

**CALHOUN COUNTY
ST. MATTHEWS, SOUTH CAROLINA**

ANNUAL REPORT

YEAR ENDED JUNE 30, 2015

CALHOUN COUNTY
ST. MATTHEWS, SOUTH CAROLINA

ANNUAL REPORT

YEAR ENDED JUNE 30, 2015

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INDEPENDENT AUDITOR'S REPORT

To the Members of
Calhoun County Council
St. Matthews, South Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Calhoun County, South Carolina, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

INDEPENDENT AUDITOR'S REPORT

(continued)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County'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 County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Calhoun County, as of June 30, 2015, 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.

Change in Accounting Principles

As described in Note 1 to the financial statements, Calhoun County adopted new guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pension Plans* and GASB Statement No. 71 (an amendment of GASB No.68), entitled *Pension Transition for Contributions Made Subsequent to the Measurement Date*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of funding progress for retirees health plan information, and the schedules of the County's proportionate share of the net pension liability and contributions on pages 4 – 13 and 62 – 66 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries

INDEPENDENT AUDITOR'S REPORT
(continued)

of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Calhoun County, South Carolina's basic financial statements. The combining and individual fund schedules and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund schedules and the statistical section are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund schedules and the statistical section 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 February 5, 2016, on our consideration of Calhoun County, South Carolina's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Calhoun County, South Carolina's internal control over financial reporting and compliance.

McGregor & Co. LLP

Orangeburg, South Carolina
February 5, 2016

CALHOUN COUNTY
ST. MATTHEWS, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2015

Calhoun County management's discussion and analysis offers readers of the County's financial statements a narrative overview and analysis of the County's financial activities for the fiscal year ended June 30, 2015. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the financial statements and notes to the basic financial statements.

The government-wide financial statements include Calhoun County (known as the primary government) and its blended component units. Legally separate entities for which the County is financially accountable, such as the Sandy Run-Calhoun Fire District, are not included in the financial statements due to their financial insignificance to the County. Information included in this discussion and analysis focuses on the activities of the primary government.

Financial Highlights:

- Calhoun County's assets exceeded its liabilities at June 30, 2015 by \$30,566,449 (net position). Of this amount, \$88,774 (unrestricted net position) may be used to meet the County's ongoing obligations to citizens and creditors.
- The County's total net position increased \$207,912 over the previous year with a decrease of \$76,274 resulting from governmental activities.
- At June 30, 2015, the County's governmental fund balance sheet reported a combined ending fund balance of \$13,339,741, a decrease of \$241,670 from the previous fiscal year. Of this amount, \$5,703,501 remains in the various funds of the County as unassigned.
- The General Fund reported a fund balance of \$7,387,394, a decrease from last fiscal year of \$535,468. Calhoun County had budgeted \$1,289,078 as carry over funds from its fund balance to cover the anticipated shortfall of revenue. The unassigned fund balance of \$5,703,501 equates to 50% of General Fund expenditures for the year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2015**

Government-wide financial statements: The government-wide financial statements are provided as part of the approach mandated by the Governmental Accounting Standards Board (GASB). The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The statement of activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of Calhoun County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The County's governmental activities include general government, public safety, physical environment, economic environment, human services, and cultural/recreation.

The government-wide financial statements can be found on pages 14 and 15 of this report.

Fund financial statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Calhoun County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2015**

Calhoun County maintains 16 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Grants Fund, and Capital Projects Fund which are considered to be major funds. Data from other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining schedules elsewhere in this report.

Calhoun County adopts an annual appropriation budget for its governmental funds. Budgetary comparison schedules have been provided for these funds to demonstrate compliance with the budget.

The basic governmental funds financial statements can be found on pages 16 through 20 of this report.

Proprietary funds: Municipal Water District and Water/Wastewater Fund. Proprietary Funds are used to account for operations (a) that are financed and operated in a manner similar to private enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The proprietary fund financial statements can be found on pages 21 – 25.

Fiduciary fund: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs.

The basic fiduciary fund financial statement can be found on page 26 of this report.

Notes to the basic financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 27 through 61 of this report.

Other information: In addition to the basic financial statements and accompanying notes, the combining schedules referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the financial statements. Combining and individual fund schedules can be found on pages 67 through 72 of this report.

Government-wide Financial Analysis

The government-wide financial statements are provided as part of the new approach mandated by the GASB. GASB sets the uniform standards for presenting government financial reports.

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MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2015**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Calhoun County, assets exceeded liabilities by \$30,566,449 at the close of the most recent fiscal year. The County's increase in net position for this fiscal year amounts to \$207,912.

The largest portion of the County's net position (86%) reflects its investment in capital assets (e.g. land, buildings, infrastructure, machinery and equipment), less any related debt used to acquire those assets that are still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position (14%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$88,774) may be used to meet the government's ongoing obligations to citizens and creditors.

Calhoun County's Net Position

	(Dollars in Thousands)	
	2015	2014 Restated
Current and other assets	\$ 15,555	\$ 16,051
Capital assets	<u>31,190</u>	<u>30,261</u>
Total assets	<u>46,745</u>	<u>46,312</u>
Deferred outflows of resources	856	-
Long-term liabilities outstanding	14,659	14,577
Other liabilities	<u>1,559</u>	<u>1,377</u>
Total liabilities	<u>16,218</u>	<u>15,954</u>
Deferred inflows of resources	817	-
Net Position		
Invested in capital assets	26,295	25,850
Restricted	4,182	4,044
Unrestricted	<u>89</u>	<u>464</u>
Total net position	<u>\$ 30,566</u>	<u>\$ 30,358</u>

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FOR THE YEAR ENDED JUNE 30, 2015**

At the end of the current fiscal year, Calhoun County is able to report positive balances in all three categories of net position as a whole and individually within the governmental activities.

The changes in net position displayed below shows the governmental activities and business-type activities during the fiscal year.

Calhoun County's Changes in Net Position

	(Dollars in Thousands)	
	2015	2014
Revenues		
Program revenues:		
Charges for services	\$ 2,575	\$ 2,430
Operating grants	1,140	444
Capital grants and contributions	824	2,989
General revenue:		
Taxes:		
Property taxes, levied for general purposes	9,553	9,558
Property taxes, levied for debt services	244	241
State shared revenue	728	717
Sales tax	900	886
Interest	6	8
Other	231	199
Loss on the sale of capital assets	<u>6</u>	<u>(13)</u>
Total revenues	<u>16,207</u>	<u>17,459</u>
Expenses:		
General government	3,177	3,439
Finance and Taxation	839	745
Public safety	3,270	2,742
Physical environment	2,270	2,821
Water system	1,040	751
Health and welfare	3,294	2,899
Cultural and recreational	806	746
Court related	720	650
Agencies	582	621
Interest	<u>1</u>	<u>128</u>
Total expenses	<u>15,999</u>	<u>15,542</u>
Increase in net position	<u>\$ 208</u>	<u>\$ 1,917</u>

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MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2015**

Governmental Activities: Revenues for the County's governmental activities were \$14,881,801 for fiscal year 2015. Taxes constitute the largest source of County revenues, amounting to approximately \$10,696,091 for the fiscal year 2015. Real, personal property, and vehicle taxes of \$9,796,480 represent over 92% of total taxes and 66% of all revenue combined.

Financial Analysis of Calhoun County's Funds

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

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

As of June 30, 2015, Calhoun County governmental funds reported combined fund balances of \$13,339,741, a decrease of \$241,670 over the prior year balances.

The General Fund is the chief operating fund of the County. At June 30, 2015, total fund balance in the General Fund was \$7,387,394, of which \$6,978,798 was unassigned and \$408,596 was non-spendable, restricted or assigned. As a measure of the General Fund's liquidity, the total and unassigned fund balances compared to total fund expenditures shows percentages of 65% and 62%, respectively. The fund balance of the General Fund decreased by \$535,468 during the current fiscal year. This decrease was due to the shortfall in fines and fees in the general fund.

Other governmental funds are used to account for specific revenues and expenditures. Total fund balances of all other governmental funds decreased by \$(342,757) from the prior year. This decrease was due to the upgrade of the E911 console system in the E911 fund.

Proprietary funds: The water/wastewater operations had an operating loss of \$27,148. The Municipal Water Department had operating income of \$240,126 for a total net operating income for both the water/wastewater operations and the Municipal Water Department of \$212,978.

General Fund Budgetary Highlights

Budget to actual statement is provided for the General Fund on page 20. The expenditures incurred during the year were within budget limitations.

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ST. MATTHEWS, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2015**

Capital asset and Debt Administration

Capital assets: Calhoun County's investment in capital assets for its governmental activities as of June 30, 2015 amounts to \$22,435,409 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, construction in progress, and infrastructure. Each year construction of roads, bridges, and drainage systems (infrastructure) incurred during the current fiscal year is added to the County's capital assets.

Calhoun County's Capital Assets (Net)

Activities	Governmental Activities	Business-Type
Land	\$ 1,478,636	\$ 4,500
Construction in progress	915,211	2,429,458
Land improvements	747,400	-
Buildings and improvements	11,943,984	-
Machinery and equipment	4,141,930	51,175
Vehicles	3,226,788	59,938
Infrastructure	7,181,128	-
Museum collection	3,127,547	-
Water and wastewater system	<u>-</u>	<u>8,853,200</u>
 Total capital assets	 32,762,624	 11,398,271
 Less accumulated depreciation	 <u>(10,327,215)</u>	 <u>(2,643,546)</u>
 Total capital assets, net	 <u>\$ 22,435,409</u>	 <u>\$ 8,754,725</u>

Additional information on the County's capital assets can be found in Note 7 on pages 41 through 43 of this report.

Long-term debt: At the end of the current fiscal year, Calhoun County had no bonded debt outstanding.

Calhoun County's Outstanding Debt

	2015
(Governmental Activities)	
General Obligation Bonds	<u>\$ -</u>
(Business-Type Activities)	
Revenue Bonds	<u>\$ 4,347,401</u>

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FOR THE YEAR ENDED JUNE 30, 2015**

Note issued

Additional information on Calhoun County's long-term debt can be found in Note 11 on pages 54 through 56 of this report.

Economic Factors and Next Year's Budgets and Rates

Calhoun County has been impacted by the recent down turn in the economy. The State of South Carolina has experienced a budget shortfall and has made across-the-board cuts to all agencies and subdivisions of the State of South Carolina. The Local Government Fund has reduced from the statutory formula over the past few years, but remained the same as last year's budget. Calhoun County budgeted \$573,332 for the local government fund revenue for fiscal year 2016.

Building permits have increased slightly in 2015 which will result in a slight increase in revenue from permit fees. Additionally, Calhoun County is expecting a slight increase in projected sales tax revenue. The County has a strong fund balance and expects to cover any shortfall in the 2015-2016 fiscal year with reserves.

The South Carolina Department of Transportation began construction on the widening of Interstate 26 last fiscal year, particularly at the section which encompasses the rest areas situate in Calhoun County. These rest areas have been closed while construction is in progress, but are expected to re-open in 2016. This closure has resulted in a loss of revenue of approximately \$160,000 in Calhoun County's proprietary funds over the last two years.

South Carolina Code of Laws §6-1-320(A) set millage rate limitations as follows:

"...a local governing body may increase the millage rate imposed for general operating purposes above the rate imposed for such purposes for the preceding tax year only to the extent of the increase in the average of the twelve monthly consumer price indices for the most recent twelve-month period consisting of January through December of the preceding calendar year, plus, beginning in 2007, the percentage increase in the previous year in the population of the entity as determined by the Office of Research and Statistics of the State Budget and Control Board. If the average of the twelve monthly consumer price indices experience a negative percentage, the average is deemed to be zero. If an entity experiences a reduction in population, the percentage change in population is deemed to be zero. However, in the year in which a reassessment program is implemented, the rollback millage, as calculated pursuant to §12-37-251(E), must be used in lieu of the previous year's millage rate."

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MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
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Section 6-1-320(B) was amended to provide that the millage rate limitation may only be suspended and the millage rate increased upon a two-thirds vote of the membership of the county governing body and ONLY for the following purposes:

- (1) The deficiency of the preceding year;
- (2) Any catastrophic event;
- (3) Compliance with a court order or decree;
- (4) Taxpayer closure outside the control of the governing body that decreased by 10% or more the amount of revenue payable to the taxing jurisdiction in the preceding year; or
- (5) Compliance with a regulation/statute enacted by the federal/state government for which no means of obtaining funds are provided.

The millage rate limitation does not affect millage that is levied to pay bonded indebtedness or payments for real property purchased using a lease-purchase agreement or used to maintain a reserve account.

Calhoun County is a member of the Lake Marion Regional Water Agency which has completed a water treatment plant on Lake Marion to serve a five-county area. Calhoun County has a capacity subscription of 0.61 MGB. The Agency has been funded primarily by Federal funds. Calhoun County's cost is based on a demand rate and a volumetric rate based on a cost of service study completed annually.

Calhoun County has expanded its water system into the lower part of the County in the Stumphole Landing and Poplar Creek areas. The funding comes from a \$2,713,000 USDA ARRA loan and \$1,611,500 USDA Rural Development grant. The County water system has been purchasing water wholesale from Lake Marion Regional Water Agency.

Calhoun County also passed a referendum in November, 2004, authorizing a one-cent Local Option Sales Tax (LOST). The proceeds of the local option sales and use tax are subject to division in two ways.

- The County's Revenue Fund (29% of LOST) is expected to be allocated for fire service.
- A credit is issued against property taxes.

All of these factors will impact the County's 2015-2016 fiscal year and were considered in preparing the 2015-2016 budget. The County has a sufficient fund balance to cover expenses until tax revenue is collected.

**CALHOUN COUNTY
ST. MATTHEWS, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2015**

Requests for Information

This financial report is designed to provide a general overview of Calhoun County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to County Administrator, Calhoun County Courthouse Annex, 102 Courthouse Drive, Suite 108, St. Matthews, South Carolina 29135.

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

	Primary Government		Total
	Governmental Activities	Business-type Activities	
ASSETS			
Current assets:			
Cash and investments - Note 3	\$ 13,044,414	\$ 634,538	\$ 13,678,952
Receivables:			
Delinquent taxes	498,877	-	498,877
Other	884,702	50,619	935,321
Internal balances	547,213	(547,213)	-
Due from fiduciary funds - Note 4	45,965	-	45,965
Current portion - notes receivable - Note 6	19,921	-	19,921
Grant receivable	23,523	52,914	76,437
Prepaid insurance	36,558	-	36,558
Other assets	3,922	-	3,922
Total current assets	<u>15,105,095</u>	<u>190,858</u>	<u>15,295,953</u>
Restricted cash:			
Restricted cash - Note 3	-	248,182	248,182
Total restricted cash	-	<u>248,182</u>	<u>248,182</u>
Non-current assets:			
Non-depreciable capital assets - Note 7	5,521,394	2,433,958	7,955,352
Depreciable capital assets-net - Note 7	16,914,015	6,320,767	23,234,782
Notes receivable - Note 6	10,599	-	10,599
Total non-current assets	<u>22,446,008</u>	<u>8,754,725</u>	<u>31,200,733</u>
Total assets	<u>37,551,103</u>	<u>9,193,765</u>	<u>46,744,868</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension difference between expected and actual funding			
	245,818	4,990	250,808
Employer contributions subsequent to measurement date			
	595,006	10,691	605,697
Total deferred outflows of resources	<u>840,824</u>	<u>15,681</u>	<u>856,505</u>
LIABILITIES			
Current liabilities (payable from current assets):			
Accounts payable	1,221,889	68,491	1,290,380
Other liabilities	31,909	-	31,909
Accrued interest payable	-	6,592	6,592
Unearned revenue	24,677	-	24,677
Accrued compensated absences - Note 11	53,132	-	53,132
Closures and maintenance costs payable - Note 11	14,500	-	14,500
Total current liabilities	<u>1,346,107</u>	<u>75,083</u>	<u>1,421,190</u>
Liabilities (payable from restricted assets):			
Customer deposits	-	71,614	71,614
Current portion of revenue bonds payable	-	66,230	66,230
Total liabilities (payable from restricted assets):	-	<u>137,844</u>	<u>137,844</u>
Non-current liabilities:			
Accrued compensated absences - Note 11	307,884	-	307,884
Closures and maintenance costs payable - Note 11	324,372	-	324,372
Bond payable - Note 11	-	4,281,171	4,281,171
Net pension liability - Note 8	8,788,950	176,113	8,965,063
OPEB liability - Note 9	780,214	-	780,214
Total long-term liabilities	<u>10,201,420</u>	<u>4,457,284</u>	<u>14,658,704</u>
Total liabilities	<u>11,547,527</u>	<u>4,670,211</u>	<u>16,217,738</u>
DEFERRED INFLOWS OF RESOURCES			
Net difference between projected and actual earnings on pension plan investments			
	802,338	14,848	817,186
Total deferred inflows of resources	<u>802,338</u>	<u>14,848</u>	<u>817,186</u>
NET POSITION			
Net investment in capital assets	22,435,409	3,860,111	26,295,520
Restricted for:			
Capital projects	3,857,116	-	3,857,116
Debt service	55,793	110,338	166,131
Victim's fund	32,833	-	32,833
Local option sales tax reserve	126,075	-	126,075
Unrestricted	(465,164)	553,938	88,774
Total net position	<u>\$ 26,042,062</u>	<u>\$ 4,524,387</u>	<u>\$ 30,566,449</u>

See Notes to the Basic Financial Statements.

