

Pickens County, South Carolina

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2012

Prepared by:

Ralph Guarino, Finance Director for Pickens County

PICKENS COUNTY, SOUTH CAROLINA

Comprehensive Annual Financial Report

For the Fiscal Year June 30, 2012

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INTRODUCTORY SECTION

COUNTY OF PICKENS

www.co.pickens.sc.us



COUNCIL MEMBERS

JENNIFER H. WILLIS, CHAIRMAN
G. NEIL SMITH, VICE CHAIRMAN
TOM PONDER, V.C. PRO-TEM
JEFF MARTIN
TREY WHITEHURST
SAM WYCHE

COUNTY ADMINISTRATOR
J. Chappell Hurst, Jr.
CLERK TO COUNCIL
Donna F. Owen

November 29, 2012

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, 2012, 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 & Holland, L.L.P., 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, 2012. 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 unqualified opinion that the County's financial statements for the fiscal year ended June 30, 2012, 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 auditors.

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, Purchasing Manager 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. Items budgeted under machinery and equipment cannot be used for purposes other than those specified when the budget was adopted.

Transfers between departments within the same fund require County Council approval by ordinance. Transfers between funds require County Council approval by ordinance. Increases in total appropriations require County Council approval by ordinance.

FACTORS AFFECTING FINANCIAL CONDITION

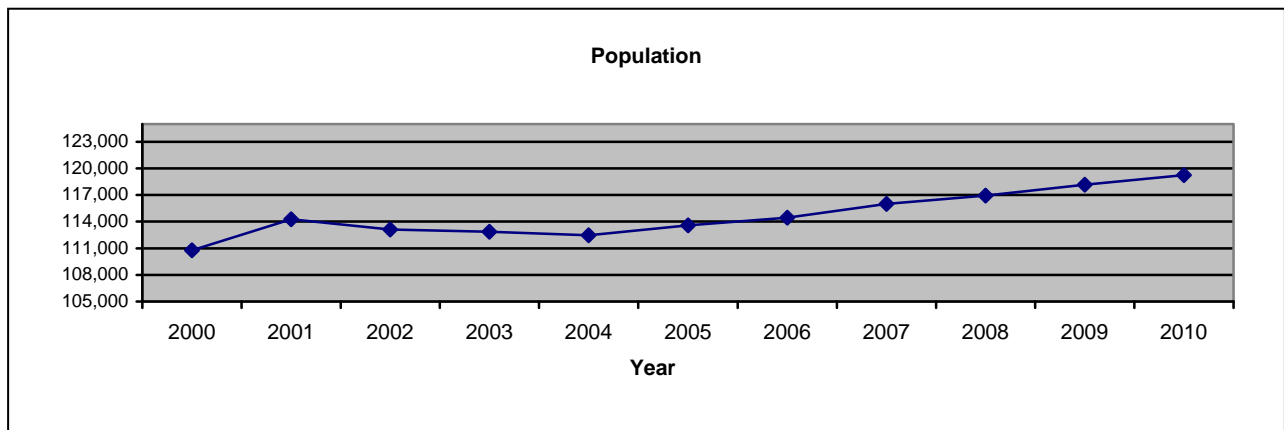
Local Economy

With a work force of over 60,000, 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 56,000 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 49,600 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 215,000. 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.

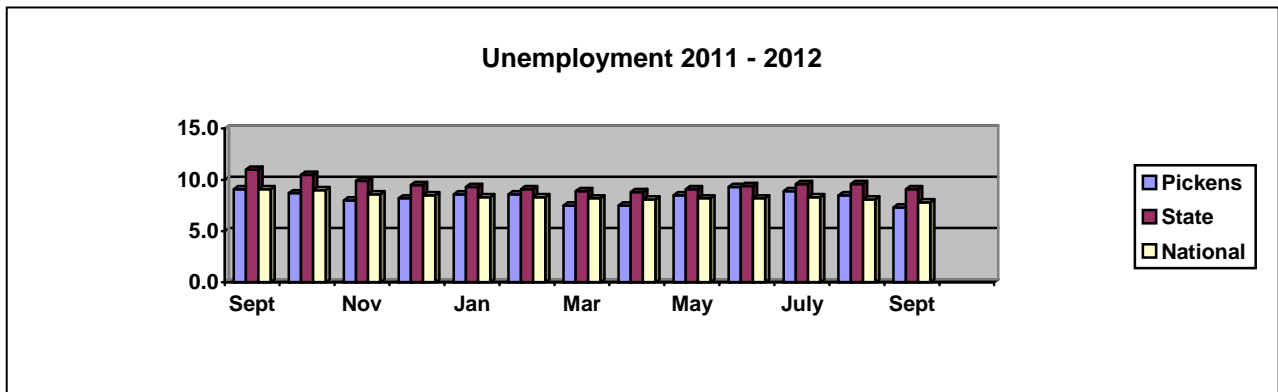
The County population grew 7.6% between the 2000 and 2010 censuses with average annual growth of .76% for the period. This has resulted in Pickens County lagging behind in the South Carolina Upstate region, which experienced an 11.2% population growth between censuses. The State of South Carolina experienced 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 9.1% to 7.3%. This is below the State of South Carolina unemployment rate of 9.1% and lower for the United States at 7.8% in September 2012.



Long-Term Financial Planning

The County entered FY 2012 with a strong financial position as noted with our credit rating with Moody’s of A1, Fitch Rating of AA- and Standard & Poor’s of AA-. Total fund balance and unassigned fund balance as of June 30, 2012, in the General Fund was \$28,942,064 and \$20,406,845 respectively. This represents 87% and 85% of expenditures, respectively.

As of the part of the Fiscal Year 2013 budget, the County is exploring the expansion of fire protection for several rural districts. The Town of Six Mile chose, beginning July 1st, to allow the Six Mile Rural Fire District to provide fire protection inside the city limits of Six Mile. The County is expected to complete construction of a new fire station for the Six Mile area in the fall of 2012. The Liberty Rural Fire District will begin construction of a second fire station in the spring of 2013. This will allow the district to provide fire protection to citizens within 5 miles of one of the two stations. The County is also exploring the possibility of adding two fire stations in the Pickens Rural Fire District. Currently the County contracts with the City of Pickens for fire protections in the unincorporated area surrounding the City of Pickens. The County plans on building one to two fire stations in the near future and staffing the stations with County personnel. The City of Pickens will have the option of joining the Pickens Rural Fire District or remain separate from the District. Other plans could possibly include a substation in the Crosswell and Pumpkintown fire station.

In regards to Economic Development, the County recently purchased in fiscal year 2012 the former proposed Tri-County landfill from Anderson and Oconee County. The County has started clearing the 512 acre tract with the possibility of a second commerce park for Pickens County. The County is also planning on constructing a new 6,200 square foot office building for Alliance Pickens. The building will house a new office area for current and future staff and also consist of a 2,000 sq. ft. area for training of new companies locating to Pickens County.

Risk Management

The County is exposed to various risks related to torts, theft of, damage to, and destruction of assets, errors and omission, injuries to employees and natural disasters. The County, along with other counties in the state, is insured under the South Carolina Association of Counties Insurance Pool (the “Pool”), a public entity risk pool currently operating as a common risk management and insurance fund. The County pays annual premiums to the Pool for its general insurance coverage.

The Pool is self-sustaining through member premiums and by purchases of commercial insurance coverage on a portion of its liabilities. The Pool accumulates assets to cover risks that its members incur in their normal operations. Specifically, the Pool assumes substantially all of the risk of the above. The County continues to carry insurance for employee health and dental care under various plans.

Pension Plans

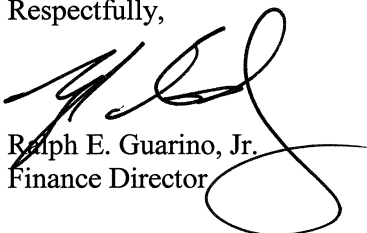
Eligible employees of the County are participants in the South Carolina Retirement System (SCRS) and the South Carolina Police Retirement System (PORS), both of which are cost sharing multiple-employer defined benefit plans administered by the Retirement Division of the State Budget and Control Board. 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, 2011. 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 & Holland, L.L.P. for their assistance with this project.

Respectfully,


Ralph E. Guarino, Jr.
Finance Director

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, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



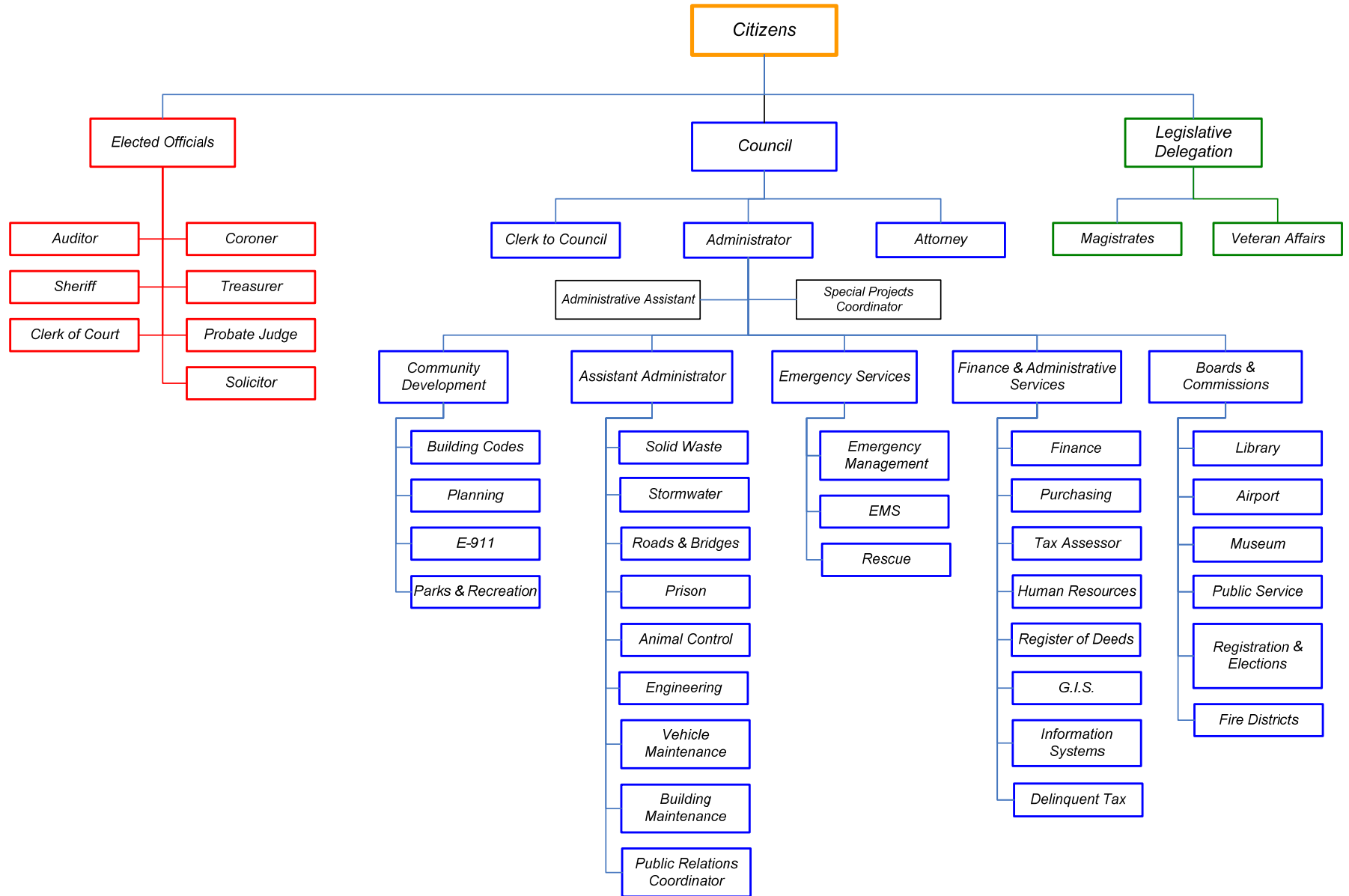
Christopher P. Morrell

President

Jeffrey R. Emmer

Executive Director

Pickens County



PICKENS COUNTY, SOUTH CAROLINA

PRINCIPAL OFFICIALS

For the Year Ended June 30, 2012

MEMBERS OF COUNTY COUNCIL

Jennifer H. Willis, Chairman
G. Neil Smith, Vice Chairman
Dr. Jeff Martin
Tom E. Ponder
Trey Whitehurst
Sam Wyche

ELECTED OFFICIALS

Dale M. Looper, Treasurer
C. David Stone, Sheriff
Kathy Zorn, Probate Judge
Pat Welborn, Clerk of Court
Brent Suddeth, Auditor
Kandy Kelley, Coroner

ADMINISTRATIVE OFFICIALS

J. Chappell Hurst, County Administrator
Ralph E. Guarino Jr., Finance Director
Donna F. Owen, Clerk to Council

FINANCIAL SECTION



Independent Auditors' Report

Pickens County Council
Pickens, South Carolina

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, 2012, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of the County. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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, 2012, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund and Fire District Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated November 29, 2012 on our consideration of Pickens County, South Carolina's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 11 through 19 and the Schedule of Funding Progress – Other Postemployment Benefits on page 59 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic financial statements. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The 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 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.

Cheng, Bebaert + Holland, L.L.P.

Greenville, South Carolina
November 29, 2012

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, 2012. 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

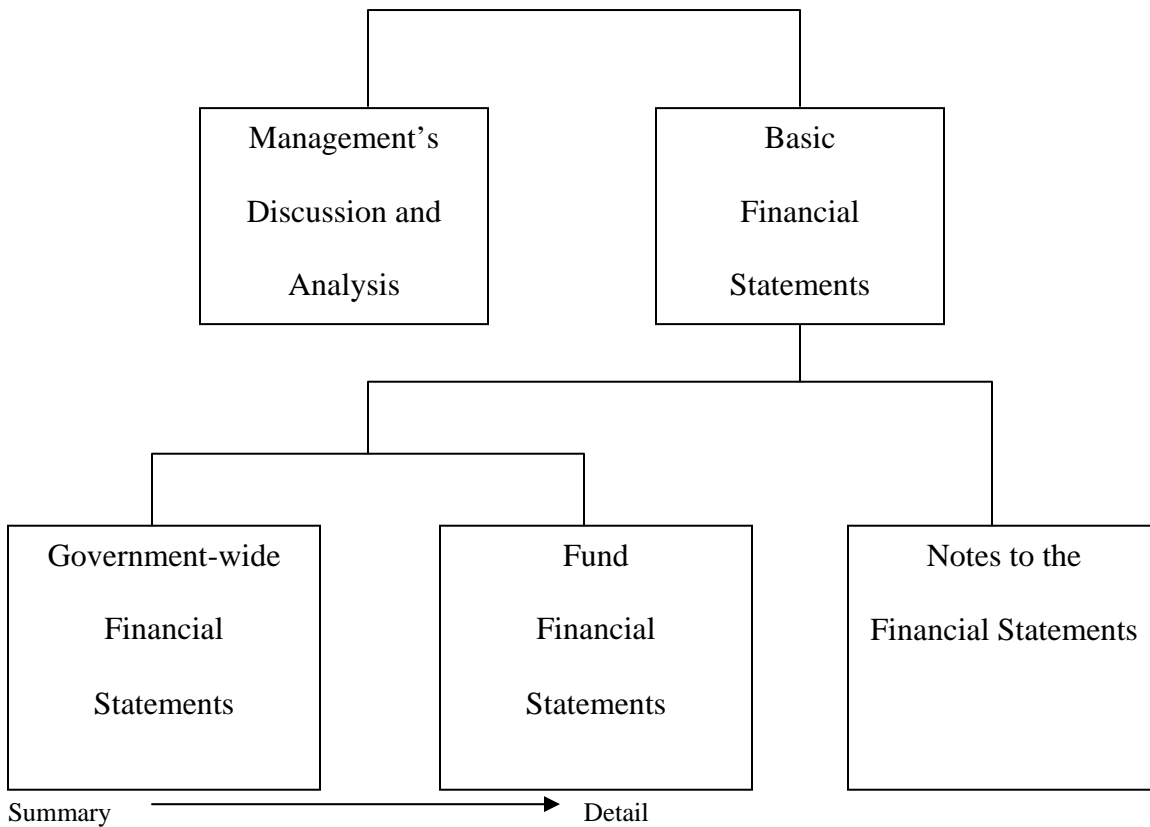
- The assets of Pickens County exceeded its liabilities at the close of the fiscal year by \$111,023,462. Of this amount \$39,340,668 may be used to meet the County's ongoing obligations to citizens and creditors.
- The government's total net assets increased by \$1,625,199, several elements of this increase were due to the conservative approach Council makes toward estimating revenues for the budget, attrition of County employees and deferral of acquisitions of capital items.
- The County's unassigned General Fund balance increased by \$1,787,208 during the 2012 fiscal year due to the increase in revenues from EMS collections, vacant positions not being filled, a decrease in health insurance premiums for County employees, and higher than expected local option sales tax.
- The County had \$50,017,486 in expenses related to governmental activities; program specific charges for services, grants or contributions offset \$15,164,196 of these expenses. General revenues (primarily taxes and unrestricted grants) and net assets of \$36,098,742 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 \$40,681,386, an increase of \$1,471,482 in comparison with the prior year. Approximately 71.6% of this total amount, or \$29,131,736, 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 \$20,406,845 or 60% of total general fund expenditures for the fiscal year.
- Pickens County's total debt decreased by \$271,822 during the current fiscal year.
- During the 2012 fiscal year, the County's governmental fund type revenues were approximately \$52.5 million compared to \$55.3 million in the prior year.

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 assets and how they have changed. Net assets are the difference between the County's total assets and total liabilities. Measuring net assets is one way to assess the County's financial condition.

The government-wide statements are divided into two categories: 1) governmental activities and 2) business-type activities. 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 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 Assets 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 Assets 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 beginning at Schedule 1. Additional trend information about Pickens County can be found in the Statistical Section of the report and information about federal grants can be found in the Single Audit Section.

Government-Wide Financial Analysis

Pickens County’s Net Assets

Figure 2

	Governmental Activities		Business-type Activities		Total	Total
	2012	2011	2012	2011	2012	2011
Land	\$ 7,016,365	\$ 6,979,580	\$ 1,799,434	\$ 1,189,023	\$ 8,815,799	\$ 8,168,603
Buildings	22,352,221	23,058,167	2,093,200	1,689,733	24,445,421	24,747,900
Improvements and infrastructure	19,488,043	18,626,568	29,286,409	27,649,625	48,774,452	46,276,193
Machinery and equipment	9,939,629	10,358,890	133,595	144,041	10,073,224	10,502,931
Construction in progress	720,854	1,128,212	3,303,498	3,525,850	4,024,352	4,654,062
Total	\$ 59,517,112	\$ 60,151,417	\$ 36,616,136	\$ 34,198,272	\$ 96,133,248	\$ 94,349,689

As noted earlier, net assets may serve over time as one useful indicator of a government’s financial condition. The assets of Pickens County exceeded liabilities by \$111,023,462 as of June 30, 2012. The County’s net assets increased by \$1,625,199 for the fiscal year ended June 30, 2012. 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 accounts for the largest portion was \$71,682,794 (64.6% of total net assets). 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 assets of \$8,109,932 represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$31,230,736 (28.1%) is unrestricted.

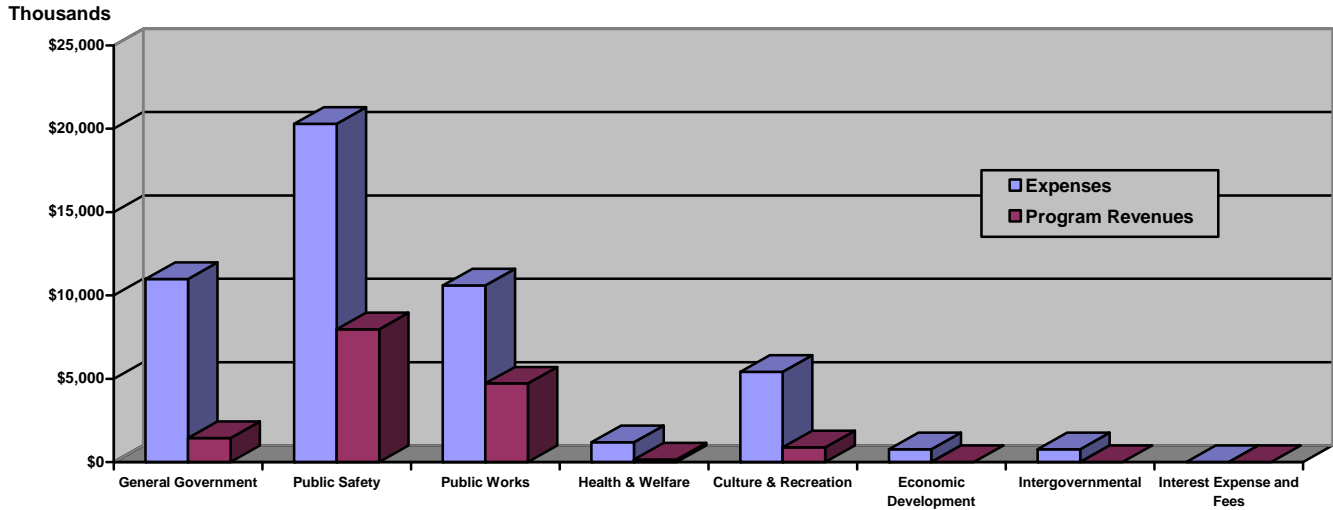
Pickens County's Changes in Net Assets
Figure 3

	Governmental Activities		Business-type Activities		Total	Total
	2012	2011	2012	2011	2012	2011
Revenues:						
Program revenues:						
Charges for services	\$ 10,339,899	\$ 10,299,372	\$ 1,757,237	\$ 1,736,509	\$ 12,097,136	\$ 12,035,881
Operating grants and contributions	4,710,501	5,743,390	-	-	4,710,501	5,743,390
Capital grants and contributions	113,796	497,965	2,002,428	1,023,482	2,116,224	1,521,447
General revenues:						
Property taxes	24,129,897	25,721,666	-	-	24,129,897	25,721,666
Other taxes	7,517,014	7,231,974	-	-	7,517,014	7,231,974
Grants and contributions not restricted to specific programs	4,132,297	4,664,736	-	-	4,132,297	4,664,736
Other	486,269	1,634,726	-	(9,285)	486,269	1,625,441
Total revenues	<u>51,429,673</u>	<u>55,793,829</u>	<u>3,759,665</u>	<u>2,750,706</u>	<u>55,189,338</u>	<u>58,544,535</u>
Expenses:						
General government	10,988,712	10,917,949	-	-	10,988,712	10,917,949
Public safety	20,300,914	20,465,118	-	-	20,300,914	20,465,118
Public works	10,590,594	9,094,190	-	-	10,590,594	9,094,190
Health and welfare	1,188,284	1,078,351	-	-	1,188,284	1,078,351
Culture and recreation	5,415,087	5,520,862	-	-	5,415,087	5,520,862
Economic development	762,985	381,571	-	-	762,985	381,571
Intergovernmental	770,910	827,473	-	-	770,910	827,473
Unallocated interest expense and fees	-	92,815	-	-	-	92,815
Public service commission	-	-	2,563,062	2,451,997	2,563,062	2,451,997
Airport	-	-	983,591	903,663	983,591	903,663
Total expenses	<u>50,017,486</u>	<u>48,378,329</u>	<u>3,546,653</u>	<u>3,355,660</u>	<u>53,564,139</u>	<u>51,733,989</u>
Increase (decrease) in net assets before transfers	1,412,187	7,415,500	213,012	(604,954)	1,625,199	6,810,546
Transfers	(166,735)	(737,861)	166,735	737,861	-	-
Increase (decrease) in net assets	1,245,452	6,677,639	379,747	132,907	1,625,199	6,810,546
Net assets, beginning	78,317,131	71,639,492	31,081,132	30,948,225	109,398,263	102,587,717
Net assets, ending	<u>\$ 79,562,583</u>	<u>\$ 78,317,131</u>	<u>\$ 31,460,879</u>	<u>\$ 31,081,132</u>	<u>\$ 111,023,462</u>	<u>\$ 109,398,263</u>

Governmental activities – Governmental activities increased the County’s net assets by \$1,245,452. Several particular aspects of the County’s financial operations positively influenced the total governmental activities:

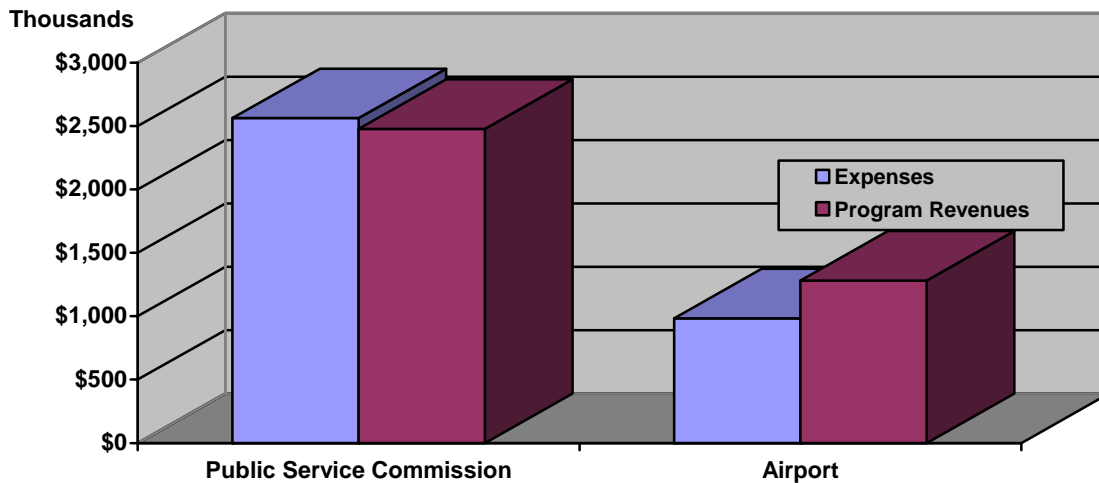
- Increased charges for services revenue due to growth in the EMS fees and the County participation in the State of South Carolina set-off debt collection program. This program enables political subdivisions of the State to file a lien against taxpayers for unpaid bills. If a citizen is due a refund from the State from excess income tax payments, the refund is first offset against any liens filed against the taxpayer. For fiscal year 2012, the County collected approximately \$243,000 for this program and for the eight years Pickens County has participated in the program, the County has collected \$1.55 million.
- The County had several expenditures which contributed the increase of net assets by \$1.2 million. The most notable was the savings through several positions which became vacant during the year and were not replaced. The Purchasing Manager, Solid Waste Manager, Special Projects Coordinator and Mobile Home Specialist were several of the positions that were eliminated in the FY 2013 budget. Also the County saved approximately \$100,000 from a lower than expected increase in health insurance costs.

