



# **State of South Carolina**

**Popular Annual Financial Report  
For the Year Ended June 30, 2009**



**Richard Eckstrom, CPA  
Comptroller General**

## A Message from the Comptroller



**RICHARD ECKSTROM, CPA**  
COMPTROLLER GENERAL

State of South Carolina

### Office of Comptroller General

1200 Senate Street  
305 Wade Hampton Office Building  
Columbia, South Carolina 29201

Telephone: (803)734-2121  
Fax: (803)734-1765  
E-Mail: [cgooffice@cg.sc.gov](mailto:cgooffice@cg.sc.gov)

**JAMES M. HOLLY**  
CHIEF OF STAFF

December 21, 2009

We are providing this Popular Annual Financial Report (PAFR) of the State of South Carolina for the fiscal year ended June 30, 2009. This convenient and easy-to-read report is intended to present a simplified, summary view of state government's finances. The State's 254-page Comprehensive Annual Financial Report, also available from my office and on the Internet at [www.cg.sc.gov](http://www.cg.sc.gov), provides a much more detailed analysis of the State's finances.

During fiscal year 2009, the State continued to face major fiscal challenges. For the second straight year, the State's fiscal budget ended with a deficit. Unlike last year, this year's deficit could not be covered in its entirety by reserve funds, thus ending this year with a deficit of \$98.2 million. By law, the Budget and Control Board recognized this deficit and approved temporarily offsetting it by borrowing surplus funds from the State Treasurer's General Deposit Account with the stipulation that the borrowed funds be repaid from the General Fund by the end of fiscal year 2011.

The new fiscal year continues to bring uncertainty as two statewide budget reductions have had to be implemented by the Budget and Control Board: \$200 million (4%) in September and \$238 million (5%) in December. The continued down-turn in revenue collections coupled with the \$98.2 million deficit carried forward from last year will pose a significant challenge for budget writers entering the new legislative session in January 2010.

The challenges we continue to face in South Carolina are great. In order to improve state government's fiscal health, difficult decisions will have to be made during the budget process to restrain spending to levels that we can more likely sustain as we move forward during uncertain economic times.

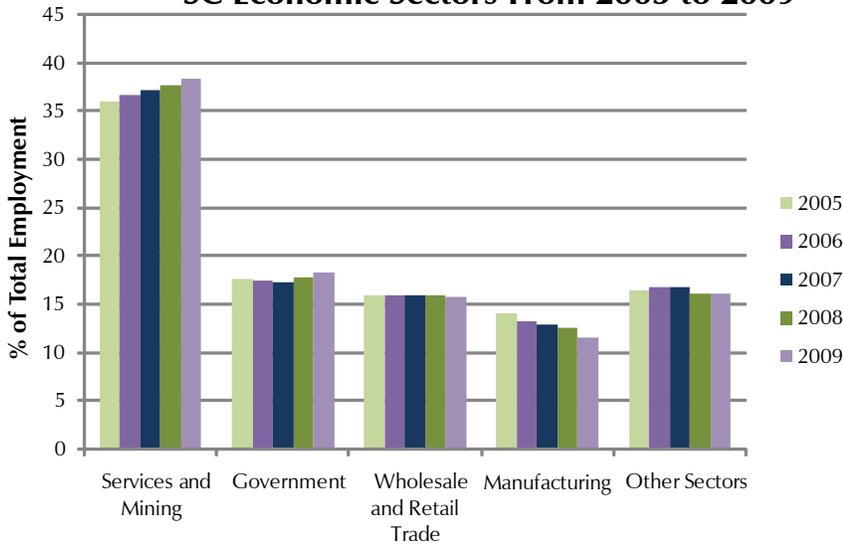
Sincerely,

Richard Eckstrom

# State Economy

South Carolina has a diverse economic base, including manufacturing, agriculture, trade, health care, services, and leisure and hospitality. Businesses have migrated here from around the world to take advantage of the State's reliable labor force, competitive wages, lower-priced land, excellent port facilities, accessibility to markets, and, in recent years, substantial tax incentives.

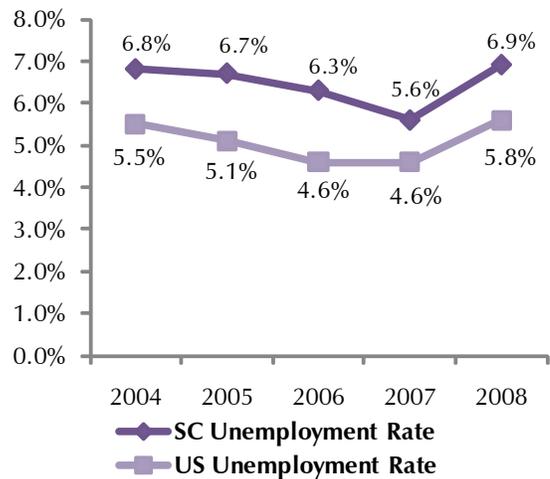
**SC Economic Sectors From 2005 to 2009**



Overall, South Carolina continues to suffer job losses as the national recession progresses. During fiscal year 2009, the State experienced tremendous overall job losses of 92,700 as opposed to losses of 8,300 jobs during the same period in 2008. Manufacturing jobs had the highest losses equal to 29,800 as opposed to losses of 7,100 a year ago. Losses in the construction industry slowed from 13,800 lost jobs in 2008 to 10,900 in 2009. During the past four years, the strongest employment gains have been in

the State's service sector which has risen from 36.0% of total employment to 38.3% while manufacturing jobs continued on a steady decrease from 14.1% to 11.5%.

