

OCONEE COUNTY, SOUTH CAROLINA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2022

Prepared by the Department of Finance

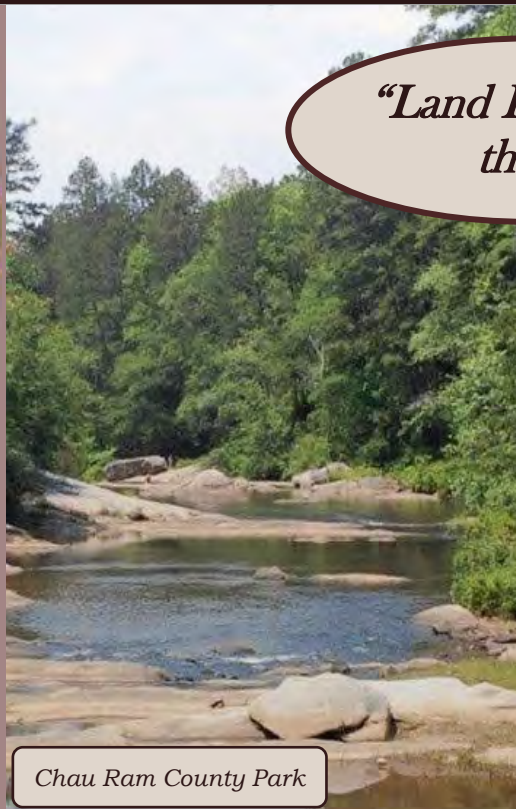


OCONEE COUNTY
415 SOUTH PINE STREET
WALHALLA, SC 29691

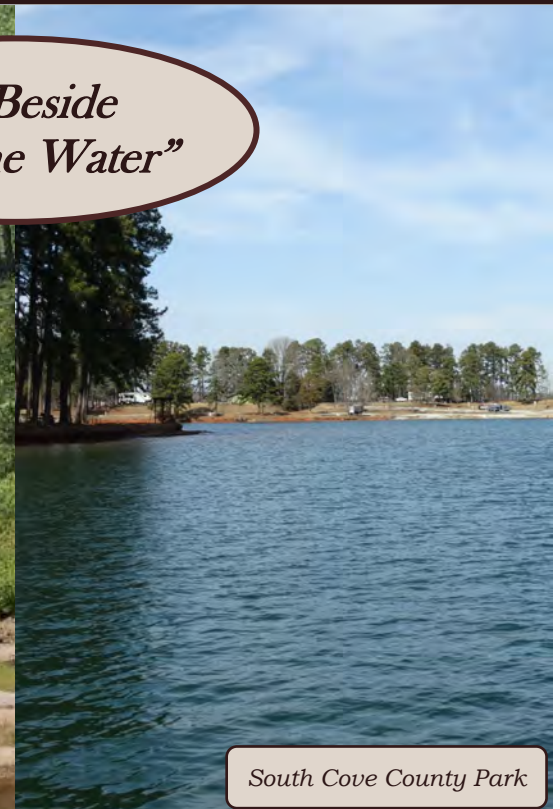
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*"Land Beside
the Water"*



Chau Ram County Park



South Cove County Park



High Falls County Park

OCONEE COUNTY, SOUTH CAROLINA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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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



February 10, 2023

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

The Comprehensive Annual Financial Report (CAFR) for Oconee County, South Carolina, for the fiscal year ended June 30, 2022, is hereby submitted pursuant to South Carolina Code of Laws, Title 4, Chapter 9, Section 150. The CAFR 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, 2022. This CAFR 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, 2022. 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

Oconee County's economy continues its efforts to recover from the dip during the state shut down in early 2020. According to data published by the South Carolina Department of Employment and Workforce (SCDEW), the County's unemployment rate for October 2022 was 3.2 percent, which is below the State rate of 3.5 percent and the United States rate at 3.4 percent for the same period. At the conclusion of the 2020, it was 5.2 percent. According to SCDEW, manufacturing is the lead employment industry in Oconee County and there were approximately 1,917 job openings reported in October 2022.

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, Oconee County invested heavily in water and sewer infrastructure for necessary improvements and expansion of existing systems, including the allocation of Coronavirus Local Fiscal Recovery Funds, identified under the American Rescue Plan Act (ARPA), to local municipalities for necessary water and sewer infrastructure improvements. Oconee County also allocated funds to the Oconee Joint Regional Sewer Authority Fair Play Area Sewer Basin Plan and additional funding for sewer expansion along the I-85 corridor.

Oconee County continues improvements to the three county owned industrial parks with a focus on continuing to make sites "shovel ready" for companies seeking to expand operations. As a testament to the County's excellent business climate and community partners, Oconee County announced three existing industry expansions totaling over \$95 million capital investment. In August 2022, Impact Housing Group announced plans to establish operations at the Oconee Industry & Technology Park. The company's \$30 Million investment will create 215 new jobs over the next five years.

Oconee County has welcomed 2 new industries to the county. CurTec, which manufactures high performance packaging, and Impact Housing, which manufactures modular homes. These two new industries created over thirty million dollars in capital investment into Oconee County and created over one hundred jobs for the citizens of Oconee County.

The Oconee Economic Alliance has also seen a number of project interest into the county. We have had over 60 project inquirers to Oconee County this year. This is an increase from our project inquirers from the year 2021. These 60 projects represent a potential total capital investment of over one billion dollars and over one thousand jobs. Overall the Oconee Economic Alliance is poised to continue to capture this growth and we look forward to what 2023 will bring.

In 2022, Oconee County allocated funding for necessary improvements to the County roads, including \$4 Million for various road paving projects ranging from simple overlays to reconstruction and/or evacuation with removal. Oconee County also initiated road striping for approximately 145 center line miles of roadways.

Oconee County aims to provide maximum safety for all emergency responders and law enforcement. In February, Oconee County allocated \$2.6 Million toward the purchase of self-contained breathing apparatuses, spare cylinders and face pieces. This purchase allowed for the replacement and/or upgrade of existing units to meet the National Fire Protection Association 2018 standards.

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, fourteen capital improvement projects were initiated and/or completed in 2022. In January, Oconee County began major upgrades to the Seneca Creek Access Area on Lake Hartwell, including the development of 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. The Seneca Creek Access Area is expected to reopen to the public in January 2023. Parks, recreation and tourism capital projects also include the:

- Demolition and rebuild of the Chau Ram County Park shelter
- Design for a maintenance building at Chau Ram County Park;
- Design for new High Falls County Park shelter;
- Construction of a new covered deck for the High Falls recreation building;
- Paving of the High Falls patio deck and Mullins Ford Boat Ramp;
- Preservation of the Alexander-Cannon-Hill House at High Falls County Park;
- Shoreline restoration at High Falls County Park and South Union;
- Renovation of the South Cove County Park recreation building; and
- The addition of parking for pickleball courts at South Cove County Park.

Various tourism promotions and campaigns for outdoor recreation has proved Oconee County to be an extremely popular attraction resulting in another year 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 continued to work closely with the Federal Aviation Administration and the South Carolina Aeronautics Commission to complete terminal apron expansion and the relocation Mt. Nebo Church Road projects.

In 2022, the Federal Aviation Administration, South Carolina Aeronautics Commission and Oconee County allocated funding toward the runway pavement rehabilitation project when additional emergency repairs identified the need to expedite this airport improvement initiative. The runway pavement rehabilitation began in September with completion of constructions, painting and runway grooving anticipated in January 2023.

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 for Fiscal Year 2023-2024. Oconee County intends to 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 comprehensive annual financial report for the fiscal year ended June 30, 2021. This was the fourteenth 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 comprehensive annual 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 comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of 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 2021-2022 Audit Transmittal Letter:

Respectfully submitted,



Amanda F. Brock
County Administrator



Ladale V. Price
Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

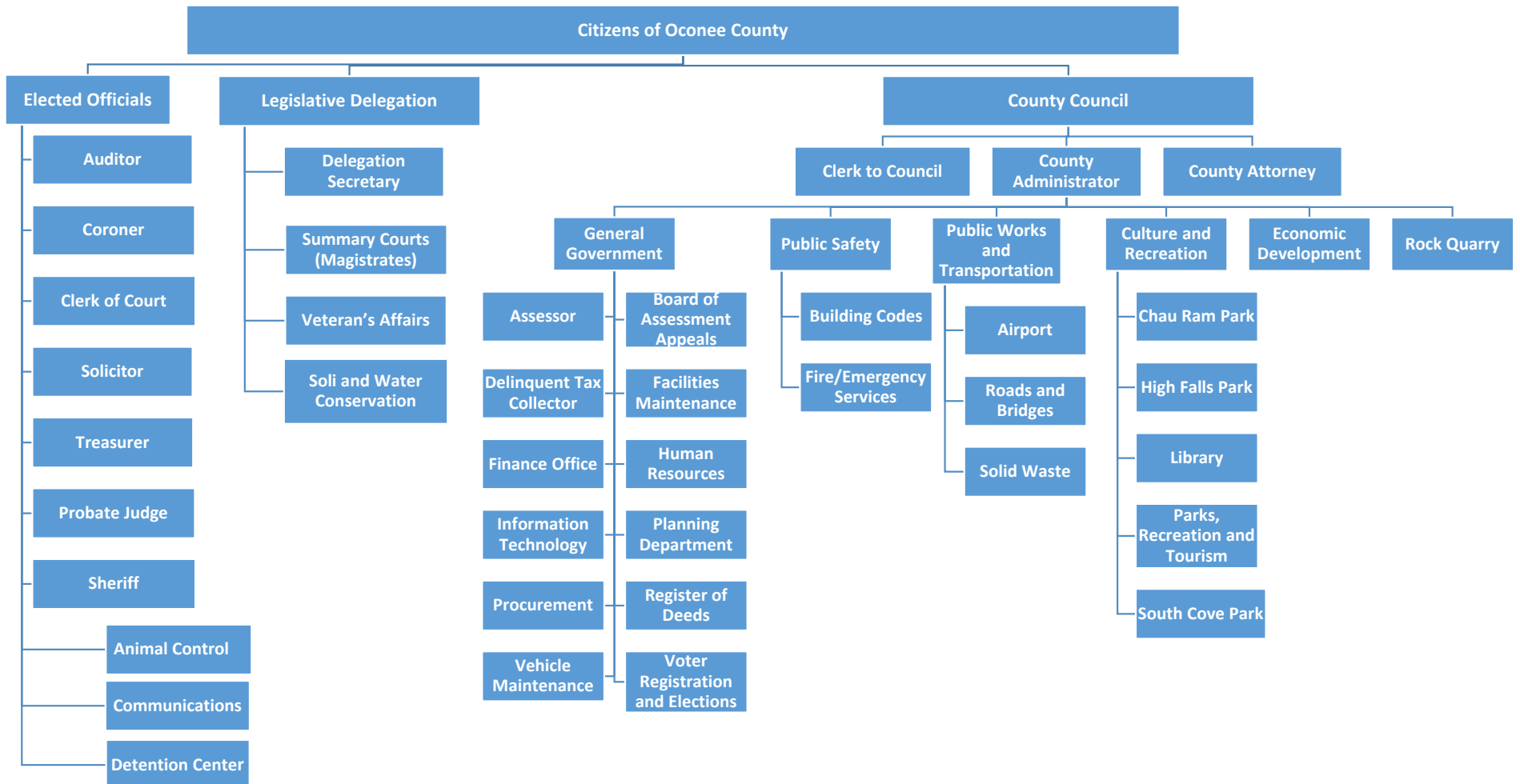
**Oconee County
South Carolina**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Executive Director/CEO

Oconee County Organizational Chart



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 Estimate).

Current Elected Officials

Oconee County Council

John Elliott	<i>District I</i>	Julian Davis III	<i>District IV</i>
To be determined	<i>District II</i>	James Glenn Hart	<i>District V</i>
Paul A. Cain, Esq.	<i>District III</i>		

Other Elected County Officials

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

S.C. State Legislative Delegation

S.C. Senate	S.C. House of Representatives
Thomas C. Alexander [R] <i>District 1 – Oconee & Pickens Counties</i>	William R. “Bill” Whitmire [R] <i>District 1 – Oconee County</i> William E. “Bill” Sandifer III [R] <i>District 2 – Oconee & Pickens Counties</i>

U.S. Congressional Delegation

U.S. Senate	U.S. House of Representatives
Lindsey Graham [R] Tim Scott [R]	Jeffrey D. Duncan [R] <i>3rd District – Abbeville, Anderson, Edgefield, Greenville, Greenwood, Laurens, McCormick, Newberry, Oconee, Pickens & Saluda</i>

Administrative Officials

County Administrator	County Attorney
Amanda F. Brock	David A. Root, Esq.

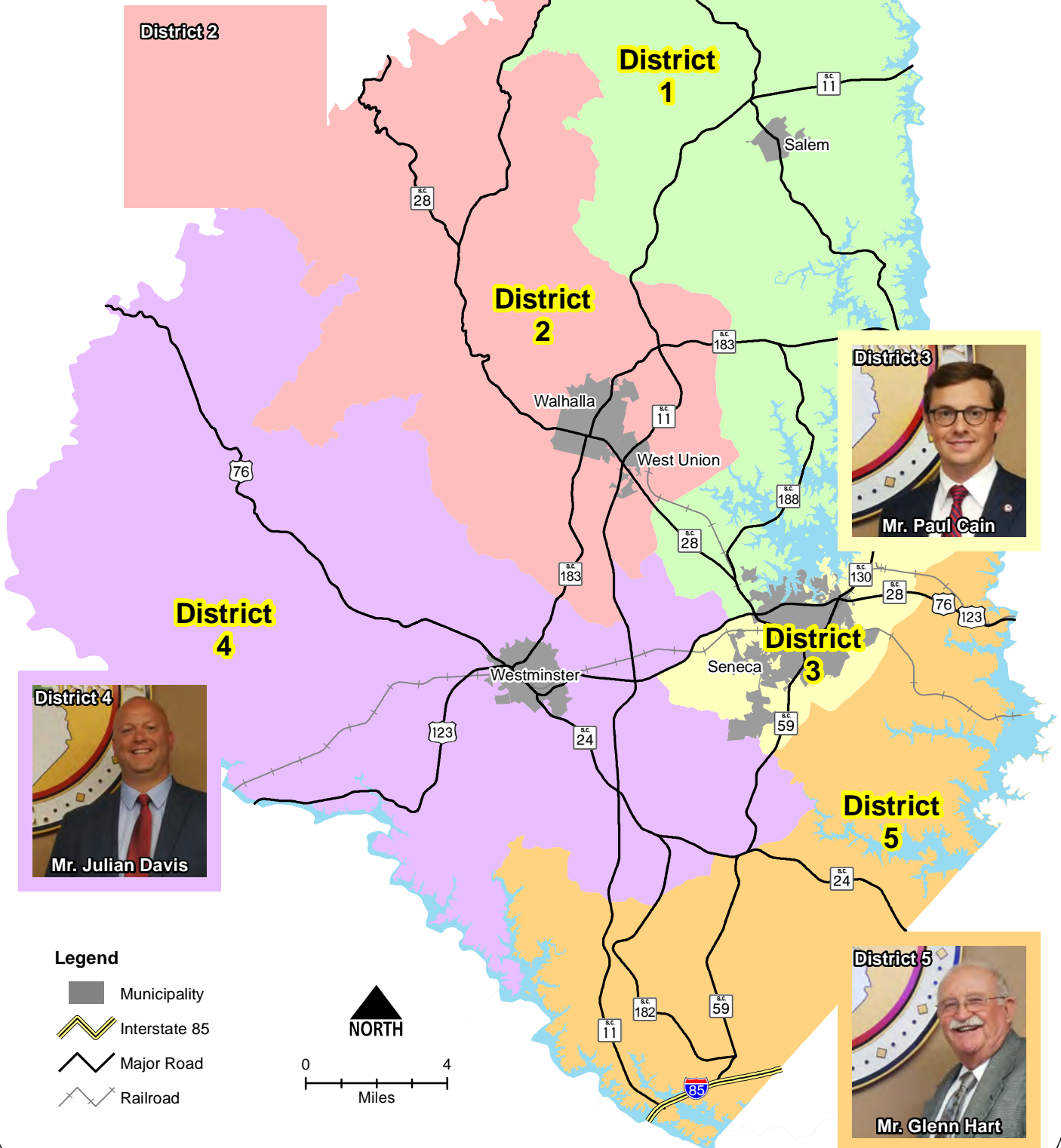
Oconee County SOUTH CAROLINA



County Council Districts and Representatives

FY2021-2022

Map 1



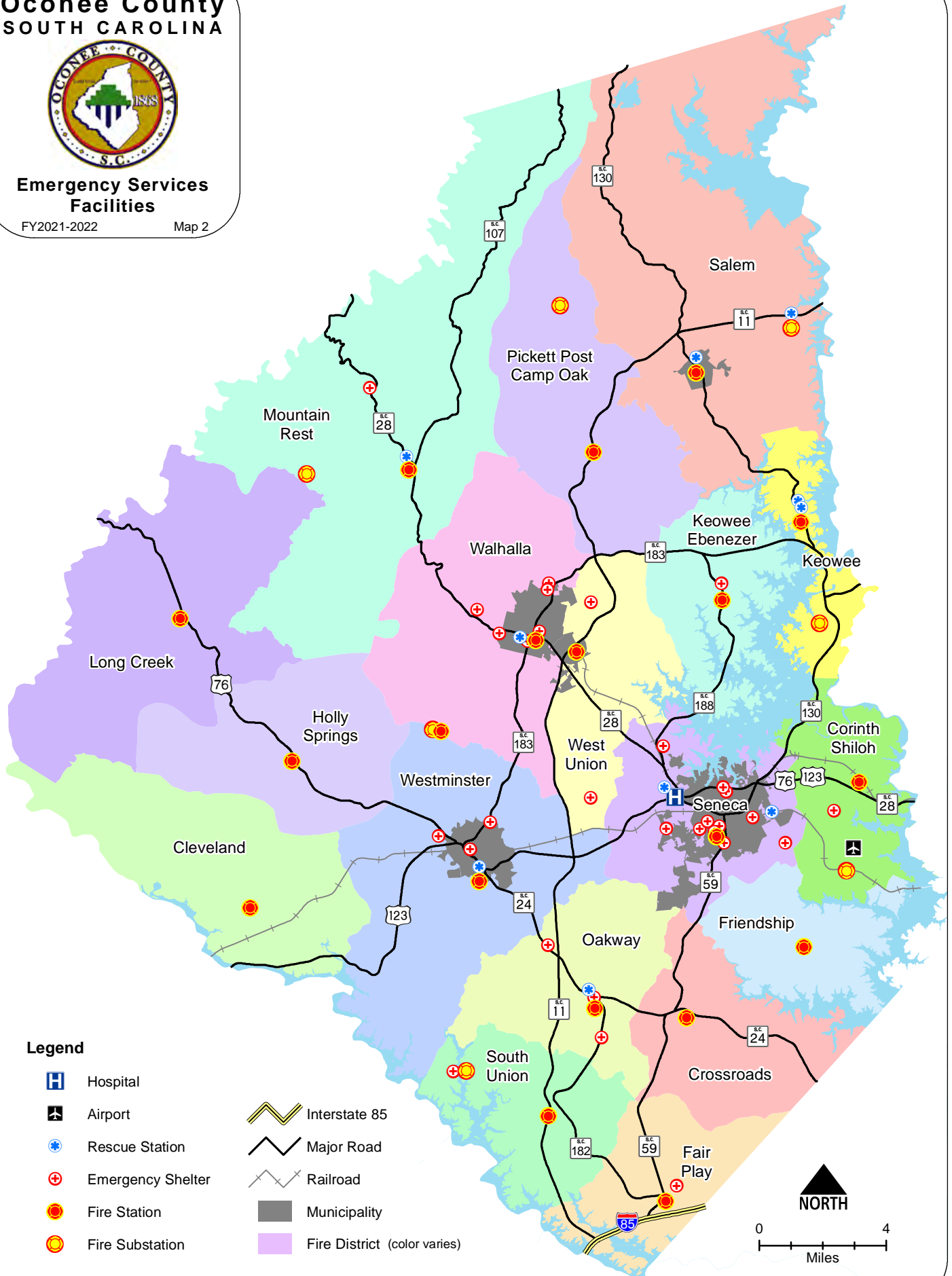
Oconee County SOUTH CAROLINA



Emergency Services Facilities

FY2021-2022

Map 2



Legend

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

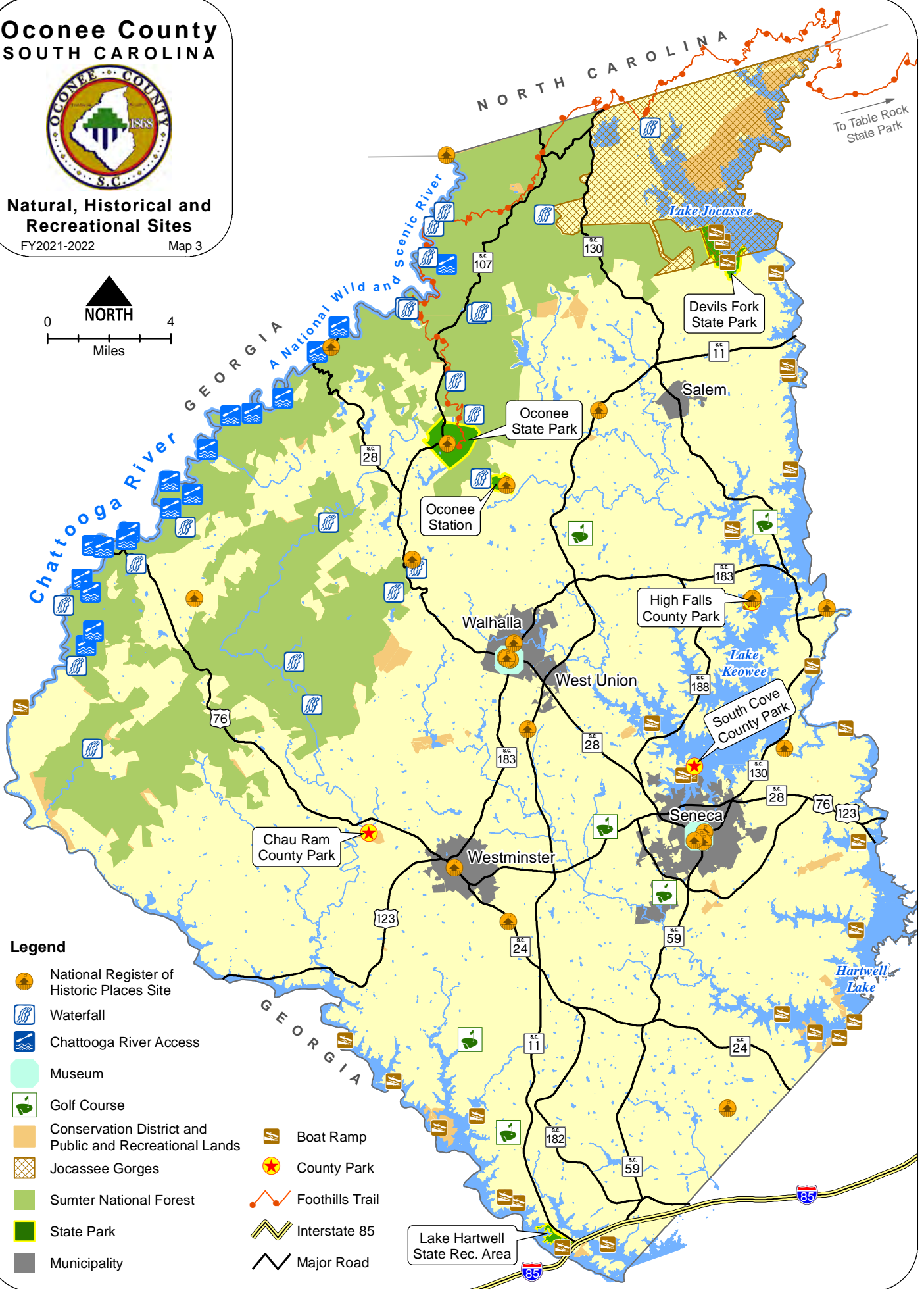
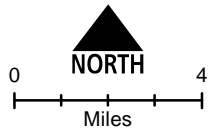
Oconee County SOUTH CAROLINA



Natural, Historical and Recreational Sites

FY2021-2022

Map 3



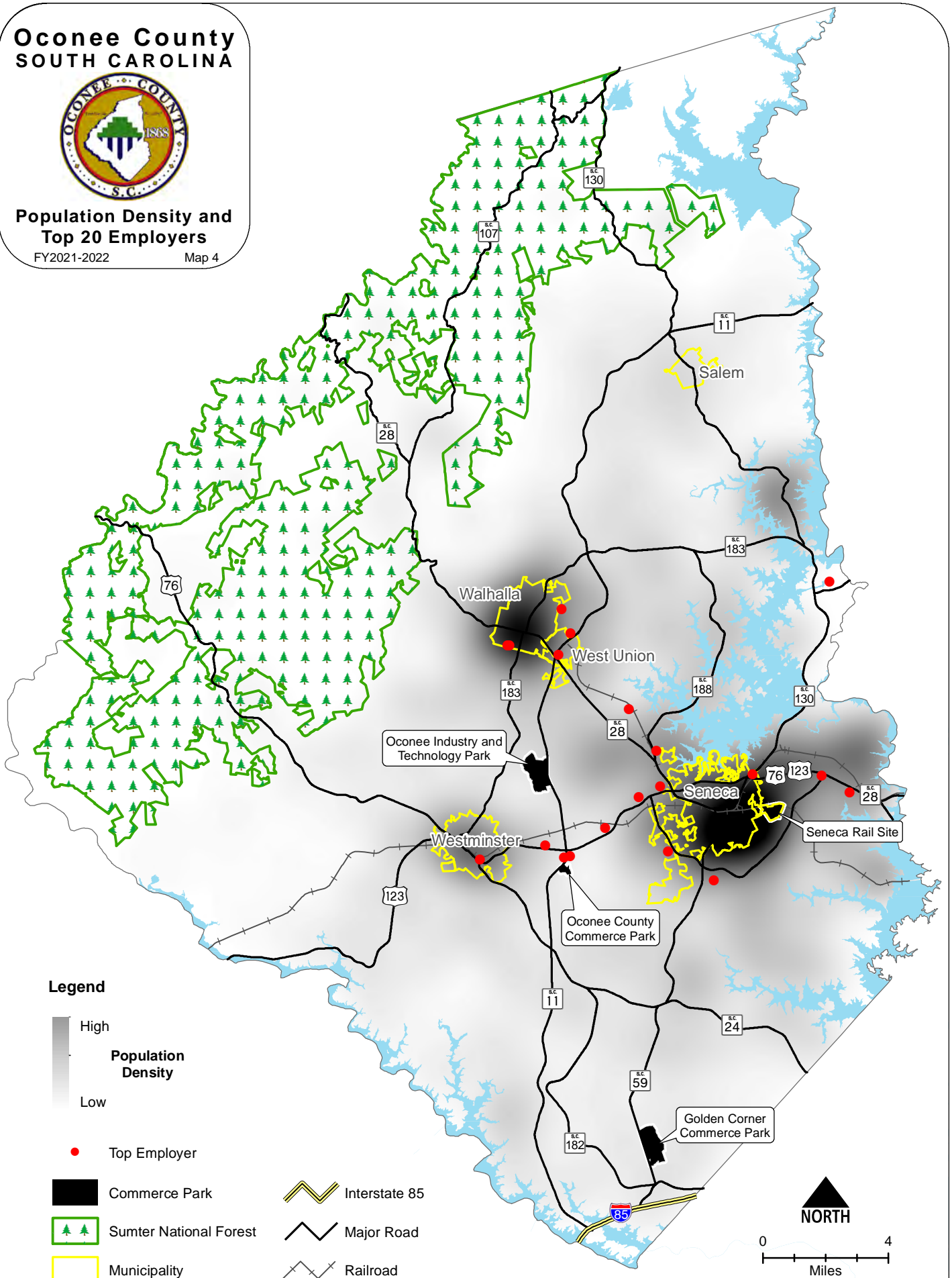
Oconee County SOUTH CAROLINA



Population Density and Top 20 Employers

FY2021-2022

Map 4



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

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

To the County Council
of Oconee County
Walhalla, South Carolina

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, 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, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, 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 the County as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund and the Miscellaneous Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 as of June 30, 2022, and the respective changes in financial position for the year then ended. Those statements were audited by other auditors whose report have 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.

