



## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2020**

### **COUNTY COUNCIL**

Steven D. Murdaugh  
Art Williams  
Phillip M. Taylor, Sr.  
Gene Whetsell  
Joseph F. Flowers, MD

### **COUNTY ADMINISTRATOR**

J. Kevin Griffin

### **FINANCE DIRECTOR**

Jon Carpenter

Prepared by:  
Finance Department

## **INTRODUCTORY SECTION**

**COLLETON COUNTY, SOUTH CAROLINA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

---

**TABLE OF CONTENTS**

**Page**

**INTRODUCTORY SECTION**

Table of Contents .....	i – iv
Letter of Transmittal .....	v – x
Certificate of Achievement for Excellence in Financial Reporting .....	xi
Organizational Chart .....	xii
List of Principal Officials .....	xiii

**FINANCIAL SECTION**

Independent Auditor's Report .....	1 – 3
Management's Discussion and Analysis .....	4 – 18

**Basic Financial Statements:**

**Government-wide Financial Statements:**

Statement of Net Position .....	19
Statement of Activities .....	20

**Fund Financial Statements:**

Balance Sheet – Governmental Funds .....	21
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position .....	22
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds .....	23
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	24
Statement of Fiduciary Net Position – Fiduciary Funds .....	25

Notes to the Financial Statements .....	26 – 74
---	---------

**Required Supplementary Information:**

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget (GAAP Basis) and Actual – General Fund .....	75
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget (GAAP Basis) and Actual – Special Revenue Fund .....	76
Schedule of Proportionate Share of the Net Pension Liability:	
South Carolina Retirement System – Primary Government .....	77
Police Officers' Retirement System – Primary Government .....	77
South Carolina Retirement System – Fire and Rescue Commission .....	78
Police Officers' Retirement System – Fire and Rescue Commission .....	78
South Carolina Retirement System – Memorial Library .....	79

# COLLETON COUNTY, SOUTH CAROLINA

## COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2020

### TABLE OF CONTENTS (CONTINUED)

#### Page

### FINANCIAL SECTION (CONTINUED)

#### Required Supplementary Information (Continued):

##### Schedule of Contributions:

South Carolina Retirement System – Primary Government .....	80
Police Officers' Retirement System – Primary Government.....	80
South Carolina Retirement System – Fire and Rescue Commission .....	81
Police Officers' Retirement System – Fire and Rescue Commission.....	81
South Carolina Retirement System – Memorial Library .....	82
Retirement Plan Assumptions .....	83
OPEB Retirement Plan – Schedule of Changes in the Primary Government's Total OPEB Liability and Related Ratios .....	84
OPEB Retirement Plan – Schedule of Changes in the Fire and Rescue Commission's Total OPEB Liability and Related Ratios.....	85
OPEB Retirement Plan – Schedule of Changes in the Memorial Library's Total OPEB Liability and Related Ratios .....	86

#### Other Supplementary Information:

Combining Balance Sheet – Nonmajor Governmental Funds .....	87 – 89
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Government Funds.....	90 – 92
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	
Sheriff's Title IV D.....	93
Clerk of Court IV Incentives .....	94
Clerk of Court IV Unit Costs .....	95
Victim Witness Services .....	96
Animal Care Control Donations.....	97
Emergency Telephone .....	98
County Hospitality Tax .....	99
County Accommodations.....	100
Debt Service.....	101
Capital Sales Tax Debt Service .....	102
Debt Service Non-GOB .....	103
Capital Projects Fund .....	104

Statement of Changes in Assets and Liabilities – All Agency Funds.....	105 – 107
--	-----------

**COLLETON COUNTY, SOUTH CAROLINA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

---

**TABLE OF CONTENTS (CONTINUED)**

**Page**

**FINANCIAL SECTION (CONTINUED)**

**Other Supplementary Information (Continued):**

**Component Units:**

**Fire and Rescue Commission:**

Balance Sheet .....	108
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position .....	109
Statement of Revenues, Expenditures and Changes in Fund Balances .....	110
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	111
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual .....	112

**Memorial Library:**

Balance Sheet .....	113
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position .....	114
Statement of Revenues, Expenditures and Changes in Fund Balances .....	115
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	116
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual .....	117

Uniform Schedule of Court Fines, Assessments, and Surcharges (per ACT 96) .....	118 and 119
---	-------------

**STATISTICAL SECTION**

**Financial Trends:**

Net Position by Component .....	120
Changes in Net Position .....	121
Fund Balances, Governmental Funds .....	122
Changes in Fund Balances, Governmental Funds .....	123

**Revenue Capacity:**

Assessed Value and Actual Value of Taxable Property .....	124
Direct and Overlapping Property Tax Rates .....	125
Principal Property Taxpayers .....	126
Property Tax Levies and Collections .....	127

**COLLETON COUNTY, SOUTH CAROLINA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

---

**TABLE OF CONTENTS (CONTINUED)**

**Page**

**STATISTICAL SECTION (CONTINUED)**

<b>Debt Capacity</b>	
Ratios of Outstanding Debt by Type .....	128
Ratios of General Bonded Debt Outstanding .....	129
Direct and Overlapping Governmental Activities Debt .....	130
Legal Debt Margin .....	131
Pledged Revenue Coverage .....	132
<b>Demographic and Economic Information:</b>	
Demographic Statistics.....	133
Principal Employers .....	134
<b>Operating Information:</b>	
Full-time Equivalent County Government Employers by Function.....	135
Operating Indicators by Function .....	136
Capital Asset Statistics by Function/Program .....	137

**COMPLIANCE SECTION**

<b>Independent Auditor's Report on Internal Control over Financial Reporting</b>	
and on Compliance and Other Matters Based on an Audit of the Financial	
Statement Performed in Accordance with <i>Government Auditing Standards</i> .....	138 and 139
<b>Independent Auditor's Report on Compliance for Each Major Program and on</b>	
Internal Control over Compliance Required by the Uniform Guidance.....	140 and 141
<b>Schedule of Expenditures of Federal Awards .....</b>	<b>142 and 143</b>
<b>Notes to the Schedule of Expenditures of Federal Awards.....</b>	<b>144</b>
<b>Schedule of Findings and Questioned Costs .....</b>	<b>145</b>
<b>Schedule of Prior Year Findings .....</b>	<b>146</b>



December 29, 2020

**To The Honorable Chairman & Honorable Members of County Council and the Citizens of Colleton County, South Carolina:**

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles ("GAAP") and audited in accordance with generally accepted accounting standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report ("CAFR") of Colleton County for the fiscal year ended June 30, 2020.

This report consists of management's representations concerning the finances of Colleton County (the "County"). Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations management of the County has established a comprehensive internal control framework, that is designed both to protect the government's assets from loss, theft, or misuse and to compile enough reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the costs of internal controls should not outweigh their benefits, Colleton County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's financial statements have been audited by Mauldin & Jenkins LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2020 are free of material misstatement. The independent audit involves examining on a test basis, evidence supporting the amounts and disclosures in the financial statement presentation; assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the fiscal year ended June 30, 2020 are fairly presented in conformity with GAAP. The independent auditors report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis ("MD&A"). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors.

## **Profile of the Government**

The County was founded in 1682 through a land grant to Sir John Colleton by King Charles II, of England and was one of the original proprietary counties in the present-day Carolinas. It was officially formed in 1798 and is in the southeastern part of South Carolina bordering on the Atlantic Ocean. The County is located in the Lowcountry region of South Carolina placing it midway between Charleston, South Carolina and Savannah, Georgia on the I-95 corridor. The County occupies a large land area that is 1,056.48 square miles and has an estimated population of slightly less than 38,000.

The County is empowered to levy a property tax on both real and personal properties located within its boundaries. The County operates under the Council-Administrator form of government. Policy-making and legislative authority are vested in a governing council consisting of five members. In addition to policy-making and legislative authority that are vested with the Council, they also have the responsibility to pass ordinances, adopt the budget, appoint committees, and hire both the County Administrator and County Attorney. The County Administrator is responsible for the administration of all the departments of the County government which County Council has the authority to control. The powers and duties of the County Administrator include: 1) executing policies, directives, and legislative actions of County Council; 2) directing operational and administrative activities of the County; 3) preparing annual budgets; 4) supervising the expenditure of funds; and 5) employing and discharging personnel. The five Council members are each elected from residence districts or at-large for four-year staggered terms, with three council members elected every two years, and two elected every two years. County elections occur in the fall of even-numbered years.

The County provides a full range of services including:

- (1) Public Safety (including law enforcement, county-wide emergency dispatch services and detention facilities);
- (2) Fire and Rescue (including emergency preparedness, emergency medical services and fire protection in the unincorporated areas of the County);
- (3) Animal and Environmental Control;
- (4) Public Works (including street and drainage maintenance);
- (5) Solid Waste Management (solid waste disposal and recycling);
- (6) Judicial Administration (including prosecuting and public defender legal services, criminal, civil, probate and family court administration);
- (7) Tax Collection and Dispersal;
- (8) Libraries;
- (9) Recreation;
- (10) Planning and Zoning Administration; and
- (11) Veterans Assistance.

The annual budget serves as the foundation for the County's financial planning and control. All departments of the County are required to submit requests for appropriations to administration during the spring of each year. The County Administrator uses these requests as the starting point for developing a proposed budget. The County Administrator then presents this proposed budget to the Council for review during May of each year. The Council is required to hold a public hearing on the proposed budget and to adopt a final budget prior to June 30th, the close of the County's fiscal year. The appropriated budget is prepared by fund and department. Budgetary control (that is the level at which expenditures cannot legally exceed the appropriated amount) is maintained by the Administrator at the fund level and may be amended as necessary during the fiscal year. Budget-to-actual comparisons are provided in the report for each individual department by governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented as part of the required supplementary information for governmental funds.

## **Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates.

### **Economic Factors**

The County's fiscal year 2020 assessable property tax base is \$180,910,266 which represented growth of 1.8% from 2019's assessable property tax base of \$177,647,560. This growth in assessed values was driven growth in real property that is a result of increasing home prices which increased by 12.5% to over \$90 per square foot as of July 2019 as compared to July 2018. As reported by the U.S. Census Bureau, median household income for the County in 2020 was forecasted at \$36,324 which continues to be around 70% of the median household income of the State of South Carolina which was reported at \$53,199. The County was not immune from the economic impacts from COVID-19, as unemployment was 8.2% as of June 2020 which is double the rate as of June 2019. Unemployment is down as of June 2020 from the high of 9.6% in May 2020 and is lower than the State of South Carolina of 8.9%. Unemployment in the County fared better than other areas due to the County not seeing large numbers of residents laid off since the largest employers in the County are in the areas of public education, government, and large retail services (Wal-Mart). The U.S. Census Bureau estimated the 2020 population for the County to be relatively unchanged at 37,677 as compared to the last several fiscal years. For 2020 this does represent roughly a 3% decrease in population from the last full census in 2010. Housing in the County continues to be dominated with owner occupied units with over 75% as compared to the State of South Carolina average of roughly 69% based on the most recently available data. Median home values have increased to \$90,400 which still is lower than the State of South Carolina average of \$162,300. The County has continued to see building activity with roughly 1,400 building permits issued over the previous 12-month period which does represent a 2% increase over the previous 12-month period. Even though the County has seen an increase in permits, the building values associated with the permits has decreased by over 5% due a decline in commercial building activity. County population continues to be primarily located within the Walterboro City Census Division ("CCD") as well as near the other CCDs within the County, including the Hendersonville CCD and Cottageville CCD.

A large part of the County is served with easy access to Interstate 95 with five interchanges that include exits 42, 53, 57, 62 and 68. In addition to this major interstate artery, the County has direct access to both Highway 17 and Highway 17A that provide connection to the cities and towns of Charleston, Beaufort, Savannah, and Summerville. The City of Walterboro is situated between exits 53 and 57 off Interstate 95 is currently entering the final phase of the I-95 business loop improvement project that is funded with a portion of the proceeds from the Capital Project Sales Tax referendum that voters approved in November 2014. This project is geared to improve the access of visitors into the downtown area from I-95 as well as from SC Highways 17A and 64 that connects to SC Highway 17.

### **Economic Development Goals and Strategies**

The County continued to expand and enhance its economic parks and sites that led to new companies settling in the County in fiscal year 2020 and position the County well for future economic opportunities.

In fiscal year 2020, the County was successful with attracting three new companies. Mayzo, Inc. purchased the former Pretium Packaging facility, on Industrial Road. Their plan over the next five years is to grow their chemical repackaging operation to 20 employees. An anticipated capital investment was not disclosed. Also located on Industrial Road is the new Colleton Venture Park where two new companies are planning to construct facilities. We noted Colonial Precast Concrete in our report last year and in addition Wayne Brothers, Inc. has purchased 25 acres in Colleton Venture Park with plans to construct their regional offices, a construction trades training center, and an equipment maintenance facility. Over the next five years, Wayne Brothers anticipates hiring 75, with a capital investment of \$7 million. Outside of Colleton Venture Park, Charleston Composites, is constructing a new facility at Jacksonboro, South Carolina. The owners of this newly formed company have been in the boat business for many years and will locate Charleston Composites on the same site as their BAR Marine operations. The new business will be involved in machining precision molds for the manufacture of composite boat hulls and related components. Their anticipated employment and capital investment are 28 new hires and \$3.8 million.

The Salkehatchie Railroad, the Colleton Mega Site and the Stokes Tract continue to figure prominently into the County's efforts to attract major projects. Palmetto Railways has completed a \$1 million track improvements project. Efforts to begin the sewer line design to the Colleton Mega Site (1500 acres) have been delayed due to one property owner in the right-of-way chain, however, it is hoped that this segment of right of way may be obtained via condemnation. The Stokes Tract (467 acres), located on the railroad and immediate to I-95, Exit 62, benefitted from a LocateSC grant funding to finish the wetlands delineation, conduct sub-surface investigation and to complete a boundary survey. It is hoped that we may be able to source funding to complete a sewer line design during fiscal year 2021.

Two other industrial parks received site enhancement grant funding and are in the process of executing the work. LocateSC awarded grant funds for improvements to Colleton County Commerce Center and Colleton Venture Park is benefitting from companion grants from SC Rural Infrastructure Authority and from U.S. EDA. At Colleton County Commerce Center debris removal, fill, grading, and ditching is nearing completion on Site 3 and an access gate installation will follow. At Colleton Venture Park, right-of-way acquisition has just been completed, and the installation of water and sewer lines into the park should commence prior to the end of calendar year 2020. In addition to the water and sewer lines project, we are seeking funds in fiscal year 2021 to realign the park entrance and to make other needed improvements.

Labor force skills continue to factor prominently into company location decisions and in response to this the County continues to work closely with the Colleton County School District and the Colleton Career Skills Center in their vocational training offerings. To showcase the many job opportunities the County will be facilitating industry tours for school guidance counselors, teachers and students. By doing so, the hope that any misconceptions about the manufacturing work environment and potential for career growth may be dispelled.

## **Recreation and Culture**

The County offers some of the best opportunities for residents and visitors to enjoy both indoor and outdoor activities. The County's recreation center known as the Ace Basin Sports Complex continues to be a prime venue in the area as it hosts numerous baseball and softball tournaments. Early in fiscal year 2020, the newly renovated recreation center opened to the public. The renovations included an addition of a splash pad, state-of-the-art exercise facility and renovated gym and locker rooms which now allow the recreation center to increase its offerings of fitness classes and other adult and juvenile sport programs. The recreation center like many venues was closed as of March 2020 due to the stay-at-home mandate issued by the Governor. This did lead to the cancellation of many scheduled events and spring and summer sport seasons, including baseball and softball.

Along with the recreation center, the County owned Dogwood Hills Golf Course and Restaurant is another venue that has a strong draw within the community. The golf course has undergone renovations to maintain and improve the nine-hole golf course and has been able to remain opened though it has seen some revenue loss due to the cancellation of hosted golf tournaments. In March 2020, the restaurant did stop providing dine-in services and moved to carry-out only services though has now been able to resume limited dine-in services as well as catering of various special events.

Colleton County Commercial Kitchen continues to grow in popularity with various local food vendors that utilize the large kitchen space. The Commercial Kitchen has helped roughly 50 food vendors get their business started by providing them the kitchen space needed in developing and preparing their product offerings and then the food vendors are able to sale the products through the Colleton County Museum and Farmers Market which is located next to the Commercial Kitchen.

Colleton County Memorial Library continues to serve County residents' visits and saw over 12,500 visits in fiscal year 2020 even though the library was closed beginning in late March based on the stay-at-home mandate issued by the Governor. In addition to the main library in Walterboro, the library has branches in both Edisto Beach and Cottageville that are open three days a week as well as continuing to operate the book mobile that provides service throughout the County. Prior to the closing in March, the library provided well attended community programs that saw attendance of over 14,500 in the 487 programs provided. In addition to these programs, a big draw with residents is accessing the 36 public computers which provided over 18,800 computer sessions.

In addition to all the opportunities sponsored by the County, the area boasts easy access to many of South Carolina's best eco-tourism spots, including the ACE Basin, the Walterboro Wildlife Sanctuary, Edisto State Park, Colleton State Park, and several other South Carolina Department of Natural Resources wildlife management areas.

### **Long-Term Financial Planning**

The County closed fiscal year 2020 with continued strong financial performance and continues to hold the rating of Aa3 with Moody's Investor Services and AA- with Standard and Poor's Rating Services. Moody's rating was reaffirmed in April 2020 that cited the County's cash balance as a percent of operating revenues, fund balance as a percent of operating revenues and overall solid economy and tax base. Total fund balance as of June 30, 2020, in the General Fund was \$8,960,252 of which \$7,787,399 was unassigned which represents a \$538 thousand decrease in total fund balance when compared to total fund balance as of June 30, 2019 of \$9,498,196 of which \$8,420,259 was unassigned. These total fund balance figures represent 28% and 31% of total expenditures, respectively. The County budget ordinance requires the total general fund balance to be a minimum of 20% of total expenditures. As an additional reference point to the strength of the County's general fund balance position, The Government Finance Officers Association of the United States and Canada ("GFOA") recommends at a minimum that a general-purpose government maintain an unrestricted fund balance of no less than two months operating expenditures as outlined in its September 2015 Appropriate Level of Unrestricted Fund Balance in the General Fund "Best Practice" bulletin and currently the County has slightly less than 90 days in its General Fund unassigned fund balance.

## **Pension Plans**

Eligible employees of the County are participants in the South Carolina Retirement System (“SCRS”) and the South Carolina Police Officer’s Retirement System (“PORS”), both of which are cost sharing multiple employers defined benefit plans administered by the Public Employees Benefit Association (“PEBA”). SCRS and PORS provide retirement and disability benefits, cost of living adjustments on an ad-hoc basis, life insurance benefits and survivor benefits to plan members and beneficiaries. The plans’ provisions are established under Title 9 of the South Carolina Code of Laws. A CAFR containing financial statements and required supplementary information for the SCRS and the PORS are issued and publicly available by writing to PEBA, P.O. Box 11960, Columbia, South Carolina 29211-1960.

## **Risk Management**

The County is exposed to various risks related to torts, theft of, damage to, and destruction of assets, errors and omission, injuries to employees and natural disasters. The County, along with other counties in the state, is insured under the Insurance Reserve Fund. The Insurance Reserve Fund functions as a governmental insurance operation with the mission to provide insurance specifically designed to meet the needs of governmental entities at the lowest possible cost. The Insurance Reserve Fund operates like an insurance company, by issuing policies, collecting premiums (based on actuarially calculated rates), and by paying claims from the accumulated premiums in accordance with the terms and conditions of the insurance policies it has issued. The Insurance Reserve Fund uses Towers Watson, as its consulting actuaries in determining rates, reserves, adequacy of loss reserves, and adequacy of policyholders’ equity in making management recommendations to the State Fiscal Accountability Authority regarding the financial management of the Fund.

## **Awards and Acknowledgments**

GFOA awards a Certificate of Achievement in Financial Reporting. To be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, the contents of which conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. Since 2014, the County has been awarded a Certificate of Achievement for Excellence in Financial Reporting award. A Certificate of Achievement is valid for a period of one year only. We believe our current report will conform to certificate of achievement program requirements, and we are submitting it to the GFOA to determine its eligibility for a certificate.

The preparation of the CAFR would not have been possible without the assistance of the Finance Department staff, the Treasurer’s office and several other County departments and staff. The hard work and dedication of these individuals significantly contributed to the completion of this document. Moreover, the support and leadership of the County Council have been instrumental in the development of this project.

Sincerely,



J. Kevin Griffin  
County Administrator



Jon Carpenter  
Finance Director



Government Finance Officers Association

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

Presented to

**Colleton County  
South Carolina**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2019

Executive Director/CEO

# COLLETON COUNTY VOTERS

## COLLETON COUNTY GOVERNMENT

### BOARD OF EDUCATION

SUPERINTENDENT OF EDUCATION

SCHOOL OPERATIONS

### CONSTITUTIONAL & GENERAL ASSEMBLY CREATED OFFICES

AUDITOR

CLERK OF COURT

CORONER

SHERIFF

E-911

JAIL

TREASURER

### COLLETON COUNTY COUNCIL

COUNTY ATTORNEY

CLERK TO COUNCIL

ALCOHOL & DRUG COMMISSION

LIBRARY BOARD

COUNTY ADMINISTRATOR

Chief Financial Officer

Accounts Payable/Payroll  
Accounting/Audits  
Debt Management  
Fixed Assets/ Reporting

Administrative Services Director

Public Relations  
Governmental Affairs  
Insurance Services  
Legal Liaison

County Engineer

Project Management  
CTC

Procurement

### GENERAL COUNTY OPERATIONS

### JUDICIAL

PROBATE JUDGE

PUBLIC DEFENDER

SOLICITOR

CIRCUIT COURT

FAMILY COURT

MAGISTRATES

### LEGISLATIVE DELEGATION

BOARD of ELECTIONS & VOTER REGISTRATION

VETERAN'S AFFAIRS OFFICE

COUNTY TRANSPORTATION COMMITTEE (CTC)

DELEGATION SECRETARY

### ANIMAL & ENVIRONMENTAL CONTROL

•Adoptions  
•Pickup and Protection  
•Ordinance Enforcement  
•Emergency

### FACILITIES MGMT

•Building Maintenance  
•Custodial Services  
•Landings  
•Grounds Maintenance

### ECONOMIC DEVELOPMENT

•Industrial Parks  
•Project Recruiting  
•Expansion & Retention  
•Workforce Dev.  
•Partnerships

### FIRE/ RESCUE

•Fire Response Services  
•Ambulatory Services  
•Rescue Services  
•Fire Prevention  
•Emergency Management

### TECHNOLOGY

•IS Plan  
•IS Operations & Installations  
•LAN/WAN Maintenance  
•IP Phone System  
•GIS System

### MUSEUM

•Operations Community Activities  
•Farmers Market  
•Commercial Kitchen  
•Fundraising

### PLANNING & DEVELOPMENT

•Land Use Planning/ Administration  
•Flood Plain Administration  
•Building Inspection  
•Nuisance Enforcement

### Human Resources

•Risk Management  
•Personnel  
•Benefits

### ROADS & BRIDGES

•Road Repair Maintenance  
•Paved Road Repairs

### SOLID WASTE

•Transfer Station  
•Convenience Centers  
•C&D Landfill

### TAX ASSESSOR

•Land Use/Tax Determinations  
•Re-Appraisal

### FLEET MGMT

•Vehicle Repair Maintenance  
•Vehicle Purchasing  
•Project Management

### DELINQUENT TAX

•Delinquent Property Tax Collection  
•Mobile Home Decal

### Register of Deeds

•Plats  
•Deeds  
•Recording

### Recreation

•Parks  
•Active Recreation  
•Fitness  
•Golf Course

# COLLETON COUNTY, SOUTH CAROLINA

## LIST OF PRINCIPAL OFFICIALS JUNE 30, 2020

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County Administrator .....	J. Kevin Griffin
Chairman.....	Steven D. Murdaugh
Council Member .....	Art Williams
Council Member .....	Phillip M. Taylor Sr.
Council Member .....	Gene Whetsell
Council Member .....	Joseph F. Flowers, MD
Finance Director .....	Jon Carpenter
Auditor.....	Jeff Slocum
Clerk of Court .....	Patricia Grant
Treasurer.....	Becky S. Hill
Sheriff .....	Charles Ghent
Coroner .....	Richard M. Harvey
Probate Judge .....	Ashley H. Amundson
Chief Magistrate .....	Elbert O. Duffie, III

## **FINANCIAL SECTION**



## INDEPENDENT AUDITOR'S REPORT

---

**Colleton County Council  
of Colleton County  
Colleton County, South Carolina  
Walterboro, South Carolina**

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **Colleton County, South Carolina** (the "County"), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Colleton County, South Carolina'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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 4 – 18), the Budgetary Comparison Schedule of the General Fund (on page 75), the Schedules of the Proportionate Share of the Net Pension Liability (on pages 77 – 79), the Schedules of Pension Contributions (on pages 80 – 82), and the Schedules of Changes in Total OPEB Liability and Related Ratios (on pages 84 – 86) 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.

#### *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, combining and individual nonmajor fund financial statements and schedules, statement of changes in assets and liabilities – agency funds, the individual financial statements and schedules of the County's discretely presented component units, and statistical section 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 Uniform Schedule or Court Fines, Assessments, and Surcharges (per ACT 96) is presented for purposes of additional analysis as required by the State of South Carolina, and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance), and is also not a required part of the basic financial statements.

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The combining and individual nonmajor fund financial statements and schedules, statement of changes in assets and liabilities – agency funds, the individual financial statements and schedules of the County's discretely presented component units, the Uniform Schedule or Court Fines, Assessments, and Surcharges (per ACT 96), 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 combining and individual nonmajor fund financial statements and schedules, statement of changes in assets and liabilities – agency funds, the individual financial statements and schedules of the County's discretely presented component units, the Uniform Schedule or Court Fines, Assessments, and Surcharges (per ACT 96), 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 and statistical sections 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 29, 2020, 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 solely 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 the effectiveness of the County's 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.

*Mauldin & Jenkins, LLC*

Savannah, Georgia  
December 29, 2020

# COLLETON COUNTY, SOUTH CAROLINA

## MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2020

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As management of Colleton County, South Carolina, (the "County") we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2020. Please read this information in conjunction with the detail statements and notes to the financial statements to achieve a better understanding of the County's financial performance for the fiscal year.

### Financial Highlights

- The assets plus deferred outflows of resources of the County exceed its liabilities plus deferred inflows of resources at the close of the most recent fiscal year by \$33,137,243 (net position). The County's net position decreased by (\$1,473,575) due to continued ongoing work on projects that are funded through the voter approved Capital Projects Sales Tax and replacement heavy equipment purchases that were funded from the proceeds of the 2019 Lease Purchase financing.
- At the close of the current fiscal year the County's governmental funds reported combined ending fund balances of \$27,391,155, a decrease of (\$4,499,103). This decrease was due to the total one-time expenditures of \$7,676,666 in the capital projects fund related to Capital Project Sales Tax funded projects, road improvements funded with state transportation funds and heavy equipment purchases funded with the 2019 lease purchase financing funds that led to a decrease of (\$4,490,816) in the capital projects fund balance.
- Fiscal year 2020 general fund revenues were \$31,910,828 and general fund expenditures were \$32,215,687 with net other financing uses of (\$233,085). This resulted in the County's general fund balance to decrease by (\$537,944) from \$9,498,196 at the beginning of fiscal year 2020 to \$8,960,252 as of June 30, 2020. The decrease in fund balance was driven by a decrease in fines and fees revenue as well as expenditure growth in general government, public safety and intergovernmental (appropriation to Fire Rescue Commission) that were slightly offset by small growth in tax revenue and intergovernmental revenue.

### Overview of the Financial Statements

This Management's Discussion and Analysis ("MD&A") is intended to serve as an introduction to the County's basic financial statements, which are comprised of three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the financial statements

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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**Government-wide Financial Statement** - Government-wide financial statements are designed to provide readers with a broad overview of the financial position of the County and are like financial statements issued in the private sector. They include a statement of net position and a statement of activities. These statements appear on pages 19 and 20 of this report.

Component Units, which are other governmental units over which the County can exercise influence and/or may be obligated to provide financial subsidy, are presented as a separate column in the government-wide statements and as combining statements of activities in the fund financial statements. The focus of the statements is clearly on the primary government and the presentation allows the reader to address the relative relationship with the component units to the primary government. The non-major component units to the primary government are the Colleton County Memorial Library, the Colleton County Fire and Rescue Commission and the Alcohol and Drug Commission.

The statement of net position shows the County's assets less its liabilities on June 30, 2020. 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 position.

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 related cash flows. Some included items, such as accounts payable or earned but unused vacation leave, will produce changes in cash in a future fiscal period. This report includes all major and non-major funds of the County.

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). The County has no business-type activities. Governmental activities reported in the statements include general government, judicial, public safety, roads and bridges, solid waste, recreation and culture, health and human services, economic development and intergovernmental.

**Fund Financial Statements** – A fund is a grouping of related accounts that is 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 funds of the County can be divided into two categories: governmental and fiduciary.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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**Governmental Funds** – Governmental funds, presented on pages 21 – 24, essentially account for the same functions as those reported under 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 available resources as well as on the balance 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 the 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 funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison.

Governmental funds individually presented in the County's statements include four major funds, the General Fund, the Special Revenue Fund, the Capital Projects Fund, and the Capital Sales Tax Debt Service Fund. Data from the other funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor funds is provided in the form of combining statements elsewhere in this report.

**Fiduciary Funds** – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support Colleton County's own programs. The basic fiduciary fund financial statements can be found on page 25 of this report.

**Notes to the Financial Statements** – The notes provide additional information that is essential to a full understanding of the data provided in both the government-wide and fund financial statements. Notes to the financial statements are presented on pages 26 – 74 of this report.

**Other Information** – In addition to the basic financial statements and the accompanying notes, this report also presents certain required supplementary information concerning the County's budget on page 75. Also included is the schedule of funding progress for the OPEB health plan and page 76. Historical pension information is located on pages 77 – 79 for the County and its components units.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information and other budgetary schedules. Combining and individual fund statements and schedules can be found on page 87 – 92 of this report.

Component unit financial statements are presented for the memorial library and the fire and rescue commission on pages 93 – 104 of this report.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Government-wide Financial Analysis

As noted earlier, over time net position may serve as a useful indicator of a government's financial position. The government-wide statements encompass all the funds of the county, not just the general operational fund. The County's total assets plus deferred outflows exceeded liabilities plus deferred inflows of resources by \$33,137,243 on June 30, 2020, as compared to \$34,610,818 on June 30, 2019.

