

AUDITED FINANCIAL STATEMENTS
NEWBERRY COUNTY, SOUTH CAROLINA
Newberry, South Carolina

June 30, 2013

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RISH & ENZASTIGA

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

The Newberry County Council
Newberry, South Carolina

We have audited the accompanying primary government financial statements of the governmental activities and each major fund of Newberry County, South Carolina, as of and for the year ended June 30, 2013 and the related notes to the 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 generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate. Such legally separate entities are referred to as component units. However, the primary government financial statements, because they do not include the financial data of component units of Newberry County, South Carolina, do not purport to, and do not, present fairly the financial position of Newberry County, South Carolina, as of June 30, 2013, and the results of operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Opinions

In our opinion, the primary government's financial statements referred to above, present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Newberry County, South Carolina, as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

The Management's Discussion and Analysis is not a required part of the basic financial statements but it is supplementary information required by GASB No. 34. We have applied certain limited procedures, which consist primarily on inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with Government Auditing Standards, we have issued a report dated October 30, 2013 on our consideration of the County's internal control structure and on its compliance with laws and regulations. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* and should be read in conjunction with the report in considering the results of our audit.

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The supplemental information is presented for purposes of additional analysis and is not a required part of the financial statements of Newberry County, South Carolina. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.



Lexington, South Carolina
October 30, 2013

MANAGEMENT'S DISCUSSION AND ANALYSIS

**NEWBERRY COUNTY, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2013**

INTRODUCTION

This narrative overview gives an analysis of the financial activities of the County for the fiscal year ended June 30, 2013. Our purpose is to inform our citizens of the effect of our County's operations and to present our financial position. The readers should also review the detail statements and the notes to the financial statements to enhance their understanding of the County's financial performance.

FINANCIAL HIGHLIGHTS

Key financial aspects were as follows:

- **Net Position:** The County's Total Net Position as of June 30, 2013, were \$40,680,113, which represented an decrease of \$3,474,237 from the prior year end.
- **Revenues and Expenditures:** Revenues totaled \$27,632,243 and expenditures totaled \$34,918,333 for all Governmental Funds at the fund level. Accordingly, expenditures exceeded revenues by \$7,286,090 before other financing activities. The general fund decreased the fund balance by \$74,689. The debt service fund balance decreased \$1,345,440. The capital projects fund balance decreased \$3,633,943 from the Sales Tax Bond and the lease purchase spending.
- **Capital Assets:** The County had capital asset additions in the governmental activities of \$2,519,366 consisting of purchases of equipment and vehicles. Depreciation expense in governmental activities was \$2,845,934. This resulted in a net decrease of capital assets of \$326,568.
- **General Fund/Fund Balance:** Our principal operating fund, the General Fund, had \$22,389,411 in fiscal year 2013 Revenues, which primarily consisted of property taxes and intergovernmental sources. Net other financing uses were \$3,060,815, and \$19,403,285 in expenditures decreased the fund balance \$74,689.
- **Debt Service:** The County retired \$4,377,636 in principal for governmental activities bonds outstanding. The Debt Service Fund Balance decreased from \$6,187,007 to \$4,841,567. Bonds payable are \$18,648,782 at June 30, 2013 in governmental activities. Detail for long term debt is shown in Note G.

**NEWBERRY COUNTY, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) -
CONTINUED
YEAR ENDED JUNE 30, 2013**

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components: (1) government-wide financial statements; (2) fund financial statements (General, Special Revenue, Debt Service, Capital, Fiduciary, Proprietary), and; (3) notes to the financial statements. This report also contains other information in addition to the basic financial statements themselves. A description of these statements and some related definitions follow:

Government-wide Financial Statements: 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. These statements outline functions of the County that are principally supported by property taxes and intergovernmental revenues (governmental activities). The governmental activities of the County include legislative, finance, election and registration, public safety, public works, social services, education and cultural, and public health expenditures.

Statement of Net Position: The statement of net position presents information on all of the County's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

Statement of Activities: 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 only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

**NEWBERRY COUNTY, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) -
CONTINUED
YEAR ENDED JUNE 30, 2013**

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. The County 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, proprietary and fiduciary.

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 of spend-able resources, as well as on balances of spend-able resources available at the end of the fiscal year. Such information may be useful in evaluating the County'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 County's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains its accounting records in conformity with the Governmental Accounting Standards. 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, Debt Service, Capital Projects Funds and non-major Special Revenue funds.

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of county residents and 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 accrual basis of accounting is used for fiduciary funds. The primary funds are held for fire service protection, school funds and regional rescue squads

**NEWBERRY COUNTY, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) -
CONTINUED
YEAR ENDED JUNE 30, 2013**

Notes to the 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.

Other Supplemental Information: In addition to the basic financial statements and accompanying notes, this report also presents certain information concerning the County's budget process. The County adopts an annual expenditure budget for the general fund. A budgetary comparison statement has been provided for the General Fund.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$44,154,350 as of June 30, 2013. The largest portion of the County's net position (53.5 percent) reflects its investment in capital assets (e.g., land, buildings and improvements, vehicles, furniture and equipment and construction in progress), less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to its residents; consequently, these assets are not available for future spending.

The County's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

The following table presents a summary of the County's net position for the fiscal year ended June 30, 2013.

Current assets	\$ 31,372,382
Non-current assets	<u>36,064,225</u>
Total assets	<u>67,436,607</u>
Current liabilities	5,903,290
Non-current liabilities	<u>20,853,204</u>
Total liabilities	<u>26,756,494</u>
Net position	<u>\$ 40,680,113</u>
Net position -	
Invested in capital assets, net of related debt	\$ 28,872,426
Restricted	12,798,324
Unrestricted	<u>(990,637)</u>
Total Net Position	<u>\$ 40,680,113</u>

**NEWBERRY COUNTY, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) -
CONTINUED
YEAR ENDED JUNE 30, 2013**

The following are significant current year transactions that have had an impact on the Statement of Net Position:

- GO Bond principal payments of \$4,377,636
- Purchases of vehicles and equipment of \$2,519,366 and depreciation of \$2,845,934
- Spending the remaining proceeds of the Sales Tax Bond and other capital projects

Changes in net position: The County's governmental activities for the fiscal year ended June 30, 2013, were \$27,536,993. The total cost of all programs and services was \$31,011,230. The following table presents a summary of the activity that resulted in changes to total net position for the fiscal year ended June 30, 2013.

REVENUES:	Amount
Program revenues:	
Charges for services	\$ 1,110,632
Operating grants and contributions	447,776
Capital grants	870,344
General revenues:	
Property taxes	18,072,802
Intergovernmental sources	1,204,416
Fines and assessments	1,119,799
Sales tax	3,056,030
Miscellaneous	<u>1,655,194</u>
Total revenues	<u>27,536,993</u>
EXPENSES:	
Governmental - current	(23,552,480)
Intergovernmental – capital	
Construction & improvements	(6,598,642)
Interest and fees	<u>(860,108)</u>
Total expenses	<u>(31,011,230)</u>
Decrease in net position	<u>(\$ 3,474,237)</u>

**NEWBERRY COUNTY, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) -
CONTINUED
YEAR ENDED JUNE 30, 2013**

Statement of Activities: The following table presents the cost of the four major functional activities: current, capital outlays, debt service, and J. F. Hawkins Nursing Home. The table also shows each function's net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the County's taxpayers by each of these functions.

	Total Expenses	Net Revenue (Expense)
Governmental - Current	\$ 23,552,480	\$ (21,123,728)
Intergovernmental – capital		
Construction & improvements	6,598,642	(6,598,642)
Debt Service - interest	<u>860,108</u>	<u>(860,108)</u>
Total expenses	<u>\$ 31,011,230</u>	<u>\$(28,582,478)</u>

- The cost of all activities this year was \$31,011,230
- Net cost of governmental activities (\$28,582,478) was financed by general revenues (\$25,108,241), which are made up of primarily property taxes (\$18,072,802), intergovernmental sources (\$1,204,416), fines and assessments (\$1,119,799), sales tax (\$3,056,030), and other revenue (\$1,655,194).

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

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

**NEWBERRY COUNTY, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) -
CONTINUED
YEAR ENDED JUNE 30, 2013**

The financial performance of the County as a whole is reflected in its governmental funds. As the County completed the year, its governmental funds reported a combined fund balance of \$34,428,300, a decrease of \$11,606,157 since June 30, 2012. A fund balance of \$8,863,355 or 25.7 percent of total governmental fund balance constitutes unreserved and unassigned, which is available for spending at the County's discretion.

The remaining fund balance is reserved:

- \$ 13,890,053 assigned for future capital projects
- \$ 4,841,567 assigned for debt service
- \$ 408,989 committed for special revenue
- \$ 500,000 assigned for notes receivable – due from J. F. Hawkins Nursing Home
- \$ 18,943 nonspendable for inventory - fuel

The General Fund is the principal operating fund of the County. The decrease in fund balance in the General Fund for the fiscal year was \$74,689 was due to the use of assigned funds to pay for special projects. The Debt Service Fund balance showed a decrease of \$1,345,440. The Capital Projects Funds showed a fund balance of \$8,261,372, a combination of remaining Sales Tax, Lease purchase and GO Bonds proceeds. The Capital Projects had expenditures of \$8,981,013.

**NEWBERRY COUNTY, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) –
CONTINUED
YEAR ENDED JUNE 30, 2013**

BUDGETARY HIGHLIGHTS

A schedule showing the original and final budget amounts compared to the County's actual financial activity for the General Fund is provided in this report.

The County budgeted \$21,911,222 in General Fund Revenue with actual revenue totaling \$22,389,411 for a difference of \$478,189. The budget for expenditures was \$21,203,802 with the actual expenditures being \$19,403,285 for a difference of \$1,800,517. The results from revenue, expenditures and other financing sources and uses caused the fund balance to decrease by \$74,689. Changes to the original and final budget were made through budget amendments during the year to adjust for various projects and costs.

CAPITAL ASSETS

As of June 30, 2013, the County had invested \$35,564,226. in capital assets, net of accumulated depreciation, including buildings and facilities, fire service and rescue squad vehicles, other vehicles, and other equipment. Total depreciation expense for the year was \$2,838,788 for governmental activities.

The following schedule presents capital asset balances for the fiscal year ended June 30, 2013.

	Amount
Land	\$ 8,143,969
Buildings and improvements	32,367,809
Vehicles and equipment	16,514,034
Roads	11,340,105
Airport Improvements	<u>5,654,044</u>
 Total	 <u>\$ 74,019,961</u>

Additional information on the County's capital assets can be found in Note O of this report.

**NEWBERRY COUNTY, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) -
CONTINUED
YEAR ENDED JUNE 30, 2013**

DEBT ADMINISTRATION

The following table presents a summary of the County's outstanding long-term debt for the fiscal year ended June 30, 2013.

	Amount
General obligation bonds	\$ 18,648,782
Lease purchase	3,315,992
Accrued compensated absences	<u>522,254</u>
Total	<u>\$ 22,487,028</u>

State statutes currently limit the amount of general obligation debt a County may issue to 8 percent of its total assessed valuation. Additional information on the County's long-term debt can be found in Note G of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Newberry County is one of the oldest counties in the State of South Carolina, having been created by the old Ninety-Six District in 1785. The county is located in the central piedmont portion of the state and encompasses a land area of 630 square miles. Approximately 54,000 acres located within the northeastern portion of Newberry County are within the Sumter National Forest.

Agriculture and manufacturing are important sources of employment for the residents of the County. Some of Newberry County's major taxpayers are Louis Rich, Renfro Corporation, Georgia Pacific Corporation and International Paper.

Numerous factors will be considered by County Council during the process of developing the fiscal year 2013 - 2014 budget. Some of County Council's main goals are to enhance the tax base and job opportunities for Newberry County. This will be done by continuing the refinement of the County's economic development plan. This plan will consist of industrial, commercial and tourism elements. A portion of this plan includes the development of a new industrial park. County staff is currently developing a plan to implement GIS and also developing a plan to enhance the Newberry County Airport. Further, we are studying alternative sources for revenue.

Another goal established by Newberry County Council is to continue to improve the quality and efficiency of services to all our citizens. This will be accomplished by the proper alignment of resources with professional service priorities as established by County Council.

**NEWBERRY COUNTY, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) –
CONTINUED
YEAR ENDED JUNE 30, 2013**

CURRENT AND PRIOR YEAR FINANCIAL ANALYSIS

Tables I – II are presented for additional analysis of the County's finances for the FY 12-13.

Table I – Statement of Net Position – Governmental Activities – Total current assets decreased \$5,226,714 versus the prior year due to decreases in cash (capital projects fund and debt service). Capital assets decreased \$326,569 net as shown in Note O for capital asset additions for new equipment less depreciation expense. Total liabilities decreased \$2.0 million for net issuance/payments of bond principal – see Note G. Net position decreased because of the payment of debt and the capital outlays from reserves.

Table II – Statement of Activities – Governmental Activities – Total revenues increased \$494,979 (Building inspection fees increased along with operating and capital grants). Total expenses decreased \$887,334 due to lower GO Bond and Sales Tax Bond expenses used for intergovernmental expenses.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, investors and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Division of Financial Services, Newberry County, 1309 College Street, Newberry, South Carolina 29108. (Telephone # 803-321-2100).

Information on component units and their financial reports can be obtained by contacting Division of Financial Services, Newberry County, 1309 College Street, Newberry, South Carolina 29108. (Telephone # 803-321-2100).

