

YORK COUNTY, SOUTH CAROLINA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

ISSUED BY:
YORK COUNTY
Management and Finance Departments

William P. Shanahan, Jr.
County Manager

Elizabeth W. Latham
Treasurer/Finance Director

YORK COUNTY, SOUTH CAROLINA

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December 15, 2014

Members of York County Council
Citizens of York County

We are pleased to submit the comprehensive annual financial report of York County, South Carolina for the fiscal year ended June 30, 2014. The County is responsible for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the County. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

State and federal laws require the County to have an annual audit conducted by independent certified public accountants. The accounting firm of Greene, Finney and Horton, LLP, was selected and their report on the financial statements is included in the Financial Section of this report.

The County is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act, as amended in 1996, and the U.S. Office of Management and Budget Circular A-133. Information related to this single audit, including the Schedule of Expenditures of Federal Awards, Findings and Questioned Costs, and Auditor's Reports on the Internal Control Structure and Compliance with Applicable Laws and Regulations, is included in the Single Audit Section of this report.

Accounting Principles Generally Accepted in the United States of America require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. York County's MD&A can be found immediately following the report of the independent auditor.

PROFILE OF GOVERNMENT

York County Council is composed of seven council members elected for two-year terms from seven single-member districts.

The financial reporting entity includes all the funds of York County, the primary government, as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable. The County provides a full range of services including law enforcement, emergency services, court services, road construction and maintenance, solid waste collection and recycling, and planning and zoning. The County's enterprise funds include Solid Waste Disposal and Water and Sewer. Discretely presented component units are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial position, results of operations and cash flows from those of the primary government. York County Culture and Heritage Commission and York County Library are reported as discretely presented component units.

ECONOMIC CONDITION AND OUTLOOK

York County continues to experience an improvement in its economic base and has become an integral part of South Carolina and the Charlotte region economy. The fiscal year 2014 saw considerable gains in recovery as unemployment in York County slowly declined and other indicators such as new and expanded industry investment point to continued achievement for the County in economic development. Over the past two years York County has seen over \$512 M in capital investment and 6,700 jobs announced.

York County saw a steady decline in unemployment rates over the past year, from 8.2 % in June 2013, to 5.9% in June 2014. The state average unemployment rate in April 2014 was 5.7%.

Significant announcements in 2014 included LPL Financial and The Lash Group which announced a combined 5,400 jobs and \$240 million in capital investment. York County is poised to continue to see considerable growth in Class A office projects as well as commercial, warehousing and distribution development with selected manufacturing investment in targeted areas of industry including aerospace, plastics, and chemicals. The York County Council continues to show support in assisting economic development recruitment endeavors.

At the end of 2014 four speculative industrial buildings are under construction or development in York County. The County is integrally involved in two of these four projects as the proceeds from the sale of the County's first speculative building are being leveraged to construct the County's second speculative building in western York County. The County is supporting a public-private partnership of a second speculative industrial building in Fort Mill using no-interest financing provided by Santee Cooper. Product and site development continues to be a top priority given the good economic times in the county and the proactive support of the county government and local business community.

MAJOR INITIATIVES

The major initiatives of the County focus on growth issues and the related demands for County infrastructure and services. It has been a continuing goal of the County Council to provide quality services to the citizens of York County while keeping property tax rates as low as possible. In 2014, York County had the sixth lowest general operating millage rate in the State of South Carolina.

York County continues to face challenges related to population and growth as increases in population and new construction have remained stronger in FY 2014 as compared to some fiscal years prior to FY 2013. Several long-range planning initiatives have been implemented in the past several years, including the re-write of the comprehensive land use plan which will begin in FY 2015.

In fiscal year 2001-2002, York County developed its first formal Capital Improvement Program. The Capital Improvement Program consists of anticipated major capital projects, timelines and estimated project costs. This plan emphasizes future capital and infrastructure needs and has enhanced planning for the financial impact of meeting these needs. The County Council has funded the updated CIP over the years with transfers from the General Fund and proceeds from general obligation bonds that were issued in FY 2003, FY 2007 and FY 2009. The FY 2014 budget included a transfer of \$3.9 million from the General Fund to the Capital Improvement fund for facility projects and a comprehensive needs analysis, as well as a \$3.8 million transfer from the General Fund to the Debt Service fund which was used to pay-off the balance of the 2002 General Obligation Bonds. By retiring the debt 3 years prior to maturity, the County realized interest savings as well as increased legal debt capacity that will be needed for future capital work.

The County completed implementation of the 800 MHz county-wide radio/communication system in FY 2007-2008. The maintenance contract for this state-of-the art system is a significant recurring annual expenditure.

In addition, the County has established the York County Forever Program, an open space program with a goal of protecting one acre of land for every acre of land developed. To date, the County has preserved 9,103.3 acres through property acquisitions, donations and easements. Another 5,409.9 acres have been preserved through private conservation efforts not related to the County. Finally, York County is developing extensive

revisions to the County comprehensive plan, which provides information on the existing condition of the County and establishes goals and strategies for managing and directing the future growth of the County through land use planning and other means.

In 1997, the County set a goal to address major infrastructure needs in the state highway system. York County actively participated in the passage of a state law in June 1997, which allows county governments to implement a local capital projects sales tax. York County voters approved the seven year/\$99 million sales tax in November 1997, becoming the first county in South Carolina to approve such a tax. The State approved a \$6.6 million interest free loan to enable the County to accelerate the construction schedule of the sales tax project. The loan has been fully repaid. A total of \$103.4 million in sales tax collections was received by the County for funding the 1997 referendum projects. Due to increases in construction costs, Federal/State and York County funding has been allocated to this initiative. In addition, \$16.5 million of FY 2009 general obligation bond proceeds were allocated for these projects. In FY 2012, Council authorized a transfer from the General Fund in an amount of up to \$2,800,000 to fund the completion of the last road project approved in this referendum.

York County citizens approved a seven year/\$173 million renewal of this tax in a November 2003 referendum. The State approved an \$8 million interest free loan to enable the County to begin the construction schedule of this sales tax project. This loan was repaid in March 2007. The collection period for this referendum ended in FY 2012. Total sales tax collections of \$174.7 million were received by the County for funding the 2003 referendum projects.

York County citizens approved a third referendum for road projects in August, 2011. The amount projected for those projects was \$161 million. The amount of this referendum was lower than the 2003 referendum due to changes in sales tax laws. In FY 2012, Council authorized a loan from the General Fund in the amount of \$8 million be transferred to the "Pennies 3" fund in order to expedite the approved projects. The balance of that loan as of June 30, 2014 was \$1.1 million. As of June 30, 2014, the County had received \$59.5 million in sales tax collections for this referendum.

The County water/sewer system is located in close proximity to the City of Charlotte, North Carolina, which has experienced rapid population growth and industrial/commercial development in recent years. Our service area includes most of the higher density, faster growing unincorporated areas of the County. The system has significantly contributed to our success in economic development.

In the fall of FY 2012, the Council and staff worked with the County's financial advisor and the bond holder and obtained an interest rate reduction for the revenue bonds that were issued in 1999 which resulted in an approximate savings of \$265,000 or \$250,000 in present value savings. In June, 2012 the Council authorized the refunding of the 2003 revenue bonds which resulted in an approximate savings of \$2.9 million or \$1.9 million in present value savings. In FY 2014, the County spent \$4.1 million on water/sewer infrastructure, mostly on a Catawba Bridge water line which will result in long-range savings associated with future water purchases. The County water and sewer rates have not been increased since 2002 and will need to be adjusted in FY 2016 in order to fund increases that have been passed on to the County since 2002 and to fund additional debt service that will be needed to fund the significant Water and Sewer infrastructure needs.

FINANCIAL INFORMATION

The management of the County is responsible for developing and maintaining an internal control structure designed to ensure that the assets of the County are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. 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.

Budgetary Controls. In addition to internal accounting controls, the County maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by York County Council. Activities of the General Fund, Debt Service Fund, Rural Fire Districts, Rural Fire Board, Solid Waste Collection, Emergency Telephone System, Hospitality Tax, Recreation, Support for the Museum, Library and York Technical College funds are included in the annual appropriated budget. Project-length financial plans are adopted for the capital projects funds. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by functions and activity within an individual fund. The County also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Unencumbered amounts lapse at year-end.

Long-range Planning. In an effort to improve long range planning, as part of the FY 2009 budget preparation, department heads were asked to begin submitting three year budgets. The requests are used in preparing the staff budget message and recommendation to Council. The multi-year requests allow staff to project several scenarios and to show the impact on possible needs for drawdowns of fund balance and to continue to prevent millage rates from significant annual fluctuations. In FY 2010, the County Council adopted a formal fund balance policy. The policy requires a fiscal year minimum ending unassigned fund balance of 25% of the future year's expenditure budget. The target minimum of 25% is based on budgetary basis of accounting.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to York County, South Carolina for its comprehensive annual financial report for the fiscal year ended June 30, 2013. This was the twenty - ninth consecutive fiscal year for which the County has received this prestigious award. In order to be awarded a Certificate of Achievement, the County must publish an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

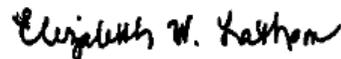
The preparation of the comprehensive annual financial report would not have been possible without the assistance of the County Auditor and County Assessor, as well as the staffs of the County Manager, Economic Development, Planning, Finance and Treasurer's Offices and Greene, Finney and Horton, LLP CPA firm. The hard work and dedication of these individuals significantly contributed to the completion of this document.

In closing, we express our appreciation to the Chairman and members of York County Council for their interest in and support of this comprehensive annual financial report.

Respectfully submitted,



WILLIAM P. SHANAHAN, JR.
County Manager



ELIZABETH W. LATHAM
County Treasurer/Finance Director

**YORK COUNTY, SOUTH CAROLINA
PRINCIPAL OFFICERS
JUNE 30, 2014**

County Council

James B. (Britt) Blackwell, Chairman
Joseph M. (Joe) Cox, Vice-Chairman
Curwood P. Chappell
Gerald B. (Bruce) Henderson
Robert M. (Michael) Johnson
William F. (Bump) Roddey
Charles C. (Chad) Williams

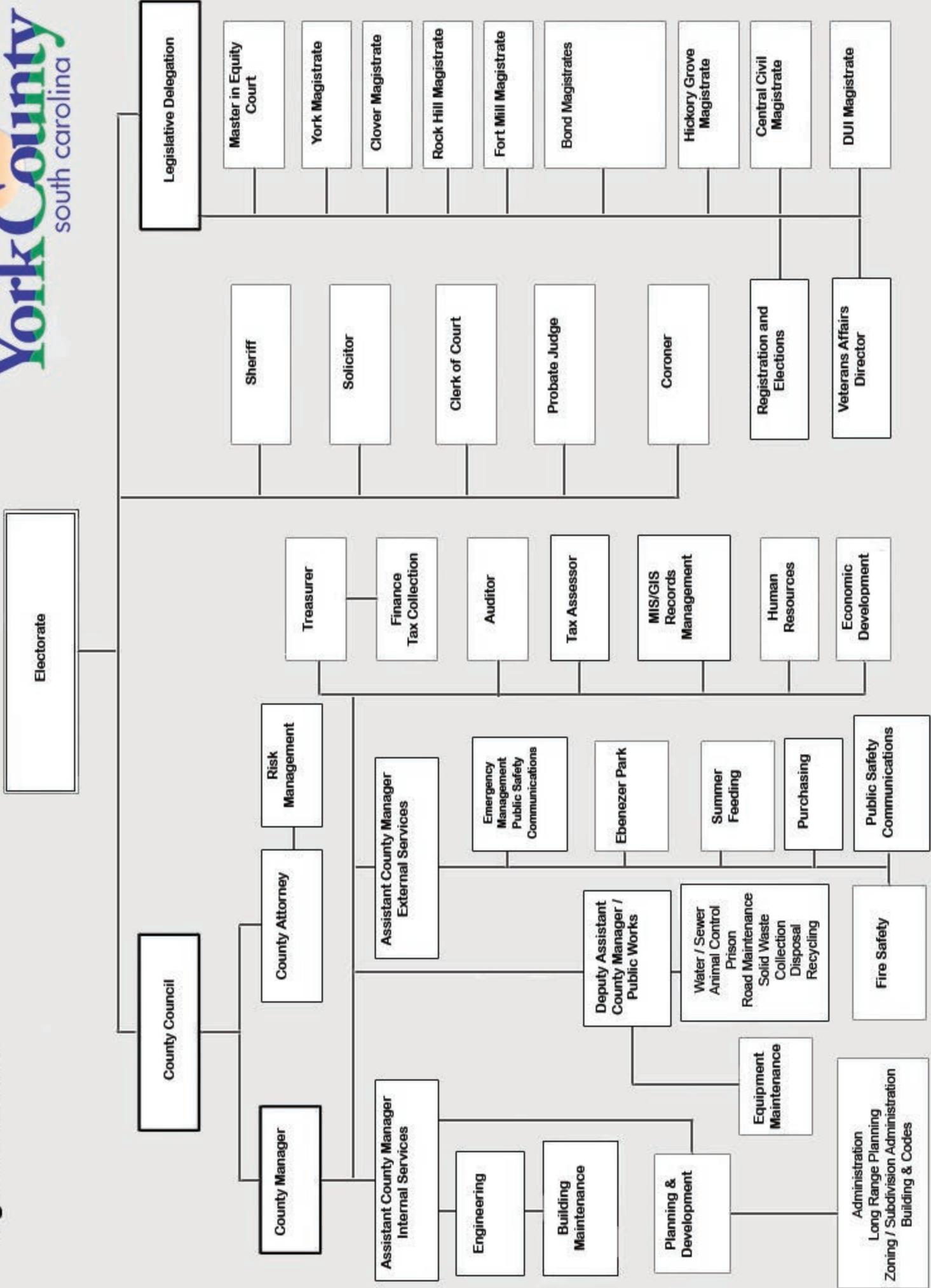
Elected Officials

Kevin S. Brackett, Solicitor
Bruce M. Bryant, Sheriff
Sabrina H. Gast, Coroner
Carolyn W. Rogers, Judge of Probate
John D. Hamilton, Clerk of Court

Appointed Officials

William P. Shanahan, Jr., County Manager
Amy C. Boheler, Auditor
Karen M. Brogdon, Clerk to Council
Wanda W. Hemphill, Voter Registration and Election Commission Director
Michael K. Kendree, County Attorney
Elizabeth W. Latham, Treasurer
Joseph C. Medlin, Veterans' Affairs Officer

York County Organization Chart





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**York County
South Carolina**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

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INDEPENDENT AUDITOR'S REPORT

York County Council
York, South Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of York County, South Carolina (the "County"), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the County'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 from 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of York County, South Carolina, as of June 30, 2014, 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.

Pending Implementation of Governmental Accounting Standards Board Statement on Pensions

As discussed in Note IV.F, the Governmental Accounting Standards Board issued in June 2012 Statement No. 68, *Accounting and Financial Reporting for Pensions* (“Statement”). This Statement, which will be adopted by the County for the fiscal year ended June 30, 2015, will require the County to report a net pension liability on its applicable financial statements for its participation in the South Carolina Retirement System and the Police Officers’ Retirement System (“Plans”). Based on recent information provided by the South Carolina Public Employee Benefit Authority, it is anticipated that the County’s share of the net pension liability associated with these Plans will decrease the County’s beginning unrestricted net position for the year ended June 30, 2015 by approximately \$74,195,000. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management’s Discussion and Analysis, General Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balance- Budgets and Actual, and Schedule of Employer Contributions and Funding Progress – Other Postemployment Benefits Plan, as listed in the table of contents, 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.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County’s basic financial statements. The introductory section, the supplementary information, the statistical section, and the schedule of expenditures of federal awards, as required by the U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2014 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Greene, Finney & Horton LLP

Greene, Finney & Horton, LLP
Mauldin, South Carolina
December 15, 2014

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**YORK COUNTY, SOUTH CAROLINA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2014

Our discussion and analysis of York County's (the County's) annual financial report presents a narrative overview of the County's financial performance for the fiscal year ended June 30, 2014, with an emphasis on the Primary Government. This information should be read in conjunction with the transmittal letter, financial statements and the accompanying notes. This discussion and analysis excludes the County's two discretely presented component units, the York County Library and the Culture and Heritage Commission of York County. Please refer to separately issued financial statements for these two entities.

FINANCIAL HIGHLIGHTS

- York County's assets exceeded its liabilities (net position) at June 30, 2014 by approximately \$432 million as compared to approximately \$413 million at the prior fiscal year end. Unrestricted net position may be used to meet the County's ongoing obligations to citizens and creditors; the County's unrestricted net position at June 30, 2014 was approximately \$85 million.
- The County's total net position this fiscal year increased approximately \$19 million over the previous year: approximately \$5 million of the increase is from business-type activities and approximately \$14 million is from governmental activities.
- At June 30, 2014 the County's governmental funds reported combined ending fund balances of approximately \$255 million, an increase of approximately \$6 million over the previous fiscal year as revenues and other financing sources totaling approximately \$155 million exceeded expenditures and other financing uses of approximately \$149 million. Total fund balances include approximately \$64 million for the General Fund, approximately \$165 million for the Capital Projects Funds, and approximately \$26 million for all other governmental funds.
- The General Fund reported an unassigned fund balance of approximately \$44 million compared to last year's unassigned amount of approximately \$41 million. This increase of approximately \$3 million was primarily due to salaries and benefits savings of approximately \$2.6 million as compared to budget for those expenditure categories.
- During 2014, the County's General Fund balance decreased by \$3 million. The General Fund category presented in the financial statements includes the County's General Fund and other unbudgeted special revenue funds. The most significant reason for the decrease in fund balance was the transfer of approximately \$8 million to other funds: (1) approximately \$4 million to capital project funds for the Moss Justice Center Roof, a Capital Facilities Study and renovations for Veteran's Affairs Office Space; and (2) approximately \$4 million to the debt service fund in order to repay the outstanding balance of the Series 2002 General Obligation Bonds.
- The County's total capital assets were approximately \$226 million at June 30, 2014, an increase of approximately \$4 million during fiscal 2014, as current year additions of approximately \$17 million exceeded current year depreciation of approximately \$13 million. Approximately \$2 million of this increase is the result of the County recording water and sewer system infrastructure contributed by developers for business-type activities.
- The County's total long-term indebtedness was approximately \$69 million at June 30, 2014, a decrease of approximately \$12 million from the previous year due to principal payments made during the year.
- The County sponsors a single-employer defined benefit healthcare plan that provides medical and dental insurance for eligible retirees and their dependents, or Other Postemployment Benefits Plan ("OPEB"). The County did not make contributions to the plan in 2014 to pre-fund benefits, consistent with its practice for the past several years. The annual required contribution for 2014 for its OPEB was approximately \$5 million, and the only contributions the County made was for premium payments made on behalf of current retirees who are receiving benefits under the plan. The net OPEB obligation as of June 30, 2014, which represents the cumulative amount of unfunded annual required contributions, was approximately \$24 million, an increase of \$4 million from the prior year. This cumulative unfunded amount is reflected as a liability on the government-wide statement of net position. The County implemented changes to the OPEB plan, effective January 1, 2015, which is estimated to significantly decrease the unfunded actuarial accrued liability and the annual required contributions.
- The County's current general obligation rating was AA+ as assigned by Standard and Poor's, Aa1 as assigned by Moody's and AA as assigned by Fitch. These ratings reflect the strength of York County and its management staff.

**YORK COUNTY, SOUTH CAROLINA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2014

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's financial statements. The financial statements are comprised of three sections: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-Wide Financial Statements

Government-wide financial statements provide a broad overview of the financial position of the County and are similar to private-sector financial statements. They include a Statement of Net Position and a Statement of Activities.

The Statement of Net Position shows the County's assets less its liabilities at June 30, 2014. The difference between these assets and liabilities is reported as net position. Changes in net position over time may be helpful in indicating an improving or deteriorating financial condition.

The Statement of Activities follows the Statement of Net Position and presents information showing how the net position changed during the fiscal year. The statement presents all underlying events which give rise to the change, regardless of the timing of the related cash flows.

Both statements attempt to distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

Governmental activities reported in the statements include general government, public safety, highways, streets and sanitation, health and welfare, culture and recreation, and conservation, transportation and growth. The business-type activities are water and sewer and solid waste disposal.

Fund Financial Statements

Fund financial statements are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. Like other state and local governments, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All 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 essentially the same functions as reported under the governmental activities column of the government-wide Statement of Net Position and Statement of Activities. However, this set of financial statements focuses on events that produce near-term inflows and outflows of spendable resources, as well as on the balances of spendable resources available at the end of the fiscal year and is a narrower focus than the government-wide financial statements. Such information may be useful in evaluating York County's near-term financing requirements and available resources.

By comparing functions between the two sets of statements for governmental funds and governmental activities, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statements of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Proprietary Funds – Services for which the County charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long and short-term financial information. These funds are similar to the government-wide business-type activities, but provide more detail and additional information, such as a cash flow statement.

Fiduciary Funds – The County uses fiduciary funds to account for resources held for the benefit of parties outside the County government. Although these funds are presented in the fund set of statements, they do not appear in the government-wide financial statements because the resources of fiduciary funds are not available to support York County's own programs. The County reports its fiduciary funds in a separate Statement of Fiduciary Net Position.

**YORK COUNTY, SOUTH CAROLINA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**

MANAGEMENT’S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2014

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Notes to the Financial Statements – The notes provide required disclosures and other information that are essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes present information about the County’s accounting policies, significant account balances and activities, material risks, obligations, commitments, contingencies and subsequent events.

Other Information – In addition to the financial statements and the accompanying notes, this report also presents certain required supplementary information that includes this analysis and the General Fund budgetary comparison. Additionally, this report presents supplementary information which includes the combining statements for the nonmajor governmental funds, budgetary comparisons for nonmajor special revenue funds that have legally adopted budgets, a combining statement of assets and liabilities for the agency funds, and combining information for the York County Library and the Culture and Heritage Commission of South Carolina (the County’s two discretely presented component units). As required by law, the County also presents a Schedule of Fines, Assessments, and Surcharges.

Major Features of York County’s Government-Wide and Fund Financial Statements				
	Government-Wide Financial Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire County government (except fiduciary funds) and the County’s component units.	The activities of the County that are not proprietary or fiduciary.	Activities the County operates similar to private businesses.	Instances in which the County is the trustee or agent for someone else’s resources.
Required financial statements	<ul style="list-style-type: none"> ▪ Statement of net position ▪ Statement of activities 	<ul style="list-style-type: none"> ▪ Balance sheet ▪ Statement of revenues, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> ▪ Statement of net position ▪ Statement of revenues, expenses, and changes in net position ▪ Statement of cash flows 	<ul style="list-style-type: none"> ▪ Statement of fiduciary net position ▪ Statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of balance sheet information	All balance sheet types, both financial and capital, and short-term and long-term	All balance sheet types that come due during the year or soon, thereafter; no capital assets included	All balance sheet types, both financial and capital, and short-term and long-term	All balance sheet types, both short-term and long-term.
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	All revenues and expenses during year, regardless of when cash is received or paid

**YORK COUNTY, SOUTH CAROLINA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2014

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Comparative data for net position as of June 30, 2014 and 2013 are shown below.

**York County
Net Position (In Thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Assets:						
Current and Other Assets	\$ 286,477	276,482	42,926	45,102	329,403	\$ 321,584
Capital Assets, Net	127,773	128,166	98,177	94,076	225,950	222,242
Total Assets	<u>414,250</u>	<u>404,648</u>	<u>141,103</u>	<u>139,178</u>	<u>555,353</u>	<u>543,826</u>
Deferred Outflows of Resources:						
Deferred Refunding Charges	-	-	612	670	612	670
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>612</u>	<u>670</u>	<u>612</u>	<u>670</u>
Liabilities:						
Current Liabilities	21,795	19,517	2,014	3,726	23,809	23,243
Non-Current Liabilities	78,620	85,459	21,779	22,429	100,399	107,888
Total Liabilities	<u>100,415</u>	<u>104,976</u>	<u>23,793</u>	<u>26,155</u>	<u>124,208</u>	<u>131,131</u>
Net Position:						
Net Investment in Capital Assets	87,434	78,730	81,013	75,580	168,447	154,310
Restricted	177,435	166,296	805	770	178,240	167,066
Unrestricted	48,966	54,646	36,104	36,673	85,070	91,319
Total Net Position	<u>\$ 313,835</u>	<u>299,672</u>	<u>117,922</u>	<u>113,023</u>	<u>431,757</u>	<u>\$ 412,695</u>

The 2013 amounts for governmental activities have been adjusted to reflect the establishment of new special revenue funds for the County's support for the Culture and Heritage Commission, the County Library and York Technical College, with an increase in net position of approximately \$2 million from the amount originally reported.

The County reported positive balances in all categories of net position in both governmental and business-type activities for 2014. The County's total unrestricted net position was approximately \$85 million as of June 30, 2014, decreasing approximately \$6 million from the prior year. Unrestricted net position are County resources that may be used to meet the County's ongoing obligations to citizens and creditors while restricted assets are resources subject to external restriction.

A significant portion of the County's net position (39%) reflects its investment in capital assets (e.g., land, buildings, infrastructure, and equipment). These assets are presented net of any outstanding debt related to the acquisition of those assets. The County uses capital assets to provide services to citizens and consequently these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, the capital assets themselves cannot be used to liquidate that liability and other resources will be needed to repay any associated debt.

Combined net position increased by approximately \$19 million from the prior year, consisting of approximately \$14 million for governmental activities and approximately \$5 million for business-type activities.

**YORK COUNTY, SOUTH CAROLINA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2014

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Information about changes in net position can identify sources of County revenue, and how the County uses its funds. Below is a summary of the change in net position for the fiscal years ending June 30, 2014 and 2013.

York County Statement of Activities (In Thousands)						
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Revenues:						
Program Revenues:						
Charges for Services	\$ 12,611	12,184	20,861	20,218	33,472	\$ 32,402
Operating Grants and Contributions	10,965	10,563	-	-	10,965	10,563
Capital Grants and Contributions	-	31	2,349	1,231	2,349	1,262
General Revenues:						
Property Taxes	85,004	80,476	-	-	85,004	80,476
Sales Tax/ Other Fund Revenues	36,170	38,357	-	-	36,170	38,357
Investment Income	368	567	68	86	436	653
Other	2,004	798	36	7	2,040	805
Total Revenues	<u>147,122</u>	<u>142,976</u>	<u>23,314</u>	<u>21,542</u>	<u>170,436</u>	<u>164,518</u>
Expenses:						
General Government	33,944	33,366	-	-	33,944	33,366
Public Safety	40,919	39,175	-	-	40,919	39,175
Highways and Streets, and Sanitation	34,733	47,146	-	-	34,733	47,146
Health and Welfare	1,895	2,171	-	-	1,895	2,171
Culture and Recreation	15,361	14,171	-	-	15,361	14,171
Conservation, Transportation and Growth	3,465	3,442	-	-	3,465	3,442
Interest and Fiscal Charges	2,666	2,944	-	-	2,666	2,944
Water and Sewer	-	-	12,835	11,604	12,835	11,604
Solid Waste Disposal	-	-	5,557	4,331	5,557	4,331
Total Expenses	<u>132,983</u>	<u>142,415</u>	<u>18,392</u>	<u>15,935</u>	<u>151,375</u>	<u>158,350</u>
Increase in Net Position before Transfers	14,139	561	4,923	5,607	19,062	6,168
Transfers	24	24	(24)	(24)	-	-
Change in Net Position	<u>14,163</u>	<u>585</u>	<u>4,899</u>	<u>5,583</u>	<u>19,062</u>	<u>6,168</u>
Net Position, Beginning of Year	<u>299,672</u>	<u>299,087</u>	<u>113,023</u>	<u>107,440</u>	<u>412,695</u>	<u>406,527</u>
Net Position, End of Year	<u>\$ 313,835</u>	<u>299,672</u>	<u>117,922</u>	<u>113,023</u>	<u>431,757</u>	<u>\$ 412,695</u>

The 2013 amounts for governmental activities have been adjusted to reflect the establishment of new special revenue funds for the County's support for the Culture and Heritage Commission, the County Library and York Technical College, with a net increase of approximately \$480 thousand in the change in net position from the amount originally reported.

