

YORK COUNTY, SOUTH CAROLINA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

ISSUED BY:
YORK COUNTY
Management and Finance Departments

William P. Shanahan, Jr.
County Manager

Elizabeth W. Latham
Treasurer/Finance Director

YORK COUNTY, SOUTH CAROLINA

TABLE OF CONTENTS

YEAR ENDED JUNE 30, 2015

INTRODUCTORY SECTION (UNAUDITED)

	<u>Page Number</u>
Transmittal Letter	1
Principal Officers	5
Organization Chart	6
Certificate of Achievement for Excellence in Financial Reporting	7

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT 9

Management's Discussion and Analysis	11
--------------------------------------	----

Basic Financial Statements:

Government-Wide Financial Statements:

Statement of Net Position	22
Statement of Activities	23

Fund Financial Statements:

Balance Sheet - Governmental Funds	24
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position	25
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	26
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds to the Statement of Activities	27
Statement of Net Position - Proprietary Funds	28
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds	29
Statement of Cash Flows - Proprietary Funds	30
Statement of Fiduciary Assets and Liabilities - Agency Funds	32

<i>Notes to the Financial Statements</i>	33
------------------------------------------	----

Required Supplementary Information:

Budgetary Comparison Schedule - General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budgets and Actual	74
--------------------------------------------------------------------------------------	----

Other Postemployment Benefit Plan Schedules

Schedule of Employer Contributions and Funding Progress	75
---------------------------------------------------------	----

Pension Plan Schedules

Schedule of the County's Proportionate Share of the Net Pension Liability - South Carolina Retirement System	76
Schedule of the County's Contributions - South Carolina Retirement System	77
Schedule of the County's Proportionate Share of the Net Pension Liability - Police Officers Retirement System	78
Schedule of the County's Contributions - Police Officers Retirement System	79

(Continued)

YORK COUNTY, SOUTH CAROLINA

TABLE OF CONTENTS

YEAR ENDED JUNE 30, 2015

FINANCIAL SECTION (CONTINUED)

	<u>Page Number</u>
Supplementary Information:	
Combining Balance Sheet - Nonmajor Governmental Funds	82
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds	86
General Fund - Schedule of Expenditures by Department - Final Budget and Actual	90
Nonmajor Special Revenue Funds:	
Local Hospitality Tax - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Final Budget and Actual	107
Rural Fire Districts - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Final Budget and Actual	108
Board of Rural Fire Control - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Final Budget and Actual	109
Solid Waste Collection - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Final Budget and Actual	110
Emergency Telephone System - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Final Budget and Actual	111
Recreation - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Final Budget and Actual	112
County Support - Cultural and Heritage Commission - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Final Budget and Actual	113
County Support - York County Library - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Final Budget and Actual	114
County Support - York Technical College - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Final Budget and Actual	115
Combining Statement of Changes in Assets and Liabilities - All Agency Funds	116
Discretely Presented Component Units:	
Combining Statement of Net Position	122
Combining Statement of Activities	123
Schedule of Fines, Assessments, and Surcharges and Victim Services Fund	124
Schedule of Budgeted to Actual Costs - Demand Response Services	125

(Continued)

YORK COUNTY, SOUTH CAROLINA

TABLE OF CONTENTS

YEAR ENDED JUNE 30, 2015

STATISTICAL SECTION (UNAUDITED)

		<u>Page Number</u>
<u>Financial Trends Information</u>		
Net Position by Component - Last Ten Fiscal Years	Table 1	128
Changes in Net Position - Last Ten Fiscal Years	Table 2	129
Fund Balances of Governmental Funds - Last Ten Fiscal Years	Table 3	131
Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years	Table 4	132
<u>Revenue Capacity Information</u>		
Assessed Value and Estimated Actual Value of Taxable Property - Last Ten Fiscal Years	Table 5	133
Property Tax Rates - Direct and Overlapping Governments - Last Ten Fiscal Years	Table 6	134
Principal Property Taxpayers - Current Year and Nine Years Ago	Table 7	137
Property Tax Levies and Collections - Last Ten Fiscal Years	Table 8	138
<u>Debt Capacity Information</u>		
Ratios of Outstanding Debt by Type - Last Ten Fiscal Years	Table 9	139
Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years	Table 10	140
Direct and Overlapping Governmental Activities Debt - Year Ended June 30, 2015	Table 11	141
Legal Debt Margin Information - Last Ten Fiscal Years	Table 12	142
Pledged Revenue Coverage - Last Ten Fiscal Years	Table 13	143
<u>Demographic and Economic Information</u>		
Demographic and Economic Statistics - Last Ten Fiscal Years	Table 14	144
Principal Employers - Current Year and Nine Years Ago	Table 15	145
<u>Operating Information</u>		
Full-Time Equivalent County Employees by Function - Last Ten Fiscal Years	Table 16	146
Operating Indicators - Last Ten Fiscal Years	Table 17	148
Capital Asset Statistics - Last Ten Fiscal Years	Table 18	149

SINGLE AUDIT SECTION

Schedule of Expenditures of Federal Awards	151
Notes to Schedule of Expenditures of Federal Awards	153
Independent Auditor's Report - Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	155
Independent Auditor's Report - Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by OMB Circular A-133	157
Schedule of Findings and Questioned Costs	159
Summary Schedule of Prior Audit Findings	160

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December 15, 2015

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, 2015. 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.

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 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 growth in its economic base and has become an integral part of South Carolina and the Charlotte USA regional economy. The fiscal year 2015 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 \$361M in announced capital investment and 6,636 new jobs.

York County saw a steady decline in unemployment rates over the past year, from 6.2% in October 2014, to 6.0% in June, 2015. Significant announcements in 2015 included Schaeffler Group USA which announced 112 new jobs and \$68 million in investment as well as Broad River Furniture which is moving 213 jobs into York

County and investing over \$12.6 million in new facilities and equipment. York County is poised to continue to see considerable growth in Class A office projects as well as other industrial, commercial, warehousing and distribution development.

The York County Council continues to show support in assisting economic development recruitment endeavors. In FY 2015, construction had begun on three speculative industrial buildings, of which the County is integrally involved in two of the three projects and continues to work with developers who may be interested in partnering to bring more speculative buildings to the area. The County has also undertaken a site readiness initiative to look at market opportunities and deficiencies of available sites in the county so that we can address the development for more ready-to-go industrial land. Overall the future looks positive for over 400 acres of additional sites to be improved and market ready for future economic development.

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 2015, York County had the eighth 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 2015 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 began 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, FY 2009, FY 2014 and in FY 2015. Also in FY 2014, Council authorized a transfer from the General Fund in the amount of \$3.8 million to the Debt Service fund which was used to pay-off the balance of the 2002 General Obligation Bonds. By retiring the debt three years prior to maturity, the County realized interest savings as well as increased the legal debt capacity that will be needed for future capital work. In FY 2015, the County completed an advanced refunding of the 2008 General Obligation funds, which resulted in significant savings in interest costs.

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 9,140.77 acres through property acquisitions, donations and easements. Another 5,858.09 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.

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. That loan was fully repaid in FY 2015. As of June 30, 2015 the County had received \$87.2 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 2015, the County completed construction on a Catawba Bridge water line project 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 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. Funding for a water/sewer rate study is included in the FY 2016 budget.

In FY 2015, the County changed the benefit plan for retiree health insurance. The change, which is addressed in detail in the audit report, resulted in a significant decrease in the County's OPEB liability. The County continues to provide a benefit for eligible retirees. The one-time allowable adjustment to the net OPEB obligation as a result of the plan changes was a decrease of \$22.2 million.

In FY 2015, the County Manager facilitated a Strategic Planning Session with Council and staff. From that session, a vision statement and a mission statement were developed by Council and are listed below.

Vision Statement – York County provides an environment where all citizens and businesses can thrive and succeed. (A place to be!)

Mission Statement – York County provides quality public services in an open and responsive manner.

Additionally, the Council identified several key objectives to focus on to ensure the vision and mission statements reflect actual County practices.

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 inform management of any known significant impacts for the upcoming fiscal years in order to 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

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. Their reports related specifically to the single audit are included in the Single Audit section.

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, 2014. This was the thirtieth 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.

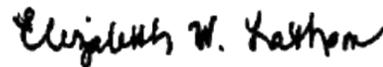
The preparation of the comprehensive annual financial report would not have been possible without the assistance of the County Auditor and County Assessor, as well as the staffs of the County Manager, Economic Development, Planning, Finance and Treasurer's Offices and Greene, Finney and Horton, LLP CPA 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, 2015**

County Council

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

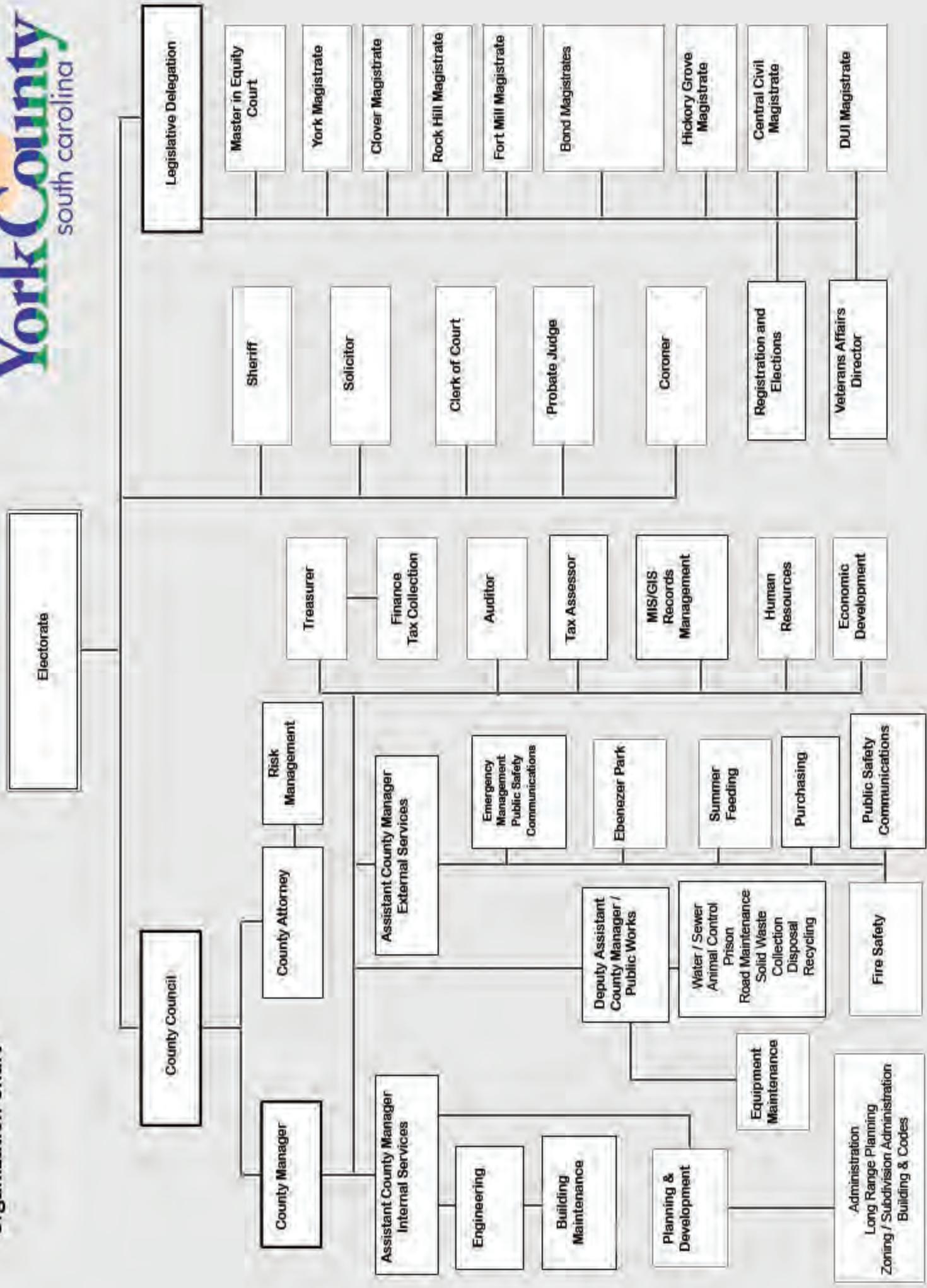
Elected Officials

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, 2014

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, 2015, 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, 2015, 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.

Change in Accounting Principle

As discussed in Note I.B to the financial statements, in the year ended June 30, 2015, the County adopted the provisions of Governmental Accounting Standards Board Statement No. 68 “*Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*” and Governmental Accounting Standards Board Statement No. 71 “*Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*.” Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, the budgetary comparison schedule – General Fund, the other postemployment benefit plan schedules, and the pension plan schedules, 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, 2015 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
Mauldin, South Carolina
December 15, 2015

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2015

Our discussion and analysis of York County's (the "County") annual financial report presents a narrative overview of the County's financial performance for the fiscal year ended June 30, 2015, 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 and deferred inflows of resources exceeded its liabilities and deferred inflows of resources (net position) at June 30, 2015 by approximately \$410 million as compared to approximately \$432 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, 2015 was approximately \$47 million.
- The County's total net position this fiscal year decreased approximately \$22 million over the previous year, consisting of approximately \$74 million due to the implementation of new accounting standards related to its pensions plans (see further discussion below), partially offset by current year revenues exceeding expenses of approximately \$52 million.
- At June 30, 2015 the County's governmental funds reported combined ending fund balances of approximately \$275 million, an increase of approximately \$21 million over the previous fiscal year as revenues and other financing sources totaling approximately \$194 million exceeded expenditures and other financing uses of approximately \$173 million. Total fund balances include approximately \$76 million for the General Fund, approximately \$169 million for the Capital Projects Funds, and approximately \$30 million for all other governmental funds.
- The General Fund reported an unassigned fund balance of approximately \$48 million compared to last year's unassigned amount of approximately \$44 million. This increase of approximately \$4 million was primarily due to salaries and benefits savings of approximately \$2.8 million as compared to budget for those expenditure categories.
- During 2015, the County's General Fund balance increased by approximately \$12 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 reasons for the increase were unspent loan proceeds for the Eastern Speculative Building of approximately \$2.5 million, salary savings of approximately \$2.8 million, unspent designated revenues (technology/vehicle/radio replacement, Economic Development Product Development, etc.) of approximately \$2.4 million, and budget savings of approximately \$0.6 million for fuel and approximately \$0.4 for insurance. Tax revenues were approximately \$0.8 million less than budget, but were offset by increased revenues for accommodations tax and licenses, fines and permits. Interest earnings were approximately \$0.5 more than budget due to increasing interest rates and moving to longer maturities for cash not needed for immediate use.
- The County's total capital assets were approximately \$226 million at June 30, 2015, which was virtually no change from the prior year, as current year additions of approximately \$15 million were offset by current year depreciation of approximately \$14 million and disposals of approximately \$1 million.
- The County's total long-term indebtedness was approximately \$63 million at June 30, 2015, a decrease of approximately \$6 million from the previous year due to net 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 amended its OPEB plan during 2015, capping the amounts the County will pay on behalf of retirees, among other changes. These changes resulted in a net decrease of approximately \$19 million in the net OPEB obligation from the prior year.
- The County implemented Governmental Accounting Standard Boards ("GASB") Statement No. 68 "*Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*" ("GASB #68") and GASB Statement No. 71 "*Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*" ("GASB #71" and collectively "Statements") in 2015. These Statements require the County to recognize a net pension liability, deferred outflows of resources, and deferred inflows of resources for their participation in the South Carolina Retirement System and South Carolina Police Officers Retirement System ("Plans"), cost-sharing multiple-employer defined benefit pension plans, on financial statements prepared on the economic resources measurement focus and accrual basis of accounting (i.e. the statement of net position) and presents more extensive note disclosures.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2015

FINANCIAL HIGHLIGHTS (CONTINUED)

The adoption of these Statements had no impact on the County's governmental fund financial statements, which continue to report expenditures in the amount of the contractually required contributions, as required by the South Carolina Public Employee Benefit Authority who administers the Plans. However, the adoption has resulted in the restatement of the County's net position as of July 1, 2014 for its government wide and enterprise funds financial statements to reflect the reporting of net pension liabilities and deferred outflows of resources for each of its qualified Plans in accordance with the provisions of these Statements. Net position of the County's governmental activities and enterprise funds as of July 1, 2014 was decreased by approximately \$71 million and \$2.5 million, respectively, reflecting the cumulative change in accounting principle related to the adoption of these Statements. See Note IV.E in the notes to the financial statements for more information regarding the County's retirement plans.

- 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.

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 and deferred outflows of resources less its liabilities and deferred inflows of resources at June 30, 2015. 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.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2015

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

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.

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.

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

MANAGEMENT’S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2015

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

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 assets and deferred outflows of resources and liabilities and deferred inflows of resources, both financial and capital, and short-term and long-term	All assets and deferred outflows of resources and liabilities and deferred inflows of resources that come due during the year or soon, thereafter; no capital assets included	All assets and deferred outflows of resources and liabilities and deferred inflows of resources, both financial and capital, and short-term and long-term	All assets and deferred outflows of resources (if any) and liabilities and deferred inflows of resources (if any), 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, 2015

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Comparative data for net position as of June 30, 2015 and 2014 are shown below.

	York County Net Position (In Thousands)					
	Governmental Activities		Business-Type Activities		Total	
	2015*	2014	2015*	2014	2015*	2014
Assets:						
Current and Other Assets	\$ 311,007	286,477	50,075	42,926	361,082	\$ 329,403
Capital Assets, Net	127,860	127,773	97,754	98,177	225,614	225,950
Total Assets	<u>438,867</u>	<u>414,250</u>	<u>147,829</u>	<u>141,103</u>	<u>586,696</u>	<u>555,353</u>
Deferred Outflows of Resources:						
Deferred Refunding Charges	2,997	-	557	612	3,554	612
Deferred Pension Charges	6,943	-	225	-	7,168	-
Total Deferred Outflows of Resources	<u>9,940</u>	<u>-</u>	<u>782</u>	<u>612</u>	<u>10,722</u>	<u>612</u>
Liabilities:						
Current Liabilities	24,651	21,795	1,598	2,014	26,249	23,809
Net Pension Liability	71,635	-	2,560	-	74,195	-
Non-Current Liabilities	60,004	78,620	19,897	21,779	79,901	100,399
Total Liabilities	<u>156,290</u>	<u>100,415</u>	<u>24,055</u>	<u>23,793</u>	<u>180,345</u>	<u>124,208</u>
Deferred Inflows of Resources:						
Deferred Pension Credits	6,871	-	216	-	7,087	-
Total Deferred Inflows of Resources	<u>6,871</u>	<u>-</u>	<u>216</u>	<u>-</u>	<u>7,087</u>	<u>-</u>
Net Position:						
Net Investment in Capital Assets	87,376	87,434	81,987	81,013	169,363	168,447
Restricted	193,423	177,435	688	805	194,111	178,240
Unrestricted	4,847	48,966	41,665	36,104	46,512	85,070
Total Net Position	<u>\$ 285,646</u>	<u>313,835</u>	<u>124,340</u>	<u>117,922</u>	<u>409,986</u>	<u>\$ 431,757</u>

* The County implemented GASB #68/71 in FY 2015.

The County reported positive balances in all categories of net position in both governmental and business-type activities for 2015. The County's total unrestricted net position was approximately \$47 million as of June 30, 2015, decreasing approximately \$38 million from the prior year, due primarily to the implementation of GASB #68/71. Unrestricted net position is 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 (41%) 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 \$52 million from the prior year, after excluding the restatement for the implementation of GASB #68/71 of approximately \$74 million, consisting of approximately \$43 million for governmental activities and approximately \$9 million for business-type activities.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2015

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, 2015 and 2014.

**York County
Statement of Activities (In Thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2015*	2014	2015*	2014	2015*	2014
Revenues:						
Program Revenues:						
Charges for Services	\$ 13,110	12,611	22,915	20,861	36,025	\$ 33,472
Operating Grants and Contributions	11,937	10,965	-	-	11,937	10,965
Capital Grants and Contributions	900	-	2,183	2,349	3,083	2,349
General Revenues:						
Property Taxes	90,662	85,004	-	-	90,662	85,004
Sales Tax / Other Fund Revenues	38,968	36,170	-	-	38,968	36,170
Investment Income	1,187	368	113	68	1,300	436
Other	441	2,004	15	37	456	2,041
Total Revenues	157,205	147,122	25,226	23,315	182,431	170,437
Expenses:						
General Government	26,655	33,944	-	-	26,655	33,944
Public Safety	31,601	40,919	-	-	31,601	40,919
Highways and Streets, and Sanitation	34,706	34,733	-	-	34,706	34,733
Health and Welfare	1,975	1,895	-	-	1,975	1,895
Culture and Recreation	14,957	15,361	-	-	14,957	15,361
Conservation, Transportation and Growth	2,651	3,465	-	-	2,651	3,465
Interest and Fiscal Charges	1,817	2,666	-	-	1,817	2,666
Water and Sewer	-	-	11,059	12,835	11,059	12,835
Solid Waste Disposal	-	-	5,202	5,557	5,202	5,557
Total Expenses	114,362	132,983	16,261	18,392	130,623	151,375
Increase in Net Position before Transfers	42,843	14,139	8,965	4,923	51,808	19,062
Transfers	23	24	(23)	(24)	-	-
Change in Net Position	42,866	14,163	8,942	4,899	51,808	19,062
Net Position, Beginning of Year, As Originally Reported	313,835	299,672	117,922	113,023	431,757	412,695
Cumulative Change in Accounting Principle - GASB #68/71	(71,055)	-	(2,524)	-	(73,579)	-
Net Position, Beginning of Year, As Adjusted	242,780	299,672	115,398	113,023	358,178	412,695
Net Position, End of Year	\$ 285,646	313,835	124,340	117,922	409,986	\$ 431,757

* The County implemented GASB #68/71 in FY 2015.

Governmental Activities. The County recognized an overall increase in revenues for governmental activities of approximately \$10 million (7%) in 2015 as compared to 2014 primarily due to an approximately \$6.0 million increase in property taxes due to an increase in the tax base, combined with an increase in millage. Sales taxes also increased approximately \$3 million due to improvements in the local economy.

Expenses decreased approximately \$19 million (14%) in 2015 compared to 2014 primarily due to changes in the OPEB plan, which resulted in a one-time decrease for governmental activities of approximately \$21 million. Also, a significant portion of the County's 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, 2015

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Business-type Activities. Charges for services (sales and service charges) increased approximately \$2 million (10%) for 2015, with an increase of approximately \$2 million in 2015, due to an increase in Water/Sewer revenues due to customer growth and usage.

Expenses decreased approximately \$2 million, primarily due to (1) a decrease in water charges of approximately \$2 million due to purchasing all Water from the City of Rock Hill as compared to water than had previously been purchased from other governments for significantly higher per gallon rates; and (2) one-time decrease in the OPEB plan of approximately \$1 million. These decreases were partially offset by net increases for all other expenses of approximately \$1 million.

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 \$275 million, or 8% above last year as shown in the table below (in thousands).

	2015	2014	Change
General	\$ 76,498	64,463	\$ 12,035
Road Projects	153,555	145,557	7,998
Rural Fire Districts	2,888	2,684	204
Rural Fire Board	5,473	4,054	1,419
Debt Service Fund	2,930	2,797	133
Capital Improvement Fund	15,248	18,936	(3,688)
Other Nonmajor Funds	18,509	16,037	2,472
Total	<u>\$ 275,101</u>	<u>254,528</u>	<u>\$ 20,573</u>

The increase in the general fund is due primarily to the increase in property taxes collected of approximately \$6 million, the issuance of notes payable of approximately \$3 million, and the decrease of expenditures during 2015. The most significant reason for the increase in fund balance in the Road Projects funds was due to FY 2015 sales tax collections for the Pennies 3 fund of approximately \$28 million exceeding FY 2015 expenditures in the 2003 Capital Projects Sales Tax Fund of approximately \$9 million and FY 2015 expenditures in the Pennies 3 fund of approximately \$11 million.