**NEWBERRY COUNTY, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) - Continued
YEAR ENDED JUNE 30, 2013**

Table I - Current vs. Prior - Statements of Net Position - Governmental Activities

	Governmental Activities		
	<u>2013</u>	<u>2012</u>	<u>Variance</u>
Assets			
Total Current Assets	\$ 31,372,382	\$ 36,599,096	\$ (5,226,714)
Other Assets	500,000	500,000	-
Capital Assets, net of accumulated depreciation	<u>35,564,225</u>	<u>35,890,794</u>	<u>(326,569)</u>
Total Assets	<u>\$ 67,436,607</u>	<u>\$ 72,989,890</u>	<u>\$ (5,553,283)</u>
Liabilities			
Total Current Liabilities	\$ 5,903,290	\$ 6,703,047	\$ (799,757)
Non-Current Liabilities	<u>20,853,204</u>	<u>22,132,493</u>	<u>(1,279,289)</u>
Total Liabilities	<u>\$ 26,756,494</u>	<u>\$ 28,835,540</u>	<u>\$ (2,079,046)</u>
Net Position			
Invested in capital assets, net of related debt	\$ 28,872,426	\$ 26,762,376	\$ 2,110,050
Restricted	12,798,324	15,045,789	(2,247,465)
Unrestricted/(deficit)	<u>(990,637)</u>	<u>2,346,185</u>	<u>(3,336,822)</u>
Total Net Position	<u>\$ 40,680,113</u>	<u>\$ 44,154,350</u>	<u>\$ (3,474,237)</u>

NEWBERRY COUNTY, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) - Continued
YEAR ENDED JUNE 30, 2013

Table II - Current vs Prior - Statement of Activities - Governmental Activities

	Governmental Activities		
	2013	2012	Variance
Revenues			
Program Revenues:			
Charges for Services	\$ 1,110,632	\$ 857,529	\$ 253,103
Operating Grants	447,776	281,640	166,136
Capital Grants	870,344	188,717	681,627
General Revenue:			
Property Taxes	18,072,802	18,831,565	(758,763)
Intergovernmental Sources	1,204,416	1,631,463	(427,047)
Fines and Assessments	1,119,799	965,399	154,400
Sales Tax - Debt Service	3,056,030	3,340,403	(284,373)
Other	1,655,194	945,298	709,896
Total Revenues	\$ 27,536,993	\$ 27,042,014	\$ 494,979
Expenses			
Current			
Legislative	\$ 269,591	\$ 261,093	\$ 8,498
Administration	1,848,968	980,580	868,388
Tax assessment & collection	1,455,990	1,397,389	58,601
Election & registration	163,419	237,966	(74,547)
Administration of Justice	1,780,696	1,744,953	35,743
Law enforcement	3,773,989	3,887,941	(113,952)
Detention	1,855,196	1,776,280	78,916
Public safety	3,962,184	4,171,946	(209,762)
Public works & maintenance	6,007,483	5,632,563	374,920
Planning & development	509,732	417,864	91,868
Agriculture & home economics	96,003	123,545	(27,542)
Public health	18,003	24,879	(6,876)
Social services	252,752	248,820	3,932
Miscellaneous	1,445,420	1,880,899	(435,479)
Emergency telephone reporting	113,054	302,065	(189,011)
Capital Construction & Improvements - Intergovernmental	6,598,642	7,649,598	(1,050,956)
Interest and Fees	860,108	1,160,183	(300,075)
Total Expenses	\$ 31,011,230	\$ 31,898,564	\$ (887,334)
Transfer to JF Hawkins	-	(161,120)	161,120
Change in Net Assets	(3,474,237)	(5,017,670)	1,543,433
Net Position, Beginning of Year	44,154,350	49,172,020	(5,017,670)
Net Position, End of Year	\$ 40,680,113	\$ 44,154,350	\$ (3,474,237)

**BASIC FINANCIAL STATEMENTS
PRIMARY GOVERNMENT**

STATEMENT OF NET POSITION
NEWBERRY COUNTY, SOUTH CAROLINA

June 30, 2013

	PRIMARY GOVERNMENT	
	Governmental Activities	Total
ASSETS		
Current Assets		
Cash - Notes B & C	\$ 12,548,691	\$ 12,548,691
Investments - Note C	16,453,188	16,453,188
Receivables		
Property taxes - delinquent - Note E	1,081,668	1,081,668
Fines and fees	45,864	45,864
Other	65,092	65,092
Due from other governments		
State shared revenue	362,522	362,522
Sales tax	796,413	796,413
Inventory - jet fuel	18,943	18,943
	31,372,381	31,372,381
Total Current Assets		
Due from trust - restricted	500,000	500,000
Capital Assets - Note O		
Land	8,143,969	8,143,969
Buildings	32,367,809	32,367,809
Roads	11,340,105	11,340,105
Equipment	16,514,034	16,514,034
Airport improvements	5,654,044	5,654,044
Accumulated depreciation	(38,455,735)	(38,455,735)
	67,436,607	67,436,607
TOTAL ASSETS	\$ 67,436,607	\$ 67,436,607
LIABILITIES AND NET POSITION		
LIABILITIES		
Current Liabilities		
Accrued expenses	\$ 623,699	\$ 623,699
Deferred revenue		
Grant revenue	31,285	31,285
Due to other taxing units and others	908,679	908,679
Accrued interest	219,971	219,971
Lease payable, current portion	780,367	780,367
Bonds payable, current portion	3,339,289	3,339,289
	5,903,290	5,903,290
Total Current Liabilities		
Bonds payable, less current portion	15,309,493	15,309,493
Compensated absences	522,254	522,254
Net OPEB Obligation - See Note R	2,485,832	2,485,832
Lease purchase, less current portion	2,535,625	2,535,625
	26,756,494	26,756,494
TOTAL LIABILITIES	26,756,494	26,756,494
NET POSITION		
Invested in capital assets, net of related debt, \$6,691,800	28,872,426	28,872,426
Restricted for:		
notes receivable	500,000	500,000
special projects, net of related debt, \$6,861,228	7,456,757	7,456,757
debt service	4,841,567	4,841,567
Unrestricted	(990,637)	(990,637)
	40,680,113	40,680,113
TOTAL NET POSITION	40,680,113	40,680,113
TOTAL LIABILITIES AND NET POSITION	\$ 67,436,607	\$ 67,436,607

STATEMENT OF ACTIVITIES
NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

	Program Revenues				Net Revenue & Changes in Net Position	
	Expenses	Charges for Services	Operating Grants	Capital Grants	Governmental Activities	Total
Governmental Activities						
Current						
Legislative Administration	\$ 269,591	\$ -	\$ -	\$ -	\$ (269,591)	\$ (269,591)
Tax assessment & collection	1,848,968	-	-	-	(1,848,968)	(1,848,968)
Election & registration	1,455,990	-	-	-	(1,455,990)	(1,455,990)
Administration of Justice	163,419	-	-	-	(163,419)	(163,419)
Law enforcement	1,780,696	-	106,351	-	(1,674,345)	(1,674,345)
Detention	3,773,989	-	-	-	(3,773,989)	(3,773,989)
Public safety	1,855,196	-	-	-	(1,855,196)	(1,855,196)
Public works & maintenance	3,962,184	192,160	-	-	(3,770,024)	(3,770,024)
Planning & development	6,007,483	702,683	-	200,752	(5,104,048)	(5,104,048)
Agriculture & home economics	509,732	-	-	-	(509,732)	(509,732)
Public health	96,003	-	-	-	(96,003)	(96,003)
Social services	18,003	-	-	-	(18,003)	(18,003)
Miscellaneous	252,752	-	-	-	(252,752)	(252,752)
Emergency telephone reporting	1,445,420	-	341,425	669,592	(434,403)	(434,403)
Capital construction & improvements - intergovernmental	113,054	215,789	-	-	102,735	102,735
Debt service	6,598,642	-	-	-	(6,598,642)	(6,598,642)
Interest & other bond costs	860,108	-	-	-	(860,108)	(860,108)
Total Governmental Activities	<u>31,011,230</u>	<u>1,110,632</u>	<u>447,776</u>	<u>870,344</u>	<u>(28,582,478)</u>	<u>(28,582,478)</u>
TOTAL	<u>\$ 31,011,230</u>	<u>\$ 1,110,632</u>	<u>\$ 447,776</u>	<u>\$ 870,344</u>	<u>(28,582,478)</u>	<u>(28,582,478)</u>
General Revenues						
Property Taxes Levied For:						
General Purposes					17,069,429	17,069,429
Debt Service					1,003,373	1,003,373
Intergovernmental sources					1,204,416	1,204,416
Fines and assessments					1,119,799	1,119,799
Sales tax - debt service					3,056,030	3,056,030
Other					1,655,194	1,655,194
Total General Revenues					<u>25,108,241</u>	<u>25,108,241</u>
Change in Net Position					<u>(3,474,237)</u>	<u>(3,474,237)</u>
Net Position, Beginning of Year					<u>44,154,350</u>	<u>44,154,350</u>
NET POSITION, END OF YEAR					<u>\$ 40,680,113</u>	<u>\$ 40,680,113</u>

The accompanying notes are an integral part of this statement.

BALANCE SHEET
GOVERNMENTAL FUNDS
NEWBERRY COUNTY, SOUTH CAROLINA
June 30, 2013

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Non-Major Special Revenue</u>	<u>Totals</u>
ASSETS					
Cash - Notes B & C	\$ 10,117,308	\$ 131,885	\$ 1,648,880	\$ 650,618	\$ 12,548,691
Investments - Note C	7,334,543	3,906,153	5,212,492		16,453,188
Receivables					
Property taxes - delinquent - Note E	234,498	14,582	-		249,080
Fines and fees	45,864	-	-		45,864
Other	55,195	-	-	9,897	65,092
Due from other governments					
State shared revenue	362,522	-	-		362,522
Sales tax	-	796,413	-		796,413
Grant revenue	-	-	-		-
Inventory - jet fuel	-	-	-	18,943	18,943
Due from JF Hawkins - Note F	-	-	500,000	-	500,000
Due from other funds - Note D	273,480	-	900,000	27,195	1,200,675
	<u>273,480</u>	<u>-</u>	<u>900,000</u>	<u>27,195</u>	<u>1,200,675</u>
TOTAL ASSETS	\$ 18,423,410	\$ 4,849,033	\$ 8,261,372	\$ 706,653	\$ 32,240,468
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accrued expenses	\$ 623,699	\$ -	\$ -		\$ 623,699
Deferred revenue					
Grant revenue	18,578	-	-	12,707	31,285
Due to taxing units and others	908,679	-	-	-	908,679
Due to other funds - Note D	927,195	7,466	-	266,014	1,200,675
	<u>927,195</u>	<u>7,466</u>	<u>-</u>	<u>266,014</u>	<u>1,200,675</u>
TOTAL LIABILITIES	2,478,151	7,466	-	278,721	2,764,338
FUND BALANCES					
Reserved:					
Nonspendable - inventory - fuel	-	-	-	18,943	18,943
Committed for special revenue	-	-	-	408,989	408,989
Assigned for notes receivable	-	-	500,000	-	500,000
Assigned for capital projects	6,128,681	-	7,761,372	-	13,890,053
Assigned for debt service	-	4,841,567	-	-	4,841,567
Unreserved:					
Unassigned	9,816,578	-	-	-	9,816,578
	<u>9,816,578</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,816,578</u>
TOTAL FUND BALANCES	15,945,259	4,841,567	8,261,372	427,932	29,476,130
TOTAL LIABILITIES AND FUND BALANCES	\$ 18,423,410	\$ 4,849,033	\$ 8,261,372	\$ 706,653	\$ 32,240,468

Reconciliation of governmental fund balances to
statement of net position:

Total Fund Balances - Governmental Funds	\$ 29,476,130
Capital assets, net of accumulated depreciation	35,564,226
Bonds payable	(18,648,782)
Leases payable	(3,315,992)
Compensated absences	(522,254)
Net OPEB Obligation	(2,485,832)
Accrued interest	(219,971)
Recognition of deferred taxes	832,588
Total Net Position - Governmental Activities	\$ 40,680,113

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES

NEWBERRY COUNTY, SOUTH CAROLINA

YEAR ENDED JUNE 30, 2013

Net change in fund balances - total governmental funds	\$	(4,952,170)
<p>Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over the estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which capital outlays exceed depreciation in the period.</p>		
Capital outlays	2,519,366	
Depreciation expense	<u>(2,845,934)</u>	(326,568)
<p>Net Repayment/(Issuance) of bond principal is an expenditure/(other financing source) in the governmental funds, but it reduces/(increases) long-term liabilities in the statement of net position and does not affect the statement of activities</p>		
	(473,000)	
	<u>4,377,636</u>	3,904,636
<p>In the statement of activities, compensated absences are measured by the amounts expended during the year. In governmental funds, expenditures for this item are measured by the amount of financial resources used.</p>		
		(11,950)
<p>Repayment/(Issuance) of lease purchase/(lease purchase proceeds) is an expenditure/(other financing source) in the governmental funds, but it reduces/(increases) long-term liabilities in the statement of net position and does not affect the statement of activities.</p>		
Issuance of principal	(2,321,000)	
Repayment of principal	<u>1,034,459</u>	(1,286,541)
<p>Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, interest expense is recognized as it accrues, regardless of the due date.</p>		
Interest on bonds and lease purchase increased by:		(64,884)
<p>In the statement of activities, OPEB benefits are measured by the accrued OPEB cost recorded during the year. In governmental funds, expenditures for this item are measured by the amount of financial resources used.</p>		
		(641,510)
<p>Some property taxes will not be collected for several months after the County's fiscal year ends, they are not considered as "available" revenues in the governmental funds, and are instead recorded as deferred tax revenues. In the statement of activities, property taxes are recorded as revenue in the year levied.</p>		
		<u>(95,250)</u>
Change in net position - governmental activities	\$	<u>(3,474,237)</u>

STATEMENT OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
NEWBERRY COUNTY, SOUTH CAROLINA
Year Ended June 30, 2013

	General	Debt Service	Capital Projects	Non-Major Special Revenue	Totals
REVENUE					
Taxes	\$ 17,426,698	\$ 741,498	\$ -	\$ -	\$ 18,168,196
Intergovernmental	2,186,405	-	-	336,131	2,522,536
Fines and fees	1,889,971	-	-	340,460	2,230,431
Sales tax	-	3,056,030	-	-	3,056,030
Other	886,337	6,542	669,755	92,416	1,655,050
TOTAL REVENUE	22,389,411	3,804,070	669,755	769,007	27,632,243
EXPENDITURES					
Current					
Legislative	269,591	-	-	-	269,591
Administration	1,175,720	-	-	-	1,175,720
Tax assessment & collection	1,434,466	-	-	-	1,434,466
Election & registration	163,419	-	-	-	163,419
Administration of Justice	1,639,673	-	-	124,046	1,763,719
Law enforcement	3,294,519	-	-	134,209	3,428,728
Detention	1,810,606	-	-	-	1,810,606
Public safety	3,820,839	-	-	-	3,820,839
Public works & maintenance	4,363,585	-	-	-	4,363,585
Planning & development	494,910	-	-	-	494,910
Agriculture & home economics	96,003	-	-	-	96,003
Public health	18,003	-	-	-	18,003
Social services	252,752	-	-	-	252,752
Miscellaneous	432,204	-	-	1,013,216	1,445,420
Emergency telephone reporting	-	-	-	113,054	113,054
Capital outlays					
Capital construction & improvements	136,995	-	8,981,013	-	9,118,008
Debt service					
Principal retirement - Note G	-	4,377,636	-	-	4,377,636
Interest	-	771,874	-	-	771,874
Fees & other bond service costs	-	-	-	-	-
TOTAL EXPENDITURES	19,403,285	5,149,510	8,981,013	1,384,525	34,918,333
Excess/(Deficiency) of Revenue Over/(Under) Expenditures before Other Financing Sources	2,986,126	(1,345,440)	(8,311,258)	(615,518)	(7,286,090)
OTHER FINANCING SOURCES					
GO Bond proceeds	-	-	473,000	-	473,000
Notes payable	-	-	1,665,000	-	1,665,000
Lease purchase proceeds	-	-	656,000	-	656,000
Lease purchase payment	-	-	(460,080)	-	(460,080)
Transfer In/(Out)	(3,060,815)	-	2,343,395	717,420	-
Excess/(Deficiency) of Revenue Over/(Under) Expenditures	(74,689)	(1,345,440)	(3,633,943)	101,902	(4,952,170)
Fund Balance, Beginning of Year,	16,019,948	6,187,007	11,895,315	326,030	34,428,300
FUND BALANCE, END OF YEAR	\$ 15,945,259	\$ 4,841,567	\$ 8,261,372	\$ 427,932	\$ 29,476,130

