

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

June 30, 2014

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## 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, 2014 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, 2014, 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, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require the Management's Discussion and Analysis (p 7-18) and budgetary comparison (p. 25) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consists of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

In accordance with Government Auditing Standards, we have issued a report dated December 3, 2014 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.

### *Other Information*

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedule of expenditures of federal awards (required by the U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*) along with accompanying supplemental information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The supplemental information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements in accordance with auditing standards generally accepted in the United States of America and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

### *Other Reporting Required by Government Auditing Standards*

In accordance with Government Auditing Standards, we have issued a report dated December 3, 2014 on our consideration of the District's internal control structure and on its compliance with laws and regulations. The purpose of that report is to describe the scope of testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* and should be read in conjunction with the report in considering the results of our audit.

Lexington, South Carolina  
December 3, 2014

## MANAGEMENT'S DISCUSSION AND ANALYSIS

**NEWBERRY COUNTY, SOUTH CAROLINA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2014**

**INTRODUCTION**

This narrative overview gives an analysis of the financial activities of the County for the fiscal year ended June 30, 2014. 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, 2014, was \$39,491,034, which represented an decrease of \$1,189,079 from the prior year end.
- **Revenues and Expenditures:** Revenues totaled \$28,784,722 and expenditures totaled \$36,328,852 for all Governmental Funds at the fund level. Accordingly, expenditures exceeded revenues by \$7,544,130 before other financing activities. The general fund decreased the fund balance by \$3,397,981. The debt service fund balance increased \$583,611. The capital projects fund balance decreased \$3,546,989 from the Sales Tax Bond and the lease purchase spending.
- **Capital Assets:** The County had capital asset additions in the governmental activities of \$5,961,503 consisting of building construction and purchases of equipment. Depreciation expense in governmental activities was \$2,811,127. This resulted in a net increase of capital assets of \$3,150,376.
- **General Fund/Fund Balance:** Our principal operating fund, the General Fund, had \$22,076,770 in fiscal year 2014 Revenues, which primarily consisted of property taxes and intergovernmental sources. Net other financing uses were \$4,318,840, and \$21,155,911 in expenditures decreased the fund balance \$3,397,981.
- **Debt Service:** The County retired \$3,839,289 in principal for governmental activities bonds outstanding. The Debt Service Fund Balance increased from \$4,841,567 to \$5,425,178. Bonds payable are \$16,509,493 at June 30, 2014 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, 2014**

**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, 2014**

**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, 2014**

**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 \$34,451,033 as of June 30, 2014. The largest portion of the County's net position (73.8 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, 2014.

|  |                      |
|--|----------------------|
| Current assets                                     | \$ 26,627,551        |
| Non-current assets                                 | <u>38,704,103</u>    |
| Total assets                                       | <u>65,331,654</u>    |
| Current liabilities                                | 6,730,615            |
| Non-current liabilities                            | 20,853,204           |
| Deferred inflow                                    | <u>12,707</u>        |
| Total liabilities & def inflows                    | <u>25,827,913</u>    |
| Net position                                       | <u>\$ 39,491,034</u> |
| Net position -                                     |                      |
| Invested in capital assets,<br>net of related debt | \$ 30,464,103        |
| Restricted   | 8,264,071            |
| Unrestricted                                       | <u>762,860</u>       |
| Total Net Position                                 | <u>\$ 39,491,034</u> |

**NEWBERRY COUNTY, SOUTH CAROLINA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) -  
CONTINUED  
YEAR ENDED JUNE 30, 2014**

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

- GO Bond principal payments of \$3,839,289
- Construction and purchases of equipment of \$5,961,503 and depreciation of \$2,811,127
- 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, 2014, 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, 2014.

| <b>REVENUES:</b>                   | Amount                |
|------------------------------------|-----------------------|
| Program revenues:                  |                       |
| Charges for services               | \$ 1,015,465          |
| Operating grants and contributions | 133,402               |
| Capital grants                     | 399,007               |
| General revenues:                  |                       |
| Property taxes                     | 18,870,533            |
| Intergovernmental sources          | 2,045,484             |
| Fines and assessments              | 1,867,768             |
| Sales tax                          | 3,394,870             |
| Miscellaneous                      | <u>747,134</u>        |
| Total revenues                     | <u>28,473,663</u>     |
| <b>EXPENSES:</b>                   |                       |
| Governmental - current             | ( 25,678,355)         |
| Intergovernmental – capital        |                       |
| Construction & improvements        | ( 3,272,123)          |
| Interest and fees                  | <u>( 712,264)</u>     |
| Total expenses                     | <u>( 28,114,868)</u>  |
| Decrease in net position           | <u>(\$ 1,189,079)</u> |

**NEWBERRY COUNTY, SOUTH CAROLINA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) -  
CONTINUED  
YEAR ENDED JUNE 30, 2014**

**Statement of Activities:** The following table presents the cost of the major functional activities: current, capital outlays and debt service. 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<br>Expenses        | Net Revenue<br>(Expense)  |
|-----------------------------|--------------------------|---------------------------|
| Governmental - Current      | \$ 25,678,355            | \$(24,130,481)            |
| Intergovernmental – capital |                          |                           |
| Construction & improvements | 3,272,123                | (3,272,123)               |
| Debt Service - interest     | <u>712,264</u>           | <u>(712,264)</u>          |
| <br>Total expenses          | <br><u>\$ 29,662,742</u> | <br><u>\$(28,114,868)</u> |

- The cost of all activities this year was \$29,662,742
- Net cost of governmental activities (\$28,114,868) was financed by general revenues (\$26,925,789), which are made up of primarily property taxes (\$18,870,533), intergovernmental sources (\$2,045,484), fines and assessments (\$1,867,768), sales tax (\$3,394,870), and other revenue (\$747,134).

**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, 2014**

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 \$29,476,130, a decrease of \$4,952,170 since June 30, 2012. A fund balance of \$9,816,578 or 33.3 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:

- \$ 6,627,876 assigned for future capital projects
- \$ 5,425,178 assigned for debt service
- \$ 466,237 committed for special revenue
- \$ 18,843 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 \$3,397,981 was due to the use of assigned funds to pay for special projects. The Debt Service Fund balance showed an increase of \$583,611. The Capital Projects Funds showed a fund balance of \$4,714,383, a combination of remaining Sales Tax, Lease purchase and GO Bonds proceeds. The Capital Projects had expenditures of \$7,747,325.

**NEWBERRY COUNTY, SOUTH CAROLINA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) –  
CONTINUED  
YEAR ENDED JUNE 30, 2014**

**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 \$22,484,020 in General Fund Revenue with actual revenue totaling \$22,076,770 for a difference of \$407,250. The budget for expenditures was \$21,601,042 with the actual expenditures being \$21,155,911 for a difference of \$445,131. The general fund transferred \$2,882,678 to fund capital projects and \$1,436,162 to special revenue projects. The results from revenue, expenditures and other financing sources and uses caused the fund balance to decrease by \$3,397,981. 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, 2014, the County had invested \$38,704,103. 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 \$2,811,127 for governmental activities.

The following schedule presents capital asset balances for the fiscal year ended June 30, 2014.

|                            | Amount               |
|----------------------------|----------------------|
| Land                       | \$ 8,143,969         |
| Buildings and improvements | 35,798,110           |
| Vehicles and equipment     | 17,173,598           |
| Roads                      | 11,340,105           |
| Airport Improvements       | <u>5,654,044</u>     |
| Total                      | <u>\$ 78,109,826</u> |

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

**NEWBERRY COUNTY, SOUTH CAROLINA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) -  
CONTINUED  
YEAR ENDED JUNE 30, 2014**

**DEBT ADMINISTRATION**

The following table presents a summary of the County's outstanding long-term debt for the fiscal year ended June 30, 2014.

|                              | Amount               |
|------------------------------|----------------------|
| General obligation bonds     | \$ 16,509,493        |
| Lease purchase               | 2,535,625            |
| Accrued compensated absences | <u>556,460</u>       |
| Total                        | \$ <u>19,601,578</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 2014 - 2015 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, 2014**

**CURRENT AND PRIOR YEAR FINANCIAL ANALYSIS**

Tables I – II are presented for additional analysis of the County's finances for the FY 13-14.

Table I – Statement of Net Position – Governmental Activities – Total current assets decreased \$4,744,831 versus the prior year due to decreases in cash (capital projects fund expenses and debt service principal payments). Capital assets increased \$3,139,878 net as shown in Note N for capital asset additions for new buildings & equipment less depreciation expense. Total liabilities decreased \$915,874 million for net issuance/payments of bond principal – see Note F. Net position decreased because of the payment of debt, increase in OPEB and the capital outlays from reserves.

Table II – Statement of Activities – Governmental Activities – Total revenues increased \$936,670 (Property taxes increased \$797,731 and sales tax increased \$338,840) Total expenses decreased \$1,348,488 due to GO Bond and Sales Tax Bond expenses used for intergovernmental expenses and other capital outlays.

**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, 2014

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

|   | Governmental Activities |                      |                       |
|---|-------------------------|----------------------|-----------------------|
|   | <u>2014</u>             | <u>2013</u>          | <u>Variance</u>       |
| Assets  |                         |                      |                       |
| Total Current Assets                            | \$ 26,627,551           | \$ 31,372,382        | \$ (4,744,831)        |
| Other Assets                                    | -                       | 500,000              | (500,000)             |
| Capital Assets, net of accumulated depreciation | <u>38,704,103</u>       | <u>35,564,225</u>    | <u>3,139,878</u>      |
| Total Assets                                    | <u>\$ 65,331,654</u>    | <u>\$ 67,436,607</u> | <u>\$ (2,104,953)</u> |
|   |                         |                      |                       |
| Total Current Liabilities                       | \$ 6,730,615            | \$ 5,903,290         | \$ 827,325            |
| Non-Current Liabilities                         | 19,097,298              | 20,821,919           | (1,724,621)           |
| Deferred Inflows                                | <u>12,707</u>           | <u>31,285</u>        | <u>(18,578)</u>       |
|   | <u>\$ 25,840,620</u>    | <u>\$ 26,756,494</u> | <u>\$ (915,874)</u>   |
|   |                         |                      |                       |
| Net Position                                    |                         |                      |                       |
| Invested in capital assets, net of related debt | \$ 30,464,103           | \$ 28,872,426        | \$ 1,591,677          |
| Restricted                                      | 8,264,071               | 12,798,324           | (4,534,253)           |
| Unrestricted/(deficit)                          | <u>762,860</u>          | <u>(990,637)</u>     | <u>1,753,497</u>      |
| Total Net Position                              | <u>\$ 39,491,034</u>    | <u>\$ 40,680,113</u> | <u>\$ (1,189,079)</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 |                      |                       |
|---|-------------------------|----------------------|-----------------------|
|   | 2014                    | 2013                 | Variance              |
| Revenues  |                         |                      |                       |
| Program Revenues:                                       |                         |                      |                       |
| Charges for Services                                    | \$ 1,015,465            | \$ 1,110,632         | \$ (95,167)           |
| Operating Grants  | 133,402                 | 447,776              | (314,374)             |
| Capital Grants  | 399,007                 | 870,344              | (471,337)             |
| General Revenue:  |                         |                      |                       |
| Property Taxes  | 18,870,533              | 18,072,802           | 797,731               |
| Intergovernmental Sources                               | 2,045,484               | 1,204,416            | 841,068               |
| Fines and Assessments                                   | 1,867,768               | 1,119,799            | 747,969               |
| Sales Tax - Debt Service                                | 3,394,870               | 3,056,030            | 338,840               |
| Other   | 747,134                 | 1,655,194            | (908,060)             |
| Total Revenues  | <u>\$ 28,473,663</u>    | <u>\$ 27,536,993</u> | <u>\$ 936,670</u>     |
| Expenses  |                         |                      |                       |
| Current   |                         |                      |                       |
| Legislative   | \$ 274,670              | \$ 269,591           | \$ 5,079              |
| Administration  | 2,077,313               | 1,848,968            | 228,345               |
| Tax assessment & collection                             | 1,441,184               | 1,455,990            | (14,806)              |
| Election & registration                                 | 130,623                 | 163,419              | (32,796)              |
| Administration of Justice                               | 1,755,767               | 1,780,696            | (24,929)              |
| Law enforcement   | 4,345,648               | 3,773,989            | 571,659               |
| Detention   | 1,839,493               | 1,855,196            | (15,703)              |
| Public safety   | 3,546,790               | 3,962,184            | (415,394)             |
| Public works & maintenance                              | 6,845,582               | 6,007,483            | 838,099               |
| Planning & development                                  | 544,956                 | 509,732              | 35,224                |
| Agriculture & home economics                            | 106,927                 | 96,003               | 10,924                |
| Public health   | 18,182                  | 18,003               | 179                   |
| Social services   | 251,954                 | 252,752              | (798)                 |
| Miscellaneous   | 1,913,547               | 1,445,420            | 468,127               |
| Emergency telephone reporting                           | 585,719                 | 113,054              | 472,665               |
| Capital Construction & Improvements - Intergovernmental | 3,272,123               | 6,598,642            | (3,326,519)           |
| Interest and Fees                                       | 712,264                 | 860,108              | (147,844)             |
| Total Expenses  | <u>\$ 29,662,742</u>    | <u>\$ 31,011,230</u> | <u>\$ (1,348,488)</u> |
| Change in Net Assets                                    | (1,189,079)             | (3,474,237)          | 2,285,158             |
| Net Position, Beginning of Year                         | <u>40,680,113</u>       | <u>44,154,350</u>    | <u>(3,474,237)</u>    |
| Net Position, End of Year                               | <u>\$ 39,491,034</u>    | <u>\$ 40,680,113</u> | <u>\$ (1,189,079)</u> |

