

County of Orangeburg, South Carolina
Basic Financial Statements and Supplementary Information
June 30, 2016

County of Orangeburg
Orangeburg, South Carolina
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Independent Auditors' Report

The Honorable Chairman
and Members of County Council
Orangeburg County, South Carolina
Orangeburg, South Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information for Orangeburg County (the County), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Orangeburg County Development Commission, a discretely presented component unit of the County, which represent 42.63%, 17.08%, and 30.84%, respectively, of the assets, net position, and revenues of the discretely presented component units. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Orangeburg County Development Commission is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the 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 auditors' 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 the accounting policies used and the reasonableness of significant accounting estimates made by management as well as evaluating the overall financial statement presentation.

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

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Opinions

In our opinion, based on our audit 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of June 30, 2016, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis; Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund; Schedule of Funding Progress – Other Post-employment Benefits, Schedule of the County's Proportionate Share of the Net Pension Liability, and Schedule of the County's Pension Contributions; as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not 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.

Supplementary and 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 nonmajor fund statements, as listed in the accompanying table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. The Schedule of Fines, Assessments and Surcharges listed in the Table of Contents under Supplementary Information is presented for purposes of additional analysis as required by the State of South Carolina and is not a required part of the financial statements. The SC Department of Transportation Transit Grant - Schedule of Budget to Actual Costs listed in the Table of Contents under Supplementary Information is presented for purposes of additional analysis as required by the South Carolina Department of Transportation and is not a required part of the financial statements.

The combining nonmajor fund financial statements, the Schedule of Fines, Assessments and Surcharges and SC Department of Transportation Transit Grant - Schedule of Budget to Actual Costs are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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, based on our audit, the procedures performed as described above, the combining nonmajor fund financial statements and schedules and supplementary information are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2017, 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 the 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.



Summerville, South Carolina
June 27, 2017

County of Orangeburg, South Carolina

Management's Discussion and Analysis

June 30, 2016

Management's Discussion and Analysis

This section of County of Orangeburg, South Carolina's (the County) annual financial report presents our discussion and analysis of the County's financial performance during the fiscal year ended June 30, 2016. Please read it in conjunction with the County's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The County's Governmental Activities net position at year end was \$55,594,656.
- The County's Business-type Activities net position at year end was \$24,317,687.
- The County invested in new capital assets in the amount of \$9,695,356 for its Governmental Activities and \$753,654 for its Business-type activities.
- The County issued new long-term debt in its Governmental Activities and Business-type Activities in the amounts of \$4,938,000 and \$1,223,068, respectively, offset by repayments of long-term debt in the amounts of \$10,231,277 and \$107,047, respectively.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – *management's discussion and analysis* (this section), the *basic financial statements, required supplementary information*, and an optional section that presents *supplementary information* that includes combining statements for nonmajor governmental funds. The basic financial statements are presented as follows:

- The first two statements, The Statement of Net Position and the Statement of Activities, are *government-wide financial statements* that provide both *long-term* and *short-term* information about the County's *overall* financial status. The Statement of Net Position offers a snap-shot of balances at the end of the fiscal year while the Statement of Activities presents the results of providing governmental goods and services over the course of the fiscal year.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the County Government, reporting the County's operations in *more detail* than the government-wide statements.
- The *governmental funds* statements tell how general government services like public safety were financed in the short term. The *governmental funds* balance sheet is a snap shot of available spendable financial resources and the claims against those resources at year end. The *governmental funds* statement of revenue, expenditures and changes in fund balance indicate how the government used its inflows and outflows of available spendable resources over the course of the fiscal year.
- The *proprietary fund* statements provide financial details of water services to residents of a portion of the County.
- *Fiduciary fund* statements provide information about resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that of the proprietary funds.

The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. In addition to these required elements, we have included a section with combining statements that provide details about our nonmajor governmental funds, each of which are added together and presented in single columns in the basic financial statements.

County of Orangeburg, South Carolina

Management's Discussion and Analysis

June 30, 2016

GOVERNMENT-WIDE STATEMENTS

The government-wide statements report information about the County and its component units as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes *all* of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the County's *net position* and how that has changed. Net position, the difference between the County's assets and liabilities, is one way to measure the County's financial health.

- Over time, increases or decreases in the County's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the County you need to consider additional non-financial factors such as changes in the County's property tax base and the condition of the County's roads.
- *Governmental activities* – Most of the County's basic services are included here, such as the police, fire, public works, parks departments, and general administration. Property taxes and state and federal grants finance most of the activities.
- *Business-type activities* – This area accounts for the water and sewer service and broadband internet service to residents of a portion of the County, including user fees, costs of providing services, and depreciation of capital assets.

FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the County's most significant *funds*, not the County as a whole. Funds are accounting devices that the County uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.
- The County Council established other funds to control and manage resources for particular purposes or to show that it is properly using certain taxes and grants.

The County has three kinds of funds:

- *Governmental funds* – Most of the County's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.
- *Proprietary funds* – The County provides water and sewer utility services and broadband internet service to residents in portions of the County and charges user fees based on consumption for utilities or level of service for internet service. The proprietary fund statements provide details of the fees charged, costs to provide services, capital assets and debt related to providing this service.
- *Fiduciary funds* – The County acts as agent, or *fiduciary*, for other entities' resources. The County is responsible for ensuring that the assets reported in these funds are provided to the intended recipient. All of the County's fiduciary activities are reported in a separate statement of fiduciary assets and liabilities. We exclude these activities from the County's government-wide financial statements because the County cannot use these assets to finance its operations.

County of Orangeburg, South Carolina

Management's Discussion and Analysis

June 30, 2016

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

Net position

The County's change in net position for the fiscal year ended June 30, 2016 was an increase of approximately \$4.0 million, which included an increase due to prior period restatements totaling approximately \$291 thousand, resulting in an ending net position of approximately \$79.9 million at June 30, 2016.

County of Orangeburg's Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$ 74,286,464	\$ 77,770,995	\$ (7,249,247)	\$ (6,936,843)	\$ 67,037,217	\$ 70,834,152
Capital assets, net	103,155,477	100,823,022	46,390,114	46,779,657	149,545,591	147,602,679
Total assets	<u>177,441,941</u>	<u>178,594,017</u>	<u>39,140,867</u>	<u>39,842,814</u>	<u>216,582,808</u>	<u>218,436,831</u>
Deferred outflows of resources	3,139,576	3,317,780	13,877	8,684	3,153,453	3,326,464
Total assets and deferred outflows	<u>\$ 180,581,517</u>	<u>\$ 181,911,797</u>	<u>\$ 39,154,744</u>	<u>\$ 39,851,498</u>	<u>\$ 219,736,261</u>	<u>\$ 221,763,295</u>
Long-term liabilities	\$ 113,743,936	\$ 120,201,610	\$ 14,417,143	\$ 13,181,094	\$ 128,161,079	\$ 133,382,704
Other liabilities	5,003,508	7,788,040	390,019	1,399,005	5,393,527	9,187,045
Total Liabilities	<u>118,747,444</u>	<u>127,989,650</u>	<u>14,807,162</u>	<u>14,580,099</u>	<u>133,554,606</u>	<u>142,569,749</u>
Deferred inflows of resources	6,239,417	3,256,857	29,895	8,525	6,269,312	3,265,382
Net investment in capital assets	78,739,214	78,296,110	33,315,331	36,223,768	112,054,545	114,519,878
Restricted net position	39,884,696	23,229,618	-	-	39,884,696	23,229,618
Unrestricted (deficit)	(63,029,254)	(50,860,438)	(8,997,644)	(10,960,894)	(72,026,898)	(61,821,332)
Total net position	<u>55,594,656</u>	<u>50,665,290</u>	<u>24,317,687</u>	<u>25,262,874</u>	<u>79,912,343</u>	<u>75,928,164</u>
Total liabilities, deferred inflows and net position	<u>\$ 180,581,517</u>	<u>\$ 181,911,797</u>	<u>\$ 39,154,744</u>	<u>\$ 39,851,498</u>	<u>\$ 219,736,261</u>	<u>\$ 221,763,295</u>

Changes in net position

The County's total revenues increased by 4.4 percent to approximately \$76.0 million. Approximately 48 percent of the County's revenue comes from property taxes, approximately 12 percent comes from capital projects sales and accommodations tax, approximately 18 percent comes from charges for services, approximately 15 percent comes from operating and capital grants and contributions, 6 percent is from intergovernmental revenues, and 1 percent from other revenues.

The total cost of all programs, services and capital improvements increased approximately \$3.8 million or 5.6 percent. The County's expenses cover a range of services, with about 34 percent related to public safety and 18 percent related to public works. Certain prior period amounts have been reclassified for comparability.

County of Orangeburg, South Carolina

Management's Discussion and Analysis

June 30, 2016

County of Orangeburg's Changes in Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program revenue						
Charges for services	\$ 12,359,077	\$ 10,967,920	\$ 1,025,151	\$ 612,991	\$ 13,384,228	\$ 11,580,911
Operating grants and contributions	3,221,680	3,620,340	-	-	3,221,680	3,620,340
Capital grants and contributions	7,205,465	4,614,775	1,442,858	3,519,149	8,648,323	8,133,924
General revenue						
Property taxes	36,832,021	36,104,661	-	-	36,832,021	36,104,661
Other taxes	9,307,833	9,160,794	-	-	9,307,833	9,160,794
Intergovernmental	4,268,902	3,717,665	-	-	4,268,902	3,717,665
Other	385,578	523,016	690	1,017	386,268	524,033
Total revenues	<u>73,580,556</u>	<u>68,709,171</u>	<u>2,468,699</u>	<u>4,133,157</u>	<u>76,049,255</u>	<u>72,842,328</u>
Expenses:						
General government	13,979,147	12,827,265	-	-	13,979,147	12,827,265
Judicial	4,601,541	4,502,340	-	-	4,601,541	4,502,340
Public works	12,716,872	11,880,383	-	-	12,716,872	11,880,383
Public safety	23,231,271	25,047,855	-	-	23,231,271	25,047,855
Social and health	4,512,715	4,245,790	-	-	4,512,715	4,245,790
Other agencies and institutions	9,509,866	6,511,088	-	-	9,509,866	6,511,088
Interest and other charges	1,032,567	1,734,726	-	-	1,032,567	1,734,726
Water, sewer and broadband	-	-	2,771,623	1,733,277	2,771,623	1,733,277
Total expenses	<u>69,583,979</u>	<u>66,749,447</u>	<u>2,771,623</u>	<u>1,733,277</u>	<u>72,355,602</u>	<u>68,482,724</u>
Transfers in (out)	<u>631,536</u>	<u>(12,200)</u>	<u>(631,536)</u>	<u>12,200</u>	<u>-</u>	<u>-</u>
Change in net position	<u>4,628,113</u>	<u>1,947,524</u>	<u>(934,460)</u>	<u>2,412,080</u>	<u>3,693,653</u>	<u>4,359,604</u>
Net position, beginning of year, as previously reported	50,665,290	84,628,312	25,262,874	22,502,459	75,928,164	107,130,771
Prior period restatements	301,253	(35,910,546)	(10,727)	348,335	290,526	(35,562,211)
Net position, beginning of year, as restated	<u>50,966,543</u>	<u>48,717,766</u>	<u>25,252,147</u>	<u>22,850,794</u>	<u>76,218,690</u>	<u>71,568,560</u>
Net position, end of period	<u>\$ 55,594,656</u>	<u>\$ 50,665,290</u>	<u>\$ 24,317,687</u>	<u>\$ 25,262,874</u>	<u>\$ 79,912,343</u>	<u>\$ 75,928,164</u>

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$62.8 million, a decrease of \$4.6 million, including the decrease from restatement of \$442 thousand, in comparison with the prior year. Of the total ending fund balances, there is a deficit of \$2.7 million in unassigned fund balance. Restricted fund balance is \$44.1 million for use in capital improvements, projects and infrastructure for the County as well as payment of debt; committed fund balance is \$232 thousand that is intended to fund capital and other projects for the County; assigned fund balance is \$2.7 million that is intended for use in solid waste activities; and nonspendable fund balance is \$18.5 million which represents land and buildings held for resale, inventories, and other nonspendable assets of the County.

County of Orangeburg, South Carolina

Management's Discussion and Analysis

June 30, 2016

The general fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the general fund was \$4.0 million. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents approximately 12.6 percent of total general fund expenditures.

Revenues in the general fund increased by approximately \$875 thousand as compared to the prior year. In the major revenue categories there were increases in property taxes of approximately \$319 thousand, intergovernmental revenues of approximately \$181 thousand, licenses and permits of approximately \$174 thousand and charges for services of approximately \$372 thousand. These increases were partially offset by decreases in fines, fees and forfeitures of approximately \$48 thousand and other revenues of approximately \$123 thousand.

Expenditures in the general fund increased by approximately \$1.0 million as compared to the prior year. The current year increase is primarily from general government increase of approximately \$441 thousand, judicial increase of approximately \$205 thousand, public works increase of approximately \$65 thousand, public safety increase of approximately \$107 thousand, social and health of approximately \$384 thousand and debt service increase of approximately \$24 thousand, partially offset by decreases in other agencies and institutions public works of approximately \$75 thousand and capital outlay of approximately \$130 thousand.

The fund balance of the County's general fund decreased by \$536 thousand during the current fiscal year, attributable to a prior period restatement to correct accounts receivable for emergency medical services (see note IV.H. for additional information on the restatement). The restatement was offset by an increase of \$63 thousand from current year operations.

The County's capital projects sales tax II and III funds had a combined fund balance of \$33.8 million which is restricted for projects approved in the capital projects sales tax referendum. Capital projects sales tax revenues increased in the current year by \$119 thousand over the prior year, while intergovernmental revenues increased by approximately \$1.5 million. Expenditures on capital projects in these funds slowed in the current year, decreasing by approximately \$12.3 million.

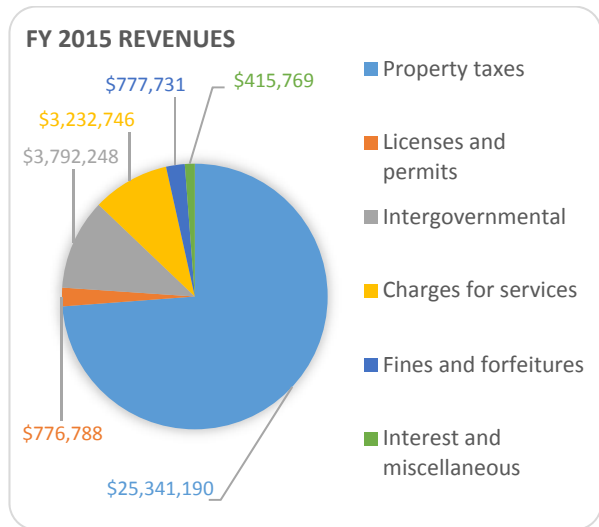
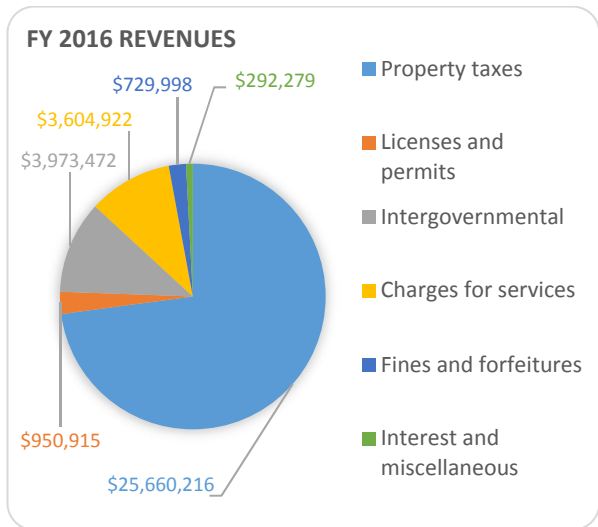
The John Matthews Industrial Park fund had a fund balance of \$12.1 million, of which \$11.3 million is related to assets held for resale, specifically parcels of land for industrial sites and speculative buildings. The remaining \$757 thousand is restricted for economic development within the park. Revenues for this fund increased over the prior year as intergovernmental revenues by \$500 thousand and other revenues increased by \$92 thousand. These revenues were related to state and other support for development of a speculative building in the industrial park. Expenditures in this fund generally relate to development or construction of assets held for resale and are reflected in that asset line item on the balance sheet.

The Special Education fund is a deficit balance of \$1.8 million, which will be addressed in coming years as the County actively looks at ways to increase revenues in this fund, as well as ways to more efficiently use the resources available. Revenues remained relatively flat as compared to the prior year, with a slight decrease of approximately \$34 thousand from property taxes and intergovernmental revenues. Expenditures increased over the prior year by approximately \$88 thousand.

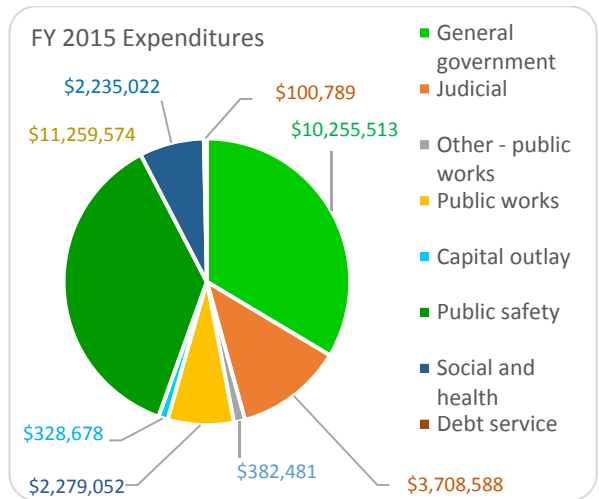
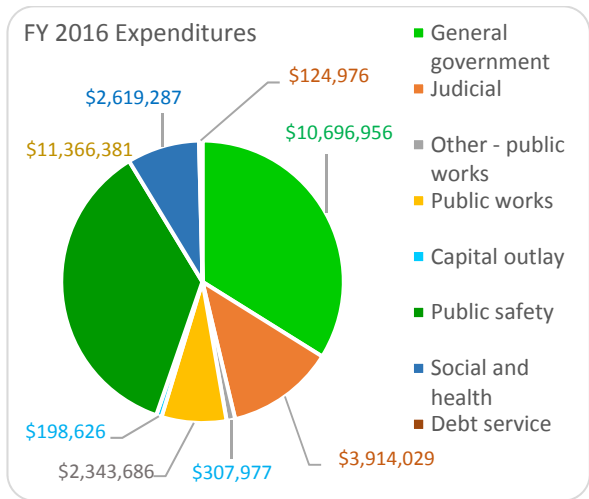
The C Funds fund balance is a deficit of \$2.8 million, which is expected to be resolved upon receipt of funding from the state during fiscal years 2017 and 2018 for reimbursement of County expenditures on roads improvements. Revenues for both the current and prior years were classified as unavailable on the fund's balance sheet as collections of the related accounts receivable were delayed until fiscal year 2017. Expenditures in this fund decreased by approximately \$2.8 million in the current year.

County of Orangeburg, South Carolina
Management's Discussion and Analysis
June 30, 2016

The following charts depict the allocations of revenue to fund General Fund activities for the current and prior years.



The following charts depict the allocations of General Fund expenditures for the current and prior years.



General Fund Budgetary Highlights

The budget-to-actual comparison on the budgetary basis schedule is provided for the General Fund as Required Supplementary Information. A budget column showing the final budget adopted for fiscal year 2016 is presented. Total budgeted revenues fell short of the final budget by \$1,503,503, or 4.1% of the County's final budget of \$36,920,417. The expenditures incurred during the year were under budgeted appropriations by \$1,416,903. This is 3.8% less than the final total budgeted expenditures in the County's General Fund of \$37,305,318. It should be noted that County's management was able to respond to the shortfall in revenues with controls over expenditures to maintain an increase in fund balance from operations of \$63,042.

County of Orangeburg, South Carolina

Management's Discussion and Analysis

June 30, 2016

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2016, the County had invested \$149.5 million (net of accumulated depreciation) in a broad range of capital assets. This amount represents a net increase (including additions and deductions) of \$1.9 million over last year.

County of Orangeburg's Capital Assets

	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Land	\$ 4,402,381	\$ 3,316,795	\$ 1,637,321	\$ 1,637,321	\$ 6,039,702	\$ 4,954,116
Easements	-	-	69,364	69,364	69,364	69,364
Construction in progress	4,592,993	7,355,657	9,831,636	9,705,419	14,424,629	17,061,076
Infrastructure	61,078,903	58,194,111	38,847,067	38,219,630	99,925,970	96,413,741
Buildings and improvements	81,554,060	75,948,528	-	-	81,554,060	75,948,528
Furniture, vehicles and equipment	51,248,908	49,641,333	12,899	12,899	51,261,807	49,654,232
Total capital assets	202,877,245	194,456,424	50,398,287	49,644,633	253,275,532	244,101,057
Accumulated depreciation	(99,721,768)	(93,633,402)	(4,008,173)	(2,864,976)	(103,729,941)	(96,498,378)
Net capital assets	\$ 103,155,477	\$ 100,823,022	\$ 46,390,114	\$ 46,779,657	\$ 149,545,591	\$ 147,602,679

This year's major capital asset additions included:

- Santee Water Park building additions of approximately \$3.3 million
- Santee Water Park improvements additions of approximately \$2.6 million
- North Challenge Center of approximately \$478 thousand
- Various parcels of land of approximately \$792 thousand
- 2 Freightliner chassis pumper fire trucks of approximately \$538 thousand
- 41 vehicles of approximately \$1.3 million

More detailed information about the County's capital assets is presented in Note III C to the financial statements.

Long-term Debt

At year-end the County had approximately \$61.0 million in bonds, notes, and capital lease obligations outstanding – a decrease of 6.4% as compared to last year. More detailed information about the County's long-term liabilities is presented in Note III D to the financial statements.

The state limits the amount of general obligation debt the County can issue without special referendum to 8 percent of the assessed value of all taxable property within the County's legal limits. Our outstanding general obligation debt subject to the limit is \$8.5 million at June 30, 2016, which is below the limit of approximately \$24.9 million.

County of Orangeburg's Outstanding Debt

Long-term debt	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
General obligation bonds	\$ 8,544,413	\$ 10,215,388	\$ -	\$ -	\$ 8,544,413	\$ 10,215,388
Revenue bonds	20,530,000	26,935,000	12,643,016	11,526,995	33,173,016	38,461,995
Loans payable	9,687,156	5,942,362	1,563,689	1,563,689	11,250,845	7,506,051
Capital leases	7,725,315	8,774,911	-	-	7,725,315	8,774,911
Total long term debt	\$ 46,486,884	\$ 51,867,661	\$ 14,206,705	\$ 13,090,684	\$ 60,693,589	\$ 64,958,345

County of Orangeburg, South Carolina

Management's Discussion and Analysis

June 30, 2016

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The unemployment rate in the County decreased from 10.9% at June 2015 to 8.9% for June 2016, as compared to the decrease in the unemployment rate for South Carolina from 6.6% at June 2015 to 4.9% at June 2016, and the decrease in the unemployment rate from 5.3% at June 2015 to 4.8% at June 2016 nationally.

Inflationary pressures and cost of living in the region continue to compare favorably with state and national trends.

These indicators were taken into account when adopting the general fund budget for 2017. Amounts available for appropriation in the general fund budget are at nearly \$38.3 million, an increase of about 3.8% percent over the final 2016 budget of \$36.9 million.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Gloria Breland, Finance Director, or visit the County website at www.orangeburgcounty.org.