Governmental Activities. The County recognized an overall increase in revenues for governmental activities of approximately \$5 million (3%) in 2014 as compared to 2013 primarily due to an approximately \$5 million increase in property taxes due to a 3% increase in assessed values, combined with a 3% increase in millage.

Expenses decreased approximately \$9 million (7%) in 2014 compared to 2013 primarily due to much lower expenditures related to highways, streets and sanitation, which are funded with the penny sales tax. A significant portion of these expenditures are for roads and improvements that are not owned by the County and thus are expensed when incurred on the government-wide statements.

**YORK COUNTY, SOUTH CAROLINA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**

MANAGEMENT’S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2014

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Business-type Activities. Charges for services (sales and service charges) were up 3% for 2014, with an increase of approximately \$1 million in 2014. Capital grants and contributions increased approximately \$1 million due to an increase in infrastructure projects completed by developers and turned over to the County for maintenance in 2014.

Expenses increased approximately \$2 million, primarily due to (1) an increase in water charges due to increased usage; and (2) higher landfill closure and postclosure care costs of \$1 million; during the prior year, the actual costs to close Unit 1 C&D cell came in lower than estimated, resulting in a decrease in the liability of approximately \$1 million. There were no such changes in the liability in the current year.

FINANCIAL ANALYSIS OF YORK COUNTY’S FUNDS

As noted earlier, York County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. As the County completed the year, its governmental funds reported a combined fund balance of \$255 million, or 3% above last year as shown in the table below (in thousands).

	2014	2013	Change
General	\$ 64,463	67,365	\$ (2,902)
Road Projects	145,557	136,728	8,829
Rural Fire Districts	2,684	4,613	(1,929)
Rural Fire Board	4,054	4,120	(66)
Debt Service Fund	2,797	3,846	(1,049)
Capital Improvement Fund	18,936	16,529	2,407
Other Nonmajor Funds	16,037	15,018	1,019
Total	<u>\$ 254,528</u>	<u>248,219</u>	<u>\$ 6,309</u>

The 2013 balances for the General Fund and Other Nonmajor Funds have been adjusted to reflect the establishment of new special revenue funds for the County’s support for the Culture and Heritage Commission, the County Library and York Technical College.

The decrease in the general fund is due primarily to transfers out of approximately \$8 million for capital projects (approximately \$4 million) for Moss Justice Center Roof, a Capital Facilities Study and renovations for Veteran’s Affairs Office Space and debt service (approximately \$4 million) to repay the remaining outstanding balance on the Series 2002 GO Bonds. The most significant reason for the increase in fund balance in the Road Projects funds was due to FY 2014 revenues in the Pennies 3 Capital Projects Sales Tax Fund exceeding expenditures as construction on these projects is just getting under way. The decrease in the Rural Fire Districts fund is due primarily to the construction of a new fire station for Bethel Fire District; in FY2013 this fund received loan proceeds of approximately \$2 million to pay for this construction.

While the County did increase the millage rate for debt service by 1.5 mills in the FY 2014 budget process, they also appropriated approximately \$1 million of fund balance in order to fund the fiscal year’s debt service requirements.

The increases in the Other Nonmajor funds are mostly made up of an increase in the Hospitality Tax fund of approximately \$684 thousand, due to higher than budgeted revenues combined with lower than budgeted expenditures, and an increase in the Solid Waste fund of approximately \$332 thousand, due primarily to tax collections of approximately \$70 thousand in excess of budget combined with lower than budgeted expenditures related to landfill disposal were approximately \$137 thousand less than budgeted and capital replacement costs being approximately \$65 thousand less than budget.

**YORK COUNTY, SOUTH CAROLINA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2014

FINANCIAL ANALYSIS OF YORK COUNTY'S FUNDS (CONTINUED)

General Fund Budgetary Highlights: The County's General Fund budget is the fiscal plan to provide services to the taxpayers and the resources required to provide those services.

Budget columns are provided for both the original budget adopted for fiscal year 2014 as well as the final amended budget. The difference between the original budget and the final budget was approximately \$4.6 million.

During fiscal year 2014, General Fund revenues of approximately \$83 million were more than budgetary estimates by approximately \$1 million due primarily to higher licenses, fines and permits of approximately \$13 million, exceeding budget by approximately \$1 million, as actual fees collected, stamps sold and building and codes revenues were higher than anticipated.

General Fund expenditures of approximately \$79 million were less than budgetary estimates by approximately \$14 million. General Government budgetary savings were due primarily to approximately \$1.4 million in salary and benefit savings, approximately \$0.5 million savings for insurance (Worker's Compensation, Unemployment, etc) expenditures and approximately \$0.2 million of unspent budgeted contingency funds.

Public Safety budget savings were made up of approximately \$0.9 million for salaries and benefits, savings of approximately \$0.2 million related to food and services for Detention Center inmates due to lower populations and approximately \$0.3 million of savings for grant operating expenditures.

Budget savings for Highways, Streets and Sanitation consisted of approximately \$0.3 million for salaries and benefits, savings of approximately \$0.2 million for roadway supplies such as asphalt, pipe and sign materials.

Health and Welfare budget savings were mostly made up of approximately \$0.2 million of unspent Summer Feeding expenditures which was the result of a reduced number of meals being served in FY 2014.

Culture and Recreation savings were due to delaying erosion control efforts at Ebenezer Park (approximately \$0.2 million) and additional savings of approximately \$0.2 million are related to a boat access facility on the Broad River that was not constructed.

Savings in the Conservation, Transportation and Growth category are due to approximately \$0.6 million for Economic Development Projects, approximately \$1.5 million for Designated Development (Carowinds area) infrastructure projects and approximately \$0.2 million for Rural Development Act projects. All these expenditures budgets would have been funded by Department of Commerce grants, a percentage of Carowind tickets sales designated for improvement projects within the special district around Carowinds or Rural Development Act funding.

Budget savings in the Capital Outlay category are made up of approximately \$0.4 million designated for enhancements to the Sheriff's firing range that should be spent in FY 2015, savings of approximately \$0.5 million for technology and vehicle replacement funds that will be spent in FY 2015, approximately \$1.3 million savings for construction of a speculative building that should begin in FY 2015, delay of capital expansion for Family Court in the amount of approximately \$0.2 million, as well as savings in the amount of approximately \$0.5 for road resurfacing.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. At the end of 2014, the County had approximately \$226 million invested in capital assets, net of depreciation. This was an increase of approximately \$4 million from the prior year end, as current year additions of approximately \$17 million exceeded current year depreciation expense of approximately \$13 million. The investment in capital assets, both purchased and donated, includes land, construction in progress, infrastructure, buildings and improvements, water and sewer systems, and furniture, fixtures and equipment. Significant current year activity includes additional construction in progress for water and sewer systems, infrastructure, and vehicles.

**YORK COUNTY, SOUTH CAROLINA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2014

CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)

The table below reflects the capital asset balances as of June 30, 2014 and 2013 (in thousands).

	Governmental		Business-type		Total	
	Activities		Activities			
	2014	2013	2014	2013	2014	2013
Land	\$ 8,289	7,453	576	185	8,865	\$ 7,638
Construction in Progress	2,576	1,700	18,466	14,404	21,042	16,104
Buildings and Improvements	103,161	98,606	3,230	3,230	106,391	101,836
Furniture, Fixtures and Equipment	59,552	58,569	5,595	5,781	65,147	64,350
Water and Sewer Systems	-	-	100,937	98,588	100,937	98,588
Infrastructure	94,139	91,927	-	-	94,139	91,927
Accumulated Depreciation	(139,944)	(130,089)	(30,627)	(28,112)	(170,571)	(158,201)
Total	\$ 127,773	128,166	98,177	94,076	225,950	\$ 222,242

The County also has total outstanding construction commitments at June 30, 2014 of approximately \$42 million and awarded an additional \$14 million in construction contracts subsequent to June 30, 2014. More detailed information about the County's capital assets is included in Note III. D of the Notes to the Financial Statements.

Long-Term Debt. At June 30, 2014, the County had approximately \$69 million in bonds and financing lease - notes payable outstanding versus approximately \$81 million at June 30, 2013, or a decrease of approximately \$12 million. The table below reflects the outstanding balances (in thousands) as of June 30, 2014 and 2013.

	Governmental		Business-type		Total	
	Activities		Activities			
	2014	2013	2014	2013	2014	2013
General Obligation Bonds	\$ 44,725	53,210	-	-	44,725	\$ 53,210
Financing Lease - Notes Payable	7,096	9,221	-	-	7,096	9,221
Revenue Bonds	-	-	17,110	18,430	17,110	18,430
Total	\$ 51,821	62,431	17,110	18,430	68,931	\$ 80,861

More detailed information about the County's debt and other long-term liabilities is presented in Note III. E. of the Notes to the Financial Statements.

The State limits the amount of non-referendum general obligation debt the County can issue to 8% of the assessed value of all taxable property with the County's legal limits. The County's outstanding debt limit was approximately \$94 million, and the unused legal debt margin was approximately \$49 million as of June 30, 2014.

**YORK COUNTY, SOUTH CAROLINA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2014

ECONOMIC FACTORS AND THE 2015 BUDGET

Factors considered in preparing York County's budget for the 2015 fiscal year included:

- While higher than the State unemployment rate of 5.7%, the County's unemployment rate at June 30, 2014 was 5.9% versus 8.2% a year ago.
- The population of the County was approximately 226,073 in 2010, which was an increase of 37.33% from the 2000 census population of 164,623. While an increase that great is not anticipated for the next census, York County's estimated population increase in year's since 2010 has remained among the higher increases in the State. In March, of 2014, the Office of Research and Statistics estimated the growth to be 2.03% while the average growth in South Carolina was 1.09%.
- Interest rates show no significant change and remain low

The factors above were considered in adopting and later amending the FY 2015 budget, which provided for appropriations of approximately \$106 million or 15.1% above the amended FY 2014 budget. A significant portion of the increase was due to grant related economic development projects. A millage increase of 4.7 mills was adopted for the County's General Fund and an appropriation of fund balance of approximately \$3.7 million was included in the approved FY 2015 budget. Additionally, the adopted budget included resources to meet the Council's goals of providing a responsive and pro-active local government; providing high quality service at comparatively low millage/service rates; continuing to explore improvements in customer satisfaction; maintaining a strong fiscal position; and for providing staff with the resources needed to effectively perform their duties.

During FY 2014, staff from the County and City of Rock Hill approved a new agreement related to water and wastewater services to the County. County staff will need to include in their FY 2016 budget recommendation an increase in Water/Sewer rates. The last rate increase was in 2002.

CHANGES IN POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS PLAN

In September 2014, the York County Council amended the OPEB Plan, which will be effective January 1, 2015. The County will establish a Health Reimbursement Account ("HRA") for each eligible retiree. Funds in the HRA will be used by the retiree to pay health care premiums. In addition to the current State of South Carolina Standard Plan, an alternative Medicare Supplemental Plan will be made available to retirees. Prior to age 65, the County would contribute a fixed monthly amount of \$675 to each retiree's HRA. After age 65, the County would contribute a fixed monthly amount of \$350 to each retiree's HRA. These changes would apply to all current retirees as well as all future retirees. Using the data based on the latest actuarial valuation date of June 30, 2013, these changes are estimated to decrease the Unfunded Actuarial Accrued Liability by approximately \$29 million; they are also estimated to decrease the Annual Required Contribution by approximately \$3 million.

PENDING IMPLEMENTATION OF GASB STATEMENT ON PENSIONS

GASB Statement No. 68, "*Accounting and Financial Reporting for Pensions*" ("Statement"), was issued by the GASB in June 2012. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local government employers about financial support for pensions that are provided by other entities. In addition, state and local governments who participate in a cost-sharing multiple employer plan will now be required to recognize a liability for its proportionate share of the net pension liability of that plan. It is GASB's intention that this new Statement will provide citizens and other users of the financial statements with a clearer picture of the size and nature of the County's financial obligations to current and former employees for past services rendered.

In particular, the County will be required to report a net pension liability for its participation in the SCRS and PORS on financial statements prepared on the economic resources measurement focus and accrual basis of accounting (i.e., the Statement of Net Position) and present more extensive note disclosures. In general, it should not have a significant impact on the County's governmental funds.

**YORK COUNTY, SOUTH CAROLINA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2014

PENDING IMPLEMENTATION OF GASB STATEMENT ON PENSIONS (CONTINUED)

The County has been in communications with the PEBA on the effect of implementing this Statement. Based on recent information provided by the PEBA, it is anticipated that the County's proportionate share of the net pension liability associated with the SCRS and PORS will decrease the County's beginning unrestricted net position for the year ended June 30, 2015 by approximately \$74 million.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general financial overview of the County's finances and to demonstrate the County's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be to the York County Treasurer/Finance Director, York County, Post Office Box 116, York, South Carolina 29745 or visit the county website at www.yorkcountygov.com.

Basic Financial Statements

YORK COUNTY, SOUTH CAROLINA

STATEMENT OF NET POSITION

JUNE 30, 2014

	PRIMARY GOVERNMENT			COMPONENT UNITS
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	
ASSETS				
Cash and Cash Equivalents	\$ 272,871,797	13,902,827	286,774,624	\$ 2,770,670
Restricted Cash and Cash Equivalents	15,503,084	862,526	16,365,610	-
Receivables, Net of Allowances:				
Property Taxes	6,081,518	-	6,081,518	-
Accounts	-	2,117,503	2,117,503	62,884
Intergovernmental	15,749,666	27,560	15,777,226	-
Other	1,987,168	-	1,987,168	-
Due From York County	-	-	-	13,697
Internal Balances	(26,015,454)	26,015,454	-	-
Inventories	260,611	-	260,611	59,653
Prepaid Items	39,007	-	39,007	30,093
Capital Assets:				
Non-Depreciable	10,864,668	19,042,371	29,907,039	-
Depreciable, Net of Accumulated Depreciation	116,908,343	79,134,785	196,043,128	1,022,663
TOTAL ASSETS	414,250,408	141,103,026	555,353,434	3,959,660
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Refunding Charges	-	611,667	611,667	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	-	611,667	611,667	-
LIABILITIES				
Accounts Payable	10,905,937	1,916,913	12,822,850	102,573
Accrued Liabilities	1,557,459	38,862	1,596,321	119,965
Due to Culture and Heritage Commission (Component Unit)	13,697	-	13,697	-
Accrued Interest Payable	529,664	57,494	587,158	-
Funds Held in Escrow	8,749,448	-	8,749,448	-
Unearned Revenue	39,331	-	39,331	31,962
Long-term Liabilities				
Net Other Postemployment Benefit Obligation	23,043,243	671,388	23,714,631	3,450,559
Due Within One Year	8,087,411	1,559,073	9,646,484	222,390
Due in More Than One Year	47,488,934	19,548,799	67,037,733	174,071
TOTAL LIABILITIES	100,415,124	23,792,529	124,207,653	4,101,520
NET POSITION				
Net Investment in Capital Assets	87,433,528	81,012,859	168,446,387	1,022,663
Restricted for:				
Debt Service	2,861,346	805,032	3,666,378	37,510
Road Improvements	151,674,099	-	151,674,099	-
Economic Development	3,094,728	-	3,094,728	-
Tourism Promotion	5,274,216	-	5,274,216	-
Fire Board / Fire Districts	6,738,183	-	6,738,183	-
Culture and Recreation Support	4,323,833	-	4,323,833	-
Emergency Telephone System	2,862,123	-	2,862,123	-
Other	607,262	-	607,262	-
Unrestricted	48,965,966	36,104,273	85,070,239	(1,202,033)
TOTAL NET POSITION	\$ 313,835,284	117,922,164	431,757,448	\$ (141,860)

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

YORK COUNTY, SOUTH CAROLINA

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2014

PRIMARY GOVERNMENT:	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION			COMPONENT UNITS
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT		TOTAL	
					GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES		
Governmental Activities:								
General Government	\$ 33,943,636	8,047,608	5,137,904	-	(20,758,124)	-	\$ (20,758,124)	
Public Safety	40,919,466	2,217,867	888,365	-	(37,813,234)	-	(37,813,234)	
Highways, Streets and Sanitation	34,733,247	1,170,424	4,000,183	-	(29,562,640)	-	(29,562,640)	
Health and Welfare	1,894,584	590,138	619,538	-	(684,908)	-	(684,908)	
Culture and Recreation	15,360,711	284,453	318,884	-	(14,757,374)	-	(14,757,374)	
Conservation, Transportation and Growth	3,464,988	300,440	-	-	(3,164,548)	-	(3,164,548)	
Interest and Fiscal Charges	2,666,304	-	-	-	(2,666,304)	-	(2,666,304)	
Total Governmental Activities	132,982,936	12,610,930	10,964,874	-	(109,407,132)	-	(109,407,132)	
Business-Type Activities:								
Water and Sewer	12,834,605	15,149,672	-	2,349,080	-	4,664,147	4,664,147	
Solid Waste	5,556,515	5,711,064	-	-	-	154,549	154,549	
Total Business-Type Activities	18,391,120	20,860,736	-	2,349,080	-	4,818,696	4,818,696	
Total Primary Government	151,374,056	33,471,666	10,964,874	2,349,080	(109,407,132)	4,818,696	(104,588,436)	
Component Units:								
York County Library	5,503,099	170,251	314,663	-			\$ (5,018,185)	
Culture and Heritage Commission	4,038,575	474,095	405,064	-			(3,159,416)	
Total Component Units	\$ 9,541,674	644,346	719,727	-			(8,177,601)	
General Revenues:								
Property Taxes Levied For:								
General Purposes					54,702,780	-	54,702,780	-
Debt Service					7,936,485	-	7,936,485	-
Fire Protection					5,459,575	-	5,459,575	-
Solid Waste					2,710,017	-	2,710,017	-
Culture and Recreation					14,195,111	-	14,195,111	-
County Appropriation					-	-	-	7,907,318
Accommodations, Sales and Hospitality Taxes					27,818,501	-	27,818,501	-
Gain on Sale of Capital Assets					22,083	-	22,083	-
Intergovernmental - Not Restricted to Specific Programs					8,351,472	-	8,419,920	950
Investment Income					368,192	68,448	404,427	-
Miscellaneous					1,981,720	36,235	2,017,955	9,533
Transfers					23,795	(23,795)	-	-
Total General Revenues and Transfers					123,569,731	80,888	123,650,619	7,917,801
CHANGE IN NET POSITION					14,162,599	4,899,584	19,062,183	(259,800)
NET POSITION - Beginning of Year, As Originally Reported					297,249,451	113,022,580	410,272,031	117,940
Adjustment to Establish New Special Revenue Fund					2,423,234	-	2,423,234	-
NET POSITION - Beginning of Year, As Adjusted					299,672,685	113,022,580	412,695,265	117,940
NET POSITION - End of Year					\$ 313,835,284	117,922,164	431,757,448	\$ (141,860)

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

YORK COUNTY, SOUTH CAROLINA

BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2014

	GENERAL FUND	2003 CAPITAL PROJECTS SALES TAX FUND	PENNIES 3 CAPITAL PROJECTS SALES TAX FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS					
Cash and Cash Equivalents	\$ 272,871,797	-	-	-	\$ 272,871,797
Restricted Cash and Cash Equivalents	15,503,084	-	-	-	15,503,084
Receivables, Net of Allowances:					
Property Taxes	3,825,416	-	-	2,256,102	6,081,518
Intergovernmental	3,950,344	-	11,261,710	537,612	15,749,666
Other	1,722,311	-	-	264,857	1,987,168
Due from Other Funds	3,879	87,184,449	43,856,278	60,647,481	191,692,087
Advances to Other Funds	1,103,187	-	-	-	1,103,187
Inventories	260,611	-	-	-	260,611
Prepaid Items	39,007	-	-	-	39,007
TOTAL ASSETS	\$ 299,279,636	87,184,449	55,117,988	63,706,052	\$ 505,288,125
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 3,211,803	4,554,978	964,557	2,174,599	\$ 10,905,937
Accrued Liabilities	1,495,047	10,893	-	51,519	1,557,459
Due to Culture and Heritage Commission	13,697	-	-	-	13,697
Unearned Revenue	39,331	-	-	-	39,331
Funds Held in Escrow	8,749,448	-	-	-	8,749,448
Due to Other Funds	217,703,662	-	-	3,879	217,707,541
Advances from Other Funds	-	-	1,103,187	-	1,103,187
TOTAL LIABILITIES	231,212,988	4,565,871	2,067,744	2,229,997	240,076,600
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Taxes	3,604,067	-	-	2,147,695	5,751,762
Unavailable Revenue - Sales Taxes	-	-	4,931,697	-	4,931,697
TOTAL DEFERRED INFLOWS OF RESOURCES	3,604,067	-	4,931,697	2,147,695	10,683,459
FUND BALANCES					
Nonspendable	299,618	-	-	-	299,618
Restricted	3,650,851	82,618,578	48,118,547	49,589,551	183,977,527
Committed	11,758,651	-	-	9,738,809	21,497,460
Assigned	4,529,044	-	-	-	4,529,044
Unassigned	44,224,417	-	-	-	44,224,417
TOTAL FUND BALANCES	64,462,581	82,618,578	48,118,547	59,328,360	254,528,066
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 299,279,636	87,184,449	55,117,988	63,706,052	\$ 505,288,125

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

YORK COUNTY, SOUTH CAROLINA

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

JUNE 30, 2014

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS	\$ 254,528,066
Amounts reported for the governmental activities in the Statement of Net Position are different because of the following:	
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets was \$267,716,450 and the accumulated depreciation was \$139,943,439.	127,773,011
Some revenues will be collected after year end but are not available soon enough to pay for the current period's expenditures and therefore are unavailable in the funds:	
Property Taxes	5,751,762
Sales Taxes	4,931,697
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of the following:	
Bonds and Financing Leases / Notes Payable	(51,821,271)
Premiums	(55,979)
Accrued Interest	(529,664)
Net Other Postemployment Benefit Obligation	(23,043,243)
Compensated Absences	(3,699,095)
	<hr/>
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES	<u>\$ 313,835,284</u>

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

YORK COUNTY, SOUTH CAROLINA

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

YEAR ENDED JUNE 30, 2014

	GENERAL FUND	2003 CAPITAL PROJECTS SALES TAX FUND	PENNIES 3 CAPITAL PROJECTS SALES TAX FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES					
Property Taxes	\$ 54,158,727	-	-	30,233,337	\$ 84,392,064
Accommodations, Sales and Hospitality Taxes	222,395	-	24,999,222	1,886,617	27,108,234
Licenses, Fines and Permits	12,610,929	-	-	-	12,610,929
Intergovernmental	14,335,396	-	-	4,980,950	19,316,346
Investment Income	89,544	136,291	58,011	84,346	368,192
Miscellaneous	1,896,478	-	-	68,383	1,964,861
TOTAL REVENUES	83,313,469	136,291	25,057,233	37,253,633	145,760,626
EXPENDITURES					
Current:					
General Government	30,560,902	-	-	259,523	30,820,425
Public Safety	29,934,916	-	-	4,413,907	34,348,823
Highways, Streets and Sanitation	8,375,100	12,661,098	5,097,963	2,354,746	28,488,907
Health and Welfare	1,846,998	-	-	7,105	1,854,103
Culture and Recreation	523,812	-	-	15,187,764	15,711,576
Conservation, Transportation and Growth	3,565,704	-	-	-	3,565,704
Capital Outlay	3,649,751	-	-	7,707,243	11,356,994
Debt Service:					
Principal Retirement	52,357	-	-	10,557,771	10,610,128
Interest and Fiscal Charges	1,257	-	-	2,756,163	2,757,420
TOTAL EXPENDITURES	78,510,797	12,661,098	5,097,963	43,244,222	139,514,080
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	4,802,672	(12,524,807)	19,959,270	(5,990,589)	6,246,546
OTHER FINANCING SOURCES (USES)					
Proceeds from Sale of Capital Assets	22,083	-	-	-	22,083
Insurance Proceeds	16,859	-	-	-	16,859
Transfers In	-	-	-	9,700,342	9,700,342
Transfers Out	(7,743,521)	-	-	(1,933,026)	(9,676,547)
TOTAL OTHER FINANCING SOURCES (USES)	(7,704,579)	-	-	7,767,316	62,737
NET CHANGE IN FUND BALANCE	(2,901,907)	(12,524,807)	19,959,270	1,776,727	6,309,283
FUND BALANCE - Beginning of Year, as Originally Reported	68,979,567	95,143,385	28,159,277	53,824,026	246,106,255
Adjustment to Establish New Special Revenue Fund	(1,615,079)	-	-	3,727,607	2,112,528
FUND BALANCE - Beginning of Year, as Adjusted	67,364,488	95,143,385	28,159,277	57,551,633	248,218,783
FUND BALANCE - End of Year	\$ 64,462,581	82,618,578	48,118,547	59,328,360	\$ 254,528,066

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

YORK COUNTY, SOUTH CAROLINA

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

YEAR ENDED JUNE 30, 2014

TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS	\$ 6,309,283
Amounts reported for the governmental activities in the Statement of Activities are different because of the following:	
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. This amount represents the change in unavailable revenues for the year.	1,322,172
Repayment of long-term debt is an expenditure or other financing use in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	10,610,128
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. This amount represents the difference in treatment for the year.	84,119
Bond premiums are other financing sources in the year they are received in governmental funds; they are amortized over the lives of the bonds in the Statement of Activities. This amount represents the amortization of the premium for the year.	6,997
Some compensated absences and other expenses reported in the Statement of Activities do not require the use of current financial resources and are not reported as expenditures in the governmental funds.	(215,672)
The County's Net Other Postemployment Benefit Obligation (Liability) resulting from the unfunded annual required contribution to the OPEB plan is not reported as a liability in the governmental funds. This amount represents the net change in this liability for the year.	(3,561,585)
Governmental funds report capital asset additions as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital asset additions of \$10,353,080 were exceeded by depreciation expense of \$10,745,923.	(392,843)
TOTAL CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 14,162,599</u>

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

YORK COUNTY, SOUTH CAROLINA

STATEMENT OF NET POSITION - PROPRIETARY FUNDS

JUNE 30, 2014

	WATER AND SEWER	NONMAJOR SOLID WASTE DISPOSAL	TOTAL PROPRIETARY FUNDS
ASSETS			
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 13,902,827	-	\$ 13,902,827
Restricted Cash and Cash Equivalents - Revenue Bond Debt Service	862,526	-	862,526
Accounts Receivable, Net of Allowance	1,515,235	602,268	2,117,503
Intergovernmental Receivable	-	27,560	27,560
Due from Other Funds	12,109,052	13,906,402	26,015,454
TOTAL CURRENT ASSETS	<u>28,389,640</u>	<u>14,536,230</u>	<u>42,925,870</u>
NON-CURRENT ASSETS:			
Capital Assets:			
Non-Depreciable Capital Assets	18,465,733	576,638	19,042,371
Depreciable Capital Assets, Net of Accumulated Depreciation	78,157,141	977,644	79,134,785
TOTAL NON-CURRENT ASSETS	<u>96,622,874</u>	<u>1,554,282</u>	<u>98,177,156</u>
TOTAL ASSETS	<u>125,012,514</u>	<u>16,090,512</u>	<u>141,103,026</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Refunding Charges	611,667	-	611,667
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>611,667</u>	<u>-</u>	<u>611,667</u>
LIABILITIES			
CURRENT LIABILITIES:			
Accounts Payable	1,561,047	355,866	1,916,913
Accrued Payroll Liabilities	24,250	14,612	38,862
Accrued Interest Payable	57,494	-	57,494
Current Portion of Compensated Absences	20,622	30,930	51,552
Current Portion of Landfill Closure and Postclosure Cost Liability	-	127,521	127,521
Current Portion of Bonds Payable	1,380,000	-	1,380,000
TOTAL CURRENT LIABILITIES	<u>3,043,413</u>	<u>528,929</u>	<u>3,572,342</u>
NON-CURRENT LIABILITIES:			
Refundable Deposits	1,014,941	-	1,014,941
Unfunded Other Postemployment Benefits Obligation	416,866	254,522	671,388
Compensated Absences	17,568	26,348	43,916
Landfill Closure and Postclosure Cost Liability	-	2,093,978	2,093,978
Bonds Payable	16,395,964	-	16,395,964
TOTAL NON-CURRENT LIABILITIES	<u>17,845,339</u>	<u>2,374,848</u>	<u>20,220,187</u>
TOTAL LIABILITIES	<u>20,888,752</u>	<u>2,903,777</u>	<u>23,792,529</u>
NET POSITION			
Net Investment in Capital Assets	79,458,577	1,554,282	81,012,859
Restricted for Debt Service	805,032	-	805,032
Unrestricted Assets	24,471,820	11,632,453	36,104,273
TOTAL NET POSITION	<u>\$ 104,735,429</u>	<u>13,186,735</u>	<u>\$ 117,922,164</u>