Basis for Opinions

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

Emphasis of Matter

As discussed in Notes 1, 6, and 7 to the financial statements, the County adopted new accounting guidance, GASBS No. 87, *Leases*, as of July 1, 2021. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the Schedule of Changes in the County's Total Other Postemployment Benefits Liability and Related Ratios, the Schedules of the County's Proportionate Share of the Net Pension Liability, and the Schedules of Employer Contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, budgetary comparison schedules, the Schedule of Expenditures of Federal Awards, as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards*, and the Uniform Schedule of Court Fines, Assessments, and surcharges, as required by the State of South Carolina (collectively the "Supplementary Information") are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

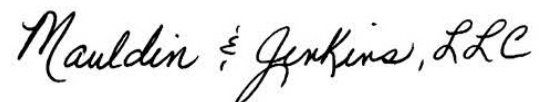
Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 10, 2023, on our consideration of Oconee County, South Carolina's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Oconee County, South Carolina'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 Oconee County, South Carolina's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Mauldin & Jenkins, LLC". The signature is written in a cursive, flowing style.

Columbia, South Carolina
February 10, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

Required Supplementary Information
(Unaudited)

Management's Discussion and Analysis

In this section of Oconee County's (the "County") annual report, we provide a narrative overview and analysis of the County's financial performance for the fiscal year that ended June 30, 2022. Please read it in conjunction with the Administrator's Letter of Transmittal at the front of this report and the financial statements that follow this section.

Overview of the Financial Statements

This discussion and analysis provides an introduction to Oconee County's basic financial statements, which include the following parts: (1) *government-wide financial statements*, (2) *fund financial statements*, (3) *major discretely presented component unit financial statements*, and (4) *notes to the financial statements*. This annual report also contains certain *required supplementary information* and other *supplementary information* to aid in understanding the operations of the County.

Government-wide Financial Statements

The government-wide statements present a long-term view of the County's finances as a *whole*, using the *accrual-basis accounting*—the same accounting basis that most businesses use. The basic government-wide financial statements are presented on pages 18 through 19 of this report.

There are two government-wide financial statements:

Statement of Net Position: This statement presents information on *all* of the County's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in the County's net position may serve as a useful indicator of whether its financial position is improving or deteriorating. However, the statement of net position does not tell the whole story. To assess the County's overall financial health, other factors need to be considered, including the County's tax base, local economic growth, long-term debt management and the condition of its capital assets such as its buildings and infrastructure (roads and bridges).

Statement of Activities: This statement presents information showing how the County's overall net position changed during the year. The County reports a change in its net position as soon as an underlying event occurs that causes a change. The statement of activities accounts for all current-year revenues and expenses, regardless of when the County received or paid cash. Although governments compile the statement of activities using accounting methods similar to businesses, the format of this statement is quite different from the format of a business's profit and loss statement. The statement of activities helps to show how much it costs for the County to provide various services. It also indicates the extent to which each government function covers its own costs through user fees, charges, or grants. The *net revenues (expenses)* column on the far right of this statement on page 19 shows how much a particular function relies on taxes and other general revenues as opposed to program revenues to support its programs.

The government-wide statements present three different kinds of *activities*:

Governmental activities: Most of the County's basic services are included here, such as general government, public safety, transportation, public works, culture and recreation, judicial services, health and welfare, economic development, and education. Property taxes and state and federal grants provide resources to support most of these services.

Business-type activities: These activities usually recover all, or a significant portion, of the costs of their services or goods by charging fees to customers. The Rock Quarry Fund is the County's main business-type activities.

Component units: Although component units are legally separate from the County, the County's elected officials are financially accountable for them. The Keowee Fire Tax District is the County's only component unit. Some financial information for this component unit is included in this report. Complete financial statements for the Keowee Fire Tax District component unit can be obtained from the District's administrative offices (address included in Note 1 of the notes to the financial statements on page 33).

Fund Financial Statements

The fund financial statements on pages 20 through 32 of this report provide detailed information about the County's most significant funds—not the County as a whole. Funds are accounting designations that the County uses to track specific funding sources and spending for particular purposes. Oconee County, like other governments, uses fund accounting to aid financial management and to ensure and demonstrate compliance with financial related legal requirements.

The County reports three *types of funds*:

Governmental funds: The County reports most of its basic services in governmental funds. Governmental funds account for activities that the County reports as governmental activities in its government-wide statements. These funds focus on short-term inflows and outflows of expendable resources. The balances remaining at the end of the year help determine whether a fund has either more or less financial resources available to spend in the near future. Because the governmental fund statements lack the additional long-term focus of the government-wide statements, a reconciliation that explains the relationship (or differences) between the two kinds of statements is provided. By comparing the two kinds of statements and examining the reconciliation, a better understanding of the long-term impact of the County's near-term funding decisions is available. The County's General Fund and major special revenue funds that have legally adopted annual budgets require budgetary comparison schedules. Because the County uses the same generally accepted accounting principles (GAAP) basis to format the budgetary comparison report as the basic governmental financial statements, the Statement of Revenues, Expenditures and Changes in Fund Balances Budget (GAAP basis) and Actual report is presented in the Financial Section after the basic audited financial statements. The budgetary comparison report consists of the original adopted and final budgets, the actual inflows and outflows of resources, and a variance between the actuals and final budget. The General Fund's report shows the department level appropriations within each function (i.e., the Sheriff's Department within public safety).

The basic governmental fund statements and the GAAP basis budgetary comparison schedules are on pages 20 through 26 of this report.

Proprietary funds: Proprietary funds charge customers for the goods or services they provide—whether they are provided to outside customers (*enterprise funds*) or County departments and other governments (*internal service funds*). Proprietary funds use the *accrual basis of accounting* like businesses use. The County reports its two enterprise funds as *business-type activities* in the government-wide statements. The County does not have any internal service funds. The basic proprietary fund statements are on pages 27 through 30 of this report.

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 are used for and by the specific entity for which they are collected. The reports for the custodial funds are the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position. The basic fiduciary fund statements are on pages 31 and 32 of this report.

Component Unit Financial Statements

The government-wide financial statements identify the County's major discretely presented component unit under the Component Units subheading. However, the complete annual financial statements for the Keowee Fire Tax District are available upon request at the District's administrative offices.

Notes to the Financial Statements

Immediately following the financial statements are notes that provide additional and pertinent information to the financial statement amounts. The notes on pages 33 through 83 are necessary to understand fully the financial statements.

Required Supplementary Information

Governments have the option to present the mandatory budgetary comparisons as part of the basic financial statements or in the required supplementary information (RSI). The County has decided to present the budgetary comparisons for the General Fund and for each major special revenue fund, which has a legally adopted annual budget, with the basic audited financial statements instead of in the RSI. The mandatory budgetary comparison schedules are on pages 24 through 27. Additionally, the required supplementary information section includes information on the County's two pension programs, the South Carolina Retirement System and the South Carolina Police Officers' Retirement System, as well as the County's other post-employment benefits (OPEB) plan. This required supplementary information is on pages 84 through 87 of this report.

Supplementary Information

Combining and individual nonmajor governmental fund statements and budgetary comparison schedules, fiduciary fund statements, and the Uniform Schedule of Court Fines, Assessments and Surcharges information required by the State of South Carolina are presented immediately following the required supplementary information. These statements and schedules are on pages 88 through 108 of this report.

Government-wide Financial Analysis

Exhibits 1 and 2 summarize the overall financial position and results of operations of the primary government for the past two years based on information included in the government-wide financial statements.

Exhibit 1
Government-wide Net Position
For the Fiscal Years Ended June 30

	Governmental Activities		Business-type Activities		Total - Primary Government		Total Percent Change
	2022	2021	2022	2021	2022	2021	2022-2021
Assets							
Current and other assets	\$ 76,551,993	\$ 67,943,591	\$ 9,737,954	\$ 9,313,000	\$ 86,289,947	\$ 77,256,591	11.69%
Capital and leased assets	128,997,919	127,325,985	12,419,336	12,684,221	141,417,255	140,010,206	1.00%
Total assets	205,549,912	195,269,576	22,157,290	21,997,221	227,707,202	217,266,797	4.81%
Deferred Outflows of Resources							
Other postemployment benefits	1,792,270	1,114,550	75,200	62,693	1,867,470	1,177,243	58.63%
Pension - South Carolina Retirement System	6,549,038	9,614,029	465,784	679,364	7,014,822	10,293,393	(31.85%)
Pension - South Carolina Police Officers Retirement System	5,587,683	8,180,333	-	-	5,587,683	8,180,333	(31.69%)
Total deferred outflows of resources	13,928,991	18,908,912	540,984	742,057	14,469,975	19,650,969	(26.37%)
Liabilities							
Noncurrent liabilities	73,695,579	81,232,901	6,940,333	7,806,790	80,635,912	89,039,691	(9.44%)
Other liabilities	21,781,716	15,331,262	485,915	221,190	22,267,631	15,552,452	43.18%
Total liabilities	95,477,295	96,564,163	7,426,248	8,027,980	102,903,543	104,592,143	(1.61%)
Deferred Inflows of Resources							
Lease receipts	41,851	-	-	-	41,851	-	-
Other postemployment benefits	310,442	777,040	13,025	43,708	323,467	820,748	(60.59%)
Pension - South Carolina Retirement System	6,405,653	6,080,389	455,586	429,663	6,861,239	6,510,052	5.39%
Pension - South Carolina Police Officers Retirement System	5,393,108	3,166,753	-	-	5,393,108	3,166,753	70.30%
Total deferred outflows of resources	12,151,054	10,024,182	468,611	473,371	12,619,665	10,497,553	20.22%
Net Position							
Net investment in capital assets	112,554,496	110,968,422	7,715,190	7,750,530	120,269,686	118,718,952	1.31%
Restricted	18,686,699	18,818,076	-	-	18,686,699	18,818,076	(0.70%)
Unrestricted	(19,390,641)	(22,196,355)	7,088,225	6,487,397	(12,302,416)	(15,708,958)	(21.69%)
Total net position	\$ 111,850,554	\$ 107,590,143	\$ 14,803,415	\$ 14,237,927	\$ 126,653,969	\$ 121,828,070	3.96%

Net Position

The largest portion of the County's net position reflects its net investment in capital assets (for example, buildings, roads, and bridges) less any related debt used to acquire those assets that is still outstanding. The County uses capital assets to provide services to citizens; consequently, they are not available for future spending. Further, the County cannot sell the capital assets to repay the related debt because the assets are used for County operations, so it must find other resources to repay the debt.

Restricted net position generally is available for future spending but is subject to external restrictions, such as bond covenants, federal government grant restrictions, or restrictions imposed by enabling County legislation. The County's largest restricted balances include capital projects and debt service.

Unrestricted net position - resources normally available for future spending without restrictions—reported a deficit balance of (\$12,302,416) at June 30, 2022. This represents an increase of net position of \$4.83 million over the prior year, which is a result of a \$5.20 million increase in charges for services, \$1.81 million in operating grants and contributions, and a \$2.84 million increase in property tax revenues. The increases in charges for services and property tax revenues were the result of airport fuel sales, federal grant assistance to combat COVID-19, and real estate sales and new construction.

The County's business-type activities reported a \$7.09 million unrestricted net position. This represents a decrease of \$600,828 from the previous fiscal year. This resulted mostly from the 2022 fiscal year realizing net revenues of \$600,072, as opposed to the \$2.39 million in the 2021 fiscal year. One reason for decrease in net revenues is the FOCUS Fund's \$934,000 bad debt expense that was recorded in 2022 when the lease of the broadband fiber optics network system was cancelled with One Tone and executed with Upcountry Fiber. In addition, the Rock Quarry had increases in expenses totaling \$1.70 million for equipment repair and maintenance parts, petroleum products, professional services, salaries and fringe, utility, and supply expenses. The COVID-19 pandemic affected supply chains worldwide driving up the costs of supplies resulting in less net revenues than the prior year. In addition, the Rock Quarry operating revenues increased by \$845,061 during the same period because of the demand for rock products used in construction and landscaping projects associated with the frenzied housing market.

Exhibit 2
Government-wide Changes in Net Position
For the Fiscal Years Ended June 30

	Governmental Activities		Business-type Activities		Total - Primary Government		Total Percent Change
	2022	2021	2022	2021	2022	2021	2022-2021
Revenues							
Program revenues:							
Charges for services	\$ 13,726,763	\$ 9,375,299	\$ 7,488,294	\$ 6,643,233	\$ 21,215,057	\$ 16,018,532	32.44%
Operating grants and contributions	6,229,950	4,416,023	-	-	6,229,950	4,416,023	41.08%
Capital grants and contributions	2,390,804	3,280,791	-	-	2,390,804	3,280,791	(27.13%)
General revenues:							
Property taxes	52,080,875	49,241,399	-	-	52,080,875	49,241,399	5.77%
Other taxes and licenses	1,935,598	1,656,480	-	-	1,935,598	1,656,480	16.85%
Grants and contributions not restricted for a specific purpose	2,326,642	3,040,980	-	-	2,326,642	3,040,980	(23.49%)
Unrestricted investment income	73,206	102,137	-	1,773	73,206	103,910	(29.55%)
Gain on disposal of capital assets	-	-	31,416	20,000	31,416	20,000	57.08%
Miscellaneous	377,871	197,409	-	-	377,871	197,409	91.42%
Total revenues	79,141,709	71,310,518	7,519,710	6,665,006	86,661,419	77,975,524	11.14%
Expenses							
Governmental activities:							
General government	17,342,105	17,117,584	-	-	17,342,105	17,117,584	1.31%
Public safety	30,728,185	29,284,748	-	-	30,728,185	29,284,748	4.93%
Transportation	7,280,152	6,362,138	-	-	7,280,152	6,362,138	14.43%
Public works	5,325,355	5,044,049	-	-	5,325,355	5,044,049	5.58%
Culture and recreation	6,023,945	4,379,793	-	-	6,023,945	4,379,793	37.54%
Judicial services	3,850,018	3,446,141	-	-	3,850,018	3,446,141	11.72%
Education	1,580,200	1,645,262	-	-	1,580,200	1,645,262	(3.95%)
Health and welfare	709,272	449,441	-	-	709,272	449,441	57.81%
Economic development	1,778,067	1,692,324	-	-	1,778,067	1,692,324	5.07%
Interest on long-term debt	329,999	342,443	-	-	329,999	342,443	(3.63%)
Business-type activities:							
FOCUS	-	-	934,000	-	934,000	-	-
Rock quarry	-	-	5,954,222	4,258,105	5,954,222	4,258,105	39.83%
Total expenses	74,947,298	69,763,923	6,888,222	4,258,105	81,835,520	74,022,028	10.56%
Excess before transfers	4,194,411	1,546,595	631,488	2,406,901	4,825,899	3,953,496	22.07%
Net transfers	66,000	750,000	(66,000)	(750,000)	-	-	-
Change in net position	4,260,411	2,296,595	565,488	1,656,901	4,825,899	3,953,496	22.07%
Net position, beginning of year, as restated	107,590,143	105,293,548	14,237,927	12,581,026	121,828,070	117,874,574	3.35%
Net position, end of year	\$ 111,850,554	\$ 107,590,143	\$ 14,803,415	\$ 14,237,927	\$ 126,653,969	\$ 121,828,070	3.96%

Changes in Net Position

The County's total net position of its governmental activities and its business-type activities increased by \$4.83 million, or 4.0%, over the prior year. This overall improvement in the financial position of the County was primarily through increased collections from charges for services and property tax revenues and funding of operating grants and contributions within the County's governmental activities.

Governmental Activities

The net position of the County's governmental activities increased by \$4.26 million, or 4.0%. Revenue increased from last year by \$7.83 million, or 11.0%, which is comprised mostly of an increase of \$5.28 million, or 30.9%, in program revenue and an increase of \$2.56 million, or 4.7%, in general revenues. Revenues that support governmental activities are derived mostly from taxes; grants and contributions, including federal aid; and charges for goods and services. Exhibit 3 illustrates the sources of revenues that support governmental activities.

Expenses associated with governmental activities increased by \$5.18 million, or 7.4%, for the fiscal year ended June 30, 2022. These expenses were associated primarily with services provided for public safety, general government, transportation, culture and recreation, public works, and judicial services. Exhibit 4 compares the cost of these services with their program revenues - revenues derived directly from the program itself or from parties outside the County's taxpayers or citizenry. The difference between the two represents the net cost of these services and are subsidized by taxes and other general revenues financed. For the fiscal year ended June 30, 2022, the County used \$52.60 million in tax and other general revenues to offset the net cost of all services that the County's governmental activities provided. Business-type activities transferred \$66,000 to the County's governmental activities.

The following paragraphs highlight the most significant changes in revenues and expenses for governmental activities during the 2022 fiscal year:

- Charges for services increased by \$4.35 million, or 31.7%. Operating grants and contributions increased by \$1.81 million, or 29.1%, over the prior year. This was primarily due to increased airport fuel sales, solid waste recycling fees and federal funding to fight the COVID-19 pandemic.
- Property tax revenues increased by \$2.84 million, or 5.8%, and other tax and license revenues increased by \$279,118 or 16.9%. Overall tax collections increased during fiscal year 2022 due to increased real estate sales and new construction for the majority of the fiscal year 2022.
- The grants and contributions not restricted for a specific purpose decreased \$714,338, or 23.5% from the prior year due to not receiving the fourth quarter of fiscal year 2022 state aid payment \$732,681, within the revenue accrual window.
- Unrestricted investment income decreased by \$28,931, or 28.3%, from the previous fiscal year. This decrease is attributed to unrealized losses on investments. With rising interest rates in the nation's economy overall, the County's investments (at lower interest rates) have unrealized losses compared to higher interest low-risk investments in the market. However, when these investments mature, a loss of actual cash will not be realized.
- General government expenses increased by \$224,521, or 1.3% over the prior year. The increase in general government expenses was attributable to higher health insurance claims costs for employees and their family members resulting from COVID-19 related and other catastrophic illnesses during the 2022 fiscal year.
- Culture and recreation expenses increased by \$1.64 million, or 37.5% over the prior fiscal year. This increase was due primarily to a major improvement project at the Seneca Creek boat ramp and recreation area.
- Public safety expenses increased by \$1.44 million, or 4.9%, due to the 2021-2022 surge in gasoline prices and new vehicle purchases that were delayed from the prior year because of vehicle shortages.
- Transportation expenses increased by \$918,014, or 14.4%. The increase resulted from increased cost of airport fuels.

Exhibit 3
Sources of Revenues Supporting Governmental Activities
for the Fiscal Year Ended June 30, 2022

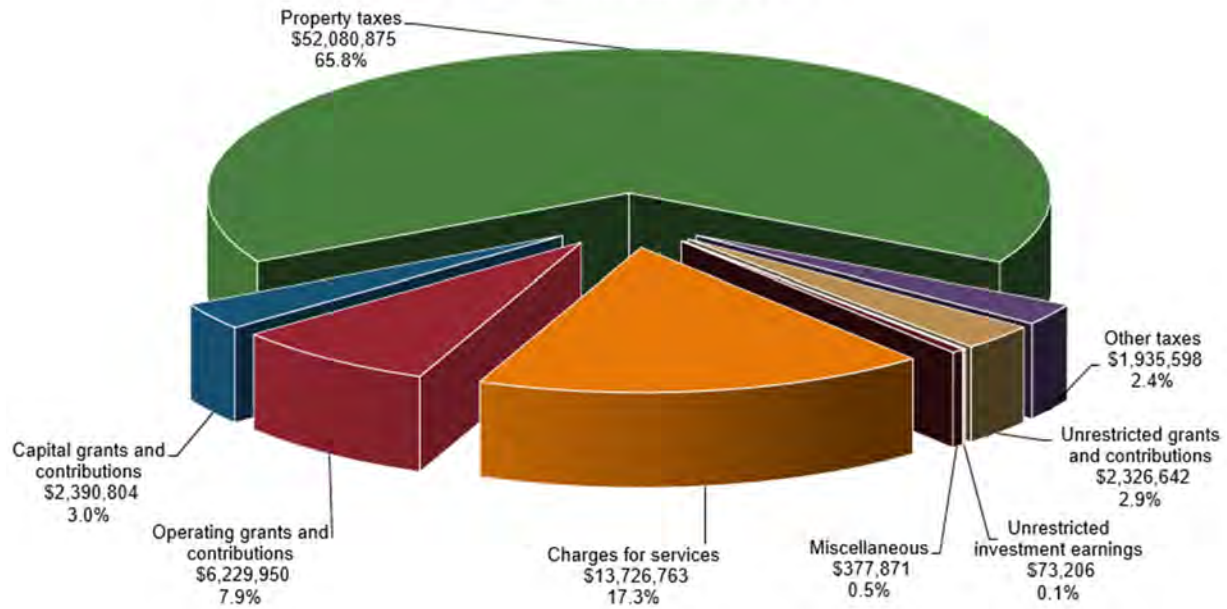
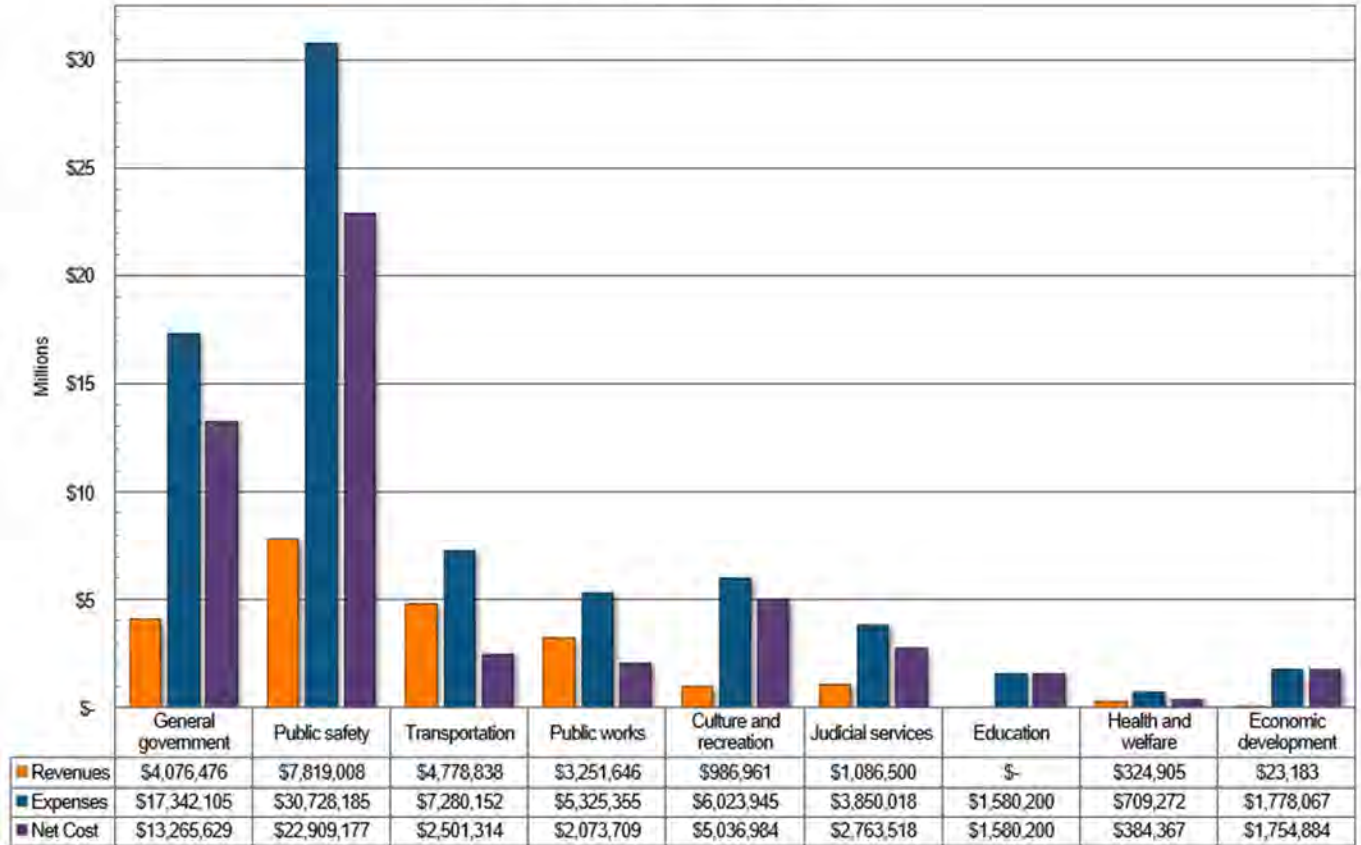


Exhibit 4
Governmental Activities
Net Cost of Services
for the Fiscal Year Ended June 30, 2022



Business-type Activities

The net position of the County's business-type activities increased by \$565,488, or 4.0%.