Basic Financial Statements

County of Orangeburg, South Carolina

Statement of Net Position

June 30, 2016

	Primary government			Component Units	
	Governmental activities	Business-type activities	Totals	Orangeburg County Development Commission	Orangeburg County Library
Assets and deferred outflows of resources					
Assets					
Cash and cash equivalents	\$ 8,063	\$ 519	\$ 8,582	\$ 318,712	\$ 431,519
Pooled cash	4,034,444	-	4,034,444	-	-
Investments	-	-	-	-	2,150
Receivables (net of allowance for uncollectible accounts)					
Property taxes	3,243,633	-	3,243,633	-	-
Intergovernmental	6,862,856	775,729	7,638,585	-	2,200
Accounts	1,377,811	82,604	1,460,415	-	-
Rents	9,975	-	9,975	-	-
Other	207,156	-	207,156	50,789	-
Internal balances, net	9,639,638	(9,639,638)	-	-	-
Due from component unit	249,634	-	249,634	-	-
Inventories	150,142	-	150,142	-	-
Prepaid items	418,517	-	418,517	3,260	40,551
Land and buildings held for resale	17,903,890	-	17,903,890	-	-
Restricted assets:					
Cash and cash equivalents	67,437	-	67,437	-	-
Pooled cash	18,802,135	1,531,539	20,333,674	-	-
Investments	11,311,133	-	11,311,133	-	-
Capital assets:					
Nondepreciable capital assets	8,995,374	11,538,321	20,533,695	-	-
Depreciable capital assets, net	94,160,103	34,851,793	129,011,896	377,706	505,179
Total assets	<u>177,441,941</u>	<u>39,140,867</u>	<u>216,582,808</u>	<u>750,467</u>	<u>981,599</u>
Deferred outflows of resources					
Deferred outflows related to pension	3,139,576	13,877	3,153,453	32,640	72,222
Total deferred outflows of resources	<u>3,139,576</u>	<u>13,877</u>	<u>3,153,453</u>	<u>32,640</u>	<u>72,222</u>
Total assets and deferred outflows of resources	<u>\$ 180,581,517</u>	<u>\$ 39,154,744</u>	<u>\$ 219,736,261</u>	<u>\$ 783,107</u>	<u>\$ 1,053,821</u>
Liabilities, deferred inflows of resources and net position					
Liabilities					
Accounts payable and other current liabilities	\$ 3,929,851	\$ 244,473	\$ 4,174,324	\$ 5,850	\$ 4,266
Accrued salaries and fringe benefits	661,284	3,253	664,537	-	-
Due to primary government	-	-	-	-	249,634
Due to other governments	174,476	-	174,476	-	-
Accrued interest payable	237,897	142,293	380,190	-	-
Non-current liabilities:					
Other post-employment benefit obligation (OPEB)	36,395,641	-	36,395,641	272,855	1,154,290
Net pension liability	28,780,331	210,438	28,990,769	232,598	596,969
Due within one year	18,109,284	144,158	18,253,442	36,838	47,640
Due in more than one year	30,458,680	14,062,547	44,521,227	12,894	22,713
Total liabilities	<u>118,747,444</u>	<u>14,807,162</u>	<u>133,554,606</u>	<u>561,035</u>	<u>2,075,512</u>
Deferred inflows of resources					
Deferred inflows related to pension	6,239,417	29,895	6,269,312	48,658	166,807
Total deferred inflows of resources	<u>6,239,417</u>	<u>29,895</u>	<u>6,269,312</u>	<u>48,658</u>	<u>166,807</u>
Net position					
Net investment in capital assets	78,739,214	33,315,331	112,054,545	377,706	505,179
Restricted					
Grant activities	1,317,906	-	1,317,906	-	-
Debt Service	1,104,062	-	1,104,062	-	-
Public safety activities	1,100,008	-	1,100,008	-	-
Public works activities	2,414,861	-	2,414,861	-	-
Economic development activities	19,075,581	-	19,075,581	-	-
Capital projects activities	14,872,278	-	14,872,278	-	-
Unrestricted (deficit)	<u>(63,029,254)</u>	<u>(8,997,644)</u>	<u>(72,026,898)</u>	<u>(204,292)</u>	<u>(1,693,677)</u>
Total net position	<u>55,594,656</u>	<u>24,317,687</u>	<u>79,912,343</u>	<u>173,414</u>	<u>(1,188,498)</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 180,581,517</u>	<u>\$ 39,154,744</u>	<u>\$ 219,736,261</u>	<u>\$ 783,107</u>	<u>\$ 1,053,821</u>

County of Orangeburg, South Carolina

Statement of Activities

For the year ended June 30, 2016

Functions/Programs	Program revenues				Net (expense) revenue and changes in net position			Component Units	
	Expenses	Charges for services	Operating grants and contributions	Capital grants and contributions	Primary government		Total	Orangeburg County Development Commission	Orangeburg County Library
					Governmental activities	Business-type activities			
Primary government									
Governmental activities									
General government	\$ 13,979,147	\$ 1,337,472	\$ 65,656	\$ -	\$ (12,576,019)	\$ -	\$ (12,576,019)	\$ -	\$ -
Judicial	4,601,541	1,107,333	-	-	(3,494,208)	-	(3,494,208)	-	-
Public works	12,716,872	4,206,073	1,923,427	6,618,465	31,093	-	31,093	-	-
Public safety	23,231,271	5,329,150	210,108	-	(17,692,013)	-	(17,692,013)	-	-
Social and health	4,512,715	379,049	1,022,489	587,000	(2,524,177)	-	(2,524,177)	-	-
Other agencies and institutions	9,509,866	-	-	-	(9,509,866)	-	(9,509,866)	-	-
Interest and other charges	1,032,567	-	-	-	(1,032,567)	-	(1,032,567)	-	-
Total governmental activities	<u>69,583,979</u>	<u>12,359,077</u>	<u>3,221,680</u>	<u>7,205,465</u>	<u>(46,797,757)</u>	<u>-</u>	<u>(46,797,757)</u>	<u>-</u>	<u>-</u>
Business-type activities									
Broadband utility	1,094,474	586,337	-	294,543	-	(213,594)	(213,594)	-	-
Sewer utility	1,209,232	374,288	-	673,311	-	(161,633)	(161,633)	-	-
Water utility	467,917	64,526	-	475,004	-	71,613	71,613	-	-
Total business-type activities	<u>2,771,623</u>	<u>1,025,151</u>	<u>-</u>	<u>1,442,858</u>	<u>-</u>	<u>(303,614)</u>	<u>(303,614)</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 72,355,602</u>	<u>\$ 13,384,228</u>	<u>\$ 3,221,680</u>	<u>\$ 8,648,323</u>	<u>(46,797,757)</u>	<u>(303,614)</u>	<u>(47,101,371)</u>	<u>-</u>	<u>-</u>
Component units									
Orangeburg County Development Commission	\$ 768,950	\$ -	\$ -	\$ 50,000	-	-	-	(718,950)	-
Orangeburg County Library	1,818,381	48,716	160,473	-	-	-	-	-	(1,609,192)
Total component unit	<u>\$ 2,587,331</u>	<u>\$ 48,716</u>	<u>\$ 160,473</u>	<u>\$ 50,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(718,950)</u>	<u>(1,609,192)</u>
General revenues									
Property taxes					36,832,021	-	36,832,021	-	-
Capital project sales tax					8,949,551	-	8,949,551	-	-
Accommodations tax					358,282	-	358,282	-	-
Grants and contributions not restricted to specific programs					4,268,902	-	4,268,902	687,961	1,445,739
Gain on sale of capital assets					167,315	-	167,315	-	-
Other					210,360	-	210,360	-	-
Investment earnings					7,903	690	8,593	171	70
Transfers					631,536	(631,536)	-	-	-
Total general revenues and transfers					<u>51,425,870</u>	<u>(630,846)</u>	<u>50,795,024</u>	<u>688,132</u>	<u>1,445,809</u>
Change in net position					<u>4,628,113</u>	<u>(934,460)</u>	<u>3,693,653</u>	<u>(30,818)</u>	<u>(163,383)</u>
Net position, beginning of year, as previously reported					50,665,290	25,262,874	75,928,164	4,928	(1,759,606)
Prior period adjustment (See Note IV.H.)					301,253	(10,727)	290,526	199,304	734,491
Net position, beginning of year, as restated					<u>50,966,543</u>	<u>25,252,147</u>	<u>76,218,690</u>	<u>204,232</u>	<u>(1,025,115)</u>
Net position end of year					<u>\$ 55,594,656</u>	<u>\$ 24,317,687</u>	<u>\$ 79,912,343</u>	<u>\$ 173,414</u>	<u>\$ (1,188,498)</u>

County of Orangeburg, South Carolina

Balance Sheet - Governmental Funds

June 30, 2016

	General	Capital Project Tax II	Capital Project Tax III	John Matthews Industrial Park Fund	Special Education Fund	C Funds Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS								
Cash and cash equivalents	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,963	\$ 8,063
Pooled cash	971,948	-	-	-	-	-	3,062,496	4,034,444
Receivables (net of allowance for uncollectible accounts)								
Property taxes	2,268,704	-	-	-	219,078	-	755,851	3,243,633
Intergovernmental	957,064	-	2,391,289	-	1,871	2,749,316	763,316	6,862,856
Accounts	1,224,144	-	-	-	-	-	153,667	1,377,811
Rents	9,975	-	-	-	-	-	-	9,975
Other	15,959	-	-	-	-	-	191,197	207,156
Due from other funds	3,587,210	7,915,710	4,070,082	637,840	3	-	1,014,769	17,225,614
Due from component unit	300	-	-	-	249,334	-	-	249,634
Inventories	150,142	-	-	-	-	-	-	150,142
Prepaid items	190,972	-	227,400	-	-	-	145	418,517
Land and buildings held for resale	-	-	-	11,304,518	-	-	6,599,372	17,903,890
Restricted assets:								
Cash and cash equivalents	-	-	-	-	-	-	67,437	67,437
Pooled cash	-	3,922,153	5,099,269	1,002,868	-	-	8,777,845	18,802,135
Investments	-	-	11,311,133	-	-	-	-	11,311,133
Total assets	<u>\$ 9,376,518</u>	<u>\$ 11,837,863</u>	<u>\$ 23,099,173</u>	<u>\$ 12,945,226</u>	<u>\$ 470,286</u>	<u>\$ 2,749,316</u>	<u>\$ 21,394,058</u>	<u>\$ 81,872,440</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
LIABILITIES								
Accounts payable and other current liabilities	\$ 780,890	\$ -	\$ 1,102,824	\$ 883,135	\$ 1,766	\$ 303,000	\$ 858,236	\$ 3,929,851
Accrued salaries and fringe benefits	572,813	-	1,534	-	11,255	1,243	74,439	661,284
Due to other funds	783,254	-	-	-	2,039,825	2,507,897	2,255,000	7,585,976
Due to other governments	174,476	-	-	-	-	-	-	174,476
Total liabilities	<u>2,311,433</u>	<u>-</u>	<u>1,104,358</u>	<u>883,135</u>	<u>2,052,846</u>	<u>2,812,140</u>	<u>3,187,675</u>	<u>12,351,587</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue-property taxes	1,889,117	-	-	-	184,958	-	629,553	2,703,628
Unavailable revenue-accounts receivable	862,766	-	-	-	-	2,749,316	390,056	4,002,138
Total deferred inflows of resources	<u>2,751,883</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>184,958</u>	<u>2,749,316</u>	<u>1,019,609</u>	<u>6,705,766</u>
FUND BALANCES								
Nonspendable	341,114	-	227,400	-	-	-	145	568,659
Restricted	-	11,837,863	21,767,415	12,062,091	-	-	16,287,948	61,955,317
Committed	-	-	-	-	-	-	231,896	231,896
Assigned	-	-	-	-	-	-	2,742,258	2,742,258
Unassigned	3,972,088	-	-	-	(1,767,518)	(2,812,140)	(2,075,473)	(2,683,043)
Total fund balances	<u>4,313,202</u>	<u>11,837,863</u>	<u>21,994,815</u>	<u>12,062,091</u>	<u>(1,767,518)</u>	<u>(2,812,140)</u>	<u>17,186,774</u>	<u>62,815,087</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 9,376,518</u>	<u>\$ 11,837,863</u>	<u>\$ 23,099,173</u>	<u>\$ 12,945,226</u>	<u>\$ 470,286</u>	<u>\$ 2,749,316</u>	<u>\$ 21,394,058</u>	<u>\$ 81,872,440</u>

County of Orangeburg, South Carolina**Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities****June 30, 2016**

TOTAL FUND BALANCE- GOVERNMENTAL FUNDS \$ 62,815,087

Amounts reported for governmental activities in the Statement of Net Position are different because of the following:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets was \$202,877,245 and the accumulated depreciation was \$99,721,768. 103,155,477

Deferred inflows of resources are not available to for current period expenditures, and therefore, are deferred in the governmental funds:

Property taxes 2,703,628
Accounts receivable 4,002,138

Accrued interest on long-term obligations in governmental accounting is not due or payable in the current period and therefore are not reported as liabilities in the funds. (237,897)

Other post-employment benefit liabilities are not reported in governmental funds, but are reported in governmental activities. (36,395,641)

Net pension liability is not reported in governmental funds, but is reported in governmental activities. (28,780,331)

Pension related deferrals are not reported in governmental funds, but are reported in governmental activities as follows:

Deferred outflows 3,139,576
Deferred inflows (6,239,417)

Long-term liabilities, including bonds and notes, are not due or payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities consisted of the following:

General obligation bonds payable \$ (8,544,413)
Revenue bonds payable (20,530,000)
Notes payable (9,687,156)
Capital leases payable (7,725,315)
Landfill closure and post-closure costs (235,776)
Compensated absences (1,845,304) (48,567,964)

TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES \$ 55,594,656

County of Orangeburg, South Carolina

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds

For the year ended June 30, 2016

	General	Capital Project Tax II	Capital Project Tax III	John Matthews Industrial Park Fund	Special Education Fund	C Funds Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES								
Taxes:								
Property taxes	\$ 25,660,216	\$ -	\$ -	\$ -	\$ 2,307,163	\$ -	\$ 8,831,687	\$ 36,799,066
Capital project sales tax	-	-	8,949,551	-	-	-	-	8,949,551
Licenses and permits	950,915	-	-	-	-	-	-	950,915
Intergovernmental	3,973,472	-	2,531,324	500,000	155,589	-	5,556,772	12,717,157
Charges for services	3,604,922	-	-	-	-	-	4,675,822	8,280,744
Fines and forfeitures	729,998	-	-	-	-	-	487,122	1,217,120
Interest	-	-	651	-	-	-	7,889	8,540
Miscellaneous	292,279	-	-	92,000	-	7,593	161,224	553,096
Total revenues all sources	<u>35,211,802</u>	<u>-</u>	<u>11,481,526</u>	<u>592,000</u>	<u>2,462,752</u>	<u>7,593</u>	<u>19,720,516</u>	<u>69,476,189</u>
EXPENDITURES								
Current:								
General government	10,696,956	-	-	-	-	-	2,133,970	12,830,926
Judicial	3,914,029	-	-	-	-	-	176,952	4,090,981
Public works	2,343,686	-	125,754	-	-	-	6,639,759	9,109,199
Public safety	11,366,381	-	-	-	-	-	7,932,212	19,298,593
Social and health	2,619,287	-	-	-	38,857	-	988,501	3,646,645
Other agencies and institutions:								
Public works	307,977	168,673	6,017,222	-	39,959	-	322,140	6,855,971
Social and health	-	-	-	-	2,653,895	-	-	2,653,895
Capital outlay	198,626	-	4,568,003	-	-	2,304,284	2,624,443	9,695,356
Debt service:								
Principal	124,976	-	6,405,000	-	-	-	3,701,301	10,231,277
Interest	-	-	448,922	-	-	-	527,207	976,129
Bond issuance costs	-	-	-	38,344	-	-	32,037	70,381
Total expenditures	<u>31,571,918</u>	<u>168,673</u>	<u>17,564,901</u>	<u>38,344</u>	<u>2,732,711</u>	<u>2,304,284</u>	<u>25,078,522</u>	<u>79,459,353</u>
Excess (deficit) of revenues over (under) expenditures	<u>3,639,884</u>	<u>(168,673)</u>	<u>(6,083,375)</u>	<u>553,656</u>	<u>(269,959)</u>	<u>(2,296,691)</u>	<u>(5,358,006)</u>	<u>(9,983,164)</u>
OTHER FINANCING SOURCES (USES)								
Note payable issued	-	-	-	4,000,000	-	-	-	4,000,000
Capital lease	-	-	-	-	-	-	938,000	938,000
Sale of general capital assets	205,112	-	-	-	-	-	-	205,112
Transfers in	614,521	854,225	2,194,118	901,519	-	-	4,750,504	9,314,887
Transfers out	(4,396,475)	(2,046,937)	(1,259,249)	-	-	-	(980,690)	(8,683,351)
Total other financing sources (uses)	<u>(3,576,842)</u>	<u>(1,192,712)</u>	<u>934,869</u>	<u>4,901,519</u>	<u>-</u>	<u>-</u>	<u>4,707,814</u>	<u>5,774,648</u>
Net change in fund balances	<u>63,042</u>	<u>(1,361,385)</u>	<u>(5,148,506)</u>	<u>5,455,175</u>	<u>(269,959)</u>	<u>(2,296,691)</u>	<u>(650,192)</u>	<u>(4,208,516)</u>
Fund balances, beginning of year, as originally presented	4,849,396	13,199,248	27,143,321	6,606,916	(1,654,318)	(515,449)	17,836,966	67,466,080
Restatement (See Note IV.H.)	(599,236)	-	-	-	156,759	-	-	(442,477)
Fund balances, beginning of year, as restated	<u>4,250,160</u>	<u>13,199,248</u>	<u>27,143,321</u>	<u>6,606,916</u>	<u>(1,497,559)</u>	<u>(515,449)</u>	<u>17,836,966</u>	<u>67,023,603</u>
Fund balances, end of year	<u>\$ 4,313,202</u>	<u>\$ 11,837,863</u>	<u>\$ 21,994,815</u>	<u>\$ 12,062,091</u>	<u>\$ (1,767,518)</u>	<u>\$ (2,812,140)</u>	<u>\$ 17,186,774</u>	<u>\$ 62,815,087</u>

County of Orangeburg, 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, 2016**

Net change in fund balances - Total government funds		\$	(4,208,516)
Amounts reported for governmental activities in the statement of activities are different because:			
Revenues that do not provide financial resources with which to pay current expenditures are reported as unearned or unavailable revenues in the fund financial statements. However, such items are reported as revenues in the Statements of Activities.			
Property taxes			32,757
Accounts receivable			3,904,294
Repayment of bonds and notes payable principal is recognized in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. This amount is the total reduction in the outstanding principal in the current year.			10,231,277
Bonds, notes and capital lease payable proceeds provide current financial resources to governmental funds, but issuing debt or entering into notes payable increases long-term liabilities in the Statement of Net Position.			(4,938,000)
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 the governmental funds.			
Other post-employment benefits expense			(4,725,902)
County's portion of collective pension expense			1,942,933
Compensated absences expense			39,088
Landfill closure and post-closure costs			3,784
Interest expense			13,943
The cost of capital assets disposed of during the current year is expensed in the Statement of Activities. In the governmental funds, the cost of these assets was recognized as an expenditure in the year purchased. Thus, the change in net assets differs from the change in fund balances by the undepreciated cost of the disposed assets.			(37,797)
Governmental funds report capital asset additions as expenditures. However in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital asset additions exceeded depreciation expense in the current period.			
Capital asset additions	\$	9,695,356	
Depreciation		(7,325,104)	2,370,252
			<u>\$ 4,628,113</u>

County of Orangeburg, South Carolina
Statement of Net Position - Proprietary Funds
June 30, 2016

	Business-Type Activities			Total
	Broadband Program	Sewer Utility Fund	Water Utility Fund	
Assets and Deferred Outflows of Resources				
Assets				
Current assets				
Cash and cash equivalents	\$ -	\$ -	\$ 519	\$ 519
Receivables, net of allowance for doubtful accounts				
Intergovernmental	750,000	25,729	-	775,729
Accounts	31,794	28,141	22,669	82,604
Due from other funds	-	-	775	775
Restricted equity in pooled cash	399,617	231,490	900,432	1,531,539
Total current assets	<u>1,181,411</u>	<u>285,360</u>	<u>924,395</u>	<u>2,391,166</u>
Noncurrent assets				
Capital assets				
Nondepreciable capital assets	1,075,817	6,755,791	3,706,713	11,538,321
Depreciable capital assets, net	16,152,828	17,018,646	1,680,319	34,851,793
Total capital assets	<u>17,228,645</u>	<u>23,774,437</u>	<u>5,387,032</u>	<u>46,390,114</u>
Total noncurrent assets	<u>17,228,645</u>	<u>23,774,437</u>	<u>5,387,032</u>	<u>46,390,114</u>
Total assets	<u>18,410,056</u>	<u>24,059,797</u>	<u>6,311,427</u>	<u>48,781,280</u>
Deferred outflows of resources				
Deferred outflows - pension	-	-	13,877	13,877
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>13,877</u>	<u>13,877</u>
Total assets and deferred outflows of resources	<u>\$ 18,410,056</u>	<u>\$ 24,059,797</u>	<u>\$ 6,325,304</u>	<u>\$ 48,795,157</u>
Liabilities, Deferred Inflows of Resources and Net Position				
Liabilities				
Current liabilities				
Accounts payable and other current liabilities	\$ 201,859	\$ 29,140	\$ 13,474	\$ 244,473
Accrued salaries and fringe benefits	-	-	3,253	3,253
Accrued interest payable	-	27,521	114,772	142,293
Due to other funds	1,111,187	6,336,922	2,192,304	9,640,413
Revenue bond payable	-	144,158	-	144,158
Total current liabilities	<u>1,313,046</u>	<u>6,537,741</u>	<u>2,323,803</u>	<u>10,174,590</u>
Noncurrent liabilities				
Net pension liability	-	-	210,438	210,438
Revenue bonds payable	-	8,848,858	3,650,000	12,498,858
Notes payable	-	1,563,689	-	1,563,689
Total noncurrent liabilities	<u>-</u>	<u>10,412,547</u>	<u>3,860,438</u>	<u>14,272,985</u>
Total liabilities	<u>1,313,046</u>	<u>16,950,288</u>	<u>6,184,241</u>	<u>24,447,575</u>
Deferred inflows of resources				
Deferred inflows - pension	-	-	29,895	29,895
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>29,895</u>	<u>29,895</u>
Net position				
Net investment in capital assets	17,228,645	13,449,222	2,637,464	33,315,331
Unrestricted	(131,635)	(6,339,713)	(2,526,296)	(8,997,644)
Total net position	<u>17,097,010</u>	<u>7,109,509</u>	<u>111,168</u>	<u>24,317,687</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 18,410,056</u>	<u>\$ 24,059,797</u>	<u>\$ 6,325,304</u>	<u>\$ 48,795,157</u>

County of Orangeburg, South Carolina

Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds

For the year ended June 30, 2016

	Business-Type Activities			Total
	Broadband Program	Sewer Utility Fund	Water Utility Fund	
OPERATING REVENUES				
Charges for services	\$ 586,337	\$ 374,288	\$ 64,526	\$ 1,025,151
Total operating revenues	586,337	374,288	64,526	1,025,151
OPERATING EXPENSES				
Operations and maintenance	595,701	442,636	165,723	1,204,060
Personnel	-	-	248,059	248,059
Depreciation	498,773	590,289	54,135	1,143,197
Total operating expenses	1,094,474	1,032,925	467,917	2,595,316
Operating income (loss)	(508,137)	(658,637)	(403,391)	(1,570,165)
NONOPERATING REVENUES (EXPENSES)				
Investment income	283	-	407	690
Interest expense	-	(176,307)	-	(176,307)
Total nonoperating revenues (expenses)	283	(176,307)	407	(175,617)
Income before capital contributions and transfers	(507,854)	(834,944)	(402,984)	(1,745,782)
CAPITAL CONTRIBUTIONS AND TRANSFERS				
Capital grants and contributions	294,543	673,311	475,004	1,442,858
Transfers in	-	27,108	36,215	63,323
Transfers out	-	(694,859)	-	(694,859)
Change in net position	(213,311)	(829,384)	108,235	(934,460)
Net position, beginning of year, as previously reported	17,170,339	7,938,893	153,642	25,262,874
Prior period adjustment (see note IV. H.)	139,982	-	(150,709)	(10,727)
Net position, beginning of year, as restated	17,310,321	7,938,893	2,933	25,252,147
Net position, end of year	\$ 17,097,010	\$ 7,109,509	\$ 111,168	\$ 24,317,687

County of Orangeburg, South Carolina
Statement of Cash Flows - Proprietary Funds
For the year ended June 30, 2016

	Business-Type Activities			
	Broadband Program	Sewer Utility Fund	Water Utility Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 581,327	\$ 341,830	\$ 43,775	\$ 966,932
Cash payments for goods and services	(1,255,306)	(570,782)	(298,964)	(2,125,052)
Cash payments for employees	-	-	(269,062)	(269,062)
NET CASH USED BY OPERATING ACTIVITIES	(673,979)	(228,952)	(524,251)	(1,427,182)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Interfund activity	(2,072,658)	(1,070,819)	(1,253,148)	(4,396,625)
NET CASH USED IN NONCAPITAL FINANCING ACTIVITIES	(2,072,658)	(1,070,819)	(1,253,148)	(4,396,625)
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	(421,529)	(114,756)	(36,214)	(572,499)
Grant revenue	1,261,985	673,311	475,004	2,410,300
Proceeds from revenue bond payable	-	403,068	820,000	1,223,068
Principal payments on revenue bond payable	-	(107,047)	-	(107,047)
Interest payments	-	(378,820)	(60,137)	(438,957)
NET CASH PROVIDED BY CAPITAL AND RELATED FINANCING ACTIVITIES	840,456	475,756	1,198,653	2,514,865
CASH FLOWS FROM INVESTING ACTIVITIES				
Income on investments	283	-	407	690
NET CASH PROVIDED BY INVESTING ACTIVITIES	283	-	407	690
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,905,898)	(824,015)	(578,339)	(3,308,252)
CASH AND CASH EQUIVALENTS, JUNE 30, 2015	2,305,515	1,055,505	1,479,290	4,840,310
CASH AND CASH EQUIVALENTS, JUNE 30, 2016	\$ 399,617	\$ 231,490	\$ 900,951	\$ 1,532,058
Reconciliation of operating income to net cash provided by operating activities:				
Operating loss	\$ (508,137)	\$ (658,637)	\$ (403,391)	\$ (1,570,165)
Adjustments to reconcile operating income to net cash used in operating activities				
Depreciation	498,773	590,289	54,135	1,143,197
Change in:				
Accounts receivable	(5,010)	(32,458)	(20,751)	(58,219)
Accounts payable	(659,605)	(128,146)	(133,241)	(920,992)
Accrued salaries and fringe benefits	-	-	(6,499)	(6,499)
Deferred outflows of resources	-	-	(5,193)	(5,193)
Deferred inflows of resources	-	-	21,370	21,370
Net pension liability	-	-	(30,681)	(30,681)
Net cash used in operating activities	\$ (673,979)	\$ (228,952)	\$ (524,251)	\$ (1,427,182)
Reconciliation of Cash and Cash Equivalent Balances				
Cash and cash equivalents	\$ -	\$ -	\$ 519	\$ 519
Restricted equity in pooled cash	399,617	231,490	900,432	1,531,539
Total Cash and Cash Equivalent Balances	\$ 399,617	\$ 231,490	\$ 900,951	\$ 1,532,058

County of Orangeburg, South Carolina**Statement of Fiduciary Assets and Liabilities****June 30, 2016**

	Agency Funds
	<hr/>
ASSETS	
Cash and cash equivalents	\$ 5,263,506
Pooled cash	4,819,192
TOTAL ASSETS	<u>\$ 10,082,698</u>
LIABILITIES	
Due to taxing units	\$ 4,596,737
Due to others	5,485,961
TOTAL LIABILITIES	<u>\$ 10,082,698</u>

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

I. Summary of Significant Accounting Policies

A. Reporting Entity

The County of Orangeburg, South Carolina, (the "County") is a political subdivision of the State of South Carolina and was chartered in 1785. The County operates under a Council-Administrator form of government and is governed by an elected seven-member council, one of whom is the chair. The Council is the legislative body of the County and is responsible for determining the policies and direction of the County government. The administrator is responsible for the County's daily operations.

The basic financial statements of the County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles.

The basic financial statements of the County present the reporting entity that consists of the primary government and those organizations for which the primary government is financially accountable. The blended component units discussed below are included in the County's reporting entity because of their significant financial relationship to the County. Discretely presented component units, also discussed below, are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the County government.

