



**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED**  
**JUNE 30, 2016**

**COUNTY COUNCIL**

Steven D. Murdaugh, Chairman  
Evon Robinson, Sr.  
Phillip M. Taylor Sr.  
Gene Whetsell  
Joseph F. Flowers, MD

**COUNTY ADMINISTRATOR**

J. Kevin Griffin

**CHIEF FINANCIAL OFFICER**

Dennis E. Averkin (until October 2016)

**FINANCE DIRECTOR**

Jon Carpenter (effective October 2016)

PREPARED BY:  
FINANCE DEPARTMENT

**COLLETON COUNTY, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 6 LONG-TERM OBLIGATIONS - CONTINUED**

**Pension Plan**

Description of the Entity

The South Carolina Public Employee Benefit Authority (PEBA), which was created July 1, 2012, administers the various retirement systems and retirement programs managed by its Retirement Division. PEBA has an 11-member Board of Directors, 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.

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pension, and pension expense, information about the fiduciary net position of the Systems and additions to/deductions from the systems fiduciary net position have been determined on the accrual basis of accounting as they are reported by the systems in accordance with generally accepted accounting principles (GAAP). For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Benefit and refund expenses are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

PEBA issues a Comprehensive Annual Financial Report (CAFR) containing financial statements and required supplementary information for the 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](http://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.

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 school districts, 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.

In addition to the plans described above, PEBA also administers three single-employer defined benefit pension plans, which are not covered in this report. They are the Retirement System for Members of the General Assembly of the State of South Carolina (GARS), the Retirement System for Judges and Solicitors of South Carolina (JSRS), and the South Carolina national Guard Supplemental Retirement Plan (SCNG).

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

**Sheriff's Discretionary Funds** – to account for the program and activities associated with the sheriff department.

**Sheriff's Title IV D Fund** - to account for federal child enforcement funds received and disbursed by the Sheriff.

**Clerk of Court IV Incentives Fund** - to account for federal child enforcement incentives received and disbursed by the Clerk of Court.

**Clerk of Court IV Unit Costs Fund** – to account for federal child enforcement funds received and disbursed by the Clerk of Court.

**Victim Witness Services Fund** - to account for victims funds for the County.

**14<sup>th</sup> Circuit Court Solicitor Fund** – to account for the activities of the 14<sup>th</sup> Circuit Court Solicitor mandated by State Statute to prosecute within 14<sup>th</sup> Circuit Court System that Colleton County acts as Host County.

**Public Defender Corporation Fund** – to account for the activities of the Public Defender that is mandated to defend in the State court system all persons within Colleton County who are required by Statute, State or Federal Constitution to be provided with a legal counsel at public expense.

**Special Revenue Fund** - to account for all grants and contributions awarded to the County.

**Animal Care Control Donations Fund** - to account for projects and activities for animal control.

**Emergency Telephone Fund** – to account for operations of the County's Emergency 911 communication system.

**County Hospitality Tax Fund** – to account for local hospitality tax collected by the County.

**County Accommodations Tax Fund** – to account for local accommodations tax collected by the County.

**State Accommodations Tax Fund** – to account for state accommodations tax collected by the State.

### Debt Service Funds

**Debt Service Fund** – used for the accumulation of resources for payment of principal and interest on County general obligation debt.

**SSRB Cannady's Debt Service Fund** – used to account for activities of the special source financing arrangements for the Cannady's debt service for payment of principal and interest debt.

**GO Bond Fund** – used to set aside funds to pay interest and principal related to the General Obligation Bond Series 2015.

**Capital Sales Tax Debt Service** – used to collect local option special purpose taxes and disburse debt payments for the Capital Penny Sales Tax Bond.