Expenses and Program Revenues - Governmental Activities



Business-type activities – Business-type activities increased Pickens County’s net assets by a modest \$379,747, accounting for a portion of the total growth in the government’s net assets. An element for this increase in net assets was the County received a capital grant from the Federal and State government for the purchase of land adjacent to the Airport. This land will be used for the development of future hangars and the expansion of the runway. Also the County received a capital grant for the Public Service Commission for extending and upgrading the sewer system at the Central North Plant.

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 \$20,406,845, while total fund balance reached \$28,942,064. Several items contributed to this increase in fund balance: EMS revenues were \$287,000 higher than expected, vehicles taxes were higher by \$100,000; however, delinquent tax revenues were \$100,000 lower than budgeted, health insurance came in lower than a estimated cost of a 8%, a refund from workers compensation of \$135,000, and a \$500,000 savings in vacant positions attributed to the net assets of the general fund. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 60% of total General Fund expenditures, while total fund balance represents 85% of that same amount.

At June 30, 2012, the governmental funds of Pickens County reported a combined fund balance of \$40,681,386, a 3.8% increase over last year. The primary reason for this increase is due to the items listed in the above paragraph.

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 \$1,095,638.

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 assets of the Wastewater Treatment Fund at the end of the fiscal year amounted to \$1,014,010 and those for the airport equaled \$(22,301). The total adjustment in net assets for Public Service Commission and the Airport was \$38,808 and \$340,939, respectively. Other factors concerning the finances of these funds have already been addressed in the discussion of Pickens County's business-type activities.

Capital Asset and Debt Administration

Capital assets – Pickens County's capital assets for its governmental and business-type activities as of June 30, 2012 totaled \$96,133,247 (net of accumulated depreciation). This is a net increase of \$1,783,557 or 1.9%. 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 type of new equipment for Sheriff's Office, Solid Waste, Roads & Bridges and Emergency Medical Service Department
- Purchased the old Dacusville Elementary School for recreational use in the Dacusville area
- Purchased land for the Airport for future development

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

Figure 3

	Governmental Activities		Business-type Activities		Total	Total
	2012	2011	2012	2011	2012	2011
Land	\$ 7,016,365	\$ 6,979,580	\$ 1,799,434	\$ 1,189,023	\$ 8,815,799	\$ 8,168,603
Buildings	22,352,221	23,058,167	2,093,200	1,689,733	24,445,421	24,747,900
Improvements and infrastructure	19,488,043	18,626,568	29,286,409	27,649,625	48,774,452	46,276,193
Machinery and equipment	9,939,629	10,358,890	133,595	144,041	10,073,224	10,502,931
Construction in progress	720,854	1,128,212	3,303,498	3,525,850	4,024,352	4,654,062
Total	\$ 59,517,112	\$ 60,151,417	\$ 36,616,136	\$ 34,198,272	\$ 96,133,248	\$ 94,349,689

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, 2012, Pickens County had total bonded debt outstanding of \$13,599,219, part of which is debt backed by the full faith and credit of the County.

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

Figure 4

	Governmental Activities	
	2012	2011
General obligation bonds	\$ 11,891,027	\$ 13,599,219

Pickens County's total long-term debt decreased by \$271,822 during the past fiscal year. 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 \$27,123,378. The County has \$16,840,293 in bonds and notes authorized at June 30, 2012, 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, 2013

The budget will relatively remain the same for FY 2013. The total expenditures for FY2013 will be \$54,897,778 compared to \$51,768,778 for FY 2012 which is an increase of 6%. The budget includes a 2% cost of living increase for employees, capital equipment replacement of \$3,833,670, and health insurance increase of 8%. The largest portion of the General Fund expenditures is personnel services which account for 66.98% of the budget. The largest portion on the revenue side is taxes and this accounts for 66.72% of the revenue. Taxes are made up of property taxes and sales use taxes and account for 71% and 29% 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 Assets

June 30, 2012

	<u>Governmental Activities</u>	<u>Business Type Activities</u>	<u>Total Primary Government</u>	<u>Alliance Pickens</u>	<u>Total Reporting Unit</u>
Assets					
Current assets:					
Cash and investments	\$ 39,777,073	\$ 1,770,175	\$ 41,547,248	\$ 451,264	\$ 41,998,512
Property taxes receivable	2,721,858	-	2,721,858	-	2,721,858
Accounts receivable - other	1,906,508	120,097	2,026,605	-	2,026,605
Due from other governments	2,169,854	790,664	2,960,518	-	2,960,518
Note receivable	27,120	-	27,120	-	27,120
Inventories	256,882	57,128	314,010	-	314,010
Prepaid items	367,033	1,125	368,158	110	368,268
Total current assets	<u>47,226,328</u>	<u>2,739,189</u>	<u>49,965,517</u>	<u>451,374</u>	<u>50,416,891</u>
Non-current assets:					
Land held for resale	1,331,369	-	1,331,369	-	1,331,369
Deferred charges - issuance costs	93,647	-	93,647	-	93,647
Capital assets, not being depreciated	7,737,219	5,102,932	12,840,151	-	12,840,151
Capital assets, net of accumulated depreciation	51,779,893	31,513,204	83,293,097	-	83,293,097
Total non-current assets	<u>60,942,128</u>	<u>36,616,136</u>	<u>97,558,264</u>	<u>-</u>	<u>97,558,264</u>
Total assets	<u>108,168,456</u>	<u>39,355,325</u>	<u>147,523,781</u>	<u>451,374</u>	<u>147,975,155</u>
Liabilities					
Current liabilities:					
Accounts payable	3,861,196	360,868	4,222,064	8,400	4,230,464
Accrued payroll	467,241	9,583	476,824	3,556	480,380
Interfund balances	(620,969)	620,969	-	-	-
Accrued interest payable	140,360	-	140,360	-	140,360
Current portion, long-term debt	2,621,439	120,962	2,742,401	-	2,742,401
Unearned revenue	223,385	50,173	273,558	150,713	424,271
Total current liabilities	<u>6,692,652</u>	<u>1,162,555</u>	<u>7,855,207</u>	<u>162,669</u>	<u>8,017,876</u>
Non-current liabilities:					
Landfill closure and postclosure	2,771,565	-	2,771,565	-	2,771,565
Capital leases	550,518	-	550,518	-	550,518
Notes payable	4,538,744	-	4,538,744	-	4,538,744
General obligation bonds	10,112,744	-	10,112,744	-	10,112,744
Revenue bonds	-	6,708,748	6,708,748	-	6,708,748
Accrued compensated absences	853,814	23,143	876,957	-	876,957
Net OPEB obligation	3,085,836	-	3,085,836	-	3,085,836
Total non-current liabilities	<u>21,913,221</u>	<u>6,731,891</u>	<u>28,645,112</u>	<u>-</u>	<u>28,645,112</u>
Total liabilities	<u>28,605,873</u>	<u>7,894,446</u>	<u>36,500,319</u>	<u>162,669</u>	<u>36,662,988</u>
Net assets					
Invested in capital assets, net of related debt	41,896,168	29,786,626	71,682,794	-	71,682,794
Restricted for:					
Capital projects	207,704	-	207,704	-	207,704
Debt service	508,707	-	508,707	-	508,707
Public works	5,077,025	-	5,077,025	-	5,077,025
Public safety	1,596,156	-	1,596,156	-	1,596,156
Cultural and recreation	37,796	-	37,796	-	37,796
Intergovernmental	-	-	-	-	-
Other purposes	-	682,544	682,544	-	682,544
Net assets, unrestricted	30,239,027	991,709	31,230,736	288,705	31,519,441
Total net assets	<u>\$ 79,562,583</u>	<u>\$ 31,460,879</u>	<u>\$ 111,023,462</u>	<u>\$ 288,705</u>	<u>\$ 111,312,167</u>

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

PICKENS COUNTY, SOUTH CAROLINA

Statement of Activities
Year Ended June 30, 2012

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total Primary Government	Component Unit	Total Reporting Unit
					Governmental Activities	Business-Type Activities		Alliance Pickens	
Governmental activities:									
General government	\$ 10,988,712	\$ 1,214,622	\$ 231,334	\$ -	\$ (9,542,756)	\$ -	\$ (9,542,756)	\$ -	\$ (9,542,756)
Public safety	20,300,914	7,355,656	596,776	12,837	(12,335,645)	-	(12,335,645)	-	(12,335,645)
Public works	10,590,594	1,236,597	3,478,453	-	(5,875,544)	-	(5,875,544)	-	(5,875,544)
Health and welfare	1,188,284	11,572	138,026	-	(1,038,686)	-	(1,038,686)	-	(1,038,686)
Cultural and recreation	5,415,087	521,452	265,912	100,959	(4,526,764)	-	(4,526,764)	-	(4,526,764)
Economic development	762,985	-	-	-	(762,985)	-	(762,985)	-	(762,985)
Assistance to other agencies	38,607	-	-	-	(38,607)	-	(38,607)	-	(38,607)
Debt service - other	732,303	-	-	-	(732,303)	-	(732,303)	-	(732,303)
Total governmental activities	<u>50,017,486</u>	<u>10,339,899</u>	<u>4,710,501</u>	<u>113,796</u>	<u>(34,853,290)</u>	<u>-</u>	<u>(34,853,290)</u>	<u>-</u>	<u>(34,853,290)</u>
Business-type activities:									
Public Service Commission	2,563,062	1,186,460	-	1,291,599	-	(85,003)	(85,003)	-	(85,003)
Airport	983,591	570,777	-	710,829	-	298,015	298,015	-	298,015
Total business-type activities	<u>3,546,653</u>	<u>1,757,237</u>	<u>-</u>	<u>2,002,428</u>	<u>-</u>	<u>213,012</u>	<u>213,012</u>	<u>-</u>	<u>213,012</u>
Total primary government	<u>\$ 53,564,139</u>	<u>\$ 12,097,136</u>	<u>\$ 4,710,501</u>	<u>\$ 2,116,224</u>	<u>(34,853,290)</u>	<u>213,012</u>	<u>(34,640,278)</u>	<u>-</u>	<u>(34,640,278)</u>
Component unit:									
Alliance Pickens	556,630	-	172,887	-	-	-	-	(383,743)	(383,743)
Total component units	<u>\$ 556,630</u>	<u>\$ -</u>	<u>\$ 172,887</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (383,743)</u>	<u>\$ (383,743)</u>
General revenues:									
Property taxes					24,129,897	-	24,129,897	-	24,129,897
Sales taxes					7,173,826	-	7,173,826	-	7,173,826
Franchise taxes					343,188	-	343,188	-	343,188
Grants and contributions not restricted to specific programs					4,132,297	-	4,132,297	-	4,132,297
Investment earnings					120,662	-	120,662	1,590	122,252
Gain on sale of capital assets					152,653	-	152,653	-	152,653
Miscellaneous					212,954	-	212,954	350,637	563,591
Transfers					(166,735)	166,735	-	-	-
Total general revenues and transfers					<u>36,098,742</u>	<u>166,735</u>	<u>36,265,477</u>	<u>352,227</u>	<u>36,617,704</u>
Change in net assets					1,245,452	379,747	1,625,199	(31,516)	1,593,683
Net assets - beginning					78,317,131	31,081,132	109,398,263	320,221	109,718,484
Net assets - ending					<u>\$ 79,562,583</u>	<u>\$ 31,460,879</u>	<u>\$ 111,023,462</u>	<u>\$ 288,705</u>	<u>\$ 111,312,167</u>

PICKENS COUNTY, SOUTH CAROLINA

**Balance Sheet
 Governmental Funds
 June 30, 2012**

	<u>General Fund</u>	<u>Fire Districts</u>	<u>State Road C-Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets					
Cash and investments	\$ 25,949,241	\$ 3,426,977	\$ 5,355,189	\$ 5,045,666	\$ 39,777,073
Property taxes receivable	1,534,706	609,840	-	573,961	2,718,507
Accounts receivable - EMS	1,568,312	-	-	-	1,568,312
Accounts receivable - other	240,084	349	4,946	96,168	341,547
Due from other governments	1,896,253	-	129,207	144,394	2,169,854
Note receivable	27,120	-	-	-	27,120
Advances to other funds	2,231,774	-	-	-	2,231,774
Inventories	256,882	-	-	-	256,882
Prepaid items	366,684	303	-	46	367,033
Land held for resale	1,331,369	-	-	-	1,331,369
Total assets	<u>\$ 35,402,425</u>	<u>\$ 4,037,469</u>	<u>\$ 5,489,342</u>	<u>\$ 5,860,235</u>	<u>\$ 50,789,471</u>
Liabilities and fund balances					
Liabilities:					
Accounts payable	\$ 3,135,738	\$ 62,173	\$ 412,317	\$ 250,968	\$ 3,861,196
Accrued payroll	402,723	22,062	-	42,456	467,241
Advances from general fund	-	1,597,335	-	13,470	1,610,805
Deferred revenue	2,921,900	534,527	-	712,416	4,168,843
Total liabilities	<u>6,460,361</u>	<u>2,216,097</u>	<u>412,317</u>	<u>1,019,310</u>	<u>10,108,085</u>
Fund balances:					
Nonspendable:					
Nonspendable	366,684	303	-	46	367,033
Inventories	256,882	-	-	-	256,882
Land held for resale	1,331,369	-	-	-	1,331,369
Restricted	-	1,947,918	5,077,025	2,569,423	9,594,366
Committed	2,846,104	-	-	2,271,456	5,117,560
Assigned	3,734,180	-	-	-	3,734,180
Unassigned	20,406,845	(126,849)	-	-	20,279,996
Total fund balances	<u>28,942,064</u>	<u>1,821,372</u>	<u>5,077,025</u>	<u>4,840,925</u>	<u>40,681,386</u>
Total liabilities and fund balances	<u>\$ 35,402,425</u>	<u>\$ 4,037,469</u>	<u>\$ 5,489,342</u>	<u>\$ 5,860,235</u>	<u>\$ 50,789,471</u>

PICKENS COUNTY, SOUTH CAROLINA
Reconciliation of the Balance Sheet of Governmental Funds to the
Statement of Net Assets
June 30, 2012

Total Governmental Fund Balances	\$	40,681,386
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		59,517,112
Other long-term assets are not available to pay for current-period expenditures and therefore are not deferred in the funds:		
Deferred charges - issuance cost		93,647
Deferred revenues reported in governmental funds balance sheets include balances of taxes receivable and other receivables. The balances were deferred because funds were not available to pay current-period expenditures.		3,945,458
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Landfill closure and postclosure		(2,874,065)
Capital leases		(780,652)
Notes payable		(4,949,266)
General obligation bonds		(11,891,027)
Accrued compensated absences		(953,814)
Net OPEB obligation		(3,085,836)
Accrued interest payable		(140,360)
Net Assets of Governmental Activities	\$	79,562,583

PICKENS COUNTY, SOUTH CAROLINA

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2012

	General Fund	Fire Districts	State Road C-Fund	Other Governmental Funds	Total Governmental Funds
Revenues					
Taxes	\$ 23,830,068	\$ 1,405,747	\$ -	\$ 6,729,077	\$ 31,964,892
Intergovernmental	4,296,656	2,250	1,486,338	972,876	6,758,120
Fees, licenses and permits	581,765	2,444,843	-	2,762,653	5,789,261
Charges for services	6,293,197	-	-	168,010	6,461,207
Fines and forfeitures	666,474	-	-	149,505	815,979
Investment income	167,364	1,657	4,946	1,007	174,974
Rental income	20,930	-	-	-	20,930
Contributions	4,280	1,250	-	43,100	48,630
Miscellaneous	422,995	6,215	-	117	429,327
Total revenues	<u>36,283,729</u>	<u>3,861,962</u>	<u>1,491,284</u>	<u>10,826,345</u>	<u>52,463,320</u>
Expenditures					
Current:					
General government	9,549,130	-	-	184,004	9,733,134
Public safety	15,162,769	3,095,208	-	752,122	19,010,099
Public works	5,505,748	-	1,725,207	1,909,184	9,140,139
Health and welfare	809,118	-	-	-	809,118
Culture and recreation	787,042	-	-	3,295,371	4,082,413
Economic development and assistance	716,466	-	-	-	716,466
Other	399,228	-	-	1,013,375	1,412,603
Intergovernmental	(306)	-	-	-	(306)
Capital outlay	1,419,114	232,929	350,248	870,271	2,872,562
Debt service:					
Principal retirement	-	200,722	-	2,123,822	2,324,544
Interest and fiscal charges	-	91,907	-	632,424	724,331
Total expenditures	<u>34,348,309</u>	<u>3,620,766</u>	<u>2,075,455</u>	<u>10,780,573</u>	<u>50,825,103</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,935,420</u>	<u>241,196</u>	<u>(584,171)</u>	<u>45,772</u>	<u>1,638,217</u>
Other financing sources (uses)					
Transfers in (out)	(148,212)	-	-	(18,523)	(166,735)
Total other financing sources (uses)	<u>(148,212)</u>	<u>-</u>	<u>-</u>	<u>(18,523)</u>	<u>(166,735)</u>
Net change in fund balances	1,787,208	241,196	(584,171)	27,249	1,471,482
Fund balance - beginning	<u>27,154,856</u>	<u>1,580,176</u>	<u>5,661,196</u>	<u>4,813,676</u>	<u>39,209,904</u>
Fund balance - ending	<u>\$ 28,942,064</u>	<u>\$ 1,821,372</u>	<u>\$ 5,077,025</u>	<u>\$ 4,840,925</u>	<u>\$ 40,681,386</u>

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

PICKENS COUNTY, SOUTH CAROLINA

**Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities
Year Ended June 30, 2012**

Net Change in Fund Balances - Total Governmental Funds	\$ 1,471,482
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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 \$2,872,562 was less than depreciation expense of \$3,446,385 in the current period.	(573,823)
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Net gain on disposal of assets not recorded in funds.	159,353
Proceeds of sales not recorded in governmental activities	(213,135)
Transfers of capital assets from government to business type funds	(6,700)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:	
Property taxes	(973,165)

Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	2,324,544
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In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds an interest expenditure is reported when due.	7,246
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Compensated absences that have not matured, together with expenditures associated with changes in compensated absence accruals, are not reported at the fund level.	76,364
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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 postclosure costs	(190,741)
Change in net OPEB obligation	(820,755)
Amortization expense	(15,218)

Change in net assets of governmental activities	<u><u>\$ 1,245,452</u></u>
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PICKENS COUNTY, SOUTH CAROLINA

Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - General Fund
Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Taxes	\$ 23,632,252	\$ 23,632,252	\$ 23,830,068	\$ 197,816
Intergovernmental	4,613,748	4,649,382	4,296,656	(352,726)
Fees, licenses and permits	527,600	527,600	581,765	54,165
Charges for services	5,745,217	5,745,217	6,293,197	547,980
Fines and forfeitures	600,000	600,000	666,474	66,474
Investment income	196,704	196,704	167,364	(29,340)
Rental income	23,663	23,663	20,930	(2,733)
Contributions	-	1,348	4,280	2,932
Miscellaneous	194,300	194,300	422,995	228,695
Total revenues	<u>35,533,484</u>	<u>35,570,466</u>	<u>36,283,729</u>	<u>713,263</u>
Expenditures				
Current:				
General government	9,965,324	10,392,546	9,549,130	843,416
Public safety	15,594,958	15,629,127	15,162,769	466,358
Public works	5,706,542	5,645,344	5,505,748	139,596
Health and welfare	799,793	860,537	809,118	51,419
Culture and recreation	794,281	1,013,767	787,042	226,725
Economic development and assistance	-	352,000	716,466	(364,466)
Other	419,230	421,267	399,228	22,039
Intergovernmental	227,525	177,816	(306)	178,122
Capital outlay	1,487,787	1,598,674	1,419,114	179,560
Total expenditures	<u>34,995,440</u>	<u>36,091,078</u>	<u>34,348,309</u>	<u>1,742,769</u>
Excess (deficiency) of revenues over (under) expenditures	<u>538,044</u>	<u>(520,612)</u>	<u>1,935,420</u>	<u>2,456,032</u>
Other financing sources (uses)				
Transfers in (out)	(536,544)	(536,544)	(148,212)	388,332
Transfers to Pickens Alliance	-	-	-	-
Total other financing uses	<u>(536,544)</u>	<u>(536,544)</u>	<u>(148,212)</u>	<u>388,332</u>
Net change in fund balances	<u>\$ 1,500</u>	<u>\$ (1,057,156)</u>	1,787,208	<u>\$ 2,844,364</u>
Fund balance - beginning			<u>27,154,856</u>	
Fund balance - ending			<u>\$ 28,942,064</u>	

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

PICKENS COUNTY, SOUTH CAROLINA

Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Fire Districts
Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Taxes	\$ 1,420,010	\$ 1,420,010	\$ 1,405,747	\$ (14,263)
Intergovernmental	-	2,250	2,250	-
Fees, licenses and permits	2,403,995	2,403,995	2,444,843	40,848
Investment income	7,100	7,100	1,657	(5,443)
Contributions	-	-	1,250	1,250
Miscellaneous	2,300	2,300	6,215	3,915
Total revenues	<u>3,833,405</u>	<u>3,835,655</u>	<u>3,861,962</u>	<u>26,307</u>
Expenditures				
Current:				
Public safety	3,400,656	3,425,402	3,095,208	330,194
Capital outlay	100,147	656,746	232,929	423,817
Debt service:				
Principal retirement	270,944	270,944	200,722	70,222
Interest and fiscal charges	91,912	91,912	91,907	5
Total expenditures	<u>3,863,659</u>	<u>4,445,004</u>	<u>3,620,766</u>	<u>824,238</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(30,254)</u>	<u>(609,349)</u>	<u>241,196</u>	<u>850,545</u>
Net change in fund balances	<u>\$ (30,254)</u>	<u>\$ (609,349)</u>	<u>241,196</u>	<u>\$ 850,545</u>
Fund balance - beginning			<u>1,580,176</u>	
Fund balance - ending			<u>\$ 1,821,372</u>	