Blended Component Unit - Orangeburg Joint Governmental Action Authority (the "Authority") – The Authority, created in 2002, is a non-profit public benefit corporation formed to facilitate the construction of projects authorized by the one-cent Capital Project Sales and Use Tax referendum. The Authority is governed by a board composed of the County Council Chairman and the Orangeburg County Administrator. The Authority financed its projects by issuing revenue bonds which are being retired exclusively by the County by the collection of the Capital Project Sales Tax authorized by referendum. The Authority is presented as a Governmental Fund type in the Capital Project Sales Tax Funds.

Blended Component Unit - Orangeburg County Fire Commission (the "Commission") – The Commission was created in 1997 to provide coordinated fire protection throughout the County. The Commission has either bought or leased the equipment used by the 23 volunteer fire departments which provide fire protection in the County. The Commission is governed by a board composed of seven members, all of whom are appointed by Orangeburg County Council. The Commission's budget and special millage rate to fund it must be approved by County Council. In addition, the County is wholly responsible for the Commission's debt and owns all the Commission's capital assets. The Commission is presented as a Governmental Fund type in the nonmajor Special Revenue Funds.

Discretely Presented Component Unit - Orangeburg County Library (the "Library") - The Library provides library services to County residents. The Library's Board of Trustees is appointed by County Council. The county owns the land and buildings used by the Library and provides most of the funds to operate the Library. The Library meets the criteria set forth in generally accepted accounting principles for inclusion as a component unit with the County. Complete financial statements for the Library may be obtained at its main branch located at 510 Louis Street, Orangeburg, South Carolina.

Discretely Presented Component Unit - Orangeburg County Development Commission (the "OCDC") - The OCDC was created by a County ordinance in 1980 and is governed by eleven members appointed by County Council for the purpose of promoting, advancing and fostering the agricultural, industrial and commercial development of the County. The OCDC is fiscally dependent on the County. Complete financial statements for the OCDC may be obtained at its office at 129 Regional Parkway, Orangeburg, South Carolina 29118.

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

I. Summary of Significant Accounting Policies, Continued

Joint Venture - The County is a participant in the Regional Medical Center of Orangeburg and Calhoun Counties (the "RMC"). RMC was created under the provisions of a joint ordinance passed by Orangeburg and Calhoun Counties in 1980. The RMC is governed by a 17 member board of trustees comprised of 12 members appointed by Orangeburg County and 3 members appointed by Calhoun County who each serve 4 year terms. The Chief of Staff and Chairman of the Executive Committee serve on the board by virtue of their position. The Board of Trustees must get permission from the two Counties to acquire or dispose of land and buildings as well as incur debt in excess of \$500,000.

At June 30, 2016, the County has an indeterminate financial interest in RMC. Per the joint ordinance, the percentage of interest by Orangeburg and Calhoun Counties shall be determined by dividing the net equity of the RMC by the Counties' ownership interest. Net equity shall be defined as assets minus liabilities as of September 30, 1981. The resulting percentages shall be the percentage of equity ownership of each county for determining equity at any time in the future. However, if one county invests in or improves the hospital in excess of \$5,000 at one time and the other county declines to participate therein, then the amount of such investment or improvement of the participating county shall be added to the net equity of the hospital at the end of the current year, and the percentage of equity ownership shall be recomputed. Complete financial statements of RMC can be obtained by writing to The Regional Medical Center 3000 St. Matthews Road Orangeburg, SC 29118.

B. Basis of Presentation - Government-Wide and Fund Financial Statements

a. Government-wide Statements

The Statement of Net Position and the Statement of Activities display information about the primary government (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to avoid the double counting of interfund activities. These statements distinguish between the governmental and business-type activities of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed primarily by fees charged to external parties. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of net position reports all financial and capital resources of the County and reports the difference between assets plus deferred outflows and liabilities plus deferred inflows as net position. The statement of activities presents a comparison between direct expenses and program revenues for each activity of the County. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular activity. Program revenues include: (a) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by the programs and, (b) grants and contributions that are restricted to meet the operations or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

b. Fund Financial Statements

The accounts of the reporting entity are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for in a separate set of self-balancing accounts comprised of assets, deferred outflows, liabilities, deferred inflows, fund balances, revenues, and expenditures or expenses, as appropriate. The fund financial statements provide information about the County's funds, including its fiduciary funds and blended component units. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, with each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

I. Summary of Significant Accounting Policies, Continued

c. The County reports the following major fund types:

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

Capital Project Tax II and III Funds - These funds account for the sales tax revenues approved by county voters for the second and third penny referenda that are restricted to improve, repair and construct infrastructure for the County.

John Matthews Industrial Park Fund - This fund accounts for the development of an industrial park in which parcels will be sold to commercial enterprises for construction of industrial facilities. The County also constructs speculative buildings in this industrial park in order to have move in ready facilities for enterprises needing immediate or near-term occupancy.

Special Education Fund - This fund accounts for revenue and expenditures associated with the special education tax levy.

C Funds Fund - This fund accounts for revenues from state distributions of gasoline tax funds and expenditures on maintenance of highways and roads within the County.

Enterprise Funds - The Enterprise Funds are used to account for the activities of the County's Broadband, Water and Sewer utilities.

d. The County reports the following nonmajor governmental fund types:

Special Revenue Funds - The special revenue funds are used to account for the proceeds of specific revenue sources (other than debt service and major capital projects) that are legally restricted or committed to expenditure for specified purposes.

Capital Projects Funds - The capital projects funds are used to account for financial resources used for all general construction projects other than enterprise fund construction.

Debt Service Fund - The debt service fund accumulates financial resources for the payment of principal and interest on the general long-term debt of the County, other than revenue bonds payable in the Capital Projects Sales Tax funds and debt service payments in proprietary fund types.

e. The County reports the following additional fund types:

Agency Funds - These are fiduciary funds used to account for monies received, held, and disbursed on behalf of other governments, special tax districts and certain County departments related to the collection of taxes and court related transactions.

C. Measurement Focus and Basis of Accounting

a. Government-wide, Proprietary, and Fiduciary Fund Statements

The government-wide and proprietary financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The agency funds also use the accrual basis of accounting to recognize assets and liabilities. Revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, and entitlements. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and entitlements is recognized in the fiscal year in which all eligibility requirements have been satisfied.

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

I. Summary of Significant Accounting Policies, Continued

C. Measurement Focus and Basis of Accounting, Continued

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. For the Broadband and Water and Sewer Utilities, principal operating revenues include sales to existing customers for services. Operating expenses include the 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.

b. Governmental Fund Financial Statements

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized as the amounts become susceptible to accrual by becoming measurable and available to finance the County's operations. Revenue from the use of money and property and from intergovernmental reimbursement grants is recorded as earned. Other revenues are considered available to be used to pay liabilities of the current period if they are collectible within the current period or within 60 days thereafter. The primary revenues susceptible to accrual include property, business license, and other local taxes and intergovernmental revenues. In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the individual programs are used as guidance. Expenditures are recorded when the related fund liability is incurred, except that principal and interest on general long-term debt and certain other general long-term obligations, such as compensated absences and landfill closure and post-closure care costs, are recognized only to the extent they have matured. General capital asset acquisitions are reported as capital outlays in governmental funds. The issuance of general long-term debt and acquisitions under capital leases are reported as other financing sources. The effect of interfund activity has not been eliminated from the governmental fund financial statements.

D. Assets, Liabilities, Deferred Outflows/Inflows, and Net Position/Fund Balance

Pooled cash and investments - The County maintains cash and temporary investments for its funds in a pooled account, except for certain cash and investments required to be maintained with fiscal agents or in separate pools or accounts in order to comply with the provisions of bond indentures. State statutes authorize the government and its component units to invest in (1) obligations of the United States and its agencies, (2) general obligations of South Carolina and its political subdivisions, (3) financial institutions, if their deposits are insured by an agency of the federal government, and (4) certificates of deposit which are collaterally secured by securities of the type described at (1) and (2) above which are held by a third party. Investments consisting of repurchase agreements and mortgage-backed securities are stated at fair value. No investments are stated at amortized cost.

Cash and cash equivalents - The government'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. For purposes of the statements of cash flows, the amounts reported as cash and cash equivalents for the proprietary fund types represent amounts maintained in the reporting entity's investment pool, as they are considered to be demand deposits for the purpose of complying with accounting principles.

Investments - Investments in all funds are stated at fair value.

Receivables - All trade and property tax receivables are shown net of an allowance for uncollectible accounts. The loan receivable is a loan for economic development. The loan is offset in the governmental fund financial statements by a deferred inflow captioned "unavailable revenue". Revenue is recognized in the governmental fund as cash is received.

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

I. Summary of Significant Accounting Policies, Continued

D. Assets, Liabilities, Deferred Outflows/Inflows, and Net Position/Fund Balance, Continued

Property Tax Calendar - Property is valued for taxation at December 31 of the prior fiscal year with the tax bills due between September 30 and January 15 of the current fiscal year. Unpaid taxes are assessed a 3% penalty during the period January 16 to February 1, an additional 7% penalty is assessed February 2 to March 16 and a further 5% penalty is assessed for tax bills unpaid after March 16.

South Carolina law attaches a lien on the property at the December 31 valuation date. The County Treasurer transfers the delinquent tax accounts to the delinquent tax collector after March 17 for collection efforts as prescribed by state law.

Motor vehicle taxes are billed annually to coincide with the vehicles registration month and are due by the last day of that month. Property taxes billed but not collected as of June 30 are reflected in the Governmental Fund balance sheet as taxes receivable and unavailable revenue.

Inventories and Prepaid Items - Inventories are valued at cost using the average cost method. The consumption method of accounting for inventories is used. Under this method, inventories are expensed as they are consumed as operating supplies and spare parts in the period to which they apply. Inventories in the general fund consist of fuel, medical and office supplies. Payments to vendors that reflect costs applicable to future periods are recorded as prepaid items in both the government-wide and fund financial statements. Prepaid items consist primarily of insurance coverage paid in advance.

Restricted Assets - Restricted assets are liquid assets which have third-party limitations on their use. When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

Real Estate Held for Resale - Real estate held for resale consists of purchased properties, including both developed and undeveloped land, and buildings, intended to generate economic development in the County, and is recorded at the lower of cost or its net realizable value.

Capital Assets - Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges and similar items), are reported in the governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for the proprietary funds. The amounts reported include infrastructure acquired prior to the County implementing GASB Statement No. 34. Capital assets are defined by the County as property with a unit or system cost in excess of \$2,500 and an estimated useful life in excess of three years.

Such assets are recorded at historical cost if purchased or constructed. Donated capital assets received prior to June 15, 2015 are recorded at estimated fair market value at the date of donation. Donated capital assets received after June 15, 2015 are recorded at acquisition value. The cost 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 the projects are constructed.

All reported capital assets are depreciated if applicable. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Infrastructure	25 to 30 years
Buildings and improvements	15 to 30 years
Furniture vehicles and equipment	3 to 10 years

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

I. Summary of Significant Accounting Policies, Continued

D. Assets, Liabilities, Deferred Outflows/Inflows, and Net Position/Fund Balance, Continued

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 issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenses in the period incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the period. The face amount of debt is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs, whether withheld from the actual debt proceeds received, or paid outside of debt closing, are reported as debt issuance expenditures.

The County's debt instruments are subject to a number of limitations and restrictions. The County is in compliance with all significant limitations and restrictions.

Capitalized Interest - Interest incurred during the construction phase of proprietary fund capital assets is reflected in the capitalized value of those assets being constructed. Interest is not capitalized on assets acquired by gifts and grants that are restricted by the donor or grantor to the acquisition of those assets. The County does not capitalize interest on capital assets used in governmental activities.

Interfund Receivables and Payables - Short-term advances between funds are accounted for in the appropriate interfund receivable and payable accounts as "due to/from" funds.

Compensated Absences - County employees may accumulate up to 240 hours of unused vacation and carry it forward from one year to the next. Employees separating from service are paid their regular pay rate for accrued and unused leave. Employees may accumulate sick leave but the County does not pay employees separating from service for unused sick leave. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability is reported in governmental funds only when they mature because an employee resigns or retires.

Deferred outflows/inflows of resources - In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The County has two items that qualify for reporting in this category which are related to pension obligations. The first item is pension contributions made subsequent to the measurement date which will be recognized as a reduction of the net pension liability in the subsequent year. The second item is the difference between expected and actual experience and is amortized into pension expense beginning in the year the deferral occurs over a closed period equal to the average remaining service lives of all plan participants.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has one type of item that qualifies for reporting in this category, the deferred inflows relating to pension obligations. This amount is the net difference between the projected and actual earnings on pension plan investments which is deferred and amortized over a closed five-year period.

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

I. Summary of Significant Accounting Policies, Continued

D. Assets, Liabilities, Deferred Outflows/Inflows, and Net Position/Fund Balance, Continued

The government also has inflows which arise under modified accrual basis of accounting that qualifies for reporting as deferred inflows. The item, unavailable revenue, is reported only in the governmental funds Balance Sheet. As such, under the modified accrual basis of accounting, the governmental funds report unavailable revenues from property taxes and accounts receivable. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Net Position – Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows in the statement of net position. Net position is comprised of three categories: Net investment in capital assets; Restricted net position; and Unrestricted net position. The first category of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, loans and leases that are attributable to these capital assets. Restricted net position consists of net positions with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors or laws and regulation of other governments, or (2) law through constitutional provisions or enabling legislation. Net position which is neither restricted nor related to net investment in capital assets, is reported as unrestricted net position. When the County funds outlays for a particular purpose from both restricted and unrestricted sources, it is the County's policy to use funds restricted for that purpose first, before using unrestricted net position.

Fund Balances

Nonspendable Fund Balance - includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example: inventories, prepaid amounts and long-term notes receivable.

Restricted Fund Balance - includes amounts that are restricted for specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

Committed Fund Balance - The County Council, as the highest level of authority within the County, establishes the commitment of fund balance to purposes through the approval of the annual budget plan by ordinance. As a result, all unrestricted amounts directed toward a purpose are shown as committed.

Assigned Fund Balance - Balances shown as assigned represent balances management has allocated for a specific purpose but which is neither restricted nor committed.

Unassigned Fund Balance – Balances shown as unassigned include amounts that have not been assigned to other funds and have not been restricted, committed or assigned for specific purposes within the fund.

The County considers restricted balances to be expended first in cases where both restricted and unrestricted amounts are available. When utilizing unrestricted balances, committed balances are applied first, followed by assigned then unassigned balances.

Use of Estimates - The financial statements include estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenditures. Actual results could differ from these estimates.

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Fund Deficits

At June 30, 2016, the following funds had deficit fund balances:

C Funds Fund	\$	(2,812,140)
Special Education Fund	\$	(1,767,518)
Roads and Bridges Fund	\$	(1,063,369)
Victims' Assistance Fund	\$	(412,396)
Carolina Transit Program	\$	(366,377)
HOME Consortium Grant Fund	\$	(129,990)
New Brooklyn Lighting Tax District Fund	\$	(60,245)
Brookdale Lighting District Fund	\$	(40,464)
Fox Run Lighting District Fund	\$	(1,626)
Empire States Lighting District Fund	\$	(1,006)

The County is developing plans in its Fiscal year 2017 and 2018 budgets to address the deficits in the Special Education, Roads and Bridges, Victims Assistance and Carolina Transit Program Funds. The current year deficit in the C Funds Fund is expected to be resolved by application to the C Funds Transportation Committee for reimbursements expected to be received in fiscal years 2017 and 2018. The HOME Consortium deficit is expected to be resolved by receipt of grant funds currently presented in deferred inflows on the balance sheet. Tax rates were increased in the Brookdale Lighting District and the New Brooklyn Lighting Tax District for the 2015 tax year and will take time to cover the deficit. The Fox Run and Empire States Lighting Districts were new special district funds for fiscal year 2015, with future tax collections expected to resolve the current deficits.

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. Cash and Investments

Custodial Credit Risk - Cash Deposits - At June 30, 2016, the carrying amount of the County's deposits was \$34,526,835 and the respective bank balances totaled \$36,971,593. Of the total bank balances, \$3,078,502 was insured through the Federal Depository Insurance Corporation (FDIC), \$30,980,371 was collateralized with securities held by the financial institutions in the County's name and \$2,311,845 was uncollateralized.

Investments - State law limits local government investments to (1) obligations of the United States and agencies thereof; (2) general obligations of the State of South Carolina or any of its political units; (3) savings and loan association deposits to the extent insured by the FDIC; (4) certificates of deposit and repurchase agreements collateralized by securities of the type described in (1) and (2) above held by a third party as escrow agent or custodian, at a market value not less than the amount of certificates of deposit and repurchase agreements so secured, including interest; and (5) no load open and closed-end portfolios of certain investment companies with issues of the US Government. The County has no investment policy that would further limit its investment choices.

The County's investments totaling \$11,311,133 at June 30, 2016 are invested in government obligation mutual funds. These investments are carried at fair value. The change in fair value is recognized as an increase or decrease to investment assets and investment income. Fair value for all investments is determined on a recurring basis based on quoted market prices.

Credit Risk and Interest Rate Risk - The County has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from fluctuating interest rates or from credit risk arising from concentration of investments in a limited number of investment vehicles.

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS, Continued

A. Cash and Investments, Continued

A reconciliation of cash and cash equivalents as shown on the government-wide statement of net assets and the statement of fiduciary net assets is as follows:

Primary Government			
Unrestricted:	Cash and cash equivalents	\$	8,582
	Pooled cash		4,034,444
Restricted:	Cash and cash equivalents		67,437
	Pooled cash		20,333,674
Trust and Agency Funds:	Cash and cash equivalents		5,263,506
	Pooled cash		4,819,192
Carrying value of deposits		\$	<u>34,526,835</u>

As of June 30, 2016, the County had the following investments:

Investment Type	Rating	Fair Value	Investment Maturities (in years)	
			Less than 1	Greater than 1
Government obligation mutual funds	Aaa-mf	\$ 11,311,133	\$ 11,311,133	\$ -
Total investments		\$ 11,311,133	\$ 11,311,133	\$ -

B. Receivables

Receivables as of year-end for the County's governmental funds, including the applicable allowances for uncollectible accounts are as follows:

	General Fund	Capital Project Tax III	Special Education Fund	C Funds Fund	Nonmajor Governmental Funds	Total Governmental Funds
Taxes						
Property taxes	\$ 4,332,185	\$ -	\$ 418,339	\$ -	\$ 1,443,324	\$ 6,193,848
Allowance for uncollectible taxes	(2,063,481)	-	(199,261)	-	(687,473)	(2,950,215)
Net property taxes receivable	<u>\$ 2,268,704</u>	<u>\$ -</u>	<u>\$ 219,078</u>	<u>\$ -</u>	<u>\$ 755,851</u>	<u>\$ 3,243,633</u>
Intergovernmental receivables	<u>\$ 957,064</u>	<u>\$ 2,391,289</u>	<u>\$ 1,871</u>	<u>\$ 2,749,316</u>	<u>\$ 763,316</u>	<u>\$ 6,862,856</u>
Accounts						
EMS fees	\$ 18,300,802	\$ -	\$ -	\$ -	\$ -	\$ 18,300,802
Allowance for uncollectible EMS fees	(17,256,758)	-	-	-	-	(17,256,758)
Other receivables	898,840	-	-	-	153,667	1,052,507
Allowance for uncollectible receivables	(718,740)	-	-	-	-	(718,740)
Net accounts receivable	<u>\$ 1,224,144</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 153,667</u>	<u>\$ 1,377,811</u>
Rents receivable	<u>\$ 9,975</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,975</u>
Other receivables	<u>\$ 15,959</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 191,197</u>	<u>\$ 207,156</u>

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

B. Receivables, Continued

Receivables as of year-end for the County's business-type activities are as follow:

	Broadband Program	Sewer Utility Fund	Water Utility Fund	Business-type Funds
Intergovernmental grants receivable	\$ 750,000	\$ 25,729	\$ -	\$ 775,729
Customer accounts receivable	\$ 31,794	\$ 28,141	\$ 22,669	\$ 82,604

The Broadband Program grant receivable results from reimbursements due from the grantor agency related to the development of the broadband system.

C. Capital Assets

Capital asset activity for the primary government for the year ended June 30, 2016 is as follows:

Primary Government Governmental Activities	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Capital assets not being depreciated					
Land	\$ 3,316,795	\$ 792,450	\$ -	\$ 293,136	\$ 4,402,381
Construction in progress	7,355,657	4,401,946	-	(7,164,610)	4,592,993
Total capital assets not being depreciated	10,672,452	5,194,396	-	(6,871,474)	8,995,374
Capital assets being depreciated					
Infrastructure	58,194,111	1,744,877	(2,800)	1,142,715	61,078,903
Buildings and improvements	75,948,528	736,710	(859,937)	5,728,759	81,554,060
Furniture, vehicles and equipment	49,641,333	2,019,373	(411,798)	-	51,248,908
Total capital assets being depreciated	183,783,972	4,500,960	(1,274,535)	6,871,474	193,881,871
Less: accumulated depreciation					
Infrastructure	(16,421,212)	(2,163,903)	213	-	(18,584,902)
Buildings and improvements	(38,656,781)	(2,385,583)	859,937	-	(40,182,427)
Furniture, vehicles and equipment	(38,555,409)	(2,775,618)	376,588	-	(40,954,439)
Total accumulated depreciation	(93,633,402)	(7,325,104)	1,236,738	-	(99,721,768)
Total capital assets being depreciated - net	90,150,570	(2,824,144)	(37,797)	6,871,474	94,160,103
Governmental activity capital assets - net	\$ 100,823,022	\$ 2,370,252	\$ (37,797)	\$ -	\$ 103,155,477

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

C. Capital Assets, Continued

Depreciation expense was charged to governmental functions/programs as follows:

Governmental activities:		
General government	\$	579,038
Judicial		245,192
Public works		3,157,484
Public safety		2,600,495
Social and health		742,895
Total depreciation expense - governmental activities	\$	<u>7,325,104</u>

Primary Government	Beginning				Ending
Business-type activities	Balance	Additions	Disposals	Transfers	Balance
Capital assets not being depreciated					
Land	\$ 1,637,321	\$ -	\$ -	\$ -	\$ 1,637,321
Easements	69,364	-	-	-	69,364
Construction in progress	9,705,419	366,647	-	(240,430)	9,831,636
Total capital assets not being depreciated	<u>11,412,104</u>	<u>366,647</u>	<u>-</u>	<u>(240,430)</u>	<u>11,538,321</u>
Capital assets being depreciated					
Infrastructure	38,219,630	387,007	-	240,430	38,847,067
Furniture, vehicles and equipment	12,899	-	-	-	12,899
Total capital assets being depreciated	<u>38,232,529</u>	<u>387,007</u>	<u>-</u>	<u>240,430</u>	<u>38,859,966</u>
Less: accumulated depreciation					
Infrastructure	(2,860,096)	(1,140,757)	-	-	(4,000,853)
Furniture, vehicles and equipment	(4,880)	(2,440)	-	-	(7,320)
Total accumulated depreciation	<u>(2,864,976)</u>	<u>(1,143,197)</u>	<u>-</u>	<u>-</u>	<u>(4,008,173)</u>
Total capital assets being depreciated - net	<u>35,367,553</u>	<u>(756,190)</u>	<u>-</u>	<u>240,430</u>	<u>34,851,793</u>
Business-type activity capital assets - net	<u>\$ 46,779,657</u>	<u>\$ (389,543)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 46,390,114</u>

Capitalized interest totaling \$181,155 was added to construction in progress in the business-type activities for the year ended June 30, 2016.

Component unit capital assets include buildings and equipment used in the operation of the OCDC with a cost of \$894,171 and accumulated depreciation of \$513,465. The Library's books and audio-visual materials are capitalized with a cost of \$1,854,038 and accumulated depreciation of \$1,348,859. Additionally, Library capital assets with cost of \$1,632,856 and accumulated depreciation of \$1,045,183 are carried in the County's capital assets and are included in the above presentation of governmental activities capital assets.

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

D. Long Term Obligations

Governmental Activities

General Obligation Bonds

The County has issued general obligation bonds to provide for construction and purchase of capital assets used in carrying out its governmental activities. General obligation bonds have been issued only for governmental activities. General obligation bonds are direct obligations of the County, and the full faith and credit of the County are pledged as security. Article X, Section 14 of the Constitution of the State of South Carolina, 1895, permits the counties to issue general obligation indebtedness in an amount not exceeding eight percent of the assessed value of taxable property of such county.

General obligation bonds are liquidated by the debt service funds. General obligation bonds outstanding as of year-end are as follows:

General Obligation Bonds Series 2008 – issued June 2008 in the amount of \$9,715,000. Bonds are payable in annual principal and semiannual interest installments ranging from \$1,050,000 to \$1,145,000 including interest from 3.75% to 5.00%, maturing February 2019. The proceeds of the bond were used to purchase vehicles and equipment, acquire land for a new industrial park and expand an existing industrial park, and defray the cost of extensions and improvements to a water treatment system in the eastern part of the County.

General Obligation Bonds Series 2013 – issued February 2013 in the amount of \$2,200,000. Bonds are payable in annual installments of \$114,070 including interest at 3.125%, maturing February 2044. The proceeds of the bonds were used for renovations of County owned buildings.

General Obligation Refunding Bond Series 2014 – issued June 2014 in the amount of \$4,980,000. Bonds are payable in annual principal payments ranging from \$115,000 to \$651,000 and semi-annual interest installments at 2.36%, maturing April 2023. Bond proceeds of \$4,879,144 were used to currently refund the General Obligation Bonds Series 2003A including accrued interest of \$54,144.

Revenue Bonds

Capital Project Sales and Use Tax Revenue Bond Series 2014 – issued November 2014 in the amount of \$33,575,000. The bonds are payable in annual principal installments of \$6,405,000 to \$6,765,000 and a final payment of \$595,000, with semi-annual interest at 5.0%, maturing October 2020, collateralized by assignment of capital project sales and use tax collections. The proceeds of the bonds were used to fund various capital projects within the County. The bonds are being repaid by the Capital Project Sales Tax III fund.

Other Loans, Notes Payable and Capital Leases

Loan payable to the Lower Savannah Regional Development Corporation in monthly installments of \$4,234 including interest at 2.5%, maturing October 2022. The loan is being repaid by the Debt Service Fund.