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

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-type Activities	
Primary Government:							
Governmental activities:							
General government	\$ 3,176,634	\$ 88,075	\$ 13,290	\$ -	\$ (3,075,269)	\$ -	\$ (3,075,269)
Finance and taxation	838,824	72,388	-	-	(766,436)	-	(766,436)
Public safety	3,270,062	47,723	271,156	11,459	(2,939,724)	-	(2,939,724)
Physical environment	2,269,747	77,255	169,830	590,347	(1,432,315)	-	(1,432,315)
Health and welfare	3,294,703	920,312	488,675	-	(1,885,716)	-	(1,885,716)
Culture/Recreation	805,611	-	88,086	-	(717,525)	-	(717,525)
Court related	720,033	267,712	108,777	-	(343,544)	-	(343,544)
Agencies	581,694	-	-	-	(581,694)	-	(581,694)
Interest	767	-	-	-	(767)	-	(767)
Total governmental activities	\$ 14,958,075	\$ 1,473,465	\$ 1,139,814	\$ 601,806	(11,742,990)	-	(11,742,990)
Business-type Activities:							
Water/wastewater plant	\$ 118,846	\$ 91,698	\$ -	\$ -	-	(27,148)	(27,148)
Municipal water system	769,837	1,009,963	-	222,144	-	462,270	462,270
Interest	151,290	-	-	-	-	(151,290)	(151,290)
Total business-type activities	\$ 1,039,973	\$ 1,101,661	\$ -	\$ 222,144	-	283,832	283,832
General Revenues:							
Taxes:							
Property taxes, levied for general purposes					9,552,852	-	9,552,852
Property taxes, levied for debt services					243,628	-	243,628
Sales tax					899,611	-	899,611
Franchise fees					5,417	-	5,417
State shared revenues					727,645	-	727,645
Interest earnings					6,003	354	6,357
Miscellaneous					225,944	-	225,944
Gain on sale of capital assets					5,616	-	5,616
Total general revenues and transfers					11,666,716	354	11,667,070
Change in net position					(76,274)	284,186	207,912
Net position - beginning - as restated - Note 17					26,118,336	4,240,201	30,358,537
Net position - ending					\$ 26,042,062	\$ 4,524,387	\$ 30,566,449

See Notes to the Basic Financial Statements.

**CALHOUN COUNTY, SOUTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2015**

	GENERAL	CAPITAL PROJECTS FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS				
Cash and investments	\$ 7,813,653	\$ 3,268,896	\$ 1,961,865	\$ 13,044,414
Accounts receivable				
Property taxes	444,202	5,773	48,902	498,877
Other	390,971	41,007	452,724	884,702
Due from other funds	300,001	547,213	24,723	871,937
Due from fiduciary funds	45,965	-	-	45,965
Notes receivable	30,520	-	-	30,520
Grant receivable	23,523	-	-	23,523
Prepaid insurance	36,558	-	-	36,558
Other assets	5,318	-	-	5,318
Total assets	<u>\$ 9,090,711</u>	<u>\$ 3,862,889</u>	<u>\$ 2,488,214</u>	<u>\$ 15,441,814</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 1,202,482	\$ -	\$ 19,407	\$ 1,221,889
Due to other funds	24,724	-	300,000	324,724
Unearned revenue	-	-	24,677	24,677
Payroll taxes and withholdings	31,909	-	-	31,909
Total liabilities	<u>1,259,115</u>	<u>-</u>	<u>344,084</u>	<u>1,603,199</u>
Deferred Inflows of Resources				
Unavailable Revenue - Property Taxes	444,202	5,773	48,899	498,874
Total Deferred Inflows of Resources	<u>444,202</u>	<u>5,773</u>	<u>48,899</u>	<u>498,874</u>
Fund balances:				
Nonspendable	10,599	-	-	10,599
Restricted	319,439	-	2,018,966	2,338,405
Assigned	1,353,855	3,857,116	76,265	5,287,236
Unassigned	5,703,501	-	-	5,703,501
Total fund balances	<u>7,387,394</u>	<u>3,857,116</u>	<u>2,095,231</u>	<u>13,339,741</u>
Total Liabilities, Deferred Inflows of Resources, and Fund balances	<u>\$ 9,090,711</u>	<u>\$ 3,862,889</u>	<u>\$ 2,488,214</u>	<u>\$ 15,441,814</u>

See Notes to the Basic Financial Statements.

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

Total fund balance - total governmental funds	\$ 13,339,741
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Delinquent taxes receivable will be collected after year-end, but are not available soon enough to pay for the current period's expenditures and, therefore, are reported as unavailable revenue in the funds.	498,874
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	22,435,409
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Due within a year	(67,632)
Due in more than one year	(632,256)
Other Post Employment Benefits(OPEB) liability represents the future unfunded costs associated with current benefit designs.	(780,214)
Net pension liability represents the proportionate share of the future unfunded costs associated with the County's participation in the SC Retirement System.	<u>(8,751,860)</u>
Total net position - total governmental activities	<u><u>\$ 26,042,062</u></u>

See Notes to the Basic Financial Statements.

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

	GENERAL	CAPITAL PROJECTS FUND	OTHER GOVERNMENTAL FUNDS	TOTAL
REVENUES				
Taxes	\$ 7,861,328	\$ 1,210,788	\$ 725,462	\$ 9,797,578
Rent	70,299	-	-	70,299
Intergovernmental	917,335	-	1,058,295	1,975,630
Charges for services	923,624	-	-	923,624
Fines and forfeitures	97,660	-	-	97,660
Local sources	143,990	-	1,742,943	1,886,933
Interest	5,822	-	181	6,003
Miscellaneous	108,707	-	-	108,707
Total revenues	<u>10,128,765</u>	<u>1,210,788</u>	<u>3,526,881</u>	<u>14,866,434</u>
EXPENDITURES				
Current:				
Administration	568,440	641	19,603	588,684
Public works	942,591	45,599	172,891	1,161,081
Public buildings	573,685	56,253	-	629,938
Finance and taxation	754,940	-	22,723	777,663
Judicial	648,567	-	-	648,567
Public safety	2,187,549	-	714,989	2,902,538
Health and welfare	1,968,431	-	987,888	2,956,319
Culture and recreation	649,689	-	32,960	682,649
Miscellaneous	616,894	-	-	616,894
Employee fringe benefits	2,361,937	-	-	2,361,937
Agencies	110,105	-	471,589	581,694
Debt service:				
Principal	-	-	300,000	300,000
Interest and fiscal charges	-	-	767	767
Capital outlay	-	471,740	733,249	1,204,989
Total expenditures	<u>11,382,828</u>	<u>574,233</u>	<u>3,456,659</u>	<u>15,413,720</u>
Excess revenues over (under) expenditures before other financial sources (uses)	<u>(1,254,063)</u>	<u>636,555</u>	<u>70,222</u>	<u>(547,286)</u>
Other financing sources (uses)				
Sale of capital assets	5,616	-	-	5,616
Bond proceeds	-	-	300,000	300,000
Transfers in (out)	712,979	-	(712,979)	-
Total other financing sources (uses)	<u>718,595</u>	<u>-</u>	<u>(412,979)</u>	<u>305,616</u>
Net changes in fund balances	(535,468)	636,555	(342,757)	(241,670)
Fund balances at beginning of year, as restated - Note 17	<u>7,922,862</u>	<u>3,220,561</u>	<u>2,437,988</u>	<u>13,581,411</u>
Fund balances at end of year	<u>\$ 7,387,394</u>	<u>\$ 3,857,116</u>	<u>\$ 2,095,231</u>	<u>\$ 13,339,741</u>

See Notes to the Basic Financial Statements.

**CALHOUN COUNTY, SOUTH CAROLINA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015**

Net changes in fund balances - total governmental funds		\$ (241,670)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense.		
Expenditures for capital assets	1,204,989	
Less current year depreciation	<u>(913,363)</u>	291,626
Bond proceeds provide current financial resources to governmental funds, repayment of bond principal and capital lease principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and the proceeds increase them.		
Bond proceeds	(300,000)	
Bond principal payment	<u>300,000</u>	-
Some expenses reported in the statement of activities do not require the use of current financial resources, therefore, are not reported as expenditures in governmental funds.		
Change in OPEB liability	(88,307)	
Change in Net Pension liability	(55,211)	
Change in compensated absences	(5,847)	
Change in closure and maintenance costs payable	<u>13,382</u>	(135,983)
Some property tax will not be collected for several months after the County's fiscal year-end; they are not considered "available" revenues in the governmental funds.		
		<u>9,753</u>
Change in net position of governmental activities		<u>\$ (76,274)</u>

See Notes to the Basic Financial Statements.

**CALHOUN COUNTY, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2015**

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Property taxes:			
Current	\$ 5,600,000	\$ 5,597,372	\$ (2,628)
Delinquent	300,000	293,463	(6,537)
Fee in lieu of taxes	1,880,000	1,970,493	90,493
Interest income	-	5,822	5,822
Other local sources	1,603,293	1,344,280	(259,013)
State sources	817,658	828,417	10,759
Federal sources	110,625	88,918	(21,707)
TOTAL REVENUES	10,311,576	10,128,765	(182,811)
EXPENDITURES			
Current	12,200,654	11,382,828	817,826
TOTAL EXPENDITURES	12,200,654	11,382,828	817,826
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,889,078)	(1,254,063)	635,015
OTHER FINANCING SOURCES (USES)			
Proceeds from Sale of Property	-	5,616	5,616
Transfers in/ out	600,000	712,979	112,979
TOTAL OTHER FINANCING SOURCES (USES)	600,000	718,595	118,595
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	\$ (1,289,078)	(535,468)	\$ 753,610
Fund Balances at Beginning of Year, As Restated, Note 17		7,922,862	
Fund Balances at End of Year		\$ 7,387,394	

See Notes to the Basic Financial Statements.

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

	<u>Business-Type Activities-Enterprise Funds</u>		
	Water/ Wastewater Plant	Municipal Water System	Total
ASSETS			
Current Assets:			
Cash	\$ 99,157	\$ 535,381	\$ 634,538
Accounts receivable	7,049	43,570	50,619
Grants receivable	-	52,914	52,914
Total Current Assets	<u>106,206</u>	<u>631,865</u>	<u>738,071</u>
Restricted Cash	<u>-</u>	<u>248,182</u>	<u>248,182</u>
Property, Plant, and Equipment (Net of accumulated depreciation - Note 7)	<u>517,999</u>	<u>8,236,726</u>	<u>8,754,725</u>
TOTAL ASSETS	<u>624,205</u>	<u>9,116,773</u>	<u>9,740,978</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension difference between expected and actual funding	-	4,990	4,990
Employer contributions subsequent to measurement date	-	10,691	10,691
Total deferred outflows of resources	<u>-</u>	<u>15,681</u>	<u>15,681</u>

See Notes to the Basic Financial Statements.

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

	Business-Type Activities-Enterprise Funds		
	Water/ Wastewater Plant	Municipal Water System	Total
LIABILITIES AND FUND EQUITY			
Current Liabilities:			
Accounts payable	120	68,371	68,491
Accrued interest payable	-	6,592	6,592
Due to Cap Imp	-	547,213	547,213
Total Current Liabilities	120	622,176	622,296
Current Liabilities (Payable from Restricted Assets)			
Meter deposits payable	-	65,914	65,914
Tap fees	-	5,700	5,700
Current portion of revenue bonds payable - Note 10	-	66,230	66,230
Total Current Liabilities (Payable from Restricted Assets)	-	137,844	137,844
Noncurrent Liabilities			
Revenue bonds payable - Note 10	-	4,281,171	4,281,171
Net pension liability - Note 8	-	176,113	176,113
Total Noncurrent Liabilities	-	4,457,284	4,457,284
Total Liabilities	120	5,217,304	5,217,424
DEFERRED INFLOWS OF RESOURCES			
Net difference between projected and actual earnings on pension plan investments	-	14,848	14,848
Net Position	-	14,848	14,848
Invested in capital assets, net of related debt	517,999	3,342,112	3,860,111
Restricted for:			
Expendable:			
Debt retirement	-	110,338	110,338
Unrestricted	106,086	447,852	553,938
Total Net Position	\$ 624,085	\$ 3,900,302	\$ 4,524,387

See Notes to the Basic Financial Statements.

**CALHOUN COUNTY, SOUTH CAROLINA
 COMBINED STATEMENT OF REVENUES, EXPENSES, AND
 CHANGES IN FUND NET POSITION
 PROPRIETARY FUNDS
 YEAR ENDED JUNE 30, 2015**

	<u>Business-Type Activities-Enterprise Funds</u>		
	<u>Water/ Wastewater Plant</u>	<u>Municipal Water System</u>	<u>Total</u>
Operating Revenues:			
Water/wastewater revenue	\$ 91,698	\$ 973,528	\$ 1,065,226
Tap fees	-	36,435	36,435
Total Operating Revenues	<u>91,698</u>	<u>1,009,963</u>	<u>1,101,661</u>
Operating Expenses:			
Operating and maintenance	97,736	567,256	664,992
Depreciation expense	21,110	202,581	223,691
Total Operating Expenses	<u>118,846</u>	<u>769,837</u>	<u>888,683</u>
Operating Income (Loss)	<u>(27,148)</u>	<u>240,126</u>	<u>212,978</u>
Non-Operating Income (Expense):			
Interest expense	-	(151,290)	(151,290)
Interest income	51	303	354
Net Non-Operating Income (Expense)	<u>51</u>	<u>(150,987)</u>	<u>(150,936)</u>
Income (loss) before capital contributions and transfers	<u>(27,097)</u>	<u>89,139</u>	<u>62,042</u>
Capital contributions	-	222,144	222,144
Transfers in/out	8,381	(8,381)	-
Change in net position	<u>(18,716)</u>	<u>302,902</u>	<u>284,186</u>
Net Position - Beginning of Year - Restated - Note 17*	<u>642,801</u>	<u>3,597,400</u>	<u>4,240,201</u>
Net Position - End of Year	<u>\$ 624,085</u>	<u>\$ 3,900,302</u>	<u>\$ 4,524,387</u>

See Notes to the Basic Financial Statements.

**CALHOUN COUNTY, SOUTH CAROLINA
COMBINED STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2015**

	<u>Business-Type Activities-Enterprise Funds</u>		
	<u>Water/ Wastewater Plant</u>	<u>Municipal Water System</u>	<u>Total</u>
Cash Flows From Operating Activities:			
Cash received from customers	\$ 91,867	\$ 987,980	\$ 1,079,847
Cash received from intercompany transactions	-	547,213	547,213
Cash paid to suppliers for goods and services	(97,617)	(424,315)	(521,932)
Cash paid to employees for services	-	(143,713)	(143,713)
Net Cash Provided by (Used For) Operating Activities	<u>(5,750)</u>	<u>967,165</u>	<u>961,415</u>
Cash Flows From Capital and Related Financing Activities:			
Capital contributions	-	220,473	220,473
Principal paid on bonds	-	(63,953)	(63,953)
Interest paid on bonds	-	(151,612)	(151,612)
Purchase of capital assets	-	(860,660)	(860,660)
Net Cash Used in Capital and Related Financing Activities	<u>-</u>	<u>(855,752)</u>	<u>(855,752)</u>
Cash Flows From Investing Activities:			
Interest income	51	303	354
Net Provided by (Used For) Investing Activities	<u>51</u>	<u>303</u>	<u>354</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(5,699)	111,716	106,017
Cash and Cash Equivalents at Beginning of Year	104,856	671,847	776,703
Cash and Cash Equivalents at End of Year	<u>\$ 99,157</u>	<u>\$ 783,563</u>	<u>\$ 882,720</u>
Classified as:			
Current Assets	\$ 99,157	\$ 535,381	\$ 634,538
Restricted Assets	-	248,182	248,182
Totals	<u>\$ 99,157</u>	<u>\$ 783,563</u>	<u>\$ 882,720</u>

See Notes to the Basic Financial Statements.

CALHOUN COUNTY, SOUTH CAROLINA
 COMBINED STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 YEAR ENDED JUNE 30, 2015

	<u>Business-Type Activities-Enterprise Funds</u>		
	<u>Water/ Wastewater Plant</u>	<u>Municipal Water System</u>	<u>Total</u>
Reconciliation of Net Operating Income (Loss)			
Net Cash Provided by Operating Activities			
Operating income (loss)	\$ (27,148)	\$ 240,126	\$ 212,978
Adjustments to reconcile operating income by operating activities:			
Depreciation and amortization expense	21,110	202,581	223,691
Pension expense difference	-	1,648	1,648
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	168	(29,164)	(28,996)
Increase (decrease) in accounts payable	120	(2,420)	(2,300)
Increase (decrease) in due to Cap Imp	-	547,213	547,213
Increase (decrease) in deposits payable	-	7,181	7,181
Total Adjustments	<u>21,398</u>	<u>727,039</u>	<u>748,437</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (5,750)</u>	<u>\$ 967,165</u>	<u>\$ 961,415</u>

See Notes to the Basic Financial Statements.