#### COLLETON COUNTY, SOUTH CAROLINA NET POSITION

	Governmental Activities	
	2020	2019
<b>Assets</b>		
Current and other assets	\$ 33,231,021	\$ 37,951,889
Capital assets	60,182,494	60,259,774
Total assets	<u>93,413,515</u>	<u>98,211,663</u>
Deferred Outflows of Resources	<u>5,340,164</u>	<u>5,414,910</u>
<b>Liabilities</b>		
Long-term liabilities	60,159,543	63,228,281
Other liabilities	4,161,493	4,282,330
Total liabilities	<u>64,321,036</u>	<u>67,510,611</u>
Deferred Inflows of Resources	<u>1,295,400</u>	<u>1,505,144</u>
<b>Net Position</b>		
Net investment in capital assets	42,289,669	40,730,332
Fund balance		
Restricted	8,295,818	7,998,775
Unrestricted	<u>(17,448,244)</u>	<u>(14,118,289)</u>
Total net position	<u>\$ 33,137,243</u>	<u>\$ 34,610,818</u>

Total assets did decrease by \$4,798,148 with most of this change coming from the reduction in cash and cash equivalents of \$5,125,157. The reduction in cash was due to continued use of the capital project sales tax funds of \$5.1 million during the year on various expenditures on the approved projects. Of this \$5.1 million, \$1.7 million was reimbursed to other governments based on expenditures that had been paid on their approved projects. Net capital assets did decrease by \$77,280, though the County did have asset additions of \$3.9 million, with most of these additions related to the County's approved capital project sales tax projects. Deferred outflows of resources did decrease slightly by \$74,746, though the outflow for other post-employment benefits did increase by \$221,909 from 2019. This increase was due to the passage of time as well as the decline that has occurred in the municipal bond yields.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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Total liabilities did decrease by \$3,189,575 with most of the change due to the decrease in non-current liabilities of \$3,068,738. The reduction in non-current liabilities was due to net of payments of scheduled debt service of \$5.1 million during fiscal year and the County not entering any new debt obligations. Deferred inflows of resources did decrease by \$209,774, primarily due to a reduction in deferred inflow from pension, which decreased by \$340,398. This decrease was due to the plan actual earnings being higher than the projected earnings of the related plan assets.

By far, the largest portion of the County net position \$42,289,669 (128%) represents its investment in capital assets (e.g., land, buildings, machinery and equipment) for governmental activities, less any related debt used to acquire those assets that is still outstanding on June 30, 2020, as compared to \$40,730,332 (118%) on June 30, 2019. The increase of \$1,559,337 was due to the continued work on County projects that are funded with Capital Project Sales Tax funds that were approved by voter referendum in 2014. County projects included the completion of the renovations to the recreation center and continuing work on the new customer service center and renovation to Harrelson Building. In addition, other large capital expenditures were funded with either the 2019 lease purchase financing funds or available State Transportation C-Funds. Heavy equipment purchases were made to address needs in roads and bridges, solid waste and fleet maintenance that replaced existing equipment. State Transportation C-Funds were used to continue to improve County roads through the dirt road paving program. Although the County's investment in capital assets is reported net of related debt, it should be noted the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate those liabilities. On June 30, 2020, the County had a net position restricted for debt service in the amount of \$6,059,523 (18%), which was an increase of \$461,200 from June 30, 2019. This increase was due to excess capital project sales tax collections that are needed to fund the final year debt service that is due after the expiration of the capital projects sales tax. This increase was slightly offset by small decrease (8%) in County GO debt service fund balance that was the result of lower tax collections resulting from a smaller growth in assessed values.

The restricted portion of net position of \$8,295,818 (25%) represents the balances of net position that have restricted resources and are not available to fund other commitments. The restricted net position relates to solid waste landfill post-closure, debt service, economic development, emergency and law enforcement services, and other revenue sources that are earmarked for specific County functions. The increase of \$297,043 from June 30, 2019 was a result of the increase discussed above in restricted funds for debt service offset by a decrease in funds restricted for court administration that were utilized to fund one-time court expenditures related improving the safety and security for court personnel, citizens, judges, and attorneys.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The remaining net position represents a deficit balance of (\$17,448,244) (-53%) in unrestricted net position which is a decrease of (\$3,329,955) from June 30, 2019. The overall decrease in net position was due in primarily to the decrease in our current assets, particularly in our cash and cash equivalents which decreased by (\$5,125,157) from June 30, 2019 that was partially offset by an increase in receivables (net of allowances) of \$305,457 and a decrease of (\$3,068,738) in noncurrent liabilities. This decrease in cash and cash equivalents was based on the continued use of Capital Projects Sales Tax funds that were expended on various voter approved projects as well as use of the funds provided through the 2019 Lease Purchase Financing on purchases of replacement heavy equipment. The increase in receivables (net of allowances) was related to approved reimbursements due from FEMA from the declared tornado disaster in April 2020. The decrease in noncurrent liabilities was due to payment of all required debt service and no new debt issued during fiscal year 2020.

### Governmental Activities

The County's total net position decreased (\$1,473,575) in 2020 compared to a decrease of (\$1,846,217) in 2019. Key elements of this change in net position are as shown in the following table.

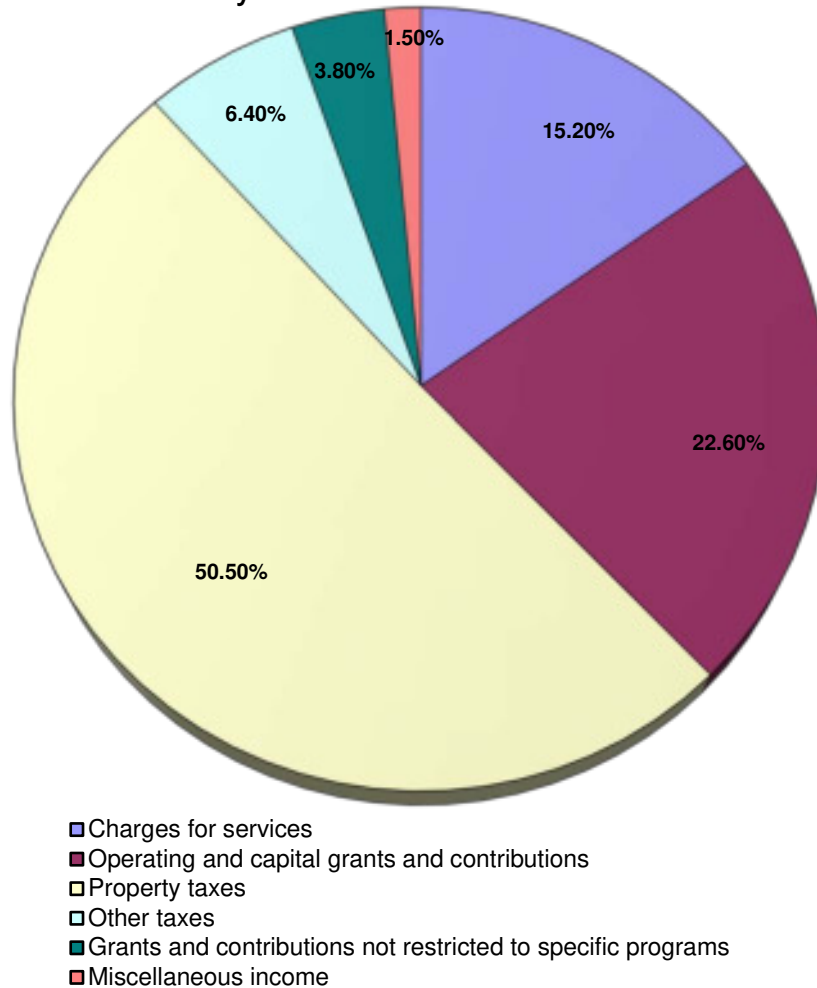
<b>COLLETON COUNTY, SOUTH CAROLINA CHANGES IN NET POSITION</b>		
	<b>2020</b>	<b>2019</b>
Revenues		
Program Revenues		
Charges for services	\$ 8,094,821	\$ 7,881,615
Operating and capital grants and contributions	12,019,330	11,263,468
General Revenues		
Property taxes	26,872,059	26,404,695
Other taxes	3,414,583	3,786,734
Grants and contributions not restricted to specific programs	2,024,709	1,810,480
Miscellaneous income	775,275	654,767
Total Revenues	<u>53,200,777</u>	<u>51,801,759</u>
Expenses		
Governmental Activities:		
General government	10,607,610	9,253,826
Judicial	6,856,354	6,194,472
Public safety	15,820,923	14,133,924
Roads and bridges	7,154,129	4,699,060
Solid waste	4,104,787	3,903,706
Recreation and culture	4,691,384	4,813,076
Health and human services	2,734,348	2,249,725
Economic development	1,943,153	7,777,710
Interest and fiscal charges	761,664	622,477
Total Expenses	<u>54,674,352</u>	<u>53,647,976</u>
Change in Net Position	(1,473,575)	(1,846,217)
Net Position, beginning of year	34,610,818	36,457,035
Net Position, end of year	<u>\$ 33,137,243</u>	<u>\$ 34,610,818</u>

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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During the current fiscal year, net position for governmental activities decreased (\$1,473,575) from the prior fiscal year for an ending balance of \$34,610,818. Overall revenues did increase by \$1,399,018 or 2.7% from fiscal year 2019. Property taxes and other taxes did increase by \$467,364 or 1.8% due an increase in the taxpayer assessed values. Operating and capital grants and contributions did increase by \$755,862 or 6.7% from 2019 based on grants awarded to the 14<sup>th</sup> Solicitor in expanding services provided. Additional detail as to the changes in revenues can be found under the Revenue by Source – Governmental Activities pie chart below. Total expenditures did increase by \$999,376 and 1.9% from fiscal year 2019 and was primarily in functions of general government, judicial, public safety, and roads and bridges that were offset by decrease in economic development. The increases in general government, public safety, roads and bridges along the decrease in economic development are discussed in detail below under Expense – Governmental Activities bar chart. The increase in judicial was directly related to increased operating expenses incurred based on the new grants that were awarded to expand the services provided by this office.

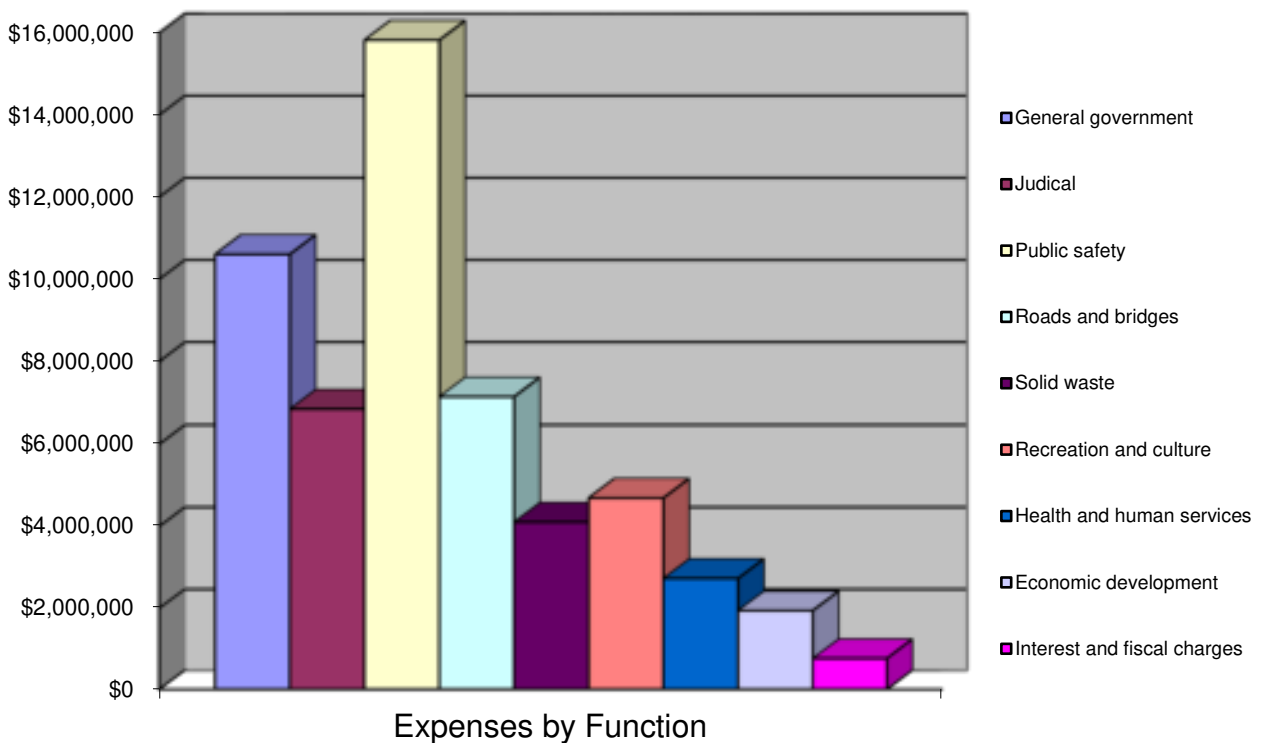
Revenue by Source-Governmental Activities



## MANAGEMENT'S DISCUSSION AND ANALYSIS

- Property Taxes continue to be the largest source of revenue for the County at over 50% and saw slight growth in fiscal year 2020 based on a 1.8% growth in assessed values and current year tax collections at 97% (operating and debt millage did not change from fiscal year 2019).
- Operating and Capital Grants and Contributions continue to trend at 22% due to receipt of new funds that were awarded to in the function of judicial (14<sup>th</sup> Solicitor's Office) and public safety.
- Other taxes did decrease to 6.4% from 7.3% in fiscal year 2019 due to drop in tax collections in the final quarter of the fiscal years. The drop in collections was due to stay-at-home orders issued by the Governor that significantly impacted non-essential businesses that collect local option sales tax and both County Hospitality and Accommodations taxes.

### Expenses-Governmental Activities



- Expenditures for Public Safety grew by 12% and now account for over 29% of total expenses. These expenses provide funding to both County law enforcement (Sheriff/Detention/Emergency Dispatch) and the annual County contribution to the Fire and Rescue Commission (county-wide emergency services and unincorporated fire services). The growth in public safety expenses was related to personnel related expenditures. The largest of increases was in the number of Full-Time Employees ("FTEs") for the Sheriff's office which grew by 13% to 67 FTEs and the amount of overtime hours incurred in Fire Rescue, which grew by 7.5%.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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- Growth was also seen in General Government expenditures which grew by roughly 15% to over 19% of total expenses. The growth in general government expenses was caused by a 32% increase in the premiums for property/auto/tort/data processing insurance coverages, growth in employee utilization of county health insurance (8.5%) and unreimbursed expenses related to Hurricane Dorian (September 2019), the April 2020 Tornadoes and COVID-19 measures incurred to protect employees and citizens.
- Expenditures for Roads and Bridges did increase by 52% to over 13% of total expenses. This growth was the result of some one-time expenses related to City of Walterboro I-95 Business Loop road improvement project of \$1.7 million that is funded through Capital Project Sales Tax and the Walterboro Colleton County Airport runway drainage improvement project of \$2.1 million that is pass through of funds from an FAA grant award.
- Economic Development expenditures did decrease by 75% and account for 3.5% of total expenses. This decrease was due to some one-time expenses incurred in fiscal year 2019 related to the purchase of an industrial site that is in proximity of the Salkehatchie Railroad and Interstate 95 (additional information can be found in the Transmittal Letter Economic Development Goals and Strategies).

### Financial Analysis of the Government's Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### Governmental Funds

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. Unassigned fund balance may serve as a useful measure of the County's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the County, itself, or a group or individual that has been delegated authority to assign resources for use for purposes by the County Council.

On June 30, 2020, the County's governmental funds reported combined fund balances of \$27,391,155, a decrease of (\$4,499,103) in comparison with the prior year. Approximately 28% of this amount or \$7,787,399 constitutes *unassigned fund balance*, with is available for spending at the County's discretion. The remainder of the fund balance is either *nonspendable*, *restricted*, *committed*, or *assigned* to indicate that it is: 1) not in spendable form (\$394,907), 2) restricted for purposes (\$8,115,657), 3) assigned for purposes (\$1,187,171), or 4) committed for purposes (\$9,906,021).

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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The general fund is the chief operating fund of the County. On June 30, 2020, unassigned fund balance of the general fund was \$7,787,399. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents approximately 24% of total general expenditures, while total fund balance represents approximately 28%. The County ordinance requires that total fund balance be maintained at 20% of total general fund expenditures.

During the current fiscal year, the fund balance of the County's general fund decreased by (\$537,944). This represents a decrease of 5.7% in fund balance that was based on revenues increasing slightly at 1% while operating expenses increased significantly at 5.2%. This growth in expenses was offset by a small change in net other financing uses that decreased by 58% to (\$233,085). Tax revenue did increase by 1% that was due to growth in assessed values as County Council did not approve any operating millage increase for fiscal 2020. The growth in tax revenues was offset by a 1.5% decrease in Fines and Fees revenue that was due to the closure of the courts during the last quarter of fiscal year 2020 as required under the executive orders of the Governor in response to the spread of COVID-19. Growth in expenditures was primarily in functions of general government, public safety and intergovernmental. General government expenses increased by 10% which was due to increases in employee participation in health insurance, premium increases for commercial insurance coverages and unreimbursed disaster related expenses (25% local match). Public Safety and intergovernmental expense growth of 9.7% and 1.7% respectively were due to increases in FTE staffing as well as overtime hours needed to maintain staffing levels.

During the current fiscal year, the fund balance of the County's capital projects fund decreased by (\$4,490,816). This decrease was primarily related to expenditures for the various projects that are part of the Capital Projects Sales Tax ("CPST") referendum approved by the voters in November 2014, heavy equipment purchases funded with the 2019 lease purchase financing funds and road projects that are funded with State transportation funds. CPST projects completed included the renovations to the recreation center, phase 2 of the City of Walterboro I-95 business loop and renovations to the terminal at the Walterboro Colleton County Airport.

### **Budgetary Highlights**

The County's general fund actual amounts reported for revenues of \$31,910,828 were (\$708,887) less than the final budgeted amount of \$32,619,715.

- Taxes were under budget by (\$499,186) due to drop in local option sales tax revenues that decreased by 10% due to economic impacts seen in the 4<sup>th</sup> quarter of the fiscal year with stay-at-home orders and closure of non-essential businesses. In addition, assessed values had been projected at a growth rate of 2.5% based on historical trends, though actual growth was 1.8% that resulted in lower property tax collections as compared to the final budget.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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- Fines and fees were under budget by (\$344,626) due closure of courts during the last quarter of the fiscal year as required by the Governor. This closure resulted in a 20% decrease in revenues as compared to the final budget and historical collections.
- Other income was under budget by (\$265,170) based on an actual drop of 50% in investment earnings that had only been budgeted to decrease by 35% from prior year. In addition, facility usage/rental fees decreased by 32% due to COVID-19 related cancellation of various events that had been scheduled during the last quarter of fiscal year 2020.
- Total actual expenditures of \$32,215,687 were over the final budgeted amount of \$32,111,913 by (\$103,774).
- Expenditure savings was primarily based on a combined savings of \$1,311,661 in general government, in judicial, in roads and bridges, and in recreation and culture.
  - General government savings were due to overall reduction in fuel costs, facilities utilities expenses (electricity and gas) and unfilled budgeted positions (salaries and associated benefits).
  - Judicial savings were due to a reduction in operating expenses that were directly related to the COVID-19 related court closures during the last quarter of the fiscal year.
  - Roads and bridges savings were due to unfilled budgeted positions (salaries and associated benefits) and fuel expense based on the cost of fuel as well as replacement of several aged pieces of equipment with new equipment.
  - Recreation and culture savings were due to lower operating costs for the recreation center, Dogwood Hills Restaurant and Colleton County Museum. Each of these facilities were closed or had significantly reduced operations during the last quarter of the fiscal year based on the executive orders issued by the Governor in response to COVID-19.
- Expenditure savings were offset by higher than budget expenses in public safety of \$288,505 and Intergovernmental of \$1,175,000.
  - Public safety expenditure growth was due to an increase in personnel related expenses that was driven by 13% growth in FTEs. Additional FTEs had been budgeted though FTEs being filled with overtime hours were 15% higher than the budget.
  - The increase in intergovernmental was due to additional funding provided to the Fire and Rescue Commission to cover higher personnel expenses. Wage adjustments had been provided in fiscal year 2019, though FTEs staffed with overtime hours increased by 7.5% to 38.25 FTEs.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

- Transfers out were less than budget by \$172,261 due to the lower amount of funds needed to cover funding gaps based on lower operating that were the result of COVID service reductions.

### Capital Assets

The County's investment in capital assets for its governmental activities as of June 30, 2020, amounts to \$60,182,494 (net of accumulated depreciation) as compared to \$60,259,774 on June 30, 2019. Capital additions, including construction in progress totaled \$3.96 million which were offset by disposals in the amount of \$1.1 million.

Major capital asset additions during the fiscal year 2020 include the following:

- \$772 thousand in heavy equipment for roads and bridges
- \$418 thousand in heavy equipment for solid waste
- \$103 thousand for information technology and facility security equipment
- \$336 thousand for vehicles and equipment for fleet maintenance

Construction in Progress completed and placed in service during fiscal year 2020 include the following:

- Recreation Center renovation and equipment (CPST funded) - \$4.5 million
- CAD/911 Dispatch System - \$973 million
- County dirt road paving - \$1.65 million

Disposals of assets acquired in prior years include the following:

- \$390 thousand law enforcement vehicles
- \$520 thousand in roads and bridges heavy equipment

Additional information on the County's capital assets can be found in note 5 on page 39 in the notes to the financial statements.

### **COLLETON COUNTY, SOUTH CAROLINA CAPITAL ASSETS, NET OF DEPRECIATION**

	<b>Governmental Activities</b>	
	<b>2020</b>	<b>2019</b>
Land and land infrastructure	\$ 7,865,880	\$ 7,816,918
Construction in progress	1,381,977	6,443,494
Buildings and improvements	30,878,557	27,880,770
Improvements other than buildings	5,656,254	6,302,592
Equipment and vehicles	8,054,481	6,663,018
Infrastructure	6,345,345	5,152,982
Total	<u>\$ 60,182,494</u>	<u>\$ 60,259,774</u>

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Debt Administration

On June 30, 2020, Colleton County had long term obligations of \$60,159,543 compared to outstanding debt on June 30, 2019 totaling \$63,228,281. During the fiscal year, the County did not enter any debt financing and made all scheduled debt service payments. The County did close on a short-term bond in October 2020 in the amount of \$581 thousand and more information on this financing can be found in note 10 on page 74 in the notes to the financial statements.

	<b>Governmental Activities</b>	
	<b>2020</b>	<b>2019</b>
General Obligation Bonds	\$ 22,879,822	\$ 27,138,079
Capital Leases	1,756,625	2,679,958
Net OPEB Obligation	3,553,380	3,195,267
Landfill Closure and Post Closure Cost	563,572	535,772
Compensated Absences	781,862	650,580
Net Pension Liability	30,624,282	29,028,625
Total	<u>\$ 60,159,543</u>	<u>\$ 63,228,281</u>

Additional information on the County's long-term obligations can be found in note 6 on page 42 in the notes to the financial statements.

In accordance with State Law, the amount of General Obligation Bonds ("GOB") a government entity may issue (without referendum) is equal to 8% of its total assessed value. The current GOB debt limitation for Colleton County based on information received from the County Auditor related to the 2020 tax assessment value of \$180,910,266 is \$14,472,821 for fiscal year ended June 30, 2020. As of June 30, 2020, the County has net debt applicable to the limit of \$6,898,164 which equals a 47.66% total net debt applicable to the limit percentage.

**Debt Rating** – In April 2020, Moody's Investor Services reaffirmed their ratings previously issued in October 2018. The County continued to receive a rating of Aa3 from Moody's. In their analysis the following positive attributes of Colleton County and its management were noted:

- Financial position is robust, including the cash balance as a percent of operating revenues and fund balance as a percent of operating revenues.
- Solid economy and tax base with the full value per capita stronger than the US median and that has increased materially from 2015 through 2019.

### Economic Factors and Next Year's Budget

The County passed continuing budget resolutions no. 20-R-22 in April 2020 and 20-R-46 in October 2020 to allow the county to operate at the amounts approved in the previous year's budget that can be increased by Administration as necessary to meet any State or contractual obligations.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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### Highlights of Fiscal Year 2021:

- Operating millage at 116.31 mills and debt service millage at 10.24 mills – unchanged from fiscal year 2020.
- Assessed values are forecasted with a growth rate of 1.5% which is consistent with historical ten-year average.
- Tax collections are currently running at 101% of prior year collection rates through November 2020.
- Overall intergovernmental state revenues were not budgeted to increase based on the State of South Carolina currently operating under a continuing budget resolution. Local Government Fund revenue is forecasted at \$1,576,256, no change from fiscal year 2020.
- Local option sales tax is trending at 104% or an increase of \$20,000 of prior year collections through the first five months of fiscal year 2021.
- Local Accommodations tax is trending with a growth of 5% or an increase of \$2,500 from prior year collections through the first five months of fiscal year 2021.
- Local Hospitality tax (prepared food) is trending at 88% or a decrease of (\$5,800) from prior year collections through the first five months of fiscal year 2021.
- County Fines and Fees are trending at 101% from prior year collections, though all courts within the county are still operating on a limited basis.
- Personnel costs remained unchanged from fiscal year 2020, with no new positions, no cost-of-living adjustment, and no increases in employer costs for retirement and health insurance (as directed by the State continuing resolution).
- Continuation of funding of 50% of the cost of individual health/dental insurance for eligible retirees.
- Direct assistance funding to eighteen county service agencies for various essential County programs for residents have remained at the amounts funded in fiscal year 2020.
- Overall, a 16% increase in insurance premiums covering county facilities and equipment, equates to additional premiums of \$146,000 across all funds.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The following budgets and millage rates are currently in effect based on Continuing Resolution 20-R-46:

### COLLETON COUNTY, SOUTH CAROLINA 2020-2021 ORIGINAL FUND BUDGET

	Amount	Millage
General Fund	\$ 28,896,778	116.31
Debt Service Fund	1,949,422	10.24
Fire Rescue Commission	10,076,058	33.56
Fire Rescue Commission Debt Service	2,502,713	22.66
Capital Projects Sales Tax Debt Service	4,175,000	-
Capital Fund	727,716	-
State Aid to Library	100,000	-
Memorial Library Fund	683,563	-
IV-D Sheriff Unit Costs	16,500	-
IV-D Clerk of Court Unit Costs	157,000	-
IV-D Clerk of Court Fund Incentives	26,500	-
Victim Witness Services	91,584	-
Animal Care and Control	65,559	-
Non-GOB Related Debt Service	1,194,118	-
Emergency Telephone Fund	470,074	-
Infrastructure/Industrial Development Fund	2,943,243	-
County Hospitality Tax Fund	601,500	-
County Accomodations Tax Fund	569,210	-
Recreation Fund	1,546,752	-
Road and Bridges Fund	2,173,652	-
School District	-	116.42
Solid Waste Fund	2,862,794	-
Total	<u>\$ 61,829,736</u>	<u>299.19</u>

### Requests for Information

This financial report is designed to provide a general overview of the County's Finances and to demonstrate the County's accountability for the money it receives. Any questions about this report or request for information may be addressed to Colleton County Director of Finance, P.O. Box 157, Walterboro, South Carolina 29488.

# COLLETON COUNTY, SOUTH CAROLINA

## STATEMENT OF NET POSITION JUNE 30, 2020

			Component Units	
	Governmental Activities	Memorial Library	Fire and Rescue Commission	Alcohol and Drug Commission
ASSETS				
Cash and cash equivalents	\$ 25,205,853	\$ 141,064	\$ 1,856,858	\$ 500,998
Receivables, net of allowances	7,630,261	8,146	1,924,611	18,259
Due from state agency	-	-	-	125,536
Prepays and deposits	394,907	14,594	187,309	-
Capital assets:				
Nondepreciable	9,247,857	-	1,726,884	-
Depreciable, net	50,934,637	322,551	9,718,820	5,649
Total assets	93,413,515	486,355	15,414,482	650,442
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows for pension	5,087,157	117,532	2,515,291	-
Deferred outflows for other post-employment benefits	253,007	30,687	46,182	-
Total deferred outflows of resources	5,340,164	148,219	2,561,473	-
LIABILITIES				
Current liabilities:				
Accounts payable	2,165,235	12,820	301,849	71,848
Payroll liabilities	918,347	12,682	188,261	5,152
Accrued liabilities	245,683	-	102,352	-
Unearned revenues	832,228	8,519	-	-
Noncurrent liabilities:				
Due within one year	5,315,612	3,386	1,363,884	113,812
Due in more than one year	54,843,931	1,246,854	21,388,262	149,602
Total liabilities	64,321,036	1,284,261	23,344,608	340,414
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows for pension	868,255	27,418	172,257	-
Deferred inflows for other post-employment benefits	427,145	51,809	77,967	-
Total deferred inflows of resources	1,295,400	79,227	250,224	-
NET POSITION				
Net investment in capital assets	42,289,669	322,551	3,431,089	5,649
Restricted:				
Emergency services	350,847	-	-	-
Court administration	80,641	-	-	-
Law enforcement	335,163	-	-	-
Solid waste	797,088	-	-	-
Nonexpendable	394,907	-	-	-
Debt service	6,059,523	-	1,812,259	-
Other purposes	277,649	-	-	-
Unrestricted (deficit)	(17,448,244)	(1,051,465)	(10,862,225)	304,379
Total net position	\$ 33,137,243	\$ (728,914)	\$ (5,618,877)	\$ 310,028

The accompanying notes are an integral part of these financial statements.