PICKENS COUNTY, SOUTH CAROLINA

**Statement of Net Assets
Proprietary Funds
June 30, 2012**

	Enterprise Funds		
	Public Service Commission	Airport	Total
Assets			
Current assets:			
Cash and investments	\$ 1,769,975	\$ 200	\$ 1,770,175
Accounts receivable - other	119,181	916	120,097
Due from other governments	229,778	560,886	790,664
Inventories	-	57,128	57,128
Prepaid expenses	-	1,125	1,125
Total current assets	<u>2,118,934</u>	<u>620,255</u>	<u>2,739,189</u>
Capital assets:			
Land	336,166	1,463,268	1,799,434
Construction in process	3,183,234	120,264	3,303,498
Capacity	5,938,636	-	5,938,636
Buildings	372,442	2,797,136	3,169,578
Improvements other than buildings	29,755,151	4,615,366	34,370,517
Machinery and equipment	425,994	237,249	663,243
Less accumulated depreciation	(9,098,387)	(3,530,383)	(12,628,770)
Total noncurrent assets	<u>30,913,236</u>	<u>5,702,900</u>	<u>36,616,136</u>
Total assets	<u>33,032,170</u>	<u>6,323,155</u>	<u>39,355,325</u>
Liabilities			
Current liabilities:			
Accounts payable	344,181	16,687	360,868
Accrued payroll	7,389	2,194	9,583
Advances from general fund	-	620,969	620,969
Unearned revenue	50,173	-	50,173
Current portion of long-term debt	120,962	-	120,962
Total current liabilities	<u>522,705</u>	<u>639,850</u>	<u>1,162,555</u>
Long-term liabilities:			
Revenue bonds	6,708,748	-	6,708,748
Accrued compensated absences	20,437	2,706	23,143
Total noncurrent liabilities	<u>6,729,185</u>	<u>2,706</u>	<u>6,731,891</u>
Total liabilities	<u>7,251,890</u>	<u>642,556</u>	<u>7,894,446</u>
Net assets			
Invested in capital assets, net of related debt	24,083,726	5,702,900	29,786,626
Restricted for USDA	682,544	-	682,544
Unrestricted	1,014,010	(22,301)	991,709
Total net assets	<u>\$ 25,780,280</u>	<u>\$ 5,680,599</u>	<u>\$ 31,460,879</u>

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

PICKENS COUNTY, SOUTH CAROLINA

Statement of Revenues, Expenses and Changes in Fund Net Assets

Proprietary Funds

Year Ended June 30, 2012

	Enterprise Funds		
	Public Service Commission	Airport	Total
Operating revenues			
Charges for services	\$ 1,186,460	\$ 570,777	\$ 1,757,237
Intergovernmental	-	670,869	670,869
Total operating revenues	<u>1,186,460</u>	<u>1,241,646</u>	<u>2,428,106</u>
Operating expenses			
Salaries and benefits	424,719	110,390	535,109
Depreciation	1,017,863	369,889	1,387,752
Other expenses	877,689	503,312	1,381,001
Public works	1,160	-	1,160
Total operating expenses	<u>2,321,431</u>	<u>983,591</u>	<u>3,305,022</u>
Operating income (loss)	<u>(1,134,971)</u>	<u>258,055</u>	<u>(876,916)</u>
Nonoperating expense			
Interest and fiscal charges	(241,631)	-	(241,631)
Total nonoperating expense	<u>(241,631)</u>	<u>-</u>	<u>(241,631)</u>
Income (loss) before transfers and contributions	(1,376,602)	258,055	(1,118,547)
Transfers in	123,811	42,924	166,735
Capital contributions	1,291,599	39,960	1,331,559
Change in net assets	38,808	340,939	379,747
Total net assets - beginning	<u>25,741,472</u>	<u>5,339,660</u>	<u>31,081,132</u>
Total net assets - ending	<u>\$ 25,780,280</u>	<u>\$ 5,680,599</u>	<u>\$ 31,460,879</u>

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

PICKENS COUNTY, SOUTH CAROLINA

Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2012

	Enterprise Funds		
	Public Service		
	Commission	Airport	Total
Operating activities			
Receipts from customers and users	\$ 956,768	\$ 12,390	\$ 969,158
Payments to suppliers	(667,303)	(690,012)	(1,357,315)
Payments to employees	(435,767)	(113,347)	(549,114)
Other receipts	-	670,869	670,869
Other payments	(1,160)	-	(1,160)
Net cash used in operating activities	<u>(147,462)</u>	<u>(120,100)</u>	<u>(267,562)</u>
Noncapital financing activities			
Transfers from other funds	123,811	42,924	166,735
Net cash provided by noncapital financing activities	<u>123,811</u>	<u>42,924</u>	<u>166,735</u>
Capital and related financing activities			
Capital contributions	1,291,599	39,960	1,331,559
Capital transfers from other funds	(15,781)	620,969	605,188
Acquisition and construction of capital assets	(3,035,673)	(754,162)	(3,789,835)
Acquisition of capital debt	2,032,200	-	2,032,200
Principal paid on capital debt	(100,641)	-	(100,641)
Interest paid on capital debt	(241,631)	-	(241,631)
Net cash used in capital and related financing activities	<u>(69,927)</u>	<u>(93,233)</u>	<u>(163,160)</u>
Net decrease in cash and cash equivalents/investments	(93,578)	(170,409)	(263,987)
Cash and investments			
Beginning of year	<u>1,863,553</u>	<u>170,609</u>	<u>2,034,162</u>
End of year	<u>\$ 1,769,975</u>	<u>\$ 200</u>	<u>\$ 1,770,175</u>
Reconciliation of operating income (loss) to net cash (used in) provided by operating activities			
Operating income (loss)	\$ (1,134,971)	\$ 258,055	\$ (876,916)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	1,017,863	369,889	1,387,752
Change in assets and liabilities			
Increase in accounts receivable - other and due from other governments	(214,066)	(558,387)	(772,453)
Increase in inventories	-	(3,373)	(3,373)
(Increase) decrease in prepaid expenses	148	(680)	(532)
(Decrease) increase in accounts payable and accrued expenses	199,190	(185,604)	13,586
Decrease in unearned revenue	(15,626)	-	(15,626)
Total adjustments	<u>987,509</u>	<u>(378,155)</u>	<u>609,354</u>
Net cash used in operating activities	<u>\$ (147,462)</u>	<u>\$ (120,100)</u>	<u>\$ (267,562)</u>

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

PICKENS COUNTY, SOUTH CAROLINA

**Combining Statement of Fiduciary Assets and Liabilities
 Agency Funds
 June 30, 2012**

		Total Agency Funds
Assets		
Cash and investments	\$	26,634,697
Accounts receivable - other		4,483
Property taxes receivable		6,095,918
Total assets	\$	32,735,098
 Liabilities		
Accounts payable	\$	100,659
Due to others		32,634,439
Total liabilities	\$	32,735,098

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

PICKENS COUNTY, SOUTH CAROLINA

Notes to Financial Statements

June 30, 2012

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 assets 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.

PICKENS COUNTY, SOUTH CAROLINA

Notes to Financial Statements

June 30, 2012

Note 1 – Summary of Significant Accounting Policies – Continued**Basis of Presentation – continued**

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.

Government-wide Financial Statements:

The statement of net assets 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 inter-fund activity, except any inter-fund 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:

PICKENS COUNTY, SOUTH CAROLINA

Notes to Financial Statements

June 30, 2012

Note 1 – Summary of Significant Accounting Policies – Continued**Basis of Presentation – continued**

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.

State Road C-Fund – This special revenue fund accounts for the receipt of state gasoline tax “C” funds earmarked for local road maintenance.

Proprietary fund reporting focuses on the determination of operating income, changes in net assets, 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 waste water treatment operations.

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

Fiduciary fund reporting focuses on net assets and changes in net assets. 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.

PICKENS COUNTY, SOUTH CAROLINA

Notes to Financial Statements

June 30, 2012

Note 1 – Summary of Significant Accounting Policies – Continued**Measurement Focus and Basis of Accounting – continued**

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. 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.

Unearned revenue arises when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenue also 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 or when the County has a legal claim to the resources, the liability for unearned revenue is 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 assets. Proprietary fund type operating statements present increases (i.e. revenues) and decreases (i.e. expenses) in net assets 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.

PICKENS COUNTY, SOUTH CAROLINA

Notes to Financial Statements

June 30, 2012

Note 1 – Summary of Significant Accounting Policies – Continued

Measurement Focus and Basis of Accounting – continued

As permitted under accounting principles generally accepted in the United States of America (“GAAP”), the County has elected to not apply Financial Accounting Standards Board (“FASB”) Statements and Interpretations issued after November 30, 1989, for its proprietary funds.

Fiduciary fund reporting focuses on net assets and changes in net assets. 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.

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 and Equity

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.

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 either “due to/from other funds” (i.e. the current portion of the inter-fund loans) or “advances to/from other funds” (i.e. the non-current portion of inter-fund loans). All other outstanding balances between funds are reported as “due 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.

PICKENS COUNTY, SOUTH CAROLINA

Notes to Financial Statements

June 30, 2012

Note 1 – Summary of Significant Accounting Policies – Continued**Assets, Liabilities and Equity – continued**

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.

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.

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 estimated fair 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.

PICKENS COUNTY, SOUTH CAROLINA

Notes to Financial Statements

June 30, 2012

Note 1 – Summary of Significant Accounting Policies – Continued**Assets, Liabilities and Equity – continued***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 assets. 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 reported as deferred charges and amortized over the term of the related debt. Deferred refunding costs represent the difference between the reacquisition price and the net carrying value of the refunded debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of 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. 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 Postclosure Care Costs

Federal and state laws and regulations require the County to place a final cover on its landfill sites when they stop 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 postclosure 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 80%. 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 postclosure care costs.

Net Assets and Fund Balances

Net assets in the government-wide financial statements are classified as invested in capital assets - net of related debt, restricted and unrestricted. Restricted net assets represent 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.

PICKENS COUNTY, SOUTH CAROLINA

Notes to Financial Statements

June 30, 2012

Note 1 – Summary of Significant Accounting Policies – Continued**Assets, Liabilities and Equity – continued**

During 2011, the County adopted Governmental Accounting Standards Board (“GASB”) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, which redefined how fund balances of the governmental funds are presented in the financial statements. Fund balances are classified 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.

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. Under policies adopted by the County Council, amounts may be assigned by the finance office.

Unassigned – All amounts not included in other spendable classifications.

PICKENS COUNTY, SOUTH CAROLINA

Notes to Financial Statements

June 30, 2012

Note 1 – Summary of Significant Accounting Policies – Continued

Assets, Liabilities and Equity – continued

At June 30, 2012, the County's governmental fund balances were classified as follows:

	General Fund	Fire Districts	State Road C-Fund	Other Governmental Funds	Total Governmental Funds
Net assets					
Nonspendable					
Prepaid items	\$ 366,710	\$ 278	\$ -	\$ -	\$ 366,988
Inventories	256,882	-	-	-	256,882
Land held for resale	1,331,369	-	-	-	1,331,369
Total nonspendable	<u>1,954,961</u>	<u>278</u>	<u>-</u>	<u>-</u>	<u>1,955,239</u>
Restricted					
Tri-County Tech	-	-	-	156,353	156,353
Fixed nuclear	-	-	-	40,571	40,571
Law enforcement	-	-	-	419,517	419,517
Library	-	-	-	1,367,786	1,367,786
Culture and recreation	-	-	-	610,210	610,210
Transportation roads	-	-	5,077,025	302,768	5,379,793
Emergency phone system	-	-	-	1,131,418	1,131,418
Debt service	-	-	-	508,707	508,707
Fire rescue	-	1,821,094	-	-	1,821,094
Total restricted	<u>-</u>	<u>1,821,094</u>	<u>5,077,025</u>	<u>4,537,330</u>	<u>11,435,449</u>
Committed					
Fire station capital projects	1,597,335	-	-	-	1,597,335
Culture and recreation	1,248,769	-	-	-	1,248,769
Capital projects	-	-	-	207,703	207,703
Total committed	<u>2,846,104</u>	<u>-</u>	<u>-</u>	<u>207,703</u>	<u>3,053,807</u>
Assigned					
Museum	-	-	-	91,243	91,243
Capital projects	3,734,180	-	-	-	3,734,180
Total assigned	<u>3,734,180</u>	<u>-</u>	<u>-</u>	<u>91,243</u>	<u>3,825,423</u>
Unassigned					
	20,406,819	-	-	4,649	20,411,468
Total fund balances	<u>\$ 28,942,064</u>	<u>\$ 1,821,372</u>	<u>\$ 5,077,025</u>	<u>\$ 4,840,925</u>	<u>\$ 40,681,386</u>

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 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%: generate additional revenue, implement a hiring freeze on non-critical positions, or reduce expenditures through a budget cut.

PICKENS COUNTY, SOUTH CAROLINA

Notes to Financial Statements

June 30, 2012

Note 1 – Summary of Significant Accounting Policies – Continued**New Pronouncements**

GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34*, effective for periods beginning after June 15, 2012, modifies certain requirements for inclusion and blending of component units and adds clarification for misleading to exclude criterion. Under this standard, entities included as component units due to meeting fiscal dependency criteria must also provide a financial benefit or burden to continue such reporting. Entities blended due to meeting substantially the same governing body criteria will also be required to either provide a financial benefit or burden or be subject to operational responsibility by management of the primary government. The standard also redefines major discretely presented component units and provides certain clarifications as to when it is misleading to exclude an entity as a component unit.

GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, effective for periods beginning after December 15, 2011, codifies all sources of generally accepted accounting principles for state and local governments so they are derived from a single source. The standard also supersedes GASB Statement No. 20, eliminating the election to apply FASB Statements and Interpretations issued after November 30, 1989, as well as the need for disclosure of this election. All FASB and AICPA pronouncements issued after November 30, 1989 will become nonauthoritative literature for application purposes. In addition, the standard clarifies interest should be capitalized on assets acquired for others, clarifies that interest need not be imputed on low interest loans and clarifies the operating cycle should not be used to classify current assets and liabilities.

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, effective for periods beginning after December 15, 2011, provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources requiring segregation of deferred outflows and inflows from assets and liabilities for both governmental financial statements and accrual basis financial statements. The standard amends the net asset reporting requirements in GASB 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets.

GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, effective for periods beginning after December 15, 2012, identifies deferred outflows and inflows that are to be separated from assets and liabilities under GASB Statement No. 63 and provides for immediate recognition of certain costs and fees. This standard also provides financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as changes in the determination of the major fund calculations and limiting the use of the term deferred in financial statement presentations.

PICKENS COUNTY, SOUTH CAROLINA

Notes to Financial Statements

June 30, 2012

Note 1 – Summary of Significant Accounting Policies – Continued**New Pronouncements – Continued**

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions-an amendment of GASB Statement No. 27*, effective for periods beginning after June 15, 2014, replaces the requirements of Statement No. 27 and No. 50 as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The standard requires government employers to recognize as a liability, for the first time, their long-term obligation for pension benefits. The employer liability is to be measured as the difference between the present value of projected benefit payments to be provided through the pension plan for past periods of service less the amount of the pension plan's fiduciary net position, with obligations for employers with cost sharing plans based on their proportionate share of contributions to the pension plan. The standard also requires more immediate recognition of annual service cost, interest and changes in benefits for pension expense, specifies requirements for discount rates and actuarial methods and changes disclosure requirements.

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 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.

PICKENS COUNTY, SOUTH CAROLINA

Notes to Financial Statements

June 30, 2012

Note 2 – Stewardship, Compliance and Accountability

Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with 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 individual fire district funds, accommodation tax fund, tourism development fee 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, 2012, one Special Revenue Fund, Liberty Fire District, had an unassigned deficit of \$126,849. The Liberty Fire Station fund deficit will be replenished over the next 7 years as the fire district pays the County for an advancement for the construction of a new fire station.

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. Council may effect transfers between departments by ordinance; however, the budget ordinance must be amended to effect changes in fund totals.

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, 2012, as follows:

General Fund	\$	456,533
Fire Districts		412,111
State Road C-Funds		582,388
Other Governmental Funds		425,064
	\$	1,876,096

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; (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 market 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 Authority

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 does not have a custodial credit policy.

PICKENS COUNTY, SOUTH CAROLINA

Notes to Financial Statements

June 30, 2012

Note 3 – Deposits and Investments – Continued

The County places its cash and cash equivalents on deposit with a financial institution in the United States. The Federal Deposit Insurance Corporation (“FDIC”) covers \$250,000 for substantially all depository accounts and temporarily provided unlimited coverage through December 31, 2012 for certain qualifying and participating non-interest bearing transaction accounts.

The County’s deposits had a carrying value of \$68,181,945 and the bank balance was \$67,329,302, of which \$1,900,753 was covered by FDIC insurance and \$65,428,549 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, 2012, the Alliance’s deposits had a carrying value of \$451,264 and a bank balance of \$455,061. Of this bank balance, \$250,000 was covered by FDIC insurance and \$205,061 was in excess of federal and state depository insurance limits and was uncollateralized.

Reconciliation of cash and investments to the Government-wide Statement of Net Assets:

Unrestricted cash, including time deposits	\$ 41,547,248
Agency fund cash (not included in government-wide statement)	26,634,697
	\$ 68,181,945

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. As a means of limiting its exposure to fair value losses arising from rising interest rates, the County limits its investments to maturities of 2 years or less.

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. The County has no formal policy on managing credit risk.

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. The County minimizes credit risk by limiting investments to the types of securities allowed by law.

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 percent of the estimated market value. The assessed value as of June 30, 2012 was \$435,166,470. The estimated market value was \$8,045,411,232 making the assessed value approximately 5.4 percent of the estimated market value.

PICKENS COUNTY, SOUTH CAROLINA

Notes to Financial Statements

June 30, 2012

Note 4 – Property Taxes – Continued

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, 2012 was \$6.56 per \$100 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 three percent penalty is added on January 16. If taxes remain unpaid on February 2, a seven percent penalty is added to the original tax. If taxes remain unpaid on the March 17 lien date, an additional 5 percent 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, 2012, are summarized as follows:

	<u>General Fund</u>	<u>Fire Districts</u>	<u>Other Governmental Funds</u>	<u>Total Government Funds</u>	<u>Agency Funds</u>
Gross receivables	\$ 1,615,480	\$ 641,939	\$ 604,169	\$ 2,861,588	\$ 6,416,756
Allowance for doubtful accounts	<u>(80,774)</u>	<u>(32,099)</u>	<u>(30,208)</u>	<u>(139,730)</u>	<u>(320,838)</u>
	<u>\$ 1,534,706</u>	<u>\$ 609,840</u>	<u>\$ 573,961</u>	<u>\$ 2,721,858</u>	<u>\$ 6,095,918</u>

Note 5 – Accounts Receivable

Accounts receivable at June 30, 2012 are summarized as follows:

	Fund Wide Statements						
	<u>General Fund</u>	<u>Fire Districts</u>	<u>State Road C-Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>	<u>Government Wide Statements</u>	<u>Agency Funds</u>
EMS fees	\$ 7,841,560	\$ -	\$ -	\$ -	\$ 7,841,560	\$ 7,841,560	\$ -
Less allowance for doubtful accounts	<u>(6,276,599)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,276,599)</u>	<u>(6,276,599)</u>	<u>-</u>
	<u>1,564,961</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,564,961</u>	<u>1,564,961</u>	<u>-</u>
Interest	71,417	349	4,946	-	76,712	76,712	4,483
Landfill	21,535	-	-	-	21,535	21,535	-
Other	<u>147,132</u>	<u>-</u>	<u>-</u>	<u>96,168</u>	<u>243,300</u>	<u>243,300</u>	<u>-</u>
	<u>240,084</u>	<u>349</u>	<u>4,946</u>	<u>96,168</u>	<u>341,547</u>	<u>341,547</u>	<u>4,483</u>
	<u>\$ 1,805,045</u>	<u>\$ 349</u>	<u>\$ 4,946</u>	<u>\$ 96,168</u>	<u>\$ 1,906,508</u>	<u>\$ 1,906,508</u>	<u>\$ 4,483</u>

PICKENS COUNTY, SOUTH CAROLINA

Notes to Financial Statements

June 30, 2012

Note 6 – Capital Assets

Capital asset activity for the year ended June 30, 2012 was as follows:

	Balance June 30, 2011	Additions	Deletions	Balance June 30, 2012
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 6,979,580	\$ 36,785	\$ -	\$ 7,016,365
Construction in progress	1,128,212	1,097,056	(1,504,414)	720,854
Total capital assets not being depreciated:	8,107,792	1,133,841	(1,504,414)	7,737,219
Capital assets being depreciated:				
Buildings	33,929,217	180,456	-	34,109,673
Improvements and infrastructure	28,238,659	1,623,864	-	29,862,523
Machinery and equipment	26,663,467	1,456,815	(994,327)	27,125,955
Total capital assets being depreciated	88,831,343	3,261,135	(994,327)	91,098,151
Less accumulated depreciation:				
Buildings	(10,871,050)	(886,402)	-	(11,757,452)
Improvements and infrastructure	(9,612,091)	(762,389)	-	(10,374,480)
Machinery and equipment	(16,304,577)	(1,797,594)	915,845	(17,186,326)
Total accumulated depreciation	(36,787,718)	(3,446,385)	915,845	(39,318,258)
Total capital assets being depreciated, net	52,043,625	(185,250)	(78,482)	51,779,893
Governmental activities capital assets, net	\$ 60,151,417	\$ 948,591	\$ (1,582,896)	\$ 59,517,112
	Balance June 30, 2011	Additions	Deletions	Balance June 30, 2012
Business-type Activities:				
Capital assets not being depreciated:				
Land	\$ 1,189,023	\$ 610,411	\$ -	\$ 1,799,434
Construction in progress	3,525,850	2,963,929	(3,186,281)	3,303,498
Total capital assets not being depreciated:	4,714,873	3,574,340	(3,186,281)	5,102,932
Capital assets being depreciated:				
Capacity	5,938,636	-	-	5,938,636
Buildings	2,617,645	551,933	-	3,169,578
Improvements and infrastructure	31,527,199	2,843,318	-	34,370,517
Machinery and equipment	666,218	15,606	(18,581)	663,243
Total capital assets being depreciated	40,749,698	3,410,857	(18,581)	44,141,974
Less accumulated depreciation:				
Capacity	(529,073)	(76,634)	-	(605,707)
Buildings	(927,912)	(148,466)	-	(1,076,378)
Improvements and infrastructure	(9,287,137)	(1,129,900)	-	(10,417,037)
Machinery and equipment	(522,177)	(32,752)	25,281	(529,648)
Total accumulated depreciation	(11,266,299)	(1,387,752)	25,281	(12,628,770)
Total capital assets being depreciated, net	29,483,399	2,023,105	6,700	31,513,204
Governmental activities capital assets, net	\$ 34,198,272	\$ 5,597,445	\$ (3,179,581)	\$ 36,616,136

PICKENS COUNTY, SOUTH CAROLINA

Notes to Financial Statements

June 30, 2012

Note 6 – Capital Assets – Continued

Depreciation expense was charged to governmental activities as follows:

General Government	\$	380,661
Public Safety		1,351,834
Public Works		1,266,644
Health and Welfare		44,946
Cultural and Recreation		317,174
Economic Development		46,519
Intergovernmental		38,607
Total	\$	3,446,385

Construction in progress in the Governmental Activities as of June 30, 2012 represents costs incurred to date on the Fire Training Facility, Six Mile Fire District Building, Golden Creek Road and construction of a walking track, Hagood Mill Parking Lot and Amphitheatre, and Rock Art Center. Construction in progress in the Business-type Activities as of June 30, 2012 represents costs of construction for the Central North Wastewater Treatment Facilities upgrade.

Note 7 – Long-term Debt

Governmental Activities Debt

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

		Beginning Balance		Additions		Retirements		Ending Balance		Due Within One Year
	\$		\$		\$		\$		\$	
General obligation bonds	\$	13,599,219	\$	-	\$	1,708,192	\$	11,891,027	\$	1,778,283
Capital leases		1,002,448		-		221,796		780,652		230,134
Notes payable		5,343,823		-		394,557		4,949,266		410,522
Compensated absences		1,030,177		50,292		126,655		953,814		100,000
Net OPEB obligation		2,265,081		820,755		-		3,085,836		-
Landfill closure & postclosure		2,683,324		398,241		207,500		2,874,065		102,500
Total	\$	25,924,072	\$	1,269,288	\$	2,658,700	\$	24,534,660	\$	2,621,439

Funds used in prior years to liquidate the net other postemployment benefit obligation were from the general fund.