Most business-type activities are intended to be self-supporting. The Rock Quarry Fund accounts for the mining operations of the County's blue granite quarry. The Rock Quarry Fund's net position as of June 30, 2022, was \$14.80 million, which was an increase of \$565,488, or 4.0%, from last year. The FOCUS Fund was created to account for the operations of a federally funded broadband telecommunications system. In fiscal year 2016-2017, the County leased the system to One Tone. During 2022, the County entered into a new lease agreement with Upcountry Fiber.

Operating revenues of the Rock Quarry Fund increased by \$845,061, or 12.7%, and operating expenses for the production of crushed granite increased by \$1.70 million, or 39.8%, during the 2022 fiscal year. The increases in operating revenues resulted directly from sales that were fueled by demand for building materials to keep pace with the upsurge in the housing market. Additionally, Rock Quarry expenses increased because of equipment breaks requiring specialized parts whose prices had risen steeply because of supply chain costs affecting the County and the country as a whole.

Financial Analysis of the County's Funds

Oconee County uses fund accounting to ensure and demonstrate compliance with limitations set by the donor, grant authority, governing agency, or other individuals or organizations or by law. Within the fund financial statements, the focus is on reporting major funds.

Governmental Funds

Exhibit 5 shows the components of fund balance for the County's various governmental funds as of June 30, 2022.

Exhibit 5
Governmental Components of Fund Balances
for the Fiscal Year Ended June 30, 2022

Fund Balance Component	General Fund	Miscellaneous Special Revenue	Coronavirus S&L Fiscal Recovery	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable	\$ 8,708,206	\$ -	\$ -	\$ -	\$ -	\$ 8,708,206
Restricted	-	493,595	-	-	18,193,104	18,686,699
Committed	-	-	-	-	-	-
Assigned	6,318,714	88,953	-	418,159	7,006,654	13,832,480
Unassigned	11,260,698	-	-	-	(60,556)	11,200,142
Totals	\$ 26,287,618	\$ 582,548	\$ -	\$ 418,159	\$ 25,139,202	\$ 52,427,527
Change from prior year	\$ 1,612,643	\$ 1,016,829	\$ -	\$ (1,837,212)	\$ 2,449,993	\$ 3,242,253
Percentage change	6.54%	(234.14%)	-	(81.46%)	10.80%	6.59%

At June 30, 2022, total ending fund balance for the County's governmental funds was \$52.43 million, which represents an increase of \$3.24 million, or 6.6%, from the prior year. This total contains an unassigned fund balance of \$11.20 million. The total also includes \$11.26 million reported by the General Fund as unassigned and available with no constraints for spending in the coming year. In addition, governmental funds reporting fund balances restricted by external parties or enabling legislation in fiscal year 2022 include the nonmajor governmental funds, which comprise \$18.69 million, or 35.6%, of the total fund balance. The remaining fund balance is nonspendable, committed, or assigned and is not available for future appropriation because it is not in a spendable form or is accessible only for specific purposes.

The *General Fund* is the County operating fund. This fund includes resources, such as property taxes, that pay for the services that the County traditionally has provided to its citizens. Most of the County's accounting activity occurs in the General Fund unless constraints established by enabling legislation or external parties require them to be accounted in another fund. Increases in property tax revenue of \$2.96 million, or 7.7%; charges for services of \$1.53 million, or 59.9%; and licenses, permits and fees of \$694,198, or 10.8%, from the prior year, contributed to the increases in the 2022 fiscal year's fund balance. Further, General Fund expenditures, which increased by \$3.21 million, or 5.9%, from the prior year, were below the total General Fund revenues, revealing the continued effects of the COVID-19 pandemic. Additionally, General Fund expenditures were more than prior year due to upswings in legal and professional fees and the cost of automobile and aircraft fuels, and a 6% employee pay raise.

The *Miscellaneous Special Revenue Fund* is a major special revenue fund, which accounts for multiple primarily restricted resources from grants and donations. These resources provide funding for specific projects outlined in a grant award or a donor's conditions for use. During the 2022 fiscal year, the total fund balance increased by \$1.02 million, or 234.1%, from the prior year. The increase in fund balance was primarily the result of an increase in federal grant funding of \$2.28 million, or 221.1% over the previous fiscal year. The increase in federal funding was related predominantly to two federal grants for emergency services projects, the USDA Emergency Watershed Protection Program grant and the USDHS Assistance to Firefighters grant. Mostly, this fund accounts for state and federal grants that are reimbursement-based.

The *Coronavirus State and Local (S&L) Fiscal Recovery Fund* accounts for the financial assistance provided to state and local governments to support their response to and recovery from the COVID-19 public health emergency. The County received \$7.73 million in 2021 and the same amount in 2022 for a total of \$15.45 million. In 2022, \$2.15 million was expended for premium pay for essential workers and was offset by an equal amount of revenue. The remaining balance, \$13.30 million, has been recorded as deferred revenue, which in the future will become revenue in corresponding amount to the qualifying expenditures. Because the revenues equal the expenditures, the fund balance for this fund is zero.

The *Capital Projects Fund* accounts for various capital projects. This fund accounts for capital projects funded mainly by proceeds from debt and federal airport improvement grants. The fund balance decreased by \$1.84 million, or 81.5%, during the 2022 fiscal year, leaving a fund balance of \$418,159 at the end of the fiscal year. The decrease in fund balance was a result of debt proceeds received in prior years being spent.

Nonmajor Governmental Funds are used to account for funds that are restricted for specific purposes, including emergency services; state and local accommodations taxes; property taxes for education, economic development, road maintenance, bridge and culvert maintenance, parks, recreation and tourism, and capital equipment and vehicles purchases; child support, library state aid, victims services and debt services. The \$2.45 million, or 10.8%, increase in fund balance during the 2022 fiscal year was primarily the result of a reduction of \$1.46 million, or 14.2%, in all nonmajor governmental funds expenditures and increase of \$107,000, or 76.4%, in transfers into the victims' assistance funds.

Proprietary Funds

Exhibit 6 shows the components of the net position for the County's two proprietary funds at June 30, 2022.

Exhibit 6
Proprietary Fund Net Positions
for the Fiscal Year Ended June 30, 2022

Fund Net Position	Enterprise Funds		
	Rock Quarry	FOCUS	Total Enterprise Funds
Net investment in capital assets	\$ 7,715,190	\$ -	\$ 7,715,190
Unrestricted	7,088,225	-	7,088,225
Totals	\$ 14,803,415	\$ -	\$ 14,803,415
 Change from prior year	 \$ 565,488	 \$ -	 \$ 565,488
Percentage change	3.97%	-	3.97%

The County's proprietary funds consist of two enterprise funds. Those enterprise funds are the Rock Quarry Fund and the FOCUS Fund.

Enterprise funds are reported as business-type activities in the government-wide financial statements and similarly in the enterprise fund financial statements. Furthermore, enterprise funds function much like private businesses, in that it sells goods or services primarily to customers outside of the primary government.

The net position of the *Rock Quarry Fund*, a major enterprise fund, increased by \$565,488, or 4.0%, over the prior year. As discussed in an earlier section for the government-wide net position, the Rock Quarry's operating expenses increased \$1.70 million from the prior year. In addition, the Rock Quarry operating revenues increased by \$845,061.

The *FOCUS Fund* had a net position of zero at June 30, 2022. The County is leasing the broadband system, which results in no revenues being generated or expenses incurred; therefore, FOCUS has no net position.

Budgetary General Fund Highlights

The estimated general fund revenues for the original fiscal year 2022 adopted budget were \$55.08 million. During the fiscal year, the original budget was amended to increase the revenues by \$500,000, or slightly more than 0.9%, to meet the demand for airport fuel. Actual revenues at June 30, 2022, were \$58.48 million, or 5.2%, over the final 2022 revenues budget. The final budget to actual variance in total revenue of \$2.91 million was due to increased sales building codes permits, commercial tipping fees for garbage deposited at the solid waste transfer station, and deed and other document recording fees. Real estate and personal property tax collections are the fund's major revenue source, which makes up 75.6% of the total revenues budgeted for the County.

Actual expenditures were under the amended appropriations by \$796,315. The budget included fire truck acquisitions for emergency services that could not be purchased because of the supply issues created by COVID-19.

Based on the results of operations, actual revenues exceeded expenditures by \$437,724, creating a budgetary surplus.

See the Required Supplementary Information section on pages 84 through 87 of this report for a detailed budgetary comparison schedule.

Capital Assets, Leased Assets, and Debt Administration

Capital Assets

At the end of the 2022 fiscal year, the County had \$141.06 million invested in capital assets, net of depreciation. This represented a net increase (including additions and deductions) of \$1.05 million, or 0.8%, over the previous fiscal year (see Exhibit 7-1).

Exhibit 7-1
Capital Assets, Net of Depreciation
for the Fiscal Years Ended June 30

Asset Classes	Governmental Activities		Business-type Activities		Total - Primary Government	
	2022	2021	2022	2021	2022	2021
Land and improvements	\$ 6,461,165	\$ 5,526,094	\$ 3,483,038	\$ 3,081,978	\$ 9,944,203	\$ 8,608,072
Other costs	38,523,106	37,311,827	-	-	38,523,106	37,311,827
Construction in progress	7,731,174	8,904,506	-	-	7,731,174	8,904,506
Buildings and improvements	42,713,893	44,297,387	41,925	68,200	42,755,818	44,365,587
Equipment and vehicles	9,924,600	10,032,184	8,660,451	9,293,239	18,585,051	19,325,423
Infrastructure	23,259,513	21,224,366	-	-	23,259,513	21,224,366
Other	27,152	29,621	-	-	27,152	29,621
Mineral interests	-	-	233,922	240,804	233,922	240,804
Total	\$ 128,640,603	\$ 127,325,985	\$ 12,419,336	\$ 12,684,221	\$ 141,059,939	\$ 140,010,206

Governmental activities growth in capital asset investment occurred mostly in infrastructure and construction in progress. The Roads and Bridges Department converted \$5.37 million of previous and current year construction in progress into infrastructure. The County Airport added \$1.85 million to construction in progress for runway and terminal improvement and expansion projects that receive funding from federal grants covering 90% of project cost and state grants covering 5% of project costs. The County Parks converted \$213,138 for a RV sani-dump station and added a net of \$1.25 million to construction in progress for various park renovation projects. Funding for the County Park projects comes from property taxes and local accommodations taxes (LAT). The LAT rates are 1.5% for properties located inside a municipality or 3% for unincorporated areas. These additions are part of new and on-going construction projects.

The business-type activities had a decrease in capital assets from the prior year of \$264,885, or 2.1%. Rock Quarry disposals of multiple pieces of nearly obsolete heavy equipment were trade-ins with allowances totaling \$31,500 toward the purchase of new equipment. The accumulated depreciation for the disposals was \$1.55 million. The net value of the acquisitions for replacement equipment and for the purchase of 5.51 acres of land, the transfer of a vehicle from the governmental activities, and the disposal of the old equipment decreased by \$421,709.

Leased Assets

At the end of the 2022 fiscal year, the County had \$357,316 in leased assets, net of amortization. This represents a net increase including additions and deductions of \$145,208, or 68.5%, over the previous fiscal year (see Exhibit 7-2).

Exhibit 7-2
Leased Assets, Net of Amortization
for the Fiscal Years Ended June 30

Leased Asset Classes	Governmental Activities		Business-type Activities		Total - Primary Government	
	2022	2021	2022	2021	2022	2021
Buildings	\$ 107,461	\$ 141,843	\$ -	-	\$ 107,461	\$ 141,843
Equipment	3,937	7,873	-	-	3,937	7,873
Vehicles	245,918	62,392	-	-	245,918	62,392
Totals	\$ 357,316	\$ 212,108	\$ -	\$ -	\$ 357,316	\$ 212,108

See Note 7 in the notes to the financial statements on page 55 of this report for additional information on the County's capital and leased assets.

Debt Outstanding

At June 30, 2022, the County had a total of \$21.85 million in bonds and notes outstanding - a decrease of \$1.40 million, or a 6.0%, from the previous year (see Exhibit 8).

Exhibit 8
Outstanding Debt
for the Fiscal Years Ended June 30

	Governmental Activities		Business-type Activities		Total - Primary Government		Total Percent Change 2022-2021
	2022	2021	2022	2021	2022	2021	
General obligation (GO) bonds							
Applicable to the debt margin:							
GO bonds	\$ 2,720,000	\$ 3,261,000	\$ -	\$ -	\$ 2,720,000	\$ 3,261,000	(16.59%)
Plus unamortized premium	7,758	10,133	-	-	7,758	10,133	(23.44%)
GO refunding bonds	7,170,000	7,810,000	-	-	7,170,000	7,810,000	(8.19%)
Total GO bonds applicable to the debt margin	9,897,758	11,081,133	-	-	9,897,758	11,081,133	(10.68%)
Not applicable to the debt margin:							
GO bonds for special tax districts	370,525	523,676	-	-	370,525	523,676	(29.25%)
Total GO bonds not applicable to the debt margin	370,525	523,676	-	-	370,525	523,676	(29.25%)
Total GO bonds	10,268,283	11,604,809	-	-	10,268,283	11,604,809	(11.52%)
Financed purchases	5,968,985	5,259,473	4,704,146	5,192,162	10,673,131	10,451,635	2.12%
Special source refunding revenue bonds	909,000	1,198,000	-	-	909,000	1,198,000	(24.12%)
Total	\$ 17,146,268	\$ 18,062,282	\$ 4,704,146	\$ 5,192,162	\$ 21,850,414	\$ 23,254,444	(6.04%)

The repayment of principal on outstanding debt exceeded issuances of debt, resulting in a decrease in debt outstanding for governmental activities of \$916,014, or 5.1%.

As 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 possibly in different ratings. On July 3, 2014, Standard & Poor's upgraded the County ratings from "AA-" to "AA", while the County 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% 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 \$43.34 million, which is 11.2% increase from the prior year. The legal debt margin calculation does not apply to GO debt issued for special tax districts.

See Note 8 in the notes to the financial statements on pages 55 - 59 of this report for additional information about the County's long-term debt.

Economic Factors and Next Year's Budget

Forecasted Budgetary General Fund Revenues for Fiscal Year 2022-2023

In June 2022, County Council approved the Ordinance 2022-1 for the fiscal year 2022-2023 annual budget. The General Fund's budgetary revenue estimate was \$60.61 million. Less than two months later, the General Fund was amended to approve coverage of airport grant match expenditures totaling \$384,056. The General Fund amended budgetary revenues are \$61.00 million. At the end of the first quarter of fiscal year 2021-2022, the General Fund revenue collections were \$ 3.3 million, or 6%. The first quarter of fiscal year 2022-2023 had General Fund revenues collections of \$5.17 million, or 8.8%

Economic Conditions

With COVID-19 relenting and the growth from the housing market boom, the 2022-2023 revenue forecasts are slightly above target. Budgetary General Fund revenue collections for the first three months of fiscal year 2023 were 57.2% more than the same period in the prior fiscal year of \$3.29 million. In the General Fund, property taxes are the main source of funding.

Figure 9 below provides a graph of the budget and actual for the General Fund property taxes. During the COVID-19 fiscal years, 2020 through 2022, the actual collections were down as compared to the budget. For 2023, the collections are anticipated to realign with the budget. The return of unemployment rates to levels experienced in the pre-COVID-19 years (Exhibit 9-2) and the increase in the housing market of list prices (Exhibit 9-3) support the budgetary forecasts of 2023.

Exhibit 9-1
General Fund Property Taxes
Actual and Budget

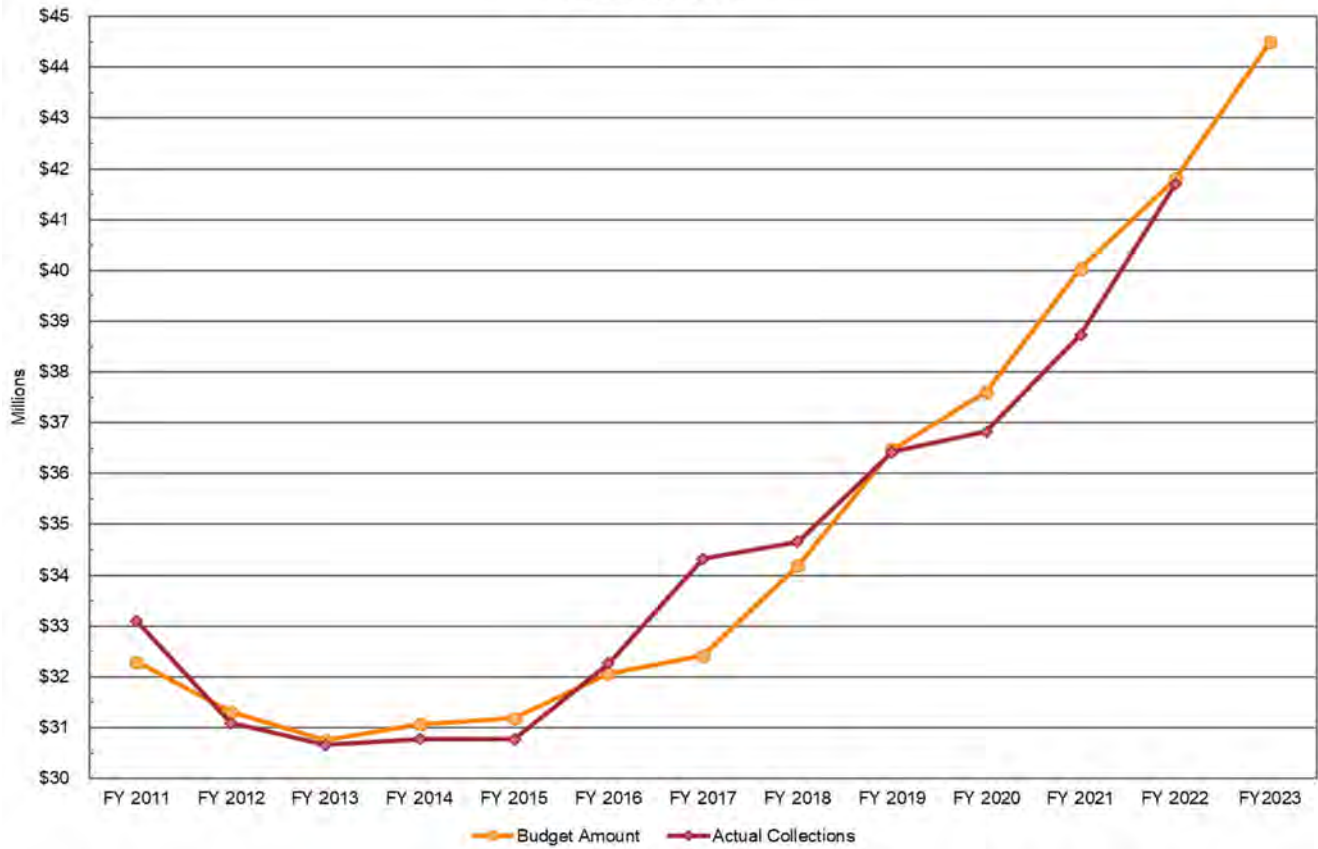


Exhibit 9-2
Oconee County Annual Unemployment Rate
 Source: SC Department of Employment and Workforce

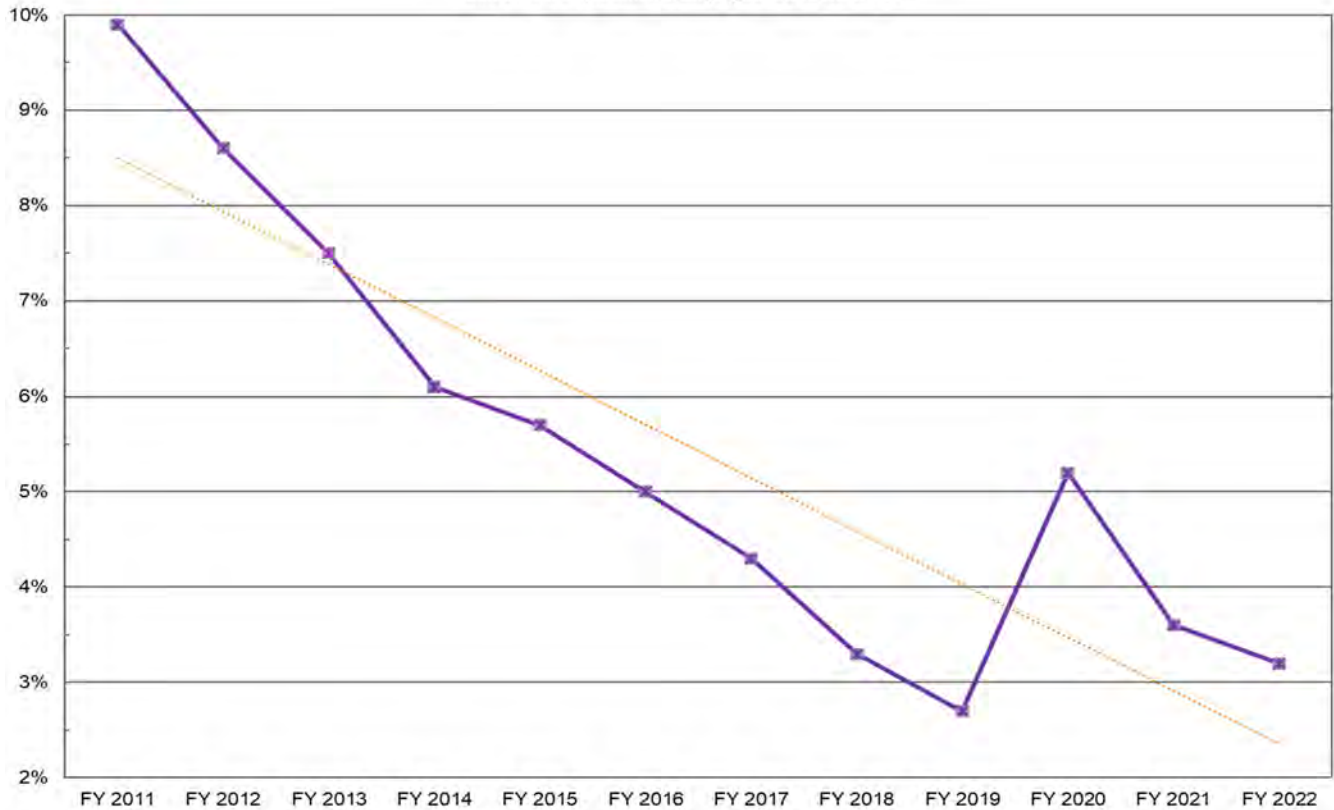
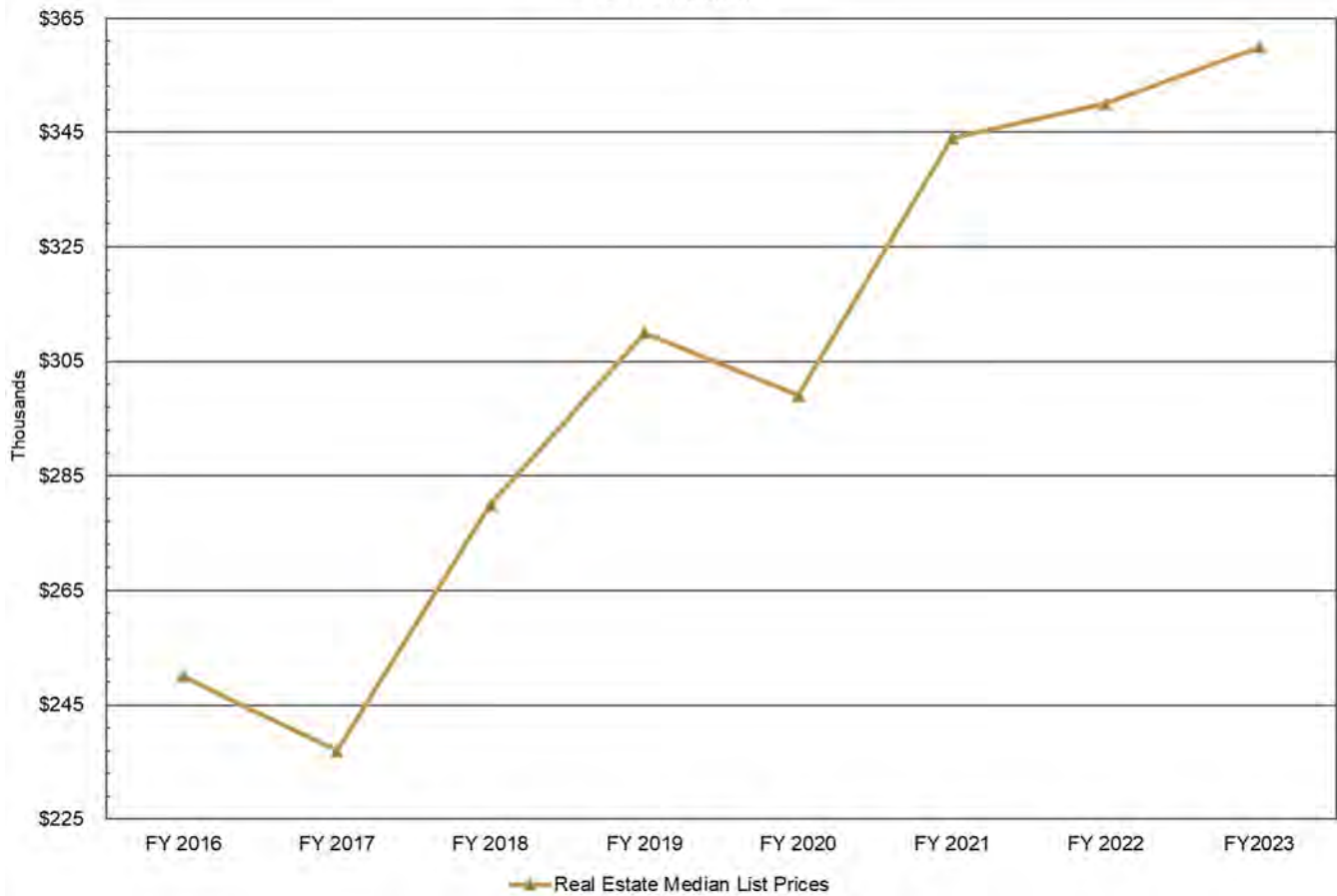


