



ANNUAL COMPREHENSIVE FINANCIAL REPORT

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2023**

COUNTY COUNCIL

Steven D. Murdaugh
Bubba Trippe
Phillip M. Taylor, Sr.
Scott Biering
Joseph F. Flowers, MD

COUNTY ADMINISTRATOR

J. Kevin Griffin

FINANCE DIRECTOR

Jon Carpenter

Prepared by:
Finance Department

INTRODUCTORY SECTION

COLLETON COUNTY, SOUTH CAROLINA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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December 15, 2023

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 Annual Comprehensive Financial Report of Colleton County, South Carolina for the fiscal year ended June 30, 2023.

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, which 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, 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, 2023, 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, 2023, are fairly presented in conformity with GAAP. The independent auditor's 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 the 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 located in the southeastern part of South Carolina bordering on the Atlantic Ocean. The County is in the Lowcountry region of South Carolina, and it is located 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 a population of roughly 38,600.

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 through thirty-four fire stations).
- (3) Animal and Environmental Control.
- (4) Public Works (including street and drainage maintenance).
- (5) Solid Waste Management (waste disposal and recycling at the County landfill and fifteen convenience sites).
- (6) Judicial Administration (including prosecuting and public defender legal services, criminal, civil, probate and family court administration).
- (7) Tax Collection and Disbursal.
- (8) Libraries.
- (9) Recreation (Recreation Center, Community Centers, Dogwood Hills Golf Course, Colleton County Museum and Commercial Kitchen, Colleton Civic Center and Colleton County Farmers Market).
- (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 (the level at which expenditures cannot legally exceed the appropriated amount) is maintained by the County 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 2022 assessable property tax base is \$218,841,533, which represented growth of 6.4% from 2021's assessable property tax base of \$205,536,665. This growth, in assessed values, was driven by growth in real property, which increased by 7.1% as a result of the continued high volume of home sales and home refinancing activity due to mortgage rates remaining near historical lows during the first half of calendar year 2022. Home refinancing has led residents to continue undertaking home renovations as seen in the 1,724 building permits issued that total valuation of over \$103 million. Personal property assessed values showed growth of 4.5% from the prior year as the County continues to see growth based on previously announced business expansions as well as new businesses beginning operations in the County. As reported by the Bureau of Economic Analysis, per capita personal income for the County was forecasted at \$41,419, which represented an increase from the prior year amount of \$37,748. The County was at 70% and 60% of the median household income of the State of South Carolina and the United States, respectively. The County's unemployment level has remained unchanged from the prior year and down from the levels seen during the pandemic with unemployment on June 30, 2023 at 3.7%. Unemployment in the County was higher than the rate for South Carolina of 3.1% and the U.S. rate of 3.6%. The County continued to see strong growth in retail sales, as seen in the growth of sales tax which increased by over 8.6% for the year and drove double digit increases in the collection of the 1% local option taxes and the 1% capital projects taxes. In addition to the growth in retail sales, the County continues to see a steady influx of tourism along Interstate 95 with both the County share of State Accommodations Taxes and Local Accommodations Taxes growing by 9.6% and 10.3%, respectively, from the prior year. The U.S. Census Bureau forecasted the population for the County to be 38,599 roughly equal to the April 2020 census of 38,604. 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. Given the stagnant population, the median age of the County remained fairly stable at 42.3 years which is 9% higher than median age in South Carolina of 38.8 and in the United States of 38.9. Housing in the County continues to be dominated with owner occupied units with roughly 73% as compared to the State of South Carolina average of 71% based on the most recently available data. Median home values have increased to \$301,100, which is fairly stable from June 2022 though it is still lower than the State of South Carolina average of \$380,100, which is up 4.1% from the prior year.

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 getting ready to begin the final phase 3 of the I-95 Business Loop Project that encompasses a 6.35 mile corridor along highways 63 and 64 from I-95 exit 53 to exit 57. The purpose of the project is to tie the two exits together through the City of Walterboro and is funded with a portion of the proceeds from the Capital Project Sales Tax referendum that voters approved in November 2022.

Economic Development Goals & Strategies

Economic development activity for FY 2023 may be characterized as a year of “digestion.” With our record-breaking investment and jobs creation last year, having announced four new industrial investments, totaling \$338 million and the promise of over 700 new well-paying jobs, the economic development department has been very busy assisting the four companies on a number of fronts from expediting permits, to identifying candidates to fill key roles, to opening our office for executives to use for interviews, etc. Of the four new companies announced, three of these new companies that will soon begin the mass grading of their respective sites, and the fourth, Wayne Brothers, Inc., that announced in 2019 but postponed their project during the pandemic, has nearly completed mass grading on their 33-acre site at Colleton Venture Park. We expect that during early calendar year 2024, they will soon begin construction of their regional office, construction trades training center and equipment maintenance facilities. Once fully ramped up, they plan to hire 70 associates.

As we continue to make identified industrial sites more attractive, we assembled a grant application team in June 2023 to submit a grant request application to U.S. Department of Commerce Economic Development Administration (EDA). In total, we are seeking over \$25 million to accomplish the following upgrades to Colleton Mega Site and the Stokes Tract.

Colleton Mega Site:

- Construct the sewer line to the site (already designed and permitted).
- Design, permit and construct the sewer pump station and gravity line into the site.
- Design, permit and construct the entrance and main road into the site.
- Design, permit and construct the water line into the site.

Stokes Tract:

- Design, permit and construct both water and sewer lines to the Boise Cascade site on the north end of the Stokes Tract.
- Mill and resurface Risher Mountain Road to the Boise Cascade site.

There is a 20% local match for which we expect to be shared by the County, the electric utility company and the State of South Carolina if EDA approves our grant.

We continue to work with prospective major projects considering Colleton Mega Site, Stokes Tract and the King Site. The projects that are being considered at the Colleton Mega Site and The Stokes Tract represent investments of \$375 million and \$240 million, respectively. The project that has a purchase option on the King Site is not a major project, but will be a significant railroad user. All of the rail-user projects on the Salkehatchie Railroad Line are important since we are paid a percentage of revenue generated on the line. This revenue is paid to the County by Palmetto Railways as line operator, and is used to provide support to Colleton County Intermodal Corporation that issued bonds to finance the purchase of the 42-mile Salkehatchie Railroad.

Development of our industrial sites are important since the County is lacking available industrial buildings. Gehl Foods Southeast bought the county’s 100,000 square foot speculative building last year, and as of June 30, 2023, there is only one privately owned industrial building for sale. We are reluctant to build another speculative building until the County knows if the EDA grant application that is discussed above, will be approved. In the meantime, we are in discussions with two developers that are interested in building privately funded speculative industrial buildings. If we are successful with working out a favorable arrangement, the spec building will be constructed at the Colleton County Commerce Center.

Recreation and Culture

The County continues to offer 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. During fiscal year 2023, the recreation center hosted over 24 multi-day tournaments, which is up slightly from the previous year. The gym and fitness center remained fairly stable from the prior year, with revenues dipping to \$206 thousand as compared to \$212 thousand for the previous year. Planning has been completed on the development of a miracle league field (inclusive ball field) at the recreation center and the project is expected to go out to bid in early calendar year 2024.

The County-owned Dogwood Hills Golf Course and Restaurant saw a mixed year, with the golf course seeing a significant rebound in business as compared to the prior year, while the County made the decision to close the restaurant and solicit bids for a third party to lease the space. The golf course in fiscal year 2022 had undergone a number of renovations and improvements to the course, though all work was completed in the spring of 2022, and led to a 37% increase in revenue for fiscal year 2023. During fiscal year 2023, the County was not able to find a third party to lease the restaurant space, though the county did generate a small amount of revenue as it allowed the restaurant space to be available to rent for events that would be hosted by third party caterers. In August 2023, a lessor for the restaurant space was found with the expectation that restaurant meal service will resume in the first quarter of calendar year 2024.

Colleton County Commercial Kitchen, Museum and Farmers Market all continue to grow in popularity with various local vendors that utilize the commercial kitchen space in development of their products as well as the centrally located museum and farmers' market retail venues that are continuing to see strong attendance. Revenues for fiscal year 2023 totaled \$195 thousand, up by 12% from \$174 thousand in fiscal year 2022. In addition to vendors, the Commercial Kitchen is heavily utilized by the County's Summer Feeding and After-School Programs, which are providing over 8,000 meals per day that are delivered via centralized sites. As of June 2023, construction is still ongoing for renovations of a separate site that will support the feeding program so that the Commercial Kitchen will be able to offer additional availability to local vendors. Museum staff is planning to offer more events and festivals during the upcoming year, which will allow our food and other vendors retail opportunities. The Colleton Civic Center was renovated as one of the projects under the voter-approved Capital Project Sales Tax and continues to expand hosting a variety of community events, including film festivals, local artist concerts and plays.

Colleton County Memorial Library continues to be busy with over 55,296 in-person visits to all locations. 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. One of the most popular services offered by the library is computer usage, as there were over 26,550 wireless sessions during the past fiscal year. The library continues to expand the number of various live and in-person sessions to both adults and children. For fiscal year 2023, 602 sessions were provided with total in-person and virtual attendance of almost 23,000.

In addition to all the opportunities sponsored through County venues, 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 2023 with continued stable financial performance and continues to hold ratings of Aa3 with Moody's Investor Services and AA- with Standard and Poor's Rating Services. Both Moody's and Standard and Poor's ratings were reaffirmed in April 2023 as part of the general obligation capital project sales tax bonds 2023. The ratings cited the County economy which is beginning to diversify beyond agriculture, though is still below average, a steady financial profile that is supported by conservative budgeting practices and strong reserves and liquidity. Total fund balance as of June 30, 2023 in the General Fund was \$11,028,133 of which \$9,979,397 was unassigned and represents a \$247,461 increase in total fund balance when compared to total fund balance as of June 30, 2022 of \$10,780,672 of which \$9,705,545 was unassigned. These total fund balance figures represent 28% and 31% of total expenditures, respectively. The decrease in coverage was due to increased expenditures in the areas of public safety and solid waste, which are discussed in greater detail in the management and discussion section. The County continues to maintain compliance with the budget ordinance requiring the total General Fund balance to be a minimum of 20% of total expenditures. 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. Currently the County has roughly 94 days in its General Fund unassigned fund balance.

Relevant Financial Policies

The County's financial processes are guided by formal and informal policies that have been designed to provide a consistent and measurable framework for County decision makers.

The County, as a political subdivision of the State of South Carolina, is required to prepare and maintain a balanced budget. For the fiscal year ended June 30, 2023, the County's budget was balanced.

The County maintains an open budget process by providing input from County administration, department directors, elected officials, community agencies, County municipal governments and the public, as budget priorities and funding is determined for the upcoming year.

The County constantly updates the various forecasting models, used in both revenue and expenditure forecasting, to reduce the risk of miscalculation. These models do utilize a number of factors that could contribute to a change in a particular revenue or expenditure. For example, building permits would be forecasted based on any planned developments, historical permit volume of existing home improvements and known economic commercial development. In contrast, building repairs and maintenance would be forecasted based on age and condition rating applied to a particular building and forecasted change in the consumer price index that would impact materials and contract labor costs. In all cases, the starting point is to evaluate prior year actual and trends and to then apply any positive or negative adjustment related to the appropriate forecast model. The overall goal of revenue forecasting is to minimize the risk of overstating or understating revenues that could lead to overspending available resources or arbitrarily restricting expenditures and thus limiting services to residents.

Major Initiatives

In April 2023, the County issued the \$40.355 million general obligation capital sales tax bonds that were issued to fund the eleven projects approved by voters during the November 2022 elections. The bonds have debt service beginning in January 2024, with final debt service in July 2030, and the collection of the one cent capital sales tax used to cover the annual debt service on the bonds.

Projects funded under the 2015 general obligation capital sales tax bonds were completed in the last quarter of calendar year 2022. The one cent capital sales tax collections exceeded the debt service on the bonds by \$7.2 million. As allowed by state statute, the excess collections were used to cover the increased costs on the voter approved projects and County Council approved additional projects that are allowed under the statute. These additional projects include renovation of existing county buildings and development of County parks.

In 2019, as part of the annual budget, the County made the decision to move the County fleet, including Sheriff vehicles, from owned vehicles to leased vehicles. Since 2019, the county has utilized Enterprise Fleet and as of June 2023, 127 vehicles were under lease with Enterprise. During fiscal year 2022 and 2023, the County was able to take advantage of the strong demand in the used car and truck market and cycle some leased vehicles early and generate an average equity of \$19,000 that is then used to reduce the cost of the new replacement leased vehicle and decrease the associated annual lease payments.

The County has a number of capital projects that are in the final planning phase. These projects and their associated costs will be reviewed with County Council along with possible financing options, which could include the issuance of a new general obligation bond, in the first quarter of calendar year 2024.

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 Annual Comprehensive Financial Report, the contents of which conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. Every year 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 the certificate of achievement program requirements, and we are submitting it to the GFOA to determine its eligibility for a certificate.

The preparation of the Annual Comprehensive Financial Report 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 arduous 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 Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morrell

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
Purchasing

Deputy County Administrator

Public Relations
Governmental Affairs
Insurance Services
Legal Liaison

Capital Projects

County Engineer

Project Management
CTC

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 SERVICES

•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

REGISTER OF DEEDS

•Plats
•Deeds
•Recording

RECREATION

•Parks
•Active Recreation
•Fitness
•Golf Course

RISK MGT.

•Safety
•Workers' Comp.

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

•Personnel
•Benefits
•Title VI

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



COLLETON COUNTY
SOUTH CAROLINA

COLLETON COUNTY, SOUTH CAROLINA

LIST OF PRINCIPAL OFFICIALS JUNE 30, 2023

County Administrator	J. Kevin Griffin
Chairman.....	Steven D. Murdaugh
Council Member	Scott Biering
Council Member	Phillip M. Taylor Sr.
Council Member	Bubba Trippe
Council Member	Joseph F. Flowers, MD
Finance Director	Jon Carpenter
Auditor.....	Jeff Slocum
Clerk of Court	Rebecca H. Hill
Treasurer.....	Becky S. Hill
Sheriff.....	Guerry Hill
Coroner	Richard M. Harvey
Probate Judge	Arthur C. Utsey
Chief Magistrate	Harriet A. Bonds

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

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, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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, 2023, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis ("MD&A"), the Budgetary Comparison Schedule of the General Fund, the Budgetary Comparison Schedule of the Special Revenue Fund, the Budgetary Comparison Schedule of the Coronavirus Local Fiscal Recovery Fund, the Schedules of the Proportionate Share of the Net Pension Liability, the Schedules of Pension Contributions, and the Schedules of Change in Total OPEB Liability and Related Ratios as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary 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 Combining and Individual Nonmajor Fund Financial Statements and Schedules, Combining Statement of Fiduciary Net Position and Combining Statement of Changes in Fiduciary Net Position, the individual financial statements and schedules of the County's discretely presented component units, and the Uniform Schedule of Court Fines, Assessments, and Surcharges (per Act 96), as required by the State of South Carolina (collectively referred to as the "Other Supplementary Information" as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 GAAS. In our opinion, the Other Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2023 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 15, 2023

COLLETON COUNTY, SOUTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2023

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, 2023. Please read this information in conjunction with the detailed 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 exceeded its liabilities plus deferred inflows of resources at the close of the most recent fiscal year by \$45,022,533 (net position). The County's net position increased by \$3,183,230 due to growth in general revenues (property taxes and other local taxes) of \$2.3 million, charges for services (planning and development fees and recording fees) of \$251 thousand, operating grants of \$6.6 million (South Carolina transportation funds) that were offset by an increase of \$10.5 million in expenses.
- At the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$73.75 million, an increase of \$40.24 million. This increase in fund balance was primarily due to an increase in the General Fund of \$247 thousand, special revenue of \$291 thousand, capital sales tax debt service of \$3.69 million and Capital Projects Fund of \$36.18 million offset by a \$287 thousand reduction in nonmajor funds.
- Governmental funds reported a total combined revenue of \$70.5 million which represents growth of \$8.69 million and 14.1% from the prior year. The growth was driven by tax revenues which increased \$3.08 million and 8.9% (assessed values growth, improved tax collection and travel and spending return to pre-pandemic levels), intergovernmental revenues which increased \$4.68 million and 24.7% (Treasury Local Fiscal Recovery Funds and Solicitor JAG grants) and Other income which increased \$846 thousand and 92.8% (interest/investment earnings).
- Governmental funds reported total combined expenditures of \$72.43 million, which is an increase of \$4.17 million and 6.1% from the prior year. The increase in expenditures was driven by an increase of \$1.05 million in judicial, a \$2.76 million in public safety and a \$7.50 million increase in intergovernmental that were offset by a (\$4.49 million) decrease in capital outlay based on finishing up the County projects that were part of the 2015 capital projects sales tax program. The details of these changes are included in the governmental funds expenses section below.

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

Government-wide Financial Statements – 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 21 and 22 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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 nonmajor component units to the primary government are the Colleton County Memorial Library, the Colleton County Fire and Rescue Commission, and Pillars4Hope.

The Statement of Net Position shows the County's assets less its liabilities on June 30, 2023. 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 nonmajor 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.

Governmental Funds – Governmental funds, presented on pages 23 – 28, 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental funds individually presented in the County's statements include five major funds: the General Fund, the Special Revenue Fund, the Coronavirus Local Fiscal Recovery 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.

Custodial Funds – Custodial funds are used to account for resources held for the benefit of parties outside the government. Custodial funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs. The single aggregated presentation of custodial fund financial statements can be found on pages 29 and 30 of this report. Individual fund data for each of these nonmajor funds is provided in the form of combining statements elsewhere in 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 31 – 79 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 pages 80 – 82. Historical pension and OPEB information is located on pages 83 – 92 for the County and its component units.

The combining statements referred to earlier in connection with nonmajor governmental and custodial funds are presented immediately following the required supplementary information and other budgetary schedules. Combining and individual fund statements and schedules for nonmajor governmental funds can be found on pages 93 – 108 of this report and combining fund statements for custodial funds can be found on pages 109 – 112.

Component unit financial statements are presented for the Memorial Library and the Fire and Rescue Commission on pages 113 - 122 of this report.

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 of resources exceeded liabilities plus deferred inflows of resources by \$45,022,533 on June 30, 2023, as compared to net total position of \$41,839,303 on June 30, 2022.

MANAGEMENT'S DISCUSSION AND ANALYSIS

COLLETON COUNTY, SOUTH CAROLINA NET POSITION

	Governmental Activities	
	2023	2022
Assets:		
Current and other assets	\$ 83,318,676	\$ 50,311,576
Capital assets and lease assets	62,118,669	60,042,383
Total assets	<u>145,437,345</u>	<u>110,353,959</u>
Deferred Outflows of Resources	<u>7,249,351</u>	<u>7,678,032</u>
Liabilities:		
Long-term liabilities	97,204,611	58,411,162
Other liabilities	8,187,292	12,128,203
Total liabilities	<u>105,391,903</u>	<u>70,539,365</u>
Deferred Inflows of Resources	<u>2,272,260</u>	<u>5,653,323</u>
Net Position:		
Net investment in capital assets	44,977,664	42,262,227
Fund balance		
Restricted	13,602,782	10,118,153
Unrestricted	(13,557,913)	(10,541,077)
Total net position	<u>\$ 45,022,533</u>	<u>\$ 41,839,303</u>

Total assets did increase by \$35,083,389 with most of this change coming from the increase in cash and cash equivalents of \$45,707,685 offset by decreases of (\$8,076,613) in investments, (\$1,598,070) decrease in net receivables and a decrease of (\$2,076,286) in total assets. The increase in cash and cash equivalents, along with the decrease in investments, was due to the Treasurer moving excess County funds into the investment pool provided by the South Carolina State Treasurer and away from certificate of deposits. The decrease in net receivables was primarily due to the outstanding receivables at June 30, 2022 from both the South Carolina Rural Infrastructure Agency and the United States Economic Development Agency that totaled \$1.669 million. This project was completed early in fiscal year 2023 and had no outstanding receivables at June 30, 2023. The decrease in total capital and lease assets was due to depreciation expense and amortization expense exceeding capital asset and lease asset additions less any disposals. Total deferred outflows decreased slightly by (\$428,681) and was due to an increase in per capita claims.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Total liabilities did increase by \$34,852,538 with most of the change coming from the increase in liabilities due in more than one year of \$39,108,470, an increase in accounts payable of \$560,623, offset by a decrease in unearned revenues. The increase in liabilities due in more than one year was due to the issuance in April 2023 of the 2023 general obligation capital sales tax bonds of \$40,355,000. These bonds were issued as a result of the November 2022 voter approved referendum to continue the one cent capital project sales tax. The increase in accounts payable was due to the receipt of several large dollar invoices after June 30, 2023 that were for goods or services provided prior to June 30, 2023. The decrease in unearned revenues was due to a reduction of (\$355 thousand) in the amount of Treasury local government recovery funds that remained unspent as of June 30, 2023. Deferred inflows decreased by (\$3,381,063) based on deferred inflows related to pension. The change in deferred inflows related to pension was due to plan actual earnings being equal to projected earnings as compared to the prior year where actual earnings exceeded projected earnings.

By far, the largest portion of the County net position in the amount of \$44,977,664 (99.9%) represents its net investment in capital assets (e.g., land, buildings, machinery, and equipment) for governmental activities plus net value of leased assets, less any related debt used to acquire those assets that are still outstanding on June 30, 2023 plus any remaining bond proceeds on hand, as compared to \$42,262,227 (101.0%) on June 30, 2022. The increase of \$2,715,437 was primarily due to the issuance of the 2023 general obligation capital projects sales tax bonds offset by scheduled debt retirements that increased the amount of long-term obligations by a smaller amount compared to the amount of bond proceeds on hand based on the bonds closing in April 2023. 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, 2023, the County had a net position restricted for debt service in the amount of \$10,584,982 (23.5%), which was an increase of \$3,549,850 from June 30, 2022. This increase was due primarily to the capital project sales tax collections exceeding the debt service on the 2015 general obligation capital sales tax bonds.

The restricted portion of net position of \$13,794,591 (30.6%) 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 \$3,676,438 from June 30, 2022, was a result of the increase of \$3,549,850 in debt service that is discussed above. The other changes in restricted net position was due to fiscal year 2023 seeing higher expenses in emergency services, court administration, and law enforcement that resulted in a decrease to their respective restricted net position. These decreases were offset by an increase in the collection of local hospitality and accommodation taxes that led to an increase in other purposes restricted net position.

