Comprehensive Annual
FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2019

Lancaster County
South Carolina

Lancaster County, South Carolina

LANCASTER COUNTY, SOUTH CAROLINA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

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LANSTER COUNTY, SOUTH CAROLINA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
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INTRODUCTORY SECTION

Lancaster County
South Carolina

Lancaster County
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101 North Main Street
Lancaster, SC 29721

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November 15, 2019

To the Chairman, Members of County Council, and Citizens of Lancaster County:

In compliance with South Carolina Code of Laws *Section 4-9-150*, we hereby issue the Comprehensive Annual Financial Report (CAFR) of Lancaster County, South Carolina, for the fiscal year ended June 30, 2019. Management assumes full responsibility for the completeness and reliability of all the information presented. To provide a reasonable basis for making these assertions, management has established an internal control structure designed to protect the County's assets from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The County's internal control structure has been designed to provide reasonable, but not absolute, assurance that the financial statements will be free from material misstatement. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The certified public accounting firm of Mauldin & Jenkins, LLC audited the financial statements of Lancaster County. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2019, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was reasonable basis for rendering an unmodified opinion on the County's financial statement for the year ended June 30, 2019. The independent auditor's report is included at the beginning of the financial section of this report.

In addition to meeting the state statutory requirements, the audit of the financial statements was designed to meet the federally mandated requirements of the Single Audit Act, as amended by the Single Audit Act of 1996, and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards require the independent auditor to report not only on the fair presentation of the financial statements, but also on the County's internal controls and compliance with legal requirements applicable to the administration of federal grants. The independent auditor's reports related specifically to the Single Audit are included in the Single Audit Section.

This letter of transmittal is designed to complement the Management's Discussion and Analysis (MD&A), which immediately follows the report of the independent auditor in the financial section. Generally Accepted Accounting Principles (GAAP) require that management provide the MD&A, which is a narrative introduction, overview, and analysis of the accompanying basic financial statements.

Profile of the Government

Lancaster County, South Carolina is located in the Piedmont region of the State, and is bounded on the west by the Catawba River and Sugar Creek, on the east by Lynches River, on the South by Kershaw County, and on the north by Mecklenburg and Union counties of North Carolina. The County is conveniently located within three hours to the beach and mountains. Lancaster County's quality of life and low taxes makes it an ideal place to live and work. The mission of Lancaster County government is to continuously strive to provide progressive quality public services in a timely fashion and in a cost effective manner. The County is one of the fastest growing county in South Carolina. With an estimated 2018 population of 95,380, the County was established in 1785 and includes four incorporated municipalities: Lancaster, Kershaw, Heath Springs and Van Wyck. The City of Lancaster, the county seat, is located 37 miles south of Charlotte, North Carolina and 60 miles north of Columbia, South Carolina, the state capital. In the northernmost part of the County is also Indian Land, a growing unincorporated community.

Lancaster County operates under the Council-Administrator form of government. The County Council, the governing body, is comprised of seven single member districts. Council members, who are elected on a partisan basis, serve four-year terms. The Council bi-annually elects one member to serve as Chairman, one member to serve as Vice-Chairman, and one member to serve as Secretary. County Council is responsible, among other things, for passing ordinances, adopting the budget, establishing fees and appointing the Administrator. The Administrator is responsible for the day-to-day operations of the government.

The County provides a number of services such as law enforcement, fire protection, solid waste management, and roads & bridges primarily to residents of its unincorporated areas. Stormwater management services are provided in Indian Land. The County also provides a variety of administrative services for its residents which include: voter registration, tax assessment & collection, and health & welfare.

Lancaster County government strives to maintain financial integrity and accountability in budgetary and internal controls. The objective of these controls is to ensure compliance with legal provisions contained in the annual budget approved by County Council and ensure fiscal accountability to its citizens.

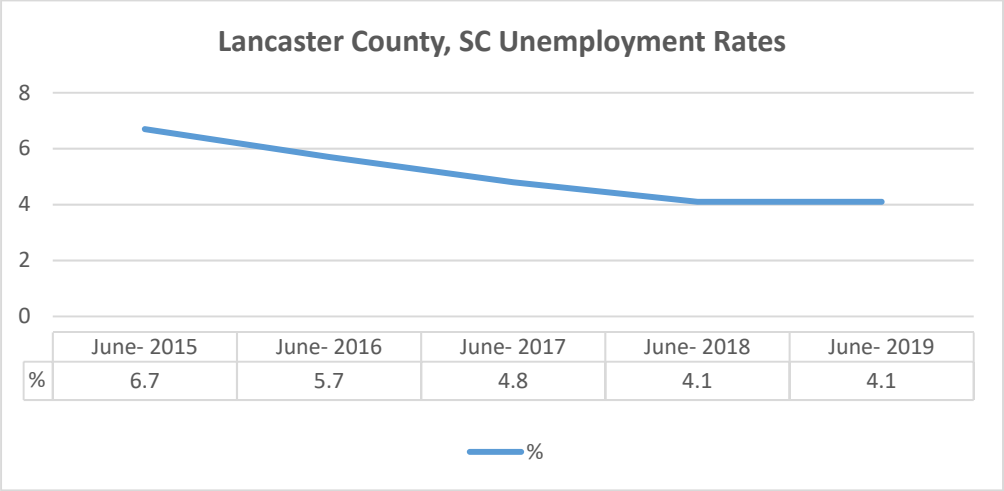
Budgeting is an essential element of the financial planning, control, and evaluation process of the County. The annual budget process begins with the Budget Analyst receiving requests from all County Departments and Agencies on behalf of the County Administrator. Meetings are held with Senior Leadership and the County Administrator. On the basis of the Administrator's recommendations, the Budget Analyst prepares a draft budget. The draft budget is prepared by

fund and department. The recommended budget is presented in a workshop for full Council to review. The Council then holds three readings, a public hearing and adopts the budget no later than June 30. The legal level of budgetary control is the fund level.

Budget-to-actual comparisons are provided in this report for each governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented on pages 72-73 as part of the required supplementary information. Special revenue & capital fund budget-to-actual comparisons are presented on pages 87-96. For the debt service fund, the comparison is presented on page 97.

Local Economy

The County's unemployment rate was 4.1% in June 2019 and improved to 3.4% in August 2019. The past five year trend for unemployment is shown in the table below:



Due to the County's proximity to the Charlotte region, favorable home prices and taxes, robust activity continues in building permits for homes and commercial. As long as the market conditions remain positive, this activity is expected to continue. The value of residential and commercial permits totaled $563,834,841 for fiscal year ended 2019. Most permits were issued in the Indian Land region.

According to the South Carolina Department of Employment and Workforce, by the first quarter of fiscal year 2019 employment was highest in the manufacturing industry for the County. Retail Trade was the second highest during this period and professional and technical services the third highest. The County has developed a diversified based of industries than in the past to include more professional and technical industries.

Major employers include:

- Red Ventures, an internet marketing and sales company, which employs an estimated 2,000 employees. The campus includes a sales center, 6-story office tower, and a learning & development center. Adjacent to the campus is a 350,000 square-foot retail center called RedStone which includes: a 55,400 square-foot movie theatre, 54,900 square-foot retail

space, and a four-story Marriott hotel. Phase II is currently underway which will provide an additional 125,000 square feet of space;

- Haile Gold Mine (OceanaGold Corporation), is located in the southern portion of the county and employs 396;
- Medical University of South Carolina Lancaster Medical Center, formerly Springs Memorial Hospital, a 225-bed hospital, employs 642;
- Cardinal Health, a global healthcare products and services company, which its headquarters employs about 475;
- Movement Mortgage, a mortgage financing corporation that employs about 725 employees. Its headquarters is 104,000 square-foot and the company in the process of a $18 million dollar expansion;
- Continental Tire headquarters, one of the leading automotive tire suppliers worldwide, employs 546;
- CompuCom Systems, a leader in information technology managed services is expected to invest $41 million and 1,500 jobs;
- Nutramax Labs, Inc., a manufacturer of animal health supplements, employs 483 and recently announced an expansion with an additional 225 employees and $20 million investment;
- Keer America, a Chinese textile manufacturer, employs 401 and has constructed a second manufacturing site.

New industry announcements include:

- ServiceMac, a new mortgage servicing company and is expected to hire 1,000 employees by 2022 with a total investment of $24M. The State awarded the County $100K grant to assist with the cost;
- Synergy Steel, a manufacturer and provider of steel framing panelization systems is moving from North Carolina to Lancaster;
- Adornus Cabinetry, a leading manufacturer and distributor of kitchen cabinets and bathroom vanities, will invest more than $10 million and create 210 new jobs.

The University of South Carolina Lancaster is an accredited two year public university, which also provides for the completion of selected Bachelor's degrees on campus. The college is a regional campus of the University of South Carolina and is celebrating 60 years of higher education in the County. USCL's enrollment is estimated to be 1,800 students. The University occupies a 150-acre campus and also a satellite site in Indian Land.

Long-term Financial Planning

The County's ten year Capital Improvement Plan (CIP) was updated and approved in fiscal year 2017. The County is planning to revise the CIP document to implement impact fee. An impact fee is a fee imposed by a local government on new developments in a stated area and can be used to pay for the cost of providing public facilities. The County intends to address public safety infrastructure needs in Indian Land. The newly revised CIP will be updated at regular intervals and correspond with the annual budget process.

The County has a fund balance reserve policy in place, as stated below. The goal is to strategically earmark the amounts above the threshold to address the CIP and other infrastructure needs.

Relevant financial policies

The County's financial policies were created with the general purpose of enabling the County to achieve a long-term stable and positive financial condition. Below are some of the relevant financial policies:

- Maintain a diversified and stable revenue system to protect itself from short-run fluctuations;
- One-time or non-recurring revenues will not be used to fund current ongoing operations or for budget balancing purposes;
- Maintain a General Fund unassigned fund balance at a level of 28-32 percent of the general fund operating budget;
- The County's cash flow shall be managed to maximize the cash available to invest;
- The County Treasurer or designee shall minimize market risk while maintaining the highest possible yield;
- Conserve and protect the County's resources from accidents and loss exposures.

Major Initiatives

The County strives to support economic development and preserve natural areas. A South Carolina Rural Infrastructure Authority grant has been awarded to replace the culvert on Old Bailes Ridge Road. The failing culvert could have negative consequences for areas located along the Sugar Creek tributary. The road serves as a route to the nearby Fort Mill area for residents living on the road. Old Bailes Ridge is also home to ten businesses and industries which employ 1,000 employees. The total cost of the project is estimated to be $924,625. The RIA grant is $500,000 with the balance coming from the County's general fund.

The County is partnering with the City and has received a Federal Transportation Alternative Program (TAP) grant which helps fund community-based projects such as pedestrian facilities, bicycle facilities, and streetscaping projects. Funding in the amount of $400,000 was awarded to assist with improvements on Woodland Drive (sidewalks) and Roddey Drive (pedestrian bridge replacement). The entire cost is estimated to be $1,000,000 and the City has also received $400,000 in TAP funding. These two roads are located along the Lindsay Pettus Greenway currently under construction.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to Lancaster County for its Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2018. This is the twentieth consecutive year the County has received this award. In order to be awarded a Certificate of Achievement, Lancaster County published an easily readable and efficiently organized CAFR.

This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR 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 County received its sixth Distinguished Budget Presentation Award for the annual budget for fiscal year beginning July 1, 2018. This award signifies that the County prepares a budget document of the highest quality and is used as an operations guide, financial plan, and as a communication device. The award is valid for one year only and the County has submitted its fiscal year beginning July 1, 2019 budget for award consideration.

The preparation of the CAFR would not have been possible without the assistance of the Lancaster County Finance Department staff. The hard work and dedication of these individuals significantly contributed to the completion of this document. Moreover, the support and leadership of the County Council has been instrumental in the development of this report. We would also like to thank the accounting firm of Mauldin & Jenkins for their assistance with this project.

Respectfully submitted,

Steve Willis
County Administrator

Veronica C. Thompson
Chief Financial Officer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Lancaster
South Carolina

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morrill

Executive Director/CEO

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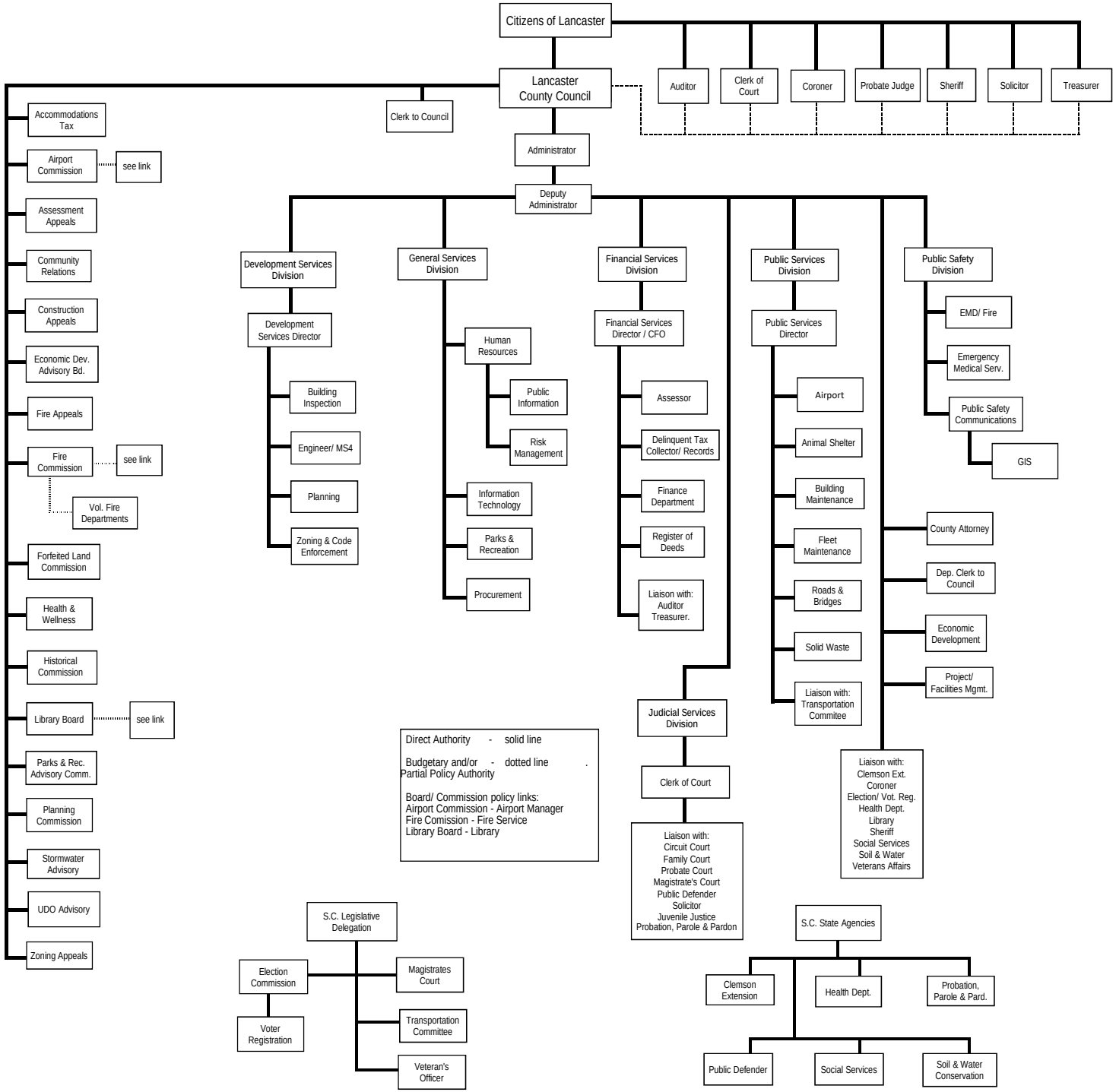

Citizens of Lancaster
Lancaster County Council
Auditor
Clerk of Court
Coroner
Probate Judge
Sheriff
Solicitor
Treasurer
Clerk to Council
Administrator
Deputy Administrator
Accommodations Tax
Airport Commission
see link
Assessment Appeals
Community Relations
Construction Appeals
Economic Dev. Advisory Bd.
Fire Appeals
Fire Commission
see link
Vol. Fire Departments
Forfeited Land Commission
Health & Wellness
Historical Commission
Library Board
see link
Parks & Rec. Advisory Comm.
Planning Commission
Stormwater Advisory
UDO Advisory
Zoning Appeals
Development Services Division
Development Services Director
Building Inspection
Engineer/ MS4
Planning
Zoning & Code Enforcement
General Services Division
Human Resources
Public Information
Risk Management
Information Technology
Parks & Recreation
Procurement
Financial Services Division
Financial Services Director / CFO
Assessor
Delinquent Tax Collector/ Records
Finance Department
Register of Deeds
Liaison with: Auditor Treasurer.
Public Services Division
Public Services Director
Airport
Animal Shelter
Building Maintenance
Fleet Maintenance
Roads & Bridges
Solid Waste
Liaison with: Transportation Commitee
Public Safety Division
EMD/ Fire
Emergency Medical Serv.
Public Safety Communications
GIS
County Attorney
Dep. Clerk to Council
Economic Development
Project/ Facilities Mgmt.
Liaison with: Clemson Ext. Coroner Election/ Vot. Reg. Health Dept. Library Sheriff Social Services Soil & Water Veterans Affairs
Judicial Services Division
Clerk of Court
Liaison with: Circuit Court Family Court Probate Court Magistrate's Court Public Defender Solicitor Juvenile Justice Probation, Parole & Pardon
Direct Authority - solid line
Budgetary and/or Partial Policy Authority - dotted line .
Board/ Commission policy links:
Airport Commission - Airport Manager
Fire Comission - Fire Service
Library Board - Library
S.C. Legislative Delegation
Election Commission
Voter Registration
Magistrates Court
Transportation Committee
Veteran's Officer
S.C. State Agencies
Clemson Extension
Health Dept.
Probation, Parole & Pard.
Public Defender
Social Services
Soil & Water Conservation

LANCASTER COUNTY,
SOUTH CAROLINA
PRINCIPAL COUNTY OFFICIALS
JUNE 30, 2019

MEMBERS OF COUNTY COUNCIL

Seated: *Honeycutt, Harper, McGriff*
Standing: Blackmon, Carnes, Mosteller, Graham

Terry Graham, District 1, Member
Charlene McGriff, District 2, Vice Chair
Billy Mosteller, District 3, Member
Larry Honeycutt, District 4, Secretary
Steve Harper, District 5, Chair
Allen Blackmon, District 6, Member
Brian Carnes, District 7, Member

ELECTED OFFICIALS

Susan H. Wallace, Auditor
Jeff Hammond, Clerk of Court
Karla Deese, Coroner
Dee Studebaker, Probate Judge
Barry Faile, Sheriff
Carrie Helms, Treasurer

ADMINISTRATIVE OFFICIALS

Steve Willis, County Administrator
Alison Alexander, Deputy County Administrator
John K. Dubose, III, County Attorney
Veronica C. Thompson, Chief Financial Officer
Sherrie Simpson, Clerk to Council

FINANCIAL SECTION

MAULDIN & JENKINS

INDEPENDENT AUDITOR'S REPORT

Lancaster County Council
of Lancaster County
Lancaster, South Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of **Lancaster County, South Carolina** (the "County"), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Lancaster County, South Carolina's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Lancaster County, South Carolina as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 4 through 17), the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the General Fund (on pages 72 and 73), the Schedule of Changes in the County's Total OPEB Liability and Related Ratios (on page 74), the Schedules of the Proportionate Share of the Net Pension Liability (on page 75), and the Schedules of Contributions (on page 76) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Lancaster County, South Carolina's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, budgetary comparison schedules, and statistical section listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Uniform Schedule of Court Fines, Assessments and Surcharges (per ACT 96) is presented for purposes of additional analysis as required by the State of South Carolina, and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance), and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules, budgetary comparison schedules, Uniform Schedule of Court Fines, Assessments and Surcharges (per ACT 96), and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, budgetary comparison schedules, Uniform Schedule of Court Fines, Assessments and Surcharges (per ACT 96), and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2019, on our consideration of Lancaster 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 the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lancaster County, South Carolina's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Columbia, South Carolina
November 15, 2019

As management of Lancaster County, South Carolina, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal on pages i-vi and the County's financial statements.

Financial Highlights

- Lancaster County's assets exceeded its liabilities at the close of the most recent fiscal year by $96,481,818 for governmental and business-type activities as reflected in the Statement of Net Position;

- A positive increase in net position of $18,884,568 was reported;

- The County's combined governmental funds reported ending fund balances of $95,089,395, an increase of $34,510,728 from the prior year;

- Total Unassigned Fund Balance for the Governmental Funds was $29,140,553.

Overview of the Financial Statements

The following discussion and analysis is intended to serve as an introduction to Lancaster County's basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements
The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. These statements consist of a statement of net position and a statement of activities, which report information about the overall financial position and activities of Lancaster County government as a whole.

The *statement of net position* presents information on all the County's assets and liabilities, with the difference between the two reported as net position. The County's net position is a way to measure of financial health. Over time, increases or decreases in the County's net position are one indicator of whether financial health is improving or deteriorating.

The *statement of activities* presents information on how the County's net position changed during the most recent fiscal year. All of the current year's revenues and expenses are accounted for in the statement of activities, regardless of when cash is received or paid.

The focus of the statement of activities is on the net cost of activities provided by the County.

The government-wide financial statements includes information about the County (known as the primary government), The County Airport (Enterprise Fund) is also reflected. The government-wide financial statements can be found on pages 18-19 of this report.

Fund financial statements

The fund financial statements provide more detailed information about the County's most significant funds. A fund is a grouping of related accounts used to maintain control over resources which have been segregated for specific activities or objectives. Lancaster County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental, proprietary, and fiduciary funds.

Governmental funds

Governmental funds are used to account for the County's general government activities. Unlike the government-wide financial statements, governmental fund financial statements are reported using current financial resources. Revenues are recognized to the degree that they are available to finance expenditures of the fiscal period being reported.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information provided for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances are accompanied by a reconciliation that facilitates this comparison.

The County maintains twenty-five individual governmental funds. The General Fund accounts for all financial resources except those required to be accounted for in another fund. Major Funds, other than the General Fund, include:

- The Capital Projects Sales Tax 2 Fund used to account for 1 cent sales tax approved by a referendum in November 2018. Activity includes road & radio communication improvements;
- The General Obligation Bond Projects Fund which accounts for a $19.9M Mixed Debt for debt refunding, fleet and animal shelter buildings, and recreation projects;
- The Debt Service Fund.

The County's remaining twenty-one funds, (6) capital projects funds and (14) special revenue funds, are presented as non-major funds.

Lancaster County adopts an annually appropriated budget for its general, debt service and special revenue funds, other than the restricted grant fund. Project length budgets are adopted for the capital projects fund. Budgetary comparison statements have been provided for the General Fund as required supplementary information. The OPEB and Pension Liability schedules are also required supplementary information. Budgetary comparisons for the debt service, capital projects, and special revenue funds, are included as other supplementary information. The governmental fund financial statements can be found on pages 20-23 of this report.

Proprietary Funds

Proprietary funds account for business-like transactions of the government. The County maintains one proprietary fund used to account for the Airport operations. The enterprise fund financials can be found on pages 24-26 of this report. Enterprise funds are reflected as business-type activities in the government–wide financial statements.

Fiduciary funds

Fiduciary funds account for assets held by the County in a trustee capacity or as an agent on behalf of others. The resources of fiduciary funds are not available to support the County's programs and are therefore excluded from the government-wide financial statements. The statement of fiduciary funds can be found on page 27 of this report.

Notes to the financial statements

The notes provide additional information essential to a full understanding of the data provided in the government-wide and government fund financial statements. The notes to the financial statements begin on page 28.

Other information

To facilitate analysis, in addition to the basic financial statements and accompanying notes, this report presents the previously mentioned budgetary comparisons for the general fund, special revenue and capital projects funds. Included are also a schedule required by state law applicable to expenditures on behalf of victims of crime and financial trends information. The supplementary information begins on page 72.

Government-wide Financial Analysis

As noted earlier, the statement of net position presents the difference between the County's assets and liabilities and over time may serve as an indicator of its financial position. In the case of Lancaster County, assets exceeded liabilities by $96,481,818 at the close of the most recent fiscal year.

The following table presents a summary of the statement of net position as of June 30, 2019:

Lancaster County's Net position

	Governmental Activities		Business-type Activities		Total	
	FY 2019	FY 2018	FY 2019	FY 2018	FY 2019	FY 2018
Current and other assets	$108,421,767	$73,131,085	(91,283)	(18,767)	$108,330,484	$73,112,318
Capital assets	88,305,701	87,438,105	6,987,971	7,051,570	$95,293,672	$94,489,675
Total assets	**$196,727,468**	**$160,569,190**	**$6,896,688**	**$7,032,803**	**$203,624,156**	**$167,601,993**
Total Deferred Outflows of Resources	**9,947,366**	**11,085,758**	**18,224**	**23,337**	**9,965,590**	**11,109,095**
Long-term liabilities outstanding	$108,842,378	$93,322,814	111,036	110,000	$108,953,414	$93,432,814
Other liabilities	7,590,995	7,140,223	22,900	85,264	7,613,895	7,225,487
Total liabilities	**$116,433,373**	**$100,463,037**	**$133,936**	**$195,264**	**$116,567,309**	**$100,658,301**
Total Deferred Inflows of Resources	**539,377**	**454,603**	**1,242**	**934**	**540,619**	**455,537**
Net position:						
Net investment in capital assets	$57,524,123	$54,081,125	6,987,971	7,051,570	64,512,094	61,132,695
Restricted	46,407,439	16,283,439	-	-	46,407,439	16,283,439
Unrestricted	(14,229,478)	372,744	(208,237)	(191,628)	(14,437,715)	181,118
Total net position	**$89,702,084**	**$70,737,308**	**$6,779,734**	**$6,859,942**	**$96,481,818**	**$77,597,250**

The largest portion (64%) of Lancaster County's **net position** reflects **net investment in capital assets.** The **restricted** portion represents resources that are subject to external restrictions on their use such as funds for property tax reduction, general obligations bond proceeds, and capital projects sales tax 2. The increase in restricted net position is attributed to the issuance of general obligation debt reported in **current and other assets**. The mixed debt issuance, in the amount of $19.9M, included: $6M to construct fleet maintenance and animal shelter buildings and $11.5M for recreational projects approved by referendum. The bonds closed in May of the fiscal year and net bid premiums in the amount of $1.8M was received in the transaction. **Long-Term liabilities** increased also due to the debt issuance. Most of the County's cash from all funding resources is pooled together and held as an investment in the state local government pool. At the close of fiscal year, the County's overall net position increased by $18,884,568.

