

Pickens County, South Carolina

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2009

PICKENS COUNTY, SOUTH CAROLINA

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2009

Table of Contents

	<u>Exhibit</u>	<u>Page</u>
<u>Part I – Introductory Section</u>		
Letter of Transmittal		1-5
Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting		6
Pickens County Organization Chart		7
Principal Officials		8
<u>Part II – Financial Section</u>		
Independent Auditors’ Report		9-10
Management’s Discussion and Analysis (Required Supplementary Information)		11-19
Basic Financial Statements		
Government – wide Financial Statements:		
Statement of Net Assets	A	20
Statement of Activities	B	21
Fund Financial Statements:		
Balance Sheet – Governmental Funds	C-1	22
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	C-2	23
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	D-1	24
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	D-2	25
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	D-3	26

PICKENS COUNTY, SOUTH CAROLINA

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2009

Table of Contents – continued

	<u>Exhibit</u>	<u>Page</u>
Statement of Net Assets – Proprietary Funds	E	27
Statement of Revenues, Expenses and Changes in Fund Net Assets – Proprietary Funds	F	28
Statement of Cash Flows – Proprietary Funds	G	29
Combining Statement of Fiduciary Assets and Liabilities – Agency Funds	H	30
Notes to Financial Statements		31-53
	<u>Schedule</u>	<u>Page</u>
Other Supplementary Information:		
Budgetary Comparison Schedule – General Fund	1	54-56
Combining Balance Sheet – Major Fund – Fire Districts	2	57-58
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Major Fund – Fire Districts	3	59-60
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Easley Fire District Fund	4	61
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Liberty Fire District Fund	5	62
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Pumpkintown Fire District Fund	6	63
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Crosswell Fire District Fund	7	64
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Six Mile Fire District Fund	8	65
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Pickens Fire District Fund	9	66

PICKENS COUNTY, SOUTH CAROLINA

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2009

Table of Contents – continued

	<u>Schedule</u>	<u>Page</u>
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Emergency Phone System Fund	24	85
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Accommodation Tax Fund	25	86
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Tourism Development Fee Fund	26	87
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Debt Service Fund	27	89
Combining Statement of Changes in Fiduciary Assets and Liabilities – Agency Funds	28	91-92
Capital Assets Used in the Operation of Governmental Funds:		
Schedule of Capital Assets by Function	29	93
Schedule of Changes in Capital Assets by Function	30	94

Part III – Statistical Section

Statistical Section	
Net Assets by Component (Accrual Basis of Accounting)	96
Changes in Net Assets (Accrual Basis of Accounting)	97-98
Fund Balances – Governmental Funds (Modified Accrual Basis of Accounting)	99
Changes in Fund Balances – Governmental Funds (Modified Accrual Basis of Accounting)	100
Assessed Value and Estimated Actual Value of Taxable Property	101
Property Tax Rates – Direct and Overlapping Rates	102
Principal Property Taxpayers	103
County Property Tax Levy and Collections	104
Ratios of Outstanding Debt by Type	105
Ratios of General Bonded Debt Outstanding	106
Computation of Legal Debt Margin	107
Pledged Revenue Coverage	108
Demographic and Economic Statistics	109
Principal Employers	110
Authorized County Employee Positions by Function	111
Operating Indicators by Function/Program	112
Capital Asset Statistics by Function/Program	113

PICKENS COUNTY, SOUTH CAROLINA

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2009

Table of Contents – continued

	<u>Schedule</u>	<u>Page</u>
<u>Part IV – Single Audit Section</u>		
Independent Auditors’ Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>		114-115
Independent Auditors’ Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133		116-117
Schedule of Findings and Questioned Costs		119-112
Corrective Action Plan		123
Schedule of Prior Year Audit Findings		124
Schedule of Expenditures of Federal Awards		125
Note to Schedule of Expenditures of Federal Awards		126
<u>Part V – Compliance Section</u>		
Supplementary Information Required by State of South Carolina Schedule of Assessments for Victim Services		127

COUNTY OF PICKENS

Office of Finance



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

COUNCIL MEMBERS

JENNIFER H. WILLIS, Chairman
G. NEIL SMITH, Vice Chairman
JAMES B. LONDON
C. ROY COLLINS
TOM E. PONDER
BEN L. TROTTER

February 25, 2010

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, 2009, 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 principles (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 principles 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, 2009. The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the County's financial statements for the fiscal year ended June 30, 2009, 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 13 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 Director of Finance, 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 Department of Finance. 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 Department of Finance. 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

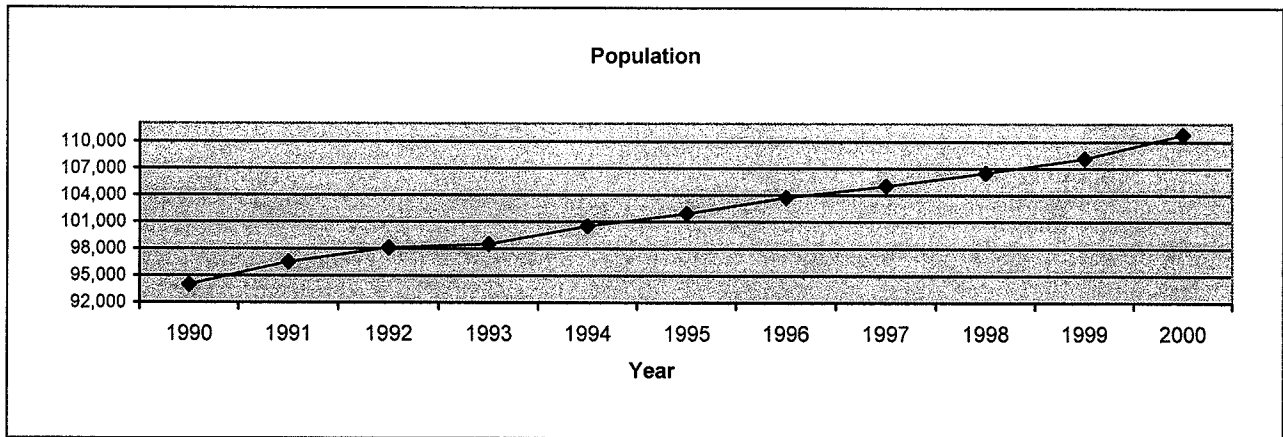
Local Economy

With a work force of nearly 70,000, Greater 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. Within the County's borders, there are over 12,500 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 27,030 unemployed combine with 84,000 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, for a total untapped work force of 123,920. 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 8,000 and 1,800 people, respectively.

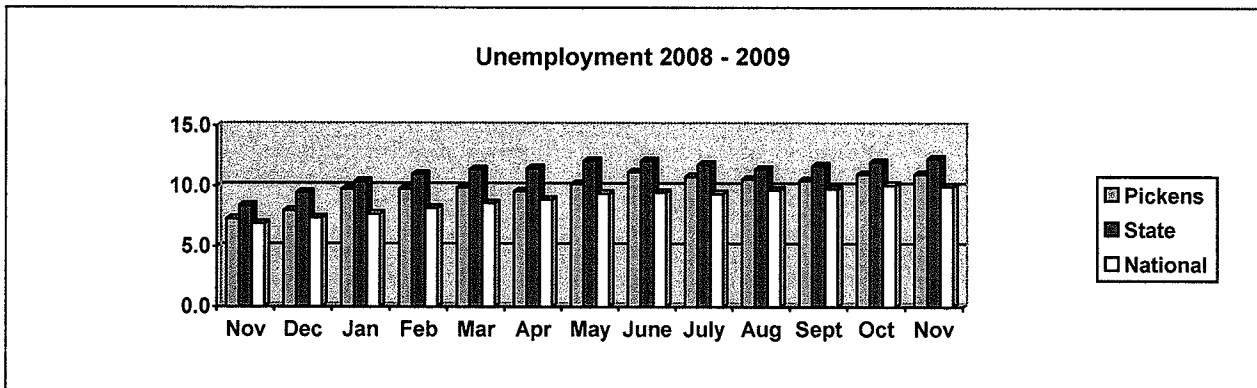
The County population grew 18% between the 1990 and 2000 censuses with average annual growth of 1.7% for the period. This has resulted in Pickens County outpacing growth in the South Carolina Upstate region, which experienced a 15.8% population growth between censuses. The State of South Carolina experienced a 15.1% growth for the same period with an annual average growth of 1.4%. 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 39% between 2000 and 2025 with an average annual growth of 1.6%.

Expected Growth

Year	Population		
	County	SC Upstate	SC
2000	110,757	1,028,656	4,012,012
2005	119,040	1,050,500	4,154,900
2010	128,170	1,103,500	4,387,780
2015	136,680	1,156,100	4,618,440
2020	145,330	1,209,200	4,849,980
2025	154,090	1,261,900	5,077,400



According to the South Carolina Employment Security Commission, unemployment increased in November from the previous year figure of 7.3% to 11.0%. This is below the state unemployment rate of 12.3% in November 2009. Pickens County and South Carolina trail the national average unemployment rate of 10.0% for November 2009.



Long-Term Financial Planning

The County entered FY 2009 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 A+. Total fund balance and undesignated fund balance as of June 30, 2009, in the General Fund was \$24,584,583 and \$17,536,323 respectively. This represents 64% and 46% of revenues, respectively.

The County recently completed a detailed Capital Improvements Plan (C.I.P.) for the next five years. In the past, the County's focus on a Capital Improvements Plan related to capital items which cost greater than \$75,000. Three years ago, the County went a step further to include all capital items which include items costing \$5,000 or more. In the end, the County will allocate over \$20 million over the next five years for capital items. This C.I.P. plan was accomplished with a small tax increase, 2 mils, on the citizens of the County.

The Council approved, as part of the Fiscal Year 2010 budget, several projects for the expansion of the Waste Water Treatment Facility. The first is a \$3.2 million upgrade of the Central-North Waste Water Treatment Plant. The project includes the installation of twin 150,000 gallon per day package waste water treatment plants, replacement of certain headworks equipment, the conversion of the aeration basin to a storm surge basin and the installation of a UV disinfection system. The project will be funded by a \$1.7 million USDA loan and a \$1.4 million grant. The second project is a \$2.2 million extension of sewer service to serve the new Liberty Elementary School. The sewer line will also provide sewer access to unreserved portions of the US Highway 123 corridor. The project is being funded by a \$500,000 ARC grant, \$1.4 million from the School District and \$300,000 from Pickens County. Another project being undertaken by the County is the development of a \$1.25 million Workforce Training Center in Easley. Tri-County recently announced the addition of a satellite campus in the Easley area of Pickens County. The Training Center is the construction of a 4,600 square foot building where it will train 150 people per year for jobs in local business and industry. The project is being funded with a \$1 million CDBG grant and \$250,000 from Tri-County Technical School.

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

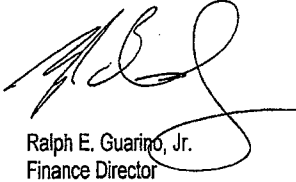
Eligible employees of the County are participants in the South Carolina Retirement System (SCRS) and the South Carolina Police Retirement System (PORS), both of which are cost sharing multiple-employer defined benefit plans administered by the Retirement Division of the State Budget and Control Board. 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, 2008. 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 has 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,

A handwritten signature in black ink, appearing to read 'R. Guarino', with a large, stylized flourish extending from the end of the signature.

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, 2008

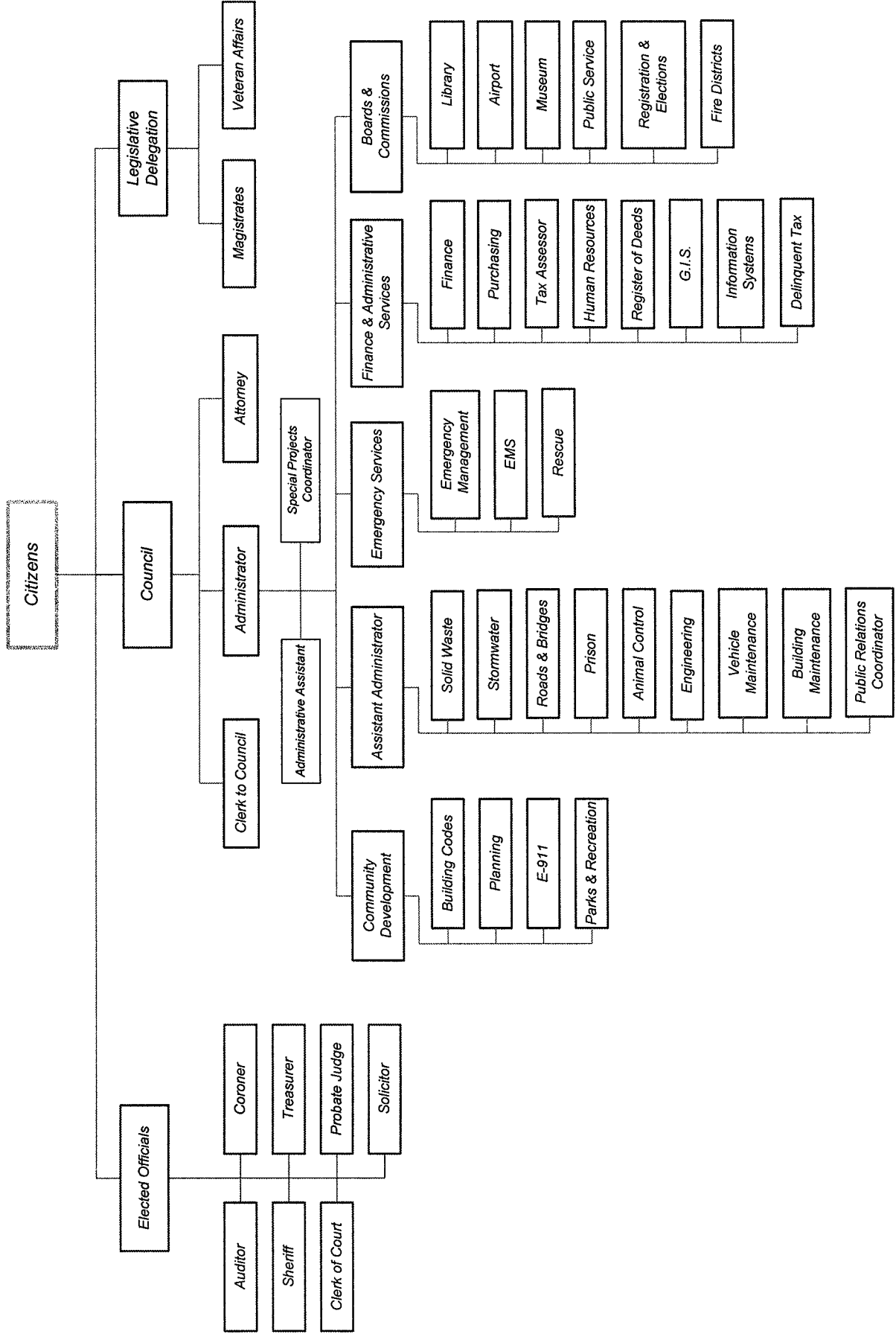
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



President

Executive Director

Pickens County



PICKENS COUNTY, SOUTH CAROLINA

PRINICIPAL OFFICIALS

For the Year Ended June 30, 2009

MEMBERS OF COUNTY COUNCIL

G. Neil Smith, Chairman
Ben L. Trotter, Vice Chairman
Tom E. Ponder
James B. London
Randy Crenshaw
Jennifer H. Willis

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



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 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, 2009, 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, 2009, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund 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 February 25, 2010 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.

The Management's Discussion and Analysis, as listed in the table of contents, is not a required part of the basic financial statements but is supplementary information on pages 11 to 19 as required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit this information and express no opinion thereon.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Pickens County, South Carolina's basic financial statements. The introductory section, the other supplementary information, statistical section and the compliance section as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is also presented for purposes of additional analysis and is not a required part of the basic financial statements. The other supplementary information, the Schedule of Expenditures of Federal Awards and the compliance section as listed in the table of contents, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Cherry, Belsaw + Holland, L.L.P.

Greenville, South Carolina
February 25, 2010

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, 2009. 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

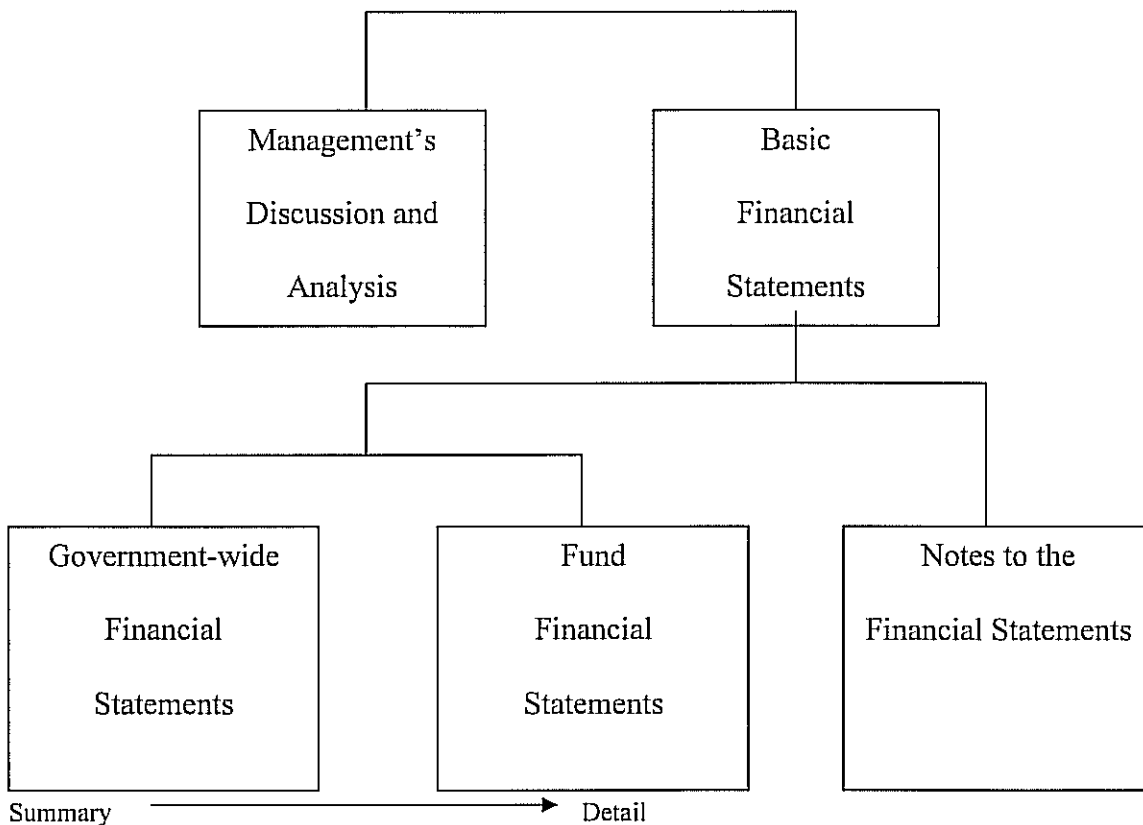
- The assets of Pickens County exceeded its liabilities at the close of the fiscal year by \$99,560,289. Of this amount \$37,447,406 may be used to meet the County's ongoing obligations to citizens and creditors.
- The government's total net assets increased by \$1,164,495, several elements of this increase 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 unreserved, undesignated General Fund balance decreased by \$2,516,372 during the 2009 fiscal year due to the construction of the airport terminal, additional road paving and land purchase for Easley Tri-County Technical campus.
- The County had \$52,438,224 in expenses related to governmental activities; program specific charges for services, grants or contributions offset \$15,143,858 of these expenses. General revenues (primarily taxes and unrestricted grants) and net assets of \$37,294,366 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 \$36,731,774, a decrease of \$4,480,199 in comparison with the prior year. Approximately 77.3% of this total amount, or \$28,406,040, is available for spending at the government's discretion.
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$20,870,743 or 58% of total general fund expenditures for the fiscal year.
- At the end of the fiscal year, unreserved, undesignated fund balance for the General Fund was \$17,536,323 or 48.9% of total general fund expenditures for the fiscal year.
- Pickens County's total debt increased by \$162,574 during the current fiscal year.
- During the 2009 fiscal year, the County's governmental fund type revenues were approximately \$54.1 million compared to \$54.8 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. To account for the difference between the budgetary basis of accounting and the modified accrual basis, a reconciliation showing the differences in the reported activities is shown at the end of the budgetary statement.

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 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	
	2009	2008	2009	2008	2009	2008
Current and other assets	\$ 45,010,778	\$ 48,835,910	\$ 3,309,348	\$ 1,723,526	\$ 48,320,126	\$ 50,559,436
Capital assets	56,105,893	53,667,742	33,192,870	32,639,777	89,298,763	86,307,519
Total assets	\$ 101,116,671	\$ 102,503,652	\$ 36,502,218	\$ 34,363,303	\$ 137,618,889	\$ 136,866,955
Long-term liabilities outstanding	\$ 25,967,489	\$ 25,679,998	\$ 5,002,596	\$ 5,083,278	\$ 30,970,085	\$ 30,763,276
Other liabilities	6,485,618	6,877,621	602,897	830,267	7,088,515	7,707,888
Total liabilities	\$ 32,453,107	\$ 32,557,619	\$ 5,605,493	\$ 5,913,545	\$ 38,058,600	\$ 38,471,164
Net assets:						
Invested in capital assets, net of related debt	\$ 33,371,208	\$ 41,537,095	\$ 28,137,870	\$ 27,584,776	\$ 61,509,078	\$ 69,121,871
Restricted	12,314,922	12,985,349	603,805	540,697	12,918,727	13,526,046
Unrestricted	22,977,434	15,423,592	2,155,050	324,285	25,132,484	15,747,877
Total net assets	\$ 68,663,564	\$ 69,946,036	\$ 30,896,725	\$ 28,449,758	\$ 99,560,289	\$ 98,395,794

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 \$99,560,289 as of June 30, 2009. The County’s net assets increased by \$1,153,415 for the fiscal year ended June 30, 2009. 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, \$61,509,078 (61.6%), 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 the 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 \$12,918,727 represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$25,132,484 (25.2%) is unrestricted.