The remaining net position represents a deficit balance of (\$13,749,722) (30.5%) in unrestricted net position which is a decrease of (\$3,208,645) from June 30, 2022. This decrease was the result of the overall net position increase of \$3,183,230 offset by the \$3,676,438 in restricted net position and the \$2,715,437 increase in net investment in capital assets. The decrease in our unrestricted net position is the result of revenue growth that was outpaced in the growth of expenditures in some functions.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental Activities

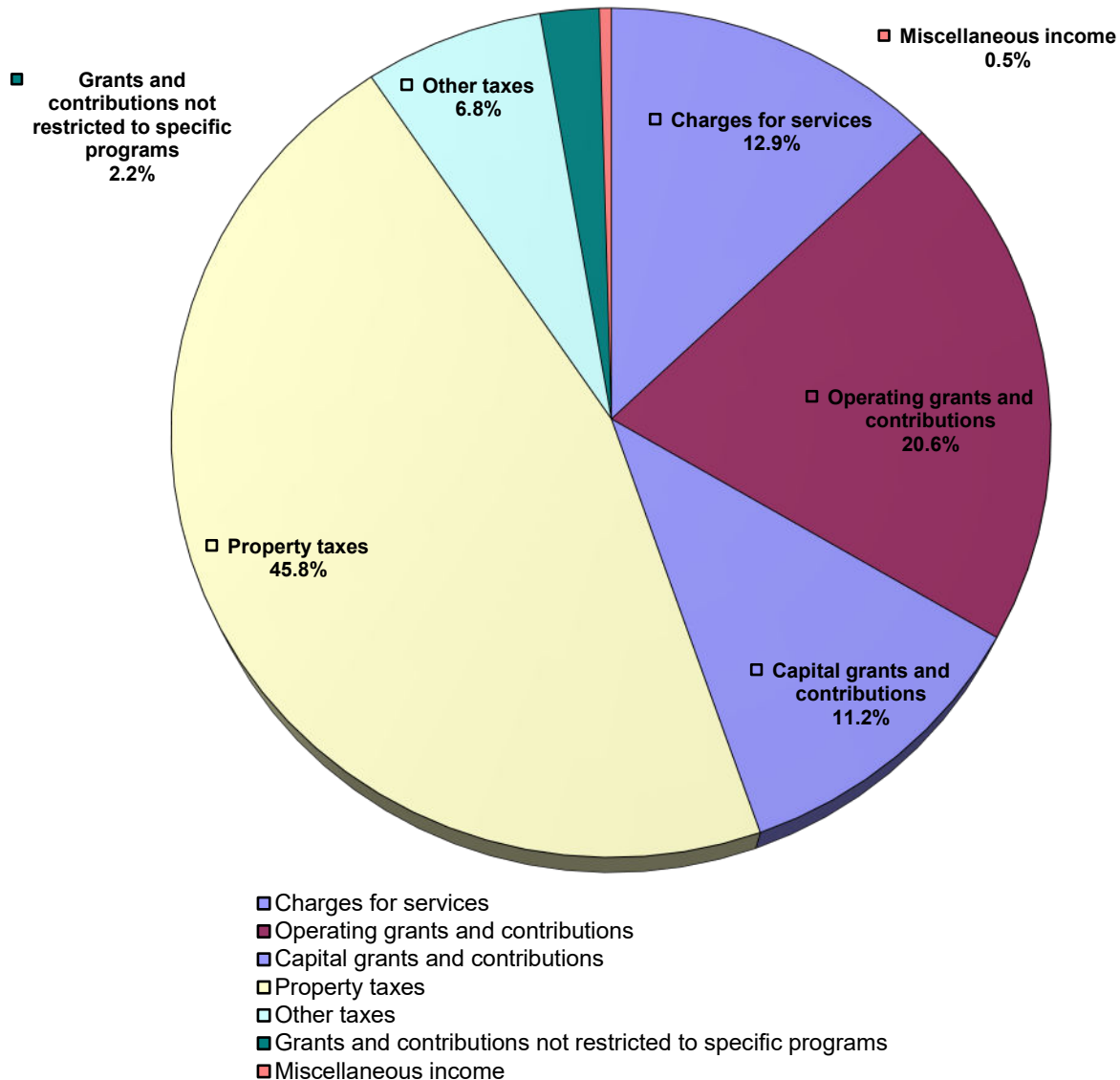
The County's total net position increased \$3,183,230 in 2023 compared to an increase of \$5,770,891 in 2022.

COLLETON COUNTY, SOUTH CAROLINA CHANGES IN NET POSITION		
	2023	2022
Revenues		
Program Revenues:		
Charges for services	\$ 9,063,085	\$ 8,809,303
Operating grants and contributions	14,496,668	15,847,272
Capital grants and contributions	7,917,840	1,284,059
General Revenues:		
Property taxes	32,283,698	30,826,620
Other taxes	4,787,064	4,079,010
Grants and contributions not restricted to specific programs	1,570,343	1,683,290
Miscellaneous income	320,484	48,519
Total Revenues	<u>70,439,182</u>	<u>62,578,073</u>
Expenses		
Governmental Activities:		
General government	12,542,284	11,224,373
Judicial	7,895,600	6,773,058
Public safety	19,159,901	15,965,105
Roads and bridges	9,853,802	2,988,544
Solid waste	4,165,569	6,717,388
Recreation and culture	4,784,821	4,925,318
Health and human services	3,227,334	3,034,859
Economic development	4,947,387	4,653,832
Interest and fiscal charges	679,254	524,705
Total Expenses	<u>67,255,952</u>	<u>56,807,182</u>
Change in Net Position	3,183,230	5,770,891
Net Position, beginning of year,	41,839,303	36,068,412
Net Position, end of year	<u>\$ 45,022,533</u>	<u>\$ 41,839,303</u>

Net position at the end of the fiscal year was \$45,022,533, increasing by \$3,183,230 and 7.6%. Though net position did increase for fiscal year 2023, the decrease in the change in net position as compared to fiscal year 2022 was driven by growth in total revenues of \$7,861,109 that was exceeded by growth in expenses of \$10,448,770. The increase in revenues was due to \$1,457,078 growth in property taxes, \$708,054 growth in other taxes, \$6,633,781 growth in capital grants and contributions offset by a (\$1,350,604) decrease in operating grants and contributions. Additional details on these revenue changes can be found under the Revenue by Source – Governmental Activities chart on the following page. The growth in expenses was due primarily to increases in public safety of \$2,934,038 and roads and bridges of \$7,126,016. Additional details on these expense changes can be found under the Expenses – Governmental Activities chart on the following pages.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Revenue by Source-Governmental Activities

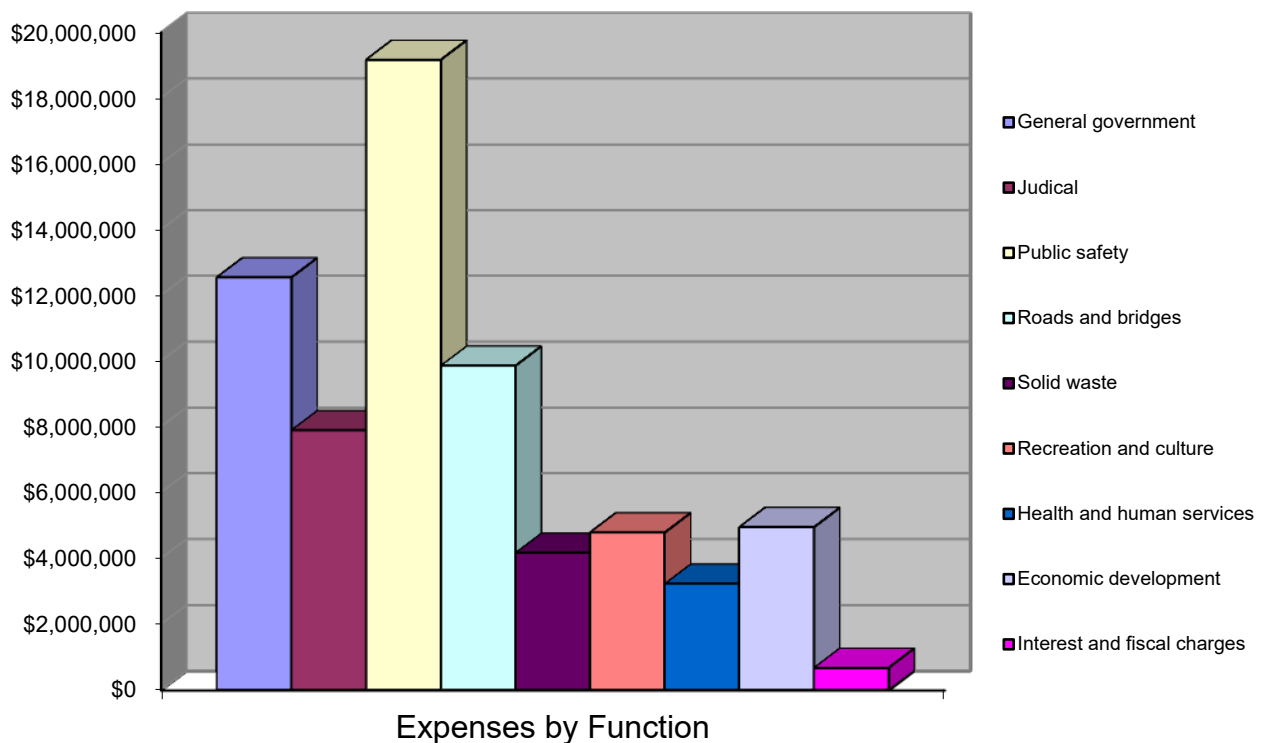


- Property taxes continue to be the largest source of revenue for the County at 45.8% though with the County seeing growth in other revenue lines, the overall impact of property taxes has remained below 50%. Property taxes did increase by \$1,457,078 million and 4.7% due to the continued strong growth of 6.4% in assessed values and an improved collection rate of 98% as compared to 93% for the prior year. Council did not approve any county millage increase for fiscal year 2023.
- Other taxes increased slightly to 6.8% as compared to 6.5% from the prior year. The local option sales tax saw the largest growth at \$569,800 or 22.5% based on strong retail sales as evidenced by the growth in overall retail sales in South Carolina of 2.3% for fiscal year.

MANAGEMENT'S DISCUSSION AND ANALYSIS

- Operating Grants and Contributions did decrease to 20.6% from 25.3% in the prior fiscal year. The reduction in operating grants and contributions was due to the receipt of one-time road maintenance funds from the state as part of the fiscal year 2022 budget that were not provided in fiscal year 2023.
- Capital grants and contributions increased to 11.2% from 2.1% based on the receipt of one-time funds of \$6.5 million from the state related to road improvements throughout the County.

Expenses-Governmental Activities



- Public Safety expenses increased by \$2,934,038 from the prior year and was due in part to the 5-15% pay adjustments that were included in the 2023 budget. The pay adjustments with associated benefits totaled \$1,244,200 and were needed to maintain adequate staffing in the Sheriff's office, the Detention Center, and 911 Dispatch. During fiscal year 2023, \$830 thousand was used from the 2021 \$5.5 million financed purchase agreement to purchase and replace fire trucks as well as \$127 thousand was used from the Emergency Telephone fund balance to cover upgrades to the 911 center. The County did increase the amount of the appropriation provided to the County Fire Rescue Commission by 10% or \$444,452 which was needed to provide additional funds to cover the operating costs of the Fire Rescue Commission.
- Expenses for Roads and Bridges did increase by \$7,126,016 from the prior year and was due to expenditures related to various road rehab and maintenance projects throughout the County that were funded from the one-time funds from the state that is discussed above.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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 are 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, 2023, the County's governmental funds reported combined fund balances of \$73,746,675, an increase of \$40,236,263 in comparison with the prior year. Approximately 13.5% of this amount, or \$9,979,397, constitutes unassigned fund balance, which is available for spending at the County's discretion. The remainder of the fund balance is either nonspendable, restricted, assigned, or committed, to indicate that it is: 1) not in spendable form (\$557,991), 2) restricted for purposes (\$13,556,404), 3) assigned for purposes (\$1,308,249), or 4) committed for purposes (\$48,344,634).

The General Fund is the chief operating fund of the County. On June 30, 20223 unassigned fund balance of the General Fund was \$9,979,397. 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 25.7% of total general expenditures, while total fund balance represents approximately 28.4%. 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 increased by \$247,461. This represents an increase of 2.3% in fund balance that was based on revenues increasing by 5.5% while expenditures grew significantly by 10.4%. This higher growth in expenditures as compared to revenues was offset by a \$2,184,455 increase in other financing sources that was due to transfers in from other funds, primarily from the local fiscal recovery fund.

- Tax revenues did increase by 7% that was due solely to growth in assessed values of 6.5% that were boosted by improved levy collections at 98%, as compared to 93% for the prior year. The growth in assessed values is due to the robust home sales and home refinancing activity that occurred during 2022 and impacted the tax property roles for fiscal year 2023. County Council did not approve any operating millage increase for fiscal year 2023.
- Intergovernmental revenues increased modestly at 2.5% based on no new state revenues and with the only material change from the statutory increase in the local government fund.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Total expenditures grew at 10.4%, or \$3,658,805, with almost every function showing growth from the prior year. The largest increases were seen in general government of \$654,932 (6.5%), public safety of \$1,148,590 (12.2%), solid waste of \$798,181 (24.3%) and intergovernmental of \$494,167 (8.7%).

- Governmental expenditures increased based on a 5% pay adjustment provided in the fiscal year as well as mandated increases in employer costs for retirement and health insurance. These two items led to an increase of roughly \$360,768 in expenditures. Computer services agreements increased by \$165 thousand based on having to fully fund the maintenance agreements on election machines and conversion of County email to Google. Supply expenditures increased by \$83 thousand due to increases in postage rates and cost increases in janitorial and office products.
- In order to maintain necessary public safety staffing in the Sheriff's office, the Detention Center and 911, pay adjustments of 5-15% were provided in fiscal year 2023. These pay adjustments factored with the 1% mandated employer retirement matching, increased expenditures by \$1.13 million. Total paid full-time employees (FTEs) did remain fairly consistent at 116.6 FTEs as compared to 118.6 FTEs for the prior year.
- The increase in Solid Waste expenditures was due in part to an increase of \$243 thousand in personnel expenditures based on a 5% pay adjustment to all full-time and part-time staff along with the mandated 1% increase in retirement match. Equipment repair increased over \$100 thousand due to large repairs required on the two bulldozers that move garbage at the landfill, landscaping increased \$45 thousand based on putting all convenience sites on the landscaping contract. Other expenditures increased based on landfill covering increased \$50 thousand based on unit cost increase of materials, minor equipment increased \$100 thousand due to the purchase of multiple convenience site replacement containers and tire recycling increased \$50 thousand due to decrease in funding from the state.
- The increase in intergovernmental expenditures was caused by an increase of \$444,432 in funding to Colleton County Fire Rescue. This additional funding support was provided to cover additional personnel expenditures, medical/drug/blood supplies and utilities.

The fund balance of the County's Special Revenue Fund did increase by \$290,950 and (27.2%) from the prior year. During fiscal year 2023, over \$450 thousand in reimbursements were recorded from expenditures incurred in fiscal year 2022 though since the reimbursements were not received within 120 days of close, the revenue was not recognized until fiscal year 2023. In addition, expenditures decreased by \$515 thousand from the prior year. In the prior year, several large projects were completed, or materially completed, which led to a decrease in expenditures for fiscal year 2023. These projects include the U.S. Fish and Wildlife funded Chehaw boat landing improvements of \$166 thousand and Community Development Block Grant (CDBG) funded Gadsden Loop improvements of \$137 thousand.

Coronavirus Local Fiscal Recovery Fund had \$1.184 million in total expenditures as compared to \$16.6 thousand for the prior year. Expenditures for fiscal year 2023 included amounts provided for public safety personnel and other allowable operating expenses. The additional pay adjustments that were provided to all eligible first responders totaled \$1 million, including the associated benefits.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Capital Projects Fund had an increase of \$36.18 million in fund balance for the fiscal year ended June 30, 2023. Revenues increased by \$3.57 million due to the usage of \$3.15 million in one-time additional funds from state for road resurfacing projects and higher interest earnings of \$420 thousand. Total expenditures increased by only \$733 thousand, though intergovernmental expenditures increased by \$7.22 million. The increase in intergovernmental expenditures was due to expenditures related to the City of Walterboro's \$2.75 million I-95 Business Loop project that is funded with from a portion of the proceeds from the 2015 general obligation capital projects sales tax bonds. In addition, \$4.2 million was spent from available state road maintenance funds to repave various roads throughout the County. Other financing sources totaled \$41.44 million and was primarily made up of the proceeds from the April 2023 general obligation capital sales tax bonds issued to fund the projects approved by voters on the November 2022 referendum.

Capital Projects Sales Tax Debt Service did report an increase of \$3.69 million in fund balance. Total tax collections increased to \$7.089 million which represent growth of 17.5% from the prior year. Debt service payments totaled \$4,111,950 and issuance cost related to the 2023 general obligation capital projects sales tax bond totaled \$179 thousand.

Budgetary Highlights

The County's General Fund actual amounts reported for revenues of \$36,960,519 were \$431,354 higher than the final budget amount of \$36,499,165.

- Tax revenue was higher than final budget by \$901,014 and 3.5% due to assessed values growing at 6.5% which was higher than the budgeted amount of 5% which was based on a three-year average. In addition, collections were 98% of the levy and the five-year average was roughly 95.5%.
- Other income was lower than final budget by (\$797,061) and (66.2%) due in part to the feeding program not being able to provide kitchen usage fees. The fees have typically been in the range of \$200,000 to \$300,000, though due to rising food costs, the feeding program was not able to make any rental payments for fiscal year 2023. The County also saw a significant drop in the rebates received from the card processor that processes the virtual card payments for the enrolled vendors. During fiscal year 2023, a number of the enrolled vendors have begun to charge a service fee in addition to the invoice cost if paying by a virtual card and as vendors impose this fee, the County will move the vendor back to payment by check and thus reducing the annual rebate received.

Total actual expenditures of \$38,867,513 were \$755,247 and 1.9% under final budget of \$39,622,760. The largest expenditure savings were seen in general government of \$478,811, roads and bridges of \$281,109 and recreation and culture of \$194,836.

MANAGEMENT'S DISCUSSION AND ANALYSIS

General government expenditures were under budget by \$478,811 and 4.3% and were due to the following:

- Supplies expenditures were \$298,302 and 10.8% under budget due primarily to the decreased cost of gasoline and diesel fuel during fiscal year 2023. Based on the unexpected rapid rise of fuel prices during the previous fiscal year, additional fuel expense was budgeted to cover any departmental over budgeted expenses should fuel remain at higher than average prices. During fiscal year 2023 both gasoline and diesel fuel prices dropped an average of 13% and 20%, respectively, and the additional fuel budget remained unspent.
- In addition to fuel, budget savings were seen in advertising (40%) and insurance premiums (vehicle 13%).

Roads and bridges expenditures were under budget by \$281,109 and 11.3% and were due to the following:

- Personnel expenditures were \$296,993 and 17.1% under budgeted. For fiscal year 2023, paid FTEs totaled 18.72 FTEs as compared to budget of 23 FTEs and prior year of 20.65 FTEs. Four of the vacant FTEs as of June 30, 2023 were in heavy equipment operators, which currently pay an average of \$18.70 per hour and the other vacant FTE is a laborer that pays \$16.20 per hour.

Recreation expenditures were under budget by \$194,836 and 9.7% and were due to the following:

- Personnel expenditures were \$82,971.22 and 9.4% under budget due to vacancies at the golf course during the fiscal year. The golf course, for a portion of fiscal year 2023, had both the pro shop manager and groundskeeper positions vacant. Both of these are full-time positions that pay \$16.20 and \$19.20 per hour, respectively, and were vacant for roughly a period of six months.
- In addition to the saving in personnel, supplies were under budget by \$120,504, due primarily to food expenditures. With the closing of the restaurant earlier than budgeted in fiscal year 2023, food costs totaled \$20,213 compared to a budget of \$73,500.

Total actual other financing sources (uses) were over the final budget by (\$756,818) and (25.7%) due to additional transfers out of (\$753,739) and (24.8%). Final actual transfers out included an unbudgeted transfer out of \$272,738 to the feeding program based on actual expenses exceeding collected program revenue for the fiscal year. In addition, solid waste user fee revenues were lower than budget by 15% or \$384 thousand and this shortfall plus additional operating expenses related to repairs and maintenance of \$25 thousand, required additional transfer of \$406 thousand.

Capital Assets

The County's investment in capital assets for its governmental activities as of June 30, 2023, amounts to \$62,118,669 (net of accumulated depreciation and amortization) as compared to \$62,874,344 on June 30, 2022. Additions of assets being depreciated plus construction in progress, totaled \$1.828 million, which were offset by disposals in the amount of \$1.196 million.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Major capital asset additions during the fiscal year 2023 include the following:

- Solid Waste Equipment – Two roll-off trucks - \$400 thousand
- Fleet Building Improvements – Bay doors - \$160 thousand
- Solid Waste Equipment – Used Volvo compactor - \$232 thousand
- Solid Waste Building Improvements – Transfer station improvements - \$373 thousand

Construction in Progress completed and placed in service during fiscal year 2022 include the following:

- Buildings – Taxpayer Service Center - \$2.747 million
- Furniture and Equipment – Taxpayer Service Center - \$200 thousand
- Land Improvements – Benson Street parking lot - \$285 thousand

Disposals of assets acquired in prior years include the following:

- Roads and Bridges Equipment – Three Volvo Motorgraders - \$466 thousand
- County Fleet Vehicles – 20 Pickup/SUVs - \$542 thousand

Lease assets consist of County fleet vehicles, including public safety vehicles, and at June 30, 2023, 127 vehicles were under lease. During fiscal year 2023, twenty-three vehicles were added under lease and sixteen vehicles were disposed of by either early lease turn-in or insurance declaring the vehicle a total loss.

Additional information on the County's capital assets can be found in note 5 on page 45 in the notes to the financial statements.

COLLETON COUNTY, SOUTH CAROLINA CAPITAL ASSETS, NET OF DEPRECIATION

	Governmental Activities	
	2023	2022
Land and land infrastructure	\$ 8,335,515	\$ 7,956,667
Construction in progress	1,839,611	3,501,789
Buildings and improvements	31,557,354	29,449,233
Improvements other than buildings	4,595,775	4,888,039
Equipment and vehicles	8,405,593	8,574,654
Infrastructure	4,800,470	5,672,001
Total	<u>\$ 59,534,318</u>	<u>\$ 60,042,383</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS

Debt Administration

In June 30, 2023, the County had long-term obligations of \$97,204,611 compared to outstanding debt on June 30, 2022, totaling \$58,411,162. During fiscal year 2023, the County did complete one general obligation bond issue. The issue closed in April 2023 and is an eight-year general obligation bond in the amount of \$40,355,000. The general obligation bond was issued by voter-referendum to fund fourteen county-wide projects. The bond debt service will be funded by a one-cent capital projects sales tax that will remain in place during the bonds debt service period. All scheduled debt service payments for fiscal year 2023 were made when due. In addition to the general obligation bond issuance discussed above, the County's net pension liability did increase by \$4,363,788 due to a decrease in the net position of the plan and leases increased by \$273 thousand, as the County continued to move additional fleet units from County-owned to a leased unit.

COLLETON COUNTY, SOUTH CAROLINA LONG-TERM OBLIGATIONS

	Governmental Activities	
	2023	2022
General Obligation Bonds	\$ 50,881,104	\$ 14,682,077
Financed Purchaes	3,878,695	4,962,221
Leases	2,619,717	2,346,540
Total OPEB liability	5,015,696	6,228,852
Landfill Closure and Post-Closure Cost	633,730	606,560
Compensated Absences	1,224,813	997,844
Net Pension Liability	32,950,856	28,587,068
Total	<u>\$ 97,204,611</u>	<u>\$ 58,411,162</u>

Additional information on the County's long-term obligations can be found in note 7 on page 48 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 General Obligation Bond debt limitation for the County, based on information received from the County Auditor related to the 2023 tax assessment value of \$218,841,533, is \$17,507,323 for fiscal year ended June 30, 2023. As of June 30, 2023, the County has net debt applicable to the limit of \$5,406,007, which equals a 30.9% total net debt applicable to the limit percentage.