# COLLETON COUNTY, SOUTH CAROLINA

## STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Functions/Programs	Expenses	Changes in Net Position						
		Program Revenues			Primary Government	Component Units		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Memorial Library	Fire and Rescue Commission	Alcohol and Drug Commission
<b>Primary government</b>								
Governmental activities:								
General government	\$ 10,607,610	\$ 1,657,588	\$ 74,028	\$ -	\$ (8,875,994)	\$ -	\$ -	\$ -
Judicial	6,856,354	837,494	4,762,894	-	(1,255,966)	-	-	-
Public safety	15,820,923	1,558,802	2,342,067	-	(11,920,054)	-	-	-
Roads and bridges	7,154,129	959,775	2,589,972	13,330	(3,591,052)	-	-	-
Solid waste	4,104,787	2,446,487	147,187	-	(1,511,113)	-	-	-
Recreation and culture	4,691,384	601,487	8,903	68,166	(4,012,828)	-	-	-
Health and human services	2,734,348	33,188	1,181,304	-	(1,519,856)	-	-	-
Economic development	1,943,153	-	831,479	-	(1,111,674)	-	-	-
Interest and fiscal charges	761,664	-	-	-	(761,664)	-	-	-
Total governmental activities	<u>54,674,352</u>	<u>8,094,821</u>	<u>11,937,834</u>	<u>81,496</u>	<u>(34,560,201)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Component Units</b>								
Memorial Library	886,025	22,326	779,244	-		(84,455)	-	-
Fire and Rescue Commission	12,303,990	1,590,637	4,199,929	-		-	(6,513,424)	-
Alcohol and Drug Commission	970,239	176,364	765,048	-		-	-	(28,827)
Total component units	<u>\$ 14,160,254</u>	<u>\$ 1,789,327</u>	<u>\$ 5,744,221</u>	<u>\$ -</u>		<u>(84,455)</u>	<u>(6,513,424)</u>	<u>(28,827)</u>
General revenues:								
Property taxes					26,872,059	-	5,801,699	-
Alcohol excise tax					-	-	-	77,292
Local options sales tax					2,220,901	-	-	-
Local accommodations tax					486,429	-	-	-
Hospitality tax					568,206	-	-	-
Franchise fees					139,047	-	-	-
Grants and contributions not restricted to specific programs					2,024,709	-	-	-
Miscellaneous					775,275	36,971	85,762	2,396
Total general revenues					<u>33,086,626</u>	<u>36,971</u>	<u>5,887,461</u>	<u>79,688</u>
Change in net position					<u>(1,473,575)</u>	<u>(47,484)</u>	<u>(625,963)</u>	<u>50,861</u>
Net position, beginning of year					<u>34,610,818</u>	<u>(681,430)</u>	<u>(4,992,914)</u>	<u>259,167</u>
Net position, end of year					<u>\$ 33,137,243</u>	<u>\$ (728,914)</u>	<u>\$ (5,618,877)</u>	<u>\$ 310,028</u>

The accompanying notes are an integral part of these financial statements.

# COLLETON COUNTY, SOUTH CAROLINA

## BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2020

	General	Special Revenue	Capital Projects	Capital Sales Tax Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and cash equivalents	\$ 7,252,350	\$ 100	\$ 10,836,559	\$ 4,590,489	\$ 2,526,355	\$ 25,205,853
Receivables, net	5,157,983	701,911	436,024	942,322	392,021	7,630,261
Prepaid expenditures	375,765	-	-	-	19,142	394,907
Total assets	<u>\$ 12,786,098</u>	<u>\$ 702,011</u>	<u>\$ 11,272,583</u>	<u>\$ 5,532,811</u>	<u>\$ 2,937,518</u>	<u>\$ 33,231,021</u>
<b>LIABILITIES</b>						
Accounts payable	\$ 903,140	\$ 380,394	\$ 774,752	\$ -	\$ 106,949	\$ 2,165,235
Accrued payroll and benefits	820,177	-	-	-	98,170	918,347
Accrued liabilities	3,607	-	-	-	-	3,607
Unearned revenue	288,236	64,977	479,015	-	-	832,228
Total liabilities	<u>2,015,160</u>	<u>445,371</u>	<u>1,253,767</u>	<u>-</u>	<u>205,119</u>	<u>3,919,417</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue - fees	7,449	-	-	-	-	7,449
Unavailable revenue - property taxes	1,510,942	-	-	-	109,763	1,620,705
Unavailable revenue - spec assessments	292,295	-	-	-	-	292,295
Total deferred inflows of resources	<u>1,810,686</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>109,763</u>	<u>1,920,449</u>
<b>FUND BALANCES</b>						
Nonspendable:						
Prepaid expenditures	375,765	-	-	-	19,142	394,907
Restricted for:						
Public safety	-	-	-	-	686,010	686,010
Recreation and culture	-	-	-	-	21,009	21,009
Judicial services	-	-	-	-	80,641	80,641
Solid waste reserve	797,088	-	-	-	-	797,088
Economic development	-	-	214,746	-	-	214,746
Debt service	-	-	-	5,532,811	526,712	6,059,523
Other purposes	-	256,640	-	-	-	256,640
Assigned:						
Judicial services	-	-	-	-	1,148,051	1,148,051
Public safety	-	-	-	-	39,120	39,120
Committed:						
Recreation and culture	-	-	-	-	101,951	101,951
Capital projects	-	-	9,804,070	-	-	9,804,070
Unassigned	7,787,399	-	-	-	-	7,787,399
Total fund balances	<u>8,960,252</u>	<u>256,640</u>	<u>10,018,816</u>	<u>5,532,811</u>	<u>2,622,636</u>	<u>27,391,155</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 12,786,098</u>	<u>\$ 702,011</u>	<u>\$ 11,272,583</u>	<u>\$ 5,532,811</u>	<u>\$ 2,937,518</u>	<u>\$ 33,231,021</u>

The accompanying notes are an integral part of these financial statements.

# COLLETON COUNTY, SOUTH CAROLINA

## RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION JUNE 30, 2020

Total governmental fund balances:		\$	27,391,155
Amounts reported for 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 in the government funds.			
			60,182,494
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds:			
Property taxes and other special assessments	\$	1,913,000	
Solid waste receivables		7,449	1,920,449
Deferred outflows of resources are not due and payable in the current period and, therefore, are not reported in the funds. These deferred outflows of resources consist of pension related experience differences, assumption changes and differences between projected and actual earnings on plan investments:			
Deferred outflows related to pensions	\$	5,087,157	
Deferred outflows related to other post-employment benefits		253,007	5,340,164
Long- term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:			
General obligation bonds	\$	(22,585,000)	
Bond premiums		(294,822)	
Capital leases		(1,756,625)	
Compensated absences		(781,862)	
Landfill closure and post-closure cost		(563,572)	
Accrued interest		(242,076)	
Net pension liability		(30,624,282)	
Total other post-employment benefits liability		(3,553,380)	(60,401,619)
Deferred inflows of resources are not available to pay for current period expenditures and, therefore, are not reported in the funds. These deferred inflows of resources consist of pension related differences between projected and actual earnings on plan investments.			
Deferred outflows related to pensions	\$	(868,255)	
Deferred inflows related to other post-employment benefits		(427,145)	(1,295,400)
Net position of governmental activities			\$ 33,137,243

The accompanying notes are an integral part of these financial statements.

# COLLETON COUNTY, SOUTH CAROLINA

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	General	Special Revenue	Capital Projects	Capital Sales Tax Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Taxes	\$ 22,860,937	\$ -	\$ -	\$ 4,584,740	\$ 2,975,153	\$ 30,420,830
Intergovernmental	2,460,794	6,255,813	2,120,873	-	4,546,126	15,383,606
Fines and fees	6,046,884	-	-	-	539,961	6,586,845
Other income	542,213	296	191,469	40,828	87,668	862,474
Total revenues	<u>31,910,828</u>	<u>6,256,109</u>	<u>2,312,342</u>	<u>4,625,568</u>	<u>8,148,908</u>	<u>53,253,755</u>
<b>EXPENDITURES</b>						
Current:						
General government	9,836,089	-	268,104	-	4,705	10,108,898
Judicial	1,309,381	515,020	-	-	4,392,194	6,216,595
Public safety	8,296,149	767,165	794,132	-	526,132	10,383,578
Roads and bridges	1,992,304	46,725	-	-	5,864	2,044,893
Solid waste	3,050,278	-	598,202	-	-	3,648,480
Recreation and culture	1,534,005	103,523	29,040	-	416,343	2,082,911
Health and human services	882,234	1,773,927	-	-	-	2,656,161
Economic development	277,017	818,233	592,858	-	124,152	1,812,260
Intergovernmental	4,975,812	2,445,560	3,635,280	-	31,702	11,088,354
Capital outlay				-		
General government	35,224	-	263,107	-	-	298,331
Public safety	15,692	-	824,755	-	9,150	849,597
Roads and bridges	-	15,964	395,040	-	-	411,004
Solid waste	11,502	-	189,346	-	-	200,848
Recreation and culture	-	100,497	86,802	-	-	187,299
Debt service:						
Principal	-	-	-	3,715,000	1,393,333	5,108,333
Interest	-	-	-	372,100	514,256	886,356
Total expenditures	<u>32,215,687</u>	<u>6,586,614</u>	<u>7,676,666</u>	<u>4,087,100</u>	<u>7,417,831</u>	<u>57,983,898</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(304,859)</u>	<u>(330,505)</u>	<u>(5,364,324)</u>	<u>538,468</u>	<u>731,077</u>	<u>(4,730,143)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Sale of capital assets	-	-	128,355	-	3,300	131,655
Insurance recoveries	58,915	-	11,969	-	28,501	99,385
Transfers in	2,757,940	278,112	981,382	-	1,480,146	5,497,580
Transfers out	(3,049,940)	(1,000)	(248,198)	-	(2,198,442)	(5,497,580)
Total other financing sources (uses)	<u>(233,085)</u>	<u>277,112</u>	<u>873,508</u>	<u>-</u>	<u>(686,495)</u>	<u>231,040</u>
Net change in fund balances	<u>(537,944)</u>	<u>(53,393)</u>	<u>(4,490,816)</u>	<u>538,468</u>	<u>44,582</u>	<u>(4,499,103)</u>
<b>Fund balances, beginning of year</b>	<u>9,498,196</u>	<u>310,033</u>	<u>14,509,632</u>	<u>4,994,343</u>	<u>2,578,054</u>	<u>31,890,258</u>
<b>Fund balances, end of year</b>	<u>\$ 8,960,252</u>	<u>\$ 256,640</u>	<u>\$ 10,018,816</u>	<u>\$ 5,532,811</u>	<u>\$ 2,622,636</u>	<u>\$ 27,391,155</u>

The accompanying notes are an integral part of these financial statements.

# COLLETON COUNTY, SOUTH CAROLINA

## RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2020

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Net change in fund balances - total governmental funds		\$	(4,499,103)
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	\$	3,960,703	
Depreciation expense		<u>(3,987,776)</u>	(27,073)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.			(50,207)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:

Property taxes and other special assessments	\$	(145,490)	
Solid waste receivables		(4,558)	
Intergovernmental receivables		<u>(2,315)</u>	(152,363)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The effects of these items are as follows:

Repayment of the principal of long-term debt	\$	5,108,333	
Amortization of premium on long-term debt		<u>73,257</u>	5,181,590

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The following amounts represent the net liability changes using the full accrual method of accounting:

Pension liability	\$	(1,551,914)	
Landfill closure and post-closure liability		(27,800)	
Compensated absences		(131,282)	
Accrued interest on long-term debt		51,435	
Other post employment benefits liability		<u>(266,858)</u>	(1,926,419)
			<u>\$ (1,473,575)</u>

The accompanying notes are an integral part of these financial statements.

**COLLETON COUNTY, SOUTH CAROLINA**

**STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2020**

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	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 12,647,102
Taxes receivable	6,014
Total assets	<u>\$ 12,653,116</u>
<b>LIABILITIES</b>	
Assets held for others	\$ 12,653,116
Total liabilities	<u>\$ 12,653,116</u>

The accompanying notes are an integral part of these financial statements.

# COLLETON COUNTY, SOUTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Description of Government-wide Financial Statements

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 primary government and its component units. All fiduciary activities are reported only in the fund financial statements. For the most part, the effect of inter-fund activity has been removed from these statements. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

#### Reporting Entity

Colleton County, South Carolina (the "County"), is governed by a five-member County Council (the "Council") under the Council-Administrator form of government, pursuant to the South Carolina Home Rule Act. Members of the Council are elected from resident districts. The Council acts as the governing body of the County with power to pass ordinances and adopt resolutions. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government. The County does not have any blended component units as of June 30, 2020.

#### *Discretely Presented Component Units*

The nine members of the **Colleton County Memorial Library's (the "Library")** governing board are appointed by the Council. The Library is fiscally dependent upon the government because the Council approves the Library's budgets, and can significantly influence the decisions of the Library. The Library does not issue separate financial statements.

The five members of the **Colleton County Fire and Rescue Commission (the "Fire and Rescue Commission")** are selected by the Council from ten members presented by the Fire Control Board, an advisory board comprised of a member from each of the participating fire departments. The Fire and Rescue Commission is fiscally dependent upon the government because the Council approves the Fire and Rescue Commission's budgets, levies taxes and must approve any debt issuances. The Fire and Rescue Commission does not issue separate financial statements.

The nine members of the **Colleton County Commission on Alcohol and Drug Abuse (the "Alcohol and Drug Commission")** governing board are appointed by the Council. The Alcohol and Drug Commission is fiscally dependent upon the government because the Council approves the Alcohol and Drug Commission's budgets and can significantly influence the decisions of the Alcohol and Drug Commission. Separately issued financial statements may be obtained at 1439 Thunderbolt Drive, Waltherboro, South Carolina, 29488.

## NOTES TO THE FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Reporting Entity (Continued)

##### Basis of Presentation – Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As discussed earlier, the government has three discretely presented component units. While the Alcohol and Drug Commission is not considered to be a major component unit, it is nevertheless shown in a separate column in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

##### Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the government's funds, including its fiduciary funds. Separate statements for each fund category – governmental and fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements. Fiduciary funds are reported by type.

The County reports the following major governmental funds:

The **General Fund** is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The **Special Revenue Fund** accounts for all grants and contributions awarded to the County.

The **Capital Projects Fund** accounts for the transactions of the acquisition of capital assets and construction of major capital projects.

The **Capital Sales Tax Debt Service Fund** is used to collect local option special purpose taxes and disburse debt payments for the Capital Penny Sales Tax Bond that was passed by voter referendum.

## NOTES TO THE FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Basis of Presentation – Fund Financial Statements (Continued)

In addition, the County reports the following nonmajor fund types:

The ***Special Revenue Funds*** account for revenue sources that are legally restricted to expenditures for specific purposes (not including expendable trusts or major capital projects) such as grants, fire and other special purpose fees, and economic development.

The ***Debt Service Funds*** account for the accumulation of resources for, and payment of, long-term debt principal and interest. The County's Debt Service Fund was established and is maintained in accordance with acts passed by the General Assembly of South Carolina authorizing the sale of general obligation bonds of the County. The Non-GOB Debt Service Fund accounts for the accumulation of funds and payment of various capital leases and notes payable.

Additionally, the County reports the following fund types.

The ***Agency Funds*** are used to account for monies held on behalf of school districts, special districts and other agencies that use the County as a depository, or property taxes that are collected on behalf of the other governments.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds. While these balances are reported in fund financial statements, certain eliminations are made in the presentation of the government-wide financial statements.

Further, certain activity occurs during the year involving transfers of resources between funds. In the fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in the governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

## NOTES TO THE FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. 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.

The 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 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. For this purpose, the County considers revenues to be available if they are collected within the first 60 days of the end of the current fiscal period, except for grant reimbursements for which the availability period is 120 days. Expenditures generally are recorded when a liability is incurred as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuances of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and, therefore, have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 120 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

## NOTES TO THE FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### **Budgetary Basis of Accounting**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles ("GAAP") for the General Fund, the Fire and Rescue Fund, and the Memorial Library Fund. All other special revenue funds and debt service funds (excludes the GO Bond Fund, State Accommodations Fund, Sheriff's Discretionary Fund and the 14<sup>th</sup> Circuit Court Solicitor Fund) that have appropriated budgets, also conform to GAAP but tend to follow the revenue source generated by those funds (i.e., grant awards and projects funds). All annual appropriations lapse at fiscal year-end.

The appropriated budget is prepared by fund, function, and department. The government's departmental heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the County Administrator. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level. The Council may make supplemental budgetary appropriations throughout the year.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executor) contracts for good and services (i.e., purchase order, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year-end, valid outstanding encumbrances (those for which performance under executor contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

#### **Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance**

##### **Cash and Cash Equivalents and Deposits**

The "deposits" classification is used only in the notes, not on the face of the statement of net position. Deposits include cash on hand, pooled money market funds and certificates of deposit.

The County considers cash and cash equivalents for cash flow purposes to be currency on hand, demand deposits with banks, amounts included in pooled cash and investment accounts, and liquid investments with an original maturity of three months or less when purchased.

## NOTES TO THE FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### **Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (Continued)**

##### **Investments**

In accordance with Governmental Accounting Standards Board ("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.

The County and its component units have a number of financial instruments, none of which are held for trading purposes. Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. Debt securities are reported at cost or amortized cost.

##### **Prepaid Items**

Certain payments to vendors for services that will benefit period beyond June 30, 2020, are recorded as prepaid items using the consumption method by recording the asset for the prepaid amount and reflecting the expenditure/expense in the year which the services are consumed. Prepaid items of governmental funds in the fund financial statements are offset by an equal amount with a reserve of fund balance to indicate that they are not available for general appropriation.

##### **Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items,) are reported in the governmental activities 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 in excess of one year. The capitalization threshold for infrastructure assets is \$50,000 for individual items and networks. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction of governmental-type activities is not capitalized.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (Continued)

##### Capital Assets (Continued)

All reported capital assets except land and certain infrastructure assets are depreciated. Useful lives for infrastructure are estimated based on the County's historical records of necessary improvements and replacements. Depreciation is provided using the straight-line method over the following estimated useful lives:

Asset Class	County	Component Units		
		Memorial Library	Fire and Rescue Commission	Alcohol and Drug Commission
Buildings and improvements				
Buildings	45	45	45	N/A
Building improvements	10	10	10	N/A
Improvements other than buildings				
Improvements other than buildings	10	10	10	N/A
Radio and fire towers	10	10	10	N/A
Library Materials	N/A	5	5	N/A
Machinery and equipment				
Furniture and office equipment	5	5	5	3 - 20
Fire and medical equipment	5	5	5	N/A
Heavy vehicles and equipment	10	10	10	N/A
Vehicles				
Airplanes	6	N/A	N/A	N/A
Law enforcement vehicles	3	N/A	N/A	N/A
Other vehicles	5	5	5	3 - 20
Infrastructure	20	N/A	N/A	N/A

##### Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position 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, therefore, will not be recognized as an outflow of resources (expense/expenditure) until then. The County reports deferred outflows related to its net pension liability and total other post-employment benefits liability in the statement of net position. These amounts are deferred and recognized as an outflow of resources in the period in which the amounts become available.

## NOTES TO THE FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### **Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (Continued)**

##### **Deferred Outflows/Inflows of Resources (Continued)**

In addition to liabilities, the statement of net position and the governmental funds 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, therefore, will not be recognized as an inflow of resources (revenue) until that time. The County has unavailable revenues from property taxes and special assessments, fees, and intergovernmental revenue that arise under the modified accrual basis of accounting that qualifies for reporting in this category and is reported in the governmental funds balance sheet. The statement of net position reports deferred inflows related to its net pension liability, and total other post-employment benefits liability. These amounts are deferred and recognized as an inflow of resources in the period in which the amounts become available.

##### **Net Position Flow Assumptions**

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

##### **Fund Balance Flow Assumptions**

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

## NOTES TO THE FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### **Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (Continued)**

##### **Fund Balance Policies**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The County itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The governing council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The governing council ("Council") has by resolution authorized the administrator to assign fund balance. The Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

##### **Revenues and Expenditures/Expenses**

##### **Program Revenues**

Amounts reported as 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 (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

## NOTES TO THE FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Revenues and Expenditures/Expenses (Continued)

##### Property Taxes

The County ordinance provides for the taxation of all real and personal property located within the County limits on the first day of January. Motor vehicle taxes are billed and collected by the County Treasurer on a monthly basis. Other personal and real property taxes are levied by the County after September of each year and become due and payable immediately upon receipt by the taxpayer. Real property taxes are delinquent after January 15th. Assessed property is subject to lien one year from the levy date if taxes remain unpaid.

##### Compensated Absences

**Vacation** – The County's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment upon separation from government service. The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignation or retirement. The liability for compensated absences includes salary-related benefits, where applicable and is paid from the general fund for the most part with a small portion related to other nonmajor governmental funds.

**Sick Leave** – Accumulated sick leave lapses when employees leave the employment of the County and, upon separation from service, no monetary obligation exists.

##### Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions. These estimates affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

### NOTE 2. DEPOSITS AND INVESTMENTS

#### Interest Rate Risk

Interest rate risk is the risk that changes in interest rates that will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

## NOTES TO THE FINANCIAL STATEMENTS

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### NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

#### Credit Risk

Credit risk is the risk that an issuer to an investment will not fulfill its obligations. In accordance with South Carolina state statutes, the County's investment decisions are at the discretion of the elected County Treasurer, subject to the statutes that authorize the County and its component units to invest in the following:

1. Obligations of the United States and agencies thereof;
2. 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, 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 agencies;
3. General obligations of the State of South Carolina or any of its political units;
4. Savings and loan association deposits to the extent insured by the Federal Deposit Insurance Corporation;
5. Certificates of Deposit and repurchase agreements collateralized by securities of the type described in 1. and 2. above, held by a third-party as escrow agent or custodian, of a fair value not less than the amount of certificates of deposit and repurchase agreements so secured, including interest; and
6. No-load open and 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, 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.

In addition, South Carolina state statutes authorize the County to invest in the South Carolina Local Government Investment Pool ("SCLGIP"). The SCLGIP is an investment mechanism authorized by the Legislature and signed into law on May 13, 1983, to provide local governments an opportunity to acquire maximum returns on investments by pooling available funds with funds from other political subdivisions. The SCLGIP is permitted under South Carolina 1976 Code of Laws Section 6-6-10, Section 12-45-220 and Section 11-1-60 to purchase obligations of the United States government treasuries, United States government agencies, repurchase agreements fully collateralized by United States government treasuries or agencies, corporate securities and commercial paper that bear an investment grade rating of at least two nationally recognized rating services.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

#### Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the County's investment in a single issuer. The County places no limit on the amount that may be invested in any one issuer. See below for additional information regarding the County's deposits. All funds of the Fire and Rescue Commission and the Library are included in the funds administered by the County Treasurer. The only exception to this is that the funds of the Alcohol and Drug Commission are not included in the funds administered by the County Treasurer.

	<b>Fair Value</b>	<b>Percentage of Portfolio</b>
Repurchase agreements	\$ 26,779,866	67%
Certificates of deposit	2,172	0%
Savings accounts	215,160	1%
Checking accounts	12,846,305	32%
Cash on hand	7,374	0%
Deposits held by County Treasurer	<u>\$ 39,850,877</u>	<u>100%</u>

#### Custodial Credit Risk – Deposits

In the case of deposits, custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. Deposits of the County are subject to South Carolina state statutes for custodial credit risk. The statutes provide that banks accepting deposits of funds from local government units must furnish an indemnity bond or pledge as collateral obligations of the United States, South Carolina, political subdivisions of South Carolina, the Federal National Mortgage Association, the Federal Home Loan Bank, the Federal Farm Credit Bank, or the Federal Home Loan Mortgage Corporation. Driven by the aforementioned statute, the County's informal policy requires deposits to be secured by collateral valued at fair or par whichever is lower, less the amount of the Federal Deposit Insurance Corporation ("FDIC") insurance. Deposited funds may be invested in demand or time deposits, continuously and fully secured with direct obligations of or obligations guaranteed by the United States of America having a fair value not less than the amount of such monies. Custodial credit risk for deposits is not formally addressed by bond indentures. Indentures require that restricted deposits be maintained by the trustee bank, as custodian, specified in the indenture.

As of June 30, 2020, the County's bank balance of \$39,217,645 was fully collateralized by pledging financial institutions trust departments in the County's name.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

#### Custodial Credit Risk – Investments

In the case of investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The County does not have a formal investment policy regarding custodial credit risk.

### NOTE 3. RECEIVABLES

Receivables as of year-end for the County's individual major funds, nonmajor funds in the aggregate and component units, including the applicable allowances for uncollectible accounts, are as follows:

	Primary Government					
	General	Special Revenue	Capital Projects	Capital Sales Tax Debt Service	Nonmajor Governmental	Total Primary Government
Taxes receivable	\$ 4,618,483	\$ -	\$ -	\$ -	\$ 357,301	\$ 4,975,784
Accounts receivable	1,515,968	-	-	-	-	1,515,968
Other receivables	1,795,862	701,911	436,024	942,322	245,193	4,121,312
Less: allowance	(2,772,330)	-	-	-	(210,473)	(2,982,803)
Net receivables	<u>\$ 5,157,983</u>	<u>\$ 701,911</u>	<u>\$ 436,024</u>	<u>\$ 942,322</u>	<u>\$ 392,021</u>	<u>\$ 7,630,261</u>

	Component Units			
	Fire and Rescue Commission	Memorial Library	Alcohol and Drug Commission	Total Component Units
Taxes receivable	\$ 14,009,869	\$ -	\$ -	\$ 14,009,869
Accounts receivable	721	-	19,301	20,022
Other receivables	-	8,146	125,536	133,682
Less: allowance	(12,085,979)	-	(1,042)	(12,087,021)
Net receivables	<u>\$ 1,924,611</u>	<u>\$ 8,146</u>	<u>\$ 143,795</u>	<u>\$ 2,076,552</u>

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 4. INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2020, consisted of the following:

	<b>Transfers In</b>	<b>Transfers Out</b>
Major Governmental Funds		
General Fund	\$ 2,757,940	\$ 3,049,940
Special Revenue Fund	278,112	1,000
Capital Projects Fund	981,382	248,198
Nonmajor Governmental Funds	1,480,146	2,198,442
Component Unit	900,000	900,000
Total interfund balances	<u>\$ 6,397,580</u>	<u>\$ 6,397,580</u>

Transfers are used: 1) to move revenues from the fund with collection authorization to the fund with expenditure authorization, 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, including amounts provided as matching funds for various grant programs.

### NOTE 5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2020 was as follows:

	<b>Balance June 30, 2019</b>	<b>Additions</b>	<b>Deletions</b>	<b>Transfers</b>	<b>Balance June 30, 2020</b>
<b>Governmental activities</b>					
Capital assets not being depreciated					
Land	\$ 3,269,948	\$ -	\$ -	\$ -	\$ 3,269,948
Land - infrastructure	4,546,970	48,130	-	832	4,595,932
Construction in progress	6,443,494	2,202,306	(5,620)	(7,258,203)	1,381,977
Total capital assets not being depreciated	<u>14,260,412</u>	<u>2,250,436</u>	<u>(5,620)</u>	<u>(7,257,371)</u>	<u>9,247,857</u>
Capital assets being depreciated					
Buildings and improvements	42,398,203	-	-	4,198,419	46,596,622
Improvements other than buildings	12,002,320	105,795	-	-	12,108,115
Equipment and vehicles	26,113,579	1,604,472	(1,093,512)	1,412,249	28,036,788
Infrastructure	12,789,508	-	-	1,646,703	14,436,211
Total capital assets being depreciated	<u>93,303,610</u>	<u>1,710,267</u>	<u>(1,093,512)</u>	<u>7,257,371</u>	<u>101,177,736</u>
Less accumulated depreciation					
Buildings and improvements	(14,517,433)	(1,200,632)	-	-	(15,718,065)
Improvements other than buildings	(5,699,728)	(752,133)	-	-	(6,451,861)
Equipment and vehicles	(19,450,561)	(1,580,671)	1,048,925	-	(19,982,307)
Infrastructure	(7,636,526)	(454,340)	-	-	(8,090,866)
Total accumulated depreciation	<u>(47,304,248)</u>	<u>(3,987,776)</u>	<u>1,048,925</u>	<u>-</u>	<u>(50,243,099)</u>
Total capital assets being depreciated, net	<u>45,999,362</u>	<u>(2,277,509)</u>	<u>(44,587)</u>	<u>7,257,371</u>	<u>50,934,637</u>
Governmental activities capital assets, net	<u>\$ 60,259,774</u>	<u>\$ (27,073)</u>	<u>\$ (50,207)</u>	<u>\$ -</u>	<u>\$ 60,182,494</u>

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 5. CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to functions of the primary government as follows:

<b>Governmental Activities</b>	
General Government	\$ 279,069
Judicial	73,554
Roads and bridges	1,045,596
Public Safety	707,868
Solid waste	323,026
Recreation and culture	1,460,604
Health and human services	98,059
Total Governmental Activities Depreciation Expense	<u>\$ 3,987,776</u>

### Discretely Presented Component Units

Fire and Rescue Commission activity for the year ended June 30, 2020, is as follows:

<b>Fire and Rescue Commission</b>	<b>Balance June 30, 2019</b>	<b>Additions</b>	<b>Deletions</b>	<b>Transfers</b>	<b>Balance June 30, 2020</b>
Capital assets not being depreciated					
Land	\$ 644,435	\$ -	\$ -	\$ (689,814)	\$ (45,379)
Construction in progress	-	1,670,193	-	102,070	1,772,263
Total capital assets not being depreciated	644,435	1,670,193	-	(587,744)	1,726,884
Capital assets being depreciated					
Buildings and improvements	6,908,991	-	-	-	6,908,991
Improvements other than buildings	147,532	-	-	-	147,532
Equipment and vehicles	20,243,402	92,792	(718,689)	587,744	20,205,249
Total capital assets being depreciated	27,299,925	92,792	(718,689)	587,744	27,261,772
Less accumulated depreciation					
Buildings and improvements	(2,215,706)	(140,308)	-	-	(2,356,014)
Improvements other than buildings	(130,357)	(2,757)	-	-	(133,114)
Equipment and vehicles	(15,026,689)	(685,439)	658,304	-	(15,053,824)
Total accumulated depreciation	(17,372,752)	(828,504)	658,304	-	(17,542,952)
Total capital assets being depreciated, net	9,927,173	(735,712)	(60,385)	587,744	9,718,820
Fire and rescue commission capital assets, net	<u>\$ 10,571,608</u>	<u>\$ 934,481</u>	<u>\$ (60,385)</u>	<u>\$ -</u>	<u>\$ 11,445,704</u>

Depreciation expense incurred by the Fire and Rescue Commission for the fiscal year ended June 30, 2020 was \$828,504.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 5. CAPITAL ASSETS (CONTINUED)

#### Discretely Presented Component Units (Continued)

Memorial Library activity for the year ended June 30, 2020, is as follows:

Memorial Library	Balance June 30, 2019	Additions	Deletions	Transfers	Balance June 30, 2020
Capital assets being depreciated					
Buildings and improvements	\$ 119,026	\$ -	\$ -	\$ -	\$ 119,026
Library materials	2,132,892	83,709	(145,988)	-	2,070,613
Equipment and vehicles	361,423	-	-	-	361,423
Total capital assets being depreciated	<u>2,613,341</u>	<u>83,709</u>	<u>(145,988)</u>	<u>-</u>	<u>2,551,062</u>
Less accumulated depreciation					
Buildings and improvements	(119,026)	-	-	-	(119,026)
Library materials	(1,915,187)	(87,709)	145,988	-	(1,856,908)
Equipment and vehicles	(233,930)	(18,647)	-	-	(252,577)
Total accumulated depreciation	<u>(2,268,143)</u>	<u>(106,356)</u>	<u>145,988</u>	<u>-</u>	<u>(2,228,511)</u>
Total capital assets being depreciated, net	<u>345,198</u>	<u>(22,647)</u>	<u>-</u>	<u>-</u>	<u>322,551</u>
Memorial library capital assets, net	<u>\$ 345,198</u>	<u>\$ (22,647)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 322,551</u>

Depreciation expense incurred by the Memorial Library for the fiscal year ended June 30, 2020, was \$106,356.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 6. LONG-TERM OBLIGATIONS

Long-term obligations for the year ended June 30, 2020, is as follows:

	Balance June 30, 2019	Additions	Reductions	Balance June 30, 2020	Due Within One Year
<b>Primary Government</b>					
Governmental activities:					
Bonds:					
General obligation	\$ 26,770,000	\$ -	\$ 4,185,000	\$ 22,585,000	\$ 4,275,000
Bond premiums	368,079	-	73,257	294,822	-
Capital leases	2,679,958	-	923,333	1,756,625	923,333
Net pension liability	29,028,625	4,848,340	3,252,683	30,624,282	-
Total OPEB liability	3,195,267	581,099	222,986	3,553,380	-
Compensated absences	650,580	289,142	157,860	781,862	117,279
Landfill closure and post-closure costs	535,772	27,800	-	563,572	-
Governmental activity long-term liabilities	<u>\$ 63,228,281</u>	<u>\$ 5,746,381</u>	<u>\$ 8,815,119</u>	<u>\$ 60,159,543</u>	<u>\$ 5,315,612</u>

Landfill post-closure costs, net pension liability, compensated absences, and total OPEB liability are generally liquidated by the General Fund.