STATEMENT OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
NEWBERRY COUNTY, SOUTH CAROLINA
Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Property taxes, current	\$ 14,671,456	\$ 14,671,456	\$ 14,770,954	\$ 99,498
Community service levies - taxes	717,420	717,420	757,904	40,484
Fee In Lieu	766,077	766,077	825,216	59,139
Delinquent taxes and cost	1,240,000	1,240,000	1,072,624	(167,376)
Intergovernmental	1,735,926	1,735,926	2,187,193	451,267
Fines and fees	1,552,700	1,552,700	1,889,183	336,483
Other	660,874	660,874	886,337	225,463
Balance brought forward	<u>566,769</u>	<u>566,769</u>	<u>-</u>	<u>(566,769)</u>
TOTAL REVENUE	<u>21,911,222</u>	<u>21,911,222</u>	<u>22,389,411</u>	<u>478,189</u>
EXPENDITURES				
Current				
Legislative	287,065	297,254	269,591	27,663
Administration	1,670,468	1,398,494	1,175,720	222,774
Tax assessment & collection	1,475,216	1,503,110	1,434,466	68,644
Election & registration	159,452	167,952	163,419	4,533
Administration of Justice	1,700,225	1,730,207	1,639,673	90,534
Law enforcement	3,398,908	3,472,187	3,294,519	177,668
Detention	1,912,760	1,930,642	1,810,606	120,036
Public safety	4,036,979	4,079,668	3,820,839	258,829
Public works & maintenance	4,603,221	4,655,913	4,363,585	292,328
Planning & development	602,376	608,013	494,910	113,103
Agriculture & home economics	100,171	100,171	96,003	4,168
Public health	21,352	21,352	18,003	3,349
Social services	266,041	269,459	252,752	16,707
Miscellaneous	660,247	661,291	432,204	229,087
Capital outlays				
Capital construction & improvements	<u>309,321</u>	<u>308,089</u>	<u>136,995</u>	<u>171,094</u>
TOTAL EXPENDITURES	<u>21,203,802</u>	<u>21,203,802</u>	<u>19,403,285</u>	<u>1,800,517</u>
Excess/(Deficiency) of Revenue Over/(Under)				
Expenditures before Other Financing Sources	<u>707,420</u>	<u>707,420</u>	<u>2,986,126</u>	<u>2,278,706</u>
OTHER FINANCING SOURCES/(USES)				
Surplus property sale	10,000	10,000	-	(10,000)
Transfer to capital projects	-	-	(2,343,395)	(2,343,395)
Transfer to special revenue (includes Community Service Levies)	<u>(717,420)</u>	<u>(717,420)</u>	<u>(717,420)</u>	<u>-</u>
Excess/(Deficiency) of Revenue Over/				
(Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>(74,689)</u>	<u>(74,689)</u>
Fund Balance, Beginning of Year				
			<u>16,019,948</u>	
FUND BALANCE, END OF YEAR			<u>\$ 15,945,259</u>	

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS - AGENCY FUNDS

NEWBERRY COUNTY, SOUTH CAROLINA

June 30, 2013

	Newberry County School District	Fire Departments/ Rescue Squads	JF Hawkins Escrow	Market St Escrow	Total Agency Funds
ASSETS					
Cash and cash equivalents - Note B and C	\$ 6,025,746	\$ 293,874	\$ 500,000	\$ 50,000	\$ 6,869,620
Investments	<u>19,043,624</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,043,624</u>
TOTAL ASSETS	<u>\$ 25,069,370</u>	<u>\$ 293,874</u>	<u>\$ 500,000</u>	<u>\$ 50,000</u>	<u>\$ 25,913,244</u>
LIABILITIES					
Due to other entities	<u>\$ 25,069,370</u>	<u>\$ 293,874</u>	<u>\$ 500,000</u>	<u>\$ 50,000</u>	<u>\$ 25,913,244</u>
TOTAL LIABILITIES	<u>\$ 25,069,370</u>	<u>\$ 293,874</u>	<u>\$ 500,000</u>	<u>\$ 50,000</u>	<u>\$ 25,913,244</u>

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

General

The accounting and reporting policies of Newberry County, South Carolina (the County), relating to the funds and account group included in the accompanying general-purpose financial statements conform to generally accepted accounting principles applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled Audits of State and Local Governmental Units and by the Financial Accounting Standards Board (when applicable). As allowed in Section P80 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, the County has elected not to apply to its proprietary activities Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee of Accounting Procedure issued after November 30, 1989. The more significant accounting policies of the County are described below.

Reporting Entity

The foundation of a primary government is a separately elected governing body - one that is elected by the citizens in a general, popular election. As the nucleus of the financial reporting entity, the primary government generally is the focal point of the users of the financial statements. Thus, it is important to define the primary government and determine what it comprises. A primary government is any state government or general purpose local government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments.

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. These component units combined with the primary government form the Reporting Entity. These financial statements include only the data of the primary government and do not include data of component units necessary for reporting in conformity with generally accepted accounting principles.

Component units that are not included in these financial statements are the Newberry County Memorial Hospital, Newberry County Alcohol and Drug Abuse Center, Newberry County Community Hall Commission, Newberry Regional Library, and the Newberry County Airport Commission. These organizations have boards that are appointed by Newberry County Council and are fiscally dependent to varying degrees.

Rural Fire Control

The fire departments are funded by the County. The fire departments are governed by the Board of Rural Fire Control. Personnel for the fire departments serve on a volunteer basis. Additional funds are raised through donations and fund raisers upon approval of the Board of Rural Fire Control. Each Fire Department Chief controls and designates spending for each department. The funds held by each department are custodial in nature to be used for each department's fire control needs and not for the benefit of the County's daily operations. Therefore the fire departments have been shown in an agency fund and do not involve measurement of results of operations.

NOTES TO FINANCIAL STATEMENTS

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES --Continued

Rescue Squads

The rescue squads are funded by County monies. The rescue squads are governed by the Board of Rescue Squads. Personnel for the rescue squads serve on a volunteer basis. Additional funds are raised through donations and fund-raisers upon approval of the Board of Rescue Squads.

Each rescue squad chief controls and designates spending for each rescue squad. The funds held by each squad are custodial in nature to be used for each squad's needs and not for the benefit of the County's daily operations. Therefore the rescue squads have been shown in an agency fund and do not involve measurement of results of operations.

J. F. Hawkins Nursing Home

The Nursing Home was a proprietary fund of Newberry County used to provide housing, health care and other related services to residents through the operation of a 118 bed nursing home. The Nursing Home was sold February 2011 to a private investor.

Other Information

Since the other political subdivisions of the County, including the School District, have the authority to hire and terminate employees, establish their own operating budgets and enter into their own contracts, the County does not significantly influence their operations. As these entities have the authority to borrow funds and are responsible for funding their own deficits, the County does not have accountability for their fiscal matters. Accordingly, these other political subdivisions have been excluded from the County's financial statements.

Government-Wide and Fund Accounting

The government-wide financial statements report information on all of the non-fiduciary activities of the primary government. The effect of interfund transfers has been eliminated from these statements. Governmental activities are reported separately from business-type activities.

The accounts of the County are organized on the basis of funds, each of which is considered 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, revenue and expenditures, as appropriate. Government 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.

NOTES TO FINANCIAL STATEMENTS
NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

GOVERNMENTAL FUNDS

General Fund

The general operating fund of the County is used to account for all financial resources except those required to be accounted for in another fund. All property taxes, intergovernmental revenue, charges for services, fines and fees, and miscellaneous revenue are recorded in this fund except amounts which are specifically collected to service debt or for which the County Treasurer collects taxes and other funds in a fiduciary capacity. Operational expenditures for general government, public safety, public works and other departments of the County are paid through the general fund.

Special Revenue – Non-Major Funds

Special revenue funds are shown as non-major funds. These funds are for sheriff's grants and assessments, intergovernmental expenditures and clerk of court. These funds are used to account for the revenue and expenditures for specific projects outside of general fund purposes.

Capital Projects Fund - Major Fund

The Capital Projects Fund is used to account for financial resources specifically allocated for the County's future building and construction projects.

Debt Service Fund – Major Fund

This fund accounts for the accumulation of resources for and the payment of bond principal and interest. Debt Service Funds of the County are established and maintained in accordance with Acts passed by the General Assembly of South Carolina authorizing the sale of general obligation debt bonds of the County. Bonds and interest for which the County Treasurer collects and remits receipts to, or on behalf of, other governmental units are accounted for as part of the agency fund.

PROPRIETARY FUND

The Proprietary Fund is used for activities which are financed and operated in a manner similar to private business enterprise where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the governing body has decided that periodic determination of revenues earned, expenses incurred, or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The County previously had one proprietary fund – J. F. Hawkins Nursing Home. The Nursing Home bills for services of medical care on a monthly basis and accounts for that revenue when billed. Revenue includes services to patients covered by Medicare and Medicaid. These payments represent approximately 70% of total revenue. Differences between anticipated reimbursement amounts and established billing rates are recorded as contractual adjustments. These adjustments are reported as deductions from patient service revenue.

NOTES TO FINANCIAL STATEMENTS

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

FIDUCIARY FUND TYPE – AGENCY FUND

Fiduciary Fund Type – Agency Fund - This fund accounts for assets held by the County as an agent for other governmental units. Property taxes and other revenue are collected, temporarily retained and distributed by the County Treasurer in accordance with Acts of the General Assembly of South Carolina.

Basis of Accounting- Government-wide and Governmental Funds

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Property taxes are recognized as revenue when the County has assessed and levied the appropriate amounts due. Government-wide financial statements are prepared using a different measurement focus than government fund financial statements. A reconciliation of the two financial statements has been shown to identify the relationship between the government-wide statements and the governmental fund financial statements.

The governmental fund types utilize the modified accrual basis of accounting. The modified accrual basis of accounting is summarized as follows: Revenue is recognized when it becomes measurable and available as a net current asset. State shared revenues are considered “measurable” in the hands of the State Treasurer and are recognized as revenue at that time. Grant revenue is recognized when the corresponding expenditure is incurred. Other major revenues that are determined to be susceptible to accrual are property taxes received within 60 days of year-end, state and federal grants earned, and interest. Major revenue that is determined not to be susceptible to accrual because it is either not available soon enough to pay liabilities to the current period or is not objectively measurable include licenses, permits, and the majority of fines and fees. Expenditures are recognized when the related fund liability is incurred. An exception to the general rule includes: (1) interest on general long-term indebtedness, which is not accrued but is recorded as an expenditure when paid.

Proprietary funds utilize the accrual basis of accounting, under which, the County recognizes revenue when earned and expenses are recorded as they occur.

Cash and Cash Equivalents

For financial statement reporting purposes, the County considers all short-term cash investments and other highly liquid investments such as treasury bills, commercial paper, and money market funds with a maturity of three months or less to be cash and cash equivalents.

Investments

Investments, consisting primarily of the State Treasury Investment Pool, are stated at fair market value. It is generally the policy of the County to hold investments to maturity.

Inventories

The County has fuel facilities at the County Airport. Inventory consisting of jet fuel had a cost of \$18,943 at June 30, 2013. The County values its inventory at cost.

NOTES TO FINANCIAL STATEMENTS
NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

Compensated Absences

Accumulated unpaid vacation benefits are not accrued in governmental funds, as the County intends to fund such costs from future operations; i.e., from assets not representing expendable available resources at June 30, 2013. The County does not accrue sick leave as the employees' rights to it do not vest.

Budget

County Council adopts an annual appropriated budget prior to the beginning of each fiscal year. The adopted budget specifies expenditure limits appropriated to each County department. Departmental expenditures may not exceed amounts appropriated without the approval of County Council and unexpended appropriations lapse at fiscal year-end. Budget amounts reflected in the accompanying financial statements represent the appropriated budget and any revisions approved by Council during the fiscal year. Line item transfers within operating departments and any additional appropriations and transfers between departments are approved by County Council. The budget is prepared on a basis other than the one prescribed by GAAP. Adjustments are made to present the amounts properly in the general-purpose financial statements. See Note M – Budget.

Encumbrances

The County did not have any material encumbrances at June 30, 2013. Under encumbrance accounting, contracts, purchase orders and other commitments for expenditures are recorded in order to reserve that portion of an applicable appropriation as an extension of the formal budgetary integration in the County's general fund.

Fund Equity

Restricted, Committed and Assigned fund balances represent tentative plans for future use of financial resources. Restricted fund balance is when constraints are externally imposed by creditors, grantors, laws or enabling legislation and placed on resources. Committed fund balance are amounts that can only be used for specific purposes imposed by formal action of the government's highest level of decision-making authority (County Council). Assigned fund balance are amounts constrained by the government's intent to be used for a specific purpose. The County Finance Department may assign balances for future project needs.

When both restricted, committed, assigned and unassigned resources are available for use, it is the government's policy to use restricted, committed or assigned resources first, then unassigned resources as needed.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTES TO FINANCIAL STATEMENTS
NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

Capital Assets

All Capital Assets are capitalized at historical cost and updated for additions and deletions during the fiscal year less accumulated depreciation. The County maintains a capitalization threshold of \$5,000 for capital assets – governmental activities. The County’s proprietary fund has a capitalization threshold of \$1,000. Donated capital assets are recorded at fair value when received. Repairs and maintenance are charged directly to operations as incurred. Depreciation is computed on the straight-line method over the estimated useful lives of the respective assets ranging from five to fifty years.

Accounts Receivable

The Nursing Home is subject to audit by third party payors and is contingently liable for any adjustments in excess of estimated contractual settlements already reflected in the accompanying financial statements.

Bond Issuance Costs

The County’s governmental activities do not capitalize bond issuance costs. These fees associated with bond issuance should be capitalized to be in accordance with GAAP and GASB No. 34 but management feels these amounts are not material.

Tax Status

The County is exempt from federal and state income tax as it is part of the South Carolina government.

Revenue

Program revenues are funds that directly affect the specific expense categories on the statement of activities. Program revenues are categorized into charges for services, operating grants and capital grants. Charges for services are revenues users pay for services in the County. Operating grants are grants that are used to operate specific programs within the County. Capital grants are funds used to purchase equipment and other capital assets.

The County distinguishes between operating and non-operating revenues in the business-type activities. Operating revenues are categorized as funds derived from the sale of goods and services. Non-operating revenue includes transfers from other funds, contributions and interest earned on investments.

NOTES TO FINANCIAL STATEMENTS
NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

NOTE B - CASH

Deposits

At June 30, 2013, the carrying amount of the County's deposits was \$19,418,311 (\$12,548,691 for the primary government, and \$6,869,620 for the Agency Funds), which were covered by federal depository insurance, federal savings and loan insurance or by collateral held in the pledging banks' trust departments in the County's name or by their agents in the County's name. The carrying amount of the County's deposits also included \$21,683 cash on hand at June 30, 2013.

NOTE C - INVESTMENTS

Newberry County is authorized by South Carolina state law to invest in the following types of investments:

1. Obligations of the United States and agencies thereof.
2. General obligations of the State of South Carolina or any of its political units.
3. Savings and loan associations to the extent they are secured by the federal government.

Certificates of deposit where the certificates are collaterally secured by securities of the type described in (1) and (2) above held by a third party as escrow agent or custodian, of a market value not less than the amount of the deposit including interest.

The County's investments are categorized below to indicate the level of risk assumed by the entity at June 30, 2013. Category 1 includes investments that are insured or registered or for which securities are held by the County or its agent in the County's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the broker's or dealer's trust department or agent in the County's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by the trust department or agent but not in the County's name.