Exhibit 9-3
Real Estate Median List Prices
Source: Realtor.com



Requests for Information

The primary purpose of this financial report is to provide Oconee County's citizens, taxpayers, customers, investors, and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. Please address any questions concerning information in this report 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, 2022

	Primary Government			Component Unit
	Governmental	Business-type		Keowee Fire
	Activities	Activities	Total	Tax District
ASSETS				
Cash and cash equivalents	\$ 42,170,391	\$ 10,550,992	\$ 52,721,383	\$ 850,979
Investments	17,489,085	247,936	17,737,021	-
Receivables:				
Taxes	1,092,284	-	1,092,284	20,182
Accounts	573,009	179,686	752,695	-
Due from other governments	3,672,939	-	3,672,939	15,000
Other	125,466	-	125,466	-
Internal balances	6,173,939	(6,173,939)	-	-
Due from component unit	350,674	-	350,674	-
Inventories	270,917	333,278	604,195	-
Prepaid expenses	9,102	-	9,102	-
Seized assets	234,750	-	234,750	-
Lease receivable	43,010	4,600,001	4,643,011	-
Assets held for resale	28	-	28	-
Assets held for economic development	4,346,399	-	4,346,399	-
Capital assets:				
Right-to-use lease, net of accumulated amortization	357,316	-	357,316	-
Nondepreciable	52,715,445	3,483,038	56,198,483	-
Depreciable, net of accumulated depreciation	75,925,158	8,936,298	84,861,456	1,593,618
Total assets	<u>205,549,912</u>	<u>22,157,290</u>	<u>227,707,202</u>	<u>2,479,779</u>
DEFERRED OUTFLOWS OF RESOURCES				
Other postemployment benefits	1,792,270	75,200	1,867,470	-
Pension - South Carolina Retirement System	6,549,038	465,784	7,014,822	-
Pension - South Carolina Police Officers Retirement System	5,587,683	-	5,587,683	250,244
Total deferred outflows of resources	<u>13,928,991</u>	<u>540,984</u>	<u>14,469,975</u>	<u>250,244</u>
LIABILITIES				
Accounts payable	4,961,006	390,027	5,351,033	-
Accrued liabilities	3,265,905	95,888	3,361,793	2,325
Unearned revenues	13,554,805	-	13,554,805	-
Due to primary government	-	-	-	350,674
Noncurrent liabilities:				
Due within one year	3,411,613	533,594	3,945,207	16,335
Due in more than one year	18,467,078	4,223,356	22,690,434	36,186
Total other postemployment benefits liability	12,446,894	522,247	12,969,141	-
Net Pension Liability:				
South Carolina Retirement System	23,355,972	1,661,136	25,017,108	-
South Carolina Police Officers Retirement System	16,014,022	-	16,014,022	704,313
Total liabilities	<u>95,477,295</u>	<u>7,426,248</u>	<u>102,903,543</u>	<u>1,109,833</u>
DEFERRED INFLOWS OF RESOURCES				
Lease receipts	41,851	-	41,851	-
Other postemployment benefits	310,442	13,025	323,467	-
Pension - South Carolina Retirement System	6,405,653	455,586	6,861,239	-
Pension - South Carolina Police Officers Retirement System	5,393,108	-	5,393,108	195,131
Total deferred inflows of resources	<u>12,151,054</u>	<u>468,611</u>	<u>12,619,665</u>	<u>195,131</u>
NET POSITION				
Net investment in capital assets	112,554,496	7,715,190	120,269,686	1,220,768
Restricted for capital projects	9,526,560	-	9,526,560	-
Restricted for debt service	2,404,878	-	2,404,878	-
Restricted for fringe expenditures	-	-	-	48,686
Restricted for general government	208,595	-	208,595	-
Restricted for judicial services	137,357	-	137,357	-
Restricted for education	1,659,590	-	1,659,590	-
Restricted for public works	127,832	-	127,832	-
Restricted for economic development	691	-	691	-
Restricted for culture and recreation	1,194,450	-	1,194,450	-
Restricted for public safety	1,757,923	-	1,757,923	-
Restricted for health and welfare	2,156	-	2,156	-
Restricted for transportation	1,666,667	-	1,666,667	-
Unrestricted	(19,390,641)	7,088,225	(12,302,416)	155,605
Total net position	<u>\$ 111,850,554</u>	<u>\$ 14,803,415</u>	<u>\$ 126,653,969</u>	<u>\$ 1,425,059</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, 2022

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	\$ 17,342,105	\$ 2,216,793	\$ 1,766,188	\$ 93,495	\$ (13,265,629)	\$ -	\$ (13,265,629)	\$ -
Public safety	30,728,185	4,065,864	3,628,627	124,517	(22,909,177)	-	(22,909,177)	-
Transportation	7,280,152	2,638,794	4,260	2,135,784	(2,501,314)	-	(2,501,314)	-
Public works	5,325,355	3,134,799	116,847	-	(2,073,709)	-	(2,073,709)	-
Culture and recreation	6,023,945	767,681	205,130	14,150	(5,036,984)	-	(5,036,984)	-
Judicial services	3,850,018	902,507	183,993	-	(2,763,518)	-	(2,763,518)	-
Education	1,580,200	-	-	-	(1,580,200)	-	(1,580,200)	-
Health and welfare	709,272	-	324,905	-	(384,367)	-	(384,367)	-
Economic development	1,778,067	325	-	22,858	(1,754,884)	-	(1,754,884)	-
Interest on long-term debt	329,999	-	-	-	(329,999)	-	(329,999)	-
Total governmental activities	74,947,298	13,726,763	6,229,950	2,390,804	(52,599,781)	-	(52,599,781)	-
Business-type activities:								
FOCUS	934,000	-	-	-	-	(934,000)	(934,000)	-
Rock quarry	5,954,222	7,488,294	-	-	-	1,534,072	1,534,072	-
Total business-type activities	6,888,222	7,488,294	-	-	-	600,072	600,072	-
Total primary government	\$ 81,835,520	\$ 21,215,057	\$ 6,229,950	\$ 2,390,804	(52,599,781)	600,072	(51,999,709)	-
Component unit:								
Keowee Fire Tax District	\$ 942,411	\$ 75,000	\$ 25,609	\$ 15,000	-	-	-	(826,802)
General revenues:								
Property taxes levied for:								
General purposes					42,805,086	-	42,805,086	-
Public safety					1,697,599	-	1,697,599	968,082
Debt service					1,567,385	-	1,567,385	-
Capital projects					2,859,847	-	2,859,847	-
Economic development					1,214,786	-	1,214,786	-
Education					1,936,172	-	1,936,172	-
Other taxes and licenses					1,935,598	-	1,935,598	-
Grants and contributions not restricted for a specific purpose					2,326,642	-	2,326,642	45,000
Unrestricted investment earnings					73,206	-	73,206	519
Gain on disposal of capital assets					-	31,416	31,416	-
Miscellaneous					377,871	-	377,871	45,255
Transfers					66,000	(66,000)	-	-
Total general revenues and transfers					56,860,192	(34,584)	56,825,608	1,058,856
Change in net position					4,260,411	565,488	4,825,899	232,054
Net position, beginning of year					107,590,143	14,237,927	121,828,070	1,193,005
Net position, end of year					\$ 111,850,554	\$ 14,803,415	\$ 126,653,969	\$ 1,425,059

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

OCONEE COUNTY, SOUTH CAROLINA

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022**

	General	Miscellaneous Special Revenue	Coronavirus S&L Fiscal Recovery	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 5,083,694	\$ -	\$ 13,458,680	\$ 85,433	\$ 23,542,584	\$ 42,170,391
Investments	17,039,085	-	-	-	450,000	17,489,085
Taxes receivable, net	885,232	-	-	-	207,052	1,092,284
Accounts receivable, net	427,195	-	-	-	145,814	573,009
Due from other governments	994,436	1,516,917	-	935,780	225,806	3,672,939
Lease receivable	43,010	-	-	-	-	43,010
Due from other funds	642,101	-	-	-	-	642,101
Due from component unit	-	-	-	-	350,674	350,674
Other receivables	125,466	-	-	-	-	125,466
Advances to other funds	6,173,939	-	-	-	-	6,173,939
Prepaid expenditures	9,102	-	-	-	-	9,102
Inventories	270,917	-	-	-	-	270,917
Seized assets	-	234,750	-	-	-	234,750
Assets held for resale	28	-	-	-	-	28
Assets held for economic development	2,254,220	-	-	-	2,092,179	4,346,399
Total assets	<u>\$ 33,948,425</u>	<u>\$ 1,751,667</u>	<u>\$ 13,458,680</u>	<u>\$ 1,021,213</u>	<u>\$ 27,014,109</u>	<u>\$ 77,194,094</u>
LIABILITIES						
Accounts payable	\$ 3,211,644	\$ 183,483	\$ 158,353	\$ 17,011	\$ 1,390,515	\$ 4,961,006
Due to other funds	-	467,957	-	-	174,144	642,101
Accrued liabilities	3,150,318	3,159	-	-	15,647	3,169,124
Unearned revenue	-	70,429	13,300,327	-	184,049	13,554,805
Total liabilities	<u>6,361,962</u>	<u>725,028</u>	<u>13,458,680</u>	<u>17,011</u>	<u>1,764,355</u>	<u>22,327,036</u>
DEFERRED INFLOWS OF RESOURCES						
Lease receipts	41,851	-	-	-	-	41,851
Unavailable revenue - property taxes	524,285	-	-	-	110,552	634,837
Unavailable revenue - seized property	-	234,750	-	-	-	234,750
Unavailable revenue - intergovernmental	732,681	209,341	-	586,043	-	1,528,065
Unavailable revenue - forfeited land commission	28	-	-	-	-	28
Total deferred inflows of resources	<u>1,298,845</u>	<u>444,091</u>	<u>-</u>	<u>586,043</u>	<u>110,552</u>	<u>2,439,531</u>
FUND BALANCES						
Nonspendable:						
Prepaid expenditures	9,102	-	-	-	-	9,102
Inventories	270,917	-	-	-	-	270,917
Assets held for resale	28	-	-	-	-	28
Assets held for economic development	2,254,220	-	-	-	-	2,254,220
Advances to other funds	6,173,939	-	-	-	-	6,173,939
Restricted for:						
General government	-	208,595	-	-	-	208,595
Public safety	-	33,857	-	-	1,724,066	1,757,923
Transportation	-	9,482	-	-	1,657,185	1,666,667
Culture and recreation	-	108,509	-	-	1,085,941	1,194,450
Judicial services	-	2,473	-	-	134,884	137,357
Education	-	-	-	-	1,659,590	1,659,590
Public works	-	127,832	-	-	-	127,832
Health and welfare	-	2,156	-	-	-	2,156
Economic development	-	691	-	-	-	691
Capital projects	-	-	-	-	9,526,560	9,526,560
Debt service	-	-	-	-	2,404,878	2,404,878
Assigned:						
Solid waste reserve	933,800	-	-	-	-	933,800
Health care reserve	2,000,000	-	-	-	-	2,000,000
Assets held for economic development	-	-	-	-	2,092,179	2,092,179
OPEB reserve	1,207,715	-	-	-	-	1,207,715
Subsequent year's budget	2,177,199	88,953	-	418,159	4,914,475	7,598,786
Unassigned	11,260,698	-	-	-	(60,556)	11,200,142
Total fund balances	<u>26,287,618</u>	<u>582,548</u>	<u>-</u>	<u>418,159</u>	<u>25,139,202</u>	<u>52,427,527</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 33,948,425</u>	<u>\$ 1,751,667</u>	<u>\$ 13,458,680</u>	<u>\$ 1,021,213</u>	<u>\$ 27,014,109</u>	<u>\$ 77,194,094</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, 2022

Total fund balances for governmental funds:		\$	52,427,527
Amounts reported for governmental activities in the Statement of Net Position are different because:			
Capital assets (including right-to-use leased assets) used in governmental activities are not financial resources and, therefore, are not reported in the funds.			128,997,919
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.			2,397,680
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	\$	(10,268,283)	
Lease payable		(365,603)	
Financed purchase obligations		(5,968,985)	
Special source revenue bonds		(909,000)	
Other post-employment benefits, net of related deferred outflows and deferred inflows of resources		(10,965,066)	
Post-closure care liabilities		(2,784,287)	
Compensated absences payable		(1,582,533)	
Net pension liability, net of related deferred outflows and deferred inflows of resources		<u>(39,032,034)</u>	
			(71,875,791)
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.			<u>(96,781)</u>
Net position of governmental activities		\$	<u><u>111,850,554</u></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
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	General	Miscellaneous Special Revenue	Coronavirus S&L Fiscal Recovery	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Property taxes	\$ 41,696,010	\$ -	\$ -	\$ -	\$ 10,683,117	\$ 52,379,127
Other taxes	-	-	-	-	1,676,595	1,676,595
Intergovernmental	4,888,193	3,305,813	2,150,551	2,098,225	1,314,019	13,756,801
Licenses, permits and fees	7,120,409	10,555	-	-	65,294	7,196,258
Fines and forfeitures	257,592	380	-	-	103,870	361,842
Charges for services	4,085,819	-	-	-	-	4,085,819
Interest revenue	-	996	-	-	72,210	73,206
Contributions and donations	-	55,502	-	-	-	55,502
Other revenues	434,845	47,418	-	-	53,746	536,009
Total revenues	<u>58,482,868</u>	<u>3,420,664</u>	<u>2,150,551</u>	<u>2,098,225</u>	<u>13,968,851</u>	<u>80,121,159</u>
EXPENDITURES						
Current:						
General government	15,789,855	71,092	-	1,939,333	-	17,800,280
Public safety	23,362,204	1,694,402	2,150,551	-	2,699,328	29,906,485
Transportation	4,819,704	105,117	-	-	511,974	5,436,795
Public works	5,437,033	144,328	-	-	-	5,581,361
Culture and recreation	3,556,088	74,783	-	-	2,382,276	6,013,147
Judicial services	3,378,027	-	-	-	145,914	3,523,941
Education	-	-	-	-	1,580,200	1,580,200
Health and welfare	285,382	300,874	-	-	-	586,256
Economic development	530,555	-	-	-	695,781	1,226,336
Capital outlay	-	42,078	-	2,499,663	1,869,801	4,411,542
Debt service:						
Principal	797,976	-	-	-	1,623,151	2,421,127
Interest	88,320	-	-	-	241,317	329,637
Total expenditures	<u>58,045,144</u>	<u>2,432,674</u>	<u>2,150,551</u>	<u>4,438,996</u>	<u>11,749,742</u>	<u>78,817,107</u>
Excess (deficiency) of revenues over (under) expenditures	<u>437,724</u>	<u>987,990</u>	<u>-</u>	<u>(2,340,771)</u>	<u>2,219,109</u>	<u>1,304,052</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	1,094,600	75,939	-	503,559	250,986	1,925,084
Transfers out	(1,718,765)	(48,130)	-	-	(92,189)	(1,859,084)
Insurance recoveries	143,969	-	-	-	-	143,969
Financed purchase agreement	1,359,734	-	-	-	-	1,359,734
Lease proceeds	294,654	-	-	-	-	294,654
Sale of capital assets	727	1,030	-	-	72,087	73,844
Total other financing sources, net	<u>1,174,919</u>	<u>28,839</u>	<u>-</u>	<u>503,559</u>	<u>230,884</u>	<u>1,938,201</u>
Net change in fund balances	<u>1,612,643</u>	<u>1,016,829</u>	<u>-</u>	<u>(1,837,212)</u>	<u>2,449,993</u>	<u>3,242,253</u>
Fund balances (deficits), beginning 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>
Fund balances, end of year	<u>\$ 26,287,618</u>	<u>\$ 582,548</u>	<u>\$ -</u>	<u>\$ 418,159</u>	<u>\$ 25,139,202</u>	<u>\$ 52,427,527</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, 2022

Net change in fund balances - total governmental funds	\$	3,242,253
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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 or amortization expense.

Capital outlay	\$	8,694,490	
Amortization expense		(149,446)	
Depreciation expense		<u>(6,208,388)</u>	
			2,336,656

The net effect of various miscellaneous transactions (i.e., sales and donations) is to decrease net position.		(883,425)
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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.		(1,123,419)
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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	\$	2,421,127	
Issuance of long-term debt		(1,654,388)	
Amortization of premium on long-term debt		<u>2,375</u>	
			769,114

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	\$	491,441	
Landfill post-closure liability		(377,878)	
Compensated absences		48,605	
Accrued interest on long-term debt		(2,737)	
Other postemployment benefits liability		<u>(240,199)</u>	
			<u>(80,768)</u>
			<u>\$ 4,260,411</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, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES:				
Taxes	\$ 42,036,385	\$ 42,036,385	\$ 41,696,010	\$ (340,375)
Intergovernmental	4,144,712	4,144,712	4,888,193	743,481
Licenses, permits and fees	5,921,250	5,921,250	7,120,409	1,199,159
Fines and forfeitures	222,600	222,600	257,592	34,992
Charges for services	2,071,016	2,571,016	4,085,819	1,514,803
Interest revenue	475,000	475,000	-	(475,000)
Other revenues	204,189	204,189	434,845	230,656
Total revenues	<u>55,075,152</u>	<u>55,575,152</u>	<u>58,482,868</u>	<u>2,907,716</u>
EXPENDITURES:				
Current:				
General government:				
County council	311,016	312,660	289,685	22,975
Legislative delegation	96,389	98,099	92,659	5,440
Finance department	679,902	746,666	737,673	8,993
Non-departmental expenditures	2,148,822	2,248,928	5,386,284	(3,137,356)
Human resources	344,375	430,773	428,980	1,793
Information technology	1,132,226	1,110,551	1,073,080	37,471
Planning commission	388,924	382,733	335,477	47,256
Procurement	176,724	188,976	187,041	1,935
Facilities maintenance	1,389,957	1,398,198	1,326,458	71,740
Registration and elections	244,196	249,069	283,245	(34,176)
Soil and water conservation	84,043	85,027	75,211	9,816
Administrator's office	925,038	626,719	649,422	(22,703)
Vehicle maintenance	962,684	993,737	991,733	2,004
Register of deeds	315,744	334,858	328,224	6,634
Assessor	1,035,941	1,049,635	967,483	82,152
Auditor	603,155	612,713	590,127	22,586
Board of assessment appeals	12,003	12,003	1,547	10,456
Tax collector	459,939	471,054	375,455	95,599
Treasurer	645,385	629,430	619,985	9,445
Direct aid	671,867	740,103	675,089	65,014
County attorney	398,876	434,970	374,997	59,973
Total general government	<u>13,027,206</u>	<u>13,156,902</u>	<u>15,789,855</u>	<u>(2,632,953)</u>
Public safety:				
Sheriff's department	9,769,341	10,028,329	10,008,459	19,870
Law enforcement center	4,617,760	4,678,724	4,563,534	115,190
Communications	1,718,079	1,765,111	1,754,919	10,192
Animal control	658,107	665,508	638,162	27,346
Coroner	303,470	312,110	306,492	5,618
Building codes	651,582	661,650	634,805	26,845
Emergency management	7,706,044	7,948,890	5,455,833	2,493,057
Total public safety	<u>25,424,383</u>	<u>26,060,322</u>	<u>23,362,204</u>	<u>2,698,118</u>
Transportation:				
County airport	1,381,264	1,947,153	2,240,265	(293,112)
Roads department	2,967,509	2,984,838	2,579,439	405,399
Total transportation	<u>4,348,773</u>	<u>4,931,991</u>	<u>4,819,704</u>	<u>112,287</u>
Public works:				
Solid waste	<u>5,407,617</u>	<u>5,898,289</u>	<u>5,437,033</u>	<u>461,256</u>

(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, 2022

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
EXPENDITURES: (CONTINUED)				
Culture and recreation:				
Library	\$ 1,469,376	\$ 1,495,888	\$ 1,426,414	\$ 69,474
Parks, recreation and tourism	769,984	776,823	620,851	155,972
High Falls Park	451,949	498,760	491,681	7,079
South Cove Park	552,636	608,977	606,025	2,952
Chau Ram Park	373,660	411,251	411,117	134
Total culture and recreation	<u>3,617,605</u>	<u>3,791,699</u>	<u>3,556,088</u>	<u>235,611</u>
Judicial services:				
Clerk of court	696,419	708,592	741,393	(32,801)
Probate judge	377,073	378,940	348,316	30,624
Solicitor	1,013,700	1,034,044	761,796	272,248
Public defender	250,000	250,000	250,000	-
Magistrate office	938,198	905,613	1,276,522	(370,909)
Total judicial	<u>3,275,390</u>	<u>3,277,189</u>	<u>3,378,027</u>	<u>(100,838)</u>
Health and welfare:				
Department of social services	13,200	13,200	11,420	1,780
Health department	29,134	72,254	69,029	3,225
Veteran's affairs	213,403	216,024	204,933	11,091
Total health and welfare	<u>255,737</u>	<u>301,478</u>	<u>285,382</u>	<u>16,096</u>
Economic development:				
Economic development	<u>682,691</u>	<u>685,047</u>	<u>530,555</u>	<u>154,492</u>
Debt service	<u>738,542</u>	<u>738,542</u>	<u>886,296</u>	<u>(147,754)</u>
Total expenditures	<u>56,777,944</u>	<u>58,841,459</u>	<u>58,045,144</u>	<u>796,315</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,702,792)</u>	<u>(3,266,307)</u>	<u>437,724</u>	<u>3,704,031</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,220,000	1,220,000	1,094,600	(125,400)
Transfers out	(747,000)	(747,000)	(1,718,765)	(971,765)
Insurance recoveries	40,000	40,000	143,969	103,969
Financed purchase agreement	1,359,734	1,359,734	1,359,734	-
Lease principal	-	-	294,654	294,654
Sale of capital assets	-	-	727	727
Total other financing sources, net	<u>1,872,734</u>	<u>1,872,734</u>	<u>1,174,919</u>	<u>(697,815)</u>
Net change in fund balances	169,942	(1,393,573)	1,612,643	3,006,216
Fund balances, beginning of year	<u>24,674,975</u>	<u>24,674,975</u>	<u>24,674,975</u>	<u>-</u>
Fund balances, end of year	<u>\$ 24,844,917</u>	<u>\$ 23,281,402</u>	<u>\$ 26,287,618</u>	<u>\$ 3,006,216</u>