The increase in the Rural Fire Board fund was due to not receiving the fire trucks that were included in the FY 2015 budget. The decrease in the Capital Improvement fund is due to spending approximately \$3.6 million for a new fire training center.

The Debt Service Fund experienced a net increase to fund balance of approximately \$133 thousand (4.8%).

The increases in the Other Nonmajor funds are mostly made up of an increase in the Hospitality Tax fund of approximately \$1,124 thousand, due to higher than budgeted revenues combined with lower than budgeted expenditures, and an increase in the Solid Waste fund of approximately \$627 thousand, due primarily to unspent capital budgets of \$290 thousand and lower than budgeted landfill disposal fees of approximately \$142 thousand.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2015

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 2015 as well as the final amended budget. The difference between the original budget and the final budget was approximately \$0.9 million (0.9%).

During fiscal year 2015, General Fund revenues of approximately \$88 million were less than budgetary estimates by approximately \$7 million due primarily to intergovernmental revenues of approximately \$14 million coming in less than the budgeted amount of approximately \$22 million. Most of the variance would have been funded by grant sources such as Department of Commerce grants.

General Fund expenditures of approximately \$80 million were less than budgetary estimates by approximately \$27 million. General Government budgetary savings were due primarily to approximately \$0.9 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 \$1.5 million for salaries and benefits, savings of approximately \$0.1 million related to food and services for Detention Center inmates due to lower populations, savings of approximately \$0.3 million for fuel, and approximately \$0.4 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 chemicals, asphalt, pipe and sign materials and approximately \$0.2 million in fuel savings.

Health and Welfare budget savings were mostly made up of approximately \$0.1 million of unspent Summer Feeding expenditures which was the result of a reduced number of meals being served in FY 2015.

Culture and Recreation savings were due to delaying erosion control efforts at Ebenezer Park (approximately \$0.2 million) and additional savings of approximately \$0.5 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 \$4.7 million for Economic Development Projects, approximately \$4.3 million for Tourism Infrastructure Admission Tax (Carowinds) infrastructure projects and approximately \$0.4 million for Rural Development Act projects. All these expenditures budgets would have been funded by Department of Commerce grants, a percentage of Carowinds 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 \$5.8 million designated for two speculative buildings that should be spent in FY 2016, and savings of approximately \$1.6 million for technology, vehicle and radio replacement funds that will be spent in future years.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. At the end of 2015, the County had approximately \$226 million invested in capital assets, net of depreciation., which was virtually unchanged from the prior year end, as current year additions of approximately \$15 million were offset by current year depreciation expense of approximately \$14 million and disposals of approximately \$1 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 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, 2015

CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)

The table below reflects the capital asset balances as of June 30, 2015 and 2014 (in thousands).

	Governmental		Business-type		Total	
	Activities		Activities			
	2015	2014	2015	2014	2015	2014
Land	\$ 8,420	8,289	576	576	8,996	\$ 8,865
Construction in Progress	5,846	2,576	1,615	18,466	7,461	21,042
Buildings and Improvements	105,464	103,161	3,230	3,230	108,694	106,391
Furniture, Fixtures and Equipment	60,880	59,552	5,664	5,595	66,544	65,147
Water and Sewer Systems	-	-	120,030	100,937	120,030	100,937
Infrastructure	96,818	94,139	-	-	96,818	94,139
Accumulated Depreciation	(149,568)	(139,944)	(33,361)	(30,627)	(182,929)	(170,571)
Total	\$ 127,860	127,773	97,754	98,177	225,614	\$ 225,950

The County also has total outstanding construction commitments at June 30, 2015 of approximately \$38 million and awarded an additional \$27 million in construction contracts subsequent to June 30, 2015. 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, 2015, the County had approximately \$63 million in bonds and financing lease - notes payable outstanding versus approximately \$69 million at June 30, 2014, or a decrease of approximately \$6 million. The table below reflects the outstanding balances (in thousands) as of June 30, 2015 and 2014.

	Governmental		Business-type		Total	
	Activities		Activities			
	2015	2014	2015	2014	2015	2014
General Obligation Bonds	\$ 39,700	44,725	-	-	39,700	\$ 44,725
Financing Lease - Notes Payable	7,897	7,096	-	-	7,897	7,096
Revenue Bonds	-	-	15,730	17,110	15,730	17,110
Total	\$ 47,597	51,821	15,730	17,110	63,327	\$ 68,931

In July 2014, the County issued its General Obligation Advance Refunding Bonds, Series 2014 in the amount of approximately \$27.8 million (par value), receiving a premium of approximately \$4.3 million, to provide funds to advance refund approximately \$28.6 million of the outstanding Series 2008 General Obligation Bonds. The County placed the net proceeds of approximately \$32.1 million in an irrevocable trust for the purpose of generating resources for all future debt service payments related to these bonds. As a result, this portion of the Series 2008 General Obligation Bonds is considered to be defeased until redemption in November 2016. Accordingly, the liability for this portion of the Series 2008 General Obligation Bonds has been removed from the governmental activities column in the Statement of Net Position. This refunding was undertaken to take advantage of lower interest rates, which will reduce total debt service payments over the next 9 years by approximately \$2.9 million.

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 \$95 million, and the unused legal debt margin was approximately \$55 million as of June 30, 2015.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2015

ECONOMIC FACTORS AND THE 2016 BUDGET

Factors considered in preparing York County's budget for the 2016 fiscal year included:

- While lower than the State unemployment rate of 6.6%, the County's unemployment rate at June 30, 2015 was 6.0% versus 5.9% 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 2015, the Office of Research and Statistics estimated the growth to be 2.48% while the average growth in South Carolina was 1.27%.
- Interest rates have shown steady increases, but remain low.

The factors above were considered in adopting the FY 2016 budget, which provided for appropriations of approximately \$115 million for the General Fund or 5.8% above the amended FY 2015 budget. A significant portion of the increase was due to budgeting a transfer of \$5 million from the General Fund to the Capital Improvement Fund and an additional \$1.0 million to fund salary adjustments that may be approved by Council after receiving the recommendation from the consultants who reviewed the County's compensation and classification system. A millage increase of 1.4 mills was adopted for the County's General Fund and an appropriation of fund balance of approximately \$7.8 million was included in the approved FY 2016 budget. Additionally, the adopted budget included resources to meet the Council's goals of providing a responsive and proactive 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.

The County continues to move forward on significant road projects. In first half of FY 2016, the County began the planning process for a fourth Capital Projects Sales Tax Program.

During FY 2014, staff from the County and City of Rock Hill approved a new agreement related to water and waste water services to the County. County staff is working with consultants to develop a recommendation for adjusted Water/Wastewater rates and will need to include in their FY 2017 budget recommendation an increase in Water/Sewer rates. The last rate increase was in 2002.

SUBSEQUENT EVENT

On November 3, 2015, York County voters approved a referendum to issue additional General Obligation Bonds in the amount of approximately \$90 million. County Council expects to issue General Obligation bonds in fiscal 2016 to renovate, upgrade and expand the Moss Justice Center, new Recycling Center, new Family Court Facility, renovations to the Heckle Complex, and other capital improvements.

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, 2015

	PRIMARY GOVERNMENT			COMPONENT UNITS
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	
ASSETS				
Cash and Investments	\$ 290,596,689	26,721,580	317,318,269	\$ 3,206,346
Restricted Cash and Investments	13,104,446	741,109	13,845,555	-
Receivables, Net of Allowances:				
Property Taxes	6,842,516	-	6,842,516	-
Accounts	-	2,409,685	2,409,685	66,943
Intergovernmental	17,590,875	22,071	17,612,946	-
Other	1,979,340	-	1,979,340	-
Due From York County	-	-	-	159,791
Internal Balances	(20,181,174)	20,181,174	-	-
Inventories	246,721	-	246,721	64,463
Prepaid Items	30,390	-	30,390	31,336
Other Assets	797,021	-	797,021	-
Capital Assets:				
Non-Depreciable	14,265,839	2,191,969	16,457,808	-
Depreciable, Net of Accumulated Depreciation	113,594,571	95,561,612	209,156,183	923,457
TOTAL ASSETS	438,867,234	147,829,200	586,696,434	4,452,336
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Refunding Charges	2,996,883	557,431	3,554,314	-
Deferred Pension Charges	6,942,898	224,655	7,167,553	697,928
TOTAL DEFERRED OUTFLOWS OF RESOURCES	9,939,781	782,086	10,721,867	697,928
LIABILITIES				
Accounts Payable	11,968,442	1,494,789	13,463,231	97,535
Accrued Liabilities	1,804,612	50,914	1,855,526	134,410
Due to Culture and Heritage Commission (Component Unit)	159,791	-	159,791	-
Accrued Interest Payable	400,976	52,731	453,707	-
Funds Held in Escrow	10,275,178	-	10,275,178	-
Unearned Revenue	42,372	-	42,372	26,705
Net Pension Liability	71,634,654	2,559,939	74,194,593	7,944,295
Long-term Liabilities				
Net Other Postemployment Benefit Obligation	4,797,475	145,997	4,943,472	1,004,994
Due Within One Year	8,605,829	1,373,574	9,979,403	247,574
Due in More Than One Year	46,600,490	18,377,288	64,977,778	170,121
TOTAL LIABILITIES	156,289,819	24,055,232	180,345,051	9,625,634
DEFERRED INFLOWS OF RESOURCES				
Deferred Pension Credits	6,871,152	215,822	7,086,974	669,762
NET POSITION				
Net Investment in Capital Assets	87,375,989	81,987,204	169,363,193	923,457
Restricted for:				
Debt Service	3,175,584	688,378	3,863,962	-
Road Improvements	161,348,133	-	161,348,133	-
Economic Development	5,553,450	-	5,553,450	-
Tourism Promotion	6,424,157	-	6,424,157	-
Fire Board / Fire Districts	8,360,767	-	8,360,767	-
Culture and Recreation Support	4,805,737	-	4,805,737	40,383
Emergency Telephone System	3,031,399	-	3,031,399	-
Other	723,805	-	723,805	-
Unrestricted	4,847,023	41,664,650	46,511,673	(6,108,972)
TOTAL NET POSITION	\$ 285,646,044	124,340,232	409,986,276	\$ (5,145,132)

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, 2015

	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			
					GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	
PRIMARY GOVERNMENT:								
Governmental Activities:								
General Government	\$ 26,654,770	8,713,309	5,274,950	-	(12,666,511)	-	\$ (12,666,511)	
Public Safety	31,600,842	2,258,844	1,017,348	-	(28,324,650)	-	(28,324,650)	
Highways, Streets and Sanitation	34,705,845	835,027	5,033,459	-	(28,837,359)	-	(28,837,359)	
Health and Welfare	1,974,816	865,206	423,957	-	(685,653)	-	(685,653)	
Culture and Recreation	14,957,620	338,130	186,866	900,000	(13,532,624)	-	(13,532,624)	
Conservation, Transportation and Growth	2,651,008	100,000	-	-	(2,551,008)	-	(2,551,008)	
Interest and Fiscal Charges	1,817,205	-	-	-	(1,817,205)	-	(1,817,205)	
Total Governmental Activities	114,362,106	13,110,516	11,936,580	900,000	(88,415,010)	-	(88,415,010)	
Business-Type Activities:								
Water and Sewer	11,059,540	17,074,509	-	2,183,171	-	8,198,140	8,198,140	
Solid Waste	5,201,682	5,840,450	-	-	-	638,768	638,768	
Total Business-Type Activities	16,261,222	22,914,959	-	2,183,171	-	8,836,908	8,836,908	
Total Primary Government	130,623,328	36,025,475	11,936,580	3,083,171	(88,415,010)	8,836,908	(79,578,102)	
Component Units:								
York County Library	4,040,452	182,138	322,891	-			\$ (3,535,423)	
Culture and Heritage Commission	2,147,850	521,205	181,006	-			(1,445,639)	
Total Component Units	\$ 6,188,302	703,343	503,897	-			(4,981,062)	
General Revenues:								
Property Taxes Levied For:								
General Purposes					60,495,946	-	60,495,946	-
Debt Service					8,008,892	-	8,008,892	-
Fire Protection					5,547,178	-	5,547,178	-
Solid Waste					2,704,641	-	2,704,641	-
Culture and Recreation					13,905,668	-	13,905,668	-
County Appropriation					-	-	-	7,761,634
Accommodations, Sales and Hospitality Taxes					30,564,027	-	30,564,027	-
Intergovernmental - Not Restricted to Specific Programs					8,403,821	-	8,403,821	1,023
Investment Income					1,187,151	112,761	1,299,912	-
Miscellaneous					440,560	15,618	456,178	47,493
Transfers					23,352	(23,352)	-	-
Total General Revenues and Transfers					131,281,236	105,027	131,386,263	7,810,150
CHANGE IN NET POSITION					42,866,226	8,941,935	51,808,161	2,829,088
NET POSITION - Beginning of Year, As Originally Reported					313,835,284	117,922,164	431,757,448	(141,860)
Cumulative Change in Accounting Principle - GASB #68/71					(71,055,466)	(2,523,867)	(73,579,333)	(7,832,360)
NET POSITION - Beginning of Year, As Adjusted					242,779,818	115,398,297	358,178,115	(7,974,220)
NET POSITION - End of Year					\$ 285,646,044	124,340,232	409,986,276	\$ (5,145,132)

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, 2015

	GENERAL FUND	2003 CAPITAL PROJECTS SALES TAX FUND	PENNIES 3 CAPITAL PROJECTS SALES TAX FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS					
Cash and Investments	\$ 290,596,689	-	-	-	\$ 290,596,689
Restricted Cash and Investments	13,104,446	-	-	-	13,104,446
Receivables, Net of Allowances:					
Property Taxes	4,357,847	-	-	2,484,669	6,842,516
Intergovernmental	4,045,246	-	12,832,356	713,273	17,590,875
Other	1,734,013	-	-	245,327	1,979,340
Due from Other Funds	2,931	79,775,228	59,332,879	60,054,641	199,165,679
Inventories	246,721	-	-	-	246,721
Prepaid Items	30,390	-	-	-	30,390
Other Assets	797,021	-	-	-	797,021
TOTAL ASSETS	\$ 314,915,304	79,775,228	72,165,235	63,497,910	\$ 530,353,677
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 2,788,674	5,366,883	2,165,615	1,647,270	\$ 11,968,442
Accrued Liabilities	1,735,114	8,110	-	61,388	1,804,612
Due to Culture and Heritage Commission	159,791	-	-	-	159,791
Unearned Revenue	42,372	-	-	-	42,372
Funds Held in Escrow	10,275,178	-	-	-	10,275,178
Due to Other Funds	219,343,922	-	-	2,931	219,346,853
TOTAL LIABILITIES	234,345,051	5,374,993	2,165,615	1,711,589	243,597,248
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Taxes	4,072,501	-	-	2,342,277	6,414,778
Unavailable Revenue - Sales Taxes	-	-	5,240,822	-	5,240,822
TOTAL DEFERRED INFLOWS OF RESOURCES	4,072,501	-	5,240,822	2,342,277	11,655,600
FUND BALANCES					
Nonspendable	277,111	-	-	-	277,111
Restricted	6,181,743	74,400,235	64,758,798	50,548,998	195,889,774
Committed	14,616,162	-	-	8,895,046	23,511,208
Assigned	7,832,796	-	-	-	7,832,796
Unassigned	47,589,940	-	-	-	47,589,940
TOTAL FUND BALANCES	76,497,752	74,400,235	64,758,798	59,444,044	275,100,829
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 314,915,304	79,775,228	72,165,235	63,497,910	\$ 530,353,677

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, 2015

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS **\$ 275,100,829**

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 \$277,428,491 and the accumulated depreciation was \$149,568,081. 127,860,410

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	6,414,778
Sales Taxes	5,240,822

Deferred refunding charges are amortized over the lives of the bonds in the Statement of Net Position; however, for the governmental funds, deferred refunding charges are expenditures in the year they are incurred. The deferred refunding charges have been shown net of accumulated amortization in the Statement of Net Position. 2,996,883

The County's proportionate shares of the net pension liability, deferred outflows of resources, and deferred inflows of resources related to its participation in the State pension plans are not recorded in the governmental funds but are recorded in the Statement of Net Position. (71,562,908)

Some liabilities are not due and payable in the current period and therefore are not reported in the governmental funds. Those liabilities consist of the following:

Bonds and Financing Leases / Notes Payable	(47,596,596)	
Premiums	(3,837,504)	
Accrued Interest	(400,976)	
Net Other Postemployment Benefit Obligation	(4,797,475)	
Compensated Absences	(3,772,219)	(60,404,770)

TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES **\$ 285,646,044**

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, 2015

	GENERAL FUND	2003 CAPITAL PROJECTS SALES TAX FUND	PENNIES 3 CAPITAL PROJECTS SALES TAX FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES					
Property Taxes	\$ 59,885,144	-	-	30,114,168	\$ 89,999,312
Accommodations, Sales and Hospitality Taxes	312,820	-	27,768,016	2,174,067	30,254,903
Licenses, Fines and Permits	13,110,517	-	-	-	13,110,517
Intergovernmental	13,969,009	-	-	6,371,391	20,340,400
Investment Income	580,969	256,731	179,881	169,570	1,187,151
Miscellaneous	433,883	-	-	20,000	453,883
TOTAL REVENUES	88,292,342	256,731	27,947,897	38,849,196	155,346,166
EXPENDITURES					
Current:					
General Government	32,024,069	-	-	223,194	32,247,263
Public Safety	29,767,583	-	-	4,266,608	34,034,191
Highways, Streets and Sanitation	8,546,121	8,475,074	11,307,646	2,283,775	30,612,616
Health and Welfare	1,987,063	-	-	2,408	1,989,471
Culture and Recreation	557,280	-	-	14,198,922	14,756,202
Conservation, Transportation and Growth	2,680,981	-	-	-	2,680,981
Capital Outlay	4,102,956	-	-	9,973,211	14,076,167
Debt Service:					
Principal Retirement	52,357	-	-	6,307,318	6,359,675
Interest and Fiscal Charges	618	-	-	1,783,272	1,783,890
Bond Issuance Costs	-	-	-	262,878	262,878
TOTAL EXPENDITURES	79,719,028	8,475,074	11,307,646	39,301,586	138,803,334
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	8,573,314	(8,218,343)	16,640,251	(452,390)	16,542,832
OTHER FINANCING SOURCES (USES)					
Issuance of Note Payable	3,000,000	-	-	-	3,000,000
Premium on Bonds Issued	-	-	-	4,298,005	4,298,005
Issuance of Refunding Bonds	-	-	-	27,775,000	27,775,000
Payment to Refunded Debt Escrow Agent	-	-	-	(32,052,488)	(32,052,488)
Proceeds from Sale of Capital Assets	951,076	-	-	27,075	978,151
Insurance Proceeds	7,911	-	-	-	7,911
Transfers In	177,870	-	-	1,950,947	2,128,817
Transfers Out	(675,000)	-	-	(1,430,465)	(2,105,465)
TOTAL OTHER FINANCING SOURCES (USES)	3,461,857	-	-	568,074	4,029,931
NET CHANGE IN FUND BALANCE	12,035,171	(8,218,343)	16,640,251	115,684	20,572,763
FUND BALANCE - Beginning of Year	64,462,581	82,618,578	48,118,547	59,328,360	254,528,066
FUND BALANCE - End of Year	\$ 76,497,752	74,400,235	64,758,798	59,444,044	\$ 275,100,829

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, 2015

TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS	\$ 20,572,763
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.	972,141
Repayment and defeasement of long-term debt is an expenditure or other financing use in the governmental funds, but the repayment and defeasement reduces long-term liabilities in the Statement of Net Position.	38,412,163
Proceeds from the issuance of debt provide current financial resources to governmental funds, but entering into debt increases long-term liabilities in the Statement of Net Position. This amount represents the proceeds received in the current year.	(35,073,005)
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.	128,688
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.	460,501
Deferred refunding charges are not recognized by the governmental funds but are amortized over the life of the refunded debt in the Statement of Activities. This amount represents the amortization for the year.	(359,626)
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.	(73,124)
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.	18,245,768
Changes in the County's proportionate shares of the net pension liability, deferred outflows of resources, and deferred inflows of resources for the current year are not reported in the governmental funds but are reported in the governmental funds but are reported in the Statement of Activities.	(507,442)
In the Statement of Activities the gain (loss) on disposal of capital assets is reported, whereas in the governmental funds, proceeds from the disposal of capital assets increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the assets disposed.	(999,389)
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 \$10,885,044 and donated assets of \$900,000 exceeded depreciation expense of \$10,698,256.	1,086,788
TOTAL CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 42,866,226

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, 2015

	WATER AND SEWER	NONMAJOR SOLID WASTE DISPOSAL	TOTAL PROPRIETARY FUNDS
ASSETS			
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 26,721,580	-	\$ 26,721,580
Restricted Cash and Cash Equivalents - Revenue Bond Debt Service	741,109	-	741,109
Accounts Receivable, Net of Allowance	1,867,907	541,778	2,409,685
Intergovernmental Receivable	-	22,071	22,071
Due from Other Funds	5,557,409	14,623,765	20,181,174
TOTAL CURRENT ASSETS	34,888,005	15,187,614	50,075,619
NON-CURRENT ASSETS:			
Capital Assets:			
Non-Depreciable Capital Assets	1,615,331	576,638	2,191,969
Depreciable Capital Assets, Net of Accumulated Depreciation	94,726,775	834,837	95,561,612
TOTAL NON-CURRENT ASSETS	96,342,106	1,411,475	97,753,581
TOTAL ASSETS	131,230,111	16,599,089	147,829,200
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Refunding Charges	557,431	-	557,431
Deferred Pension Charges	144,410	80,245	224,655
TOTAL DEFERRED OUTFLOWS OF RESOURCES	701,841	80,245	782,086
LIABILITIES			
CURRENT LIABILITIES:			
Accounts Payable	1,067,620	427,169	1,494,789
Accrued Payroll Liabilities	33,354	17,560	50,914
Accrued Interest Payable	52,731	-	52,731
Current Portion of Compensated Absences	29,910	36,143	66,053
Current Portion of Landfill Closure and Postclosure Cost Liability	-	127,521	127,521
Current Portion of Bonds Payable	1,180,000	-	1,180,000
TOTAL CURRENT LIABILITIES	2,363,615	608,393	2,972,008
NON-CURRENT LIABILITIES:			
Refundable Deposits	1,154,666	-	1,154,666
Unfunded Other Postemployment Benefits Obligation	89,232	56,765	145,997
Compensated Absences	19,123	23,107	42,230
Landfill Closure and Postclosure Cost Liability	-	2,036,584	2,036,584
Bonds Payable	15,143,808	-	15,143,808
Net Pension Liability	1,645,549	914,390	2,559,939
TOTAL NON-CURRENT LIABILITIES	18,052,378	3,030,846	21,083,224
TOTAL LIABILITIES	20,415,993	3,639,239	24,055,232
DEFERRED INFLOWS OF RESOURCES			
Deferred Pension Credits	138,732	77,090	215,822
NET POSITION			
Net Investment in Capital Assets	80,575,729	1,411,475	81,987,204
Restricted for Debt Service	688,378	-	688,378
Unrestricted Assets	30,113,120	11,551,530	41,664,650
TOTAL NET POSITION	\$ 111,377,227	12,963,005	\$ 124,340,232