PICKENS COUNTY, SOUTH CAROLINA

Notes to Financial Statements

June 30, 2012

Note 7 – Long-term Debt – Continued

Governmental Activities Debt – continued

General obligation (general purpose) bonds payable at June 30, 2012, are comprised of the following individual issues:

\$3,690,000 2002 general obligation refunding bond used to refund the 1990 and 1992 general obligation bonds; due in annual installments of \$390,000 through March 1, 2013; interest at 4.30%	\$	390,000
\$6,665,000 2003 general obligation bond used for the construction of the Easley Library; due in annual installments of \$125,000 to \$1,300,000 through March 1, 2016; interest at 3.00% to 3.25%		4,550,000
\$1,100,000 2004 general obligation bond used for the Vineyard Building project and purchase of fire trucks; due in annual installments of \$40,000 to \$102,000 through March 1, 2019; interest at 4.134%		621,000
\$1,024,709 2008 general obligation bond used for the Cramer Upgrade project; due in quarterly installments of principal and interest of \$17,865 through April 1, 2028; interest at 3.5%		845,656
\$3,266,039 2008 general obligation bond used for the Roper Upgrade project; due in quarterly installments of principal and interest of \$56,939 through August 1, 2028; interest at 3.5%		2,773,934
\$197,000 2008 general obligation bond used for the purchase of fire trucks; due in semi-annual installments of principal and interest of \$10,000 to \$20,000 through April 23, 2023; interest at 3.95%		160,000
\$1,800,000 2008 general obligation bond used for the Springs Building project and purchase of a fire truck; due in annual installments of principal and interest of \$112,570 to \$145,901 through March 1, 2023; interest at 4.03%		1,455,437
\$800,000 2004 general obligation bond used for the Shady Grove Building project and purchase of fire trucks; due in annual installments of \$65,000 to \$95,000 through March 1, 2015; interest at 3.130%		273,000
\$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, 2017; interest of 2.28%.		822,000
		11,891,027
Less current portion		1,778,283
Long-term portion outstanding	\$	10,112,744

PICKENS COUNTY, SOUTH CAROLINA

Notes to Financial Statements

June 30, 2012

Note 7 – Long-term Debt – Continued

Governmental Activities Debt – continued

Annual requirements to amortize all general obligation bonds outstanding as of June 30, 2012, are as follows:

Year Ending June 30	Principal	Interest	Totals
2013	\$ 1,778,283	\$ 369,077	\$ 2,147,360
2014	1,855,065	306,759	2,161,824
2015	1,899,995	244,945	2,144,940
2016	1,875,077	181,644	2,056,721
2017	591,312	122,156	713,468
2018 to 2022	2,242,731	376,221	2,618,952
2023 to 2027	1,428,189	107,340	1,535,529
2028 to 2032	220,375	2,969	223,344
	<u>\$ 11,891,027</u>	<u>\$ 1,711,111</u>	<u>\$ 13,602,138</u>

Capital leases payable at June 30, 2012, are comprised of the following individual leases:

\$284,300 capital lease to a bank used for the purchase of a fire truck; payable in annual installments of principal and interest of \$34,374 through June 2015 at 3.610%; collateralized by equipment	\$ 96,103
\$154,287 capital lease to an equipment vendor used for the purchase of a fire truck; payable in annual installments of principal and interest of \$18,824 through June 2013 at 3.79%; collateralized by equipment	18,137
\$819,636 capital lease to a bank used for the Pickens County Museum expansion; payable in annual installments of principal and interest of \$100,000 through May 2013 at 3.79%; collateralized by the real property	96,349
\$222,725 capital lease to a bank used for the purchase of a fire truck; payable in annual installments of principal and interest of \$27,459 through March 2016 at 4.00%; collateralized by equipment	99,674
\$360,000 capital lease to a bank used for the purchase of a fire truck; payable in annual installments of principal and interest of \$43,221 through May 2018 at 3.47%; collateralized by equipment	230,535
\$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	<u>239,854</u>
	<u>780,652</u>
Less current portion	<u>230,134</u>
Long-term portion outstanding	<u>\$ 550,518</u>

PICKENS COUNTY, SOUTH CAROLINA

Notes to Financial Statements

June 30, 2012

Note 7 – Long-term Debt – Continued

Governmental Activities Debt – continued

Annual requirements to amortize all capital leases outstanding as of June 20, 2012 are as follows:

Year Ending June 30	Principal	Interest	Totals
2013	\$ 230,134	\$ 29,340	\$ 259,474
2014	119,962	20,688	140,650
2015	124,437	16,213	140,650
2016	94,705	11,571	106,276
2017	70,822	7,995	78,817
2018 to 2022	140,592	9,418	150,010
	<u>\$ 780,652</u>	<u>\$ 95,225</u>	<u>\$ 875,877</u>

As of June 30, 2012, the County had assets under capital leases with a total cost of \$3,176,179.

Notes payable at June 30, 2012 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%	\$ 1,478,417
\$3,112,288 intergovernmental contract between Pickens County and Western Carolina Regional Sewer Authority used for the Georges Creek (Capacity) Project; payable in monthly installments of principal and interest of \$18,860 through October 2023 at 4.0%	2,188,917
\$1,988,315 intergovernmental contract between Pickens County and Western Carolina Regional Sewer Authority 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%	<u>1,281,932</u>
	4,949,266
Less current portion	410,522
Long-term portion outstanding	<u>\$ 4,538,744</u>

Annual requirements to amortize all notes payable outstanding as of June 30, 2012 are as follows:

Year Ending June 30	Principal	Interest	Totals
2013	\$ 410,522	\$ 163,372	\$ 573,894
2014	423,614	150,280	573,894
2015	437,153	136,741	573,894
2016	451,157	122,737	573,894
2017	465,641	108,253	573,894
2018 to 2022	1,936,791	323,348	2,260,139
2023 to 2027	824,388	41,829	866,217
	<u>\$ 4,949,266</u>	<u>\$ 1,046,560</u>	<u>\$ 5,995,827</u>

PICKENS COUNTY, SOUTH CAROLINA

Notes to Financial Statements

June 30, 2012

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 July 1, 2011	Additions	Retirements	Balance June 30, 2012	Due Within One Year
Revenue bonds	\$ 4,897,151	\$ 2,032,000	\$ 99,641	\$ 6,829,510	\$ 120,762
Compensated absences	22,572	920	149	23,343	200
Total	<u>\$ 4,919,723</u>	<u>\$ 2,032,920</u>	<u>\$ 99,790</u>	<u>\$ 6,852,853</u>	<u>\$ 120,962</u>

Revenue bonds payable recorded in the Public Service Commission Enterprise Fund at June 30, 2012 are comprised of the following individual issues:

<p>\$1,988,200 USDA Rural Development revenue bond used for the Middle Plant expansion; due in monthly installments of principal and interest of \$9,345 through October 2039 at 4.75%. At June 30, 2012, pledged revenue was \$112,140.</p>	\$ 1,710,407
<p>\$3,605,700 USDA Rural Development revenue bond used for the Upper Plant expansion; due in monthly installments of principal and interest of \$16,947 through October 2039 at 4.75%. At June 30, 2012, pledged revenue was \$203,364.</p>	3,102,026
<p>\$352,000 USDA Rural Development revenue bond used for the Central-North Waste Water Treatment Plant Project; due in monthly installments of principal and interest of \$1,116 through January 2052 at 2.25%. At June 30, 2012, pledged revenue was \$25,768 for both Central-North Waste Water Treatment bonds.</p>	349,201
<p>\$1,680,000 USDA Rural Development revenue bond used for the Central-North Waste Water Treatment Plant Project; due in monthly installments of principal and interest of \$5,326 through January 2052 at 2.25%. At June 30, 2012, pledged revenue was \$25,768 for both Central-North Waste Water Treatment bonds.</p>	<u>1,667,876</u> 6,829,510
<p>Less current portion</p>	120,762
<p>Long-term portion outstanding</p>	<u>\$ 6,708,748</u>

PICKENS COUNTY, SOUTH CAROLINA

Notes to Financial Statements

June 30, 2012

Note 7 – Long-term Debt – Continued

Business-Type Activities Debt – Continued

Annual requirements to amortize all revenue bonds outstanding as of June 30, 2012 are as follows:

Year Ending June 30	Principal	Interest	Totals
2013	\$ 120,762	\$ 272,046	\$ 392,808
2014	125,689	267,119	392,808
2015	130,956	261,852	392,808
2016	136,460	256,348	392,808
2017	142,211	250,597	392,808
2018 to 2022	806,838	1,157,202	1,964,040
2023 to 2027	995,122	968,918	1,964,040
2028 to 2032	1,230,468	733,572	1,964,040
2033 to 2037	1,525,069	438,971	1,964,040
2038 to 2042	950,023	129,347	1,079,370
2043 to 2047	328,488	58,031	386,519
2048 to 2052	337,424	18,728	356,152
	<u>\$ 6,829,510</u>	<u>\$ 4,812,731</u>	<u>\$ 11,642,241</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, 2012, management of the Public Service Commission believes they are in compliance with the following reserve requirements:

Reserved for debt services	\$ 341,272
Reserved for depreciation funding	170,636
Reserved for contingency fund	170,636
Total	<u>\$ 682,544</u>

Note 8 – Inter-fund Receivables, Payables and Transfers

Inter-fund Receivables and Payables

	Advance Receivable	Advance Payable
Major Governmental Fund:		
General Fund	\$ 2,231,774	-
Fire Districts	-	1,597,335
Non-major Governmental Funds	-	13,470
Major Enterprise Funds:		
Airport	-	620,969
	<u>\$ 2,231,774</u>	<u>\$ 2,231,774</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 committed due to a formal commitment provided for ultimate proceeds.

PICKENS COUNTY, SOUTH CAROLINA

Notes to Financial Statements

June 30, 2012

Note 8 – Inter-fund Receivables, Payables and Transfers – Continued

Transfers

	Transfers In	Transfers Out
Major Governmental Fund:		
General Fund	\$ 329,657	\$ (477,869)
Non-major Governmental Funds	11,134	(29,657)
Major Enterprise Funds:		
Public Service Commission Fund	123,811	-
Airport	42,924	-
	\$ 507,526	\$ 507,526

Inter-fund 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

Eligible employees of the County are participants in the South Carolina Retirement System (“SCRS”) and the South Carolina Police Officers 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.

SCRS and PORS Class II plan members are required to contribute 6.50% of their annual covered salary. The County is required to contribute an actuarially determined rate. The current rates for the SCRS and PORS Class II are 9.24% and 11.13% of annual covered payroll, respectively.

In addition to the preceding rates, participating employers contribute .15% and .20% of covered payroll to a group life insurance benefit for their SCRS and PORS participants, respectively.

PICKENS COUNTY, SOUTH CAROLINA

Notes to Financial Statements

June 30, 2012

Note 9 – Employee Pension Plans – Continued

Additionally, participating employers contribute .20% of covered payroll to provide an accidental death benefit for their PORS participants. The contribution requirements of plan members and the County are established under Title 9 of the South Carolina Code of Laws. The County's contributions to SCRS and the PORS (average membership of 581) are summarized as follows:

Year Ended June 30,	Employer			
	SCRS	Percent of Covered Payroll	PORS	Percent of Covered Payroll
2012	\$ 1,317,178	9.54%	\$ 780,925	11.76%
2011	\$ 1,236,724	9.39%	\$ 705,155	11.53%
2010	\$ 1,255,938	9.39%	\$ 666,542	11.05%

Year Ended June 30,	Employee			
	SCRS	Percent of Covered Payroll	PORS	Percent of Covered Payroll
2012	\$ 898,023	6.50%	\$ 431,525	6.50%
2011	\$ 859,228	6.50%	\$ 402,606	6.50%
2010	\$ 865,562	6.50%	\$ 392,084	6.50%

The contributions are equal to the required contributions for each year.

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 26 employees retired and under the age of 65 that were receiving insurance benefits. For the year ended June 30, 2012, the County incurred net expenditures for the plan of approximately \$147,479 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, 2012

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 cost is outlined below:

	Medical Economy Plan	Medical Base Plan	Medical Buy-Up Plan	Dental
Employee Only	-0-	\$40.52	\$73.45	-0-
Employee + Spouse	\$649.32	\$697.23	\$772.98	\$51.15
Employee + Child(ren)	\$358.72	\$394.13	\$450.11	\$62.30
Employee + Family	\$891.50	\$949.80	\$1,042.04	\$63.84

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

Funding Policy and Annual OPEB Cost

Pickens County annual other post-employment benefits (“OPEB”) cost is based on the annual required contribution of the employer (“ARC”), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of accrual that, if recognized on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. Pickens County’s OPEB activity for the current year is as follows:

Annual required contribution	\$ 1,137,379
Interest on OPEB obligation	101,929
Adjustment to ARC	(136,019)
Annual OPEB cost, end of year	<u>1,103,289</u>
Net estimated employer contributions	(282,534)
Increase in net OPEB obligation	<u>820,755</u>
Net OPEB obligation as of beginning of the year	2,265,081
Net OPEB obligation as of end of year	<u>\$ 3,085,836</u>

PICKENS COUNTY, SOUTH CAROLINA

Notes to Financial Statements

June 30, 2012

Note 10 – Post Retirement Health Care and Life Insurance Benefits – Continued

Funding Policy and Annual OPEB Cost – Continued

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year ending June 30, 2012 and the preceding two fiscal years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Amount Contributed	Percentage Contributed	Net OPEB Obligation
June 30, 2010	\$ 973,559	\$ 353,905	57.1%	\$ 1,395,728
June 30, 2011	\$ 1,116,373	\$ 247,020	28.4%	\$ 2,265,081
June 30, 2012	\$ 1,103,289	\$ 282,534	34.4%	\$ 3,085,836

Funding Status and Funding Progress

The funded status of Pickens County's retiree health care plan, under GASB Statement No. 45, as of June 30, 2012, is as follows:

Actuarial Valuation Date as of June 30	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (d)	Ratio of UAAL To Annual Covered Payroll (b-a)/d
2010	\$ -	\$ 9,239,019	\$ 9,239,019	0.0%	\$ 19,950,505	46.31%

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability.

Actuarial Methods and Assumptions

The Projected Unit Credit actuarial cost method is used to calculate the GASB ARC for Pickens County retiree health care plan. Using the plan benefits, the present health premiums and a set of actuarial assumptions, the anticipated future payments are projected. The projected unit credit method then provides for a systematic funding for these anticipated payments. The yearly ARC is computed to cover the cost of benefits being earned by covered members as well as to amortize a portion of the unfunded accrued liability.

Projections of health benefits are based on the plan as understood by Pickens County and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between Pickens County and its employees to that point. Actuarial calculations reflect long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions were as follows:

PICKENS COUNTY, SOUTH CAROLINA

Notes to Financial Statements

June 30, 2012

Note 10 – Post Retirement Health Care and Life Insurance Benefits – Continued

Actuarial Methods and Assumptions

Investment rate of return	4.5%, net of expenses
Actuarial cost method	Projected Unit Credit Cost Method
Amortization method	Level dollar
Amortization period	Open 30 year period
Inflation	3.0% per annum
Medical and drug trend	9.0% in 2012 decreasing by .5% to 4.5% in 2021 and later
Dental trend	4.5% per year

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status and the annual required contributions of Pickens County's retiree health care plan are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

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 \$2.7 million liability reported as landfill closure and post closure represents total costs to date, as of June 30, 2012 based on 100% use of all landfills. Actual cost for closure and postclosure 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.

Landfill	Post Closure Years Remaining	% Used	Open/ Close Year	Closure/ Post Closure Costs
Easley	20	100	2003	\$ 1,164,000
Central	10	100	1994	317,000
C & D	20	85	1998	1,393,065
				<u>\$ 2,874,065</u>

PICKENS COUNTY, SOUTH CAROLINA

Notes to Financial Statements

June 30, 2012

Note 12 – 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 has entered into various construction commitments. Such contracts include contracts for construction of wastewater treatment extension and a satellite campus for Tri-County Technical College. Several of these contracts were in progress but not completed as of June 30, 2012.

The County is involved in several pending lawsuits. The attorneys representing the County are of the opinion that all suits are covered by applicable insurance and that none of the claims, if any, would exceed such coverage. In the event of an unfavorable outcome, any resulting liability would be covered by the State of South Carolina Insurance Reserve Fund.

PICKENS COUNTY, SOUTH CAROLINA

Required Supplementary Information
 Schedule of Funding Progress - Other Postemployment Benefits
 June 30, 2012

Fiscal Year Ended June 30	Actuarial Valuation Date As of June 30	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (d)	Ratio of UAAL To Annual Covered Payroll (b-a)/d
2010	2008	\$ -	\$ 8,320,825	\$ 8,320,825	0%	\$ 20,095,834	41%
2011	2010	-	9,239,019	9,239,019	0%	19,815,268	47%
2012	2010	-	9,239,019	9,239,019	0%	19,950,505	46%

PICKENS COUNTY, SOUTH CAROLINA

Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Taxes	\$ 23,632,252	\$ 23,632,252	\$ 23,830,068	\$ 197,816
Intergovernmental	4,613,748	4,649,382	4,296,656	(352,726)
Fees, licenses and permits	527,600	527,600	581,765	54,165
Charges for services	5,745,217	5,745,217	6,293,197	547,980
Fines and forfeitures	600,000	600,000	666,474	66,474
Investment income	196,704	196,704	167,364	(29,340)
Rental income	23,663	23,663	20,930	(2,733)
Contributions	-	1,348	4,280	2,932
Miscellaneous	194,300	194,300	422,995	228,695
Total revenues	<u>35,533,484</u>	<u>35,570,466</u>	<u>36,283,729</u>	<u>713,263</u>
Expenditures				
Current				
General government				
County council	210,214	222,881	220,959	1,922
County attorney	93,000	393,000	225,497	167,503
State solicitor	773,938	773,938	753,244	20,694
Public defender	95,142	98,519	97,208	1,311
Probate judge	307,127	310,909	303,387	7,522
Register of deeds	359,400	375,607	246,615	128,992
Clerk of court	605,094	612,784	601,914	10,870
Administrator	405,848	338,794	284,625	54,169
Purchasing	157,302	157,302	78,548	78,754
Finance	447,000	454,118	451,757	2,361
Building maintenance	1,404,156	1,404,576	1,337,671	66,905
Human resources	190,250	197,458	197,243	215
Delinquent tax	253,949	258,421	261,563	(3,142)
Circuit judge	4,810	6,310	6,174	136
Treasurer	430,094	431,283	429,549	1,734
Auditor	315,696	317,217	316,870	347
Tax assessor	753,690	774,190	741,941	32,249
Board of appeals	2,000	7,000	6,420	580
GIS mapping	310,783	311,752	308,806	2,946
Registration and elections	338,539	403,267	283,967	119,300
Planning commission	153,082	155,907	125,962	29,945
Information services	1,033,300	1,057,823	987,259	70,564
County magistrates	605,236	608,529	585,702	22,827
Vehicle maintenance	545,874	545,940	531,114	14,826
Public relations	28,800	34,021	27,108	6,913
Retiree health and dental	141,000	141,000	138,027	2,973
	<u>9,965,324</u>	<u>10,392,546</u>	<u>9,549,130</u>	<u>843,416</u>

PICKENS COUNTY, SOUTH CAROLINA

**Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2012**

	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
Public safety				
Sheriff's department	8,819,566	8,827,753	8,775,316	52,437
Emergency management	385,332	386,908	348,703	38,205
County coroner	202,787	202,787	186,622	16,165
Prison camp	1,276,501	1,277,658	1,158,675	118,983
Emergency medical services	4,469,908	4,491,629	4,258,437	233,192
Building codes	310,238	311,215	303,931	7,284
County radio system	26,000	26,500	26,458	42
E-911	104,626	104,677	104,627	50
	<u>15,594,958</u>	<u>15,629,127</u>	<u>15,162,769</u>	<u>466,358</u>
Public works				
Roads and bridges	2,289,310	2,294,694	2,237,495	57,199
Solid waste department	3,255,224	3,244,533	3,165,949	78,584
Engineering	162,008	106,117	102,304	3,813
	<u>5,706,542</u>	<u>5,645,344</u>	<u>5,505,748</u>	<u>139,596</u>
Health and welfare				
Health department	51,008	51,008	47,677	3,331
Animal control	414,379	414,379	394,994	19,385
Humane society	70,000	70,000	70,000	-
Veterans affairs	100,011	104,459	103,792	667
Storm water management	139,395	195,691	167,655	28,036
Pickens County health partners	20,000	20,000	20,000	-
Meals on Wheels	5,000	5,000	5,000	-
	<u>799,793</u>	<u>860,537</u>	<u>809,118</u>	<u>51,419</u>
Culture and recreation				
Cultural commission	589,121	808,607	602,204	206,403
Parks department	205,160	205,160	184,838	20,322
	<u>794,281</u>	<u>1,013,767</u>	<u>787,042</u>	<u>226,725</u>
Economic development	-	352,000	365,817	(13,817)
Intergovernmental				
Legislative delegation	21,220	21,220	16,648	4,572
Seniors unlimited	5,000	5,000	5,000	-
Department of social services	74,530	76,152	75,987	165
Medically indigent fund	214,067	214,067	196,770	17,297
SC Appalachian Council of Governments	45,593	45,593	45,593	-
Clemson extension	56,820	56,935	56,930	5
Soil and water conservation	2,000	2,300	2,300	-
	<u>419,230</u>	<u>421,267</u>	<u>399,228</u>	<u>22,039</u>

PICKENS COUNTY, SOUTH CAROLINA

**Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Other				
Contingency	158,500	119,035	99,037	19,998
SCAC	19,025	19,025	38,025	(19,000)
Non-departmental	50,000	39,756	(137,368)	177,124
	<u>227,525</u>	<u>177,816</u>	<u>(306)</u>	<u>178,122</u>
Capital outlay	<u>1,487,787</u>	<u>1,598,674</u>	<u>1,419,114</u>	<u>179,560</u>
Total expenditures	<u>34,995,440</u>	<u>36,091,078</u>	<u>33,997,660</u>	<u>2,093,418</u>
Excess (deficiency) of revenues over (under) expenditures	<u>538,044</u>	<u>(520,612)</u>	<u>2,286,069</u>	<u>2,806,681</u>
Other financing sources (uses)				
Transfers in (out)	(536,544)	(536,544)	(148,212)	(388,332)
Transfers to Pickens Alliance	-	-	-	-
Total other financing uses	<u>(536,544)</u>	<u>(536,544)</u>	<u>(148,212)</u>	<u>(388,332)</u>
Net change in fund balances	<u>\$ 1,500</u>	<u>\$ (1,057,156)</u>	<u>2,137,857</u>	<u>\$ 3,195,013</u>
Fund balance - beginning			<u>27,154,856</u>	
Fund balance - end			<u>\$ 29,292,713</u>	

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

PICKENS COUNTY, SOUTH CAROLINA

Combining Balance Sheet
 Major Fund - Fire Districts
 June 30, 2012

	<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	\$ 103,448	\$ 412,015	\$ 69,060	\$ 816,192	\$ 536,671	\$ 184,439	\$ 231,744
Property taxes receivable	90,134	81,392	17,271	109,415	30,523	62,350	37,511
Accounts receivable - other	-	-	-	149	-	200	-
Prepaid items	-	-	-	-	-	-	25
Total assets	<u>\$ 193,582</u>	<u>\$ 493,407</u>	<u>\$ 86,331</u>	<u>\$ 925,756</u>	<u>\$ 567,194</u>	<u>\$ 246,989</u>	<u>\$ 269,280</u>
Liabilities and fund balances							
Liabilities:							
Accounts payable	\$ 3,411	\$ 1,074	\$ 1,013	\$ 479	\$ 305	\$ -	\$ 811
Accrued payroll	-	-	-	5,897	1,120	-	1,310
Advances from general fund	-	548,667	-	548,668	500,000	-	-
Unearned revenue	79,433	70,515	14,173	96,908	27,172	51,674	33,233
Total liabilities	<u>82,844</u>	<u>620,256</u>	<u>15,186</u>	<u>651,952</u>	<u>528,597</u>	<u>51,674</u>	<u>35,354</u>
Fund balances:							
Nonspendable							
Prepaid items	-	-	-	-	-	-	25
Restricted	110,738	-	71,145	273,804	38,597	195,315	233,901
Unassigned	-	(126,849)	-	-	-	-	-
Total fund balances	<u>110,738</u>	<u>(126,849)</u>	<u>71,145</u>	<u>273,804</u>	<u>38,597</u>	<u>195,315</u>	<u>233,926</u>
Total liabilities and fund balances	<u>\$ 193,582</u>	<u>\$ 493,407</u>	<u>\$ 86,331</u>	<u>\$ 925,756</u>	<u>\$ 567,194</u>	<u>\$ 246,989</u>	<u>\$ 269,280</u>

PICKENS COUNTY, SOUTH CAROLINA

Combining Balance Sheet
Major Fund - Fire Districts
June 30, 2012

	<u>Holly Springs</u>	<u>Central</u>	<u>Shady Grove</u>	<u>Rocky Bottom</u>	<u>Vineyards</u>	<u>Springs</u>	<u>Total</u>
Assets							
Cash and investments	\$ 118,240	\$ 132,305	\$ 267,187	\$ 13,944	\$ 257,230	\$ 284,502	\$ 3,426,977
Property taxes receivable	11,930	18,066	9,757	131	63,526	77,834	609,840
Accounts receivable - other	-	-	-	-	-	-	349
Prepaid items	-	-	193	-	-	85	303
Total assets	<u>\$ 130,170</u>	<u>\$ 150,371</u>	<u>\$ 277,137</u>	<u>\$ 14,075</u>	<u>\$ 320,756</u>	<u>\$ 362,421</u>	<u>\$ 4,037,469</u>
Liabilities and fund balances							
Liabilities:							
Accounts payable	\$ 223	\$ 6,657	\$ 2,280	\$ -	\$ 42,826	\$ 3,094	\$ 62,173
Accrued payroll	-	-	-	-	13,735	-	22,062
Advances from general fund	-	-	-	-	-	-	1,597,335
Unearned revenue	9,745	15,823	7,399	85	61,679	66,688	534,527
Total liabilities	<u>9,968</u>	<u>22,480</u>	<u>9,679</u>	<u>85</u>	<u>118,240</u>	<u>69,782</u>	<u>2,216,097</u>
Fund balances:							
Nonspendable							
Prepaid items	-	-	193	-	-	85	303
Restricted	120,202	127,891	267,265	13,990	202,516	292,554	1,947,918
Unassigned	-	-	-	-	-	-	(126,849)
Total fund balances	<u>120,202</u>	<u>127,891</u>	<u>267,458</u>	<u>13,990</u>	<u>202,516</u>	<u>292,639</u>	<u>1,821,372</u>
Total liabilities and fund balances	<u>\$ 130,170</u>	<u>\$ 150,371</u>	<u>\$ 277,137</u>	<u>\$ 14,075</u>	<u>\$ 320,756</u>	<u>\$ 362,421</u>	<u>\$ 4,037,469</u>