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

YORK COUNTY, SOUTH CAROLINA

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

YEAR ENDED JUNE 30, 2014

	<u>WATER AND SEWER</u>	<u>NONMAJOR SOLID WASTE DISPOSAL</u>	<u>TOTAL PROPRIETARY FUNDS</u>
OPERATING REVENUES			
Sales and Service Charges and Fees	\$ 12,353,993	5,692,646	\$ 18,046,639
Impact and Capacity Fees	2,498,046	-	2,498,046
Other Operating Revenues	297,633	18,418	316,051
TOTAL OPERATING REVENUES	15,149,672	5,711,064	20,860,736
OPERATING EXPENSES			
Purchased Water and Sewer	6,612,642	-	6,612,642
Solid Waste Transfer Fee	-	3,773,674	3,773,674
Salaries and Fringe Benefits	1,195,882	676,580	1,872,462
Utilities	382,073	25,077	407,150
Depreciation	2,463,804	244,014	2,707,818
Maintenance and Repairs	309,469	120,621	430,090
Fuel and Oil	74,492	132,683	207,175
Tires	4,330	61,851	66,181
Tire Disposal Fee	-	134,952	134,952
Specialized Supplies	505,454	26,664	532,118
Insurance	34,375	21,196	55,571
Consulting and Contract Services	87,924	231,795	319,719
Other Post Employment Benefit Obligation Costs	81,470	45,234	126,704
Landfill Closure and Postclosure Costs	-	39,976	39,976
Other	149,002	22,198	171,200
TOTAL OPERATING EXPENSES	11,900,917	5,556,515	17,457,432
OPERATING INCOME	3,248,755	154,549	3,403,304
NON-OPERATING REVENUES (EXPENSES)			
Investment Income	48,463	19,985	68,448
Interest Expense	(933,688)	-	(933,688)
Gain on Sale of Capital Assets	5,235	31,000	36,235
TOTAL NON-OPERATING REVENUES (EXPENSES)	(879,990)	50,985	(829,005)
INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	2,368,765	205,534	2,574,299
CAPITAL CONTRIBUTIONS AND TRANSFERS			
Capital Contributions	2,349,080	-	2,349,080
Transfers Out	(17,910)	(5,885)	(23,795)
TOTAL CAPITAL CONTRIBUTIONS AND TRANSFERS	2,331,170	(5,885)	2,325,285
CHANGE IN NET POSITION	4,699,935	199,649	4,899,584
NET POSITION, Beginning of Year	100,035,494	12,987,086	113,022,580
NET POSITION, End of Year	\$ 104,735,429	13,186,735	\$ 117,922,164

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

YORK COUNTY, SOUTH CAROLINA

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS

YEAR ENDED JUNE 30, 2014

	WATER AND SEWER	NONMAJOR SOLID WASTE WASTE	TOTAL PROPRIETARY TOTALS
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers and Users	\$ 15,027,770	5,596,828	\$ 20,624,598
Cash Paid to Suppliers	(8,560,788)	(4,702,972)	(13,263,760)
Cash Paid to Employees	(1,185,305)	(669,666)	(1,854,971)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>5,281,677</u>	<u>224,190</u>	<u>5,505,867</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Change in Due from General Fund	1,020,926	129,178	1,150,104
Transfers Between Funds	(17,910)	(5,885)	(23,795)
NET CASH PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES	<u>1,003,016</u>	<u>123,293</u>	<u>1,126,309</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from the Sale of Assets	5,235	31,000	36,235
Acquisition and Construction of Capital Assets	(5,361,699)	(398,468)	(5,760,167)
Principal Paid - Bonds Payable	(1,320,000)	-	(1,320,000)
Interest Paid - Bonds Payable	(717,206)	-	(717,206)
NET CASH (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(7,393,670)</u>	<u>(367,468)</u>	<u>(7,761,138)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment Income	48,463	19,985	68,448
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>48,463</u>	<u>19,985</u>	<u>68,448</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,060,514)	-	(1,060,514)
CASH AND CASH EQUIVALENTS, Beginning of Year	<u>15,825,867</u>	<u>-</u>	<u>15,825,867</u>
CASH AND CASH EQUIVALENTS, End of Year	<u>\$ 14,765,353</u>	<u>-</u>	<u>\$ 14,765,353</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position			
Cash and Cash Equivalents	\$ 13,902,827	-	\$ 13,902,827
Restricted Cash and Cash Equivalents	862,526	-	862,526
	<u>\$ 14,765,353</u>	<u>-</u>	<u>\$ 14,765,353</u>

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

(Continued)

YORK COUNTY, SOUTH CAROLINA

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS

YEAR ENDED JUNE 30, 2014

	WATER AND SEWER	NONMAJOR SOLID WASTE WASTE	TOTAL PROPRIETARY TOTALS
Reconciliation of Operating Income to Net Cash Provided By Operating Activities:			
Operating Income	\$ 3,248,755	154,549	\$ 3,403,304
Adjustments to Reconcile Operating Income to Net Cash Provided By (Used in) Operating Activities:			
Depreciation	2,463,804	244,014	2,707,818
(Increase) Decrease in Assets:			
Accounts Receivable	(153,605)	(110,843)	(264,448)
Intergovernmental Receivable	-	(3,393)	(3,393)
Increase (Decrease) in Liabilities:			
Accounts Payable and Accrued Liabilities	(401,027)	(14,928)	(415,955)
Accrued Payroll Liabilities	4,359	3,147	7,506
Compensated Absences	6,218	3,767	9,985
Landfill Closure and Postclosure Cost Liability	-	(97,357)	(97,357)
Other Postemployment Benefit Obligation	81,470	45,234	126,704
Customer Deposits	31,703	-	31,703
Total Adjustments	<u>2,032,922</u>	<u>69,641</u>	<u>2,102,563</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 5,281,677</u>	<u>224,190</u>	<u>\$ 5,505,867</u>
Schedule of Noncash Investing, Capital and Financing Activities:			
Acquisition of Capital Assets Through Developer Contributions	\$ 2,349,080	-	\$ 2,349,080
Change in Capital Acquisitions Included in Accounts Payable	(1,300,608)	-	(1,300,608)
Amortization of Bond Premium and Deferred Refunding Charges	\$ 362,339	-	\$ 362,339

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

YORK COUNTY, SOUTH CAROLINA

**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES -
AGENCY FUNDS**

JUNE 30, 2014

	<u>AGENCY FUNDS</u>
ASSETS	
Cash and Cash Equivalents	\$ 171,604,156
Taxes Receivable	26,012,099
TOTAL ASSETS	<u>\$ 197,616,255</u>
LIABILITIES	
Intergovernmental Payable	\$ 197,616,255
TOTAL LIABILITIES	<u>\$ 197,616,255</u>

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

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

York County, South Carolina (the “County”) was first established in 1785. The County is governed by a seven member County Council under the Council-Manager form of government. Members are elected from single member districts and serve two year non-staggered terms. The County Council appoints a County Manager who serves as the chief administrative officer executing the policies and legislative actions of County Council; he serves at the pleasure of the County Council. The County provides the following services: general government; public safety; highways, streets and sanitation; health and welfare; culture and recreation; conservation, transportation and growth.

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) as applied to governmental agencies. 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.

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

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

Blended component units, although legally separate entities, are in substance, part of the government's operations and data from these units are combined with data of the primary government in the fund financial statements. The County does not have any blended component units. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the County. The County has two nonmajor discretely presented component units, York County Library and Culture and Heritage Commission of York County, each of which has a June 30 fiscal year end.

York County Library: York County Library (the “Library”) provides services to the residents of the County utilizing several branches throughout the County. The Library’s Board of Trustees, its governing authority, was created by an ordinance of the York County Council on April 16, 1979. York County Council appoints all of the members of the Library’s Board of Trustees. The Library is fiscally dependent on the County because the County provides an annual appropriation to the Library representing the majority of the Library’s funding; approximately \$4,806,000 was provided to the Library during the year ended June 30, 2014. The Library is also required to submit its annual budget to County Council for approval. The Library is presented as a governmental fund type. The financial statements of the Library are available at the Library’s administrative office located at 138 East Black Street in Rock Hill, South Carolina.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Culture and Heritage Commission of York County: Culture and Heritage Commission of York County (the “Commission”) operates and maintains a museum and historical sites owned by the County. Exhibits and programs are provided by staff and volunteers. The Commission’s Board of Trustees, its governing authority, was created by an ordinance of the York County Council on October 20, 1997. York County Council appoints all of the members of the Commission’s Board of Trustees. The Commission is fiscally dependent on the County because the County provides an annual appropriation to the Commission representing the majority of the Commission’s funding; approximately \$3,101,000 was provided to the Commission during the year ended June 30, 2014. The Commission is also required to submit its annual budget to County Council for approval. The Commission is presented as a governmental fund type. The financial statements of the Commission are available at the Commission’s administrative office located at 4621 Mount Gallant Road in Rock Hill, South Carolina.

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

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the County (the “Primary Government”). For the most part, the effect of interfund activity (except for interfund services provided and used between functions) has been removed from these financial statements.

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely, to a significant extent, on fees and charges for support.

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

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

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

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

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

Governmental **fund financial statements** are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes, intergovernmental revenues, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be measurable and susceptible to accrual and so have been recognized as revenues of the current fiscal period. For this purpose, the government considers property taxes to be available if they are collected within 60 days of the end of the current fiscal period. Intergovernmental revenues (i.e., grants) represent reimbursable costs which have been incurred by the County but not reimbursed by the grantor agency and are considered available if collected within 60 days. A 60 day availability period is also generally used for revenue recognition for all other governmental fund revenues.

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

The County implemented GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities* ("GASB 65") in 2014. GASB 65 establishes accounting and financial reporting standards that require reclassification of certain items that, in prior years, were properly reported as assets and liabilities. GASB 65 supplements and extends the reach of GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, which was adopted by the County in 2013. The County's deferred revenue liability (for unavailable property taxes) in its governmental funds balance sheet was affected by the implementation of GASB 65, as deferred items that are not available are no longer shown as a liability but are now reclassified and shown as a component of deferred inflows of resources. The County's long-term obligations in its enterprise fund statements was affected by the implementation of GASB 65, as deferred refunding charges are no longer included as a reduction in long-term obligations but are now reclassified and shown as a component of deferred outflows of resources.

Also under GASB 65, all bond issuance costs, excluding those related to prepaid insurance costs, are to be expensed in the period incurred rather than capitalized. Any such unamortized bond issuance costs that were incurred and capitalized in a previous year should be written off by a cumulative adjustment to beginning net position. Accordingly, for its enterprise fund statements, the District expensed approximately \$233,000 in previously capitalized and unamortized bond issuance costs during 2014 as this was not deemed material to record as a cumulative adjustment to beginning net position.

Governmental Fund Types are those through which most governmental functions of the County are financed. The County's expendable financial resources and related assets and liabilities (except for those accounted for in the proprietary funds and fiduciary funds) are accounted for through governmental funds.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The County reports the following major and nonmajor governmental funds and fund types:

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

The *2003 Capital Projects Sales Tax Fund, a major fund*, is used to account for and report the revenues generated by the collection of an additional one percent sales tax for purchases made in York County. This additional sales tax was approved by a County referendum in 2003. Expenditures are restricted to roadwork approved in the referendum. This funding source expired in 2012.

The *Pennies 3 Capital Projects Sales Tax Fund, a major fund*, is used to account for and report the revenues generated by the collection of an additional one percent sales tax for purchases made in York County. This additional sales tax was approved by a County referendum in 2008. Expenditures are restricted to roadwork approved in the referendum. Due to some changes in legislation regarding collection periods for Capital Projects Sales Tax Programs, County staff has scheduled a meeting with the Department of Revenue to determine when the collection period will end.

The *Special Revenue Funds, nonmajor funds*, are used to account for and report the proceeds of specific revenue sources (that are expected to continue to comprise a substantial portion of the inflows of the fund) that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. 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; the use of special revenue funds is not required unless they are legally mandated. The County has the following nonmajor special revenue funds:

Local Hospitality Tax	Rural Fire Districts
Board of Rural Fire Control	Solid Waste Collection
Sheriff's Drug Forfeiture	Solicitor's Drug Forfeiture
Emergency Telephone System	Recreation
Public Defender	Title IV-D Incentive Funding
County Support – Culture & Heritage	County Support - York County
Commission	Library
County Support – York Technical College	

The other *Capital Projects Funds, nonmajor funds*, are used to account for and report financial resources that are restricted, committed, or assigned for expenditures of capital outlay related to the acquisition or construction of major capital facilities (other than those financed by the proprietary funds). These funds are also used to carry on specified ongoing major improvement projects or major equipment acquisitions usually spanning more than one fiscal year. The County has the following nonmajor capital projects funds:

1997 Capital Projects Sales Tax	C Funds
Capital Improvements	

The *Debt Service Fund, nonmajor fund*, is used to account for and report financial resources that are restricted, committed, or assigned for expenditures for principal and interest.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

The **Water and Sewer Fund, a major fund**, is used to account for the County's water and sewer system operations.

The **Solid Waste Disposal Fund, a nonmajor fund**, is used to account for the County's landfill operations.

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

C. Assets, Liabilities, Deferred Outflows / Inflows of Resources, and Net Position or Equity

1. Cash, Cash Equivalents, and Investments

The County considers all highly liquid investments (including restricted assets) with original maturities of three months or less when purchased to be cash equivalents. Securities with an initial maturity of more than three months (from when initially purchased) are reported as investments.

The County Treasurer commingles cash and time deposits of some of the funds, but separate fund balance accounts are maintained for accounting purposes so that the equity of each fund is properly reflected in the overall cash. The purpose of commingling funds is to obtain maximum return through the investment of funds considered temporarily surplus. This practice does not apply to certain funds earmarked for specific purposes, such as the school bond funds.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

The County's investment policy is designed to operate within existing statutes (which are identical for all funds and activities, fund types, and component units within the State of South Carolina) that authorize the County to invest in the following:

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

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

- South Carolina Local Government Investment Pool ("LGIP") investments are invested with the South Carolina State Treasurer's Office, which established the South Carolina Pool pursuant to Section 6-6-10 of the South Carolina Code. The Pool is an investment trust fund, in which public monies in excess of current needs, which are under the custody of any county treasurer or any governing body of a political subdivision of the State, may be deposited. The Pool is a 2a 7-like pool which is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but has a policy that it will operate in a manner consistent with the SEC's Rule 2a 7 of the Investment Company Act of 1940. In accordance with GASB Statement No. 31, *"Accounting and Financial Reporting for Certain Investments and for External Investment Pools"*, investments are carried at fair value determined annually based upon quoted market prices. The total fair value of the Pool is apportioned to the entities with funds invested on an equal basis for each share owned, which are acquired at a cost of \$1.00. Financial statements for the Pool may be obtained by writing the Office of State Treasurer, Local Government Investment Pool, P.O. Box 11778, Columbia, SC 29211-1960.
- Open-end mutual funds which are primarily invested in money market mutual funds which invest in short term obligations of the United States government and related agencies.

2. Restricted Assets

The County established certain accounts for assets restricted for specific purposes, typically by outside parties or legal agreement. Certain bond indentures require the establishment of (i) maximum annual principal and interest payments, unless a surety bond was provided; (ii) the next succeeding principal and accrued interest payment; and (iii) bond or notes payable proceeds to be used for construction purposes as required in the bond or note agreement.

3. Receivables and Payables

Transactions among funds that would be treated as revenues and expenditures or expenses if they involved organizations external to the County 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.

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "Due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

3. Receivables and Payables (Continued)

All customer and property tax receivables are shown net of an allowance for uncollectible amounts. The allowance for customer accounts receivable is computed based upon an estimate of collections within each aging category; it was not significant at June 30, 2014. The allowance for property taxes receivable of approximately \$705,000 at June 30, 2014 for the governmental funds is based upon historical data applied to the outstanding balance at the end of the fiscal year.

4. Inventories and Prepaid Assets

Inventories consist of consumable supplies and are valued at cost, using the first-in, first-out method. The costs of inventories are recorded as expenditures when consumed rather than when purchased or produced. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items using the consumption method. An asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which the services are consumed.

5. Capital Assets

Capital assets, which include property, buildings, water and sewer systems, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets other than infrastructure are defined by the government as assets with an initial individual cost of more than \$5,000 and an estimated useful life of two years or more. The County has various minimum capitalization thresholds for infrastructure assets based on the type of infrastructure. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. 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. Donated capital assets are recorded at estimated fair market value at the date of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Interest incurred during construction of capital assets for governmental activities is not capitalized. However, interest incurred during the construction phase of business-type activity capital assets is included in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period. Interest costs are not capitalized when immaterial in amount.

All reported capital assets, except land and construction in progress, are depreciated. Depreciation is provided using the straight-line method over the following estimated useful lives:

Buildings and Improvements	30 years
Infrastructure	10-30 years
Water and Sewer Systems	10-50 years
Furniture, Fixtures and Equipment	5-10 years

6. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused personal leave benefits. Vacation benefits are paid when taken up to a 45 day maximum that may be accumulated; any unused portion of vacation leave (45 day maximum) is payable upon termination, retirement or death. No liability is reported for unpaid accumulated sick leave as the County does not pay any unused sick leave upon separation of service. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability is recorded in the governmental fund financial statements only if they have matured, for example, as a result of employee resignations and retirements.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

7. Long-term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums and discounts are deferred, if material, and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. If material, gains or losses on debt refundings are deferred and amortized over the life of the bonds. Amortization of premiums, discounts, and deferred refunding costs are included in interest expense. Bonds payable are reported net of the applicable bond premiums or discount and deferred advance refunding amounts. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenses.

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 issuances of long-term debt 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. Issuance costs are reported as debt service expenditures.

8. Deferred Outflows / Inflows of Resources

In addition to assets, the Statement of Net Position (government-wide and proprietary funds) and the Balance Sheet (governmental funds) will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net 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 currently has one type of deferred outflows of resources: deferred refunding charges, which is reported in both its government-wide and proprietary funds' Statements of Net Position. If material, deferred refunding charges, which is the difference between the reacquisition prices and the net carrying amount of the defeased debt, are deferred and amortized over the life of the refunding bonds, which has the same maturity as the bonds that were refunded. Amortization of deferred refunding charges is included in interest expense.

In addition to liabilities, the Statement of Net Position (government-wide) and the Balance Sheet (governmental funds) will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The County currently has two types of deferred inflows of resources, which arises only under the modified accrual basis of accounting. These items, *unavailable revenue – property taxes* and *unavailable revenue – sales taxes*, are reported only in the governmental funds balance sheet; they are deferred and recognized as an inflow of resources (revenues) in the period the amounts become available.

9. Net Position and Fund Balances

Government-Wide and Proprietary Fund Statements

Equity is classified as net position and displayed in three components:

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

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

9. Net Position and Fund Balances (Continued)

Governmental Fund Statements

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

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

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

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

Assigned – includes amounts that are intended to be used for specific purposes that are neither considered restricted or committed and that such assignments are made before the report issuance date. The County Manager, per the County's financial policy, has the authority to assign fund balance amounts to a specific purpose.

Unassigned – includes amounts that do not qualify to be accounted for and reported in any of the other fund balance categories. This classification represents the amount of fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount.

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

The County Council has adopted a General Fund minimum unassigned fund balance target of 25% of the next year's budget. The unassigned fund balance in the General Fund as of June 30, 2014 is approximately \$44,224,000 or 42% of the original budget of approximately \$106,338,000 for fiscal year 2015.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

10. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for expenditures are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration. Encumbrances outstanding at year end are reported as commitments of fund balances because they will be reappropriated and honored during the subsequent year. They do not constitute expenditures or liabilities.

11. Accounting Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires the County's management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Budgets are not adopted on a basis consistent with GAAP because of the County's method of accounting for encumbrances for budgeting purposes. Annual budgets are adopted for the General Fund and for the following funds: Local Hospitality Tax Fund, Rural Fire Districts Fund, Board of Rural Fire Control Fund, Solid Waste Collection Fund, Emergency Telephone System Fund, Recreation Fund, Water and Sewer Fund, and Solid Waste Disposal Fund. The Capital Project funds adopt project-length budgets. Formal budgetary policies are not employed for the Debt Service Fund because effective budgetary control is alternatively achieved through General Obligation Bond indenture provisions.

The budget process begins in February each year with a comprehensive work session in which the Finance Department and County Manager staff meet with all department heads to discuss current and future trends, needs and goals. Department heads submit comprehensive lists of programs, projects and initiatives to be considered. During May and June, formal budget workshops are held. The Council holds a public hearing, and a final budget must be adopted no later than June 30.

The adopted budget specifies expenditure limits for each County department. Fund expenditures may not exceed amounts appropriated by the County Council. Unencumbered appropriations lapse at fiscal year-end. Line item transfers within operating departments are approved by the County Manager; any additional appropriations and transfers between funds are approved by the County Council. The legal level of budgetary control (i.e., the level at which expenditures may not exceed appropriations) is the department.

During the year ending June 30, 2014, net amendments totaling approximately \$4,620,000 were made to the General Fund budget.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES

A. Deposits and Investments

Deposits

Custodial Credit Risk for Deposits: Custodial credit risk for deposits is the risk that, in the event of a bank failure, the County’s deposits might not be recovered. The County does not have a deposit policy for custodial credit risk but follows the investment policy statutes of the State of South Carolina. As of June 30, 2014, none of the County’s bank balances of approximately \$35,204,000 (which had a recorded value of approximately \$31,501,000) was exposed to custodial credit risk.

Investments

As of June 30, 2014, the County had the following investments:

Investment Type	Fair Value	Credit Ratings			Weighted Average Maturity
		Moody's	S&P	Fitch	
South Carolina Local Government Investment Pool	\$ 442,380,488	Unrated	Unrated	Unrated	< 1 yr
Money Market Mutual Funds	862,526	AAA-mf	AAAm	Unrated	< 1 yr
Total Investments	<u>\$ 443,243,014</u>				

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

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

Custodial Credit Risk for Investments: Custodial credit risk for investments is the risk that, in the event of a counterparty failure, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County does not have an investment policy for custodial credit risk but follows the investment policy statutes of the State of South Carolina. As of June 30, 2014, none of the County’s investments were exposed to custodial credit risk for investments.

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

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

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

A. Deposits and Investments (Continued)

Investments (Continued)

Reconciliation to the Financial Statements

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

Description:	Amount
Carrying Amount of Deposits	\$ 31,501,376
Fair Value of Investments	443,243,014
Total	<u>\$ 474,744,390</u>
Statement of Net Position:	
Cash and Cash Equivalents	\$ 286,774,624
Restricted Cash and Cash Equivalents	16,365,610
Statement of Fiduciary Net Position:	
Cash and Cash Equivalents	171,604,156
Total	<u>\$ 474,744,390</u>

Additional disclosure regarding the County’s deposits and investments is located at Note I.C.

B. Property Taxes, Receivables, and Unearned / Unavailable Revenue

The County bills and collects property taxes for itself and all other taxing entities within the County. Property taxes are levied and billed in October on the assessed value of real and personal property, excluding vehicles, as of December 31 of the calendar year preceding the fiscal year. The levy date for vehicles 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. Taxes on all property other than vehicles are payable without penalty until January 15th of the following year. Penalties are assessed on unpaid taxes on the following dates:

January 16 th	3%
February 2 nd	an additional 7%
March 17 th	an additional 5%

The County recognizes property taxes in the period for which they are levied and available for financing current expenditures. Property taxes receivable represents delinquent real and personal taxes for the past ten years, less an allowance for amounts estimated to be uncollectible. For the governmental funds, all net property taxes receivable at year-end, except those collected within 60 days, are recorded as unavailable revenue and thus not recognized as revenue until collected.

The government-wide financial statements and the governmental funds defer revenue recognition in connection with resources that have been received, but not yet earned. In addition, governmental funds report unavailable revenue in the fund financial statements in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

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

B. Property Taxes, Receivables, and Unearned / Unavailable Revenue (Continued)

As of June 30, 2014, the various components of unearned / unavailable revenue reported in the financial statements for governmental funds were as follows:

Unearned revenue	\$	39,331
Unavailable revenue - property taxes		5,751,672
Unavailable revenue - sales taxes	\$	4,931,697

C. Interfund Balances and Transfers

The composition of interfund balances at June 30, 2014 is as follows:

	Receivable	Payable
General Fund	\$ 3,879	\$ 217,703,662
2003 Capital Projects Sales Tax Fund	87,184,449	-
Pennies 3 Capital Projects Sales Tax Fund	43,856,278	-
Nonmajor Governmental Funds	60,647,481	3,879
Water and Sewer Fund	12,109,052	-
Solid Waste Disposal Fund	13,906,402	-
Total	\$ 217,707,541	\$ 217,707,541

Interfund balances largely result from the fact that the General Fund is the main depository account for the County, including the property taxes and sales tax collections, as well as receipts from grants and user charges for all governmental funds. The General Fund also disburses monies for these funds, which reduces interfund balances. Balances also result 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.

The Pennies 3 Capital Projects Sales Tax Fund received an advance of \$8,000,000 from the General Fund during 2012. This amount is being repaid to the General Fund at the rate of 20% of the sales tax collected during the previous fiscal year, without interest. The balance is approximately \$1,103,000 at June 30, 2014.

Interfund transfers for the year ended June 30, 2014, consisted of the following:

	Transfer In	Transfer Out
General Fund	\$ -	\$ 7,743,521
Solid Waste Disposal	-	5,885
Water and Sewer	-	17,910
Nonmajor Governmental Funds	9,700,342	1,933,026
Total	\$ 9,700,342	\$ 9,700,342

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

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

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

D. Capital Assets

Governmental capital asset activity for the year ended June 30, 2014, is as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Capital Assets, Non-Depreciable:					
Land	\$ 7,452,554	836,256	-	-	\$ 8,288,810
Construction in Progress	1,700,697	5,430,080	-	(4,554,919)	2,575,858
Total Capital Assets, Non-Depreciable	<u>9,153,251</u>	<u>6,266,336</u>	<u>-</u>	<u>(4,554,919)</u>	<u>10,864,668</u>
Capital Assets, Depreciable:					
Infrastructure	91,927,315	2,211,839	-	-	94,139,154
Buildings and Improvements	98,605,906	-	-	4,554,919	103,160,825
Furniture, Fixtures and Equipment	58,568,773	1,874,905	(891,875)	-	59,551,803
Total Capital Assets, Depreciable	<u>249,101,994</u>	<u>4,086,744</u>	<u>(891,875)</u>	<u>4,554,919</u>	<u>256,851,782</u>
Less: Accumulated Depreciation For:					
Infrastructure	57,574,869	3,819,848	-	-	61,394,717
Buildings and Improvements	41,192,845	3,293,562	-	-	44,486,407
Furniture, Fixtures and Equipment	31,321,677	3,632,513	(891,875)	-	34,062,315
Total Accumulated Depreciation	<u>130,089,391</u>	<u>10,745,923</u>	<u>(891,875)</u>	<u>-</u>	<u>139,943,439</u>
Total Capital Assets, Depreciable, Net	<u>119,012,603</u>	<u>(6,659,179)</u>	<u>-</u>	<u>4,554,919</u>	<u>116,908,343</u>
Governmental Activities Capital Assets, Net	<u>\$ 128,165,854</u>	<u>(392,843)</u>	<u>-</u>	<u>-</u>	<u>\$ 127,773,011</u>

Depreciation expense for governmental activities for the year ended June 30, 2014 was charged to County functions as follows:

Governmental Activities:	
General Government	\$ 734,075
Public Safety	4,836,515
Highways, Streets and Sanitation	4,793,540
Culture and Recreation	355,051
Conservation, Transportation and Growth	26,742
Total Governmental Activities Depreciation	<u>\$ 10,745,923</u>

Construction Commitments

At June 30, 2014, the County had commitments under contracts for construction of various projects not completed totaling approximately \$41,856,000, comprised of approximately \$38,577,000 for governmental activities and approximately \$3,279,000 for business-type activities. The County also awarded an additional approximately \$14,231,000 in contracts subsequent to June 30, 2014.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

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

D. Capital Assets (Continued)

Business-Type capital asset activity for the year ended June 30, 2014, is as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Capital Assets, Non-Depreciable:					
Land	\$ 184,871	391,767	-	-	\$ 576,638
Construction in Progress	14,404,642	4,061,091	-	-	18,465,733
Total Capital Assets, Non-Depreciable	<u>14,589,513</u>	<u>4,452,858</u>	<u>-</u>	<u>-</u>	<u>19,042,371</u>
Capital Assets, Depreciable:					
Buildings and Improvements	3,229,632	-	-	-	3,229,632
Water and Sewer System	98,588,023	2,349,080	-	-	100,937,103
Furniture, Fixtures and Equipment	5,780,946	6,701	(192,571)	-	5,595,076
Total Capital Assets, Depreciable	<u>107,598,601</u>	<u>2,355,781</u>	<u>(192,571)</u>	<u>-</u>	<u>109,761,811</u>
Less: Accumulated Depreciation For:					
Buildings and Improvements	2,790,674	76,486	-	-	2,867,160
Water and Sewer System	21,397,182	2,219,718	-	-	23,616,900
Furniture, Fixtures and Equipment	3,923,923	411,614	(192,571)	-	4,142,966
Total Accumulated Depreciation	<u>28,111,779</u>	<u>2,707,818</u>	<u>(192,571)</u>	<u>-</u>	<u>30,627,026</u>
Total Capital Assets, Depreciable, Net	<u>79,486,822</u>	<u>(352,037)</u>	<u>-</u>	<u>-</u>	<u>79,134,785</u>
Business-Type Activities Capital Assets, Net	<u>\$ 94,076,335</u>	<u>4,100,821</u>	<u>-</u>	<u>-</u>	<u>\$ 98,177,156</u>

During the year ended June 30, 2014, the County recorded approximately \$2,349,000 in water and sewer system infrastructure contributed by developers. No interest was capitalized for the business-type activities during the year ended June 30, 2014.