**Unemployment Rate**

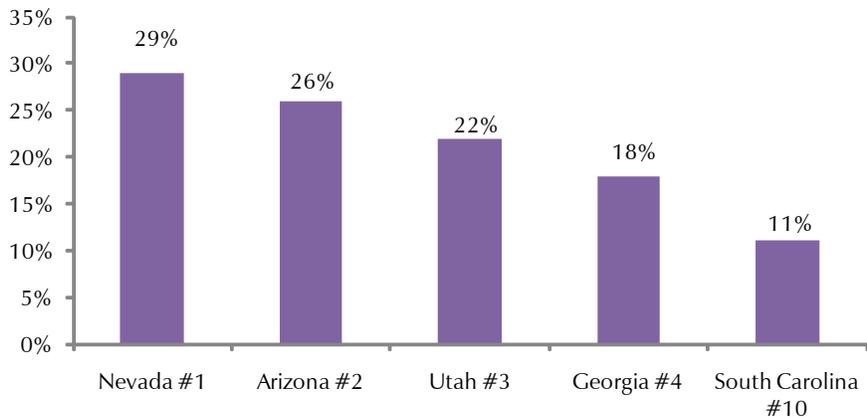


The State's October 2009 unemployment rate of 12.1% continues to be higher than the national unemployment rate of 10.2%. The State's average unemployment rate for calendar year 2008 of 6.9% was higher than the national average rate of 5.8% for the same period. Out of 46 counties in South Carolina, only Aiken, Beaufort, Charleston, Lexington, Richland, and Saluda counties were below the national unemployment rate.

# State Economy

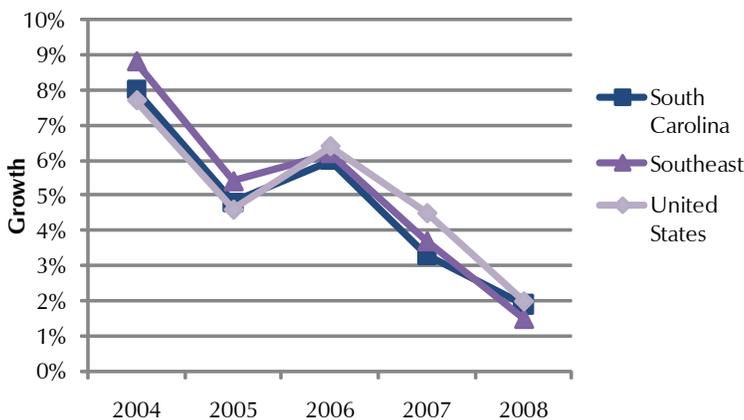
State revenues have continued to decline in fiscal year 2010 while our national economy tries to recover from the most severe financial crisis in decades. As a result, the State has already had to cut its fiscal year 2010 budget, as discussed in the Future Economic Challenges section on page 15 of this report.

## Population Growth Rankings in 2008



In spite of declining State revenues, our rate of population growth is presently the tenth fastest in the nation. South Carolina's population at July 1, 2008, was 4.5 million and is predicted to reach 5.7 million by the year 2035. Since the Census 2000, South Carolina's population has increased by 456.4 thousand, or 11.3%.

## Per Capita Personal Income Growth From 2004 to 2008



South Carolina's per capita income for calendar year 2008 (most recent year available) increased to \$32,666, or 1.9% over 2007. 2008's increase was less than the national growth rate of 2.0% but higher than the southeastern states growth rate of 1.5%.

Boeing Commercial Airplanes recently chose North Charleston, South Carolina, for an assembly site for its 787 Dreamliner aircraft. The site will serve as a final assembly operation and for the testing and delivery of the aircraft. The \$750.0 million aircraft assembly plant is the largest industrial investment in the State's history and is expected to create an initial 2,000 construction jobs leading to 3,800 permanent jobs within seven years.



The Boeing 787 Dreamliner  
© Boeing

## Financial Highlights

The State of South Carolina's government-wide financial statements present a long-term view of the State's finances as a whole, using accrual basis accounting – the same accounting method that most businesses use. The government-wide statements present three different kinds of activities:

**Governmental activities:** Most of the State's basic services are included here, such as general government, education, health and environment, social services, administration of justice, and transportation. Taxes (primarily income and sales taxes) and federal grants finance most of these services.

**Business-type activities:** These activities usually recover all, or a significant portion, of the costs of their services or goods by charging fees to customers. Higher education (State-supported colleges and universities), unemployment compen-

sation benefits, financing of housing facilities, and financing of student loans are the most significant of South Carolina's business-type activities.

**Component units:** Although component units are legally separate from the State, the State's elected officials are financially accountable for them. The Public Service Authority (Santee-Cooper, an electric utility company), the State Ports Authority, the Connector 2000 Association, Inc. (which operates the Southern Connector, a toll road), and the Lottery Commission are the State's major component units.

To simplify the financial information provided below, component unit information is not included. You can obtain financial information for component units from the State's Comprehensive Annual Financial Report (CAFR), which can be obtained on the Comptroller General's Office website at [www.cg.sc.gov](http://www.cg.sc.gov).

### Government-wide Net Assets-Primary Government As of June 30 (expressed in millions)

	Governmental Activities		Business-type Activities	
	2009	2008	2009	2008
<b>Assets</b>				
Current and other assets	\$ 7,989	\$ 8,905	\$ 5,097	\$ 5,352
Capital Assets	13,923	13,712	4,232	3,978
<b>Total assets</b>	<b>21,912</b>	<b>22,617</b>	<b>9,329</b>	<b>9,330</b>
<b>Liabilities</b>				
Current Liabilities	4,206	4,473	1,039	1,002
Long-term liabilities	4,301	4,493	4,329	3,980
<b>Total liabilities</b>	<b>8,507</b>	<b>8,966</b>	<b>5,368</b>	<b>4,982</b>
<b>Net Assets</b>				
Invested in capital assets, net of debt	10,216	10,008	2,429	2,315
Restricted	3,351	3,597	1,132	1,387
Unrestricted	(162)	46	400	646
<b>Total net assets</b>	<b>\$ 13,405</b>	<b>\$ 13,651</b>	<b>\$ 3,961</b>	<b>\$ 4,348</b>

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

## Financial Highlights

**Restricted net assets** generally are available for future spending but are subject to external restrictions, such as bond covenants, federal government grant restrictions, or restrictions imposed by enabling State legislation or through State constitutional provisions. The State's largest restricted balances include capital improvement bond proceeds (restricted for various capital projects) and loan program funds (restricted primarily for local government water and sewer projects).