	Balance June 30, 2019	Additions	Reductions	Balance June 30, 2020	Due Within One Year
<b>Component Units</b>					
Fire and rescue commission					
Bonds:					
General obligation	\$ 9,400,000	\$ -	\$ 980,000	\$ 8,420,000	\$ 1,005,000
Bond premiums	95,443	-	16,623	78,820	-
Capital leases	1,605,467	-	306,532	1,298,935	313,644
Net pension liability	11,483,415	1,454,313	933,542	12,004,186	-
Total OPEB liability	583,235	106,068	40,700	648,603	-
Compensated absences	315,896	194,298	208,592	301,602	45,240
Governmental activity long-term liabilities	<u>\$ 23,483,456</u>	<u>\$ 1,754,679</u>	<u>\$ 2,485,989</u>	<u>\$ 22,752,146</u>	<u>\$ 1,363,884</u>
Memorial library					
Net pension liability	\$ 752,812	\$ 95,339	\$ 50,796	\$ 797,355	\$ -
Total OPEB liability	387,555	70,482	27,050	430,987	-
Compensated absences	22,496	14,062	14,660	21,898	3,386
Governmental activity long-term liabilities	<u>\$ 1,162,863</u>	<u>\$ 179,883</u>	<u>\$ 92,506</u>	<u>\$ 1,250,240</u>	<u>\$ 3,386</u>

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

#### Primary Government

##### Bonds Payable

There are a number of limitations and restrictions contained in the various bond indentures. Management believes the County is in compliance with all significant limitations and restrictions.

The South Carolina constitution permits the County to incur general obligation (general purpose) bonded indebtedness not to exceed 8% of the assessed value of taxable property in the County. At June 30, 2020, the County was in compliance with this requirement.

The following is a summary of each long-term bond obligation of the governmental activities of the County at June 30, 2020:

General Obligation Bonds	Amount
\$5,395,000 General Obligation Bond, Series 2015, with interest of 3.498%, annual principal and interest payments beginning in 2017, matures 2032, for the purpose of refunding the special source revenue bond and for economic development purposes.	\$ 4,255,000
\$4,000,000 General Obligation, Series 2012, with interest of 2.0% to 3.0%, semi-annual principal and interest payments beginning 2013, matures 2032, for the purpose of economic development at the business park.	2,605,000
\$29,000,000 General Obligation, Series 2015, 1.82% annual interest, annual principal and interest payments beginning in 2016, matures 2024, for the purpose of county-wide projects by voters.	15,725,000
	<u>\$ 22,585,000</u>

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

#### Primary Government (Continued)

#### Bonds Payable (Continued)

The annual requirements to amortize the bonds are as follows:

Year Ending June 30,	General Obligation Bonds		
	Principal	Interest	Total
2021	\$ 4,275,000	\$ 510,078	\$ 4,785,078
2022	4,370,000	420,728	4,790,728
2023	4,480,000	329,328	4,809,328
2024	4,615,000	224,958	4,839,958
2025	540,000	159,683	699,683
2026 – 2030	2,970,000	540,130	3,510,130
2031 – 2033	1,335,000	71,746	1,406,746
	<u>\$ 22,585,000</u>	<u>\$ 2,256,651</u>	<u>\$ 24,841,651</u>

#### Refunding

In prior years, the County issued \$5.395 million General Obligation Bond Series 2015 that fully refunded the \$4.72 million Special Source Revenue Bond Series 2012. The refunding resulted in the County saving \$150,608 in debt service required from 2016 through 2023 to service the Series 2012 Special Source Revenue Bonds versus servicing the new debt Series 2015 General Obligation Bonds including the costs associated with the completing the refunding.

Capital Leases Payable	Amount
Lease #3 - The County has entered into a capital lease agreement, secured by 221.1 acres of land being entitled "Dogwood Hills Golf Club," bearing interest at 2.53% with annual payments of \$90,000 plus interest, maturing 2021.	\$ 89,958
Lease #6 - The County has entered into a capital lease agreement with South State Bank of South Carolina, to acquire equipment, bearing interest at 2.791% with annual payments of \$833,333, maturing 2022.	1,666,667
	<u>\$ 1,756,625</u>

## NOTES TO THE FINANCIAL STATEMENTS

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### NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

#### Primary Government (Continued)

##### Equipment Under Capitalized Leases

The County has entered into the above lease agreements for leasing vehicles, equipment, golf course, and the civic center. The cost of these assets is \$3,015,127 with accumulated depreciation of \$345,454 for a net value of \$2,669,673. Depreciation expense was \$261,442 for the current year. The lease on the vehicles and equipment is payable from the general fund while the civic center and golf course leases are payable from the County's debt service fund.

The remaining lease payments as of June 30, 2020, are as follows:

Year Ending June 30,	Capital Leases		
	Principal	Interest	Total
2021	\$ 923,333	\$ 47,967	\$ 971,300
2022	833,292	23,258	856,550
	<u>\$ 1,756,625</u>	<u>\$ 71,225</u>	<u>\$ 1,827,850</u>

The interest paid on the capital lease obligations for the year ended June 30, 2020, was approximately \$65,840.

##### Landfill Closure and Post-Closure 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 20 years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

#### Primary Government (Continued)

##### Landfill Closure and Post Closure Care Costs (Continued)

The \$563,572 reported as an accrual for landfill closure and post closure care costs at June 30, 2020, includes the cumulative amount reported less amounts paid to date for the open site based on the following information.

Estimated Remaining Landfill Life	Percentage Balance of Capacity Used	Estimated Total Costs			Remaining to be Recognized
		Closure	Post-closure	Total	
9 years	69.0%	<u>\$ 680,520</u>	<u>\$ 116,568</u>	<u>\$ 797,088</u>	<u>\$ 233,516</u>

These amounts are based on what it would cost to perform all closure and post-closure care in fiscal year 2020. Actual cost may be higher due to inflation, changes in technology, or changes in regulations. The Council has restricted cash of \$797,088 for payment of closure and post-closure care costs.

##### Discretely Presented Component Units

Fire and rescue general obligation bonds payable at June 30, 2020, consist of the following:

General Obligation Bonds	Amount
\$6,445,000 Fire Protection Service General Obligation Bonds, Series 2012, 0.4% to 2.26% annual interest, annual principal and interest payments beginning in 2013, matures 2026.	\$ 2,945,000
\$6,000,000 Fire Protection Service General Obligation Bonds, Series 2018, 3.0% annual interest, annual principal and interest payments beginning in 2020, matures 2029.	<u>5,475,000</u>
	<u><u>\$ 8,420,000</u></u>

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

#### Primary Government (Continued)

#### Discretely Presented Component Units (Continued)

Future debt service requirements for fire and rescue general obligation bonds outstanding at June 30, 2020, are as follows:

Year Ending June 30,	General Obligation Bonds		
	Principal	Interest	Total
2021	\$ 1,005,000	\$ 231,720	\$ 1,236,720
2022	1,030,000	206,220	1,236,220
2023	1,055,000	179,595	1,234,595
2024	1,085,000	151,825	1,236,825
2025	1,110,000	122,493	1,232,493
2026 – 2030	3,135,000	212,150	3,347,150
	<u>\$ 8,420,000</u>	<u>\$ 1,104,003</u>	<u>\$ 9,524,003</u>

Capital Leases Payable	Amount
\$3,036,957 lease payable for radios at an interest rate of 2.32% with annual payments of \$343,779 beginning in fiscal year 2015.	
	<u>\$ 1,298,935</u>

#### Equipment Under Capitalized Lease

The fire and rescue has entered into the above lease agreement for Motorola radios. The cost of these assets is \$3,422,784 with accumulated depreciation of \$1,175,469 with a net value of \$2,247,315. Depreciation expense was \$171,609 for the year. The lease on the radios is payable from the fire and rescue debt service fund. The remaining lease payments as of June 30, 2020, are as follows:

Year Ending June 30,	Capital Leases		
	Principal	Interest	Total
2021	\$ 313,644	\$ 434,748	\$ 748,392
2022	320,921	403,960	724,881
2023	328,366	372,274	700,640
2024	336,004	326,540	662,544
	<u>\$ 1,298,935</u>	<u>\$ 1,537,522</u>	<u>\$ 2,836,457</u>

## NOTES TO THE FINANCIAL STATEMENTS

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### NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

#### Other Post-employment Benefits

##### Plan Administration and Benefits

The County, as authorized by the County Commission, administers a single-employer defined benefit healthcare plan (the "Retiree Health Plan"). The Retiree Health Plan provides lifetime healthcare insurance for eligible retirees and their spouses through the County's group health insurance plan, which covers both active and retired members. Benefit provisions are established by the County Council. Retiree medical coverage levels for retirees and their families are the same as coverage provided to active County employees in accordance with the terms and conditions of the current State Health Insurance Plan. The cost assistance provided by the County is calculated based on 50% of the cost of the single plan under which the employee is covered for healthcare added to 50% of the cost of the single plan for dental coverage. The employees pay the remaining 50% plus any additional coverage for spouse or children and a \$3.00 administrative charge. Retirees not meeting the condition stated above must pay 100% of the total premium plus the \$3.00 administrative charge.

Even the provided benefits shown above are only "promised" on an annual basis and are not guaranteed beyond the annual appropriation and sufficiency of the annual appropriation to cover 50% of the cost. There are no "opt-out" benefits paid under any conditions nor are employees granted and sick-leave "pay-out" credit toward health insurance costs.

An employee who retires with 20 years of full-time employment, but is not age 62 at retirement may continue under the County's benefit program paying 100% of the plan costs until reaching the age of 62 at which time, he or she will be eligible for the 50% cost assistance for the employee.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 and a separate report was not issued for the PHCB Plan.

##### Plan Membership

Membership of the Retiree Health Plan consisted of the following at June 30, 2017, the date of the latest actuarial valuation:

Active participants	365
Retirees and beneficiaries currently receiving benefits	25
Total plan members	<u>390</u>

## NOTES TO THE FINANCIAL STATEMENTS

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### NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

#### Other Post-employment Benefits (Continued)

##### Contributions

Contribution requirements are established annually by the County Council. The required contribution is based on a projected “pay as you go” financing requirements. For the year ended June 30, 2020, the County contributed \$41,141 for the pay as you go benefits for the Retiree Health Plan.

##### Total OPEB Liability of the County

Effective July 1, 2017, the County implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions*, which significantly changed the County’s accounting for OPEB amounts. The information disclosed below is presented in accordance with this new standard.

The County’s total OPEB liability was measured as of June 30, 2019, and was determined by an actuarial valuation as of June 30, 2019, with the actuary using standard techniques to roll forward the liability to the measurement date.

*Actuarial assumptions.* The total OPEB liability in the June 30, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount rate:	3.13%
Healthcare cost trend rate:	Initial rate of 6.40% declining to an ultimate rate of 4.15% after 15 years. Ultimate trend rate includes a 0.15% adjustment for the excise tax.
Inflation rate:	2.25%
Salary increase:	3.50% to 9.50% for PORS and 3.00% to 7.00% for SCRS, including inflation.
Participation rate:	70% if retiree has at least 20 years of service and is at least 60 years old at retirement. 35% if retiree has at least 20 years of service and is at least 60 years old at retirement. 20% for retirees that have fewer than 20 years of service.

Mortality rates were based on the 2016 Public Retirees of South Carolina Mortality Table for males or females, as appropriate, with adjustments for mortality improvements based on Scale AA.

The actuarial assumptions used in the June 30, 2019, valuation were based on the results of an actuarial experience study for the period 2011 – 2015.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

#### Other Post-employment Benefits (Continued)

##### Discount rate

The discount rate used to measure the total OPEB liability was 3.62%. This rate was determined using an index rate of 20-year, tax-exempt general obligation municipal bonds with an average rating of AA or higher – which was 3.62% as determined by the Bond Buyer 20-Bond GO Index Rate as of June 30, 2020. The discount rate changed from 3.62% as of June 30, 2018 to 3.13% as of June 30, 2019.

##### Changes in the Total OPEB Liability of the County

The changes in the total OPEB liability of the County, and respective component units, for the year ended June 30, 2020, were as follows:

	Total OPEB Liability		
	Primary Government	Fire & Rescue Commission	Memorial Library
<b>Beginning Balance</b>	\$ 3,195,267	\$ 583,235	\$ 387,555
<b>Changes for the year:</b>			
Service cost	220,060	40,169	26,693
Interest	119,093	21,738	14,440
Difference between expected actual experience	(191,897)	(35,027)	(23,268)
Effect of assumption changes	241,956	44,164	29,338
Benefit payments	(31,099)	(5,676)	(3,771)
<b>Net changes</b>	358,113	65,368	43,432
<b>Ending Balance</b>	<u>\$ 3,553,380</u>	<u>\$ 648,603</u>	<u>\$ 430,987</u>

The required schedule of changes in the County's total OPEB liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about the total OPEB liability.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

#### Other Post-employment Benefits (Continued)

##### Sensitivity of the total OPEB liability to changes in the discount rate

The following presents the total OPEB liability of the County, and the respective component units, as well as what the County's, and respective component unit's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.13%) or 1-percentage-point higher (4.13%) than the current discount rate:

<b>Sensitivity of the Total OPEB Liability to Changes in the Discount Rate</b>				
	<b>1% Decrease (2.13%)</b>	<b>Current Discount Rate (3.13%)</b>	<b>1% Increase (4.13%)</b>	
<b>Primary Government</b>	\$ 4,299,122	\$ 3,553,380	\$ 2,968,726	
<b>Component Units</b>				
Fire and Rescue Commission	784,716	648,603	541,880	
Memorial Library	521,276	430,987	359,963	

##### Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates

The following presents the total OPEB liability of the County, and respective component units, as well as what the County's and component unit's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

<b>Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates</b>				
	<b>1% Decrease</b>	<b>Current Healthcare Cost Trend Assumption Rate</b>	<b>1% Increase</b>	
<b>Primary Government</b>	\$ 2,802,076	\$ 3,553,380	\$ 4,567,493	
<b>Component Units</b>				
Fire and Rescue Commission	511,461	648,603	833,701	
Memorial Library	339,756	430,987	553,816	

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

#### Other Post-employment Benefits (Continued)

##### Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ -	\$ 173,672
Assumption changes	215,746	253,472
Employer contributions subsequent to the measurement date	37,261	-
Total	<u>\$ 253,007</u>	<u>\$ 427,145</u>

County contributions subsequent to the measurement date of \$37,261, for the Retiree Health Plan are deferred outflows of resources and will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2021.

Amounts reported as deferred outflows of resources and deferred inflows of resources for the County related to OPEB will be recognized in OPEB expense as follows:

<u>Year ending June 30,</u>	
2021	\$ (35,030)
2022	(35,030)
2023	(35,030)
2024	(35,030)
2025	(35,030)
Thereafter	<u>(36,249)</u>
Total	<u>\$ (211,399)</u>

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

#### Other Post-employment Benefits (Continued)

##### Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

At June 30, 2020, the Fire and Rescue Commission reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ -	\$ 31,700
Assumption changes	39,379	46,267
Employer contributions subsequent to the measurement date	6,803	-
Total	<u>\$ 46,182</u>	<u>\$ 77,967</u>

Fire and Rescue Commission contributions subsequent to the measurement date of \$6,803, for the Retiree Health Plan are deferred outflows of resources and will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2021.

Amounts reported as deferred outflows of resources and deferred inflows of resources for the Fire and Rescue Commission related to OPEB will be recognized in OPEB expense as follows:

<u>Year ending June 30,</u>	
2021	\$ (6,394)
2022	(6,394)
2023	(6,394)
2024	(6,394)
2025	(6,394)
Thereafter	(6,618)
Total	<u>\$ (38,588)</u>

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

#### Other Post-employment Benefits (Continued)

##### Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

At June 30, 2020, the Memorial Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ -	\$ 21,058
Assumption changes	26,168	30,751
Employer contributions subsequent to the measurement date	4,519	-
Total	<u>\$ 30,687</u>	<u>\$ 51,809</u>

Memorial Library contributions subsequent to the measurement date of \$4,519, for the Retiree Health Plan are deferred outflows of resources and will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2021.

Amounts reported as deferred outflows of resources and deferred inflows of resources for the Memorial Library related to OPEB will be recognized in OPEB expense as follows:

<u>Year ending June 30,</u>	
2021	\$ (4,247)
2022	(4,247)
2023	(4,247)
2024	(4,247)
2025	(4,247)
Thereafter	(4,406)
Total	<u>\$ (25,641)</u>

#### OPEB Expense

For the year ended June 30, 2020, the County, Fire and Rescue Commission, and the Memorial Library recognized OPEB expense of \$304,122; \$55,513; and \$36,886, respectively.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

#### Other Post-employment Benefits (Continued)

##### OPEB Expense (Continued)

OPEB expense for the Retiree Health plan is calculated as follows:

Description	Primary Government	Fire & Rescue Commission	Memorial Library
Service cost	\$ 220,068	\$ 40,169	\$ 26,684
Interest on the total OPEB liability	119,085	21,738	14,449
Recognition of deferred outflows/inflows of resources due to liabilities	5,422	990	658
Amortization of prior year deferred outflows/inflows of resources due to liabilities	(40,453)	(7,384)	(4,905)
Total employer OPEB expense	<u>\$ 304,122</u>	<u>\$ 55,513</u>	<u>\$ 36,886</u>

#### Pension Plan

##### Description of the Entity

The South Carolina Public Employee Benefit Authority (PEBA), created July 1, 2012, is the state agency responsible for the administration and management of the various Retirement Systems and retirement programs of the state of South Carolina, including the State Optional Retirement Program and the S.C. Deferred Compensation Program, as well as the state's employee insurance programs. As such, PEBA is responsible for administering the South Carolina Retirement Systems' five defined benefit pension plans. PEBA has an 11-member Board of Directors, appointed by the Governor and General Assembly leadership, which serves as custodian, co-trustee and co-fiduciary of the Systems and the assets of the retirement trust funds. The Retirement System Investment Commission (Commission as the governing body, RSIC as the agency), created by the General Assembly in 2005, has exclusive authority to invest and manage the retirement trust funds' assets. The Commission, an eight-member board, serves as co-trustee and co-fiduciary for the assets of the retirement trust funds. By law, the State Fiscal Accountability Authority (SFAA), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the actuary of the Systems.

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, 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.

## NOTES TO THE FINANCIAL STATEMENTS

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### NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

#### Pension Plan (Continued)

##### Description of the Entity (Continued)

PEBA – Insurance Benefits issues audited financial statements and required supplementary information for the OPEB Trust Funds. This information is publicly available through the PEBA – Insurance 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 – Insurance Benefits, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is considered a division of the primary government of the state of South Carolina and therefore, OPEB Trust fund financial information is also included in the comprehensive annual financial report of the state.

##### Plan Description

The County contributes to the South Carolina Retirement System (“SCRS”), a cost-sharing multiple-employer defined benefit pension plan that 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.

In addition to the SCRS pension plan, the County also contributes to the PORS, a cost-sharing multiple-employer defined benefit pension plan that 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.

##### 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 described below.

**South Carolina Retirement System (“SCRS”)** – Generally, all employees of covered employers are required to participate in and contribute to the SCRS as a condition of employment. This plan covers general employees, teachers and individuals newly elected to the South Carolina General Assembly beginning with the November 2012 general election. An employee member of the SCRS with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the SCRS with an effective date of membership on or after July 1, 2012, is a Class Three member.

## NOTES TO THE FINANCIAL STATEMENTS

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### NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

#### Pension Plan (Continued)

##### Membership (Continued)

**South Carolina Police Officers' Retirement System ("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.

##### 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.

**South Carolina Retirement System ("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 1% or \$500 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.

## NOTES TO THE FINANCIAL STATEMENTS

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### NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

#### Pension Plan (Continued)

##### Benefits (Continued)

**South Carolina Police Officers' Retirement System ("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 1% or \$500 every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase.

##### Contributions

Actuarial valuations are performed annually by an external consulting actuary to ensure applicable contribution rates satisfy the funding parameters specified in Title 9 of the South Carolina Code of Laws. Under these provisions, SCRS and PORS contribution requirements must be sufficient to maintain an amortization period for the financing of the unfunded actuarial accrued liability ("UAAL") over a period that does not exceed the number of years scheduled in state statute. Legislation in 2017 increased, but also established a ceiling for SCRS and PORS employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.00% for SCRS and 9.75% for PORS. The legislation also increased employer contribution rates beginning July 1, 2017 for both SCRS and PORS by two percentage points and further scheduled employer contribution rates to increase by a minimum of one percentage point each year through July 1, 2022. If the scheduled contributions are not sufficient to meet the funding periods set in state statute, the board shall increase the employer contribution rates as necessary to meet the funding periods set for the applicable year. The maximum funding period of SCRS and PORS is scheduled to be reduced over a ten-year schedule from 30 years beginning fiscal year 2018 to 20 years by fiscal year 2028.

Additionally, the Board is prohibited from decreasing the SCRS and PORS contribution rates until the funded ratio is at least 85%. If the most recent annual actuarial valuation of the Systems for funding purposes shows a ratio of the actuarial value of system assets to the actuarial accrued liability of the system (the funded ratio) that is equal to or greater than 85%, then the board, effective on the following July 1<sup>st</sup>, may decrease the then current contribution rates upon making a finding that the decrease will not result in a funded ratio of less than 85%.

## NOTES TO THE FINANCIAL STATEMENTS

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### NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

#### Pension Plan (Continued)

##### Contributions (Continued)

If contribution rates are decreased pursuant to this provision, and the most recent annual actuarial valuation of the system shows a funded ratio of less than 85%, then effective on the following July 1<sup>st</sup>, and annually thereafter as necessary, the board shall increase the then current contribution rates until a subsequent annual actuarial valuation of the system shows a funded ratio that is equal to or greater than 85%.

Required employee contribution rates for the year ended June 30, 2020, are as follows:

##### South Carolina Retirement System

Employee Class Two	9.00% of earnable compensation
Employee Class Three	9.00% of earnable compensation

##### South Carolina Police Officers' Retirement System

Employee Class Two	9.75% of earnable compensation
Employee Class Three	9.75% of earnable compensation

Required employer contribution rates for the year ended June 30, 2020, are as follows:

##### South Carolina Retirement System

Employee Class Two	15.41% of earnable compensation
Employee Class Three	15.41% of earnable compensation
Employer incidental death benefit	0.15% of earnable compensation

##### South Carolina Police Officers' Retirement System

Employee Class Two	17.84% of earnable compensation
Employee Class Three	17.84% of earnable compensation
Employer incidental death benefit	0.20% of earnable compensation
Employer accidental death program	0.20% of earnable compensation

#### Net Pension Liability

The June 30, 2019, total pension liability ("TPL"), net pension liability ("NPL"), and sensitivity information shown in this report were determined by our consulting actuary, Gabriel, Roeder, Smith and Company ("GRS") and are based on an actuarial valuation performed as of July 1, 2018. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year-end, June 30, 2019, using generally accepted actuarial principles. Information included in the following schedules is based on the certification provided by GRS.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

#### Pension Plan (Continued)

##### Net Pension Liability (Continued)

The net pension liability 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. As of June 30, 2020 (measurement date of June 30, 2019), the net pension liability amounts for the County's proportionate share of the collective net pension liabilities associated with the SCRS and PORS plans are as follows:

As of June 30, 2020, the County's net pension liability amounts for SCRS and PORS are as follows:

<b>System</b>	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Employer's Net Pension Liability</b>	<b>Plan Fiduciary Net Position as a percentage of the Total Pension Liability</b>	<b>County's Proportionate Share of the Collective Net Pension Liability</b>
SCRS	\$ 47,928,932	\$ 26,072,565	\$ 21,856,367	54.4%	0.095718%
PORS	23,501,155	14,733,240	8,767,915	62.7%	0.305935%

As of June 30, 2020, the Fire and Rescue Commission's net pension liability amounts for SCRS and PORS are as follows:

<b>System</b>	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Employer's Net Pension Liability</b>	<b>Plan Fiduciary Net Position as a percentage of the Total Pension Liability</b>	<b>Fire and Rescue Commission's Proportionate Share of the Collective Net Pension Liability</b>
SCRS	\$ 1,299,923	\$ 707,137	\$ 592,786	54.4%	0.002596%
PORS	30,586,659	19,175,259	11,411,400	62.7%	0.398173%

As of June 30, 2020, the Memorial Library's net pension liability amount for SCRS is as follows:

<b>System</b>	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Employer's Net Pension Liability</b>	<b>Plan Fiduciary Net Position as a percentage of the Total Pension Liability</b>	<b>Memorial Library's Proportionate Share of the Collective Net Pension Liability</b>
SCRS	\$ 1,748,524	\$ 951,169	\$ 797,355	54.4%	0.003492%

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

#### Pension Plan (Continued)

##### 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, 2015, and the next experience study is scheduled to be conducted after the June 30, 2020, annual valuation is complete.

The following provides a summary of the actuarial assumptions and methods used in the July 1, 2019, valuations for SCRS and PORS.

	<u>SCRS</u>	<u>PORS</u>
Actuarial cost method	Entry Age	Entry Age
Actuarial assumptions:		
Investment rate of return	7.25%	7.25%
Projected salary increases	3.0% to 12.5% (varies by service)	3.5% to 9.5% (varies by service)
Includes inflation at	2.25%	2.25%
Benefit adjustments	lesser of 1% or \$500 annually	lesser of 1% or \$500 annually

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumption, the 2016 Public Retirees of South Carolina Mortality table (the "2016 PRSC"), was developed using the Systems' mortality experience. These base rates are adjusted for future improvement in mortality using published Scale AA projected from the year 2016.

<u>Former Job Class</u>	<u>Males</u>	<u>Females</u>
General Employees and Members of the General Assembly	2016 PRSC Males multiplied by 100%	2016 PRSC Males multiplied by 111%
Public Safety and Firefighters	2016 PRSC Males multiplied by 125%	2016 PRSC Males multiplied by 111%

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

#### Pension Plan (Continued)

##### Actuarial Assumptions and Methods (Continued)

The long-term expected rate of return on pension plan investments is based upon 20-year capital market assumptions. The long-term expected rates of return represent assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market-based inputs. Expected returns are net of investment fees.

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2019 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the table below. For actuarial purposes, the 7.25% assumed annual investment rate of return used in the calculation of the TPL includes a 5.00% real rate of return and a 2.25% inflation component.

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Expected Arithmetic Real Rate of Return</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
<b>Global Equity</b>	<b>51.0%</b>		
Global Public Equity	35.0%	7.29%	2.55%
Private Equity	9.0%	7.67%	0.69%
Equity Options Strategies	7.0%	5.23%	0.37%
<b>Real Assets</b>	<b>12.0%</b>		
Real Estate (Private)	8.0%	5.59%	0.45%
Real Estate (REITs)	1.0%	8.16%	0.08%
Infrastructure	2.0%	5.03%	0.10%
Infrastructure	1.0%	6.12%	0.06%
<b>Opportunistic</b>	<b>8.0%</b>		
GTAA/Risk Parity	7.0%	3.09%	0.22%
Hedge Funds (non-PA)	1.0%	3.82%	0.04%
<b>Diversified Credit</b>	<b>15.0%</b>		
Mixed Credit	4.0%	3.14%	0.13%
Emerging Markets Debt	4.0%	3.31%	0.13%
Private Debt	7.0%	5.49%	0.38%
<b>Conservative Fixed Income</b>	<b>14.0%</b>		
Core Fixed Income	13.0%	1.62%	0.21%
Cash and Short Duration (Net)	1.0%	31.00%	0.00%
	100.0%		
	Total expected real return		5.41%
	Inflation for actuarial purposes		2.25%
	Total expected nominal return		7.66%

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

#### Pension Plan (Continued)

##### Discount Rate

The discount rate used to measure the total pension liability was 7.25%. 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, the County'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.

The following table presents the sensitivity of the net pension liability to changes in the discount rate for the County and the respective component units.