E. Long-term Obligations

The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for its governmental activities. General obligation bonds are direct obligations and pledge the full faith and credit of the County. The primary source of revenue for repayment of general obligation bonds is property taxes; the Debt Service Fund is used to service the general obligation bonds. The County issues revenue bonds to provide funds for the acquisition and construction of major capital facilities for the water and sewer system. The Combined Utility System Revenue Bonds are payable from revenues derived by the County from the operation of its water and sewer system and monies on deposit established pursuant to the bond ordinance. The County has also entered into several financing leases / notes payable arrangements for equipment and vehicles. General Fund resources typically are used to service these obligations and also to liquidate compensated absences.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

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

E. Long-term Obligations (Continued)

Presented below is a summary of changes in long-term obligations for the year ended June 30, 2014:

Long-Term Obligations	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
General Obligation Bonds:					
Series 2002	\$ 4,700,000	-	4,700,000	-	\$ -
Series 2006	6,580,000	-	625,000	5,955,000	645,000
Series 2008	41,930,000	-	3,160,000	38,770,000	3,265,000
Total - General Obligation Bonds	53,210,000	-	8,485,000	44,725,000	3,910,000
Financing Lease - Notes Payable	9,221,399	-	2,125,128	7,096,271	2,179,900
Premiums	62,976	-	6,997	55,979	-
Compensated Absences	3,483,423	2,108,461	1,892,789	3,699,095	1,997,511
Total Governmental Activities	\$ 65,977,798	2,108,461	12,509,914	55,576,345	\$ 8,087,411
Business-Type Activities:					
Combined Utility System Revenue Bonds:					
Series 1999	\$ 6,500,000	-	855,000	5,645,000	\$ 900,000
Series 2012	11,930,000	-	465,000	11,465,000	480,000
Total Revenue Bonds	18,430,000	-	1,320,000	17,110,000	1,380,000
Premiums	736,619	-	70,655	665,964	-
Landfill Closure and Postclosure Care Cost	2,318,856	-	97,357	2,221,499	127,521
Compensated Absences	85,483	56,995	47,010	95,468	51,552
Total Business-Type Activities	\$ 21,570,958	56,995	1,535,022	20,092,931	\$ 1,559,073

Article Eight, Section Seven of the South Carolina Constitution of 1895, as amended, provides that no county is allowed to incur any bonded debt that exceeds 8% of the assessed value of the property therein, unless the electors of the county vote via referendum to exceed that limit. As of June 30, 2014, the County had \$44,725,000 of bonded debt subject to the 8% limit of approximately \$93,846,000 resulting in an unused legal debt margin of approximately \$49,121,000.

There are numerous limitations, restrictions, and covenants contained in the various revenue bond indentures and ordinances. As of June 30, 2014, the County is in compliance with all significant restrictions and covenants, including its debt service coverage ratios for its Combined Utility System Revenue Bonds.

Interest paid on the debt issued by the County is generally exempt from federal income tax. The County sometimes temporarily reinvests the proceeds of such tax-exempt debt in higher-yielding taxable securities, especially during construction projects. The federal tax code refers to this practice as arbitrage. Excess earnings (the difference between the interest paid on the debt and the investment earnings received) resulting from arbitrage must be rebated to the federal government. The County does not believe it has any arbitrage liability at June 30, 2014.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

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

E. Long-term Obligations (Continued)

General Obligation Bonds

**Balance at
June 30, 2014**

\$9,820,000 General Obligation Bonds, Series 2006, due in annual installments ranging from \$440,000 to \$855,000 through August 1, 2021, plus interest ranging from 3.5% to 4.0% due semi-annually. The proceeds of this issue were used to expand the prison facility at the Moss Justice Center. \$ 5,955,000

\$45,000,000 General Obligation Bonds, Series 2008, due in annual installments ranging from \$3,070,000 to \$4,615,000 beginning November 1, 2012 through August 1, 2023, plus interest ranging from 4.1% to 5.75% due semi-annually. The proceeds of this issue were used to expand and renovate the Moss Justice Center, renovation of the County courthouse, construction of a recycling center, acquisition, construction and equipping of a fire training facility, and other projects. 38,770,000

Combined Utility System Revenue Bonds

\$12,240,000 Water and Sewer System Refunding Revenue Bonds, Series 2012, due in annual installments ranging from \$310,000 to \$970,000 through December 1, 2030, plus interest ranging from 2.0% through 5.0% due semi-annually. The proceeds from this issue were used to currently refund the outstanding balance of the Series 2003 Revenue Bonds. 11,465,000

\$9,950,000 Water and Sewer System Refunding and Capital Improvement Revenue Bonds, Series 1999, due in annual installments ranging from \$75,000 to \$905,000 through December 1, 2020, plus interest at 5.48% through October 2014 and 4.75% thereafter due semi-annually. The proceeds from this issue were used to refund portions of the outstanding balances of the Series 1993 and Series 1995 Revenue Bonds and to provide funds to construct improvements to the system. 5,645,000

Financing Lease – Notes Payable

\$17,850,000 financing lease arrangement entered into in 2005 to partially fund radio communications equipment, due in semi-annual payments of \$1,075,460, which includes interest at 3.69%, through July 5, 2016. 5,091,918

\$406,467 note payable entered into in 2011 to fund the purchase of a fire truck, due in semi-annual payments of \$33,201, which includes interest at 3.629%, through March 30, 2018. 244,867

\$471,211 note payable entered into in 2012 to fund the purchase of a tract of land and improvements, due in annual payments of \$52,357 through March 1, 2021; interest is due annually on the unpaid balance on September 1 at a rate based on the average earned on investments at the SC Local Government Investment Pool for the previous 12 months (0.298% for 2013.) 366,497

\$1,500,000 note payable entered into in 2013 to partially fund the construction of a fire station, due in semi-annual payments of \$58,032, which includes interest at 1.95%, through May 21, 2028. \$ 1,392,989

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

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

E. Long-term Obligations (Continued)

Debt Service Requirements to Maturity

Presented below is a summary of debt service requirements to maturity by year for the governmental and business-type activities.

Year Ending June 30	Bonded Indebtedness		Notes Payable		Total
	Principal	Interest	Principal	Interest	
<u>Governmental Activities</u>					
2015	\$ 3,910,000	2,135,679	2,179,900	205,844	\$ 8,431,423
2016	4,045,000	1,959,979	2,257,528	128,215	8,390,722
2017	4,190,000	1,773,754	1,262,731	47,552	7,274,037
2018	4,345,000	1,560,554	210,904	23,919	6,140,377
2019	4,515,000	1,321,041	148,162	20,260	6,004,463
2020-2024	23,720,000	3,022,851	612,978	72,058	27,427,887
2025-2028	-	-	424,068	20,011	444,079
Total Governmental Activities	\$ 44,725,000	11,773,858	7,096,271	517,859	\$ 64,112,988
<u>Business-Type Activities</u>					
2015	\$ 1,380,000	661,350	-	-	\$ 2,041,350
2016	1,180,000	609,081	-	-	1,789,081
2017	1,240,000	557,869	-	-	1,797,869
2018	1,300,000	501,481	-	-	1,801,481
2019	1,370,000	442,175	-	-	1,812,175
2020-2024	4,930,000	1,415,826	-	-	6,345,826
2025-2029	3,885,000	619,177	-	-	4,504,177
2030-2031	1,825,000	61,182	-	-	1,886,182
Total Business-Type Activities	\$ 17,110,000	4,868,141	-	-	\$ 21,978,141

Landfill Closure and Postclosure Care Costs

State and federal laws and regulations require the County to place a final cover on its landfill sites when each site stops accepting waste and to perform certain maintenance and monitoring functions at the sites for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfills stop accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

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

E. Long-term Obligations (Continued)

Landfill Closure and Postclosure Care Costs (Continued)

The approximately \$2,221,000 reported as an accrual for landfill closure and postclosure care at June 30, 2014 includes the estimated remaining liability of approximately \$1,531,000 for postclosure care of the previously closed MSW landfill cells for another 14 years, estimated postclosure care for the next 29 years of approximately \$527,000 for Unit 1, plus the estimated closure and postclosure care of approximately \$164,000, based on the capacity used to date, for the estimated total of approximately \$1,391,000 for Unit 2 C&D, which is active and is estimated to continue accepting trash until 2031, based on the following information:

Landfill	Estimated Remaining Landfill Life	Percentage Balance of Capacity Used	Estimated Total Costs			Remaining To Be Recognized
			Closure	Postclosure	Total	
MSW Cells	None	100%	\$ -	1,530,883	1,530,883	\$ -
Unit 1 C&D	None	100%	-	526,988	526,988	-
Unit 2 C&D	16.67 years	7%	847,000	543,840	1,390,840	1,227,212
			<u>\$ 847,000</u>	<u>2,601,711</u>	<u>3,448,711</u>	<u>\$ 1,227,212</u>

These amounts are based on what it would cost to perform all closure and postclosure care in fiscal year 2014. Actual costs may be higher due to inflation, changes in technology or changes in regulations.

F. Operating Leases

The County leases office space and radio tower space under several operating lease agreements expiring through 2022. Total costs charged to operations were approximately \$412,000 for the year ended June 30, 2014. Future minimum payments for these leases are as follows:

Year Ending June 30,	Amount
2015	\$ 377,350
2016	255,320
2017	222,540
2018	230,735
2019	239,244
Thereafter	425,893
Total	<u>\$ 1,751,082</u>

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

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

G. Fund Balance Categories

Following is a schedule of fund balance categories by specific purpose as of June 30, 2014:

Fund	General Fund	2003 Capital Projects Sales Tax Fund	Pennies 3 Capital Projects Sales Tax Fund	Non-Major Governmental Funds	Total
<u>Nonspendable:</u>					
Prepays	\$ 260,611	-	-	-	\$ 260,611
Inventory	39,007	-	-	-	39,007
Total Nonspendable	299,618	-	-	-	299,618
<u>Restricted For:</u>					
Tourism Promotion	202,251	-	-	5,071,965	5,274,216
Fire Board/Districts	-	-	-	6,738,183	6,738,183
Culture and Recreation Support	-	-	-	4,323,833	4,323,833
Emergency Telephone System	-	-	-	2,862,123	2,862,123
Road Improvements	-	82,618,578	48,118,547	16,005,277	146,742,402
Economic Development	3,094,728	-	-	-	3,094,728
Debt Service	-	-	-	2,797,015	2,797,015
Various Capital Projects	-	-	-	11,537,765	11,537,765
Other	353,872	-	-	253,390	607,262
Total Restricted	3,650,851	82,618,578	48,118,547	49,589,551	183,977,527
<u>Committed For:</u>					
York County Forever	1,676,977	-	-	-	1,676,977
Vehicle / Equipment Replacement	9,181,752	-	-	-	9,181,752
Various Capital Projects	-	-	-	7,398,467	7,398,467
Road Improvements	-	-	-	2,340,342	2,340,342
Other	899,922	-	-	-	899,922
Total Committed	11,758,651	-	-	9,738,809	21,497,460
<u>Assigned For:</u>					
Future Year's Expenditures	3,739,312	-	-	-	3,739,312
Other	789,732	-	-	-	789,732
Total Assigned	4,529,044	-	-	-	4,529,044
Unassigned	44,224,417	-	-	-	44,224,417
Total	\$ 64,462,581	82,618,578	48,118,547	59,328,360	\$ 254,528,066

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

IV. OTHER INFORMATION

A. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters. For all of these risks, the County is a member of the State of South Carolina Insurance Reserve Fund, a public entity risk trust currently operating as a common risk management and insurance program for local governments. The County pays an annual premium to the State Insurance Reserve Fund for its general insurance coverage. The State Insurance Reserve Fund is self-sustaining through member premiums and reinsures through commercial companies for certain claims. The state accumulates assets to cover risks that its members incur in their normal operations. Specifically, the state assumes substantially all of the risk of the above.

The County is also subject to risks of loss from providing health, life, accident, dental and other medical benefits to employees, retirees and their dependents. The County enrolled substantially all of its employees in the South Carolina Employee Insurance Program administered by the South Carolina Public Employee Benefit Authority. The County pays a portion of the premiums and collects from employees and retirees the remaining premiums which are remitted to the state.

The County is partially self-insured related to risks associated with workers compensation. The County has a \$100,000 per claim deductible with insurance providers paying claims that are in excess of this amount per claim. The County has recorded an estimated liability of approximately \$254,000 for incurred but unpaid claims at June 30, 2014, which is based on GASB Statement No. 10 which requires that a liability for claims be recorded if information prior to the issuance of the financial statements indicate that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. This amount is included in Accrued Liabilities in the Statement of Net Position.

For all of the above risk management programs, the County has not significantly reduced insurance coverage from the previous year and settled claims in excess of insurance coverage for the past three years were immaterial. For each of the insurance programs and public entity risk pools in which they participate, the County has effectively transferred all risk with no liability for unfunded claims.

B. Commitments and Contingencies

Litigation

The County has been sued by C&D Management, Inc. This 2007 case involves a legal challenge implicating the York County Solid Waste Management Plan and a landfill permitting issue. The case was stayed pending the outcome of an appeal challenging the issuance of a requested SCDHEC permit for a landfill site. In the appellate matter, Certiorari was granted by the South Carolina Supreme Court; and, after oral argument, the Court determined review was not appropriate. The case brought by C&D Management asserts, inter alia, tort, contract, due process, and equal protection claims and sets out \$15,000,000 in alleged damages. The County has raised a number of defenses. The extent of the County's liability, if any, and coverage for any monetary award will not be known until the conclusion of trial, the date of which is undetermined.

The County has been sued by Green Eagle. This 2008 case involves a legal challenge implicating the York County Solid Waste Management Plan and a landfill permitting issue. The case was stayed pending the outcome of an appeal challenging the denial of a requested SCDHEC permit for a landfill site. In the appellate matter, a Petition for Certiorari, before the South Carolina Supreme Court was denied. The case brought by Green Eagle asserts, inter alia, tort, contract, due process, and equal protection claims and sets out \$5,000,000 in alleged damages. The County has raised a number of defenses. The extent of the County's liability, if any, and coverage for any monetary award will not be known until the conclusion of trial, the date of which is undetermined.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

IV. OTHER INFORMATION (CONTINUED)

B. Commitments and Contingencies (Continued)

Litigation (Continued)

The County has been sued by MorningStar Fellowship Church. This 2013 case involves breach of contract allegations surrounding a Development Agreement between MorningStar and York County for the improvement of an unfinished Tower site situated in the Regent Park area of Fort Mill. Damages in the lawsuit are unspecified. As part of its counterclaims asserted, York County has sought a declaratory judgment seeking a determination, inter alia, that MorningStar is in default of the Development Agreement in issue and that the Tower should be demolished. Also, the County has alleged breach of contract, nuisance, and accounting claims. The case is in discovery. Trial is anticipated to be held in early to mid- 2015.

The County, its officers, and its employees are defendants in various other claims and lawsuits. It is the opinion of the County's attorney that resolution of these other matters, either individually or in the aggregate, will not have a material adverse effect on the financial condition of the County.

Grants

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial. Management has not been informed of any significant matters of noncompliance with grant provisions or planned grantor audits.

Contracts for Water Purchases and Sewer Treatment Services

The County has contracts for the purchase of water and sewer treatment services with two municipalities located in the County. The County has contracts for the sale of water and sewer services to Carolina Water Service; the County also has contracts for the sale of water to Tega Cay Utilities. Pursuant to contracts under which the County acquired certain systems, either by purchase or by contribution from developers, the County charges wholesale rates and issues tap certificates.

Tax Increment Financing Districts Settlements

In prior years, the County settled two lawsuits regarding tax increment financing districts within the City of Rock Hill and the City of York, South Carolina. In exchange for the two cities not establishing certain tax increment financing districts with the County, the County obligated itself to fund certain project costs. Maximum remaining obligations of the County per the terms of the settlements as of June 30, 2014 are as follows:

<u>Year Ending June 30,</u>	<u>City of Rock Hill</u>	<u>City of York</u>	<u>Total</u>
2015	\$ 265,000	64,444	\$ 329,444
2016	265,000	-	265,000
2017	265,000	-	265,000
2018	265,000	-	265,000
2018	265,000	-	265,000
2019	265,000	-	265,000
Total	<u>\$ 1,590,000</u>	<u>64,444</u>	<u>\$ 1,654,444</u>

Encumbrances – The County had encumbrances at June 30, 2014 of approximately \$703,000 for the General Fund and approximately \$1,333,000 for all nonmajor funds.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

IV. OTHER INFORMATION (CONTINUED)

C. Deferred Compensation Plan

The County offers its employees a deferred compensation plan, offered through the State of South Carolina, created in accordance with Internal Revenue Code Section 457. The plan, available to all regular full-time employees, is optional and permits participants to defer a portion of their salaries until future years. The deferred compensation is not available to the employee or his beneficiaries until termination, retirement, death, disability, or an approved hardship. All amounts of compensation deferred under the plan are held in trust for the contributing employee and are not subject to claims of the employer's general creditors. The plan is administered by the South Carolina State Treasurer's Office.

D. Volunteer Firefighter Retirement Plan

In 2001, the County established a retirement program (the "Program") for volunteer firefighters within the County in accordance with Internal Revenue Code Section 457. Every firefighter who has at least one year of service is eligible to participate in the Program, which is administered by the South Carolina State Fireman's Association Retirement and Trust Plan. The County's contributions to the Program are determined by the County Council.

E. Employee Retirement Systems and Plans

The County contributes to both the South Carolina Retirement System ("SCRS") and to the Police Officers' Retirement System ("PORS"), which are cost-sharing, multiple-employer defined benefit pension plans. Both the SCRS and PORS offer retirement and disability benefits, life insurance benefits, cost of living adjustments on an ad-hoc basis, group life insurance benefits and survivor benefits. The Plan's provisions are established under Title 9 of the SC Code of Laws and were originally administered by the South Carolina Budget and Control Board. Effective July 1, 2012, the South Carolina General Assembly transferred administration of the SCRS and PORS to the newly created South Carolina Public Employee Benefit Authority ("PEBA"). The PEBA has the authority to establish and amend benefits and funding policy. A Comprehensive Annual Financial Report containing financial statements and required supplementary information for the SCRS and PORS is issued and publicly available by writing the South Carolina Public Employee Benefit Authority, PO Box 11960, Columbia, SC 29211-1960.

SCRS Plan members are required to contribute 7.5% of their annual covered salary and the County is required to contribute at an actuarially determined rate. The rate at June 30, 2014 was 10.45% of annual covered payroll. Additionally, participating employers of the SCRS contribute 0.15% of payroll to provide a group life insurance benefit for their participants. The County's total contributions to SCRS for the years ending June 30, 2014, 2013, and 2012 were approximately \$2,680,000, \$2,607,000, and \$2,337,000, respectively, which were equal to the required contributions for each year. The Employee's total contributions to SCRS for the years ending June 30, 2014, 2013, and 2012 were approximately \$1,891,000, \$1,717,000, and \$1,593,000, respectively, which were equal to the required contributions for each year.

PORS Plan members are required to contribute 7.84% of their annual covered salary and the County is required to contribute at an actuarially determined rate. The rate at June 30, 2014 was 12.44% of annual covered payroll. Additionally, participating employers of the SCPORS contribute 0.4% of payroll to provide a group life insurance benefit and an accidental death benefit for their participants. The County's total contributions to PORS for the years ending June 30, 2014, 2013, and 2012 were approximately \$2,122,000, \$1,972,000, and \$1,890,000, respectively, which were equal to the required contributions for each year. The Employee's total contributions to PORS for the years ending June 30, 2014, 2013, and 2012 were approximately \$1,290,000, \$1,119,000, and \$1,044,000, respectively, which were equal to the required contributions for each year.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

IV. OTHER INFORMATION (CONTINUED)

F. Pending Implementation of GASB Statement on Pensions

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* (“Statement”), was issued by the GASB in June 2012. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local government employers about financial support for pensions that are provided by other entities. In addition, state and local governments who participate in a cost-sharing multiple employer plan will now be required to recognize a liability for its proportionate share of the net pension liability of that plan. It is GASB’s intention that this new Statement will provide citizens and other users of the financial statements with a clearer picture of the size and nature of the County’s financial obligations to current and former employees for past services rendered.

In particular, the County will be required to report a net pension liability for its participation in the SCRS and PORS on financial statements prepared on the economic resources measurement focus and accrual basis of accounting (i.e., the Statement of Net Position) and present more extensive note disclosures. In general, it should not have a significant impact on the County’s governmental funds.

The County has been in communications with the PEBA on the effect of implementing this Statement. Based on recent information provided by the PEBA, it is anticipated that the County’s proportionate share of the net pension liability associated with the SCRS and PORS will decrease the County’s beginning unrestricted net position for the year ended June 30, 2015 by approximately \$74,195,000.

G. Other Postemployment Benefits

Plan Description

In addition to providing pension benefits, the County provides certain postemployment health care benefits for eligible retirees and their dependents through a single-employer defined benefit healthcare plan (the “Plan”). Full time employees are allowed to participate in group medical, dental, life and disability insurance programs offered by the County. If employees elect to secure dependent coverage, the employee should pay the additional costs for such coverage. All statements of insurance coverage are subject to the terms, conditions, restrictions and other eligibility requirements that are set forth in various insurance plan documents. Employees with at least ten years of continuous County service who are eligible for retirement under the SC Retirement System regulations and are a County employee at the time of retirement may be eligible for continued standard insurance coverage at no cost to them. Employees hired after October 1, 2008 must have 25 years of creditable service with S.C. Retirement including 10 years as a York County employee; be eligible for retirement benefits and be a County employee at the time of retirement in order to receive this benefit. Employees hired after August 31, 2011 shall not be entitled to have the employer costs of medical or dental coverage paid by the County at the time of retirement. Eligible retirees would be required to pay employer and employee costs if continuation of coverage is chosen at the time of retirement.

The County joined the South Carolina Counties Other Post Employment Benefit Trust (“SCCOPEBT”), an agent multiple employer investment trust administered by the South Carolina Association of Counties. A copy of the report may be obtained at the South Carolina Association of Counties Office, PO Box 82207, Columbia, South Carolina 29202-8207. Assets are held separately and may be used only for the payment of benefits to the members of the plan. The aggregate actuarial cost method does not identify or separately amortize unfunded actuarial liabilities. Employees are not required to contribute to this plan.

The County’s contributions to the Plan are neither guaranteed nor mandatory. The County has retained the right to unilaterally modify its payments toward retiree health care benefits at any time. The Plan does not issue a stand-alone financial report.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

IV. OTHER INFORMATION (CONTINUED)

G. Other Postemployment Benefits (Continued)

Plan Description (Continued)

As of June 30, 2013, the measurement date, there were 1,080 covered participants for the Primary Government, including 885 active participants and 195 retired participants receiving benefits.

Funding Policy

The County's annual other post-employment benefits ("OPEB") cost (expense) is calculated based on the annual required contribution ("ARC") of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive Plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The asset valuation method used is market value. The SCCOPEBT's actuarial consultants intend to use a smoothing method over a 5 year period with an assumed investment rate of return of 4%.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

IV. OTHER INFORMATION (CONTINUED)

G. Other Postemployment Benefits (Continued)

Actuarial Methods and Assumptions (Continued)

The following table summarizes the key actuarial assumptions and cost method:

Actuarial Valuation Date:	June 30, 2013
Actuarial Cost Method:	Projected Unit Credit
Amortization Method:	Level Dollar Method
Amortization Period:	30 Years; Open
Actuarial Assumptions:	
Investment Rate of Return:	Discount rate of 4.0% annual return, net of both administrative and investment related expenses
Inflation Rate:	3%
Health Cost Trend:	7.0% to 4.5% in 0.25% annual steps
Coverage Elections:	100% of eligible retirees and 35% of spouses will elect to receive coverage upon retirement
Active Participant Marriage Assumption:	80% of all active employees are assumed to be married with female spouses assumed to be 3 years younger
Mortality Table:	RP 2000 tables projected to 2032 with Scale AA
Per Capita Claims Costs	Include Medical, Dental, and Prescription Drug costs.
Implicit Rate Subsidy:	Total costs of coverage for pre-65 retirees are based on the per capita claims and health cost trends noted above

Annual OPEB Cost, Net OPEB Obligation, Funded Status and Funding Progress

Annual OPEB Costs and Rollforward of Net OPEB Obligation

The County implemented GASB Statement No. 45 in fiscal 2009. For 2014, the annual OPEB cost (expense) and the progression of the net OPEB obligation in the Plan for the Primary Government for the most recent plan year (fiscal year 2014) was as follows:

1.	Net OPEB Obligation, Beginning of the Plan Year	\$ 20,026,342
2.	One Year's Interest on the Net OPEB Obligation	801,054
3.	ARC (Normal Cost Plus Any Amortization Payments)	5,058,071
4.	Adjustment to Annual Required Contribution	(1,113,582)
5.	Annual OPEB Cost	<u>4,745,543</u>
6.	Contributions Made for the Plan Year	(1,057,254)
7.	Increase in Net OPEB Obligation	<u>3,688,289</u>
8.	Net OPEB Obligation, End of the Plan Year	<u><u>\$ 23,714,631</u></u>

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

IV. OTHER INFORMATION (CONTINUED)

G. Other Postemployment Benefits (Continued)

Annual OPEB Cost, Net OPEB Obligation, Funded Status and Funding Progress (Continued)

Schedule of Employer Contributions

The County did not make contributions to the Plan in 2014 to pre-fund benefits; therefore, contributions only include approximately \$1,057,000 made by the Primary Government through payment of covered participants' explicit and implicit subsidized benefits.