Debt Rating – As part of the April 2023 bond issuance discussed above, both Moody's Investor Services and Standard and Poor's reaffirmed their ratings previously issued to the County. The County continued to receive a rating of Aa3 from Moody's and a rating of AA- from Standard and Poor's. In each of their analysis, the following positive attributes of the County and its management were noted:

- County economy is beginning to diversify beyond agriculture, though is still below average,
- Steady financial profile that is supported by conservative budgeting practices,
- Strong reserves and liquidity, and
- Below average resident income indices, though local economy is evolving beyond agriculture.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Economic Factors and Next Year's Budget

The County passed budget ordinance No. 22-O-08 to provide for the levy of taxes in Colleton County, South Carolina with the third and final reading on June 7, 2023, to be effective July 1, 2023, through June 30, 2024. The highlights of the budget are provided below:

- Operating millage was set at 119.31 mills and debt service millage at 10.24 mills – operating millage increased 3.0 mills from fiscal year 2023, debt service millage was unchanged from fiscal year 2023. This was the first operating millage increase since fiscal year 2018-2019.
- Property tax revenues were budgeted to increase by \$1.6 million based on growth in assessed values and the increase in millage rate.
- Fees and fines were budgeted to increase by \$166 thousand from forecasted fiscal year 2023 collections for the areas of planning and development and judicial. Planning and development fees is budgeted to increase at a lower rate for fiscal year 2024 as compared to previous years based on higher interest rates forecasted to remain in place which will continue to slow home refinancing activity.
- Intergovernmental revenues were budgeted to remain fairly flat, though an increase was budgeted to the local government fund as statutorily required.
- Local option sales tax and capital project sales taxes are budgeted to grow at 6% in fiscal year 2024. This forecasted growth rate is slightly less than the historical growth rate of the last five years based on the expectation that some decrease in consumer spending will continue to occur during the fiscal year.
- Local accommodations and hospitality taxes are projected to grow at 4.7% based on prior actual growth and the expectation that travel will continue returning to pre-COVID levels.
- Recreation was budgeted to grow slightly in the areas of the youth leagues and gym usage rate. Dogwood Hills was budgeted to see a 3% increase in golfing activity and expectation that the restaurant would be leased and operating by the start of calendar year 2024.
- Cost of living adjustment provided a minimum of \$2,500 to permanent staff earning less than \$50,000 or 5% to permanent staff earning more than \$50,000. Total cost across all funds is \$1.73 million with benefits.
- Additional across the board hourly pay rate adjustments were provided to staff in the Sheriff's office, Detention Center and 911 center at a total cost of \$230k, including associated benefits.
- Three new positions were included in the budget: GIS Director, Fire Rescue Building Maintenance Technician and Fleet After-Market Equipment Technician.
- Mandated employer retirement contribution increase of 1% for all participating employees effective July 1, 2023.
- Mandated employer health insurance premiums increase effective January 1, 2024 (exact not known, factor of 3.7% was used).
- Continuation of funding 50% of the cost of individual health/dental insurance for eligible retirees.
- Continuation of direct assistance funding to twenty County agencies providing various essential services and programs for residents.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following budgets and millage rates are currently in effect based on Budget Ordinance 22-O-08:

COLLETON COUNTY, SOUTH CAROLINA 2023-2024 ORIGINAL FUND BUDGET

	Amount	Millage
General Fund	\$ 33,692,377	119.31
Debt Service Fund	2,330,462	10.24
Fire and Rescue Commission	13,297,493	37.56
Fire and Rescue Commission Debt Service	2,912,099	22.66
Capital Projects Sales Tax Debt Service	2,896,505	-
Capital Fund	950,000	-
Special Revenue Fund (various grants)	1,364,821	-
State Aid to Library	150,000	-
Memorial Library Fund	874,733	-
IV-D Sheriff Unit Costs	4,428	-
IV-D Clerk of Court Unit Costs	115,000	-
Accomodations Tax Tourism Infrastructure	42,000	-
Victim Witness Services	128,134	-
Non-GOB Related Debt Service	1,130,476	-
Emergency Telephone Fund	370,000	-
Infrastructure/Industrial Development Fund	239,000	-
CC 2015 \$5.4M GOB Proceeds	172,782	-
Coronavirus Local Recovery Fund	-	-
County Hospitality Tax Fund	675,700	-
County Accomodations Tax Fund	777,100	-
Recreation Fund	1,432,354	-
Road and Bridges Fund	2,312,368	-
School District	-	116.42
Solid Waste Fund	3,413,522	-
Total	\$ 69,281,354	306.19

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, 2023

		Component Units		
	Governmental Activities	Memorial Library	Fire and Rescue Commission	Pillars4Hope
ASSETS				
Cash and cash equivalents	\$ 75,307,072	\$ 216,298	\$ 4,615,749	\$ 195,823
Investments	-	-	-	105,635
Receivables, net of allowances	7,453,613	2,687	1,345,058	57,573
Due from state agency	-	-	-	196,345
Prepays and deposits	557,991	14,920	162,260	-
Capital assets:				
Lease assets, net of accumulated amortization	2,584,351	-	-	-
Nondepreciable	10,175,126	-	1,891,511	-
Depreciable, net	49,359,192	231,052	9,124,892	37,564
Total assets	145,437,345	464,957	17,139,470	592,940
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows for pension	5,599,872	123,235	2,983,358	-
Deferred outflows for other post-employment benefits	1,649,479	200,066	301,081	-
Total deferred outflows of resources	7,249,351	323,301	3,284,439	-
LIABILITIES				
Current liabilities:				
Accounts payable	3,153,966	14,518	183,225	24,104
Payroll liabilities	1,389,826	23,847	404,048	38,349
Accrued liabilities	112,246	-	94,520	-
Unearned revenues	3,531,254	96	-	-
Non-current liabilities:				
Due within one year	6,708,085	7,164	1,496,862	26,718
Due in more than one year	90,496,526	1,460,133	24,103,818	143,734
Total liabilities	105,391,903	1,505,758	26,282,473	232,905
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows for pension	620,513	15,584	263,228	-
Deferred inflows for other post-employment benefits	1,651,747	200,341	301,495	-
Total deferred inflows of resources	2,272,260	215,925	564,723	-
NET POSITION				
Net investment in capital assets	44,977,664	231,052	4,237,178	37,564
Restricted:				
Emergency services	466,005	-	-	-
Court administration	51,138	-	-	-
Law enforcement	272,744	-	-	-
Solid waste	516,130	-	-	-
Non-expendable	557,991	14,920	162,260	-
Debt service	10,584,982	-	4,344,670	-
Social services	315,896	-	-	-
Recreation	837,896	-	-	-
Unrestricted (deficit)	(13,557,913)	(1,179,397)	(15,167,395)	322,471
Total net position	\$ 45,022,533	\$ (933,425)	\$ (6,423,287)	\$ 360,035

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, 2023

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	Pillars4Hope
Primary government								
Governmental activities:								
General government	\$ 12,542,284	\$ 2,186,300	\$ 3,817,487	\$ -	\$ (6,538,497)	\$ -	\$ -	\$ -
Judicial	7,895,600	741,712	5,354,950	-	(1,798,938)	-	-	-
Public safety	19,159,901	1,886,310	1,528,581	115,212	(15,629,798)	-	-	-
Roads and bridges	9,853,802	1,080,362	306,688	7,802,628	(664,124)	-	-	-
Solid waste	4,165,569	2,387,493	55,857	-	(1,722,219)	-	-	-
Recreation and culture	4,784,821	780,908	194,483	-	(3,809,430)	-	-	-
Health and human services	3,227,334	-	2,807,571	-	(419,763)	-	-	-
Economic development	4,947,387	-	431,051	-	(4,516,336)	-	-	-
Interest and fiscal charges	679,254	-	-	-	(679,254)	-	-	-
Total governmental activities	<u>\$ 67,255,952</u>	<u>\$ 9,063,085</u>	<u>\$ 14,496,668</u>	<u>\$ 7,917,840</u>	<u>(35,778,359)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Component Units								
Memorial Library	\$ 1,072,298	\$ 24,157	\$ 917,306	\$ -	-	(130,835)	-	-
Fire and Rescue Commission	15,871,768	1,821,915	6,379,726	-	-	-	(7,670,127)	-
Pillars4Hope	1,484,971	124,473	1,094,648	962	-	-	-	(264,888)
Total component units	<u>\$ 18,429,037</u>	<u>\$ 1,970,545</u>	<u>\$ 8,391,680</u>	<u>\$ 962</u>	<u>-</u>	<u>(130,835)</u>	<u>(7,670,127)</u>	<u>(264,888)</u>
General revenues:								
Property taxes					32,283,698	-	7,254,690	-
Alcohol excise tax					-	-	-	191,882
Local options sales tax					3,105,240	-	-	-
Local accommodations tax					884,475	-	-	-
Hospitality tax					675,983	-	-	-
Franchise fees					121,366	-	-	-
Grants and contributions not restricted to specific programs					1,570,343	-	-	-
Miscellaneous					320,484	36,696	166,132	-
Total general revenues					<u>38,961,589</u>	<u>36,696</u>	<u>7,420,822</u>	<u>191,882</u>
Change in net position					3,183,230	(94,139)	(249,305)	(73,006)
Net position, beginning of year					41,839,303	(839,286)	(6,173,982)	433,041
Net position, end of year					<u>\$ 45,022,533</u>	<u>\$ (933,425)</u>	<u>\$ (6,423,287)</u>	<u>\$ 360,035</u>

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

COLLETON COUNTY, SOUTH CAROLINA

BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2023

	General	Special Revenue	Coronavirus Local Fiscal Recovery
ASSETS			
Cash and cash equivalents	\$ 11,598,199	\$ 1,840,244	\$ 878,859
Receivables, net	3,661,400	875,782	-
Prepaid expenditures	532,606	-	-
Total assets	<u>\$ 15,792,205</u>	<u>\$ 2,716,026</u>	<u>\$ 878,859</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 957,862	\$ 240,777	\$ -
Accrued payroll and benefits	1,244,856	31,879	-
Accrued liabilities	897	-	-
Unearned revenue	1,144,809	1,080,942	755,291
Total liabilities	<u>3,348,424</u>	<u>1,353,598</u>	<u>755,291</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - fees	10,847	-	-
Unavailable revenue - property taxes	1,188,408	-	-
Unavailable revenue - spec assessments	216,393	-	-
Total deferred inflows of resources	<u>1,415,648</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Non-spendable:			
Prepaid expenditures	532,606	-	-
Restricted for:			
Public safety	-	76,228	-
Transportation	-	191,808	-
Recreation and culture	-	778,496	-
Social services	-	315,896	-
Judicial services	-	-	-
Solid waste reserve	516,130	-	-
Economic development	-	-	-
Debt service	-	-	-
Assigned:			
Judicial services	-	-	-
Committed:			
Recreation and culture	-	-	-
Capital projects	-	-	123,568
Unassigned	9,979,397	-	-
Total fund balances	<u>11,028,133</u>	<u>1,362,428</u>	<u>123,568</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 15,792,205</u>	<u>\$ 2,716,026</u>	<u>\$ 878,859</u>

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

Capital Projects	Capital Sales Tax Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
\$ 50,125,967	\$ 8,873,105	\$ 1,990,698	\$ 75,307,072
333,230	1,690,055	893,146	7,453,613
-	-	25,385	557,991
<u>\$ 50,459,197</u>	<u>\$ 10,563,160</u>	<u>\$ 2,909,229</u>	<u>\$ 83,318,676</u>

\$ 1,658,164	\$ 68,750	\$ 228,413	\$ 3,153,966
-	-	113,091	1,389,826
-	-	-	897
550,212	-	-	3,531,254
<u>2,208,376</u>	<u>68,750</u>	<u>341,504</u>	<u>8,075,943</u>

-	-	-	10,847
-	-	80,410	1,268,818
-	-	-	216,393
<u>-</u>	<u>-</u>	<u>80,410</u>	<u>1,496,058</u>

-	-	25,385	557,991
-	-	-	-
-	-	666,375	742,603
-	-	-	191,808
-	-	59,401	837,897
-	-	-	315,896
-	-	51,138	51,138
-	-	-	516,130
315,950	-	-	315,950
-	10,494,410	90,572	10,584,982
-	-	-	-
-	-	1,308,249	1,308,249
-	-	286,195	286,195
47,934,871	-	-	48,058,439
-	-	-	9,979,397
<u>48,250,821</u>	<u>10,494,410</u>	<u>2,487,315</u>	<u>73,746,675</u>
<u>\$ 50,459,197</u>	<u>\$ 10,563,160</u>	<u>\$ 2,909,229</u>	<u>\$ 83,318,676</u>

COLLETON COUNTY, SOUTH CAROLINA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION JUNE 30, 2023

Total governmental fund balances:		\$ 73,746,675
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.		
Capital assets	\$ 117,156,769	
Accumulated depreciation	<u>(57,622,451)</u>	59,534,318
Lease assets used in governmental activities are not financial resources and, therefore, are not reported in the government funds.		
Lease assets	\$ 3,304,676	
Accumulated amortization	<u>(720,325)</u>	2,584,351
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	\$ 1,485,211	
Solid waste receivables	<u>10,847</u>	1,496,058
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	\$ 5,599,872	
Deferred outflows related to other post-employment benefits	<u>1,649,479</u>	7,249,351
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
General obligation bonds	\$ (49,600,000)	
Bond premiums	(1,281,104)	
Financed purchases	(3,878,695)	
Lease liabilities	(2,619,717)	
Compensated absences	(1,224,813)	
Landfill closure and post-closure cost	(633,730)	
Accrued interest	(111,349)	
Net pension liability	(32,950,856)	
Total other post-employment benefits liability	<u>(5,015,696)</u>	(97,315,960)
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		
Deferred inflows related to pensions	\$ (620,513)	
Deferred inflows related to other post-employment benefits	<u>(1,651,747)</u>	(2,272,260)
Net position of governmental activities		<u><u>\$ 45,022,533</u></u>

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, 2023

	General	Special Revenue	Coronavirus Local Fiscal Recovery
REVENUES			
Taxes	\$ 26,671,816	\$ -	\$ -
Intergovernmental	2,766,387	4,269,502	3,602,276
Fines and fees	7,085,673	-	-
Other income	406,643	61,210	111,060
Total revenues	<u>36,930,519</u>	<u>4,330,712</u>	<u>3,713,336</u>
EXPENDITURES			
Current:			
General government	10,691,281	-	-
Judicial	1,735,428	647,667	-
Public safety	10,571,931	550,467	1,173,670
Roads and bridges	2,199,879	22,044	-
Solid waste	4,084,367	-	-
Recreation and culture	1,817,244	144,447	-
Health and human services	1,052,521	2,103,134	-
Economic development	312,278	-	-
Intergovernmental	6,149,448	-	-
Capital outlay:			
General government	16,074	68,283	-
Judicial	-	-	-
Public safety	-	-	10,613
Roads and bridges	5,067	352,844	-
Solid waste	231,995	-	-
Economic development	-	58,246	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Issuance costs	-	-	-
Total expenditures	<u>38,867,513</u>	<u>3,947,132</u>	<u>1,184,283</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,936,994)</u>	<u>383,580</u>	<u>2,529,053</u>
OTHER FINANCING SOURCES (USES)			
Sale of capital assets	-	-	-
Issuance of debt	-	-	-
Premium on debt issued	-	-	-
Insurance recoveries	386,247	-	-
Transfers in	5,596,744	152,509	-
Transfers out	(3,798,536)	(245,139)	(2,417,993)
Total other financing sources (uses)	<u>2,184,455</u>	<u>(92,630)</u>	<u>(2,417,993)</u>
Net change in fund balances	247,461	290,950	111,060
Fund balances, beginning of year	<u>10,780,672</u>	<u>1,071,478</u>	<u>12,508</u>
Fund balances, end of year	<u><u>\$ 11,028,133</u></u>	<u><u>\$ 1,362,428</u></u>	<u><u>\$ 123,568</u></u>

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

Capital Projects	Capital Sales Tax Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 7,088,547	\$ 3,813,174	\$ 37,573,537
7,917,840	-	5,031,197	23,587,202
-	-	541,717	7,627,390
919,794	168,922	89,249	1,756,878
8,837,634	7,257,469	9,475,337	70,545,007
79,625	-	150,025	10,920,931
-	-	5,253,186	7,636,281
317,209	-	604,383	13,217,660
-	-	53,825	2,275,748
26,605	-	-	4,110,972
231,997	-	619,877	2,813,565
-	-	-	3,155,655
598,534	-	124,152	1,034,964
10,552,196	-	31,702	16,733,346
-	-	-	-
667,773	-	-	752,130
-	-	59,129	59,129
830,524	-	-	841,137
111,968	-	-	469,879
416,656	-	-	648,651
-	-	-	58,246
-	3,970,000	2,891,572	6,861,572
-	141,950	256,105	398,055
264,356	179,207	-	443,563
14,097,443	4,291,157	10,043,956	72,431,484
(5,259,809)	2,966,312	(568,619)	(1,886,477)
340,085	-	42,400	382,485
40,355,000	-	-	40,355,000
264,356	728,093	-	992,449
-	-	6,559	392,806
480,048	-	2,073,044	8,302,345
-	-	(1,840,677)	(8,302,345)
41,439,489	728,093	281,326	42,122,740
36,179,680	3,694,405	(287,293)	40,236,263
12,071,141	6,800,005	2,774,608	33,510,412
\$ 48,250,821	\$ 10,494,410	\$ 2,487,315	\$ 73,746,675

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, 2023

Net change in fund balances - total governmental funds		\$	40,236,263
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	\$	3,398,055	
Depreciation expense		(3,853,778)	(455,723)
Governmental funds report lease assets as expenditures. However, in the Statement of Activities, the cost of all lease asset additions are allocated over their estimated useful lives and reported as amortization expense. This is the amount by which lease asset additions exceeded amortization expense in the current period.			
Lease asset additions	\$	779,785	
Amortization expense		(720,325)	59,460
The net effect of various miscellaneous transactions involving capital assets and lease assets (i.e., sales, trade-ins, and donations) is to decrease net position.			
			(359,412)
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	\$	(502,775)	
Solid waste receivables		4,144	(498,631)
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.			
Leases	\$	(779,785)	
Repayment of the principal of long-term debt		6,111,924	
Repayment of the principal of lease liability		506,608	
Issuance of long-term debt		(40,355,000)	
Premium on bond issuance		(992,449)	
Amortization of premium on long-term debt		120,024	(35,388,678)
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	\$	185,300	
Landfill closure and post-closure liability		(27,170)	
Compensated absences		(226,969)	
Accrued interest on long-term debt		42,340	
Other post-employment benefits liability		(383,550)	(410,049)
Change in net position - governmental activities	\$		3,183,230

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

COLLETON COUNTY, SOUTH CAROLINA

STATEMENT OF FIDUCIARY NET POSITION CUSTODIAL FUNDS JUNE 30, 2023

ASSETS	
Cash and cash equivalents	\$ 19,178,299
Other receivable	187,545
Total assets	<u>\$ 19,365,844</u>
LIABILITIES	
Due to others	\$ 10,640,642
Total liabilities	<u>\$ 10,640,642</u>
NET POSITION	
Restricted for individuals, organizations and other governments	\$ 8,725,202
Total net position	<u>\$ 8,725,202</u>

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

COLLETON COUNTY, SOUTH CAROLINA

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

ADDITIONS	
Taxes	\$ 23,780,017
Fines and fees	1,551,975
Miscellaneous	83,585,011
Total additions	<u>108,917,003</u>
DEDUCTIONS	
Taxes and fees paid to other governments	89,118,564
Other custodial disbursements	16,031,051
Total deductions	<u>105,149,615</u>
Change in fiduciary net position	<u>3,767,388</u>
Net position, beginning of year	<u>4,957,814</u>
Net position, end of year	<u><u>\$ 8,725,202</u></u>

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

NOTES TO FINANCIAL STATEMENTS

COLLETON COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

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 interfund 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, 2023.

Discretely Presented Component Units

The nine members of the **Colleton County Memorial Library's (the "Memorial Library")** governing board are appointed by the Council. The Memorial Library is fiscally dependent upon the government because the Council approves the Memorial Library's budgets, and can significantly influence the decisions of the Memorial Library. The Memorial 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

Discretely Presented Component Units (Continued)

The nine members of **Pillars4Hope**, previously known as the **Colleton County Commission on Alcohol and Drug Abuse (the “Organization”)** governing board are appointed by the Council. The Organization is fiscally dependent upon the County because the Council approves the Organization’s budgets and can significantly influence the decisions of the Organization. Separately issued financial statements may be obtained at 1439 Thunderbolt Drive, Walterboro, South Carolina, 29488.

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.

In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds are eliminated or reclassified in the government-wide financial statements. Eliminations have been made in the Statement of Activities to remove the “doubling-up” effect of internal service fund activity. Interfund services provided and used are not eliminated in the process of consolidation. Also, the County allocates indirect cost to each of its funds. The indirect costs are eliminated in the government-wide financial statements.

Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the County’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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

Basis of Presentation – Fund Financial Statements (Continued)

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 **Coronavirus Local Fiscal Recovery Fund** accounts for grant funds awarded to the County from the U.S. Department of Treasury as part of the State and Local Fiscal Recovery Fund under the American Rescue Plan Act.

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.

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 financed purchases and notes payable.

Additionally, the County reports the following fund types:

The **Custodial 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

Basis of Presentation – Fund Financial Statements (Continued)

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.

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 financed purchases are reported as other financing sources.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued)

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.

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 Commission, and the Memorial Library. All other special revenue funds and debt service funds (excludes the GO Bond Fund, State Accommodations Fund, Sheriff's Discretionary Fund, Clerk of Court IV Incentives Fund, and the 14th 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 goods 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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 non-participating 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 periods beyond June 30, 2023 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.

NOTES TO 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 and Right to Use Lease Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) and right to use lease assets 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 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 and Right to Use Lease 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 and amortization is provided using the straight-line method over the following estimated useful lives:

Asset Class	County	Component Units		
		Memorial Library	Fire and Rescue Commission	Pillars4Hope
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
Leased vehicles	5	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 represents a consumption of net assets 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 FINANCIAL STATEMENTS

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 represents an acquisition of net assets 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.

Leases

Colleton County is a lessee for noncancellable leases of buildings and equipment. The County recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements. The County recognizes lease liabilities with an initial, individual value of \$25,000 or more.

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the County determines: 1) the discount rate it uses to discount the expected lease payments to present value, 2) lease term, and 3) lease payments.

- The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option prices that the County is reasonably certain to exercise.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Leases (Continued)

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

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 County'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.

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).

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Fund Balance Policies (Continued)

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the County's highest level of decision-making authority. The governing Council is the highest level of decision-making authority for the County 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 County for specific purposes but do not meet the criteria to be classified as committed. The governing 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.

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues and Expenditures/Expenses (Continued)

Compensated Absences

Vacation – The County's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment upon separation from County 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 FINANCIAL STATEMENTS

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 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 Pillars4Hope are not included in the funds administered by the County Treasurer.

	Fair Value	Percentage of Portfolio
Repurchase agreements	\$ 28,488,218	29%
Certificates of deposit	2,118	0%
Savings accounts	107,162	0%
Checking accounts	70,715,977	71%
Cash on hand	3,943	0%
Deposits held by County Treasurer	<u>\$ 99,317,418</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, 2023, the County's bank balance of \$100,962,801 was fully collateralized by pledging financial institutions trust departments in the County's name.