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, 2015

	WATER AND SEWER	NONMAJOR SOLID WASTE DISPOSAL	TOTAL PROPRIETARY FUNDS
OPERATING REVENUES			
Sales and Service Charges and Fees	\$ 13,286,855	5,829,667	\$ 19,116,522
Impact and Capacity Fees	3,461,301	-	3,461,301
Other Operating Revenues	326,353	10,783	337,136
TOTAL OPERATING REVENUES	<u>17,074,509</u>	<u>5,840,450</u>	<u>22,914,959</u>
OPERATING EXPENSES			
Purchased Water and Sewer	4,988,562	-	4,988,562
Solid Waste Transfer Fee	-	3,812,294	3,812,294
Salaries and Fringe Benefits	1,361,526	716,691	2,078,217
Utilities	414,065	29,291	443,356
Depreciation	2,689,339	208,652	2,897,991
Maintenance and Repairs	444,336	97,700	542,036
Fuel and Oil	56,541	97,744	154,285
Tires	5,620	677	6,297
Tire Disposal Fee	-	135,877	135,877
Specialized Supplies	548,488	46,452	594,940
Insurance	35,023	20,772	55,795
Consulting and Contract Services	95,741	119,242	214,983
Other Post Employment Benefit Obligation Costs	(327,634)	(197,757)	(525,391)
Landfill Closure and Postclosure Costs	-	87,665	87,665
Other	109,266	26,382	135,648
TOTAL OPERATING EXPENSES	<u>10,420,873</u>	<u>5,201,682</u>	<u>15,622,555</u>
OPERATING INCOME	<u>6,653,636</u>	<u>638,768</u>	<u>7,292,404</u>
NON-OPERATING REVENUES (EXPENSES)			
Investment Income	67,979	44,782	112,761
Interest Expense	(638,667)	-	(638,667)
Gain on Sale of Capital Assets	15,618	-	15,618
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>(555,070)</u>	<u>44,782</u>	<u>(510,288)</u>
INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>6,098,566</u>	<u>683,550</u>	<u>6,782,116</u>
CAPITAL CONTRIBUTIONS AND TRANSFERS			
Capital Contributions	2,183,171	-	2,183,171
Transfers Out	(17,577)	(5,775)	(23,352)
TOTAL CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>2,165,594</u>	<u>(5,775)</u>	<u>2,159,819</u>
CHANGE IN NET POSITION	<u>8,264,160</u>	<u>677,775</u>	<u>8,941,935</u>
NET POSITION, Beginning of Year, as Previously Reported	104,735,429	13,186,735	117,922,164
Cumulative Change in Accounting Principle - GASB #68/71	(1,622,362)	(901,505)	(2,523,867)
NET POSITION, Beginning of Year, as Restated	<u>103,113,067</u>	<u>12,285,230</u>	<u>115,398,297</u>
NET POSITION, End of Year	<u>\$ 111,377,227</u>	<u>12,963,005</u>	<u>\$ 124,340,232</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 CASH FLOWS - PROPRIETARY FUNDS

YEAR ENDED JUNE 30, 2015

	WATER AND SEWER	NONMAJOR SOLID WASTE WASTE	TOTAL PROPRIETARY TOTALS
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers and Users	\$ 16,861,562	5,906,429	\$ 22,767,991
Cash Paid to Suppliers	(6,218,457)	(4,460,187)	(10,678,644)
Cash Paid to Employees	(1,324,070)	(702,041)	(2,026,111)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>9,319,035</u>	<u>744,201</u>	<u>10,063,236</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Change in Due from General Fund	6,551,643	(717,363)	5,834,280
Transfers Between Funds	(17,577)	(5,775)	(23,352)
NET CASH PROVIDED BY (USED IN) NON-CAPITAL FINANCING ACTIVITIES	<u>6,534,066</u>	<u>(723,138)</u>	<u>5,810,928</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from the Sale of Assets	333,640	-	333,640
Acquisition and Construction of Capital Assets	(1,516,034)	(65,845)	(1,581,879)
Principal Paid - Bonds Payable	(1,380,000)	-	(1,380,000)
Interest Paid - Bonds Payable	(661,350)	-	(661,350)
NET CASH (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(3,223,744)</u>	<u>(65,845)</u>	<u>(3,289,589)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment Income	67,979	44,782	112,761
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>67,979</u>	<u>44,782</u>	<u>112,761</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	12,697,336	-	12,697,336
CASH AND CASH EQUIVALENTS, Beginning of Year	<u>14,765,353</u>	<u>-</u>	<u>14,765,353</u>
CASH AND CASH EQUIVALENTS, End of Year	<u>\$ 27,462,689</u>	<u>-</u>	<u>\$ 27,462,689</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position			
Cash and Cash Equivalents	\$ 26,721,580	-	\$ 26,721,580
Restricted Cash and Cash Equivalents	741,109	-	741,109
	<u>\$ 27,462,689</u>	<u>-</u>	<u>\$ 27,462,689</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, 2015

	WATER AND SEWER	NONMAJOR SOLID WASTE WASTE	TOTAL PROPRIETARY TOTALS
Reconciliation of Operating Income to Net Cash Provided By Operating Activities:			
Operating Income	\$ 6,653,636	638,768	\$ 7,292,404
Adjustments to Reconcile Operating Income to Net Cash Provided By (Used in) Operating Activities:			
Depreciation	2,689,339	208,652	2,897,991
(Increase) Decrease in Assets:			
Accounts Receivable	(352,672)	60,490	(292,182)
Intergovernmental Receivable	-	5,489	5,489
Deferred Pension Charges	(52,431)	(29,134)	(81,565)
Increase (Decrease) in Liabilities:			
Accounts Payable and Accrued Liabilities	479,185	71,303	550,488
Accrued Payroll Liabilities	9,104	2,948	12,052
Compensated Absences	10,843	1,972	12,815
Landfill Closure and Postclosure Cost Liability	-	(57,394)	(57,394)
Other Postemployment Benefit Obligation	(327,634)	(197,757)	(525,391)
Customer Deposits	139,725	-	139,725
Net Pension Liability	(68,792)	(38,226)	(107,018)
Deferred Pension Credits	138,732	77,090	215,822
Total Adjustments	<u>2,665,399</u>	<u>105,433</u>	<u>2,770,832</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 9,319,035</u>	<u>744,201</u>	<u>\$ 10,063,236</u>

Schedule of Noncash Investing, Capital and Financing Activities:

Acquisition of Capital Assets Through Developer Contributions	\$ 2,183,171	-	\$ 2,183,171
Change in Capital Acquisitions Included in Accounts Payable	(972,613)	-	(972,613)
Amortization of Bond Premium	(72,156)	-	(72,156)
Amortization of Deferred Refunding Charges	\$ 54,236	-	\$ 54,236

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, 2015

	<u>AGENCY FUNDS</u>
ASSETS	
Cash and Cash Equivalents	\$ 187,449,127
Taxes Receivable	28,824,400
TOTAL ASSETS	<u><u>\$ 216,273,527</u></u>
LIABILITIES	
Intergovernmental Payable	\$ 216,273,527
TOTAL LIABILITIES	<u><u>\$ 216,273,527</u></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, 2015

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 \$4,936,000 was provided to the Library during the year ended June 30, 2015. 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, 2015

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 Commissioners. 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 \$2,826,000 was provided to the Commission during the year ended June 30, 2015. 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, 2015

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.

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.

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. This funding source is anticipated to expire in 2018

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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 Commission	County Support - York County 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, a nonmajor fund*, is used to account for and report financial resources that are restricted, committed, or assigned for expenditures for principal and interest.

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.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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.

Significant New Accounting Standards Adopted – Change in Accounting Principle

The County implemented GASB Statement No. 68 “*Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*” (“GASB #68”) and GASB Statement No. 71 “*Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*” (“GASB #71” and collectively “Statements”) for the year ended June 30, 2015. The primary objective of these Statements is to improve accounting and financial reporting by state and local governments for pensions. In addition, state and local governments who participate in a cost-sharing multiple employer plan are now required to recognize a liability for its proportionate share of the net pension liability of that plan. It is GASB’s intention that these Statements 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, these Statements require the County to recognize a net pension liability, deferred outflows of resources, and deferred inflows of resources for its participation in the South Carolina Retirement System and South Carolina Police Officers Retirement System (“Plans”), cost-sharing multiple-employer defined benefit pension plans, 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.

The adoption of these Statements had no impact on the County’s governmental fund financial statements, which continue to report expenditures in the amount of the contractually required contributions, as required by the South Carolina Public Employee Benefit Authority (“PEBA”) who administers the Plans. However, the adoption has resulted in the restatement of the County’s net position as of July 1, 2014 for its government-wide and proprietary fund financial statements to reflect the reporting of net pension liabilities and deferred outflows of resources for each of its qualified Plans in accordance with the provisions of these Statements. Net position of the County’s government-wide financial statements as of July 1, 2014 was decreased by approximately \$73,579,000, which consisted of approximately \$71,055,000 for its governmental activities and \$2,524,000 for its business-type activities (Water and Sewer, and Solid Waste Disposal Enterprise Funds), reflecting the cumulative change in accounting principle related to the adoption of these Statements. See Note IV.E for more information regarding the County’s retirement plans.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

1. Cash, Cash Equivalents and Investments

For purposes of the statement of cash flows for the Enterprise Funds, 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 considered to be 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.

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.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

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)

- (g) No load open-end or closed-end management type investment companies or investment trusts registered under the Investment Company Act of 1940, as amended, where the investment is made by a bank or trust company or savings and loan association or other financial institution when acting as trustee or agent for a bond or other debt issue of that local government unit, political subdivision, or county treasurer if the particular portfolio of the investment company or investment trust in which the investment is made (i) is limited to obligations described in items (a), (b), (c), and (f) of this subsection, and (ii) has among its objectives the attempt to maintain a constant net asset value of one dollar a share and to that end, value its assets by the amortized cost method.

The County's cash 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.
- United States securities are generally treasury notes, treasury bonds, treasury bills, and related securities which are debt obligations of the U.S. government (lending money to the federal government for a specified period of time). These debt obligations are backed by the "full faith and credit" of the government, and thus by its ability to raise tax revenues and print currency, U.S. Treasury securities are considered the safest of all investments.
- Agency securities are securities that are generally backed by mortgage loans, and due to their creation from particular corporations that are sponsored by the U.S. government, they enjoy credit protection based on either an implicit or explicit guarantee from the U.S. Government.

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.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

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

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."

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, 2015. The allowance for property taxes receivable of approximately \$458,000 at June 30, 2015 for the governmental funds is based upon historical data applied to the outstanding balance at the end of the fiscal year.

4. Inventories, Prepaids and Other 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. For economic development purposes, the County occasionally builds speculative or "spec" buildings in order to attract companies to locate their operations in the County. The County sells these spec buildings; they are not used in County operations. Properties on hand as of fiscal year-end are recorded at the lower of cost or market and are reflected in Other Assets in the financial statements.

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.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

5. Capital Assets (Continued)

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.

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. Amortization of premiums and discounts are included in interest expense. Bonds payable are reported net of the applicable bond premiums or discounts. 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.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

8. Deferred Outflows / Inflows of Resources

In addition to assets, the Statement of Net Position and the Balance Sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net 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 two types of deferred outflows of resources: (1) The County reports deferred refunding charges in its Statements of Net Position. If material, deferred refunding charges, which is the difference between the reacquisition price 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. (2) The County also reports deferred pension charges in its Statements of Net Position in connection with its participation in the State Retirement Plans. These deferred pension charges are either (a) recognized in the subsequent period as a reduction of the net pension liability (which includes pension contributions made after the measurement date) or (b) amortized in a systematic and rational method as pension expense in future periods in accordance with GAAP.

In addition to liabilities, the Statement of Net Position and the Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net 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 three types of deferred inflows of resources: (1) The County reports unavailable revenue – property taxes only in the governmental funds balance sheet; it is deferred and recognized as an inflow of resources (property tax revenues) in the period the amounts become available. (2) The County reports unavailable revenue – sales taxes only in the governmental funds balance sheet; it is deferred and recognized as an inflow of resources (sales tax revenues) in the period the amounts become available. (3) The County also reports deferred pension credits in its Statement of Net Position in connection with its participation in the State Retirement Plans. These deferred pension credits are amortized in a systematic and rational method and recognized as a reduction of pension expense in future periods in accordance with GAAP.

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, 2015

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, 2015 is approximately \$47,590,000 or 42% of the original budget of approximately \$114,504,000 for fiscal year 2016.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

10. Pensions

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

11. Other Postemployment Benefits

Other Postemployment Benefits ("OPEB") cost for retiree healthcare and similar, non-pension retiree benefits, is required to be measured and disclosed using the accrual basis of accounting, regardless of the amount recognized as OPEB expense on the modified accrual basis of accounting. Annual OPEB cost is equal to the annual required contributions to the OPEB Plan, calculated in accordance with GAAP. See Note IV.F and the required supplementary information immediately following the notes to the financial statements for more information.

12. 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.

13. 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, deferred outflows of resources, liabilities, and deferred inflows of resources 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.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

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, County Support – Cultural and Heritage Commission Fund, County Support – York County Library Fund, County Support – York Technical College 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, 2015, net amendments totaling approximately \$909,000 were made to the General Fund budget.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

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, 2015, approximately \$593,000 of the County’s bank balances of approximately \$30,111,000 (which had a recorded value of approximately \$27,581,000) was exposed to custodial credit risk as it was not collateralized. This amount was collateralized subsequent to year end.

Investments

As of June 30, 2015, 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	\$ 439,490,511	Unrated	Unrated	Unrated	< 1 yr
United States Treasury Notes	25,261,446	A or higher	A or higher	A or higher	> 1 yr
United States Agencies' Notes	24,643,774	A or higher	A or higher	A or higher	> 1 yr
Institutional Treasury Money Market Mutual Funds	741,109	AAA-mf	AAAm	Unrated	< 1 yr
Government Obligations Money Market Mutual Funds	895,139	Aaa-mf	AAAm	AAAmmf	< 1 yr
Total Investments	<u>\$ 491,031,979</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, 2015, 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, 2015

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

A. Deposits and 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	\$ 27,580,972
Fair Value of Investments	491,031,979
Total	<u>\$ 518,612,951</u>
Statement of Net Position:	
Cash and Cash Equivalents	\$ 317,318,269
Restricted Cash and Cash Equivalents	13,845,555
Statement of Fiduciary Net Position:	
Cash and Cash Equivalents	187,449,127
Total	<u>\$ 518,612,951</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, 2015

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

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

As of June 30, 2015, the various components of unearned / unavailable revenue reported in the financial statements for governmental funds were as follows:

Unearned revenue	\$	42,372
Unavailable revenue - property taxes		6,414,778
Unavailable revenue - sales taxes	\$	5,240,822

C. Interfund Balances and Transfers

The composition of interfund balances at June 30, 2015 is as follows:

	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 2,931	\$ 219,343,922
2003 Capital Projects Sales Tax Fund	79,775,228	-
Pennies 3 Capital Projects Sales Tax Fund	59,332,879	-
Nonmajor Governmental Funds	60,054,641	2,931
Water and Sewer Fund	5,557,409	-
Solid Waste Disposal Fund	14,623,765	-
Total	<u>\$ 219,346,853</u>	<u>\$ 219,346,853</u>

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.

Interfund transfers for the year ended June 30, 2015, consisted of the following:

	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ 177,870	\$ 675,000
Solid Waste Disposal	-	5,775
Water and Sewer	-	17,577
Nonmajor Governmental Funds	1,950,947	1,430,465
Total	<u>\$ 2,128,817</u>	<u>\$ 2,128,817</u>

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. Approximately \$675,000 from the General Fund and approximately \$715,000 from nonmajor governmental funds were transferred to the Capital Improvements Fund for additional funding for various capital improvements.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

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

D. Capital Assets

Governmental capital asset activity for the year ended June 30, 2015, is as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Capital Assets, Non-Depreciable:					
Land	\$ 8,288,810	1,087,350	(956,521)	-	\$ 8,419,639
Construction in Progress	2,575,858	6,465,506	-	(3,195,164)	5,846,200
Total Capital Assets, Non-Depreciable	10,864,668	7,552,856	(956,521)	(3,195,164)	14,265,839
Capital Assets, Depreciable:					
Infrastructure	94,139,154	1,854,215	-	824,768	96,818,137
Buildings and Improvements	103,160,825	-	(52,462)	2,356,147	105,464,510
Furniture, Fixtures and Equipment	59,551,803	2,377,973	(1,064,020)	14,249	60,880,005
Total Capital Assets, Depreciable	256,851,782	4,232,188	(1,116,482)	3,195,164	263,162,652
Less: Accumulated Depreciation For:					
Infrastructure	61,394,717	3,595,527	-	-	64,990,244
Buildings and Improvements	44,486,407	3,342,575	(37,682)	-	47,791,300
Furniture, Fixtures and Equipment	34,062,315	3,760,154	(1,035,932)	-	36,786,537
Total Accumulated Depreciation	139,943,439	10,698,256	(1,073,614)	-	149,568,081
Total Capital Assets, Depreciable, Net	116,908,343	(6,466,068)	(42,868)	3,195,164	113,594,571
Governmental Activities Capital Assets, Net	\$ 127,773,011	1,086,788	(999,389)	-	\$ 127,860,410

During the year ended June 30, 2015, the County recorded approximately \$900,000 in land deeded to them as part of the settlement of its lawsuit with the Culture and Heritage Foundation. See additional discussion on this settlement in Note IV.B, Commitments and Contingencies, Litigation.

Depreciation expense for governmental activities for the year ended June 30, 2015 was charged to County functions as follows:

General Government	\$ 658,090
Public Safety	4,991,347
Highways, Streets and Sanitation	4,528,230
Culture and Recreation	460,932
Conservation, Transportation and Growth	59,657
Total Governmental Activities Depreciation	\$ 10,698,256

Construction Commitments

At June 30, 2015, the County had commitments under contracts for construction of various projects not completed totaling approximately \$38,377,000, comprised of approximately \$36,601,000 for governmental activities and approximately \$1,776,000 for business-type activities. The County also awarded an additional approximately \$27,335,000 in contracts subsequent to June 30, 2015.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

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

D. Capital Assets (Continued)

Business-Type capital asset activity for the year ended June 30, 2015, is as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Capital Assets, Non-Depreciable:					
Land	\$ 576,638	-	-	-	\$ 576,638
Construction in Progress	18,465,733	516,554	(12,273)	(17,354,683)	1,615,331
Total Capital Assets, Non-Depreciable	<u>19,042,371</u>	<u>516,554</u>	<u>(12,273)</u>	<u>(17,354,683)</u>	<u>2,191,969</u>
Capital Assets, Depreciable:					
Buildings and Improvements	3,229,632	-	-	-	3,229,632
Water and Sewer System	100,937,103	2,183,171	(445,262)	17,354,683	120,029,695
Furniture, Fixtures and Equipment	5,595,076	92,712	(24,031)	-	5,663,757
Total Capital Assets, Depreciable	<u>109,761,811</u>	<u>2,275,883</u>	<u>(469,293)</u>	<u>17,354,683</u>	<u>128,923,084</u>
Less: Accumulated Depreciation For:					
Buildings and Improvements	2,867,160	48,262	-	-	2,915,422
Water and Sewer System	23,616,900	2,471,123	(139,514)	-	25,948,509
Furniture, Fixtures and Equipment	4,142,966	378,606	(24,031)	-	4,497,541
Total Accumulated Depreciation	<u>30,627,026</u>	<u>2,897,991</u>	<u>(163,545)</u>	<u>-</u>	<u>33,361,472</u>
Total Capital Assets, Depreciable, Net	<u>79,134,785</u>	<u>(622,108)</u>	<u>(305,748)</u>	<u>17,354,683</u>	<u>95,561,612</u>
Business-Type Activities Capital Assets, Net	<u>\$ 98,177,156</u>	<u>(105,554)</u>	<u>(318,021)</u>	<u>-</u>	<u>\$ 97,753,581</u>

During the year ended June 30, 2015, the County recorded approximately \$2,183,000 in water and sewer system infrastructure contributed by developers. No interest was capitalized for the business-type activities during the year ended June 30, 2015.

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 and the Rural Fire District Special Revenue Fund resources typically are used to service these obligations.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

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, 2015:

Long-Term Obligations	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
General Obligation Bonds:					
Series 2006	\$ 5,955,000	-	645,000	5,310,000	\$ 670,000
Series 2008	38,770,000	-	31,905,000	6,865,000	3,375,000
Series 2014	-	27,775,000	250,000	27,525,000	-
Total - General Obligation Bonds	44,725,000	27,775,000	32,800,000	39,700,000	4,045,000
Financing Lease - Notes Payable	7,096,271	3,000,000	2,199,675	7,896,596	2,259,774
Premiums	55,979	4,298,005	516,480	3,837,504	-
Compensated Absences	3,699,095	2,063,039	1,989,915	3,772,219	2,301,055
Total Governmental Activities	\$ 55,576,345	37,136,044	37,506,070	55,206,319	\$ 8,605,829
Business-Type Activities:					
Combined Utility System Revenue Bonds:					
Series 1999	\$ 5,645,000	-	900,000	4,745,000	\$ 685,000
Series 2012	11,465,000	-	480,000	10,985,000	495,000
Total Revenue Bonds	17,110,000	-	1,380,000	15,730,000	1,180,000
Premiums	665,964	-	72,156	593,808	-
Landfill Closure and Postclosure Care Cost	2,221,499	-	57,394	2,164,105	127,521
Compensated Absences	95,468	63,982	51,167	108,283	66,053
Total Business-Type Activities	\$ 20,092,931	63,982	1,560,717	18,596,196	\$ 1,373,574

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, 2015, the County had \$39,700,000 of bonded debt subject to the 8% limit of approximately \$94,754,000 resulting in an unused legal debt margin of approximately \$55,054,000.

There are numerous limitations, restrictions, and covenants contained in the various revenue bond indentures and ordinances. As of June 30, 2015, 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, 2015.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

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

E. Long-term Obligations (Continued)

In July 2014, the County issued its General Obligation Advance Refunding Bonds, Series 2014 in the amount of \$27,775,000 (par value), receiving a premium of approximately \$4,298,000, to provide funds to advance refund \$28,640,000 of the outstanding Series 2008 General Obligation Bonds. The County placed the net proceeds of approximately \$32,052,000 in an irrevocable trust for the purpose of generating resources for all future debt service payments related to these bonds. As a result, this portion of the Series 2008 General Obligation Bonds is considered to be defeased until redemption in November 2016. Accordingly, the liability for this portion of the Series 2008 General Obligation Bonds has been removed from the governmental activities column in the Statement of Net Position. The reacquisition price exceeded the net carrying amount of the old debt by approximately \$3,357,000. This amount is reflected as a deferred outflow of resources and is being amortized over the life of the new debt, which has the same life as the old debt. This refunding was undertaken to take advantage of lower interest rates, which will reduce total debt service payments over the next 9 years by approximately \$2,946,000 and resulted in an economic gain of approximately \$2,688,000.