<b>Sensitivity of the Net Position Liability to Changes in the Discount Rate</b>				
	<b>1% Decrease</b>	<b>Current</b>	<b>1% Increase</b>	
	<b>(6.25%)</b>	<b>Discount Rate</b>	<b>(8.25%)</b>	
		<b>(7.25%)</b>		
<b>Primary Government</b>				
SCRS	\$ 27,534,473	\$ 21,856,367	\$ 17,117,694	
PORS	11,882,604	8,767,915	6,216,198	
<b>Component Units</b>				
Fire and Rescue Commission				
SCRS	74,679	592,786	464,264	
PORS	15,465,161	11,411,400	8,090,357	
Memorial Library				
SCRS	100,450	797,355	624,481	

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

#### Pension Plan (Continued)

##### Pension Expense

For the year ended June 30, 2020, pension expense was recognized as follows:

<u>Primary Government</u>	<u>SCRS</u>	<u>PORS</u>
Proportionate share of aggregate plan pension expense	\$ 2,494,298	\$ 1,302,531
Deferred amounts from changes in proportion and differences between employer contributions and proportionate share on plan contributions	133,162	98,750
Employer pension expense	<u>\$ 2,627,460</u>	<u>\$ 1,401,281</u>
<u>Fire and Rescue Commission</u>	<u>SCRS</u>	<u>PORS</u>
Proportionate share of aggregate plan pension expense	\$ 67,650	\$ 1,695,240
Deferred amounts from changes in proportion and differences between employer contributions and proportionate share on plan contributions	3,612	128,522
Employer pension expense	<u>\$ 71,262</u>	<u>\$ 1,823,762</u>
<u>Memorial Library</u>	<u>SCRS</u>	
Proportionate share of aggregate plan pension expense	\$ 90,996	
Deferred amounts from changes in proportion and differences between employer contributions and proportionate share on plan contributions	4,858	
Employer pension expense	<u>\$ 95,854</u>	

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

#### Pension Plan (Continued)

##### Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to the SCRS and PORS pensions plans, respectively, from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
<b>SCRS</b>		
Differences between expected and actual experience	\$ 15,024	\$ 157,012
Net difference between projected and actual earnings on pension plan investments	193,502	-
Assumption changes	440,438	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	904,996	594,551
Employer contributions subsequent to the measurement date	1,667,718	-
Total	<u>\$ 3,221,678</u>	<u>\$ 751,563</u>

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
<b>PORS</b>		
Differences between expected and actual experience	\$ 180,287	\$ 64,801
Net difference between projected and actual earnings on pension plan investments	111,172	-
Assumption changes	347,692	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	377,082	51,891
Employer contributions subsequent to the measurement date	849,246	-
Total	<u>\$ 1,865,479</u>	<u>\$ 116,692</u>

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

#### Pension Plan (Continued)

##### Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

County contributions subsequent to the measurement date of \$1,667,718 and \$849,246, for the SCRS plan and the PORS plan, respectively, and changes in proportion and differences between employer contributions and proportionate share of contributions are deferred outflows/inflows of resources and will be recognized as a reduction of the net pension liability in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ending June 30,</u>	<u>SCRS</u>	<u>PORS</u>
2021	\$ 796,887	\$ 519,629
2022	(257,359)	232,478
2023	183,639	98,718
2024	79,230	48,716
Total	<u>\$ 802,397</u>	<u>\$ 899,541</u>

At June 30, 2020, the Fire and Rescue Commission reported deferred outflows of resources and deferred inflows of resources related to the SCRS and PORS pensions plans, respectively, from the following sources:

<b>SCRS</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 407	\$ 4,258
Net difference between projected and actual earnings on pension plan investments	5,248	-
Assumption changes	11,946	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	24,545	16,125
Employer contributions subsequent to the measurement date	45,232	-
Total	<u>\$ 87,378</u>	<u>\$ 20,383</u>

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

#### Pension Plan (Continued)

##### Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

<b>PORS</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 234,642	\$ 84,338
Net difference between projected and actual earnings on pension plan investments	144,690	-
Assumption changes	452,519	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	490,771	67,536
Employer contributions subsequent to the measurement date	1,105,291	-
Total	<u>\$ 2,427,913</u>	<u>\$ 151,874</u>

The Fire and Rescue Commission contributions subsequent to the measurement date of \$45,232 and \$1,105,291, for the SCRS plan and the PORS plan, respectively, and changes in proportion and differences between employer contributions and proportionate share of contributions are deferred outflows/inflows of resources and will be recognized as a reduction of the net pension liability in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ending June 30,</u>	<u>SCRS</u>	<u>PORS</u>
2021	\$ 21,613	\$ 676,295
2022	(6,980)	302,569
2023	4,981	128,481
2024	2,149	63,403
Total	<u>\$ 21,763</u>	<u>\$ 1,170,748</u>

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

#### Pension Plan (Continued)

##### Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

At June 30, 2020, the Memorial Library reported deferred outflows of resources and deferred inflows of resources related to the SCRS pensions plan from the following sources:

SCRS	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 548	\$ 5,728
Net difference between projected and actual earnings on pension plan investments	7,059	-
Assumption changes	16,068	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	33,016	21,690
Employer contributions subsequent to the measurement date	60,841	-
Total	<u>\$ 117,532</u>	<u>\$ 27,418</u>

The Memorial Library contributions subsequent to the measurement date of \$60,841 for the SCRS plan and changes in proportion and differences between employer contributions and proportionate share of contributions are deferred outflows/inflows of resources and will be recognized as a reduction of the net pension liability in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30,	SCRS
2021	\$ 29,072
2022	(9,389)
2023	6,699
2024	2,891
Total	<u>\$ 29,273</u>

## NOTES TO THE FINANCIAL STATEMENTS

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### **NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)**

#### **Pension Plan (Continued)**

##### **Pension Plan 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 SCRS and PORS. The CAFR of the Pension Trust Funds is publicly available on PEBA's Retirement Benefits' website at [www.retirement.sc.gov](http://www.retirement.sc.gov), or a copy may be obtained by submitting a request to PEBA, PO Box 11960, Columbia, South Carolina 29211-1960.

### **NOTE 7. OTHER INFORMATION**

#### **Deferred Compensation Plans**

##### **Internal Revenue Code Section 457 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, 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 County's general creditors. The plan is administered by the State of South Carolina.

##### **Internal Revenue Code Section 401(k) Plan**

The County also offers its participation in a deferred compensation plan, offered through the State of South Carolina, created in accordance with internal Revenue Code Section 401(k). The 401(k) plan has the same eligibility requirements as the 457 plan, although the withdrawal provisions are more lenient under the 401(k) plan. All amounts of compensation deferred under the plan are held in trust for the contributing employee and are not subject to claims of the County's general creditors. The funds are administered by the State of South Carolina.

## NOTES TO THE FINANCIAL STATEMENTS

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### NOTE 7. OTHER INFORMATION (CONTINUED)

#### **Risk Management**

The County and its component units are exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters, for which the County carries commercial insurance, and policies with the South Carolina Insurance Reserve Fund, a public entity risk pool currently operating as a common risk management and insurance program for local governments. The County and its component units are covered under the same risk management umbrella and pay a pro-rata share of an annual premium for general insurance coverage. The County pays annual premiums to the State Insurance Reserve Fund for certain general insurance coverage. The State Insurance Reserve Fund is self-sustaining through member premiums and reinsures through commercial companies for certain claims.

#### **Contingent Liabilities**

##### **Grants**

Amounts received or receivable from grantor agencies in previous years are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, could become a liability of the general fund or other applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the government expects such amounts, if any, to be immaterial.

##### **Litigation**

The County is party to various legal proceedings which normally occur in governmental operations. These lawsuits involve environmental issues, alleged failure to appropriate proper budgets, employment matters, and certain claims under contractual agreements. In the opinion of County management, based on the advice of legal counsel with respect to litigation, the ultimate disposition of these lawsuits and claims will not have a material adverse effect on the County's financial position. Additionally, the County would be allowed to appropriate any required funds in a subsequent year.

#### **Commitments**

##### **Construction Commitments**

On June 30, 2020, the County has commitments under contracts for various architectural and engineering services and construction projects not completed of approximately \$1,343,818 that relate to the capital penny sales tax project approved by voter referendum.

As discussed earlier in Note 1, budgetary basis of accounting, the encumbrances and related appropriation lapse at the end of the year, but are re-appropriated and become part of the subsequent year's budget because performance under the executory contract is expected in the next year.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 7. OTHER INFORMATION (CONTINUED)

#### Commitments (Continued)

##### Encumbrances

As discussed in Note 1, budgetary basis of accounting, encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year-end, the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

<u>Governmental Fund</u>	<u>Amount</u>
General Fund	\$ 76,749
Capital Projects Fund	489,854
Special Revenue Fund	143,325
Total	<u>\$ 709,928</u>

##### Operating Leases

The County participates in certain leases accounted for as operating leases. Future minimum rental payments required over the next five years under the non-cancellable operating leases having a remaining term in excess of one year at June 30, 2020, are as follows:

<u>Year Ending June 30,</u>	<u>Total</u>
2021	\$ 641,422
2022	504,529
2023	410,210
2024	364,251
2025	141,670
Total Payments	<u>\$ 2,062,081</u>

On May 12, 2017, Colleton County Intermodal Corporation, a non-profit corporation that was created for the purposes of promoting economic development of the County and economic development projects located in or for the benefit of the County issued \$7.61 million Taxable Economic Revenue Bonds for the purposes of acquiring the Hampton and Branchville Railroad so that it can be maintained in service.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 7. OTHER INFORMATION (CONTINUED)

#### Commitments (Continued)

##### Operating Leases (Continued)

The debt service on the Bonds will be primarily payable from the payment of Project Revenues made by Palmetto Railways to the Issuer under the terms of the Loan Agreement. It is not anticipated however, that the Project Revenues will be sufficient to pay all debt service on the Bonds for the foreseeable future until industrial sites are developed near the Project. In the event that Project Revenues are insufficient to make such payments, the Deposit and Reimbursement Agreement provides that the County will provide Reimbursement Payments to pay debt service on the Bonds. The Deposit and Reimbursement Agreement provides that the County will budget for each fiscal year Reimbursement Payments to pay debt service on the Bond for such fiscal year. Notwithstanding the preceding sentence, in adopting its general operating budget, the County Council may, in its sole discretion, determine not to appropriate the Reimbursement Payments through an Event of Non-appropriation.

### NOTE 8. NET INVESTMENT IN CAPITAL ASSETS

The following summarizes the amounts included in the calculation for the net investment in capital assets. The County received the bond proceeds of \$30,272,627 in May 2015 and has unspent funds on hand of \$6,743,622. The list of projects includes asset acquisitions as well as assistance to other entities within the County. The Fire and Rescue Commission received proceeds of \$6,100,337 in November 2018 and has unspent funds on hand of \$1,783,140. The list of projects include asset acquisitions as well as improvements to fire stations. The net investment in capital assets is summarized below:

	<b>County</b>	<b>Component Units</b>	
	<b>Governmental Activities</b>	<b>Fire &amp; Rescue Commission</b>	<b>Memorial Library</b>
Capital assets, net	\$ 60,182,494	\$ 11,445,704	\$ 322,551
Long-term obligations	(24,636,447)	(9,797,755)	-
Bond proceeds on hand	6,743,622	1,783,140	-
Investment in capital assets	<u>\$ 42,289,669</u>	<u>\$ 3,431,089</u>	<u>\$ 322,551</u>

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 9. TAX ABATEMENTS

The County negotiates property tax abatement agreements on an individual basis. The County has tax abatement agreements with the following as of June 30, 2020:

<b>Purpose</b>	<b>Percentage of Taxes Abated during the Fiscal Year</b>	<b>Amount of County Taxes Abated during the Fiscal Year</b>	<b>Term of Agreement</b>
Manufacturing facility locates in the area and provides employment opportunities for citizens	73%	\$ 87,745	25 Years
Manufacturing facility locates in the area and provides employment opportunities for citizens	43%	\$ 42,689	25 Years
Provide health care to citizens in the area	48%	\$ 19,891	25 Years
Manufacturing facility locates in the area and provides employment opportunities for citizens	48%	\$ 16,468	25 Years

Industries that invest at least \$2.5 million within a five to six-year investment period in South Carolina may negotiate for a fee-in-lieu of property taxes under the authority of South Carolina Code of Laws Title 12, Chapter 44 Title 4 Chapter 29 and Chapter 12. This can result in a savings of about 40% on property taxes otherwise due for a project. Certain large investments may be able to further reduce their liability by negotiating the assessment ratio from 10.5% down to 6%. For large investments, the assessment ratio can be reduced to 4% and the investment period is extended to an eight-year investment period. The County and the industry may agree to either set the millage rate for the entire agreement period or have the millage change every five years in step with the average millage rate for the area where the project is located. Any personal property subject to the fee in lieu of property taxes depreciates in accordance with South Carolina law, while the real property is either set at cost for the life of the agreement or can be appraised every five years.

## NOTES TO THE FINANCIAL STATEMENTS

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### **NOTE 9. TAX ABATEMENTS (CONTINUED)**

If the project would incur costs of designing, acquiring, constructing, improving, or expanding improved or unimproved real estate or personal property to be used in the operation of a manufacturing or commercial enterprise, infrastructure servicing the project or certain aircraft, the industries may negotiate a Special Source Revenue Credit under the authority of South Carolina Code of Laws Section 4-29-68, 4-1-170 and 12-44-70. This can result in additional savings of 15% on property taxes otherwise due for a project and is applied manually as credit to the applicable tax bill.

In each of the agreements disclosed above the County has provided no additional commitments other than the abatement of taxes which would continue in effect for the term of agreement as long as the industry complies with investment and job creation that are outlined in each agreement within the investment period of not to exceed five years.

### **NOTE 10. SUBSEQUENT EVENT**

On October 29, 2020, a general obligation bond was issued in the amount of \$581,092 to reimburse the cost of the scheduled debt service on the 2017 Colleton County Intermodal Corporation Revenue Bonds. The bond carries an August 2, 2021 maturity date and pays interest of 1.27%. More information about the 2017 Colleton County Intermodal Corporation Revenue Bonds can be found under Note 7 Commitments.

## **REQUIRED SUPPLEMENTARY INFORMATION**

# COLLETON COUNTY, SOUTH CAROLINA

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL GENERAL FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>REVENUES</b>				
Taxes	\$ 23,360,123	\$ 23,360,123	\$ 22,860,937	\$ (499,186)
Intergovernmental	1,980,826	2,060,699	2,460,794	400,095
Fines and fees	6,372,010	6,391,510	6,046,884	(344,626)
Other income	526,077	807,383	542,213	(265,170)
Total revenues	32,239,036	32,619,715	31,910,828	(708,887)
<b>EXPENDITURES</b>				
<b>Current:</b>				
General government	10,586,946	10,653,665	9,836,089	817,576
Judicial	1,436,584	1,436,584	1,309,381	127,203
Public safety	7,985,491	8,007,644	8,296,149	(288,505)
Roads and bridges	2,321,227	2,259,698	1,992,304	267,394
Solid waste	2,845,883	3,062,134	3,050,278	11,856
Recreation and culture	1,607,950	1,633,493	1,534,005	99,488
Health and human services	936,735	936,985	882,234	54,751
Economic development	275,945	275,945	277,017	(1,072)
Intergovernmental	3,770,812	3,800,812	4,975,812	(1,175,000)
<b>Capital outlay:</b>				
General government	-	35,990	35,224	766
Public safety	-	8,463	15,692	(7,229)
Solid waste	500	500	11,502	(11,002)
Total expenditures	31,768,073	32,111,913	32,215,687	(103,774)
Excess (deficiency) of revenues over (under) expenditures	470,963	507,802	(304,859)	(812,661)
<b>OTHER FINANCING SOURCES (USES)</b>				
Insurance recoveries	20,000	38,359	58,915	20,556
Transfers in	2,426,231	2,669,996	2,757,940	87,944
Transfers out	(2,743,720)	(3,222,201)	(3,049,940)	172,261
Total other financing uses, net	(297,489)	(513,846)	(233,085)	280,761
Net change in fund balances	173,474	(6,044)	(537,944)	(531,900)
<b>Fund balances, beginning of year</b>	9,498,196	9,498,196	9,498,196	-
<b>Fund balances, end of year</b>	\$ 9,671,670	\$ 9,492,152	\$ 8,960,252	\$ (531,900)

# COLLETON COUNTY, SOUTH CAROLINA

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL SPECIAL REVENUE FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>REVENUES</b>				
Intergovernmental	\$ 1,140,878	\$ 13,249,774	\$ 6,255,813	\$ (6,993,961)
Other revenues	-	975	296	(679)
Total revenues	1,140,878	13,250,749	6,256,109	(6,994,640)
<b>EXPENDITURES</b>				
General government	-	1,000	-	1,000
Judicial services	-	831,616	515,020	316,596
Public safety	575,269	1,040,667	767,165	273,502
Roads and bridges	-	132,591	46,725	85,866
Recreation and culture	-	638,690	103,523	535,167
Health and human services	565,609	1,865,550	1,773,927	91,623
Economic development	-	2,801,500	818,233	1,983,267
Intergovernmental	-	4,896,567	2,445,560	2,451,007
Capital outlay				
Roads and bridges	-	1,211,535	15,964	1,195,571
Recreation and culture	-	177,500	100,497	77,003
Total expenditures	1,140,878	13,597,216	6,586,614	7,010,602
Deficiency of revenues under expenditures	-	(346,467)	(330,505)	15,962
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	346,467	278,112	(68,355)
Transfers out	-	-	(1,000)	(1,000)
Total other financing sources (uses)	-	346,467	277,112	(69,355)
Net change in fund balance	-	-	(53,393)	(53,393)
<b>FUND BALANCES, beginning of year</b>	310,033	310,033	310,033	-
<b>FUND BALANCES, end of year</b>	\$ 310,033	\$ 310,033	\$ 256,640	\$ (53,393)

# COLLETON COUNTY, SOUTH CAROLINA

## REQUIRED SUPPLEMENTARY INFORMATION FOR THE FISCAL YEAR ENDED JUNE 30,

### SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY SOUTH CAROLINA RETIREMENT SYSTEM – PRIMARY GOVERNMENT

Plan Year Ended June 30,	County's proportion of the net pension liability	County's proportionate share of the net pension liability	County's covered payroll	County's share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2019	0.095718%	\$ 21,856,367	\$ 10,105,559	216%	54.40%
2018	0.092094%	20,635,403	9,569,920	216%	53.34%
2017	0.097985%	22,085,045	10,023,134	220%	53.34%
2016	0.092799%	19,526,510	8,800,266	222%	52.90%
2015	0.092174%	17,480,579	8,710,229	201%	57.00%
2014	0.094651%	16,295,759	8,614,344	189%	59.90%

### SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY POLICE OFFICERS' RETIREMENT SYSTEM – PRIMARY GOVERNMENT

Plan Year Ended June 30,	County's proportion of the net pension liability	County's proportionate share of the net pension liability	County's covered payroll	County's share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2019	0.305935%	\$ 8,767,915	\$ 4,437,460	198%	62.69%
2018	0.296210%	8,393,222	4,461,857	188%	60.94%
2017	0.316857%	8,680,534	4,547,825	191%	60.94%
2016	0.318141%	7,795,862	3,956,317	197%	60.40%
2015	0.330253%	7,197,930	3,964,012	182%	64.60%
2014	0.314595%	6,022,663	3,641,573	165%	67.50%

#### Notes to the Schedules:

The schedules will present 10 years of information once it is accumulated.

# COLLETON COUNTY, SOUTH CAROLINA

## REQUIRED SUPPLEMENTARY INFORMATION FOR THE FISCAL YEAR ENDED JUNE 30,

### SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY SOUTH CAROLINA RETIREMENT SYSTEM – FIRE AND RESCUE COMMISSION

Plan Year Ended June 30,	Commission's proportion of the net pension liability	Commission's proportionate share of the net pension liability	Commission's covered payroll	Commission's share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2019	0.002596%	\$ 592,786	\$ 274,082	216%	54.40%
2018	0.002498%	559,670	231,432	242%	54.10%
2017	0.002370%	533,436	128,815	414%	53.34%
2016	0.001193%	525,824	297,612	177%	52.90%
2015	0.003117%	591,963	243,862	243%	57.00%
2014	0.002650%	456,236	189,312	241%	59.90%

### SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY POLICE OFFICERS' RETIREMENT SYSTEM – FIRE AND RESCUE COMMISSION

Plan Year Ended June 30,	Commission's proportion of the net pension liability	Commission's proportionate share of the net pension liability	Commission's covered payroll	Commission's share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2019	0.398173%	\$ 11,411,400	\$ 5,775,336	198%	62.69%
2018	0.385515%	10,923,745	4,973,240	220%	61.73%
2017	0.353173%	9,675,427	4,473,174	216%	60.94%
2016	0.312920%	8,210,866	4,078,445	201%	60.40%
2015	0.340447%	7,420,061	4,404,638	168%	64.60%
2014	0.349565%	6,692,122	4,343,910	154%	67.50%

#### Notes to the Schedules:

The schedules will present 10 years of information once it is accumulated.

# COLLETON COUNTY, SOUTH CAROLINA

## REQUIRED SUPPLEMENTARY INFORMATION FOR THE FISCAL YEAR ENDED JUNE 30,

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### SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY SOUTH CAROLINA RETIREMENT SYSTEM – MEMORIAL LIBRARY

Plan Year Ended June 30,	Library's proportion of the net pension liability	Library's proportionate share of the net pension liability	Library's covered payroll	Library's share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2019	0.003492%	\$ 797,355	\$ 368,667	216%	54.40%
2018	0.003360%	752,812	349,178	216%	54.10%
2017	0.003575%	804,833	335,043	240%	53.34%
2016	0.003102%	686,800	320,215	214%	52.90%
2015	0.003354%	635,958	322,367	197%	57.00%
2014	0.003503%	603,114	350,642	172%	59.90%

#### Notes to the Schedules:

The schedules will present 10 years of information once it is accumulated.

# COLLETON COUNTY, SOUTH CAROLINA

## REQUIRED SUPPLEMENTARY INFORMATION FOR THE FISCAL YEAR ENDED JUNE 30,

### SCHEDULE OF CONTRIBUTIONS SOUTH CAROLINA RETIREMENT SYSTEM – PRIMARY GOVERNMENT

<u>Fiscal Year Ended June 30,</u>	<u>Statutorily required contribution</u>	<u>Contributions relative to statutorily required</u>	<u>Contribution deficiency (excess)</u>	<u>County's covered payroll</u>	<u>Contributions as a percentage of covered payroll</u>
2020	\$ 1,667,718	\$ 1,667,718	\$ -	\$ 10,717,988	15.56%
2019	1,511,797	1,511,797	-	10,105,559	14.96%
2018	1,297,681	1,297,681	-	9,569,920	13.56%
2017	1,158,674	1,158,674	-	10,023,134	11.56%
2016	973,309	973,309	-	8,800,266	11.06%
2015	949,415	949,415	-	8,710,229	10.90%

### SCHEDULE OF CONTRIBUTIONS POLICE OFFICERS' RETIREMENT SYSTEM – PRIMARY GOVERNMENT

<u>Fiscal Year Ended June 30,</u>	<u>Statutorily required contribution</u>	<u>Contributions relative to statutorily required</u>	<u>Contribution deficiency (excess)</u>	<u>County's covered payroll</u>	<u>Contributions as a percentage of covered payroll</u>
2020	\$ 849,246	\$ 849,246	\$ -	\$ 4,655,962	18.24%
2019	765,018	765,018	-	4,437,460	17.24%
2018	724,610	724,610	-	4,461,857	16.24%
2017	647,610	647,610	-	4,547,825	14.24%
2016	543,598	543,598	-	3,956,317	13.74%
2015	531,574	531,574	-	3,964,012	13.41%

#### Notes to the Schedules:

The schedules will present 10 years of information once it is accumulated.

# COLLETON COUNTY, SOUTH CAROLINA

## REQUIRED SUPPLEMENTARY INFORMATION FOR THE FISCAL YEAR ENDED JUNE 30,

### SCHEDULE OF CONTRIBUTIONS SOUTH CAROLINA RETIREMENT SYSTEM – FIRE AND RESCUE COMMISSION

<u>Fiscal Year Ended June 30,</u>	<u>Statutorily required contribution</u>	<u>Contributions relative to statutorily required</u>	<u>Contribution deficiency (excess)</u>	<u>Commission's covered payroll</u>	<u>Contributions as a percentage of covered payroll</u>
2020	\$ 45,232	\$ 45,232	\$ -	\$ 290,692	15.56%
2019	41,003	41,003	-	274,082	14.96%
2018	31,380	31,380	-	231,432	13.56%
2017	14,891	14,891	-	128,815	11.56%
2016	32,916	32,916	-	297,612	11.06%
2015	26,581	26,581	-	243,862	10.90%

### SCHEDULE OF CONTRIBUTIONS POLICE OFFICERS' RETIREMENT SYSTEM – FIRE AND RESCUE COMMISSION

<u>Fiscal Year Ended June 30,</u>	<u>Statutorily required contribution</u>	<u>Contributions relative to statutorily required</u>	<u>Contribution deficiency (excess)</u>	<u>Commission's covered payroll</u>	<u>Contributions as a percentage of covered payroll</u>
2020	\$ 1,105,291	\$ 1,105,291	\$ -	\$ 6,059,715	18.24%
2019	995,668	995,668	-	5,775,336	17.24%
2018	807,740	807,740	-	4,973,240	16.24%
2017	636,980	636,980	-	4,473,174	14.24%
2016	560,378	560,378	-	4,078,445	13.74%
2015	590,662	590,662	-	4,404,638	13.41%

#### Notes to the Schedules:

The schedules will present 10 years of information once it is accumulated.

# COLLETON COUNTY, SOUTH CAROLINA

## REQUIRED SUPPLEMENTARY INFORMATION FOR THE FISCAL YEAR ENDED JUNE 30,

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### SCHEDULE OF CONTRIBUTIONS SOUTH CAROLINA RETIREMENT SYSTEM – MEMORIAL LIBRARY

<u>Fiscal Year Ended June 30,</u>	<u>Statutorily required contribution</u>	<u>Contributions relative to statutorily required contribution</u>	<u>Contribution deficiency (excess)</u>	<u>Library's covered payroll</u>	<u>Contributions as a percentage of covered payroll</u>
2020	\$ 60,841	\$ 60,841	\$ -	\$ 391,009	15.56%
2019	55,153	55,153	-	368,667	14.96%
2018	47,349	47,349	-	349,178	13.56%
2017	38,731	38,731	-	335,043	11.56%
2016	35,416	35,416	-	320,215	11.06%
2015	35,138	35,138	-	322,367	10.90%

#### Notes to the Schedules:

The schedules will present 10 years of information once it is accumulated.

# COLLETON COUNTY, SOUTH CAROLINA

## REQUIRED SUPPLEMENTARY INFORMATION RETIREMENT PLAN ASSUMPTIONS FOR THE FISCAL YEAR ENDED JUNE 30,

The following represents the assumptions used for the County, Fire and Rescue Commission and the Memorial Library.

<b>System</b>	<b>SCRS</b>	<b>PORS</b>
Calculation date	July 1, 2018	July 1, 2018
Actuarial cost method	Entry Age Normal	Entry Age Normal
Asset valuation method	5-year smoothed	5-year smoothed
Amortization method	Level % of pay	Level % of pay
Amortization period	30 years maximum, closed	30 years maximum, closed
Investment return	7.25%	7.25%
Inflation	2.25%	2.25%
Salary increases	3.00% plus step-rate increases for members with with less than 21 years of service	3.50% plus step-rate increases for members with less than 15 years of service.
Mortality	The 2016 Public Retirees of South Carolina Mortality Tables for males and females, both projected at Scale AA from the year 2016. Males rates multiplied by 100% for non-educators and 92% for educators. Female rates multiplied by 111% for non-educators and 98% for educators.	The 2016 Public Retirees of South Carolina Mortality Tables for males and females, both projected at Scale AA from the year 2016. Males rates multiplied by 125% and female rates are multiplied by 111%.

# COLLETON COUNTY, SOUTH CAROLINA

## REQUIRED SUPPLEMENTARY INFORMATION OPEB RETIREMENT PLAN – SCHEDULE OF CHANGES IN THE PRIMARY GOVERNMENT'S TOTAL OPEB LIABILITY AND RELATED RATIOS FOR THE FISCAL YEAR ENDED JUNE 30,

	2020	2019
<b>Total OPEB liability</b>		
Service cost	\$ 220,060	\$ 224,176
Interest on total OPEB liability	119,093	107,751
Difference between expected actual experience	(191,897)	(3,268)
Effect of assumption changes	241,956	(32,142)
Benefit payments	(31,099)	(31,555)
<b>Net change in total OPEB liability</b>	<b>358,113</b>	<b>264,962</b>
<b>Total OPEB liability - beginning</b>	<b>3,195,267</b>	<b>2,930,305</b>
<b>Total OPEB liability - ending</b>	<b>\$ 3,553,380</b>	<b>\$ 3,195,267</b>
<b>Covered-employee payroll</b>	<b>\$ 13,976,210</b>	<b>\$ 13,463,416</b>
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	<b>25.4%</b>	<b>23.7%</b>

### Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

The discount rate changed from 3.62% as of June 30, 2018 to 3.13% as of June 30, 2019.

The County is not accumulating assets in a trust fund that meets the criteria in paragraph 4 of GASB Statement No. 75 for payment of future OPEB benefits.

# COLLETON COUNTY, SOUTH CAROLINA

## REQUIRED SUPPLEMENTARY INFORMATION OPEB RETIREMENT PLAN – SCHEDULE OF CHANGES IN THE FIRE AND RESCUE COMMISSION'S TOTAL OPEB LIABILITY AND RELATED RATIOS FOR THE FISCAL YEAR ENDED JUNE 30,

	2020	2019
<b>Total OPEB liability</b>		
Service cost	\$ 40,169	\$ 40,920
Interest on total OPEB liability	21,738	19,668
Difference between expected actual experience	(35,027)	(597)
Effect of assumption changes	44,164	(5,867)
Benefit payments	(5,676)	(5,760)
<b>Net change in total OPEB liability</b>	<b>65,368</b>	<b>48,364</b>
<b>Total OPEB liability - beginning</b>	<b>583,235</b>	<b>534,871</b>
<b>Total OPEB liability - ending</b>	<b>\$ 648,603</b>	<b>\$ 583,235</b>
 <b>Covered-employee payroll</b>	 <b>\$ 2,551,068</b>	 <b>\$ 2,457,468</b>
 <b>Total OPEB liability as a percentage of covered-employee payroll</b>	 <b>25.4%</b>	 <b>23.7%</b>

### Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

The discount rate changed from 3.62% as of June 30, 2018 to 3.13% as of June 30, 2019.

The County is not accumulating assets in a trust fund that meets the criteria in paragraph 4 of GASB Statement No. 75 for payment of future OPEB benefits.

# COLLETON COUNTY, SOUTH CAROLINA

## REQUIRED SUPPLEMENTARY INFORMATION OPEB RETIREMENT PLAN – SCHEDULE OF CHANGES IN THE MEMORIAL LIBRARY'S TOTAL OPEB LIABILITY AND RELATED RATIOS FOR THE FISCAL YEAR ENDED JUNE 30,

	2020	2019
<b>Total OPEB liability</b>		
Service cost	\$ 26,693	\$ 27,192
Interest on total OPEB liability	14,440	13,065
Difference between expected actual experience	(23,268)	(396)
Effect of assumption changes	29,338	(3,897)
Benefit payments	(3,771)	(3,826)
<b>Net change in total OPEB liability</b>	<b>43,432</b>	<b>32,138</b>
<b>Total OPEB liability - beginning</b>	<b>387,555</b>	<b>355,417</b>
<b>Total OPEB liability - ending</b>	<b>\$ 430,987</b>	<b>\$ 387,555</b>
 <b>Covered-employee payroll</b>	 \$ 1,694,638	 \$ 1,632,461
 <b>Total OPEB liability as a percentage of covered-employee payroll</b>	 25.4%	 23.7%

### Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

The discount rate changed from 3.62% as of June 30, 2018 to 3.13% as of June 30, 2019.