Note payable to the Orangeburg Department of Public Utilities (DPU) – issued July 2011. The County entered into an agreement in which the DPU loaned the County up to \$1,600,000 at zero interest to use for economic development. The loan is payable from the proceeds of a fee-in-lieu agreement whereby the County pays to the DPU one half of the fee-in-lieu revenue received annually from the economic development project until the loan is paid in full. The fee-in-lieu revenue began during fiscal year 2015 and the first payment to DPU in the amount of \$124,976 was made during the fiscal year. It is currently projected that the note will be fully amortized by fiscal year 2027. The loan is being repaid by the General Fund.

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

D. Long Term Obligations, Continued

Note payable to the South Carolina Public Service Authority – issued May 2015 in the amount of \$4,000,000, and secured by a mortgage on real estate to be developed as a speculative building for economic development purposes. The note is due and payable twenty-four months from the issue date and bears no interest. Repayment is expected to be from sales proceeds of the speculative building in the John Matthews Industrial Park capital projects fund.

Note payable to the Central South Carolina Alliance – issued April 2015 in the amount of \$100,000, with the proceeds used for development of a speculative building for economic development purposes. The note is due and payable upon the sale, lease or donation of the speculative building and bears no interest. It is currently projected that the note will be repaid by fiscal year 2017. Repayment is expected to be from sales proceeds of the speculative building in the John Matthews Industrial Park capital projects fund.

Note payable to the South Carolina Public Service Authority – issued September 2015 in the amount of \$4,000,000, payable over a ten-year term with principal payments ranging from \$365,000 to \$420,000, bearing interest for the initial five-year term at 2.0%, and thereafter at the then current rate of interest on 10-year U.S. Treasury Notes. The note is secured by a mortgage on real estate to be developed as a speculative building for economic development purposes. Repayment is expected to be from the current revenue streams from the County's operating funds.

Various capital leases for the acquisition of equipment used in governmental activities as follows:

Motorola capital lease with monthly payments of \$32,069, through August 2017. Repayment is from the E911 Surcharge special revenue fund.

Motorola 2012 capital lease with monthly payments of \$15,675, through June 2022. Repayment is from the E911 Surcharge special revenue fund.

Caterpillar 2011 capital lease with quarterly payments of \$142,855, through December 2017, with a balloon payment of \$1,884,526. Repayment is from the Roads and Bridges and Solid Waste special revenue funds.

Caterpillar 2012 capital lease with quarterly payments of \$48,190, through March 2017, with a balloon payment of \$221,247. Repayment is from the Roads and Bridges and Solid Waste special revenue funds.

Caterpillar 2015 capital lease with quarterly leases of \$43,138, through March 2020, with a balloon payment of \$498,818. Repayment is from the Roads and Bridges and Solid Waste special revenue funds.

PNC capital lease with semi-annual payments of approximately \$365,000 through December 2018. Repayment is from the Debt Service fund.

Carolina Alliance Bank capital lease with five annual principal payments ranging from \$178,000 to \$197,000 through June 2021. Repayment is from the Debt Service fund.

Enterprise Funds

Revenue Bonds

The County is obligated for revenue bonds, proceeds of which were used to finance construction and expansion of the County's water and sewer systems. These bonds are secured by liens on and pledges of water and sewer revenue net of system operating and maintenance costs. The revenue bonds are liquidated by the Enterprise Funds. Water and sewer system revenue bonds outstanding at fiscal year end are as follows:

Revenue bond payable to the U. S. Department of Agriculture Rural Development Series 2002 – issued November 2002 in the amount of \$329,300. The bond is payable in monthly installments of \$1,496 including interest at 4.5%, maturing 2042. The proceeds of the bond were used in the construction and expansion of the sewer system.

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

D. Long Term Obligations, Continued

Enterprise Funds, Continued

Revenue Bonds, Continued

Revenue bond payable to the U. S. Department of Agriculture Rural Development Series 2013A – issued December 2013 in the amount of \$2,088,000. The bond is payable in monthly installments of \$7,100 including interest at 2.5%, maturing 2053. The proceeds of the bond were used in the construction and expansion of the sewer system.

Revenue bond payable to the U. S. Department of Agriculture Rural Development Series 2013B – issued December 2013 in the amount of \$6,741,000. The bond is payable in monthly installments of \$23,864 including interest at 2.75%, maturing 2053. The proceeds of the bond were used in the construction and expansion of the sewer system.

Revenue bond payable to the U. S. Department of Agriculture Rural Development Series 2015A – issued June 2015 in the amount of \$2,830,000. The bond is payable with interest only payments prior to the start of monthly installments of principal and interest of \$9,051 including interest at 2.125%, beginning July 2017, and maturing 2055. The proceeds of the bond were used in the construction and expansion of the water system.

Revenue bond payable to the U. S. Department of Agriculture Rural Development Series 2016A – issued March 2016 in the amount of \$820,000. The bond is payable with 24 interest only payments prior to the start of monthly installments of principal and interest of \$2,516 including interest at 1.875%, beginning April 2018, and maturing 2056. The proceeds of the bond were used in the construction and expansion of the water system in the Town of Vance.

Note Payable

Note payable – South Carolina Public Service Authority \$4,000,000 to fund a sewer system under construction. The County has drawn \$1,563,689 through June 30, 2016. The draws accrue interest at the U.S. Treasury ten year rate each January 1, approximately 1.50% at June 30, 2016. Repayment of accrued interest and principal is deferred until six months after the County receives the state permit to operate the sewer system and will be over a ten-year period. It is currently projected that the note will be fully amortized by fiscal year 2025. The note will be repaid by the Sewer Enterprise Fund.

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

D. Long Term Obligations, Continued

A summary of changes in long term obligations (other than other post-employment benefits) for the year ended June 30, 2016 for both the County's governmental activities and business-type activities is as follows:

	Beginning			Ending	Due Within
	Balance				
	As Restated	Additions	Reductions	Balance	One Year
Primary Government					
Governmental Activities					
General Obligation Bonds Payable					
\$9,715,000 General Obligation Bonds-Series 2008	\$ 3,290,000	\$ -	\$ (1,050,000)	\$ 2,240,000	\$ 1,095,000
\$2,200,000 General Obligation Bonds-Series 2013	2,060,388	-	(54,975)	2,005,413	51,235
\$4,980,000 General Obligation Bonds-Series 2014	4,865,000	-	(566,000)	4,299,000	580,000
Total General Obligation Bonds	10,215,388	-	(1,670,975)	8,544,413	1,726,235
Revenue Bonds					
Series 2014 Capital Project Sales and					
Use Tax Revenue Bond	26,935,000	-	(6,405,000)	20,530,000	6,525,000
Total Revenue Bonds	26,935,000	-	(6,405,000)	20,530,000	6,525,000
Loans and Notes Payable					
Lower Savannah Regional					
Development Corporation	343,151	-	(42,730)	300,421	43,300
Orangeburg Department of Public Utilities *	1,411,711	-	(124,976)	1,286,735	125,000
South Carolina Public Service Authority	4,000,000	-	-	4,000,000	4,000,000
Central South Carolina Alliance	100,000	-	-	100,000	100,000
South Carolina Public Service Authority	-	4,000,000	-	4,000,000	365,306
Total Loans Payable	5,854,862	4,000,000	(167,706)	9,687,156	4,633,606
Capital Leases					
Motorola	787,200	-	(324,889)	462,311	371,487
Motorola 2012	1,174,221	-	(152,106)	1,022,115	156,706
Caterpillar 2011	2,633,578	-	(495,503)	2,138,075	2,138,075
Caterpillar 2012	536,702	-	(178,170)	358,532	358,532
Caterpillar 2015	1,162,210	-	(140,928)	1,021,282	144,987
PNC Lease	2,481,000	-	(696,000)	1,785,000	706,000
Carolina Alliance Bank	-	938,000	-	938,000	178,000
Total Capital Leases Payable	8,774,911	938,000	(1,987,596)	7,725,315	4,053,787
Landfill Closure and Post-Closure Costs	239,560	11,316	(15,100)	235,776	15,100
Compensated Absences	1,884,392	1,140,945	(1,180,033)	1,845,304	1,155,556
	<u>\$ 53,904,113</u>	<u>\$ 6,090,261</u>	<u>\$ (11,426,410)</u>	<u>\$ 48,567,964</u>	<u>\$ 18,109,284</u>

* The beginning balance for the Orangeburg Department of Public Utilities (DPU) obligation as shown above has been restated to reflect the correct balance as confirmed by DPU. DPU's actual initial loan advance for the economic development project for which these funds were used was \$1,512,500, or \$87,500 less than the maximum amount in the agreement dated July 11, 2011. The County recorded the debt at the maximum amount per the agreement, but with the new information as to DPU's actual advance to the project developer, has adjusted the debt balance.

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

D. Long Term Obligations, Continued

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Primary Government					
Business-type Activities					
Revenue Bonds					
\$329,300 Revenue Bond-Series 2002	\$ 279,170	\$ -	\$ (5,501)	\$ 273,669	\$ 5,732
\$2,088,000 Sewer System Improvement Revenue Bonds-Series 2013A	2,088,000	-	(18,172)	2,069,828	33,611
\$6,741,000 Sewer System Improvement Revenue Bonds-Series 2013B	6,329,825	403,068	(83,374)	6,649,519	104,815
\$2,830,000 Sewer System Improvement Revenue Bonds-Series 2015A	2,830,000	-	-	2,830,000	-
\$820,000 Water System Improvement Revenue Bonds-Series 2016A	-	820,000	-	820,000	-
Total Revenue Bonds	11,526,995	1,223,068	(107,047)	12,643,016	144,158
Note Payable					
South Carolina Public Service Authority	1,563,689	-	-	1,563,689	-
	\$ 13,090,684	\$ 1,223,068	\$ (107,047)	\$ 14,206,705	\$ 144,158

Following is a summary of debt service requirements to maturity by year for the governmental and business-type activities:

Governmental Activities Year ended June 30,	General Obligation Bonds			Revenue Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2017	\$ 1,726,235	\$ 248,863	\$ 1,975,098	\$ 6,525,000	\$ 330,887	\$ 6,855,887
2018	1,789,837	192,512	1,982,349	6,645,000	210,656	6,855,656
2019	655,488	133,379	788,867	6,765,000	88,229	6,853,229
2020	670,190	117,493	787,683	595,000	4,072	599,072
2021	682,946	101,247	784,193	-	-	-
2022 - 2026	1,605,052	298,035	1,903,087	-	-	-
2027 - 2031	370,952	199,398	570,350	-	-	-
2032 - 2036	432,653	137,697	570,350	-	-	-
2037 - 2041	504,613	65,737	570,350	-	-	-
2042 - 2045	106,447	3,492	109,939	-	-	-
	\$ 8,544,413	\$ 1,497,853	\$ 10,042,266	\$ 20,530,000	\$ 633,844	\$ 21,163,844
Loans and Notes						
	Principal	Interest	Total			
2017	\$ 4,633,606	\$ 87,511	\$ 4,721,117			
2018	541,995	79,122	621,117			
2019	550,557	70,560	621,117			
2020	559,296	61,821	621,117			
2021	568,214	52,902	621,116			
2022 - 2026	2,796,752	128,352	2,925,104			
2027 - 2030	36,736	-	36,736			
	\$ 9,687,156	\$ 480,268	\$ 10,167,424			

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

D. Long Term Obligations, Continued

Business-type Activities Year ended June 30,	Revenue Bonds			Note		
	Principal	Interest	Total	Principal	Interest	Total
2017	\$ 144,158	\$ 320,875	\$ 465,033	\$ -	\$ 23,455	\$ 23,455
2018	200,845	317,425	518,270	-	23,455	23,455
2019	217,345	312,022	529,367	-	23,455	23,455
2020	222,493	306,896	529,389	-	23,455	23,455
2021	228,726	300,686	529,412	1,563,689	23,457	1,587,146
2022 - 2026	1,235,299	1,412,125	2,647,424	-	-	-
2027 - 2031	1,404,618	1,243,458	2,648,076	-	-	-
2032 - 2036	1,597,737	1,051,068	2,648,805	-	-	-
2037 - 2041	1,819,200	830,414	2,649,614	-	-	-
2042 - 2046	1,990,543	585,473	2,576,016	-	-	-
2047 - 2051	2,240,987	320,768	2,561,755	-	-	-
2052 - 2055	1,341,065	59,536	1,400,601	-	-	-
	<u>\$ 12,643,016</u>	<u>\$ 7,060,746</u>	<u>\$ 19,703,762</u>	<u>\$ 1,563,689</u>	<u>\$ 117,277</u>	<u>\$ 1,680,966</u>

Capital Leases. The County has entered into lease agreements as lessee to finance acquisition of equipment and vehicles used in governmental activities. Capital leases are liquidated by the General Fund, Roads and Bridges Fund and the Solid Waste Fund. The future minimum lease obligations and the net present value of the minimum lease payments as of June 30, 2016 are:

Fiscal year ending June 30,	Primary Government Governmental Activities
	Total
2017	\$ 4,210,112
2018	1,387,047
2019	926,180
2020	973,891
2021	389,490
Thereafter	188,095
Total minimum payments	8,074,815
Less: interest	(349,500)
Net minimum payments	<u>\$ 7,725,315</u>

The balance of capital assets, net of accumulated depreciation, under these capital lease agreements as of June 30, 2016, are:

Equipment and vehicles	\$ 14,318,423
Less: accumulated depreciation	(9,387,609)
Net capital assets under capital lease	<u>\$ 4,930,814</u>

Current year depreciation of assets acquired under capital leases totaled \$1,127,454 and has been included in depreciation expense.

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

D. Long Term Obligations, Continued

Landfill Closure and Post-closure Costs. State and federal laws and regulations require the County to place a final cover on its landfill sites when it stops accepting waste, and to perform certain maintenance and monitoring functions at the sites for 30 years after closure. In accordance with state and federal law, the County closed its Class III solid waste landfill in fiscal year 1995. The County paid to cover the landfill in fiscal year 1996. The estimated total liability for post-closure care costs equaled \$453,000 which is being amortized over 30 years. The remaining unamortized balance is \$135,900.

The County also operates a Class II landfill, which based upon recent expansion, has an estimated remaining life of 71 years. The filled capacity at June 30, 2016 is estimated to be 20.3%. Although closure and post-closure care costs will be paid only near or after the date the landfill stops accepting waste, the County reports a portion of estimated closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each fiscal year end. The County estimates the total costs for closure and post-closure monitoring for the Class II landfill to be \$492,000. At June 30, 2016, the costs to be recognized as a liability based on estimates of filled capacity is \$99,876.

The County has not accumulated funds to meet this additional closure and post-closure care liability. The \$235,776 reported as the accrual for landfill closure and post-closure costs at June 30, 2016 is calculated as follows:

	Estimated Liability Recognized		
	Class III	Class II	Total
Accrued liabilities at June 30, 2015	\$ 151,000	\$ 88,560	\$ 239,560
Current year changes	(15,100)	11,316	(3,784)
Estimated liability	135,900	99,876	235,776
Less: current portion	15,100	-	15,100
	<u>\$ 120,800</u>	<u>\$ 99,876</u>	<u>\$ 220,676</u>

The County's landfill closure and post-closure liability represents what it would cost to perform all closure and post-closure care at June 30, 2016 and are based on engineering estimates subject to change due to inflation, deflation, technology, and/or applicable laws and regulations. Federal and state statutes and regulations require that all permitted landfills have a financial assurance mechanism in place to ensure that funds are available for clean-up of the facility at the time of closure to cover any post-closure care that may be required. The County does not qualify for the financial or alternative means tests to satisfy federal and state financial assurance requirements. The County has adopted a pay-as-you-go policy, anticipating that future available resources will be the primary source of funds to pay the cost of closure and post-closure care.

Component units

Long-term obligations include accrued leave due to employees of the County Library and OCDC.

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

E. Operating Leases

The County leases copiers and other equipment under non-cancelable operating leases. Some of the copier leases include payment terms based on copy volume rather than minimum lease payments. Future minimum lease payments under the terms of these leases are as follows:

Year ending June 30,	
2017	\$ 19,963
2018	15,113
2019	15,113
2020	13,854
Total	<u>\$ 64,043</u>

Lease expense during the fiscal year was \$135,901, which included payments on leases that are both cancelable and non-cancelable.

F. Interfund Receivables and Payables

Interfund balances arise because the County utilizes a cash pool to maximize potential interest earnings. Interfund balances at June 30, 2016 were:

	Receivable	Payable
Governmental Funds:		
General Fund	\$ 3,587,210	\$ 783,254
Capital Project Tax II Fund	7,915,710	-
Capital Project Tax III Fund	4,070,082	-
John Matthews Industrial Park	637,840	-
Special Education Fund	3	2,039,825
C Funds	-	2,507,897
Other Nonmajor Governmental Funds	1,014,769	2,255,000
Total Governmental Funds	<u>17,225,614</u>	<u>7,585,976</u>
Enterprise Funds:		
Broadband Fund	-	1,111,187
Sewer Fund	-	6,336,922
Water Fund	775	2,192,304
Total Enterprise Funds	<u>775</u>	<u>9,640,413</u>
Total	<u>\$ 17,226,389</u>	<u>\$ 17,226,389</u>

G. Transfers In and Out

During the course of normal operations, the County makes numerous transactions between funds. Transfers of resources from a fund receiving revenue to a fund through which the resources are expended are recorded as transfers and are reported as other financing sources (uses) in the governmental funds and as nonoperating revenues (expenses) in proprietary funds. Transfers into the general fund were primarily to recover overhead and related costs. Transfers from the state accommodations tax fund were made to the general fund to support tourism promotion.

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

G. Transfers In and Out, Continued

Transfers between funds for the year ended June 30, 2016, consisted of the following:

	Transfers in	Transfers out
Governmental Funds:		
General Fund	\$ 614,521	\$ 4,396,475
Capital Project Tax II Fund	854,225	2,046,937
Capital Project Tax III Fund	2,194,118	1,259,249
John Matthews Industrial Park	901,519	-
Nonmajor Governmental Funds	4,750,504	980,690
Total Governmental Funds	<u>9,314,887</u>	<u>8,683,351</u>
Enterprise Funds:		
Sewer Fund	27,108	694,859
Water Fund	36,215	-
Total Enterprise Funds	<u>63,323</u>	<u>694,859</u>
Total	<u>\$ 9,378,210</u>	<u>\$ 9,378,210</u>

H. Fund Balance/Net Position

The following table details the components of nonspendable, restricted, committed and assigned fund balances:

	General Fund	Capital Project Tax II	Capital Project Tax III	John Matthews Industrial Park Fund	Special Education Fund	C Funds Fund	Non-major Governmental Funds	Total Governmental Funds
Nonspendable								
Inventories	\$ 150,142	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,142
Prepaid items	<u>190,972</u>	<u>-</u>	<u>227,400</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>145</u>	<u>418,517</u>
Total nonspendable	<u>341,114</u>	<u>-</u>	<u>227,400</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>145</u>	<u>568,659</u>
Restricted for:								
Grant programs	-	-	-	-	-	-	1,317,906	1,317,906
Public safety	-	-	-	-	-	-	1,100,008	1,100,008
Public works	-	-	-	-	-	-	2,414,861	2,414,861
Capital projects	-	11,837,863	21,767,415	-	-	-	3,337,621	36,942,899
Economic development	-	-	-	12,062,091	-	-	7,013,490	19,075,581
Debt service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,104,062</u>	<u>1,104,062</u>
Total restricted	<u>-</u>	<u>11,837,863</u>	<u>21,767,415</u>	<u>12,062,091</u>	<u>-</u>	<u>-</u>	<u>16,287,948</u>	<u>61,955,317</u>
Committed for:								
Public safety	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>231,896</u>	<u>231,896</u>
Total committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>231,896</u>	<u>231,896</u>
Assigned for:								
Solid waste	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,742,258</u>	<u>2,742,258</u>
Total assigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,742,258</u>	<u>2,742,258</u>
Unassigned	<u>3,972,088</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,767,518)</u>	<u>(2,812,140)</u>	<u>(2,075,473)</u>	<u>(2,683,043)</u>
Total fund balance	<u>\$ 4,313,202</u>	<u>\$11,837,863</u>	<u>\$21,994,815</u>	<u>\$12,062,091</u>	<u>\$ (1,767,518)</u>	<u>\$ (2,812,140)</u>	<u>\$17,186,774</u>	<u>\$ 62,815,087</u>

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

H. Fund Balance/Net Position, Continued

The County's Net Position for its government-wide activities is follows:

	<u>Governmental</u>	<u>Business-type</u>
Net investment in capital assets		
Net capital assets	\$ 103,155,477	\$ 46,390,114
Less: Bonds payable, net	(29,074,413)	(12,643,016)
Notes and loans payable	(9,687,156)	(1,563,689)
Capital leases payable	(7,725,314)	-
Add: Unspent bond proceeds	22,070,620	1,131,922
Total net investment in capital assets	<u>78,739,214</u>	<u>33,315,331</u>
Restricted for:		
Grant activities	1,317,906	-
Debt service	1,104,062	-
Public safety activities	1,100,008	-
Public works activities	2,414,861	-
Economic development activities	19,075,581	-
Capital projects activities	36,942,898	-
Less: Unspent bond proceeds	(22,070,620)	-
Total restricted	<u>39,884,696</u>	<u>-</u>
Unrestricted (deficit)	<u>(63,029,254)</u>	<u>(8,997,644)</u>
Total net position	<u>\$ 55,594,656</u>	<u>\$ 24,317,687</u>

IV. OTHER INFORMATION

A. Risk Management

The County is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, and job related illnesses and accidents. The County carries insurance for these risks of loss. Premiums for workers' compensation are paid to a public entity risk pool. The public entity risk pool promises to pay to or on behalf of the insured for covered economic losses sustained during the policy period in accordance with the insurance policy and benefit program limits. Management believes such coverage is sufficient to preclude any significant uninsured losses for covered risks. There has been no significant reduction in coverage and amounts of settlements have not exceeded coverage in any of the last three years.

The County is also subject to risks of loss from providing health, life, accident, dental, and other medical benefits to employees, retirees, and their dependents. The County has enrolled substantially all its employees in the State's health insurance plans administered by the South Carolina Budget and Control Board.

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

B. Pension Plan

Description of the Entity:

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

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

PEBA issues a Comprehensive Annual Financial Report (CAFR) containing financial statements and required supplementary information for the South Carolina Retirement Systems' Pension Trust Funds. The CAFR is publicly available on the Retirement Benefits' link on PEBA's website at www.retirement.sc.gov, or a copy may be obtained by submitting a request to South Carolina Public Employee Benefit Authority, Retirement Systems Finance, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is considered a division of the primary government of the State of South Carolina and therefore, retirement trust fund financial information is also included in the State of South Carolina's CAFR.

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 of South Carolina, its public school districts, and political subdivisions.

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

Membership:

Membership requirements are prescribed in Title 9 of the South Carolina Code of Laws. A brief summary of the requirements under each System is 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.

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

B. Pension Plan, Continued

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 of South Carolina; to prevent and control property destruction by fire; or to serve as a peace officer employed by the Department of Corrections, the Department of Juvenile Justice, or the Department of Mental Health. Probate judges and coroners may elect membership in PORS. Magistrates are required to participate in PORS for service as a magistrate. PORS members, other than magistrates and probate judges, must also earn at least \$2,000 per year and devote at least 1,600 hours per year to this work, unless exempted by statute. An employee member of the System with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the System with an effective date of membership on or after July 1, 2012, is a Class Three member.

Benefits:

Benefit terms are prescribed in Title 9 of the South Carolina Code of Laws. PEBA does not have the authority to establish or amend benefit terms without a legislative change in the code of laws. Key elements of the benefit calculation include the benefit multiplier, years of service, and average final compensation. A brief summary of benefit terms for each system is presented below.

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 sixty-five or with twenty-eight years of credited service regardless of age. A member may elect early retirement with reduced pension benefits payable at age fifty-five with twenty-five years of service credit. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension upon satisfying the "Rule of 90" requirement that the total of the member's age and the member's creditable service equals at least ninety years. Both Class Two and Class Three members are eligible to receive a reduced deferred annuity at age sixty if they satisfy the five or eight years earned service requirement, respectively.

The benefit formula for full benefits effective since July 1, 1989 for the SCRS is 1.82 percent of an employee's average final compensation (AFC) multiplied by the number of years of credited service. For Class Two members, AFC is the average annual earnable compensation during twelve consecutive quarters and includes an amount for up to forty-five days termination pay at retirement for unused annual leave. For Class Three members, AFC is the average annual earnable compensation during twenty consecutive quarters and termination pay for unused annual leave at retirement is not included. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program.

The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of 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 fifty-five with twenty-five years of service are not eligible for the benefit adjustment until the second July 1 after reaching age sixty or the second July 1 after the date they would have had twenty-eight years of service credit had they not retired.

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

B. Pension Plan, Continued

Benefits, Continued:

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. Upon recommendation by the actuary in the annual actuarial valuation, the PEBA Board may adopt and present to the SFAA for approval an increase in the SCRS and PORS employer and employee contribution rates, but any such increase may not result in a differential between the employee and total employer contribution rate that exceeds 2.9 percent of earnable compensation for SCRS and five percent for PORS. An increase in the contribution rates adopted by the PEBA 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 provided in statute or the rates last adopted by the PEBA Board are insufficient to maintain a thirty-year amortization schedule of the unfunded liabilities of the plans, the PEBA 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.

County of Orangeburg, South Carolina**Notes to the Basic Financial Statements****June 30, 2016**

B. Pension Plan, ContinuedContributions, Continued:Required **employee** contribution rates are as follows:

	<u>Fiscal Year 2016</u>	<u>Fiscal Year 2015</u>
SCRS		
Employee Class Two	8.16%	8.00%
Employee Class Three	8.16%	8.00%
PORS		
Employee Class Two	8.74%	8.41%
Employee Class Three	8.74%	8.41%

	<u>Fiscal Year 2016</u>	<u>Fiscal Year 2015</u>
--	-------------------------	-------------------------

Required **employer** contribution rates are as follows:

SCRS		
Employer Class Two	10.91%	10.75%
Employer Class Three	10.91%	10.75%
Employer Incidental Death Benefit	0.15%	0.15%
PORS		
Employer Class Two	13.34%	13.01%
Employer Class Three	13.34%	13.01%
Employer Incidental Death Benefit	0.20%	0.20%
Employer Accidental Death Program	0.20%	0.20%

Contribution rates are calculated on earnable compensation as defined in Title 9 of the South Carolina Code of Laws.

