,712,556	62,443,484
Public works	1,088,914	46,960	1,308,565	28,944,301	10,813,504	42,202,244
Public health and welfare	26,902	-	1,089,435	27,077	232,310	1,375,724
Culture and recreation	897,153	98,748	11,557,479	1,321,439	1,028,774	14,903,593
Economic development	109,298	2,121,184	2,038,883	1,918,034	24,890	6,212,289
Intergovernmental	-	-	500,195	-	-	500,195
Total governmental funds capital assets	\$ 4,681,741	\$ 30,304,595	\$ 42,203,119	\$ 32,555,952	\$ 35,137,767	\$ 144,883,174

PICKENS COUNTY, SOUTH CAROLINA

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS -
SCHEDULE OF CHANGES IN CAPITAL ASSETS BY FUNCTION**

JUNE 30, 2019

Function	Beginning of Year	Additions	Deletions	Transfers		End of Year
				In	Out	
General government administration	\$ 17,137,142	\$ 105,693	\$ 114,836	\$ 189,227	\$ 71,581	\$ 17,245,645
Public safety	46,777,506	16,394,326	634,390	109,190	203,148	62,443,484
Public works	42,208,231	317,289	231,707	215,122	306,691	42,202,244
Public health and welfare	1,373,431	2,293	-	-	-	1,375,724
Culture and recreation	14,222,013	819,774	181,185	54,491	11,500	14,903,593
Economic development	6,182,568	24,545	19,714	24,890	-	6,212,289
Intergovernmental	500,195	-	-	-	-	500,195
Total governmental funds capital assets	<u>\$ 128,401,086</u>	<u>\$ 17,663,920</u>	<u>\$ 1,181,832</u>	<u>\$ 592,920</u>	<u>\$ 592,920</u>	<u>\$ 144,883,174</u>

STATISTICAL SECTION

PICKENS COUNTY, SOUTH CAROLINA

STATISTICAL SECTION NARRATIVE

FISCAL YEAR JUNE 30, 2019

This section of the County'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 government's overall financial health.

Contents

Financial Trends

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

Revenue Capacity

These schedules contain information to help the reader assess the County's most significant revenue source, tax revenue.

Debt Capacity

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

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Operating Information

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

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

PICKENS COUNTY, SOUTH CAROLINA
NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS
 (ACCRUAL BASIS OF ACCOUNTING)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental Activities										
Invested in capital assets, net of related debt	\$ 35,269,425	\$ 34,058,641	\$ 41,896,168	\$ 44,803,759	\$ 43,964,937	\$ 45,459,121	\$ 48,208,673	\$ 50,700,319	\$ 36,106,153	\$ 50,634,094
Restricted	11,358,716	11,628,296	11,835,113	11,960,394	15,397,427	15,634,038	17,573,313	16,152,280	16,513,038	17,403,330
Unrestricted	25,011,349	32,630,194	25,831,302	24,136,243	25,986,376	(8,736,449)	(7,094,595)	(13,063,593)	(10,514,752)	(22,763,446)
Total governmental activities net assets	71,639,490	78,317,131	79,562,583	80,900,396	85,348,740	52,356,710	58,687,391	53,789,006	42,104,439	45,273,978
Business-type Activities										
Invested in capital assets, net of related debt	28,304,398	29,301,120	29,786,626	29,155,636	28,023,881	26,816,226	25,857,381	25,414,892	28,290,482	28,476,555
Restricted	631,008	631,008	682,544	700,992	756,000	809,568	817,308	825,048	832,788	209,520
Unrestricted (deficit)	2,012,819	1,149,004	929,489	1,122,850	1,091,496	503,074	417,809	600,503	1,626,984	1,562,991
Total business-type activities net assets	30,948,225	31,081,132	31,398,659	30,979,478	29,871,377	28,128,868	27,092,498	26,840,443	30,750,254	30,249,066
Component Unit										
Invested in capital assets, net of related debt	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted (deficit)	373,588	320,221	288,705	169,334	100,109	80,150	54,651	66,685	161,877	93,590
Total component unit net assets	373,588	320,221	288,705	169,334	100,109	80,150	54,651	66,685	161,877	93,590
Total Reporting Unit										
Invested in capital assets, net of related debt	63,573,823	63,359,761	71,682,794	73,959,395	71,988,818	72,275,347	74,066,054	76,115,211	64,396,635	79,110,649
Restricted	11,989,724	12,259,304	12,517,657	12,661,386	16,153,427	16,443,606	18,390,621	16,977,328	17,345,826	17,612,850
Unrestricted	27,397,756	34,099,419	27,049,496	25,428,427	27,177,981	(8,153,225)	(6,622,135)	(12,396,405)	(8,725,891)	(21,106,865)
Total primary government net assets	\$ 102,961,303	\$ 109,718,484	\$ 111,249,947	\$ 112,049,208	\$ 115,320,226	\$ 80,565,728	\$ 85,834,540	\$ 80,696,134	\$ 73,016,570	\$ 75,616,634

