

**PICKENS COUNTY, SOUTH CAROLINA**

**FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2023**

**PREPARED BY:**  
**Finance Department**

**Ralph Guarino**  
**Finance Director**



PICKENS COUNTY, SOUTH CAROLINA

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## **PICKENS COUNTY, SOUTH CAROLINA**

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### **PRINCIPAL OFFICIALS**

For the Year Ended June 30, 2023

### **MEMBERS OF COUNTY COUNCIL**

Chris Bowers, Chairman  
Roy Costner III, Vice Chairman  
C. Claiborne Linvill  
Chris Lollis  
Alex Saitta  
Henry Wilson

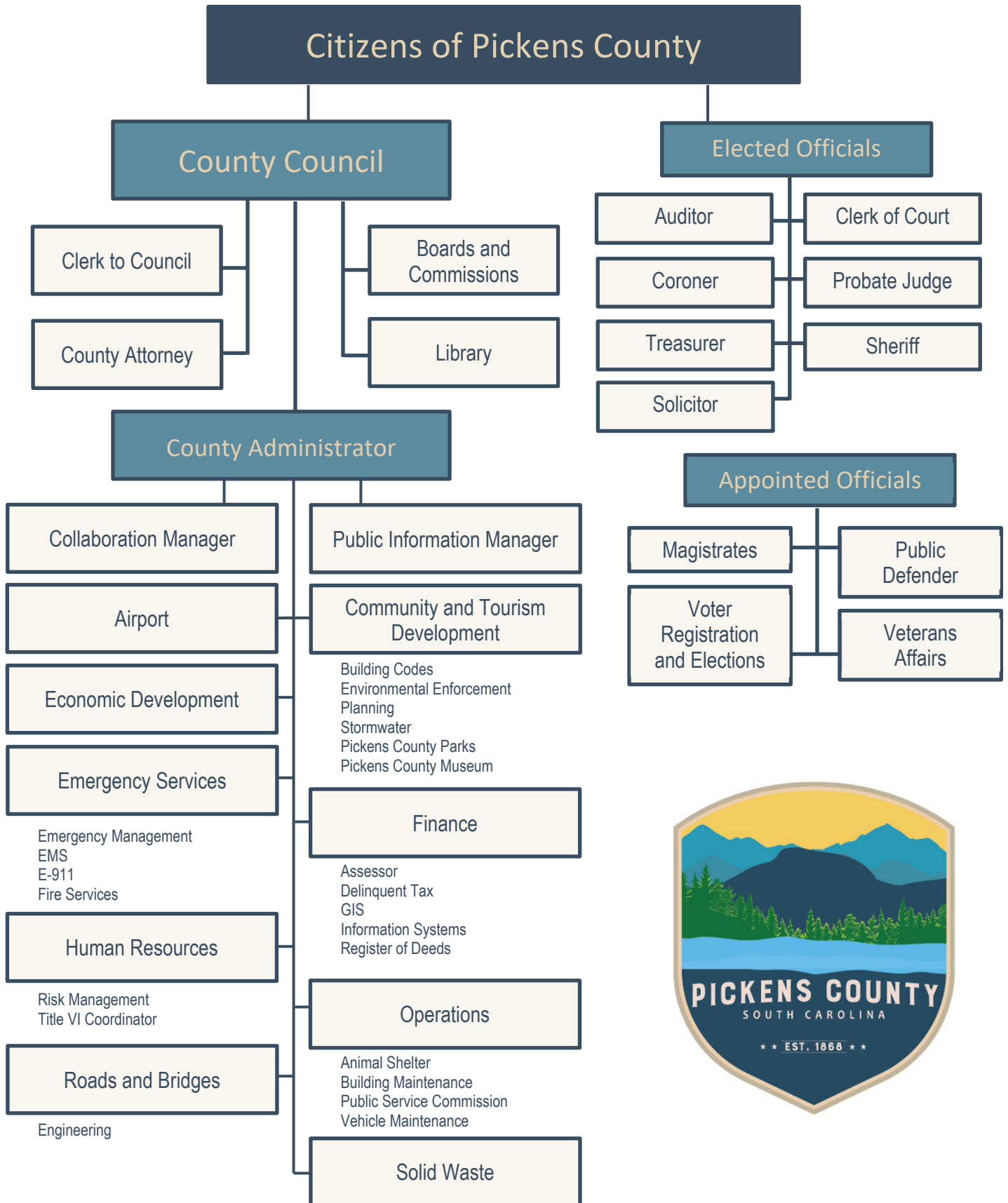
### **ELECTED OFFICIALS**

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

### **ADMINISTRATIVE OFFICIALS**

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

# Pickens County Organizational Chart





# Greene Finney Cauley, LLP

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

## INDEPENDENT AUDITOR'S REPORT

Pickens County Council  
Pickens County, South Carolina

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the governmental activities, the business-type activities, 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, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* ("Government Auditing Standards"), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Prior Period Adjustment*

As discussed in Note IV.H in the notes to the financial statements, for the year ended June 30, 2023, the County discovered that it had not recorded a note receivable in prior years relating to a property sale that impacted its government-wide financial statements as of June 30, 2022. As a result, the beginning net position has been restated in the current year financial statements to correct this error. Our opinions are not modified with respect to this matter.

#### *Responsibilities of Management for the Financial Statements*

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules, the pension plan schedules, and the other postemployment benefit plan schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The supplementary information, as listed in the table of contents, and the schedule of expenditures of federal awards, as required by Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information and the schedule of expenditures and federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 21, 2024, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County's internal control over financial reporting and compliance.

*Greene Finney Cauley, LLP*

Greene Finney Cauley, LLP  
Mauldin, South Carolina  
March 21, 2024

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## PICKENS COUNTY, SOUTH CAROLINA

### MANAGEMENT'S DISCUSSION AND ANALYSIS

#### YEAR ENDED JUNE 30, 2023

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As management of Pickens County (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2023. 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 and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources on June 30, 2023, by approximately \$111,807,000 (net position.) Of this amount, approximately \$96,281,000 is invested in capital assets, net of related debt, approximately \$28,509,000 is restricted for debt service and other purposes, and approximately \$12,983,000 is unrestricted deficit in net position.
- The County's total net position increased approximately \$20,087,000 over the course of this year's operations, or 24.6%. The primary reason for the increase in the net position was related to capital investments. The County invested over \$5.0 million in land purchases for the future development of a new commerce park. The Council invested over \$10.0 million in upgrades and improvements at the County owed Airport. This compares favorably to the prior year's increase in net position of approximately \$9,057,000. Net position of the governmental activities increased approximately \$14,006,000 whereas there was an increase of approximately \$9,723,000 in the prior year. The net position of the business-type activities increased approximately \$6,082,000 whereas there was a decrease of approximately \$689,000 in the prior year.
- At the close of the current fiscal year, Pickens County's governmental funds reported combined fund balances of approximately \$73,127,000, an increase of approximately \$6,445,000. Approximately 52.6% of this amount or approximately \$38,449,000 is available for spending at the government's discretion (unassigned fund balances).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was approximately \$38,458,000 or approximately 65.7% of total General Fund expenditures, including transfers out.
- The County's total capital assets were approximately \$121,556,000 at June 30, 2023, an increase from the prior year of approximately \$13,356,000.
- The total long-term liabilities of the governmental-type activities increased by approximately \$1,195,000 (1.3%). The total long-term liabilities of the business-type activities increased approximately \$17,000.
- The County adopted Governmental Accounting Standards Board ("GASB") Statement No. 96 "*Subscription-Based Information Technology Arrangements*" ("SBITAs") for the year ended June 30, 2023 ("GASB #96"). The objective of GASB #96 is to better meet the information needs of financial statement users by (a) establishing uniform accounting and financial reporting requirements for SBITAs; (b) improving the comparability of financial statements among governments that have entered into SBITAs; and (c) enhancing the understandability, reliability, relevance, and consistency of information about SBITAs. Under GASB #96, a government should generally recognize a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability. The adoption of GASB #96 had no impact as the County did not have any significant long-term SBITAs.

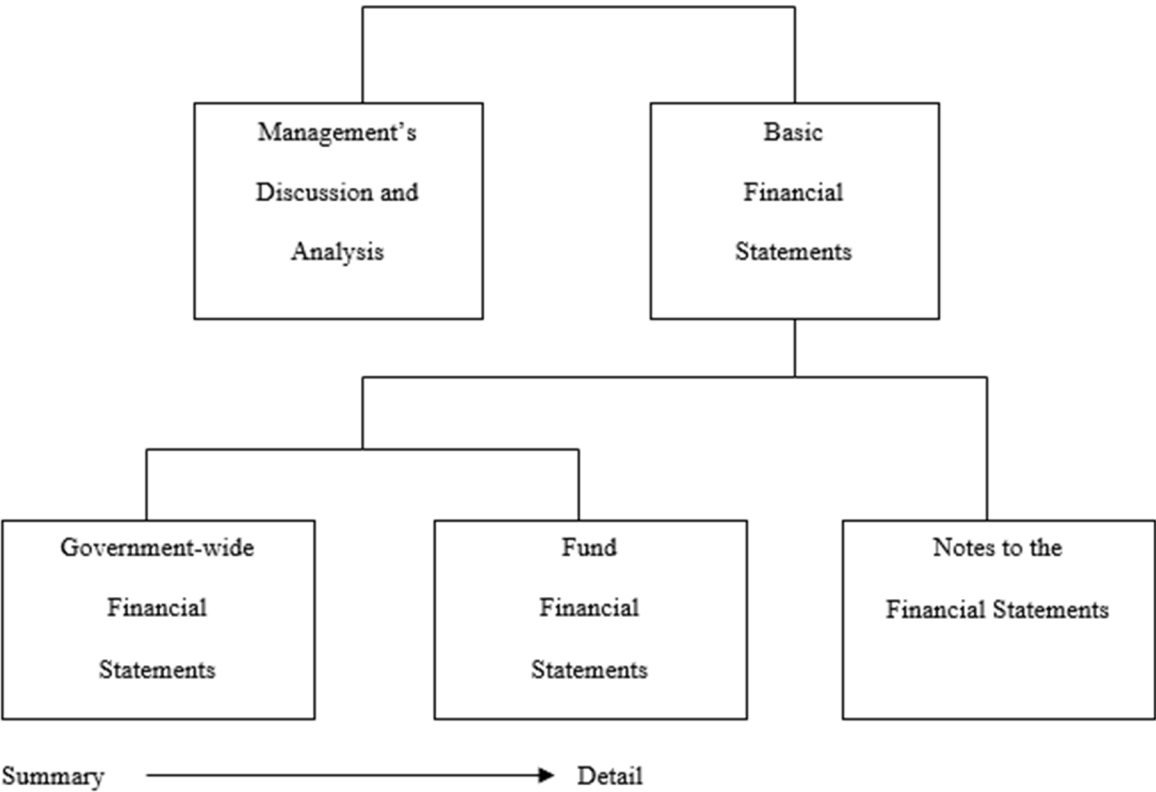
#### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the 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 the County.

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

*Required Components of the Annual Financial Report*

Figure 1



**Basic Financial Statements**

The first two statements (the Statement of Net Position and the Statement of Activities) 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 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, **required supplementary information** is provided to show the budgetary schedules for the major governmental funds and the schedules for the pension and other postemployment benefit (“OPEB”) plans as required by generally accepted accounting principles for the County’s participation in the State retirement plans and the County’s OPEB plan. After the required supplementary information, **supplemental information** is provided to show details about the County’s nonmajor governmental funds, which are added together in one column on the basic financial statements. Budgetary information required by the General Statutes can also be found in this part of the statements.

## PICKENS COUNTY, SOUTH CAROLINA

### MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2023

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#### OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

##### Government-Wide Financial Statements

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

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

The government-wide statements are divided into 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.

##### 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. The 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 the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

**Proprietary Funds** – The 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. The County uses enterprise funds to account for its wastewater treatment activity and for its airport operations. These funds are the same as those activities shown in the business-type activities in the Statement of Net Position and the Statement of Activities.

**Fiduciary Funds** – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The County has eight fiduciary funds, all of which are custodial 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 required supplementary information that includes this analysis and the major fund budgetary comparisons. 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 the County succeeded in providing the services as planned when the budget was adopted.

## PICKENS COUNTY, SOUTH CAROLINA

### MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2023

#### OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

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.

Additionally, this report presents supplementary information which includes the combining statements for the nonmajor governmental funds, budgetary comparisons for nonmajor governmental and proprietary funds that have legally adopted budgets, and the schedules for the pension and OPEB plans. Required supplementary information can be found as listed in the table of contents. Additional trend information about the County can be found in the Statistical Section of the report.

#### GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The following table provides a summary of the County's net position as of June 30, 2023 compared to June 30, 2022.

Pickens County's Net Position  
Figure 2

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>Assets:</b>						
Current and Other Assets	\$ 104,729,040	100,071,418	4,324,478	4,268,705	109,053,518	\$ 104,340,123
Land Held for Resale	650,137	650,137	-	-	650,137	650,137
Notes Receivable	5,588,750	-	-	-	5,588,750	-
Capital Assets, Net	89,934,755	83,653,268	31,621,739	24,546,896	121,556,494	108,200,164
Total Assets	200,902,682	184,374,823	35,946,217	28,815,601	236,848,899	213,190,424
<b>Deferred Outflows of Resources</b>	10,758,570	11,906,268	228,607	385,022	10,987,177	12,291,290
<b>Liabilities:</b>						
Other Liabilities	32,740,670	31,240,004	1,351,845	256,058	34,092,515	31,496,062
Long-Term Liabilities	92,036,880	90,841,459	3,160,418	3,143,276	95,197,298	93,984,735
Total Liabilities	124,777,550	122,081,463	4,512,263	3,399,334	129,289,813	125,480,797
<b>Deferred Inflows of Resources</b>	6,606,300	10,918,625	132,810	353,098	6,739,110	11,271,723
<b>Net Position:</b>						
Net Investment in Capital Assets	66,283,471	56,322,143	29,997,447	22,882,341	96,280,918	79,204,484
Restricted	28,276,435	21,604,514	232,740	232,740	28,509,175	21,837,254
Unrestricted	(14,282,504)	(14,645,654)	1,299,564	2,333,110	(12,982,940)	(12,312,544)
Total Net Position	\$ 80,277,402	63,281,003	31,529,751	25,448,191	111,807,153	\$ 88,729,194

The assets and deferred outflows of the County exceeded liabilities and deferred inflows by approximately \$111,807,000 as of June 30, 2023. The County's net position increased by approximately \$20,087,000 for the fiscal year ended June 30, 2023. The County's investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt still outstanding that was issued to acquire those items, which accounts for the largest portion of net position, was approximately \$96,281,000. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

PICKENS COUNTY, SOUTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Although the County's investment in capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of Pickens County's net position of approximately \$28,509,000 represents resources that are subject to external restrictions on how they may be used. The remaining balance of approximately (\$14,283,000) is unrestricted.

Pickens County's Changes in Net Position  
Figure 3

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>Revenues:</b>						
Program Revenues:						
Charges for Services	\$ 11,960,048	16,264,373	3,966,047	2,611,064	15,926,095	\$ 18,875,437
Operating Grants and Contributions	12,194,247	5,240,865	-	-	12,194,247	5,240,865
Capital Grants and Contributions	1,384,500	-	6,359,656	392,580	7,744,156	392,580
General Revenues:						
Property Taxes	41,639,701	36,671,560	-	-	41,639,701	36,671,560
Other Taxes	15,143,816	13,925,659	-	-	15,143,816	13,925,659
Intergovernmental	5,345,324	9,870,674	-	259,247	5,345,324	10,129,921
Other	3,833,948	695,534	2,400	189,648	3,836,348	885,182
Total Revenues	91,501,584	82,668,665	10,328,103	3,452,539	101,829,687	86,121,204
<b>Expenses:</b>						
General Government	14,410,392	15,924,612	-	-	14,410,392	15,924,612
Public Safety	35,709,710	33,063,645	-	-	35,709,710	33,063,645
Public Works	19,240,200	12,783,651	-	-	19,240,200	12,783,651
Health and Welfare	812,785	758,249	-	-	812,785	758,249
Culture and Recreation	6,163,752	5,464,418	-	-	6,163,752	5,464,418
Economic Development	469,302	936,066	-	-	469,302	936,066
Assistance to Other Agencies	-	3,072,492	-	-	-	3,072,492
Interest and Fiscal Charges	728,414	942,421	-	-	728,414	942,421
Water and Sewer	-	-	3,176,176	3,017,270	3,176,176	3,017,270
Airport	-	-	1,031,778	1,124,607	1,031,778	1,124,607
Total Expenses	77,534,555	72,945,554	4,207,954	4,141,877	81,742,509	77,087,431
Change in Net Position before Transfers	13,967,029	9,723,111	6,120,149	(689,338)	20,087,178	9,033,773
Transfers	38,589	-	(38,589)	-	-	-
Change in Net Position	14,005,618	9,723,111	6,081,560	(689,338)	20,087,178	9,033,773
Net Position, Beginning of Year	63,281,003	53,557,892	25,448,191	26,137,529	88,729,194	79,695,421
Reclassification of Fund Balance*	223,928	-	-	-	223,928	-
Cumulative Change in Accounting Principle - GASB #84**	178,103	-	-	-	178,103	-
Prior Period Adjustment***	2,588,750	-	-	-	2,588,750	-
Net Position, Beginning of Year, As Restated	66,271,784	53,557,892	25,448,191	26,137,529	91,719,975	79,695,421
Net Position, End of Year	\$ 80,277,402	63,281,003	31,529,751	25,448,191	111,807,153	\$ 88,729,194

\*The County reclassified its component unit to report it as a blended component of the County. See Note I.B for more details.

\*\*The County recorded its Firefighters' 1% Fund activity as required by GASB #84. See Note I.B for more details.

\*\*\* The County restated beginning net position for a note receivable. See Note IV.H for more details.

## PICKENS COUNTY, SOUTH CAROLINA

### MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2023

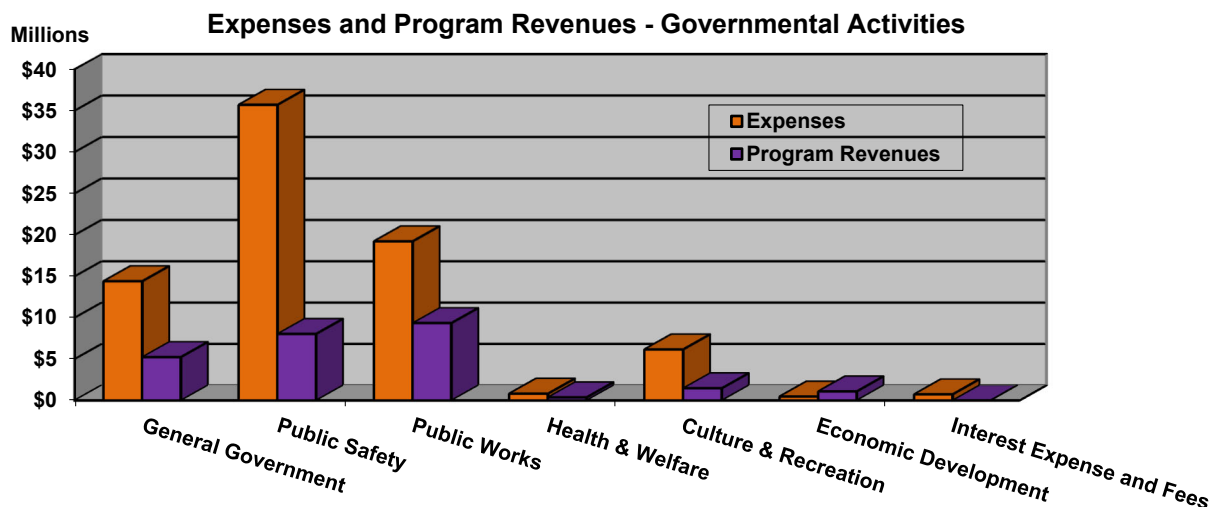
#### GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

**Changes in Net Position** - The County's total revenues increased from the prior year by approximately \$15.7 million or 18.2% (See Figure 3). Property taxes accounts and program revenues (charges for services and restricted operating and capital grants) account for 40.9% and 35.2% of the County's revenues, respectively. Grants, contributions and donations, other taxes, franchise fees and interest income account for the remainder of the revenue.

The total cost of all programs increased by approximately \$4.7 million, or approximately 6.0%, which includes depreciation for all capital assets as required under GASB No. 34.

**Governmental Activities** – Governmental activities increased the County's net position by approximately \$17.0 million. Several particular aspects of the County's financial operations positively influenced the total governmental activities:

- Property taxes were one of the major factors contributing to the increase in the net position. The County's tax base grew at 8% from the prior year and increased the revenue by approximately \$5.0 million.
- The County had a prior period adjustment in the amount of approximately \$2.6 million. In 2015 the County entered into an agreement to sell property it owed to a developer. A promissory note was not recorded at the time of agreement as there would not be an impact on the governmental funds. However, the agreement does impact the net position on the Statement of Activities.
- Another item of note for the increase in net position was Council approved a 9.9 millage increase for the General Fund for road improvements. This generated an additional \$6.0 million in revenue which will be spent as contracts are approved over time with paving contractors.



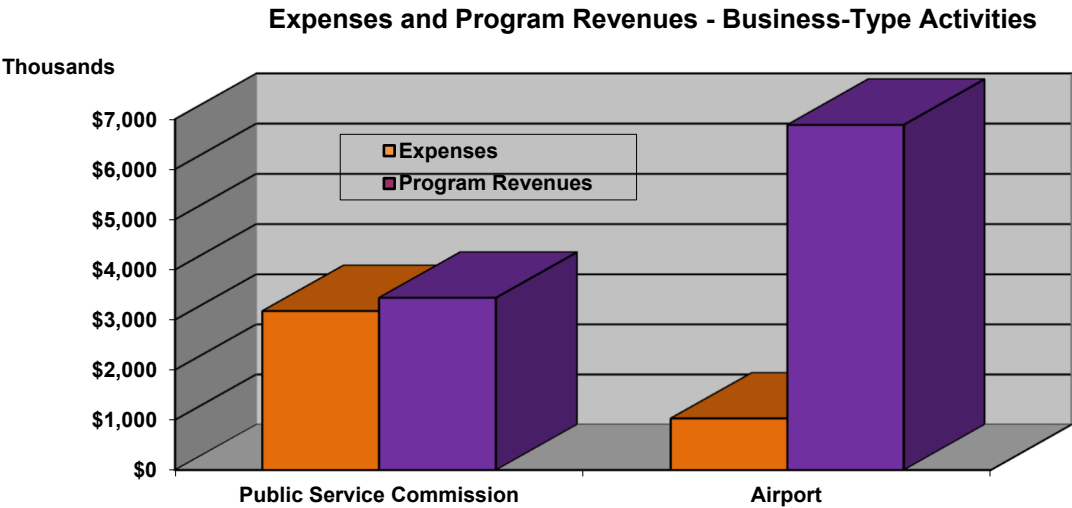
PICKENS COUNTY, SOUTH CAROLINA

MANAGEMENT’S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

**Business-Type Activities** – Business-type activities increased Pickens County’s net position by approximately \$6,082,000. Capital contributions to the Airport were the main factor in the increase. The existing terminal area is now 'built-out' and the cross-field property began the apron and taxiway development needed to help sustain the airport and begin the near-term plan to develop the entire cross field airport terminal area. The Public Service Commission and Airport Funds had depreciation expenses of approximately \$1,012,000 and \$174,000, respectively.



FINANCIAL ANALYSIS OF THE COUNTY’S FUNDS

As noted earlier, the 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, the unassigned fund balance of the General Fund was approximately \$38,458,000, while total fund balance reached approximately \$44,847,000. As a measure of the General Fund’s liquidity, it may be useful to compare both unassigned fund and total fund balance to its total original budgeted expenditures for the subsequent year. The unassigned fund balance represents approximately 63.4% of the total General Fund budgeted expenditures for the fiscal year 2023, while the total fund balance represents 73.9% of that same amount. General Fund expenditures increased approximately 19.6% from the prior year. This is due to an increase in personnel services for employees and capital expenditures related to land for a new Commerce Park.

The ending fund balance of the Grants Fund, which is a major fund of the County, did not vary significantly from the prior year as the grants received during the year were either expended or transferred to the appropriate funds for expenditure. Grant expenditures for the year ended June 30, 2023 included \$400,000 to expand Broadband internet to areas of the County which have limited access to the internet and approximately \$800,000 for equipment at the Solid Waste Department.

The Fire District Fund, which is a major fund of the County, increased its fund balance from the prior year by approximately \$1,303,000. The main reason for the increase in fund balance was the growth in the property tax revenue and the efficiencies made by the consolidation of thirteen individual fire districts into one fire district.

## PICKENS COUNTY, SOUTH CAROLINA

### MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2023

#### FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS (CONTINUED)

On June 30, 2023, the governmental funds of Pickens County reported a combined fund balance of approximately \$73,127,000, an increase of approximately 10.3% over the previous year.

**General Fund Budgetary Highlights** – During the fiscal year, the County revised the budget on one occasion. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund increased budgeted expenditures by approximately \$7,327,000.

**Proprietary Funds** – The County's proprietary funds provide the same type of information as found in the government-wide statements but in more detail. The unrestricted net position of the Public Service Commission ("PSC") Fund at the end of the fiscal year amounted to approximately \$3,598,000 and the unrestricted net position for the Airport equaled a deficit of approximately (\$2,298,000). The total current year change in net position for the PSC and the Airport Funds was approximately \$263,000 and \$5,819,000, respectively.

#### CAPITAL ASSET AND DEBT ADMINISTRATION

**Capital Assets** – The County's capital assets for its governmental and business-type activities as of June 30, 2023 totaled approximately \$121,556,000 (net of accumulated depreciation). This is a net increase of approximately \$13,356,000 or 12.3%. These assets include buildings, roads and bridges, land, machinery and equipment, park facilities, construction-in-progress, and vehicles.

Major capital asset transactions during the year include:

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

Pickens County's Capital Assets  
Figure 4

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 7,295,151	4,693,646	2,961,928	2,961,928	10,257,079	\$ 7,655,574
Construction in Progress	5,421,365	2,830,444	8,750,084	495,662	14,171,449	3,326,106
Buildings	71,931,624	71,931,624	4,644,294	4,644,294	76,575,918	76,575,918
Improvements and Infrastructure	33,633,125	33,222,224	39,392,778	39,392,778	73,025,903	72,615,002
Machinery and Equipment	48,902,820	43,056,095	1,174,436	1,167,486	50,077,256	44,223,581
Accumulated Depreciation	(77,249,330)	(72,080,765)	(25,301,781)	(24,115,252)	(102,551,111)	(96,196,017)
Total	\$ 89,934,755	83,653,268	31,621,739	24,546,896	121,556,494	\$ 108,200,164

Note: Additional information on the County's capital assets can be found in Note III.D in the notes to the financial statements.

PICKENS COUNTY, SOUTH CAROLINA

MANAGEMENT’S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2023

CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)

*Long-term Debt* – As of June 30, 2023, Pickens County had total bonded debt outstanding of approximately \$24,751,000, part of which is debt backed by the full faith and credit of the County.

Pickens County’s Outstanding Debt  
General Obligation Bonds  
Figure 5

	Governmental Activities	
	2023	2022
General Obligation Bonds	\$ 24,751,406	\$ 26,157,663

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 approximately \$53,387,000. The County has \$20,395,000 in bonds and notes authorized on June 30, 2023, which are pledged against the full faith, credit, and taxing power of Pickens County and the unused legal debt margin was approximately \$32,992,000 as of June 30, 2023.

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

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

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

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

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

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

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

*Budget Highlights for the Fiscal Year Ending June 30, 2024*

The budget has an increase for the fiscal year 2024. The total expenditures for fiscal year 2024 will be approximately \$87,753,000 compared to approximately \$82,989,000 for fiscal year 2023, which is an increase of 5.7%. The budget includes a 3% cost of living adjustment for employees and will go into effect July 1, 2023. The budget includes purchases of capital equipment in the amount of \$6,698,000. The largest function of purchases for capital equipment will be in Public Safety and will include purchases for police vehicles and heavy fire trucks for the Fire Department. Other purchases included in the budget for capital are a mowing tractor, skid steer, and containers for Solid Waste, vehicles, and equipment for general government departments.

**PICKENS COUNTY, SOUTH CAROLINA**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**YEAR ENDED JUNE 30, 2023**

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**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES (CONTINUED)**

***Budget Highlights for the Fiscal Year Ending June 30, 2024 (Continued)***

The Council approved \$2.5 million in enhancements and upgrades to the four (4) County Libraries (Easley, Central, Pickens and Liberty). Several sources of revenue will pay for the capital including property taxes and savings from previous fiscal years. The largest portion of the General Fund expenditures are personnel services which account for 55.9% of the budget. The largest portion on the revenue side is taxes and this accounts for 71.1% of the revenue. Taxes are made up of real and personal property taxes and sales and use taxes and account for 58.4% and 41.6% of all taxes in the General Fund, respectively.

