

OCONEE COUNTY, SOUTH CAROLINA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

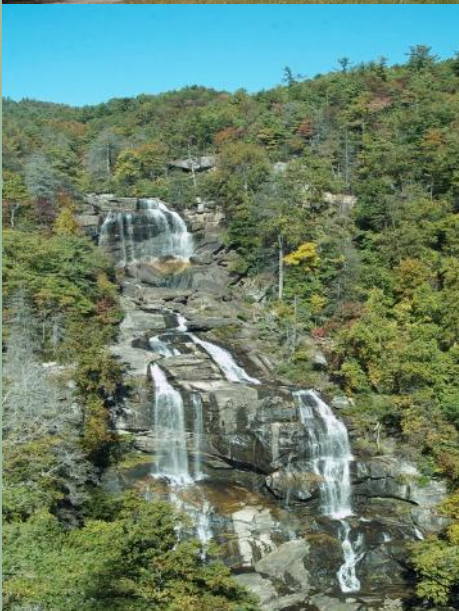
PREPARED BY THE DEPARTMENT OF FINANCE

*"Land Beside
the Water"*



OCONEE COUNTY
415 SOUTH PINE STREET
WALHALLA, SC 29691

WWW.OCONEE-SC.COM



OCONEE COUNTY, SOUTH CAROLINA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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INTRODUCTORY SECTION

Amanda F. Brock

County Administrator

Oconee County Administrative Offices
415 South Pine Street
Walhalla, SC 29691
(864) 638-4245



December 30, 2021

To the Members of the Oconee County Council and Citizens of Oconee County:

The Annual Comprehensive Financial Report (ACFR) for Oconee County, South Carolina, for the fiscal year ended June 30, 2021, is hereby submitted pursuant to South Carolina Code of Laws, Title 4, Chapter 9, Section 150. The ACFR is intended to present the financial activity of the County for the fiscal year and the financial condition of the County as of June 30, 2021. This ACFR provides a fair presentation of the County's financial position and changes in financial position in accordance with the standards promulgated by the Governmental Accounting Standards Board (GASB).

Management assumes full responsibility for the completeness and reliability of the information contained in this report, as well as the presentation and disclosure. Management is also responsible for establishing and maintaining a system of internal controls to safeguard assets and to provide reasonable assurance that the financial statements are free of any material misstatements. The concept of reasonable, rather than absolute, assurance recognizes that the cost of an internal control should not exceed the expected benefits. Management evaluates the costs and anticipated benefits of internal controls within this framework. We believe the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

In compliance with the laws of the State of South Carolina, the County's financial statements have been audited by Mauldin & Jenkins, Certified Public Accountants. The auditors issued an unmodified ("clean") opinion on Oconee County's financial statements for the year ended June 30, 2021. The independent auditors' report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

Oconee County, incorporated in 1868, is located in the northwest corner of South Carolina in the scenic Blue Ridge foothills and mountains. Five incorporated municipalities exist within the 625 square miles of the County. Oconee County is empowered to levy a property tax on both real and personal property located within its boundaries in order to provide services to a population of approximately 79,546.

Oconee County has operated under the county-administrator form of government since 2000. Policy-making and legislative authority are vested in a governing council (Council) consisting of five council members. Council members are elected by district to a four-year staggered term. The Council elects a chairman, vice chairman, and chairman pro tem at the first meeting in January. The Council appoints the County Administrator, who is responsible for carrying out the policies of Council and overseeing the day-to-day operations of the County.

Oconee County provides a full range of services, including police protection; emergency and fire services; judicial services; solid waste disposal and recycling; the construction and maintenance of highways, streets and other infrastructure; building inspections, licenses and permits; recreational and cultural activities; library services, and

support of local health and welfare services. Oconee County is also financially accountable for Keowee Fire Tax District, a special tax district, which is reported separately as a discretely presented component unit within the County's financial statements. The County approves the District's budget and tax levy and is obligated for the debt of the District. Additional information for Keowee Fire Tax District can be found in the notes to the financial statements (see Note 1, Reporting Entity section).

The Council is required to adopt a final budget for the subsequent year by no later than the close of the fiscal year. This annual budget serves as the foundation for Oconee County's financial planning and control. The budget is prepared by fund, function, (e.g., public safety), and department (e.g., Sheriff's Office). The County Administrator is authorized to transfer appropriations between departments within the same fund. County Council may transfer resources from any fund, department, activity or purpose to another by normal Council action, subject to all other applicable legal requirements.

Local Economy

During the recent fiscal year, Oconee County's economy rebounded from the dip during the state shut down in early 2020. Our strong rebound is thanks in part to our diverse economy; with our unemployment rate now below pre pandemic levels. According to data published by the South Carolina Department of Employment Workforce (SCDEW), the County's unemployment rate for November 2021 was 2.7 percent, which is below the State's rate of 3.0 percent and the US at 3.9 percent for the same period. At the conclusion of the 2019, it was 3.2 percent. Prior to the pandemic, Oconee County's per capita income was on a steady incline. A great indicator of a strong economy and economic development successes. From 2019 to 2020, the per capita income increased by 4.3% for an average income of \$47,511. All indications are this trend will continue and the strong business climate and determined citizenship within Oconee County will continue to grow.

Long-term Financial Planning and Major Initiatives

During recent years, the County invested very heavily in economic development to provide a backbone of infrastructure to the three county owned industrial parks. During the pandemic the County saw unprecedented economic development activity, announcing three existing industry expansions totaling over \$95 million capital investment. Additional the office of economic development is working with two new industries slated to make their announcements in early 2022.

With an eye on the future and armed with comprehensive data and feedback from projects lost, the County will be proposing a capital improvement plan for council's consideration in the new fiscal year. This capital improvement plan will focus on continuing to make our county owned industrial sites 'shovel ready' for the companies seeking a location on the I-85 corridor.

As Oconee County contains a significant amount of public lands, in addition to 1,355 miles of lake shoreline, tourism provides a considerable contribution to the local economy, and is especially important to local small businesses. To continue building on the momentum of Destination Oconee, a plan approved in 2015 that focuses on tourism centric improvements to both existing infrastructure and new tourism capital, Oconee County Council moved forward with a dedicated capital millage for Parks, Recreation & Tourism in 2019. This millage, along with increased accommodations taxes, have provided the funds necessary to continue to drive tourism in our community and create a sense of place within our municipal downtowns.

To enhance guests' experiences within the County-operated park system, a number of infrastructural and aesthetic upgrades were completed in 2021. Oconee County installed two new courtesy docks, one each at High Falls County Park and South Cove County Park that are twice the size of the aging infrastructure they replaced. In addition, to handle increased camping demand at South Cove Park, a second RV dump station was constructed that doubles the space available for campers to use during their stay. Oconee County also took over the management lease of the Coneross boat ramp and recreation area on Lake Hartwell. The Coneross access area was previously managed by the Corps of Engineers, but was on a list of sites being considered for permanent closure. During 2021, Oconee County Council also approved a major upgrade to the Seneca Creek Access Area on Lake Hartwell. The improvement plan will build a new 3-lane boat ramp, fishing pier, courtesy docks, kayak launch, restroom and picnic area. The renovated access area will be under video surveillance in partnership with Clemson University and be able to park up to 50

vehicles and trailers. Various tourism promotions and campaigns for outdoor recreation has proved Oconee County to be an extremely popular attraction during the Covid-19 pandemic resulting in the third year in a row that each of the County's parks have seen record-highs for the number of visitors.

An additional asset that provides a major boost to our tourism impact is the extension of the Palmetto Trail to Stumphouse Park and the addition of the Stumphouse Mountain Bike Trail, operated by the City of Walhalla. This trail provides bike access from both the parking area and from Oconee State Park with over 10 miles of mountain bike trails. The County continues to see revenue increases with the local accommodations tax and the municipalities have seen that same increase along with increased revenues with their hospitality taxes and business license fees. These increases provide ongoing support for maintenance and tourism capital in all areas of our community.

As part of the Oconee County Regional Airport Capital Improvement Plan, the County has worked closely with the Federal Aviation Administration and The South Carolina Aeronautics Commission that includes the purchase of land adjacent to the airport, terminal apron expansion design services, and engineering services for the relocation Mt. Nebo Church Road. The land has been purchased and the grant has been closed. The apron and the Mt. Nebo Church Road project is in its closing phase at this time.

The airports next Capital Improvement Plan includes, Runway Pavement Rehabilitation design, with construction to follow. The design of our Runway Pavement Rehabilitation has been funded and is moving forward. The construction of the project has been submitted for grant funding for FY2022, which is currently awaiting approval.

Depending on the timeliness of federal and state funding the next project that follows in the capital improvement plan will be the design of taxiway pavement rehabilitation and airfield lighting rehabilitation, FY2023. We will submit the grant funding pre-application when requested.

In early 2020, Oconee County finished their *2020 Comprehensive Plan*. A comprehensive plan is a document designed to guide the future actions of the County. It presents a vision for the future, with long-range goals and objectives for all activities that affect the local government. This includes guidance on how to make decisions on public and private land development proposals, the expenditures of public funds, availability of tax policy, cooperative efforts and issues of pressing concern, such as farmland preservation or the rehabilitation of older neighborhood areas. The plan provides direction for future activities over a ten to twenty-year period after adoption. This process included community outreach, stakeholder meetings, elected and appointed officials and as many citizens of Oconee County that could be involved. The plan will be reviewed and updated, as needed, every five years.

Relevant Financial Policies

The Oconee County Council adopted Ordinance 2018-23 that established a general policy for maintaining and using the unassigned fund balance of the General Fund, subject to any superior ordinances or budget provisions. The Ordinance prescribes that the General Fund will be budgeted, so as to maintain an unassigned fund balance in an amount between 25 percent and 30 percent of regular general fund expenditures, which would be equivalent to 90 to 120 days of coverage. If the unassigned fund balance is below 25 percent, the Administrator will develop and recommend to Council a plan to increase the unassigned fund balance to a minimum of 25 percent of regular general fund expenditures within a time period not to exceed five years.

If the unassigned fund balance does not reach 25 percent of the General Fund within seven years of the enactment of this Ordinance, any subsequent budgets will require a supermajority vote (two-thirds of the members present and voting) of County Council to pass until the requirement is met.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Oconee County for its annual comprehensive financial report for the fiscal year ended June 30, 2020. This was the thirteenth consecutive year that the County has achieved this prestigious award. In order to receive the Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both U.S. generally accepted accounting principles and applicable program requirements.

A Certificate of Achievement is valid for a period of one year only. However, we believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the Finance Department. We wish to express our appreciation to all of the departments who assisted and contributed to the preparation of this report. We would especially like to thank the Treasurer and Auditor along with their staff for all of their assistance during the audit. Credit must also be given to the governing council for their unfailing support for maintaining the highest standards of professionalism in the financial management of Oconee County.

The County is proud of the recognition and believes it demonstrates to the Citizens of Oconee County how committed County Council, administration, and staff are to achieving excellent financial results by properly planning and executing operational and capital plans in an orderly and professional manner.

Signature page to follow.

Signature page for FY 2020-2021 Audit Transmittal Letter:

Respectfully submitted,

A handwritten signature in blue ink, reading "Amanda F. Brock". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Amanda F. Brock
County Administrator

A handwritten signature in blue ink, reading "Ladale V. Price". The signature is cursive, with the first name "Ladale" being more prominent and the last name "Price" following in a similar style.

Ladale V. Price
Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

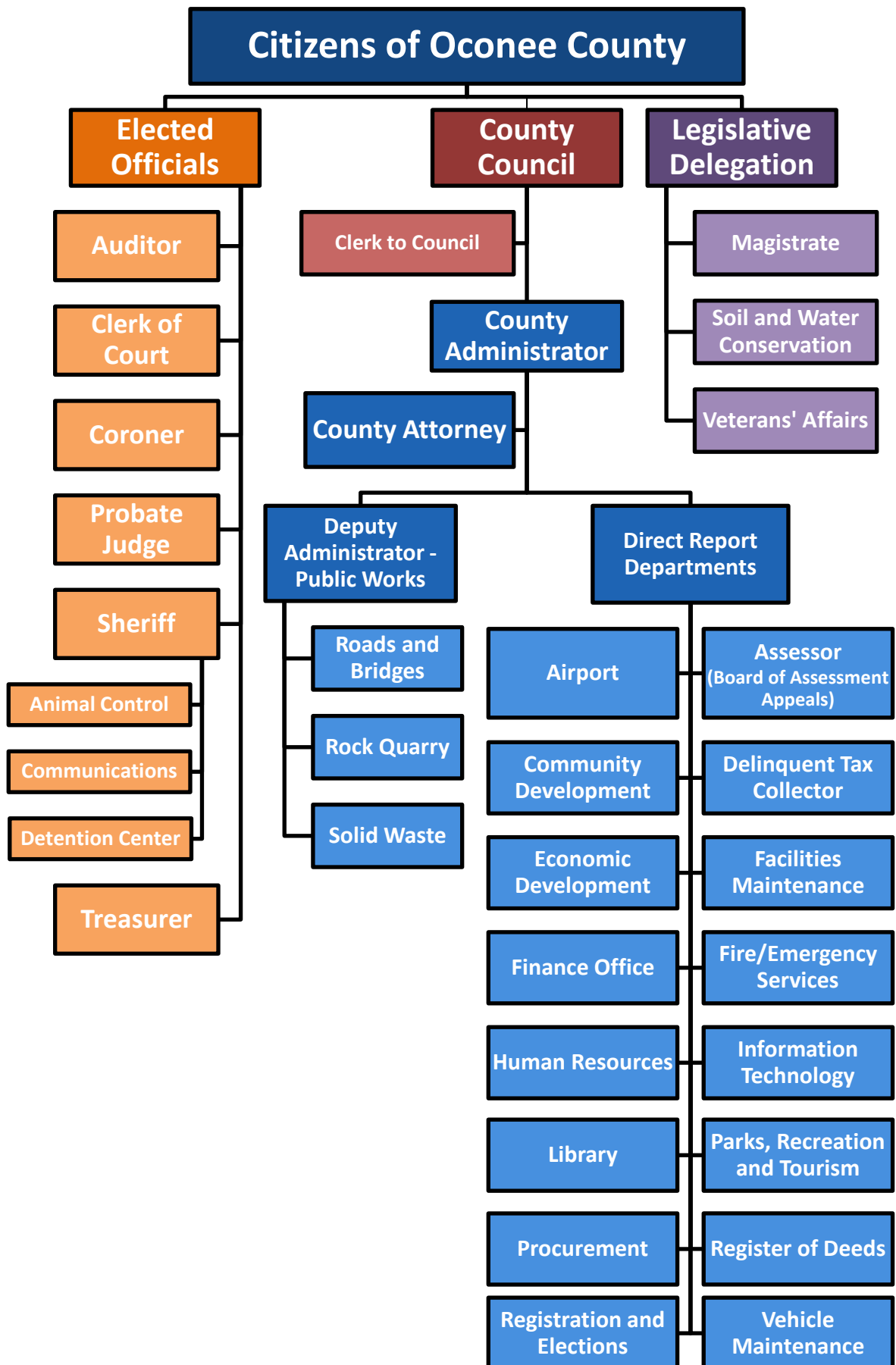
**Oconee County
South Carolina**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO



County Government

Established in 1868
County Seat- City of Walhalla
Form of Government- Council, Administrator

Governing Body

County Council: Five (5) representatives elected from single-member districts for 4-year terms. Each district is based on representation of approximately 15,500 citizens (2017 Census).

Current Elected Officials County Council

District I	John Elliott
District II	Matthew Durham
District III	Paul A. Cain, Esq.
District IV	Julian Davis III
District V	James Glenn Hart

Other Elected County Officials

Clerk of Court	Melissa Burton
Coroner	Karl E. Addis
Auditor	Christy W. Hubbard
Treasurer	Gregorie W. Nowell
Probate Judge	Kenneth E. Johns, Jr.
Sheriff	Mike Crenshaw
Solicitor	David R. Wagner

County Administrator

Amanda F. Brock

County Attorney

David A. Root, Esq.

State Legislative Delegation

State Senate: Thomas C. Alexander, District 1
State House: William R. Whitmire, District 1
William E. Sandifer III, District 2

U.S. Congressional Delegation

Senate:	Lindsey O. Graham
	Timothy E. Scott
House of Representatives:	Jeffrey D. Duncan, District 3

Oconee County SOUTH CAROLINA



County Council Districts
and Representatives
FY2020-2021 Map 1

District 1



Mr. John Elliott

District 2



Mr. Matthew Durham

**District
1**

**District
2**

District 3



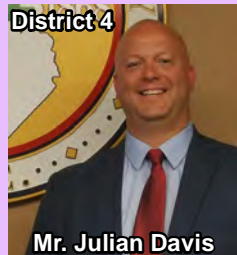
Mr. Paul Cain

**District
4**

**District
3**

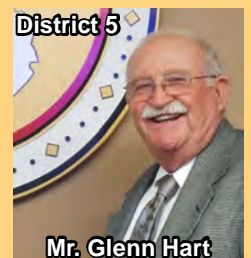
**District
5**

District 4



Mr. Julian Davis

District 5



Mr. Glenn Hart

Legend

- Municipality
- Interstate 85
- Major Road
- Railroad



0 4
Miles

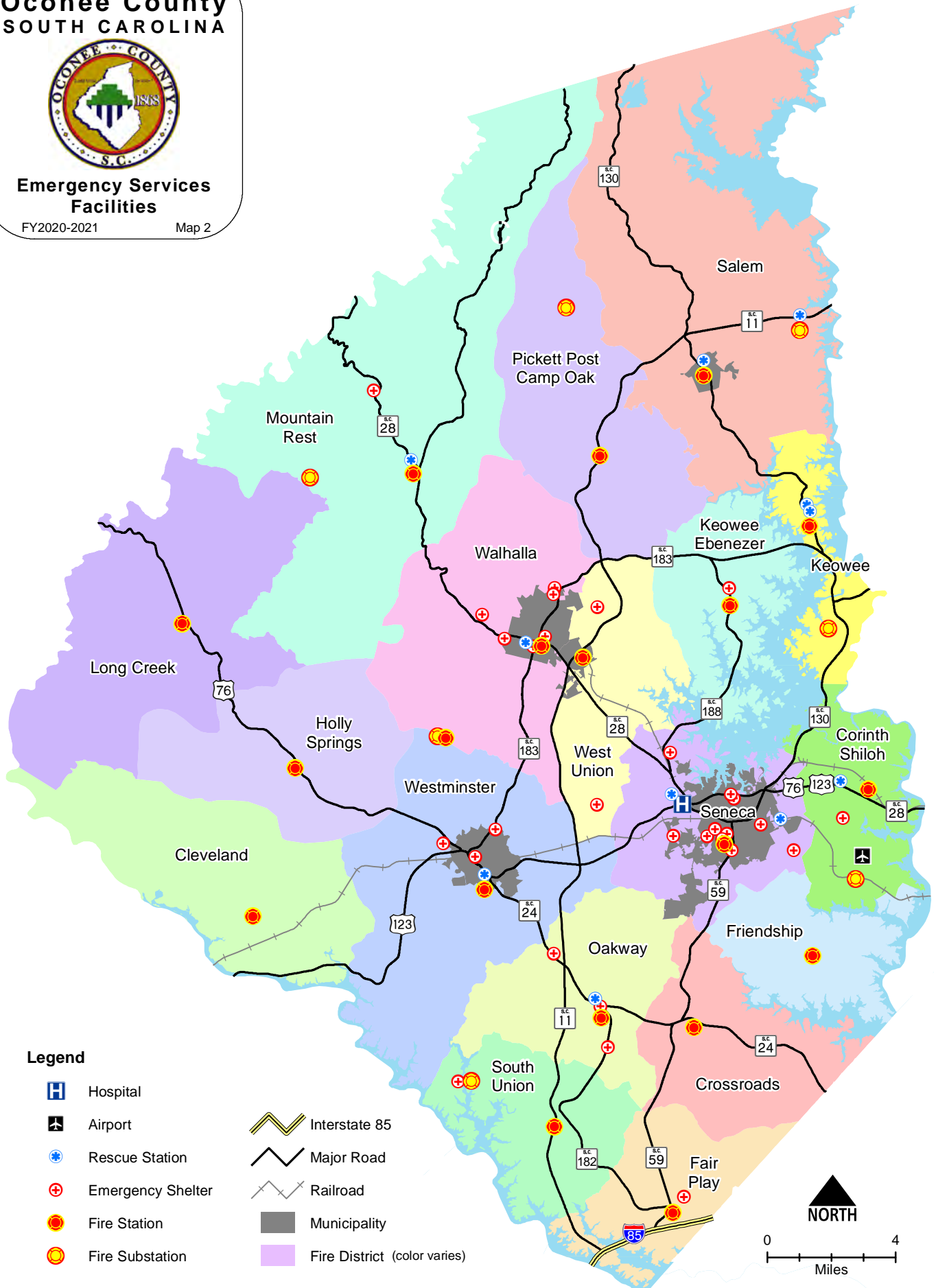
Oconee County SOUTH CAROLINA



Emergency Services Facilities

FY2020-2021

Map 2



Legend

- | | | | |
|---|-------------------|---|------------------------------|
|  | Hospital |  | Interstate 85 |
|  | Airport |  | Major Road |
|  | Rescue Station |  | Railroad |
|  | Emergency Shelter |  | Municipality |
|  | Fire Station |  | Fire District (color varies) |
|  | Fire Substation | | |

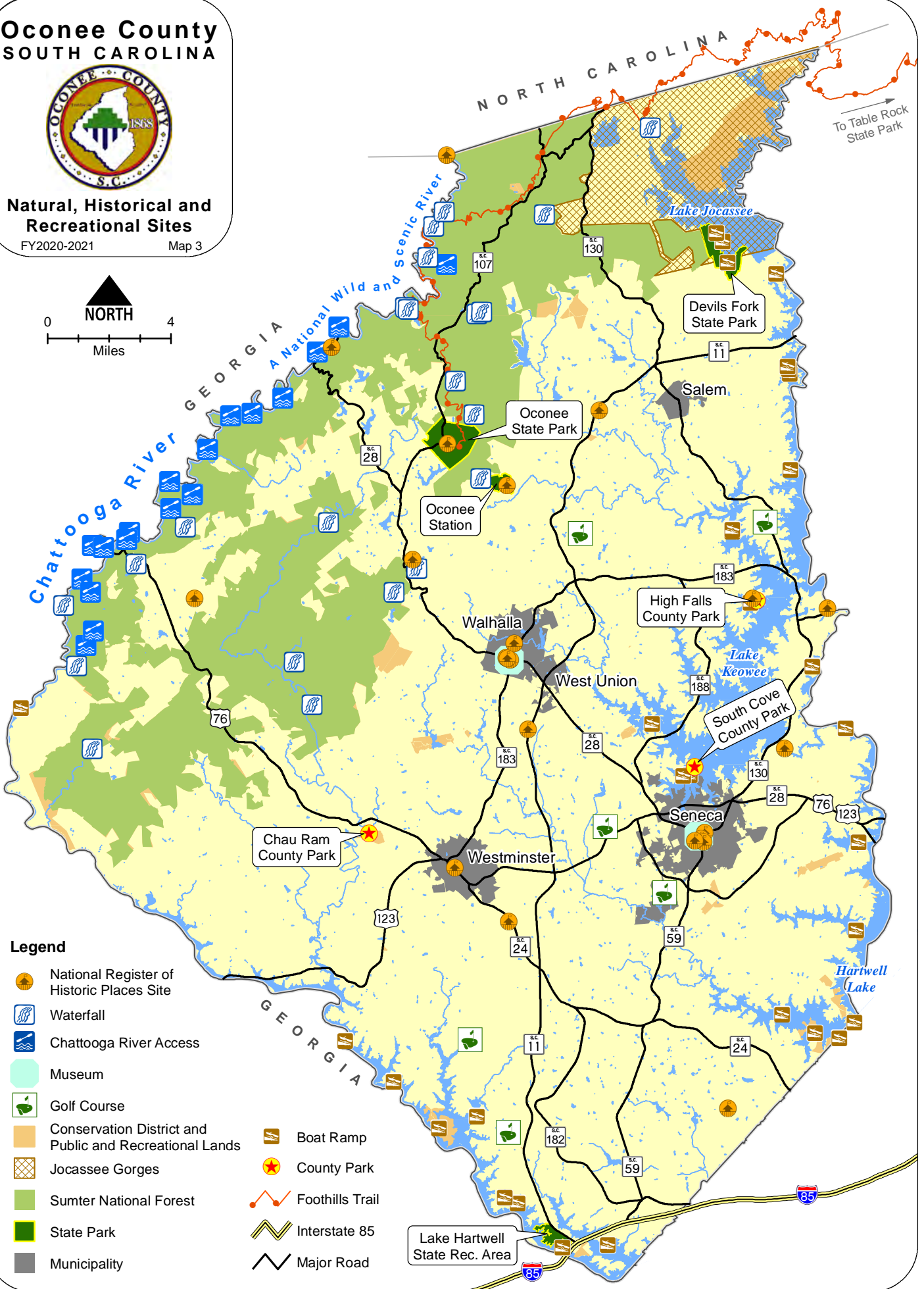
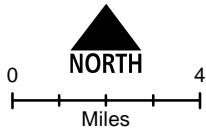
Oconee County SOUTH CAROLINA



Natural, Historical and Recreational Sites

FY2020-2021

Map 3



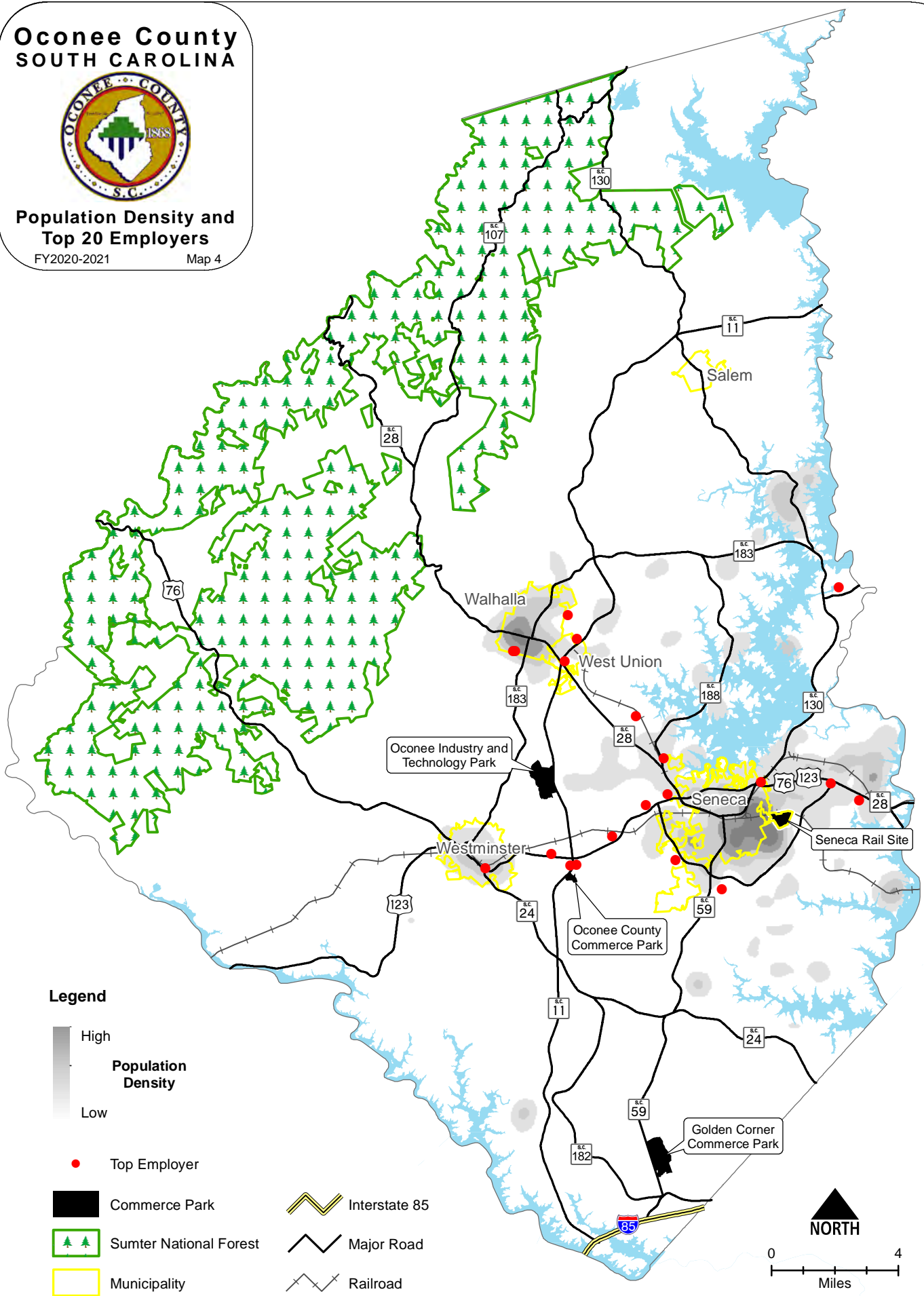
Oconee County SOUTH CAROLINA



Population Density and Top 20 Employers

FY2020-2021

Map 4



Source: S.C. Department of Employment and Workforce (May 21, 2021) and U.S. Census Bureau (2020)

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

Oconee County Council
Oconee County
Walhalla, South Carolina

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Keowee Fire Tax District, which represents 100% of the assets, net position and revenues of the discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Keowee Fire Tax District, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Oconee County, South Carolina as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparisons for the General Fund, the Miscellaneous Special Revenue Fund, and the Coronavirus S&L Fiscal Recovery Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 19, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, as of July 1, 2020. This standard significantly changed the accounting for the County's fiduciary activities. Our opinions are not modified with respect to the matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 4 through 16), the Schedules of the Proportionate Share of County Net Pension Liability (on page 83), and the Schedules of County Pension Contributions (on pages 84 through 85), and the Schedules of Changes in the County's Total OPEB Liability and Related Ratios (on page 86) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Oconee County, South Carolina's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison schedules, and statistical section listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Uniform Schedule of Court Fines, Assessments and Surcharges (per ACT 96) is presented for purposes of additional analysis as required by the State of South Carolina and is not a required part of the basic financial statements. The accompanying schedule of expenditures or federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and is also not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules, the Uniform Schedule of Court Fines, Assessments and Surcharges (per ACT 96), and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules, the Uniform Schedule of Court Fines, Assessments and Surcharges (per ACT 96), and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2021, 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 solely is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 the County's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Columbia, South Carolina
December 30, 2021

OCONEE COUNTY, SOUTH CAROLINA MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis of Oconee County provides an overview of the County's financial activities and performance for the fiscal year ended June 30, 2021. Please read the information presented in this document in conjunction with additional information presented with the County's financial statements.

FINANCIAL HIGHLIGHTS

- As of June 30, 2021, Oconee County's governmental and business-type activities assets and deferred outflows of resources were more than its liabilities and deferred inflows of resources by \$121,828,070, which was an increase from the prior year of 3.4 percent. The County's unrestricted net position was negative \$15,708,958.
- The County's governmental activities reported an increase in net position of \$2,296,595. The net position of business-type activities increased \$1,656,901 during fiscal year 2021. Overall, the County's net position increased \$3,953,496.
- The County's expenses in governmental activities were \$1,546,595 less than the \$71,310,518 in governmental activities revenues, which are comprised of the general revenues (before transfers) and the program revenues. For comparison, the prior year expenses were \$306,303 more than the prior year revenues (before transfers), as reflected in the Changes in Net Position Figure 2.
- At the end of fiscal year 2021, the General Fund reported total fund balances of \$24,674,975, which was a decrease of \$938,977 from the previous fiscal year.
- In the General Fund, actual revenue sources available for appropriation were \$2,042,614 more than anticipated. This is primarily due to the licenses, permits and fees revenue. Actual expenditures were \$344,209 less than the final budgeted expenditures. Furthermore, actual revenues were \$1,604,608 less than actual expenditures.
- The County received \$7,725,439 in additional federal funding related to the COVID-19 pandemic relief. The Coronavirus State and Local (S&L) Fiscal Recovery Fund was created to account for the proceeds directed to the County by the U.S. Department of Treasury.

USING THIS ANNUAL REPORT

This Management's Discussion and Analysis is intended to serve as an introduction to Oconee 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. The basic financial statements present two different views of the County through the use of government-wide statements and fund financial statements. This report also contains supplemental information that will enhance the reader's understanding of the financial condition of the County.

OVERVIEW OF THE FINANCIAL STATEMENTS

The government-wide financial statements consist of the Statement of Net Position and the Statement of Activities. These provide information about the overall government and provide a longer-term view of the County's financial status. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenue and expenditures are taken into account regardless of when cash is received or paid.

These two statements report the County's net position and the changes compared to previous year. The difference between the assets and the liabilities can be indicative of the County's financial position. Other non-financial factors, like changes in the County's tax base and economic growth, would need to be considered in determining the overall financial health of the County.

The Statement of Net Position and the Statement of Activities is divided into two kinds of activities:

- **Governmental Activities** – Most of the County's basic services are reported here for departments that are included in the following categories: general government, public safety, transportation, public works, culture and recreation, judicial services, education, health and welfare, and economic development.
- **Business-Type Activities** – Activity for the Rock Quarry is included in this category, as the County charges fees to cover the cost of products sold to customers. Activity for the Fiber Optics Creating Unified Solutions (FOCUS) project is also included as a business-type activity as the County has leased the bandwidth system to a private company in order to generate revenue while providing customers with broadband service.

The next statements are fund financial statements that begin on page 19. These statements focus on the activities of the individual parts of the County's government. These statements provide detailed information on the significant funds, rather than the government as a whole. Some of the funds are required to be established by state law and by bond covenants. However, County Council and management have established many other funds to aid in controlling and managing money specified for particular purposes or to show that legal responsibilities for using certain taxes, grants, and other special funding are being met. There are three types of funds: governmental, proprietary, and fiduciary. Each fund type uses a different accounting approach.