Source: Annual Financial Statements

PICKENS COUNTY, SOUTH CAROLINA
CHANGES IN NET POSITION

LAST TEN FISCAL YEARS
 (ACCRUAL BASIS OF ACCOUNTING)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses										
<u>Governmental activities:</u>										
General government	\$ 11,104,765	\$ 10,917,949	\$ 10,988,712	\$ 11,088,305	\$ 11,469,811	\$ 12,254,981	\$ 12,604,182	\$ 14,753,128	\$ 15,338,224	\$ 16,070,136
Public safety	20,917,120	20,465,118	20,300,914	21,850,514	22,626,518	22,559,150	25,758,032	26,064,443	28,076,159	29,074,818
Public works	10,179,397	9,094,190	10,590,594	11,256,677	10,277,306	9,259,568	12,714,042	15,651,931	9,722,755	9,202,584
Health and welfare	1,229,437	1,078,351	1,188,284	864,265	877,186	860,695	933,146	920,068	717,643	792,130
Cultural and recreation	5,206,481	5,520,862	5,415,087	4,246,760	4,541,962	4,283,221	4,689,443	4,820,156	5,345,076	5,268,494
Economic development	427,052	381,571	762,985	665,236	689,697	474,033	547,444	1,288,055	1,900,486	580,221
Intergovernmental	-	-	38,607	1,350,409	1,422,329	1,428,094	883,737	1,543,750	1,941,760	2,012,470
Interest on long-term debt	94,907	92,815	-	-	-	-	-	-	-	-
Debt service - other	901,755	827,473	732,303	612,816	535,849	504,353	402,385	362,033	941,288	1,229,460
Total governmental activities expenses	50,060,914	48,378,329	50,017,486	51,934,982	52,440,658	51,624,095	58,532,411	65,403,564	63,983,391	64,230,313
<u>Business-type activities:</u>										
Public Service Commission	2,493,077	2,451,997	2,563,062	2,699,977	2,816,922	2,683,046	3,050,970	2,844,825	2,910,549	2,537,191
Airport	817,008	903,663	983,591	947,016	916,192	837,465	736,118	837,400	921,266	858,537
Total business-type activities expense	3,310,085	3,355,660	3,546,653	3,646,993	3,733,114	3,520,511	3,787,088	3,682,225	3,831,815	3,395,728
Total Primary Government Expenses	53,370,999	51,733,989	53,564,139	55,581,975	56,173,772	55,144,606	62,319,499	69,085,789	67,815,206	67,626,041
Component unit activities:										
Alliance Pickens	357,901	414,629	556,630	794,974	472,450	356,336	390,778	457,914	457,830	563,678
Total component unit expenses	357,901	414,629	556,630	794,974	472,450	356,336	390,778	457,914	457,830	563,678
Total expenses	53,728,900	52,148,618	54,120,769	56,376,949	56,646,222	55,500,942	62,710,277	69,543,703	68,273,036	68,189,719
Program Revenues										
<u>Governmental activities:</u>										
Charges for services										
General government	1,285,073	1,229,792	1,214,622	1,301,297	1,297,344	1,334,387	1,515,091	1,611,385	1,621,507	1,785,787
Public safety	7,042,849	7,295,934	7,355,656	7,719,457	9,161,649	7,943,150	8,654,967	8,176,614	9,790,419	9,499,204
Public works	1,135,204	1,242,067	1,236,597	999,045	989,904	1,035,390	1,161,031	1,301,204	1,486,775	1,494,691
Health and welfare	13,965	12,495	11,572	4,426	16,387	29,217	84,679	103,296	92,346	126,970
Cultural and recreation	440,966	519,084	521,452	560,701	553,744	532,321	644,000	625,362	798,887	776,923
Operating grants and contributions	4,998,531	5,743,390	4,710,501	4,741,551	5,648,952	5,984,172	10,315,555	7,202,200	7,301,417	6,985,839
Capital grants and contributions	717,022	497,965	113,796	147,275	423,643	125,000	-	-	-	-
Total governmental activities program revenues	15,633,610	16,540,727	15,164,196	15,473,752	18,091,623	16,983,637	22,375,323	19,020,061	21,091,351	20,669,414
<u>Business-type activities:</u>										
Charges for services										
Public Service Commission	1,223,966	1,228,583	1,186,460	1,255,385	1,268,272	1,289,956	1,415,105	1,368,923	1,414,731	1,494,499
Airport	433,935	507,926	570,777	550,821	494,435	478,820	444,548	621,303	557,378	583,825
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	1,179,087	1,023,482	1,940,208	1,200,981	583,785	437,925	586,072	1,111,193	400,002	797,227
Total business-type activities program revenues	2,836,988	2,759,991	3,697,445	3,007,187	2,346,492	2,206,701	2,445,725	3,101,419	2,372,111	2,875,551
Total Primary Government Program Revenues	18,470,598	19,300,718	18,861,641	18,480,939	20,438,115	19,190,338	24,821,048	22,121,480	23,463,462	23,544,965
Component unit activities:										
Alliance Pickens	393,903	19,104	172,887	232,887	11,324	22,324	23,000	118,000	20,538	67,822
Total component unit revenues	393,903	19,104	172,887	232,887	11,324	22,324	23,000	118,000	20,538	67,822
Total revenues	18,864,501	19,319,822	19,034,528	18,713,826	20,449,439	19,212,662	24,844,048	22,239,480	23,484,000	23,612,787