NOTES TO 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					Total Primary Government
	General	Special Revenue	Capital Projects	Capital Sales Tax Debt Service	Nonmajor Governmental	
Taxes receivable	\$ 5,758,503	\$ -	\$ -	\$ -	\$ 362,897	\$ 6,121,400
Accounts receivable	419,298	-	-	-	-	419,298
Other receivables	1,858,997	875,782	333,230	1,690,055	793,279	5,551,343
Less: allowance	(4,375,398)	-	-	-	(263,030)	(4,638,428)
Net receivables	<u>\$ 3,661,400</u>	<u>\$ 875,782</u>	<u>\$ 333,230</u>	<u>\$ 1,690,055</u>	<u>\$ 893,146</u>	<u>\$ 7,453,613</u>

	Component Units			Total Component Units
	Memorial Library	Fire and Rescue Commission	Pillars4Hope	
Taxes receivable	\$ -	\$ 1,605,055	\$ -	\$ 1,605,055
Accounts receivable	-	17,088,826	104,004	17,192,830
Other receivables	2,687	41,713	196,345	240,745
Less: allowance	-	(17,390,536)	(46,431)	(17,436,967)
Net receivables	<u>\$ 2,687</u>	<u>\$ 1,345,058</u>	<u>\$ 253,918</u>	<u>\$ 1,601,663</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 4. INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2023 consisted of the following:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major Governmental Funds:		
General Fund	\$ 5,596,744	\$ 3,798,536
Special Revenue Fund	152,509	245,139
Coronavirus Local Fiscal Recovery Fund	-	2,417,993
Capital Projects Fund	480,048	-
Nonmajor Governmental Funds	2,073,044	1,840,677
Component Unit	1,090,557	1,090,557
Total interfund balances	<u>\$ 9,392,902</u>	<u>\$ 9,392,902</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, 2023 was as follows:

	<u>Balance</u> <u>June 30, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Balance</u> <u>June 30, 2023</u>
Governmental activities					
Capital assets not being depreciated:					
Land	\$ 3,739,583	\$ -	\$ -	\$ -	\$ 3,739,583
Land - infrastructure	4,595,932	-	-	-	4,595,932
Construction in progress	3,501,789	1,570,266	-	(3,232,444)	1,839,611
Total capital assets not being depreciated	<u>11,837,304</u>	<u>1,570,266</u>	<u>-</u>	<u>(3,232,444)</u>	<u>10,175,126</u>
Capital assets being depreciated:					
Buildings and improvements	47,295,369	559,645	-	2,747,315	50,602,329
Improvements other than buildings	12,634,604	-	-	284,882	12,919,486
Equipment and vehicles	28,751,539	1,268,144	(1,196,304)	200,247	29,023,626
Infrastructure	14,436,202	-	-	-	14,436,202
Total capital assets being depreciated	<u>103,117,714</u>	<u>1,827,789</u>	<u>(1,196,304)</u>	<u>3,232,444</u>	<u>106,981,643</u>
Less accumulated depreciation:					
Buildings and improvements	(17,846,136)	(1,198,839)	-	-	(19,044,975)
Improvements other than buildings	(7,746,565)	(577,146)	-	-	(8,323,711)
Equipment and vehicles	(20,176,885)	(1,585,110)	1,143,962	-	(20,618,033)
Infrastructure	(9,143,049)	(492,683)	-	-	(9,635,732)
Total accumulated depreciation	<u>(54,912,635)</u>	<u>(3,853,778)</u>	<u>1,143,962</u>	<u>-</u>	<u>(57,622,451)</u>
Total capital assets being depreciated, net	<u>48,205,079</u>	<u>(2,025,989)</u>	<u>(52,342)</u>	<u>3,232,444</u>	<u>49,359,192</u>
Total lease assets, net of accumulated amortization	<u>2,831,961</u>	<u>59,460</u>	<u>(307,070)</u>	<u>-</u>	<u>2,584,351</u>
Governmental activities capital assets, net	<u>\$ 62,874,344</u>	<u>\$ (396,263)</u>	<u>\$ (359,412)</u>	<u>\$ -</u>	<u>\$ 62,118,669</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (CONTINUED)

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

Governmental Activities	
General government	\$ 688,112
Judicial	75,184
Roads and bridges	922,177
Public safety	660,620
Solid waste	426,160
Recreation and culture	941,548
Health and human services	139,977
Total Governmental Activities Depreciation Expense	<u>\$ 3,853,778</u>

Discretely Presented Component Units

Fire and Rescue Commission activity for the year ended June 30, 2023 is as follows:

Fire and Rescue Commission	Balance June 30, 2022	Additions	Deletions	Transfers	Balance June 30, 2023
Capital assets not being depreciated:					
Land	\$ 542,365	\$ -	\$ -	\$ 18,649	\$ 561,014
Construction in progress	1,262,477	823,423	(4,950)	(750,453)	1,330,497
Total capital assets not being depreciated	<u>1,804,842</u>	<u>823,423</u>	<u>(4,950)</u>	<u>(731,804)</u>	<u>1,891,511</u>
Capital assets being depreciated:					
Buildings and improvements	7,353,862	-	-	731,804	8,085,666
Improvements other than buildings	147,532	-	-	-	147,532
Equipment and vehicles	21,466,444	128,035	(166,093)	-	21,428,386
Total capital assets being depreciated	<u>28,967,838</u>	<u>128,035</u>	<u>(166,093)</u>	<u>731,804</u>	<u>29,661,584</u>
Less accumulated depreciation:					
Buildings and improvements	(2,681,082)	(200,674)	-	-	(2,881,756)
Improvements other than buildings	(138,330)	(2,126)	-	-	(140,456)
Equipment and vehicles	(16,586,626)	(927,854)	-	-	(17,514,480)
Total accumulated depreciation	<u>(19,406,038)</u>	<u>(1,130,654)</u>	<u>-</u>	<u>-</u>	<u>(20,536,692)</u>
Total capital assets being depreciated, net	<u>9,561,800</u>	<u>(1,002,619)</u>	<u>(166,093)</u>	<u>731,804</u>	<u>9,124,892</u>
Fire and rescue commission capital assets, net	<u>\$ 11,366,642</u>	<u>\$ (179,196)</u>	<u>\$ (171,043)</u>	<u>\$ -</u>	<u>\$ 11,016,403</u>

Depreciation expense incurred by the Fire and Rescue Commission for the fiscal year ended June 30, 2023 was \$1,130,654.

NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (CONTINUED)

Discretely Presented Component Units (Continued)

Memorial Library activity for the year ended June 30, 2023 is as follows:

Memorial Library	Balance June 30, 2022	Additions	Deletions	Transfers	Balance June 30, 2023
Capital assets being depreciated:					
Buildings and improvements	\$ 119,026	\$ -	\$ -	\$ -	\$ 119,026
Library materials	2,203,144	80,471	(78,343)	-	2,205,272
Equipment and vehicles	361,423	-	(62,736)	-	298,687
Total capital assets being depreciated	<u>2,683,593</u>	<u>80,471</u>	<u>(141,079)</u>	<u>-</u>	<u>2,622,985</u>
Less accumulated depreciation:					
Buildings and improvements	(119,026)	-	-	-	(119,026)
Library materials	(1,988,314)	(85,011)	40,851	-	(2,032,474)
Equipment and vehicles	<u>(288,421)</u>	<u>(14,748)</u>	<u>62,736</u>	<u>-</u>	<u>(240,433)</u>
Total accumulated depreciation	<u>(2,395,761)</u>	<u>(99,759)</u>	<u>103,587</u>	<u>-</u>	<u>(2,391,933)</u>
Total capital assets being depreciated, net	<u>287,832</u>	<u>(19,288)</u>	<u>(37,492)</u>	<u>-</u>	<u>231,052</u>
Memorial library capital assets, net	<u>\$ 287,832</u>	<u>\$ (19,288)</u>	<u>\$ (37,492)</u>	<u>\$ -</u>	<u>\$ 231,052</u>

Depreciation expense incurred by the Memorial Library for the fiscal year ended June 30, 2023 was \$99,759.

NOTE 6. LEASES

Lessee – Lease Assets

A schedule of lease asset activity for the County for the year ended June 30, 2023 is as follows:

	Beginning Balance	Additions	Remeasurements	Deductions	Ending Balance
Governmental activities:					
Lease assets:					
Equipment	\$ 3,869,494	\$ 779,785	\$ -	\$ (564,903)	\$ 4,084,376
Total	<u>3,869,494</u>	<u>779,785</u>	<u>-</u>	<u>(564,903)</u>	<u>4,084,376</u>
Less accumulated amortization for:					
Equipment	(1,037,533)	(720,325)	-	257,833	(1,500,025)
Total accumulated amortization	<u>(1,037,533)</u>	<u>(720,325)</u>	<u>-</u>	<u>257,833</u>	<u>(1,500,025)</u>
Total lease assets, net	<u>\$ 2,831,961</u>	<u>\$ 59,460</u>	<u>\$ -</u>	<u>\$ (307,070)</u>	<u>\$ 2,584,351</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM OBLIGATIONS

Long-term obligations for the year ended June 30, 2023 is as follows:

	Balance June 30, 2022	Additions	Reductions	Balance June 30, 2023	Due Within One Year
Primary Government					
Governmental activities:					
Bonds:					
General obligation	\$ 14,273,398	\$ 40,355,000	\$ 5,028,398	\$ 49,600,000	\$ 4,580,000
Bond premiums	408,679	992,449	120,024	1,281,104	-
Financed purchases	4,962,221	-	1,083,526	3,878,695	1,094,418
Leases	2,346,540	779,785	506,608	2,619,717	808,227
Net pension liability	28,587,068	8,399,598	4,035,810	32,950,856	-
Total OPEB liability	6,228,852	407,691	1,620,847	5,015,696	41,718
Compensated absences	997,844	341,127	114,158	1,224,813	183,722
Landfill closure and post-closure costs	606,560	27,170	-	633,730	-
Governmental activity long-term liabilities	<u>\$ 58,411,162</u>	<u>\$ 51,302,820</u>	<u>\$ 12,509,371</u>	<u>\$ 97,204,611</u>	<u>\$ 6,708,085</u>

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

	Balance June 30, 2022	Additions	Reductions	Balance June 30, 2023	Due Within One Year
Component Units					
Fire and Rescue Commission					
Bonds:					
General obligation	\$ 11,380,000	\$ -	\$ 1,060,000	\$ 10,320,000	\$ 1,085,000
Bond premiums	248,708	-	33,000	215,708	-
Financed purchases	664,351	-	328,428	335,923	335,923
Net pension liability	10,894,026	4,391,605	1,927,648	13,357,983	-
Total OPEB liability	1,136,957	74,415	295,853	915,519	7,607
Compensated absences	417,146	283,511	245,110	455,547	68,332
Governmental activity long-term liabilities	<u>\$ 24,741,188</u>	<u>\$ 4,749,531</u>	<u>\$ 3,890,039</u>	<u>\$ 25,600,680</u>	<u>\$ 1,496,862</u>
Memorial Library					
Net pension liability	\$ 753,233	\$ 187,234	\$ 95,183	\$ 845,284	\$ -
Total OPEB liability	755,499	49,433	196,577	608,355	5,115
Compensated absences	13,803	10,331	10,476	13,658	2,049
Governmental activity long-term liabilities	<u>\$ 1,522,535</u>	<u>\$ 246,998</u>	<u>\$ 302,236</u>	<u>\$ 1,467,297</u>	<u>\$ 7,164</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. 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, 2023 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, 2023:

<u>General Obligation Bonds</u>	<u>Amount</u>
\$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.	\$ 3,335,000
\$29,000,000 General Obligation Bond, 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.	4,090,000
\$1,985,000 General Obligation Bond, Series 2022, 4.00% annual interest, annual principal and interest payments beginning in 2023, matures 2027, for the purpose of refunding outstanding General Obligation Bonds, Series	1,820,000
\$40,355,000 General Obligation Capital Project Sales Tax Bonds, Series 2023, annual interest ranging from 1.00% to 4.00%, annual principal and interest payments beginning in 2024, matures 2030, for the purpose of County-wide projects by voters.	<u>40,355,000</u>
	<u>\$ 49,600,000</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. 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
2024	\$ 4,580,000	\$ 1,090,932	\$ 5,670,932
2025	5,595,000	1,426,843	7,021,843
2026	5,870,000	1,276,798	7,146,798
2027	6,110,000	1,039,768	7,149,768
2028	6,350,000	792,298	7,142,298
2029 – 2032	21,095,000	1,098,087	22,193,087
Total	<u>\$ 49,600,000</u>	<u>\$ 6,724,726</u>	<u>\$ 56,324,726</u>

Financed Purchase Agreements

The County has entered into a financed purchase agreement for financing the acquisition of certain equipment. The agreements qualify as financed purchases for accounting purposes (titles transfer at the end of the agreement). Interest rates are 1.00%, payments are made monthly, and the terms extend through 2027.

The following is a schedule of debt service to maturity as of June 30, 2023:

Year Ending June 30,	Financed Purchases		
	Principal	Interest	Total
2024	\$ 1,094,418	\$ 36,058	\$ 1,130,476
2025	1,105,390	25,086	1,130,476
2026	1,116,472	14,005	1,130,477
2027	562,415	2,812	565,227
Total	<u>\$ 3,878,695</u>	<u>\$ 77,961</u>	<u>\$ 3,956,656</u>

Lessee – Lease Liabilities

The County entered into numerous lease agreements as lessee for the use of equipment ranging from four to five years. As of June 30, 2023, the value of the lease liability was \$2,619,717. The right to use assets have a useful life from five to ten years. The value of the right-to-use assets as of the end of the current fiscal year were \$2,584,351, including accumulated amortization of \$1,500,025.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM OBLIGATIONS (CONTINUED)

Primary Government (Continued)

Lessee – Lease Liabilities (Continued)

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2023 are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 808,227	\$ 118,906	\$ 927,133
2025	610,782	99,860	710,642
2026	447,637	82,023	529,660
2027	274,365	56,834	331,199
2028	478,706	87,716	566,422
Total	<u>\$ 2,619,717</u>	<u>\$ 445,339</u>	<u>\$ 3,065,056</u>

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.

The \$633,730 reported as an accrual for landfill closure and post-closure care costs at June 30, 2023, includes the cumulative amount reported less amounts paid to date for the open site based on the following information.

<u>Estimated Remaining Landfill Life</u>	<u>Percentage Balance of Capacity Used</u>	<u>Estimated Total Costs</u>			<u>Remaining to be Recognized</u>
		<u>Closure</u>	<u>Post-closure</u>	<u>Total</u>	
8 years	80%	<u>\$ 680,520</u>	<u>\$ 116,568</u>	<u>\$ 797,088</u>	<u>\$ 163,358</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM OBLIGATIONS (CONTINUED)

Primary Government (Continued)

Landfill Closure and Post-Closure Care Costs (Continued)

These amounts are based on what it would cost to perform all closure and post-closure care in fiscal year 2023. Actual cost may be higher due to inflation, changes in technology, or changes in regulations. The Council has restricted cash of \$516,130 for payment of closure and post-closure care costs.

Discretely Presented Component Units

Fire and rescue general obligation bonds payable at June 30, 2023, consist of the following:

General Obligation Bonds	Amount
\$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.	\$ 3,810,000
\$7,000,000 Fire Protection Service General Obligation Bonds, Series 2022, variable interest rate of 2.0% - 3.0%, annual principal and interest payments beginning in 2023, matures 2036.	6,510,000
Total	<u>\$ 10,320,000</u>

Future debt service requirements for fire and rescue general obligation bonds outstanding at June 30, 2023 are as follows:

Year Ending June 30,	General Obligation Bonds		
	Principal	Interest	Total
2024	\$ 1,085,000	\$ 264,250	\$ 1,349,250
2025	1,105,000	236,650	1,341,650
2026	1,140,000	208,500	1,348,500
2027	645,000	179,450	824,450
2028	665,000	160,100	825,100
2029 – 2033	3,440,000	522,700	3,962,700
2034 – 2036	2,240,000	112,875	2,352,875
Total	<u>\$ 10,320,000</u>	<u>\$ 1,684,525</u>	<u>\$ 12,004,525</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM OBLIGATIONS (CONTINUED)

Primary Government (Continued)

Financed Purchase Agreements

The Fire and Rescue Commission has entered into a financed purchase agreement for financing the acquisition of certain equipment. The agreements qualify as financed purchases for accounting purposes (titles transfer at the end of the agreement). Interest rates are 2.32%, payments are made monthly, and the terms extend through 2024. Principal and interest payments for the fiscal year ended June 2024 are \$335,923 and \$7,724, respectively.

NOTE 8. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Membership

Membership of the Retiree Health Plan consisted of the following at June 30, 2022, the date of the latest actuarial valuation:

Active participants	410
Retirees and beneficiaries currently receiving benefits	50
Total plan members	<u>460</u>

Contributions

Contribution requirements are established annually by the County Council. The required contribution is based on projected “pay as you go” financing requirements. For the year ended June 30, 2023 the County contributed \$54,381 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, 2022 and was determined by an actuarial valuation as of June 30, 2022.

Actuarial assumptions. The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount rate:	3.69% as of June 30, 2022.
Healthcare cost trend rate:	Initial rate of 6.40% declining to an ultimate rate of 4.00% after 15 years. Ultimate trend rate includes a 0.15% adjustment for the excise tax.
Inflation rate:	2.25%
Salary increase:	3.50% to 10.50% for PORS and 3.00% to 9.50% 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 younger than 60 years old at retirement. 20% for retirees that have fewer than 20 years of service.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Total OPEB Liability of the County (Continued)

Actuarial assumptions (Continued). Mortality rates were based on the 2020 Public Retirees of South Carolina Mortality Table for males or females, as appropriate, with adjustments for mortality improvements based on Scale UMP.

The actuarial assumptions used in the June 30, 2022 valuation was based on the results of an actuarial experience study for 2020.

Discount rate

The discount rate used to measure the total OPEB liability was 3.69%. This rate was determined using an index rate of 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The discount rate changed from 2.16% as of June 30, 2021 to 3.69% as of June 30, 2022.

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, 2023 were as follows:

	Total OPEB Liability		
	Primary Government	Fire & Rescue Commission	Memorial Library
Beginning Balance	<u>\$ 6,228,852</u>	<u>\$ 1,136,957</u>	<u>\$ 755,499</u>
Changes for the year:			
Service cost	273,464	49,915	33,158
Interest	134,227	24,500	16,275
Effect of assumption changes	(1,591,225)	(290,446)	(192,985)
Benefit payments	(29,622)	(5,407)	(3,592)
Net changes	<u>(1,213,156)</u>	<u>(221,438)</u>	<u>(147,144)</u>
Ending Balance	<u><u>\$ 5,015,696</u></u>	<u><u>\$ 915,519</u></u>	<u><u>\$ 608,355</u></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 multi-year trend information about the total OPEB liability.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (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 (2.69%) or 1-percentage-point higher (4.69%) than the current discount rate:

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate				
	1% Decrease (2.69%)	Current Discount Rate (3.69%)	1% Increase (4.69%)	
Primary Government	\$ 6,149,784	\$ 5,015,696	\$ 4,134,104	
Component Units				
Fire and Rescue Commission	1,122,516	915,519	754,595	
Memorial Library	745,671	608,355	501,267	

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:

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates				
	1% Decrease	Current Healthcare Cost Trend Assumption Rate	1% Increase	
Primary Government	\$ 3,972,995	\$ 5,015,696	\$ 6,429,006	
Component Units				
Fire and Rescue Commission	725,188	915,519	1,173,482	
Memorial Library	481,732	608,355	779,527	

NOTES TO FINANCIAL STATEMENTS

NOTE 8. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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

At June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 824,754	\$ 110,252
Assumption changes	783,007	1,541,495
Employer contributions subsequent to the measurement date	41,718	-
Total	<u>\$ 1,649,479</u>	<u>\$ 1,651,747</u>

County contributions subsequent to the measurement date of \$41,718, 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, 2024.

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>	
2024	\$ 5,023
2025	5,023
2026	5,023
2027	33,049
2028	44,574
Thereafter	(136,678)
Total	<u>\$ (43,986)</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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

At June 30, 2023, the Fire and Rescue Commission reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 150,542	\$ 20,124
Assumption changes	142,932	281,371
Employer contributions subsequent to the measurement date	7,607	-
Total	<u>\$ 301,081</u>	<u>\$ 301,495</u>

Fire and Rescue Commission contributions subsequent to the measurement date of \$7,607, 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, 2024.

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>	
2024	\$ 917
2025	917
2026	917
2027	6,032
2028	8,136
Thereafter	(24,940)
Total	<u>\$ (8,021)</u>

At June 30, 2023, the Memorial Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 100,003	\$ 13,368
Assumption changes	94,948	186,973
Employer contributions subsequent to the measurement date	5,115	-
Total	<u>\$ 200,066</u>	<u>\$ 200,341</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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

Memorial Library contributions subsequent to the measurement date of \$5,115, 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, 2024.

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>	
2024	\$ 609
2025	609
2026	609
2027	4,007
2028	5,405
Thereafter	<u>(16,629)</u>
Total	<u><u>\$ (5,390)</u></u>

OPEB Expense

For the year ended June 30, 2023, the County, Fire and Rescue Commission, and the Memorial Library recognized OPEB expense of \$412,715; \$75,332; and \$50,042, respectively.

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

<u>Description</u>	<u>Primary Government</u>	<u>Fire & Rescue Commission</u>	<u>Memorial Library</u>
Service cost	\$ 273,464	\$ 49,915	\$ 33,158
Interest on the total OPEB liability	134,227	24,500	16,275
Recognition of deferred outflows/inflows of resources due to liabilities	187,927	34,302	22,786
Amortization of prior year deferred outflows/inflows of resources due to liabilities	<u>(182,903)</u>	<u>(33,385)</u>	<u>(22,177)</u>
Total employer OPEB expense	<u><u>\$ 412,715</u></u>	<u><u>\$ 75,332</u></u>	<u><u>\$ 50,042</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE 9. RETIREMENT 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’ (“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 System’s fiduciary net position have been determined on the accrual basis of accounting as they are reported by the Systems in accordance with GAAP. For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Benefit and refund expenses are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

PEBA – 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 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 Annual Comprehensive Financial Report (“ACFR”) 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. RETIREMENT PLAN (CONTINUED)

Plan Description (Continued)

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.

South Carolina Police Officers’ Retirement System (“PORS”) – To be eligible for PORS membership, an employee must be required by the terms of his/her 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. RETIREMENT PLAN (CONTINUED)

Benefits (Continued)

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.

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. RETIREMENT PLAN (CONTINUED)

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 1st, 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%.

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 1st, 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, 2023 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

NOTES TO FINANCIAL STATEMENTS

NOTE 9. RETIREMENT PLAN (CONTINUED)

Contributions (Continued)

Required employer contribution rates for the year ended June 30, 2023 are as follows:

South Carolina Retirement System

Employee Class Two	17.41% of earnable compensation
Employee Class Three	1.41% of earnable compensation
Employer incidental death benefit	0.15% of earnable compensation

South Carolina Police Officers' Retirement System

Employee Class Two	19.84% of earnable compensation
Employee Class Three	19.84% 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, 2022 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, 2021. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year-end, June 30, 2022, using generally accepted actuarial principles. Information included in the following schedules is based on the certification provided by GRS.