Several particular aspects of the County’s financial operations positively influenced the total unrestricted governmental net assets:

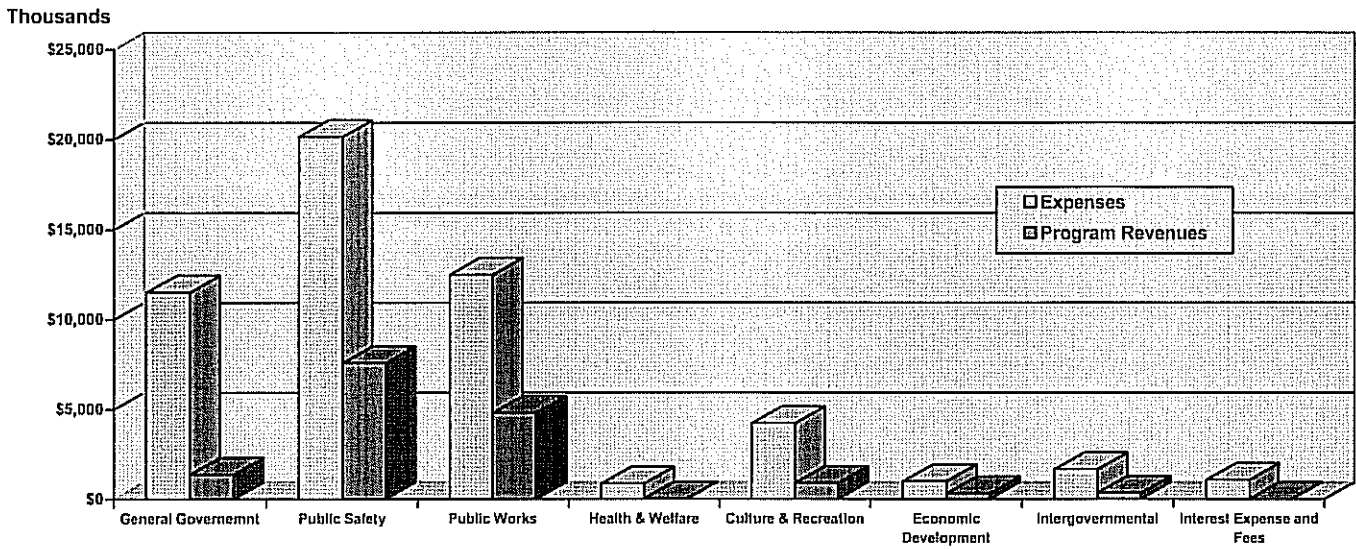
- Continued diligence in the collection of property taxes by maintaining a collection rate of approximately 95%.
- Increased charges for services revenue due to growth in the EMS fees and the County participation in the State of South Carolina set-off debt collection program. This program enables political 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 2009, the County collected approximately \$225,000 for this program and for the three years Pickens County has participated in the program the County has collected \$986,000.

Figure 3

	Governmental Activities		Business-type Activities		Total	Total
	2009	2008	2009	2008	2009	2008
Revenues:						
Program revenues:						
Charges for services	\$ 9,756,627	\$ 12,877,919	\$ 1,424,050	\$ 1,608,183	\$ 11,180,677	\$ 14,486,102
Operating grants and contributions	4,755,930	3,397,315	884	69,971	4,756,814	3,467,286
Capital grants and contributions	631,301	1,923,909	2,088,611	1,170,716	2,719,912	3,094,625
General revenues:						
Property taxes	24,999,998	23,024,523	-	-	24,999,998	23,024,523
Other taxes	6,541,680	6,936,142	-	-	6,541,680	6,936,142
Grants and contributions not restricted to specific programs	6,626,329	6,774,688	-	-	6,626,329	6,774,688
Other	306,911	1,005,332	-	-	306,911	1,005,332
Total revenues	53,618,776	55,939,828	3,513,545	2,848,870	57,132,321	58,788,698
Expenses:						
General government	11,606,490	10,383,406	-	-	11,606,490	10,383,406
Public safety	20,164,030	18,701,286	-	-	20,164,030	18,701,286
Public works	12,499,271	11,342,672	-	-	12,499,271	11,342,672
Health and welfare	1,217,282	329,074	-	-	1,217,282	329,074
Culture and recreation	5,433,793	4,197,104	-	-	5,433,793	4,197,104
Economic development	419,161	128,553	-	-	419,161	128,553
Debt service	934,896	790,628	-	-	934,896	790,628
Intergovernmental	22,701	905,385	-	-	22,701	905,385
Unallocated interest expense and fees	140,600	432,473	-	-	140,600	432,473
Public service commission	-	-	2,273,647	2,025,662	2,273,647	2,025,662
Airport	-	-	880,955	860,893	880,955	860,893
Total expenses	52,438,224	47,210,581	3,154,602	2,886,555	55,592,826	50,097,136
Increase in net assets before transfers	1,180,552	8,729,247	358,943	(37,685)	1,539,495	8,691,562
Transfers	(2,463,024)	(5,173,421)	2,088,024	4,798,421	(375,000)	(375,000)
Increase (decrease) in net assets	(1,282,472)	3,555,826	2,446,967	4,760,736	1,164,495	8,316,562
Net assets, beginning	69,946,036	66,390,210	28,449,758	23,689,022	98,395,794	90,079,232
Net assets, ending	\$ 68,663,564	\$ 69,946,036	\$ 30,896,725	\$ 28,449,758	\$ 99,560,289	\$ 98,395,794

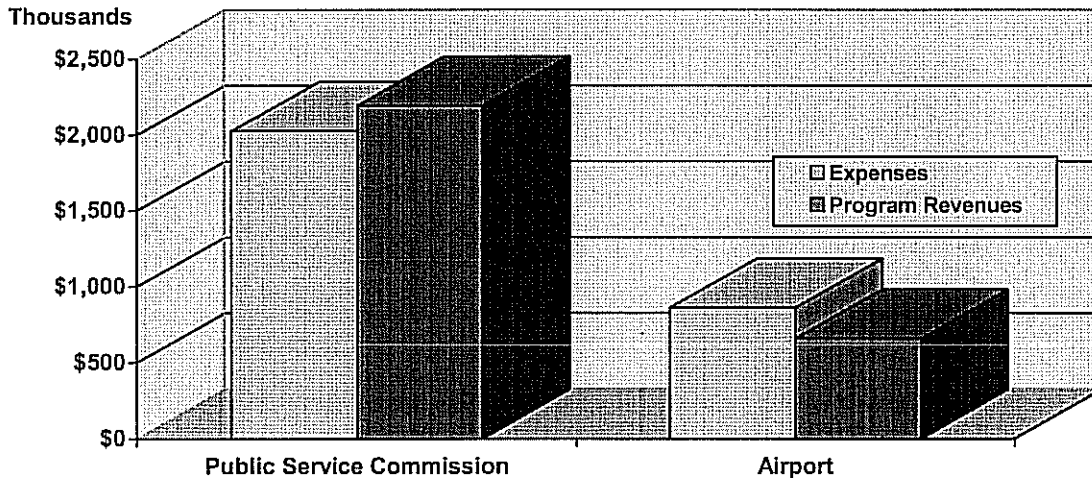
Governmental activities – Governmental activities decreased the County’s net assets by \$1,282,472. Key elements of this decrease are as follows: Two major expenses contributed to this decrease. Council transferred \$1 million dollars to the Airport Fund to construct ten new t-hangars and one box hangar. The other expense was the purchase of land for a satellite office in Easley for Tri-County Technical College.

Expenses and Program Revenues - Governmental Activities



Business-type activities – Business-type activities increased Pickens County’s net assets by \$2,446,967 accounting for a portion of the total growth in the government’s net assets. A key element for this increase in net assets was the building of a new terminal building for the Airport. The County received \$800,000 from the Federal and State government for the construction of the \$1.4 million terminal. Another factor in the increase in the net assets of the Business type activities is the extension of a trunk line at 18 mile creek. The School District of Pickens County contributed \$1 million to the extension. In return, the District tapped into the line for the new Liberty Elementary School.

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, unreserved, undesignated fund balance of the General Fund was \$17,536,323, while total fund balance reached \$24,584,583. This is a decrease of 12.5% and 6.7%, respectively. Several items contributed to this decrease in fund balance: purchase of land for a Tri-County Tech satellite campus in Easley, T-hangars and a Box Hangar for the Airport, and additional funding for road paving. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 48.9% of total General Fund expenditures, while total fund balance represents 68.6% of that same amount.

At June 30, 2009, the governmental funds of Pickens County reported a combined fund balance of \$36,731,774, an 11.6% decrease over last year. The primary reason for this decrease 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 \$2,477,568.

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 \$1,612,247, and those for the airport equaled \$542,803. The total adjustment in net assets for both major funds was \$899,726 and \$1,547,241 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, 2009, totaled \$89,298,763 (net of accumulated depreciation). This is an increase of \$2,991,244 or 3.5%. These assets include buildings, roads and bridges, land, machinery and equipment, park facilities, C.I.P. 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 new pumper trucks for Six Mile, Springs and Central Fire Department
- Built a new fire station for the Crosswell and Springs Fire Station
- Built a new EMS station for the Easley area. This is the second EMS station located in the Easley area
- Purchased land in the Easley area for a satellite college for Tri-County Technical College

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

Figure 3

	Governmental Activities		Business-type Activities		Total	Total
	2009	2008	2009	2008	2009	2008
Land	\$ 3,562,980	\$ 3,562,980	\$ 1,001,358	\$ 1,001,358	\$ 4,564,338	\$ 4,564,338
Buildings	23,192,925	21,031,028	1,930,853	531,981	25,123,778	21,563,009
Improvements and infrastructure	19,805,412	20,315,761	29,693,330	26,296,676	49,498,742	46,612,437
Machinery and equipment	9,399,103	8,558,923	122,188	170,145	9,521,291	8,729,068
Construction in progress	145,473	199,050	445,141	4,639,617	590,614	4,838,667
Total	\$ 56,105,893	\$ 53,667,742	\$ 33,192,870	\$ 32,639,777	\$ 89,298,763	\$ 86,307,519

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, 2009, Pickens County had total bonded debt outstanding of \$15,405,526 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	
	2009	2008
General obligation bonds	\$ 15,405,526	\$ 18,625,492

Pickens County's total long-term debt increased by \$631,048 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 \$21,972,223. The County has \$12,163,299 in bonds and notes authorized at June 30, 2009, which is 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.

Known as *Time Magazine's* 2000 "Public School of the Year," and *U.S. News & World Report's* Top 20 Engineering Schools, Clemson University and its focus on academics and applied research, 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 are 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, 2010

The budget will see a modest increase in revenues and expenses for FY 2010. The total expenditures will be \$56,968,081 compared to \$56,185,795 for FY 2009. Property taxes and intergovernmental revenues are expected to lead the increase in revenue projections by 1.1%. This increase in revenues is in line with the inflation rate for this area of the United States. The County will use these increases in revenues to finance programs currently in place. The largest increment is in personnel services with health insurance increasing at a projected 18.8%. Major capital purchases will be an upgrade of the North Plant for the Public Service Commission and relocation of the taxi lane at the airport.

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, 2009

	<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	\$ 35,479,028	\$ 2,611,963	\$ 38,090,991	\$ 381,090	\$ 38,472,081
Property taxes receivable	2,243,677	-	2,243,677	-	2,243,677
Accounts receivable - other	2,264,209	162,696	2,426,905	49	2,426,954
Due from other governments	3,094,781	505,722	3,600,503	-	3,600,503
Note receivable	41,433	-	41,433	-	41,433
Inventories	213,976	28,967	242,943	-	242,943
Prepaid items	76,592	-	76,592	3,641	80,233
Non-current assets:					
Land held for resale	1,449,523	-	1,449,523	-	1,449,523
Deferred charges - issuance costs	115,259	-	115,259	-	115,259
Deferred charges - refunding	32,300	-	32,300	-	32,300
Capital assets, not being depreciated	3,708,453	1,446,499	5,154,952	-	5,154,952
Capital assets, net of accumulated depreciation	52,397,440	31,746,371	84,143,811	-	84,143,811
Total assets	<u>101,116,671</u>	<u>36,502,218</u>	<u>137,618,889</u>	<u>384,780</u>	<u>138,003,669</u>
Liabilities					
Current liabilities:					
Accounts payable	2,885,157	103,170	2,988,327	5,811	2,994,138
Accrued payroll	1,076,417	21,029	1,097,446	10,239	1,107,685
Internal balances	(320,885)	320,885	-	-	-
Accrued interest payable	189,866	-	189,866	-	189,866
Current portion, long-term debt	2,311,045	78,055	2,389,100	-	2,389,100
Unearned revenue	344,018	79,758	423,776	31,144	454,920
Noncurrent liabilities:					
Landfill closure and postclosure	3,213,284	-	3,213,284	-	3,213,284
Capital leases	1,002,643	-	1,002,643	-	1,002,643
Notes payable	5,714,593	-	5,714,593	-	5,714,593
General obligation bonds	14,000,894	-	14,000,894	-	14,000,894
Revenue bonds	-	4,976,946	4,976,946	-	4,976,946
Accrued compensated absences	1,129,491	25,650	1,155,141	-	1,155,141
Net OPEB obligation	906,584	-	906,584	-	906,584
Total liabilities	<u>32,453,107</u>	<u>5,605,493</u>	<u>38,058,600</u>	<u>47,194</u>	<u>38,105,794</u>
Net assets					
Net assets, capital net of debt	33,371,208	28,137,870	61,509,078	-	61,509,078
Restricted for:					
Capital projects	719,757	-	719,757	-	719,757
Debt service	439,006	-	439,006	-	439,006
Public works	4,602,345	-	4,602,345	-	4,602,345
Public safety	4,302,176	-	4,302,176	-	4,302,176
Cultural and recreation	2,245,892	-	2,245,892	-	2,245,892
Intergovernmental	5,746	-	5,746	-	5,746
Other purposes	-	603,805	603,805	-	603,805
Net assets, unrestricted	22,977,434	2,155,050	25,132,484	337,586	25,470,070
Total net assets	<u>\$ 68,663,564</u>	<u>\$ 30,896,725</u>	<u>\$ 99,560,289</u>	<u>\$ 337,586</u>	<u>\$ 99,897,875</u>

PICKENS COUNTY, SOUTH CAROLINA
Statement of Activities
Year Ended June 30, 2009

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets						
	Expenses	Charges for Services	Operating Grants and Contributions		Primary Government		Component Unit				
			Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total Primary Government	Alliance Pickens	Total Reporting Unit			
Primary government:											
Governmental activities:											
General government	\$ 11,606,490	\$ 1,317,074	\$ 46,065	\$ 13,650	\$ (10,229,701)	\$ -	\$ (10,229,701)	\$ -	\$ (10,229,701)		
Public safety	20,164,030	6,833,279	422,896	327,453	(12,580,402)	-	(12,580,402)	-	(12,580,402)		
Public works	12,499,271	1,189,219	3,544,473	66,353	(7,699,226)	-	(7,699,226)	-	(7,699,226)		
Health and welfare	1,217,282	330	27,155	-	(1,189,797)	-	(1,189,797)	-	(1,189,797)		
Cultural and recreation	5,433,793	416,725	390,909	82,178	(4,543,981)	-	(4,543,981)	-	(4,543,981)		
Economic development	419,161	-	-	126,933	(292,228)	-	(292,228)	-	(292,228)		
Assistance to other agencies	22,701	-	324,432	14,734	316,465	-	316,465	-	316,465		
Unallocated interest expense and fees	140,600	-	-	-	(140,600)	-	(140,600)	-	(140,600)		
Debt service - other	934,896	-	-	-	(934,896)	-	(934,896)	-	(934,896)		
Total governmental activities	\$ 52,438,224	\$ 9,756,627	\$ 4,755,930	\$ 631,301	\$ (37,294,366)	\$ -	\$ (37,294,366)	\$ -	\$ (37,294,366)		
Business-type activities:											
Public Service Commission	2,273,647	949,682	-	1,233,155	-	(90,810)	(90,810)	-	(90,810)		
Airport	880,955	474,368	884	855,456	-	449,753	449,753	-	449,753		
Total business-type activities	3,154,602	1,424,050	884	2,088,611	-	358,943	358,943	-	358,943		
Total primary government	\$ 55,592,826	\$ 11,180,677	\$ 4,756,814	\$ 2,719,912	\$ (37,294,366)	\$ 358,943	\$ (36,935,423)	\$ -	\$ (36,935,423)		
Component units:											
Alliance Pickens	\$ 578,695	\$ -	\$ 192,613	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (386,082)	\$ (386,082)	\$ (386,082)
Total component units	\$ 578,695	\$ -	\$ 192,613	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (386,082)	\$ (386,082)	\$ (386,082)
General revenues:											
Property taxes					24,999,998		24,999,998		24,999,998		
Sales taxes					6,371,307		6,371,307		6,371,307		
Franchise taxes					170,373		170,373		170,373		
Grants and contributions not restricted to specific programs					6,626,329		6,626,329		6,626,329		
Investment earnings					299,313		299,313		299,313		
Loss on sale of capital assets					(323,162)		(323,162)		(323,162)		
Miscellaneous					330,760		330,760		330,760		
Transfers					(2,463,024)	2,088,024	(375,000)	375,000	-		
Total general revenues and transfers					\$ 36,011,894	\$ 2,088,024	\$ 38,099,918	\$ 375,000	\$ 38,474,918		
Change in net assets					(1,282,472)	2,446,967	1,164,495	(11,082)	1,153,413		
Net assets - beginning					69,946,036	28,449,758	98,395,794	348,668	98,744,462		
Net assets - ending					\$ 68,663,564	\$ 30,896,725	\$ 99,560,289	\$ 337,586	\$ 99,897,875		

PICKENS COUNTY, SOUTH CAROLINA

Balance Sheet
Governmental Funds
June 30, 2009

	General Fund	State Road C-Fund	Fire Districts	Other Governmental Funds	Total Governmental Funds
Assets					
Cash and investments	\$ 21,660,722	\$ 4,640,470	\$ 2,657,280	\$ 6,520,556	\$ 35,479,028
Property taxes receivable	1,175,000	-	657,263	411,414	2,243,677
Accounts receivable - EMS	1,993,669	-	-	-	1,993,669
Accounts receivable - other	201,307	13,338	2,060	53,835	270,540
Due from other governments	2,399,608	127,715	45,870	521,588	3,094,781
Notes receivable	41,433	-	-	-	41,433
Advances to other funds	1,633,605	-	-	-	1,633,605
Inventories	213,976	-	-	-	213,976
Prepaid items	75,641	-	787	164	76,592
Land held for resale	1,449,523	-	-	-	1,449,523
Total assets	<u>\$ 30,844,484</u>	<u>\$ 4,781,523</u>	<u>\$ 3,363,260</u>	<u>\$ 7,507,557</u>	<u>\$ 46,496,824</u>
Liabilities and fund balances					
Liabilities:					
Accounts payable	\$ 2,169,798	\$ 346,909	\$ 73,341	\$ 295,109	\$ 2,885,157
Accrued payroll	946,689	-	28,633	101,095	1,076,417
Advances from general fund	-	-	1,312,720	-	1,312,720
Unearned revenue	3,143,414	-	621,040	726,302	4,490,756
Total liabilities	<u>6,259,901</u>	<u>346,909</u>	<u>2,035,734</u>	<u>1,122,506</u>	<u>9,765,050</u>
Fund balances:					
Reserved for:					
Encumbrances	341,096	234,731	12,150	311,852	899,829
Advances to other funds	1,633,605	-	-	-	1,633,605
Inventories	213,975	-	-	-	213,975
Prepaid items	75,641	-	-	-	75,641
Land held for resale	1,449,523	-	-	-	1,449,523
Debt service fund	-	-	-	541,633	541,633
Unreserved, designated for, reported in:					
General fund, future expenditures	1,164,685	-	-	-	1,164,685
General fund, capital improvements	2,169,735	-	-	-	2,169,735
Designated for future expenditures	-	-	4,455	172,653	177,108
Unreserved, undesignated reported in:					
General fund	17,536,323	-	-	-	17,536,323
Special revenue funds	-	4,199,883	1,310,921	5,017,135	10,527,939
Debt service funds	-	-	-	(102,627)	(102,627)
Capital projects funds	-	-	-	444,405	444,405
Total fund balances	<u>24,584,583</u>	<u>4,434,614</u>	<u>1,327,526</u>	<u>6,385,051</u>	<u>36,731,774</u>
Total liabilities and fund balances	<u>\$ 30,844,484</u>	<u>\$ 4,781,523</u>	<u>\$ 3,363,260</u>	<u>\$ 7,507,557</u>	<u>\$ 46,496,824</u>

PICKENS COUNTY, SOUTH CAROLINA
Reconciliation of the Balance Sheet of Governmental Funds to the
Statement of Net Assets
June 30, 2009

Total Governmental Fund Balances	\$ 36,731,774
 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.	56,105,893
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:	
Deferred charges - issuance cost	115,259
Deferred charges - refunding	32,300
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.	4,146,738
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:	
Landfill closure and postclosure	(3,327,784)
Capital leases	(1,258,102)
Notes payable	(6,071,047)
General obligation bonds	(15,405,526)
Accrued compensated absences	(1,309,491)
Net OPEB obligation	(906,584)
Accrued interest payable	(189,866)
Net Assets of Governmental Activities	<u><u>\$ 68,663,564</u></u>