PICKENS COUNTY, SOUTH CAROLINA
CHANGES IN NET POSITION

LAST TEN FISCAL YEARS
 (ACCRUAL BASIS OF ACCOUNTING)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Net (Expense) Revenue										
Governmental activities	(34,427,304)	(31,837,602)	(34,853,290)	(36,461,230)	(34,349,035)	(34,640,458)	(36,157,088)	(46,383,503)	(42,892,040)	(43,560,899)
Business-type activities	(473,097)	(595,669)	150,792	(639,806)	(1,386,622)	(1,313,810)	(1,341,363)	(580,806)	(1,459,704)	(520,177)
Component unit activities	36,002	(395,525)	(383,743)	(562,087)	(461,126)	(334,012)	(367,778)	(339,914)	(437,292)	(495,856)
Total Primary Government	(34,864,399)	(32,828,796)	(35,086,241)	(37,663,123)	(36,196,783)	(36,288,280)	(37,866,229)	(47,304,223)	(44,789,036)	(44,576,932)
General Revenues and Other Changes in Net Assets										
<u>Governmental activities:</u>										
Taxes	32,288,793	32,953,640	31,646,911	32,606,724	34,453,144	35,248,707	36,998,429	36,947,789	37,372,290	39,981,468
Grants and contributions	5,592,546	4,664,736	4,132,297	4,887,962	4,856,536	4,841,567	4,940,083	5,213,027	5,162,145	5,166,692
Investment earnings	111,949	117,105	120,662	108,448	135,870	200,655	366,793	353,202	506,816	841,595
Miscellaneous	84,577	1,425,212	212,954	334,963	(15,127)	(2,499,667)	370,832	(188,977)	399,375	778,254
Gain on sale of capital assets	-	92,409	152,653	19,351	123,308	(50,577)	116,625	(511,172)	24,029	(25,162)
Transfers	(674,635)	(737,861)	(166,735)	(158,405)	(669,908)	(303,751)	(304,993)	(328,751)	(5,489,524)	(12,409)
Total governmental activities	37,403,230	38,515,241	36,098,742	37,799,043	38,883,823	37,436,934	42,487,769	41,485,118	37,975,131	46,730,438
<u>Business-type activities:</u>										
Loss on sale of capital assets	-	(9,285)	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	90,742	6,580
Transfers	674,635	737,861	166,735	158,405	278,521	303,751	304,993	328,751	5,489,524	12,409
Total business-type activities	674,635	728,576	166,735	158,405	278,521	303,751	304,993	328,751	5,580,266	18,989
Total Primary Government	38,077,865	39,243,817	36,265,477	37,957,448	39,162,344	37,740,685	42,792,762	41,813,869	43,555,397	46,749,427
<u>Component Unit Activities:</u>										
Investment Earnings	-	2,158	1,590	666	514	320	382	322	397	657
Miscellaneous	-	-	-	-	-	-	-	-	-	426,912
Transfers	-	340,000	350,637	442,050	391,387	313,733	341,897	351,626	532,087	-
Total component unit activities	-	342,158	352,227	442,716	391,901	314,053	342,279	351,948	532,484	427,569
Change in Net Assets										
Governmental activities	2,975,926	6,677,639	1,245,452	1,337,813	4,534,788	2,796,476	6,330,681	(4,898,385)	(4,916,909)	3,169,539
Business-type activities	201,538	132,907	317,527	(481,401)	(1,108,101)	(1,010,059)	(1,036,370)	(252,055)	4,120,562	(501,188)
Total Primary Government	3,177,464	6,810,546	1,562,979	856,412	3,426,687	1,786,417	5,294,311	(5,150,440)	(796,347)	2,668,351
Component unit activities	36,002	(53,367)	(31,516)	(119,371)	(69,225)	(19,959)	(25,499)	12,034	95,192	(68,287)
Total Reporting Unit	\$ 3,213,466	\$ 6,757,179	\$ 1,531,463	\$ 737,041	\$ 3,357,462	\$ 1,766,458	\$ 5,268,812	\$ (5,138,406)	\$ (701,155)	\$ 2,600,064

Source: Annual Financial Statements

PICKENS COUNTY, SOUTH CAROLINA
FUND BALANCES - GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Reserved	\$ 3,045,149									
Unreserved	23,176,899									
Total General Fund	<u>26,222,048</u>									
All Other Governmental Funds										
Reserved										
Debt service	314,693									
Other reserves	1,417,705									
Unreserved, reported in:										
Special revenue funds	9,184,588									
Debt service funds	-									
Capital project funds	441,815									
Total All Other Governmental Funds	<u>11,358,801</u>									
Total Governmental Fund Balance	<u>\$ 37,580,849</u>									
General Fund										
Nonspendable		\$ 1,706,049	\$ 1,954,935	\$ 1,586,053	\$ 1,597,119	\$ 1,579,659	\$ 1,547,843	\$ 1,310,699	\$ 1,865,852	\$ 1,153,296
Restricted		-	-	-	-	-	-	-	-	-
Committed		1,594,752	2,846,104	3,199,414	-	-	-	-	-	-
Assigned		3,814,159	3,734,180	4,639,991	6,591,559	7,790,805	8,972,808	8,544,709	6,762,401	5,552,312
Unassigned		20,039,896	20,406,845	19,209,791	20,915,924	22,515,434	23,924,817	21,586,795	19,188,947	24,122,881
Total General Fund		<u>27,154,856</u>	<u>28,942,064</u>	<u>28,635,249</u>	<u>29,104,602</u>	<u>31,885,898</u>	<u>34,445,468</u>	<u>31,442,203</u>	<u>27,817,200</u>	<u>30,828,489</u>
All Other Governmental Funds										
Nonspendable		1,240	349	1,703	649,129	9,835	3,130	10,268	6,389	2,574
Restricted		11,791,094	11,562,227	7,833,127	15,397,427	15,634,043	17,573,313	16,152,280	16,512,778	17,403,330
Committed		426,766	207,703	3,604,377	892,235	285,654	85,890	-	16,285,970	1,341,538
Assigned		71,813	91,243	-	-	-	-	-	-	-
Unassigned		(235,865)	(122,200)	(126,849)	(498,409)	(427,378)	(569,457)	(1,025,337)	(596,924)	(308,270)
Total All Other Governmental Funds		<u>12,055,048</u>	<u>11,739,322</u>	<u>11,312,358</u>	<u>16,440,382</u>	<u>15,502,154</u>	<u>17,092,876</u>	<u>15,137,211</u>	<u>32,208,213</u>	<u>18,439,172</u>
Total Governmental Fund Balance		<u>\$ 39,209,904</u>	<u>\$ 40,681,386</u>	<u>\$ 39,947,607</u>	<u>\$ 45,544,984</u>	<u>\$ 47,388,052</u>	<u>\$ 51,538,344</u>	<u>\$ 46,579,414</u>	<u>\$ 60,025,413</u>	<u>\$ 49,267,661</u>

Source: Annual Financial Statements

The information, beginning with FY 2011, is presented differently due to the implementation of GASB 54.