**REQUESTS FOR INFORMATION**

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

## Basic Financial Statements

PICKENS COUNTY, SOUTH CAROLINA

STATEMENT OF NET POSITION

JUNE 30, 2023

	PRIMARY GOVERNMENT		
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
<b>ASSETS</b>			
Cash and Investments	\$ 62,295,157	4,671,945	\$ 66,967,102
Restricted Cash and Investments	29,530,667	232,740	29,763,407
Receivables, Net of Allowances:			
Property Taxes	2,852,070	-	2,852,070
Accounts	-	153,226	153,226
Intergovernmental	3,989,698	1,013,744	5,003,442
Other	3,668,874	-	3,668,874
Internal Balances	1,811,018	(1,811,018)	-
Inventories	538,240	60,683	598,923
Prepaid Items	43,316	3,158	46,474
Land Held for Resale	650,137	-	650,137
Notes Receivable	5,588,750	-	5,588,750
Capital Assets:			
Non-Depreciable	12,716,516	11,712,012	24,428,528
Depreciable, Net of Accumulated Depreciation	77,218,239	19,909,727	97,127,966
<b>TOTAL ASSETS</b>	<b>200,902,682</b>	<b>35,946,217</b>	<b>236,848,899</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Pension Charges	8,960,418	195,101	9,155,519
Deferred OPEB Charges	1,798,152	33,506	1,831,658
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>10,758,570</b>	<b>228,607</b>	<b>10,987,177</b>
<b>LIABILITIES</b>			
Accounts Payable	8,505,892	1,336,856	9,842,748
Accrued Liabilities	1,196,319	14,989	1,211,308
Accrued Interest Payable	73,059	-	73,059
Unearned Revenue	22,965,400	-	22,965,400
Long-term Liabilities			
Landfill Closure and Post-Closure - Due Within One Year	10,000	-	10,000
Landfill Closure and Post-Closure - Due in More Than One Year	1,614,648	-	1,614,648
Total Other Postemployment Benefit Liability - Due in More Than One Year	10,725,677	199,857	10,925,534
Net Pension Liability - Due in More Than One Year	53,471,940	1,336,144	54,808,084
Due Within One Year	1,491,732	41,080	1,532,812
Due in More Than One Year	24,722,883	1,583,337	26,306,220
<b>TOTAL LIABILITIES</b>	<b>124,777,550</b>	<b>4,512,263</b>	<b>129,289,813</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Pension Credits	1,905,921	45,225	1,951,146
Deferred OPEB Credits	4,700,379	87,585	4,787,964
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>6,606,300</b>	<b>132,810</b>	<b>6,739,110</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	66,283,471	29,997,447	96,280,918
Restricted for:			
Debt Service	2,513,156	232,740	2,745,896
Capital Improvements	16,477,430	-	16,477,430
Public Safety	2,624,484	-	2,624,484
Tourism	1,477,345	-	1,477,345
Firefighters' 1% Funds	220,007	-	220,007
Other Special Revenue Programs	4,964,013	-	4,964,013
Unrestricted	(14,282,504)	1,299,564	(12,982,940)
<b>TOTAL NET POSITION</b>	<b>\$ 80,277,402</b>	<b>31,529,751</b>	<b>\$ 111,807,153</b>

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

PICKENS COUNTY, SOUTH CAROLINA

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2023

PRIMARY GOVERNMENT:	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT		TOTAL
					GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	
<b>Governmental Activities:</b>							
General Government	\$ 14,410,392	2,681,381	2,554,922	-	(9,174,089)	-	\$ (9,174,089)
Public Safety	35,709,710	6,640,602	1,396,189	2,437	(27,670,482)	-	(27,670,482)
Public Works	19,240,200	1,294,833	7,751,278	300,000	(9,894,089)	-	(9,894,089)
Health and Welfare	812,785	271,074	97,659	-	(444,052)	-	(444,052)
Culture and Recreation	6,163,752	1,072,158	394,199	-	(4,697,395)	-	(4,697,395)
Economic Development	469,302	-	-	1,082,063	612,761	-	612,761
Interest and Fiscal Charges	728,414	-	-	-	(728,414)	-	(728,414)
<b>Total Governmental Activities</b>	<b>77,534,555</b>	<b>11,960,048</b>	<b>12,194,247</b>	<b>1,384,500</b>	<b>(51,995,760)</b>	<b>-</b>	<b>(51,995,760)</b>
<b>Business-Type Activities:</b>							
Water and Sewer	3,176,176	3,048,129	-	392,580	-	264,533	264,533
Airport	1,031,778	917,918	-	5,967,076	-	5,853,216	5,853,216
<b>Total Business-Type Activities</b>	<b>4,207,954</b>	<b>3,966,047</b>	<b>-</b>	<b>6,359,656</b>	<b>-</b>	<b>6,117,749</b>	<b>6,117,749</b>
<b>Total Primary Government</b>	<b>\$ 81,742,509</b>	<b>15,926,095</b>	<b>12,194,247</b>	<b>7,744,156</b>	<b>(51,995,760)</b>	<b>6,117,749</b>	<b>(45,878,011)</b>
<b>General Revenues:</b>							
Property Taxes Levied For:							
General Purposes					30,447,166	-	30,447,166
Debt Service					2,328,053	-	2,328,053
Fire Protection					8,864,482	-	8,864,482
Local Option Sales Tax					15,143,816	-	15,143,816
Intergovernmental - Not Restricted to Specific Programs					5,345,324	-	5,345,324
Franchise Fees					353,234	-	353,234
Accommodations, Sales and Hospitality Taxes					317,503	-	317,503
Gain on Sale of Capital Assets					53,486	-	53,486
Investment Income					2,188,562	-	2,188,562
Miscellaneous					921,163	2,400	923,563
<b>Transfers</b>					38,589	(38,589)	-
<b>Total General Revenues and Transfers</b>					<b>66,001,378</b>	<b>(36,189)</b>	<b>65,965,189</b>
<b>CHANGE IN NET POSITION</b>					14,005,618	6,081,560	20,087,178
NET POSITION - Beginning of Year					63,281,003	25,448,191	88,729,194
Reclassification of Fund Balance					223,928	-	223,928
Change in Accounting Principle - GASB #84					178,103	-	178,103
Prior Period Adjustment					2,588,750	-	2,588,750
NET POSITION - Beginning of Year, as Restated					66,271,784	25,448,191	91,719,975
<b>NET POSITION - End of Year</b>	<b>\$</b>	<b>80,277,402</b>	<b>31,529,751</b>	<b>\$</b>	<b>111,807,153</b>		

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

PICKENS COUNTY, SOUTH CAROLINA

BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2023

	GENERAL FUND	GRANTS FUND	FIRE DISTRICTS	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>ASSETS</b>					
Cash and Investments	\$ 35,381,999	20,329,291	6,583,867	-	\$ 62,295,157
Restricted Cash and Investments	-	-	-	29,530,667	29,530,667
Receivables, Net of Allowances:					
Property Taxes	1,392,705	-	890,821	568,544	2,852,070
EMS	2,971,291	-	-	-	2,971,291
Intergovernmental	3,236,247	234,227	8,226	510,998	3,989,698
Interest	356,915	-	-	-	356,915
Other	284,914	-	-	55,754	340,668
Due from Other Funds	6,871,465	-	-	-	6,871,465
Inventories	538,240	-	-	-	538,240
Prepaid Items	30,781	-	2,143	10,392	43,316
Land Held for Resale	650,137	-	-	-	650,137
Note Receivable	5,588,750	-	-	-	5,588,750
<b>TOTAL ASSETS</b>	<b>\$ 57,303,444</b>	<b>20,563,518</b>	<b>7,485,057</b>	<b>30,676,355</b>	<b>\$ 116,028,374</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts Payable	\$ 5,274,070	31,830	161,194	3,038,798	\$ 8,505,892
Accrued Liabilities	1,044,809	3,990	82,999	64,521	1,196,319
Unearned Revenue	2,347,335	20,527,748	39,694	50,623	22,965,400
Due to Other Funds	-	-	5,032,281	28,166	5,060,447
<b>TOTAL LIABILITIES</b>	<b>8,666,214</b>	<b>20,563,568</b>	<b>5,316,168</b>	<b>3,182,108</b>	<b>37,728,058</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue - Property Taxes	1,201,396	-	852,511	530,938	2,584,845
Unavailable Revenue - Note Receivable	2,588,750	-	-	-	2,588,750
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>3,790,146</b>	<b>-</b>	<b>852,511</b>	<b>530,938</b>	<b>5,173,595</b>
<b>FUND BALANCES</b>					
Nonspendable:					
Prepays and Inventories	569,021	-	2,143	10,392	581,556
Land Held for Resale	650,137	-	-	-	650,137
Restricted For:					
Debt Service	-	-	-	2,513,156	2,513,156
Capital Improvements	-	-	-	16,477,430	16,477,430
Tourism Related Costs	-	-	-	1,477,345	1,477,345
Firefighters' 1% Costs	-	-	-	220,007	220,007
Public Safety	-	-	1,314,235	1,310,249	2,624,484
Special Revenue Programs	-	-	-	4,964,013	4,964,013
Committed					
Capital Improvements	4,233,534	-	-	-	4,233,534
Assigned					
Use of Fund Balance	935,938	-	-	-	935,938
Unassigned	38,458,454	(50)	-	(9,283)	38,449,121
<b>TOTAL FUND BALANCES</b>	<b>44,847,084</b>	<b>(50)</b>	<b>1,316,378</b>	<b>26,963,309</b>	<b>73,126,721</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 57,303,444</b>	<b>20,563,518</b>	<b>7,485,057</b>	<b>30,676,355</b>	<b>\$ 116,028,374</b>

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

PICKENS COUNTY, SOUTH CAROLINA

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

JUNE 30, 2023

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**TOTAL FUND BALANCES - GOVERNMENTAL FUNDS** **\$ 73,126,721**

Amounts reported for the governmental activities in the Statement of Net Position are different because of the following:

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets was \$167,184,085 and the accumulated depreciation was \$77,249,330. 89,934,755

Property taxes and other revenues will be collected after year end but are not available soon enough to pay for the current period's expenditures and therefore are unavailable in the funds 5,173,595

Accrued interest on debt in governmental accounting is not due and payable in the current period and therefore is not reported as a liability in the governmental funds. (73,059)

The County's proportionate shares of the net pension liability, deferred outflows of resources, and deferred inflows of resources related to its participation in the State pension plans are not recorded in the governmental funds but are recorded in the Statement of Net Position. (46,417,443)

Total other postemployment benefits liability and deferred outflows, and deferred inflows of resources related to the County's other postemployment benefits plan are not recorded in the governmental funds but are recorded in the Statement of Net Position. (13,627,904)

Some liabilities are not due and payable in the current period and therefore are not reported in the governmental funds. The original unamortized debt premium of \$1,788,672 is shown net of accumulated amortization of \$688,551. Long-term liabilities consisted of the following:

Long-Term Debt	(24,751,405)	
Premiums	(1,100,121)	
Landfill Closure and Postclosure Liability	(1,624,648)	
Compensated Absences	(363,089)	(27,839,263)

**TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES** **\$ 80,277,402**

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

PICKENS COUNTY, SOUTH CAROLINA

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

YEAR ENDED JUNE 30, 2023

	GENERAL FUND	GRANTS FUND	FIRE DISTRICTS	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>REVENUES</b>					
Property Taxes	\$ 36,384,197	-	8,864,482	13,861,392	\$ 59,110,071
Licenses, Fines and Permits	1,315,497	-	178,107	868,159	2,361,763
Intergovernmental	7,810,728	2,575,936	97,281	8,849,441	19,333,386
Charges for Services	9,334,581	-	-	56,818	9,391,399
Fines and Forfeitures	449,777	-	-	158,179	607,956
Investment Income	2,187,639	-	-	923	2,188,562
Contributions	20,456	-	-	42,837	63,293
Miscellaneous	819,929	-	-	108,676	928,605
TOTAL REVENUES	58,322,804	2,575,936	9,139,870	23,946,425	93,985,035
<b>EXPENDITURES</b>					
Current:					
General Government	13,563,708	227,834	-	550,435	14,341,977
Public Safety	24,804,286	278,589	6,093,627	997,758	32,174,260
Public Works	7,375,343	122,124	-	9,597,545	17,095,012
Health and Welfare	785,361	-	-	-	785,361
Culture and Recreation	1,455,977	36,111	-	4,201,670	5,693,758
Economic Development	1,349	300,000	-	58,001	359,350
Intergovernmental	446,898	500,000	-	-	946,898
Other	640,693	8,640	-	1,621,500	2,270,833
Capital Outlay	8,875,008	870,527	1,631,207	268,986	11,645,728
Debt Service:					
Principal Retirement	-	-	-	1,406,258	1,406,258
Interest and Fiscal Charges	-	-	-	913,122	913,122
TOTAL EXPENDITURES	57,948,623	2,343,825	7,724,834	19,615,275	87,632,557
<b>EXCESS (DEFICIENCY) OF</b>					
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>374,181</b>	<b>232,111</b>	<b>1,415,036</b>	<b>4,331,150</b>	<b>6,352,478</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from Sale of Capital Assets	47,836	-	5,650	-	53,486
Transfers In	386,486	-	-	796,415	1,182,901
Transfers Out	(627,418)	(232,110)	(117,511)	(167,273)	(1,144,312)
TOTAL OTHER FINANCING SOURCES (USES)	(193,096)	(232,110)	(111,861)	629,142	92,075
<b>NET CHANGE IN FUND BALANCE</b>	<b>181,085</b>	<b>1</b>	<b>1,303,175</b>	<b>4,960,292</b>	<b>6,444,553</b>
FUND BALANCE - Beginning of Year	44,665,999	(51)	13,203	21,600,986	66,280,137
Reclassification of Fund Balance	-	-	-	223,928	223,928
Change in Accounting Principle - GASB #84	-	-	-	178,103	178,103
FUND BALANCE - Beginning of Year, as Restated	44,665,999	(51)	13,203	22,003,017	66,682,168
<b>FUND BALANCE - End of Year</b>	<b>\$ 44,847,084</b>	<b>(50)</b>	<b>1,316,378</b>	<b>26,963,309</b>	<b>\$ 73,126,721</b>

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

PICKENS COUNTY, SOUTH CAROLINA

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

YEAR ENDED JUNE 30, 2023

<b>TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS</b>	<b>\$ 6,444,553</b>
Amounts reported for the governmental activities in the Statement of Activities are different because of the following:	
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. This amount represents the change in unavailable revenues for the year.	(2,326,554)
Repayment of debt principal and landfill closure costs are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	1,511,011
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. This amount represents the change in this liability for the year.	6,614
Bond premiums are other financing sources in the year they are received in governmental funds; they are amortized over the lives of the bonds in the Statement of Activities. This amount represents the difference between premiums received during the year and the amortization of the premiums for the year.	73,341
Some compensated absences and other expenses reported in the Statement of Activities do not require the use of current financial resources and are not reported as expenditures in the governmental funds.	70,568
Changes in the total other postemployment benefits liability, deferred outflows of resources, and deferred inflows of resources for the County's other postemployment benefits plan for the current year are not reported in the governmental funds but are reported in the Statement of Activities.	215,305
Changes in the County's proportionate shares of the net pension liability, deferred outflows of resources, and deferred inflows of resources for the current year are not reported in the governmental funds but are reported in the governmental funds but are reported in the Statement of Activities.	1,729,293
Governmental funds report capital asset additions as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital asset additions of \$11,886,795 exceeded depreciation expense of \$5,605,308.	6,281,487
<b>TOTAL CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b>\$ 14,005,618</b>

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

PICKENS COUNTY, SOUTH CAROLINA

STATEMENT OF NET POSITION - PROPRIETARY FUNDS

JUNE 30, 2023

	PUBLIC SERVICE COMMISSION	AIRPORT	TOTAL PROPRIETARY FUNDS
<b>ASSETS</b>			
<b>CURRENT ASSETS:</b>			
Cash and Investments	\$ 4,671,845	100	\$ 4,671,945
Restricted Cash and Investments - Revenue Bond Debt Service	232,740	-	232,740
Accounts Receivable, Net of Allowance	153,151	75	153,226
Intergovernmental Receivable	27,388	986,356	1,013,744
Inventories	-	60,683	60,683
Prepaid Items	-	3,158	3,158
TOTAL CURRENT ASSETS	5,085,124	1,050,372	6,135,496
<b>NON-CURRENT ASSETS:</b>			
Capital Assets:			
Non-Depreciable Capital Assets	336,165	11,375,847	11,712,012
Depreciable Capital Assets, Net of Accumulated Depreciation	16,484,778	3,424,949	19,909,727
TOTAL NON-CURRENT ASSETS	16,820,943	14,800,796	31,621,739
<b>TOTAL ASSETS</b>	<b>21,906,067</b>	<b>15,851,168</b>	<b>37,757,235</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Pension Charges	134,113	60,988	195,101
Deferred OPEB Charges	33,506	-	33,506
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>167,619</b>	<b>60,988</b>	<b>228,607</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES:</b>			
Accounts Payable	175,048	1,161,808	1,336,856
Accrued Liabilities	10,290	4,699	14,989
Due to Other Funds	-	1,811,018	1,811,018
Current Portion of Bonds Payable	41,080	-	41,080
TOTAL CURRENT LIABILITIES	226,418	2,977,525	3,203,943
<b>NON-CURRENT LIABILITIES:</b>			
Net Other Postemployment Benefits Liability	199,857	-	199,857
Compensated Absences	125	-	125
Bonds Payable	1,583,212	-	1,583,212
Net Pension Liability	918,470	417,674	1,336,144
TOTAL NON-CURRENT LIABILITIES	2,701,664	417,674	3,119,338
<b>TOTAL LIABILITIES</b>	<b>2,928,082</b>	<b>3,395,199</b>	<b>6,323,281</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Pension Credits	31,088	14,137	45,225
Deferred OPEB Credits	87,585	-	87,585
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>118,673</b>	<b>14,137</b>	<b>132,810</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	15,196,651	14,800,796	29,997,447
Restricted for Debt Service	232,740	-	232,740
Unrestricted	3,597,540	(2,297,976)	1,299,564
<b>TOTAL NET POSITION</b>	<b>\$ 19,026,931</b>	<b>12,502,820</b>	<b>\$ 31,529,751</b>

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

PICKENS COUNTY, SOUTH CAROLINA

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

YEAR ENDED JUNE 30, 2023

	PUBLIC SERVICE COMMISSION	AIRPORT	TOTAL PROPRIETARY FUNDS
<b>OPERATING REVENUES</b>			
Sales and Service Charges and Fees	\$ 3,044,876	916,469	\$ 3,961,345
Intergovernmental	3,253	1,449	4,702
Other Operating Revenues	-	2,400	2,400
TOTAL OPERATING REVENUES	3,048,129	920,318	3,968,447
<b>OPERATING EXPENSES</b>			
Salaries and Fringe Benefits	535,306	246,444	781,750
Operating Expenses	1,591,350	611,285	2,202,635
Depreciation	1,012,480	174,049	1,186,529
TOTAL OPERATING EXPENSES	3,139,136	1,031,778	4,170,914
<b>OPERATING INCOME (LOSS)</b>	<b>(91,007)</b>	<b>(111,460)</b>	<b>(202,467)</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Interest Expense	(37,040)	-	(37,040)
TOTAL NON-OPERATING REVENUES (EXPENSES)	(37,040)	-	(37,040)
<b>INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS</b>	<b>(128,047)</b>	<b>(111,460)</b>	<b>(239,507)</b>
<b>CAPITAL GRANTS, CONTRIBUTIONS AND TRANSFERS</b>			
Capital Contributions	392,580	-	392,580
Federal Grants	-	4,027,390	4,027,390
State Grants	-	1,939,686	1,939,686
Transfers Out	(1,724)	(36,865)	(38,589)
TOTAL CAPITAL CONTRIBUTIONS AND TRANSFERS	390,856	5,930,211	6,321,067
<b>CHANGE IN NET POSITION</b>	<b>262,809</b>	<b>5,818,751</b>	<b>6,081,560</b>
NET POSITION, Beginning of Year	18,764,122	6,684,069	25,448,191
<b>NET POSITION, End of Year</b>	<b>\$ 19,026,931</b>	<b>12,502,820</b>	<b>\$ 31,529,751</b>

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

PICKENS COUNTY, SOUTH CAROLINA

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS

YEAR ENDED JUNE 30, 2023

	PUBLIC SERVICE COMMISSION	AIRPORT	TOTAL PROPRIETARY TOTALS
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Received from Customers and Users	\$ 3,027,870	49,286	\$ 3,077,156
Cash Paid to Suppliers	(1,588,245)	373,578	(1,214,667)
Cash Paid to Employees	(600,834)	(243,485)	(844,319)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>838,791</b>	<b>179,379</b>	<b>1,018,170</b>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>			
Change in Due to Other Funds	-	336,405	336,405
Transfers Between Funds	(1,724)	(36,865)	(38,589)
<b>NET CASH PROVIDED BY (USED IN) NON-CAPITAL FINANCING ACTIVITIES</b>	<b>(1,724)</b>	<b>299,540</b>	<b>297,816</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Capital Contributions	392,580	-	392,580
State and Federal Grants	-	4,980,720	4,980,720
Acquisition and Construction of Capital Assets	-	(7,099,569)	(7,099,569)
Principal Paid - Bonds Payable	(40,264)	-	(40,264)
Interest Paid - Bonds Payable	(37,040)	-	(37,040)
<b>NET CASH (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>315,276</b>	<b>(2,118,849)</b>	<b>(1,803,573)</b>
<b>NET INCREASE (DECREASE) IN CASH AND INVESTMENTS</b>	<b>1,152,343</b>	<b>(1,639,930)</b>	<b>(487,587)</b>
CASH AND INVESTMENTS, Beginning of Year	3,752,242	1,640,030	5,392,272
<b>CASH AND INVESTMENTS, End of Year</b>	<b>\$ 4,904,585</b>	<b>100</b>	<b>\$ 4,904,685</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided By Operating Activities:</b>			
Operating Income	\$ (91,007)	(111,460)	\$ (202,467)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used in) Operating Activities:			
Depreciation	1,012,480	174,049	1,186,529
(Increase) Decrease in Assets:			
Accounts Receivable	(68,359)	(75)	(68,434)
Intergovernmental Receivable	48,100	(870,957)	(822,857)
Inventory and Prepaid Items	-	11,526	11,526
Deferred Pension Charges	81,202	39,156	120,358
Deferred OPEB Charges	14,055	22,002	36,057
Increase (Decrease) in Liabilities:			
Accounts Payable and Accrued Liabilities	3,105	973,337	976,442
Accrued Payroll Liabilities	(16,354)	(7,181)	(23,535)
Compensated Absences	125	-	125
Other Postemployment Benefit Obligation	(120,056)	(147,997)	(268,053)
Net Pension Liability	97,890	194,877	292,767
Deferred Pension Credits	(176,511)	(82,417)	(258,928)
Deferred OPEB Credits	54,121	(15,481)	38,640
<b>Total Adjustments</b>	<b>929,798</b>	<b>290,839</b>	<b>1,220,637</b>
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 838,791</b>	<b>179,379</b>	<b>\$ 1,018,170</b>

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

PICKENS COUNTY, SOUTH CAROLINA

STATEMENT OF FIDUCIARY NET POSITION -  
CUSTODIAL FUND

JUNE 30, 2023

	CUSTODIAL FUND
ASSETS	
Cash and Investments	\$ 80,538,080
Taxes and Other Receivable	6,932,356
TOTAL ASSETS	<u>\$ 87,470,436</u>
LIABILITIES	
Intergovernmental Payable	\$ 7,310,775
TOTAL LIABILITIES	<u>7,310,775</u>
NET POSITION	
Restricted for Individuals, Organizations, and Other Governments	80,159,661
TOTAL NET POSITION	<u>\$ 80,159,661</u>

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

**PICKENS COUNTY, SOUTH CAROLINA**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -  
CUSTODIAL FUND**

**YEAR ENDED JUNE 30, 2023**

	<b>CUSTODIAL FUND</b>
<b>ADDITIONS</b>	
Property Taxes	\$ 187,779,880
State Tax Revenue	22,420,596
Bond Revenue	47,947,726
Payment in Lieu of Taxes	1,093,239
Homestead Exemption Revenue	3,006,213
School Store Sales	265,173
Interest Revenue	1,471,840
Other Additions	4,688,410
<b>TOTAL ADDITIONS</b>	<b>268,673,077</b>
<b>DEDUCTIONS</b>	
Operating Expenses	220,847,172
Principal Payments	35,909,200
Interest Payments	570,874
Other Deductions	1,434,547
<b>TOTAL DEDUCTIONS</b>	<b>258,761,793</b>
<b>NET INCREASE IN NET POSITION</b>	<b>9,911,284</b>
<b>NET POSITION, BEGINNING OF YEAR</b>	<b>70,248,377</b>
<b>NET POSITION, END OF YEAR</b>	<b>\$ 80,159,661</b>

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

## PICKENS COUNTY, SOUTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS

#### YEAR ENDED JUNE 30, 2023

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Pickens County ("County") was organized in 1868. The County is governed by a six-member County Council ("Council") 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). Members of Council are elected from single member districts and serve four-year staggered terms. The Council appoints a County Administrator who serves as the chief administrative officer of the County and is to execute the policies, directives, and legislative actions of the Council. The County provides the following services: public safety, public works, health and social services, cultural and recreational programs, economic development, and general administrative services.

#### I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### A. The Reporting Entity

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP"), as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The financial statements of the County present the reporting entity that consists of the primary government and those organizations for which the primary government is financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion could cause the County's financial statements to be misleading or incomplete. The reporting entity has been defined to include all offices of elected officials of Pickens County, South Carolina, including Clerk of Court, Probate Judge, Coroner, Auditor, Treasurer, Solicitor, and Sheriff, as well as various administrative offices of the County. The more significant of the County's accounting policies are described below.

As required by GAAP, the financial statements must present the County's financial information with any of its component units (if significant). The primary criterion for determining inclusion or exclusion of a legally separate entity (component unit) is financial accountability, which is presumed to exist if the County both appoints a voting majority of the entity's governing body, and either 1) the County is able to impose its will on the entity or, 2) there is a potential for the entity to provide specific financial benefits to, or impose specific financial burdens on the County. If either or both of the foregoing conditions are not met, the entity could still be considered a component unit if it is fiscally dependent on the County and there is a potential that the entity could either provide specific financial benefits to, or to impose specific financial burdens on the County.

In order to be considered fiscally independent, an entity must have the authority to do all of the following: (a) determine its budget without the County having the authority to approve or modify that budget; (b) levy taxes or set rates or charges without approval by the County; and (c) issue bonded debt without approval by the County. An entity has a financial benefit or burden relationship with the County if, for example, any one of the following conditions exists: (a) the County is legally entitled to or can otherwise access the entity's resources, (b) the County is legally obligated or has otherwise assumed the obligation to finance the deficits or, or provide financial support to, the entity, or (c) the County is obligated in some manner for the debt of the entity. Finally, an entity could be a component unit even if it met all the conditions described above for being fiscally independent if excluding it would cause the County's financial statements to be misleading.

Blended component units, although legally separate entities, are in substance, part of the government's operations and data from these units are combined with data of the primary government in the fund financial statements. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the County. Based on the criteria above, the County has one blended component unit.

- The Economic Development Alliance of Pickens County ("Alliance Pickens"), a legally separate 501(c)(3) entity, is a blended component unit of the County. Founded in 1995, Alliance Pickens' 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 Pickens' board. Alliance Pickens' fiscal year ends on June 30. Complete financial statements for Alliance Pickens may be obtained at its administrative offices at 509 S. Lewis Street, Suite B, Pickens, South Carolina 29671.

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. The Reporting Entity (Continued)

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 a custodial fund at fiscal year-end.

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

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the County (the "Primary Government"). For the most part, the effect of interfund activity (except for interfund services provided and used between functions) has been removed from these financial statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely, to a significant extent, on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the County.

The **government-wide financial statements** are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the financial statements of the Proprietary Funds. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Non-exchange transactions, in which the County gives or receives value without directly receiving or giving equal value in exchange, includes property taxes, grants and donations. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. All assets and liabilities associated with the operation of the County are included on the Statement of Net Position.

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

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

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**Governmental fund financial statements** are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes, intergovernmental revenues, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be measurable and susceptible to accrual and so have been recognized as revenues of the current fiscal period. For this purpose, the government considers its revenues to be available if they are generally collected within 60 days of the end of the current fiscal period with the exception of certain reimbursement expenditure grants for which a twelve-month availability period is generally used.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, financed purchase expenditures, lease expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payments are due and payable. Capital asset acquisitions are reported as capital outlay expenditures in governmental funds. Proceeds of long-term debt, financed purchase obligations, and acquisitions under leases are reported as other financing sources.

Fund financial statements report detailed information about the County. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

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

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

**Governmental Fund Types** are those through which most governmental functions of the County are financed. The County's expendable financial resources and related balance sheet items (except for those accounted for in the Proprietary Funds) are accounted for through governmental funds. Governmental funds are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. The County's governmental fund types and major and nonmajor funds are as follows:

The **General Fund, a major fund** and a budgeted fund, is the general operating fund of the County and accounts for all revenues and expenditures of the County except those required to be accounted for in other funds. All general tax revenues and other receipts that (a) are not allocated by law or contractual agreement to other funds or (b) that have not been restricted, committed, or assigned to other funds are accounted for in the General Fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund.