General Obligation Bonds

**Balance at
June 30, 2015**

\$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.	\$ 5,310,000
\$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. The county defeased \$28,640,000 of this outstanding indebtedness during the year ended June 30, 2015 with proceeds from the General Obligation Advance Refunding Bonds, Series 2014.	6,865,000
\$27,775,000 General Obligation Advance Refunding Bonds, Series 2014, due in annual installments ranging from \$3,590,000 to \$4,335,000 beginning November 1, 2017 through November 1, 2023. Semi-annual interest payments are due from May 1, 2015 through November 1, 2023 at rates ranging from 3.0% to 5.0%. The proceeds of this issue were used to advance refund \$28,640,000 of the outstanding balance of the General Obligation Bonds, Series 2008.	27,525,000

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.	10,985,000
\$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.	\$ 4,745,000

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

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

E. Long-term Obligations (Continued)

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.	\$ 3,110,846
\$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.	187,043
\$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.)	314,140
\$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.	1,284,567
\$3,000,000 note payable entered into in 2015 to fund the purchase of a tract of land and the construction a 50,400 square foot spec building, which is expected to be sold to a third party upon completion in 2016. The proceeds from the sale of the spec building will be used to repay this note. No payments are required until March 2019; however, the County intends on repaying the note once the spec building has been sold. There is no interest if the note is repaid prior to March 2019. If the note has not been repaid at that time, then annual principal payments of \$428,571 are due beginning March 2019 through March 2025. Interest payments are also due beginning March 2019, at 2% for the first two years and the current rate of interest on 10-Year US Treasury Notes for the remaining payments until the note has been fully repaid.	\$ 3,000,000

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

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>					
2016	\$ 4,045,000	3,142,479	2,257,619	128,215	\$ 9,573,313
2017	4,190,000	2,956,254	1,262,731	47,552	8,456,537
2018	4,315,000	2,689,204	210,904	23,919	7,239,027
2019	4,405,000	2,322,841	576,733	80,260	7,384,834
2020	4,545,000	1,919,191	578,588	69,834	7,112,613
2021-2025	18,200,000	3,369,360	2,713,626	61,911	24,344,897
2026-2028	-	-	296,395	11,753	308,148
Total Governmental Activities	<u>\$ 39,700,000</u>	<u>16,399,329</u>	<u>7,896,596</u>	<u>423,444</u>	<u>\$ 64,419,369</u>
<u>Business-Type Activities</u>					
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	1,435,000	379,831	-	-	1,814,831
2021-2025	4,220,000	1,212,308	-	-	5,432,308
2026-2030	4,015,000	488,283	-	-	4,503,283
2031	970,000	15,763	-	-	985,763
Total Business-Type Activities	<u>\$ 15,730,000</u>	<u>4,206,791</u>	<u>-</u>	<u>-</u>	<u>\$ 19,936,791</u>

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, 2015

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

E. Long-term Obligations (Continued)

Landfill Closure and Postclosure Care Costs (Continued)

The approximately \$2,164,000 reported as an accrual for landfill closure and postclosure care at June 30, 2015 includes the estimated remaining liability of approximately \$1,422,000 for postclosure care of the previously closed MSW landfill cells for another 13 years, estimated postclosure care for the next 28 years of approximately \$509,000 for Unit 1, plus the estimated closure and postclosure care of approximately \$234,000, 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%	\$ -	1,421,534	1,421,534	\$ -
Unit 1 C&D	None	100%	-	508,816	508,816	-
Unit 2 C&D	16.5 yrs	16.8%	847,000	543,840	1,390,840	1,157,085
			<u>\$ 847,000</u>	<u>2,474,190</u>	<u>3,321,190</u>	<u>\$ 1,157,085</u>

These amounts are based on what it would cost to perform all closure and postclosure care in fiscal year 2015. 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 \$446,000 for the year ended June 30, 2015. Future minimum payments for these leases are as follows:

Year Ending June 30,	Amount
2016	\$ 425,044
2017	393,286
2018	333,097
2019	241,487
2020	248,007
Thereafter	183,235
Total	<u>\$ 1,824,156</u>

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

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, 2015:

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	\$ 246,721	-	-	-	\$ 246,721
Inventory	30,390	-	-	-	30,390
Total Nonspendable	277,111	-	-	-	277,111
<u>Restricted For:</u>					
Tourism Promotion	228,322	-	-	6,195,835	6,424,157
Fire Board/Districts	-	-	-	8,360,767	8,360,767
Culture and Recreation Support	-	-	-	4,805,737	4,805,737
Emergency Telephone System	-	-	-	3,031,399	3,031,399
Road Improvements	-	74,400,235	64,758,798	16,948,278	156,107,311
Economic Development	5,553,450	-	-	-	5,553,450
Debt Service	-	-	-	2,930,353	2,930,353
Various Capital Projects	-	-	-	7,952,795	7,952,795
Other	399,971	-	-	323,834	723,805
Total Restricted	6,181,743	74,400,235	64,758,798	50,548,998	195,889,774
<u>Committed For:</u>					
York County Forever	1,404,829	-	-	-	1,404,829
Vehicle / Equipment Replacement	10,790,600	-	-	-	10,790,600
Various Capital Projects	-	-	-	7,295,124	7,295,124
Road Improvements	-	-	-	1,599,922	1,599,922
Other	2,420,733	-	-	-	2,420,733
Total Committed	14,616,162	-	-	8,895,046	23,511,208
<u>Assigned For:</u>					
Future Year's Expenditures	7,047,171	-	-	-	7,047,171
Other	785,625	-	-	-	785,625
Total Assigned	7,832,796	-	-	-	7,832,796
Unassigned	47,589,940	-	-	-	47,589,940
Total	\$ 76,497,752	74,400,235	64,758,798	59,444,044	\$ 275,100,829

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

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 \$221,000 for incurred but unpaid claims at June 30, 2015, 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 lawsuit 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, 2015

IV. OTHER INFORMATION (CONTINUED)

B. Commitments and Contingencies (Continued)

Litigation (Continued)

In 2013, MorningStar Fellowship Church sued York County alleging a breach of contract action regarding 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 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 alleged breach of contract, nuisance, and accounting claims. The case was set for trial in November, 2015. Prior to selecting the jury, the Court granted in part and denied in part, York County's Renewed Motion for Entry of Judgment. In substantive part, the Court ruled in favor of York County and determined that a prior ruling to exclude damages precluded MorningStar from meeting all of the elements for its breach of contract action. MorningStar has appealed the Court's Order. The County has cross-appealed. The appeal is in its initial stages and there is no timetable for an oral argument or issuance of an Opinion.

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 was settled through mediation during the year ended June 30, 2015. Pursuant to the settlement agreement, an audit group was selected to review the financial records of CHF and related organizations; the audit was completed; certain specified acreage was deeded to the County; and monetary assets were transferred from CHF to the Foundation for the Carolinas to be held in favor of the Commission.

Lastly, the County, its officers, and its employees are defendants in various other claims and lawsuits. It is the opinion of the County 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 a contract for the purchase of water and sewer treatment services with a municipality 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 sewer services to Lancaster County Water & Sewer District.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

IV. OTHER INFORMATION (CONTINUED)

B. Commitments and Contingencies (Continued)

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. The final payment with the City of York was made in the year ended June 30, 2015. Maximum remaining obligations of the County per the terms of the settlement with the City of Rock Hill are \$265,000 per year through the year ending June 30, 2020, or a total remaining obligation of \$1,325,000 as of June 30, 2015.

Encumbrances – The County had encumbrances at June 30, 2015 of approximately \$790,000 for the General Fund and approximately \$1,237,000 for all nonmajor funds.

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. Retirement Plans

The County participates in the State of South Carolina's retirement plans, which are administered by the South Carolina Public Employee Benefit Authority ("PEBA"), which was created on July 1, 2012 and administers the various retirement systems and retirement programs managed by its Retirement Division. PEBA has an 11-member Board of Directors ("PEBA Board"), appointed by the Governor and General Assembly leadership, which serves as co-trustee and co-fiduciary of the systems and the trust funds. By law, the Budget and Control Board, which consists of five elected officials, also reviews certain PEBA Board decisions regarding the funding of the Systems and serves as a co-trustee of the Systems in conducting that review. PEBA issues a Comprehensive Annual Financial Report ("CAFR") containing financial statements and required supplementary information for the South Carolina Retirement Systems' Pension Trust Funds. The CAFR is publicly available on the Retirement Benefits' link on PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, PO Box 11960, Columbia, SC 29211-1960. PEBA is considered a division of the primary government of the state of South Carolina and therefore, retirement trust fund financial information is also included in the comprehensive annual financial report of the state.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

IV. OTHER INFORMATION (CONTINUED)

E. Retirement Plans (Continued)

Plan Description

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

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

Plan Membership

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

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

Plan Benefits

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

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

IV. OTHER INFORMATION (CONTINUED)

E. Retirement Plans (Continued)

Plan Benefits (Continued)

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

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

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

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

Plan Contributions

Contributions are prescribed in Title 9 of the South Carolina Code of Laws. The PEBA Board may increase the SCRS and PORS employer and employee contribution rates on the basis of the actuarial valuations, but any such increase may not result in a differential between the employee and employer contribution rate that exceeds 2.9 percent of earnable compensation for the SCRS and 5 percent for the PORS. An increase in the contribution rates adopted by the PEBA Board may not provide for an increase of more than one-half of one percent in any one year. If the scheduled employee and employer contributions provided in statute or the rates last adopted by the PEBA Board are insufficient to maintain a thirty year amortization schedule of the unfunded liabilities of the plans, the PEBA Board shall increase the contribution rates in equal percentage amounts for the employer and employee as necessary to maintain the thirty-year amortization period; and, this increase is not limited to one-half of one percent per year.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

IV. OTHER INFORMATION (CONTINUED)

E. Retirement Plans (Continued)

Plan Contributions (Continued)

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

	SCRS Rates			PORS Rates		
	2013	2014	2015	2013	2014	2015
Employer Rate:						
Retirement	10.45%	10.45%	10.75%	11.90%	12.44%	13.01%
Incidental Death Benefit	0.15%	0.15%	0.15%	0.20%	0.20%	0.20%
Accidental Death Contributions	0.00%	0.00%	0.00%	0.20%	0.20%	0.20%
	<u>10.60%</u>	<u>10.60%</u>	<u>10.90%</u>	<u>12.30%</u>	<u>12.84%</u>	<u>13.41%</u>
Employee Rate	<u>7.00%</u>	<u>7.50%</u>	<u>8.00%</u>	<u>7.00%</u>	<u>7.84%</u>	<u>8.41%</u>

The required contributions and percentages of amounts contributed by the County to the Plans for the past three years were as follows:

Year Ended June 30,	SCRS Contributions		PORS Contributions	
	Required	% Contributed	Required	% Contributed
2015	\$ 2,834,643	100%	\$2,274,264	100%
2014	2,666,416	100%	2,136,993	100%
2013	\$ 2,607,137	100%	\$1,972,145	100%

Eligible payrolls of the County covered under the Plans for the past three years were as follows:

Year Ended June 30,	SCRS Payroll	PORS Payroll	Total Payroll
2015	\$ 26,005,911	16,959,460	\$ 42,965,371
2014	25,281,643	16,523,020	41,804,663
2013	\$ 24,595,633	16,033,702	\$ 40,629,335

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

The most recent annual actuarial valuation reports adopted by the PEBA Board and Budget and Control Board are as of July 1, 2013. The net pension liability of each defined benefit pension plan was therefore determined based on the July 1, 2013 actuarial valuations, using membership data as of July 1, 2013, projected forward to the end of the fiscal year, and financial information of the pension trust funds as of June 30, 2014, using generally accepted actuarial procedures. Information included in the following schedules is based on the certification provided by PEBA's consulting actuary, Gabriel, Roeder, Smith and Company.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

IV. OTHER INFORMATION (CONTINUED)

E. Retirement Plans (Continued)

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

The net pension liability (“NPL”) is calculated separately for each system and represents that particular system’s total pension liability determined in accordance with GASB No. 67 less that System’s fiduciary net position. For the year ended June 30, 2014, NPL amounts and the change in NPL amounts for SCRS and PORS are as follows:

System	Total Pension Liability	Plan Fiduciary Net Position	Employers' Net Pension Liability (Asset)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
SCRS	\$ 42,955,205,796	25,738,521,026	\$ 17,216,684,770	59.92%
PORS	\$ 5,899,529,434	3,985,101,996	\$ 1,914,427,438	67.55%

At June 30, 2015, the County reported a total net pension liability of approximately \$74,195,000, which consisted of approximately \$47,704,000 and \$26,491,000 for its proportionate share of the net pension liabilities for the SCRS and PORS, respectively. The net pension liabilities were measured as of June 30, 2014, and the total pension liabilities for the Plans used to calculate the net pension liabilities were determined based on the most recent actuarial valuation report of July 1, 2013 that was projected forward to the measurement date. The County’s proportion of the net pension liabilities were based on a projection of the County’s long-term share of contributions to the Plans relative to the projected contributions of all participating South Carolina state and local governmental employers, actuarially determined. At June 30, 2014, the County’s SCRS proportion was 0.277076 percent, which was equal to its proportion measured as of June 30, 2013. At June 30, 2014, the County’s PORS proportion was 1.38377 percent, which was equal to its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, the County recognized pension expense of approximately \$5,661,000, consisting of approximately \$3,343,000 and approximately \$2,318,000 for the SCRS and PORS, respectively. At June 30, 2015, the County reported deferred outflows of resources (deferred pension charges) and deferred inflows of resources (deferred pension credits) related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
SCRS:		
Differences Between Expected and Actual Experience	\$ 1,351,711	\$ -
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	4,021,736
County's Contributions Subsequent to the Measurement Date	2,834,643	-
Total SCRS	4,186,354	4,021,736
PORS:		
Differences Between Expected and Actual Experience	706,935	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	3,065,237
County's Contributions Subsequent to the Measurement Date	2,274,264	-
Total PORS	2,981,199	3,065,237
Total SCRS and PORS	\$ 7,167,553	\$ 7,086,973

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

IV. OTHER INFORMATION (CONTINUED)

E. Retirement Plans (Continued)

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

Approximately \$2,835,000 and \$2,274,000 that was reported as deferred outflows of resources related to the County’s contributions subsequent to the measurement date to the SCRS and PORS, respectively, will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the SCRS and PORS will increase (decrease) pension expense as follows:

Year Ended June 30,	SCRS	PORS	Total
2016	\$ (587,336)	(582,975)	\$ (1,170,311)
2017	(587,336)	(582,975)	(1,170,311)
2018	(587,336)	(582,975)	(1,170,311)
2019	(908,017)	(609,377)	(1,517,394)
Total	<u>\$ (2,670,025)</u>	<u>(2,358,302)</u>	<u>\$ (5,028,327)</u>

Actuarial Assumptions and Methods

Actuarial valuations involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Amounts determined during the valuation process are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. The last experience study was performed on data through June 30, 2010, and the next experience study is scheduled to be conducted after the June 30, 2015 annual valuation is complete.

The following table provides a summary of the actuarial cost method and assumptions used in the July 1, 2013, valuations for SCRS and PORS.

	SCRS	PORS
Actuarial Cost Method	Entry Age	Entry Age
Actuarial Assumptions:		
Investment Rate of Return	7.50%	7.50%
Salary Increases	Levels off at 3.5%	Levels off at 4.0%
Includes Inflation at	2.75%	2.75%
Benefit Adjustments	Lesser of 1% or \$500	Lesser of 1% or \$500

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

IV. OTHER INFORMATION (CONTINUED)

E. Retirement Plans (Continued)

Actuarial Assumptions and Methods (Continued)

The post-retiree mortality assumption is dependent upon the member’s job category and gender. This assumption includes base rates which are automatically adjusted for future improvement in mortality using published Scale AA projected from the year 2000.

Former Job Class	Males	Females
Educators and Judges	RP-2000 Males (with White Collar adjustment) multiplied by 110%	RP-2000 Females (with White Collar adjustment) multiplied by 95%
General Employees and Members of the General Assembly	RP-2000 Males multiplied by 100%	RP-2000 Females multiplied by 90%
Public Safety, Firefighters and members of the South Carolina National Guard	RP-2000 Males (with Blue Collar adjustment) multiplied by 115%	RP-2000 Females (with Blue Collar adjustment) multiplied by 115%

The long-term expected rate of return on pension plan investments for actuarial purposes is based upon the 30 year capital market outlook at the end of the third quarter 2012. The actuarial long-term expected rates of return represent best estimates of arithmetic real rates of return for each major asset class and were developed in coordination with the investment consultant for the Retirement System Investment County (“RSIC”) using a building block approach, reflecting observable inflation and interest rate information available in the fixed income markets as well as Consensus Economic forecasts. The actuarial long-term assumptions for other asset classes are based on historical results, current market characteristics and professional judgment.

The RSIC has exclusive authority to invest and manage the retirement trust funds’ assets. As co-fiduciary of the Systems, statutory provisions and governance policies allow the RSIC to operate in a manner consistent with a long-term investment time horizon. The expected real rates of investment return, along with the expected inflation rate, form the basis for the target asset allocation adopted annually by the RSIC. For actuarial purposes, the long-term expected rate of return is calculated by weighting the expected future real rates of return by the target allocation percentage and then adding the actuarial expected inflation which is summarized in the table on the following page. For actuarial purposes, the 7.50 percent assumed annual investment rate of return used in the calculation of the total pension liability includes a 4.75 percent real rate of return and a 2.75 percent inflation component.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

IV. OTHER INFORMATION (CONTINUED)

E. Retirement Plans (Continued)

Actuarial Assumptions and Methods (Continued)

Asset Class	Target Allocation	Expected Arithmetic Real Rate of Return	Long Term Expected Portfolio Real Rate of Return
Short Term	5%		
Cash	2%	0.30%	0.01%
Short Duration	3%	0.60%	0.02%
Domestic Fixed Income	13%		
Core Fixed Income	7%	1.10%	0.08%
High Yield	2%	3.50%	0.07%
Bank Loans	4%	2.80%	0.11%
Global Fixed Income	9%		
Global Fixed Income	3%	0.80%	0.02%
Emerging Markets Debt	6%	4.10%	0.25%
Global Public Equity	31%	7.80%	2.42%
Global Tactical Asset Allocation	10%	5.10%	0.51%
Alternatives	32%		
Hedge Funds (Low Beta)	8%	4.00%	0.32%
Private Debt	7%	10.20%	0.71%
Private Equity	9%	10.20%	0.92%
Real Estate (Broad Market)	5%	5.90%	0.29%
Commodities	3%	5.10%	0.15%
Total Expected Real Return	100%		5.88%
Inflation for Actuarial Purposes			2.75%
Total Expected Nominal Return			8.63%

Discount Rate

The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina State Code of Laws. Based on those assumptions, each System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

IV. OTHER INFORMATION (CONTINUED)

E. Retirement Plans (Continued)

Discount Rate (Continued)

The following table presents the sensitivity of the County’s proportionate share of the net pension liability of the Plans as of June 30, 2014 to changes in the discount rate, calculated using the discount rate of 7.5 percent, as well as what it would be if it were calculated using a discount rate that is 1% point lower (6.5 percent) or 1% point higher (8.5 percent) than the current rate:

System	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
County's proportionate share of the net pension liability of the SCRS	\$ 61,731,024	47,703,301	\$ 36,000,157
County's proportionate share of the net pension liability of the PORS	\$ 37,020,892	26,491,292	\$ 17,778,922

Plans Fiduciary Net Position

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

F. Other Postemployment Benefits

Plan Description

In addition to providing pension benefits, the County provides certain postemployment health care benefits (“OPEB”) 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 hired before October 1, 2008 must have at least 10 years of continuous County service, be eligible for retirement benefits under the SCRS or PORS and be a County employee at the time of retirement in order to receive this benefit. Employees hired after October 1, 2008 must have 25 years of creditable service with SCRS or PORS, including 10 years as a County employee; be eligible for retirement benefits with the SCRS or PORS 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.

In September 2014, the York County Council amended the OPEB Plan, which became effective on January 1, 2015. The County established a Health Reimbursement Arrangement (“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 Health Plan, an alternative Medicare Supplemental Plan is available to retirees. Prior to age 65, the County would contribute a fixed monthly amount of \$675 (\$1,350 for retiree and spouse) 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

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

IV. OTHER INFORMATION (CONTINUED)

F. Other Postemployment Benefits (Continued)

Plan Description (Continued)

\$350 (\$700 for retiree and spouse) 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. The County will make monthly contributions to the surviving spouse's HRA for a period of 1 year from the retiree's date of death. These changes apply to all current retirees as well as all future retirees who were hired on or before August 31, 2011. These changes significantly decreased the Actuarial Accrued Liability and the Annual Required Contribution in future years. In addition, these changes resulted in a one-time adjustment of the net OPEB obligation of approximately \$22,196,000.

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.

As of June 30, 2015, the measurement date, there were 866 covered participants for the Primary Government, including 655 active participants and 211 retired participants receiving benefits.

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.

Funding Policy

The County's annual 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 and mortality. Amounts determined regarding the funded status of the OPEB 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 OPEB 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.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

IV. OTHER INFORMATION (CONTINUED)

F. 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, 2015
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:	NA - Future county contributions will not increase
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 using Scale AA
Per Capita Claims Costs	NA - Contributions are limited to the fixed dollar HRA contributions established under the Plan
Implicit Rate Subsidy:	NA - Retirees are responsible for paying the age adjusted premiums for all coverages
Changes in Actuarial Assumptions:	The Health Cost Trend, Per Capital Claims Costs, and Implicit Rate Subsidy assumptions are no longer applicable

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

Annual OPEB Costs and Rollforward of Net OPEB Obligation

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 2015) was as follows:

1.	Net OPEB Obligation, Beginning of the Plan Year	\$ 23,714,631
2.	One Year's Interest on the Net OPEB Obligation	948,586
3.	ARC (Normal Cost Plus Any Amortization Payments)	5,058,071
4.	Adjustment to Annual Required Contribution	(1,318,674)
5.	Annual OPEB Cost	<u>4,687,983</u>
6.	Contributions Made for the Plan Year	(1,263,215)
7.	One-Time Adjustment to Net OPEB Obligation	<u>(22,195,927)</u>
8.	Increase in Net OPEB Obligation	(18,771,159)
9.	Net OPEB Obligation, End of the Plan Year	<u><u>\$ 4,943,472</u></u>

The net OPEB Obligation of approximately \$4,943,000 at June 30, 2015 is included as a liability in the County's government-wide statement of net position; the portion applicable to the County's enterprise funds of approximately \$146,000 is also included as a liability in the proprietary funds' statement of net position.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

IV. OTHER INFORMATION (CONTINUED)

F. Other Postemployment Benefits (Continued)

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

Schedule of Employer Contributions

Contributions made by the County during the year ended June 30, 2015 totaled approximately \$1,263,000 through payment of covered participants' explicit benefits. There is no implicit rate subsidy as the retirees are responsible for paying the age-adjusted premiums for all coverages. The County also contributed an additional approximately \$115,000 to the participants' HRA accounts during the year ended June 30, 2015. Because these HRA contributions were not made to an irrevocable trust, accounting principles do not allow them to offset the County's net OPEB Plan obligation. Instead, these contributions are reflected as unrestricted cash in the General Fund. There were no contributions made to the SCCOPEBT during the year to prefund 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, 2015	\$ 4,687,983	23,459,142	500.41%	\$ 4,943,472
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

* In FY 2015 the County changed their OPEB plan; the FY Annual OPEB Cost Contributed includes a one time adjustment of \$22,195,927 and the County's regular Contributions of \$1,263,215.

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, 2015	\$ 2,586,328	24,663,616	22,077,288	10.49%	\$ 42,674,875	51.73%
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%

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.

YORK COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

IV. OTHER INFORMATION (CONTINUED)

G. 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.

H. Subsequent Events

Total county-wide millage increased 1.0 mills, from 68.7 mills in fiscal year 2015 to 69.7 mills for fiscal year 2016, as millage for County Operations (General Fund) increased 1.4 mills, partially offset by a decrease in debt service millage of 0.5 mills and a net increase of 0.1 mills for all other County programs.

On November 3, 2015, York County voters approved a referendum to issue additional General Obligation Bonds in the amount of approximately \$89,700,000. County Council expects to issue General Obligation bonds in fiscal 2016 to renovate, upgrade and expand the Moss Justice Center, new Recycling Center, new Family Court Facility, renovations to the Heckle Complex, and other capital improvements.

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Required Supplementary Information

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

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

YEAR ENDED JUNE 30, 2015

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
REVENUES				
Property Taxes	\$ 60,637,500	60,637,500	59,885,144	\$ (752,356)
Accommodations Taxes	192,000	192,000	312,820	120,820
Licenses, Fines and Permits	12,468,131	12,468,131	13,110,517	642,386
Intergovernmental	20,025,894	21,275,894	13,969,009	(7,306,885)
Investment Income	76,200	76,200	580,969	504,769
Miscellaneous	306,736	306,736	433,928	127,192
TOTAL REVENUES	93,706,461	94,956,461	88,292,387	(6,664,074)
EXPENDITURES				
Current:				
General Government	35,675,144	35,082,562	32,024,113	3,058,449
Public Safety	32,538,580	33,200,967	29,767,583	3,433,384
Highways, Streets and Sanitation	9,330,681	9,641,325	8,546,121	1,095,204
Health and Welfare	2,206,020	2,131,955	1,987,064	144,891
Culture and Recreation	859,576	1,366,253	557,280	808,973
Conservation, Transportation and Growth	12,256,437	12,299,107	2,680,981	9,618,126
Capital Outlay	9,458,133	13,245,582	4,102,956	9,142,626
Debt Service:				
Principal Retirement	52,357	52,357	52,357	-
Interest and Fiscal Charges	2,000	2,000	618	1,382
TOTAL EXPENDITURES	102,378,928	107,022,108	79,719,073	27,303,035
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(8,672,467)	(12,065,647)	8,573,314	20,638,961
OTHER FINANCING SOURCES (USES)				
Issuance of Note Payable	-	3,000,000	3,000,000	-
Proceeds from Sale of Capital Assets	50,000	50,000	951,076	901,076
Insurance Proceeds	-	-	7,911	7,911
Transfers In	276,930	435,930	177,870	(258,060)
Transfers Out	-	(675,000)	(675,000)	-
Total Other Financing Sources (Uses)	326,930	2,810,930	3,461,857	650,927
NET CHANGE IN FUND BALANCE	\$ (8,345,537)	(9,254,717)	12,035,171	\$ 21,289,888

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 \$9,254,717 in previously accumulated fund balance to assist in funding fiscal year 2015 expenditures.