PICKENS COUNTY, SOUTH CAROLINA
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues										
Taxes	\$ 31,463,280	\$ 31,809,502	\$ 31,964,892	\$ 32,335,013	\$ 33,791,817	\$ 34,292,274	\$ 36,141,974	\$ 35,951,087	\$ 36,542,968	\$ 39,231,553
Fees, licenses, and permits	5,429,003	5,706,190	5,789,261	6,098,332	6,183,688	6,650,297	6,707,563	7,031,340	7,839,582	7,973,906
Intergovernmental	9,050,636	8,462,632	6,758,120	7,602,068	8,702,952	8,737,519	12,989,373	10,279,287	10,161,906	9,838,842
Charges for services	6,324,966	6,454,395	6,461,207	6,269,400	6,002,528	6,268,814	6,610,683	6,780,713	8,214,688	7,847,269
Fines and forfeitures	899,557	789,030	815,979	757,288	2,293,571	695,656	1,541,829	660,457	542,404	637,303
Investment income	179,095	173,499	174,974	178,351	203,026	263,906	420,425	422,697	568,722	895,393
Rental income	20,052	27,210	20,930	66,518	24,204	20,933	21,100	22,616	19,600	19,200
Contributions	15,136	290,243	48,630	12,891	81,197	47,705	35,549	4,344	39,522	97,990
Miscellaneous	114,601	1,545,885	429,327	410,081	334,719	391,693	469,637	272,731	483,837	700,147
Total Revenues	53,496,326	55,258,586	52,463,320	53,729,942	57,617,702	57,368,797	64,938,133	61,425,272	64,413,229	67,241,603
Expenditures										
General government	10,099,195	9,633,375	9,733,134	9,996,701	10,425,459	10,872,211	11,347,596	12,393,478	12,373,130	12,957,662
Public safety	19,700,901	19,265,676	19,010,099	20,487,005	21,169,840	20,880,137	23,705,195	23,834,731	25,975,272	26,821,280
Public works	9,375,375	8,100,479	9,140,139	10,052,522	9,207,995	8,172,262	11,537,764	13,472,912	8,373,386	8,074,496
Health and welfare	758,168	744,985	809,118	824,990	832,512	817,536	890,237	891,016	677,353	750,955
Culture and recreation	3,779,990	4,058,464	4,082,413	3,921,338	4,212,529	3,944,464	4,354,647	4,478,322	5,265,728	4,886,948
Economic development	397,622	2,173	365,817	586,003	594,857	366,248	439,659	1,189,981	1,254,619	59,529
Other	1,587,236	1,522,448	1,412,603	1,357,395	1,429,315	1,440,115	891,923	1,909,816	1,629,919	1,647,712
Intergovernmental	94,907	92,815	(306)	103,512	89,475	169,961	270,848	383,145	885,270	877,306
Capital outlay	3,672,026	7,116,474	2,872,562	3,932,728	3,143,834	6,034,166	3,841,717	7,807,585	15,466,810	17,628,822
Debt service										
Principal	2,018,689	2,132,390	2,324,544	2,418,939	2,679,193	2,711,850	2,771,805	1,485,193	4,665,854	2,965,749
Interest	896,901	832,393	724,331	624,183	565,407	513,028	431,457	359,272	872,191	1,316,487
Total Expenditures	52,381,010	53,501,672	50,474,454	54,305,316	54,350,416	55,921,978	60,482,848	68,205,451	77,439,532	77,986,946
Excess of Revenues Over (Under) Expenditures	1,115,316	1,756,914	1,988,866	(575,374)	3,267,286	1,446,819	4,455,285	(6,780,179)	(13,026,303)	(10,745,343)
Other Financing Sources (Uses)										
Proceeds from capital lease	408,394	-	-	-	-	-	-	-	-	-
Proceeds from bond issuance	-	950,000	-	-	3,000,000	700,000	-	2,150,000	31,961,826	-
Transfers in (out)	(674,635)	(1,077,861)	(166,735)	(158,405)	(669,908)	(303,751)	(304,993)	(328,751)	(5,489,524)	(12,409)
Transfers to Pickens Alliance	-	-	(350,649)	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(266,241)	(127,861)	(517,384)	(158,405)	2,330,092	396,249	(304,993)	1,821,249	26,472,302	(12,409)
Net Change in Fund Balance	\$ 849,075	\$ 1,629,053	\$ 1,471,482	\$ (733,779)	\$ 5,597,378	\$ 1,843,068	\$ 4,150,292	\$ (4,958,930)	\$ 13,445,999	\$ (10,757,752)
Debt Service as a percentage of noncapital expenditures	5.99%	6.39%	6.40%	6.04%	6.34%	6.46%	5.66%	3.05%	8.94%	7.09%

Source: Annual Financial Statements

PICKENS COUNTY, 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 Exemptions	Total Taxable Assessed Value	Total Direct Tax Rate (1)	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
2010	2009	\$ 319,731,823	\$ 102,207,991		\$ 421,939,814	67.10	\$ 7,505,625,497	5.62%
2011	2010	341,121,845	100,901,520		442,023,365	67.50	7,956,831,166	5.56%
2012	2011	344,028,258	100,149,585		444,177,843	67.50	8,045,411,232	5.52%
2013	2012	346,468,573	105,416,061		451,884,634	65.60	8,178,289,922	5.53%
2014	2013	349,020,293	112,959,999		461,980,292	65.60	8,311,532,266	5.56%
2015	2014	342,164,203	116,892,926		459,057,129	68.20	8,238,393,674	5.57%
2016	2015	346,996,026	121,233,803		468,229,829	68.20	8,427,261,409	5.56%
2017	2016	354,537,030	123,891,044		478,428,074	68.20	8,606,602,718	5.56%
2018	2017	373,537,003	126,949,196		500,486,199	68.20	8,793,054,440	5.69%
2019	2018	397,808,536	126,295,392		524,103,928	68.20	9,176,884,829	5.71%

(1) Per \$1,000 of assessed value. Excludes County Sewer District Rate.

*Some variance may result from daily fluctuation in various categories including Motor Vehicles. Includes Merchant's Inventory reimbursement which is fixed by statute at \$123,940. The Real Property and Mobile Homes line includes property subject to Homestead Exemption at an assessed value of \$20,334,020 and a market value of \$1,548,811,783.