PICKENS COUNTY, SOUTH CAROLINA

Combining Schedule of Revenues, Expenditures
and Changes in Fund Balances
Major Fund - Fire Districts
Year Ended June 30, 2012

	<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	-	-	-	-	-	-	2,250
Fees, licenses and permits	457,050	389,104	122,098	607,027	132,172	324,834	176,298
Investment income	-	-	-	747	-	910	-
Contributions	-	-	250	500	-	-	-
Miscellaneous	-	-	-	3,094	-	-	-
Total revenues	<u>457,050</u>	<u>389,104</u>	<u>122,348</u>	<u>611,368</u>	<u>132,172</u>	<u>325,744</u>	<u>178,548</u>
Expenditures							
Current:							
Personnel services	-	-	-	353,793	14,653	-	63,842
Supplies	-	3,060	10,255	7,275	91	-	9,721
Contractual services	450,586	205,513	905	1,122	83,304	310,000	6,070
Utilities	-	8,314	9,460	10,143	-	-	10,264
Repairs and maintenance	-	20,467	14,486	7,065	3,260	-	6,736
Fuel and oil	-	-	8,011	7,767	285	-	5,616
Furniture, machinery and equipment	-	12,564	4,538	4,584	2,512	-	4,354
Insurance, bonds and licenses	-	4,897	1,758	6,488	3,796	-	(5,189)
Rent	-	-	-	-	-	-	1
Other	-	3,226	5,820	23,791	1,642	-	28,480
Contingency	-	1,613	-	-	-	-	-
Capital outlay	-	25,395	-	-	101,820	-	-
Debt service:							
Principal retirement	-	-	50,127	73,145	-	-	29,828
Interest and fiscal charges	-	23,351	8,038	40,541	-	-	4,546
Total expenditures	<u>450,586</u>	<u>308,400</u>	<u>113,398</u>	<u>535,714</u>	<u>211,363</u>	<u>310,000</u>	<u>164,269</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,464</u>	<u>80,704</u>	<u>8,950</u>	<u>75,654</u>	<u>(79,191)</u>	<u>15,744</u>	<u>14,279</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	6,464	80,704	8,950	75,654	(79,191)	15,744	14,279
Fund balance - beginning	<u>104,274</u>	<u>(207,553)</u>	<u>62,195</u>	<u>198,150</u>	<u>117,788</u>	<u>179,571</u>	<u>219,647</u>
Fund balance - ending	<u>\$ 110,738</u>	<u>\$ (126,849)</u>	<u>\$ 71,145</u>	<u>\$ 273,804</u>	<u>\$ 38,597</u>	<u>\$ 195,315</u>	<u>\$ 233,926</u>

PICKENS COUNTY, SOUTH CAROLINA

Combining Schedule of Revenues, Expenditures
and Changes in Fund Balances
Major Fund - Fire Districts
Year Ended June 30, 2012

	Holly Springs	Central	Shady Grove	Rocky Bottom	Vineyards	Springs	Total
Revenues							
Taxes	\$ -	\$ -	\$ 257,671	\$ -	\$ 636,424	\$ 511,652	\$ 1,405,747
Intergovernmental	-	-	-	-	-	-	2,250
Fees, licenses and permits	63,327	169,805	-	3,128	-	-	2,444,843
Investment income	-	-	-	-	-	-	1,657
Contributions	250	-	-	-	250	-	1,250
Miscellaneous	2,204	-	917	-	-	-	6,215
Total revenues	<u>65,781</u>	<u>169,805</u>	<u>258,588</u>	<u>3,128</u>	<u>636,674</u>	<u>511,652</u>	<u>3,861,962</u>
Expenditures							
Current:							
Personnel services	-	4,016	-	-	781,462	224	1,217,990
Supplies	3,628	13,852	3,656	115	17,188	12,852	81,693
Contractual services	224	81,211	226,589	2,204	4,695	3,080	1,375,503
Utilities	5,799	3,308	-	-	18,911	10,872	77,071
Repairs and maintenance	4,322	6,875	5,485	553	23,141	7,463	99,853
Fuel and oil	1,380	2,628	-	94	9,975	6,224	41,980
Furniture, machinery and equipment	-	10,668	22,195	-	12,051	2,455	75,921
Insurance, bonds and licenses	2,814	5,063	2,249	-	11,562	4,330	37,768
Rent	-	-	-	-	64	-	65
Other	1,066	2,385	-	-	8,517	8,232	83,159
Contingency	2,592	-	-	-	-	-	4,205
Capital outlay	-	13,201	-	8,731	83,782	-	232,929
Debt service:							
Principal retirement	22,570	25,052	-	-	-	-	200,722
Interest and fiscal charges	4,888	10,543	-	-	-	-	91,907
Total expenditures	<u>49,283</u>	<u>178,802</u>	<u>260,174</u>	<u>11,697</u>	<u>971,348</u>	<u>55,732</u>	<u>3,620,766</u>
Excess (deficiency) of revenues over (under) expenditures	<u>16,498</u>	<u>(8,997)</u>	<u>(1,586)</u>	<u>(8,569)</u>	<u>(334,674)</u>	<u>455,920</u>	<u>241,196</u>
Other financing sources (uses)							
Transfers (out) in	-	-	-	-	342,544	(342,544)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>342,544</u>	<u>(342,544)</u>	<u>-</u>
Net change in fund balances	16,498	(8,997)	(1,586)	(8,569)	7,870	113,376	241,196
Fund balance - beginning	<u>103,704</u>	<u>136,888</u>	<u>269,044</u>	<u>22,559</u>	<u>194,646</u>	<u>179,263</u>	<u>1,580,176</u>
Fund balance - ending	<u>\$ 120,202</u>	<u>\$ 127,891</u>	<u>\$ 267,458</u>	<u>\$ 13,990</u>	<u>\$ 202,516</u>	<u>\$ 292,639</u>	<u>\$ 1,821,372</u>

PICKENS COUNTY, SOUTH CAROLINA

**Schedule of Revenues, Expenditures
and Changes in Fund Balances - Budget and Actual
Easley Fire District Fund
Year Ended June 30, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Fees, licenses and permits	\$ 449,959	\$ 449,959	\$ 457,050	\$ 7,091
Investment income	500	500	-	(500)
Total revenues	<u>450,459</u>	<u>450,459</u>	<u>457,050</u>	<u>6,591</u>
Expenditures				
Current:				
Contractual services	449,959	449,959	450,586	(627)
Contingency	500	500	-	500
Total expenditures	<u>450,459</u>	<u>450,459</u>	<u>450,586</u>	<u>(127)</u>
Deficiency of revenues under expenditures	<u>-</u>	<u>-</u>	<u>6,464</u>	<u>6,464</u>
 Net change in fund balances	 <u>\$ -</u>	 <u>\$ -</u>	 6,464	 <u>\$ 6,464</u>
Fund balance - beginning			<u>104,274</u>	
Fund balance - ending			<u>\$ 110,738</u>	

PICKENS COUNTY, SOUTH CAROLINA

**Schedule of Revenues, Expenditures
and Changes in Fund Balances - Budget and Actual
Liberty Fire District Fund
Year Ended June 30, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Fees, licenses and permits	\$ 373,504	\$ 373,504	\$ 389,104	\$ 15,600
Investment income	500	500	-	(500)
Total revenues	<u>374,004</u>	<u>374,004</u>	<u>389,104</u>	<u>15,100</u>
Expenditures				
Current:				
Supplies	4,000	4,000	3,060	940
Contractual services	211,000	211,000	205,513	5,487
Utilities	13,400	13,400	8,314	5,086
Repairs and maintenance	18,000	18,000	20,467	(2,467)
Furniture, machinery and equipment	29,000	29,000	12,564	16,436
Insurance, bonds and licenses	10,000	10,000	4,897	5,103
Other	8,000	8,000	3,226	4,774
Contingency	22,141	22,141	1,613	20,528
Capital outlay	-	-	25,395	(25,395)
Debt service:				
Principal retirement	35,111	35,111	-	35,111
Interest and fiscal charges	23,352	23,352	23,351	1
Total expenditures	<u>374,004</u>	<u>374,004</u>	<u>308,400</u>	<u>65,604</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>80,704</u>	<u>80,704</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>80,704</u>	<u>\$ 80,704</u>
Fund balance - beginning			<u>(207,553)</u>	
Fund balance - ending			<u>\$ (126,849)</u>	

PICKENS COUNTY, SOUTH CAROLINA

**Schedule of Revenues, Expenditures
and Changes in Fund Balances - Budget and Actual
Pumpkintown Fire District Fund
Year Ended June 30, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Fees, licenses and permits	\$ 122,342	\$ 122,342	\$ 122,098	\$ (244)
Contributions	-	-	250	250
Total revenues	<u>122,342</u>	<u>122,342</u>	<u>122,348</u>	<u>6</u>
Expenditures				
Current:				
Supplies	13,354	13,354	10,255	3,099
Contractual services	3,370	3,370	905	2,465
Utilities	9,650	9,650	9,460	190
Repairs and maintenance	10,500	10,500	14,486	(3,986)
Fuel and oil	4,500	4,500	8,011	(3,511)
Furniture, machinery and equipment	6,000	6,000	4,538	1,462
Insurance, bonds and licenses	18,620	18,620	1,758	16,862
Other	5,380	5,380	5,820	(440)
Contingency	3,000	3,000	-	3,000
Debt service:				
Principal retirement	50,127	50,127	50,127	-
Interest and fiscal charges	8,039	8,039	8,038	1
Total expenditures	<u>132,540</u>	<u>132,540</u>	<u>113,398</u>	<u>19,142</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(10,198)</u>	<u>(10,198)</u>	<u>8,950</u>	<u>19,148</u>
Net change in fund balances	<u>\$ (10,198)</u>	<u>\$ (10,198)</u>	<u>8,950</u>	<u>\$ 19,148</u>
Fund balance - beginning			<u>62,195</u>	
Fund balance - ending			<u>\$ 71,145</u>	

PICKENS COUNTY, SOUTH CAROLINA

**Schedule of Revenues, Expenditures
and Changes in Fund Balances - Budget and Actual
Crosswell Fire District Fund
Year Ended June 30, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Fees, licenses and permits	\$ 608,000	\$ 608,000	\$ 607,027	\$ (973)
Investment income	2,500	2,500	747	(1,753)
Contributions	-	-	500	500
Miscellaneous	-	-	3,094	3,094
Total revenues	<u>610,500</u>	<u>610,500</u>	<u>611,368</u>	<u>868</u>
Expenditures				
Current:				
Personnel services	361,350	361,550	353,793	7,757
Supplies	9,650	9,601	7,275	2,326
Contractual services	2,000	2,200	1,122	1,078
Utilities	12,020	11,000	10,143	857
Repairs and maintenance	9,300	9,300	7,065	2,235
Fuel and oil	7,000	7,854	7,767	87
Furniture, machinery and equipment	6,000	6,000	4,584	1,416
Insurance, bonds and licenses	6,305	6,770	6,488	282
Other	31,400	30,800	23,791	7,009
Contingency	16,676	16,676	-	16,676
Debt service:				
Principal retirement	108,256	108,256	73,145	35,111
Interest and fiscal charges	40,543	40,543	40,541	2
Total expenditures	<u>610,500</u>	<u>610,550</u>	<u>535,714</u>	<u>74,836</u>
(Deficiency) excess of revenues (under) over expenditures	<u>-</u>	<u>(50)</u>	<u>75,654</u>	<u>75,704</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ (50)</u>	<u>75,654</u>	<u>\$ 75,704</u>
Fund balance - beginning			<u>198,150</u>	
Fund balance - ending			<u>\$ 273,804</u>	

PICKENS COUNTY, SOUTH CAROLINA

**Schedule of Revenues, Expenditures
and Changes in Fund Balances - Budget and Actual
Six Mile Fire District Fund
Year Ended June 30, 2012**

	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
Revenues				
Fees, licenses and permits	129,216	129,216	132,172	2,956
Total revenues	<u>129,216</u>	<u>129,216</u>	<u>132,172</u>	<u>2,956</u>
Expenditures				
Current:				
Personnel services	-	-	14,653	(14,653)
Supplies	15,315	15,315	91	15,224
Contractual services	83,304	83,304	83,304	-
Repairs and maintenance	-	-	3,260	(3,260)
Fuel and oil	-	-	285	(285)
Furniture, machinery and equipment	5,250	5,250	2,512	2,738
Insurance, bonds and licenses	4,800	4,800	3,796	1,004
Other	5,400	5,400	1,642	3,758
Capital outlay	15,147	515,147	101,820	413,327
Total expenditures	<u>129,216</u>	<u>629,216</u>	<u>211,363</u>	<u>417,853</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(500,000)</u>	<u>(79,191)</u>	<u>420,809</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ (500,000)</u>	<u>(79,191)</u>	<u>\$ 420,809</u>
Fund balance - beginning			<u>117,788</u>	
Fund balance - ending			<u>\$ 38,597</u>	

PICKENS COUNTY, SOUTH CAROLINA

**Schedule of Revenues, Expenditures
and Changes in Fund Balances - Budget and Actual
Pickens Fire District Fund
Year Ended June 30, 2012**

	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
Revenues				
Fees, licenses and permits	\$ 312,262	\$ 312,262	\$ 324,834	\$ 12,572
Investment income	2,000	2,000	910	(1,090)
Total revenues	<u>314,262</u>	<u>314,262</u>	<u>325,744</u>	<u>11,482</u>
Expenditures				
Current:				
Contractual services	296,650	296,650	310,000	(13,350)
Contingency	17,612	17,612	-	17,612
Total expenditures	<u>314,262</u>	<u>314,262</u>	<u>310,000</u>	<u>4,262</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>15,744</u>	<u>15,744</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>15,744</u>	<u>\$ 15,744</u>
Fund balance - beginning			<u>179,571</u>	
Fund balance - ending			<u>\$ 195,315</u>	

PICKENS COUNTY, SOUTH CAROLINA

**Schedule of Revenues, Expenditures
and Changes in Fund Balances - Budget and Actual
Dacusville Fire District Fund
Year Ended June 30, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Intergovernmental	\$ -	\$ 2,250	\$ 2,250	\$ -
Fees, licenses and permits	177,778	177,778	176,298	(1,480)
Investment income	1,000	1,000	-	(1,000)
Total revenues	<u>178,778</u>	<u>181,028</u>	<u>178,548</u>	<u>(2,480)</u>
Expenditures				
Current:				
Personnel services	56,224	56,224	63,842	(7,618)
Supplies	20,330	20,330	9,721	10,609
Contractual services	1,500	1,500	6,070	(4,570)
Utilities	11,700	11,700	10,264	1,436
Repairs and maintenance	9,150	9,150	6,736	2,414
Fuel and oil	4,500	4,500	5,616	(1,116)
Furniture, machinery and equipment	2,500	2,500	4,354	(1,854)
Insurance, bonds and licenses	18,500	18,500	(5,189)	23,689
Rent	-	-	1	(1)
Other	20,000	24,500	28,480	(3,980)
Debt service:				
Principal retirement	29,828	29,828	29,828	-
Interest and fiscal charges	4,546	4,546	4,546	-
Total expenditures	<u>178,778</u>	<u>183,278</u>	<u>164,269</u>	<u>19,009</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(2,250)</u>	<u>14,279</u>	<u>16,529</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ (2,250)</u>	<u>14,279</u>	<u>\$ 16,529</u>
Fund balance - beginning			<u>219,647</u>	
Fund balance - ending			<u>\$ 233,926</u>	

PICKENS COUNTY, SOUTH CAROLINA

**Schedule of Revenues, Expenditures
and Changes in Fund Balances - Budget and Actual
Holly Springs Fire District Fund
Year Ended June 30, 2012**

	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
Revenues				
Fees, licenses and permits	60,290	60,290	63,327	3,037
Investment income	200	200	-	(200)
Contributions	-	-	250	250
Miscellaneous	2,300	2,300	2,204	(96)
Total revenues	62,790	62,790	65,781	2,991
Expenditures				
Current:				
Personnel services	3,000	3,000	-	3,000
Supplies	5,041	5,041	3,628	1,413
Contractual services	1,300	1,300	224	1,076
Utilities	6,500	6,500	5,799	701
Repairs and maintenance	4,500	4,500	4,322	178
Fuel and oil	2,000	2,000	1,380	620
Furniture, machinery and equipment	200	200	-	200
Insurance, bonds and licenses	7,000	7,000	2,814	4,186
Rent	-	-	-	-
Other	3,000	3,000	1,066	1,934
Contingency	2,790	2,790	2,592	198
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	22,570	22,570	22,570	-
Interest and fiscal charges	4,889	4,889	4,888	1
Total expenditures	62,790	62,790	49,283	13,507
Excess (deficiency) of revenues over (under) expenditures	-	-	16,498	16,498
Net change in fund balances	\$ -	\$ -	16,498	\$ 16,498
Fund balance - beginning			103,704	
Fund balance - ending			\$ 120,202	

PICKENS COUNTY, SOUTH CAROLINA

**Schedule of Revenues, Expenditures
and Changes in Fund Balances - Budget and Actual
Central Fire District Fund
Year Ended June 30, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Positive (Negative)
Revenues				
Fees, licenses and permits	\$ 167,184	\$ 167,184	\$ 169,805	\$ 2,621
Investment income	200	200	-	(200)
Total revenues	<u>167,384</u>	<u>167,384</u>	<u>169,805</u>	<u>2,421</u>
Expenditures				
Current:				
Personnel services	-	-	4,016	(4,016)
Supplies	9,350	9,350	13,852	(4,502)
Contractual services	75,652	75,652	81,211	(5,559)
Utilities	4,324	4,324	3,308	1,016
Repairs and maintenance	5,000	5,000	6,875	(1,875)
Fuel and oil	2,000	2,000	2,628	(628)
Furniture, machinery and equipment	22,701	22,701	10,668	12,033
Insurance, bonds and licenses	4,537	4,537	5,063	(526)
Other	3,825	3,825	2,385	1,440
Contingency	4,400	4,400	-	4,400
Capital outlay	-	-	13,201	(13,201)
Debt service:				
Principal retirement	25,052	25,052	25,052	-
Interest and fiscal charges	10,543	10,543	10,543	-
Total expenditures	<u>167,384</u>	<u>167,384</u>	<u>178,802</u>	<u>(11,418)</u>
Deficiency of revenues under expenditures	<u>-</u>	<u>-</u>	<u>(8,997)</u>	<u>(8,997)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	(8,997)	<u>\$ (8,997)</u>
Fund balance - beginning			<u>136,888</u>	
Fund balance - ending			<u>\$ 127,891</u>	

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, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Positive (Negative)
Revenues				
Taxes	\$ 259,850	\$ 259,850	\$ 257,671	\$ (2,179)
Investment income	150	150	-	(150)
Miscellaneous	-	-	917	917
Total revenues	<u>260,000</u>	<u>260,000</u>	<u>258,588</u>	<u>(1,412)</u>
Expenditures				
Current:				
Supplies	300	300	3,656	(3,356)
Contractual services	226,900	226,900	226,589	311
Repairs and maintenance	2,000	2,000	5,485	(3,485)
Furniture, machinery and equipment	-	20,196	22,195	(1,999)
Insurance, bonds and licenses	7,000	7,000	2,249	4,751
Contingency	23,800	23,800	-	23,800
Capital outlay	40,000	40,000	-	40,000
Total expenditures	<u>300,000</u>	<u>320,196</u>	<u>260,174</u>	<u>60,022</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(40,000)</u>	<u>(60,196)</u>	<u>(1,586)</u>	<u>58,610</u>
Net change in fund balances	<u>\$ (40,000)</u>	<u>\$ (60,196)</u>	<u>(1,586)</u>	<u>\$ 58,610</u>
Fund balance - beginning			<u>269,044</u>	
Fund balance - ending			<u>\$ 267,458</u>	

PICKENS COUNTY, SOUTH CAROLINA

**Schedule of Revenues, Expenditures
and Changes in Fund Balances - Budget and Actual
Rocky Bottom Fire District Fund
Year Ended June 30, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Fees, licenses and permits	\$ 3,460	\$ 3,460	\$ 3,128	\$ (332)
Total revenues	<u>3,460</u>	<u>3,460</u>	<u>3,128</u>	<u>(332)</u>
Expenditures				
Current:				
Supplies	530	530	115	415
Contractual services	2,930	2,930	2,204	726
Repairs and maintenance	-	-	553	(553)
Fuel and oil	-	-	94	(94)
Capital outlay	-	10,000	8,731	1,269
Total expenditures	<u>3,460</u>	<u>13,460</u>	<u>11,697</u>	<u>1,763</u>
Deficiency of revenues under expenditures	<u>-</u>	<u>(10,000)</u>	<u>(8,569)</u>	<u>1,431</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ (10,000)</u>	<u>(8,569)</u>	<u>\$ 1,431</u>
Fund balance - beginning			<u>22,559</u>	
Fund balance - ending			<u>\$ 13,990</u>	

PICKENS COUNTY, SOUTH CAROLINA

Schedule of Revenues, Expenditures
and Changes in Fund Balances - Budget and Actual
Vineyards Fire District Fund
Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
Revenues				
Taxes	\$ 655,103	\$ 655,103	\$ 636,424	\$ (18,679)
Investment income	50	50	-	(50)
Contributions	-	-	250	250
Total revenues	<u>655,153</u>	<u>655,153</u>	<u>636,674</u>	<u>(18,479)</u>
Expenditures				
Current:				
Personnel services	788,803	788,803	781,462	7,341
Supplies	20,750	20,750	17,188	3,562
Contractual services	6,000	6,000	4,695	1,305
Utilities	20,500	20,500	18,911	1,589
Repairs and maintenance	14,000	14,000	23,141	(9,141)
Fuel and oil	9,000	9,000	9,975	(975)
Furniture, machinery and equipment	19,500	19,500	12,051	7,449
Insurance, bonds and licenses	16,000	16,000	11,562	4,438
Rent	200	200	64	136
Other	13,000	13,000	8,517	4,483
Contingency	25,000	25,000	-	25,000
Capital outlay	45,000	91,599	83,782	7,817
Total expenditures	<u>977,753</u>	<u>1,024,352</u>	<u>971,348</u>	<u>53,004</u>
Deficiency of revenues under expenditures	<u>(322,600)</u>	<u>(369,199)</u>	<u>(334,674)</u>	<u>34,525</u>
Other financing sources (uses)				
Transfers (out) in	342,544	342,544	342,544	-
Total other financing uses	<u>342,544</u>	<u>342,544</u>	<u>342,544</u>	<u>-</u>
Net change in fund balances	<u>\$ 19,944</u>	<u>\$ (26,655)</u>	7,870	<u>\$ 34,525</u>
Fund balance - beginning			<u>194,646</u>	
Fund balance - ending			<u>\$ 202,516</u>	

PICKENS COUNTY, SOUTH CAROLINA

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Springs Fire District Fund Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Taxes	\$ 505,057	\$ 505,057	\$ 511,652	\$ 6,595
Total revenues	<u>505,057</u>	<u>505,057</u>	<u>511,652</u>	<u>6,595</u>
Expenditures				
Current:				
Personnel services	-	-	224	(224)
Supplies	42,600	42,600	12,852	29,748
Contractual services	15,763	15,763	3,080	12,683
Utilities	18,800	18,800	10,872	7,928
Repairs and maintenance	24,000	24,000	7,463	16,537
Fuel and oil	8,000	8,000	6,224	1,776
Furniture, machinery and equipment	17,200	17,200	2,455	14,745
Insurance, bonds and licenses	12,600	12,600	4,330	8,270
Rent	750	750	-	750
Other	22,800	22,800	8,232	14,568
Total expenditures	<u>162,513</u>	<u>162,513</u>	<u>55,732</u>	<u>106,781</u>
Excess (deficiency) of revenues over (under) expenditures	<u>342,544</u>	<u>342,544</u>	<u>455,920</u>	<u>113,376</u>
Other financing sources (uses)				
Transfers (out) in	<u>(342,544)</u>	<u>(342,544)</u>	<u>(342,544)</u>	<u>-</u>
Total other financing sources	<u>(342,544)</u>	<u>(342,544)</u>	<u>(342,544)</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>113,376</u>	<u>\$ 113,376</u>
Fund balance - beginning			<u>179,263</u>	
Fund balance - ending			<u>\$ 292,639</u>	

PICKENS COUNTY, SOUTH CAROLINACombining 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.