Annual OPEB cost, annual OPEB cost contributed, percentage of annual OPEB cost contributed to the Plan, and the Net OPEB Obligation for the past three years for the Primary Government were as follows:

Schedule of Employer Contributions				
Applicable to Fiscal Year Ending	Annual OPEB Cost	Annual OPEB Cost Contributed	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2014	\$ 4,745,543	1,057,254	22.28%	\$ 23,714,631
June 30, 2013	5,977,121	1,579,158	26.42%	20,026,342
June 30, 2012	\$ 5,692,055	829,278	14.57%	\$ 15,628,379

Funding Progress

Funding progress for the Plan for the Primary Government is as follows:

Schedule of Funding Progress						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
June 30, 2013	\$ 2,475,279	52,622,477	50,147,198	4.70%	\$ 40,117,925	125.00%
June 30, 2011	2,362,969	50,942,464	48,579,495	4.64%	38,569,344	125.95%
June 30, 2009	\$ 2,200,000	42,374,627	40,174,627	5.19%	\$ 38,332,286	104.81%

The schedule of funding progress following the Notes to the Financial Statements presents multiyear trend information regarding the actuarial value of plan assets relative to the actuarial accrued liability for benefits.

H. Concentrations of Credit Risk

The Water and Sewer Fund and the Solid Waste Disposal Fund grant credit to customers in York County, South Carolina. Accounts receivable are financial instruments that potentially subject the County to credit risk. The County requires security deposits for all of its Water/Sewer Customers.

The County terminates services for accounts unpaid after 60 days for Water/Sewer Customers. Delinquent customers of the Solid Waste Disposal Fund may have credit privileges revoked.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

IV. OTHER INFORMATION (CONTINUED)

I. Establishment of New Special Revenue Funds

Effective as of the beginning of fiscal year 2014, the County decided to change the way it is reporting its support for the Culture & Heritage Commission, the York County Library, and the York Technical College, which had previously been included in the General Fund (support for the Culture & Heritage Commission and support for the York County Library with a cumulative effect totaling approximately \$1,615,000) and an Agency Fund (support for the York Technical College with a cumulative effect of approximately \$2,113,000), to new special revenue funds. The cumulative effect of these changes as of the beginning of fiscal year 2014 is reflected as an adjustment to the beginning fund balance for the these funds in the Statement of Revenues, Expenditures and Changes in Fund Balances.

J. Subsequent Events

In July 2014, the County issued its Series 2014 General Obligation Refunding Bonds in the amount of \$27,750,000 to advance refund \$28,640,000 of the outstanding \$38,770,000 balance on the Series 2008 General Obligation Bonds. The County received a premium of approximately \$4,298,000 and incurred issuance costs of approximately \$260,000. The County paid approximately \$32,052,000 to the refunding bond escrow agent for the bonds that were defeased. The refunding will result in a reduction of debt service expenditures of approximately \$2,946,000 over the next ten years and an economic gain of approximately \$2,688,000.

The County increased its County-wide millage by 4.2 mills from 64.5 mills in fiscal year 2014 to 68.7 mills for fiscal year 2015.

In September 2014, the County transferred \$50,000,000 from the South Carolina Local Government Pool at the State Treasurer's Office to a regional bank in order to improve interest earnings. The assets have been invested in a laddered portfolio of Government Agency and Treasury Bonds, all of which fall under the parameters of the State Statute section 6-5-10 (a)(1) and (a)(2). The bond portfolio is of short to intermediate duration.

In September 2014, the York County Council amended the OPEB Plan, which will be effective January 1, 2015. The County will establish a Health Reimbursement Account ("HRA") for each eligible retiree. Funds in the HRA will be used by the retiree to pay health care premiums. In addition to the current State of South Carolina Standard Plan, an alternative Medicare Supplemental Plan will be made available to retirees. Prior to age 65, the County would contribute a fixed monthly amount of \$675 to each retiree's HRA. All pre-65 retirees would pay the full age adjusted premium so that there would be no implicit subsidy for purposes of actuarial calculations under GASB Statement No. 45. After age 65, the County would contribute a fixed monthly amount of \$350 to each retiree's HRA. Post 65 retirees would have the choice to enroll in the current health plan or the alternative Medicare Supplemental Plan. These changes would apply to all current retirees as well as all future retirees. Using the data based on the latest actuarial valuation date of June 30, 2013, these changes are estimated to decrease the Unfunded Actuarial Accrued Liability by approximately \$29,000,000; they are also estimated to decrease the Annual Required Contribution by approximately \$3,000,000.

The County and the Culture and Heritage Commission of York County, as plaintiffs, filed suit in 2013 against the Culture and Heritage Foundation, Inc., Sustainable Development Group, Inc., SDG Properties, LLC, and CHF Property Management, LLC (collectively the Defendants). This suit involved a challenge concerning the Defendant Foundation's oversight of assets acquired and held for the benefit of the Commission. This lawsuit has been settled subsequent to June 30, 2014. Pursuant to the settlement, an audit group is being selected to review the financial records of CHF and related organizations; certain specified acreage is being deeded to the CHC; and, monetary assets will be held in favor of the CHC by the Foundation for the Carolinas. Compliance with the terms of settlement should be completed in 2015.

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Required Supplementary Information

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YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

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

YEAR ENDED JUNE 30, 2014

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
REVENUES				
Property Taxes	\$ 54,347,220	54,347,220	54,158,727	\$ (188,493)
Accommodations Taxes	190,000	190,000	222,395	32,395
Licenses, Fines and Permits	11,279,934	11,281,669	12,610,929	1,329,260
Intergovernmental	14,652,754	15,216,080	14,335,396	(880,684)
Investment Income	125,000	125,000	89,544	(35,456)
Miscellaneous	327,656	1,638,476	1,896,478	258,002
TOTAL REVENUES	<u>80,922,564</u>	<u>82,798,445</u>	<u>83,313,469</u>	<u>515,024</u>
EXPENDITURES				
Current:				
General Government	34,830,496	33,250,632	30,560,902	2,689,730
Public Safety	31,719,913	31,858,579	29,934,916	1,923,663
Highways, Streets and Sanitation	9,223,143	9,227,853	8,375,100	852,753
Health and Welfare	2,073,183	2,060,905	1,846,998	213,907
Culture and Recreation	1,225,779	1,096,334	523,812	572,522
Conservation, Transportation and Growth	5,079,952	5,990,647	3,565,704	2,424,943
Capital Outlay	5,598,682	8,876,723	3,649,751	5,226,972
Debt Service:				
Principal Retirement	52,400	52,357	52,357	-
Interest and Fiscal Charges	1,000	1,257	1,257	-
TOTAL EXPENDITURES	<u>89,804,548</u>	<u>92,415,287</u>	<u>78,510,797</u>	<u>13,904,490</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(8,881,984)</u>	<u>(9,616,842)</u>	<u>4,802,672</u>	<u>14,419,514</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from Sale of Capital Assets	50,000	50,000	22,083	(27,917)
Insurance Proceeds	150,000	150,000	16,859	(133,141)
Transfers In	283,000	283,000	-	(283,000)
Transfers Out	(3,900,000)	(7,785,000)	(7,743,521)	41,479
Total Other Financing Sources (Uses)	<u>(3,417,000)</u>	<u>(7,302,000)</u>	<u>(7,704,579)</u>	<u>(402,579)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (12,298,984)</u>	<u>(16,918,842)</u>	<u>(2,901,907)</u>	<u>\$ 14,016,935</u>

The budgets are presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America. The County budgeted to use \$16,918,842 in previously accumulated fund balance to assist in funding fiscal year 2014 expenditures.

YORK COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF EMPLOYER CONTRIBUTIONS AND FUNDING PROGRESS - OTHER POSTEMPLOYMENT BENEFITS PLAN

YEAR ENDED JUNE 30, 2014

Schedule of Employer Contributions

Applicable to Fiscal Year Ending	Annual OPEB Cost	Annual OPEB Cost Contributed	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2014	\$ 4,745,543	1,057,254	22.28%	\$ 23,714,631
June 30, 2013	5,977,121	1,579,158	26.42%	20,026,342
June 30, 2012	\$ 5,692,055	829,278	14.57%	\$ 15,628,379

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
June 30, 2013	\$ 2,475,279	52,622,477	50,147,198	4.70%	\$ 40,117,925	125.00%
June 30, 2011	2,362,969	50,942,464	48,579,495	4.64%	38,569,344	125.95%
June 30, 2009	\$ 2,200,000	42,374,627	40,174,627	5.19%	\$ 38,332,286	104.81%

Supplementary Information

YORK COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2014

	SPECIAL REVENUE FUNDS			
	LOCAL HOSPITALITY TAX	RURAL FIRE DISTRICTS	BOARD OF RURAL FIRE CONTROL	SOLID WASTE COLLECTION
ASSETS				
Due from Other Funds	\$ 4,936,217	3,153,767	4,077,778	3,657,233
Receivables, Net of Allowances:				
Property Taxes	-	145,197	239,202	197,738
Intergovernmental	-	-	-	-
Other	211,715	37,620	-	-
TOTAL ASSETS	\$ 5,147,932	3,336,584	4,316,980	3,854,971
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 75,967	508,097	23,844	106,222
Due to Other Funds	-	-	-	-
Accrued Liabilities	-	-	9,354	33,217
TOTAL LIABILITIES	75,967	508,097	33,198	139,439
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Taxes	-	144,568	229,518	189,993
TOTAL DEFERRED INFLOWS OF RESOURCES	-	144,568	229,518	189,993
FUND BALANCES				
Restricted	5,071,965	2,683,919	4,054,264	3,525,539
Committed	-	-	-	-
TOTAL FUND BALANCES	5,071,965	2,683,919	4,054,264	3,525,539
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 5,147,932	3,336,584	4,316,980	3,854,971

SPECIAL REVENUE FUNDS					
SHERIFF'S DRUG FORFEITURE	SOLICITOR'S DRUG FORFEITURE	EMERGENCY TELEPHONE SERVICE	RECREATION	PUBLIC DEFENDER	TITLE IV-D INCENTIVE FUNDING
-	19,846	2,745,814	846,520	14,458	\$ 199,224
-	-	-	81,791	-	-
-	19,438	278,078	-	-	1,323
3,879	-	-	-	-	-
3,879	39,284	3,023,892	928,311	14,458	\$ 200,547
-	899	152,821	8,285	-	\$ -
3,879	-	-	-	-	-
-	-	8,948	-	-	-
3,879	899	161,769	8,285	-	-
-	-	-	78,489	-	-
-	-	-	78,489	-	-
-	38,385	2,862,123	841,537	14,458	200,547
-	-	-	-	-	-
-	38,385	2,862,123	841,537	14,458	200,547
3,879	39,284	3,023,892	928,311	14,458	\$ 200,547

(Continued)

YORK COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2014

	SPECIAL REVENUE FUNDS		
	COUNTY SUPPORT - CULTURE & HERITAGE COMMISSION	COUNTY SUPPORT - YORK COUNTY LIBRARY	COUNTY SUPPORT - YORK TECHNICAL COLLEGE
ASSETS			
Due from Other Funds	\$ 394,863	1,227,181	2,324,554
Receivables, Net of Allowances:			
Property Taxes	228,525	371,838	364,859
Intergovernmental	-	-	-
Other	-	1,024	-
TOTAL ASSETS	\$ 623,388	1,600,043	2,689,413
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ -	-	519,416
Due to Other Funds	-	-	-
Accrued Liabilities	-	-	-
TOTAL LIABILITIES	-	-	519,416
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue - Property Taxes	216,054	350,803	344,275
TOTAL DEFERRED INFLOWS OF RESOURCES	216,054	350,803	344,275
FUND BALANCES			
Restricted	407,334	1,249,240	1,825,722
Committed	-	-	-
TOTAL FUND BALANCES	407,334	1,249,240	1,825,722
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 623,388	1,600,043	2,689,413

DEBT SERVICE FUND	CAPITAL PROJECTS FUNDS			TOTAL NONMAJOR GOVERNMENTAL FUNDS
	C FUNDS	1997 CAPITAL PROJECTS SALES TAX FUND	CAPITAL IMPROVEMENTS FUND	
2,764,058	12,786,338	2,339,963	19,159,667	\$ 60,647,481
626,952	-	-	-	2,256,102
-	238,773	-	-	537,612
-	-	10,619	-	264,857
3,391,010	13,025,111	2,350,582	19,159,667	\$ 63,706,052
-	545,373	10,240	223,435	\$ 2,174,599
-	-	-	-	3,879
-	-	-	-	51,519
-	545,373	10,240	223,435	2,229,997
593,995	-	-	-	2,147,695
593,995	-	-	-	2,147,695
2,797,015	12,479,738	-	11,537,765	49,589,551
-	-	2,340,342	7,398,467	9,738,809
2,797,015	12,479,738	2,340,342	18,936,232	59,328,360
3,391,010	13,025,111	2,350,582	19,159,667	\$ 63,706,052

YORK COUNTY, SOUTH CAROLINA

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

YEAR ENDED JUNE 30, 2014

	SPECIAL REVENUE FUNDS			
	LOCAL HOSPITALITY TAX	RURAL FIRE DISTRICTS	BOARD OF RURAL FIRE CONTROL	SOLID WASTE COLLECTION
REVENUES				
Property Taxes	\$ -	2,047,588	3,411,987	2,710,017
Sales and Hospitality Taxes	1,886,617	-	-	-
Intergovernmental	-	-	-	-
Investment Income	6,980	5,809	6,001	4,702
Miscellaneous	-	37,620	-	-
TOTAL REVENUES	1,893,597	2,091,017	3,417,988	2,714,719
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	1,711,563	1,824,463	-
Highways, Streets and Sanitation	-	-	-	2,301,207
Health and Welfare	-	-	-	-
Culture and Recreation	1,199,485	-	-	-
Capital Outlay	-	2,106,356	50,371	81,401
Debt Service:				
Principal Retirement	-	162,852	-	-
Interest and Fiscal Charges	-	39,614	-	-
TOTAL EXPENDITURES	1,199,485	4,020,385	1,874,834	2,382,608
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	694,112	(1,929,368)	1,543,154	332,111
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	(10,335)	-	(1,608,800)	-
TOTAL OTHER FINANCING SOURCES (USES)	(10,335)	-	(1,608,800)	-
NET CHANGE IN FUND BALANCES	683,777	(1,929,368)	(65,646)	332,111
FUND BALANCE - Beginning of Year, as Originally Reported	4,388,188	4,613,287	4,119,910	3,193,428
Adjustment to Establish New Special Revenue Fund	-	-	-	-
FUND BALANCES - Beginning of Year	4,388,188	4,613,287	4,119,910	3,193,428
FUND BALANCES - End of Year	\$ 5,071,965	2,683,919	4,054,264	3,525,539

SPECIAL REVENUE FUNDS					
SHERIFF'S DRUG FORFEITURE	SOLICITOR'S DRUG FORFEITURE	EMERGENCY TELEPHONE SERVICE	RECREATION	PUBLIC DEFENDER	TITLE IV-D INCENTIVE FUNDING
-	-	-	1,161,128	-	\$ -
-	-	-	-	-	-
3,879	23,165	1,078,519	-	-	54,122
-	46	3,985	619	-	-
-	-	30,763	-	-	-
<u>3,879</u>	<u>23,211</u>	<u>1,113,267</u>	<u>1,161,747</u>	<u>-</u>	<u>54,122</u>
-	-	-	-	-	-
3,879	35,409	838,593	-	-	-
-	-	-	-	-	-
-	-	-	-	-	7,105
-	-	-	1,022,877	-	-
-	-	179,710	-	-	20,067
-	-	-	-	-	-
-	-	-	-	-	-
<u>3,879</u>	<u>35,409</u>	<u>1,018,303</u>	<u>1,022,877</u>	<u>-</u>	<u>27,172</u>
-	(12,198)	94,964	138,870	-	26,950
-	-	-	-	-	-
-	-	-	-	-	-
-	(12,198)	94,964	138,870	-	26,950
-	50,583	2,767,159	702,667	14,458	173,597
-	-	-	-	-	-
-	50,583	2,767,159	702,667	14,458	173,597
-	38,385	2,862,123	841,537	14,458	\$ 200,547

(Continued)

YORK COUNTY, SOUTH CAROLINA

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

YEAR ENDED JUNE 30, 2014

	SPECIAL REVENUE FUNDS		
	COUNTY SUPPORT - CULTURE & HERITAGE COMMISSION	COUNTY SUPPORT - YORK COUNTY LIBRARY	COUNTY SUPPORT - YORK TECHNICAL COLLEGE
REVENUES			
Property Taxes	\$ 3,013,109	5,092,852	4,928,021
Sales and Hospitality Taxes	-	-	-
Intergovernmental	-	-	-
Investment Income	-	-	-
Miscellaneous	-	-	-
TOTAL REVENUES	3,013,109	5,092,852	4,928,021
EXPENDITURES			
Current:			
General Government	-	-	-
Public Safety	-	-	-
Highways, Streets and Sanitation	-	-	-
Health and Welfare	-	-	-
Culture and Recreation	2,944,375	4,806,200	5,214,827
Capital Outlay	-	-	-
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
TOTAL EXPENDITURES	2,944,375	4,806,200	5,214,827
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	68,734	286,652	(286,806)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	(203,825)	(110,066)	-
TOTAL OTHER FINANCING SOURCES (USES)	(203,825)	(110,066)	-
NET CHANGE IN FUND BALANCES	(135,091)	176,586	(286,806)
FUND BALANCE - Beginning of Year, as Originally Reported	-	-	-
Adjustment to Establish New Special Revenue Fund	542,425	1,072,654	2,112,528
FUND BALANCES - Beginning of Year	542,425	1,072,654	2,112,528
FUND BALANCES - End of Year	\$ 407,334	1,249,240	1,825,722

DEBT SERVICE FUND	CAPITAL PROJECTS FUNDS			TOTAL NONMAJOR GOVERNMENTAL FUNDS
	C FUNDS	1997 CAPITAL PROJECTS SALES TAX FUND	CAPITAL IMPROVEMENTS FUND	
7,868,635	-	-	-	\$ 30,233,337
-	-	-	-	1,886,617
-	3,806,265	-	15,000	4,980,950
2,247	18,052	3,626	32,279	84,346
-	-	-	-	68,383
<u>7,870,882</u>	<u>3,824,317</u>	<u>3,626</u>	<u>47,279</u>	<u>37,253,633</u>
-	-	-	259,523	259,523
-	-	-	-	4,413,907
-	-	53,539	-	2,354,746
-	-	-	-	7,105
-	-	-	-	15,187,764
-	2,379,830	-	2,889,508	7,707,243
10,394,919	-	-	-	10,557,771
2,716,549	-	-	-	2,756,163
<u>13,111,468</u>	<u>2,379,830</u>	<u>53,539</u>	<u>3,149,031</u>	<u>43,244,222</u>
(5,240,586)	1,444,487	(49,913)	(3,101,752)	(5,990,589)
4,191,542	-	-	5,508,800	9,700,342
-	-	-	-	(1,933,026)
<u>4,191,542</u>	<u>-</u>	<u>-</u>	<u>5,508,800</u>	<u>7,767,316</u>
(1,049,044)	1,444,487	(49,913)	2,407,048	1,776,727
3,846,059	11,035,251	2,390,255	16,529,184	53,824,026
-	-	-	-	3,727,607
<u>3,846,059</u>	<u>11,035,251</u>	<u>2,390,255</u>	<u>16,529,184</u>	<u>57,551,633</u>
<u>2,797,015</u>	<u>12,479,738</u>	<u>2,340,342</u>	<u>18,936,232</u>	<u>\$ 59,328,360</u>

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
FINAL BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2014

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
General Government			
County Council			
Personnel Services	\$ 170,699	169,676	\$ 1,023
Operating Expenditures	53,650	36,219	17,431
Capital Outlay	1,050	1,050	-
Total	<u>225,399</u>	<u>206,945</u>	<u>18,454</u>
Legislative Delegation			
Operating Expenditures	4,400	-	4,400
Total	<u>4,400</u>	<u>-</u>	<u>4,400</u>
Clerk of Court			
Personnel Services	2,361,673	2,242,885	118,788
Operating Expenditures	304,868	294,597	10,271
Capital Outlay	7,833	7,833	-
Total	<u>2,674,374</u>	<u>2,545,315</u>	<u>129,059</u>
Circuit Court			
Operating Expenditures	197,750	179,059	18,691
Capital Outlay	5,789	5,789	-
Total	<u>203,539</u>	<u>184,848</u>	<u>18,691</u>
Child Support Enforcement			
Operating Expenditures	82,515	73,932	8,583
Capital Outlay	33,908	24,011	9,897
Total	<u>116,423</u>	<u>97,943</u>	<u>18,480</u>
IV D Funds			
Personnel Services	42	41	1
Operating Expenditures	30,010	17,847	12,163
Capital Outlay	318,756	110	318,646
Total	<u>348,808</u>	<u>17,998</u>	<u>330,810</u>
Public Defender			
Personnel Services	1,692,762	1,634,096	58,666
Operating Expenditures	91,289	64,682	26,607
Capital Outlay	12,574	8,517	4,057
Total	<u>\$ 1,796,625</u>	<u>1,707,295</u>	<u>\$ 89,330</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
FINAL BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2014

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Solicitor			
Personnel Services	\$ 3,660,423	3,533,405	\$ 127,018
Operating Expenditures	111,784	561,553	(449,769)
Capital Outlay	87,627	74,386	13,241
Total	<u>3,859,834</u>	<u>4,169,344</u>	<u>(309,510)</u>
Solicitor - Victim's Advocate			
Personnel Services	239,814	239,534	280
Operating Expenditures	12,380	6,563	5,817
Total	<u>252,194</u>	<u>246,097</u>	<u>6,097</u>
Solicitor - Forensic Unit Grant			
Personnel Services	43,897	43,711	186
Total	<u>43,897</u>	<u>43,711</u>	<u>186</u>
Solicitor - DUI Prosecution Grant			
Personnel Services	79,862	79,562	300
Operating Expenditures	625	-	625
Total	<u>80,487</u>	<u>79,562</u>	<u>925</u>
Solicitor - Adult Drug Court			
Personnel Services	58,598	58,274	324
Operating Expenditures	90,741	88,963	1,778
Total	<u>149,339</u>	<u>147,237</u>	<u>2,102</u>
Solicitor - Juvenile Drug Court			
Personnel Services	51,388	51,000	388
Operating Expenditures	57,216	57,050	166
Total	<u>108,604</u>	<u>108,050</u>	<u>554</u>
Solicitor - CDV Court			
Personnel Services	134,214	113,948	20,266
Operating Expenditures	-	2,871	(2,871)
Total	<u>134,214</u>	<u>116,819</u>	<u>17,395</u>
JAG Grant - Remote Latent Workstation			
Capital Outlay	104,753	-	104,753
Total	<u>\$ 104,753</u>	<u>-</u>	<u>\$ 104,753</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
FINAL BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2014

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Probate Judge			
Personnel Services	\$ 472,318	468,878	\$ 3,440
Operating Expenditures	46,684	41,643	5,041
Capital Outlay	3,783	3,783	-
Total	<u>522,785</u>	<u>514,304</u>	<u>8,481</u>
Master in Equity			
Personnel Services	260,471	259,516	955
Operating Expenditures	5,469	3,513	1,956
Capital Outlay	1,702	1,502	200
Total	<u>267,642</u>	<u>264,531</u>	<u>3,111</u>
Bethel - Kings Mountain Magistrate			
Personnel Services	187,934	184,729	3,205
Operating Expenditures	17,031	11,522	5,509
Capital Outlay	807	807	-
Total	<u>205,772</u>	<u>197,058</u>	<u>8,714</u>
Bullock Creek Magistrate			
Personnel Services	130,329	129,971	358
Operating Expenditures	11,278	8,557	2,721
Capital Outlay	959	959	-
Total	<u>142,566</u>	<u>139,487</u>	<u>3,079</u>
York - Bethesda Magistrate			
Personnel Services	285,638	283,794	1,844
Operating Expenditures	31,680	21,585	10,095
Capital Outlay	5,369	1,619	3,750
Total	<u>322,687</u>	<u>306,998</u>	<u>15,689</u>
Catawba - Ebenezer Magistrate			
Personnel Services	458,797	444,869	13,928
Operating Expenditures	49,340	37,522	11,818
Capital Outlay	5,025	3,883	1,142
Total	<u>\$ 513,162</u>	<u>486,274</u>	<u>\$ 26,888</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
FINAL BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2014

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Fort Mill Magistrate			
Personnel Services	\$ 354,394	352,359	\$ 2,035
Operating Expenditures	27,511	25,176	2,335
Capital Outlay	2,177	2,177	-
Total	<u>384,082</u>	<u>379,712</u>	<u>4,370</u>
Central Civil Magistrate			
Personnel Services	106,441	105,744	697
Total	<u>106,441</u>	<u>105,744</u>	<u>697</u>
Ministerial Magistrate			
Personnel Services	548,751	540,850	7,901
Operating Expenditures	19,800	12,449	7,351
Capital Outlay	2,058	2,058	-
Total	<u>570,609</u>	<u>555,357</u>	<u>15,252</u>
Magistrate - DUI Court			
Personnel Services	134,211	132,325	1,886
Operating Expenditures	21,150	8,057	13,093
Capital Outlay	967	967	-
Total	<u>156,328</u>	<u>141,349</u>	<u>14,979</u>
County Manager			
Personnel Services	668,245	588,720	79,525
Operating Expenditures	41,030	23,506	17,524
Capital Outlay	3,489	3,103	386
Total	<u>712,764</u>	<u>615,329</u>	<u>97,435</u>
Registration and Election			
Personnel Services	314,502	303,165	11,337
Operating Expenditures	385,280	358,851	26,429
Capital Outlay	15,719	15,719	-
Total	<u>715,501</u>	<u>677,735</u>	<u>37,766</u>
Treasurer - Finance			
Personnel Services	496,332	489,103	7,229
Operating Expenditures	48,460	44,496	3,964
Capital Outlay	3,665	3,665	-
Total	<u>\$ 548,457</u>	<u>537,264</u>	<u>\$ 11,193</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
FINAL BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2014

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Independent Auditor			
Operating Expenditures	\$ 45,000	41,750	\$ 3,250
Total	<u>45,000</u>	<u>41,750</u>	<u>3,250</u>
Tax Collector			
Personnel Services	441,631	433,542	8,089
Operating Expenditures	556,125	413,353	142,772
Capital Outlay	5,498	5,498	-
Total	<u>1,003,254</u>	<u>852,393</u>	<u>150,861</u>
County Auditor			
Personnel Services	484,821	480,885	3,936
Operating Expenditures	106,530	90,994	15,536
Capital Outlay	4,474	4,474	-
Total	<u>595,825</u>	<u>576,353</u>	<u>19,472</u>
Tax Assessor			
Personnel Services	1,374,449	1,344,374	30,075
Operating Expenditures	81,280	46,382	34,898
Capital Outlay	10,986	8,089	2,897
Total	<u>1,466,715</u>	<u>1,398,845</u>	<u>67,870</u>
Purchasing Department			
Personnel Services	306,537	296,044	10,493
Operating Expenditures	24,617	22,025	2,592
Capital Outlay	1,308	1,308	-
Total	<u>332,462</u>	<u>319,377</u>	<u>13,085</u>
Warehouse Operations			
Operating Expenditures	9,523	8,689	834
Capital Outlay	991	-	991
Total	<u>10,514</u>	<u>8,689</u>	<u>1,825</u>
County Attorney			
Personnel Services	335,293	264,079	71,214
Operating Expenditures	421,492	289,245	132,247
Capital Outlay	23,838	1,330	22,508
Debt Service	53,614	53,614	-
Total	<u>\$ 834,237</u>	<u>608,268</u>	<u>\$ 225,969</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
FINAL BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2014

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Human Resources			
Personnel Services	\$ 343,086	332,314	\$ 10,772
Operating Expenditures	148,125	143,449	4,676
Capital Outlay	1,720	1,720	-
Total	<u>492,931</u>	<u>477,483</u>	<u>15,448</u>
Seniorworks			
Personnel Services	11,116	2,119	8,997
Total	<u>11,116</u>	<u>2,119</u>	<u>8,997</u>
Risk Management			
Personnel Services	134,154	134,072	82
Operating Expenditures	22,400	17,921	4,479
Capital Outlay	1,522	1,522	-
Total	<u>158,076</u>	<u>153,515</u>	<u>4,561</u>
P & D Administration			
Personnel Services	102,240	101,882	358
Operating Expenditures	47,092	87,166	(40,074)
Capital Outlay	6,856	3,106	3,750
Total	<u>156,188</u>	<u>192,154</u>	<u>(35,966)</u>
P & D Planning			
Personnel Services	214,225	213,787	438
Operating Expenditures	194,872	35,681	159,191
Capital Outlay	1,589	1,180	409
Total	<u>410,686</u>	<u>250,648</u>	<u>160,038</u>
P & D Building Inspection			
Personnel Services	560,118	558,226	1,892
Operating Expenditures	43,617	38,215	5,402
Capital Outlay	13,545	2,015	11,530
Total	<u>617,280</u>	<u>598,456</u>	<u>18,824</u>
P & D Zoning			
Personnel Services	524,236	517,518	6,718
Operating Expenditures	21,275	18,492	2,783
Capital Outlay	6,769	4,066	2,703
Total	<u>\$ 552,280</u>	<u>540,076</u>	<u>\$ 12,204</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
FINAL BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2014