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

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The *Grants Fund, a major fund* and an unbudgeted fund, accounts for the County’s revenues and expenditures for federal and state financial assistance.

The *Fire Districts Fund, a major fund* and a budgeted fund, accounts for the County’s fire district operations. Revenues are generated by a millage rate imposed on the County’s fire districts.

The County has the following nonmajor special revenue funds:

Tri-County Tech Fund	Road Fee Fund
Fixed Nuclear Fund	Tourism Development Fund
Sheriff Special Fund	Emergency Phone System Fund
Library Fund	Prison Commission Fund
Victim Rights Fund	Road Maintenance Fund
Escheatment Fund	Road Reserve Fund
State Road C-Fund Fund	Law Enforcement Block Grants
Park Services Fund	Firefighters’ 1% Fund
Tourism Restricted Resources	Alliance Pickens
Accommodations Tax Fund	

The *Debt Service Fund, a nonmajor fund*, is used to account for and report the accumulation of financial resources that are restricted, committed, or assigned for the payment of all long-term debt principal, interest, and related costs for the County.

*Proprietary Fund Types* are accounted for based on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of enterprise funds are primarily charges for services/fees. Operating expenses for enterprise funds include the expense for providing goods and services, administrative expenses, maintenance, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. Proprietary funds are made up of two classes: enterprise funds and internal service funds. The County has two enterprise funds; it does not have any internal service funds. The County’s proprietary fund type and major funds are as follows:

*Enterprise Funds* are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises — where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The County has the following Enterprise Funds:

The *Public Service Commission Fund, a major fund* and a budgeted fund, is used to account for assets and activities of the County’s wastewater treatment operations.

The *Airport Fund, a major fund* and a budgeted fund, is used to account for assets and activities of the County’s airport operations.

*Fiduciary Fund Types* are generally used to account for assets that the County holds on behalf of others, including municipalities, school districts, special districts, and other agencies that use the County as a depository of property taxes that are collected on behalf of the other governments. The agency funds are custodial in nature and do not present results of operations.

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

*Change in Accounting Principle*

The County adopted GASB Statement No. 96 “*Subscription-Based Information Technology Arrangements*” (“SBITAs”) for the year ended June 30, 2023 (“GASB #96”). The objective of GASB #96 is to better meet the information needs of financial statement users by (a) establishing uniform accounting and financial reporting requirements for SBITAs; (b) improving the comparability of financial statements among governments that have entered into SBITAs; and (c) enhancing the understandability, reliability, relevance, and consistency of information about SBITAs. Under GASB #96, a government should generally recognize a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability. The adoption of GASB #96 had no impact as the County did not have any significant long-term SBITAs.

During the current year, the County elected to show the Firefighters’ 1% balances and activities in a separate special revenue fund. In the fiscal year ended June 30, 2021, the County adopted GASB Statement No. 84 “*Fiduciary Activities*”, which specified that the Firefighters’ 1% balances and activities should be reported by the County, however, the County opted not to show these as they were not considered material to the financial statements. With the County’s decision to begin showing the Firefighters’ 1% balances and activities in the current fiscal year, the beginning fund balance in the governmental funds and the beginning net position in the governments-wide financial statements were adjusted by approximately \$178,000 to reflect the beginning balance of the Firefighters’ 1% funds.

*Reclassification of Fund Balance*

For the year ended June 30, 2023, the County recognized that Alliance Pickens should be reported as a blended component unit of the County. Historically, Alliance Pickens had been reported as a discretely presented component unit. The County determined that this entity is primarily under the County’s control and would be more appropriately classified as a blended component unit and special revenue fund of the County. This caused a reclassification of fund balance of approximately \$224,000 to record Alliance Pickens’ beginning fund balance as of July 1, 2022.

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

**1. Cash, Cash Equivalents, and Investments**

The County considers all highly liquid investments (including restricted assets) with original maturities of three months or less when purchased (which includes money market mutual funds) and investments in the South Carolina Local Government Investment Pool to be cash equivalents. Securities with an initial maturity of more than three months (from when initially purchased) are reported as investments.

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

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

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**1. Cash, Cash Equivalents, and Investments (Continued)**

- (c) (i) General obligations of the State of South Carolina or any of its political units; or (ii) revenue obligations of the State of South Carolina or its political units, if at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations.
- (d) Savings and Loan Associations to the extent that the same are insured by an agency of the federal government.
- (e) Certificates of deposit where the certificates are collaterally secured by securities of the type described in (a) and (b) above held by a third party as escrow agent or custodian, of a market value not less than the amount of the certificates of deposit so secured, including interest; provided, however, such collateral shall not be required to the extent the same are insured by an agency of the federal government.
- (f) Repurchase agreements when collateralized by securities as set forth in this section.
- (g) No load open-end or closed-end management type investment companies or investment trusts registered under the Investment Company Act of 1940, as amended, where the investment is made by a bank or trust company or savings and loan association or other financial institution when acting as trustee or agent for a bond or other debt issue of that local government unit, political subdivision, or county treasurer if the particular portfolio of the investment company or investment trust in which the investment is made (i) is limited to obligations described in items (a), (b), (c), and (f) of this subsection, and (ii) has among its objectives the attempt to maintain a constant net asset value of one dollar a share and to that end, value its assets by the amortized cost method.

The County's cash and investment objectives are preservation of capital, liquidity, and yield. The County reports its cash and investments at fair value which is normally determined by quoted market prices. The County currently or in the past year has primarily used the following investments in its operating activities:

- South Carolina Local Government Investment Pool ("LGIP" or "Pool") investments are invested with the South Carolina State Treasurer's Office, which established the South Carolina Pool pursuant to Section 6-6-10 of the South Carolina Code. The Pool is an investment trust fund, in which public monies in excess of current needs, which are under the custody of any city treasurer or any governing body of a political subdivision of the State, may be deposited. In accordance with GASB Statement No. 31 "*Accounting and Financial Reporting for Certain Investments and for External Investment Pools*" and GASB Statement No. 72 "*Fair Value Measurement and Application*", investments are carried at fair value determined annually based upon (a) quoted market prices for identical or similar investments or (b) observable inputs other than quoted market prices. The total fair value of the Pool is apportioned to the entities with funds invested on an equal basis for each share owned, which are acquired at a cost of \$1.00. Funds may be deposited by Pool participants at any time and may be withdrawn upon 24 hours' notice. Financial statements for the Pool may be obtained by writing the Office of State Treasurer, Local Government Investment Pool, P.O. Box 11778, Columbia, SC 29211-1960.
- Certificates of Deposit ("CD") are bond-type investments issued by a bank when a person or company deposits a certain amount of money for a determined amount of time. The maturity can be up to five years, and interest is paid to the holder of the CD at an agreed upon rate. Money removed before maturity is generally subject to a penalty.
- US securities are generally treasury notes, treasury bonds, treasury bills, and related securities which are debt obligations of the U.S. government (lending money to the federal government for a specified period of time). These debt obligations are backed by the "full faith and credit" of the government, and thus by its ability to raise tax revenues and print currency, U.S. Treasury securities are considered the safest of all investments.

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

2. *Receivables and Payables*

During the course of its operations, the County has numerous transactions occurring between funds. These transactions include expenditures and transfers of resources to provide services, construct assets, and service debt. The accompanying financial statements generally reflect such transactions as transfers in (out). To the extent that certain transactions between funds had not been paid or received as of year-end, balances of interfund amounts or payables have been recorded. Any residual balances outstanding 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.

All trade and property taxes receivable are shown net of an allowance for uncollectible amounts. Trade receivables are comprised of amounts due from entities and individuals for a variety of types of fees, charges and services. All customer and property tax receivables are shown net of an allowance for uncollectible amounts. The allowance for customer accounts receivable is computed based upon an estimate of collections within each aging category. The allowance for property taxes receivable for the governmental funds is based upon historical data applied to the outstanding balance at the end of the fiscal year.

3. *Inventories, Prepaid Items, and Other Assets*

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 (consumption method). Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items using the consumption method (if material). A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed. Land held for resale at the Pickens County Commerce Park is recorded at the lower of cost or its net realizable value and is reflected in Other Assets in the financial statements.

4. *Capital Assets*

General capital assets are those assets not specifically related to activities reported in the Proprietary Funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the Government-Wide Statement of Net Position, but are not reported in the fund financial statements. Capital assets utilized by the Proprietary Funds are reported both in the business-type activities column of the Government-Wide Statement of Net Position and in the respective fund financial statements.

The County defines capital assets as assets with an initial, individual cost of more than \$5,000 (amount not rounded) or groupings of similar items with individual costs of less than \$5,000, but when purchased together the total is greater than \$5,000, and an estimated useful life in excess of two year. Such assets are recorded at historical cost or estimated historical cost if not purchased or constructed. Donated capital assets are recorded at estimated acquisition value (as estimated by the County) at the date of donation.

Public domain (“infrastructure”) general capital assets, consist of the road network (i.e. roads, curbs, gutters, sidewalks, etc.) and water and sewer system assets that were acquired or that received substantial improvements. These assets are reported at estimated historical cost using deflated replacement cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets’ lives are not capitalized. Capital assets are depreciated on the straight-line method using the following estimated useful lives:

Buildings	20 - 40 years
Improvements and Infrastructure	20 - 40 years
Machinery and Equipment	5 - 20 years

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**5. *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. The entire compensated absence liability and expense is reported in the government-wide financial statements. The portion applicable to the enterprise activities is also recorded in the Enterprise Fund financial statements, if material. Governmental funds will only recognize compensated absences liability if they have matured, for example, as a result of employee resignations or retirements.

**6. *Accrued Liabilities and Long-Term Obligations***

All accrued liabilities and long-term obligations are reported in the government-wide financial statements. Debt premiums and discounts are deferred and amortized over the life of the debt using the straight-line method (as it approximates the effective interest method) if material. Debt is reported net of applicable premiums and discounts. Issuance costs are expensed when incurred.

In the governmental fund financial statements, debt premiums, discounts and issuance costs are recognized immediately. The face amount of debt, financed purchases, and leases issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs are reported as debt service expenditures.

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current financial resources. However, claims and judgments, debt, financed purchases, leases, compensated absences, contractually required pension contributions, special termination benefits and other related long-term liabilities that will eventually be paid from governmental funds are not reported as a liability in the fund financial statements until due and payable.

**7. *Landfill Closure and Post-Closure Care Costs***

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

**8. *Deferred Outflows/Inflows of Resources***

In addition to assets, the Statement of Net Position and the Balance Sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County currently has two types of deferred outflows of resources: (1) The County reports *deferred pension charges* in its Statements of Net Position in connection with its participation in the South Carolina Retirement System and South Carolina Police Officers Retirement System. (2) The County reports *deferred other postemployment benefits* ("OPEB") *charges* in its Statements of Net Position in connection with its OPEB Plan. These *deferred pension and OPEB charges* are either (a) recognized in the subsequent period as a reduction of the net pension/OPEB liability (which includes contributions made after the measurement date) or (b) amortized in a systematic and rational method as pension expense in future periods in accordance with GAAP.

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

8. *Deferred Outflows/Inflows of Resources (Continued)*

In addition to liabilities, the Statement of Net Position and the Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

The County currently has four types of deferred inflows of resources: (1) The County reports *unavailable revenue – property taxes* only in the governmental funds balance sheet; it is deferred and recognized as an inflow of resources (property tax revenues) in the period the amounts become available. (2) The County also reports *unavailable revenue – note receivable* only in the governmental funds balance sheet; it is deferred and recognized as an inflow of resources (note receivable revenue) in the period the amounts become available. (3) The County also reports *deferred pension credits* in its Statement of Net Position in connection with its participation in the South Carolina Retirement System and South Carolina Police Officers Retirement System. (4) The County also reports *deferred OPEB credits* in its Statement of Net Position in connection with its OPEB Plan. These *deferred pension and OPEB credits* are amortized in a systematic and rational method and recognized as a reduction of pension/OPEB expense in future periods in accordance with GAAP.

9. *Fund Balance*

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

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

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

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

**Committed** – includes amounts that are constrained for specific purposes that are internally imposed by the government through formal action (ordinance/resolution) made by the highest level of decision making authority (County Council) before the end of the reporting period. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.

**Assigned** – includes amounts that are intended to be used for specific purposes that are neither considered restricted or committed and that such assignments are made by an approved motion by County Council before the report issuance date.

**Unassigned** – includes amounts that do not qualify to be accounted for and reported in any of the other fund balance categories. This classification represents the amount of fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts of restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**9. Fund Balance (Continued)**

The County generally uses restricted amounts to be spent first when both restricted and unrestricted (committed, assigned, and unassigned) fund balance is available unless there are legal documents, contracts, or agreements that prohibit doing such. Additionally, the County generally would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

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

**10. Net Position**

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources in the Statement of Net Position. Net position is classified as net investment in capital assets; restricted; and unrestricted. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Outstanding debt which has not been spent is included in the same net position component as the unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments.

**11. Pensions and Other Postemployment Benefits**

In government-wide financial statements, pensions and other postemployment benefits are required to be recognized and disclosed using the accrual basis of accounting (see Note IV.B and Note IV.C and the required supplementary information immediately following the notes to the financial statements for more information), regardless of the amount recognized as pension and OPEB expenditures on the modified accrual basis of accounting. The County recognizes net pension and net OPEB liabilities for each plan for which it participates, which represents the excess of the total pension and OPEB liabilities over the fiduciary net position of the qualified plan, or the County's proportionate share thereof in the case of a cost-sharing multiple-employer plan, measured as of the County's fiscal year-end. Changes in the net pension and OPEB liabilities during the period are recorded as pension and OPEB expense, or as deferred outflows or inflows of resources depending on the nature of the change, in the period incurred. Those changes in net pension and OPEB liabilities that are recorded as deferred outflows or inflows of resources that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience are amortized over the weighted average remaining service life of all participants in the respective qualified pension plan and recorded as a component of pension and OPEB expense beginning with the period in which they are incurred. Projected earnings on qualified pension and OPEB plan investments are recognized as a component of pension and OPEB expense. Differences between projected and actual investment earnings are reported as deferred outflows or inflows of resources and amortized as a component of pension and OPEB expense on a closed basis over a five-year period beginning with the period in which the difference occurred.

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**12. Fair Value**

The fair value measurement and disclosure framework provides for a three-tier fair value hierarchy that gives highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the County can access at the measurement date.

Level 2 – Inputs to the valuation methodology, other than quoted prices included in Level 1, that are observable for an asset or liability either directly or indirectly and include:

- Quoted prices for similar assets and liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted market prices that are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology that are unobservable for an asset or liability and include:

- Fair value is often based on developed models in which there are few, if any, observable inputs.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs.

The valuation methodologies described above may produce a fair value calculation that may not be indicative of future net realizable values or reflective of future fair values. The County believes that the valuation methods used are appropriate and consistent with GAAP. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There have been no significant changes from the prior year in the methodologies used to measure fair value.

**13. Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for expenditures 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, Fire Districts Fund, and other governmental funds. Encumbrances do not constitute expenditures or liabilities. For budget purposes encumbrances and unused expenditure appropriations lapse at year end.

**14. Accounting Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of assets and deferred outflows of resources and liabilities and deferred inflows of resources and disclosure of these balances as of the date of the financial statements. In addition, they affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates and assumptions.

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

15. Comparative Data

Comparative data (i.e. presentation of prior year totals by fund type) has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with U.S. GAAP for the General Fund and certain special revenue funds including the Fire District Fund, Tri-County Tech Fund, Fixed Nuclear Fund, Library Fund, Victim Rights Fund, Escheatment Fund, Park Services Fund, Tourism Restricted Resources Fund, Accommodations Tax Fund, Tourism Development Fund, Emergency Phone System Fund, Road Maintenance Fund, Road Reserve Fund, Alliance Pickens (blended component unit), and the Debt Service Fund. The balance of the special revenue funds is budgeted over the life of the grant or project.

The various departments of the County are bound to the appropriated expenditures by object classification codes (i.e., salaries and wages, office furniture and equipment). The County Administrator is authorized to make transfers between the object classification codes within the same department. County Council may affect transfers between departments by ordinance; however, the budget ordinance must be amended to effect changes in fund totals. The County does not budget for the Sheriff Special Fund, the State Road C-Fund, the Road Fee Fund, the Prison Commission, the Law Enforcement Block Grants Fund, or the Firefighters' 1% Fund.

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES

A. Deposits and Investments

*Deposits*

**Custodial Credit Risk for Deposits:** Custodial credit risk for deposits is the risk that, in the event of a bank failure, the County's deposits might not be recovered. The County does not have a formal deposit policy for custodial credit risk but follows the investment policy statutes of the State of South Carolina. As of June 30, 2023, approximately \$1,854,000 of the County's bank balances of approximately \$97,441,000 (with a carrying value of approximately \$96,436,000) were exposed to custodial credit risk.

*Investments*

As of June 30, 2023, the County had the following investments:

Investment Type	Fair Value Level (1)	Credit Rating ^	Fair Value	Weighted Average Maturity		
				< 1 Year	1 - 3 Years	3 - 5 Years
US Securities	Level 1	NR, Aaa, AA+	\$ 6,347,043	6,347,043	-	\$ -
South Carolina LGIP	N/A	Unrated	51,233,270	51,233,270	-	-
Certificates of Deposit	Level 1	~	23,252,236	2,657,953	12,221,169	8,373,114
Total			<u>\$ 80,832,549</u>	<u>60,238,266</u>	<u>12,221,169</u>	<u>\$ 8,373,114</u>

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

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

~ Certificates of Deposit are covered by FDIC insurance and thus no credit ratings are required.

N/A or NR - Not Applicable or Not Required

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

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

A. Deposits and Investments (Continued)

*Investments (Continued)*

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

**Custodial Credit Risk for Investments:** Custodial credit risk for investments is the risk that, in the event of a bank failure, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County does not have an investment policy for custodial credit risk but follows the investment policy statutes of the State of South Carolina.

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

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

Certain deposits and investments of the County are legally restricted for specified purposes. The major types of restrictions at June 30, 2023 were those imposed by the revenue source (i.e. accommodation taxes, firefighters' 1% funds, etc.), and debt service reserve funds.

*Reconciliation to the Financial Statements*

A reconciliation of cash and investments as shown in the Statement of Net Position and the Statement of Fiduciary Net Position is as follows:

Description	Amount
Carrying Amount of Deposits	\$ 96,436,040
Fair Value of Investments	80,832,549
Total Deposits and Investments	<u>\$ 177,268,589</u>
Statement of Net Assets:	
Cash and Investments	\$ 66,967,102
Cash and Investments, Restricted	29,763,407
Statement of Fiduciary Net Position - Agency Funds	
Cash and Investments	80,538,080
Total Cash, Cash Equivalents, and Investments	<u>\$ 177,268,589</u>

B. Receivables and Unavailable/Unearned Revenues

*Property Taxes*

Property taxes receivable represent current real and personal property as well as delinquent real and personal property taxes for the past ten years, less an allowance for amounts estimated to be uncollectible. All net property taxes receivable at year end, except those collected within 60 days, are recorded as unavailable tax revenue and thus not recognized as revenue until collected in the governmental funds (if material).

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

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

B. Receivables and Unavailable/Unearned Revenues (Continued)

Property taxes are assessed and collected by Pickens County. The County levies its real property taxes each September based upon current assessed valuation. Assessed values are established by the County Assessor and the South Carolina Department of Revenue and Taxation at various rates of 4 to 10.5 percent of the estimated market value.

Real property and all personal property taxes other than vehicle property taxes attach as an enforceable lien on property as of January 16th. Taxes are levied and billed in October on all property other than vehicles and are payable without penalty until January 15<sup>th</sup> of the following year. Penalties are assessed on unpaid taxes on the following dates:

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

After proper notification, the law requires "exclusive possession" of property necessary to satisfy the delinquent taxes. Properties with unpaid taxes are sold at a public auction during the month of October. Vehicle property taxes attach a lien and are levied throughout the year depending on when the vehicles' license tags expire. The lien and collection date for motor vehicle taxes is the last day of the month in which the motor vehicle license expires.

The County's fiscal year 2023 real and business personal property taxes (which was for tax year 2022) were levied in October 2022 based on a millage rate of 75.1 mills (decrease of 0.6 mills from the prior year) for the County's operations year and 23.0 mills (increase of 23.0 mills from the prior year) for the Fire Districts which were primarily funded by a fire fee in the prior year. The County's assessed value of real and personal property (including vehicles) was approximately \$667.3 million (\$626.6 million in the prior year).

**Notes Receivable**

During the year ended June 30, 2015, the County loaned approximately \$2,589,000 to a developer for the purchase of land and is subject to repayment in 2030 and will accrue interest on the outstanding principal balance.

During the year ended June 30, 2023, the County advanced \$3,000,000 to a developer to construct a landfill on the County's property. This receivable is non-interest bearing and is subject to repayment on or before the first business day ending either three calendar years and one day after the opening day of the landfill or upon the date of the sale of the landfill, whichever occurs first.

**Other Receivables**

Accounts receivable and other receivables represent amounts due to the County for grants, derived tax revenues, security services, charges for services, etc. The County's net receivables at June 30, 2023 consisted of the following:

Description	General Fund	Grants Fund	Fire Districts Fund	Nonmajor Governmental Funds	Sewer Fund	Airport Fund	Totals
Property Taxes	\$ 1,392,705	-	890,821	568,544	-	-	\$ 2,852,070
Utilities	127,100	-	-	-	153,151	-	280,251
Emergency Medical Services	2,971,291	-	-	-	-	-	2,971,291
911 Cost Recovery	-	-	-	132,508	-	-	132,508
Accommodations Taxes	-	-	-	139,608	-	-	139,608
Aid to Subdivisions	1,251,453	-	-	-	-	-	1,251,453
Grants	200,267	234,227	-	262,716	-	986,356	1,683,566
Interest	356,915	-	-	-	-	-	356,915
Other	1,942,341	-	8,226	31,920	27,388	75	2,009,950
Net Receivables	<u>\$ 8,242,072</u>	<u>234,227</u>	<u>899,047</u>	<u>1,135,296</u>	<u>180,539</u>	<u>986,431</u>	<u>\$ 11,677,612</u>

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

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

B. Receivables and Unavailable/Unearned Revenues (Continued)

*Unavailable and Unearned Revenues*

Governmental funds report as a component of deferred inflows of resources revenues that are not considered to be available to liquidate liabilities (unavailable revenue) of the current period. Governmental and enterprise funds also defer revenue recognition in connection with resources that have been received, but not yet earned (unearned revenue). As of June 30, 2023, the County's governmental funds had the following unavailable and unearned revenues:

Description	Fund	Unavailable	Unearned	Total
Property Taxes	General	\$ 1,201,396	-	\$ 1,201,396
Property Taxes	Fire Districts	852,511	-	852,511
Property Taxes	Nonmajor Governmental	530,938	-	530,938
Note Receivable	General	2,588,750	-	2,588,750
EMS Billing	General	-	2,347,335	2,347,335
Grants	Grants	-	20,527,748	20,527,748
Grants	Fire Districts	-	39,694	39,694
Other	Other Governmental Funds	-	50,623	50,623
Total		<u>\$ 5,173,595</u>	<u>22,965,400</u>	<u>\$ 28,138,995</u>

C. Interfund Receivables, Payables and Transfers

*Interfund Receivables and Payables*

Interfund balances at June 30, 2023, consisted of the following individual fund receivables and payables (all of which are expected to be repaid within one year):

Fund	Receivables	Payables
<b><u>Governmental Funds:</u></b>		
General Fund	\$ 6,871,465	\$ -
Fire Districts Fund	-	5,032,281
Nonmajor Governmental Funds	-	28,166
<b><u>Enterprise Fund:</u></b>		
Airport Fund	-	1,811,018
Totals	<u>\$ 6,871,465</u>	<u>\$ 6,871,465</u>

Outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures/expenses occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

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

C. Interfund Receivables, Payables and Transfers (Continued)

*Interfund Transfers*

Interfund transfers for the year ended June 30, 2023, consisted of the following:

Fund	Transfers In	Transfers Out
<b><u>Governmental Funds:</u></b>		
General Fund	\$ 386,486	\$ 627,418
Grants Fund	-	232,110
Fire Districts Fund	-	117,511
Nonmajor Governmental Funds	796,415	167,273
<b><u>Enterprise Funds:</u></b>		
PSC Fund	-	1,724
Airport	-	36,865
Totals	<u>\$ 1,182,901</u>	<u>\$ 1,182,901</u>

During the course of normal operations and in order to support the numerous functions of the County, transactions between funds may occur. The County uses transfers to move unrestricted receipts so that they may be used for various programs in other funds. Transfers from the General Fund to Nonmajor Governmental Funds were made for future economic development needs and debt service expenditures. Transfers from the Fire Districts Fund and the Airport Fund to the General Fund were for indirect incurred in the General Fund related to funding these funds' capital purchases.

D. Capital Assets

Capital asset activity for the County's governmental activities for the year ended June 30, 2023, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<b>Governmental Activities:</b>					
Capital Assets, Non-Depreciable:					
Land	\$ 4,693,646	2,601,505	-	-	\$ 7,295,151
Construction In Progress	2,830,444	3,565,426	-	(974,505)	5,421,365
Total Capital Assets, Non-Depreciable	<u>7,524,090</u>	<u>6,166,931</u>	<u>-</u>	<u>(974,505)</u>	<u>12,716,516</u>
Capital Assets, Depreciable:					
Buildings	71,931,624	-	-	-	71,931,624
Improvements and Infrastructure	33,222,224	268,923	-	141,978	33,633,125
Machinery and Equipment	43,056,095	5,450,941	(436,743)	832,527	48,902,820
Total Capital Assets, Depreciable	<u>148,209,943</u>	<u>5,719,864</u>	<u>(436,743)</u>	<u>974,505</u>	<u>154,467,569</u>
Less: Accumulated Depreciation for:					
Buildings	23,168,240	(1,789,185)	-	-	24,957,425
Improvements and Infrastructure	18,734,568	(868,279)	-	-	19,602,847
Machinery and Equipment	30,177,957	(2,947,844)	436,743	-	32,689,058
Total Accumulated Depreciation	<u>72,080,765</u>	<u>(5,605,308)</u>	<u>436,743</u>	<u>-</u>	<u>77,249,330</u>
Total Capital Assets, Depreciable, Net	<u>76,129,178</u>	<u>114,556</u>	<u>-</u>	<u>974,505</u>	<u>77,218,239</u>
Governmental Activities Capital Assets, Net	<u>\$ 83,653,268</u>	<u>6,281,487</u>	<u>-</u>	<u>-</u>	<u>\$ 89,934,755</u>

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

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

D. Capital Assets (Continued)

Capital asset additions and depreciation expense for governmental activities were charged to functions/programs as follows:

Functions/Programs	Capital Asset Additions	Depreciation Expense
General Government	\$ 592,893	\$ 496,175
Public Safety	2,666,356	2,927,928
Public Works	3,266,452	1,635,865
Health and Welfare	-	39,701
Culture and Recreation	38,220	409,690
Economic Development	5,322,874	95,949
Total - Governmental Activities	<u>\$ 11,886,795</u>	<u>\$ 5,605,308</u>

Construction in progress in the governmental activities as of June 30, 2023 primarily represents costs incurred to date for the development of a commerce park.

Capital asset activity for the County's business-type activities for the year ended June 30, 2023, was as follows:

Business-Type Activities	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital Assets, Non-Depreciable:					
Land and Land Improvements	\$ 2,961,928	-	-	-	\$ 2,961,928
Construction In Progress	495,662	8,261,372	-	(6,950)	8,750,084
Total Capital Assets, Non-Depreciable	<u>3,457,590</u>	<u>8,261,372</u>	<u>-</u>	<u>(6,950)</u>	<u>11,712,012</u>
Capital Assets, Depreciable:					
Buildings	4,644,294	-	-	-	4,644,294
Improvements and Infrastructure	39,392,778	-	-	-	39,392,778
Machinery and Equipment	1,167,486	-	-	6,950	1,174,436
Total Capital Assets, Depreciable	<u>45,204,558</u>	<u>-</u>	<u>-</u>	<u>6,950</u>	<u>45,211,508</u>
Less: Accumulated Depreciation for:					
Buildings	1,537,610	(119,634)	-	-	1,657,244
Improvements and Infrastructure	21,584,495	(1,034,355)	-	-	22,618,850
Machinery and Equipment	993,147	(32,540)	-	-	1,025,687
Total Accumulated Depreciation	<u>24,115,252</u>	<u>(1,186,529)</u>	<u>-</u>	<u>-</u>	<u>25,301,781</u>
Total Capital Assets, Depreciable, Net	<u>21,089,306</u>	<u>(1,186,529)</u>	<u>-</u>	<u>6,950</u>	<u>19,909,727</u>
Business-Type Activities Capital Assets, Net	<u>\$ 24,546,896</u>	<u>7,074,843</u>	<u>-</u>	<u>-</u>	<u>\$ 31,621,739</u>

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

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

**D. Capital Assets (Continued)**

Capital asset additions and depreciation expense for business-type activities were charged to functions/programs as follows:

Functions/Programs	Capital Asset Additions	Depreciation Expense
Water and Sewer	\$ -	\$ 1,012,480
Airport	8,261,372	174,049
Total - Business-Type Activities	<u>\$ 8,261,372</u>	<u>\$ 1,186,529</u>

Construction in progress in the business-type activities as of June 30, 2023 represents costs of construction for airfield improvements and repaving.