	Category			Carrying Amount	Market Value
	1	2	3		
Bank deposit accounts	\$ 19,418,311	\$ --	\$ --	\$ 19,418,311	\$ 19,418,311
Total	\$ 19,418,311	\$ --	\$ --		
State treasurer's investment pool				16,453,188	16,453,188
State treasurer's investment pool - Agency funds				19,043,624	19,043,624
Total Investments and Deposits				\$ 54,915,123	\$ 54,915,123

NOTES TO FINANCIAL STATEMENTS
 NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

NOTE C – INVESTMENTS - Continued

The County has investments in the S. C. Local Government Investment Pool at June 30, 2013 of \$35,496,812 (\$16,453,188 for the primary government and \$19,043,624 for the Agency Funds) which are not categorized because they are not evidenced by securities that exist in physical or book entry form. The investment pool is managed by the State Treasurer and the fair value of the County's position equals the value of the pool's shares. Shares may lose value and fall below original cost. The investment pool does not have a credit rating. The regulatory oversight of the pool is the State of South Carolina. The pool financial statements may be obtained by writing: State Treasurer's Office, SCLGIP, PO Box 11778, Columbia, SC 29211.

The County's investment policy is the same as state law. Interest rate risk, credit risk and concentration risk are limited by State Law and investments, which consist of bank deposits and the State Treasurer's investment pool.

NOTE D - INTERFUND RECEIVABLES AND PAYABLES

Due from/to other funds:

Receivable Fund	Payable Fund	Amount
General	Special Revenue	\$ 266,014
Special Revenue	General	27,195
Capital Projects	General	900,000
General Fund	Debt Service	7,466
Trust – JF Hawkins	Capital Projects	500,000
	Total	\$ 1,700,675

NOTES TO FINANCIAL STATEMENTS

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

NOTE E - PROPERTY TAXES

Property taxes are levied on real properties owned on the preceding December 31 of each County fiscal year ended June 30. Liens attach to the property at the time the taxes are levied, which is usually in October of each year. These taxes are due without penalty through January 15. Penalties are added to taxes depending on the date paid as follows:

January 16 through February 1 - 5% of tax
February 2 through March 16 - 10% of tax
March 17 through March 31 - 15% of tax plus collection cost

Current year real property taxes become delinquent on March 17. The levy date for motor vehicle taxes is the first day of the month in which the motor vehicle license expires. These taxes are due by the last day of the same month. Only the portion of uncollected taxes at June 30, 2013, that are collected within sixty days after June 30, is considered to be available to liquidate current liabilities under the modified accrual basis of accounting. Therefore, a deferred revenue account has been provided equal to the delinquent accounts in excess of the sixty-day period.

Amounts recorded under the accrual basis of accounting are recognized as revenue when assessed and levied.

NOTE F - RESTRICTED CASH

At June 30, 2013, the Nursing Home had restricted cash of \$500,000 in an escrow account shown in the Fiduciary Funds. The funds were placed in escrow as a condition of the sale of JF Hawkins. In February 2014, the funds will be available. These funds are set aside for any contingencies for the sale of JF Hawkins Nursing Home.

NOTES TO FINANCIAL STATEMENTS
 NEWBERRY COUNTY, SOUTH CAROLINA
 Year Ended June 30, 2013

NOTE G - LONG-TERM DEBT

The following is a summary of long-term debt transactions of the County for the year ended June 30, 2013:

	<u>Balance, July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance, June 30, 2013</u>
Bonds payable	\$ 22,553,418	\$ 473,000	\$ 4,377,636	\$ 18,648,782
Lease purchase agreement	2,029,451	2,321,000	1,034,459	3,315,992
Accrued vacation	<u>510,304</u>	<u>11,950</u>	<u>--</u>	<u>522,254</u>
Total Long Term Debt	<u>\$ 25,093,173</u>	<u>\$ 2,805,950</u>	<u>\$ 5,412,095</u>	<u>\$ 22,487,028</u>

Bonds payable at June 30, 2013, are composed of the following:

Special Source Revenue Bond (Fee-in-Lieu) – 2006 - due in annual installments of \$195,000 - \$455,000 through April 2026; interest rate 2.8%. Current amount due \$285,000	\$ 4,720,000
\$700,000 General Obligation Bonds, Series 2007 A, due in annual installments of \$17,533 to \$92,072 through September 2017; interest rate 4.16%. Current amount due \$70,000	395,000
\$1,000,000 General Obligation Bonds, Series 2007 B, due in annual installments of \$11,015 to \$121,711 through September 2017; interest rate 3.74%. Current amount due \$101,289	545,782
\$1,132,000 General Obligation Bonds, Series 2010, due in annual Installments of \$94,720 to \$166,000 through May 2018; interest rate 3.22%. Current amount due \$143,000	768,000
\$2,552,000 General Obligation Refunding Bonds, Series 2010B, due in Annual installments of \$212,000 to \$290,000 through March 2020; Interest rate 2.44%. Current amount due \$240,000	1,895,000
\$15,625,000 – 2011 Bonds (Sales Tax) , due in annual Installments of \$2,200,000 to \$3,125,000 through March 2020; Interest rate 2.44%. Current amount due \$2,500,000	<u>10,325,000</u>
Total bonds payable	<u>\$ 18,648,782</u>

NOTES TO FINANCIAL STATEMENTS
NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

NOTE G - LONG-TERM DEBT – Continued

Outstanding bonds payable are due as follows at June 30, 2013:

Year Ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 3,339,289	\$ 746,545	\$ 4,085,834
2015	3,177,078	586,615	3,763,693
2016	3,307,009	448,767	3,755,776
2017	3,447,087	297,854	3,744,941
2018	1,613,319	186,341	1,799,660
2019 – 2023	2,455,000	512,116	2,967,116
2024 – 2028	<u>1,310,000</u>	<u>105,935</u>	<u>1,415,935</u>
Totals	<u>\$ 18,648,782</u>	<u>\$ 2,884,173</u>	<u>\$ 21,532,955</u>

General Obligation Bonds

Ad valorem taxes are pledged to secure the outstanding balance of each bond issue and must be levied in the amount sufficient to pay the principal and interest due each year. The South Carolina Constitution limits local unit borrowing power to 8 percent of its assessed property value. The limitation excludes bonded indebtedness existing on December 1, 1977 (date of the Constitutional amendment), certain special levies assessed on properties located in an area receiving special benefits, and other prescribed indebtedness approved by the voters. Based on the June 30, 2013 assessed property valuation, the County is below its legal debt limit of \$9,670,045. Bond indebtedness applied to the debt limit was \$3,603,782, leaving \$6,066,263 debt capacity remaining.

Special Source Revenue Bonds

The Special Source Revenue Bonds were used to purchase land for industrial parks to attract new business and investment in the County. The Revenue Bonds are going to be paid for using the County's fee-in-lieu payments received.

Sales Tax Bond Payable

An optional one-percent sales tax was instituted in the County to pay for future capital projects. The Sales Tax was pledged to secure a bond issue to fund current capital project needs. Principal payments on this bond are due annually and interest is due semi-annually.

NOTES TO FINANCIAL STATEMENTS

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

NOTE G - LONG-TERM DEBT – Continued

Lease Purchase Agreements

Lease Purchase 2009 was used to buy equipment for \$1,622,500. The annual interest rate is 2.91%. Annual payments of \$353,370 of principal and interest are due in September from 2013. Current principal amount due is \$343,155.

Lease Purchase 2010 was used to buy equipment for \$770,000. The annual interest rate is 2.39%. Annual payments of \$161,432 of principal and interest are due in December from 2013 – 2014. Current principal amount due is \$153,996

Lease Purchase 2011 was used to buy equipment for \$790,000. The annual interest rate is 1.9%. Annual payments of \$164,133 of principal and interest are due in December from 2013 – 2015. Current principal amount due is \$155,122.

Lease Purchase 2012 was used to buy equipment for \$656,000. The annual interest rate is 1.23%. Annual payments of \$134,513 of principal and interest are due in December from 2013 – 2016. Current principal amount due is \$128,094.

Lease Purchase 2013 was used to buy equipment for \$1,665,000. The annual interest rate is 2.64%. Annual payments of \$152,977 of principal and interest are due in December from 2013 – 2027. Current principal amount due is \$0.

Lease purchase payments are budgeted and paid through the General Fund of the County.

Outstanding lease purchase agreements are due as follows at June 30, 2013:

Year Ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 780,367	\$ 62,163	\$ 842,530
2015	445,409	58,626	504,035
2016	401,357	50,265	451,622
2017	244,778	42,712	287,490
2018	114,853	38,124	152,977
2019 – 2023	621,379	143,504	764,883
2024 - 2028	<u>707,849</u>	<u>57,035</u>	<u>764,884</u>
Totals	<u>\$ 3,315,992</u>	<u>\$ 452,429</u>	<u>\$ 3,768,421</u>

Accrued Vacation

At June 30, 2013, the liability for accrued vacation benefits recorded in the governmental activities was \$522,254. Due to the nature of the obligation for accrued vacation, annual requirements to amortize such obligations are not determinable and have not been presented.

NOTES TO FINANCIAL STATEMENTS

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

NOTE G - LONG-TERM DEBT – Continued

Other Political Subdivisions (Overlapping Debt)

Various governing bodies within Newberry County have issued bonds for educational and other programs. The full faith and taxing power of each individual district is pledged to secure the outstanding debt of the District and the Treasurer of Newberry County collects taxes levied on property of each district for the purpose of paying the debt as it matures. The bonds mature serially and are subject to early redemption in accordance with the terms and conditions of the bond agreements.

NOTE H - PENSION PLAN

Plan Description

The County of Newberry, South Carolina contributes to the South Carolina Retirement Systems and the Police Officers Retirement System, both of which are cost-sharing multiple-employer defined benefit pension plans administered by the South Carolina Retirement Systems; a Division of the State Budget and Control Board. Both the South Carolina Retirement System and Police Officers Retirement System offer retirement and disability benefits, cost of living adjustments on an ad-hoc basis, life insurance benefits and survivor benefits. The Plans' provisions are established under Title 9 of the SC Code of Laws. A Comprehensive Annual Financial Report containing financial statements and required supplementary information for the South Carolina Retirement System and Police Officers Retirement System is issued and publicly available by writing the South Carolina Retirement System, P. O. Box 11960, Columbia, S. C. 29211-1960.

Funding Policy

Both employees and employers are required to contribute to the Plans under authority of Title 9 of the SC Code of Laws. Employee required contributions to the Plans are as follows: SCRS - 7% of salary; PORS Class II - 7% of salary; PORS Class I - \$21 per month. Employers are required to contribute at the following actuarially determined rates: SCRS - State Agencies & Public Schools – 10.45%, Local government – 10.45%; PORS - Class II – 11.363%, PORS Class I - 7.8%. In addition to the above rates participating employers of the South Carolina Retirement System contribute .15% of payroll to provide a group life insurance benefit for their participants. Participating employers under the Police Officers Retirement System also contribute .2% of payroll to provide a group life insurance benefit and .2% of payroll to provide an accidental death benefit for their participants. All employers contribute at the actuarially required contribution rates.

NOTES TO FINANCIAL STATEMENTS

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

NOTE H - PENSION PLAN - Continued

Following is data for the current and prior two years on total payroll, covered payroll, and employer pension contributions:

SCRS

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Total payroll	\$3,909,129	\$ 3,918,719	\$3,916,764
Covered payroll	3,909,129	3,918,719	3,916,764
County's contribution	408,504	367,772	361,909
Employee's contribution	273,639	254,717	254,590
Group life	5,864	5,878	5,875
County's Contribution %	10.60%	9.46%	9.39%
Employee's contribution %	7.00%	6.50%	6.50%

PORS

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Total payroll	\$3,207,633	\$3,176,343	\$3,070,088
Covered payroll	3,207,633	3,176,343	3,070,088
County's contribution	381,708	360,928	341,701
Employee's contribution	224,534	206,462	199,556
Group Life and AD	6,415	6,353	6,140
Accidental death	6,415	6,353	6,140
County's Contribution %	11.763%	11.763%	11.53%
Employee's contribution %	7.00%	6.50%	6.50%

The County's contribution rate includes .15% for group life coverage for SCRS. PORS includes .20% group life coverage and .20% Accidental Death.

NOTE I - COMMITMENTS AND CONTINGENCIES

Grants

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

Subsequent Events

Management has evaluated the effects of subsequent events through the date of the auditor's report.

NOTE J - LITIGATION

The County is involved in various claims and litigation arising from the normal course of business. Management and their legal counsel believe that the ultimate disposition of these cases will not have a materially adverse effect on the financial position of the County.

NOTES TO FINANCIAL STATEMENTS

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

NOTE K - RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of; damage to; and destruction of assets; errors or omissions; injuries to employees; and natural disasters. The County has joined with other electing members of the South Carolina Association of Counties to form a risk pool for the purpose of risk management and insurance of workers compensation claims. The County pays an annual premium to the South Carolina Association of Counties for its workers compensation insurance coverage. The risk pool agreement provides that it will be self-sustaining through member premiums.

The County continues to carry commercial insurance through the State of South Carolina Insurance Reserve for all other risks of loss, including general liability and employee health and accident insurance. Settled claims resulting from these risks have not exceeded coverage in any of the last three fiscal years.

NOTE L – FUND BALANCE

The following amounts are shown:

Nonspendable - inventory	\$	18,943
Committed for special revenue		408,989
Assigned for notes receivable		500,000
Assigned for debt service		4,841,567
Assigned for capital projects		13,890,053

Nonspendable inventory is the amount reserved for jet fuel inventory. Committed for special revenue is the amount available for special revenue purposes (grants, victims and sheriff's fines and emergency 911 operations). Assigned for notes receivable represents the amounts due from JF Hawkins Nursing Home sale, which are not expected to be repaid within the next fiscal year as discussed in Note F. Assigned for debt service is the amount available in the debt service fund to pay future maturities of bonds and notes payable. Assigned for capital projects is the amount available to spend on future capital projects in the County for the Industrial Park (\$1,350,000), Public Works (\$515,647), Whitmire Rescue and EMS (\$418,319), Sheriffs Building (\$2,368,554), Old Library (\$315,129), Newberry Square (\$365,000), Courthouse Waterproofing (\$641,902), Other Projects (\$154,130), GO Bond proceeds, Lease Purchase proceeds and Sales Tax Bond proceeds remaining.

NOTE M – BUDGET VARIANCES

The County had unfavorable variances in the general fund in delinquent taxes (\$167,376) due to lower collections.

NOTES TO FINANCIAL STATEMENTS

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

NOTE N – ENVIRONMENTAL REMEDIATION OBLIGATIONS AND CONTINGENCIES

The County stopped accepting solid waste at its landfill site in 1993. State and federal laws and regulations require the County to perform certain maintenance and monitoring functions at the landfill site after closure. However, the County may incur additional liabilities if the landfill is proven unsafe. The County has not accrued any liability and does not expect to accrue a liability at this time or in the near future. The amount the County may ultimately be liable for cannot be computed or presented at this time.