**Unrestricted net assets** are the remaining resources that are available for future spending without restrictions.



Sesquicentennial State Park, Columbia, SC

The most significant changes (increases and decreases) in net assets occurred within current and other assets of governmental activities and long-term liabilities of business-type activities:

- \$751.1 million decrease in cash and investments of governmental activities as a result of decreased revenue collections creating cash shortfalls for operating purposes, as well as lower investment earnings and balances due to the struggling economy.
- \$156.0 million decrease in receivables from the federal government and other grantors primarily at the Department of Health and Human Services.
- \$348.9 million increase in long-term liabilities of business-type activities resulting primarily from the State's Unemployment Compensation Fund borrowing from the federal government in order to pay benefits. Higher unemployment rates caused an increase in benefits paid, yet there was no corresponding increase in assessment revenue.

The most significant changes in revenues and expenses for the State include the following:

- Operating grants and contributions increased by \$731.2 million primarily due to higher levels of funding of public health and social services programs. Expenses for public health and social services increased by \$849.9 million.
- General tax revenues decreased \$1.0 billion from last year, with a 16.0% decrease in individual income taxes, a 7.7% decrease in sales and use taxes, and an 8.5% decrease in corporate and other taxes. Tax collections were down during fiscal year 2009 due to the national recession that stalled consumer spending.
- Unemployment compensation benefit expenses increased by \$882.6 million over the prior year as described above.

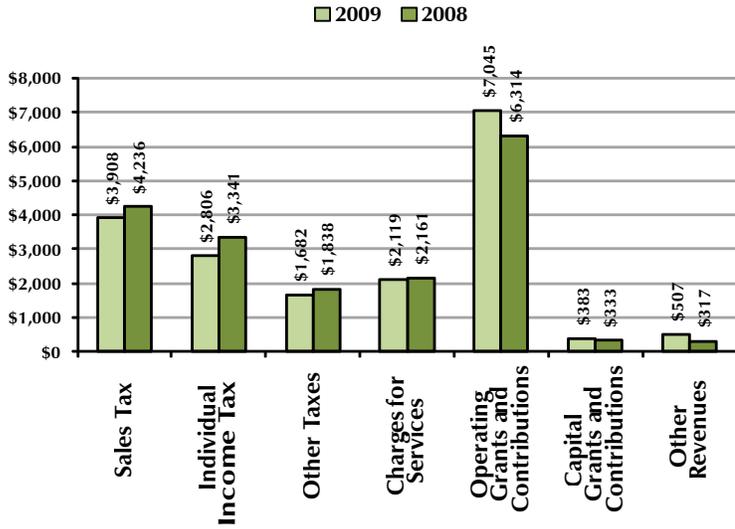


Sesquicentennial State Park, Columbia, SC

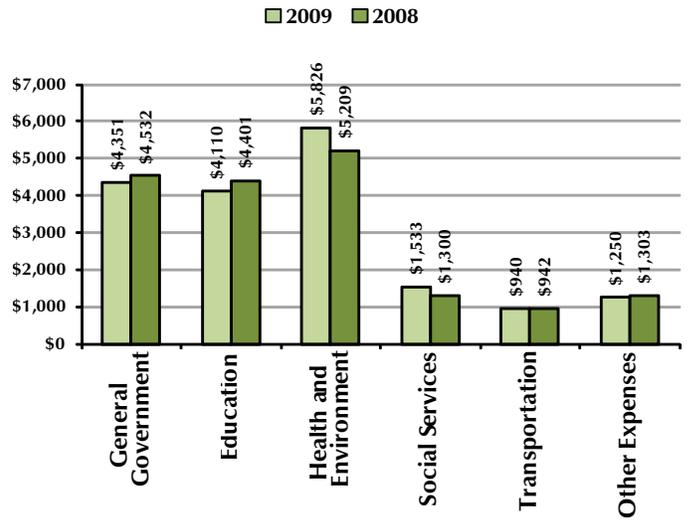
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# Financial Highlights

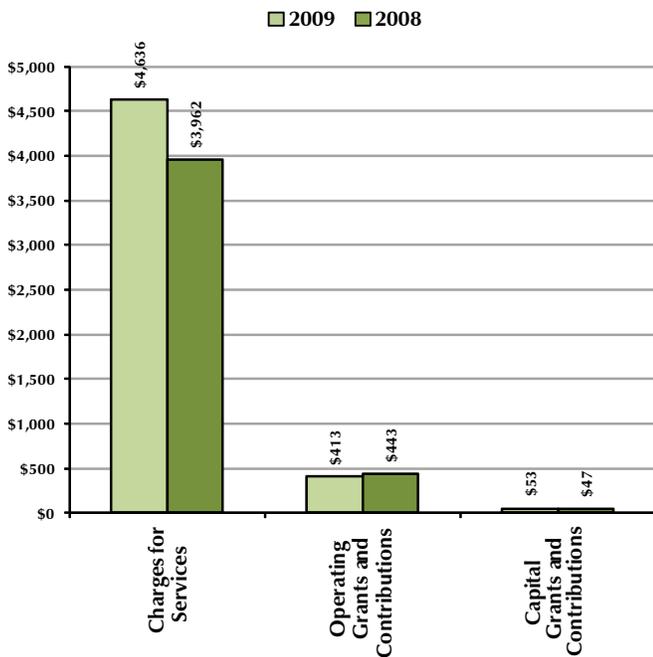
**Governmental Activities Revenues**  
Fiscal Years 2008 and 2009  
(expressed in millions)



