

WILLIAMSBURG COUNTY, SOUTH CAROLINA

**AUDITED BASIC FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION**

**FOR THE YEAR ENDED
JUNE 30, 2015**

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
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Robert D. Harper, Jr. CPA
Stacey C. Moree CPA
P. O. Box 1550
106 Wall Street, Litchfield
Pawleys Island, SC 29585
Tel (843) 237-9125
Fax (843) 237-1621
E-mail: HPM@sc.rr.com

Robin B. Poston CPA
P. O. Box 576
307 Church Street
Georgetown, SC 29442
Tel (843) 527-3413
Fax (843) 546-7277
E-mail: HPM2@sc.rr.com

INDEPENDENT AUDITOR'S REPORT

The Honorable Chairman and Members of
Williamsburg County Council
Williamsburg County
Kingstree, South Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Williamsburg County, South Carolina, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents. We did not audit the financial statements of Williamsburg County Alcohol and Drug Abuse special revenue fund which represents 14.93 percent and 26.92 percent, respectively, of the assets and revenues of the other governmental funds.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Williamsburg County Alcohol and Drug Abuse special revenue fund which represents 14.93 percent and 26.92 percent, respectively, of the assets and revenues of the other governmental funds. Those financial statements were audited by other auditors, whose report has been furnished to us, and our opinion on the financial statements insofar as it relates to the amounts included for Williamsburg County Alcohol and Drug Abuse special revenue fund is based solely on the report of other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our report and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Williamsburg County, South Carolina, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 13 to the financial statements, the County adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment to GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 through 14 and 68 through 71, the schedule of funding progress and employer contribution on page 72, and supplementary pension information on pages 73 through 74, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The combining and individual fund financial statements, supplemental schedules, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2016 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 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 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.

Harper, Poston & Moree, P.A.

Harper, Poston & Moree, P.A.
Certified Public Accountants

Georgetown, South Carolina
March 30, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

As management of Williamsburg County, South Carolina, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of Williamsburg County for the fiscal year ended June 30, 2015. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- ❖ The assets of Williamsburg County exceeded its liabilities at June 30, 2015 by \$15,254 (net position). This is a decrease of \$19,348 from the prior year net position. This decrease is due from the reporting of the County's Net Pension Liability, as prescribed in GASB Statement 68. This is the first year of reporting for this liability.
- ❖ As of the close of the current fiscal year, Williamsburg County's governmental funds reported combined ending fund balances of \$2,332. This is an increase in fund balance from the prior year in the amount of \$241. This increase in fund balance is primarily due to the reimbursement of a portion of the expenditures made during the prior year's winter storm, an extraordinary event, in the amount of \$1,211. Additional reimbursements for expenditures related to the winter storm are expected in the amount of \$3,063, which will further improve the future fund balance of the Governmental Funds. The County's General Fund has an unassigned fund balance of \$2,321, or 13% of General Fund expenditures.
- ❖ Williamsburg County's long-term debt decreased by \$706 during the current fiscal year. There was a principal reduction in the general obligation bonds of \$344 and an increase in capital leases in the amount of \$187. Revenue bonds decreased by \$297.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Williamsburg County's basic financial statements which are comprised of three components:

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

This report also contains other supplementary financial information in addition to the basic financial statements themselves.

Government-wide financial statements. Government-wide financial statements are designed to provide readers with a broad overview of the financial position of Williamsburg County and are similar to private sector financial statements. They include a statement of net position and a statement of activities. These statements appear on pages 15 and 16 of this report.

Component units, which are other governmental units over which the County (the County Council, acting as a group) 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 net position and of activities in the fund financial statements. The focus of the statements is clearly on the Primary Government and the presentation allows the user to address the relative relationship with the Component Unit. For those readers interested in more information on the component unit, contact information is provided in Note 1. A. on page 29 of this report.

The Statement of Net Position shows the County's assets less its liabilities at June 30, 2015. 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. Some included items, such as accounts payable or earned but unused vacation leave, will produce changes in cash in a future fiscal period.

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.

Both statements attempt to distinguish functions of Williamsburg County that are principally supported by taxes and inter-governmental 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).

Governmental activities reported in the statements include general government, public safety, public works, health and welfare, economic development, culture and recreation, and environmental services (landfill). Major business activities include water and sewer and a transit system.

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, Williamsburg County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of Williamsburg County can be divided into three categories: governmental, proprietary and fiduciary.

Governmental funds. Governmental funds, presented on pages 17 through 20, essentially account for the same functions as those reported under 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 spendable resources as well as on the balance of spendable resources 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 Williamsburg 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 fund balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison.

Governmental funds individually presented in Williamsburg County's statements include four major funds, the General Fund, the Rural Fire Fund, the Roads and Bridges Fund, Federal and State Grants Fund and the Debt Service Fund. The smaller governmental funds in Williamsburg County government are Landfill Fund, Capital Projects Fund, Industrial Park Fund, Sheriff Special Fund and Williamsburg County Alcohol & Drug Abuse Fund. They have been presented in a total column termed as "other governmental funds". Their detail can be reviewed on pages 75 and 76.

Proprietary funds. Williamsburg County maintains and presents proprietary funds for two enterprises, Water and Sewer and Transit Authority, shown on pages 21 through 26 of this report.

Enterprise funds report in greater detail the same information presented as business-type activities in the government-wide financial statements for Water and Sewer and Transit.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support Williamsburg County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 27 and 28 of this report.

Notes to financial statements. The notes provide additional information that is essential to a full understanding of the data provided in both government-wide and fund financial statements. Notes are presented on pages 29 through 67.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Williamsburg County, assets exceed liabilities by \$15,254 at the close of the June 30, 2015 fiscal year.

Of this amount, \$33,275 (218%) reflects its investment in capital assets (e.g., land, building, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. Williamsburg County uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that 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.

An additional portion of the County's net position, \$1,284 (8%) represents restrictions for Landfill Closure and Post Closure; \$2,113 (14%) represents restrictions for debt service; and \$395 is restricted for public safety.

At the end of the current fiscal year, Williamsburg County is able to report positive balances in the government as a whole, but not for its Governmental Activities.

Williamsburg County's Net Position June 30, 2015 (Recapped from page 15)

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current and Other Assets	12,864	14,336	2,435	2,543	15,299	16,879
Capital Assets	43,332	44,661	45,241	46,335	88,573	90,996
Total Assets	56,196	58,997	47,676	48,878	103,872	107,875
Deferred Outflows of Resources	1,724	108	143	-	1,867	108
Long-term Liabilities	58,817	40,415	20,780	19,472	79,597	59,887
Other Liabilities	8,312	12,288	810	1,206	9,122	13,494
Total Liabilities	67,129	52,703	21,590	20,678	88,719	73,381
Deferred Inflows of Resources	1,627	-	139	-	1,766	-
Net Position:						
Net Investment in Capital Assets	7,351	8,623	25,925	26,722	33,276	35,345
Restricted for:						
Public Safety	395	144	-	-	395	144
General Government	-	50	-	-	-	50
Landfill Closure and Post Closure	1,284	1,257	-	-	1,284	1,257
Restricted - Other	2,591	2,672	170	250	2,761	2,922
Unrestricted	(22,457)	(6,344)	(5)	1,228	(22,462)	(5,166)
Total Net Position	\$(10,836)	\$6,402	\$26,090	\$28,200	\$15,254	\$34,602

Governmental activities. Governmental activities decreased the County's net position by \$17,238. Of this decrease, \$17,371 is directly attributable to the inclusion of Net Pension Liability in the statement.

Business-type activities. Business-type activities decreased the County's net position by \$2,110. This decrease is also primarily attributable to the Net Pension Liability, which is \$1,647 for this segment. The combined decrease of Net Position is \$19,348.

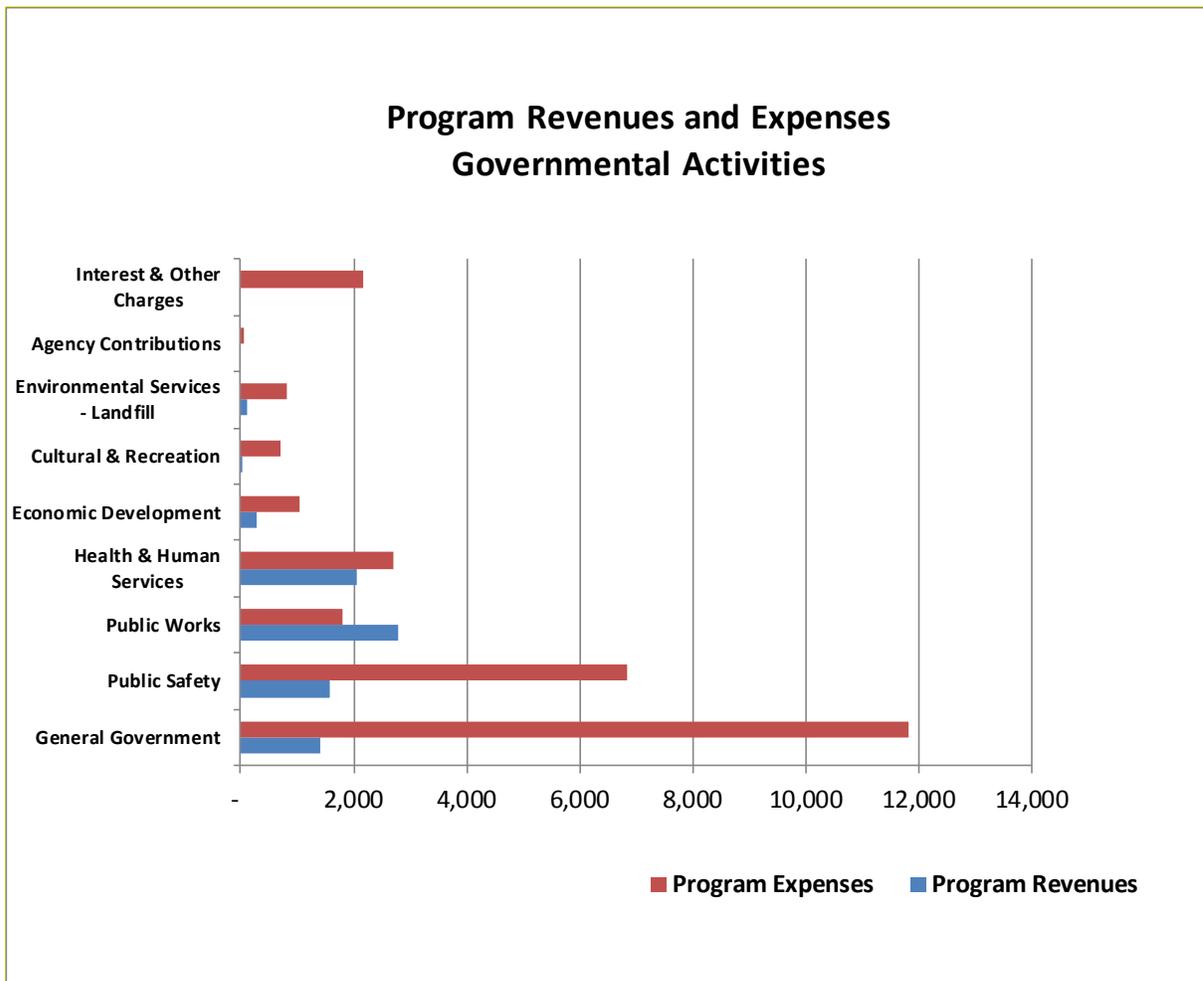
The prior year on the above schedule has not been restated to include Net Pension Liability and associated items due that information not being available for 2014.

Williamsburg County, South Carolina
Changes in Net Position (Recapped from page 16)
For the Fiscal Year ended June 30, 2015

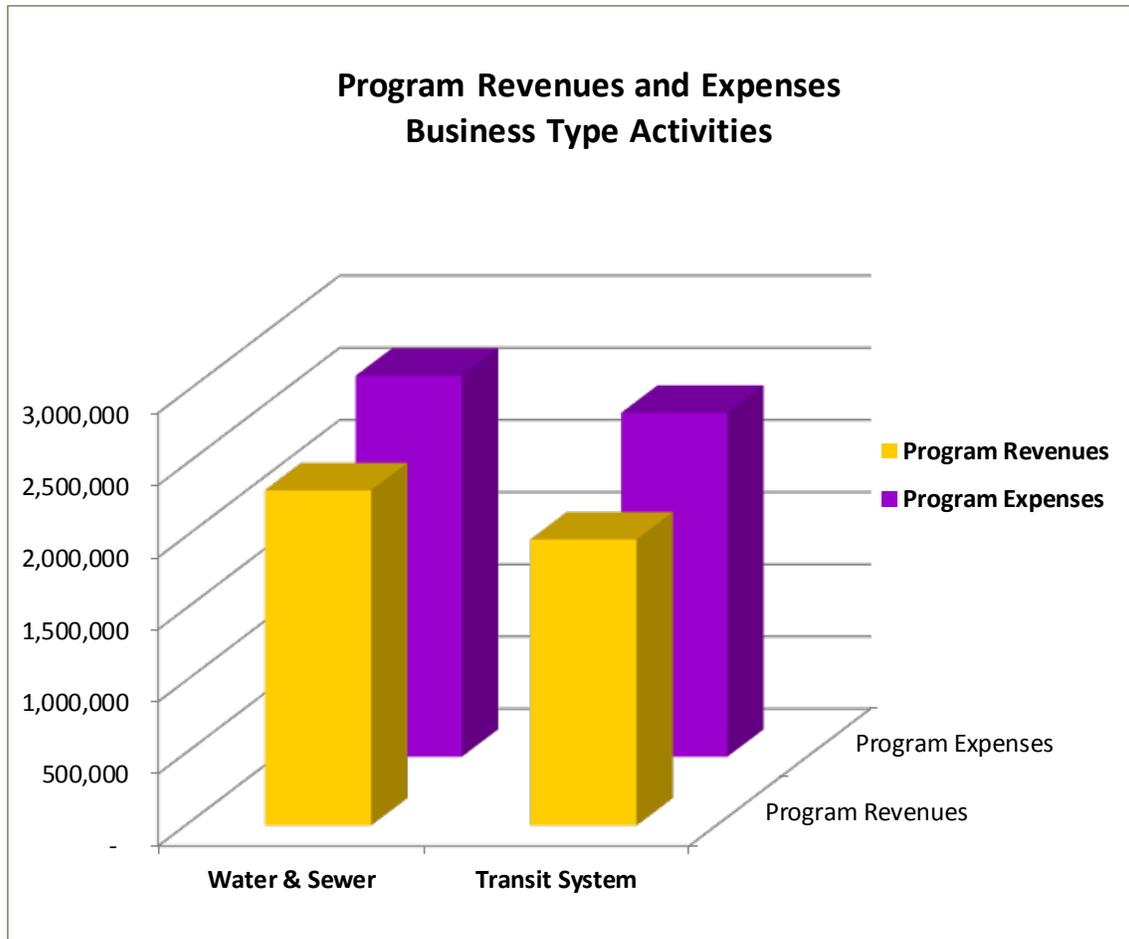
Property tax revenues decreased over last year by \$718 or 6%. This decrease is primarily due to an expiration of prior fee in lieu agreements in the county's industrial base. The \$546 decrease in grant revenue in the governmental funds was primarily from a reduction in pass through road improvement grants. Other revenue sources experienced moderate changes during the year, resulting in a combined decrease in revenue of \$522 for all Governmental activity.

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program Revenues:						
Charges for services	2,447	2,247	2,511	2,400	4,958	4,647
Operating grants and contributions	5,695	4,645	688	728	6,383	5,373
Capital grants and contributions	130	1,726	1,104	2,934	1,234	4,660
General revenues:						
Property taxes	11,782	12,500	-	-	11,782	12,500
Other taxes	2,333	1,913	-	-	2,333	1,913
Local government fund	1,280	1,272	-	-	1,280	1,272
Other revenue	4,839	4,721	-	3	4,839	4,724
Investment earnings	66	70	1	-	67	70
Total Revenue	28,572	29,094	4,304	6,065	32,876	35,159
Expenses:						
Program Activities:						
Government Activities:						
General government	11,481	11,827	-	-	11,481	11,827
Public safety	7,042	6,852	-	-	7,042	6,852
Public works	2,137	1,795	-	-	2,137	1,795
Health and welfare	2,868	2,714	-	-	2,868	2,714
Economic development	1,125	1,042	-	-	1,125	1,042
Culture and recreation	674	703	-	-	674	703
Environmental services	637	814	-	-	637	814
Agency contributions	211	71	-	-	211	71
Interest and other charges	2,196	2,177	-	-	2,196	2,177
Business-type activities:						
Water and Sewer Fund	-	-	2,640	2,146	2,640	2,146
Transit System	-	-	2,383	2,561	2,383	2,561
E-911 Fund	-	-	-	29	-	29
Total Expenses	28,371	27,994	5,023	4,736	33,394	32,730
Transfers	(232)	(232)	232	232	-	-
Special/Extraordinary Items	-	(4,706)	-	176	-	(4,530)
Increase(Decreased) in Net Position	(31)	(3,838)	(487)	1,737	(518)	(2,101)
Net Position, as restated	(10,805)	10,240	26,576	26,463	15,772	36,703
Net Position, Ending	\$(10,836)	\$6,402	\$26,090	\$28,200	\$15,254	\$34,602

Program revenues are derived directly from the program. They reduce the net cost of the function to be supported from the county's general revenue sources.



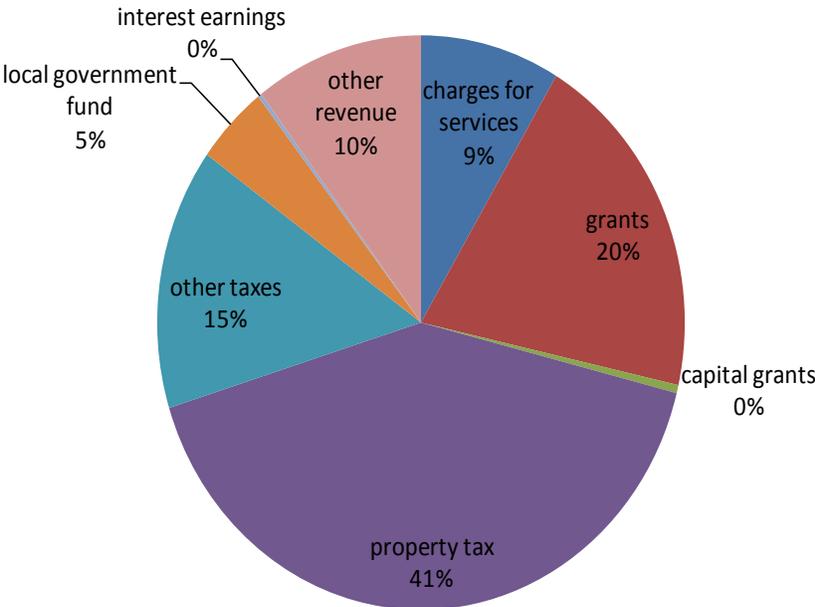
The chart above shows the governmental activities of the county that are supported by Program Revenues. None of the governmental activities are fully funded by the Program Revenues. There are no Program Revenues to support agency contributions and interest and other charges. These two activities had expenditures of \$2,408 for 2015. Governmental Activities received \$8,273 or 29% collectively in program revenues while the program expenditures were \$28,371. This requires the remaining 71% or \$20,098 of the revenues required to meet program expenditures to come from general revenue which includes taxes. This is 4% less received in 2015 from the prior year program revenues. As mentioned earlier, the decrease is attributable to road improvement grant reductions.



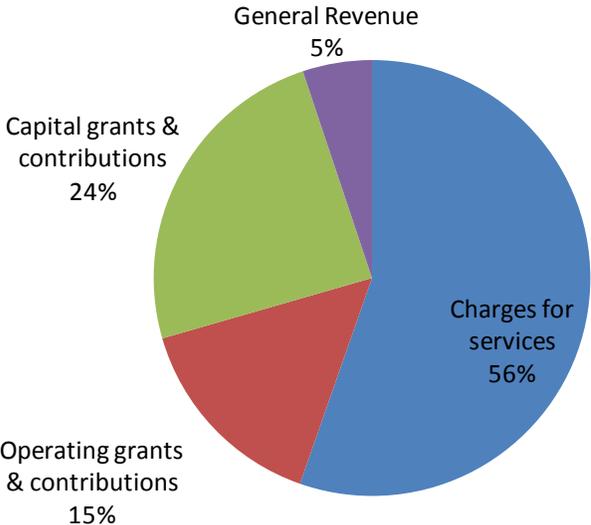
The chart above shows the Business-type activities of the county that are supported by Program Revenues. None of the Business-type funds were fully funded with its Program Revenues during the year.

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Revenues by Source - Governmental Activities



Revenues by Source - Business Type Activities



Business-type funds decreased revenue by \$1,761 or 29%, while expenses increased by \$287 or 6%. These changes are the result of decreases in grant revenue and increases in depreciation expense in Water and Sewer. There were transfers of \$232 to the Business Type funds to offset overages in expenditures from grants and various sources.

Financial Analysis of the Government's Funds

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

Governmental funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Williamsburg County's governmental funds reported combined ending fund balances of \$2,332, an increase of \$241 from the previous year. As stated on page 4 of this report, the County anticipates substantial increases in fund balances in the future relating to reimbursements of expenditures for the severe winter storm of 2014.

The general fund is the chief operating fund of the County. At the end of the current fiscal year the general fund had a total fund balance of \$2,321, of which \$2,305 was unassigned. 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 fund expenditures. Unassigned fund balance represents 13% of total general fund expenditures. The net decrease in the fund balance of the general fund was \$383 during the current year. This decrease is attributed to the winter storm related expenditures. Operating transfers (Out) from the general fund were \$600, an increase of \$185 from the prior year. This increase is also related to the winter storm recovery.