NOTE O – CAPITAL ASSETS

A summary of changes in property and equipment of the Capital Assets – Governmental Activities are as follows:

	Balance, July 1, 2012	Additions	Deletions	Balance, June 30, 2013
Buildings and Land *	\$ 40,511,778	\$ --	\$ --	\$ 40,511,778
Vehicles and equipment	13,994,668	2,519,366	--	16,514,034
Roads	11,340,105	--	--	11,340,105
Airport Impr	5,654,044	--	--	5,654,044
Accumulated Depreciation	<u>(35,609,801)</u>	<u>(2,845,934)</u>	<u>--</u>	<u>(38,455,735)</u>
Total	<u>\$ 35,890,794</u>	<u>\$ (326,568)</u>	<u>\$ --</u>	<u>\$ 35,564,226</u>

* Land of \$8,143,969 is a non-depreciable assets

The County recorded depreciation expense of \$2,845,934 shown in current expenses on the statement of activities – governmental activities. Depreciation was allocated as follows:

Administration	\$ 19,788
Tax assessment	21,524
Admin of Justice	16,977
Law Enforcement	377,275
Detention	44,590
Public Safety	373,392
Public Works	1,977,566
Planning and Development	<u>14,822</u>
Total	<u>\$ 2,845,934</u>

The County receives a portion of road maintenance funds from the State of South Carolina through the C-Funds reimbursements, which is recorded in the non-major Special Revenue fund.

NOTES TO FINANCIAL STATEMENTS
 NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

NOTE P – SALE OF JF HAWKINS NURSING HOME

The County sold the assets of the JF Hawkins Nursing Home on February 28, 2011. The County retained the accounts receivable of the Nursing Home through February 28, 2011. The County will continue to collect on any amounts due from the prior operation of the Nursing Home and is responsible for any outstanding or contingent liabilities associated with the operations before February 28, 2011.

No liability has been recorded at this time. Management feels any amount would not be material.

NOTE Q – OTHER POST-EMPLOYMENT BENEFITS (OPEB)

A. Plan Description

The County offers medical, prescription drug, dental, long-term disability, and life insurance benefits to its employees. All benefits are available to County retirees except disability and life insurance. The same rate structure (considering total premiums) is charged for active employees as for retirees, with slight variations for Medicare-eligible retirees. The medical/prescription drug plans consist of four options for active employees and non-Medicare eligible retirees (Savings Plan, Standard, Blue Choice HMO, and CIGNA HMO). Medicare-eligible retirees may elect a Medicare Supplement option, but not the Savings Plan option.

An employee (other than a Council Member or Elected Official) who has completed at least 20 years of service with the County is eligible to receive lifetime County-paid retiree medical and dental benefits, subject to a cap that varies by plan and tier and is based on the amount the County contributes to similarly situated active employees. The County contribution is then multiplied by a percentage based on years of service at retirement, as follows:

<u>Years of Service</u>	<u>County Percentage</u>
20 - 24	65% plus 1% for each year over 20 years
25 - 30	70% plus 5% for each year over 25 years
30 - 33	95% plus 1% for each year over 30 years
35+	100%

Council Members and Elected Officials receive similar benefits but are subject to the following benefit schedule:

<u>Years of Service</u>	<u>County Percentage</u>
12 - 15	50%
16 - 19	60%
20 - 23	65%
24 - 29	69%
30+	100%

NOTES TO FINANCIAL STATEMENTS
 NEWBERRY COUNTY, SOUTH CAROLINA
 Year Ended June 30, 2013

NOTE Q – OTHER POST-EMPLOYMENT BENEFITS (OPEB) – Continued

B. Funding Policy

As required by GASB 45, an actuary will determine the County's Annual Required Contributions (ARC) at least once every two fiscal years. The ARC is calculated in accordance with certain parameters, and includes (1) the Normal Cost for one year, and (2) a component for amortization of the total unfunded actuarial accrued liability (UAL) over a period not to exceed 30 years.

GASB 45 does not require pre-funding of OPEB benefits. Therefore, the County's funding policy is to continue to pay healthcare premiums for retirees as they fall due. The County has elected not to establish an irrevocable trust at this time. The County Council reserves the authority to review and amend this funding policy from time to time, in order to ensure that the funding policy continues to best suit the circumstances of the County.

C. Annual OPEB Cost and Net OPEB Obligation/(Asset)

The following table shows the components of the County's Annual OPEB Cost for the fiscal year ended June 30, 2013, the amount actually contributed to the plan, and changes in the County's Net OPEB Obligation/(Asset):

<u>Item</u>	<u>FYE 6/30/13</u>
Annual Required Contributions	\$ 707,753
Interest on Net OPEB Obligation/(Asset)	0
Adjustment to Annual Required Contributions	<u>(0)</u>
Annual OPEB cost (expense)	\$ 707,753
Contributions made, including implicit subsidy	<u>(66,243)</u>
Increase in Net OPEB Obligation/(Asset)	\$ 641,510
 Net OPEB Obligation/(Asset)– beginning of year	 <u>\$ 1,844,322</u>
 Net OPEB Obligation/(Asset) – end of year	 <u>\$ 2,485,832</u>

NOTES TO FINANCIAL STATEMENTS

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

NOTE Q – OTHER POST-EMPLOYMENT BENEFITS (OPEB) - Continued

The County's Annual OPEB Cost, the percentage of Annual OPEB Cost contributed to the plan, and the Net OPEB Obligation/(Asset) for the past four fiscal years ended June 30, 2013 are as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Actual Contribution</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation/(Asset)</u>
06/30/09	\$545,329	\$57,598	10.56%	\$487,731
06/30/10	\$545,329	\$56,712	10.40%	\$976,348
06/30/11	\$496,023	\$56,764	11.44%	\$1,415,607
06/30/12	\$496,023	\$67,308	13.57%	\$1,844,322
06/30/13	\$707,753	\$66,243	9.36%	\$2,485,832

D. Funded Status and Funding Progress - The funded status of the plan as of June 30, 2013 was as follows:

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Projected Unit Credit Actuarial Accrued Liability</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
7/1/ 2008	\$0	\$4,098,135	\$4,098,135	0.00%	\$7,131,182	57.47%
7/1/2010	\$0	\$3,657,849	\$3,657,849	0.00%	\$6,986,852	52.35%
7/1/2012	\$0	\$5,367,013	\$5,367,013	0.00%	\$7,162,623	74.93%

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 County are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. In future years, the schedule of funding progress will be presented in the notes to the financial statements. The schedule would present multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

NOTES TO FINANCIAL STATEMENTS

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

E. 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 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 methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The plan's most recent actuarial valuation was performed as of July 1, 2012. In that valuation, the Projected Unit Credit (PUC) Cost Method was used. The actuarial assumptions included a 5 percent investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 8 percent initially, reduced by decrements to an ultimate rate of 5 percent after 3 years. These assumptions reflect an implicit 3 percent general inflation assumption. The County's unfunded actuarial accrued liability is being amortized as a level dollar amount on an open basis over 30 years. The remaining amortization period as of June 30, 2013 was 26 years.

NOTE R – TRANSFERS

Individual fund transfers for the year ended June 30, 2013 were:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>
General Fund	Special Revenue	\$ 717,420
General Fund	Capital Projects	2,343,395

The transfer from the general fund to the special revenue fund was to transfer levies collected for Community Service levies (Library and Piedmont Tech appropriation) and special projects. The transfer from general fund to capital fund was to pay for projects throughout Newberry County as appropriated by the budget.

SUPPLEMENTAL INFORMATION

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Revenue			
Taxes			
Property taxes, current	\$ 14,671,456	\$ 14,770,954	\$ 99,498
Property taxes - Community Service Levies	717,420	757,904	40,484
Fee in lieu of taxes	766,077	825,216	59,139
Delinquent taxes	1,000,000	883,596	(116,404)
Delinquent tax cost	<u>240,000</u>	<u>189,028</u>	<u>(50,972)</u>
Total Taxes	<u>17,394,953</u>	<u>17,426,698</u>	<u>31,745</u>
Intergovernmental			
Local government	1,416,998	1,379,740	(37,258)
Merchant inventory tax	60,000	86,536	26,536
Salary supplements	4,728	6,300	1,572
Accomodations tax	3,200	60,724	57,524
National forestry fund	150,000	185,730	35,730
Solid waste - state grant	16,000	14,748	(1,252)
Grants	-	341,425	341,425
Disaster preparedness	<u>85,000</u>	<u>111,990</u>	<u>26,990</u>
Total Intergovernmental	<u>1,735,926</u>	<u>2,187,193</u>	<u>451,267</u>
Fines and fees			
Clerk of Court - fines and fees	128,715	202,886	74,171
CCCP fees	61,285	107,248	45,963
Clerk of Court - copies	68,000	18,369	(49,631)
Central Court	350,000	426,441	76,441
Registration and election	19,600	48,352	28,752
Animal control	45,500	41,759	(3,741)
Probate Judge - fees	65,000	67,685	2,685
Probate Judge - copies	1,200	987	(213)
Sheriff - fees	9,100	8,855	(245)
Forfeit land commission	-	12,735	12,735
Marriage license fee/ceremonies	-	525	525
Building Inspection	80,000	192,160	112,160
FFP	20,000	-	(20,000)
Bad check	4,300	4,592	292

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Fines and fees - continued			
Tipping fees	500,000	558,185	58,185
Recycle revenue	160,000	144,498	(15,502)
Zoning fee	18,000	33,083	15,083
Cable/phone franchise	22,000	20,823	(1,177)
Total Fines and fees	<u>1,552,700</u>	<u>1,889,183</u>	<u>336,483</u>
Other			
Interest	16,000	15,883	(117)
Veterans affairs	6,000	4,467	(1,533)
Health department	11,000	34,071	23,071
Mobile home licenses	1,000	995	(5)
Assessor's GIS	5,000	3,004	(1,996)
Assessor - copies	2,000	684	(1,316)
Soil and Water Conservation	41,000	36,879	(4,121)
School resource officer	262,248	260,357	(1,891)
Miscellaneous	316,626	529,997	213,371
Total Other	<u>660,874</u>	<u>886,337</u>	<u>225,463</u>
Balance brought forward	<u>566,769</u>	<u>-</u>	<u>(566,769)</u>
 TOTAL REVENUE	 <u>\$ 21,911,222</u>	 <u>\$ 22,389,411</u>	 <u>\$ 478,189</u>

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Expenditures			
LEGISLATIVE			
County Council			
Personnel	134,220	133,150	1,070
Overtime	-	-	-
Social security	10,389	9,504	885
Retirement	14,635	14,426	209
Travel - council	25,106	20,637	4,469
Insurance	57,359	57,359	-
Workers compensation	3,370	3,295	75
Advertising	2,500	2,601	(101)
Audit and accounting	34,000	21,813	12,187
Bookbinding	3,200	488	2,712
Contracted maintenance	5,500	1,246	4,254
Office expenses	1,975	857	1,118
Postage	400	154	246
Telephone	4,080	3,825	255
Subsistence	520	236	284
	<u>297,254</u>	<u>269,591</u>	<u>27,663</u>
TOTAL LEGISLATIVE			
ADMINISTRATION			
County Administrator			
Personnel	363,700	363,700	-
Social security	28,436	26,551	1,885
Retirement	36,232	38,552	(2,320)
Insurance	47,091	47,091	-
Workers compensation	5,219	4,927	292
Advertising	1,500	1,712	(212)
Maintenance	12,000	3,216	8,784
Copier machine	926	186	740
Memberships & Dues	1,100	673	427
Office expense	4,749	4,749	-
Postage	3,700	2,624	1,076
Printing	2,500	2,500	-
Telephone	4,000	3,854	146

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Registration and Election Board - continued			
Telephone	5,448	1,779	3,669
Training	1,500	530	970
Travel	2,000	1,975	25
Subsistence	<u>1,500</u>	<u>852</u>	<u>648</u>
TOTAL REGISTRATION & ELECTION BOARD	<u>167,952</u>	<u>163,419</u>	<u>4,533</u>
ADMINISTRATION OF JUSTICE			
Criminal & Civil Court			
Solicitor's office	88,580	88,580	-
Personnel - bailiff	28,000	30,612	(2,612)
Jury fees	35,000	35,000	-
Advertising	900	591	309
Contracted maintenance	1,600	730	870
Office	4,100	4,002	98
Postage	3,050	3,050	-
Printing	1,000	377	623
Telephone	1,500	1,639	(139)
DJJ	<u>1,500</u>	<u>648</u>	<u>852</u>
Total Criminal & Civil Court	<u>165,230</u>	<u>165,229</u>	<u>1</u>
Clerk of Court			
Personnel	193,666	193,487	179
Social security	14,815	14,214	601
Retirement	20,529	20,510	19
Insurance	23,823	20,214	3,609
Workers compensation	2,525	2,407	118
Contracted maintenance	98,000	79,495	18,505
Memberships & dues	125	125	-
Office expense	5,000	4,126	874
Postage	25,000	23,171	1,829
Printing	3,000	2,933	67
Telephone	3,000	1,476	1,524
Training	468	300	168
Subsistence	1,500	397	1,103

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Clerk of Court - continued			
Travel	<u>632</u>	<u>629</u>	<u>3</u>
Total Clerk of Court	<u>392,083</u>	<u>363,484</u>	<u>28,599</u>
Family Court - Clerk of Court			
Personnel	131,802	132,389	(587)
Social security	10,083	9,768	315
Retirement	13,971	13,990	(19)
Insurance	29,769	29,769	-
Workers compensation	408	390	18
Contracted maintenance	20,000	19,529	471
Office expense	3,400	2,714	686
Postage	6,000	4,450	1,550
Printing	6,300	4,212	2,088
Telephone	3,000	1,424	1,576
Training	<u>500</u>	<u>450</u>	<u>50</u>
Total Family Court - Clerk of Court	<u>225,233</u>	<u>219,085</u>	<u>6,148</u>
Probate Judge			
Personnel	172,813	167,641	5,172
Social security	13,067	11,559	1,508
Retirement	19,646	18,493	1,153
Insurance	26,525	26,015	510
Workers compensation	2,408	2,301	107
Advertising	200	196	4
Contracted maintenance	5,500	5,486	14
Membership & dues	520	520	-
Office expense	6,250	6,248	2
Postage	1,800	978	822
Printing	633	627	6
Telephone	1,800	1,636	164
Education & training	2,865	1,969	896
Travel	4,352	3,293	1,059
Office equipment	<u>2,967</u>	<u>2,947</u>	<u>20</u>
Total Probate Judge	<u>261,346</u>	<u>249,909</u>	<u>11,437</u>