Source: Pickens County Auditor's Office

PICKENS COUNTY, SOUTH CAROLINA
PROPERTY TAX RATES - DIRECT AND OVERLAPPING RATES

LAST TEN FISCAL YEARS
(RATE PER \$1,000 OF ASSESSED VALUE)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
County Wide Tax Rates										
County Operations	53.2	53.2	53.2	53.2	53.2	55.3	55.3	55.3	55.3	55.8
County Bonds	3.9	3.9	3.9	3.9	3.9	4.0	4.0	4.0	4.0	3.5
Tri-County Technical	2.5	2.5	2.5	2.5	2.5	2.6	2.6	2.6	2.6	2.6
Library	6.0	6.0	6.0	6.0	6.0	6.3	6.3	6.3	6.3	6.3
County Sewer District*	1.5	1.9	1.9	1.9	1.9	2.0	2.0	2.0	2.0	2.0
Total Direct Rate	67.1	67.5	67.5	67.5	67.5	70.2	70.2	70.2	70.2	70.2
City Rates										
Easley	61.0	58.0	58.0	58.0	58.0	60.0	60.0	62.0	65.0	68.0
Liberty	77.5	74.0	80.0	80.0	80.0	79.7	79.7	79.7	79.7	84.3
Norris	77.2	72.2	72.2	72.2	72.2	73.8	73.8	73.8	73.8	73.8
Central	67.3	67.0	70.0	72.0	72.0	74.0	75.0	75.5	75.5	78.3
Clemson	81.0	78.6	83.4	83.4	83.4	82.2	84.2	84.2	86.2	87.2
Six Mile	36.0	35.8	35.8	31.8	31.8	33.5	33.5	33.5	33.5	33.5
Pickens	52.0	47.6	51.9	58.3	60.3	64.9	66.4	67.3	77.3	78.3
School District Rate	159.0	160.0	162.0	160.5	160.5	165.2	164.5	165.2	168.0	168.0
Special District Rates										
Keowee Vineyards	38.9	38.4	38.4	38.4	38.4	46.7	48.2	48.2	48.2	51.1
Keowee Springs	51.1	48.2	56.7	56.7	56.7	70.7	58.5	58.5	58.5	53.4
Pumpkintown	-	-	-	-	-	-	-	-	-	-
Shady Grove	11.5	11.3	11.6	11.6	11.6	14.3	12.2	12.2	16.8	15.6
Georges Creek	0.6	0.6	0.6	0.5	0.6	0.6	0.6	0.6	0.6	0.6
Oolenoy	-	-	-	-	-	-	2.1	2.1	2.1	2.0
Sedgewood	4.3	4.0	5.0	6.0	6.5	6.5	6.7	7.0	7.0	7.0
Saluda Lake	10.6	9.5	-	-	-	-	-	-	-	-

Note: Property was reassessed as of 2018.

*County Sewer is subtracted out when calculating Municipality taxes.

Source: Pickens County Auditor's Office

PICKENS COUNTY, SOUTH CAROLINA
PRINCIPAL PROPERTY TAXPAYERS

CURRENT FISCAL YEAR AND TEN FISCAL YEARS AGO

	2019			2010	
	Taxable Assessed Value	Percent of Total Taxable Assessed Value		Taxable Assessed Value	Percent of Total Taxable Assessed Value
Taxpayer			Taxpayer		
Duke Energy Corporation	\$ 23,662,880	4.51%	Duke Energy Corporation	\$ 16,989,740	4.03%
Blue Ridge Electric Coop., Inc	6,595,110	1.26%	Blue Ridge Electric Coop., Inc	5,055,750	1.20%
CCSHP Clemson LLC	3,261,580	0.62%	Bellsouth Telecommunications	4,071,770	0.97%
Bellsouth Telecommunications	2,530,640	0.48%	Keowee River Club LLC	3,333,725	0.79%
PHU Hwy 76 Clemson LLC	2,206,020	0.42%	Reliable Automatic Sprinkler	1,638,750	0.39%
Reliable Automatic Sprinkler	2,174,417	0.41%	Sauer Danfoss US Company	1,452,875	0.34%
Cellco Partnership DBA Verizon	2,053,450	0.39%	Shaw Industries	1,439,941	0.34%
Dukes Family Land Investments LLC	1,961,090	0.37%	Champion Aerospace LLC	1,243,690	0.29%
Ibrahim Family Trust LLC	1,754,960	0.33%	Pacesetter Inc	1,198,612	0.28%
Shaw Industries Group Inc	1,684,150	0.32%	CH Industries Inc	1,101,530	0.26%
Total	\$ 47,884,297	9.14%		\$ 37,526,383	8.89%

Source: Pickens County Auditor's Office

PICKENS COUNTY, SOUTH CAROLINA
COUNTY PROPERTY TAX LEVY AND COLLECTIONS

LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Total Adjusted Levy (1)	Collected within the Fiscal Year of the Levy		Delinquent Collections (2)	Estimated Tax Collections to Date	
		Taxes Collected	% of Adjusted Levy Collected		Total Taxes Collected (1)	% of Total Adjusted Levy Collected (3)
2010	\$ 19,009,045	\$ 17,968,836	94.53%	\$ 1,392,261	\$ 19,361,097	101.85%
2011	18,945,172	18,015,888	95.09%	1,212,820	19,228,708	101.50%
2012	19,789,534	18,858,885	95.30%	1,216,125	20,075,010	101.44%
2013	19,270,020	18,528,689	96.15%	992,602	19,521,291	101.30%
2014	18,619,253	18,033,263	96.85%	1,219,685	19,252,948	103.40%
2015	19,304,671	18,672,716	96.73%	817,582	19,490,298	100.96%
2016	19,471,605	18,657,108	95.82%	859,288	19,516,396	100.23%
2017	19,321,550	18,656,440	96.56%	736,535	19,392,975	100.37%
2018	19,837,736	19,022,484	95.89%	728,644	19,751,128	99.56%
2019	21,379,776	20,435,388	95.58%	640,242	21,075,630	98.58%

Notes:

(1) Includes the adjusted County operating and bond millage.

(2) Includes late-payment penalties.

(3) Previously, for Fiscal Years Ended June 30, 2013, 2014, 2015, 2016, 2017 and 2018, the values in the "% of Total Adjusted Levy Collected" column were incorrectly determined by dividing "Total Taxes Collected" by "Taxes Collected". Instead, "% of Total Adjusted Levy Collected" should have been determined by dividing "Total Taxes Collected" by "Total Adjusted Levy". As a result, the "% of Total Adjusted Levy Collected" column has been updated to conform to the correct calculation.