YORK COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION

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

YEAR ENDED JUNE 30, 2015

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, 2015	\$ 4,687,983	23,459,142	500.41%	\$ 4,943,472
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

* In FY 2015 the County changed their OPEB plan; the FY Annual OPEB Cost Contributed includes a one time adjustment of \$22,195,927 and the County's regular Contributions of \$1,263,215.

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, 2015	\$ 2,586,328	24,663,616	22,077,288	10.49%	\$ 42,674,875	51.73%
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%

YORK COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TWO FISCAL YEARS

	Year Ended June 30,	
	2015	2014
County's Proportion of the Net Pension Liability (Asset)	0.277076%	0.277076%
County's Proportionate Share of the Net Pension Liability (Asset)	\$ 47,703,301	\$ 49,697,550
County's Covered-Employee Payroll	\$ 25,281,643	\$ 24,595,633
County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	188.69%	202.06%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	59.92%	56.39%

Notes to Schedule:

The amounts presented for each fiscal year were determined as of June 30th of the preceding year.
The County implemented GASB #68/71 during the year ended June 30, 2015. Information before 2014 is not available.

YORK COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF THE COUNTY'S CONTRIBUTIONS
SOUTH CAROLINA RETIREMENT SYSTEM**

LAST TWO FISCAL YEARS

	Year Ended June 30,	
	2015	2014
Contractually Required Contribution	\$ 2,834,643	\$ 2,666,416
Contributions in Relation to the Contractually Required Contribution:	2,834,643	2,666,416
Contribution Deficiency (Excess)	<u>-</u>	<u>-</u>
County's Covered-Employee Payroll	\$ 26,005,911	\$ 25,281,643
Contributions as a Percentage of Covered-Employee Payroll:	10.90%	10.55%

Notes to Schedule:

The County implemented GASB #68/71 during the year ended June 30, 2015. Information before 2014 is not available.

YORK COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TWO FISCAL YEARS

	Year Ended June 30,	
	2015	2014
County's Proportion of the Net Pension Liability (Asset)	1.38377%	1.38377%
County's Proportionate Share of the Net Pension Liability (Asset)	\$ 26,491,292	\$ 28,685,192
County's Covered-Employee Payroll	\$ 16,523,020	\$ 16,033,702
County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	160.33%	178.91%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	67.55%	62.98%

Notes to Schedule:

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

The County implemented GASB #68/71 during the year ended June 30, 2015. Information before 2014 is not available.

YORK COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF THE COUNTY'S CONTRIBUTIONS
POLICE OFFICERS RETIREMENT SYSTEM**

LAST TWO FISCAL YEARS

	Year Ended June 30,	
	2015	2014
Contractually Required Contribution	\$ 2,274,264	\$ 2,136,993
Contributions in Relation to the Contractually Required Contribution:	2,274,264	2,136,993
Contribution Deficiency (Excess)	<u>-</u>	<u>-</u>
County's Covered-Employee Payroll	\$ 16,959,460	\$ 16,523,020
Contributions as a Percentage of Covered-Employee Payroll:	13.41%	12.93%

Notes to Schedule:

The County implemented GASB #68/71 during the year ended June 30, 2015. Information before 2014 is not available.

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Supplementary Information

YORK COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2015

	SPECIAL REVENUE FUNDS			
	LOCAL HOSPITALITY TAX	RURAL FIRE DISTRICTS	BOARD OF RURAL FIRE CONTROL	SOLID WASTE COLLECTION
ASSETS				
Due from Other Funds	\$ 6,000,035	2,895,202	5,488,197	4,362,622
Receivables, Net of Allowances:				
Property Taxes	-	169,107	268,287	220,229
Intergovernmental	-	-	-	-
Other	241,200	-	-	-
TOTAL ASSETS	\$ 6,241,235	3,064,309	5,756,484	4,582,851
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 45,400	15,968	19,735	183,727
Due to Other Funds	-	-	-	-
Accrued Liabilities	-	-	11,468	39,157
TOTAL LIABILITIES	45,400	15,968	31,203	222,884
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Taxes	-	160,206	252,649	207,750
TOTAL DEFERRED INFLOWS OF RESOURCES	-	160,206	252,649	207,750
FUND BALANCES				
Restricted	6,195,835	2,888,135	5,472,632	4,152,217
Committed	-	-	-	-
TOTAL FUND BALANCES	6,195,835	2,888,135	5,472,632	4,152,217
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 6,241,235	3,064,309	5,756,484	4,582,851

SPECIAL REVENUE FUNDS					
SHERIFF'S DRUG FORFEITURE	SOLICITOR'S DRUG FORFEITURE	EMERGENCY TELEPHONE SERVICE	RECREATION	PUBLIC DEFENDER	TITLE IV-D INCENTIVE FUNDING
-	47,498	2,591,831	936,463	14,458	\$ 255,042
-	-	-	92,013	-	-
-	6,575	491,206	-	-	1,537
2,931	-	-	-	-	-
2,931	54,073	3,083,037	1,028,476	14,458	\$ 256,579
-	1,276	40,875	13,312	-	\$ -
2,931	-	-	-	-	-
-	-	10,763	-	-	-
2,931	1,276	51,638	13,312	-	-
-	-	-	86,677	-	-
-	-	-	86,677	-	-
-	52,797	3,031,399	928,487	14,458	256,579
-	-	-	-	-	-
-	52,797	3,031,399	928,487	14,458	256,579
2,931	54,073	3,083,037	1,028,476	14,458	\$ 256,579

(Continued)

YORK COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2015

	SPECIAL REVENUE FUNDS		
	COUNTY SUPPORT - CULTURE & HERITAGE COMMISSION	COUNTY SUPPORT - YORK COUNTY LIBRARY	COUNTY SUPPORT - YORK TECHNICAL COLLEGE
ASSETS			
Due from Other Funds	\$ 435,226	1,342,704	2,280,810
Receivables, Net of Allowances:			
Property Taxes	250,461	409,785	390,020
Intergovernmental	-	-	-
Other	-	1,196	-
TOTAL ASSETS	\$ 685,687	1,753,685	2,670,830
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ -	-	244,165
Due to Other Funds	-	-	-
Accrued Liabilities	-	-	-
TOTAL LIABILITIES	-	-	244,165
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue - Property Taxes	235,694	384,871	368,222
TOTAL DEFERRED INFLOWS OF RESOURCES	235,694	384,871	368,222
FUND BALANCES			
Restricted	449,993	1,368,814	2,058,443
Committed	-	-	-
TOTAL FUND BALANCES	449,993	1,368,814	2,058,443
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 685,687	1,753,685	2,670,830

DEBT SERVICE FUND	CAPITAL PROJECTS FUNDS			TOTAL NONMAJOR GOVERNMENTAL FUNDS
	C FUNDS	1997 CAPITAL PROJECTS SALES TAX FUND	CAPITAL IMPROVEMENTS FUND	
2,891,794	13,054,272	1,599,922	15,858,565	\$ 60,054,641
684,767	-	-	-	2,484,669
-	213,955	-	-	713,273
-	-	-	-	245,327
3,576,561	13,268,227	1,599,922	15,858,565	\$ 63,497,910
-	472,166	-	610,646	\$ 1,647,270
-	-	-	-	2,931
-	-	-	-	61,388
-	472,166	-	610,646	1,711,589
646,208	-	-	-	2,342,277
646,208	-	-	-	2,342,277
2,930,353	12,796,061	-	7,952,795	50,548,998
-	-	1,599,922	7,295,124	8,895,046
2,930,353	12,796,061	1,599,922	15,247,919	59,444,044
3,576,561	13,268,227	1,599,922	15,858,565	\$ 63,497,910

YORK COUNTY, SOUTH CAROLINA

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

YEAR ENDED JUNE 30, 2015

	SPECIAL REVENUE FUNDS			
	LOCAL HOSPITALITY TAX	RURAL FIRE DISTRICTS	BOARD OF RURAL FIRE CONTROL	SOLID WASTE COLLECTION
REVENUES				
Property Taxes	\$ -	2,141,446	3,405,732	2,704,641
Sales and Hospitality Taxes	2,174,067	-	-	-
Intergovernmental	-	-	-	-
Investment Income	18,627	9,103	16,515	12,808
Miscellaneous	-	-	-	-
TOTAL REVENUES	2,192,694	2,150,549	3,422,247	2,717,449
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	1,574,865	1,867,315	-
Highways, Streets and Sanitation	-	-	-	2,252,618
Health and Welfare	-	-	-	-
Culture and Recreation	1,049,954	-	-	-
Capital Outlay	-	169,002	136,564	125,228
Debt Service:				
Principal Retirement	-	166,246	-	-
Interest and Fiscal Charges	-	36,220	-	-
Bond Issuance Costs	-	-	-	-
TOTAL EXPENDITURES	1,049,954	1,946,333	2,003,879	2,377,846
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,142,740	204,216	1,418,368	339,603
OTHER FINANCING SOURCES (USES)				
Premium on Bonds Issued	-	-	-	-
Issuance of Refunding Bonds	-	-	-	-
Payment to Refunded Debt Escrow Agent	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	27,075
Transfers In	-	-	-	260,000
Transfers Out	(18,870)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(18,870)	-	-	287,075
NET CHANGE IN FUND BALANCES	1,123,870	204,216	1,418,368	626,678
FUND BALANCE - Beginning of Year	5,071,965	2,683,919	4,054,264	3,525,539
FUND BALANCES - End of Year	\$ 6,195,835	2,888,135	5,472,632	4,152,217

SPECIAL REVENUE FUNDS					
SHERIFF'S DRUG FORFEITURE	SOLICITOR'S DRUG FORFEITURE	EMERGENCY TELEPHONE SERVICE	RECREATION	PUBLIC DEFENDER	TITLE IV-D INCENTIVE FUNDING
-	-	-	1,159,012	-	\$ -
-	-	-	-	-	-
-	41,622	1,399,843	-	-	58,440
-	142	8,661	2,403	-	-
-	-	-	-	-	-
-	41,764	1,408,504	1,161,415	-	58,440
-	-	-	-	-	-
-	27,352	797,076	-	-	-
-	-	-	-	-	-
-	-	-	-	-	2,408
-	-	-	1,074,465	-	-
-	-	442,152	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	27,352	1,239,228	1,074,465	-	2,408
-	14,412	169,276	86,950	-	56,032
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	14,412	169,276	86,950	-	56,032
-	38,385	2,862,123	841,537	14,458	200,547
-	52,797	3,031,399	928,487	14,458	\$ 256,579

(Continued)

YORK COUNTY, SOUTH CAROLINA

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

YEAR ENDED JUNE 30, 2015

	SPECIAL REVENUE FUNDS		
	COUNTY SUPPORT - CULTURE & HERITAGE COMMISSION	COUNTY SUPPORT - YORK COUNTY LIBRARY	COUNTY SUPPORT - YORK TECHNICAL COLLEGE
REVENUES			
Property Taxes	\$ 3,048,173	5,152,871	4,545,613
Sales and Hospitality Taxes	-	-	-
Intergovernmental	-	-	-
Investment Income	-	-	-
Miscellaneous	-	-	-
TOTAL REVENUES	3,048,173	5,152,871	4,545,613
EXPENDITURES			
Current:			
General Government	-	-	-
Public Safety	-	-	-
Highways, Streets and Sanitation	-	-	-
Health and Welfare	-	-	-
Culture and Recreation	2,825,514	4,936,097	4,312,892
Capital Outlay	-	-	-
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
Bond Issuance Costs	-	-	-
TOTAL EXPENDITURES	2,825,514	4,936,097	4,312,892
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	222,659	216,774	232,721
OTHER FINANCING SOURCES (USES)			
Premium on Bonds Issued	-	-	-
Issuance of Refunding Bonds	-	-	-
Payment to Refunded Debt Escrow Agent	-	-	-
Proceeds from Sale of Capital Assets	-	-	-
Transfers In	-	-	-
Transfers Out	(180,000)	(97,200)	-
TOTAL OTHER FINANCING SOURCES (USES)	(180,000)	(97,200)	-
NET CHANGE IN FUND BALANCES	42,659	119,574	232,721
FUND BALANCE - Beginning of Year	407,334	1,249,240	1,825,722
FUND BALANCES - End of Year	\$ 449,993	1,368,814	2,058,443

DEBT SERVICE FUND	CAPITAL PROJECTS FUNDS			TOTAL NONMAJOR GOVERNMENTAL FUNDS
	C FUNDS	1997 CAPITAL PROJECTS SALES TAX FUND	CAPITAL IMPROVEMENTS FUND	
7,956,680	-	-	-	\$ 30,114,168
-	-	-	-	2,174,067
-	4,871,486	-	-	6,371,391
6,591	42,691	6,132	45,897	169,570
-	20,000	-	-	20,000
<u>7,963,271</u>	<u>4,934,177</u>	<u>6,132</u>	<u>45,897</u>	<u>38,849,196</u>
-	-	-	223,194	223,194
-	-	-	-	4,266,608
-	-	31,157	-	2,283,775
-	-	-	-	2,408
-	-	-	-	14,198,922
-	4,617,854	-	4,482,411	9,973,211
6,141,072	-	-	-	6,307,318
1,747,052	-	-	-	1,783,272
262,878	-	-	-	262,878
<u>8,151,002</u>	<u>4,617,854</u>	<u>31,157</u>	<u>4,705,605</u>	<u>39,301,586</u>
(187,731)	316,323	(25,025)	(4,659,708)	(452,390)
4,298,005	-	-	-	4,298,005
27,775,000	-	-	-	27,775,000
(32,052,488)	-	-	-	(32,052,488)
-	-	-	-	27,075
300,552	-	-	1,390,395	1,950,947
-	-	(715,395)	(419,000)	(1,430,465)
<u>321,069</u>	<u>-</u>	<u>(715,395)</u>	<u>971,395</u>	<u>568,074</u>
133,338	316,323	(740,420)	(3,688,313)	115,684
<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>
<u>2,930,353</u>	<u>12,796,061</u>	<u>1,599,922</u>	<u>15,247,919</u>	<u>\$ 59,444,044</u>

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

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

YEAR ENDED JUNE 30, 2015

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
General Government			
County Council			
Personnel Services	\$ 182,153	179,578	\$ 2,575
Operating Expenditures	104,100	39,164	64,936
Capital Outlay	1,304	1,304	-
Total	<u>287,557</u>	<u>220,046</u>	<u>67,511</u>
Legislative Delegation			
Operating Expenditures	2,200	-	2,200
Total	<u>2,200</u>	<u>-</u>	<u>2,200</u>
Clerk of Court			
Personnel Services	2,374,539	2,324,595	49,944
Operating Expenditures	317,788	320,237	(2,449)
Capital Outlay	7,554	7,554	-
Total	<u>2,699,881</u>	<u>2,652,386</u>	<u>47,495</u>
Circuit Court			
Operating Expenditures	206,600	189,423	17,177
Capital Outlay	5,385	5,385	-
Total	<u>211,985</u>	<u>194,808</u>	<u>17,177</u>
Child Support Enforcement			
Operating Expenditures	95,885	73,545	22,340
Capital Outlay	3,648	3,648	-
Total	<u>99,533</u>	<u>77,193</u>	<u>22,340</u>
IV D Funds			
Operating Expenditures	327,760	35,898	291,862
Capital Outlay	82,500	80,922	1,578
Total	<u>410,260</u>	<u>116,820</u>	<u>293,440</u>
Public Defender			
Personnel Services	1,786,336	1,738,010	48,326
Operating Expenditures	91,260	57,701	33,559
Capital Outlay	12,435	8,378	4,057
Total	<u>\$ 1,890,031</u>	<u>1,804,089</u>	<u>\$ 85,942</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

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

YEAR ENDED JUNE 30, 2015

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Solicitor			
Personnel Services	\$ 3,346,294	3,765,365	\$ (419,071)
Operating Expenditures	302,539	721,373	(418,834)
Capital Outlay	108,865	122,993	(14,128)
Total	<u>3,757,698</u>	<u>4,609,731</u>	<u>(852,033)</u>
Solicitor - Victim's Advocate			
Personnel Services	249,130	241,620	7,510
Operating Expenditures	10,905	5,962	4,943
Total	<u>260,035</u>	<u>247,582</u>	<u>12,453</u>
Solicitor - Forensic Unit Grant			
Personnel Services	45,442	45,292	150
Total	<u>45,442</u>	<u>45,292</u>	<u>150</u>
Solicitor - DUI Prosecution Grant			
Personnel Services	86,616	85,006	1,610
Operating Expenditures	658	33	625
Total	<u>87,274</u>	<u>85,039</u>	<u>2,235</u>
Solicitor - Adult Drug Court			
Personnel Services	60,622	60,385	237
Operating Expenditures	91,627	91,430	197
Total	<u>152,249</u>	<u>151,815</u>	<u>434</u>
Solicitor - Juvenile Drug Court			
Personnel Services	53,165	52,913	252
Operating Expenditures	57,217	57,217	-
Total	<u>110,382</u>	<u>110,130</u>	<u>252</u>
Solicitor - Violent Crimes			
Personnel Services	1,759	-	1,759
Total	<u>1,759</u>	<u>-</u>	<u>1,759</u>
Solicitor - CDV Court			
Personnel Services	127,895	127,883	12
Capital Outlay	599	-	599
Total	<u>\$ 128,494</u>	<u>127,883</u>	<u>\$ 611</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

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

YEAR ENDED JUNE 30, 2015

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Probate Judge			
Personnel Services	\$ 494,136	490,280	\$ 3,856
Operating Expenditures	48,912	45,034	3,878
Capital Outlay	2,411	2,411	-
Total	<u>545,459</u>	<u>537,725</u>	<u>7,734</u>
Master in Equity			
Personnel Services	269,804	267,900	1,904
Operating Expenditures	5,649	5,064	585
Capital Outlay	1,565	1,526	39
Total	<u>277,018</u>	<u>274,490</u>	<u>2,528</u>
Bethel - Kings Mountain Magistrate			
Personnel Services	190,821	190,027	794
Operating Expenditures	15,831	11,402	4,429
Capital Outlay	804	804	-
Total	<u>207,456</u>	<u>202,233</u>	<u>5,223</u>
Bullock Creek Magistrate			
Personnel Services	142,874	142,513	361
Operating Expenditures	11,779	7,249	4,530
Capital Outlay	884	884	-
Total	<u>155,537</u>	<u>150,646</u>	<u>4,891</u>
York - Bethesda Magistrate			
Personnel Services	296,171	295,341	830
Operating Expenditures	34,630	21,207	13,423
Capital Outlay	2,428	1,501	927
Total	<u>333,229</u>	<u>318,049</u>	<u>15,180</u>
Catawba - Ebenezer Magistrate			
Personnel Services	461,811	460,171	1,640
Operating Expenditures	52,690	25,353	27,337
Capital Outlay	6,689	23,508	(16,819)
Total	<u>\$ 521,190</u>	<u>509,032</u>	<u>\$ 12,158</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

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

YEAR ENDED JUNE 30, 2015

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Fort Mill Magistrate			
Personnel Services	\$ 378,007	362,294	\$ 15,713
Operating Expenditures	27,311	19,714	7,597
Capital Outlay	2,885	2,016	869
Total	<u>408,203</u>	<u>384,024</u>	<u>24,179</u>
Central Civil Magistrate			
Personnel Services	110,359	109,666	693
Total	<u>110,359</u>	<u>109,666</u>	<u>693</u>
Ministerial Magistrate			
Personnel Services	566,689	553,663	13,026
Operating Expenditures	24,668	14,390	10,278
Capital Outlay	2,609	2,127	482
Total	<u>593,966</u>	<u>570,180</u>	<u>23,786</u>
Magistrate - DUI Court			
Personnel Services	139,279	139,013	266
Operating Expenditures	25,900	18,332	7,568
Capital Outlay	571	571	-
Total	<u>165,750</u>	<u>157,916</u>	<u>7,834</u>
County Manager			
Personnel Services	620,720	576,018	44,702
Operating Expenditures	51,430	30,384	21,046
Capital Outlay	8,554	3,157	5,397
Total	<u>680,704</u>	<u>609,559</u>	<u>71,145</u>
Registration and Election			
Personnel Services	342,517	327,632	14,885
Operating Expenditures	308,600	192,057	116,543
Capital Outlay	15,856	15,315	541
Total	<u>666,973</u>	<u>535,004</u>	<u>131,969</u>
Treasurer - Finance			
Personnel Services	511,294	499,599	11,695
Operating Expenditures	61,895	28,696	33,199
Capital Outlay	3,589	3,589	-
Total	<u>\$ 576,778</u>	<u>531,884</u>	<u>\$ 44,894</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

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

YEAR ENDED JUNE 30, 2015

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Independent Auditor			
Operating Expenditures	\$ 46,500	38,500	\$ 8,000
Total	<u>46,500</u>	<u>38,500</u>	<u>8,000</u>
Tax Collector			
Personnel Services	463,792	443,313	20,479
Operating Expenditures	534,265	384,098	150,167
Capital Outlay	8,970	8,970	-
Total	<u>1,007,027</u>	<u>836,381</u>	<u>170,646</u>
County Auditor			
Personnel Services	508,235	504,372	3,863
Operating Expenditures	104,880	94,597	10,283
Capital Outlay	4,163	4,163	-
Total	<u>617,278</u>	<u>603,132</u>	<u>14,146</u>
Tax Assessor			
Personnel Services	1,462,945	1,403,614	59,331
Operating Expenditures	137,030	92,285	44,745
Capital Outlay	11,056	8,072	2,984
Total	<u>1,611,031</u>	<u>1,503,971</u>	<u>107,060</u>
Purchasing Department			
Personnel Services	310,778	298,199	12,579
Operating Expenditures	32,220	22,949	9,271
Capital Outlay	1,222	1,222	-
Total	<u>344,220</u>	<u>322,370</u>	<u>21,850</u>
Warehouse Operations			
Operating Expenditures	9,775	8,357	1,418
Capital Outlay	1,021	-	1,021
Total	<u>10,796</u>	<u>8,357</u>	<u>2,439</u>
County Attorney			
Personnel Services	385,132	355,923	29,209
Operating Expenditures	351,914	278,585	73,329
Capital Outlay	10,281	1,487	8,794
Debt Service	54,357	52,975	1,382
Total	<u>\$ 801,684</u>	<u>688,970</u>	<u>\$ 112,714</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

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

YEAR ENDED JUNE 30, 2015

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Human Resources			
Personnel Services	\$ 353,761	344,292	\$ 9,469
Operating Expenditures	257,250	163,857	93,393
Capital Outlay	1,602	1,602	-
Total	<u>612,613</u>	<u>509,751</u>	<u>102,862</u>
Seniorworks			
Personnel Services	5,516	2,607	2,909
Total	<u>5,516</u>	<u>2,607</u>	<u>2,909</u>
Risk Management			
Personnel Services	122,446	122,212	234
Operating Expenditures	18,740	12,111	6,629
Capital Outlay	1,480	1,480	-
Total	<u>142,666</u>	<u>135,803</u>	<u>6,863</u>
P & D Administration			
Personnel Services	104,096	65,512	38,584
Operating Expenditures	45,360	34,170	11,190
Capital Outlay	3,966	3,039	927
Total	<u>153,422</u>	<u>102,721</u>	<u>50,701</u>
P & D Planning			
Personnel Services	223,100	222,700	400
Operating Expenditures	229,710	133,247	96,463
Capital Outlay	1,554	1,133	421
Total	<u>454,364</u>	<u>357,080</u>	<u>97,284</u>
P & D Building Inspection			
Personnel Services	581,274	580,070	1,204
Operating Expenditures	39,965	32,401	7,564
Capital Outlay	12,896	1,322	11,574
Total	<u>634,135</u>	<u>613,793</u>	<u>20,342</u>
P & D Zoning			
Personnel Services	544,213	493,867	50,346
Operating Expenditures	23,180	17,015	6,165
Capital Outlay	6,041	3,257	2,784
Total	<u>\$ 573,434</u>	<u>514,139</u>	<u>\$ 59,295</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