The County is not accumulating assets in a trust fund that meets the criteria in paragraph 4 of GASB Statement No. 75 for payment of future OPEB benefits.

## **OTHER SUPPLEMENTARY INFORMATION**

# NONMAJOR GOVERNMENTAL FUNDS

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## 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.

**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.

# COLLETON COUNTY, SOUTH CAROLINA

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2020

	Special Revenue Funds				
	Sheriff's Discretionary Funds	Sheriff's Title IV D	Clerk of Court IV Incentives	Clerk of Court IV Unit Costs	Victim Witness Services
<b>ASSETS</b>					
Cash and cash equivalents	\$ 224,877	\$ -	\$ 59,945	\$ -	\$ 159,709
Receivables, net	-	990	20,366	27,946	1,316
Prepaid expenditures	-	-	-	-	-
Total assets	<u>\$ 224,877</u>	<u>\$ 990</u>	<u>\$ 80,311</u>	<u>\$ 27,946</u>	<u>\$ 161,025</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 49,177	\$ 881	\$ -	\$ 25,154	\$ 528
Accrued payroll and benefits	-	109	-	2,462	1,034
Total liabilities	<u>49,177</u>	<u>990</u>	<u>-</u>	<u>27,616</u>	<u>1,562</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue - property taxes	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>					
Nonspendable:					
Prepaid expenditures	-	-	-	-	-
Restricted for:					
Public safety	175,700	-	-	-	159,463
Debt service	-	-	-	-	-
Recreation and culture	-	-	-	-	-
Judicial services	-	-	80,311	330	-
Assigned:					
Judicial services	-	-	-	-	-
Public safety	-	-	-	-	-
Committed					
Recreation and culture	-	-	-	-	-
Total fund balances	<u>175,700</u>	<u>-</u>	<u>80,311</u>	<u>330</u>	<u>159,463</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 224,877</u>	<u>\$ 990</u>	<u>\$ 80,311</u>	<u>\$ 27,946</u>	<u>\$ 161,025</u>

Special Revenue Funds					
14th Circuit Court Solicitor	Animal Care Control Donations	Emergency Telephone	County Hospitality Tax	County Accommodations Tax	State Accommodations Tax
\$ 1,135,984	\$ 43,157	\$ 332,383	\$ 36,870	\$ 14,894	\$ 12,732
115,101	-	27,253	38,472	21,629	8,277
19,142	-	-	-	-	-
<u>\$ 1,270,227</u>	<u>\$ 43,157</u>	<u>\$ 359,636</u>	<u>\$ 75,342</u>	<u>\$ 36,523</u>	<u>\$ 21,009</u>
\$ 16,680	\$ 4,037	\$ 6,845	\$ 1,245	\$ 2,402	\$ -
86,354	-	1,944	-	6,267	-
<u>103,034</u>	<u>4,037</u>	<u>8,789</u>	<u>1,245</u>	<u>8,669</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
19,142	-	-	-	-	-
-	-	350,847	-	-	-
-	-	-	-	-	-
-	-	-	-	-	21,009
-	-	-	-	-	-
1,148,051	-	-	-	-	-
-	39,120	-	-	-	-
-	-	-	74,097	27,854	-
<u>1,167,193</u>	<u>39,120</u>	<u>350,847</u>	<u>74,097</u>	<u>27,854</u>	<u>21,009</u>
<u>\$ 1,270,227</u>	<u>\$ 43,157</u>	<u>\$ 359,636</u>	<u>\$ 75,342</u>	<u>\$ 36,523</u>	<u>\$ 21,009</u>

**COLLETON COUNTY, SOUTH CAROLINA**

**COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2020**

		<b>Debt Service Funds</b>		
		<b>Debt Service</b>	<b>GO Bond</b>	<b>Debt Service Non-GOB</b>
<b>ASSETS</b>				<b>Totals</b>
Cash and cash equivalents		\$ 307,215	\$ 172,782	\$ 25,807
Receivables, net		130,671	-	-
Prepaid expenditures		-	-	-
Total assets		<u>\$ 437,886</u>	<u>\$ 172,782</u>	<u>\$ 25,807</u>
				<u>\$ 2,937,518</u>
<b>LIABILITIES</b>				
Accounts payable		\$ -	\$ -	\$ -
Accrued payroll and benefits		-	-	-
Total liabilities		<u>-</u>	<u>-</u>	<u>-</u>
				<u>106,949</u>
				<u>98,170</u>
				<u>205,119</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue - property taxes		109,763	-	-
Total deferred inflows of resources		<u>109,763</u>	<u>-</u>	<u>-</u>
				<u>109,763</u>
<b>FUND BALANCES</b>				
Nonspendable:				
Prepaid expenditures		-	-	-
Restricted for:				
Public safety		-	-	-
Debt service		328,123	172,782	25,807
Recreation and culture		-	-	-
Judicial services		-	-	-
Assigned:				
Judicial services		-	-	-
Public safety		-	-	-
Committed				
Recreation and culture		-	-	-
Total fund balances		<u>328,123</u>	<u>172,782</u>	<u>25,807</u>
Total liabilities, deferred inflows of resources, and fund balances		<u>\$ 437,886</u>	<u>\$ 172,782</u>	<u>\$ 25,807</u>
				<u>\$ 2,937,518</u>

# COLLETON COUNTY, SOUTH CAROLINA

## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Special Revenue Funds				
	Sheriff's Discretionary Funds	Sheriff's Title IV D	Clerk of Court IV Incentives	Clerk of Court IV Unit Costs	Victim Witness Services
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	4,906	5,956	41,168	156,224	62,595
Fines and fees	-	-	-	-	-
Other revenues	22,274	-	1,381	896	2,498
Total revenues	27,180	5,956	42,549	157,120	65,093
<b>Expenditures</b>					
Current:					
General government	-	-	-	-	-
Judicial services	-	-	-	128,564	-
Public safety	39,593	15,956	-	-	61,018
Roads and bridges	-	-	-	-	-
Recreation and culture	-	-	-	-	-
Economic development	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Capital outlay					
Public safety	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	39,593	15,956	-	128,564	61,018
Excess (deficiency) of revenues over (under) expenditures	(12,413)	(10,000)	42,549	28,556	4,075
<b>Other financing sources (uses)</b>					
Proceeds from sale of capital assets	3,300	-	-	-	-
Insurance recoveries	-	-	-	-	-
Transfers in	-	9,472	-	35,079	-
Transfers out	-	-	(35,079)	(130,000)	-
Total other financing sources (uses)	3,300	9,472	(35,079)	(94,921)	-
Net change in fund balances	(9,113)	(528)	7,470	(66,365)	4,075
<b>Fund balances, beginning of year</b>	184,813	528	72,841	66,695	155,388
<b>Fund balances, end of year</b>	\$ 175,700	\$ -	\$ 80,311	\$ 330	\$ 159,463

Special Revenue Funds					
14th Circuit Court Solicitor	Animal Care Control Donations	Emergency Telephone	County Hospitality Tax	County Accommodations Tax	State Accommodations Tax
\$ -	\$ -	\$ -	\$ 568,206	\$ 486,429	\$ 14,760
4,190,918	-	84,359	-	-	-
288,576	22,268	217,187	-	-	-
21,185	9,288	5,065	3,069	3,046	100
4,500,679	31,556	306,611	571,275	489,475	14,860
-	-	-	4,705	-	-
4,263,630	-	-	-	-	-
-	81,908	327,657	-	-	-
-	-	-	-	5,864	-
-	-	-	72,045	344,298	-
-	-	-	124,152	-	-
-	-	-	6,000	25,702	-
-	9,150	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
4,263,630	91,058	327,657	206,902	375,864	-
237,049	(59,502)	(21,046)	364,373	113,611	14,860
-	-	-	-	-	-
28,501	-	-	-	-	-
240,988	-	-	-	35,291	-
(142,798)	-	-	(382,889)	(242,127)	-
126,691	-	-	(382,889)	(206,836)	-
363,740	(59,502)	(21,046)	(18,516)	(93,225)	14,860
803,453	98,622	371,893	92,613	121,079	6,149
\$ 1,167,193	\$ 39,120	\$ 350,847	\$ 74,097	\$ 27,854	\$ 21,009

# COLLETON COUNTY, SOUTH CAROLINA

## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Debt Service Funds			
	Debt Service	GO Bond	Debt Service Non-GOB	Totals
<b>Revenues</b>				
Taxes	\$ 1,905,758	\$ -	\$ -	\$ 2,975,153
Intergovernmental	-	-	-	4,546,126
Fines and fees	11,930	-	-	539,961
Other revenues	15,838	2,762	266	87,668
Total revenues	1,933,526	2,762	266	8,148,908
<b>Expenditures</b>				
Current:				
General government	-	-	-	4,705
Judicial services	-	-	-	4,392,194
Public safety	-	-	-	526,132
Roads and bridges	-	-	-	5,864
Recreation and culture	-	-	-	416,343
Economic development	-	-	-	124,152
Intergovernmental	-	-	-	31,702
Capital outlay				
Public safety	-	-	-	9,150
Debt service:				
Principal	470,000	-	923,333	1,393,333
Interest and fiscal charges	225,328	-	288,928	514,256
Total expenditures	695,328	-	1,212,261	7,417,831
Excess (deficiency) of revenues over (under) expenditures	1,238,198	2,762	(1,211,995)	731,077
<b>Other financing sources (uses)</b>				
Proceeds from sale of capital assets	-	-	-	3,300
Insurance recoveries	-	-	-	28,501
Transfers in	-	-	1,159,316	1,480,146
Transfers out	(1,265,549)	-	-	(2,198,442)
Total other financing sources (uses)	(1,265,549)	-	1,159,316	(686,495)
Net change in fund balances	(27,351)	2,762	(52,679)	44,582
<b>Fund balances, beginning of year</b>	355,474	170,020	78,486	2,578,054
<b>Fund balances, end of year</b>	\$ 328,123	\$ 172,782	\$ 25,807	\$ 2,622,636

# COLLETON COUNTY, SOUTH CAROLINA

## SHERIFF'S TITLE IV D SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2020

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	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
<b>REVENUES</b>				
Intergovernmental	\$ 13,710	\$ 13,710	\$ 5,956	\$ (7,754)
Total revenues	13,710	13,710	5,956	(7,754)
<b>EXPENDITURES</b>				
Public safety	13,710	13,710	15,956	(2,246)
Total expenditures	13,710	13,710	15,956	(2,246)
Net change in fund balance	-	-	(528)	(528)
<b>FUND BALANCES, beginning of year</b>	528	528	528	-
<b>FUND BALANCES, end of year</b>	<u>\$ 528</u>	<u>\$ 528</u>	<u>\$ -</u>	<u>\$ (528)</u>

# COLLETON COUNTY, SOUTH CAROLINA

## CLERK OF COURT IV INCENTIVES SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
<b>REVENUES</b>				
Intergovernmental	\$ 40,000	\$ 40,000	\$ 41,168	\$ 1,168
Other revenues	-	-	1,381	1,381
Total revenues	40,000	40,000	42,549	2,549
<b>EXPENDITURES</b>				
Judicial services	4,921	4,921	-	4,921
Total expenditures	4,921	4,921	-	4,921
Excess of revenues over expenditures	35,079	35,079	42,549	7,470
<b>OTHER FINANCING USES</b>				
Transfers out	(35,079)	(35,079)	(35,079)	-
Total other financing uses	(35,079)	(35,079)	(35,079)	-
Net change in fund balance	-	-	7,470	7,470
<b>FUND BALANCES, beginning of year</b>	72,841	72,841	72,841	-
<b>FUND BALANCES, end of year</b>	\$ 72,841	\$ 72,841	\$ 80,311	\$ 7,470

# COLLETON COUNTY, SOUTH CAROLINA

## CLERK OF COURT IV UNIT COSTS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
<b>REVENUES</b>				
Intergovernmental	\$ 122,000	\$ 122,000	\$ 156,224	\$ 34,224
Other revenues	-	-	896	896
Total revenues	122,000	122,000	157,120	35,120
<b>EXPENDITURES</b>				
Judicial services	157,079	157,079	128,564	28,515
Total expenditures	157,079	157,079	128,564	28,515
Excess (deficiency) of revenues over (under) expenditures	(35,079)	(35,079)	28,556	63,635
<b>OTHER FINANCING SOURCES</b>				
Transfers in	35,079	35,079	35,079	-
Transfers out	-	-	(130,000)	(130,000)
Total other financing sources	35,079	35,079	(94,921)	(130,000)
Net change in fund balance	-	-	(66,365)	(66,365)
<b>FUND BALANCES, beginning of year</b>	66,695	66,695	66,695	-
<b>FUND BALANCES, end of year</b>	\$ 66,695	\$ 66,695	\$ 330	\$ (66,365)

**COLLETON COUNTY, SOUTH CAROLINA**

**VICTIM WITNESS SERVICES  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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	<b>Original Budgeted Amounts</b>	<b>Final Budgeted Amounts</b>	<b>Actual</b>	<b>Variance</b>
<b>REVENUES</b>				
Intergovernmental	\$ 62,320	\$ 67,320	\$ 62,595	\$ (4,725)
Other revenues	1,969	1,969	2,498	529
Total revenues	<u>64,289</u>	<u>69,289</u>	<u>65,093</u>	<u>(4,196)</u>
<b>EXPENDITURES</b>				
Public safety	<u>64,289</u>	<u>69,289</u>	<u>61,018</u>	<u>8,271</u>
Total expenditures	<u>64,289</u>	<u>69,289</u>	<u>61,018</u>	<u>8,271</u>
Net change in fund balance	-	-	4,075	4,075
<b>FUND BALANCES, beginning of year</b>	<u>155,388</u>	<u>155,388</u>	<u>155,388</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 155,388</u>	<u>\$ 155,388</u>	<u>\$ 159,463</u>	<u>\$ 4,075</u>

# COLLETON COUNTY, SOUTH CAROLINA

## ANIMAL CARE CONTROL DONATIONS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
<b>REVENUES</b>				
Fines and fees	\$ 22,800	\$ 22,800	\$ 22,268	\$ (532)
Other revenues	1,000	3,315	9,288	5,973
Total revenues	23,800	26,115	31,556	5,441
<b>EXPENDITURES</b>				
Public safety	47,200	83,697	81,908	1,789
Capital outlay	56,600	32,418	9,150	23,268
Total expenditures	103,800	116,115	91,058	25,057
Net change in fund balance	(80,000)	(90,000)	(59,502)	30,498
<b>FUND BALANCES, beginning of year</b>	98,622	98,622	98,622	-
<b>FUND BALANCES, end of year</b>	\$ 18,622	\$ 8,622	\$ 39,120	\$ 30,498

**COLLETON COUNTY, SOUTH CAROLINA**

**EMERGENCY TELEPHONE  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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	<b>Original Budgeted Amounts</b>	<b>Final Budgeted Amounts</b>	<b>Actual</b>	<b>Variance</b>
<b>REVENUES</b>				
Intergovernmental	\$ 85,000	\$ 85,000	\$ 84,359	\$ (641)
Fines and fees	300,000	300,000	217,187	(82,813)
Other revenues	6,063	6,063	5,065	(998)
Total revenues	<u>391,063</u>	<u>391,063</u>	<u>306,611</u>	<u>(84,452)</u>
<b>EXPENDITURES</b>				
Public safety	391,063	391,063	327,657	63,406
Total expenditures	<u>391,063</u>	<u>391,063</u>	<u>327,657</u>	<u>63,406</u>
Net change in fund balance	-	-	(21,046)	(21,046)
<b>FUND BALANCES, beginning of year</b>	<u>371,893</u>	<u>371,893</u>	<u>371,893</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 371,893</u>	<u>\$ 371,893</u>	<u>\$ 350,847</u>	<u>\$ (21,046)</u>

**COLLETON COUNTY, SOUTH CAROLINA**

**COUNTY HOSPITALITY TAX  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<b>Original Budgeted Amounts</b>	<b>Final Budgeted Amounts</b>	<b>Actual</b>	<b>Variance</b>
<b>REVENUES</b>				
Taxes	\$ 600,000	\$ 600,000	\$ 568,206	\$ (31,794)
Other revenues	1,500	1,500	3,069	1,569
Total revenues	<u>601,500</u>	<u>601,500</u>	<u>571,275</u>	<u>(30,225)</u>
<b>EXPENDITURES</b>				
General government	21,541	16,414	4,705	11,709
Recreation and culture	72,045	72,045	72,045	-
Economic development	124,152	124,152	124,152	-
Intergovernmental	6,000	6,000	6,000	-
Total expenditures	<u>223,738</u>	<u>218,611</u>	<u>206,902</u>	<u>11,709</u>
Excess of revenues over expenditures	<u>377,762</u>	<u>382,889</u>	<u>364,373</u>	<u>(18,516)</u>
<b>OTHER FINANCING USES</b>				
Transfers out	(377,762)	(382,889)	(382,889)	-
Total other financing uses	<u>(377,762)</u>	<u>(382,889)</u>	<u>(382,889)</u>	<u>-</u>
Net change in fund balance	-	-	(18,516)	(18,516)
<b>FUND BALANCES, beginning of year</b>	<u>92,613</u>	<u>92,613</u>	<u>92,613</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 92,613</u>	<u>\$ 92,613</u>	<u>\$ 74,097</u>	<u>\$ (18,516)</u>

**COLLETON COUNTY, SOUTH CAROLINA**

**COUNTY ACCOMMODATIONS TAX  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<b>Original Budgeted Amounts</b>	<b>Final Budgeted Amounts</b>	<b>Actual</b>	<b>Variance</b>
<b>REVENUES</b>				
Taxes	\$ 520,000	\$ 520,000	\$ 486,429	\$ (33,571)
Other revenues	3,000	3,000	3,046	46
Total revenues	<u>523,000</u>	<u>523,000</u>	<u>489,475</u>	<u>(33,525)</u>
<b>EXPENDITURES</b>				
Roads and bridges	8,112	8,112	5,864	2,248
Recreation and culture	459,477	519,350	344,298	175,052
Intergovernmental	25,702	25,702	25,702	-
Total expenditures	<u>493,291</u>	<u>553,164</u>	<u>375,864</u>	<u>177,300</u>
Excess (deficiency) of revenues over (under) expenditures	<u>29,709</u>	<u>(30,164)</u>	<u>113,611</u>	<u>143,775</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	35,291	35,291	-
Transfers out	-	(5,127)	(242,127)	(237,000)
Total other financing sources (uses)	<u>-</u>	<u>30,164</u>	<u>(206,836)</u>	<u>(237,000)</u>
Net change in fund balance	29,709	-	(93,225)	(93,225)
<b>FUND BALANCES, beginning of year</b>	<u>121,079</u>	<u>121,079</u>	<u>121,079</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 150,788</u>	<u>\$ 121,079</u>	<u>\$ 27,854</u>	<u>\$ (93,225)</u>

## NONMAJOR GOVERNMENTAL FUNDS

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### 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.

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

**COLLETON COUNTY, SOUTH CAROLINA**

**DEBT SERVICE  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<b>Original Budgeted Amounts</b>	<b>Final Budgeted Amounts</b>	<b>Actual</b>	<b>Variance</b>
<b>REVENUES</b>				
Taxes	\$ 1,932,190	\$ 1,932,190	\$ 1,905,758	\$ (26,432)
Fines and fees	16,717	16,717	11,930	(4,787)
Other revenues	15,000	15,000	15,838	838
Total revenues	<u>1,963,907</u>	<u>1,963,907</u>	<u>1,933,526</u>	<u>(30,381)</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal	470,000	470,000	470,000	-
Interest and fiscal charges	<u>225,328</u>	<u>225,328</u>	<u>225,328</u>	<u>-</u>
Total expenditures	<u>695,328</u>	<u>695,328</u>	<u>695,328</u>	<u>-</u>
Excess of revenues over expenditures	<u>1,268,579</u>	<u>1,268,579</u>	<u>1,238,198</u>	<u>(30,381)</u>
<b>OTHER FINANCING USES</b>				
Transfers out	(1,268,579)	(1,268,579)	(1,265,549)	3,030
Total other financing uses	<u>(1,268,579)</u>	<u>(1,268,579)</u>	<u>(1,265,549)</u>	<u>3,030</u>
Net change in fund balance	-	-	(27,351)	(27,351)
<b>FUND BALANCES, beginning of year</b>	<u>355,474</u>	<u>355,474</u>	<u>355,474</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 355,474</u>	<u>\$ 355,474</u>	<u>\$ 328,123</u>	<u>\$ (27,351)</u>

**COLLETON COUNTY, SOUTH CAROLINA**

**CAPITAL SALES TAX DEBT SERVICE  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<b>Original Budgeted Amounts</b>	<b>Final Budgeted Amounts</b>	<b>Actual</b>	<b>Variance</b>
<b>REVENUES</b>				
Taxes	\$ 4,400,000	\$ 4,400,000	\$ 4,584,740	\$ 184,740
Other revenues	20,000	20,000	40,828	20,828
Total revenues	<u>4,420,000</u>	<u>4,420,000</u>	<u>4,625,568</u>	<u>205,568</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal	4,047,900	4,047,900	3,715,000	332,900
Interest and fiscal charges	372,100	372,100	372,100	-
Total expenditures	<u>4,420,000</u>	<u>4,420,000</u>	<u>4,087,100</u>	<u>332,900</u>
Net change in fund balance	-	-	538,468	538,468
<b>FUND BALANCES, beginning of year</b>	<u>4,994,343</u>	<u>4,994,343</u>	<u>4,994,343</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 4,994,343</u>	<u>\$ 4,994,343</u>	<u>\$ 5,532,811</u>	<u>\$ 538,468</u>

**COLLETON COUNTY, SOUTH CAROLINA**

**DEBT SERVICE NON-GOB  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<b>Original Budgeted Amounts</b>	<b>Final Budgeted Amounts</b>	<b>Actual</b>	<b>Variance</b>
<b>REVENUES</b>				
Other revenues	\$ -	\$ -	\$ 266	\$ 266
Total revenues	-	-	266	266
<b>EXPENDITURES</b>				
Debt service:				
Principal	923,333	923,333	923,333	-
Interest and fiscal charges	289,071	289,071	288,928	143
Total expenditures	1,212,404	1,212,404	1,212,261	143
Deficiency of revenues under expenditures	(1,212,404)	(1,212,404)	(1,211,995)	409
<b>OTHER FINANCING SOURCES</b>				
Transfers in	1,212,404	1,212,404	1,159,316	(53,088)
Total other financing sources	1,212,404	1,212,404	1,159,316	(53,088)
Net change in fund balance	-	-	(52,679)	(52,679)
<b>FUND BALANCES, beginning of year</b>	78,486	78,486	78,486	-
<b>FUND BALANCES, end of year</b>	\$ 78,486	\$ 78,486	\$ 25,807	\$ (52,679)

# COLLETON COUNTY, SOUTH CAROLINA

## CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
<b>REVENUES</b>				
Intergovernmental	\$ 375,117	\$ 2,685,381	\$ 2,120,873	\$ (564,508)
Other revenues	136,625	3,303,460	191,469	(3,111,991)
Total revenues	511,742	5,988,841	2,312,342	(3,676,499)
<b>EXPENDITURES</b>				
General government	697,452	357,321	268,104	89,217
Public safety	-	795,918	794,132	1,786
Solid waste	-	1,505,081	598,202	906,879
Recreation and culture	-	76,212	29,040	47,172
Economic development	584,655	674,168	592,858	81,310
Intergovernmental	-	10,339,360	3,635,280	6,704,080
Capital outlay				
General government	-	1,766,424	263,107	1,503,317
Public safety	-	827,146	824,755	2,391
Roads and bridges	-	396,040	395,040	1,000
Solid waste	-	189,346	189,346	-
Recreation and culture	-	452,216	86,802	365,414
Total expenditures	1,282,107	17,379,232	7,676,666	9,702,566
Deficiency of revenues under expenditures	(770,365)	(11,390,391)	(5,364,324)	6,026,067
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from sale of capital assets	405,072	423,322	128,355	(294,967)
Issuance of debt	-	9,384,259	-	(9,384,259)
Insurance proceeds	-	-	11,969	11,969
Transfers in	698,235	1,221,037	981,382	(239,655)
Transfers out	(223,088)	(489,536)	(248,198)	241,338
Total other financing sources, net	880,219	10,539,082	873,508	(9,665,574)
Net change in fund balance	109,854	(851,309)	(4,490,816)	(3,639,507)
<b>FUND BALANCES, beginning of year</b>	14,509,632	14,509,632	14,509,632	-
<b>FUND BALANCES, end of year</b>	\$ 14,619,486	\$ 13,658,323	\$ 10,018,816	\$ (3,639,507)

# FIDUCIARY FUNDS

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## 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.

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

**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  
ALL AGENCY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	June 30, 2019	Increases	Decreases	June 30, 2020
<b>Sheriff's Seizure Fund</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 272,065	\$ 38,604	\$ (5,305)	\$ 305,364
Total assets	<u>\$ 272,065</u>	<u>\$ 38,604</u>	<u>\$ (5,305)</u>	<u>\$ 305,364</u>
<b>LIABILITIES</b>				
Assets held for others	\$ 272,065	\$ 38,574	(5,275)	\$ 305,364
Total liabilities	<u>\$ 272,065</u>	<u>\$ 38,574</u>	<u>\$ (5,275)</u>	<u>\$ 305,364</u>
<b>Willow Swamp Water Shed Fund</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 37,293	\$ 5,657	\$ (2)	\$ 42,948
Total assets	<u>\$ 37,293</u>	<u>\$ 5,657</u>	<u>\$ (2)</u>	<u>\$ 42,948</u>
<b>LIABILITIES</b>				
Assets held for others	\$ 37,293	\$ 5,657	\$ (2)	\$ 42,948
Total liabilities	<u>\$ 37,293</u>	<u>\$ 5,657</u>	<u>\$ (2)</u>	<u>\$ 42,948</u>
<b>Law Officer's Memorial Fund</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 2,841	\$ 13	\$ -	\$ 2,854
Total assets	<u>\$ 2,841</u>	<u>\$ 13</u>	<u>\$ -</u>	<u>\$ 2,854</u>
<b>LIABILITIES</b>				
Assets held for others	\$ 2,841	\$ 13	\$ -	\$ 2,854
Total liabilities	<u>\$ 2,841</u>	<u>\$ 13</u>	<u>\$ -</u>	<u>\$ 2,854</u>
<b>Treasurer Fund</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 392,506	\$ 7,627,100	\$ (7,334,203)	\$ 685,403
Taxes receivable	2,428	130,917	(127,461)	5,884
Total assets	<u>\$ 394,934</u>	<u>\$ 7,758,017</u>	<u>\$ (7,461,664)</u>	<u>\$ 691,287</u>
<b>LIABILITIES</b>				
Assets held for others	\$ 394,934	\$ 7,412,749	\$ (7,116,396)	\$ 691,287
Total liabilities	<u>\$ 394,934</u>	<u>\$ 7,412,749</u>	<u>\$ (7,116,396)</u>	<u>\$ 691,287</u>

(Continued)

**COLLETON COUNTY, SOUTH CAROLINA**

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
ALL AGENCY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<b>June 30, 2019</b>	<b>Increases</b>	<b>Decreases</b>	<b>June 30, 2020</b>
<hr/> <b>14th Circuit Court Solicitor Fund</b> <hr/>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 20,114	\$ 516,455	\$ (516,713)	\$ 19,856
Taxes receivable	130	10,738	(10,738)	130
Total assets	<u>\$ 20,244</u>	<u>\$ 527,193</u>	<u>\$ (527,451)</u>	<u>\$ 19,986</u>
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ 235,848	\$ (235,848)	\$ -
Assets held for others	20,244	232,972	(233,230)	19,986
Total liabilities	<u>\$ 20,244</u>	<u>\$ 468,820</u>	<u>\$ (469,078)</u>	<u>\$ 19,986</u>
<hr/> <b>Delinquent Tax Fund</b> <hr/>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,382,671	\$ 5,276,299	\$ (4,338,651)	\$ 2,320,319
Total assets	<u>\$ 1,382,671</u>	<u>\$ 5,276,299</u>	<u>\$ (4,338,651)</u>	<u>\$ 2,320,319</u>
<b>LIABILITIES</b>				
Assets held for others	\$ 1,382,671	\$ 3,078,758	\$ (2,141,110)	\$ 2,320,319
Total liabilities	<u>\$ 1,382,671</u>	<u>\$ 3,078,758</u>	<u>\$ (2,141,110)</u>	<u>\$ 2,320,319</u>
<hr/> <b>Clerk of Court Fund</b> <hr/>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 397,091	\$ 3,229	\$ (5,231)	\$ 395,089
Total assets	<u>\$ 397,091</u>	<u>\$ 3,229</u>	<u>\$ (5,231)</u>	<u>\$ 395,089</u>
<b>LIABILITIES</b>				
Assets held for others	\$ 397,091	\$ 3,229	\$ (5,231)	\$ 395,089
Total liabilities	<u>\$ 397,091</u>	<u>\$ 3,229</u>	<u>\$ (5,231)</u>	<u>\$ 395,089</u>
<hr/> <b>Magistrate Fund</b> <hr/>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 89,534	\$ 18,040	\$ -	\$ 107,574
Total assets	<u>\$ 89,534</u>	<u>\$ 18,040</u>	<u>\$ -</u>	<u>\$ 107,574</u>
<b>LIABILITIES</b>				
Assets held for others	\$ 89,534	\$ 18,040	\$ -	\$ 107,574
Total liabilities	<u>\$ 89,534</u>	<u>\$ 18,040</u>	<u>\$ -</u>	<u>\$ 107,574</u>

(Continued)

# COLLETON COUNTY, SOUTH CAROLINA

## STATEMENT OF CHANGES IN ASSETS AND LIABILITIES ALL AGENCY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	June 30, 2019	Increases	Decreases	June 30, 2020
<b>Fireman's Fund</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 77,034	\$ 140,372	\$ (133,113)	\$ 84,293
Total assets	<u>\$ 77,034</u>	<u>\$ 140,372</u>	<u>\$ (133,113)</u>	<u>\$ 84,293</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 234	\$ 68,215	\$ (68,449)	\$ -
Assets held for others	76,800	140,372	(132,879)	84,293
Total liabilities	<u>\$ 77,034</u>	<u>\$ 208,587</u>	<u>\$ (201,328)</u>	<u>\$ 84,293</u>
<b>Colleton County School Fund</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 12,415,271	\$ 93,388,748	\$ (97,120,617)	\$ 8,683,402
Total assets	<u>\$ 12,415,271</u>	<u>\$ 93,388,748</u>	<u>\$ (97,120,617)</u>	<u>\$ 8,683,402</u>
<b>LIABILITIES</b>				
Assets held for others	\$ 12,415,271	\$ 71,533,512	\$ (75,265,381)	\$ 8,683,402
Total liabilities	<u>\$ 12,415,271</u>	<u>\$ 71,533,512</u>	<u>\$ (75,265,381)</u>	<u>\$ 8,683,402</u>
<b>Totals</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 15,086,420	\$ 107,014,517	\$ (109,453,835)	\$ 12,647,102
Taxes receivable	2,558	141,655	(138,199)	6,014
Total assets	<u>\$ 15,088,978</u>	<u>\$ 107,156,172</u>	<u>\$ (109,592,034)</u>	<u>\$ 12,653,116</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 234	\$ 304,063	\$ (304,297)	\$ -
Assets held for others	15,088,744	82,463,876	(84,899,504)	12,653,116
Total liabilities	<u>\$ 15,088,978</u>	<u>\$ 82,767,939</u>	<u>\$ (85,203,801)</u>	<u>\$ 12,653,116</u>

# COMPONENT UNITS

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## MAJOR COMPONENT UNITS

Component Units are used to account for organizations that raise and hold economic resources for the direct benefit of the governmental unit and for which the elected officials of the primary government are financially accountable.