**E. Long-Term Obligations**

The County issues bonds to provide funds for the acquisition and construction of major capital facilities. General Obligation Bonds (“GOB”) and General Obligation Refunding Bonds (“GORB”) are direct obligations and pledge the full faith and credit of the County and are subject to the 8% debt limit requirement if not issued under a bond referendum. USDA Rural Development Revenue Bonds (“RB”) are obligations of the County that are secured by revenue from the wastewater operations of the County. The full faith, credit, and taxing powers of the County are not pledged for the payment of RB obligations nor the interest thereon.

All of the County’s outstanding debt, with the exception of the GOB – Series 2017B and the GORB – Series 2017C have been issued through direct borrowings/placements (“DBP”). Obligations through DBP are generally secured/collateralized by the underlying capital assets and are subject to acceleration clauses in case of an event of default (i.e. nonpayment, etc.) as defined in the debt documents.

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

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

E. Long-Term Obligations (Continued)

Details on the County's outstanding debt as of June 30, 2023 are as follows:

	Balance at June 30, 2023
<b><i>General Obligation Bonds</i></b>	
\$1,025,000 Series 2008 General Obligation Bond issued in September 2007 ("GOB – Series 2008"), which is due in annual principal payments of approximately \$9,000 - \$16,000 beginning April 1, 2008 and continuing through October 1, 2027. Interest is payable quarterly with interest ranging from 2.25% to 3.50%. The proceeds from this bond were used to finance the construction, improvement, and equipping of certain sewer treatment facilities.	\$ 265,433
\$3,266,000 Series 2008A General Obligation Bond issued in December 2007 ("GOB – Series 2008A"), which is due in annual principal payments of approximately \$20,000 - \$51,000 beginning August 1, 2008 and continuing through May 1, 2028. Interest is payable quarterly with interest ranging from 2.25% to 3.50%. The proceeds from this bond were used to finance the construction, improvement, and equipping of certain sewer treatment facilities.	975,973
\$25,000,000 Series 2017B General Obligation Bond issued in December 2017 ("GOB – Series 2017B"), which is due in annual principal payments of \$850,000 - \$1,690,000 beginning June 1, 2019 and running through June 1, 2038. Interest is payable semi-annually on June 1 <sup>st</sup> and December 1 <sup>st</sup> with interest ranging from 3.00% to 4.00%. The proceeds from this bond were used to finance the jail expansion.	20,395,000
<b><i>General Obligation Refunding Bonds</i></b>	
\$3,995,000 Series 2017C General Obligation Refunding Bonds were issued in December 2017 ("GORB – Series 2017C"), which is due in annual principal installments of \$100,000 – \$295,000 beginning on June 1, 2018 through June 1, 2036. Interest is payable semi-annually on June 1 <sup>st</sup> and December 1 <sup>st</sup> with interest ranging from 3.00% to 5.00%. The proceeds from these bonds were used to currently refund the 1999 USDA Upper/Middle loans.	3,115,000
<b><i>USDA Rural Development Revenue Bonds</i></b>	
\$1,680,000 Series 2012 USDA Rural Development Revenue Bonds issued in July 2011 ("USDA RDRB – Series 2012A"), which is due in monthly principal installments of \$1,000 to \$5,000 beginning March 10, 2012 and ending January 10, 2052. Interest is payable monthly at an interest rate of 2.25%. The proceeds from the USDA RDRB – Series 2012A were used for a wastewater treatment plant project.	1,343,202
\$352,000 Series 2012 USDA Rural Development Revenue Bonds were issued in February 2012 ("USDA RDRB – Series 2012B"), which is due in monthly principal installments of approximately \$1,000 beginning on March 10, 2012 through January 10, 2052. Interest is payable monthly at an interest rate of 2.25%. The proceeds from the USDA RDRB – Series 2012A were used for a wastewater treatment plant project.	\$ 281,089

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

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

E. Long-Term Obligations (Continued)

Presented below is a summary of changes in long-term obligations for the County's governmental activities for the year ended June 30, 2023:

Long-Term Obligations	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
Debt:					
GOB - Series 2008 - DBP	\$ 324,294	-	58,861	265,433	\$ 60,197
GOB - Series 2008A - DBP	1,158,369	-	182,396	975,973	186,536
GOB - Series 2017B - Publicly Traded	21,390,000	-	995,000	20,395,000	1,035,000
GORB - Series 2017C - Publicly Traded	3,285,000	-	170,000	3,115,000	180,000
Premium	1,173,462	-	73,341	1,100,121	-
Total Debt	27,331,125	-	1,479,598	25,851,527	1,461,733
Compensated Absences	433,657	-	70,568	363,089	30,000
Landfill Closure and Post-Closure Costs	1,729,401	-	104,753	1,624,648	10,000
Total Governmental Activities	\$ 29,494,183	-	1,654,919	27,839,264	\$ 1,501,733

Resources from the General Fund and Debt Service Fund have been utilized to liquidate the governmental activities GOB and compensated absences liability. Resources from the Public Service Commission Fund have been utilized to liquidate all of the business-type activities long-term obligations.

Presented below is a summary of changes in long-term obligations for the County's business-type activities for the year ended June 30, 2023:

Long-Term Obligations	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Business-Type Activities:</b>					
USDA Loan:					
USDA RDRB - Series 2012A	\$ 1,376,484	-	33,282	1,343,202	\$ 33,957
USDA RDRB - Series 2012B	288,071	-	6,982	281,089	7,123
Total USDA Loan:	1,664,555	-	40,264	1,624,291	41,080
Compensated Absences	113	12	-	125	-
Total Business-Type Activities	\$ 1,664,668	12	40,264	1,624,416	\$ 41,080

Article Eight, Section Seven of the South Carolina Constitution of 1895, as amended, provides that no county shall incur any bonded debt that exceeds 8% of the assessed value of the property unless the electors of the county vote via referendum to exceed that limit. As of June 30, 2023, the County had approximately \$20,395,000 of general obligation debt subject to the 8% legal debt limit of approximately \$53,387,000 resulting in an unused legal debt margin of approximately \$32,992,000.

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

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

E. Long-Term Obligations (Continued)

Presented below is a summary of debt service requirements to maturity by year for the County's governmental and business-type activities as of June 30, 2023:

Year Ended June 30,	Bonds - Public		Notes for Direct Borrowing		Total
	Principal	Interest	Principal	Interest	
<b><u>Governmental Activities:</u></b>					
2024	\$ 1,215,000	832,787	246,733	25,860	\$ 2,320,380
2025	1,260,000	782,388	252,331	20,261	2,314,980
2026	1,320,000	730,138	258,056	14,536	2,322,730
2027	1,375,000	675,338	263,912	8,680	2,322,930
2028	1,430,000	618,238	220,374	2,969	2,271,581
2029-2033	8,065,000	2,178,888	-	-	10,243,888
2034-2038	8,845,000	797,031	-	-	9,642,031
Totals	<u>\$ 23,510,000</u>	<u>6,614,808</u>	<u>1,241,406</u>	<u>72,306</u>	<u>\$ 31,438,520</u>
Year Ended June 30,	Notes for Direct Borrowing		Total		
	Principal	Interest			
<b><u>Business-Type Activities</u></b>					
2024	\$ 41,080	36,224	\$ 77,304		
2025	42,113	35,191	77,304		
2026	43,070	34,234	77,304		
2027	44,049	33,255	77,304		
2028	44,963	32,341	77,304		
2029-2033	241,001	145,519	386,520		
2034-2038	269,681	116,839	386,520		
2039-2043	301,774	84,746	386,520		
2044-2048	337,670	48,850	386,520		
2049-2052	258,890	10,530	269,420		
Totals	<u>\$ 1,624,291</u>	<u>577,729</u>	<u>\$ 2,202,020</u>		

The USDA RDRB – Series 2012B requires the County to maintain reserve funds sufficient to ensure repayment of this debt. The County appears to be in compliance with all such significant financial covenants and restrictions at June 30, 2023.

Interest paid on the debt issued by the City is generally exempt from federal income tax. The County sometimes temporarily reinvests the proceeds of such tax-exempt debt in higher-yielding taxable securities, especially during construction projects. The federal tax code refers to this practice as arbitrage. Excess earnings (the difference between the interest on the debt and the investment earnings received) resulting from arbitrage must be rebated to the federal government. The County does not have any liability for arbitrage as of June 30, 2023.

F. Closure and Post-Closure Care Costs

On October 9, 1991, federal regulations issued by the Environmental Protection Agency ("EPA") placed specific requirements pertaining to the closing of municipal solid waste landfills as well as post-closure maintenance for a period of 30 years after closure. The \$1,625,000 liability reported as landfill closure and post-closure represents total costs to date, as of June 30, 2023 based on 100% use of three landfills. Actual costs for closure and post-closure may vary due to inflation, developments in technology, or changes in laws and regulations.

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

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

F. Closure and Post-Closure Care Costs (Continued)

The following table shows the landfill which Pickens County owns and the remaining number of years out of 30 years each has to be maintained in accordance with the 1991 ruling:

Landfill	Post-Closure Years Remaining	Percent Used	Open/Close Years	Closure/ Post- Closure Costs
Easley	10	100%	2003	\$ 679,305
Central	4	100%	1994	128,879
C&D	20	100%	1998	816,464
				<u>1,624,648</u>
Less Current Portion				(10,000)
Long-Term Outstanding				<u><u>\$ 1,614,648</u></u>

IV. OTHER INFORMATION

A. 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; injuries to employees' and natural disasters. The County continues to carry commercial insurance coverage for property and casualty insurance and has effectively managed risk through various employee education and prevention programs. All risk management activities are accounted for in the General Fund. Expenditures and claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered. Settled claims have not exceeded insurance coverage in any of the last three years. There were no significant reductions of coverage compared to the prior year.

B. Retirement Plans

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

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

## PICKENS COUNTY, SOUTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

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#### IV. OTHER INFORMATION (CONTINUED)

##### B. Retirement Plans (Continued)

The PEBA issues an Annual Comprehensive Financial Report (“ACFR”) containing financial statements and required supplementary information for the System’s Pension Trust Funds. The ACFR is publicly available through the PEBA’s website at [www.peba.sc.gov](http://www.peba.sc.gov), or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223. The PEBA is considered a division of the primary government of the state of South Carolina and therefore, retirement trust fund financial information is also included in the ACFR of the state.

##### *Plan Description*

The South Carolina Retirement System (“SCRS”), a cost-sharing multiple-employer defined benefit pension plan, was established effective July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits for teachers and employees of the state and its political subdivisions. The SCRS covers employees of state agencies, public school districts and participating charter schools, public higher education institutions, other participating local subdivisions of government and first-term individuals elected to the South Carolina General Assembly.

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

##### *Plan Membership*

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

- SCRS – Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. This plan covers general employees and teachers and first-term individuals elected to the South Carolina General Assembly. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.
- PORS – To be eligible for PORS membership, an employee must be required by the terms of his employment, by election or appointment, to preserve public order, protect life and property, and detect crimes in the state; to prevent and control property destruction by fire; be a coroner in a full-time permanent position; or be a peace officer employed by the Department of Corrections, the Department of Juvenile Justice, or the Department of Mental Health. Probate judges and coroners may elect membership in the PORS. Magistrates are required to participate in the PORS for service as a magistrate. PORS members, other than magistrates and probate judges, must also earn at least \$2,000 per year and devote at least 1,600 hours per year to this work, unless exempted by statute. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.

##### *Plan Benefits*

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

- SCRS – A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 65 or with 28 years credited service regardless of age. A member may elect early retirement with reduced pension benefits payable at age 55 with 25 years of service credit.

**IV. OTHER INFORMATION (CONTINUED)**

**B. Retirement Plans (Continued)**

*Plan Benefits (Continued)*

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

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

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

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

*Plan Contributions*

Actuarial valuations are performed annually by an external consulting actuary to ensure applicable contribution rates satisfy the funding parameters specified in Title 9 of the South Carolina Code of Laws. Under these provisions, the SCRS and PORS ("Plans") contribution requirements must be sufficient to maintain an amortization period for the financing of the unfunded actuarial accrued liability ("UAAL") over a period that does not exceed the number of years scheduled in state statute. The Retirement Funding and Administration Act of 2017 increased, but also established a ceiling for the SCRS and PORS employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.00 percent for SCRS and 9.75 percent for PORS. The legislation also increased employer contribution rates beginning July 1, 2017 for both the SCRS and the PORS by two percentage points and further scheduled employer contribution rates to increase by a minimum of one percentage point each year in accordance with state statute. The General Assembly postponed the one percent increase in the SCRS and PORS employer contribution rates that was scheduled to go into effect beginning July 1, 2020.

In accordance with the legislative funding schedule, employer contribution rates will continue to increase by 1 percentage point each year until reaching 18.56 percent for SCRS and 21.24 percent for PORS but may be increased further, if the scheduled contributions are not sufficient to meet the funding periods set for the applicable year. The PEBA Board shall increase the employer contribution rates as necessary to meet the amortization period set in statute.

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

IV. OTHER INFORMATION (CONTINUED)

B. Retirement Plans (Continued)

*Plan Contributions (Continued)*

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

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

	SCRS Rates	PORS Rates
	2023	2023
Employer Contribution Rate: ^		
Retirement	17.41%	19.84%
Incidental Death Benefit	0.15%	0.20%
Accidental Death Contributions	0.00%	0.20%
	17.56%	20.24%
Employee Contribution Rate ^	9.00%	9.75%

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

The actual and required contributions to the SCRS and PORS were approximately \$3,347,000 and 2,353,000, respectively, for the year ended June 30, 2023 and include the nonemployer contributions noted below.

*Nonemployer Contributions*

In an effort to help offset a portion of the burden of the increased contribution requirement for employers, the State General Assembly ("State") funded 1 percent of the SCRS and PORS contribution increases for the year ended June 30, 2023. The State's budget appropriated these funds directly to the PEBA for the South Carolina Retirement System Trust Fund and the Police Officers Retirement System Trust Fund. The amount of funds appropriated by the State (nonemployer contributing entity) for the year ended June 30, 2023 were approximately \$144,000 and \$72,000 for the SCRS and PORS, respectively. These contributions (on-behalf benefits) from the State were recognized as intergovernmental revenues and pension expenditures in the County's governmental fund financial statements.

*Actuarial Assumptions and Methods*

Actuarial valuations of the plan involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. An experience report on the Systems was most recently issued for the period ending June 30, 2019.

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

IV. OTHER INFORMATION (CONTINUED)

B. Retirement Plans (Continued)

*Actuarial Assumptions and Methods (Continued)*

The June 30, 2022 total pension liability (“TPL”), net pension liability (“NPL”), and sensitivity information shown in this report were determined by the consulting actuary, Gabriel, Roeder, Smith and Company, and are based on an actuarial valuation performed as of July 1, 2021. The TPL was rolled-forward from the valuation date to the Plans' fiscal year end, June 30, 2022, using generally accepted actuarial principles. There was no legislation enacted during the 2022 legislative session that had a material change in the benefit provisions for any of the systems.

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2022 (measurement date) for the SCRS and PORS.

	SCRS	PORS
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Actuarial Assumptions:		
Investment Rate of Return*	7.00%	7.00%
Projected Salary Increases*	3.0% to 11.0% (varies by service)	3.5% to 10.5% (varies by service)
Benefit Adjustments	Lesser of 1% or \$500 annually	Lesser of 1% or \$500 annually

\* Includes inflation at 2.25%.

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumptions, the 2020 Public Retirees of South Carolina Mortality table (“2020 PRSC”), were developed using the Systems' mortality experience. These base rates are adjusted for future improvement in mortality using 80% of Scale UMP projected from the year 2020.

Former Job Class	Males	Females
Educators	2020 PRSC Males multiplied by 95%	2020 PRSC Females multiplied by 94%
General Employees and Members of the General Assembly	2020 PRSC Males multiplied by 97%	2020 PRSC Females multiplied by 107%
Public Safety and Firefighters	2020 PRSC Males multiplied by 127%	2020 PRSC Females multiplied by 107%

*Long-Term Expected Rate of Return*

The long-term expected rate of return on pension plan investments is based upon 20-year capital market assumptions. The long-term expected rate of returns represent assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market based inputs. Expected returns are net of investment fees.

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2022 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the following table. For actuarial purposes, the 7.00 percent assumed annual investment rate of return used in the calculation of the TPL includes a 4.75 percent real rate of return and a 2.25 percent inflation component.

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

IV. OTHER INFORMATION (CONTINUED)

B. Retirement Plans (Continued)

*Long-Term Expected Rate of Return (Continued)*

Allocation/Exposure	Policy Target	Expected Arithmetic Real Rate of Return	Long-Term Expected Portfolio Real Rate of Return
<b>Public Equity</b>	<b>46.0%</b>	6.79%	3.12%
<b>Bonds</b>	<b>26.0%</b>	-0.35%	-0.09%
<b>Private Equity</b>	<b>9.0%</b>	8.75%	0.79%
<b>Private Debt</b>	<b>7.0%</b>	6.00%	0.42%
<b>Real Assets</b>	<b>12.0%</b>		
Real Estate	9.0%	4.12%	0.37%
Infrastructure	3.0%	5.88%	0.18%
Total Expected Real Rate of Return	100.0%		4.79%
Inflation for Actuarial Purposes			2.25%
Total Expected Nominal Return			7.04%

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

The NPL is calculated separately for each System and represents that particular System's TPL determined in accordance with GASB No. 67 less that System's fiduciary net position. NPL totals, as of the June 30, 2022 measurement date, for the SCRS and PORS, are presented in the following table:

System	Total Pension Liability	Plan Fiduciary Net Position	Employers' Net Pension Liability (Asset)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
SCRS	\$ 56,454,779,872	32,212,626,932	\$ 24,242,152,940	57.1%
PORS	\$ 8,937,686,946	5,938,707,767	\$ 2,998,979,179	66.4%

The TPL is calculated by the Systems' actuary, and each Plans' fiduciary net position is reported in the Systems' financial statements. The NPL is disclosed in accordance with the requirements of GASB No. 67 in the Systems' notes to the financial statements and required supplementary information. Liability calculations performed by the Systems' actuary for the purpose of satisfying the requirements of GASB Nos. 67 and 68 are not applicable for other purposes, such as determining the Plans' funding requirements.

At June 30, 2023, the County reported liabilities of approximately \$34,665,000 and \$20,143,000 for its proportionate share of the NPL for the SCRS and PORS, respectively. The NPL were measured as of June 30, 2022, and the TPL for the Plans used to calculate the NPL were determined based on the most recent actuarial valuation report of July 1, 2021, that was projected forward to the measurement date. The County's proportion of the NPL were based on a projection of the County's long-term share of contributions to the Plans relative to the projected contributions of all participating South Carolina state and local governmental employers, actuarially determined. At the June 30, 2022, measurement date, the County's SCRS proportion was 0.142994 percent, which was a decrease of 0.004052 from its proportion measured as of June 30, 2021. At the June 30, 2022 measurement date, the County's PORS proportion was 0.671674 percent, which was a decrease of 0.016921 from its proportion measured as of June 30, 2021.

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

IV. OTHER INFORMATION (CONTINUED)

B. Retirement Plans (Continued)

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

For the year ended June 30, 2023, the County recognized pension expense of approximately \$2,203,000 and \$2,206,000 for the SCRS and PORS, respectively. At June 30, 2023, the County reported deferred outflows of resources (deferred pension charges) and deferred inflows of resources (deferred pension credits) related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
<b>SCRS</b>		
Differences Between Expected and Actual Experience	\$ 301,172	\$ 151,068
Change in Assumptions	1,111,779	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	53,460	-
Changes in Proportion and Differences Between the Employer's Contributions and Proportionate Share of Contributions	248,339	1,022,252
Employer Contributions Subsequent to the Measurement Date	3,346,918	-
Total SCRS	5,061,668	1,173,320
<b>PORS</b>		
Differences Between Expected and Actual Experience	337,965	398,201
Change in Assumptions	838,802	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	60,828	-
Changes in Proportion and Differences Between the Employer's Contributions and Proportionate Share of Contributions	503,412	379,625
Employer Contributions Subsequent to the Measurement Date	2,352,844	-
Total PORS	4,093,851	777,826
Total SCRS and PORS	\$ 9,155,519	\$ 1,951,146

Approximately \$3,347,000 and \$2,353,000 that were reported as deferred outflows of resources related to the County's contributions subsequent to the measurement date to the SCRS and PORS, respectively, will be recognized as a reduction of the NPL in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources (deferred pension charges) and deferred inflows of resources (deferred pension credits) related to the SCRS and PORS will increase (decrease) pension expense as follows:

Year Ended June 30,	SCRS	PORS	Total
2024	\$ 320,904	598,845	\$ 919,749
2025	328,383	370,431	698,814
2026	(1,011,890)	(789,064)	(1,800,954)
2027	904,033	782,969	1,687,002
Total	\$ 541,430	963,181	\$ 1,504,611

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

IV. OTHER INFORMATION (CONTINUED)

B. Retirement Plans (Continued)

*Discount Rate*

The discount rate used to measure the TPL was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in the SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina Code of Laws. Based on those assumptions, each System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

*Sensitivity Analysis*

The following table presents the sensitivity of the County's proportionate share of the NPL of the Plans to changes in the discount rate, calculated using the discount rate of 7.00 percent, as well as what it would be if it were calculated using a discount rate that is 1% point lower (6.00 percent) or 1% point higher (8.00 percent) than the current rate:

System	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
County's proportionate share of the net pension liability of the SCRS	\$ 44,444,453	34,664,724	\$ 26,534,149
County's proportionate share of the net pension liability of the PORS	28,088,702	20,143,360	13,639,349
Total	<u>\$ 72,533,155</u>	<u>54,808,084</u>	<u>\$ 40,173,498</u>

*Plans Fiduciary Net Position*

Detailed information regarding the fiduciary net position of the Plans administered by the PEBA is available in the separately issued ACFR containing financial statements and required supplementary information for the SCRS and PORS. The ACFR is publicly available through the PEBA's website at [www.peba.sc.gov](http://www.peba.sc.gov), or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223.

*Payable to Plans*

The County's reported a payable of approximately \$741,000 to the PEBA as of June 30, 2023, representing required employer and employee contributions for the month of June 2023 for the SCRS and PORS. This amount is included in Accounts Payable on the financial statements and was paid in July 2023.

*Pension Plans – Reconciliation to the Financial Statements*

The County's pension plans are reflected in the financial statements as follows:

	Net Pension Liability (Asset)	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
SCRS	\$ 34,664,724	5,061,668	1,173,320	\$ 2,203,000
PORS	20,143,360	4,093,851	777,826	2,206,000
Total - all Plans	<u>\$ 54,808,084</u>	<u>9,155,519</u>	<u>1,951,146</u>	<u>\$ 4,409,000</u>

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

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IV. OTHER INFORMATION (CONTINUED)

C. Postemployment Benefits Other Than Pensions

*Plan Description*

The Pickens County Defined Benefit Retiree Healthcare Plan is a single-employer defined benefit OPEB plan (“OPEB Plan”) administered by the County. Employees who are retired under the South Carolina SCRS or PORS and who have 20 or more years of service with the County are eligible to remain on the City’s medical plan. Employees hired after December 31, 2008 are not eligible for retiree medical benefits. More information regarding the PEBA and eligibility may be found in Note IV.B.

*Plan Membership*

As of June 30, 2022, the last actuarial valuation, the following employees were covered by the OPEB Plan’s benefit terms:

Retirees and Beneficiaries	34
Active Members	<u>130</u>
Total Membership	<u><u>164</u></u>

*Plan Benefits and Contributions*

The County’s OPEB Plan currently participates in the State Health Plan, which is administered by the PEBA. The PEBA is responsible for establishing and amending the provisions, benefits, and contribution requirements of those entities that participate in the State Health Plan. The primary benefits of the OPEB Plan include medical, prescription, and dental coverages for retirees and their eligible dependents. Retiree contributions requirements for the City are established and amended by the City Council.

Currently, retirees and dependents must pay the full group blended premium rate (implicit subsidy) as determined by the PEBA. The current average medical premium prior to Medicare eligibility is approximately \$653.58 for retirees and \$1,454.74 for retiree and spouse. Coverage can continue up to age 65 for the retiree and spouse. Dental coverage is also available.

*Actuarial Assumptions and Method*

Actuarial valuations of the OPEB Plan involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, inflation, healthcare cost trend rates, and future salary changes. Amounts determined regarding the total OPEB liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive OPEB Plan (the plan as understood by the employer and its members) and include 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. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

IV. OTHER INFORMATION (CONTINUED)

C. Other Postemployment Benefit Plan (Continued)

*Actuarial Assumptions and Method (Continued)*

The following table provides a summary of the significant actuarial assumptions and methods used in the latest actuarial valuation for the OPEB Plan.

Actuarial Valuation Date	June 30, 2022
Actuarial Cost Method	Individual Entry-Age Normal
Asset Valuation Method	N/A (No Assets)
Actuarial Assumptions:	
Inflation	2.25%
Investment Return	N/A (No Assets)
Discount Rate	3.69%
Healthcare Cost Trend Rate	7.00% decreasing to an ultimate rate of 4.25% after 14 years
Payroll Growth	SCRS - 3.50% - 9.50%; PORS - 3.50% - 10.50%
Coverage Elections	95% of eligible retirees will elect coverage and 5% of those will elect two person coverage upon retirement
Mortality Table	SCRS - PubG-2010 Mortality Table with a 135% Multiplier; PORS - PubS-2010 Mortality Table
Assumption Changes	Health Care assumptions were updated. Discount rate was changed from 1.92% to 3.69%.

The actuarial assumptions used above were based on the results of the 2019 actuarial experience study.

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

The County's total OPEB liability was determined by the actuary and is based on an actuarial valuation as of June 30, 2022. The total pension liability was rolled-forward to the June 30, 2022 measurement date using generally accepted actuarial principles.

	Total OPEB Liability
Balance as of the June 30, 2021 Measurement Date	\$ 14,949,212
Changes for the year:	
Service Cost	416,034
Interest	287,090
Difference Between Expected/Actual Experience	(3,135,254)
Changes of Assumptions or Other Inputs	(1,182,325)
Benefit Payments and Implicit Subsidy Credit	(409,223)
Net Changes	(4,023,678)
Balance as of the June 30, 2022 Measurement Date	\$ 10,925,534

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

IV. OTHER INFORMATION (CONTINUED)

C. Other Postemployment Benefit Plan (Continued)

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

For the year ended June 30, 2023, the County recognized OPEB expense of approximately \$38,000. At June 30, 2023, the County reported deferred outflows of resources (deferred OPEB charges) and deferred inflows of resources (deferred OPEB credits) related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 22,934	\$ 3,505,781
Changes of Assumptions	1,437,906	1,282,183
Employer Contributions Subsequent to the Measurement Date	370,818	-
Total	<u>\$ 1,831,658</u>	<u>\$ 4,787,964</u>

Approximately \$371,000 that was reported as deferred outflows of resources related to the County's contributions subsequent to the measurement date to the OPEB Plan will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources (deferred OPEB charges) and deferred inflows of resources (deferred OPEB credits) related to the OPEB Plan will increase (decrease) OPEB expense as follows:

Year Ended June 30,	Total
2024	\$ (740,967)
2025	(740,967)
2026	(697,406)
2027	(555,668)
2028	(578,266)
Thereafter	(13,850)
Total	<u>\$ (3,327,124)</u>

*Discount Rate*

The discount rate used to measure the total OPEB liability was 3.69% at the June 30, 2022 measurement date. As defined by Paragraph 155 of GASB Statement No. 75, the discount rate used was the 20-year tax-exempt municipal bond (rating AA/Aa or higher) rate ("Municipal Bond Index Rate"). The Municipal Bond Index Rate used for this purpose is the June average of the Bond Buyer General Obligation 20-year Municipal Bond Index published weekly by The Bond Buyer ([www.bondbuyer.com](http://www.bondbuyer.com)). On the prior measurement date, the Municipal Bond Index Rate was 1.92%.