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

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

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

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.

Museum Restricted Resources – This fund accounts for the receipt and disbursement of contributions for the Pickens County Cultural Commission.

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.

PICKENS COUNTY, SOUTH CAROLINA
Combining Schedules
Nonmajor Governmental Funds

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.

PICKENS COUNTY, SOUTH CAROLINA

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2012

	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Capital Project Funds</u>	<u>Total Nonmajor Governmental Funds</u>
Assets				
Cash and investments	\$ 4,365,895	\$ 471,553	\$ 208,218	\$ 5,045,666
Property taxes receivable	320,537	253,424	-	573,961
Accounts receivable - other	96,168	-	-	96,168
Due from other governments	144,394	-	-	144,394
Prepaid items	46	-	-	46
Total assets	<u>\$ 4,927,040</u>	<u>\$ 724,977</u>	<u>\$ 208,218</u>	<u>\$ 5,860,235</u>
Liabilities and fund balances				
Liabilities:				
Accounts payable	\$ 250,453	\$ -	\$ 515	\$ 250,968
Accrued payroll	42,456	-	-	42,456
Advances from general fund	13,470	-	-	13,470
Deferred revenue	496,146	216,270	-	712,416
Total liabilities	<u>802,525</u>	<u>216,270</u>	<u>515</u>	<u>1,019,310</u>
Fund balances:				
Nonspendable	46	-	-	46
Restricted	1,633,950	508,707	426,766	2,569,423
Committed	2,490,519	-	(219,063)	2,271,456
Total fund balances	<u>4,124,515</u>	<u>508,707</u>	<u>207,703</u>	<u>4,840,925</u>
Total liabilities and fund balances	<u>\$ 4,927,040</u>	<u>\$ 724,977</u>	<u>\$ 208,218</u>	<u>\$ 5,860,235</u>

PICKENS COUNTY, SOUTH CAROLINA

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2012

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
Revenues				
Taxes	\$ 3,884,693	\$ 2,844,384	\$ -	\$ 6,729,077
Intergovernmental	972,876	-	-	972,876
Fees, licenses and permits	2,762,653	-	-	2,762,653
Charges for services	168,010	-	-	168,010
Fines and forfeitures	149,505	-	-	149,505
Investment income	1,007	-	-	1,007
Contributions	43,100	-	-	43,100
Miscellaneous	117	-	-	117
Total revenues	<u>7,981,961</u>	<u>2,844,384</u>	<u>-</u>	<u>10,826,345</u>
Expenditures				
Current:				
General government	184,004	-	-	184,004
Public safety	752,122	-	-	752,122
Public works	1,909,184	-	-	1,909,184
Culture and recreation	3,295,371	-	-	3,295,371
Other	1,013,375	-	-	1,013,375
Capital outlay	651,208	-	219,063	870,271
Debt service:				
Principal retirement	92,830	2,030,992	-	2,123,822
Interest and fiscal charges	7,170	625,254	-	632,424
Total expenditures	<u>7,905,264</u>	<u>2,656,246</u>	<u>219,063</u>	<u>10,780,573</u>
Deficiency of revenues under expenditures	<u>76,697</u>	<u>188,138</u>	<u>(219,063)</u>	<u>45,772</u>
Other financing sources				
Transfers in (out)	(18,523)	-	-	(18,523)
Total other financing sources	<u>(18,523)</u>	<u>-</u>	<u>-</u>	<u>(18,523)</u>
Net change in fund balances	58,174	188,138	(219,063)	27,249
Fund balance - beginning	4,333,585	320,569	426,766	5,080,920
Reclassification of fund balance	(267,244)	-	-	(267,244)
Fund balance - beginning, adjusted	<u>4,066,341</u>	<u>320,569</u>	<u>426,766</u>	<u>4,813,676</u>
Fund balance - ending	<u>\$ 4,124,515</u>	<u>\$ 508,707</u>	<u>\$ 207,703</u>	<u>\$ 4,840,925</u>

PICKENS COUNTY, SOUTH CAROLINA

Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2012

	<u>Tri-County Tech</u>	<u>Fixed Nuclear</u>	<u>Sheriff Special</u>	<u>Library</u>	<u>Victim Rights</u>	<u>Grants</u>
Assets						
Cash and investments	\$ 142,319	\$ 41,749	\$ 419,507	\$ 1,493,344	\$ 8,344	\$ 158,101
Property taxes receivable	96,126	-	-	224,411	-	-
Accounts receivable - other	-	-	124	-	-	-
Due from other governments	-	-	-	-	-	91,928
Prepaid items	-	-	-	-	-	-
Total assets	<u>\$ 238,445</u>	<u>\$ 41,749</u>	<u>\$ 419,631</u>	<u>\$ 1,717,755</u>	<u>\$ 8,344</u>	<u>\$ 250,029</u>
Liabilities and fund balances						
Liabilities:						
Accounts payable	\$ -	\$ 317	\$ 114	\$ 125,431	\$ 179	\$ 25,015
Accrued payroll	-	861	-	33,784	1,623	3,608
Advances from general fund	-	-	-	-	-	-
Deferred revenue	82,092	-	-	190,754	1,893	221,407
Total liabilities	<u>82,092</u>	<u>1,178</u>	<u>114</u>	<u>349,969</u>	<u>3,695</u>	<u>250,030</u>
Fund balances:						
Nonspendable:						
Nonspendable	-	-	-	-	-	-
Restricted	-	40,571	419,517	-	4,649	(1)
Committed	156,353	-	-	1,367,786	-	-
Total fund balances	<u>156,353</u>	<u>40,571</u>	<u>419,517</u>	<u>1,367,786</u>	<u>4,649</u>	<u>(1)</u>
Total liabilities and fund balances	<u>\$ 238,445</u>	<u>\$ 41,749</u>	<u>\$ 419,631</u>	<u>\$ 1,717,755</u>	<u>\$ 8,344</u>	<u>\$ 250,029</u>

PICKENS COUNTY, SOUTH CAROLINA

Combining Balance Sheet
 Nonmajor Special Revenue Funds
 June 30, 2012

	Law Enforcement Block Grants	Museum Restricted Resources	Accomodations Tax	Road Fee	Tourism Development Fee	Emergency Phone System	Total Nonmajor Special Revenue Funds
Assets							
Cash and investments	\$ -	\$ 205,098	\$ -	\$ 372,728	\$ 438,445	\$ 1,086,260	\$ 4,365,895
Property taxes receivable	-	-	-	-	-	-	320,537
Accounts receivable - other	-	-	-	-	26,597	69,447	96,168
Due from other governments	-	-	52,466	-	-	-	144,394
Prepaid items	-	46	-	-	-	-	46
Total assets	<u>\$ -</u>	<u>\$ 205,144</u>	<u>\$ 52,466</u>	<u>\$ 372,728</u>	<u>\$ 465,042</u>	<u>\$ 1,155,707</u>	<u>\$ 4,927,040</u>
Liabilities and fund balances							
Liabilities:							
Accounts payable	\$ -	\$ 2,158	\$ 1,200	\$ 69,046	\$ 3,215	\$ 23,778	\$ 250,453
Accrued payroll	-	478	-	914	677	511	42,456
Advances from general fund	-	-	13,470	-	-	-	13,470
Deferred revenue	-	-	-	-	-	-	496,146
Total liabilities	<u>-</u>	<u>2,636</u>	<u>14,670</u>	<u>69,960</u>	<u>3,892</u>	<u>24,289</u>	<u>802,525</u>
Fund balances:							
Nonspendable:							
Nonspendable	-	46	-	-	-	-	46
Restricted	-	-	37,796	-	-	1,131,418	1,633,950
Committed	-	202,462	-	302,768	461,150	-	2,490,519
Total fund balances	<u>-</u>	<u>202,508</u>	<u>37,796</u>	<u>302,768</u>	<u>461,150</u>	<u>1,131,418</u>	<u>4,124,515</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 205,144</u>	<u>\$ 52,466</u>	<u>\$ 372,728</u>	<u>\$ 465,042</u>	<u>\$ 1,155,707</u>	<u>\$ 4,927,040</u>

PICKENS COUNTY, SOUTH CAROLINA

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds
Year Ended June 30, 2012

	<u>Tri-County Tech</u>	<u>Fixed Nuclear</u>	<u>Sheriff Special</u>	<u>Library</u>	<u>Victim Rights</u>	<u>Grants</u>
Revenues						
Taxes	\$ 1,145,739	\$ -	\$ -	\$ 2,738,954	\$ -	\$ -
Intergovernmental	-	65,790	-	102,041	-	501,214
Fees, licenses and permits	-	-	-	-	-	-
Charges for services	-	-	-	115,826	-	-
Fines and forfeitures	-	-	18,236	-	131,269	-
Investment income	-	-	63	458	-	-
Contributions	-	-	(7,343)	11,384	-	-
Miscellaneous	-	-	-	117	-	-
Total revenues	<u>1,145,739</u>	<u>65,790</u>	<u>10,956</u>	<u>2,968,780</u>	<u>131,269</u>	<u>501,214</u>
Expenditures						
Current:						
General government	-	-	-	-	-	184,004
Public safety	-	80,073	37,754	-	98,308	116,082
Public works	-	-	-	-	-	73,889
Culture and recreation	-	-	-	3,085,405	-	-
Other	1,013,375	-	-	-	-	-
Capital outlay	-	-	-	34,415	-	127,240
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	<u>1,013,375</u>	<u>80,073</u>	<u>37,754</u>	<u>3,119,820</u>	<u>98,308</u>	<u>501,215</u>
Excess (deficiency) of revenues over (under) expenditures	<u>132,364</u>	<u>(14,283)</u>	<u>(26,798)</u>	<u>(151,040)</u>	<u>32,961</u>	<u>(1)</u>
Other financing sources (uses)						
Transfers in (out)	-	11,134	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>11,134</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	132,364	(3,149)	(26,798)	(151,040)	32,961	(1)
Fund balance - beginning	<u>23,989</u>	<u>43,720</u>	<u>446,315</u>	<u>1,518,826</u>	<u>(28,312)</u>	<u>-</u>
Fund balance - ending	<u>\$ 156,353</u>	<u>\$ 40,571</u>	<u>\$ 419,517</u>	<u>\$ 1,367,786</u>	<u>\$ 4,649</u>	<u>\$ (1)</u>

PICKENS COUNTY, SOUTH CAROLINA

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds
Year Ended June 30, 2010

	Enforcement Block Grants	Museum Restricted Resources	Accomodations Tax	Road Fee	Tourism Development Fee	Emergency Phone System	Total Nonmajor Special Revenue Funds
Revenues							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	3,884,693
Intergovernmental	25,306	-	118,141	-	-	160,384	972,876
Fees, licenses and permits	-	-	-	1,987,169	265,997	509,487	2,762,653
Charges for services	-	52,184	-	-	-	-	168,010
Fines and forfeitures	-	-	-	-	-	-	149,505
Investment income	-	-	-	-	-	486	1,007
Contributions	-	39,059	-	-	-	-	43,100
Miscellaneous	-	-	-	-	-	-	117
Total revenues	<u>25,306</u>	<u>91,243</u>	<u>118,141</u>	<u>1,987,169</u>	<u>265,997</u>	<u>670,357</u>	<u>7,981,961</u>
Expenditures							
Current:							
General government	-	-	-	-	-	-	184,004
Public safety	-	-	-	-	-	419,905	752,122
Public works	-	-	-	1,835,295	-	-	1,909,184
Culture and recreation	-	74,941	64,411	-	70,614	-	3,295,371
Other	-	-	-	-	-	-	1,013,375
Capital outlay	25,306	129,763	-	316,084	9,328	9,072	651,208
Debt service:							
Principal retirement	-	-	-	-	92,830	-	92,830
Interest and fiscal charges	-	-	-	-	7,170	-	7,170
Total expenditures	<u>25,306</u>	<u>204,704</u>	<u>64,411</u>	<u>2,151,379</u>	<u>179,942</u>	<u>428,977</u>	<u>7,905,264</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(113,461)</u>	<u>53,730</u>	<u>(164,210)</u>	<u>86,055</u>	<u>241,380</u>	<u>76,697</u>
Other financing sources (uses)							
Transfers in (out)	-	-	(29,657)	-	-	-	(18,523)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(29,657)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(18,523)</u>
Net change in fund balances	-	(113,461)	24,073	(164,210)	86,055	241,380	58,174
Fund balance - beginning	<u>-</u>	<u>315,969</u>	<u>13,723</u>	<u>466,978</u>	<u>375,095</u>	<u>890,038</u>	<u>4,066,341</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ 202,508</u>	<u>\$ 37,796</u>	<u>\$ 302,768</u>	<u>\$ 461,150</u>	<u>\$ 1,131,418</u>	<u>\$ 4,124,515</u>

PICKENS COUNTY, SOUTH CAROLINA

**Schedule of Revenues, Expenditures
and Changes in Fund Balances - Budget and Actual
Tri-County Tech Fund
Year Ended June 30, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Taxes	\$ 1,165,000	\$ 1,165,000	\$ 1,145,739	\$ (19,261)
Total revenues	<u>1,165,000</u>	<u>1,165,000</u>	<u>1,145,739</u>	<u>(19,261)</u>
Expenditures				
Current:				
Other	<u>1,165,000</u>	<u>1,165,000</u>	<u>1,013,375</u>	<u>151,625</u>
Total expenditures	<u>1,165,000</u>	<u>1,165,000</u>	<u>1,013,375</u>	<u>151,625</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>132,364</u>	<u>132,364</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>132,364</u>	<u>\$ 132,364</u>
Fund balance - beginning			<u>23,989</u>	
Fund balance - ending			<u>\$ 156,353</u>	

PICKENS COUNTY, SOUTH CAROLINA

Schedule of Revenues, Expenditures
and Changes in Fund Balances - Budget and ActualLibrary Fund
Year Ended June 30, 2012

	<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	\$ 2,747,495	\$ 2,747,495	\$ 2,738,954	\$ -	\$ 2,738,954	\$ (8,541)
Intergovernmental	60,000	102,041	14,660	87,381	102,041	-
Charges for services	125,000	125,000	115,826	-	115,826	(9,174)
Investment income	3,000	3,000	458	-	458	(2,542)
Contributions	8,000	8,000	11,384	-	11,384	3,384
Miscellaneous	-	-	117	-	117	117
Total revenues	<u>2,943,495</u>	<u>2,985,536</u>	<u>2,881,399</u>	<u>87,381</u>	<u>2,968,780</u>	<u>(16,756)</u>
Expenditures						
Current:						
Personnel services	2,048,162	2,048,162	2,025,317	-	2,025,317	22,845
Library collections	327,560	345,725	242,596	95,602	338,198	7,527
Supplies	52,294	67,294	62,223	-	62,223	5,071
Contractual services	107,752	111,079	103,481	-	103,481	7,598
Utilities	165,878	165,878	144,854	-	144,854	21,024
Repairs and maintenance	293,490	270,290	248,238	-	248,238	22,052
Fuel and oil	2,700	2,700	2,538	-	2,538	162
Furniture, machinery and equipment	50,927	86,257	78,091	-	78,091	8,166
Insurance, bonds and licenses	37,695	37,695	36,106	-	36,106	1,589
Rent	44,450	31,350	30,485	-	30,485	865
Retiree health and dental	5,412	5,412	9,452	-	9,452	(4,040)
Other	10,175	10,175	6,422	-	6,422	3,753
Capital outlay	30,000	53,900	34,415	-	34,415	19,485
Total expenditures	<u>3,176,495</u>	<u>3,235,917</u>	<u>3,024,218</u>	<u>95,602</u>	<u>3,119,820</u>	<u>116,097</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(233,000)</u>	<u>(250,381)</u>	<u>(142,819)</u>	<u>(8,221)</u>	<u>(151,040)</u>	<u>99,341</u>
Net change in fund balances	<u>\$ (233,000)</u>	<u>\$ (250,381)</u>	<u>(142,819)</u>	<u>(8,221)</u>	<u>(151,040)</u>	<u>\$ 99,341</u>
Fund balance - beginning			<u>1,518,826</u>	<u>-</u>	<u>1,518,826</u>	
Fund balance - ending			<u>\$ 1,376,007</u>	<u>\$ (8,221)</u>	<u>\$ 1,367,786</u>	

PICKENS COUNTY, SOUTH CAROLINA

**Schedule of Revenues, Expenditures
and Changes in Fund Balances - Budget and Actual
Victim Rights Fund
Year Ended June 30, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Fines and forfeitures	\$ 124,000	\$ 124,000	\$ 131,269	\$ 7,269
Total revenues	<u>124,000</u>	<u>124,000</u>	<u>131,269</u>	<u>7,269</u>
Expenditures				
Current:				
Personnel services	88,587	88,587	86,587	2,000
Supplies	3,035	2,714	2,241	473
Contractual services	1,225	1,225	600	625
Utilities	4,024	4,024	3,381	643
Repairs and maintenance	700	700	1,098	(398)
Fuel and oil	2,750	2,750	2,445	305
Furniture, machinery and equipment	-	321	-	321
Insurance, bonds and licenses	2,283	2,283	1,864	419
Other	100	100	92	8
Total expenditures	<u>102,704</u>	<u>102,704</u>	<u>98,308</u>	<u>4,396</u>
Excess of revenues over expenditures	<u>21,296</u>	<u>21,296</u>	<u>32,961</u>	<u>11,665</u>
Net change in fund balances	<u>\$ 21,296</u>	<u>\$ 21,296</u>	32,961	<u>\$ 11,665</u>
Fund balance - beginning			<u>(28,312)</u>	
Fund balance - ending			<u>\$ 4,649</u>	

PICKENS COUNTY, SOUTH CAROLINA

**Schedule of Revenues, Expenditures
and Changes in Fund Balances - Budget and Actual
Accommodation Tax Fund
Year Ended June 30, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 131,000	\$ 131,000	\$ 118,141	\$ (12,859)
Total revenues	<u>131,000</u>	<u>131,000</u>	<u>118,141</u>	<u>(12,859)</u>
Expenditures				
Current:				
Direct assistance	100,700	123,120	64,411	58,709
Total expenditures	<u>100,700</u>	<u>123,120</u>	<u>64,411</u>	<u>58,709</u>
Excess (deficiency) of revenues over (under) expenditures	<u>30,300</u>	<u>7,880</u>	<u>53,730</u>	<u>45,850</u>
Other financing uses				
Transfers (out) in	(30,300)	(30,300)	(29,657)	643
Total other financing uses	<u>(30,300)</u>	<u>(30,300)</u>	<u>(29,657)</u>	<u>643</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ (22,420)</u>	24,073	<u>\$ 46,493</u>
Fund balance - beginning			<u>13,723</u>	
Fund balance - ending			<u>\$ 37,796</u>	

PICKENS COUNTY, SOUTH CAROLINA

**Schedule of Revenues, Expenditures
and Changes in Fund Balances - Budget and Actual
Tourism Development Fee Fund
Year Ended June 30, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Fees, licenses and permits	\$ 212,000	\$ 212,000	\$ 265,997	\$ 53,997
Total revenues	<u>212,000</u>	<u>212,000</u>	<u>265,997</u>	<u>53,997</u>
Expenditures				
Current:				
Personnel services	34,366	34,366	44,512	(10,146)
Supplies	3,500	3,500	2,257	1,243
Contractual services	600	600	5,845	(5,245)
Repairs and maintenance	26,500	27,590	14,820	12,770
Furniture, machinery and equipment	-	3,210	3,180	30
Capital outlay	40,000	48,200	9,328	38,872
Debt service:				
Principal retirement	92,830	92,830	92,830	-
Interest and fiscal charges	7,170	7,170	7,170	-
Total expenditures	<u>204,966</u>	<u>217,466</u>	<u>179,942</u>	<u>37,524</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,034</u>	<u>(5,466)</u>	<u>86,055</u>	<u>91,521</u>
Net change in fund balances	<u>\$ 7,034</u>	<u>\$ (5,466)</u>	86,055	<u>\$ 91,521</u>
Fund balance - beginning			<u>375,095</u>	
Fund balance - ending			<u>\$ 461,150</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, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 144,313	\$ 144,313	\$ 160,384	\$ 16,071
Fees, licenses and permits	516,000	516,000	509,487	(6,513)
Investment income	-	-	486	486
Total revenues	<u>660,313</u>	<u>660,313</u>	<u>670,357</u>	<u>10,044</u>
Expenditures				
Current:				
Personnel services	61,494	61,494	61,279	215
Supplies	5,700	5,700	2,440	3,260
Contractual services	62,600	62,600	56,661	5,939
Utilities	300,470	300,470	274,182	26,288
Repairs and maintenance	1,400	1,400	307	1,093
Fuel and oil	1,500	1,500	1,626	(126)
Furniture, machinery and equipment	133,800	133,800	11,530	122,270
Insurance, bonds and licenses	761	761	4,125	(3,364)
Other	15,540	15,540	7,755	7,785
Capital outlay	-	-	9,072	(9,072)
Total expenditures	<u>583,265</u>	<u>583,265</u>	<u>428,977</u>	<u>154,288</u>
Excess (deficiency) of revenues over (under) expenditures	<u>77,048</u>	<u>77,048</u>	<u>241,380</u>	<u>164,332</u>
Net change in fund balances	<u>\$ 77,048</u>	<u>\$ 77,048</u>	241,380	<u>\$ 164,332</u>
Fund balance - beginning			<u>890,038</u>	
Fund balance - ending			<u>\$ 1,131,418</u>	

PICKENS COUNTY, SOUTH CAROLINA

Combining Schedules
Nonmajor Governmental 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, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Positive (Negative)
Revenues				
Taxes	\$ 2,679,060	\$ 2,679,060	\$ 2,844,384	\$ 165,324
Total revenues	<u>2,679,060</u>	<u>2,679,060</u>	<u>2,844,384</u>	<u>165,324</u>
Expenditures				
Current:				
Debt service:				
Principal retirement	2,008,412	2,008,412	2,030,992	(22,580)
Interest and fiscal charges	670,648	670,648	625,254	45,394
Total expenditures	<u>2,679,060</u>	<u>2,679,060</u>	<u>2,656,246</u>	<u>22,814</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>188,138</u>	<u>188,138</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	188,138	<u>\$ 188,138</u>
Fund balance - beginning			<u>320,569</u>	
Fund balance - ending			<u>\$ 508,707</u>	

PICKENS COUNTY, SOUTH CAROLINA
Combining Statements
Agency Funds

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

Agency Funds – This fund primarily consists 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, 2012

	Balance June 30, 2011	Receipts	Disbursements	Balance June 30, 2012
School District Fund				
Assets				
Cash	\$ 30,681,092	\$ 165,270,662	\$ 170,723,623	\$ 25,228,131
Accounts receivable - other	-	4,483	-	4,483
Property taxes receivable, net	4,968,099	665,380	295,901	5,337,578
	<u>\$ 35,649,191</u>	<u>\$ 165,940,525</u>	<u>\$ 171,019,524</u>	<u>\$ 30,570,192</u>
Liabilities				
Due to others	\$ 35,649,191	\$ 165,940,525	\$ 171,019,524	\$ 30,570,192
	<u>\$ 35,649,191</u>	<u>\$ 165,940,525</u>	<u>\$ 171,019,524</u>	<u>\$ 30,570,192</u>
Municipal Fund				
Assets				
Cash	\$ 87,064	\$ 9,647,913	\$ 9,634,318	\$ 100,659
Property taxes receivable, net	722,022	97,615	61,297	758,340
	<u>\$ 809,086</u>	<u>\$ 9,745,528</u>	<u>\$ 9,695,615</u>	<u>\$ 858,999</u>
Liabilities				
Accounts payable	\$ 87,064	\$ 9,374,917	\$ 9,361,322	\$ 100,659
Due to others	722,022	370,611	334,293	758,340
	<u>\$ 809,086</u>	<u>\$ 9,745,528</u>	<u>\$ 9,695,615</u>	<u>\$ 858,999</u>
Mini-bottle Fund				
Assets				
Cash	\$ -	\$ 181,127	\$ 181,127	\$ -
Liabilities				
Due to others	\$ -	\$ 181,127	\$ 181,127	\$ -
Fire District Fund				
Assets				
Cash	\$ -	\$ 203,937	\$ 203,937	\$ -
Liabilities				
Due to others	\$ -	\$ 203,937	\$ 203,937	\$ -
Magistrates' Fund				
Assets				
Cash	\$ 102,739	\$ 1,018,368	\$ 1,023,651	\$ 97,456
Liabilities				
Due to others	\$ 102,739	\$ 1,018,368	\$ 1,023,651	\$ 97,456