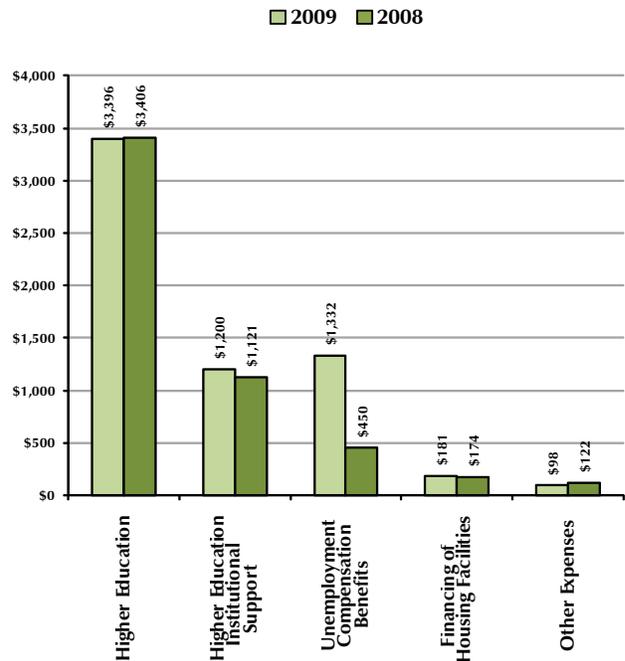
**Governmental Activities Expenditures**  
Fiscal Years 2008 and 2009  
(expressed in millions)



**Business-type Activities Revenues**  
Fiscal Years 2008 and 2009  
(expressed in millions)



**Business-type Activities Expenditures**  
Fiscal Years 2008 and 2009  
(expressed in millions)



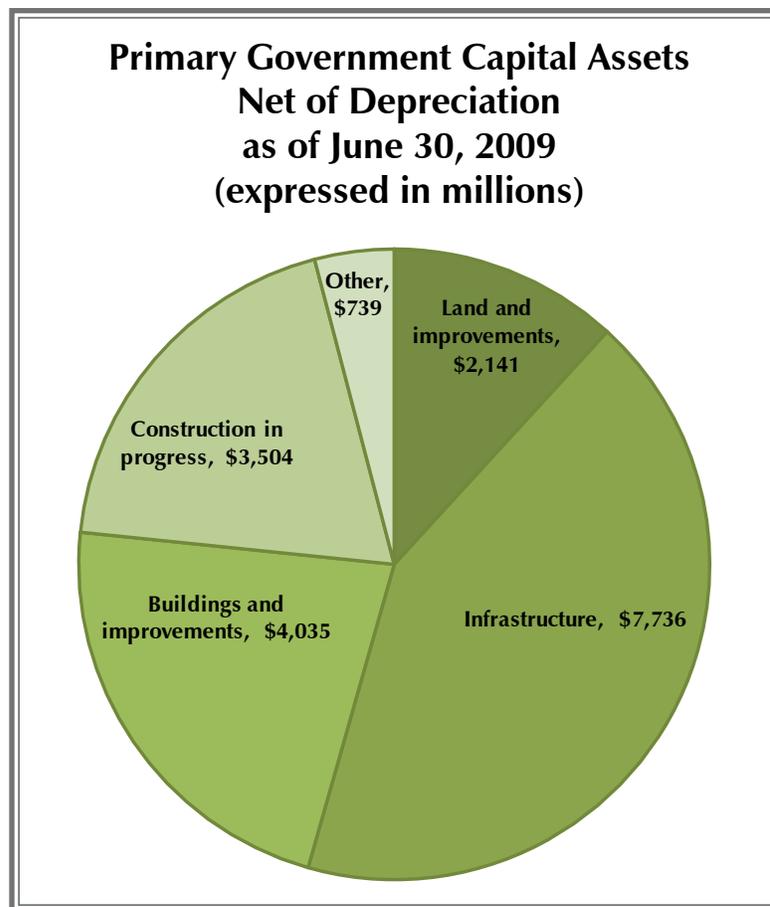
## Capital Assets

At the end of fiscal year 2009, the State had \$18.2 billion invested in capital assets. This represented a net increase (netting additions and disposals) of \$465.3 million, or 2.6%, over the previous fiscal year.

Due to a deteriorating budget fueled by a sluggish economy, there has been a slowing in the growth rate of capital assets this year as opposed to last year which grew by \$757.3 million (4.5%) over fiscal year 2007. Construction in progress has been reduced as capital infrastructure and building projects were completed and additional funding was curtailed because of budgetary constraints.

Despite budgetary constraints, the Medical University of South Carolina completed the Bee Street Parking Garage, the Strom Thurmond Building chillers replacement, and major renovations to administrative and laboratory space. The University of South Carolina added a second residence hall on the Upstate Campus and started various projects on the Columbia Campus, including the Thomas Cooper Rare Book Facility and an Academic Enrichment Center.

Department of Transportation road projects increased the State's investment in infrastructure assets.



## Long-Term Debt

South Carolina issues various types of general obligation debt including capital improvement bonds, highway bonds, school facilities bonds, higher education institution facilities bonds, and economic development bonds. General obligation bonds are backed by the full faith, credit, and taxing power of the State. Additionally, South Carolina issues revenue bonds, which are not backed by the full faith, credit, and taxing power of the State. Instead, the State pledges certain revenue streams for repaying this type of debt.

At June 30, 2009, the State had \$7.9 billion in total bonds and notes outstanding—a decrease of \$217.3 million, or 2.7%, over last year. Expressed in relation to the State’s population, the share of the State’s general obligation debt per capita at June 30, 2009 was \$485.