**Fire and Rescue Commission** – used to account for programs and activities of the fire and rescue department.

**Memorial Library Fund** – used to account for programs and activities for the Memorial Library.

# COLLETON COUNTY, SOUTH CAROLINA

## BALANCE SHEET COMPONENT UNIT FIRE AND RESCUE COMMISSION JUNE 30, 2020

	General	Debt Service	Capital	Total
<b>ASSETS</b>				
Cash and cash equivalents	\$ -	\$ -	\$ 1,856,858	\$ 1,856,858
Receivables, net	1,728,293	196,318	-	1,924,611
Prepaid expenditures	187,309	-	-	187,309
Total assets	<u>\$ 1,915,602</u>	<u>\$ 196,318</u>	<u>\$ 1,856,858</u>	<u>\$ 3,968,778</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 222,563	\$ 15,488	\$ 63,798	\$ 301,849
Accrued payroll and benefits	188,261	-	-	188,261
Total liabilities	<u>410,824</u>	<u>15,488</u>	<u>63,798</u>	<u>490,110</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue - fees	1,212,285	-	-	1,212,285
Unavailable revenue - property taxes	260,113	161,631	-	421,744
Unavailable revenue - intergovernmental	28,270	-	-	28,270
Total deferred inflows of resources	<u>1,500,668</u>	<u>161,631</u>	<u>-</u>	<u>1,662,299</u>
<b>FUND BALANCES</b>				
Unavailable	187,309	-	-	187,309
Restricted	-	19,199	1,793,060	1,812,259
Unassigned	(183,199)	-	-	(183,199)
Total fund balances	<u>4,110</u>	<u>19,199</u>	<u>1,793,060</u>	<u>1,816,369</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,915,602</u>	<u>\$ 196,318</u>	<u>\$ 1,856,858</u>	<u>\$ 3,968,778</u>

# COLLETON COUNTY, SOUTH CAROLINA

## RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION FIRE AND RESCUE COMMISSION JUNE 30, 2020

Total Fire and Rescue fund balance:	\$	1,816,369	
Amounts reported for 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 in the government funds.			11,445,704
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds:			
Property taxes and other special assessments	\$	421,744	
EMS fee receivables		1,212,285	
Intergovernmental revenues		<u>28,270</u>	1,662,299
Deferred outflows of resources are not due and payable in the current period and, therefore, are not reported in the funds. These deferred outflows of resources consist of pension related experience differences, assumption changes, and differences between projected and actual earnings on plan investments:			
Deferred outflows related to pensions	\$	2,515,291	
Deferred outflows related to other post-employment benefits		<u>46,182</u>	2,561,473
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:			
General obligation bonds	\$	(8,420,000)	
Bond premiums		(78,820)	
Capital leases		(1,298,935)	
Compensated absences		(301,602)	
Accrued interest		(102,352)	
Net pension liability		(12,004,186)	
Total other post-employment benefits liability		<u>(648,603)</u>	(22,854,498)
Deferred inflows of resources are not available to pay for current period expenditures and, therefore, are not reported in the funds. These deferred inflows of resources consist of pension related differences between projected and actual earnings on plan investments.			
Deferred inflows related to pensions	\$	(172,257)	
Deferred inflows related to other post-employment benefits		<u>(77,967)</u>	(250,224)
Net position of governmental activities			<u><u>\$ (5,618,877)</u></u>

# COLLETON COUNTY, SOUTH CAROLINA

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES COMPONENT UNIT - FIRE AND RESCUE COMMISSION FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	General	Debt Service	Capital	Total
<b>REVENUES</b>				
Taxes	\$ 3,496,120	\$ 2,356,456	\$ -	\$ 5,852,576
Intergovernmental	4,186,030	-	-	4,186,030
Fines and fees	1,591,843	-	-	1,591,843
Other income	2,159	13,142	70,461	85,762
Total revenues	9,276,152	2,369,598	70,461	11,716,211
<b>EXPENDITURES</b>				
Current:				
Public safety	10,387,437	-	27,480	10,414,917
Capital outlay				
Public safety	-	-	1,731,587	1,731,587
Debt service:				
Principal	-	1,286,532	-	1,286,532
Interest	-	293,817	-	293,817
Total expenditures	10,387,437	1,580,349	1,759,067	13,726,853
Excess (deficiency) of revenues over (under) expenditures	(1,111,285)	789,249	(1,688,606)	(2,010,642)
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from sale of capital assets	32,650	-	-	32,650
Insurance recoveries	29,962	-	-	29,962
Transfers in	900,000	-	-	900,000
Transfers out	-	(900,000)	-	(900,000)
Total other financing sources (uses)	962,612	(900,000)	-	62,612
Net change in fund balances	(148,673)	(110,751)	(1,688,606)	(1,948,030)
<b>Fund balances, beginning of year</b>	152,783	129,950	3,481,666	3,764,399
<b>Fund balances, end of year</b>	\$ 4,110	\$ 19,199	\$ 1,793,060	\$ 1,816,369

# COLLETON COUNTY, SOUTH CAROLINA

## RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES - FIRE AND RESCUE COMMISSION FOR THE FISCAL YEAR ENDED JUNE 30, 2020

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Net change in fund balances - total governmental funds	\$ (1,948,030)
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	\$ 1,762,985	
Depreciation expense	<u>(828,504)</u>	934,481

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position	(60,385)
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Property taxes and other special assessments	\$ (50,877)	
EMS fees receivable	(1,206)	
Intergovernmental revenues	<u>13,899</u>	(38,184)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The effects of these items are as follows:

Repayment of the principal of long-term debt	\$ 1,286,532	
Amortization of premium on long-term debt	<u>16,623</u>	1,303,155

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The following amounts represent the net liability changes using the full accrual method of accounting:

Pension liability	\$ (745,586)	
Compensated absences	14,294	
Accrued interest on long-term debt	(36,998)	
Other post-employment benefits liability	<u>(48,710)</u>	<u>(817,000)</u>
		<u>\$ (625,963)</u>

**COLLETON COUNTY, SOUTH CAROLINA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL  
COMPONENT UNIT - FIRE AND RESCUE COMMISSION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<b>Original Budgeted Amounts</b>	<b>Final Budgeted Amounts</b>	<b>Actual</b>	<b>Variance</b>
<b>REVENUES</b>				
Taxes	\$ 6,097,545	\$ 6,097,545	\$ 5,852,576	\$ (244,969)
Intergovernmental	2,901,777	2,968,603	4,186,030	1,217,427
Fines and fees	1,930,000	1,954,664	1,591,843	(362,821)
Other revenues	70,961	180,721	85,762	(94,959)
Total revenues	<u>11,000,283</u>	<u>11,201,533</u>	<u>11,716,211</u>	<u>514,678</u>
<b>EXPENDITURES</b>				
Public safety	9,383,756	9,611,381	10,414,917	(803,536)
Capital outlay				
Public safety	1,731,587	1,748,187	1,731,587	16,600
Debt service:				
Principal	1,286,533	1,286,533	1,286,532	1
Interest and fiscal charges	283,816	293,817	293,817	-
Total expenditures	<u>12,685,692</u>	<u>12,939,918</u>	<u>13,726,853</u>	<u>(786,935)</u>
Deficiency of revenues under expenditures	<u>(1,685,409)</u>	<u>(1,738,385)</u>	<u>(2,010,642)</u>	<u>(272,257)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from sale of capital assets	-	80,000	32,650	(47,350)
Insurance proceeds	-	12,347	29,962	17,615
Transfers in	922,214	922,214	900,000	(22,214)
Transfers out	(922,214)	(922,214)	(900,000)	22,214
Total other financing sources, net	<u>-</u>	<u>92,347</u>	<u>62,612</u>	<u>(29,735)</u>
Net change in fund balance	<u>(1,685,409)</u>	<u>(1,646,038)</u>	<u>(1,948,030)</u>	<u>(301,992)</u>
<b>FUND BALANCES, beginning of year</b>	<u>3,764,399</u>	<u>3,764,399</u>	<u>3,764,399</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 2,078,990</u>	<u>\$ 2,118,361</u>	<u>\$ 1,816,369</u>	<u>\$ (301,992)</u>

# COLLETON COUNTY, SOUTH CAROLINA

## BALANCE SHEET COMPONENT UNIT MEMORIAL LIBRARY JUNE 30, 2020

	General	Special Revenue Fund	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 135,513	\$ 5,551	\$ 141,064
Receivables, net	8,146	-	8,146
Prepaid expenditures	14,594	-	14,594
Total assets	<u>\$ 158,253</u>	<u>\$ 5,551</u>	<u>\$ 163,804</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 10,312	\$ 2,508	\$ 12,820
Accrued payroll and benefits	12,682	-	12,682
Unearned revenue	8,519	-	8,519
Total liabilities	<u>31,513</u>	<u>2,508</u>	<u>34,021</u>
<b>FUND BALANCES</b>			
Unavailable	14,594	-	14,594
Restricted	-	3,043	3,043
Unassigned	112,146	-	112,146
Total fund balances	<u>126,740</u>	<u>3,043</u>	<u>129,783</u>
Total liabilities and fund balances	<u>\$ 158,253</u>	<u>\$ 5,551</u>	<u>\$ 163,804</u>

# COLLETON COUNTY, SOUTH CAROLINA

## RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION MEMORIAL LIBRARY JUNE 30, 2020

Total Memorial Library fund balance:		\$	129,783
Amounts reported for 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 in the government funds.			
			322,551
Deferred outflows of resources are not due and payable in the current period and, therefore, are not reported in the funds. These deferred outflows of resources consist of pension related experience differences, assumption changes, and differences between projected and actual earnings on plan investments:			
Deferred outflows related to pensions	\$	117,532	
Deferred outflows related to other post-employment benefits		30,687	148,219
Compensated absences	\$	(21,898)	
Net pension liability		(797,355)	
Total other post-employment benefits liability		(430,987)	(1,250,240)
Deferred inflows of resources are not available to pay for current period expenditures and, therefore, are not reported in the funds. These deferred inflows of resources consist of pension related differences between projected and actual earnings on plan investments.			
Deferred inflows related to pensions	\$	(27,418)	
Deferred inflows related to other post-employment benefits		(51,809)	(79,227)
Net position of governmental activities			<u>\$ (728,914)</u>

# COLLETON COUNTY, SOUTH CAROLINA

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES COMPONENT UNIT - MEMORIAL LIBRARY FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	General	Special Revenue Fund	Total
<b>REVENUES</b>			
Intergovernmental	\$ 679,244	\$ 100,000	\$ 779,244
Fines and fees	22,326	-	22,326
Other income	36,763	208	36,971
Total revenues	<u>738,333</u>	<u>100,208</u>	<u>838,541</u>
<b>EXPENDITURES</b>			
Current:			
Recreation and culture	696,670	98,392	795,062
Capital outlay	73	-	73
Total expenditures	<u>696,743</u>	<u>98,392</u>	<u>795,135</u>
Net change in fund balances	41,590	1,816	43,406
<b>Fund balances, beginning of year</b>	<u>85,150</u>	<u>1,227</u>	<u>86,377</u>
<b>Fund balances, end of year</b>	<u>\$ 126,740</u>	<u>\$ 3,043</u>	<u>\$ 129,783</u>

## COLLETON COUNTY, SOUTH CAROLINA

### RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES - MEMORIAL LIBRARY FOR THE FISCAL YEAR ENDED JUNE 30, 2020

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Net change in fund balances - total governmental funds	\$	43,406
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	\$	83,709	
Depreciation expense		<u>(106,356)</u>	(22,647)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The following amounts represent the net liability changes using the full accrual method of accounting:

Pension liability	\$	(36,476)	
Compensated absences		598	
Other post-employment benefits liability		<u>(32,365)</u>	<u>(68,243)</u>
			<u>\$ (47,484)</u>

**COLLETON COUNTY, SOUTH CAROLINA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL  
COMPONENT UNIT - MEMORIAL LIBRARY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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	<b>Original Budgeted Amounts</b>	<b>Final Budgeted Amounts</b>	<b>Actual</b>	<b>Variance</b>
<b>REVENUES</b>				
Intergovernmental	\$ 673,247	\$ 779,775	\$ 779,244	\$ (531)
Fines and fees	-	-	22,326	22,326
Other revenues	-	31,454	36,971	5,517
Total revenues	<u>673,247</u>	<u>811,229</u>	<u>838,541</u>	<u>27,312</u>
<b>EXPENDITURES</b>				
Current:				
Recreation and culture	673,247	811,229	795,062	16,167
Total expenditures	<u>673,247</u>	<u>811,229</u>	<u>795,135</u>	<u>16,094</u>
Net change in fund balance	-	-	43,406	43,406
<b>FUND BALANCES, beginning of year</b>	<u>86,377</u>	<u>86,377</u>	<u>86,377</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 86,377</u>	<u>\$ 86,377</u>	<u>\$ 129,783</u>	<u>\$ 43,406</u>

**COUNTY/MUNICIPAL NAME**  
**UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES (per ACT 96)**  
**For The Year Ended June 30, 2020**

**FOR THE STATE TREASURER'S OFFICE:**

<b>COUNTY / MUNICIPAL FUNDS COLLECTED BY CLERK OF COURT</b>	<b><u>General Sessions</u></b>	<b><u>Magistrate Court</u></b>	<b><u>Municipal Court</u></b>	<b><u>Total</u></b>
<b>Court Fines and Assessments:</b>				
Court fines and assessments collected	\$ 439,945.66	\$ 641,640.06	\$ -	\$ 1,081,585.72
Court fines and assessments remitted to State Treasurer	\$ (229,771.23)	\$ (320,572.69)	\$ -	\$ (550,343.92)
<b>Total Court Fines and Assessments retained</b>	<b>\$ 210,174.43</b>	<b>\$ 321,067.37</b>	<b>\$ -</b>	<b>\$ 531,241.80</b>
<b>Surcharges and Assessments retained for victim services:</b>				
Surcharges collected and retained	\$ 13,851.67	\$ 7,379.82	\$ -	\$ 21,231.49
Assessments retained	\$ 1,775.49	\$ 24,516.37	\$ -	\$ 26,291.86
<b>Total Surcharges and Assessments retained for victim services</b>	<b>\$ 15,627.16</b>	<b>\$ 31,896.19</b>	<b>\$ -</b>	<b>\$ 47,523.35</b>

**FOR THE DEPARTMENT OF CRIME VICTIM COMPENSATION (DCVC)**

<b><u>VICTIM SERVICE FUNDS COLLECTED</u></b>	<b><u>Municipal</u></b>	<b><u>County</u></b>	<b><u>Total</u></b>
<b>Carryforward from Previous Year – Beginning Balance</b>		<b>\$ 155,388.83</b>	<b>\$ 155,388.83</b>
<b><u>Victim Service Revenue:</u></b>			
Victim Service Fines Retained by City/County Treasurer	\$ -	\$ -	\$ -
Victim Service Assessments Retained by City/County Treasurer	\$ -	\$ 26,291.86	\$ 26,291.86
Victim Service Surcharges Retained by City/County Treasurer	\$ -	\$ 21,231.49	\$ 21,231.49
Interest Earned	\$ -	\$ 2,498.00	\$ 2,498.00
Grant Funds Received			
Grant from:	\$ -	\$ -	\$ -
General Funds Transferred to Victim Service Fund	\$ -	\$ -	\$ -
<b>Contribution Received from Victim Service Contracts:</b>			
(1) Town of Edisto Beach	\$ -	\$ 5,071.75	\$ 5,071.75
(2) Town of Cottageville	\$ -	\$ 10,000.00	\$ 10,000.00
(3) City of	\$ -	\$ -	\$ -
<b>Total Funds Allocated to Victim Service Fund + Beginning Balance (A)</b>	<b>\$ -</b>	<b>\$ 220,481.93</b>	<b>\$ 220,481.93</b>

**COUNTY/MUNICIPAL NAME**  
**UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES (per ACT 96)**  
**For The Year Ended June 30, 2020**

<b>Expenditures for Victim Service Program:</b>	<b><u>Municipal</u></b>	<b><u>County</u></b>	<b><u>Total</u></b>
Salaries and Benefits	\$ -	\$ 47,979.00	\$ 47,979.00
Operating Expenditures	\$ -	\$ 8,040.12	\$ 8,040.12
<b>Victim Service Contract(s):</b>			
(1) Entity's Name	\$ -	\$ -	\$ -
(2) Entity's Name	\$ -	\$ -	\$ -
<b>Victim Service Donation(s):</b>			
(1) Domestic Violence Shelter:	\$ -	\$ -	\$ -
(2) Rape Crisis Center: Hopeful Horizons	\$ -	\$ 5,000.00	\$ 5,000.00
(3) Other local direct crime victims service agency:	\$ -	\$ -	\$ -
Transferred to General Fund	\$ -	\$ -	\$ -
<b>Total Expenditures from Victim Service Fund/Program (B)</b>	<b>\$ -</b>	<b>\$ 61,019.12</b>	<b>\$ 61,019.12</b>
Total Victim Service Funds Retained by Municipal/County Treasurer (A-B)	\$ -	\$ 159,462.81	\$ 159,462.81
<b>Less: Prior Year Fund Deficit Repayment</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Carryforward Funds – End of Year</b>	<b>\$ -</b>	<b>\$ 159,462.81</b>	<b>\$ 159,462.81</b>

## **STATISTICAL SECTION**

# STATISTICAL SECTION

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This part of the Colleton County, South Carolina comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, notes disclosure and required supplementary information says about the County's overall financial health.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends.....</b>	<b>120 – 123</b>
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	
<b>Revenue Capacity .....</b>	<b>124 – 127</b>
These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property and sales taxes.	
<b>Debt Capacity .....</b>	<b>128– 132</b>
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.	
<b>Demographic and Economic Information.....</b>	<b>133 and 134</b>
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help comparisons over time and with other governments.	
<b>Operating Information .....</b>	<b>135 – 137</b>
These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information 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.

# COLLETON COUNTY, SOUTH CAROLINA

## NET POSITION BY COMPONENT LAST TEN FISCAL YEARS

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Governmental activities</b>										
Net investment in capital										
assets	\$ 30,234,540	\$ 28,162,225	\$ 29,208,570	\$ 31,257,962	\$ 33,464,047	\$ 31,778,627	\$ 37,187,490	\$ 35,243,087	\$ 40,730,332	\$ 42,289,669
Restricted	8,509,085	10,192,511	8,976,701	10,305,751	9,738,050	17,017,936	12,733,361	14,691,101	7,998,775	8,295,818
Unrestricted	9,942,615	12,627,357	10,997,674	14,202,852	(8,369,151)	(11,885,105)	(9,606,502)	(13,477,153)	(14,118,289)	(17,448,244)
Total governmental activities										
net position	<u>\$ 48,686,240</u>	<u>\$ 50,982,093</u>	<u>\$ 49,182,945</u>	<u>\$ 55,766,565</u>	<u>\$ 34,832,946</u>	<u>\$ 36,911,458</u>	<u>\$ 40,314,349</u>	<u>\$ 36,457,035</u>	<u>\$ 34,610,818</u>	<u>\$ 33,137,243</u>

**Source:** County Audit Reports

# COLLETON COUNTY, SOUTH CAROLINA

## CHANGES IN NET POSITION LAST TEN FISCAL YEARS (accrual basis of accounting)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Expenses</b>										
Governmental activities:										
General government	\$ 7,228,887	\$ 8,000,488	\$ 8,178,472	\$ 10,740,147	\$ 8,811,200	\$ 9,227,968	\$ 9,810,028	\$ 8,428,469	\$ 9,253,826	\$ 10,607,610
Judicial	5,010,233	4,996,680	4,594,583	4,957,014	5,255,325	5,871,221	6,309,402	6,498,833	6,194,472	6,856,354
Public safety	8,244,482	8,202,681	8,410,210	8,589,140	8,642,672	8,319,638	8,702,190	13,309,631	14,133,924	15,820,923
Roads and bridges	2,313,953	2,320,046	2,496,358	4,182,236	4,949,171	6,405,248	2,975,077	3,398,083	4,699,060	7,154,129
Solid waste	2,244,813	2,280,816	2,449,740	2,568,610	2,509,851	2,418,936	2,575,815	3,215,275	3,903,706	4,104,787
Recreation and culture	819,698	1,036,373	1,313,153	1,743,106	2,906,984	2,627,302	2,927,170	3,825,057	4,813,076	4,691,384
Health and human services	1,818,338	1,672,744	1,789,799	1,925,374	1,928,313	1,908,438	1,888,520	2,392,807	2,249,725	2,734,348
Economic development	380,812	2,027,728	3,373,628	1,569,363	1,568,862	1,650,684	1,377,821	11,530,791	7,777,710	1,943,153
Intergovernmental	3,485,734	3,130,391	3,360,676	3,661,372	3,836,524	5,590,873	9,763,973	-	-	-
Interest and fiscal changes	655,432	560,225	500,152	437,611	469,185	895,063	759,085	704,723	622,477	761,664
Totals expenses	32,202,382	34,228,172	36,466,771	40,373,973	40,878,087	44,915,371	47,089,081	53,303,669	53,647,976	54,674,352
<b>Revenues</b>										
Governmental activities:										
Charges for services										
General government	434,053	407,482	483,659	568,195	531,064	1,231,180	1,407,234	1,547,365	1,583,830	1,657,588
Judicial	3,052,629	2,852,878	2,769,668	1,159,451	1,117,461	1,058,359	1,090,259	1,004,415	987,001	837,494
Public safety	512,453	352,108	364,705	357,982	342,051	282,939	296,497	1,234,198	1,229,173	1,558,802
Roads and bridges	913,889	964,525	1,015,102	911,965	895,833	934,318	1,071,442	1,031,641	967,055	959,775
Solid waste	1,443,781	1,150,138	1,636,460	1,737,436	1,802,512	2,071,414	2,150,225	2,035,603	2,383,073	2,446,487
Recreation and culture	160,145	175,987	210,835	330,566	326,236	464,510	500,940	987,145	685,064	601,487
Health and human services	708,738	725,761	627,354	633,729	33,107	25,911	40,276	39,191	39,310	33,188
Economic development	-	-	-	1,541,360	677,045	-	-	-	-	-
Operating grants and contributions	2,049,525	2,102,187	3,073,637	9,860,851	8,629,703	11,726,799	12,448,200	9,796,813	8,959,746	11,937,834
Capital grants and contributions	3,181,056	1,438,292	-	-	4,473,000	-	-	315,071	2,303,722	81,496
General revenues										
Taxes	23,662,008	24,538,580	22,956,394	21,029,359	21,343,703	27,045,537	28,691,017	29,319,480	30,191,429	30,286,642
Grants and contributions not restricted to specific program	1,419,929	1,197,122	1,430,665	1,436,657	1,445,663	1,875,873	1,508,783	2,577,176	1,810,480	2,024,709
Interest and investment earnings	89,429	79,474	-	-	-	-	-	-	-	-
Miscellaneous	24,912	311,507	271,784	438,004	428,830	724,951	1,287,099	638,280	661,876	775,275
Gain (loss) on sale of assets	129,976	227,984	66,667	-	-	-	-	-	-	-
Transfer in (out)	-	-	(52,796)	90,713	-	-	-	-	-	-
Total revenues	37,782,523	36,524,025	34,854,134	40,096,268	42,046,208	47,441,791	50,491,972	50,526,378	51,801,759	53,200,777
Change in net position	5,580,141	2,295,853	(1,612,637)	(277,705)	1,168,121	2,526,420	3,402,891	(2,777,291)	(1,846,217)	(1,473,575)
Net position - beginning	43,106,099	48,686,240	50,982,093	49,182,945	55,766,565	34,832,946	36,911,458	40,314,349	36,457,035	34,610,818
Prior period adjustment	-	-	(186,511)	6,861,325	(22,101,740)	(447,908)	-	(1,080,023)	-	-
Net position - ending	\$ 48,686,240	\$ 50,982,093	\$ 49,182,945	\$ 55,766,565	\$ 34,832,946	\$ 36,911,458	\$ 40,314,349	\$ 36,457,035	\$ 34,610,818	\$ 33,137,243

**Source:** County Audit Reports

**Note 1:** Net position was restated at June 30, 2015 for GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*.

**Note 2:** Net position was restated at June 30, 2018 for GASB Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions*.

# COLLETON COUNTY, SOUTH CAROLINA

## FUND BALANCES - GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (modified accrual basis of accounting)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>GENERAL FUND</b>										
Nonspendable	\$ 2,442	\$ 6,718	\$ 6,076	\$ 14,004	\$ 10,534	\$ 11,570	\$ 3,333	\$ 258,279	\$ 280,929	\$ 375,765
Restricted	-	204,307	2,101	362,911	363,272	363,636	364,000	797,008	797,008	797,088
Committed	-	-	-	-	-	-	219,674	-	-	-
Assigned	-	-	-	695,942	893,097	968,193	199,057	-	-	-
Unassigned	8,735,361	8,975,864	7,921,046	5,981,162	5,746,897	7,085,015	7,739,608	8,158,084	8,420,259	7,787,399
Total General Fund	<u>\$ 8,737,803</u>	<u>\$ 9,186,889</u>	<u>\$ 7,929,223</u>	<u>\$ 7,054,019</u>	<u>\$ 7,013,800</u>	<u>\$ 8,428,414</u>	<u>\$ 8,525,672</u>	<u>\$ 9,213,371</u>	<u>\$ 9,498,196</u>	<u>\$ 8,960,252</u>
<b>CAPITAL PROJECTS FUND</b>										
Nonspendable	\$ -	\$ -	\$ -	\$ 2,700,933	\$ 2,922,238	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	5,214,418	4,954,705	10,170,294	4,504,276	5,478,472	435,104	214,746
Committed	-	-	-	4,221,199	34,062,547	29,554,382	26,972,788	16,873,105	14,074,528	9,804,070
Total Capital Projects Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,136,550</u>	<u>\$ 41,939,490</u>	<u>\$ 39,724,676</u>	<u>\$ 31,477,064</u>	<u>\$ 22,351,577</u>	<u>\$ 14,509,632</u>	<u>\$ 10,018,816</u>
<b>FUNDS</b>										
Nonspendable	\$ 4,752,641	\$ 4,338,743	\$ 7,728,952	\$ 2,027,489	\$ 1,497,835	\$ 6,484,006	\$ 7,865,085	\$ 22,397	\$ 15,146	\$ 19,142
Restricted	722,624	1,873,050	3,136,266	1,238,084	831,384	573,094	594,006	8,415,621	1,772,320	7,318,569
Committed	-	-	567,675	38,487	-	-	-	416,430	213,692	9,906,021
Assigned	4,896,457	6,193,164	162,302	1,811,461	1,625,160	1,485,895	1,503,575	1,136,948	886,929	1,187,171
Funds	<u>\$ 10,371,722</u>	<u>\$ 12,404,957</u>	<u>\$ 11,595,195</u>	<u>\$ 5,115,521</u>	<u>\$ 3,954,379</u>	<u>\$ 8,542,995</u>	<u>\$ 9,962,666</u>	<u>\$ 9,991,396</u>	<u>\$ 2,888,087</u>	<u>\$ 18,430,903</u>