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, 2022

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Intergovernmental	\$ 325,347	\$ 327,975	\$ 3,305,813	\$ 2,977,838
Licenses and permits	-	-	10,555	10,555
Fines and forfeitures	-	-	380	380
Contributions and donations	-	-	55,502	55,502
Other revenue	-	-	47,418	47,418
Interest revenue	-	-	996	996
	<u>325,347</u>	<u>327,975</u>	<u>3,420,664</u>	<u>3,092,689</u>
EXPENDITURES				
General government	-	-	71,092	(71,092)
Public safety	220,724	271,688	1,694,402	(1,422,714)
Public works	73,090	126,093	144,328	(18,235)
Transportation	-	-	105,117	(105,117)
Health and welfare	-	-	300,874	(300,874)
Culture and recreation	28,643	37,443	74,783	(37,340)
Economic development	-	1,159	-	1,159
Capital outlay	-	65,798	42,078	23,720
Total expenditures	<u>322,457</u>	<u>502,181</u>	<u>2,432,674</u>	<u>(1,930,493)</u>
Excess (deficiency) of revenues over (under) expenditures	2,890	(174,206)	987,990	1,162,196
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	(48,130)	(48,130)
Transfers in	-	-	75,939	75,939
Sale of capital assets	-	-	1,030	1,030
Total other financing sources, net	<u>-</u>	<u>-</u>	<u>28,839</u>	<u>28,839</u>
Net change in fund balance	2,890	(174,206)	1,016,829	1,191,035
Fund balances (deficits), beginning of year	<u>(434,281)</u>	<u>(434,281)</u>	<u>(434,281)</u>	<u>-</u>
Fund balances (deficits), end of year	<u>\$ (431,391)</u>	<u>\$ (608,487)</u>	<u>\$ 582,548</u>	<u>\$ 1,191,035</u>

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

OCONEE COUNTY, SOUTH CAROLINA

STATEMENT OF NET POSITION PROPRIETARY FUNDS JUNE 30, 2022

	<u>Rock Quarry</u>	<u>FOCUS</u>	<u>Totals</u>
ASSETS			
CURRENT ASSETS			
Cash	\$ 8,818,197	\$ 1,732,795	\$ 10,550,992
Investments	247,936	-	247,936
Accounts receivable, net of allowance	120,884	58,802	179,686
Inventories	333,278	-	333,278
Total current assets	<u>9,520,295</u>	<u>1,791,597</u>	<u>11,311,892</u>
NONCURRENT ASSETS			
Lease receivable	-	4,600,001	4,600,001
Capital assets:			
Nondepreciable	3,483,038	-	3,483,038
Depreciable, net of accumulated depreciation	8,936,298	-	8,936,298
Total noncurrent assets	<u>12,419,336</u>	<u>4,600,001</u>	<u>17,019,337</u>
Total assets	<u>21,939,631</u>	<u>6,391,598</u>	<u>28,331,229</u>
DEFERRED OUTFLOWS OF RESOURCES			
Other postemployment benefits	75,200	-	75,200
Pension - South Carolina Retirement System	465,784	-	465,784
Total deferred outflows of resources	<u>540,984</u>	<u>-</u>	<u>540,984</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	172,368	217,659	390,027
Accrued liabilities	95,888	-	95,888
Current portion - compensated absences	25,423	-	25,423
Current portion - financed purchase payable	508,171	-	508,171
Total current liabilities	<u>801,850</u>	<u>217,659</u>	<u>1,019,509</u>
NONCURRENT LIABILITIES			
Compensated absences, net of current portion	27,381	-	27,381
Advances from other funds	-	6,173,939	6,173,939
Financed purchase payable, net of current portion	4,195,975	-	4,195,975
Total other postemployment benefits liability	522,247	-	522,247
Net pension liability - South Carolina Retirement System	1,661,136	-	1,661,136
Total noncurrent liabilities	<u>6,406,739</u>	<u>6,173,939</u>	<u>12,580,678</u>
Total liabilities	<u>7,208,589</u>	<u>6,391,598</u>	<u>13,600,187</u>
DEFERRED INFLOWS OF RESOURCES			
Other postemployment benefits	13,025	-	13,025
Pension - South Carolina Retirement System	455,586	-	455,586
Total deferred inflows of resources	<u>468,611</u>	<u>-</u>	<u>468,611</u>
NET POSITION			
Net investment in capital assets	7,715,190	-	7,715,190
Unrestricted	7,088,225	-	7,088,225
Total net position	<u>\$ 14,803,415</u>	<u>\$ -</u>	<u>\$ 14,803,415</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, 2022

	<u>Rock Quarry</u>	<u>FOCUS</u>	<u>Totals</u>
OPERATING REVENUES			
Charges for services:			
Outside customer sales	\$ 7,481,227	\$ -	\$ 7,481,227
Miscellaneous operating revenues	7,067	-	7,067
Total operating revenues	<u>7,488,294</u>	<u>-</u>	<u>7,488,294</u>
OPERATING EXPENSES			
Salaries and fringe benefits	1,303,561	-	1,303,561
Supplies	86,576	-	86,576
Electricity and natural gas	158,909	-	158,909
Petroleum, oil and lubricants	509,778	-	509,778
Machinery, equipment repairs and maintenance	1,409,655	-	1,409,655
Professional services	763,920	-	763,920
Miscellaneous	259,765	934,000	1,193,765
Depreciation and depletion	1,248,592	-	1,248,592
Total operating expenses	<u>5,740,756</u>	<u>934,000</u>	<u>6,674,756</u>
Operating income (loss)	<u>1,747,538</u>	<u>(934,000)</u>	<u>813,538</u>
NON-OPERATING INCOME (EXPENSE)			
Interest expense	(213,466)	-	(213,466)
Gain on disposal of capital assets	31,416	-	31,416
Total non-operating expense, net	<u>(182,050)</u>	<u>-</u>	<u>(182,050)</u>
Income before transfers	<u>1,565,488</u>	<u>(934,000)</u>	<u>631,488</u>
TRANSFERS			
Transfers in	-	934,000	934,000
Transfers out	(1,000,000)	-	(1,000,000)
Total transfers	<u>(1,000,000)</u>	<u>934,000</u>	<u>(66,000)</u>
Change in net position	565,488	-	565,488
Net position, beginning of year	<u>14,237,927</u>	<u>-</u>	<u>14,237,927</u>
Net position, end of year	<u>\$ 14,803,415</u>	<u>\$ -</u>	<u>\$ 14,803,415</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, 2022

	<u>Rock Quarry</u>	<u>FOCUS</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 7,429,408	\$ -	\$ 7,429,408
Payments to suppliers	(3,213,568)	(722,191)	(3,935,759)
Payments to employees	(1,289,853)	-	(1,289,853)
Net cash provided by (used in) operating activities	<u>2,925,987</u>	<u>(722,191)</u>	<u>2,203,796</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers out	(1,000,000)	-	(1,000,000)
Transfers in	-	934,000	934,000
Net cash provided by (used in) noncapital financing activities	<u>(1,000,000)</u>	<u>934,000</u>	<u>(66,000)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	(986,876)	-	(986,876)
Proceeds from the sale of capital assets	34,585	-	34,585
Principal paid on financed purchases	(488,016)	-	(488,016)
Write-off of notes receivable	-	934,000	934,000
Proceeds from notes receivable	-	250,000	250,000
Interest paid	(215,146)	-	(215,146)
Net cash provided by (used in) capital and related financing activities	<u>(1,655,453)</u>	<u>1,184,000</u>	<u>(471,453)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments	4,937	-	4,937
Net cash provided by investing activities	<u>4,937</u>	<u>-</u>	<u>4,937</u>
Net change in cash and cash equivalents	275,471	1,395,809	1,671,280
Cash and cash equivalents:			
Beginning of year	<u>8,542,726</u>	<u>336,986</u>	<u>8,879,712</u>
End of year	<u>\$ 8,818,197</u>	<u>\$ 1,732,795</u>	<u>\$ 10,550,992</u>

(Continued)

OCONEE COUNTY, SOUTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Rock Quarry</u>	<u>FOCUS</u>	<u>Totals</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	\$ 1,747,538	\$ (934,000)	\$ 813,538
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation and depletion	1,248,592	-	1,248,592
Changes in assets and liabilities:			
Increase in accounts receivable	(58,886)	(5,850)	(64,736)
Decrease in inventories	122,125	-	122,125
Decrease in deferred outflows of resources	201,073	-	201,073
Increase in accounts payable	38,508	217,659	256,167
Increase in accrued liabilities	10,238	-	10,238
Decrease in total other postemployment benefits liability	(100,012)	-	(100,012)
Increase in compensated absences	3,470	-	3,470
Decrease in net pension liability	(281,899)	-	(281,899)
Decrease in deferred inflows of resources	(4,760)	-	(4,760)
Net cash provided by (used in) operating activities	<u>\$ 2,925,987</u>	<u>\$ (722,191)</u>	<u>\$ 2,203,796</u>

OCONEE COUNTY, SOUTH CAROLINA

STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS JUNE 30, 2022

	Custodial Funds
	<hr/>
ASSETS	
Cash	\$ 26,052,274
Taxes receivable	<hr/> 2,254,334
Total assets	<hr/> 28,306,608
LIABILITIES	
Due to others	25,356,744
Uncollected taxes	<hr/> 2,254,334
Total liabilities	<hr/> 27,611,078
NET POSITION	
Restricted for individuals, organizations, and other governments	<hr/> 695,530
Total net position	<hr/> <hr/> \$ 695,530

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 FISCAL YEAR ENDED JUNE 30, 2022

	Custodial Funds
ADDITIONS	
Investment earnings:	
Interest	\$ 21
Net investment earnings	21
Other:	
Taxes	157,777,474
Fine and fees	2,243,086
Criminal and civil bonds	1,985,833
Total additions	162,006,414
DEDUCTIONS	
Taxes and fees paid to other governments	158,264,942
Funds disbursed per court order	2,423,971
Other custodial funds disbursed	837,657
Total deductions	161,526,570
Change in net position	479,844
Net position, beginning of year	215,686
Net position, end of year	\$ 695,530

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 YEAR ENDED JUNE 30, 2022

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, leases 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 \$7,598,786 for the year ended June 30, 2022.

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.

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
Right-to-use lease buildings	15 - 40
Equipment and vehicles	2 - 25
Right-to-use lease equipment and vehicles	2 - 25

Leases

Lessee

The County is a lessee for noncancellable leases of land, buildings, equipment, and vehicles. The County recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements. The County recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments:

- The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option prices that the County is reasonably certain to exercise.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Position or Equity (Continued)

Leases (Continued)

Lessee (Continued)

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term liabilities on the Statement of Net Position.

Lessor

The County is a lessor for noncancellable leases of buildings and airport hangars. The County recognizes a lease receivable and deferred inflow of lease receipts in the Governmental and Proprietary Funds Balance Sheet and the government-wide financial statements. The County recognizes lease receivables with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments:

- The County uses the stated interest rate as the discount rate. When the interest rate is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease receivable are composed of fixed payments and purchase option prices that the lessee is reasonably certain to exercise.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Position or Equity (Continued)

Leases (Continued)

Lessor (Continued)

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Deferred inflows of lease receipts are reported with deferred inflows of resources and lease receivables are reported with assets on the Statement of Net Position and the Governmental Funds Balance Sheet.

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 assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has five (5) items that qualify for reporting in this category. These five (5) 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 and total OPEB 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 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.

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) 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. (5) 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 net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has nine (9) 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 fifth (5) item is deferred inflows from lease receipts and they are reported in the Government Funds Balance Sheet as well as the government-wide Statement of Net Position. 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. (6) 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. (7) 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. (8) 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. (9) 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, 2022, 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, 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, Parks, Recreation and Tourism Fund, 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, 2022, expenditures exceeded appropriations as follows:

Fund	Excess
General Fund	
Non-departmental expenditures	\$ 3,137,356
Registration and elections	34,176
Administrator's office	22,703
County airport	293,112
Clerk of Court	32,801
Magistrate Office	370,909
Debt service	147,754
Miscellaneous Special Revenue Fund	
General government	71,092
Public safety	1,422,714
Public works	18,235
Transportation	105,117
Health and welfare	300,874
Culture and recreation	37,340
911 Communications Fund	
Public safety	261,181
Economic Development Fund	
Culture and recreation	44,083
Capital outlay	18,617
Bridges and Culverts Capital Projects Fund	
Capital outlay	677,582
Sheriff's Victims Assistance	
Public safety	3,051
Solicitor's Victims Assistance	
Public safety	898

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. CASH AND INVESTMENTS

Total deposits and investments at June 30, 2022, are summarized below:

As reported in the *Statement of Net Position*:

Primary government	
Cash and cash equivalents	\$ 52,721,383
Investments	17,737,021
Custodial Fund - cash and cash equivalents	26,052,274
	<u>\$ 96,510,678</u>
 Cash deposited with financial institutions	 \$ 46,796,051
SC Local Government Investment Pool	31,977,606
Certificates of deposit	9,774,327
U.S. Agency securities	7,962,694
	<u>\$ 96,510,678</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, 2022, the carrying amount of the County's deposits was \$46,796,050 and the bank balance was \$47,404,514. 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, 2022, 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	\$ 31,977,606	\$ 31,977,606	\$ -	\$ -
Certificates of deposit	9,774,327	1,964,105	6,099,130	1,711,092
U.S. Agency securities	7,962,694	-	7,485,166	477,528
	<u>\$ 49,714,627</u>	<u>\$ 33,941,711</u>	<u>\$ 13,584,296</u>	<u>\$ 2,188,620</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, 2022.

Investment	Level 1	Level 2	Level 3	Fair Value
Investments by Fair Value Level				
U.S. Agency securities	\$ 1,196,613	\$ 6,766,081	\$ -	\$ 7,962,694
Total investments by fair value level	<u>\$ 1,196,613</u>	<u>\$ 6,766,081</u>	<u>\$ -</u>	<u>\$ 7,962,694</u>

The investment in U.S. Agencies classified as Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those investments. 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 3 of the fair value hierarchy.

The investments in CDs are reported at amortized cost which approximates fair value. 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, 2022, the County owned \$7,962,684 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 custodial 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, 2022, including the applicable allowances for uncollectible accounts, are as follows:

	General	Miscellaneous Special Revenue	Capital Projects	Nonmajor Governmental	Total
Taxes receivable	\$ 903,298	\$ -	\$ -	\$ 212,592	\$ 1,115,890
Accounts receivable	516,728	-	-	145,814	662,542
Due from other governments	994,436	1,516,917	935,780	225,806	3,672,939
Lease receivable	43,010	-	-	-	43,010
Less: Allowance	(107,599)	-	-	(5,540)	(113,139)
Net receivables	<u>\$ 2,349,873</u>	<u>\$ 1,516,917</u>	<u>\$ 935,780</u>	<u>\$ 578,672</u>	<u>\$ 5,381,242</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4. RECEIVABLES AND PROPERTY TAXES (CONTINUED)

Receivables related to business-type activities as of June 30, 2022, including the applicable allowances for uncollectible accounts, are as follows:

	Rock Quarry	FOCUS	Total
Accounts receivable	\$ 158,018	\$ 58,802	\$ 216,820
Less: Allowance	(37,134)	-	(37,134)
Net receivables	<u>\$ 120,884</u>	<u>\$ 58,802</u>	<u>\$ 179,686</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, 2022. During the year ended, June 30, 2022, the lessee sold the lease to another party.

The following is a schedule of the future minimum payments under the agreement, and the present value of the net minimum payments at June 30, 2022.

Year Ending June 30,	Total Minimum Lease Payments
2023	\$ 500,000
2024	250,000
2025	250,000
2026	10,000
2027	10,000
2028 - 2033	50,000
2034 - 2036	3,530,001
	<u>\$ 4,600,001</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, 2022, was as follows:

	Balance June 30, 2021	Additions	Deletions	Transfers	Balance June 30, 2022
Governmental activities					
Capital assets not being depreciated					
Land	\$ 5,526,094	\$ 935,071	\$ -	\$ -	\$ 6,461,165
Other costs	37,311,827	-	-	1,211,279	38,523,106
Construction in progress	8,904,506	5,158,218	(821,413)	(5,510,137)	7,731,174
Total capital assets not being depreciated	<u>51,742,427</u>	<u>6,093,289</u>	<u>(821,413)</u>	<u>(4,298,858)</u>	<u>52,715,445</u>
Capital assets being depreciated					
Buildings and improvements	75,604,441	16,015	-	213,138	75,833,594
Equipment and vehicles	52,730,773	2,154,303	(1,085,911)	(145,261)	53,653,904
Infrastructure	86,544,740	136,229	(733,626)	4,085,720	90,033,063
Other	93,595	-	-	-	93,595
Total capital assets being depreciated	<u>214,973,549</u>	<u>2,306,547</u>	<u>(1,819,537)</u>	<u>4,153,597</u>	<u>219,614,156</u>
Less accumulated depreciation					
Buildings and improvements	(31,307,054)	(1,812,647)	-	-	(33,119,701)
Equipment and vehicles	(42,698,589)	(2,247,185)	1,071,209	145,261	(43,729,304)
Infrastructure	(65,320,374)	(2,146,087)	692,911	-	(66,773,550)
Other	(63,974)	(2,469)	-	-	(66,443)
Total accumulated depreciation	<u>(139,389,991)</u>	<u>(6,208,388)</u>	<u>1,764,120</u>	<u>145,261</u>	<u>(143,688,998)</u>
Total capital assets being depreciated, net	<u>75,583,558</u>	<u>(3,901,841)</u>	<u>(55,417)</u>	<u>4,298,858</u>	<u>75,925,158</u>
Governmental activities capital assets, net	<u>\$ 127,325,985</u>	<u>\$ 2,191,448</u>	<u>\$ (876,830)</u>	<u>\$ -</u>	<u>\$ 128,640,603</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to functions as follows:

General Government	\$ 154,194
Public Safety	1,881,176
Transportation	2,479,353
Public Works	334,824
Culture and Recreation	379,669
Judicial Services	318,087
Health and Welfare	122,500
Economic Development	538,585
Total Governmental Activities Depreciation Expense	<u>\$ 6,208,388</u>

Capital asset activity for the County's business-type activities for the year ended June 30, 2022, was as follows:

	Balance June 30, 2021	Additions	Deletions	Transfers	Balance June 30, 2022
Business-type activities					
Capital assets not being depreciated					
Land	\$ 3,081,978	\$ 401,060	\$ -	\$ -	\$ 3,483,038
Total capital assets not being depreciated	3,081,978	401,060	-	-	3,483,038
Capital assets being depreciated					
Buildings and improvements	544,786	-	-	-	544,786
Equipment and vehicles	15,573,836	585,816	(1,553,847)	145,261	14,751,066
Mineral interests	529,934	-	-	-	529,934
Total capital assets being depreciated	16,648,556	585,816	(1,553,847)	145,261	15,825,786
Less accumulated depreciation					
Buildings and improvements	(476,586)	(26,275)	-	-	(502,861)
Equipment and vehicles	(6,280,597)	(1,215,435)	1,550,678	(145,261)	(6,090,615)
Mineral interests	(289,130)	(6,882)	-	-	(296,012)
Total accumulated depreciation	(7,046,313)	(1,248,592)	1,550,678	(145,261)	(6,889,488)
Total capital assets being depreciated, net	9,602,243	(662,776)	(3,169)	-	8,936,298
Business-type activities capital assets, net	<u>\$ 12,684,221</u>	<u>\$ (261,716)</u>	<u>\$ (3,169)</u>	<u>\$ -</u>	<u>\$ 12,419,336</u>

Depreciation expense of \$1,248,592 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. LEASES

A summary of lease asset activity for the County for the year ended June 30, 2022, is as follows:

	Beginning Balance	Additions	Remeasurements	Amortization	Ending Balance
Governmental activities:					
Lease assets					
Buildings	\$ 141,843	\$ -	\$ -	\$ (34,382)	\$ 107,461
Equipment	7,873	-	-	(3,936)	3,937
Vehicles	62,392	294,654	-	(111,128)	245,918
Total lease assets, net	<u>\$ 212,108</u>	<u>\$ 294,654</u>	<u>\$ -</u>	<u>\$ (149,446)</u>	<u>\$ 357,316</u>

NOTE 8. LONG-TERM LIABILITIES

	Balance June 30, 2021	Additions	Reductions	Balance June 30, 2022	Due within One Year
Governmental activities					
General obligation bonds	\$ 11,594,676	\$ -	\$ (1,334,151)	\$ 10,260,525	\$ 1,352,078
General obligation bond premiums	10,133	-	(2,375)	7,758	-
Total general obligation bonds	11,604,809	-	(1,336,526)	10,268,283	1,352,078
Financed purchases	5,259,473	1,359,734	(650,222)	5,968,985	935,455
Special source refunding					
revenue bonds	1,198,000	-	(289,000)	909,000	294,000
Lease liability	218,703	294,654	(147,754)	365,603	170,126
Post-closure care costs	2,406,409	704,995	(327,117)	2,784,287	139,214
Annual leave	1,631,138	451,324	(499,929)	1,582,533	520,740
Net pension liability	48,070,695	6,367,777	(15,068,478)	39,369,994	-
Total other postemployment benefit liability	11,062,377	1,600,399	(215,882)	12,446,894	-
	<u>\$ 81,451,604</u>	<u>\$ 10,778,883</u>	<u>\$ (18,534,908)</u>	<u>\$ 73,695,579</u>	<u>\$ 3,411,613</u>
Business-type activities					
Annual leave	\$ 49,334	\$ 21,192	\$ (17,722)	\$ 52,804	\$ 25,423
Financed purchases	5,192,162	-	(488,016)	4,704,146	508,171
Net pension liability	1,943,035	226,430	(508,329)	1,661,136	-
Total other postemployment benefit liability	622,259	67,150	(167,162)	522,247	-
	<u>\$ 7,806,790</u>	<u>\$ 314,772</u>	<u>\$ (1,181,229)</u>	<u>\$ 6,940,333</u>	<u>\$ 533,594</u>

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. 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, 2022, 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>\$ 370,525</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, 2022, 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>	<u>\$ 1,190,000</u>
		Plus unamortized premium			<u>7,758</u>
					<u>\$ 1,197,758</u>

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, 2022, 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>\$ 1,530,000</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. LONG-TERM LIABILITIES (CONTINUED)

General Obligation Bonds (Continued)

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, 2022, 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>\$ 7,170,000</u>

The annual requirements to amortize all general obligation bonds as of June 30, 2022, including interest payments, are as follows:

<u>Year Ending June 30,</u>	<u>General Obligation Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	1,059,194	80,649	1,139,843
2028-2031	3,637,503	136,259	3,773,762
	<u>\$ 10,260,525</u>	<u>\$ 798,488</u>	<u>\$ 11,059,013</u>

Debt service funds of \$2,037,867 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 8. LONG-TERM LIABILITIES (CONTINUED)

Financed Purchases

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

Governmental Activities

The following is a schedule of the future minimum payments under these financed purchases, and the present value of the net minimum payments at June 30, 2022:

Fiscal Year Ending June 30,	Governmental Funds
2023	\$ 1,031,266
2024	1,035,419
2025	992,512
2026	530,916
2027	536,172
Thereafter	2,386,038
Total Minimum Payments	6,512,323
Less: Amount Representing Interest	(543,338)
	<u>\$ 5,968,985</u>

Business-type Activities

The following is a schedule of the future minimum payments under these financed purchases, and the present value of the net minimum payments at June 30, 2022:

Fiscal Year Ending June 30,	Business-type Activities
2023	\$ 702,452
2024	702,452
2025	702,452
2026	702,452
2027	702,452
2028-2030	2,107,356
Total Minimum Payments	5,619,616
Less: Amount Representing Interest	(915,470)
	<u>\$ 4,704,146</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. LONG-TERM LIABILITIES (CONTINUED)

Leases

The County has entered into multiple noncancellable leases as the lessee for various right-to-use assets. The incremental borrowing rate varies from 0.1442% to 1.1875%. As of June 30, 2022, the County has \$365,603 outstanding in leases payable.