**CALHOUN COUNTY, SOUTH CAROLINA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
JUNE 30, 2015**

ASSETS

Cash	\$ 6,927,056
Property taxes receivable	784,577
Due from others	<u>615</u>
 Total Assets	 <u><u>\$ 7,712,248</u></u>

LIABILITIES

Due to trust fund holders	\$ 7,652,652
Outstanding bonds	9,532
Held for jurors	225
Due to Treasurer - overage - Note 10	3,872
Due to other funds	<u>45,967</u>
 Total Liabilities	 <u><u>\$ 7,712,248</u></u>

See Notes to the Basic Financial Statements.

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

Calhoun County was chartered in 1908. Section 47-26 of the 1962 Code of Laws, as amended (Home Rule Act 283 of 1975), required that counties adopt a specific form of government, and a charter was issued for Calhoun County adopting the Council form of Government.

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

A. FINANCIAL REPORTING ENTITY

The concept underlying the definition of the reporting entity is that elected officials are accountable to their constituents for their actions. The reporting entity's financial statements should allow users to distinguish between the primary government (the County) and its component units. However, some component units, because of the closeness of their relationships with the County, should be blended as though they are part of the County. Otherwise, most component units should be discretely presented. As required by generally accepted accounting principles, the financial reporting entity consists of (1) the primary government (the County), (2) organizations for which the County is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Management determined that the Calhoun County Library, Calhoun County Museum, and Calhoun County Council on Aging were the only organizations that should be included in the County's financial statements as component units.

Blended Component Units

Calhoun County Library

This organization is administered by a Board appointed by County Council. The library is financially dependent on the County, and the County has ultimate control over all activities of the library. The library is presented as a department of the County.

Calhoun County Museum

This organization is administered by a Historical Commission appointed by County Council. The museum is financially dependent on the County, and the County has ultimate control over all activities of the museum. The museum is presented as a department of the County.

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

A. FINANCIAL REPORTING ENTITY (continued)

Blended Component Units (continued)

Calhoun County Council on Aging

Calhoun County Council on Aging is funded by state, federal and county funds to provide services to senior citizens of the County. The County provided \$132,500 of funds to the Council on Aging during 2014-15. The Board which administers the Council on Aging is appointed by County Council. The County oversees financial activities of the Council on Aging and owns its building. The Council on Aging is presented as a special revenue fund of the County.

Other Component Units

Sandy Run Fire District

Sandy Run Fire District was organized to provide fire protection for the Sandy Run Community of Calhoun County. It has a separate board appointed by Calhoun County Council. The District's net assets are not significant to the County and therefore, it is not included as a component unit in this report.

B. Measurement Focus and Basis of Accounting

The basic financial statements of the County are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements

1. Government-wide Financial Statements

Government-wide financial statements display information about the reporting government as a whole, except for its fiduciary activities. These statements include separate columns for the governmental and business-type activities of the primary government (including its blended component units). For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support.

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Measurement Focus and Basis of Accounting (continued)

1. Government-wide Financial Statements (continued)

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and agency fund financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement 33 - Accounting and Financial Reporting for Non-exchange Transactions.

Program revenues include charges for services, special assessments, and payments made by parties outside of the reporting government's citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements, rather than as an other financing source. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. The County chooses to eliminate the indirect costs between governmental activities to avoid a "doubling up" effect.

2. Fund Financial Statements

The underlying accounting system of the County is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Measurement Focus and Basis of Accounting (continued)

2. Fund Financial Statements (continued)

Fund financial statements for the primary government's governmental, proprietary, and fiduciary funds are presented after the government-wide financial statements. These statements display information about major funds individually and nonmajor funds in the aggregate for governmental and enterprise funds. The fiduciary statement includes financial information for the trust funds. The trust funds of the County primarily represent assets held by the County in a custodial capacity for other individuals or governments.

Governmental Funds

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Franchise fees, licenses, sales taxes, gas taxes, operating and capital grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable only when cash is received by the County.

Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be a measure of "available spendable resources". Governmental funds operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Non-current portions of long-term receivables (special assessments) due to governmental funds are reported on their balance sheets in spite of their spending measurement focus.

Non-current portions of other long-term receivables are offset by fund balance reserve accounts.

Because of their spending measurement focus, expenditure recognition for governmental funds exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund expenditures or fund liabilities.

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Measurement Focus and Basis of Accounting (continued)

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as an other financing source rather than as a fund liability. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The County reports the following major enterprise funds:

Municipal Water System – This fund accounts for user charges, fees and other resources and all costs associated with the operation of the water and sewer system.

Water/Wastewater Plant – This fund accounts for activity related to the operation of the wastewater system at the rest area.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the costs 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.

C. Basis of Presentation

GASB Statement 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category and the governmental and enterprise combined) for the determination of major funds. The County has used GASB 34 minimum criteria for major fund determination and has also electively disclosed funds which either had debt outstanding or specific community focus as major funds. The nonmajor funds are combined in a column in the fund financial statements and detailed in the combining section.

1. Governmental Major Funds:

General Fund – The General Fund is the general operating fund of the County. It is used to account for all financial resources, except those required to be accounted for in another fund.

Capital Projects Fund – The Capital Projects Fund accounts for most of the capital assets purchased by the County.

Grants Fund – The Grants Fund accounts for most of the grants received by the County.

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Presentation (continued)

Proprietary Fund Types

Enterprise Funds - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The County has established two enterprise funds. These funds are the Water System and Wastewater Plant.

Other Governmental Funds

Special Revenue Funds – These funds are established to account for the proceeds of specific revenue sources and certain special assessments that are legally restricted to expenditures for specified purposes. It is the County's policy not to budget for all Special Revenue Funds in the form of a legally adopted budget format.

Debt Service Fund – This fund is established for the purpose of accumulating resources for the payment of principal and interest on general long-term debt other than those payable from Special Revenue Funds.

2. Other Fund Types:

Fiduciary Fund Types - Fiduciary Fund Types are used to account for assets held by the County in a trustee capacity for individuals and other County agencies or governments. The County has eight agency fund types as follows:

Agency Funds include funds held for individuals by the County Clerk of Court, Judge of Probate, the Master-in-Equity, the County Magistrates, and funds held by the County Treasurer for the Calhoun County School District. It also includes funds held by the Delinquent Tax Collector. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

3. Non-current Governmental Assets/Liabilities:

GASB Statement 34 requires non-current governmental assets, such as land and buildings and non-current governmental liabilities, such as general obligation bonds and capital leases, be reported in the governmental activities column in the government-wide statement of net position.

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities, and Net Position or Equity

1. Cash and Cash Equivalents

Cash includes operating accounts, investments in certificates of deposit and investment in the state investment pool. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents.

2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

3. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, right-of-ways, water and sewer distribution systems and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year.

Assets are recorded at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation, except for the museum collection. The museum collection has been recorded at the insurance replacement value, as determined by a certified appraiser.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities, and Net Position or Equity (continued)

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Building and improvements	15 – 50
Machinery and equipment	3 – 10
Water and waste water system	40
Infrastructure	75
Vehicles	8

4. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position and/or the Balance Sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of resources that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the Statement of Net Position and/or the Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of resources that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

5. Accrued Compensated Absences

The County accrues accumulated unpaid vacation and sick leave when earned by the employee. The current portion is the amount estimated to be used in the following year. The non-current portion is the amount estimated to be used in subsequent fiscal years. Both the current and non-current estimated accrued compensated absences amounts for governmental funds are maintained separately and represent a reconciling item between the fund and government-wide presentations.

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities, and Net Position or Equity (continued)

6. Landfill Closure Costs

Under the terms of current state and federal regulations, the County is required to place a final cover on closed landfill areas, and to perform certain monitoring and maintenance functions for a period of up to thirty years after closure. The County recognizes these costs of closure and post-closure maintenance over the active life of each landfill area, based on landfill capacity use during the period. Required obligations for closure and post-closure costs are recognized in the government activities column in the governmental-wide statement of net position.

7. Pensions

The Governmental Accounting Standards Board (GASB) issued Statement No. 68 entitled *Accounting and Financial Reporting for Pension Plans* in June 2012 and issued GASB Statement No. 71 (an amendment of GASB No. 68) entitled *Pension Transition for Contribution Made Subsequent to the Measurement Date* in November 2013. The disclosure requirements applicable to employers participating in the South Carolina Retirement System or the Police Officers Retirement System are prescribed in paragraphs 48 through 82 of GASB 68. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the South Carolina Retirement System and additions to/deductions from the South Carolina Retirement System's fiduciary net position have been determined on the same basis as they are reported by the South Carolina Retirement System. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

8. Fund Balances

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. Fund balance for governmental funds can consist of the following:

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.

CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

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 – includes amounts that can only be used for the specific purposes determined by a formal action of the County's highest level of decision-making authority, the County Council of Calhoun County. Commitments may be changed or lifted only by the County taking the same formal action that imposed the constraint originally (for example: resolution and ordinance).

Assigned – includes amounts that contain self-imposed constraints of the government to be used for a particular purpose.

Unassigned – includes amounts that are not constrained for any particular purpose. They appear only in the general fund or in another fund as negative fund balances.

9. Net Position/Fund Equity

Net position in government-wide and proprietary fund financial statements are classified as invested in capital assets, restricted; and unrestricted. Restricted net position represent constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through state statute. . The government-wide statement of net position reports \$30,566,449 of which \$158,908 is restricted by enabling legislation. The County will use restricted amounts first when both restricted and unrestricted fund balances are available. Additionally, the County would use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets and Budgetary Accounting

The County follows the following procedures in establishing the budgetary data reflected in the financial statements:

1. Each year, the County Administrator submits to the County Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Three public readings are conducted by County Council and one public hearing to obtain taxpayer comments.

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (continued)

3. Prior to June 30, the budget is legally enacted through passage of an ordinance.
4. The County Administrator is authorized to transfer budgeted amounts between departments within any fund. This transfer cannot exceed \$10,000 or 10% of said department's budget; however, any revisions that alter the total expenditures of any fund must be approved by the County Council.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund, Revenue Funds (Accommodation Tax Fund and the Fire Department), and Capital Projects Funds.
6. The budget for the General Fund is adopted on a basis consistent with generally accepted accounting principles (GAAP) except for encumbrances. Budgetary comparisons presented for the General Fund in this report are on this non-GAAP budgetary basis.
7. Budgeted amounts are as originally adopted, or as amended by the County Council as close to June 30 as possible. Individual amendments were not material in relation to the original appropriations which were adopted.

NOTE 3 - CASH AND INVESTMENTS

Deposits

At year-end, the carrying amount of the County's deposits and investments was \$20,848,683 and the bank balance was \$21,059,624. To reconcile this information to the financial statements, we include the following:

Cash and investments	\$ 20,848,683
Cash on hand	<u>5,507</u>
 Total	 <u>\$ 20,854,190</u>
 Cash – Governmental Activities	 \$ 13,044,414
Business Type Activities	882,720
Fiduciary Activities	<u>6,927,056</u>
	 <u>\$ 20,854,190</u>
 Deposits	 \$ 15,020,478
Investments	<u>5,828,205</u>
	 <u>\$ 20,848,683</u>

Of the bank balance of \$16,379,396, excluding the investment pool funds, \$1,765,110 is secured by FDIC insurance and \$14,614,286 is secured by collateral pledged in the County's name.

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 3 - CASH AND INVESTMENTS (continued)

Restricted Cash

Restricted cash in the Proprietary Fund was composed of the following:

Bond cushion	\$ 176,386
Meter deposits	<u>71,796</u>
	<u>\$ 248,182</u>

Custodial credit risk for deposits is the risk that in the event of a bank failure, the County's deposits may not be returned or the County will not be able to recover collateral securities in the possession of an outside party. The County does not have a written policy related to allowable deposits, investments, or custodial credit risk, but does have an agreement with its banking institution that securities be pledged to cover any deposits in excess of federal depository insurance coverage.

Investment Policies

Credit Risk is the risk an issuer or other counterparty to an investment will not fulfill its obligations. Generally, the County's investing activities are managed under the custody of the County Treasurer. Investing is performed in accordance with investment policies adopted by the County Council complying with State Statutes and the County Charter. County funds may be invested in: (1) direct obligations of the United States government or its agencies; (2) obligations of this State or any of its political subdivisions; (3) collateralized or insured certificates of deposit and other evidences of deposits at banks, savings banks, savings and loan associations, and credit unions located in the County when secured by an agency of the Federal government; (4) certificates of deposit where the certificates are collateralized by securities of type described in items (1) and (2) above held by the third party as escrow agent or custodian, of a market value not less than the amount of the certificates of deposit so secured, including interest, but the collateral is not required to the extent the certificates of deposit are insured by an agency of the federal government; or (5) no load open-end or closed-end management type investment companies or investment trusts registered under the Investment Company Act of 1940, as amended, where the investment is made by a bank or trust company or savings and loan association or other financial institution where acting as trustee or agent for a bond or other debt issue of that county treasurer, if the particular portfolio of the investment company or investment trust in which the investment is (i) limited to obligations described in items (1) and (2) above, and (ii) have among its objectives the attempt to maintain a constant net asset value of one dollar a share and to that end, value its assets by the amortized cost method. The portfolio may also consist of repurchase agreements when collateralized by obligations described in items (1) and (2) above.

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 3 - CASH AND INVESTMENTS (continued)

Investments are carried at fair value, and are composed of the following:

	Investment Maturities			
	Fair Book Value	Less than 6 months	6 Months to 1 year	1-5 Years
Certificates of Deposit	\$ 1,147,977	\$ -	\$ 1,147,977	\$ -
SC Investment Pool	<u>4,680,228</u>	<u>4,680,228</u>	<u>-</u>	<u>-</u>
	<u>\$ 5,828,205</u>	<u>\$ 4,680,228</u>	<u>\$ 1,147,977</u>	<u>\$ -</u>

The South Carolina Treasurer's Office oversees the SC Investment Pool. The SC Investment Pool is not registered with the Securities and Exchange Commission but is classified as 2a7-like, which means the pool operates in a way that is consistent with the Commissioner's Rule 2a7 of the Investment Company Act of 1940. The investment pool only invests in the types of instruments allowed under State laws. The County's investment in the SC Investment Pool is considered unclassified as a credit risk because it is not evidenced by securities that exist in physical or book entry form. The fair value of the position in the SC Investment Pool is the same as the value of the pool shares.

NOTE 4 - INTERFUND BALANCES

Due From or To Other Funds

Interfund receivables and payables represent fund transfers of a nonmandatory nature, without interest, and with no specified time for repayment. A summary of individual fund interfund receivables and payables at June 30, 2015, follows:

Fund	Interfund Receivables	Interfund Payables
General Fund	\$ 345,966	\$ 24,724
Capital Projects	547,213	-
Special Revenue Fund:		
Library Lottery	889	-
Local Option Fund	-	300,000
Victim's Advocate	23,834	-
Enterprise Fund		
Municipal Water	-	547,213
Trust and Agency Funds:		
Magistrates	-	42,847
Judge of Probate	<u>-</u>	<u>3,118</u>
	<u>\$ 917,902</u>	<u>\$ 917,902</u>

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 4 - INTERFUND BALANCES (continued)

Operating Transfers	Transfer In	Transfer Out
General Fund	\$ 712,979	\$ -
Special Revenue Fund:		
Local Option Fund	-	600,000
DSS Incentive Fund	-	112,979
Enterprise Funds:		
Wastewater	8,381	-
Water System	-	8,381
	<u>\$ 721,360</u>	<u>\$ 721,360</u>

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to (b) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 5 - PROPERTY TAXES

Property taxes are levied by the County at varying rates per one hundred dollars (\$100) of assessed valuation of real estate and personal property owned and used in the County except exempt property as provided by the constitution and laws of the State of South Carolina and attach an enforceable lien when levied.

In Calhoun County, taxes are collected for county and school purposes as a single tax bill which must be paid in full by the individual taxpayer. Taxes are collected on a calendar year basis. Real and personal taxes in the County are payable without penalty on or before January 15 of each year (except taxes on motor vehicles, which are payable on a monthly basis).

If taxes are not paid on or before January 15, a penalty of 3% is added thereon. If taxes are not paid on or before February 1, an additional penalty of 7% is added. If taxes are not paid on or before March 16, an additional 5% thereon is added plus all costs incurred and the property goes into execution. In September, properties on which the taxes have not been paid are advertised for public sale in a local newspaper for three consecutive weeks. The first Monday in November the property is sold. The County Tax Collector is responsible for the collection of delinquent taxes and is empowered to sell so much of the defaulting taxpayer's estate - real, personal or both - as may be sufficient to satisfy the taxes. As collections are made, the delinquent tax revenue is remitted to the County Treasurer.

Property taxes at the fund level are recorded as receivables and deferred revenues at the time the taxes are assessed. Revenues are recognized as the related ad valorem taxes are collected. Additional amounts estimated to be collectible in time to be a resource for payment of obligations incurred during the fiscal year and therefore susceptible to accrual in accordance with generally accepted accounting principles have been recognized as revenue.

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 6 - NOTES RECEIVABLE

The County passed an ordinance during the 1999-2000 year to establish a revolving loan fund in the amount of \$200,000 for the volunteer fire departments in the County. The fire departments can use the funds for capital improvements. Repayment of loan and interest paid will go back into this fund. As of June 30, 2015, \$30,520 was receivable from the fire departments.