Total revenues increased for all of the government's activities by $11,279,065 during the fiscal year. **General revenue** sources attributed to the increase in *Property Taxes* levied category. The County's tax base continues to grow and the Council approved a tax millage increase in the General Fund and Capital Improvement Funds to help provide services for the growth. The Debt Service millage was also increased during this period. The hospitality tax collections grew $377,793 from prior fiscal year due to the increase of restaurants in the Indian Land area. In the **Program Revenue** category, *Charges for Services* grew mainly by building permit revenue and register of deeds collections. The stormwater management program increased revenue by $81,945. Also, the Indian Land and Pleasant Valley Fire Districts increased revenues due to growth and an increase in the fees ($75 to $90) in attempt to reach full-time coverage. *Capital grants & contribution*s increased from prior year mainly due to $2.7M subdivision roads added to the County's assets. A donated building, valued at $1,146,800, will be used to house the Department of Health & Environmental Control and Voter's Registration. The Library is temporarily located in this building until improvements are made to their building. Business type activities decreased due to receipt of federal aviation funding in the prior year and no major grant activity in the current year.

Total expenses decreased by $1,036,827 for all governmental activities compared to the prior year. Though there were significant increases occurring in the public safety function, public works and economic development declined.

- **Public safety and law enforcement** increased due to the following:
    1. In partnership with the school district, six full-time school resource officers (SROs) were added to the budget. This brings the total to eight SROs in which the school reimbursed the county.
    2. A fire marshal position was added to the fire services budget along with a vehicle and equipment.
    3. The Sheriff implemented a career ladder to retain detention center officers and purchased a LiveScan finger printing system in the amount of $66,300.
    4. An amount of up to $175K was expensed from the Public Safety fund for Van Wyck fire district to purchase equipment.
    5. The E-911 Fund, $179,454 was expensed to purchase NextGen 911 upgrades and five servers.
- **Public Health & Welfare** expenses increased from prior year due to construction in progress for the animal shelter and EMS 4/9 building.
- **Public Works** decreased due to delaying projects to save for a major road project in the subsequent year (CTC Fund).
- The **Economic Development** expenses decreased due to large grant activity ($2.2M), for neighborhood revitalization and economic incentives received in the prior year.

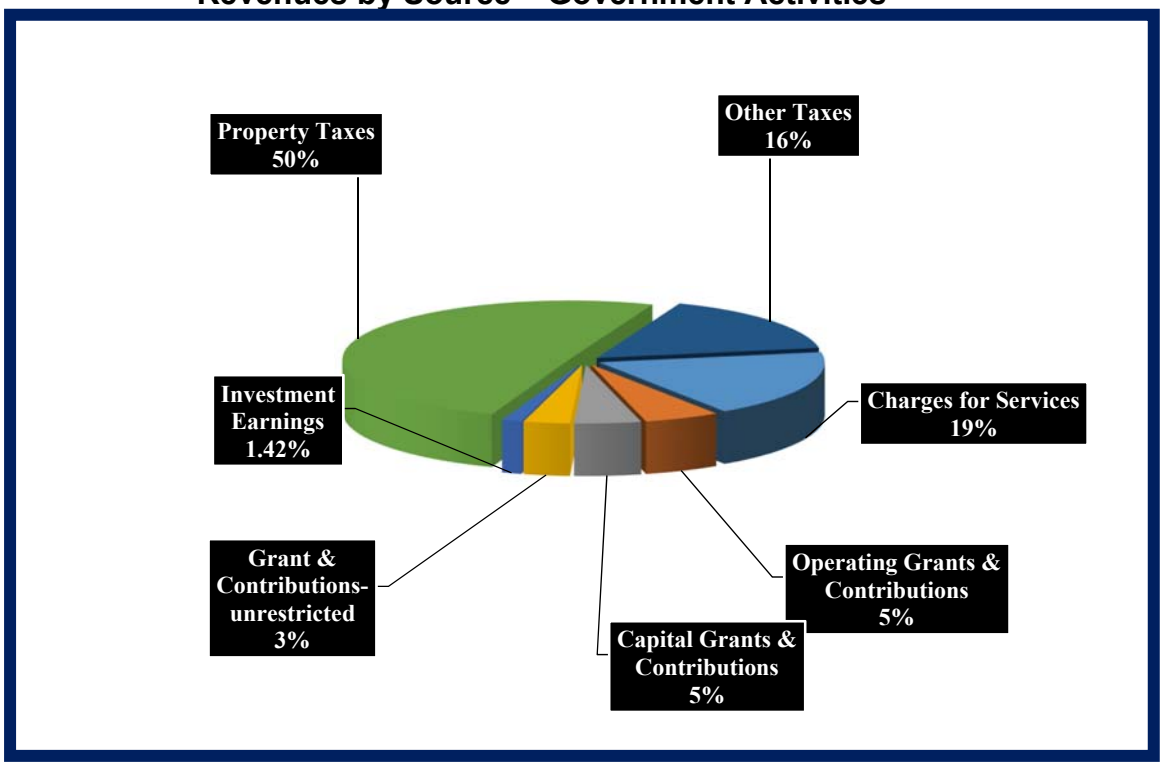
The table below summarizes the changes in net position for the County for the year ended June 30, 2019:

Lancaster County's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	FY 2019	FY 2018	FY 2019	FY 2018	FY 2019	FY 2018
Revenues:						
Program Revenues:						
Charges for services	$16,617,667	$14,906,558	159,551	164,079	15,070,637	15,070,637
Operating grants & contributions	4,848,593	5,248,920	-	-	5,248,920	5,248,920
Capital grants & contributions	4,258,929	2,584,615	184,601	1,618,622	4,203,237	4,203,237
General Revenues:						
Property taxes	45,315,985	38,920,804	-	-	45,315,985	38,920,804
Other taxes & licenses	14,622,673	13,315,667	-	-	14,622,673	13,315,667
Unrestricted grants & contributions	2,954,940	3,081,986	-	-	2,954,940	3,081,986
Unrestricted investment earnings	1,272,202	553,374	-	-	1,272,202	553,374
Other	-	-	-	-	-	-
Total revenues	**89,890,989**	**78,611,924**	**344,152**	**1,782,701**	**80,394,625**	**80,394,625**
Expenses:						
General government	17,460,461	17,494,736	-	-	17,494,736	17,494,736
Administration of justice	3,132,517	3,088,081	-	-	3,088,081	3,088,081
Public safety and law enforcement	26,338,671	24,935,032	-	-	24,935,032	24,935,032
Public works	10,105,887	11,076,062	-	-	11,076,062	11,076,062
Public health & welfare	7,939,548	7,699,119	-	-	7,699,119	7,699,119
Economic development	1,311,724	2,906,275	-	-	2,906,275	2,906,275
Culture & recreation	3,680,459	3,842,198	-	-	3,842,198	3,842,198
Interest on long-term debt	805,045	769.636	-	-	769.636	769.636
Airport	-	-	576,261	570,727	570,727	570,727
Total expenses	**70,774,312**	**71,811,139**	**570,727**	**570,727**	**72,381,866**	**72,381,866**
Increase (Decrease) in net position before Transfers	19,116,677	6,800,785	(232,109)	1,211,974	8,012,759	8,012,759
Transfers	(151,901)	(67,000)	151,901	67,000	-	-
Increase (Decrease) in net position	18,964,776	6,733,785	(80,208)	1,278,974	18,884,568	8,012,759
Net position- beginning of year (restated)	70,737,308	64,003,523	6,859,942	5,580,968	77,597,250	69,584,491
Net position- end of year	**$89,702,084**	**$70,737,308**	**$6,779,734**	**$6,859,942**	**$96,481,818**	**$77,597,250**

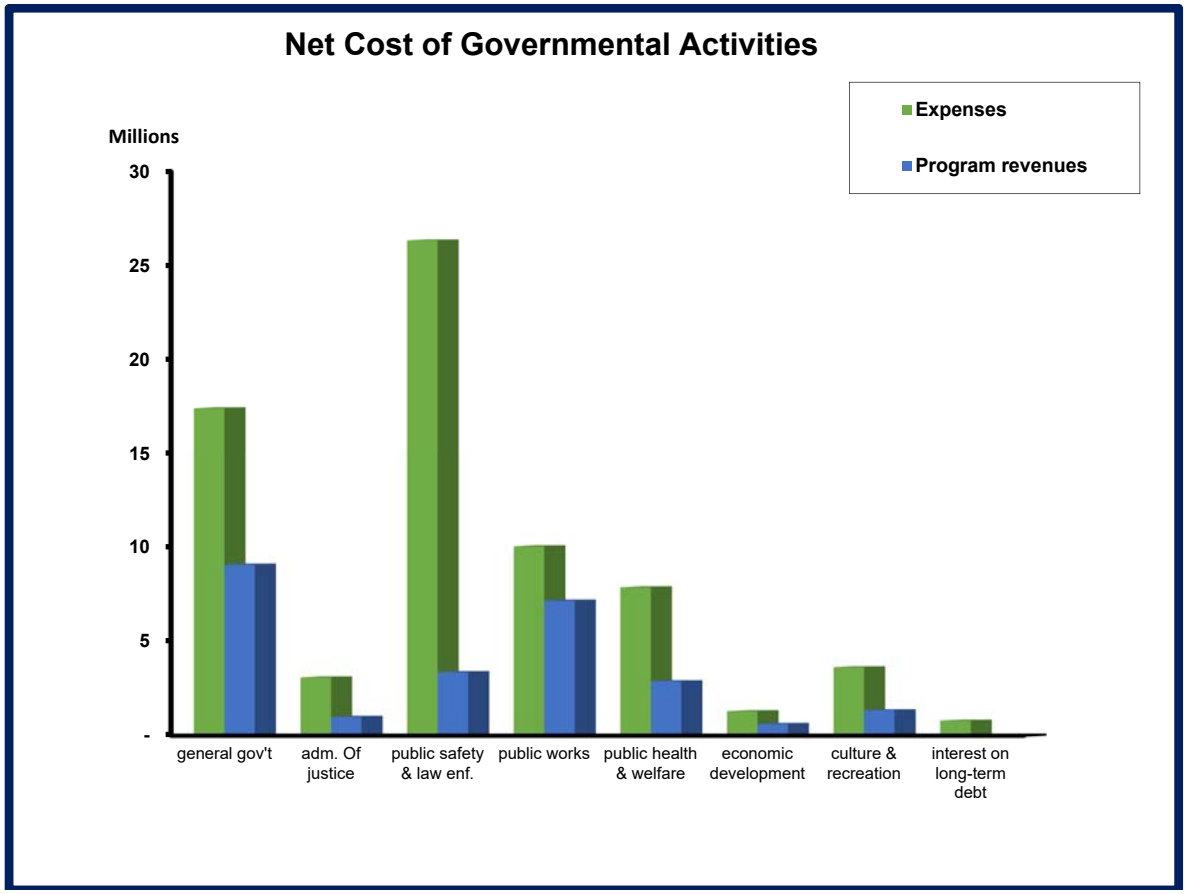
The pie chart below depicts the percentages of revenues by source:

Revenues by Source – Government Activities



As illustrated in the pie chart above, **Property Taxes (50%)** are the government's main source of revenue. This category includes general fund, debt service, court security, and capital improvement. **Charges for services**, another major source (19%), include: Stormwater management, EMS charges, & building permit fees. **Investment earnings** represent the least source of general revenue. **Other taxes** (16%) reflect revenue from road improvement fees, hospitality taxes, and capital projects sales tax 2 (CPST2).

The chart below represents the cost of governmental activities in comparison to the program revenues that support them (net cost of governmental activities):



As shown in the graph above, the net cost of **Public Safety** was the highest for the government. This category includes the Indian Land & Pleasant Valley Fire Districts which are funded by fire fees ($1,332,630). **General Government** expense was the second largest net expense after receiving $7,463,310 in charges for services which include: deed fees ($1,178,227), building permits ($4,294,283), and franchise fees ($765,823). **Public Works** activity is the third largest net expense for the government. The stormwater management department is included in this category.

Financial Analysis of the County's Funds

As noted earlier, Lancaster County's fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The sum of all the County's governmental funds fund balances reached $95,089,395 with $29,140,553 classified as unassigned. The **General Fund** is the major governmental fund of the County. At the end of the fiscal year, the general fund reported an unassigned fund balance of $29,249,962 compared to $27,087,195 the prior year. Taxes account for 64% of the general fund revenues. Property taxes increased by $4,023,083 from the prior year, due to a combination of tax millage increase (80.10 mils to 84.20 mils), assessed value growth, and a lower tax credit factor set by the Auditor. The excess credit (estimated $1M) is restricted in the current year and credited back to the taxpayers by raising the credit factor in the subsequent year. Building permit collections also increased due to residential and commercial growth. The permits have been a key factor in the County's reserves increasing over the years. The general fund balance increased by $7,054,593 compared to $1,928,613 last fiscal year. The County continues to maintain a healthy fund balance due to conservatively estimating revenues and controlled spending. There were also a number of vacancies and projects carried forward, as explained in the *general budgetary highlights* below, which contributed to the fund balance increase.

The **Capital Projects Sales Tax 2 Fund (CPST),** also a major fund, reports the County's second CPST approved by the voters in November 2018. In FY19, the funds were used for road improvements, the completion of the construction of public safety/emergency services communications system, and architecture services for the library system. Fund balance accumulates to fund the "pay go" projects and ensure debt payments are made. The County's **Debt Service Fund,** which reports general obligation debt, is also reported as a major fund this year. **Other Governmental Funds** include capital projects and special revenue funds which fund balances are restricted. The **Bond Projects Fund** accounts for the 2019 General Obligation bonds issued May 23, 2019.

General Fund Budgetary Highlights

A budgetary comparison schedule is included for the general fund on pages 72-73. After accounting for other financing sources and uses, the net change in fund balance was an increase of $7,054,593. Actual revenues were above budgetary estimates by $3,208,068 and actual expenditures were below budgetary appropriations by $3,797,741 due to reasons explained below. A transfer of $151,901 was also made to assist the airport operations in purchasing equipment.

Significant variances between final budgets to actual amounts for *revenues* include:

- **Fund Balance-** The County's original and amended budget included appropriating fund balance for non-recurring items discussed in a section below;
- **Property Taxes-** There was a 3.1 mil increase combined with growth in the assessed value. Local option sales revenue collected by the state, increased by $813,497. The local option credit factor as explained above also contributed to the variance.
- **Other Taxes-** Includes road fees of $30 per vehicle and increase is due to population growth;
- **Licenses & permits**- Total Collections were $2,295,678 above revenue estimates in this category which are very conservative since it is driven by the market and economy. Building permits collected were $1,471,313

above estimates and register of deeds fees, county portion, were $357,718 above estimates.

- **Intergovernmental Revenue**- Reflected a favorable variance attributed to a $214,273 pension contribution reimbursement from the state;
- **Interest Revenue**- $616,451 above estimates attributed to pooling cash accounts and investing in the South Carolina Local Government Pool.

The County reported significant negative & positive variances between final budgets and actual amounts for *expenditures* at the departmental level. At the fund level, the County's legal level of budgetary control, the overall variance ended positive.

*Below were the significant **negative** variances:*

- Legal team ($41,888)- The in-house attorney left employment mid-year and the county decided to hire a firm to assist us;
- Vehicle Maintenance ($47,446) – Partially due to the breakdown of the fuel truck for about three months and fuel overages for the motor pool;
- Coroner ($110,044)- Increase in the number of autopsies and technical expertise attributed by an increase in deaths;
- Fire Commission ($47,842)- overtime & fringe due to increased calls and backfill needs;
- Solid Waste ($95,867)- Overtime and part-time due to convenience site schedule changes, cost of commingled recyclables;
- Recreation ($43,540) - overage in program expenditures due to number of participants increased.

*Below were the significant **positive** variances:*

- Non-departmental $192,071- Property insurance estimates were lower than expected, unemployment expenditure lower than expected, and retiree insurance match lower than budget;
- County Council $655,129- Barnette building improvements delayed;
- Administrator $299,602- Compensation plan implementation delayed to FY20;
- Management information services $68,114- Carry forward on Evolve software project and unused funding when switching to another timekeeping platform;
- GIS $78,215- Eliminated director position;
- Building $158,955- vacancies in department;
- Zoning $59,349- vacancies;
- Planning $166,088- Multiple vacancies and carry forward on small area plan;
- Building Maintenance $140,063- Time constraints on completing one-time projects;
- Family Court $42,697- Didn't replace employee who retired and new efficiencies with state software;
- Sheriff $181,550- savings from vacancies in full-time and part-time, fringe benefits savings, and gasoline savings;
- Detention center $57,805- savings in health insurance after budget for vacancies;
- Communications $235,021-vacancies;

- Emergency management $48,061- Carried forward Catawba nuclear donation and savings in phone charges;
- Roads and Bridges $575,537- Two equipment operator and one field supervisor positions unfilled while private sector offering higher pay, savings in capital from equipment trade-in;
- Landfill $49,261- in-house staff kept the maintenance and no PT position was filled;
- EMS $845,839- Included $1M to upgrade building for headquarters, project postponed due to EMS 4/9 a priority.

There were some significant differences between the original and final budgets for some departments/categories due to the following:

Revenues:

- Fund Balance–The budget was amended $1,198,255 to appropriate fund balance for nonrecurring items listed below.
- Intergovernmental $351,590- reimbursement from school for SROs which increased after the fiscal year.

Expenditures:

- County Council $1,136,800- AV equipment improvements ($26K), Barnette building improvements ($1M), $110K for development services software;
- Sheriff $413,045- the addition of six SROs and equipment.

Capital Assets

Lancaster County's net investment in capital assets for its governmental activities as of June 30, 2019, totaled $88,305,701, net of accumulated depreciation. This investment in capital assets includes land, buildings and building improvements, vehicles, furniture and equipment. The roads, highways and bridges (i.e., infrastructure assets) added during the fiscal year.

Lancaster County's Capital Assets (net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	FY 2019	FY 2018	FY 2019	FY 2018	FY 2019	FY 2018
Land	$8,011,465	$7,648,702	$ 598,607	$ 598,607	$ 8,610,072	$ 8,247,309
Buildings & Improvements	48,781,320	47,875.885	6,201,328	4,660,759	54,982,648	52,536,644
Vehicles	12,056,213	13,378,782	-	-	12,056,213	13,525,286
Furniture & Equipment	7,483,859	8,684,891	79,122	-	7,562,981	8,684,891
Infrastructure	10,269,432	8,101,924	-	-	10,269,432	8,101,924
Construction in Progress	1,703,412	1,747,921	108,914	1,792,204	1,812,326	3,540,125
Total	**$88,305,701**	**$87,438,105**	**$6,987,971**	**$5,259,366**	**$95,293,672**	**$92,697,471**

Major capital asset events during the current year included the following:

- Building donation- Barnette bldg. valued at $1,146,800;
- Construction in progress: Library system architectural costs, EMS 4/9, Animal Shelter $423,608, and Buford recreation $410,710;
- Server upgrades for sheriff and communications;
- $456,342- Three Mack trucks for roads and bridges;
- The Sheriff's vehicles in the amount of $386,546, along with cameras totaling $68,047;
- $231,697 for wheel loader & mini excavator- public works;
- $169,000 Mack roll-off truck- solid waste;
- $2,676,212- subdivision roads added to County system;
- $66,300 LiveScan upgrade- detention center;
- $232,535- two Mack trucks;
- $33,044 truck for stormwater department;
- Ford F350 $35,838- recreation;
- $171,425 vehicles purchased by fleet maintenance.

The airport, enterprise fund, building improvements increased due to the following paid with FAA grant revenue:

- Apron $1,789,704, completed in this fiscal year.

Additional information on the County's capital assets can be found in note 5 beginning on page 46.

Debt Administration

The legal limit on the amount of general obligation bonded indebtedness that the County can incur is 8% of assessed value. The estimated legal debt margin is $16,645,617 without a referendum. At the end of the current fiscal year, the County had total long-term liabilities outstanding of $108,842,378. General obligation bonds make up 39% ($42,398,607) of long-term debt and are backed by the full faith and credit of the government.

Lancaster County's Outstanding Debt
General Obligation and Revenue Bonds

	Governmental Activities		Business-type Activities		Total	
	FY 2019	FY 2018	FY 2019	FY 2018	FY 2019	FY 2018
General Obligation Bonds	$42,398,607	$29,372,360	-	-	$42,398,607	$29,372,360
Special Source Revenue Bonds	6,433,649	6,782,076	-	-	6,433,649	6,782,076
Total	$48,832,256	$36,154,436	-	-	$48,832,256	$36,154,436

The County's long term obligations include three general obligation bonds and three general obligation refunding bonds. The County's general obligation debt decreased due to the addition of a $19.9M general obligation refunding and improvement debt issued on May 23, 2019.

The County currently has ratings of AA- and Aa1 from Standard & Poor's Corporation and Moody's Investors Service, respectively, on general obligation bond issues. Additional information on the County's long-term debt can be found in note 6 on pages 48 - 54 of this report.

Economic Factors and Next Year's Budgets and Tax Rates

- The unemployment rate for Lancaster County was at a level of 4.1% in June 2019. Statewide unemployment was 3.5%, while the national rate was 3.7% the same period;

- The County approved the following budgets in the amount of $98,953,273 for fiscal year 2020:

Lancaster County, South Carolina
Original Adopted Budgets
Fiscal Year Ended June 30, 2020

General Funds		
General Fund		60,213,597
Capital Project Sales Tax Special Revenue Fund		17,530,162
Other Special Revenue Funds		
Court Security	$ 1,504,706	
Victims Services	76,500	
E-911	734,013	
Stormwater	1,316,505	
Transportation	1,800,000	
Indian Land Fire District	850,000	
Local Accommodations Tax	100,000	
Lancaster County Airport Commission	239,863	
Pleasant Valley Fire District	786,933	
Development Agreement Fund	1,305,801	
Hospitality Tax Fund	1,280,000	
State Accommodations Tax Fund	381,550	
	$ 10,375,871	10,375,871
Debt Service Funds		
Debt Service		8,233,643
Capital Project Fund		
Capital Improvement		2,600,000
Total All Budgeted Funds		$ 98,953,273

The FY20 Budget addressed the following:

- One-time capital project in the amount of $1M for renovations in Barnett building;
- Included an employee holiday bonus totaling $321,355;
- Included $200K to update the comprehensive plan;
- Reassessment costs of $58,700;
- Probate Court Software $35,630;
- Constable vehicles $50,000
- Detention Center surveillance system $225K;
- Animal shelter incinerator $100,000;
- Convenience site upgrades $360K;
- Transfer to bond fund to assist with animal shelter costs, $382,944;
- $270,630 increase in fire rescue recruitment/retention stipends and tuition;

The Budget also addresses personnel needs which included:

- Increases of $970,770 in wages for current staff salary adjustments (Compensation Plan);
- Added 33 new positions to address operational needs;

In order to maintain the County's net position and fund balances at current levels in the face of increased demand for services, County Council adopted a general fund budget for fiscal year 2020 which includes 88.7 mils. County Council also adopted 5.0 mils for capital replacement needs, 11.5 mils for debt service, and 3.8 mils for Court Security. The Budget in its entirety can be found on the County's website at:

http://www.mylancastersc.org- Finance Department's webpage.