The annual requirements to amortize all leases payable as of June 30, 2022, including interest payments are as follows:

Year Ending June 30,	Leases		
	Principal	Interest	Total
2023	\$ 170,126	\$ 6,521	\$ 176,647
2024	61,219	4,481	65,700
2025	58,457	2,743	61,200
2026	46,352	1,348	47,700
2027	29,449	295	29,744
	<u>\$ 365,603</u>	<u>\$ 15,388</u>	<u>\$ 380,991</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
2023	\$ 294,000	\$ 25,907	\$ 319,907
2024	303,000	17,528	320,528
2025	312,000	8,892	320,892
	<u>\$ 909,000</u>	<u>\$ 52,327</u>	<u>\$ 961,327</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9. 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, 2022, calculated as follows:

	<u>MSW</u>	<u>C&D I</u>	<u>C&D II</u>	<u>Total</u>
Total estimated current closure and post-closure care cost	\$ 1,475,768	\$ 1,356,740	\$ 2,966,700	
Percentage of landfill capacity used to date	<u>100%</u>	<u>91%</u>	<u>2%</u>	
Reported liability for closure and post-closure care cost	<u>\$ 1,475,768</u>	<u>\$ 1,235,777</u>	<u>\$ 72,742</u>	<u>\$ 2,784,287</u>
Total estimated current closure and post-closure care cost remaining to be recognized	<u>\$ -</u>	<u>\$ 120,963</u>	<u>\$ 2,893,958</u>	
Landfill's approximate remaining life in years	<u>-</u>	<u>2.3</u>	<u>80</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, 2022. 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 10. 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 publicly available through the Retirement Benefits' link on PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is considered a division of the primary government of the state of South Carolina and therefore, retirement trust fund financial information is also included in the ACFR 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 10. 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; be a coroner in a full-time permanent position; or be a peace officer employed by the Department of Corrections, the Department of Juvenile Justice, or the Department of Mental Health. Probate judges and coroners may elect membership in 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 10. 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 10. 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 1, may decrease the then current contribution rates upon making a finding that the decrease will not result in a funded ratio of less than 85 percent. If contribution rates are decreased pursuant to this provision, and the most recent annual actuarial valuation of the system shows a funded ratio of less than 85 percent, then effective on the following July 1, and annually thereafter as necessary, the Board shall increase the then current contribution rates until a subsequent annual actuarial valuation of the system shows a funded ratio that is equal to or greater than 85 percent. For the year ended June 30, 2022, the County contributed \$2,265,129 to the SCRS plan and \$1,876,227 to the PORS plan.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 10. RETIREMENT PLAN (CONTINUED)

Contributions (Continued):

Required employee contribution rates for the year ended June 30, 2022, 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, 2022, are as follows:

South Carolina Retirement System

Employee Class Two	16.41% of earnable compensation
Employee Class Three	16.41% of earnable compensation
Employer incidental death benefit	0.15% of earnable compensation

South Carolina Police Officers Retirement System

Employee Class Two	18.84% of earnable compensation
Employee Class Three	18.84% 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 10. RETIREMENT PLAN (CONTINUED)

Net Pension Liability:

The June 30, 2021 (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, 2020, actuarial valuations, as adopted by the PEBA Board and Budget and Control Board, which utilized membership data as of July 1, 2020. The total pension liability was rolled-forward from the valuation date to the plan's fiscal year ended June 30, 2021, 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, 2022 (measurement date of June 30, 2021), 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	\$ 63,731,554	\$ 38,714,446	\$ 25,017,108	60.7%	0.115599%
PORS	\$ 54,053,561	\$ 38,039,539	\$ 16,014,022	70.4%	0.622408%

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.

The June 30, 2021 (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, 2020, actuarial valuations, as adopted by the PEBA Board and Budget and Control Board, which utilized membership data as of July 1, 2020. The total pension liability was rolled-forward from the valuation date to the plan's fiscal year ended June 30, 2021, using generally accepted actuarial principles. There was no legislation enacted during the 2021 legislative session that had a material change in the benefit provisions for any of the systems. In FY 2021, the Board adopted updated demographic assumptions. Also, the General Assembly permitted the investment return at July 1, 2021 to decrease from 7.25% to 7.00%, as provided by Section 9-16-335 in South Carolina State Code.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 10. RETIREMENT PLAN (CONTINUED)

Actuarial Assumptions and Methods (Continued):

The following table provides a summary of the actuarial assumptions and methods to calculate the TPL as of June 30, 2021.

	SCRS	PORS
Actuarial cost method	Entry Age Normal	Entry Age Normal
Actuarial assumptions:		
Investment rate of return	7.00%	7.00%
Projected salary increases	3.0% to 11.0% (varies by service)	3.5% to 10.5% (varies by service)
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 2020 Public Retirees of South Carolina Mortality table (2020 PRSC), was developed using the Systems' mortality experience. These base rates are adjusted for future improvement in mortality using 80% of Scale UMP projected from the year 2020.

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

The long-term expected rate of return on pension plan investments is based upon 20-year capital market assumptions. The 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.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 10. RETIREMENT PLAN (CONTINUED)

Actuarial Assumptions and Methods (Continued):

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2021 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 percent assumed annual investment rate of return used in the calculation of the TPL includes a 4.75 percent real rate of return and a 2.25 percent inflation component.

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

Allocation/Exposure	Policy Target	Expected Arithmetic Real Rate of Return	Long-term Expected Portfolio Real Rate of Return
Public equity	46.0%	6.87%	3.16%
Bonds	26.0%	0.27%	0.07%
Private equity	9.0%	9.68%	0.87%
Private debt	7.0%	5.47%	0.39%
Real assets	12.0%		
Real estate	9.0%	6.01%	0.54%
Infrastructure	3.0%	5.08%	0.15%
	100.0%		
Total expected real return			5.18%
Inflation for actuarial purposes			2.25%
Total expected nominal return			7.43%

NOTES TO THE FINANCIAL STATEMENTS

NOTE 10. RETIREMENT PLAN (CONTINUED)

Discount Rate:

The discount rate used to measure the total pension liability was 7 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 (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
County's portion - SCRS	\$ 32,769,297	\$ 25,017,108	\$ 18,573,436
County's portion - PORS	\$ 23,234,297	\$ 16,014,022	\$ 10,099,511

Pension Expense:

For the year ended June 30, 2022, the County recognized its proportionate share of collective pension expense of \$1,826,782 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 (\$366,378) for a total of \$1,460,404 for the SCRS plan. Additionally, for the year ended June 30, 2022, the County recognized its proportionate share of collective pension expense of \$1,751,937 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 \$392,812 for a total of \$2,144,749 for the PORS plan. Total pension expense for both plans amounted to \$3,605,153 for the year ended June 30, 2022.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 10. RETIREMENT PLAN (CONTINUED)

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

At June 30, 2022, 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
	<u> </u>	<u> </u>
Differences between expected and actual experience	\$ 426,138	\$ 33,764
Changes of assumptions	1,369,354	-
Net difference between projected and actual earnings on pension plan investments	-	3,634,064
Changes in proportionate share and differences between employer contributions and proportionate share of total plan employer contributions	2,954,201	3,193,411
Employer contributions subsequent to the measurement date	<u>2,265,129</u>	<u>-</u>
Total	<u><u>\$ 7,014,822</u></u>	<u><u>\$ 6,861,239</u></u>
PORS	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Differences between expected and actual experience	\$ 544,783	\$ 49,873
Changes of assumptions	1,142,196	-
Net difference between projected and actual earnings on pension plan investments	-	3,590,272
Changes in proportionate share and differences between employer contributions and proportionate share of total plan employer contributions	2,024,477	1,752,963
Employer contributions subsequent to the measurement date	<u>1,876,227</u>	<u>-</u>
Total	<u><u>\$ 5,587,683</u></u>	<u><u>\$ 5,393,108</u></u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 10. RETIREMENT PLAN (CONTINUED)

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

County contributions subsequent to the measurement date of \$2,265,129 and \$1,876,227 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, 2023. 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
2023	\$ 1,030,099	\$ 532,916
2024	(1,487,311)	(519,951)
2025	(294,515)	(426,171)
2026	(1,359,819)	(1,268,446)

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 11. 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 11. 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 169 covered members for the year ended June 30, 2022; 96 members are retirees receiving benefits and 73 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, 2022, the County paid \$622,547 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 11. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Total OPEB Liability. The County's total OPEB liability was measured as of June 30, 2021, and was determined by an actuarial valuation as of June 30, 2021.

Actuarial Assumptions. The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount rate:	1.92% as of June 30, 2021
Healthcare cost trend rate:	7.00% - 4.25%, Ultimate Trend after 13 years
Inflation rate:	2.50%
Salary increase:	3.50% - 10.50% for PORS eligible employees and 3.00% - 9.50% for SCRS eligible employees per annum
Participation rate:	85.00% of all eligible employees

For healthy retirees, the 2020 Public Retirees of South Carolina Mortality Table for Males and the 2020 Public Retirees of South Carolina Mortality Table for Females are used with fully generational mortality projections based on Scale AA from the year 2020. The following multipliers are applied to the base tables: 97% for male SCRS members, 107% for female SCRS members, 127% for male PORS members, and 107% for female PORS members.

Discount Rate. The discount rate used to measure the total OPEB liability was 1.92% as of June 30, 2021. 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 1.92% as determined by the Bond Buyer 20-Bond GO Index Rate as of June 30, 2021.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 11. 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, 2022, were as follows:

	Total OPEB Liability
Balances beginning of year	\$ 11,684,636
Changes for the year:	
Service cost	165,299
Interest	283,606
Difference between actual and expected experience	321,143
Assumption changes	897,501
Benefit payments and implicit subsidy	(383,044)
Net changes	<u>1,284,505</u>
Balances end of year	<u><u>\$ 12,969,141</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, 2022 (June 30, 2021 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:

Oconee County Health Care Plan		
Sensitivity of the Total OPEB Liability to Changes in the Discount Rate		
1% Decrease (0.92%)	Current Discount Rate (1.92%)	1% Increase (2.92%)
\$ 14,216,886	\$ 12,969,141	\$ 11,885,183

NOTES TO THE FINANCIAL STATEMENTS

NOTE 11. 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, 2022 (June 30, 2021 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 3.25%)	Current Healthcare Cost Trend Rates (7.00% decreasing to 4.25%)	1% Increase (8.00% decreasing to 5.25%)
\$ 11,791,374	\$ 12,969,141	\$ 14,337,996

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, 2022, 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, 2022, the County recognized OPEB expense as follows:

<u>Description</u>	
Service cost	\$ 165,299
Interest on the total OPEB liability	283,606
Recognition of outflow (inflow) of resources due to liabilities	409,285
Amortization of prior year outflow (inflow) of resources due to liabilities	(138,647)
Total OPEB expense	<u>\$ 719,543</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 11. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued). At June 30, 2022, 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	\$ 213,286	\$ 305,817
Changes of assumptions	1,031,637	17,650
Employer contributions subsequent to the measurement date	622,547	-
Total	<u>\$ 1,867,470</u>	<u>\$ 323,467</u>

County contributions subsequent to the measurement date of \$622,547 are deferred outflows of resources and will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2023. 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:

2023	\$ 415,987
2024	505,469

NOTES TO THE FINANCIAL STATEMENTS

NOTE 12. 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, 2023. The estimated maximum annual cost to the County is \$6,630,112. At June 30, 2022, claims due and payable totaled approximately \$852,597 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, 2022: General Fund - \$822,667; and Proprietary Fund - Rock Quarry \$29,930.

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, 2022, 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 12. 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
2022	\$ 784,510	\$ 7,335,846	\$ 7,267,759	\$ 852,597
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

NOTE 13. INTERFUND ASSETS AND LIABILITIES

The balances of the interfund receivables and payables at June 30, 2022, were as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Governmental Funds	\$ 174,144
General Fund	Miscellaneous Special Revenue	467,957
		<u>\$ 642,101</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, 2022, 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, 2022. 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 13. INTERFUND ASSETS AND LIABILITIES (CONTINUED)

Total transfers during the year ended June 30, 2022, consisted of the following individual amounts:

Transfer in Fund	Transfer Out Fund	Amount
General Fund	Rock Quarry Fund	\$ 1,000,000
General Fund	Miscellaneous Special Revenue Fund	44,144
General Fund	Nonmajor Governmental Funds	50,456
Miscellaneous Special Revenue Fund	General Fund	37,275
Nonmajor Governmental Funds	General Fund	247,000
Capital Projects Fund	General Fund	500,490
FOCUS Fund	General Fund	934,000
Nonmajor Governmental Funds	Miscellaneous Special Revenue Fund	3,986
Miscellaneous Special Revenue Fund	Nonmajor Governmental Funds	38,664
Capital Projects Fund	Nonmajor Governmental Funds	3,069
		<u>\$ 2,859,084</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 14. 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 15. OTHER COMMITMENTS

Construction commitments at June 30, 2022, totaled approximately \$9,716,337.

NOTE 16. ECONOMIC DEPENDENCY

Duke Energy Corporation provides a major source of property tax revenues. During the year ended June 30, 2022, the company paid property taxes in the amount of \$37.5 million based on assessed property values of \$125.6 million. This represents approximately 29.84% of the 2021 levy. Approximately \$22.6 million of the amount collected was appropriated for the School District of Oconee County and Tri-County Technical College.

NOTE 17. 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, 2022, 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 18. 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 19. 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 19. 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, 2022, the County abated taxes totaling \$12,020,898 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 11% property tax abatement to a manufacturing company for development of a multi county industrial park for which the abated amount was \$1,277,928.
- An approximate 12% property tax abatement to a manufacturing company for development of a multi county industrial park for which the abated amount was \$1,324,350.
- An approximate 14% property tax abatement to a commercial company for development of a multi county industrial park for which the abated amount was \$1,544,518.
- An approximate 11% property tax abatement to a commercial company for development of a multi county industrial park for which the abated amount was \$1,191,670.

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.

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
2021	0.115599%	\$ 25,017,108	\$ 13,142,412	190.4%	60.7%
2020	0.142755%	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
2021	0.62241%	\$ 16,014,022	\$ 9,308,065	172.0%	70.4%
2020	0.73063%	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
2022	\$ 2,265,129	\$ 2,265,129	\$ -	\$ 13,678,318	16.56%
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
2022	\$ 1,876,227	\$ 1,876,227	\$ -	\$ 9,751,701	19.24%
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, 2019	July 1, 2019
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	28 years maximum, closed	28 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,

	2022	2021	2020	2019	2018
Total OPEB liability					
Service cost	\$ 165,299	\$ 235,203	\$ 209,941	\$ 215,068	\$ 248,022
Interest on the total OPEB liability	283,606	344,181	407,055	396,354	341,632
Difference between actual and expected experience	321,143	(26,623)	(1,302,809)	(32,716)	-
Assumption changes	897,501	509,656	869,259	(58,917)	(672,181)
Benefit payments	(383,044)	(512,750)	(376,250)	(436,023)	(498,359)
Net change in total OPEB liability	1,284,505	549,667	(192,804)	83,766	(580,886)
Total OPEB liability - beginning	11,684,636	11,134,969	11,327,773	11,244,007	11,824,893
Total OPEB liability - ending	<u>\$ 12,969,141</u>	<u>\$ 11,684,636</u>	<u>\$ 11,134,969</u>	<u>\$ 11,327,773</u>	<u>\$ 11,244,007</u>
 Covered-employee payroll	 \$ 3,404,562	 \$ 6,079,730	 \$ 6,079,730	 \$ 6,579,189	 \$ 6,579,189
 Total OPEB liability as a percentage of covered-employee payroll	 380.93%	 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 discount rate changed from 2.45% as of June 30, 2021, to 1.92% as of June 30, 2022.

The assumptions used in the preparation of the above schedule are disclosed in Note 11 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.

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.

OCONEE COUNTY, SOUTH CAROLINA

NONMAJOR GOVERNMENTAL FUNDS

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 **Parks, Recreation and Tourism Fund** is used to account for the acquisition and construction of facilities or infrastructure for the promotion of culture and recreation within the County.

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, 2022

	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	Duke Energy Fixed Nuclear Facility
ASSETS								
Cash and cash equivalents	\$ 1,222,767	\$ 5,379,394	\$ 465,349	\$ 327,910	\$ 755,613	\$ 74,655	\$ 30,197	\$ 188,185
Investments	-	-	450,000	-	-	-	-	-
Taxes receivable, net	33,687	28,383	-	-	-	-	-	-
Accounts receivable, net	-	-	11,456	-	115,725	-	-	-
Due from other governments	3,281	2,376	42,005	147,407	-	1,717	-	-
Due from component unit	-	-	-	-	-	-	-	-
Assets held for economic development	-	-	-	-	-	-	-	-
Total assets	<u>1,259,735</u>	<u>5,410,153</u>	<u>968,810</u>	<u>475,317</u>	<u>871,338</u>	<u>76,372</u>	<u>30,197</u>	<u>188,185</u>
LIABILITIES								
Accounts payable	261,138	16,818	14,771	44,222	37,398	-	-	1,272
Due to other funds	-	-	-	-	163,705	-	-	-
Accrued liabilities	-	-	-	-	-	4,683	2,968	2,864
Unearned revenues	-	-	-	-	-	-	-	184,049
Total liabilities	<u>261,138</u>	<u>16,818</u>	<u>14,771</u>	<u>44,222</u>	<u>201,103</u>	<u>4,683</u>	<u>2,968</u>	<u>188,185</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue - property taxes	16,456	15,163	-	-	-	-	-	-
Total deferred inflows of resources	<u>16,456</u>	<u>15,163</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)								
Restricted for:								
Public safety	907,086	-	718,062	-	-	71,689	27,229	-
Transportation	-	1,657,185	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	431,095	654,846	-	-	-
Judicial services	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-	-
Assigned:								
Assets held for economic development	-	-	-	-	-	-	-	-
Subsequent year's budget	75,055	3,720,987	235,977	-	15,389	-	-	-
Unassigned	-	-	-	-	-	-	-	-
Total fund balances (deficits)	<u>982,141</u>	<u>5,378,172</u>	<u>954,039</u>	<u>431,095</u>	<u>670,235</u>	<u>71,689</u>	<u>27,229</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,259,735</u>	<u>\$ 5,410,153</u>	<u>\$ 968,810</u>	<u>\$ 475,317</u>	<u>\$ 871,338</u>	<u>\$ 76,372</u>	<u>\$ 30,197</u>	<u>\$ 188,185</u>

Special Revenue Funds			Debt Service Fund	Capital Projects Funds				
Clerk of Court Federal Child Support	Library State Aid	Tri-County Tech	Debt Service	Parks, Recreation, & Tourism Fund	Economic Development	Bridge and Culvert Capital Projects	Capital Equipment and Vehicle	Totals
\$ 121,962	\$ -	\$ 1,637,339	\$ 2,037,867	\$ 46,100	\$ 4,856,192	\$ 4,938,802	\$ 1,460,252	\$ 23,542,584
-	-	-	-	-	-	-	-	450,000
-	-	37,107	48,337	-	29,392	15,318	14,828	207,052
-	-	-	2,263	-	-	-	16,370	145,814
18,054	-	3,394	-	-	2,716	1,131	3,725	225,806
-	-	-	350,674	-	-	-	-	350,674
-	-	-	-	-	2,092,179	-	-	2,092,179
140,016	-	1,677,840	2,439,141	46,100	6,980,479	4,955,251	1,495,175	27,014,109
-	-	-	-	96,217	845,919	72,760	-	1,390,515
-	10,439	-	-	-	-	-	-	174,144
5,132	-	-	-	-	-	-	-	15,647
-	-	-	-	-	-	-	-	184,049
5,132	10,439	-	-	96,217	845,919	72,760	-	1,764,355
-	-	18,250	34,263	-	14,606	3,533	8,281	110,552
-	-	18,250	34,263	-	14,606	3,533	8,281	110,552
-	-	-	-	-	-	-	-	1,724,066
-	-	-	-	-	-	-	-	1,657,185
-	-	-	2,404,878	-	-	-	-	2,404,878
-	-	-	-	-	-	-	-	1,085,941
134,884	-	-	-	-	-	-	-	134,884
-	-	1,659,590	-	-	-	-	-	1,659,590
-	-	-	-	-	4,011,273	4,790,255	725,032	9,526,560
-	-	-	-	-	2,092,179	-	-	2,092,179
-	-	-	-	-	16,502	88,703	761,862	4,914,475
-	(10,439)	-	-	(50,117)	-	-	-	(60,556)
134,884	(10,439)	1,659,590	2,404,878	(50,117)	6,119,954	4,878,958	1,486,894	25,139,202
\$ 140,016	\$ -	\$ 1,677,840	\$ 2,439,141	\$ 46,100	\$ 6,980,479	\$ 4,955,251	\$ 1,495,175	\$ 27,014,109

OCONEE COUNTY, SOUTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	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	Duke Energy Fixed Nuclear Facility
Revenues:								
Property taxes	\$ 1,709,836	\$ 1,363,453	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	142,665	534,130	999,800	-	-	-
Intergovernmental	-	222,730	507,561	-	-	-	-	177,534
Licenses and permits	65,294	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	71,024	32,846	-
Interest revenue	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-
Total revenues	1,775,130	1,586,183	650,226	534,130	999,800	71,024	32,846	177,534
Expenditures:								
Current:								
Public safety	1,420,390	-	943,864	-	-	130,804	75,904	128,366
Transportation	-	301,065	-	-	-	-	-	-
Culture and recreation	-	-	-	352,739	949,411	-	-	-
Judicial services	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-
Capital outlay	-	19,324	87,846	-	-	-	-	49,168
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Total expenditures	1,420,390	320,389	1,031,710	352,739	949,411	130,804	75,904	177,534
Excess (deficiency) of revenues over (under) expenditures	354,740	1,265,794	(381,484)	181,391	50,389	(59,780)	(43,058)	-
Other financing sources (uses)								
Transfers in	-	3,986	-	-	-	137,000	110,000	-
Transfers out	-	(38,664)	-	(50,456)	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	(34,678)	-	(50,456)	-	137,000	110,000	-
Net change in fund balances	354,740	1,231,116	(381,484)	130,935	50,389	77,220	66,942	-
Fund balances (deficits), beginning of year	627,401	4,147,056	1,335,523	300,160	619,846	(5,531)	(39,713)	-
Fund balances (deficits), end of year	\$ 982,141	\$ 5,378,172	\$ 954,039	\$ 431,095	\$ 670,235	\$ 71,689	\$ 27,229	\$ -

Special Revenue Funds			Debt Service Fund	Capital Projects Funds				
Clerk of Court Federal Child Support	Library State Aid	Tri-County Tech	Debt Service	Parks, Recreation, & Tourism Fund	Economic Development	Bridge and Culvert Capital Projects	Capital Equipment and Vehicle	Totals
\$ -	\$ -	\$ 1,950,849	\$ 1,567,385	\$ 897,440	\$ 1,214,786	\$ 654,583	\$ 1,324,785	\$ 10,683,117
-	-	-	-	-	-	-	-	1,676,595
141,875	150,848	67,960	-	-	22,858	22,653	-	1,314,019
-	-	-	-	-	-	-	-	65,294
-	-	-	-	-	-	-	-	103,870
-	-	-	70,277	-	1,933	-	-	72,210
-	-	-	-	-	-	-	53,746	53,746
141,875	150,848	2,018,809	1,637,662	897,440	1,239,577	677,236	1,378,531	13,968,851
-	-	-	-	-	-	-	-	2,699,328
-	-	-	-	-	-	210,909	-	511,974
-	88,486	-	-	947,557	44,083	-	-	2,382,276
145,914	-	-	-	-	-	-	-	145,914
-	-	1,580,200	-	-	-	-	-	1,580,200
-	-	-	-	-	695,781	-	-	695,781
-	78,552	-	-	-	18,617	677,582	938,712	1,869,801
-	-	-	1,623,151	-	-	-	-	1,623,151
-	-	-	241,317	-	-	-	-	241,317
145,914	167,038	1,580,200	1,864,468	947,557	758,481	888,491	938,712	11,749,742
(4,039)	(16,190)	438,609	(226,806)	(50,117)	481,096	(211,255)	439,819	2,219,109
-	-	-	-	-	-	-	-	250,986
-	-	-	-	-	-	-	(3,069)	(92,189)
-	-	-	-	-	-	-	72,087	72,087
-	-	-	-	-	-	-	69,018	230,884
(4,039)	(16,190)	438,609	(226,806)	(50,117)	481,096	(211,255)	508,837	2,449,993
138,923	5,751	1,220,981	2,631,684	-	5,638,858	5,090,213	978,057	22,689,209
\$ 134,884	\$ (10,439)	\$ 1,659,590	\$ 2,404,878	\$ (50,117)	\$ 6,119,954	\$ 4,878,958	\$ 1,486,894	\$ 25,139,202

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, 2022

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Property taxes	\$ 1,512,000	\$ 1,512,000	\$ 1,709,836	\$ 197,836
Licenses and permits	-	-	65,294	65,294
Total revenues	<u>1,512,000</u>	<u>1,512,000</u>	<u>1,775,130</u>	<u>263,130</u>
EXPENDITURES				
Public safety	1,512,000	1,519,016	1,420,390	98,626
Capital outlay	-	142,394	-	142,394
Total expenditures	<u>1,512,000</u>	<u>1,661,410</u>	<u>1,420,390</u>	<u>241,020</u>
Net change in fund balance	-	(149,410)	354,740	504,150
FUND BALANCES, beginning of year	<u>627,401</u>	<u>627,401</u>	<u>627,401</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 627,401</u>	<u>\$ 477,991</u>	<u>\$ 982,141</u>	<u>\$ 504,150</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, 2022**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Property taxes	\$ 1,171,920	\$ 1,171,920	\$ 1,363,453	\$ 191,533
Intergovernmental	220,000	220,000	222,730	2,730
Total revenues	<u>1,391,920</u>	<u>1,391,920</u>	<u>1,586,183</u>	<u>194,263</u>
EXPENDITURES				
Transportation	525,000	525,000	301,065	223,935
Capital outlay	2,020,000	2,020,000	19,324	2,000,676
Total expenditures	<u>2,545,000</u>	<u>2,545,000</u>	<u>320,389</u>	<u>2,224,611</u>
Excess (deficiency) of revenues over (under) expenditures	(1,153,080)	(1,153,080)	1,265,794	2,418,874
Other financing sources (uses)				
Transfers in	-	-	3,986	3,986
Transfers out	-	-	(38,664)	(38,664)
Total other financing uses, net	<u>-</u>	<u>-</u>	<u>(34,678)</u>	<u>(34,678)</u>
Net change in fund balance	(1,153,080)	(1,153,080)	1,231,116	2,384,196
FUND BALANCES, beginning of year	<u>4,147,056</u>	<u>4,147,056</u>	<u>4,147,056</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 2,993,976</u>	<u>\$ 2,993,976</u>	<u>\$ 5,378,172</u>	<u>\$ 2,384,196</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, 2022