PICKENS COUNTY, SOUTH CAROLINA

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2009

	<u>General</u> <u>Fund</u>	<u>State Road</u> <u>C-Fund</u>	<u>Fire</u> <u>Districts</u>	<u>Other</u> <u>Governmental</u> <u>Funds</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
Revenues					
Taxes	\$ 22,737,221	\$ -	\$ 1,086,356	\$ 6,084,332	\$ 29,907,909
Intergovernmental	6,784,297	1,423,574	171,088	1,730,536	10,109,495
Fees, licenses and permits	467,256	-	2,209,779	2,630,131	5,307,166
Charges for services	5,696,328	-	-	190,535	5,886,863
Fines and forfeitures	634,347	-	-	197,708	832,055
Investment income	300,064	117,734	11,027	22,674	451,499
Rental income	22,103	-	-	-	22,103
Contributions	2,014	-	-	19,706	21,720
Miscellaneous	1,517,619	-	5,022	262	1,522,903
Total revenues	\$ 38,161,249	\$ 1,541,308	\$ 3,483,272	\$ 10,875,884	\$ 54,061,713
Expenditures					
Current:					
General government	\$ 10,140,899	\$ -	\$ -	\$ 166,619	\$ 10,307,518
Public safety	15,324,823	-	2,749,331	1,048,636	19,122,790
Public works	5,965,277	3,068,297	-	2,843,694	11,877,268
Health and welfare	820,267	-	-	3,406	823,673
Culture and recreation	557,188	-	-	3,381,620	3,938,808
Economic development and assistance	-	-	-	397,421	397,421
Other	452,016	-	-	-	452,016
Intergovernmental	140,600	-	-	1,185,375	1,325,975
Capital outlay	2,439,830	5,517	3,511,187	1,128,978	7,085,512
Debt service:					
Principal retirement	-	-	243,016	1,892,529	2,135,545
Interest and fiscal charges	-	-	38,341	864,531	902,872
Total expenditures	\$ 35,840,900	\$ 3,073,814	\$ 6,541,875	\$ 12,912,809	\$ 58,369,398
Excess (deficiency) of revenues over (under) expenditures	2,320,349	(1,532,506)	(3,058,603)	(2,036,925)	(4,307,685)
Other financing sources (uses)					
Proceeds from bond issuance	\$ -	\$ -	\$ 1,800,000	\$ -	\$ 1,800,000
Proceeds from bond issuance	293,510	-	197,000	-	490,510
Transfers in (out)	(4,367,271)	-	-	1,904,247	(2,463,024)
Total other financing sources (uses)	\$ (4,073,761)	\$ -	\$ 1,997,000	\$ 1,904,247	\$ (172,514)
Net change in fund balances	(1,753,412)	(1,532,506)	(1,061,603)	(132,678)	(4,480,199)
Fund balance - beginning	26,337,995	5,967,120	2,389,129	6,517,729	41,211,973
Fund balance - ending	\$ 24,584,583	\$ 4,434,614	\$ 1,327,526	\$ 6,385,051	\$ 36,731,774

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, 2009**

Net Change in Fund Balances - Total Governmental Funds **\$ (4,480,199)**

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 \$7,085,512 exceeded depreciation expense of \$3,137,290 in the current period.	3,948,222
Proceeds from sales of assets not recorded as revenue in the statement of activities	(1,186,909)
Loss from sale of assets that are not recorded in governmental activities	(323,162)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:	
Property taxes	377,354
Unearned revenues	689,781
Proceeds from debt issues are an other financing source in the fund, but a debt issue increases long-term liabilities in the statement of net assets.	(2,290,510)
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	2,135,545
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	(27,691)
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	576,962
Compensated absences	209,052
Change in net OPEB obligation	(906,584)
Amortization expense	(4,333)
Change in net assets of governmental activities	<u><u>\$ (1,282,472)</u></u>

PICKENS COUNTY, SOUTH CAROLINA

Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - General Fund
Year Ended June 30, 2009

	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
Revenues				
Taxes	\$ 22,510,898	\$ 22,510,898	\$ 22,737,221	\$ 226,323
Intergovernmental	7,098,827	7,137,986	6,784,297	(353,689)
Fees, licenses and permits	644,600	644,600	467,256	(177,344)
Charges for services	5,862,044	5,861,744	5,696,328	(165,416)
Fines and forfeitures	650,000	650,000	634,347	(15,653)
Investment income	620,752	620,752	300,064	(320,688)
Rental income	19,200	19,200	22,103	2,903
Contributions	3,000	3,300	2,014	(1,286)
Miscellaneous	74,000	1,194,910	1,517,619	322,709
Total revenues	\$ 37,483,321	\$ 38,643,390	\$ 38,161,249	\$ (482,141)
Expenditures				
Current:				
General government	\$ 10,688,666	\$ 10,884,293	\$ 10,140,899	\$ 743,394
Public safety	15,960,163	16,041,093	15,324,823	716,270
Public works	6,231,178	6,480,810	5,965,277	515,533
Health and welfare	843,986	857,013	820,267	36,746
Culture and recreation	553,527	573,898	557,188	16,710
Economic development and assistance	625,000	625,000	-	625,000
Other	456,337	456,337	452,016	4,321
Intergovernmental	318,775	322,945	140,600	182,345
Capital outlay	1,361,723	3,275,534	2,439,830	835,704
Total expenditures	\$ 37,039,355	\$ 39,516,923	\$ 35,840,900	\$ 3,676,023
Excess (deficiency) of revenues over (under) expenditures	443,966	(873,533)	2,320,349	3,193,882
Other financing sources (used)				
Proceeds from bond issuance	\$ -	\$ -	\$ 293,510	\$ 293,510
Transfers in (out)	(2,330,363)	(3,080,363)	(4,367,271)	(1,286,908)
Total other financing uses	\$ (2,330,363)	\$ (3,080,363)	\$ (4,073,761)	\$ (993,398)
Net change in fund balances	\$ (1,886,397)	\$ (3,953,896)	(1,753,412)	\$ 2,200,484
Fund balance - beginning			26,337,995	
Fund balance - ending			\$ 24,584,583	

PICKENS COUNTY, SOUTH CAROLINA

Statement of Net Assets
Proprietary Funds
June 30, 2009

	Enterprise Funds		
	Public Service Commission	Airport	Total
Assets			
Current assets:			
Cash	\$ 2,463,157	\$ 148,806	\$ 2,611,963
Accounts receivable - other	149,093	13,603	162,696
Due from other governments	-	505,722	505,722
Inventories	-	28,967	28,967
Total current assets	<u>2,612,250</u>	<u>697,098</u>	<u>3,309,348</u>
Capital assets:			
Land	336,166	665,193	1,001,359
Construction in process	196,116	249,024	445,140
Capacity	5,938,636	-	5,938,636
Buildings	372,442	1,961,114	2,333,556
Improvements other than buildings	27,406,458	4,120,741	31,527,199
Machinery and equipment	383,423	159,395	542,818
Less accumulated depreciation	(6,180,443)	(2,415,395)	(8,595,838)
Total noncurrent assets	<u>28,452,798</u>	<u>4,740,072</u>	<u>33,192,870</u>
Total assets	<u>\$ 31,065,048</u>	<u>\$ 5,437,170</u>	<u>\$ 36,502,218</u>
Liabilities			
Current liabilities:			
Accounts payable	\$ 51,548	\$ 51,622	\$ 103,170
Accrued payroll	16,908	4,121	21,029
Advances from general fund	225,000	95,885	320,885
Unearned revenue	79,758	-	79,758
Current portion of long-term debt	78,055	-	78,055
Total current liabilities	<u>451,269</u>	<u>151,628</u>	<u>602,897</u>
Long-term Liabilities:			
Revenue bonds	4,976,946	-	4,976,946
Accrued compensated absences	22,983	2,667	25,650
Total noncurrent liabilities	<u>4,999,929</u>	<u>2,667</u>	<u>5,002,596</u>
Total liabilities	<u>\$ 5,451,198</u>	<u>\$ 154,295</u>	<u>\$ 5,605,493</u>
Net assets			
Invested in capital assets, net of related debt	\$ 23,397,798	\$ 4,740,072	\$ 28,137,870
Restricted for USDA	603,805	-	603,805
Unrestricted	1,612,247	542,803	2,155,050
Total net assets	<u>\$ 25,613,850</u>	<u>\$ 5,282,875</u>	<u>\$ 30,896,725</u>

PICKENS COUNTY, SOUTH CAROLINA

Statement of Revenues, Expenses and Changes in Fund Net Assets

Proprietary Funds

Year Ended June 30, 2009

	Enterprise Funds		
	Public Service Commission	Airport	Total
Operating revenues			
Charges for services	\$ 949,682	\$ 474,368	\$ 1,424,050
Total operating revenues	<u>949,682</u>	<u>474,368</u>	<u>1,424,050</u>
Operating expenses			
Salaries and benefits	410,063	104,134	514,197
Depreciation	889,971	306,682	1,196,653
Other expenses	731,596	470,139	1,201,735
Total operating expenses	<u>2,031,630</u>	<u>880,955</u>	<u>2,912,585</u>
Operating loss	<u>(1,081,948)</u>	<u>(406,587)</u>	<u>(1,488,535)</u>
Nonoperating expense			
Interest and fiscal charges	(242,017)	-	(242,017)
Total nonoperating expense	<u>(242,017)</u>	<u>-</u>	<u>(242,017)</u>
Loss before transfers, contributions special items, and extraordinary items	(1,323,965)	(406,587)	(1,730,552)
Transfers in	990,536	1,097,488	2,088,024
Capital contributions	1,233,155	856,340	2,089,495
Change in net assets	<u>899,726</u>	<u>1,547,241</u>	<u>2,446,967</u>
Total net assets - beginning	<u>24,714,124</u>	<u>3,735,634</u>	<u>28,449,758</u>
Total net assets - ending	<u>\$ 25,613,850</u>	<u>\$ 5,282,875</u>	<u>\$ 30,896,725</u>

PICKENS COUNTY, SOUTH CAROLINA

Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2009

	Enterprise Funds		
	Public		
	Service	Airport	Total
	Commission		
Operating activities			
Receipts from customers and users	\$ 1,173,573	\$ 18,322	\$ 1,191,895
Payments to suppliers	(1,154,234)	(473,801)	(1,628,035)
Payments to employees	(410,453)	(102,377)	(512,830)
Net cash used in operating activities	<u>(391,114)</u>	<u>(557,856)</u>	<u>(948,970)</u>
Noncapital financing activities			
Transfers from other funds	990,536	1,097,488	2,088,024
Net cash provided by noncapital financing activities	<u>990,536</u>	<u>1,097,488</u>	<u>2,088,024</u>
Capital and related financing activities			
Capital contributions	1,233,155	856,340	2,089,495
Capital transfers from other funds	225,000	(32,400)	192,600
Acquisition and construction of capital assets	(339,460)	(1,410,285)	(1,749,745)
Principal paid on capital debt	(94,320)	-	(94,320)
Interest paid on capital debt	(242,017)	-	(242,017)
Net cash provided (used) by capital and related financing activities	<u>782,358</u>	<u>(586,345)</u>	<u>196,013</u>
Net increase (decrease) in cash and cash equivalents/investments	<u>1,381,780</u>	<u>(46,713)</u>	<u>1,335,067</u>
Cash and cash equivalents/investments			
Beginning of year	<u>1,081,377</u>	<u>195,519</u>	<u>1,276,896</u>
End of year	<u>\$ 2,463,157</u>	<u>\$ 148,806</u>	<u>\$ 2,611,963</u>
Reconciliation of operating loss to net cash used in operating activities			
Operating loss	\$ (1,081,948)	\$ (406,587)	\$ (1,488,535)
Adjustments to reconcile operating loss to net cash used in operating activities:			
Depreciation	889,971	306,682	1,196,653
Change in assets and liabilities			
(Increase) decrease in accounts receivable - other and due from other governments	184,933	(456,046)	(271,113)
Decrease in inventories	-	19,443	19,443
(Increase) decrease in prepaid expenses	302	612	914
Decrease in accounts payable and accrued expenses	(423,330)	(21,960)	(445,290)
Increase in unearned revenue	38,958	-	38,958
Total adjustments	<u>690,834</u>	<u>(151,269)</u>	<u>539,565</u>
Net cash used in operating activities	<u>\$ (391,114)</u>	<u>\$ (557,856)</u>	<u>\$ (948,970)</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, 2009**

	Total Agency Funds
Assets	
Cash	\$ 26,603,878
Property taxes receivable	4,435,851
Total assets	\$ <u>31,039,729</u>
Liabilities	
Accounts payable	\$ 72,185
Due to others	30,967,544
Total liabilities	\$ <u>31,039,729</u>

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

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 Court, 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), 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 unaudited 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, 2009

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 interfund activity, except any interfund services provided and used, has been removed from these statements. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange 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:

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, 2009

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.

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

Proprietary fund reporting focus is on the determination of operating income, changes in net assets, financial position and cash flow. Proprietary funds are classified either as enterprise or 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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

Note 1 – Summary of Significant Accounting Policies – Continued

Measurement Focus and Basis of Accounting – continued

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 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, 2009

Note 1 – Summary of Significant Accounting Policies – Continued

Measurement Focus and Basis of Accounting – continued

As permitted under 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 statement of cash flows, 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 interfund loans) or “advances to/from other funds” (i.e. the non-current portion of interfund 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.

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

Note 1 – Summary of Significant Accounting Policies – Continued

Assets, Liabilities and Equity - continued

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

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

Due from Other Governments

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

Note Receivable

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

In the governmental funds statements, inventories and prepaid items are equally offset by a fund balance reserve, which indicates that they do not constitute “available spendable resources” even though they are a component of net current assets.

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.

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

Note 1 – Summary of Significant Accounting Policies – Continued

Assets, Liabilities and Equity - continued

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

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

Long-term Obligations

In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net 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 recognized 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. There are no current costs remaining to be recognized. The landfill capacity used to date equals 100%. 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.

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

Note 1 – Summary of Significant Accounting Policies – Continued

Assets, Liabilities and Equity - continued

Net Assets and Fund Balances

In the government-wide financial statements, equity is classified as net assets and displayed in three components:

- a) Invested in capital assets, net of related debt – consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b) Restricted net assets – consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c) Unrestricted net assets – all other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

In the fund financial statements, reservations of fund balances represent amounts that are not appropriable or are legally segregated for a specific purpose. Reservations of net assets are limited to outside third-party restrictions. Designations of fund balances represent tentative management plans that are subject to change.

New Pronouncements

In June 2004, the Governmental Accounting Standards Board (“GASB”) issued Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. In addition to pensions, many state and local governmental employers provide other postemployment benefits (“OPEB”) as part of the total compensation offered to attract and retain the services of qualified employees. OPEB includes postemployment healthcare, as well as other forms of postemployment benefits (for example, life insurance) when provided separately from a pension plan. This Statement establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets), note disclosures, and, if applicable, required supplementary information (“RSI”) in the financial reports of state and local governmental employers. Pickens County is a phase 2 government, so this Statement was implemented prospectively for the fiscal year ending June 30, 2009.

GASB has issued Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations* which provides guidance on how to calculate and report the costs and obligations associated with pollution cleanup efforts. The requirements of the this new Statement became effective for fiscal periods beginning after December 15, 2007. This Statement is not expected to have any impact on the County.

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

Note 1 – Summary of Significant Accounting Policies – Continued

New Pronouncements - continued

GASB has issued Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*. This Statement establishes accounting and financial reporting requirements for intangible assets including easements, water rights, timber rights, patents, trademarks, and computer software. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2009. The impact of this Statement on the County has not yet been determined.

GASB has issued Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments*. This Statement requires endowments to report their land and other real estate investments at fair value. The requirements of this new Statement become effective for fiscal periods beginning after June 15, 2008. This Statement is not expected to have any impact on the County.

GASB has issued Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*. This Statement establishes accounting and financial reporting requirements for derivative instruments entered into by state and local governments. The requirements of this new Statement are effective for financial statements for periods beginning after June 15, 2009. This Statement is not expected to have any impact on the County.

Risk Management

The County is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, job related illnesses and accidents. The County pays premiums to a public entity risk pool for workman's compensation insurance and for property and casualty coverage. The public entity risk pool promises to pay to or on behalf of the insured for covered economic losses sustained during policy period in accordance with insurance policy and benefit program limits. Management believes such coverage is sufficient to preclude any significant uninsured losses for the covered risks. There has been no significant reduction in coverage and amounts of settlements have not exceeded coverage in any of the last three years. The County continues to carry insurance for employee health and dental care under various plans.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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, 2009

Note 2 – Stewardship, Compliance and Accountability

Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general fund, 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, 2009, two Special Revenue Funds, Liberty and the Vineyards Fire Districts, have a fund deficit of \$217,923 and \$8,226, respectively.

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 affect transfers between departments by resolution; 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. At June 30, 2009, the governmental funds have reserve for encumbrances totaling \$899,829.

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.

The County places its cash and cash equivalents on deposit with a financial institution in the United States. In October and November 2008, the Federal Deposit Insurance Corporation (FDIC) temporarily increased coverage to \$250,000 for substantially all depository accounts and temporarily provides unlimited coverage for certain qualifying and participating non-interest bearing transaction accounts. The increased coverage is scheduled to expire on December 31, 2013, at which time it is anticipated amounts insured by the FDIC will return to \$100,000.

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

Note 3 – Deposits and Investments – Continued

The County's deposits had a carrying value of \$65,075,959 and the bank balance was \$63,904,283 of which \$1,810,622 was covered by FDIC insurance and \$61,623,349 was collateralized by securities held by the pledging bank's trust department or agent in the County's name. However, \$470,312 of the County's deposits was in excess of federal and state depository insurance limits and was uncollateralized.

Deposits for the Alliance

At June 30, 2009, the Alliance's deposits had a carrying value of \$381,090 and a bank balance of \$381,090. Of this bank balance, \$250,000 was covered by FDIC insurance and \$131,909 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	\$ 38,472,081
Agency fund cash (not included in government-wide statement)	\$ 26,603,878
	<u>\$ 65,075,959</u>

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 assessed annually on the first day of the month the vehicles are registered) on the assessed value as of the prior December 31 for all real and personal property located in the County. Assessed values are established by the County Assessor and the South Carolina Department of Revenue at various rates ranging from 4 to 10.5% of the estimated market value. The assessed value as of June 30, 2009 was \$420,697,356. The estimated market value was \$7,423,479,505 making the assessed value approximately 5.7 % of the estimated market value.

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

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, 2009 was \$6.91 per \$100 of assessed value.

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

Property taxes receivable and allowances for doubtful accounts at June 30, 2009 are summarized as follows:

	General Fund	Special Revenue Funds	Debt Service Funds	Agency Funds
Gross taxes receivable	\$ 1,398,810	\$ 1,045,493	\$ 189,985	\$ 5,280,776
Allowance for doubtful accounts	(223,810)	(139,018)	(27,783)	(844,925)
	<u>\$ 1,175,000</u>	<u>\$ 906,475</u>	<u>\$ 162,202</u>	<u>\$ 4,435,851</u>

Note 5 – Accounts Receivable

Accounts receivable at June 30, 2009 are summarized as follows:

	General Fund	Other Governmental Funds	Enterprise Funds
EMS fees	\$ 5,696,196	\$ -	\$ -
Less allowance for doubtful accounts	(3,702,527)	-	-
	<u>1,993,669</u>	<u>-</u>	<u>-</u>
Interest	62,314	2,193	-
Landfill	28,396	-	-
Sewer fees	-	-	149,093
Other	110,597	67,040	13,603
	<u>201,307</u>	<u>69,233</u>	<u>162,696</u>
	<u>\$ 2,194,976</u>	<u>\$ 69,233</u>	<u>\$ 162,696</u>

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

Note 6 – Capital Assets

Capital asset activity for the year ended June 30, 2009 was as follows:

	Balance July 1, 2008	Additions	Deletions	Balance June 30, 2009
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 3,562,980	\$ 1,500,503	\$ (1,500,503)	\$ 3,562,980
Construction in progress	199,050	121,642	(175,219)	145,473
Total capital assets not being depreciated:	<u>3,762,030</u>	<u>1,622,145</u>	<u>(1,675,722)</u>	<u>3,708,453</u>
Capital assets being depreciated:				
Buildings	29,432,054	2,923,682	-	32,355,736
Improvements and infrastructure	27,670,489	234,537	-	27,905,026
Machinery and equipment	21,704,043	2,480,366	(215,306)	23,969,103
Total capital assets being depreciated	<u>78,806,586</u>	<u>5,638,585</u>	<u>(215,306)</u>	<u>84,229,865</u>
Less accumulated depreciation:				
Buildings	(8,401,026)	(761,787)	-	(9,162,813)
Improvements and infrastructure	(7,354,728)	(744,886)	-	(8,099,614)
Machinery and equipment	(13,145,120)	(1,630,617)	205,739	(14,569,998)
Total accumulated depreciation	<u>(28,900,874)</u>	<u>(3,137,290)</u>	<u>205,739</u>	<u>(31,832,425)</u>
Total capital assets being depreciated, net	49,905,712	2,501,295	(9,567)	52,397,440
Governmental activities capital assets, net	<u>\$ 53,667,742</u>	<u>\$ 4,123,440</u>	<u>\$ (1,685,289)</u>	<u>\$ 56,105,893</u>
	Balance July 1, 2008	Additions	Deletions	Balance June 30, 2009
Business-type Activities:				
Capital assets not being depreciated:				
Land	\$ 1,001,358	\$ -	\$ -	\$ 1,001,358
Construction in progress	4,639,617	445,028	(4,639,504)	445,141
Total capital assets not being depreciated:	<u>5,640,975</u>	<u>445,028</u>	<u>(4,639,504)</u>	<u>1,446,499</u>
Capital assets being depreciated:				
Capacity	5,938,636	-	-	5,938,636
Buildings	912,353	1,421,201	-	2,333,554
Improvements and infrastructure	27,004,178	4,523,021	-	31,527,199
Machinery and equipment	542,818	-	-	542,818
Total capital assets being depreciated	<u>34,397,985</u>	<u>5,944,222</u>	<u>-</u>	<u>40,342,207</u>
Less accumulated depreciation:				
Buildings	(380,372)	(22,330)	-	(402,702)
Capacity	(482,514)	(148,466)	-	(630,980)
Improvements and infrastructure	(6,163,624)	(977,900)	-	(7,141,524)
Machinery and equipment	(372,673)	(47,957)	-	(420,630)
Total accumulated depreciation	<u>(7,399,183)</u>	<u>(1,196,653)</u>	<u>-</u>	<u>(8,595,836)</u>
Total capital assets being depreciated, net	26,998,802	4,747,569	-	31,746,371
Business-type activities capital assets, net	<u>\$ 32,639,777</u>	<u>\$ 5,192,597</u>	<u>\$ (4,639,504)</u>	<u>\$ 33,192,870</u>

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

Note 6 – Capital Assets – Continued

Depreciation expense was charged to governmental activities as follows:

General Government	\$	379,545
Public Safety		1,137,765
Public Works		1,223,007
Health and Welfare		63,733
Cultural and Recreation		308,930
Economic Development		24,310
Total	\$	<u>3,137,290</u>

Construction in progress in the Governmental Activities as of June 30, 2009 represents costs incurred to date on the Department of Social Services building expansion, Museum building restoration, Golden Creek Road and construction of a walking track. Construction in progress in the Business-type Activities as of June 30, 2009 represents costs of construction for the 18 Mile Middle Trunk Extension, the Central North Wastewater Treatment Facilities upgrade and airport hangers.

Public works expenses include an impairment loss of \$324,882 on a lagoon. The lagoon was required to be closed as a result of an inspection by the South Carolina Department of Health and Environmental Control.