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

B. Pension Plan, Continued

Contributions, Continued:

The County's contributions to the SCRS and PORS plans were as follows for the year ended June 30, 2016, which equaled the required contributions:

	<u>Required Contributions</u>	<u>Actual Contributions</u>
<u>Primary Government</u>		
SCRS		
Governmental Activities	\$ 1,401,632	\$ 1,401,632
Business Activities	<u>10,381</u>	<u>10,381</u>
Total SCRS for the Primary Government	<u>1,412,013</u>	<u>1,412,013</u>
PORS		
Governmental Activities	<u>981,416</u>	<u>981,416</u>
Total PORS for the Primary Government	<u>981,416</u>	<u>981,416</u>
Total Primary Government	<u>\$ 2,393,429</u>	<u>\$ 2,393,429</u>
<u>Component Units</u>		
SCRS		
Library	\$ 42,171	\$ 42,171
OCDC	<u>26,951</u>	<u>26,951</u>
Total SCRS for the Component Units	<u>69,122</u>	<u>69,122</u>
PORS		
Library	<u>6,059</u>	<u>6,059</u>
Total PORS for the Component Units	<u>6,059</u>	<u>6,059</u>
Total Component Units	<u>\$ 75,181</u>	<u>\$ 75,181</u>

Net Pension Liability:

At June 30, 2016, the County reported liabilities of \$19,425,084 and \$9,565,685 for its proportionate shares of the SCRS and PORS net pension liabilities, respectively.

The total pension liability is calculated by the Systems' actuary, and each plan's fiduciary net position is reported in the Systems' financial statements. The net pension liability is disclosed in accordance with the requirements of GASB Statement No. 67 in the Systems' notes to the financial statements and required supplementary information. Liability calculations performed by the Systems' actuary for the purpose of satisfying the requirements of GASB Statement Nos. 67 and 68 are not applicable for other purposes, such as determining the plans' funding requirements.

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

B. Pension Plan, Continued

The net pension liability (NPL) is calculated separately for each retirement System and represents that particular System's total pension liability determined in accordance with GASB Statement No. 67 less that System's fiduciary net position. As of June 30, 2016, the County's proportional share of the NPL amounts are:

	Fiscal Year Ended June 30,	
	2016	2015
	Measurement Period Ended June 30,	
	2015	2014
Primary Government		
SCRS		
Governmental Activities	\$ 19,214,646	\$ 23,557,220
Business-Type Activities	210,438	61,662
Total SCRS for the Primary Government	\$ 19,425,084	\$ 23,618,882
Primary Government's SCRS Proportionate Share of the NPL	0.102317%	0.128108%
PORS		
Governmental Activities	\$ 9,565,685	\$ 11,011,786
Total PORS for the Primary Government	\$ 9,565,685	\$ 11,011,786
Primary Government's PORS Proportionate Share of the NPL	0.425700%	0.575200%
Component Units		
SCRS		
Library	\$ 594,229	\$ 1,096,467
OCDL	232,598	467,048
Total SCRS for the Component Units	\$ 826,827	\$ 1,563,515
Component Units' SCRS Proportionate Share of the NPL	0.004466%	0.009082%
PORS		
Library	\$ 2,740	\$ -
Total PORS for the Component Units	\$ 2,740	\$ -
Component Unit's PORS Proportionate Share of the NPL	0.013318%	0.000000%
Totals		
SCRS NPL	\$ 20,251,911	\$ 25,182,397
PORS NPL	\$ 9,568,425	\$ 11,011,786
SCRS Proportionate Share of the NPL	0.106783%	0.137190%
PORS Proportionate Share of the NPL	0.439018%	0.575200%

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

B. Pension Plan, Continued

Pension expense and deferred outflows (inflows) of resources:

For the year ended June 30, 2016, the County recognized pension expense for the SCRS and PORS plans of \$143,416 and \$251,772, respectively.

At June 30, 2016, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources for each of the respective plans:

<u>Primary Government</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Governmental Activities		
	SCRS	
Difference between expected and actual experience	\$ 333,301	\$ 34,457
Net difference between projected and actual earnings on pension plan investments	128,969	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	3,957,375
Employer contributions subsequent to the measurement date	1,401,632	-
	<u>\$ 1,863,902</u>	<u>\$ 3,991,832</u>
	PORS	
Difference between expected and actual experience	\$ 189,593	\$ -
Net difference between projected and actual earnings on pension plan investments	104,665	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	2,247,585
Employer contributions subsequent to the measurement date	981,416	-
	<u>\$ 1,275,674</u>	<u>\$ 2,247,585</u>
Business-Type Activities		
	SCRS	
Difference between expected and actual experience	\$ 2,539	\$ 256
Net difference between projected and actual earnings on pension plan investments	957	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	29,639
Employer contributions subsequent to the measurement date	10,381	-
	<u>\$ 13,877</u>	<u>\$ 29,895</u>
	<u>\$ 3,153,453</u>	<u>\$ 6,269,312</u>
Component Units		
Library		
	SCRS	
Difference between expected and actual experience	\$ 19,835	\$ 1,088
Net difference between projected and actual earnings on pension plan investments	4,073	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	165,075
Employer contributions subsequent to the measurement date	42,171	-
	<u>\$ 66,079</u>	<u>\$ 166,163</u>
	PORS	
Difference between expected and actual experience	\$ 54	\$ -
Net difference between projected and actual earnings on pension plan investments	30	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	644
Employer contributions subsequent to the measurement date	6,059	-
	<u>\$ 6,143</u>	<u>\$ 644</u>
OCDC		
	SCRS	
Difference between expected and actual experience	\$ 4,132	\$ 416
Net difference between projected and actual earnings on pension plan investments	1,557	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	48,242
Employer contributions subsequent to the measurement date	26,951	-
	<u>\$ 32,640</u>	<u>\$ 48,658</u>

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

B. Pension Plan, Continued

Pension Expense and Deferred Outflows (Inflows) of Resources, Continued:

The deferred outflows of resources of \$1,412,013 for SCRS and \$981,416 for PORS related to pensions resulting from contributions made subsequent to the measurement date for the SCRS and PORS plans. These deferred outflows of resources will be recognized as a reduction of the net pension liabilities during the year ending June 30, 2017. Other amounts reported as deferred outflows (inflows) of resources will be recognized in pension expense in future years. The following schedule reflects the amortization of the County's proportionate share of the net balance of remaining deferred outflows (inflows) of resources at June 30, 2016. Average remaining service lives of all employees provided with pensions through the pension plans at the June 30, 2015 measurement date was 4.164 years and 4.796 years for SCRS and PORS, respectively.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows for the SCRS and PORS plans:

Measurement Period Ending June 30,	Fiscal Year Ending June 30,	SCRS	PORS
Primary Government			
Governmental Activities			
2016	2017	\$ (1,170,600)	\$ (562,346)
2017	2018	(1,170,600)	(562,346)
2018	2019	(1,288,147)	(570,718)
2019	2020	99,785	(257,917)
Net balance of deferred outflows / (inflows) of resources		<u>\$ (3,529,562)</u>	<u>\$ (1,953,327)</u>
Business-type Activities			
2016	2017	\$ (8,756)	\$ -
2017	2018	(8,756)	-
2018	2019	(9,628)	-
2019	2020	741	-
Net balance of deferred outflows / (inflows) of resources		<u>\$ (26,399)</u>	<u>\$ -</u>
Component Units			
Library			
2016	2017	\$ (47,229)	\$ (161)
2017	2018	(47,229)	(161)
2018	2019	(50,978)	(164)
2019	2020	3,181	(74)
Net balance of deferred outflows / (inflows) of resources		<u>\$ (142,255)</u>	<u>\$ (560)</u>
OCDC			
2016	2017	\$ (14,251)	\$ -
2017	2018	(14,251)	-
2018	2019	(15,671)	-
2019	2020	1,204	-
Net balance of deferred outflows / (inflows) of resources		<u>\$ (42,969)</u>	<u>\$ -</u>

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

B. Pension Plan, Continued

Payables to the Pension Plans

At June 30, 2016, the County reported a payable of \$197,728 and \$125,545 for the outstanding amount of contributions due to SCRS and PORS, respectively, including component units. The liabilities will be paid in the normal course of paying year-end obligations.

Actuarial Assumptions and Methods:

Actuarial valuations involve estimates of the reported amounts and assumptions about the probability of the 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 statutes 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, performed on data through June 30, 2015, is currently underway.

The June 30, 2015, total pension liability, net pension liability, and sensitivity information were determined by the Systems' consulting actuary, Gabriel, Roeder, Smith and Company (GRS) and are based on the July 1, 2014, actuarial valuations, as adopted by the PEBA Board and the SFAA which utilized membership data as of July 1, 2014. The total pension liability was rolled forward from the valuation date to the plan's fiscal year ended June 30, 2015, using Generally Accepted Actuarial Principles. Information included in the following schedules is based on the certification provided by GRS.

The following table provides a summary of the actuarial assumptions and methods used in the July 1, 2014 valuations for the SCRS and PORS plans.

	SCRS	PORS
Actuarial cost method	Entry age normal	Entry age normal
Actuarial assumptions:		
Investment rate of return	7.5%	7.5%
Projected salary increases	3.5% to 12.5% (varies by service)	4.0% to 10.0% (varies by service)
Includes inflation at	2.75%	2.75%
Benefit adjustments	lesser of 1% or \$500 annually	lesser of 1% or \$500 annually

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

B. Pension Plan, Continued

Actuarial Assumptions and Methods, Continued:

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. Assumptions used in the July 1, 2014, valuations for SCRS and PORS are as follows.

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%

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments, as used in the July 1, 2014 actuarial valuations, was based upon the thirty-year capital market outlook developed in the third quarter of 2013, as developed by the Retirement Systems Investment Commission (RSIC) in collaboration with its investment consultant, Aon Hewitt. The long-term expected rate of returns represent assumptions developed using an arithmetic building block approach, reflecting observable inflation and interest rate information available in the fixed income markets as well as Consensus Economics forecasts. 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 weighting 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 below. For actuarial purposes, the 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.

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

B. Pension Plan, Continued

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Long Term Expected Portfolio Real Rate of Return
ShortTerm	5.0%		
Cash	2.0%	1.9%	0.04%
Short Duration	3.0%	2.0%	0.06%
Domestic Fixed Income	13.0%		
Core Fixed Income	7.0%	2.7%	0.19%
Mixed Credit	6.0%	3.8%	0.23%
Global Fixed Income	9.0%		
Global Fixed Income	3.0%	2.8%	0.08%
Emerging Markets Debt	6.0%	5.1%	0.31%
Global Public Equity	31.0%	7.1%	2.20%
Global Tactical Asset Allocation	10.0%	4.9%	0.49%
Alternatives	32.0%		
Hedge Funds (Low Beta)	8.0%	4.3%	0.34%
Private Debt	7.0%	9.9%	0.69%
Private Equity	9.0%	9.9%	0.89%
Real Estate (Broad Market)	5.0%	6.0%	0.30%
Commodities	3.0%	5.9%	0.18%
Total Expected Rate of Return	<u>100.0%</u>		6.00%
Inflation for Actuarial Purposes			<u>2.75%</u>
Total Expected Nominal Return			<u>8.75%</u>

Discount Rate:

The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS will be made based on the actuarially determined rates based on provisions in the South Carolina Code of Laws. Based on those assumptions, each 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.

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

B. Pension Plan, Continued

Sensitivity Analysis:

The following table presents the County's proportionate share of the net pension liabilities of the respective plans calculated using the discount rate of 7.50 percent, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1.00 percent lower (6.50 percent) or 1.00 percent higher (8.50 percent) than the current rate.

	1.00% Decrease (6.50%)	Current Discount Rate (7.50%)	1.00% Increase (8.50%)
<u>Primary Government</u>			
SCRS			
Governmental Activities	\$ 24,088,503	\$ 19,214,646	\$ 14,931,458
Business-Type Activities	265,302	210,438	164,455
Total SCRS for the Primary Government	<u>24,353,805</u>	<u>19,425,084</u>	<u>15,095,913</u>
PORS			
Governmental Activities	13,030,695	9,565,685	6,468,152
Total PORS for the Primary Government	<u>13,030,695</u>	<u>9,565,685</u>	<u>6,468,152</u>
Total Primary Government	<u>\$ 37,384,500</u>	<u>\$ 28,990,769</u>	<u>\$ 21,564,065</u>
<u>Component Units</u>			
SCRS			
Library	\$ 884,828	\$ 594,229	\$ 548,946
OCDC	293,240	232,598	181,773
Total SCRS for the Component Units	<u>1,178,068</u>	<u>826,827</u>	<u>730,719</u>
PORS			
Library	3,733	2,740	1,853
Total PORS for the Component Units	<u>3,733</u>	<u>2,740</u>	<u>1,853</u>
Total Component Units	<u>\$ 1,181,801</u>	<u>\$ 829,567</u>	<u>\$ 732,572</u>

Additional Financial and Actuarial Information

Detailed information regarding the fiduciary net position of the plans administered by PEBA is available in the Systems' audited financial statements for the fiscal year ended June 30, 2015 (including the unmodified audit opinion on the financial statements). Additional actuarial information is available in the accounting and financial reporting actuarial valuation as of June 30, 2015.

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

C. Deferred Compensation Plans

Certain County employees participate in one of two optional deferred compensation plans which are available to them in conjunction with the State Retirement System. The multiple employer plans, created under Internal Revenue Code Sections 457 and 401(k) are administered for the State Retirement System by third parties. Compensation deferred under the plans is placed in trust for the contributing employee. The County has no liability for losses under the plans. Employees may withdraw the current value of their contributions when they terminate their employment with the County. Employees may also withdraw contributions prior to termination if they meet requirement specified by the applicable plan.

D. Other Post-Employment Benefits

Plan Description. The County's defined benefit post-employment healthcare plan (the plan) provides medical insurance to retirees. The County will contribute the full monthly premium for a retiree with 30 years or more of service with the County, or for an elected official with 15 or more years of service in County elected office, provided the employee or elected official is eligible for retirement under the State Retirement System at the time the retiree leaves active County service. The County will contribute the full monthly premium for a retiree with 25 years or more of service provided the retiree is eligible for regular or disability retirement under the Police Officers' Retirement System at the time the retiree leaves active County service. The County will contribute 50 percent of the monthly premium for a retiree with 15 years or more of service with the County provided the retiree is eligible for regular or disability retirement under either the State Retirement System or the Police Officers' Retirement System at the time the retiree leaves active County service. The health insurance benefits received by a retiree are the same as those under the County's group plan, minus any payments attributable to Medicare. If a retiree desires to cover dependents, the retiree must pay the entire cost of the dependent's insurance premium. The plan does not issue separate financial statements.

As of July 1, 2014, the measurement date for the plan year, there were 591 covered participants; 85 members were retirees (73) and spouses (12) receiving benefits and 506 were active participants.

Funding Policy. The plan was established and may be amended by County Council. The County currently finances the plan on a pay-as-you-go basis. During the year ended June 30, 2016, the County paid \$335,639 to meet its obligation for participants under the terms of the plan.

Annual OPEB Cost and Net OPEB Obligation. The County's annual other post-employment benefits (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with accounting principles generally accepted in the United States of America. The ARC is equal to the normal cost plus the amortization of any unfunded actuarially accrued liability. The normal cost represents the annual ongoing cost of benefits accruing to active participants. The actuarial accrued liability is the portion of the total present value of benefits that is attributable to service up to the date of the valuation. The amount of the actuarially accrued liability in excess of the plan's assets is the unfunded actuarially accrued liability which is being amortized over a period not to exceed 30 years.

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

D. Other Post-Employment Benefits, Continued

Annual OPEB Cost and Net OPEB Obligation, Continued - The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan and any changes in the County's obligation under the plan:

	Total	Governmental		
		Activities	Library	OCDC
Annual required contribution (ARC)	\$ 5,236,775	\$ 5,068,336	\$ 143,324	\$ 25,115
Interest on unfunded OPEB obligation	1,318,122	1,266,790	41,395	9,937
Adjustment to ARC	(1,345,345)	(1,302,073)	(36,820)	(6,452)
Annual OPEB cost (expense)	5,209,552	5,033,053	147,899	28,600
Less: actual contributions	(335,639)	(307,151)	(28,488)	-
Increase in net OPEB obligation	4,873,913	4,725,902	119,411	28,600
Net OPEB liability, beginning of year	32,948,873	31,669,739	1,034,879	244,255
Net OPEB liability, end of year	\$ 37,822,786	\$ 36,395,641	\$ 1,154,290	\$ 272,855

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the current year and each of the two preceding years were as follows:

Fiscal Year Ended June 30,	Annual OPEB Cost	Employer Amount Contributed	Percentage of	
			Annual OPEB Cost Contributed	Net OPEB Obligation
2016	\$ 5,033,053	\$ 307,151	6.1%	\$ 36,395,641
2015	4,743,813	302,507	6.4%	31,669,739
2014	4,465,115	267,308	6.0%	27,228,433

The Library's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the current year and each of the two preceding years were as follows:

Fiscal Year Ended June 30,	Annual OPEB Cost	Employer Amount Contributed	Percentage of	
			Annual OPEB Cost Contributed	Net OPEB Obligation
2016	\$ 147,899	\$ 28,488	19.3%	\$ 1,154,290
2015	140,182	26,152	18.7%	1,034,879
2014	168,869	38,647	22.9%	920,849

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

D. Other Post-Employment Benefits, Continued

Annual OPEB Cost and Net OPEB Obligation, Continued - The OCDC's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the current year and each of the two preceding years were as follows:

<u>Fiscal Year Ended June 30,</u>	<u>Annual OPEB Cost</u>	<u>Employer Amount Contributed</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2016	\$ 28,600	\$ -	0.0%	\$ 272,855
2015	22,793	-	0.0%	244,255
2014	24,104	388	1.6%	221,462

Funded Status and Funding Progress - As of July 1, 2014, the most recent actuarial valuation date, the funded status of the plan (excluding component units) was as follows:

Actuarial accrued liability (AAL)	\$ 51,707,478
Actuarial value of Plan assets	-
Unfunded actuarial accrued liability (UAAL)	<u>\$ 51,707,478</u>
Funded ratio (actuarial value of Plan assets/AAL)	0.0%
Covered payroll (annual payroll of active employees covered by the Plan)	<u>\$ 19,471,757</u>
UAAL as a percentage of covered payroll	265.6%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trends.

Actuarial Methods and Assumptions - The Projected Unit Credit actuarial cost method is used to calculate the ARC for the County's retiree health care plan. Anticipated future payments are projected using the plan benefits, the present health premiums and a set of actuarial assumptions. The projected unit credit method then provides for a systematic funding for the anticipated payments. The yearly ARC is computed to cover the cost of benefits being earned by covered members as well as to amortize a portion of the unfunded accrued liability.

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 Projected Unit Credit Actuarial Cost Method was used to calculate the ARC, based on an assumed level percent of payroll funding and an assumed 4 percent rate of return on investments for the current year. The assumed general inflation rate was 2.5 percent. The assumed rate of annual increase in health costs varied from 5.0 to 10.0 percent. The actuarial methods and assumptions and calculations reflect a long-term perspective and are designed to reduce short-term volatility in actuarially accrued liabilities and in actuarial value of assets.

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

D. Other Post-Employment Benefits, Continued

Actuarial Methods and Assumptions, Continued - Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status and the annual required contributions of the County's retiree health care plan are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The schedule of funding progress presented as required supplementary information provides multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Component Unit - Library. The assumptions for the Library are the same as for the Primary Government. At June 30, 2016, the actuarial accrued liability for the Library's Retiree Health Plan was \$1,462,196, all of which is unfunded. The unfunded accrued actuarial liability was 191.7% of payroll for the year ended June 30, 2016.

Component Unit - Development Commission. The assumptions for the Development Commission are the same as for the Primary Government. At June 30, 2016, the actuarial accrued liability for the Development Commission's Retiree Health Plan was \$256,226, all of which is unfunded. The unfunded accrued actuarial liability was 101.2% of payroll for the year ended June 30, 2016.

E. Conduit Debt

From time to time, the County issues bonds to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are generally for a period of 20 years, are secured by the property financed, and are payable solely from the payments received on the underlying mortgage notes or lease arrangements. Pursuant to County Council ordinances and certain lease agreements, the County shall own legal title to the real property and facilities during the term of the lease and debt service of the bonds shall be payable solely out of lease payments made by the business. Upon repayment of bonds, ownership of the acquired facilities transfers to the private sector entity served by the bond issuance. Neither the County, State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities, nor are the deeded (leased) assets in the accompanying financial statements.

At June 30, 2016, the County had outstanding arrangements with RMC (Hospital) and the Three Rivers Solid Waste Authority with aggregate outstanding bonds equaling approximately \$7,545,000 and \$29,600,000, respectively.

F. Commitments

The County had commitments for construction contracts not yet completed at year end totaling \$2,039,306.

G. Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by those agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute liabilities of the applicable funds. The amount, if any, of expenditures which may be disallowed by a grantor cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

H. Restatements

The County made several restatement adjustments to the prior year financial statements. Those restatements are as follow:

	Governmental Activities	Business-type Funds	Government Funds
Fund balance / net position - June 30, 2015, as previously reported	\$ 50,665,290	\$ 25,262,874	\$ 67,466,080
Restated for correction of an error:			
Correction of net pension liability accrual	656,230	(150,709)	-
Broadband fund grants receivable correction of prior year adjustment	-	139,982	-
Correction of accounts receivable in a governmental fund to reflect prior year amounts due from a component unit	156,759	-	156,759
Correction of accounts receivable in a governmental fund to reflect modified accrual basis of accounting	(599,236)	-	(599,236)
Correction of note payable balance originally recorded at higher amount than actual proceeds	87,500	-	-
Total Restatement	301,253	(10,727)	(442,477)
Fund balance / net position - June 30, 2015, as restated	\$ 50,966,543	\$ 25,252,147	\$ 67,023,603

The restatements above had no impact on the current year change in net position or change in fund balance.

I. Pending Implementation of GASB Statements

GASB Statement No. 73, Accounting and Financial Reporting for Pensions and Related Assets That are Not within the Scope of GASB Statement 68 and Amendments to Certain Provision of GASB Statement 67 and 68. The requirements of this Statement will improve financial reporting by establishing a single framework for the presentation of information about pensions, which will enhance the comparability of pension-related information reported by employers and non-employer contributing entities. The provisions in Statement 73 are effective for fiscal years beginning after June 15, 2015—except those provisions that address employers and governmental non-employer contributing entities for pensions that are not within the scope of Statement 68, which are effective for fiscal years beginning after June 15, 2016. The County will implement the new guidance with the 2017 financial statements.

GASB Statement No. 74, Financial Reporting for Post-employment Benefit Plans Other Than Pension Plans. The objective of this Statement is to improve the usefulness of information about post-employment benefits other than pensions (other post-employment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. The provisions in Statement 74 are effective for fiscal years beginning after June 15, 2016. The County will implement the new guidance with the 2017 financial statements.

GASB Statement No. 75, Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions, establishes new accounting and financial reporting requirements for governments whose employees are provided with OPEB, as well as for certain non-employer governments that have a legal obligation to provide financial support for OPEB provided to the employees of other entities. The provisions in Statement 75 are effective for fiscal years beginning after June 15, 2017. The County will implement the new guidance with the 2018 financial statements.

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

I. Pending Implementation of GASB Statements, Continued

GASB Statement No. 77, Tax Abatement Disclosures, requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues. The requirements of this Statement are effective for reporting periods beginning after December 15, 2015. The County will implement the new guidance with the 2017 financial statements.

GASB Statement No. 80, Blending Requirements for Certain Component Units – An Amendment of GASB Statement No. 14, requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016. The County will implement the new guidance with the 2017 financial statements.

GASB Statement No. 81, Irrevocable Split-Interest Agreements, requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period. The requirements of this statement are effective for financial statements for periods beginning after December 15, 2016, and should be applied retroactively. The County will implement the new guidance with the 2018 financial statements.

GASB Statement No. 82, Pension issues – an amendment of GASB Statements No. 67, No. 68, and No. 73, requires the presentation of covered payroll, defined as the payroll on which contributions to a pension plan are based, and ratios that use that measure. This Statement clarifies that payments that are made by an employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements should be classified as plan member contributions for purposes of Statement 67 and as employee contributions for purposes of Statement 68. It also requires that an employer's expense and expenditures for those amounts be recognized in the period for which the contribution is assessed and classified in the same manner as the employer classifies similar compensation other than pensions (for example, as salaries and wages or as fringe benefits). The requirements of this Statement are effective for reporting periods beginning after June 15, 2016. The County will implement the new guidance with the 2017 financial statements.

GASB Statement No. 83, Certain Asset Retirement Obligations addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. The County will implement the new guidance with the 2019 financial statements.

GASB Statement No. 84, Fiduciary Activities addresses the criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria is generally on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. The County will implement the new guidance with the 2019 financial statements.

County of Orangeburg, South Carolina

Notes to the Basic Financial Statements

June 30, 2016

I. Pending Implementation of GASB Statements, Continued

GASB Statement No. 85, Omnibus 2017 addresses practice issues that have been identified during implementation and application of certain GASB statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application and post-employment benefits (pensions and other post-employment benefits (OPEB)). The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. The County will implement the new guidance with the 2018 financial statements.

GASB Statement No. 86, Certain Debt Extinguishment Issues addresses consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources – resources other than the proceeds of refunding debt – are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. The County will implement the new guidance with the 2018 financial statements.

Management has not yet determined the impact implementation of these standards will have on the County's financial statements, if any.

J. Subsequent Events

In September 2016, the County issued a General Obligation Bond Anticipation Note (BAN) in the amount of \$5,000,000 at a fixed rate of interest of 0.98%, with a maturity date of March 1, 2017 to assist the County with planning and design of a new detention center and other capital projects.

In February 2017, the County issued a General Obligation Bond Anticipation Note (BAN) in the amount of \$7,000,000 at a fixed rate of interest of 1.39%, with a maturity date of December 1, 2017 to pay off the \$5,000,000 BAN issued in September 2016 and to assist the County with planning and design of a new detention center and other capital projects.