Note receivable – Caw Caw Volunteer Fire Department \$50,000 note, payable in five annual installments of \$10,917.73 with interest at 3%. First payment due April 1, 2013. \$ 20,890

Note receivable – Ft. Motte Fire Department \$45,000 note payable in five annual installments of \$9,966.67 plus interest at 3.5%, first payment due October 14, 2011. 9,630

Total Notes Receivable 30,520

Current Portion 19,921

Long-Term Notes Receivable \$ 10,599

NOTE 7 - CAPITAL ASSETS

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

	Balance June 30, 2014	Restate- ment	Additions	Deletions	Balance June 30, 2015
Governmental Activities					
Capital assets, not being depreciated:					
Land	\$ 1,478,636	\$ -	\$ -	\$ -	\$ 1,478,636
Construction in Progress	953,413	(649,515)	611,313	-	915,211
Museum collection	<u>3,127,547</u>	-	-	-	<u>3,127,547</u>
Total capital assets not being depreciated	<u>5,559,596</u>	<u>(649,515)</u>	<u>611,313</u>	<u>-</u>	<u>5,521,394</u>
Capital assets, being depreciated:					
Building and improvements	11,242,986	649,515	51,483	-	11,943,984
Infrastructure	7,027,715	-	153,413	-	7,181,128
Land improvements	738,226	-	9,174	-	747,400
Vehicles	3,058,640	-	195,651	(27,503)	3,226,788
Equipment, furniture and fixtures	<u>4,014,071</u>	-	<u>183,955</u>	<u>(56,096)</u>	<u>4,141,930</u>
Total capital assets being depreciated	<u>26,081,638</u>	<u>649,515</u>	<u>593,676</u>	<u>(83,599)</u>	<u>27,241,230</u>

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 7 - CAPITAL ASSETS (continued)

	Balance June 30, 2014	Restate- ment	Additions	Deletions	Balance June 30, 2015
Less accumulated depreciation for:					
Building and improvements	2,478,729	(494)	256,781	-	2,735,016
Land improvements	133,080	-	23,360	-	156,440
Infrastructure	2,039,971	-	103,213	-	2,143,184
Vehicles	1,810,627	-	320,539	27,503	2,103,663
Equipment, furniture and fixtures	<u>3,035,538</u>	<u>-</u>	<u>209,470</u>	<u>56,096</u>	<u>3,188,912</u>
Total accumulated depreciation	<u>9,497,945</u>	<u>(494)</u>	<u>913,363</u>	<u>83,599</u>	<u>10,327,215</u>
Total capital assets, being depreciated, net	<u>16,583,693</u>	<u>650,009</u>	<u>(319,687)</u>	<u>-</u>	<u>16,914,015</u>
Governmental activities capital assets	<u>\$ 22,143,289</u>	<u>\$ 494</u>	<u>\$ 291,626</u>	<u>\$ -</u>	<u>\$ 22,435,409</u>
Business-type activities					
Capital assets, not being depreciated:					
Land	\$ 4,500	\$ -	\$ -	\$ -	\$ 4,500
Construction in Progress	<u>1,598,246</u>	<u>-</u>	<u>831,212</u>	<u>-</u>	<u>2,429,458</u>
Total capital assets not being depreciated	<u>1,602,746</u>	<u>-</u>	<u>831,212</u>	<u>-</u>	<u>2,433,958</u>
Capital assets, being depreciated:					
Water System	8,772,937	-	14,646	-	8,787,583
Wastewater System	57,236	-	8,381	-	65,617
Furniture and fixtures	44,755	-	6,420	-	51,175
Vehicles	<u>59,938</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>59,938</u>
Total capital assets being depreciated	<u>8,934,866</u>	<u>-</u>	<u>29,447</u>	<u>-</u>	<u>8,964,313</u>
Less accumulated Depreciation	<u>2,419,855</u>	<u>-</u>	<u>223,691</u>	<u>-</u>	<u>2,643,546</u>
Total capital assets, being depreciated, net	<u>6,515,011</u>	<u>-</u>	<u>(194,244)</u>	<u>-</u>	<u>6,320,767</u>
Business-type activities capital assets, net	<u>\$ 8,117,757</u>	<u>\$ -</u>	<u>\$ 636,968</u>	<u>\$ -</u>	<u>\$ 8,754,725</u>

Proprietary Fund capital assets are recorded at cost, and transfers from other funds and donated assets are recorded at their estimated fair value at the time of transfer and contribution. Repairs and maintenance are recorded as expenses. The sale or disposal of capital assets is recorded by removing the cost and accumulated depreciation from the accounts and charging the resulting gain or loss to income.

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 7 - CAPITAL ASSETS (continued)

The following is a summary of the proprietary fund capital assets at June 30, 2015:

	Water/ Wastewater Plant	Municipal Water System	Total Proprietary Funds
Land	\$ -	\$ 4,500	\$ 4,500
Construction in progress	-	2,429,458	2,429,458
Water system	782,269	8,005,314	8,787,583
Wastewater system	65,617	-	65,617
Vehicles	-	59,938	59,938
Furniture, fixtures, and software	-	51,175	51,175
Less, accumulated depreciation	<u>(329,887)</u>	<u>(2,313,659)</u>	<u>(2,643,546)</u>
Net Property, Plant and Equipment	<u>\$ 517,999</u>	<u>\$ 8,236,726</u>	<u>\$ 8,754,725</u>

The depreciation and amortization expense for the Water/Wastewater Plant and the Water System was \$223,691 for the year ended June 30, 2015.

Depreciation expense was charged to functions/programs of the government activities as follows:

Administration	\$ 92,954
Public Safety	332,440
Physical Environment	413,745
Health and Welfare	7,243
Cultural and Recreation	<u>66,981</u>

Total depreciation expense-governmental activities	<u>\$ 913,363</u>
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NOTE 8 - PENSION PLANS

General Information about the Pension Plans

The County participates in the South Carolina Retirement System (SCRS) and the South Carolina Police Officers Retirement System (PORS). The South Carolina Public Employee Benefit Authority (PEBA), which was created July 1, 2012, administers the various retirement systems and retirement programs managed by its Retirement Division. PEBA 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 through the Retirement Benefits' link on PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, PO Box 11960, Columbia, SC 29211-1960.

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 8 - PENSION PLANS (continued)

Plan Descriptions

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

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

Membership

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

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

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

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 8 - PENSION PLANS (continued)

Benefits Provided

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 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 65 or with 28 years credited service regardless of age. A member may elect early retirement with reduced pension benefits payable at age 55 with 25 years of service credit. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension upon satisfying the Rule of 90 requirement that the total of the member's age and the member's creditable service equals 90 years. Both Class Two and Class Three members are eligible to receive a reduced deferred annuity at age 60 if they satisfy the five- or eight-year earned service requirement, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program.

The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase. Members who retire under the early retirement provisions at age 55 with 25 years of service are not eligible for the benefit adjustment until the second July 1 after reaching age 60 or the second July 1 after the date they would have had 28 years of service credit had they not retired.

- PORS – A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 55 or with 25 years of service regardless of age. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension at age 55 or with 27 years of service regardless of age. Both Class Two and Class Three members are eligible to receive a deferred annuity at age 55 with five or eight years of earned service, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program. Accidental death benefits are also provided upon the death of an active member working for a covered employer whose death was a natural and proximate result of an injury incurred while in the performance of duty.

The retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase.

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 8 - PENSION PLANS (continued)

Contributions

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

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

SCRS

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

PORS

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

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

SCRS

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

PORS

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

The governmental unit's contributions to the SCRS and PORS for the last three fiscal years were as follows:

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 8 - PENSION PLANS (continued)

SCRS	2015	2014	2013
Employee Contributions	\$ 317,594	\$ 277,584	\$ 250,963
Employer Contributions	\$ 426,768	\$ 386,307	\$ 374,649
Employer Group Life Contributions	\$ 5,954	\$ 5,564	\$ 5,377
Total	\$750,316	\$ 669,455	\$ 630,989

PORS	2015	2014	2013
Employee Contributions	\$ 108,480	\$ 95,491	\$ 79,442
Employer Contributions	\$ 167,814	\$ 152,774	\$ 135,052
Employer Group Life Contributions	\$ 5,160	\$ 4,872	\$ 4,540
Total	\$ 281,454	\$ 253,137	\$ 219,034

The governmental unit contributed 100% of the required contributions for the current year and each of the two preceding years.

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

At June 30, 2015, the County reported a liability of \$7,010,806 for its proportionate share of the net pension liability for SCRS and a liability of \$1,954,257 for its proportionate share of the net pension liability for PORS. The SCRS balance includes the Council on Aging which has its own employer number. The net pension liability of each defined benefit plan was determined based on the most recent actuarial valuation as of July 1, 2013, using membership as of that date projected forward to the end of the fiscal year, and financial information of the pension trust funds as of June 30, 2014. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental units, actuarially determined. At June 30, 2015, the County's proportions were 0.040721% percent and 0.10208% for SCRS and PORS, respectively.

For the year ended June 30, 2015, the County recognized pension expense of \$662,352, including \$491,378 for SCRS and \$170,974 for PORS. At June 30, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

SCRS	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 198,657	\$ -
Changes in Assumptions	-	-
Net Difference Between Projected and Actual Earnings On Pension Plan Investments	-	591,063
Changes in Proportions and Differences Between County Contributions and Proportionate Share of Contributions	-	-
Direct Contributions Subsequent to the Measurement Date	432,723	-
Totals	\$ 631,380	\$ 591,063

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 8 - PENSION PLANS (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
PORS		
Differences Between Expected and Actual Experience	\$ 52,151	\$ -
Changes in Assumptions	-	-
Net Difference Between Projected and Actual Earnings On Pension Plan Investments	-	226,123
Changes in Proportions and Differences Between District Contributions and Proportionate Share of Contributions	-	-
Direct Contributions Subsequent to the Measurement Date	172,974	-
Totals	\$ 225,125	\$ 226,123

The following schedule reflects the amortization of the net balance of remaining deferred outflows/(inflows) of resources at the measurement date. Average remaining service lives of all employees provided with pensions through the pension plans at the measurement date was 4.233 years for SCRS and 4.856 years for PORS.

Measurement Period Ending June 30,	SCRS	PORS
2015	\$ 92,702	\$ 35,826
2016	92,702	35,826
2017	92,702	35,826
2018	92,702	35,826
Thereafter	21,598	30,668
Net Balance of Deferred Outflows/(Inflows) of Resources	\$ 392,406	\$ 173,972

Actuarial Assumptions

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

The most recent actuarial valuation reports adopted by PEBA Board and Budget and Control Board are as of July 1, 2013. The following provides a summary of the actuarial assumptions and methods used in the July 1, 2013, valuations for SCRS and PORS:

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 8 - PENSION PLANS (continued)

	SCRS	PORS
Actuarial Cost Method	Entry Age	Entry Age
Actuarial Assumptions:		
Investment rate of return	7.5%	7.5%
Projected salary increases	Levels off at 3.5%	Levels off at 4.0%
Includes inflation at	2.75%	2.75%
Benefits adjustments	Lesser of 1% or \$500	Lesser of 1% or \$500

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

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

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 will be made on the actuarially determined rates based on provisions in the South Carolina State Code of Laws. Based on those assumptions, the 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.

Long-term Expected Rate of Return

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

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 8 - PENSION PLANS (continued)

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. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

		Expected	Long Term Expected
	Target Asset	Arithmetic Real	Portfolio Real
Asset Class	Allocation	Rate of Return	Rate of Return
Short Term	5.0%		
Cash	2.0%	0.3	0.01
Short Duration	3.0%	0.6	0.02
Domestic Fixed Income	13.0%		
Core Fixed Income	7.0%	1.1	0.08
High Yield	2.0%	3.5	0.07
Bank Loans	4.0%	2.8	0.11
Global Fixed Income	9.0%		
Global Fixed Income	3.0%	0.8	0.02
Emerging Markets Debt	6.0%	4.1	0.25
Global Public Equity	31.0%	7.8	2.42
Global Tactical Asset Allocation	10.0%	5.1	0.51
Alternatives	32%		
Hedge Funds (Low Beta)	8.0%	4	0.32
Private Debt	7.0%	10.2	0.71
Private Equity	9.0%	10.2	0.92
Real Estate (Broad Market)	5.0%	5.9	0.29
Commodities	3.0%	5.1	0.15
Total Expected Real Return	100.0%		5.88
Inflation for Actuarial Purposes			2.75
Total Expected Nominal Return			8.63

Sensitivity Analysis

The following presents the County's proportionate share of the net pension liability 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-percentage-point lower (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate:

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 8 - PENSION PLANS (continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate			
System	1.00% Decrease (6.50%)	Current Discount Rate (7.50%)	1.00% Increase (8.50%)
SCRS	\$ 9,072,417	\$ 7,010,806	\$ 5,290,834
PORS	\$ 2,731,010	\$ 1,954,257	\$ 1,311,541

Pension Plan Fiduciary Net Position

Detailed information regarding the fiduciary net position of the plans administered by PEBA is available in the separately issued CAFR containing financial statements and required supplementary information for SCRS and PORS. The CAFR of the Pension Trust Funds is publicly available on PEBA's Retirement Benefits' website at www.retirement.sc.gov, or a copy may be obtained by submitting a request to PEBA, PO Box 11960, Columbia, SC 29211-1960.

Payables to the Pension Plan

As of June 30, 2015, the County had \$77,002 in payables outstanding to the pension plans for its legally required contributions.

NOTE 9 - OTHER POST EMPLOYMENT BENEFITS

Background

Beginning in fiscal year ended June 30, 2010, Calhoun County implemented Governmental Accounting Standards Board (GASB) Statement No. 45 for other post-employment benefits (OPEB) offered to retirees. This standard addresses how local governments should account for and report their costs related to post-employment health care and other non-pension benefits, such as the County's retiree health benefit subsidy. Historically, the County's subsidy was funded on a pay-as-you-go basis but GASB 45 requires that the County accrue the cost of the retiree health subsidy and other post-employment benefits during the period of employees' active employment, while the benefits are being earned, and disclose the unfunded actuarial accrued liability in order to accurately account for the total future cost of post-employment benefits and the financial impact on the County. This funding methodology mirrors the funding approach used for pension benefits.

Plan Description

Other post employment benefits provided by the County include a retiree health insurance premium contribution plan that covers retirees.

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 9 - OTHER POST EMPLOYMENT BENEFITS (continued)

Calhoun County (the "County") provides continued post-retirement health coverage for employees who meet eligibility requirements upon retirement. Insurance coverage is fully insured through the South Carolina Health Plan. The County pays into the health reimbursement account monthly for retirees as follows:

- Pre 65 retirees – The County will contribute \$669 per month.
- Post 65 retirees – The County will contribute \$350 per month.

No medical inflation has been calculated. Retirees will be required to pay their full medical premium and file for reimbursement of their premiums and deductible and co-insurance expenses.

Eligibility – Employees must retire under the State of South Carolina Retirement System and meet the following criteria:

- Hired before July 1, 2006 – Age 55 with 18 years of service or any age with 30 years of service.
- Hired from July 1, 2006 through June 30, 2011 – Age 60 with 28 years of service

Other Plan Provisions

- Employees hired after July 1, 2011 are not eligible to participate in the medical plan for Calhoun County.
- Coverage is not provided upon disability termination during active service.
- Dependant coverage (medical and dental) is not available for reimbursement through the County health reimbursement account.

Funding Policy

The County has elected not to pre-fund OPEB liabilities and to fund healthcare benefits on a pay as you go basis.

Annual OPEB Cost and Net OPEB Obligation

The annual cost of other post employment benefits (OPEB) under GASB 45 is called the annual required contribution or ARC. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The current employer contribution rates for the Board are 0 percent.

The County's annual OPEB cost and the net OPEB obligation based on a 4.5% discount rate, including an inflation component of 3%, and amortizing the initial unfunded actuarial liability over 30 years based on a level percent of payroll method for 2015 is as follows:

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 9 - OTHER POST EMPLOYMENT BENEFITS (continued)

Annual required contribution	\$ 180,664
Interest on net OPEB obligation	31,136
Adjustment to annual required contribution	<u>(40,648)</u>
Annual OPEB cost (expense)	171,152
Estimated contributions made	<u>(82,845)</u>
Increase (decrease) in net OPEB obligation	88,307
Net OPEB obligation, beginning of year	<u>691,907</u>
 Net OPEB obligation, end of year	 <u>\$ 780,214</u>

Actuarial Methods and Assumptions

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

The Projected Unit Credit, Level Percent of Payroll actuarial cost method has been used to calculate the GASB ARC for this valuation. Using the plan benefits, the present health premiums and a set of actuarial assumptions, the anticipated future payments are projected. The projected unit credit method then provides for a systematic funding for these 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. If experience is in accordance with the assumptions used, the ARC will increase at approximately the same rate as active member payroll, and the ARC as a percentage of payroll will remain basically level on a year to year basis. This is both an accepted and reasonable cost method.