Requests for Information

This financial report is designed to provide a general overview of Lancaster County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Chief Financial Officer
Lancaster County
P O Box 1809
Lancaster, SC 29721

LANCASTER COUNTY, SOUTH CAROLINA

STATEMENT OF NET POSITION
JUNE 30, 2019

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 25,019,345	$ 100	$ 25,019,445
Investments	69,376,700	-	69,376,700
Receivables:			
Taxes	2,421,212	-	2,421,212
Accounts	4,757,962	-	4,757,962
Due from other governments	5,629,820	23,188	5,653,008
Internal balances	163,680	(163,680)	-
Inventories	106,665	49,109	155,774
Prepaid expenses	57,955	-	57,955
Assets held for resale	888,428	-	888,428
Capital assets:			
Nondepreciable	9,714,877	707,521	10,422,398
Depreciable, net	78,590,824	6,280,450	84,871,274
Total assets	196,727,468	6,896,688	203,624,156
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	205,339	-	205,339
Pension - South Carolina Retirement System	4,907,123	18,224	4,925,347
Pension - South Carolina Police Officers Retirement System	4,523,280	-	4,523,280
Other postemployment benefits	311,624	-	311,624
Total deferred outflows of resources	9,947,366	18,224	9,965,590
LIABILITIES			
Accounts payable	4,455,285	-	4,455,285
Accrued liabilities	2,209,144	-	2,209,144
Unearned revenues	586,999	22,900	609,899
Accrued interest payable	339,567	-	339,567
Noncurrent liabilities:			
Due within one year	10,751,131	-	10,751,131
Due in more than one year	45,777,207	-	45,777,207
Total other postemployment benefits liability	3,803,552	-	3,803,552
Net pension liability:			
South Carolina Retirement System	29,898,635	111,036	30,009,671
South Carolina Police Officers Retirement System	18,611,853	-	18,611,853
Total liabilities	116,433,373	133,936	116,567,309
DEFERRED INFLOWS OF RESOURCES			
Pension - South Carolina Retirement System	334,520	1,242	335,762
Other postemployment benefits	204,857	-	204,857
Total deferred inflows of resources	539,377	1,242	540,619
NET POSITION			
Net investment in capital assets	57,524,123	6,987,971	64,512,094
Restricted for:			
Property tax reduction	1,945,815	-	1,945,815
Capital projects	18,690,442	-	18,690,442
Public safety	4,108,241	-	4,108,241
Public works	551,776	-	551,776
Public health and welfare	204,907	-	204,907
Cultural and recreation	285,768	-	285,768
Economic development	2,154,928	-	2,154,928
Debt service	18,465,562	-	18,465,562
Unrestricted	(14,229,478)	(208,237)	(14,437,715)
Total net position	$ 89,702,084	$ 6,779,734	$ 96,481,818

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

LANCASTER COUNTY, SOUTH CAROLINA

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

		Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
					Primary Government		
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-type Activities**	**Total**
Primary government:							
Governmental activities:							
General government	$ 17,460,461	$ 8,305,241	$ 835,009	$ -	$ (8,320,211)	$ -	$ (8,320,211)
Administration of justice	3,132,517	1,002,973	6,300	-	(2,123,244)	-	(2,123,244)
Public safety	26,338,671	1,719,364	1,696,138	-	(22,923,169)	-	(22,923,169)
Public works	10,105,887	1,424,674	1,739,973	4,070,812	(2,870,428)	-	(2,870,428)
Public health and welfare	7,939,548	2,907,450	18,453	-	(5,013,645)	-	(5,013,645)
Culture and recreation	3,680,459	1,195,752	17,616	155,880	(2,311,211)	-	(2,311,211)
Economic development	1,311,724	62,213	535,104	32,237	(682,170)	-	(682,170)
Interest on long-term debt	805,045	-	-	-	(805,045)	-	(805,045)
Total governmental activities	70,774,312	16,617,667	4,848,593	4,258,929	(45,049,123)	-	(45,049,123)
Business-type activities:							
Airport	576,261	159,551	-	184,601	-	(232,109)	(232,109)
Total business-type activities	576,261	159,551	-	184,601	-	(232,109)	(232,109)
Total primary government	$ 71,350,573	$ 16,777,218	$ 4,848,593	$ 4,443,530	(45,049,123)	(232,109)	(45,281,232)
General revenues:							
Property taxes levied for:							
General purposes					38,050,222	-	38,050,222
Public safety					1,513,340	-	1,513,340
Debt service					3,392,508	-	3,392,508
Capital projects					2,359,915	-	2,359,915
Other taxes and licenses					14,622,673	-	14,622,673
Grants and contributions not restricted for a specific purpose					2,954,940	-	2,954,940
Unrestricted investment earnings					1,272,202	-	1,272,202
Transfers					(151,901)	151,901	-
Total general revenues and transfers					64,013,899	151,901	64,165,800
Change in net position					18,964,776	(80,208)	18,884,568
Net position, beginning of year					70,737,308	6,859,942	77,597,250
Net position, end of year					$ 89,702,084	$ 6,779,734	$ 96,481,818

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

LANCASTER COUNTY, SOUTH CAROLINA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2019

	General Fund	Capital Projects Sales Tax 2 Fund	Bond Projects Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	$ 20,564,347	$ -	$ -	$ 4,450,209	$ 4,789	$ 25,019,345
Investments	52,341,433	-	17,034,443	-	824	69,376,700
Taxes receivable, net	1,984,828	-	-	207,394	228,990	2,421,212
Accounts receivable, net	4,519,239	-	-	130	238,593	4,757,962
Due from other governments	2,592,881	2,498,372	-	405	538,162	5,629,820
Due from other funds	616,516	20,377,951	-	-	10,989,634	31,984,101
Prepaid expenditures	57,955	-	-	-	-	57,955
Inventories	106,665	-	-	-	-	106,665
Land held for resale	888,428	-	-	-	-	888,428
Total assets	$ 83,672,292	$ 22,876,323	$ 17,034,443	$ 4,658,138	$ 12,000,992	$ 140,242,188
LIABILITIES						
Accounts payable	$ 4,358,604	$ 12,023	$ 10,558	$ -	$ 74,100	$ 4,455,285
Accrued liabilities	2,209,144	-	-	-	-	2,209,144
Due to other funds	31,367,585	-	150,384	-	302,452	31,820,421
Unearned revenues	576,898	-	-	-	10,101	586,999
Total liabilities	38,512,231	12,023	160,942	-	386,653	39,071,849
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	1,892,088	-	-	196,922	217,942	2,306,952
Unavailable revenue - emergency medical services	3,692,780	-	-	-	-	3,692,780
Unavailable revenue - intergovernmental	-	-	-	-	81,212	81,212
Total deferred inflows of resources	5,584,868	-	-	196,922	299,154	6,080,944
FUND BALANCES						
Nonspendable:						
Prepaid expenditures	57,955	-	-	-	-	57,955
Inventories	106,665	-	-	-	-	106,665
Land held for resale	888,428	-	-	-	-	888,428
Restricted for:						
Property tax reduction	1,945,815	-	-	-	-	1,945,815
DSS IV-D Incentive	204,907	-	-	-	-	204,907
Inmate commissary	107,604	-	-	-	-	107,604
Drug task force	145,300	-	-	-	-	145,300
Capital projects		17,669,022	-	-	1,021,420	18,690,442
Public safety	-	-	-		3,855,337	3,855,337
Public works	-	-	-	-	924,109	924,109
Culture and recreation	-	-	-	-	285,768	285,768
Economic development	-	-	-	-	2,154,928	2,154,928
Roads and bridges	-	-	-	-	551,776	551,776
Debt service		-	14,004,346	4,461,216	-	18,465,562
Assigned:						
General government	378,000	-	-	-	-	378,000
Public safety	960,000	-	-	-	-	960,000
Roads and bridges	1,205,323	-	-	-	-	1,205,323
Culture and recreation	94,768	-	-	-	-	94,768
Subsequent year's budget	4,230,466	5,195,278	2,869,155	-	2,631,256	14,926,155
Unassigned	29,249,962	-	-	-	(109,409)	29,140,553
Total fund balances	39,575,193	22,864,300	16,873,501	4,461,216	11,315,185	95,089,395
Total liabilities, deferred inflows of resources, and fund balances	$ 83,672,292	$ 22,876,323	$ 17,034,443	$ 4,658,138	$ 12,000,992	$ 140,242,188

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

LANCASTER COUNTY, SOUTH CAROLINA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2019

Total fund balances for governmental funds:		$ 95,089,395
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		88,305,701
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.		6,080,944
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, and discounts.		
General obligation bonds	$ (42,398,607)	
Unamortized refunding deferral amount on general obligation bonds	205,339	
Unamortized bond premium	(3,654,075)	
Capital lease obligations	(1,602,396)	
Special source revenue bonds	(6,433,649)	
Post-closure care liabilities	(1,110,064)	
Compensated absences payable	(1,329,547)	
Total other postemployment benefits liability	(3,696,785)	
Net pension liability	(39,414,605)	
Total long-term liabilities		(99,434,389)
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.		(339,567)
Net position of governmental activities		$ 89,702,084

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

LANCASTER COUNTY, SOUTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	General Fund	Capital Projects Sales Tax 2 Fund	Bond Projects Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Property taxes	$ 37,751,878	$ -	$ -	$ 3,392,508	$ 3,912,740	$ 45,057,126
Sales and other local taxes	2,487,225	9,632,957	-	-	1,982,814	14,102,996
Licenses and permits	6,912,416	-	-	-	-	6,912,416
Intergovernmental	5,003,978	-	-	-	4,213,454	9,217,432
Charges for services	4,438,960	-	-	-	2,738,438	7,177,398
Fines and forfeitures	974,883	-	-	-	70,385	1,045,268
Interest revenue	766,951	451,265	46,170	1,702	6,114	1,272,202
Contributions and donations	422,631	-	-	-	104,300	526,931
Other revenues	207,784	-	-	-	56,493	264,277
Total revenues	58,966,706	10,084,222	46,170	3,394,210	13,084,738	85,576,046
EXPENDITURES						
Current:						
General government	14,298,332	-	-	-	623,935	14,922,267
Administration of justice	2,157,241	-	-	-	11,491	2,168,732
Public safety	17,947,213	-	-	-	4,484,460	22,431,673
Public works	5,479,025	1,597,636	-	-	2,200,222	9,276,883
Public health and welfare	7,618,327	-	-	-	11,787	7,630,114
Culture and recreation	3,671,713	399,835	-	-	165,277	4,236,825
Economic development	417,582	-	-	-	777,590	1,195,172
Capital outlay	-	400,339	486,446	-	1,199,551	2,086,336
Debt service:						
Principal	177,486	-	-	6,715,000	526,544	7,419,030
Interest	49,763	-	-	1,246,546	68,337	1,364,646
Fees	-	-	197,114	29,742	806	227,662
Total expenditures	51,816,682	2,397,810	683,560	7,991,288	10,070,000	72,959,340
Excess (deficiency) of revenues over (under) expenditures	7,150,024	7,686,412	(637,390)	(4,597,078)	3,014,738	12,616,706
OTHER FINANCING SOURCES (USES)						
Transfers in	31,870	-	3,301	5,593,316	-	5,628,487
Transfers out	(151,901)	(3,768,550)	(1,824,766)	(3,301)	(31,870)	(5,780,388)
Issuance of bonds	-	-	17,500,000	2,405,000	-	19,905,000
Premium on bonds issued	-	-	1,892,255	224,068	-	2,116,323
Proceeds from the sale of capital assets	24,600	-	-	-	-	24,600
Total other financing sources (uses), net	(95,431)	(3,768,550)	17,570,790	8,219,083	(31,870)	21,894,022
Net change in fund balances	7,054,593	3,917,862	16,933,400	3,622,005	2,982,868	34,510,728
Fund balances (deficit), beginning of year	32,520,600	18,946,438	(59,899)	839,211	8,332,317	60,578,667
Fund balances, end of year	$ 39,575,193	$ 22,864,300	$ 16,873,501	$ 4,461,216	$ 11,315,185	$ 95,089,395

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

LANCASTER 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, 2019

Net change in fund balances - total governmental funds		$ 34,510,728
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay	$ 8,412,168	
Depreciation expense	(7,444,512)	967,656
The net effect of various miscellaneous transactions (i.e., sales and donations) is to decrease net position.		(100,060)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		211,894
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	$ 7,451,267	
Issuance of general obligation bonds	(22,021,323)	
Amortization of premium/discount on long-term debt	620,385	
Amortization of the refunding deferral amount on the refunding general obligation bonds	6,704	(13,942,967)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The following amounts represent the net liability changes using the full accrual method of accounting:		
Pension liability	$ (2,787,998)	
Landfill post-closure liability	7,139	
Compensated absences	40,941	
Accrued interest on long-term debt	117,288	
Other postemployment benefits liability	(59,845)	(2,682,475)
		$ 18,964,776

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

LANCASTER COUNTY, SOUTH CAROLINA

STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2019

	Major Enterprise Fund Airport Fund
ASSETS	
CURRENT ASSETS	
Cash	$ 100
Due from other governments	23,188
Inventory	49,109
Total current assets	72,397
NONCURRENT ASSETS	
Capital assets:	
Nondepreciable	707,521
Depreciable, net of accumulated depreciation	6,280,450
Total noncurrent assets	6,987,971
Total assets	7,060,368
DEFERRED OUTFLOWS OF RESOURCES	
Pension	18,224
Total deferred outflows of resources	18,224
LIABILITIES	
CURRENT LIABILITIES	
Due to other funds	163,680
Unearned revenues	22,900
Total current liabilities	186,580
NONCURRENT LIABILITIES	
Net pension liability	111,036
Total noncurrent liabilities	111,036
Total liabilities	297,616
DEFERRED INFLOWS OF RESOURCES	
Pension	1,242
Total deferred inflows of resources	1,242
NET POSITION	
Investment in capital assets	6,987,971
Unrestricted	(208,237)
Total net position	$ 6,779,734

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

LANCASTER COUNTY, SOUTH CAROLINA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Major Enterprise Fund Airport Fund
OPERATING REVENUES	
Charges for services:	
Sale of fuel	$ 116,986
Rental income	42,565
Total operating revenues	159,551
OPERATING EXPENSES	
Salaries and fringe benefits	71,369
Costs of services	175,279
Depreciation	329,613
Total operating expenses	576,261
Operating loss	(416,710)
CAPITAL CONTRIBUTIONS	184,601
TRANSFERS	
Transfers in	151,901
Total transfers	151,901
Change in net position	(80,208)
Net position, beginning of year	6,859,942
Net position, end of year	$ 6,779,734

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

LANCASTER COUNTY, SOUTH CAROLINA

STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Major Enterprise Fund Airport Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	$ 244,858
Payments to suppliers	(250,434)
Payments to employees	(64,912)
Net cash used in operating activities	(70,488)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers in	151,901
Net cash provided by noncapital financing activities	151,901
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital assets	(266,014)
Intergovernmental revenues	184,601
Net cash used in capital and related financing activities	(81,413)
Net change in cash and cash equivalents	-
Cash and cash equivalents:	
Beginning of year	100
End of year	$ 100
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	$ (416,710)
Adjustments to reconcile operating loss to net cash used for operating activities:	
Depreciation	329,613
Changes in assets and liabilities:	
Decrease in due from other governments	147,892
Increase in inventory	(6,941)
Decrease in deferred outflows of resources	5,113
Decrease in accounts payable	(68,214)
Decrease in due to other funds	(68,435)
Increase in unearned revenues	5,850
Increase in net pension liability	1,036
Increase in deferred inflows of resources	308
Net cash used in operating activities	$ (70,488)

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

LANCASTER COUNTY, SOUTH CAROLINA

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2019

	Agency Funds
ASSETS	
Cash and cash equivalents	$ 21,441,970
Investments	102,595,812
Taxes receivable	6,235,802
Accounts receivable	4,050
Due from other governments	12,703
Total assets	$ 130,290,337
LIABILITIES	
Due to other taxing districts and agencies	$ 122,062,055
Due to others	8,228,282
Total liabilities	$ 130,290,337

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

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Lancaster County, South Carolina (the "County") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governments. 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 County's accounting policies are described below.

Reporting Entity

Lancaster County operates under Home Rule legislation effective July 1, 1976. The County operates under a Council-Administrator form of government and provides the following services as authorized by its charter: public safety (police and judicial), public works (roads and bridges), sanitation, health and welfare, culture-recreation, public improvements, and general administration services.

Lancaster County, South Carolina is a political subdivision of the State of South Carolina. 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 County reports no component units.

Basis of Presentation

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

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Government-wide Financial Statements (Continued)

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 major governmental funds:

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

The ***Capital Projects Sales Tax 2 Fund*** is used to account for the County's second local one-cent sales and use tax revenues that are restricted to pay for projects outlined in the County's bond resolution as well as additional capital projects not funded with bond proceeds.

The **Bond Projects Fund** accounts for various capital projects that are funded with General Obligation Bonds.

The ***Debt Service Fund*** is used to account for and report financial resources that are restricted, committed or assigned for the payment of governmental activities long-term debt principal and interest.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Fund Financial Statements (Continued)

The County reports the following major proprietary fund:

The ***Airport Fund*** accounts for the activities of the County's airport operations. It is also used to account for intergovernmental funds received from state and federal governments for grants that are restricted for airport improvements and capital projects.

Additionally, the County reports the following fund types:

The ***Special Revenue Funds*** are used to account for the proceeds of specific revenue sources (other than trusts for individuals, private organizations, or other governments or for major capital projects) that are legally restricted to expenditure for specified purposes. Resources restricted to expenditure for purposes normally financed from the General Fund may be accounted for through the General Fund provided that applicable legal requirements can be appropriately satisfied; and use of special revenue funds is not required unless they are legally mandated.

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 ***Agency Funds*** are used to account for monies held on behalf of school districts, special districts and other agencies that use the County as a depository or property taxes that are collected on behalf of the other governments.

Measurement Focus and Basis of Accounting

Government-wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement 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 of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. All assets and liabilities associated with the operation of the County are included on the Statement of Net Position.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued)

Government-wide Financial Statements (Continued)

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 fund functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Fund Financial Statements

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

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued)

Fund Financial Statements (Continued)

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 net total 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 nonoperating 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 nonoperating revenues and expenses.

Agency funds have no measurement focus, but rather are custodial in nature (assets equal liabilities).

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 also 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.

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued)

Revenue - Exchange and Non-exchange Transactions (Continued)

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, 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.

Unavailable Revenue

Unavailable revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of year-end, but which were levied to finance fiscal year 2019 operations, have been recorded as unavailable revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as unavailable revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as unavailable revenue.

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 the subsequent year's budget includes outstanding encumbrances of $344,922, $5,195,278, and $369,909 in the General Fund, the Capital Projects Sales Tax 2 Fund, and the Nonmajor Governmental Funds, respectively. The assigned fund balance for the subsequent year's budget also includes appropriations of existing unassigned fund balance at year-end to eliminate a deficit in next year's budget of $3,885,544, and $1,327,857 in the General Fund, and the Nonmajor Governmental Funds, respectively.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. 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 State Treasurer's 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.

Receivables

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

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

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund-type 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 in both government-wide and fund financial statements. Prepaid items are accounted for using the consumption method.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Position or Equity (Continued)

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, sidewalks, 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. Buildings and building improvements are capitalized when costs exceed $50,000. Land improvements are capitalized when costs exceed $25,000.

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

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

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

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:

Assets	Years
Buildings and improvements	40
Vehicles	5 - 15
Furniture and equipment	5 - 15
Infrastructure	20

Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation pay benefits (up to a maximum of 240 hours) and sick pay benefits up to 75 days. 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. No liability is reported for unpaid accumulated sick leave.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Position or Equity (Continued)

Deferred Inflows/Outflows of Resources

In addition to assets, the Statement of Net Position reports a separate section for *deferred outflows of resources*. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has seven (7) items that qualify for reporting in this category. One item is deferred charge on refunding, which is reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or the refunding debt. The other six (6) items relate to the County's pension and other postemployment benefits (OPEB) plans and are reported in the government-wide and proprietary fund Statements of Net Position. (1) Experience gains result from periodic studies by the County's actuary, which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains are recorded as deferred outflows of resources and are amortized into pension expense over the expected remaining service lives of the plan members. (2) Changes in actuarial assumptions adjust the net pension liabilities and are amortized into pension expense over the expected remaining service lives of plan members. (3) The differences between projected investment return on pension investments and actual return on those investments are deferred and amortized against pension expense over a five-year period. (4) The changes in the County's proportionate share of the collective net pension liability and differences between actual employer contributions and proportionate share of the total plan employer contributions are specific to cost-sharing multiple employer defined benefit pension plans and represent the current period amortized portions of these deferred outflows. (5) Any contributions made by the County to the pension plan before year end but subsequent to the measurement date of the County's net pension liability are reported as deferred outflows of resources. (6) Any contributions made by the County to the OPEB plan before year end but subsequent to the measurement date of the County's total OPEB liability are reported as deferred outflows of resources.

In addition to liabilities, the Statement of Net Position and the Governmental Funds Balance Sheet reports a separate section for d*eferred inflows of resources*. This separate financial statement element represents an acquisition of fund balance or net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has six (6) types of items that qualify for reporting in this category, three 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) emergency medical services, and (3) intergovernmental grant revenues and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Position or Equity (Continued)

Deferred Inflows/Outflows of Resources (Continued)

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. Certain experience losses (discussed in the previous paragraph) are deferred and amortized against expense over a five-year period, resulting in recognition as deferred inflows of resources. 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. Finally, changes in actuarial assumptions (discussed in the previous paragraph) adjust the total OPEB liability and are amortized against pension 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. 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".

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Position or Equity (Continued)

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:

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 resale, inventories, and prepaid items 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 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, the County Council has authorized the County Administrator and/or the Finance Director to assign fund balances to a specific purpose. The County Administrator must inform the County Council of assigned resources during the fiscal year. 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Position or Equity (Continued)

Fund Equity (Continued)

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.

It is the policy of the County to maintain adequate levels of fund balance to mitigate current and future risks and to ensure stable tax rates. The County intends to maintain a General Fund unassigned fund balance of at least 28 to 32 percent of the General Fund operating budget. If the year-end unassigned fund balances exceeds 32 percent of the General Fund operating budget, the excess may be used to fund the following activities: a) one-time capital expenditures which do not increase ongoing operational costs; b) other one-time costs; and c) debt reduction.

If the unassigned fund balance declines below 28 percent of the General Fund operating budget, the County Council will pursue ways of increasing revenues or decreasing expenditures, or a combination of both until the 28 to 32 percent threshold is attained.

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.

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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.

Budgetary Information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General Fund, Special Revenue Funds (except for the Sunday Alcohol Sales Fund, Restricted Grants Fund, Hospitality Tax Fund, and Economic Development Fund), Debt Service Fund, Capital Projects Sales Tax 2 Fund, and the Capital Improvement Fund. The legally adopted budgets for the General Fund are presented as required supplementary information.

Each year, all County departments submit requests for appropriations to the County finance director. On the basis of the requests, the finance director prepares a draft budget. The proposed budget is presented to the County Council for review and approval. The County Council holds public hearings and adopts the budget no later than June 30. The appropriated budget is prepared by fund, function, and department. County department heads may make certain transfers of appropriations within their own departmental budgets without approval of County Council, and the County Administrator may make certain transfers between departments without approval of County Council. The legal level of budgetary control is the fund level.

Deficit Fund Equity

For the year ended June 30, 2019, the Restricted Grants Fund, and the Victim Services Fund reported deficit fund balances of $81,123, and 28,286, respectively. These deficits will be eliminated through the recognition of unearned revenues in future periods, through transfers from other funds, and from other future revenues.

NOTE 3. CASH AND INVESTMENTS (CONTINUED)

Total deposits and investments at June 30, 2019, are summarized below:

As reported in the Statement of Net Position:	
Primary government	
Cash and cash equivalents	$ 25,019,445
Investments	69,376,700
Agency Fund - cash and cash equivalents	21,441,970
Agency Fund - investments	102,595,812
	$ 218,433,927
Cash deposited with financial institutions	$ 50,563,542
SC State Investment Pool	166,231,367
U.S. Government Treasuries	1,211,725
U.S. Government Agencies	400,893
Mutual funds	5,928
Certificates of deposit	20,472
	$ 218,433,927

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, 2019, the carrying amount of the County's deposits was $218,533,927 and the bank balance was $218,851,445. 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 $11,510 are reflected as cash.

As of June 30, 2019, the County has the following investments:

Investment Type	Fair Value	Investment Maturities (in years)		
		Less than 1	1-5	6-10
State Treasurer's Investment Pool	$ 166,231,367	$ 166,231,367	$ -	$ -
Money market accounts	4,102,127	4,102,127	-	-
Mutual funds	5,928	5,928	-	-
U.S. Government Treasuries	1,211,725	414,049	797,676	-
U.S. Government Agencies	400,893	99,634	301,259	-
Certificates of deposit	20,472	20,472	-	-
	$ 171,972,512	$ 170,873,577	$ 1,098,935	$ -

NOTE 3. CASH AND INVESTMENTS (CONTINUED)

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. The County has the following recurring fair value measurements as of June 30, 2019:

Investment	Level 1	Level 2	Level 3	Fair Value
Investments by Fair Value Level				
Debt securities:				
U.S. Treasuries	$ 1,211,725	$ -	$ -	$ 1,211,725
U.S. Agencies	400,893	-	-	400,893
Total debt securities	1,612,618	-	-	1,612,618
Mutual funds:				
Mutual fund taxable fixed income	5,928	-	-	5,928
Total mutual funds	5,928	-	-	5,928
Total investments by fair value level	$ 1,618,546	$ -	$ -	$ 1,618,546

The U.S. Treasuries, U.S. Agencies, and the mutual fund taxable fixed income investments classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those investments.

NOTE 3. CASH AND INVESTMENTS (CONTINUED)

Fair Value Measurements (Continued). The County has no investments classified in Level 2 or 3 of the fair value hierarchy. The South Carolina Local Government Investment Pool (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. The County's investments in certificates of deposit are valued at amortized cost, which approximates fair value. As a result, the County's certificates of deposit are not disclosed 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), Federal Home Loan Banks (FHLB), Federal Home Loan Mortgage Corporation (FHLMC), and Federal National Mortgage Association (FNMA) were rated AA+ by Standard & Poor's and Aaa by Moody's Investor Services. As of June 30, 2019, the County owned $400,893 of government sponsored entity (GSE) debt securities. These bonds are the direct obligation of the FFCB, FHLB, FHLMC, and FNMA, which are rated AA+ or equivalent by all rating agencies. The investments are either directly or indirectly guaranteed by the US Treasury. The money market accounts were rated AAA by Standard & Poor's and Aaa by Moody Investor Services. 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.

Custodial Credit Risk – Investments. 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.

NOTE 4. RECEIVABLES AND PROPERTY TAXES

Property taxes are assessed on the value of real and personal property, excluding automobiles, as of January 1 preceding the fiscal year. Taxes are levied the following September, due January 15 and become delinquent March 15. Liens attach to the property at the time taxes are levied. 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.

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 also collects taxes for the Lancaster County School District, the City of Lancaster, and the Town of Kershaw. Collections of the County taxes and remittance of them to these entities are accounted for in the agency funds. Unavailable property tax revenue represents that portion of property taxes which is deemed not available to pay current expenditures.