*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate*

The following table presents the sensitivity of the County's total OPEB liability to changes in the discount rate, calculated using the discount rate of 3.69%, as well as what it would be if it were calculated using a discount rate that is 1% point lower (2.69%) or 1% point higher (4.69%) than the current rate:

	1% Decrease (2.69%)	Current Discount Rate (3.69%)	1% Increase (4.69%)
Total OPEB Liability	\$ 11,932,387	10,925,534	\$ 10,010,237

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

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IV. OTHER INFORMATION (CONTINUED)

C. Other Postemployment Benefit Plan (Continued)

*Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate*

The following table presents the sensitivity of the County’s total OPEB liability to changes in the healthcare cost trend rate, calculated using the healthcare cost trend rate of 7.00% decreasing to 4.25%, as well as what it would be if it were calculated using a healthcare cost trend rate that is 1% point lower (6.00% decreasing to 3.25%) or 1% point higher (8.00% decreasing to 5.25%) than the current rate:

	1% Decrease (6.00% decreasing to 3.25%)	Current Healthcare Cost Trend Rate (7.00% decreasing to 4.25%)	1% Increase (8.00% decreasing to 5.25%)
Total OPEB Liability	\$ 9,890,704	10,925,534	\$ 12,108,697

D. Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all full-time County employees at their option, permits participants to defer a portion of their salary until future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are held in trust for the exclusive benefit of participating employees and are not accessible by the County or its creditors.

E. Tax Abatements

The County enters into property tax abatement agreements with local businesses under the State’s Fee in Lieu Tax Simplification Act (“Act”). Under this Act, local governments may grant property tax abatements that are applied to a businesses’ property tax bill for the purpose of attracting or retaining businesses within their jurisdictions. The abatements may be granted to any business located within or promising to relocate to the County who contractually agree to make investment in the County and/or increase the number of jobs at a particular facility.

As a result of these agreements, the County had property taxes abated of \$783,000 under this program for the year ended June 30, 2023. This total was comprised of \$771,000 of taxes abated via Fee-Lieu of Property Taxes agreements and \$12,000 through Special-Source Revenue Credits.

F. Contingent Liabilities and Commitments

*Litigation*

The County is periodically the subject of litigation by a variety of plaintiffs. The County’s management believes that such amounts claimed by these plaintiffs, net of the applicable insurance coverage, are immaterial.

*Grants*

The County receives financial assistance from various federal, state, and local governmental agencies in the form of grants. Disbursements of funds received under these programs generally require compliance with the terms and conditions specified in the grant agreements. The disbursements are also subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the County. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements included herein or on the overall financial position of the County at June 30, 2023.

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

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**IV. OTHER INFORMATION (CONTINUED)**

**F. Contingent Liabilities and Commitments (Continued)**

*Construction Commitments*

The County had outstanding construction commitments for ongoing projects of approximately \$3,329,000 at June 30, 2023.

**G. Deficit Balances**

The Special Revenue – Grants Fund, Special Revenue – Victim Rights Fund, and Special Revenue – Park Services Funds had deficit fund balances totaling approximately \$9,000 at June 30, 2023. These funds will receive future revenues and transfers to make up these deficits.

**H. Prior Period Adjustment**

In connection with the County's review of its agreements with property developers, the County realized that it had inadvertently failed to record a note receivable related to a property developer's purchase of County property in 2015. The County corrected this error by reflecting a prior period adjustment of approximately \$2,589,000 in its governmental activities which increased its net position on the government-wide statements.

**I. Subsequent Events**

In October 2023, the County issued \$12,700,000 in General Obligation Bonds. Principal is due in annual installments of \$380,000 to \$1,145,000 beginning June 1, 2024 through June 1, 2043, plus interest ranging from 4.00% to 5.00% due semiannually.

In November 2023, the County purchased land for approximately \$2,295,000.

In November 2023, the County ordered a landfill dozer for approximately \$1,039,000.

In November 2023, the County ordered two ambulances for approximately \$694,000.

In March 2024, the County purchased a landfill compactor for approximately \$936,000.

## Required Supplementary Information

PICKENS COUNTY, SOUTH CAROLINA

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

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

YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Property Taxes	\$ 34,186,660	34,266,660	36,384,197	\$ 2,117,537
Licenses, Fines and Permits	1,205,000	1,239,783	1,315,497	75,714
Intergovernmental	6,269,784	9,111,610	7,810,728	(1,300,882)
Charges for Services	8,852,512	8,772,512	9,334,581	562,069
Fines and Forfeitures	370,750	370,750	449,777	79,027
Investment Income	455,695	1,955,695	2,187,639	231,944
Contributions	10,000	10,000	20,456	10,456
Miscellaneous	48,600	480,894	819,929	339,035
TOTAL REVENUES	51,399,001	56,207,904	58,322,804	2,114,900
<b>EXPENDITURES</b>				
Current:				
General Government	14,488,686	14,753,920	13,563,708	1,190,212
Public Safety	25,106,028	25,701,619	24,804,286	897,333
Public Works	7,394,435	7,936,560	7,375,343	561,217
Health and Welfare	857,317	859,617	785,361	74,256
Culture and Recreation	1,277,681	1,278,519	1,455,977	(177,458)
Economic Development	-	-	1,349	(1,349)
Intergovernmental	438,821	439,190	446,898	(7,708)
Other	355,146	365,062	640,693	(275,631)
Capital Outlay	3,410,555	9,321,223	8,875,008	446,215
TOTAL EXPENDITURES	53,328,669	60,655,710	57,948,623	2,707,087
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(1,929,668)</b>	<b>(4,447,806)</b>	<b>374,181</b>	<b>4,821,987</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from Sale of Capital Assets	25,000	25,000	47,836	22,836
Transfers In	418,105	418,105	386,486	(31,619)
Transfers Out	(1,127,313)	(1,127,313)	(627,418)	499,895
Total Other Financing Sources (Uses)	(684,208)	(684,208)	(193,096)	491,112
<b>NET CHANGE IN FUND BALANCE</b>	<b>(2,613,876)</b>	<b>(5,132,014)</b>	<b>181,085</b>	<b>5,313,099</b>
FUND BALANCE - Beginning of Year	44,665,999	44,665,999	44,665,999	-
<b>FUND BALANCE - End of Year</b>	<b>\$ 42,052,123</b>	<b>39,533,985</b>	<b>44,847,084</b>	<b>\$ 5,313,099</b>

Note: the County's General Fund budgetary comparison schedule has been prepared in accordance with generally accepted accounting principles.

Note: the County's original and final budget reflect an expected use of fund balance of approximately \$2,614,000 and \$5,132,000.

PICKENS COUNTY, SOUTH CAROLINA

BUDGETARY COMPARISON SCHEDULE - FIRE DISTRICTS FUND

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

YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Property Taxes	\$ 8,965,032	8,965,032	8,864,482	\$ (100,550)
Licenses, Fines and Permits	-	-	178,107	178,107
Intergovernmental	-	120,150	97,281	(22,869)
<b>TOTAL REVENUES</b>	<u>8,965,032</u>	<u>9,085,182</u>	<u>9,139,870</u>	<u>54,688</u>
<b>EXPENDITURES</b>				
Public Safety	7,479,934	7,518,884	6,093,627	1,425,257
Capital Outlay	2,005,000	2,086,200	1,631,207	454,993
Debt Service:				
Principal Retirement	712,614	712,614	-	712,614
Interest and Fiscal Charges	132,307	132,307	-	132,307
<b>TOTAL EXPENDITURES</b>	<u>10,329,855</u>	<u>10,450,005</u>	<u>7,724,834</u>	<u>2,725,171</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,364,823)</u>	<u>(1,364,823)</u>	<u>1,415,036</u>	<u>2,779,859</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from Sale of Capital Assets	-	-	5,650	5,650
Transfers In	1,267,264	1,267,264	-	(1,267,264)
Transfers Out	-	-	(117,511)	(117,511)
<b>Total Other Financing Sources (Uses)</b>	<u>1,267,264</u>	<u>1,267,264</u>	<u>(111,861)</u>	<u>(1,379,125)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(97,559)</b>	<b>(97,559)</b>	<b>1,303,175</b>	<b>1,400,734</b>
<b>FUND BALANCE - Beginning of Year</b>	<u>13,203</u>	<u>13,203</u>	<u>13,203</u>	<u>-</u>
<b>FUND BALANCE - End of Year</b>	<u><b>\$ (84,356)</b></u>	<u><b>(84,356)</b></u>	<u><b>1,316,378</b></u>	<u><b>\$ 1,400,734</b></u>

Note: the County's Fire Districts Fund budgetary comparison schedule has been prepared in accordance with generally accepted accounting principles.

Note: the County's original and final budget reflect an expected use of fund balance of approximately \$98,000.

PICKENS COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION - OPEB PLAN SCHEDULES

SCHEDULE OF CHANGES IN THE COUNTY'S NET OPEB LIABILITY AND RELATED RATIOS

LAST SIX FISCAL YEARS

	Year Ended June 30,					
	2023	2022	2021	2020	2019	2018
Total OPEB Liability:						
Service Cost	\$ 416,034	385,494	356,867	356,107	375,820	\$ 518,383
Interest	287,090	334,590	423,360	452,172	463,213	390,495
Differences Between Expected and Actual Experience	(3,135,254)	(3,525)	(770,918)	32,172	(1,289,927)	22,672
Changes of Assumptions	(1,182,325)	982,881	540,962	637,273	348,560	(883,650)
Benefit Payments, Including Refunds of Member Contributions	(409,223)	(428,437)	(438,987)	(447,328)	(369,624)	(306,644)
Net Change in Total OPEB Liability	(4,023,678)	1,271,003	111,284	1,030,396	(471,958)	(258,744)
Total OPEB Liability - Beginning of Year	14,949,212	13,678,209	13,566,925	12,536,529	13,008,487	13,267,231
Total OPEB Liability - End of Year	<u>\$ 10,925,534</u>	<u>14,949,212</u>	<u>13,678,209</u>	<u>13,566,925</u>	<u>12,536,529</u>	<u>\$ 13,008,487</u>
Covered-Employee Payroll	\$ 7,571,288	8,128,976	7,976,297	8,784,882	8,828,553	\$ 10,188,408
Total OPEB Liability as a Percentage of Covered-Employee Payroll	144.30%	183.90%	171.49%	154.43%	142.00%	127.68%

Notes to Schedule:

The County adopted GASB #75 during the year ended June 30, 2018. Information is not available for prior years.

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

Changes of assumptions reflect the effects of changes in the discount rate each period.

The discount rates used by year were as follows: 3.69% 1.92% 2.45% 3.13% 3.62% 3.56%

FYE 2023 - The health care trend was updated to reflect the plan's anticipated experience.

FYE 2022 - The demographic assumptions were updated to reflect the 2020 SCRS experience study.

FYE 2021 - The two-person coverage assumption was slightly modified and the health care trend rates were updated to reflect the repeal of the excise tax on high-cost employer health plans.

FYE 2019 - The health care trend and two-person coverage assumptions were slightly modified.

PICKENS COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION - PENSION PLAN SCHEDULES

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

LAST NINE FISCAL YEARS

	Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	
County's Proportion of the Net Pension Liability	0.14299%	0.14705%	0.14486%	0.15069%	0.15574%	0.15361%	0.14611%	0.14776%	0.15257%	
County's Proportionate Share of the Net Pension Liability	\$34,664,724	31,822,705	37,013,845	34,409,225	34,896,110	34,580,307	31,208,667	28,022,638	\$ 26,267,840	
County's Covered Payroll	\$17,027,319	16,622,524	16,160,133	15,936,393	17,705,364	16,210,953	14,384,893	14,252,632	\$ 14,057,809	
County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	203.58%	191.44%	229.04%	215.92%	197.09%	213.31%	216.95%	196.61%	186.86%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	57.06%	60.75%	50.71%	54.40%	54.10%	53.34%	52.91%	56.99%	59.92%	

**Notes to Schedule:**

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

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

PICKENS COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION - PENSION PLAN SCHEDULES

SCHEDULE OF CONTRIBUTIONS  
SOUTH CAROLINA RETIREMENT SYSTEM

LAST NINE FISCAL YEARS

	Year Ended June 30,								
	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 3,346,918	2,819,724	2,586,465	2,345,708	2,147,291	2,020,182	1,768,615	1,546,376	\$ 1,489,400
Contributions in Relation to the Contractually Required Contribution:									
Contributions from the County	3,202,595	2,675,401	2,442,142	2,201,385	2,002,968	2,020,182	1,768,615	1,546,376	1,489,400
Contributions from the State	144,323	144,323	144,323	144,323	144,323	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	\$ -
County's Covered Payroll	\$19,059,900	17,027,319	16,622,524	16,160,133	15,936,393	17,705,364	16,210,953	14,384,893	\$ 14,252,632
Contributions as a Percentage of Covered Payroll	17.56%	16.56%	15.56%	14.52%	13.47%	11.41%	0.00%	0.00%	0.00%

PICKENS COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION - PENSION PLAN SCHEDULES

SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
POLICE OFFICERS RETIREMENT SYSTEM

LAST NINE FISCAL YEARS

	Year Ended June 30,								
	2023	2022	2021	2020	2019	2018	2017	2016	2015
County's Proportion of the Net Pension Liability	0.671674%	0.688595%	0.664050%	0.645266%	0.657992%	0.574600%	0.548040%	0.540350%	0.553720%
County's Proportionate Share of the Net Pension Liability	\$ 20,143,360	17,719,956	22,021,322	18,492,938	18,644,493	15,741,462	13,900,769	11,776,909	\$ 10,600,472
County's Covered Payroll	\$ 10,629,883	10,354,328	10,032,141	9,357,302	8,652,721	7,736,185	6,967,691	6,693,259	\$ 6,866,519
County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	189.50%	171.14%	219.51%	197.63%	215.48%	203.48%	199.50%	175.95%	154.38%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.45%	70.37%	58.79%	62.69%	61.73%	60.94%	60.44%	64.57%	67.55%

Notes to Schedule:

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

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

PICKENS COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION - PENSION PLAN SCHEDULES

SCHEDULE OF CONTRIBUTIONS  
POLICE OFFICERS RETIREMENT SYSTEM

LAST NINE FISCAL YEARS

	Year Ended June 30,								
	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 2,352,844	2,045,190	1,888,629	1,717,901	1,503,938	1,370,591	1,070,688	929,490	\$ 870,793
Contributions in Relation to the Contractually Required Contribution:									
Contributions from the County	2,281,011	1,973,357	1,816,796	1,646,068	1,432,105	1,370,591	1,070,688	929,490	870,793
Contributions from the State	71,833	71,833	71,833	71,833	71,833	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	\$ -
County's Covered Payroll	\$ 11,624,723	10,629,883	10,354,328	10,032,141	9,357,302	8,652,721	7,736,185	6,967,691	\$ 6,693,259
Contributions as a Percentage of Covered Payroll	20.24%	19.24%	18.24%	17.12%	16.07%	15.84%	13.84%	13.34%	13.01%

## Supplementary Information

PICKENS COUNTY, SOUTH CAROLINA

GENERAL FUND

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

YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Property Taxes	\$ 34,186,660	34,266,660	36,384,197	\$ 2,117,537
Licenses, Fines and Permits	1,205,000	1,239,783	1,315,497	75,714
Intergovernmental	6,269,784	9,111,610	7,810,728	(1,300,882)
Charges for Services	8,852,512	8,772,512	9,334,581	562,069
Fines and Forfeitures	370,750	370,750	449,777	79,027
Investment Income	455,695	1,955,695	2,187,639	231,944
Contributions	10,000	10,000	20,456	10,456
Miscellaneous	48,600	480,894	819,929	339,035
TOTAL REVENUES	51,399,001	56,207,904	58,322,804	2,114,900
<b>EXPENDITURES</b>				
General Government:				
County Council	295,497	295,497	288,958	6,539
County Attorney	50,000	141,554	151,357	(9,803)
State Solicitor	1,210,451	1,210,451	1,157,779	52,672
Public Defender	303,192	303,237	303,234	3
Probate Judge	457,093	472,093	458,932	13,161
Master in Equity	261,264	261,264	2,548	258,716
Register of Deeds	297,774	297,774	285,261	12,513
Clerk of Court	808,661	873,823	872,160	1,663
Administrator	333,731	349,814	347,705	2,109
Purchasing	60,413	60,413	59,522	891
Finance	664,314	664,314	665,234	(920)
Building Maintenance	2,517,028	2,553,328	2,269,596	283,732
Human Resources	438,654	441,682	436,594	5,088
Delinquent Tax	233,223	246,223	203,208	43,015
Risk Manager	6,078	6,163	6,155	8
Circuit Judge	312	312	246	66
Treasurer	553,229	573,329	564,760	8,569
Auditor	439,165	439,864	436,531	3,333
Tax Assessor	1,110,229	1,120,140	861,946	258,194
Board of Appeals	2,500	-	-	-
GIS Mapping	443,771	447,814	446,627	1,187
Registration and Elections	506,557	522,709	481,399	41,310
Planning and Commission	253,731	254,683	213,629	41,054
Information Services	1,181,360	1,140,180	1,111,055	29,125
County Magistrates	823,323	823,323	804,885	18,438
Vehicle Maintenance	908,189	924,189	815,265	108,924
Public Relations	74,387	75,187	74,832	355
Retiree Health and Dental	254,560	254,560	244,290	10,270
Total General Government	\$ 14,488,686	14,753,920	13,563,708	\$ 1,190,212

(Continued)

PICKENS COUNTY, SOUTH CAROLINA

GENERAL FUND

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

YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Public Safety:				
Sheriff's Department	\$ 16,819,103	16,880,894	16,222,623	\$ 658,271
Emergency Management	329,316	334,833	295,337	39,496
County Coroner	388,590	423,373	397,533	25,840
Emergency Medical Services	6,821,752	7,313,752	7,174,516	139,236
Building Codes	570,049	570,049	567,554	2,495
Fire District	3,450	4,950	4,917	33
Rescue Department	43,143	43,143	28,081	15,062
Environmental Enforcement	130,625	130,625	113,725	16,900
Total Public Safety	25,106,028	25,701,619	24,804,286	897,333
Public Works:				
Roads and Bridges	2,493,604	2,532,646	2,162,795	369,851
Solid Waste Department	4,771,937	5,275,020	5,105,715	169,305
Engineering	128,894	128,894	106,833	22,061
Total Public Works	7,394,435	7,936,560	7,375,343	561,217
Health and Welfare:				
Health Department	21,458	21,458	18,801	2,657
Animal Control	454,011	454,011	404,048	49,963
Veterans' Affairs	174,572	176,872	173,266	3,606
Storm Water Management	207,276	207,276	189,246	18,030
Total Health and Welfare	857,317	859,617	785,361	74,256
Culture and Recreation:				
Cultural Commission	680,846	682,127	874,779	(192,652)
Parks Department	596,835	596,392	581,198	15,194
Total Culture and Recreation	1,277,681	1,278,519	1,455,977	(177,458)
Economic Development:				
Economic Development	-	-	1,349	(1,349)
Intergovernmental:				
Legislative Delegation	25,369	25,369	20,651	4,718
Department of Social Services	46,093	46,093	59,258	(13,165)
Medically Indigent Fund	195,000	195,369	195,369	-
SC Appalachian Council of Governments	61,631	61,631	61,631	-
Clemson Extension	74,978	74,978	74,239	739
Soil and Water Conservation	15,750	15,750	15,750	-
Mental Health Center	20,000	20,000	20,000	-
Total Intergovernmental	\$ 438,821	439,190	446,898	\$ (7,708)

(Continued)

PICKENS COUNTY, SOUTH CAROLINA

GENERAL FUND

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

YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Other:				
Contingency	\$ 50,000	82,916	612,727	\$ (529,811)
Bank Charges	17,500	17,500	8,942	8,558
Nondepartmental	287,646	264,646	19,024	245,622
Total Other	355,146	365,062	640,693	(275,631)
Capital Outlay	3,410,555	9,321,223	8,875,008	446,215
TOTAL EXPENDITURES	53,328,669	60,655,710	57,948,623	2,707,087
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,929,668)	(4,447,806)	374,181	4,821,987
OTHER FINANCING SOURCES (USES)				
Proceeds from Sale of Capital Assets	25,000	25,000	47,836	22,836
Transfers In	418,105	418,105	386,486	(31,619)
Transfers Out	(1,127,313)	(1,127,313)	(627,418)	499,895
Total Other Financing Sources (Uses)	(684,208)	(684,208)	(193,096)	491,112
NET CHANGE IN FUND BALANCE	(2,613,876)	(5,132,014)	181,085	5,313,099
FUND BALANCE - Beginning of Year	44,665,999	44,665,999	44,665,999	-
FUND BALANCE - End of Year	\$ 42,052,123	39,533,985	44,847,084	\$ 5,313,099

Note: the County's original and final budget reflect an expected use of fund balance of approximately \$2,614,000 and \$5,132,000.

PICKENS COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET -  
NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2023

	NON-MAJOR SPECIAL REVENUE FUNDS	NON-MAJOR DEBT SERVICE FUND	TOTAL OTHER GOVERNMENTAL FUNDS
<b>ASSETS</b>			
Restricted Cash and Investments	\$ 27,026,033	2,504,634	\$ 29,530,667
Receivables, Net of Allowances:			
Property Taxes	402,291	166,253	568,544
Intergovernmental	508,954	2,044	510,998
Other	55,754	-	55,754
Prepays	10,392	-	10,392
<b>TOTAL ASSETS</b>	<b>\$ 28,003,424</b>	<b>2,672,931</b>	<b>\$ 30,676,355</b>
<b>LIABILITIES</b>			
Accounts Payable	\$ 3,038,798	-	\$ 3,038,798
Accrued Liabilities	64,521	-	64,521
Due To Other Funds	28,166	-	28,166
Unearned Revenue	50,623	-	50,623
<b>TOTAL LIABILITIES</b>	<b>3,182,108</b>	<b>-</b>	<b>3,182,108</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Taxes	371,163	159,775	530,938
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>371,163</b>	<b>159,775</b>	<b>530,938</b>
<b>FUND BALANCES</b>			
Nonspendable:			
Prepays	10,392	-	10,392
Restricted For:			
Debt Service	-	2,513,156	2,513,156
Capital Improvements	16,477,430	-	16,477,430
Tourism Related Costs	1,477,345	-	1,477,345
Firefighters' 1% Costs	220,007	-	220,007
Public Safety	1,310,249	-	1,310,249
Special Revenue Programs	4,964,013	-	4,964,013
Unassigned	(9,283)	-	(9,283)
<b>TOTAL FUND BALANCES</b>	<b>24,450,153</b>	<b>2,513,156</b>	<b>26,963,309</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 28,003,424</b>	<b>2,672,931</b>	<b>\$ 30,676,355</b>

PICKENS COUNTY, SOUTH CAROLINA

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

YEAR ENDED JUNE 30, 2023

	NON-MAJOR SPECIAL REVENUE FUNDS	NON-MAJOR DEBT SERVICE FUND	TOTAL OTHER GOVERNMENTAL FUNDS
<b>REVENUES:</b>			
Property Taxes	\$ 11,547,125	2,314,267	\$ 13,861,392
Licenses, Fines and Permits	868,159	-	868,159
Intergovernmental	8,849,441	-	8,849,441
Charges for Services	56,818	-	56,818
Fines and Forfeitures	158,179	-	158,179
Investment Income	923	-	923
Contributions	42,837	-	42,837
Miscellaneous	108,676	-	108,676
<b>TOTAL REVENUES</b>	<b>21,632,158</b>	<b>2,314,267</b>	<b>23,946,425</b>
<b>EXPENDITURES:</b>			
Public Safety	550,435	-	550,435
Public Safety	997,758	-	997,758
Public Works	9,597,545	-	9,597,545
Economic Development	58,001	-	58,001
Culture and Recreation	4,201,670	-	4,201,670
Other	1,621,500	-	1,621,500
Capital Outlay	268,986	-	268,986
Debt Service			
Principal Retirement	-	1,406,258	1,406,258
Interest	-	913,122	913,122
<b>TOTAL EXPENDITURES</b>	<b>17,295,895</b>	<b>2,319,380</b>	<b>19,615,275</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>4,336,263</b>	<b>(5,113)</b>	<b>4,331,150</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers In	490,940	305,475	796,415
Transfers Out	(39,581)	(127,692)	(167,273)
<b>Total Other Financing Sources (Uses)</b>	<b>451,359</b>	<b>177,783</b>	<b>629,142</b>
<b>NET CHANGES IN FUND BALANCES</b>	<b>4,787,622</b>	<b>172,670</b>	<b>4,960,292</b>
FUND BALANCES, Beginning of Year	19,260,500	2,340,486	21,600,986
Reclassification of Fund Balance	223,928	-	223,928
Change in Accounting Principle - GASB #84	178,103	-	178,103
<b>FUND BALANCES, Beginning of Year, As Restated</b>	<b>19,662,531</b>	<b>2,340,486</b>	<b>22,003,017</b>
<b>FUND BALANCES, End of Year</b>	<b>\$ 24,450,153</b>	<b>2,513,156</b>	<b>\$ 26,963,309</b>

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PICKENS COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2023

	TRI-COUNTY TECH	FIXED NUCLEAR	SHERIFF SPECIAL	LIBRARY
<b>ASSETS</b>				
Restricted Cash and Investments	\$ 789,867	64,840	404,413	3,902,750
Receivables, Net of Allowances:				
Property Taxes	84,675	-	-	192,847
Intergovernmental	3,024	-	-	7,300
Other	-	-	-	-
Prepaid Items	-	-	-	10,038
<b>TOTAL ASSETS</b>	<b>\$ 877,566</b>	<b>64,840</b>	<b>404,413</b>	<b>4,112,935</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ -	361	-	99,821
Accrued Liabilities	-	1,503	-	47,996
Due to Other Funds	-	-	-	-
Unearned Revenue	-	-	-	623
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>1,864</b>	<b>-</b>	<b>148,440</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue - Property Taxes	80,231	-	-	183,372
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>80,231</b>	<b>-</b>	<b>-</b>	<b>183,372</b>
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	10,038
Restricted	797,335	62,976	404,413	3,771,085
Unassigned	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>797,335</b>	<b>62,976</b>	<b>404,413</b>	<b>3,781,123</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 877,566</b>	<b>64,840</b>	<b>404,413</b>	<b>4,112,935</b>

<b>VICTIM RIGHTS</b>	<b>ESCHEATMENT</b>	<b>STATE ROAD C-FUND</b>	<b>PARK SERVICES</b>	<b>TOURISM RESTRICTED RESOURCES</b>	<b>ACCOMMODATIONS TAX</b>
610	139,268	8,478,794	-	5,463	\$ 427,247
-	-	-	-	-	-
-	-	242,053	-	-	88,786
-	-	-	-	-	-
-	-	-	-	-	-
<b>610</b>	<b>139,268</b>	<b>8,720,847</b>	<b>-</b>	<b>5,463</b>	<b>\$ 516,033</b>
996	-	1,098,324	-	-	\$ 109,736
1,394	-	-	-	-	-
-	-	-	7,503	-	-
-	-	-	-	-	-
2,390	-	1,098,324	7,503	-	109,736
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	139,268	7,622,523	-	5,463	406,297
(1,780)	-	-	(7,503)	-	-
(1,780)	139,268	7,622,523	(7,503)	5,463	406,297
<b>610</b>	<b>139,268</b>	<b>8,720,847</b>	<b>-</b>	<b>5,463</b>	<b>\$ 516,033</b>

(Continued)

PICKENS COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2023

	ROAD FEE	TOURISM DEVELOPMENT FEE	EMERGENCY PHONE SYSTEM	PRISON COMMISSION
<b>ASSETS</b>				
Restricted Cash and Investments	\$ 1,018,768	1,020,745	796,414	102
Receivables, Net of Allowances:				
Property Taxes	-	-	-	-
Intergovernmental	-	-	132,508	-
Other	-	50,822	-	-
Prepaid Items	-	318	-	-
<b>TOTAL ASSETS</b>	<b>\$ 1,018,768</b>	<b>1,071,885</b>	<b>928,922</b>	<b>102</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ 8,646	3,593	20,466	-
Accrued Liabilities	-	2,389	2,722	-
Due to Other Funds	-	-	-	-
Unearned Revenue	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>8,646</b>	<b>5,982</b>	<b>23,188</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue - Property Taxes	-	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>				
Nonspendable	-	318	-	-
Restricted	1,010,122	1,065,585	905,734	102
Unassigned	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>1,010,122</b>	<b>1,065,903</b>	<b>905,734</b>	<b>102</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 1,018,768</b>	<b>1,071,885</b>	<b>928,922</b>	<b>102</b>

ROAD MAINTENANCE	ROAD RESERVE	LAW ENFORCEMENT BLOCK GRANTS	FIREFIGHTERS' 1% FUND	ALLIANCE PICKENS	TOTAL NONMAJOR SPECIAL REVENUE FUNDS
5,441,140	4,070,012	-	220,007	245,593	\$ 27,026,033
66,800	57,969	-	-	-	402,291
-	-	20,663	-	14,620	508,954
-	-	-	-	4,932	55,754
-	-	-	-	36	10,392
<b>5,507,940</b>	<b>4,127,981</b>	<b>20,663</b>	<b>220,007</b>	<b>265,181</b>	<b>\$ 28,003,424</b>
925,287	758,289	-	-	13,279	\$ 3,038,798
-	-	-	-	8,517	64,521
-	-	20,663	-	-	28,166
-	-	-	-	50,000	50,623
925,287	758,289	20,663	-	71,796	3,182,108
57,587	49,973	-	-	-	371,163
57,587	49,973	-	-	-	371,163
-	-	-	-	36	10,392
4,525,066	3,319,719	-	220,007	193,349	24,449,044
-	-	-	-	-	(9,283)
4,525,066	3,319,719	-	220,007	193,385	24,450,153
<b>5,507,940</b>	<b>4,127,981</b>	<b>20,663</b>	<b>220,007</b>	<b>265,181</b>	<b>\$ 28,003,424</b>