BASIC FINANCIAL STATEMENTS  
PRIMARY GOVERNMENT

STATEMENT OF NET POSITION  
NEWBERRY COUNTY, SOUTH CAROLINA

June 30, 2014

|  | PRIMARY GOVERNMENT         |               |
|--|----------------------------|---------------|
|  | Governmental<br>Activities | Total         |
| <b>ASSETS</b>  |                            |               |
| Current Assets   |                            |               |
| Cash - Notes B & C   | \$ 10,201,936              | \$ 10,201,936 |
| Investments - Note C   | 14,409,069                 | 14,409,069    |
| Receivables  |                            |               |
| Property taxes - delinquent - Note E                         | 637,234                    | 637,234       |
| Fines and fees   | 45,864                     | 45,864        |
| Other  | 77,495                     | 77,495        |
| Due from other governments                                   |                            |               |
| State shared revenue   | 368,301                    | 368,301       |
| Sales tax  | 868,809                    | 868,809       |
| Inventory - jet fuel   | 18,843                     | 18,843        |
| Total Current Assets   | 26,627,551                 | 26,627,551    |
| Capital Assets - Note N                                      |                            |               |
| Land   | 8,143,969                  | 8,143,969     |
| Buildings  | 35,798,110                 | 35,798,110    |
| Roads  | 11,340,105                 | 11,340,105    |
| Equipment  | 17,173,598                 | 17,173,598    |
| Airport improvements   | 5,654,044                  | 5,654,044     |
| Accumulated depreciation                                     | (39,405,723)               | (39,405,723)  |
| TOTAL ASSETS   | \$ 65,331,654              | \$ 65,331,654 |
| <b>LIABILITIES, DEFERRED INFLOWS AND NET POSITION</b>        |                            |               |
| <b>LIABILITIES</b>   |                            |               |
| Current Liabilities  |                            |               |
| Accrued expenses   | \$ 1,325,843               | \$ 1,325,843  |
| Due to other taxing units and others                         | 1,595,553                  | 1,595,553     |
| Accrued interest   | 186,732                    | 186,732       |
| Lease payable, current portion                               | 445,409                    | 445,409       |
| Bonds payable, current portion                               | 3,177,078                  | 3,177,078     |
| Total Current Liabilities                                    | 6,730,615                  | 6,730,615     |
| Bonds payable, less current portion                          | 13,332,415                 | 13,332,415    |
| Compensated absences   | 556,460                    | 556,460       |
| Net OPEB Obligation - See Note P                             | 3,118,207                  | 3,118,207     |
| Lease purchase, less current portion                         | 2,090,216                  | 2,090,216     |
| TOTAL LIABILITIES  | 25,827,913                 | 25,827,913    |
| DEFERRED INFLOW - grant income                               | 12,707                     | 12,707        |
| <b>NET POSITION</b>  |                            |               |
| Invested in capital assets, net of related debt, \$8,240,000 | 30,464,103                 | 30,464,103    |
| Restricted for:  |                            |               |
| special projects, net of related debt, \$4,210,203           | 2,883,910                  | 2,883,910     |
| debt service   | 5,380,161                  | 5,380,161     |
| Unrestricted   | 762,860                    | 762,860       |
| TOTAL NET POSITION   | 39,491,034                 | 39,491,034    |
| TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION         | \$ 65,331,654              | \$ 65,331,654 |

STATEMENT OF ACTIVITIES

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

|   | Expenses      | Program Revenues     |                  |                | Net Revenue & Changes in Net Position |               |
|---|---------------|----------------------|------------------|----------------|---------------------------------------|---------------|
|   |               | Charges for Services | Operating Grants | Capital Grants | Governmental Activities               | Total         |
| Governmental Activities                                 |               |                      |                  |                |                                       |               |
| Current   |               |                      |                  |                |                                       |               |
| Legislative   | \$ 274,670    | \$ -                 | \$ -             | \$ -           | \$ (274,670)                          | \$ (274,670)  |
| Administration  | 2,077,313     | -                    | -                | -              | (2,077,313)                           | (2,077,313)   |
| Tax assessment & collection                             | 1,441,184     | -                    | -                | -              | (1,441,184)                           | (1,441,184)   |
| Election & registration                                 | 130,623       | -                    | -                | -              | (130,623)                             | (130,623)     |
| Administration of Justice                               | 1,755,767     | -                    | 133,402          | -              | (1,622,365)                           | (1,622,365)   |
| Law enforcement   | 4,345,648     | -                    | -                | -              | (4,345,648)                           | (4,345,648)   |
| Detention   | 1,839,493     | -                    | -                | -              | (1,839,493)                           | (1,839,493)   |
| Public safety   | 3,546,790     | 148,211              | -                | -              | (3,398,579)                           | (3,398,579)   |
| Public works & maintenance                              | 6,845,582     | 610,806              | -                | 112,685        | (6,122,091)                           | (6,122,091)   |
| Planning & development                                  | 544,956       | -                    | -                | -              | (544,956)                             | (544,956)     |
| Agriculture & home economics                            | 106,927       | -                    | -                | -              | (106,927)                             | (106,927)     |
| Public health   | 18,182        | -                    | -                | -              | (18,182)                              | (18,182)      |
| Social services   | 251,954       | -                    | -                | -              | (251,954)                             | (251,954)     |
| Miscellaneous   | 1,913,547     | -                    | -                | -              | (1,913,547)                           | (1,913,547)   |
| Emergency telephone reporting                           | 585,719       | 256,448              | -                | 286,322        | (42,949)                              | (42,949)      |
| Capital construction & improvements - intergovernmental | 3,272,123     | -                    | -                | -              | (3,272,123)                           | (3,272,123)   |
| Debt service  |               |                      |                  |                |                                       |               |
| Interest & other bond costs                             | 712,264       | -                    | -                | -              | (712,264)                             | (712,264)     |
| Total Governmental Activities                           | 29,662,742    | 1,015,465            | 133,402          | 399,007        | (28,114,868)                          | (28,114,868)  |
| TOTAL   | \$ 29,662,742 | \$ 1,015,465         | \$ 133,402       | \$ 399,007     | (28,114,868)                          | (28,114,868)  |
| General Revenues  |               |                      |                  |                |                                       |               |
| Property Taxes Levied For:                              |               |                      |                  |                |                                       |               |
| General Purposes  |               |                      |                  |                | 17,166,664                            | 17,166,664    |
| Debt Service  |               |                      |                  |                | 1,703,869                             | 1,703,869     |
| Intergovernmental sources                               |               |                      |                  |                | 2,045,484                             | 2,045,484     |
| Fines and assessments                                   |               |                      |                  |                | 1,867,768                             | 1,867,768     |
| Sales tax - debt service                                |               |                      |                  |                | 3,394,870                             | 3,394,870     |
| Other   |               |                      |                  |                | 747,134                               | 747,134       |
| Total General Revenues                                  |               |                      |                  |                | 26,925,789                            | 26,925,789    |
| Change in Net Position                                  |               |                      |                  |                | (1,189,079)                           | (1,189,079)   |
| Net Position, Beginning of Year                         |               |                      |                  |                | 40,680,113                            | 40,680,113    |
| NET POSITION, END OF YEAR                               |               |                      |                  |                | \$ 39,491,034                         | \$ 39,491,034 |

BALANCE SHEET

GOVERNMENTAL FUNDS

NEWBERRY COUNTY, SOUTH CAROLINA

June 30, 2014

|   | <u>General</u>       | <u>Debt<br/>Service</u> | <u>Capital<br/>Projects</u> | <u>Non-Major<br/>Special Revenue</u> | <u>Totals</u>        |
|---|----------------------|-------------------------|-----------------------------|--------------------------------------|----------------------|
| <b>ASSETS</b>   |                      |                         |                             |                                      |                      |
| Cash - Notes B & C  | \$ 8,423,600         | \$ 39,520               | \$ 1,020,526                | \$ 718,290                           | \$ 10,201,936        |
| Investments - Note C  | 6,536,712            | 4,162,172               | 3,710,185                   | -                                    | 14,409,069           |
| Receivables   |                      |                         |                             |                                      |                      |
| Property taxes - delinquent - Note E                          | 108,679              | 7,026                   | -                           | -                                    | 115,705              |
| Fines and fees  | 45,864               | -                       | -                           | -                                    | 45,864               |
| Other   | 76,195               | -                       | -                           | 1,300                                | 77,495               |
| Due from other governments                                    |                      |                         |                             |                                      |                      |
| State shared revenue  | 368,301              | -                       | -                           | -                                    | 368,301              |
| Sales tax   | -                    | 868,809                 | -                           | -                                    | 868,809              |
| Inventory - jet fuel  | -                    | -                       | -                           | 18,843                               | 18,843               |
| Due from other funds - Note D                                 | 784,602              | 847,651                 | -                           | 27,628                               | 1,659,881            |
|   | <u>16,343,953</u>    | <u>5,925,178</u>        | <u>4,730,711</u>            | <u>766,061</u>                       | <u>27,765,903</u>    |
| <b>TOTAL ASSETS</b>   | <b>\$ 16,343,953</b> | <b>\$ 5,925,178</b>     | <b>\$ 4,730,711</b>         | <b>\$ 766,061</b>                    | <b>\$ 27,765,903</b> |
| <b>LIABILITIES, DEFERRED INFLOW &amp; FUND BALANCES</b>       |                      |                         |                             |                                      |                      |
| <b>LIABILITIES</b>  |                      |                         |                             |                                      |                      |
| Accrued expenses  | \$ 1,325,843         | \$ -                    | \$ -                        | \$ -                                 | \$ 1,325,843         |
| Due to taxing units and others                                | 1,595,553            | -                       | -                           | -                                    | 1,595,553            |
| Due to other funds - Note D                                   | 875,279              | 500,000                 | 16,328                      | 268,274                              | 1,659,881            |
|   | <u>3,796,675</u>     | <u>500,000</u>          | <u>16,328</u>               | <u>268,274</u>                       | <u>4,581,277</u>     |
| <b>TOTAL LIABILITIES</b>                                      | <b>3,796,675</b>     | <b>500,000</b>          | <b>16,328</b>               | <b>268,274</b>                       | <b>4,581,277</b>     |
| DEFERRED INFLOW - grant income                                | -                    | -                       | -                           | 12,707                               | 12,707               |
| <b>FUND BALANCES</b>  |                      |                         |                             |                                      |                      |
| Reserved:   |                      |                         |                             |                                      |                      |
| Nonspendable - inventory - fuel                               | -                    | -                       | -                           | 18,843                               | 18,843               |
| Committed for special revenue                                 | -                    | -                       | -                           | 466,237                              | 466,237              |
| Assigned for capital projects                                 | 1,913,493            | -                       | 4,714,383                   | -                                    | 6,627,876            |
| Assigned for debt service                                     | -                    | 5,425,178               | -                           | -                                    | 5,425,178            |
| Unreserved:   |                      |                         |                             |                                      |                      |
| Unassigned  | 10,633,785           | -                       | -                           | -                                    | 10,633,785           |
|   | <u>12,547,278</u>    | <u>5,425,178</u>        | <u>4,714,383</u>            | <u>485,080</u>                       | <u>23,171,919</u>    |
| <b>TOTAL FUND BALANCES</b>                                    | <b>12,547,278</b>    | <b>5,425,178</b>        | <b>4,714,383</b>            | <b>485,080</b>                       | <b>23,171,919</b>    |
| <b>TOTAL LIABILITIES, DEFERRED INFLOW &amp; FUND BALANCES</b> | <b>\$ 16,343,953</b> | <b>\$ 5,925,178</b>     | <b>\$ 4,730,711</b>         | <b>\$ 766,061</b>                    | <b>\$ 27,765,903</b> |