In January 2017, the County entered into a capital lease agreement to finance the acquisition of equipment with nineteen quarterly payments of \$126,038 and a final balloon payment of \$873,727 due December 2021.

In March 2017, the County entered into a capital lease agreement to finance the acquisition of equipment with nineteen quarterly payments of \$64,894 and a final balloon payment of \$420,174 due December 2021.

Management has evaluated subsequent events through June 27, 2017.

Required Supplementary Information

County of Orangeburg, South Carolina

Required Supplementary Information

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

General Fund

For the year ended June 30, 2016

	GENERAL FUND					
	Original Budget	Final Budget	Actual (GAAP Basis)	GAAP to Budgetary Basis Differences	Actual (Budgetary Basis)	Variance
REVENUES						
Property taxes:						
Current property taxes	\$ 21,123,420	\$ 21,123,420	\$ 18,808,723	\$ -	\$ 18,808,723	\$ (2,314,697)
Delinquent property taxes	2,252,384	2,252,384	2,612,133	-	2,612,133	359,749
Homestead	1,185,526	1,185,526	1,241,898	-	1,241,898	56,372
Penalties	209,600	209,600	195,142	-	195,142	(14,458)
Manufacturers' reimbursement	569,250	569,250	537,558	-	537,558	(31,692)
Merchants' inventory tax	205,757	205,757	205,757	-	205,757	-
Fees in lieu of taxes	1,713,597	1,713,597	1,749,051	-	1,749,051	35,454
Sums in lieu of taxes (SCPSA)	6,500	6,500	9,212	-	9,212	2,712
Motor carriers' allocation	151,944	151,944	196,071	-	196,071	44,127
Escheatments - delinquent tax	105,000	105,000	104,671	-	104,671	(329)
Total property taxes	<u>27,522,978</u>	<u>27,522,978</u>	<u>25,660,216</u>	<u>-</u>	<u>25,660,216</u>	<u>(1,862,762)</u>
Licenses and permits:						
Franchise fees	337,152	337,152	375,824	-	375,824	38,672
Documentary stamps	134,000	134,000	222,025	-	222,025	88,025
Health department fees	38,000	38,000	-	-	-	(38,000)
Building permits	260,000	260,000	318,710	-	318,710	58,710
Mobile home licenses/inspection fees	4,500	4,500	3,363	-	3,363	(1,137)
Probate Judge licenses	10,000	10,000	9,180	-	9,180	(820)
Pollution control	3,500	3,500	10,513	-	10,513	7,013
Subdivision regulation fees	6,550	6,550	11,300	-	11,300	4,750
Total licenses and permits	<u>793,702</u>	<u>793,702</u>	<u>950,915</u>	<u>-</u>	<u>950,915</u>	<u>157,213</u>
Intergovernmental:						
State supplement	3,494,813	3,494,813	3,503,111	-	3,503,111	8,298
Mini-bottle tax	140,000	140,000	177,373	-	177,373	37,373
Accommodations tax	36,000	36,000	41,664	-	41,664	5,664
Tax supply aid	3,085	3,085	-	-	-	(3,085)
Voter registration and elections	136,750	136,750	61,956	-	61,956	(74,794)
Veterans' affairs	10,000	10,000	6,497	-	6,497	(3,503)
DSS - FFP funds	20,000	20,000	160,648	-	160,648	140,648
Probate, RMC, Clerk of Court, Sheriff	7,875	7,875	7,875	-	7,875	-
Other	-	-	14,348	-	14,348	14,348
Total intergovernmental	<u>3,848,523</u>	<u>3,848,523</u>	<u>3,973,472</u>	<u>-</u>	<u>3,973,472</u>	<u>124,949</u>
Charges for services						
Probate Judge	177,300	177,300	211,133	-	211,133	33,833
Clerk of Court	6,000	6,000	9,419	-	9,419	3,419
Family Court	65,045	65,045	31,950	-	31,950	(33,095)
Register of Deeds	130,000	130,000	113,790	-	113,790	(16,210)
Master in Equity	125,000	125,000	90,169	-	90,169	(34,831)
Treasurer returned checks	3,000	3,000	-	-	-	(3,000)
Tax Collector fees	493,168	493,168	567,439	-	567,439	74,271
Sheriff's fees	17,000	17,000	15,859	-	15,859	(1,141)
Ambulance service fees	2,000,000	2,000,000	2,474,898	-	2,474,898	474,898
Clean up fees	12,000	12,000	73,112	-	73,112	61,112
Magistrates' costs	104,031	104,031	6,201	-	6,201	(97,830)
Other charges for services	100,000	100,000	10,952	-	10,952	(89,048)
Total charges for services	<u>3,232,544</u>	<u>3,232,544</u>	<u>3,604,922</u>	<u>-</u>	<u>3,604,922</u>	<u>372,378</u>

Continued

County of Orangeburg, South Carolina

Required Supplementary Information

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

General Fund

For the year ended June 30, 2016

	GENERAL FUND					
	Original Budget	Final Budget	Actual (GAAP Basis)	GAAP to Budget Differences	Actual (Budgetary Basis)	Variance
REVENUES, Continued						
Fines and forfeitures						
Animal control fines	\$ 500	\$ 500	\$ 4,482	\$ -	\$ 4,482	\$ 3,982
Litter control fines	552	552	-	-	-	(552)
Central Traffic Court	622,874	622,874	446,814	-	446,814	(176,060)
Clerk of Court - General Sessions	16,000	16,000	14,596	-	14,596	(1,404)
Forfeited bonds	8,183	8,183	240	-	240	(7,943)
3% service costs	5,157	5,157	11,578	-	11,578	6,421
Magistrates' fees	184,320	184,320	198,267	-	198,267	13,947
Magistrates - various	52,211	52,211	54,021	-	54,021	1,810
Total fines and forfeits	889,797	889,797	729,998	-	729,998	(159,799)
Interest / miscellaneous						
Interest	50,473	50,473	-	-	-	(50,473)
Other	42,400	42,400	111,720	-	111,720	69,320
Rents and royalties	200,000	200,000	139,621	-	139,621	(60,379)
Map sales	25,000	25,000	22,388	-	22,388	(2,612)
Family Court set off debt	32,000	32,000	18,550	-	18,550	(13,450)
Surplus property sales	238,000	238,000	-	205,112	205,112	(32,888)
Magistrates' Court set off debt	37,000	37,000	-	-	-	(37,000)
Project reimbursements	8,000	8,000	-	-	-	(8,000)
Total interest / miscellaneous	632,873	632,873	292,279	205,112	497,391	(135,482)
Total revenues	36,920,417	36,920,417	35,211,802	205,112	35,416,914	(1,503,503)
EXPENDITURES						
General government:						
Legislative delegation	1,046	1,046	820	-	820	226
County Council / Clerk	292,283	292,583	275,427	-	275,427	17,156
County Administrator	269,644	271,735	291,366	-	291,366	(19,631)
Deputy Administrator - property services	179,028	179,028	167,277	-	167,277	11,751
Deputy Administrator - public works	530,257	530,257	334,374	-	334,374	195,883
Personnel	450,386	450,386	471,666	-	471,666	(21,280)
Election Commission	373,770	379,552	408,485	-	408,485	(28,933)
GIS mapping / record retention	331,811	331,811	362,552	-	362,552	(30,741)
Delinquent Tax Collector	456,362	456,362	406,638	-	406,638	49,724
Treasurer	363,669	363,669	366,731	-	366,731	(3,062)
Finance	396,415	396,415	423,398	-	423,398	(26,983)
Auditor	291,460	291,460	295,118	-	295,118	(3,658)
Tax Assessor	699,297	699,297	731,134	-	731,134	(31,837)
Information technology	1,389,161	1,389,161	1,078,254	-	1,078,254	310,907
Building inspection	332,558	332,558	341,474	-	341,474	(8,916)
Planning	192,286	192,286	206,281	-	206,281	(13,995)
Grants	55,059	55,059	63,496	-	63,496	(8,437)
Register of Deeds	203,935	203,935	219,373	-	219,373	(15,438)
Legal	239,410	239,410	278,383	-	278,383	(38,973)
Non-departmental	3,867,636	4,113,051	3,300,832	-	3,300,832	812,219
Development Commission	660,863	660,863	673,877	-	673,877	(13,014)
Capital outlay	48,000	52,218	-	43,394	43,394	8,824
Total general government	11,624,336	11,882,142	10,696,956	43,394	10,740,350	1,141,792

Continued

County of Orangeburg, South Carolina

Required Supplementary Information

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

General Fund

For the year ended June 30, 2016

	GENERAL FUND					
	Original Budget	Final Budget	Actual (GAAP Basis)	GAAP to Budget Differences	Actual (Budgetary Basis)	Variance
EXPENDITURES, Continued						
Judicial:						
Clerk of Court	\$ 256,607	\$ 256,607	\$ 264,622	\$ -	\$ 264,622	\$ (8,015)
Master in Equity	155,832	155,832	161,040	-	161,040	(5,208)
Circuit Court	200	200	-	-	-	200
Family Court	431,254	431,254	453,709	-	453,709	(22,455)
Probate Court	353,706	353,706	374,289	-	374,289	(20,583)
Regional Magistrates' Courts	1,355,374	1,358,374	1,426,081	-	1,426,081	(67,707)
Public Defender	600,000	600,000	600,000	-	600,000	-
Solicitor	634,288	634,288	634,288	-	634,288	-
Capital outlay	500	500	-	-	-	500
Total judicial	<u>3,787,761</u>	<u>3,790,761</u>	<u>3,914,029</u>	<u>-</u>	<u>3,914,029</u>	<u>(123,268)</u>
Public Works:						
Sign shop	66,728	66,728	48,059	-	48,059	18,669
Buildings and grounds	1,567,397	1,567,052	1,243,299	-	1,243,299	323,753
Purchasing	180,884	180,884	157,501	-	157,501	23,383
Vehicle maintenance	796,247	793,447	894,827	-	894,827	(101,380)
Capital outlay	153,000	156,275	-	126,801	126,801	29,474
Intergovernmental	-	-	307,977	-	307,977	(307,977)
Total public works	<u>2,764,256</u>	<u>2,764,386</u>	<u>2,651,663</u>	<u>126,801</u>	<u>2,778,464</u>	<u>(14,078)</u>
Public Safety:						
Sheriff	6,883,179	6,879,736	6,772,672	-	6,772,672	107,064
Emergency services	343,746	339,709	353,633	-	353,633	(13,924)
Coroner	332,626	332,626	303,218	-	303,218	29,408
Emergency medical services	2,708,062	2,767,062	3,208,122	-	3,208,122	(441,060)
E-911 communications center	667,979	666,935	728,736	-	728,736	(61,801)
Capital outlay	33,214	39,840	-	14,028	14,028	25,812
Transfer to LEC - Jail	5,103,559	5,123,476	-	4,181,843	4,181,843	941,633
Total public safety	<u>16,072,365</u>	<u>16,149,384</u>	<u>11,366,381</u>	<u>4,195,871</u>	<u>15,562,252</u>	<u>587,132</u>
Social and Health:						
Health Department	198,539	198,539	120,330	-	120,330	78,209
Mosquito control	50,297	50,297	46,661	-	46,661	3,636
Animal control	317,361	363,687	331,733	-	331,733	31,954
Orangeburg Area Development Center	481,640	481,640	421,448	-	421,448	60,192
Red Cross	14,000	14,000	14,000	-	14,000	-
Ellore Heritage Museum	10,000	10,000	10,000	-	10,000	-
Springfield Museum'	9,000	9,000	9,000	-	9,000	-
Depart of Social Services	190,000	190,000	192,419	-	192,419	(2,419)
Veterans' Affairs	108,174	108,141	116,434	-	116,434	(8,293)
Carolina Transit	76,683	76,683	-	134,654	134,654	(57,971)
Recreation - summer	33,172	33,172	6,160	-	6,160	27,012
Recreation - basketball	43,195	43,195	52,355	-	52,355	(9,160)
Indian Bluff park	89,746	90,366	69,638	-	69,638	20,728
Samaritan House	8,047	8,047	8,047	-	8,047	-
Council on Aging	94,000	94,000	94,000	-	94,000	-
Dawn Center	64,300	64,300	64,300	-	64,300	-
Dawn Center - mini bottle	140,000	140,000	165,349	-	165,349	(25,349)

Continued

County of Orangeburg, South Carolina

Required Supplementary Information

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

General Fund

For the year ended June 30, 2016

	GENERAL FUND					
	Original Budget	Final Budget	Actual (GAAP Basis)	GAAP to Budget Differences	Actual (Budgetary Basis)	Variance
EXPENDITURES, Continued						
Social and Health:						
Medically indigent	\$ 370,400	\$ 370,400	\$ 370,400	\$ -	\$ 370,400	\$ -
Orangeburg County Fine Arts Council	8,000	8,000	8,000	-	8,000	-
Soil and Water	48,945	48,945	56,185	-	56,185	(7,240)
Tri-County Chamber of Commerce	7,000	7,000	7,000	-	7,000	-
Project Life: Positeen	12,000	12,000	12,000	-	12,000	-
Santee Water Park	111,000	111,000	223,828	-	223,828	(112,828)
Boys and Girls Clubs	104,000	104,000	104,000	-	104,000	-
Orangeburg Community Action	10,000	10,000	10,000	-	10,000	-
Family Health Center	8,000	8,000	8,000	-	8,000	-
Mental Health	18,000	18,000	18,000	-	18,000	-
CORE	30,000	30,000	30,000	-	30,000	-
YMCA	-	-	50,000	-	50,000	(50,000)
Capital outlay	16,200	16,233	-	14,403	14,403	1,830
Total social and health	<u>2,671,699</u>	<u>2,718,645</u>	<u>2,619,287</u>	<u>149,057</u>	<u>2,768,344</u>	<u>(49,699)</u>
Capital outlay	-	-	198,626	(198,626)	-	-
Total capital outlay	<u>-</u>	<u>-</u>	<u>198,626</u>	<u>(198,626)</u>	<u>-</u>	<u>-</u>
Debt service						
Principal	-	-	124,976	-	124,976	(124,976)
Total debt service	<u>-</u>	<u>-</u>	<u>124,976</u>	<u>-</u>	<u>124,976</u>	<u>(124,976)</u>
Total expenditures	<u>36,920,417</u>	<u>37,305,318</u>	<u>31,571,918</u>	<u>4,316,497</u>	<u>35,888,415</u>	<u>1,416,903</u>
Excess of revenues over expenditures	<u>-</u>	<u>(384,901)</u>	<u>3,639,884</u>	<u>(4,111,385)</u>	<u>(471,501)</u>	<u>(86,600)</u>
OTHER FINANCING SOURCES						
Proceeds on sale of capital assets	-	-	205,112	(205,112)	-	-
Transfers in	-	384,901	614,521	-	614,521	229,620
Transfers out	-	-	(4,396,475)	4,316,497	(79,978)	(79,978)
Total other financing sources	<u>-</u>	<u>384,901</u>	<u>(3,576,842)</u>	<u>4,111,385</u>	<u>534,543</u>	<u>149,642</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 63,042</u>	<u>\$ -</u>	<u>\$ 63,042</u>	<u>\$ 63,042</u>

See Notes to Required Supplementary Information.

County of Orangeburg, South Carolina

Required Supplementary Information

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

Special Education Fund

For the year ended June 30, 2016

	Special Education Fund					Variance
	Original Budget	Final Budget	Actual (GAAP Basis)	GAAP to Budgetary Basis Differences	Actual (Budgetary Basis)	
REVENUES						
Property taxes:						
Current property taxes	\$ 1,840,554	\$ 1,840,554	\$ 1,747,874	\$ -	\$ 1,747,874	\$ (92,680)
Delinquent property taxes	225,518	225,518	236,532	-	236,532	11,014
Homestead	131,000	131,000	111,384	-	111,384	(19,616)
Penalties	21,836	21,836	17,322	-	17,322	(4,514)
Manufacturers' reimbursement	55,000	55,000	48,195	-	48,195	(6,805)
Merchants' inventory tax	22,813	22,813	22,813	-	22,813	-
Fees in lieu of taxes	145,627	145,627	103,624	-	103,624	(42,003)
Motor carriers' allocation	18,786	18,786	19,419	-	19,419	633
Total property taxes	<u>2,461,134</u>	<u>2,461,134</u>	<u>2,307,163</u>	<u>-</u>	<u>2,307,163</u>	<u>(153,971)</u>
Intergovernmental:						
Library Aid	85,000	85,000	123,574	-	123,574	38,574
Lottery Funds	-	-	32,015	-	32,015	32,015
Total intergovernmental	<u>85,000</u>	<u>85,000</u>	<u>155,589</u>	<u>-</u>	<u>155,589</u>	<u>70,589</u>
Fines and forfeitures						
Fines	20,000	20,000	-	-	-	(20,000)
Total fines and forfeits	<u>20,000</u>	<u>20,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(20,000)</u>
Total revenues	<u>2,566,134</u>	<u>2,566,134</u>	<u>2,462,752</u>	<u>-</u>	<u>2,462,752</u>	<u>(103,382)</u>
EXPENDITURES						
Social and health						
Adult Literacy Council	6,000	6,000	6,000	-	6,000	-
North Family Community School	32,857	32,857	32,857	-	32,857	-
Total social and health	<u>38,857</u>	<u>38,857</u>	<u>38,857</u>	<u>-</u>	<u>38,857</u>	<u>-</u>
Other agencies and institutions:						
Public works						
Soil and Water	1,212	1,212	1,212	-	1,212	-
Soil and Water - personnel and benefits	37,142	37,142	38,747	-	38,747	(1,605)
Total public works	<u>38,354</u>	<u>38,354</u>	<u>39,959</u>	<u>-</u>	<u>39,959</u>	<u>(1,605)</u>
Social and health						
Clemson Extension	5,000	5,000	3,750	-	3,750	1,250
OC Technical College	1,130,740	1,130,740	1,130,740	-	1,130,740	-
Disability and Special Needs Board	12,000	12,000	12,000	-	12,000	-
Orangeburg County Library	1,334,658	1,334,658	1,507,405	-	1,507,405	(172,747)
Total social and health	<u>2,482,398</u>	<u>2,482,398</u>	<u>2,653,895</u>	<u>-</u>	<u>2,653,895</u>	<u>(171,497)</u>
Total expenditures	<u>2,559,609</u>	<u>2,559,609</u>	<u>2,732,711</u>	<u>-</u>	<u>2,732,711</u>	<u>(173,102)</u>
OTHER FINANCING SOURCES						
Transfers out	6,525	6,525	-	-	-	6,525
Total other financing sources	<u>6,525</u>	<u>6,525</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,525</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (269,959)</u>	<u>\$ -</u>	<u>\$ (269,959)</u>	<u>\$ (269,959)</u>

See Notes to Required Supplementary Information.

County of Orangeburg, South Carolina

Notes to Required Supplementary Information

June 30, 2016

Budgetary Data

The County uses the following procedures to establish the budgetary data reflected in the financial statements:

- a. In February of each year, all agencies of the county submit requests for appropriations to the County Administrator so that a budget may be prepared. By the end of March, the proposed budget is presented to County Council for review. The Council holds public hearings, and a final budget must be prepared and adopted by way of a County Ordinance no later than June 30.
- b. The budget ordinance appropriates amounts for activities/departments of the General, Accommodations Tax, Debt Service, Capital Improvement, New Brooklyn Lighting Tax District, Brookdale Lighting District, Creekmore Lighting District, Whittaker Lighting District, Enterprise, Roads and Bridges, E-911 Tariff, Victims' Assistance, Solid Waste, Detention Center and Orangeburg County Fire District Funds. The County by way of an additional ordinance, appropriates amounts raised by the Special Education Millage to fund the Library and other educational purposes.
- c. County Council authorization is required to transfer amounts exceeding \$20,000 from the Contingency Fund. The County administrator may, if deemed in the best interest of the County and within the appropriations provided by the budget ordinance, transfer funds from any fund, department, activity or purpose.
- d. The General Fund and Special Education Fund budgets reflect the legal level of budgetary control. The major special revenue fund, C Funds Fund, does not have a legally adopted budget.
- e. The budgets are on a basis consistent with GAAP for the General Fund and Special Education Fund, except that:
 1. Certain capital outlays are budgeted as functional expenditures.
 2. Proceeds of sale of certain capital assets are budgeted as revenue rather than other financing source.
 3. Certain transfers are budgeted as functional expenditures.

County of Orangeburg, South Carolina

Required Supplementary Information

Schedule of Funding Progress - Other Post-Employment Benefits

For the year ended June 30, 2016

The County's annual required contribution (ARC), actual contributions and the percent funded are as follow:

Fiscal Period Ended	Annual Required Contribution (ARC)	Actual Contributions	Percent Funded
2016	\$ 5,068,336	\$ 307,151	6.1%
2015	4,775,688	302,507	6.3%
2014	4,502,762	267,308	5.9%

The funded status and funding progress of the plan was as follows:

Actuarial valuation date	Fiscal period ended	Actuarial value of plan assets (a)	Actuarial accrued liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded ratio (a/b)	Covered payroll (c)	UAAL as a percentage of covered payroll
7/1/2014	6/30/2016	\$ -	\$ 51,707,478	\$ 51,707,478	0.00%	\$ 19,471,757	265.6%
7/1/2014	6/30/2015	-	47,269,448	47,269,448	0.00%	19,149,443	246.8%
7/1/2012	6/30/2014	-	45,526,003	45,526,003	0.00%	19,375,957	235.0%

County of Orangeburg, South Carolina

Required Supplementary Information

Schedule of the County's Proportionate Share of the Net Pension Liability

For the year ended June 30, 2016

	SCRS		
	2016	2015	2014
Employer's proportion of the net pension liability	0.10231%	0.12811%	0.12811%
Employer's proportionate share of the net pension liability	<u>\$ 19,425,084</u>	<u>\$ 23,618,882</u>	<u>\$ 24,606,275</u>
Employer's covered payroll during the measurement period	<u>\$ 13,300,897</u>	<u>\$ 12,433,158</u>	<u>\$ 12,063,783</u>
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	146.04341%	189.96688%	203.96815%
Plan fiduciary net position as a percentage of the total pension liability	57.00%	59.90%	56.39%
	PORS		
	2016	2015	2014
Employer's proportion of the net pension liability	0.43257%	0.57520%	0.57520%
Employer's proportionate share of the net pension liability	<u>\$ 9,565,685</u>	<u>\$ 11,011,786</u>	<u>\$ 11,923,738</u>
Employer's covered payroll during the measurement period	<u>\$ 7,186,862</u>	<u>\$ 6,942,799</u>	<u>\$ 6,889,946</u>
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	133.09961%	158.60730%	173.05996%
Plan fiduciary net position as a percentage of the total pension liability	64.60%	67.55%	62.98%

Note: The County implemented GASB 68 during fiscal year 2015, as such, only the last three years of data are available. Over time, ten years of historical data will be presented.

County of Orangeburg, South Carolina
Required Supplementary Information
Schedule of the County's Pension Contributions
For the year ended June 30, 2016

	SCRS		
	2016	2015	2014
Statutorily required contribution	\$ 1,412,013	\$ 1,436,528	\$ 1,320,824
Contributions in relation to the statutorily required contribution	1,412,013	1,436,528	1,320,824
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Employer's covered-employee payroll	\$ 13,300,897	\$ 12,443,158	\$ 12,063,783
Contributions as a percentage of covered-employee payroll	10.61592%	11.54472%	10.94867%

	PORS		
	2016	2015	2014
Statutorily required contribution	\$ 981,416	\$ 926,821	\$ 895,058
Contributions in relation to the statutorily required contribution	981,416	926,821	895,058
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Employer's covered-employee payroll	\$ 7,186,862	\$ 6,942,799	\$ 6,889,946
Contributions as a percentage of covered-employee payroll	13.65570%	13.34939%	12.99078%

Note: The County implemented GASB 68 during fiscal year 2015, as such, only the last three years of data are available. Over time, ten years of historical data will be presented.