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

YEAR ENDED JUNE 30, 2015

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
P & D York County Forever			
Personnel Services	\$ 64,829	62,998	\$ 1,831
Capital Outlay	1,600,000	209,150	1,390,850
Total	<u>1,664,829</u>	<u>272,148</u>	<u>1,392,681</u>
P & D Development Customer Service Center			
Personnel Services	352,233	345,932	6,301
Operating Expenditures	12,720	2,127	10,593
Capital Outlay	1,016	1,016	-
Total	<u>365,969</u>	<u>349,075</u>	<u>16,894</u>
P & D Development Services Team			
Personnel Services	479,471	460,962	18,509
Operating Expenditures	65,425	38,765	26,660
Capital Outlay	9,942	3,344	6,598
Total	<u>554,838</u>	<u>503,071</u>	<u>51,767</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	87,758	87,758	-
Total	<u>87,758</u>	<u>87,758</u>	<u>-</u>
Superintendent of County Property			
Personnel Services	1,116,369	1,097,751	18,618
Operating Expenditures	1,209,815	1,110,689	99,126
Capital Outlay	128,495	49,457	79,038
Total	<u>2,454,679</u>	<u>2,257,897</u>	<u>196,782</u>
MJC Maintenance			
Personnel Services	731,180	712,578	18,602
Operating Expenditures	1,121,652	1,019,095	102,557
Capital Outlay	345,829	45,672	300,157
Total	<u>\$ 2,198,661</u>	<u>1,777,345</u>	<u>\$ 421,316</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

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

YEAR ENDED JUNE 30, 2015

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
W-J DSS Building Maintenance			
Operating Expenditures	\$ 66,509	63,830	\$ 2,679
Total	<u>66,509</u>	<u>63,830</u>	<u>2,679</u>
Communications Building Maintenance			
Operating Expenditures	80,856	74,708	6,148
Total	<u>80,856</u>	<u>74,708</u>	<u>6,148</u>
Reserve Center Building Maintenance			
Operating Expenditures	45,027	26,594	18,433
Total	<u>45,027</u>	<u>26,594</u>	<u>18,433</u>
Prison Building Maintenance			
Operating Expenditures	123,934	96,243	27,691
Capital Outlay	16,930	16,841	89
Total	<u>140,864</u>	<u>113,084</u>	<u>27,780</u>
Dave Lyle Property Building Maintenance			
Operating Expenditures	23,317	22,170	1,147
Total	<u>23,317</u>	<u>22,170</u>	<u>1,147</u>
Coroner Building Maintenance			
Operating Expenditures	9,689	8,454	1,235
Total	<u>9,689</u>	<u>8,454</u>	<u>1,235</u>
Legal Building Maintenance			
Operating Expenditures	21,483	15,047	6,436
Total	<u>21,483</u>	<u>15,047</u>	<u>6,436</u>
Probation / Parole Modular Maintenance			
Operating Expenditures	14,375	8,911	5,464
Total	<u>14,375</u>	<u>8,911</u>	<u>5,464</u>
Equipment Maintenance			
Personnel Services	523,532	516,638	6,894
Operating Expenditures	72,582	46,392	26,190
Capital Outlay	163,468	93,758	69,710
Total	<u>\$ 759,582</u>	<u>656,788</u>	<u>\$ 102,794</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

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

YEAR ENDED JUNE 30, 2015

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Information Technology			
Personnel Services	\$ 876,269	821,800	\$ 54,469
Operating Expenditures	1,267,361	1,192,375	74,986
Capital Outlay	304,001	99,207	204,794
Total	<u>2,447,631</u>	<u>2,113,382</u>	<u>334,249</u>
Geographic Information Systems			
Personnel Services	146,924	146,444	480
Operating Expenditures	216,180	197,426	18,754
Capital Outlay	36,910	34,910	2,000
Total	<u>400,014</u>	<u>378,780</u>	<u>21,234</u>
Records Management			
Personnel Services	106,366	106,162	204
Operating Expenditures	35,208	21,861	13,347
Capital Outlay	3,670	3,670	-
Total	<u>145,244</u>	<u>131,693</u>	<u>13,551</u>
Cost of Living Adjustment			
Personnel Services	58,392	-	58,392
Total	<u>58,392</u>	<u>-</u>	<u>58,392</u>
Retiree Health Insurance			
Personnel Services	1,753,035	1,263,327	489,708
Total	<u>1,753,035</u>	<u>1,263,327</u>	<u>489,708</u>
Salary Contingency			
Personnel Services	119,805	25,189	94,616
Total	<u>119,805</u>	<u>25,189</u>	<u>94,616</u>
Annual Retirement and Leave Contingency			
Personnel Services	389,367	285,388	103,979
Total	<u>389,367</u>	<u>285,388</u>	<u>103,979</u>
Unemployment Insurance			
Operating Expenditures	32,000	15,058	16,942
Total	<u>\$ 32,000</u>	<u>15,058</u>	<u>\$ 16,942</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

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

YEAR ENDED JUNE 30, 2015

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Workers' Compensation Insurance			
Operating Expenditures	\$ 900,000	540,194	\$ 359,806
Total	<u>900,000</u>	<u>540,194</u>	<u>359,806</u>
Tort Insurance			
Operating Expenditures	355,000	320,355	34,645
Total	<u>355,000</u>	<u>320,355</u>	<u>34,645</u>
Contingency Fund			
Operating Expenditures	567,648	52,504	515,144
Total	<u>567,648</u>	<u>52,504</u>	<u>515,144</u>
Total General Government			
Total current expenditures	35,082,562	32,024,113	3,058,449
Total capital outlay	2,945,648	880,365	2,065,283
Total debt service	54,357	52,975	1,382
Total	<u>38,082,567</u>	<u>32,957,453</u>	<u>5,125,114</u>
Public Safety			
Sheriff's Office			
Personnel Services	12,374,708	11,675,768	698,940
Operating Expenditures	2,469,351	1,664,922	804,429
Capital Outlay	1,671,688	1,067,726	603,962
Total	<u>16,515,747</u>	<u>14,408,416</u>	<u>2,107,331</u>
Sheriff - Victim's Advocate			
Personnel Services	272,438	266,707	5,731
Operating Expenditures	24,130	15,846	8,284
Total	<u>296,568</u>	<u>282,553</u>	<u>14,015</u>
Sheriff - Armory			
Operating Expenditures	14,166	4,302	9,864
Total	<u>14,166</u>	<u>4,302</u>	<u>9,864</u>
Sheriff - School Resource -50/50			
Personnel Services	132,964	130,521	2,443
Operating Expenditures	8,260	4,721	3,539
Capital Outlay	988	-	988
Total	<u>\$ 142,212</u>	<u>135,242</u>	<u>\$ 6,970</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

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

YEAR ENDED JUNE 30, 2015

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Sheriff - School Resource			
Personnel Services	\$ 60,576	58,288	\$ 2,288
Operating Expenditures	6,905	3,014	3,891
Total	<u>67,481</u>	<u>61,302</u>	<u>6,179</u>
Sheriff - School Resource Officer - Clover School District			
Personnel Services	245,737	237,957	7,780
Operating Expenditures	14,990	8,344	6,646
Capital Outlay	7,254	-	7,254
Total	<u>267,981</u>	<u>246,301</u>	<u>21,680</u>
Sheriff - Grants			
Personnel Services	127,419	119,524	7,895
Operating Expenditures	488,466	67,647	420,819
Capital Outlay	144,838	23,268	121,570
Total	<u>760,723</u>	<u>210,439</u>	<u>550,284</u>
Department of Fire Safety			
Personnel Services	619,385	601,362	18,023
Operating Expenditures	113,392	81,040	32,352
Capital Outlay	80,911	67,441	13,470
Total	<u>813,688</u>	<u>749,843</u>	<u>63,845</u>
Detention Center Operations and Programs			
Personnel Services	7,841,805	7,298,486	543,319
Operating Expenditures	1,434,137	1,188,048	246,089
Capital Outlay	215,998	212,920	3,078
Total	<u>9,491,940</u>	<u>8,699,454</u>	<u>792,486</u>
Public Safety - Communications			
Personnel Services	2,046,203	1,921,894	124,309
Operating Expenditures	32,910	23,206	9,704
Capital Outlay	40,566	36,865	3,701
Total	<u>2,119,679</u>	<u>1,981,965</u>	<u>137,714</u>
Radio System			
Personnel Services	156,770	149,073	7,697
Operating Expenditures	3,146,421	3,103,534	42,887
Capital Outlay	151,335	22,549	128,786
Total	<u>\$ 3,454,526</u>	<u>3,275,156</u>	<u>\$ 179,370</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

SCHEDULE OF EXPENDITURES BY DEPARTMENT
FINAL BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2015

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Coroner			
Personnel Services	\$ 346,270	341,470	\$ 4,800
Operating Expenditures	335,046	299,306	35,740
Capital Outlay	26,169	18,239	7,930
Total	<u>707,485</u>	<u>659,015</u>	<u>48,470</u>
Emergency Management			
Personnel Services	255,139	189,579	65,560
Operating Expenditures	152,950	76,843	76,107
Capital Outlay	125,220	33,208	92,012
Total	<u>533,309</u>	<u>299,630</u>	<u>233,679</u>
Emergency Management - Duke Energy			
Personnel Services	125,843	68,494	57,349
Operating Expenditures	95,600	41,364	54,236
Total	<u>221,443</u>	<u>109,858</u>	<u>111,585</u>
Emergency Management - Duke Energy - Prior Year Funds			
Operating Expenditures	121,005	-	121,005
Capital Outlay	25,000	13,000	12,000
Total	<u>146,005</u>	<u>13,000</u>	<u>133,005</u>
DHEC EMS Grant			
Operating Expenditures	21,981	18,939	3,042
Total	<u>21,981</u>	<u>18,939</u>	<u>3,042</u>
Emergency Management Grant			
Personnel Services	36,629	36,629	-
Operating Expenditures	79,371	70,755	8,616
Total	<u>116,000</u>	<u>107,384</u>	<u>8,616</u>
Total Public Safety			
Total current expenditures	33,200,967	29,767,583	3,433,384
Total capital outlay	2,489,967	1,495,216	994,751
Total	<u>\$ 35,690,934</u>	<u>31,262,799</u>	<u>\$ 4,428,135</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

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

YEAR ENDED JUNE 30, 2015

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Highways / Streets / Sanitation			
Public Works Operations			
Personnel Services	\$ 180,932	180,469	\$ 463
Operating Expenditures	25,150	20,698	4,452
Capital Outlay	16,565	4,577	11,988
Total	<u>222,647</u>	<u>205,744</u>	<u>16,903</u>
Road Maintenance			
Personnel Services	1,368,216	1,358,264	9,952
Operating Expenditures	1,599,502	1,195,767	403,735
Capital Outlay	1,879,459	1,327,410	552,049
Total	<u>4,847,177</u>	<u>3,881,441</u>	<u>965,736</u>
Prison Operations			
Personnel Services	1,808,466	1,743,778	64,688
Operating Expenditures	418,455	303,873	114,582
Capital Outlay	52,257	37,874	14,383
Total	<u>2,279,178</u>	<u>2,085,525</u>	<u>193,653</u>
Animal Control			
Personnel Services	1,009,685	1,009,638	47
Operating Expenditures	337,297	292,499	44,798
Capital Outlay	48,578	40,179	8,399
Total	<u>1,395,560</u>	<u>1,342,316</u>	<u>53,244</u>
County Engineering Department			
Personnel Services	722,419	575,012	147,407
Operating Expenditures	233,661	150,734	82,927
Capital Outlay	22,534	5,753	16,781
Total	<u>978,614</u>	<u>731,499</u>	<u>247,115</u>
Solid Waste Recycling			
Personnel Services	1,312,021	1,250,800	61,221
Operating Expenditures	507,400	384,954	122,446
Capital Outlay	136,888	6,451	130,437
Total	<u>1,956,309</u>	<u>1,642,205</u>	<u>314,104</u>
Solid Waste Grants			
Operating Expenditures	103,763	68,986	34,777
Total	<u>\$ 103,763</u>	<u>68,986</u>	<u>\$ 34,777</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

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

YEAR ENDED JUNE 30, 2015

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Keep South Carolina Beautiful			
Operating Expenditures	\$ 14,358	10,649	\$ 3,709
Total	<u>14,358</u>	<u>10,649</u>	<u>3,709</u>
Total Highways / Streets / Sanitation			
Total current expenditures	9,641,325	8,546,121	1,095,204
Total capital outlay	2,156,281	1,422,244	734,037
Total	<u>11,797,606</u>	<u>9,968,365</u>	<u>1,829,241</u>
Health and Welfare			
DSS and DHEC			
Operating Expenditures	40,000	35,655	4,345
Total	<u>40,000</u>	<u>35,655</u>	<u>4,345</u>
Summer Feeding Program			
Personnel Services	159,866	107,872	51,994
Operating Expenditures	343,346	274,854	68,492
Total	<u>503,212</u>	<u>382,726</u>	<u>120,486</u>
Medical Service for Indigent			
Operating Expenditures	865,206	865,206	-
Total	<u>865,206</u>	<u>865,206</u>	<u>-</u>
Veteran's Affairs			
Personnel Services	274,156	264,261	9,895
Operating Expenditures	26,505	16,340	10,165
Capital Outlay	3,092	2,530	562
Total	<u>303,753</u>	<u>283,131</u>	<u>20,622</u>
County Rescue Squads			
Capital Outlay	56,488	-	56,488
Total	<u>56,488</u>	<u>-</u>	<u>56,488</u>
Keystone			
Operating Expenditures	125,000	125,000	-
Capital Outlay	75,000	75,000	-
Total	<u>\$ 200,000</u>	<u>200,000</u>	<u>\$ -</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

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

YEAR ENDED JUNE 30, 2015

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Board of Disabilities and Special Needs			
Operating Expenditures	\$ 108,050	108,050	\$ -
Total	<u>108,050</u>	<u>108,050</u>	<u>-</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>
Cooperative Extension			
Operating Expenditures	34,076	34,076	-
Total	<u>34,076</u>	<u>34,076</u>	<u>-</u>
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	2,000	2,000	-
Total	<u>2,000</u>	<u>2,000</u>	<u>-</u>
Total Health and Welfare			
Total current expenditures	2,131,955	1,987,064	144,891
Total capital outlay	134,580	77,530	57,050
Total	<u>2,266,535</u>	<u>2,064,594</u>	<u>201,941</u>
Culture and Recreation			
Ebenezer Park			
Personnel Services	256,685	246,600	10,085
Operating Expenditures	435,668	168,427	267,241
Capital Outlay	3,821	1,482	2,339
Total	<u>696,174</u>	<u>416,509</u>	<u>279,665</u>
Ebenezer Park Store			
Operating Expenditures	31,400	14,551	16,849
Total	<u>\$ 31,400</u>	<u>14,551</u>	<u>\$ 16,849</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

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

YEAR ENDED JUNE 30, 2015

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Broad River Boat Access Facility			
Operating Expenditures	\$ 500,000	-	\$ 500,000
Total	<u>500,000</u>	<u>-</u>	<u>500,000</u>
State Accommodations Tax Pass-Through			
Operating Expenditures	142,500	127,702	14,798
Total	<u>142,500</u>	<u>127,702</u>	<u>14,798</u>
Total Culture and Recreation			
Total current expenditures	1,366,253	557,280	808,973
Total capital outlay	3,821	1,482	2,339
Total	<u>1,370,074</u>	<u>558,762</u>	<u>811,312</u>
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	41,704	26,634	15,070
Total	<u>41,704</u>	<u>26,634</u>	<u>15,070</u>
Economic Development Operations			
Personnel Services	380,845	375,236	5,609
Operating Expenditures	246,314	202,957	43,357
Capital Outlay	25,272	36,931	(11,659)
Total	<u>652,431</u>	<u>615,124</u>	<u>37,307</u>
Economic Development Projects			
Operating Expenditures	6,300,000	1,629,164	4,670,836
Total	<u>6,300,000</u>	<u>1,629,164</u>	<u>4,670,836</u>
Designated Development District			
Operating Expenditures	4,300,000	-	4,300,000
Total	<u>\$ 4,300,000</u>	<u>-</u>	<u>\$ 4,300,000</u>

(Continued)

YORK COUNTY, SOUTH CAROLINA

GENERAL FUND

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

YEAR ENDED JUNE 30, 2015

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
RDA Economic Development			
Operating Expenditures	\$ 435,000	-	\$ 435,000
Total	<u>435,000</u>	<u>-</u>	<u>435,000</u>
Western ED Building			
Capital Outlay	2,125,000	-	2,125,000
Total	<u>2,125,000</u>	<u>-</u>	<u>2,125,000</u>
Eastern ED Building			
Capital Outlay	3,100,000	-	3,100,000
Total	<u>3,100,000</u>	<u>-</u>	<u>3,100,000</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>
Demand Response System			
Operating Expenditures	228,124	79,870	148,254
Capital Outlay	265,013	189,188	75,825
Total	<u>493,137</u>	<u>269,058</u>	<u>224,079</u>
Total Conservation / Transportation / Growth			
Total current expenditures	12,299,107	2,680,981	9,618,126
Total capital outlay	<u>5,515,285</u>	<u>226,119</u>	<u>5,289,166</u>
Total	<u>17,814,392</u>	<u>2,907,100</u>	<u>14,907,292</u>
Total General Fund Expenditures			
Total current expenditures	93,722,169	75,563,142	18,159,027
Total capital outlay	13,245,582	4,102,956	9,142,626
Total debt service	54,357	52,975	1,382
Total Charges to Appropriations	<u>\$ 107,022,108</u>	<u>79,719,073</u>	<u>\$ 27,303,035</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, 2015

	<u>FINAL BUDGET</u>	<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES			
Hospitality Taxes	\$ 1,750,000	2,174,067	\$ 424,067
Investment Income	-	18,627	18,627
TOTAL REVENUES	<u>1,750,000</u>	<u>2,192,694</u>	<u>442,694</u>
EXPENDITURES			
Culture and Recreation	3,750,000	1,049,954	2,700,046
TOTAL EXPENDITURES	<u>3,750,000</u>	<u>1,049,954</u>	<u>2,700,046</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(2,000,000)</u>	<u>1,142,740</u>	<u>3,142,740</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	-	(18,870)	(18,870)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(18,870)</u>	<u>(18,870)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (2,000,000)</u>	<u>1,123,870</u>	<u>\$ 3,123,870</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, 2015

	<u>FINAL BUDGET</u>	<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES			
Property Taxes	\$ 2,077,276	2,141,446	\$ 64,170
Investment Income	-	9,103	9,103
TOTAL REVENUES	<u>2,077,276</u>	<u>2,150,549</u>	<u>73,273</u>
EXPENDITURES			
Public Safety	1,705,891	1,574,865	131,026
Capital Outlay	851,221	169,002	682,219
Debt Service:			
Principal Retirement	166,981	166,246	735
Interest and Fiscal Charges	36,221	36,220	1
TOTAL EXPENDITURES	<u>2,760,314</u>	<u>1,946,333</u>	<u>813,981</u>
NET CHANGE IN FUND BALANCE	<u>\$ (683,038)</u>	<u>204,216</u>	<u>\$ 887,254</u>

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, 2015

	<u>FINAL BUDGET</u>	<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES			
Property Taxes	\$ 3,375,823	3,405,732	\$ 29,909
Investment Income	-	16,515	16,515
TOTAL REVENUES	<u>3,375,823</u>	<u>3,422,247</u>	<u>46,424</u>
EXPENDITURES			
Public Safety	2,164,972	1,867,315	297,657
Capital Outlay	2,688,737	136,564	2,552,173
TOTAL EXPENDITURES	<u>4,853,709</u>	<u>2,003,879</u>	<u>2,849,830</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,477,886)</u>	<u>1,418,368</u>	<u>\$ 2,896,254</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, 2015

	<u>FINAL BUDGET</u>	<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES			
Property Taxes	\$ 2,682,517	2,704,641	\$ 22,124
Investment Income	7,000	12,808	5,808
TOTAL REVENUES	<u>2,689,517</u>	<u>2,717,449</u>	<u>27,932</u>
EXPENDITURES			
Highways, Streets and Sanitation	2,532,641	2,252,618	280,023
Capital Outlay	416,876	125,228	291,648
TOTAL EXPENDITURES	<u>2,949,517</u>	<u>2,377,846</u>	<u>571,671</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(260,000)</u>	<u>339,603</u>	<u>599,603</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from Sale of Capital Assets	-	27,075	27,075
Transfer In	260,000	260,000	-
Total Other Financing Sources (Uses)	<u>260,000</u>	<u>287,075</u>	<u>27,075</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>626,678</u>	<u>\$ 626,678</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, 2015

	<u>FINAL BUDGET</u>	<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES			
Intergovernmental	\$ 1,383,400	1,399,843	\$ 16,443
Investment Income	5,000	8,661	3,661
TOTAL REVENUES	<u>1,388,400</u>	<u>1,408,504</u>	<u>20,104</u>
EXPENDITURES			
Public Safety	1,068,029	797,076	270,953
Capital Outlay	546,126	442,152	103,974
TOTAL EXPENDITURES	<u>1,614,155</u>	<u>1,239,228</u>	<u>374,927</u>
NET CHANGE IN FUND BALANCE	<u>\$ (225,755)</u>	<u>169,276</u>	<u>\$ 395,031</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, 2015

	<u>FINAL BUDGET</u>	<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES			
Property Taxes	\$ 1,150,000	1,159,012	\$ 9,012
Investment Income	-	2,403	2,403
TOTAL REVENUES	<u>1,150,000</u>	<u>1,161,415</u>	<u>11,415</u>
EXPENDITURES			
Culture and Recreation	1,150,000	1,074,465	75,535
TOTAL EXPENDITURES	<u>1,150,000</u>	<u>1,074,465</u>	<u>75,535</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>86,950</u>	<u>\$ 86,950</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, 2015

	<u>FINAL BUDGET</u>	<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES			
Property Taxes	\$ 3,005,514	3,048,173	\$ 42,659
TOTAL REVENUES	<u>3,005,514</u>	<u>3,048,173</u>	<u>42,659</u>
EXPENDITURES			
Culture and Recreation	2,825,514	2,825,514	-
TOTAL EXPENDITURES	<u>2,825,514</u>	<u>2,825,514</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>180,000</u>	<u>222,659</u>	<u>42,659</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	(180,000)	(180,000)	-
Total Other Financing Sources (Uses)	<u>(180,000)</u>	<u>(180,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>42,659</u>	<u>\$ 42,659</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, 2015

	<u>FINAL BUDGET</u>	<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES			
Property Taxes	\$ 5,143,320	5,152,871	\$ 9,551
TOTAL REVENUES	<u>5,143,320</u>	<u>5,152,871</u>	<u>9,551</u>
EXPENDITURES			
Culture and Recreation	5,202,720	4,936,097	266,623
TOTAL EXPENDITURES	<u>5,202,720</u>	<u>4,936,097</u>	<u>266,623</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(59,400)</u>	<u>216,774</u>	<u>276,174</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	(97,200)	(97,200)	-
Total Other Financing Sources (Uses)	<u>(97,200)</u>	<u>(97,200)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (156,600)</u>	<u>119,574</u>	<u>\$ 276,174</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, 2015