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Other taxes	\$ 220,000	\$ 220,000	\$ 142,665	\$ (77,335)
Intergovernmental	270,000	270,000	507,561	237,561
Total revenues	<u>490,000</u>	<u>490,000</u>	<u>650,226</u>	<u>160,226</u>
EXPENDITURES				
Public safety	284,000	682,683	943,864	(261,181)
Capital outlay	200,000	402,195	87,846	314,349
Total expenditures	<u>484,000</u>	<u>1,084,878</u>	<u>1,031,710</u>	<u>53,168</u>
Net change in fund balance	6,000	(594,878)	(381,484)	213,394
FUND BALANCES, beginning of year	<u>1,335,523</u>	<u>1,335,523</u>	<u>1,335,523</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 1,341,523</u>	<u>\$ 740,645</u>	<u>\$ 954,039</u>	<u>\$ 213,394</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, 2022**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Fines and forfeitures	\$ 54,000	\$ 54,000	\$ 71,024	\$ 17,024
Total revenues	54,000	54,000	71,024	17,024
EXPENDITURES				
Public safety	127,753	127,753	130,804	(3,051)
Total expenditures	127,753	127,753	130,804	(3,051)
Deficiency of revenues under expenditures	(73,753)	(73,753)	(59,780)	13,973
Other financing sources				
Transfers in	137,000	137,000	137,000	-
Total other financing sources	137,000	137,000	137,000	-
Net change in fund balance	63,247	63,247	77,220	13,973
FUND (DEFICITS), beginning of year	(5,531)	(5,531)	(5,531)	-
FUND BALANCES, end of year	\$ 57,716	\$ 57,716	\$ 71,689	\$ 13,973

**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, 2022**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Fines and forfeitures	\$ 23,000	\$ 23,000	\$ 32,846	\$ 9,846
Total revenues	<u>23,000</u>	<u>23,000</u>	<u>32,846</u>	<u>9,846</u>
EXPENDITURES				
Public safety	75,006	75,006	75,904	(898)
Total expenditures	<u>75,006</u>	<u>75,006</u>	<u>75,904</u>	<u>(898)</u>
Deficiency of revenues under expenditures	(52,006)	(52,006)	(43,058)	8,948
Other financing sources				
Transfers in	110,000	110,000	110,000	-
Total other financing sources	<u>110,000</u>	<u>110,000</u>	<u>110,000</u>	<u>-</u>
Net change in fund balance	57,994	57,994	66,942	8,948
FUND (DEFICITS), beginning of year	<u>(39,713)</u>	<u>(39,713)</u>	<u>(39,713)</u>	<u>-</u>
FUND BALANCES, end of year	<u><u>\$ 18,281</u></u>	<u><u>\$ 18,281</u></u>	<u><u>\$ 27,229</u></u>	<u><u>\$ 8,948</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, 2022**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Property taxes	\$ 1,700,000	\$ 1,700,000	\$ 1,950,849	\$ 250,849
Intergovernmental	-	-	67,960	67,960
Total revenues	<u>1,700,000</u>	<u>1,700,000</u>	<u>2,018,809</u>	<u>318,809</u>
EXPENDITURES				
Education	<u>1,580,200</u>	<u>1,580,200</u>	<u>1,580,200</u>	<u>-</u>
Total expenditures	<u>1,580,200</u>	<u>1,580,200</u>	<u>1,580,200</u>	<u>-</u>
Net change in fund balance	119,800	119,800	438,609	318,809
FUND BALANCES, beginning of year	<u>1,220,981</u>	<u>1,220,981</u>	<u>1,220,981</u>	<u>-</u>
FUND BALANCES, end of year	<u><u>\$ 1,340,781</u></u>	<u><u>\$ 1,340,781</u></u>	<u><u>\$ 1,659,590</u></u>	<u><u>\$ 318,809</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, 2022**

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Property taxes	\$ 1,868,306	\$ 1,868,306	\$ 1,567,385	\$ (300,921)
Interest revenue	-	-	70,277	70,277
Total revenues	<u>1,868,306</u>	<u>1,868,306</u>	<u>1,637,662</u>	<u>(230,644)</u>
EXPENDITURES				
Debt service				
Principal	1,623,151	1,623,151	1,623,151	-
Interest and fiscal charges	245,155	245,155	241,317	3,838
Total expenditures	<u>1,868,306</u>	<u>1,868,306</u>	<u>1,864,468</u>	<u>3,838</u>
Net change in fund balance	-	-	(226,806)	(226,806)
FUND BALANCES, beginning of year	<u>2,631,684</u>	<u>2,631,684</u>	<u>2,631,684</u>	<u>-</u>
FUND BALANCES, end of year	<u><u>\$ 2,631,684</u></u>	<u><u>\$ 2,631,684</u></u>	<u><u>\$ 2,404,878</u></u>	<u><u>\$ (226,806)</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, 2022**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Property taxes	\$ 550,000	\$ 550,000	\$ 654,583	\$ 104,583
Intergovernmental	-	-	22,653	22,653
Total revenues	<u>550,000</u>	<u>550,000</u>	<u>677,236</u>	<u>127,236</u>
EXPENDITURES				
Transportation	1,150,000	1,244,793	210,909	1,033,884
Capital outlay	-	-	677,582	(677,582)
Total expenditures	<u>1,150,000</u>	<u>1,244,793</u>	<u>888,491</u>	<u>356,302</u>
Net change in fund balance	(600,000)	(694,793)	(211,255)	483,538
FUND BALANCES, beginning of year	<u>5,090,213</u>	<u>5,090,213</u>	<u>5,090,213</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 4,490,213</u>	<u>\$ 4,395,420</u>	<u>\$ 4,878,958</u>	<u>\$ 483,538</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, 2022**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Property taxes	\$ 1,110,822	\$ 1,110,822	\$ 1,214,786	\$ 103,964
Intergovernmental	-	-	22,858	22,858
Investment income	-	-	1,933	1,933
Total revenues	<u>1,110,822</u>	<u>1,110,822</u>	<u>1,239,577</u>	<u>128,755</u>
EXPENDITURES				
Culture and recreation	-	-	44,083	(44,083)
Economic Development	1,110,822	1,165,187	695,781	469,406
Capital outlay	-	-	18,617	(18,617)
Total expenditures	<u>1,110,822</u>	<u>1,165,187</u>	<u>758,481</u>	<u>406,706</u>
Net change in fund balance	-	(54,365)	481,096	535,461
FUND BALANCES, beginning of year	<u>5,638,858</u>	<u>5,638,858</u>	<u>5,638,858</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 5,638,858</u>	<u>\$ 5,584,493</u>	<u>\$ 6,119,954</u>	<u>\$ 535,461</u>

**OCONEE COUNTY, SOUTH CAROLINA
PARKS, RECREATION & TOURISM**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Property taxes	\$ 717,051	\$ 717,051	\$ 897,440	\$ 180,389
Total revenues	<u>717,051</u>	<u>717,051</u>	<u>897,440</u>	<u>180,389</u>
EXPENDITURES				
Culture and recreation	1,500,000	1,544,010	947,557	596,453
Total expenditures	<u>1,500,000</u>	<u>1,544,010</u>	<u>947,557</u>	<u>596,453</u>
Net change in fund balance	(782,949)	(826,959)	(50,117)	776,842
FUND BALANCES, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND (DEFICITS), end of year	<u>\$ (782,949)</u>	<u>\$ (826,959)</u>	<u>\$ (50,117)</u>	<u>\$ 776,842</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, 2022

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Property taxes	\$ 1,096,728	\$ 1,096,728	\$ 1,324,785	\$ 228,057
Other revenue	75,000	75,000	53,746	(21,254)
Total revenues	<u>1,171,728</u>	<u>1,171,728</u>	<u>1,378,531</u>	<u>206,803</u>
EXPENDITURES				
Capital outlay	<u>1,621,728</u>	<u>2,119,629</u>	<u>938,712</u>	<u>1,180,917</u>
Total expenditures	<u>1,621,728</u>	<u>2,119,629</u>	<u>938,712</u>	<u>1,180,917</u>
Excess (deficiency) of revenues over (under) expenditures	(450,000)	(947,901)	439,819	1,387,720
Other financing sources (uses)				
Sale of capital assets	50,000	50,000	72,087	22,087
Transfers out	-	-	(3,069)	(3,069)
Total other financing sources, net	<u>50,000</u>	<u>50,000</u>	<u>69,018</u>	<u>19,018</u>
Net change in fund balance	(400,000)	(897,901)	508,837	1,406,738
FUND BALANCES, beginning of year	<u>978,057</u>	<u>978,057</u>	<u>978,057</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 578,057</u>	<u>\$ 80,156</u>	<u>\$ 1,486,894</u>	<u>\$ 1,406,738</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 **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, 2022

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	\$ 3,775,886	\$ 18,716,013	\$ 16,291	\$ 704,206	\$ 243,194	\$ 10,490	\$ 142,530	\$ 1,791,563
Taxes receivable	1,600,815	457,482	-	-	189,115	6,922	-	-
Total assets	5,376,701	19,173,495	16,291	704,206	432,309	17,412	142,530	1,791,563
LIABILITIES								
Due to others	3,775,886	18,716,013	16,291	8,676	243,194	10,490	142,530	1,791,563
Uncollected taxes	1,600,815	457,482	-	-	189,115	6,922	-	-
Total liabilities	5,376,701	19,173,495	16,291	8,676	432,309	17,412	142,530	1,791,563
NET POSITION								
Restricted for individuals, organizations and other governments	-	-	-	695,530	-	-	-	-
Total net position	\$ -	\$ -	\$ -	\$ 695,530	\$ -	\$ -	\$ -	\$ -

<u>Sheriff's Office</u>	<u>Probate Judge</u>	<u>Solicitor's Worthless Check Program</u>	<u>Pickens County</u>	<u>Anderson County</u>	<u>Community Development</u>	<u>Total</u>
\$ 317,321	\$ 14,634	\$ 3,994	\$ 69,465	\$ 1,674	\$ 245,013	\$ 26,052,274
-	-	-	-	-	-	2,254,334
317,321	14,634	3,994	69,465	1,674	245,013	28,306,608
317,321	14,634	3,994	69,465	1,674	245,013	25,356,744
-	-	-	-	-	-	2,254,334
317,321	14,634	3,994	69,465	1,674	245,013	27,611,078
-	-	-	-	-	-	695,530
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 695,530

OCONEE COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION CUSTODIAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	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	88,916,526	60,396,694	-	-	4,131,769	982,558	-	3,349,927
Fines and fees	-	-	614,881	-	-	-	1,140,737	-
Criminal and civil bonds	-	-	-	1,763,078	-	-	-	-
Total additions	88,916,526	60,396,694	614,881	1,763,078	4,131,769	982,558	1,140,737	3,349,927
DEDUCTIONS								
Taxes and fees paid to other governments	88,916,526	60,396,694	-	-	4,131,769	982,558	-	3,349,927
Funds disbursed per court order	-	-	-	1,283,234	-	-	1,140,737	-
Other funds disbursed	-	-	614,881	-	-	-	-	-
Total deductions	88,916,526	60,396,694	614,881	1,283,234	4,131,769	982,558	1,140,737	3,349,927
Change in fiduciary net position	-	-	-	479,844	-	-	-	-
Net position, beginning of year	-	-	-	215,686	-	-	-	-
Net position, end of year	\$ -	\$ -	\$ -	\$ 695,530	\$ -	\$ -	\$ -	\$ -

Sheriff's Office	Probate Judge	Solicitor's Worthless Check Program	Pickens County	Anderson County	Community Development	Total
\$ -	\$ 21	\$ -	\$ -	\$ -	\$ -	\$ 21
-	-	-	-	-	-	157,777,474
487,468	-	-	-	-	-	2,243,086
-	-	12,857	140,824	69,074	-	1,985,833
487,468	21	12,857	140,824	69,074	-	162,006,414
487,468	-	-	-	-	-	158,264,942
-	-	-	-	-	-	2,423,971
-	21	12,857	140,824	69,074	-	837,657
487,468	21	12,857	140,824	69,074	-	161,526,570
-	-	-	-	-	-	479,844
-	-	-	-	-	-	215,686
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 695,530

OCONEE COUNTY, SOUTH CAROLINA
UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES (per ACT 96)
FOR THE YEAR ENDED JUNE 30, 2022

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	\$ 65,355	\$ 709,891	N/A	\$ 775,246
Court fines and assessments remitted to State Treasurer	32,509	401,381	N/A	433,890
Total Court Fines and Assessments retained	\$ 32,846	\$ 308,510	N/A	\$ 341,356
Surcharges and Assessments retained for victim services:				
Surcharges collected and retained	\$ 29,884	\$ 22,710	N/A	\$ 52,594
Assessments retained	2,962	32,682	N/A	35,644
Total Surcharges and Assessments retained for victim services	\$ 32,846	\$ 55,392	N/A	\$ 88,238

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	\$ (45,244)	\$ (45,244)
<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	35,644	35,644
Victim Service Surcharges Retained by City/County Treasurer	N/A	52,594	52,594
Interest Earned	N/A	-	-
Grant Funds Received			
Grant from:	N/A	-	-
General Funds Transferred to Victim Service Fund	N/A	247,000	247,000
Contribution Received from Victim Service Contracts:			
(1) City of Westminster	N/A	15,632	15,632
(2) Town of West Union	N/A	-	-
(3) City of	N/A	-	-
Total Funds Allocated to Victim Service Fund + Beginning Balance (A)	N/A	\$ 305,626	\$ 305,626

OCONEE COUNTY, SOUTH CAROLINA
UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES (per ACT 96)
FOR THE YEAR ENDED JUNE 30, 2022

<u>Expenditures for Victim Service Program:</u>	<u>Municipal</u>	<u>County</u>	<u>Total</u>
Salaries and Benefits	N/A	\$ 206,708	\$ 206,708
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	206,708	206,708
Total Victim Service Funds Retained by Municipal/County Treasurer (A-B)	N/A	98,918	98,918
Less: Prior Year Fund Deficit Repayment	N/A	-	-
Carryforward Funds – End of Year	N/A	\$ 98,918	\$ 98,918

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.

Contents

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Financial Trends 109 - 114

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

Revenue Capacity 115 - 118

These schedules contain information to help the reader assess the County's most significant local revenue sources.

Debt Capacity 119 - 123

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

Demographic and Economic Information 124 - 127

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

Operating Information 128 - 133

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

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

OCONEE COUNTY, SOUTH CAROLINA

NET POSITION BY ACTIVITY LAST TEN FISCAL YEARS

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental Activities										
Net investment in capital assets	\$ 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	\$ 112,554,496
Restricted	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	18,686,699
Unrestricted	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)	(19,390,641)
Total Governmental Activities Net Position	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	111,850,554
Business-type Activities										
Net investment in capital assets	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	7,715,190
Unrestricted	(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	7,088,225
Total Business-type Activities Net Position	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	14,803,415
Primary Government										
Net investment in capital assets	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	120,269,686
Restricted	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	18,686,699
Unrestricted	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)	(12,302,416)
Total Primary Government Net Position	<u>\$ 159,738,228</u>	<u>\$ 158,161,672</u>	<u>\$ 128,573,480</u>	<u>\$ 130,476,617</u>	<u>\$ 120,231,340</u>	<u>\$ 108,278,329</u>	<u>\$ 114,981,552</u>	<u>\$ 117,874,574</u>	<u>\$ 121,828,070</u>	<u>\$ 126,653,969</u>

OCONEE COUNTY, SOUTH CAROLINA

CHANGE IN NET POSITION LAST TEN FISCAL YEARS

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
<u>Governmental Activities:</u>										
General government	\$ 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	\$ 17,342,105
Public safety	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	30,728,185
Transportation	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	7,280,152
Public works	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	5,325,355
Culture and recreation	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	6,023,945
Judicial services	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	3,850,018
Education	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	1,580,200
Health and welfare	494,226	1,057,650	400,441	542,478	534,108	510,848	537,987	510,409	449,441	709,272
Economic development	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	1,778,067
Unallocated interest expense	854,537	852,127	642,981	648,480	614,791	551,023	512,965	559,065	342,443	329,999
Total Governmental Activities Expenses	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	74,947,298
<u>Business-type Activities:</u>										
Rock Quarry	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	5,954,222
FOCUS	228,910	1,606,703	2,324,110	2,672,861	9,082,810	-	-	-	-	934,000
Total Business-type Activities Expense	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	6,888,222
Total Primary Government Expenses	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	81,835,520
Program Revenues										
<u>Governmental Activities:</u>										
Charges for services										
General government	721,041	743,811	957,289	1,102,851	1,131,063	1,309,495	1,364,494	1,521,657	2,036,540	2,216,793
Public safety	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	4,065,864
Transportation	954,518	842,073	840,747	839,311	999,702	1,085,477	1,331,871	1,262,152	1,528,774	2,638,794
Public works	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	3,134,799
Culture and recreation	358,074	377,862	378,066	468,321	531,420	571,045	589,759	504,216	783,121	767,681
Judicial services	1,005,102	907,605	779,808	746,975	747,257	796,027	730,935	793,387	876,064	902,507
Health and welfare	-	-	-	-	-	-	-	-	-	-
Economic development	9,500	-	-	850	226	-	-	75	-	325
Operating grants and contributions	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	6,229,950
Capital grants and contributions	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	2,390,804
Total Governmental Activities Program Revenues	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	22,347,517
<u>Business-type Activities:</u>										
Charges for services										
Rock Quarry	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	7,488,294
FOCUS	913,801	44,879	4,166,519	5,021,553	969,651	235,430	-	-	-	-
Capital grants and contributions	3,141,110	-	-	-	-	7,660	-	-	-	-
Total Business-type Activities Program Revenues	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	7,488,294
Total Primary Government Program Revenues	\$ 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	\$ 29,835,811

OCONEE COUNTY, SOUTH CAROLINA

CHANGE IN NET POSITION LAST TEN FISCAL YEARS

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net (Expense) Revenue										
Governmental Activities	\$ (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)	\$ (52,599,781)
Business-type Activities	3,902,432	(894,235)	(440,297)	104,689	(6,035,038)	2,522,637	2,505,624	2,528,984	2,385,128	600,072
Total Primary Government	(38,304,271)	(45,572,567)	(42,208,431)	(43,591,547)	(56,686,830)	(52,365,964)	(43,303,483)	(49,915,892)	(50,306,682)	(51,999,709)
General Revenues and Other Changes in Net Position										
<u>Governmental Activities:</u>										
Property taxes	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	52,080,875
Other taxes and licenses	772,729	843,741	883,996	896,899	1,027,358	1,017,648	1,056,328	1,197,946	1,656,480	1,935,598
Unrestricted grants and contributions	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	2,326,642
Unrestricted investment earnings	350,417	483,260	521,943	546,936	232,848	401,360	1,031,888	959,496	102,137	73,206
Miscellaneous	232,576	-	203,750	118,692	111,094	620,830	755,060	618,742	197,409	377,871
Special items	-	-	-	-	-	-	-	-	-	-
Proceeds from legal settlement	375,000	-	-	-	-	-	-	-	-	-
Transfers	116,991	1,583,009	750,000	483,522	500,000	(2,440,828)	500,000	750,000	750,000	66,000
Total Governmental Activities	42,218,727	45,580,571	45,328,580	45,972,298	46,941,553	45,649,791	50,375,421	53,501,179	54,988,405	56,860,192
<u>Business-type Activities:</u>										
Investment earnings	3,714	(1,552)	13,883	5,908	-	5,211	131,285	57,735	1,773	-
Gain on disposal of capital assets	-	-	-	-	-	-	-	-	20,000	31,416
Miscellaneous	37,056	-	-	-	-	-	-	-	-	-
Transfers	(116,991)	(1,583,009)	(750,000)	(483,522)	(500,000)	2,440,828	(500,000)	(750,000)	(750,000)	(66,000)
Total Business-type Activities	(76,221)	(1,584,561)	(736,117)	(477,614)	(500,000)	2,446,039	(368,715)	(692,265)	(728,227)	(34,584)
Total Primary Government	42,142,506	43,996,010	44,592,463	45,494,684	46,441,553	48,095,830	50,006,706	52,808,914	54,260,178	56,825,608
Change in Net Position										
Governmental Activities	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	4,260,411
Business-type Activities	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	565,488
Total Primary Government	\$ 3,838,235	\$ (1,576,557)	\$ 2,384,032	\$ 1,903,137	\$ (10,245,277)	\$ (4,270,134)	\$ 6,703,223	\$ 2,893,022	\$ 3,953,496	\$ 4,825,899

OCONEE COUNTY, SOUTH CAROLINA

FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Nonspendable	\$ 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	\$ 8,708,206
Restricted	-	-	-	-	-	-	-	-	-	-
Assigned	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	6,318,714
Unassigned	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	11,260,698
Total General Fund	<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>	<u>\$ 26,287,618</u>
All Other Governmental Funds										
Nonspendable	\$ 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	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	18,686,699
Committed	-	-	1,830,000	1,900,000	-	-	-	-	-	-
Assigned	-	1,418,771	-	500,000	500,000	500,000	500,000	3,402,429	3,929,560	7,513,766
Unassigned	-	-	(5,430)	(22,528)	-	-	(5,781)	(114,728)	(479,525)	(60,556)
Total all other governmental funds	<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>	<u>\$ 26,139,909</u>
Total all governmental funds	<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>	<u>\$ 52,427,527</u>

OCONEE COUNTY, SOUTH CAROLINA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Property taxes	\$ 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	\$ 52,379,127
Other taxes	656,268	636,153	692,870	774,943	837,018	734,169	834,276	942,497	1,403,293	1,676,595
Intergovernmental	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	13,756,801
Licenses, permits and fees	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	7,196,258
Fines and forfeitures	442,930	462,505	397,280	349,825	443,592	331,778	378,436	340,230	366,767	361,842
Charges for services	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	4,085,819
Interest and investment income	350,414	483,260	521,943	546,936	232,848	401,360	1,031,888	959,496	102,137	73,206
Contributions and donations	-	-	-	-	729,342	100,740	299,936	141,558	69,962	55,502
Miscellaneous and other	620,736	563,502	402,341	626,619	260,878	225,422	260,459	847,766	511,478	536,009
Total Revenues	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	80,121,159
Expenditures										
General government	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	17,800,280
Public safety	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	29,906,485
Transportation	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	5,436,795
Public works	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	5,581,361
Culture and recreation	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	6,013,147
Judicial services	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	3,523,941
Education	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	1,580,200
Health and welfare	340,292	939,131	395,228	403,368	396,721	424,825	403,852	378,595	328,217	586,256
Economic development	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	1,226,336
Capital outlay	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	4,411,542
Debt service										
Principal retirement	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	2,421,127
Interest and fiscal charges	905,084	856,521	743,870	645,774	644,171	606,591	580,865	648,878	328,609	329,637
Bond issue costs	79,154	102,756	-	50,500	63,000	20,000	-	23,000	-	-
Total Expenditures	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	78,817,107
Excess (Deficiency) of Revenues Over (Under) Expenditures	(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)	1,304,052

OCONEE COUNTY, SOUTH CAROLINA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Other Financing Sources (Uses)										
Sale of capital assets	\$ 31,171	\$ -	\$ 107,108	\$ 165,899	\$ 84,668	\$ -	\$ 67,189	\$ 12,004	\$ 127,168	\$ 73,844
Insurance recoveries	232,576	-	203,750	118,692	111,094	620,830	553,807	50,659	9,190	143,969
Bonds, leases, and financed purchases	2,638,954	4,998,150	-	4,200,000	3,300,000	878,595	511,500	10,200,000	3,290,347	1,654,388
Payments to refunding bonds escrow	-	-	-	-	-	-	-	(7,244,900)	-	-
Transfer in	5,188,897	3,100,368	894,582	1,317,121	4,508,152	726,003	1,199,847	1,299,347	936,441	1,925,084
Transfer out	(5,071,906)	(1,517,358)	(144,582)	(815,121)	(4,008,152)	(3,166,831)	(699,847)	(549,347)	(186,441)	(1,859,084)
Total Other Financing Sources (Uses)	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	1,938,201
Net Change in Fund Balance	<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>	<u>\$ 3,242,253</u>
Debt Service as a Percentage of Noncapital Expenditures*	7.34%	165.00%	9.28%	22.36%	8.71%	6.73%	5.48%	4.88%	5.24%	3.92%

* 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
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%
2022	378,413,820	57,131,129	209,036,011	644,580,960	76.4	10,952,700,780	5.89%

