



**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
JUNE 30, 2017**

COUNTY COUNCIL

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

COUNTY ADMINISTRATOR

J. Kevin Griffin

FINANCE DIRECTOR

Jon Carpenter

PREPARED BY:
FINANCE DEPARTMENT

Colleton County, South Carolina
Comprehensive Annual Financial Report
For the Year Ended June 30, 2017

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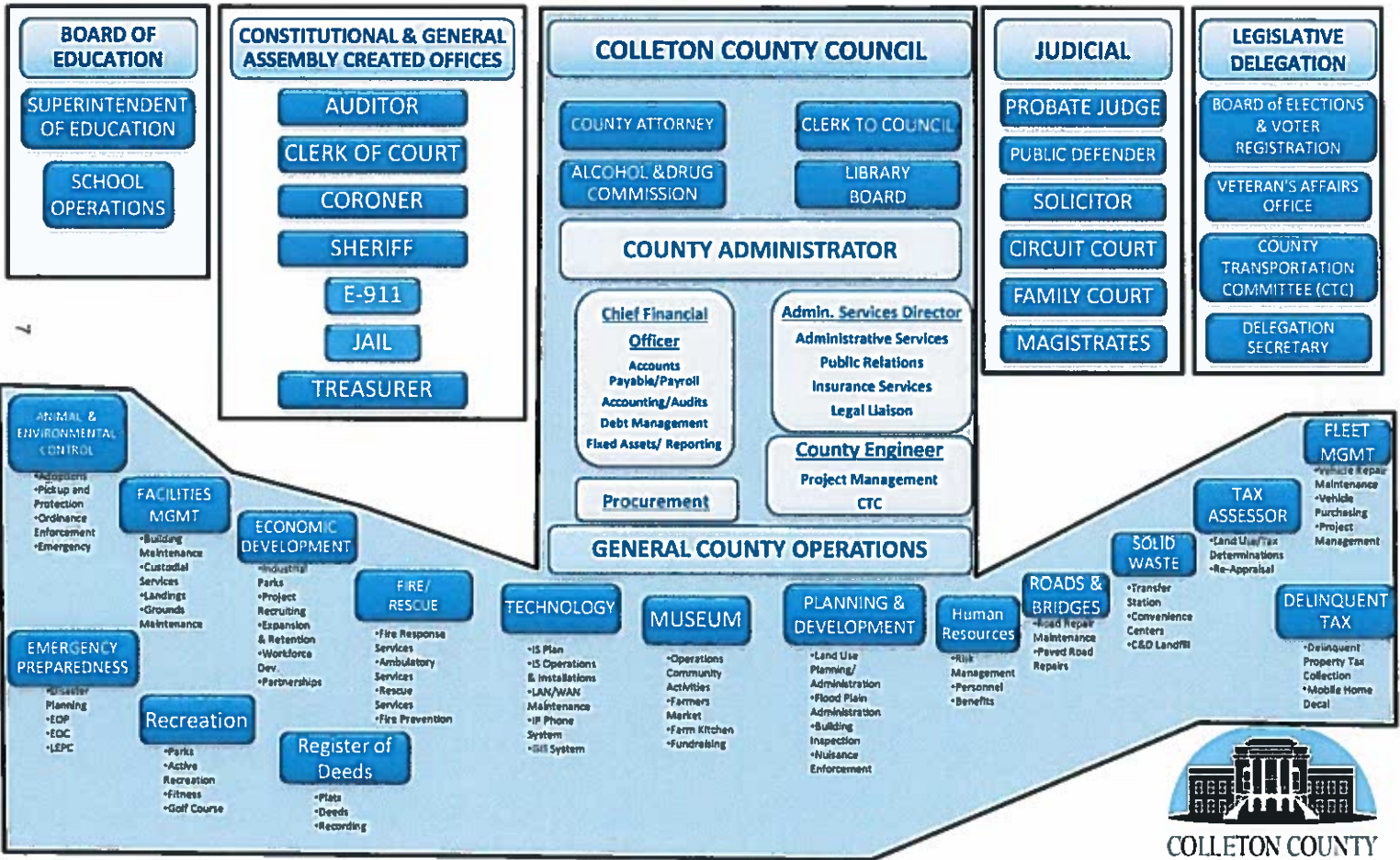
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COLLETON COUNTY VOTERS