Pickens County, South Carolina

Combining Statement of Changes in Fiduciary Assets and Liabilities
 Agency Funds
 Year Ended June 30, 2012

	Balance June 30, 2010	Receipts	Disbursements	Balance June 30, 2011
Family Court Fund				
Assets				
Cash and investments	\$ 39,455	\$ 7,076,143	\$ 7,095,204	\$ 20,394
Liabilities				
Due to others	\$ 39,455	\$ 7,076,143	\$ 7,095,204	\$ 20,394
Clerk of Court Fund				
Assets				
Cash and investments	\$ 1,130,666	\$ 966,543	\$ 977,889	\$ 1,119,320
Liabilities				
Due to others	\$ 1,130,666	\$ 966,543	\$ 977,889	\$ 1,119,320
Prison				
Assets				
Cash and investments	\$ -	\$ 53,269	\$ 52,219	\$ 1,050
Liabilities				
Due to others	\$ -	\$ 53,269	\$ 52,219	\$ 1,050
Museum				
Assets				
Cash and investments	\$ 2,757	\$ -	\$ -	\$ 2,757
Liabilities				
Due to others	\$ 2,757	\$ -	\$ -	\$ 2,757
Library Foundation				
Assets				
Cash and investments	\$ 63,733	\$ 1,498	\$ 300	\$ 64,931
Liabilities				
Due to others	\$ 63,733	\$ 1,498	\$ 300	\$ 64,931
Total of all Agency Funds				
Assets				
Cash and investments	\$ 32,107,505	\$ 184,419,460	\$ 189,892,268	\$ 26,634,697
Accounts receivable - other	-	4,483	-	4,483
Property taxes receivable	5,690,121	762,995	357,198	6,095,918
Total assets	\$ 37,797,626	\$ 185,186,938	\$ 190,249,466	\$ 32,735,098
Liabilities				
Accounts payable	\$ 87,064	\$ 9,374,917	\$ 9,361,322	\$ 100,659
Due to others	37,710,562	175,812,021	180,888,144	32,634,439
Total liabilities	\$ 37,797,626	\$ 185,186,938	\$ 190,249,466	\$ 32,735,098

PICKENS COUNTY, SOUTH CAROLINA

**Capital Assets Used in the Operation of Governmental Funds
Schedule of Capital Assets by Function
June 30, 2012**

Function	Land	Construction in Progress	Buildings and Improvements	Machinery and Equipment	Improvements and Infrastructure	Total
General government	\$ 1,778,247	\$ -	\$ 10,892,543	\$ 1,741,998	\$ -	\$ 14,412,788
Public safety	332,392	346,616	8,502,704	13,888,933	92,751	23,163,396
Public works	1,088,914	123,173	1,308,565	10,355,403	27,689,689	40,565,744
Public health and welfare	26,902	-	998,301	311,922	-	1,337,125
Culture and recreation	778,549	251,065	10,540,256	827,699	162,049	12,559,618
Economic development	3,011,361	-	683,555	-	1,918,034	5,612,950
Intergovernmental	-	-	1,183,749	-	-	1,183,749
Total governmental funds capital assets	\$ <u>7,016,365</u>	\$ <u>720,854</u>	\$ <u>34,109,673</u>	\$ <u>27,125,955</u>	\$ <u>29,862,523</u>	\$ <u>98,835,370</u>

PICKENS COUNTY, SOUTH CAROLINA

**Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes in Capital Assets by Function
June 30, 2012**

Function	Beginning of Year	Additions	Deletions	Transfers		End of Year
				In	Out	
General government administration	\$ 14,295,371	\$ 222,351	\$ 104,934	\$ -	\$ -	\$ 14,412,788
Public safety	22,619,885	899,006	339,750	121,395	137,140	23,163,396
Public works	40,098,919	984,396	516,436	207,014	208,149	40,565,744
Public health and welfare	1,318,231	21,012	18,998	16,880	-	1,337,125
Culture and recreation	12,158,058	415,769	14,209	-	-	12,559,618
Economic development	5,264,922	348,028	-	-	-	5,612,950
Intergovernmental	1,183,749	-	-	-	-	1,183,749
Total governmental funds capital assets	\$ <u>96,939,135</u>	\$ <u>2,890,562</u>	\$ <u>994,327</u>	\$ <u>345,289</u>	\$ <u>345,289</u>	\$ <u>98,835,370</u>

STATISTICAL SECTION

Pickens County, South Carolina

**Net Assets by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)**

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Governmental Activities										
Invested in capital assets, net of related debt	\$ 5,340,081	\$ 5,432,002	\$ 13,090,011	\$ 18,309,975	\$ 38,341,795	\$ 41,537,095	\$ 33,371,208	\$ 35,269,425	\$ 34,058,641	\$ 41,896,168
Restricted	14,577,050	17,772,051	14,398,760	12,205,788	13,038,304	13,002,730	12,314,922	11,358,716	11,628,296	11,835,113
Unrestricted	14,079,175	7,576,829	10,188,977	16,849,075	15,010,111	15,754,877	22,977,434	25,011,349	32,630,194	25,831,302
Total governmental activities net assets	<u>33,996,306</u>	<u>30,780,882</u>	<u>37,677,748</u>	<u>47,364,838</u>	<u>66,390,210</u>	<u>70,294,702</u>	<u>68,663,564</u>	<u>71,639,490</u>	<u>78,317,131</u>	<u>79,562,583</u>
Business-type Activities										
Invested in capital assets, net of related debt	18,311,254	21,954,538	23,508,097	22,851,882	23,533,189	27,584,777	28,137,870	28,304,398	29,301,120	29,786,626
Restricted	225,157	288,265	351,373	414,481	477,589	540,697	603,805	631,008	631,008	682,544
Unrestricted (Deficit)	353,553	524,982	(26,653)	215,564	(249,782)	324,284	2,155,050	2,012,819	1,149,004	991,709
Total business-type activities net assets	<u>18,889,964</u>	<u>22,767,785</u>	<u>23,832,817</u>	<u>23,481,927</u>	<u>23,760,996</u>	<u>28,449,758</u>	<u>30,896,725</u>	<u>30,948,225</u>	<u>31,081,132</u>	<u>31,460,879</u>
Component Unit										
Invested in capital assets, net of related debt	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted (Deficit)	-	-	-	-	-	-	337,586	373,588	320,221	288,705
Total component unit net assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>se signese</u>	<u>337,586</u>	<u>373,588</u>	<u>320,221</u>	<u>288,705</u>
Primary Government										
Invested in capital assets, net of related debt	23,651,335	27,386,540	36,598,108	41,161,857	61,874,984	69,121,872	61,509,078	63,573,823	63,359,761	71,682,794
Restricted	14,802,207	18,060,316	14,750,133	12,620,269	13,515,893	13,543,427	12,918,727	11,989,724	12,259,304	12,517,657
Unrestricted	14,432,728	8,101,811	10,162,324	17,064,639	14,760,329	14,760,329	25,470,070	27,397,756	33,779,198	26,823,011
Total primary government net assets	<u>\$ 52,886,270</u>	<u>\$ 53,548,667</u>	<u>\$ 61,510,565</u>	<u>\$ 70,846,765</u>	<u>\$ 90,151,206</u>	<u>\$ 97,425,628</u>	<u>\$ 99,897,875</u>	<u>\$ 102,961,303</u>	<u>\$ 109,398,263</u>	<u>\$ 111,023,462</u>

Source: Annual Financial Statements

Pickens County, South Carolina

**Changes in Net Assets
Last Ten Fiscal Years
(Accrual Basis of Accounting)**

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Expenses										
<u>Governmental activities:</u>										
General government	\$ 8,560,400	\$ 8,125,875	\$ 9,354,229	\$ 9,292,433	\$ 9,531,581	\$ 10,383,406	\$ 11,629,191	\$ 11,104,765	\$ 10,917,949	\$ 10,988,712
Public safety	12,100,263	13,822,142	14,377,237	17,028,781	17,381,994	18,701,286	20,164,030	20,917,120	20,465,118	20,300,914
Public works	8,364,990	10,379,251	9,324,127	10,061,181	10,182,540	11,342,672	12,499,271	10,179,397	9,094,190	10,590,594
Health and welfare	432,738	505,494	894,069	690,329	734,956	329,074	1,217,282	1,229,437	1,078,351	1,188,284
Cultural and recreation	2,188,427	2,445,278	3,334,446	3,615,200	4,168,650	4,197,104	5,433,793	5,206,481	5,520,862	5,415,087
Economic development	371,377	3,988,379	968,303	562,665	568,792	589,302	419,161	427,052	381,571	762,985
Intergovernmental	1,470,549	1,751,671	1,664,330	1,573,120	1,769,773	1,696,013	-	-	-	38,607
Capital outlay	69,230	1,395,421	-	-	-	-	-	-	-	-
Interest on long-term debt	471,710	352,715	551,100	483,791	423,517	432,473	140,600	94,907	92,815	-
Debt service - other	-	-	-	-	-	-	934,897	901,755	827,473	732,303
Total governmental activities expenses	<u>34,029,684</u>	<u>42,766,226</u>	<u>40,467,841</u>	<u>43,307,500</u>	<u>44,761,803</u>	<u>47,671,330</u>	<u>52,438,225</u>	<u>50,060,914</u>	<u>48,378,329</u>	<u>50,017,486</u>
<u>Business-type activities:</u>										
Public Service Commission	1,774,051	1,715,756	2,216,662	2,086,584	2,041,793	2,025,662	2,273,647	2,493,077	2,451,997	2,563,062
Airport	632,377	701,255	489,946	588,187	641,239	860,893	880,955	817,008	903,663	983,591
Total business-type activities expense	<u>2,406,428</u>	<u>2,417,011</u>	<u>2,706,608</u>	<u>2,674,771</u>	<u>2,683,032</u>	<u>2,886,555</u>	<u>3,154,602</u>	<u>3,310,085</u>	<u>3,355,660</u>	<u>3,546,653</u>
Total Primary Government Expenses	<u>36,436,112</u>	<u>45,183,237</u>	<u>43,174,449</u>	<u>45,982,271</u>	<u>47,444,835</u>	<u>50,557,885</u>	<u>55,592,827</u>	<u>53,370,999</u>	<u>51,733,989</u>	<u>53,564,139</u>
<u>Component unit activities:</u>										
Alliance Pickens	-	-	-	-	-	-	578,695	357,901	414,629	556,630
Total component unit expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>578,695</u>	<u>357,901</u>	<u>414,629</u>	<u>556,630</u>
Total expenses	<u>36,436,112</u>	<u>45,183,237</u>	<u>43,174,449</u>	<u>45,982,271</u>	<u>47,444,835</u>	<u>50,557,885</u>	<u>56,171,522</u>	<u>53,728,900</u>	<u>52,148,618</u>	<u>54,120,769</u>
Program Revenues										
<u>Governmental activities:</u>										
<u>Charges for services</u>										
General government	1,308,050	1,348,957	1,471,204	1,810,994	1,676,604	2,141,308	1,317,074	1,285,073	1,229,792	1,214,622
Public safety	4,604,670	5,110,166	5,375,064	6,666,736	6,833,609	6,738,601	6,833,279	7,042,849	7,295,934	7,355,656
Public works	1,036,287	1,144,015	1,360,549	1,236,061	3,281,515	3,355,920	1,189,219	1,135,204	1,242,067	1,236,597
Health and welfare	592	590	115	-	28,988	22,741	330	13,965	12,495	11,572
Cultural and recreation	293,322	316,517	292,931	379,457	551,901	592,737	416,725	440,966	519,084	521,452
Economic development	5,383	12,033	16,148	11,842	21,732	26,612	-	-	-	-
Operating grants and contributions	4,496,981	4,685,103	4,833,323	5,751,643	5,090,312	3,543,585	4,755,930	4,998,531	5,743,390	4,710,501
Capital grants and contributions	782,548	1,390,071	906,154	585,721	609,054	1,923,909	631,301	717,022	497,965	113,796
Total governmental activities program revenues	<u>12,527,833</u>	<u>14,007,452</u>	<u>14,255,488</u>	<u>16,442,454</u>	<u>18,093,715</u>	<u>18,345,413</u>	<u>15,143,858</u>	<u>15,633,610</u>	<u>16,540,727</u>	<u>15,164,196</u>

Pickens County, South Carolina

**Changes in Net Assets
Last Ten Fiscal Years
(Accrual Basis of Accounting)**

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Business-type activities:										
Charges for services										
Public Service Commission	753,771	981,678	1,118,346	1,248,421	1,111,067	1,195,127	949,682	1,223,966	1,228,583	1,186,460
Airport	282,362	346,733	147,886	253,965	287,119	413,056	474,368	433,935	507,926	570,777
Operating grants and contributions	-	900	-	10,672	-	69,971	884	-	-	-
Capital grants and contributions	2,241,645	2,029,225	1,983,498	110,896	710,863	1,170,716	2,088,611	1,179,087	1,023,482	2,002,428
Total business-type activities program revenues	<u>3,277,778</u>	<u>3,358,536</u>	<u>3,249,730</u>	<u>1,623,954</u>	<u>2,109,049</u>	<u>2,848,870</u>	<u>3,513,545</u>	<u>2,836,988</u>	<u>2,759,991</u>	<u>3,759,665</u>
Total Primary Government Program Revenues	<u>15,805,611</u>	<u>17,365,988</u>	<u>17,505,218</u>	<u>18,066,408</u>	<u>20,202,764</u>	<u>21,194,283</u>	<u>18,657,403</u>	<u>18,470,598</u>	<u>19,300,718</u>	<u>18,923,861</u>
Component unit activities:										
Alliance Pickens	-	-	-	-	-	-	192,613	393,903	19,104	172,887
Total component unit revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>192,613</u>	<u>393,903</u>	<u>19,104</u>	<u>172,887</u>
Total revenues	<u>15,805,611</u>	<u>17,365,988</u>	<u>17,505,218</u>	<u>18,066,408</u>	<u>20,202,764</u>	<u>21,194,283</u>	<u>18,850,016</u>	<u>18,864,501</u>	<u>19,319,822</u>	<u>19,096,748</u>
Net (Expense) Revenue										
Governmental activities	(21,501,851)	(28,758,774)	(26,212,353)	(26,865,046)	(26,668,088)	(29,325,917)	(37,294,367)	(34,427,304)	(31,837,602)	(34,853,290)
Business-type activities	871,350	941,525	543,122	(1,050,817)	(573,983)	(37,685)	358,943	(473,097)	(595,669)	213,012
Component unit activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(386,082)</u>	<u>36,002</u>	<u>(395,525)</u>	<u>(383,743)</u>
Total Primary Government	<u>(20,630,501)</u>	<u>(27,817,249)</u>	<u>(25,669,231)</u>	<u>(27,915,863)</u>	<u>(27,242,071)</u>	<u>(29,363,602)</u>	<u>(37,321,506)</u>	<u>(34,864,399)</u>	<u>(32,828,796)</u>	<u>(35,024,021)</u>
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes	20,781,733	22,431,734	25,261,022	28,051,248	28,144,246	29,960,665	31,541,678	32,288,793	32,953,640	31,646,911
Grants and contributions	5,156,251	5,217,805	5,271,087	5,495,186	6,139,217	6,774,688	6,626,329	5,592,546	4,664,736	4,132,297
Investment earnings	170,189	130,491	380,469	548,420	966,546	682,166	299,313	111,949	117,105	120,662
Fees, licenses, and permits	187,896	172,772	132,091	143,335	-	-	-	-	-	-
Miscellaneous	703,406	139,129	1,311,031	3,018,377	391,397	269,712	330,760	84,577	1,425,212	212,954
Gain on sale of capital assets	-	-	-	-	(509)	53,454	(323,162)	-	92,409	152,653
Transfer of Capital Asset	1,717,778	-	-	-	-	-	-	-	-	-
Transfers	(563,029)	(2,936,293)	(521,911)	(699,927)	(872,089)	(4,798,421)	(2,463,024)	(674,635)	(737,861)	(166,735)
Total governmental activities	<u>28,154,224</u>	<u>25,155,638</u>	<u>31,833,789</u>	<u>36,556,639</u>	<u>34,768,808</u>	<u>32,942,264</u>	<u>36,011,894</u>	<u>37,403,230</u>	<u>38,515,241</u>	<u>36,098,742</u>

Pickens County, South Carolina

**Changes in Net Assets
Last Ten Fiscal Years
(Accrual Basis of Accounting)**

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Business-type activities:										
Gain on sale of capital assets									(9,285)	-
Transfers	563,029	2,936,293	521,911	699,927	872,089	4,798,421	2,088,024	674,635	737,861	166,735
Total business-type activities	<u>563,029</u>	<u>2,936,293</u>	<u>521,911</u>	<u>699,927</u>	<u>872,089</u>	<u>4,798,421</u>	<u>2,088,024</u>	<u>674,635</u>	<u>728,576</u>	<u>166,735</u>
Total Primary Government	<u>28,717,253</u>	<u>28,091,931</u>	<u>32,355,700</u>	<u>37,256,566</u>	<u>35,640,897</u>	<u>37,740,685</u>	<u>38,099,918</u>	<u>38,077,865</u>	<u>39,243,817</u>	<u>36,265,477</u>
Component Unit Activities:										
Investment Earnings									2,158	1,590
Transfers	-	-	-	-	-	-	375,000	-	340,000	350,637
Total component unit activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>375,000</u>	<u>-</u>	<u>694,385</u>	<u>352,227</u>
Change in Net Assets										
Governmental activities	6,652,373	(3,603,136)	5,621,436	9,691,593	8,100,720	3,616,347	(1,282,473)	2,975,926	6,677,639	1,245,452
Business-type activities	1,434,379	3,877,818	1,065,033	(350,890)	298,106	4,760,736	2,446,967	201,538	132,907	379,747
Total Primary Government	<u>8,086,752</u>	<u>274,682</u>	<u>6,686,469</u>	<u>9,340,703</u>	<u>8,398,826</u>	<u>8,377,083</u>	<u>1,164,494</u>	<u>3,177,464</u>	<u>6,810,546</u>	<u>1,625,199</u>
Component unit activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(11,082)</u>	<u>36,002</u>	<u>298,860</u>	<u>(31,516)</u>
Total Reporting Unit	<u>\$ 8,086,752</u>	<u>\$ 274,682</u>	<u>\$ 6,686,469</u>	<u>\$ 9,340,703</u>	<u>\$ 8,398,826</u>	<u>\$ 8,377,083</u>	<u>\$ 1,153,412</u>	<u>\$ 3,213,466</u>	<u>\$ 7,109,406</u>	<u>\$ 1,593,683</u>

Source: Annual Financial Statements

Pickens County, South Carolina

**Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)**

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
General Fund										
Reserved	\$ 2,839,838	\$ 2,201,434	\$ 1,914,549	\$ 1,784,717	\$ 1,597,235	\$ 2,455,301	\$ 3,713,840	\$ 3,045,149		
Unreserved	12,897,458	11,192,229	13,130,692	16,862,916	21,527,579	23,882,694	20,870,743	23,176,899		
Total General Fund	<u>15,737,296</u>	<u>13,393,663</u>	<u>15,045,241</u>	<u>18,647,633</u>	<u>23,124,814</u>	<u>26,337,995</u>	<u>24,584,583</u>	<u>26,222,048</u>		
All Other Governmental Funds										
Reserved										
Debt service	-	912,526	1,135,204	843,318	535,141	541,633	541,633	314,693		
Other reserves	228,371	3,887,756	1,057,463	328,664	620,352	2,000,027	558,733	1,417,705		
Unreserved, reported in:										
Special revenue funds	6,228,918	11,880,410	11,829,130	12,118,506	12,938,696	11,793,525	10,705,047	9,184,588		
Debt service funds	607,878	-	-	-	-	-	(102,627)	-		
Capital project funds	8,463,898	2,186,523	1,527,628	1,214,214	671,084	887,462	444,405	441,815		
Total All Other Governmental Funds	<u>15,529,065</u>	<u>18,867,215</u>	<u>15,549,425</u>	<u>14,504,702</u>	<u>14,765,273</u>	<u>15,222,647</u>	<u>12,147,191</u>	<u>11,358,801</u>		
Total Governmental Fund Balance	<u>\$ 31,266,361</u>	<u>\$ 32,260,878</u>	<u>\$ 30,594,666</u>	<u>\$ 33,152,335</u>	<u>\$ 37,890,087</u>	<u>\$ 41,560,642</u>	<u>\$ 36,731,774</u>	<u>\$ 37,580,849</u>		
General Fund										
Nonspendable									\$ 1,706,049	\$ 1,954,935
Restricted									-	-
Committed									1,594,752	2,846,104
Assigned									3,814,159	3,734,180
Unassigned									20,039,896	20,406,845
Total General Fund									<u>27,154,856</u>	<u>28,942,064</u>
All Other Governmental Funds										
Nonspendable									1,240	349
Restricted									11,791,094	11,562,227
Committed									426,766	207,703
Assigned									71,813	91,243
Unassigned									(235,865)	(122,200)
Total All Other Governmental Funds									<u>12,055,048</u>	<u>11,739,322</u>
Total Governmental Fund Balance									<u>\$ 39,209,904</u>	<u>\$ 40,681,386</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)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Revenues										
Taxes	\$ 20,633,138	\$ 22,507,766	\$ 25,315,693	\$ 27,909,119	\$ 27,883,001	\$ 29,593,673	\$ 29,907,909	\$ 31,463,280	\$ 31,809,502	\$ 31,964,892
Fees, licenses and permits	4,245,388	4,609,257	4,560,429	4,894,813	5,108,915	5,461,999	5,307,166	5,429,003	5,706,190	5,789,261
Intergovernmental	8,350,505	9,251,235	8,699,593	9,335,262	11,210,389	11,045,142	10,109,495	9,050,636	8,462,632	6,758,120
Charges for services	3,888,066	4,335,537	4,790,488	5,722,544	6,398,628	6,251,805	5,886,863	6,324,966	6,454,395	6,461,207
Fines and forfeitures	929,332	927,665	808,594	938,369	942,141	975,288	832,055	899,557	789,030	815,979
Investment income	331,430	251,702	593,511	1,024,978	1,520,297	1,176,242	451,499	179,095	173,499	174,974
Rental income							22,103	20,052	27,210	20,930
Contributions	16,231	12,257	255,299	115,668	74,446	148,642	21,720	15,136	290,243	48,630
Miscellaneous	170,442	137,773	651,182	705,252	159,906	190,062	1,522,903	114,601	1,545,885	429,327
Total Revenues	38,564,532	42,033,192	45,674,789	50,646,005	53,297,723	54,842,853	54,061,713	53,496,326	55,258,586	52,463,320
Expenditures										
General government	7,661,096	8,081,076	8,616,734	8,932,315	9,155,233	9,861,628	10,307,518	10,099,195	9,633,375	9,733,134
Public safety	11,686,937	14,389,530	14,971,515	17,207,330	16,249,967	17,453,255	19,122,790	19,700,901	19,265,676	19,010,099
Public works	7,807,873	9,569,400	8,858,010	10,324,117	8,939,715	9,914,630	11,877,268	9,375,375	8,100,479	9,140,139
Health and welfare	395,499	440,974	644,549	661,020	690,162	778,940	823,673	758,168	744,985	809,118
Culture and recreation	2,117,156	2,336,952	3,145,300	3,483,387	3,863,186	3,892,592	3,938,808	3,779,990	4,058,464	4,082,413
Economic development	245,912	3,876,989	904,739	1,050,117	548,535	570,531	397,421	397,622	2,173	365,817
Other	523,343	1,589,548	133,632	127,681	169,233	73,067	452,016	1,587,236	1,522,448	1,412,603
Intergovernmental	1,447,674	162,123	1,530,698	1,422,564	1,577,665	1,673,392	1,325,975	94,907	92,815	(306)
Capital outlay	2,992,437	6,389,198	6,218,964	959,939	3,930,308	4,120,698	7,085,512	3,672,026	7,116,474	2,872,562
Debt service										
Principal	1,570,285	1,489,332	2,007,512	2,810,309	1,767,801	1,767,006	2,135,545	2,018,689	2,132,390	2,324,544
Interest	611,136	679,553	928,310	982,353	845,923	790,629	902,872	896,901	832,393	724,331
Total Expenditures	37,059,348	49,004,675	47,959,963	47,961,132	47,737,728	50,896,368	58,369,398	52,381,010	53,501,672	50,474,454
Excess of Revenues Over (Under) Expenditures	1,505,184	(6,971,483)	(2,285,174)	2,684,873	5,559,995	3,946,485	(4,307,685)	1,115,316	1,756,914	1,988,866
Other Financing Sources (Uses)										
Proceeds from capital lease	973,923	2,965,781	284,300	572,725	-	360,000	490,510	408,394	-	-
Proceeds from notes payable	-	1,988,315	-	-	-	-	-	-	-	-
Proceeds from bond issuance	-	7,801,372	800,000	-	-	3,874,344	1,800,000	-	950,000	-
Payment to escrow agent	-	-	-	-	-	-	-	-	-	-
Transfer of capital asset	1,717,778	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	135,138	56,566	-	-	-	-	-	-	-
Transfers in (out)	(563,029)	(2,936,293)	(521,911)	(699,927)	(872,089)	(4,798,421)	(2,463,024)	(674,635)	(1,077,861)	(166,735)
Transfers to Pickens Alliance	-	-	-	-	-	-	-	-	-	(350,649)
Total Other Financing Sources (Uses)	2,128,672	9,954,313	618,955	(127,202)	(872,089)	(564,077)	(172,514)	(266,241)	(127,861)	(517,384)
Net Change in Fund Balance	\$ 3,633,856	\$ 2,982,830	\$ (1,666,219)	\$ 2,557,671	\$ 4,687,906	\$ 3,382,408	\$ (4,480,199)	\$ 849,075	\$ 1,629,053	\$ 1,471,482
Debt Service as a percentage of noncapital expenditures	6.40%	5.09%	7.03%	8.07%	5.97%	5.47%	5.92%	5.99%	6.39%	6.40%