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Probation & Parole Office			
P.O. Box rent	49	-	49
Telephone	<u>500</u>	<u>945</u>	<u>(445)</u>
Total Probation & Parole Office	<u>549</u>	<u>945</u>	<u>(396)</u>
Public Defender			
Personnel	50,230	50,230	-
Social security	3,843	3,560	283
Retirement	5,324	5,324	-
Insurance	10,740	10,731	9
Office	800	363	437
Telephone	2,200	958	1,242
Training	<u>750</u>	<u>713</u>	<u>37</u>
Total Public Defender	<u>73,887</u>	<u>71,879</u>	<u>2,008</u>
Coroner			
Personnel	43,883	44,633	(750)
Social security	2,439	2,955	(516)
Retirement	3,729	4,441	(712)
Insurance	7,450	5,102	2,348
Workers compensation	1,493	1,460	33
Contracted maintenance	1,600	455	1,145
Vehicle insurance	1,830	2,178	(348)
Memberships & dues	500	260	240
Office expense	900	211	689
Postage	125	90	35
Repairs	1,250	-	1,250
Telephone	1,350	1,345	5
Training	700	700	-
Travel	1,200	1,207	(7)
Subsistence	1,600	1,465	135
Fuel	2,910	2,910	-
Supplies	3,000	661	2,339
Post Mortems & BA	<u>49,850</u>	<u>35,820</u>	<u>14,030</u>
Total Coroner	<u>125,809</u>	<u>105,893</u>	<u>19,916</u>

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Magistrate District 2			
Personnel	225,972	231,482	(5,510)
Jury fees	20,427	22,158	(1,731)
Social security	17,287	16,571	716
Retirement	25,785	26,462	(677)
Insurance	48,442	46,272	2,170
Workers compensation	1,079	1,039	40
Advertising	-	-	-
Contracted maintenance	22,273	20,514	1,759
Consulting & tech fees	-	-	-
Memberships	310	310	-
Office expense	9,150	8,967	183
Postage	10,420	6,000	4,420
Printing	500	49	451
Telephone	2,500	1,583	917
Training	1,145	1,145	-
Travel	1,275	1,045	230
Subsistence	4,784	3,087	1,697
Equipment	-	-	-
	<u>391,349</u>	<u>386,684</u>	<u>4,665</u>
Magistrate District 1			
Personnel	13,952	6,745	7,207
Social security	1,067	516	551
Retirement	1,758	830	928
Insurance	4,895	-	4,895
Workers compensation	384	376	8
Office expense	525	147	378
Postage	100	20	80
Telephone	1,500	1,222	278
Training	701	133	568
Travel	600	1,492	(892)
	<u>25,482</u>	<u>11,481</u>	<u>14,001</u>

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Magistrate District 4			
Personnel	12,051	12,051	-
Social security	1,300	825	475
Retirement	1,483	1,482	1
Insurance	10,202	10,202	-
Workers compensation	331	317	14
Membership	100	95	5
Office expense	350	341	9
Postage	56	56	-
Telephone	1,740	1,454	286
Training	1,246	1,246	-
Travel	2,073	1,878	195
	<u>30,932</u>	<u>29,947</u>	<u>985</u>
Total Magistrate District 4			
Magistrate District 6			
Personnel	19,449	19,489	(40)
Contracted personnel	-	-	-
Social security	1,491	750	741
Retirement	2,416	2,397	19
Insurance	10,404	10,404	-
Workers compensation	614	601	13
Office expense	2,202	220	1,982
Postage	150	46	104
Telephone	480	491	(11)
Training	251	133	118
Travel	850	606	244
	<u>38,307</u>	<u>35,137</u>	<u>3,170</u>
Total Magistrate District 6			
TOTAL ADMINISTRATION OF JUSTICE	<u>1,730,207</u>	<u>1,639,673</u>	<u>90,534</u>

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
County Administrator - continued			
Training	3,000	2,086	914
Travel	2,650	2,241	409
Subsistence	<u>2,000</u>	<u>1,513</u>	<u>487</u>
Total County Administrator	<u>518,803</u>	<u>506,175</u>	<u>12,628</u>
Miscellaneous Operating			
Contracted maintenance	58,513	8,840	49,673
Insurance	377	377	-
Tort insurance	108,500	104,025	4,475
Unemployment insurance	12,000	12,126	(126)
Insurance - buildings	87,000	78,272	8,728
Rent	72,572	76,437	(3,865)
Training	1,500	1,300	200
Subsistence	11,475	6,565	4,910
Telephone	-	-	-
Employee service recognition	1,600	1,400	200
Fuel	110,522	162	110,360
Medical	4,000	1,269	2,731
Equipment	19,469	19,469	-
Payroll service	22,000	19,901	2,099
IT Department	191,910	160,057	31,853
Legals	<u>178,253</u>	<u>179,345</u>	<u>(1,092)</u>
Total Miscellaneous Operating	<u>879,691</u>	<u>669,545</u>	<u>210,146</u>
TOTAL ADMINISTRATION	<u>1,398,494</u>	<u>1,175,720</u>	<u>222,774</u>
TAX ASSESSMENT & COLLECTION			
Treasurer's Office			
Personnel	176,856	176,701	155
Overtime	2,507	2,507	-
Social security	13,597	13,125	472
Retirement	18,840	19,012	(172)
Insurance	31,819	31,819	-
Workers compensation	2,914	2,692	222
Advertising	200	175	25
Contracted maintenance	23,765	23,765	-

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Treasurer's Office - continued			
Professional services	42,336	40,038	2,298
Membership & dues	255	175	80
Office expense	3,435	2,562	873
Postage	46,224	40,571	5,653
Printing	8,803	7,218	1,585
Telephone	2,311	1,196	1,115
Training	925	880	45
Travel	1,520	558	962
Subsistence	1,805	1,146	659
	<u>378,112</u>	<u>364,140</u>	<u>13,972</u>
Total Treasurer's Office			
Auditor's Office			
Personnel	200,072	200,631	(559)
Social security	15,289	13,661	1,628
Retirement	21,185	21,208	(23)
Insurance	33,483	26,038	7,445
Workers compensation	2,974	2,842	132
Advertising	100	100	-
Contracted maintenance	17,937	17,690	247
Professional services	42,336	40,434	1,902
Memberships & dues	175	175	-
Office expense	2,550	2,129	421
Postage	1,200	978	222
Printing	6,350	6,077	273
Subscriptions & books	600	372	228
Telephone	1,800	1,750	50
Training	1,075	1,075	-
Travel	1,846	1,435	411
Subsistence	2,270	1,516	754
Office furniture	-	-	-
	<u>351,242</u>	<u>338,111</u>	<u>13,131</u>
Total Auditor's Office			

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Assessor's Office			
Personnel	326,751	319,895	6,856
Overtime	-	-	-
Social security	28,195	23,774	4,421
Retirement	35,279	32,733	2,546
Insurance	62,105	57,648	4,457
Workers compensation	6,876	6,683	193
Advertising	1,000	199	801
Contracted maintenance	103,455	100,169	3,286
Vehicle insurance	3,100	3,047	53
Memberships & dues	250	115	135
Office expense	9,800	7,713	2,087
Postage	2,500	1,453	1,047
Printing	1,000	617	383
Repairs to vehicle	1,000	256	744
Subscriptions	1,600	1,123	477
Telephone	1,900	1,166	734
Training	3,440	3,440	-
Travel	640	508	132
Subsistence	1,706	1,073	633
Gas, oil, grease	4,060	3,169	891
Uniforms	1,001	472	529
Equipment	-	-	-
Total Assessor's Office	<u>595,658</u>	<u>565,253</u>	<u>30,405</u>
Tax Collector			
Personnel	62,123	61,466	657
Overtime	3,148	3,207	(59)
Social security	4,876	4,672	204
Retirement	6,892	6,855	37
Insurance	13,743	13,743	-
Workers compensation	1,147	1,095	52
Advertising	12,000	11,977	23
Contracted maintenance	4,793	4,586	207
Professional fees	8,560	6,475	2,085
Consulting	16,400	16,159	241

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Tax Collector - continued			
Vehicle insurance	650	612	38
Memberships & dues	125	105	20
Office expense	1,200	1,170	30
Postage	30,270	27,699	2,571
Printing	800	741	59
Supplies	1,200	1,200	-
Subscriptions	120	106	14
Telephone	900	646	254
Training	900	475	425
Travel	500	-	500
Subsistence	1,000	519	481
Gas, oil, grease	291	244	47
Review board and appeals	<u>6,460</u>	<u>3,210</u>	<u>3,250</u>
 Total Tax Collector	 <u>178,098</u>	 <u>166,962</u>	 <u>11,136</u>
 TOTAL TAX ASSESSMENT & COLLECTION	 <u>1,503,110</u>	 <u>1,434,466</u>	 <u>68,644</u>
 REGISTRATION & ELECTION BOARD			
Personnel	60,236	61,067	(831)
Precinct personnel	9,000	21,390	(12,390)
Board members	12,449	3,034	9,415
Social security	4,608	4,436	172
Retirement	6,385	6,492	(107)
Insurance	10,554	10,554	-
Workers compensaton	187	178	9
Advertising	1,500	684	816
Contracted maintenance	18,000	17,708	292
Utilities	8,400	4,335	4,065
Memberships and dues	180	40	140
Office expense	2,000	1,563	437
Lease - office	14,130	21,195	(7,065)
Postage	3,000	2,458	542
Printing	4,375	2,546	1,829
Supplies	2,500	603	1,897

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

	<u>Final</u> <u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
LAW ENFORCEMENT - Sheriff's Department			
Personnel	1,728,682	1,665,143	63,539
Overtime	98,977	73,971	25,006
School resource officer - salary and benefits	265,847	253,694	12,153
Social security	146,708	132,939	13,769
Retirement	234,352	218,785	15,567
Insurance	293,049	293,049	-
Workers compensation	63,516	61,322	2,194
Contracted maintenance	50,000	49,949	51
Professional services	1,200	1,068	132
Vehicle insurance	51,782	45,663	6,119
Bonds - employees	3,800	2,050	1,750
Membership & dues	6,845	3,720	3,125
Office expense	4,235	3,806	429
Postage	900	534	366
Printing	2,000	1,989	11
Transportation of prisoners	2,500	2,275	225
Repairs to vehicles	8,000	3,216	4,784
Telephone	5,175	5,175	-
Training	1,200	1,092	108
Travel	510	-	510
Subsistence	2,500	520	1,980
Ammo & guns	2,500	2,457	43
Cleaning supplies	500	-	500
Gas, oil, grease	266,313	242,454	23,859
Medicals	1,000	994	6
Photo supplies	2,000	1,530	470
Police supplies	4,000	3,950	50
CIRT supplies	474	239	235
Uniforms	22,500	22,500	-
Special law enforcement	1,000	1,000	-
Supplies	3,000	2,966	34
Project Near	1,000	1,000	-
Crime prevention	822	822	-

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Sheriff's department - continued			
School safety	3,000	2,983	17
Capital outlay	177,300	176,679	621
Other equipment	<u>15,000</u>	<u>14,985</u>	<u>15</u>
Total Sheriff's Department	<u>3,472,187</u>	<u>3,294,519</u>	<u>177,668</u>
TOTAL LAW ENFORCEMENT	<u>3,472,187</u>	<u>3,294,519</u>	<u>177,668</u>
DETENTION			
Corrections			
Personnel	927,743	888,572	39,171
Overtime	69,167	54,247	14,920
Social security	76,264	70,622	5,642
Retirement	123,661	116,077	7,584
Insurance	211,086	211,086	-
Workers compensation	39,140	37,901	1,239
Contracted maintenance	55,000	54,070	930
Utilities	75,000	66,322	8,678
Vehicle insurance	2,500	1,225	1,275
Memberships & dues	252	198	54
Office expense	3,500	3,421	79
Postage	190	78	112
Printing	830	678	152
Telephone	3,300	2,100	1,200
Training	1,450	997	453
Travel	3,000	-	3,000
Subsistence	3,000	2,787	213
Chemicals	4,260	4,225	35
Cleaning materials	5,000	4,921	79
Food	129,900	101,980	27,920
Medical	150,000	144,143	5,857
Supplies	5,854	5,709	145
Uniforms	6,000	5,804	196
Clothing	7,300	7,300	-
DYS Juvenile	1,700	1,050	650

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Corrections - continued			
Kitchen supplies	1,500	1,242	258
Other equipment	24,045	23,851	194
	<u>1,930,642</u>	<u>1,810,606</u>	<u>120,036</u>
Total Corrections			
TOTAL DETENTION	<u>1,930,642</u>	<u>1,810,606</u>	<u>120,036</u>
PUBLIC SAFETY			
Public Safety			
Personnel	83,458	83,458	-
Social security	6,384	6,281	103
Retirement	8,848	8,847	1
Insurance	19,192	19,192	-
Workers compensation	300	247	53
Contracted maintenance	7,064	6,841	223
Vehicle insurance	1,308	597	711
Office expense	1,492	1,044	448
Repairs	1,000	169	831
Telephone	5,000	5,000	-
Training	1,000	175	825
Fuel	444	-	444
	<u>135,490</u>	<u>131,851</u>	<u>3,639</u>
Total Public Safety			
Animal Control			
Personnel	135,862	123,412	12,450
Overtime	8,000	5,686	2,314
Social security	11,216	9,553	1,663
Retirement	13,767	12,949	818
Insurance	26,662	21,060	5,602
Workers compensation	4,398	4,284	114
Advertising	5,600	2,937	2,663
Repairs to equipment	1,750	295	1,455
Utilities	33,000	12,304	20,696
Insurance vehicles	2,500	3,055	(555)
Memberships and dues	400	160	240
Office expense	6,200	1,457	4,743

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Animal Control - continued			
Postage	275	30	245
Rent	3,651	3,852	(201)
Repairs to vehicle	4,000		4,000
Telephone	3,800	2,417	1,383
Training	1,500	705	795
Travel	300	300	-
Subsistence	1,400	769	631
Cleaning supplies	3,900	2,069	1,831
Dog food	4,000	1,424	2,576
Gas, oil and grease	15,509	12,535	2,974
Medical and surgical	72,000	44,173	27,827
Medication	24,000	9,345	14,655
Tools	3,000	1,202	1,798
Uniforms	2,700	1,057	1,643
Capital outlay	5,213	5,213	-
	<u>394,603</u>	<u>282,243</u>	<u>112,360</u>
Total Animal Control			
Communications			
Personnel	401,656	394,127	7,529
Overtime	50,000	32,185	17,815
Social security	34,552	31,818	2,734
Retirement	43,794	44,496	(702)
Insurance	89,501	89,501	-
Workers compensation	1,395	1,365	30
Contracted maintenance	52,144	51,923	221
Office expense	5,309	4,966	343
Telephone	3,700	3,328	372
Training	1,200	1,125	75
Travel	638	98	540
Subsistence	935	221	714
Other equipment	37,500	37,500	-
	<u>722,324</u>	<u>692,653</u>	<u>29,671</u>
Total Communications			

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Board of Rescue Squads			
Workers compensation	44,886	47,134	(2,248)
Contracted maintenance	13,000	12,969	31
Utilities	28,800	28,800	-
Vehicle insurance	22,000	20,580	1,420
Repairs to equipment	15,000	14,628	372
Telephone	4,000	3,649	351
Training	15,000	12,368	2,632
Gas, oil, grease	19,587	20,788	(1,201)
Medical supplies	30,000	10,317	19,683
Rescue supplies	50,000	40,614	9,386
Capital outlay	<u>175,826</u>	<u>175,308</u>	<u>518</u>
Total Board of Rescue Squads	<u>418,099</u>	<u>387,155</u>	<u>30,944</u>
Hazardous Materials			
Telephone	380	125	255
Training	5,400	3,143	2,257
Supplies	3,950	3,650	300
Capital outlay	<u>21,517</u>	<u>20,087</u>	<u>1,430</u>
Total Hazardous Materials	<u>31,247</u>	<u>27,005</u>	<u>4,242</u>
GIS Department			
Personnel	37,799	38,966	(1,167)
Social security	2,751	510	2,241
Retirement	3,811	3,901	(90)
Insurance	7,071	7,071	-
Workers compensation	108	106	2
Contracted maintenance	51,750	51,062	688
Office expense	2,575	2,300	275
Telephone	50	32	18
Training	2,250	435	1,815
Travel	500	-	500
Subsistence	<u>980</u>	<u>-</u>	<u>980</u>
Total GIS Department	<u>109,645</u>	<u>104,383</u>	<u>5,262</u>