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, 2023 (measurement date of June 30, 2022), 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, 2023, the County's net pension liability amounts for SCRS and PORS are as follows:

System	Total Pension Liability	Plan Fiduciary Net Position	Employer's Net Pension Liability	Plan Fiduciary Net Position as a percentage of the Total Pension Liability	County's Proportionate Share of the Collective Net Pension Liability
SCRS	\$ 53,958,299	\$ 30,788,161	\$ 23,170,138	57.1%	0.095578%
PORS	29,148,910	19,368,192	9,780,718	66.4%	0.326135%

NOTES TO FINANCIAL STATEMENTS

NOTE 9. RETIREMENT PLAN (CONTINUED)

Net Pension Liability (Continued)

As of June 30, 2023, the Fire and Rescue Commission's net pension liability amounts for SCRS and PORS are as follows:

System	Total Pension Liability	Plan Fiduciary Net Position	Employer's Net Pension Liability	Plan Fiduciary Net Position as a percentage of the Total Pension Liability	Fire and Rescue Commission's Proportionate Share of the Collective Net Pension Liability
SCRS	\$ 1,463,451	\$ 835,033	\$ 628,418	57.1%	0.002592%
PORS	37,937,189	25,207,624	12,729,565	66.4%	0.424463%

As of June 30, 2023, the Memorial Library's net pension liability amount for SCRS is as follows:

System	Total Pension Liability	Plan Fiduciary Net Position	Employer's Net Pension Liability	Plan Fiduciary Net Position as a percentage of the Total Pension Liability	Memorial Library's Proportionate Share of the Collective Net Pension Liability
SCRS	\$ 1,968,485	\$ 1,123,201	\$ 845,284	57.1%	0.003487%

Actuarial Assumptions and Methods

Actuarial valuations of the plan 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 regarding the net pension liability 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. An experience report on the Systems was most recently issued for the period ended June 30, 2019 for first use in the July 1, 2021 actuarial valuation.

The June 30, 2022 total pension liability, net pension liability, 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, 2021. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year-end, June 30, 2022, using generally accepted actuarial principles.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. RETIREMENT PLAN (CONTINUED)

Actuarial Assumptions and Methods (Continued)

The following provides a summary of the actuarial assumptions and methods used in the July 1, 2021 valuations for SCRS and PORS.

	SCRS	PORS
	Entry Age	Entry Age
Actuarial cost method		
Actuarial assumptions:		
Investment rate of return	7.00%	7.00%
Projected salary increases	3.0% to 11.0% (varies by service)	3.0% to 10.5% (varies by service)
Inflation rate	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 2020 Public Retirees of South Carolina Mortality table (the "2020 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 2020.

Former Job Class	Males	Females
General Employees and Members of the General Assembly	2020 PRSC Males multiplied by 97%	2020 PRSC Females multiplied by 107%
Public Safety and Firefighters	2020 PRSC Males multiplied by 127%	2020 PRSC Females multiplied by 107%

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 2020 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 on the next page. For actuarial purposes, the 7.00% assumed annual investment rate of return used in the calculation of the TPL includes a 4.75% real rate of return and a 2.25% inflation component.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. RETIREMENT PLAN (CONTINUED)

Actuarial Assumptions and Methods (Continued)

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Long-Term Expected Portfolio Real Rate of Return
Public Equity	46.0%	6.79%	3.12%
Bonds	26.0%	-0.35%	-0.09%
Private Equity	9.0%	8.75%	0.79%
Private Debt	7.0%	6.00%	0.42%
Real Assets	12.0%		
Real Estate	9.0%	4.12%	0.37%
Infrastructure	3.0%	5.88%	0.18%
	<u>100.0%</u>		
	Total expected real return		4.79%
	Inflation for actuarial purposes		2.25%
	Total expected nominal return		<u><u>7.04%</u></u>

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. RETIREMENT PLAN (CONTINUED)

Discount Rate (Continued)

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.

Sensitivity of the Net Position Liability to Changes in the Discount Rate			
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Primary Government			
SCRS	\$ 29,706,983	\$ 23,170,138	\$ 17,735,611
PORS	13,638,619	9,780,718	6,622,659
Component Units			
Fire and Rescue Commission			
SCRS	805,709	628,418	481,023
PORS	17,750,608	12,729,565	8,619,364
Memorial Library			
SCRS	1,083,758	845,284	647,023

NOTES TO FINANCIAL STATEMENTS

NOTE 9. RETIREMENT PLAN (CONTINUED)

Pension Expense

For the year ended June 30, 2023, pension expense was recognized as follows:

Primary Government	SCRS	PORS
Proportionate share of aggregate plan pension expense	\$ 1,944,294	\$ 1,265,545
Deferred amounts from changes in proportion and differences between employer contributions and proportionate share on plan contributions	149,270	215,113
Employer pension expense	<u>\$ 2,093,564</u>	<u>\$ 1,480,658</u>
Fire and Rescue Commission	SCRS	PORS
Proportionate share of aggregate plan pension expense	\$ 52,733	\$ 1,647,102
Deferred amounts from changes in proportion and differences between employer contributions and proportionate share on plan contributions	4,048	279,968
Employer pension expense	<u>\$ 56,781</u>	<u>\$ 1,927,070</u>
Memorial Library	SCRS	
Proportionate share of aggregate plan pension expense	\$ 70,931	
Deferred amounts from changes in proportion and differences between employer contributions and proportionate share on plan contributions	5,446	
Employer pension expense	<u>\$ 76,377</u>	

NOTES TO FINANCIAL STATEMENTS

NOTE 9. RETIREMENT PLAN (CONTINUED)

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

At June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to the SCRS and PORS pension plans, respectively, from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
SCRS		
Differences between expected and actual experience	\$ 201,305	\$ 102,855
Net difference between projected and actual earnings on pension plan investments	35,732	-
Assumption changes	743,121	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	171,796	324,309
Employer contributions subsequent to the measurement date	2,226,059	-
Total	<u>\$ 3,378,013</u>	<u>\$ 427,164</u>

	Deferred Outflows of Resources	Deferred Inflows of Resources
PORS		
Differences between expected and actual experience	\$ 164,101	\$ 193,349
Net difference between projected and actual earnings on pension plan investments	29,535	-
Assumption changes	407,285	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	407,875	-
Employer contributions subsequent to the measurement date	1,213,063	-
Total	<u>\$ 2,221,859</u>	<u>\$ 193,349</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 9. RETIREMENT PLAN (CONTINUED)

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

County contributions subsequent to the measurement date of \$2,226,059 and \$1,213,063, 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, 2024. 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>
2024	\$ 498,477	\$ 380,287
2025	163,818	285,072
2026	(539,886)	(230,086)
2027	602,381	380,174
Total	<u>\$ 724,790</u>	<u>\$ 815,447</u>

At June 30, 2023, the Fire and Rescue Commission reported deferred outflows of resources and deferred inflows of resources related to the SCRS and PORS pension plans, respectively, from the following sources:

SCRS	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 5,460	\$ 2,790
Net difference between projected and actual earnings on pension plan investments	969	-
Assumption changes	20,155	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	4,659	8,796
Employer contributions subsequent to the measurement date	60,375	-
Total	<u>\$ 91,618</u>	<u>\$ 11,586</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 9. RETIREMENT PLAN (CONTINUED)

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

PORS	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 213,576	\$ 251,642
Net difference between projected and actual earnings on pension plan investments	38,440	-
Assumption changes	530,080	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	530,848	-
Employer contributions subsequent to the measurement date	1,578,796	-
Total	\$ 2,891,740	\$ 251,642

The Fire and Rescue Commission contributions subsequent to the measurement date of \$60,375 and \$1,578,796, 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, 2024. 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	PORS
2024	\$ 13,520	\$ 494,943
2025	4,443	371,021
2026	(14,643)	(299,457)
2027	16,337	494,795
Total	\$ 19,657	\$ 1,061,302

NOTES TO FINANCIAL STATEMENTS

NOTE 9. RETIREMENT PLAN (CONTINUED)

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

At June 30, 2023, the Memorial Library reported deferred outflows of resources and deferred inflows of resources related to the SCRS pension plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
SCRS		
Differences between expected and actual experience	\$ 7,344	\$ 3,752
Net difference between projected and actual earnings on pension plan investments	1,304	-
Assumption changes	27,110	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	6,267	11,832
Employer contributions subsequent to the measurement date	81,210	-
Total	<u>\$ 123,235</u>	<u>\$ 15,584</u>

The Memorial Library contributions subsequent to the measurement date of \$81,210 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, 2024. 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>
2024	\$ 18,185
2025	5,976
2026	(19,696)
2027	21,976
Total	<u>\$ 26,441</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 9. RETIREMENT 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 ACFR containing financial statements and required supplementary information for SCRS and PORS. The ACFR of the Pension Trust Funds is publicly available on PEBA's Retirement Benefits' website at www.retirement.sc.gov, or a copy may be obtained by submitting a request to:

PEBA
PO Box 11960
Columbia, South Carolina 29211-1960

NOTE 10. 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/her 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 FINANCIAL STATEMENTS

NOTE 10. 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, 2023, the County has commitments under contracts for various architectural and engineering services and construction projects not completed of approximately \$6,606,032 that relate to the Capital Penny Sales Tax Project approved by voter referendum.

NOTES TO FINANCIAL STATEMENTS

NOTE 10. OTHER INFORMATION (CONTINUED)

Commitments (Continued)

Construction Commitments (Continued)

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.

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>
Capital Projects Funds	\$ 797,378
Special Revenue Funds	75,410
Total	<u>\$ 872,788</u>

NOTE 11. 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 \$40,355,000 in May 2023 and has unspent funds on hand of \$40,238,511. 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 \$5,000,000 in March 2022 and has unspent funds on hand of \$33,088 and \$4,059,318, respectively. The list of projects include asset acquisitions as well as improvements to fire stations. The net investment in capital assets is summarized below:

	<u>County</u>	<u>Component Units</u>	
	<u>Governmental Activities</u>	<u>Fire & Rescue Commission</u>	<u>Memorial Library</u>
Capital assets, net	\$ 59,534,318	\$ 11,016,403	\$ 231,052
Lease assets, net	2,584,351	-	-
Long-term obligations	(57,379,516)	(10,871,631)	-
Bond proceeds on hand	40,238,511	4,092,406	-
Net Investment in capital assets	<u>\$ 44,977,664</u>	<u>\$ 4,237,178</u>	<u>\$ 231,052</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 12. 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, 2023:

Purpose	Percentage of Taxes Abated during the Fiscal Year	Amount of County Taxes Abated during the Fiscal Year	Term of Agreement
Manufacturing facility locates in the area and provides employment opportunities for citizens	43%	\$ 32,699	25 Years
Manufacturing facility locates in the area and provides employment opportunities for citizens	43%	\$ 24,565	25 Years
Provide healthcare to citizens in the area	48%	\$ 19,017	25 Years
Manufacturing facility locates in the area and provides employment opportunities for citizens	48%	\$ 12,886	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 FINANCIAL STATEMENTS

NOTE 12. 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 the 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.

REQUIRED SUPPLEMENTARY INFORMATION

COLLETON COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL GENERAL FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Taxes	\$ 25,770,802	\$ 25,770,802	\$ 26,671,816	\$ 901,014
Intergovernmental	2,543,950	2,576,502	2,766,387	189,885
Fines and fees	6,783,575	6,948,157	7,085,673	137,516
Other income	334,201	334,199	406,643	72,444
Total revenues	35,432,528	35,629,660	36,930,519	1,300,859
EXPENDITURES				
Current:				
General government	11,022,709	11,170,092	10,691,281	478,811
Judicial	1,690,240	1,762,304	1,735,428	26,876
Public safety	10,438,863	10,477,625	10,571,931	(94,306)
Roads and bridges	2,362,289	2,480,988	2,199,879	281,109
Solid waste	3,443,362	3,976,499	4,084,367	(107,868)
Recreation and culture	1,922,144	2,012,080	1,817,244	194,836
Health and human services	956,091	973,591	1,052,521	(78,930)
Economic development	311,559	311,559	312,278	(719)
Intergovernmental	6,149,448	6,149,448	6,149,448	-
Capital outlay:				
General government	29,650	29,650	16,074	13,576
Roads and bridges	-	-	5,067	(5,067)
Solid waste	500	278,924	231,995	46,929
Total expenditures	38,326,855	39,622,760	38,867,513	755,247
Deficiency of revenues under expenditures	(2,894,327)	(3,993,100)	(1,936,994)	2,056,106
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	-	278,424	386,247	107,823
Transfers in	5,707,646	5,707,646	5,596,744	(110,902)
Transfers out	(2,813,319)	(3,044,797)	(3,798,536)	(753,739)
Total other financing sources, net	2,894,327	2,941,273	2,184,455	(756,818)
Net change in fund balances	-	(1,051,827)	247,461	1,299,288
Fund balances, beginning of year	10,780,672	10,780,672	10,780,672	-
Fund balances, end of year	\$ 10,780,672	\$ 9,728,845	\$ 11,028,133	\$ 1,299,288

COLLETON COUNTY, SOUTH CAROLINA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (GAAP BASIS) AND ACTUAL
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Intergovernmental	\$ 1,339,090	\$ 7,269,800	\$ 4,269,502	\$ (3,000,298)
Other revenues	-	2,583	61,210	58,627
Total revenues	1,339,090	7,272,383	4,330,712	(2,941,671)
EXPENDITURES				
Judicial services	-	1,266,848	647,667	619,181
Public safety	636,259	787,414	550,467	236,947
Roads and bridges	-	45,818	22,044	23,774
Recreation and culture	-	990,654	144,447	846,207
Health and human services	702,831	1,982,967	2,103,134	(120,167)
Economic development	-	32,707	-	32,707
Intergovernmental	-	650,000	-	650,000
Capital outlay:				
General government	-	622,738	68,283	554,455
Judicial	-	976,220	-	976,220
Roads and bridges	-	530,751	352,844	177,907
Recreation and culture	-	380,300	-	380,300
Economic development	-	78,788	58,246	20,542
Total expenditures	1,339,090	8,345,205	3,947,132	4,398,073
Excess (deficiency) of revenues over (under) expenditures	-	(1,072,822)	383,580	1,456,402
OTHER FINANCING SOURCES (USES)				
Transfers in	-	591,290	152,509	(438,781)
Transfers out	-	(245,139)	(245,139)	-
Total other financing sources (uses)	-	346,151	(92,630)	(438,781)
Net change in fund balance	-	(726,671)	290,950	1,017,621
FUND BALANCES, beginning of year	1,071,478	1,071,478	1,071,478	-
FUND BALANCES, end of year	\$ 1,071,478	\$ 344,807	\$ 1,362,428	\$ 1,017,621

COLLETON COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL CORONAVIRUS LOCAL FISCAL RECOVERY FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Intergovernmental	\$ 3,858,828	\$ 3,858,828	\$ 3,602,276	\$ (256,552)
Other revenues	40,000	40,000	111,060	71,060
Total revenues	<u>3,898,828</u>	<u>3,898,828</u>	<u>3,713,336</u>	<u>(185,492)</u>
EXPENDITURES				
Public safety	814,615	814,615	1,173,670	(359,055)
Capital outlay				
Public safety	<u>10,613</u>	<u>10,613</u>	<u>10,613</u>	<u>-</u>
Total expenditures	<u>825,228</u>	<u>825,228</u>	<u>1,184,283</u>	<u>(359,055)</u>
Deficiency of revenues under expenditures	<u>3,073,600</u>	<u>3,073,600</u>	<u>2,529,053</u>	<u>(544,547)</u>
OTHER FINANCING USES				
Transfers out	<u>(3,073,600)</u>	<u>(3,073,600)</u>	<u>(2,417,993)</u>	<u>655,607</u>
Total other financing uses	<u>(3,073,600)</u>	<u>(3,073,600)</u>	<u>(2,417,993)</u>	<u>655,607</u>
Net change in fund balance	-	-	111,060	111,060
FUND BALANCES, beginning of year	<u>12,508</u>	<u>12,508</u>	<u>12,508</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 12,508</u>	<u>\$ 12,508</u>	<u>\$ 123,568</u>	<u>\$ 111,060</u>

COLLETON COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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
2022	0.095578%	\$ 23,170,138	\$ 11,392,298	203%	57.06%
2021	0.954060%	20,646,942	10,784,699	191%	60.75%
2020	0.098225%	25,098,134	10,717,988	234%	53.34%
2019	0.095718%	21,856,367	10,105,559	216%	53.34%
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
2022	0.326135%	\$ 9,780,718	\$ 5,156,276	190%	66.45%
2021	0.308604%	7,940,126	4,640,451	171%	70.37%
2020	0.308210%	10,220,913	4,655,962	220%	58.79%
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, 2023

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
2022	0.002592%	\$ 628,418	\$ 308,981	203%	57.06%
2021	0.002588%	559,984	292,501	191%	60.75%
2020	0.002664%	680,710	290,692	234%	50.71%
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
2022	0.424463%	\$ 12,729,565	\$ 6,710,872	190%	66.45%
2021	0.401648%	10,334,042	6,039,529	171%	70.37%
2020	0.401133%	13,302,440	6,059,715	220%	58.79%
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, 2023

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

Plan Year Ended June 30,	Memorial Library's proportion of the net pension liability	Memorial Library's proportionate share of the net pension liability	Memorial Library's covered payroll	Memorial 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
2022	0.003487%	\$ 845,284	\$ 415,609	203%	57.06%
2021	0.003481%	753,233	393,443	191%	60.75%
2020	0.003583%	915,621	391,009	234%	50.71%
2019	0.003492%	797,355	368,667	216%	54.10%
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, 2023

SCHEDULE OF CONTRIBUTIONS SOUTH CAROLINA RETIREMENT SYSTEM – PRIMARY GOVERNMENT

Fiscal Year Ended June 30,	Statutorily required contribution	Contributions relative to statutorily required contribution	Contribution deficiency (excess)	County's covered payroll	Contributions as a percentage of covered payroll
2023	\$ 2,226,059	\$ 2,226,059	\$ -	\$ 12,676,873	17.56%
2022	1,886,565	1,886,565	-	11,392,298	16.56%
2021	1,678,099	1,678,099	-	10,784,699	15.56%
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

Fiscal Year Ended June 30,	Statutorily required contribution	Contributions relative to statutorily required contribution	Contribution deficiency (excess)	County's covered payroll	Contributions as a percentage of covered payroll
2023	\$ 1,213,063	\$ 1,213,063	\$ -	\$ 6,053,208	20.04%
2022	981,755	981,755	-	5,156,276	19.04%
2021	846,418	846,418	-	4,640,451	18.24%
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, 2023

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

Fiscal Year Ended June 30,	Statutorily required contribution	Contributions relative to statutorily required contribution	Contribution deficiency (excess)	Commission's covered payroll	Contributions as a percentage of covered payroll
2023	\$ 60,375	\$ 60,375	\$ -	\$ 343,821	17.56%
2022	51,167	51,167	-	308,981	16.56%
2021	45,513	45,513	-	292,501	15.56%
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

Fiscal Year Ended June 30,	Statutorily required contribution	Contributions relative to statutorily required contribution	Contribution deficiency (excess)	Commission's covered payroll	Contributions as a percentage of covered payroll
2023	\$ 1,578,796	\$ 1,578,796	\$ -	\$ 7,878,225	20.04%
2022	1,277,750	1,277,750	-	6,710,872	19.04%
2021	1,101,610	1,101,610	-	6,039,529	18.24%
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, 2023

SCHEDULE OF CONTRIBUTIONS SOUTH CAROLINA RETIREMENT SYSTEM – MEMORIAL LIBRARY

Fiscal Year Ended June 30,	Statutorily required contribution	Contributions relative to statutorily required contribution	Contribution deficiency (excess)	Memorial Library's covered payroll	Contributions as a percentage of covered payroll
2023	\$ 81,210	\$ 81,210	\$ -	\$ 462,473	17.56%
2022	68,825	68,825	-	415,609	16.56%
2021	61,219	61,219	-	393,443	15.56%
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, 2023

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

System	SCRS	PORS
Calculation date	July 1, 2020	July 1, 2020
Actuarial cost method	Entry Age Normal	Entry Age Normal
Asset valuation method	Five-year smoothed	Five-year smoothed
Amortization method	Level % of pay	Level % of pay
Amortization period	27 year maximum, closed	27 year maximum, closed
Investment return	7.25%	7.25%
Inflation	2.25%	2.25%
Salary increases	3.00% plus step-rate increases for members 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 noneducators and 92% for educators. Female rates multiplied by 111% for noneducators 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 are 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,

	2023	2022	2021	2020	2019	2018
Total OPEB liability						
Service cost	\$ 273,464	\$ 281,668	\$ 273,464	\$ 220,060	\$ 224,176	\$ 260,008
Interest on total OPEB liability	134,227	106,464	114,920	119,093	107,751	89,458
Difference between expected and actual experience	-	1,069,692	1,434	(191,897)	(3,268)	-
Effect of assumption changes	(1,591,225)	440,503	454,267	241,956	(32,142)	(338,163)
Benefit payments	(29,622)	(29,671)	(37,269)	(31,099)	(31,555)	(29,153)
Net change in total OPEB liability	(1,213,156)	1,868,656	806,816	358,113	264,962	(17,850)
Total OPEB liability - beginning	6,228,852	4,360,196	3,553,380	3,195,267	2,930,305	2,948,155
Total OPEB liability - ending	\$ 5,015,696	\$ 6,228,852	\$ 4,360,196	\$ 3,553,380	\$ 3,195,267	\$ 2,930,305
Covered employee payroll	\$ 18,112,298	\$ 15,828,668	\$ 14,712,492	\$ 13,976,210	\$ 13,463,416	\$ 12,826,065
Total OPEB liability as a percentage of covered employee payroll	27.7%	39.4%	29.6%	25.4%	23.7%	22.8%

Notes to the Schedule:

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

The discount rate changed from 2.16% as of June 30, 2022 to 3.69% as of June 30, 2023.

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,

	2023	2022	2021	2020	2019	2018
Total OPEB liability						
Service cost	\$ 49,915	\$ 51,413	\$ 49,915	\$ 40,169	\$ 40,920	\$ 47,459
Interest on total OPEB liability	24,500	19,433	20,976	21,738	19,668	16,329
Difference between expected and actual experience	-	195,250	262	(35,027)	(597)	-
Effect of assumption changes	(290,446)	80,408	82,916	44,164	(5,867)	(61,725)
Benefit payments	(5,407)	(5,416)	(6,803)	(5,676)	(5,760)	(5,321)
Net change in total OPEB liability	(221,438)	341,088	147,266	65,368	48,364	(3,258)
Total OPEB liability - beginning	1,136,957	795,869	648,603	583,235	534,871	538,129
Total OPEB liability - ending	\$ 915,519	\$ 1,136,957	\$ 795,869	\$ 648,603	\$ 583,235	\$ 534,871
 Covered employee payroll	 \$ 3,306,026	 \$ 2,889,196	 \$ 2,685,461	 \$ 2,551,068	 \$ 2,457,468	 \$ 2,341,133
 Total OPEB liability as a percentage of covered employee payroll	 27.7%	 39.4%	 29.6%	 25.4%	 23.7%	 22.8%

Notes to the Schedule:

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

The discount rate changed from 2.16% as of June 30, 2022 to 3.69% as of June 30, 2023.