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									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Oconee County Direct Rates										
Operating	58.90	57.60	57.60	57.60	60.40	60.30	62.50	63.90	63.90	63.90
Debt service	6.00	6.00	6.00	6.00	3.20	3.50	3.00	3.00	3.00	2.00
Economic development	1.00	2.20	2.20	2.20	2.20	1.10	1.10	2.40	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	2.00	2.00	2.00
Road maintenance	0.00	2.10	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	3.00	3.00	3.00	3.00	3.00
Total County Millage	<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>	<u>76.40</u>
Overlapping Rates										
School District										
Operations	110.10	110.10	110.10	110.10	110.10	115.30	115.30	116.50	116.50	115.70
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>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>	<u>146.70</u>
Special District Rates										
City of Salem	32.40	34.90	36.40	36.40	36.40	37.00	37.00	37.00	37.00	37.00
City of Seneca	52.30	55.30	55.30	55.30	59.30	60.50	62.70	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	45.00	46.00	46.00	48.30	48.80	48.80	50.30	80.30	50.30	51.80
City of Westminster	90.70	90.70	97.30	99.30	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	17.50	17.50
Total Special District Millage	<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>	<u>355.20</u>
Total Direct and Overlapping Rates	<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>	<u>578.30</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	2022			Taxpayer	2013		
	Taxable Assessed Value*	Rank	Percentage of Total Taxable Assessed Value		Taxable Assessed Value*	Rank	Percentage of Total Taxable Assessed Value
Duke Energy Corporation	\$174,924,900	1	27.14%	Duke Energy Corporation	\$132,004,270	1	25.60%
Blue Ridge Electric Coop Inc.	9,580,580	2	1.49%	Blue Ridge Electric Coop Inc.	6,475,050	2	1.26%
Borg Warner Torq Systems Inc.	4,953,966	3	0.77%	Sandvik Inc.	3,857,143	3	0.75%
Sandvik Inc.	3,340,457	4	0.52%	BASF Catalyst, LLC	3,454,411	4	0.67%
BASF Catalyst, LLC	3,207,338	5	0.50%	Cryovac Inc.	2,736,890	5	0.53%
Cryovac Inc.	2,814,733	6	0.44%	Itron Electricity Metering Inc.	2,669,923	6	0.52%
Clairos, LLC	2,630,994	7	0.41%	Tyco Healthcare Group, LP	2,212,123	7	0.43%
Itron Electricity Metering Inc.	2,385,532	8	0.37%	Borg Warner Torq Systems Inc	2,193,581	8	0.43%
Epoch Clemson, LLC	2,126,530	9	0.33%	Bellsouth Telecommunications Inc.	2,109,560	9	0.41%
US Engine Valve Company	2,072,520	10	0.32%	US Engine Valve Company	2,040,200	10	0.40%
Total	<u>\$208,037,550</u>		32.27%		<u>\$159,753,151</u>		30.99%
Total Gross Digest Assessment	<u>\$644,580,960</u>			Total Gross Digest Assessment	<u>\$515,557,710</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
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%
2022	49,181,527	48,131,649	97.87%	981,143	49,112,792	99.86%

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	Financed Purchases	Revenue Bond	Financed Purchases			
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
2022	10,268,283	-	909,000	5,968,985	-	4,704,146	21,850,414	0.6%	276

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		
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
2022	10,268,283	2,037,867	8,230,416	1.28%	104

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, 2022

<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	\$ 17,146,268	100.00%	<u>\$ 17,146,268</u>
Overlapping Debt:			
School District of Oconee County	55,223,457	100.00%	55,223,457
<u>Incorporated Municipalities</u>			
Town of West Union	-	0.27%	-
Town of Salem	-	0.13%	-
City of Walhalla	1,075,008	1.45%	15,552
City of Westminster	-	1.06%	-
City of Seneca	2,559,971	6.26%	160,141
<u>Special Purpose Districts</u>			
Unincorp. Fire Special District	-	82.55%	-
Keowee Fire District	370,525	8.29%	30,701
Total Estimated Share of Overlapping Debt			<u>55,429,851</u>
Total Estimated Share of Direct and Overlapping Debt			<u>\$ 72,576,119</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 2022

Assessed valuation	\$ 644,580,960
Debt limit - eight percent of total assessed value	\$ 51,566,477
Debt applicable to limit:	
General obligation bonds	10,268,283
Less: amount set aside for repayment of general obligation bonds	<u>(2,037,867)</u>
Debt qualifying for margin	<u>8,230,416</u>
Legal debt margin	<u><u>\$ 43,336,061</u></u>

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Assessed value of taxable property	\$ 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	\$ 644,580,960
Legal debt limit*	\$ 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	\$ 51,566,477
Net debt applicable to limit	<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>	<u>8,230,416</u>
Legal debt margin	<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>	<u><u>\$ 43,336,061</u></u>
Total net debt applicable to the limit as a percentage of debt limit	44.93%	38.50%	31.60%	25.53%	32.27%	27.94%	25.55%	24.34%	18.71%	15.96%

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	
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%
2022	323,143	289,000	34,143	323,143	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
2013	74,551	\$ 2,611,425	\$ 35,029	44.7	10,567	7.5%
2014	74,937	2,643,101	35,271	43.0	10,548	6.1%
2015	75,219	2,788,427	37,071	45.1	10,441	5.7%
2016	75,863	2,940,106	38,755	45.5	10,404	5.0%
2017	76,535	3,064,012	40,034	44.7	10,666	4.3%
2018	77,388	3,241,852	41,891	46.7	10,627	3.3%
2019	78,307	3,436,252	43,882	45.6	10,473	2.7%
2020	79,546	3,579,857	45,004	46.9	10,209	5.2%
2021	80,015	3,801,612	47,511	50.5	10,202	3.6%
2022	79,203	3,801,612	49,645	47.2	10,168	3.2%

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

2022				2013			
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	4.65%	School District of Oconee County	1,607	1	5.17%
Prisma Health	1,310	2	3.98%	Duke Energy Corporation	1,459	2	4.69%
Duke Energy Corp	1,300	3	3.95%	Oconee Medical Center	1,409	3	4.53%
Itron, Inc.	1,000	4	3.04%	Schneider Electric - Square D	600	4	1.93%
BorgWarner	1,000	5	3.04%	BorgWarner Torq Systems	590	5	1.90%
Schneider Electric	600	6	1.82%	Covidien	578	6	1.86%
JTECKT	550	7	1.67%	Itron, Inc.	550	7	1.77%
Oconee County Government	517	8	1.57%	Oconee County Government	493	8	1.59%
BASF	400	9	1.22%	Koyo Bearings USA, Inc	460	9	1.48%
Greenfield Industries	350	10	1.06%	BASF Catalysts, LLC	410	10	1.32%
	<u>8,557</u>		26.02%		<u>8,156</u>		26.25%

Source: SC Appalachian Council of Governments

OCONEE COUNTY, SOUTH CAROLINA

COUNTY FULL TIME EMPLOYEES BY FUNCTION LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government										
Administrative Services	-	11	11	-	-	-	-	-	-	-
Administrator	3	2	2	3	5	3	2	3	3	2
Assessor	18	18	19	17	16	16	16	14	14	15
Auditor	7	7	7	7	7	6	7	7	8	8
County Attorney	-	-	-	-	-	-	-	2	1	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	12	12	12	13	13	15	14	12
Finance	6	-	-	7	7	6	7	6	6	5
Human Resources	5	-	-	4	4	3	3	3	3	4
Information Technology	10	7	5	5	5	6	5	5	6	6
Planning	-	-	-	-	-	-	3	3	3	4
Procurement	2	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	6	6	6	6	6	6	7	7
Vehicle Maintenance	14	14	13	14	14	14	14	14	14	13
Voter Registrations and Elections	2	2	2	2	2	2	2	2	2	2
Public Safety										
Animal Control	6	6	6	6	6	6	7	7	6	7
Building Codes	-	-	-	-	-	-	5	6	7	7
Communications	21	21	21	21	21	21	21	22	23	20
Community Development	9	9	11	12	11	10	8	-	-	-
Coroner	1	1	1	1	1	1	2	2	3	3
Detention Center	35	36	50	48	47	48	47	45	42	39
Emergency Services	3	3	3	21	21	26	35	34	33	35
Rural Fire	17	17	17	-	-	-	-	-	-	-
Sheriff's Office	91	91	94	91	100	100	112	118	106	113
Transportation										
Airport	4	4	4	4	4	5	5	8	8	8
Roads and Bridges	37	37	38	38	37	35	36	31	29	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	10
Probate Court	6	6	6	6	6	6	5	5	5	4
Solicitor	10	10	10	9	9	13	13	13	13	12
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	33
Culture and Recreation										
Library	18	18	18	18	18	19	19	19	20	19
Parks, Recreation and Tourism	13	13	14	10	17	17	17	18	19	20
Economic Development	4	2	4	3	-	4	4	5	3	2
Enterprise Fund										
Rock Quarry	15	15	17	16	17	19	19	19	18	18
Oconee FOCUS	-	-	3	3	3	2	-	-	-	-
Total	<u>443</u>	<u>438</u>	<u>467</u>	<u>458</u>	<u>468</u>	<u>479</u>	<u>504</u>	<u>503</u>	<u>485</u>	<u>485</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									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
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	730	650	716	747	1,224	1,216	465	374	160	80
Deeds Processed	4,885	5,474	6,502	7,405	6,802	5,813	8,540	7,667	10,312	10,716
Legal Residence Applications	1,428	2,692	3,500	2,606	2,502	2,880	1,855	2,000	2,000	n/a
Department of Revenue Applications	845	894	1,148	951	850	1,423	n/a	n/a	n/a	n/a
Agricultural Applications	1,100	1,250	1,400	1,320	980	798	397	500	500	n/a
Building Permits Processed	985	808	1,070	838	1,130	1,078	1,089	1,107	1,339	1,498
Assessable Transfers of Interest	1,785	2,404	2,575	2,660	2,895	3,116	3,982	4,000	4,000	n/a
Plats	574	548	691	701	842	753	779	687	861	800
Home Site Visits	14,430	14,500	14,650	14,400	18,957	n/a	n/a	n/a	n/a	n/a
Auditor										
Real estate, vehicle, and business property notices	149,251	79,063	152,947	155,622	160,376	157,818	158,617	153,888	160,000	161,469
Temporary tags	1,033	984	4,885	5,100	5,292	979	458	-	-	-
Board of Assessment and Appeals										
Appeals filed	15	-	9	34	6	19	3	2	3	2
Hearings held	4	-	4	14	1	3	1	1	1	-
County Council										
Regular meetings	22	19	21	22	22	22	23	22	20	13
Special meetings	7	7	7	5	5	7	8	7	6	7
Delinquent Tax Collector										
Records processed	6,680	6,156	7,100	6,866	5,884	6,384	6,792	5,273	7,203	5,369
Finance										
Accounts payable disbursements	10,012	-	7,811	4,705	6,262	5,263	10,643	4,356	4,506	3,886
Payroll disbursements	13,235	-	12,770	13,086	13,438	13,335	13,763	13,910	13,985	14,429
Human Resources										
Employment applications processed	1,510	-	2,133	1,709	2,091	1,477	2,665	2,660	1,661	1,476
Employment terminations processed	93	-	68	47	75	44	81	70	70	129
Procurement										
Number of requests for proposals (RFP)	15	3	18	18	18	2	-	5	1	16
Number of purchase orders	820	923	687	587	587	352	388	420	456	504
Register of Deeds										
Recorded documents	16,262	16,695	16,097	16,435	16,435	18,372	18,420	17,939	21,791	20,752
Treasurer										
Tax notices mailed	193,569	203,247	144,604	140,400	144,719	147,103	157,772	159,487	163,698	166,180
Vehicle Maintenance										
Repair orders processed	2,225	2,460	2,409	2,686	2,693	3,209	3,388	3,301	3,129	2,699

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

Function/Program	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government - continued										
Voter Registrations and Elections										
Current registered voters	46,000	49,000	48,476	49,486	51,069	51,395	52,000	58,000	56,045	53,094
Public Safety										
Animal Control										
Animals received	4,416	3,808	3,820	3,812	3,542	3,137	3,578	3,638	3,288	1,803
Animals adopted	1,079	1,143	1,160	1,238	1,095	1,126	1,273	1,472	1,004	1,047
Community Development										
Land use/Subdivision reviews	420	450	522	525	786	867	n/a	n/a	n/a	n/a
Permits issued	1,200	1,483	1,792	2,208	2,372	2,194	2,551	2,461	2,657	2,874
Coroner (based on a calendar year)										
Deaths	641	675	700	672	682	762	781	733	901	938
Detention Center										
Average daily population	135	157	162	158	174	178	170	190	165	210
Emergency Services (based on a calendar year)										
Medical rescue call responses	5,022	4,807	5,261	3,626	3,605	3,702	3,182	3,901	5,100	6,778
Special rescue call responses	31	43	79	51	63	45	126	104	144	41
Fire call responses	5,670	5,670	4,504	3,094	2,462	3,450	4,194	3,413	3,840	4,410
Hazardous material call responses	n/a	-	13	13	10	4	45	200	467	527
Sheriff's Office										
Service calls	45,477	48,742	48,742	50,004	81,493	48,978	90,050	61,233	65,711	100,000
Arrest warrants served	3,353	3,291	3,291	2,676	3,000	3,375	2,428	2,500	2,537	3,000
Transportation										
Roads and Bridges										
Work orders	8,709	12,189	5,429	3,962	9,332	6,169	4,338	5,000	3,129	2,968
Tons of gravel hauled	19,995	18,826	31,321	29,660	26,539	27,761	29,935	30,000	26,139	15,440
Judicial Services										
Clerk of Court										
Foreclosure auctions	201	140	135	118	118	103	131	100	51	78
Cases processed	4,796	5,493	4,893	3,878	5,307	5,881	7,434	7,960	5,954	6,109

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

Function/Program	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Judicial Services - continued										
Magistrate										
Magistrate traffic cases	7,796	10,700	2,668	2,792	2,792	2,993	8,421	6,600	4,276	6,370
Magistrate criminal cases	11,632	11,042	10,958	7,366	7,366	8,601	8,751	9,700	8,562	9,127
Health and Welfare										
Department of Social Services										
Food stamps cases	5,006	5,102	5,200	4,555	4,555	4,260	n/a	3,515	n/a	4,055
Family independence cases	106	136	170	107	107	84	n/a	129	n/a	192
Child protective services investigations	318	334	677	635	635	784	n/a	756	n/a	719
Adult protective services investigations	9	41	110	125	125	192	n/a	239	n/a	123
Children in foster care	94	91	54	120	120	110	n/a	111	n/a	62
Public Works										
Solid Waste										
Municipal solid waste (MSW) tons	36,982	37,520	37,691	39,309	39,036	43,591	43,852	48,957	54,914	56,429
Construction and demolition (C&D) tons	16,023	18,165	22,133	22,763	24,694	25,252	26,800	44,310	59,006	47,112
Culture and Recreation										
Library										
Computer users	54,459	47,665	42,803	36,164	31,456	35,982	18,738	12,332	8,568	9,286
Registered patrons	44,640	47,417	33,866	41,499	42,514	44,556	42,332	43,865	46,098	47,499
Enterprise Fund										
Rock Quarry										
Tons shot	477,732	497,295	495,622	532,797	568,818	565,978	613,578	668,291	658,954	665,817
Tons sold/used	421,468	381,182	482,620	560,809	508,798	508,798	616,011	591,409	611,473	631,223

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									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government										
Nondepartmental										
Land (acres)	17.912	18.846	20.581	20.113	20.113	20.113	20.113	20.613	20.613	20.613
Buildings	4	4	8	7	7	7	7	7	7	7
Heavy equipment	2	4	4	3	3	3	3	3	3	3
Vehicles	39	37	38	55	33	33	33	38	41	33
Culture and Recreation										
Nondepartmental										
Land (acres)	-	-	-	-	29	29.423	29.423	29.423	29.423	29.423
Buildings	-	-	-	-	1	1	1	1	1	1
Library										
Land (acres)	4.298	4.298	4.298	3.291	4.471	4.471	4.471	4.471	4.471	4.471
Buildings	3	3	3	3	3	3	3	3	3	3
Vehicles	3	3	3	3	4	4	3	3	3	3
Parks, Recreation, and Tourism										
Land (acres)	119.171	119.171	119.171	119.171	119.17	119.17	119.17	331.861	331.861	331.861
Buildings	18	18	17	16	18	18	18	18	20	20
Heavy equipment	5	4	4	4	5	5	4	4	4	4
Vehicles	12	14	15	14	11	15	11	12	15	11
Economic Development										
Economic Development										
Land (acres)	3.33	2.83	2.83	61.541	60.421	60.421	60.421	60.421	60.421	60.421
Buildings	2	1	1	-	1	1	1	1	1	1
Vehicles	1	1	1	2	2	2	2	2	2	2
Industrial Development Land for Resale (acres)										
Land - Oconee Industrial and Technology Park	398.107	397.16	397.160	397.16	359.497	317.29	317.29	291.299	291.299	266.959
Land - Golden Corner Commerce Center	366.8	360.87	360.870	360.87	360.87	360.87	360.87	360.87	360.87	360.87
Land - Oconee County Commerce Center Park	2.11	13.38	13.381	13.381	13.38	11.271	11.271	11.271	11.271	11.271
Land - Seneca Rail Park	111	111.082	111.082	111.082	111.08	111.082	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									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Department of Social Services										
Land (acres)	9.472	9.472	9.472	9.472	9.47	9.472	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	1	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	2	2	2	2	2	2	2	2	2	2
Magistrate										
Land (acres)	0.81	0.81	0.81	0.8	0.8	0.81	0.81	2.274	2.274	2.274
Buildings	1	1	1	1	1	1	1	3	3	3
Vehicles	2	3	3	3	3	3	3	3	3	3
Probate Court										
Vehicles	-	1	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)	35.005	35.565	35.565	35.565	35.565	35.565	35.565	36.573	36.573	36.573
Buildings	8	8	9	10	10	8	8	8	7	7
Vehicles	9	9	9	10	11	11	12	10	9	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	2	2	2
Vehicles	5	6	8	8	7	6	5	5	5	5
Coroner										
Land (acres)	0.25	0.25	-	-	-	-	-	-	-	-
Buildings	1	1	1	1	1	1	1	1	1	1
Vehicles	1	1	1	1	2	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	7.502
Buildings	5	6	6	6	8	8	10	10	10	10
Rescue/fire boats	3	3	3	3	8	5	5	6	7	7
Vehicles	114	121	125	186	115	116	126	125	118	120
Probation and Parole										
Land (acres)	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	-
Sheriff's Department										
Aircraft	1	1	1	1	1	1	1	1	1	1
Patrol boats	3	3	3	3	5	5	4	4	3	3
Vehicles	123	136	137	145	148	145	150	144	142	146

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

Function/Program	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Public Works										
Solid Waste ^{2, 3}										
Buildings - manned convenience centers	11	11	11	11	11	11	11	11	11	11
Heavy equipment	56	64	66	67	42	68	51	43	47	59
Vehicles	15	15	15	15	14	14	14	14	13	13
Transportation										
Airport										
Land (acres)	272.490	272.490	275.070	275.070	282.14	282.1386	282.1386	282.1386	293.3386	311.719
Buildings	5	5	5	5	5	5	5	5	5	5
Heavy equipment	1	2	3	3	3	3	4	4	5	5
Vehicles	6	6	7	6	4	4	5	5	4	4
Roads and Bridges										
Land (acres)	316.06	316.06	316.06	316.06	316.06	316.064	316.064	316.064	316.064	316.064
Buildings	4	4	4	4	4	4	4	4	4	3
Heavy equipment	60	64	63	68	71	67	67	68	71	70
Vehicles	45	47	46	49	44	42	42	42	42	44
Enterprise Funds										
Rock Quarry										
Land (acres)	28.29	29.27	29.27	30.131	35.629	35.629	55.839	61.789	66.859	72.369
Buildings	3	3	3	3	3	3	3	3	3	3
Heavy equipment	17	17	20	21	22	26	29	31	27	37
Vehicles	11	10	10	10	11	10	10	10	10	12
Oconee FOCUS										
Vehicles	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***

**To the County Council
of 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 the **Oconee County, South Carolina** (the "County") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated February 10, 2023. 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. Our report includes a reference to an emphasis of matter relative to the change in accounting principle resulting from the implementation of GASB Statement No. 87, *Leases*.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion 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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed 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
February 10, 2023



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER
COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

**To the County Council
of Oconee County
Walhalla, South Carolina**

Report on Compliance for Each Major Federal Program

Opinion on 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 each of the County's major federal programs for the year ended June 30, 2022. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Oconee County, South Carolina 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, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibility for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

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

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

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

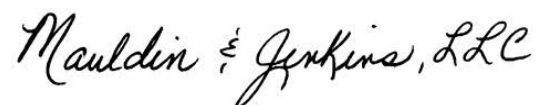
Report on Internal Control over Compliance

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

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

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

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



Columbia, South Carolina
February 10, 2023

OCONEE COUNTY, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing Number	Grant Identification Number	Expenditures	Passed through to Subrecipients
U.S. Department of Agriculture				
(Passed through the SC Department of Social Services)				
Child and Adult Care Food Program	10.558	N/A	\$ 18,416	\$ -
(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	33,737	-
(Passed through the Natural Resources Conservation Services)				
Emergency Watershed Protection Program	10.923	NR214639XXXXC009	2,655	-
Total U.S. Department of Agriculture			<u>54,808</u>	<u>-</u>
U.S. Department of the Interior				
(Direct award)				
Payment in Lieu of Taxes (PILOT) Program	15.226	N/A	181,193	-
Total U.S. Department of the Interior			<u>181,193</u>	<u>-</u>
U.S. Department of Justice				
(Direct award)				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2021-15PBJA-21-GG-01828-JAGX	13,382	-
COVID-19 Coronavirus Emergency Supplemental Funding Program	16.034	2020-VD-BX-1152	4,165	-
Criminal and Juvenile Justice and Mental Health Collaboration Program	16.745	2020-MO-BX-0045	33,452	-
Bulletproof Vest Partnership Program	16.607	N/A	14,175	-
Comprehensive Opioid, Stimulant, and Substance Abuse Program	16.838	N/A	48,366	-
(Passed through the Prisma Health - Upstate)				
Comprehensive Opioid, Stimulant, and Substance Abuse Program	16.838	N/A	5,518	-
Total U.S. Department of Justice			<u>119,058</u>	<u>-</u>
U.S. Department of Transportation				
(Direct award)				
Airport Improvement Program	20.106	3-45-0016-024-2018	3,533	-
Airport Improvement Program	20.106	3-45-0016-025-2019	428,401	-
Airport Improvement Program	20.106	3-45-0016-026-2019	196,176	-
Airport Improvement Program	20.106	3-45-0016-027-2020	784,842	-
Airport Improvement Program	20.106	3-45-0016-030-2021	274,211	-
Airport Improvement Program	20.106	3-45-0016-034-2022	5,040	-
COVID-19 Airport Improvement Program	20.106	3-45-0016-028-2020	69,000	-
COVID-19 Airport Improvement Program	20.106	3-45-0016-031-2021	23,000	-
(Passed through the SC Department of Public Safety)				
Highway Safety Cluster:				
State and Community Highway Safety	20.600	2021-HS-32-21	18,119	-
State and Community Highway Safety	20.600	2JC21010	371	-
State and Community Highway Safety	20.600	2JC22010	5,001	-
State and Community Highway Safety	20.600	PT-2022-HS-32-22	48,441	-
(Passed through the SC Emergency Management Division)				
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	693JK319400338HMEP	25,000	-
Total U.S. Department of Transportation			<u>1,881,135</u>	<u>-</u>
U.S. Department of the Treasury				
(Direct award)				
COVID-19 Coronavirus Relief Fund	21.019	N/A	19,185	-
COVID-19 State and Local Fiscal Recovery Program	21.027	N/A	2,150,551	-
Total U.S. Department of the Treasury			<u>2,169,736</u>	<u>-</u>
Institute of Museum and Library Services				
(Passed through the SC State Library)				
Grants to States	45.310	IID-20-326	1,000	-
COVID-19 Grants to States	45.310	IID-ARPA-006	25,036	-
Grants to States	45.310	IID-21-334	325	-
Total Institute of Museum and Library Services			<u>26,361</u>	<u>-</u>
U.S. Department of Homeland Security				
(Passed through the SC Emergency Management Division)				
Emergency Management Performance Grants	97.042	20EMPG01	10,994	-
Emergency Management Performance Grants	97.042	21EMPG	55,446	-
Emergency Management Performance Grants	97.042	21EMPG-S01	18,921	-
Hazard Mitigation Grant	97.039	FEMA-4166-DR-SC	10,838	-
Hazard Mitigation Grant	97.039	FEMA-4394-DR-SC	13,917	-
(Direct award)				
Disasters Grants - Public Assistance	97.036	N/A	13,392	-
Disasters Grants - Public Assistance	97.036	N/A	11,333	-
Disasters Grants - Public Assistance	97.036	N/A	86,701	-
Disasters Grants - Public Assistance	97.036	N/A	13,392	-
COVID-19 Disasters Grants - Public Assistance	97.036	N/A	22,173	-
Assistance to Firefighters Grant Program	97.044	EMW-2020-FG-14238	998,636	-
Total U.S. Department of Homeland Security			<u>1,255,743</u>	<u>-</u>
U.S. Department of Health and Human Services				
(Passed through the SC Department of Social Services)				
Child Support Enforcement - Transaction Reimbursement	93.563	N/A	8,976	-
(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	1,550	-
Total U.S. Department of Health and Human Services			<u>10,526</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 5,698,560</u>	<u>\$ -</u>

OCONEE COUNTY, SOUTH CAROLINA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2022

NOTE 1. 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 described 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 2. DE MINIMIS INDIRECT COST RATE

The County chose not to use the ten percent de Minimis indirect cost rate for the year ended June 30, 2022.

NOTE 3. NON-CASH AWARDS 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, 2022

SECTION I SUMMARY OF AUDITOR'S 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 No

Noncompliance material to financial statements noted?

___ Yes X No

Federal Awards

Internal Control over major programs:
Material weaknesses identified?

___ Yes X No

Significant deficiencies?

___ Yes X No

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

___ Yes X No

Identification of major programs:

Federal Assistance Listing
20.106

Name of Federal Program or Cluster
U.S. Department of Transportation
Airport Improvement Program

21.027

U.S. Department of the Treasury
COVID-19 State and Local Fiscal Recovery Program

97.044

U.S. Department of Homeland Security
Assistance to Firefighters Grants 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, 2022

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.