- **Governmental Funds** – Most of the County's services are reported in the governmental funds, which focuses on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted into cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services that it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. The differences between the governmental activities reported in the Statement of Net Position and the Statement of Activities and the governmental funds financial statements are described following the fund financial statements in the Reconciliation of the Balance Sheet to the Statement of Net Position and the Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities. Following the governmental fund statements is the General Fund Budgetary Comparison Schedule, which includes the original, final and actual budgets, all of which are required supplementary information. In this report, the County includes a variance column, which is not required.
- **Proprietary Funds** – When the County charges customers for products or services that it provides, those activities are reported in the proprietary funds. The proprietary funds reports consist of the Statement of Net Position, the Statement of Revenues, Expenses, and Changes in Net Position, and the Statement of Cash Flows. Even though a proprietary fund can consist of enterprise funds and internal services funds, the County only reports for two enterprise funds. The reporting for these enterprise funds is the same as the business-type activities reported in the government-wide statements, but contains more detail and additional information such as the Statement of Cash Flows.
- **Fiduciary Funds** – Fiduciary funds consist of four types of funds: pension trust funds, investment trust funds, private-purpose trust funds, and custodial funds, of which the County only has custodial funds. Because the County acts as a clearing account to distribute certain financial resources to other entities, the County must report these activities separately, in custodial funds, thereby demonstrating that those resources were used for and by the specific entity for which they were

collected. The reports for the custodial funds are the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position.

Following the financial statements are the Notes to the Financial Statements, which communicate information that is not displayed on the financial statements, but is essential for fair presentation of the financial statements. Because of this, the Notes are an integral part of the basic financial statements. The Notes include disclosure information including, but not limited to, significant accounting policies, information on the County's capital assets and long-term debt, employee and postemployment health insurance plan information, and information related to the County's retirement plans.

Finally, the County is required to include additional supplementary information. The schedules for the County's proportionate share of the net pension liability, the pension contributions, and the changes in the total OPEB liability are required supplementary information that addresses the County's liability for the retirement plans and contributions and the health care benefits for retired employees, or OPEB, and its funding progress. In addition, the County must present the detailed financial statements for the individual nonmajor funds, budget variance reports for the funds with adopted budgets, the individual custodial fund statements, and various schedules for state and federal requirements. The final section relates to compliance and includes the compliance reports, schedule of expenditures of federal awards and notes, and a schedule of findings and questioned costs. The completed financial report provides information indicating the accountability of Oconee County and its resulting financial position.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as one of the most useful indicators of a government's financial condition. The government-wide financial statements for the fiscal year ended June 30, 2021, display a combined net position of \$121.8 million, or 3.4 percent, more than at June 30, 2020. The largest portion of the net position, \$118.7 million, reflects the County's investment in capital assets, such as land, buildings, equipment, and infrastructure. Furthermore, the County's investment in its capital assets is reported net of the outstanding debt that is related to the acquisition of those assets. However, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. The restricted portion of the County's net position (15.5 percent) represents resources that are subject to external restrictions on how they may be used. The final portion of net position (-12.9 percent) is unrestricted net position, with a negative balance of \$15.7 million at June 30, 2021.

Oconee County's Net Position						
Figure 1						
	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 67,943,591	\$ 53,099,137	\$ 9,313,000	\$ 9,295,665	\$ 77,256,591	\$ 62,394,802
Capital assets	127,325,985	126,673,280	12,684,221	11,547,326	140,010,206	138,220,606
Total assets	195,269,576	179,772,417	21,997,221	20,842,991	217,266,797	200,615,408
Other postemployment benefits	1,114,550	1,096,500	62,693	59,428	1,177,243	1,155,928
Pension - South Carolina Retirement System	9,614,029	10,685,578	679,364	805,526	10,293,393	11,491,104
Pension - South Carolina Police Officers' Retirement System	8,180,333	8,773,831	-	-	8,180,333	8,773,831
Total deferred outflows of resources	18,908,912	20,555,909	742,057	864,954	19,650,969	21,420,863
Noncurrent liabilities	81,232,901	83,940,749	7,806,790	8,602,190	89,039,691	92,542,939
Other liabilities	15,331,262	4,717,231	221,190	188,145	15,552,452	4,905,376
Total liabilities	96,564,163	88,657,980	8,027,980	8,790,335	104,592,143	97,448,315
Other postemployment benefits	777,040	1,222,635	43,708	68,773	820,748	1,291,408
Pension - South Carolina Retirement System	6,080,389	3,552,607	429,663	267,811	6,510,052	3,820,418
Pension - South Carolina Police Officers' Retirement System	3,166,753	1,601,556	-	-	3,166,753	1,601,556
Total deferred outflows of resources	10,024,182	6,376,798	473,371	336,584	10,497,553	6,713,382
Net position:						
Net investment in capital assets	110,968,422	110,011,100	7,750,530	6,574,367	118,718,952	116,585,467
Restricted	18,818,076	15,308,681	-	-	18,818,076	15,308,681
Unrestricted	(22,196,355)	(20,026,233)	6,487,397	6,006,659	(15,708,958)	(14,019,574)
Total net position	\$ 107,590,143	\$ 105,293,548	\$ 14,237,927	\$ 12,581,026	\$ 121,828,070	\$ 117,874,574

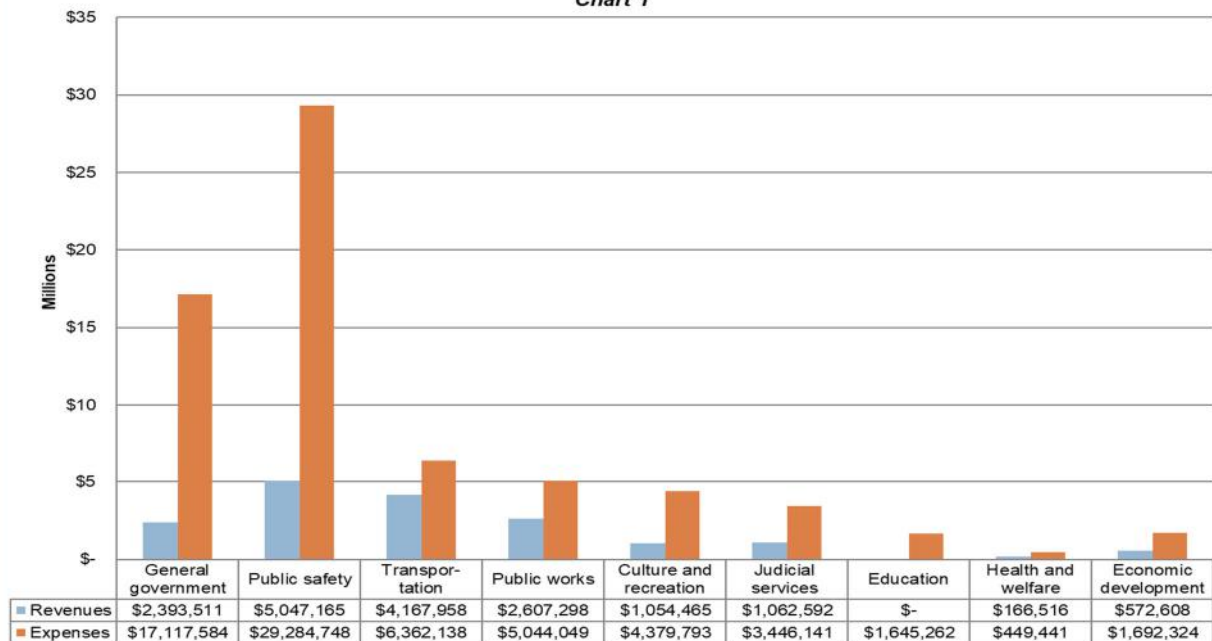
Oconee County's Changes in Net Position

Figure 2

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues						
Program revenues:						
Charges for services	\$ 9,375,299	\$ 7,553,245	\$ 6,643,233	\$ 6,469,063	\$ 16,018,532	\$ 14,022,308
Operating grants and contributions	4,416,023	3,139,229	-	-	4,416,023	3,139,229
Capital grants and contributions	3,280,791	2,050,616	-	-	3,280,791	2,050,616
General revenues:						
Property taxes	49,241,399	46,988,932	-	-	49,241,399	46,988,932
Other taxes and licenses	1,656,480	1,197,946	-	-	1,656,480	1,197,946
Grants and contributions not restricted for a specific purpose	3,040,980	2,986,063	-	-	3,040,980	2,986,063
Unrestricted investment earnings	102,137	959,496	1,773	57,735	103,910	1,017,231
Insurance recoveries	-	50,659	-	-	-	50,659
Gain on disposal of capital assets	-	-	20,000	-	20,000	-
Miscellaneous	197,409	568,083	-	-	197,409	568,083
Total revenues	71,310,518	65,494,269	6,665,006	6,526,798	77,975,524	72,021,067
Program expenses						
General government	17,117,584	14,635,751	-	-	17,117,584	14,635,751
Public safety	29,284,748	27,889,318	-	-	29,284,748	27,889,318
Transportation	6,362,138	6,265,856	-	-	6,362,138	6,265,856
Public works	5,044,049	4,246,061	-	-	5,044,049	4,246,061
Culture and recreation	4,379,793	3,968,598	-	-	4,379,793	3,968,598
Judicial services	3,446,141	3,201,903	-	-	3,446,141	3,201,903
Education	1,645,262	1,480,801	-	-	1,645,262	1,480,801
Health and welfare	449,441	510,409	-	-	449,441	510,409
Economic development	1,692,324	2,430,204	-	-	1,692,324	2,430,204
Interest on long-term debt	342,443	559,065	-	-	342,443	559,065
FOCUS	-	-	-	-	-	-
Rock quarry	-	-	4,258,105	3,940,079	4,258,105	3,940,079
Total expenses	69,763,923	65,187,966	4,258,105	3,940,079	74,022,028	69,128,045
Excess (deficiency) before transfers	1,546,595	306,303	2,406,901	2,586,719	3,953,496	2,893,022
Transfers	750,000	750,000	(750,000)	(750,000)	-	-
Increase (decrease) in net position	2,296,595	1,056,303	1,656,901	1,836,719	3,953,496	2,893,022
Net position, beginning of year, as restated	105,293,548	104,237,245	12,581,026	10,744,307	117,874,574	114,981,552
Net position, ending of year	\$ 107,590,143	\$ 105,293,548	\$ 14,237,927	\$ 12,581,026	\$ 121,828,070	\$ 117,874,574

**Governmental Activities
Program Revenues and Expenses**

Chart 1



The Statement of Activities on page 18 shows that the County's total revenues, including charges for services, operating grants and contributions, capital grants and contributions, and general revenues (before transfers), increased to \$78.0 million, or 8.3 percent, from the prior year.

Certain County programs are authorized to charge for services provided to its constituents. For the County as a whole, the charges for services increased 14.2 percent, or \$2.0 million, from fiscal year 2020 to fiscal year 2021. Further, the County receives both operating and capital grants and contributions from state and federal governments, as well as other non-government individuals and businesses. The operating grants and contributions of \$4.4 million are used to fund the general operations of certain programs of the County. The operating grants increased from the prior year by \$1.3 million, a growth of 40.7 percent. This increase is due to the governmental activities' public safety program that received federal disaster grants and Covid pandemic funding. Capital grants and contributions fund the purchase of capital assets and improvements. During 2021, the County received \$3,280,791 in capital grants compared to the \$2,050,616 received for fiscal year 2020, a 60.0 percent increase. The majority of this increase pertains to the transportation program for Airport Improvement Project (AIP) grants. General revenues, totaling \$54,260,178, increased by \$1.5 million (2.8 percent).

The total governmental and business-type activities program expenses increased by \$4,893,983, or 7.1 percent. Increases in expenses for the general government (\$2,481,833), public safety (\$1,395,430), transportation (\$96,282), public works (\$797,988), culture and recreation (\$411,195), judicial services (\$244,238), education (\$164,461) and the Rock Quarry (\$318,026) functions offset by decreases in health and welfare (\$60,968) economic development (\$737,880), and interest on long-term debt (\$216,622) functions, produced the overall increase of the County's government-wide expenses

The net position, for the governmental and business-type activities combined, increased by \$3,953,496 from the previous year yielding a net position of \$121.8 million at the end of fiscal year 2021. See Figure 2 for information that is more detailed.

Governmental Activities

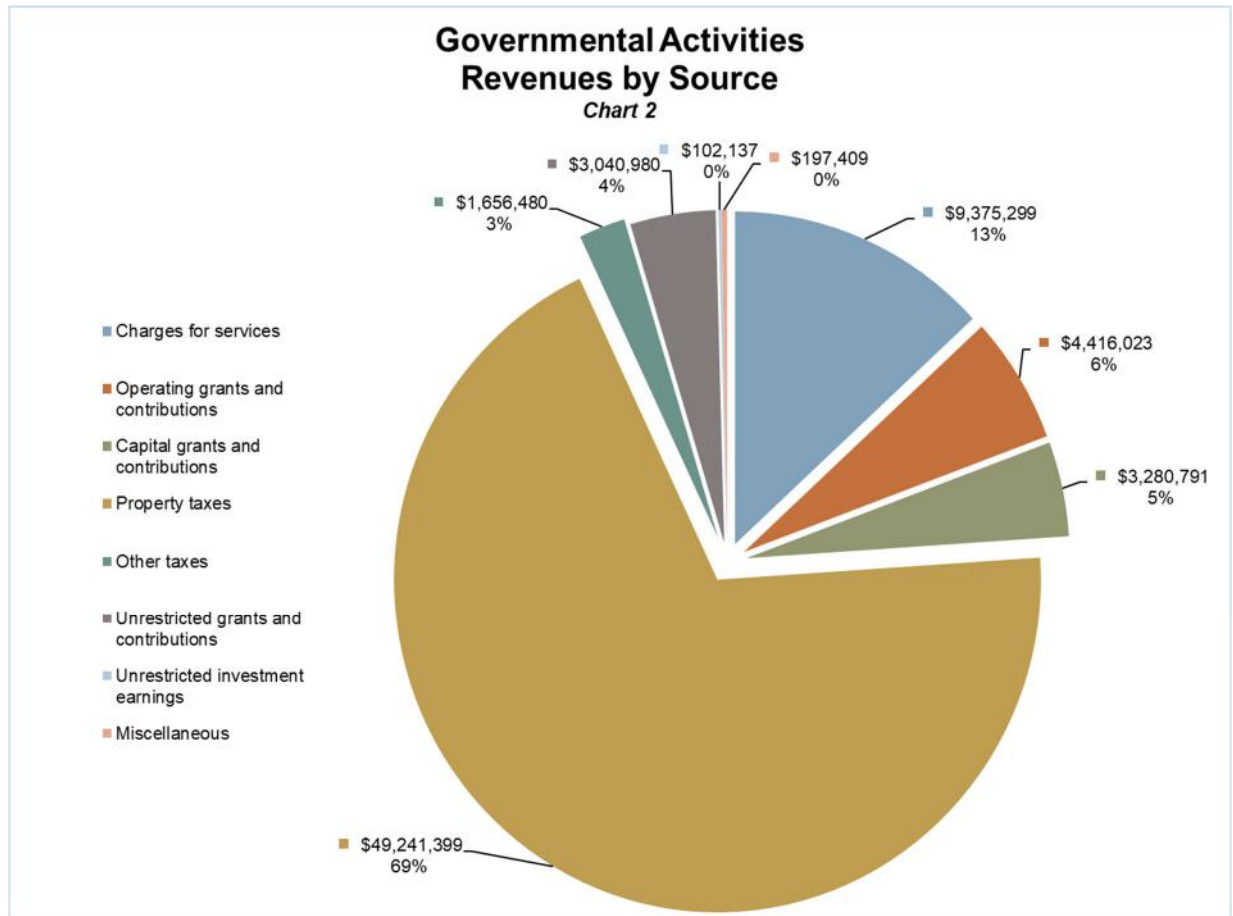
The net position of the County's governmental activities increased from 2020 to 2021 by \$2,296,595 to a total of \$107,590,143. The total assets and deferred outflows of resources increased by \$13,850,162 and the total liabilities and deferred inflows of resources increased by \$11.6 million. The increase in total assets of \$15.5 million resulted mainly from cash and investments of \$49,818,831. This increase consists of the proceeds from a capital lease for energy efficiency improvements in various County buildings and additional federal funding for Covid pandemic relief. With a cost-sharing multiple-employer defined benefit pension plan, the reporting of the deferred outflow of resources decreased \$1,646,997, or 8.01 percent, from the prior year. The increases from the prior year in total liabilities was 8.9 percent. The OPEB liability added \$11.1 million to the total liabilities and \$777,040 to the deferred inflows of resources. The governmental activities internal balances account shows the receivable amount between the funds of the County's governmental activities and the business-type activities, which decreased by \$77,287. The governmental activities unrestricted net position at June 30, 2021 totaled a negative \$22.2 million, a further decrease from the prior year of \$1.6 million. Additionally, the 2021 total net position from the governmental activities operations included an increase in the restricted net position of \$3,569,392. The net investment in capital assets increased by \$957,322.

The cost of all governmental activities this year was \$69.7 million compared to \$65.2 million last year, predominantly due to the \$2.5 million increase in the general government program and \$1.4 million in the public safety program.

In Oconee County, taxpayers paid \$49.2 million in property taxes to finance the governmental activities. Some operating costs were paid either by those who directly benefited from the services offered (\$9.4 million) through charges for services or from other governments and organizations that subsidized certain programs with both, operating and capital grants and contributions (\$7.7 million). Overall, the County's governmental program revenues, consisting of fees for services and intergovernmental aid, increased from \$12,743,090 in 2020 by \$4,329,023 to \$17,072,113 in 2021. The charges for services revenue increased \$1,822,054, or 24.12 percent, as a result of the fees charged by departments under the public safety and general government programs for the increase in permits issued for home construction or renovation and

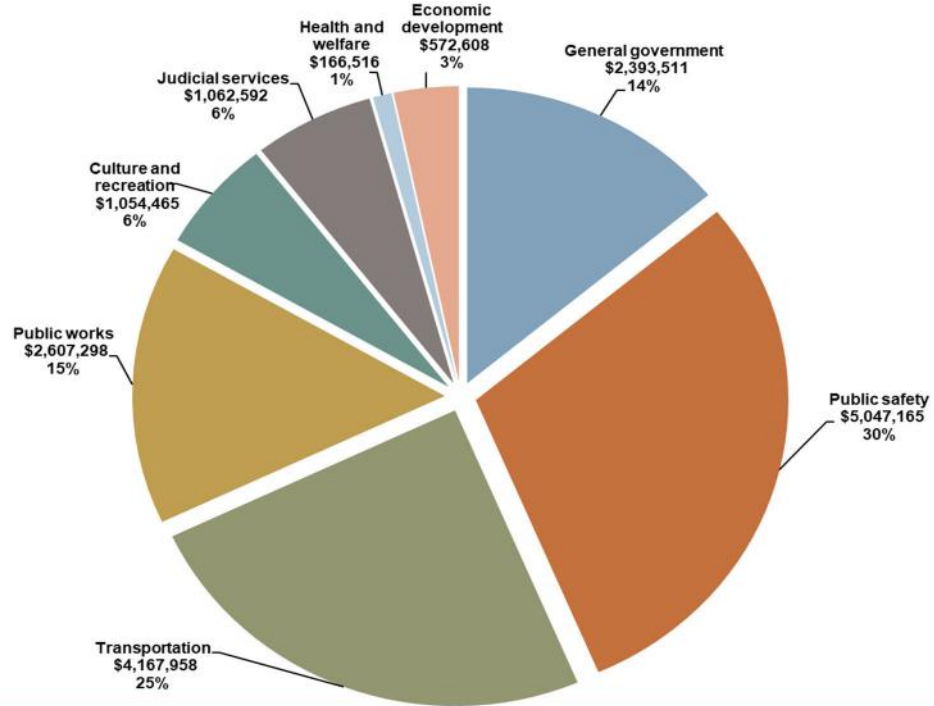
the document recoding fees associated with purchasing real estate. The combined capital and operating grants revenue increased by \$2,506,969, or 48.3 percent, to \$7,696,814.

Expenses in all programs of the County government, with the exception of health and welfare and economic development programs and the interest on long-term debt, contributed an increase from 2020 of \$4.6 million.



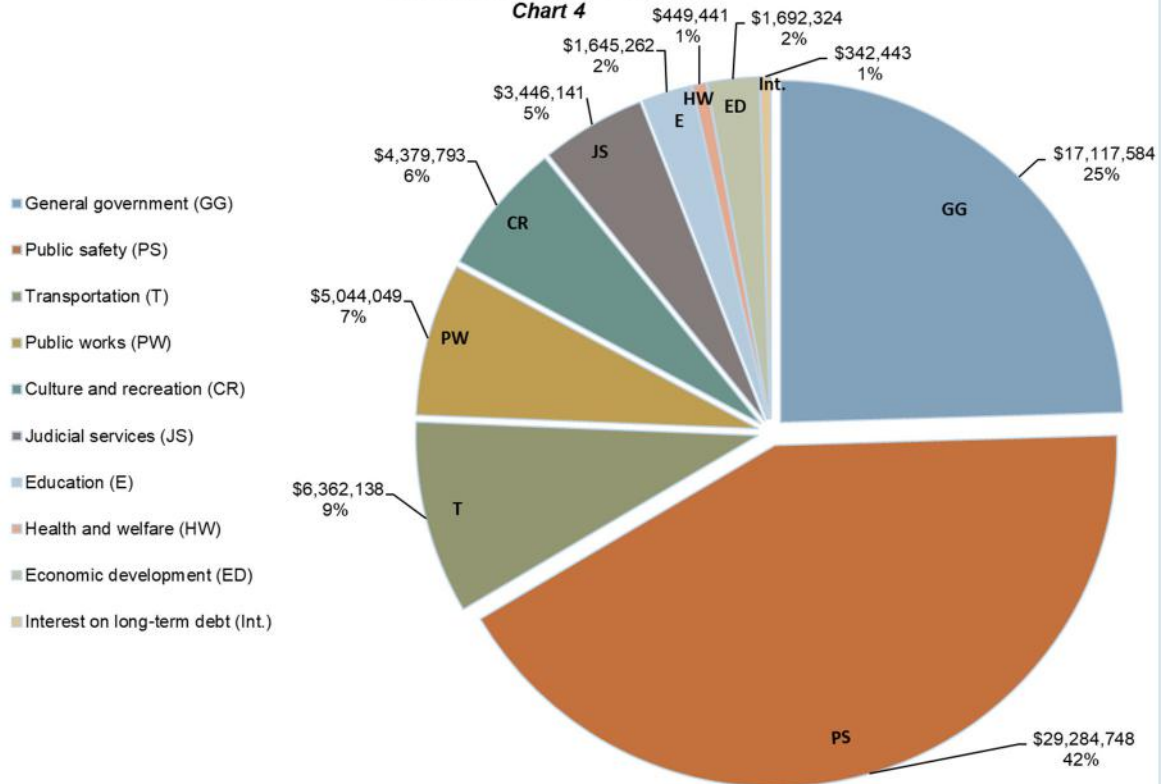
Governmental Activities Revenues by Program

Chart 3



Governmental Activities Expenses by Program

Chart 4

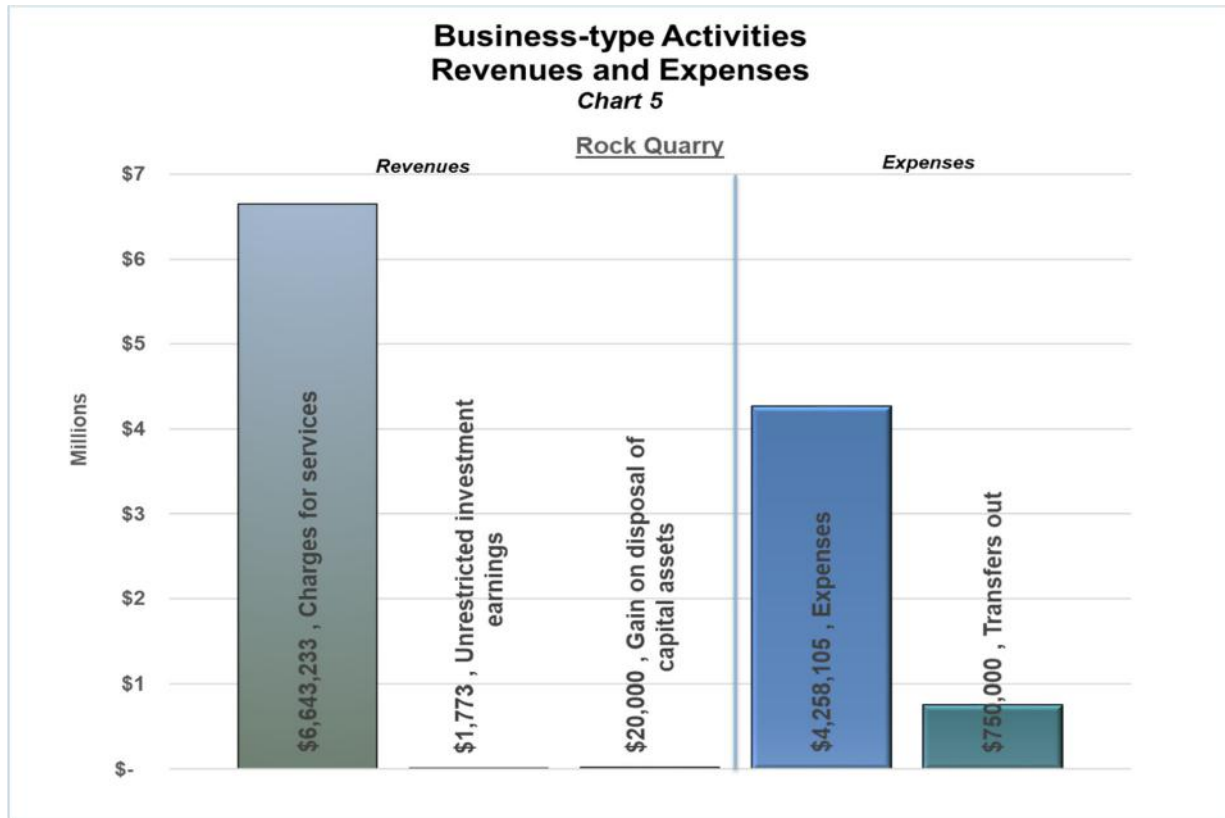


Business-type Activities

The business-type activities of the County, which consist of the Rock Quarry and FOCUS have a total net position of \$14.2 million, a 13.2 percent growth from the \$12.6 million of 2020.

For fiscal year 2021, the business-type activities program revenues were up by 2.7 percent, or \$174,170 from fiscal year 2020. The business-type activities expenses increased by 8.1 percent, or \$318,026.

Further details are provided in the Proprietary Funds section on page 27.



FUND FINANCIAL ANALYSIS

The County is required to include detailed reports for its governmental and proprietary funds, including the budgetary comparison schedule for the General Fund. These statements begin on page 19.

Governmental Funds

At completion of fiscal year 2021, the County's governmental funds reported total fund balances of \$49.2 million, which was an increase from last year's total by \$2.5 million. The General Fund's total fund balances decreased by 3.7 percent, or \$938,977, to \$24,674,975.

Total governmental revenues increased \$4,311,498, or 6.6 percent, mainly as a result of increased property tax collections combined with other tax collections (6.3 percent), charges for services (24.4 percent) license, permits and fees (23.6 percent), and intergovernmental revenues (10.0 percent). Total governmental funds expenditures increased \$8.2 million, or 13.0 percent, from the prior year.

The chief operating and major fund of the County is the General Fund. At the end of the fiscal year, the unassigned fund balance of the General Fund was \$11.1 million, while its total fund balance was \$24.7 million. As a measure of the General Fund's liquidity, it may be useful to compare both, unassigned fund

balance and total fund balance, to its total original budgeted expenditures for the subsequent year. The unassigned fund balance represents 20.4 percent of the total 2021-2022 General Fund budgeted expenditures, while the total fund balance represents 45.1 percent of that same amount. The General Fund revenues have increased by \$3.6 from 2020. General Fund expenditures increased 12.3 percent, which resulted from general government expenditures and public safety expenditures.

Oconee County's Changes in Fund Balances of the General Fund and All Governmental Funds								
Figure 3								
	General Fund				All Governmental Funds			
	2021	2020	Difference	Percent Change	2021	2020	Difference	Percent Change
Revenues								
Property taxes	\$ 38,731,618	\$ 36,826,068	\$ 1,905,550	5.2%	\$ 49,454,841	\$ 46,882,306	\$ 2,572,535	5.5%
Other taxes	-	-	-	-	1,403,293	942,497	460,796	48.9%
Intergovernmental	4,756,045	4,056,652	699,393	17.2%	8,648,104	7,863,095	785,009	10.0%
Licenses, permits and fees	6,426,211	5,195,420	1,230,791	23.7%	6,441,152	5,210,108	1,231,044	23.6%
Fines and forfeitures	242,004	231,260	10,744	4.6%	366,767	340,230	26,537	7.8%
Charges for services	2,554,699	2,053,879	500,820	24.4%	2,554,699	2,053,879	500,820	24.4%
Interest revenue	75,750	903,345	(827,595)	-91.6%	102,137	959,496	(857,359)	-89.4%
Contributions and donations	-	-	-	-	69,962	141,558	(71,596)	-50.6%
Other revenues	267,165	210,933	56,232	26.7%	511,478	847,766	(336,288)	-39.7%
Total Revenues	53,053,492	49,477,557	3,575,935	7.2%	69,552,433	65,240,935	4,311,498	6.6%
Expenditures								
General government	13,228,580	11,063,080	2,165,500	19.6%	14,756,812	11,208,161	3,548,651	31.7%
Public safety	23,947,389	21,040,202	2,907,187	13.8%	27,881,321	24,172,648	3,708,673	15.3%
Transportation	3,996,246	3,727,396	268,850	7.2%	4,549,609	4,321,096	228,513	5.3%
Public works	4,945,624	4,372,329	573,295	13.1%	5,024,846	4,405,737	619,109	14.1%
Culture and recreation	3,366,533	3,740,084	(373,551)	-10.0%	4,205,517	4,571,939	(366,422)	-8.0%
Judicial services	2,956,903	2,939,908	16,995	0.6%	3,123,100	3,094,464	28,636	0.9%
Education	-	-	-	-	1,645,262	1,535,801	109,461	7.1%
Health and welfare	233,118	230,989	2,129	0.9%	328,217	378,595	(50,378)	-13.3%
Economic development	581,958	564,168	17,790	3.2%	1,185,333	1,967,136	(781,803)	-39.7%
Capital outlay	-	-	-	-	5,178,787	4,320,112	858,675	19.9%
Debt service:								
Principal	1,330,687	928,963	401,724	43.2%	3,023,723	2,398,783	624,940	26.1%
Interest	71,062	30,682	40,380	131.6%	328,609	648,878	(320,269)	-49.4%
Bond issuance costs	-	23,000	(23,000)	-100.0%	-	23,000	(23,000)	-100.0%
Total Expenditures	54,658,100	48,660,801	5,997,299	12.3%	71,231,136	63,046,350	8,184,786	13.0%
Excess of Revenues Over (Under) Expenditures	(1,604,608)	816,756	(2,421,364)	-296.5%	(1,678,703)	2,194,585	(3,873,288)	-176.5%
Other Financing Sources (Uses)								
Transfer in	796,441	790,035	6,406	0.8%	936,441	1,299,347	(362,906)	-27.9%
Transfer out	(140,000)	(275,000)	135,000	49.1%	(186,441)	(549,347)	362,906	66.1%
Issuance of general obligation bonds	-	-	-	-	-	8,000,000	(8,000,000)	-100.0%
Insurance recoveries	9,190	50,659	(41,469)	-81.9%	9,190	50,659	(41,469)	-81.9%
Payment to escrow agent	-	-	-	-	-	(7,244,900)	7,244,900	100.0%
Proceeds from issuance of capital lease	-	2,200,000	(2,200,000)	-100%	3,290,347	2,200,000	1,090,347	49.6%
Proceeds from the sale of capital assets	-	11,769	(11,769)	-100.0%	127,168	12,004	115,164	959.4%
Total Other Financing Sources (Uses)	665,631	2,777,463	(2,111,832)	-76.0%	4,176,705	3,767,763	408,942	10.9%
Net Change in Fund Balance	(938,977)	3,594,219	(4,533,196)	-126.1%	2,498,002	5,962,348	(3,464,346)	-58.1%
Fund balances, beginning of year	25,613,952	22,019,733	3,594,219	16.3%	46,687,272	40,724,924	5,962,348	14.6%
Fund balances, end of year	\$ 24,674,975	\$ 25,613,952	\$ (938,977)	-3.7%	\$ 49,185,274	\$ 46,687,272	\$ 2,498,002	5.4%

The County is required to present individual financial statements for each of the County's major funds and any funds deemed significant by management. The General Fund is always a major fund. Other governmental and enterprise funds also must be reported as a major fund, if both of the following criteria have been met.

- Total assets, liabilities, revenues, or expenses/expenditures of the individual governmental or enterprise fund are at least 10 percent of the corresponding total for that element (assets, liabilities, etc.) for all funds of that category or type.
- Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for that element (assets, liabilities, etc.) of all governmental and enterprise funds combined.

The County could decide to include any governmental or enterprise fund's individual financial statements as a major fund, even if they do not meet the criteria for major fund reporting. The Miscellaneous Special Revenue Fund, Coronavirus S&L Fiscal Recovery Fund, and Capital Projects Fund meet the criteria for major funds and are combined into a single column. The nonmajor funds include the following:

- Special Revenue Funds:

- | | | |
|--|----------------------------------|--------------------------------------|
| • Emergency Services Protection District | • Road Maintenance | • Tri-County Technical College |
| • 911 Communications | • State Accommodations Tax | • Local Accommodations Tax |
| • Sheriff's Victims Assistance | • Library State Aid | • Duke Energy Fixed Nuclear Facility |
| • Clerk of Court Federal Child Support | • Solicitor's Victims Assistance | |

- Debt Service Fund

- Capital Projects Funds:

- | | |
|---|---------------------------------------|
| • Capital Equipment and Vehicle | • Bridge and Culvert Capital Projects |
| • Economic Development Capital Projects | |

Proprietary Funds

The County reports two enterprise funds. Those funds are the Rock Quarry Fund and the FOCUS Fund. The total net position for both proprietary funds at June 30, 2021 was \$14.2 million all of which is related to the Rock Quarry. The FOCUS fund has activity for customer and a capital lease receivables that with the liability for the advances from the General Fund net to a zero total net position.