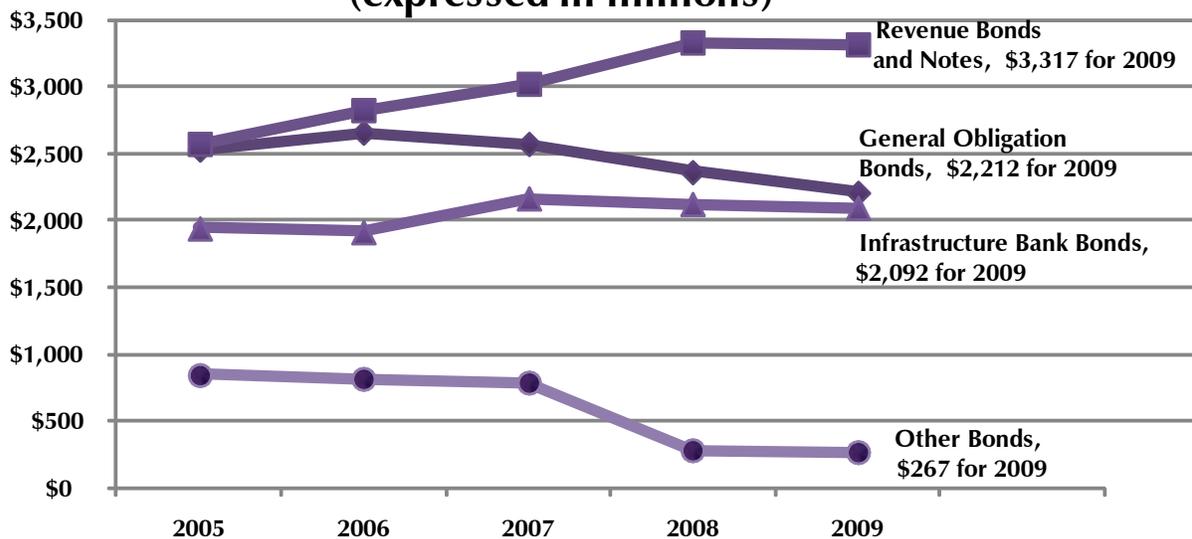
The reduction in debt reported in governmental activities resulted primarily from principal payments on all categories of general obligation bonds, net of the issuance of \$70.6 million in

Research University Infrastructure Bonds. Also, early redemptions of \$52.7 million on Tobacco Authority bonds contributed to the reduction in revenue bonds payable for governmental activities. New debt reported in business-type activities resulted mainly from the issuance of revenue bond anticipation notes by the College of Charleston and the University of South Carolina of \$33.5 million and \$19.6 million, respectively.

National bond rating services assign ratings to bonds that the State backs with its own taxing authority (general obligation bonds). Fitch Ratings has rated these bonds as “AAA” and Moody’s Investors Service has rated them as “Aaa”, the highest ratings that these services assign. Standard & Poor’s has rated these same bonds as “AA+”.

To limit the overall amount of general obligation debt that can be issued, the State limits the amount of annual payments for principal and interest on general obligation debt. At June 30, 2009, the State had not reached its legal debt limits.

**Primary Bonds and Notes Outstanding  
Fiscal Year End Balances  
(expressed in millions)**



# General Fund Highlights

The State's primary operating fund (or set of accounts) is called the General Fund. This fund includes resources that pay for the services that the State traditionally provides to its citizens. These resources, such as taxes, are accounted for in the General Fund unless State law requires them to be accounted for in another fund.

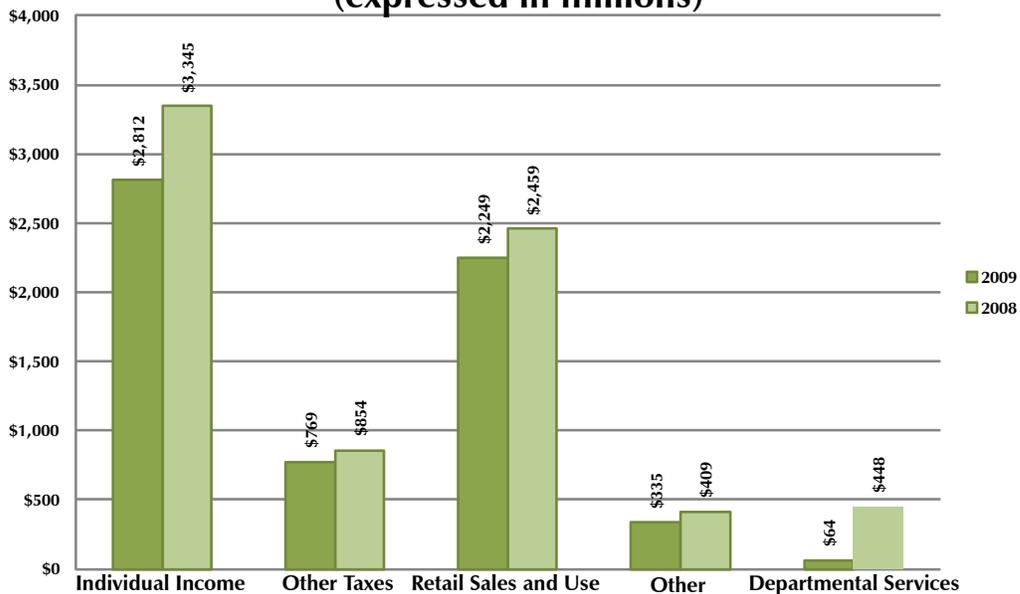
During fiscal year 2009, the net fund balance of the General Fund decreased from \$331.8 million to \$105.2 million, a decrease of \$226.6 million (68.3%). This is an improvement over the \$761.1 million (69.6%) decrease that occurred during fiscal year 2008. General Fund revenues declined overall by \$1.3 billion (17.1%) due to significant decreases as presented below:



Hilton Head Island Nature Preserve

- Individual income taxes decreased \$533.3 million (15.9%);
- Sales and use taxes decreased \$209.8 million (8.5%);
- Corporate and other taxes decreased \$85.0 million (9.9%);
- Interest earnings decreased \$86.9 million (59.0%)

## General Fund Revenues Fiscal Year 2009 Compared to 2008 (expressed in millions)

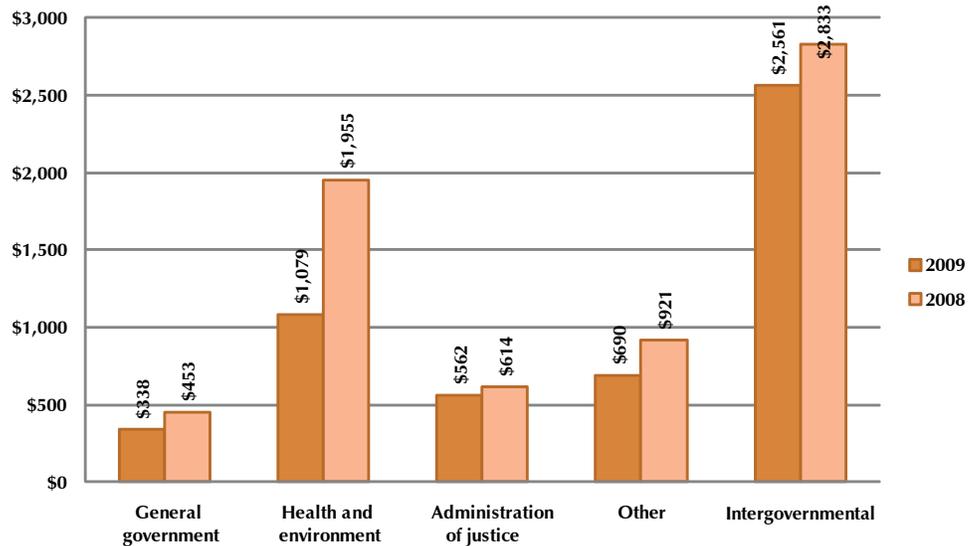


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# General Fund Highlights

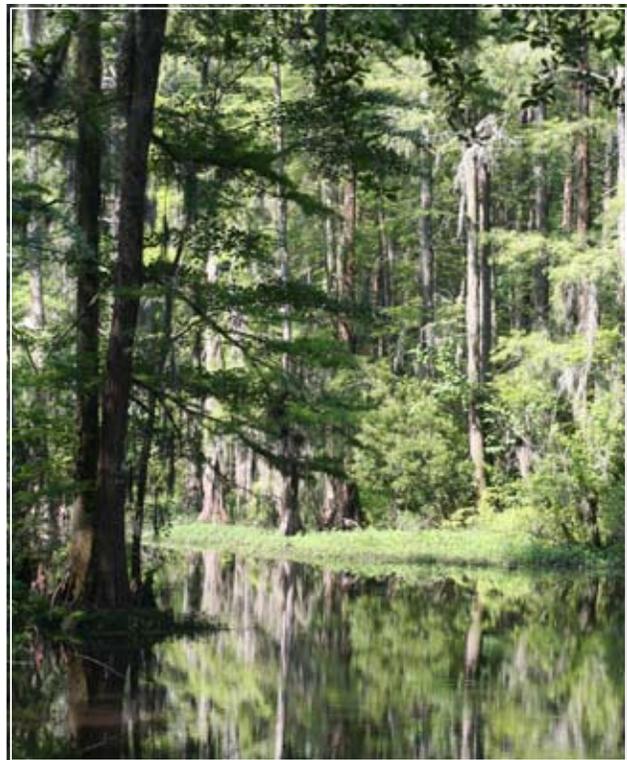
## General Fund Expenditures Fiscal Year 2009 Compared to 2008 (expressed in millions)

General Fund expenditures decreased \$1.5 billion (22.8%) from last year because of mandated spending reductions ordered throughout the year by State officials. The State did a better job in fiscal year 2009 of decreasing its expenditures in line with declining revenue collections.



### The “Rainy Day Account”

At June 30, 2009, the General Reserve Fund, sometimes called the “rainy day account”, was completely drained to cover part of the 2008-2009 Budgetary General Fund deficit. The 2009-2010 Appropriations Act passed by the General Assembly appropriated \$63.9 million to partially restore the rainy day account; however, that is far below the actual full-funding amount of \$199.8 million. The State’s Constitution requires restoration of the reserve to a level defined by formula within three years after a withdrawal, and State law defines full funding as 3% of the Budgetary General Fund’s revenues for the latest completed accounting year.



Swan Lake, Sumter, SC

# Operating Indicators

<b>Significant Operating Indicators By Selected Function</b>		
<b>General Government</b>		
	<b>FY 2008</b>	<b>FY 2009</b>
Individual income tax returns processed	2,421,786	2,393,919
Corporate income tax returns processed	166,237	185,200
Department of Motor Vehicles transactions	13,234,198	12,430,183
<b>Education</b>		
Public school enrollment	701,749	707,739
Average operating miles per school bus	15,651	15,600
<b>Health and Environment</b>		
Medicaid eligible participants	903,397	934,090
Women, Infant and Children (WIC) program	124,033	134,618
Community mental health center clients	87,762	88,999
<b>Social Services</b>		
Average food stamp households served per month	248,314	287,867
Child Protective Services investigations	18,553	17,616
Miles of surface repair	158,512	162,938
Miles of roadway inspections	342,981	401,426
<b>Administration of Justice</b>		
Adult prison average daily population	23,958	24,081
Juvenile facility average daily population	910	858
<b>Resources and Economic Development</b>		
Department of Commerce capital investment projects	\$4.05 billion	\$4.17 billion
<b>Higher Education and Higher Education Institution Support</b>		
Total headcount enrollment	180,479	187,253
Degrees awarded	26,237	26,835
<b>Unemployment Compensation Benefits</b>		
Initial claims	292,661	545,137
<b>Financing of Housing Facilities</b>		
Mortgage loans managed	17,734	17,518
Families receiving rental assistance	20,100	19,955