The Commission 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,

	2023	2022	2021	2020	2019	2018
Total OPEB liability						
Service cost	\$ 33,158	\$ 34,153	\$ 33,158	\$ 26,693	\$ 27,192	\$ 31,526
Interest on total OPEB liability	16,275	12,909	13,934	14,440	13,065	10,847
Difference between expected and actual experience	-	129,702	174	(23,268)	(396)	-
Effect of assumption changes	(192,985)	53,484	55,115	29,338	(3,897)	(41,003)
Benefit payments	(3,592)	(3,598)	(4,519)	(3,771)	(3,826)	(3,535)
Net change in total OPEB liability	(147,144)	226,650	97,862	43,432	32,138	(2,165)
Total OPEB liability - beginning	755,499	528,849	430,987	387,555	355,417	357,582
Total OPEB liability - ending	\$ 608,355	\$ 755,499	\$ 528,849	\$ 430,987	\$ 387,555	\$ 355,417
 Covered employee payroll	 \$ 2,196,146	 \$ 1,919,252	 \$ 1,783,914	 \$ 1,694,638	 \$ 1,632,461	 \$ 1,555,181
 Total OPEB liability as a percentage of covered employee payroll	 27.7%	 39.4%	 29.6%	 25.4%	 23.7%	 22.9%

Notes to the Schedule:

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

The discount rate changed from 2.16% as of June 30, 2022 to 3.69% as of June 30, 2023.

The Library 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

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's department.

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 the 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.

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

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2023

	Special Revenue Funds			
	Sheriff's Discretionary	Clerk of Court IV Incentives	Clerk of Court IV Unit Costs	Victim Witness Services
ASSETS				
Cash and cash equivalents	\$ 198,909	\$ 51,138	\$ -	\$ 1,147
Receivables, net	1,386	-	20,349	3,098
Prepaid expenditures	-	-	-	-
Total assets	<u>\$ 200,295</u>	<u>\$ 51,138</u>	<u>\$ 20,349</u>	<u>\$ 4,245</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ 17,752	\$ 39
Accrued payroll and benefits	-	-	2,597	4,131
Total liabilities	<u>-</u>	<u>-</u>	<u>20,349</u>	<u>4,170</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Non-spendable:				
Prepaid expenditures	-	-	-	-
Restricted for:				
Public safety	200,295	-	-	75
Debt service	-	-	-	-
Recreation and culture	-	-	-	-
Judicial services	-	51,138	-	-
Assigned:				
Judicial services	-	-	-	-
Committed:				
Recreation and culture	-	-	-	-
Total fund balances	<u>200,295</u>	<u>51,138</u>	<u>-</u>	<u>75</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 200,295</u>	<u>\$ 51,138</u>	<u>\$ 20,349</u>	<u>\$ 4,245</u>

(Continued)

Special Revenue Funds					
14th Circuit Court Solicitor	Animal Care Control Donations	Emergency Telephone	County Hospitality Tax	County Accommodations Tax	State Accommodations Tax
\$ 1,078,999	\$ -	\$ 431,266	\$ 43,407	\$ 74,099	\$ 33,405
368,455	900	41,295	85,601	110,553	25,996
25,385	-	-	-	-	-
<u>\$ 1,472,839</u>	<u>\$ 900</u>	<u>\$ 472,561</u>	<u>\$ 129,008</u>	<u>\$ 184,652</u>	<u>\$ 59,401</u>
\$ 48,995	\$ 900	\$ 2,807	\$ -	\$ 15,061	\$ -
90,210	-	3,749	-	12,404	-
<u>139,205</u>	<u>900</u>	<u>6,556</u>	<u>-</u>	<u>27,465</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
25,385	-	-	-	-	-
-	-	466,005	-	-	-
-	-	-	-	-	-
-	-	-	-	-	59,401
-	-	-	-	-	-
1,308,249	-	-	-	-	-
-	-	-	129,008	157,187	-
<u>1,333,634</u>	<u>-</u>	<u>466,005</u>	<u>129,008</u>	<u>157,187</u>	<u>59,401</u>
<u>\$ 1,472,839</u>	<u>\$ 900</u>	<u>\$ 472,561</u>	<u>\$ 129,008</u>	<u>\$ 184,652</u>	<u>\$ 59,401</u>

COLLETON COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2023

	Debt Service Funds			Totals
	Debt Service	GO Bond	Debt Service Non-GOB	
ASSETS				
Cash and cash equivalents	\$ -	\$ 78,328	\$ -	\$ 1,990,698
Receivables, net	99,867	-	135,646	893,146
Prepaid expenditures	-	-	-	25,385
Total assets	<u>\$ 99,867</u>	<u>\$ 78,328</u>	<u>\$ 135,646</u>	<u>\$ 2,909,229</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 7,213	\$ -	\$ 135,646	\$ 228,413
Accrued payroll and benefits	-	-	-	113,091
Total liabilities	<u>7,213</u>	<u>-</u>	<u>135,646</u>	<u>341,504</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	80,410	-	-	80,410
Total deferred inflows of resources	<u>80,410</u>	<u>-</u>	<u>-</u>	<u>80,410</u>
FUND BALANCES				
Non-spendable:				
Prepaid expenditures	-	-	-	25,385
Restricted for:				
Public safety	-	-	-	666,375
Debt service	12,244	78,328	-	90,572
Recreation and culture	-	-	-	59,401
Judicial services	-	-	-	51,138
Assigned:				
Judicial services	-	-	-	1,308,249
Committed:				
Recreation and culture	-	-	-	286,195
Total fund balances	<u>12,244</u>	<u>78,328</u>	<u>-</u>	<u>2,487,315</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 99,867</u>	<u>\$ 78,328</u>	<u>\$ 135,646</u>	<u>\$ 2,909,229</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, 2023

	Special Revenue Funds			
	Sheriff's Discretionary	Clerk of Court IV Incentives	Clerk of Court IV Unit Costs	Victim Witness Services
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	4,505	38,865	113,520	35,808
Fines and fees	-	-	-	-
Other revenues	15,672	1,173	-	180
Total revenues	20,177	40,038	113,520	35,988
Expenditures				
Current:				
General government	-	-	-	-
Judicial services	-	82,734	103,631	-
Public safety	14,036	-	-	129,461
Roads and bridges	-	-	-	-
Recreation and culture	-	-	-	-
Economic development	-	-	-	-
Intergovernmental	-	-	-	-
Capital outlay				
Judicial services	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	14,036	82,734	103,631	129,461
Excess (deficiency) of revenues over (under) expenditures	6,141	(42,696)	9,889	(93,473)
Other financing sources (uses)				
Proceeds from sale of capital assets	42,400	-	-	-
Insurance recoveries	-	-	-	-
Transfers in	-	-	-	26,661
Transfers out	-	-	(9,889)	-
Total other financing sources (uses)	42,400	-	(9,889)	26,661
Net change in fund balances	48,541	(42,696)	-	(66,812)
Fund balances, beginning of year	151,754	93,834	-	66,887
Fund balances end of year	\$ 200,295	\$ 51,138	\$ -	\$ 75

(Continued)

Special Revenue Funds					
14th Circuit Court Solicitor	Animal Care Control Donations	Emergency Telephone	County Hospitality Tax	County Accommodations Tax	State Accommodations Tax
\$ -	\$ -	\$ -	\$ 675,983	\$ 827,984	\$ 56,491
4,577,779	-	110,720	-	-	-
245,865	25,700	248,418	-	-	-
12,050	10,706	10,120	3,073	6,797	930
4,835,694	36,406	369,258	679,056	834,781	57,421
-	-	-	150,025	-	-
5,066,821	-	-	-	-	-
-	28,127	432,759	-	-	-
-	-	-	-	53,825	-
-	-	-	114,748	435,329	69,800
-	-	-	124,152	-	-
-	-	-	6,000	25,702	-
59,129	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,125,950	28,127	432,759	394,925	514,856	69,800
(290,256)	8,279	(63,501)	284,131	319,925	(12,379)
-	-	-	-	-	-
6,559	-	-	-	-	-
316,259	-	-	-	-	-
(152,509)	(8,279)	-	(220,000)	(270,000)	-
170,309	(8,279)	-	(220,000)	(270,000)	-
(119,947)	-	(63,501)	64,131	49,925	(12,379)
1,453,581	-	529,506	64,877	107,262	71,780
\$ 1,333,634	\$ -	\$ 466,005	\$ 129,008	\$ 157,187	\$ 59,401

COLLETON COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Debt Service Funds			
	Debt Service	GO Bond	Debt Service Non-GOB	Totals
Revenues				
Taxes	\$ 2,252,716	\$ -	\$ -	\$ 3,813,174
Intergovernmental	-	-	150,000	5,031,197
Fines and fees	21,734	-	-	541,717
Other revenues	24,113	4,435	-	89,249
Total revenues	2,298,563	4,435	150,000	9,475,337
Expenditures				
Current:				
General government	-	-	-	150,025
Judicial services	-	-	-	5,253,186
Public safety	-	-	-	604,383
Roads and bridges	-	-	-	53,825
Recreation and culture	-	-	-	619,877
Economic development	-	-	-	124,152
Intergovernmental	-	-	-	31,702
Capital outlay				
Judicial services	-	-	-	59,129
Debt service:				
Principal	1,058,398	-	1,833,174	2,891,572
Interest and fiscal charges	209,155	-	46,950	256,105
Total expenditures	1,267,553	-	1,880,124	10,043,956
Excess (deficiency) of revenues over (under) expenditures	1,031,010	4,435	(1,730,124)	(568,619)
Other financing sources (uses)				
Proceeds from sale of capital assets	-	-	-	42,400
Insurance recoveries	-	-	-	6,559
Transfers in	-	-	1,730,124	2,073,044
Transfers out	(1,080,000)	(100,000)	-	(1,840,677)
Total other financing sources (uses)	(1,080,000)	(100,000)	1,730,124	281,326
Net change in fund balances	(48,990)	(95,565)	-	(287,293)
Fund balances, beginning of year	61,234	173,893	-	2,774,608
Fund balances, end of year	\$ 12,244	\$ 78,328	\$ -	\$ 2,487,315

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, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Intergovernmental	\$ 175,000	\$ 175,000	\$ 113,520	\$ (61,480)
Total revenues	175,000	175,000	113,520	(61,480)
EXPENDITURES				
Judicial services	175,000	175,000	103,631	71,369
Total expenditures	175,000	175,000	103,631	71,369
Excess of revenues over expenditures	-	-	9,889	9,889
OTHER FINANCING USES				
Transfers out	-	-	(9,889)	(9,889)
Total other financing uses	-	-	(9,889)	(9,889)
Net change in fund balance	-	-	-	-
FUND BALANCES, beginning of year	-	-	-	-
FUND BALANCES, end of year	\$ -	\$ -	\$ -	\$ -

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, 2023**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Intergovernmental	\$ 70,000	\$ 70,000	\$ 35,808	\$ (34,192)
Other revenues	700	700	180	(520)
Total revenues	<u>70,700</u>	<u>70,700</u>	<u>35,988</u>	<u>(34,712)</u>
EXPENDITURES				
Public safety	110,494	120,896	129,461	(8,565)
Total expenditures	<u>110,494</u>	<u>120,896</u>	<u>129,461</u>	<u>(8,565)</u>
Deficiency of revenues under expenditures	(39,794)	(50,196)	(93,473)	(43,277)
OTHER FINANCING SOURCES				
Transfers in	9,971	9,971	26,661	16,690
Total other financing sources	<u>9,971</u>	<u>9,971</u>	<u>26,661</u>	<u>16,690</u>
Net change in fund balance	(29,823)	(40,225)	(66,812)	(26,587)
FUND BALANCES, beginning of year	<u>66,887</u>	<u>66,887</u>	<u>66,887</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 37,064</u>	<u>\$ 26,662</u>	<u>\$ 75</u>	<u>\$ (26,587)</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, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Fines and fees	\$ 15,000	\$ 15,000	\$ 25,700	\$ 10,700
Other revenues	-	750	10,706	9,956
Total revenues	15,000	15,750	36,406	20,656
EXPENDITURES				
Public safety	15,000	15,750	28,127	(12,377)
Total expenditures	15,000	15,750	28,127	(12,377)
OTHER FINANCING SOURCES				
Transfers out	-	-	(8,279)	(8,279)
Total other financing sources	-	-	(8,279)	(8,279)
Net change in fund balance	-	-	-	-
FUND BALANCES, beginning of year	-	-	-	-
FUND BALANCES, end of year	\$ -	\$ -	\$ -	\$ -

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, 2023**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Intergovernmental	\$ 208,298	\$ 208,298	\$ 110,720	\$ (97,578)
Fines and fees	247,000	248,440	248,418	(22)
Other revenues	-	0	10,120	10,120
Total revenues	<u>455,298</u>	<u>456,738</u>	<u>369,258</u>	<u>(87,480)</u>
EXPENDITURES				
Public safety	559,182	560,622	432,759	127,863
Total expenditures	<u>559,182</u>	<u>560,622</u>	<u>432,759</u>	<u>127,863</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(103,884)</u>	<u>(103,884)</u>	<u>(63,501)</u>	<u>40,383</u>
OTHER FINANCING SOURCES				
Transfers in	31,840	31,840	-	(31,840)
Total other financing sources	<u>31,840</u>	<u>31,840</u>	<u>-</u>	<u>(31,840)</u>
Net change in fund balance	(72,044)	(72,044)	(63,501)	8,543
FUND BALANCES, beginning of year	<u>529,506</u>	<u>529,506</u>	<u>529,506</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 457,462</u>	<u>\$ 457,462</u>	<u>\$ 466,005</u>	<u>\$ 8,543</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, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Taxes	\$ 645,000	\$ 645,000	\$ 675,983	\$ 30,983
Other revenues	800	800	3,073	2,273
Total revenues	645,800	645,800	679,056	33,256
EXPENDITURES				
General government	150,025	150,025	150,025	-
Recreation and culture	114,748	114,748	114,748	-
Economic development	124,152	124,152	124,152	-
Intergovernmental	6,000	6,000	6,000	-
Total expenditures	394,925	394,925	394,925	-
Excess of revenues over expenditures	250,875	250,875	284,131	33,256
OTHER FINANCING USES				
Transfers out	(250,875)	(250,875)	(220,000)	30,875
Total other financing uses	(250,875)	(250,875)	(220,000)	30,875
Net change in fund balance	-	-	64,131	64,131
FUND BALANCES, beginning of year	64,877	64,877	64,877	-
FUND BALANCES, end of year	\$ 64,877	\$ 64,877	\$ 129,008	\$ 64,131

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, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Taxes	\$ 725,000	\$ 725,000	\$ 827,984	\$ 102,984
Other revenues	100	100	6,797	6,697
Total revenues	725,100	725,100	834,781	109,681
EXPENDITURES				
Roads and bridges	84,139	84,139	53,825	30,314
Recreation and culture	551,615	551,615	435,329	116,286
Intergovernmental	25,702	25,702	25,702	-
Total expenditures	661,456	661,456	514,856	146,600
Excess of revenues over expenditures	63,644	63,644	319,925	256,281
OTHER FINANCING SOURCES (USES)				
Transfers in	30,875	30,875	-	(30,875)
Transfers out	(94,519)	(94,519)	(270,000)	(175,481)
Total other financing uses, net	(63,644)	(63,644)	(270,000)	(206,356)
Net change in fund balance	-	-	49,925	49,925
FUND BALANCES, beginning of year	107,262	107,262	107,262	-
FUND BALANCES, end of year	\$ 107,262	\$ 107,262	\$ 157,187	\$ 49,925

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, 2023**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Taxes	\$ 2,045,200	\$ 2,045,200	\$ 2,252,716	\$ 207,516
Fines and fees	10,000	10,000	21,734	11,734
Other revenues	4,500	4,500	24,113	19,613
Total revenues	<u>2,059,700</u>	<u>2,059,700</u>	<u>2,298,563</u>	<u>238,863</u>
EXPENDITURES				
Debt service:				
Principal	1,058,398	1,058,398	1,058,398	-
Interest and fiscal charges	210,736	210,736	209,155	1,581
Total expenditures	<u>1,269,134</u>	<u>1,269,134</u>	<u>1,267,553</u>	<u>1,581</u>
Excess of revenues over expenditures	<u>790,566</u>	<u>790,566</u>	<u>1,031,010</u>	<u>240,444</u>
OTHER FINANCING USES				
Transfers out	(790,566)	(790,566)	(1,080,000)	(289,434)
Total other financing uses	<u>(790,566)</u>	<u>(790,566)</u>	<u>(1,080,000)</u>	<u>(289,434)</u>
Net change in fund balance	-	-	(48,990)	(48,990)
FUND BALANCES, beginning of year	<u>61,234</u>	<u>61,234</u>	<u>61,234</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 61,234</u>	<u>\$ 61,234</u>	<u>\$ 12,244</u>	<u>\$ (48,990)</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, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Taxes	\$ 4,111,950	\$ 4,111,950	\$ 7,088,547	\$ 2,976,597
Other revenues	-	-	168,922	168,922
Total revenues	4,111,950	4,111,950	7,257,469	3,145,519
EXPENDITURES				
Debt service:				
Principal	3,970,000	3,970,000	3,970,000	-
Interest and fiscal charges	141,950	141,950	141,950	-
	-	-	179,207	(179,207)
Total expenditures	4,111,950	4,111,950	4,291,157	(179,207)
Excess of revenues over expenditures	-	-	2,966,312	2,966,312
OTHER FINANCING SOURCES				
Issuance of debt	-	-	728,093	728,093
Total other financing sources	-	-	728,093	728,093
Net change in fund balance	-	-	3,694,405	3,694,405
FUND BALANCES, beginning of year	6,800,005	6,800,005	6,800,005	-
FUND BALANCES, end of year	\$ 6,800,005	\$ 6,800,005	\$ 10,494,410	\$ 3,694,405

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, 2023**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Intergovernmental	\$ 150,000	\$ 150,000	\$ 150,000	\$ -
Other revenues	-	-	-	-
Total revenues	150,000	150,000	150,000	-
EXPENDITURES				
Debt service:				
Principal	1,083,556	1,083,556	1,833,174	(749,618)
Interest and fiscal charges	46,920	46,920	46,950	(30)
Total expenditures	1,130,476	1,130,476	1,880,124	(749,648)
Deficiency of revenues under expenditures	(980,476)	(980,476)	(1,730,124)	(749,648)
OTHER FINANCING SOURCES				
Transfers in	980,476	980,476	1,730,124	749,648
Total other financing sources	980,476	980,476	1,730,124	749,648
Net change in fund balance	-	-	-	-
FUND BALANCES, beginning of year	-	-	-	-
FUND BALANCES, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Intergovernmental	\$ 78,125	\$ 6,762,483	\$ 7,917,840	\$ 1,155,357
Other revenues	144,375	1,032,520	919,794	(112,726)
Total revenues	222,500	7,795,003	8,837,634	1,042,631
EXPENDITURES				
General government	-	224,632	79,625	145,007
Public safety	20,995	6,262,947	317,209	5,945,738
Solid waste	-	26,645	26,605	40
Recreation and culture	220,675	7,109,571	231,997	6,877,574
Economic development	222,500	314,395	598,534	(284,139)
Intergovernmental	-	14,682,652	10,552,196	4,130,456
Capital outlay:				
General government	523,131	2,718,239	667,773	2,050,466
Public safety	562,457	30,338,103	830,524	29,507,579
Roads and bridges	-	109,147	111,968	(2,821)
Solid waste	16,895	416,656	416,656	-
Interest and fiscal charges	-	-	264,356	(264,356)
Total expenditures	1,566,653	62,202,987	14,097,443	48,105,544
Deficiency of revenues under expenditures	(1,344,153)	(54,407,984)	(5,259,809)	49,148,175
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	10,000	340,085	330,085
Issuance of debt	-	40,355,000	40,355,000	-
Premium on debt issued	-	-	264,356	264,356
Transfers in	105,075	2,298,071	480,048	(1,818,023)
Total other financing sources, net	105,075	42,663,071	41,439,489	(1,223,582)
Net change in fund balance	(1,239,078)	(11,744,913)	36,179,680	47,924,593
FUND BALANCES, beginning of year	12,071,141	12,071,141	12,071,141	-
FUND BALANCES, end of year	\$ 10,832,063	\$ 326,228	\$ 48,250,821	\$ 47,924,593

FIDUCIARY FUNDS

CUSTODIAL FUNDS

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

Sheriff Fund – to account for the receipts and disbursements by the Sheriff's office related to seized assets from offenders.

Inmate Fund – to account for the funds held for the offenders that are incarcerated.

Jail Commissary Funds – to account for the resources used to operate the County detention center commissary.