The Rock Quarry produces and sells mined blue granite for use in construction and landscaping projects. At the end of fiscal year 2021, the Rock Quarry's operating income of \$2.6 million decreased from the previous year by 5.8 percent because of increased expenses for startup issues related to new equipment.

Due to the capital lease agreement with OneTone Telecom, Inc., the FOCUS Fund's lease receivable balance at the end of the fiscal year was \$5.8 million. Unlike the prior year, OneTone Telecom, Inc. was able to make their scheduled payment of \$316,000.

General Fund Budgetary Highlights

On June 25, 2020, the 2020-2021 General Fund Budget was adopted with Ordinance 2020-01. The original budgeted expenditures totaled \$49,63,364 including transfers out. Encumbrances for purchase orders involving capital expenditures with an outstanding balance at fiscal year-end 2020 did not lapse and were allowed to roll forward to the 2021 budget year as allowed in the budget provisions. The 2020 fiscal year-end's encumbrances rolled forward adding \$2.7 million in expenditures to the 2021 budget variance.

By the end of the year, General Fund actual revenues totaled \$53,053,492, which was \$2,042,614 more than the final budget and resulted from higher than projected collections in the licenses, permits and fees. During the year, expenditure budget amendments increased the original budgeted expenditures by \$5,178,945, which included the purchase order encumbrances from June 30, 2020. Actual expenditures totaled \$54,658,100, thus creating a variance with the final 2021 budget of \$344,209. This difference, between the actual expenditures and the final budgeted expenditures, was accomplished by actual expenditures being less than the final budget in all functions of the General Fund except public works and general government. Equally important to note, the actual expenditures were more than the original budget by \$4,834,736.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The County's capital assets, net of accumulated depreciation and depletion for the governmental and business-type activities, as of June 30, 2021, totaled \$140.0 million. These assets include land, construction in progress, infrastructure land rights, buildings and improvements, vehicles and equipment, infrastructure, permits and mineral interests. The total net increase is \$1,789,600, or 1.3percent, above last year.

Oconee County's Capital Assets
Net of Accumulated Depreciation and Depletion
Figure 4

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 5,526,094	\$ 5,334,304	\$ 3,081,978	\$ 2,680,918	\$ 8,608,072	\$ 8,015,222
Other costs	37,311,827	36,970,428	-	-	37,311,827	36,970,428
Construction in progress	8,904,506	8,693,925	-	5,584,601	8,904,506	14,278,526
Buildings and improvements	44,297,387	45,206,904	68,200	94,516	44,365,587	45,301,420
Equipment and vehicles	10,032,184	9,191,616	9,293,239	2,939,605	19,325,423	12,131,221
Infrastructure	21,224,366	21,244,013	-	-	21,224,366	21,244,013
Other	29,621	32,090	-	-	29,621	32,090
Mineral interests	-	-	240,804	247,686	240,804	247,686
Total capital assets, net of accumulated depreciation and depletion	<u>\$ 127,325,985</u>	<u>\$ 126,673,280</u>	<u>\$ 12,684,221</u>	<u>\$ 11,547,326</u>	<u>\$ 140,010,206</u>	<u>\$ 138,220,606</u>

Major capital asset transactions during the year include:

- Construction in progress for:
 - Multiple Airport Improvement Projects, \$2,063,635;
 - Seneca Creek Boat Ramp upgrades, \$64,641;
 - South Cove Residence Upgrade and Dump Station projects, \$20,928;
 - Bountyland Emergency Substation, \$42,245;
 - Bridge/culvert construction for three roads, \$63,251; and
 - Paving for 27 public roads, \$262,371.
- Asset additions for:
 - High Falls Park and Chau Ram Park ADA restrooms, , \$1,015,815;
 - Entrance roads for the Heritage Farm Center, the Golden Corner Commerce Center, the Seneca Rail Park, and the Oconee Industry and Technology Park, \$1,557,280;
 - Seneca Rail Park Infrastructure, \$779,963;
 - 11.2 acres for the Airport, \$191,790;
 - Rock Crushing Plant consisting of eight components, \$6,105,971;
 - Nine heavy equipment units, \$1,058,046;
 - Six fire trucks, \$2,033,813;
 - Twelve vehicles, \$439,433; and
 - 5.07 acres for the Rock Quarry, \$401,060.

Additional information on the County's capital assets are available in Note 6 on pages 51 - 52 of the basic financial statements.

Long-term Debt

As of June 30, 2021, the County had a total outstanding debt of approximately \$23.5 million.

Oconee County's Outstanding Debt
Figure 5

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
General obligation (GO) bonds						
Applicable to the debt margin:						
GO bonds	\$ 3,261,000	\$ 4,801,105	\$ -	\$ -	\$ 3,261,000	\$ 4,801,105
Plus unamortized premium	10,133	12,773	-	-	10,133	12,773
GO refunding bonds	7,810,000	8,000,000	-	-	7,810,000	8,000,000
Total GO bonds applicable to the debt margin	<u>11,081,133</u>	<u>12,813,878</u>	<u>-</u>	<u>-</u>	<u>11,081,133</u>	<u>12,813,878</u>
GO bonds for special tax districts	523,676	208,607	-	-	523,676	208,607
Total GO bonds no applicable to the debt margin	<u>523,676</u>	<u>208,607</u>	<u>-</u>	<u>-</u>	<u>523,676</u>	<u>208,607</u>
Total GO bonds	<u>11,604,809</u>	<u>13,022,485</u>	<u>-</u>	<u>-</u>	<u>11,604,809</u>	<u>13,022,485</u>
Capital lease obligations	5,259,473	3,299,813	5,192,162	5,660,822	10,451,635	8,960,635
Special source refunding revenue bonds	1,198,000	1,476,000	-	-	1,198,000	1,476,000
Total outstanding debt	<u>\$ 18,062,282</u>	<u>\$ 17,798,298</u>	<u>\$ 5,192,162</u>	<u>\$ 5,660,822</u>	<u>\$ 23,254,444</u>	<u>\$ 23,459,120</u>

As a part of issuing new debt, credit rating assessments are reviewed by credit rating agencies. The two main credit rating agencies are Moody's Investors Service and Standard & Poor's. Each rating agency interprets the County's data slightly different resulting in possibly different ratings. On July 3, 2014, Standard & Poor's upgraded the County's ratings from "AA-" to "AA" while the County's rating remains at "Aa2" with Moody's Investors Service. These stable bond ratings are a clear indication of the continued sound financial condition of the County and are a primary factor in keeping interest costs low on the County's outstanding debt.

Furthermore, the State of South Carolina limits the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin, (amount of general obligation debt that the County could borrow without a referendum), for the County is approximately \$48.0 million, which is 5 percent increase from the prior year. The legal debt margin calculation does not apply to GO debt issued for special tax districts.

The County's total outstanding general obligation (GO) debt in the governmental funds was \$11,604,809 at June 30, 2021. This outstanding balance consists of the debt applicable to the debt limit restrictions and debt issued for the Keowee Fire Tax District, which is exempt from the debt limit restrictions. The GO bonds debt with debt limit restrictions, which are backed by the full faith, credit and taxing power of the County, are the series 2020, GO refunding bonds issued to refund the 2011 GO bonds; the series 2013, GO bonds for Echo Hills Commerce Park; and the series 2016B, GO bonds for infrastructure at the Workforce Development Center. The GO bonds for Keowee Fire Tax District are the series 2019, GO bonds for the acquisition of a rescue pumper fire truck and the series 2017, GO refunding bond that refunded the 2007 GO bond.

The outstanding balance of the series 2014 special source refunding revenue bond is \$1,198,000. Since special source refunding revenue bonds are repaid with special revenues and not with property taxes, they are not included in the calculations of the above stated debt limits.

The governmental activities entered into a new capital lease agreement with TD bank for a total of \$3,290,347 to purchase and install energy saving equipment for various County buildings. The first payment will not be due until January 1, 2022. The scheduled payments end in 2036. The final payment on the 2015 lease was made during the 2020-2021 fiscal year. The 2018 and 2019 capital lease purchase agreements' outstanding balances totaled \$1,969,126 at the end of fiscal year 2021.

In the business-type activities, the Rock Quarry 2018 capital lease with Hancock Whitney Bank had an outstanding balance of \$5,192,162. The final payment is scheduled for June 2030.

Additionally, the County maintains two closed municipal solid waste (MSW) landfills and one open construction and demolition (C&D) waste landfills. A portion of the long-term liabilities includes an estimate for the closure and post-closure care cost of these landfills. During 2021, the estimated liability was decreased by \$354,361 with the current year's addition and reduction. The balance of the estimated liability for closure and post closure care costs at June 30, 2021 is \$2.4 million.

Included in the long-term liabilities are the compensated absences, which consist of accrued accumulated unpaid vacation time, earned by County employees. The estimated long-term liability for annual leave is \$1.1 million for the governmental activities and \$35,880 for the business-type activities.

The net pension liability, also a long-term liability, for the governmental activities was \$51.3 million at the end of 2020 and decreased by \$3.2 million to a total of \$48.1 million for June 30, 2021. The business-type activities decreased \$342,002 to \$1,943,035 for the close of 2021.

Finally, the long-term liabilities include the total other postemployment benefit obligation. Oconee County does not administer the OPEB plan through a trust. The ending balance of the governmental activities for June 30, 2021 was \$11,062,377. Furthermore, the business-type activities net postemployment benefit obligation had an ending balance of \$622,259.

Additional information regarding the County's long-term liabilities are available in Note 7 on pages 53 - 58 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The County's unemployment rate for June 2021 was 4.5 percent, an improvement of 3 percent from the prior year. South Carolina's unemployment rate for June 2021 and June 2020 were 4.5 percent and 8.7 percent, respectively.

Oconee County Ordinance 2021-01 approved on June 22, 2021 established the 2021-2022 annual budget for July 1, 2021 through June 30, 2022 and provides for the levy of taxes for ordinary County purposes for that period. The 2021-2022 adopted budget provides appropriations for the following funds as indicated:

- **Governmental funds:**
 - General Fund, \$56,835,152
 - Special revenues funds for:
 - Emergency Services Protection, \$1,512,000
 - Victims Services – Sheriff's Office, \$127,753
 - Victims Services – Solicitor's Office, \$75,006
 - 911 Communications, \$984,000
 - Tri-County Technical College Operations, \$1,580,200
 - Road Maintenance, \$2,545,000
 - Capital projects funds for:
 - Economic Development, \$1,110,822
 - Bridge and Culvert, \$1,150,000
 - Capital Equipment and Vehicle, \$1,621,728
 - Parks, Recreation and Tourism, \$1,500,000
 - Debt service fund, \$1,868,306
- **Proprietary fund:**
 - Rock Quarry, \$5,107,050

The combined budget for these funds is \$76,070,295.

The General Fund's adopted budget for fiscal year ending June 30, 2022, increased from the prior year's budget by \$6,845,675, or 13.7 percent.

The County's total millage levied for fiscal year end 2022 is 76.4 mills, which is a 1-mill decrease from fiscal year end 2021.

REQUESTS FOR INFORMATION

This report is designed to provide an overview of the County's finances for 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:

Director of Finance
Oconee County Finance Department
415 South Pine Street
Walhalla, South Carolina 29691

Or on the web at: www.OconeeSC.com.

OCONEE COUNTY, SOUTH CAROLINA

STATEMENT OF NET POSITION JUNE 30, 2021

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Keowee Fire Tax District
ASSETS				
Cash and cash equivalents	\$ 42,464,736	\$ 8,879,712	\$ 51,344,448	\$ 760,136
Investments	7,354,095	252,873	7,606,968	-
Receivables:				
Taxes	1,114,839	-	1,114,839	11,745
Accounts	565,226	114,950	680,176	-
Due from other governments	4,599,879	-	4,599,879	15,000
Other	113,154	-	113,154	-
Internal balances	6,173,939	(6,173,939)	-	-
Due from component unit	515,977	-	515,977	-
Inventories	209,190	455,403	664,593	-
Prepaid expenses	13,430	-	13,430	-
Seized assets	234,750	-	234,750	-
Lease receivable	-	5,784,001	5,784,001	-
Assets held for resale	87,967	-	87,967	-
Assets held for economic development	4,496,409	-	4,496,409	-
Capital assets:				
Nondepreciable	51,742,427	3,081,978	54,824,405	-
Depreciable, net	75,583,558	9,602,243	85,185,801	1,635,939
Total assets	<u>195,269,576</u>	<u>21,997,221</u>	<u>217,266,797</u>	<u>2,422,820</u>
DEFERRED OUTFLOWS OF RESOURCES				
Other postemployment benefits	1,114,550	62,693	1,177,243	-
Pension - South Carolina Retirement System	9,614,029	679,364	10,293,393	-
Pension - South Carolina Police Officers Retirement System	8,180,333	-	8,180,333	182,709
Total deferred outflows of resources	<u>18,908,912</u>	<u>742,057</u>	<u>19,650,969</u>	<u>182,709</u>
LIABILITIES				
Accounts payable	5,193,850	133,860	5,327,710	-
Accrued liabilities	2,104,065	87,330	2,191,395	3,692
Unearned revenues	8,033,347	-	8,033,347	-
Due to primary government	-	-	-	515,977
Noncurrent liabilities:				
Due within one year	2,914,433	501,470	3,415,903	39,941
Due in more than one year	19,185,396	4,740,026	23,925,422	14,245
Total other postemployment benefits liability	11,062,377	622,259	11,684,636	-
Net Pension Liability:				
South Carolina Retirement System	27,496,886	1,943,035	29,439,921	-
South Carolina Police Officers Retirement System	20,573,809	-	20,573,809	767,539
Total liabilities	<u>96,564,163</u>	<u>8,027,980</u>	<u>104,592,143</u>	<u>1,341,394</u>
DEFERRED INFLOWS OF RESOURCES				
Other postemployment benefits	777,040	43,708	820,748	-
Pension - South Carolina Retirement System	6,080,389	429,663	6,510,052	-
Pension - South Carolina Police Officers Retirement System	3,166,753	-	3,166,753	71,130
Total deferred inflows of resources	<u>10,024,182</u>	<u>473,371</u>	<u>10,497,553</u>	<u>71,130</u>
NET POSITION				
Net investment in capital assets	110,968,422	7,750,530	118,718,952	1,090,574
Restricted for capital projects	8,117,881	-	8,117,881	-
Restricted for debt service	2,631,684	-	2,631,684	-
Restricted for fringe expenditures	-	-	-	43,359
Restricted for judicial services	138,923	-	138,923	-
Restricted for education	1,220,981	-	1,220,981	-
Restricted for culture and recreation	777,758	-	777,758	-
Restricted for public safety	1,783,793	-	1,783,793	-
Restricted for transportation	4,147,056	-	4,147,056	-
Unrestricted	(22,196,355)	6,487,397	(15,708,958)	59,072
Total net position	<u>\$ 107,590,143</u>	<u>\$ 14,237,927</u>	<u>\$ 121,828,070</u>	<u>\$ 1,193,005</u>

The accompanying notes are an integral part of these financial statements.

OCONEE COUNTY, SOUTH CAROLINA

STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Keowee Fire Tax District
Primary government:								
Governmental activities:								
General government	\$ 17,117,584	\$ 2,036,540	\$ 353,711	\$ 3,260	\$ (14,724,073)	\$ -	\$ (14,724,073)	\$ -
Public safety	29,284,748	1,676,833	3,327,644	42,688	(24,237,583)	-	(24,237,583)	-
Transportation	6,362,138	1,528,774	1,449	2,637,735	(2,194,180)	-	(2,194,180)	-
Public works	5,044,049	2,473,967	133,331	-	(2,436,751)	-	(2,436,751)	-
Culture and recreation	4,379,793	783,121	246,844	24,500	(3,325,328)	-	(3,325,328)	-
Judicial services	3,446,141	876,064	186,528	-	(2,383,549)	-	(2,383,549)	-
Education	1,645,262	-	-	-	(1,645,262)	-	(1,645,262)	-
Health and welfare	449,441	-	166,516	-	(282,925)	-	(282,925)	-
Economic development	1,692,324	-	-	572,608	(1,119,716)	-	(1,119,716)	-
Interest on long-term debt	342,443	-	-	-	(342,443)	-	(342,443)	-
Total governmental activities	69,763,923	9,375,299	4,416,023	3,280,791	(52,691,810)	-	(52,691,810)	-
Business-type activities:								
FOCUS	-	-	-	-	-	-	-	-
Rock quarry	4,258,105	6,643,233	-	-	-	2,385,128	2,385,128	-
Total business-type activities	4,258,105	6,643,233	-	-	-	2,385,128	2,385,128	-
Total primary government	\$ 74,022,028	\$ 16,018,532	\$ 4,416,023	\$ 3,280,791	(52,691,810)	2,385,128	(50,306,682)	-
Component unit:								
Keowee Fire Tax District	\$ 901,076	\$ 75,000	\$ 23,912	\$ 15,000	-	-	-	(787,164)
General revenues:								
Property taxes levied for:								
General purposes					39,802,039	-	39,802,039	-
Public safety					1,572,510	-	1,572,510	770,356
Debt service					2,164,414	-	2,164,414	-
Capital projects					1,799,863	-	1,799,863	-
Economic development					2,103,596	-	2,103,596	-
Education					1,798,977	-	1,798,977	-
Other taxes and licenses					1,656,480	-	1,656,480	-
Grants and contributions not restricted for a specific purpose					3,040,980	-	3,040,980	45,000
Unrestricted investment earnings					102,137	1,773	103,910	1,836
Gain on disposal of capital assets					-	20,000	20,000	-
Miscellaneous					197,409	-	197,409	40,065
Transfers					750,000	(750,000)	-	-
Total general revenues and transfers					54,988,405	(728,227)	54,260,178	857,257
Change in net position					2,296,595	1,656,901	3,953,496	70,093
Net position, beginning of year					105,293,548	12,581,026	117,874,574	1,122,912
Net position, end of year					\$ 107,590,143	\$ 14,237,927	\$ 121,828,070	\$ 1,193,005

The accompanying notes are an integral part of these financial statements.

OCONEE COUNTY, SOUTH CAROLINA

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021**

	General	Miscellaneous Special Revenue	Coronavirus S&L Fiscal Recovery	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 11,362,456	\$ -	\$ 7,725,439	\$ 3,628,132	\$ 19,748,709	\$ 42,464,736
Investments	6,904,095	-	-	-	450,000	7,354,095
Taxes receivable, net	898,295	-	-	-	216,544	1,114,839
Accounts receivable, net	413,482	-	-	-	151,744	565,226
Due from other governments	1,092,465	1,829,055	-	956,668	721,691	4,599,879
Due from other funds	649,562	-	-	-	-	649,562
Due from component unit	-	-	-	-	515,977	515,977
Other receivables	113,154	-	-	-	-	113,154
Advances to other funds	6,173,939	-	-	-	-	6,173,939
Prepaid expenditures	12,930	500	-	-	-	13,430
Inventories	209,190	-	-	-	-	209,190
Seized assets	-	234,750	-	-	-	234,750
Assets held for resale	87,967	-	-	-	-	87,967
Assets held for economic development	2,254,221	-	-	-	2,242,188	4,496,409
Total assets	<u>\$ 30,171,756</u>	<u>\$ 2,064,305</u>	<u>\$ 7,725,439</u>	<u>\$ 4,584,800</u>	<u>\$ 24,046,853</u>	<u>\$ 68,593,153</u>
LIABILITIES						
Accounts payable	\$ 2,662,591	\$ 438,884	\$ -	\$ 1,439,156	\$ 653,219	\$ 5,193,850
Due to other funds	-	380,275	-	-	269,287	649,562
Accrued liabilities	1,993,207	2,332	-	-	14,482	2,010,021
Unearned revenue	-	67,325	7,725,439	-	240,583	8,033,347
Total liabilities	<u>4,655,798</u>	<u>888,816</u>	<u>7,725,439</u>	<u>1,439,156</u>	<u>1,177,571</u>	<u>15,886,780</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	753,016	-	-	-	180,073	933,089
Unavailable revenue - seized property	-	234,750	-	-	-	234,750
Unavailable revenue - intergovernmental	-	1,375,020	-	890,273	-	2,265,293
Unavailable revenue - forfeited land commission	87,967	-	-	-	-	87,967
Total deferred inflows of resources	<u>840,983</u>	<u>1,609,770</u>	<u>-</u>	<u>890,273</u>	<u>180,073</u>	<u>3,521,099</u>
FUND BALANCES						
Nonspendable:						
Prepaid expenditures	12,930	-	-	-	-	12,930
Inventories	209,190	-	-	-	-	209,190
Assets held for resale	87,967	-	-	-	-	87,967
Assets held for economic development	2,254,221	-	-	-	2,242,188	4,496,409
Advances to other funds	6,173,939	-	-	-	-	6,173,939
Restricted for:						
Public safety	-	-	-	-	1,783,793	1,783,793
Transportation	-	-	-	-	4,147,056	4,147,056
Culture and recreation	-	-	-	-	777,758	777,758
Judicial services	-	-	-	-	138,923	138,923
Education	-	-	-	-	1,220,981	1,220,981
Capital projects	-	-	-	-	8,117,881	8,117,881
Debt service	-	-	-	-	2,631,684	2,631,684
Assigned:						
Solid waste reserve	912,806	-	-	-	-	912,806
Health care reserve	2,000,000	-	-	-	-	2,000,000
Courthouse grant	-	-	-	-	500,000	500,000
OPEB reserve	1,207,715	-	-	-	-	1,207,715
Subsequent year's budget	693,573	-	-	2,255,371	1,174,189	4,123,133
Unassigned	11,122,634	(434,281)	-	-	(45,244)	10,643,109
Total fund balances	<u>24,674,975</u>	<u>(434,281)</u>	<u>-</u>	<u>2,255,371</u>	<u>22,689,209</u>	<u>49,185,274</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 30,171,756</u>	<u>\$ 2,064,305</u>	<u>\$ 7,725,439</u>	<u>\$ 4,584,800</u>	<u>\$ 24,046,853</u>	<u>\$ 68,593,153</u>

The accompanying notes are an integral part of these financial statements.

OCONEE COUNTY, SOUTH CAROLINA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE
SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2021

Total fund balances for governmental funds:		\$	49,185,274
Amounts reported for governmental activities in the Statement of Net Position are different because:			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.			127,325,985
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.			3,521,099
Certain long-term liabilities are not due and payable in the current period and are therefore not reported in the funds. All liabilities, both current and long-term, are reported in the Statement of Net Position net of issuance premiums, discounts, and refunding deferral amounts.			
General obligation bonds	\$	(11,604,809)	
Capital lease obligations		(5,259,473)	
Special source revenue bonds		(1,198,000)	
Other post-employment benefits, net of related deferred outflows and deferred inflows of resources		(10,724,867)	
Post-closure care liabilities		(2,406,409)	
Compensated absences payable		(1,631,138)	
Net pension liability, net of related deferred outflows and deferred inflows of resources		<u>(39,523,475)</u>	
			(72,348,171)
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.			<u>(94,044)</u>
Net position of governmental activities		\$	<u>107,590,143</u>

OCONEE COUNTY, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	General	Miscellaneous Special Revenue	Coronavirus S&L Fiscal Recovery	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Property taxes	\$ 38,731,618	\$ -	\$ -	\$ -	\$ 10,723,223	\$ 49,454,841
Other taxes	-	-	-	-	1,403,293	1,403,293
Intergovernmental	4,756,045	1,029,385	-	1,349,194	1,513,480	8,648,104
Licenses, permits and fees	6,426,211	11,790	-	-	3,151	6,441,152
Fines and forfeitures	242,004	817	-	-	123,946	366,767
Charges for services	2,554,699	-	-	-	-	2,554,699
Interest revenue	75,750	884	-	-	25,503	102,137
Contributions and donations	-	69,962	-	-	-	69,962
Other revenues	267,165	56,094	-	-	188,219	511,478
Total revenues	<u>53,053,492</u>	<u>1,168,932</u>	<u>-</u>	<u>1,349,194</u>	<u>13,980,815</u>	<u>69,552,433</u>
EXPENDITURES						
Current:						
General government	13,228,580	28,562	-	1,499,670	-	14,756,812
Public safety	23,947,389	1,700,151	-	-	2,233,781	27,881,321
Transportation	3,996,246	8,015	-	-	545,348	4,549,609
Public works	4,945,624	79,222	-	-	-	5,024,846
Culture and recreation	3,366,533	41,258	-	-	797,726	4,205,517
Judicial services	2,956,903	-	-	-	166,197	3,123,100
Education	-	-	-	-	1,645,262	1,645,262
Health and welfare	233,118	95,099	-	-	-	328,217
Economic development	581,958	-	-	-	603,375	1,185,333
Capital outlay	-	601,757	-	2,227,701	2,349,329	5,178,787
Debt service:						
Principal	1,330,687	-	-	-	1,693,036	3,023,723
Interest	71,062	-	-	-	257,547	328,609
Total expenditures	<u>54,658,100</u>	<u>2,554,064</u>	<u>-</u>	<u>3,727,371</u>	<u>10,291,601</u>	<u>71,231,136</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,604,608)</u>	<u>(1,385,132)</u>	<u>-</u>	<u>(2,378,177)</u>	<u>3,689,214</u>	<u>(1,678,703)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	796,441	-	-	-	140,000	936,441
Transfers out	(140,000)	-	-	-	(46,441)	(186,441)
Insurance recoveries	9,190	-	-	-	-	9,190
Issuance of capital leases	-	-	-	3,290,347	-	3,290,347
Proceeds from the sale of capital assets	-	1,306	-	-	125,862	127,168
Total other financing sources, net	<u>665,631</u>	<u>1,306</u>	<u>-</u>	<u>3,290,347</u>	<u>219,421</u>	<u>4,176,705</u>
Net change in fund balances	<u>(938,977)</u>	<u>(1,383,826)</u>	<u>-</u>	<u>912,170</u>	<u>3,908,635</u>	<u>2,498,002</u>
Fund balances, beginning of year	<u>25,613,952</u>	<u>949,545</u>	<u>-</u>	<u>1,343,201</u>	<u>18,780,574</u>	<u>46,687,272</u>
Fund balances (deficits), end of year	<u>\$ 24,674,975</u>	<u>\$ (434,281)</u>	<u>\$ -</u>	<u>\$ 2,255,371</u>	<u>\$ 22,689,209</u>	<u>\$ 49,185,274</u>

The accompanying notes are an integral part of these financial statements.

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

Net change in fund balances - total governmental funds	\$	2,498,002
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	\$	7,220,952	
Depreciation expense		<u>(6,529,391)</u>	691,561

The net effect of various miscellaneous transactions (i.e., sales and donations) is to decrease net position.		(38,856)
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Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		1,748,895
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. Also, the refunding deferral amount, which is the difference in the amount that is sent to the paying agent to be escrowed for payment of refunded debt and the principal amount of debt refunded, is amortized as an adjustment of interest expense in the Statement of Activities. The effects of these items are as follows:

Repayment of the principal of long-term debt	\$	3,023,723	
Issuance of long-term debt		(3,290,347)	
Amortization of premium on long-term debt		<u>2,640</u>	(263,984)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The following amounts represent the net liability changes using the full accrual method of accounting:

Pension liability	\$	(2,577,439)	
Landfill post-closure liability		354,361	
Compensated absences		(42,722)	
Accrued interest on long-term debt		(16,474)	
Other postemployment benefits liability		<u>(56,749)</u>	(2,339,023)
			<u>\$ 2,296,595</u>

OCONEE COUNTY, SOUTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL GENERAL FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES:				
Taxes	\$ 37,844,297	\$ 40,268,741	\$ 38,731,618	\$ (1,537,123)
Intergovernmental	3,936,332	3,936,332	4,756,045	819,713
Licenses, permits and fees	3,886,400	3,886,400	6,426,211	2,539,811
Fines and forfeitures	201,600	201,600	242,004	40,404
Charges for services	2,058,616	2,058,616	2,554,699	496,083
Interest revenue	475,000	475,000	75,750	(399,250)
Other revenues	184,189	184,189	267,165	82,976
Total revenues	48,586,434	51,010,878	53,053,492	2,042,614
EXPENDITURES:				
Current:				
General government:				
County council	308,055	308,798	294,828	13,970
Legislative delegation	93,885	94,911	94,904	7
Finance department	670,929	712,984	695,773	17,211
Non-departmental expenditures	1,979,500	1,923,615	3,400,555	(1,476,940)
Human resources	326,404	336,082	335,056	1,026
Information technology	890,927	952,768	952,715	53
Planning commission	275,472	334,225	230,074	104,151
Procurement	153,472	168,983	168,822	161
Facilities maintenance	1,390,576	1,745,306	1,655,046	90,260
Registration and elections	249,682	256,693	276,302	(19,609)
Soil and water conservation	80,171	84,877	80,945	3,932
Administrator's office	715,073	492,203	369,358	122,845
Vehicle maintenance	924,797	944,223	933,093	11,130
Register of deeds	317,069	323,090	301,708	21,382
Assessor	1,040,306	1,078,622	978,684	99,938
Auditor	554,485	578,536	520,742	57,794
Board of assessment appeals	12,001	12,001	3,252	8,749
Tax collector	445,660	478,621	378,408	100,213
Treasurer	573,562	595,187	588,667	6,520
Direct aid	762,900	721,680	647,784	73,896
County attorney	369,283	408,060	321,864	86,196
Total general government	12,134,209	12,551,465	13,228,580	(677,115)
Public safety:				
Sheriff's department	8,908,806	9,320,635	9,330,991	(10,356)
Law enforcement center	4,025,939	4,348,604	4,347,371	1,233
Communications	1,581,694	1,655,062	1,651,215	3,847
Animal control	640,407	647,619	643,774	3,845
Coroner	258,302	268,860	257,253	11,607
Building codes	664,419	671,531	623,288	48,243
Emergency management	4,441,956	7,555,299	7,093,497	461,802
Total public safety	20,521,523	24,467,610	23,947,389	520,221
Transportation:				
County airport	1,221,707	1,338,798	1,340,473	(1,675)
Roads department	2,829,330	2,880,960	2,655,773	225,187
Total transportation	4,051,037	4,219,758	3,996,246	223,512
Public works:				
Solid waste	4,173,764	4,576,257	4,945,624	(369,367)

(Continued)

OCONEE COUNTY, SOUTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL GENERAL FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
EXPENDITURES: (CONTINUED)				
Culture and recreation:				
Library	\$ 1,423,520	\$ 1,447,990	\$ 1,383,382	\$ 64,608
Parks, recreation and tourism	756,728	758,182	587,530	170,652
High Falls Park	441,620	548,283	456,170	92,113
South Cove Park	469,475	518,827	518,809	18
Chau Ram Park	360,875	420,815	420,642	173
Total culture and recreation	<u>3,452,218</u>	<u>3,694,097</u>	<u>3,366,533</u>	<u>327,564</u>
Judicial services:				
Clerk of court	706,363	716,415	681,337	35,078
Probate judge	357,171	362,212	360,146	2,066
Solicitor	943,375	956,666	802,000	154,666
Public defender	240,000	240,000	240,000	-
Magistrate office	849,591	878,948	873,420	5,528
Total judicial	<u>3,096,500</u>	<u>3,154,241</u>	<u>2,956,903</u>	<u>197,338</u>
Health and welfare:				
Department of social services	13,200	13,200	11,435	1,765
Health department	39,581	33,634	22,169	11,465
Veteran's affairs	197,448	202,728	199,514	3,214
Total health and welfare	<u>250,229</u>	<u>249,562</u>	<u>233,118</u>	<u>16,444</u>
Economic development:				
Economic development	<u>729,741</u>	<u>675,176</u>	<u>581,958</u>	<u>93,218</u>
Debt service	<u>1,414,143</u>	<u>1,414,143</u>	<u>1,401,749</u>	<u>12,394</u>
Total expenditures	<u>49,823,364</u>	<u>55,002,309</u>	<u>54,658,100</u>	<u>344,209</u>
Deficiency of revenues under expenditures	<u>(1,236,930)</u>	<u>(3,991,431)</u>	<u>(1,604,608)</u>	<u>2,386,823</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,038,043	1,038,043	796,441	(241,602)
Transfers out	(140,000)	(140,000)	(140,000)	-
Insurance recoveries	90,000	90,000	9,190	(80,810)
Total other financing sources, net	<u>988,043</u>	<u>988,043</u>	<u>665,631</u>	<u>(322,412)</u>
Net change in fund balances	<u>(248,887)</u>	<u>(3,003,388)</u>	<u>(938,977)</u>	<u>2,064,411</u>
Fund balances, beginning of year	<u>25,613,952</u>	<u>25,613,952</u>	<u>25,613,952</u>	<u>-</u>
Fund balances, end of year	<u>\$ 25,365,065</u>	<u>\$ 22,610,564</u>	<u>\$ 24,674,975</u>	<u>\$ 2,064,411</u>

The accompanying notes are an integral part of these financial statements.

OCONEE COUNTY, SOUTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL MISCELLANEOUS SPECIAL REVENUE FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 1,029,385	\$ 1,029,385
Licenses and permits	-	-	11,790	11,790
Fines and forfeitures	-	-	817	817
Contributions and donations	-	-	69,962	69,962
Other revenue	-	-	56,094	56,094
Interest revenue	-	-	884	884
	<u>-</u>	<u>-</u>	<u>1,168,932</u>	<u>1,168,932</u>
EXPENDITURES				
General government	-	-	28,562	(28,562)
Public safety	-	-	1,700,151	(1,700,151)
Public works	-	-	79,222	(79,222)
Transportation	-	-	8,015	(8,015)
Health and welfare	-	-	95,099	(95,099)
Culture and recreation	-	-	41,258	(41,258)
Capital outlay	-	-	601,757	(601,757)
Total expenditures	<u>-</u>	<u>-</u>	<u>2,554,064</u>	<u>(2,554,064)</u>
Deficiency of revenues under expenditures	-	-	(1,385,132)	(1,385,132)
OTHER FINANCING SOURCES				
Proceeds from the sale of capital assets	-	-	1,306	(1,306)
Total other financing sources	<u>-</u>	<u>-</u>	<u>1,306</u>	<u>(1,306)</u>
Net change in fund balance	-	-	(1,383,826)	(1,386,438)
Fund balances, beginning of year	<u>949,545</u>	<u>949,545</u>	<u>949,545</u>	<u>-</u>
Fund balances (deficits), end of year	<u>\$ 949,545</u>	<u>\$ 949,545</u>	<u>\$ (434,281)</u>	<u>\$ (1,386,438)</u>

The accompanying notes are an integral part of these financial statements.