Reconciliation of governmental fund balances to statement of net position:

|   |                      |
|---|----------------------|
| Total Fund Balances - Governmental Funds            | \$ 23,171,919        |
| Capital assets, net of accumulated depreciation     | 38,704,103           |
| Bonds payable                                       | (16,509,493)         |
| Leases payable                                      | (2,535,625)          |
| Compensated absences                                | (556,460)            |
| Net OPEB Obligation                                 | (3,118,207)          |
| Accrued interest                                    | (186,732)            |
| Recognition of deferred taxes                       | 521,529              |
| <b>Total Net Position - Governmental Activities</b> | <b>\$ 39,491,034</b> |

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, 2014

|   |                    |                           |
|---|--------------------|---------------------------|
| Net change in fund balances - total governmental funds  | \$                 | (6,304,211)               |
| <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   | 5,951,004          |                           |
| Depreciation expense  | <u>(2,811,127)</u> | 3,139,877                 |
| <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>   |                    |                           |
|   | (1,700,000)        |                           |
|   | <u>3,839,289</u>   | 2,139,289                 |
| <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>   |                    |                           |
|   |                    | (34,206)                  |
| <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   | -                  |                           |
| Repayment of principal  | <u>780,367</u>     | 780,367                   |
| <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:  |                    | 33,239                    |
| <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>  |                    |                           |
|   |                    | (632,375)                 |
| <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>(311,059)</u>          |
| Change in net position - governmental activities  | \$                 | <u><u>(1,189,079)</u></u> |

STATEMENT OF REVENUE, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
NEWBERRY COUNTY, SOUTH CAROLINA  
Year Ended June 30, 2014

|   | <u>General</u>       | <u>Debt<br/>Service</u> | <u>Capital<br/>Projects</u> | <u>Non-Major<br/>Special Revenue</u> | <u>Totals</u>        |
|---|----------------------|-------------------------|-----------------------------|--------------------------------------|----------------------|
| <b>REVENUE</b>  |                      |                         |                             |                                      |                      |
| Taxes   | \$ 17,477,723        | \$ 1,703,869            | \$ -                        | \$ -                                 | \$ 19,181,592        |
| Intergovernmental   | 2,045,484            | -                       | 112,685                     | 1,030,530                            | 3,188,699            |
| Fines and fees  | 1,911,310            | -                       | -                           | 361,117                              | 2,272,427            |
| Sales tax   | -                    | 3,394,870               | -                           | -                                    | 3,394,870            |
| Other   | 642,253              | 6,876                   | 4,973                       | 93,032                               | 747,134              |
| <b>TOTAL REVENUE</b>  | <b>22,076,770</b>    | <b>5,105,615</b>        | <b>117,658</b>              | <b>1,484,679</b>                     | <b>28,784,722</b>    |
| <b>EXPENDITURES</b>   |                      |                         |                             |                                      |                      |
| <b>Current</b>  |                      |                         |                             |                                      |                      |
| Legislative   | 274,670              | -                       | -                           | -                                    | 274,670              |
| Administration  | 1,390,944            | -                       | -                           | -                                    | 1,390,944            |
| Tax assessment & collection   | 1,419,660            | -                       | -                           | -                                    | 1,419,660            |
| Election & registration   | 130,623              | -                       | -                           | -                                    | 130,623              |
| Administration of Justice   | 1,670,738            | -                       | -                           | 63,566                               | 1,734,304            |
| Law enforcement   | 3,835,638            | -                       | -                           | 104,131                              | 3,939,769            |
| Detention   | 1,794,903            | -                       | -                           | -                                    | 1,794,903            |
| Public safety   | 3,242,061            | -                       | -                           | -                                    | 3,242,061            |
| Public works & maintenance  | 4,594,421            | -                       | -                           | 610,806                              | 5,205,227            |
| Planning & development  | 535,312              | -                       | -                           | -                                    | 535,312              |
| Agriculture & home economics  | 106,927              | -                       | -                           | -                                    | 106,927              |
| Public health   | 18,182               | -                       | -                           | -                                    | 18,182               |
| Social services   | 251,954              | -                       | -                           | -                                    | 251,954              |
| Miscellaneous   | 414,076              | -                       | -                           | 1,499,471                            | 1,913,547            |
| Emergency telephone reporting   | -                    | -                       | -                           | 585,719                              | 585,719              |
| <b>Capital outlays</b>  |                      |                         |                             |                                      |                      |
| Capital construction & improvements   | 1,475,802            | -                       | 7,747,325                   | -                                    | 9,223,127            |
| <b>Debt service</b>   |                      |                         |                             |                                      |                      |
| Principal retirement - Note G   | -                    | 3,839,289               | -                           | -                                    | 3,839,289            |
| Interest  | -                    | 722,634                 | -                           | -                                    | 722,634              |
| Fees & other bond service costs   | -                    | -                       | -                           | -                                    | -                    |
| <b>TOTAL EXPENDITURES</b>   | <b>21,155,911</b>    | <b>4,561,923</b>        | <b>7,747,325</b>            | <b>2,863,693</b>                     | <b>36,328,852</b>    |
| Excess/(Deficiency) of Revenue Over/(Under) Expenditures before Other Financing Sources | 920,859              | 543,692                 | (7,629,667)                 | (1,379,014)                          | (7,544,130)          |
| <b>OTHER FINANCING SOURCES</b>  |                      |                         |                             |                                      |                      |
| Bond proceeds   | -                    | 500,000                 | -                           | -                                    | 500,000              |
| Notes payable   | -                    | -                       | 1,200,000                   | -                                    | 1,200,000            |
| Lease purchase payment  | -                    | (460,081)               | -                           | -                                    | (460,081)            |
| Transfer In/(Out)   | (4,318,840)          | -                       | 2,882,678                   | 1,436,162                            | -                    |
| Excess/(Deficiency) of Revenue Over/(Under) Expenditures                                | (3,397,981)          | 583,611                 | (3,546,989)                 | 57,148                               | (6,304,211)          |
| Fund Balance, Beginning of Year,  | 15,945,259           | 4,841,567               | 8,261,372                   | 427,932                              | 29,476,130           |
| <b>FUND BALANCE, END OF YEAR</b>  | <b>\$ 12,547,278</b> | <b>\$ 5,425,178</b>     | <b>\$ 4,714,383</b>         | <b>\$ 485,080</b>                    | <b>\$ 23,171,919</b> |

STATEMENT OF REVENUE, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL - GENERAL FUND  
NEWBERRY COUNTY, SOUTH CAROLINA  
Year Ended June 30, 2014

|   | Original<br><u>Budget</u> | Final<br><u>Budget</u> | Actual               | Variance<br>Favorable<br>(Unfavorable) |
|---|---------------------------|------------------------|----------------------|--|
| <b>REVENUE</b>  |                           |                        |                      |  |
| Property taxes, current   | \$ 14,919,425             | \$ 14,919,425          | \$ 14,949,314        | \$ 29,889                              |
| Community service levies - taxes  | 892,978                   | 892,978                | 892,978              | -                                      |
| Fee In Lieu   | 615,084                   | 615,084                | 708,126              | 93,042                                 |
| Delinquent taxes and cost   | 976,978                   | 976,978                | 927,305              | (49,673)                               |
| Intergovernmental   | 1,779,830                 | 1,779,830              | 2,045,484            | 265,654                                |
| Fines and fees  | 1,595,467                 | 1,595,467              | 1,911,310            | 315,843                                |
| Other   | 569,247                   | 569,247                | 642,253              | 73,006                                 |
| Balance brought forward   | <u>1,135,011</u>          | <u>1,135,011</u>       | <u>-</u>             | <u>(1,135,011)</u>                     |
| <b>TOTAL REVENUE</b>  | <u>22,484,020</u>         | <u>22,484,020</u>      | <u>22,076,770</u>    | <u>(407,250)</u>                       |
| <b>EXPENDITURES</b>   |                           |                        |                      |  |
| Current   |                           |                        |                      |  |
| Legislative   | 301,492                   | 301,492                | 274,670              | 26,822                                 |
| Administration  | 1,582,787                 | 1,582,787              | 1,390,944            | 191,843                                |
| Tax assessment & collection   | 1,476,160                 | 1,476,160              | 1,419,660            | 56,500                                 |
| Election & registration   | 150,501                   | 150,501                | 130,623              | 19,878                                 |
| Administration of Justice   | 1,759,499                 | 1,759,499              | 1,670,738            | 88,761                                 |
| Law enforcement   | 3,789,999                 | 3,789,999              | 3,835,638            | (45,639)                               |
| Detention   | 1,839,649                 | 1,839,649              | 1,794,903            | 44,746                                 |
| Public safety   | 3,535,749                 | 3,535,749              | 3,242,061            | 293,688                                |
| Public works & maintenance  | 4,858,450                 | 4,858,450              | 4,594,421            | 264,029                                |
| Planning & development  | 586,761                   | 586,761                | 535,312              | 51,449                                 |
| Agriculture & home economics  | 115,171                   | 115,171                | 106,927              | 8,244                                  |
| Public health   | 21,352                    | 21,352                 | 18,182               | 3,170                                  |
| Social services   | 267,075                   | 267,075                | 251,954              | 15,121                                 |
| Miscellaneous   | 478,391                   | 478,391                | 414,076              | 64,315                                 |
| Capital outlays   |                           |                        |                      |  |
| Capital construction & improvements   | <u>838,006</u>            | <u>838,006</u>         | <u>1,475,802</u>     | <u>(637,796)</u>                       |
| <b>TOTAL EXPENDITURES</b>   | <u>21,601,042</u>         | <u>21,601,042</u>      | <u>21,155,911</u>    | <u>445,131</u>                         |
| Excess/(Deficiency) of Revenue Over/(Under) Expenditures before Other Financing Sources | <u>882,978</u>            | <u>882,978</u>         | <u>920,859</u>       | <u>37,881</u>                          |
| <b>OTHER FINANCING SOURCES/(USES)</b>   |                           |                        |                      |  |
| Surplus property sale   | 10,000                    | 10,000                 | -                    | (10,000)                               |
| Transfer to capital projects  | -                         | -                      | (2,882,678)          | (2,882,678)                            |
| Transfer to special revenue (includes Community Service Levies)                         | <u>(892,978)</u>          | <u>(892,978)</u>       | <u>(1,436,162)</u>   | <u>(543,184)</u>                       |
| Excess/(Deficiency) of Revenue Over/(Under) Expenditures                                | <u>\$ -</u>               | <u>\$ -</u>            | <u>(3,397,981)</u>   | <u>(3,397,981)</u>                     |
| Fund Balance, Beginning of Year   |                           |                        | <u>15,945,259</u>    |  |
| <b>FUND BALANCE, END OF YEAR</b>  |                           |                        | <u>\$ 12,547,278</u> |  |

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS - AGENCY FUNDS

NEWBERRY COUNTY, SOUTH CAROLINA

June 30, 2014

|  | Newberry<br>County<br>School<br><u>District</u> | Fire<br>Departments/<br>Rescue<br><u>Squads</u> | Market St<br><u>Escrow</u> | Total<br><u>Agency Funds</u> |
|--|---|---|----------------------------|------------------------------|
| ASSETS                                   |   |   |                            |                              |
| Cash and cash equivalents - Note B and C | \$ 6,329,395                                    | \$ 267,838                                      | \$ 50,000                  | \$ 6,647,233                 |
| Investments                              | <u>14,956,754</u>                               | <u>-</u>  | <u>-</u>                   | <u>14,956,754</u>            |
| TOTAL ASSETS                             | <u>\$ 21,286,149</u>                            | <u>\$ 267,838</u>                               | <u>\$ 50,000</u>           | <u>\$ 21,603,987</u>         |
| LIABILITIES                              |   |   |                            |                              |
| Due to other entities                    | <u>\$ 21,286,149</u>                            | <u>\$ 267,838</u>                               | <u>\$ 50,000</u>           | <u>\$ 21,603,987</u>         |
| TOTAL LIABILITIES                        | <u>\$ 21,286,149</u>                            | <u>\$ 267,838</u>                               | <u>\$ 50,000</u>           | <u>\$ 21,603,987</u>         |

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

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, 2014

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.