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	\$ 14,353,470	\$ 2,290,510	\$ 1,238,454	\$ 15,405,526	\$ 1,404,632
Capital leases	1,812,503	-	554,401	1,258,102	255,459
Notes payable	6,413,737	-	342,690	6,071,047	356,454
Compensated absences	1,518,543	84,171	293,223	1,309,491	180,000
Landfill closure and postclosure	3,904,746	-	576,962	3,327,784	114,500
Total	<u>\$ 28,002,999</u>	<u>\$ 2,374,681</u>	<u>\$ 3,005,730</u>	<u>\$ 27,371,950</u>	<u>\$ 2,311,045</u>

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

Note 7 – Long-term Debt – Continued

Governmental Activities Debt - continued

General obligation (general purpose) bonds payable at June 30, 2009 are comprised of the following individual issues:

\$4,100,000 1995 general obligation bond used for the construction of the Pickens County Courthouse; due in annual installments of \$125,000 to \$475,000 through March 1, 2011; interest at 4.25% to 6.25%	\$ 925,000
\$3,690,000 2002 general obligation refunding bond used to refund the 1990 and 1992 general obligation bonds; due in annual installments of \$320,000 to \$390,000 through March 1, 2013; interest at 2.30% to 4.30%	1,460,000
\$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%	5,695,000
\$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%	828,000
\$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%	970,137
\$2,849,635 2008 general obligation bond used for the Roper Upgrade project; due in quarterly installments of principal and interest of \$49,680 through August 1, 2028; interest at 3.5%	3,020,389
\$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%	190,000
\$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%	1,800,000
\$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%	517,000
	15,405,526
Less current portion	1,404,632
Long-term portion outstanding	\$ 14,000,894

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

Note 7 – Long-term Debt – Continued

Governmental Activities Debt – continued

Annual requirements to amortize all general obligation bonds outstanding as of June 30, 2009 are as follows:

Year Ending June 30	Principal	Interest	Totals
2010	\$ 1,404,632	\$ 559,868	\$ 1,964,500
2011	1,468,123	509,081	1,977,204
2012	1,561,947	451,114	2,013,061
2013	1,628,117	393,003	2,021,120
2014	1,702,539	331,986	2,034,525
2015 to 2019	4,803,505	883,971	5,687,476
2020 to 2024	1,798,356	356,363	2,154,719
2025 to 2029	1,038,307	75,975	1,114,282
	<u>\$ 15,405,526</u>	<u>\$ 3,561,361</u>	<u>\$ 18,966,887</u>

Capital leases payable at June 30, 2009 are comprised of the following individual leases:

\$284,300 capital lease to BB&T 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	\$ 182,506
\$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	68,668
\$819,636 capital lease to BB&T 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	364,794
\$222,725 capital lease to Bank of America 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	164,814
\$350,000 capital lease to Bank of America used for the purchase of the PSAP System; payable in annual installments of principal and interest of \$78,366 through March 2011 at 3.86%; collateralized by equipment	148,049
\$360,000 capital lease to RBC Centura 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	329,271
	<u>1,258,102</u>
	<u>255,459</u>
Less current portion	
Long-term portion outstanding	<u>\$ 1,002,643</u>

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

Note 7 – Long-term Debt – Continued

Governmental Activities Debt – continued

Annual requirements to amortize all capital leases outstanding as of June 20, 2009 are as follows:

Year Ending June 30	Principal	Interest	Totals
2010	\$ 255,459	\$ 46,785	\$ 302,244
2011	265,102	37,142	302,244
2012	196,743	27,135	223,878
2013	204,085	19,794	223,879
2014	92,876	12,178	105,054
2015 to 2019	243,837	18,342	262,179
	<u>\$ 1,258,102</u>	<u>\$ 161,376</u>	<u>\$ 1,419,478</u>

As of June 30, 2009, the County had assets under capital leases with a total cost of \$3,480,043.

Notes payable at June 30, 2009 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%	\$ 1,987,748
\$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%	2,580,580
\$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>1,502,719</u>
	<u>6,071,047</u>
Less current portion	356,454
Long-term portion outstanding	<u>\$ 5,714,593</u>

Annual requirements to amortize all notes payable outstanding as of June 30, 2009 are as follows:

Year Ending June 30	Principal	Interest	Totals
2010	\$ 356,454	\$ 233,210	\$ 589,664
2011	370,771	218,893	589,664
2012	385,663	204,001	589,664
2013	401,154	188,510	589,664
2014	417,267	172,397	589,664
2015 to 2019	2,351,640	596,680	2,948,320
2020 to 2024	1,628,675	192,254	1,820,929
2025 to 2029	159,423	2,157	161,580
	<u>\$ 6,071,047</u>	<u>\$ 1,808,102</u>	<u>\$ 7,879,149</u>

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

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, 2008	Additions	Retirements	Balance June 30, 2009	Due Within One Year
Notes payable	\$ 20,833	\$ -	\$ 20,833	\$ -	\$ -
Revenue bonds	5,128,488	-	73,487	5,055,001	77,055
Compensated absences	29,277	1,547	5,174	25,650	1,000
Total	<u>\$ 5,178,598</u>	<u>\$ 1,547</u>	<u>\$ 99,494</u>	<u>\$ 5,080,651</u>	<u>\$ 78,055</u>

Revenue bonds payable recorded in the Public Service Commission Enterprise Fund at June 30, 2009 are comprised of the following individual issues:

\$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%	\$ 1,796,634
\$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%	<u>3,258,367</u>
	<u>5,055,001</u>
Less current portion	<u>77,055</u>
Long-term portion outstanding	<u>\$ 4,977,946</u>

Annual requirements to amortize all revenue bonds outstanding as of June 30, 2009 are as follows:

Year Ending June 30	Principal	Interest	Totals
2010	\$ 77,055	\$ 238,449	\$ 315,504
2011	80,796	234,705	315,501
2012	84,718	230,786	315,504
2013	88,831	226,673	315,504
2014	93,143	222,361	315,504
2015 to 2019	538,099	1,039,421	1,577,520
2020 to 2024	682,031	895,490	1,577,521
2025 to 2029	864,461	713,060	1,577,521
2030 to 2034	1,095,686	481,834	1,577,520
2035 to 2039	1,388,761	188,759	1,577,520
2040	61,420	420	61,840
	<u>\$ 5,055,001</u>	<u>\$ 4,471,958</u>	<u>\$ 9,526,959</u>

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

Note 7 – Long-term Debt – Continued

Business-type Activities Debt – continued

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, 2009 the Public Service Commission was in compliance with the following reserve requirements:

Reserved for debt services	\$	301,903
Reserved for depreciation funding		150,951
Reserved for contingency fund		150,951
Total	\$	<u>603,805</u>

Note 8 – Interfund Receivables, Payables and Transfers

Interfund Receivables and Payables

	<u>Advance Receivable</u>	<u>Advance Payable</u>
Major Governmental Fund:	\$	\$
General Fund	1,633,605	-
Nonmajor Governmental Funds	-	1,312,720
Major Enterprise Funds:		
Public Service Commission Fund	-	225,000
Airport	-	95,885
	<u>\$ 1,633,605</u>	<u>\$ 1,633,605</u>

Long-term advances from the General Fund to other funds are commonly made without specific repayment terms to finance capital expenditures. A reservation of fund balance is maintained in the General Fund for these advances as shown on the balance sheet-governmental funds.

Transfers

	<u>Transfers In</u>	<u>Transfers Out</u>
Major Governmental Fund:		
General Fund	\$ -	\$ 4,367,271
Nonmajor Governmental Funds	1,904,247	-
Major Enterprise Funds:		
Public Service Commission Fund	990,536	-
Airport	1,097,488	-
Discretely presented component unit:		
Alliance Pickens	375,000	-
	<u>\$ 4,367,271</u>	<u>\$ 4,367,271</u>

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

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

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 10.65% 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.

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
2009	\$ 1,286,804	9.39%	\$ 626,255	11.05%
2008	1,255,362	9.39%	567,900	11.05%
2007	1,110,709	8.20%	532,614	10.70%

Year Ended June 30,	Employee			
	SCRS	Percent of Covered Payroll	PORS	Percent of Covered Payroll
2009	\$ 878,130	6.50%	\$ 368,387	6.50%
2008	868,832	6.50%	344,986	6.50%
2007	858,655	6.50%	323,552	6.50%

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

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

Note 10 – Post Employment Health Care and Life Insurance Benefits

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 29 employees retired and under the age of 65 that were receiving insurance benefits. For the year ended June 30, 2009, the County incurred net expenditures for the plan of approximately \$159,114 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.

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	-	\$40.52	\$73.45	-
Employee + Spouse	\$649.32	\$697.23	\$772.98	\$51.15
Employee + Child(ren)	\$358.72	\$394.13	\$450.11	\$62.30

Plan Descriptions

Pickens County post employment 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

The required contribution is based on pay-as-you-go financing requirements.

Annual OPEB Cost and Net OPEB Obligation

Pickens County's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

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

The following table shows the components of Pickens County's annual OPEB cost for the year, the amount actually contributed to the plan and the changes in the County's net OPEB obligation to the Retiree Health Plan:

Annual Required Contribution	\$ 1,065,698
Interest on Net OPEB Obligation	\$ -
Adjustment to Annual Required Contribution	\$ -
Annual OPEB Cost (Expense)	\$ 1,065,698
Contributions and payments made	\$ 159,114
Increase in Net OPEB Obligation	\$ 906,584
Net OPEB Obligation – July 1, 2008	\$ -
Net OPEB Obligation – June 30, 2009	\$ 906,584

Pickens County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for fiscal year 2009 are as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2009	\$ 1,065,698	15%	\$ 906,584

Funded Status and Funding Progress

As of July 1, 2008, the most recent valuation date, the plan was unfunded. The actuarial accrued liability for benefits was \$8,983,740, and the actuarial value is zero resulting in an unfunded actuarial accrued liability (UAAL) of \$8,983,740.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and included the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point.

In the July 1, 2008 actuarial valuation, projected unit credit method was used. The actuarial assumptions included a 4.5% investment rate of return which is based on the expected short term investment return of the employer's own investments used to pay plan benefits and an annual healthcare cost trend rate of 10% reduced by decrements of .5% to an ultimate rate of 4.5%. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The amortization of UAAL is done over a period of 30 years.

PICKENS COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

Note 11 – Closure and Postclosure 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 postclosure maintenance for a period of 30 years after closure. The \$3.2 million liability reported as landfill closure and postclosure represents total costs to date, as of June 30, 2009, 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, each has to be maintained in accordance with the 1991 EPA ruling.

Landfill	Postclosure Years Remaining	% Used	Open/ Close Year	Closure/ Postclosure Costs
Easley	23	100	2003	\$ 1,925,000
Central	13	100	1994	489,500
C & D	20	75	1998	913,284
				<u>\$ 3,327,784</u>

Note 12 – 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 insure 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 facilities and fire stations. Several of these contracts were in progress but not completed as of June 30, 2009. The total contractual commitments outstanding as of June 30, 2009 aggregated approximately \$282,886. The County has sufficient funds available to cover these commitments.

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

Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2009

	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
Revenues				
Taxes	\$ 22,510,898	\$ 22,510,898	\$ 22,737,221	\$ 226,323
Intergovernmental	7,098,827	7,137,986	6,784,297	(353,689)
Fees, licenses and permits	644,600	644,600	467,256	(177,344)
Charges for services	5,861,744	5,861,744	5,696,328	(165,416)
Fines and forfeitures	650,000	650,000	634,347	(15,653)
Investment income	620,752	620,752	300,064	(320,688)
Rental income	19,200	19,200	22,103	2,903
Contributions	3,300	3,300	2,014	(1,286)
Miscellaneous	74,000	1,194,910	1,517,619	322,709
Total revenues	<u>37,483,321</u>	<u>38,643,390</u>	<u>38,161,249</u>	<u>(482,141)</u>
Expenditures				
Current				
General government				
County council	203,706	212,776	201,792	10,984
County attorney	93,000	93,365	73,102	20,263
State solicitor	767,816	767,816	806,930	(39,114)
Public defender	92,531	92,531	91,549	982
Probate judge	278,375	283,050	284,993	(1,943)
Register of deeds	393,185	490,802	384,077	106,725
Clerk of court	666,654	669,565	635,318	34,247
Administrator	607,932	529,863	440,811	89,052
Purchasing	210,531	212,091	180,767	31,324
Finance	436,844	446,952	435,150	11,802
Building maintenance	1,420,808	1,435,425	1,432,655	2,770
Human resources	281,330	284,877	207,625	77,252
Delinquent tax	270,833	270,863	294,730	(23,867)
Risk manager	34,953	34,953	294	34,659
Circuit judge	4,930	4,930	5,058	(128)
Treasurer	435,196	436,481	435,958	523
Auditor	383,731	388,725	361,099	27,626
Tax assessor	841,059	848,529	751,945	96,584
Board of appeals	2,000	2,000	2,256	(256)
GIS mapping	325,360	328,707	325,882	2,825
Registration and elections	224,269	267,320	248,057	19,263
Planning commission	277,855	279,999	190,720	89,279
Information services	1,112,460	1,173,739	1,064,782	108,957
County magistrates	712,329	715,736	705,480	10,256
Vehicle maintenance	529,020	529,106	535,965	(6,859)
Public relations	81,959	84,092	43,904	40,188
	<u>10,688,666</u>	<u>10,884,293</u>	<u>10,140,899</u>	<u>743,394</u>

PICKENS COUNTY, SOUTH CAROLINA

**Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Public safety				
Sheriff's department	8,943,428	8,970,398	8,431,839	538,559
Emergency management	259,086	262,233	230,257	31,976
County coroner	166,818	166,818	170,386	(3,568)
Prison camp	1,224,869	1,227,585	1,225,627	1,958
Emergency medical services	4,601,083	4,646,793	4,612,100	34,693
Building codes	536,572	538,959	502,241	36,718
County radio system	25,000	25,000	26,351	(1,351)
E-911	128,307	128,307	126,022	2,285
Fire district	75,000	75,000	-	75,000
	<u>15,960,163</u>	<u>16,041,093</u>	<u>15,324,823</u>	<u>716,270</u>
Public works				
Roads and bridges	2,239,577	2,440,402	2,166,293	274,109
Solid waste department	3,829,114	3,876,116	3,637,358	238,758
Engineering	162,487	164,292	161,626	2,666
	<u>6,231,178</u>	<u>6,480,810</u>	<u>5,965,277</u>	<u>515,533</u>
Health and welfare				
Health department	55,943	55,943	49,375	6,568
Animal control	417,138	418,436	410,825	7,611
Humane society	75,000	75,000	75,000	-
Veterans affairs	128,628	130,478	126,556	3,922
Storm water management	137,277	147,156	128,511	18,645
Pickens County health partners	25,000	25,000	25,000	-
Meals on Wheels	5,000	5,000	5,000	-
	<u>843,986</u>	<u>857,013</u>	<u>820,267</u>	<u>36,746</u>
Culture and recreation				
Cultural commission	307,837	321,553	310,829	10,724
Parks department	209,690	216,345	210,359	5,986
Heritage corridor	36,000	36,000	36,000	-
	<u>553,527</u>	<u>573,898</u>	<u>557,188</u>	<u>16,710</u>
Economic development and assistance				
Economic development	625,000	625,000	-	625,000
Intergovernmental				
Legislative delegation	30,653	30,653	28,750	1,903
Seniors unlimited	20,000	20,000	20,000	-
Department of social services	45,304	45,304	51,368	(6,064)
Mental health center	20,000	20,000	20,000	-
Medically indigent fund	214,067	214,067	206,254	7,813
SC Appalachian Council of Governments	45,593	45,593	45,593	-
Clemson extension	33,600	33,600	33,371	229
Soil and water conservation	47,120	47,120	46,680	440
	<u>456,337</u>	<u>456,337</u>	<u>452,016</u>	<u>4,321</u>

PICKENS COUNTY, SOUTH CAROLINA

**Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Positive (Negative)
Contingency	284,750	303,920	121,575	182,345
SCAC	19,025	19,025	19,025	-
Non-departmental	15,000	-	-	-
	<u>318,775</u>	<u>322,945</u>	<u>140,600</u>	<u>182,345</u>
Capital outlay	<u>1,361,723</u>	<u>3,275,534</u>	<u>2,439,830</u>	<u>835,704</u>
Total expenditures	<u>37,039,355</u>	<u>39,516,923</u>	<u>35,840,900</u>	<u>3,676,023</u>
Excess (deficiency) of revenues over (under) expenditures	<u>443,966</u>	<u>(873,533)</u>	<u>2,320,349</u>	<u>3,193,882</u>
Other financing sources (uses)				
Proceeds from bond issuance	-	-	293,510	(293,510)
Transfers in (out)	<u>(2,330,363)</u>	<u>(3,080,363)</u>	<u>(4,367,271)</u>	<u>1,286,908</u>
Total other financing uses	<u>(2,330,363)</u>	<u>(3,080,363)</u>	<u>(4,073,761)</u>	<u>993,398</u>
Net change in fund balances	\$ <u>(1,886,397)</u>	\$ <u>(3,953,896)</u>	(1,753,412)	\$ <u>2,200,484</u>
Fund balance - beginning			<u>26,337,995</u>	
Fund balance - end			\$ <u>24,584,583</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, 2009**

	<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	\$ 97,521	\$ 444,463	\$ 93,267	\$ 1,030,108	\$ 44,121	\$ 153,807	\$ 260,928
Property taxes receivable	78,259	81,178	18,018	113,728	40,234	58,941	49,228
Accounts receivable - other	36	38	7	596	7	1,309	38
Due from other governments	-	-	-	-	45,870	-	-
Prepaid items	-	-	-	-	-	-	-
Total assets	<u>\$ 175,816</u>	<u>\$ 525,679</u>	<u>\$ 111,292</u>	<u>\$ 1,144,432</u>	<u>\$ 130,232</u>	<u>\$ 214,057</u>	<u>\$ 310,194</u>
Liabilities and fund balances							
Liabilities:							
Accounts payable	-	17,473	1,296	25,426	6,280	5,508	1,093
Accrued payroll	-	-	-	-	-	-	2,741
Advances from general fund	-	650,000	12,720	650,000	-	-	-
Unearned revenue	73,533	76,129	17,358	109,305	37,284	55,112	47,854
Total liabilities	<u>73,533</u>	<u>743,602</u>	<u>31,374</u>	<u>784,731</u>	<u>43,564</u>	<u>60,620</u>	<u>51,688</u>
Fund balances:							
Reserved for encumbrances	-	-	-	-	12,150	-	-
Reserved for prepaid items	-	-	-	-	4,455	-	-
Unreserved	102,283	(217,923)	79,918	359,701	70,063	153,437	258,506
Total fund balances	<u>102,283</u>	<u>(217,923)</u>	<u>79,918</u>	<u>359,701</u>	<u>86,668</u>	<u>153,437</u>	<u>258,506</u>
Total liabilities and fund balances	<u>\$ 175,816</u>	<u>\$ 525,679</u>	<u>\$ 111,292</u>	<u>\$ 1,144,432</u>	<u>\$ 130,232</u>	<u>\$ 214,057</u>	<u>\$ 310,194</u>

PICKENS COUNTY, SOUTH CAROLINA

Combining Balance Sheet
Major Fund - Fire Districts
June 30, 2009

	Holly Springs	Central	Shady Grove	Rocky Bottom	Vineyards	Springs	Total
Assets							
Cash and investments	\$ 76,242	\$ 126,164	\$ 185,118	\$ 20,740	\$ 20,335	\$ 104,466	\$ 2,657,280
Property taxes receivable	10,829	19,242	10,971	92	85,232	91,311	657,263
Accounts receivable - other	6	12	10	-	-	1	2,060
Due from other governments	-	-	-	-	-	-	45,870
Prepaid items	-	-	-	-	-	787	787
Total assets	\$ 87,077	\$ 145,418	\$ 196,099	\$ 20,832	\$ 105,567	\$ 196,565	\$ 3,363,260
Liabilities and fund balances							
Liabilities:							
Accounts payable	1,399	6,040	365	-	4,811	3,650	73,341
Accrued payroll	-	-	-	-	25,892	-	28,633
Advances from general fund	-	-	-	-	-	-	1,312,720
Unearned revenue	10,507	17,977	9,754	92	83,090	83,045	621,040
Total liabilities	11,906	24,017	10,119	92	113,793	86,695	2,035,734
Fund balances:							
Reserved for encumbrances	-	-	-	-	-	-	12,150
Reserved for prepaid items	-	-	-	-	-	-	4,455
Unreserved	75,171	121,401	185,980	20,740	(8,226)	109,870	1,310,921
Total fund balances	75,171	121,401	185,980	20,740	(8,226)	109,870	1,327,526
Total liabilities and fund balances	\$ 87,077	\$ 145,418	\$ 196,099	\$ 20,832	\$ 105,567	\$ 196,565	\$ 3,363,260

PICKENS COUNTY, SOUTH CAROLINA

Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Major Fund - Fire Districts
Year Ended June 30, 2009

	Easley	Liberty	Pumpkintown	Crosswell	Six Mile	Pickens	Dacusville
Revenues							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	45,870	-	4,663
Fees, licenses and permits	455,780	378,021	98,699	429,550	129,320	315,049	173,202
Investment income	235	627	1,297	4,227	659	2,879	542
Miscellaneous	-	-	250	-	949	-	-
Total revenues	<u>456,015</u>	<u>378,648</u>	<u>100,246</u>	<u>433,777</u>	<u>176,798</u>	<u>317,928</u>	<u>178,407</u>
Expenditures							
Current:							
Personnel services	-	-	-	-	-	-	59,995
Supplies	-	4,864	3,282	711	51,634	-	19,301
Contractual services	458,476	174,387	5,218	298,769	72,598	302,860	-
Utilities	-	300	10,556	818	-	-	12,833
Repairs and maintenance	-	6,524	(527)	492	845	-	5,019
Fuel and oil	-	-	4,293	-	-	-	3,031
Furniture, machinery and equipment	-	20,628	7,062	1,100	80,319	-	646
Insurance, bonds and licenses	-	8,021	15,455	4,087	4,146	-	21,989
Rent	-	-	-	70	-	-	-
Other	-	3,606	4,816	-	-	-	27,322
Contingency	-	7,115	-	-	-	-	-
Capital outlay	-	657,162	-	628,287	325,513	-	-
Debt service:							
Principal retirement	-	-	15,629	30,729	-	-	26,818
Interest and fiscal charges	-	-	3,947	12,492	-	-	7,557
Total expenditures	<u>458,476</u>	<u>882,607</u>	<u>69,731</u>	<u>977,555</u>	<u>535,055</u>	<u>302,860</u>	<u>184,511</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,461)</u>	<u>(503,959)</u>	<u>30,515</u>	<u>(543,778)</u>	<u>(358,257)</u>	<u>15,068</u>	<u>(6,104)</u>
Other financing sources (uses)							
Proceeds from bond issuance	-	-	-	-	-	-	-
Proceeds from capital lease	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(2,461)</u>	<u>(503,959)</u>	<u>30,515</u>	<u>(543,778)</u>	<u>(358,257)</u>	<u>15,068</u>	<u>(6,104)</u>
Fund balance - beginning	<u>104,744</u>	<u>286,036</u>	<u>49,403</u>	<u>903,479</u>	<u>444,925</u>	<u>138,369</u>	<u>264,610</u>
Fund balance - ending	<u>\$ 102,283</u>	<u>\$ (217,923)</u>	<u>\$ 79,918</u>	<u>\$ 359,701</u>	<u>\$ 86,668</u>	<u>\$ 153,437</u>	<u>\$ 258,506</u>