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Board of Rural Fire Control			
Grant match	8,000	1,120	6,880
Workers compensation	31,231	30,550	681
Contracted services	10,000	5,104	4,896
Shared revenue	156,721	156,721	-
Contracted maintenance	3,000	2,993	7
Utilities	66,000	66,000	-
Vehicle insurance	51,161	48,413	2,748
Office	600	300	300
Repairs to equipment	55,000	44,367	10,633
Repairs to radio	10,000	9,302	698
Telephone	6,000	5,944	56
Training	1,500	500	1,000
Cleaning supplies	1,500	1,461	39
Gas, oil, grease	32,567	34,781	(2,214)
Medical	35,000	23,308	11,692
Fire supplies	14,000	12,371	1,629
Lease purchase payment	289,172	288,179	993
	<u>771,452</u>	<u>731,414</u>	<u>40,038</u>
Total Board of Rural Fire Control			
Building Inspections			
Personnel	32,904	39,199	(6,295)
Contracted personnel	100,000	101,863	(1,863)
Social security	2,517	2,773	(256)
Retirement	3,488	4,155	(667)
Insurance	10,855	10,855	-
Workers compensation	905	876	29
Advertising	-	-	-
Vehicle insurance	1,192	1,223	(31)
Memberships	500	145	355
Office	4,500	3,153	1,347
Postage	400	146	254
Printing	390	337	53
Subscriptions	700	663	37
Telephone	700	687	13
Training	210	210	-

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Building Inspections - continued			
Capital Outlay	24,550	21,300	3,250
Total Building Inspections	<u>183,811</u>	<u>187,585</u>	<u>(3,774)</u>
Ambulance			
Contracted maintenance	7,534	5,701	1,833
Utilities	6,000	6,000	-
Vehicle insurance	19,267	15,705	3,562
Repairs to vehicle	24,474	9,722	14,752
Training	900	-	900
Gas, oil, grease	79,991	79,991	-
Uniforms	13,000	10,882	2,118
Appropriations	900,422	900,422	-
Capital outlay	<u>228,909</u>	<u>228,788</u>	<u>121</u>
Total Ambulance	<u>1,280,497</u>	<u>1,257,211</u>	<u>23,286</u>
Public Safety - Substations			
Lake Murray - Utilities	13,700	12,058	1,642
Lake Murray - Telephone	1,000	979	21
Silverstreet - Utilities	5,000	2,386	2,614
Whitmire - Utilities	<u>12,800</u>	<u>3,916</u>	<u>8,884</u>
Total Public Safety - Substations	<u>32,500</u>	<u>19,339</u>	<u>13,161</u>
TOTAL PUBLIC SAFETY	<u>4,079,668</u>	<u>3,820,839</u>	<u>258,829</u>
PUBLIC WORKS & MAINTENANCE			
Public Works			
Personnel	591,766	537,049	54,717
Overtime	10,110	1,056	9,054
Social security	45,759	39,412	6,347
Retirement	63,404	56,338	7,066
Insurance	141,678	106,070	35,608
Workers compensation	48,407	42,014	6,393

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Public Works - continued			
Advertising	500	111	389
Contracted maintenance	42,000	42,000	-
Utilities	10,600	5,600	5,000
Vehicle insurance	26,000	25,207	793
Memberships & dues	500	318	182
Office expense	5,902	5,725	177
Postage	600	277	323
Repairs to equipment	32,000	31,346	654
Supplies	3,500	1,760	1,740
Telephone	4,200	3,190	1,010
Training	4,025	1,892	2,133
Travel	400	197	203
Subsistence	1,300	218	1,082
Cleaning materials	200	8	192
Bridge materials	3,001	366	2,635
Fertilizer, plants, seeds	3,000	768	2,232
Gas, oil, grease	46,038	20,805	25,233
Diesel fuel	54,023	54,023	-
Safety supplies	3,850	3,839	11
Gravel	77,500	54,893	22,607
Asphalt	19,500	6,099	13,401
Pipe	12,000	9,731	2,269
Tools	6,000	5,031	969
Road signs	5,000	4,229	771
219 Beautification Project	4,000	4,175	(175)
Uniforms	9,000	8,447	553
Capital outlay	135,552	135,052	500
Road paving and improvements	85,655	51,475	34,180
Total Public Works	<u>1,496,970</u>	<u>1,258,721</u>	<u>238,249</u>

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Central Maintenance			
Contracted maintenance	507,430	491,418	16,012
Utilities	13,000	9,468	3,532
Fuel	2,662	2,374	288
Tools	<u>500</u>	<u>389</u>	<u>111</u>
Total Central Maintenance	<u>523,592</u>	<u>503,649</u>	<u>19,943</u>
Building Maintenance			
Personnel	73,715	73,715	-
Social security	5,639	5,311	328
Retirement	7,814	7,814	-
Insurance	12,061	12,061	-
Workers compensation	4,493	4,319	174
Contracted maintenance	18,782	16,208	2,574
Utilities	185,000	181,374	3,626
Vehicle insurance	1,529	1,529	-
Supplies	53,098	54,047	(949)
Telephone	1,586	1,782	(196)
Gas, oil, grease	4,536	4,413	123
Tools	500	284	216
Uniforms	1,200	1,325	(125)
Capital outlay	<u>82,685</u>	<u>80,570</u>	<u>2,115</u>
Total Building Maintenance	<u>452,638</u>	<u>444,752</u>	<u>7,886</u>
Community Hall			
Contracted maintenance	3,087	3,328	(241)
Utilities	10,000	7,904	2,096
Repairs building	<u>2,353</u>	<u>2,048</u>	<u>305</u>
Total Community Hall	<u>15,440</u>	<u>13,280</u>	<u>2,160</u>
Collections			
Personnel	29,944	27,470	2,474
Social security	3,174	1,929	1,245
Retirement	2,268	2,661	(393)
Insurance	12,294	12,294	-
Workers compensation	2,172	2,102	70

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Collections - continued			
Advertising	500	166	334
Contracted personnel	256,500	256,500	-
Contracted maintenance	405,000	370,980	34,020
Repairs to equipment	5,000	2,807	2,193
Utilities	22,150	22,226	(76)
Vehicle insurance	4,000	2,223	1,777
Membership and dues	150	-	150
Office	1,275	573	702
Postage	200	152	48
Supplies	1,628	1,526	102
Telephone	5,000	5,601	(601)
Gas, oil, grease	17,658	17,658	-
Supplies	1,322	754	568
Tools and other equipment	650	101	549
Capital outlay	<u>7,000</u>	<u>6,250</u>	<u>750</u>
Total Collections	<u>777,885</u>	<u>733,973</u>	<u>43,912</u>
Transfer Station			
Personnel	25,074	25,254	(180)
Overtime	1,560	353	1,207
Social security	2,010	1,880	130
Retirement	2,786	2,959	(173)
Insurance	5,656	5,654	2
Contracted services	1,217,398	1,273,513	(56,115)
Repairs to equipment	10,000	6,900	3,100
Utilities	12,000	9,233	2,767
Sewer disposal	3,500	3,000	500
Office	350	-	350
Supplies	5,000	1,250	3,750
Equipment	<u>5,700</u>	<u>4,200</u>	<u>1,500</u>
Total Transfer Station	<u>1,291,034</u>	<u>1,334,196</u>	<u>(43,162)</u>

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Custodian Services			
Personnel	32,882	32,882	-
Social security	2,515	2,442	73
Retirement	3,485	3,485	-
Insurance	5,032	5,032	-
Workers compensation	4,294	4,192	102
Repairs	500	-	500
Vehicle insurance	675	648	27
Telephone	350	276	74
Cleaning supplies	25,000	22,577	2,423
Gas, oil and grease	3,621	3,480	141
Other equipment	20,000	-	20,000
	<u>98,354</u>	<u>75,014</u>	<u>23,340</u>
Total Custodian Services			
	<u>98,354</u>	<u>75,014</u>	<u>23,340</u>
TOTAL PUBLIC WORKS & MAINTENANCE	<u>4,655,913</u>	<u>4,363,585</u>	<u>292,328</u>
PLANNING & DEVELOPMENT			
Central Midlands Regional PC	<u>20,423</u>	<u>20,423</u>	<u>-</u>
Economic Development			
Personnel	89,353	79,353	10,000
Social Security	6,071	6,038	33
Retirement	8,412	8,411	1
Insurance	5,568	5,568	-
Workers compensation	2,182	2,090	92
Appropriations	226,000	145,068	80,932
Memberships	770	720	50
Office	4,800	3,704	1,096
Postage	500	270	230
Printing	1,500	679	821
Subscriptions	150	64	86
Telephone	1,500	1,339	161
Training	3,200	2,699	501

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Economic Development - continued			
Travel	6,000	5,902	98
Subsistence	4,700	4,700	-
Fuel	<u>1,500</u>	<u>501</u>	<u>999</u>
Total Economic Development	<u>362,206</u>	<u>267,106</u>	<u>95,100</u>
Comprehensive Planning			
Personnel	103,461	102,557	904
Social security	7,933	7,668	265
Retirement	10,993	10,871	122
Insurance	22,781	22,781	-
Workers compensation	2,271	2,192	79
Advertising	1,260	919	341
Consulting	36,200	27,410	8,790
Vehicle insurance	1,300	1,206	94
Memberships and dues	1,655	685	970
Office expense	4,700	3,544	1,156
Postage	2,000	942	1,058
Printing	200	75	125
Books	359	359	-
Telephone	1,265	1,152	113
Training	1,875	1,490	385
Subsistence	350	205	145
Fuel	1,931	1,931	-
Supplies	300	94	206
Office equipment	<u>24,550</u>	<u>21,300</u>	<u>3,250</u>
Total Comprehensive Planning	<u>225,384</u>	<u>207,381</u>	<u>18,003</u>
TOTAL PLANNING & DEVELOPMENT	<u>608,013</u>	<u>494,910</u>	<u>113,103</u>

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
AGRICULTURE & HOME ECONOMICS			
Clemson Extension	35,500	31,150	4,350
Newberry Soil & Water Conservation	64,671	64,853	(182)
TOTAL AGRICULTURE & HOME ECONOMICS	<u>100,171</u>	<u>96,003</u>	<u>4,168</u>
PUBLIC HEALTH			
Health Department			
Telephone and supplies	4,550	3,906	644
Total Health Department	4,550	3,906	644
Beckman Mental Health	12,750	12,750	-
Westview Behavioral	4,052	1,347	2,705
TOTAL PUBLIC HEALTH	<u>21,352</u>	<u>18,003</u>	<u>3,349</u>
SOCIAL SERVICES			
Department of Social Services			
Utilities	64,000	52,243	11,757
P.O. Box rent	270	163	107
Telephone	5,000	4,478	522
Emergency	5,000	5,000	-
Paupers funeral	3,000	2,000	1,000
Total Department of Social Services	<u>77,270</u>	<u>63,884</u>	<u>13,386</u>
Veteran's Affairs			
Personnel	92,896	92,896	-
Social security	7,107	7,065	42
Retirement	9,843	9,847	(4)
Insurance	20,919	20,919	-
Workers compensation	1,310	1,274	36
Contracted maintenance	700	700	-
Membership fees	75	65	10

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Veteran's Affairs - continued			
Office expense	2,000	1,116	884
Postage	1,100	806	294
Printing	150	-	150
Telephone	2,600	1,454	1,146
Training	150	70	80
Travel	869	547	322
Subsistence	<u>925</u>	<u>564</u>	<u>361</u>
Total Veteran's Affairs	<u>140,644</u>	<u>137,323</u>	<u>3,321</u>
Council on Aging			
Quarterly appropriation	<u>45,000</u>	<u>45,000</u>	<u>-</u>
Total Council on Aging	<u>45,000</u>	<u>45,000</u>	<u>-</u>
Rape Crisis Network	<u>4,250</u>	<u>4,250</u>	<u>-</u>
Sistercare, Inc.	<u>2,295</u>	<u>2,295</u>	<u>-</u>
TOTAL SOCIAL SERVICES	<u>269,459</u>	<u>252,752</u>	<u>16,707</u>
MISCELLANEOUS			
Airport			
Contingency	<u>110,000</u>	<u>52,675</u>	<u>57,325</u>
Total Airport	<u>110,000</u>	<u>52,675</u>	<u>57,325</u>
Government Association	<u>380</u>	<u>400</u>	<u>(20)</u>
Newberry County School District	<u>70,000</u>	<u>70,000</u>	<u>-</u>
S.C. Association of Counties	<u>9,146</u>	<u>9,146</u>	<u>-</u>
National Association of Counties	<u>742</u>	<u>742</u>	<u>-</u>
Medically indigent			
Appropriation	<u>108,541</u>	<u>108,541</u>	<u>-</u>

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Fairgrounds			
Contracted maintenance	800	435	365
Utilities	9,000	8,421	579
Insurance	5,739	5,599	140
Repairs to building	<u>3,000</u>	<u>2,877</u>	<u>123</u>
Total Fairgrounds	<u>18,539</u>	<u>17,332</u>	<u>1,207</u>
Helena Community Center			
Contracted maintenance	328	328	-
Utilities	4,400	4,400	-
Repairs to building	<u>500</u>	<u>497</u>	<u>3</u>
Total Helena Community Center	<u>5,228</u>	<u>5,225</u>	<u>3</u>
Newberry Opera House	25,000	25,000	-
Newberry County Literacy	4,620	4,620	-
Recreation			
Personnel	31,262	31,262	-
Social security	2,392	2,191	201
Retirement	3,314	252	3,062
Insurance	10,301	2,175	8,126
Maybinton ballfield	13,500	5,198	8,302
Repairs	20,000	2,500	17,500
Lynches Woods	140,526	8,724	131,802
Recreation appropriation	<u>87,800</u>	<u>86,221</u>	<u>1,579</u>
Total Recreation	<u>309,095</u>	<u>138,523</u>	<u>170,572</u>
TOTAL MISCELLANEOUS	<u>661,291</u>	<u>432,204</u>	<u>229,087</u>

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
CAPITAL CONSTRUCTION & IMPROVEMENTS			
Contingency	<u>308,089</u>	<u>136,995</u>	<u>171,094</u>
TOTAL CAPITAL CONSTRUCTION & IMPROVEMENTS	<u>308,089</u>	<u>136,995</u>	<u>171,094</u>
TOTAL EXPENDITURES	<u>21,203,802</u>	<u>19,403,285</u>	<u>1,800,517</u>
Excess/(Deficiency) of Revenue over Expenditures	707,420	2,986,126	2,278,706
OTHER FINANCING SOURCES/ (USES)			
Surplus property sale	10,000	-	(10,000)
Transfer to capital projects	-	(2,343,395)	(2,343,395)
Transfers to special revenue (includes Community Service Levies)	<u>(717,420)</u>	<u>(717,420)</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES/(USES)	<u>(707,420)</u>	<u>(3,060,815)</u>	<u>(2,353,395)</u>
Excess of Revenue over Expenditures after other financing sources	<u>\$ -</u>	<u>\$ (74,689)</u>	<u>\$ (74,689)</u>