PICKENS COUNTY, SOUTH CAROLINA

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

YEAR ENDED JUNE 30, 2023

	TRI-COUNTY TECH	FIXED NUCLEAR	SHERIFF SPECIAL	LIBRARY
<b>REVENUES</b>				
Property Taxes	\$ 1,633,803	-	-	3,481,956
Licenses, Fines and Permits	-	-	-	-
Intergovernmental	-	90,190	-	321,379
Charges for Services	-	-	-	56,818
Fines and Forfeitures	-	-	81,114	-
Investment Income	-	-	-	-
Contributions	-	-	42,220	-
Miscellaneous	-	-	-	8,689
TOTAL REVENUES	1,633,803	90,190	123,334	3,868,842
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	95,612	139,973	-
Public Works	-	-	-	-
Economic Development	-	-	-	-
Culture and Recreation	-	-	-	3,704,463
Other	1,621,500	-	-	-
Capital Outlay	-	-	-	24,012
TOTAL EXPENDITURES	1,621,500	95,612	139,973	3,728,475
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>12,303</b>	<b>(5,422)</b>	<b>(16,639)</b>	<b>140,367</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	19,657	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	19,657	-	-
<b>NET CHANGE IN FUND BALANCES</b>	<b>12,303</b>	<b>14,235</b>	<b>(16,639)</b>	<b>140,367</b>
FUND BALANCE - Beginning of Year	785,032	48,741	421,052	3,640,756
Reclassification of Fund Balance	-	-	-	-
Change in Accounting Principle - GASB #84	-	-	-	-
FUND BALANCES - Beginning of Year, As Restated	785,032	48,741	421,052	3,640,756
<b>FUND BALANCES - End of Year</b>	<b>\$ 797,335</b>	<b>62,976</b>	<b>404,413</b>	<b>3,781,123</b>

VICTIM RIGHTS	ESCHEATMENT	STATE ROAD C-FUND	PARK SERVICES	TOURISM RESTRICTED RESOURCES	ACCOMMODATIONS TAX
-	-	-	-	-	\$ -
-	-	-	-	-	-
562	-	7,718,269	-	2,126	316,620
-	-	-	-	-	-
77,065	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	617	-
-	91,264	-	-	-	-
77,627	91,264	7,718,269	-	2,743	316,620
-	-	-	-	-	-
104,183	-	-	-	-	-
-	17,443	5,217,280	-	-	-
-	-	-	58,001	-	-
-	-	-	-	379	252,932
-	-	-	-	-	-
-	-	-	28,750	-	-
104,183	17,443	5,217,280	86,751	379	252,932
(26,556)	73,821	2,500,989	(86,751)	2,364	63,688
19,281	-	-	-	-	-
-	-	-	-	-	(39,581)
19,281	-	-	-	-	(39,581)
(7,275)	73,821	2,500,989	(86,751)	2,364	24,107
5,495	65,447	5,121,534	79,248	3,099	382,190
-	-	-	-	-	-
-	-	-	-	-	-
5,495	65,447	5,121,534	79,248	3,099	382,190
(1,780)	139,268	7,622,523	(7,503)	5,463	\$ 406,297

(Continued)

PICKENS COUNTY, SOUTH CAROLINA

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

YEAR ENDED JUNE 30, 2023

	ROAD FEE	TOURISM DEVELOPMENT FEE	EMERGENCY PHONE SYSTEM	PRISON COMMISSION
<b>REVENUES</b>				
Property Taxes	\$ -	-	-	-
Licenses, Fines and Permits	6,324	527,150	334,685	-
Intergovernmental	-	676	163,439	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Investment Income	-	-	-	-
Contributions	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	6,324	527,826	498,124	-
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	521,958	-
Public Works	158,962	-	-	-
Economic Development	-	-	-	-
Culture and Recreation	-	243,896	-	-
Other	-	-	-	-
Capital Outlay	216,224	-	-	-
TOTAL EXPENDITURES	375,186	243,896	521,958	-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(368,862)</b>	<b>283,930</b>	<b>(23,834)</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	<b>(368,862)</b>	<b>283,930</b>	<b>(23,834)</b>	<b>-</b>
FUND BALANCE - Beginning of Year	1,378,984	781,973	929,568	102
Reclassification of Fund Balance	-	-	-	-
Change in Accounting Principle - GASB #84	-	-	-	-
FUND BALANCES - Beginning of Year, As Restated	1,378,984	781,973	929,568	102
<b>FUND BALANCES - End of Year</b>	<b>\$ 1,010,122</b>	<b>1,065,903</b>	<b>905,734</b>	<b>102</b>

ROAD MAINTENANCE	ROAD RESERVE	LAW ENFORCEMENT BLOCK GRANTS	FIREFIGHTERS' 1% FUND	ALLIANCE PICKENS	TOTAL NONMAJOR SPECIAL REVENUE FUNDS
3,443,927	2,987,439	-	-	-	\$ 11,547,125
-	-	-	-	-	868,159
-	-	42,587	134,306	59,287	8,849,441
-	-	-	-	-	56,818
-	-	-	-	-	158,179
-	-	-	320	603	923
-	-	-	-	-	42,837
-	-	-	723	8,000	108,676
3,443,927	2,987,439	42,587	135,349	67,890	21,632,158
-	-	-	-	550,435	550,435
-	-	42,587	93,445	-	997,758
1,873,583	2,330,277	-	-	-	9,597,545
-	-	-	-	-	58,001
-	-	-	-	-	4,201,670
-	-	-	-	-	1,621,500
-	-	-	-	-	268,986
1,873,583	2,330,277	42,587	93,445	550,435	17,295,895
1,570,344	657,162	-	41,904	(482,545)	4,336,263
-	-	-	-	452,002	490,940
-	-	-	-	-	(39,581)
-	-	-	-	452,002	451,359
1,570,344	657,162	-	41,904	(30,543)	4,787,622
2,954,722	2,662,557	-	-	-	19,260,500
-	-	-	-	223,928	223,928
-	-	-	178,103	-	178,103
2,954,722	2,662,557	-	178,103	223,928	19,662,531
4,525,066	3,319,719	-	220,007	193,385	\$ 24,450,153

PICKENS COUNTY, SOUTH CAROLINA

NONMAJOR GOVERNMENTAL FUND - TRI-COUNTY TECH FUND

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

YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Property Taxes	\$ 1,571,140	1,571,140	1,633,803	\$ 62,663
TOTAL REVENUES	1,571,140	1,571,140	1,633,803	62,663
<b>EXPENDITURES</b>				
Other	1,621,500	1,621,500	1,621,500	-
TOTAL EXPENDITURES	1,621,500	1,621,500	1,621,500	-
<b>NET CHANGE IN FUND BALANCE</b>	<b>(50,360)</b>	<b>(50,360)</b>	<b>12,303</b>	<b>62,663</b>
FUND BALANCE - Beginning of Year	785,032	785,032	785,032	-
<b>FUND BALANCE - End of Year</b>	<b>\$ 734,672</b>	<b>734,672</b>	<b>797,335</b>	<b>\$ 62,663</b>

Note: the County's original and final budget reflect an expected use of fund balance of approximately \$50,000.

PICKENS COUNTY, SOUTH CAROLINA

NONMAJOR GOVERNMENTAL REVENUE FUND - FIXED NUCLEAR FUND

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

YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Intergovernmental	\$ 90,190	90,190	90,190	\$ -
TOTAL REVENUES	90,190	90,190	90,190	-
<b>EXPENDITURES</b>				
Public Safety	104,853	104,853	95,612	9,241
TOTAL EXPENDITURES	104,853	104,853	95,612	9,241
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(14,663)</b>	<b>(14,663)</b>	<b>(5,422)</b>	<b>9,241</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	20,192	20,192	19,657	(535)
Total Other Financing Sources (Uses)	20,192	20,192	19,657	(535)
<b>NET CHANGE IN FUND BALANCE</b>	<b>5,529</b>	<b>5,529</b>	<b>14,235</b>	<b>8,706</b>
FUND BALANCE - Beginning of Year	48,741	48,741	48,741	-
<b>FUND BALANCE - End of Year</b>	<b>\$ 54,270</b>	<b>54,270</b>	<b>62,976</b>	<b>\$ 8,706</b>

Note: the County's original and final budget reflect an expected surplus of fund balance of approximately \$6,000.

PICKENS COUNTY, SOUTH CAROLINA

NONMAJOR GOVERNMENTAL FUND - LIBRARY FUND

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

YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Property Taxes	\$ 3,602,685	3,602,685	3,481,956	\$ (120,729)
Intergovernmental	295,659	295,659	321,379	25,720
Charges for Services	25,000	25,000	56,818	31,818
Miscellaneous	6,000	6,000	8,689	2,689
TOTAL REVENUES	3,929,344	3,929,344	3,868,842	(60,502)
<b>EXPENDITURES</b>				
Culture and Recreation	3,659,631	3,659,631	3,704,463	(44,832)
Capital Outlay	-	-	24,012	(24,012)
TOTAL EXPENDITURES	3,659,631	3,659,631	3,728,475	(68,844)
<b>NET CHANGE IN FUND BALANCE</b>	<b>269,713</b>	<b>269,713</b>	<b>140,367</b>	<b>(129,346)</b>
FUND BALANCE - Beginning of Year	3,640,756	3,640,756	3,640,756	-
<b>FUND BALANCE - End of Year</b>	<b>\$ 3,910,469</b>	<b>3,910,469</b>	<b>3,781,123</b>	<b>\$ (129,346)</b>

Note: the County's original and final budget reflect an expected surplus of fund balance of approximately \$270,000.

PICKENS COUNTY, SOUTH CAROLINA

NONMAJOR GOVERNMENTAL FUND - VICTIM RIGHTS FUND

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

YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Intergovernmental	\$ -	-	562	\$ 562
Fines and Forfeitures	76,000	76,000	77,065	1,065
TOTAL REVENUES	76,000	76,000	77,627	1,627
<b>EXPENDITURES</b>				
Public Safety	115,133	115,133	104,183	10,950
TOTAL EXPENDITURES	115,133	115,133	104,183	10,950
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(39,133)</b>	<b>(39,133)</b>	<b>(26,556)</b>	<b>12,577</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer In	-	-	19,281	19,281
Total Other Financing Sources (Uses)	-	-	19,281	19,281
<b>NET CHANGE IN FUND BALANCE</b>	<b>(39,133)</b>	<b>(39,133)</b>	<b>(7,275)</b>	<b>31,858</b>
FUND BALANCE - Beginning of Year	5,495	5,495	5,495	-
<b>FUND BALANCE - End of Year</b>	<b>\$ (33,638)</b>	<b>(33,638)</b>	<b>(1,780)</b>	<b>\$ 31,858</b>

Note: the County's original and final budget reflect an expected use of fund balance of approximately \$39,000.

PICKENS COUNTY, SOUTH CAROLINA

NONMAJOR GOVERNMENTAL FUND - ESCHEATMENT FUND

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

YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Miscellaneous	\$ -	-	91,264	\$ 91,264
TOTAL REVENUES	-	-	91,264	91,264
<b>EXPENDITURES</b>				
Public Works	65,000	65,000	17,443	47,557
TOTAL EXPENDITURES	65,000	65,000	17,443	47,557
<b>NET CHANGE IN FUND BALANCE</b>	<b>(65,000)</b>	<b>(65,000)</b>	<b>73,821</b>	<b>138,821</b>
FUND BALANCE - Beginning of Year	65,447	65,447	65,447	-
<b>FUND BALANCE - End of Year</b>	<b>\$ 447</b>	<b>447</b>	<b>139,268</b>	<b>\$ 138,821</b>

Note: the County's original and final budget reflect an expected use of fund balance of approximately \$65,000.

PICKENS COUNTY, SOUTH CAROLINA

NONMAJOR GOVERNMENTAL FUND - PARK SERVICES FUND

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

YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
TOTAL REVENUES	\$ -	-	-	\$ -
<b>EXPENDITURES</b>				
Economic Development	58,000	58,000	58,001	(1)
Capital Outlay	-	-	28,750	(28,750)
TOTAL EXPENDITURES	58,000	58,000	86,751	(28,751)
<b>NET CHANGE IN FUND BALANCE</b>	<b>(58,000)</b>	<b>(58,000)</b>	<b>(86,751)</b>	<b>(28,751)</b>
FUND BALANCE - Beginning of Year	79,248	79,248	79,248	-
<b>FUND BALANCE - End of Year</b>	<b>\$ 21,248</b>	<b>21,248</b>	<b>(7,503)</b>	<b>\$ (28,751)</b>

Note: the County's original and final budget reflect an expected use of fund balance of approximately \$58,000.

PICKENS COUNTY, SOUTH CAROLINA

NONMAJOR GOVERNMENTAL FUND - TOURISM RESTRICTED RESOURCES FUND

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

YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Intergovernmental	\$ -	-	2,126	\$ 2,126
Contributions	-	-	617	617
TOTAL REVENUES	-	-	2,743	2,743
<b>EXPENDITURES</b>				
Culture and Recreation	3,800	3,800	379	3,421
TOTAL EXPENDITURES	3,800	3,800	379	3,421
<b>NET CHANGE IN FUND BALANCE</b>	<b>(3,800)</b>	<b>(3,800)</b>	<b>2,364</b>	<b>6,164</b>
FUND BALANCE - Beginning of Year	3,099	3,099	3,099	-
<b>FUND BALANCE - End of Year</b>	<b>\$ (701)</b>	<b>(701)</b>	<b>5,463</b>	<b>\$ 6,164</b>

Note: the County's original and final budget reflect an expected use of fund balance of approximately \$4,000.

PICKENS COUNTY, SOUTH CAROLINA

NONMAJOR GOVERNMENTAL FUND - ACCOMMODATIONS TAX FUND

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

YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Intergovernmental	\$ 250,000	250,000	316,620	\$ 66,620
TOTAL REVENUES	250,000	250,000	316,620	66,620
<b>EXPENDITURES</b>				
Culture and Recreation	213,750	213,750	252,932	(39,182)
TOTAL EXPENDITURES	213,750	213,750	252,932	(39,182)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>36,250</b>	<b>36,250</b>	<b>63,688</b>	<b>27,438</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(36,250)	(36,250)	(39,581)	(3,331)
Total Other Financing Sources (Uses)	(36,250)	(36,250)	(39,581)	(3,331)
<b>NET CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>-</b>	<b>24,107</b>	<b>24,107</b>
FUND BALANCE - Beginning of Year	382,190	382,190	382,190	-
<b>FUND BALANCE - End of Year</b>	<b>\$ 382,190</b>	<b>382,190</b>	<b>406,297</b>	<b>\$ 24,107</b>

PICKENS COUNTY, SOUTH CAROLINA

NONMAJOR GOVERNMENTAL FUND - TOURISM DEVELOPMENT FEE FUND

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

YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Licenses, Fines and Permits	\$ 475,000	475,000	527,150	\$ 52,150
Intergovernmental	-	-	676	676
TOTAL REVENUES	475,000	475,000	527,826	52,826
<b>EXPENDITURES</b>				
Culture and Recreation	198,343	213,343	243,896	(30,553)
TOTAL EXPENDITURES	198,343	213,343	243,896	(30,553)
<b>NET CHANGE IN FUND BALANCE</b>	<b>276,657</b>	<b>261,657</b>	<b>283,930</b>	<b>22,273</b>
FUND BALANCE - Beginning of Year	781,973	781,973	781,973	-
<b>FUND BALANCE - End of Year</b>	<b>\$ 1,058,630</b>	<b>1,043,630</b>	<b>1,065,903</b>	<b>\$ 22,273</b>

Note: the County's original and final budget reflect an expected surplus of fund balance of approximately \$277,000.

PICKENS COUNTY, SOUTH CAROLINA

NONMAJOR GOVERNMENTAL FUND - EMERGENCY PHONE SYSTEM FUND

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

YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Fees, Licenses, and Permits	\$ 350,000	350,000	334,685	\$ (15,315)
Intergovernmental	261,658	261,658	163,439	(98,219)
TOTAL REVENUES	611,658	611,658	498,124	(113,534)
<b>EXPENDITURES</b>				
Public Safety	672,174	672,174	521,958	150,216
TOTAL EXPENDITURES	672,174	672,174	521,958	150,216
<b>NET CHANGE IN FUND BALANCE</b>	<b>(60,516)</b>	<b>(60,516)</b>	<b>(23,834)</b>	<b>36,682</b>
FUND BALANCE - Beginning of Year	929,568	929,568	929,568	-
<b>FUND BALANCE - End of Year</b>	<b>\$ 869,052</b>	<b>869,052</b>	<b>905,734</b>	<b>\$ 36,682</b>

Note: the County's original and final budget reflect an expected use of fund balance of approximately \$61,000.

PICKENS COUNTY, SOUTH CAROLINA

NONMAJOR GOVERNMENTAL FUND - ROAD MAINTENANCE FUND

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

YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Property Taxes	\$ 3,355,944	3,355,944	3,443,927	\$ 87,983
TOTAL REVENUES	3,355,944	3,355,944	3,443,927	87,983
<b>EXPENDITURES</b>				
Public Works	3,355,944	3,355,944	1,873,583	1,482,361
TOTAL EXPENDITURES	3,355,944	3,355,944	1,873,583	1,482,361
<b>NET CHANGE IN FUND BALANCE</b>	-	-	<b>1,570,344</b>	<b>1,570,344</b>
FUND BALANCE - Beginning of Year	2,954,722	2,954,722	2,954,722	-
<b>FUND BALANCE - End of Year</b>	<b>\$ 2,954,722</b>	<b>2,954,722</b>	<b>4,525,066</b>	<b>\$ 1,570,344</b>

PICKENS COUNTY, SOUTH CAROLINA

NONMAJOR GOVERNMENTAL FUND - ROAD RESERVE FUND

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

YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Property Taxes	\$ 2,912,384	2,912,384	2,987,439	\$ 75,055
TOTAL REVENUES	2,912,384	2,912,384	2,987,439	75,055
<b>EXPENDITURES</b>				
Public Works	2,766,918	2,766,918	2,330,277	436,641
TOTAL EXPENDITURES	2,766,918	2,766,918	2,330,277	436,641
<b>NET CHANGE IN FUND BALANCE</b>	<b>145,466</b>	<b>145,466</b>	<b>657,162</b>	<b>511,696</b>
FUND BALANCE - Beginning of Year	2,662,557	2,662,557	2,662,557	-
<b>FUND BALANCE - End of Year</b>	<b>\$ 2,808,023</b>	<b>2,808,023</b>	<b>3,319,719</b>	<b>\$ 511,696</b>

Note: the County's original and final budget reflect a surplus of fund balance of approximately \$145,000.

PICKENS COUNTY, SOUTH CAROLINA

NONMAJOR GOVERNMENTAL FUND - ALLIANCE PICKENS FUND

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

YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Intergovernmental	\$ 55,158	55,158	59,287	\$ 4,129
Investment Income	-	-	603	603
Miscellaneous	-	-	8,000	8,000
TOTAL REVENUES	55,158	55,158	67,890	12,732
<b>EXPENDITURES</b>				
General Government	606,396	606,396	550,435	55,961
TOTAL EXPENDITURES	606,396	606,396	550,435	55,961
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(551,238)</b>	<b>(551,238)</b>	<b>(482,545)</b>	<b>68,693</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	551,238	551,238	452,002	(99,236)
Total Other Financing Sources (Uses)	551,238	551,238	452,002	(99,236)
<b>NET CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>-</b>	<b>(30,543)</b>	<b>(30,543)</b>
FUND BALANCE - Beginning of Year	223,928	223,928	223,928	-
FUND BALANCE - End of Year	\$ 223,928	223,928	193,385	\$ (30,543)

PICKENS COUNTY, SOUTH CAROLINA

NONMAJOR GOVERNMENTAL FUND - DEBT SERVICE FUND

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

YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Property Taxes	\$ 2,185,931	2,185,931	2,314,267	\$ 128,336
TOTAL REVENUES	<u>2,185,931</u>	<u>2,185,931</u>	<u>2,314,267</u>	<u>128,336</u>
<b>EXPENDITURES</b>				
Debt Service:				
Principal Retirement	1,406,257	1,406,257	1,406,258	(1)
Interest and Fiscal Charges	912,670	912,670	913,122	(452)
TOTAL EXPENDITURES	<u>2,318,927</u>	<u>2,318,927</u>	<u>2,319,380</u>	<u>(453)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(132,996)</u>	<u>(132,996)</u>	<u>(5,113)</u>	<u>127,883</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	305,475	305,475	305,475	-
Transfers Out	(127,692)	(127,692)	(127,692)	-
Total Other Financing Sources (Uses)	<u>177,783</u>	<u>177,783</u>	<u>177,783</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<b>44,787</b>	<b>44,787</b>	<b>172,670</b>	<b>127,883</b>
FUND BALANCE - Beginning of Year	<u>2,340,486</u>	<u>2,340,486</u>	<u>2,340,486</u>	<u>-</u>
<b>FUND BALANCE - End of Year</b>	<b><u>\$ 2,385,273</u></b>	<b><u>2,385,273</u></b>	<b><u>2,513,156</u></b>	<b><u>\$ 127,883</u></b>

Note: the County's original and final budget reflect an expected surplus of fund balance of approximately \$45,000.

PICKENS COUNTY, SOUTH CAROLINA

PROPRIETARY FUND - PUBLIC SERVICE COMMISSION FUND

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -  
FINAL BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>OPERATING REVENUES</b>				
Sales and Service Charges and Fees	\$ 1,881,132	1,528,584	3,044,876	\$ 1,516,292
Intergovernmental	-	-	3,253	3,253
TOTAL REVENUES	1,881,132	1,528,584	3,048,129	1,519,545
<b>OPERATING EXPENSES</b>				
Salaries and Fringe Benefits	587,296	587,515	535,306	52,209
Operating Expenses	2,159,819	2,323,403	1,591,350	732,053
Depreciation	-	-	1,012,480	(1,012,480)
TOTAL EXPENSES	2,747,115	2,910,918	3,139,136	(228,218)
<b>OPERATING INCOME (LOSS)</b>	<b>(865,983)</b>	<b>(1,382,334)</b>	<b>(91,007)</b>	<b>1,291,327</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Interest Expense	(37,040)	(37,040)	(37,040)	-
Other Nonoperating Revenue	-	163,803	-	(163,803)
TOTAL NON-OPERATING REVENUES (EXPENSES)	(37,040)	126,763	(37,040)	(163,803)
<b>INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS</b>	<b>(903,023)</b>	<b>(1,255,571)</b>	<b>(128,047)</b>	<b>1,127,524</b>
<b>CAPITAL CONTRIBUTIONS AND TRANSFERS</b>				
Capital Contributions	-	352,548	392,580	40,032
Transfers Out	(1,724)	(1,724)	(1,724)	-
TOTAL CAPITAL CONTRIBUTIONS AND TRANSFERS	(1,724)	350,824	390,856	40,032
<b>CHANGE IN NET POSITION</b>	<b>(904,747)</b>	<b>(904,747)</b>	<b>262,809</b>	<b>1,167,556</b>
NET POSITION - Beginning of Year	18,764,122	18,764,122	18,764,122	-
<b>NET POSITION - End of Year</b>	<b>\$ 17,859,375</b>	<b>17,859,375</b>	<b>19,026,931</b>	<b>\$ 1,167,556</b>

Note: the County's original and final budget reflect an expected use of fund balance of approximately \$905,000.

PICKENS COUNTY, SOUTH CAROLINA

PROPRIETARY FUND - AIRPORT FUND

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -  
FINAL BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 914,740	914,740	916,469	\$ 1,729
Intergovernmental	-	-	1,449	1,449
Other Operating Revenues	-	-	2,400	2,400
<b>TOTAL REVENUES</b>	<b>914,740</b>	<b>914,740</b>	<b>920,318</b>	<b>5,578</b>
<b>OPERATING EXPENSES</b>				
Salaries and Fringe Benefits	237,475	237,475	246,444	(8,969)
Operating Expenses	548,006	1,703,006	611,285	1,091,721
Depreciation	-	-	174,049	(174,049)
<b>TOTAL EXPENSES</b>	<b>785,481</b>	<b>1,940,481</b>	<b>1,031,778</b>	<b>908,703</b>
<b>OPERATING INCOME (LOSS)</b>	<b>129,259</b>	<b>(1,025,741)</b>	<b>(111,460)</b>	<b>914,281</b>
<b>CAPITAL GRANTS, CONTRIBUTIONS AND TRANSFERS</b>				
Federal Grants	-	-	4,027,390	4,027,390
State Grants	-	-	1,939,686	1,939,686
Transfers Out	-	-	(36,865)	(36,865)
<b>TOTAL CAPITAL CONTRIBUTIONS AND TRANSFERS</b>	<b>-</b>	<b>-</b>	<b>5,930,211</b>	<b>5,930,211</b>
<b>CHANGE IN NET POSITION</b>	<b>129,259</b>	<b>(1,025,741)</b>	<b>5,818,751</b>	<b>6,844,492</b>
NET POSITION - Beginning of Year	6,684,069	6,684,069	6,684,069	-
<b>NET POSITION - End of Year</b>	<b>\$ 6,813,328</b>	<b>5,658,328</b>	<b>6,572,609</b>	<b>\$ 914,281</b>

Note: the County's original and final budget reflect an expected surplus and an expected use of fund balance of approximately \$129,000 and \$1,026,000, respectively.

PICKENS COUNTY, SOUTH CAROLINA

UNIFORM SCHEDULE OF FINES, ASSESSMENTS, AND SURCHARGES (PER ACT 96)

YEAR ENDED JUNE 30, 2023

FOR THE STATE TREASURER'S OFFICE:

COUNTY / MUNICIPAL FUNDS COLLECTED BY CLERK OF COURT	General Sessions	Magistrate Court	Municipal Court	Total
<b>Court Fines and Assessments:</b>				
Court fines and assessments collected	\$ 330,371	588,863		\$ 919,234
Court fines and assessments remitted to State Treasurer	(195,835)	(242,124)		(437,959)
<b>Total Court Fines and Assessments retained</b>	<b>134,536</b>	<b>346,739</b>		<b>481,275</b>
<b>Surcharges and Assessments retained for victim services:</b>				
Surcharges collected and retained	30,130	15,436		45,566
Assessments retained	8,634	22,866		31,500
<b>Total Surcharges and Assessments retained for victim services</b>	<b>\$ 38,764</b>	<b>38,302</b>		<b>\$ 77,066</b>

FOR THE DEPARTMENT OF CRIME VICTIM COMPENSATION (DCVC)

VICTIM SERVICE FUNDS COLLECTED	Municipal	County	Total
<b>Carryforward from Previous Year – Beginning Balance</b>	<b>\$ -</b>	<b>5,495</b>	<b>\$ 5,495</b>
<b>Victim Service Revenue:</b>			
Victim Service Fines Retained by City/County Treasurer			
Victim Service Assessments Retained by City/County Treasurer		31,500	31,500
Victim Service Surcharges Retained by City/County Treasurer		45,566	45,566
Interest Earned			
Grant Funds Received			
Grant from:			
General Funds Transferred to Victim Service Fund		19,281	19,281
<b>Contribution Received from Victim Service Contracts:</b>			
(1) Town of			
(2) Town of			
(3) City of			
<b>Total Funds Allocated to Victim Service Fund + Beginning Balance (A)</b>	<b>-</b>	<b>101,842</b>	<b>101,842</b>
<b>Expenditures for Victim Service Program:</b>	<b>Municipal</b>	<b>County</b>	<b>Total</b>
Salaries and Benefits		94,209	94,209
Operating Expenditures		9,413	9,413
<b>Victim Service Contract(s):</b>			
(1) Entity's Name			
(2) Entity's Name			
<b>Victim Service Donation(s):</b>			
(1) Domestic Violence Shelter:			
(2) Rape Crisis Center:			
(3) Other local direct crime victims service agency:			
Transferred to General Fund			
<b>Total Expenditures from Victim Service Fund/Program (B)</b>	<b>-</b>	<b>103,622</b>	<b>103,622</b>
<b>Total Victim Service Funds Retained by Municipal/County Treasurer (A-B)</b>		<b>(1,780)</b>	<b>(1,780)</b>
<b>Less: Prior Year Fund Deficit Repayment</b>			
<b>Carryforward Funds – End of Year</b>	<b>\$ -</b>	<b>(1,780)</b>	<b>\$ (1,780)</b>

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# STATISTICAL SECTION

## (UNAUDITED)

This part of Pickens County’s (the “County”) annual comprehensive 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 County’s overall financial health.