PICKENS COUNTY, SOUTH CAROLINA

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Major Fund - Fire Districts
Year Ended June 30, 2009**

	Holly Springs	Central	Shady Grove	Rocky Bottom	Vineyards	Springs	Total
Revenues							
Taxes	\$ -	\$ -	\$ 264,064	\$ -	\$ 540,831	\$ 281,461	\$ 1,086,356
Intergovernmental	-	117,800	-	-	2,755	-	171,088
Fees, licenses and permits	60,889	165,740	-	3,529	-	-	2,209,779
Investment income	71	331	117	-	41	1	11,027
Miscellaneous	2,523	-	1,300	-	-	-	5,022
Total revenues	<u>63,483</u>	<u>283,871</u>	<u>265,481</u>	<u>3,529</u>	<u>543,627</u>	<u>281,462</u>	<u>3,483,272</u>
Expenditures							
Current:							
Personnel services	-	4,267	-	-	551,389	-	615,651
Supplies	1,662	9,567	-	-	14,904	24,329	130,254
Contractual services	1,073	68,424	195,845	2,524	13,103	175	1,593,452
Utilities	5,622	3,363	-	-	17,102	1,576	52,170
Repairs and maintenance	5,442	4,346	881	-	6,355	2,473	31,850
Fuel and oil	827	1,465	-	-	8,868	158	18,642
Furniture, machinery and equipment	725	17,458	3,737	-	4,633	22,249	158,557
Insurance, bonds and licenses	6,109	4,132	6,096	-	15,205	2,325	87,565
Rent	-	-	214	-	64	-	348
Other	525	3,411	-	-	13,472	253	53,405
Contingency	-	-	322	-	-	-	7,437
Capital outlay	-	124,600	-	-	-	1,775,625	3,511,187
Debt service:							
Principal retirement	20,065	144,999	-	-	4,776	-	243,016
Interest and fiscal charges	7,393	6,826	-	-	126	-	38,341
Total expenditures	<u>49,443</u>	<u>392,858</u>	<u>207,095</u>	<u>2,524</u>	<u>649,997</u>	<u>1,829,163</u>	<u>6,541,875</u>
Excess (deficiency) of revenues over (under) expenditures	<u>14,040</u>	<u>(108,987)</u>	<u>58,386</u>	<u>1,005</u>	<u>(106,370)</u>	<u>(1,547,701)</u>	<u>(3,058,603)</u>
Other financing sources (uses)							
Proceeds from bond issuance	-	-	-	-	-	1,800,000	1,800,000
Proceeds from capital lease	-	-	-	-	197,000	-	197,000
Transfers out	-	-	-	-	105,191	(105,191)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>302,191</u>	<u>1,694,809</u>	<u>1,997,000</u>
Net change in fund balances	<u>14,040</u>	<u>(108,987)</u>	<u>58,386</u>	<u>1,005</u>	<u>195,821</u>	<u>147,108</u>	<u>(1,061,603)</u>
Fund balance - beginning	<u>61,131</u>	<u>230,388</u>	<u>127,594</u>	<u>19,735</u>	<u>(204,047)</u>	<u>(37,238)</u>	<u>2,389,129</u>
Fund balance - ending	<u>\$ 75,171</u>	<u>\$ 121,401</u>	<u>\$ 185,980</u>	<u>\$ 20,740</u>	<u>\$ (8,226)</u>	<u>\$ 109,870</u>	<u>\$ 1,327,526</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, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Fees, licenses and permits	\$ 433,253	\$ 433,253	\$ 455,780	\$ 22,527
Investment income	4,000	4,000	235	(3,765)
Total revenues	<u>437,253</u>	<u>437,253</u>	<u>456,015</u>	<u>18,762</u>
Expenditures				
Current:				
Contractual services	433,253	433,253	458,476	(25,223)
Contingency	4,000	4,000	-	4,000
Total expenditures	<u>437,253</u>	<u>437,253</u>	<u>458,476</u>	<u>(21,223)</u>
Deficiency of revenues under expenditures	<u>-</u>	<u>-</u>	<u>(2,461)</u>	<u>(2,461)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(2,461)</u>	<u>\$ (2,461)</u>
Fund balance - beginning			<u>104,744</u>	
Fund balance - ending			<u>\$ 102,283</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, 2009

	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
Revenues				
Fees, licenses and permits	\$ 362,576	\$ 362,576	\$ 378,021	\$ 15,445
Investment income	5,000	5,000	627	(4,373)
Total revenues	<u>367,576</u>	<u>367,576</u>	<u>378,648</u>	<u>11,072</u>
Expenditures				
Current:				
Supplies	4,500	4,500	4,864	(364)
Contractual services	180,500	180,500	174,387	6,113
Utilities	-	-	300	(300)
Repairs and maintenance	14,000	14,000	6,524	7,476
Furniture, machinery and equipment	32,500	32,500	20,628	11,872
Insurance, bonds and licenses	15,000	15,000	8,021	6,979
Other	8,500	8,500	3,606	4,894
Contingency	39,000	39,000	7,115	31,885
Capital outlay	28,605	28,605	657,162	(628,557)
Debt service:				
Principal retirement	24,971	24,971	-	24,971
Interest and fiscal charges	20,000	20,000	-	20,000
Total expenditures	<u>367,576</u>	<u>367,576</u>	<u>882,607</u>	<u>(515,031)</u>
Deficiency of revenues under expenditures	<u>-</u>	<u>-</u>	<u>(503,959)</u>	<u>(503,959)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(503,959)</u>	<u>\$ (503,959)</u>
Fund balance - beginning			<u>286,036</u>	
Fund balance - ending			<u>\$ (217,923)</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, 2009

	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
Revenues				
Fees, licenses and permits	\$ 96,016	\$ 96,016	\$ 98,699	\$ 2,683
Investment income	2,500	2,500	1,297	(1,203)
Miscellaneous	-	-	250	250
Total revenues	<u>98,516</u>	<u>98,516</u>	<u>100,246</u>	<u>1,730</u>
Expenditures				
Current:				
Supplies	6,048	6,048	3,282	2,766
Contractual services	4,120	4,120	5,218	(1,098)
Utilities	5,625	5,625	10,556	(4,931)
Repairs and maintenance	11,700	11,897	(527)	12,424
Fuel and oil	5,400	5,400	4,293	1,107
Furniture, machinery and equipment	8,100	8,100	7,062	1,038
Insurance, bonds and licenses	17,640	17,640	15,455	2,185
Other	5,730	5,730	4,816	914
Contingency	3,000	3,000	-	3,000
Debt service:				
Principal retirement	27,978	27,978	15,629	12,349
Interest and fiscal charges	3,947	3,947	3,947	-
Total expenditures	<u>99,288</u>	<u>99,485</u>	<u>69,731</u>	<u>29,754</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(772)</u>	<u>(969)</u>	<u>30,515</u>	<u>31,484</u>
Net change in fund balances	<u>\$ (772)</u>	<u>\$ (969)</u>	<u>30,515</u>	<u>\$ 31,484</u>
Fund balance - beginning			<u>49,403</u>	
Fund balance - ending			<u>\$ 79,918</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, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Fees, licenses and permits	\$ 438,375	\$ 438,375	\$ 429,550	\$ (8,825)
Investment income	5,000	5,000	4,227	(773)
Total revenues	<u>443,375</u>	<u>443,375</u>	<u>433,777</u>	<u>(9,598)</u>
Expenditures				
Current:				
Supplies	8,380	8,380	711	7,669
Contractual services	332,001	332,001	298,769	33,232
Utilities	17,500	17,500	818	16,682
Repairs and maintenance	11,950	11,950	492	11,458
Fuel and oil	4,100	4,100	-	4,100
Furniture, machinery and equipment	-	-	1,100	(1,100)
Insurance, bonds and licenses	2,605	2,605	4,087	(1,482)
Rent	-	-	70	(70)
Other	6,000	6,000	-	6,000
Contingency	18,057	18,057	-	18,057
Capital outlay	-	3,000	628,287	(625,287)
Debt service:				
Principal retirement	28,902	28,902	30,729	(1,827)
Interest and fiscal charges	13,880	13,880	12,492	1,388
Total expenditures	<u>443,375</u>	<u>446,375</u>	<u>977,555</u>	<u>(531,180)</u>
Deficiency of revenues under expenditures	<u>-</u>	<u>(3,000)</u>	<u>(543,778)</u>	<u>(540,778)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ (3,000)</u>	<u>(543,778)</u>	<u>\$ (540,778)</u>
Fund balance - beginning			<u>903,479</u>	
Fund balance - ending			<u>\$ 359,701</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, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 14,000	\$ 14,000	\$ 45,870	\$ 31,870
Fees, licenses and permits	138,131	138,131	129,320	(8,811)
Investment income	12,000	12,000	659	(11,341)
Miscellaneous	-	-	949	949
Total revenues	<u>164,131</u>	<u>164,131</u>	<u>176,798</u>	<u>12,667</u>
Expenditures				
Current:				
Supplies	2,000	60,869	51,634	9,235
Contractual services	84,137	84,137	72,598	11,539
Repairs and maintenance	-	-	845	(845)
Furniture, machinery and equipment	90,000	79,388	80,319	(931)
Insurance, bonds and licenses	4,960	4,960	4,146	814
Other	400	400	-	400
Capital outlay	50,000	322,247	325,513	(3,266)
Total expenditures	<u>231,497</u>	<u>552,001</u>	<u>535,055</u>	<u>16,946</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(67,366)</u>	<u>(387,870)</u>	<u>(358,257)</u>	<u>29,613</u>
Net change in fund balances	\$ <u>(67,366)</u>	\$ <u>(387,870)</u>	(358,257)	\$ <u>29,613</u>
Fund balance - beginning			<u>444,925</u>	
Fund balance - ending			\$ <u>86,668</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, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Fees, licenses and permits	\$ 302,000	\$ 302,000	\$ 315,049	\$ 13,049
Investment income	2,000	2,000	2,879	879
Total revenues	<u>304,000</u>	<u>304,000</u>	<u>317,928</u>	<u>13,928</u>
Expenditures				
Current:				
Contractual services	286,900	286,900	302,860	(15,960)
Contingency	17,100	17,100	-	17,100
Total expenditures	<u>304,000</u>	<u>304,000</u>	<u>302,860</u>	<u>1,140</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	15,068	15,068
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	15,068	<u>\$ 15,068</u>
Fund balance - beginning			<u>138,369</u>	
Fund balance - ending			<u>\$ 153,437</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, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Intergovernmental	-	4,663	4,663	-
Fees, licenses and permits	167,170	167,170	173,202	6,032
Investment income	6,000	6,000	542	(5,458)
Total revenues	<u>173,170</u>	<u>177,833</u>	<u>178,407</u>	<u>574</u>
Expenditures				
Current:				
Personnel services	54,224	54,224	59,995	(5,771)
Supplies	10,100	10,100	19,301	(9,201)
Contractual services	3,500	3,500	-	3,500
Utilities	11,200	11,200	12,833	(1,633)
Repairs and maintenance	10,771	10,771	5,019	5,752
Fuel and oil	3,000	3,000	3,031	(31)
Furniture, machinery and equipment	7,000	7,000	646	6,354
Insurance, bonds and licenses	20,000	20,000	21,989	(1,989)
Other	19,000	28,326	27,322	1,004
Debt service:				
Principal retirement	26,818	26,818	26,818	-
Interest and fiscal charges	7,557	7,557	7,557	-
Total expenditures	<u>173,170</u>	<u>182,496</u>	<u>184,511</u>	<u>(2,015)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(4,663)</u>	<u>(6,104)</u>	<u>(1,441)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ (4,663)</u>	<u>(6,104)</u>	<u>\$ (1,441)</u>
Fund balance - beginning			<u>264,610</u>	
Fund balance - ending			<u>\$ 258,506</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, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Fees, licenses and permits	\$ 57,700	\$ 57,700	\$ 60,889	\$ 3,189
Investment income	2,000	2,000	71	(1,929)
Miscellaneous	2,300	2,300	2,523	223
Total revenues	<u>62,000</u>	<u>62,000</u>	<u>63,483</u>	<u>1,483</u>
Expenditures				
Current:				
Supplies	9,642	9,642	1,662	7,980
Contractual services	1,300	1,300	1,073	227
Utilities	5,000	5,000	5,622	(622)
Repairs and maintenance	5,000	5,000	5,442	(442)
Fuel and oil	2,000	2,000	827	1,173
Furniture, machinery and equipment	800	800	725	75
Insurance, bonds and licenses	6,500	6,500	6,109	391
Other	2,300	2,300	525	1,775
Contingency	2,000	2,000	-	2,000
Debt service:				
Principal retirement	20,065	20,065	20,065	-
Interest and fiscal charges	7,393	7,393	7,393	-
Total expenditures	<u>62,000</u>	<u>62,000</u>	<u>49,443</u>	<u>12,557</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>14,040</u>	<u>14,040</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>14,040</u>	<u>\$ 14,040</u>
Fund balance - beginning			<u>61,131</u>	
Fund balance - ending			<u>\$ 75,171</u>	

PICKENS COUNTY, SOUTH CAROLINA

Schedule of Revenues, Expenditures
and Changes in Fund Balances - Budget and Actual
Central Fire District Fund
Year Ended June 30, 2009

	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
Revenues				
Intergovernmental	\$ -	\$ 117,800	\$ 117,800	\$ -
Fees, licenses and permits	152,011	152,011	165,740	13,729
Investment income	4,000	4,000	331	(3,669)
Total revenues	<u>156,011</u>	<u>273,811</u>	<u>283,871</u>	<u>10,060</u>
Expenditures				
Current:				
Personnel services	5,832	5,832	4,267	1,565
Supplies	9,350	9,350	9,567	(217)
Contractual services	64,709	64,709	68,424	(3,715)
Utilities	4,524	4,524	3,363	1,161
Repairs and maintenance	5,000	5,000	4,346	654
Fuel and oil	770	770	1,465	(695)
Furniture, machinery and equipment	24,575	17,775	17,458	317
Insurance, bonds and licenses	4,537	4,537	4,132	405
Other	3,825	3,825	3,411	414
Capital outlay	-	124,600	124,600	-
Debt service:				
Principal retirement	124,292	124,292	144,999	(20,707)
Interest and fiscal charges	5,597	5,597	6,826	(1,229)
Total expenditures	<u>253,011</u>	<u>370,811</u>	<u>392,858</u>	<u>(22,047)</u>
Deficiency of revenues under expenditures	<u>(97,000)</u>	<u>(97,000)</u>	<u>(108,987)</u>	<u>(11,987)</u>
Net change in fund balances	<u>\$ (97,000)</u>	<u>\$ (97,000)</u>	<u>(108,987)</u>	<u>\$ (11,987)</u>
Fund balance - beginning			<u>230,388</u>	
Fund balance - ending			<u>\$ 121,401</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, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Taxes	\$ 248,569	\$ 248,569	\$ 264,064	\$ 15,495
Investment income	2,000	2,000	117	(1,883)
Miscellaneous	-	-	1,300	1,300
Total revenues	<u>250,569</u>	<u>250,569</u>	<u>265,481</u>	<u>14,912</u>
Expenditures				
Current:				
Supplies	300	300	-	300
Contractual services	200,752	200,752	195,845	4,907
Repairs and maintenance	-	-	881	(881)
Furniture, machinery and equipment	-	-	3,737	(3,737)
Insurance, bonds and licenses	6,000	6,000	6,096	(96)
Rent	-	-	214	(214)
Contingency	43,517	43,517	322	43,195
Total expenditures	<u>250,569</u>	<u>250,569</u>	<u>207,095</u>	<u>43,474</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>58,386</u>	<u>58,386</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>58,386</u>	<u>\$ 58,386</u>
Fund balance - beginning			<u>127,594</u>	
Fund balance - ending			<u>\$ 185,980</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, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Fees, licenses and permits	\$ 3,540	\$ 3,540	\$ 3,529	\$ (11)
Investment income	200	200	-	(200)
Total revenues	<u>3,740</u>	<u>3,740</u>	<u>3,529</u>	<u>(211)</u>
Expenditures				
Current:				
Supplies	630	630	-	630
Contractual services	3,000	3,000	2,524	476
Contingency	800	800	-	800
Total expenditures	<u>4,430</u>	<u>4,430</u>	<u>2,524</u>	<u>1,906</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(690)</u>	<u>(690)</u>	<u>1,005</u>	<u>1,695</u>
Net change in fund balances	\$ <u>(690)</u>	\$ <u>(690)</u>	1,005	\$ <u>1,695</u>
Fund balance - beginning			<u>19,735</u>	
Fund balance - ending			\$ <u>20,740</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, 2009

	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
Revenues				
Taxes	\$ 576,318	\$ 576,318	\$ 540,831	\$ (35,487)
Intergovernmental	-	2,794	2,755	(39)
Investment income	-	-	41	41
Total revenues	<u>576,318</u>	<u>579,112</u>	<u>543,627</u>	<u>(35,485)</u>
Expenditures				
Current:				
Personnel services	476,328	476,328	551,389	(75,061)
Supplies	22,600	22,600	14,904	7,696
Contractual services	5,000	5,000	13,103	(8,103)
Utilities	14,900	14,900	17,102	(2,202)
Repairs and maintenance	9,000	9,000	6,355	2,645
Fuel and oil	7,000	7,000	8,868	(1,868)
Furniture, machinery and equipment	7,100	7,100	4,633	2,467
Insurance, bonds and licenses	12,050	12,050	15,205	(3,155)
Rent	-	-	64	(64)
Other	12,700	16,578	13,472	3,106
Contingency	15,500	15,500	-	15,500
Debt service:				
Principal retirement	4,776	4,776	4,776	-
Interest and fiscal charges	126	126	126	-
Total expenditures	<u>587,080</u>	<u>590,958</u>	<u>649,997</u>	<u>(59,039)</u>
Deficiency of revenues under expenditures	<u>(10,762)</u>	<u>(11,846)</u>	<u>(106,370)</u>	<u>(94,524)</u>
Proceeds from capital lease	-	-	197,000	197,000
Transfers out	-	-	105,191	105,191
Total other financing uses	<u>-</u>	<u>-</u>	<u>302,191</u>	<u>302,191</u>
Net change in fund balances	<u>\$ (10,762)</u>	<u>\$ (11,846)</u>	195,821	<u>\$ 207,667</u>
Fund balance - beginning			<u>(204,047)</u>	
Fund balance - ending			<u>\$ (8,226)</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, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Taxes	\$ 392,453	\$ 392,453	\$ 281,461	\$ (110,992)
Investment income	-	-	1	1
Contributions	-	5,000	-	(5,000)
Total revenues	<u>392,453</u>	<u>397,453</u>	<u>281,462</u>	<u>(115,991)</u>
Expenditures				
Current:				
Personnel services	206,153	156,153	-	156,153
Supplies	30,000	34,000	24,329	9,671
Contractual services	-	-	175	(175)
Utilities	4,000	4,000	1,576	2,424
Repairs and maintenance	2,500	2,500	2,473	27
Fuel and oil	2,500	2,500	158	2,342
Furniture, machinery and equipment	-	29,000	22,249	6,751
Insurance, bonds and licenses	6,000	6,000	2,325	3,675
Other	25,000	2,000	253	1,747
Capital outlay	1,777,078	1,827,078	1,775,625	51,453
Total expenditures	<u>2,053,231</u>	<u>2,063,231</u>	<u>1,829,163</u>	<u>234,068</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,660,778)</u>	<u>(1,665,778)</u>	<u>(1,547,701)</u>	<u>118,077</u>
Proceeds from bond issuance	1,660,778	1,660,778	1,800,000	139,222
Transfers out	-	-	(105,191)	(105,191)
Total other financing sources	<u>1,660,778</u>	<u>1,660,778</u>	<u>1,694,809</u>	<u>34,031</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ (5,000)</u>	147,108	<u>\$ 152,108</u>
Fund balance - beginning			<u>(37,238)</u>	
Fund balance - ending			<u>\$ 109,870</u>	

PICKENS COUNTY, SOUTH CAROLINA

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2009

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
Assets				
Cash and investments	\$ 5,323,012	\$ 430,577	\$ 766,967	\$ 6,520,556
Property taxes receivable	249,212	162,202	-	411,414
Accounts receivable - other	53,835	-	-	53,835
Due from other governments	521,588	-	-	521,588
Prepaid items	164	-	-	164
Total assets	<u>\$ 6,147,811</u>	<u>\$ 592,779</u>	<u>\$ 766,967</u>	<u>\$ 7,507,557</u>
Liabilities and fund balances				
Liabilities:				
Accounts payable	247,649	250	47,210	295,109
Accrued payroll	101,095	-	-	101,095
Unearned revenue	572,779	153,523	-	726,302
Total liabilities	<u>921,523</u>	<u>153,773</u>	<u>47,210</u>	<u>1,122,506</u>
Fund balances:				
Reserved for:				
Encumbrances	36,500	-	275,352	311,852
Debt service fund	-	541,633	-	541,633
Unreserved:				
Designated for future expenditures	172,653	-	-	172,653
Undesignated	5,017,135	(102,627)	444,405	5,358,913
Total fund balances	<u>5,226,288</u>	<u>439,006</u>	<u>719,757</u>	<u>6,385,051</u>
Total liabilities and fund balances	<u>\$ 6,147,811</u>	<u>\$ 592,779</u>	<u>\$ 766,967</u>	<u>\$ 7,507,557</u>