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, 2014

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.

**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.

NOTES TO FINANCIAL STATEMENTS

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

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 \$18,843 at June 30, 2014. The County values its inventory at cost.

NOTES TO FINANCIAL STATEMENTS

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

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, 2014. 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, 2014. 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's 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, 2014

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. 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.

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.

Deferred Outflows

Deferred outflows – grant income in the General Fund and Special Revenue Fund represent money received in advance for a project in which the expenditures are anticipated to be made in a subsequent year.

NOTES TO FINANCIAL STATEMENTS  
 NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

NOTE B - CASH

Deposits

At June 30, 2014, the carrying amount of the County's deposits was \$16,849,169 (\$10,201,936 for the primary government, and \$6,647,233 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 \$211,216 cash on hand at June 30, 2014.

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, 2014. Category I 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<br>Amount | Market<br>Value |
|--|---------------|-------|-------|--------------------|-----------------|
|  | 1             | 2     | 3     |                    |                 |
| Bank deposit accounts                            | \$ 16,849,169 | \$ -- | \$ -- | \$ 16,849,169      | \$ 16,849,169   |
| Total  | \$ 16,849,169 | \$ -- | \$ -- |                    |                 |
| State treasurer's investment pool                |               |       |       | 14,409,069         | 14,409,069      |
| State treasurer's investment pool – Agency funds |               |       |       | 14,956,754         | 14,956,754      |
| Total Investments and Deposits                   |               |       |       | \$ 46,214,992      | \$ 46,214,992   |

NOTES TO FINANCIAL STATEMENTS

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

NOTE C – INVESTMENTS - Continued

The County has investments in the S. C. Local Government Investment Pool at June 30, 2014 of \$29,365,823 (\$14,409,069 for the primary government and \$14,956,754 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:

| <u>Receivable Fund</u> | <u>Payable Fund</u> | <u>Amount</u>       |
|------------------------|---------------------|---------------------|
| General                | Special Revenue     | \$ 268,274          |
| Special Revenue        | General             | 27,628              |
| Capital Projects       | General             | 16,328              |
| Debt Service           | General Fund        | 847,651             |
| General Fund           | Debt Service        | <u>500,000</u>      |
|                        | Total               | <u>\$ 1,659,881</u> |

NOTES TO FINANCIAL STATEMENTS

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

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, 2014, 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.

A summary of property taxes available as of June 30, 2014 follows:

|   |                   |
|---|-------------------|
| General Fund  | \$ 599,387        |
| Debt Service Fund                                   | <u>37,847</u>     |
| Total Governmental Activities                       | <u>\$ 637,234</u> |
| General Fund  | \$ 599,387        |
| Debt Service Fund                                   | 37,847            |
| Deferred tax revenue –<br>Collections after 60 days | <u>(521,529)</u>  |
| Net taxes receivable – Governmental Funds           | <u>\$ 115,705</u> |

NOTES TO FINANCIAL STATEMENTS  
NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

NOTE F - LONG-TERM DEBT

The following is a summary of long-term debt transactions of the County for the year ended June 30, 2014:

|                             | Balance,<br><u>July 1, 2013</u> | <u>Additions</u>           | <u>Deletions</u>           | Balance,<br><u>June 30, 2014</u> |
|-----------------------------|---------------------------------|----------------------------|----------------------------|----------------------------------|
| Bonds payable               | \$ 18,648,782                   | \$ 1,700,000               | \$ 3,839,289               | \$ 16,509,493                    |
| Lease purchase agreement    | 3,315,992                       | --                         | 780,367                    | 2,535,625                        |
| Accrued vacation            | <u>522,254</u>                  | <u>34,206</u>              | <u>--</u>                  | <u>556,460</u>                   |
| <b>Total Long Term Debt</b> | <b><u>\$ 22,487,028</u></b>     | <b><u>\$ 1,734,206</u></b> | <b><u>\$ 4,619,656</u></b> | <b><u>\$ 19,601,578</u></b>      |

Bonds payable at June 30, 2014, 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%.<br>Current amount due \$285,000           | \$ 4,435,000                |
| \$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           | 325,000                     |
| \$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       | 444,493                     |
| \$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               | 625,000                     |
| \$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 | 1,655,000                   |
| \$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>7,825,000</u>            |
| <b>Total bonds payable</b>   | <b><u>\$ 16,509,493</u></b> |

NOTES TO FINANCIAL STATEMENTS  
 NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

NOTE F - LONG-TERM DEBT – Continued

Outstanding bonds payable are due as follows at June 30, 2014:

| Year Ending June 30, | <u>Principal</u>     | <u>Interest</u>     | <u>Total</u>         |
|----------------------|----------------------|---------------------|----------------------|
| 2015                 | \$ 3,177,078         | \$ 559,612          | \$ 3,736,690         |
| 2016                 | 3,307,009            | 425,157             | 3,732,166            |
| 2017                 | 3,447,087            | 277,752             | 3,724,839            |
| 2018                 | 1,613,319            | 169,919             | 1,783,238            |
| 2019                 | 645,000              | 134,803             | 779,803              |
| 2020 – 2024          | 3,430,000            | 369,123             | 3,799,123            |
| 2025 – 2028          | <u>890,000</u>       | <u>38,198</u>       | <u>928,198</u>       |
| Totals               | <u>\$ 16,509,493</u> | <u>\$ 1,974,564</u> | <u>\$ 18,484,057</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, 2014 assessed property valuation, the County is below its legal debt limit of \$10,676,534. Bond indebtedness applied to the debt limit was \$4,249,493, leaving \$6,427,041 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, 2014

NOTE F - 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 thru December 2013. Principal balance is \$0 at June 30, 2014.

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 2014 – 2014. Current principal amount due is \$157,670

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 2014 – 2015. Current principal amount due is \$158,069.

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 2014 – 2016. Current principal amount due is \$129,669.

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 2014 – 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, 2014:

| Year Ending June 30, | <u>Principal</u>    | <u>Interest</u>   | <u>Total</u>        |
|----------------------|---------------------|-------------------|---------------------|
| 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                 | 117,885             | 35,092            | 152,977             |
| 2020 – 2024          | 637,783             | 127,098           | 764,883             |
| 2025 - 2029          | <u>573,560</u>      | <u>38,348</u>     | <u>611,908</u>      |
| Totals               | <u>\$ 2,535,625</u> | <u>\$ 390,265</u> | <u>\$ 2,925,890</u> |

Accrued Vacation

At June 30, 2014, the liability for accrued vacation benefits recorded in the governmental activities was \$556,460. 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, 2014

NOTE F - 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 G - 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 – 12.44%, 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, 2014

NOTE G - PENSION PLAN - Continued

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

**SCRS**

|                           | <u>2014</u> | <u>2013</u>  | <u>2012</u> |
|---------------------------|-------------|--------------|-------------|
| Total payroll             | \$3,976,427 | \$ 3,909,129 | \$3,918,719 |
| Covered payroll           | 3,976,427   | 3,909,129    | 3,918,719   |
| County's contribution     | 415,537     | 408,504      | 367,772     |
| Employee's contribution   | 298,232     | 273,639      | 254,717     |
| Group life                | 5,965       | 5,864        | 5,878       |
| County's Contribution %   | 10.60%      | 10.60%       | 9.46%       |
| Employee's contribution % | 7.50%       | 7.00%        | 6.50%       |

**PORS**

|                           | <u>2014</u> | <u>2013</u> | <u>2012</u> |
|---------------------------|-------------|-------------|-------------|
| Total payroll             | \$3,324,992 | \$3,207,633 | \$3,176,343 |
| Covered payroll           | 3,324,992   | 3,207,633   | 3,176,343   |
| County's contribution     | 413,629     | 381,708     | 360,928     |
| Employee's contribution   | 260,679     | 224,534     | 206,462     |
| Group Life and AD         | 6,650       | 6,415       | 6,353       |
| Accidental death          | 6,650       | 6,415       | 6,353       |
| County's Contribution %   | 12.84%      | 11.763%     | 11.763%     |
| Employee's contribution % | 7.84%       | 7.00%       | 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 H - 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 I - 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, 2014

NOTE J - 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 K – FUND BALANCE

The following amounts are shown:

|                               |    |           |
|-------------------------------|----|-----------|
| Nonspendable - inventory      | \$ | 18,843    |
| Committed for special revenue |    | 466,237   |
| Assigned for debt service     |    | 5,425,178 |
| Assigned for capital projects |    | 6,627,876 |

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 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 Airport (\$376,241), Public Works (\$100,000), Courthouse Waterproofing (\$693,552), Landfill Gas Extraction (\$425,000), Economic Office (\$120,000), Other Projects (\$198,700), GO Bond proceeds, Lease Purchase proceeds and Sales Tax Bond proceeds remaining.

NOTE L – BUDGET VARIANCES

The County had unfavorable variances in the general fund in delinquent taxes (\$49,673 - due to lower collections), Law Enforcement (\$45,639 – SRO, retirement & fuel) and capital improvements (use of reserved fund balance for buildings, equipment and economic development).

NOTES TO FINANCIAL STATEMENTS

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

NOTE M – 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 N – CAPITAL ASSETS

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

|                          | Balance,<br><u>July 1, 2013</u> | <u>Additions</u>    | <u>Deletions</u> | Balance,<br><u>June 30, 2014</u> |
|--------------------------|---------------------------------|---------------------|------------------|----------------------------------|
| Buildings and Land *     | \$ 40,511,778                   | \$ 5,291,439        | \$ (1,861,139)   | \$ 43,942,078                    |
| Vehicles and equipment   | 16,514,034                      | 670,064             | --               | 17,184,098                       |
| Roads                    | 11,340,105                      | --                  | --               | 11,340,105                       |
| Airport Impr             | 5,654,044                       | --                  | --               | 5,654,044                        |
| Accumulated Depreciation | <u>(38,455,735)</u>             | <u>(2,811,127)</u>  | <u>1,861,139</u> | <u>(39,405,723)</u>              |
| Total                    | <u>\$ 35,564,226</u>            | <u>\$ 3,150,376</u> | <u>\$ --</u>     | <u>\$ 38,714,602</u>             |

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

The County recorded depreciation expense of \$2,811,127 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         | 21,463              |
| Law Enforcement          | 405,879             |
| Detention                | 44,590              |
| Public Safety            | 304,729             |
| Public Works             | 1,983,510           |
| Planning and Development | <u>9,644</u>        |
| Total                    | <u>\$ 2,811,127</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, 2014

NOTE O – 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 P – 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, 2014

NOTE P – 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, 2014, the amount actually contributed to the plan, and changes in the County's Net OPEB Obligation/(Asset):

| <u>Item</u>  | <u>FYE 6/30/14</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>( 75,378)</u>        |
| Increase in Net OPEB Obligation/(Asset)            | \$ 632,375              |
| <br>Net OPEB Obligation/(Asset)– beginning of year | <br><u>\$ 2,485,832</u> |
| <br>Net OPEB Obligation/(Asset) – end of year      | <br><u>\$ 3,118,207</u> |

NOTES TO FINANCIAL STATEMENTS

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

NOTE P – 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, 2014 are as follows:

| <b><u>Fiscal Year Ended</u></b> | <b><u>Annual OPEB Cost</u></b> | <b><u>Actual Contribution</u></b> | <b><u>Percentage of Annual OPEB Cost Contributed</u></b> | <b><u>Net OPEB Obligation/ (Asset)</u></b> |
|---------------------------------|--------------------------------|-----------------------------------|--|--|
| 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                                |
| 06/30/14                        | \$707,753                      | \$75,378                          | 8.21%  | \$3,118,207                                |

D. Funded Status and Funding Progress - The funded status of the plan as of June 30, 2014 was as follows:

| <b><u>Actuarial Valuation Date</u></b> | <b><u>Actuarial Value of Assets</u></b> | <b><u>Projected Unit Credit Actuarial Accrued Liability</u></b> | <b><u>Unfunded AAL (UAAL)</u></b> | <b><u>Funded Ratio</u></b> | <b><u>Covered Payroll</u></b> | <b><u>UAAL as a Percentage of Covered Payroll</u></b> |
|--|---|---|-----------------------------------|----------------------------|-------------------------------|---|
| 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, 2014

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, 2014 was 25 years.