OCONEE COUNTY, SOUTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL CORONAVIRUS S&L FISCAL RECOVERY FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Intergovernmental	-	-	-	-
	-	-	-	-
EXPENDITURES				
Public safety	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances (deficits), end of year	\$ -	\$ -	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

OCONEE COUNTY, SOUTH CAROLINA

STATEMENT OF NET POSITION PROPRIETARY FUNDS JUNE 30, 2021

	<u>Rock Quarry</u>	<u>FOCUS</u>	<u>Totals</u>
ASSETS			
CURRENT ASSETS			
Cash	\$ 8,542,726	\$ 336,986	\$ 8,879,712
Investments	252,873	-	252,873
Accounts receivable, net of allowance	61,998	52,952	114,950
Inventories	455,403	-	455,403
Total current assets	<u>9,313,000</u>	<u>389,938</u>	<u>9,702,938</u>
NONCURRENT ASSETS			
Lease receivable	-	5,784,001	5,784,001
Capital assets:			
Nondepreciable	3,081,978	-	3,081,978
Depreciable, net of accumulated depreciation	9,602,243	-	9,602,243
Total noncurrent assets	<u>12,684,221</u>	<u>5,784,001</u>	<u>18,468,222</u>
Total assets	<u>21,997,221</u>	<u>6,173,939</u>	<u>28,171,160</u>
DEFERRED OUTFLOWS OF RESOURCES			
Other postemployment benefits	62,693	-	62,693
Pension - South Carolina Retirement System	679,364	-	679,364
Total deferred outflows of resources	<u>742,057</u>	<u>-</u>	<u>742,057</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	133,860	-	133,860
Accrued liabilities	87,330	-	87,330
Current portion - compensated absences	13,454	-	13,454
Current portion - capital lease payable	488,016	-	488,016
Total current liabilities	<u>722,660</u>	<u>-</u>	<u>722,660</u>
NONCURRENT LIABILITIES			
Compensated absences, net of current portion	35,880	-	35,880
Advances from other funds	-	6,173,939	6,173,939
Capital lease payable, net of current portion	4,704,146	-	4,704,146
Total other postemployment benefits liability	622,259	-	622,259
Net pension liability - South Carolina Retirement System	1,943,035	-	1,943,035
Total noncurrent liabilities	<u>7,305,320</u>	<u>6,173,939</u>	<u>13,479,259</u>
Total liabilities	<u>8,027,980</u>	<u>6,173,939</u>	<u>14,201,919</u>
DEFERRED INFLOWS OF RESOURCES			
Other postemployment benefits	43,708	-	43,708
Pension - South Carolina Retirement System	429,663	-	429,663
Total deferred inflows of resources	<u>473,371</u>	<u>-</u>	<u>473,371</u>
NET POSITION			
Net investment in capital assets	7,750,530	-	7,750,530
Unrestricted	6,487,397	-	6,487,397
Total net position	<u>\$ 14,237,927</u>	<u>\$ -</u>	<u>\$ 14,237,927</u>

The accompanying notes are an integral part of these financial statements.

OCONEE COUNTY, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Rock Quarry</u>	<u>FOCUS</u>	<u>Totals</u>
OPERATING REVENUES			
Charges for services:			
Outside customer sales	\$ 6,596,252	\$ -	\$ 6,596,252
Miscellaneous operating revenues	46,981	-	46,981
Total operating revenues	<u>6,643,233</u>	<u>-</u>	<u>6,643,233</u>
OPERATING EXPENSES			
Salaries and fringe benefits	1,266,211	-	1,266,211
Supplies	70,504	-	70,504
Electricity and natural gas	134,658	-	134,658
Petroleum, oil and lubricants	227,235	-	227,235
Machinery, equipment repairs and maintenance	814,258	-	814,258
Professional services	697,832	-	697,832
Miscellaneous	423,206	-	423,206
Depreciation and depletion	392,022	-	392,022
Total operating expenses	<u>4,025,926</u>	<u>-</u>	<u>4,025,926</u>
Operating income	<u>2,617,307</u>	<u>-</u>	<u>2,617,307</u>
NON-OPERATING INCOME (EXPENSE)			
Interest income	1,773	-	1,773
Interest expense	(232,179)	-	(232,179)
Gain on disposal of capital assets	20,000	-	20,000
Total non-operating expense, net	<u>(210,406)</u>	<u>-</u>	<u>(210,406)</u>
Income before transfers	<u>2,406,901</u>	<u>-</u>	<u>2,406,901</u>
TRANSFERS			
Transfers out	(750,000)	-	(750,000)
Total transfers	<u>(750,000)</u>	<u>-</u>	<u>(750,000)</u>
Change in net position	1,656,901	-	1,656,901
Net position, beginning of year	<u>12,581,026</u>	<u>-</u>	<u>12,581,026</u>
Net position, end of year	<u>\$ 14,237,927</u>	<u>\$ -</u>	<u>\$ 14,237,927</u>

The accompanying notes are an integral part of these financial statements.

OCONEE COUNTY, SOUTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Rock Quarry</u>	<u>FOCUS</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 6,644,832	\$ 20,986	\$ 6,665,818
Payments to suppliers	(2,151,785)	-	(2,151,785)
Payments to employees	(1,254,989)	-	(1,254,989)
Net cash provided by operating activities	<u>3,238,058</u>	<u>20,986</u>	<u>3,259,044</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers out	(750,000)	-	(750,000)
Net cash used in noncapital financing activities	<u>(750,000)</u>	<u>-</u>	<u>(750,000)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	(1,528,917)	-	(1,528,917)
Proceeds from the sale of capital assets	20,000	316,000	336,000
Principal paid on capital leases	(468,660)	-	(468,660)
Interest paid	(233,792)	-	(233,792)
Net cash provided by (used in) capital and related financing activities	<u>(2,211,369)</u>	<u>316,000</u>	<u>(1,895,369)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments	3,239	-	3,239
Interest received	1,773	-	1,773
Net cash provided by investing activities	<u>5,012</u>	<u>-</u>	<u>5,012</u>
Net change in cash and cash equivalents	281,701	336,986	618,687
Cash and cash equivalents:			
Beginning of year	<u>8,261,025</u>	<u>-</u>	<u>8,261,025</u>
End of year	<u>\$ 8,542,726</u>	<u>\$ 336,986</u>	<u>\$ 8,879,712</u>

(Continued)

OCONEE COUNTY, SOUTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Rock Quarry</u>	<u>FOCUS</u>	<u>Totals</u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	\$ 2,617,307	\$ -	\$ 2,617,307
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation and depletion	392,022	-	392,022
Changes in assets and liabilities:			
Decrease in accounts receivable	1,599	98,273	99,872
Decrease in inventories	259,528	-	259,528
Decrease in deferred outflows of resources	122,897	-	122,897
Increase in accounts payable	9,425	-	9,425
Increase in accrued liabilities	25,233	-	25,233
Increase in total other postemployment benefits liability	29,273	-	29,273
Decrease in compensated absences	(14,011)	-	(14,011)
Decrease in due to other funds	-	(77,287)	(77,287)
Decrease in net pension liability	(342,002)	-	(342,002)
Increase in deferred inflows of resources	136,787	-	136,787
Net cash provided by operating activities	<u>\$ 3,238,058</u>	<u>\$ 20,986</u>	<u>\$ 3,259,044</u>

The accompanying notes are an integral part of these financial statements.

OCONEE COUNTY, SOUTH CAROLINA

STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS JUNE 30, 2021

	Custodial Funds
ASSETS	
Cash	\$ 18,444,492
Taxes receivable	2,257,936
Total assets	20,702,428
LIABILITIES	
Due to others	18,228,806
Uncollected taxes	2,257,936
Total liabilities	20,486,742
NET POSITION	
Restricted for individuals, organizations, and other governments	215,686
Total net position	\$ 215,686

The accompanying notes are an integral part of these financial statements.

OCONEE COUNTY, SOUTH CAROLINA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS FOR THE YEAR ENDED JUNE 30, 2021

	Custodial Funds
ADDITIONS	
Investment earnings:	
Interest	\$ 26
Net investment earnings	26
Other:	
Taxes	130,215,519
Fine and fees	1,964,244
Criminal and civil bonds	989,746
Total additions	133,169,535
DEDUCTIONS	
Taxes and fees paid to other governments	130,772,450
Funds disbursed per court order	1,558,799
Other custodial funds disbursed	880,767
Total deductions	133,212,016
Change in net position	(42,481)
Net position, beginning of year, as restated	258,167
Net position, end of year	\$ 215,686

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

OCONEE COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Oconee County (the "County") operates under a council-administrator form of government. For financial statement purposes, the County has divided its operations into the functions of the general government, public safety, transportation, public works, culture and recreation, judicial services, education, health and welfare and economic development.

The primary government 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 more significant of the government's accounting policies are described below.

Reporting Entity

Oconee County, South Carolina - the primary government - is a political subdivision of the State of South Carolina. A five-member council elected from single-member districts governs it. These financial statements present all the fund types of the County. Component units may be presented by two different methods. Blended component units, although legally separate entities, are, in substance, part of the County's operations. Discretely presented component units are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the County. The component unit discussed below is included in the County's reporting entity because of the significance of their operational or financial relationship with the County.

The Keowee Fire Tax District (the "District") is a discretely presented component unit, which was established by Oconee County Ordinance 2003-12 in August 2003. The District is governed by five elected commissioners that serve staggered terms. The District is fiscally dependent upon the primary government in that the County approves the District's budget and the District's tax levy. Additionally, a financial benefit/burden relationship exists between the County and the District in that the County is obligated for the debts of the District. The District has a June 30 year-end. Separate financial statements for the District can be obtained from the District's administrative office at 115 Maintenance Road, Salem, SC 29676.

The County has no blended component units.

Basis of Presentation

The County's basic financial statements consist of government-wide statements, including a Statement of Net Position and a Statement of Activities and fund financial statements, which provide a more detailed level of financial information.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Government-wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the County as a primary government. These statements include the financial activities of the primary government, except for fiduciary funds and component units that are fiduciary in nature. For the most part, the effect of interfund activity has been removed from the statements. The statements distinguish between those activities of the County that are governmental and those that are considered business-type activities.

The Statement of Net Position presents the financial condition of the governmental and business-type activities for the County at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental activities and for the business-type activities of the County. Direct expenses are those that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the County, with certain limited exceptions. 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.

Fund Financial Statements

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

The County reports the following governmental fund types:

General Fund - The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Fund Financial Statements (Continued)

Special Revenue Funds - The special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted, committed or assigned to expenditures for specified purposes other than capital projects or debt service.

The County reports the following major Special Revenue Funds

The **Miscellaneous Special Revenue Fund** accounts for monies collected from various sources. Such monies are restricted for their specific purpose.

The **Coronavirus S&L Fiscal Recovery Fund** accounts for monies collected from the U.S. Department of Treasury for COVID-19 relief.

Capital Projects Funds - The capital projects funds are used to account for and report financial resources that are restricted, committed or assigned for the acquisition of capital assets or construction of major capital facilities.

The County reports the following major Capital Projects Funds:

The **Capital Projects Fund** is used to account for funds to be used for the acquisition of capital equipment or construction of major capital facilities.

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

Enterprise Funds - The enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business or where the Council has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

The County reports the following major enterprise funds:

The **Rock Quarry Fund** accounts for the activities of the County's rock quarry operations.

The **FOCUS Fund** accounts for the activities of the County's broadband operations.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Fund Financial Statements (Continued)

Fiduciary Funds - Fiduciary fund reporting focuses on net position and changes in net position. The County's fiduciary fund category includes custodial funds for education, clerk of court, family court, property taxes, magistrates and others.

Measurement Focus and Basis of Accounting

Government-wide Financial Statements

The government-wide financial statements are reported using the economic resources management focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. All assets and liabilities associated with the operation of the County are included on the statement of net position.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's enterprise funds functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include: (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when 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. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded when payment is due.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued)

Fund Financial Statements (Continued)

With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared.

Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify funds.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the County finances and meets the cash flow needs of its proprietary activities.

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 the County enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Custodial funds are also accounted for on a flow of economic resources measurement focus.

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue and in the presentation of expenses versus expenditures.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued)

Revenue - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the County, available means expected to be received within 60 days of fiscal year-end.

Non-exchange transactions, in which the County receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlement and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the County must provide local resources to be used for a specified purpose and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: delinquent taxes, sales tax, grants, interest, and fees and charges for services.

Unearned Revenue

The County reports unearned revenue on its statement of net position and governmental funds balance sheet. In both the government-wide and governmental fund statements, resources received that are "intended to finance" a future period are reported as unearned revenue. In subsequent periods, the liability for unearned revenue is removed from the statement of net position and governmental funds balance sheet and revenue is recognized.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued)

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration. Encumbrances outstanding at year-end are reported as assigned fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year. The assigned fund balance for subsequent year's budget totaled \$4,123,133 for the year ended June 30, 2021.

Assets, Liabilities and Net Position or Equity

Cash and Investments

Cash includes demand deposits as well as cash equivalents and short-term investments with a maturity date within three months of the date acquired by the County.

Investments with a readily determined fair value are stated at fair value, which approximates cost. State statutes authorize the County to invest in obligations of the United States and its agencies, general obligations (not revenue obligations) of the State of South Carolina and its political subdivisions, savings and loan associations to the extent of federal insurance, certificates of deposits collaterally secured, repurchase agreements secured by the foregoing obligations, and the South Carolina Local Government Investment Pool (LGIP). The LGIP is an investment mechanism authorized by the South Carolina State Legislature and is not registered with the SEC as an investment company. There is no regulatory oversight of the pool. The pool's primary objective is to acquire maximum returns on investments by pooling available funds with funds from other political subdivisions. The total fair value of the investment 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. Investments in the pool are stated at fair value, which approximates cost. The County's investments in mutual funds are reported at fair value based on quoted market prices. The remaining investments of the County are reported at fair value.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Position or Equity (Continued)

Receivables

All trade and property taxes receivable are shown net of an allowance for uncollectibles.

Intergovernmental Receivable

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

Inventories and Prepaid Assets

The County's inventories consist of consumable supplies and processed rock. The inventory valuation methods used approximate cost based on the average cost method. The costs of inventories are recorded as expenditures when consumed rather than when purchased or produced.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. Prepaid items are accounted for using the consumption method.

Capital Assets

Capital assets, which include property, equipment, and infrastructure assets (e.g., roads, bridges and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of two years.

Such assets are recorded at historical cost or estimated historical cost, if purchased or constructed. Donated capital assets are recorded at acquisition value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as the projects are constructed. Interest incurred during the construction phase of proprietary capital assets is included as part of the capitalized value of the assets constructed.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Position or Equity (Continued)

Capital Assets (Continued)

All reported capital assets except land and site preparation are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Assets</u>	<u>Years</u>
Infrastructure	25 - 45
Buildings and improvements	15 - 40
Equipment and vehicles	2 - 25

Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. No liability is reported for unpaid accumulated sick leave. Vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Deferred Inflows/Outflows of Resources

In addition to assets, the Statement of Net Position reports a separate section for *deferred outflows of resources*. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has six (6) items that qualify for reporting in this category. These six (6) items relate to the County's pension and other postemployment benefits (OPEB) plans and are reported in the government-wide and proprietary fund Statements of Net Position. (1) Experience gains result from periodic studies by the County's actuary, which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains are recorded as deferred outflows of resources and are amortized into pension expense over the expected remaining service lives of the plan members. (2) Changes in actuarial assumptions adjust the net pension liability and total OPEB liability and are amortized into pension and OPEB expense over the expected remaining service lives of plan members. (3) The differences between projected investment return on pension investments and actual return on those investments are deferred and amortized against pension expense over a five-year period.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Position or Equity (Continued)

Deferred Inflows/Outflows of Resources (Continued)

(4) The changes in the County's proportionate share of the collective net pension liability and differences between actual employer contributions and proportionate share of the total plan employer contributions are specific to cost-sharing multiple employer defined benefit pension plans and represent the current period amortized portions of these deferred outflows. (5) Any contributions made by the County to the pension plan before year-end but subsequent to the measurement date of the County's net pension liability are reported as deferred outflows of resources. (6) Any contributions made by the County to the OPEB plan before year-end but subsequent to the measurement date of the County's total OPEB liability are reported as deferred outflows of resources.

In addition to liabilities, the Statement of Net Position and the Governmental Funds Balance Sheet reports a separate section for *deferred inflows of resources*. This separate financial statement element represents an acquisition of fund balance or net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has seven (7) types of items that qualify for reporting in this category, four of which arise only under a modified accrual basis of accounting. Accordingly, the items, *unavailable revenue*, are reported only in the Governmental Funds Balance Sheet. The governmental funds report unavailable revenues from (1) property taxes, (2) seized property, (3) intergovernmental grant revenues, and (4) forfeited land commission and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. The other items relate to the County's pension and OPEB plans and are reported in the government-wide and proprietary fund Statements of Net Position. (5) Certain experience losses (discussed on the previous page) are deferred and amortized against expense over a five-year period, resulting in recognition as deferred inflows of resources. (6) Additionally, the changes in the County's proportionate share of the collective net pension liability and differences between actual employer contributions and proportionate share of the total plan employer contributions (discussed in the previous paragraph) are specific to cost-sharing multiple employer defined benefit pension plans and represent the current period amortized portions of these deferred inflows. (7) Finally, changes in actuarial assumptions (discussed in the previous paragraph) adjust the total OPEB liability and are amortized against OPEB expense over the expected remaining service lives of plan members.

Interfund Transactions

Transactions among the County's funds that would be treated as revenues and expenditures or expenses if they involved organizations external to County government are accounted for as revenues and expenditures or expenses in the funds involved.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Position or Equity (Continued)

Interfund Transactions (Continued)

Transactions, which constitute reimbursements to a fund for expenditures initially made from it, which are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the reimbursed fund.

Transactions, which constitute the transfer of resources from a fund receiving revenues to a fund through which the revenues are to be expended, are separately reported in the respective fund's operating statements.

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

Noncurrent portions of long-term interfund loan receivables are reported as advances within the governmental and proprietary funds and are reported as nonspendable fund balance in the governmental funds.

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the lives of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when incurred. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Fund Equity

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Position or Equity (Continued)

Fund Equity (Continued)

Nonspendable - This classification includes amounts that cannot be spent because they are either a) not in spendable form or b) are legally or contractually required to be maintained intact. The County has classified assets held for development, inventories, prepaid items, and long-term portions of receivables and advances as being nonspendable as these items are not expected to be converted to cash or are not expected to be converted to cash within the next current fiscal year.

Restricted - This classification includes amounts for which constraints have been placed on the use of the resources through being either a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation.

Committed - This classification includes amounts that can only be used for specific purposes pursuant to constraints determined by a formal action of the government's highest level of decision-making authority, the County Council, through passage of an ordinance. These amounts cannot be used for any other purpose unless the County Council removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned - This classification includes amounts that are constrained by the County's intent to be used for a specific purpose but are neither restricted nor committed. Through resolution, this intent can be expressed by the County Council or by an official or body to which the County Council delegates authority. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.

Unassigned - This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balances of any other governmental fund that cannot be eliminated by the offsetting of assigned fund balance amounts.

The County would typically use restricted fund balances first, followed by committed resources and the assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Position or Equity (Continued)

Fund Equity (Continued)

County Council has established a policy to maintain a General Fund unassigned fund balance between 25% and 30% of regular budgeted General Fund expenditures for the subsequent year. At June 30, 2021, the County did not attain the minimum fund balance due to the fiscal years 2012 through 2018 shortfall attributable to the long-term advances to the FOCUS fund and amounts assigned for the subsequent year's budget.

Proprietary fund equity is classified the same as in the government-wide statements.

Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

Restricted Resources

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, and then unrestricted resources as needed, but County Council reserves the right to selectively spend unrestricted resources first and to defer the use of the restricted funds.

Use of Estimates

The financial statements include estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenditures/expenses. Actual results could differ from these estimates.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

County Council adopts annual budgets for General Fund, Miscellaneous Special Revenue, Coronavirus S&L Fiscal Recovery, Economic Development, Emergency Services Protection District, Road Maintenance, 911 Communications, Sheriff's Victims' Assistance, Solicitor's Victims' Assistance, Tri-County Tech, Debt Service, Capital Vehicle and Equipment, and Bridges and Culverts Capital Project Funds revenue and expenditures prior to the beginning of each fiscal year. The adopted budgets specify expenditure limits appropriated to each County department. The County Administrator can approve transfers within departments. County Council must approve transfers between departments or funds. The budgets are prepared on a consistent basis of accounting with actual financial statement results, including significant accruals, to provide meaningful comparisons. The other special revenue funds are budgeted as grants are awarded and are budgeted on a project basis; therefore, some grants span several years. The other capital projects funds are budgeted on a project basis and some projects span several years.

Excess of Expenditures Over Appropriations

For the year ended June 30, 2021, expenditures exceeded appropriations as follows:

Fund	Excess
General Fund	
Non-departmental expenditures	\$ 1,476,940
Registration and elections	19,609
Sheriff's department	10,356
County airport	1,675
Solid waste	369,367
Miscellaneous Special Revenue Fund	
General government	28,562
Public safety	1,700,151
Public works	79,222
Transportation	8,015
Health and welfare	95,099
Culture and recreation	41,258
Capital outlay	601,757
Economic Development Fund	
Capital outlay	636,919
Bridges and Culverts Capital Projects Fund	
Capital outlay	41,910
Sheriff's Victims Assistance	
Public safety	416
Tri-County Tech Fund	
Education	41,262
Debt Service Fund	
Principal	735,000

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. CASH AND INVESTMENTS

Total deposits and investments at June 30, 2021, are summarized below:

As reported in the *Statement of Net Position*:

Primary government	
Cash and cash equivalents	\$ 51,344,448
Investments	7,606,968
Custodial Fund - cash and cash equivalents	18,444,492
	<u>\$ 77,395,908</u>
Cash deposited with financial institutions	\$ 37,851,861
SC Local Government Investment Pool	31,937,079
Certificates of deposit	6,611,728
U.S. Agency securities	995,240
	<u>\$ 77,395,908</u>

Custodial credit risk – Cash. This is the risk that in the event of bank failure, the County's deposits may not be returned to it. The County's policy regarding cash custodial credit risk is to require the banks with which the County maintains deposits to collateralize or insure the County's funds. As of June 30, 2021, the carrying amount of the County's deposits was \$77,395,908 and the bank balance was \$78,548,564. All of the County's deposits at year-end were covered by federal depository insurance or by collateral held in the pledging financial institutions' trust departments in the County's name. Petty cash funds of \$9,960 are reflected as cash.

As of June 30, 2021, the County has the following investments:

Investment Type	Fair Value	Investment Maturities (in years)		
		Less than 1	1-5	6-10
SC Local Government Investment Pool	\$ 31,937,079	\$ 31,937,079	\$ -	\$ -
Certificates of deposit	6,611,728	1,127,954	3,516,211	1,967,563
U.S. Agency securities	995,240	-	-	995,240
	<u>\$ 39,544,047</u>	<u>\$ 33,065,033</u>	<u>\$ 3,516,211</u>	<u>\$ 2,962,803</u>

Fair Value Measurements. The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. CASH AND INVESTMENTS (CONTINUED)

The County has the following recurring fair value measurements as of June 30, 2021.

Investment	Level 1	Level 2	Level 3	Fair Value
Investments by Fair Value Level				
U.S. Agency securities	\$ -	\$ 995,240	\$ -	\$ 995,240
Total investments by fair value level	<u>\$ -</u>	<u>\$ 995,240</u>	<u>\$ -</u>	<u>\$ 995,240</u>

The investment in U.S. Agencies classified as Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The County has no investments classified in Level 1 or Level 3 of the fair value hierarchy.

The LGIP is an investment pool, which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. As a result, the County does not disclose investment in the LGIP within the fair value hierarchy.

Credit risk. This is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County's policy is to invest in only those securities allowed by state statutes and that are highly rated. The County's investments in the U.S. Government Agencies, including the Federal Farm Credit Banks (FFCB), were rated AA+ by Standard & Poor's and AAA by Moody's Investor Services. As of June 30, 2021, the County owned \$995,240 of government sponsored entity (GSE) debt securities. The investments are either directly or indirectly guaranteed by the U.S. Treasury. The County is invested in certificates of deposit with varying maturity dates and the LGIP. The County's certificates of deposit are properly collateralized for those deposits that are in excess of federal depository insurance. The LGIP is not rated, but generally, investments in this pool are collateralized by debt securities in corporate obligations, state or political subdivision obligations of investment grade or higher quality and in federal agency securities.

Interest Rate Risk. This is the risk that the fair value of securities in the portfolio will fall due to changes in the market interest rates. The County's policy is to minimize interest rate risk by investing operating funds in primarily shorter-term securities, money market funds or similar investment pools and limiting the average maturity in accordance with the County's cash requirements.

Concentration of credit risk. This is the risk of loss attributable to the magnitude of the County's investment in a single issuer. The County's policy is to minimize the concentration of credit risk by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized, although there is no formal limit on the amount the County may invest in any one issuer.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. CASH AND INVESTMENTS (CONTINUED)

Custodial credit risk. This is the risk that, in the event of a failure of the counterparty, the County may not be able to recover the value of investments or collateral securities that are in possession of an outside party. The County's policy is to minimize custodial credit risk by limiting investments to the types of securities allowed by law and pre-qualifying the financial institutions, broker/dealer, intermediaries and advisors with which the County will do business.

NOTE 4. RECEIVABLES AND PROPERTY TAXES

Property taxes are levied on the assessed value of real and personal property, excluding automobiles, as of December 31 of the calendar year preceding the fiscal year. The levy date for automobiles is the first day of the month in which the vehicle license expires and the tax is due by the end of the same month. Liens attach to the property at the time taxes are levied. Taxes are due without penalty, for real and personal property excluding automobiles, through January 15. After that time, penalties are added depending on the date paid as follows:

January 16 through February 1	3% of tax
February 2 through March 16	10% of tax
March 17 and thereafter	15% of tax plus cost

Property tax revenues are recognized when due or past due and collectible within the current period or soon enough thereafter (defined as 60 days) to pay liabilities of the current period. The County bills and collects its own property taxes and collects taxes for the Keowee Key Fire District and the Oconee County School District. Collections of the County taxes and remittance of them to the Districts are accounted for in the agency funds. Also, the County collects taxes for surrounding municipalities. Unavailable property tax revenue represents that portion of property taxes which is deemed not available to pay current expenditures.

Receivables related to governmental activities as of June 30, 2021, including the applicable allowances for uncollectible accounts, are as follows:

	General	Miscellaneous Special Revenue	Capital Projects	Nonmajor Governmental	Total
Taxes receivable	\$ 916,628	\$ -	\$ -	\$ 220,921	\$ 1,137,549
Accounts receivable	503,014	-	-	151,744	654,758
Due from other governments	1,092,465	1,829,055	956,668	721,691	4,599,879
Less: Allowance	(107,865)	-	-	(4,377)	(112,242)
Net receivables	<u>\$ 2,404,242</u>	<u>\$ 1,829,055</u>	<u>\$ 956,668</u>	<u>\$ 1,089,979</u>	<u>\$ 6,279,944</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4. RECEIVABLES AND PROPERTY TAXES (CONTINUED)

Receivables related to business-type activities as of June 30, 2021, including the applicable allowances for uncollectible accounts, are as follows:

	<u>Rock Quarry</u>	<u>FOCUS</u>	<u>Total</u>
Accounts receivable	\$ 111,411	\$ 52,952	\$ 164,363
Less: Allowance	<u>(49,413)</u>	<u>-</u>	<u>(49,413)</u>
Net receivables	<u><u>\$ 61,998</u></u>	<u><u>\$ 52,952</u></u>	<u><u>\$ 114,950</u></u>

NOTE 5. LEASE RECEIVABLE

During 2017, the County entered into a lease agreement as lessor to lease the assets of the FOCUS Fund, including infrastructure and equipment. This agreement qualifies as a capital lease for accounting purposes and, therefore has been recorded at the present value of the future minimum lease payments as of the date of inception. Further, this lease qualifies as a sales-type capital lease. Annual installments are to be made through the County's fiscal year ended 2036. The agreement does not include a provision for interest. The agreement resulted in no unguaranteed residual value accruing to the County. Additionally, there is no related liability to the County as a result of the agreement and no contingent rentals for the year ended June 30, 2021. The lessee is currently in negotiations to sell the lease to another party. As of June 30, 2021, the County anticipates the unpaid balance to remain unchanged with the anticipated sale.

The following is a schedule of the future minimum lease payments under the capital lease, and the present value of the net minimum lease payments at June 30, 2021.

Year Ending June 30,	<u>Total Minimum Lease Payments</u>
2022	\$ 948,000
2023	316,000
2024	316,000
2025	4,104,000
2026	10,000
2027 - 2031	50,000
2032 - 2036	40,001
	<u><u>\$ 5,784,001</u></u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS

Capital asset activity for the County's governmental activities for the year ended June 30, 2021, was as follows:

	Balance June 30, 2020	Additions	Deletions	Transfers	Balance June 30, 2021
Governmental activities					
Capital assets not being depreciated					
Land	\$ 5,334,304	\$ -	\$ -	\$ 191,790	\$ 5,526,094
Other costs	36,970,428	-	-	341,399	37,311,827
Construction in progress	8,693,925	3,887,520	-	(3,676,939)	8,904,506
Total capital assets not being depreciated	50,998,657	3,887,520	-	(3,143,750)	51,742,427
Capital assets being depreciated					
Buildings and improvements	74,585,626	-	-	1,018,815	75,604,441
Equipment and vehicles	50,720,120	3,333,432	(1,322,779)	-	52,730,773
Infrastructure	84,521,997	-	(102,192)	2,124,935	86,544,740
Other	93,595	-	-	-	93,595
Total capital assets being depreciated	209,921,338	3,333,432	(1,424,971)	3,143,750	214,973,549
Less accumulated depreciation					
Buildings and improvements	(29,378,722)	(1,928,332)	-	-	(31,307,054)
Equipment and vehicles	(41,528,504)	(2,474,396)	1,304,311	-	(42,698,589)
Infrastructure	(63,277,984)	(2,124,194)	81,804	-	(65,320,374)
Other	(61,505)	(2,469)	-	-	(63,974)
Total accumulated depreciation	(134,246,715)	(6,529,391)	1,386,115	-	(139,389,991)
Total capital assets being depreciated, net	75,674,623	(3,195,959)	(38,856)	3,143,750	75,583,558
Governmental activities capital assets, net	\$ 126,673,280	\$ 691,561	\$ (38,856)	\$ -	\$ 127,325,985

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to functions as follows:

General Government	\$ 546,234
Public Safety	2,062,232
Transportation	2,345,006
Public Works	299,812
Culture and Recreation	363,679
Judicial Services	324,595
Health and Welfare	129,573
Economic Development	458,260
Total Governmental Activities Depreciation Expense	<u>\$ 6,529,391</u>

Capital asset activity for the County's business-type activities for the year ended June 30, 2021, was as follows:

	Balance June 30, 2020	Additions	Deletions	Transfers	Balance June 30, 2021
Business-type activities					
Capital assets not being depreciated					
Land	\$ 2,680,918	\$ 401,060	\$ -	\$ -	\$ 3,081,978
Construction in progress	5,584,601	521,370	-	(6,105,971)	-
Total capital assets not being depreciated	<u>8,265,519</u>	<u>922,430</u>	<u>-</u>	<u>(6,105,971)</u>	<u>3,081,978</u>
Capital assets being depreciated					
Buildings and improvements	544,786	-	-	-	544,786
Equipment and vehicles	9,188,834	606,487	(327,456)	6,105,971	15,573,836
Mineral interests	529,934	-	-	-	529,934
Total capital assets being depreciated	<u>10,263,554</u>	<u>606,487</u>	<u>(327,456)</u>	<u>6,105,971</u>	<u>16,648,556</u>
Less accumulated depreciation					
Buildings and improvements	(450,270)	(26,316)	-	-	(476,586)
Equipment and vehicles	(6,249,229)	(358,824)	327,456	-	(6,280,597)
Mineral interests	(282,248)	(6,882)	-	-	(289,130)
Total accumulated depreciation	<u>(6,981,747)</u>	<u>(392,022)</u>	<u>327,456</u>	<u>-</u>	<u>(7,046,313)</u>
Total capital assets being depreciated, net	<u>3,281,807</u>	<u>214,465</u>	<u>-</u>	<u>6,105,971</u>	<u>9,602,243</u>
Business-type activities capital assets, net	<u>\$ 11,547,326</u>	<u>\$ 1,136,895</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,684,221</u>

Depreciation expense of \$392,022 was charged solely to the Rock Quarry Fund as the FOCUS Fund does not hold any capital assets.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7. LONG-TERM LIABILITIES

	Balance			Balance	Due Within
	June 30, 2020	Additions	Reductions	June 30, 2021	One Year
Governmental activities					
General obligation bonds	\$ 13,009,712	\$ -	\$ (1,415,036)	\$ 11,594,676	\$ 1,334,151
General obligation bond premiums	12,773	-	(2,640)	10,133	-
Total general obligation bonds	13,022,485	-	(1,417,676)	11,604,809	1,334,151
Capital lease obligations	3,299,813	3,290,347	(1,330,687)	5,259,473	650,222
Special source refunding revenue bonds	1,476,000	-	(278,000)	1,198,000	289,000
Post-closure care costs	2,760,770	28,955	(383,316)	2,406,409	120,320
Annual leave	1,588,416	494,820	(452,098)	1,631,138	520,740
Net pension liability	51,251,282	10,141,966	(13,322,553)	48,070,695	-
Total other postemployment benefit liability	10,541,983	1,031,044	(510,650)	11,062,377	-
	<u>\$ 83,940,749</u>	<u>\$ 14,987,132</u>	<u>\$ (17,694,980)</u>	<u>\$ 81,232,901</u>	<u>\$ 2,914,433</u>
Business-type activities					
Annual leave	\$ 63,345	\$ 9,648	\$ (23,659)	\$ 49,334	\$ 13,454
Capital lease obligations	5,660,822	-	(468,660)	5,192,162	488,016
Net pension liability	2,285,037	336,165	(678,167)	1,943,035	-
Total other postemployment benefit liability	592,986	57,996	(28,723)	622,259	-
	<u>\$ 8,602,190</u>	<u>\$ 403,809</u>	<u>\$ (1,199,209)</u>	<u>\$ 7,806,790</u>	<u>\$ 501,470</u>