The rural fire fund has a total fund balance of \$45. This fund balance was reduced due to the reduction in grant revenue from the prior year.

The State and Federal Grants fund has a fund balance of \$272, a decrease of \$124 from prior year. This is a result of the finalizing of several long running grants.

The debt service fund has a total fund balance of \$1,745, all of which is reserved for the payment of debt service. An increase of \$344 over the prior year.

The roads and bridges fund has a fund balance of (\$3,909), an increase of \$945. This is a result of the reimbursements for expenditures from the winter storm event of 2014.

The other governmental funds included in the above totals had a combined fund balance of \$1,859.

Proprietary funds. The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. See pages 21 through 24.

The net position of the Transit System totaled \$1,316, while the net position for the Water and Sewer System totaled \$24,774. As previously discussed, the net position of both funds decreased primarily due to the reporting of their net pension liability.

General Fund Budgetary Highlights

There was no significant change in revenues between the original budget and the final amended budget shown on pages 68 thru 69 of this report. The Taxes revenue category experienced a small increase from the original budgeted amount. All other revenue streams experienced slight decreases from the original budget. Expenditures exceeded original budgeted amounts due in part to the costs associated with the storm, as well as the unanticipated requirement to increase personnel expenditures in public safety.

Capital Asset and Debt Administration

Capital assets. Williamsburg County's investment in capital assets for its governmental and business-type activities as of June 30, 2015 amounted to \$88,573 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, roads, and construction in progress. The total decrease in the County's investment in capital assets for the current fiscal year was 3%.

Both governmental activities and business-type activities experienced a decrease in capital assets for the fiscal year.

Major capital assets events during the current year included the following:

- Various machinery and automotive equipment purchased.
- Water System additions

Capital Assets for Governmental and Business-Type Activities

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land	1,838	1,829	148	148	1,986	1,977
Land improvements	3,367	3,597	-	-	3,367	3,597
Buildings	23,513	24,080	3	5	23,516	24,085
Building improvements	5,583	5,703	40	27	5,623	5,730
Roads & Bridges	3,161	3,630	-	-	3,161	3,630
Water Distribution System	-	-	43,739	44,800	43,739	44,800
Leasehold improvements	158	181	-	-	158	181
Furniture & fixtures	549	635	-	-	549	635
Machinery & equipment	2,320	1,673	110	119	2,430	1,792
Automotive equipment	2,207	2,624	1,155	1,190	3,362	3,814
Communication equipment	636	709	-	-	636	709
Construction in progress	-	-	46	46	46	46
Total	\$43,332	\$44,661	\$45,241	\$46,335	\$88,573	\$90,996

Additional information on the County's capital assets can be found in Note 5 on pages 38 through 40 of this report.

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Long-term debt. At the end of the current fiscal year, Williamsburg County had total bonded debt outstanding of \$53,214 backed by the full faith and credit of the government.

Williamsburg County Bonded Debt

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
General Obligation						
bonds	4,281	4,305	-	-	4,281	4,305
Unamortized Premium	100	110	-	-	100	110
IPRB Facilities Corp	29,860	30,000	-	-	29,860	30,000
Less Unamortized Discount	(343)	(356)	-	-	(343)	(356)
Bond anticipation						
notes	-	320	-	-	-	320
Revenue bonds	-	-	19,316	19,613	19,316	19,613
Total bonds payable	33,898	34,379	19,316	19,613	53,214	53,992
Capital leases	2,423	2,236	-	-	2,423	2,236
Total	\$36,321	\$36,615	\$19,316	\$19,613	\$55,637	\$56,228

The County's total bonded debt decreased by \$778 (1%) during the current fiscal year.

Williamsburg County received an 'A-' rating from Standards & Poor's Rating group and an 'A3' rating from Moody's Investors Service for its most recent General Obligation Bonds and General Obligation Refunding Bonds, Series 2011.

South Carolina statutes limit the amount of general obligation debt a government entity may issue (without referendum) to 8% of its total assessed value. The current general obligation (G.O.) debt limit for Williamsburg County General Fund is \$7,283. The current general obligation bonds subject to the legal debt limitation is \$0 for the General Fund. The bonds for the Rural Fire Debt and the Installment Purchase Revenue Bond (IPRB) are not considered as part of the County's legal debt limit but are considered as part of the Rural Fire District and part of the Public Facilities Corporation.

Additional information on the County's long-term debt can be found in note 8 on pages 42 through 49 of this report.

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Economic Factors and Next Year's Budgets and Rates

- ❖ As of December 2015 the annual average unemployment rate for Williamsburg County is 8.5%. This is a 0.7% increase from the prior year of 7.8%. While this figure remains above the national average, the rate is expected to decline. The County is currently assisting several existing employers with expansions to current operations, which will provide continued improvement. The County is also working closely with two industrial employers who are expected to open facilities here in the near future. The County is also currently retrofitting its Hemingway spec building for a manufacturer, who will begin operations upon the completion of the construction.
- ❖ Williamsburg County currently has three industrial parks located in Kingtree, Hemingway and Salters, South Carolina. There are two speculative buildings available for qualifying prospects.
- ❖ Budget rates for Fiscal Year 2015/2016 are comparable to 2014/2015.

Requests for Information:

This financial report is designed to provide a general overview of Williamsburg County's finances for all those with an interest in the government's financing. Questions concerning any of the information should be addressed to Walt Ackerman, Williamsburg County Director of Finance, P.O. Box 330, Kingtree, SC 29556.

BASIC FINANCIAL STATEMENTS

WILLIAMSBURG COUNTY, SOUTH CAROLINA
STATEMENT OF NET POSITION
JUNE 30, 2015

	PRIMARY GOVERNMENT			COMPONENT UNIT	
	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL
	ACTIVITIES	ACTIVITIES	TOTAL		UNIT
ASSETS					
Cash	\$ 1,681,813	\$ 390,432	\$ 2,072,245	\$ 116,687	
Investments	0	1,315,073	1,315,073	0	
Accounts Receivable (Net of Allowance for Uncollectibles)	6,997,576	583,251	7,580,827	142,399	
Internal Balances	100,940	(100,940)	0	0	
Inventories	29,809	77,018	106,827	0	
Temporarily Restricted Assets:					
Cash and Investments	4,054,560	170,250	4,224,810	0	
Capital Assets (Not Being Depreciated)					
Land	1,838,314	148,000	1,986,314	0	
Construction in Progress	0	45,886	45,886	0	
Capital Assets (Net of Accumulated Depreciation)					
Buildings and Improvements	32,621,235	43,379	32,664,614	0	
Water & Wastewater System	0	43,738,503	43,738,503	0	
Road and Bridges	3,160,797	0	3,160,797	0	
Furniture, Vehicles, Machinery and Equipment	5,711,432	1,265,067	6,976,499	15,296	
TOTAL ASSETS	\$ 56,196,476	\$ 47,675,919	\$ 103,872,395	\$ 274,382	
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Loss on Refunding Bonds	99,125	0	99,125	0	
Deferred Outflows of Resources Related to Pensions	1,624,870	142,811	1,767,681	35,575	
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ 1,723,995	\$ 142,811	\$ 1,866,806	\$ 35,575	
LIABILITIES					
Accounts Payable & Retainage Payable	5,107,529	285,861	5,393,390	7,487	
Due to Others	294,815	0	294,815	0	
Accrued Interest Payable	124,525	23,083	147,608	0	
Accrued Salaries and Related Fringes	888,792	61,618	950,410	17,747	
Customer Deposits	0	85,860	85,860	0	
Unearned Revenue	272,151	0	272,151	0	
Noncurrent Liabilities:					
Due Within One Year	1,624,773	353,262	1,978,035	19,950	
Due In More Than One Year	41,446,200	19,133,648	60,579,848	0	
Net Pension Liability	17,370,502	1,646,721	19,017,223	414,241	
TOTAL LIABILITIES	\$ 67,129,287	\$ 21,590,053	\$ 88,719,340	\$ 459,425	
DEFERRED INFLOWS OF RESOURCES					
Deferred Inflows of Resources Related to Pensions	1,627,161	138,830	1,765,991	35,253	
TOTAL DEFERRED INFLOWS OF RESOURCES	\$ 1,627,161	\$ 138,830	\$ 1,765,991	\$ 35,253	
NET POSITION					
Net Investment in Capital Assets	7,351,007	25,924,466	33,275,473	15,296	
Restricted For:					
Public Safety	394,690	0	394,690	0	
Environmental Services	1,284,382	0	1,284,382	0	
Economic Development	338,371	0	338,371	0	
Health & Human Services	310,566	0	310,566	0	
Debt Service	1,942,406	170,250	2,112,656	0	
Unrestricted	(22,457,399)	(4,869)	(22,462,268)	(200,017)	
TOTAL NET POSITION	\$ (10,835,977)	\$ 26,089,847	\$ 15,253,870	\$ (184,721)	

The Accompanying Notes are an Integral Part of this Statement

WILLIAMSBURG COUNTY, SOUTH CAROLINA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET REVENUE (EXPENSE) AND CHANGES IN NET POSITION			COMPONENT UNIT	
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT			TOTAL
					GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES		
Primary Government:								
Governmental Activities:								
General Government	\$ 11,481,105	\$ 591,486	827,047	0	\$ (10,062,572)	\$ 0	\$ (10,062,572)	
Public Safety	7,041,992	629,764	821,919	130,928	(5,459,381)	0	(5,459,381)	
Public Works	2,136,887	0	2,776,894	0	640,007	0	640,007	
Health & Human Services	2,867,868	1,147,656	909,081	0	(811,131)	0	(811,131)	
Economic Development	1,124,723	0	289,081	0	(835,642)	0	(835,642)	
Cultural & Recreation	674,021	27,615	10,588	0	(635,818)	0	(635,818)	
Environmental Services	636,994	50,774	60,633	0	(525,587)	0	(525,587)	
Agency Contributions	211,302	0	0	0	(211,302)	0	(211,302)	
Interest and Other Charges	2,196,302	0	0	0	(2,196,302)	0	(2,196,302)	
Total Governmental Activities	\$ 28,371,194	\$ 2,447,295	\$ 5,695,243	\$ 130,928	\$ (20,097,728)	\$ 0	\$ (20,097,728)	
Business-Type Activities:								
Water & Sewer Fund	2,639,966	1,538,294	0	783,712	0	(317,960)	(317,960)	
Williamsburg County Transit System	2,382,728	972,682	688,105	320,262	0	(401,679)	(401,679)	
Total Business-Type Activities	\$ 5,022,694	\$ 2,510,976	\$ 688,105	\$ 1,103,974	\$ 0	\$ (719,639)	\$ (719,639)	
Total Primary Government	\$ 33,393,888	\$ 4,958,271	\$ 6,383,348	\$ 1,234,902	\$ (20,097,728)	\$ (719,639)	\$ (20,817,367)	
Component Unit								
Williamsburg County Library	\$ 525,594	\$ 23,779	\$ 88,875	\$ 0			\$ (412,940)	
Total Component Unit	\$ 525,594	\$ 23,779	\$ 88,875	\$ 0			\$ (412,940)	
GENERAL REVENUES								
Taxes Levied for General Purposes					\$ 9,033,338	\$ 0	\$ 9,033,338	
Taxes Levied For Debt Services					2,748,463	0	2,748,463	
Contributions from Primary Government					0	0	0	
Road User Fees					779,450	0	779,450	
Solid Waste Fees					1,505,955	0	1,505,955	
Landfill Closure Fee					486,287	0	486,287	
Local Option Sales Tax					2,333,449	0	2,333,449	
Local Government Fund					1,279,543	0	1,279,543	
State Shared Taxes					1,880,079	0	1,880,079	
Interest					65,857	710	66,567	
Miscellaneous Revenue					186,379	0	186,379	
Transfers					(232,174)	232,174	0	
TOTAL GENERAL REVENUES AND TRANSFERS					\$ 20,066,626	\$ 232,884	\$ 20,299,510	
CHANGES IN NET POSITION					\$ (31,102)	\$ (486,755)	\$ (517,857)	
NET POSITION, Beginning of Year (As Restated - Note 24)					(10,804,875)	26,576,602	15,771,727	
NET POSITION, End of Year					(10,835,977)	26,089,847	15,253,870	

The Accompanying Notes are an Integral Part of this Statement

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015**

	GENERAL FUND	RURAL FIRE FUND	FEDERAL AND STATE GRANT FUND	ROADS & BRIDGES FUND	DEBT SERVICE FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS							
Cash	\$ 689,136	\$ 160,213	\$ 495,640	\$ 76,848	\$ 117	\$ 259,859	\$ 1,681,813
Cash Restricted	240,643	0	0	0	2,506,617	1,307,300	4,054,560
Court Fines Receivable (Net of Allowance)	106,719	0	0	0	0	0	106,719
Due from Others	100,136	0	0	0	0	0	100,136
Taxes Receivable (Net of Allowance)	1,308,132	110,760	0	225,191	290,837	126,458	2,061,378
Other Receivables	341,131	0	238,312	2,163,160	16,341	526,997	3,285,941
Due from State Government	1,443,402	0	0	0	0	0	1,443,402
Inventory	0	0	0	29,809	0	0	29,809
Due from Other Funds	2,121,172	0	0	0	0	0	2,121,172
TOTAL ASSETS	\$ 6,350,471	\$ 270,973	\$ 733,952	\$ 2,495,008	\$ 2,813,912	\$ 2,220,614	\$ 14,884,930
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE							
LIABILITIES							
Accounts Payable & Retainage Payable	1,646,125	37,221	3,740	3,409,757	0	10,686	5,107,529
Due to Other Funds	0	20,676	105,596	821,207	871,506	201,247	2,020,232
Due to Others	294,815	0	0	0	0	0	294,815
Accrued Wages & Benefits Payable	769,057	25,646	39,441	18,544	0	36,104	888,792
Unearned Revenue	67,023	68,071	137,057	0	0	0	272,151
TOTAL LIABILITIES	\$ 2,777,020	\$ 151,614	\$ 285,834	\$ 4,249,508	\$ 871,506	\$ 248,037	\$ 8,583,519
DEFERRED INFLOWS OF RESOURCES							
Unavailable Property Taxes	650,377	74,560	0	0	197,082	0	922,019
Unavailable Fees	328,406	0	0	82,698	0	113,854	524,958
Unavailable Court Fines	67,220	0	0	0	0	0	67,220
Unavailable Grant Funds	0	0	176,356	2,072,020	0	0	2,248,376
Unavailable Ambulance Fees	206,504	0	0	0	0	0	206,504
TOTAL DEFERRED INFLOWS OF RESOURCES	\$ 1,252,507	\$ 74,560	\$ 176,356	\$ 2,154,718	\$ 197,082	\$ 113,854	\$ 3,969,077
FUND BALANCE							
Nonspendable:	0	0	0	29,809	0	0	29,809
Inventory	15,607	44,799	14,240	0	0	21,949	96,595
Restricted for:	0	0	0	0	1,745,324	0	1,745,324
Public Safety	0	0	20,000	0	0	290,566	310,566
Debt Service	0	0	0	0	0	1,284,382	1,284,382
Health & Human Services	0	0	0	0	0	337,327	338,371
Environmental Services	0	0	1,044	0	0	0	236,478
Economic Development	0	0	236,478	(3,939,027)	0	(75,501)	(1,709,191)
Public Works	0	0	0	0	0	0	0
Unassigned	2,305,337	0	0	(3,939,027)	0	(75,501)	(1,709,191)
TOTAL FUND BALANCE	\$ 2,320,944	\$ 44,799	\$ 271,762	\$ (3,909,218)	\$ 1,745,324	\$ 1,858,723	\$ 2,332,334
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 6,350,471	\$ 270,973	\$ 733,952	\$ 2,495,008	\$ 2,813,912	\$ 2,220,614	\$ 14,884,930

The Accompanying Notes are an Integral Part of this Statement

WILLIAMSBURG COUNTY, SOUTH CAROLINA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
JUNE 30, 2015

Amounts reported for governmental activities in the statement of net position are different because :

Ending fund balances - governmental funds balance sheet	\$ 2,332,334
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	43,331,778
Other long-term assets, such as property taxes, court fines, ambulance fees, road user fees, landfill fees, and solid waste fess, are not available to pay for current expenditures, and, therefore, are deferred in the funds.	3,969,077
Long-term liabilities, including bonds payable (net of premiums and discounts), capital leases, compensated absences, net pension related items, and accrued interest, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(60,469,166)</u>
Net position of governmental activities	<u><u>\$ (10,835,977)</u></u>

The Accompanying Notes are an Integral Part of this Statement

WILLIAMSBURG COUNTY, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	GENERAL FUND	RURAL FIRE FUND	FEDERAL AND STATE GRANT FUND	ROAD & BRIGDES FUND	DEBT SERVICE FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES							
Taxes	\$ 11,757,218	\$ 955,258	\$ 0	\$ 0	\$ 2,764,595	\$ 440,552	\$ 15,917,623
Fees, Licenses & Permits	86,389	0	0	838,961	0	483,280	1,408,630
Intergovernmental Revenue	1,781,188	293,304	1,303,125	1,211,717	0	1,136,435	5,725,769
Charges for Services	3,342,059	0	0	0	0	227,264	3,569,323
Fines & Forfeitures	530,498	0	0	0	0	0	530,498
Miscellaneous Revenues	469,050	16,862	1,478	7	62,512	87,466	637,375
TOTAL REVENUES	\$ 17,966,402	\$ 1,265,424	\$ 1,304,603	\$ 2,050,685	\$ 2,827,107	\$ 2,374,997	\$ 27,789,218
EXPENDITURES							
Current:							
General Government	10,808,154	0	133	0	0	233,989	11,042,276
Public Safety	4,259,781	1,255,866	79,067	0	0	32,778	5,627,492
Public Works	0	0	552,204	953,508	0	0	1,505,712
Health and Human Services	1,553,991	0	441,044	0	0	674,694	2,669,729
Cultural and Recreational	512,640	0	31,525	0	0	0	544,165
Economic Development	0	0	159,234	0	0	693,073	852,307
Environmental Services	216,009	0	0	0	0	427,627	643,636
Other	211,302	0	0	0	0	211,302	211,302
Capital Outlay:							
General Government	263,448	0	62,386	0	0	0	325,834
Public Safety	9,089	384,508	99,510	0	0	33,257	526,364
Public Works	64,680	0	0	1,616,748	0	0	1,681,428
Environmental Services	0	0	0	0	0	115,717	115,717
Cultural and Recreation	25,240	0	0	0	0	0	25,240
Debt Service:							
Principal	19,715	0	0	977,000	1,566,428	36,453	2,599,596
Interest	53,444	0	0	4,900	2,133,692	0	2,192,036
Bond Issuance Costs and Trustee Fees	17,000	10,000	0	0	5,550	0	32,550
TOTAL EXPENDITURES	\$ 18,014,493	\$ 1,650,374	\$ 1,425,103	\$ 3,552,156	\$ 3,705,670	\$ 2,247,588	\$ 30,595,384
EXCESS REVENUES OVER EXPENDITURES	\$ (48,091)	\$ (384,950)	\$ (120,500)	\$ (1,501,471)	\$ (878,563)	\$ 127,409	\$ (2,806,166)
OTHER FINANCING SOURCES (USES)							
Sale of Capital Assets	0	0	0	977,000	0	0	977,000
Transfers In	0	0	0	209,743	1,224,723	183,257	1,617,723
Transfers (Out)	(600,180)	0	(3,745)	(362,096)	(2,278)	(881,598)	(1,849,897)
Bond Proceeds	0	299,700	0	0	0	0	299,700
Lease Purchase Proceeds	265,000	0	0	1,621,648	0	115,717	2,002,365
TOTAL OTHER FINANCING SOURCES (USES)	\$ (335,180)	\$ 299,700	\$ (3,745)	\$ 2,446,295	\$ 1,222,445	\$ (582,624)	\$ 3,046,891
EXCESS REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)	\$ (383,271)	\$ (85,250)	\$ (124,245)	\$ 944,824	\$ 343,882	\$ (455,215)	\$ 240,725
FUND BALANCE, Beginning of Year	2,704,215	130,049	396,007	(4,854,042)	1,401,442	2,313,938	2,091,609
FUND BALANCE, End of Year	\$ 2,320,944	\$ 44,799	\$ 271,762	\$ (3,909,218)	\$ 1,745,324	\$ 1,858,723	\$ 2,332,334

The Accompanying Notes are an Integral Part of this Statement

**WILLIAMSBURG 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 YEAR ENDED JUNE 30, 2015**

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$	240,725
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. This amount is the amount by which capital outlay was exceeded by depreciation expense in the current period.		(292,144)
Revenues in the statement of activities, such as property taxes, ambulance fees, court fines, road user fees, landfill fees, and solid waste fees that will not be collected for several months after year end and do not provide for current financial resources, are not reported as revenues in the funds.		783,048
The issuance of long-term debt (e.g. bonds, leases) 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. Also, 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. This amount is the net effect of these differences in the treatment of long-term debt and related items.		283,114
In the statement of activities, only the gain on the sale of assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the book value of the capital assets sold.		(1,037,480)
Some expenses reported in the statement of activities, such as compensated absences, accrued interest, and amortization of bond premiums do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		<u>(8,365)</u>
Change in net position of governmental activities	\$	<u><u>(31,102)</u></u>

WILLIAMSBURG COUNTY, SOUTH CAROLINA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2015

	BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS		
	WATER & SEWER FUND	WILLIAMSBURG COUNTY TRANSIT SYSTEM FUND	TOTAL
ASSETS			
CURRENT ASSETS			
Cash	\$ 104,855	\$ 285,577	\$ 390,432
Investments	0	1,315,073	1,315,073
Restricted Cash & Investments	170,250	0	170,250
Inventory	31,771	45,247	77,018
Accounts Receivable, Net of Allowance	315,361	80,940	396,301
Receivable - Other	86,645	100,305	186,950
TOTAL CURRENT ASSETS	\$ 708,882	\$ 1,827,142	\$ 2,536,024
PROPERTY, PLANT, AND EQUIPMENT			
Land	\$ 120,000	\$ 28,000	\$ 148,000
Construction in Progress	45,886	0	45,886
Water & Sewer System	50,350,792	0	50,350,792
Machinery and Equipment	0	313,440	313,440
Vehicles	48,499	3,688,734	3,737,233
Buildings	0	172,099	172,099
Building Improvements	0	46,362	46,362
Land Improvements	0	13,444	13,444
Less: Accumulated Depreciation	(6,643,964)	(2,942,457)	(9,586,421)
NET PROPERTY, PLANT, AND EQUIPMENT	\$ 43,921,213	\$ 1,319,622	\$ 45,240,835
TOTAL ASSETS	\$ 44,630,095	\$ 3,146,764	\$ 47,776,859
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows of Resources Related to Pensions	\$ 18,550	\$ 124,261	\$ 142,811
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ 18,550	\$ 124,261	\$ 142,811

The Accompanying Notes are an Integral Part of this Statement

WILLIAMSBURG COUNTY, SOUTH CAROLINA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2015

	BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS		
	WATER & SEWER FUND	WILLIAMSBURG COUNTY TRANSIT SYSTEM FUND	TOTAL
LIABILITIES			
SHORT-TERM LIABILITIES			
Accounts Payable	\$ 43,474	\$ 85,412	\$ 128,886
Salaries & Accrued Benefits	7,220	54,398	61,618
Retainage Payable	156,975	0	156,975
Due to Other Funds	4,628	96,312	100,940
Compensated Absences Payable	2,665	22,220	24,885
Bonds Payable - RDA	328,377	0	328,377
Accrued Interest Payable	23,083	0	23,083
Customer Deposits	85,860	0	85,860
TOTAL SHORT-TERM LIABILITIES	\$ 652,282	\$ 258,342	\$ 910,624
LONG-TERM LIABILITIES			
Compensated Absences Payable	2,665	16,090	18,755
OPEB Liability	0	126,901	126,901
Bonds Payable - RDA	18,987,992	0	18,987,992
Net Pension Liability	213,899	1,432,822	1,646,721
TOTAL LONG-TERM LIABILITIES	\$ 19,204,556	\$ 1,575,813	\$ 20,780,369
TOTAL LIABILITIES	\$ 19,856,838	\$ 1,834,155	\$ 21,690,993
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows of Resources Related to Pensions	\$ 18,033	\$ 120,797	\$ 138,830
TOTAL DEFERRED INFLOWS OF RESOURCES	\$ 18,033	\$ 120,797	\$ 138,830
NET POSITION			
Net Investment in Capital Assets	24,604,844	1,319,622	25,924,466
Restricted for Debt Service	170,250	0	170,250
Unrestricted	(1,320)	(3,549)	(4,869)
TOTAL NET POSITION	\$ 24,773,774	\$ 1,316,073	\$ 26,089,847

The Accompanying Notes are an Integral Part of this Statement

WILLIAMSBURG COUNTY, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS		
	WATER & SEWER FUND	WILLIAMSBURG COUNTY TRANSIT SYSTEM	TOTAL
OPERATING REVENUES			
Charges for Services	\$ 1,538,294	\$ 972,682	\$ 2,510,976
TOTAL OPERATING REVENUES	\$ 1,538,294	\$ 972,682	\$ 2,510,976
OPERATING EXPENSES			
Cost of Sales & Services	673,659	818,564	1,492,223
Personnel & Benefits	166,131	1,145,756	1,311,887
Administration	38,297	134,052	172,349
Depreciation	1,257,635	283,932	1,541,567
TOTAL OPERATING EXPENSES	\$ 2,135,722	\$ 2,382,304	\$ 4,518,026
OPERATING INCOME (LOSS)	\$ (597,428)	\$ (1,409,622)	\$ (2,007,050)
NON-OPERATING REVENUES (EXPENSES)			
Investment Income	153	557	710
Interest Expense	(504,244)	0	(504,244)
RDA Grant	783,712	0	783,712
Insurance Proceeds	0	0	0
Loss on Disposal of Capital Assets	0	(424)	(424)
Government Subsidies	0	1,008,367	1,008,367
TOTAL NON-OPERATING REVENUES (EXPENSES)	\$ 279,621	\$ 1,008,500	\$ 1,288,121
INCOME (LOSS) BEFORE TRANSFERS	\$ (317,807)	\$ (401,122)	\$ (718,929)
TRANSFERS			
Transfers In	0	232,174	232,174
TOTAL TRANSFERS	\$ 0	\$ 232,174	\$ 232,174

The Accompanying Notes are an Integral Part of this Statement

WILLIAMSBURG COUNTY, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS		
	WATER & SEWER FUND	WILLIAMSBURG COUNTY TRANSIT SYSTEM	TOTAL
CHANGE IN NET POSITION	\$ (317,807)	\$ (168,948)	\$ (486,755)
NET POSITION, Beginning of Year (As Restated)	25,091,581	1,485,021	26,576,602
NET POSITION, End of Year	\$ 24,773,774	\$ 1,316,073	\$ 26,089,847

The Accompanying Notes are an Integral Part of this Statement

WILLIAMSBURG COUNTY, SOUTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS		
	WATER & SEWER FUND	WILLIAMSBURG COUNTY TRANSIT SYSTEM FUND	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers	\$ 1,388,380	\$ 1,025,909	\$ 2,414,289
Cash Payments to Suppliers for Goods and Services	(989,903)	(1,007,783)	(1,997,686)
Cash Payments to and for Employee's Benefit	(166,684)	(1,134,024)	(1,300,708)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 231,793	\$ (1,115,898)	\$ (884,105)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Operating Grants	0	688,105	688,105
Payments Received from Other Funds	0	232,174	232,174
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	\$ 0	\$ 920,279	\$ 920,279
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital Grants Received	783,412	320,262	1,103,674
Property, Plant and Equipment Additions	(189,467)	(258,253)	(447,720)
Principal Payment Revenue Bonds	(297,130)	0	(297,130)
Interest Paid	(673,237)	0	(673,237)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	\$ (376,422)	\$ 62,009	\$ (314,413)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Investments	0	(558)	(558)
Interest Received	148	557	705
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	\$ 148	\$ (1)	\$ 147
NET CHANGE IN CASH AND CASH EQUIVALENTS	\$ (144,481)	\$ (133,611)	\$ (278,092)

The Accompanying Notes are an Integral Part of this Statement

WILLIAMSBURG COUNTY, SOUTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS		
	WATER & SEWER FUND	WILLIAMSBURG COUNTY TRANSIT SYSTEM FUND	TOTAL
CASH AND CASH EQUIVALENTS,			
Beginning of Year	\$ 419,586	\$ 419,188	\$ 838,774
CASH AND CASH EQUIVALENTS, End of Year	<u>\$ 275,105</u>	<u>\$ 285,577</u>	<u>\$ 560,682</u>
Cash	104,855	285,577	390,432
Cash Restricted	170,250	0	170,250
TOTAL CASH AND CASH EQUIVALENTS, End of Year	<u>\$ 275,105</u>	<u>\$ 285,577</u>	<u>\$ 560,682</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating Income (Loss)	\$ (597,428)	\$ (1,409,622)	\$ (2,007,050)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Depreciation	1,257,635	283,932	1,541,567
(Increase) Decrease in Accounts and Other Operating Receivables	(149,944)	53,227	(96,717)
(Increase) Decrease in Inventory	1,037	12,342	13,379
Increase (Decrease) in Due to General Fund	1,884	(88,170)	(86,286)
Increase (Decrease) in Accounts Payable	(357,650)	3,897	(353,753)
Increase (Decrease) in Net Pension Liability and Related Deferred Resources	2,808	16,765	19,573
Increase (Decrease) in Salaries and Compensated Absences Payable	(553)	11,731	11,178
Increase (Decrease) in Customer Deposits	74,004	0	74,004
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 231,793</u>	<u>\$ (1,115,898)</u>	<u>\$ (884,105)</u>
NON CASH CAPITAL AND FINANCING ACTIVITIES			
Loss on Disposal of Capital Assets	\$ 0	\$ (424)	\$ (424)
	<u>\$ 0</u>	<u>\$ (424)</u>	<u>\$ (424)</u>

The Accompanying Notes are an Integral Part of this Statement

WILLIAMSBURG COUNTY, SOUTH CAROLINA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2015

	<u>AGENCY FUNDS</u>	<u>REVOLVING LOAN TRUST FUND</u>	<u>TOTAL</u>
ASSETS			
Cash	\$ 3,164,349	\$ 243,169	\$ 3,407,518
Note Receivable, Net of Allowance	<u>0</u>	<u>606,405</u>	<u>606,405</u>
TOTAL ASSETS	<u>\$ 3,164,349</u>	<u>\$ 849,574</u>	<u>\$ 4,013,923</u>
LIABILITIES			
Due to Other Taxing Units	2,180,640	0	2,180,640
Due to Estate & Trust Beneficiaries	261,597	0	261,597
Due to Others	160,598	0	160,598
Due to Bidders & Redeemers of Land Sales	414,917	0	414,917
Due to Fine Recipients and Bond Payors	66,906	0	66,906
Due to Support Recipients	10,554	0	10,554
Due to Seized Asset Recipient	<u>69,137</u>	<u>0</u>	<u>69,137</u>
TOTAL LIABILITIES	<u>\$ 3,164,349</u>	<u>\$ 0</u>	<u>\$ 3,164,349</u>
NET POSITION			
Held in Trust for Other Purposes	<u>\$ 0</u>	<u>\$ 849,574</u>	<u>\$ 849,574</u>

The Accompanying Notes are an Integral Part of this Statement

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Williamsburg County, South Carolina have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

A. Financial Reporting Entity

The State of South Carolina established the County under the provisions of the South Carolina Home Rule Act. Williamsburg County operates under the Council - Supervisor form of government and provides the following services: general administrative services, public safety, courts, highways and streets, sanitation, health and human services, culture and recreation programs, public improvements and other miscellaneous services. As required by generally accepted accounting principles, these financial statements present the County and its component units, entities for which the County is considered financially accountable or for which exclusion of a component unit would render the financial statements incomplete or misleading.

Based upon the aforementioned criteria, the County has included Williamsburg County Library as a discretely presented component unit. The discretely presented component unit is included since it is fiscally dependent upon the County for the annual appropriations, approval of annual operating budgets, and the authorization of general obligation debt issues. A discretely presented component unit is reported in a separate column in the combined financial statements to emphasize that they are legally separate from the County. The discretely presented component unit has a June 30 year-end. Separate financial statements for this component unit may be obtained from the entity's management.

Discretely Presented Component Unit

Williamsburg County Library
215 North Jackson
Kingtree, SC 29556
Telephone (843) 355-9486

The South Carolina Legislature created the Williamsburg County Library System in 1967 as part of Williamsburg County Government. Its purpose is to provide library services to the citizens of Williamsburg County and bookmobile services to the rural areas of the County. The library operates under a nine member Board of Trustees that is appointed by the County Council. In addition to providing significant annual appropriations to finance the operations of the Library, County Council approves its budget and all general obligation debt.

Based upon the aforementioned criteria, the County has included Williamsburg County Public Facilities Corporation as a blended component unit. Williamsburg County Public Facilities Corporation was incorporated as a nonprofit 501 (C)(3) organization for the purpose of assisting Williamsburg County with the acquisition or sale of real and/or personal property in connection with the design, construction, operation, financing and refinancing of public facilities to be used by Williamsburg County, South Carolina and such other projects located in or for benefit of the County. Because Williamsburg County Public Facilities Corporation exclusively benefits the County, the Facilities Corporation's financial information is blended with that of the County in these basic financial statements. Separate financial statements of the Facilities Corporation are not issued.

B. Government-Wide and Fund Financial Statements

The financial statement presentation for the County meets the requirements of Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*.

The financial statement presentation provides a comprehensive, entity-wide perspective of the County's net position, revenues, expenses and changes in net position and cash flows that replaces the fund-group perspective previously required.

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

As more fully described in Note 13, the County implemented the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment to GASB Statement No. 27* and Statement No. 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*. These statements improve accounting and financial reporting by state and local governments for pensions. As required by GASB, this statement was implemented retroactively by restating beginning net position.

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Indirect expense allocations that have been made in the funds have been eliminated from the statement of activities. *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 that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and 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 revenue as soon as all eligibility requirements imposed by the provider have been met.

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 both 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 60 days of the end of the current fiscal period. 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.

The County reports the following major governmental funds:

General Fund: The general fund is the primary operating fund of the County. The general fund accounts for all financial resources except those that are required to be reported in another fund.

Rural Fire Fund: The rural fire fund is a special revenue fund which accounts for the rural fire district revenues and expenditures.

Federal and State Grant: The federal and state grant fund is a special revenue fund which accounts for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Roads and Bridges Fund: The road and bridges fund is used to account for the transactions financed by the road user fee tax levy. The fund accounts for repairs, maintenance and improvements to County roads.

Debt Service Fund: The debt service fund accounts for proceeds that are restricted for the purpose of debt payments.

The County reports the following major proprietary funds:

Water & Sewer (Enterprise Fund): The water & sewer fund is used to account for the cost of providing water & sewer services to unincorporated areas of the County.

Williamsburg County Transit System: The Williamsburg County Transit System fund is used to account for the cost of providing transportation services to the citizens of Williamsburg County.

Additionally, the County reports the following fund types:

Agency Fund: This fund is used to report resources held by the County in a custodial capacity as an agent on behalf of others and does not involve the measurement of results of operation.

Private-Purpose Trust Fund: This fund is used to account for resources legally held in trust for revolving loans. There is no requirement that any portion of these resources be preserved as capital.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise funds are charges to customers for sales and services for water and sewer fees and the revenues received for operating the Williamsburg County Transit System. Operating expenses for enterprise funds include cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Deposits and Investments

The County's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the County to invest in obligations of the United States and its agencies, general obligations (not revenue obligations) of the State of South Carolina and its subdivisions, savings and loan associations to the extent of federal insurance, certificates of deposit collaterally secured, and repurchase agreements secured by the foregoing obligations.

The County's cash investment objectives are preservation of capital, liquidity and yield. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools," all investments are reported at their fair values. The County has no investments at this time reported at amortized cost.

The County has certain funds invested with the South Carolina State Treasurer's Office, which established the South Carolina Local Government Investment Pool Fund (the "Pool") pursuant to Section 6-6-10 of the South Carolina Code. The Pool is an investment trust fund, in which public monies in excess of current needs, which are under the custody of any city treasurer or any governing body of a political subdivision of the State, may be deposited. The Pool is a 2a 7-like pool which is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but has a policy that it will operate in a manner consistent with the SEC's Rule 2a 7 of the Investment Company Act of 1940. In accordance with 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 \$1.00.

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Interfund Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds”. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

F. Receivables

All accounts and property tax receivables are shown at their gross value, and where appropriate, are reduced by the estimated portion that is expected to be uncollectible. This amount is determined by analyzing the percentage of receivables that was not collected in prior years.

Property taxes for real property and personal property except motor vehicles are due without penalties by January 15th of each fiscal year. Uncollected taxes and penalties are considered delinquent on March 15th. Property taxes for motor vehicles are due in the month in which the state motor vehicle license will be renewable. Property tax revenues are recognized in accordance with imposed nonexchange transactions in accordance with GASB No. 33.

G. Inventories

The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased. The amount of inventories on hand at year end for the governmental fund types consist of gasoline and diesel fuel. Inventories are valued at cost using the average cost method. The business-type activities inventories on hand at June 30, 2015 consist of gasoline, diesel fuel, operating supplies and parts needed for repairs.

H. Restricted Assets

Certain assets of landfill revenue, debt service, and enterprise funds are classified as restricted on the balance sheet because their use is limited to specific purposes for which the funds were received.

I. Capital Assets

Capital assets, which include property, plant, and equipment are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets 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. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. Neither their historical cost nor related depreciation has historically been reported in the financial statements. The retroactive reporting of infrastructure was subject to an extended implementation period.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Construction in progress represents funds expended for construction of capital assets which have not been placed into service yet.

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, plant, and equipment of the County are depreciated using the straight line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Land Improvements	15-20
Buildings	30-40
Building Improvements	15-40
Leasehold Improvements	15-20
Furniture & Fixtures	3-15
Machinery & Equipment	5-15
Vehicles	3-10
Communication Equipment	15
Infrastructure	20

Depreciation for capital assets that can be specifically identified with a function is included in the direct expenses for that function.

J. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the government does not have a policy to pay any amounts when employees separate from service. All vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

K. Unearned Revenues

Unearned revenues arise when a potential revenue does not meet the criteria for recognition in the current period. In subsequent periods, when revenue recognition criteria are met, the government has a legal claim to the resources, or the revenue has been earned, the liability is removed and revenue is recognized.

L. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium and discount. Deferred loss on refunding is reported as deferred outflow of resources and amortized over the life of bonds.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Nonexchange Transactions

The standards established by GASB Statement No. 33, “*Accounting and Financial Reporting for Nonexchange Transactions*”, provide accounting and reporting for the following four categories of nonexchange transactions: 1) Derived tax revenues, 2) Imposed nonexchange revenues, 3) Government-mandated nonexchange transactions, and 4) Voluntary nonexchange transactions. Nonexchange transactions involve financial or capital resources in which the government either gives value to another party without directly receiving equal value in exchange or receives value from another party without directly giving equal value in exchange.

Assets from Derived Tax Revenues are recognized when the underlying exchange has occurred or when the resources are received, whichever first. Revenues are recognized when the underlying exchange has occurred and resources are available to the government.

Assets from Imposed Nonexchange Revenues are recognized when an enforceable legal claim has arisen or when resources are received, whichever occurs first. Revenues are recognized when resources are required to be used or the first period that use is permitted. Resources must also be available to the government.

Assets, liabilities, revenues, and expenditures from Government-Mandated and Voluntary Nonexchange Transactions are generally recognized when all eligibility requirements have been met.

Resources received before the eligibility requirements are fulfilled are reported as unearned revenues. Eligibility requirements can include one or more of the following:

1. The recipient has the characteristics specified by the provider.
2. Time requirements specified by the provider have been met.
3. The provider offers resources on a reimbursement basis and allowable costs have been incurred under the applicable program.
4. The provider’s offer of resources is contingent upon a specified action of the recipient and that action has occurred.

N. Net Position/Fund Balances

The County’s net position in the government-wide financial statements and proprietary fund financial statements are classified as follows:

Net Investment in Capital Assets: This represents the County’s total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of invested in capital assets, net of related debt.

Restricted Net Position: Restricted expendable net position include resources in which the County is legally or contractually obligated to spend in accordance with restrictions imposed by third parties.

Unrestricted Net Position: Unrestricted net position represent resources derived from ad valorem taxes, earnings on investments, state/local grants, fees, and shared revenues.

In the governmental fund financial statements, equity is classified as fund balance. The County has implemented GASB Statement No. 54 “Fund Balance Reporting and Governmental Fund Type Definitions”. The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions.

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable Fund Balance - Consists of amounts that are not in a spendable form (such as inventory) or are required to be maintained intact.

Restricted Fund Balance - Consists of amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed Fund Balance - Consists of amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.

Assigned Fund Balance - Consists of amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Unassigned Fund Balance - Consists of amounts that are available for any purpose; positive amounts are reported only in the general fund.

The County Council establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. Assigned fund balance is established by the County Council through adoption or amendment of the budget as intended for a specific purpose. When fund balance resources are available for a specific purpose in more than one classification, it is the County's policy to use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed.

NOTE 2 - DEPOSITS AND INVESTMENTS

DEPOSITS

Custodial Credit Risk for Deposits: Custodial credit risk for deposits is the risk that, in the event of a bank failure, the County's deposits might not be recovered. The County does not have a deposit policy for custodial credit risk but follows the investment policy statutes of the State of South Carolina. As of June 30, 2015, the County's bank balance was \$9,859,782 with a carrying value of \$8,067,402. The bank balance of \$9,859,782 was insured and collateralized with investments held in the County's name.

INVESTMENTS

As of June 30, 2015, the County had the following investments and maturities:

Investment Type	Credit Rating	Fair Value	Weighted Average Maturity (In Years)
SC Local Government Investment Pool	Unrated	\$ 936,380	<1
Wells Fargo Money Market	Unrated	965,073	<1
Build America Bonds, Series A	AA	1,045,880	>10
		\$ 2,947,333	

^ Investments in a 2a-7 like fund are not required to disclose interest rate risk. The County invests monies in separate accounts with the State Local Government Investment Pool. Thus, we have characterized this investment as a 2a-7 like fund.

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

Interest Rate Risk: The County does not have a formal policy limiting investment maturities that would help manage its exposure to fair value losses from increasing interest rates. However, the County primarily uses the South Carolina Local Government Investment Pool for its investments. The balances invested in these pools are subject to withdrawals on a daily basis.

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. The County does not have an investment policy regarding credit risk.

Custodial Credit Risk: Custodial credit risk for investments is the risk that, in the event of a bank failure, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County does not have an investment policy for custodial credit risk but follows the investment policy statutes of the State of South Carolina.

Concentration of Credit Risk: The County places no limit on the amount the County may invest in one issuer. Investments issued by or explicitly guaranteed by the U.S. Government and investments in mutual funds, external investment pools, and other pooled investments are exempt from concentration of credit risk disclosures.

Reconciliation of Cash and Investments to Fund Financial Statements:

Cash and Investments		
Cash and Investments	\$	6,794,836
Restricted Cash and Investments		4,224,810
Total Cash and Investments	\$	<u>11,019,646</u>
Petty Cash	\$	4,911
Deposits Carrying Value		8,067,402
Investments		2,947,333
Total Cash and Investments	\$	<u>11,019,646</u>

Component Unit Cash and Investments

The carrying value of deposits for Williamsburg County Library totaled \$116,687, which were insured by the Federal Depositors Insurance Corporation.