NOTE Q – TRANSFERS

Individual fund transfers for the year ended June 30, 2014 were:

| <u>Transfer From</u> | <u>Transfer To</u> | <u>Amount</u> |
|----------------------|--------------------|---------------|
| General Fund         | Special Revenue    | \$ 1,436,162  |
| General Fund         | Capital Projects   | 2,882,678     |

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, 2014

|   | <u>Final<br/>Budget</u> | <u>Actual</u>     | Variance<br>Favorable<br>(Unfavorable) |
|---|-------------------------|-------------------|--|
| Revenue                                   |                         |                   |  |
| Taxes                                     |                         |                   |  |
| Property taxes, current                   | \$ 14,919,425           | 14,949,314        | \$ 29,889                              |
| Property taxes - Community Service Levies | 892,978                 | 892,978           | -                                      |
| Fee in lieu of taxes                      | 615,084                 | 708,126           | 93,042                                 |
| Delinquent taxes                          | 780,710                 | 726,684           | (54,026)                               |
| Delinquent tax cost                       | <u>196,268</u>          | <u>200,621</u>    | <u>4,353</u>                           |
| Total Taxes                               | <u>17,404,465</u>       | <u>17,477,723</u> | <u>73,258</u>                          |
| Intergovernmental                         |                         |                   |  |
| Local government                          | 1,416,000               | 1,385,519         | (30,481)                               |
| Merchant inventory tax                    | 64,902                  | 86,536            | 21,634                                 |
| Salary supplements                        | 4,728                   | 6,300             | 1,572                                  |
| Accommodations tax                        | 3,200                   | 48,128            | 44,928                                 |
| National forestry fund                    | 175,000                 | 173,609           | (1,391)                                |
| Solid waste - state grant                 | 16,000                  | 15,743            | (257)                                  |
| Grants                                    | -                       | 235,885           | 235,885                                |
| Disaster preparedness                     | <u>100,000</u>          | <u>93,764</u>     | <u>(6,236)</u>                         |
| Total Intergovernmental                   | <u>1,779,830</u>        | <u>2,045,484</u>  | <u>265,654</u>                         |
| Fines and fees                            |                         |                   |  |
| Clerk of Court - fines and fees           | 128,715                 | 133,935           | 5,220                                  |
| CCCP fees                                 | 69,285                  | 114,367           | 45,082                                 |
| Clerk of Court - copies                   | 15,000                  | 18,859            | 3,859                                  |
| Central Court                             | 368,667                 | 445,684           | 77,017                                 |
| Registration and election                 | 19,600                  | 12,557            | (7,043)                                |
| Animal control                            | 45,500                  | 34,792            | (10,708)                               |
| Probate Judge - fees                      | 65,000                  | 109,904           | 44,904                                 |
| Probate Judge - copies                    | 1,200                   | 4,797             | 3,597                                  |
| Sheriff - fees                            | 10,500                  | 4,370             | (6,130)                                |
| Forfeit land commission                   | -                       | 22,555            | 22,555                                 |
| Building Inspection                       | 90,000                  | 148,211           | 58,211                                 |
| Bad check                                 | -                       | 2,952             | 2,952                                  |
| Tipping fees                              | 580,000                 | 664,427           | 84,427                                 |

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

|                             | <u>Final<br/>Budget</u>  | <u>Actual</u>         | Variance<br>Favorable<br><u>(Unfavorable)</u> |
|-----------------------------|--------------------------|-----------------------|---|
| Fines and fees - continued  |                          |                       |   |
| Recycle revenue             | 160,000                  | 141,152               | (18,848)                                      |
| Zoning fee                  | 20,000                   | 30,627                | 10,627  |
| Cable/phone franchise       | <u>22,000</u>            | <u>22,121</u>         | <u>121</u>                                    |
| Total Fines and fees        | <u>1,595,467</u>         | <u>1,911,310</u>      | <u>315,843</u>                                |
| Other                       |                          |                       |   |
| Interest                    | 10,000                   | 11,357                | 1,357   |
| Veterans affairs            | 6,000                    | 4,467                 | (1,533)                                       |
| Mobile home licenses        | 1,000                    | 760                   | (240)   |
| Assessor's GIS              | 5,000                    | 793                   | (4,207)                                       |
| Assessor - copies           | 2,000                    | 522                   | (1,478)                                       |
| Soil and Water Conservation | 41,000                   | 28,528                | (12,472)                                      |
| School resource officer     | 265,847                  | 250,106               | (15,741)                                      |
| Economic Development - Mega | -                        | 200,000               | 200,000                                       |
| FFP                         | 20,000                   | 31,521                | 11,521  |
| Beautification Project 219  | 24,000                   | 47,096                | 23,096  |
| Miscellaneous               | <u>194,400</u>           | <u>67,103</u>         | <u>(127,297)</u>                              |
| Total Other                 | <u>569,247</u>           | <u>642,253</u>        | <u>73,006</u>                                 |
| Balance brought forward     | <u>1,135,011</u>         | <u>-</u>              | <u>(1,135,011)</u>                            |
| <br>TOTAL REVENUE           | <br><u>\$ 22,484,020</u> | <br><u>22,076,770</u> | <br><u>\$ (407,250)</u>                       |

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

|                        | <u>Final<br/>Budget</u> | <u>Actual</u>  | Variance<br>Favorable<br>(Unfavorable) |
|------------------------|-------------------------|----------------|--|
| Expenditures           |                         |                |  |
| LEGISLATIVE            |                         |                |  |
| County Council         |                         |                |  |
| Personnel              | 133,770                 | 133,770        | -                                      |
| Social security        | 10,233                  | 9,482          | 751                                    |
| Retirement             | 14,448                  | 14,448         | -                                      |
| Travel - council       | 25,105                  | 17,823         | 7,282                                  |
| Insurance              | 62,365                  | 62,365         | -                                      |
| Workers compensation   | 3,395                   | 3,260          | 135                                    |
| Advertising            | 2,500                   | 1,780          | 720                                    |
| Audit and accounting   | 34,001                  | 22,218         | 11,783                                 |
| Contingency            | 3,000                   | 2,400          | 600                                    |
| Bookbinding            | 3,200                   | 1,327          | 1,873                                  |
| Contracted maintenance | 2,500                   | 471            | 2,029                                  |
| Office expenses        | 1,975                   | 591            | 1,384                                  |
| Postage                | 400                     | 391            | 9                                      |
| Telephone              | 4,080                   | 3,676          | 404                                    |
| Subsistence            | 520                     | 668            | (148)                                  |
|                        | <u>301,492</u>          | <u>274,670</u> | <u>26,822</u>                          |
| TOTAL LEGISLATIVE      |                         |                |  |
| ADMINISTRATION         |                         |                |  |
| County Administrator   |                         |                |  |
| Personnel              | 363,453                 | 364,057        | (604)                                  |
| Social security        | 27,804                  | 26,681         | 1,123                                  |
| Retirement             | 38,526                  | 38,590         | (64)                                   |
| Insurance              | 48,462                  | 47,707         | 755                                    |
| Workers compensation   | 6,736                   | 6,736          | -                                      |
| Advertising            | 3,002                   | 467            | 2,535                                  |
| Maintenance            | 8,500                   | 3,272          | 5,228                                  |
| Copier machine         | 1,000                   | 542            | 458                                    |
| Memberships & Dues     | 1,100                   | 623            | 477                                    |
| Office expense         | 4,675                   | 4,234          | 441                                    |
| Postage                | 3,700                   | 2,910          | 790                                    |
| Printing               | 2,500                   | 2,455          | 45                                     |
| Telephone              | 4,000                   | 4,077          | (77)                                   |

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

|                                  | Final<br><u>Budget</u> | <u>Actual</u>    | Variance<br>Favorable<br>(Unfavorable) |
|----------------------------------|------------------------|------------------|--|
| County Administrator - continued |                        |                  |  |
| Training                         | 3,000                  | 2,183            | 817                                    |
| Travel                           | 2,000                  | 1,161            | 839                                    |
| Subsistence                      | <u>4,500</u>           | <u>709</u>       | <u>3,791</u>                           |
| Total County Administrator       | <u>522,958</u>         | <u>506,404</u>   | <u>16,554</u>                          |
| Miscellaneous Operating          |                        |                  |  |
| Contracted maintenance           | 15,000                 | 11,247           | 3,753                                  |
| Insurance                        | 62,007                 | 8,771            | 53,236                                 |
| Tort insurance                   | 110,000                | 103,709          | 6,291                                  |
| Non Departmental Contingency     | 175,114                | 151,041          | 24,073                                 |
| Insurance - buildings            | 87,000                 | 93,541           | (6,541)                                |
| Rent                             | 80,029                 | 70,093           | 9,936                                  |
| cash over/short                  | -                      | 1,210            | (1,210)                                |
| Subsistence                      | 20,311                 | 9,909            | 10,402                                 |
| Telephone                        | -                      | -                | -                                      |
| Employee service recognition     | 1,600                  | 2,050            | (450)                                  |
| Fuel                             | 47,342                 | 732              | 46,610                                 |
| Medical                          | 4,000                  | 863              | 3,137                                  |
| Workmens Comp                    | 13,596                 | 13,376           | 220                                    |
| Payroll service                  | 20,915                 | 20,477           | 438                                    |
| IT Department                    | 270,059                | 203,477          | 66,582                                 |
| Legals                           | <u>152,856</u>         | <u>194,044</u>   | <u>(41,188)</u>                        |
| Total Miscellaneous Operating    | <u>1,059,829</u>       | <u>884,540</u>   | <u>175,289</u>                         |
| TOTAL ADMINISTRATION             | <u>1,582,787</u>       | <u>1,390,944</u> | <u>191,843</u>                         |
| TAX ASSESSMENT & COLLECTION      |                        |                  |  |
| Treasurer's Office               |                        |                  |  |
| Personnel                        | 176,230                | 180,821          | (4,591)                                |
| Overtime                         | 1,379                  | 1,568            | (189)                                  |
| Social security                  | 13,549                 | 13,541           | 8                                      |
| Retirement                       | 18,774                 | 19,361           | (587)                                  |
| Insurance                        | 33,625                 | 33,625           | -                                      |
| Workers compensation             | 3,764                  | 3,764            | -                                      |
| Advertising                      | 200                    | 111              | 89                                     |
| Contracted maintenance           | 22,573                 | 21,955           | 618                                    |