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
P & D York County Forever			
Personnel Services	\$ 62,664	56,470	\$ 6,194
Capital Outlay	2,210,947	641,700	1,569,247
Total	<u>2,273,611</u>	<u>698,170</u>	<u>1,575,441</u>
P & D Development Customer Service Center			
Personnel Services	336,451	326,286	10,165
Operating Expenditures	10,970	4,158	6,812
Capital Outlay	1,102	1,102	-
Total	<u>348,523</u>	<u>331,546</u>	<u>16,977</u>
P & D Development Services Team			
Personnel Services	463,963	447,107	16,856
Operating Expenditures	126,161	85,451	40,710
Capital Outlay	12,921	-	12,921
Total	<u>603,045</u>	<u>532,558</u>	<u>70,487</u>
Association of Counties			
Operating Expenditures	23,907	23,906	1
Total	<u>23,907</u>	<u>23,906</u>	<u>1</u>
Catawba Regional Planning			
Operating Expenditures	77,156	77,156	-
Total	<u>77,156</u>	<u>77,156</u>	<u>-</u>
Superintendent of County Property			
Personnel Services	1,102,116	1,028,756	73,360
Operating Expenditures	1,059,904	1,035,692	24,212
Capital Outlay	53,613	129,719	(76,106)
Total	<u>2,215,633</u>	<u>2,194,167</u>	<u>21,466</u>
MJC Maintenance			
Personnel Services	715,232	705,041	10,191
Operating Expenditures	1,130,542	952,634	177,908
Capital Outlay	132,898	51,406	81,492
Total	<u>\$ 1,978,672</u>	<u>1,709,081</u>	<u>\$ 269,591</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
FINAL BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2014

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
W-J DSS Building Maintenance			
Operating Expenditures	\$ 64,571	57,355	\$ 7,216
Total	<u>64,571</u>	<u>57,355</u>	<u>7,216</u>
Communications Building Maintenance			
Operating Expenditures	83,267	67,530	15,737
Total	<u>83,267</u>	<u>67,530</u>	<u>15,737</u>
Reserve Center Building Maintenance			
Operating Expenditures	44,451	25,316	19,135
Total	<u>44,451</u>	<u>25,316</u>	<u>19,135</u>
Prison Building Maintenance			
Operating Expenditures	128,755	116,688	12,067
Total	<u>128,755</u>	<u>116,688</u>	<u>12,067</u>
Dave Lyle Property Building Maintenance			
Operating Expenditures	23,895	21,421	2,474
Total	<u>23,895</u>	<u>21,421</u>	<u>2,474</u>
Coroner Building Maintenance			
Operating Expenditures	9,370	8,067	1,303
Total	<u>9,370</u>	<u>8,067</u>	<u>1,303</u>
Legal Building Maintenance			
Operating Expenditures	18,264	13,558	4,706
Total	<u>18,264</u>	<u>13,558</u>	<u>4,706</u>
Probation / Parole Modular Maintenance			
Operating Expenditures	14,377	8,839	5,538
Total	<u>14,377</u>	<u>8,839</u>	<u>5,538</u>
Equipment Maintenance			
Personnel Services	494,724	493,685	1,039
Operating Expenditures	80,692	72,597	8,095
Capital Outlay	7,708	1,731	5,977
Total	<u>\$ 583,124</u>	<u>568,013</u>	<u>\$ 15,111</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
FINAL BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2014

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Information Technology			
Personnel Services	\$ 806,439	782,158	\$ 24,281
Operating Expenditures	1,152,537	1,084,930	67,607
Capital Outlay	209,010	93,377	115,633
Total	<u>2,167,986</u>	<u>1,960,465</u>	<u>207,521</u>
Geographic Information Systems			
Personnel Services	143,088	140,321	2,767
Operating Expenditures	170,320	183,772	(13,452)
Capital Outlay	23,793	23,792	1
Total	<u>337,201</u>	<u>347,885</u>	<u>(10,684)</u>
Records Management			
Personnel Services	119,510	101,446	18,064
Operating Expenditures	27,833	22,793	5,040
Capital Outlay	3,946	3,946	-
Total	<u>151,289</u>	<u>128,185</u>	<u>23,104</u>
Cost of Living Adjustment			
Operating Expenditures	7,074	-	7,074
Total	<u>7,074</u>	<u>-</u>	<u>7,074</u>
Retiree Health Insurance			
Personnel Services	1,435,275	1,057,254	378,021
Total	<u>1,435,275</u>	<u>1,057,254</u>	<u>378,021</u>
Salary Contingency			
Personnel Services	107,691	21,006	86,685
Total	<u>107,691</u>	<u>21,006</u>	<u>86,685</u>
Annual Retirement and Leave Contingency			
Personnel Services	387,953	274,333	113,620
Total	<u>387,953</u>	<u>274,333</u>	<u>113,620</u>
Unemployment Insurance			
Operating Expenditures	80,000	15,152	64,848
Total	<u>\$ 80,000</u>	<u>15,152</u>	<u>\$ 64,848</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
FINAL BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2014

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Workers' Compensation Insurance			
Operating Expenditures	\$ 940,000	512,133	\$ 427,867
Total	<u>940,000</u>	<u>512,133</u>	<u>427,867</u>
Bond Insurance			
Operating Expenditures	10,415	9,893	522
Total	<u>10,415</u>	<u>9,893</u>	<u>522</u>
Tort Insurance			
Operating Expenditures	322,780	320,909	1,871
Total	<u>322,780</u>	<u>320,909</u>	<u>1,871</u>
United Way			
Operating Expenditures	5,178	5,178	-
Total	<u>5,178</u>	<u>5,178</u>	<u>-</u>
Contingency Fund			
Operating Expenditures	255,577	39,339	216,238
Total	<u>255,577</u>	<u>39,339</u>	<u>216,238</u>
Total General Government			
Total current expenditures	33,250,632	30,560,902	2,689,730
Total capital outlay	3,353,044	1,143,019	2,210,025
Total debt service	53,614	53,614	-
Total	<u>36,657,290</u>	<u>31,757,535</u>	<u>4,899,755</u>
Public Safety			
Sheriff's Office			
Personnel Services	12,038,209	11,405,779	632,430
Operating Expenditures	2,413,255	1,936,658	476,597
Capital Outlay	1,218,212	611,504	606,708
Total	<u>15,669,676</u>	<u>13,953,941</u>	<u>1,715,735</u>
Sheriff - Victim's Advocate			
Personnel Services	261,457	254,155	7,302
Operating Expenditures	25,320	19,610	5,710
Total	<u>\$ 286,777</u>	<u>273,765</u>	<u>\$ 13,012</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
FINAL BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2014

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Sheriff - Armory			
Operating Expenditures	\$ 61,636	45,295	\$ 16,341
Total	<u>61,636</u>	<u>45,295</u>	<u>16,341</u>
Sheriff - School Resource -50/50			
Personnel Services	127,949	120,400	7,549
Operating Expenditures	11,360	5,867	5,493
Capital Outlay	959	-	959
Total	<u>140,268</u>	<u>126,267</u>	<u>14,001</u>
Sheriff - School Resource			
Personnel Services	59,655	58,302	1,353
Operating Expenditures	7,034	3,758	3,276
Total	<u>66,689</u>	<u>62,060</u>	<u>4,629</u>
Sheriff - School Resource Officer - Clover School District			
Personnel Services	223,329	221,110	2,219
Operating Expenditures	18,440	10,867	7,573
Capital Outlay	11,246	-	11,246
Total	<u>253,015</u>	<u>231,977</u>	<u>21,038</u>
Sheriff - Grants			
Personnel Services	199,780	120,465	79,315
Operating Expenditures	152,664	153,943	(1,279)
Capital Outlay	172,098	54,441	117,657
Total	<u>524,542</u>	<u>328,849</u>	<u>195,693</u>
Department of Fire Safety			
Personnel Services	586,023	579,853	6,170
Operating Expenditures	104,412	81,728	22,684
Capital Outlay	44,778	61,832	(17,054)
Total	<u>735,213</u>	<u>723,413</u>	<u>11,800</u>
Detention Center Operations and Programs			
Personnel Services	7,259,441	7,219,217	40,224
Operating Expenditures	1,431,807	1,228,243	203,564
Capital Outlay	88,555	93,851	(5,296)
Total	<u>\$ 8,779,803</u>	<u>8,541,311</u>	<u>\$ 238,492</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
FINAL BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2014

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Public Safety - Communications			
Personnel Services	\$ 1,980,763	1,937,102	\$ 43,661
Operating Expenditures	34,560	22,853	11,707
Capital Outlay	27,039	23,338	3,701
Total	<u>2,042,362</u>	<u>1,983,293</u>	<u>59,069</u>
Radio System			
Personnel Services	132,916	128,998	3,918
Operating Expenditures	3,134,721	3,078,229	56,492
Capital Outlay	21,913	19,028	2,885
Total	<u>3,289,550</u>	<u>3,226,255</u>	<u>63,295</u>
Coroner			
Personnel Services	347,783	325,568	22,215
Operating Expenditures	309,558	298,320	11,238
Capital Outlay	5,101	3,038	2,063
Total	<u>662,442</u>	<u>626,926</u>	<u>35,516</u>
Emergency Management			
Personnel Services	247,542	246,359	1,183
Operating Expenditures	195,171	114,517	80,654
Capital Outlay	69,595	81,254	(11,659)
Total	<u>512,308</u>	<u>442,130</u>	<u>70,178</u>
Emergency Management - Duke Energy			
Personnel Services	121,551	110,920	10,631
Operating Expenditures	124,115	101,835	22,280
Total	<u>245,666</u>	<u>212,755</u>	<u>32,911</u>
Emergency Management - Duke Energy - Prior Year Funds			
Operating Expenditures	130,853	7,560	123,293
Capital Outlay	160,006	135,005	25,001
Total	<u>290,859</u>	<u>142,565</u>	<u>148,294</u>
DHEC EMS Grant			
Operating Expenditures	32,000	19,980	12,020
Total	<u>\$ 32,000</u>	<u>19,980</u>	<u>\$ 12,020</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
FINAL BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2014

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Emergency Management Grant			
Personnel Services	\$ 35,275	31,425	\$ 3,850
Operating Expenditures	50,000	46,000	4,000
Total	<u>85,275</u>	<u>77,425</u>	<u>7,850</u>
Total Public Safety			
Total current expenditures	31,858,579	29,934,916	1,923,663
Total capital outlay	1,819,502	1,083,291	736,211
Total	<u>33,678,081</u>	<u>31,018,207</u>	<u>2,659,874</u>
Highways / Streets / Sanitation			
Public Works Operations			
Personnel Services	176,180	172,107	4,073
Operating Expenditures	18,437	11,060	7,377
Capital Outlay	10,846	5,024	5,822
Total	<u>205,463</u>	<u>188,191</u>	<u>17,272</u>
Road Maintenance			
Personnel Services	1,332,072	1,309,408	22,664
Operating Expenditures	1,487,833	1,194,011	293,822
Capital Outlay	1,839,359	1,067,655	771,704
Total	<u>4,659,264</u>	<u>3,571,074</u>	<u>1,088,190</u>
Prison Operations			
Personnel Services	1,757,525	1,694,385	63,140
Operating Expenditures	392,365	312,540	79,825
Capital Outlay	7,105	6,049	1,056
Total	<u>2,156,995</u>	<u>2,012,974</u>	<u>144,021</u>
Animal Control			
Personnel Services	940,842	923,084	17,758
Operating Expenditures	373,910	325,969	47,941
Capital Outlay	49,229	40,765	8,464
Total	<u>1,363,981</u>	<u>1,289,818</u>	<u>74,163</u>
County Engineering Department			
Personnel Services	682,288	540,975	141,313
Operating Expenditures	172,745	152,016	20,729
Capital Outlay	68,041	53,435	14,606
Total	<u>\$ 923,074</u>	<u>746,426</u>	<u>\$ 176,648</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
FINAL BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2014

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Solid Waste Recycling			
Personnel Services	\$ 1,284,027	1,236,041	\$ 47,986
Operating Expenditures	511,526	453,565	57,961
Capital Outlay	132,325	245,483	(113,158)
Total	<u>1,927,878</u>	<u>1,935,089</u>	<u>(7,211)</u>
Solid Waste Grants			
Operating Expenditures	87,201	45,979	41,222
Total	<u>87,201</u>	<u>45,979</u>	<u>41,222</u>
Keep South Carolina Beautiful			
Operating Expenditures	10,902	3,960	6,942
Total	<u>10,902</u>	<u>3,960</u>	<u>6,942</u>
Total Highways / Streets / Sanitation			
Total current expenditures	9,227,853	8,375,100	852,753
Total capital outlay	2,106,905	1,418,411	688,494
Total	<u>11,334,758</u>	<u>9,793,511</u>	<u>1,541,247</u>
Health and Welfare			
DSS and DHEC			
Operating Expenditures	44,147	43,397	750
Total	<u>44,147</u>	<u>43,397</u>	<u>750</u>
Summer Feeding Program			
Personnel Services	253,065	162,999	90,066
Operating Expenditures	427,090	317,764	109,326
Total	<u>680,155</u>	<u>480,763</u>	<u>199,392</u>
Medical Service for Indigent			
Operating Expenditures	590,138	590,138	-
Total	<u>590,138</u>	<u>590,138</u>	<u>-</u>
Veteran's Affairs			
Personnel Services	246,532	243,302	3,230
Operating Expenditures	17,255	16,714	541
Capital Outlay	5,288	1,538	3,750
Total	<u>\$ 269,075</u>	<u>261,554</u>	<u>\$ 7,521</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
FINAL BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2014

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Catawba Mental Health			
Operating Expenditures	\$ 18,088	18,088	\$ -
Total	<u>18,088</u>	<u>18,088</u>	<u>-</u>
County Rescue Squads			
Operating Expenditures	30,493	24,118	6,375
Total	<u>30,493</u>	<u>24,118</u>	<u>6,375</u>
Keystone			
Operating Expenditures	125,000	125,000	-
Total	<u>125,000</u>	<u>125,000</u>	<u>-</u>
Board of Disabilities and Special Needs			
Operating Expenditures	108,050	108,050	-
Total	<u>108,050</u>	<u>108,050</u>	<u>-</u>
Children's Attention Home			
Operating Expenditures	3,619	3,619	-
Total	<u>3,619</u>	<u>3,619</u>	<u>-</u>
Boys and Girls Club			
Operating Expenditures	3,619	-	3,619
Total	<u>3,619</u>	<u>-</u>	<u>3,619</u>
Sunday Alcohol Sales Projects			
Operating Expenditures	45,000	45,000	-
Total	<u>45,000</u>	<u>45,000</u>	<u>-</u>
York County Council on Aging			
Operating Expenditures	88,750	88,750	-
Total	<u>88,750</u>	<u>88,750</u>	<u>-</u>
York County Adult Daycare			
Operating Expenditures	1,983	1,983	-
Total	<u>1,983</u>	<u>1,983</u>	<u>-</u>
Cooperative Extension			
Operating Expenditures	34,076	34,076	-
Total	<u>\$ 34,076</u>	<u>34,076</u>	<u>\$ -</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
FINAL BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2014

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Safe Passage			
Operating Expenditures	\$ 20,000	20,000	\$ -
Total	<u>20,000</u>	<u>20,000</u>	<u>-</u>
A Place for Hope			
Operating Expenditures	4,000	4,000	-
Total	<u>4,000</u>	<u>4,000</u>	<u>-</u>
Total Health and Welfare			
Total current expenditures	2,060,905	1,846,998	213,907
Total capital outlay	<u>5,288</u>	<u>1,538</u>	<u>3,750</u>
Total	<u>2,066,193</u>	<u>1,848,536</u>	<u>217,657</u>
Culture and Recreation			
Ebenezer Park			
Personnel Services	249,389	246,041	3,348
Operating Expenditures	426,328	146,636	279,692
Capital Outlay	4,588	1,550	3,038
Total	<u>680,305</u>	<u>394,227</u>	<u>286,078</u>
Ebenezer Park Store			
Operating Expenditures	33,117	12,595	20,522
Total	<u>33,117</u>	<u>12,595</u>	<u>20,522</u>
Broad River Boat Access Facility			
Operating Expenditures	245,000	-	245,000
Total	<u>245,000</u>	<u>-</u>	<u>245,000</u>
State Accommodations Tax Pass-Through			
Operating Expenditures	142,500	118,540	23,960
Total	<u>142,500</u>	<u>118,540</u>	<u>23,960</u>
Total Culture and Recreation			
Total current expenditures	1,096,334	523,812	572,522
Total capital outlay	<u>4,588</u>	<u>1,550</u>	<u>3,038</u>
Total	<u>\$ 1,100,922</u>	<u>525,362</u>	<u>\$ 575,560</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
FINAL BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2014

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Conservation / Transportation / Growth			
City of Rock Hill			
Operating Expenditures	\$ 265,000	265,000	\$ -
Total	<u>265,000</u>	<u>265,000</u>	<u>-</u>
City of York			
Operating Expenditures	64,445	64,445	-
Total	<u>64,445</u>	<u>64,445</u>	<u>-</u>
County / City Airport			
Operating Expenditures	38,036	28,745	9,291
Total	<u>38,036</u>	<u>28,745</u>	<u>9,291</u>
Economic Development Operations			
Personnel Services	366,978	365,486	1,492
Operating Expenditures	221,742	175,240	46,502
Capital Outlay	11,515	1,942	9,573
Total	<u>600,235</u>	<u>542,668</u>	<u>57,567</u>
Economic Development Projects			
Operating Expenditures	2,300,000	1,677,374	622,626
Total	<u>2,300,000</u>	<u>1,677,374</u>	<u>622,626</u>
Designated Development District			
Operating Expenditures	1,500,000	-	1,500,000
Total	<u>1,500,000</u>	<u>-</u>	<u>1,500,000</u>
RDA Economic Development			
Operating Expenditures	1,000,000	817,929	182,071
Capital Outlay	1,310,820	-	1,310,820
Total	<u>2,310,820</u>	<u>817,929</u>	<u>1,492,891</u>
Soil and Water Conservation			
Operating Expenditures	12,675	12,675	-
Total	<u>12,675</u>	<u>12,675</u>	<u>-</u>
Lake Wylie Marine Commission			
Operating Expenditures	25,000	25,000	-
Total	<u>\$ 25,000</u>	<u>25,000</u>	<u>\$ -</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
FINAL BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2014

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Demand Response System - FTA/DOT #PT-4M711-16			
Operating Expenditures	\$ 196,771	133,810	\$ 62,961
Total	<u>196,771</u>	<u>133,810</u>	<u>62,961</u>
Demand Response System - PT-3M709-K2			
Capital Outlay	265,061	-	265,061
Total	<u>265,061</u>	<u>-</u>	<u>265,061</u>
Total Conservation / Transportation / Growth			
Total current expenditures	5,990,647	3,565,704	2,424,943
Total capital outlay	1,587,396	1,942	1,585,454
Total	<u>7,578,043</u>	<u>3,567,646</u>	<u>4,010,397</u>
Total General Fund Expenditures			
Total current expenditures	83,484,950	74,807,432	8,677,518
Total capital outlay	8,876,723	3,649,751	5,226,972
Total debt service	53,614	53,614	-
Total Charges to Appropriations	<u>\$ 92,415,287</u>	<u>78,510,797</u>	<u>\$ 13,904,490</u>

YORK COUNTY, SOUTH CAROLINA

NONMAJOR SPECIAL REVENUE FUND - LOCAL HOSPITALITY TAX

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

YEAR ENDED JUNE 30, 2014

	<u>FINAL BUDGET</u>	<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES			
Hospitality Taxes	\$ 1,650,000	1,886,617	\$ 236,617
Investment Income	12,000	6,980	(5,020)
TOTAL REVENUES	<u>1,662,000</u>	<u>1,893,597</u>	<u>231,597</u>
EXPENDITURES			
Culture and Recreation	1,950,589	1,199,485	751,104
TOTAL EXPENDITURES	<u>1,950,589</u>	<u>1,199,485</u>	<u>751,104</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(288,589)</u>	<u>694,112</u>	<u>982,701</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	(10,335)	(10,335)	-
Total Other Financing Sources (Uses)	<u>(10,335)</u>	<u>(10,335)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (298,924)</u>	<u>683,777</u>	<u>\$ 982,701</u>

YORK COUNTY, SOUTH CAROLINA

NONMAJOR SPECIAL REVENUE FUND - RURAL FIRE DISTRICTS

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

YEAR ENDED JUNE 30, 2014

	<u>FINAL BUDGET</u>	<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES			
Property Taxes	\$ 2,010,988	2,047,588	\$ 36,600
Investment Income	-	5,809	5,809
Miscellaneous	-	37,620	37,620
TOTAL REVENUES	<u>2,010,988</u>	<u>2,091,017</u>	<u>80,029</u>
EXPENDITURES			
Public Safety	1,820,200	1,711,563	108,637
Capital Outlay	712,585	2,106,356	(1,393,771)
Debt Service:			
Principal Retirement	183,408	162,852	20,556
Interest and Fiscal Charges	39,795	39,614	181
TOTAL EXPENDITURES	<u>2,755,988</u>	<u>4,020,385</u>	<u>(1,264,397)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (745,000)</u>	<u>(1,929,368)</u>	<u>\$ (1,184,368)</u>

Capital Outlay was over budget due to the construction of a fire station during 2014 using the proceeds of a note payable received in the prior year. The construction costs were originally budgeted to be expended in the prior year.

YORK COUNTY, SOUTH CAROLINA

NONMAJOR SPECIAL REVENUE FUND - BOARD OF RURAL FIRE CONTROL

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

YEAR ENDED JUNE 30, 2014

	<u>FINAL BUDGET</u>	<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES			
Property Taxes	\$ 3,318,478	3,411,987	\$ 93,509
Investment Income	7,500	6,001	(1,499)
TOTAL REVENUES	<u>3,325,978</u>	<u>3,417,988</u>	<u>92,010</u>
EXPENDITURES			
Public Safety	2,315,362	1,824,463	490,899
Capital Outlay	609,500	50,371	559,129
TOTAL EXPENDITURES	<u>2,924,862</u>	<u>1,874,834</u>	<u>1,050,028</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>401,116</u>	<u>1,543,154</u>	<u>1,142,038</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	(1,608,800)	(1,608,800)	-
Total Other Financing Sources (Uses)	<u>(1,608,800)</u>	<u>(1,608,800)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,207,684)</u>	<u>(65,646)</u>	<u>\$ 1,142,038</u>

YORK COUNTY, SOUTH CAROLINA

NONMAJOR SPECIAL REVENUE FUND - SOLID WASTE COLLECTION

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

YEAR ENDED JUNE 30, 2014

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
REVENUES			
Property Taxes	\$ 2,639,156	2,710,017	\$ 70,861
Investment Income	7,000	4,702	(2,298)
TOTAL REVENUES	<u>2,646,156</u>	<u>2,714,719</u>	<u>68,563</u>
EXPENDITURES			
Highways, Streets and Sanitation	2,498,764	2,301,207	197,557
Capital Outlay	147,392	81,401	65,991
TOTAL EXPENDITURES	<u>2,646,156</u>	<u>2,382,608</u>	<u>263,548</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>332,111</u>	<u>\$ 332,111</u>

YORK COUNTY, SOUTH CAROLINA

NONMAJOR SPECIAL REVENUE FUND - EMERGENCY TELEPHONE SYSTEM

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

YEAR ENDED JUNE 30, 2014

	<u>FINAL BUDGET</u>	<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES			
Intergovernmental	\$ 972,500	1,078,519	\$ 106,019
Investment Income	5,000	3,985	(1,015)
Miscellaneous	-	30,763	30,763
TOTAL REVENUES	<u>977,500</u>	<u>1,113,267</u>	<u>135,767</u>
EXPENDITURES			
Public Safety	1,070,236	838,593	231,643
Capital Outlay	367,394	179,710	187,684
TOTAL EXPENDITURES	<u>1,437,630</u>	<u>1,018,303</u>	<u>419,327</u>
NET CHANGE IN FUND BALANCE	<u>\$ (460,130)</u>	<u>94,964</u>	<u>\$ 555,094</u>

YORK COUNTY, SOUTH CAROLINA

NONMAJOR SPECIAL REVENUE FUND - RECREATION

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

YEAR ENDED JUNE 30, 2014

	<u>FINAL BUDGET</u>	<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES			
Property Taxes	\$ 1,138,000	1,161,128	\$ 23,128
Investment Income	-	619	619
TOTAL REVENUES	<u>1,138,000</u>	<u>1,161,747</u>	<u>23,747</u>
EXPENDITURES			
Culture and Recreation	1,138,000	1,022,877	115,123
TOTAL EXPENDITURES	<u>1,138,000</u>	<u>1,022,877</u>	<u>115,123</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>138,870</u>	<u>\$ 138,870</u>

YORK COUNTY, SOUTH CAROLINA

NONMAJOR SPECIAL REVENUE FUND - COUNTY SUPPORT - CULTURAL AND HERITAGE COMMISSION

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

YEAR ENDED JUNE 30, 2014

	<u>FINAL BUDGET</u>	<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES			
Property Taxes	\$ 2,998,200	3,013,109	\$ 14,909
TOTAL REVENUES	<u>2,998,200</u>	<u>3,013,109</u>	<u>14,909</u>
EXPENDITURES			
Culture and Recreation	2,944,375	2,944,375	-
TOTAL EXPENDITURES	<u>2,944,375</u>	<u>2,944,375</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>53,825</u>	<u>68,734</u>	<u>14,909</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	(203,825)	(203,825)	-
Total Other Financing Sources (Uses)	<u>(203,825)</u>	<u>(203,825)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (150,000)</u>	<u>(135,091)</u>	<u>\$ 14,909</u>

YORK COUNTY, SOUTH CAROLINA

NONMAJOR SPECIAL REVENUE FUND - COUNTY SUPPORT - YORK COUNTY LIBRARY

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

YEAR ENDED JUNE 30, 2014

	<u>FINAL BUDGET</u>	<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES			
Property Taxes	\$ 5,072,866	5,092,852	\$ 19,986
TOTAL REVENUES	<u>5,072,866</u>	<u>5,092,852</u>	<u>19,986</u>
EXPENDITURES			
Culture and Recreation	4,962,800	4,806,200	156,600
TOTAL EXPENDITURES	<u>4,962,800</u>	<u>4,806,200</u>	<u>156,600</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>110,066</u>	<u>286,652</u>	<u>176,586</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	(110,066)	(110,066)	-
Total Other Financing Sources (Uses)	<u>(110,066)</u>	<u>(110,066)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>176,586</u>	<u>\$ 176,586</u>

YORK COUNTY, SOUTH CAROLINA

NONMAJOR SPECIAL REVENUE FUND - COUNTY SUPPORT - YORK TECHNICAL COLLEGE

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

YEAR ENDED JUNE 30, 2014

	<u>FINAL BUDGET</u>	<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES			
Property Taxes	\$ 4,912,959	4,928,021	\$ 15,062
TOTAL REVENUES	<u>4,912,959</u>	<u>4,928,021</u>	<u>15,062</u>
EXPENDITURES			
Culture and Recreation	5,137,959	5,214,827	(76,868)
TOTAL EXPENDITURES	<u>5,137,959</u>	<u>5,214,827</u>	<u>(76,868)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (225,000)</u>	<u>(286,806)</u>	<u>\$ (61,806)</u>