**Debt Service Non-GOB** – used to set aside funds to pay interest and principal on County non-general obligation debt.

**COLLETON COUNTY, SOUTH CAROLINA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2016**

|  | Special Revenue Funds         |                                    |                                   |                    |
|--|-------------------------------|------------------------------------|-----------------------------------|--------------------|
|  | Victim<br>Witness<br>Services | 14th Circuit<br>Court<br>Solicitor | Public<br>Defender<br>Corporation | Special<br>Revenue |
| <b>Assets</b>  |                               |                                    |                                   |                    |
| Cash and cash equivalents  | \$ 136,560                    | \$ 1,527,863                       | \$ 41,040                         | \$ 2,087           |
| Receivables, net of allowances   | 658                           | 5,384                              | -                                 | 434,154            |
| Total assets   | <u>\$ 137,218</u>             | <u>\$ 1,533,247</u>                | <u>\$ 41,040</u>                  | <u>\$ 436,241</u>  |
| <b>Liabilities, Deferred Inflows of Resources,<br/>and Fund Balances</b>       |                               |                                    |                                   |                    |
| <b>Liabilities</b>   |                               |                                    |                                   |                    |
| Accounts payable   | \$ 334                        | \$ 59,734                          | -                                 | \$ 216,508         |
| Accrued payroll and benefits   | 1,870                         | 157,957                            | -                                 | 73,618             |
| Accrued liabilities  | -                             | -                                  | -                                 | -                  |
| Unearned revenues  | -                             | -                                  | -                                 | 49,758             |
| Total liabilities  | <u>2,204</u>                  | <u>217,691</u>                     | <u>-</u>                          | <u>339,884</u>     |
| <b>Deferred Inflows of Resources</b>   |                               |                                    |                                   |                    |
| Unavailable revenues-property taxes  | -                             | -                                  | -                                 | -                  |
| Total deferred inflows of resources  | <u>-</u>                      | <u>-</u>                           | <u>-</u>                          | <u>-</u>           |
| <b>Fund Balances</b>   |                               |                                    |                                   |                    |
| Assigned   | -                             | 1,315,556                          | 41,040                            | -                  |
| Committed  | -                             | -                                  | -                                 | -                  |
| Restricted   | 135,014                       | -                                  | -                                 | 96,357             |
| Total fund balances  | <u>135,014</u>                | <u>1,315,556</u>                   | <u>41,040</u>                     | <u>96,357</u>      |
| <b>Total liabilities, deferred inflows of resources,<br/>and fund balances</b> | <u>\$ 137,218</u>             | <u>\$ 1,533,247</u>                | <u>\$ 41,040</u>                  | <u>\$ 436,241</u>  |

**COLLETON COUNTY, SOUTH CAROLINA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

|  | Special Revenue Funds         |                                    |                                   |                    |
|--|-------------------------------|------------------------------------|-----------------------------------|--------------------|
|  | Victim<br>Witness<br>Services | 14th Circuit<br>Court<br>Solicitor | Public<br>Defender<br>Corporation | Special<br>Revenue |
| <b>Revenues</b>  |                               |                                    |                                   |                    |
| Taxes  | \$ -                          | \$ -                               | \$ -                              | \$ -               |
| Intergovernmental revenues                                   | 57,782                        | 3,050,736                          | -                                 | 2,159,983          |
| Fines and fees   | -                             | 406,050                            | -                                 | -                  |
| Other income   | 282                           | 1,368                              | 94                                | 920                |
| Total revenues   | <u>58,064</u>                 | <u>3,458,154</u>                   | <u>94</u>                         | <u>2,160,903</u>   |
| <b>Expenditures</b>  |                               |                                    |                                   |                    |
| <b>Current</b>   |                               |                                    |                                   |                    |
| General government   | -                             | -                                  | -                                 | -                  |
| Judicial   | -                             | 3,559,575                          | -                                 | 247,308            |
| Public safety  | 50,322                        | -                                  | -                                 | 486,802            |
| Roads and Bridges  | -                             | -                                  | -                                 | 7,999              |
| Recreation and culture                                       | -                             | -                                  | -                                 | 31,340             |
| Health and human services                                    | -                             | -                                  | -                                 | 1,064,830          |
| Economic development   | -                             | -                                  | -                                 | -                  |
| Intergovernmental  | -                             | -                                  | -                                 | 257,418            |
| <b>Capital outlay</b>  |                               |                                    |                                   |                    |
| Judicial   | -                             | 7,223                              | -                                 | -                  |
| Public safety  | -                             | -                                  | -                                 | 40,290             |
| Roads and Bridges  | -                             | -                                  | -                                 | 39,453             |
| Recreation and culture                                       | -                             | -                                  | -                                 | 50,405             |
| <b>Debt service</b>  |                               |                                    |                                   |                    |
| Principal retirement   | -                             | -                                  | -                                 | -                  |
| Interest and fiscal charges                                  | -                             | -                                  | -                                 | -                  |
| Total expenditures   | <u>50,322</u>                 | <u>3,566,798</u>                   | <u>-</u>                          | <u>2,225,845</u>   |
| Excess (deficiency) of revenues<br>over (under) expenditures | <u>7,742</u>                  | <u>(108,644)</u>                   | <u>94</u>                         | <u>(64,942)</u>    |
| <b>Other financing sources (uses)</b>                        |                               |                                    |                                   |                    |
| Proceeds of Refunding Debt                                   | -                             | -                                  | -                                 | -                  |
| Bond premium   | -                             | -                                  | -                                 | -                  |
| Payment to Refunded Debt Escrow                              | -                             | -                                  | -                                 | -                  |
| Gain/loss on sale of asset                                   | -                             | -                                  | -                                 | -                  |
| Insurance proceeds   | -                             | 278                                | -                                 | -                  |
| Transfers in   | 9,181                         | -                                  | -                                 | 82,143             |
| Transfers out  | (8,290)                       | (33,331)                           | -                                 | -                  |
| Total other financing sources (uses)                         | <u>891</u>                    | <u>(33,053)</u>                    | <u>-</u>                          | <u>82,143</u>      |
| Net change in fund balances                                  | 8,633                         | (141,697)                          | 94                                | 17,201             |
| Fund balances, beginning of year                             | 126,381                       | 1,457,253                          | 40,946                            | 79,156             |
| Fund balances, end of year                                   | <u>\$ 135,014</u>             | <u>\$ 1,315,556</u>                | <u>\$ 41,040</u>                  | <u>\$ 96,357</u>   |