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

|                                | <u>Final<br/>Budget</u> | <u>Actual</u>  | Variance<br>Favorable<br>(Unfavorable) |
|--------------------------------|-------------------------|----------------|--|
| Treasurer's Office - continued |                         |                |  |
| Professional services          | 48,647                  | 47,129         | 1,518                                  |
| Membership & dues              | 255                     | 175            | 80                                     |
| Office expense                 | 3,543                   | 3,543          | -                                      |
| Postage                        | 46,224                  | 25,521         | 20,703                                 |
| Printing                       | 11,623                  | 7,488          | 4,135                                  |
| Telephone                      | 2,202                   | 1,673          | 529                                    |
| Training                       | 1,175                   | 740            | 435                                    |
| Travel                         | 1,950                   | 547            | 1,403                                  |
| Subsistence                    | 2,370                   | 1,431          | 939                                    |
|                                | <u>388,083</u>          | <u>362,993</u> | <u>25,090</u>                          |
| Total Treasurer's Office       |                         |                |  |
| Auditor's Office               |                         |                |  |
| Personnel                      | 199,126                 | 199,126        | -                                      |
| Social security                | 15,233                  | 14,704         | 529                                    |
| Retirement                     | 21,107                  | 21,107         | -                                      |
| Insurance                      | 27,527                  | 27,527         | -                                      |
| Workers compensation           | 3,952                   | 3,952          | -                                      |
| Advertising                    | 100                     | 100            | -                                      |
| Contracted maintenance         | 17,937                  | 16,583         | 1,354                                  |
| Professional services          | 48,637                  | 46,581         | 2,056                                  |
| Memberships & dues             | 175                     | 175            | -                                      |
| Office expense                 | 2,050                   | 2,050          | -                                      |
| Postage                        | 1,200                   | 1,004          | 196                                    |
| Printing                       | 6,850                   | 6,789          | 61                                     |
| Subscriptions & books          | 600                     | 418            | 182                                    |
| Telephone                      | 1,800                   | 1,735          | 65                                     |
| Training                       | 1,350                   | 1,350          | -                                      |
| Travel                         | 2,250                   | 1,930          | 320                                    |
| Subsistence                    | 2,640                   | 1,905          | 735                                    |
| Office furniture               | 11,596                  | 20,463         | (8,867)                                |
|                                | <u>364,130</u>          | <u>367,499</u> | <u>(3,369)</u>                         |
| Total Auditor's Office         |                         |                |  |

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

|                         | <u>Final<br/>Budget</u> | <u>Actual</u>  | Variance<br>Favorable<br>(Unfavorable) |
|-------------------------|-------------------------|----------------|--|
| Assessor's Office       |                         |                |  |
| Personnel               | 327,712                 | 327,849        | (137)                                  |
| Overtime                | 5,692                   | 3,425          | 2,267                                  |
| Social security         | 25,644                  | 24,711         | 933                                    |
| Retirement              | 34,694                  | 35,096         | (402)                                  |
| Insurance               | 57,697                  | 57,360         | 337                                    |
| Workers compensation    | 9,388                   | 9,388          | -                                      |
| Advertising             | 1,000                   | -              | 1,000                                  |
| Contracted maintenance  | 44,518                  | 36,847         | 7,671                                  |
| Vehicle insurance       | 3,100                   | 3,034          | 66                                     |
| Memberships & dues      | 2,745                   | 2,430          | 315                                    |
| Office expense          | 9,800                   | 6,618          | 3,182                                  |
| Postage                 | 1,500                   | 1,119          | 381                                    |
| Printing                | 1,000                   | 153            | 847                                    |
| Repairs to vehicle      | 1,000                   | -              | 1,000                                  |
| Subscriptions           | 1,600                   | 1,423          | 177                                    |
| Telephone               | 1,900                   | 1,085          | 815                                    |
| Training                | 3,885                   | 1,865          | 2,020                                  |
| Travel                  | 790                     | 539            | 251                                    |
| Subsistence             | 2,000                   | 804            | 1,196                                  |
| Gas, oil, grease        | 6,000                   | 3,141          | 2,859                                  |
| Uniforms                | 1,000                   | 895            | 105                                    |
| Equipment               | -                       | -              | -                                      |
| Total Assessor's Office | <u>542,665</u>          | <u>517,782</u> | <u>24,883</u>                          |
| Tax Collector           |                         |                |  |
| Personnel               | 61,475                  | 61,474         | 1                                      |
| Overtime                | 3,148                   | 2,737          | 411                                    |
| Social security         | 4,845                   | 4,582          | 263                                    |
| Retirement              | 6,850                   | 6,806          | 44                                     |
| Insurance               | 14,453                  | 14,453         | -                                      |
| Workers compensation    | 1,476                   | 1,476          | -                                      |
| Advertising             | 12,500                  | 17,136         | (4,636)                                |
| Contracted maintenance  | 5,036                   | 5,062          | (26)                                   |
| Professional fees       | 8,560                   | 5,276          | 3,284                                  |
| Consulting              | 17,000                  | 16,979         | 21                                     |

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

|  | <u>Final<br/>Budget</u> | <u>Actual</u>        | Variance<br>Favorable<br><u>(Unfavorable)</u> |
|--|-------------------------|----------------------|---|
| Tax Collector - continued                |                         |                      |   |
| Vehicle insurance                        | 650                     | 612                  | 38  |
| Memberships & dues                       | 125                     | 105                  | 20  |
| Office expense                           | 1,800                   | 1,697                | 103   |
| Postage                                  | 31,000                  | 28,360               | 2,640   |
| Printing                                 | 800                     | -                    | 800   |
| Supplies                                 | 1,200                   | 247                  | 953   |
| Subscriptions                            | 150                     | 123                  | 27  |
| Telephone                                | 901                     | 610                  | 291   |
| Training                                 | 900                     | 275                  | 625   |
| Travel                                   | 500                     | -                    | 500   |
| Subsistence                              | 1,000                   | 223                  | 777   |
| Gas, oil, grease                         | 453                     | 453                  | -   |
| Review board and appeals                 | <u>6,460</u>            | <u>2,700</u>         | <u>3,760</u>                                  |
| <br>Total Tax Collector                  | <br><u>181,282</u>      | <br><u>171,386</u>   | <br><u>9,896</u>                              |
| <br>TOTAL TAX ASSESSMENT<br>& COLLECTION | <br><u>1,476,160</u>    | <br><u>1,419,660</u> | <br><u>56,500</u>                             |
| <br>REGISTRATION & ELECTION BOARD        |                         |                      |   |
| Personnel                                | 60,057                  | 61,486               | (1,429)                                       |
| Precinct personnel                       | 8,290                   | 166                  | 8,124   |
| Board members                            | 10,671                  | 10,155               | 516   |
| Social security                          | 4,594                   | 4,287                | 307   |
| Retirement                               | 6,366                   | 6,511                | (145)   |
| Insurance                                | 11,154                  | 11,154               | -   |
| Workers compensaton                      | 256                     | 256                  | -   |
| Advertising                              | 1,500                   | 720                  | 780   |
| Contracted maintenance                   | 18,710                  | 18,706               | 4   |
| Utilities                                | 8,400                   | 5,194                | 3,206   |
| Memberships and dues                     | 240                     | 240                  | -   |
| Office expense                           | 2,000                   | 783                  | 1,217   |
| Postage                                  | 3,000                   | 1,330                | 1,670   |
| Printing                                 | 4,375                   | 2,044                | 2,331   |
| Supplies                                 | 2,500                   | 1,666                | 834   |

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

|   | <u>Final<br/>Budget</u> | <u>Actual</u>  | Variance<br>Favorable<br>(Unfavorable) |
|---|-------------------------|----------------|--|
| Registration and Election Board - continued |                         |                |  |
| Telephone                                   | 3,448                   | 1,034          | 2,414                                  |
| Training                                    | 1,155                   | 1,125          | 30                                     |
| Travel                                      | 1,920                   | 1,901          | 19                                     |
| Subsistence                                 | <u>1,865</u>            | <u>1,865</u>   | <u>-</u>                               |
| <br>  |                         |                |  |
| TOTAL REGISTRATION &<br>ELECTION BOARD      | <u>150,501</u>          | <u>130,623</u> | <u>19,878</u>                          |
| <br>  |                         |                |  |
| ADMINISTRATION OF JUSTICE                   |                         |                |  |
| Criminal & Civil Court                      |                         |                |  |
| Solicitor's office                          | 88,580                  | 88,580         | -                                      |
| Personnel - bailiff                         | 28,000                  | 31,216         | (3,216)                                |
| Jury fees                                   | 40,000                  | 40,000         | -                                      |
| Advertising                                 | 600                     | -              | 600                                    |
| Contracted maintenance                      | 3,500                   | 3,423          | 77                                     |
| Office                                      | 4,100                   | 3,909          | 191                                    |
| Postage                                     | 3,050                   | 3,049          | 1                                      |
| Printing                                    | 1,000                   | 806            | 194                                    |
| Telephone                                   | 1,500                   | 1,360          | 140                                    |
| DJJ   | <u>1,500</u>            | <u>604</u>     | <u>896</u>                             |
| <br>  |                         |                |  |
| Total Criminal & Civil Court                | <u>171,830</u>          | <u>172,947</u> | <u>(1,117)</u>                         |
| <br>  |                         |                |  |
| Clerk of Court                              |                         |                |  |
| Personnel                                   | 192,771                 | 192,771        | -                                      |
| Social security                             | 14,747                  | 14,040         | 707                                    |
| Retirement                                  | 20,434                  | 20,469         | (35)                                   |
| Insurance                                   | 21,067                  | 21,067         | -                                      |
| Workers compensation                        | 3,260                   | 3,260          | -                                      |
| Contracted maintenance                      | 98,000                  | 76,890         | 21,110                                 |
| Memberships & dues                          | 125                     | 125            | -                                      |
| Office expense                              | 5,000                   | 4,990          | 10                                     |
| Postage                                     | 26,000                  | 25,035         | 965                                    |
| Printing                                    | 3,000                   | 3,000          | -                                      |
| Telephone                                   | 2,000                   | 1,386          | 614                                    |
| Training                                    | 500                     | 300            | 200                                    |
| Subsistence                                 | 1,500                   | -              | 1,500                                  |

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

|                                     | <u>Final<br/>Budget</u> | <u>Actual</u>  | Variance<br>Favorable<br>(Unfavorable) |
|-------------------------------------|-------------------------|----------------|--|
| Clerk of Court - continued          |                         |                |  |
| Travel                              | 600                     | 562            | 38                                     |
| Total Clerk of Court                | <u>389,004</u>          | <u>363,895</u> | <u>25,109</u>                          |
| Family Court - Clerk of Court       |                         |                |  |
| Personnel                           | 131,023                 | 131,023        | -                                      |
| Social security                     | 10,023                  | 9,627          | 396                                    |
| Retirement                          | 13,888                  | 13,888         | -                                      |
| Insurance                           | 33,654                  | 33,654         | -                                      |
| Workers compensation                | 528                     | 528            | -                                      |
| Contracted maintenance              | 24,000                  | 22,449         | 1,551                                  |
| Office expense                      | 3,400                   | 3,308          | 92                                     |
| Postage                             | 6,000                   | 317            | 5,683                                  |
| Printing                            | 10,300                  | 9,166          | 1,134                                  |
| Telephone                           | 2,000                   | 1,434          | 566                                    |
| Training                            | 500                     | 432            | 68                                     |
| Total Family Court - Clerk of Court | <u>235,316</u>          | <u>225,826</u> | <u>9,490</u>                           |
| Probate Judge                       |                         |                |  |
| Personnel                           | 170,671                 | 170,439        | 232                                    |
| Social security                     | 13,018                  | 11,689         | 1,329                                  |
| Retirement                          | 19,762                  | 19,574         | 188                                    |
| Insurance                           | 30,468                  | 29,491         | 977                                    |
| Workers compensation                | 3,108                   | 3,108          | -                                      |
| Advertising                         | 200                     | -              | 200                                    |
| Contracted maintenance              | 10,200                  | 10,126         | 74                                     |
| Membership & dues                   | 520                     | 520            | -                                      |
| Office expense                      | 6,250                   | 5,268          | 982                                    |
| Postage                             | 2,300                   | 1,757          | 543                                    |
| Printing                            | 600                     | 556            | 44                                     |
| Telephone                           | 1,600                   | 1,588          | 12                                     |
| Education & training                | 2,415                   | 2,415          | -                                      |
| Travel                              | 4,802                   | 4,358          | 444                                    |
| Office equipment                    | -                       | -              | -                                      |
| Total Probate Judge                 | <u>265,914</u>          | <u>260,889</u> | <u>5,025</u>                           |