Trend Information:

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year ended June 30, 2015 were as follows:

Fiscal Year Ending	Annual OPEB Cost	Employer Amount Contributed	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2015	\$ 88,307	\$ 82,845	94%	\$ 780,214
June 30, 2014	\$ 83,893	\$ 88,412	100%	\$ 691,907
June 30, 2013	\$ 152,443	\$ 81,526	53%	\$ 608,014

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 9 - OTHER POST EMPLOYMENT BENEFITS (continued)

Funded Status and Funding Progress:

As of June 30, 2015, the most recent actuarial valuation date, the plan was 0 percent funded. The actuarial accrued liability for benefits was \$2,523,631, and the actuarial value of assets was \$-0-, resulting in an unfunded actuarial accrued liability (UAAL) of \$2,523,631. For the fiscal year ended June 30, 2015, the covered payroll (annual payroll of active employees covered by the plan) was \$5,127,209, and the ratio of the UAAL to the covered payroll was 49%.

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 the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revisions as actual results are compared with past expectations and new estimates are made about the future.

NOTE 10 - OVERAGES IN TRUST AND AGENCY FUNDS

As of June 30, 2015, excess funds were on deposit in the checking accounts of several trust and agency funds. These overages, totaling \$3,872, represent the amount that cash on deposit exceeds identifiable liabilities. (These monies will remain within the funds until proper identification can be made of the court or individual to whom they belong.)

NOTE 11 - LONG-TERM DEBT

A. Primary Government

Governmental Activities

The long-term debt transactions of Calhoun County were as follows:

	Balance July 1, 2014	Additions	Retirements	Balance June 30, 2015	Due Within One Year
Accrued Compensated Absences	\$ 355,169	\$ 43,405	\$ 37,558	\$ 361,016	\$ 53,132
Closure and Maintenance Costs	352,254	1,118	14,500	338,872	14,500
General Obligation Bond Series 2013	-	<u>300,000</u>	<u>300,000</u>	-	-
Total long-term debt	<u>\$ 707,423</u>	<u>\$ 344,523</u>	<u>\$ 352,058</u>	<u>\$ 699,888</u>	<u>\$ 67,632</u>

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 11 - LONG-TERM DEBT (continued)

Business-Type Activities:

The following is a summary of long-term debt transactions of the Business-Type Activities:

	Revenue Bonds
Balance June 30, 2014	\$ 4,411,354
Issued during the period	-
Retired during the period	<u>(63,953)</u>
Balance at June 30, 2015	<u>\$ 4,347,401</u>

Details of long-term debt at June 30, 2015 are as follows:

	Revenue Bonds
\$265,000 FHA Revenue Bonds due in monthly installments of \$1,302 through December 15, 2033, with interest at 5.125%	\$ 184,930
\$1,632,400 Water and Sewer System Revenue Bond payable over 40 years, interest at 4.5%, first payment due August 26, 2008 with monthly payments of \$7,346, through July 25, 2048.	1,519,576
\$2,713,000 Water and Sewer System Revenue Bond, issued in August, 2013, payable over 40 years, interest at 2.75%, first payment due September 1, 2013 with monthly payments of \$9,333, through August 1, 2053.	<u>2,642,895</u>
	4,347,401
Less current portion	<u>(66,230)</u>
Long-term portion	<u>\$ 4,281,171</u>

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 11 - LONG-TERM DEBT (continued)

The annual requirements to amortize all debt outstanding of the proprietary funds as of June 30, 2015, including bond interest payments of \$3,143,633 are as follows:

Year Ending June 30,	Principal	Revenue Bonds Interest	Total
2016	\$ 66,230	\$ 149,541	\$ 215,771
2017	68,595	147,146	215,741
2018	71,050	144,721	215,771
2019	73,600	142,171	215,771
2020	76,248	139,523	215,771
2021-2025	424,698	654,156	1,078,854
2026-2030	508,209	570,645	1,078,854
2031-2035	580,892	470,503	1,051,395
2036-2040	635,658	365,076	1,000,734
2041-2045	757,648	243,086	1,000,734
2046-2050	747,500	101,687	849,187
2051-2051	<u>337,073</u>	<u>15,378</u>	<u>352,451</u>
	<u>\$ 4,347,401</u>	<u>\$ 3,143,633</u>	<u>\$ 7,491,034</u>

NOTE 12 - OPERATING LEASE

The County entered into an operating lease with the US Department of Agriculture to lease the Agriculture Building built by the County to the US Department of Agriculture. The lease will expire December 2018. The current annual rent is \$34,200. The cost of the building is \$565,318 with accumulated depreciation of \$129,081.

The future minimum lease payments to be received are as follows:

June 30, 2016	\$ 34,200
June 30, 2017	34,200
June 30, 2018	34,200
June 30, 2019	<u>18,100</u>
	<u>\$ 120,700</u>

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 13 - DEFERRED COMPENSATION PLANS

All state and local government employees can participate in a deferred compensation plan created in accordance with Internal Revenue Code 457. The plan, administered by the state public employee retirement system through a state-approved nongovernmental third party, permits governmental employees to defer a portion of their salaries until future years. The deferred compensation is not available to an employee until termination, retirement, death or unforeseeable emergency. The State Attorney General issued an opinion that amounts deferred by local governmental units and administered through the statewide plan remain assets and liabilities of the local government unit. In prior years, the County included the cumulative amounts deferred in the agency fund of the County. However, effective July 24, 1998, the funds were placed in trust by the SC Deferred Compensation Commission. Therefore, the funds are no longer an asset of the County, subject only to claims of its general creditors, but are held in trust for exclusive benefits of participants and their beneficiaries.

NOTE 14 - CLOSURE AND POST CLOSURE CARE COSTS

State and federal regulations require that Calhoun County place a final cover on the portion of its landfill that holds municipal waste. The County has to perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. Calhoun County closed the landfill in August, 1994 to municipal waste, but it will remain open for inert waste. The recognition of these landfill closure and postclosure costs is based on the amount of available landfill space used during the year. The estimated liability for landfill closure and postclosure care costs has a balance of \$130,500 as of June 30, 2015, which is based on the following estimated percentages:

Municipal landfill (MSWLF)	100%
Construction and debris landfill (C&D)	95%

The estimated remaining useful life of the C&D landfill is 4 years. The estimated costs of landfill closure and postclosure care costs for twenty years increased by \$1,118 in the current year and the balance of the liability for the C&D landfill is \$208,372 at June 30, 2015. In addition, \$15,678 was expended to close and monitor the MSWLF. The amounts were accrued in previous years.

The estimated total current cost of the landfill closure and postclosure care is based on the amount that would be paid if all equipment, facilities and services required to close, monitor, and maintain the landfill were acquired as of June 30, 2015. However, the actual cost of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations. Calhoun County has not accumulated or segregated funds to meet this liability.

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 15 - RISK MANAGEMENT

The County is exposed to various risks of loss and maintains elements of both self-insurance and purchased insurance policies divided into coverage for worker's compensation, property and casualty, and employee health insurance. Management believes such coverage is sufficient to preclude any significant uninsured losses for the covered risks. The County also pays insurance premiums to certain other commercial insurers to cover risks that may occur in normal operations. The insurers promise to pay to or on behalf of the insured for covered economic losses sustained during the policy in accordance with insurance policy and benefit program limits.

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

- 1) Claims of covered public employees for health and dental insurance benefits (Office of Insurance Services) and
- 2) Claims of covered public employees for long-term disability and group-life insurance benefits (Retirement System).

The County assumes the risk for unemployment compensation benefits by paying directly to the Employment Security Commission actual claims filed against the County.

Employees elect health coverage through either a health maintenance organization or through the State's self-insured plan. All other coverages listed above are through the applicable State self-insured plan except dependent and optional life premiums which are remitted to commercial carriers.

The County has recorded insurance premium expenditures in the applicable functional expenditure categories of the unrestricted current funds. These expenditures do not include estimated claim losses and estimable premium adjustments.

The County has not reported a supplemental premium assessment expenditure, and the related liability at June 30, 2015, because the requirements of GASB Statement No. 10, which states that a liability for supplemental assessments must be reported if information prior to issuance of the financial statements indicates that it is probable that an asset has been impaired or a liability has been incurred on or before June 30, 2015, and that the amount of the premiums is reasonably estimable, have not been satisfied.

In management's opinion, supplemental premium assessments, if any, would not be significant enough to have a material adverse effect on the financial position of the County.

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 16 - FUND BALANCE REPORTING AND NET POSITION

The County has classified their fund balances with the following hierarchy: Nonspendable, Restricted, Assigned and Unassigned according to GASB Statement 54.

The County's fund balances as of June 30, 2015 were classified as follows:

Description Funds	General Fund	Capital Projects	Other Govern- mental	Total Govern- mental Funds
Nonspendable:				
Long-term notes receivable	\$ 10,599	\$ -	\$ -	\$ 10,599
Restricted:				
LOST Reserve	126,075	-	148,225	274,300
Grants	-	-	586,375	586,375
Debt Service	-	-	55,793	55,793
Victim's Fund	-	-	32,833	32,833
Library Lottery	-	-	889	889
E-911 Funds	-	-	136,982	136,982
Tech/Gressette	-	-	139,429	139,429
Sandy Run Fire Department	-	-	214,637	214,637
Council on Aging	-	-	410,981	410,981
Sheriff Department Drug Funds	-	-	14,497	14,497
Child Support Funds	193,364	-	7,973	201,337
Rural Fire District	-	-	270,352	270,352
Assigned:				
Banks Estate Fund	-	-	76,265	76,265
Capital Projects	-	3,857,116	-	3,857,116
Ft. Motte Community Center	516	-	-	516
Museum Funds	67,919	-	-	67,919
EMS Donations	6,146	-	-	6,146
Library donations	497	-	-	497
Animal control donations	3,480	-	-	3,480
Budget short fall 2015-16	1,275,297	-	-	1,275,297
Unassigned	<u>5,703,501</u>	<u>-</u>	<u>-</u>	<u>5,703,501</u>
Total fund balances	<u>\$ 7,387,394</u>	<u>\$ 3,857,116</u>	<u>\$ 2,095,231</u>	<u>\$ 13,339,741</u>

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 17 - RESTATEMENT OF FUND BALANCE AND NET POSITION

Fund balances and net position for June 30, 2014 were restated as follows:

	Governmental Activities	Total Net Position Business Type Activities
Balance, June 30, 2014	\$ 34,820,951	\$ 4,413,833
From adjustments below	(6,251)	-
To adjust for net pension liability	(8,696,858)	(173,632)
Restate accumulated depreciation	<u>494</u>	<u>-</u>
Balance restated at June 30, 2014	<u>\$ 26,118,336</u>	<u>\$ 4,240,201</u>
		Other Governmental Funds
Balance, June 30, 2014		\$ 2,444,239
To adjust due to/from victim fund		(906)
To adjust due to/from E-911		(9,624)
To adjust for expenses in prior year		(3,348)
To adjust for revenues received for prior year		<u>7,627</u>
Balance restated at June 30, 2014		<u>\$ 2,437,988</u>
Proprietary Fund – Net Position		Water System
Balance at June 30, 2014		\$ 3,771,032
Adjust for net pension liability		<u>(173,632)</u>
Balance restated at June 30, 2014		<u>\$ 3,597,400</u>

NOTE 18 - CONTINGENCIES AND COMMITMENTS

Grants:

The County participates in a number of federally assisted grant programs and state funded grant programs. These programs are subject to financial compliance audits by the County's auditors and by auditors of the federal or state grantor agencies. Upon audit, should it be determined that the County has failed to comply with applicable requirements of the grants, then some or all of the grant expenditures may be disallowed and a portion of the grant expenditures may become reimbursable to the grantor.

**CALHOUN COUNTY, SOUTH CAROLINA
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 19 - SUBSEQUENT EVENTS

A project is underway for the extension of the County's water system. The project involves the installation of water distribution lines in the southern portion of Calhoun County (Phase 2), which has been 99% completed as of June 30, 2015. Phase 3 (elevated water tank) has been completed, but at June 30, 2015, the permit had not yet been issued. The Rural Development proposed funding is not to exceed \$2,713,000 ARRA loan and \$1,611,500 regular grant funds. Total cost for completed Phase 1 was \$1,385,955.89, Phase 3 was \$882,792, and Phase 2 (uncomplete) is \$723,812.20, which include water line extensions and an elevated tank. Construction contracts have been awarded and projects are 99% complete. The projects are expected to be complete in the fall of 2015. USDA issued a \$2,713,000 revenue bond on August 1, 2013 for the project and the refinancing of a 1999 USDA revenue bond in the amount of \$1,020,280.88.

On September 2, 2015, Calhoun County sold general obligation bonds in the amount of \$300,000 at .90% interest per annum, principal and interest to be paid in full on March 1, 2016. Bonds are for the purchase of capital equipment and vehicles.

Calhoun County set up a non-profit corporation, namely Calhoun Economic Development Corporation. In October, 2015, the corporation borrowed \$2,030,000 from the South Carolina Public Service Authority to construct a 50,000 square foot spec building to attract industry to the County. The note was for 10 years with principal and interest deferred for the first three years.

In the fall of 2015, Calhoun County passed an ordinance to issue a \$1,000,000 GO Bond for the purpose of purchasing fire trucks for the Calhoun County Rural Fire District. The bond is currently out for bids.

Calhoun County has the option to purchase an additional 150,000 gpd of sewer capacity from the City of Cayce at a cost of \$784,500 at any time prior to the close of the fiscal year following the year that the completed sewer line goes into service.

CALHOUN COUNTY, SOUTH CAROLINA
SCHEDULE OF FUNDING PROGRESS FOR THE RETIREE HEALTH PLAN (UNAUDITED)
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2015

	(1)	(2)	(3)	(4)	(5)	(6)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL) (2)-(1)	Funded Ratio (1)/(2)	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll ((2)-(1))/(5)
Calhoun County 6/30/2010	\$ -	\$ 6,578,913	\$ 6,578,913	0.00%	\$ 4,073,872	161.49%
6/30/2011	\$ -	\$ 2,255,929	\$ 2,255,929	0.00%	\$ 4,052,879	55.66%
6/30/2013	\$ -	\$ 2,087,924	\$ 2,087,924	0.00%	\$ 4,799,826	43.50%
6/30/2015	\$ -	\$ 2,523,631	\$ 2,523,631	0.00%	\$ 5,127,209	49.22%

The County implemented GASB 45 in Fiscal Year 2010; therefore, six years of data is not available, but will be accumulated over time. The valuation has been calculated using the Projected Unit Credit Actuarial Cost Method, discount rates of 4.5%, and the initial unfunded actuarial liability is amortized over 30 years based on a level percent of payroll method. It should be noted that an actuarial cost method determines a contribution or expense by assigning portions of the present value of projected benefits to various years with the general goal of accruing the cost of benefits over the working lifetime of the employees. A valuation was done as of 6/30/11 due to a benefit plan change.

CALHOUN COUNTY, SOUTH CAROLINA
 SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (SCRs)
 Last 10 Fiscal Years

County	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
County's proportion of the net pension liability (asset)	0.039343%	NA*								
County's proportionate share of the net pension liability (asset)	\$ 6,773,560	NA*								
County's covered-employee payroll	\$ 3,581,825	NA*								
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	189.11%	NA*								
Council on Aging										
Council on Aging's proportion of net pension liability (asset)	0.00137%	NA*								
Council on Aging's proportion of net pension liability (asset)	\$ 237,246	NA*								
Council on Aging's covered employee payroll	\$ 127,906	NA*								
Council on Aging's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	185.48%	NA*								
Plan fiduciary net position as a percentage of the total pension liability	59.90%	NA*								

NA* - Not Available

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

Source: Audit report on the schedules of employer allocations, schedules of pension amounts by employer, and related notes of the South Carolina Retirement Systems, as administered by the SC Public Employee Benefits Authority for the year ended June 30, 2014.

CALHOUN COUNTY, SOUTH CAROLINA
 SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (PORS)
 Last 10 Fiscal Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
County's proportion of the net pension liability (asset)	0.102080%	NA*								
County's proportionate share of the net pension liability (asset)	\$ 1,954,257	NA*								
County's covered-employee payroll	\$ 1,218,001	NA*								
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	160.45%	NA*								
Plan fiduciary net position as a percentage of the total pension liability	67.50%	NA*								

NA* - Not Available

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

Source: Audit report on the schedules of employer allocations, schedules of pension amounts by employer, and related notes of the South Carolina Retirement Systems, as administered by the SC Public Employee Benefits Authority for the year ended June 30, 2014.

CALHOUN COUNTY, SOUTH CAROLINA
SCHEDULE OF COUNTY CONTRIBUTIONS (SCRS)
 Last 10 Fiscal Years

County	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Contractually required contribution	\$ 378,610	NA*								
Contributions in relation to the contractually required contribution	(378,610)	NA*								
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered-employee payroll	\$ 3,581,825	NA*								
Contributions as a percentage of covered-employee payroll	10.57%	NA*								
Council on Aging										
Contractually required contribution	\$ 13,261	NA*								
Contributions in relation to the contractually required contribution	(13,261)	NA*								
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Council on Aging's covered-employee payroll	\$ 127,906	NA*								
Contributions as a percentage of covered-employee payroll	10.37%	NA*								

NA* - Not Available

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

Source: County and Council on Aging's quarterly retirement contribution reports.