PICKENS COUNTY, SOUTH CAROLINA

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2009

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
Revenues				
Taxes	\$ 3,823,145	\$ 2,261,187	\$ -	\$ 6,084,332
Intergovernmental	1,390,706	214,830	125,000	1,730,536
Fees, licenses and permits	2,630,131	-	-	2,630,131
Charges for services	190,535	-	-	190,535
Fines and forfeitures	197,708	-	-	197,708
Investment income	20,691	50	1,933	22,674
Contributions	19,706	-	-	19,706
Miscellaneous	262	-	-	262
Total revenues	<u>8,272,884</u>	<u>2,476,067</u>	<u>126,933</u>	<u>10,875,884</u>
Expenditures				
Current:				
General government	166,619	-	-	166,619
Public safety	1,048,636	-	-	1,048,636
Public works	2,843,694	-	-	2,843,694
Health and welfare	3,406	-	-	3,406
Culture and recreation	3,381,620	-	-	3,381,620
Economic development and assistance	-	-	397,421	397,421
Intergovernmental	1,185,375	-	-	1,185,375
Capital outlay	1,034,353	-	94,625	1,128,978
Debt service:				
Principal retirement	152,926	1,739,603	-	1,892,529
Interest and fiscal charges	25,440	839,091	-	864,531
Total expenditures	<u>9,842,069</u>	<u>2,578,694</u>	<u>492,046</u>	<u>12,912,809</u>
Deficiency of revenues under expenditures	<u>(1,569,185)</u>	<u>(102,627)</u>	<u>(365,113)</u>	<u>(2,036,925)</u>
Other financing sources				
Transfers in (out)	1,743,718	-	160,529	1,904,247
Total other financing sources	<u>1,743,718</u>	<u>-</u>	<u>160,529</u>	<u>1,904,247</u>
Net change in fund balances	174,533	(102,627)	(204,584)	(132,678)
Fund balance - beginning	<u>5,051,755</u>	<u>541,633</u>	<u>924,341</u>	<u>6,517,729</u>
Fund balance - ending	<u>\$ 5,226,288</u>	<u>\$ 439,006</u>	<u>\$ 719,757</u>	<u>\$ 6,385,051</u>

PICKENS COUNTY, SOUTH CAROLINA

Combining Balance Sheet
 Nonmajor Special Revenue Funds
 June 30, 2009

	Tri-County Tech	Fixed Nuclear	Sheriff Special	Library	Victim Rights	Grants	Emergency Phone System
Assets							
Cash and investments	\$ 16,672	\$ 48,414	\$ 497,305	\$ 1,403,573	\$ 32,469	\$ (15,273)	\$ 569,022
Property taxes receivable	77,121	-	-	172,091	-	-	-
Accounts receivable - other	-	-	133	-	-	-	33,636
Due from other governments	1,441	-	-	-	-	464,158	-
Prepaid items	-	-	-	164	-	-	-
Total assets	\$ 95,234	\$ 48,414	\$ 497,438	\$ 1,575,828	\$ 32,469	\$ 448,885	\$ 602,658
Liabilities and fund balances							
Liabilities:							
Accounts payable	\$ 16,611	\$ 2,996	\$ 31	\$ 115,168	\$ 800	\$ 105,706	\$ 5,573
Accrued payroll	-	1,289	-	78,480	7,815	7,248	2,128
Unearned revenue	72,877	-	-	162,078	1,893	335,931	-
Total liabilities	89,488	4,285	31	355,726	10,508	448,885	7,701
Fund balances:							
Reserved for:							
Encumbrances	-	-	-	-	-	36,500	-
Designated for future expenditures	-	-	-	104,664	67,989	-	-
Undesignated	5,746	44,129	497,407	1,115,438	(46,028)	(36,500)	594,957
Total fund balances	5,746	44,129	497,407	1,220,102	21,961	-	594,957
Total liabilities and fund balances	\$ 95,234	\$ 48,414	\$ 497,438	\$ 1,575,828	\$ 32,469	\$ 448,885	\$ 602,658

PICKENS COUNTY, SOUTH CAROLINA

Combining Balance Sheet
 Nonmajor Special Revenue Funds
 June 30, 2009

Museum Restricted Resources	Accommodations Tax	Road Fee	Tourism Development Fee	Recreation Capital	Public Safety Capital Replacement	Total Nonmajor Special Revenue Funds
\$ 345,782	\$ 62,415	\$ 170,320	\$ 248,381	\$ 295,446	\$ 1,648,486	\$ 5,323,012
-	-	-	-	-	-	249,212
-	-	-	20,066	-	-	53,835
-	55,989	-	-	-	-	521,588
-	-	-	-	-	-	164
<u>\$ 345,782</u>	<u>\$ 118,404</u>	<u>\$ 170,320</u>	<u>\$ 268,447</u>	<u>\$ 295,446</u>	<u>\$ 1,648,486</u>	<u>\$ 6,147,811</u>

Assets

Cash and investments
 Property taxes receivable
 Accounts receivable - other
 Due from other governments
 Prepaid items
 Total assets

Liabilities and fund balances

Liabilities:

Accounts payable
 Accrued payroll
 Unearned revenue
 Total liabilities

\$ -	\$ -	\$ -	\$ 339	\$ 404	\$ 21	\$ 247,649
-	-	2,589	1,546	-	-	101,095
-	-	-	-	-	-	572,779
-	-	2,589	1,885	404	21	921,523

Fund balances:

Reserved for:
 Encumbrances
 Designated for future expenditures
 Undesignated
 Total fund balances

-	-	-	-	-	-	36,500
-	-	-	-	-	-	172,653
345,782	118,404	167,731	266,562	295,042	1,648,465	5,017,135
<u>345,782</u>	<u>118,404</u>	<u>167,731</u>	<u>266,562</u>	<u>295,042</u>	<u>1,648,465</u>	<u>5,226,288</u>

Total liabilities and fund balances

\$ 345,782	\$ 118,404	\$ 170,320	\$ 268,447	\$ 295,446	\$ 1,648,486	\$ 6,147,811
------------	------------	------------	------------	------------	--------------	--------------

PICKENS COUNTY, SOUTH CAROLINA
Combining Schedules
Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

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

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

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

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

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

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

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.

Recreation Capital – This fund accounts for the annual allocation from the County for the expansion and improvement of recreational facilities for citizens.

Public Safety Capital Replacement – This fund accounts for the accumulation of resources for the replacement of police and EMS vehicles.

PICKENS COUNTY, SOUTH CAROLINA

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2009

	Tri-County Tech	Fixed Nuclear	Sheriff Special	Library	Victim Rights	Grants	Emergency Phone System
Revenues							
Taxes	\$ 1,140,153	\$ -	\$ -	2,682,992	\$ -	\$ -	-
Intergovernmental	-	42,759	-	170,851	-	838,883	170,356
Fees, licenses and permits	-	-	-	-	-	-	443,009
Charges for services	-	-	-	104,029	-	-	-
Fines and forfeitures	-	-	41,835	-	155,873	-	-
Investment income	-	-	(154)	10,494	-	-	4,960
Contributions	-	-	14,902	2,804	-	-	-
Miscellaneous	-	-	-	262	-	-	-
Total revenues	1,140,153	42,759	56,583	2,971,432	155,873	838,883	618,325
Expenditures							
Current:							
General government	-	-	-	-	-	166,619	-
Public safety	-	45,588	53,282	-	215,264	328,073	406,429
Public works	-	-	-	-	-	79,301	-
Health and welfare	-	-	-	-	-	3,406	-
Culture and recreation	-	-	-	2,898,123	-	-	-
Intergovernmental	1,185,375	-	-	-	-	-	-
Capital outlay	-	-	20,690	11,257	-	261,484	-
Debt service:							
Principal retirement	-	-	-	-	-	-	69,898
Interest and fiscal charges	-	-	-	-	-	-	8,468
Total expenditures	1,185,375	45,588	73,972	2,909,380	215,264	838,883	484,795
Excess (deficiency) of revenues over (under) expenditures	(45,222)	(2,829)	(17,389)	62,052	(59,391)	-	133,530
Other financing sources							
Transfers in (out)	-	7,349	-	-	-	-	-
Total other financing sources (uses)	-	7,349	-	-	-	-	-
Net change in fund balances	(45,222)	4,520	(17,389)	62,052	(59,391)	-	133,530
Fund balance - beginning	50,968	39,609	514,796	1,158,050	81,352	-	461,427
Fund balance - ending	\$ 5,746	\$ 44,129	\$ 497,407	\$ 1,220,102	\$ 21,961	\$ -	\$ 594,957

PICKENS COUNTY, SOUTH CAROLINA

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds

Year Ended June 30, 2009

	Museum Restricted Resources	Accommodations Tax	Road Fee	Tourism Development Fee	Recreation Capital	Public Safety Capital Replacement	Total Nonmajor Special Revenue Funds
Revenues							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,823,145
Intergovernmental	12,701	131,827	-	-	-	23,329	1,390,706
Fees, licenses and permits	-	-	1,973,947	213,175	-	-	2,630,131
Charges for services	85,361	-	-	-	1,145	-	190,535
Fines and forfeitures	-	-	-	-	-	-	197,708
Investment income	-	1,155	664	3,572	-	-	20,691
Contributions	2,000	-	-	-	-	-	19,706
Miscellaneous	-	-	-	-	-	-	262
Total revenues	100,062	132,982	1,974,611	216,747	1,145	23,329	8,272,884
Expenditures							
Current:							
General government	-	-	-	-	-	-	166,619
Public safety	-	-	-	-	-	-	1,048,636
Public works	-	-	2,764,393	-	-	-	2,843,694
Health and welfare	-	-	-	-	-	-	3,406
Culture and recreation	48,283	59,647	-	96,130	279,437	-	3,381,620
Intergovernmental	-	-	-	-	-	-	1,185,375
Capital outlay	-	-	209,182	3,305	110,377	418,058	1,034,353
Debt service:							
Principal retirement	-	-	-	83,028	-	-	152,926
Interest and fiscal charges	-	-	-	16,972	-	-	25,440
Total expenditures	48,283	59,647	2,973,575	199,435	389,814	418,058	9,842,069
Excess (deficiency) of revenues over (under) expenditures	51,779	73,335	(998,964)	17,312	(388,669)	(394,729)	(1,569,185)
Other financing sources (uses)							
Transfers in (out)	(47,296)	(30,341)	1,000,000	(41,650)	399,000	456,656	1,743,718
Total other financing sources (uses)	(47,296)	(30,341)	1,000,000	(41,650)	399,000	456,656	1,743,718
Net change in fund balances	4,483	42,994	1,036	(24,338)	10,331	61,927	174,533
Fund balance - beginning	341,299	75,410	166,695	290,900	284,711	1,586,538	5,051,755
Fund balance - ending	\$ 345,782	\$ 118,404	\$ 167,731	\$ 266,562	\$ 295,042	\$ 1,648,465	\$ 5,226,288

PICKENS COUNTY, SOUTH CAROLINA

**Schedule of Revenues, Expenditures
and Changes in Fund Balances - Budget and Actual
Tri-County Tech Fund
Year Ended June 30, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Taxes	\$ 1,141,676	\$ 1,141,676	\$ 1,140,153	\$ (1,523)
Total revenues	<u>1,141,676</u>	<u>1,141,676</u>	<u>1,140,153</u>	<u>(1,523)</u>
Expenditures				
Current:				
Intergovernmental	1,244,878	1,244,878	1,185,375	59,503
Total expenditures	<u>1,244,878</u>	<u>1,244,878</u>	<u>1,185,375</u>	<u>59,503</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(103,202)</u>	<u>(103,202)</u>	<u>(45,222)</u>	<u>57,980</u>
Net change in fund balances	<u>\$ (103,202)</u>	<u>\$ (103,202)</u>	<u>(45,222)</u>	<u>\$ 57,980</u>
Fund balance - beginning			<u>50,968</u>	
Fund balance - ending			<u>\$ 5,746</u>	

PICKENS COUNTY, SOUTH CAROLINA

Schedule of Revenues, Expenditures
and Changes in Fund Balances - Budget and Actual
Library Fund
Year Ended June 30, 2009

	Original Budget	Final Budget	Operations	State Aid	Totals	Variance With Final Positive (Negative)
Revenues						
Taxes	\$ 2,665,282	\$ 2,665,282	\$ 2,682,992	\$ -	\$ 2,682,992	\$ 17,710
Intergovernmental	250,000	170,851	(168,351)	339,202	170,851	-
Charges for services	85,000	85,000	104,029	-	104,029	19,029
Investment income	20,000	20,000	10,494	-	10,494	(9,506)
Contributions	2,000	2,000	2,804	-	2,804	804
Miscellaneous	2,400	2,400	262	-	262	(2,138)
Total revenues	<u>3,024,682</u>	<u>2,945,533</u>	<u>2,632,230</u>	<u>339,202</u>	<u>2,971,432</u>	<u>25,899</u>
Expenditures						
Current:						
Personnel services	2,096,482	2,054,988	1,987,506	-	1,987,506	67,482
Library collections	459,000	378,237	34,510	339,202	373,712	4,525
Supplies	59,100	68,764	64,043	-	64,043	4,721
Contractual services	113,220	118,720	110,532	-	110,532	8,188
Utilities	152,100	152,100	140,293	-	140,293	11,807
Repairs and maintenance	26,000	43,894	39,725	-	39,725	4,169
Fuel and oil	1,700	1,700	1,617	-	1,617	83
Furniture, machinery and equipment	45,150	90,939	86,059	-	86,059	4,880
Insurance, bonds and licenses	46,184	44,384	43,536	-	43,536	848
Rent	35,626	34,626	34,711	-	34,711	(85)
Other	14,120	11,120	16,389	-	16,389	(5,269)
Capital outlay	27,000	18,800	11,257	-	11,257	7,543
Total expenditures	<u>3,075,682</u>	<u>3,018,272</u>	<u>2,570,178</u>	<u>339,202</u>	<u>2,909,380</u>	<u>108,892</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(51,000)</u>	<u>(72,739)</u>	<u>62,052</u>	<u>-</u>	<u>5,880,812</u>	<u>134,791</u>
Net change in fund balances	<u>\$ (51,000)</u>	<u>\$ (72,739)</u>	<u>62,052</u>	<u>-</u>	<u>62,052</u>	<u>\$ 134,791</u>
Fund balance - beginning			<u>1,158,050</u>	<u>-</u>	<u>1,158,050</u>	
Fund balance - ending			<u>\$ 1,220,102</u>	<u>\$ -</u>	<u>\$ 1,220,102</u>	

PICKENS COUNTY, SOUTH CAROLINA

Schedule of Revenues, Expenditures
and Changes in Fund Balances - Budget and Actual
Victim Rights Fund
Year Ended June 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Fines and forfeitures	\$ 178,000	\$ 178,000	\$ 155,873	\$ (22,127)
Total revenues	<u>178,000</u>	<u>178,000</u>	<u>155,873</u>	<u>(22,127)</u>
Expenditures				
Current:				
Personnel services	192,907	192,907	194,682	(1,775)
Supplies	8,555	8,555	7,198	1,357
Contractual services	2,300	2,300	1,408	892
Utilities	2,401	2,401	1,921	480
Repairs and maintenance	402	402	2,004	(1,602)
Fuel and oil	4,000	4,000	4,138	(138)
Furniture, machinery and equipment	312	312	500	(188)
Insurance, bonds and licenses	3,054	3,054	2,882	172
Other	3,450	3,450	531	2,919
Debt service:				
Principal retirement	200	200	-	200
Total expenditures	<u>217,581</u>	<u>217,581</u>	<u>215,264</u>	<u>2,317</u>
Deficiency of revenues under expenditures	<u>(39,581)</u>	<u>(39,581)</u>	<u>(59,391)</u>	<u>(19,810)</u>
Net change in fund balances	<u>\$ (39,581)</u>	<u>\$ (39,581)</u>	<u>(59,391)</u>	<u>\$ (19,810)</u>
Fund balance - beginning			<u>81,352</u>	
Fund balance - ending			<u>\$ 21,961</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, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Intergovernmental	40,000	40,000	170,356	130,356
Fees, licenses and permits	431,735	431,735	443,009	11,274
Investment income	15,000	15,000	4,960	(10,040)
Total revenues	<u>486,735</u>	<u>486,735</u>	<u>618,325</u>	<u>131,590</u>
Expenditures				
Current:				
Personnel services	51,584	51,584	52,191	(607)
Supplies	6,000	6,000	3,365	2,635
Contractual services	40,400	40,400	29,190	11,210
Utilities	290,450	290,450	292,140	(1,690)
Repairs and maintenance	1,000	1,000	-	1,000
Furniture, machinery and equipment	2,000	43,261	18,855	24,406
Insurance, bonds and licenses	3,685	3,685	3,438	247
Other	13,250	13,250	7,250	6,000
Debt service:				
Principal retirement	69,898	69,898	69,898	-
Interest and fiscal charges	8,468	8,468	8,468	-
Total expenditures	<u>486,735</u>	<u>527,996</u>	<u>484,795</u>	<u>43,201</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(41,261)</u>	<u>133,530</u>	<u>174,791</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ (41,261)</u>	<u>133,530</u>	<u>\$ 174,791</u>
Fund balance - beginning			<u>461,427</u>	
Fund balance - ending			<u>\$ 594,957</u>	

PICKENS COUNTY, SOUTH CAROLINA

Schedule of Revenues, Expenditures
and Changes in Fund Balances - Budget and Actual
Accommodation Tax Fund
Year Ended June 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Positive (Negative)
Revenues				
Intergovernmental	\$ 110,000	\$ 110,000	\$ 131,827	\$ 21,827
Investment income	1,500	1,500	1,155	(345)
Total revenues	<u>111,500</u>	<u>111,500</u>	<u>132,982</u>	<u>21,482</u>
Expenditures				
Current:				
Direct Assistance	82,175	82,175	59,647	22,528
Total expenditures	<u>82,175</u>	<u>82,175</u>	<u>59,647</u>	<u>22,528</u>
Excess (deficiency) of revenues over (under) expenditures	<u>29,325</u>	<u>29,325</u>	<u>73,335</u>	<u>44,010</u>
Other financing uses				
Transfers out	<u>(29,325)</u>	<u>(29,325)</u>	<u>(30,341)</u>	<u>(1,016)</u>
Total other financing uses	<u>(29,325)</u>	<u>(29,325)</u>	<u>(30,341)</u>	<u>(1,016)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	42,994	<u>\$ 42,994</u>
Fund balance - beginning			<u>75,410</u>	
Fund balance - ending			<u>\$ 118,404</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, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Positive (Negative)
Revenues				
Fees, licenses and permits	\$ 230,000	\$ 230,000	\$ 213,175	\$ (16,825)
Investment income	10,000	10,000	3,572	(6,428)
Total revenues	<u>240,000</u>	<u>240,000</u>	<u>216,747</u>	<u>(23,253)</u>
Expenditures				
Current:				
Personnel services	33,597	33,597	34,053	(456)
Supplies	-	-	4,522	(4,522)
Contractual services	-	-	7,755	(7,755)
Repairs and maintenance	28,000	28,000	32,404	(4,404)
Furniture, machinery and equipment	-	-	1,361	(1,361)
Grant match	-	-	16,035	(16,035)
Capital outlay	99,250	124,250	3,305	120,945
Debt service:				
Principal retirement	83,028	83,028	83,028	-
Interest and fiscal charges	16,972	16,972	16,972	-
Total expenditures	<u>260,847</u>	<u>285,847</u>	<u>199,435</u>	<u>86,412</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(20,847)</u>	<u>(45,847)</u>	<u>17,312</u>	<u>63,159</u>
Transfers out	<u>41,650</u>	<u>41,650</u>	<u>(41,650)</u>	<u>(83,300)</u>
Total other financing sources (uses)	<u>41,650</u>	<u>41,650</u>	<u>(41,650)</u>	<u>(83,300)</u>
Net change in fund balances	<u>\$ 20,803</u>	<u>\$ (4,197)</u>	<u>(24,338)</u>	<u>\$ (20,141)</u>
Fund balance - beginning			<u>290,900</u>	
Fund balance - ending			<u>\$ 266,562</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, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Positive (Negative)</u>
Revenues				
Taxes	\$ 2,439,170	\$ 2,439,170	\$ 2,261,187	\$ (177,983)
Intergovernmental	211,823	211,823	214,830	3,007
Investment income	-	-	50	50
Total revenues	<u>2,650,993</u>	<u>2,650,993</u>	<u>2,476,067</u>	<u>(174,926)</u>
Expenditures				
Current:				
Debt service:				
Principal retirement	1,701,202	1,701,202	1,739,603	(38,401)
Interest and fiscal charges	808,095	808,095	839,091	(30,996)
Total expenditures	<u>2,509,297</u>	<u>2,509,297</u>	<u>2,578,694</u>	<u>(69,397)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>141,696</u>	<u>141,696</u>	<u>(102,627)</u>	<u>(244,323)</u>
Net change in fund balances	\$ <u>141,696</u>	\$ <u>141,696</u>	(102,627)	\$ <u>(244,323)</u>
Fund balance - beginning			<u>541,633</u>	
Fund balance - ending			\$ <u>439,006</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
June 30, 2009