COLLETON COUNTY GOVERNMENT



Economic Factors and Next Year's Budget

The County passed budget ordinance no. 17-O-03 to provide for the levy of taxes in Colleton County, South Carolina with third and final reading on June 6, 2017 to be effective July 1, 2017 through June 30, 2018. The following budgets and millages were approved by this ordinance:

COLLETON COUNTY, SOUTH CAROLINA 2017-2018 ORIGINAL FUND BUDGET

	Amount	Millage
General Fund	\$ 26,622,205	114.81
Debt Service Fund	1,987,148	10.24
Fire Rescue Commission	8,716,753	33.56
Fire Rescue Commission Debt Service	2,182,881	22.66
Capital Projects Sales Tax Debt Service	4,080,850	-
Capital Fund	571,554	-
Special Revenue Fund (various grants)	945,532	-
State Aid to Library	-	-
Memorial Library Fund	598,837	-
IV-D Sheriff Unit Costs	14,190	-
IV-D Clerk of Court Unit Costs	164,977	-
IV-D Clerk of Court Fund Incentives	36,975	-
Victim Witness Services	57,802	-
Animal Care and Control	149,298	-
Solicitor Special Revenue	-	-
Non-GOB Related Debt Service	925,758	-
Emergency Telephone Fund	345,000	-
Infrastructure/Industrial Development Fund	-	-
County Hospitality Tax Fund	615,000	-
County Accomodations Tax Fund	1,100,915	-
Recreation Fund	1,727,541	-
Road and Bridges Fund	2,079,272	-
School District	-	110.42
Solid Waste Fund	2,247,801	-
Total	\$ 55,170,289	291.69

This budget represents similar non-personnel operating expense funding levels for departments as was provided during fiscal year 2016-2017 though revenues have been budgeted to increase. The increase in revenues was primarily in property taxes and is based on a conservative 2% increase in assessed real and personal property values given that 2017 is a reassessment year, though millage rates remain unchanged for businesses and residents in the County. The budget did provide adjustments in regard to personnel and benefit expenditures which include a minimum of two and half percent cost of living adjustment as well as an increase in retirement contributions (as mandated) on all active staff. Retirees insurance cost has been budgeted to continue at a fifty percent funding split between the County and the Retiree.

**COLLETON COUNTY, SOUTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017**

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 State Fiscal Accountability Authority (SFAA), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the funding of the South Carolina Retirement Systems (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 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, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is considered a division of the primary government of the state of South Carolina and therefore, retirement trust fund financial information is also included in the comprehensive annual financial report of the state.

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.

14th Circuit Court Solicitor Fund – to account for the activities of the 14th Circuit Court Solicitor mandated by State Statute to prosecute within 14th 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.

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, 2017**

	Special Revenue Funds			
	Victim Witness Services	14th Circuit Court Solicitor	Public Defender Corporation	Special Revenue
Assets				
Cash and cash equivalents	\$ 149,082	\$ 1,330,338	\$ -	\$ 153,834
Receivables, net of allowances	4,881	107,808	-	580,232
Due from other funds	-	-	-	-
Total assets	<u>\$ 153,963</u>	<u>\$ 1,438,146</u>	<u>\$ -</u>	<u>\$ 734,066</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities				
Accounts payable	\$ 10,854	\$ 20,620	\$ -	\$ 216,953
Accrued payroll and benefits	507	43,248	-	21,567
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenues	-	-	-	102,066
Total liabilities	<u>11,361</u>	<u>63,868</u>	<u>-</u>	<u>340,586</u>
Deferred Inflows of Resources				
Unavailable revenues-property taxes	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Assigned	-	1,374,278	-	-
Committed	-	-	-	-
Restricted	142,602	-	-	393,480
Total fund balances	<u>142,602</u>	<u>1,374,278</u>	<u>-</u>	<u>393,480</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 153,963</u>	<u>\$ 1,438,146</u>	<u>\$ -</u>	<u>\$ 734,066</u>