The General Fund has typically been used in prior years to liquidate the liability for compensated absences and the total other postemployment benefit liability for all governmental funds.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7. LONG-TERM LIABILITIES (CONTINUED)

General Obligation Bonds: During the year ended June 30, 2019, the County issued series 2019 general obligation bonds in the amount of \$511,500. The bond proceeds were used to: (1) defray the costs of acquisition of a rescue pumper fire truck for the Keowee Fire Tax District and (2) pay the costs of issuance of the 2019 bonds. General obligation bonds outstanding at June 30, 2021, are as follows:

<u>Purpose</u>	<u>Interest Rate</u>	<u>Term</u>	<u>Due Date</u>	<u>Original Amount</u>	<u>Outstanding Amount</u>
2019 General Obligation Bonds	2.51%	10 years	2029	<u>\$ 511,500</u>	<u>\$ 418,401</u>

During the year ended June 30, 2018, the County issued series 2017 general obligation-refunding bonds in the amount of \$513,595. The bond proceeds were used to: (1) refund outstanding principal of the series 2007 Keowee Fire bonds and (2) pay the costs of issuance of the 2017 bonds. The refunding transaction resulted in a decrease in total debt service payments over the next 5 years by approximately \$20,000 and resulted in an economic gain of approximately \$19,000. General obligation refunding bonds outstanding at June 30, 2021, are as follows:

<u>Purpose</u>	<u>Interest Rate</u>	<u>Term</u>	<u>Due Date</u>	<u>Original Amount</u>	<u>Outstanding Amount</u>
2017 General Obligation Refunding Bonds	1.88%	5 years	2022	<u>\$ 513,595</u>	<u>\$ 105,275</u>

During the year ended June 30, 2013, the County issued taxable series 2013 general obligation bonds in the amount of \$2,600,000. The bond proceeds were used to: (1) defray all or a portion of the costs of design, acquisition, construction, and installation, as applicable, of improvements and infrastructure serving the Echo Hills Commerce Park and (2) pay the costs to issue the 2013 series general obligation bonds. General obligation bonds outstanding at June 30, 2021, are as follows:

<u>Purpose</u>	<u>Interest Rate</u>	<u>Term</u>	<u>Due Date</u>	<u>Original Amount</u>	<u>Outstanding Amount</u>
2013 General Obligation Bonds	3 - 3.6 %	15 years	2028	<u>\$ 2,600,000</u>	\$ 1,365,000
		Plus unamortized premium			<u>10,133</u>
					<u>\$ 1,375,133</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7. LONG-TERM LIABILITIES (CONTINUED)

General Obligation Bonds (Continued)

During the year ended June 30, 2017, the County issued series 2016B general obligation bonds in the amount of \$3,300,000. The bond proceeds were used to defray the costs of land preparation (including grading), infrastructure costs (including roads, curbs, drainage and storm water facilities, intersection improvements, and internal utilities), civil design, and site work relating to the Oconee County Workforce Development Center. General obligation bonds outstanding at June 30, 2021, are as follows:

<u>Purpose</u>	<u>Interest Rate</u>	<u>Term</u>	<u>Due Date</u>	<u>Original Amount</u>	<u>Outstanding Amount</u>
2016B General Obligation Bonds	1.7%	10 years	2026	<u>\$ 3,300,000</u>	<u>\$ 1,896,000</u>

During the year ended June 30, 2020, the County issued series 2020 general obligation-refunding bonds in the amount of \$8,000,000. The bond proceeds were used to: (1) refund outstanding principal of the series 2011 general obligation bonds, (2) acquiring, constructing, equipping, or rehabilitating various capital projects including a fire engine and related equipment, and (3) pay the costs of issuance of the 2020 bonds. The refunding transaction resulted in a decrease in total debt service payments over the next 10 years by approximately \$790,000 and resulted in an economic gain of approximately \$773,000. General obligation refunding bonds outstanding at June 30, 2021, are as follows:

<u>Purpose</u>	<u>Interest Rate</u>	<u>Term</u>	<u>Due Date</u>	<u>Original Amount</u>	<u>Outstanding Amount</u>
2020 General Obligation Refunding Bonds	1.49%	11 years	2031	<u>\$ 8,000,000</u>	<u>\$ 7,810,000</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7. LONG-TERM LIABILITIES (CONTINUED)

General Obligation Bonds (Continued)

The annual requirements to amortize all general obligation bonds as of June 30, 2021, including interest payments, are as follows:

Year Ending June 30,	General Obligation Bonds		
	Principal	Interest	Total
2022	\$ 1,334,151	\$ 206,912	\$ 1,541,063
2023	1,352,078	182,723	1,534,801
2024	1,379,310	158,215	1,537,525
2025	1,402,573	133,106	1,535,679
2026	1,429,867	107,536	1,537,403
2027-2031	4,696,697	216,908	4,913,605
	<u>\$ 11,594,676</u>	<u>\$ 1,005,400</u>	<u>\$ 12,600,076</u>

Debt service funds of \$2,107,893 are available to service the general obligation bonds.

The general obligation bonds are secured by a pledge of the full faith, credit and taxing power of the County.

There are a number of limitations and restrictions contained in the various debt instruments. The County is in compliance with all significant limitations and restrictions including the legal debt limit imposed by Article X, Section 15 of the Constitution of the State of South Carolina, 1895, as amended.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7. LONG-TERM LIABILITIES (CONTINUED)

Capital Leases

The County has entered into lease agreements as lessee for financing the acquisition of equipment. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

Governmental Activities

The following is an analysis of equipment leased under capital leases as of June 30, 2021:

Machinery and Equipment and Construction in Progress	\$ 2,397,504
Less: Accumulated Depreciation	(75,481)
	<u>\$ 2,322,023</u>

The County recognized depreciation expense on assets under capital lease in the amount of \$38,913 for the year ended June 30, 2021.

The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at June 30, 2021:

Fiscal Year Ending June 30,	Governmental Funds
2022	\$ 736,542
2023	742,574
2024	746,727
2025	703,820
2026	242,224
Thereafter	2,633,518
Total Minimum Lease Payments	5,805,405
Less: Amount Representing Interest	(545,932)
	<u>\$ 5,259,473</u>

Business-type Activities

The following is an analysis of equipment leased under capital leases as of June 30, 2021:

Machinery and Equipment and Construction in Progress	\$ 6,694,371
Less: Accumulated Depreciation	(289,126)
	<u>\$ 6,405,245</u>

The County recognized depreciation expense on assets under capital lease in the amount of \$241,086 for the year ended June 30, 2021.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7. LONG-TERM LIABILITIES (CONTINUED)

Capital Leases (Continued)

Business-type Activities (Continued)

The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at June 30, 2021:

Fiscal Year Ending June 30,	Business-type Activities
2022	\$ 702,452
2023	702,452
2024	702,452
2025	702,452
2026	702,452
2027-2030	2,809,808
Total Minimum Lease Payments	6,322,068
Less: Amount Representing Interest	(1,129,906)
	<u>\$ 5,192,162</u>

Special Source Refunding Revenue Bonds

During 2014, the County issued special source refunding revenue bonds in the amount of \$2,933,000 to redeem the 2010 series special source revenue bonds, which were issued to finance the Pointe West project. These bonds are limited obligations of the County and are payable solely from the fee in lieu of tax revenues. The bonds are payable in annual installments through 2025 and have an annual interest rate of 2.85%. The refunding transaction resulted in an economic gain of \$223,847 and a difference in debt service required between the refunded bonds and the refunding bonds of \$263,876.

Annual debt service requirements to maturity for the special source revenue bonds are as follows:

Year Ending June 30,	Special Source Refunding Revenue Bonds		
	Principal	Interest	Total
2022	\$ 289,000	\$ 34,143	\$ 323,143
2023	294,000	25,907	319,907
2024	303,000	17,528	320,528
2025	312,000	8,892	320,892
	<u>\$ 1,198,000</u>	<u>\$ 86,470</u>	<u>\$ 1,284,470</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. LANDFILL CLOSURE AND POST-CLOSURE CARE COSTS

Federal and state laws require the County to place a final cover on their landfills when closed and perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. The County has recorded a liability in the government-wide statement of net position for the total estimated closure and post-closure care costs for the portion of the landfills filled at June 30, 2021, calculated as follows:

	MSW	C&D I	C&D II	Total
Total estimated current closure and post-closure care cost	\$ 1,525,074	\$ 878,900	\$ 1,000,670	
Percentage of landfill capacity used to date	100%	98%	2%	
Reported liability for closure and post-closure care cost	<u>\$ 1,525,074</u>	<u>\$ 861,322</u>	<u>\$ 20,013</u>	<u>\$ 2,406,409</u>
Total estimated current closure and post-closure care cost remaining to be recognized	<u>\$ -</u>	<u>\$ 17,578</u>	<u>\$ 980,657</u>	
Landfill's approximate remaining life in years	<u>-</u>	<u>1</u>	<u>32</u>	

The County will recognize the remaining estimated cost of closure and post-closure care costs as the remaining capacity is filled.

The estimated total current cost of the landfill closure and post-closure care is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfills were acquired as of June 30, 2021. However, the actual cost of closure and post-closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9. RETIREMENT PLAN

Overview:

The South Carolina Public Employee Benefit Authority (PEBA), created July 1, 2012, is the state agency responsible for the administration and management of the various Retirement Systems and retirement programs of the state of South Carolina, including the State Optional Retirement Program 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' five defined benefit pension plans. PEBA has an 11-member Board of Directors, 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 generally accepted accounting principles (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. PEBA issues an Annual Comprehensive Financial Report (ACFR) containing financial statements and required supplementary information for the South Carolina Retirement System's Pension Trust Funds. The ACFR is publically available through the Retirement Benefits' link on PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is considered a division of the primary government of the state of South Carolina and therefore, retirement trust fund financial information is also included in the comprehensive annual financial report of the state.

Plan Description:

The South Carolina Retirement System (SCRS), a cost-sharing multiple-employer defined benefit pension plan, was established 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. SCRS covers employees of state agencies, public school districts, higher education institutions, other participating local subdivisions of government and individuals newly elected to the South Carolina General Assembly at or after the 2012 general election.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9. RETIREMENT PLAN (CONTINUED)

Plan Description (Continued):

The South Carolina Police Officers Retirement System (PORS), a cost-sharing multiple-employer defined benefit pension plan, was established 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. PORS also covers peace officers, coroners, probate judges and magistrates.

Membership:

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

South Carolina Retirement System

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

South Carolina Police Officers Retirement System.

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

Benefits:

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9. RETIREMENT PLAN (CONTINUED)

Benefits (Continued):

South Carolina Retirement System (Continued).

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

South Carolina Police Officers Retirement System.

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.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9. RETIREMENT PLAN (CONTINUED)

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, SCRS and PORS 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. Legislation in 2017 increased, but also established a ceiling for 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 SCRS and 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. However, the General Assembly postponed the one percent increase in the SCRS and PORS employer contribution rates that was schedule to go into effect beginning July 1, 2020. If the schedule contributions are not sufficient to meet the funding periods set in state statute, the board shall increase the employer contribution rates as necessary to meet the funding periods set for the applicable year. The maximum funding period of SCRS and PORS is scheduled to be reduced over a ten-year schedule from 30 years beginning fiscal year 2018 to 20 years by fiscal year 2028.

Additionally, the Board is prohibited from decreasing the SCRS and PORS contribution rates until the funded ratio is at least 85 percent. If the most recent annual actuarial valuation of the Systems for funding purposes shows a ratio of the actuarial value of system assets to the actuarial accrued liability of the system (the funded ratio) that is equal to or greater than 85 percent, then the Board, effective on the following July first, may decrease the then current contribution rates upon making a finding that the decrease will not result in a funded ratio of less than 85 percent. If contribution rates are decreased pursuant to this provision, and the most recent annual actuarial valuation of the system shows a funded ratio of less than 85 percent, then effective on the following July first, and annually thereafter as necessary, the Board shall increase the then current contribution rates until a subsequent annual actuarial valuation of the system shows a funded ratio that is equal to or greater than 85 percent. For the year ended June 30, 2021, the County contributed \$2,044,959 to the SCRS plan and \$1,697,791 to the PORS plan.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9. RETIREMENT PLAN (CONTINUED)

Contributions (Continued):

Required employee contribution rates for the year ended June 30, 2021, are as follows:

South Carolina Retirement System

Employee Class Two	9.00% of earnable compensation
Employee Class Three	9.00% of earnable compensation

South Carolina Police Officers Retirement System

Employee Class Two	9.75% of earnable compensation
Employee Class Three	9.75% of earnable compensation

Required employer contribution rates for the year ended June 30, 2021, are as follows:

South Carolina Retirement System

Employee Class Two	15.41% of earnable compensation
Employee Class Three	15.41% of earnable compensation
Employer incidental death benefit	0.15% of earnable compensation

South Carolina Police Officers Retirement System

Employee Class Two	17.84% of earnable compensation
Employee Class Three	17.84% of earnable compensation
Employer incidental death benefit	0.20% of earnable compensation
Employer accidental death program	0.20% of earnable compensation

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9. RETIREMENT PLAN (CONTINUED)

Net Pension Liability:

The June 30, 2020 (the measurement date) total pension liability, net pension liability, and sensitivity information were determined by the consulting actuary, Gabriel, Roeder, Smith and Company (GRS) and are based on the July 1, 2019, actuarial valuations, as adopted by the PEBA Board and Budget and Control Board, which utilized membership data as of July 1, 2019. The total pension liability was rolled-forward from the valuation date to the plan's fiscal year ended June 30, 2020, using generally accepted actuarial principles. Information included in the following schedules is based on the certification provided by GRS. The net pension liability is calculated separately for each system and represents that particular system's total pension liability determined in accordance with GASB No. 67, less that system's fiduciary net position. As of June 30, 2021 (measurement date of June 30, 2020), the net pension liability amounts for the County's proportionate share of the collective net pension liabilities associated with the SCRS and PORS plans are as follows:

System	Total Pension Liability	Plan Fiduciary Net Position	Employer's Net Pension Liability	Plan Fiduciary Net Position as a percentage of the Total Pension Liability	County's Proportionate Share of the Collective Net Pension Liability
SCRS	\$ 59,733,318	\$ 30,293,397	\$ 29,439,921	50.7%	0.115217%
PORS	\$ 49,919,863	\$ 29,346,054	\$ 20,573,809	58.8%	0.620401%

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, for first use in the July 1, 2021 actuarial valuation.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9. RETIREMENT PLAN (CONTINUED)

Actuarial Assumptions and Methods (Continued):

The following table provides a summary of the actuarial assumptions and methods used in the July 1, 2019 valuations for SCRS and PORS.

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

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumption, the 2016 Public Retirees of South Carolina Mortality table (2016 PRSC), was developed using the Systems' mortality experience. These base rates are adjusted for future improvement in mortality using published Scale AA projected from the year 2016.

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

The long-term expected rate of return on pension plan investments for actuarial purposes is based upon the 20-year capital market assumptions. The actuarial long-term expected rates of return 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 2020 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the table below. For actuarial purposes, the 7.25 percent assumed annual investment rate of return used in the calculation of the TPL includes a 5.00 percent real rate of return and a 2.25 percent inflation component.

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9. RETIREMENT PLAN (CONTINUED)

Actuarial Assumptions and Methods (Continued):

Allocation / Exposure	Policy Target	Expected Arithmetic Real Rate of Return	Long-term Expected Portfolio Real Rate of Return
Global Equity	51.0%		
Global public equity	35.0%	7.81%	2.73%
Private equity	9.0%	8.91%	0.80%
Equity options strategies	7.0%	5.09%	0.36%
Real Assets	12.0%		
Real estate (Private)	8.0%	5.55%	0.44%
Real estate (REITs)	1.0%	7.78%	0.08%
Infrastructure (Private)	2.0%	4.88%	0.10%
Infrastructure (Public)	1.0%	7.05%	0.07%
Opportunities	8.0%		
Global Tactical Asset Allocation	7.0%	3.56%	0.25%
Other opportunistic strategies	1.0%	4.41%	0.04%
Credit	15.0%		
High Yield Bonds/Bank Loans	4.0%	4.21%	0.17%
Emerging markets debt	4.0%	3.44%	0.14%
Private debt	7.0%	5.79%	0.40%
Rate Sensitive	14.0%		
Core fixed income	13.0%	1.60%	0.21%
Cash and short duration (net)	1.0%	0.56%	0.01%
	100.0%		
Total expected real return			5.80%
Inflation for actuarial purposes			2.25%
Total expected nominal return			8.05%

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9. RETIREMENT PLAN (CONTINUED)

Discount Rate:

The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina State Code of Laws. Based on those assumptions, the County'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 total pension liability. The following table presents the sensitivity of the net pension liabilities to changes in the discount rate.

Sensitivity of the Net Position Liability to Changes in the Discount Rate			
	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
County's portion - SCRS	\$ 36,487,172	\$ 29,439,921	\$ 23,555,381
County's portion - PORS	\$ 27,236,260	\$ 20,573,809	\$ 15,224,290

Pension Expense:

For the year ended June 30, 2021, the County recognized its proportionate share of collective pension expense of \$3,294,028 and recognition of deferred amounts from changes in proportionate share and differences between employer contributions and the proportionate share of total plan employer contributions of (\$517,719) for a total of \$2,776,309 for the SCRS plan. Additionally, for the year ended June 30, 2021, the County recognized its proportionate share of collective pension expense of \$2,963,598 and recognition of deferred amounts from changes in proportionate share and differences between employer contributions and the proportionate share of total plan employer contributions of \$529,921 for a total of \$3,493,519 for the PORS plan. Total pension expense for both plans amounted to \$6,269,828 for the year ended June 30, 2021.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9. RETIREMENT PLAN (CONTINUED)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to the SCRS and PORS pension plans, respectively, from the following sources:

SCRS	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 339,698	\$ 111,325
Changes of assumptions	36,069	-
Net difference between projected and actual earnings on pension plan investments	2,165,553	-
Changes in proportionate share and differences between employer contributions and proportionate share of total plan employer contributions	5,707,114	6,398,727
Employer contributions subsequent to the measurement date	2,044,959	-
Total	<u>\$ 10,293,393</u>	<u>\$ 6,510,052</u>
 PORS	 Deferred Outflows of Resources	 Deferred Inflows of Resources
Differences between expected and actual experience	\$ 437,236	\$ 90,561
Changes of assumptions	251,068	-
Net difference between projected and actual earnings on pension plan investments	2,106,711	-
Changes in proportionate share and differences between employer contributions and proportionate share of total plan employer contributions	3,687,527	3,076,192
Employer contributions subsequent to the measurement date	1,697,791	-
Total	<u>\$ 8,180,333</u>	<u>\$ 3,166,753</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9. RETIREMENT PLAN (CONTINUED)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued):

County contributions subsequent to the measurement date of \$2,044,959 and \$1,697,791 for the SCRS plan and the PORS plan, respectively, are deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	SCRS	PORS
2022	\$ 50,913	\$ 1,192,234
2023	1,826,252	1,378,377
2024	(691,386)	325,481
2025	552,603	419,697

Pension Plan Fiduciary Net Position:

Detailed information regarding the fiduciary net position of the plans administered by PEBA is available in the separately issued ACFR containing financial statements and required supplementary information for SCRS and PORS. The ACFR of the Pension Trust Funds is publicly available on PEBA's Retirement Benefits' website at www.retirement.sc.gov, or a copy may be obtained by submitting a request to PEBA, P.O. Box 11960, Columbia, SC 29211-1960.

Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457, which is administered and controlled by the State of South Carolina. The plan, available to all government employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

Great-West Retirement Services, P.O. Box 173764, Denver, CO 80217-3764, (under state contract) is the program administrator of the 457 plan and 457 Roth plan as well as the 401(k) plan and 401(k) Roth plan which are also available to County employees at their option.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 10. OTHER POSTEMPLOYMENT BENEFITS

Plan Description. In addition to providing pension benefits through the South Carolina Retirement System, the County, authorized by its County Council, provides certain healthcare benefits for employees hired before July 1, 2005, who retire from service or who terminate with at least 20 consecutive years of service who meet one or more of the eligibility requirements for retirement with the SCRS or PORS plans. Employees hired after June 30, 2005, are not eligible to participate in the Oconee County Retiree Health Care Plan (the "Plan"), a single-employer defined benefit plan, upon their retirement. Benefits are effective at date of retirement or when the employee is eligible for retirement benefits.

SCRS and PORS retirement eligibility requirements are described in the following tables.

Normal (unreduced) Retirement Requirements

	Class Two Employees
SCRS	Any age with 28 years of service; or at age 65 with at least 5 years of service
PORS	Any age with 25 years of service; or at age 55 with at least 5 years of service

Early (reduced) Retirement Requirements

	Class Two Employees
SCRS	Age 60 with at least 5 years of service; or at age 55 with at least 25 years of service

Class Two employees are those employees hired prior to July 1, 2012.

Employees terminating before meeting the retirement eligibility conditions are not eligible for retiree health care benefits. Grandfathered employees are defined as employees of the County who had at least twenty consecutive years of full-time employment for the County as of December 31, 2013. Eligible non-Medicare retirees may elect health insurance coverage through the Oconee County Employee Health Plan at a reduced cost to the retiree. County health insurance coverage for retirees shall cease when the covered retiree or spouse, respectively, becomes Medicare eligible.

For grandfathered employees, the County will provide a subsidy towards the purchase of a Medicare Supplement insurance plan through the County. Non-grandfathered employees will not receive this subsidy when they become Medicare eligible.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 10. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Plan Description (Continued). Dental and vision coverage are provided to retirees. The premiums for non-Medicare retirees include dental and vision coverage. Medicare retirees are required to pay separate dental and vision premiums. Life insurance coverage is not provided.

Surviving dependents of deceased active employees are not eligible for retiree health care benefits. Spouses of grandfathered retirees are eligible for the same retiree health care benefits as the retiree provided the spouse is on the employee's plan at retirement. Spouses of deceased grandfathered retirees may continue to receive retiree health care benefits, including the County's Medicare subsidy.

Should coverage on the spouse be terminated at any time after the date of retirement of the retired employee, the spouse will not be eligible for re-enrollment; however, COBRA continuation coverage may be available. Spouses of non-grandfathered retirees are not eligible for retiree health coverage.

Retirees may choose to decline coverage under the Plan at any time, but they will not be allowed to re-enroll in the Plan in the future (with the exception of two prior grandfathered employees with special circumstances).

Retirees may not convert the benefit into an in-lieu payment to secure coverage under independent plans. The cost of these benefits is recognized as an expenditure of the General Fund and the Rock Quarry Fund on a pay-as-you-go basis as provided for in the annual budget ordinance. These benefits will cease if funds are not available for appropriation.

The subsidy the County provides to grandfathered employees toward the purchase of a Medicare Supplement insurance plan will increase annually by the lower of the CPI-U (Consumer Price Index All Urban Consumers) on a September over September comparison basis or 3.0% per year.

Plan Membership. The Plan has 216 covered members for the year ended June 30, 2021; 90 members are retirees receiving benefits and 126 are active participants and dependents.

Funding Policy and Contributions. The County currently pays for other post-employment benefits on a pay-as-you-go basis. For the year ended June 30, 2021, the County paid \$512,750 toward the cost of retiree health insurance for eligible retired employees. The County's obligation to contribute to the Plan was established and may be amended by the County Council. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 and a separate report was not issued for the plan.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 10. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Total OPEB Liability. The County's total OPEB liability was measured as of June 30, 2020, and was determined by an actuarial valuation as of June 30, 2019.

Actuarial Assumptions. The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount rate:	2.45% as of June 30, 2020
Healthcare cost trend rate:	7.00% - 4.15%, Ultimate Trend after 15 years
Inflation rate:	2.25%
Salary increase:	3.50% - 9.50% for PORS eligible employees and 3.00% - 7.00% for SCRS eligible employees per annum
Participation rate:	85.00% of all eligible employees

For healthy retirees, the 2016 Public Retirees of South Carolina Mortality Table for Males and the 2016 Public Retirees of South Carolina Mortality Table for Females are used with fully generational mortality projections based on Scale AA from the year 2016. The following multipliers are applied to the base tables: 100% for male SCRS members, 111% for female SCRS members, 125% for male PORS members, and 111% for female PORS members.

Discount Rate. The discount rate used to measure the total OPEB liability was 2.45% as of June 30, 2020. This rate was determined using an index rate of 20-year, tax-exempt general obligation municipal bonds with an average rating of AA or higher – which was 2.45% as determined by the Bond Buyer 20-Bond GO Index Rate as of June 30, 2020.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 10. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Changes in the Total OPEB Liability. The changes in the total OPEB liability of the County for the years ended June 30, 2021 were as follows:

	Total OPEB Liability
Balances beginning of year	\$ 11,134,969
Changes for the year:	
Service cost	235,203
Interest	344,181
Difference between actual and expected experience	(26,623)
Assumption changes	509,656
Benefit payments and implicit subsidy	(512,750)
Net changes	<u>549,667</u>
Balances end of year	<u><u>\$ 11,684,636</u></u>

The required schedule of changes in the County's total OPEB liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about the total OPEB liability.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the County as of June 30, 2021 (June 30, 2020 measurement date), as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

<u>Oconee County Health Care Plan</u>		
<u>Sensitivity of the Total OPEB Liability to Changes in the Discount Rate</u>		
1% Decrease (1.45%)	Current Discount Rate (2.45%)	1% Increase (3.45%)
\$ 12,748,894	\$ 11,684,636	\$ 10,738,911

NOTES TO THE FINANCIAL STATEMENTS

NOTE 10. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the total OPEB liability of the County as of June 30, 2021 (June 30, 2020 measurement date), as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

<u>Oconee County Health Care Plan</u>		
<u>Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate</u>		
1% Decrease (6.00% decreasing to 3.15%)	Current Healthcare Cost Trend Rates (7.00% decreasing to 4.15%)	1% Increase (8.00% decreasing to 5.15%)
\$ 10,472,041	\$ 11,684,636	\$ 13,094,381

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revisions as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of June 30, 2021, and the current sharing pattern of costs between employer and inactive employees.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended June 30, 2021, the County recognized OPEB expense as follows:

<u>Description</u>	
Service cost	\$ 235,203
Interest on the total OPEB liability	344,181
Recognition of outflow (inflow) of resources due to liabilities	125,630
Amortization of prior year outflow (inflow) of resources due to liabilities	(264,277)
Total OPEB expense	<u>\$ 440,737</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 10. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued). At June 30, 2021, the County reported deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 658,072
Changes of assumptions	794,199	162,676
Employer contributions subsequent to the measurement date	383,044	-
Total	<u>\$ 1,177,243</u>	<u>\$ 820,748</u>

County contributions subsequent to the measurement date of \$383,044 are deferred outflows of resources and will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2022. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Oconee County Health Care Plan

Year ended June 30:

2022	\$ (138,647)
2023	6,702
2024	105,396

NOTES TO THE FINANCIAL STATEMENTS

NOTE 11. SELF-INSURED HEALTH INSURANCE

The County is self-insured for health and dental claims incurred by employees and/or their dependents and retirees, if they are enrolled in the plan. The plan establishes a "Stop Loss" of \$85,000 per person per contract year through April 30, 2022. The estimated maximum annual cost to the County is \$6,371,305. At June 30, 2021, claims due and payable total approximately \$784,510 and are recorded as a liability in the respective funds with employees receiving this benefit. The following amounts were recorded as liabilities of the respective funds as of June 30, 2021: General Fund - \$757,341; and Proprietary Fund - Rock Quarry \$27,169.

Effective January 1, 2013, the County revised the retiree health benefits for individuals who are qualified for Medicare. As a result, retirees eligible for health care began receiving a defined contribution towards the purchase of a Medicare Supplement Plan through Hartford Life. This resulted in 71 retirees no longer participating in the County's Self Insured Health Insurance Plan. As outlined in the plan document, all employees hired before July 1, 2010, are eligible for plan benefits given they meet the 20 years of continuous service requirement and ultimately retire from the County. As of June 30, 2021, approximately 192 employees were hired prior to July 1, 2010, and could ultimately benefit from the health insurance plan.

Active retirees as of December 31, 2013, who had not yet attained the age of 65 or otherwise qualified for Medicare, are eligible for plan benefits if they meet the service requirements as outlined in the plan document. Once eligible for Medicare, these individuals will be automatically enrolled into the Medicare Supplement Plan through Hartford Life.

Active employees, who had attained 20 years of service on December 31, 2013, will be eligible for participation in the self-insured health plan until becoming eligible for Medicare. Once eligible for Medicare, these individuals will be removed from the self-insured health plan and automatically enrolled in the Medicare Health Plan through Hartford Life. Employees in the category who become retirees will receive the same stipend as active retirees in each category (pre-Medicare and Medicare eligible). All contributions are accounted for in the County's Retiree Health Reimbursement account. Contributions can only be used in accordance with the plan document.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 11. SELF-INSURED HEALTH INSURANCE (CONTINUED)

The following indicates claims versus premiums for the past five fiscal years:

For the Year Ended June 30	Beginning Liability	Current Year Claims and Changes in Estimate	Claim Payments	Ending Liability
2021	\$ 255,917	\$ 5,461,589	\$ 4,932,996	\$ 784,510
2020	593,663	4,540,858	4,878,604	255,917
2019	547,644	4,787,456	4,741,437	593,663
2018	439,202	6,717,547	6,609,105	547,644
2017	385,457	5,169,297	5,115,552	439,202

NOTE 12. INTERFUND ASSETS AND LIABILITIES

The balances of the interfund receivables and payables at June 30, 2021, were as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Governmental Funds	\$ 269,287
General Fund	Miscellaneous Special Revenue	380,275
		<u>\$ 649,562</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. These balances normally clear within one to two months.

The balances of the interfund advances to/from at June 30, 2021, were as follows:

Receivable Fund	Payable Fund	Amount
General Fund	FOCUS Fund	<u>\$ 6,173,939</u>

Advances are used for long-term interfund loans. The General Fund had one outstanding advance at June 30, 2021. The advance to the FOCUS Fund was to finance construction and operations. This is expected to be repaid in the coming years in accordance with scheduled payments from proceeds receivable from a capital lease.

Any transactions to transfer revenues from the fund budgeted to receive them to the fund budgeted to expend them are reported as transfers from and to other funds.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 12. INTERFUND ASSETS AND LIABILITIES (CONTINUED)

Total transfers during the year ended June 30, 2021, consisted of the following individual amounts:

Transfer in Fund	Transfer Out Fund	Amount
General Fund	Rock Quarry Fund	\$ 750,000
General Fund	Nonmajor Governmental Funds	46,441
Nonmajor Governmental Funds	General Fund	140,000
		<u>\$ 936,441</u>

The transfers noted above were used to: (1) provide operational funds, (2) provide salary subsidies, and/or (3) provide funds for the construction costs associated with infrastructure for economic development for the Golden Corner Commerce Park. All were made in accordance with budgetary authorizations.

NOTE 13. 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; and natural disasters for which the County carries insurance through the State Fiscal Accountability Authority Office - Insurance Reserve Fund. The County pays premiums to the Fund for its general insurance coverage. The agreement for formation of the Fund provides that the Fund will be self-sustaining through member premiums and will reinsure through commercial companies for each insured event. Additionally, the County participates in a self-funded program to provide workers' compensation insurance through the South Carolina Association of Counties, which works in a similar way as the Insurance Reserve Fund. The County continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 14. OTHER COMMITMENTS

The County leases copiers, postage meters and office space under operating leases. Future minimum lease payments required under the operating leases are as follows:

Year Ending June 30,	Total Minimum Lease Payments
2022	\$ 106,223
2023	51,931
2024	48,106
2025	48,106
	<u>\$ 254,366</u>

Construction commitments at June 30, 2021, totaled approximately \$7,455,000.

NOTE 15. ECONOMIC DEPENDENCY

Duke Energy Corporation provides a major source of property tax revenues. During the year ended June 30, 2021, the company paid property taxes in the amount of \$32.9 million based on assessed property values of \$123.3 million. This represents approximately 22.05% of the 2020 levy. Approximately \$22.6 million of the amount collected was appropriated for the School District of Oconee County and Tri-County Technical College.

NOTE 16. CONTINGENT LIABILITIES

The County participates in a number of federal and state assisted grant programs. These programs are subject to audits by grantors or their representatives. The audits of these programs for or including the year ended June 30, 2021, have not yet been conducted. Therefore, the County's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures, which may be disallowed, cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

NOTE 17. LITIGATION

The County is party to a number of lawsuits arising in the course of operations. It is the opinion of management, in consultation with legal counsel, that it cannot be determined whether resolution of the other pending cases will have a material adverse effect on the financial condition of the County.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 18. TAX ABATEMENTS

The County, acting through its County Council, negotiates property tax abatement agreements on an individual basis under several programs in accordance with the provisions of Chapter 44 of Title 12, Code of Laws of South Carolina 1976, as amended. Local governments may enter into tax abatement agreements in accordance with South Carolina state law as follows:

1. *Fee in lieu of tax for economic development properties* – any industry or business whereby the industry or business would pay fees in lieu of taxes with respect to certain properties which constitute “economic development properties” through which powers the industrial development of the State of South Carolina will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate or remain in the State and thus utilize and employ the manpower, products, and resources of the State and benefit the general public welfare of the County by providing services, employment, recreation, or other public benefits not otherwise provided locally. At the time of termination, the sponsor shall pay to the County an additional fee equal to the difference between the total amount of property taxes that would have been paid by the sponsor had the project been taxable, taking into account exemptions from property taxes that would have been available to the sponsor, and the amount of fee payments actually made by the sponsor. Abatement agreements under the Economic Development Program equal a 100% reduction in property taxes during the exemption period as outlined in the agreement. A fee in lieu of tax (FILOT) is to be paid within the following parameters: the sponsor shall pay to the County an annual fee payment in connection with the economic development property which has been placed in service, in an amount not less than that the property taxes that would be due on the economic development property if it were taxable but using (1) an assessment ratio of not less than 6%; (2) a millage rate this is either fixed for the life of the fee or is allowed to increase or decrease every fifth year in step with the average cumulative actual millage rate applicable to the project based upon the preceding five-year period; or (3) a fair market value for the economic development property.
2. *Special Source Revenue and Infrastructure Tax Credits* – In addition to the program defined in item one above, the County, in accordance with South Carolina state law, may issue special source and infrastructure tax credits to effectively reduce the assessed value of certain qualifying properties. Such credits are approved via the State of South Carolina Department of Revenue and the Oconee County Auditor provided that the project sponsor expands its operations to levels outlined in state law. Provisions for recapturing abated tax revenues are specific to each agreement.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 18. TAX ABATEMENTS (CONTINUED)

3. *Fee in lieu of tax for residential properties* – Similar to the previously noted programs, property taxes are abated under this program by the County, in accordance with state law, to effectively reduce the assessment of qualifying properties. In order to qualify for this program, project sponsors developing residential or multi-use properties must meet a minimum investment threshold. Unlike the previous programs, this program does not provide for a provision for recapturing abated tax revenues.