Source: Pickens County Treasurer's and Auditor's offices

PICKENS COUNTY, SOUTH CAROLINA
RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Governmental Activities				Business-type Activities		Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Special Source Revenue Bonds	Capital Leases	Notes Payable	Sewer Revenue Bonds	Notes Payable			
2010	\$ 14,121,644	\$ -	\$ 1,291,643	\$ 5,714,593	\$ 4,977,946	\$ -	\$ 26,105,826	0.76%	219
2011	13,599,219	-	1,002,447	5,343,822	4,897,151	-	24,842,639	0.69%	208
2012	11,891,027	-	780,652	4,949,266	6,829,510	-	24,450,455	0.65%	204
2013	10,112,744	-	550,518	4,538,744	6,712,349	-	21,914,355	0.57%	184
2014	10,977,125	-	430,555	4,115,130	6,586,311	-	22,109,121	0.55%	184
2015	9,526,866	-	306,118	3,677,977	6,455,004	-	19,965,965	0.47%	165
2016	7,300,923	-	211,413	3,226,820	6,318,308	-	17,057,464	0.39%	139
2017	8,502,194	-	140,591	2,761,179	6,175,745	-	17,579,709	0.39%	142
2018	34,885,394	-	67,157	2,280,556	1,816,751	-	39,049,858	0.82%	314
2019	32,448,690	-	34,234	1,784,434	1,779,949	-	36,047,307	0.73%	288

Note: See the "Demographic and Economic Statistics" table for personal income and population data.

Source: Annual Financial Statements

PICKENS COUNTY, SOUTH CAROLINA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING

LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	General Obligation Bonds	Less Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Debt Per Capita (2)
2010	\$ 14,121,644	\$ -	\$ 14,121,644	0.19%	118
2011	13,599,219	-	13,599,219	0.17%	114
2012	11,891,027	446,811	11,444,216	0.14%	96
2013	10,112,744	605,669	9,507,075	0.12%	80
2014	10,977,125	751,499	10,225,626	0.12%	85
2015	9,526,866	866,055	8,660,811	0.11%	71
2016	7,300,923	884,824	6,416,099	0.08%	52
2017	8,502,194	2,455,600	6,046,594	0.07%	49
2018	34,885,394	2,184,301	32,701,093	0.37%	263
2019	32,448,690	1,961,157	30,487,533	0.33%	243

Note:

(1) See the "Assessed Value and Estimated Actual Value of Taxable Property" table for property value data.

(2) See the "Demographic and Economic Statistics" table for population data.

Source: Annual Financial Statements

PICKENS COUNTY, SOUTH CAROLINA
COMPUTATION OF LEGAL DEBT MARGIN

LAST TEN FISCAL YEARS

Legal Debt Margin Calculation for Fiscal Year 2019

Assessed valuation	\$ 524,103,928
Less exemptions	<u>-</u>
Net assessed value	<u>\$ 524,103,928</u>
Debt limit - 8 percent of total assessed value	\$ 41,928,314
Amount of debt applicable to debt limit	<u>25,879,351</u>
Legal debt margin	<u>\$ 16,048,963</u>

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Debt limit	\$ 33,755,185	\$ 35,361,869	\$ 35,534,227	\$ 36,150,771	\$ 36,958,423	\$ 36,724,570	\$ 37,458,386	\$ 38,274,246	\$ 40,038,896	\$ 41,928,314
Total net debt applicable to limit	<u>10,977,065</u>	<u>9,738,018</u>	<u>8,410,849</u>	<u>7,025,234</u>	<u>5,570,834</u>	<u>4,082,304</u>	<u>2,534,276</u>	<u>2,276,373</u>	<u>27,008,202</u>	<u>25,879,351</u>
Legal debt margin	<u>\$ 22,778,120</u>	<u>\$ 25,623,851</u>	<u>\$ 27,123,378</u>	<u>\$ 29,125,537</u>	<u>\$ 31,387,589</u>	<u>\$ 32,642,266</u>	<u>\$ 34,924,110</u>	<u>\$ 35,997,873</u>	<u>\$ 13,030,694</u>	<u>\$ 16,048,963</u>
Total net debt applicable to the limit as a percentage of debt limit	32.52%	27.54%	23.67%	19.43%	15.07%	11.12%	6.77%	5.95%	67.45%	61.72%

- Notes:
- (1) Property value data can be found in the "Assessed Value of Taxable Property and Actual Value of Property Schedule."
 - (2) The legal debt limit is 8 percent of total assessed value.
 - (3) The legal debt margin is the government's available borrowing under SC Code of Laws and is calculated by subtracting the debt applicable to the legal debt limit from the legal debt limit.

Source: Annual Financial Statements

PICKENS COUNTY, SOUTH CAROLINA
PLEDGED REVENUE COVERAGE

LAST TEN FISCAL YEARS

Sewer System Revenue Bonds (1)

Funding Source: Capital charges and transfers

Fiscal Year	Available Revenue	Debt Service		Coverage
		Principal	Interest	
2010	\$ 315,504	\$ 77,055	\$ 238,449	1.000
2011	315,504	80,796	234,708	1.000
2012	315,504	84,718	230,786	1.000
2013	392,808	120,762	272,046	1.000
2014	392,808	126,037	266,771	1.000
2015	392,808	131,307	261,501	1.000
2016	392,808	136,696	256,112	1.000
2017	392,808	142,563	250,245	1.000
2018	4,603,224	4,358,993	244,231	1.000
2019	77,304	36,804	40,500	1.000

(1) Revenue bonds issued September 29, 1999. Funding for debt service is allocated between the County and the cities of Liberty and Central based on their reserved capacity in the related wastewater treatment facilities. Some revenue bonds were redeemed in fiscal year 2018.