<b>State Government Employees 6/30/09</b>	
Governmental activities	41,516
Business-type activities	28,588

<b>State Ten Largest Employers Calendar Year 2008</b>	
Bi-Lo, Inc.	Palmetto Health Alliance, Inc.
Blue Cross/Blue Shield of South Carolina	U.S. Department of Defense
Greenville County School District	U.S. Postal Service
Greenville Hospital System	University of South Carolina
Michelin Tire Corporation	Wal-mart Associates, Inc.

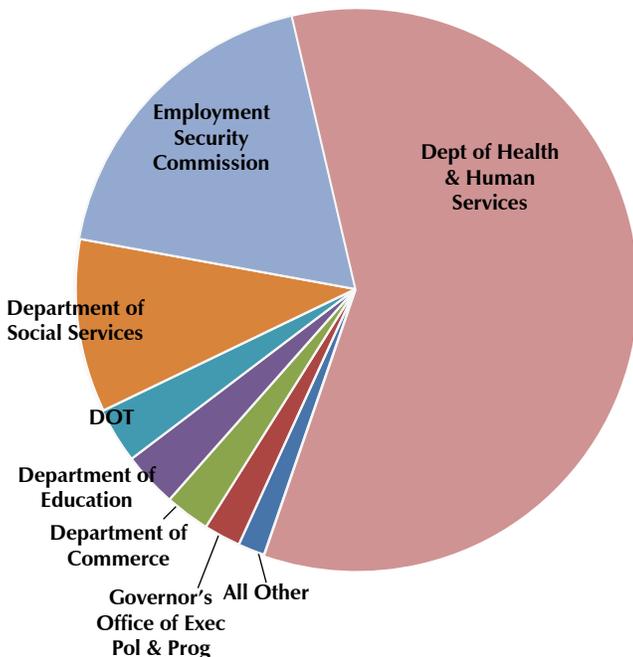
# Stimulus

On February 17, 2009, the U.S. Congress approved the American Recovery and Reinvestment Act of 2009 -- an unprecedented \$787 billion dollar spending initiative. The stimulus bill is projected to have more than a \$3 billion inflow to the State of South Carolina. Through September 30, 2009, State agencies had recorded \$656.7 million in the statewide accounting system for federal stimulus expenditures.

## Stimulus Expenditures Recorded through September 30, 2009

Dept of Health & Human Services	\$ 386,918,639
Employment Security Commission	121,396,091
Department of Social Services	65,791,186
Department of Transportation	20,863,166
Department of Education	20,783,261
Department of Commerce	16,926,627
Governors Office of Exec Pol & Prog	13,893,017
Judicial Department	4,000,000
Department of Health & Environ Control	3,253,184
State Library	1,685,045
Lieutenant Governors Office on Aging	501,186
Vocational Rehabilitation	290,637
Budget and Control Board	153,958
Department of Public Safety	77,713
Department of Juvenile Justice	56,493
Forestry Commission	39,298
Attorney General's Office	38,073
S C Commission on Prosecution Coord	6,868
<b>TOTAL</b>	<b>\$ 656,674,442</b>

## Stimulus Spending through September 30, 2009



In order to provide citizens with as much information as is available through the statewide accounting system, the Office of the Comptroller General posts detailed stimulus spending reports at: <http://www.cg.sc.gov/scstimulus>.

This website is designed to keep South Carolinians informed about how the stimulus money is being used. The goal is to ensure the highest level of transparency and accountability possible.

## Stimulus

Of the total amount spent, the largest share totaling \$386.9 million, or 58.9%, was spent by the **Department of Health and Human Services**. Stimulus expenditures for the Department of Health and Human Services have been in the form of an increase in the Federal Medicaid Assistance Percentage (FMAP) paid for Medicaid services. The percentage paid by the federal government has increased from 70.07% to 79.36%, an increase of 13.26%. The current estimated value of the FMAP increase is \$399.0 million in fiscal year 2010 and \$199.0 million in fiscal year 2011. However, the actual amount realized is dependent on the amount of the State's Medicaid expenditures because federal funds are not drawn until expenditures have been posted. The increase paid by the federal government is scheduled to end during fiscal year 2011.

Through September 30, 2009, the **Employment Security Commission** has recorded \$121.4 million in stimulus expenditures. Approximately \$97.3 million has been distributed in the form of an additional payment of \$25 made each week to all persons receiving unemployment compensation benefits. These additional payments began the week ending February 28, 2009, and will continue through the week ending July 3, 2010, to all persons who have filed claims prior to January 1, 2010. Also, extensions of benefits beyond 26 weeks are 50% funded by stimulus funds. The ESC has recorded stimulus expenditures of \$21.3 million for the extended benefits program. The remaining stimulus expenditures by ESC have been for salaries for job developers, equipment to support those employees, and other administrative costs.

The total expended by the **Department of Social Services** through September 30, 2009, is \$65.8 million. Of this amount, \$55.5 million has been expended for direct benefits to recipients qualifying under the Supplemental Nutrition Assistance Program (SNAP, formerly the Food Stamp Program). Recipients under this program received an increase of 13.6% in benefits beginning in April 2009, which has resulted in an increase in SNAP benefit payments of over \$11.0 million per month. Additionally, child care payments under the Child Care and Development Block Grant accounted for another \$4.8 million of the September to date expenditures. The remainder of the department's expenditures have been made for costs related to the Emergency Food Assistance Program, the Child Support Enforcement Program, SNAP Administration, and the IV-E Foster Care and Adoption Assistance Programs.