**COLLETON COUNTY, SOUTH CAROLINA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL - NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

| <b>14th Circuit Court Solicitor</b>                          |                     |                     |                     |  |
|--|---------------------|---------------------|---------------------|--|
|  | Budgeted Amounts    |                     | Actual              | Variance with final<br>budget - positive<br>(negative) |
|  | Original            | Final               |                     |  |
| <b>Revenues</b>  |                     |                     |                     |  |
| Intergovernmental revenues                                   | \$ 2,917,055        | \$ 3,050,736        | \$ 3,050,736        | \$ -   |
| Fines and fees   | 449,097             | 439,734             | 406,050             | (33,684)   |
| Other income   | 2,053               | 248,605             | 1,368               | (247,237)  |
| Total revenues   | <u>3,368,205</u>    | <u>3,739,075</u>    | <u>3,458,154</u>    | <u>(280,921)</u>                                       |
| <b>Expenditures</b>  |                     |                     |                     |  |
| <b>Current</b>   |                     |                     |                     |  |
| Judicial   | 3,121,466           | 3,724,148           | 3,559,575           | 164,573  |
| <b>Capital Outlay</b>  |                     |                     |                     |  |
| Judicial   | -                   | 7,223               | 7,223               | -  |
| Total expenditures   | <u>3,121,466</u>    | <u>3,731,371</u>    | <u>3,566,798</u>    | <u>164,573</u>   |
| Excess (deficiency) of revenues<br>over (under) expenditures | <u>246,739</u>      | <u>7,704</u>        | <u>(108,644)</u>    | <u>(116,348)</u>                                       |
| <b>Other financing sources (uses)</b>                        |                     |                     |                     |  |
| Insurance proceeds   | -                   | 278                 | 278                 | -  |
| Transfers in   | -                   | -                   | -                   | -  |
| Transfers out  | -                   | (7,982)             | (33,331)            | (25,349)   |
| Total other financing sources (uses)                         | <u>-</u>            | <u>(7,704)</u>      | <u>(33,053)</u>     | <u>(25,349)</u>  |
| Net change in fund balances                                  | 246,739             | -                   | (141,697)           | (141,697)  |
| Fund balance, beginning of year                              | 1,457,253           | 1,457,253           | 1,457,253           | -  |
| Fund balance, end of year                                    | <u>\$ 1,703,992</u> | <u>\$ 1,457,253</u> | <u>\$ 1,315,556</u> | <u>\$ (141,697)</u>                                    |

## FIDUCIARY FUNDS

### Agency Funds

Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, and other governments.

**Sheriff's Seizure Fund** - to account for the fund the sheriff derives from search and seizure.

**Willow Swamp Water Shed Fund** - to account for the resources used for the Willow Swamp water shed.

**Law Officer's Memorial Fund** – to account for contributions on behalf of law enforcement officials.

**Treasurer Fund** – to account for receipts and disbursements by the Treasurer that will be disbursed to other entities.

**14<sup>th</sup> Circuit Court Solicitor Fund** – to account for receipts and disbursements by the 14<sup>th</sup> Circuit Solicitor that will be disbursed to other entities.

**Delinquent Tax Fund** – to account for delinquent taxes collected.

**Clerk of Court Fund** – to account for child support payments, bonds, restitution, and fines collected by the clerk of court and held in trust for others.

**Magistrates Fund** – to account for fines collected that have not been disposed of by the court.

**Probate Judge Fund** – to account for receipts and disbursements held in trust of the probate judge.

**Firemen's Fund** – represents the receipts and disbursements by the treasurer that will be disbursed to the various fire departments within the county.

**Colleton County School Fund** – used to account for receipts and disbursements by the treasurer of assets earmarked for the school district.