YORK COUNTY, SOUTH CAROLINA

ALL AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

JUNE 30, 2014

	BALANCE JUNE 30, 2013	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2014
YORK SCHOOL DISTRICT NO. 1 - OPERATING ASSETS				
Cash and Cash Equivalents	\$ 1,585,258	25,868,334	(23,403,783)	\$ 4,049,809
Taxes and Other Receivable	2,370,822	20,252,212	(19,926,543)	2,696,491
TOTAL ASSETS	3,956,080	46,120,546	(43,330,326)	6,746,300
LIABILITIES				
Intergovernmental Payable	3,956,080	46,120,546	(43,330,326)	6,746,300
TOTAL LIABILITIES	3,956,080	46,120,546	(43,330,326)	6,746,300
YORK SCHOOL DISTRICT NO. 1 - DEBT SERVICE ASSETS				
Cash and Cash Equivalents	3,663,911	4,635	(291,978)	3,376,568
Taxes and Other Receivable	954,025	7,460,552	(7,356,515)	1,058,062
TOTAL ASSETS	4,617,936	7,465,187	(7,648,493)	4,434,630
LIABILITIES				
Intergovernmental Payable	4,617,936	7,465,187	(7,648,493)	4,434,630
TOTAL LIABILITIES	4,617,936	7,465,187	(7,648,493)	4,434,630
YORK SCHOOL DISTRICT NO. 1 - CAPITAL PROJECTS ASSETS				
Cash and Cash Equivalents	1,545,557	1,081,411	(1,497,297)	1,129,671
TOTAL ASSETS	1,545,557	1,081,411	(1,497,297)	1,129,671
LIABILITIES				
Intergovernmental Payable	1,545,557	1,081,411	(1,497,297)	1,129,671
TOTAL LIABILITIES	1,545,557	1,081,411	(1,497,297)	1,129,671
CLOVER SCHOOL DISTRICT NO. 2 - OPERATING ASSETS				
Cash and Cash Equivalents	21,066,847	24,244,506	(26,617,579)	18,693,774
Taxes and Other Receivable	2,707,476	55,758,592	(55,464,498)	3,001,570
TOTAL ASSETS	23,774,323	80,003,098	(82,082,077)	21,695,344
LIABILITIES				
Intergovernmental Payable	23,774,323	80,003,098	(82,082,077)	21,695,344
TOTAL LIABILITIES	\$ 23,774,323	80,003,098	(82,082,077)	\$ 21,695,344

(Continued)

YORK COUNTY, SOUTH CAROLINA

ALL AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

JUNE 30, 2014

	BALANCE JUNE 30, 2013	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2014
CLOVER SCHOOL DISTRICT NO. 2 - DEBT SERVICE				
ASSETS				
Cash and Cash Equivalents	\$ 12,014,773	18,982	2,416,349	\$ 14,450,104
Taxes and Other Receivable	468,201	8,106,338	(8,130,622)	443,917
TOTAL ASSETS	12,482,974	8,125,320	(5,714,273)	14,894,021
LIABILITIES				
Intergovernmental Payable	12,482,974	8,125,320	(5,714,273)	14,894,021
TOTAL LIABILITIES	12,482,974	8,125,320	(5,714,273)	14,894,021
CLOVER SCHOOL DISTRICT NO. 2 - CAPITAL PROJECTS				
ASSETS				
Cash and Cash Equivalents	31,489,402	49,904	-	31,539,306
TOTAL ASSETS	31,489,402	49,904	-	31,539,306
LIABILITIES				
Intergovernmental Payable	31,489,402	49,904	-	31,539,306
TOTAL LIABILITIES	31,489,402	49,904	-	31,539,306
ROCK HILL SCHOOL DISTRICT NO. 3 - OPERATING				
ASSETS				
Cash and Cash Equivalents	10,324,330	81,951,514	(90,952,023)	1,323,821
Taxes and Other Receivable	7,145,113	72,430,182	(71,868,088)	7,707,207
TOTAL ASSETS	17,469,443	154,381,696	(162,820,111)	9,031,028
LIABILITIES				
Intergovernmental Payable	17,469,443	154,381,696	(162,820,111)	9,031,028
TOTAL LIABILITIES	17,469,443	154,381,696	(162,820,111)	9,031,028
ROCK HILL SCHOOL DISTRICT NO. 3 - DEBT SERVICE				
ASSETS				
Cash and Cash Equivalents	11,017,684	17,897	1,444,417	12,479,998
Taxes and Other Receivable	1,980,208	22,853,172	(22,729,300)	2,104,080
TOTAL ASSETS	12,997,892	22,871,069	(21,284,883)	14,584,078
LIABILITIES				
Intergovernmental Payable	12,997,892	22,871,069	(21,284,883)	14,584,078
TOTAL LIABILITIES	\$ 12,997,892	22,871,069	(21,284,883)	\$ 14,584,078

(Continued)

YORK COUNTY, SOUTH CAROLINA

ALL AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

JUNE 30, 2014

	BALANCE JUNE 30, 2013	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2014
ROCK HILL SCHOOL DISTRICT NO. 3 - CAPITAL PROJECTS				
ASSETS				
Cash and Cash Equivalents	\$ 7,951,631	22,368,917	(23,573,896)	\$ 6,746,652
TOTAL ASSETS	7,951,631	22,368,917	(23,573,896)	6,746,652
LIABILITIES				
Intergovernmental Payable	7,951,631	22,368,917	(23,573,896)	6,746,652
TOTAL LIABILITIES	7,951,631	22,368,917	(23,573,896)	6,746,652
FORT MILL SCHOOL DISTRICT NO. 4 - OPERATING				
ASSETS				
Cash and Cash Equivalents	2,502,556	47,958,229	(48,648,598)	1,812,187
Taxes and Other Receivable	4,356,703	47,776,100	(47,436,044)	4,696,759
TOTAL ASSETS	6,859,259	95,734,329	(96,084,642)	6,508,946
LIABILITIES				
Intergovernmental Payable	6,859,259	95,734,329	(96,084,642)	6,508,946
TOTAL LIABILITIES	6,859,259	95,734,329	(96,084,642)	6,508,946
FORT MILL SCHOOL DISTRICT NO. 4 - DEBT SERVICE				
ASSETS				
Cash and Cash Equivalents	10,566,901	17,204	2,021,533	12,605,638
Taxes and Other Receivable	1,100,356	25,858,453	(25,727,666)	1,231,143
TOTAL ASSETS	11,667,257	25,875,657	(23,706,133)	13,836,781
LIABILITIES				
Intergovernmental Payable	11,667,257	25,875,657	(23,706,133)	13,836,781
TOTAL LIABILITIES	11,667,257	25,875,657	(23,706,133)	13,836,781
FORT MILL SCHOOL DISTRICT NO. 4 - CAPITAL PROJECTS				
ASSETS				
Cash and Cash Equivalents	52,076,686	66,753,398	(55,867,039)	62,963,045
TOTAL ASSETS	52,076,686	66,753,398	(55,867,039)	62,963,045
LIABILITIES				
Intergovernmental Payable	52,076,686	66,753,398	(55,867,039)	62,963,045
TOTAL LIABILITIES	\$ 52,076,686	66,753,398	(55,867,039)	\$ 62,963,045

(Continued)

YORK COUNTY, SOUTH CAROLINA

ALL AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

JUNE 30, 2014

	BALANCE JUNE 30, 2013	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2014
TOWN OF CLOVER				
ASSETS				
Cash and Cash Equivalents	\$ 21,308	-	2,253	\$ 23,561
Taxes and Other Receivable	309,087	1,753,938	(1,732,731)	330,294
TOTAL ASSETS	330,395	1,753,938	(1,730,478)	353,855
LIABILITIES				
Intergovernmental Payable	330,395	1,753,938	(1,730,478)	353,855
TOTAL LIABILITIES	330,395	1,753,938	(1,730,478)	353,855
TOWN OF CLOVER - DEBT				
ASSETS				
Cash and Cash Equivalents	-	-	1,939	1,939
Taxes and Other Receivable	-	56,372	(52,799)	3,573
TOTAL ASSETS	-	56,372	(50,860)	5,512
LIABILITIES				
Intergovernmental Payable	-	56,372	(50,860)	5,512
TOTAL LIABILITIES	-	56,372	(50,860)	5,512
TOWN OF FORT MILL				
ASSETS				
Cash and Cash Equivalents	50,183	-	(1,722)	48,461
Taxes and Other Receivable	148,249	4,499,606	(4,463,021)	184,834
TOTAL ASSETS	198,432	4,499,606	(4,464,743)	233,295
LIABILITIES				
Intergovernmental Payable	198,432	4,499,606	(4,464,743)	233,295
TOTAL LIABILITIES	198,432	4,499,606	(4,464,743)	233,295
TOWN OF HICKORY GROVE				
ASSETS				
Cash and Cash Equivalents	792	-	(365)	427
Taxes and Other Receivable	6,993	34,080	(33,181)	7,892
TOTAL ASSETS	7,785	34,080	(33,546)	8,319
LIABILITIES				
Intergovernmental Payable	7,785	34,080	(33,546)	8,319
TOTAL LIABILITIES	\$ 7,785	34,080	(33,546)	\$ 8,319

(Continued)

YORK COUNTY, SOUTH CAROLINA

ALL AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

JUNE 30, 2014

	BALANCE JUNE 30, 2013	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2014
CITY OF ROCK HILL				
ASSETS				
Cash and Cash Equivalents	\$ 204,391	-	50,637	\$ 255,028
Taxes and Other Receivable	1,959,628	22,464,467	(22,357,159)	2,066,936
TOTAL ASSETS	2,164,019	22,464,467	(22,306,522)	2,321,964
LIABILITIES				
Intergovernmental Payable	2,164,019	22,464,467	(22,306,522)	2,321,964
TOTAL LIABILITIES	2,164,019	22,464,467	(22,306,522)	2,321,964
TOWN OF SHARON				
ASSETS				
Cash and Cash Equivalents	535	-	(211)	324
Taxes and Other Receivable	3,730	25,089	(24,374)	4,445
TOTAL ASSETS	4,265	25,089	(24,585)	4,769
LIABILITIES				
Intergovernmental Payable	4,265	25,089	(24,585)	4,769
TOTAL LIABILITIES	4,265	25,089	(24,585)	4,769
CITY OF YORK				
ASSETS				
Cash and Cash Equivalents	29,119	-	436	29,555
Taxes and Other Receivable	363,471	2,943,545	(2,923,988)	383,028
TOTAL ASSETS	392,590	2,943,545	(2,923,552)	412,583
LIABILITIES				
Intergovernmental Payable	392,590	2,943,545	(2,923,552)	412,583
TOTAL LIABILITIES	392,590	2,943,545	(2,923,552)	412,583
TOWN OF TEGA CAY				
ASSETS				
Cash and Cash Equivalents	53,658	-	20,149	73,807
Taxes and Other Receivable	98,316	4,416,603	(4,423,828)	91,091
TOTAL ASSETS	151,974	4,416,603	(4,403,679)	164,898
LIABILITIES				
Intergovernmental Payable	151,974	4,416,603	(4,403,679)	164,898
TOTAL LIABILITIES	\$ 151,974	4,416,603	(4,403,679)	\$ 164,898

(Continued)

YORK COUNTY, SOUTH CAROLINA

ALL AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

JUNE 30, 2014

	BALANCE JUNE 30, 2013	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2014
FISHING CREEK WATERSHED DISTRICT				
ASSETS				
Cash and Cash Equivalents	\$ 135	-	347	\$ 482
Taxes and Other Receivable	809	27,255	(27,287)	777
TOTAL ASSETS	944	27,255	(26,940)	1,259
LIABILITIES				
Intergovernmental Payable	944	27,255	(26,940)	1,259
TOTAL LIABILITIES	944	27,255	(26,940)	1,259
TOTAL ALL AGENCY FUNDS				
ASSETS				
Cash and Cash Equivalents	166,165,656	270,334,931	(264,896,431)	171,604,156
Taxes and Other Receivable	23,973,187	296,716,556	(294,677,644)	26,012,099
TOTAL ASSETS	190,138,843	567,051,487	(559,574,075)	197,616,255
LIABILITIES				
Intergovernmental Payable	190,138,843	567,051,487	(559,574,075)	197,616,255
TOTAL LIABILITIES	\$ 190,138,843	567,051,487	(559,574,075)	\$ 197,616,255

Note: the beginning balances have been adjusted to remove the balances associated with the York Technical College; the County established a new special revenue fund effective July 1, 2013 to account for the County's support of the York Technical College.

YORK COUNTY, SOUTH CAROLINA

DISCRETELY PRESENTED COMPONENT UNITS

COMBINING STATEMENT OF NET POSITION

JUNE 30, 2014

	YORK COUNTY LIBRARY	CULUTURE AND HERITAGE COMMISSION OF YORK COUNTY	TOTAL
ASSETS			
Cash and Cash Equivalents	\$ 1,550,716	1,219,954	\$ 2,770,670
Accounts Receivable	-	62,884	62,884
Due from York County	-	13,697	13,697
Inventories	-	59,653	59,653
Prepaid Items	-	30,093	30,093
Capital Assets:			
Depreciable, Net of Accumulated Depreciation	-	1,022,663	1,022,663
TOTAL ASSETS	1,550,716	2,408,944	3,959,660
LIABILITIES			
Accounts Payable	27,693	74,880	102,573
Accrued Liabilities	79,988	39,977	119,965
Unearned Revenue	-	31,962	31,962
Long-term Liabilities:			
Net Other Postemployment Benefit Obligation	1,797,406	1,653,153	3,450,559
Due Within One Year	169,671	52,719	222,390
Due in More Than One Year	87,406	86,665	174,071
TOTAL LIABILITIES	2,162,164	1,939,356	4,101,520
NET POSITION			
Net Investment in Capital Assets	-	1,022,663	1,022,663
Restricted For Cultural Programs	9,293	28,217	37,510
Unrestricted	(620,741)	(581,292)	(1,202,033)
TOTAL NET POSITION	\$ (611,448)	469,588	\$ (141,860)

YORK COUNTY, SOUTH CAROLINA

DISCRETELY PRESENTED COMPONENT UNITS

COMBINING STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2014

	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	YORK COUNTY LIBRARY	CULTURE AND HERITAGE COMMISSION OF YORK COUNTY	TOTAL
Governmental Activities:							
York County Library	\$ 5,503,099	170,251	314,663	-	(5,018,185)	-	\$ (5,018,185)
Culture and Heritage Commission of York County	4,038,575	474,095	405,064	-	-	(3,159,416)	(3,159,416)
Total	\$ 9,541,674	644,346	719,727	-	(5,018,185)	(3,159,416)	(8,177,601)
General Revenues:							
County Appropriation					4,806,200	3,101,118	7,907,318
Investment Income					794	156	950
Miscellaneous					-	9,533	9,533
Total General Revenues					4,806,994	3,110,807	7,917,801
CHANGE IN NET POSITION					(211,191)	(48,609)	(259,800)
NET POSITION - Beginning of Year					(400,257)	518,197	117,940
NET POSITION - End of Year					\$ (611,448)	469,588	\$ (141,860)

YORK COUNTY, SOUTH CAROLINA

**SCHEDULE OF FINES, ASSESSMENTS, AND SURCHARGES
AND VICTIM SERVICES FUND**

YEAR ENDED JUNE 30, 2014

Court Fines

Court fines collected	\$	2,304,715
Court fines retained by the County		(1,071,731)
Court fines remitted to State Treasurer	\$	<u><u>1,232,984</u></u>

Court Assessments

Court assessments collected	\$	1,216,183
Court assessments retained by the County		(171,010)
Court assessments remitted to State Treasurer	\$	<u><u>1,045,173</u></u>

Court Surcharges

Court surcharges collected	\$	850,889
Court surcharges retained by the County		(129,235)
Court surcharges remitted to State Treasurer	\$	<u><u>721,654</u></u>

Victim Services

Court assessments allocated to Victim Services	\$	171,010
Court surcharges allocated to Victim Services		129,235
Funds allocated to Victim Services		<u>300,245</u>
General Fund contribution for Victim Services		145,908
Victim Services expenditures		<u>(446,153)</u>
Funds available for carryforward		-
Fund Balance - beginning of fiscal year		<u>-</u>
Fund Balance - end of fiscal year	\$	<u><u>-</u></u>

YORK COUNTY, SOUTH CAROLINA

SCHEDULE OF BUDGETED TO ACTUAL COSTS - DEMAND RESPONSE SERVICES

YEAR ENDED JUNE 30, 2014

Contract Number: PT-4M711-16
 South Carolina Grant Number: SC-18-X033
 Contract Period - July 1, 2013 through June 30, 2014

	Contract Budget	Section 5311	SMTF	Local	(Over)/ Under Budget
Operating					
Management Service Fee	\$ 186,862	65,520	27,027	38,493	\$ 55,822
Casualty/Liability Insurance	3,000	1,385	692	693	230
Total Budget	<u>\$ 189,862</u>	<u>66,905</u>	<u>27,719</u>	<u>39,186</u>	<u>\$ 56,052</u>
Summary					
Approved Budget	\$ 189,862				
Federal Expenditures	66,905				
State Expenditures	27,719				
Local Expenditures	<u>39,186</u>				
Contract Budget Remaining	<u>\$ 56,052</u>				

Note: For Capital grant PT-3M709-K2, no funds were expended in FY 2014. The contract was extended through October 31, 2014.

STATISTICAL SECTION (UNAUDITED)

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

Contents

Financial Trends Information

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 Information

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

Debt Capacity Information

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

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

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 comprehensive annual financial reports for the relevant year.

YORK COUNTY, SOUTH CAROLINA

Table 1

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

(accrual basis of accounting)
(amounts expressed in thousands)

UNAUDITED

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental Activities										
Net Investment In Capital Assets	\$ 17,338	46,610	48,264	76,049	85,682	75,091	76,861	75,050	78,730	\$ 87,434
Restricted	113,598	112,986	125,910	135,200	136,329	136,496	174,263	169,036	166,296	177,435
Unrestricted	34,047	40,298	70,511	78,502	70,178	69,570	36,094	47,974	52,223	48,966
Total Governmental Activities Net Position	\$ 164,983	199,894	244,685	289,751	292,189	281,157	287,218	292,060	297,249	\$ 313,835
Business-Type Activities										
Net Investment In Capital Assets	\$ 21,184	29,714	39,528	49,081	59,934	61,436	63,614	64,941	75,580	\$ 81,013
Restricted	387	406	418	422	525	826	802	540	770	805
Unrestricted	31,668	34,244	41,530	44,170	37,454	38,676	40,649	41,958	36,673	36,104
Total Business-Type Activities Net Position	\$ 53,239	64,364	81,476	93,673	97,913	100,938	105,065	107,439	113,023	\$ 117,922
Primary Government										
Net Investment In Capital Assets	\$ 38,522	76,324	87,792	125,130	145,616	136,527	140,475	139,991	154,310	\$ 168,447
Restricted	113,985	113,392	126,328	135,622	136,854	137,322	175,065	169,576	167,066	178,240
Unrestricted	65,715	74,542	112,041	122,672	107,632	108,246	76,743	89,932	88,896	85,070
Total Primary Government Net Position	\$ 218,222	264,258	326,161	383,424	390,102	382,095	392,283	399,499	410,272	\$ 431,757

YORK COUNTY, SOUTH CAROLINA

Table 2

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

(accrual basis of accounting)
(amounts expressed in thousands)

UNAUDITED

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses										
Governmental Activities:										
General Government	\$ 36,095	26,066	23,728	25,803	30,993	30,401	30,037	32,259	33,366	\$ 33,944
Public Safety	30,180	24,624	25,071	31,876	34,066	37,061	37,755	38,094	39,175	40,919
Highways, Streets and Sanitation	15,671	14,610	31,979	44,762	47,390	54,748	38,036	37,799	42,062	* 34,733
Health and Welfare	3,414	2,495	2,614	2,476	2,692	2,648	2,344	2,050	2,171	1,895
Culture and Recreation	1,603	1,839	1,942	2,245	2,554	3,320	3,025	3,801	1,881	1,881
Conservation, Transportation and Growth	2,090	3,521	1,414	1,152	1,337	2,101	1,027	1,946	3,441	15,361 ^
Interest and Fiscal Charges	1,369	1,908	1,906	1,729	2,982	3,463	3,084	3,077	2,944	3,465
Total Government Activities Expenses	90,422	75,063	88,654	110,043	122,014	133,742	115,308	119,026	125,040	132,983
Business-Type Activities:										
Water and Sewer	6,683	7,552	9,345	10,053	10,849	11,930	11,678	12,394	11,604	12,835
Solid Waste	5,146	4,221	4,658	5,073	5,191	5,211	4,908	5,200	4,331	5,556
Total Business-Type Activities Expenses	11,829	11,773	14,003	15,126	16,040	17,141	16,586	17,594	15,935	18,391
Total Primary Government Expenses	\$ 102,251	\$ 86,836	\$ 102,657	\$ 125,169	\$ 138,054	\$ 150,883	\$ 131,894	\$ 136,620	\$ 140,975	\$ 151,374
Program Revenues										
Governmental Activities:										
Charges For Services:	\$ 9,787	11,958	10,382	10,470	8,938	8,548	7,614	8,288	7,802	\$ 8,048
General Government	424	450	921	1,203	961	1,154	1,335	1,835	2,160	2,218
Public Safety	804	1,017	440	737	781	226	111	68	1,098	1,170
Highways, Streets and Sanitation	89	102	1,270	1,255	1,298	1,261	1,344	1,266	533	590
Health and Welfare	178	181	213	213	205	203	196	209	231	285
Culture and Recreation	-	-	1,215	1,633	842	1,139	1,354	1,795	360	300
Conservation, Transportation and Growth	28,269	12,755	17,271	34,154	9,537	9,834	8,120	10,573	10,563	10,965
Operating Grants and Contributions	3,104	3,188	1,073	260	853	315	467	312	32	-
Capital Grants and Contributions	42,655	29,651	32,785	49,925	23,415	22,680	20,541	24,346	22,779	23,576
Total Governmental Activities Program Revenues	\$ 10,098	13,221	15,840	14,656	12,851	13,512	13,450	13,523	14,781	15,150
Business-Type Activities:										
Charges For Services:	3,918	4,052	4,688	4,561	5,157	5,319	5,399	5,900	5,437	5,711
Water and Sewer	4,393	4,429	8,609	6,430	1,877	1,200	1,758	456	1,231	2,349
Solid Waste	18,409	21,702	29,137	25,647	19,885	20,031	20,607	19,879	21,449	23,210
Capital Grants and Contributions	61,064	51,353	61,922	75,572	43,300	42,711	41,148	44,225	44,228	46,786
Total Business-Type Activities Program Revenues	\$ (47,767)	(45,412)	(55,869)	(60,118)	(98,599)	(111,062)	(94,767)	(94,680)	(102,261)	\$ (109,407)
Net (Expense) Revenue	\$ 6,580	9,929	15,134	10,521	3,845	2,890	4,021	2,285	5,514	4,819
Total Primary Government Net Expense	\$ (41,187)	(35,483)	(40,735)	(49,597)	(94,754)	(108,172)	(90,746)	(92,395)	(96,747)	(104,588)

(Continued)

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

(accrual basis of accounting)
(amounts expressed in thousands)

UNAUDITED

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property Taxes	\$ 42,859	48,128	56,247	60,012	63,436	66,337	67,435	64,828	67,707	\$ 85,004 ^
Accommodations and Sales Tax	32,665	23,050	25,571	26,247	24,897	24,023	24,727	25,864	30,040	27,819
Gain on Sale of Capital Assets	98	-	67	90	113	8	50	190	192	22
Intergovernmental	-	-	8,532	9,488	9,049	7,554	7,126	6,959	8,317	8,351
Interest and Investment Income	2,452	6,344	9,631	8,663	2,910	1,200	875	664	568	368
Miscellaneous	731	840	600	662	544	884	592	993	603	1,982
Transfers	308	523	11	23	88	23	23	24	24	24
Total Governmental Activities	79,113	78,885	100,659	105,185	101,037	100,029	100,828	99,522	107,451	123,570
Business-Type Activities:										
Gain on Sale of Capital Assets	-	-	10	7	-	3	3	7	-	-
Interest and Other Income	484	1,493	1,979	1,691	483	155	126	105	93	104
Transfers	(308)	(297)	(11)	(23)	(88)	(23)	(23)	(24)	(24)	(24)
Total Business-Type Activities	176	1,196	1,978	1,675	395	135	106	88	69	80
Total primary government	\$ 79,289	80,081	102,637	106,860	101,432	100,164	100,934	99,610	107,520	\$ 123,650
Change in Net Position										
Governmental Activities	31,346	33,473	44,790	45,067	2,438	(11,033)	6,061	4,842	5,190 *	14,163
Business-Type Activities	6,756	11,125	17,112	12,196	4,240	3,025	4,127	2,373	5,583	4,899
Total Primary Government	\$ 38,102	44,598	61,902	57,263	6,678	(8,008)	10,188	7,215	10,773	\$ 19,062

*Prior-period adjustment of \$5.1 million included in this amount for FY 2013.

^ In FY2014, the County changed the way it is reporting its support for the Culture and Heritage Commission, the York County Library and the York Technical College, which had previously been included in the General Fund and an Agency Fund. The information for the years prior to this change have not been restated.

FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(modified accrual basis of accounting)
(amounts expressed in thousands)

UNAUDITED

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Fund										
Pre-GASB #54*										
Reserved	\$ 4,135	4,054	4,782	5,319	5,678	7,085	-	-	-	\$ -
Unreserved	32,588	42,736	56,849	62,856	53,907	52,705	-	-	-	-
Post GASB #54*										
Nonspendable	-	-	-	-	-	-	263	8,273	335	300
Restricted	-	-	-	-	-	-	3,711	4,289	3,955	3,651
Committed	-	-	-	-	-	-	12,703	12,457	14,592	11,759
Assigned	-	-	-	-	-	-	1,088	1,310	9,133	4,529
Unassigned	-	-	-	-	-	-	45,080	38,561	40,965	44,224
Total General Fund	\$ 36,723	46,790	61,631	68,175	59,585	59,790	62,845	64,890	68,980	\$ 64,463
All Other Governmental Funds										
Pre-GASB #54*										
Reserved, Reported In:										
Special Revenue Funds	\$ 317	362	61	296	54	948	-	-	-	\$ -
Debt Service Funds	3,991	4,744	5,167	6,257	7,371	6,952	-	-	-	-
Capital Projects Funds	99,665	96,378	120,742	135,653	166,796	146,720	-	-	-	-
Unreserved, Reported In:										
Special Revenue Funds	5,679	6,231	8,196	9,208	11,613	12,598	-	-	-	-
Post GASB #54*										
Restricted	-	-	-	-	-	-	170,552	179,771	171,265	180,326
Committed	-	-	-	-	-	-	-	-	5,861	9,739
Unassigned	-	-	-	-	-	-	(11)	(15)	-	-
Total All Other Governmental Funds	\$ 109,652	107,715	134,166	151,414	185,834	167,218	170,541	179,756	177,126	\$ 190,065

(*) The County implemented Governmental Accounting Standards Board Statement No. 54 Fund Balance Reporting and Governmental Fund Type Definitions ("GASB #54") in 2011. GASB #54 established new fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in the governmental funds. The County has elected to apply GASB #54 prospectively - and thus has provided fund balance information before ("Pre") and after ("Post") its implementation.