Receivables as of June 30, 2019, including the applicable allowances for uncollectible accounts, are as follows:

	General	Capital Projects Sales Tax 2	Debt Service
Taxes receivable	$ 2,089,292	$ -	$ 218,309
Accounts receivable	9,567,924	-	130
Due from other governments	2,592,881	2,498,372	405
Less: Allowance	(5,153,149)	-	(10,915)
Net receivables	$ 9,096,948	$ 2,498,372	$ 207,929

	Nonmajor Governmental	Airport	Total
Taxes receivable	$ 241,042	$ -	$ 2,548,643
Accounts receivable	238,593	-	9,806,647
Due from other governments	538,162	23,188	5,653,008
Less: Allowance	(12,052)	-	(5,176,116)
Net receivables	$ 1,005,745	$ 23,188	$ 12,832,182

NOTE 5. CAPITAL ASSETS

Capital asset activity for the County's governmental activities for the year ended June 30, 2019, was as follows:

Governmental activities	Balance June 30, 2018	Additions	Deletions	Transfers	Balance June 30, 2019
Capital assets not being depreciated					
Land	$ 7,648,702	$ 396,763	$ (34,000)	$ -	$ 8,011,465
Construction in progress	1,747,921	1,623,451	-	(1,667,960)	1,703,412
Total capital assets not being depreciated	9,396,623	2,020,214	(34,000)	(1,667,960)	9,714,877
Capital assets being depreciated					
Buildings and improvements	66,376,258	1,352,506	-	1,667,960	69,396,724
Vehicles	31,527,106	1,081,555	(225,707)	-	32,382,954
Furniture and equipment	24,021,379	1,071,061	(370,604)	-	24,721,836
Infrastructure	18,672,233	2,886,832	-	-	21,559,065
Total capital assets being depreciated	140,596,976	6,391,954	(596,311)	1,667,960	148,060,579
Less accumulated depreciation					
Buildings and improvements	(18,500,373)	(2,115,031)	-	-	(20,615,404)
Vehicles	(18,148,324)	(2,384,225)	205,808	-	(20,326,741)
Furniture and equipment	(15,336,488)	(2,225,932)	324,443	-	(17,237,977)
Infrastructure	(10,570,309)	(719,324)	-	-	(11,289,633)
Total accumulated depreciation	(62,555,494)	(7,444,512)	530,251	-	(69,469,755)
Total capital assets being depreciated, net	78,041,482	(1,052,558)	(66,060)	1,667,960	78,590,824
Governmental activities capital assets, net	$ 87,438,105	$ 967,656	$ (100,060)	$ -	$ 88,305,701

Depreciation expense was charged to functions as follows:

General government	$ 662,247
Administration of justice	966,114
Public safety	3,426,180
Public works, including depreciation of infrastructure assets	1,248,483
Public health and welfare	656,716
Culture and recreation	368,220
Economic development	116,552
Total governmental activities depreciation expense	$ 7,444,512

NOTE 5. CAPITAL ASSETS (CONTINUED)

Capital asset activity for the County's business-type activities for the year ended June 30, 2019, was as follows:

Business-type activities	Balance June 30, 2018	Additions	Deletions	Transfers	Balance June 30, 2019
Capital assets not being depreciated					
Land	$ 598,607	$ -	$ -	$ -	$ 598,607
Construction in progress	1,792,204	106,414	-	(1,789,704)	108,914
Total capital assets not being depreciated	2,390,811	106,414	-	(1,789,704)	707,521
Capital assets being depreciated					
Buildings and improvements	11,816,407	77,749	-	1,789,704	13,683,860
Furniture and equipment	-	81,851	-	-	81,851
Total capital assets being depreciated	11,816,407	159,600	-	1,789,704	13,765,711
Less accumulated depreciation					
Buildings and improvements	(7,155,648)	(326,884)	-	-	(7,482,532)
Furniture and equipment	-	(2,729)	-	-	(2,729)
Total accumulated depreciation	(7,155,648)	(329,613)	-	-	(7,485,261)
Total capital assets being depreciated, net	4,660,759	(170,013)	-	1,789,704	6,280,450
Business-type activities capital assets, net	$ 7,051,570	$ (63,599)	$ -	$ -	$ 6,987,971

Depreciation expense was charged to programs of the business-type activities as follows:

Airport	$ 329,613
Total business-type activities depreciation expense	$ 329,613

NOTE 6. LONG-TERM LIABILITIES

The following is a summary of long-term debt activity for the primary government for the fiscal year ended June 30, 2019:

Governmental activities	Balance June 30, 2018	Additions	Reductions	Balance June 30, 2019	Due Within One Year
General obligation bonds	$ 29,372,360	$ 19,905,000	$ (6,878,753)	$ 42,398,607	$ 8,274,895
Capital lease obligations	1,826,483	-	(224,087)	1,602,396	982,395
Special source revenue bonds	6,782,076	-	(348,427)	6,433,649	323,592
Post-closure care costs	1,117,203	-	(7,139)	1,110,064	56,398
Compensated absences	1,370,488	1,072,910	(1,113,851)	1,329,547	1,113,851
Total postemployment benefit liability	3,626,458	401,727	(224,633)	3,803,552	-
Net pension liability - SCRS	29,619,731	3,887,474	(3,608,570)	29,898,635	-
Net pension liability - PORS	17,449,878	3,317,062	(2,155,087)	18,611,853	-
Deferred amounts:					
Unamortized premium	2,158,137	2,116,323	(620,385)	3,654,075	-
	$ 93,322,814	$ 30,700,496	$ (15,180,932)	$ 108,842,378	$ 10,751,131

Business-type activities	Balance June 30, 2018	Additions	Reductions	Balance June 30, 2019	Due Within One Year
Net pension liability - SCRS	$ 105,635	$ 14,437	$ (9,036)	$ 111,036	$ -
	$ 105,635	$ 14,437	$ (9,036)	$ 111,036	$ -

Compensated absences, net post-employment benefit obligation, and post-closure care costs are ordinarily liquidated by the General Fund.

General Obligation Bonds

The County issues general obligation debt to provide funds for acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the government. During 2015, the County issued 2015A, 2015B and 2015C general obligation bonds for the purposes of defraying the cost of capital projects approved in a referendum held in the County on November 4, 2014, as well as to refund the 2010B and 2010C bonds. The current refunding of the 2010B and 2010C bonds resulted in a difference between the reacquisition price and the net carrying amount of the old debt of approximately $31,145 and $101,786, respectively. The differences reported in the Statement of Net Position as a deferred outflow of resources are being charged to increase expenses through the year 2030 for the 2010B bonds and the year 2025 for the 2010C bonds using the straight-line method. The refunding transactions resulted in an economic gain of $54,667 and $214,875 for the 2010B and 2010C bonds, respectively. The 2010B and 2010C refunding transactions decreased the total debt service payments over the next 14 years by $60,689 and $229,436, respectively.

NOTE 6. LONG-TERM LIABILITIES (CONTINUED)

General Obligation Bonds (Continued)

During 2016, the County issued 2016A general obligation bonds for the purposes of funding the acquisition of fire trucks and such other lawful purposes, as the County Council shall determine. During 2017, the County issued 2017 general obligation bonds for the purpose of improvements to the Brookchase district. During 2019, the County issued 2019 general obligation bonds for the purposes of defraying the cost of capital projects approved in a referendum held in the County on November 4, 2014, as well as to refund the 2009 bonds. The current refunding of the 2009 bonds resulted in a difference between the reacquisition price and the net carrying amount of the old debt of approximately $41,589. The difference reported in the Statement of Net Position as a deferred outflow of resources are being charged to increase expenses through the year 2024 for the 2009 bonds using the straight-line method. The refunding transaction resulted in an economic gain of $85,292 and decreased the total debt service payments over the next 5 years by $86,910.

General obligation bonds currently outstanding are as follows:

Description	Amount Issued	Interest Rate	Final Maturity	Annual Principal Payments	Amount Outstanding
General obligation refunding bonds, taxable series 2010D	$ 3,660,000	2% to 3.5%	2020	$115,000 to $690,000	$ 690,000
General obligation bonds, series 2015A	16,500,000	4% to 5%	2022	$100,000 to $3,600,000	10,295,000
General obligation refunding bonds, series 2015B	1,935,000	3% to 3.25%	2030	$115,000 to $165,000	1,585,000
General obligation refunding bonds, series 2015C	6,110,000	3% to 5%	2025	$120,000 to $1,475,000	5,585,000
General obligation bonds, series 2016A	6,750,000	2% to 5%	2023	$800,000 to $1,335,000	3,775,000
General obligation bonds, series 2017 (Brookchase)	650,000	2.61%	2030	$40,000 to $60,000	563,607
General obligation refunding & improvement bonds, series 2019	19,905,000	5.00%	2039	$595,000 to $890,000	19,905,000
					$ 42,398,607

The annual requirements to amortize all general obligation bonds as of June 30, 2019, including interest payments, are as follows:

Year Ending June 30,	General Obligation Bonds		
	Principal	Interest	Total
2020	$ 8,274,895	$ 1,642,902	$ 9,917,797
2021	6,906,065	1,520,901	8,426,966
2022	7,262,269	1,179,198	8,441,467
2023	3,833,503	829,515	4,663,018
2024	2,984,768	671,698	3,656,466
2025-2029	6,569,018	1,754,469	8,323,487
2030-2034	3,143,089	829,378	3,972,467
2035-2039	3,425,000	314,250	3,739,250
	$ 42,398,607	$ 8,742,311	$ 51,140,918

NOTE 6. LONG-TERM LIABILITIES (CONTINUED)

General Obligation Bonds (Continued)

Debt service funds of $4,450,209 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. In the event of default, the sole remedy of any bondholder or beneficial owner of the bonds shall be an action to compel performance by 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.

Advanced Refunding

On June 1, 2009, the County issued $4,630,000 General Obligation Refunding Bonds, Series 2009. The County issued the bonds to advance refund $525,000 of outstanding General Obligation Bonds, Series 1996, $3,790,000 of outstanding General Obligation Bonds, Series 1999, and to pay certain issuance costs. The proceeds of the Series 2009 were deposited into an irrevocable trust with an escrow agent to provide for all future debt service payments related to the Series 1996 and Series 1999 bonds being refunded. The advance refunding met the requirements of an in-substance defeasance and the refunded bonds were removed from the County's Statement of Net Position.

On December 14, 2010, the County issued $3,660,000 General Obligation Refunding Bonds, Series 2010D. These bonds were issued and the proceeds were used to refund $3,535,000 of outstanding General Obligation Bonds, Series 2001, and to pay certain issuance costs. In connection with the issuance of the bonds, a premium of $46,977 was recorded and is being amortized over the life of the bonds. As of June 30, 2019, the unamortized premium was $1,615.

On May 23, 2019, the County issued $19,905,000 General Obligation Refunding and Improvement Bonds, Series 2019. These bonds were issued and the proceeds were used to refund $1,615,000 of outstanding General Obligation Refunding Bonds, Series 2009, and to pay certain issuance costs. In connection with the issuance of the bonds, a premium of $2,116,323 was recorded and is being amortized over the life of the bonds. As of June 30, 2019, the unamortized premium was $2,116,323.

NOTE 6. LONG-TERM LIABILITIES (CONTINUED)

Advanced Refunding (Continued)

In current and prior years, advance refunding resulted in book losses that are being amortized over the original remaining life of the old bonds that were defeased. The unamortized losses at June 30, 2019 are classified as a deferred outflow of resources on the Statement of Net Position. Amortization of $42,886 has been included in interest expense for the year ended June 30, 2019. As of June 30, 2019, the County's outstanding in-substance defeased general obligation bond debt totaled $3,755,000.

Capital Leases

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

The following is an analysis of equipment leased under capital leases as of June 30, 2019:

Machinery and equipment and construction in progress	$ 2,108,256
Less: accumulated depreciation	(669,188)
	$ 1,439,068

The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at June 30, 2019:

Fiscal Year Ending June 30,	Governmental Funds
2020	$ 1,025,693
2021	50,000
2022	50,000
2023	50,000
2024	50,000
2025-2029	250,000
2030-2033	170,000
Total Minimum Lease Payments	1,645,693
Less: Amount Representing Interest	(43,297)
	$ 1,602,396

NOTE 6. LONG-TERM LIABILITIES (CONTINUED)

Special Source Revenue Bonds

During 2015, the County issued special source revenue bonds in the amount of $7,504,000 to finance the construction of the Keer America Corporation/Affiliates 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 2028 and have an annual interest rate of 4.0%. The revenue bonds contain an event of default that changes the timing of repayment of amounts to become immediately due if the County is unable to make payment.

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

Year Ending June 30,	Special Source Revenue Bonds		
	Principal	Interest	Total
2020	$ 323,592	$ 257,346	$ 580,938
2021	297,764	244,402	542,166
2022	955,577	232,492	1,188,069
2023	911,326	194,269	1,105,595
2024	865,305	157,816	1,023,121
2025-2028	3,080,085	295,395	3,375,480
	$ 6,433,649	$ 1,381,720	$ 7,815,369

Landfill Closure and Post-closure Care Costs

The South Carolina Department of Health and Environmental Control (DHEC) requires landfill operators to provide for inspection and maintenance of the physical characteristics of the site, as well as monitoring and maintenance of the groundwater and gas monitoring systems and the leachate collection and treatment system, for a period of 30 years following the closing. DHEC also requires that operators cover the landfill with a minimum cover of a certain permeability. The County's liability for closure and post-closure care costs is based on landfill capacity used to date. Since the landfill was closed as of June 30, 1995, the County considers it to be at 100% of capacity.

During fiscal year 2019, the County expended $7,139 in landfill closure costs. Remaining post-closure costs are estimated at $1,110,064 and included with the long-term liabilities in the Statement of Net Position. Post closure care costs are reported in the General Fund and are based on engineering estimates that are subject to change due to inflation, deflation, technology and/or applicable laws and regulations.

NOTE 6. LONG-TERM LIABILITIES (CONTINUED)

Conduit Debt Obligations

From time to time, the County has issued Industrial Revenue Bonds to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the County, nor the State of South Carolina, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, these bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2019, there no Industrial Revenue bonds outstanding.

Special Assessment Debt Obligations

In July 2003, the County issued $13,760,000 of special assessment debt. This debt is applicable to the Edgewater Improvement District, which is located in the southern part of the County, and will be used to improve the area's infrastructure. The County is acting only as an agent and is in no manner obligated to repay the special assessment debt. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2019, the outstanding balance on this debt was $3,355,000.

In June 2006, the County issued 2006A and 2006B special assessment debt in the amount of $35,615,000. This debt is applicable to the Edenmoor Improvement District, which is located in the northern part of the County, and will be used to improve the area's infrastructure and to construct a sheriff and EMS substation. In February 2016, the County issued Walnut Creek Improvement District 2016A-1 in the amount of $8,510,000 and the Endemoor Assessment 2016 A Bonds in the amount of $14,365,000. In December 2016, the County issued the Walnut Creek Improvement District 2016A-2 in the amount of $3,380,000. The County is acting only as an agent and is in no manner obligated to repay the special assessment debt. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2019, the outstanding balances on this debt was $11,750,000, $7,660,000, and $3,000,000, respectively.

In March 2006, the County issued $20,000,000 of special assessment debt. This debt is applicable to the Sun City Carolina Lakes Improvement District, which is located in the northern part of the County, and will be used to improve the area's infrastructure and to construct a library branch. In December 2016, the County issued the Sun City Carolina Lakes Refunding Revenue Bonds 2016 in the amount of $14,113,000 to refund the 2006 bonds. The County is acting only as an agent and is in no manner obligated to repay the special assessment debt. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2019, the outstanding balance on this debt was $12,620,000.

NOTE 6. LONG-TERM LIABILITIES (CONTINUED)

Special Assessment Debt Obligations (Continued)

In November 2007, the County issued $28,880,000 of special assessment debt. This debt is applicable to the Edgewater II Improvement District, which is located in the southern part of the County, and will be used to improve the area's infrastructure. The County is acting only as an agent and is in no manner obligated to repay the special assessment debt. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2019, the outstanding balance on this debt was $28,602,500.

NOTE 7. EMPLOYEE BENEFITS

Retirement Plan

Overview:
The South Carolina Public Employee Benefit Authority (PEBA), created July 1, 2012, and governed by an 11-member Board, 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. The Retirement Funding and Administration Act of 2017, which became effective July 1, 2017, increased the employer and employee contribution rates, established a ceiling on the SCRS and PORS employee contribution rates, lowered the assumed rate of return, required a scheduled reduction of the funding periods, and addressed various governance issues including the assignment of the PEBA Board as custodian of the retirement trust funds and assignment of the RSIC and PEBA as co-trustees of 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 a Comprehensive Annual Financial Report (CAFR) containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The CAFR 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 comprehensive annual financial report of the state.

NOTE 7. EMPLOYEE BENEFITS (CONTINUED)

Retirement Plan (Continued)

Plan Description:
The County contributes to the South Carolina Retirement System (SCRS), a cost-sharing multiple-employer defined benefit pension plan that was established effective July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for employees of the state, its public school districts and political subdivisions.

In addition to the SCRS pension plan, the County also contributes to the South Carolina Police Officers Retirement System (PORS), a cost-sharing multiple-employer defined benefit pension plan that was established effective July 1, 1962, pursuant to the provisions of Section 9-11-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for police officers and firemen of the state and its political subdivisions.

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

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

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

NOTE 7. EMPLOYEE BENEFITS (CONTINUED)

Retirement Plan (Continued)

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 below.

South Carolina 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 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 8 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.

NOTE 7. EMPLOYEE BENEFITS (CONTINUED)

Retirement Plan (Continued)

Contributions:
Contributions are prescribed in Title 9 of the South Carolina Code of Laws. If the scheduled employee and employer contributions provided in statute, or the rates last adopted by the board, are insufficient to maintain the amortization period set in statute, the board shall increase employer contribution rates as necessary.

After June 30, 2027, 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 eighty-five 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 eighty-five 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 eighty-five 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 eighty-five percent.

The Retirement System Funding and Administration Act establishes a ceiling on employee contribution rates at 9 percent and 9.75 percent for SCRS and PORS, respectively. The employer contribution rates will continue to increase annually by 1 percent through July 1, 2022. The legislation's ultimate scheduled employer rate is 18.56 percent for SCRS and 21.24 percent for PORS. The amortization period is scheduled to be reduced one year for each of the next ten years to a twenty year amortization period. For the year ended June 30, 2019, the County contributed $2,156,017 to the SCRS plan and $1,681,015 to the PORS plan.

NOTE 7. EMPLOYEE BENEFITS (CONTINUED)

Retirement Plan (Continued)

Contributions (Continued):
Required employee contribution rates for the year ended June 30, 2019, 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, 2019, are as follows:

South Carolina Retirement System	
Employee Class Two	14.41% of earnable compensation
Employee Class Three	14.41% of earnable compensation
Employer incidental death benefit	0.15% of earnable compensation
South Carolina Police Officers Retirement System	
Employee Class Two	16.84% of earnable compensation
Employee Class Three	16.84% of earnable compensation
Employer incidental death benefit	0.20% of earnable compensation
Employer accidental death program	0.20% of earnable compensation

Net Pension Liability:
The June 30, 2018, (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, 2017, actuarial valuations, as adopted by the PEBA Board and Budget and Control Board, which utilized membership data as of July 1, 2017. The total pension liability was rolled-forward from the valuation date to the plan's fiscal year ended June 30, 2018, using generally accepted actuarial principles. Information included in the following schedules is based on the certification provided by GRS.

NOTE 7. EMPLOYEE BENEFITS (CONTINUED)

Retirement Plan (Continued)

Net Pension Liability (Continued):
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, 2019 (measurement date of June 30, 2018), 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	$ 65,387,431	$ 35,377,760	$ 30,009,671	54.1%	0.133931%
PORS	$ 48,632,254	$ 30,020,401	$ 18,611,853	61.7%	0.656840%

Actuarial Assumptions and Methods:
Actuarial valuations 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 during the valuation process 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. The last experience study was performed on data through June 30, 2015, and the next experience study is scheduled to be conducted after the June 30, 2020, annual valuation is complete.

NOTE 7. EMPLOYEE BENEFITS (CONTINUED)

Retirement Plan (Continued)

Actuarial Assumptions and Methods (Continued):
The following table provides a summary of the actuarial assumptions and methods used in the July 1, 2017 valuations for SCRS and PORS.

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

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

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

The long-term expected rate of return on pension plan investments for actuarial purposes is based upon the 30-year capital market assumptions. The actuarial long-term expected rates of return represent assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market based inputs. Expected returns are net of investment fees. The expected real rates of investment return, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2018 fiscal year of the Systems. For actuarial purposes, the long-term expected rate of return is calculated by weighting the expected future real rates of return by the target allocation percentage and then adding the actuarial expected inflation, which is summarized in the table on the following page.

NOTE 7. EMPLOYEE BENEFITS (CONTINUED)

Retirement Plan (Continued)

Actuarial Assumptions and Methods (Continued):
For actuarial purposes, the 7.25 percent assumed annual investment rate of return used in the calculation of the total pension liability includes a 5.00 percent real rate of return and a 2.25 percent inflation component.

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Long-Term Expected Portfolio Real Rate of Return
Global Equity	**47.0%**		
Global Public Equity	33.0%	6.99%	2.31%
Private Equity	9.0%	8.73%	0.79%
Equity Options Strategies	5.0%	5.52%	0.28%
Real Assets	**10.0%**		
Real Estate (Private)	6.0%	3.54%	0.21%
Real Estate (REITs)	2.0%	5.46%	0.11%
Infrastructure	2.0%	5.09%	0.10%
Opportunistic	**13.0%**		
GTAA/Risk Parity	8.0%	3.75%	0.30%
Hedge Funds (non-PA)	2.0%	3.45%	0.07%
Other Opportunistic Strategies	3.0%	3.75%	0.11%
Diversified Credit	**18.0%**		
Mixed Credit	6.0%	3.05%	0.18%
Emerging Markets Debt	5.0%	3.94%	0.20%
Private Debt	7.0%	3.89%	0.27%
Conservative Fixed Income	**12.0%**		
Core Fixed Income	10.0%	0.94%	0.09%
Cash and Short Duration (Net)	2.0%	0.34%	0.01%
	100.0%		
	Total expected real return		5.03%
	Inflation for actuarial purposes		2.25%
	Total expected nominal return		7.28%

NOTE 7. EMPLOYEE BENEFITS (CONTINUED)

Retirement Plan (Continued)

Discount Rate:
The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina State Code of Laws. Based on those assumptions, the County's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The following table presents the sensitivity of the net pension liabilities to changes in the discount rate.

Sensitivity of the Net Position Liability to Changes in the Discount Rate

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
SCRS	$ 38,346,785	$ 30,009,671	$ 24,049,431
PORS	$ 25,091,086	$ 18,611,853	$ 13,304,793

Pension Expense:

For the year ended June 30, 2019, the County recognized its proportionate share of collective pension expense of $2,921,394 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 $980,517 for a total of $3,901,911 for the SCRS plan. Additionally, for the year ended June 30, 2019, the County recognized its proportionate share of collective pension expense of $2,431,347 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 $303,218 for a total of $2,734,565 for the PORS plan.

NOTE 7. EMPLOYEE BENEFITS (CONTINUED)

Retirement Plan (Continued)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:
At June 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to the SCRS and PORS pension plans, respectively, from the following sources:

SCRS	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 54,171	$ 176,599
Changes of assumptions	1,190,616	-
Net difference between projected and actual earnings on pension plan investments	476,704	-
Changes in proportionate share and differences between employer contributions and proportionate share of total plan employer contributions	1,047,839	159,163
Employer contributions subsequent to the measurement date	2,156,017	-
Total	$ 4,925,347	$ 335,762

PORS	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 573,461	$ -
Changes of assumptions	1,227,170	-
Net difference between projected and actual earnings on pension plan investments	372,192	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	669,442	-
Employer contributions subsequent to the measurement date	1,681,015	-
Total	$ 4,523,280	$ -

NOTE 7. EMPLOYEE BENEFITS (CONTINUED)

Retirement Plan (Continued)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued):
County contributions subsequent to the measurement date of $2,156,017 and $1,681,015 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, 2020. 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
2020	$ 1,876,720	$ 1,442,340
2021	845,715	1,039,177
2022	(246,664)	299,342
2023	(42,203)	61,406

Pension Plan Fiduciary Net Position:
Detailed information regarding the fiduciary net position of the plans administered by PEBA is available in the separately issued CAFR containing financial statements and required supplementary information for SCRS and PORS. The CAFR 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 as well as the 401(k) plan and 401(k) Roth plan which are also available to County employees at their option.

NOTE 7. EMPLOYEE BENEFITS (CONTINUED)

Other Post-Employment Healthcare Benefits (OPEB)

Plan Description. In addition to providing pension benefits through the South Carolina Retirement System, the County, authorized by its County Council, participates in a single employer plan to provide certain healthcare benefits for employees who retire from service or who terminate with at least 20 years of service who meet one or more of the eligibility requirements, such as age, length of service, and hire date. Generally, those who retire must have at least 10 years of retirement service credit under the South Carolina Retirement System to qualify for benefits. Benefits are effective at date of retirement or when the employee is eligible for retirement benefits.

Plan Membership. The Plan has 576 covered members for the year ended June 30, 2019; 85 members are retirees receiving benefits and 491 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, 2019, the County paid $192,635 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 Lancaster 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.

Total OPEB Liability. Effective July 1, 2017, the County implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,* which significantly changed the County's accounting for OPEB amounts. The information disclosed below and on the following page is presented in accordance with this new standard.

The County's total OPEB liability was measured as of June 30, 2018, and was determined by an actuarial valuation as of June 30, 2018, with the actuary using standard techniques to roll forward the liability to the measurement date.

NOTE 7. EMPLOYEE BENEFITS (CONTINUED)

Other Post-Employment Healthcare Benefits (OPEB) (Continued)

Actuarial assumptions. The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount rate:	3.62% as of June 30, 2018
Healthcare cost trend rate:	6.40% - 4.15%, Ultimate Trend after 15 years
Inflation rate:	2.25%
Salary increase:	3.50% - 9.50% for PORS eligible employees and 3.00% - 7.00% for SCRS eligible employees per annum
Participation rate:	40.00% of all eligible employees and 25% for dental only coverage

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

Discount rate. The discount rate used to measure the total OPEB liability was 3.62% as of June 30, 2018. 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 3.62% as determined by the Bond Buyer 20-Bond GO Index Rate as of June 30, 2018.

Changes in the Total OPEB Liability. The changes in the total OPEB liability of the County for the years ended June 30, 2019, were as follows:

	Total OPEB Liability
Balances beginning of year	**$ 3,626,458**
Changes for the year:	
Service cost	**176,708**
Interest	**128,818**
Difference between actual and expected experience	**96,201**
Assumption changes	**(31,998)**
Benefit pyaments and implicit subsidy	**(192,635)**
Net changes	**177,094**
Balances end of year	**$ 3,803,552**

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.

NOTE 7. EMPLOYEE BENEFITS (CONTINUED)

Other Post-Employment Healthcare Benefits (OPEB) (Continued)

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, 2019 (June 30, 2018 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 (2.62%) or 1-percentage-point higher (4.62%) than the current discount rate:

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

1% Decrease (2.62%)	Current Discount Rate (3.62%)	1% Increase (4.62%)
$ 4,230,344	$ 3,803,552	$ 3,442,614

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, 2019 (June 30, 2018 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 (5.40% decreasing to 3.15%) or 1-percentage-point higher (7.40% decreasing to 5.15%) than the current healthcare cost trend rates:

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

1% Decrease (5.40% decreasing to 3.15%)	Current Healthcare Cost Trend Rates (6.40% decreasing to 4.15%)	1% Increase (7.40% decreasing to 5.15%)
$ 3,434,206	$ 3,803,552	$ 4,275,644

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, 2019, and the current sharing pattern of costs between employer and inactive employees.

NOTE 7. EMPLOYEE BENEFITS (CONTINUED)

Other Post-Employment Healthcare Benefits (OPEB) (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended June 30, 2019 the County recognized OPEB expense as follows:

Description		
Service cost (annual cost of current service)	$	176,708
Interest on the total OPEB liability		128,818
Recognition of current year amortization - difference between expected and actual experience & assumption changes		7,492
Recognition of prior year amortization - difference between expected and actual experience & assumption changes		(26,524)
Total aggregate OPEB expense	$	286,494

At June 30, 2019, the County reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 84,975	$ 17,250
Changes of assumptions	-	187,607
Employer contributions subsequent to the measurement date	226,649	-
Total	$ 311,624	$ 204,857

County contributions subsequent to the measurement date of $226,649 are deferred outflows of resources and will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2020. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Retiree Health Insurance Plan		
Year ended June 30:		
2020	$	(19,032)
2021		(19,032)
2022		(19,032)
2023		(19,032)
2024		(19,032)
Thereafter		(24,722)

NOTE 8. RISK MANAGEMENT

The County participates in a self-funded program, the South Carolina Counties Workers' Compensation Trust, to provide workers' compensation insurance through the South Carolina Association of Counties. 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.