For the year ended June 30, 2021, the County abated taxes totaling \$7,062,739 under the programs previously noted, including the following individual tax abatement agreement that exceeded 10% of the total amount abated under the programs:

- An approximate 14% property tax abatement to a manufacturing company for development of a multi county industrial park for which the abated amount was \$956,482.
- An approximate 17% property tax abatement to a manufacturing company for development of a multi county industrial park for which the abated amount was \$1,141,080.
- An approximate 10% property tax abatement to a manufacturing company for development of a multi county industrial park for which the abated amount was \$717,706.

Commitments made by the County and other governments are negotiated individually for each agreement. Various commitments have been made by the County and the State of South Carolina as a part of the agreements; however, no commitments were made by either the County or other governments relative to the three individual agreements noted above.

NOTE 19. RESTATEMENTS

Change in Accounting Principle

In conjunction with the implementation of GASB Statement No. 84, *Fiduciary Activities*, the County is required to reevaluate the accounting treatment of fiduciary activities. The new standard requires the County to determine if funds are still considered fiduciary, and if so, if they are considered custodial funds under the new definitions of GASB Statement No. 84. Therefore, in conjunction with the implementation of GASB Statement No. 84, the following restatement was required to the beginning net position of the Fiduciary Activities to properly report the custodial funds as of July 1, 2020.

	Custodial Funds
Fiduciary net position, as previously reported	\$ -
Recognition of the beginning net position of the former Agency Funds now reported as Custodial Funds	258,167
Fiduciary net position, as restated	<u>\$ 258,167</u>

REQUIRED SUPPLEMENTARY INFORMATION

OCONEE COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES OF COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY FOR THE YEARS ENDED JUNE 30,

South Carolina Retirement System

Plan Year Ended June 30,	County's proportion of the net pension liability	County's proportionate share of the net pension liability	County's covered payroll	County's share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2020	0.115217%	\$ 29,439,921	\$ 12,848,222	229.1%	50.7%
2019	0.142755%	32,596,817	12,439,001	262.1%	54.4%
2018	0.089383%	20,027,995	12,062,316	166.0%	54.1%
2017	0.122304%	27,532,598	12,331,937	223.3%	53.3%
2016	0.125177%	26,737,622	11,666,400	229.2%	52.9%
2015	0.125554%	23,811,921	11,703,378	203.5%	57.0%
2014	0.130397%	22,450,040	9,694,783	231.6%	59.9%

South Carolina Police Officers Retirement System

Plan Year Ended June 30,	County's proportion of the net pension liability	County's proportionate share of the net pension liability	County's covered payroll	County's share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2020	0.62040%	\$ 20,573,809	\$ 9,357,119	219.9%	58.8%
2019	0.73063%	20,939,502	8,856,894	236.4%	62.7%
2018	0.45583%	12,916,240	8,134,393	158.8%	61.7%
2017	0.56945%	15,600,511	7,676,731	203.2%	50.9%
2016	0.54232%	13,755,759	6,334,764	217.1%	60.4%
2015	0.51203%	11,159,654	6,207,981	179.8%	64.6%
2014	0.51281%	9,817,433	5,298,295	185.3%	67.5%

Notes to the schedule:

The above schedules will present 10 years of information once it is accumulated.

OCONEE COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES OF COUNTY PENSION CONTRIBUTIONS FOR THE FISCAL YEARS ENDED JUNE 30,

South Carolina Retirement System

Fiscal Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	County's covered payroll	Contributions as a percentage of covered payroll
2021	\$ 2,044,959	\$ 2,044,959	\$ -	\$ 13,142,412	15.56%
2020	1,999,183	1,999,183	-	12,848,222	15.56%
2019	1,792,460	1,792,460	-	12,439,001	14.41%
2018	1,617,557	1,617,557	-	12,062,316	13.41%
2017	1,425,571	1,425,571	-	12,331,937	11.56%
2016	1,322,885	1,322,885	-	11,666,400	11.34%
2015	1,280,951	1,280,951	-	11,703,378	10.95%

South Carolina Police Officers Retirement System

Fiscal Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	County's covered payroll	Contributions as a percentage of covered payroll
2021	\$ 1,697,791	\$ 1,697,791	\$ -	\$ 9,308,065	18.24%
2020	1,706,739	1,706,739	-	9,357,119	18.24%
2019	1,491,501	1,491,501	-	8,856,894	16.84%
2018	1,256,691	1,256,691	-	8,134,393	15.45%
2017	1,093,181	1,093,181	-	7,676,831	14.24%
2016	921,831	921,831	-	6,334,764	14.55%
2015	850,224	850,224	-	6,207,981	13.70%

OCONEE COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULES OF COUNTY PENSION CONTRIBUTIONS

Notes to the schedule:

The above schedules will present 10 years of information once it is accumulated.

Actuarial assumptions used in determining the statutorily required contribution are as follows.

System	SCRS	PORS
Calculation date	July 1, 2018	July 1, 2018
Actuarial cost method	Entry Age Normal	Entry Age Normal
Asset valuation method	5-year Smoothed	5-year Smoothed
Amortization method	Level % of pay	Level % of pay
Amortization period	29 years maximum, closed	29 years maximum, closed
Investment return	7.25%	7.25%
Inflation	2.25%	2.25%
Salary increases	3.00% plus step-rate increases for members with less than 21 years of service	3.50% plus step-rate increases for members with less than 15 years of service
Mortality	The 2016 Public Retirees of South Carolina Mortality Tables for Males and Females, both projected at Scale AA from the year 2016. Male rates multiplied by 100% for non-educators and 92% for educators. Female rates multiplied by 111% for non-educators and 98% for educators.	The 2016 Public Retirees of South Carolina Mortality Tables for Males and Females, both projected at Scale AA from the year 2016. Male rates multiplied by 125% and female rates are multiplied by 111%

OCONEE COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL OPEB LIABILITY

AND RELATED RATIOS

FOR THE FISCAL YEARS ENDED JUNE 30,

Total OPEB liability	2021	2020	2019	2018
Service cost	\$ 235,203	\$ 209,941	\$ 215,068	\$ 248,022
Interest on the total OPEB liability	344,181	407,055	396,354	341,632
Difference between actual and expected experience	(26,623)	(1,302,809)	(32,716)	-
Assumption changes	509,656	869,259	(58,917)	(672,181)
Benefit payments	(512,750)	(376,250)	(436,023)	(498,359)
Net change in total OPEB liability	549,667	(192,804)	83,766	(580,886)
Total OPEB liability - beginning	11,134,969	11,327,773	11,244,007	11,824,893
Total OPEB liability - ending	\$ 11,684,636	\$ 11,134,969	\$ 11,327,773	\$ 11,244,007
 Covered-employee payroll	 \$ 6,079,730	 \$ 6,079,730	 \$ 6,579,189	 \$ 6,579,189
 Total OPEB liability as a percentage of covered-employee payroll	 192.19%	 183.15%	 172.18%	 170.90%

The above schedule will present 10 years of information once it is accumulated.

The County is not accumulating assets in a trust fund that meets the criteria in paragraph 4 of GASB Statement No. 75 for payment of future OPEB benefits.

The discount rate changed from 3.56% as of June 30, 2018, to 3.62% as of June 30, 2019.

The discount rate changed from 3.62% as of June 30, 2019, to 3.13% as of June 30, 2020.

The discount rate changed from 3.13% as of June 30, 2020, to 2.45% as of June 30, 2021.

The assumptions used in the preparation of the above schedule are disclosed in Note 10 to the financial statements.

COMBINING STATEMENTS AND SCHEDULES

OCONEE COUNTY, SOUTH CAROLINA

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes.

The **Emergency Services Protection District Fund** accounts for tax monies collected for the County special tax district for emergency services protection. Such monies are restricted for public safety expenditures.

The **Road Maintenance Fund** accounts for the tax levied to provide funding for maintenance of County roads.

The **911 Communications Fund** accounts for 911 communication fees that are received from the State of South Carolina, various wireless carriers, and AT&T. Such monies are restricted for improvements and expansion of the County's emergency 911 system.

The **State Accommodations Tax Fund** accounts for accommodation tax monies received from the State. The first \$25,000 and 5% is transferred to the General Fund. The remainder is restricted for culture and recreation.

The **Local Accommodations Tax Fund** accounts for the 3% local accommodation tax monies collected on behalf of the County. These monies are restricted for culture and recreation.

The **Sheriff's Victims' Assistance Fund** accounts for monies collected by the Magistrate's Office through summary assessments and surcharges. Such monies are restricted for public safety expenditures.

The **Solicitors' Victims' Assistance Fund** accounts for monies collected by the Clerk of Court's office through general sessions, assessments and surcharges. Such monies are restricted for public safety expenditures.

The **Duke Energy Fixed Nuclear Facility Fund** accounts for the grant revenues from Duke Energy Corporation. These funds aid in offsetting the cost of the preparation and evaluation of radiological response plans and preparedness in support of the Duke Energy power plant located in the County as required by the Nuclear Regulatory Commission.

The **Clerk of Court Federal Child Support Fund** accounts for federal grant funds received by the Clerk of Court from the State restricted to child support enforcement expenditures.

The **Library State Aid Fund** accounts for State aid monies received that provide additional funding for the County's public libraries allowing them to provide basic levels of service to citizens of South Carolina. These monies are restricted for culture and recreation expenditures.

OCONEE COUNTY, SOUTH CAROLINA

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS (CONTINUED)

The **Tri-County Tech Fund** accounts for tax revenues collected for support of the Tri-County Technical College. These monies are restricted for education expenditures.

DEBT SERVICE FUND

The **Debt Service Fund** accounts for the resources used for the payment of the County's principal and interest on various debt obligations.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities for the County's governmental funds.

The **Economic Development Fund** is used to account for the acquisition and construction of facilities or infrastructure for the promotion of economic development within the County.

The **Bridge and Culvert Capital Projects Fund** accounts for the taxes levied specifically to fund repairs and construction of the County's bridge and culvert infrastructure. These monies are restricted for capital projects.

The **Capital Vehicle and Equipment Fund** accounts for the taxes levied specifically to fund the acquisition and repairs of capital vehicles and equipment. These monies are restricted for capital projects.

OCONEE COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2021

Special Revenue Funds							
	Emergency Services Protection District	Road Maintenance	911 Communications	State Accommodations Tax	Local Accommodations Tax	Sheriff's Victims' Assistance	Solicitor's Victims' Assistance
ASSETS							
Cash and cash equivalents	\$ 909,592	\$ 4,150,203	\$ 851,042	\$ 215,931	\$ 756,594	\$ -	\$ -
Investments	-	-	450,000	-	-	-	-
Taxes receivable, net	34,377	27,567	-	-	-	-	-
Accounts receivable, net	664	-	12,785	-	110,489	-	-
Due from other governments	1,248	904	40,560	120,327	-	34,243	-
Due from component unit	-	-	-	-	-	-	-
Assets held for economic development	-	-	-	-	-	-	-
Total assets	<u>945,881</u>	<u>4,178,674</u>	<u>1,354,387</u>	<u>336,258</u>	<u>867,083</u>	<u>34,243</u>	<u>-</u>
LIABILITIES							
Accounts payable	289,787	8,042	18,864	36,098	50,682	-	-
Due to other funds	-	-	-	-	196,555	35,655	37,077
Accrued liabilities	-	-	-	-	-	4,119	2,636
Unearned revenues	-	-	-	-	-	-	-
Total liabilities	<u>289,787</u>	<u>8,042</u>	<u>18,864</u>	<u>36,098</u>	<u>247,237</u>	<u>39,774</u>	<u>39,713</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - property taxes	28,693	23,576	-	-	-	-	-
Total deferred inflows of resources	<u>28,693</u>	<u>23,576</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)							
Nonspendable:							
Assets held for economic development	-	-	-	-	-	-	-
Restricted for:							
Public safety	549,148	-	1,234,645	-	-	-	-
Transportation	-	4,147,056	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Culture and recreation	-	-	-	300,160	471,847	-	-
Judicial services	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-
Assigned:							
Courthouse grant	-	-	-	-	-	-	-
Subsequent year's budget	78,253	-	100,878	-	147,999	-	-
Unassigned	-	-	-	-	-	(5,531)	(39,713)
Total fund balances (deficits)	<u>627,401</u>	<u>4,147,056</u>	<u>1,335,523</u>	<u>300,160</u>	<u>619,846</u>	<u>(5,531)</u>	<u>(39,713)</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 945,881</u>	<u>\$ 4,178,674</u>	<u>\$ 1,354,387</u>	<u>\$ 336,258</u>	<u>\$ 867,083</u>	<u>\$ 34,243</u>	<u>\$ -</u>

Special Revenue Funds				Debt Service Fund	Capital Projects Funds				
Duke Energy Fixed Nuclear Facility	Clerk of Court Federal Child Support	Library State Aid	Tri-County Tech	Debt Service	Economic Development	Bridge and Culvert Capital Projects	Capital Equipment and Vehicle	Totals	
\$ 243,609	\$ 123,762	\$ 5,751	\$ 1,213,175	\$ 2,107,893	\$ 3,127,276	\$ 5,087,491	\$ 956,390	\$ 19,748,709	
-	-	-	-	-	-	-	-	450,000	
-	-	-	39,442	56,851	28,974	14,505	14,828	216,544	
-	-	-	-	1,291	-	-	26,515	151,744	
-	20,794	-	1,291	-	501,033	430	861	721,691	
-	-	-	-	515,977	-	-	-	515,977	
-	-	-	-	-	2,242,188	-	-	2,242,188	
<u>243,609</u>	<u>144,556</u>	<u>5,751</u>	<u>1,253,908</u>	<u>2,682,012</u>	<u>5,899,471</u>	<u>5,102,426</u>	<u>998,594</u>	<u>24,046,853</u>	
932	-	-	-	-	236,558	-	12,256	653,219	
-	-	-	-	-	-	-	-	269,287	
2,094	5,633	-	-	-	-	-	-	14,482	
<u>240,583</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>240,583</u>	
<u>243,609</u>	<u>5,633</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>236,558</u>	<u>-</u>	<u>12,256</u>	<u>1,177,571</u>	
-	-	-	32,927	50,328	24,055	12,213	8,281	180,073	
<u>-</u>	<u>-</u>	<u>-</u>	<u>32,927</u>	<u>50,328</u>	<u>24,055</u>	<u>12,213</u>	<u>8,281</u>	<u>180,073</u>	
-	-	-	-	-	2,242,188	-	-	2,242,188	
-	-	-	-	-	-	-	-	1,783,793	
-	-	-	-	-	-	-	-	4,147,056	
-	-	-	-	2,631,684	-	-	-	2,631,684	
-	-	5,751	-	-	-	-	-	777,758	
-	138,923	-	-	-	-	-	-	138,923	
-	-	-	1,220,981	-	-	-	-	1,220,981	
-	-	-	-	-	2,842,305	4,995,420	280,156	8,117,881	
-	-	-	-	-	500,000	-	-	500,000	
-	-	-	-	-	54,365	94,793	697,901	1,174,189	
-	-	-	-	-	-	-	-	(45,244)	
<u>-</u>	<u>138,923</u>	<u>5,751</u>	<u>1,220,981</u>	<u>2,631,684</u>	<u>5,638,858</u>	<u>5,090,213</u>	<u>978,057</u>	<u>22,689,209</u>	
<u>\$ 243,609</u>	<u>\$ 144,556</u>	<u>\$ 5,751</u>	<u>\$ 1,253,908</u>	<u>\$ 2,682,012</u>	<u>\$ 5,899,471</u>	<u>\$ 5,102,426</u>	<u>\$ 998,594</u>	<u>\$ 24,046,853</u>	

OCONEE COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Special Revenue Funds					
	Emergency Services Protection District	Road Maintenance	911 Communications	State Accommodations Tax	Local Accommodations Tax	Sheriff's Victims' Assistance Solicitor's Victims' Assistance
Revenues:						
Property taxes	\$ 1,577,600	\$ 1,260,933	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	153,686	453,823	795,784	-
Intergovernmental	-	140,582	399,279	-	-	-
Licenses and permits	3,151	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	96,296
Interest revenue	-	-	-	-	-	-
Other revenues	82,500	-	-	-	-	-
Total revenues	1,663,251	1,401,515	552,965	453,823	795,784	96,296
Expenditures:						
Current:						
Public safety	1,411,653	-	553,034	-	-	123,752
Transportation	-	449,301	-	-	-	-
Culture and recreation	-	-	-	299,647	390,865	-
Judicial services	-	-	-	-	-	-
Education	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Capital outlay	27,300	426,600	57,523	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	1,438,953	875,901	610,557	299,647	390,865	123,752
Excess (deficiency) of revenues over (under) expenditures	224,298	525,614	(57,592)	154,176	404,919	(27,456)
Other financing sources (uses)						
Transfers in	-	-	-	-	-	85,000
Transfers out	-	-	-	(46,441)	-	-
Proceeds from the sale of capital assets	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	(46,441)	-	85,000
Net change in fund balances	224,298	525,614	(57,592)	107,735	404,919	57,544
Fund balances (deficits), beginning of year	403,103	3,621,442	1,393,115	192,425	214,927	(63,075)
Fund balances (deficits), end of year	\$ 627,401	\$ 4,147,056	\$ 1,335,523	\$ 300,160	\$ 619,846	\$ (5,531)

Special Revenue Funds				Debt Service Fund	Capital Projects Funds			
Duke Energy Fixed Nuclear Facility	Clerk of Court Federal Child Support	Library State Aid	Tri-County Tech	Debt Service	Economic Development	Bridge and Culvert Capital Projects	Capital Equipment and Vehicle	Totals
\$ -	\$ -	\$ -	\$ 1,805,608	\$ 2,164,414	\$ 2,103,596	\$ 599,595	\$ 1,211,477	\$ 10,723,223
-	-	-	-	-	-	-	-	1,403,293
84,632	163,486	148,546	3,260	-	572,608	1,087	-	1,513,480
-	-	-	-	-	-	-	-	3,151
-	-	-	-	-	-	-	-	123,946
-	-	-	-	24,288	1,215	-	-	25,503
-	-	-	-	-	-	-	105,719	188,219
84,632	163,486	148,546	1,808,868	2,188,702	2,677,419	600,682	1,317,196	13,980,815
74,632	-	-	-	-	-	-	-	2,233,781
-	-	-	-	-	-	96,047	-	545,348
-	-	75,451	-	-	31,763	-	-	797,726
-	166,197	-	-	-	-	-	-	166,197
-	-	-	1,645,262	-	-	-	-	1,645,262
-	-	-	-	-	603,375	-	-	603,375
10,000	-	72,999	-	-	801,409	113,200	840,298	2,349,329
-	-	-	-	1,693,036	-	-	-	1,693,036
-	-	-	-	257,547	-	-	-	257,547
84,632	166,197	148,450	1,645,262	1,950,583	1,436,547	209,247	840,298	10,291,601
-	(2,711)	96	163,606	238,119	1,240,872	391,435	476,898	3,689,214
-	-	-	-	-	-	-	-	140,000
-	-	-	-	-	-	-	-	(46,441)
-	-	-	-	-	-	-	125,862	125,862
-	-	-	-	-	-	-	125,862	219,421
-	(2,711)	96	163,606	238,119	1,240,872	391,435	602,760	3,908,635
-	141,634	5,655	1,057,375	2,393,565	4,397,986	4,698,778	375,297	18,780,574
\$ -	\$ 138,923	\$ 5,751	\$ 1,220,981	\$ 2,631,684	\$ 5,638,858	\$ 5,090,213	\$ 978,057	\$ 22,689,209

OCONEE COUNTY, SOUTH CAROLINA
EMERGENCY SERVICES PROTECTION DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Property taxes	\$ 1,512,000	\$ 1,512,000	\$ 1,577,600	\$ 65,600
Licenses and permits	-	-	3,151	3,151
Other revenue	-	-	82,500	82,500
Total revenues	<u>1,512,000</u>	<u>1,512,000</u>	<u>1,663,251</u>	<u>151,251</u>
EXPENDITURES				
Public safety	1,447,000	1,447,000	1,411,653	35,347
Capital outlay	-	98,587	27,300	71,287
Total expenditures	<u>1,447,000</u>	<u>1,545,587</u>	<u>1,438,953</u>	<u>106,634</u>
Net change in fund balance	65,000	(33,587)	224,298	44,617
FUND BALANCES, beginning of year	<u>403,103</u>	<u>403,103</u>	<u>403,103</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 468,103</u>	<u>\$ 369,516</u>	<u>\$ 627,401</u>	<u>\$ 44,617</u>

OCONEE COUNTY, SOUTH CAROLINA
ROAD MAINTENANCE

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Property taxes	\$ 1,171,920	\$ 1,171,920	\$ 1,260,933	\$ 89,013
Intergovernmental	220,000	220,000	140,582	(79,418)
Total revenues	<u>1,391,920</u>	<u>1,391,920</u>	<u>1,401,515</u>	<u>9,595</u>
EXPENDITURES				
Transportation	500,000	461,717	449,301	12,416
Capital outlay	<u>2,020,000</u>	<u>3,340,852</u>	<u>426,600</u>	<u>2,914,252</u>
Total expenditures	<u>2,520,000</u>	<u>3,802,569</u>	<u>875,901</u>	<u>2,926,668</u>
Net change in fund balance	(1,128,080)	(2,410,649)	525,614	2,936,263
FUND BALANCES, beginning of year	<u>3,621,442</u>	<u>3,621,442</u>	<u>3,621,442</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 2,493,362</u>	<u>\$ 1,210,793</u>	<u>\$ 4,147,056</u>	<u>\$ 2,936,263</u>

OCONEE COUNTY, SOUTH CAROLINA

911 COMMUNICATIONS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Other taxes	\$ 220,000	\$ 220,000	\$ 153,686	\$ (66,314)
Intergovernmental	270,000	270,000	399,279	129,279
Total revenues	<u>490,000</u>	<u>490,000</u>	<u>552,965</u>	<u>62,965</u>
EXPENDITURES				
Public safety	584,000	913,836	553,034	360,802
Capital outlay	400,000	440,000	57,523	382,477
Total expenditures	<u>984,000</u>	<u>1,353,836</u>	<u>610,557</u>	<u>743,279</u>
Net change in fund balance	(494,000)	(863,836)	(57,592)	806,244
FUND BALANCES, beginning of year	<u>1,393,115</u>	<u>1,393,115</u>	<u>1,393,115</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 899,115</u>	<u>\$ 529,279</u>	<u>\$ 1,335,523</u>	<u>\$ 806,244</u>

OCONEE COUNTY, SOUTH CAROLINA
SHERIFF'S VICTIMS' ASSISTANCE

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Fines and forfeitures	\$ 54,000	\$ 54,000	\$ 96,296	\$ 42,296
Total revenues	<u>54,000</u>	<u>54,000</u>	<u>96,296</u>	<u>42,296</u>
EXPENDITURES				
Public safety	123,336	123,336	123,752	(416)
Total expenditures	<u>123,336</u>	<u>123,336</u>	<u>123,752</u>	<u>(416)</u>
Deficiency of revenues under expenditures	(69,336)	(69,336)	(27,456)	41,880
Other financing sources				
Transfers in	72,000	72,000	85,000	13,000
Total other financing sources	<u>72,000</u>	<u>72,000</u>	<u>85,000</u>	<u>13,000</u>
Net change in fund balance	2,664	2,664	57,544	54,880
FUND BALANCES, beginning of year	<u>(63,075)</u>	<u>(63,075)</u>	<u>(63,075)</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ (60,411)</u>	<u>\$ (60,411)</u>	<u>\$ (5,531)</u>	<u>\$ 54,880</u>

**OCONEE COUNTY, SOUTH CAROLINA
SOLICITOR'S VICTIMS' ASSISTANCE**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Fines and forfeitures	\$ 23,000	\$ 23,000	\$ 27,650	\$ 4,650
Total revenues	<u>23,000</u>	<u>23,000</u>	<u>27,650</u>	<u>4,650</u>
EXPENDITURES				
Public safety	74,319	74,319	70,710	3,609
Total expenditures	<u>74,319</u>	<u>74,319</u>	<u>70,710</u>	<u>3,609</u>
Deficiency of revenues under expenditures	(51,319)	(51,319)	(43,060)	8,259
Other financing sources				
Transfers in	52,000	52,000	55,000	3,000
Total other financing sources	<u>52,000</u>	<u>52,000</u>	<u>55,000</u>	<u>3,000</u>
Net change in fund balance	681	681	11,940	11,259
FUND BALANCES (DEFICITS), beginning of year	<u>(51,653)</u>	<u>(51,653)</u>	<u>(51,653)</u>	<u>-</u>
FUND BALANCES (DEFICITS), end of year	<u><u>\$ (50,972)</u></u>	<u><u>\$ (50,972)</u></u>	<u><u>\$ (39,713)</u></u>	<u><u>\$ 11,259</u></u>

**OCONEE COUNTY, SOUTH CAROLINA
TRI-COUNTY TECH**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Property taxes	\$ 1,700,000	\$ 1,700,000	\$ 1,805,608	\$ 105,608
Intergovernmental	-	-	3,260	3,260
Total revenues	<u>1,700,000</u>	<u>1,700,000</u>	<u>1,808,868</u>	<u>108,868</u>
EXPENDITURES				
Education	<u>1,604,000</u>	<u>1,604,000</u>	<u>1,645,262</u>	<u>(41,262)</u>
Total expenditures	<u>1,604,000</u>	<u>1,604,000</u>	<u>1,645,262</u>	<u>(41,262)</u>
Net change in fund balance	96,000	96,000	163,606	67,606
FUND BALANCES, beginning of year	<u>1,057,375</u>	<u>1,057,375</u>	<u>1,057,375</u>	<u>-</u>
FUND BALANCES, end of year	<u><u>\$ 1,153,375</u></u>	<u><u>\$ 1,153,375</u></u>	<u><u>\$ 1,220,981</u></u>	<u><u>\$ 67,606</u></u>

**OCONEE COUNTY, SOUTH CAROLINA
DEBT SERVICE**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Property taxes	\$ 1,636,839	\$ 1,636,839	\$ 2,164,414	\$ 527,575
Interest revenue	-	-	24,288	24,288
Total revenues	<u>1,636,839</u>	<u>1,636,839</u>	<u>2,188,702</u>	<u>551,863</u>
EXPENDITURES				
Debt service				
Principal	958,036	958,036	1,693,036	(735,000)
Interest and fiscal charges	285,652	285,652	257,547	28,105
Total expenditures	<u>1,243,688</u>	<u>1,243,688</u>	<u>1,950,583</u>	<u>(706,895)</u>
Net change in fund balance	393,151	393,151	238,119	(155,032)
FUND BALANCES, beginning of year	<u>2,393,565</u>	<u>2,393,565</u>	<u>2,393,565</u>	<u>-</u>
FUND BALANCES, end of year	<u><u>\$ 2,786,716</u></u>	<u><u>\$ 2,786,716</u></u>	<u><u>\$ 2,631,684</u></u>	<u><u>\$ (155,032)</u></u>

**OCONEE COUNTY, SOUTH CAROLINA
BRIDGES AND CULVERTS CAPITAL PROJECTS**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Property taxes	\$ 550,000	\$ 550,000	\$ 599,595	\$ 49,595
Intergovernmental	-	-	1,087	1,087
Total revenues	<u>550,000</u>	<u>550,000</u>	<u>600,682</u>	<u>50,682</u>
EXPENDITURES				
Transportation	1,150,000	1,122,271	96,047	1,026,224
Capital outlay	-	71,290	113,200	(41,910)
Total expenditures	<u>1,150,000</u>	<u>1,193,561</u>	<u>209,247</u>	<u>984,314</u>
Net change in fund balance	(600,000)	(643,561)	391,435	1,034,996
FUND BALANCES, beginning of year	<u>4,698,778</u>	<u>4,698,778</u>	<u>4,698,778</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 4,098,778</u>	<u>\$ 4,055,217</u>	<u>\$ 5,090,213</u>	<u>\$ 1,034,996</u>

**OCONEE COUNTY, SOUTH CAROLINA
ECONOMIC DEVELOPMENT**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Property taxes	\$ 1,827,873	\$ 1,827,873	\$ 2,103,596	\$ 275,723
Intergovernmental	-	-	572,608	572,608
Investment income	-	-	1,215	1,215
Total revenues	<u>1,827,873</u>	<u>1,827,873</u>	<u>2,677,419</u>	<u>849,546</u>
EXPENDITURES				
Culture and recreation	-	43,349	31,763	11,586
Economic Development	1,827,873	1,865,393	603,375	1,262,018
Capital outlay	-	164,490	801,409	(636,919)
Total expenditures	<u>1,827,873</u>	<u>2,073,232</u>	<u>1,436,547</u>	<u>636,685</u>
Net change in fund balance	-	(245,359)	1,240,872	1,486,231
FUND BALANCES, beginning of year	<u>4,397,986</u>	<u>4,397,986</u>	<u>4,397,986</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 4,397,986</u>	<u>\$ 4,152,627</u>	<u>\$ 5,638,858</u>	<u>\$ 1,486,231</u>

OCONEE COUNTY, SOUTH CAROLINA
CAPITAL EQUIPMENT AND VEHICLE CAPITAL PROJECTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Property taxes	\$ 1,096,728	\$ 1,096,728	\$ 1,211,477	\$ 114,749
Other revenue	50,000	50,000	105,719	55,719
Total revenues	<u>1,146,728</u>	<u>1,146,728</u>	<u>1,317,196</u>	<u>170,468</u>
EXPENDITURES				
Capital outlay	<u>1,196,728</u>	<u>1,535,802</u>	<u>840,298</u>	<u>695,504</u>
Total expenditures	<u>1,196,728</u>	<u>1,535,802</u>	<u>840,298</u>	<u>695,504</u>
Excess (deficiency) of revenues over (under) expenditures	(50,000)	(389,074)	476,898	865,972
Other financing sources				
Proceeds from sale of capital assets	<u>50,000</u>	<u>50,000</u>	<u>125,862</u>	<u>75,862</u>
Total other financing sources	<u>50,000</u>	<u>50,000</u>	<u>125,862</u>	<u>75,862</u>
Net change in fund balance	-	(339,074)	602,760	941,834
FUND BALANCES, beginning of year	<u>375,297</u>	<u>375,297</u>	<u>375,297</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 375,297</u>	<u>\$ 36,223</u>	<u>\$ 978,057</u>	<u>\$ 941,834</u>

OCONEE COUNTY, SOUTH CAROLINA

FIDUCIARY FUNDS

CUSTODIAL FUNDS

The **SCDOC General Fund** accounts for revenues collected by taxes on behalf of the School District of Oconee County for their operations.

The **SCDOC Debt Retirement Fund** accounts for revenues collected by taxes on behalf of the School District of Oconee County for their Debt Service.

The **Family Court Fund** accounts for State's portion of monies collected by the Clerk of Court from fines, fees, and surcharges related to Family Court.

The **Clerk of Court Fund** receives funds per a court order. Most orders will refer to the power of eminent domain and S.C. Code Section 28-2-0, which allows the funds to be held in an interest bearing account. The Clerk of Court also collects certain fines.

The **Municipal Tax Fund** accounts for revenues collected by taxes on behalf of the Municipalities

The **Keowee Fire Tax District Fund** accounts for revenues collected by special assessment through taxes on behalf of Keowee Fire District.

The **Magistrate Cash Bond/Juror Fund** is used to account for fines and fees of the County Magistrates. The funds are forwarded to the State Treasurer or County Treasurer for disbursement.

The **Delinquent Tax Fund** is used to account for monies collected at delinquent tax sales.

The **Sheriff's Office Fund** accounts for seizures and forfeitures.

The **Probate Judge Fund** accounts for fees retained by the Probate Court.

The **Solicitor's Worthless Check Program Fund** accounts for Solicitor's retained portion of bad check collections.

The **Retiree Health Reimbursement Fund** accounts for Retiree Health reimbursements on a monthly basis.

The **Employee Health Flex Spending Fund** accounts for employee monies for payment of certain out-of-pocket health care costs. This is pre-taxed.

OCONEE COUNTY, SOUTH CAROLINA

FIDUCIARY FUNDS

CUSTODIAL FUNDS (CONTINUED)

The **Pickens County Fund** accounts for tax monies collected for an economic development tool through a Multicounty Business Park.

The **Anderson County Fund** accounts for tax monies collected for an economic development tool through a Multicounty Business Park.

The **Community Development Fund** accounts for monies held in Escrow for Subdivision development.