NOTE 3 - RECEIVABLES

Receivables at June 30, 2015 consist of the following:

	Governmental-Type Activities	Business-Type Activities	Total
Taxes Receivable, Net	\$ 2,061,378	\$ 0	\$ 2,061,378
Accounts Receivable, Net	0	396,301	396,301
Due From Others	100,136	0	100,136
Due From State Government	1,443,402	0	1,443,402
Court Fines Receivable, Net	106,719	0	106,719
Other Receivables	<u>3,285,941</u>	<u>186,950</u>	<u>3,472,891</u>
Total Receivables	<u>\$ 6,997,576</u>	<u>\$ 583,251</u>	<u>\$ 7,580,827</u>

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 3 – RECEIVABLES (CONTINUED)

Taxes receivable in the governmental activities are reported net of allowance for uncollectible tax of \$774,942. Court fines receivable are reported net of an allowance for uncollectible fines of \$26,280 in the governmental activities. Ambulance fees are reported net of an allowance for uncollectible fees of \$1,745,795. Accounts receivable in the business-type activities have been reported net of allowance for uncollectible accounts of \$35,313. Accounts receivable in the governmental funds have been reported net of allowance for uncollectible accounts of \$68,099.

Property taxes receivable that do not meet the availability requirement have been recorded as unavailable revenue in the fund financial statements.

NOTE 4 - RESTRICTED ASSETS

The County has recorded restricted cash and investments in the governmental funds and the business-type activities as follows:

Governmental Activities

Special Fees:

Landfill Closure Post Closure	\$ 1,260,574
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Debt Service Funds:

Restricted for Debt Service	2,506,617
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Lease Purchase Proceeds Restricted for Capital Purchases	240,643
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Capital Projects Fund - IPRBF:

Restricted for Capital Improvements	10,853
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Title IV D Incentive Funds	35,873
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Total Restricted Governmental Activities	\$ <u>4,054,560</u>
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Business-Type Activities

Water and Sewer Fund:

Restricted for Debt Service Reserve Requirements	\$ 170,250
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Total Restricted Business-Type Activities	\$ <u>170,250</u>
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**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 5 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2015 was as follows:

Governmental Activities:	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital Assets, not being Depreciated				
Land	\$ 1,829,225	\$ 9,089	\$ 0	\$ 1,838,314
Construction in Progress	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total, not being Depreciated	\$ <u>1,829,225</u>	\$ <u>9,089</u>	\$ <u>0</u>	\$ <u>1,838,314</u>
Capital Assets, being Depreciated:				
Land Improvements	\$ 7,196,862	\$ 96,397	\$ 0	\$ 7,293,259
Road and Bridges	7,037,601	0	0	7,037,601
Buildings	28,133,170	149,859	5,000	28,278,029
Building Improvements	8,957,789	82,378	8,000	9,032,167
Leasehold Improvements	541,877	0	0	541,877
Furniture & Fixtures	2,140,789	0	0	2,140,789
Machinery & Equipment	4,366,551	1,820,222	1,540,233	4,646,540
Automotive Equipment	11,440,772	516,638	204,493	11,752,917
Communication Equipment	1,133,354	0	0	1,133,354
Total, being Depreciated	\$ <u>70,948,765</u>	\$ <u>2,665,494</u>	\$ <u>1,757,726</u>	\$ <u>71,856,533</u>
Less Accumulated Depreciation for:				
Land Improvements	\$ (3,599,468)	\$ (327,070)	\$ 0	\$ (3,926,538)
Road and Bridges	(3,408,066)	(468,738)	0	(3,876,804)
Buildings	(4,053,247)	(716,435)	5,000	(4,764,682)
Building Improvements	(3,254,629)	(200,670)	6,080	(3,449,219)
Leasehold Improvements	(360,890)	(22,768)	0	(383,658)
Furniture & Fixtures	(1,505,389)	(86,645)	0	(1,592,034)
Machinery & Equipment	(2,693,885)	(186,741)	554,566	(2,326,060)
Automotive Equipment	(8,816,217)	(884,633)	154,600	(9,546,250)
Communication Equipment	(424,797)	(73,027)	0	(497,824)
Total Accumulated Depreciation	\$ <u>(28,116,588)</u>	\$ <u>(2,966,727)</u>	\$ <u>720,246</u>	\$ <u>(30,363,069)</u>
Total, being Depreciated, Net	\$ <u>42,832,177</u>	\$ <u>(301,233)</u>	\$ <u>(1,037,480)</u>	\$ <u>41,493,464</u>
Total Governmental Activities, Net	\$ <u><u>44,661,402</u></u>	\$ <u><u>(292,144)</u></u>	\$ <u><u>(1,037,480)</u></u>	\$ <u><u>43,331,778</u></u>

Capital Asset additions in the governmental funds totaled \$2,665,494, and the current year depreciation expense totaled \$2,966,727. Assets totaling \$1,757,726 with a net book value of \$1,037,480 were disposed of during the year resulting in a loss of \$60,480 on disposal of capital assets. Williamsburg County negotiated a new lease with Caterpillar which defeased \$977,000 in lease obligations for the value of assets returned.

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 5 - CAPITAL ASSETS (CONTINUED)

Business-Type Activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, not being Depreciated:				
Land	\$ 148,000	\$ 0	\$ 0	\$ 148,000
Construction in Progress	45,886	0	0	45,886
Total, not being Depreciated	<u>\$ 193,886</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 193,886</u>
Capital Assets, being Depreciated:				
Land Improvements	\$ 13,444	\$ 0	\$ 0	\$ 13,444
Buildings	172,099	0	0	172,099
Building Improvements	29,062	17,300	0	46,362
Water and Sewer System	50,161,325	189,467	0	50,350,792
Machinery & Equipment	290,808	28,278	5,646	313,440
Automotive Equipment	3,621,806	212,675	97,248	3,737,233
Total, being Depreciated	<u>\$ 54,288,544</u>	<u>\$ 447,720</u>	<u>\$ 102,894</u>	<u>\$ 54,633,370</u>
Less Accumulated Depreciation for:				
Land Improvements	\$ (13,444)	\$ 0	\$ 0	\$ (13,444)
Buildings	(167,347)	(1,308)	0	(168,655)
Building Improvements	(2,071)	(4,356)	0	(6,427)
Water and Sewer System	(5,361,418)	(1,250,871)	0	(6,612,289)
Machinery & Equipment	(171,906)	(36,861)	5,223	(203,544)
Automotive Equipment	(2,431,138)	(248,171)	97,247	(2,582,062)
Total Accumulated Depreciation	<u>\$ (8,147,324)</u>	<u>\$ (1,541,567)</u>	<u>\$ 102,470</u>	<u>\$ (9,586,421)</u>
Total, being Depreciated, Net	<u>\$ 46,141,220</u>	<u>\$ (1,093,847)</u>	<u>\$ (424)</u>	<u>\$ 45,046,949</u>
Total Business-Type Activities, Net	<u><u>\$ 46,335,106</u></u>	<u><u>\$ (1,093,847)</u></u>	<u><u>\$ (424)</u></u>	<u><u>\$ 45,240,835</u></u>

The capital asset additions of business-type activities totaled \$447,720 and depreciation expense in business-type activities totaled \$1,541,567. Assets totaling \$102,894 were disposed of with net book balance of \$102,470 resulting in a net loss on disposal of assets of \$424.

Construction in Progress in the Business-Type Activities totaling \$45,886 at June 30, 2015 represents funds expended on the following water and sewer improvements:

	CIP	Cost to Complete	Expected Completion
St. Lawrence/Blakely/Trio	\$ 36,973	\$ 4,806,000	To Be Determined
Mouzon	8,913	To Be Determined	To Be Determined

The County has been awarded grant funds from Rural Development Administration in the amount of \$1,351,000 for the St. Lawrence/Blakely/Trio project. The County has been approved for loan funds of \$3,455,000 for the St. Lawrence/Blakely/Trio project.

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 5 - CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to the following functions:

Governmental Activities:

General Government	\$	303,538
Public Safety		1,320,177
Public Works		589,189
Health and Human Services		174,545
Economic Development		278,993
Environmental Services - Landfill		177,919
Cultural and Recreation		<u>122,366</u>
 Total Depreciation Expense - Governmental Activities	 \$	 <u><u>2,966,727</u></u>

Business-Type Activities:

Water & Sewer Fund	\$	1,251,635
Williamsburg County Transit System		<u>283,932</u>
Total Depreciation Expense - Business-Type Activities	\$	<u><u>1,541,567</u></u>

Component Units:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets being depreciated				
Vehicles	\$ 131,600	\$ 0	\$ 0	\$ 131,600
Computer Equipment	187,751	0	0	187,751
Furniture & Fixtures	189,436	0	0	189,436
Total capital assets being depreciated	\$ 508,787	\$ 0	\$ 0	\$ 508,787
 Less: Accumulated Depreciation	 (481,124)	 (12,367)	 0	 (493,491)
 Net capital assets being depreciated	 \$ <u>27,663</u>	 \$ <u>(12,367)</u>	 \$ <u>0</u>	 \$ <u>15,296</u>

Depreciation Expense was charged to the component unit as follows:

Cultural & Recreation	\$ <u>12,367</u>
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Total assets purchased under capital leases are as follows:

	<u>Governmental Activities</u>
Asset Cost	\$ 2,862,517
Less: Accumulated Depreciation	<u>(280,795)</u>
 Totals	 \$ <u><u>2,581,722</u></u>

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 6 - INTERFUND RECEIVABLES AND PAYABLES

Outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. At June 30, 2015, interfund receivables and payables resulting from various interfund transactions were as follows. All balances are expected to be repaid within the following year.

	Due From Other Funds	Due To Other Funds
General Fund	\$ 2,121,172	\$ 0
Rural Fire Fund	0	20,676
Federal and State Grant Fund	0	105,596
Roads and Bridges Fund	0	821,207
Other Governmental Funds	0	201,247
Debt Service Fund	0	871,506
Williamsburg County Transit System Fund	0	96,312
Water & Sewer	0	4,628
Totals	\$ 2,121,172	\$ 2,121,172

NOTE 7 - CAPITAL LEASES

The County's governmental activities have seven (7) lease purchase agreements. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

Future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2015, are as follows:

	Governmental Activities
2016	\$ 493,800
2017	486,624
2018	276,010
2019	1,369,013
Total Minimum Lease Payments	\$ 2,625,447
Less: Amount Representing Interest	(202,095)
Totals	\$ 2,423,352

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**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 8 - LONG-TERM DEBT

Following is a summary of changes in long-term liabilities during the year ended June 30, 2015:

Governmental Activities:	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds Payable:					
General Obligation Bonds	\$ 4,305,000	\$ 299,700	\$ (324,129)	\$ 4,280,571	\$ 345,259
Plus Unamortized Premium	110,267	0	(9,818)	100,449	0
IPRB Facilities Corp	30,000,000	0	(140,000)	29,860,000	375,000
Less Unamortized Discount	(356,563)	0	13,583	(342,980)	0
Bond Anticipation Notes	320,000	0	(320,000)	0	0
Total Bonds Payable	\$ 34,378,704	\$ 299,700	\$ (780,364)	\$ 33,898,040	\$ 720,259
Landfill Closure Cost	5,625,446	0	(156,954)	5,468,492	120,000
Capital Leases	2,236,454	2,002,365	(1,815,467)	2,423,352	425,569
Claims and Judgments	548,782	33,474	(19,057)	563,199	0
Compensated Absences	690,702	717,890	(690,702)	717,890	358,945
Totals	\$ 43,480,088	\$ 3,053,429	\$ (3,462,544)	\$ 43,070,973	\$ 1,624,773
Business-Type Activities:	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds Payable:					
Revenue Bonds	\$ 19,613,499	\$ 0	\$ (297,130)	\$ 19,316,369	\$ 328,377
Total Bonds Payable	\$ 19,613,499	\$ 0	\$ (297,130)	\$ 19,316,369	\$ 328,377
Claims and Judgments	123,918	6,926	(3,943)	126,901	0
Compensated Absences	46,010	43,640	(46,010)	43,640	24,885
Totals	\$ 19,783,427	\$ 50,566	\$ (347,083)	\$ 19,486,910	\$ 353,262
Component Unit:	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Williamsburg County Library					
Compensated Absences	\$ 21,205	\$ 17,747	\$ (21,205)	\$ 17,747	\$ 17,747
Totals	\$ 21,205	\$ 17,747	\$ (21,205)	\$ 17,747	\$ 17,747

Payments on bonds and capital leases that pertain to the governmental activities will be made by the debt service fund. Payments made for landfill closure cost will be made from the landfill fund. The compensated absences liability attributed to the governmental activities will be liquidated by the general fund and will be charged to the other funds based on management's assessment of the appropriate cost objective.

Claims and judgement liabilities will generally be liquidated through the County's general fund. That fund will finance the payment of those claims and judgements by charging the other funds based on management's assessment of the appropriate cost objective.

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 8 - LONG-TERM DEBT (CONTINUED)

On November 15, 2012, Williamsburg County issued General Obligation Refunding Bonds, Series 2012, which refunded the General Obligation Bonds of 2004. The County has recorded a deferred loss on refunding of \$126,881, which will be amortized as interest expense over the life of the bond. This is considered a current refunding.

On February 10, 2014, Williamsburg County issued the 2103A and 2013B General Obligation Bonds in the amounts of \$24,990 and \$25,010 respectively. The bonds were issued to purchase equipment for the fire department.

On May 4, 2015, Williamsburg County issued the General Obligation Bond, Series 2015A. The bond was issued to purchase four (4) fire engines for the new substations. The bond issued totaled \$299,700 with annual repayments of \$26,023 for 15 years at an interest rate of 3.50%.

General Obligation Bonds, Series 2015A (Issued 05/04/2015)
Maturity Date May 4, 2030

Fiscal Year	Interest Rate	Balance	Principal Dec. 1	Interest	Total Annual Payments
Ending	Rate	Balance	Dec. 1	Interest	Payments
2016	3.50%	\$ 299,700	\$ 15,534	\$ 10,489	\$ 26,023
2017	3.50%	284,166	16,077	9,946	26,023
2018	3.50%	268,089	16,640	9,383	26,023
2019	3.50%	251,449	17,222	8,801	26,023
2020	3.50%	234,227	17,825	8,198	26,023
2021-2025	3.50%	216,402	98,933	31,182	130,115
2026-2030	3.50%	117,469	117,469	12,616	130,085
Totals			\$ 299,700	\$ 90,615	\$ 390,315

Annual debt service requirements to maturity for obligations outstanding at June 30, 2015 are as follows:

General Obligation Refunding Bonds of 2012 (Issued 11/15/12)
Maturity Date March 1, 2020

Fiscal Year	Interest Rate	Balance	Principal	Interest Sept. 1	Interest March 1	Total Annual Payments
Ending	Rate	Balance	Principal	Sept. 1	March 1	Payments
2016	2.00%	\$ 1,380,000	\$ 270,000	\$ 13,800	\$ 13,800	\$ 297,600
2017	2.00%	1,110,000	275,000	11,100	11,100	297,200
2018	2.00%	835,000	285,000	8,350	8,350	301,700
2019	2.00%	550,000	270,000	5,500	5,500	281,000
2020	2.00%	280,000	280,000	2,800	2,800	285,600
Totals			\$ 1,380,000	\$ 41,550	\$ 41,550	\$ 1,463,100

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 8 - LONG-TERM DEBT (CONTINUED)

General Obligation Bond, Series 2013A (Issued 02/10/14)
Maturity February 10, 2019

Fiscal Year Ending	Interest Rate	Balance	Principal February 10	Interest February 10	Total Annual Payments
2016	3.50%	\$ 20,427	\$ 4,860	\$ 676	5,536
2017	3.50%	15,567	5,021	515	5,536
2018	3.50%	10,546	5,187	349	5,536
2019	3.50%	5,359	5,359	177	5,536
Totals			<u>\$ 20,427</u>	<u>\$ 1,717</u>	<u>22,144</u>

General Obligation Bond, Series 2013B (Issued 02/10/14)
Maturity February 10, 2019

Fiscal Year Ending	Interest Rate	Balance	Principal February 10	Interest February 10	Total Annual Payments
2016	3.50%	\$ 20,444	\$ 4,865	\$ 675	5,540
2017	3.50%	15,579	5,025	515	5,540
2018	3.50%	10,554	5,191	349	5,540
2019	3.50%	5,363	5,363	177	5,540
Totals			<u>\$ 20,444</u>	<u>\$ 1,716</u>	<u>22,160</u>

On July 29, 2010, Williamsburg County issued general obligation bonds of \$3,185,000 which included a current refunding of the General Obligation of 2009 Rural Fire Bonds. The bonds were refunded at book value. The bonds are not considered to be part of the County's legal debt limit as the Rural Fire Bonds are part of the Rural Fire District.

General Obligation Refunding and Improvement Bonds of 2010 (Issued 07/29/10)
Maturity April 1, 2026

Fiscal Year Ending	Interest Rate	Balance	Principal December 1	Interest December 1	Interest June 1	Total Annual Payments
2016	2.00%	\$ 2,560,000	\$ 50,000	\$ 47,106	\$ 47,106	144,212
2017	2.00%	2,510,000	50,000	46,606	46,606	143,212
2018	2.00%	2,460,000	50,000	46,075	46,075	142,150
2019	2.00%	2,410,000	70,000	45,513	45,513	161,026
2020	2.00%	2,340,000	70,000	44,638	44,637	159,276
2021-2025	3.00%	2,270,000	1,855,000	153,875	153,875	2,162,750
2026	4.00%	415,000	415,000	8,300	8,300	431,600
Totals			<u>\$ 2,560,000</u>	<u>\$ 392,113</u>	<u>\$ 392,112</u>	<u>3,344,226</u>

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 8 - LONG-TERM DEBT (CONTINUED)

On July 29, 2010, Williamsburg County Public Facilities Corporation (blended component unit) issued Installment Purchase Revenue Bonds Series 2010 in the amount of \$30,000,000. The Williamsburg County Public Facilities Revenue Bonds are not a debt of the County, however, as the corporation is blended with the operations of the County, the debt of the corporation is included with the County's other obligations as required by generally accepted accounting principles. The bonds were issued to fund various capital projects including a Public Service Administration Building and Court House renovation. Annual debt service requirements to maturity for the installment purchase revenue bonds outstanding at June 30, 2015 are as follows:

Installment Purchase Revenue Bonds of 2010 (Issued 07/29/10)
Maturity December 1, 2040

Fiscal Year Ending	Interest Rate	Balance	Principal December 1	Interest December 1	Interest June 1	Total Annual Payments
2016	3.60%	\$ 29,860,000	\$ 375,000	\$ 964,132	\$ 956,720	2,295,852
2017	3.95%	29,485,000	465,000	956,720	946,301	2,368,021
2018	4.48%	29,020,000	510,000	946,301	933,982	2,390,283
2019	4.83%	28,510,000	555,000	933,982	919,713	2,408,695
2020	5.14%	27,955,000	605,000	919,713	903,705	2,428,418
2021-2025	5.79%-6.52%	27,350,000	3,850,000	4,315,061	4,199,186	12,364,247
2026-2030	6.52%-6.78%	23,500,000	5,385,000	3,610,566	3,434,853	12,430,419
2031-2035	6.77%	18,115,000	7,170,000	2,603,754	2,362,454	12,136,208
2036-2040	6.77%	10,945,000	8,920,000	1,275,582	973,372	11,168,954
2041	6.77%	2,025,000	2,025,000	68,607	0	2,093,607
Totals			<u>\$ 29,860,000</u>	<u>\$ 16,594,418</u>	<u>\$ 15,630,286</u>	<u>\$ 62,084,704</u>

The legal debt limit for the County is eight per centum of the assessed valuation of the taxable property in the County. Based on the 2014 assessed valuation of \$91,033,381 the legal debt limit is approximately \$7,282,670. At June 30, 2015, the County has general obligation bonds outstanding of \$340,571 subject to the legal debt limit.