<b>Contents</b>	<b>Page</b>
Financial Trends Information <i>These schedules contain trend information to help the reader understand how the County’s financial performance and well-being have changed over time.</i>	105
Revenue Capacity Information <i>These schedules contain information to help the reader assess the County’s most significant local revenue source.</i>	112
Debt Capacity Information <i>These schedules present information to help the reader assess the affordability of the County’s current levels of outstanding debt and the County’s ability to issue additional debt in the future.</i>	116
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the County’s financial activities take place.</i>	121
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the County’s financial report relates to the services the County provides and the activities it performs.</i>	123

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

PICKENS COUNTY, SOUTH CAROLINA

Table 1

NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(Accrual Basis of Accounting)

UNAUDITED

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023*
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 43,964,937	45,459,121	48,208,673	50,700,319	36,106,153	50,634,094	52,928,665	56,167,746	56,604,672	\$ 66,283,471
Restricted	15,397,427	15,634,038	17,573,313	16,152,280	16,513,038	17,403,330	20,208,386	16,123,358	21,604,514	28,276,435
Unrestricted	25,986,376	(8,736,449)	(7,094,595)	(13,063,593)	(10,514,752)	(22,963,254)	(17,845,326)	(18,733,212)	(14,718,995)	(14,282,504)
Total governmental activities net position	\$ 85,348,740	52,356,710	58,687,391	53,789,006	42,104,439	45,074,170	55,291,725	53,557,892	63,490,191	\$ 80,277,402
<b>Business-type Activities</b>										
Net Investment in Capital Assets	\$ 28,023,881	26,816,226	25,857,381	25,414,892	28,290,482	28,476,555	23,604,725	22,472,291	22,581,898	\$ 29,997,447
Restricted	756,000	809,568	817,308	825,048	832,788	209,520	217,260	225,000	232,740	232,740
Unrestricted (Deficit)	1,091,496	503,074	417,809	600,503	1,626,984	1,562,991	1,723,641	3,440,238	2,633,553	1,299,564
Total business-type activities net position	\$ 29,871,377	28,128,868	27,092,498	26,840,443	30,750,254	30,249,066	25,545,626	26,137,529	25,448,191	\$ 31,529,751
<b>Component Unit</b>										
Unrestricted (Deficit)	100,109	80,150	54,651	66,685	161,877	93,590	195,459	200,744	223,928	-
Total component unit net position	\$ 100,109	80,150	54,651	66,685	161,877	93,590	195,459	200,744	223,928	\$ -
<b>Total Reporting Unit</b>										
Net Investment in Capital Assets	\$ 71,988,818	72,275,347	74,066,054	76,115,211	64,396,635	79,110,649	76,533,390	78,640,037	79,186,570	\$ 96,280,918
Restricted	16,153,427	16,443,606	18,390,621	16,977,328	17,345,826	17,612,850	20,425,646	16,348,358	21,837,254	28,509,175
Unrestricted	27,177,981	(8,153,225)	(6,622,135)	(12,396,405)	(8,725,891)	(21,306,673)	(15,926,226)	(15,092,230)	(11,861,514)	(12,982,940)
Total primary government net position	\$ 115,320,226	80,565,728	85,834,540	80,696,134	73,016,570	75,416,826	81,032,810	79,896,165	89,162,310	\$ 111,807,153

Source: Annual Financial Statements

\* In FY 2023, the Component Unit was determined to be a blended component unit of the County and was reported with the County's governmental activities.

PICKENS COUNTY, SOUTH CAROLINA

Table 2

CHANGES IN NET ASSETS  
LAST TEN FISCAL YEARS  
(Accrual Basis of Accounting)

UNAUDITED	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023*
<b>Expenses</b>										
Governmental activities:										
General Government	\$ 11,469,811	12,254,981	12,604,182	14,753,128	15,338,224	16,070,136	16,330,579	16,760,745	15,924,612	\$ 14,410,392
Public Safety	22,626,518	22,559,150	25,758,032	26,064,443	28,076,159	29,074,818	30,194,764	33,241,001	33,063,645	35,709,710
Public Works	10,277,306	9,259,568	12,714,042	15,651,931	9,722,755	9,202,584	7,637,054	14,871,031	12,783,651	19,240,200
Health and Welfare	877,186	860,695	933,146	920,068	717,643	792,130	825,619	759,276	758,249	812,785
Culture and Recreation	4,541,962	4,283,221	4,689,443	4,820,156	5,345,076	5,268,494	5,128,012	5,042,633	5,464,418	6,163,752
Economic Development	689,697	474,033	547,444	1,288,055	1,900,486	580,221	993,050	420,755	936,066	469,302
Intergovernmental	1,422,329	1,428,094	883,737	1,543,750	1,941,760	2,012,470	1,978,141	1,986,863	3,072,492	-
Interest and Fiscal Charges	-	-	-	-	-	-	-	-	-	728,414
Debt Service - Other	535,849	504,353	402,385	362,033	941,288	1,229,460	(605,341)	1,159,636	942,421	-
Capital Outlay	-	-	-	-	-	-	-	-	(209,188)	-
Total Governmental Activities Expenses	52,440,658	51,624,095	58,532,411	65,403,564	63,983,391	64,230,313	62,481,878	74,241,940	72,736,366	77,534,555
Business-type activities:										
Water and Sewer	2,816,922	2,683,046	3,050,970	2,844,825	2,910,549	2,537,191	2,577,400	2,639,478	3,017,270	3,176,176
Airport	916,192	837,465	736,118	837,400	921,266	858,537	797,679	880,189	1,124,607	1,031,778
Total business-type activities expense	3,733,114	3,520,511	3,787,088	3,682,225	3,831,815	3,395,728	3,375,079	3,519,667	4,141,877	4,207,954
Total Primary Government Expenses	\$ 56,173,772	55,144,606	62,319,499	69,085,789	67,815,206	67,626,041	65,856,957	77,761,607	76,878,243	\$ 81,742,509
Component Unit Activities:										
Alliance Pickens	\$ 472,450	356,336	390,778	457,914	457,830	563,678	415,820	486,919	509,532	\$ -
Total component unit expenses	472,450	356,336	390,778	457,914	457,830	563,678	415,820	486,919	509,532	-
Total expenses	\$ 56,646,222	55,500,942	62,710,277	69,543,703	68,273,036	68,189,719	66,272,777	78,248,526	77,387,775	\$ 81,742,509
<b>Program Revenues</b>										
Governmental activities:										
Charges for Services										
General Government	\$ 1,297,344	1,334,387	1,515,091	1,611,385	1,621,507	1,785,787	1,943,022	2,556,854	2,750,505	\$ 2,681,381
Public Safety	9,161,649	7,943,150	8,654,967	8,176,614	9,790,419	9,499,204	9,694,312	10,302,378	10,780,232	6,640,602
Public Works	989,904	1,035,390	1,161,031	1,301,204	1,486,775	14,949,691	1,386,402	1,296,383	1,393,864	1,294,833
Health and Welfare	16,387	29,217	84,679	103,296	92,346	126,970	170,083	185,359	245,727	271,074
Culture and Recreation	553,744	532,321	644,000	625,362	798,887	776,923	728,709	1,017,380	1,094,045	1,072,158
Operating Grants and Contributions	5,648,952	5,984,172	10,315,555	7,202,200	7,301,417	6,985,839	7,481,716	6,722,514	5,240,865	12,194,247
Capital Grants and Contributions	423,643	125,000	-	-	-	-	-	-	-	1,384,500
Total Governmental Activities Program Revenues	\$ 18,091,623	16,983,637	22,375,323	19,020,061	21,091,351	34,124,414	21,404,244	22,080,868	21,505,238	\$ 25,538,795

(Continued)

PICKENS COUNTY, SOUTH CAROLINA

Table 2

CHANGES IN NET ASSETS  
LAST TEN FISCAL YEARS  
(Accrual Basis of Accounting)

UNAUDITED

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023*
<b>Business-type activities:</b>										
Charges for Services										
Water and Sewer	\$ 1,268,272	1,289,956	1,415,105	1,368,923	1,414,731	1,494,499	1,461,685	1,708,629	1,520,381	\$ 3,048,129
Airport	494,435	478,820	444,548	621,303	557,378	583,825	553,779	700,839	1,090,683	917,918
Operating Grants and Contributions	583,785	437,925	586,072	1,111,193	400,002	797,227	462,008	397,463	392,580	6,359,656
Capital Grants and Contributions	2,346,492	2,206,701	2,445,725	3,101,419	2,372,111	2,875,551	2,477,472	3,620,106	3,003,644	10,325,703
Total Business-Type Activities Program Revenues	20,438,115	19,190,338	24,821,048	22,121,480	23,463,462	36,999,965	23,881,716	25,700,974	24,508,882	35,864,498
Total Primary Government Program Revenues										
Component Unit Activities:										
Alliance Pickens	11,324	22,324	23,000	118,000	20,538	67,822	84,285	114,235	80,189	-
Total Component Unit Revenues	11,324	22,324	23,000	118,000	20,538	67,822	84,285	114,235	80,189	-
Total revenues	\$ 20,449,439	19,212,662	24,844,048	22,239,480	23,484,000	37,067,787	23,966,001	25,815,209	24,589,071	\$ 35,864,498
<b>Net (Expense) Revenue</b>										
Governmental Activities	\$ (34,349,035)	(34,640,458)	(36,157,088)	(46,383,503)	(42,892,040)	(43,560,899)	(41,077,634)	(52,161,072)	(51,231,128)	\$ (51,995,760)
Business-Type Activities	(1,386,622)	(1,313,810)	(1,341,363)	(580,806)	(1,459,704)	(520,177)	(897,607)	100,439	(1,138,233)	6,117,749
Component Unit Activities	(461,126)	(334,012)	(367,778)	(339,914)	(437,292)	(495,856)	(331,535)	(372,684)	(429,343)	-
Total Primary Government	\$ (36,196,783)	(36,288,280)	(37,866,229)	(47,304,223)	(44,789,036)	(44,576,932)	(42,306,776)	(52,433,317)	(52,798,704)	\$ (45,878,011)
<b>General Revenues and Other Changes in Net Assets</b>										
Taxes	\$ 34,453,144	35,248,707	36,998,429	36,947,789	37,372,290	39,781,660	41,099,091	42,257,918	50,597,219	\$ 57,454,254
Grants and Contributions	4,856,536	4,841,567	4,940,083	5,213,027	5,162,145	5,166,692	5,495,965	7,610,352	9,870,674	5,345,324
Investment Earnings	135,870	200,655	366,793	353,202	506,816	841,595	677,122	381,366	361,816	2,188,562
Miscellaneous	(15,127)	(2,499,667)	370,832	(188,977)	399,375	778,254	4,157,806	584,154	333,718	921,163
Gain on Sale of Capital Assets	123,308	(50,577)	116,625	(511,172)	24,029	(25,162)	3,335	(30,736)	-	53,486
Transfers	(669,908)	(303,751)	(304,993)	(328,751)	(5,489,524)	(12,409)	(337,938)	(375,815)	-	38,589
Total Governmental Activities	\$ 38,883,823	37,436,934	42,487,769	41,485,118	37,975,131	46,530,630	51,095,381	50,427,239	61,163,427	\$ 66,001,378

(Continued)

PICKENS COUNTY, SOUTH CAROLINA

Table 2

CHANGES IN NET ASSETS  
LAST TEN FISCAL YEARS  
(Accrual Basis of Accounting)

UNAUDITED

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023*
<b>Business-type activities:</b>										
Gain (Loss) on Sale of Capital Assets	\$ -	-	-	-	-	-	(3,810,624)	486,786	-	\$ -
Grants and Contributions	-	-	-	-	-	-	-	6,402	259,247	-
Miscellaneous	-	-	-	-	90,742	6,580	6,815	6,402	189,648	2,400
Transfers	278,521	303,751	304,993	328,751	5,489,524	12,409	(2,024)	(1,724)	-	(38,589)
Total Business-Type Activities	278,521	303,751	304,993	328,751	5,580,266	18,989	(3,805,833)	491,464	448,895	(36,189)
Total Primary Government	\$ 39,162,344	37,740,685	42,792,762	41,813,869	43,555,397	46,549,619	47,289,548	50,918,703	61,612,322	\$ 65,965,189
<b>Component Unit Activities:</b>										
Investment Earnings	\$ 514.00	320	382	322	397	657	729	430	363	\$ -
Miscellaneous	-	-	-	-	-	426,912	92,713	-	452,164	-
Transfers	391,387	313,733	341,897	351,626	532,087	-	339,962	377,539	-	-
Total Component Unit Activities	\$ 391,901.00	314,053	342,279	351,948	532,484	427,569	433,404	377,969	452,527	\$ -
<b>Change in Net Position</b>										
Governmental Activities	\$ 4,534,788	(32,992,030)	6,330,681	(4,898,385)	(4,916,909)	2,969,731	10,017,747	(1,733,833)	9,932,299	\$ 14,005,618
Business-Type Activities	(1,108,101)	(1,742,509)	(1,036,370)	(252,055)	4,120,562	(501,188)	(4,703,440)	591,903	(689,338)	6,081,560
Total Primary Government	3,426,687	(34,734,539)	5,294,311	(5,150,440)	(796,347)	2,468,543	5,314,307	(1,141,930)	9,242,961	20,087,178
Component Unit Activities	(69,225)	(19,959)	(25,499)	12,034	95,192	(68,287)	101,869	5,285	23,184	-
Total Reporting Unit	\$ 3,357,462	(34,754,498)	5,268,812	(5,138,406)	(701,155)	2,400,256	5,416,176	(1,136,645)	9,266,145	\$ 20,087,178

Source: Annual Financial Statements

\* In FY 2023, the Component Unit was determined to be a blended component unit of the County and was reported with the County's governmental activities.

**FUND BALANCES - GOVERNMENTAL FUNDS**

**LAST TEN FISCAL YEARS**

(Modified Accrual Basis of Accounting)

**UNAUDITED**

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>General Fund</b>										
Nonspendable	\$ 1,597,119	1,579,659	1,547,843	1,310,699	1,865,852	1,153,296	1,142,000	1,150,375	1,239,396	\$ 1,219,158
Committed	-	-	-	-	-	-	-	-	-	4,233,534
Assigned	6,591,559	7,790,805	8,972,808	8,544,709	6,762,401	5,552,312	5,872,786	9,359,805	10,723,249	935,938
Unassigned	20,915,924	22,515,434	23,924,817	21,586,795	19,188,947	24,122,881	31,040,196	30,185,504	32,703,354	38,458,454
Total General Fund	29,104,602	31,885,898	34,445,468	31,442,203	27,817,200	30,828,489	38,054,982	40,695,684	44,665,999	44,847,084
<b>All Other Governmental Funds</b>										
Nonspendable	649,129	9,835	3,130	10,268	6,389	2,574	609	1,049	992	12,535
Restricted	15,397,427	15,634,043	17,573,313	16,152,280	16,512,778	17,403,330	20,208,386	16,123,358	23,617,057	28,276,435
Committed	892,235	285,654	85,890	-	16,285,970	1,341,538	9,167	-	-	-
Unassigned	(498,409)	(427,378)	(569,457)	(1,025,337)	(596,924)	(308,270)	53,549	(397,400)	(2,003,911)	(9,333)
Total All Other Governmental Funds	16,440,382	15,502,154	17,092,876	15,137,211	32,208,213	18,439,172	20,271,711	15,727,007	21,614,138	28,279,637
Total Governmental Fund Balance	\$ 45,544,984	47,388,052	51,538,344	46,579,414	60,025,413	49,267,661	58,326,693	56,422,691	66,280,137	\$ 73,126,721

Source: Annual Financial Statements

PICKENS COUNTY, SOUTH CAROLINA

Table 4

CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(Modified Accrual Basis of Accounting)

UNAUDITED	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>										
Property Taxes	\$ 33,791,817	34,292,274	36,141,974	35,951,087	36,542,968	39,231,553	40,467,320	41,933,527	49,774,963	\$ 59,110,071
Licenses, Fines and Permits	6,183,688	6,650,297	6,707,563	7,031,340	7,839,582	7,973,906	8,359,269	8,714,734	7,055,386	2,361,763
Intergovernmental	8,702,952	8,737,519	12,989,373	10,279,287	10,161,906	9,838,842	10,661,886	11,936,412	14,803,789	19,333,386
Charges for Services	6,002,528	6,268,814	6,610,683	6,780,713	8,214,688	7,847,269	7,784,553	8,831,474	9,324,546	9,391,399
Fines and Forfeitures	2,293,571	695,656	1,541,829	660,457	542,404	637,303	575,030	593,513	580,933	607,956
Investment Income	203,026	263,906	420,425	422,697	568,722	895,393	722,854	417,699	413,902	2,188,562
Rental Income	24,204	20,933	21,100	22,616	19,600	19,225	19,200	-	-	-
Contributions	81,197	47,705	35,549	4,344	39,522	97,990	112,154	89,615	61,549	63,293
Miscellaneous	334,719	391,693	469,637	272,731	483,837	700,147	4,006,060	364,311	1,146,928	928,605
Total Revenues	57,617,702	57,368,797	64,938,133	61,425,272	64,413,229	67,241,603	72,708,351	72,900,745	83,161,996	93,985,035
<b>Expenditures</b>										
General Government	10,425,459	10,872,211	11,347,596	12,393,478	12,373,130	12,957,662	12,587,118	12,578,637	15,237,763	14,341,977
Public Safety	21,169,840	20,880,137	23,705,195	23,834,731	25,975,272	26,821,280	27,848,311	30,351,825	30,210,464	32,174,260
Public Works	9,207,995	8,172,262	11,537,764	13,472,912	8,373,386	8,074,496	8,076,925	14,137,169	10,888,465	17,095,012
Health and Welfare	832,512	817,536	890,237	891,016	677,553	750,955	780,495	716,791	760,274	785,361
Culture and Recreation	4,212,529	3,944,464	4,354,647	4,478,322	5,265,728	4,886,948	4,735,204	4,634,297	4,989,731	5,693,758
Economic Development	594,857	366,248	439,659	1,189,981	1,254,619	59,529	899,270	246,921	77,554	359,350
Intergovernmental	89,475	169,961	270,848	383,145	885,270	877,306	421,265	491,317	1,348,912	946,898
Other	1,429,315	1,440,115	891,923	1,909,816	1,629,919	1,647,712	1,645,213	1,702,552	3,183,226	2,270,833
Capital Outlay	3,143,834	6,034,166	3,841,717	7,807,585	15,466,810	17,628,822	4,831,100	3,867,377	3,992,416	11,645,728
Debt Service										
Principal	2,679,193	2,711,850	2,771,805	1,485,193	4,665,854	2,965,749	1,931,383	4,503,992	1,593,426	1,406,258
Interest	565,407	513,028	431,457	359,272	872,191	1,316,487	1,180,097	1,253,205	1,022,319	913,122
Total Expenditures	54,350,416	55,921,978	60,482,848	68,205,451	77,439,532	77,986,946	64,936,381	74,484,083	73,304,550	87,632,557
Excess of Revenues Over (Under) Expenditures	3,267,286	1,446,819	4,455,285	(6,780,179)	(13,026,303)	(10,745,343)	7,771,970	(1,583,338)	9,857,446	6,352,478
<b>Other Financing Sources (Uses)</b>										
Proceeds from Sale of Capital Assets	-	-	-	-	-	-	-	55,151	-	53,486
Proceeds from Bond Issuance	3,000,000	700,000	-	2,150,000	31,961,826	-	1,625,000	-	-	-
Transfers In (Out)	(669,908)	(303,751)	(304,993)	(328,751)	(5,489,524)	(12,409)	(337,938)	(375,815)	-	38,589
Total Other Financing Sources (Uses)	2,330,092	396,249	(304,993)	1,821,249	26,472,302	(12,409)	1,287,062	(320,664)	-	92,075
<b>Net Change in Fund Balance</b>	\$ 5,597,378	1,843,068	4,150,292	(4,958,930)	13,445,999	(10,757,752)	9,059,032	(1,904,002)	9,857,446	\$ 6,444,553
Debt Service as a percentage of noncapital expenditures	6.34%	6.46%	5.66%	3.05%	8.94%	7.09%	5.18%	8.15%	3.77%	3.05%

Source: Annual Financial Statements

PICKENS COUNTY, SOUTH CAROLINA

Table 5

CHANGES IN FUND BALANCES - GENERAL FUND  
LAST TEN FISCAL YEARS  
(Modified Accrual Basis of Accounting)

UNAUDITED	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>										
Taxes	\$ 25,337,978	25,612,326	27,435,674	27,024,972	27,016,829	29,532,597	31,171,281	32,186,930	33,868,926	\$ 36,384,197
Fees, licenses and permits	691,447	816,291	839,004	947,610	956,572	1,008,126	1,017,753	1,253,027	1,556,471	1,315,497
Intergovernmental	5,086,152	5,022,856	5,050,838	5,534,578	5,513,036	5,784,804	6,065,772	6,230,943	6,263,773	7,810,728
Charges for services	5,851,912	6,121,789	6,462,181	6,654,722	8,094,707	7,744,241	7,730,317	8,769,243	9,272,443	9,334,581
Fines and forfeitures	597,299	508,816	501,786	452,089	442,219	460,218	421,869	346,274	386,409	449,777
Investment income	193,435	254,244	416,250	408,088	556,699	886,289	716,433	415,093	413,902	2,187,639
Rental income	24,204	20,933	21,100	22,616	19,600	19,200	19,200	-	-	-
Contributions	(500)	2,340	2,092	1,255	35,993	41,266	72,834	7,896	19,298	20,456
Miscellaneous	153,156	383,948	449,204	189,989	456,057	677,444	4,001,129	360,350	644,824	819,929
Total Revenues	37,935,083	38,743,543	41,178,129	41,235,919	43,091,712	46,154,185	51,216,588	49,588,956	52,426,046	58,322,804
<b>Expenditures</b>										
General government	10,230,371	10,669,118	11,151,665	12,021,434	12,145,177	12,731,091	12,365,269	12,336,458	12,843,882	13,563,708
Public safety	16,567,297	16,499,260	17,071,321	18,545,855	19,983,980	20,580,025	21,700,196	22,398,692	23,535,603	24,804,286
Public works	5,469,236	5,329,573	5,301,829	5,336,083	5,477,249	5,378,165	5,381,798	6,529,815	6,933,913	7,375,343
Health and welfare	832,310	817,536	879,141	888,236	676,769	750,943	780,495	716,791	760,274	785,361
Culture and recreation	645,938	600,791	889,001	1,038,809	1,035,055	1,051,136	949,586	995,810	896,104	1,455,977
Economic development	391,387	366,248	439,659	1,189,981	1,254,619	59,529	141,270	188,921	19,555	1,349
Other	387,531	394,080	388,562	766,709	122,319	62,612	65,313	103,752	1,519,818	640,693
Intergovernmental	89,475	169,961	270,848	383,145	885,270	877,306	421,265	491,317	348,912	446,898
Capital outlay	1,248,600	703,386	1,814,744	2,052,632	2,121,797	1,478,870	2,360,001	2,704,680	1,597,670	8,875,008
Total Expenditures	35,862,145	35,549,953	38,206,770	42,222,884	43,702,235	42,969,677	44,165,193	46,466,236	48,455,731	57,948,623
Excess of Revenues Over (Under) Expenditures	2,072,938	3,193,590	2,971,359	(986,965)	(610,523)	3,184,508	7,051,395	3,122,720	3,970,315	374,181
<b>Other Financing Sources (Uses)</b>										
Issuance of debt	-	-	-	-	1,500,000	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-	-	55,151	-	47,836
Transfers in (out)	(1,603,585)	(412,294)	(411,789)	(2,016,300)	(4,514,480)	(173,219)	175,098	(537,169)	-	(240,932)
Total Other Financing Sources (Uses)	(1,603,585)	(412,294)	(411,789)	(2,016,300)	(3,014,480)	(173,219)	175,098	(482,018)	-	(193,096)
<b>Net Change in Fund Balance</b>	469,353	2,781,296	2,559,570	(3,003,265)	(3,625,003)	3,011,289	7,226,493	2,640,702	3,970,315	181,085
Fund Balance, Beginning of Year	28,635,249	29,104,602	31,885,898	34,445,468	31,442,203	27,817,200	30,828,489	38,054,982	40,695,684	44,665,999
Fund Balance, End of Year	\$ 29,104,602	31,885,898	34,445,468	31,442,203	27,817,200	30,828,489	38,054,982	40,695,684	44,665,999	\$ 44,847,084

Source: Annual Financial Statements

PICKENS COUNTY, SOUTH CAROLINA

Table 6

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 Assessed Value	Total Direct Tax Rate (1)	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
2014	2013	\$ 349,020,293	112,959,999	-	\$ 461,980,292	65.60	\$ 8,311,532,266	5.56%
2015	2014	342,164,203	116,892,926	-	459,057,129	68.20	8,238,393,674	5.57%
2016	2015	346,996,026	121,233,803	-	468,229,829	68.20	8,427,261,409	5.56%
2017	2016	354,537,030	123,891,044	-	478,428,074	68.20	8,606,602,718	5.56%
2018	2017	373,537,003	126,949,196	-	500,486,199	68.20	8,793,054,440	5.69%
2019	2018	397,808,536	126,295,392	-	524,103,928	68.20	9,176,884,829	5.71%
2020	2019	444,167,227	125,810,926	-	569,978,153	64.40	10,245,911,799	5.56%
2021	2020	465,429,090	144,308,079	-	609,737,169	64.40	10,665,573,941	5.72%
2022	2021	474,319,214	152,303,509	-	626,622,723	74.30	10,993,021,539	5.70%
2023	2022	\$ 506,277,938	161,057,313	-	\$ 667,335,251	97.00	\$ 11,867,230,561	5.62%
					Assessed Value	Market Value		
Class of Property								
Real Property and Mobile Homes					\$ 506,277,938	\$ 9,848,658,349		
Motor Vehicles (includes aircraft)					61,991,181	973,859,472		
Public Utilities and Transportation Companies for Hire					42,716,570	514,630,476		
Manufacturing and Business Personal Property					25,664,098	206,393,333		
Marine Equipment					10,887,372	77,877,709		
FILOT Property					19,798,092	245,811,222		
Totals*					\$ 667,335,251	\$ 11,867,230,561		

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

\*Some variance may result from daily fluctuation in various categories including Motor Vehicles. Includes Merchant's Inventory reimbursement which is fixed by statute at \$123,940. The Real Property and Mobile Homes line includes property subject to Homestead Exemption at an assessed value of \$20,928,200 and a market value of \$1,925,258,721.

Source: Pickens County Auditor's Office

## PICKENS COUNTY, SOUTH CAROLINA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING RATES  
LAST TEN FISCAL YEARS

(Rate per \$1,000 of Assessed Value)

## UNAUDITED

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>County Wide Tax Rates</b>										
County Operations	53.2	55.3	55.3	55.3	55.3	55.8	53.0	53.0	63.3	63.7
County Bonds	3.9	4.0	4.0	4.0	4.0	3.5	3.1	3.1	3.1	2.8
County Fire	-	-	-	-	-	-	-	-	-	23.0
Tri-County Technical Library	2.5	2.6	2.6	2.6	2.6	2.6	2.4	2.4	2.4	2.4
County Sewer District*	6.0	6.3	6.3	6.3	6.3	6.3	5.9	5.9	5.5	5.1
Total Direct Rate	1.9	2.0	2.0	2.0	2.0	2.0	1.4	1.4	1.4	1.1
	67.5	70.2	70.2	70.2	70.2	70.2	65.8	65.8	75.7	98.1
<b>City Rates</b>										
Easley	58.0	60.0	60.0	62.0	65.0	68.0	59.0	62.0	63.5	66.5
Liberty	80.0	79.7	79.7	79.7	79.7	84.3	79.8	85.2	86.2	86.2
Norris	72.2	73.8	73.8	73.8	73.8	73.8	70.8	70.8	70.8	70.8
Central	72.0	74.0	75.0	75.5	75.5	78.3	73.0	73.0	73.0	76.0
Clemson	83.4	82.2	84.2	84.2	86.2	87.2	78.8	78.8	80.5	85.7
Six Mile	31.8	33.5	33.5	33.5	33.5	33.5	31.1	31.1	31.1	31.1
Pickens	60.3	64.9	66.4	67.3	77.3	78.3	72.5	78.3	79.3	83.3
<b>School District Rate</b>										
	160.5	165.2	164.5	165.2	168.0	168.0	162.9	162.9	164.0	164.0
<b>Special District Rates</b>										
Keowee Vineyards	38.4	46.7	48.2	48.2	48.2	51.1	51.5	51.5	51.5	-
Keowee Springs	56.7	70.7	58.5	58.5	58.5	53.4	39.6	39.6	39.6	-
Shady Grove	11.6	14.3	12.2	12.2	16.8	15.6	15.5	15.5	15.5	-
Georges Creek	0.6	0.6	0.6	0.6	0.6	0.6	0.5	0.5	0.5	0.5
Oolenoy	-	-	2.1	2.1	2.1	2.0	2.0	2.0	1.9	1.9
Sedgewood	6.5	6.5	6.7	7.0	7.0	7.0	7.0	7.0	7.0	7.0

Note: Property was reassessed as of 2018.

\*County Sewer is subtracted out when calculating Municipality taxes.