CALHOUN COUNTY, SOUTH CAROLINA
 SCHEDULE OF COUNTY CONTRIBUTIONS (PORS)
 Last 10 Fiscal Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Contractually required contribution	\$ 157,646	NA*								
Contributions in relation to the contractually required contribution	(157,646)	NA*								
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered-employee payroll	\$ 1,218,001	NA*								
Contributions as a percentage of covered-employee payroll	12.94%	NA*								
NA* - Not Available										

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

Source: County quarterly retirement contribution reports.

CALHOUN COUNTY, SOUTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2015

	O-C Tec and L M Gressette Center	Library Lottery	Calhoun Rural Fire Dist.	Sheriff's Department	Sandy Run Fire Department
ASSETS					
Cash	\$ 134,418	-	\$ 163,017	\$ 14,497	\$ 213,240
Delinquent property taxes	25,599	-	-	-	1,442
Due from other funds	-	889	-	-	-
Accounts Receivable	5,012	-	107,335	-	2,136
TOTAL ASSETS	\$ 165,029	\$ 889	\$ 270,352	\$ 14,497	\$ 216,818
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities					
Accounts payable	\$ -	-	\$ -	-	\$ 740
Unearned revenue	-	-	-	-	-
Due to General Fund	-	-	-	-	-
Total Liabilities	-	-	-	-	740
Deferred Inflows of Resources					
Unavailable Revenue - Property Taxes	25,600	-	-	-	1,441
Total Deferred Inflows of Resources	25,600	-	-	-	1,441
Fund Balances					
Restricted	139,429	889	270,352	14,497	214,637
Assigned	-	-	-	-	-
Total Fund Balances	139,429	889	270,352	14,497	214,637
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 165,029	\$ 889	\$ 270,352	\$ 14,497	\$ 216,818

CALHOUN COUNTY, SOUTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2015

SPECIAL REVENUE

	Victims Advocate	E-911	Local Option Fund	Council on Aging	Banks Estate Fund
Cash	\$ 8,999	\$ 128,649	\$ 195,835	\$ 383,643	\$ 76,365
Delinquent property taxes	-	-	-	-	-
Due from other funds	23,834	-	-	-	-
Accounts Receivable	-	8,342	252,390	45,896	-
TOTAL ASSETS	\$ 32,833	\$ 136,991	\$ 448,225	\$ 429,539	\$ 76,365

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES

Liabilities					
Accounts payable	\$ -	\$ 9	\$ -	\$ 18,558	\$ 100
Unearned revenue	-	-	-	-	-
Due to General Fund	-	-	300,000	-	-
Total Liabilities	-	9	300,000	18,558	100

Deferred Inflows of Resources

Unavailable Revenue - Property Taxes	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-

Fund Balances

Restricted	32,833	136,982	148,225	410,981	-
Assigned	-	-	-	-	76,265
Total Fund Balances	32,833	136,982	148,225	410,981	76,265

TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES

	\$ 32,833	\$ 136,991	\$ 448,225	\$ 429,539	\$ 76,365
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CALHOUN COUNTY, SOUTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2015

	SPECIAL REVENUE			DEBT SERVICE	TOTAL
	Local Option Sales Tax Distribution	Grants Fund	Child Support Fund		Non-Major Governmental Funds
ASSETS					
Cash	\$ -	\$ 587,529	\$ 2,900	\$ 52,773	\$ 1,961,865
Delinquent property taxes	-	-	-	21,861	48,902
Due from other funds	-	-	-	-	24,723
Accounts Receivable	-	23,523	5,073	3,017	452,724
TOTAL ASSETS	\$ -	\$ 611,052	\$ 7,973	\$ 77,651	\$ 2,488,214
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 19,407
Unearned revenue	-	24,677	-	-	24,677
Due to General Fund	-	-	-	-	300,000
Total Liabilities	-	24,677	-	-	344,084
Deferred Inflows of Resources					
Unavailable Revenue - Property Taxes	-	-	-	21,858	48,899
Total Deferred Inflows of Resources	-	-	-	21,858	48,899
Fund Balances					
Restricted	-	586,375	7,973	55,793	2,018,966
Assigned	-	-	-	-	76,265
Total Fund Balances	-	586,375	7,973	55,793	2,095,231
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ -	\$ 611,052	\$ 7,973	\$ 77,651	\$ 2,488,214

CALHOUN COUNTY, SOUTH CAROLINA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2015

	O-C Tec and L. M. Gressette Center	Library Lottery	Calhoun Rural Fire Dist.	Sheriff's Department	Sandy Run Fire Department
REVENUES					
Property taxes:					
Current	\$ 387,178	\$ -	\$ -	\$ -	\$ 80,820
Delinquent	12,642	-	-	-	1,194
Interest income	14	-	9	-	21
Local sources	-	-	277,507	1,297	1,632
State sources	-	-	236,550	-	-
Federal sources	-	-	-	16,470	-
Total Revenues	399,834	-	514,066	17,767	83,667
EXPENDITURES					
Administrative	-	-	6,467	-	-
Finance and taxation	-	-	-	-	-
Public Works	-	-	-	-	-
Public safety	-	-	505,404	7,509	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Capital improvements	-	-	-	-	-
Agencies	375,501	-	-	-	88,588
Debt Service	-	-	-	-	-
Total Expenditures	375,501	-	511,871	7,509	88,588
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	24,333	-	2,195	10,258	(4,921)
OTHER FINANCING SOURCES (USES)					
Bond proceeds	-	-	-	-	-
Transfer in / (out)	-	-	268,157	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	268,157	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	24,333	-	270,352	10,258	(4,921)
Fund Balances at Beginning of Year, As Restated, Note 17	115,096	889	-	4,239	219,558
Fund Balances at End of Year	\$ 139,429	\$ 889	\$ 270,352	\$ 14,497	\$ 214,637

**CALHOUN COUNTY, SOUTH CAROLINA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2015**

	SPECIAL REVENUE				
	Victims Advocate	E-911	Local Option Fund	Council on Aging	Banks Estate Fund
REVENUES					
Property taxes:					
Current	\$ -	\$ -	\$ -	\$ -	\$ -
Delinquent	-	-	-	-	-
Interest income	-	91	46	-	-
Local sources	23,834	309,358	622,104	377,601	13,576
State sources	-	-	-	-	-
Federal sources	-	-	-	27,395	-
Total Revenues	23,834	309,449	622,150	404,996	13,576
EXPENDITURES					
Administrative	-	-	-	-	-
Finance and taxation	-	-	-	-	-
Public Works	-	-	-	-	-
Public safety	36,250	-	-	-	-
Health and welfare	-	585,482	-	377,908	-
Culture and recreation	-	-	-	-	7,857
Capital improvements	-	-	-	-	-
Agencies	-	-	-	-	-
Debt Service	-	-	-	-	-
Total Expenditures	36,250	585,482	-	377,908	7,857
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(12,416)	(276,033)	622,150	27,088	5,719
OTHER FINANCING SOURCES (USES)					
Bond proceeds	-	-	-	-	-
Transfer in / (out)	-	-	(600,000)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(600,000)	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	(12,416)	(276,033)	22,150	27,088	5,719
Fund Balances at Beginning of Year, As Restated, Note 17	45,249	413,015	126,075	383,893	70,546
Fund Balances at End of Year	\$ 32,833	\$ 136,982	\$ 148,225	\$ 410,981	\$ 76,265

CALHOUN COUNTY, SOUTH CAROLINA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2015

	SPECIAL REVENUE			DEBT SERVICES		TOTAL
	Local Option Sales Tax Distribution	Grants Fund	Child Support Fund			Non-Major Governmental Funds
REVENUES						
Property taxes:						
Current	\$ -	\$ -	\$ -	233,480	\$	701,478
Delinquent	-	-	-	10,148		23,984
Interest income	-	-	-	-		181
Local sources	-	116,034	-	-		1,742,943
State sources	-	665,231	-	-		901,781
Federal sources	-	49,627	63,022	-		156,514
Total Revenues	-	830,892	63,022	243,628		3,526,891
EXPENDITURES						
Administrative	-	-	-	13,136		19,603
Finance and taxation	-	-	-	22,723		22,723
Public Works	-	172,891	-	-		172,891
Public safety	150,038	15,788	-	-		714,989
Health and welfare	-	21,420	3,078	-		987,888
Culture and recreation	-	25,103	-	-		32,960
Capital improvements	-	508,661	-	224,588		733,249
Agencies	-	7,500	-	-		471,589
Debt Service	-	-	-	300,767		300,767
Total Expenditures	150,038	751,363	3,078	561,214		3,456,659
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(150,038)	79,529	59,944	(317,586)		70,222
OTHER FINANCING SOURCES (USES)						
Bond proceeds	-	-	-	300,000		300,000
Transfer in(out)	(268,157)	-	(112,979)	-		(712,979)
TOTAL OTHER FINANCING SOURCES (USES)	(268,157)	-	(112,979)	300,000		(412,979)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	(418,195)	79,529	(53,035)	(17,586)		(342,757)
Fund Balances at Beginning of Year, As Restated, Note 17	418,195	506,846	61,008	73,379		2,437,988
Fund Balances at End of Year	-	586,375	7,973	55,793		2,095,231

CALHOUN COUNTY, SOUTH CAROLINA
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 GENERAL FUND
 YEAR ENDED JUNE 30, 2015

	Budgeted		Actual	Variance Favorable (Unfavorable)
	Original	Final		
REVENUES				
Local Sources				
Taxes:				
Current	\$ 5,600,000	\$ 5,600,000	\$ 5,597,372	\$ (2,628)
Delinquent	300,000	300,000	293,463	(6,537)
Fee in lieu of taxes - County	1,880,000	1,880,000	1,970,493	90,493
Total Property Taxes	7,780,000	7,780,000	7,861,328	81,328
Interest income	-	-	5,822	5,822
Total Interest Income	-	-	5,822	5,822
Other Local Sources				
Court income, fines and penalties	385,000	385,000	97,660	(287,340)
Fees of offices	356,250	356,250	312,670	(43,580)
EMS Service	560,000	560,000	610,954	50,954
Rent	62,638	62,638	70,299	7,661
Calhoun County Public Schools	88,655	88,655	88,992	337
Donations	17,000	17,000	24,326	7,326
Cultural Center	8,000	8,000	30,672	22,672
Miscellaneous	125,750	125,750	108,707	(17,043)
Total Other Local Sources	1,603,293	1,603,293	1,344,280	(259,013)
Total Local Sources	9,383,293	9,383,293	9,211,430	(171,863)

CALHOUN COUNTY, SOUTH CAROLINA
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 GENERAL FUND
 YEAR ENDED JUNE 30, 2015

	Budgeted		Actual	Variance Favorable (Unfavorable)
	Original	Final		
State Sources				
Aid to Subdivisions	573,332	573,332	564,070	(9,262)
Accommodations Tax	140,000	140,000	163,575	23,575
Salary supplements:				
Clerk of Court	1,575	1,575	1,575	-
Judge of Probate	1,575	1,575	1,575	-
Sheriff	1,575	1,575	1,575	-
Coroner	1,575	1,575	1,575	-
SC Public Service	3,000	3,000	5,690	2,690
State Aid - Library	75,000	75,000	75,000	-
Veteran Affairs officer	4,500	4,500	4,556	56
Election Commission	10,526	10,526	10,000	(526)
Solid Waste Tire Fee	5,000	5,000	(774)	(5,774)
Total State Sources	817,658	817,658	828,417	10,759
Federal Sources				
Emergency Management Performance	25,625	25,625	46,313	20,688
Child Support Cost - Clerk of Court	50,000	50,000	(1,959)	(51,959)
DSS - In Lieu of rent	35,000	35,000	34,364	(636)
DSS - Filing fees	-	-	10,200	10,200
Total Federal Sources	110,625	110,625	88,918	(21,707)
TOTAL REVENUES	10,311,576	10,311,576	10,128,765	(182,811)

CALHOUN COUNTY, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2015

	Budgeted		Actual	Variance
	Original	Final		Favorable (Unfavorable)
EXPENDITURES				
Administration	627,285	627,285	568,440	58,845
Public works	1,024,769	1,024,769	942,591	82,178
Public buildings	609,911	609,911	573,685	36,226
Finance and taxation	783,710	783,710	754,940	28,770
Judicial	672,922	672,922	648,567	24,355
Public safety	2,321,337	2,321,337	2,187,549	133,788
Health and welfare	2,020,105	2,020,105	1,968,431	51,674
Culture and recreation	699,059	699,059	649,689	49,370
Miscellaneous	739,828	739,828	616,894	122,934
Employee fringe benefits	2,547,436	2,547,436	2,361,937	185,499
Agencies	154,292	154,292	110,105	44,187
TOTAL EXPENDITURES	<u>12,200,654</u>	<u>12,200,654</u>	<u>11,382,828</u>	<u>817,826</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,889,078)</u>	<u>(1,889,078)</u>	<u>(1,254,063)</u>	<u>635,015</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of property	-	-	5,616	5,616
Transfer to/from Special Revenue Funds	600,000	600,000	712,979	112,979
TOTAL OTHER FINANCING SOURCES (USES)	<u>600,000</u>	<u>600,000</u>	<u>718,595</u>	<u>118,595</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	<u>\$ (1,289,078)</u>	<u>\$ (1,289,078)</u>	<u>(535,468)</u>	<u>\$ 753,610</u>
Fund Balance at Beginning of Year, As Restated - Note 17			<u>7,922,862</u>	
Fund Balance at End of Year			<u>\$ 7,387,394</u>	

CALHOUN COUNTY, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES, COMPARED TO BUDGET
GENERAL FUND
YEAR ENDED JUNE 30, 2015

	Budgeted		Actual	Variance Favorable (Unfavorable)
	Original	Final		
Administration				
Salaries	\$ 457,426	457,426	\$ 456,937	\$ 489
Travel, members	17,000	17,000	15,799	1,201
Vehicle maintenance	2,000	2,000	109	1,891
Membership, dues, and meetings	3,500	3,500	2,782	718
Lower Savannah Council	11,381	11,381	11,381	-
SC Assoc. of Counties	6,478	6,478	6,477	1
Supplies and operating	15,000	15,000	13,862	1,138
Gasoline and oil	2,500	2,500	1,314	1,186
Telephone	10,000	10,000	7,096	2,904
Contract services	20,000	20,000	13,292	6,708
Oburg/Calhoun Transit Prog	10,000	10,000	-	10,000
Professional services	70,000	70,000	39,391	30,609
Legislative Delegation	2,000	2,000	-	2,000
TOTAL ADMINISTRATION	<u>627,285</u>	<u>627,285</u>	<u>568,440</u>	<u>58,845</u>
PUBLIC WORKS				
Roads, Repair, and Construction:				
Salaries	213,760	213,760	191,700	22,060
Equipment maintenance	50,000	64,544	64,810	(266)
Supplies and operating	25,000	23,756	23,219	537
Gas, fuel, and oil	44,000	45,244	45,244	-
Telephone	1,500	1,500	724	776
	<u>334,260</u>	<u>348,804</u>	<u>325,697</u>	<u>23,107</u>
Landfill:				
Salaries	37,264	37,264	36,114	1,150
Supplies and operating	8,000	8,000	8,000	-
Telephone	1,400	1,400	1,331	69
Electricity	3,500	3,500	2,867	633
Equipment maintenance	44,000	32,454	32,634	(180)
Heat	1,200	1,200	1,120	80
Landfill closeout	25,000	25,000	15,678	9,322
Water	500	500	281	219
Gas, fuel, and oil	12,000	9,002	7,739	1,263
	<u>132,864</u>	<u>118,320</u>	<u>105,764</u>	<u>12,556</u>

CALHOUN COUNTY, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES, COMPARED TO BUDGET
GENERAL FUND
YEAR ENDED JUNE 30, 2015

	Budgeted		Actual	Variance Favorable (Unfavorable)
	Original	Final		
Collections:				
Salaries	207,545	207,545	196,149	11,396
Equipment maintenance	35,000	35,000	34,353	647
Supplies and operating	4,000	4,000	3,346	654
Gas, fuel, and oil	45,000	41,884	31,600	10,284
Contract service	240,000	240,000	216,466	23,534
Telephone	3,500	3,871	3,871	-
Electricity	14,000	14,262	14,262	-
Collection site maintenance	7,500	9,983	9,983	-
Water	1,100	1,100	1,100	-
	<u>557,645</u>	<u>557,645</u>	<u>511,130</u>	<u>46,515</u>
TOTAL PUBLIC WORKS	<u>1,024,769</u>	<u>1,024,769</u>	<u>942,591</u>	<u>82,178</u>
PUBLIC BUILDINGS				
Salaries	143,911	143,911	139,510	4,401
Supplies and operating	18,000	18,000	15,910	2,090
Telephone	1,500	1,500	1,395	105
Electricity	220,000	220,000	220,000	-
Water	15,000	16,144	15,696	448
Janitorial service	40,000	40,000	38,041	1,959
Heat	6,000	6,000	2,599	3,401
Building maintenance	64,500	64,500	48,943	15,557
Vehicle maintenance	5,000	5,000	4,791	209
Grounds maintenance	23,000	23,000	16,555	6,445
Copier contracts	26,000	26,000	26,000	-
Utilities - John Ford	32,000	32,000	32,000	-
Gas, fuel, and oil	15,000	13,856	12,245	1,611
	<u>609,911</u>	<u>609,911</u>	<u>573,685</u>	<u>36,226</u>
TOTAL PUBLIC BUILDINGS	<u>609,911</u>	<u>609,911</u>	<u>573,685</u>	<u>36,226</u>
FINANCE AND TAXATION				
County Auditor:				
Salaries	60,354	60,354	60,354	-
Travel and dues	2,500	2,500	800	1,700
Supplies and postage	1,250	1,250	1,100	150
Telephone	750	750	639	111
	<u>64,854</u>	<u>64,854</u>	<u>62,893</u>	<u>1,961</u>
County Treasurer:				
Salaries	90,982	90,982	90,982	-
Travel and dues	3,000	3,000	2,481	519
Supplies and postage	25,350	25,350	23,917	1,433
Telephone	350	350	290	60
	<u>119,682</u>	<u>119,682</u>	<u>117,670</u>	<u>2,012</u>