Revenue Bonds of 2002 (Issued 05/17/02)
Maturity February 17, 2042

Fiscal Year Ending	Interest Rate	Balance	Principal	Interest	Total Annual Payments
2016	4.50%	\$ 411,864	\$ 7,973	\$ 18,487	26,460
2017	4.50%	403,891	8,341	18,119	26,460
2018	4.50%	395,550	8,727	17,733	26,460
2019	4.50%	386,823	9,131	17,329	26,460
2020	4.50%	377,692	9,553	16,907	26,460
2021-2025	4.50%	368,139	54,813	77,487	132,300
2026-2030	4.50%	313,326	68,711	63,589	132,300
2031-2035	4.50%	244,615	86,135	46,165	132,300
2036-2040	4.50%	158,480	107,977	24,323	132,300
2041-2042	4.50%	50,503	50,503	2,417	52,920
Totals			<u>\$ 411,864</u>	<u>\$ 302,556</u>	<u>\$ 714,420</u>

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 8 - LONG-TERM DEBT (CONTINUED)

Revenue Bonds of 2002 (Issued 05/17/02)
Maturity February 17, 2042

Fiscal Year Ending	Interest Rate	Balance	Principal	Interest	Total Annual Payments
2016	4.50%	\$ 31,363	\$ 630	\$ 1,398	\$ 2,028
2017	4.50%	30,733	659	1,369	2,028
2018	4.50%	30,074	689	1,339	2,028
2019	4.50%	29,385	721	1,307	2,028
2020	4.50%	28,664	754	1,274	2,028
2021-2025	4.50%	27,910	4,321	5,819	10,140
2026-2030	4.50%	23,589	5,409	4,731	10,140
2031-2035	4.50%	18,180	6,769	3,371	10,140
2036-2040	4.50%	11,411	8,474	1,666	10,140
2041-2042	4.50%	2,937	2,937	105	3,042
Totals			<u>\$ 31,363</u>	<u>\$ 22,379</u>	<u>\$ 53,742</u>

Revenue Bonds of 2009 (Issued 12/10/08)
Maturity October 17, 2049

Fiscal Year Ending	Interest Rate	Balance	Principal	Interest	Total Annual Payments
2016	4.375%	\$ 1,974,052	\$ 25,382	\$ 86,110	\$ 111,492
2017	4.375%	1,948,670	26,519	84,973	111,492
2018	4.375%	1,922,151	27,706	83,786	111,492
2019	4.375%	1,894,445	28,946	82,546	111,492
2020	4.375%	1,865,499	30,242	81,250	111,492
2021-2025	4.375%	1,835,257	172,775	384,685	557,460
2026-2030	4.375%	1,662,482	215,071	342,389	557,460
2031-2035	4.375%	1,447,411	267,724	289,736	557,460
2036-2040	4.375%	1,179,687	333,267	224,193	557,460
2041-2045	4.375%	846,420	414,854	142,606	557,460
2046-2050	4.375%	431,566	431,566	42,274	473,840
Totals			<u>\$ 1,974,052</u>	<u>\$ 1,844,548</u>	<u>\$ 3,818,600</u>

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 8 - LONG-TERM DEBT (CONTINUED)

The 2010A Waterworks System and 2010B Waterworks System Revenue Bond Anticipation Notes were refinanced by Rural Development Bonds during the year. The payments are as follows:

Waterworks System Revenue Bonds Lane Sewer System (Issued 10/14/10)
Maturity October 14, 2050

Fiscal Year Ending	Interest Rate	Balance	Principal	Interest	Total Annual Payments
2016	2.25%	\$ 639,451	\$ 12,680	\$ 13,756	\$ 26,436
2017	2.25%	626,771	12,958	13,478	26,436
2018	2.25%	613,813	13,242	13,194	26,436
2019	2.25%	600,571	13,533	12,903	26,436
2020	2.25%	587,038	13,829	12,607	26,436
2021-2025	2.25%	573,209	73,829	58,351	132,180
2026-2030	2.25%	499,380	82,287	49,893	132,180
2031-2035	2.25%	417,093	91,712	40,468	132,180
2036-2040	2.25%	325,381	102,217	29,963	132,180
2041-2045	2.25%	223,164	113,926	18,254	132,180
2046-2050	2.25%	109,238	109,238	5,318	114,556
Totals			<u>\$ 639,451</u>	<u>\$ 268,185</u>	<u>\$ 907,636</u>

Waterworks System Revenue Bonds Kingtree East Improvements (Issued 10/14/10)
Maturity October 14, 2050

Fiscal Year Ending	Interest Rate	Balance	Principal	Interest	Total Annual Payments
2016	3.00%	\$ 3,384,337	\$ 58,149	\$ 98,103	\$ 156,252
2017	3.00%	3,326,188	59,871	96,381	156,252
2018	3.00%	3,266,317	61,644	94,608	156,252
2019	3.00%	3,204,673	63,469	92,783	156,252
2020	3.00%	3,141,204	65,348	90,904	156,252
2021-2025	3.00%	3,075,856	356,938	424,322	781,260
2026-2030	3.00%	2,718,918	413,007	368,253	781,260
2031-2035	3.00%	2,305,911	477,885	303,375	781,260
2036-2040	3.00%	1,828,026	552,952	228,308	781,260
2041-2045	3.00%	1,275,074	639,815	141,445	781,260
2046-2050	3.00%	635,259	635,259	41,833	677,092
Totals			<u>\$ 3,384,337</u>	<u>\$ 1,980,315</u>	<u>\$ 5,364,652</u>

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 8 - LONG-TERM DEBT (CONTINUED)

Waterworks System Revenue Bonds Kingstree East Phase II Improvements (Issued 12/02/11)
Maturity December 2, 2051

Fiscal Year Ending	Interest Rate	Balance	Principal	Interest	Total Annual Payments
2016	2.75%	\$ 3,484,641	\$ 55,969	\$ 95,951	\$ 151,920
2017	2.75%	3,428,672	57,541	94,379	151,920
2018	2.75%	3,371,131	59,158	92,762	151,920
2019	2.75%	3,311,973	60,819	91,101	151,920
2020	2.75%	3,251,154	62,528	89,392	151,920
2021-2025	2.75%	3,188,626	340,000	419,600	759,600
2026-2030	2.75%	2,848,626	390,519	369,081	759,600
2031-2035	2.75%	2,458,107	448,546	311,054	759,600
2036-2040	2.75%	2,009,561	515,194	244,406	759,600
2041-2045	2.75%	1,494,367	591,745	167,855	759,600
2046-2050	2.75%	902,622	679,671	79,929	759,600
2051	2.75%	222,951	222,951	4,929	227,880
Totals			<u>\$ 3,484,641</u>	<u>\$ 2,060,439</u>	<u>\$ 5,545,080</u>

Waterworks System Revenue Bonds Millwood Bloomingvale Projects, Series 2012
(Issued 08/15/12) Maturity August 15, 2052

Fiscal Year Ending	Interest Rate	Balance	Principal	Interest	Total Annual Payments
2016	2.50%	\$ 9,390,661	\$ 167,594	\$ 198,286	\$ 365,880
2017	2.50%	9,223,067	171,197	194,683	365,880
2018	2.50%	9,051,870	174,877	191,003	365,880
2019	2.50%	8,876,993	178,636	187,244	365,880
2020	2.50%	8,698,357	182,477	183,403	365,880
2021-2025	2.50%	8,515,880	972,939	856,461	1,829,400
2026-2030	2.50%	7,542,941	1,082,113	747,287	1,829,400
2031-2035	2.50%	6,460,828	1,203,537	625,863	1,829,400
2036-2040	2.50%	5,257,291	1,338,587	490,813	1,829,400
2041-2045	2.50%	3,918,704	1,488,790	340,610	1,829,400
2046-2050	2.50%	2,429,914	1,655,848	173,552	1,829,400
2051-2053	2.50%	774,066	774,066	18,674	792,740
Totals			<u>\$ 9,390,661</u>	<u>\$ 4,207,879</u>	<u>\$ 13,598,540</u>

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 8 - LONG-TERM DEBT (CONTINUED)

The annual requirements to amortize bond anticipation notes, general obligation and revenue bonds, vehicle acquisition plan payments, and capital leases, as of June 30, 2015 are as follows:

	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2016	\$ 1,145,828	\$ 2,122,736	\$ 3,268,564	\$ 328,377	\$ 512,091	\$ 840,468
2017	1,248,466	2,083,690	3,332,156	337,086	503,382	840,468
2018	1,105,433	2,041,809	3,147,242	346,043	494,425	840,468
2019	2,254,969	2,001,863	4,256,832	355,255	485,213	840,468
2020	972,825	1,926,491	2,899,316	364,731	475,737	840,468
2021-2025	5,803,933	8,853,179	14,657,112	1,975,615	2,226,725	4,202,340
2026-2030	5,917,469	7,074,635	12,992,104	2,257,117	1,945,223	4,202,340
2031-2035	7,170,000	4,966,208	12,136,208	2,582,308	1,620,032	4,202,340
2036-2040	8,920,000	2,248,954	11,168,954	2,958,668	1,243,672	4,202,340
2041-2045	2,025,000	68,607	2,093,607	3,302,570	813,292	4,115,862
2046-2050	0	0	0	3,511,582	342,906	3,854,488
2051-2053	0	0	0	997,017	23,603	1,020,620
Totals	<u>\$ 36,563,923</u>	<u>\$ 33,388,172</u>	<u>\$ 69,952,095</u>	<u>\$ 19,316,369</u>	<u>\$ 10,686,301</u>	<u>\$ 30,002,670</u>

NOTE 9 - CONTINGENCIES

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 to the general fund or other applicable funds.

Litigation: As of June 30, 2015, actions have been alleged against the County in which it has denied liability. Any liability would be covered by the Insurance Reserve Fund up to the policy limit. The outcome or the amount of recovery, if any, cannot be predicted with certainty. Accordingly, no liability has been recorded.

Unemployment Compensation: The County makes payments to the South Carolina Employment Security Commission on a reimbursement basis for costs incurred in the administration of the state unemployment compensation statutes. Claims incurred but not reported at June 30, 2015 are not determinable.

Other Commitments: County Council approved a loan of \$182,000 from the SBA revolving loan fund to South Carolina Shrimp Biotech, Inc. which was issued at November 19, 2008 at the Wall Street prime rate interest only for nine months and monthly payments of \$3,188.73 to begin on September 7, 2009. County Council has not received payments on this since 2009 and has increased its allowance for bad debt to \$182,000 as it is doubtful that this receivable will be paid. County Council has approved a loan of \$520,650 from the revolving loan fund to Williamsburg County Development Corporation, which is a no interest, no recourse lease purchase transaction with a maturity date of October 15, 2015. County Council approved a loan to Hemingway apparel in the amount of \$25,000 with a maturity date of December 31, 2015. County Council has approved a loan to Wastezero in the amount of \$117,546 on August 1, 2011 of which payments of \$2,004.46 began in August of 2011. The outstanding balance at June 30, 2015 on all note receivables was \$788,405 and an allowance for uncollectible receivables of \$182,000 leaving a net note receivable balance of \$606,405.

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 10 - OPERATING LEASES

The County was engaged in a 20 year noncancelable operating lease of an office building used for social services, which expired in November 2007 at a monthly lease payment of \$13,500. The County is currently continuing to rent the office building used for social services in the amount of \$13,500 per month on a month-by-month basis.

NOTE 11 - INTERFUND TRANSFER RECONCILIATION

Transfers are used to move certain revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations. Transfers between the County's various funds are generally made to fund Council approved projects. A schedule of transfers is as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 0	\$ 600,180
Debt Service Fund	1,224,723	2,278
Roads and Bridges Fund	209,743	362,096
Federal and State Grant Fund	0	3,745
Other Governmental Funds	183,257	881,598
Williamsburg County Transit Enterprise Fund	<u>232,174</u>	<u>0</u>
Totals	<u>\$ 1,849,897</u>	<u>\$ 1,849,897</u>

NOTE 12 - DEFERRED COMPENSATION PLAN

Williamsburg County offers its employees two deferred compensation plans complying with IRC 457 and IRC 401(k). These plans are available to all County employees through the South Carolina State Treasurer's Office. The plans offer a variety of investment choices to the participant. The deferred compensation cannot be withdrawn by the participant until separation of employment, retirement, death, disability or an approved hardship.

In 1996, Congress passed new legislation to govern IRC Section 457 plans. Specifically, the new legislation concludes that a plan shall not be treated as an eligible deferred compensation plan unless all assets and income of the plan are held in trust for the exclusive benefit of participants and their beneficiaries. During the year ended June 30, 1999, the South Carolina Deferred Compensation Commission modified their plan to comply with the new legislative requirements.

Governmental Accounting Standards Board's Statement No. 32 was issued to address the financial reporting ramifications of the new federal legislation and states that a fiduciary relationship must exist for a governmental entity to report the balances and transactions related to the plan in its financial statements. According to the provisions of the statement, it was determined that a fiduciary relationship did not exist for the County's IRC Section 457 plan, and likewise, its balance has not been recorded in the County's financial statements.

NOTE 13 - PENSION AND RETIREMENT PLAN

During the current year, the County implemented the provisions of GASB Statement No. 68 *Accounting and Financial Reporting for Pensions – An Amendment to GASB Statement No. 27* and Statement No. 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*. As required by GASB, this statement was implemented retroactively by restating beginning net position.

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 13 - PENSION AND RETIREMENT PLAN (CONTINUED)

Plan Descriptions

The South Carolina Retirement System (SCRS), a cost-sharing multiple-employer defined benefit pension plan, was established effective July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for employees of the state, its public school districts, and political subdivisions.

South Carolina Police Officers Retirement System (PORS), a cost-sharing multiple-employer defined benefit pension plan, was established effective July 1, 1962, pursuant to the provisions of Section 9-11-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for police officers and firemen of the state and its political subdivisions.

The South Carolina Public Employee Benefit Authority (PEBA), which was created July 1, 2012, administers the various retirement systems and retirement programs managed by its Retirement Division. PEBA has an 11-member Board of Directors, appointed by the Governor and General Assembly leadership, which serves as co-trustee and co-fiduciary of the systems and the trust funds. By law, the Budget and Control Board, which consists of five elected officials, also reviews certain PEBA Board decisions regarding the funding of the South Carolina Retirement Systems (Systems) and serves as a co-trustee of the Systems in conducting that review.

PEBA issues a Comprehensive Annual Financial Report (CAFR) containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The CAFR is publicly available through the Retirement Benefits' link on PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, PO Box 11960, Columbia, SC 29211-1960. PEBA is considered a division of the primary government of the State of South Carolina and therefore, retirement trust fund financial information is also included in the comprehensive annual financial report of the state.

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 presented below.

SCRS - Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. This plan covers general employees and teachers and individuals newly elected to the South Carolina General Assembly beginning with the November 2012 general election. 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.

PORS – To be eligible for PORS membership, an employee must be required by the terms of his employment, by election or appointment, to preserve public order, protect life and property, and detect crimes in the state; to prevent and control property destruction by fire; or to serve as a peace officer employed by the Department of Corrections, the Department of Juvenile Justice, or the Department of Mental Health. Probate judges and coroners may elect membership in PORS. Magistrates are required to participate in PORS for service as a magistrate. PORS members, other than magistrates and probate judges, must also earn at least \$2,000 per year and devote at least 1,600 hours per year to this work, unless exempted by statute. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 13 - PENSION AND RETIREMENT PLAN (CONTINUED)

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 the benefit terms for each system is presented below.

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 services 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 or 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 one percent or five hundred dollars 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.

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 one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase.

Contributions

Contributions are prescribed in Title 9 of the South Carolina Code of Laws. The PEBA Board may increase the SCRS and PORS employer and employee contribution rates on the basis of the actuarial valuations, but any such increase may not result in a differential between the employee and the employer contribution rate that exceeds 2.9 percent of earnable compensation for SCRS and 5 percent for PORS. An increase in the contribution rates adopted by the board may not provide for an increase of more than one-half of one percent in any one year. If the scheduled employee and employer contributions provide in statute of the rates last adopted by the board are insufficient to maintain a thirty year amortization schedule of the unfunded liabilities of the plans, the board shall increase the contribution rates in equal percentage amounts for the employer and employee as necessary to maintain the thirty-year amortization period; and, this increase is not limited to one-half of one percent per year.

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 13 - PENSION AND RETIREMENT PLAN (CONTINUED)

- Required employee contribution rates for fiscal year 2014-2015 are as follows:

SCRS

Employee Class Two	8.00% of earnable compensation
Employee Class Three	8.00% of earnable compensation

PORS

Employee Class One	\$21 per month
Employee Class Two	8.41% of earnable compensation
Employee Class Three	8.41% of earnable compensation

- Required employer contribution rates for fiscal year 2014-2015 are as follows:

SCRS

Employer Class Two	10.75% of earnable compensation
Employer Class Three	10.75% of earnable compensation
Employer Incidental Death Benefit	0.15% of earnable compensation

PORS

Employer Class One	7.80% of earnable compensation
Employer Class Two	13.01% of earnable compensation
Employer Class Three	13.01% of earnable compensation
Employer Incidental Death Benefit	0.20% of earnable compensation
Employer Accidental Death Program	0.20% of earnable compensation

Contributions to the pension plan from the County were as follows for the year ended June 30, 2015:

SCRS	\$ 808,821
PORS	\$ 428,542

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2015, the County reported \$13,835,672 and \$5,181,551 for its proportionate shares of the net pension liabilities of SCRS and PORS, respectively. The net pension liability of each defined benefit pension plan was determined based on the July 1, 2013 actuarial valuations, using membership data as of July 1, 2013, projected forward to June 30, 2014, and financial information of the pension trust funds as of June 30, 2014, using generally accepted actuarial procedures. The County's proportion of the net pension liability was based on the County's share of contributions to the pension plan relative to the contributions of all participating entities. At June 30, 2015, the County SCRS proportion was .080362 percent, which was the same as its proportion of the net pension liability measured as of June 30, 2013. The State's PORS proportion of the net pension liability at June 30, 2014 was .27066 percent, which was the same as its proportion as of June 30, 2013.

For the year ended June 30, 2015, the County recognized pension expenses of \$969,723 for SCRS and \$453,322 for PORS.

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 13 - PENSION AND RETIREMENT PLAN (CONTINUED)

At June 30, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	SCRS	PORS
Deferred Outflows of Resources:		
Difference between expected and actual experience	\$ 392,045	\$ 138,273
County contributions subsequent to the measurement date	808,821	428,542
	\$ 1,200,866	\$ 566,815
 Deferred Inflows of Resources:		
Net difference between projected and actual earnings on pension plan investments	\$ 1,166,448	\$ 599,543

County contributions subsequent of the measurement date of \$808,821 and \$428,542 reported as deferred outflow of resources for the SCRS and PORS, will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. 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>
2016	\$ 170,349	\$ 114,028
2017	170,349	114,028
2018	170,349	114,028
2019	263,356	119,186
Thereafter	0	0
	\$ 774,403	\$ 461,270

Payable to Pension Plan

At June 30, 2015, the County had \$159,664 in outstanding payables to the plans for legally required contributions. This amount is reported in the statement of net position with withholdings and benefits payable.

Actuarial Assumptions and Methods

Actuarial valuations involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Amounts determined during the valuation process are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. The last experience study was performed on data through June 30, 2010, and the next experience study is scheduled to be conducted after the June 30, 2015 annual valuation is complete.

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 13 - PENSION AND RETIREMENT PLAN (CONTINUED)

The following table provides a summary of the actuarial assumptions and methods used in the July 1, 2013, valuations for SCRS and PORS.

	SCRS	PORS
Actuarial cost method	Entry age	Entry age
Actuarial assumptions:		
Investment rate of return	7.5%	7.5%
Projected salary increases	levels off at 3.5%	levels off at 4.0%
Includes inflation at	2.75%	2.75%
Benefit adjustments	lesser of 1% or \$500	lesser of 1% or \$500

The post-retiree mortality assumption is dependent upon the member's job category and gender. This assumption includes base rates which are automatically adjusted for future improvement in mortality using published Scale AA projected from the year 2000.

Former Job Class	Males	Females
Educators and Judges	RP-2000 Males (with White Collar adjustment) multiplied by 110%	RP-2000 Females (with White Collar adjustment) multiplied by 95%
General Employees and Members of the General Assembly	RP-2000 Males multiplied by 100%	RP-2000 Females multiplied by 90%
Public Safety, Firefighters and Members of the South Carolina National Guard	RP-2000 Males (with Blue Collar adjustment) multiplied by 115%	RP-2000 Females (with Blue Collar adjustment) multiplied by 115%

The long-term expected rate of return on pension plan investments for actuarial purposes is based upon 30 year capital market outlook at the end of the third quarter 2012. The actuarial long-term expected rates of return represent best estimates of arithmetic real rates of return for each major asset class and were developed in coordination with the investment consultant for the Retirement System Investment Commission (RSIC) using a building block approach, reflecting observable inflation and interest rate information available in the fixed income markets as well as Consensus Economic forecasts. The actuarial long-term assumptions for other asset classes are based on historical results, current market characteristics and professional judgment.

The RSIC has exclusive authority to invest and manage the retirement trust funds' assets. As co-fiduciary of the Systems, statutory provisions and governance policies allow the RSIC to operate in a manner consistent with a long-term investment time horizon. The expected real rates of investment return, along with the expected inflation rate, form the basis for the target asset allocation adopted annually by the RSIC. For actuarial purposes, the long-term expected rate of return is calculated by weighing the expected future real rates of return by the target allocation percentage and then adding the actuarial expected inflation which is summarized in the table on the following page. For actuarial purposes, 7.50 percent assumed annual investment rate of return used in the calculation of the total pension liability includes a 4.75 percent real rate of return and a 2.75 percent inflation component.