Other Supplementary Information

County of Orangeburg, South Carolina

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2016

	Special Revenue Funds	Capital Projects Funds	Debt Service Fund	Nonmajor Funds
ASSETS				
Cash and cash equivalents	\$ 7,963	\$ -	\$ -	\$ 7,963
Pooled cash	3,062,496	-	-	3,062,496
Receivables (net of allowance for uncollectibles)				
Property taxes	491,894	53,163	210,794	755,851
Intergovernmental	760,220	1,027	2,069	763,316
Accounts	153,667	-	-	153,667
Other	171,197	20,000	-	191,197
Due from other funds	14,419	1,000,350	-	1,014,769
Prepaid items	145	-	-	145
Land and buildings held for resale	-	6,599,372	-	6,599,372
Restricted assets:				
Cash and cash equivalents	67,437	-	-	67,437
Pooled cash	4,886,851	2,822,619	1,068,375	8,777,845
Total assets	\$ 9,616,289	\$ 10,496,531	\$ 1,281,238	\$ 21,394,058
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable and other current liabilities	\$ 763,410	\$ 94,826	\$ -	\$ 858,236
Accrued salaries and fringe benefits	74,439	-	-	74,439
Due to other funds	2,131,551	119,215	4,234	2,255,000
Total liabilities	2,969,400	214,041	4,234	3,187,675
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue-property taxes	411,957	44,654	172,942	629,553
Unavailable revenues - receivables	390,056	-	-	390,056
Total deferred inflows of resources	802,013	44,654	172,942	1,019,609
FUND BALANCES				
Nonspendable	145	-	-	145
Restricted	4,946,050	10,237,836	1,104,062	16,287,948
Committed	231,896	-	-	231,896
Assigned	2,742,258	-	-	2,742,258
Unassigned	(2,075,473)	-	-	(2,075,473)
Total fund balances	5,844,876	10,237,836	1,104,062	17,186,774
Total liabilities, deferred inflows of resources and fund balances	\$ 9,616,289	\$ 10,496,531	\$ 1,281,238	\$ 21,394,058

County of Orangeburg, South Carolina

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For the year ended June 30, 2016

	Special Revenue Funds	Capital Projects Funds	Debt Service Fund	Nonmajor Funds
REVENUES				
Taxes:				
Property taxes	\$ 5,594,486	\$ 629,426	\$ 2,607,775	\$ 8,831,687
Intergovernmental	5,166,805	389,967	-	5,556,772
Charges for services	4,675,822	-	-	4,675,822
Fines and forfeitures	487,122	-	-	487,122
Interest	5,894	1,995	-	7,889
Miscellaneous	161,224	-	-	161,224
Total revenues all sources	<u>16,091,353</u>	<u>1,021,388</u>	<u>2,607,775</u>	<u>19,720,516</u>
EXPENDITURES				
Current:				
General government	1,793,638	340,332	-	2,133,970
Judicial	176,952	-	-	176,952
Public works	6,569,087	70,672	-	6,639,759
Public safety	7,932,212	-	-	7,932,212
Social and health	988,501	-	-	988,501
Other agencies and institutions:				
Public works	156,120	166,020	-	322,140
Capital outlay	1,359,949	1,264,494	-	2,624,443
Debt service:		-		
Principal	1,291,596	-	2,409,705	3,701,301
Interest	187,271	-	339,936	527,207
Bond issuance costs	-	28,987	3,050	32,037
Total expenditures	<u>20,455,326</u>	<u>1,870,505</u>	<u>2,752,691</u>	<u>25,078,522</u>
Excess of revenues over (under) expenditures	<u>(4,363,973)</u>	<u>(849,117)</u>	<u>(144,916)</u>	<u>(5,358,006)</u>
OTHER FINANCING SOURCES (USES)				
Capital lease	-	938,000	-	938,000
Transfers in	4,669,477	81,027	-	4,750,504
Transfers out	(733,008)	(247,682)	-	(980,690)
Total other financing sources (uses)	<u>3,936,469</u>	<u>771,345</u>	<u>-</u>	<u>4,707,814</u>
Net change in fund balances	(427,504)	(77,772)	(144,916)	(650,192)
Fund balances, beginning of year	<u>6,272,380</u>	<u>10,315,608</u>	<u>1,248,978</u>	<u>17,836,966</u>
Fund balances, end of year	<u>\$ 5,844,876</u>	<u>\$ 10,237,836</u>	<u>\$ 1,104,062</u>	<u>\$ 17,186,774</u>

County of Orangeburg, South Carolina

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2016

	Roads and Bridges Fund	Accommodations - Promotion Fund	Victims' Assistance Fund
ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ -
Pooled cash	-	-	-
Receivables (net of allowance for uncollectibles)			
Property taxes	-	-	-
Intergovernmental	-	94,668	30,445
Accounts	557	-	6,233
Other	-	-	-
Due from other funds	-	-	10,185
Prepaid items	-	-	-
Restricted assets:			
Cash and cash equivalents	-	-	-
Pooled cash	-	49,541	3,291
Total assets	\$ 557	\$ 144,209	\$ 50,154
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable and other current liabilities	\$ 33,976	\$ 30,934	\$ -
Accrued salaries and fringe benefits	17,706	-	2,212
Due to other funds	1,012,244	-	429,893
Total liabilities	1,063,926	30,934	432,105
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue-property taxes	-	-	-
Unavailable revenues - receivables	-	-	30,445
Total deferred inflows of resources	-	-	30,445
FUND BALANCES			
Nonspendable	-	-	-
Restricted	-	113,275	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	(1,063,369)	-	(412,396)
Total fund balances	(1,063,369)	113,275	(412,396)
Total liabilities, deferred inflows of resources and fund balances	\$ 557	\$ 144,209	\$ 50,154

Continued

County of Orangeburg, South Carolina
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2016

	E911 Surcharge Fund	Legislative Delegation Fund	Carolina Transit Program
ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ -
Pooled cash	-	-	-
Receivables (net of allowance for uncollectibles)			
Property taxes	-	-	-
Intergovernmental	-	-	33,411
Accounts	-	-	-
Other	92,923	-	-
Due from other funds	-	-	-
Prepaid items	-	-	-
Restricted assets:			
Cash and cash equivalents	-	-	-
Pooled cash	283,514	2,254,040	-
Total assets	\$ 376,437	\$ 2,254,040	\$ 33,411
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 34	\$ -	\$ 82,665
Accrued salaries and fringe benefits	573	-	1,884
Due to other funds	2,069	-	315,239
Total liabilities	2,676	-	399,788
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue-property taxes	-	-	-
Unavailable revenues - receivables	-	-	-
Total deferred inflows of resources	-	-	-
FUND BALANCES			
Nonspendable	-	-	-
Restricted	373,761	2,254,040	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	(366,377)
Total fund balances	373,761	2,254,040	(366,377)
Total liabilities, deferred inflows of resources and fund balances	\$ 376,437	\$ 2,254,040	\$ 33,411

Continued

County of Orangeburg, South Carolina

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2016

	Solid Waste Fund	Fire Service Fund	Orangeburg Detention Center Fund
ASSETS			
Cash and cash equivalents	\$ -	\$ 500	\$ 7,463
Pooled cash	1,783,070	-	163,571
Receivables (net of allowance for uncollectibles)			
Property taxes	275,432	209,408	-
Intergovernmental	13,573	2,093	-
Accounts	146,877	-	-
Other	-	-	-
Due from other funds	4,234	-	-
Prepaid items	145	-	-
Restricted assets:			
Cash and cash equivalents	-	-	67,437
Pooled cash	-	670,184	-
Total assets	\$ 2,223,331	\$ 882,185	\$ 238,471
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 158,505	\$ 3,774	\$ 156,611
Accrued salaries and fringe benefits	13,865	5,369	28,220
Due to other funds	34,172	12,773	53,094
Total liabilities	206,542	21,916	237,925
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue-property taxes	231,708	174,709	-
Unavailable revenues - receivables	-	-	-
Total deferred inflows of resources	231,708	174,709	-
FUND BALANCES			
Nonspendable	145	-	-
Restricted	-	685,560	-
Committed	-	-	546
Assigned	1,784,936	-	-
Unassigned	-	-	-
Total fund balances	1,785,081	685,560	546
Total liabilities, deferred inflows of resources and fund balances	\$ 2,223,331	\$ 882,185	\$ 238,471

Continued

County of Orangeburg, South Carolina
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2016

	Sheriff Sub-Funds	Grant Sub-Funds	HOME Consortium Grant Fund
ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ -
Pooled cash	62,801	182,512	17,152
Receivables (net of allowance for uncollectibles)			
Property taxes	-	-	-
Intergovernmental	-	239,224	239,711
Accounts	-	-	-
Other	-	78,274	-
Due from other funds	-	-	-
Prepaid items	-	-	-
Restricted assets:			
Cash and cash equivalents	-	-	-
Pooled cash	41,198	1,419,766	-
Total assets	\$ 103,999	\$ 1,919,776	\$ 256,863
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable and other current liabilities	\$ 3,424	\$ 17,157	\$ 256,863
Accrued salaries and fringe benefits	-	4,316	-
Due to other funds	-	179,314	-
Total liabilities	3,424	200,787	256,863
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue-property taxes	-	-	-
Unavailable revenues - receivables	-	229,621	129,990
Total deferred inflows of resources	-	229,621	129,990
FUND BALANCES			
Nonspendable	-	-	-
Restricted	40,687	1,317,906	-
Committed	59,888	171,462	-
Assigned	-	-	-
Unassigned	-	-	(129,990)
Total fund balances	100,575	1,489,368	(129,990)
Total liabilities, deferred inflows of resources and fund balances	\$ 103,999	\$ 1,919,776	\$ 256,863

Continued

County of Orangeburg, South Carolina

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2016

	Clerk of Court DSS Incentive Fund	Whittaker Lighting District Fund	Brookdale Lighting District Fund
ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ -
Pooled cash	853,390	-	-
Receivables (net of allowance for uncollectibles)			
Property taxes	-	4,418	871
Intergovernmental	107,095	-	-
Accounts	-	-	-
Other	-	-	-
Due from other funds	-	-	-
Prepaid items	-	-	-
Restricted assets:			
Cash and cash equivalents	-	-	-
Pooled cash	-	160,134	-
Total assets	\$ 960,485	\$ 164,552	\$ 871
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable and other current liabilities	\$ 2,027	\$ 4,184	\$ 4,163
Accrued salaries and fringe benefits	294	-	-
Due to other funds	842	-	36,738
Total liabilities	3,163	4,184	40,901
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue-property taxes	-	4,015	434
Unavailable revenues - receivables	-	-	-
Total deferred inflows of resources	-	4,015	434
FUND BALANCES			
Nonspendable	-	-	-
Restricted	-	156,353	-
Committed	-	-	-
Assigned	957,322	-	-
Unassigned	-	-	(40,464)
Total fund balances	957,322	156,353	(40,464)
Total liabilities, deferred inflows of resources and fund balances	\$ 960,485	\$ 164,552	\$ 871

Note: In prior years, the HOME Consortium and Clerk of Court DSS Incentive Funds, now presented individually above, were presented as part of the Grant Sub-Funds fund.

Continued

County of Orangeburg, South Carolina

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2016

	New Brooklyn Lighting District Fund	Creekmoor Lighting District Fund	Fox Run Lighting District Fund
ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ -
Pooled cash	-	-	-
Receivables (net of allowance for uncollectibles)			
Property taxes	1,379	152	211
Intergovernmental	-	-	-
Accounts	-	-	-
Other	-	-	-
Due from other funds	-	-	-
Prepaid items	-	-	-
Restricted assets:			
Cash and cash equivalents	-	-	-
Pooled cash	-	5,183	-
Total assets	\$ 1,379	\$ 5,335	\$ 211
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable and other current liabilities	\$ 5,563	\$ 749	\$ 1,752
Accrued salaries and fringe benefits	-	-	-
Due to other funds	55,173	-	-
Total liabilities	60,736	749	1,752
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue-property taxes	888	118	85
Unavailable revenues - receivables	-	-	-
Total deferred inflows of resources	888	118	85
FUND BALANCES			
Nonspendable	-	-	-
Restricted	-	4,468	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	(60,245)	-	(1,626)
Total fund balances	(60,245)	4,468	(1,626)
Total liabilities, deferred inflows of resources and fund balances	\$ 1,379	\$ 5,335	\$ 211

Continued

County of Orangeburg, South Carolina

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2016

	Empire States Lighting District Fund	Nonmajor Special Revenue Funds
ASSETS		
Cash and cash equivalents	\$ -	\$ 7,963
Pooled cash	-	3,062,496
Receivables (net of allowance for uncollectibles)		
Property taxes	23	491,894
Intergovernmental	-	760,220
Accounts	-	153,667
Other	-	171,197
Due from other funds	-	14,419
Prepaid items	-	145
Restricted assets:		
Cash and cash equivalents	-	67,437
Pooled cash	-	4,886,851
Total assets	\$ 23	\$ 9,616,289
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
LIABILITIES		
Accounts payable and other current liabilities	\$ 1,029	\$ 763,410
Accrued salaries and fringe benefits	-	74,439
Due to other funds	-	2,131,551
Total liabilities	1,029	2,969,400
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue-property taxes	-	411,957
Unavailable revenues - receivables	-	390,056
Total deferred inflows of resources	-	802,013
FUND BALANCES		
Nonspendable	-	145
Restricted	-	4,946,050
Committed	-	231,896
Assigned	-	2,742,258
Unassigned	(1,006)	(2,075,473)
Total fund balances	(1,006)	5,844,876
Total liabilities, deferred inflows of resources and fund balances	\$ 23	\$ 9,616,289

County of Orangeburg, South Carolina

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds

For the year ended June 30, 2016

	Roads and Bridges Fund	Accommodations - Promotion Fund	Victims' Assistance Fund
REVENUES			
Taxes:			
Property taxes	\$ -	\$ -	\$ -
Intergovernmental	-	316,618	11,342
Charges for services	2,444,155	-	-
Fines and forfeitures	-	-	103,015
Interest	-	-	-
Miscellaneous	250	-	23,710
Total revenues all sources	<u>2,444,405</u>	<u>316,618</u>	<u>138,067</u>
EXPENDITURES			
Current:			
General government	-	-	-
Judicial	-	-	-
Public works	1,806,041	-	-
Public safety	-	-	208,279
Social and health	-	311,054	-
Other agencies and institutions:			
Public works	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal	663,310	-	-
Interest	101,658	-	-
Total expenditures	<u>2,571,009</u>	<u>311,054</u>	<u>208,279</u>
Excess of revenues over (under) expenditures	<u>(126,604)</u>	<u>5,564</u>	<u>(70,212)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	26,487	-	75,457
Transfers out	-	-	-
Total other financing sources (uses)	<u>26,487</u>	<u>-</u>	<u>75,457</u>
Net change in fund balances	(100,117)	5,564	5,245
Fund balances, beginning of year	<u>(963,252)</u>	<u>107,711</u>	<u>(417,641)</u>
Fund balances, end of year	<u>\$ (1,063,369)</u>	<u>\$ 113,275</u>	<u>\$ (412,396)</u>

Continued

County of Orangeburg, South Carolina

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds

For the year ended June 30, 2016

	E911 Surcharge Fund	Legislative Delegation Fund	Carolina Transit Program
REVENUES			
Taxes:			
Property taxes	\$ -	\$ -	\$ -
Intergovernmental	61,889	495,444	369,048
Charges for services	563,082	-	3,567
Fines and forfeitures	-	-	-
Interest	-	-	-
Miscellaneous	-	-	-
Total revenues all sources	<u>624,971</u>	<u>495,444</u>	<u>372,615</u>
EXPENDITURES			
Current:			
General government	-	210,348	-
Judicial	-	-	-
Public works	-	-	-
Public safety	224,684	-	-
Social and health	-	-	643,846
Other agencies and institutions:			
Public works	-	61,200	-
Capital outlay	-	-	121,962
Debt service:			
Principal	476,996	-	-
Interest	65,136	-	-
Total expenditures	<u>766,816</u>	<u>271,548</u>	<u>765,808</u>
Excess of revenues over (under) expenditures	<u>(141,845)</u>	<u>223,896</u>	<u>(393,193)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	134,654
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>134,654</u>
Net change in fund balances	(141,845)	223,896	(258,539)
Fund balances, beginning of year	<u>515,606</u>	<u>2,030,144</u>	<u>(107,838)</u>
Fund balances, end of year	<u>\$ 373,761</u>	<u>\$ 2,254,040</u>	<u>\$ (366,377)</u>

Continued

County of Orangeburg, South Carolina

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds

For the year ended June 30, 2016

	Solid Waste Fund	Fire Service Fund	Orangeburg Detention Center Fund
REVENUES			
Taxes:			
Property taxes	\$ 2,896,694	\$ 2,606,181	\$ -
Intergovernmental	50,637	-	674,323
Charges for services	1,565,240	-	98,772
Fines and forfeitures	-	-	-
Interest	-	-	-
Miscellaneous	-	100,000	-
Total revenues all sources	<u>4,512,571</u>	<u>2,706,181</u>	<u>773,095</u>
EXPENDITURES			
Current:			
General government	-	-	-
Judicial	-	-	-
Public works	4,426,555	-	-
Public safety	-	1,862,923	5,067,276
Social and health	-	-	-
Other agencies and institutions:			
Public works	-	-	-
Capital outlay	-	814,172	6,680
Debt service:			
Principal	151,290	-	-
Interest	20,477	-	-
Total expenditures	<u>4,598,322</u>	<u>2,677,095</u>	<u>5,073,956</u>
Excess of revenues over (under) expenditures	<u>(85,751)</u>	<u>29,086</u>	<u>(4,300,861)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	151,088	4,277,272
Transfers out	(82,813)	-	-
Total other financing sources (uses)	<u>(82,813)</u>	<u>151,088</u>	<u>4,277,272</u>
Net change in fund balances	(168,564)	180,174	(23,589)
Fund balances, beginning of year	<u>1,953,645</u>	<u>505,386</u>	<u>24,135</u>
Fund balances, end of year	<u>\$ 1,785,081</u>	<u>\$ 685,560</u>	<u>\$ 546</u>

Continued

County of Orangeburg, South Carolina

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds

For the year ended June 30, 2016

	Sheriff Sub-Funds	Grant Sub-Funds	HOME Consortium Grant Fund
REVENUES			
Taxes:			
Property taxes	\$ -	\$ -	\$ -
Intergovernmental	21,283	1,438,915	1,210,774
Charges for services	-	-	-
Fines and forfeitures	50,975	-	-
Interest	-	5,894	-
Miscellaneous	12,659	23,920	-
Total revenues all sources	<u>84,917</u>	<u>1,468,729</u>	<u>1,210,774</u>
EXPENDITURES			
Current:			
General government	-	254,056	1,329,234
Judicial	-	1,988	-
Public works	-	336,491	-
Public safety	93,894	475,156	-
Social and health	-	33,601	-
Other agencies and institutions:			
Public works	-	-	-
Capital outlay	-	417,135	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	<u>93,894</u>	<u>1,518,427</u>	<u>1,329,234</u>
Excess of revenues over (under) expenditures	<u>(8,977)</u>	<u>(49,698)</u>	<u>(118,460)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	4,519	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>4,519</u>	<u>-</u>
Net change in fund balances	(8,977)	(45,179)	(118,460)
Fund balances, beginning of year	<u>109,552</u>	<u>1,534,547</u>	<u>(11,530)</u>
Fund balances, end of year	<u>\$ 100,575</u>	<u>\$ 1,489,368</u>	<u>\$ (129,990)</u>

Continued

County of Orangeburg, South Carolina

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds

For the year ended June 30, 2016

	Clerk of Court DSS Incentive Fund	Whittaker Lighting District Fund	Brookdale Lighting District Fund
REVENUES			
Taxes:			
Property taxes	\$ -	\$ 52,356	\$ 8,940
Intergovernmental	516,532	-	-
Charges for services	1,006	-	-
Fines and forfeitures	333,132	-	-
Interest	-	-	-
Miscellaneous	685	-	-
Total revenues all sources	<u>851,355</u>	<u>52,356</u>	<u>8,940</u>
EXPENDITURES			
Current:			
General government	-	-	-
Judicial	174,964	-	-
Public works	-	-	-
Public safety	-	-	-
Social and health	-	-	-
Other agencies and institutions:			
Public works	-	49,769	12,015
Capital outlay	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	<u>174,964</u>	<u>49,769</u>	<u>12,015</u>
Excess of revenues over (under) expenditures	<u>676,391</u>	<u>2,587</u>	<u>(3,075)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	(650,195)	-	-
Total other financing sources (uses)	<u>(650,195)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	26,196	2,587	(3,075)
Fund balances, beginning of year	<u>931,126</u>	<u>153,766</u>	<u>(37,389)</u>
Fund balances, end of year	<u>\$ 957,322</u>	<u>\$ 156,353</u>	<u>\$ (40,464)</u>

Note: In prior years, the HOME Consortium and Clerk of Court DSS Incentive Funds, now presented individually above, were presented as part of the Grant Sub-Funds fund.

Continued

County of Orangeburg, South Carolina

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds

For the year ended June 30, 2016

	New Brooklyn Lighting District Fund	Creekmoor Lighting District Fund	Fox Run Lighting District Fund
REVENUES			
Taxes:			
Property taxes	\$ 9,019	\$ 9,804	\$ 7,306
Intergovernmental	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest	-	-	-
Miscellaneous	-	-	-
Total revenues all sources	<u>9,019</u>	<u>9,804</u>	<u>7,306</u>
EXPENDITURES			
Current:			
General government	-	-	-
Judicial	-	-	-
Public works	-	-	-
Public safety	-	-	-
Social and health	-	-	-
Other agencies and institutions:			
Public works	13,227	8,822	7,003
Capital outlay	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	<u>13,227</u>	<u>8,822</u>	<u>7,003</u>
Excess of revenues over (under) expenditures	<u>(4,208)</u>	<u>982</u>	<u>303</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(4,208)	982	303
Fund balances, beginning of year	<u>(56,037)</u>	<u>3,486</u>	<u>(1,929)</u>
Fund balances, end of year	<u>\$ (60,245)</u>	<u>\$ 4,468</u>	<u>\$ (1,626)</u>

Continued

County of Orangeburg, South Carolina

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds

For the year ended June 30, 2016

	Empire States Lighting District Fund	Nonmajor Special Revenue Funds
REVENUES		
Taxes:		
Property taxes	\$ 4,186	\$ 5,594,486
Intergovernmental	-	5,166,805
Charges for services	-	4,675,822
Fines and forfeitures	-	487,122
Interest	-	5,894
Miscellaneous	-	161,224
Total revenues all sources	<u>4,186</u>	<u>16,091,353</u>
EXPENDITURES		
Current:		
General government	-	1,793,638
Judicial	-	176,952
Public works	-	6,569,087
Public safety	-	7,932,212
Social and health	-	988,501
Other agencies and institutions:		
Public works	4,084	156,120
Capital outlay	-	1,359,949
Debt service:		
Principal	-	1,291,596
Interest	-	187,271
Total expenditures	<u>4,084</u>	<u>20,455,326</u>
Excess of revenues over (under) expenditures	<u>102</u>	<u>(4,363,973)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	-	4,669,477
Transfers out	-	(733,008)
Total other financing sources (uses)	<u>-</u>	<u>3,936,469</u>
Net change in fund balances	102	(427,504)
Fund balances, beginning of year	<u>(1,108)</u>	<u>6,272,380</u>
Fund balances, end of year	<u>\$ (1,006)</u>	<u>\$ 5,844,876</u>

County of Orangeburg, South Carolina

Combining Balance Sheet

Nonmajor Capital Projects Funds

June 30, 2016

	<u>Capital Project Tax I</u>	<u>Capital Improvement Fund</u>	<u>Western Orangeburg Industrial Park Fund</u>	<u>Orangeburg County / City Industrial Park</u>
ASSETS				
Receivables (net of allowance for uncollectibles)				
Property taxes	\$ -	\$ 53,163	\$ -	\$ -
Intergovernmental	-	1,027	-	-
Other	-	-	-	20,000
Due from other funds	1,000,350	-	-	-
Land and buildings held for resale	-	-	2,315,308	987,799
Restricted assets:				
Pooled cash	1,738,066	628,031	248,409	151,649
Total assets	<u>\$ 2,738,416</u>	<u>\$ 682,221</u>	<u>\$ 2,563,717</u>	<u>\$ 1,159,448</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable and other current liabilities	\$ -	\$ 41,194	\$ -	\$ -
Due to other funds	-	-	119,215	-
Total liabilities	<u>-</u>	<u>41,194</u>	<u>119,215</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue-property taxes	-	44,654	-	-
Total deferred inflows of resources	<u>-</u>	<u>44,654</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted	<u>2,738,416</u>	<u>596,373</u>	<u>2,444,502</u>	<u>1,159,448</u>
Total fund balances	<u>2,738,416</u>	<u>596,373</u>	<u>2,444,502</u>	<u>1,159,448</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,738,416</u>	<u>\$ 682,221</u>	<u>\$ 2,563,717</u>	<u>\$ 1,159,448</u>

Continued

County of Orangeburg, South Carolina

Combining Balance Sheet

Nonmajor Capital Projects Funds

June 30, 2016

	Capital Equipment Fund	Economic Development	Bond Issue 2016	Nonmajor Capital Projects Funds
ASSETS				
Receivables (net of allowance for uncollectibles)				
Property taxes	\$ -	\$ -	\$ -	\$ 53,163
Intergovernmental	-	-	-	1,027
Other	-	-	-	20,000
Due from other funds	-	-	-	1,000,350
Land and buildings held for resale	-	3,296,265	-	6,599,372
Restricted assets:				
Pooled cash	2,832	-	53,632	2,822,619
Total assets	<u>\$ 2,832</u>	<u>\$ 3,296,265</u>	<u>\$ 53,632</u>	<u>\$ 10,496,531</u>
LIABILITIES				
Accounts payable and other current liabilities	\$ -	\$ -	\$ 53,632	\$ 94,826
Due to other funds	-	-	-	119,215
Total liabilities	<u>-</u>	<u>-</u>	<u>53,632</u>	<u>214,041</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue-property taxes	-	-	-	44,654
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>44,654</u>
FUND BALANCES				
Restricted	<u>2,832</u>	<u>3,296,265</u>	<u>-</u>	<u>10,237,836</u>
Total fund balances	<u>2,832</u>	<u>3,296,265</u>	<u>-</u>	<u>10,237,836</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,832</u>	<u>\$ 3,296,265</u>	<u>\$ 53,632</u>	<u>\$ 10,496,531</u>

County of Orangeburg, South Carolina

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Capital Projects Funds

For the year ended June 30, 2016

	Capital Project Tax I	Capital Improvement Fund	Western Orangeburg Industrial Park Fund	Orangeburg County / City Industrial Park
REVENUES				
Taxes:				
Property taxes	\$ -	\$ 629,426	\$ -	\$ -
Intergovernmental	-	389,967	-	-
Interest	-	-	-	-
Total revenues all sources	-	1,019,393	-	-
EXPENDITURES				
Current:				
General government	-	329,053	-	-
Public works	70,672	-	-	-
Other agencies and institutions:				
Public works	-	166,020	-	-
Capital outlay	-	283,738	-	-
Debt service:				
Bond issuance costs	-	-	-	-
Total expenditures	70,672	778,811	-	-
Excess of revenues over (under) expenditures	(70,672)	240,582	-	-
OTHER FINANCING SOURCES (USES)				
Capital lease	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	(247,682)	-	-
Total other financing sources (uses)	-	(247,682)	-	-
Net change in fund balances	(70,672)	(7,100)	-	-
Fund balances, beginning of year	2,809,088	603,473	2,444,502	1,159,448
Fund balances, end of year	\$ 2,738,416	\$ 596,373	\$ 2,444,502	\$ 1,159,448

Continued

County of Orangeburg, South Carolina

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Capital Projects Funds

For the year ended June 30, 2016

	Capital Equipment Fund	Economic Development	Bond Issue 2016	Nonmajor Capital Projects Funds
REVENUES				
Taxes:				
Property taxes	\$ -	\$ -	\$ -	\$ 629,426
Intergovernmental	-	-	-	389,967
Interest	-	-	1,995	1,995
Total revenues all sources	-	-	1,995	1,021,388
EXPENDITURES				
Current:				
General government	-	-	11,279	340,332
Public works	-	-	-	70,672
Other agencies and institutions:				
Public works	-	-	-	166,020
Capital outlay	-	-	980,756	1,264,494
Debt service:				
Bond issuance costs	-	-	28,987	28,987
Total expenditures	-	-	1,021,022	1,870,505
Excess of revenues over (under) expenditures	-	-	(1,019,027)	(849,117)
OTHER FINANCING SOURCES (USES)				
Notes payable- master lease	-	-	938,000	938,000
Transfers in	-	-	81,027	81,027
Transfers out	-	-	-	(247,682)
Total other financing sources (uses)	-	-	1,019,027	771,345
Net change in fund balances	-	-	-	(77,772)
Fund balances, beginning of year	2,832	3,296,265	-	10,315,608
Fund balances, end of year	\$ 2,832	\$ 3,296,265	\$ -	\$ 10,237,836