COLLETON COUNTY, SOUTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	Special Revenue Funds			
	Victim Witness Services	14th Circuit Court Solicitor	Public Defender Corporation	Special Revenue
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues	76,377	3,645,609	-	4,008,768
Fines and fees	-	374,442	-	-
Other income	332	2,111	-	53,891
Total revenues	<u>76,709</u>	<u>4,022,162</u>	<u>-</u>	<u>4,062,659</u>
Expenditures				
Current				
Judicial	-	3,943,653	-	226,710
Public safety	66,079	-	-	697,934
Roads and Bridges	-	-	-	22,500
Recreation and culture	-	-	-	24,564
Health and human services	-	-	-	851,201
Economic development	-	-	-	354,093
Intergovernmental	-	-	-	750,823
Capital outlay				
Judicial	-	-	-	-
Public safety	-	-	-	157,878
Roads and Bridges	-	-	-	633,960
Recreation and culture	-	-	-	198,206
Debt service				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>66,079</u>	<u>3,943,653</u>	<u>-</u>	<u>3,917,869</u>
Excess (deficiency) of revenues over (under) expenditures	<u>10,630</u>	<u>78,509</u>	<u>-</u>	<u>144,790</u>
Other financing sources (uses)				
Proceeds from sales of capital assets	-	-	-	-
Insurance proceeds	-	6,699	-	-
Transfers in	-	-	-	174,333
Transfers out	(3,042)	(26,486)	(41,040)	(22,000)
Total other financing sources (uses)	<u>(3,042)</u>	<u>(19,787)</u>	<u>(41,040)</u>	<u>152,333</u>
Net change in fund balances	7,588	58,722	(41,040)	297,123
Fund balances, beginning of year	135,014	1,315,556	41,040	96,357
Fund balances, end of year	<u>\$ 142,602</u>	<u>\$ 1,374,278</u>	<u>\$ -</u>	<u>\$ 393,480</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, 2017

Victim Witness				
	Budgeted Amounts		Actual	Variance with final budget - positive (negative)
	Original	Final		
Revenues				
Intergovernmental revenues	\$ 54,539	\$ 54,539	\$ 76,377	\$ 21,838
Other income	-	17,542	332	(17,210)
Total revenues	54,539	72,081	76,709	4,628
Expenditures				
Current				
Public safety	51,497	69,039	66,079	2,960
Total expenditures	51,497	69,039	66,079	2,960
Excess (deficiency) of revenues over (under) expenditures	3,042	3,042	10,630	7,588
Other financing sources (uses)				
Transfers out	(3,042)	(3,042)	(3,042)	-
Total other financing sources (uses)	(3,042)	(3,042)	(3,042)	-
Net change in fund balances	-	-	7,588	7,588
Fund balance, beginning of year	135,014	135,014	135,014	-
Fund balance, end of year	\$ 135,014	\$ 135,014	\$ 142,602	\$ 7,588
14th Circuit Court Solicitor				
	Budgeted Amounts		Actual	Variance with final budget - positive (negative)
	Original	Final		
Revenues				
Intergovernmental revenues	\$ 2,954,555	\$ 3,645,609	\$ 3,645,609	\$ -
Fines and fees	456,832	374,442	374,442	-
Other income	2,053	2,113	2,111	(2)
Total revenues	3,413,440	4,022,164	4,022,162	(2)
Expenditures				
Current				
Judicial	3,284,201	3,987,834	3,943,653	44,181
Capital Outlay				
Judicial	129,239	18,835	-	18,835
Total expenditures	3,413,440	4,006,669	3,943,653	63,016
Excess (deficiency) of revenues over (under) expenditures	-	15,495	78,509	63,014
Other financing sources (uses)				
Insurance proceeds	-	6,699	6,699	-
Transfers out	-	(22,194)	(26,486)	(4,292)
Total other financing sources (uses)	-	(15,495)	(19,787)	(4,292)
Net change in fund balances	-	-	58,722	58,722
Fund balance, beginning of year	1,315,556	1,315,556	1,315,556	-
Fund balance, end of year	\$ 1,315,556	\$ 1,315,556	\$ 1,374,278	\$ 58,722