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 13 - PENSION AND RETIREMENT PLAN (CONTINUED)

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Long Term Expected Portfolio Real Rate of Return
Short Term	5.0%		
Cash	2.0%	0.3	0.01
Short Duration	3.0%	0.6	0.02
Domestic Fixed Income	13.0%		
Core Fixed Income	7.0%	1.1	0.08
High Yield	2.0%	3.5	0.07
Bank Loans	4.0%	2.8	0.11
Global Fixed Income	9.0%		
Global Fixed Income	3.0%	0.8	0.02
Emerging Markets Debt	6.0%	4.1	0.25
Global Public Equity	31.0%	7.8	2.42
Global Tactical Asset	10.0%	5.1	0.51
Alternatives	32.0%		
Hedge Funds (Low Beta)	8.0%	4.0	0.32
Private Debt	7.0%	10.2	0.71
Private Equity	9.0%	10.2	0.92
Real Estate (Broad Market)	5.0%	5.9	0.29
Commodities	3.0%	5.1	0.15
Total Expected Real Return	<u>100.0%</u>		<u>5.88</u>
Inflation for Actuarial			<u>2.75</u>
Total Expected Nominal			<u>8.63</u>

Discount Rate

The discount rate used to measure the total pension liability was 7.5 percent. 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 Code of Laws. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The following presents the sensitivity of the County's proportionate share of the net pension liability to the changes in the discount rate.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate			
County's proportionate share of the Net Pension Liability	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
SCRS	\$ 17,904,216	\$ 13,835,672	\$ 10,441,340
PORS	\$ 7,241,137	\$ 5,181,551	\$ 3,477,485

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 13 - PENSION AND RETIREMENT PLAN (CONTINUED)

**Component Unit:
Williamsburg County Library**

	SCRS	PORS
Net Pension Liability	\$ 403,731	\$ 10,510
Retirement Expense	28,297	920
Deferred Outflows of Resources		
Difference Between Expected and Actual Experience	11,440	280
Contributions Made After Measurement Date	23,020	835
	\$ 34,460	\$ 1,115
Deferred Inflows of Resources		
Difference Between Projected and Actual		
Investment Earnings	\$ 34,037	\$ 1,216

Amortization of net balance of remaining deferred outflows/inflows of resources:

SCRS				
Measurement Period Ending June 30,	Total SCRS Per Audit Report	Williamsburg County Library Allocation %	Williamsburg County Library Amortization	
2015	\$ (211,976,511)	0.002345%	\$ (4,971)	
2016	(211,976,511)	0.002345%	(4,971)	
2017	(211,976,511)	0.002345%	(4,971)	
2018	(327,714,131)	0.002345%	(7,685)	
Thereafter	0	0.002345%	0	
	\$ (963,643,664)		\$ (22,597)	

Sensitivity of the Net Pension Liability to Changes in the Discount Rate:

SCRS				
	Total SCRS Per Audit Report	Williamsburg County Library Allocation %	Williamsburg County Library Share	
1.00% Decrease (6.50%)	\$ 22,279,455,340	0.002345%	\$ 522,453	
Current Discount Rate (7.50%)	17,216,684,770	0.002345%	403,731	
1.00% Increase (8.50%)	12,992,881,787	0.002345%	304,683	

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 13 - PENSION AND RETIREMENT PLAN (CONTINUED)

PORS

Measurement Period Ending June 30,	Total SCRS Per Audit Report	Williamsburg County Library Allocation %	Williamsburg County Library Amortization
2015	\$ (42,129,474)	0.000550%	\$ (232)
2016	(42,129,474)	0.000550%	(232)
2017	(42,129,474)	0.000550%	(232)
2018	(44,037,306)	0.000550%	(241)
Thereafter	(2)	0.000550%	0
	<u>\$ (170,425,730)</u>		<u>\$ (936)</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate:

PORS	Total PORS Per Audit Report	Williamsburg County Library Allocation %	Williamsburg County Library Share
1.00% Decrease (6.50%)	\$ 2,675,362,636	0.000550%	\$ 14,714
Current Discount Rate (7.50%)	1,914,427,438	0.000550%	10,510
1.00% Increase (8.50%)	1,284,816,794	0.000550%	7,066

NOTE 14 - SOLID WASTE MUNICIPAL LANDFILL

The Resource Conservation And Recovery Act ("RCRA"), the federal regulations which address solid waste landfill closure, was amended with more stringent closure requirements for landfills that operate beyond October 1993. The South Carolina Solid Waste Policy and Management Act of 1991 set forth certain requirements for landfills. Pursuant to the Act, South Carolina Department of Health and Environmental Control promulgated regulations establishing performance standards for the closure and post closure care of landfills. Chapter 61-107.258.60 Subpart F establishes the criteria for closure and post-closure care of landfills in South Carolina.

State and federal laws and regulations require that Williamsburg County place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. In addition to operating expenses related to current activities of the landfill, an expense provision and related liability are being recognized based on the future closure and post closure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of the landfill closure and post closure care costs is based on the amount of landfill used during the year. The estimated liability for landfill closure and post closure care costs has a balance of \$4,079,662 as of June 30, 2015 which is based on 100% usage of the old landfill. The landfill closed in April of 2011.

In conjunction with new regulations regarding closure requirements for C&D landfills, the County elected to account for C&D closure costs over the active life of the landfill similar to the costs recognition principles for municipal solid waste landfills. The total estimated closure cost of the C&D landfill is \$1,388,830 of which \$1,388,830 has been recorded as a liability which represents 100% usage of the landfill expansion. The County is currently expanding the C&D landfill capacity.

	Beginning			Ending
	Balance	Additions	Retirements	Balance
Estimated Liability for Closure & Post Closure Landfill	\$ 4,236,616	\$ 0	\$ (156,954)	\$ 4,079,662
C&D Landfill	1,388,830	0	0	1,388,830
Totals	<u>\$ 5,625,446</u>	<u>\$ 0</u>	<u>\$ (156,954)</u>	<u>\$ 5,468,492</u>

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 14 - SOLID WASTE MUNICIPAL LANDFILL

The estimated post closure cost of the landfill of \$6,034,280 and the estimated closure and post closure cost of the C&D landfill of \$1,338,830 are based on the amount that would be paid if all equipment, facilities, and service required to close, monitor, and maintain the landfill were acquired as of June 30, 2009. However, the actual cost of closure and post closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

The South Carolina Department of Health and Environmental Control (SCDHEC) has issued a permit to operate C&D landfill. The County is currently applying for a vertical expansion.

NOTE 15 – UNEARNED REVENUE/DEFERRED INFLOWS OF RESOURCES

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not available to liquidate liabilities of the current period. Governmental funds also record unearned revenue in connection with resources that have been received, but not yet earned. At June 30, 2015, the various components of unavailable and unearned revenue reported in the governmental funds were as follows:

Deferred Inflows of Resources	
Unavailable Tax Collections	\$ 922,019
Unavailable Fees	524,958
Unavailable Court Fines	67,220
Unavailable Ambulance Fees	206,504
Unavailable Grant Funds	<u>2,248,376</u>
	<u>\$3,969,077</u>
Unearned Revenue	
Unearned Grant Funds	<u>\$ 272,151</u>

Unavailable fees includes roads and bridges user fees of \$113,854, landfill fees of \$82,698 and solid waste fees of \$328,406 that were levied for each fund and collected with tax revenue.

NOTE 16 - SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The following Enterprise Funds have been created to provide various services to the general public:

Water & Sewer Fund - established to account for the operation of the County's water & sewer services.

Williamsburg County Transit Authority - established to account for transportation services provided to the general public.

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**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 16 - SEGMENT INFORMATION FOR ENTERPRISE FUNDS (CONTINUED)

Segment information for these Enterprise Funds is summarized below for the year ended June 30, 2015:

	Water & Sewer Fund	Williamsburg County Transit System
Operating Revenues	\$ 1,538,294	\$ 972,682
Depreciation	1,257,635	283,932
Operating Income (Loss)	(597,428)	(1,409,622)
Interfund Transfers	0	232,174
Non-Operating Revenues (Expenses)	279,021	1,008,500
Change in Net Position	(317,807)	(168,948)
Property, Plant and Equipment Net Change	(1,068,168)	(26,103)
Net Working Capital	56,600	1,568,800
Total Assets	44,630,095	3,146,764
Bonds and Other Long-Term Liabilities Payable from Revenues	19,204,556	1,575,813
Total Net Position	24,773,774	1,316,073

NOTE 17 - RISK MANAGEMENT

The County and its component unit are exposed to various risks of loss and pay insurance premiums to certain State agencies and commercial insurers to cover risks that may occur in normal operations. Management believes such coverage is sufficient to preclude any significant losses for the covered risk. The County has not had a significant reduction in insurance in the last three years and has not had claims in excess of coverage in the last three years.

Several State funds accumulate assets and the State itself assumes substantially all risks for the following:

1. Claims of State employees for unemployment compensation benefits (Employment Security Commission).
2. Claims of covered employees for workers compensation benefits for job-related illnesses or injuries (State Accident Fund).
3. Claims of covered public employees for long-term disability and group-life insurance benefits (Retirement Systems).

NOTE 18 - RELATED PARTY TRANSACTIONS

Williamsburg County Development Corporation is a non-profit organization and was established as a certified development company in accordance with Title V of the Small Business Investment Act of 1958, as amended. The County's accountability for this organization does not extend beyond the initial appointments to the Corporation's board. The County Supervisor and Chairman of County Council are members of this board.

Williamsburg County and the Town of Kingstree entered into an intergovernmental agreement in July 1999 to build a new library building. The building is used by the Library Commission, owned by the Town, and is leased indefinitely to the County for \$1 annually.

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 19 - FUND BALANCE CLASSIFICATIONS

The following is a list of all classifications by the County and a brief description of each:

Nonspendable Fund Balance - Inventory - an account used to segregate a portion of fund balance to indicate that these funds do not represent available, spendable resources even though it is a component of current assets.

Restricted for Public Safety:

Rural Fire Funds	\$	44,799
Victim's Services		15,607
Sheriff's Narcotics Funds		21,949
Public Safety Grants		<u>14,240</u>
	\$	<u>96,595</u>

Restricted for Debt Service - an account used to restrict the fund balance of funds collected for the repayment of debts.

Restricted for Capital Projects - an account used to segregate a portion of fund balance to indicate that these funds are restricted for specific purposes.

Restricted for Health and Human Services:

Alcohol and Drug Abuse Fund	\$	290,566
Health and Human Service Grants		<u>20,000</u>
	\$	<u>310,566</u>

Restricted for Environmental Services - an account used to segregate a portion of fund balance to indicate funds collected to fund the closure and postclosure costs of the landfill does not represent available, spendable resources even though it is a component of current assets.

Restricted for Economic Development:

Industrial Parks Fund	\$	337,327
Grants Fund		<u>1,044</u>
	\$	<u>338,371</u>

Restricted for Public Works:

Grants Fund	\$	<u>236,478</u>
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NOTE 20 - SUBSEQUENT EVENTS

On July 1, 2015, Williamsburg County issued a Tax Anticipation Note in the amount of \$3,500,000 with a maturity date of April 15, 2016 at an interest rate of 0.68% per annum.

NOTE 21 - POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description

The County sponsors a single employer defined benefit health care plan (the "Plan") that provides medical and dental insurance for retirees under the medicare eligible age of 65. Employees who had 19 years of service to Williamsburg County as of July 1, 2009 are eligible. The plan is approved each year by County Council; the contribution requirements of the County and plan members are established and amended by Council. These contributions are neither guaranteed nor mandatory. Council retains the right to unilaterally modify its payments towards retiree health care benefits.

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 21 - POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

As of June 30, 2015, the measurement date, there were 35 covered participants, 2 retired participants, and 33 active participants. The County prospectively implemented GASB Statement No. 45 during the period ended June 30, 2009 to account for its annual post employment benefit cost. A stand alone financial report is not available.

Funding Policy

As of June 30, 2015, the County has not funded contributions to an irrevocable trust. In fiscal year 2015, the County contributes \$360 per retiree per month for health insurance. County retirees contribute 100% of monthly premiums for single health care in excess of the County's contribution of \$360. The County contributes \$12 per month per retiree for dental coverage. Retirees contributed 100% of the premium for single dental coverage in excess of the \$12 the County contributes. The County contributed the remaining premium of \$34,000.

The County's annual other postemployment (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities over a period of 20 years.

Annual OPEB Cost and Funded Status and Funding Progress

For 2015, the annual OPEB cost (expense) was \$40,400 for the plan. The following table shows the components of the County's annual OPEB cost for 2015.

Normal Cost	\$	16,400
20 Year Amortization of Unfunded Accrued Liability		35,600
Total Annual Required Contribution (ARC)		52,000
Interest on Net OPEB Obligation		26,900
Less Net OPEB Adjustment		(38,500)
Annual OPEB Cost	\$	40,400

Contributions made included \$34,000 by the County through payment of covered participant benefits.

The County's annual OPEB cost, the cost contributed to the plan and the net OPEB (obligation) for years ended June 30, 2015, June 30, 2014 and June 30, 2013 were as follows:

Annual OPEB Cost Summary

Plan Year	BOY NOPEBO	ARC	Int.	Adj.	Total	Actual Contributions	EOY NOPEBO	Int. Rate	Amort. Period
2012-13	\$ 629,900	\$ 58,500	\$ 25,200	\$ (36,700)	\$ 47,000	\$ 19,100	\$ 657,800	4%	20
2013-14	657,800	61,000	26,300	(38,400)	48,900	34,000	672,700	4%	20
2014-15	672,700	52,000	26,900	(38,500)	40,400	23,000	690,100	4%	20

As of June 30, 2015, the most recent valuation date, the plan was not funded. The actuarial accrued liability for benefits was \$690,100, with no plan assets resulting in an unfunded accrued liability for benefits of \$690,100. The covered payroll (annual payroll of active employees covered by the plan) was \$1,190,068, and the ratio of the UAAL to the covered payroll was 51%.

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 21 - POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The Unprojected Unit Credit Actuarial Cost Method was used in the June 30, 2015 valuation. The actuarial assumptions included a 4% investment rate of return (net of administrative expenses) and an initial annual healthcare cost trend rate of 9%. The trend rate will decrease in 0.5% steps until it reaches 6% after eight years. Both rates included a 5% inflation assumption. The Plan's UAAL is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at June 30, 2015 was 13 years.

NOTE 22 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

- A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position.

The governmental fund balance sheet includes a reconciliation between fund balance - total governmental funds and net position - governmental activities as reported in the government wide statement of net position. One element of that reconciliation explains that "capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds." The details of this \$43,331,778 are as follows:

Capital Assets	\$	73,694,847
Accumulated Depreciation		(30,363,069)
Net adjustment to increase fund balance - total governmental funds to arrive at net position - governmental activities	\$	<u>43,331,778</u>

Another element of that reconciliation is that "other long-term assets, such as property taxes, court fines, and ambulance fees are not available to pay for current period expenditures and, therefore, are unavailable in the fund financial statements." The details of this \$3,969,077 are as follows:

Property Taxes and Fees Unavailable in Governmental Fund Statement	\$	922,019
Ambulance Fees Unavailable in Governmental Fund Statement		206,504
Court Fines Unavailable in Governmental Fund Statement		67,220
Unavailable Fees --Solid Waste, Landfill and Road User Fees		524,958
Unavailable Grant Funds		<u>2,248,376</u>
Net adjustment to increase fund balance - total governmental funds to arrive at net position - governmental activities	\$	<u>3,969,077</u>

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

**NOTE 22 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS
(CONTINUED)**

Another element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.” The details of this (\$60,469,166) are as follows:

Bonds Payable	\$ (34,140,571)
Less: Unamortized Bond Discount (to be amortized as interest expense)	342,980
Less: Deferred Loss on Refunding Bonds (to be amortized as interest expense)	99,125
Plus: Issuance Premium (to be amortized as interest expense)	(100,449)
Accrued Interest Payable	(124,525)
Capital Leases Payable	(2,423,352)
Municipal Solid Waste Landfill Closure	
Postclosure Cost Accrual	(5,468,492)
Post Employment Benefits Payable	(563,199)
Compensated Absences	(717,890)
Net Pension Liability	(17,370,502)
Deferred Outflows of Resources Related to Pensions	1,624,870
Deferred Inflows of Resources Related to Pensions	<u>(1,627,161)</u>
Net adjustment to decrease fund balance - total governmental funds to arrive at net position - governmental activities	<u>\$ (60,469,166)</u>

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “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.” The details of this (\$292,144) are as follows:

Capital Outlay	\$ 2,674,583
Depreciation Expense	<u>(2,966,727)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (292,144)</u>

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

**NOTE 22 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS
(CONTINUED)**

Another element of that reconciliation explains that “Revenues in the statement of activities, such as property taxes and police fines that will not be collected for several months after year-end and do not provide for current financial resources, are not reported as revenues in the funds.” The details of that element are as follows:

Property Taxes	\$	(86,986)
Court Fines		26,241
Roads & Bridges Fees		(28,355)
Ambulance Fees		(35,342)
Landfill Fees		(28,149)
Solid Waste Fees		22,455
Intergovernmental Revenue		913,184
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	\$	783,048

Another element of that reconciliation states that “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.” The details of this (\$8,365) are as follows:

Compensated Absences	\$	(27,188)
Pension Expense		(166,415)
Accrued Interest		41,301
Amortization of Bond Premium, Bond Discounts and Deferred Loss on Refunding		(13,017)
Municipal Solid Waste Closure Costs		156,954
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	\$	(8,365)

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**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

**NOTE 22 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS
(CONTINUED)**

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, leases) 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. Also, 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 details of this \$283,114 are as follows:

Debt issued or incurred:	
General Obligation Bond Proceeds	\$ (299,700)
Lease Purchase Obligation Proceeds	(2,002,365)
Post Employment Benefits	(33,474)
Principal repayments:	
General Obligation Debt	784,129
Post Employment Benefits Payments	19,057
Capital Lease	1,815,467
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	\$ 283,114

NOTE 23 - ECONOMIC DEPENDENCY

Williamsburg County collects property taxes from five taxpayers which represents 16.6% of total assessed valuation.

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Value</u>
Santee Electric	Electric Utility	4,542,250
DSM Biosciences	Bioscience Industry	4,296,766
Duke Power	Electric Utility	2,469,490
DART Industries	Manufacturer	2,076,587
CSX Transportation, Inc.	Railroad	1,744,498

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REQUIRED SUPPLEMENTARY INFORMATION

**REQUIRED SUPPLEMENTARY INFORMATION
WILLIAMSBURG COUNTY, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$ 11,442,173	\$ 11,442,173	\$ 11,757,218	\$ 315,045
Fees, Licenses, & Permits	96,500	96,500	86,389	(10,111)
Fines & Forfeitures	541,500	541,500	530,498	(11,002)
Charges for Services	3,391,600	3,391,600	3,342,059	(49,541)
Intergovernmental Revenue	1,855,656	1,875,056	1,781,188	(93,868)
Other Revenues	580,697	580,697	469,050	(111,647)
TOTAL REVENUE	\$ 17,908,126	\$ 17,927,526	\$ 17,966,402	\$ 38,876

EXPENDITURES

County Council	232,033	235,683	235,161	522
Supervisor's Office	576,108	576,663	548,612	28,051
Information Technology	235,205	235,205	211,248	23,957
Council Discretionary	45,862	41,527	40,197	1,330
County Attorney	52,322	52,322	47,106	5,216
Treasurer	262,449	263,408	297,158	(33,750)
Building & Grounds	498,940	505,933	490,213	15,720
Chavis Building	160,584	161,278	159,785	1,493
Community Buildings	69,500	69,500	83,786	(14,286)
Health Department	90,800	90,800	89,918	882
Auditor	229,914	231,530	208,465	23,065
Tax Assessor	454,720	454,720	401,553	53,167
Tax Collector	150,747	153,314	203,198	(49,884)
Probate Judge	172,262	172,262	256,811	(84,549)
Clerk of Court	497,126	497,178	507,852	(10,674)
Magistrates	608,929	611,340	596,693	14,647
Coroner	96,631	96,631	110,468	(13,837)
Emergency Management	185,994	185,994	336,548	(150,554)
Communications	720,310	720,310	813,281	(92,971)
E-911	401,951	428,551	347,364	81,187
Veterans Affairs Office	88,142	90,209	88,592	1,617
Department of Social Services	238,939	238,939	230,917	8,022
Aeronautics Commission	31,250	31,250	51,560	(20,310)
Development Board	187,003	187,003	155,979	31,024
Voter Registration	158,736	165,325	208,343	(43,018)
Solid Waste Disposal	1,334,739	1,334,739	1,261,875	72,864
Grant Administration	98,079	98,079	94,226	3,853
Other Government	408,220	408,220	408,220	0
Employee Benefits	1,709,216	1,709,216	1,375,824	333,392
Other Expenses	644,968	615,649	639,390	(23,741)
Summer Intern Program	42,929	44,429	38,389	6,040

**REQUIRED SUPPLEMENTARY INFORMATION
WILLIAMSBURG COUNTY, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>(NEGATIVE)</u>
EXPENDITURES (continued)				
Circuit Court Judge	\$ 2,625	\$ 2,625	\$ 1,129	\$ 1,496
Building Code Enforcement	143,541	143,541	163,211	(19,670)
Storm Debris Removal	0	0	95,993	(95,993)
Victim Advocates	41,440	41,440	46,762	(5,322)
Sheriff	2,066,956	2,066,956	2,340,579	(273,623)
Sheriff's Grant	0	0	11,716	(11,716)
Detention Center	1,631,272	1,631,272	1,869,042	(237,770)
Parole & Corrections	800	800	771	29
Emergency Medical Services	1,200,326	1,200,326	1,339,555	(139,229)
Environmental Services	278,444	278,444	216,009	62,435
Social Service Agencies	104,152	104,153	104,153	0
Agencies	199,860	199,860	211,302	(11,442)
Senior Citizens	110,283	110,283	110,283	0
Recreation Department	475,572	475,572	512,640	(37,068)
Capital Outlay	54,100	54,100	362,457	(308,357)
Debt Service	77,650	74,450	73,159	1,291
Bond Issuance Costs	12,000	12,000	17,000	(5,000)
TOTAL EXPENDITURES	<u>\$ 17,083,629</u>	<u>\$ 17,103,029</u>	<u>\$ 18,014,493</u>	<u>\$ (911,464)</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>\$ 824,497</u>	<u>\$ 824,497</u>	<u>\$ (48,091)</u>	<u>\$ (872,588)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In/Out	\$ (824,497)	\$ (824,497)	\$ (600,180)	224,317
Lease Purchase Proceeds	0	0	265,000	265,000
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ (824,497)</u>	<u>\$ (824,497)</u>	<u>\$ (335,180)</u>	<u>\$ 489,317</u>
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (383,271)</u>	<u>\$ (383,271)</u>
FUND BALANCE, Beginning of Year			<u>2,704,215</u>	
FUND BALANCE, End of Year			<u>\$ 2,320,944</u>	

**REQUIRED SUPPLEMENTARY INFORMATION
WILLIAMSBURG COUNTY, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULE
RURAL FIRE FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		(NEGATIVE)
REVENUES				
Taxes	\$ 938,824	\$ 938,824	\$ 955,258	\$ 16,434
Intergovernmental Revenue	48,000	48,000	293,304	245,304
Other Revenues	16,150	16,150	16,862	712
TOTAL REVENUES	\$ 1,002,974	\$ 1,002,974	\$ 1,265,424	\$ 262,450
EXPENDITURES				
Public Safety:				
Current	1,002,974	1,002,974	1,255,866	(252,892)
Capital Outlay	0	0	384,508	(384,508)
Debt Service	0	0	10,000	(10,000)
TOTAL EXPENDITURES	\$ 1,002,974	\$ 1,002,974	\$ 1,650,374	\$ (647,400)
EXCESS REVENUES OVER EXPENDITURES	\$ 0	\$ 0	\$ (384,950)	\$ (384,950)
OTHER FINANCING SOURCES (USES)				
General Obligation Bonds	0	0	299,700	299,700
TOTAL OTHER FINANCING SOURCES (USES)	\$ 0	\$ 0	\$ 299,700	\$ 299,700
EXCESS REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)	\$ 0	\$ 0	\$ (85,250)	\$ (85,250)
FUND BALANCE, Beginning of Year			130,049	
FUND BALANCE, End of Year			\$ 44,799	

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Annual budgets are adopted on a basis consistent with generally accepted accounting principles. Legal budgets are adopted for the following major governmental funds: General Fund and Rural Fire Fund.