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 Court 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

**COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2023**

ASSETS	Sheriff	Inmate	Jail Commissary	Willow Swamp Water Shed	Law Officer's Memorial
Cash and cash equivalents	\$ 301,498	\$ 218,412	120,870	\$ 60,614	\$ 2,870
Other receivables	-	-	-	-	-
Total assets	301,498	218,412	120,870	60,614	2,870
LIABILITIES					
Due to others	228,306	68,789	120,569	15,000	-
Total liabilities	228,306	68,789	120,569	15,000	-
NET POSITION					
Restricted:					
Individuals, organizations, and other governments	73,192	149,623	301	45,614	2,870
Total net position	\$ 73,192	\$ 149,623	301	\$ 45,614	\$ 2,870

<u>Treasurer</u>	<u>14th Circuit Court Solicitor</u>	<u>Delinquent Tax</u>	<u>Clerk of Court</u>	<u>Magistrate</u>	<u>Firemen</u>	<u>Colleton County School</u>	<u>Total</u>
\$ 704,993	\$ 13,108	\$ 4,803,501	\$ 429,275	\$ 82,158	\$ 62,624	\$ 12,378,376	\$ 19,178,299
154,921	-	-	-	-	-	32,624	187,545
859,914	13,108	4,803,501	429,275	82,158	62,624	12,411,000	19,365,844
204,611	90	3,318,297	354,518	59,136	-	6,271,326	10,640,642
204,611	90	3,318,297	354,518	59,136	-	6,271,326	10,640,642
655,303	13,018	1,485,204	74,757	23,022	62,624	6,139,674	8,725,202
<u>\$ 655,303</u>	<u>\$ 13,018</u>	<u>\$ 1,485,204</u>	<u>\$ 74,757</u>	<u>\$ 23,022</u>	<u>\$ 62,624</u>	<u>\$ 6,139,674</u>	<u>\$ 8,725,202</u>

COLLETON COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION CUSTODIAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Sheriff</u>	<u>Inmate</u>	<u>Jail Commissary</u>	<u>Willow Swamp Water Shed</u>	<u>Law Officer's Memorial</u>
ADDITIONS					
Taxes	\$ -	\$ -	\$ -	\$ 4,391	\$ -
Fines and fees	-	64,925	-	-	-
Miscellaneous	<u>6,737</u>	<u>-</u>	<u>199,027</u>	<u>1,494</u>	<u>6</u>
Total additions	<u>6,737</u>	<u>64,925</u>	<u>199,027</u>	<u>5,885</u>	<u>6</u>
DEDUCTIONS					
Taxes and fees paid to other governments	-	-	-	-	-
Other custodial disbursements	<u>180</u>	<u>12,824</u>	<u>227,254</u>	<u>-</u>	<u>-</u>
Total deductions	<u>180</u>	<u>12,824</u>	<u>227,254</u>	<u>-</u>	<u>-</u>
Net increase in fiduciary net position	6,557	52,101	(28,227)	5,885	6
Net position, beginning of year	<u>66,635</u>	<u>97,522</u>	<u>28,528</u>	<u>39,729</u>	<u>2,864</u>
Net position, end of year	<u>\$ 73,192</u>	<u>\$ 149,623</u>	<u>\$ 301</u>	<u>\$ 45,614</u>	<u>\$ 2,870</u>

<u>Treasurer</u>	<u>14th Circuit Court Solicitor</u>	<u>Delinquent Tax</u>	<u>Clerk of Court</u>	<u>Magistrate</u>	<u>Firemen</u>	<u>Colleton County School</u>	<u>Total</u>
\$ 4,218,929	\$ -	\$ 7,320,616	\$ -	\$ -	\$ 89,107	\$ 12,146,974	\$ 23,780,017
-	-	-	984,863	502,187	-	-	1,551,975
4,068,806	38,328	79,649	449	-	1,982	79,188,533	83,585,011
<u>8,287,735</u>	<u>38,328</u>	<u>7,400,265</u>	<u>985,312</u>	<u>502,187</u>	<u>91,089</u>	<u>91,335,507</u>	<u>108,917,003</u>
7,890,821	-	7,567,904	-	-	-	73,659,839	89,118,564
-	32,851	-	1,091,693	527,625	65,566	14,073,058	16,031,051
<u>7,890,821</u>	<u>32,851</u>	<u>7,567,904</u>	<u>1,091,693</u>	<u>527,625</u>	<u>65,566</u>	<u>87,732,897</u>	<u>105,149,615</u>
396,914	5,477	(167,639)	(106,381)	(25,438)	25,523	3,602,610	3,767,388
258,389	7,541	1,652,843	181,138	48,460	37,101	2,537,064	4,957,814
<u>\$ 655,303</u>	<u>\$ 13,018</u>	<u>\$ 1,485,204</u>	<u>\$ 74,757</u>	<u>\$ 23,022</u>	<u>\$ 62,624</u>	<u>\$ 6,139,674</u>	<u>\$ 8,725,202</u>

COMPONENT UNITS

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, 2023**

	<u>General</u>	<u>Debt Service</u>	<u>Capital</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ 298,550	\$ 97,576	\$ 4,219,623	\$ 4,615,749
Receivables, net	1,171,728	173,330	-	1,345,058
Prepaid expenditures	162,260	-	-	162,260
Total assets	<u>\$ 1,632,538</u>	<u>\$ 270,906</u>	<u>\$ 4,219,623</u>	<u>\$ 6,123,067</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 171,510	\$ -	\$ 11,715	\$ 183,225
Accrued payroll and benefits	404,048	-	-	404,048
Total liabilities	<u>575,558</u>	<u>-</u>	<u>11,715</u>	<u>587,273</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - fees	658,241	-	-	658,241
Unavailable revenue - property taxes	213,678	134,144	-	347,822
Unavailable revenue - intergovernmental	9,264	-	-	9,264
Total deferred inflows of resources	<u>881,183</u>	<u>134,144</u>	<u>-</u>	<u>1,015,327</u>
FUND BALANCES				
Nonspendable	162,260	-	-	162,260
Restricted	-	136,762	4,207,908	4,344,670
Unassigned	13,537	-	-	13,537
Total fund balances	<u>175,797</u>	<u>136,762</u>	<u>4,207,908</u>	<u>4,520,467</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,632,538</u>	<u>\$ 270,906</u>	<u>\$ 4,219,623</u>	<u>\$ 6,123,067</u>

COLLETON COUNTY, SOUTH CAROLINA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION COMPONENT UNIT – FIRE AND RESCUE COMMISSION JUNE 30, 2023

Total Fire and Rescue fund balance:		\$	4,520,467
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.			11,016,403
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	\$	347,822	
EMS fee receivables		658,241	
Intergovernmental revenues		<u>9,264</u>	1,015,327
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	\$	2,983,358	
Deferred outflows related to other post-employment benefits		<u>301,081</u>	3,284,439
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.			
General obligation bonds	\$	(10,320,000)	
Bond premiums		(215,708)	
Financed purchases		(335,923)	
Compensated absences		(455,547)	
Accrued interest		(94,520)	
Net pension liability		(13,357,983)	
Total other post-employment benefits liability		<u>(915,519)</u>	(25,695,200)
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	\$	(263,228)	
Deferred inflows related to other post-employment benefits		<u>(301,495)</u>	(564,723)
Net position of governmental activities			<u><u>\$ (6,423,287)</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, 2023

	General	Debt Service	Capital	Total
REVENUES				
Taxes	\$ 4,562,906	\$ 2,826,832	\$ -	\$ 7,389,738
Intergovernmental	6,385,742	-	-	6,385,742
Fines and fees	2,224,301	-	-	2,224,301
Other income	24,665	27,259	114,208	166,132
Total revenues	<u>13,197,614</u>	<u>2,854,091</u>	<u>114,208</u>	<u>16,165,913</u>
EXPENDITURES				
Current:				
Public safety	14,191,073	100,000	89,377	14,380,450
Capital outlay:				
Public safety	78,894	-	786,080	864,974
Debt service:				
Principal	-	1,388,428	-	1,388,428
Interest	-	296,295	-	296,295
Total expenditures	<u>14,269,967</u>	<u>1,784,723</u>	<u>875,457</u>	<u>16,930,147</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,072,353)</u>	<u>1,069,368</u>	<u>(761,249)</u>	<u>(764,234)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	9,950	-	-	9,950
Transfers in	1,090,557	-	-	1,090,557
Transfers out	-	(1,090,557)	-	(1,090,557)
Total other financing sources (uses)	<u>1,100,507</u>	<u>(1,090,557)</u>	<u>-</u>	<u>9,950</u>
Net change in fund balances	28,154	(21,189)	(761,249)	(754,284)
Fund balances, beginning of year	<u>147,643</u>	<u>157,951</u>	<u>4,969,157</u>	<u>5,274,751</u>
Fund balances, end of year	<u>\$ 175,797</u>	<u>\$ 136,762</u>	<u>\$ 4,207,908</u>	<u>\$ 4,520,467</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 COMPONENT UNIT – FIRE AND RESCUE COMMISSION FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Net change in fund balances - total governmental funds		\$	(754,284)
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	\$	951,458	
Depreciation expense		(1,130,654)	(179,196)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position			
			(171,043)
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	\$	(135,048)	
EMS fees receivable		(402,386)	
Intergovernmental revenues		(6,016)	(543,450)
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	\$	1,388,428	
Amortization of premium on long-term debt		33,000	1,421,428
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	\$	77,081	
Compensated absences		(38,401)	
Accrued interest on long-term debt		8,570	
Other post-employment benefits liability		(70,010)	(22,760)
			<u>\$ (249,305)</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, 2023**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Taxes	\$ 6,855,634	\$ 7,079,161	\$ 7,389,738	\$ 310,577
Intergovernmental	5,111,466	5,236,831	6,385,742	1,148,911
Fines and fees	1,800,000	1,825,137	2,224,301	399,164
Other revenues	116,208	514,287	166,132	(348,155)
Total revenues	<u>13,883,308</u>	<u>14,655,416</u>	<u>16,165,913</u>	<u>1,510,497</u>
EXPENDITURES				
Public safety	13,461,226	14,121,567	14,380,450	(258,883)
Capital outlay:				
Public safety	786,080	897,847	864,974	32,873
Debt service:				
Principal	1,388,366	1,388,366	1,388,428	(62)
Interest and fiscal charges	296,357	296,357	296,295	62
Total expenditures	<u>15,932,029</u>	<u>16,704,137</u>	<u>16,930,147</u>	<u>(226,010)</u>
Deficiency of revenues under expenditures	<u>(2,048,721)</u>	<u>(2,048,721)</u>	<u>(764,234)</u>	<u>1,284,487</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	-	9,950	9,950
Transfers in	2,165,049	2,378,029	1,090,557	(1,287,472)
Transfers out	(877,577)	(1,090,557)	(1,090,557)	-
Total other financing sources, net	<u>1,287,472</u>	<u>1,287,472</u>	<u>9,950</u>	<u>(1,277,522)</u>
Net change in fund balance	(761,249)	(761,249)	(754,284)	6,965
FUND BALANCES, beginning of year	<u>5,274,751</u>	<u>5,274,751</u>	<u>5,274,751</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 4,513,502</u>	<u>\$ 4,513,502</u>	<u>\$ 4,520,467</u>	<u>\$ 6,965</u>

COLLETON COUNTY, SOUTH CAROLINA

BALANCE SHEET COMPONENT UNIT – MEMORIAL LIBRARY JUNE 30, 2023

	General	Special Revenue Fund	Total
ASSETS			
Cash and cash equivalents	\$ 205,406	\$ 10,892	\$ 216,298
Receivables, net	2,687	-	2,687
Prepaid expenditures	14,920	-	14,920
Total assets	<u>\$ 223,013</u>	<u>\$ 10,892</u>	<u>\$ 233,905</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 3,626	\$ 10,892	\$ 14,518
Accrued payroll and benefits	23,847	-	23,847
Unearned revenue	96	-	96
Total liabilities	<u>27,569</u>	<u>10,892</u>	<u>38,461</u>
FUND BALANCES			
Nonspendable	14,920	-	14,920
Unassigned	180,524	-	180,524
Total fund balances	<u>195,444</u>	<u>-</u>	<u>195,444</u>
Total liabilities and fund balances	<u>\$ 223,013</u>	<u>\$ 10,892</u>	<u>\$ 233,905</u>

COLLETON COUNTY, SOUTH CAROLINA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION COMPONENT UNIT – MEMORIAL LIBRARY JUNE 30, 2023

Total Memorial Library fund balance:	\$	195,444
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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.		231,052
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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	\$	123,235	
Deferred outflows related to other post-employment benefits		200,066	323,301

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Compensated absences	\$	(13,658)	
Net pension liability		(845,284)	
Total other post-employment benefits liability		(608,355)	(1,467,297)

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	\$	(15,584)	
Deferred inflows related to other post-employment benefits		(200,341)	(215,925)

Net position of governmental activities			\$ (933,425)
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COLLETON COUNTY, SOUTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES COMPONENT UNIT - MEMORIAL LIBRARY FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	General	Special Revenue Fund	Total
REVENUES			
Intergovernmental	\$ 767,306	\$ 150,000	\$ 917,306
Fines and fees	24,157	-	24,157
Other income	36,050	646	36,696
Total revenues	<u>827,513</u>	<u>150,646</u>	<u>978,159</u>
EXPENDITURES			
Current:			
Recreation and culture	822,052	150,646	972,698
Capital outlay	1,140	-	1,140
Total expenditures	<u>823,192</u>	<u>150,646</u>	<u>973,838</u>
Net change in fund balances	4,321	-	4,321
Fund balances, beginning of year	<u>191,123</u>	<u>-</u>	<u>191,123</u>
Fund balances, end of year	<u>\$ 195,444</u>	<u>\$ -</u>	<u>\$ 195,444</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 - COMPONENT UNIT - MEMORIAL LIBRARY FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Net change in fund balances - total governmental funds	\$	4,321
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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.

Loss on disposal of capital assets	\$	(37,492)	
Capital outlay		80,471	
Depreciation expense		<u>(99,759)</u>	(56,780)

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	\$	4,696	
Compensated absences		145	
Other post-employment benefits liability		<u>(46,521)</u>	<u>(41,680)</u>
			<u>\$ (94,139)</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, 2023**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Intergovernmental	\$ 912,395	\$ 918,206	\$ 917,306	\$ (900)
Fines and fees	-	-	24,157	24,157
Other revenues	-	23,309	36,696	13,387
Total revenues	<u>912,395</u>	<u>941,515</u>	<u>978,159</u>	<u>36,644</u>
EXPENDITURES				
Current:				
Recreation and culture	964,573	993,693	972,698	20,995
Capital outlay	-	-	1,140	(1,140)
Total expenditures	<u>964,573</u>	<u>993,693</u>	<u>973,838</u>	<u>19,855</u>
Net change in fund balance	(52,178)	(52,178)	4,321	56,499
FUND BALANCES, beginning of year	<u>191,123</u>	<u>191,123</u>	<u>191,123</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 138,945</u>	<u>\$ 138,945</u>	<u>\$ 195,444</u>	<u>\$ 56,499</u>

COLLETON COUNTY, SOUTH CAROLINA

UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES (per ACT 96)

For The Year Ended June 30, 2023

FOR THE STATE TREASURER'S OFFICE:

COUNTY / MUNICIPAL FUNDS COLLECTED BY CLERK OF COURT	<u>General Sessions</u>	<u>Magistrate Court</u>	<u>Municipal Court</u>	<u>Total</u>
Court Fines and Assessments:				
Court fines and assessments collected	\$ 404,357.00	\$ 510,525.00	\$ -	\$ 914,882.00
Court fines and assessments remitted to State Treasurer	\$ (235,950.00)	\$ (245,929.00)	\$ -	\$ (481,879.00)
Total Court Fines and Assessments retained	\$ 168,407.00	\$ 264,596.00	\$ -	\$ 433,003.00
Surcharges and Assessments retained for victim services:				
Surcharges collected and retained	\$ 7,626.00	\$ 5,800.00	\$ -	\$ 13,426.00
Assessments retained	\$ 635.00	\$ 19,526.00	\$ -	\$ 20,161.00
Total Surcharges and Assessments retained for victim services	\$ 8,261.00	\$ 25,326.00	\$ -	\$ 33,587.00

FOR THE DEPARTMENT OF CRIME VICTIM COMPENSATION (DCVC)

<u>VICTIM SERVICE FUNDS COLLECTED</u>	<u>Municipal</u>	<u>County</u>	<u>Total</u>
Carryforward from Previous Year – Beginning Balance		\$ 66,887.00	\$ 66,887.00
<u>Victim Service Revenue:</u>			
Victim Service Fines Retained by City/County Treasurer	\$ -	\$ -	\$ -
Victim Service Assessments Retained by City/County Treasurer	\$ -	\$ 20,161.00	\$ 20,161.00
Victim Service Surcharges Retained by City/County Treasurer	\$ -	\$ 13,425.00	\$ 13,425.00
Interest Earned	\$ -	\$ 180.00	\$ 180.00
Grant Funds Received			
Grant from:	\$ -	\$ -	\$ -
General Funds Transferred to Victim Service Fund	\$ -	\$ 26,661.00	\$ 26,661.00
Contribution Received from Victim Service Contracts:			
(1) Town of Edisto Beach	\$ -	\$ 2,221.00	\$ 2,221.00
(2) Town of Cottageville	\$ -	\$ -	\$ -
(3) City of	\$ -	\$ -	\$ -
Total Funds Allocated to Victim Service Fund + Beginning Balance (A)	\$ -	\$ 129,535.00	\$ 129,535.00

COLLETON COUNTY, SOUTH CAROLINA

UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES (per ACT 96) For The Year Ended June 30, 2023

Expenditures for Victim Service Program:	<u>Municipal</u>	<u>County</u>	<u>Total</u>
Salaries and Benefits	\$ -	\$ 121,327.00	\$ 121,327.00
Operating Expenditures	\$ -	\$ 8,133.00	\$ 8,133.00
Victim Service Contract(s):			
(1) Entity's Name	\$ -	\$ -	\$ -
(2) Entity's Name	\$ -	\$ -	\$ -
Victim Service Donation(s):			
(1) Domestic Violence Shelter:	\$ -	\$ -	\$ -
(2) Rape Crisis Center: Hopeful Horizons	\$ -	\$ -	\$ -
(3) Other local direct crime victims service agency:	\$ -	\$ -	\$ -
Transferred to General Fund	\$ -	\$ -	\$ -
Total Expenditures from Victim Service Fund/Program (B)	\$ -	\$ 129,460.00	\$ 129,460.00
Total Victim Service Funds Retained by Municipal/County Treasurer (A-B)	\$ -	\$ 75.00	\$ 75.00
Less: Prior Year Fund Deficit Repayment	\$ -	\$ -	\$ -
Carryforward Funds – End of Year	\$ -	\$ 75.00	\$ 75.00

STATISTICAL SECTION

STATISTICAL SECTION

This part of the Colleton County, South Carolina's (the "County") Annual Comprehensive Financial Report ("ACFR") presents detailed information as a context for understanding what the information in the financial statements, notes disclosures and required supplementary information says about the County's overall financial health.

Contents

Page

Financial Trends..... 125 – 128

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity 129 – 132

These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property and sales taxes.

Debt Capacity 133 – 137

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information..... 138 and 139

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.

Operating Information 140 – 142

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 annual comprehensive financial reports for the relevant year.

COLLETON COUNTY, SOUTH CAROLINA

NET POSITION BY COMPONENT LAST TEN FISCAL YEARS

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities										
Net investment in capital										
assets	\$ 31,257,962	\$ 33,464,047	\$ 31,778,627	\$ 37,187,490	\$ 35,243,087	\$ 40,730,332	\$ 42,289,669	\$ 43,815,008	\$ 42,262,227	\$ 44,977,664
Restricted	10,305,751	9,738,050	17,017,936	12,733,361	14,691,101	7,998,775	8,295,818	10,571,627	10,118,153	13,602,782
Unrestricted	14,202,852	(8,369,151)	(11,885,105)	(9,606,502)	(13,477,153)	(14,118,289)	(17,448,244)	(18,318,223)	(10,541,077)	(13,557,913)
Total governmental activities										
net position	<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>	<u>\$ 36,068,412</u>	<u>\$ 41,839,303</u>	<u>\$ 45,022,533</u>

Source: County Audit Reports

COLLETON COUNTY, SOUTH CAROLINA

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

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities:										
General government	\$ 10,740,147	\$ 8,811,200	\$ 9,227,968	\$ 9,810,028	\$ 8,428,469	\$ 9,253,826	\$ 10,607,610	\$ 10,882,564	\$ 11,224,373	\$ 12,542,284
Judicial	4,957,014	5,255,325	5,871,221	6,309,402	6,498,833	6,194,472	6,856,354	7,005,856	6,773,058	7,895,600
Public safety	8,589,140	8,642,672	8,319,638	8,702,190	13,309,631	14,133,924	15,820,923	15,683,920	16,225,863	19,159,901
Roads and bridges	4,182,236	4,949,171	6,405,248	2,975,077	3,398,083	4,699,060	7,154,129	6,192,936	2,727,786	9,853,802
Solid waste	2,568,610	2,509,851	2,418,936	2,575,815	3,215,275	3,903,706	4,104,787	4,403,242	6,717,388	4,165,569
Recreation and culture	1,743,106	2,906,984	2,627,302	2,927,170	3,825,057	4,813,076	4,691,384	4,684,331	4,925,318	4,784,821
Health and human services	1,925,374	1,928,313	1,908,438	1,888,520	2,392,807	2,249,725	2,734,348	3,738,071	3,034,859	3,227,334
Economic development	1,569,363	1,568,862	1,650,684	1,377,821	11,530,791	7,777,710	1,943,153	1,194,174	4,653,832	4,947,387
Intergovernmental	3,661,372	3,836,524	5,590,873	9,763,973	-	-	-	-	-	-
Interest and fiscal changes	437,611	469,185	895,063	759,085	704,723	622,477	761,664	659,989	524,705	679,254
Totals expenses	40,373,973	40,878,087	44,915,371	47,089,081	53,303,669	53,647,976	54,674,352	54,445,083	56,807,182	67,255,952
Revenues										
Governmental activities:										
Charges for services										
General government	568,195	531,064	1,231,180	1,407,234	1,547,365	1,583,830	1,657,588	1,450,666	2,075,308	2,186,300
Judicial	1,159,451	1,117,461	1,058,359	1,090,259	1,004,415	987,001	837,494	724,092	758,945	741,712
Public safety	357,982	342,051	282,939	296,497	1,234,198	1,229,173	1,558,802	1,544,459	1,778,525	1,886,310
Roads and bridges	911,965	895,833	934,318	1,071,442	1,031,641	967,055	959,775	1,113,770	1,060,879	1,080,362
Solid waste	1,737,436	1,802,512	2,071,414	2,150,225	2,035,603	2,383,073	2,446,487	2,494,106	2,184,009	2,387,493
Recreation and culture	330,566	326,236	464,510	500,940	987,145	685,064	601,487	828,465	951,637	780,908
Health and human services	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	9,860,851	8,629,703	11,726,799	12,448,200	9,796,813	8,959,746	11,937,834	14,117,874	15,847,272	14,496,668
Capital grants and contributions	-	4,473,000	-	-	315,071	2,303,722	81,496	940,550	1,284,059	7,917,840
General revenues:										
Taxes	21,029,359	21,343,703	27,045,537	28,691,017	29,319,480	30,191,429	30,286,642	32,152,665	34,905,630	37,070,762
Grants and contributions not restricted to specific program	1,436,657	1,445,663	1,875,873	1,508,783	2,577,176	1,810,480	2,024,709	1,701,639	1,683,290	1,570,343
Miscellaneous	438,004	428,830	724,951	1,287,099	638,280	661,876	775,275	327,713	48,519	320,484
Transfer in (out)	90,713	-	-	-	-	-	-	-	-	-
Total revenues	40,096,268	42,046,208	47,441,791	50,491,972	50,526,378	51,801,759	53,200,777	57,395,999	62,578,073	70,439,182
Change in net position	(277,705)	1,168,121	2,526,420	3,402,891	(2,777,291)	(1,846,217)	(1,473,575)	2,950,916	5,770,891	3,183,230
Net position - beginning	49,182,945	55,766,565	34,832,946	36,911,458	40,314,349	36,457,035	34,610,818	33,137,243	36,068,412	41,839,303
Prior period adjustment	6,861,325	(22,101,740)	(447,908)	-	(1,080,023)	-	-	(19,747)	-	-
Net position - ending	\$ 55,766,565	\$ 34,832,946	\$ 36,911,458	\$ 40,314,349	\$ 36,457,035	\$ 34,610,818	\$ 33,137,243	\$ 36,068,412	\$ 41,839,303	\$ 45,022,533