	<u>FINAL BUDGET</u>	<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES			
Property Taxes	\$ 4,512,134	4,545,613	\$ 33,479
TOTAL REVENUES	<u>4,512,134</u>	<u>4,545,613</u>	<u>33,479</u>
EXPENDITURES			
Culture and Recreation	5,385,072	4,312,892	1,072,180
TOTAL EXPENDITURES	<u>5,385,072</u>	<u>4,312,892</u>	<u>1,072,180</u>
NET CHANGE IN FUND BALANCE	<u>\$ (872,938)</u>	<u>232,721</u>	<u>\$ 1,105,659</u>

YORK COUNTY, SOUTH CAROLINA

ALL AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

JUNE 30, 2015

	BALANCE JUNE 30, 2014	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2015
YORK SCHOOL DISTRICT NO. 1 - OPERATING ASSETS				
Cash and Cash Equivalents	\$ 4,049,809	28,229,652	(29,941,762)	\$ 2,337,699
Taxes and Other Receivable	2,696,491	20,589,038	(20,330,112)	2,955,417
TOTAL ASSETS	6,746,300	48,818,690	(50,271,874)	5,293,116
LIABILITIES				
Intergovernmental Payable	6,746,300	48,818,690	(50,271,874)	5,293,116
TOTAL LIABILITIES	6,746,300	48,818,690	(50,271,874)	5,293,116
YORK SCHOOL DISTRICT NO. 1 - DEBT SERVICE ASSETS				
Cash and Cash Equivalents	3,376,568	35,278,776	(35,951,935)	2,703,409
Taxes and Other Receivable	1,058,062	7,531,921	(7,468,103)	1,121,880
TOTAL ASSETS	4,434,630	42,810,697	(43,420,038)	3,825,289
LIABILITIES				
Intergovernmental Payable	4,434,630	42,810,697	(43,420,038)	3,825,289
TOTAL LIABILITIES	4,434,630	42,810,697	(43,420,038)	3,825,289
YORK SCHOOL DISTRICT NO. 1 - CAPITAL PROJECTS ASSETS				
Cash and Cash Equivalents	1,129,671	1,598,287	-	2,727,958
TOTAL ASSETS	1,129,671	1,598,287	-	2,727,958
LIABILITIES				
Intergovernmental Payable	1,129,671	1,598,287	-	2,727,958
TOTAL LIABILITIES	1,129,671	1,598,287	-	2,727,958
CLOVER SCHOOL DISTRICT NO. 2 - OPERATING ASSETS				
Cash and Cash Equivalents	18,693,774	24,993,352	(30,945,189)	12,741,937
Taxes and Other Receivable	3,001,570	54,636,721	(54,252,430)	3,385,861
TOTAL ASSETS	21,695,344	79,630,073	(85,197,619)	16,127,798
LIABILITIES				
Intergovernmental Payable	21,695,344	79,630,073	(85,197,619)	16,127,798
TOTAL LIABILITIES	\$ 21,695,344	79,630,073	(85,197,619)	\$ 16,127,798

(Continued)

YORK COUNTY, SOUTH CAROLINA

ALL AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

JUNE 30, 2015

	BALANCE JUNE 30, 2014	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2015
CLOVER SCHOOL DISTRICT NO. 2 - DEBT SERVICE				
ASSETS				
Cash and Cash Equivalents	\$ 14,450,104	48,057	505,820	\$ 15,003,981
Taxes and Other Receivable	443,917	7,649,889	(7,622,156)	471,650
TOTAL ASSETS	14,894,021	7,697,946	(7,116,336)	15,475,631
LIABILITIES				
Intergovernmental Payable	14,894,021	7,697,946	(7,116,336)	15,475,631
TOTAL LIABILITIES	14,894,021	7,697,946	(7,116,336)	15,475,631
CLOVER SCHOOL DISTRICT NO. 2 - CAPITAL PROJECTS				
ASSETS				
Cash and Cash Equivalents	31,539,306	73,372,610	(8,614,566)	96,297,350
TOTAL ASSETS	31,539,306	73,372,610	(8,614,566)	96,297,350
LIABILITIES				
Intergovernmental Payable	31,539,306	73,372,610	(8,614,566)	96,297,350
TOTAL LIABILITIES	31,539,306	73,372,610	(8,614,566)	96,297,350
ROCK HILL SCHOOL DISTRICT NO. 3 - OPERATING				
ASSETS				
Cash and Cash Equivalents	1,323,821	85,333,336	(85,733,005)	924,152
Taxes and Other Receivable	7,707,207	74,984,754	(74,363,592)	8,328,369
TOTAL ASSETS	9,031,028	160,318,090	(160,096,597)	9,252,521
LIABILITIES				
Intergovernmental Payable	9,031,028	160,318,090	(160,096,597)	9,252,521
TOTAL LIABILITIES	9,031,028	160,318,090	(160,096,597)	9,252,521
ROCK HILL SCHOOL DISTRICT NO. 3 - DEBT SERVICE				
ASSETS				
Cash and Cash Equivalents	12,479,998	46,135	1,675,610	14,201,743
Taxes and Other Receivable	2,104,080	23,306,555	(23,179,801)	2,230,834
TOTAL ASSETS	14,584,078	23,352,690	(21,504,191)	16,432,577
LIABILITIES				
Intergovernmental Payable	14,584,078	23,352,690	(21,504,191)	16,432,577
TOTAL LIABILITIES	\$ 14,584,078	23,352,690	(21,504,191)	\$ 16,432,577

(Continued)

YORK COUNTY, SOUTH CAROLINA

ALL AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

JUNE 30, 2015

	BALANCE JUNE 30, 2014	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2015
ROCK HILL SCHOOL DISTRICT NO. 3 - CAPITAL PROJECTS				
ASSETS				
Cash and Cash Equivalents	\$ 6,746,652	6,340,877	(7,271,748)	\$ 5,815,781
TOTAL ASSETS	6,746,652	6,340,877	(7,271,748)	5,815,781
LIABILITIES				
Intergovernmental Payable	6,746,652	6,340,877	(7,271,748)	5,815,781
TOTAL LIABILITIES	6,746,652	6,340,877	(7,271,748)	5,815,781
FORT MILL SCHOOL DISTRICT NO. 4 - OPERATING				
ASSETS				
Cash and Cash Equivalents	1,812,187	49,045,967	(49,671,844)	1,186,310
Taxes and Other Receivable	4,696,759	50,117,144	(49,340,250)	5,473,653
TOTAL ASSETS	6,508,946	99,163,111	(99,012,094)	6,659,963
LIABILITIES				
Intergovernmental Payable	6,508,946	99,163,111	(99,012,094)	6,659,963
TOTAL LIABILITIES	6,508,946	99,163,111	(99,012,094)	6,659,963
FORT MILL SCHOOL DISTRICT NO. 4 - DEBT SERVICE				
ASSETS				
Cash and Cash Equivalents	12,605,638	45,887	1,985,410	14,636,935
Taxes and Other Receivable	1,231,143	27,557,526	(27,218,508)	1,570,161
TOTAL ASSETS	13,836,781	27,603,413	(25,233,098)	16,207,096
LIABILITIES				
Intergovernmental Payable	13,836,781	27,603,413	(25,233,098)	16,207,096
TOTAL LIABILITIES	13,836,781	27,603,413	(25,233,098)	16,207,096
FORT MILL SCHOOL DISTRICT NO. 4 - CAPITAL PROJECTS				
ASSETS				
Cash and Cash Equivalents	62,963,045	7,200,861	(51,868,880)	18,295,026
TOTAL ASSETS	62,963,045	7,200,861	(51,868,880)	18,295,026
LIABILITIES				
Intergovernmental Payable	62,963,045	7,200,861	(51,868,880)	18,295,026
TOTAL LIABILITIES	\$ 62,963,045	7,200,861	(51,868,880)	\$ 18,295,026

(Continued)

YORK COUNTY, SOUTH CAROLINA

ALL AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

JUNE 30, 2015

	BALANCE JUNE 30, 2014	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2015
TOWN OF CLOVER				
ASSETS				
Cash and Cash Equivalents	\$ 23,561	-	6,490	\$ 30,051
Taxes and Other Receivable	330,294	1,824,234	(1,778,735)	375,793
TOTAL ASSETS	353,855	1,824,234	(1,772,245)	405,844
LIABILITIES				
Intergovernmental Payable	353,855	1,824,234	(1,772,245)	405,844
TOTAL LIABILITIES	353,855	1,824,234	(1,772,245)	405,844
TOWN OF CLOVER - DEBT				
ASSETS				
Cash and Cash Equivalents	1,939	-	138	2,077
Taxes and Other Receivable	3,573	65,627	(63,673)	5,527
TOTAL ASSETS	5,512	65,627	(63,535)	7,604
LIABILITIES				
Intergovernmental Payable	5,512	65,627	(63,535)	7,604
TOTAL LIABILITIES	5,512	65,627	(63,535)	7,604
TOWN OF FORT MILL				
ASSETS				
Cash and Cash Equivalents	48,461	-	20,466	68,927
Taxes and Other Receivable	184,834	5,551,364	(5,571,846)	164,352
TOTAL ASSETS	233,295	5,551,364	(5,551,380)	233,279
LIABILITIES				
Intergovernmental Payable	233,295	5,551,364	(5,551,380)	233,279
TOTAL LIABILITIES	233,295	5,551,364	(5,551,380)	233,279
TOWN OF HICKORY GROVE				
ASSETS				
Cash and Cash Equivalents	427	-	587	1,014
Taxes and Other Receivable	7,892	36,793	(37,737)	6,948
TOTAL ASSETS	8,319	36,793	(37,150)	7,962
LIABILITIES				
Intergovernmental Payable	8,319	36,793	(37,150)	7,962
TOTAL LIABILITIES	\$ 8,319	36,793	(37,150)	\$ 7,962

(Continued)

YORK COUNTY, SOUTH CAROLINA

ALL AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

JUNE 30, 2015

	BALANCE JUNE 30, 2014	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2015
CITY OF ROCK HILL				
ASSETS				
Cash and Cash Equivalents	\$ 255,028	-	93,264	\$ 348,292
Taxes and Other Receivable	2,066,936	24,079,945	(23,914,172)	2,232,709
TOTAL ASSETS	2,321,964	24,079,945	(23,820,908)	2,581,001
LIABILITIES				
Intergovernmental Payable	2,321,964	24,079,945	(23,820,908)	2,581,001
TOTAL LIABILITIES	2,321,964	24,079,945	(23,820,908)	2,581,001
TOWN OF SHARON				
ASSETS				
Cash and Cash Equivalents	324	-	540	864
Taxes and Other Receivable	4,445	28,394	(28,653)	4,186
TOTAL ASSETS	4,769	28,394	(28,113)	5,050
LIABILITIES				
Intergovernmental Payable	4,769	28,394	(28,113)	5,050
TOTAL LIABILITIES	4,769	28,394	(28,113)	5,050
CITY OF YORK				
ASSETS				
Cash and Cash Equivalents	29,555	-	23,274	52,829
Taxes and Other Receivable	383,028	2,999,892	(2,995,463)	387,457
TOTAL ASSETS	412,583	2,999,892	(2,972,189)	440,286
LIABILITIES				
Intergovernmental Payable	412,583	2,999,892	(2,972,189)	440,286
TOTAL LIABILITIES	412,583	2,999,892	(2,972,189)	440,286
TOWN OF TEGA CAY				
ASSETS				
Cash and Cash Equivalents	73,807	-	(1,499)	72,308
Taxes and Other Receivable	91,091	4,527,694	(4,509,901)	108,884
TOTAL ASSETS	164,898	4,527,694	(4,511,400)	181,192
LIABILITIES				
Intergovernmental Payable	164,898	4,527,694	(4,511,400)	181,192
TOTAL LIABILITIES	\$ 164,898	4,527,694	(4,511,400)	\$ 181,192

(Continued)

YORK COUNTY, SOUTH CAROLINA

ALL AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

JUNE 30, 2015

	BALANCE JUNE 30, 2014	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2015
FISHING CREEK WATERSHED DISTRICT				
ASSETS				
Cash and Cash Equivalents	\$ 481	-	3	\$ 484
Taxes and Other Receivable	777	27,158	(27,216)	719
TOTAL ASSETS	1,258	27,158	(27,213)	1,203
LIABILITIES				
Intergovernmental Payable	1,258	27,158	(27,213)	1,203
TOTAL LIABILITIES	1,258	27,158	(27,213)	1,203
TOTAL ALL AGENCY FUNDS				
ASSETS				
Cash and Cash Equivalents	171,604,156	311,533,798	(295,688,827)	187,449,127
Taxes and Other Receivable	26,012,099	305,514,648	(302,702,347)	28,824,400
TOTAL ASSETS	197,616,255	617,048,446	(598,391,174)	216,273,527
LIABILITIES				
Intergovernmental Payable	197,616,255	617,048,446	(598,391,174)	216,273,527
TOTAL LIABILITIES	\$ 197,616,255	617,048,446	(598,391,174)	\$ 216,273,527

YORK COUNTY, SOUTH CAROLINA

DISCRETELY PRESENTED COMPONENT UNITS

COMBINING STATEMENT OF NET POSITION

JUNE 30, 2015

	YORK COUNTY LIBRARY	CULUTURE AND HERITAGE COMMISSION OF YORK COUNTY	TOTAL
ASSETS			
Cash and Cash Equivalents	\$ 1,763,666	1,442,680	\$ 3,206,346
Accounts Receivable	-	66,943	66,943
Due from York County	-	159,791	159,791
Inventories	-	64,463	64,463
Prepaid Items	-	31,336	31,336
Capital Assets:			
Depreciable, Net of Accumulated Depreciation	-	923,457	923,457
TOTAL ASSETS	1,763,666	2,688,670	4,452,336
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Pension Charges	450,571	247,357	697,928
LIABILITIES			
Accounts Payable	27,754	69,781	97,535
Accrued Liabilities	83,511	50,899	134,410
Unearned Revenue	-	26,705	26,705
Net Pension Liability	5,052,408	2,891,887	7,944,295
Long-term Liabilities:			
Net Other Postemployment Benefit Obligation	542,225	462,769	1,004,994
Due Within One Year	180,705	66,869	247,574
Due in More Than One Year	93,090	77,031	170,121
TOTAL LIABILITIES	5,979,693	3,645,941	9,625,634
DEFERRED INFLOWS OF RESOURCES			
Deferred Pension Credits	425,955	243,807	669,762
NET POSITION			
Net Investment in Capital Assets	-	923,457	923,457
Restricted For Cultural Programs	12,166	28,217	40,383
Unrestricted	(4,203,577)	(1,905,395)	(6,108,972)
TOTAL NET POSITION	\$ (4,191,411)	(953,721)	\$ (5,145,132)

YORK COUNTY, SOUTH CAROLINA

DISCRETELY PRESENTED COMPONENT UNITS

COMBINING STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2015

	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	\$ 4,040,452	182,138	322,891	-	(3,535,423)	-	\$ (3,535,423)
Culture and Heritage Commission of York County	2,147,850	521,205	181,006	-	-	(1,445,639)	(1,445,639)
Total	\$ 6,188,302	703,343	503,897	-	(3,535,423)	(1,445,639)	(4,981,062)
General Revenues:							
County Appropriation					4,936,120	2,825,514	7,761,634
Investment Income					558	465	1,023
Miscellaneous					-	47,493	47,493
Total General Revenues					4,936,678	2,873,472	7,810,150
CHANGE IN NET POSITION					1,401,255	1,427,833	2,829,088
NET POSITION - Beginning of Year, As Originally Reported					(611,448)	469,588	(141,860)
Cumulative Change in Accounting Principle - GASB #68/71					(4,981,218)	(2,851,142)	(7,832,360)
NET POSITION - Beginning of Year					<u>(5,592,666)</u>	<u>(2,381,554)</u>	<u>(7,974,220)</u>
NET POSITION - End of Year					\$ (4,191,411)	(953,721)	\$ (5,145,132)

YORK COUNTY, SOUTH CAROLINA

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

YEAR ENDED JUNE 30, 2015

Court Fines

Court fines collected	\$	2,359,148
Court fines retained by the County		(1,137,530)
Court fines remitted to State Treasurer	\$	1,221,618

Court Assessments

Court assessments collected	\$	1,074,286
Court assessments retained by the County		(148,611)
Court assessments remitted to State Treasurer	\$	925,675

Court Surcharges

Court surcharges collected	\$	792,423
Court surcharges retained by the County		(122,962)
Court surcharges remitted to State Treasurer	\$	669,461

Victim Services

Court assessments allocated to Victim Services	\$	148,611
Court surcharges allocated to Victim Services		122,962
Funds allocated to Victim Services		271,573
General Fund contribution for Victim Services		181,954
Victim Services expenditures		(453,527)
Funds available for carryforward		-
Fund Balance - beginning of fiscal year		-
Fund Balance - end of fiscal year	\$	-

YORK COUNTY, SOUTH CAROLINA

SCHEDULE OF BUDGETED TO ACTUAL COSTS - DEMAND RESPONSE SERVICES

YEAR ENDED JUNE 30, 2015

Contract Number: PT-5M711-37
 South Carolina Grant Number: SC-18-X038/SMTF
 Contract Period - July 1, 2014 through June 30, 2015

	Contract Budget	Section 5311	SMTF	Local	(Over)/ Under Budget
Operating					
Management Service Fee	\$ 223,826	38,225	34,398	3,824	\$ 147,379
Casualty/Liability Insurance	4,250	1,688	1,688	-	874
Total Budget	\$ 228,076	39,913	36,086	3,824	\$ 148,253

Summary					
Approved Budget	\$ 228,076				
Federal Expenditures	39,913				
State Expenditures	36,086				
Local Expenditures	3,824				
Contract Budget Remaining	\$ 148,253				

Contract Number: PT-3M709-K2
 South Carolina Grant Number: SC-04-0001
 Contract Period - July 1, 2013 through October 30, 2014

	Contract Budget	Section 5309	SMTF	Local	(Over)/ Under Budget
Operating					
Vehicle Replacement	\$ 265,061	156,970	-	32,150	\$ 75,941
Total Budget	\$ 265,061	156,970	-	32,150	\$ 75,941

Summary					
Approved Budget	\$ 265,061				
Federal Expenditures	156,970				
State Expenditures	-				
Local Expenditures	32,150				
Contract Budget Remaining	\$ 75,941				

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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									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental Activities										
Net Investment In Capital Assets	\$ 46,610	48,264	76,049	85,682	75,091	76,861	75,050	78,730	87,434	\$ 87,376
Restricted	112,986	125,910	135,200	136,329	136,496	174,263	169,036	166,296	177,435	193,423
Unrestricted	40,298	70,511	78,502	70,178	69,570	36,094	47,974	52,223	48,966	4,847
Total Governmental Activities Net Position	199,894	244,685	289,751	292,189	281,157	287,218	292,060	297,249	313,835	285,646
Business-Type Activities										
Net Investment In Capital Assets	29,714	39,528	49,081	59,934	61,436	63,614	64,941	75,580	81,013	81,987
Restricted	406	418	422	525	826	802	540	770	805	688
Unrestricted	34,244	41,530	44,170	37,454	38,676	40,649	41,958	36,673	36,104	41,665
Total Business-Type Activities Net Position	64,364	81,476	93,673	97,913	100,938	105,065	107,439	113,023	117,922	124,340
Primary Government										
Net Investment In Capital Assets	76,324	87,792	125,130	145,616	136,527	140,475	139,991	154,310	168,447	169,363
Restricted	113,392	126,328	135,622	136,854	137,322	175,065	169,576	167,066	178,240	194,111
Unrestricted	74,542	112,041	122,672	107,632	108,246	76,743	89,932	88,896	85,070	46,512
Total Primary Government Net Position	\$ 264,258	326,161	383,424	390,102	382,095	392,283	399,499	410,272	431,757	\$ 409,986

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									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015 ²
Expenses										
Governmental Activities:										
General Government	\$ 26,066	23,728	25,803	30,993	30,401	30,037	32,259	33,366	33,944	\$ 26,655
Public Safety	24,624	25,071	31,876	34,066	37,061	37,755	38,094	39,175	40,919	31,601
Highways, Streets and Sanitation	14,610	31,979	44,762	47,390	54,748	38,036	37,799	42,062 *	34,733	34,706
Health and Welfare	2,495	2,614	2,476	2,692	2,648	2,344	2,050	2,171	1,895	1,975
Culture and Recreation (1)	1,839	1,942	2,245	2,554	3,320	3,025	3,801	1,881	15,361	14,957
Conservation, Transportation and Growth	3,521	1,414	1,152	1,337	2,101	1,027	1,946	3,441	3,465	2,651
Interest and Fiscal Charges	1,908	1,906	1,729	2,982	3,463	3,084	3,077	2,944	2,666	1,817
Total Governmental Activities Expenses	75,063	88,654	110,043	122,014	133,742	115,308	119,026	125,040	132,983	114,362
Business-Type Activities:										
Water and Sewer	7,552	9,345	10,053	10,849	11,930	11,678	12,394	11,604	12,835	11,059
Solid Waste	4,221	4,658	5,073	5,191	5,211	4,908	5,200	4,331	5,556	5,202
Total Business-Type Activities Expenses	11,773	14,003	15,126	16,040	17,141	16,586	17,594	15,935	18,391	16,261
Total Primary Government Expenses	\$ 86,836	102,657	125,169	138,054	150,883	131,894	136,620	140,975	151,374	\$ 130,623
Program Revenues										
Governmental Activities:										
Charges For Services:										
General Government	\$ 11,958	10,382	10,470	8,938	8,548	7,614	8,288	7,802	8,048	\$ 8,713
Public Safety	450	921	1,203	961	1,154	1,335	1,835	2,160	2,218	2,259
Highways, Streets and Sanitation	1,017	440	737	781	226	111	68	835	1,170	865
Health and Welfare	102	1,270	1,255	1,298	1,261	1,344	1,266	533	590	865
Culture and Recreation	181	213	213	205	203	196	209	231	285	338
Conservation, Transportation and Growth	-	1,215	1,633	842	1,139	1,354	1,795	360	300	100
Operating Grants and Contributions	12,755	17,271	34,154	9,537	9,834	8,120	10,573	10,563	10,965	11,937
Capital Grants and Contributions	3,188	1,073	260	853	315	467	312	32	-	900
Total Governmental Activities Program Revenues	29,651	32,785	49,925	23,415	22,680	20,541	24,346	22,779	23,576	25,947
Business-Type Activities:										
Charges For Services:										
Water and Sewer	13,221	15,840	14,656	12,851	13,512	13,450	13,523	14,781	15,150	17,075
Solid Waste	4,052	4,688	4,561	5,157	5,319	5,399	5,900	5,437	5,711	5,840
Capital Grants and Contributions	4,429	8,609	6,430	1,877	1,200	1,758	456	1,231	2,349	2,183
Total Business-Type Activities Program Revenues	21,702	29,137	25,647	19,885	20,031	20,607	19,879	21,449	23,210	25,098
Total Primary Government Program Revenues	\$ 51,353	61,922	75,572	43,300	42,711	41,148	44,225	44,228	46,786	\$ 51,045
Net (Expense) Revenue	\$ (45,412)	(55,869)	(60,118)	(98,599)	(111,062)	(94,767)	(94,680)	(102,261)	(109,407)	\$ (88,415)
Governmental Activities	9,929	15,134	10,521	3,845	2,890	4,021	2,285	5,514	4,819	8,837
Business-Type Activities	\$ (35,483)	(40,735)	(49,597)	(94,754)	(108,172)	(90,746)	(92,395)	(96,747)	(104,588)	\$ (79,578)
Total Primary Government Net Expense										

(Continued)

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									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015 ²
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property Taxes ¹	\$ 48,128	56,247	60,012	63,436	66,337	67,435	64,828	67,707	85,004	\$ 90,662
Accommodations and Sales Tax	23,050	25,571	26,247	24,897	24,023	24,727	25,864	30,040	27,819	30,564
Gain on Sale of Capital Assets	-	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	8,404
Interest and Investment Income	6,344	9,631	8,663	2,910	1,200	875	664	568	368	1,187
Miscellaneous	840	600	662	544	884	592	993	603	1,982	441
Transfers	523	11	23	88	23	23	24	24	24	23
Total Governmental Activities	78,885	100,659	105,185	101,037	100,029	100,828	99,522	107,451	123,570	131,281
Business-Type Activities:										
Miscellaneous	-	10	7	-	3	3	7	-	-	15
Interest and Other Income	1,493	1,979	1,691	483	155	126	105	93	104	113
Transfers	(297)	(11)	(23)	(88)	(23)	(23)	(24)	(24)	(24)	(23)
Total Business-Type Activities	1,196	1,978	1,675	395	135	106	88	69	80	105
Total primary government	\$ 80,081	102,637	106,860	101,432	100,164	100,934	99,610	107,520	123,650	\$ 131,386
Change in Net Position										
Governmental Activities	\$ 33,473	44,790	45,067	2,438	(11,033)	6,061	4,842	5,190 [*]	14,163	\$ 42,866
Business-Type Activities	11,125	17,112	12,196	4,240	3,025	4,127	2,373	5,583	4,899	8,942
Implementation of GASB #68/71 in the year ended June 30, 2015	-	-	-	-	-	-	-	-	-	(73,579)
Total Primary Government	\$ 44,598	61,902	57,263	6,678	(8,008)	10,188	7,215	10,773	19,062	\$ (21,771)

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

1 The County changed its treatment for this category in FY 2014. The changes did not have a significant impact to total net position.