The budget is prepared by the County Supervisor and the Budget Director and approved by the County Council. The appropriated budget is prepared by fund, function, department, activity and object and can be amended throughout the year by County Council approval. The County Supervisor may make transfers of appropriations within a function. Transfers of appropriations between funds require the approval of the County Council. The legal level of budgetary control is the fund level.

The budgetary calendar is as follows:

February 17 - Packets distributed to elected officials, department heads, agency directors, and contribution agencies.

March 17 - All packets returned to Budget Director.

March 26 - County Supervisor, Budget Director and Clerk to Council submit computerized budget worksheets and department budgets to County Supervisor, Finance Committee and County Council.

Prior to June 30 - County Supervisor prepares a budget and submits it to County Council for approval. County Council holds hearings to obtain taxpayers' comments.

June 30 - Budget is legally adopted by ordinance.

June 30 - Final budget distributed to libraries, banks, etc.

NOTE 2 - BUDGET APPROPRIATIONS EXCEEDED

The General Fund's actual expenditures of \$18,014,493 exceeded budgeted appropriations of \$17,083,629 by \$911,464. The expenditures were authorized by County Council provide for current financial resources,

The Rural Fire Fund's actual expenditures of \$1,650,374 exceeded budgeted appropriations of \$1,002,974 by \$647,400. The expenditures were authorized by County Council.

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
SCHEDULES OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS -
OTHER POSTEMPLOYMENT BENEFITS -
DEFINED BENEFIT HEALTH CARE PLAN
YEAR ENDED JUNE 30, 2015**

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Normal Cost	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
Primary Government							
06/30/11	\$ 0	\$ 856,600	\$ 856,600	\$ 25,600	0%	\$ 1,331,129	64%
06/30/13	\$ 0	\$ 657,800	\$ 657,800	\$ 19,400	0%	\$ 1,301,883	51%
06/30/15	\$ 0	\$ 621,800	\$ 621,800	\$ 16,400	0%	\$ 1,190,068	52%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Year Ended June 30,	Annual OPEB COST	Actual Contribution	Percent Funded
Primary Government			
2013	\$ 58,500	\$ 19,100	32.6%
2014	\$ 61,000	\$ 34,000	56.0%
2015	\$ 52,000	\$ 23,000	44.2%

WILLIAMSBURG COUNTY
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
SOUTH CAROLINA RETIREMENT SYSTEM
LAST 10 FISCAL YEARS

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
South Carolina Retirement System (SCRS)										
County's proportion of the net pension liability (asset)	0.080362%									
County's proportionate share of the net pension liability (asset)	\$ 13,835,672	\$	\$	\$	\$	\$	\$	\$	\$	\$
County's covered employee payroll	\$ 5,974,770	\$	\$	\$	\$	\$	\$	\$	\$	\$
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	231.57%									
Plan fiduciary net position as a percentage of the total pension liability	59.90%									
South Carolina Police Officer Retirement System (PORS)										
County's proportion of the net pension liability (asset)	0.27066%									
County's proportionate share of the net pension liability (asset)	\$ 5,181,551	\$	\$	\$	\$	\$	\$	\$	\$	\$
County's covered employee payroll	\$ 2,796,429	\$	\$	\$	\$	\$	\$	\$	\$	\$
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	185.29%									
Plan fiduciary net position as a percentage of the total pension liability	67.50%									

Notes: The amounts presented above for each fiscal year were determined as of the measurement date of the plan's fiscal year end.

The County is retroactively reporting data back to the year of GASB Statement No. 68 implementation, which was fiscal year ending 2015. Information on the proportionate share of net position liability is not available prior to that fiscal year.

WILLIAMSBURG COUNTY
SCHEDULE OF COUNTY CONTRIBUTIONS
SOUTH CAROLINA RETIREMENT SYSTEM
LAST 10 FISCAL YEARS

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
South Carolina Retirement System (SCRS)										
Contractually required contribution	\$ 808,821	\$ 777,065	\$ 748,789	\$ 637,061	\$ 625,676	\$ 639,979	\$ 613,542	\$ 594,383	\$ 447,244	\$ 421,521
Contributions in relation to the contractually required contribution (see note)	<u>(808,821)</u>	<u>(777,065)</u>	<u>(748,789)</u>	<u>(637,061)</u>	<u>(625,676)</u>	<u>(639,979)</u>	<u>(613,542)</u>	<u>(594,383)</u>	<u>(447,244)</u>	<u>(421,521)</u>
Contribution deficiency (excess)	<u>\$ 0</u>									
County's covered-employee payroll	\$ 7,420,380	\$ 7,330,797	\$ 7,064,050	\$ 6,681,295	\$ 6,663,221	\$ 6,815,537	\$ 6,553,991	\$ 6,453,672	\$ 5,454,194	\$ 5,474,299
Contributions as a percentage of covered-employee payroll	10.90%	10.60%	10.60%	9.53%	9.39%	9.39%	9.36%	9.21%	8.20%	7.70%
South Carolina Police Officer Retirement System (PORS)										
Contractually required contribution	\$ 428,542	\$ 414,221	\$ 382,314	\$ 342,524	\$ 308,575	\$ 288,466	\$ 270,858	\$ 257,057	\$ 228,475	\$ 222,159
Contributions in relation to the contractually required contribution	<u>(428,542)</u>	<u>(414,221)</u>	<u>(382,314)</u>	<u>(342,524)</u>	<u>(308,575)</u>	<u>(288,466)</u>	<u>(270,858)</u>	<u>(257,057)</u>	<u>(228,475)</u>	<u>(222,159)</u>
Contribution deficiency (excess)	<u>\$ 0</u>									
County's covered-employee payroll	\$ 3,195,688	\$ 3,226,021	\$ 3,108,245	\$ 2,911,876	\$ 2,676,278	\$ 2,610,549	\$ 2,451,202	\$ 2,402,400	\$ 2,135,283	\$ 2,076,254
Contributions as a percentage of covered-employee payroll	13.41%	12.84%	12.30%	11.76%	11.53%	11.05%	11.05%	10.70%	10.70%	10.70%

SUPPLEMENTAL INFORMATION

WILLIAMSBURG COUNTY, SOUTH CAROLINA
 COMBINING BALANCE SHEET
 NON MAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2015

	SPECIAL REVENUE FUNDS						WILLIAMSBURG	TOTAL
	LANDFILL FUND	TITLE IV INCENTIVE FUNDS	CAPITAL PROJECTS FUND	INDUSTRIAL PARK FUND	SHERIFF SPECIAL FUND	COUNTY ALCOHOL & DRUG ABUSE		
ASSETS								
Cash	\$ 13,247	\$ 0	\$ 0	\$ 72,607	\$ 21,949	\$ 152,056	\$ 259,859	
Cash Restricted	1,260,574	35,873	10,853	0	0	0	1,307,300	
Taxes Receivable	126,458	0	0	0	0	0	126,458	
Other Receivables	12,018	0	0	335,348	0	179,631	526,997	
TOTAL ASSETS	\$ 1,412,297	\$ 35,873	\$ 10,853	\$ 407,955	\$ 21,949	\$ 331,687	\$ 2,220,614	
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE								
LIABILITIES								
Accounts Payable	0	0	0	0	0	10,686	10,686	
Due to Other Funds	6,355	36,281	79,528	70,628	0	8,455	201,247	
Accrued Wages & Benefits Payable	7,706	6,418	0	0	0	21,980	36,104	
TOTAL LIABILITIES	\$ 14,061	\$ 42,699	\$ 79,528	\$ 70,628	\$ 0	\$ 41,121	\$ 248,037	
DEFERRED INFLOWS OF RESOURCES								
Unavailable Fees	113,854	0	0	0	0	0	113,854	
TOTAL DEFERRED INFLOW OF RESOURCES	\$ 113,854	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 113,854	
FUND BALANCE								
Restricted for:								
Health & Human Services	0	0	0	0	0	290,566	290,566	
Environmental Services	1,284,382	0	0	0	0	0	1,284,382	
Public Safety	0	0	0	0	21,949	0	21,949	
Economic Development	0	0	0	337,327	0	0	337,327	
Unassigned		(6,826)	(68,675)	0	0	0	(75,501)	
TOTAL FUND BALANCE	\$ 1,284,382	\$ (6,826)	\$ (68,675)	\$ 337,327	\$ 21,949	\$ 290,566	\$ 1,858,723	
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 1,412,297	\$ 35,873	\$ 10,853	\$ 407,955	\$ 21,949	\$ 331,687	\$ 2,220,614	

WILLIAMSBURG COUNTY, SOUTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	SPECIAL REVENUE FUNDS						WILLIAMSBURG	TOTAL
	LANDFILL FUND	TITLE IV INCENTIVE FUND	CAPITAL PROJECTS FUND	INDUSTRIAL PARKS FUND	SHERIFF SPECIAL FUND	COUNTY ALCOHOL & DRUG ABUSE FUND		
REVENUES								
Taxes	\$ 0	\$ 0	\$ 0	\$ 440,552	\$ 0	\$ 0	\$ 440,552	
Fees, Licenses & Permits	483,280	0	0	0	0	0	483,280	
Charges For Services	16,998	0	0	0	0	210,266	227,264	
Intergovernmental Revenue	0	185,992	574,867	0	0	375,576	1,136,435	
Miscellaneous Revenues	2,866	0	15	19	31,121	53,445	87,466	
TOTAL REVENUES	\$ 503,144	\$ 185,992	\$ 574,882	\$ 440,571	\$ 31,121	\$ 639,287	\$ 2,374,997	
EXPENDITURES								
Current:								
General Government	0	233,604	385	0	0	0	233,989	
Public Safety	0	18,000	0	0	14,778	0	32,778	
Health and Human Services	0	0	0	0	0	674,694	674,694	
Environmental Services	427,627	0	0	0	0	0	427,627	
Economic Development	0	0	0	693,073	0	0	693,073	
Capital Outlay								
Environmental Services	115,717	0	0	0	0	0	115,717	
Public Safety	0	0	33,257	0	0	0	33,257	
Debt Service	29,275	0	0	0	0	7,178	36,453	
TOTAL EXPENDITURES	\$ 572,619	\$ 251,604	\$ 33,642	\$ 693,073	\$ 14,778	\$ 681,872	\$ 2,247,588	
EXCESS REVENUES OVER EXPENDITURES	(69,475)	(65,612)	541,240	(252,502)	16,343	(42,585)	127,409	
OTHER FINANCING SOURCES (USES)								
Lease Purchase Proceeds	115,717	0	0	0	0	0	115,717	
Transfers In	0	58,786	2,278	0	0	122,193	183,257	
Transfers (Out)	(18,971)	0	(862,627)	0	0	0	(881,598)	
TOTAL OTHER FINANCING SOURCES (USES)	\$ 96,746	\$ 58,786	\$ (860,349)	\$ 0	\$ 0	\$ 122,193	\$ (582,624)	
EXCESS REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)	\$ 27,271	\$ (6,826)	\$ (319,109)	\$ (252,502)	\$ 16,343	\$ 79,608	\$ (455,215)	
FUND BALANCE, Beginning of Year	1,257,111	0	250,434	589,829	5,606	210,958	2,313,938	
FUND BALANCE, End of Year	\$ 1,284,382	\$ (6,826)	\$ (68,675)	\$ 337,327	\$ 21,949	\$ 290,566	\$ 1,858,723	

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
SCHEDULE OF FINES, ASSESSMENTS & SURCHARGES
FOR THE YEAR ENDED JUNE 30, 2015**

FINES AND FEES STATE PORTION

Public Defender Application Fees	\$ 7,240
Marriage License Fee	3,500
Circuit/Family Court Motion Fees	11,426
Family/Alimony/Child Support Fees	85,801
Circuit/Family Court Fines & Fees	895
Circuit/Family Court Filing Fees	27,995
Circuit/Family Court Filing Fees Increase \$50	24,970
Magistrate Filing Assessment Civil - \$25	9,350
Magistrate Filing Assessment Civil - \$10	6,060
General Sessions Conditional Discharge Fee - \$350	2,409
Total State Portion Fines & Fees	<u>\$ 179,646</u>

DUI/DUS/BUI - ASSESSMENTS/SURCHARGES/PULLOUT

Magistrates' Court DUS DPS Pullout	8,286
General Sessions DUI Surcharge - \$100	15
Magistrates' DUI Assessment	398
Magistrates' Court DUI Surcharge	3,303
General Sessions DUI DPs Auto Fee \$40	138
Magistrates' Court DUI DPS Pullout	3,303
DUI/DUAC Breathalyzer Test Conviction Fee SLED	860
Total DUI Assessments State Portion	<u>\$ 16,303</u>

SURCHARGES STATE PORTION

General Sessions Court Drug Surcharge	4,571
Magistrates' Court Drug Surcharge	8,841
General Sessions Law Enforcement Surcharge	2,116
Magistrates' Court Law Enforcement Surcharges	60,380
General Sessions Criminal Justice Academy \$5 Surcharge	415
Magistrates Criminal Justice Academy \$5 Surcharge	12,061
Other State Assessments	10
Total State Portion Surcharges	<u>\$ 88,394</u>

OTHER ASSESSMENTS STATE PORTION

General Sessions Court	926
Magistrates' Court	164,829
Total Other Assessments State Portion	<u>\$ 165,755</u>

VICTIM'S ASSISTANCE ASSESSMENTS COUNTY PORTION

General Sessions Court	490
Magistrates' Court	20,695
Total Assessments County Portion	<u>\$ 21,185</u>

SURCHARGES COUNTY PORTION

General Sessions Court	7,889
Magistrates' Court	10,304
Total Surcharges County Portion	<u>\$ 18,193</u>

WILLIAMSBURG COUNTY, SOUTH CAROLINA
COMBINING STATEMENT OF NET POSITION
WATER AND SEWER ENTERPRISE FUNDS
JUNE 30, 2015

	<u>WATER FUND</u>	<u>SEWER FUND</u>	<u>WATER & SEWER FUND</u>
ASSETS			
CURRENT ASSETS			
Cash	\$ 838	\$ 104,017	\$ 104,855
Restricted Cash & Investments	148,439	21,811	170,250
Inventory	31,771	0	31,771
Accounts Receivable, Net of Allowance	213,098	102,263	315,361
Receivable - Other	3,113	83,532	86,645
TOTAL CURRENT ASSETS	<u>\$ 397,259</u>	<u>\$ 311,623</u>	<u>\$ 708,882</u>
PROPERTY, PLANT, AND EQUIPMENT			
Land	\$ 97,500	\$ 22,500	\$ 120,000
Construction in Progress	45,886	0	45,886
Water Distribution System	44,222,687	0	44,222,687
Wastewater and Wastewater Treatment System	0	6,128,105	6,128,105
Vehicles	48,499	0	48,499
Less: Accumulated Depreciation	<u>(4,777,151)</u>	<u>(1,866,813)</u>	<u>(6,643,964)</u>
NET PROPERTY, PLANT, AND EQUIPMENT	<u>\$ 39,637,421</u>	<u>\$ 4,283,792</u>	<u>\$ 43,921,213</u>
TOTAL ASSETS	<u>\$ 40,034,680</u>	<u>\$ 4,595,415</u>	<u>\$ 44,630,095</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows of Resources Related to Pensions	<u>\$ 4,637</u>	<u>\$ 13,913</u>	<u>\$ 18,550</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 4,637</u>	<u>\$ 13,913</u>	<u>\$ 18,550</u>

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
COMBINING STATEMENT OF NET POSITION
WATER AND SEWER ENTERPRISE FUNDS
JUNE 30, 2015**

	<u>WATER FUND</u>	<u>SEWER FUND</u>	<u>WATER & SEWER FUND</u>
LIABILITIES			
SHORT-TERM LIABILITIES			
Accounts Payable	\$ 32,023	\$ 11,451	\$ 43,474
Salaries & Accrued Benefits	2,285	4,935	7,220
Retainage Payable	156,975	0	156,975
Due to Other Funds	2,933	1,695	4,628
Compensated Absences Payable	560	2,105	2,665
Bonds Payable - RDA	315,697	12,680	328,377
Accrued Interest Payable	22,452	631	23,083
Customer Deposits	85,860	0	85,860
TOTAL SHORT-TERM LIABILITIES	<u>\$ 618,785</u>	<u>\$ 33,497</u>	<u>\$ 652,282</u>
LONG-TERM LIABILITIES			
Compensated Absences Payable	560	2,105	2,665
Bonds Payable - RDA	18,361,221	626,771	18,987,992
Net Pension Liability	53,475	160,424	213,899
TOTAL LONG-TERM LIABILITIES	<u>\$ 18,415,256</u>	<u>\$ 789,300</u>	<u>\$ 19,204,556</u>
TOTAL LIABILITIES	<u>\$ 19,034,041</u>	<u>\$ 822,797</u>	<u>\$ 19,856,838</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows of Resources Related to Pensions	\$ 4,508	\$ 13,525	\$ 18,033
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>\$ 4,508</u>	<u>\$ 13,525</u>	<u>\$ 18,033</u>
NET POSITION			
Net Investment in Capital Assets	20,960,503	3,644,341	24,604,844
Restricted for Debt Service	148,439	21,811	170,250
Unrestricted	(108,174)	106,854	(1,320)
TOTAL NET POSITION	<u>\$ 21,000,768</u>	<u>\$ 3,773,006</u>	<u>\$ 24,773,774</u>

WILLIAMSBURG COUNTY, SOUTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
WATER AND SEWER ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	<u>WATER FUND</u>	<u>SEWER FUND</u>	<u>WATER & SEWER FUND</u>
OPERATING REVENUES			
Charges for Services	\$ 1,074,550	\$ 463,744	\$ 1,538,294
TOTAL OPERATING REVENUES	<u>\$ 1,074,550</u>	<u>\$ 463,744</u>	<u>\$ 1,538,294</u>
OPERATING EXPENSES			
Cost of Sales & Services	461,096	212,563	673,659
Personnel & Benefits	34,659	131,472	166,131
Administration	35,574	2,723	38,297
Depreciation	1,103,304	154,331	1,257,635
TOTAL OPERATING EXPENSES	<u>\$ 1,634,633</u>	<u>\$ 501,089</u>	<u>\$ 2,135,722</u>
OPERATING INCOME (LOSS)	<u>\$ (560,083)</u>	<u>\$ (37,345)</u>	<u>\$ (597,428)</u>
NON-OPERATING REVENUES (EXPENSES)			
Investment Income	129	24	153
Interest Expense	(489,080)	(15,164)	(504,244)
RDA Grant	783,712	0	783,712
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>\$ 294,761</u>	<u>\$ (15,140)</u>	<u>\$ 279,621</u>
CHANGE IN NET POSITION	<u>\$ (265,322)</u>	<u>\$ (52,485)</u>	<u>\$ (317,807)</u>
NET POSITION, Beginning of Year (As Restated)	<u>21,266,090</u>	<u>3,825,491</u>	<u>25,091,581</u>
NET POSITION, End of Year	<u><u>\$ 21,000,768</u></u>	<u><u>\$ 3,773,006</u></u>	<u><u>\$ 24,773,774</u></u>

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
COMBINING STATEMENT OF CASH FLOWS
WATER AND SEWER ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>WATER FUND</u>	<u>SEWER FUND</u>	<u>WATER & SEWER FUND</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers	\$ 981,188	\$ 407,192	\$ 1,388,380
Cash Payments to Suppliers for Goods and Services	(776,229)	(213,674)	(989,903)
Cash Payments to and for Employee's Benefit	(34,399)	(132,285)	(166,684)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 170,560</u>	<u>\$ 61,233</u>	<u>\$ 231,793</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital Grants Received	783,412	0	783,412
Property, Plant and Equipment Additions	(189,467)	0	(189,467)
Principal Payment Revenue Bonds	(285,859)	(11,271)	(297,130)
Interest Paid	(658,062)	(15,175)	(673,237)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>\$ (349,976)</u>	<u>\$ (26,446)</u>	<u>\$ (376,422)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received	124	24	148
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>\$ 124</u>	<u>\$ 24</u>	<u>\$ 148</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>\$ (179,292)</u>	<u>\$ 34,811</u>	<u>\$ (144,481)</u>
CASH AND CASH EQUIVALENTS, Beginning of Year	<u>\$ 328,569</u>	<u>\$ 91,017</u>	<u>\$ 419,586</u>
CASH AND CASH EQUIVALENTS, End of Year	<u>\$ 149,277</u>	<u>\$ 125,828</u>	<u>\$ 275,105</u>
Cash	838	104,017	104,855
Cash Restricted	148,439	21,811	170,250
TOTAL CASH AND CASH EQUIVALENTS, End of Year	<u>\$ 149,277</u>	<u>\$ 125,828</u>	<u>\$ 275,105</u>

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
 COMBINING STATEMENT OF CASH FLOWS
 WATER AND SEWER ENTERPRISE FUND
 FOR THE YEAR ENDED JUNE 30, 2015**