County of Orangeburg, South Carolina

Combining Statement of Changes in Assets and Liabilities - Agency Funds

For the year ended June 30, 2016

	Balance June 30, 2015	Additions	Deductions	Balance June 30, 2016
Education Agency Funds				
Consolidated School District 3				
Assets				
Pooled cash	\$ 1,742,585	\$ 15,800,088	\$ (15,901,244)	\$ 1,641,429
Total assets	<u>\$ 1,742,585</u>	<u>\$ 15,800,088</u>	<u>\$ (15,901,244)</u>	<u>\$ 1,641,429</u>
Liabilities				
Due to taxing unit	\$ 1,742,585	\$ 15,800,088	\$ (15,901,244)	\$ 1,641,429
Total liabilities	<u>\$ 1,742,585</u>	<u>\$ 15,800,088</u>	<u>\$ (15,901,244)</u>	<u>\$ 1,641,429</u>
Consolidated School District 4				
Assets				
Pooled cash	\$ 1,455,867	\$ 13,874,415	\$ (15,224,539)	\$ 105,743
Total assets	<u>\$ 1,455,867</u>	<u>\$ 13,874,415</u>	<u>\$ (15,224,539)</u>	<u>\$ 105,743</u>
Liabilities				
Due to taxing unit	\$ 1,455,867	\$ 13,874,415	\$ (15,224,539)	\$ 105,743
Total liabilities	<u>\$ 1,455,867</u>	<u>\$ 13,874,415</u>	<u>\$ (15,224,539)</u>	<u>\$ 105,743</u>
Consolidated School District 5				
Assets				
Pooled cash	\$ 2,280,199	\$ 36,393,927	\$ (36,187,052)	\$ 2,487,074
Total assets	<u>\$ 2,280,199</u>	<u>\$ 36,393,927</u>	<u>\$ (36,187,052)</u>	<u>\$ 2,487,074</u>
Liabilities				
Due to taxing unit	\$ 2,280,199	\$ 36,393,927	\$ (36,187,052)	\$ 2,487,074
Total liabilities	<u>\$ 2,280,199</u>	<u>\$ 36,393,927</u>	<u>\$ (36,187,052)</u>	<u>\$ 2,487,074</u>
County Board of Education				
Assets				
Pooled cash	\$ 466,535	\$ 8,580,088	\$ (8,794,225)	\$ 252,398
Total assets	<u>\$ 466,535</u>	<u>\$ 8,580,088</u>	<u>\$ (8,794,225)</u>	<u>\$ 252,398</u>
Liabilities				
Due to taxing unit	\$ 466,535	\$ 8,580,088	\$ (8,794,225)	\$ 252,398
Total liabilities	<u>\$ 466,535</u>	<u>\$ 8,580,088</u>	<u>\$ (8,794,225)</u>	<u>\$ 252,398</u>

Continued

County of Orangeburg, South Carolina

Combining Statement of Changes in Assets and Liabilities - Agency Funds

For the year ended June 30, 2016

	Balance June 30, 2015	Additions	Deductions	Balance June 30, 2016
Municipal Agency Funds				
Town of Bowman				
Assets				
Pooled cash	\$ 2,872	\$ 131,535	\$ (132,069)	\$ 2,338
Total assets	<u>\$ 2,872</u>	<u>\$ 131,535</u>	<u>\$ (132,069)</u>	<u>\$ 2,338</u>
Liabilities				
Due to taxing unit	\$ 2,872	\$ 131,535	\$ (132,069)	\$ 2,338
Total liabilities	<u>\$ 2,872</u>	<u>\$ 131,535</u>	<u>\$ (132,069)</u>	<u>\$ 2,338</u>
Town of Branchville				
Assets				
Pooled cash	\$ 2,819	\$ 123,595	\$ (125,214)	\$ 1,200
Total assets	<u>\$ 2,819</u>	<u>\$ 123,595</u>	<u>\$ (125,214)</u>	<u>\$ 1,200</u>
Liabilities				
Due to taxing unit	\$ 2,819	\$ 123,595	\$ (125,214)	\$ 1,200
Total liabilities	<u>\$ 2,819</u>	<u>\$ 123,595</u>	<u>\$ (125,214)</u>	<u>\$ 1,200</u>
Town of Cope				
Assets				
Pooled cash	\$ 30	\$ 4,945	\$ (4,805)	\$ 170
Total assets	<u>\$ 30</u>	<u>\$ 4,945</u>	<u>\$ (4,805)</u>	<u>\$ 170</u>
Liabilities				
Due to taxing unit	\$ 30	\$ 4,945	\$ (4,805)	\$ 170
Total liabilities	<u>\$ 30</u>	<u>\$ 4,945</u>	<u>\$ (4,805)</u>	<u>\$ 170</u>
Town of Cordova				
Assets				
Pooled cash	\$ 43	\$ 4,209	\$ (4,200)	\$ 52
Total assets	<u>\$ 43</u>	<u>\$ 4,209</u>	<u>\$ (4,200)</u>	<u>\$ 52</u>
Liabilities				
Due to taxing unit	\$ 43	\$ 4,209	\$ (4,200)	\$ 52
Total liabilities	<u>\$ 43</u>	<u>\$ 4,209</u>	<u>\$ (4,200)</u>	<u>\$ 52</u>
Town of Elloree				
Assets				
Pooled cash	\$ 2,620	\$ 251,223	\$ (258,435)	\$ (4,592)
Total assets	<u>\$ 2,620</u>	<u>\$ 251,223</u>	<u>\$ (258,435)</u>	<u>\$ (4,592)</u>
Liabilities				
Due to taxing unit	\$ 2,620	\$ 251,223	\$ (258,435)	\$ (4,592)
Total liabilities	<u>\$ 2,620</u>	<u>\$ 251,223</u>	<u>\$ (258,435)</u>	<u>\$ (4,592)</u>

Continued

County of Orangeburg, South Carolina

Combining Statement of Changes in Assets and Liabilities - Agency Funds

For the year ended June 30, 2016

	Balance June 30, 2015	Additions	Deductions	Balance June 30, 2016
Municipal Agency Funds				
Town of Eutawville				
Assets				
Pooled cash	\$ 1,177	\$ 78,634	\$ (79,228)	\$ 583
Total assets	<u>\$ 1,177</u>	<u>\$ 78,634</u>	<u>\$ (79,228)</u>	<u>\$ 583</u>
Liabilities				
Due to taxing unit	\$ 1,177	\$ 78,634	\$ (79,228)	\$ 583
Total liabilities	<u>\$ 1,177</u>	<u>\$ 78,634</u>	<u>\$ (79,228)</u>	<u>\$ 583</u>
 Town of Holly Hill				
Assets				
Pooled cash	\$ 4,626	\$ 298,428	\$ (298,250)	\$ 4,804
Total assets	<u>\$ 4,626</u>	<u>\$ 298,428</u>	<u>\$ (298,250)</u>	<u>\$ 4,804</u>
Liabilities				
Due to taxing unit	\$ 4,626	\$ 298,428	\$ (298,250)	\$ 4,804
Total liabilities	<u>\$ 4,626</u>	<u>\$ 298,428</u>	<u>\$ (298,250)</u>	<u>\$ 4,804</u>
 Town of Livingston				
Assets				
Pooled cash	\$ 121	\$ 5,011	\$ (4,936)	\$ 196
Total assets	<u>\$ 121</u>	<u>\$ 5,011</u>	<u>\$ (4,936)</u>	<u>\$ 196</u>
Liabilities				
Due to taxing unit	\$ 121	\$ 5,011	\$ (4,936)	\$ 196
Total liabilities	<u>\$ 121</u>	<u>\$ 5,011</u>	<u>\$ (4,936)</u>	<u>\$ 196</u>
 Town of Neeses				
Assets				
Pooled cash	\$ 532	\$ 23,979	\$ (24,149)	\$ 362
Total assets	<u>\$ 532</u>	<u>\$ 23,979</u>	<u>\$ (24,149)</u>	<u>\$ 362</u>
Liabilities				
Due to taxing unit	\$ 532	\$ 23,979	\$ (24,149)	\$ 362
Total liabilities	<u>\$ 532</u>	<u>\$ 23,979</u>	<u>\$ (24,149)</u>	<u>\$ 362</u>
 Town of North				
Assets				
Pooled cash	\$ 2,508	\$ 138,051	\$ (140,049)	\$ 510
Total assets	<u>\$ 2,508</u>	<u>\$ 138,051</u>	<u>\$ (140,049)</u>	<u>\$ 510</u>
Liabilities				
Due to taxing unit	\$ 2,508	\$ 138,051	\$ (140,049)	\$ 510
Total liabilities	<u>\$ 2,508</u>	<u>\$ 138,051</u>	<u>\$ (140,049)</u>	<u>\$ 510</u>

Continued

County of Orangeburg, South Carolina

Combining Statement of Changes in Assets and Liabilities - Agency Funds

For the year ended June 30, 2016

	Balance June 30, 2015	Additions	Deductions	Balance June 30, 2016
Municipal Agency Funds				
Town of Norway				
Assets				
Pooled cash	\$ 1,260	\$ 37,924	\$ (38,304)	\$ 880
Total assets	<u>\$ 1,260</u>	<u>\$ 37,924</u>	<u>\$ (38,304)</u>	<u>\$ 880</u>
Liabilities				
Due to taxing unit	\$ 1,260	\$ 37,924	\$ (38,304)	\$ 880
Total liabilities	<u>\$ 1,260</u>	<u>\$ 37,924</u>	<u>\$ (38,304)</u>	<u>\$ 880</u>
 Town of Orangeburg				
Assets				
Pooled cash	\$ 25,238	\$ 342,808	\$ (336,827)	\$ 31,219
Total assets	<u>\$ 25,238</u>	<u>\$ 342,808</u>	<u>\$ (336,827)</u>	<u>\$ 31,219</u>
Liabilities				
Due to taxing unit	\$ 25,238	\$ 342,808	\$ (336,827)	\$ 31,219
Total liabilities	<u>\$ 25,238</u>	<u>\$ 342,808</u>	<u>\$ (336,827)</u>	<u>\$ 31,219</u>
 Town of Rowesville				
Assets				
Pooled cash	\$ 1,417	\$ 24,631	\$ (24,795)	\$ 1,253
Total assets	<u>\$ 1,417</u>	<u>\$ 24,631</u>	<u>\$ (24,795)</u>	<u>\$ 1,253</u>
Liabilities				
Due to taxing unit	\$ 1,417	\$ 24,631	\$ (24,795)	\$ 1,253
Total liabilities	<u>\$ 1,417</u>	<u>\$ 24,631</u>	<u>\$ (24,795)</u>	<u>\$ 1,253</u>
 Town of Santee				
Assets				
Pooled cash	\$ 25,072	\$ 722,353	\$ (741,825)	\$ 5,600
Total assets	<u>\$ 25,072</u>	<u>\$ 722,353</u>	<u>\$ (741,825)</u>	<u>\$ 5,600</u>
Liabilities				
Due to taxing unit	\$ 25,072	\$ 722,353	\$ (741,825)	\$ 5,600
Total liabilities	<u>\$ 25,072</u>	<u>\$ 722,353</u>	<u>\$ (741,825)</u>	<u>\$ 5,600</u>
 Town of Springfield				
Assets				
Pooled cash	\$ 1,818	\$ 62,916	\$ (62,720)	\$ 2,014
Total assets	<u>\$ 1,818</u>	<u>\$ 62,916</u>	<u>\$ (62,720)</u>	<u>\$ 2,014</u>
Liabilities				
Due to taxing unit	\$ 1,818	\$ 62,916	\$ (62,720)	\$ 2,014
Total liabilities	<u>\$ 1,818</u>	<u>\$ 62,916</u>	<u>\$ (62,720)</u>	<u>\$ 2,014</u>

Continued

County of Orangeburg, South Carolina

Combining Statement of Changes in Assets and Liabilities - Agency Funds

For the year ended June 30, 2016

	Balance June 30, 2015	Additions	Deductions	Balance June 30, 2016
Municipal Agency Funds				
Town of Vance				
Assets				
Pooled cash	\$ 108	\$ 12,790	\$ (12,740)	\$ 158
Total assets	<u>\$ 108</u>	<u>\$ 12,790</u>	<u>\$ (12,740)</u>	<u>\$ 158</u>
Liabilities				
Due to taxing unit	\$ 108	\$ 12,790	\$ (12,740)	\$ 158
Total liabilities	<u>\$ 108</u>	<u>\$ 12,790</u>	<u>\$ (12,740)</u>	<u>\$ 158</u>
Town of Woodford				
Assets				
Pooled cash	\$ 81	\$ 3,461	\$ (3,433)	\$ 109
Total assets	<u>\$ 81</u>	<u>\$ 3,461</u>	<u>\$ (3,433)</u>	<u>\$ 109</u>
Liabilities				
Due to taxing unit	\$ 81	\$ 3,461	\$ (3,433)	\$ 109
Total liabilities	<u>\$ 81</u>	<u>\$ 3,461</u>	<u>\$ (3,433)</u>	<u>\$ 109</u>
Special Tax District Agency Funds				
Horse Range Watershed District				
Assets				
Pooled cash	\$ 30,260	\$ 19,883	\$ (28,780)	\$ 21,363
Total assets	<u>\$ 30,260</u>	<u>\$ 19,883</u>	<u>\$ (28,780)</u>	<u>\$ 21,363</u>
Liabilities				
Due to taxing unit	\$ 30,260	\$ 19,883	\$ (28,780)	\$ 21,363
Total liabilities	<u>\$ 30,260</u>	<u>\$ 19,883</u>	<u>\$ (28,780)</u>	<u>\$ 21,363</u>
Holly Hill Health and Drainage District				
Assets				
Pooled cash	\$ 1,074	\$ 13,105	\$ (12,640)	\$ 1,539
Total assets	<u>\$ 1,074</u>	<u>\$ 13,105</u>	<u>\$ (12,640)</u>	<u>\$ 1,539</u>
Liabilities				
Due to taxing unit	\$ 1,074	\$ 13,105	\$ (12,640)	\$ 1,539
Total liabilities	<u>\$ 1,074</u>	<u>\$ 13,105</u>	<u>\$ (12,640)</u>	<u>\$ 1,539</u>
Cow Castle Drainage District				
Assets				
Pooled cash	\$ 20,560	\$ 20,560	\$ (20,560)	\$ 20,560
Total assets	<u>\$ 20,560</u>	<u>\$ 20,560</u>	<u>\$ (20,560)</u>	<u>\$ 20,560</u>
Liabilities				
Due to taxing unit	\$ 20,560	\$ 20,560	\$ (20,560)	\$ 20,560
Total liabilities	<u>\$ 20,560</u>	<u>\$ 20,560</u>	<u>\$ (20,560)</u>	<u>\$ 20,560</u>

Continued

County of Orangeburg, South Carolina

Combining Statement of Changes in Assets and Liabilities - Agency Funds For the year ended June 30, 2016

	Balance June 30, 2015	Additions	Deductions	Balance June 30, 2016
Special Tax District Agency Funds				
Santee Fire District				
Assets				
Pooled cash	\$ 21,643	\$ 234,399	\$ (236,267)	\$ 19,775
Total assets	<u>\$ 21,643</u>	<u>\$ 234,399</u>	<u>\$ (236,267)</u>	<u>\$ 19,775</u>
Liabilities				
Due to taxing unit	\$ 21,643	\$ 234,399	\$ (236,267)	\$ 19,775
Total liabilities	<u>\$ 21,643</u>	<u>\$ 234,399</u>	<u>\$ (236,267)</u>	<u>\$ 19,775</u>
Departmental Agency Funds				
Solicitor's Drug Fund				
Assets				
Cash and cash equivalents	\$ 26,586	\$ 29,435	\$ (26,584)	\$ 29,437
Total assets	<u>\$ 26,586</u>	<u>\$ 29,435</u>	<u>\$ (26,584)</u>	<u>\$ 29,437</u>
Liabilities				
Due to others	\$ 26,586	\$ 29,435	\$ (26,584)	\$ 29,437
Total liabilities	<u>\$ 26,586</u>	<u>\$ 29,435</u>	<u>\$ (26,584)</u>	<u>\$ 29,437</u>
Solicitor's Forfeited Bond Fund				
Assets				
Cash and cash equivalents	\$ 18,737	\$ 19,153	\$ (18,797)	\$ 19,093
Total assets	<u>\$ 18,737</u>	<u>\$ 19,153</u>	<u>\$ (18,797)</u>	<u>\$ 19,093</u>
Liabilities				
Due to others	\$ 18,737	\$ 19,153	\$ (18,797)	\$ 19,093
Total liabilities	<u>\$ 18,737</u>	<u>\$ 19,153</u>	<u>\$ (18,797)</u>	<u>\$ 19,093</u>
Clerk of Court Agency Fund				
Assets				
Cash and cash equivalents	\$ 528,495	\$ 495,300	\$ (528,495)	\$ 495,300
Total assets	<u>\$ 528,495</u>	<u>\$ 495,300</u>	<u>\$ (528,495)</u>	<u>\$ 495,300</u>
Liabilities				
Due to others	\$ 528,495	\$ 495,300	\$ (528,495)	\$ 495,300
Total liabilities	<u>\$ 528,495</u>	<u>\$ 495,300</u>	<u>\$ (528,495)</u>	<u>\$ 495,300</u>
Master in Equity Agency Fund				
Assets				
Cash and cash equivalents	\$ 94,087	\$ 75,099	\$ (94,087)	\$ 75,099
Total assets	<u>\$ 94,087</u>	<u>\$ 75,099</u>	<u>\$ (94,087)</u>	<u>\$ 75,099</u>
Liabilities				
Due to others	\$ 94,087	\$ 75,099	\$ (94,087)	\$ 75,099
Total liabilities	<u>\$ 94,087</u>	<u>\$ 75,099</u>	<u>\$ (94,087)</u>	<u>\$ 75,099</u>

Continued

County of Orangeburg, South Carolina

Combining Statement of Changes in Assets and Liabilities - Agency Funds

For the year ended June 30, 2016

	Balance June 30, 2015	Additions	Deductions	Balance June 30, 2016
Departmental Agency Funds				
Probate Court Agency Fund				
Assets				
Cash and cash equivalents	\$ 364,254	\$ 226,405	\$ (364,254)	\$ 226,405
Total assets	<u>\$ 364,254</u>	<u>\$ 226,405</u>	<u>\$ (364,254)</u>	<u>\$ 226,405</u>
Liabilities				
Due to others	\$ 364,254	\$ 226,405	\$ (364,254)	\$ 226,405
Total liabilities	<u>\$ 364,254</u>	<u>\$ 226,405</u>	<u>\$ (364,254)</u>	<u>\$ 226,405</u>
 Family Court Agency Fund				
Assets				
Cash and cash equivalents	\$ 216,191	\$ 242,274	\$ (216,190)	\$ 242,275
Total assets	<u>\$ 216,191</u>	<u>\$ 242,274</u>	<u>\$ (216,190)</u>	<u>\$ 242,275</u>
Liabilities				
Due to others	\$ 216,191	\$ 242,274	\$ (216,190)	\$ 242,275
Total liabilities	<u>\$ 216,191</u>	<u>\$ 242,274</u>	<u>\$ (216,190)</u>	<u>\$ 242,275</u>
 Magistrate Agency Fund				
Assets				
Cash and cash equivalents	\$ 33,742	\$ 43,748	\$ (33,742)	\$ 43,748
Total assets	<u>\$ 33,742</u>	<u>\$ 43,748</u>	<u>\$ (33,742)</u>	<u>\$ 43,748</u>
Liabilities				
Due to others	\$ 33,742	\$ 43,748	\$ (33,742)	\$ 43,748
Total liabilities	<u>\$ 33,742</u>	<u>\$ 43,748</u>	<u>\$ (33,742)</u>	<u>\$ 43,748</u>
 Sheriff's Agency Fund				
Assets				
Cash and cash equivalents	\$ 25,341	\$ 20,449	\$ (25,341)	\$ 20,449
Total assets	<u>\$ 25,341</u>	<u>\$ 20,449</u>	<u>\$ (25,341)</u>	<u>\$ 20,449</u>
Liabilities				
Due to others	\$ 25,341	\$ 20,449	\$ (25,341)	\$ 20,449
Total liabilities	<u>\$ 25,341</u>	<u>\$ 20,449</u>	<u>\$ (25,341)</u>	<u>\$ 20,449</u>
 Delinquent Tax Collector Agency Fund				
Assets				
Cash and cash equivalents	\$ 4,226,329	\$ 4,111,700	\$ (4,226,329)	\$ 4,111,700
Total assets	<u>\$ 4,226,329</u>	<u>\$ 4,111,700</u>	<u>\$ (4,226,329)</u>	<u>\$ 4,111,700</u>
Liabilities				
Due to others	\$ 4,226,329	\$ 4,111,700	\$ (4,226,329)	\$ 4,111,700
Total liabilities	<u>\$ 4,226,329</u>	<u>\$ 4,111,700</u>	<u>\$ (4,226,329)</u>	<u>\$ 4,111,700</u>

Continued

County of Orangeburg, South Carolina

Combining Statement of Changes in Assets and Liabilities - Agency Funds

For the year ended June 30, 2016

	Balance June 30, 2015	Additions	Deductions	Balance June 30, 2016
Departmental Agency Funds				
Installment Tax Payment Agency Fund				
Assets				
Pooled cash	\$ 222,455	\$ 222,455	\$ (222,455)	\$ 222,455
Total assets	<u>\$ 222,455</u>	<u>\$ 222,455</u>	<u>\$ (222,455)</u>	<u>\$ 222,455</u>
Liabilities				
Due to others	\$ 222,455	\$ 222,455	\$ (222,455)	\$ 222,455
Total liabilities	<u>\$ 222,455</u>	<u>\$ 222,455</u>	<u>\$ (222,455)</u>	<u>\$ 222,455</u>
Totals - All Agency Funds				
Assets				
Cash and cash equivalents	\$ 5,533,762	\$ 5,263,563	\$ (5,533,819)	\$ 5,263,506
Pooled cash	6,313,520	77,425,413	(78,919,741)	4,819,192
Total assets	<u>\$ 11,847,282</u>	<u>\$ 82,688,976</u>	<u>\$ (84,453,560)</u>	<u>\$ 10,082,698</u>
Liabilities				
Due to taxing unit	\$ 6,091,065	\$ 77,202,958	\$ (78,697,286)	\$ 4,596,737
Due to others	5,756,217	5,486,018	(5,756,274)	5,485,961
Total liabilities	<u>\$ 11,847,282</u>	<u>\$ 82,688,976</u>	<u>\$ (84,453,560)</u>	<u>\$ 10,082,698</u>

Schedules Required by State Law

County of Orangeburg, South Carolina

Schedule of Fines, Assessments and Surcharges

For the year ended June 30, 2016

Court fines and assessments	
Court fines, assessments and surcharges	\$ 1,651,568
Remitted to State Treasurer	809,006
Court fines, assessments and surcharges retained by County	\$ 842,562
Court fines, assessments and surcharges retained by the County	
General fund	\$ 739,547
Victims' assistance services	103,015
	\$ 842,562
Victims' Advocate fund	
Court assessments allocated to victim fund	\$ 103,015
Local contribution	110,509
Funds available for victims' services	213,524
Victims' services expenditures	
Wages and benefits	204,733
Supplies	1,701
Training and travel	1,401
Dues and memberships	200
Other	244
Total victims' services expenditures	208,279
Revenues in excess (deficit) of expenditures	5,245
Deficit available for carry forward, beginning of year	(417,641)
Deficit available for carry forward, end of year	\$ (412,396)

County of Orangeburg, South Carolina
SC Department of Transportation Transit Grant
Schedule of Budgeted To Actual Costs
For the fiscal year ended June 30, 2016

Grant # SC-16-X039

OPT Contract # PT-6CC11-51

Contract Period: FY 2015-2016

Period of Performance: July 1, 2015 - June 30, 2016

	CONTRACT BUDGET		ACTUAL			Variance
	Original	Final	Section 5311	SMTF	Local	
Administration						
Personnel	\$ 31,535	\$ 43,500	\$ 14,770	\$ -	\$ 3,694	\$ 25,036
Fringe benefits	9,399	19,110	2,714	-	679	15,717
Professional services	3,600	5,400	-	-	-	5,400
Contract services - maintenance	3,400	3,600	2,207	-	552	841
Custodial fees	4,400	10,100	7,176	-	1,794	1,130
Materials and supplies	1,633	4,450	2,887	-	722	841
Utilities	2,000	6,000	1,454	-	363	4,183
Miscellaneous						
Advertising & promotion media	3,333	3,333	1,615	-	404	1,314
Drug testing	134	200	-	-	-	200
Professional dues & subscriptions	400	600	-	-	-	600
Travel	533	1,200	-	-	-	1,200
Total administration	60,367	97,493	32,823	-	8,208	56,462
Operations						
Personnel - wages	13,669	39,000	18,959	8,516	10,443	1,082
Personnel - benefits	6,041	14,000	2,769	1,243	1,526	8,462
Management service fee	324,631	443,000	207,820	93,343	114,477	27,360
Fuel and lubricants	10,000	16,000	-	-	-	16,000
Total operations	354,341	512,000	229,548	103,102	126,446	52,904
Capital						
Bus < 30 foot	-	58,000	46,378	-	8,184	3,438
Maintenance - vehicles	3,334	4,400	-	-	-	4,400
Total capital	3,334	62,400	46,378	-	8,184	7,838
Total program	\$ 418,042	\$ 671,893	\$ 308,749	\$ 103,102	\$ 142,838	\$ 117,204

Reconciliation:

Approved Budget	\$ 671,893
TI Federal Costs	308,749
TI State Costs	103,102
TI Local Costs	142,838
Budget Balance	<u>\$ 117,204</u>