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
2003	2002	186,995,306	124,960,109		311,955,415	66.70	6,074,712,060	5.14%
2004	2003	191,866,823	124,008,174		315,874,997	67.70	6,236,514,740	5.06%
2005	2004	203,068,376	115,654,380		318,722,756	74.80	6,206,812,380	5.14%
2006	2005	269,309,178	116,884,194		386,193,372	70.00	6,623,699,956	5.83%
2007	2006	282,718,664	113,649,991		396,368,655	69.10	6,870,455,103	5.77%
2008	2007	290,390,511	112,850,047		403,240,558	69.10	7,090,308,644	5.69%
2009	2008	310,458,774	110,238,582		420,697,356	69.10	7,423,479,505	5.67%
2010	2009	319,731,823	102,207,991		421,939,814	69.10	7,505,625,497	5.62%
2011	2010	341,121,845	100,901,520		442,023,365	65.60	7,956,831,166	5.56%
2012	2011	344,028,258	100,149,585		444,177,843	65.60	8,045,411,232	5.52%

(1) Per \$1,000 of assessed value

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)**

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
County Wide Tax Rates										
General County	59.3	60.3	65.9	60.9	60.0	60.0	60.0	60.0	57.1	57.1
Tri-County Technical	3.0	3.0	3.0	2.7	2.7	2.7	2.7	2.7	2.5	2.5
Library	4.4	4.4	5.9	6.4	6.4	6.4	6.4	6.4	6.0	6.0
Total Direct Rate	<u>66.7</u>	<u>67.7</u>	<u>74.8</u>	<u>70.0</u>	<u>69.1</u>	<u>69.1</u>	<u>69.1</u>	<u>69.1</u>	<u>65.6</u>	<u>65.6</u>
City Rates										
Easley	61.7	61.7	61.7	59.0	61.0	61.0	61.0	61.0	58.0	58.0
Liberty	77.0	77.0	87.0	77.5	77.5	77.5	77.5	77.5	74.0	80.0
Norris	75.0	75.0	75.0	77.2	77.2	77.2	77.2	77.2	72.2	72.2
Central	63.0	63.0	63.0	59.0	61.0	63.0	64.8	67.3	67.0	70.0
Clemson	81.6	81.6	81.6	76.9	77.9	79.5	81.0	81.0	78.6	83.4
Six Mile	37.0	37.0	37.0	36.0	36.0	36.0	36.0	36.0	35.8	35.8
Pickens	48.0	48.0	48.0	46.7	46.7	48.5	50.0	52.0	47.6	51.9
School District Rate	135.5	132.7	138.2	130.9	128.0	167.0	165.0	159.0	160.0	162.0
Special District Rates										
Keowee Vineyards	-	18.8	57.6	34.0	32.7	36.2	37.3	38.9	38.4	38.4
Pumpkintown	-	-	14.2	-	-	-	-	-	-	-
Shady Grove	-	-	26.8	19.0	14.5	12.9	12.0	11.5	11.3	11.6
County Sewer	2.7	2.7	1.6	0.5	0.5	1.5	1.5	1.5	1.9	1.9
Georges Creek	0.7	0.7	0.7	0.7	0.6	0.6	0.6	0.6	0.6	0.6
Sedgewood	8.7	8.4	8.4	7.3	7.0	5.0	4.3	4.3	4.0	5.0
Saluda Lake	15.0	15.0	15.0	10.6	10.6	10.6	10.6	10.6	9.5	-

Note: Property was reassessed as of 1999-2000

Source: Pickens County Auditor's Office

Pickens County, South Carolina

**Principal Property Taxpayers
Current Fiscal Year and Nine Fiscal Years Ago**

Taxpayer	2012		Taxpayer	2003	
	Taxable Assessed Value	Percent of Total Taxable Assessed Value		Taxable Assessed Value	Percent of Total Taxable Assessed Value
Duke Energy Corporation	16,862,720	3.80%	Duke Energy Corporation	14,251,830	4.57%
Blue Ridge Electric Coop., Inc	5,403,910	1.22%	Bellsouth Telecommunications	4,633,550	1.49%
Bellsouth Telecommunications	3,131,360	0.70%	BASF Corporation	4,584,000	1.47%
Keowee River Club LLC	2,516,310	0.57%	Alice Manufacturing Company	4,369,900	1.40%
Reliable Automatic Sprinkler	1,702,557	0.38%	Blue Ridge Electric Coop., Inc	4,210,310	1.35%
Pacesetter Inc	1,698,662	0.38%	Keowee Investment Group LLC	2,015,265	0.65%
Shaw Industries Group Inc	1,407,854	0.32%	Champion Aerospace Inc	1,622,780	0.52%
Urbana Cliffs Re LLC	1,325,970	0.30%	KRC Golf Group LLC	1,588,985	0.51%
The Cliffs at Keowee Vineyards	1,107,300	0.25%	Keowee River Club LLC	1,422,810	0.46%
Sauer Danfoss US Company	1,075,696	0.24%	Sauer Danfoss NA Company	1,395,200	0.45%
Total	\$ 36,232,339	8.16%		\$ 40,094,630	12.85%

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 (2)		Receivable June 30, 2012	Estimated Tax Collections to Date (3)	
		Amount	Percentage of Adjusted Levy		Estimated Amount	Percentage of Adjusted Levy
2003	14,209,581	12,485,752	87.87%	31,816	14,177,765	99.78%
2004	14,916,445	13,446,296	90.14%	43,082	14,873,363	99.71%
2005	16,375,917	14,769,963	90.19%	58,360	16,317,557	99.64%
2006	17,824,985	16,133,203	90.51%	60,260	17,764,725	99.66%
2007	17,398,589	15,977,443	91.83%	104,321	17,294,269	99.40%
2008	17,475,608	16,600,160	94.99%	115,613	17,359,995	99.34%
2009	18,379,527	17,426,581	94.82%	133,100	18,246,427	99.28%
2010	19,009,045	17,968,836	94.53%	178,561	18,830,484	99.06%
2011	18,945,172	18,015,888	95.09%	213,233	18,731,939	98.87%
2012	19,789,534	18,858,885	95.30%	832,237	18,957,297	95.79%

Notes:

- (1) Includes the adjusted County operating and bond millage. The original tax levy information was unavailable.
- (2) Does not include current year taxes collected as delinquent in the year of the levy.
- (3) Collections in subsequent years by year of levy were unavailable. Amounts receivable at June 30, 2012, were used to estimate the total collections to date.

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			
2003	6,395,000	1,728,196	1,941,310	6,325,989	5,447,929	270,833	22,109,257	0.85%	196
2004	13,415,000	1,486,124	2,552,405	7,800,409	5,389,950	220,833	30,864,721	1.16%	272
2005	13,405,000	1,228,464	2,119,865	7,364,442	5,329,156	170,834	29,617,761	1.06%	259
2006	12,506,000	-	2,314,240	7,059,933	5,265,412	120,833	27,266,418	0.92%	236
2007	11,529,000	-	1,840,176	6,743,196	5,198,573	70,833	25,381,778	0.81%	217
2008	14,353,470	-	1,812,503	6,413,737	5,128,488	20,833	27,729,031	0.84%	234
2009	15,405,526	-	1,258,102	6,071,047	5,055,001	-	27,789,676	0.87%	233
2010	14,121,644	-	1,291,643	5,714,593	4,977,946	-	26,105,826	0.80%	219
2011	13,599,219	-	1,002,447	5,343,822	4,897,151	-	24,842,639	0.75%	207
2012	11,891,027	-	780,652	4,949,266	6,829,510	-	24,450,455	0.73%	203

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)
2003	6,395,000			0.11%	57
2004	13,415,000			0.22%	118
2005	13,405,000			0.22%	117
2006	12,506,000			0.19%	108
2007	11,529,000			0.17%	99
2008	14,353,470			0.20%	121
2009	15,405,526			0.21%	129
2010	14,121,644			0.19%	118
2011	13,599,219			0.17%	113
2012	11,891,027	446,811	11,444,216	0.14%	95

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 Nine Fiscal Years (1)**

Legal Debt Margin Calculation for Fiscal Year 2012

Assessed valuation	\$ 444,177,843
Less: exemptions	<u>-</u>
Net assessed value	<u>\$ 444,177,843</u>
Debt limit - 8 percent of total assessed value	\$ 35,534,227
Amount of debt applicable to debt limit	<u>8,410,849</u>
Legal debt margin	<u>\$ 27,123,378</u>

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Debt limit	\$ 23,423,892	\$ 24,380,890	\$ 29,973,504	\$ 31,709,492	\$ 32,259,245	\$ 33,655,788	\$ 33,755,185	\$ 35,361,869	\$ 35,534,227
Total net debt applicable to limit	<u>17,415,613</u>	<u>17,140,942</u>	<u>15,393,073</u>	<u>14,368,521</u>	<u>13,287,022</u>	<u>12,163,299</u>	<u>10,977,065</u>	<u>9,738,018</u>	<u>8,410,849</u>
Legal debt margin	<u>\$ 6,008,279</u>	<u>\$ 7,239,948</u>	<u>\$ 14,580,431</u>	<u>\$ 17,340,971</u>	<u>\$ 18,972,223</u>	<u>\$ 21,492,489</u>	<u>\$ 22,778,120</u>	<u>\$ 25,623,851</u>	<u>\$ 27,123,378</u>
Total net debt applicable to the limit as a percentage of debt limit	74.35%	70.30%	51.36%	45.31%	41.19%	36.14%	32.52%	27.54%	23.67%

Notes:

- (1) Only nine years of data could accurately be provided for this schedule.
- (2) Property value data can be found in the "Assessed Value of Taxable Property and Actual Value of Property Schedule."
- (3) The legal debt limit is 8 percent of total assessed value.
- (4) 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**

Series 1999A and 1999B Revenue Bonds (1)

Funding Source: Fee in lieu of taxes

Fiscal Year	Available Revenue	Debt Service		Coverage
		Principal	Interest	
2003	352,022	227,997	124,025	1.000
2004	352,022	242,073	109,949	1.000
2005	352,022	257,661	94,361	1.000
2006	n/a	n/a	n/a	n/a
2007	n/a	n/a	n/a	n/a
2008	n/a	n/a	n/a	n/a
2009	n/a	n/a	n/a	n/a
2010	n/a	n/a	n/a	n/a
2011	n/a	n/a	n/a	n/a
2012	n/a	n/a	n/a	n/a

Sewer System Revenue Bonds (2)

Funding Source: Capital charges and transfers

Fiscal Year	Available Revenue	Debt Service		Coverage
		Principal	Interest	
2003	315,504	55,294	260,210	1.000
2004	315,504	57,979	257,525	1.000
2005	315,504	60,794	254,710	1.000
2006	315,504	63,745	251,759	1.000
2007	315,504	66,840	248,664	1.000
2008	315,504	70,085	245,419	1.000
2009	315,504	73,487	242,017	1.000
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

Note:

(1) Revenue bonds issued June 1, 1999. Both Series were payable from the same revenue source. Bonds were redeemed in fiscal year 2006 using General Fund reserves.

(2) 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.

Source: Annual Financial Statements

Pickens County, South Carolina

Demographic and Economic Statistics Last Ten Fiscal Years

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2003	112,704	2,612,496,000	23,180	5.3%
2004	113,554	2,667,551,000	23,491	6.1%
2005	114,344	2,802,811,000	24,512	5.1%
2006	115,570	2,975,697,000	25,748	6.7%
2007	116,815	3,147,414,000	26,944	5.8%
2008	118,330	3,304,792,000	27,929	5.3%
2009	119,183	3,183,713,000	26,713	8.6%
2010	119,182	3,263,758,000	27,385	10.6%
2011	119,927	3,326,947,323	27,741	9.3%
2012	120,566	3,364,902,159	27,909	8.7%

Notes:

(1) Personal Income and Per Capita Personal Income for 2011 and 2012 were estimated based on the average yearly change over the previous five years.

2010 new estimates and prior year revisions released April 25, 2012.

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 Nine Years Ago

Company or Organization	June 30, 2012	
	Number of Employees	Percent of Total County Employment
State of South Carolina	4,531	8.60%
Clemson University	3,535	6.71%
School District of Pickens County	2,200	4.17%
Palmetto Baptist Medical Center	701	1.33%
Pickens County Government	595	1.13%
YH America, South Carolina, LLC	573	1.09%
Reliable Automatic Sprinkler Company, Inc	421	0.80%
St. Jude Medical, Inc	393	0.75%
Alice Manufacturing Co.	330	0.63%
Bi-Lo	320	0.61%
	13,599	25.81%

Company or Organization	June 30, 2003	
	Number of Employees	Percent of Total County Employment
Clemson University	7,816	16.40%
SC State Budget and Control Bd	3,476	7.30%
Pickens County School District	1,934	4.06%
OWT Industries	1,500	3.15%
Palmetto Baptist Medical Center	750	1.57%
Pickens County Government	536	1.12%
Central Textiles, Inc	400	0.84%
Honeywell	391	0.82%
Mark IV Automotive	390	0.82%
Alice Manufacturing Co - Foster Plant	380	0.80%
	17,573	36.88%

Source: Appalachian Council of Governments and InfoMentum.

Pickens County, South Carolina

**Authorized County Employee Positions by Function
Last Ten Fiscal Years**

Function	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General government	144	147	150	147	147	148	150	146	135	135
Public safety	228	232	251	262	268	267	275	278	284	291
Public works	102	103	102	105	105	104	102	97	96	96
Health and welfare	8	8	9	9	9	9	10	11	11	12
Culture and recreation	50	51	68	70	70	70	69	70	70	71
Transportation	6	5	3	4	4	4	4	3	3	3
Economic Development	2	3	3	3	3	0	0	0	2	3
Intergovernmental	1	1	1	1	1	1	1	1	1	1
Total authorized positions	541	550	587	601	607	603	611	606	602	612

Source: County's Adopted Budget

Pickens County, South Carolina

**Operating Indicators by Function/Program
Fiscal Years 2005-2012 (1)**

Function/Program	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012
General government								
Probate Court estate cases	694	739	716	785	737	716	770	845
Marriage license applications	801	769	796	718	762	739	807	798
Register of Deeds documents filed	26,845	29,363	27,188	19,605	21,543	20,292	19,061	20,280
Clerk of Court civil cases filed	1,905	1,989	1,921	2,233	3,092	3,652	2,735	2,835
Clerk of Court warrants received	4,041	4,194	3,384	3,615	3,009	3,545	3,244	3,367
Vehicle bills and renewals processed	192,371	115,319	109,141	111,797	117,633	115,593	115,636	116,570
Magistrate case filings	16,780	19,040	16,791	20,685	17,384	18,162	17,951	16,419
Public Safety								
Sheriff 911 calls received	36,726	37,014	35,295	38,167	39,364	44,835	45,756	47,779
Coroner's Office investigations	204	196	200	n/a	426	568	566	653
Prison inmates received	560	597	621	742	678	709	643	588
EMS ambulance calls	12,110	12,608	14,498	15,158	14,810	14,494	14,289	14,704
Victim Rights services and assistance	7,103	7,208	7,792	8,026	8,191	N/A		
Building Code commercial permits							110	100
Building Code residential permits							580	723
Public Works								
Solid Waste transfer station tonnage	44,407	41,464	44,356	42,042	40,785	39,974	36,784	36,409
Recyclables tonnage	9,290	9,030	3,558	7,742	6,618	5,078	6,365	6,407
Roads paved	35	36	65	n/a	113	89	55	64
Signs installed/repaired	428	457	1,649	n/a	114	270	728	494
Health and Welfare								
Animal Control calls received	11,455	9,985	9,713	9,808	10,292	11,143	11,666	13,834
Veteran's Affairs claims/actions	23,359	23,073	21,517	24,662	24,706	24,792	25,675	25,963
Culture and Recreation								
County Park								
Park camping and day use passes	5,882	6,713	5,787	7,360	7,993	7,229	6,929	7,403
Museum & Mill visitors (2)	21,456	19,277	32,527	33,789	34,171	33,665	32,226	33,885
Library visitors	355,840	426,075	426,829	480,822	546,557	575,410	543,194	542,872
Public Service Commission								
Wastewater Treated /Gallons	306,732,858	280,842,244	333,899,990	298,610,000	307,653,081	323,979,349	300,900,343	250,146,013

Notes:

- (1) Only eight years of data could accurately be provided for this schedule.
- (2) Museum closed September 2004 to April 2006 due to construction.

Pickens County, South Carolina

**Capital Asset Statistics by Function/Program
Last Ten Fiscal Years**

Function/Program	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Public Safety										
Sheriff Patrol units	92	93	94	101	101	101	102	102	102	100
EMS Stations	6	6	6	7	7	7	8	8	8	8
Public Works										
Solid Waste convenience centers	8	8	8	8	8	8	8	8	8	8
Roads (miles)	171.5	172.3	174.1	181.2	182.0	183.6	184.8	185.3	657.0	662.3
Bridges	58	59	66	68	68	73	74	74	74	74
Public Service Commission										
Sanitary sewers (miles)	17.06	23.51	26.5	26.75	28.29	28.61	28.81	28.81	35.97	36.2
Culture and Recreation										
Number of county parks	1	1	2	2	2	2	2	2	2	2

Source: County's Adopted Budget and County departments

SINGLE AUDIT SECTION



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

Pickens County Council
Pickens County, South Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the Alliance Pickens (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, 2012, and have issued our report thereon dated November 29, 2012. 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.

INTERNAL CONTROL OVER FINANCIAL REPORTING

Management of the County is responsible for establishing and maintaining effective internal controls over financial reporting. In planning and performing our audits, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting 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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the County's financial statements are free of 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*.

We noted certain matters that we reported to management of the County in a separate letter dated November 29, 2012.

This report is intended solely for the information and use of management, County Council, others within the entity, federal and State awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Cheng, Bebaert + Holland, L.L.P.

Greenville, South Carolina
November 29, 2012



**REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A
DIRECT AND MATERIAL EFFECT ON EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Pickens County Council
Pickens County, South Carolina

Compliance

We have audited Pickens County, South Carolina's (the "County") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget ("OMB") *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2012. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance with OMB circular A-133 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.

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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, County Council, others within the entity, federal and State awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Cheng, Bebaert + Holland, L.L.P.

Greenville, South Carolina
November 29, 2012

PICKENS COUNTY, SOUTH CAROLINA

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2012

Section I. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

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

Noncompliance material to financial statements noted _____ yes X no

Federal Awards

Internal control over major federal programs:

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

Noncompliance material to federal awards _____ yes X no

Type of auditors' report issued on compliance for major federal programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133 _____ yes X no

Identification of major federal programs:

<u>CFDA#</u>	<u>Program Name</u>
10.760	Central-North Waste Water Treatment Plant Project Grant

PICKENS COUNTY, SOUTH CAROLINA**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2012****Section I. Summary of Auditors' Results (continued)**

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

\$ 300,000

Auditee qualified as low-risk auditee?

X yes no

Section II. Financial Statement Findings

There were no audit findings.

Section III. Federal Award Questioned Costs & Findings

There were no audit findings.

PICKENS COUNTY, SOUTH CAROLINA

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2012

Section IV. Resolution of Prior Year Findings

There were no prior year audit findings

PICKENS COUNTY, SOUTH CAROLINA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012

Federal Grantor / Program Title	Federal CFDA Number	Grant / Award Number	Federal Expenditures	Loan Amount Outstanding
<u>US Department of Agriculture</u>				
Rural Development Loans				
18 Mile Creek Upper Project (PL004)	10.760		\$ -	\$ 3,102,026
18 Mile Creek Middle Project (PL003)	10.760		-	1,710,407
18 Mile Creek Middle Trunk Project (G*201)	23.001	Contract # 2543	86,901	-
ARRA Central-North Waste Water Treatment Plant Project Grant (PC007)	10.760		859,931	-
Central-North Waste Water Treatment Plant Project Loan (PL007)	10.760		1,680,000	1,667,875 *
Central-North Waste Water Treatment Plant Project Loan (PL007) Passed through SC Forestry Commission	10.760		352,000	349,202 *
FY11 VFA National Fire Plan- Dacusville (G*258)	10.664		2,250	-
			2,981,082	6,829,510
<u>US Department of Justice</u>				
American Recovery & Reinvestment Act of 2009 (ARRA)				
FY2009 Recovery Act JAG (G*209)	16.804	2009-SB-B90663	25,306	-
Passed through SC Department of Public Safety				
VAWA Domestic Investigator/Advocate Year 9 (G*230)	16.588	1K10008	14,108	-
VAWA Domestic Investigator/Advocate Year 10 (ARRA)	16.588	1KS09044	10,000	-
VAWA Domestic Investigator/Advocate Year 10 (G*251)	16.588	1K11014	35,583	-
2010 State Criminal Alien Assistance Program(G*232)	16.606	2010-AP-BX-0561	690	-
2011 State Criminal Alien Assistance Program (G*257)	16.738	2011-AP-BX-0775	12,194	-
			97,881	-
<u>US Department of Health and Human Services</u>				
Passed through SC Dept. of Social Services (G*013)				
Dept. of Social Services Title IV-D Service of Process	93.563		12,887	-
Dept. of Social Services Title IV-D Unit Cost	93.563		141,233	-
Dept. of Social Services Title IV-D Incentives	93.563		29,886	-
			184,006	-
<u>US Department of Homeland Security</u>				
Passed through SC Office of Adjutant General, Emergency Preparedness Division				
Emergency Management Performance Grant(s)				
FY2010 LEMPG (G*218) Competitive Project	97.042	10EMPG01	13,500	-
FY2011 LEMPG (G*241)	97.042	11EMPG01	56,240	-
Passed through SC Law Enforcement Division				
Citizen Corps (G*264)	97.067	090SHSP51	803	-
			70,543	-
<u>US Department of Transportation</u>				
Federal Aviation Administration				
Taxilane Widening & Relocation (G*214)	20.106	3-45-0047-16	35,941	-
Federal Aviation Administration				
Airport Layout Plan & Land Acquisition (G*255)	20.106	3-45-0047-18	114,251	-
Federal Aviation Administration				
Airport Layout Plan & Land Acquisition (G*262)	20.106	3-45-0047-19	549,369	-
FY 2012 AIP- Land Acquisition			-	-
			699,561	-
			\$ 4,033,073	\$ 6,829,510

* Indicates major program

See accompanying note to Schedule of Expenditures of Federal Awards.

PICKENS COUNTY, SOUTH CAROLINANote to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 20121. 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

COMPLIANCE SECTION

PICKENS COUNTY, SOUTH CAROLINA

**Victim Services
Supplementary Schedule of Assessments**

Clerk of Court Collections

Fines and fees	418,949
Assessments	72,606
Surcharges	<u>159,860</u>
Total Clerk of Court Collections	<u>651,415</u>

Magistrate Court Collections

Fines and fees	507,784
Assessments	340,510
Surcharges	<u>155,358</u>
Total Collections for Magistrate Court	<u>1,003,652</u>

Total Collections for Clerk of Court and Magistrate Court	<u><u>1,655,067</u></u>
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Clerk of Court Retainage

Fines and fees	182,964
Assessments	17,867
Surcharges	<u>61,506</u>
Total Clerk of Court Retainage	<u>262,338</u>

Magistrate Court Retainage

Fines and fees	483,510
Assessments	32,509
Surcharges	<u>19,387</u>
Total Magistrate Court Retainage	<u>535,406</u>

Total Retainage for Clerk of Court and Magistrate Court	<u><u>797,744</u></u>
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Amount Remitted to State Treasurer

Fines and Assessments	<u><u>857,324</u></u>
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Amount of Funds Allocated to Victim Services by Fund Source

From Assessments and Surcharges	<u>131,270</u>
	<u><u>131,270</u></u>

<u>Funds Carried Forward to Fiscal Year 2012 Designated as Victim Services Funds</u>	6,593
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