A repaving project on I-95.  
Rob Thompson/SCDOT

The **Department of Transportation** expects to receive \$463.1 million in stimulus funds for highways and bridges. Of this amount, \$14.0 million will be used as enhancement funds for sidewalk improvements throughout the state. The SCDOT Commission will distribute the remaining funds to address the critical needs of the State Highway System in these categories: resurfacing, interstate maintenance, bridge replacements, local projects, and safety. Additionally, the DOT has been allocated \$41.0 million for mass transit programs. Through September 30, 2009, the DOT has expended \$20.9 million of its stimulus awards.

## Spending Transparency

On August 30, 2007, the Governor issued Executive Order 2007-14, a new directive aimed at providing citizens with a greater degree of information about how their tax dollars are being spent. The Spending Transparency Executive Order was developed in concert with Comptroller General Richard Eckstrom's office, with the goal of bringing more accountability to where and how tax dollars are being spent.

The State's spending transparency website, which is maintained by the Office of the Comptroller General, went online in March 2008, and continued to expand during fiscal year 2009 by providing an option for searching by vendor. The goal of the website is to provide meaningful information to taxpayers regarding State spending in an easily accessible and understandable format, making the maximum possible amount

of information available to the taxpayers who finance State spending. To reach this goal, work is currently in process to expand the site by including additional spending categories. The State's transparency website may be found at <http://www.cg.sc.gov/agencytransparency>.

The State seeks to set an example for local governments in transparency, and through November 2009, sixteen government entities across South Carolina have joined the State government in posting their individual expenditures online. The Comptroller General and his staff continue to work with local government entities to disclose their individual expenditures on the internet. Links to local governments in South Carolina that are posting their expenditures on the web may be found at <http://www.cg.sc.gov/transparency>.



Camden Training Center and Carolina Cup  
Camden, SC

## Future Economic Challenges

South Carolina's current economic crisis is driven by both the State's spending practices and the continuing national recession. The new fiscal year (fiscal year 2010) still brings many challenges for maintaining a well-balanced budget. State officials initially appropriated \$5.7 billion, which was \$169.8 million more than fiscal year 2009 actual revenue collections; however, declining revenue collections have caused revenue projections to be adjusted downward twice totaling a decrease of \$459.3 million.

For the first five months of fiscal year 2010, revenue collections have not met the expectations of anticipated growth. Overall, revenue collections are 6.5% below the prior year. Sales taxes and individual income taxes, the State's top two sources of revenue, have declined 5.1% and 3.9%, respectively, when compared to the same period last fiscal year. Because of the sagging tax collections and the expectation of climbing unemployment, the Budget and Control Board (the Board) has ordered another immediate 5% (\$238 million) budget reduction. The first budget reduction amounted to 4% (\$200 million) and was implemented during the first part of September 2009.

At the end of fiscal year 2009, two of the hardest hit agencies, the Department of Corrections (DOC) and the Department of Juvenile Justice (DJJ), both incurred budgetary deficits in the amount of \$45.5 and \$6.2 million, respectively.

As a result of the two midyear budget reductions mandated by the Board, it will be more than likely that both agencies will have to seek relief to meet their current budgets. The reductions equate to losses of \$29.1 million for DOC and \$8.6 million for DJJ. Also at the end of fiscal year 2009, the Homestead Tax Exemption Fund was

underfunded by \$53.0 million and had to be supplemented with General Fund money. By law, if the additional one percent sales tax revenue received by the Homestead Exemption Fund is insufficient to pay all reimbursements, the General Fund must fund the difference. Until the Homestead Exemption Fund collections increase to a sustainable level, the General Fund will continue to be a funding conduit.

These additional cuts will continue to create additional financial challenges for State agencies, which have already had to reduce

spending through hiring freezes, eliminating positions, mandating employee furloughs, reducing travel, and other cost-saving methods over the past year. State agencies will more than likely have to broaden their reduction of employee payrolls through lay-offs and furloughs, and other cost-saving measures.

Based on these challenges and a continued bleak outlook for the rest of the year, State leaders need to work together to produce comprehensive solutions to restore the State's fiscal strength.



Wateree Dam, Camden, SC

## Outstanding Achievement Award

The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the State of South Carolina for its Popular Annual Financial Report for the fiscal year ended June 30, 2008. The Award of Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, the contents of which conform to program standards of creativity, presentation, understandability, and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to the GFOA.

This report presents financial information using accounting principles generally accepted in the United States of America (GAAP). GAAP financial information is presented in a standardized manner that is comparable to that of other governmental entities. This report includes selected financial information for major funds, including the State's General Fund. It does not contain information for all funds, activities or component units as reported in the State's Comprehensive Annual Financial Report (CAFR). However, most of the information contained in this report is de-

rived from the CAFR, produced by the Comptroller General's Office and independently audited. A more detailed and complete presentation of the State's GAAP financial information is presented in the CAFR, which is available at [www.cg.sc.gov](http://www.cg.sc.gov).



## Sources and Acknowledgements

The following sources were used to compile this report: South Carolina state agencies, US Census Bureau, and US Bureau of Labor Statistics. Photographs of Sesquicentennial State Park by David Padgett. All other photographs by Julie Prickett unless otherwise noted below the photo.

**On the front cover:** Camden Training Center (*Background*); Goodale State Park, Camden SC; Carolina Road, Camden SC; Kendall Park, Camden SC.

**On the back cover:** South Carolina State House

**Page 3:** Photo used with permission from Boeing

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**State of South Carolina  
Popular Annual Financial Report  
For the Year Ended June 30, 2009**



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