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 South Carolina Counties Property and Liability Trust. In addition, the County carries employee health and accident insurance through the South Carolina Office of Insurance Services. This South Carolina state health plan represents various South Carolina governmental entities joined together in a public entity risk pool. The County pays premiums to the Trust for its employee health and accident insurance. The agreement for formation of the Trust provides that the Trust will be self-sustaining through member premiums and will reinsure through commercial companies for each insured event.

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.

NOTE 9. INTERFUND ASSETS AND LIABILITIES

Interfund receivable and payable balances at June 30, 2019, were as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Airport Fund	$ 163,680
General Fund	Bond Projects Fund	150,384
General Fund	Nonmajor Governmental Fund	302,452
Capital Project Sales Tax 2 Fund	General Fund	20,377,951
Nonmajor Governmental Funds	General Fund	10,989,634
		$ 31,984,101

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.

NOTE 9. INTERFUND ASSETS AND LIABILITIES (CONTINUED)

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. Total transfers during the year ended June 30, 2019, consisted of the following individual amounts:

Transfer In Fund	Transfer Out Fund	Amount
General Fund	Nonmajor Governmental Funds	$ 31,870
Bond Projects Fund	Debt Service	3,301
Debt Service	Capital Projects Sales Tax 2 Fund	3,768,550
Debt Service	Bond Projects Fund	1,824,766
Airport Fund	General Fund	151,901
		$ 5,780,388

Transfers are used to (1) move revenues from the fund that the statute or budget requires to collect them to the fund that the statute or budget requires to expend them and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 10. COMMITMENTS AND 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, 2019, 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.

Construction commitments at June 30, 2019, totaled approximately $3,292,133.

NOTE 11. 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.

NOTE 12. TAX ABATEMENT PROGRAM

As of June 30, 2019, the County provides tax abatements through one program – the Economic Development Program.

The County, acting through its County Council, is authorized and empowered under and pursuant to the provisions of Chapter 44 of Title 12, Code of Laws of South Carolina 1976, as amended, to enter into agreements with 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.

Abatements are obtained through the program by application by a sponsor to County Council prior to commencing the improvements and are subject to approval by County Council by passage of an ordinance. Eligible abatement agreements are subject to a minimum investment as outlined in each individual agreement. The Code of Laws of South Carolina provides for a recapture of fees upon termination of approved agreements that did not meet the minimum investment criteria in the time frame provided for in each agreement. 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 4%; (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.

No other commitments were made by the County as part of the agreements.

Taxes abated as a result of the agreements under the Economic Development Program totaled $5,166,941 for the year ended June 30, 2019.

REQUIRED SUPPLEMENTARY INFORMATION

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LANCASTER COUNTY, SOUTH CAROLINA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL GENERAL FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES:				
Property taxes	$ 34,496,266	$ 34,496,266	$ 37,751,878	$ 3,255,612
Other local taxes	2,375,473	2,375,473	2,487,225	111,752
Licenses and permits	4,616,738	4,616,738	6,912,416	2,295,678
Intergovernmental	4,415,038	4,766,628	5,003,978	237,350
Charges for services	4,317,849	4,317,849	4,438,960	121,111
Fines and forfeitures	875,250	875,250	974,883	99,633
Interest revenue	150,500	150,500	766,951	616,451
Contributions and donations	53,000	53,000	422,631	369,631
Other revenues	84,000	84,000	207,784	123,784
Budgeted fund balance	2,824,679	4,022,934	-	(4,022,934)
Total revenues	54,208,793	55,758,638	58,966,706	3,208,068
EXPENDITURES:				
Current:				
General government:				
Non-departmental expenditures	1,675,511	1,675,511	1,483,440	192,071
Direct assistance to other agencies	1,152,810	1,152,810	1,148,968	3,842
County council	1,208,756	2,235,556	1,580,427	655,129
Administrator	816,734	816,734	517,132	299,602
Legal team	253,025	253,025	294,913	(41,888)
Finance	516,905	516,905	496,992	19,913
Human resources	509,555	509,555	493,673	15,882
Risk management	104,460	104,460	105,539	(1,079)
Management information services	1,111,520	1,221,520	1,153,406	68,114
GIS	208,720	208,720	130,505	78,215
Building	1,001,425	1,001,425	842,470	158,955
Zoning	454,880	454,880	395,531	59,349
Planning	635,676	635,676	469,588	166,088
Assessor	874,645	874,645	836,699	37,946
Auditor	314,585	314,585	283,442	31,143
Treasurer	421,810	421,810	418,102	3,708
Delinquent tax collector	346,475	346,475	307,187	39,288
Voter registration and elections	335,235	335,235	298,165	37,070
Register of deeds	354,420	354,420	330,880	23,540
Procurement	199,430	199,430	188,541	10,889
Vehicle maintenance	627,970	627,970	675,418	(47,448)
Building maintenance	1,987,377	1,987,377	1,847,314	140,063
Total general government	15,111,924	16,248,724	14,298,332	1,950,392
Administration of justice:				
Circuit court	85,425	85,425	53,258	32,167
Clerk of court	356,970	356,970	351,269	5,701
Family court	395,997	395,997	353,300	42,697
Probate court	471,108	471,108	443,202	27,906
Magistrate court	940,085	940,085	956,212	(16,127)
Total administration of justice	2,249,585	2,249,585	2,157,241	92,344
Public safety:				
Coroner	481,000	481,000	591,044	(110,044)
Sheriff	9,307,795	9,720,840	9,539,290	181,550
Detention center	2,634,245	2,634,245	2,576,440	57,805
Communications	2,306,820	2,306,820	2,071,799	235,021
Emergency management	368,115	368,115	320,054	48,061
Fire commission	2,800,744	2,800,744	2,848,586	(47,842)
Total public safety	17,898,719	18,311,764	17,947,213	364,551

(Continued)

LANCASTER COUNTY, SOUTH CAROLINA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL GENERAL FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
EXPENDITURES: (CONTINUED)				
Current: (Continued)				
Public works:				
Roads and bridges	$ 3,178,741	$ 3,178,741	$ 2,603,204	$ 575,537
Landfill	56,398	56,398	7,137	49,261
Solid waste	2,772,817	2,772,817	2,868,684	(95,867)
Total public works	6,007,956	6,007,956	5,479,025	528,931
Public health and welfare:				
EMS	7,756,515	7,756,515	6,910,676	845,839
Animal control	305,440	305,440	309,611	(4,171)
Health services	82,940	82,940	78,703	4,237
Social services and food stamps	66,210	66,210	52,766	13,444
DSS Family Independence	58,330	58,330	62,367	(4,037)
Veteran affairs	201,233	201,233	204,204	(2,971)
Total public health and welfare	8,470,668	8,470,668	7,618,327	852,341
Culture and recreation:				
Recreation	2,419,716	2,419,716	2,463,256	(43,540)
Library	1,228,845	1,228,845	1,208,457	20,388
Total culture and recreation	3,648,561	3,648,561	3,671,713	(23,152)
Economic development:				
Economic development	444,595	444,595	417,582	27,013
Debt service:				
Principal	182,807	182,807	177,486	5,321
Interest and other charges	49,763	49,763	49,763	-
Total debt service	232,570	232,570	227,249	5,321
Total expenditures	54,064,578	55,614,423	51,816,682	3,797,741
Excess of revenues over expenditures	144,215	144,215	7,150,024	7,005,809
OTHER FINANCING SOURCES (USES)				
Transfers in	30,835	30,835	31,870	1,035
Transfers out	(175,050)	(175,050)	(151,901)	23,149
Proceeds from the sale of capital assets	-	-	24,600	24,600
Total other financing (uses), net	(144,215)	(144,215)	(95,431)	48,784
Net change in fund balances	$ -	$ -	7,054,593	$ 7,054,593
Fund balances, beginning of year			32,520,600	
Fund balances, end of year			$ 39,575,193	

LANCASTER COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY
AND RELATED RATIOS

	2019	2018
Total OPEB liability		
Service cost	$ 176,708	$ 168,154
Interest on total OPEB liability	128,818	109,436
Assumption changes	(31,998)	(207,209)
Difference between actual and expected experience	96,201	(22,432)
Benefit payments and implicit subsidy	(192,635)	(170,414)
Net change in total OPEB liability	177,094	(122,465)
Total OPEB liability - beginning	3,626,458	3,748,923
Total OPEB liability - ending	$ 3,803,552	$ 3,626,458
Covered-employee payroll	$ 20,344,803	$ 19,252,683
Total OPEB liability as a percentage of covered-employee payroll	18.70%	18.84%

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

The County is not accumulating assets in a trust funds 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 assumptions used in the preparation of the above schedule are disclosed in Note 7 to the financial statements.

LANCASTER COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR 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
2018	0.133931%	$ 30,009,671	$ 13,873,171	216.3%	54.1%
2017	0.132064%	29,729,731	13,176,119	225.6%	53.3%
2016	0.133662%	28,550,007	12,068,466	236.6%	52.9%
2015	0.119621%	22,686,700	10,331,540	219.6%	57.0%
2014	0.112016%	19,285,442	8,328,188	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
2018	0.65684%	$ 18,611,853	$ 9,065,769	205.3%	61.7%
2017	0.63696%	17,449,878	8,363,722	208.6%	60.9%
2016	0.63075%	15,998,839	7,070,498	226.3%	60.4%
2015	0.60504%	13,186,911	6,953,011	189.7%	64.6%
2014	0.59357%	11,363,505	6,132,698	185.3%	67.5%

The above schedules will present 10 years of information once it is accumulated.
The assumptions used in the preparation of the above schedules are disclosed in Note 7 to the financial statements.

LANCASTER COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
FOR THE YEAR 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
2019	$ 2,156,017	$ 2,156,017	-	$ 14,807,814	14.56%
2018	1,881,203	1,881,203	-	13,873,171	13.56%
2017	1,519,493	1,519,493	-	13,176,119	11.53%
2016	1,411,809	1,411,809	-	12,068,466	11.70%
2015	1,211,053	1,211,053	-	10,331,540	11.72%

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
2019	$ 1,681,015	$ 1,681,015	-	$ 9,750,660	17.24%
2018	1,472,281	1,472,281	-	9,065,769	16.24%
2017	1,205,246	1,205,246	-	8,363,722	14.41%
2016	1,069,368	1,069,368	-	7,070,498	15.12%
2015	1,005,716	1,005,716	-	6,953,011	14.46%

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, 2016	July 1, 2016
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	30 years variable, but not to exceed 30 years	30 years variable, but not to exceed 30 years
Investment return	7.50%	7.50%
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. Males 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. Males rates multiplied by 125% and female rates are multiplied by 111%.

COMBINING STATEMENTS AND SCHEDULES

LANCASTER 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 **Local Accommodations Tax Fund** accounts for the local accommodations tax funds that are used to promote tourism in the County.

The **Indian Land Fire Protection District Fund** accounts for the revenues that are collected for use in the Indian Land Fire Special Tax Districts for fire protection. An annual fee is levied per each residential unit that is serviced by the fire department.

The **E-911 Fund** accounts for fees levied through telephone bills to support the emergency 911 system. Funds are restricted for improvements and expansion of the County's emergency 911 system.

The **Pleasant Valley Fire District Fund** accounts for the revenues that are collected for use in the Pleasant Valley Fire Special Tax Districts for fire protection.

The **Court Mandated Security Fund** accounts for the revenues that are collected to pay for court security expenditures for the Lancaster County court system.

The **Victim Services Fund** accounts for funds collected through the courts that are restricted to pay for victim services.

The **Transportation Fund** accounts for State "C" fund revenues that are used for road improvements in the County of Lancaster.

The **Sunday Alcohol Sales Fund** accounts for revenues that are used for specific purposes as outlined by state law.

The **Restricted Grants Fund** accounts for the intergovernmental funds received from the state and federal governments for various grants. This fund is also used to account for private contributions for various grants. The funds received are restricted for projects as outlined in each grant award.

The **Economic Development Fund** accounts for fee-in-lieu of tax revenues that are collected to pay for the promotion of economic development activities in the County.

The **Development Agreements Fund** accounts for the revenues collected through development agreements that are restricted for specific purposes as outlined in the individual development agreements.

The **Hospitality Tax Fund** accounts for the revenues collected as a percentage of sales for restaurants in the County used for improvement of tourism related services and facilities.

SPECIAL REVENUE FUNDS (CONTINUED)

The **State Accommodations Tax Fund** accounts for the revenues collected through South Carolina Accommodations Tax Act and be used for advertising and promotion of tourism and related expenditures.

The **Stormwater Fund** accounts for the revenues collected through a stormwater fee billed and be used for as a percentage of sales for restaurants in the County used for all stormwater activities in the panhandle SMS4 service area.

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 **Keer Special Sources Fund** accounts for the capital projects funded with special assessment debt that is restricted for improvements to the area's infrastructure.

The **Brookchase Special Tax District Fund** accounts for the fees levied in the district. These funds are restricted to fund improvements to the area's infrastructure.

The **Capital Improvement Fund** accounts for the capital projects and capital equipment replacement of the various County departments. Property taxes are levied specifically for this purpose.

The **Edgewater Improvement District Fund** accounts for the capital projects funded with special assessment debt that is restricted for improvements to the area's infrastructure.

The **Edgewater II Improvement District Fund** accounts for the capital projects funded with special assessment debt that is restricted for improvements to the area's infrastructure.

The **Sun City Special Assessments Fund** accounts for the capital projects funded with special assessment debt that is restricted for improvements to the area's infrastructure and a public library construction.

LANCASTER COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2019

	Special Revenue Funds	Capital Projects Funds	Totals
ASSETS			
Cash and cash equivalents	$ 4,789	$ -	$ 4,789
Investments	-	824	824
Taxes receivable, net	99,544	129,446	228,990
Accounts receivable, net	182,088	56,505	238,593
Due from other governments	538,162	-	538,162
Due from other funds	9,243,224	1,746,410	10,989,634
Total assets	$ 10,067,807	$ 1,933,185	$ 12,000,992
LIABILITIES			
Accounts payable	$ 62,785	$ 11,315	$ 74,100
Due to other funds	302,452	-	302,452
Unearned revenues	10,101	-	10,101
Total liabilities	375,338	11,315	386,653
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	94,840	123,102	217,942
Unavailable revenue - intergovernmental	81,212	-	81,212
Total deferred inflows of resources	176,052	123,102	299,154
FUND BALANCES			
Restricted for:			
Public safety	3,855,337	-	3,855,337
Public works	924,109	-	924,109
Culture and recreation	285,768	-	285,768
Economic development	2,154,928	-	2,154,928
Roads and bridges	551,776	-	551,776
Capital projects	-	1,021,420	1,021,420
Assigned:			
Subsequent year's budget	1,853,908	777,348	2,631,256
Unassigned	(109,409)	-	(109,409)
Total fund balances	9,516,417	1,798,768	11,315,185
Total liabilities, deferred inflows of resources, and fund balances	$ 10,067,807	$ 1,933,185	$ 12,000,992

LANCASTER COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Special Revenue Funds	Capital Projects Funds	Totals
Revenues:			
Property taxes	$ 1,552,825	$ 2,359,915	$ 3,912,740
Other taxes	1,982,814	-	1,982,814
Intergovernmental	4,213,454	-	4,213,454
Charges for services	2,676,225	62,213	2,738,438
Fines and forfeitures	70,385	-	70,385
Interest revenue	6,008	106	6,114
Contributions and donations	104,300	-	104,300
Other revenues	76	56,417	56,493
Total revenues	10,606,087	2,478,651	13,084,738
Expenditures:			
Current:			
General government	623,935	-	623,935
Administration of justice	11,491	-	11,491
Public safety	4,484,460	-	4,484,460
Public works	2,200,222	-	2,200,222
Public health and welfare	11,787	-	11,787
Culture and recreation	165,277	-	165,277
Economic development	777,590	-	777,590
Capital outlay	-	1,199,551	1,199,551
Debt service:			
Principal	166,601	359,943	526,544
Interest	52,485	15,852	68,337
Fees	806	-	806
Total expenditures	8,494,654	1,575,346	10,070,000
Excess of revenues over expenditures	2,111,433	903,305	3,014,738
Other financing uses:			
Transfers out	(31,870)	-	(31,870)
Total other financing uses	(31,870)	-	(31,870)
Net change in fund balances	2,079,563	903,305	2,982,868
Fund balances, beginning of year	7,436,854	895,463	8,332,317
Fund balances, end of year	$ 9,516,417	$ 1,798,768	$ 11,315,185

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LANCASTER COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2019

	Local Accommodations Tax Fund	Indian Land Fire Protection District Fund	E-911 Fund	Pleasant Valley Fire District Fund	Court Mandated Security Fund	Victim Services Fund
ASSETS						
Cash and cash equivalents	$ -	$ -	$ -	$ -	$ -	$ 4,679
Taxes receivable, net	-	-	-	-	99,544	-
Accounts receivable, net	15,587	-	26,237	-	67	-
Due from other governments	-	-	105,385	-	-	-
Due from other funds	270,181	652,985	1,279,278	764,486	1,083,936	-
Total assets	$ 285,768	$ 652,985	$ 1,410,900	$ 764,486	$ 1,183,547	$ 4,679
LIABILITIES						
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -
Due to other funds	-	-	-	-	-	32,965
Unearned revenues	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	32,965
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	-	-	-	-	94,840	-
Unavailable revenue - intergovernmental	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	94,840	-
FUND BALANCES (DEFICITS)						
Restricted for:						
Victim services	-	-	-	-	-	
Public safety	-	652,985	1,272,524	764,486	1,069,441	-
Public works	-	-	-	-	-	-
Culture and recreation	285,768	-	-	-	-	-
Economic development	-	-	-	-	-	-
Roads and bridges	-	-	-	-	-	-
Assigned:						
Subsequent year's budget	-	-	138,376	-	19,266	-
Unassigned	-	-	-	-	-	(28,286)
Total fund balances (deficits)	285,768	652,985	1,410,900	764,486	1,088,707	(28,286)
Total liabilities, deferred inflows of resources, and fund balances	$ 285,768	$ 652,985	$ 1,410,900	$ 764,486	$ 1,183,547	$ 4,679

(Continued)

Transportation Fund	Sunday Alcohol Sales Fund	Restricted Grants Fund	Economic Development Fund	Development Agreements Fund	Hospitality Tax Fund
$ -	$ -	$ 110	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	139,616
135,210	18,000	279,567	-	-	-
514,641	77,901	-	60,177	1,326,357	1,957,409
$ 649,851	$ 95,901	$ 279,677	$ 60,177	$ 1,326,357	$ 2,097,025
$ 27,767	$ -	$ -	$ -	$ -	$ 35,018
-	-	269,487	-	-	-
-	-	10,101	-	-	-
27,767	-	279,588	-	-	35,018
-	-	-	-	-	-
-	-	81,212	-	-	-
-	-	81,212	-	-	-
-	-	-	-	-	-
-	95,901	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	60,177	-	2,004,266
551,776	-	-	-	-	-
70,308	-	-	-	1,326,357	57,741
-	-	(81,123)	-	-	-
622,084	95,901	(81,123)	60,177	1,326,357	2,062,007
$ 649,851	$ 95,901	$ 279,677	$ 60,177	$ 1,326,357	$ 2,097,025

LANCASTER COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2019

	State Accommodations Tax Fund	Stormwater Fund	Totals
ASSETS			
Cash and cash equivalents	$ -	$ -	$ 4,789
Taxes receivable, net	-	-	99,544
Accounts receivable, net	-	581	182,088
Due from other governments	-	-	538,162
Due from other funds	292,035	963,838	9,243,224
Total assets	$ 292,035	$ 964,419	$ 10,067,807
LIABILITIES			
Accounts payable	$ -	$ -	$ 62,785
Due to other funds	-	-	302,452
Unearned revenues	-	-	10,101
Total liabilities	-	-	375,338
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	-	-	94,840
Unavailable revenue - intergovernmental	-	-	81,212
Total deferred inflows of resources	-	-	176,052
FUND BALANCES (DEFICITS)			
Restricted for:			
Public safety	-	-	3,855,337
Public works		924,109	924,109
Culture and recreation	-	-	285,768
Economic development	90,485	-	2,154,928
Roads and bridges	-	-	551,776
Assigned:			
Subsequent year's budget	201,550	40,310	1,853,908
Unassigned	-	-	(109,409)
Total fund balances (deficits)	292,035	964,419	9,516,417
Total liabilities, deferred inflows of resources, and fund balances	$ 292,035	$ 964,419	$ 10,067,807

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LANCASTER COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR SPECIAL REVENUE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Local Accommodations Tax Fund	Indian Land Fire Protection District Fund	E-911 Fund	Pleasant Valley Fire District Fund	Court Mandated Security Fund	Victim Services Fund
Revenues:						
Property taxes	$ -	$ -	$ -	$ -	$ 1,513,340	$ -
Other taxes	149,626	-	326,666	-	-	-
Intergovernmental	-	-	357,882	-	-	-
Charges for services	-	778,635	-	636,930	-	-
Fines and forfeitures	-	2,912	-	2,549	-	58,098
Interest revenue	214	637	1,303	766	-	-
Contributions and donations	-	300	-	-	-	-
Other revenues	-	-	-	-	-	-
Total revenues	149,840	782,484	685,851	640,245	1,513,340	58,098
Expenditures:						
Current:						
General government	-	-	-	-	-	-
Administration of justice	-	-	-	-	-	-
Public safety	-	598,342	624,958	405,366	1,303,193	89,754
Public works	-	-	-	-	-	-
Public health and welfare	-	-	-	-	-	-
Culture and recreation	43,752	-	-	-	-	-
Economic development	-	-	-	-	-	-
Debt service:						
Principal	-	46,601	-	120,000	-	-
Interest	-	722	-	51,763	-	-
Fees	-	-	-	806	-	-
Total expenditures	43,752	645,665	624,958	577,935	1,303,193	89,754
Excess (deficiency) of revenues over (under) expenditures	106,088	136,819	60,893	62,310	210,147	(31,656)
Other financing uses:						
Transfers out	-	-	-	-	-	-
Total other financing uses	-	-	-	-	-	-
Net change in fund balances	106,088	136,819	60,893	62,310	210,147	(31,656)
Fund balances (deficits), beginning of year	179,680	516,166	1,350,007	702,176	878,560	3,370
Fund balances (deficits), end of year	$ 285,768	$ 652,985	$ 1,410,900	$ 764,486	$ 1,088,707	$ (28,286)

(Continued)

Transportation Fund	Sunday Alcohol Sales Fund	Restricted Grants Fund	Economic Development Fund	Development Agreements Fund	Hospitality Tax Fund
$ -	$ -	$ -	$ 39,485	$ -	$ -
-	-	-	-	-	1,506,522
1,684,005	28,350	1,980,810	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
458	-	-	-	-	1,636
-	9,000	95,000	-	-	-
-	76	-	-	-	-
1,684,463	37,426	2,075,810	39,485	-	1,508,158
-	-	52,498	-	-	571,437
-	-	11,491	-	-	-
-	16,000	1,065,565	-	381,282	-
1,319,410	-	48,302	-	-	-
-	-	11,787	-	-	-
-	-	9,853	-	-	-
-	-	777,590	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,319,410	16,000	1,977,086	-	381,282	571,437
365,053	21,426	98,724	39,485	(381,282)	936,721
-	-	-	-	-	-
-	-	-	-	-	-
365,053	21,426	98,724	39,485	(381,282)	936,721
257,031	74,475	(179,847)	20,692	1,707,639	1,125,286
$ 622,084	$ 95,901	$ (81,123)	$ 60,177	$ 1,326,357	$ 2,062,007

LANCASTER COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR SPECIAL REVENUE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	State Accommodations Tax Fund	Stormwater Fund	Totals
Revenues:			
Property taxes	$ -	$ -	$ 1,552,825
Other taxes	-	-	1,982,814
Intergovernmental	162,407	-	4,213,454
Charges for services	-	1,260,660	2,676,225
Fines and forfeitures	-	6,826	70,385
Interest revenue	151	843	6,008
Contributions and donations	-	-	104,300
Other revenues	-	-	76
Total revenues	162,558	1,268,329	10,606,087
Expenditures:			
Current:			
General government	-	-	623,935
Administration of justice	-	-	11,491
Public safety	-	-	4,484,460
Public works	-	832,510	2,200,222
Public health and welfare	-	-	11,787
Culture and recreation	111,672	-	165,277
Economic development	-	-	777,590
Debt service:			
Principal	-	-	166,601
Interest	-	-	52,485
Fees	-	-	806
Total expenditures	111,672	832,510	8,494,654
Excess (deficiency) of revenues over (under) expenditures	50,886	435,819	2,111,433
Other financing uses:			
Transfers out	(31,870)	-	(31,870)
Total other financing uses	(31,870)	-	(31,870)
Net change in fund balances	19,016	435,819	2,079,563
Fund balances (deficit), beginning of year	273,019	528,600	7,436,854
Fund balances (deficits), end of year	$ 292,035	$ 964,419	$ 9,516,417

LANCASTER COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2019

	KEER Special Sources Fund	Brookchase Special Tax District Fund	Capital Improvement Fund	Edgewater Improvement District Fund	Edgewater II Improvement District Fund	Totals
ASSETS						
Investments	$ -	$ -	$ -	$ -	$ 824	$ 824
Taxes receivable, net	-	-	129,446	-	-	129,446
Accounts receivable, net	-	-	56,505	-	-	56,505
Due from other funds	-	88,597	1,646,498	11,315	-	1,746,410
Total assets	$ -	$ 88,597	$ 1,832,449	$ 11,315	$ 824	$ 1,933,185
LIABILITIES						
Accounts payable	$ -	$ -	$ -	$ 11,315	$ -	$ 11,315
Total liabilities	-	-	-	11,315	-	11,315
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	-	-	123,102	-	-	123,102
Total deferred inflows of resources	-	-	123,102	-	-	123,102
FUND BALANCES (DEFICIT)						
Restricted for:						
Capital projects	-	88,597	931,999	-	824	1,021,420
Assigned:						
Subsequent year's budget	-	-	777,348	-	-	777,348
Total fund balances	-	88,597	1,709,347	-	824	1,798,768
Total liabilities, deferred inflows of resources, and fund balances	$ -	$ 88,597	$ 1,832,449	$ 11,315	$ 824	$ 1,933,185