CALHOUN COUNTY, SOUTH CAROLINA
 SCHEDULE OF EXPENDITURES, COMPARED TO BUDGET
 GENERAL FUND
 YEAR ENDED JUNE 30, 2015

	Budgeted		Actual	Variance Favorable (Unfavorable)
	Original	Final		
County Tax Collector:				
Salaries	57,914	57,914	57,914	-
Travel and dues	1,200	1,200	150	1,050
Supplies and postage	30,000	30,000	25,552	4,448
Telephone	150	150	75	75
Contract Service	20,000	20,000	17,970	2,030
	<u>109,264</u>	<u>109,264</u>	<u>101,661</u>	<u>7,603</u>
County Tax Assessor:				
Salaries	180,810	180,810	178,615	2,195
Travel and dues	4,000	4,000	2,711	1,289
Vehicle maintenance	1,500	1,500	364	1,136
Supplies and postage	12,000	12,000	3,903	8,097
Gasoline and oil	3,000	3,000	568	2,432
Telephone	1,200	1,200	617	583
Assessment Appeals Board	1,000	1,000	-	1,000
GIS mapping	2,800	2,800	1,914	886
GIS Website Hosting/Admin Fees	7,200	7,200	7,200	-
Legal advertisement	500	500	-	500
	<u>214,010</u>	<u>214,010</u>	<u>195,892</u>	<u>18,118</u>
Computer Service:				
Computer service	145,000	145,000	148,260	(3,260)
IT contract//salaries	40,900	40,900	40,900	-
Wide area telephone network	75,000	76,036	76,036	-
Travel and training	3,000	3,000	828	2,172
On Line Access	12,000	10,964	10,800	164
	<u>275,900</u>	<u>275,900</u>	<u>276,824</u>	<u>(924)</u>
TOTAL FINANCE AND TAXATION	<u>783,710</u>	<u>783,710</u>	<u>754,940</u>	<u>28,770</u>
JUDICIAL				
Clerk of Court:				
Salaries	184,415	184,415	184,415	-
Travel and dues	2,250	2,250	2,210	40
Supplies and operating	13,000	13,000	11,696	1,304
Court expense	18,000	18,000	15,652	2,348
Contract services	33,000	33,000	31,523	1,477
Telephone	2,100	2,100	1,806	294
Case management system	36,000	36,000	36,000	-
	<u>288,765</u>	<u>288,765</u>	<u>283,302</u>	<u>5,463</u>
Judge of Probate:				
Salaries	86,385	86,385	83,354	3,031
Travel and dues	2,500	2,500	1,558	942
Supplies	3,000	3,000	2,850	150
Telephone	700	700	487	213
	<u>92,585</u>	<u>92,585</u>	<u>88,249</u>	<u>4,336</u>

CALHOUN COUNTY, SOUTH CAROLINA
 SCHEDULE OF EXPENDITURES, COMPARED TO BUDGET
 GENERAL FUND
 YEAR ENDED JUNE 30, 2015

	Budgeted		Actual	Variance Favorable (Unfavorable)
	Original	Final		
Magistrate - St. Matthews:				
Salaries	91,873	91,873	92,054	(181)
Travel and dues	1,250	1,250	506	744
Court expense	7,500	7,500	2,850	4,650
Supplies and operating	4,000	4,000	2,142	1,858
Telephone	1,400	1,400	1,353	47
Rent	7,200	7,200	7,200	-
	<u>113,223</u>	<u>113,223</u>	<u>106,105</u>	<u>7,118</u>
Magistrate - Cameron:				
Salaries	21,144	21,144	19,536	1,608
Travel and dues	1,600	1,730	1,730	-
Supplies	1,000	995	650	345
Telephone	500	375	375	-
Rent	1,200	1,200	1,200	-
Clerical	6,000	6,000	4,777	1,223
	<u>31,444</u>	<u>31,444</u>	<u>28,268</u>	<u>3,176</u>
Magistrate - Sandy Run:				
Salaries	21,144	21,144	21,565	(421)
Travel and dues	4,250	3,929	2,772	1,157
Telephone	3,200	3,200	2,975	225
Clerical	8,500	8,500	8,500	-
Vehicle Expense	250	250	238	12
Supplies and operating	2,250	2,571	2,571	-
	<u>39,594</u>	<u>39,594</u>	<u>38,621</u>	<u>973</u>
Public Defender:				
Contract funding	<u>32,000</u>	<u>32,000</u>	<u>32,000</u>	<u>-</u>
Master-In-Equity:				
Salaries	13,820	13,820	13,820	-
Supplies	2,166	2,166	2,166	-
	<u>15,986</u>	<u>15,986</u>	<u>15,986</u>	<u>-</u>
Solicitor's Office:				
Supplement	<u>59,325</u>	<u>59,325</u>	<u>56,036</u>	<u>3,289</u>
TOTAL JUDICIAL	<u>672,922</u>	<u>672,922</u>	<u>648,567</u>	<u>24,355</u>

CALHOUN COUNTY, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES, COMPARED TO BUDGET
GENERAL FUND
YEAR ENDED JUNE 30, 2015

	Budgeted		Actual	Variance Favorable (Unfavorable)
	Original	Final		
PUBLIC SAFETY				
County Sheriff:				
Salaries	1,093,995	1,108,395	1,076,829	31,566
Travel and dues	4,500	4,500	3,459	1,041
Supplies and operating	44,600	44,600	41,642	2,958
Gasoline and oil	148,000	137,012	125,735	11,277
Uniforms	33,900	33,900	33,429	471
Telephone	25,000	28,759	28,759	-
Vehicle maintenance	37,000	39,328	38,155	1,173
Tactical aids	20,000	20,000	17,508	2,492
Contract service/custodial	12,550	12,550	10,629	1,921
Contract service/radio	31,000	35,901	35,901	-
Information service	2,000	2,000	2,000	-
Sheriff/Auto Allowance	14,400	-	-	-
Certification school	5,000	5,000	505	4,495
	<u>1,471,945</u>	<u>1,471,945</u>	<u>1,414,551</u>	<u>57,394</u>
County Coroner:				
Salaries	22,144	22,144	21,944	200
Travel and dues	1,500	1,500	1,100	400
Supplies and operating	2,500	2,500	2,304	196
Gasoline and oil	1,200	1,081	1,081	-
Vehicle maintenance	500	430	313	117
Contract service/radio	300	300	180	120
Post mortem and inquests	10,000	12,380	12,380	-
Indigent burial	800	800	-	800
Telephone	2,000	2,189	2,189	-
	<u>40,944</u>	<u>43,324</u>	<u>41,491</u>	<u>1,833</u>
Emergency Management:				
Salaries	26,125	26,125	26,125	-
Travel and dues	1,500	1,500	341	1,159
Supplies and operating	3,000	3,000	2,339	661
Telephone	3,000	3,000	2,780	220
Sat. phone / weather	1,000	531	140	391
Transmitter/towers/generators	25,000	25,000	23,004	1,996
LEPC	1,500	1,500	1,200	300
Internet	1,000	1,469	1,469	-
Special projects	2,000	2,000	-	2,000
	<u>64,125</u>	<u>64,125</u>	<u>57,398</u>	<u>6,727</u>
Detention Center:				
Contingent	20,000	17,620	-	17,620
O-C Detention Center	724,323	724,323	674,109	50,214
	<u>744,323</u>	<u>741,943</u>	<u>674,109</u>	<u>67,834</u>
TOTAL PUBLIC SAFETY	<u>2,321,337</u>	<u>2,321,337</u>	<u>2,187,549</u>	<u>133,788</u>

CALHOUN COUNTY, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES, COMPARED TO BUDGET
GENERAL FUND
YEAR ENDED JUNE 30, 2015

	Budgeted		Actual	Variance Favorable (Unfavorable)
	Original	Final		
HEALTH AND WELFARE				
Health Department:				
Supplies and operating	2,500	2,500	1,640	860
Contract services - custodial	-	-	-	-
Contract services	1,000	1,000	254	746
Telephone	3,000	3,000	2,904	96
	<u>6,500</u>	<u>6,500</u>	<u>4,798</u>	<u>1,702</u>
Emergency Medical Service:				
Salaries	954,367	954,367	964,357	(9,990)
Travel and dues	7,000	7,000	6,663	337
Vehicle maintenance	40,000	40,000	36,015	3,985
Supplies and operating	75,000	87,011	87,011	-
Gasoline and oil	60,000	47,989	45,852	2,137
Telephone	9,500	9,500	9,144	356
Contract /Cardio Monitors	10,500	10,500	10,025	475
Contract service/radio	2,000	2,000	2,000	-
Medical control physician	4,800	4,800	4,800	-
Medical control physician insurance	7,000	7,000	6,452	548
Uniforms	8,000	8,000	7,983	17
Special projects	10,000	10,000	6,735	3,265
	<u>1,188,167</u>	<u>1,188,167</u>	<u>1,187,037</u>	<u>1,130</u>
Council on Aging:				
Grant match	132,500	132,500	132,500	-
Alcohol and Drug Abuse Commission:				
Appropriation	9,000	9,000	9,000	-
Department of Social Services:				
Emergency fund	1,500	1,150	1,150	-
Contract service - custodial	-	-	-	-
Telephone	7,200	7,550	9,003	(1,453)
	<u>8,700</u>	<u>8,700</u>	<u>10,153</u>	<u>(1,453)</u>
Veteran Affairs Office:				
Salaries	20,700	20,700	20,700	-
Travel and dues	1,000	1,000	1,150	(150)
Supplies and operating	800	800	800	-
Telephone	700	700	700	-
	<u>23,200</u>	<u>23,200</u>	<u>23,350</u>	<u>(150)</u>

CALHOUN COUNTY, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES, COMPARED TO BUDGET
GENERAL FUND
YEAR ENDED JUNE 30, 2015

	Budgeted		Actual	Variance Favorable (Unfavorable)
	Original	Final		
Animal and Mosquito Control:				
Salaries	83,600	83,600	78,139	5,461
Travel & dues	2,000	2,000	851	1,149
Vehicle expenses	1,800	1,800	779	1,021
Supplies and operating	12,000	12,000	10,683	1,317
Gasoline/Oil	10,000	10,000	6,114	3,886
Mosquito Supply	12,000	12,000	5,858	6,142
Telephone	3,500	3,434	3,187	247
Electricity	4,000	4,066	4,066	-
Heat	3,500	3,500	3,173	327
Animal Control Vet	1,900	1,900	1,900	-
	<u>134,300</u>	<u>134,300</u>	<u>114,750</u>	<u>19,550</u>
Litter & Risk Management:				
Salaries	64,000	64,000	63,926	74
Travel and dues	1,000	1,000	395	605
Vehicle expenses	2,000	2,000	957	1,043
Supplies and operating	1,200	1,252	1,196	56
Gasoline and oil	5,000	4,948	4,063	885
Telephone	1,000	1,000	753	247
	<u>74,200</u>	<u>74,200</u>	<u>71,290</u>	<u>2,910</u>
E-911:				
Salaries	-	-	-	-
Travel and dues	2,000	2,000	513	1,487
Vehicle expense	1,000	1,000	-	1,000
Supplies and operating	15,000	15,000	15,000	-
Gasoline and oil	1,000	1,000	-	1,000
Telephone	500	500	217	283
	<u>19,500</u>	<u>19,500</u>	<u>15,730</u>	<u>3,770</u>
Communications Center:				
Salaries	395,588	395,588	377,894	17,694
Uniforms	2,000	2,000	1,159	841
Travel and training	1,500	1,500	16	1,484
Supplies and operating	8,750	8,750	7,107	1,643
Radio service contract	1,600	2,800	2,800	-
Telephone	8,400	8,400	8,400	-
Generator Svc. Contract	1,200	-	-	-
Contract services	5,000	5,000	2,447	2,553
	<u>424,038</u>	<u>424,038</u>	<u>399,823</u>	<u>24,215</u>
TOTAL HEALTH AND WELFARE	<u>2,020,105</u>	<u>2,020,105</u>	<u>1,968,431</u>	<u>51,674</u>

CALHOUN COUNTY, SOUTH CAROLINA
 SCHEDULE OF EXPENDITURES, COMPARED TO BUDGET
 GENERAL FUND
 YEAR ENDED JUNE 30, 2015

	Budgeted		Actual	Variance Favorable (Unfavorable)
	Original	Final		
CULTURE AND RECREATION				
County Library:				
Salaries	308,233	308,233	283,979	24,254
Travel and dues	3,500	3,500	2,298	1,202
Supplies and operating	44,000	44,000	44,002	(2)
Gasoline and oil	3,000	1,928	1,234	694
Telephone	3,500	3,500	2,041	1,459
Copier & Supplies	2,700	2,700	1,801	899
Contract Serv/Custodial	-	-	-	-
Contract Serv/IT Support	3,000	4,072	3,000	1,072
State Aid expense	75,000	75,000	75,112	(112)
Building maintenance/air conditioning	10,000	10,000	7,660	2,340
Vehicle maintenance	3,000	3,000	2,402	598
	<u>455,933</u>	<u>455,933</u>	<u>423,529</u>	<u>32,404</u>
Historical Commission:				
Salaries	131,926	131,926	126,543	5,383
Travel and dues	3,000	2,000	1,831	169
Supplies and operating	19,500	20,500	20,163	337
Telephone	1,200	1,200	1,200	-
Advertising	2,500	2,500	2,500	-
Insurance Appraisal	-	-	-	-
Ground Maintenance	6,000	6,000	6,000	-
Capital Items/Computer	-	-	-	-
Contract Service - Custodial	-	-	-	-
Special project-GALA	6,000	6,000	6,000	-
S. C. Arts Grant Match	11,500	11,500	11,500	-
	<u>181,626</u>	<u>181,626</u>	<u>175,737</u>	<u>5,889</u>
Santee Cooper Country	<u>500</u>	<u>500</u>	<u>500</u>	<u>-</u>
Recreation:				
Salaries	28,500	28,500	27,781	719
Recreation Commission	15,000	15,000	10,270	4,730
District 1	2,000	2,000	900	1,100
District 2	2,000	2,000	1,350	650
District 3	2,000	2,000	2,000	-
District 4	2,000	2,000	2,000	-
District 5	2,000	2,000	2,000	-
Lights, grounds maintenance	7,500	7,500	3,622	3,878
	<u>61,000</u>	<u>61,000</u>	<u>49,923</u>	<u>11,077</u>
TOTAL CULTURE AND RECREATION	<u>699,059</u>	<u>699,059</u>	<u>649,689</u>	<u>49,370</u>

CALHOUN COUNTY, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES, COMPARED TO BUDGET
GENERAL FUND
YEAR ENDED JUNE 30, 2015

	Budgeted		Actual	Variance Favorable (Unfavorable)
	Original	Final		
MISCELLANEOUS				
Board of Registration:				
Salaries	86,670	86,670	86,329	341
Travel and dues	5,500	5,500	4,630	870
Supplies and operating	20,000	20,000	16,275	3,725
Legal fees	2,000	2,000	-	2,000
Telephone	500	500	435	65
	<u>114,670</u>	<u>114,670</u>	<u>107,669</u>	<u>7,001</u>
Fort Motte Community Center Commission	<u>5,000</u>	<u>5,000</u>	<u>3,269</u>	<u>1,731</u>
Development Commission:				
Salaries	-	-	-	-
Travel and dues	1,200	1,200	1,200	-
Supplies and operating	750	750	161	589
Telephone	-	-	-	-
Special events, advertising, and options	2,500	2,500	1,699	801
Special projects	-	-	-	-
Lake Marion water fees	70,000	70,000	47,592	22,408
Central Alliance	72,000	72,000	72,000	-
	<u>146,450</u>	<u>146,450</u>	<u>122,652</u>	<u>23,798</u>
Contingent				
Contingent	113,000	107,353	61,223	46,130
Fuel Contingent	25,000	25,000	-	25,000
	<u>138,000</u>	<u>132,353</u>	<u>61,223</u>	<u>71,130</u>
Building and Planning:				
Salary	63,855	63,855	63,855	-
Board members	1,500	1,925	1,925	-
Travel Dues	1,500	1,075	914	161
Vehicle Expense	1,250	1,250	237	1,013
Supplies and operating	2,900	2,900	2,026	874
Gasoline and oil	3,200	3,200	2,313	887
Telephone	1,700	1,700	1,634	66
	<u>75,905</u>	<u>75,905</u>	<u>72,904</u>	<u>3,001</u>
Other:				
Donation expense	25,000	25,000	54,394	(29,394)
Tort liability insurance	164,303	164,303	143,286	21,017
Bank charges	2,000	2,000	2,000	-
Auditing county records	40,000	45,647	45,647	-
Bond premium	2,500	2,500	2,500	-
Clerical part time	6,000	6,000	-	6,000
Grant match	20,000	20,000	1,350	18,650
Micellaneous	-	-	-	-
	<u>259,803</u>	<u>265,450</u>	<u>249,177</u>	<u>16,273</u>
TOTAL MISCELLANEOUS	<u>739,828</u>	<u>739,828</u>	<u>616,894</u>	<u>122,934</u>