Source: Pickens County Auditor's Office

PICKENS COUNTY, SOUTH CAROLINA

Table 8

PRINCIPAL PROPERTY TAXPAYERS  
CURRENT FISCAL YEAR AND NINE FISCAL YEARS AGO

UNAUDITED

	2023			2014		
	Taxpayer	Taxable Assessed Value	Percent of Total Taxable Assessed Value	Taxpayer	Taxable Assessed Value	Percent of Total Taxable Assessed Value
	Duke Energy Carolinas	\$ 35,144,800	5.27%	Duke Energy Corporation	\$ 19,119,010	4.14%
	Blue Ridge Electric Coop., Inc	8,584,330	1.29%	Blue Ridge Electric Coop., Inc	6,131,010	1.33%
	Reliable Automatic Sprinkler	4,097,123	0.61%	Bellsouth Telecommunications	2,727,110	0.59%
	CCSHIP Clemson LLC	3,395,250	0.51%	Pacesetter Inc	1,677,944	0.36%
	Cellco Partnership DBA Verizon	2,304,370	0.35%	Reliable Automatic Sprinkler	1,569,759	0.34%
	Clemson Lofts Propco LLC	2,286,020	0.34%	Shaw Industries Group Inc	1,418,370	0.31%
	The Ridge Clemson LLC	2,190,360	0.33%	Chimney Ridge II LLC	1,404,080	0.30%
	Danfoss Power Solutions US Co	2,160,410	0.32%	Keowee River Club LLC	1,357,485	0.29%
	HSRE Grandmarc Clemson LLC	2,080,470	0.31%	It-SPE LLC	1,236,910	0.27%
	BASF Corporation	1,975,508	0.30%	Urbana Cliffs RE LLC	1,197,480	0.26%
Total		\$ 64,218,641	9.62%		\$ 37,839,158	8.19%

Source: Pickens County Auditor's Office

**COUNTY PROPERTY TAX LEVY AND COLLECTIONS  
LAST TEN FISCAL YEARS**

**UNAUDITED**

Fiscal Year Ended June 30,	Total Adjusted Levy (1)	Collected within the Fiscal Year of the Levy		Delinquent Collections (2)	Estimated Tax Collections to Date	
		Taxes Collected	% of Adjusted Levy Collected		Total Taxes Collected (1)	% of Total Adjusted Levy Collected
2014	\$ 18,619,253	\$ 18,033,263	96.85%	\$ 1,219,685	\$ 19,252,948	103.40%
2015	19,304,671	18,672,716	96.73%	817,582	19,490,298	100.96%
2016	19,471,605	18,657,108	95.82%	859,288	19,516,396	100.23%
2017	19,321,550	18,656,440	96.56%	736,535	19,392,975	100.37%
2018	19,837,736	19,022,484	95.89%	728,644	19,751,128	99.56%
2019	21,379,776	20,435,388	95.58%	640,242	21,075,630	98.58%
2020	21,559,877	20,531,450	95.23%	820,921	21,352,371	99.04%
2021	21,995,684	21,110,807	95.98%	532,667	21,643,474	98.40%
2022	27,527,622	26,480,503	96.20%	709,824	27,190,327	98.77%
2023	\$ 37,654,621	\$ 35,988,596	95.58%	\$ 1,176,647	\$ 37,165,243	98.70%

Notes:

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

(2) Includes late-payment penalties.

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

PICKENS COUNTY, SOUTH CAROLINA

Table 10

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	Financed Purchases	Notes Payable	Sewer Revenue Bonds	Notes Payable				
2014	\$ 10,977,125	-	430,555	4,115,130	6,586,311	-	\$ 22,109,121	550.91%	\$ 181	
2015	9,526,866	-	306,118	3,677,977	6,455,004	-	19,965,965	475.92%	162	
2016	7,300,923	-	211,413	3,226,820	6,318,308	-	17,057,464	390.15%	136	
2017	8,502,194	-	140,591	2,761,179	6,175,745	-	17,579,709	385.85%	140	
2018	34,885,394	-	67,157	2,280,556	1,816,751	-	39,049,858	816.41%	305	
2019	32,448,689	-	34,233	1,784,433	1,779,947	-	36,047,302	711.40%	277	
2020	32,255,355	-	-	-	1,742,416	-	33,997,771	627.25%	258	
2021	27,751,159	-	-	-	1,703,922	-	29,455,081	493.09%	223	
2022	26,157,662	-	-	-	1,664,555	-	27,822,217	454.82%	208	
2023	\$ 24,751,406	-	-	-	1,624,291	-	\$ 26,375,697	413.44%	\$ 197	

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

Source: Annual Financial Statements

## OUTSTANDING GENERAL OBLIGATION BONDS

## UNAUDITED

The outstanding general obligation bonded indebtedness of the County as of June 30, 2023 includes the issues listed below:

<b>Description</b>	<b>Final Maturity</b>	<b>Amount Issued</b>	<b>Principal Outstanding</b>
Series 2007A Bond*	10/1/2027	\$ 1,024,709	\$ 265,433
Series 2007B Bond*	5/1/2028	3,266,039	975,973
Series 2017B Bond	6/30/2038	25,000,000	20,395,000
Series 2017C Bond*	6/30/2036	3,995,000	3,115,000
		<u>\$ 47,815,216</u>	<u>\$ 24,751,406</u>

\* Do not count against Constitutional Debt Limit.

Source: Annual Financial Statements

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS**

**UNAUDITED**

<b>Fiscal Year Ended June 30,</b>	<b>General Obligation Bonds</b>	<b>Less: Amounts Available in Debt Service Fund</b>	<b>Total</b>	<b>Percentage of Estimated Actual Taxable Value of Property (1)</b>	<b>Debt Per Capita (2)</b>
2014	\$ 10,977,125	751,499	\$ 10,225,626	0.12%	\$ 84
2015	9,526,866	866,055	8,660,811	0.11%	70
2016	7,300,923	884,824	6,416,099	0.08%	51
2017	8,502,194	2,455,600	6,046,594	0.07%	48
2018	34,885,394	2,184,301	32,701,093	0.37%	256
2019	32,448,689	1,961,157	30,487,532	0.33%	234
2020	32,255,355	1,938,521	30,316,834	0.30%	230
2021	27,751,159	81,026	27,670,133	0.26%	209
2022	26,157,662	2,419,734	23,737,928	0.22%	178
2023	\$ 24,751,406	2,513,156	\$ 22,238,250	0.19%	\$ 166

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



**PLEDGED REVENUE COVERAGE  
LAST TEN FISCAL YEARS**

**UNAUDITED**

<b>Sewer System Revenue Bonds (2)</b>					
Funding Source: Capital charges and transfers					
Fiscal Year	Available Revenue	Debt Service		Coverage	
		Principal	Interest		
2014	\$ 392,808	126,037	\$ 266,771	1.000	
2015	392,808	131,307	261,501	1.000	
2016	392,808	136,696	256,112	1.000	
2017	392,808	142,563	250,245	1.000	
2018	4,603,224	4,358,993	244,231	1.000	
2019	77,304	36,804	40,500	1.000	
2020	77,304	37,531	39,773	1.000	
2021	77,304	38,494	38,810	1.000	
2022	77,304	39,369	37,935	1.000	
2023	\$ 77,304	40,264	\$ 37,040	1.000	

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

**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**

**UNAUDITED**

<b>Fiscal Year</b>	<b>Population</b>	<b>Personal Income</b>	<b>Per Capita Personal Income</b>	<b>Unemployment Rate</b>
2014	122,021	\$ 4,013,219	\$ 33	6.3%
2015	123,347	4,195,221	34	5.8%
2016	125,248	4,372,040	35	4.8%
2017	126,004	4,556,079	36	4.3%
2018	127,961	4,783,138	37	3.9%
2019	130,148	5,067,094	39	3.3%
2020	131,669	5,420,104	41	4.4%
2021	132,079	5,973,616	45	4.4%
2022	133,462	6,117,232	46	3.1%
2023	134,068	\$ 6,379,496	\$ 48	3.1%

Notes:

(1) Population, Personal Income, and Per Capita Personal Income for 2023

was estimated base on the average yearly change over the previous three years.

Last updated: November 16, 2023

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

**PRINCIPAL EMPLOYERS**  
**CURRENT YEAR AND NINE YEARS AGO**

**UNAUDITED**

Company or Organization	June 30, 2023	
	Number of Employees	Percent of Total County Employment
Clemson University	5,392	9.50%
School District of Pickens County	2,227	3.92%
Pickens County	730	1.29%
Reliable Automatic Sprinkler Company, Inc.	720	1.27%
Prisma Health	300	0.53%
Aramark Services	621	1.09%
Yokohama America, South Carolina	470	0.83%
Abbott	330	0.58%
Danfoss	260	0.46%
TaylorMade	245	0.43%
	<u>8,338</u>	<u>19.90%</u>

Company or Organization	June 30, 2014	
	Number of Employees	Percent of Total County Employment
Clemson University	3,529	6.53%
School District of Pickens County	1,893	3.50%
Aramark Services	800	1.48%
Palmetto Baptist Medical Center	656	1.21%
YH America, South Carolina, LLC	619	1.14%
Pickens County	592	1.09%
Milliken & Co - Pendleton Finishing Plant	400	0.74%
St Jude Medical, Inc	400	0.74%
Reliable Automatic Sprinkler Company, Inc	390	0.72%
Comatrol (formerly Sauer-Danfoss)	335	0.62%
	<u>9,614</u>	<u>17.78%</u>

Source: Appalachian Council of Governments and InfoMentum.  
Updated October 2021.

**AUTHORIZED COUNTY EMPLOYEE POSITIONS BY FUNCTION  
LAST TEN FISCAL YEARS**

**UNAUDITED**

<b>Function</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022*</b>	<b>2023*</b>
General government	133	143	145	154	153	153	152	148	-	-
Public safety	300	325	337	359	392	409	413	413	-	-
Public works	91	90	89	89	87	87	87	88	-	-
Health and welfare	12	12	13	13	9	9	10	9	-	-
Culture and recreation	73	72	74	70	68	65	63	65	-	-
Transportation	3	3	3	3	3	3	3	3	-	-
Economic Development	3	3	3	3	3	3	3	3	-	-
Intergovernmental	1	1	1	1	1	1	1	1	-	-
Total authorized positions	<u>616</u>	<u>649</u>	<u>665</u>	<u>692</u>	<u>716</u>	<u>730</u>	<u>732</u>	<u>730</u>	<u>-</u>	<u>-</u>

\*Note: County Council voted not to approve positions; therefore, no data is available starting in 2022.

Source: County's Adopted Budget

OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>General government</b>										
Probate Court estate cases	895	944	966	915	1,042	1,661	1,884	1,975	1,960	2,189
Marriage license applications	746	832	778	812	773	714	705	842	801	768
Register of Deeds documents filed	19,907	19,220	19,620	22,396	19,057	19,673	19,355	24,391	23,312	19,452
Clerk of Court civil cases filed	1,562	2,772	2,748	3,101	2,711	2,760	2,720	2,504	3,214	3,214
Clerk of Court warrants received	3,986	3,651	4,290	4,492	4,862	4,035	4,265	4,454	4,366	4,280
Vehicle bills and renewals processed	118,097	119,208	122,699	123,823	124,871	126,355	128,591	131,384	132,356	125,550
Magistrate case filings	15,372	11,656	12,663	9,363	10,149	11,344	9,647	7,607	8,652	12,050
<b>Public Safety</b>										
Sheriff 911 calls received	47,354	46,161	49,238	46,829	48,666	53,734	78,702	94,184	84,001	75,331
Coroner's Office investigations	796	798	805	796	891	1,142	1,785	2,028	2,587	3,505
Prison inmates received (4)	473	727	594	550	433	412	3,383	3,083	3,300	3,307
EMS ambulance calls	14,979	14,553	15,417	15,838	16,727	16,629	16,597	17,904	18,722	18,011
Victim Rights services and assistance	6,822	6,891	2,672	3,176	3,097	2,837	2,447	2,592	2,421	1,965
Building Code commercial permits	100	57	45	80	608	129	109	95	120	98
Building Code residential permits	639	742	687	750	918	1,028	951	962	1,338	1,150
<b>Public Works</b>										
Solid Waste transfer station tonnage	36,545	39,943	41,483	43,225	45,151	44,554	44,990	45,182	46,360	62,045
Recyclables tonnage	4,670	7,761	6,689	6,640	7,217	7,644	8,740	8,660	7,445	5,363
Roads paved	111	34	26	47	0	0	0	13	9	15
Signs installed/repainted	928	874	972	549	464	488	704	823	972	326
<b>Health and Welfare</b>										
Animal Control calls received	13,243	13,660	11,213	5,125	5,027	5,688	5,297	4,116	4,207	4,697
Veteran's Affairs claims/actions	20,112	22,300	17,002	17,645	15,624	18,916	25,175	28,643	29,712	30,604
<b>Culture and Recreation</b>										
County Park										
Park camping and day use passes (1,3)	6,901	6,799	7,280	8,507	8,647	5,864	10,605	13,964	11,944	12,864
Museum & Mill visitors (2,3)	24,119	22,256	34,982	42,928	36,886	33,238	1,715	1,462	3,223	6,039
Library visitors (3)	489,578	468,073	409,798	385,052	377,040	360,542	278,177	180,465	262,151	309,584
<b>Public Service Commission</b>										
Wastewater Treated /Gallons	368,137,345	299,559,531	327,173,957	270,284,037	283,417,542	324,372,702	342,769,261	299,128,871	266,090,012	287,372,064

Notes:

- (1) FY'19 camping passes are being phased out since reservations solely done online.
- (2) Mill was closed December 2013 - April 2014 and no longer a County department as of July 2019.
- (3) Due to Covid-19: Mile Creek was fully closed or partially closed March 17, 2020 - June 1, 2020. Museum was closed March 17, 2020 - May 4, 2020. Library was fully closed or partially closed March 17, 2020 - June 30, 2020. Library was operating on limited hours during FY'21 and fully closed December 27, 2020 - January 19, 2021.
- (4) Beginning in FY'20, this is for all inmates at the new detention center.

Source: County's Adopted Budget and County Departments

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Public Safety										
Sheriff Patrol units	105	101	101	105	113	114	114	114	114	165
EMS Stations	8	8	8	8	8	8	8	8	8	8
Public Works										
Solid Waste convenience centers	8	8	8	8	8	8	8	8	8	8
Roads (miles)	669.4	670.8	651.0	653.6	653.6	653.6	653.6	645.9	645.9	645.9
Bridges	74	74	75	75	75	75	75	72	72	72
Public Service Commission										
Sanitary sewers (miles)	36.2	36.4	36.4	36.8	36.8	36.8	36.8	32.6	32.6	32.6
Culture and Recreation										
Number of county parks	2	2	2	2	2	2	3	4	5	5

Source: County's Adopted Budget and County departments

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PICKENS COUNTY, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2023

FEDERAL GRANTOR/PASS THROUGH GRANTOR/PROGRAM TITLE	ASSISTANCE LISTING NUMBER	GRANT / CONTRACT NUMBER	FEDERAL EXPENDITURES
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
Passed through South Carolina Department of Health and Environmental Control: Hospital Preparedness Program - Coroner	93.889	5U3REP190593-04-00	\$ 40,000
Passed through South Carolina Department of Social Services: Title IV-D Child Support Service of Process Payments	93.563	N/A	10,494
Title IV-D Child Support Unit Cost	93.563	N/A	168,462
Title IV-D Child Support Service Incentives	93.563	N/A	47,807
Total 93.563			226,763
<b>Total U.S. Department of Health and Human Services</b>			<b>266,763</b>
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>			
Passed Through South Carolina Adjutant General's Office: 2021 LEMPG	97.042	21EMPG01	18,829
COVID-19 - 2021 LEMPG ARPA (Supplemental)	97.042	21EMPG-S01	5,107
2022 LEMPG	97.042	22EMPG01	59,893
Total 97.042			83,829
2019 Assistance to Firefighters	97.044	EMW-2019-FG-08123	30,169
BRIC - Hazard Mitigation Plan (Multi-Jurisdictional)	97.047	BRIC-EMA-2020-BF-194	44,769
2020 SAFER R&R	97.083	EMW-2020-FF-00136	16,275
<b>Total U.S. Department of Homeland Security</b>			<b>175,042</b>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>			
Federal Aviation Administration Direct Award: Airport Improvement Program	20.106	3-45-0047-031-2022	3,279,580
Airport Improvement Program	20.106	3-45-0047-032-2022	305,811
Bipartisan Infrastructure Law - Airport Infrastructure Grant	20.106	3-45-0047-033-2023	292,000
Airport Improvement Program - Entitlement Grant	20.106	3-45-0047-034-2023	150,000
Total 20.106			4,027,391
Passed Through South Carolina Emergency Management Division: HMEP 2022	20.703	693JK319400338HMEP	13,425
HMEP 2023	20.703	693JK32240041HMEP	20,000
Total 20.703			33,425
<b>Total U.S. Department of Transportation</b>			<b>4,060,816</b>
<b>U.S. DEPARTMENT OF JUSTICE</b>			
Passed Through South Carolina Department of Public Safety: COVID-19 - Coronavirus Emergency Supplemental Funding	16.034	1CF20196	11,148
Direct Programs Bulletproof Vest Partnership - 2021	16.607	N/A	1,547
Justice Assistance Grant Program - 2022	16.738	15PBJA-22-GG-02582-JAGX	20,663
Justice Assistance Grant Program - 2021	16.738	15PBJA-21-GG-01820-JAGX	21,924
Total 16.738			42,587
<b>Total U.S. Department of Justice</b>			<b>\$ 55,282</b>

(Continued)

PICKENS COUNTY, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2023

FEDERAL GRANTOR/PASS THROUGH GRANTOR/PROGRAM TITLE	ASSISTANCE LISTING NUMBER	GRANT / CONTRACT NUMBER	FEDERAL EXPENDITURES
<b>U.S. DEPARTMENT OF TREASURY</b>			
Direct Programs			
COVID-19 - Coronavirus State & Local Recovery Funds	21.027	N/A	\$ 1,207,900
Treasury Local Assistance Grant	21.032	N/A	100,000
<b>Total U.S. Department of Treasury</b>			<b>1,307,900</b>
<b>INSTITUTE OF MUSEUM &amp; LIBRARY SERVICES</b>			
Passed Through South Carolina State Library:			
COVID-19 - Library Services & Technology Act - Multilingual Collection	45.310	IID-ARPA-116	252
Library Services & Technology Act - Tuition Assistance Grants	45.310	IID-21-109	1,758
Library Services & Technology Act - Tuition Assistance Grants	45.310	IID-22-101	1,758
Library Services & Technology Act - Summer Reading 2022	45.310	IID-22-340	2,000
Library Services & Technology Act - CE-ARSL	45.310	IID-22-603	1,197
<b>Total Institute of Museum &amp; Library Services</b>	Total 45.310		<b>6,965</b>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$ 5,872,768</b>

**Note:** The County did not have any expenditures to subrecipients for the year ended June 30, 2023

See accompanying notes to the schedule of expenditures of federal awards.

PICKENS COUNTY, SOUTH CAROLINA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2023

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**A. General**

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") presents the activity of all federal award programs of Pickens County, South Carolina (the "County") for the year ended June 30, 2023. Expenditures for federal financial assistance awarded directly from the federal agencies, as well as those passed through other government agencies, are included on the Schedule. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this Schedule may differ from amounts presented in or used in the preparation of the financial statements. The non-federal share of certain program costs and loans are not included in the accompanying Schedule.

**B. Basis of Accounting**

The accompanying Schedule is presented using the modified accrual basis of accounting, which is described in the notes to the County's financial statements.

**C. Relationship to Financial Statements**

Federal award expenditures are reported in the County's financial statements in the special revenue funds as expenditures and in the enterprise funds primarily as expenses and as capital assets in certain cases.

**D. Indirect Cost Rate**

The County has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

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# Greene Finney Cauley, LLP

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

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

### INDEPENDENT AUDITOR'S REPORT

Pickens County Council  
Pickens County, South Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, 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, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 21, 2024.

#### Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2023-001, 2023-002, and 2023-003, that we consider to be material weaknesses.

#### Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2023-004.

## **The County's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the County's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on the response.

## **Purpose of this Report**

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

*Greene Finney Cauley, LLP*

Greene Finney Cauley, LLP  
Mauldin, South Carolina  
March 21, 2024



# Greene Finney Cauley, LLP

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

## REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE AS REQUIRED BY THE UNIFORM GUIDANCE

### INDEPENDENT AUDITOR'S REPORT

Pickens County Council  
Pickens County, South Carolina

#### Report on Compliance for Each Major Federal Program

##### *Opinion on Each Major Federal Program*

We have audited Pickens County, South Carolina's (the "County") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2023. 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.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

##### *Basis for Opinion on Each Major Federal Program*

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States ("*Government Auditing Standards*"); and the audit requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

##### *Responsibilities of Management for Compliance*

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's federal programs.

##### *Auditor's Responsibilities for the Audit of Compliance*

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists.

The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

#### **Report on Internal Control Over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

*Greene Finney Cauley, LLP*

Greene Finney Cauley, LLP  
Mauldin, South Carolina  
March 21, 2024

**PICKENS COUNTY, SOUTH CAROLINA**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**YEAR ENDED JUNE 30, 2023**

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There were no audit findings in the prior year.

PICKENS COUNTY, SOUTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2023

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Section I - Summary of Auditor's Results

*Financial Statements*

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	<u>    X    </u> Yes	<u>          </u> No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	<u>          </u> Yes	<u>    X    </u> None Reported
Noncompliance material to financial statements noted?	<u>    X    </u> Yes	<u>          </u> No

*Federal Awards*

Internal control over major federal programs:

Material weakness(es) identified?	<u>          </u> Yes	<u>    X    </u> No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	<u>          </u> Yes	<u>    X    </u> None Reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516 (Uniform Guidance)?	<u>          </u> Yes	<u>    X    </u> No
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Identification of major programs

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
20.106	Federal Aviation Administration - Airport Improvement Program
21.027	COVID-19: Coronavirus State & Local Fiscal Recovery Funds (ARPA)

Dollar threshold used to distinguish between type A and type B programs:           \$           750,000

Auditee qualified as low-risk auditee?	<u>          </u> Yes	<u>    X    </u> No
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PICKENS COUNTY, SOUTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2023

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Section II – Current Year Financial Statement Findings

**2023-001: CASH AND INVESTMENTS**

<b>Condition:</b>	It was noted that the County's cash and investments were not properly recorded as of June 30, 2023. Adjustments for recording a significant cash payment and the fair market value of investments were made when brought to the County's attention. Also, collateral statements for all County bank accounts need to be obtained and reviewed to ensure that the County's deposits are sufficiently collateralized.
<b>Criteria:</b>	The County should have appropriate internal controls in place to ensure that all necessary cash and investment activity has been recorded in a timely manner and sufficient collateral is pledged for the County's cash balances.
<b>Context, Cause and Effect:</b>	We noted that the County had a significant reconciling item included in its June 2023 bank reconciliation due to a significant cash payment that had not been recorded to cash activity. We noted that the County's investments had not been adjusted to their fair market value. The County also did not have collateral statements as of June 30, 2023 for all cash balances.
<b>Recommendation:</b>	We recommend that the County develop and implement appropriate internal controls and accounting procedures to ensure that all cash activity is properly recorded in a timely manner and sufficient collateral is pledged for the County's cash balances.
<b>Response:</b>	The County agrees with this finding and will adhere to the corrective action plan on page 140 in this audit report.

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**2023-002: RECORDING BALANCE SHEET ITEMS**

<b>Condition:</b>	It was noted that the County had inadvertently failed to properly record some balance sheet amounts for accounts receivable and accounts payable. For the accounts receivable, the County did not reconcile the Airport Fund accounts receivable balance at year end to appropriate documentation. The County's accounts payable for the Public Service Commission Fund accrued a balance for purchased supplies that were not received until after June 30, 2023. These items were adjusted when brought to the County's attention.
<b>Criteria:</b>	The County should have appropriate internal controls in place to ensure that all necessary balance sheet items have been properly recorded in a timely manner.
<b>Context, Cause and Effect:</b>	We noted that the County's receivable balance for Airport Fund grants receivable could not be supported by documentation as the balance had not been reconciled to actual amounts that the County claimed for reimbursement. The County accrued back invoices for purchased supplies that were not received until after June 30, 2023. These balances resulted in the County's original trial balance being misstated.
<b>Recommendation:</b>	We recommend that the County develop and implement appropriate internal controls and accounting procedures to ensure that all balance sheet activity is properly recorded in a timely manner.
<b>Response:</b>	The County agrees with this finding and will adhere to the corrective action plan on page 140 in this audit report.

PICKENS COUNTY, SOUTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2023

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**2023-003: PRIOR PERIOD ADJUSTMENT – NOTE RECEIVABLE**

<b>Condition:</b>	In March 2015, the County agreed to a promissory note Youngblood Land Company, LLC (the “Company”) for the Company’s purchase of a parcel of the County’s property. The note receivable was not recorded on the County’s ledger at the time of the agreement as there would be no impact to the County’s governmental funds when a receivable and an unavailable revenue would be recorded. However, during the audit the County brought this matter to our attention as the County was concerned that this note receivable should have been recorded. We discussed this matter with the County as this promissory note would impact the County’s government-wide statements and would increase the County’s net position on the Statement of Activities. The County adjusted its trial balance to record the note receivable and unavailable revenue for this promissory note on the fund level after this matter was discussed and a prior period adjustment was recorded on the Statement of Activities.
<b>Criteria:</b>	The County should have appropriate accounting procedures in place to ensure that balances related to promissory notes and similar agreements are recorded in the correct fiscal year.
<b>Context, Cause and Effect:</b>	The County did not record the receivable and unavailable revenue for a promissory note that was agreed to in March 2015. This failure did not have any impact on the General Fund. However, it caused the County’s government-wide net position to be understated by approximately \$2,589,000.
<b>Recommendation:</b>	We recommend that the County develop and implement appropriate internal controls and accounting procedures to ensure that the County’s promissory notes and similar agreements are recorded.
<b>Response:</b>	The County agrees with this finding and will adhere to the corrective action plan on page 140 in this audit report.

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**2023-004: NONCOMPLIANCE WITH LAWS AND REGULATIONS – COLLATERALIZATION OF DEPOSITS**

<b>Condition:</b>	The County’s deposit balances at June 30, 2023 were not properly collateralized and thus were exposed to custodial credit risk.
<b>Criteria:</b>	State law requires that financial institutions provide collateral for bank deposits for state and local governments to protect local entities against loss in the event of insolvency, liquidation, or for any other cause.
<b>Context and Effect:</b>	The County was relying on its financial institution to maintain sufficient collateral for its bank deposits and did not contact the bank to ensure collateral sufficient collateral had been pledged. Thus, the County’s bank balances of approximately \$1,854,000 at June 30, 2023 were exposed to custodial credit risk.
<b>Cause:</b>	Failure of the County’s financial institution to provide collateral and no process was in place to monitor collateral for all of the County’s cash balances.
<b>Recommendation:</b>	We recommend that the County take the necessary steps to monitor and ensure that its financial institutions maintain adequate collateral for its bank balances.
<b>Response:</b>	The District agrees with this finding and will adhere to the corrective action plan on page 140 in this audit report.

**PICKENS COUNTY, SOUTH CAROLINA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**YEAR ENDED JUNE 30, 2023**

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**Section III – Current Year Federal Award Findings and Questioned Costs**

None Noted



# PICKENS COUNTY

SOUTH CAROLINA

## CORRECTIVE ACTION PLAN

YEAR ENDED JUNE 30, 2023

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### Section II – Financial Statement Findings

**Finding:** 2023-001

**Contact Person:** Ralph E. Guarino Jr., Finance Director, [ralphg@pickenscountysc.gov](mailto:ralphg@pickenscountysc.gov)

**Corrective Action:** The County will take the necessary steps to ensure that the County's cash balances are reconciled timely and investments are adjusted to fair market value at fiscal year end.

**Proposed Completion Date:** June 30, 2024

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**Finding:** 2023-002

**Contact Person:** Ralph E. Guarino Jr., Finance Director, [ralphg@pickenscountysc.gov](mailto:ralphg@pickenscountysc.gov)

**Corrective Action:** The County will take the necessary steps to ensure that all balance sheet activity is properly recorded in a timely manner.

**Proposed Completion Date:** June 30, 2024

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**Finding:** 2023-003

**Contact Person:** Ralph E. Guarino Jr., Finance Director, [ralphg@pickenscountysc.gov](mailto:ralphg@pickenscountysc.gov)

**Corrective Action:** The County will take the necessary steps to ensure that promissory note and similar agreements are recorded.

**Proposed Completion Date:** June 30, 2024

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# PICKENS COUNTY

SOUTH CAROLINA

## CORRECTIVE ACTION PLAN

YEAR ENDED JUNE 30, 2023

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### Section II – Financial Statement Findings (Continued)

**Finding:** 2023-004

**Contact Person:** Ralph E. Guarino Jr., Finance Director, [ralphg@pickenscountysc.gov](mailto:ralphg@pickenscountysc.gov)

**Corrective Action:** The County will take the necessary steps to ensure that its financial institutions maintain adequate collateral for its bank balances.

**Proposed Completion Date:** June 30, 2024

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### Section III – Federal Award Findings and Questioned Costs

No matters to report.