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									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
GENERAL FUND										
Non-spendable	\$ 14,004	\$ 10,534	\$ 11,570	\$ 3,333	\$ 258,279	\$ 280,929	\$ 375,765	\$ 400,434	\$ 729,277	\$ 532,606
Restricted	362,911	363,272	363,636	364,000	797,008	797,008	797,088	395,850	345,850	516,130
Committed	-	-	-	219,674	-	-	-	-	-	-
Assigned	695,942	893,097	968,193	199,057	-	-	-	-	-	-
Unassigned	5,981,162	5,746,897	7,085,015	7,739,608	8,158,084	8,420,259	7,787,399	9,131,378	9,705,545	9,979,397
Total General Fund	<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>	<u>\$ 9,927,662</u>	<u>\$ 10,780,672</u>	<u>\$ 11,028,133</u>
CAPITAL PROJECTS FUND										
Non-spendable	\$ 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	362,730	362,730	315,950
Committed	4,221,199	34,062,547	29,554,382	26,972,788	16,873,105	14,074,528	9,804,070	9,765,180	11,708,411	47,934,871
Total Capital Projects Fund	<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>	<u>\$ 10,127,910</u>	<u>\$ 12,071,141</u>	<u>\$ 48,250,821</u>
FUNDS										
Non-spendable	\$ 2,027,489	\$ 1,497,835	\$ 6,484,006	\$ 7,865,085	\$ 22,397	\$ 15,146	\$ 19,142	\$ 22,532	\$ 22,655	\$ 25,385
Restricted	1,238,084	831,384	573,094	594,006	8,415,621	1,772,320	7,318,569	10,115,541	9,383,101	#REF!
Committed	38,487	-	-	-	416,430	213,692	9,906,021	9,938,673	11,880,550	48,221,066
Assigned	1,811,461	1,625,160	1,485,895	1,503,575	1,136,948	886,929	1,187,171	1,185,292	1,430,926	1,308,249
Total All Other Governmental Funds	<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>	<u>\$ 21,262,038</u>	<u>\$ 22,717,232</u>	<u>\$ #REF!</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									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Taxes	\$ 21,090,421	\$ 21,299,184	\$ 27,396,764	\$ 28,629,297	\$ 29,130,415	\$ 30,142,378	\$ 30,420,830	\$ 33,041,207	\$ 34,497,633	\$ 37,573,537
Fines and fees	7,212,428	10,075,366	13,602,672	13,956,983	6,465,956	6,760,008	6,586,845	7,073,699	7,533,262	7,627,390
Intergovernmental	11,297,508	5,811,340	6,030,559	6,516,583	13,534,245	13,122,440	15,383,606	16,070,709	18,909,117	23,587,202
Other	300,227	302,635	627,055	1,239,266	1,121,298	1,729,253	862,474	958,647	911,163	1,756,878
Total revenues	39,900,584	37,488,525	47,657,050	50,342,129	50,251,914	51,754,079	53,253,755	57,144,262	61,851,175	70,545,007
Expenditures										
Current:										
General government	10,293,376	8,357,765	8,705,075	9,233,056	8,462,845	8,920,357	10,108,898	10,395,349	11,015,296	10,920,931
Judicial	4,456,189	4,658,249	5,275,752	5,679,392	6,007,996	6,152,386	6,216,595	6,342,332	6,587,551	7,636,281
Public safety	7,723,408	7,668,476	7,348,907	7,713,186	8,122,142	8,906,780	10,383,578	9,861,093	10,454,294	13,217,660
Roads and bridges	3,466,507	4,257,082	5,644,622	2,096,123	1,751,263	2,016,790	2,044,893	2,484,941	2,126,397	2,275,748
Solid waste	2,240,650	2,208,389	2,127,950	2,256,218	2,585,498	3,168,898	3,648,480	4,000,181	5,267,360	4,110,972
Recreation and culture	1,300,883	2,462,699	2,038,864	2,329,422	2,163,441	2,520,632	2,082,911	2,362,008	2,986,403	2,813,565
Health and human services	1,794,798	1,797,883	1,780,141	1,751,754	1,875,826	2,142,595	2,656,161	3,505,444	2,950,175	3,155,655
Economic development	1,097,322	1,110,361	1,186,504	902,674	1,986,024	5,355,199	1,812,260	1,111,992	1,120,468	1,034,964
Intergovernmental	3,661,372	3,836,524	5,590,873	9,763,973	7,560,938	10,012,911	11,088,354	8,075,258	9,237,840	16,733,346
Capital outlay	3,332,868	7,569,037	3,178,051	11,689,652	13,281,825	7,049,156	1,947,079	386,473	7,317,752	2,829,172
Debt service:										
Principal	2,294,878	2,528,493	2,286,585	4,860,166	4,925,632	6,990,718	5,108,333	5,198,333	8,552,164	6,861,572
Interest	466,532	393,567	768,914	854,370	795,505	722,984	886,356	779,712	643,987	398,055
Issuance costs	-	-	-	-	-	-	-	-	-	443,563
Total expenditures	42,128,783	46,848,525	45,932,238	59,129,986	59,518,935	63,959,406	57,983,898	54,503,116	68,259,687	72,431,484
Excess (deficiency) of revenues over expenditures	(2,228,199)	(9,360,000)	1,724,812	(8,787,857)	(9,267,021)	(12,205,327)	(4,730,143)	2,641,146	(6,408,512)	(1,886,477)
Other financing sources (uses)										
Proceeds from sale of capital assets	90,713	46,578	184,544	-	143,459	194	131,655	18,332	74,677	382,485
Issuance of debt	-	33,362,384	5,395,000	2,000,000	582,353	2,500,000	-	581,093	8,327,873	40,355,000
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	137,777	72,206	137,487	57,074	132,251	39,047	99,385	578,638	325,757	392,806
Transfers in	6,220,775	4,255,156	8,423,212	6,530,977	6,401,391	6,305,753	5,497,580	5,593,537	11,483,675	8,302,345
Transfers out	(6,220,775)	(4,255,156)	(8,423,212)	(6,530,977)	(6,401,391)	(6,305,753)	(5,497,580)	(5,593,537)	(11,483,675)	(8,302,345)
Total other financing sources	228,490	37,961,579	2,063,604	2,057,074	858,063	2,539,241	231,040	1,178,063	8,728,307	41,130,291
Net change in fund balances	(1,999,709)	28,601,579	3,788,416	(6,730,783)	(8,408,958)	(9,666,086)	(4,499,103)	3,819,209	2,319,795	39,243,814
Other changes in fund balance	6,781,381	-	-	-	-	-	-	-	-	-
Fund balances, beginning	-	4,781,672	33,383,251	37,171,667	30,440,884	22,031,926	12,365,840	27,391,155	31,190,617	33,510,412
Prior period adjustment	-	-	-	-	-	-	-	(19,747)	-	-
Fund balances, ending	\$ 4,781,672	\$ 33,383,251	\$ 37,171,667	\$ 30,440,884	\$ 22,031,926	\$ 12,365,840	\$ 7,866,737	\$ 31,190,617	\$ 33,510,412	\$ 72,754,226
Debt service as a percentage of non-capital expenditures	7.1%	7.4%	7.1%	12.0%	12.4%	13.6%	11.1%	11.3%	15.2%	11.1%

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	
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
2021	141,139,420	52,028,116	193,167,536	2,494,924,194	607,783,263	3,102,707,457	126.55
2022	154,190,550	51,346,115	205,536,665	2,803,142,591	574,641,148	3,377,783,739	126.55
2023	165,165,670	53,675,863	218,841,533	2,998,467,935	624,382,755	3,622,850,690	126.55

* Reassessment Year.

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
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	33.56	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
2021	116.31	10.24	126.55	116.42	54.50	33.56	22.66	24.07	86.40
2022	116.31	10.24	126.55	116.42	54.50	33.56	22.66	25.15	86.40
2023	116.31	10.24	126.55	116.42	54.50	37.56	22.66	27.47	86.40

Source: County Auditor

COLLETON COUNTY, SOUTH CAROLINA

PRINCIPAL PROPERTY TAXPAYERS CURRENT YEAR AND NINE YEARS AGO

Customer	2023			2014		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Dominion Energy South Carolina (SCE&G)	\$ 8,860,150	1	4.05%	\$ 7,507,320	1	4.40%
Coastal Electric Coop	3,383,810	2	1.55%	2,526,060	2	1.48%
Walterboro Community Hospital	1,226,426	3	0.56%	486,000	7	0.28%
CSX Transportation, Inc.	1,155,080	4	0.53%	1,001,990	3	0.59%
Central Electric Power Coop	894,910	5	0.41%	843,490	4	0.49%
Wyndham Vacation Resorts, Inc. Etal	818,440	6	0.37%	N/A		-
Lawyers Title Insurance Corporation	794,200	7	0.36%	N/A		-
Cellco Partnership DBA Verizon Wireless	769,920	8	0.35%	N/A		-
Walmart Real Estate Business Trust	735,000	9	0.34%	765,000	5	0.45%
Cherokee Plantation Owners, Inc.	664,900	10	0.30%	569,376	6	0.33%
Dayco Products, LLC	N/A		-	434,570	8	0.25%
Walterboro/SAV LLC	N/A		-	414,390	9	0.24%
Smithers Oasis Company	N/A		-	387,300	10	0.23%
	<u>\$ 19,302,836</u>		<u>8.82%</u>	<u>\$ 14,935,496</u>		<u>8.75%</u>

Source: County Auditor

N/A - Information is not applicable

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
2014	\$ 48,000,778	\$ 46,192,180	96.23%	\$ 1,557,717	\$ 47,749,897	\$ 99.48%
2015	14,791,090	13,733,646	92.85%	867,343	14,600,989	98.71%
2016	16,482,359	15,385,339	93.34%	1,001,292	16,386,631	99.42%
2017	16,903,737	15,970,838	94.48%	817,414	16,788,252	99.32%
2018	* 20,208,055	19,219,246	95.11%	846,549	20,065,795	99.30%
2019	20,658,725	19,796,004	95.82%	715,290	20,511,294	99.29%
2020	21,028,987	20,449,213	97.24%	461,345	20,910,558	99.44%
2021	22,018,103	21,256,691	96.54%	632,148	21,888,839	99.41%
2022	23,523,755	21,843,632	92.86%	1,587,783	23,431,415	99.61%
2023	25,453,458	24,882,144	97.76%	-	24,882,144	97.76%

* Reassessment year.

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

Note 1: 2014 figures include County, Fire and Rescue and School District.

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	Financed Purchases	Special Revenue Bond	Leases Payable			
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	27.29%	914.11
2019	27,138,079	-	2,680,000	-	-	29,818,079	22.80%	791.77
2020	22,879,822	-	1,756,667	-	-	24,636,489	18.02%	653.89
2021	19,111,299	-	833,292	-	2,615,846	22,560,437	14.89%	584.41
2022	14,682,077	-	4,962,221	-	2,346,540	21,990,838	13.46%	571.76
2023	50,881,104	-	3,878,695	-	2,619,717	57,379,516	35.09%	1,474.94

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.

COLLETON COUNTY, SOUTH CAROLINA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Less Amounts Available in Debt Service Funds	Total	Percentage of Estimated Taxable Value of Property	Per Capita
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	6,059,526	16,820,296	9.3%	446
2021	19,111,299	7,639,063	11,472,236	5.9%	297
2022	14,682,077	7,035,133	7,646,944	3.7%	199
2023	50,881,103	10,584,982	40,296,121	18.4%	1,044

COLLETON COUNTY, SOUTH CAROLINA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT JUNE 30, 2023

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Colleton County School District	\$ 67,152,864	100.00%	\$ 67,152,864
Fire and Rescue Commission	10,871,631	100.00%	10,871,631
City of Walterboro	3,991,091	100.00%	3,991,091
Town of Edisto Beach	1,635,000	100.00%	1,635,000
Subtotal overlapping debt	83,650,586		83,650,586
County direct debt	57,379,516	100.00%	57,379,516
Total direct and overlapping debt	\$ 141,030,102		\$ 141,030,102

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									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt limit	\$ 13,649,065	\$ 13,067,320	\$ 13,349,358	\$ 13,688,324	\$ 14,081,042	\$ 14,211,805	\$ 14,472,821	\$ 15,453,403	\$ 16,442,933	\$ 17,507,323
Total net debt applicable to limit	6,110,000	4,740,000 *	8,758,832	8,301,301	8,416,034	7,370,970	6,898,164	6,991,353	6,510,127	5,406,007
Legal debt margin	<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>	<u>\$ 8,462,050</u>	<u>\$ 9,932,806</u>	<u>\$ 12,101,316</u>
Total net debt applicable to the limit as a percentage of debt limit	44.76%	36.27%	65.61%	60.65%	59.77%	51.87%	47.66%	45.24%	39.59%	30.88%
Legal Debt Margin Calculation for Fiscal Year 2023										
Total assessed value										<u>\$ 218,841,533</u>
Debt limit (8% of assessed value)										17,507,323
Debt applicable to limit										<u>5,406,007</u>
Legal debt margin										<u>\$ 12,101,316</u>

Source: County Audit Reports, County Auditor.

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.

COLLETON COUNTY, SOUTH CAROLINA

PLEDGED REVENUE COVERAGE LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Debt Service Collections</u>	<u>Principal</u>	<u>Interest</u>	<u>Coverage</u>
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
2021	7,465,237	4,275,000	584,694	1.54
2022	8,160,237	7,181,093	430,106	1.07
2023	9,556,031	5,028,398	351,105	1.78

Source: County Auditor

COLLETON COUNTY, SOUTH CAROLINA

DEMOGRAPHIC STATISTICS LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income</u>	<u>Median Age</u>	<u>School Enrollment</u>	<u>Unemployment Rate Percentage</u>
2014	38,892	\$ 1,122,773	\$ 28,869	40.7	5,763	7.7%
2015	37,771	1,143,177	30,266	40.0	5,713	7.5%
2016	37,731	1,185,697	31,425	41.5	6,545	6.1%
2017	37,923	1,231,625	32,477	43.0	6,889	4.8%
2018	37,611	1,259,931	33,499	42.5	6,799	4.2%
2019	37,660	1,307,781	34,726	42.7	6,458	4.0%
2020	37,677	1,367,524	36,296	42.2	6,802	8.2%
2021	38,604	1,514,821	39,240	42.5	6,616	4.7%
2022	38,462	1,633,904	42,481	42.3	6,222	3.6%
2023	38,599	1,622,316	42,030	42.3	6,196	3.7%

Source: (1) U.S. Census Bureau
(2) S.C. Department of Employment and Workforce

COLLETON COUNTY, SOUTH CAROLINA

PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO

Employer	2023			2014		
	FTE Employees	Rank	Percentage of Total County Employment	FTE Employees	Rank	Percentage of Total County Employment
Colleton County School District	866	1	5.5%	965	1	N/A
Colleton County Government	502	2	3.2%	445	3	N/A
Colleton Medical Center	420	3	2.7%	490	2	N/A
Walmart	315	4	2.0%	292	4	N/A
Veterans Victory House	250	5	1.6%	N/A		N/A
City of Walterboro	111	6	0.7%	113	7	N/A
Carolina Composites	100	7	0.6%	N/A		N/A
Rockford Manufacturing	100	8	0.6%	N/A		N/A
Food Lion/BiLo	99	9	0.6%	125	6	N/A
Cracker Barrel	83	10	0.5%	110	8	N/A
Dayco Products	N/A		0.3%	170	5	N/A
Saraflex	N/A		N/A	104	9	N/A
IGA	N/A		N/A	61	10	N/A
Total of Top Ten Employees	2,846		18.3%	2,875		N/A

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									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General government	77	77	84	79	78	81	85	87	83	81
Judicial	58	55	78	81	74	71	80	76	81	89
Public safety	116	103	135	145	115	123	138	144	138	139
Roads and bridges	17	15	25	24	23	23	23	22	21	21
Solid waste	12	24	44	31	15	10	12	14	14	13
Recreation and culture	13	15	28	23	19	20	20	21	16	19
Health and human services	2	6	17	7	5	5	2	9	6	6
Economic development	2	2	2	2	2	2	2	2	2	2
Alcohol and drug	9	9	11	8	9	10	14	14	15	15
Library	10	13	16	13	10	10	13	12	12	9
Fire and rescue	76	78	82	78	83	85	85	92	103	108
Total	392	397	522	491	433	440	474	493	491	502

Source: County Human Resource Department.

COLLETON COUNTY, SOUTH CAROLINA

OPERATING INDICATORS BY FUNCTION LAST TEN FISCAL YEARS

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government										
Building permits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,765	1,724
Total permit fees	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$ 435,044	\$ 505,444
Judicial										
Register of deeds, documents filed	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	7,060
Public Safety										
EMS Transports	6,542	6,749	7,358	7,416	7,523	7,688	7,887	9,269	9,839	9,958
Average daily population - Detention Center	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	82
Roads and Bridges	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Solid Waste										
MSW tonnage	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	22,212	22,430
Recreation and Culture										
Hosted tournaments	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	24
Health and Human Services	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Economic Development	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									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Recreation and Culture										
Community Centers	13	13	13	13	14	14	15	15	15	15
Recreation Complex	1	1	1	1	1	1	1	1	1	1
Golf Course	-	1	1	1	1	1	1	1	1	1
Emergency Services										
Number of Fire Stations	34	34	34	34	34	34	34	34	34	34
Number of Fire Trucks	106	106	115	103	119	119	119	118	118	119
Number of Ambulances	12	12	16	11	14	14	14	14	14	14
Streets and Highways										
Miles of Roads	362.7	362.7	362.7	362.7	352.7	352.7	352.7	353	353	353
Collection Sites	13	13	13	15	15	15	15	15	15	15
Sheriff										
Patrol Units	86	86	92	96	88	88	88	90	90	92
Health, Education and Welfare										
County Libraries	1	1	1	2	3	3	3	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.

COLLETON COUNTY, SOUTH CAROLINA
SINGLE AUDIT REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2023

COLLETON COUNTY, SOUTH CAROLINA

SINGLE AUDIT REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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**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**

**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, 2023, 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 15, 2023.

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.

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 or significant deficiencies may exist that have not 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.

Mauldin & Jenkins, LLC

Savannah, Georgia
December 15, 2023



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

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

Opinion on Each Major Federal Program

We have audited Colleton County, South Carolina's (the "County") compliance with the types of compliance requirements identified as subject to audit 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, 2023. 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.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the County's major federal program for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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"). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated December 15, 2023, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

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.

Mauldin & Jenkins, LLC

Savannah, Georgia
December 15, 2023

COLLETON COUNTY, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Federal Grantor/ Pass-through Grantor/ Program or Cluster Title	Federal AL Number	Pass-through Entity Identifying Number	Federal Expenditures	Sub-Recipient
U.S. Department of Agriculture:				
Passed through S.C. Department of Social Services Child and Adult Care Food Program	10.558	AR2-00108	\$ 500,340	\$ -
	Total 10.558		<u>500,340</u>	<u>-</u>
Passed through S.C. Department of Education Office of Health and Child Nutrition Cluster Summer Food Service Program for Children	10.559	SF-6388	561,704	-
	Total 10.559		<u>561,704</u>	<u>-</u>
Total U.S. Department of Agriculture			<u>1,062,044</u>	<u>-</u>
U.S. Department of Commerce:				
Direct EDA Investments for Public Works and Economic	11.300	04-01-07417	20,505	-
	Total 11.300		<u>20,505</u>	<u>-</u>
Total U.S. Department of Commerce			<u>20,505</u>	<u>-</u>
U.S. Department of Health and Human Services:				
Passed through S.C. Department of Social Services Child Support Enforcement IV-D Incentive Payments	93.563	C70015C-4	38,865	-
Child Support Enforcement IV-D Sheriff's Department	93.563	C70061C-3	4,505	-
Child Support Enforcement IV-D Family Court	93.563	C70015C-3	113,519	-
	Total 93.563		<u>156,889</u>	<u>-</u>
Total U.S. Department of Health and Human Services			<u>156,889</u>	<u>-</u>
U.S. Department of Homeland Security:				
Passed through S.C. Emergency Management Agency Emergency Management Performance Grant	97.042	22EMPG01	68,074	-
	Total 97.042		<u>68,074</u>	<u>-</u>
Total U.S. Department of Homeland Security			<u>68,074</u>	<u>-</u>
U.S. Department of Housing and Urban Development:				
Passed through S.C. Department of Commerce: Community Development Block Grants	14.228	4-NR-16-002	133,131	-
	Total 14.228		<u>133,131</u>	<u>-</u>
Total U.S. Department of Housing and Urban Development			<u>133,131</u>	<u>-</u>

(Continued)

COLLETON COUNTY, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Federal Grantor/ Pass-through Grantor/ Program or Cluster Title	Federal AL Number	Pass-through Entity Identifying Number	Federal Expenditures	Sub-Recipient
U.S. Department of Justice:				
Passed through S.C. Office of the Attorney General				
Crime Victim Assistance Grant	16.575	1V20060	\$ 22,952	\$ -
Crime Victim Assistance Grant	16.575	1V19107	960	-
Crime Victim Assistance Grant	16.575	1V19069	65,422	-
Total 16.575			<u>89,334</u>	<u>-</u>
Passed through S.C. Office of the Attorney General				
Violence Against Women Formula Grants	16.588	1K19004	72,161	-
Violence Against Women Formula Grants	16.588	1K22004	211,704	-
Total 16.588			<u>283,865</u>	<u>-</u>
Direct				
Drug Court Discretionary Grant Program	16585	2020-DC-BX-0063	121,959	-
Total 16.585			<u>121,959</u>	<u>-</u>
Direct				
Bulletproof Vest Partnership Program	16.607	N/A	12,911	-
Total 16.607			<u>12,911</u>	<u>-</u>
Total U.S. Department of Justice			<u>508,069</u>	<u>-</u>
U.S. Department of Transportation:				
Passed through S.C. Department of Transportation				
Highway Planning and Construction	20.205	LPA-3-18	173,557	-
Total 20.205			<u>173,557</u>	<u>-</u>
Total U.S. Department of Transportation			<u>173,557</u>	<u>-</u>
U.S. Department of Treasury				
Direct				
Equitable Sharing Program	21.016	N/A	5,655	-
Total 21.016			<u>5,655</u>	<u>-</u>
Direct				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	20-1982-0-1-806	3,602,276	-
Total 21.027			<u>3,602,276</u>	<u>-</u>
Total U.S. Department of Treasury			<u>3,607,931</u>	<u>-</u>
U.S. National Endowment for the Humanities				
Passed through S.C. State Library				
Grants to States	45.310	IIID-21-340	854	-
Grants to States	45.310	IIID-22-319	1,100	-
COVID-19 Grants to States	45.310	IID-ARPA-063	876	-
COVID-19 Grants to States	45.310	IID-ARPA-052	2,081	-
Total 45.310			<u>4,911</u>	<u>-</u>
Total U.S. National Endowment for the Humanities			<u>4,911</u>	<u>-</u>
U.S. National Endowment for the Arts				
Passed through S.C. Arts Commission				
Promotion of the Arts Partnership Agreement	45.025		547	-
Total 45.025			<u>547</u>	<u>-</u>
Total U.S. National Endowment for the Arts			<u>547</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 5,735,658</u>	<u>\$ -</u>

COLLETON COUNTY, SOUTH CAROLINA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1. BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards includes the federal grant activity of Colleton County, South Carolina (the "County") and is presented on the accrual basis of accounting.

The information in this schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* ("CFR") Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2. DE MINIMIS INDIRECT COST RATE

The County chose not to use the 10% de minimis cost rate for the fiscal year ended June 30, 2023.

NOTE 3. NON-CASH AWARDS

The County did not receive non-cash federal awards during the year ended June 30, 2023.

COLLETON COUNTY, SOUTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

SECTION I SUMMARY OF AUDIT RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements
audited were prepared in accordance with GAAP.

Unmodified

Internal control over financial reporting:
Material weaknesses identified?

___ Yes X No

Significant deficiencies identified not considered
to be material weaknesses?

___ Yes X None Reported

Noncompliance material to financial statements noted?

___ Yes X No

Federal Awards

Internal control over major programs:
Material weaknesses identified?

___ Yes X No

Significant deficiencies identified not considered
to be material weaknesses?

___ Yes X 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 2 CFR 200.516(a)?

___ Yes X No

Identification of major programs:

AL Number
20.027

Name of Federal Program or Cluster
Department of Treasury
Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between
Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

X Yes ___ No

COLLETON COUNTY, SOUTH CAROLINA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES**

None reported.

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

None reported.

COLLETON COUNTY, SOUTH CAROLINA

SCHEDULE OF PRIOR YEAR FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

None reported.