PICKENS COUNTY, SOUTH CAROLINA

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2010	119,193	\$ 3,414,592,000	\$ 28,648	10.6%
2011	119,592	3,581,891,000	29,951	9.3%
2012	119,678	3,745,115,000	31,293	9.0%
2013	119,116	3,818,090,000	32,054	7.4%
2014	120,376	4,000,330,000	33,232	6.3%
2015	121,336	4,209,530,000	34,693	5.8%
2016	122,939	4,389,475,000	35,704	4.8%
2017	123,479	4,560,878,000	36,936	4.3%
2018	124,384	4,738,336,648	38,095	3.9%
2019	125,295	4,922,700,013	39,289	3.3%

Notes:

(1) Population, Personal Income, and Per Capita Personal Income for 2018 and 2019 were estimated based on the average yearly change over the previous five years.

Last updated: March 6, 2019

Source: Population, personal income, and per capita personal income - U.S. Bureau of Economic Analysis, Unemployment Rate - South Carolina Employment Security Commission

**PICKENS COUNTY, SOUTH CAROLINA
PRINCIPAL EMPLOYERS**

CURRENT YEAR AND TEN YEARS AGO

Company or Organization	June 30, 2019	
	Number of Employees	Percent of Total County Employment
Clemson University	5,222	9.52%
School District of Pickens County	2,021	3.68%
Aramark Services	800	1.46%
Pickens County	714	1.30%
Palmetto Baptist Easley	656	1.20%
Abbott (formerly St. Jude Medical, Inc.)	490	0.89%
Reliable Automatic Sprinkler Company, Inc.	450	0.82%
YH America, South Carolina, LLC	378	0.69%
Comatrol (formerly Sauer-Danfoss)	336	0.61%
Cornell Dublier Marketing, Inc.	308	0.56%
	11,375	20.73%

Company or Organization	June 30, 2010	
	Number of Employees	Percent of Total County Employment
State of South Carolina	4,800	9.15%
Clemson University	3,500	6.67%
School District of Pickens County	1,893	3.61%
Contract Environmental Services (CES)	1,200	2.29%
Reliable Automatic Sprinkler Co.	900	1.71%
Aramark Services	800	1.52%
OWT Industries	700	1.33%
Confluence Watersports	650	1.24%
Wal-Mart	531	1.01%
Palmetto Baptist Medical Center	460	0.88%
	15,434	29.41%

Source: Appalachian Council of Governments and InfoMentum.

PICKENS COUNTY, SOUTH CAROLINA
AUTHORIZED COUNTY EMPLOYEE POSITIONS BY FUNCTION

LAST TEN FISCAL YEARS

Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General government	146	135	135	132	133	143	145	154	153	153
Public safety	278	284	291	297	300	325	337	359	392	409
Public works	97	96	96	94	91	90	89	89	87	87
Health and welfare	11	11	12	12	12	12	13	13	9	9
Culture and recreation	70	70	71	72	73	72	74	70	68	65
Transportation	3	3	3	3	3	3	3	3	3	3
Economic Development	0	2	3	3	3	3	3	3	3	3
Intergovernmental	1	1	1	1	1	1	1	1	1	1
Total authorized positions	606	602	612	614	616	649	665	692	716	730

Source: County's Adopted Budget

PICKENS COUNTY, SOUTH CAROLINA

OPERATING INDICATORS BY FUNCTION/PROGRAM

FISCAL YEARS 2010-2019

Function/Program	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019
General government										
Probate Court estate cases	716	770	845	851	895	944	966	915	1,042	1,661
Marriage license applications	739	807	798	781	746	832	778	812	773	714
Register of Deeds documents filed	20,292	19,061	20,280	21,481	19,907	19,220	19,620	22,396	19,057	19,673
Clerk of Court civil cases filed	3,652	2,735	2,835	1,656	1,562	2,772	2,748	3,101	2,711	2,760
Clerk of Court warrants received	3,545	3,244	3,367	3,808	3,986	3,651	4,290	4,492	4,862	4,035
Vehicle bills and renewals processed	115,593	115,636	116,570	117,159	118,097	119,208	122,699	123,823	124,871	126,355
Magistrate case filings	18,162	17,951	16,419	14,896	15,372	11,656	12,663	9,363	10,149	11,344
Public Safety										
Sheriff 911 calls received	44,835	45,756	47,779	49,271	47,354	46,161	49,238	46,829	48,666	53,734
Coroner's Office investigations	568	566	653	756	796	798	805	796	891	1,142
Prison inmates received	709	643	588	608	473	727	594	550	433	412
EMS ambulance calls	14,494	14,289	14,704	15,012	14,979	14,553	15,417	15,838	16,727	16,629
Victim Rights services and assistance	6,965	7,288	6,600	7,674	6,822	6,891	2,672	3,176	3,097	2,837
Building Code commercial permits		110	100	70	100	57	45	80	608	129
Building Code residential permits		580	723	597	639	742	687	750	918	1,028
Public Works										
Solid Waste transfer station tonnage	39,974	36,784	36,409	36,482	36,545	39,943	41,483	43,225	45,151	44,554
Recyclables tonnage	5,078	6,365	6,407	4,842	4,670	7,761	6,689	6,640	7,217	7,644
Roads paved	89	55	64	58	111	34	26	47	0	0
Signs installed/repared	270	728	494	1,400	928	874	972	549	464	488
Health and Welfare										
Animal Control calls received	11,143	11,666	13,834	14,183	13,243	13,660	11,213	5,125	5,027	5,688
Veteran's Affairs claims/actions	24,792	25,675	25,963	21,884	20,112	22,300	17,002	17,645	15,624	18,916
Culture and Recreation										
County Park										
Park camping and day use passes (1)	7,229	6,929	7,403	6,619	6,901	6,799	7,280	8,507	8,647	5,864
Museum & Mill visitors (2)	33,665	32,226	33,885	33,487	24,119	22,256	34,982	42,928	36,886	33,238
Library visitors	575,410	543,194	542,872	544,840	489,578	468,073	409,798	385,052	377,040	360,542
Public Service Commission										
Wastewater Treated /Gallons	323,979,349	300,900,343	250,146,013	309,780,415	368,137,345	299,559,531	327,173,957	270,284,037	283,417,542	324,372,702

Notes:

(1) Fiscal Year 2019 camping passes are being phased out since reservations solely done online.