Source: County Audit Reports

# COLLETON COUNTY, SOUTH CAROLINA

## CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (modified accrual basis of accounting)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Revenues</b>										
Taxes	\$ 24,966,426	\$ 25,323,266	\$ 23,885,157	\$ 21,090,421	\$ 21,299,184	\$ 27,396,764	\$ 28,629,297	\$ 29,130,415	\$ 30,142,378	\$ 30,420,830
Licenses and permits	-	-	-	-	-	-	-	-	-	-
Fines and fees	2,474,493	2,021,074	7,107,783	7,212,428	10,075,366	13,602,672	13,956,983	6,465,956	6,760,008	6,586,845
Intergovernmental	6,748,815	6,266,017	4,504,302	11,297,508	5,811,340	6,030,559	6,516,583	13,534,245	13,122,440	15,383,606
Interest	89,338	79,470	-	-	-	-	-	-	-	-
Other	124,420	515,179	173,666	300,227	302,635	627,055	1,239,266	1,121,298	1,729,253	862,474
Total revenues	34,403,492	34,205,006	35,670,908	39,900,584	37,488,525	47,657,050	50,342,129	50,251,914	51,754,079	53,253,755
<b>Expenditures:</b>										
<b>Current:</b>										
General government	6,756,544	7,344,982	7,688,345	10,293,376	8,357,765	8,705,075	9,233,056	8,462,845	8,920,357	10,108,898
Judicial	2,344,951	2,122,867	4,157,881	4,456,189	4,658,249	5,275,752	5,679,392	6,007,996	6,152,386	6,216,595
Public safety	7,345,678	7,440,052	7,468,560	7,723,408	7,668,476	7,348,907	7,713,186	8,122,142	8,906,780	10,383,578
Roads and bridges	1,608,064	1,655,724	1,833,460	3,466,507	4,257,082	5,644,622	2,096,123	1,751,263	2,016,790	2,044,893
Solid waste	1,917,542	1,972,315	2,156,449	2,240,650	2,208,389	2,127,950	2,256,218	2,585,498	3,168,898	3,648,480
Recreation and culture	761,261	872,178	1,055,271	1,300,883	2,462,699	2,038,864	2,329,422	2,163,441	2,520,632	2,082,911
Health and human services	1,002,283	833,863	1,674,861	1,794,798	1,797,883	1,780,141	1,751,754	1,875,826	2,142,595	2,656,161
Economic development	235,493	1,864,496	3,101,594	1,097,322	1,110,361	1,186,504	902,674	1,986,024	5,355,199	1,812,260
Intergovernmental	3,441,590	6,006,861	3,360,676	3,661,372	3,836,524	5,590,873	9,763,973	7,560,938	10,012,911	11,088,354
<b>Capital outlay</b>	5,424,846	5,315,933	3,082,720	3,332,868	7,569,037	3,178,051	11,689,652	13,281,825	7,049,156	1,947,079
Debt service:										
Principal	2,347,982	5,325,472	2,246,834	2,294,878	2,528,493	2,286,585	4,860,166	4,925,632	6,990,718	5,108,333
Interest	676,249	388,136	536,892	466,532	393,567	768,914	854,370	795,505	722,984	886,356
Total expenditures	33,862,483	41,142,879	38,363,543	42,128,783	46,848,525	45,932,238	59,129,986	59,518,935	63,959,406	57,983,898
Excess (deficiency) of revenues over expenditures	541,009	(6,937,873)	(2,692,635)	(2,228,199)	(9,360,000)	1,724,812	(8,787,857)	(9,267,021)	(12,205,327)	(4,730,143)
Other financing sources (uses)										
Proceeds from sale of capital assets	39,330	53,082	66,667	90,713	46,578	184,544	-	143,459	194	131,655
Issuance of debt	2,452,446	6,519,794	-	-	33,362,384	5,395,000	2,000,000	582,353	2,500,000	-
Donation of capital asset	-	-	-	-	4,473,000	-	-	-	-	-
Legal settlement	-	-	-	-	7,411	-	-	-	-	-
Bond premium	-	-	-	-	-	51,278	-	-	-	-
Payment to refund bond escrow	-	-	-	-	-	(3,710,000)	-	-	-	-
Gain/loss on sale of asset	-	-	-	-	-	5,295	-	-	-	-
Insurance proceeds	112,399	177,318	98,118	137,777	72,206	137,487	57,074	132,251	39,047	99,385
Transfers in	6,420,790	9,559,323	4,251,121	6,220,775	4,255,156	8,423,212	6,530,977	6,401,391	6,305,753	5,497,580
Transfers out	(6,420,789)	(9,559,323)	(4,303,917)	(6,220,775)	(4,255,156)	(8,423,212)	(6,530,977)	(6,401,391)	(6,305,753)	(5,497,580)
Total other financing sources	2,604,176	6,750,194	111,989	228,490	37,961,579	2,063,604	2,057,074	858,063	2,539,241	231,040
Net change in fund balances	3,145,185	(187,679)	(2,580,646)	(1,999,709)	28,601,579	3,788,416	(6,730,783)	(8,408,958)	(9,666,086)	(4,499,103)
Other changes in fund balance	-	2,669,997	513,218	6,781,381	-	-	-	-	-	-
Fund balances, beginning	15,964,343	19,109,528	21,591,846	19,524,418	24,306,090	52,907,669	56,696,085	49,965,302	41,556,344	31,890,258
Fund balances, Ending	\$ 19,109,528	\$ 21,591,846	\$ 19,524,418	\$ 24,306,090	\$ 52,907,669	\$ 56,696,085	\$ 49,965,302	\$ 41,556,344	\$ 31,890,258	\$ 27,391,155
Debt service as a percentage of noncapital expenditures	10.6%	15.9%	7.9%	7.1%	7.4%	7.1%	12.0%	12.4%	13.6%	10.7%

Source: County Audit Reports

## COLLETON COUNTY, SOUTH CAROLINA

### ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS

Fiscal Year	Assessed Value			Market Value			Total Direct Tax Rate
	Real Property	Personal Property	Total	Real Property	Personal Property	Total	
2011	\$ 135,718,521 *	\$ 43,267,945 *	\$ 178,986,466 *	\$ 4,946,871,251	\$ 640,058,358 *	\$ 5,586,929,609 *	113.27
2012	127,313,207	44,104,392	171,417,599	3,677,625,787	561,477,710	4,239,103,497	115.86
2013	124,529,285 *	45,681,967	170,211,252	3,677,288,314	577,742,213	4,255,030,527	115.86
2014	124,290,470	46,322,848	170,613,318	3,675,411,178	542,309,703	4,217,720,881	115.86
2015	124,833,360	38,508,140	163,341,500	3,743,314,532	459,532,616	4,202,847,148	115.86
2016	125,463,400	41,403,580	166,866,980	3,792,357,210	512,687,036	4,305,044,246	125.05
2017	126,695,930	44,408,120	171,104,050	3,848,082,492	548,235,970	4,396,318,462	125.05
2018	130,485,880 *	45,527,140	176,013,020	3,997,547,588	562,409,403	4,559,956,991	125.05
2019	132,774,320	44,873,240	177,647,560	4,085,126,499	543,980,519	4,629,107,018	126.55
2020	136,463,280	44,446,986	180,910,266	4,075,367,609	494,862,138	4,570,229,747	126.55

\* Reassessment Year.

\*\* Computer error generated values in excess of actual values.

Source: County Auditor

# COLLETON COUNTY, SOUTH CAROLINA

## DIRECT AND OVERLAPPING PROPERTY TAX RATES LAST TEN FISCAL YEARS

Fiscal Year	County Direct Rates			Overlapping Rates					
	County Operations	County Debt	Total Direct Rate	School Operations	School Debt Service	County Fire Protection	County Fire Debt Service	Town of Edisto Beach	City of Walterboro
2011	105.86	7.41	113.27	101.83	46.50	29.61	20.69	18.65	77.00
2012	108.45	7.41	115.86	104.31	46.50	30.54	20.69	19.53	79.64
2013	108.45	7.41	115.86	104.31	46.50	33.56	17.67	19.53	88.00
2014	108.45	7.41	115.86	104.31	46.50	33.56	17.67	20.23	88.00
2015	108.45	7.41	115.86	104.31	46.50	33.56	17.67	20.23	88.00
2016	114.81	10.24	125.05	110.42	49.50	33.56	22.66	20.23	88.00
2017	114.81	10.24	125.05	110.42	49.50	33.36	22.66	20.71	88.00
2018	114.81	10.24	125.05	110.42	49.50	33.56	22.66	23.44	86.40
2019	116.31	10.24	126.55	113.42	54.50	33.56	22.66	23.44	86.40
2020	116.31	10.24	126.55	116.42	54.50	33.56	22.66	24.07	86.40

Source: County Auditor

# COLLETON COUNTY, SOUTH CAROLINA

## PRINCIPAL PROPERTY TAXPAYERS CURRENT YEAR AND NINE YEARS AGO

Customer	2020			2011		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
South Carolina Electric and Gas	\$ 9,570,080	1	5.29%	\$ 15,046,229	1	8.41%
Coastal Electric Coop	3,173,540	2	1.75%	1,702,770	2	0.95%
CSX Transportation, Inc.	926,554	3	0.51%	529,120	6	0.30%
Weyerhaeuser Company	851,180	4	0.47%	-	-	-
Central Electric Power Coop	826,090	5	0.46%	-	-	-
Cellco Partnership DBA Verizon Wireless	804,680	6	0.44%	382,000	9	0.21%
wyndham Vacation Resorts, Inc. Etal	785,340	7	0.43%	-	-	-
Lawyers Title Insurance Corporation	753,630	8	0.42%	-	-	-
Walmart Real Estate Business Trust	735,000	9	0.41%	-	-	-
Cherokee Plantation Owners, Inc.	697,370	10	0.39%	-	-	-
Mead Westvaco Forestry, LLC	-	-	-	1,291,930	3	0.72%
Walterboro Community Hospital	-	-	-	1,267,300	4	0.71%
CCX, Inc.	-	-	-	1,249,440	5	0.70%
Dayco Products, LLC	-	-	-	445,970	7	0.25%
Fairfield Communities, Inc.	-	-	-	413,870	8	0.23%
USPG Portfolio One, LLC	-	-	-	367,320	10	0.21%
	<u>\$ 19,123,464</u>		<u>10.57%</u>	<u>\$ 22,695,949</u>		<u>12.68%</u>

Source: County Auditor

N/A - Information is not available

# COLLETON COUNTY, SOUTH CAROLINA

## PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2011	\$ 46,726,207 *	\$ 40,532,303	86.74%	\$ 5,984,447	\$ 46,516,750	99.55%
2012	47,115,937	44,705,792	94.88%	1,952,575	46,658,367	99.03%
2013	52,100,048 *	44,052,013	84.55%	7,641,945	51,693,958	99.22%
2014	48,000,778	46,192,180	96.23%	1,556,509	47,748,689	99.47%
2015	14,791,090	13,733,646	92.85%	840,432	14,574,078	98.53%
2016	16,482,359	15,385,339	93.34%	980,061	16,365,400	99.29%
2017	16,903,737	15,970,838	94.48%	783,824	16,754,662	99.12%
2018	20,208,055 *	19,219,246	95.11%	770,750	19,989,996	98.92%
2019	20,658,725	19,796,004	95.82%	528,698	20,324,702	95.82%
2020	21,028,987	20,449,213	97.24%	-	20,449,213	97.24%

**Source:** Delinquent Tax Collector, County Finance Office, County Auditor, County Treasurer.

**Note 1** - All figures up to 2014 include County, Fire and Rescue, and School District.

**Note 2** - County only in 2015

\* Reassessment year.

# COLLETON COUNTY, SOUTH CAROLINA

## RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities				Total Primary Government	Percentage of Personal Income	Capital Per Capita
	General Obligation Bond	Notes Payable	Leases Payable	Special Revenue Bond			
2011	\$ 5,985,601	\$ 829,807	\$ 3,555,466	\$ 4,063,349	\$ 14,434,223	12.75%	375.61
2012	8,206,240	677,062	2,109,152	5,033,701	16,026,155	13.80%	420.05
2013	7,280,000	517,977	1,526,344	4,455,000	13,779,321	11.57%	361.16
2014	6,110,000	352,290	932,153	4,090,000	11,484,443	9.44%	295.29
2015	35,012,627	1,059,759	2,535,947	3,710,000	42,318,333	33.86%	1,120.39
2016	38,989,949	880,032	1,854,089	-	41,724,070	33.39%	1,105.83
2017	35,440,618	880,032	2,473,965	-	38,794,615	31.18%	1,022.98
2018	31,897,356	880,032	1,603,333	-	34,380,721	26.60%	914.11
2019	27,138,079	-	2,680,000	-	29,818,079	22.62%	791.77
2020	22,879,822	-	1,756,625	-	24,636,447	18.03%	653.89

**Source:** County Audit Report, US Census Bureau

**Note 1:** Details of the County's outstanding debt can be found in the notes to the financial statements.

**Note 2:** The ratios are calculated using personal income and population for the prior calendar year.

See Schedule 14 for personal income and population.

# COLLETON COUNTY, SOUTH CAROLINA

## RATIOS OF GENERAL BONDED DEBT OUTSTANDING LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Less Amounts Available in Debt Service Funds</u>	<u>Total</u>	<u>Percentage of Estimated Taxable Value of Property</u>	<u>Per Capita</u>
2011	\$ 5,985,601	\$ 1,424,537	\$ 4,561,064	2.5%	119
2012	8,206,240	800,657	7,405,583	4.3%	194
2013	7,280,000	1,031,180	6,248,820	3.7%	164
2014	6,110,000	919,745	5,190,255	3.0%	133
2015	35,012,627	411,973	34,600,654	21.2%	916
2016	38,989,949	5,496,753	33,493,196	20.1%	888
2017	35,440,618	6,325,794	29,114,824	17.0%	768
2018	31,897,356	7,010,933	24,886,423	14.1%	662
2019	27,138,079	5,519,838	21,618,241	12.2%	574
2020	22,879,822	6,059,523	16,820,299	9.3%	451

# COLLETON COUNTY, SOUTH CAROLINA

## DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT JUNE 30, 2020

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
<b>Debt repaid with property taxes</b>			
Colleton County School District	\$ 77,386,753	100.00%	\$ 77,386,753
Fire and Rescue Commission	9,797,755	100.00%	9,797,755
City of Walterboro	3,049,630	100.00%	3,049,630
Town of Edisto Beach	<u>1,935,000</u>	<u>100.00%</u>	<u>1,935,000</u>
Subtotal overlapping debt	92,169,138		92,169,138
<b>County direct debt</b>	<u>24,636,447</u>	100.00%	<u>24,636,447</u>
Total direct and overlapping debt	<u><u>\$ 116,805,585</u></u>		<u><u>\$ 116,805,585</u></u>

**Source:** Assessed value data used to estimate applicable percentage provided by Colleton County Auditor.

**Note:** Debt outstanding data provided by each governmental unit.

# COLLETON COUNTY, SOUTH CAROLINA

## LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS

	Fiscal Year <sup>a</sup>									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt limit	\$ 9,855,492	\$ 10,068,526	\$ 10,536,276	\$ 13,649,065	\$ 13,067,320	\$ 13,349,358	\$ 13,688,324	\$ 14,081,042	\$ 14,211,805	\$ 14,472,821
Total net debt applicable to limit	5,985,601	8,206,240	7,280,000	6,110,000	4,740,000 *	8,758,832	8,301,301	8,416,034	7,370,970	6,898,164
Legal debt margin	<u>\$ 3,869,891</u>	<u>\$ 1,862,286</u>	<u>\$ 3,256,276</u>	<u>\$ 7,539,065</u>	<u>\$ 8,327,320</u>	<u>\$ 4,590,526</u>	<u>\$ 5,387,023</u>	<u>\$ 5,665,008</u>	<u>\$ 6,840,835</u>	<u>\$ 7,574,657</u>
Total net debt applicable to the limit as a percentage of debt limit	60.73%	81.50%	69.09%	44.76%	36.27%	65.61%	60.65%	59.77%	51.87%	47.66%
<b>Legal Debt Margin Calculation for Fiscal Year 2017</b>										
Total assessed value										\$ 180,910,266
Debt limit (8% of assessed value)										14,472,821
Debt applicable to limit:										<u>6,898,164</u>
Legal debt margin										<u>\$ 7,574,657</u>

**Note:** Under State finance law, the County's outstanding general obligation debt should not exceed 8% of the total assessed property value.

\* Excludes \$29,000,000 Bond Series 2015 because voter approval was obtained for the issuance of the bonds.

**Source:** County Audit Reports, County Auditor

## COLLETON COUNTY, SOUTH CAROLINA

### PLEDGED REVENUE COVERAGE LAST TEN FISCAL YEARS

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Fiscal Year	Debt Service Collections	Principal	Interest	Coverage
2011	\$ 1,225,389	\$ 483,495	\$ 254,779	1.66
2012	1,287,061	302,537	22,783	3.96
2013	1,361,755	578,701	218,444	1.71
2014	1,266,976	365,000	186,708	2.30
2015	1,253,752	1,370,000	172,260	0.81
2016	5,487,307	1,425,000	573,371	2.75
2017	6,003,018	3,480,000	801,890	1.40
2018	6,159,788	4,055,000	740,378	1.28
2019	6,441,766	4,687,353	757,213	1.18
2020	6,559,092	4,185,000	670,685	1.35

Source: County Auditor

## COLLETON COUNTY, SOUTH CAROLINA

### DEMOGRAPHIC STATISTICS LAST TEN FISCAL YEARS

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<b>Fiscal Year</b>	<b>Population</b>	<b>Personal Income (thousands of dollars)</b>	<b>Per Capita Personal Income</b>	<b>Median Age</b>	<b>School Enrollment</b>	<b>Unemployment Rate Percentage</b>
2011	38,429	\$ 1,131,725	\$ 29,311	41.3	5,872	13.90%
2012	38,153	1,161,213	30,436	41.7	5,885	12.20%
2013	38,153	1,190,505	31,505	N/A	5,830	10.80%
2014	38,892	1,216,892	31,289	40.7	5,763	7.70%
2015	37,771	1,249,641	33,120	40.0	5,713	7.50%
2016	37,731	1,249,641	33,120	41.5	6,545	6.10%
2017	37,923	1,244,027	32,804	43.0	6,889	4.80%
2018	37,611	1,292,389	34,362	42.5	6,799	4.20%
2019	37,660	1,317,949	34,996	42.7	6,458	4.00%
2020	37,677	1,366,771	36,276	42.2	6,802	8.20%

**Source:** (1) U.S. Census Bureau  
 (2) S.C. Department of Employment and Workforce  
 (3) S.C. Department of Education  
 N/A - Information is not available

## COLLETON COUNTY, SOUTH CAROLINA

### PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO

Employer	2020			2011		
	FTE Employees	Rank	Percentage of Total County Employment	FTE Employees	Rank	Percentage of Total County Employment
Colleton County School District	750	1	4.3%	1,000	1	6.6%
Colleton County Government	474	2	2.7%	503	2	3.3%
Colleton Medical Center	420	3	2.4%	475	3	3.1%
Walmart	300	4	1.7%	350	4	2.3%
City of Walterboro	100	5	0.6%	N/A	N/A	N/A
Carolina Composites	100	6	0.6%	N/A	N/A	N/A
Rockford Manufacturing	100	7	0.6%	N/A	N/A	N/A
Carolina Visuals, LLC	75	8	0.4%	N/A	N/A	N/A
Crescent Dairy and Beverages, LLC	60	9	0.3%	N/A	N/A	N/A
Floralife	60	9	0.3%	110	7	0.7%
Palmetto Rural Telephone Cooperative	60	10	0.3%	N/A	N/A	N/A
Dayco Products, LLC	N/A	N/A	N/A	150	5	1.0%
Heritage Healthcare - Walterboro	N/A	N/A	N/A	137	6	0.9%
Colleton County Disabilities	N/A	N/A	N/A	100	8	0.7%
Sunward Consolidated Group	N/A	N/A	N/A	100	8	0.7%
Walterboro Veneer Co, Inc.	N/A	N/A	N/A	95	10	0.6%
Total						
Total of Top Ten Employees	2,499		14.5%	3,020		20.0%

**Data Source:**

(1) Colleton County Economic Development

(2) U.S. Census Bureau

**N/A - Information is not available.**

# COLLETON COUNTY, SOUTH CAROLINA

## FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION LAST TEN FISCAL YEARS

Function	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government	87.5	85.5	93.0	77.0	76.5	84.0	79.0	78.0	81.0	85.3
Judical	20.0	20.0	18.5	58.0	55.0	78.0	80.5	74.0	71.0	79.7
Public Safety	132.5	133.0	132.0	116.0	103.0	135.0	144.5	115.0	123.0	137.6
Roads and Bridges	28.5	27.5	27.5	17.0	15.0	25.0	24.0	23.0	23.0	23.0
Solid Waste	15.5	15.5	15.5	12.0	23.5	44.0	31.2	14.5	10.0	12.2
Recreation and Culture	9.0	10.0	9.0	13.0	15.0	28.0	23.0	19.0	20.0	20.2
Health and Human Services	1.5	1.5	1.5	2.0	6.0	17.0	6.5	5.0	5.0	2.0
Economic Development	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Alcohol and Drug	10.5	10.5	10.5	9.0	8.5	11.0	8.0	9.0	10.0	14.0
Library	2.5	4.0	5.0	10.0	12.5	16.0	12.8	10.0	10.0	13.0
Fire and Rescue	77.0	75.5	77.5	76.0	77.5	82.0	78.0	83.0	85.0	85.0
Total	<u>386.50</u>	<u>385.00</u>	<u>392.00</u>	<u>392.00</u>	<u>394.50</u>	<u>522.00</u>	<u>489.50</u>	<u>432.50</u>	<u>440.00</u>	<u>473.9</u>

**Source:** County Human Resource Department.

## COLLETON COUNTY, SOUTH CAROLINA

### OPERATING INDICATORS BY FUNCTION LAST TEN FISCAL YEARS

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>General Government</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Judicial</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Public Safety</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
EMS Transports	5,725	6,170	6,137	6,542	6,749	7,358	7,416	7,523	7,688	7,887
<b>Roads and Bridges</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Solid Waste</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Recreation and Culture</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Health and Human Services</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Economic Development</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**N/A - Information is not available.** Schedule is currently a work in progress and will be updated in subsequent years as information becomes available.

# COLLETON COUNTY, SOUTH CAROLINA

## CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Recreation and Culture</b>										
Community Centers	N/A	N/A	13	13	13	13	13	14	14	15
Recreation Complex	N/A	N/A	1	1	1	1	1	1	1	1
Golf Course	N/A	N/A	-	-	1	1	1	1	1	1
<b>Emergency Services</b>										
Number of Fire Stations	30	30	33	34	34	34	34	34	34	34
Number of Fire Trucks	108	109	119	106	106	115	103	119	119	119
Number of Ambulances	10	11	12	12	12	16	11	14	14	14
<b>Streets and Highways</b>										
Miles of Roads	347.8	347.8	347.8	362.7	362.7	362.7	362.7	352.7	352.7	352.7
Collection Sites	13	13	13	13	13	13	15	15	15	15
<b>Sheriff</b>										
Patrol Units	86	86	86	86	86	92	96	88	88	88
<b>Health, Education and Welfare</b>										
County Libraries	1	1	1	1	1	1	2	3	3	3
Book Mobiles	1	1	1	1	1	1	1	1	1	1

**Sources:** County Engineering, Fleet, and Facilities Departments.

**N/A - Information is not available.**

## **COMPLIANCE SECTION**



## INDEPENDENT AUDITOR'S 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*

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Colleton County Council  
of Colleton County  
Colleton County, South Carolina  
Walterboro, South Carolina

We have audited, 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, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **Colleton County, South Carolina** (the "County"), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Colleton County, South Carolina's basic financial statements, and have issued our report thereon dated December 29, 2020.

### **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) as a basis for designing 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.

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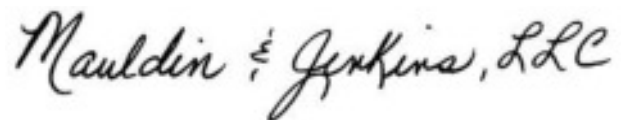
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

The purpose of this report is 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.

A handwritten signature in black ink that reads "Mauldin & Jenkins, LLC". The script is cursive and fluid, with the ampersand clearly visible.

Savannah, Georgia  
December 29, 2020



## **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

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**Colleton County Council  
of Colleton County  
Colleton County, South Carolina  
Walterboro, South Carolina**

### **Report on Compliance for Each Major Federal Program**

We have audited **Colleton County, South Carolina's** (the "County") compliance with the types of compliance requirements described in the *OMB 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, 2020. 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 federal statutes, regulations, and the terms and conditions of its federal awards 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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, 2020.

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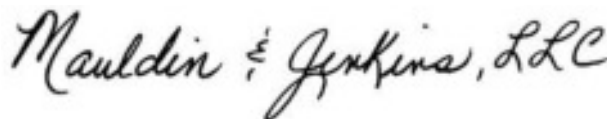
### **Report on Internal Control Over Compliance**

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 our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Mauldin & Jenkins, LLC". The signature is written in a cursive, flowing style.

Savannah, Georgia  
December 29, 2020

# COLLETON COUNTY, SOUTH CAROLINA

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Federal Grantor/ Pass-through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures	Sub-Recipient
<b>U.S. Department of Agriculture:</b>				
Passed through S.C. Department of Social Services				
Child and Adult Care Food Program	10.558	AR2-00108	\$ 28,207	\$ -
Child and Adult Care Food Program	10.558	AR2-00108	192,288	-
	Total 10.558		220,495	-
Passed through S.C. Department of Education Office of Health and Nutrition				
Child Nutrition Cluster				
Summer Food Service Program for Children	10.559	SF-6388	896,021	-
Summer Food Service Program for Children	10.559	SF-6388	8,843	-
	Total 10.559		904,864	-
<b>Total U.S. Department of Agriculture</b>			<b>1,125,359</b>	<b>-</b>
<b>U.S. Department of Commerce:</b>				
Direct				
Economic Development Cluster				
EDA Economic Adjustment Assistance	11.300	04-01-07417	68,166	-
<b>Total U.S. Department of Commerce</b>			<b>68,166</b>	<b>-</b>
<b>U.S. Department of Health and Human Services:</b>				
Direct				
Provider Relief Fund	93.498	N/A	42,427	-
	Total 93.498		42,427	-
Passed through S.C. Department of Social Services				
Child Support Enforcement IV-D Incentive Payments	93.563	C70015C-4	41,168	-
Child Support Enforcement IV-D Sheriff's Department	93.563	C70061C-3	5,825	-
Child Support Enforcement IV-D Family Court	93.563	C70015C-3	156,224	-
	Total 93.563		203,217	-
Passed through S.C. Department of Health & Environmental Control				
National Bioterrorism Hospital Preparedness Program	93.889	LC-0-506	112,000	-
	Total 93.563		112,000	-
<b>Total U.S. Department of Health and Human Services</b>			<b>357,644</b>	<b>-</b>
<b>U.S. Department of Homeland Security:</b>				
Passed through S.C. Emergency Management Agency				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	029-99029-00	439,924	-
	Total 97.036		439,924	-
Passed through S.C. Emergency Management Agency				
Emergency Management Performance Grant	97.042	19EMPG01	67,195	-
Emergency Management Performance Grant	97.042	18EMPG01	2,593	-
	Total 97.042		69,788	-
<b>Total U.S. Department of Homeland Security</b>			<b>509,712</b>	<b>-</b>
<b>U.S. Department of Housing and Urban Development:</b>				
Passed through S. C. Department of Commerce:				
Community Development Block Grants	14.228	4-NR-16-002	43,425	-
Community Development Block Grants	14.228	4-CE-18-007	13,330	-
Community Development Block Grants	14.228	4-CI-19-004	10,000	-
	Total 14.228		66,755	-
<b>Total U.S. Department of Housing and Urban Development</b>			<b>66,755</b>	<b>-</b>

(Continued)

# COLLETON COUNTY, SOUTH CAROLINA

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Federal Grantor/ Pass-through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures	Sub-Recipient
<b>U.S. Department of Justice:</b>				
Passed through S.C. Office of the Attorney General				
Crime Victim Assistance Grant	16.575	1V17092	\$ 6,278	\$ -
Crime Victim Assistance Grant	16.575	1V18058	14,678	-
Crime Victim Assistance Grant	16.575	1V19035	60,085	-
Total 16.575			<u>81,041</u>	<u>-</u>
Passed through S.C. Office of the Attorney General				
Violence Against Women Formula Grants	16.588	1K18005	67,278	-
Violence Against Women Formula Grants	16.588	1K19004	223,903	-
Total 16.588			<u>291,181</u>	<u>-</u>
Direct				
State Criminal Alien Assistance Program	16.606	2019-AP-BX-0651	1,066	-
Total 16.606			<u>1,066</u>	<u>-</u>
Direct				
Bulletproof Vest Partnership Program	16.607	N/A	9,284	-
Total 16.607			<u>9,284</u>	<u>-</u>
<b>Total U.S. Department of Justice</b>			<b><u>382,572</u></b>	<b><u>-</u></b>
<b>U.S. Department of Transportation:</b>				
Direct				
Airport Improvement Program	20.106	3-45-0057-016-2017	354,953	354,953
Airport Improvement Program	20.106	3-45-0057-017-2019	1,792,327	1,792,327
Total 20.106			<u>2,147,280</u>	<u>2,147,280</u>
Passed through S.C. Department of Parks Recreation & Tourism				
Recreational Trails Program	20.219	P28051900219	80,398	-
Total 20.219			<u>80,398</u>	<u>-</u>
<b>Total U.S. Department of Transportation</b>			<b><u>2,227,678</u></b>	<b><u>2,147,280</u></b>
<b>U.S. Institute of Museum Library Services</b>				
Passed through S.C. State Library				
Grants to States	45.310	IIID-18-130	452	-
Grants to States	45.310	IIID-19-114	472	-
Grants to States	45.310	IIIA-18-35	1,000	-
Grants to States	45.310	IID-CA-07	997	-
Total 45.310			<u>2,921</u>	<u>-</u>
<b>Total U.S. Institute of Museum Library Services</b>			<b><u>2,921</u></b>	<b><u>-</u></b>
<b>U.S. Department of Treasury</b>				
Direct				
Equitable Sharing Program	21.016	N/A	31,917	-
Total 21.016			<u>31,917</u>	<u>-</u>
<b>Total U.S. Department of Treasury</b>			<b><u>31,917</u></b>	<b><u>-</u></b>
<b>Total Expenditures of Federal Awards</b>			<b><u>\$ 4,772,724</u></b>	<b><u>\$ 2,147,280</u></b>

# COLLETON COUNTY, SOUTH CAROLINA

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

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### NOTE 1. BASIS OF PRESENTATION

#### **Basis of Presentation**

The Schedule of Expenditures of Federal is prepared using the accrual basis of accounting.

#### **Measurement Focus**

The determination of when an award is expended is based on when the activity related to the award occurred.

#### **Program Type Determination**

Type A programs are defined as federal programs with federal expenditures exceeding the larger of \$750,000 or 3% of total federal expenditures. The threshold of \$750,000 was used in distinguishing between Type A and Type B programs.

#### **Method of Major Program Selection**

The risk based approach was used in the selection of federal programs to be tested as major programs. The County qualified as a low-risk auditee for the fiscal year ended June 30, 2020.

#### **De-Minimis Indirect Cost Rate**

During the year ended June 30, 2020, the County did not use the de-Minimis indirect cost rate.

#### **Subrecipients**

During the year ended June 30, 2020, the County passed through funds received from the U.S. Department of Transportation Airport Improvement Grant to the Colleton County Airport Commission that were used to layout and plan for apron design and repair study.

# COLLETON COUNTY, SOUTH CAROLINA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

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### SECTION I SUMMARY OF AUDIT RESULTS

#### **Financial Statements**

Type of auditor's report issued Unmodified

Internal control over financial reporting:  
Material weaknesses identified? ☐ Yes ☒ No

Significant deficiencies identified not  
considered to be material weaknesses? ☐ Yes ☒ None Reported

Noncompliance material to financial statements noted? ☐ Yes ☒ No

#### **Federal Awards**

Internal control over major programs:  
Material weaknesses identified? ☐ Yes ☒ No

Significant deficiencies identified not considered to be material weaknesses? ☐ Yes ☒ 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 the Uniform Guidance? ☐ Yes ☒ No

Identification of major programs:

#### CFDA Number

20.106

#### Name of Federal Program or Cluster

U.S. Department of Transportation –  
Airport Improvement Program

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? ☒ Yes ☐ No

# **COLLETON COUNTY, SOUTH CAROLINA**

## **SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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### **SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES**

None reported.

### **SECTION III FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

None reported.

### **SECTION IV SCHEDULE OF PRIOR YEAR FINDINGS**

None reported.