	<u>Balance</u> <u>July 1, 2008</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance</u> <u>June 30, 2009</u>
School District Fund				
Assets				
Cash	\$ 29,569,317	\$ 154,135,719	\$ 158,391,460	\$ 25,313,576
Accounts receivable - other	86,469	-	86,469	-
Property taxes receivable, net	2,611,282	1,638,223	262,116	3,987,389
	<u>\$ 32,267,068</u>	<u>\$ 155,773,942</u>	<u>\$ 158,740,045</u>	<u>\$ 29,300,965</u>
Liabilities				
Due to others	\$ 32,267,068	\$ 155,773,942	\$ 158,740,045	\$ 29,300,965
	<u>\$ 32,267,068</u>	<u>\$ 155,773,942</u>	<u>\$ 158,740,045</u>	<u>\$ 29,300,965</u>
Municipal Fund				
Assets				
Cash	\$ 79,532	\$ 8,441,659	\$ 8,449,007	\$ 72,184
Property taxes receivable, net	338,652	130,728	20,916	448,464
	<u>\$ 418,184</u>	<u>\$ 8,572,387</u>	<u>\$ 8,469,923</u>	<u>\$ 520,648</u>
Liabilities				
Accounts payable	\$ 79,532	\$ 8,273,229	\$ 8,280,576	\$ 72,185
Due to others	338,652	299,158	189,347	448,463
	<u>\$ 418,184</u>	<u>\$ 8,572,387</u>	<u>\$ 8,469,923</u>	<u>\$ 520,648</u>
Mini-bottle Fund				
Assets				
Cash	\$ -	\$ 196,224	\$ 196,224	\$ -
Liabilities				
Due to others	\$ -	\$ 196,224	\$ 196,224	\$ -
Fire District Fund				
Assets				
Cash	\$ -	\$ 164,970	\$ 164,970	\$ -
Liabilities				
Due to others	\$ -	\$ 164,970	\$ 164,970	\$ -
Magistrates' Fund				
Assets				
Cash	\$ 82,066	\$ 1,024,362	\$ 1,001,106	\$ 105,322
Liabilities				
Due to others	\$ 82,066	\$ 1,024,362	\$ 1,001,106	\$ 105,322
Family Court Fund				
Assets				
Cash	\$ 35,338	\$ 7,310,542	\$ 7,307,591	\$ 38,289
Liabilities				
Due to others	\$ 35,338	\$ 7,310,542	\$ 7,307,591	\$ 38,289

PICKENS COUNTY, SOUTH CAROLINA

Combining Statement of Changes in Fiduciary Assets and Liabilities
Agency Funds
June 30, 2009

	<u>Balance</u> <u>July 1, 2008</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance</u> <u>June 30, 2009</u>
Clerk of Court Fund				
Assets				
Cash	\$ 1,121,545	\$ 1,650,275	\$ 1,778,778	\$ 993,042
Liabilities				
Due to others	\$ 1,121,545	\$ 1,650,275	\$ 1,778,778	\$ 993,042
Museum				
Assets				
Cash	\$ 10,569	\$ 30,697	\$ 28,717	\$ 12,549
Liabilities				
Due to others	\$ 10,569	\$ 30,697	\$ 28,717	\$ 12,549
Library Foundation				
Assets				
Cash	\$ 60,895	\$ 13,913	\$ 5,894	\$ 68,914
Liabilities				
Due to others	\$ 60,895	\$ 13,913	\$ 5,894	\$ 68,914
Total of all Agency Funds				
Assets				
Cash and cash equivalents	\$ 30,959,262	\$ 172,968,361	\$ 177,323,747	\$ 26,603,876
Accounts receivable - other	86,469	-	86,469	-
Property taxes receivable	2,949,934	1,768,951	283,032	4,435,853
Total assets	\$ 33,995,665	\$ 174,737,312	\$ 177,693,248	\$ 31,039,729
Liabilities				
Accounts payable	\$ 79,532	\$ 8,273,229	\$ 8,280,576	\$ 72,185
Due to others	33,916,133	166,464,083	169,412,672	30,967,544
Total liabilities	\$ 33,995,665	\$ 174,737,312	\$ 177,693,248	\$ 31,039,729

PICKENS COUNTY, SOUTH CAROLINA

**Capital Assets Used in the Operation of Governmental Funds
Schedule of Capital Assets by Function
June 30, 2009**

Function	Land	Construction in Progress	Buildings and Improvements	Machinery and Equipment	Improvements and Infrastructure	Total
	\$	\$	\$	\$	\$	\$
General government administration	\$ 1,778,247	-	\$ 10,892,543	\$ 1,858,044	-	\$ 14,528,834
Public safety	280,003	-	8,201,159	11,644,059	92,752	20,217,973
Public works	1,052,129	12,284	1,308,565	9,411,235	27,141,746	38,925,959
Public health and welfare	26,902	28,362	998,301	244,334	-	1,297,899
Culture and recreation	425,699	90,093	10,040,168	804,228	62,808	11,422,996
Economic development	-	14,734	-	7,203	607,720	629,657
Intergovernmental	-	-	915,000	-	-	915,000
Total governmental funds capital assets	\$ 3,562,980	\$ 145,473	\$ 32,355,736	\$ 23,969,103	\$ 27,905,026	\$ 87,938,318

PICKENS COUNTY, SOUTH CAROLINA

**Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes in Capital Assets by Function
June 30, 2009**

Function	Beginning of Year	Additions	Deletions	Transfers		End of Year
				In	Out	
General government administration	\$ 14,473,869	\$ 1,654,384	\$ 1,541,003	\$ 38,355	\$ 96,771	\$ 14,528,834
Public safety	15,783,386	4,614,506	159,085	21,150	41,984	20,217,973
Public works	38,310,102	743,198	190,940	123,104	59,505	38,925,959
Public health and welfare	1,253,887	28,361	-	15,651	-	1,297,899
Culture and recreation	11,217,449	205,547	-	-	-	11,422,996
Economic development	614,923	14,734	-	-	-	629,657
Intergovernmental	915,000	-	-	-	-	915,000
Total governmental funds capital assets	\$ 82,568,616	\$ 7,260,730	\$ 1,891,028	\$ 198,260	\$ 198,260	\$ 87,938,318

**Statistical Section
(Unaudited)**

This part of the Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the government's overall financial health.

CONTENTS	PAGE
Financial Trends	
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	96
Revenue Capacity	
These schedules contain trend information to help the reader assess the government's most significant local revenue sources.	101
Debt Capacity	
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the County's ability to issue additional debt in the future.	105
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	109
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	112

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The government implemented Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

PICKENS COUNTY, SOUTH CAROLINA

Net Assets by Component
Last Six Fiscal Years
(Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year						
	2003	2004	2005	2006	2007	2008	2009
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
Restricted	14,577,050	17,772,051	14,398,760	12,205,788	13,038,304	13,002,730	12,314,922
Unrestricted	14,079,175	7,576,829	10,188,977	16,849,075	15,010,111	15,754,877	22,977,434
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>
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	27,584,776	28,137,870
Restricted	225,157	288,265	351,373	414,481	477,589	540,697	603,805
Unrestricted (Deficit)	353,553	524,982	(26,653)	215,564	(249,782)	324,285	2,155,050
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>
Component Unit							
Invested in capital assets, net of related debt	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Unrestricted (Deficit)	-	-	-	-	-	-	337,586
Total component unit net assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>337,586</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	69,121,871	61,509,078
Restricted	14,802,207	18,060,316	14,750,133	12,620,269	13,515,893	13,543,427	12,918,727
Unrestricted	14,432,728	8,101,811	10,162,324	17,064,639	14,760,329	16,079,162	25,470,070
Total reporting unit 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>\$ 98,744,460</u>	<u>\$ 99,897,875</u>

Note: Accrual-basis financial information for the county government as a whole is available back to 2003 only, the year GASB Statement 34 was implemented.

Source: Annual Financial Statements

PICKENS COUNTY, SOUTH CAROLINA

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

	Fiscal Year						
	2003	2004	2005	2006	2007	2008	2009
Expenses							
Governmental activities:							
General government	\$ 8,037,057	8,125,875	\$ 9,354,229	\$ 9,292,433	\$ 9,531,581	\$ 10,383,406	\$ 11,606,490
Public safety	12,100,263	13,822,142	14,377,237	17,028,781	17,381,994	18,701,286	20,164,030
Public works	8,364,990	10,379,251	9,324,127	10,061,181	10,182,540	11,342,672	12,499,271
Health and welfare	432,738	505,494	894,069	690,329	734,956	329,074	1,217,282
Cultural and recreation	2,188,427	2,445,278	3,334,446	3,615,200	4,168,650	4,197,104	5,433,793
Economic development	371,377	3,988,379	968,303	562,665	568,792	589,302	419,161
Intergovernmental	1,470,549	1,751,671	1,664,330	1,573,120	1,769,773	1,696,013	-
Other	523,343	-	-	-	-	-	-
Capital outlay	69,230	1,395,421	-	-	-	-	-
Assistance to other agencies	-	-	-	-	-	-	22,701
Unallocated interest expense and fees	471,710	352,715	551,100	483,791	423,517	432,473	140,600
Debt service - other	-	-	-	-	-	-	934,897
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>
Business-type activities:							
Public Service Commission	1,774,051	1,715,756	2,216,662	2,086,584	2,041,793	2,025,662	2,273,647
Airport	632,377	701,255	489,946	588,187	641,239	860,893	880,955
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>
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>
Component unit activities:							
Alliance Pickens	-	-	-	-	-	-	578,695
Total component unit expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>578,695</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>
Program Revenues							
Governmental activities:							
Charges for services							
General government	1,308,050	1,348,957	1,471,204	1,810,994	1,676,604	2,141,308	1,317,074
Public safety	4,604,670	5,110,166	5,375,064	6,666,736	6,833,609	6,738,601	6,833,279
Public works	1,036,287	1,144,015	1,360,549	1,236,061	3,281,515	3,355,920	1,189,219
Health and welfare	592	590	115	-	28,988	22,741	330
Cultural and recreation	293,322	316,517	292,931	379,457	551,901	592,737	416,725
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
Capital grants and contributions	782,548	1,390,071	906,154	585,721	609,054	1,923,909	631,301
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>
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
Airport	282,362	346,733	147,886	253,965	287,119	413,056	474,368
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
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>
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>
Component unit activities:							
Alliance Pickens	-	-	-	-	-	-	192,613
Total component unit revenues:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>192,613</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>

PICKENS COUNTY, SOUTH CAROLINA

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

	Fiscal Year						
	2003	2004	2005	2006	2007	2008	2009
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)
Business-type activities	871,350	941,525	543,122	(1,050,817)	(573,983)	(37,685)	358,943
Component unit activities	-	-	-	-	-	-	(386,082)
Total reporting unit	<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>
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
Grants and contributions	5,156,251	5,217,805	5,271,087	5,495,186	6,139,217	6,774,688	6,626,329
Investment earnings	170,189	130,491	380,469	548,420	966,546	682,166	299,313
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
Loss on sale of capital assets	-	-	-	-	(509)	53,454	(323,162)
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)
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>
Business-type activities:							
Transfers	563,029	2,936,293	521,911	699,927	872,089	4,798,421	2,088,024
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>
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>
Component Unit Activities:							
Transfers	-	-	-	-	-	-	375,000
Total component unit activities:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>375,000</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)
Business-type activities	1,434,379	3,877,818	1,065,033	(350,890)	298,106	4,760,736	2,446,967
Component unit activities	-	-	-	-	-	-	(11,082)
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>

Note: Accrual-basis financial information for the county government as a whole is available back to 2003 only, the year GASB Statement 34 was implemented.

Source: Annual Financial Statements

PICKENS COUNTY, SOUTH CAROLINA

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

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Fund										
Reserved	\$ 144,566	\$ 231,758	\$ 1,382,532	\$ 2,839,838	\$ 2,201,434	\$ 1,914,549	\$ 1,784,717	\$ 1,597,235	\$ 2,455,301	\$ 3,713,840
Unreserved	11,571,671	13,110,297	13,849,205	12,897,458	11,192,229	13,130,692	16,862,916	21,527,579	23,882,694	20,870,743
Total general fund	11,716,237	13,342,055	15,231,737	15,737,296	13,393,663	15,045,241	18,647,633	23,124,814	26,337,995	24,584,583
All Other Governmental Funds										
Reserved										
Debt service	569,767	623,280	579,651	-	912,526	1,135,204	843,318	535,141	541,633	541,633
Other reserves	124	-	-	228,371	3,887,756	1,057,463	328,664	620,552	2,000,027	558,733
Unreserved, reported in:										
Special revenue funds	2,440,173	3,119,214	377,484	6,228,918	11,880,410	11,829,130	12,118,506	12,938,696	11,793,525	10,705,047
Debt service funds	-	-	4,827	607,878	-	-	-	-	-	(102,627)
Capital project funds	6,558,401	7,349,071	11,438,802	8,463,898	2,186,523	1,527,628	1,214,214	671,084	887,462	444,405
Total all other governmental funds	9,568,465	11,091,565	12,400,764	15,529,065	18,867,215	15,549,425	14,504,702	14,765,273	15,222,647	12,147,191
Total governmental fund balance	\$ 21,284,702	\$ 24,433,620	\$ 27,632,501	\$ 31,266,361	\$ 32,260,878	\$ 30,594,666	\$ 33,152,335	\$ 37,890,087	\$ 41,560,642	\$ 36,731,774

PICKENS COUNTY, SOUTH CAROLINA

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

	Fiscal Year Ended June 30,									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Revenues										
Taxes	\$ 17,388,779	\$ 19,057,929	\$ 21,259,787	\$ 20,633,138	\$ 22,507,766	\$ 25,315,693	\$ 27,909,119	\$ 27,883,001	\$ 29,593,673	\$ 29,907,909
Fees, licenses and permits	343,322	658,944	694,433	4,245,388	4,609,257	4,560,429	4,894,813	5,108,915	5,461,999	5,307,166
Intergovernmental	14,137,544	8,723,748	8,309,830	8,350,505	9,251,235	8,699,593	11,210,389	11,045,142	10,109,495	10,109,495
Charges for services	3,119,011	4,524,806	5,094,039	3,888,066	4,335,537	4,790,488	5,722,544	6,398,628	6,251,805	5,886,863
Fines and forfeitures	2,169,324	1,046,146	2,647,179	929,332	927,665	808,594	938,369	942,141	975,288	832,055
Investment income	694,471	877,659	492,804	331,430	251,702	593,511	1,024,978	1,520,297	1,176,242	451,499
Rental income	-	23,336	3,148	16,231	12,257	255,299	115,668	74,446	148,642	22,103
Contributions	2,434,128	321,500	405,950	170,442	137,773	651,182	705,252	159,906	190,062	21,720
Miscellaneous	40,286,579	35,234,068	38,907,170	38,564,532	42,033,192	45,674,789	50,646,005	53,297,723	54,842,853	54,061,713
Total revenues										
Expenditures										
General government	5,919,910	5,589,296	7,258,565	7,661,096	8,081,076	8,616,734	8,932,315	9,155,233	9,861,628	10,307,518
Public safety	5,029,882	8,415,448	10,928,234	11,686,937	14,389,530	14,971,515	17,207,330	16,249,967	17,453,255	19,122,790
Public works	8,170,244	4,911,711	5,420,038	7,807,873	9,569,400	8,858,010	10,324,117	8,939,715	9,914,630	11,877,268
Health and welfare	2,706,918	238,344	308,899	395,499	440,974	644,549	661,020	690,162	778,940	823,673
Culture and recreation	1,704,083	1,713,287	1,973,758	2,117,156	2,336,952	3,145,300	3,483,387	3,863,186	3,892,592	3,938,808
Economic development	-	101,815	154,143	245,912	3,876,989	904,739	1,050,117	548,535	570,531	397,421
Other	3,684,572	3,992,266	578,616	523,343	1,589,548	133,632	127,681	169,233	73,067	452,016
Intergovernmental	-	1,236,830	1,898,313	1,447,674	162,123	1,530,698	1,422,564	1,577,665	1,673,392	1,325,975
Capital outlay	12,635,491	4,284,051	4,476,810	2,992,437	6,389,198	6,218,964	959,939	3,930,308	4,120,698	7,085,512
Debt service:										
Principal	5,961,757	1,159,062	1,221,322	1,570,285	1,489,332	2,007,512	2,810,309	1,767,801	1,767,006	2,135,545
Interest	791,117	700,847	772,145	611,136	679,553	928,310	982,353	845,923	790,629	902,872
Total expenditures	46,603,974	32,342,974	34,990,843	37,059,348	49,004,675	47,959,963	47,961,132	47,737,728	50,896,368	58,369,398
Excess of revenues over (under) expenditures	(6,317,395)	2,891,111	3,916,327	1,505,184	(6,971,483)	(2,285,174)	2,684,873	5,559,995	3,946,485	(4,307,685)
Other Financing Sources (Uses)										
Proceeds from capital lease	549,192	-	466,839	973,923	2,965,781	284,300	572,725	-	360,000	490,510
Proceeds from notes payable	9,812,473	-	-	-	1,988,315	-	-	-	-	-
Proceeds from bond issuance	2,600,000	-	3,690,000	-	7,801,372	800,000	-	-	3,874,344	1,800,000
Payment to escrow agent	-	-	(3,651,706)	-	-	-	-	-	-	-
Transfer of capital asset	-	-	-	1,717,778	-	-	-	-	-	-
Sale of capital assets	-	-	(1,476,488)	(563,029)	135,138	56,566	(699,927)	(872,089)	(4,798,421)	(2,463,024)
Transfers in (out)	12,961,665	(511,217)	(971,355)	2,128,672	9,954,313	618,955	(127,202)	(872,089)	(564,077)	(172,514)
Total other financing sources (uses)										
Net Change in Fund Balance	\$ 6,644,270	\$ 2,379,894	\$ 2,944,972	\$ 3,633,856	\$ 2,982,830	\$ (1,666,219)	\$ 2,557,671	\$ 4,687,906	\$ 3,382,408	\$ (4,480,199)
Debt service as a percentage of noncapital expenditures	19.88%	6.63%	6.53%	6.40%	5.09%	7.03%	8.07%	5.97%	5.47%	5.92%

Note: In fiscal year 2001 the County's functions were reclassified to more accurately reflect activity and in anticipation of GASB 34 implementation. The Public Service Commission and the Airport were reclassified as enterprise funds and are not included in the table above after fiscal year 2000.

Source: Annual Financial Statements

PICKENS COUNTY, SOUTH CAROLINA

Assessed Value and Estimated Actual Value of Taxable Property Last Ten Fiscal Years (Unaudited)

Fiscal Year Ended June 30,	Tax Year	Real Property	Personal Property	Less: Exemptions	Total Taxable		Total Tax Rate (1)	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Estimated Actual Taxable Value
					Assessed Value	Direct			
2000	1999	\$ 153,918,910	\$ 119,974,787	-	\$ 273,893,697	61.00	\$ 4,842,665,470	5.66%	
2001	2000	\$ 164,630,292	\$ 128,236,734	-	\$ 292,867,026	66.20	\$ 5,571,360,080	5.26%	
2002	2001	\$ 172,210,774	\$ 136,022,956	-	\$ 308,233,730	72.40	\$ 6,164,674,600	5.00%	
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%	

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

PICKENS COUNTY, SOUTH CAROLINA

**Property Tax Rates - Direct and Overlapping Rates
Last Ten Fiscal Years
(Rate Per \$1,000 of Assessed Value)
(Unaudited)**

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
County Wide Tax Rates										
General County	55.7	60.9	64.8	59.3	60.3	65.9	60.9	60.0	60.0	60.0
Tri-County Technical	2.3	2.3	3.1	3.0	3.0	3.0	2.7	2.7	2.7	2.7
Library	3.0	3.0	4.5	4.4	4.4	5.9	6.4	6.4	6.4	6.4
Total Direct Rate	61.0	66.2	72.4	66.7	67.7	74.8	70.0	69.1	69.1	69.1
City Rates										
Easley	56.0	56.0	61.7	61.7	61.7	61.7	59.0	61.0	61.0	61.0
Liberty	79.0	79.0	79.0	77.0	77.0	87.0	77.5	77.5	77.5	77.5
Norris	45.0	68.0	75.0	75.0	75.0	75.0	77.2	77.2	77.2	77.2
Central	63.0	63.0	63.0	63.0	63.0	63.0	59.0	61.0	63.0	64.8
Clemson	79.1	79.1	81.6	81.6	81.6	81.6	76.9	77.9	79.5	81.0
Six Mile	37.0	37.0	37.0	37.0	37.0	37.0	36.0	36.0	36.0	36.0
Pickens	48.0	48.0	48.0	48.0	48.0	48.0	46.7	46.7	48.5	50.0
School District Rate	130.0	123.9	128.9	135.5	132.7	138.2	130.9	128.0	167.0	165.0
Special District Rates										
Keowee Vineyards	-	-	-	-	18.8	57.6	34.0	32.7	36.2	37.3
Pumpkintown	-	-	-	-	-	14.2	-	-	-	-
Shady Grove	-	-	-	-	-	26.8	19.0	14.5	12.9	12.0
County Sewer	-	-	-	2.7	2.7	1.6	0.5	0.5	1.5	1.5
Georges Creek	1.1	1.1	0.7	0.7	0.7	0.7	0.7	0.6	0.6	0.6
Sedgewood	8.7	8.7	8.7	8.7	8.4	8.4	7.3	7.0	5.0	4.3
Saluda Lake	15.0	15.0	15.0	15.0	15.0	15.0	10.6	10.6	10.6	10.6

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
(Unaudited)

	2009		2000	
	Taxable Assessed Value	Percent of Total Taxable Assessed Value	Taxable Assessed Value	Percent of Total Taxable Assessed Value
Duke Energy Corporation	16,989,740	4.04%	15,183,310	5.54%
Blue Ridge Electric Coop.	5,055,750	1.20%	5,779,340	2.11%
Bellsouth Telecommunications	4,071,770	0.97%	5,226,540	1.91%
Keowee River Club LLC	3,345,145	0.80%	4,660,320	1.70%
Reliable Automatic Sprinkler	1,762,023	0.42%	3,409,605	1.24%
Sauer Danfoss US Company	1,452,875	0.35%	3,190,390	1.16%
Shaw Industries Group Inc.	1,439,941	0.34%	2,636,955	0.96%
Milliken & Company Inc.	1,258,852	0.30%	2,111,870	0.77%
Champion Aerospace LLC	1,243,690	0.30%	1,964,560	0.72%
Pacesetter Inc.	1,198,612	0.28%	1,767,340	0.65%
Total	37,818,398	8.99%	45,930,230	16.77%

PICKENS COUNTY, SOUTH CAROLINA

**County Property Tax Levy and Collections
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year Ended June 30,	Collected Within the Fiscal Year of the Levy (2)			Estimated Tax Collections to Date (3)		
	Total Adjusted Levy (1)	Amount	Percentage of Adjusted Levy	Receivable June 30, 2009	Estimated Amount	Percentage of Adjusted Levy
2000	10,717,681	9,807,870	91.51%	12,318	10,705,363	99.89%
2001	13,093,314	11,201,107	85.55%	21,001	13,072,313	99.84%
2002	14,999,432	12,512,738	83.42%	37,486	14,961,946	99.75%
2003	14,209,581	12,485,752	87.87%	48,359	14,161,222	99.66%
2004	14,916,445	13,446,296	90.14%	63,213	14,853,232	99.58%
2005	16,375,917	14,769,963	90.19%	80,085	16,295,832	99.51%
2006	17,824,985	16,133,203	90.51%	85,698	17,739,287	99.52%
2007	17,398,589	15,977,443	91.83%	142,813	17,255,777	99.18%
2008	17,475,608	16,600,160	94.99%	172,284	17,303,324	99.01%
2009	18,379,527	17,426,581	94.82%	863,889	17,515,638	95.30%