	WATER FUND	SEWER FUND	WATER & SEWER FUND
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating Income (Loss)	\$ (560,083)	\$ (37,345)	\$ (597,428)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Depreciation	1,103,304	154,331	1,257,635
(Increase) Decrease in Accounts and Other Operating Receivables	(93,362)	(56,582)	(149,944)
(Increase) Decrease in Inventory	1,037	0	1,037
Increase (Decrease) in Due to General Fund	1,698	186	1,884
Increase (Decrease) in Accounts Payable & Retainage Payable	(357,229)	(421)	(357,650)
Increase (Decrease) in Salaries and Compensated Absences Payable	260	(813)	(553)
Increase (Decrease) in Net Pension Liability & and Related Deferred Resources	931	1,877	2,808
Increase (Decrease) in Customer Deposits	74,004	0	74,004
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 170,560	\$ 61,233	\$ 231,793

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULE
WATER AND SEWER ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
Waste Water & Wastewater Treatment				
Wastewater Treatment Revenue	\$ 421,600	\$ 421,600	\$ 423,337	\$ 1,737
Penalties	15,000	15,000	0	(15,000)
Lane Sewer Operations	0	0	40,047	40,047
Potable Water				
Charges for Services	1,221,200	1,221,200	963,751	(257,449)
Tap Fees	15,000	15,000	7,667	(7,333)
Penalties	14,000	14,000	28,855	14,855
Connection Fees	1,000	1,000	36,905	35,905
Reconnection Fees	18,000	18,000	18,967	967
Franchise Fees	1,240	1,240	17,089	15,849
Other Revenues	1,075	1,075	1,676	601
TOTAL REVENUE	\$ 1,708,115	\$ 1,708,115	\$ 1,538,294	\$ (169,821)
EXPENDITURES				
Wastewater & Wastewater Treatment				
Salaries	\$ 49,094	\$ 49,475	\$ 105,439	\$ (55,964)
Employee Benefits	14,119	21,784	26,033	(4,249)
Telephone	3,970	3,970	2,290	1,680
Postage	275	275	0	275
Office Supplies	1,000	1,000	251	749
Janitorial Supplies	150	150	50	100
Printing Supplies	75	75	0	75
Miscellaneous Expense	750	79	0	79
Property and Equipment Insurance	3,000	0	0	0
Tort Insurance	150	150	0	150
Machinery and Equipment Repairs	58,000	57,825	19,220	38,605
Electricity	135,000	129,650	94,718	34,932
Water and Sewer	4,000	4,000	0	4,000
Travel & Training	500	500	0	500
Membership & Dues	100	100	704	(604)
Independent Auditors	2,500	2,500	0	2,500
Legal Contractual Services	1,000	1,000	0	1,000
Workman's Compensation	1,183	1,283	1,278	5
Contractual Services O&M	53,856	53,857	47,676	6,181
Contractual Services Other	20,719	20,719	18,241	2,478
Lane Sewer Operations	0	1,050	24,858	(23,808)
Operating Permits	1,600	1,600	1,330	270
Chemical Chlorine	6,500	6,500	1,953	4,547
Depreciation Expense	39,472	39,472	154,331	(114,859)
Engineering	3,000	3,000	1,830	1,170
Lab Expense	300	300	447	(147)
General Expense	2,000	2,000	440	1,560

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULE
WATER AND SEWER ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
EXPENDITURES (continued)				
Wastewater & Wastewater Treatment (continued)				
General and Admin. Expense	\$ 4,000	\$ 4,000	\$ 0	\$ 4,000
Equipment Rental	1,000	1,000	0	1,000
Computer Hardware	2,850	2,850	0	2,850
Total Wastewater & Wastewater Treatment Plant	\$ 410,163	\$ 410,164	\$ 501,089	\$ (90,925)
Potable Water				
Salaries	\$ 80,400	\$ 80,400	\$ 25,785	\$ 54,615
Employee Benefits	25,769	25,769	8,874	16,895
Telephone	0	0	213	(213)
Postage	9,000	9,000	11,810	(2,810)
Office Supplies	1,400	1,400	3,340	(1,940)
Printing Supplies	2,600	2,600	4,062	(1,462)
Advertising & Promotion	1,200	1,200	3,378	(2,178)
Miscellaneous Expense	2,500	2,500	2,223	277
Property and Equipment Insurance	3,236	3,236	2,172	1,064
Tort Insurance	150	150	0	150
Machinery and Equipment Repairs	40,000	40,000	108,058	(68,058)
Electricity	50,000	50,000	92,976	(42,976)
Travel & Training	500	500	671	(171)
Membership & Dues	1,085	1,085	1,175	(90)
Automotive Gas & Fuel	4,000	4,000	2,266	1,734
Independent Auditors	7,400	7,400	184	7,216
Legal Contractual Services	500	500	0	500
Bank Charges Other	750	750	6,546	(5,796)
Workman's Compensation	1,268	1,268	698	570
Contractual Services O&M	107,066	107,066	138,768	(31,702)
Contractual Services Other	19,008	19,008	29,448	(10,440)
Operating Permits	10,650	10,650	0	10,650
Install Water Taps Contracted	15,000	15,000	0	15,000
Chemical Chlorine	15,000	15,000	17,045	(2,045)
Depreciation Expense	813,098	813,098	1,103,304	(290,206)
Engineering	1,000	1,000	65,129	(64,129)
Materials Water Taps	1,000	1,000	6,244	(5,244)
General Expense	1,500	1,500	264	1,236
IT Services	3,000	3,000	0	3,000
Mobile Phone	570	570	0	570
General and Admin. Expense	1,389	1,389	0	1,389
Total Potable Water	\$ 1,220,039	\$ 1,220,039	\$ 1,634,633	\$ (414,594)
TOTAL OPERATING EXPENSES	\$ 1,630,202	\$ 1,630,203	\$ 2,135,722	\$ (505,519)
OPERATING INCOME	\$ 77,913	\$ 77,912	\$ (597,428)	\$ (675,340)

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
 BUDGETARY COMPARISON SCHEDULE
 WATER AND SEWER ENTERPRISE FUND
 FOR THE YEAR ENDED JUNE 30, 2015**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
NON-OPERATING REVENUES (EXPENSES)				
Interest Income	500	500	153	(347)
Interest Expense	(863,340)	(863,340)	(504,244)	359,096
RDA Grant	<u>1,351,000</u>	<u>1,351,000</u>	<u>783,712</u>	<u>(567,288)</u>
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>\$ 488,160</u>	<u>\$ 488,160</u>	<u>\$ 279,621</u>	<u>\$ (208,539)</u>
CHANGE IN NET POSITION	<u>\$ 566,073</u>	<u>\$ 566,072</u>	<u>\$ (317,807)</u>	<u>\$ (883,879)</u>
NET POSITION, Beginning of Year (As Restated)	<u>25,091,581</u>	<u>25,091,581</u>	<u>25,091,581</u>	<u>0</u>
NET POSITION, END OF YEAR	<u><u>\$ 25,657,654</u></u>	<u><u>\$ 25,657,653</u></u>	<u><u>\$ 24,773,774</u></u>	<u><u>\$ (883,879)</u></u>

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
WILLIAMSBURG COUNTY TRANSIT SYSTEM
SCHEDULE OF BUDGETED TO ACTUAL COSTS
FOR THE YEAR ENDED JUNE 30, 2015**

**DMT CONTRACT NUMBER - PT-51011-36
CONTRACT PERIOD - JULY 1, 2014 - JUNE 30, 2015**

	<u>BUDGET</u>	<u>SECTION 5311</u>	<u>SMTF</u>	<u>LOCAL</u>	<u>TOTAL</u>	<u>VARIANCE</u>
Administration						
Personnel	\$ 122,567	\$ 90,287	\$ 11,288	\$ 94,267	195,842	\$ (73,275)
Fringe Benefits	39,320	23,651	2,956	24,694	51,301	(11,981)
Professional & Technical Services	8,282	7,306	913	7,629	15,848	(7,566)
Contract Maintenance Services	14,549	9,072	1,134	9,473	19,679	(5,130)
Custodial Services	1,500	498	62	520	1,080	420
Materials & supplies	6,273	9,378	1,172	9,792	20,343	(14,070)
Utilities	14,692	14,661	1,833	15,308	31,802	(17,110)
Dues & Subscriptions	1,000	496	62	517	1,075	(75)
Travel & Meetings	4,000	811	101	847	1,760	2,240
Advertising & Promotion	3,162	283	35	296	614	2,548
Xerox Rental	3,000	1,635	204	1,707	3,547	(547)
Other Miscellaneous	0	710	89	741	1,539	(1,539)
Other Office Rentals	1,500	205	23	217	444	1,056
Operations						
Salaries	592,696	80,315	41,014	198,618	319,948	272,748
Salaries Overtime	39,600	4,079	2,083	10,086	16,248	23,352
Employee Benefits	189,556	24,350	12,435	60,218	97,004	92,552
Uniforms	0	1,598	816	3,951	6,365	(6,365)
Contract Services, Materials & Supplies	198,858	38,760	19,793	95,852	154,405	44,453
Fuel & Lubricants	379,164	111,257	56,815	275,136	443,208	(64,044)
Other Services	0	1,004	513	2,482	3,998	(3,998)
Other Material & Supplies	75,530	0	0	0	0	75,530
Vehicle Leasing & Fees	1,060	277	142	686	1,105	(45)
Insurance Casualty & Liability	120,000	45,553	23,262	112,652	181,467	(61,467)
Car Quest	15,300	0	0	0	0	15,300
Kingstree True Value Hardware	13,000	0	0	0	0	13,000
Energen	15,000	0	0	0	0	15,000
Drug Testing	1,530	338	173	836	1,347	183
Other Miscellaneous Operations	25,040	6,424	3,281	15,889	25,594	(554)
Leasing & Rentals	0	274	140	678	1,092	(1,092)
Capital						
Repairs & Maintenance - Spare Parts	12,500	14,044	2,714	11,520	28,278	(15,778)
Salaries and Fringe	182,000	82,392	15,922	67,580	165,895	16,105
Administration Building Improvements	15,000	8,592	1,660	7,047	17,300	(2,300)
	<u>\$ 2,095,679</u>	<u>\$ 578,250</u>	<u>\$ 200,637</u>	<u>\$ 1,029,241</u>	<u>\$ 1,808,128</u>	<u>\$ 287,551</u>
Contract Budget	\$ 1,045,724					
Expended	<u>778,887</u>					
Remaining Budget	<u>\$ 266,837</u>					

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
WILLIAMSBURG COUNTY TRANSIT SYSTEM
SCHEDULE OF BUDGETED TO ACTUAL COSTS
FOR THE YEAR ENDED JUNE 30, 2015**

**DMT CONTRACT NUMBER - PT-41011-13
CONTRACT PERIOD - JULY 1, 2014 - SEPTEMBER 30, 2015**

	<u>REMAINING BUDGET</u>	<u>SECTION 5311</u>	<u>SMTF</u>	<u>LOCAL</u>	<u>TOTAL</u>	<u>VARIANCE</u>
Capital Bus	\$ 214,293	\$ 163,149	\$ 31,787	\$ 17,739	\$ 212,675	\$ 1,618
Total	<u>\$ 214,293</u>	<u>\$ 163,149</u>	<u>\$ 31,787</u>	<u>\$ 17,739</u>	<u>\$ 212,675</u>	<u>\$ 1,618</u>
Prior year expenses:	<u>\$ 865,431</u>					
Total Budget	<u>\$ 1,079,724</u>					
Prior Year	\$ 865,431					
Federal	163,149					
State	31,787					
Local	17,739					
	<u>\$ 1,078,106</u>					

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
WILLIAMSBURG COUNTY TRANSIT SYSTEM
SCHEDULE OF BUDGETED TO ACTUAL COSTS
FOR THE YEAR ENDED JUNE 30, 2015**

**DMT CONTRACT NUMBER - PT-51011-95
CONTRACT PERIOD - JULY 1, 2014 - JUNE 30, 2015**

	<u>BUDGET</u>	<u>SECTION 5316</u>	<u>SMTF</u>	<u>LOCAL</u>	<u>TOTAL</u>	<u>VARIANCE</u>
Operations						
Salary and Wages	\$ 30,000	\$ 24,365	\$ 0	\$ 4,401	\$ 28,766	\$ 1,234
Salary and Wages Overtime	10,000	2,068	0	373	2,441	7,559
Fringe Benefits	15,000	8,109	0	1,465	9,574	5,426
Capital	<u>207,134</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>207,134</u>
Total	<u>\$ 262,134</u>	<u>\$ 34,542</u>	<u>\$ 0</u>	<u>\$ 6,239</u>	<u>\$ 40,781</u>	<u>\$ 221,353</u>

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
WILLIAMSBURG COUNTY TRANSIT SYSTEM
SCHEDULE OF BUDGETED TO ACTUAL COSTS
FOR THE YEAR ENDED JUNE 30, 2015**

**DMT CONTRACT NUMBER - RTAP
CONTRACT PERIOD - JULY 1, 2014 - JUNE 30, 2015**

	<u>BUDGET</u>	<u>SECTION 5311</u>	<u>SMTF</u>	<u>LOCAL</u>	<u>TOTAL</u>	<u>VARIANCE</u>
Operation RTAP Fees	\$ 7,798	7,798	0	\$ 0	\$ 7,798	\$ 0
	<u>\$ 7,798</u>	<u>\$ 7,798</u>	<u>0</u>	<u>\$ 0</u>	<u>\$ 7,798</u>	<u>\$ 0</u>

SINGLE AUDIT SECTION

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015**

	FEDERAL CFDA NUMBER	PASS THROUGH GRANTOR/AGENCY NUMBER	EXPENDITURES
HOMELAND SECURITY			
Assistance to Firefighters	97.044	EMW-2009-FO-023424	40,284
Assistance to Firefighters	97.044	EMW-2013-FO-02285	106,125
Safer Grant	97.083	EMW-2010-FF-0389	56,250
Passed Through SCEMD			
Inoperable Communications	97.067	13SHP449	8,470
Winter Storm Pax	97.036	W-2014	1,316,812
LEMPG	97.042	2013LEMPG	20,592
LEMPG	97.042	2014LEMPG	76,152
ENVIROMENTAL PROTECTION AGENCY			
Brownsfield Assessment Grant	66.818	BF954627100	8,994
DEPARTMENT OF TRANSPORTATION			
Passed Through SC Department of Aeronautics			
Airport Improvement Grant	20.106	3-45-0033-013-2014	26,839
Passed Through State of S.C.			
Department of Transportation Office of Public Transportation			
Rural Transportation	20.509	PT-41011-13	163,149
Rural Transportation	20.509	PT-51011-36	578,251
Rural Transportation	20.509	PT-51016-95	34,512
RTAP Funds	20.509	N/A	7,798
DEPARTMENT OF JUSTICE			
Justice Assistance Grant	16.804	2013-DJ-BX-1089	11,720
DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT			
RBEF Grant	10.769	N/A	15,000
RBOG Grant	10.773	N/A	2,242
Fire Equipment Grant	10.766	USDA-CF	130,928
USDA Weather Radio Initiative	10.766	N/A	46,500
EMS Additions	10.766	N/A	14,400
Community Facilities Loan	10.766	N/A	299,700
Water & Wastewater Disposal Systems for Rural Communities:			
Millwood RDA Grant	10.760	N/A	668,794
Kingstree East	10.760	N/A	114,918
Passed Through SC Dept. of Social Service			
Summer Feeding Program	10.559	SF-110	344,422
TOTALS			\$ 4,092,852

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the grant activity of the Williamsburg County, South Carolina and is presented on the modified accrual basis of accounting. The information is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented on, or used in the preparation of, the basic financial statements.

NOTE B – RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

Federal award expenditures are reported in the County’s basic financial statements as expenditures in the governmental funds and expenses in the enterprise funds. Loan and grant expenditures for the Water & Sewer Funds for the Rural Development Loan Proceeds and Grants have been capitalized in accordance with generally accepted accounting principles. The Capital grants expenses for the Rural Transportation Grants have been capitalized in accordance with generally accepted accounting principles.

NOTE C – MAJOR PROGRAMS

The following funds were audited as major funds for the year ended June 30, 2015:

Rural Transportation Grants	20.509
Assistance to Firefighters	97.044
Disaster Assistance Winter Storm Pax	97.036
Community Facilities Grant and Loans	10.766

NOTE D – RURAL DEVELOPMENT OUTSTANDING LOANS

The outstanding balances of RDA loans at June 30, 2015 are as follows:

Rural Development Loan Number 8	\$ 31,363
Rural Development Loan Number 10	411,864
Rural Development Loan Number 12	1,974,052
Rural Development Loan Number 16 Lane Sewer	639,451
Rural Development Loan 14 Kingstree East I	3,384,337
Rural Development Loan 18 Kingstree East II	3,484,641
Rural Development Loan 22	<u>9,390,661</u>
	<u>\$19,316,369</u>

NOTE E – HOMELAND SECURITY DISASTER GRANTS CFDA# 97.036

Williamsburg County’s expenditure for debris removal and clean up from Winter Storm Paz totaled \$4,740,956 at June 30, 2015, of which \$1,316,812 were approved for the fiscal year ending June 30, 2015. In compliance with the OMB Circular A-133, the amount included on the Schedule of Expenditures of Federal Awards equals the approved project worksheets.

NOTE F – COMMUNITY FACILITIES LOANS

The outstanding balances for the USDA Community Facilities Loans as of June 30, 2015 are as follows:

Fire Department Equipment Loan	\$ 299,700
Brush Truck Loan Number 30	20,444
Brush Truck Loan Number 31	<u>20,427</u>
Total	<u>\$ 340,571</u>



Robert D. Harper, Jr. CPA
Stacey C. Moree CPA
P. O. Box 1550
106 Wall Street, Litchfield
Pawleys Island, SC 29585
Tel (843) 237-9125
Fax (843) 237-1621
E-mail: HPM@sc.rr.com

Robin B. Poston CPA
P. O. Box 576
307 Church Street
Georgetown, SC 29442
Tel (843) 527-3413
Fax (843) 546-7277
E-mail: HPM2@sc.rr.com

**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**

The Honorable Chairman and
Members of Williamsburg County Council
Williamsburg County
Kingstree, South Carolina

We have audited, in accordance with the 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 business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Williamsburg County, South Carolina as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated March 30, 2016. Our report includes a reference to other auditors who audited the financial statements of Williamsburg County Alcohol and Drug Abuse special revenue fund, as described in our report on Williamsburg County's financial statements. As described in Note 13 to financial statements, the County adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment to GASB Statement No.27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment to GASB Statement No. 68*.

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) to determine the 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 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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of 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 determination of financial statement amounts. 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 one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. This instance of noncompliance is disclosed in the accompanying schedule of findings and questions costs as 2015-001.

We noted certain other matters that we reported to management of the County in a separate letter dated March 30, 2016.

Auditee Responses to Findings

Williamsburg County's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Williamsburg County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of the 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.

Harper, Poston & Moree, P.A.

Harper, Poston & Moree, P.A.
Certified Public Accountants

Georgetown, South Carolina
March 30, 2016



Robert D. Harper, Jr. CPA
Stacey C. Moree CPA
P. O. Box 1550
106 Wall Street, Litchfield
Pawleys Island, SC 29585
Tel (843) 237-9125
Fax (843) 237-1621
E-mail: HPM@sc.rr.com

Robin B. Poston CPA
P. O. Box 576
307 Church Street
Georgetown, SC 29442
Tel (843) 527-3413
Fax (843) 546-7277
E-mail: HPM2@sc.rr.com

**INDEPENDENT AUDITOR'S REPORT
ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY OMB CIRCULAR A-133**

To the Honorable Chairman and
Members of Williamsburg County Council
Williamsburg County
Kingstree, South Carolina

Report on Compliance for Each Major Federal Program

We have audited Williamsburg County, South Carolina's compliance with the types of compliance requirements described in the *OMB Circular A-133 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, 2015. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Harper, Poston & Moree, P.A.

Harper, Poston & Moree, P.A.
Certified Public Accountants

Georgetown, South Carolina
March 30, 2016

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015**

A - SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on the basic financial statements of Williamsburg County, South Carolina.
2. No significant deficiencies were disclosed during the audit of the basic financial statements as reported in the 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.
3. One instance of non-compliance was disclosed during the audit of the financial statements.
4. No significant deficiencies were disclosed during the audit of the major federal award programs as reported in the Independent Auditor's Report on Compliance with Requirements Applicable to each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs for Williamsburg County expresses an unmodified opinion.
6. Audit findings relative to major federal award programs for Williamsburg County are reported in part C of this schedule.

The programs tested as major programs included:

<u>Program</u>	<u>C DFA Number</u>
Assistance to Firefighters	97.044
Rural Transportation Grant	20.509
Disaster Assistance –Winter Storm Pax	97.036
Community Facilities Grant and Loans	10.776

7. The threshold for distinguishing Type A and B programs was \$300,000.
8. Williamsburg County, South Carolina was determined to be a low risk auditee.

B - FINDINGS - FINANCIAL STATEMENT AUDIT

NONCOMPLIANCE:

Finding 2015-001: RDA Bond Debt Service Reserve Requirements Not Met

Finding: RDA Loan required debt service reserve funding of \$330,158 was not met. The County had debt service reserve funds totaling \$170,250.

Criteria: RDA Bonds require debt service reserve funding as outlined in Bond agreements.

Cause: Management oversight.

Effect: Noncompliance with debt service reserve requirements.

Recommendation: Management should review bond documents and determine the required debt service reserve requirements and fund the debt service reserve accounts as required.

Management Response: Management concurs with this recommendation.

C - FINDINGS - MAJOR FEDERAL AWARD PROGRAMS

None Noted.

**WILLIAMSBURG COUNTY, SOUTH CAROLINA
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2015**

There were no prior year audit findings relating to federal award programs that are required by Circular A-133 to be reported in the Summary Schedule of Prior Year Audit Findings.