CALHOUN COUNTY, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES, COMPARED TO BUDGET
GENERAL FUND
YEAR ENDED JUNE 30, 2015

	Budgeted		Actual	Variance Favorable (Unfavorable)
	Original	Final		
EMPLOYEE FRINGE BENEFITS				
HRA account	125,000	125,000	94,536	30,464
Unemployment	10,000	10,000	1,301	8,699
Social Security	365,000	365,000	364,985	15
Retirement	390,000	390,000	402,382	(12,382)
Police retirement/cnty	168,000	168,000	156,581	11,419
Health and life insurance	1,200,000	1,200,000	1,097,254	102,746
Worker's compensation insurance	179,436	179,436	159,957	19,479
Retirees/health insurance	110,000	110,000	84,941	25,059
TOTAL EMPLOYEE FRINGE BENEFITS	<u>2,547,436</u>	<u>2,547,436</u>	<u>2,361,937</u>	<u>185,499</u>
AGENCIES				
Mental Health	9,000	9,000	9,000	-
Indigent Hospitalization	51,596	51,596	51,596	-
Vocational Rehabilitation	3,000	3,000	3,000	-
OCAB Community Action	7,500	7,500	7,500	-
Fire Commission	64,746	64,746	26,009	38,737
Boys Clubs of America	1,200	1,200	-	1,200
Extension Leader and 4H Club Work	4,000	4,000	4,000	-
Family Health Center	4,250	4,250	-	4,250
Soil and Water Conservation	5,000	5,000	5,000	-
The Samaritan House	1,500	1,500	1,500	-
Helping Hand/Providence H	500	500	500	-
Tri County CASA	2,000	2,000	2,000	-
TOTAL AGENCIES	<u>154,292</u>	<u>154,292</u>	<u>110,105</u>	<u>44,187</u>
TOTAL EXPENDITURES	<u>\$ 12,200,654</u>	<u>\$ 12,200,654</u>	<u>\$ 11,382,828</u>	<u>\$ 817,826</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from Sale of Property	\$ -	\$ -	\$ 5,616	\$ 5,616
Transfers to/ from Special Revenue Funds	-	-	712,979	712,979
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 718,595</u>	<u>\$ 718,595</u>

CALHOUN COUNTY, SOUTH CAROLINA
 COMBINING SCHEDULE OF FIDUCIARY ASSETS AND LIABILITIES
 JUNE 30, 2015

	Clerk of Court	Magistrate St. Matthews	Magistrate Sandy Run	Magistrate Cameron	School District	Master in Equity	Delinquent Tax	Judge of Probate	Total
ASSETS									
Cash	\$ 86,182	\$ 35,689	\$ 15,592	\$ 5,446	\$ 6,541,116	\$ 22,040	\$ 217,873	\$ 3,118	\$ 6,927,056
Property taxes receivable	-	-	-	-	784,577	-	-	-	784,577
Due from Others	465	150	-	-	-	-	-	-	615
TOTAL ASSETS	\$ 86,647	\$ 35,839	\$ 15,592	\$ 5,446	\$ 7,325,693	\$ 22,040	\$ 217,873	\$ 3,118	\$ 7,712,248
LIABILITIES									
Due to Trust Fund holders	\$ 86,647	\$ 399	\$ -	\$ -	\$ 7,325,693	\$ 22,040	\$ 217,873	\$ -	\$ 7,652,652
Due to Treasurer	-	24,888	13,141	4,818	-	-	-	3,118	45,965
Outstanding Bonds Held for jurors	-	7,368	1,763	401	-	-	-	-	9,532
Due to Treasurer - cash overage (shortage) - Note 10	-	-	-	227	-	-	-	-	227
	-	3,184	688	-	-	-	-	-	3,872
Total Liabilities	\$ 86,647	\$ 35,839	\$ 15,592	\$ 5,446	\$ 7,325,693	\$ 22,040	\$ 217,873	\$ 3,118	\$ 7,712,248

CALHOUN COUNTY, SOUTH CAROLINA
 FIDUCIARY FUNDS
 COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
 YEAR ENDED JUNE 30, 2015

	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015
CLERK OF COURT				
Assets				
Cash	\$ 54,611	\$ 31,571	\$ -	\$ 86,182
Due from others	465	-	-	465
Total Assets	<u>\$ 55,076</u>	<u>\$ 31,571</u>	<u>\$ -</u>	<u>\$ 86,647</u>
Liabilities				
Due to Trust Fund Holders	\$ 55,076	\$ 31,571	\$ -	\$ 86,647
Total Liabilities	<u>\$ 55,076</u>	<u>\$ 31,571</u>	<u>\$ -</u>	<u>\$ 86,647</u>
ST. MATTHEWS MAGISTRATE FUND				
Assets				
Cash	\$ 25,005	\$ 264,539	\$ 253,855	\$ 35,689
Due from others	25	2,975	2,850	150
Total Assets	<u>\$ 25,030</u>	<u>\$ 267,514</u>	<u>\$ 256,705</u>	<u>\$ 35,839</u>
Liabilities				
Due to Treasurer	\$ 16,244	\$ 8,644	\$ -	\$ 24,888
Outstanding Bonds	6,550	818	-	7,368
Due to Trust Fund holders	-	399	-	399
Due to Treasurer - Cash overage (shortage) - Note 10	2,236	948	-	3,184
Total Liabilities	<u>\$ 25,030</u>	<u>\$ 10,809</u>	<u>\$ -</u>	<u>\$ 35,839</u>
SANDY RUN MAGISTRATE FUND				
Assets				
Cash	\$ 6,566	\$ 101,566	\$ 92,540	\$ 15,592
Total Assets	<u>\$ 6,566</u>	<u>\$ 101,566</u>	<u>\$ 92,540</u>	<u>\$ 15,592</u>
Liabilities				
Due to Treasurer	\$ 5,696	\$ 7,445	\$ -	\$ 13,141
Outstanding Bonds	82	1,681	-	1,763
Due to Treasurer - Cash overage (shortage) - Note 10	788	-	100	688
Total Liabilities	<u>\$ 6,566</u>	<u>\$ 9,126</u>	<u>\$ 100</u>	<u>\$ 15,592</u>

CALHOUN COUNTY, SOUTH CAROLINA
 FIDUCIARY FUNDS
 COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
 YEAR ENDED JUNE 30, 2015

	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015
CAMERON MAGISTRATE FUND				
Assets				
Cash	\$ 4,962	\$ 34,791	\$ 34,307	\$ 5,446
Total Assets	<u>\$ 4,962</u>	<u>\$ 34,791</u>	<u>\$ 34,307</u>	<u>\$ 5,446</u>
Liabilities				
Due to Treasurer	\$ 2,183	\$ 2,637	\$ -	\$ 4,820
Outstanding bonds Held for jurors	638 225	- -	237 -	401 225
Due to Treasurer - Cash overage (shortage) - Note 10	1,916	-	1,916	-
Total Liabilities	<u>\$ 4,962</u>	<u>\$ 2,637</u>	<u>\$ 2,153</u>	<u>\$ 5,446</u>
DELINQUENT TAX FUND				
Assets				
Cash	\$ 255,675	\$ 655,102	\$ 692,904	\$ 217,873
Total Assets	<u>\$ 255,675</u>	<u>\$ 655,102</u>	<u>\$ 692,904</u>	<u>\$ 217,873</u>
Liabilities				
Due to Trust Fund Holders	\$ 183,985	\$ 33,888	\$ -	\$ 217,873
Due to Treasurer	71,690	-	71,690	-
Total Liabilities	<u>\$ 255,675</u>	<u>\$ 33,888</u>	<u>\$ 71,690</u>	<u>\$ 217,873</u>
CALHOUN COUNTY SCHOOL DISTRICT FUND				
Assets				
Cash	\$ 5,420,931	\$ 1,120,185	\$ -	\$ 6,541,116
Property taxes receivable	766,529	18,048	-	784,577
Total Assets	<u>\$ 6,187,460</u>	<u>\$ 1,138,233</u>	<u>\$ -</u>	<u>\$ 7,325,693</u>
Liabilities				
Due to Trust Fund Holders	\$ 6,187,460	\$ 1,138,233	\$ -	\$ 7,325,693
Total Liabilities	<u>\$ 6,187,460</u>	<u>\$ 1,138,233</u>	<u>\$ -</u>	<u>\$ 7,325,693</u>

CALHOUN COUNTY, SOUTH CAROLINA
FIDUCIARY FUNDS
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED JUNE 30, 2015

	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015
MASTER IN EQUITY				
Assets				
Cash	\$ 21,998	\$ 144,505	\$ 144,463	\$ 22,040
Due from others	14	-	14	-
Total Assets	<u>\$ 22,012</u>	<u>\$ 144,505</u>	<u>\$ 144,477</u>	<u>\$ 22,040</u>
Liabilities				
Due to Trust Fund Holders	\$ 22,012	\$ 28	\$ -	\$ 22,040
Total Liabilities	<u>\$ 22,012</u>	<u>\$ 28</u>	<u>\$ -</u>	<u>\$ 22,040</u>
JUDGE OF PROBATE				
Assets				
Cash	\$ 4,881	\$ -	\$ 1,763	\$ 3,118
Total Assets	<u>\$ 4,881</u>	<u>\$ -</u>	<u>\$ 1,763</u>	<u>\$ 3,118</u>
Liabilities				
Due to Treasurer	\$ 4,881	\$ -	\$ 1,763	\$ 3,118
Total Liabilities	<u>\$ 4,881</u>	<u>\$ -</u>	<u>\$ 1,763</u>	<u>\$ 3,118</u>
TOTAL AGENCY FUNDS				
Assets				
Cash	\$ 5,794,629	\$ 2,352,259	\$ 1,219,832	\$ 6,927,056
Property taxes receivable	766,529	18,048	-	784,577
Due from others	504	2,975	2,864	615
Total Assets	<u>\$ 6,561,662</u>	<u>\$ 2,373,282</u>	<u>\$ 1,222,696</u>	<u>\$ 7,712,248</u>
Liabilities				
Due to Treasurer	\$ 100,694	\$ 18,726	\$ 73,453	\$ 45,967
Outstanding Bonds	7,270	2,499	237	9,532
Due to Treasurer - Cash overage (shortage) - Note 10	4,940	948	2,016	3,872
Held for jurors	225	-	-	225
Due to Trust Fund holders	6,448,533	1,204,119	-	7,652,652
Total Liabilities	<u>\$ 6,561,662</u>	<u>\$ 1,226,292</u>	<u>\$ 75,706</u>	<u>\$ 7,712,248</u>

CALHOUN COUNTY
SCHEDULE OF FINES, ASSESSMENTS AND SURCHARGES
SPECIAL REVENUE FUND - VICTIMS RIGHTS FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Clerk of Court	Magistrates	Total
County Fines			
Court fines collected	\$ 114,543	\$ 6,697	\$ 121,240
Court fines retained by County	<u>50,204</u>	<u>-</u>	<u>50,204</u>
Court fines remitted to the State Treasurer	<u>\$ 64,339</u>	<u>\$ 6,697</u>	<u>\$ 71,036</u>
Court Assessments			
Court assessments collected	\$ 5,651	\$ 130,349	\$ 136,000
Court assessments retained by County	<u>2,387</u>	<u>13,956</u>	<u>16,343</u>
Court assessments remitted to the State Treasurer	<u>\$ 3,264</u>	<u>\$ 116,393</u>	<u>\$ 119,657</u>
Court Surcharges			
Court surcharges collected	\$ 4,373	\$ 77,470	\$ 81,843
Court surcharges retained by County	<u>2,506</u>	<u>4,985</u>	<u>7,491</u>
Court surcharges remitted to State Treasurer	<u>\$ 1,867</u>	<u>\$ 72,485</u>	<u>\$ 74,352</u>
Victims Services			
Court assessments allocated to Victim Services	\$ 2,387	\$ 13,956	\$ 16,343
Court surcharges allocated to Victim Services	<u>2,506</u>	<u>4,985</u>	<u>7,491</u>
Funds available for carryforward	<u>\$ 4,893</u>	<u>\$ 18,941</u>	<u>\$ 23,834</u>
Victims Assistance			
Beginning Balance - July 1, 2014		\$ 45,249	
Funds available for carryforward		23,834	
Victims Services expenditures		<u>(36,250)</u>	
Ending Balance - June 30, 2015		<u>\$ 32,833</u>	

**CALHOUN COUNTY, SOUTH CAROLINA
COMPUTATION OF LEGAL DEBT MARGIN
JUNE 30, 2015**

Real and Other Personal Property Assessed Value	\$ 54,639,441
Less: Exempt Property Assessed Value	<u>1,492,360</u>
Net Real Other Personal Property Assessed Value	53,147,081
Vehicles Assessed Value	<u>8,270,675</u>
Total Taxable Assessed Value	<u>61,417,756</u>
Debt Limit - Eight Percent (8%) of Total Taxable Assessed Value	4,913,420
Amount of Debt Applicable to Debt Limit: Total Bonded Debt	<u>-</u>
LEGAL DEBT MARGIN	<u><u>\$ 4,913,420</u></u>

**CALHOUN COUNTY, SOUTH CAROLINA
SCHEDULE OF MISCELLANEOUS REVENUE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015**

Discounts earned	\$ 2,927 ✓
Computer service reimbursement	9,950
Franchise fees	5,417 ✓
Library - fax, fines, and postage	8,436
Miscellaneous	38,085
Landfill fees	22,412 ✓
Animal control fees	526 ✓
Sale of recycle goods	14,487 ✓
Equipment, supplies, and fax	<u>6,467</u>
 TOTAL MISCELLANEOUS REVENUE	 <u><u>\$ 108,707</u></u>

**CALHOUN COUNTY, SOUTH CAROLINA
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
JUNE 30, 2015**

Tax Year	Delinquent Taxes
2005	\$ 46,061
2006	66,969
2007	49,497
2008	86,560
2009	90,493
2010	73,991
2011	80,880
2012	81,618
2013	103,410
2014	457,587
Rollbacks	6,176
	<hr/>
DELINQUENT TAXES RECEIVABLE, JUNE 30, 2015	\$ 1,143,242
	<hr/> <hr/>
Delinquent taxes, June 30, 2014	\$ 1,120,461
Add executions, March 18, 2015	718,655
Supplementals	47,302
Less:	
Collections	684,128
Errors	50,180
Refunds	4,254
Nulla Bonaes	4,614
	<hr/>
DELINQUENT TAXES RECEIVABLE, JUNE 30, 2015	\$ 1,143,242
	<hr/> <hr/>
Distribution	
General Fund	\$ 444,202
Special Assessment Fund	27,041
Calhoun County School District	644,365
Capital Projects	5,773
Debt Service	21,861
	<hr/>
TOTAL	\$ 1,143,242
	<hr/> <hr/>

PARTNERS		ASSOCIATES					
C.C. McGregor, CPA 1906-1968	W.C. Stevenson, CPA	D.L. Richardson, CPA	D.K. Strickland, CPA	V.K. Laroche, CPA	J.R. Matthews II, CPA	M.L. Goode, CPA	
	B.T. Kight, CPA	E.C. Inabinet, CPA	J.P. McGuire, CPA	G.N. Mundy, CPA	G.P. Davis, CPA	B.A.G. Felch, CPA	
	G.D. Skipper, CPA	S.S. Luoma, CPA	L.H. Kelly, CPA	M.L. Layman, CPA	H.J. Darver, CPA	H.S. Mims, CPA	
	L.R. Leaphart, Jr, CPA	T.M. McCall, CPA		P.A. Betette, Jr, CPA	D.M. Herpel, CPA		
	M.J. Binnicker, CPA	H.D. Brown, Jr, CPA		S. Wo, CPA	H.O. Crider, Jr, CPA		
	W.W. Francis, CPA	L.B. Salley, CPA		C.D. Hinchee, CPA	F.C. Gillam, CPA		

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the County Council
Calhoun County, South Carolina
St. Matthews, South Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Calhoun County, South Carolina, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Calhoun County, South Carolina's basic financial statements and have issued our report thereon dated February 5, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Calhoun County, South Carolina's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Calhoun County, South Carolina's internal control. Accordingly, we do not express an opinion on the effectiveness of Calhoun County, South Carolina's internal control.

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

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**
(continued)

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Calhoun County, South Carolina's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

McGregor & Co. LLP

Orangeburg, South Carolina
February 5, 2016