2 The County amended its OPEB plan in the year ended June 30, 2015, resulting in a one-time reduction in the liability of \$22.1 million.

FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

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

UNAUDITED

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund										
<u>Pre-GASB #54*</u>										
Reserved	\$ 4,054	4,782	5,319	5,678	7,085	-	-	-	-	\$ -
Unreserved	42,736	56,849	62,856	53,907	52,705	-	-	-	-	-
<u>Post GASB #54*</u>										
Nonspendable	-	-	-	-	-	263	8,273	335	300	277
Restricted	-	-	-	-	-	3,711	4,289	3,955	3,840	6,182
Committed	-	-	-	-	-	12,703	12,457	14,592	11,570	14,616
Assigned	-	-	-	-	-	1,088	1,310	9,133	4,529	7,833
Unassigned	-	-	-	-	-	45,080	38,561	40,965	44,224	47,590
Total General Fund	\$ 46,790	61,631	68,175	59,585	59,790	62,845	64,890	68,980	64,463	\$ 76,498
All Other Governmental Funds										
<u>Pre-GASB #54*</u>										
Reserved, Reported In:										
Special Revenue Funds	\$ 362	61	296	54	948	-	-	-	-	\$ -
Debt Service Funds	4,744	5,167	6,257	7,371	6,952	-	-	-	-	-
Capital Projects Funds	96,378	120,742	135,653	166,796	146,720	-	-	-	-	-
Unreserved, Reported In:										
Special Revenue Funds	6,231	8,196	9,208	11,613	12,598	-	-	-	-	-
<u>Post GASB #54*</u>										
Restricted	-	-	-	-	-	170,552	179,771	171,265	180,326	189,708
Committed	-	-	-	-	-	-	-	5,861	9,739	8,895
Unassigned	-	-	-	-	-	(11)	(15)	-	-	-
Total All Other Governmental Funds	\$ 107,715	134,166	151,414	185,834	167,218	170,541	179,756	177,126	190,065	\$ 198,603

(*) 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 2013, the County changed its reporting of local hospitality taxes from the General Fund to a special revenue fund. The County began collecting hospitality tax in FY 2007; therefore the amounts included in this table have been changed for fiscal years 2007 - 2012 to reflect that change.

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

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

UNAUDITED

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues										
Property Taxes (1)	48,128	54,355	59,451	62,530	65,323	66,884	66,552	67,468	84,392	\$ 89,999
Accommodations / Sales Tax	22,875	25,571	26,247	24,897	24,023	24,727	25,864	25,819	27,108	30,255
Licenses, Fines and Permits	13,394	14,442	15,510	12,372	12,397	11,954	13,461	12,184	12,611	13,111
Intergovernmental	14,777	26,876	43,903	19,439	17,703	15,713	17,844	18,881	19,317	20,340
Investment Income	6,344	9,631	8,663	2,910	1,200	875	664	567	368	1,187
Miscellaneous	1,852	600	1,197	1,197	1,018	592	994	446	1,965	454
Total Revenues	107,370	131,475	154,436	123,345	121,664	120,745	125,379	125,365	145,761	155,346
Expenditures										
General Government	23,889	23,300	25,185	29,088	28,270	27,449	27,683	29,570	30,820	32,247
Public Safety	21,765	22,824	28,088	28,560	31,167	30,823	30,801	32,772	34,349	34,034
Highways, Streets and Sanitation	10,903	29,040	11,700	43,154	50,397	33,457	32,302	34,790	28,489	30,613
Health and Welfare	2,342	2,614	2,476	2,646	2,612	2,296	2,010	2,138	1,854	1,989
Culture and Recreation (1)	1,376	1,522	1,849	2,131	2,863	2,538	3,344	3,124	1,571	14,756
Conservation, Transportation and Growth	3,402	1,393	1,116	1,287	2,035	842	1,638	3,181	3,566	2,681
Capital Outlay	32,037	12,618	52,099	25,969	11,642	7,226	10,253	10,860	11,357	14,076
Debt Service										
Principal	4,220	5,038	6,540	6,940	7,398	6,822	3,191	6,367	10,610	6,360
Interest	1,908	1,923	2,107	2,943	3,797	3,400	3,121	2,977	2,757	2,047
Total Expenditures	101,842	100,272	131,160	142,718	140,181	114,853	114,343	125,779	139,514	138,803
Excess of Revenues Over (Under) Expenditures	5,528	31,203	23,276	(19,373)	(18,517)	5,892	11,036	(414)	6,247	16,543
Other Financing Sources (Uses)										
Transfers In	875	1,382	7,142	10,362	327	300	3,623	1,194	9,700	2,129
Transfers Out	(352)	(1,372)	(7,119)	(10,273)	(304)	(276)	(3,600)	(1,171)	(9,676)	(2,106)
Sale of Capital Assets	-	79	239	114	84	57	199	193	22	978
Bonds Issued	-	9,820	-	45,000	-	-	-	-	-	27,775
Bond Premium	-	105	-	-	-	-	-	-	-	4,298
Payments to Refunded Debt Escrow Agent	-	-	-	-	-	-	-	-	-	(32,052)
Insurance Proceeds	-	-	-	-	-	-	-	-	-	8
Lease/Notes Payable	643	327	-	-	-	406	-	1,500	-	3,000
Total Other Financing Sources (Uses)	1,166	10,341	262	45,203	107	487	222	1,874	63	4,030
Net Change in Fund Balances	6,694	41,544	23,538	25,830	(18,410)	6,379	11,258	1,460	6,310	\$ 20,573
Debt Service as a Percentage of Noncapital Expenditures	8.78%	7.94%	10.94%	8.47%	8.71%	9.50%	5.87%	7.77%	10.35%	6.56%

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						
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%	
2015	\$ 560,033	184,479	126,633	313,286	-	\$ 1,184,431	68.7	\$ 20,954,701	5.65%	

^ Real Property Assessments do not include exemptions.

YORK COUNTY, SOUTH CAROLINA

Table 6

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year	York County										Overlapping Rates			
	Culture & Heritage					York County					County Unincorporated Millage			
	General	Debt Service	Commission	York Tech	Library	Total Direct Rate	Rural Fire	Solid Waste	Recreation	Unincorporated Millage	Total			
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				
2015	51.1	6.8	2.6	3.8	4.4	68.7	4.4	3.5	1.5	9.4				

(Continued)

YORK COUNTY, SOUTH CAROLINA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year	Overlapping Rates (Continued)										Total Fire District Millage
	Fire Districts										
	Bethel	Bethesda	Flint Hill	Lesslie	Newport	Oakdale	Riverview				
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
2015	2.0	3.8	4.8	1.8	3.9	5.0	5.0				26.3

(Continued)

YORK COUNTY, SOUTH CAROLINA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year	Overlapping Rates (Continued)										Total Direct & Overlapping Rates
	School Districts										
	York School District	Clover School District	Rock Hill School District	Fort Mill School District	Countywide School Millage	Total School District Millage	Countywide School Millage	Total School District Millage	Countywide School Millage	Total School District Millage	
2006	172.9	162.0	172.3	174.5	32.0	713.7	32.0	713.7	32.0	713.7	811.6
2007	168.6	157.0	169.6	169.4	30.0	694.6	30.0	694.6	30.0	694.6	788.9
2008	220.6	173.0	179.0	171.6	30.0	774.2	30.0	774.2	30.0	774.2	872.0
2009	226.6	185.0	188.4	188.0	30.0	818.0	30.0	818.0	30.0	818.0	916.4
2010	232.6	191.0	189.9	209.4	30.0	852.9	30.0	852.9	30.0	852.9	953.8
2011	237.6	196.0	193.4	215.4	30.0	872.4	30.0	872.4	30.0	872.4	973.7
2012	242.6	197.0	193.4	215.4	30.0	878.4	30.0	878.4	30.0	878.4	975.4
2013	248.6	197.0	193.4	215.9	30.0	884.9	30.0	884.9	30.0	884.9	982.3
2014	253.6	193.0	193.4	240.4	30.0	910.4	30.0	910.4	30.0	910.4	1,010.2
2015	257.6	199.0	199.4	246.4	30.0	932.4	30.0	932.4	30.0	932.4	1,036.8

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS AGO

UNAUDITED

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
NC Municipal Power Agency #1	\$ 61,405	1	5.18%	\$ 50,237	1	6.22%
NC Electric Membership Corp	42,935	2	3.62%	41,785	2	5.17%
Duke Energy Corporation	35,353	3	2.98%	30,328	3	3.75%
Resolute FP US Inc.*/Bowater	22,594	4	1.91%	30,058	4	3.72%
Piedmont Municipal Power	21,300	5	1.80%	16,716	5	2.07%
York Electric Coop Inc.	8,979	6	0.76%	7,436	7	0.92%
Comporium Inc./Rock Hill Telephone Company	8,246	7	0.70%	5,995	8	0.74%
Schaeffler Group USA Inc.	5,876	8	0.50%	4,657	9	0.58%
Ross Stores Inc.	3,729	9	0.31%			
Amisub of S C Inc.	3,586	10	0.30%			
Saluda River Electric Coop Inc.				10,639	6	1.32%
Celanese Acetate				4,510	10	0.56%
Total	<u>\$ 214,003</u>		<u>18.24%</u>	<u>\$ 202,361</u>		<u>25.05%</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
2006	\$ 56,901	\$ 55,592	97.7%	\$ 1,349	\$ 56,941	100.1%
2007	65,181	62,256	95.5%	1,603	63,859	98.0%
2008	70,095	68,637	97.9%	1,490	70,127	100.0%
2009	75,595	72,035	95.3%	2,331	74,366	98.4%
2010	78,757	74,434	94.5%	2,616	77,050	97.8%
2011	79,735	76,309	95.7%	2,609	78,918	99.0%
2012	79,976	75,969	95.0%	2,841	78,810	98.5%
2013	80,777	77,846	96.4%	1,762	79,608	98.6%
2014	83,582	82,254	98.4%	494	82,748	99.0%
2015	\$ 89,196	\$ 88,075	98.7%	\$ -	\$ 88,075	98.7%

(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			
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	0.92%	338
2014	44,781	7,096	17,776	69,653	N/A	N/A
2015	\$ 43,537	7,897	16,324	\$ 67,758	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)
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
2015	\$ 43,537	2,930	\$ 40,607	0.19%	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, 2015

(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	\$ 51,434,100 ¹	100%	\$ 51,434,100
Overlapping			
York School District #1	101,978,000	100%	101,978,000
Clover School District #2	128,866,867	100%	128,866,867
Rock Hill School District #3	115,374,000	100%	115,374,000
Fort Mill School District #4	310,312,281	100%	310,312,281
City of Rock Hill	16,430,000	100%	16,430,000
City of York	6,285,152	100%	6,285,152
Town of Clover	1,566,908	100%	1,566,908
Town of Fort Mill	1,253,082	100%	1,253,082
City of Tega Cay	7,701,987	100%	7,701,987
Total Overlapping Debt	<u>689,768,277</u>		<u>689,768,277</u>
Total Direct and Overlapping Debt	<u>\$ 741,202,377</u>		<u>\$ 741,202,377</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									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt limit	\$ 64,626	74,327	78,158	82,637	83,873	84,994	88,825	90,962	93,846	\$ 94,754
Total net debt applicable to limit	11,874	20,626	19,008	62,199	60,170	58,960	57,630	53,210	44,725	39,700
Legal debt margin	<u>\$ 52,752</u>	<u>53,701</u>	<u>59,150</u>	<u>20,438</u>	<u>23,703</u>	<u>26,034</u>	<u>31,195</u>	<u>37,752</u>	<u>49,121</u>	<u>\$ 55,054</u>
Total net debt applicable to the limit as a percentage of debt limit	18.37%	27.75%	24.32%	75.27%	71.74%	69.37%	64.88%	58.50%	47.66%	41.90%

Legal Debt Margin Calculation for Fiscal Year 2015

Assessed value	\$ 1,184,431
Debt limit (8% of total assessed value)	94,754
Debt applicable to limit:	
General obligation bonds	<u>39,700</u>
Legal debt margin	<u>\$ 55,054</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			
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
2015	\$	17,143		7,732		9,411	1,380	\$	661	4.61

(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
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	\$ 8,781,682	\$ 36,688	8.2%
2014	245,346	N/A	-	5.9%
2015	N/A	N/A	-	6.0%

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	2015			2006		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Ross Distribution	2,487	1	2.13%	852	7	N/A
Rock Hill School District	2,209	2	1.89%	2,282	1	N/A
Wells Fargo	1,953	3	1.67%	1,500	3	N/A
Piedmont Medical Center	1,550	4	1.32%	1,550	2	N/A
Fort Mill School District	1,419	5	1.21%	804	8	N/A
Duke Power-Catawba Nuclear Plant	1,228	6	1.05%	1,071	5	N/A
Winthrop University	1,219	7	1.04%	1,111	4	N/A
Clover School District	1,019	8	0.87%	-	-	N/A
York County Government	989	9	0.85%	-	-	N/A
Schaeffler	900	10	0.77%	-	-	N/A
Bowater	-	-	-	1,039	6	N/A
Stacy's	-	-	-	800	9	N/A
US Foodservice, Inc.	-	-	-	800	10	N/A
Total	<u>14,973</u>		<u>12.80%</u>	<u>11,809</u>		

Source: Economic Development and School Districts
 2006 work force information was not available

YORK COUNTY, SOUTH CAROLINA

FULL TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION

LAST TEN FISCAL YEARS

UNAUDITED

Function	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
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	44.5	45.5	47.0	47.0	51.5	51.5	51.5	52.5	53.0
Solicitor	45.5	50.5	56.0	56.0	54.5	55.0	54.0	54.5	57.0	59.0
Public Defender	0.0	0.0	17.0	19.0	19.0	19.0	19.0	20.0	22.5	22.5
Probate	7.5	8.0	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	27.5	28.5	30.0	31.5	31.5	31.5	32.0	34.0	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	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.5
Treasurer/Finance	8.0	8.0	8.0	8.0	8.0	7.0	8.0	8.0	8.0	8.0
Tax Collector	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0
Auditor	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
Tax Assessor	20.0	20.0	24.0	27.0	27.0	26.0	26.0	24.0	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	4.0	4.0	3.0	4.0	4.0	4.0	4.0
Human Resources	3.0	3.0	3.0	3.0	3.0	3.0	4.0	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	38.0	34.0	38.0	42.0	42.0	28.0	28.0	28.0	37.0	37.0
Superintendent of County Property	21.0	22.0	22.0	22.0	27.0	27.0	27.0	27.0	27.0	27.0
Justice Center Building Maintenance	15.0	15.0	15.0	16.0	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	9.0	10.0	10.0	11.0	11.0	11.0	11.5	12.0	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	2.0	2.0	2.0	2.0
Public Safety										
Sheriff	184.5	195.0	209.5	215.0	203.5	201.0	201.5	203.0	206.0	206.0
Department of Fire Safety	8.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0
Detention	97.0	97.0	98.0	106.0	126.0	126.0	137.0	138.0	138.3	142.3
Coroner	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Emergency Management	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
911 Program	18.0	18.0	20.0	21.0	34.0	33.0	35.0	35.0	35.0	35.0
Radio System	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Rural Fire Board	6.0	6.0	7.0	7.0	7.0	7.0	8.0	8.0	8.0	8.0
Emergency Telephone System	6.0	6.0	7.0	6.0	6.0	7.0	7.0	7.0	7.0	7.0

(Continued)

YORK COUNTY, SOUTH CAROLINA

FULL TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION

LAST TEN FISCAL YEARS

UNAUDITED

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
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	12.0	20.0	22.0	26.0	26.0	21.0	21.0	21.0	12.0	12.0
Capital Projects	0.0	0.0	5.0	7.0	7.0	5.0	5.0	5.0	6.0	6.0
Road Maintenance	25.0	25.0	25.0	25.0	25.0	24.0	24.0	24.0	24.0	24.0
Animal Control	13.5	14.5	15.5	17.0	17.0	17.0	17.0	18.0	18.0	18.0
Prison	22.0	22.0	22.0	31.0	31.0	31.0	31.0	31.0	31.3	31.3
Solid Waste Recycling	34.0	34.0	34.4	34.4	34.4	34.4	34.4	34.4	34.4	34.4
Solid Waste Collection	25.4	26.4	26.1	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	5.0	5.0	5.5
Conservation, transportation, and growth										
Economic Development	4.0	4.0	4.0	4.0	4.0	4.0	5.0	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	10.0	12.0	15.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0
Solid Waste Disposal	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
Total	799.90	829.90	894.50	942.50	967.50	945.00	964.50	971.00	981.50	989.00

Source: York County Human Resources Department

YORK COUNTY, SOUTH CAROLINA

Table 17

OPERATING INDICATORS

LAST TEN FISCAL YEARS

UNAUDITED

Function	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General										
Number of building permits	4,132	4,042	4,002	2,644	2,788	2,734	3,088	3,338	3,676	4,296
Police										
Calls for service	58,331	60,113	64,967	63,731	77,643	88,260	85,691	83,796	84,000	79,447
Fire										
Number of calls answered	4,210	4,155	4,534	4,453	4,874	4,931	3,679	3,800	2,356	3,748
Number of inspections conducted	5,869	7,601	9,670	9,696	9,890	9,224	10,159	9,805	9,504	9,850
Number of investigations conducted	82	74	86	83	89	81	82	101	84	75
Number of customers										
Retail - Water	5,860	6,736	7,632	8,728	9,171	9,609	9,795	10,811	11,156	11,604
Wholesale-Water	5	5	5	5	5	5	5	5	6	5
Retail - Sewer	N/A	N/A	N/A	8,457	8,889	9,322	9,200	10,162	10,850	11,296
Wholesale-Sewer	N/A	N/A	N/A	2	2	2	2	3	2	2
Sales/Usage in Millions of Gallons										
Retail Average Monthly Water Usage	N/A	N/A	N/A	N/A	N/A	78	78	77	78	81
Wholesale Average Monthly Water Usage	N/A	N/A	N/A	N/A	N/A	45	38	42	46	55
Total Average Monthly Water Usage	N/A	N/A	N/A	N/A	N/A	123	117	119	125	136
Retail Gallons Sold - Water	N/A	N/A	N/A	N/A	N/A	937	941	927	938	970
Wholesale Gallons Sold - Water	N/A	N/A	N/A	N/A	N/A	538	458	503	556	664
Total Gallons Sold - Water	N/A	N/A	N/A	N/A	N/A	1,475	1,400	1,430	1,494	1,634
Retail Gallons Sold - Sewer	N/A	N/A	N/A	N/A	N/A	719	692	686	724	747
Wholesale Gallons Sold - Sewer	N/A	N/A	N/A	N/A	N/A	207	224	244	259	262
Total Gallons Sold - Sewer	N/A	N/A	N/A	N/A	N/A	926	916	930	983	1,009

Source:

Building permits provided by York County Planning Department

Police information provided by the York County Sheriff's Department

Fire information provided by the York County Fire Marshall

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

YORK COUNTY, SOUTH CAROLINA

Table 18

CAPITAL ASSET STATISTICS

LAST TEN FISCAL YEARS

UNAUDITED

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Public safety										
Fire stations	25	26	26	26	26	27	27	27	29	29
Police vehicles	165	165	167	167	178	181	183	188	191	188
Police stations (including substations)	5	5	5	5	5	5	5	5	5	5
Highways & Streets										
County and State maintained paved roads	1,763	1,796	1,816	1,826	1,837	1,836	1,836	1,836	1,835	1,763
County and State maintained unpaved roads	247	231	230	227	215	211	211	207	207	206
Culture & Recreation										
Parks acreage	31	126	126	126	126	126	126	126	126	126
Parks	1	2	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 Conservation/Transport/Growth function.

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YORK COUNTY, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2015

FEDERAL GRANTOR/PASS THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT / CONTRACT NUMBER	FEDERAL EXPENDITURES
U.S. DEPARTMENT OF AGRICULTURE			
Passed through South Carolina Department of Social Services: Summer Food Service Program for Children	10.559	SF-113	\$ 212,666
Passed through South Carolina Department of Education: Summer Food Service Program for Children	10.559	SF-4603	170,059
Total U.S. Department of Agriculture			382,725
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through South Carolina Department of Social Services: Title IV-D Child Support Transaction Reimbursement	93.563	C14046C	392,719
Title IV-D Child Support Incentive Payment	93.563	C14046C	2,408
Title IV-D Child Support Service of Process Payments	93.563	C14046C	24,651
Title IV-D Child Support Filing Fees	93.563	C14046C	64,500
Title IV-D Child Support Service Maintenance in Lieu of Rent	93.563	C14046C	166,779
Total U.S. Department of Health and Human Services			651,057
U.S. DEPARTMENT OF HOMELAND SECURITY			
Passed Through South Carolina Adjutant General's Office: Emergency Management Performance Grants	97.042	14EMPG01	71,629
Emergency Management Performance Grants	97.042	13EMPG01	35,516
Total U.S. Department of Homeland Security			107,145
U.S. DEPARTMENT OF TRANSPORTATION			
Passed Through South Carolina Department of Transportation: Western York County Scenic Byway	20.205	41582-OT01	3,682
YCCA - Vehicle Acquisition Program	20.500	PT-3M709-K2	156,970
Mass Transit / Demand Response	20.509	PT-5M711-37	39,913
Total passed through SC Department of Transportation			200,565
Passed Through South Carolina Department of Public Safety: Highway Safety Cluster: Sheriff LEN Grant - 2014	20.600	2JC14016	12,163
Sheriff LEN Grant - 2015	20.600	2JC15016	15,109
Sheriff Highway Safety Grant - 2014	20.601	K8-2014-HS-31-14	34,792
Sheriff Highway Safety Grant - 2015	20.616	M4HVE-2015-HS-31-15	113,618
Total passed through SC Department of Public Safety			175,682
Total U.S. Department of Transportation			\$ 376,247

(Continued)

YORK COUNTY, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2015

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	\$ 14,126
Direct Programs			
JAG Program Cluster:			
Sheriff JAG Grant - 2013	16.738	2012-DJ-BX-1153	2,165
Sheriff JAG Grant - 2015	16.738	2014-DJ-BX-0446	32,789
Total JAG Program Cluster and Direct Programs			<u>34,954</u>
Total U.S. Department of Justice			<u>49,080</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 1,566,254</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, 2015

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, 2015, 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, 2015.

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.

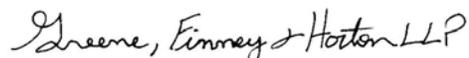
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not 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, 2015

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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, 2015. 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, 2015.

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, 2015

YORK COUNTY, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2015

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>
10.559	Summer Food Service Program for Children
20.500	YCCA - Vehicle Acquisition Program

Dollar threshold used to distinguish between type A and type B programs:	\$ _____	300,000
--------------------------------------------------------------------------	----------	---------

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, 2015

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