COMBINING BALANCE SHEET

SPECIAL REVENUE FUNDS

NEWBERRY COUNTY, SOUTH CAROLINA

June 30, 2013

	Sheriff's Funds	Sheriff's Grants	Victim's Advocate	Emergency 911	DSS Clerk of Court	Miscellaneous	Airport	Total
ASSETS								
Cash	\$ 187,392	\$ 42,977	\$ 67,684	\$ 171,714	\$ 180,851	\$ -	\$ -	\$ 650,618
Due from general fund	11,407	-	-	-	-	-	15,788	27,195
Inventory	-	-	-	-	-	-	18,943	18,943
Due from grantor	1,300	-	-	-	-	8,597	-	9,897
TOTAL ASSETS	\$ 200,099	\$ 42,977	\$ 67,684	\$ 171,714	\$ 180,851	\$ 8,597	\$ 34,731	\$ 706,653
LIABILITIES								
Deferred revenue	\$ 12,707	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,707
Due to general fund	-	14,684	35,808	97,960	-	117,562	-	266,014
TOTAL LIABILITIES	12,707	14,684	35,808	97,960	-	117,562	-	278,721
FUND BALANCE								
Reserved for special revenue	187,392	28,293	31,876	73,754	180,851	(108,965)	34,731	427,932
TOTAL FUND BALANCE	187,392	28,293	31,876	73,754	180,851	(108,965)	34,731	427,932
TOTAL LIABILITIES AND FUND BALANCE	\$ 200,099	\$ 42,977	\$ 67,684	\$ 171,714	\$ 180,851	\$ 8,597	\$ 34,731	\$ 706,653

COMBINING STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE

SPECIAL REVENUE FUNDS

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

	Sheriff's Funds	Sheriff Grants	Victim's Advocate	Emergency 911	DSS Clerk of Court	Miscellaneous	Airport	Total
Revenue								
Intergovernmental								
Federal grants	\$ -	\$ -	\$ -	\$ -	\$ 106,351	\$ -	\$ -	\$ 106,351
State grants	-	-	-	-	-	229,780	-	229,780
Other								
Assessments	35,792	-	88,879	215,789	-	-	-	340,460
Interest	-	25	-	-	-	-	-	25
Miscellaneous	-	-	-	-	-	-	92,391	92,391
Total Revenue	<u>35,792</u>	<u>25</u>	<u>88,879</u>	<u>215,789</u>	<u>106,351</u>	<u>229,780</u>	<u>92,391</u>	<u>769,007</u>
Expenditures								
Personnel	-	-	44,095	82,841	-	-	-	126,936
Operating	7,453	76,448	6,213	30,213	124,046	167,087	66,016	477,476
Intergovernmental	-	-	-	-	-	780,113	-	780,113
Total Expenditures	<u>7,453</u>	<u>76,448</u>	<u>50,308</u>	<u>113,054</u>	<u>124,046</u>	<u>947,200</u>	<u>66,016</u>	<u>1,384,525</u>
Other financing sources								
Transfer in/(out)	-	-	-	-	-	717,420	-	717,420
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>28,339</u>	<u>(76,423)</u>	<u>38,571</u>	<u>102,735</u>	<u>(17,695)</u>	<u>-</u>	<u>26,375</u>	<u>101,902</u>
Fund balance, beginning of year	<u>159,053</u>	<u>104,716</u>	<u>(6,695)</u>	<u>(28,981)</u>	<u>198,546</u>	<u>(108,965)</u>	<u>8,356</u>	<u>326,030</u>
FUND BALANCE, END OF YEAR	<u>\$ 187,392</u>	<u>\$ 28,293</u>	<u>\$ 31,876</u>	<u>\$ 73,754</u>	<u>\$ 180,851</u>	<u>\$ (108,965)</u>	<u>\$ 34,731</u>	<u>\$ 427,932</u>

STATEMENT OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCE

DEBT SERVICE FUND

Year Ended June 30, 2013

REVENUE

Property Taxes	
2007A GO Bond	\$ 67,020
2007B GO Bond	45,044
2010A GO Bond	100,258
2010B GO Bond	146,271
Other	5,469
Sales Taxes	3,056,030
Fee-in-lieu	377,436
Interest	<u>6,542</u>
 TOTAL REVENUE	 <u>3,804,070</u>

EXPENDITURES

Principal	
2007A GO Bond	97,636
2007B GO Bond	70,000
2010A GO Bond	137,000
2010B GO Bond	225,000
2012 GO Bond	473,000
Special Source Revenue Bond	275,000
Sales Tax Bond	3,100,000
Interest	
2007A GO Bond	22,244
2007B GO Bond	17,888
2010A GO Bond	29,141
2010B GO Bond	51,728
2012 GO Bond	1,687
Special Source Revenue Bond	102,436
Sales Tax Bond	<u>546,750</u>
 TOTAL EXPENDITURES	 <u>5,149,510</u>

OTHER FINANCING SOURCES/(USES)

None	<u>-</u>
 EXCESS/(DEFICIENCY) OF REVENUE OVER EXPENDITURES	 <u>(1,345,440)</u>
 Fund balance, beginning of year	 <u>6,187,007</u>
 FUND BALANCE, END OF YEAR	 <u>\$ 4,841,567</u>

STATEMENT OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCE

CAPITAL PROJECTS FUND

Year Ended June 30, 2013

REVENUE

Grant	\$	669,592
Interest		<u>163</u>
TOTAL REVENUE		<u>669,755</u>

EXPENDITURES

Capital Outlays		
Lease purchase		2,099,542
Capital budgets		4,434,680
Sales tax		
PTC Building Purchase		911,924
City of Newberry		453,990
Water/Sewer Upgrade		420,029
Town of Prosperity		6,088
Town of Whitmire		116,910
Little Mountain		124,568
Opera House		279,899
Council on Aging		69,495
Miscellaneous		<u>63,888</u>
TOTAL EXPENDITURES		<u>8,981,013</u>

OTHER FINANCING SOURCES/(USES)

Lease purchase proceeds		656,000
GO Bond Proceeds		473,000
Note proceeds - spec building		1,665,000
Lease purchase payments		(460,080)
Transfer from general fund		<u>2,343,395</u>

EXCESS OF REVENUE

OVER EXPENDITURES (3,633,943)

Fund balance, beginning of year		<u>11,895,315</u>
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FUND BALANCE, END OF YEAR	\$	<u><u>8,261,372</u></u>
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COMBINING BALANCE SHEET

TRUST AND AGENCY FUND

NEWBERRY COUNTY, SOUTH CAROLINA

June 30, 2013

	Newberry County Schools Construction	Newberry County Schools Operations	Newberry Schools Sinking Funds	JF Hawkins Escrow	Market St Escrow	Fire/Rescue Squads	Total
ASSETS							
Cash	\$ 1,593,420	\$ 4,432,326	\$ -	\$ 500,000	\$ 50,000	\$ 293,874	\$ 6,869,620
Investments	<u>7,073,040</u>	<u>10,145,300</u>	<u>1,825,284</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,043,624</u>
TOTAL ASSETS	<u>\$ 8,666,460</u>	<u>\$ 14,577,626</u>	<u>\$ 1,825,284</u>	<u>\$ 500,000</u>	<u>\$ 50,000</u>	<u>\$ 293,874</u>	<u>\$ 25,913,244</u>
LIABILITIES							
Due to taxing units and others	<u>\$ 8,666,460</u>	<u>\$ 14,577,626</u>	<u>\$ 1,825,284</u>	<u>\$ 500,000</u>	<u>\$ 50,000</u>	<u>\$ 293,874</u>	<u>\$ 25,913,244</u>
TOTAL LIABILITIES	<u>\$ 8,666,460</u>	<u>\$ 14,577,626</u>	<u>\$ 1,825,284</u>	<u>\$ 500,000</u>	<u>\$ 50,000</u>	<u>\$ 293,874</u>	<u>\$ 25,913,244</u>

SINGLE AUDIT SECTION



RISH & ENZASTIGA

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the County Council
Newberry County
Newberry, South Carolina

Report on Compliance for Each Major Federal Program

We have audited Newberry County's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2013. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, Newberry County, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

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

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

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

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



October 30, 2013
Lexington, South Carolina

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Housing and Urban Development			
Community Development Block Grant	14.228		<u>\$ 341,425</u>
Total U.S. Department of Housing and Urban Development			<u>341,425</u>
U.S. Department of Health and Human Services			
Thru SC Department of Social Services Health and Human Services	93.558	G01SCTANF	<u>106,531</u>
Total U.S. Department of Health and Human Services			<u>106,531</u>
Public Works Program/Infrastructure Improvement	11.300		<u>669,592</u>
 TOTAL EXPENDITURES OF FEDERAL AWARDS			 <u>\$ 1,117,548</u>

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NEWBERRY COUNTY, SOUTH CAROLINA

Year ended June 30, 2013

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Newberry County, South Carolina federal award programs and presents transactions on the modified accrual basis of accounting.

NOTE 2 – MAJOR PROGRAMS

The County had two major program for the current fiscal year, CDBG - 14.228 - \$341,425 and Public Works/Infrastructure Improvement – 11.300 - \$669,592.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

NEWBERRY COUNTY, SOUTH CAROLINA

For the Year Ended June 30, 2013

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued - qualified

Internal control over financial reporting:

A. Material weaknesses identified? X Yes No

B. Reportable conditions identified that are not considered
to be material weaknesses? Yes X No

Noncompliance material to financial statements noted? Yes X No

Federal Awards

Internal control over major programs:

A. Material weaknesses identified? Yes X No

B. Reportable conditions identified that are not considered
to be material weaknesses? Yes X No

Type of auditor's report issued on compliance for major programs - unqualified

Any audit findings disclosed that are required to be reported
in accordance with section 510(a) of Circular A-133? Yes X No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
11.300	Public Works Program/Infrastructure Improvement
14.228	Community Development Block Grant

Dollar threshold used to distinguish between type A and B programs? \$300,000

Low-Risk Auditee Yes X No

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

Financial Statement Findings

SIGNIFICANT DEFICIENCIES

1. General Ledger – Years Ended June 30, 1995 - Present

Condition: The general ledger used by the County needs to utilize proper fund accounting. Entries are made between funds, which result in individual funds being out of balance. Revenue and expenditure accounts in the debt service and special revenue fund are commingled so true totals of revenue and expenditures are not shown. The accounting software also does not properly account for voided checks. The software did not properly roll balances forward from the prior year.

Criteria: Fund accounting should ensure that each fund maintain a set of self-balancing accounts. Entries between funds should be recorded by offsetting “due to/from” accounts in order to maintain fund integrity. Revenues and expenditures should have separate accounts to track the annual totals for each category of revenue and expenditure. Accounts payable should be reconciled to ensure voided checks are recorded correctly. The software should be maintained to correctly roll balances forward correctly.

Effect: Because entries are made across funds resulting in individual funds being out of balance and revenues and expenditures are shown in the same accounts, errors can occur and not be detected in a timely manner. Because voided checks are not properly accounted for, accounts payable could be misstated. If balances do not roll forward correctly, accounts could be misstated.

Recommendation: Self-balancing fund accounting should be maintained along with separate revenue and expenditure accounts by training accounting staff in the proper methodology of accounting. Monthly reconciliations of accounts payable should help with voided checks and monitoring the balance forwards in a timely manner should help.

Response: The County’s software has controls to reduce the number of entries that are posted out of balance. Monthly reviews of the daily postings and accounts are helping to reduce the problem areas.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2013

2. Segregation of Duties – Years Ended June 30, 1995 - Present

Condition: A proper segregation of duties does not exist relative to cash receipts and disbursements in the Treasurer's, County Administrator's, Building Inspections, Zoning and Central Court – Magistrate's Offices.

Criteria: The same personnel perform the duties of cashier, posting accounts receivable records, handling of mail cash receipts, and receiving and disputing items and NSG charges.

Effect: Because a segregation of duties does not exist, errors and irregularities could occur and not be detected in a timely manner.

Recommendation: A segregation of duties should be established and maintained, where each employee is delegated one primary task.

Response: When possible, these offices separate the accounting duties. However, it is not always cost feasible to staff every position solely on accounting controls.

Section III – Federal Award Findings and Questioned Costs

No federal awards findings and questioned costs.

Section IV – Prior Findings

N/A



RISH & ENZASTIGA

Certified Public Accountants

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
Newberry County
Newberry, 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, each major fund, and the aggregate remaining fund information of Newberry County (Primary government only), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise County's basic financial statements, and have issued our report thereon dated October 30, 2013.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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.



Lexington, South Carolina
October 30, 2013

VICTIMS SERVICES FUND

SPECIAL REVENUE FUND

NEWBERRY COUNTY, SOUTH CAROLINA

For the Year Ended June 30, 2013

Assessments	\$	55,883
Surcharges		<u>32,996</u>
Expenditures		<u>50,308</u>
Increase in fund balance		38,571
Fund Balance, July 1, 2012		<u>(6,695)</u>
Fund Balance, June 30, 2013	\$	<u><u>31,876</u></u>

Schedule of Fines, Assessments and Surcharges

	<u>Total</u>	<u>State Portion</u>	<u>County Portion</u>
Public Defender Application Fees	\$ 5,054	\$ 5,054	\$ -
Marriage License Fee	3,645	3,645	-
Circuit/Family Court Fines	6,587	6,587	-
Circuit/Family Court Filing Fees	158,387	158,387	-
General Sessions - Assessments - DUI	1,304	1,304	-
Magistrates Court - Assessments - DUI	9,628	9,628	-
Magistrates - Surcharge - DUI	8,800	8,800	-
Magistrates - Drug Surcharge	8,050	8,050	-
General Sessions - Drug Surcharge	6,268	6,268	-
General Sessions - Other Assessments	16,185	12,723	3,462
Magistrates Court - Other Assessments	370,690	331,235	39,455
General Sessions - Surcharges	17,614	4,096	13,518
Magistrates Court - Surcharges	<u>245,921</u>	<u>229,321</u>	<u>16,600</u>
	<u>\$ 858,133</u>	<u>\$ 785,098</u>	<u>\$ 73,035</u>

Review of Accounting Controls Over the Collection,
Reporting and Distribution of Fines and Assessments Collected

Newberry County, South Carolina

Year Ended June 30, 2013

Segregation of Duties

Condition: A proper segregation of duties does not exist relative to cash receipts and disbursements in the Central Court – Magistrate’s Offices.

Criteria: The same personnel perform the duties of cashier, posting accounts receivable records, handling of mail cash receipts, and receiving and disputing items and NSG charges.

Effect: Because a segregation of duties does not exist, errors and irregularities could occur and not be detected in a timely manner.

Recommendation: A segregation of duties should be established and maintained, where each employee is delegated one primary task.