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.

14th Circuit Court Solicitor Fund – to account for receipts and disbursements by the 14th 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.

**COLLETON COUNTY, SOUTH CAROLINA
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Balance June 30, 2016	Additions	Deductions	Balance June 30, 2017
Assets		TOTAL		
Cash and equivalents	\$ 12,994,151	\$ 118,268,555	\$ 120,386,178	\$ 10,876,528
Accounts receivable, net	143,098	82,746	223,466	2,378
Total assets	\$ 13,137,249	\$ 118,351,301	\$ 120,609,644	\$ 10,878,906
Liabilities				
Accounts payable	\$ 27,075	\$ 41,413	\$ 27,651	\$ 40,837
Assets held for others	13,110,174	90,801,236	93,073,341	10,838,069
Total liabilities	\$ 13,137,249	\$ 90,842,649	\$ 93,100,992	\$ 10,878,906
Assets		SHERIFF'S SEIZURE FUND		
Cash and equivalents	\$ 226,569	\$ 10,888	\$ 22,047	\$ 215,410
Total assets	\$ 226,569	\$ 10,888	\$ 22,047	\$ 215,410
Liabilities				
Assets held for others	\$ 226,569	\$ 10,888	\$ 22,047	\$ 215,410
Total liabilities	\$ 226,569	\$ 10,888	\$ 22,047	\$ 215,410
Assets		WILLOW SWAMP WATER SHED FUND		
Cash and equivalents	\$ 23,644	\$ 4,266	\$ -	\$ 27,910
Total assets	\$ 23,644	\$ 4,266	\$ -	\$ 27,910
Liabilities				
Assets held for others	\$ 23,644	\$ 4,266	\$ -	\$ 27,910
Total liabilities	\$ 23,644	\$ 4,266	\$ -	\$ 27,910
Assets		LAW OFFICER'S MEMORIAL FUND		
Cash and equivalents	\$ 580	\$ 100	\$ -	\$ 680
Total assets	\$ 580	\$ 100	\$ -	\$ 680
Liabilities				
Assets held for others	\$ 580	\$ 100	\$ -	\$ 680
Total liabilities	\$ 580	\$ 100	\$ -	\$ 680
Assets		TREASURER FUND		
Cash and equivalents	\$ 330,687	\$ 9,626,110	\$ 9,701,214	\$ 255,583
Accounts receivable, net	2,599	72,885	73,968	1,516
Total assets	\$ 333,286	\$ 9,698,995	\$ 9,775,182	\$ 257,099
Liabilities				
Accounts payable	\$ 44	\$ -	\$ 44	\$ -
Assets held for others	333,242	16,051,800	16,127,943	257,099
Total liabilities	\$ 333,286	\$ 16,051,800	\$ 16,127,987	\$ 257,099
Assets		14TH CIRCUIT COURT SOLICITOR FUND		
Cash and equivalents	\$ 28,870	\$ 520,446	\$ 514,517	\$ 34,799
Accounts receivable, net	617	9,861	9,616	862
Total assets	\$ 29,487	\$ 530,307	\$ 524,133	\$ 35,661
Liabilities				
Accounts payable	\$ 26,229	\$ 576	\$ 26,805	\$ -
Assets held for others	3,258	497,472	465,069	35,661
Total liabilities	\$ 29,487	\$ 498,048	\$ 491,874	\$ 35,661