OCONEE COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF FIDUCIARY NET POSITION CUSTODIAL FUNDS JUNE 30, 2021

ASSETS	SCDOC General Fund	SCDOC Debt Retirement	Family Court	Clerk of Court	Municipal Tax Fund	Keowee Fire Tax District	Magistrate Cash Bond/ Juror Fund	Delinquent Tax Fund
Cash and cash equivalents	\$ 634,378	\$ 15,024,988	\$ 16,882	\$ 253,884	\$ 197,324	\$ 5,177	\$ 108,806	\$ 1,505,718
Taxes receivable	1,610,671	459,632	-	-	182,798	4,835	-	-
Total assets	2,245,049	15,484,620	16,882	253,884	380,122	10,012	108,806	1,505,718
LIABILITIES								
Due to others	634,378	15,024,988	16,882	38,198	197,324	5,177	108,806	1,505,718
Uncollected taxes	1,610,671	459,632	-	-	182,798	4,835	-	-
Total liabilities	2,245,049	15,484,620	16,882	38,198	380,122	10,012	108,806	1,505,718
NET POSITION								
Restricted for individuals, organizations and other governments	\$ -	\$ -	\$ -	\$ 215,686	\$ -	\$ -	\$ -	\$ -
Total net position	\$ -	\$ -	\$ -	\$ 215,686	\$ -	\$ -	\$ -	\$ -

Sheriff's Office	Probate Judge	Solicitor's Worthless Check Program	Retiree Health Reimbursement	Employee Health Flex Spending	Pickens County	Anderson County	Community Development	Total
\$ 359,371 -	\$ 14,613 -	\$ 1,060 -	\$ - -	\$ - -	\$ 69,376 -	\$ 7,902 -	\$ 245,013 -	\$ 18,444,492 2,257,936
359,371	14,613	1,060	-	-	69,376	7,902	245,013	20,702,428
359,371 -	14,613 -	1,060 -	- -	- -	69,376 -	7,902 -	245,013 -	18,228,806 2,257,936
359,371	14,613	1,060	-	-	69,376	7,902	245,013	20,486,742
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 215,686</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 215,686</u>

OCONEE COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION CUSTODIAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	SCDOC General Fund	SCDOC Debt Retirement	Family Court	Clerk of Court	Municipal Tax Fund	Keowee Fire Tax District	Magistrate Cash Bond/ Juror Fund	Delinquent Tax Fund
ADDITIONS								
Interest income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Taxes	73,637,377	49,015,337	-	-	4,035,720	793,292	-	2,733,793
Fines and fees	-	-	463,759	-	-	-	943,554	-
Criminal and civil bonds	-	-	-	572,764	-	-	-	-
Total additions	73,637,377	49,015,337	463,759	572,764	4,035,720	793,292	943,554	2,733,793
DEDUCTIONS								
Taxes and fees paid to other governments	73,637,377	49,015,337	-	-	4,035,720	793,292	-	2,733,793
Funds disbursed per court order	-	-	-	615,245	-	-	943,554	-
Other funds disbursed	-	-	463,759	-	-	-	-	-
Total deductions	73,637,377	49,015,337	463,759	615,245	4,035,720	793,292	943,554	2,733,793
Change in fiduciary net position	-	-	-	(42,481)	-	-	-	-
Net position, beginning of year, restated	-	-	-	258,167	-	-	-	-
Net position, end of year	\$ -	\$ -	\$ -	\$ 215,686	\$ -	\$ -	\$ -	\$ -

<u>Sheriff's Office</u>	<u>Probate Judge</u>	<u>Solicitor's Worthless Check Program</u>	<u>Retiree Health Reimbursement</u>	<u>Employee Health Flex Spending</u>	<u>Pickens County</u>	<u>Anderson County</u>	<u>Community Development</u>	<u>Total</u>
\$ -	\$ 26	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26
-	-	-	-	-	-	-	-	130,215,519
556,931	-	-	-	-	-	-	-	1,964,244
-	-	6,286	176,524	159,743	70,430	3,999	-	989,746
556,931	26	6,286	176,524	159,743	70,430	3,999	-	133,169,535
556,931	-	-	-	-	-	-	-	130,772,450
-	-	-	-	-	-	-	-	1,558,799
-	26	6,286	176,524	159,743	70,430	3,999	-	880,767
556,931	26	6,286	176,524	159,743	70,430	3,999	-	133,212,016
-	-	-	-	-	-	-	-	(42,481)
-	-	-	-	-	-	-	-	258,167
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 215,686</u>

OCONEE COUNTY, SOUTH CAROLINA
UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES (per ACT 96)
For The Year Ended June 30, 2021

FOR THE STATE TREASURER'S OFFICE:

COUNTY / MUNICIPAL FUNDS COLLECTED BY CLERK OF COURT	<u>General Sessions</u>	<u>Magistrate Court</u>	<u>Municipal Court</u>	<u>Total</u>
Court Fines and Assessments:				
Court fines and assessments collected	\$ 62,137	\$ 664,162	N/A	\$ 726,299
Court fines and assessments remitted to State Treasurer	34,488	368,223	N/A	402,711
Total Court Fines and Assessments retained	\$ 27,649	\$ 295,939	N/A	\$ 323,588
Surcharges and Assessments retained for victim services:				
Surcharges collected and retained	\$ 22,889	\$ 24,181	N/A	\$ 47,070
Assessments retained	4,760	29,788	N/A	34,548
Total Surcharges and Assessments retained for victim services	\$ 27,649	\$ 53,969	N/A	\$ 81,618

FOR THE DEPARTMENT OF CRIME VICTIM COMPENSATION (DCVC)

<u>VICTIM SERVICE FUNDS COLLECTED</u>	<u>Municipal</u>	<u>County</u>	<u>Total</u>
Carryforward from Previous Year – Beginning Balance	N/A	\$ (114,728)	\$ (114,728)
<u>Victim Service Revenue:</u>			
Victim Service Fines Retained by City/County Treasurer	N/A	-	-
Victim Service Assessments Retained by City/County Treasurer	N/A	34,548	34,548
Victim Service Surcharges Retained by City/County Treasurer	N/A	47,070	47,070
Interest Earned	N/A	-	-
Grant Funds Received			
Grant from:	N/A	140,000	140,000
General Funds Transferred to Victim Service Fund	N/A	-	-
Contribution Received from Victim Service Contracts:			
(1) City of Westminster	N/A	42,328	42,328
(2) Town of West Union	N/A	-	-
(3) City of	N/A	-	-
Total Funds Allocated to Victim Service Fund + Beginning Balance (A)	N/A	\$ 149,218	\$ 149,218

OCONEE COUNTY, SOUTH CAROLINA
UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES (per ACT 96)
For The Year Ended June 30, 2021

<u>Expenditures for Victim Service Program:</u>	<u>Municipal</u>	<u>County</u>	<u>Total</u>
Salaries and Benefits	N/A	\$ 194,462	\$ 194,462
Operating Expenditures	N/A	-	-
Victim Service Contract(s):			
(1) Entity's Name:	N/A	-	-
(2) Entity's Name	N/A	-	-
Victim Service Donation(s):			
(1) Domestic Violence Shelter:	N/A	-	-
(2) Rape Crisis Center:	N/A	-	-
(3) Other local direct crime victims service agency:	N/A	-	-
Transferred to General Fund	N/A	-	-
Total Expenditures from Victim Service Fund/Program (B)	N/A	194,462	194,462
Total Victim Service Funds Retained by Municipal/County Treasurer (A-B)	N/A	(45,244)	(45,244)
Less: Prior Year Fund Deficit Repayment	N/A	-	-
Carryforward Funds – End of Year	N/A	\$ (45,244)	\$ (45,244)

STATISTICAL SECTION

This part of the County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, required supplementary information, and supplementary information says about the County's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	107 - 112
<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>	
Revenue Capacity.....	113 - 116
<i>These schedules contain information to help the reader assess the County's most significant local revenue sources.</i>	
Debt Capacity.....	117 - 121
<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>	
Demographic and Economic Information	122 - 125
<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>	
Operating Information.....	126 - 131
<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>	

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

OCONEE COUNTY, SOUTH CAROLINA

NET POSITION BY ACTIVITY LAST TEN FISCAL YEARS

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental Activities										
Net investment in capital assets	\$ 110,431,532	\$ 95,788,551	\$ 98,724,529	\$ 115,776,114	\$ 117,641,741	\$ 115,481,202	\$ 111,858,197	\$ 111,079,685	\$ 110,011,100	\$ 110,968,422
Restricted	4,805,047	4,427,846	3,974,459	4,547,704	11,572,618	11,854,956	11,397,155	15,471,375	15,308,681	18,818,076
Unrestricted	28,367,126	43,370,642	41,790,290	(2,830,210)	(9,444,689)	(11,276,727)	(23,584,421)	(22,313,815)	(20,026,233)	(22,196,355)
Total Governmental Activities Net Position	143,603,705	143,587,039	144,489,278	117,493,608	119,769,670	116,059,431	99,670,931	104,237,245	105,293,548	107,590,143
Business-type Activities										
Net investment in capital assets	11,367,562	16,167,255	15,418,889	15,676,314	15,453,880	3,544,055	3,527,427	5,323,696	6,574,367	7,750,530
Unrestricted	1,107,930	(16,066)	(1,746,495)	(4,596,442)	(4,746,933)	627,854	5,079,971	5,420,611	6,006,659	6,487,397
Total Business-type Activities Net Position	12,475,492	16,151,189	13,672,394	11,079,872	10,706,947	4,171,909	8,607,398	10,744,307	12,581,026	14,237,927
Primary Government										
Net investment in capital assets	121,799,094	111,955,806	114,143,418	131,452,428	133,095,621	119,025,257	115,385,624	116,403,381	116,585,467	118,718,952
Restricted	4,805,047	4,427,846	3,974,459	4,547,704	11,572,618	11,854,956	11,397,155	15,471,375	15,308,681	18,818,076
Unrestricted	29,475,056	43,354,576	40,043,795	(7,426,652)	(14,191,622)	(10,648,873)	(18,504,450)	(16,893,204)	(14,019,574)	(15,708,958)
Total Primary Government Net Position	\$ 156,079,197	\$ 159,738,228	\$ 158,161,672	\$ 128,573,480	\$ 130,476,617	\$ 120,231,340	\$ 108,278,329	\$ 114,981,552	\$ 117,874,574	\$ 121,828,070

OCONEE COUNTY, SOUTH CAROLINA

CHANGE IN NET POSITION LAST TEN FISCAL YEARS

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
<u>Governmental Activities:</u>										
General government	\$ 11,697,494	\$ 11,261,859	\$ 10,047,351	\$ 10,126,223	\$ 15,373,751	\$ 14,146,220	\$ 13,350,317	\$ 10,026,571	\$ 14,635,751	\$ 17,117,584
Public safety	18,483,001	19,204,344	20,131,431	20,502,284	19,750,046	21,736,482	24,291,184	24,773,993	27,889,318	29,284,748
Transportation	7,495,563	7,372,983	8,008,004	6,916,146	6,360,354	7,667,087	6,693,782	7,146,148	6,265,856	6,362,138
Public works	4,901,973	1,930,852	3,897,503	3,887,619	2,218,478	5,632,511	4,350,823	4,455,182	4,246,061	5,044,049
Culture and recreation	3,019,172	2,986,367	3,213,785	3,343,201	3,314,681	2,227,271	3,597,829	3,664,448	3,968,598	4,379,793
Judicial services	2,970,949	3,019,193	3,046,553	3,233,141	3,098,182	3,153,126	3,214,237	3,076,497	3,201,903	3,446,141
Education	1,048,376	1,036,754	1,041,785	1,066,000	1,086,000	1,065,999	1,512,498	1,590,397	1,480,801	1,645,262
Health and welfare	1,262,341	494,226	1,057,650	400,441	542,478	534,108	510,848	537,987	510,409	449,441
Economic development	617,995	1,517,386	2,454,331	1,291,090	891,864	3,858,741	7,167,155	2,008,744	2,430,204	1,692,324
Unallocated interest expense	590,972	854,537	852,127	642,981	648,480	614,791	551,023	512,965	559,065	342,443
Total Governmental Activities Expenses	52,087,836	49,678,501	53,750,520	51,409,126	53,284,314	60,636,336	65,239,696	57,792,932	65,187,966	69,763,923
<u>Business-type Activities:</u>										
Rock Quarry	2,228,448	2,702,814	2,725,580	2,760,715	3,151,400	3,153,499	3,590,313	3,603,955	3,940,079	4,258,105
FOCUS	18,604	228,910	1,606,703	2,324,110	2,672,861	9,082,810	-	-	-	-
Solid Waste	-	-	-	-	-	-	-	-	-	-
Total Business-type Activities Expense	2,247,052	2,931,724	4,332,283	5,084,825	5,824,261	12,236,309	3,590,313	3,603,955	3,940,079	4,258,105
Total Primary Government Expenses	54,334,888	52,610,225	58,082,803	56,493,951	59,108,575	72,872,645	68,830,009	61,396,887	69,128,045	74,022,028
Program Revenues										
<u>Governmental Activities:</u>										
Charges for services										
General government	699,104	721,041	743,811	957,289	1,102,851	1,131,063	1,309,495	1,364,494	1,521,657	2,036,540
Public safety	545,666	954,080	1,050,750	1,121,939	945,391	1,094,335	1,335,346	1,278,747	1,355,323	1,676,833
Transportation	911,261	954,518	842,073	840,747	839,311	999,702	1,085,477	1,331,871	1,262,152	1,528,774
Public works	1,221,323	1,145,528	1,202,131	1,143,107	1,321,487	1,406,614	1,652,254	1,648,864	2,116,435	2,473,967
Culture and recreation	377,337	358,074	377,862	378,066	468,321	531,420	571,045	589,759	504,216	783,121
Judicial services	1,109,336	1,005,102	907,605	779,808	746,975	747,257	796,027	730,935	793,387	876,064
Health and welfare	87,487	-	-	-	-	-	-	-	-	-
Economic development	-	9,500	-	-	850	226	-	-	75	-
Operating grants and contributions	1,391,801	1,646,556	1,925,061	1,888,624	2,407,575	2,914,832	2,337,922	3,780,260	3,139,229	4,416,023
Capital grants and contributions	1,899,031	677,399	2,022,895	2,531,412	1,755,317	1,159,095	1,263,529	1,258,895	2,050,616	3,280,791
Total Governmental Activities Program Revenues	8,242,346	7,471,798	9,072,188	9,640,992	9,588,078	9,984,544	10,351,095	11,983,825	12,743,090	17,072,113
<u>Business-type Activities:</u>										
Charges for services										
Rock Quarry	2,854,380	2,779,245	3,393,169	478,009	907,397	5,231,620	5,869,860	6,109,579	6,469,063	6,643,233
FOCUS	1,110	913,801	44,879	4,166,519	5,021,553	969,651	235,430	-	-	-
Capital grants and contributions	6,455,725	3,141,110	-	-	-	-	7,660	-	-	-
Total Business-type Activities Program Revenues	9,311,215	6,834,156	3,438,048	4,644,528	5,928,950	6,201,271	6,112,950	6,109,579	6,469,063	6,643,233
Total Primary Government Program Revenues	\$ 17,553,561	\$ 14,305,954	\$ 12,510,236	\$ 14,285,520	\$ 15,517,028	\$ 16,185,815	\$ 16,464,045	\$ 18,093,404	\$ 19,212,153	\$ 23,715,346

OCONEE COUNTY, SOUTH CAROLINA

CHANGE IN NET POSITION LAST TEN FISCAL YEARS

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Net (Expense) Revenue										
Governmental Activities	\$ (43,845,490)	\$ (42,206,703)	\$ (44,678,332)	\$ (41,768,134)	\$ (43,696,236)	\$ (50,651,792)	\$ (54,888,601)	\$ (45,809,107)	\$ (52,444,876)	\$ (52,691,810)
Business-type Activities	7,064,163	3,902,432	(894,235)	(440,297)	104,689	(6,035,038)	2,522,637	2,505,624	2,528,984	2,385,128
Total Primary Government	<u>\$ (36,781,327)</u>	<u>\$ (38,304,271)</u>	<u>\$ (45,572,567)</u>	<u>\$ (42,208,431)</u>	<u>\$ (43,591,547)</u>	<u>\$ (56,686,830)</u>	<u>\$ (52,365,964)</u>	<u>\$ (43,303,483)</u>	<u>\$ (49,915,892)</u>	<u>\$ (50,306,682)</u>
General Revenues and Other Changes in Net Position										
<u>Governmental Activities:</u>										
Property taxes	38,093,094	37,638,742	39,926,946	40,208,079	41,172,258	42,188,898	43,219,013	44,172,858	46,988,932	49,241,399
Other taxes and licenses	755,113	772,729	843,741	883,996	896,899	1,027,358	1,017,648	1,056,328	1,197,946	1,656,480
Unrestricted grants and contributions	2,286,169	2,732,272	2,743,615	2,760,812	2,753,991	2,881,355	2,831,768	2,859,287	2,986,063	3,040,980
Unrestricted investment earnings	427,725	350,417	483,260	521,943	546,936	232,848	401,360	1,031,888	959,496	102,137
Miscellaneous	137,819	232,576	-	203,750	118,692	111,094	620,830	755,060	618,742	197,409
Special items	-	-	-	-	-	-	-	-	-	-
Proceeds from legal settlement	-	375,000	-	-	-	-	-	-	-	-
Transfers	633,309	116,991	1,583,009	750,000	483,522	500,000	(2,440,828)	500,000	750,000	750,000
Total Governmental Activities	<u>42,333,229</u>	<u>42,218,727</u>	<u>45,580,571</u>	<u>45,328,580</u>	<u>45,972,298</u>	<u>46,941,553</u>	<u>45,649,791</u>	<u>50,375,421</u>	<u>53,501,179</u>	<u>54,988,405</u>
<u>Business-type Activities:</u>										
Investment earnings	4,478	3,714	(1,552)	13,883	5,908	-	5,211	131,285	57,735	1,773
Gain on disposal of capital assets	-	-	-	-	-	-	-	-	-	20,000
Miscellaneous	-	37,056	-	-	-	-	-	-	-	-
Transfers	(633,309)	(116,991)	(1,583,009)	(750,000)	(483,522)	(500,000)	2,440,828	(500,000)	(750,000)	(750,000)
Total Business-type Activities	<u>(628,831)</u>	<u>(76,221)</u>	<u>(1,584,561)</u>	<u>(736,117)</u>	<u>(477,614)</u>	<u>(500,000)</u>	<u>2,446,039</u>	<u>(368,715)</u>	<u>(692,265)</u>	<u>(728,227)</u>
Total Primary Government	<u>41,704,398</u>	<u>42,142,506</u>	<u>43,996,010</u>	<u>44,592,463</u>	<u>45,494,684</u>	<u>46,441,553</u>	<u>48,095,830</u>	<u>50,006,706</u>	<u>52,808,914</u>	<u>54,260,178</u>
Change in Net Position										
Governmental Activities	(1,512,261)	12,024	902,239	3,560,446	2,276,062	(3,710,239)	(9,238,810)	4,566,314	1,056,303	2,296,595
Business-type Activities	6,435,332	3,826,211	(2,478,796)	(1,176,414)	(372,925)	(6,535,038)	4,968,676	2,136,909	1,836,719	1,656,901
Total Primary Government	<u>\$ 4,923,071</u>	<u>\$ 3,838,235</u>	<u>\$ (1,576,557)</u>	<u>\$ 2,384,032</u>	<u>\$ 1,903,137</u>	<u>\$ (10,245,277)</u>	<u>\$ (4,270,134)</u>	<u>\$ 6,703,223</u>	<u>\$ 2,893,022</u>	<u>\$ 3,953,496</u>

OCONEE COUNTY, SOUTH CAROLINA

FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Nonspendable	\$ 7,473,784	\$ 7,575,436	\$ 7,974,903	\$ 7,893,345	\$ 10,178,225	\$ 12,330,060	\$ 8,722,562	\$ 8,747,207	\$ 8,762,306	\$ 8,738,247
Restricted	1,401,505	-	-	-	-	-	-	-	-	-
Assigned	8,236,071	6,319,226	6,201,707	5,859,340	6,305,588	5,402,720	5,050,838	6,100,003	7,373,459	4,814,094
Unassigned	7,521,789	7,912,690	7,956,354	7,680,785	5,778,824	6,003,573	6,412,141	7,172,523	9,478,187	11,122,634
Total General Fund	<u>\$ 24,633,149</u>	<u>\$ 21,807,352</u>	<u>\$ 22,132,964</u>	<u>\$ 21,433,470</u>	<u>\$ 22,262,637</u>	<u>\$ 23,736,353</u>	<u>\$ 20,185,541</u>	<u>\$ 22,019,733</u>	<u>\$ 25,613,952</u>	<u>\$ 24,674,975</u>
All Other Governmental Funds										
Nonspendable	\$ 5,150,854	\$ 5,120,760	\$ 5,715,670	\$ 6,007,910	\$ 6,157,338	\$ 6,105,946	\$ 2,467,749	\$ 2,739,597	\$ 2,476,938	\$ 2,242,188
Restricted	21,761,098	31,810,874	23,056,108	12,010,393	11,572,618	11,854,956	11,397,155	15,471,375	15,308,681	18,818,076
Committed	-	-	-	1,830,000	1,900,000	-	-	-	-	-
Assigned	6,514,510	-	1,418,771	-	500,000	500,000	500,000	500,000	3,402,429	3,929,560
Unassigned	(21,702)	-	-	(5,430)	(22,528)	-	-	(5,781)	(114,728)	(479,525)
Total all other governmental funds	<u>\$ 33,404,760</u>	<u>\$ 36,931,634</u>	<u>\$ 30,190,549</u>	<u>\$ 19,842,873</u>	<u>\$ 20,107,428</u>	<u>\$ 18,460,902</u>	<u>\$ 14,364,904</u>	<u>\$ 18,705,191</u>	<u>\$ 21,073,320</u>	<u>\$ 24,510,299</u>
Total all governmental funds	<u>\$ 58,037,909</u>	<u>\$ 58,738,986</u>	<u>\$ 52,323,513</u>	<u>\$ 41,276,343</u>	<u>\$ 42,370,065</u>	<u>\$ 42,197,255</u>	<u>\$ 34,550,445</u>	<u>\$ 40,724,924</u>	<u>\$ 46,687,272</u>	<u>\$ 49,185,274</u>

OCONEE COUNTY, SOUTH CAROLINA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Property taxes	\$ 38,020,262	\$ 37,554,856	\$ 39,752,966	\$ 40,022,706	\$ 41,403,551	\$ 42,157,936	\$ 42,783,917	\$ 44,635,982	\$ 46,882,306	\$ 49,454,841
Other taxes	502,286	656,268	636,153	692,870	774,943	837,018	734,169	834,276	942,497	1,403,293
Intergovernmental	7,065,591	4,695,381	6,335,362	7,145,213	6,609,118	6,151,473	5,432,437	8,583,227	7,863,095	8,648,104
Licenses, permits and fees	2,658,935	2,846,954	2,942,232	3,136,565	3,329,718	3,563,396	4,449,954	4,298,972	5,210,108	6,441,152
Fines and forfeitures	485,898	442,930	462,505	397,280	349,825	443,592	331,778	378,436	340,230	366,767
Charges for services	1,681,043	1,714,530	1,706,415	1,511,531	1,548,745	1,907,558	2,051,240	2,193,336	2,053,879	2,554,699
Interest and investment income	428,175	350,414	483,260	521,943	546,936	232,848	401,360	1,031,888	959,496	102,137
Contributions and donations	-	-	-	-	-	729,342	100,740	299,936	141,558	69,962
Miscellaneous and other	612,032	620,736	563,502	402,341	626,619	260,878	225,422	260,459	847,766	511,478
Total Revenues	51,454,222	48,882,069	52,882,395	53,830,449	55,189,455	56,284,041	56,511,017	62,516,512	65,240,935	69,552,433
Expenditures										
General government	13,185,544	11,112,957	9,605,045	9,340,206	10,619,326	10,139,720	12,610,766	10,312,858	11,208,161	14,756,812
Public safety	15,885,097	17,965,052	18,289,706	19,528,060	19,259,455	21,856,373	21,332,622	23,983,321	24,172,648	27,881,321
Transportation	5,906,716	4,570,959	5,642,616	5,372,448	4,093,358	4,635,820	4,149,598	4,849,354	4,321,096	4,549,609
Public works	3,935,370	3,674,946	3,539,178	3,712,590	3,800,049	4,266,899	4,338,179	4,302,740	4,405,737	5,024,846
Culture and recreation	2,879,904	2,926,734	3,051,999	3,171,835	3,420,174	3,489,308	3,636,466	3,514,396	4,571,939	4,205,517
Judicial services	2,655,317	2,664,057	2,713,121	2,901,655	2,796,960	2,829,668	2,819,197	2,878,201	3,094,464	3,123,100
Education	1,013,376	1,036,754	1,041,785	1,066,000	1,086,000	1,065,999	1,512,498	1,590,397	1,535,801	1,645,262
Health and welfare	682,022	340,292	939,131	395,228	403,368	396,721	424,825	403,852	378,595	328,217
Economic development	608,382	1,497,332	8,809,901	1,885,090	884,078	4,443,777	6,719,429	1,576,508	1,967,136	1,185,333
Capital outlay	2,720,372	2,449,772	4,989,163	14,342,987	8,766,134	3,237,920	2,367,763	1,702,637	4,320,112	5,178,787
Debt service										
Principal retirement	2,889,220	3,407,298	6,298,106	3,478,508	3,257,148	3,383,237	2,678,490	2,279,400	2,398,783	3,023,723
Interest and fiscal charges	815,861	905,084	856,521	743,870	645,774	644,171	606,591	580,865	648,878	328,609
Bond issue costs	-	79,154	102,756	-	50,500	63,000	20,000	-	23,000	-
Total Expenditures	53,177,181	52,630,391	65,879,028	65,938,477	59,082,324	60,452,613	63,216,424	57,974,529	63,046,350	71,231,136
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,722,959)	(3,748,322)	(12,996,633)	(12,108,028)	(3,892,869)	(4,168,572)	(6,705,407)	4,541,983	2,194,585	(1,678,703)

OCONEE COUNTY, SOUTH CAROLINA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Other Financing Sources (Uses)										
Sale of capital assets	\$ 42,326	\$ 31,171	\$ -	\$ 107,108	\$ 165,899	\$ 84,668	\$ -	\$ 67,189	\$ 12,004	\$ 127,168
Insurance recoveries	14,992	232,576	-	203,750	118,692	111,094	620,830	553,807	50,659	9,190
Bonds and capital leases	1,614,812	2,638,954	4,998,150	-	4,200,000	3,300,000	878,595	511,500	10,200,000	3,290,347
Payments to refunding bonds escrow	-	-	-	-	-	-	-	-	(7,244,900)	-
Transfer in	850,452	5,188,897	3,100,368	894,582	1,317,121	4,508,152	726,003	1,199,847	1,299,347	936,441
Transfer out	(217,143)	(5,071,906)	(1,517,358)	(144,582)	(815,121)	(4,008,152)	(3,166,831)	(699,847)	(549,347)	(186,441)
Total Other Financing Sources (Uses)	2,305,439	3,019,692	6,581,160	1,060,858	4,986,591	3,995,762	(941,403)	1,632,496	3,767,763	4,176,705
Net Change in Fund Balance	<u>\$ 582,480</u>	<u>\$ (728,630)</u>	<u>\$ (6,415,473)</u>	<u>\$ (11,047,170)</u>	<u>\$ 1,093,722</u>	<u>\$ (172,810)</u>	<u>\$ (7,646,810)</u>	<u>\$ 6,174,479</u>	<u>\$ 5,962,348</u>	<u>\$ 2,498,002</u>
Debt Service as a Percentage of Noncapital Expenditures*	5.97%	7.34%	165.00%	9.28%	22.36%	8.71%	6.73%	5.48%	4.88%	5.15%

* Noncapital expenditures are total expenditures less capital outlay (to the extent capitalized for the government-wide statement of net position) and expenditures for capitalized assets included within the functional expenditure categories. This formula adds "functional" and "principal" and divides them by the "total expenditures" minus the "capital outlay."

OCONEE COUNTY, SOUTH CAROLINA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Real Property	Personal Property	Other	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
2012	\$ 313,231,359	\$ 33,845,784	\$ 170,891,945	\$ 517,969,088	69.0	\$ 9,021,922,673	5.74%
2013	318,171,344	35,811,449	161,574,917	515,557,710	69.0	9,047,217,892	5.70%
2014	322,552,303	41,212,757	157,529,631	521,294,691	71.0	9,142,100,263	5.70%
2015	320,742,833	40,299,075	164,301,126	525,343,034	71.0	9,169,352,176	5.73%
2016	323,167,245	42,705,030	180,421,797	546,294,072	71.0	9,438,560,789	5.79%
2017	333,937,375	42,504,784	183,478,946	559,921,105	71.0	9,511,692,773	5.89%
2018	335,399,830	42,663,982	190,688,108	568,751,920	71.0	9,622,040,752	5.91%
2019	342,029,234	44,396,985	190,205,574	576,631,793	72.7	9,827,455,009	5.87%
2020	349,404,947	48,724,000	171,731,216	569,860,163	77.4	9,870,473,481	5.77%
2021	360,945,320	52,374,432	186,068,558	599,388,310	77.4	10,326,754,952	5.80%

Source: Oconee County Auditor

Note:

Property in the County was reassessed at December 31, 2010, which is reflected in the taxable assessed values stated above for fiscal years ended June 30, 2012. The 2015 reassessment was delayed one year by County Council vote and was implemented in year end June 30, 2018.

OCONEE COUNTY, SOUTH CAROLINA

DIRECT AND OVERLAPPING PROPERTY TAX RATES LAST TEN FISCAL YEARS

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Oconee County Direct Rates										
Operating	58.90	58.90	57.60	57.60	57.60	60.40	60.30	62.50	63.90	63.90
Debt service	6.00	6.00	6.00	6.00	6.00	3.20	3.50	3.00	3.00	3.00
Economic development	1.00	1.00	2.20	2.20	2.20	2.20	1.10	1.10	2.40	2.40
Bridges and culverts	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Capital vehicle and equipment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00	2.00
Road maintenance	0.00	0.00	2.10	2.10	2.10	2.10	2.10	2.10	2.10	2.10
Tri-County Tech operations	2.10	2.10	2.10	2.10	2.10	2.10	3.00	3.00	3.00	3.00
Total County Millage	<u>69.00</u>	<u>69.00</u>	<u>71.00</u>	<u>71.00</u>	<u>71.00</u>	<u>71.00</u>	<u>71.00</u>	<u>72.70</u>	<u>77.40</u>	<u>77.40</u>
Overlapping Rates										
School District										
Operations	101.40	110.10	110.10	110.10	110.10	110.10	115.30	115.30	116.50	116.50
Debt service	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00
Total School Millage	<u>132.40</u>	<u>141.10</u>	<u>141.10</u>	<u>141.10</u>	<u>141.10</u>	<u>141.10</u>	<u>146.30</u>	<u>146.30</u>	<u>147.50</u>	<u>147.50</u>
Special District Rates										
City of Salem	32.40	32.40	34.90	36.40	36.40	36.40	37.00	37.00	37.00	37.00
City of Seneca	52.30	52.30	55.30	55.30	55.30	59.30	60.50	62.70	62.70	62.70
City of Walhalla	84.00	84.00	84.00	84.00	84.00	84.00	84.00	84.00	84.00	84.00
City of West Union	42.00	45.00	46.00	46.00	48.30	48.80	48.80	50.30	80.30	50.30
City of Westminster	90.70	90.70	90.70	97.30	99.30	99.30	99.30	99.30	99.30	99.30
Unincorp. Fire Special District	2.90	2.90	2.90	2.90	2.90	2.90	2.90	2.90	2.90	2.90
Keowee Fire Special District	14.50	14.50	14.50	14.50	14.50	14.50	14.50	14.50	14.50	17.50
Total Special District Millage	<u>318.80</u>	<u>321.80</u>	<u>328.30</u>	<u>336.40</u>	<u>340.70</u>	<u>345.20</u>	<u>347.00</u>	<u>350.70</u>	<u>380.70</u>	<u>353.70</u>
Total Direct and Overlapping Rates	<u>520.20</u>	<u>531.90</u>	<u>540.40</u>	<u>548.50</u>	<u>552.80</u>	<u>557.30</u>	<u>564.30</u>	<u>569.70</u>	<u>605.60</u>	<u>578.60</u>

Source: Oconee County Auditor

Note:

Overlapping rates are those of local and county governments that apply to property owners within Oconee County, South Carolina. Not all overlapping rates apply to all Oconee County, South Carolina property owners (e.g., the rates for the city or special district apply only to the portion of the government's property owners whose property is located within the geographic boundaries of the city or special district).

OCONEE COUNTY, SOUTH CAROLINA

PRINCIPAL PROPERTY TAXPAYERS CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2021			Taxpayer	2012		
	Taxable Assessed Value*	Rank	Percentage of Total Taxable Assessed Value		Taxable Assessed Value*	Rank	Percentage of Total Taxable Assessed Value
Duke Energy Corporation	\$153,255,750	1	25.57%	Duke Energy Corporation	\$143,386,470	1	27.68%
Blue Ridge Electric Coop Inc.	8,539,950	2	1.42%	Blue Ridge Electric Coop Inc.	5,930,310	2	1.14%
Borg Warner Torq Systems Inc.	5,258,519	3	0.88%	Sandvik Inc.	4,281,005	3	0.83%
BASF Catalyst, LLC	3,540,905	4	0.59%	Itron Electricity Metering, Inc.	3,528,060	4	0.68%
Sandvik Inc.	3,427,592	5	0.57%	BASF Catalyst, LLC	3,485,820	5	0.67%
Cryovac Inc.	2,844,089	6	0.47%	Cryovac Inc.	2,797,590	6	0.54%
US Engine Valve Company	2,653,183	7	0.44%	Bellsouth Telecomm Inc.	2,352,000	7	0.45%
Clairos, LLC	2,488,251	8	0.42%	Borg Warner Torq Systems	2,351,392	8	0.45%
Itron Electricity Metering Inc.	2,374,203	9	0.40%	High Point, LLC	1,997,960	9	0.39%
	2,155,091	10	0.36%	Johnson Controls Battery	1,609,000	10	0.31%
Total	<u>\$186,537,533</u>		31.12%		<u>\$171,719,607</u>		33.15%
Total Gross Digest Assessment	<u>\$599,388,310</u>			Total Gross Digest Assessment	<u>\$517,969,088</u>		

Source: Oconee County Auditor

* Actual

OCONEE COUNTY, SOUTH CAROLINA

PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Tax Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	\$ 37,241,977	\$ 35,899,993	96.40%	\$ 1,341,984	\$ 37,241,977	100.00%
2013	35,707,481	34,513,231	96.66%	901,118	35,414,349	99.18%
2014	36,786,238	35,519,419	96.56%	735,590	36,255,009	98.56%
2015	37,438,922	36,298,823	96.95%	703,580	37,002,403	98.83%
2016	40,371,126	39,275,957	97.29%	698,132	39,974,089	99.02%
2017	41,052,706	40,031,849	97.51%	824,757	40,856,606	99.52%
2018	42,030,767	40,696,615	96.83%	1,003,673	41,700,288	99.21%
2019	43,593,364	42,454,574	97.39%	899,927	43,354,501	99.45%
2020	45,759,771	44,454,949	97.15%	1,205,330	45,660,279	99.78%
2021	48,130,881	46,842,979	97.32%	1,179,591	48,022,570	99.77%

Source: Oconee County Treasurer

OCONEE COUNTY, SOUTH CAROLINA
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Governmental Activities				Business-type Activities		Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹
	General Obligation Bonds	Special Source Revenue Bonds	Special Source Refunding Revenue Bonds	Capital Leases	Revenue Bond	Capital Leases			
2012	\$ 19,927,443	\$ 3,315,000	\$ -	\$ 1,928,251	\$ -	\$ -	\$ 25,170,694	1.1%	337
2013	20,806,549	3,125,000	-	1,300,953	-	-	25,232,502	1.0%	337
2014	17,839,292	-	2,993,000	2,987,997	-	-	23,820,289	0.9%	319
2015	15,645,178	-	2,758,000	1,844,489	-	-	20,247,667	0.7%	267
2016	13,380,747	-	2,516,000	5,214,340	-	-	21,111,087	0.7%	276
2017	15,311,581	-	2,267,000	3,385,104	-	-	20,963,685	0.7%	271
2018	14,174,077	-	2,011,000	2,923,622	-	6,552,500	25,661,199	0.8%	330
2019	13,510,332	-	1,749,000	2,028,776	-	6,110,894	23,399,002	0.8%	286
2020	13,022,485	-	1,476,000	3,299,813	-	5,660,822	23,459,120	0.7%	295
2021	11,604,809	-	1,198,000	5,259,473	-	5,192,162	23,254,444	0.6%	291

Source: Oconee County Finance Department

¹ See the table for Demographic and Economic Statistics for personal income and population data used for these calculations.