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

|                                 | <u>Final<br/>Budget</u> | <u>Actual</u>  | Variance<br>Favorable<br><u>(Unfavorable)</u> |
|---------------------------------|-------------------------|----------------|---|
| Probation & Parole Office       |                         |                |   |
| P.O. Box rent                   | 49                      | -              | 49  |
| Telephone                       | 500                     | 971            | (471)   |
| Total Probation & Parole Office | <u>549</u>              | <u>971</u>     | <u>(422)</u>                                  |
| Public Defender                 |                         |                |   |
| Personnel                       | 50,230                  | 50,230         | -   |
| Social security                 | 3,843                   | 3,556          | 287   |
| Retirement                      | 5,324                   | 5,324          | -   |
| Insurance                       | 11,145                  | 11,145         | -   |
| Workmens Comp                   | 240                     | 240            | -   |
| Telephone                       | 2,575                   | -              | 2,575   |
| Training                        | 1,175                   | 1,174          | 1   |
| Total Public Defender           | <u>74,532</u>           | <u>71,669</u>  | <u>2,863</u>                                  |
| Coroner                         |                         |                |   |
| Personnel                       | 48,383                  | 48,267         | 116   |
| Social security                 | 3,702                   | 3,693          | 9   |
| Retirement                      | 5,316                   | 5,503          | (187)   |
| Insurance                       | 2,000                   | 1,172          | 828   |
| Workers compensation            | 2,100                   | 2,100          | -   |
| Contracted maintenance          | 1,600                   | 325            | 1,275   |
| Vehicle insurance               | 2,200                   | 2,165          | 35  |
| Memberships & dues              | 500                     | 260            | 240   |
| Office expense                  | 2,376                   | 2,336          | 40  |
| Postage                         | 125                     | 92             | 33  |
| Repairs                         | 1,250                   | 213            | 1,037   |
| Telephone                       | 1,700                   | 1,314          | 386   |
| Training                        | 1,025                   | 1,025          | -   |
| Travel                          | 850                     | 728            | 122   |
| Subsistence                     | 1,375                   | 1,303          | 72  |
| Fuel                            | 3,000                   | 2,590          | 410   |
| Supplies                        | 3,000                   | 2,003          | 997   |
| Post Mortems & BA               | 45,074                  | 36,525         | 8,549   |
| Total Coroner                   | <u>125,576</u>          | <u>111,614</u> | <u>13,962</u>                                 |

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

|                             | <u>Final<br/>Budget</u> | <u>Actual</u>  | Variance<br>Favorable<br>(Unfavorable) |
|-----------------------------|-------------------------|----------------|--|
| Magistrate District 2       |                         |                |  |
| Personnel                   | 225,081                 | 223,398        | 1,683                                  |
| Jury fees                   | 25,000                  | 16,143         | 8,857                                  |
| Social security             | 17,219                  | 15,768         | 1,451                                  |
| Retirement                  | 26,272                  | 26,056         | 216                                    |
| Insurance                   | 48,668                  | 48,668         | -                                      |
| Workers compensation        | 1,392                   | 1,392          | -                                      |
| Advertising                 | -                       | -              | -                                      |
| Contracted maintenance      | 24,700                  | 20,811         | 3,889                                  |
| Consulting & tech fees      | -                       | -              | -                                      |
| Memberships                 | 350                     | 310            | 40                                     |
| Office expense              | 9,250                   | 8,670          | 580                                    |
| Postage                     | 11,500                  | 8,187          | 3,313                                  |
| Printing                    | 500                     | -              | 500                                    |
| Telephone                   | 2,500                   | 1,647          | 853                                    |
| Training                    | 1,250                   | 915            | 335                                    |
| Travel                      | 1,275                   | 584            | 691                                    |
| Subsistence                 | 4,912                   | 1,904          | 3,008                                  |
| Equipment                   | -                       | -              | -                                      |
|                             | <u>399,869</u>          | <u>374,453</u> | <u>25,416</u>                          |
| Total Magistrate District 2 |                         |                |  |
| Magistrate District 1       |                         |                |  |
| Personnel                   | 13,952                  | 11,744         | 2,208                                  |
| Social security             | 1,067                   | 896            | 171                                    |
| Retirement                  | 1,791                   | 1,508          | 283                                    |
| Insurance                   | 5,642                   | 5,642          | -                                      |
| Workers compensation        | 428                     | 428            | -                                      |
| Office expense              | 632                     | 604            | 28                                     |
| Printing                    | 100                     | 100            | -                                      |
| Telephone                   | 1,500                   | 1,361          | 139                                    |
| Training                    | 443                     | 280            | 163                                    |
| Travel                      | 600                     | 430            | 170                                    |
|                             | <u>26,155</u>           | <u>22,993</u>  | <u>3,162</u>                           |
| Total Magistrate District 1 |                         |                |  |

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

|                                    | <u>Final<br/>Budget</u> | <u>Actual</u>    | Variance<br>Favorable<br>(Unfavorable) |
|------------------------------------|-------------------------|------------------|--|
| Magistrate District 4              |                         |                  |  |
| Personnel                          | 12,051                  | 12,051           | -                                      |
| Social security                    | 922                     | 825              | 97                                     |
| Retirement                         | 1,547                   | 1,547            | -                                      |
| Insurance                          | 10,969                  | 10,969           | -                                      |
| Workers compensation               | 420                     | 420              | -                                      |
| Membership                         | 100                     | 100              | -                                      |
| Office expense                     | 650                     | -                | 650                                    |
| Postage                            | 300                     | 67               | 233                                    |
| Telephone                          | 1,800                   | 1,690            | 110                                    |
| Training                           | 1,500                   | 350              | 1,150                                  |
| Travel                             | 1,500                   | 1,215            | 285                                    |
|                                    | <u>31,759</u>           | <u>29,234</u>    | <u>2,525</u>                           |
| Total Magistrate District 4        |                         |                  |  |
| Magistrate District 6              |                         |                  |  |
| Personnel                          | 19,489                  | 19,489           | -                                      |
| Contracted personnel               | -                       | -                | -                                      |
| Social security                    | 1,491                   | 965              | 526                                    |
| Retirement                         | 2,416                   | 2,502            | (86)                                   |
| Insurance                          | 10,970                  | 10,970           | -                                      |
| Workers compensation               | 696                     | 696              | -                                      |
| Office expense                     | 1,902                   | 320              | 1,582                                  |
| Postage                            | 151                     | 12               | 139                                    |
| Telephone                          | 780                     | 491              | 289                                    |
| Training                           | 250                     | 250              | -                                      |
| Travel                             | 850                     | 552              | 298                                    |
|                                    | <u>38,995</u>           | <u>36,247</u>    | <u>2,748</u>                           |
| Total Magistrate District 6        |                         |                  |  |
| TOTAL ADMINISTRATION<br>OF JUSTICE | <u>1,759,499</u>        | <u>1,670,738</u> | <u>88,761</u>                          |

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

|   | <u>Final<br/>Budget</u> | <u>Actual</u> | Variance<br>Favorable<br><u>(Unfavorable)</u> |
|---|-------------------------|---------------|---|
| LAW ENFORCEMENT - Sheriff's Department        |                         |               |   |
| Personnel                                     | 1,678,056               | 1,683,927     | (5,871)                                       |
| Overtime                                      | 98,976                  | 102,937       | (3,961)                                       |
| School resource officer - salary and benefits | 281,321                 | 312,124       | (30,803)                                      |
| Social security                               | 139,012                 | 135,006       | 4,006   |
| Retirement                                    | 206,478                 | 236,215       | (29,737)                                      |
| Insurance                                     | 316,359                 | 316,359       | -   |
| Workers compensation                          | 77,802                  | 77,802        | -   |
| Contracted maintenance                        | 60,000                  | 59,859        | 141   |
| Professional services                         | 1,200                   | 870           | 330   |
| Vehicle insurance                             | 51,782                  | 48,655        | 3,127   |
| Contingency                                   | 381,125                 | 357,267       | 23,858  |
| Membership & dues                             | 6,345                   | 6,178         | 167   |
| Office expense                                | 4,235                   | 4,160         | 75  |
| Postage                                       | 900                     | 200           | 700   |
| Printing                                      | 300                     | 205           | 95  |
| Books, Subscriptions                          | 274                     | 274           | -   |
| Repairs to vehicles                           | 8,000                   | 7,239         | 761   |
| Telephone                                     | 5,175                   | 4,464         | 711   |
| Training                                      | 1,200                   | 1,022         | 178   |
| Travel  | 3,010                   | -             | 3,010   |
| Subsistence                                   | 2,500                   | 2,201         | 299   |
| Ammo & guns                                   | 2,500                   | 2,226         | 274   |
| Cleaning supplies                             | 500                     | -             | 500   |
| Gas, oil, grease                              | 212,749                 | 231,625       | (18,876)                                      |
| Medicals                                      | 1,000                   | 975           | 25  |
| Photo supplies                                | 2,500                   | 1,149         | 1,351   |
| Police supplies                               | 4,000                   | 3,860         | 140   |
| CIRT supplies                                 | 3,000                   | 2,373         | 627   |
| Uniforms                                      | 30,000                  | 29,518        | 482   |
| Special law enforcement                       | 1,000                   | 1,000         | -   |
| Supplies                                      | 3,500                   | 2,410         | 1,090   |
| Project Near                                  | 1,000                   | 835           | 165   |
| Crime prevention                              | 1,200                   | 976           | 224   |

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

|                                  | Final<br><u>Budget</u> | <u>Actual</u>    | Variance<br>Favorable<br><u>(Unfavorable)</u> |
|----------------------------------|------------------------|------------------|---|
| Sheriff's department - continued |                        |                  |   |
| School safety                    | 3,000                  | 2,983            | 17  |
| Capital outlay                   | 200,000                | 198,744          | 1,256   |
| Other equipment                  | -                      | -                | -   |
|                                  | <u>3,789,999</u>       | <u>3,835,638</u> | <u>(45,639)</u>                               |
| Total Sheriff's Department       |                        |                  |   |
|                                  | <u>3,789,999</u>       | <u>3,835,638</u> | <u>(45,639)</u>                               |
| TOTAL LAW ENFORCEMENT            |                        |                  |   |
|                                  | <u>3,789,999</u>       | <u>3,835,638</u> | <u>(45,639)</u>                               |
| DETENTION                        |                        |                  |   |
| Corrections                      |                        |                  |   |
| Personnel                        | 895,743                | 899,477          | (3,734)                                       |
| Overtime                         | 69,167                 | 57,539           | 11,628  |
| Social security                  | 76,111                 | 71,606           | 4,505   |
| Retirement                       | 112,746                | 122,864          | (10,118)                                      |
| Insurance                        | 218,353                | 198,061          | 20,292  |
| Workers compensation             | 49,916                 | 49,916           | -   |
| Contracted maintenance           | 60,000                 | 58,643           | 1,357   |
| Utilities                        | 75,000                 | 82,797           | (7,797)                                       |
| Vehicle insurance                | 2,500                  | 1,225            | 1,275   |
| Memberships & dues               | 252                    | 48               | 204   |
| Office expense                   | 3,500                  | 3,330            | 170   |
| Ammo & Gunns                     | 750                    | 733              | 17  |
| Printing                         | 830                    | 302              | 528   |
| Telephone                        | 3,300                  | 1,814            | 1,486   |
| Training                         | 4,450                  | 2,529            | 1,921   |
| Bedding                          | 1,000                  | 638              | 362   |
| Subsistence                      | 3,232                  | 2,476            | 756   |
| Chemicals                        | 7,500                  | 6,874            | 626   |
| Cleaning materials               | 5,500                  | 4,430            | 1,070   |
| Food                             | 109,900                | 102,377          | 7,523   |
| Medical                          | 95,000                 | 85,915           | 9,085   |
| Supplies                         | 3,399                  | 3,317            | 82  |
| Uniforms                         | 12,000                 | 10,381           | 1,619   |
| Clothing                         | 9,000                  | 9,000            | -   |
| DYS Juvenile                     | 2,000                  | 775              | 1,225   |
| Capital Outlay                   | 15,000                 | 14,413           | 587   |