In FY 2014, the County changed its reporting of its support for the Culture and Heritage Commission, the York County Library and the York Technical College, which had previously been included in the General Fund and an Agency Fund. The information for the years prior to this change have not been restated

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(modified accrual basis of accounting)
(amounts expressed in thousands)

UNAUDITED

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues										
Property Taxes	\$ 42,859	48,128	54,355	59,451	62,530	65,323	66,884	66,552	67,468	\$ 84,392 [^]
Accommodations / Sales Tax	32,504	22,875	25,571	26,247	24,897	24,023	24,727	25,864	25,819	27,108
Licenses, Fines and Permits	10,997	13,394	14,442	15,510	12,372	12,397	11,954	13,461	12,184	12,611
Intergovernmental	13,720	14,777	26,876	43,903	19,439	17,703	15,713	17,844	18,881	19,317
Investment Income	2,452	6,344	9,631	8,663	2,910	1,200	875	664	567	368
Miscellaneous	980	1,852	600	662	1,197	1,018	592	994	446	1,965
Total Revenues	103,512	107,370	131,475	154,436	123,345	121,664	120,745	125,379	125,365	145,761
Expenditures										
General Government	25,477	23,889	23,300	25,185	29,088	28,270	27,449	27,683	29,570	30,820
Public Safety	20,521	21,765	22,824	28,088	28,560	31,167	30,823	30,801	32,772	34,349
Highways, Streets and Sanitation	11,812	10,903	29,040	11,700	43,154	50,397	33,457	32,302	34,790	28,489
Health and Welfare	2,441	2,342	2,614	2,476	2,646	2,612	2,296	2,010	2,138	1,854
Culture and Recreation	1,180	1,376	1,849	1,849	2,131	2,863	2,538	3,444	3,124	15,712 [^]
Conservation, Transportation and Growth	1,187	3,402	1,393	1,116	1,287	2,035	842	1,638	3,181	3,566
Capital Outlay	19,881	32,037	12,618	52,099	25,969	11,642	7,226	10,253	10,860	11,357
Debt Service										
Principal	3,996	4,220	5,038	6,540	6,940	7,398	6,822	3,191	6,367	10,610
Interest	1,369	1,908	1,923	2,107	2,943	3,797	3,400	3,121	2,977	2,757
Total Expenditures	87,864	101,842	100,272	131,160	142,718	140,181	114,853	114,343	125,779	139,514
Excess of Revenues Over (Under) Expenditures	15,648	5,528	31,203	23,276	(19,373)	(18,517)	5,892	11,036	(414)	6,247
Other Financing Sources (Uses)										
Transfers In	1,917	875	1,382	7,142	10,362	327	300	3,623	1,194	9,700
Transfers Out	(1,609)	(352)	(1,372)	(7,119)	(10,273)	(304)	(276)	(3,600)	(1,171)	(9,676)
Sale of Capital Assets	98	-	79	239	114	84	57	199	193	22
Bonds Issued	-	-	9,820	-	45,000	-	-	-	-	-
Bond Premium	-	-	105	-	-	-	-	-	-	-
Insurance Proceeds	-	-	-	-	-	-	-	-	-	17
Lease/Notes Payable	17,850	643	327	-	-	-	406	-	1,500	-
Total Other Financing Sources (Uses)	18,256	1,166	10,341	262	45,203	107	487	222	1,874	63
Net Change in Fund Balances	\$ 33,904	6,694	41,544	23,538	25,830	(18,410)	6,379	11,258	1,460	\$ 6,310
Debt Service as a Percentage of Noncapital Expenditures	7.89%	8.78%	7.94%	10.94%	8.47%	8.71%	9.50%	5.87%	7.77%	10.35%

[^] In FY2014, the County changed the way it is reporting its support for the Culture and Heritage Commission, the York County Library and the York Technical College, which had previously been included in the General Fund and an Agency Fund. The information for the years prior to this change have not been restated.

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS

(in thousands of dollars)

UNAUDITED

Fiscal Year Ended June 30	Real Property ^		Personal Property		Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Motor Vehicles	Other					
2005	\$ 281,834	99,023	99,859	311,359	-	\$ 792,075	62.2	\$ 12,586,333	6.29%
2006	310,123	97,120	100,381	300,204	-	807,828	66.8	13,488,569	5.99%
2007	391,490	137,551	101,509	298,542	-	929,092	62.6	15,758,692	5.90%
2008	431,871	143,957	101,330	299,817	-	976,975	66.0	16,747,712	5.83%
2009	473,592	155,038	96,377	307,959	-	1,032,966	66.0	17,848,914	5.79%
2010	497,445	165,815	88,130	296,626	-	1,048,016	66.0	19,314,954	5.43%
2011	515,794	159,970	86,701	299,964	-	1,062,429	66.0	19,919,767	5.33%
2012	540,558	167,443	95,135	307,177	-	1,110,313	62.5	20,736,010	5.35%
2013	538,895	176,373	103,447	318,305	-	1,137,020	62.5	20,919,848	5.44%
2014	\$ 551,507	181,592	116,387	323,594	-	\$ 1,173,080	64.5	\$ 20,593,625	5.70%

^ Real Property Assessments do not include exemptions.

YORK COUNTY, SOUTH CAROLINA

Table 6

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

LAST TEN FISCAL YEARS

Fiscal Year	York County										Overlapping Rates		
	Debt					Culture & Heritage					County Unincorporated Millage		
	General	Service	Commission	York Tech	Library	Total Direct Rate	Rural Fire	Solid Waste	Recreation	Unincorporated Millage	Total		
2005	43.6	6.7	3.1	4.3	4.5	62.2	3.0	3.5	0.0	6.5			
2006	46.4	7.9	3.2	4.5	4.8	66.8	3.6	3.8	1.5	8.9			
2007	44.7	6.1	3.0	4.2	4.6	62.6	4.2	3.7	1.5	9.4			
2008	44.7	9.7	2.9	4.2	4.5	66.0	4.2	3.7	1.5	9.4			
2009	44.7	9.7	2.9	4.2	4.5	66.0	4.4	3.7	1.5	9.6			
2010	44.7	9.7	2.9	4.2	4.5	66.0	4.4	3.7	1.5	9.6			
2011	45.9	8.7	2.8	4.2	4.4	66.0	4.4	3.7	1.5	9.6			
2012	45.9	5.4	2.6	4.2	4.4	62.5	4.4	3.5	1.5	9.4			
2013	45.9	5.4	2.6	4.2	4.4	62.5	4.4	3.5	1.5	9.4			
2014	46.4	6.9	2.6	4.2	4.4	64.5	4.4	3.5	1.5	9.4			

(Continued)

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

LAST TEN FISCAL YEARS

Overlapping Rates (Continued)

Fiscal Year	Fire Districts										Total Fire District Millage
	Bethel	Bethesda	Flint Hill	Lesslie	Newport	Oakdale	Riverview				
2005	0.0	4.1	3.8	1.4	3.4	5.0	4.5				22.2
2006	0.0	4.1	3.8	1.4	3.4	5.0	4.5				22.2
2007	0.0	3.7	3.8	1.5	3.1	5.0	5.2				22.3
2008	0.0	3.9	3.8	1.5	3.2	5.0	5.0				22.4
2009	0.0	3.9	4.0	1.5	3.4	5.0	5.0				22.8
2010	2.5	3.9	4.0	1.5	3.4	5.0	5.0				25.3
2011	2.5	3.9	4.2	1.5	3.6	5.0	5.0				25.7
2012	2.1	3.8	4.2	1.5	3.5	5.0	5.0				25.1
2013	2.0	3.8	4.4	1.6	3.7	5.0	5.0				25.5
2014	2.0	3.8	4.6	1.7	3.8	5.0	5.0				25.9

(Continued)

YORK COUNTY, SOUTH CAROLINA

Table 6

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

LAST TEN FISCAL YEARS

Overlapping Rates (Continued)

Fiscal Year	York School District		Clover School District		Rock Hill School District		Fort Mill School District		Countywide School Millage		Total School District Millage		Total Direct & Overlapping Rates
	District	District	District	District	District	District	District	District	School Millage	School Millage	District Millage	District Millage	
2005	169.4	156.0	170.5	172.0	172.0	174.5	174.5	172.0	32.0	32.0	699.9	699.9	790.8
2006	172.9	162.0	172.3	174.5	174.5	174.5	174.5	174.5	32.0	32.0	713.7	713.7	811.6
2007	168.6	157.0	169.6	169.4	169.4	169.4	169.4	169.4	30.0	30.0	694.6	694.6	788.9
2008	220.6	173.0	179.0	171.6	171.6	171.6	171.6	171.6	30.0	30.0	774.2	774.2	872.0
2009	226.6	185.0	188.4	188.0	188.0	188.0	188.0	188.0	30.0	30.0	818.0	818.0	916.4
2010	232.6	191.0	189.9	209.4	209.4	209.4	209.4	209.4	30.0	30.0	852.9	852.9	953.8
2011	237.6	196.0	193.4	215.4	215.4	215.4	215.4	215.4	30.0	30.0	872.4	872.4	973.7
2012	242.6	197.0	193.4	215.4	215.4	215.4	215.4	215.4	30.0	30.0	878.4	878.4	975.4
2013	248.6	197.0	193.4	215.9	215.9	215.9	215.9	215.9	30.0	30.0	884.9	884.9	982.3
2014	253.6	193.0	193.4	240.4	240.4	240.4	240.4	240.4	30.0	30.0	910.4	910.4	1,010.2

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS AGO

UNAUDITED

Taxpayer	2014			2005		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
N C Municipal Power Agency #1	\$ 70,302	1	5.99%	\$ 49,831	1	6.29%
N C Electric Membership Corp	43,570	2	3.71%	42,872	2	5.41%
Duke Energy Corporation/Duke Power	38,282	3	3.26%	31,315	4	3.95%
Piedmont Municipal Power	29,028	4	2.47%	16,906	5	2.13%
Resolute FP US Inc.*/Bowater Carolina Corporation	22,857	5	1.95%	32,288	3	4.08%
York Electric Coop Inc.	8,951	6	0.76%	6,909	8	0.87%
Rock Hill Telephone Company/Comporium	8,144	7	0.69%	6,469	7	0.82%
Schaeffler Group USA Inc.*	4,774	8	0.41%	-	-	-
Ross Stores Inc.*	3,811	9	0.32%	-	-	-
Amisub of S C Inc.	3,586	10	0.31%	-	-	-
Saluda River Electric Cooperative	-	-	-	9,975	6	1.26%
Celanese Acetate LLC	-	-	-	5,909	9	0.75%
Ina USA Corporation	-	-	-	5,064	10	0.64%
Total	<u>\$ 233,305</u>		<u>19.89%</u>	<u>\$ 207,538</u>		<u>26.20%</u>

Source: York County Auditor

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS
 (amounts expressed in thousands)

UNAUDITED

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years (2)	Total Collections to Date	
		Amount (2)	Percentage of Levy		Amount	Percentage of Levy
2005	\$ 54,180	52,121	96.2%	1,782	\$ 53,903	99.5%
2006	56,901	55,592	97.7%	1,346	56,938	100.1%
2007	65,181	62,256	95.5%	1,600	63,856	98.0%
2008	70,095	68,637	97.9%	1,484	70,121	100.0%
2009	75,595	72,035	95.3%	2,324	74,359	98.4%
2010	78,757	74,434	94.5%	2,600	77,034	97.8%
2011	79,735	76,309	95.7%	2,566	78,875	98.9%
2012	79,976	75,969	95.0%	2,058	78,027	97.6%
2013	80,777	77,846	96.4%	1,378	79,224	98.1%
2014	\$ 83,582	82,254	98.4%	-	\$ 82,254	98.4%

(1) The levy for any given fiscal year is based on the assessed values from the tax rolls of the preceding calendar year.

(2) All vehicle collections are shown in the fiscal year collected, regardless of levy year. The only taxes shown as collections in subsequent years are taxes collected on real property.

Source: York County Auditor's Office and York County Treasurer's Office

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

(amounts expressed in thousands, except per capita amount)

UNAUDITED

Fiscal Year	Governmental Activities		Business Type	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Financing Lease - Notes Payable	Water/ Sewer Bonds			
2005	\$ 33,697	17,850	26,250	\$ 77,797	1.37%	409
2006	29,319	17,850	25,780	72,949	1.16%	367
2007	36,055	17,372	24,641	78,068	1.15%	374
2008	30,844	15,775	24,208	70,827	0.97%	326
2009	70,293	14,118	23,753	108,164	1.43%	476
2010	64,345	12,400	23,097	99,842	1.34%	442
2011	59,037	11,025	22,001	92,063	1.17%	399
2012	57,630	9,198	19,545	86,373	1.03%	368
2013	53,210	9,221	18,430	80,861	N/A	338
2014	\$ 44,781	7,096	17,776	\$ 69,653	N/A	N/A

(1) See Table 14 for personal income and population data.
 Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

LAST TEN FISCAL YEARS

(in thousands of dollars)

UNAUDITED

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2005	\$ 33,697	3,991	\$ 29,706	0.24%	993
2006	29,319	4,744	24,575	0.18%	776
2007	36,055	5,167	30,888	0.20%	947
2008	30,844	6,257	24,587	0.15%	741
2009	70,293	7,371	62,922	0.35%	1,889
2010	64,345	6,952	57,393	0.30%	1,744
2011	59,037	6,360	52,677	0.26%	1,547
2012	57,630	6,646	50,984	0.25%	N/A
2013	53,210	3,846	49,364	0.24%	N/A
2014	\$ 44,781	2,797	\$ 41,984	0.20%	N/A

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

- (1) See Table 5 for property value data.
- (2) Population data can be found on Table 14.

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

YEAR ENDED JUNE 30, 2014

(in thousands of dollars)

UNAUDITED

	<u>Governmental Activities Debt</u>	<u>Applicable to County Taxpayers</u>	<u>Taxpayers Share of Debt</u>
Direct			
York County	\$ 51,877 ¹	100%	\$ 51,877
Overlapping			
York School District #1	101,978	100%	101,978
Clover School District #2	55,490	100%	55,490
Rock Hill School District #3	125,856	100%	125,856
Fort Mill School District #4	240,740	100%	240,740
City of Rock Hill	17,375	100%	17,375
City of York	7,069	100%	7,069
Town of Clover	1,381	100%	1,381
Town of Fort Mill	1,389	100%	1,389
City of Tega Cay	8,668	100%	8,668
Total Overlapping Debt	<u>559,946</u>		<u>559,946</u>
Total Direct and Overlapping Debt	<u>\$ 611,823</u>		<u>\$ 611,823</u>

Source: Contact with each entity in the county, requesting information.

¹Net debt outstanding for York County is all general long-term debt (excluding accrued vacation benefits).

YORK COUNTY, SOUTH CAROLINA

Table 12

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS

(in thousands of dollars)

UNAUDITED

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Debt limit	\$ 63,366	64,626	74,327	78,158	82,637	83,873	84,994	88,825	90,962	\$ 93,846
Total net debt applicable to limit	13,232	11,874	20,626	19,008	62,199	60,170	58,960	57,630	53,210	44,725
Legal debt margin	\$ 50,134	52,752	53,701	59,150	20,438	23,703	26,034	31,195	37,752	\$ 49,121
Total net debt applicable to the limit as a percentage of debt limit	20.88%	18.37%	27.75%	24.32%	75.27%	71.74%	69.37%	64.88%	58.50%	47.66%

Legal Debt Margin Calculation for Fiscal Year 2013

Assessed value	\$ 1,173,080
Debt limit (8% of total assessed value)	93,846
Debt applicable to limit: General obligation bonds	<u>44,725</u>
Legal debt margin	<u>\$ 49,121</u>

PLEDGED REVENUE COVERAGE

LAST TEN FISCAL YEARS

(in thousands of dollars)

UNAUDITED

Fiscal Year	Water and Sewer Revenue Bonds							Coverage
	Charges and Other Revenues	(1)	Less: Operating Expenses	(2)	Net Available Revenue	Debt Service		
						Principal	Interest	
2005	\$	10,326		4,028	6,298	460	\$ 1,298	3.58
2006		14,209		4,984	9,225	470	1,279	5.27
2007		17,180		5,677	11,503	485	1,259	6.60
2008		15,912		7,034	8,878	433	1,297	5.13
2009		13,178		7,441	5,737	520	1,272	3.20
2010		13,606		8,039	5,567	720	1,197	2.90
2011		13,529		7,817	5,712	1,155	1,147	2.48
2012		13,590		8,520	5,070	1,215	1,090	2.20
2013		14,837		8,704	6,133	1,115	735	3.32
2014	\$	15,198		9,437	5,761	1,320	\$ 717	2.83

(1) Total operating revenues plus interest income

(2) Total operating expenses less depreciation

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year	(1) Population	(2) Personal Income *	(2) Per Capita Personal Income	(3) Unemployment Rate
2005	190,097	\$ 5,685,147	\$ 29,904	7.8%
2006	199,035	6,281,780	31,657	7.1%
2007	208,827	6,804,919	32,627	5.7%
2008	217,448	7,305,787	33,203	6.1%
2009	227,003	7,559,634	33,302	15.2%
2010	226,073	7,468,372	32,906	15.8%
2011	230,528	7,850,232	34,053	13.0%
2012	234,635	8,364,450	35,649	10.8%
2013	239,363	N/A	N/A	8.2%
2014	N/A	N/A	N/A	5.9%

Source:

- (1) South Carolina Division of Research and Statistic.
- (2) U.S. Department of Commerce, Bureau of the Census.
- (3) South Carolina Employment Security Commission.
- * In Thousands.

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

UNAUDITED

Employer	2014			2005		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Rock Hill School District	2,209	1	2.09%	N/A	N/A	N/A
Wells Fargo	2,171	2	2.05%	N/A	N/A	N/A
Ross Distribution	1,790	3	1.69%	N/A	N/A	N/A
Piedmont Medical Center	1,534	4	1.45%	N/A	N/A	N/A
Winthrop University	1,296	5	1.23%	N/A	N/A	N/A
Fort Mill School District	1,233	6	1.17%	N/A	N/A	N/A
Duke Power-Catawba Nuclear Plant	1,228	7	1.16%	N/A	N/A	N/A
Clover School District	1,011	8	0.96%	N/A	N/A	N/A
York County Government	983	9	0.93%	N/A	N/A	N/A
Comporium Communications	852	10	0.81%	N/A	N/A	N/A
Total	<u>14,307</u>		<u>13.53%</u>			

Source: Economic Development and School Districts
 2005 information was not available

FULL TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION

LAST TEN FISCAL YEARS

UNAUDITED

Function	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government										
County Council	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
Clerk of Court	42.5	42.5	44.5	45.5	47.0	47.0	51.5	51.5	51.5	52.5
Solicitor	44.5	45.5	50.5	56.0	56.0	54.5	55.0	54.0	54.5	56.5
Public Defender	0.0	0.0	0.0	17.0	19.0	19.0	19.0	19.0	20.0	22.5
Probate	7.0	7.5	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Master in Equity	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Magistrates	24.0	27.5	28.5	30.0	31.5	31.5	31.5	32.0	34.0	34.0
County Manager	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Registration and Elections	4.0	4.0	4.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Treasurer/Finance	9.0	8.0	8.0	8.0	8.0	8.0	7.0	8.0	8.0	8.0
Tax Collector	11.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0
Auditor	10.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
Microfilming	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Tax Assessor	18.0	20.0	20.0	24.0	27.0	27.0	26.0	26.0	24.0	24.0
Purchasing	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
County Attorney	3.0	3.0	3.0	3.0	4.0	4.0	3.0	4.0	4.0	4.0
Human Resources	3.0	3.0	3.0	3.0	3.0	3.0	3.0	4.0	4.0	4.0
Risk Management	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Planning	37.0	38.0	34.0	38.0	42.0	42.0	28.0	28.0	28.0	37.0
Public Information	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Superintendent of County Property	21.0	21.0	22.0	22.0	22.0	27.0	27.0	27.0	27.0	27.0
Justice Center Building Maintenance	15.0	15.0	15.0	15.0	16.0	16.0	16.0	16.0	16.0	16.0
Equipment Maintenance	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Information Technology	8.0	9.0	10.0	10.0	11.0	11.0	11.0	11.5	12.0	12.0
Geographic Information Systems	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Records Management	1.0	1.0	1.0	1.0	1.0	1.0	1.0	2.0	2.0	2.0
Public Safety										
Sheriff	182.5	184.5	195.0	209.5	215.0	203.5	201.0	201.5	203.0	207.0
Department of Fire Safety	8.0	8.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0
Detention	94.0	97.0	97.0	98.0	106.0	126.0	126.0	137.0	138.0	138.3
Coroner	5.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Emergency Management	7.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
911 Program	18.0	18.0	18.0	20.0	21.0	34.0	33.0	35.0	35.0	35.0
Radio System	0.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0

(Continued)

YORK COUNTY, SOUTH CAROLINA

Table 16

FULL TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION

LAST TEN FISCAL YEARS

UNAUDITED

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Emergency Support Local Plan Grant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rural Fire Board	6.0	6.0	6.0	7.0	7.0	7.0	7.0	8.0	8.0	8.0
Emergency Telephone System	6.0	6.0	6.0	7.0	6.0	6.0	7.0	7.0	7.0	7.0
Highways, streets, and sanitation										
Public Works	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Engineering	13.0	12.0	20.0	22.0	26.0	26.0	21.0	21.0	21.0	13.0
Capital Projects	0.0	0.0	0.0	5.0	7.0	7.0	5.0	5.0	5.0	6.0
Road Maintenance	25.0	25.0	25.0	25.0	25.0	25.0	24.0	24.0	24.0	24.0
Animal Control	13.5	13.5	14.5	15.5	17.0	17.0	17.0	17.0	18.0	18.0
Prison	18.0	22.0	22.0	22.0	31.0	31.0	31.0	31.0	31.0	31.3
Solid Waste Recycling	34.0	34.0	34.0	34.4	34.4	34.4	34.4	34.4	34.4	34.4
Solid Waste Collection	24.4	25.4	26.4	26.1	26.1	26.1	26.1	26.1	26.1	26.1
Health and Welfare										
Veteran's Affairs	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	5.0	5.0
Conservation, transportation, and growth										
Economic Development	4.0	4.0	4.0	4.0	4.0	4.0	4.0	5.0	5.0	5.0
Culture and recreation										
Ebenezer Park	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Water/Sewer										
Solid Waste Disposal	9.0	10.0	12.0	15.0	18.0	18.0	18.0	18.0	18.0	18.0
	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
Total	777.90	799.90	829.90	894.50	942.50	967.50	945.00	964.50	971.00	983.00

Source: York County Human Resources Department

YORK COUNTY, SOUTH CAROLINA

Table 17

OPERATING INDICATORS

LAST TEN FISCAL YEARS

UNAUDITED

Function	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General										
Number of building permits	4,236	4,132	4,042	4,002	2,644	2,788	2,734	3,088	3,338	3,676
Police										
Calls for service	56,080	58,331	60,113	64,967	63,731	77,643	88,260	85,691	83,796	84,000
Fire										
Number of calls answered	4,049	4,210	4,155	4,534	4,453	4,874	4,931	3,679	3,800	2,356
Number of inspections conducted	5,791	5,869	7,601	9,670	9,696	9,890	9,224	10,159	9,805	95,004
Number of investigations conducted	67	82	74	86	83	89	81	82	101	84
Number of customers										
Retail	4,700	5,860	6,736	7,632	8,728	9,171	9,609	10,361	10,811	11,156
Wholesale	5	5	5	5	5	5	5	5	5	6

Source:

Building permits provided by York County Planning Department

Police information provided by the York County Sheriff's Department - Sheriff's Department changed reporting criteria in FY 2010, which resulted in a significant increase. Decrease in FY 2012 due to ProStar initiative.

Fire information provided by the York County Fire Marshall - The number of calls answered in FY 2012 shows a reduction from previous year's. That reduction is due to changing the method of counting calls.

Water/Sewer information provided by the York County Water/Sewer Department

YORK COUNTY, SOUTH CAROLINA

CAPITAL ASSET STATISTICS

LAST TEN FISCAL YEARS

UNAUDITED

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Public safety										
Fire stations	25	25	26	26	26	26	27	27	29	29
Police vehicles	154	165	165	167	167	178	181	183	188	191
Police stations (including substations)	5	5	5	5	5	5	5	5	5	5
Highways & Streets										
County and State maintained paved roads	1,850	1,863	1,896	1,916	1,926	1,937	1,936	1,936	1,936	1,935
County and State maintained unpaved roads	247	247	231	230	227	215	211	211	207	207
Culture & Recreation										
Parks acreage	31	31	126	126	126	126	126	126	126	126
Parks	1	1	2	2	2	2	2	2	2	2

Source:

Fire information provided by the York County Fire Marshall
 Police information provided by the York County Sheriff's Department
 Park information provided by the County Park Ranger

Indicators are not available for the General Government function, Health & Welfare function, and Conserv/Transport/Growth function.

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YORK COUNTY, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2014

FEDERAL GRANTOR/PASS THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT / CONTRACT NUMBER	FEDERAL EXPENDITURES
<u>U.S. DEPARTMENT OF AGRICULTURE</u>			
Passed through South Carolina Department of Social Services: Summer Food Service Program for Children	10.559	SF-113	\$ 480,764
Total U.S. Department of Agriculture			<u>480,764</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Passed through South Carolina Department of Social Services: Title IV-D Child Support Transaction Reimbursement	93.563	C14046C	385,142
Title IV-D Child Support Incentive Payment	93.563	C14046C	27,172
Title IV-D Child Support Service of Process Payments	93.563	C14046C	25,113
Title IV-D Child Support Filing Fees	93.563	C14046C	81,450
Title IV-D Child Support Service Maintenance in Lieu of Rent	93.563	C14046C	135,590
Total U.S. Department of Health and Human Services			<u>654,467</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Passed Through South Carolina Adjutant General's Office: Emergency Management Performance Grants	97.042	12EMPG01	11,000
Emergency Management Performance Grants	97.042	13EMPG01	66,425
Total U.S. Department of Homeland Security			<u>77,425</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Passed Through South Carolina Department of Transportation: Western York County Scenic Byway	20.205	41582-OT01	37,240
Mass Transit / Demand Response	20.509	PT-4M711-16	66,905
Total passed through SC Department of Transportation			<u>104,145</u>
Passed Through South Carolina Department of Public Safety: Highway Safety Cluster: Sheriff Highway Safety Grant	20.600 & 20.601	2H13031	32,122
Sheriff LEN Grant - 2013	20.600	2JC13016	13,056
Sheriff LEN Grant - 2014	20.600	2JC14016	6,838
Sheriff Highway Safety Grant	20.601	K8-2014-HS-31-14	124,524
Total passed through SC Department of Public Safety			<u>176,540</u>
Total U.S. Department of Transportation			<u>\$ 280,685</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2014

FEDERAL GRANTOR/PASS THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT / CONTRACT NUMBER	FEDERAL EXPENDITURES
U.S. DEPARTMENT OF JUSTICE			
Passed Through South Carolina Department of Public Safety: Sheriff - Paul Coverdell Forensic Science Grant	16.742	1NF13004	\$ 25,960
Direct Programs			
JAG Program Cluster:			
Sheriff JAG Grant - 2011	16.738	2010-DJ-BX-0953	50
Sheriff JAG Grant - 2012	16.738	2011-DJ-BX-2960	12,662
Sheriff JAG Grant - 2013	16.738	2012-DJ-BX-1153	33,610
Sheriff JAG Grant - 2014	16.738	2013-DJ-BX-0175	31,814
Sheriff LIMS Grant	16.738	1G11039	60,529
Total JAG Program Cluster and Direct Programs			<u>138,665</u>
Total U.S. Department of Justice			<u>164,625</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 1,657,966</u>

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

YORK COUNTY, SOUTH CAROLINA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2014

Basis of Presentation

- A. The accompanying Schedule of Expenditures of Federal Awards (“SEFA”) includes the federal grant activity of York County, South Carolina and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the financial statements. Expenditures for federal financial assistance awarded directly from the federal agencies, as well as those passed through other government agencies, are included on the SEFA. The non-federal share of certain program costs and loans are not included in the accompanying SEFA.

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

INDEPENDENT AUDITOR'S REPORT

York County Council
York, South Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of York County, South Carolina (the "County") as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 15, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) 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 the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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

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



Greene, Finney & Horton, LLP
Mauldin, South Carolina
December 15, 2014

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**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

INDEPENDENT AUDITOR'S REPORT

York County Council
York, South Carolina

Report on Compliance for Each Major Federal Program

We have audited York County, South Carolina's (the "County") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2014. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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 each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Greene, Finney & Horton, LLP
Mauldin, South Carolina
December 15, 2014

YORK COUNTY, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2014

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

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

Federal Awards

Internal control over major programs:

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

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

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	_____ Yes	_____ <u>X</u> No
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Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
93.563	Title IV.D. Child Support

Dollar threshold used to distinguish between type A and type B programs:	\$ <u>300,000</u>
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Auditee qualified as low-risk auditee?	_____ <u>X</u> Yes	_____ No
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Section II – Current Year Financial Statement Findings

No matters to report.

Section III - Findings and Questioned Costs - Major Federal Awards Programs Audit

No matters to report.

YORK COUNTY, SOUTH CAROLINA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2014

There were no audit findings in the prior year related to federal programs.