LANCASTER COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR CAPITAL PROJECTS FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	KEER Special Sources Fund	Brookchase Special Tax District Fund	Capital Improvement Fund	Edgewater Improvement District Fund	Edgewater II Improvement District Fund	Totals
Revenues:						
Property taxes	$ 316,190	$ -	$ 2,043,725	$ -	$ -	$ 2,359,915
Charges for services	-	62,213	-	-	-	62,213
Interest revenue	-	91	-	-	15	106
Other revenues	-	-	56,417	-	-	56,417
Total revenues	316,190	62,304	2,100,142	-	15	2,478,651
Expenditures:						
Capital outlay:						
General government	-	-	238,214	-	-	238,214
Public safety	-	-	568,704	-	-	568,704
Public works	-	-	392,633	-	-	392,633
Debt service:						
Principal	316,190	43,753	-	-	-	359,943
Interest	-	15,852	-	-	-	15,852
Total expenditures	316,190	59,605	1,199,551	-	-	1,575,346
Net change in fund balances	-	2,699	900,591	-	15	903,305
FUND BALANCES, beginning of year	-	85,898	808,756	-	809	895,463
FUND BALANCES, end of year	$ -	$ 88,597	$ 1,709,347	$ -	$ 824	$ 1,798,768

LANCASTER COUNTY, SOUTH CAROLINA
LOCAL ACCOMMODATIONS TAX

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Other taxes	$ 55,000	$ 55,000	$ 149,626	$ 94,626
Interest revenue	-	-	214	214
Total revenues	55,000	55,000	149,840	94,840
EXPENDITURES				
Current:				
Culture and recreation	55,000	55,000	43,752	11,248
Total expenditures	55,000	55,000	43,752	11,248
Net change in fund balance	$ -	$ -	106,088	$ 106,088
FUND BALANCES, beginning of year			179,680	
FUND BALANCES, end of year			$ 285,768	

LANCASTER COUNTY, SOUTH CAROLINA
INDIAN LAND FIRE PROTECTION DISTRICT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Charges for services	$ 737,000	$ 737,000	$ 778,635	$ 41,635
Fines and forfeitures	-	-	2,912	2,912
Investment income	-	-	637	637
Contributions and donations	-	-	300	300
Total revenues	737,000	737,000	782,484	45,484
EXPENDITURES				
Current:				
Public safety	566,525	689,675	598,342	91,333
Debt service:				
Principal	46,603	46,603	46,601	2
Interest	722	722	722	-
Total expenditures	613,850	737,000	645,665	91,335
Net change in fund balance	$ 123,150	$ -	136,819	$ 136,819
FUND BALANCES, beginning of year			516,166	
FUND BALANCES, end of year			$ 652,985	

LANCASTER COUNTY, SOUTH CAROLINA
E-911 FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Other taxes	$ 325,000	$ 325,000	$ 326,666	$ 1,666
Intergovernmental	683,748	683,748	357,882	(325,866)
Interest revenue	-	-	1,303	1,303
Total revenues	1,008,748	1,008,748	685,851	(322,897)
EXPENDITURES				
Current:				
Public safety	1,008,748	1,008,748	624,958	383,790
Total expenditures	1,008,748	1,008,748	624,958	383,790
Net change in fund balance	$ -	$ -	60,893	$ 60,893
FUND BALANCES, beginning of year			1,350,007	
FUND BALANCES, end of year			$ 1,410,900	

LANCASTER COUNTY, SOUTH CAROLINA
PLEASANT VALLEY FIRE DISTRICT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Charges for services	$ 735,728	$ 735,728	$ 636,930	$ (98,798)
Fines and forfeitures	2,500	2,500	2,549	49
Interest revenue	-	-	766	766
Total revenues	738,228	738,228	640,245	(97,983)
EXPENDITURES				
Current:				
Public safety	566,465	566,465	405,366	161,099
Debt service:				
Principal	120,000	120,000	120,000	-
Interest	51,763	51,763	51,763	-
Fees	-	-	806	(806)
Total expenditures	738,228	738,228	577,935	160,293
Net change in fund balance	$ -	$ -	62,310	$ 62,310
FUND BALANCES, beginning of year			702,176	
FUND BALANCES, end of year			$ 764,486	

LANCASTER COUNTY, SOUTH CAROLINA
COURT MANDATED SECURITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Property taxes	$ 1,420,170	$ 1,420,170	$ 1,513,340	$ 93,170
Total revenues	1,420,170	1,420,170	1,513,340	93,170
EXPENDITURES				
Current:				
Public safety	1,420,170	1,420,170	1,303,193	116,977
Total expenditures	1,420,170	1,420,170	1,303,193	116,977
Net change in fund balance	$ -	$ -	210,147	$ 210,147
FUND BALANCES, beginning of year			878,560	
FUND BALANCES, end of year			$ 1,088,707	

LANCASTER COUNTY, SOUTH CAROLINA
VICTIM SERVICES FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Fines and forfeitures	$ 81,000	$ 81,000	$ 58,098	$ (22,902)
Total revenues	81,000	81,000	58,098	(22,902)
EXPENDITURES				
Current:				
Public safety	96,000	96,000	89,754	6,246
Total expenditures	96,000	96,000	89,754	6,246
Deficiency of expenditures under revenues	(15,000)	(15,000)	(31,656)	(29,148)
Other financing sources				
Transfers in	15,000	15,000	-	(15,000)
Total other financing sources	15,000	15,000	-	(15,000)
Net change in fund balance	$ -	$ -	(31,656)	$ (44,148)
FUND BALANCES, beginning of year			3,370	
FUND BALANCES, end of year			$ (28,286)	

LANCASTER COUNTY, SOUTH CAROLINA
TRANSPORTATION FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Intergovernmental	$ 2,950,000	$ 2,950,000	$ 1,684,005	$ (1,265,995)
Interest revenue	-	-	458	458
Budgeted fund balance	181,853	181,853	-	(181,853)
Total revenues	3,131,853	3,131,853	1,684,463	(1,447,390)
EXPENDITURES				
Current:				
Public works	3,131,853	3,131,853	1,319,410	1,812,443
Total expenditures	3,131,853	3,131,853	1,319,410	1,812,443
Net change in fund balance	$ -	$ -	365,053	$ 365,053
FUND BALANCES, beginning of year			257,031	
FUND BALANCES, end of year			$ 622,084	

LANCASTER COUNTY, SOUTH CAROLINA
DEVELOPMENT AGREEMENTS FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Budgeted fund balance	1,749,693	1,749,693	-	(1,749,693)
Total revenues	1,749,693	1,749,693	-	(1,749,693)
EXPENDITURES				
Current:				
Public safety	1,749,693	1,749,693	381,282	1,368,411
Total expenditures	1,749,693	1,749,693	381,282	1,368,411
Net change in fund balance	$ -	$ -	(381,282)	$ (381,282)
FUND BALANCES, beginning of year			1,707,639	
FUND BALANCES, end of year			$ 1,326,357	

LANCASTER COUNTY, SOUTH CAROLINA
STATE ACCOMMODATIONS TAX FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Intergovernmental	$ 145,000	$ 145,000	$ 162,407	$ 17,407
Interest revenue	-	-	151	151
Total revenues	145,000	145,000	162,558	17,558
EXPENDITURES				
Current:				
Culture and recreation	109,704	109,704	111,672	(1,968)
Total expenditures	109,704	109,704	111,672	(1,968)
Excess of revenues over expenditures	35,296	35,296	50,886	15,590
Other financing uses				
Transfers out	(31,000)	(31,000)	(31,870)	(870)
Total other financing uses	(31,000)	(31,000)	(31,870)	(870)
Net change in fund balance	$ 4,296	$ 4,296	19,016	$ 14,720
FUND BALANCES, beginning of year			273,019	
FUND BALANCES, end of year			$ 292,035	

LANCASTER COUNTY, SOUTH CAROLINA
STORMWATER FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Charges for services	$ 1,141,450	$ 1,141,450	$ 1,260,660	$ 119,210
Fines and forfeitures	-	-	6,826	6,826
Interest revenue	-	-	843	843
Budgeted fund balance	43,000	78,000	-	(78,000)
Total revenues	1,184,450	1,219,450	1,268,329	48,879
EXPENDITURES				
Current:				
Public works	1,184,450	1,219,450	832,510	386,940
Total expenditures	1,184,450	1,219,450	832,510	386,940
Net change in fund balance	$ -	$ -	435,819	$ 435,819
FUND BALANCES, beginning of year			528,600	
FUND BALANCES, end of year			$ 964,419	

LANCASTER COUNTY, SOUTH CAROLINA
DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Property taxes	$ 3,112,700	$ 3,112,700	$ 3,392,508	$ 279,808
Interest revenue	700	700	1,702	1,002
Total revenues	3,113,400	3,113,400	3,394,210	280,810
EXPENDITURES				
Debt service:				
Principal	5,100,000	5,100,000	6,715,000	(1,615,000)
Interest	1,232,360	1,232,360	1,246,546	(14,186)
Fees	5,000	5,000	29,742	(24,742)
Total expenditures	6,337,360	6,337,360	7,991,288	(1,653,928)
Deficiency of revenues under expenditures	(3,223,960)	(3,223,960)	(4,597,078)	(1,373,118)
Other financing sources				
Transfers in	3,768,550	3,768,550	5,593,316	1,824,766
Transfers out	-	-	(3,301)	(3,301)
Proceeds from the issuance of bonds	-	-	2,405,000	2,405,000
Premium on bonds issued	-	-	224,068	224,068
Total other financing sources	3,768,550	3,768,550	8,219,083	4,450,533
Net change in fund balance	$ 544,590	$ 544,590	3,622,005	$ 3,077,415
FUND BALANCES, beginning of year			839,211	
FUND BALANCES, end of year			$ 4,461,216	

LANCASTER COUNTY, SOUTH CAROLINA
CAPITAL IMPROVEMENT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Property taxes	$ 1,886,832	$ 1,886,832	$ 2,043,725	$ 156,893
Other revenues	-	-	56,417	56,417
Total revenues	1,886,832	1,886,832	2,100,142	213,310
EXPENDITURES				
Capital outlay:				
General government	271,832	271,832	238,214	33,618
Public safety	565,000	565,000	568,704	(3,704)
Public works	440,000	440,000	392,633	47,367
Public health and welfare	610,000	610,000	-	610,000
Total expenditures	1,886,832	1,886,832	1,199,551	687,281
Net change in fund balance	$ -	$ -	900,591	$ 900,591
FUND BALANCES, beginning of year			808,756	
FUND BALANCES, end of year			$ 1,709,347	

LANCASTER COUNTY, SOUTH CAROLINA
CAPITAL PROJECT SALES TAX FUND 2

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Sales and other local taxes	$ 8,500,000	$ 8,500,000	$ 9,632,957	$ 1,132,957
Other revenues	-	-	451,265	451,265
Budgeted fund balance	10,085,330	10,176,735	-	(10,176,735)
Total revenues	18,585,330	18,676,735	10,084,222	(8,592,513)
EXPENDITURES				
Current:				
Public works	6,500,000	6,500,000	1,597,636	4,902,364
Culture and recreation	7,921,285	7,921,285	399,835	7,521,450
Capital outlay:				
Public safety	395,495	486,900	400,339	86,561
Total expenditures	14,816,780	14,908,185	2,397,810	12,510,375
Excess of revenues over expenditures	3,768,550	3,768,550	7,686,412	3,917,862
Other financing uses				
Transfers out	(3,768,550)	(3,768,550)	(3,768,550)	-
Total other financing uses	(3,768,550)	(3,768,550)	(3,768,550)	-
Net change in fund balance	$ -	$ -	3,917,862	$ 3,917,862
FUND BALANCES, beginning of year			18,946,438	
FUND BALANCES, end of year			$ 22,864,300	

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AGENCY FUNDS

LANCASTER COUNTY, SOUTH CAROLINA

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	June 30, 2018	Increases	Decreases	June 30, 2019
Education Fund				
ASSETS				
Cash and cash equivalents	$ 18,141,129	$ 89,518,235	$ (90,358,341)	$ 17,301,023
Investments	71,493,362	93,196,636	(66,214,749)	98,475,249
Taxes receivable	5,578,807	329,315	-	5,908,122
Accounts receivable	-	4,050	-	4,050
Due from other governments	17,160	12,703	(17,160)	12,703
Total assets	$ 95,230,458	$ 183,060,939	$ (156,590,250)	$ 121,701,147
LIABILITIES				
Due to school district	$ 95,092,811	$ 181,087,571	$ (154,628,829)	$ 121,551,553
Due to USC-L	137,647	1,973,368	(1,961,421)	149,594
Total liabilities	$ 95,230,458	$ 183,060,939	$ (156,590,250)	$ 121,701,147
Clerk of Court				
ASSETS				
Cash and cash equivalents	$ 1,164,778	$ 403,453	$ (831,007)	$ 737,224
Investments	20,447	25	-	20,472
Total assets	$ 1,185,225	$ 403,478	$ (831,007)	$ 757,696
LIABILITIES				
Due to others	$ 1,185,225	$ 403,478	$ (831,007)	$ 757,696
Total liabilities	$ 1,185,225	$ 403,478	$ (831,007)	$ 757,696
Family Court				
ASSETS				
Cash and cash equivalents	$ 137,467	$ 3,987,851	$ (3,980,002)	$ 145,316
Total assets	$ 137,467	$ 3,987,851	$ (3,980,002)	$ 145,316
LIABILITIES				
Due to others	$ 137,467	$ 3,987,851	$ (3,980,002)	$ 145,316
Total liabilities	$ 137,467	$ 3,987,851	$ (3,980,002)	$ 145,316
Probate Court				
ASSETS				
Cash and cash equivalents	$ 402	$ 143,576	$ (143,549)	$ 429
Total assets	$ 402	$ 143,576	$ (143,549)	$ 429
LIABILITIES				
Due to others	$ 402	$ 143,576	$ (143,549)	$ 429
Total liabilities	$ 402	$ 143,576	$ (143,549)	$ 429

LANCASTER COUNTY, SOUTH CAROLINA

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	June 30, 2018	Increases	Decreases	June 30, 2019
Tax Collector Property Sold				
ASSETS				
Cash and cash equivalents	$ 1,415,264	$ 7,428,320	$ (6,718,460)	$ 2,125,124
Total assets	$ 1,415,264	$ 7,428,320	$ (6,718,460)	$ 2,125,124
LIABILITIES				
Due to others	$ 1,415,264	$ 7,428,320	$ (6,718,460)	$ 2,125,124
Total liabilities	$ 1,415,264	$ 7,428,320	$ (6,718,460)	$ 2,125,124
Tax Collector Trust Account				
ASSETS				
Cash and cash equivalents	$ 372,974	$ 43,126	$ (43,972)	$ 372,128
Total assets	$ 372,974	$ 43,126	$ (43,972)	$ 372,128
LIABILITIES				
Due to others	$ 372,974	$ 43,126	$ (43,972)	$ 372,128
Total liabilities	$ 372,974	$ 43,126	$ (43,972)	$ 372,128
Forfeit Land Commission				
ASSETS				
Cash and cash equivalents	$ 424,111	$ 223,661	$ (124,719)	$ 523,053
Total assets	$ 424,111	$ 223,661	$ (124,719)	$ 523,053
LIABILITIES				
Due to others	$ 424,111	$ 223,661	$ (124,719)	$ 523,053
Total liabilities	$ 424,111	$ 223,661	$ (124,719)	$ 523,053
Magistrates				
ASSETS				
Cash and cash equivalents	$ 162,483	$ 941,379	$ (934,901)	$ 168,961
Total assets	$ 162,483	$ 941,379	$ (934,901)	$ 168,961
LIABILITIES				
Due to others	$ 162,483	$ 941,379	$ (934,901)	$ 168,961
Total liabilities	$ 162,483	$ 941,379	$ (934,901)	$ 168,961

LANCASTER COUNTY, SOUTH CAROLINA

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	June 30, 2018	Increases	Decreases	June 30, 2019
City of Lancaster				
ASSETS				
Cash and cash equivalents	$ 25,461	$ 4,397,048	$ (4,391,862)	$ 30,647
Taxes receivable	722,537	298,407	(722,537)	298,407
Total assets	$ 747,998	$ 4,695,455	$ (5,114,399)	$ 329,054
LIABILITIES				
Due to other taxing districts and agencies	$ 747,998	$ 4,695,455	$ (5,114,399)	$ 329,054
Total liabilities	$ 747,998	$ 4,695,455	$ (5,114,399)	$ 329,054
Town of Kershaw				
ASSETS				
Cash and cash equivalents	$ 1,433	$ 174,551	$ (173,541)	$ 2,443
Taxes receivable	24,776	27,071	(24,776)	27,071
Total assets	$ 26,209	$ 201,622	$ (198,317)	$ 29,514
LIABILITIES				
Due to other taxing districts and agencies	$ 26,209	$ 201,622	(198,317)	$ 29,514
Total liabilities	$ 26,209	$ 201,622	$ (198,317)	$ 29,514
Edgewater Improvement District				
ASSETS				
Investments	$ 931,550	$ 2,036,052	$ (2,306,525)	$ 661,077
Total assets	$ 931,550	$ 2,036,052	$ (2,306,525)	$ 661,077
LIABILITIES				
Due to others	$ 931,550	$ 2,036,052	$ (2,306,525)	$ 661,077
Total liabilities	$ 931,550	$ 2,036,052	$ (2,306,525)	$ 661,077
Edgewater II Improvement District				
ASSETS				
Investments	$ 520,869	$ 11,082	$ (1,800)	$ 530,151
Total assets	$ 520,869	$ 11,082	$ (1,800)	$ 530,151
LIABILITIES				
Due to others	$ 520,869	$ 11,082	$ (1,800)	$ 530,151
Total liabilities	$ 520,869	$ 11,082	$ (1,800)	$ 530,151

LANCASTER COUNTY, SOUTH CAROLINA

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	June 30, 2018	Increases	Decreases	June 30, 2019
Sun City Improvement District				
ASSETS				
Investments	$ 877,956	$ 994,812	$ (1,003,312)	$ 869,456
Total assets	$ 877,956	$ 994,812	$ (1,003,312)	$ 869,456
LIABILITIES				
Due to others	$ 877,956	$ 994,812	$ (1,003,312)	$ 869,456
Total liabilities	$ 877,956	$ 994,812	$ (1,003,312)	$ 869,456
Edenmoor/Walnut Creek Improvement District				
ASSETS				
Investments	$ 1,976,587	$ 1,873,454	$ (1,810,634)	$ 2,039,407
Total assets	$ 1,976,587	$ 1,873,454	$ (1,810,634)	$ 2,039,407
LIABILITIES				
Due to others	$ 1,976,587	$ 1,873,454	$ (1,810,634)	$ 2,039,407
Total liabilities	$ 1,976,587	$ 1,873,454	$ (1,810,634)	$ 2,039,407
Walnut Creek Improvement District 2				
ASSETS				
Cash and cash equivalents	$ 1,815	$ 358,122	$ (357,910)	$ 2,027
Total assets	$ 1,815	$ 358,122	$ (357,910)	$ 2,027
LIABILITIES				
Due to others	$ 1,815	$ 358,122	$ (357,910)	$ 2,027
Total liabilities	$ 1,815	$ 358,122	$ (357,910)	$ 2,027
Detention Center Inmates				
ASSETS				
Cash and cash equivalents	$ 11,648	$ 312,249	$ (297,951)	$ 25,946
Total assets	$ 11,648	$ 312,249	$ (297,951)	$ 25,946
LIABILITIES				
Due to others	$ 11,648	$ 312,249	$ (297,951)	$ 25,946
Total liabilities	$ 11,648	$ 312,249	$ (297,951)	$ 25,946
Employee Funds				
ASSETS				
Cash and cash equivalents	$ 2,832	$ 12,655	$ (7,976)	$ 7,511
Total assets	$ 2,832	$ 12,655	$ (7,976)	$ 7,511
LIABILITIES				
Due to others	$ 2,832	$ 12,655	$ (7,976)	$ 7,511
Total liabilities	$ 2,832	$ 12,655	$ (7,976)	$ 7,511

LANCASTER COUNTY, SOUTH CAROLINA

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	June 30, 2018	Increases	Decreases	June 30, 2019
Chester County				
ASSETS				
Cash and cash equivalents	$ 427	$ 72,888	$ (73,315)	$ -
Total assets	$ 427	$ 72,888	$ (73,315)	$ -
LIABILITIES				
Due to other taxing districts and agencies	$ 427	$ 72,888	$ (73,315)	$ -
Total liabilities	$ 427	$ 72,888	$ (73,315)	$ -
Chesterfield				
ASSETS				
Cash and cash equivalents	$ 63	$ 16,308	$ (16,233)	$ 138
Taxes receivable	145	2,202	(145)	2,202
Total assets	$ 208	$ 18,510	$ (16,378)	$ 2,340
LIABILITIES				
Due to other taxing districts and agencies	$ 208	$ 18,510	$ (16,378)	$ 2,340
Total liabilities	$ 208	$ 18,510	$ (16,378)	$ 2,340
Totals				
ASSETS				
Cash and cash equivalents	$ 21,862,287	$ 108,033,422	$ (108,453,739)	$ 21,441,970
Investments	75,820,771	98,112,061	(71,337,020)	102,595,812
Taxes receivable	6,326,265	656,995	(747,458)	6,235,802
Accounts receivable	-	4,050	-	4,050
Due from other governments	17,160	12,703	(17,160)	12,703
Total assets	$ 104,026,483	$ 206,819,231	$ (180,555,377)	$ 130,290,337
LIABILITIES				
Due to other taxing districts and agencies	$ 96,005,300	$ 188,049,414	$ (161,992,659)	$ 122,062,055
Due to others	8,021,183	18,769,817	(18,562,718)	8,228,282
Total liabilities	$ 104,026,483	$ 206,819,231	$ (180,555,377)	$ 130,290,337

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SUPPLEMENTARY INFORMATION
REQUIRED BY STATE OF SOUTH CAROLINA

LANCASTER COUNTY, SOUTH CAROLINA
UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES (per ACT 96)
For The Year Ended June 30, 2019

FOR THE STATE TREASURER'S OFFICE:

COUNTY / MUNICIPAL FUNDS COLLECTED BY CLERK OF COURT	General Sessions	Magistrate Court	Municipal Court	Total
Court Fines and Assessments:				
Court fines and assessments collected	$ 226,590	$ 821,994	N/A	$ 1,048,584
Court fines and assessments remitted to State Treasurer	157,676	419,433	N/A	$ 577,109
Total Court Fines and Assessments retained	**$ 68,914**	**$ 402,561**	**N/A**	$ 471,475
Surcharges and Assessments retained for victim services:				
Surcharges collected and retained	$ 14,703	$ 14,896	N/A	29,599
Assessments retained	3,767	24,732	N/A	28,499
Total Surcharges and Assessments retained for victim services	**$ 18,470**	**$ 39,628**	**N/A**	**58,098**

FOR THE DEPARTMENT OF CRIME VICTIM COMPENSATION (DCVC)

VICTIM SERVICE FUNDS COLLECTED	Municipal	County	Total
Carryforward from Previous Year – Beginning Balance	**N/A**	**$ 3,370**	**$ 3,370**
Victim Service Revenue:			
Victim Service Fines Retained by City/County Treasurer	N/A	-	-
Victim Service Assessments Retained by City/County Treasurer	N/A	28,499	28,499
Victim Service Surcharges Retained by City/County Treasurer	N/A	29,599	29,599
Interest Earned	N/A	-	-
Grant Funds Received			
Grant from:	N/A	-	-
General Funds Transferred to Victim Service Fund	N/A	-	-
Contribution Received from Victim Service Contracts:			
(1) Town of	N/A	-	-
(2) Town of	N/A	-	-
(3) City of	N/A	-	-
Total Funds Allocated to Victim Service Fund + Beginning Balance (A)	**N/A**	**$ 61,468**	**$ 61,468**

LANCASTER COUNTY, SOUTH CAROLINA
UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES (per ACT 96)
For The Year Ended June 30, 2019

Expenditures for Victim Service Program:	**Municipal**	**County**	**Total**
Salaries and Benefits	N/A	68,547	$ 68,547
Operating Expenditures	N/A	2,458	2,458
Victim Service Contract(s):			
(1) Entity's Name: Palmetto Citizens Against Sexual Assault	N/A	18,750	18,750
(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**	**89,755**	**89,755**
Total Victim Service Deficit Retained by Municipal/County Treasurer (A-B)	N/A	(28,287)	(28,287)
Less: Prior Year Fund Deficit Repayment	N/A	-	-
Carryforward Funds – End of Year	**N/A**	**$ (28,287)**	**$ (28,287)**

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 **Page**

Financial Trends ..... **107 - 115**

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 ..... **116 - 120**

These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.

Debt Capacity ..... **121 - 124**

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 ..... **125 and 126**

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 ..... **127 - 129**

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.

Note: During fiscal year 2014, it was determined that these functions no longer met the criteria for Special Revenue Funds and were therefore reclassified. The Library and Recreation functions were reclassified as departments within the General Fund and the Airport function was reclassified as a Proprietary fund. Prior years have not been restated in the statistical section.

LANCASTER COUNTY, SOUTH CAROLINA

NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year									
	2010 [2]	2011	2012	2013	2014 [3]	2015	2016	2017	2018	2019
Governmental activities										
Net investment in capital assets	$ 30,319,260	$ 37,890,060	$ 33,996,194	$ 36,831,933	$ 40,435,476	$ 28,252,587	$ 41,708,030	$ 49,292,814	$ 54,081,125	$ 57,524,123
Restricted	10,234,674	13,025,845	19,584,980	24,325,103	20,858,227	42,783,910	10,692,095	19,325,999	16,283,439	46,407,439
Unrestricted	17,985,707	15,336,956	13,884,941	16,314,803	22,458,160	(14,302,454)	6,095,091	(1,842,111)	372,744	(14,229,478)
Total governmental activities net position	$ 58,539,641	$ 66,252,861	$ 67,466,115	$ 77,471,839	$ 83,751,863	$ 56,734,043	$ 58,495,216	$ 66,776,702	$ 70,737,308	$ 89,702,084
Business-type activities										
Net investment in capital assets	$ -	$ -	$ -	$ -	$ 3,790,882	$ 5,460,419	$ 5,898,351	$ 5,762,870	$ 7,051,570	$ 6,987,971
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	(124,719)	(165,515)	(147,558)	(181,902)	(191,628)	(208,237)
Total business-type activities net position	$ -	$ -	$ -	$ -	$ 3,666,163	$ 5,294,904	$ 5,750,793	$ 5,580,968	$ 6,859,942	$ 6,779,734
Primary government										
Net investment in capital assets	$ 37,890,060	$ 33,996,194	$ 36,831,933	$ 40,435,476	$ 44,226,358	$ 33,713,006	$ 47,606,381	$ 55,055,684	$ 61,132,695	$ 64,512,094
Restricted	13,025,845	19,584,980	24,325,103	20,858,227	20,858,227	42,783,910	10,692,095	19,325,999	16,283,439	46,407,439
Unrestricted	15,336,956	13,884,941	16,314,803	22,458,160	22,333,441	(14,467,969)	5,947,533	(2,024,013)	181,116	(14,437,715)
Total primary government net position	$ 66,252,861	$ 67,466,115	$ 77,471,839	$ 83,751,863	$ 87,418,026	$ 62,028,947	$ 64,246,009	$ 72,357,670	$ 77,597,250	$ 96,481,818

(2) The Capital Project Sales Tax Fund is included in net position beginning in fiscal year 2010

(3) The Airport function was reclassified as a proprietary fund in fiscal year 2014 and, accordingly, the activity is now listed as business-type activity instead of governmental activities. Prior years have not been restated.