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, 2009, 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
(Unaudited)**

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					
2000	8,850,000	2,372,420	1,240,405	3,175,756	5,593,900	400,000		21,632,481	0.99%	197	
2001	8,105,000	2,170,686	1,027,496	3,063,775	5,555,958	400,000		20,322,915	0.87%	183	
2002	7,280,000	1,956,193	1,302,599	6,447,248	5,503,224	320,833		22,810,097	0.92%	205	
2003	6,395,000	1,728,196	1,941,310	6,325,989	5,447,929	270,833		22,109,257	0.87%	198	
2004	13,415,000	1,486,124	2,552,405	7,800,409	5,389,950	220,833		30,864,721	1.19%	275	
2005	13,405,000	1,228,464	2,119,865	7,364,442	5,329,156	170,834		29,617,761	1.11%	262	
2006	12,506,000	-	2,314,240	7,059,933	5,265,412	120,833		27,266,418	0.98%	240	
2007	11,529,000	-	1,840,176	6,743,196	5,198,573	70,833		25,381,778	0.87%	222	
2008	14,353,470	-	1,812,503	6,413,737	5,128,488	20,833		27,729,031	0.90%	239	
2009	15,405,526	-	1,258,102	6,071,047	5,055,001	-		27,789,676	0.87%	239	

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

PICKENS COUNTY, SOUTH CAROLINA

Ratios of General Bonded Debt Outstanding Last Ten Fiscal Years (Unaudited)

Fiscal Year Ended June 30,	General Obligation Bonds	Percentage of Estimated Actual Taxable Value of Property (1)	Debt Per Capita (2)
2000	8,850,000	0.18%	81
2001	8,105,000	0.15%	73
2002	7,280,000	0.12%	65
2003	6,395,000	0.11%	57
2004	13,415,000	0.22%	119
2005	13,405,000	0.22%	119
2006	12,506,000	0.19%	110
2007	11,529,000	0.17%	101
2008	14,353,470	0.20%	124
2009	15,405,526	0.21%	132

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 Five Fiscal Years (1)
(Unaudited)

Legal Debt Margin Calculation for Fiscal Year 2009

Assessed valuation (2)	\$ 420,697,356
Less: exemptions	-
Net assessed value	<u>420,697,356</u>
Debt Limit (3)	33,655,788
Amount of debt applicable to debt limit	<u>12,163,299</u>
Legal debt margin (4)	<u>\$ 21,492,489</u>

	2004	2005	2006	2007	2008	2009
Debt limit	\$ 23,423,892	\$ 24,380,890	\$ 29,973,504	\$ 31,709,492	\$ 32,259,245	\$ 33,655,788
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>
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>

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%
--	--------	--------	--------	--------	--------	--------

Notes:

- (1) Only six 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% 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 Nine Fiscal Years
(Unaudited)

Series 1999A and 1999B Revenue Bonds (1)										Sewer System Revenue Bonds (2)				
Funding Source: Fee in lieu of taxes										Funding Source: Capital charges and transfers				
Fiscal Year	Available			Debt Service			Coverage	Fiscal Year	Available		Debt Service		Coverage	
	Revenue	Principal	Interest	Principal	Interest	Revenue			Principal	Interest				
2001	\$ 352,022	\$ 201,735	\$ 150,287	\$ 201,735	\$ 150,287	1.000	2001	\$ 236,628	\$ 37,942	\$ 198,686	1.000			
2002	\$ 352,022	\$ 214,493	\$ 137,529	\$ 214,493	\$ 137,529	1.000	2002	\$ 315,504	\$ 52,734	\$ 262,770	1.000			
2003	\$ 352,022	\$ 227,997	\$ 124,025	\$ 227,997	\$ 124,025	1.000	2003	\$ 315,504	\$ 55,294	\$ 260,210	1.000			
2004	\$ 352,022	\$ 242,073	\$ 109,949	\$ 242,073	\$ 109,949	1.000	2004	\$ 315,504	\$ 57,979	\$ 257,525	1.000			
2005	\$ 352,022	\$ 257,661	\$ 94,361	\$ 257,661	\$ 94,361	1.000	2005	\$ 315,504	\$ 60,794	\$ 254,710	1.000			
2006	n/a	\$ n/a	\$ n/a	\$ n/a	\$ n/a	n/a	2006	\$ 315,504	\$ 63,745	\$ 251,759	1.000			
2007	n/a	\$ n/a	\$ n/a	\$ n/a	\$ n/a	n/a	2007	\$ 315,504	\$ 66,840	\$ 248,664	1.000			
2008	n/a	\$ n/a	\$ n/a	\$ n/a	\$ n/a	n/a	2008	\$ 315,504	\$ 70,085	\$ 245,419	1.000			
2009	n/a	\$ n/a	\$ n/a	\$ n/a	\$ n/a	n/a	2009	\$ 315,504	\$ 77,055	\$ 238,449	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

PICKENS COUNTY, SOUTH CAROLINA

**Demographic and Economic Statistics
Last Ten Fiscal Years
(Unaudited)**

Fiscal		Personal	Per Capita	Unemployment
Year	Population	Income	Personal	Rate
			Income	
2000	109,851	2,190,499,000	19,941	3.1%
2001	111,089	2,338,305,000	21,049	2.4%
2002	111,520	2,481,369,000	22,250	4.3%
2003	111,619	2,540,175,000	22,758	5.3%
2004	112,340	2,598,725,000	23,133	6.1%
2005	113,090	2,663,426,000	23,551	5.1%
2006	113,729	2,778,369,000	24,430	6.7%
2007	114,585	2,932,353,000	25,591	5.8%
2008	116,003	3,077,890,000	26,533	5.3%
2009 (1)	116,306	3,186,480,131	27,397	8.6%

Notes:

(1) Personal Income and Per Capita Personal Income for 2009 were estimated based on the average yearly change over the last five years.

2007 new estimates and 2005-2006 revisions released April 23, 2009. Plus, revisions for population and per capita personal income date back to the year 2000.

Sources: 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
(Unaudited)**

Company or Organization	6/30/2009	
	Number of Employees	Percent of Total County Employment
State of South Carolina	4,881	8.85%
Clemson University	3,529	6.40%
School District of Pickens County	2,082	3.77%
Palmetto Baptist Medical Center	656	1.19%
Confluence Watersports	650	1.18%
Reliable Automatic Sprinkler Company, Inc.	600	1.09%
Pickens County	585	1.06%
Wal-Mart	544	0.99%
ARAMARK Services	500	0.91%
Milliken & Co. - Pendleton Finishing Plant	500	0.91%
	14,527	26.34%

Company or Organization	6/30/2000	
	Number of Employees	Percent of Total County Employment
Clemson University	8,122	16.78%
State of South Carolina	3,485	7.20%
School District of Pickens County	2,000	4.13%
Ryobi Motor Products	1,502	3.10%
Baptist Medical Center	550	1.14%
Bi-Lo	538	1.11%
Dayco Products, Inc	480	0.99%
Pickens County	479	0.99%
Mayfair Mills - Glenwood Division	455	0.94%
BASF Corp - Clemson Plant	450	0.93%
	18,061	37.31%

Source: Appalachian Council of Governments and InfoMentum.

PICKENS COUNTY, SOUTH CAROLINA

Authorized County Employee Positions by Function Last Ten Fiscal Years (Unaudited)

Function	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General government	134	138	140	144	147	150	147	147	148	150
Public safety	192	207	221	228	232	251	262	268	267	275
Public works	95	98	100	102	103	102	105	105	104	102
Health and welfare	6	6	7	8	8	9	9	9	9	10
Culture and recreation	50	50	50	50	51	68	70	70	70	69
Transportation	-	5	5	6	5	3	4	4	4	4
Economic development	2	3	2	2	3	3	3	3	-	-
Intergovernmental	1	1	1	1	1	1	1	1	1	1
Total authorized positions	480	508	526	541	550	587	601	607	603	611

PICKENS COUNTY, SOUTH CAROLINA

Operating Indicators by Function/Program
Fiscal Years 2005-2009 (1)
(Unaudited)

Function/Program	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2009
General government					
Probate Court estate cases	694	739	716	785	737
Marriage license applications	801	769	796	718	762
Register of Deeds documents filed	26,845	29,363	27,188	19,605	21,543
Clerk of Court civil cases filed	1,905	1,989	1,921	2,233	3,092
Clerk of Court warrants received	4,041	4,194	3,384	3,615	3,009
Vehicle bills and renewals processed	192,371	115,319	109,141	111,797	117,633
Magistrate case filings	16,780	19,040	16,791	20,685	17,384
Public Safety					
Sheriff 911 calls received	36,726	37,014	35,295	38,167	39,364
Coroner's Office investigations	204	196	200	n/a	426
Prison inmates received	560	597	621	742	678
EMS ambulance calls	12,110	12,608	14,498	15,158	14,810
Victim Rights services and assistance	7,103	7,208	7,792	8,026	8,191
Public Works					
Solid Waste transfer station tonnage	44,407	41,464	44,356	42,042	40,785
Recyclables tonnage	9,290	9,030	3,558	7,742	6,618
Roads paved	35	36	65	n/a	113
Signs installed/repared	428	457	1,649	n/a	114
Health and Welfare					
Animal Control calls received	11,455	9,985	9,713	9,808	10,292
Veteran's Affairs claims/actions	23,359	23,073	21,517	24,662	24,706
Culture and Recreation					
County Park					
Park camping and day use passes	5,882	6,713	5,787	7,360	7,993
Museum & Mill visitors (2)	21,456	19,277	32,527	33,789	34,171
Library visitors	355,840	426,075	426,829	480,822	546,557
Public Service Commission					
Wastewater treated /gallons	306,732,858	280,842,244	333,899,990	298,610,000	307,653,081

Notes:

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

Source: County's Adopted Budget and County departments

PICKENS COUNTY, SOUTH CAROLINA

Capital Asset Statistics by Function/Program
Last Ten Fiscal Years
(Unaudited)

Function/Program	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Public Safety										
Sheriff patrol units	80	82	88	92	93	94	101	101	101	102
EMS stations	6	6	6	6	6	6	7	7	7	8
Public Works										
Solid Waste convenience centers	8	8	8	8	8	8	8	8	8	8
Roads (miles)	162.1	164.7	168.3	171.5	172.3	174.1	181.2	182.0	183.6	184.8
Bridges	52	53	54	58	59	66	68	68	73	74
Public Service Commission										
Sanitary sewers (miles)	14.49	15.41	15.91	17.06	23.51	26.50	26.75	28.29	28.61	28.81
Culture and Recreation										
Number of county parks	1	1	1	1	1	2	2	2	2	2



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

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, 2009, and have issued our report thereon dated February 25, 2010. 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

In planning and performing our audit, 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over financial reporting that we consider to be a significant deficiency.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to initiate, authorize, record, process or report financial data reliably in accordance with accounting principles generally accepted in the United States of America, such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control. The results of our auditing procedures disclosed a significant deficiency, which is described in the accompanying schedule of findings and questioned costs as item 09-01.

The County's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the County's response and, accordingly, we express no opinion on it.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the County's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, we believe that the significant deficiency described above is not a material weakness.

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 also noted other matters involving the internal control over financial reporting and certain immaterial instances of non-compliance and other matters that we have reported to the management of Pickens County, South Carolina in a separate letter dated February 25, 2010.

The County's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the County's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the audit committee, County Council, others within the County and legislative or regulatory body and is not intended to be and should not be used by anyone other than these specified parties.

Cherry, Belsoet + Holland, L.L.P.

Greenville, South Carolina
February 25, 2010



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO 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 the compliance of Pickens County, South Carolina (the "County") with the types of compliance requirements described in the U.S. Office of Management and Budget ("OMB") Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. 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 requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 09-02 through 09-04.

Internal Control Over Compliance

The 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, 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.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified deficiencies in internal control over compliance that we consider to be significant deficiencies.

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 09-02 through 09-04 to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. We do not consider the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses.

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the County's responses and, accordingly, we express no opinion on it.

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

Cherry, Belser + Holland, L.L.P.

Greenville, South Carolina
February 25, 2010

PICKENS COUNTY, SOUTH CAROLINA

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2009

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 _____ X yes _____ 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 _____ X yes _____ 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 _____ X yes _____ no

Identification of major federal programs:

<u>CFDA#</u>	<u>Program Name</u>
93.563	Department of Social Services Title IV-D
97.078	2006 Buffer Zone Protection Program

PICKENS COUNTY, SOUTH CAROLINASchedule of Findings and Questioned Costs
For the Year Ended June 30, 2009**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

PICKENS COUNTY, SOUTH CAROLINA**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2009****Section II. Financial Statement Findings****Finding: 09-01-Bank Reconciliations****Criteria:**

Internal controls over cash management procedures require that bank statements be reconciled to the general ledger on a monthly basis. Such reconciliations identify errors, irregularities and adjustments to general ledger accounts.

Condition:

Certain bank account reconciliations had not been performed since December 2008.

Effect:

The County is not in compliance with cash management procedures of preparing bank account reconciliations on a timely basis.

Cause:

One of the duties of the Staff Accountant position within the Finance Department is preparing the monthly bank reconciliations. Due to turnover in this position during FY2009, bank reconciliations were not being prepared on a timely basis.

Recommendation:

Policies and procedures should be put into place to ensure that bank reconciliations are timely prepared and reviewed by Management on a monthly basis. The County should designate an alternate person to prepare bank reconciliations should employment of the primary preparer be terminated or this person is absent.

Management response:

See corrective action plan

Section III. Federal Award Questioned Costs & Findings**Finding: 09-02 – Refunding interest on Title IV-D Collections – CFDA# 93.563****Criteria:**

Contractual compliance requires the Clerk of Court to report interest earned from IV-D collections to the Child Support Enforcement Division (the "CSED") as program income on a quarterly basis and to forward to the CSED a check for 66% of the total amount of the interest earned.

Condition:

There were no instances found where interest earned on Title IV-D collections were reported and remitted to the CSED on a quarterly basis.

Effect:

The County is not in compliance with the policy of refunding 66% of interest earned on Title IV-D collections.

PICKENS COUNTY, SOUTH CAROLINASchedule of Findings and Questioned Costs
For the Year Ended June 30, 2009**Section III. Federal Award Questioned Costs & Findings, Continued****Finding: 09-02 – Refunding interest on Title IV-D Collections – CFDA# 93.563, continued**

Cause:

The Treasurer receives activity on all checking accounts including interest earned and was unaware of this requirement for Title IV-D collections. The Grants Coordinator was unaware that interest was not being allocated and submitted.

Recommendation:

Policies and procedures should be put into place to ensure that interest earned on Title IV-D collections are reported and remitted quarterly.

Management response:

See corrective action plan

Finding: 09-03 – Procurement, Suspension and Debarment – CFDA# 97.078

Criteria:

Compliance requirements governing federal grants require recipients to perform a verification check for covered transactions, by checking the Excluded Parties List System (the “EPLS”), collecting a certification from the entity, or adding a clause or condition to the covered transaction with the entity to ensure covered transactions were not awarded to suspended or debarred parties.

Condition:

There were no instances found where the County reviewed the EPLS, obtained a certification or added a clause or condition to the covered transactions tested.

Effect:

The County is not in compliance with the requirement of verifying that covered transactions are not awarded to suspended or debarred parties.

Cause:

Grant Coordinator and Finance Director were unaware of this requirement or available EPLS website resource.

Recommendation:

Policies and procedures should be put into place to ensure that the EPLS is reviewed, certifications are obtained or clause or condition is added to covered transactions to ensure they are not awarded to a suspended or debarred party.

Management response:

See corrective action plan

PICKENS COUNTY, SOUTH CAROLINA**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2009****Section III. Federal Award Questioned Costs & Findings, Continued****Finding: 09-04 – Non-submission/late filing of required reports/requests for payment– CFDA
97.078****Criteria:**

Contractual compliance requirements governing receipts of federal funds require that requests for payment and quarterly fiscal reports are due within 30 days of the end of each calendar quarter and must be submitted for every quarter including those with no expenditures. The final request for payment and quarterly fiscal report are due 45 days after the end of the grant period. In addition, semi-annual progress reports are due within 30 days after the end of the reporting period until the expiration of the grant.

Condition:

No instances were found where quarterly fiscal reports were submitted. No instances were found where semi-annual progress reports were submitted. No instances were found where requests for payments were filed within 30 days of the end of each calendar quarter.

Effect:

The County is not in compliance with the contractual requirements of submitting required reports by the specified deadlines.

Cause:

Grant Coordinator and Finance Director were unaware of this requirement.

Recommendation:

Policies and procedures should be put into place to facilitate the reporting process to ensure that reports and request for payments are timely filed.

Management response:

See corrective action plan

PICKENS COUNTY, SOUTH CAROLINA**Corrective Action Plan
For the Year Ended June 30, 2009**

The corrective action plans for the findings from the schedule of questioned costs and findings for the year ended June 30, 2009 are discussed on the following pages. The findings are numbered consistently with the numbers assigned in the schedule.

Section III. Federal Award Questioned Costs & Findings**Finding: 09-01 – Bank Reconciliations**

The County has purchased an additional module available within the current financial software that will allow for the reconciliation of bank statements instead of using separate cumbersome spreadsheets.

Finding: 09-02 – Refunding interest on Title IV-D Collections – CFDA# 93.563

Management will contact the State Agency to see if they will eliminate this provision in the contract. If the State Agency will not eliminate the provision, the County will set up a separate bank account to track the interest earned on the Title IV-D collections.

Finding: 09-03 – Procurement, Suspension and Debarment – CFDA# 97.078

The Purchasing Manager will be made aware of this provision and will review the federal website for suspended and disbarred vendors.

Finding: 09-04 – Non-submission/late filing of required reports/requests for payment– CFDA 97.078

A staff change resulted in the delay of filing requests for payment for grants. A new person has been assigned to this position.

PICKENS COUNTY, SOUTH CAROLINA

Schedule of Prior Year Audit Findings
For the Year Ended June 30, 2009

Section IV. Resolution of Prior Year Findings

No findings reported in the prior year audit.

PICKENS COUNTY, SOUTH CAROLINA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

Federal Grantor / Program Title	Federal CFDA Number	Grant / Award Number	Federal Expenditures	Loan Amount Outstanding
<u>US Department of Transportation</u>				
Federal Aviation Administration Airport Terminal Building	20.106	3-45-0047-14	33,609	-
Federal Aviation Administration Airport Terminal Construction	20.106	3-45-0047-15	355,731	-
			389,340	-
<u>US Department of Agriculture</u>				
Rural Development Loans				3,258,366
18 Mile Creek Upper Project	10.760			1,796,634
18 Mile Creek Middle Project	10.760			
Passed through SC Forestry Commission				
VFA National Fire Plan Grant	10.664		1,189	-
2008 VFA Title II Grant	10.664		4,663	-
2008 VFA Title IV Wildland	10.664		990	-
			6,842	5,055,000
<u>US Department of Justice</u>				
Passed through SC Department of Public Safety				
VAWA Domestic Investigator/Advocate Year 6	16.588	1K07011	14,324	-
VAWA Domestic Investigator/Advocate Year 7	16.588	1K08010	49,848	-
2008 State Criminal Alien Assistance Program (SCAAP)	16.606		1,662	-
			65,834	-
<u>US Department of Health and Human Services</u>				
Passed through SC Department of Social Services				
Dept. of Social Services Title IV-D Service of Process	93.563		13,728	-
Dept. of Social Services Title IV-D Unit Cost	93.563		83,796	-
Dept. of Social Services Title IV-D Filing Fees	93.563		38,250	-
Dept. of Social Services Title IV-D Incentives	93.563		30,846	-
			166,620	-
<u>US Department of Homeland Security</u>				
Assistance to Firefighters Central Fire District	97.044	EMW-2008-FV-01313	117,800	-
Assistance to Firefighters Keowee Sprints Fire District	97.044	EMW-2008-FO-02485	1,765	-
Passed through SC Office of Adjutant General, Emergency Preparedness Division				
2008 Emergency Management Performance Grant	97.042	8EMPG01	31,065	-
2009 Emergency Management Performance Grant	97.042	9EMPG01	5,528	-
2007 Supplemental Local Emergency Planning Grant	97.042	7EMPG02	11,273	-
Passed through SC Law Enforcement Division Emergency Preparedness Division				
2006 State Homeland Security	97.067	6SHSP28	46,143	-
2007 Citizen's Corps	97.067	7CCP01	302	-
Passed through SC Law Enforcement Division 2006 Buffer Zone Protection Program (BZPP)				
Jocassee Pumped Storage Project	97.078	6BZPP03	287,891	-
			501,767	-
<u>US Department of Housing and Urban Development</u>				
Passed through SC Department of Commerce				
QuickJobs Development Center	14.228	4-W-07-006	6,098	-
Tri-County Telecom Master Planning	14.228	4-LP-05-006	45,393	-
			51,491	-
			\$ 1,181,894	\$ 5,055,000

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, 20091. 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.

PICKENS COUNTY

Victim Services
Supplementary Schedule of Assessments

Clerk of Court Collections

Fines and fees	\$	472,834
Assessments		107,709
Surcharges		193,810
Total Clerk of Court collections		<u>774,352</u>

Magistrate Court Collections

Fines and fees		472,442
Assessments		329,768
Surcharges		177,910
Total Collections for Magistrate Court		<u>980,120</u>

Total collections for Clerk of Court and Magistrate Court \$ 1,754,472

Clerk of Court Retainage

Fines and fees	\$	188,821
Assessments		27,046
Surcharges		75,037
Total Clerk of Court retainage		<u>290,904</u>

Magistrate Court Retainage

Fines and fees		445,526
Assessments		31,267
Surcharges		22,523
Total Magistrate Court Retainage		<u>499,315</u>

Total retainage for Clerk of Court and Magistrate Court \$ 790,219

Amount Remitted to State Treasurer

Fines and Assessments \$ 964,253

Amount of Funds Allocated to Victim Services by Fund Source

From assessments and surcharges \$ 155,872
\$ 155,872

Funds Carried Forward to Fiscal Year 2009 Designated as Victim Services Funds \$ 59,392