Notes:

Prior to fiscal year ended June 30, 2013, the County had used the straight line method to amortize bond issue premiums/discounts. Generally accepted accounting principles require the use of the effective interest method of amortization. Beginning fiscal year ended June 30, 2013, the County started using the effective interest method for amortization of all bond issue premiums/discounts so as to comply with accounting principles generally accepted in the United States of America.

The Oconee County General Obligation Bond, Series 2007 for the Keowee Key Fire Special Tax District was not included above until fiscal year 2013. In fiscal year 2017-2018, this bond was refunded with General Obligation Current Refunding Bond, Series 2017. Since this bond was issued for a special tax district, it does not impact the debt limit of the County.

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

OCONEE COUNTY, SOUTH CAROLINA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	General Bonded Debt Outstanding			Ratio of Net Bonded Debt to Assessed Value ¹	Net Bonded Debt Per Capita ²
	General Obligation Bonds	Less: Amount Available in Debt Service Fund	Total Net Bonded Debt		
2012	\$ 19,927,443	\$ 1,235,487	\$ 18,691,956	3.61%	\$ 251
2013	20,806,549	1,440,108	19,366,441	3.76%	259
2014	17,839,292	1,095,802	16,743,490	3.21%	224
2015	15,645,178	1,682,706	13,962,472	2.66%	184
2016	13,380,747	1,628,323	11,752,424	2.15%	154
2017	15,311,581	352,295	14,959,286	2.67%	194
2018	14,174,077	1,051,918	13,122,159	2.31%	169
2019	13,510,332	1,414,846	12,095,486	2.01%	148
2020	13,022,485	1,717,787	11,304,698	1.98%	142
2021	11,604,809	2,107,893	9,496,916	1.58%	119

Source: Oconee County Finance Department

¹ See the table for Assessed Value and Estimated Actual Value of Taxable Property for total taxable assessed value used for these calculations.

² See the table for Demographic and Economic Statistics for the population used for these calculations.

Note:

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

OCONEE COUNTY, SOUTH CAROLINA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2021

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percent Applicable ¹</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Direct Debt:			
Oconee County	\$ 13,009,712	100.00%	<u>\$ 13,009,712</u>
Overlapping Debt:			
School District of Oconee County	78,375,000	100.00%	78,375,000
<u>Incorporated Municipalities</u>			
Town of West Union	-	0.28%	-
Town of Salem	-	0.14%	-
City of Walhalla	999,585	1.49%	14,940
City of Westminster	-	1.08%	-
City of Seneca	2,464,603	6.43%	158,379
<u>Special Purpose Districts</u>			
Unincorp. Fire Special District	-	82.12%	-
Keowee Fire District	541,673	8.46%	45,825
Total Estimated Share of Overlapping Debt			<u>78,594,144</u>
Total Estimated Share of Direct and Overlapping Debt			<u><u>\$ 91,603,856</u></u>

Sources: Oconee County Finance Department and Oconee County Auditor

¹ Estimated percent applicable is determined by the ratio of assessed valuation of real property subject to taxation in the overlapping entity to the valuation of real property subject to taxation in the entire County.

OCONEE COUNTY, SOUTH CAROLINA

LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS

Legal Debt Margin Calculation for Fiscal Year 2021

Assessed valuation	\$ 599,388,310
Debt limit - eight percent of total assessed value	\$ 47,951,065
Debt applicable to limit:	
General obligation bonds	11,081,133
Less: amount set aside for repayment of general obligation bonds	<u>(2,107,893)</u>
Debt qualifying for margin	<u>8,973,240</u>
Legal debt margin	<u><u>\$ 38,977,825</u></u>

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Assessed value of taxable property	\$ 517,969,088	\$ 515,557,710	\$ 521,294,691	\$ 525,343,034	\$ 546,294,072	\$ 559,921,105	\$ 568,571,920	\$ 576,631,793	\$ 569,860,163	\$ 599,388,310
Legal debt limit*	\$ 41,437,527	\$ 41,244,617	\$ 41,703,575	\$ 42,027,443	\$ 43,703,526	\$ 44,793,688	\$ 45,500,154	\$ 46,130,543	\$ 45,588,813	\$ 47,951,065
Net debt applicable to limit	<u>17,844,513</u>	<u>18,531,441</u>	<u>16,054,198</u>	<u>13,282,472</u>	<u>11,157,424</u>	<u>14,454,286</u>	<u>12,712,573</u>	<u>11,785,454</u>	<u>11,096,091</u>	<u>8,973,240</u>
Legal debt margin	<u><u>\$ 23,593,014</u></u>	<u><u>\$ 22,713,176</u></u>	<u><u>\$ 25,649,377</u></u>	<u><u>\$ 28,744,971</u></u>	<u><u>\$ 32,546,102</u></u>	<u><u>\$ 30,339,402</u></u>	<u><u>\$ 32,787,581</u></u>	<u><u>\$ 34,345,089</u></u>	<u><u>\$ 34,492,722</u></u>	<u><u>\$ 38,977,825</u></u>
Total net debt applicable to the limit as a percentage of debt limit	43.06%	44.93%	38.50%	31.60%	25.53%	32.27%	27.94%	25.55%	24.34%	18.71%

Source: Oconee County Auditor and Oconee County Treasurer

* Calculated at eight percent of the total taxable assessed value.

Note:

Under South Carolina Constitution Article X, Section 14, 7(a), Oconee County's outstanding general obligation debt should not exceed 8 percent of the total assessed property value.

OCONEE COUNTY, SOUTH CAROLINA

PLEDGED REVENUE COVERAGE LAST TEN FISCAL YEARS

2010 Special Source Revenue Bonds - Pointe West Project					
Year	Fee in Lieu of Taxes	Debt Service Requirements			Coverage
		Principal ¹	Interest	Total	
2012	\$ 346,000	\$ 185,000	\$ 161,000	\$ 346,000	100%
2013	342,490	190,000	152,490	342,490	100%
2014 ²	343,750	200,000	143,750	343,750	100%

2014 Special Source Refunding Revenue Bonds - Pointe West Project					
Year	Fee in Lieu of Taxes	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2015	\$ 320,301	\$ 235,000	\$ 85,301	\$ 320,301	100%
2016	320,603	242,000	78,603	320,603	100%
2017	320,706	249,000	71,706	320,706	100%
2018	320,610	256,000	64,610	320,610	100%
2019	319,314	262,000	57,314	319,314	100%
2020	322,847	273,000	49,847	322,847	100%
2021	320,066	278,000	42,066	320,066	100%

Source: Oconee County Finance Department

¹ Principal payments were not scheduled in the period in which the debt was issued.

² The 2010 Special Sources Revenue Bonds - Pointe West Project was advance refunded in 2014.

Note:

Additional details regarding the County's outstanding debt can be found on the notes to the financial statements.

OCONEE COUNTY, SOUTH CAROLINA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

Year	Population ¹	Personal Income ³ <i>(in thousands)</i>	Per Capita Personal Income ³	Median Age ¹	School Enrollment ⁴	Unemployment Rate ²
2012	74,603	\$ 2,345,709	\$ 33,988	43.2	10,546	8.8%
2013	74,954	2,595,710	34,387	43.4	10,567	7.7%
2014	75,221	2,691,445	34,650	44.2	10,548	6.3%
2015	75,744	2,858,965	35,794	44.3	10,441	5.6%
2016	76,355	2,967,386	37,761	45.5	10,404	5.2%
2017	77,270	3,200,844	38,863	45.0	10,666	4.2%
2018	77,725	3,316,074	42,664	45.6	10,627	3.2%
2019	78,374	3,394,502	43,312	46.0	10,473	3.6%
2020	79,546	3,579,857	45,004	46.9	10,209	7.5%
2021	80,015	3,801,612	47,511	n/a	10,202	4.5%

Sources: ¹ US Census Bureau, Population Division
² US Department of Labor, Bureau of Labor Statistics
³ US Department of Commerce, Bureau of Economic Analysis
⁴ School District of Oconee County, SC

Note:

All data, except school enrollment, is based on calendar years and may be estimates or not be available for the current year and some of the previous years.

OCONEE COUNTY, SOUTH CAROLINA

PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO

2021				2012			
Company or Organization	Number of Employees	Rank	Percentage of Total County Employment	Company or Organization	Number of Employees	Rank	Percentage of Total County Employment
School District of Oconee County	1,530	1	6.52%	School District of Oconee County	1,607	1	5.18%
Duke Energy Corporation	1,310	2	5.58%	Duke Energy Corporation	1,459	2	4.71%
Prisma Health	1,300	3	5.54%	Oconee Medical Center	1,409	3	4.54%
Borg Warner Torq Systems, Inc.	1,000	4	4.26%	Schneider Electric - Square D	600	4	1.93%
Itron, Inc.	1,000	5	4.26%	Borg Warner Automotive, Inc.	590	5	1.90%
Schneider Electric	550	6	2.34%	Covidien	578	6	1.86%
JTECKT	510	7	2.17%	Itron, Inc.	550	7	1.77%
Oconee County Government	498	8	2.12%	Oconee County Government	493	8	1.59%
BASF	400	9	1.70%	Koyo Bearings USA, LLC	460	9	1.48%
Greenfield Industries	350	10	1.49%	BASF Catalysts, LLC	410	10	1.32%
	<u>8,448</u>		35.98%		<u>8,156</u>		26.30%

Source: SC Appalachian Council of Governments

OCONEE COUNTY, SOUTH CAROLINA

COUNTY FULL TIME EMPLOYEES BY FUNCTION LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government										
Administrative Services	-	-	11	11	-	-	-	-	-	-
Administrator	3	3	2	2	3	5	3	2	3	3
Assessor	18	18	18	19	17	16	16	16	14	14
Auditor	7	7	7	7	7	7	6	7	7	8
County Attorney	-	-	-	-	-	-	-	-	2	1
County Council	1	1	1	1	1	1	1	1	1	1
Delinquent Tax Collector	3	3	3	3	3	3	3	3	3	3
Facilities Maintenance	11	11	11	12	12	12	13	13	15	14
Finance	7	6	-	-	7	7	6	7	6	6
Human Resources	4	5	-	-	4	4	3	3	3	3
Information Technology	12	10	7	5	5	5	6	5	5	6
Planning	-	-	-	-	-	-	-	3	3	3
Procurement	3	2	2	2	2	2	2	2	2	2
Register of Deeds	4	4	4	4	4	4	4	4	4	4
Treasurer	7	7	7	6	6	6	6	6	6	7
Vehicle Maintenance	14	14	14	13	14	14	14	14	14	14
Voter Registrations and Elections	2	2	2	2	2	2	2	2	2	2
Public Safety										
Animal Control	6	6	6	6	6	6	6	7	7	6
Building Codes	-	-	-	-	-	-	-	5	6	7
Communications	21	21	21	21	21	21	21	21	22	23
Community Development	7	9	9	11	12	11	10	8	-	-
Coroner	1	1	1	1	1	1	1	2	2	3
Detention Center	31	35	36	50	48	47	48	47	45	42
Emergency Services	20	3	3	3	21	21	26	35	34	33
Rural Fire	-	17	17	17	-	-	-	-	-	-
Sheriff's Office	88	91	91	94	91	100	100	112	118	106
Transportation										
Airport	4	4	4	4	4	4	5	5	8	8
Roads and Bridges	36	37	37	38	38	37	35	36	31	29

OCONEE COUNTY, SOUTH CAROLINA

COUNTY FULL TIME EMPLOYEES BY FUNCTION LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Judicial Services										
Clerk of Court	10	10	11	12	12	12	12	12	12	12
Magistrate	9	9	9	9	9	9	9	9	11	9
Probate Court	6	6	6	6	6	6	5	5	5	6
Solicitor	10	10	10	9	9	13	13	13	13	13
Health and Welfare										
Legislative Delegation	1	1	1	1	1	1	1	1	1	1
Veterans' Affairs	3	3	3	3	3	3	3	3	3	3
Public Works										
Soil and Water	1	1	1	1	1	1	1	1	1	1
Solid Waste	36	36	38	38	36	36	35	35	31	34
Culture and Recreation										
Library	18	18	18	18	18	19	19	19	20	18
Parks, Recreation and Tourism	13	13	14	10	17	17	17	18	19	20
Economic Development	4	2	4	3	-	4	4	5	3	3
Enterprise Fund										
Rock Quarry	15	15	17	16	17	19	19	19	18	19
Oconee FOCUS	-	-	3	3	3	2	-	-	-	-
Total	<u>436</u>	<u>441</u>	<u>449</u>	<u>461</u>	<u>461</u>	<u>478</u>	<u>475</u>	<u>506</u>	<u>500</u>	<u>487</u>

Source: Oconee County Finance Department

Note:

The above counts are based on the actual number of full-time employees at June 30 for each fiscal year.

OCONEE COUNTY, SOUTH CAROLINA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government										
Administrative Services										
Accounts payable disbursements	-	-	14,770	-	-	-	-	-	-	-
Payroll disbursements	-	-	12,542	-	-	-	-	-	-	-
Employment applications processed	-	-	1,483	-	-	-	-	-	-	-
Employment terminations processed	-	-	94	-	-	-	-	-	-	-
Assessor										
Assessment appeals processed	1,274	730	650	716	747	1,224	1,216	465	374	160
Deeds Processed	n/a	4,885	5,474	6,502	7,405	6,802	5,813	8,540	7,667	10,312
Legal Residence Applications	n/a	1,428	2,692	3,500	2,606	2,502	2,880	1,855	2,000	2,000
Department of Revenue Applications	n/a	845	894	1,148	951	850	1,423	n/a	n/a	n/a
Agricultural Applications	n/a	1,100	1,250	1,400	1,320	980	798	397	500	500
Building Permits Processed	n/a	985	808	1,070	838	1,130	1,078	1,089	1,107	1,339
Assessable Transfers of Interest	n/a	1,785	2,404	2,575	2,660	2,895	3,116	3,982	4,000	4,000
Plats	n/a	574	548	691	701	842	753	779	687	861
Home Site Visits	n/a	14,430	14,500	14,650	14,400	18,957	n/a	n/a	n/a	n/a
Auditor										
Real estate, vehicle, and business property notices	150,169	149,251	79,063	152,947	155,622	160,376	157,818	158,617	153,888	160,000
Temporary tags	1,045	1,033	984	4,885	5,100	5,292	979	458	-	-
Board of Assessment and Appeals										
Appeals filed	n/a	15	-	9	34	6	19	3	2	3
Hearings held	38	4	-	4	14	1	3	1	1	1
County Council										
Regular meetings	21	22	19	21	22	22	22	23	22	20
Special meetings	9	7	7	7	5	5	7	8	7	6
Delinquent Tax Collector										
Records processed	6,216	6,680	6,156	7,100	6,866	5,884	6,384	6,792	5,273	7,203
Finance										
Accounts payable disbursements	10,775	10,012	-	7,811	4,705	6,262	5,263	10,643	4,356	4,506
Payroll disbursements	12,700	13,235	-	12,770	13,086	13,438	13,335	13,763	13,910	13,985
Human Resources										
Employment applications processed	2,321	1,510	-	2,133	1,709	2,091	1,477	2,665	2,660	1,661
Employment terminations processed	97	93	-	68	47	75	44	81	70	70
Procurement										
Number of requests for proposals (RFP)	13	15	3	18	18	18	2	-	5	1
Number of purchase orders	846	820	923	687	587	587	352	388	420	456
Register of Deeds										
Recorded documents	16,746	16,262	16,695	16,097	16,435	16,435	18,372	18,420	17,939	21,791
Treasurer										
Tax notices mailed	175,572	193,569	203,247	144,604	140,400	144,719	147,103	157,772	159,487	163,698
Vehicle Maintenance										
Repair orders processed	2,311	2,225	2,460	2,409	2,686	2,693	3,209	3,388	3,301	3,129

OCONEE COUNTY, SOUTH CAROLINA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government - continued										
Voter Registrations and Elections										
Current registered voters	47,000	46,000	49,000	48,476	49,486	51,069	51,395	52,000	58,000	56,045
Public Safety										
Animal Control										
Animals received	4,540	4,416	3,808	3,820	3,812	3,542	3,137	3,578	3,638	3,288
Animals adopted	912	1,079	1,143	1,160	1,238	1,095	1,126	1,273	1,472	1,004
Community Development										
Land use/Subdivision reviews	400	420	450	522	525	786	867	n/a	n/a	n/a
Permits issued	1,185	1,200	1,483	1,792	2,208	2,372	2,194	2,551	2,461	2,657
Coroner (based on a calendar year)										
Deaths	677	641	675	700	672	682	762	781	733	901
Detention Center										
Average daily population	129	135	157	162	158	174	178	170	190	165
Emergency Services (based on a calendar year)										
Medical rescue call responses	5,129	5,022	4,807	5,261	3,626	3,605	3,702	3,182	3,901	5,100
Special rescue call responses	27	31	43	79	51	63	45	126	104	144
Fire call responses	5,800	5,670	5,670	4,504	3,094	2,462	3,450	4,194	3,413	3,840
Hazardous material call responses	n/a	n/a	-	13	13	10	4	45	200	467
Sheriff's Office										
Service calls	48,570	45,477	48,742	48,742	50,004	81,493	48,978	90,050	61,233	65,711
Arrest warrants served	3,217	3,353	3,291	3,291	2,676	3,000	3,375	2,428	2,500	2,537
Transportation										
Roads and Bridges										
Work orders	8,709	8,709	12,189	5,429	3,962	9,332	6,169	4,338	5,000	3,129
Tons of gravel hauled	29,873	19,995	18,826	31,321	29,660	26,539	27,761	29,935	30,000	26,139
Judicial Services										
Clerk of Court										
Foreclosure auctions	237	201	140	135	118	118	103	131	100	51
Cases processed	5,585	4,796	5,493	4,893	3,878	5,307	5,881	7,434	7,960	5,954

OCONEE COUNTY, SOUTH CAROLINA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Judicial Services - continued										
Magistrate										
Magistrate traffic cases	1,730	7,796	10,700	2,668	2,792	2,792	2,993	8,421	6,600	4,276
Magistrate criminal cases	10,305	11,632	11,042	10,958	7,366	7,366	8,601	8,751	9,700	8,562
Health and Welfare										
Department of Social Services										
Food stamps cases	5,223	5,006	5,102	5,200	4,555	4,555	4,260	n/a	3,515	n/a
Family independence cases	175	106	136	170	107	107	84	n/a	129	n/a
Child protective services investigations	175	318	334	677	635	635	784	n/a	756	n/a
Adult protective services investigations	20	9	41	110	125	125	192	n/a	239	n/a
Children in foster care	52	94	91	54	120	120	110	n/a	111	n/a
Public Works										
Solid Waste										
Municipal solid waste (MSW) tons	36,632	36,982	37,520	37,691	39,309	39,036	43,591	43,852	48,957	54,914
Construction and demolition (C&D) tons	14,870	16,023	18,165	22,133	22,763	24,694	25,252	26,800	44,310	59,006
Culture and Recreation										
Library										
Computer users	57,095	54,459	47,665	42,803	36,164	31,456	35,982	18,738	12,332	8,568
Registered patrons	49,125	44,640	47,417	33,866	41,499	42,514	44,556	42,332	43,865	46,098
Enterprise Fund										
Rock Quarry										
Tons shot	301,140	477,732	497,295	495,622	532,797	568,818	565,978	613,578	668,291	658,954
Tons sold/used	418,614	421,468	381,182	482,620	560,809	508,798	508,798	616,011	591,409	611,473

Source: Oconee County Finance Department

Note:
 Not all departments have maintained workload indicator data for each year above. Due to unavailability of actual numbers, projected numbers may have been used.

OCONEE COUNTY, SOUTH CAROLINA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government										
Nondepartmental										
Land (acres)	17.912	17.912	18.846	20.581	20.113	20.113	20.113	20.113	20.613	20.613
Buildings	4	4	4	8	7	7	7	7	7	7
Heavy equipment	3	2	4	4	3	3	3	3	3	3
Vehicles	48	39	37	38	55	33	33	33	38	41
Culture and Recreation										
Nondepartmental										
Land (acres)	-	-	-	-	-	29	29.423	29.423	29.423	29.423
Buildings	-	-	-	-	-	1	1	1	1	1
Library										
Land (acres)	4.298	4.298	4.298	4.298	3.291	4.471	4.471	4.471	4.471	4.471
Buildings	3	3	3	3	3	3	3	3	3	3
Vehicles	2	3	3	3	3	4	4	3	3	3
Parks, Recreation, and Tourism										
Land (acres)	119.171	119.171	119.171	119.171	119.171	119.17	119.17	119.17	331.861	331.861
Buildings	18	18	18	17	16	18	18	18	18	20
Heavy equipment	5	5	4	4	4	5	5	4	4	4
Vehicles	10	12	14	15	14	11	15	11	12	15
Economic Development										
Economic Development										
Land (acres)	3.331	3.33	2.83	2.83	61.541	60.421	60.421	60.421	60.421	60.421
Buildings	2	2	1	1	0	1	1	1	1	1
Vehicles	1	1	1	1	2	2	2	2	2	2
Industrial Development Land for Resale (acres)										
Land - Oconee Industrial and Technology Park	407	398.107	397.16	397.160	397.16	359.497	317.29	317.29	291.299	291.299
Land - Golden Corner Commerce Center	397.226	366.8	360.87	360.870	360.87	360.87	360.87	360.87	360.87	360.87
Land - Oconee County Commerce Center Park	33.17	2.11	13.38	13.381	13.381	13.38	11.271	11.271	11.271	11.271
Land - Seneca Rail Park	111	111	111.082	111.082	111.082	111.08	111.082	111.082	111.082	111.082
Health and Welfare										
Nondepartmental										
Land: (acres)										
Health clinic	0.521	0.521	0.521	0.521	0.521	0.521	0.521	0.521	0.521	0.521
Nursing home	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
Buildings:										
Health clinic	1	1	1	1	1	1	1	1	1	1
Nursing home	1	1	1	1	1	1	1	1	1	1

OCONEE COUNTY, SOUTH CAROLINA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Department of Social Services										
Land (acres)	9.472	9.472	9.472	9.472	9.472	9.47	9.472	9.472	9.472	9.472
Buildings	1	1	1	1	1	1	1	1	1	1
Health Department										
Land (acres)	1.198	1.198	1.198	1.198	1.198	1.198	1.198	1.198	1.198	1.198
Buildings	2	2	2	1	1	1	1	1	1	1
Judicial Services										
Nondepartmental										
Land (acres)	2.785	2.785	2.785	2.785	2.785	2.785	2.785	2.785	2.785	2.785
Buildings	3	2	2	2	2	2	2	2	2	2
Magistrate										
Land (acres)	0.81	0.81	0.81	0.81	0.8	0.8	0.81	0.81	2.274	2.274
Buildings	1	1	1	1	1	1	1	1	3	3
Vehicles	2	2	3	3	3	3	3	3	3	3
Probate Court										
Vehicles	-	-	1	1	1	1	1	1	1	1
Solicitor										
Vehicles	1	1	1	1	1	1	1	1	1	1
Public Safety										
Nondepartmental										
Land (acres)	11.71	35.005	35.565	35.565	35.565	35.565	35.565	35.565	36.573	36.573
Buildings	8	8	8	9	10	10	8	8	8	7
Vehicles	9	9	9	9	10	11	11	12	10	9
Animal Control										
Land (acres)	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35
Buildings	1	1	1	1	1	1	1	1	2	2
Vehicles	9	5	6	8	8	7	6	5	5	5
Coroner										
Land (acres)	0.25	0.25	0.25	0	0	-	-	-	-	-
Buildings	1	1	1	1	1	1	1	1	1	1
Vehicles	1	1	1	1	1	2	2	2	2	2
Emergency/Fire Services ¹										
Land (acres)	-	3	3	3.102	4.112	5.502	5.502	5.502	5.502	5.502
Buildings	3	5	6	6	6	8	8	10	10	10
Rescue/fire boats	3	3	3	3	3	8	5	5	6	7
Vehicles	110	114	121	125	186	115	116	126	125	118
Probation and Parole										
Land (acres)	1.008	1.008	1.008	1.008	1.008	1.008	1.008	1.008	1.008	1.008
Buildings	1	1	1	1	1	1	1	1	1	1
Sheriff's Department										
Aircraft	1	1	1	1	1	1	1	1	1	1
Patrol boats	2	3	3	3	3	5	5	4	4	3
Vehicles	118	123	136	137	145	148	145	150	144	142

OCONEE COUNTY, SOUTH CAROLINA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Works										
Solid Waste ^{2, 3}										
Buildings - manned convenience centers	11	11	11	11	11	11	11	11	11	11
Heavy equipment	17	56	64	66	67	42	68	51	43	47
Vehicles	18	15	15	15	15	14	14	14	14	13
Transportation										
Airport										
Land (acres)	272.490	272.490	272.490	275.070	275.070	282.14	282.1386	282.1386	282.1386	293.3386
Buildings	5	5	5	5	5	5	5	5	5	5
Heavy equipment	1	1	2	3	3	3	3	4	4	5
Vehicles	6	6	6	7	6	4	4	5	5	4
Roads and Bridges										
Land (acres)	315.32	316.06	316.06	316.06	316.06	316.06	316.064	316.064	316.064	316.064
Buildings	4	4	4	4	4	4	4	4	4	4
Heavy equipment	62	60	64	63	68	71	67	67	68	71
Vehicles	46	45	47	46	49	44	42	42	42	42
Enterprise Funds										
Rock Quarry										
Land (acres)	26.6	28.29	29.27	29.27	30.131	35.629	35.629	55.839	61.789	66.859
Buildings	3	3	3	3	3	3	3	3	3	3
Heavy equipment	18	17	17	20	21	22	26	29	31	27
Vehicles	12	11	10	10	10	11	10	10	10	10
Oconee FOCUS										
Vehicles	1	1	1	1	1	-	-	-	-	-

Source: Oconee County Finance Department

¹ In fiscal year 2008-2009, Rural Fire was merged into Emergency Services.

² During fiscal year 2007-2008, Solid Waste was reclassified from an enterprise fund to the General Fund under the General Government function.

³ During fiscal year 2009-2010, Solid Waste was reclassified from the General Government function to the Public Works function.

COMPLIANCE SECTION

**INDEPENDENT AUDITOR'S 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**

**Oconee County Council
Oconee County
Walhalla, South Carolina**

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of **Oconee County, South Carolina** (the "County") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Oconee County, South Carolina's basic financial statements and have issued our report thereon dated December 30, 2021. Our report also includes a reference to other auditors who audited the financial statements of the Keowee Fire Tax District, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

In planning and performing our audit, 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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



Columbia, South Carolina
December 30, 2021

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

**Oconee County Council
Oconee County
Walhalla, South Carolina**

Report on Compliance for Each Major Federal Program

We have audited **Oconee County, South Carolina's** (the "County") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the County's major federal program for the year ended June 30, 2021. The County's major federal programs are identified in the summary of audit results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

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

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

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

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

Mauldin & Jenkins, LLC

Columbia, South Carolina
December 30, 2021

OCONEE COUNTY, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Grant Identification Number	Expenditures	Passed Through to Subrecipients
<u>U.S. Department of Agriculture</u>				
(Passed through the SC Department of Social Services)				
Child and Adult Care Food Program	10.558	N/A	\$ 27,985	\$ -
(Passed through the SC State Treasurer's Office)				
Forest Service Schools and Roads Cluster:				
Secure Payments for States and Counties Containing Federal Land	10.665	N/A	138,300	-
(Passed through the Natural Resources Conservation Services)				
Emergency Watershed Protection Program	10.923	NR214639XXXC009	1,309,155	-
Total U.S. Department of Agriculture			<u>1,475,440</u>	<u>-</u>
<u>U.S. Department of the Interior</u>				
(Direct award)				
Payment in Lieu of Taxes (PILOT) Program	15.226	N/A	155,602	-
Total U.S. Department of the Interior			<u>155,602</u>	<u>-</u>
<u>U.S. Department of Justice</u>				
(Direct award)				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2020-DJ-BX-0237	10,568	-
COVID-19 Coronavirus Emergency Supplemental Funding Program	16.034	2020-VD-BX-1152	37,539	-
Criminal and Juvenile Justice and Mental Health Collaboration Program	16.745	2020-MO-BX-0045	16,431	-
Bulletproof Vest Partnership Program	16.607	N/A	8,310	-
Total U.S. Department of Justice			<u>72,848</u>	<u>-</u>
<u>U.S. Department of Transportation</u>				
(Direct award)				
Airport Improvement Program	20.106	3-45-0016-025-2019	672,357	-
Airport Improvement Program	20.106	3-45-0016-026-2019	657,588	-
Airport Improvement Program	20.106	3-45-0016-027-2020	611,132	-
COVID-19 Airport Improvement Program	20.106	3-45-0016-029-2020	153,000	-
(Passed through the SC Department of Public Safety)				
Highway Safety Cluster:				
State and Community Highway Safety	20.600	PT-2020-HS-32-20	16,330	-
State and Community Highway Safety	20.600	PT-2021-HS-32-21	43,206	-
State and Community Highway Safety	20.600	2JC21010	400	-
(Passed through the SC Emergency Management Division)				
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	693JK319400338HMEP	20,000	-
Total U.S. Department of Transportation			<u>2,174,013</u>	<u>-</u>
<u>U.S. Department of the Treasury</u>				
(Direct award)				
COVID-19 Coronavirus Relief Fund	21.019	N/A	262,524	-
Total U.S. Department of the Treasury			<u>262,524</u>	<u>-</u>
<u>Institute of Museum and Library Services</u>				
(Passed through the SC State Library)				
Grants to States	45.310	IID-CA-32	1,000	-
Total Institute of Museum and Library Services			<u>1,000</u>	<u>-</u>
<u>U.S. Department of Homeland Security</u>				
(Passed through the SC Emergency Management Division)				
Emergency Management Performance Grants	97.042	20EMPGS01	17,503	-
Emergency Management Performance Grants	97.042	20EMPG01	50,943	-
Emergency Management Performance Grants	97.042	19EMPG01	19,227	-
Hazard Mitigation Grant	97.039	FEMA-4166-DR-SC	71	-
Hazard Mitigation Grant	97.039	FEMA-4394-DR-SC	4,351	-
(Direct award)				
Disasters Grants - Public Assistance	97.036	N/A	294,102	-
COVID-19 Disasters Grants - Public Assistance	97.036	N/A	12,463	-
Total U.S. Department of Homeland Security			<u>398,660</u>	<u>-</u>
<u>U.S. Department of Health and Human Services</u>				
(Passed through the SC Department of Social Services)				
Child Support Enforcement - Transaction Reimbursement	93.563	N/A	195,494	-
Child Support Enforcement - Incentive Payments	93.563	N/A	4,472	-
Child Support Enforcement - Service of Process Payments	93.563	N/A	136,799	-
Child Support Enforcement - Filing Fees	93.563	N/A	26,686	-
(Passed through the SC Department of Alcohol and Other Drug Abuse Services)				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	N/A	1,100	-
Total U.S. Department of Health and Human Services			<u>364,551</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 4,904,638</u>	<u>\$ -</u>

OCONEE COUNTY, SOUTH CAROLINA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE I. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Oconee County, South Carolina (the "County"), and is presented on the modified accrual basis of accounting for governmental fund types and the accrual basis of accounting for the proprietary fund types. The County reporting entity is defined in Note 1 to the County's basic financial statements. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE II. DE MINIMIS INDIRECT COST RATE

The County chose not to use the ten percent de Minimis cost rate for the year ended June 30, 2021.

NOTE III. NONCASH ASSISTANCE AND LOANS

There were no federal awards expended in the form of noncash assistance during the fiscal year. There were also no loans or loan guarantees outstanding at year-end.

OCONEE COUNTY, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP.

Unmodified

Internal control over financial reporting:
Material weaknesses identified?

___ Yes X No

Significant deficiencies identified?

___ Yes X None Reported

Noncompliance material to financial statements noted?

___ Yes X No

Federal Awards

Internal control over major programs:
Material weaknesses identified?

___ Yes X No

Significant deficiencies identified?

___ Yes X 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 the Uniform Guidance?

___ Yes X No

Identification of major programs:

CFDA Number

20.106

Name of Federal Program or Cluster

U.S. Department of Transportation – Airport Improvement Program

10.923

U.S. Department of Agriculture – Emergency Watershed Protection Program

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

 X Yes ___ No

OCONEE COUNTY, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

None reported.

SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None reported.

SECTION IV
SCHEDULE OF PRIOR YEAR FINDINGS

None reported.