LANCASTER COUNTY, SOUTH CAROLINA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year									
	2010	2011	2012	2013	2014 [2]	2015	2016	2017	2018	2019
Expenses										
Primary government:										
Governmental activities:										
General government	$ 10,832,346	$ 10,983,933	$ 13,494,007	$ 14,274,314	$ 11,299,133	$ 13,556,703	$ 15,201,832	$ 16,903,372	$ 17,494,736	$ 17,460,461
Public safety	11,374,643	11,351,803	13,113,668	13,079,241	18,204,203	18,601,569	18,876,586	21,395,171	24,935,032	26,338,671
Public works	6,065,063	5,880,894	6,741,646	6,514,659	7,088,564	7,212,342	21,072,721	11,779,317	11,076,062	10,105,887
Other activities	18,466,148	17,543,807	17,490,004	15,897,654	19,076,859	22,736,802	17,617,220	15,798,155	18,305,309	16,869,293
Total governmental activities expenses	46,738,200	45,760,437	50,839,325	49,765,868	55,668,759	62,107,416	72,768,359	65,876,015	71,811,139	70,774,312
Business-type activities:										
Airport	-	-	-	-	437,607	404,801	433,400	406,115	570,727	576,261
Total business-type activities expenses	-	-	-	-	437,607	404,801	433,400	406,115	570,727	576,261
Total primary government expenses	46,738,200	45,760,437	50,839,325	49,765,868	56,106,366	62,512,217	73,201,759	66,282,130	72,381,866	71,350,573
Program revenues										
Primary government:										
Governmental activities:										
Charges for services										
General government	2,649,811	2,715,439	2,758,959	4,003,901	5,937,198	6,066,247	6,833,003	6,664,079	7,463,310	8,305,241
Administration of justice	1,161,469	1,100,988	1,069,362	1,067,263	1,027,217	1,017,176	972,856	1,004,613	1,138,355	1,002,973
Public health and welfare	2,523,597	2,513,973	3,066,640	2,883,399	2,748,514	2,589,560	1,675,770	3,135,621	2,216,563	2,907,450
Other activities	1,835,658	1,866,566	2,273,170	2,171,849	2,310,502	2,487,280	2,650,051	2,614,012	4,088,330	4,402,003
Operating grants and contributions	6,378,143	4,556,750	4,163,480	4,346,939	9,593,044	3,844,636	7,981,217	5,324,829	5,248,920	4,848,593
Capital grants and contributions	946,405	2,123,502	352,064	3,273,685	807,784	1,943,650	3,834,853	3,027,181	2,584,615	4,258,929
Total governmental activities program revenues	15,495,083	14,877,218	13,683,675	17,747,036	22,424,259	17,948,549	23,947,750	21,770,335	22,740,093	25,725,189
Business-type activities:										
Charges for services										
Airport	-	-	-	-	173,727	179,970	150,127	113,511	164,079	159,551
Capital grants and contributions	-	-	-	-	50,393	1,873,922	674,876	57,493	1,618,622	184,601
Total business-type activities program revenues	-	-	-	-	224,120	2,053,892	825,003	171,004	1,782,701	344,152
Total primary government program revenues	15,495,083	14,877,218	13,683,675	17,747,036	22,648,379	20,002,441	24,772,753	21,941,339	24,522,794	26,069,341

(Continued)

LANCASTER COUNTY, SOUTH CAROLINA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year									
	2010	2011	2012	2013	2014 [2]	2015	2016	2017	2018	2019
Net (expense) revenue										
Governmental activities	$ (31,243,117)	$ (30,883,219)	$ (37,155,650)	$ (32,018,832)	$ (33,244,500)	$ (44,158,867)	$ (48,820,609)	$ (44,105,680)	$ (49,071,046)	$ (45,049,123)
Business-type activities	-	-	-	-	(213,487)	1,649,091	391,603	(235,111)	1,211,974	(232,109)
Total primary government	(31,243,117)	(30,883,219)	(37,155,650)	(32,018,832)	(33,457,987)	(42,509,776)	(48,429,006)	(44,340,791)	(47,859,072)	(45,281,232)
General revenues and other changes in net position										
Primary government:										
Governmental activities:										
Property taxes	24,531,262	26,039,328	26,759,326	27,805,777	30,138,854	32,542,322	34,917,971	36,433,675	38,920,804	45,315,985
Other taxes	6,728,510	7,798,566	8,579,956	9,220,550	10,759,834	11,837,073	12,582,362	12,628,895	13,315,667	14,622,673
Unrestricted grants and contributions	3,985,341	3,720,738	3,511,437	4,029,881	3,060,980	3,080,863	2,981,903	3,117,955	3,081,986	2,954,940
Unrestricted investment earnings	101,224	106,003	54,753	31,753	57,446	62,046	163,832	271,927	553,374	1,272,202
Other	1,652,252	931,804	(813)	936,595	-	-	-	-	-	-
Prior period adjustment	-	-	(535,755)	-	-	-	-	-	(2,773,179)	-
Transfers	-	-	-	-	(40,000)	(50,000)	(64,286)	(65,286)	(67,000)	(151,901)
Total governmental activities general revenues and other changes in net position	36,998,589	38,596,439	38,368,904	42,024,556	43,977,114	47,472,304	50,581,782	52,387,166	53,031,652	64,013,899
Business-type activities:										
Unrestricted investment earnings	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	40,000	50,000	64,286	65,286	67,000	151,901
Total business type activities general revenues and other changes in net position	-	-	-	-	40,000	50,000	64,286	65,286	67,000	151,901
Total primary government general revenues and other changes in net position	$ 36,998,589	$ 38,596,439	$ 38,368,904	$ 42,024,556	$ 44,017,114	$ 47,522,304	$ 50,646,068	$ 52,452,452	$ 53,098,652	$ 64,165,800
Change in net position										
Governmental activities	5,755,472	7,713,220	1,213,254	10,005,724	10,732,614	3,313,437	1,761,173	8,281,486	3,960,606	18,964,776
Business-type activities	-	-	-	-	(173,487)	1,699,091	455,889	(169,825)	1,278,974	(80,208)
Total primary government change in net position	$ 5,755,472	$ 7,713,220	$ 1,213,254	$ 10,005,724	$ 10,559,127	$ 5,012,528	$ 2,217,062	$ 8,111,661	$ 5,239,580	$ 18,884,568

(1) Fiscal Year 2009 includes revenues and expenditures related to SCAGO Public Facilities Corporation

(2) The Airport function was reclassified as a proprietary fund in fiscal year 2014 and, accordingly, the activity is now listed as business-type activity instead of governmental activities. Prior years have not been restate

LANCASTER COUNTY, SOUTH CAROLINA

TAX REVENUES BY SOURCE - GOVERNMENTAL FUNDS (ACCRUAL BASIS)
LAST TEN FISCAL YEARS

Year	Real Property Tax (1)	Vehicle Tax	Local Option Sales Tax Property Tax	Local Option Sales Tax Capital Projects	Road Improvement Fee Tax	Other Taxes	Total
2010	$ 19,150,376	$ 1,831,426	$ 3,549,460	$ 5,281,993	$ 976,296	$ 470,221	$ 31,259,772
2011	19,991,538	1,810,435	4,237,355	6,385,293	996,417	416,856	33,837,894
2012	20,202,783	2,032,440	4,524,103	6,924,788	1,176,367	478,801	35,339,282
2013	20,732,179	2,223,687	4,849,911	7,225,680	1,522,254	472,616	37,026,327
2014	22,249,229	2,586,810	5,302,815	7,871,762	1,940,220	947,852	40,898,688
2015	23,817,711	2,951,321	5,773,290	8,655,243	2,183,931	997,899	44,379,395
2016	25,395,538	3,356,927	6,165,506	9,264,782	2,286,114	1,031,466	47,500,333
2017	26,277,300	3,520,652	6,635,723	8,591,056	2,382,448	1,655,391	49,062,570
2018	28,840,615	3,446,079	6,634,110	8,596,418	2,411,954	2,307,295	52,236,471
2019	33,948,353	3,920,027	7,447,605	9,632,957	2,487,225	2,502,491	59,938,658

(1) Includes ad valorem, penalties, inventory tax, homestead, manufacturer exemption, and payments in-lieu-of tax

LANCASTER COUNTY, SOUTH CAROLINA

FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Year									
	2010	2011	2012	2013	2014 [1]	2015	2016	2017	2018	2019
General Fund										
Nonspendable	$ 1,525,507	$ 446,265	$ 419,097	$ 465,876	$ 470,608	$ 1,036,548	$ 1,260,002	$ 1,044,264	$ 1,065,028	$ 1,053,048
Restricted	814,990	1,425,506	1,925,029	1,949,398	1,757,465	1,664,659	1,994,639	1,936,721	1,443,333	2,403,626
Committed	-	-	-	-	-	-	-		-	-
Assigned	111,903	88,054	131,705	216,329	1,238,174	1,662,673	4,922,022	4,335,491	2,925,044	6,868,557
Unassigned	13,940,414	15,727,979	13,905,577	14,812,691	16,940,776	17,842,835	19,251,333	23,275,511	27,087,195	29,249,962
Total General Fund	$ 16,392,814	$ 17,687,804	$ 16,381,408	$ 17,444,294	$ 20,407,023	$ 22,206,715	$ 27,427,996	$ 30,591,987	$ 32,520,600	$ 39,575,193
All Other Governmental Funds										
Nonspendable	$ -	$ 55,293	$ 52,900	$ 623,943	$ 561,127	$ -	$ -	$ -	$ -	$ -
Restricted	37,556,390	24,983,673	21,344,104	18,472,163	19,338,480	41,372,751	8,697,456	17,389,278	15,325,706	44,927,922
Assigned	430,788	1,950	28,492	31,427	165,520	48,260	17,440,567	8,309,791	12,972,107	10,695,689
Unassigned, reported in:										
Special revenue funds	(3,408,975)	(648,198)	(224,815)	(150,303)	-	(187,507)	(130,854)	(436,343)	(179,847)	(109,409)
Capital projects funds	(1,235,234)	(875,000)	(812,889)	(774,799)	(723,233)	(668,806)	(617,768)	-	(59,899)	-
Total all other governmental funds	$ 33,342,969	$ 23,517,718	$ 20,387,792	$ 18,202,431	$ 19,341,894	$ 40,564,698	$ 25,389,401	$ 25,262,726	$ 28,058,067	$ 55,514,202
Total all governmental funds	$ 49,735,783	$ 41,205,522	$ 36,769,200	$ 35,646,725	$ 39,748,917	$ 62,771,413	$ 52,817,397	$ 55,854,713	$ 60,578,667	$ 95,089,395

(1) The Airport function was reclassified as a proprietary fund in fiscal year 2014 and, accordingly, the activity is now listed as business-type activity instead of governmental activities. Prior years have not been restated.

LANCASTER COUNTY, SOUTH CAROLINA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues:										
Taxes	$ 30,975,180	$ 33,496,235	$ 35,868,567	$ 36,910,888	$ 40,100,667	$ 43,591,415	$ 46,703,440	$ 48,219,079	$ 51,370,390	$ 59,160,122
Licenses and permits	2,864,552	2,872,281	2,873,627	4,160,774	5,191,197	5,412,448	6,248,935	10,346,792	6,802,235	6,912,416
Intergovernmental	6,593,742	10,056,718	6,795,508	7,283,619	13,378,905	7,679,451	12,871,513	6,009,615	10,413,632	9,217,432
Charges for services	4,007,195	4,227,841	4,796,444	4,644,851	4,882,693	5,189,021	5,017,909	5,723,388	6,800,198	7,177,398
Fines, fees, and forfeitures	1,202,761	978,975	1,063,923	1,056,203	1,028,680	1,020,330	1,024,620	1,137,351	1,139,183	1,045,268
Interest income	99,235	103,219	52,522	29,211	57,446	62,046	163,832	1,177,037	553,374	1,272,202
Contributions and donations	218,121	364,502	361,223	525,936	351,666	344,344	2,831,040	271,928	450,436	526,931
Contributions from property owners	-	-	-	-	-	-	-	-	-	-
Other	138,702	279,484	163,279	486,396	230,863	247,254	247,577	202,836	205,132	264,277
Total revenues	46,099,488	52,379,255	51,975,093	55,097,878	65,222,117	63,546,309	75,108,866	73,088,026	77,734,580	85,576,046
Expenditures:										
General government	11,087,906	9,846,699	12,670,895	11,619,717	10,004,834	11,646,926	11,900,170	13,170,074	15,760,730	14,922,267
Administration of justice	15,155,605	18,559,715	2,765,385	1,709,906	1,823,021	1,982,265	2,123,474	2,067,748	2,112,988	2,168,732
Public safety and law enforcement	11,273,954	12,691,671	12,202,000	16,364,710	16,500,414	17,169,386	16,921,863	18,942,981	20,049,477	22,431,673
Public works	5,478,433	5,315,801	6,235,699	5,549,083	6,279,272	6,656,489	20,100,712	11,738,926	10,306,899	9,276,883
Public health and welfare	5,882,288	5,627,899	6,865,474	6,292,003	6,587,179	6,353,634	6,940,375	7,373,665	7,292,478	7,630,114
Culture and recreation	-	-	-	-	3,226,890	3,696,364	3,605,227	1,074,098	3,845,233	4,236,825
Economic development	5,497,672	3,186,407	3,422,632	1,954,572	5,517,505	659,185	2,244,723	3,844,142	2,816,911	1,195,172
Other	3,025,348	2,952,393	3,129,091	3,196,847	-	-	-	-	-	-
Capital outlay	3,059,750	1,858,927	819,921	133,297	3,101,804	9,575,828	8,919,489	7,452,924	3,565,409	2,086,336
Debt service										
Principal retirement	2,135,256	6,623,744	6,840,461	7,203,729	7,515,489	16,482,104	9,097,775	3,548,365	5,755,391	7,419,030
Interest	2,538,338	2,534,252	2,517,241	2,274,282	2,002,080	1,895,703	1,789,488	1,647,576	1,589,485	1,364,646
Fees	-	48,081	-	-	7,500	274,560	92,071	7,500	3,500	227,662
Total expenditures	65,134,550	69,245,589	57,468,799	56,298,146	62,565,988	76,392,444	83,735,367	70,867,999	73,098,501	72,959,340
Excess (deficiency) of revenues over (under) expenditures	(19,035,062)	(16,866,334)	(5,493,706)	(1,200,268)	2,656,129	(12,846,135)	(8,626,501)	2,220,027	4,636,079	12,616,706
Other financing sources (uses):										
Transfer in	2,757,365	8,115,647	8,144,995	8,042,257	6,129,115	9,295,417	26,469,059	2,326,475	3,651,522	5,628,487
Transfer out	(2,757,365)	(8,115,647)	(8,144,995)	(8,042,257)	(6,169,115)	(9,345,417)	(26,533,345)	(2,391,761)	(3,718,522)	(5,780,388)
Issuance of debt - capital leases	605,000	-	1,020,000	-	226,000	445,000	-	-	-	-
Issuance of debt	2,502,721	10,660,000	-	-	950,000	35,384,119	6,750,000	650,000	-	19,905,000
Premium on bond	-	50,387	-	-	-	-	686,146	-	-	2,116,323
Payment to refunded debt escrow agent	-	(3,658,895)	-	-	-	-	(9,199,375)	-	-	-
Sale of capital assets	12,751	33,029	37,384	77,792	210,915	89,512	500,000	232,575	154,875	24,600
Special item - insurance recoveries	227,936	1,251,553	-	-	-	-	-	-	-	-
Total other financing sources (uses	3,348,408	8,336,074	1,057,384	77,792	1,346,915	35,868,631	(1,327,515)	817,289	87,875	21,894,022
Net change in fund balances	$ (15,686,654)	$ (8,530,260)	$ (4,436,322)	$ (1,122,476)	$ 4,003,044	$ 23,022,496	$ (9,954,016)	$ 3,037,316	$ 4,723,954	$ 34,510,728
Debt Service as a Percentage of Noncapital Expenditures	10.64%	19.25%	18.23%	18.85%	16.72%	25.93%	14.63%	8.58%	10.90%	13.61%

LANCASTER COUNTY, SOUTH CAROLINA

TAX REVENUES BY SOURCE - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Year	Real Property Tax (1)	Vehicle Tax	Local Option Sales Tax Property Tax Relief	Local Option Sales Tax Capital Projects	Road Improvement Fee Tax	Other Taxes	Total
2010	$ 18,865,784	$ 1,831,426	$ 3,549,460	$ 5,281,993	$ 976,296	$ 470,221	$ 30,975,180
2011	19,649,879	1,810,435	4,237,355	6,385,293	996,417	416,856	33,496,235
2012	20,732,068	2,032,440	4,524,103	6,924,788	1,176,367	478,801	35,868,567
2013	20,616,739	2,223,687	4,849,911	7,225,680	1,522,254	472,617	36,910,888
2014	21,990,985	2,586,810	5,302,815	7,871,762	1,940,220	408,075	40,100,667
2015	23,648,295	2,951,321	5,773,290	8,655,243	2,183,931	379,335	43,591,415
2016	25,289,628	3,356,927	6,165,506	9,264,782	2,286,114	340,483	46,703,440
2017	26,173,979	3,520,652	6,635,723	8,591,056	2,382,448	915,221	48,219,079
2018	28,755,053	3,446,079	6,634,110	8,596,418	2,411,954	1,526,776	51,370,390
2019	33,689,494	3,920,027	7,447,605	9,632,957	2,487,225	1,982,814	59,160,122

(1) Includes ad valorem, penalties, inventory tax, homestead, manufacturer exemption, and payments in-lieu-of tax

LANCASTER COUNTY, SOUTH CAROLINA

GENERAL FUND REVENUES BY SOURCE (1)
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Year	Property Taxes	Inter-governmental	Licenses and Permits	Charges for Services	Fines, Fees, and Forfeitures	Other	Total Revenues	Other Financing Sources	Grand Total Revenues Including Other Financing Sources
2010	$ 19,418,982	$ 3,290,461	$ 2,864,552	$ 2,663,366	$ 1,137,564	$ 1,215,244	$ 30,590,169	$ 642,751	$ 31,232,920
2011	20,838,835	3,046,929	2,872,281	2,746,015	908,198	1,242,945	31,655,203	564,670	32,219,873
2012	22,224,415	2,843,967	2,873,627	3,008,911	906,290	1,470,680	33,327,890	1,079,031	34,406,921
2013	24,410,433	3,303,561	4,160,774	2,816,174	893,708	831,362	36,416,012	102,792	36,518,804
2014	24,653,264	4,226,086	5,191,197	3,999,763	937,975	2,359,029	41,367,314	235,915	41,603,229
2015	26,871,707	4,383,847	5,412,448	4,243,269	930,840	2,609,881	44,451,992	1,115,639	45,567,631
2016	32,394,019	4,541,474	6,248,935	3,977,933	935,942	1,442,395	49,540,698	7,190,762	56,731,460
2017	30,394,683	4,670,820	6,009,615	4,619,066	1,051,759	2,928,604	49,674,547	262,590	49,937,137
2018	32,519,908	4,913,937	6,802,235	4,263,883	1,045,120	3,059,927	52,605,010	233,590	52,838,600
2019	37,751,878	5,003,978	6,912,416	4,438,960	974,883	3,884,591	58,966,706	56,470	59,023,176

(1) During fiscal year 2014, it was determined that the Library and Recreation functions no longer met the criteria for Special Revenue Funds and, therefore, they were reclassified as General Funds. Prior years have not been restated.

LANCASTER COUNTY, SOUTH CAROLINA

GENERAL FUND EXPENDITURES BY FUNCTION (1)
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Year	General Government	Administration of Justice	Public Safety & Law Enforcement	Public Works	Public Health & Welfare	Other	Debt Service (2)	Total Expenditures	Other Financing Uses	Grand Total Expenditures Including Other Financing Uses
2010	$ 10,186,854	$ 1,496,411	$ 8,302,504	$ 4,155,822	$ 5,747,912	$ 569,246	$ 401,261	30,860,010	$ 1,891,908	$ 32,751,918
2011	8,987,853	1,524,894	8,448,119	3,676,752	5,281,791	547,684	583,152	29,050,245	1,874,638	30,924,883
2012	11,380,053	1,527,651	9,465,049	4,231,933	6,418,803	245,509	429,059	33,698,057	2,015,259	35,713,316
2013	9,817,196	1,693,101	10,676,053	4,137,879	5,901,039	828,894	488,409	33,542,571	1,913,347	35,455,918
2014	9,943,242	1,823,021	12,229,972	4,328,763	6,168,796	3,734,954	492,823	38,721,571	40,000	38,761,571
2015	11,543,862	1,982,265	14,155,303	5,277,991	6,326,950	3,857,890	207,429	43,351,690	416,249	43,767,939
2016	11,827,178	2,108,384	14,145,424	4,805,405	6,919,809	3,787,090	450,489	44,043,779	7,466,400	51,510,179
2017	12,529,121	2,063,616	15,206,095	5,612,657	6,803,861	4,062,665	429,845	46,707,860	65,286	46,773,146
2018	14,745,595	2,112,988	16,510,580	5,528,950	7,280,243	4,127,179	222,087	50,527,622	382,365	50,909,987
2019	14,298,332	2,157,241	17,947,213	5,479,025	7,618,327	4,089,295	227,249	51,816,682	151,901	51,968,583

(1) During fiscal year 2014, it was determined that the Library and Recreation functions no longer met the criteria for Special Revenue Funds and, therefore, they were reclassified as General Funds. Prior years have not been restated.

LANCASTER COUNTY, SOUTH CAROLINA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY (1)
LAST TEN FISCAL YEARS

		Real Property		Personal Property		Total			
Year	Levy Year	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Assessed Value	Assessed Value	Estimated Actual Value	Assessed Value as a Percentage of Actual Value	Total Direct Tax Rate
2010	2009	$ 211,761,152	$ 4,235,223,040	$ 69,692,917	$ 810,346,262	$ 281,454,069	$ 5,045,569,302	5.58 %	80.90 %
2011	2010	215,604,040	4,312,080,800	66,175,793	770,986,505	281,779,833	5,083,067,305	5.54	83.60
2012	2011 (2)	221,005,620	4,420,112,400	70,046,034	822,060,950	291,051,654	5,242,173,350	5.55	83.00
2013	2012	223,980,320	4,479,606,400	74,846,481	883,965,916	298,826,801	5,363,572,316	5.57	85.10
2014	2013	231,213,120	4,624,262,400	79,072,239	946,454,939	310,285,359	5,570,717,339	5.57	90.41
2015	2014	241,517,630	4,830,352,600	82,400,776	995,933,689	323,918,406	5,826,286,289	5.56	92.80
2016	2015	255,663,400	5,113,268,000	87,570,084	1,066,887,072	343,233,484	6,180,155,072	5.55	94.30
2017	2016 (2)	272,287,050	5,445,741,000	96,647,049	1,166,052,922	368,934,099	6,611,793,922	5.58	91.20
2018	2017	288,360,810	5,767,216,200	101,725,024	1,211,912,052	390,085,834	6,979,128,252	5.59	95.60
2019	2018	302,285,440	6,045,708,800	109,715,204	1,301,444,272	412,000,644	7,347,153,072	5.61	101.20

(1) Source: Lancaster County Auditor: Includes all assessments including fee-in-lieu, joint industrial park, and reimbursement assessments.

(2) Real property was reassessed.

Note: Real property in Lancaster County is reassessed once every four years (unless an extension is granted by Council) with a one year lag for implementation, unless there is a physical or legal change affecting the property. The county assesses real property at 4-6% (legal residency is 4%) of the appraised value. Personal property is assessed at 10.5% of market value, except railroads (9.5%), motor homes (6%) and non-business motor vehicles (6%).

LANCASTER COUNTY, SOUTH CAROLINA

PROPERTY TAX MILLAGE RATES OF DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

						Overlapping Rates (1)							
		Lancaster County				Lancaster County School District							
Levy Year Ended December 31	Fiscal Year Ended June 30	County Operating	County Debt	County Capital Improvement and Court Security	Total County	School Operating	School Debt	Total School District	University of S.C. Lancaster	Town of Heath Springs	Town of Kershaw	City of Lancaster	Total Direct and Overlapping Rates
2009	2010	66.70	6.70	7.50	80.90	133.50	38.50	172.00	3.30	-	69.30	143.50	469.00
2010	2011	68.40	7.60	7.60	83.60	136.75	38.50	175.25	3.40	-	70.90	143.50	476.65
2011	2012 [2]	68.40	7.20	7.40	83.00	140.00	43.50	183.50	3.60	-	69.90	143.50	483.50
2012	2013	71.40	6.10	7.60	85.10	140.00	47.00	187.00	3.80	-	72.10	149.70	497.70
2013	2014	75.65	7.16	7.60	90.41	145.00	43.00	188.00	3.95	-	75.00	154.70	512.06
2014	2015	78.00	7.00	7.80	92.80	149.50	43.00	192.50	4.10	-	75.00	156.90	521.30
2015	2016	80.80	5.30	8.20	94.30	149.50	53.00	202.50	4.30	-	75.00	164.40	540.50
2016	2017 [2]	76.00	7.00	8.20	91.20	149.50	68.00	217.50	4.30	-	77.00	176.40	566.40
2017	2018	80.10	7.10	8.40	95.60	149.50	68.00	217.50	4.50	-	82.00	178.50	578.10
2018	2019	84.20	8.30	8.70	101.20	154.50	65.00	219.50	4.70	-	85.00	172.90	583.30

Source: Lancaster County Auditor

(1) Overlapping rates are those of local governments that apply to property owners within Lancaster County. Not all overlapping rates apply to all Lancaster County property owners (ex. the rates for the City of Lancaster apply only to the proportion of property owners whose property is located within the geographic boundaries of the City of Lancaster).