(2) Mill was closed December 2013 through April 2014.

Source: County's Adopted Budget and County departments

PICKENS COUNTY, SOUTH CAROLINA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Public Safety										
Sheriff Patrol units	102	102	100	101	105	101	101	105	113	114
EMS Stations	8	8	8	8	8	8	8	8	8	8
Public Works										
Solid Waste convenience centers	8	8	8	8	8	8	8	8	8	8
Roads (miles)	185.3	657.0	662.3	669.4	669.4	670.8	651.0	653.6	653.6	653.6
Bridges	74	74	74	74	74	74	75	75	75	75
Public Service Commission										
Sanitary sewers (miles)	28.81	35.97	36.2	36.2	36.2	36.4	36.4	36.8	36.8	36.8
Culture and Recreation										
Number of county parks	2	2	2	2	2	2	2	2	2	2

Source: County's Adopted Budget and County departments

SINGLE AUDIT SECTION

**Report of Independent Auditor 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***

Pickens County Council
Pickens County, South Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the Economic Development Alliance of Pickens County (the “Alliance”), a discretely presented component unit, each major fund, and the aggregate remaining fund information of Pickens County, South Carolina (the “County”), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the County’s basic financial statements, and have issued our report thereon dated November 14, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County’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 County’s internal control. Accordingly, we do not express an opinion on the effectiveness of the County’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 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 County’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.

Handwritten signature in black ink that reads "Cheryl Behaert LHP". The signature is written in a cursive style.

Greenville, South Carolina
November 14, 2019

**Report of Independent Auditor on Compliance
for the Major Program and on Internal Control over
Compliance Required in Accordance with the Uniform Guidance**

Pickens County Council
Pickens County, South Carolina

Report on Compliance for the Major Federal Program

We have audited Pickens County, South Carolina's (the "County") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the County's major federal program for the year ended June 30, 2019. The County's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the County's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and audit requirements for Federal Awards* ("Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2019.

Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Cherry Behaert LHP

Greenville, South Carolina
November 14, 2019

PICKENS COUNTY, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2019

Section I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness identified? yes no
- Significant deficiencies identified that are not considered to be material weaknesses yes no

Noncompliance material to financial statements noted yes no

Federal Awards

Internal control over major federal programs:

- Material weakness identified? yes no
- Significant deficiencies identified that are not considered to be material weaknesses yes no

Noncompliance material to federal awards yes no

Type of auditor's report issued on compliance for the major federal program: Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance yes no

Identification of the major federal program:

<u>CFDA#</u>	<u>Program Name</u>
20.106	Airport Improvement Program

PICKENS COUNTY, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2019

Section I. Summary of Auditor's Results (Continued)

Dollar threshold used to distinguish between
Type A and Type B Programs

\$ 750,000

Auditee qualified as low-risk auditee?

 yes X no

Section II. Financial Statement Findings

There were no audit findings.

Section III. Federal Award Questioned Costs & Findings

There were no audit findings.

Section IV. Resolution of Prior Year Findings

There were no prior year audit findings

PICKENS COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2019

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Federal Expenditures
US Department of Transportation Federal Aviation Administration	20.106	\$ 399,406
US Department of Agriculture Passed through SC Forestry Commission	10.664	4,647
US Department of Justice FY2018 Justice Assistance Grant Passed through SC Department of Public Safety	16.738 16.588	13,390 17,990
US Department of Health and Human Services Passed through SC Dept. of Social Services	93.536	226,569
US Department of Homeland Security Passed through SC Office of Adjutant General, Passed through Federal Emergency Management Agency FY2016 SAFER R&R (Pumpkintown) FY2017 Assistance to Firefighters Grant (Pumpkintown) FEMA Grant: Hurricane Florence	97.042 97.083 97.044	70,251 23,351 134,296 32,353
Institute of Museum & Library Services Library Services & Technology Act (LSTA) Grant	45.310	2,500
Total Expenditures of Federal Awards		\$ 924,754

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2019

Note 1—Basis of presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Pickens County, South Carolina and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

Note 2—Indirect cost rate

Under the provisions of the Uniform Guidance, the County is permitted to use a 10% de minimis indirect cost rate. The County elected not to use this rate.

Note 3—Subrecipients

Federal grant money received is sometimes passed through to subrecipients. During the year ended June 30, 2019, there were no subrecipients.

PICKENS COUNTY, SOUTH CAROLINA
SCHEDULE OF ASSESSMENTS FOR VICTIM SERVICES

JUNE 30, 2019

Clerk of Court Collections

Fines and fees	\$ 312,660
Assessments	25,493
Surcharges	51,699
Total Clerk of Court Collections	<u>389,852</u>

Magistrate Court Collections

Fines and fees	355,961
Assessments	264,623
Surcharges	111,516
Total Collections for Magistrate Court	<u>732,100</u>

Total Collections for Clerk of Court and Magistrate Court	<u><u>\$ 1,121,952</u></u>
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Clerk of Court Retainage

Fines and fees	\$ 119,842
Assessments	7,872
Surcharges	29,839
Total Clerk of Court Retainage	<u>157,553</u>

Magistrate Court Retainage

Fines and fees	339,737
Assessments	22,655
Surcharges	18,850
Total Magistrate Court Retainage	<u>381,242</u>

Total Retainage for Clerk of Court and Magistrate Court	<u><u>\$ 538,795</u></u>
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Amount Remitted to State Treasurer

Fines and Assessments	<u><u>\$ 583,157</u></u>
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Amount of Funds Allocated to Victim Services by Fund Source

From Assessments and Surcharges	<u>\$ 79,216</u>
	<u><u>\$ 79,216</u></u>

<u>Funds Carried Forward to Fiscal Year 2020 Designated as Victim Services Funds</u>	<u><u>\$ 91,634</u></u>
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