(2) Real property was reassessed.

LANCASTER COUNTY, SOUTH CAROLINA

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

	2019				2010			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value	Taxes Paid (1)	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value	Taxes Paid (1)
Red Ventures	$ 11,467,406	1	2.78%	$ 3,731,494				
Duke Energy	10,904,560	2	2.65%	3,591,144	$ 7,192,290	1	2.56%	1,903,636
Haile Gold Mine Inc.	4,657,908	3	1.13%	1,513,700				
Duracell Manufactures Inc.	4,418,422	4	1.07%	2,005,532	4,316,050	2	1.53%	1,652,545
Lancaster Hospital Corp.	4,156,070	5	1.01%	1,780,321	4,399,190	3	1.56%	1,576,819
Lennar Carolina LLC	1,686,050	6	0.41%	519,104				
TKC Bailes Ridge Pkway LLC	1,564,837	7	0.38%	509,198				
IFM13 LLC	1,354,690	8	0.33%	427,901				
Springland Associates	1,203,080	9	0.29%	508,822	2,168,080	5	0.77%	771,437
Lancaster Telephone Co.	1,025,802	10	0.25%	413,625	1,235,680	9	0.44%	373,732
Springs Global					4,164,199	4	1.48%	1,056,987
Pulte Home Corp.					3,251,920	6	1.16%	747,611
Craft Development					2,182,190	7	0.78%	538,089
Lawson Bend LLC					1,816,510	8	0.65%	447,891
Wells Real Estate					1,392,845	10	0.49%	356,847
Total assessed value of ten largest taxpayers	$ 42,438,825		10.30%	$ 15,000,841	$ 32,118,954		11.42%	$ 9,425,594
Total assessed value of all taxpayers	$ 412,000,644		100%		$ 281,454,069		100%	

Source: Lancaster County Treasurer

(1) Taxes paid includes amounts paid to other taxing authorities within Lancaster County.

LANCASTER COUNTY, SOUTH CAROLINA

REAL PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

				Collected within the Fiscal Year of the Levy		Collections in	Total Collections to Date	
Levy Year	Original Levy	Adjustments	Total Adjusted Levy	Amount	Percentage of Levy	Subsequent Years	Amount	Percentage of Levy
2009	$ 16,692,282	$ 253,039	$ 16,945,321	$ 15,998,456	94.41%	$ 789,673	$ 16,788,129	99.07%
2010	18,177,916	(37,732)	18,140,184	16,954,909	93.47%	1,004,004	17,958,913	99.00%
2011	17,717,289	472,737	18,190,026	17,372,203	95.50%	697,862	18,070,065	99.34%
2012	18,086,112	(26,456)	18,059,656	17,297,322	95.78%	625,007	17,922,329	99.24%
2013	19,312,592	575,656	19,888,248	18,975,609	95.41%	754,768	19,730,377	99.21%
2014	20,736,283	487,738	21,224,021	20,418,390	96.20%	632,432	21,050,822	99.18%
2015	22,506,743	352,110	22,858,853	22,135,439	96.84%	537,684	22,673,123	99.19%
2016	23,702,386	101,476	23,803,862	23,149,210	97.25%	446,028	23,595,238	99.12%
2017	24,415,252	1,054,133	25,469,385	24,808,606	97.41%	444,278	25,252,884	99.15%
2018	29,214,057	1,989,694	31,203,751	30,259,717	96.97%	-	30,259,717	96.97%

Source: Lancaster County Treasurer
Includes County Ordinary, County Debt, County Capital Improvement, and County Court Security

LANCASTER COUNTY, SOUTH CAROLINA

VEHICLE PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

Levy Year	Original Levy	Adjustments	Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
				Amount	Percentage of Levy		Amount	Percentage of Levy
2009	$ 1,763,319	$ 233,339	$ 1,996,658	$ 1,916,851	96.00%	$ 76,988	$ 1,993,839	99.86%
2010	1,609,746	91,335	1,701,081	1,630,457	95.85%	68,146	1,698,603	99.85%
2011	1,718,915	256,720	1,975,635	1,903,400	96.34%	67,181	1,970,581	99.74%
2012	1,982,449	116,347	2,098,796	2,018,240	96.16%	77,681	2,095,921	99.86%
2013	2,212,716	175,945	2,388,661	2,275,933	95.28%	109,265	2,385,198	99.86%
2014	2,559,126	256,902	2,816,028	2,709,070	96.20%	101,885	2,810,955	99.82%
2015	2,846,803	420,420	3,267,223	3,030,026	92.74%	136,795	3,166,821	96.93%
2016	3,144,338	513,860	3,658,198	3,381,874	92.45%	156,646	3,538,520	96.73%
2017	3,061,408	434,731	3,496,139	3,221,298	92.14%	134,401	3,355,699	95.98%
2018	3,274,821	437,243	3,712,064	3,425,273	92.27%	-	3,425,273	92.27%

Source: Lancaster County Treasurer
Includes County Ordinary, County Debt, County Capital Improvement, and County Court Security

LANCASTER COUNTY, SOUTH CAROLINA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

	Governmental Activities								
Fiscal Year	General Obligation Bonds	SCAGO Public Facilities Installment Purchase Revenue Bonds	Capital Leases	Special Source Revenue Bonds	Mortgages Payable	Unamortized discount/premium on debt	Total Outstanding Debt	Percentage of Personal Income	Per Capita
2010	$ 15,778,340	$ 38,410,000	$ 3,397,813	$ 2,733,658	$ -	$ 818,311	$ 61,138,122	3.35%	805
2011	21,278,707	34,225,000	2,793,399	2,524,245	-	135,590	60,956,941	4.20%	784
2012	19,840,000	29,560,000	3,341,646	2,795,000	-	475,205	56,011,851	3.72%	731
2013	18,325,000	24,710,000	2,797,416	2,510,000	-	341,199	48,683,615	3.06%	625
2014	17,506,450	19,675,000	2,611,477	2,210,000	-	374,768	42,377,695	2.52%	536
2015	31,300,178	14,445,000	2,875,644	9,394,000	-	3,530,280	61,545,102	3.52%	765
2016	36,736,205	-	2,451,843	7,504,000	-	3,627,628	50,319,676	2.67%	605
2017	34,589,492	-	2,038,778	7,154,382	-	2,929,225	46,711,877	2.31%	544
2018	29,372,360	-	1,826,483	6,782,076	-	2,158,137	40,139,056	1.77%	448
2019	42,398,607	-	1,602,396	6,433,649	-	3,654,075	54,088,727	1.82%	567

Notes:
Population data and personal income data can be found in the Schedule of Demographic and Economic Statistics.

LANCASTER COUNTY, SOUTH CAROLINA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Unamortized Discount/Premium on Debt	Less: Amounts Available in Debt Service Fund	Net G.O. Bonds Outstanding	Percentage of Estimated Actual Taxable Value of Property (1)	Debt Per Capita (2)
2010	$ 15,778,340	$ 818,311	$ 435,498	$ 16,161,153	0.32%	208
2011	21,278,707	135,590	488,649	20,925,648	0.41%	273
2012	19,840,000	475,205	696,917	19,618,288	0.37%	252
2013	18,325,000	341,199	571,773	18,094,426	0.34%	229
2014	17,506,450	374,768	572,689	17,308,529	0.31%	215
2015	31,300,178	3,530,280	2,857,126	31,973,332	0.55%	384
2016	36,736,205	3,627,629	3,264,525	37,099,309	0.60%	432
2017	34,589,492	2,929,225	1,631,995	35,886,722	0.54%	401
2018	29,372,360	2,158,137	839,211	30,691,286	0.44%	332
2019	42,398,607	3,654,075	4,461,216	41,591,466	0.57%	436

Notes:
(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data

(2) Population data can be found in the Schedule of Demographic and Economic Statistics.

LANCASTER COUNTY, SOUTH CAROLINA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2019

Governmental Unit	Debt Outstanding	Percentage Applicable to County	Amount Applicable to County
Direct debt:			
Lancaster County	$ 54,088,727	100%	$ 54,088,727
Overlapping debt:			
City of Lancaster	262,309	100%	262,309
Lancaster School District	267,909,585	100%	267,909,585
Total overlapping debt	268,171,894		268,171,894
Total direct and overlapping debt	$ 322,260,621		$ 322,260,621

SOURCES:
Lancaster County Treasurer, City of Lancaster, and Lancaster County School District

NOTE:
All of the overlapping debt is issued by either school districts or municipalities whose geographic boundaries are wholly contained within the geographic boundary of the County. Therefore, the County's share of the overlapping debt is 100%. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Lancaster County, South Carolina. This process recognizes that, when considering the government's ability to issue and repay debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and, therefore, responsible for repaying the debt, of each overlapping government.

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LANCASTER COUNTY, SOUTH CAROLINA

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Debt Limit	$ 21,535,417	$ 21,508,152	$ 23,409,098	$ 22,713,718	$ 23,580,100	$ 24,665,722	$ 26,153,377	$ 27,880,673	$ 29,389,302	$ 30,639,401
Total Net G.O. Debt Applicable to Limit	12,842,843	18,380,058	16,828,083	15,538,227	14,818,761	12,147,161	16,740,199	14,737,497	12,795,789	13,993,784
Legal debt margin	$ 8,692,574	$ 3,128,094	$ 6,581,015	$ 7,175,491	$ 8,761,339	$ 12,518,561	$ 9,413,178	$ 13,143,176	$ 16,593,513	$ 16,645,617
Total Net G.O. Debt Applicable to the to the Limit as a Percentage of Debt Limit	59.64%	85.46%	71.89%	68.41%	62.84%	49.25%	64.01%	52.86%	43.54%	45.67%

Legal Debt Margin Calculation for Fiscal Year 2019

Assessed value (1)	$ 382,088,719
Add back: exempt Merchant Inventory (2)	903,794
Total assessed value	382,992,513
Debt limit (8% of assessed value) (3)	30,639,401
Debt applicable to limit:	
Total general obligation bonds	42,398,607
Less amount set aside for repayment of GO debt (4)	(4,461,216)
Less G.O. bonds not applicable to 8% debt limit (5)	(23,943,607)
Net G.O. bonds applicable to limit	13,993,784
Legal debt margin without a referendum (6)	$ 16,645,617

Notes:

(1) Property value data can be found in the Assessed Value and Estimated Actual Value of Taxable Property schedule. Fee-in-lieu, joint industrial park, and reimbursement assessments are not included in the assessed value for debt limit calculation.

(2) Business inventory is exempt from tax, but its 1987 assessed value is included in the computation of the legal debt margin.

(3) The legal debt limit is 8 percent of total assessed value.

(4) This is the amount available in the debt service funds for GO debt.

(5) GO bonds for the Pleasant Valley Fire District and Brookchase District are not subject to the 8% debt limit. Special fees are assessed to pay these bonds as approved by the voters. Also, a $16,500,000 referendum bond was issued in FY2015 and a $11,500,000 referendum bond was issued in 2019 and these are not subject to the 8% debt limit.

(6) The legal debt margin is the government's available borrowing under SC Code of Laws and is calculated by subtracting the debt applicable to the legal debt limit from the legal debt limit.

LANCASTER COUNTY, SOUTH CAROLINA

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	County Population (1)	Total Personal Income (in thousands) (1)	Per Capita Personal Income *	School Enrollment (2)	County Unemployment Rate (3)
2010	77,767	$ 1,822,945	$ 23,441	11,508	16.4%
2011	76,652	1,450,946	18,929	11,401	15.3%
2012	77,908	1,504,248	19,308	11,378	13.0%
2013	79,089	1,588,503	20,085	11,554	10.8%
2014	80,458	1,681,492	20,899	11,581	6.6%
2015	83,160	1,746,609	21,003	11,760	6.6%
2016	85,842	1,883,631	21,943	12,420	6.0%
2017	89,594	2,020,076	22,547	12,758	4.6%
2018	92,550	2,270,066	24,528	13,017	3.9%
2019	95,380	2,973,662	31,177	13,258	4.1%

Sources:
(1) Bureau of Census/SC Budget & Control Board Office of Research & Statistics/Bureau of Economic Analysis. All are estimates except fiscal year 2011 which is based on the 2010 census. All are estimates except fiscal year 2011, which is based on the 2010 census.

(2) Lancaster County School District.

(3) S.C. Department of Employment and Workforce

*Statistics are based on calendar year ending December 31 prior to the fiscal year ending date.

LANCASTER COUNTY, SOUTH CAROLINA

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

	2019			2010		
Employer	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Red Ventures	1,925	1	4.66%	575	5	1.89%
Lancaster County Schools	1,800	2	4.35%	1532	1	5.02%
Continental Tire	814	3	1.97%	400	7	1.31%
Movement Mortgage	725	4	1.75%			
MUSC (Springs Memorial Hospital)	642	5	1.55%	710	3	2.33%
Lancaster County (1)	535	6	1.29%	734	2	2.41%
Nutramax Laboratories	483	7	1.17%			
Cardinal Health	471	8	1.14%	700	4	2.30%
KEER America	401	9	0.97%			
Oceana Gold	396	10	0.96%			
Founders Federal Credit Union				320	9	1.05%
Inspirations Ministries				335	8	1.10%
Duracell (Gillette)				400	6	1.31%
Wal-Mart				303	10	0.99%
Total	8,192		19.82%	6,009		19.71%
Total Labor Force	41,333			30,497		

Source: Lancaster County Economic Development Corporation and SC Department of Employment and Workforce
(1) 2019 survey does not include part-time

LANCASTER COUNTY, SOUTH CAROLINA

FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government Administration	88.50	91.00	89.00	90.00	90.00	96.00	102.00	103.00	105.00	103.00
Administration of Justice	29.00	29.00	29.00	31.00	34.00	36.00	38.00	37.00	38.00	37.00
Culture & Recreation	57.50	55.00	55.00	56.00	58.00	62.00	71.00	69.00	69.00	69.00
Public Safety & Law Enforcement	165.50	166.00	172.00	187.00	210.00	226.00	240.00	243.00	250.00	263.00
Public Works	39.00	41.00	41.00	41.00	43.00	45.00	49.00	47.00	51.00	63.00
Public Health & Welfare	83.50	73.00	75.00	80.00	81.00	79.00	85.00	84.00	87.00	92.00
	463.00	455.00	461.00	485.00	516.00	544.00	585.00	583.00	600.00	627.00

Source: Lancaster County Human Resources Department

LANCASTER COUNTY, SOUTH CAROLINA

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Administration of Justice										
Clerk of Court general sessions cases disposed	2,224	1,654	1,541	1,910	1,929	1,977	2,869	2,059	2,624	2,693
Clerk of Court common pleas cases disposed	1,910	1,811	1,870	2,210	2,172	2,533	1,715	1,654	1,565	1,914
Family Court cases disposed	997	765	907	820	735	1,034	818	994	988	853
Magistrate Court										
Criminal Docket total cases filed	2,623	2,379	2,570	2,562	2,493	2,300	2,551	2,671	3,224	3,921
Traffic Docket total cases filed	9,025	8,402	9,562	9,933	11,209	8,604	10,645	11,537	9,342	12,555
Civil Docket total cases filed	2,314	2,181	2,335	2,149	2,348	2,418	2,437	2,536	3,076	3,106
Culture and Recreation										
Library - Circulation	n/a	n/a	n/a	n/a	n/a	n/a	276,906	278,736	282,774	279,304
Recreation - total number of participants	n/a	n/a	n/a	n/a	n/a	n/a	217,415	223,476	224,157	11,257
General Government										
Assessor - number of parcels revised	n/a	n/a	n/a	n/a	n/a	n/a	14,102	46,875 (1)	17,626	15,369
Building - number of permits issued	n/a	n/a	n/a	n/a	n/a	n/a	2,738	2,847	2,847	3,386
Delinquent Tax - number of properties redeemed	n/a	n/a	n/a	n/a	n/a	n/a	224	270	273	269
Human Resources - number of applications taken	n/a	n/a	n/a	n/a	n/a	n/a	1,034	663	518	254
Planning - number of rezoning cases	n/a	n/a	n/a	n/a	n/a	n/a	19	27	38	32
Risk Management - number of inspections performed	n/a	n/a	n/a	n/a	n/a	n/a	68	60	60	60
Fleet Operations - number of work orders	n/a	n/a	n/a	n/a	n/a	n/a	2,919	2,228	2,846	3,250
Public Safety & Law Enforcement										
Coroner - total number of deaths	n/a	n/a	n/a	n/a	n/a	n/a	463	500	560	571
Communication E911 - total number of calls	n/a	n/a	n/a	n/a	n/a	n/a	122,164	152,695	104,218	181,987
Detention Center - Total number incarcerated	3,519	3,427	2,938	3,477	3,366	3,261	2,997	3,351	3,486	3,355
Fire Service - Total number of calls	3,306	3,600	3,612	3,644	3,533	4,543	5,948	6,368	6,496	7,215
Sheriff Department										
Calls for services	n/a	n/a	n/a	n/a	n/a	n/a	61,707	67,515	65,906	68,758
Total arrests	n/a	n/a	n/a	n/a	n/a	n/a	3,275	3,677	3,549	3,838
Litter complaints	n/a	n/a	n/a	n/a	n/a	n/a	95	117	160	395
Public Works										
Road maintenance - total work orders	n/a	n/a	n/a	n/a	n/a	n/a	3,946	3,645	2,089	2,996
Solid Waste										
Tons of refuse collected	n/a	n/a	n/a	n/a	n/a	n/a	6,156	6,811	6,090	7,760
Tons of comingled recyclables collected	n/a	n/a	n/a	n/a	n/a	n/a	771	709	536	624
Public Health & Welfare										
Animal Control										
Number of animals through shelter	4,611	4,462	4,896	4,338	3,611	3,992	3,433	3,387	3,069	2,659
EMS - Total number of calls (1)	12,289	13,334	12,313	12,497	12,530	14,891	14,880	15,144	17,380	17,108

Sources: Various county departments

Note: Statistics were not available for several departments until fiscal year 2016.

(1) Reassessment year - all parcels were revised

LANCASTER COUNTY, SOUTH CAROLINA

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Function/Program										
Public safety and law enforcement										
Number of police stations	1	1	1	1	1	1	1	1	1	2
Number of police sub-stations	2	3	4	4	3	3	3	3	2	2
Number of police vehicles	112	116	111	116	123	135	143	135	148	155
Number of fire stations	18	18	18	18	18	18	18	18	18	18
Number of fire sub-stations	2	2	3	3	3	3	3	3	3	2
Public works										
Miles of unpaved roads maintained	n/a	n/a	n/a	n/a	214.84	215.84	215.84	215.84	215.84	215.84
Miles of paved roads maintained	n/a	n/a	n/a	n/a	164.81	168.76	168.76	200.81	223.76	234.41
Public health and welfare										
Number of EMS stations	7	7	8	8	8	8	8	8	8	8
Number of emergency vehicles*	22	23	23	25	25	33	37	31	31	31
Culture and recreation										
Number of parks	13	13	13	15	15	16	16	16	16	16
Number of recreation centers	4	4	4	4	4	4	4	4	4	4
Number of libraries	3	3	3	3	3	3	3	3	3	3

Source: Various county departments

Note: Capital asset indicators are not available for the general government function or the administration of justice function. Public works statistics were not available for FY2010 thru FY2013.

*Beginning in FY2015, QRV vehicles are included.

COMPLIANCE SECTION

MAULDIN & JENKINS

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*

Lancaster County Council
of Lancaster County
Lancaster, 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, each major fund, and the aggregate remaining fund information of **Lancaster County, South Carolina** (County), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Lancaster County, South Carolina's basic financial statements and have issued our report thereon dated November 15, 2019.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Lancaster County, South Carolina's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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.

Mauldin & Jenkins, LLC

Columbia, South Carolina
November 15, 2019

MAULDIN & JENKINS

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

Lancaster County Council
of Lancaster County
Lancaster, South Carolina

Report on Compliance for Each Major Federal Program

We have audited **Lancaster County, South Carolina's** (the "County") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the County's major federal program for the year ended June 30, 2019. The County's major federal program is identified in the summary of audit results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

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

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

Opinion on the Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended June 30, 2019.

Report on Internal Control Over Compliance

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

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

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

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

Mauldin & Jenkins, LLC

Columbia, South Carolina
November 15, 2019

LANCASTER COUNTY, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Grant Identification Number	Total Expenditures	Passed Through to Subrecipients
U.S. Department of Justice				
(Passed through the SC Department of Public Safety)				
SCDPS Domestic Violence	16.738	1G16027	$ 16,106	$ -
SCDPS Domestic Violence	16.738	1G18003	46,422	-
SCDPS Domestic Violence	16.738	1G18028	80,149	-
Edward Byrne Memorial Assistance Grant Program	16.738	2017-DJ-BX-0901	11,586	-
Edward Byrne Memorial Assistance Grant Program	16.738	2018-DJ-BX-0270	10,383	-
			164,646	-
Bulletproof Vest Partnership Program	16.607	N/A	3,611	-
			3,611	-
Violence Against Women	16.590	2016-WE-AX-0024	135,280	53,235
			135,280	53,235
Victims Advocate	16.575	1V17024	24,745	-
Victims Advocate	16.575	1V18065	71,307	-
			96,052	-
Drug Court Discretion Grant Program	16.585	2018-DC-BX-0048	11,491	11,491
			11,491	11,491
Comprehensive Opioid Abuse Site-Based Program	16.838	2019-AR-BX-K053	6,435	-
			6,435	-
Total U.S. Department of Justice			417,515	64,726
U.S. Department of Homeland Security				
(Passed through the SC Emergency Management Division)				
Pre-Disaster Mitigation	97.017	PDMC-PL-04-SC-2015-007	1,401	-
			1,401	-
Emergency Management Performance Grants	97.042	17EMPG01-Supplemental	11,018	-
Emergency Management Performance Grants	97.042	18EMPG01	61,695	-
			72,713	-
Staffing for Adequate Fire and Emergency Response	97.083	EMW-2014-FF-00085	257,035	-
			257,035	-
Disaster Grants - Public Assistance	97.036	N/A	98,093	-
			98,093	-
Total U.S. Department of Homeland Security			429,242	-
U.S. Department of Health and Human Services				
(Passed through the SC Department of Social Services)				
Child Support Enforcement	93.563	N/A	216,735	-
			216,735	-
TANF Cluster				
Temporary Assistance for Needy Families - TANF Block Grant	93.558	N/A	12,221	-
			12,221	-
477 Cluster				
Child Care Development Fund	93.575/93.596	N/A	135	-
			135	-
Medicaid Cluster				
Medicaid Assistance Program	93.778	N/A	4,780	-
			4,780	-
Social Services Block Grant Administration	93.667	N/A	2,348	-
Family Preservation (CWS Part II)	93.556	N/A	84	-
Foster Care	93.658	N/A	3,774	-
			6,206	-
Total U.S. Department of Health and Human Services			240,077	-
Centers for Disease Control and Prevention				
The Affordable Care Act	93.521	EQ-8-163	1,296	-
			1,296	-
Total Centers for Disease Control and Prevention			1,296	-

LANCASTER COUNTY, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Grant Identification Number	Total Expenditures	Passed Through to Subrecipients
U.S. Department of Agriculture				
(Passed through the SC Department of Social Services)				
SNAP Cluster				
State Administrative Matching Grants for Supplemental Nutrition Assistance	10.561	N/A	$ 5,321	$ -
			5,321	-
Total U.S. Department of Agriculture			5,321	-
U.S. Department of Transportation				
Airport Improvement Program	20.106	3-45-0034-019-2017	69,974	-
Airport Improvement Program	20.106	3-45-0034-020-2018	95,773	-
			165,747	-
(Passed through the SC Department of Public Safety)				
Highway Safety Cluster				
State and Community Highway Safety Program	20.600	PT-2018-HS-33-18	41,288	-
State and Community Highway Safety Program	20.616	M4HVE-2018-HS-49-18	73,173	-
National Priority Safety Programs	20.616	M4HVE-2018-HS-49-19	59,740	-
			174,201	-
Total Highway Safety Cluster			174,201	-
Total U.S. Department of Transportation			339,948	-
U.S. Department of Housing and Urban Development				
(Passed through the SC Department of Commerce)				
Community Development Block Grant	14.228	4-CI-16-011	495,964	122,589
Community Development Block Grant	14.228	4-RP-17-003	52,500	-
			548,464	122,589
Total U.S. Department of Housing and Urban Development			548,464	122,589
U.S. Institute of Museum and Library Services				
Library Services and Technology Program	45.310	IIIA-18-114	1,560	-
Library Services and Technology Program	45.310	IIIA-18-112	864	-
Library Services and Technology Program	45.310	IIIA-18-102	1,864	-
Library Services and Technology Program	45.310	IIIA-18-06	1,000	-
Library Services and Technology Program	45.310	IIIA-17-07	772	-
Library Services and Technology Program	45.310	IID-17-204	1,289	-
Library Services and Technology Program	45.310	IIID-17-129	464	-
Library Services and Technology Program	45.310	IIID-18-108	1,000	-
			8,813	-
Total U.S. Institute of Museum and Library Services			8,813	-
Total Expenditures of Federal Awards			$ 1,990,676	$ 187,315

LANCASTER COUNTY, SOUTH CAROLINA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2019

NOTE I. BASIS OF PRESENTATION

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

NOTE II. DE MINIMIS INDIRECT COST RATE

The County chose not to use the ten percent de Minimis cost rate for the year ended June 30, 2019.

NOTE III. NONCASH ASSISTANCE AND LOANS

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

LANCASTER COUNTY, SOUTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	____ Yes __X__ No
Significant deficiencies identified not considered to be material weaknesses?	____ Yes __X__ None Reported
Noncompliance material to financial statements noted?	____ Yes __X__ No

Federal Awards

Internal Control over major programs:	
Material weaknesses identified?	____ Yes __X__ No
Significant deficiencies identified not considered to be material weaknesses?	____ Yes __X__ None Reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	____ Yes __X__ No

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster
14.228	U.S. Department of Housing and Urban Development – Community Development Block Grant Program

Dollar threshold used to distinguish between Type A and Type B programs:	$750,000
Auditee qualified as low-risk auditee?	__X__ Yes ____ No

LANCASTER COUNTY, SOUTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

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.

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