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

|                         | <u>Final<br/>Budget</u> | <u>Actual</u>    | Variance<br>Favorable<br>(Unfavorable) |
|-------------------------|-------------------------|------------------|--|
| Corrections - continued |                         |                  |  |
| Kitchen supplies        | 2,000                   | 1,923            | 77                                     |
| Other equipment         | <u>1,500</u>            | <u>1,500</u>     | <u>-</u>                               |
| Total Corrections       | <u>1,839,649</u>        | <u>1,794,903</u> | <u>44,746</u>                          |
| TOTAL DETENTION         | <u>1,839,649</u>        | <u>1,794,903</u> | <u>44,746</u>                          |
| <br>PUBLIC SAFETY       |                         |                  |  |
| Public Safety           |                         |                  |  |
| Personnel               | 83,008                  | 83,008           | -                                      |
| Social security         | 6,350                   | 6,239            | 111                                    |
| Retirement              | 8,799                   | 8,799            | -                                      |
| Insurance               | 20,006                  | 20,006           | -                                      |
| Workers compensation    | 6,980                   | 6,980            | -                                      |
| Contracted maintenance  | 7,064                   | 5,899            | 1,165                                  |
| Vehicle insurance       | 1,308                   | 1,220            | 88                                     |
| Office expense          | 1,577                   | 1,394            | 183                                    |
| Repairs                 | 3,014                   | 2,525            | 489                                    |
| Telephone               | 5,000                   | 5,115            | (115)                                  |
| Training                | 1,000                   | 879              | 121                                    |
| Fuel                    | <u>64</u>               | <u>64</u>        | <u>-</u>                               |
| Total Public Safety     | <u>144,170</u>          | <u>142,128</u>   | <u>2,042</u>                           |
| <br>Animal Control      |                         |                  |  |
| Personnel               | 136,219                 | 127,486          | 8,733                                  |
| Overtime                | 8,000                   | 3,246            | 4,754                                  |
| Social security         | 10,948                  | 9,713            | 1,235                                  |
| Retirement              | 15,170                  | 12,172           | 2,998                                  |
| Insurance               | 25,199                  | 25,199           | -                                      |
| Workers compensation    | 4,848                   | 4,848            | -                                      |
| Advertising             | 5,600                   | 1,575            | 4,025                                  |
| Repairs to equipment    | 2,013                   | 635              | 1,378                                  |
| Utilities               | 33,000                  | 25,401           | 7,599                                  |
| Insurance vehicles      | 3,360                   | 3,019            | 341                                    |
| Memberships and dues    | 400                     | 160              | 240                                    |
| Office expense          | <u>6,200</u>            | <u>3,043</u>     | <u>3,157</u>                           |

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

|                            | <u>Final<br/>Budget</u> | <u>Actual</u>  | Variance<br>Favorable<br>(Unfavorable) |
|----------------------------|-------------------------|----------------|--|
| Animal Control - continued |                         |                |  |
| Contracted Maintenance     | 295                     | 295            | -                                      |
| Postage                    | 150                     | 134            | 16                                     |
| Rent                       | -                       | 4,081          | (4,081)                                |
| Repairs to vehicle         | 3,443                   | -              | 3,443                                  |
| Telephone                  | 3,800                   | 3,251          | 549                                    |
| Training                   | 1,160                   | 1,160          | -                                      |
| Travel                     | 436                     | 436            | -                                      |
| Subsistence                | 1,400                   | 1,203          | 197                                    |
| Cleaning supplies          | 2,400                   | 1,758          | 642                                    |
| Dog food                   | 4,000                   | 63             | 3,937                                  |
| Gas, oil and grease        | 15,509                  | 11,420         | 4,089                                  |
| Medical and surgical       | 72,164                  | 45,289         | 26,875                                 |
| Medication                 | 23,290                  | 5,351          | 17,939                                 |
| Tools                      | 3,000                   | 1,519          | 1,481                                  |
| Uniforms                   | 2,700                   | 1,283          | 1,417                                  |
| Supplies                   | 1,798                   | 643            | 1,155                                  |
|                            | <u>386,502</u>          | <u>294,383</u> | <u>92,119</u>                          |
| Total Animal Control       |                         |                |  |
| Communications             |                         |                |  |
| Personnel                  | 391,656                 | 382,409        | 9,247                                  |
| Overtime                   | 40,000                  | 42,113         | (2,113)                                |
| Social security            | 34,552                  | 31,789         | 2,763                                  |
| Retirement                 | 47,876                  | 44,339         | 3,537                                  |
| Insurance                  | 85,746                  | 82,099         | 3,647                                  |
| Workers compensation       | 1,812                   | 1,812          | -                                      |
| Contracted maintenance     | 65,000                  | 64,515         | 485                                    |
| Office expense             | 5,265                   | 4,914          | 351                                    |
| Telephone                  | 3,701                   | 2,272          | 1,429                                  |
| Training                   | 1,200                   | 2,497          | (1,297)                                |
| Travel                     | 750                     | 86             | 664                                    |
| Subsistence                | 1,001                   | 172            | 829                                    |
| Capital Outlay             | 15,000                  | 13,893         | 1,107                                  |
|                            | <u>693,559</u>          | <u>672,910</u> | <u>20,649</u>                          |
| Total Communications       |                         |                |  |

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

|                              | <u>Final<br/>Budget</u> | <u>Actual</u>  | Variance<br>Favorable<br>(Unfavorable) |
|------------------------------|-------------------------|----------------|--|
| Board of Rescue Squads       |                         |                |  |
| Workers compensation         | 45,888                  | 45,888         | -                                      |
| Contracted maintenance       | 13,000                  | 10,824         | 2,176                                  |
| Utilities                    | 28,800                  | 28,800         | -                                      |
| Vehicle insurance            | 22,000                  | 26,414         | (4,414)                                |
| Repairs to equipment         | 19,999                  | 17,900         | 2,099                                  |
| Telephone                    | 4,000                   | 3,649          | 351                                    |
| Training                     | 15,000                  | 7,750          | 7,250                                  |
| Gas, oil, grease             | 19,879                  | 21,036         | (1,157)                                |
| Medical supplies             | 22,000                  | 9,920          | 12,080                                 |
| Rescue supplies              | 58,000                  | 53,656         | 4,344                                  |
| Capital outlay               | <u>61,068</u>           | <u>56,390</u>  | <u>4,678</u>                           |
| Total Board of Rescue Squads | <u>309,634</u>          | <u>282,227</u> | <u>27,407</u>                          |
| Hazardous Materials          |                         |                |  |
| Repair to Radio              | 150                     | 42             | 108                                    |
| Training                     | 5,400                   | 2,454          | 2,946                                  |
| Supplies                     | 5,200                   | 4,139          | 1,061                                  |
| Capital outlay               | <u>-</u>                | <u>-</u>       | <u>-</u>                               |
| Total Hazardous Materials    | <u>10,750</u>           | <u>6,635</u>   | <u>4,115</u>                           |
| GIS Department               |                         |                |  |
| Personnel                    | 36,649                  | 36,697         | (48)                                   |
| Social security              | 3,667                   | 2,667          | 1,000                                  |
| Retirement                   | 4,027                   | 3,890          | 137                                    |
| Insurance                    | 7,431                   | 7,436          | (5)                                    |
| Workers compensation         | 152                     | 152            | -                                      |
| Contracted maintenance       | 49,600                  | 49,600         | -                                      |
| Office expense               | 2,500                   | 1,320          | 1,180                                  |
| Telephone                    | 50                      | 32             | 18                                     |
| Training                     | 2,370                   | 815            | 1,555                                  |
| Travel                       | 500                     | 226            | 274                                    |
| Subsistence                  | <u>980</u>              | <u>47</u>      | <u>933</u>                             |
| Total GIS Department         | <u>107,926</u>          | <u>102,882</u> | <u>5,044</u>                           |

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

|                                   | <u>Final<br/>Budget</u> | <u>Actual</u>  | Variance<br>Favorable<br>(Unfavorable) |
|-----------------------------------|-------------------------|----------------|--|
| Board of Rural Fire Control       |                         |                |  |
| Grant match                       | 9,100                   | 9,008          | 92                                     |
| Workers compensation              | 32,231                  | 32,231         | -                                      |
| Contracted services               | 12,000                  | 8,733          | 3,267                                  |
| Shared revenue                    | 156,721                 | 112,053        | 44,668                                 |
| Contracted maintenance            | 4,000                   | 3,420          | 580                                    |
| Utilities                         | 66,000                  | 66,000         | -                                      |
| Vehicle insurance                 | 51,161                  | 45,740         | 5,421                                  |
| Office                            | 500                     | 127            | 373                                    |
| Postage                           | 100                     | 92             | 8                                      |
| Repairs to equipment              | 59,999                  | 54,441         | 5,558                                  |
| Repairs to radio                  | 10,000                  | 9,104          | 896                                    |
| Telephone                         | 6,000                   | 5,930          | 70                                     |
| Training                          | 2,000                   | 680            | 1,320                                  |
| Cleaning supplies                 | 1,500                   | 747            | 753                                    |
| Gas, oil, grease                  | 32,296                  | 33,203         | (907)                                  |
| Medical                           | 35,000                  | 24,023         | 10,977                                 |
| Fire supplies                     | 16,900                  | 14,554         | 2,346                                  |
| Capital                           | 86,169                  | 86,119         | 50                                     |
|                                   | <u>581,677</u>          | <u>506,205</u> | <u>75,472</u>                          |
| Total Board of Rural Fire Control |                         |                |  |
| Building Inspections              |                         |                |  |
| Personnel                         | 32,904                  | 32,904         | -                                      |
| Contracted personnel              | 100,000                 | 100,020        | (20)                                   |
| Social security                   | 2,517                   | 2,291          | 226                                    |
| Retirement                        | 3,488                   | 3,488          | -                                      |
| Insurance                         | 25,809                  | 25,809         | -                                      |
| Workers compensation              | 1,172                   | 1,172          | -                                      |
| Advertising                       | -                       | -              | -                                      |
| Vehicle insurance                 | -                       | -              | -                                      |
| Memberships                       | 500                     | 135            | 365                                    |
| Office                            | 4,500                   | 2,767          | 1,733                                  |
| Postage                           | 400                     | 113            | 287                                    |
| Printing                          | 400                     | 396            | 4                                      |
| Subscriptions                     | 700                     | -              | 700                                    |

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

|                                   | <u>Final<br/>Budget</u> | <u>Actual</u>    | Variance<br>Favorable<br>(Unfavorable) |
|-----------------------------------|-------------------------|------------------|--|
| Building Inspections - continued  |                         |                  |  |
| Telephone                         | 700                     | 662              | 38                                     |
| Training                          | 2,000                   | 20               | 1,980                                  |
| Capital Outlay                    | <u>1,000</u>            | <u>-</u>         | <u>1,000</u>                           |
| Total Building Inspections        | <u>176,090</u>          | <u>169,777</u>   | <u>6,313</u>                           |
| Ambulance                         |                         |                  |  |
| Contracted maintenance            | 9,000                   | 5,493            | 3,507                                  |
| Utilities                         | 6,000                   | 6,000            | -                                      |
| Vehicle insurance                 | 19,267                  | 17,024           | 2,243                                  |
| Repairs to vehicle                | 30,000                  | 13,445           | 16,555                                 |
| Training                          | 2,000                   | -                | 2,000                                  |
| Gas, oil, grease                  | 86,100                  | 70,111           | 15,989                                 |
| Uniforms                          | 15,000                  | 10,139           | 4,861                                  |
| Appropriations                    | 892,674                 | 892,674          | -                                      |
| Capital outlay                    | <u>40,000</u>           | <u>27,678</u>    | <u>12,322</u>                          |
| Total Ambulance                   | <u>1,100,041</u>        | <u>1,042,564</u> | <u>57,477</u>                          |
| Public Safety - Substations       |                         |                  |  |
| Lake Murray - Utilities           | 14,000                  | 14,182           | (182)                                  |
| Lake Murray - Telephone           | 1,000                   | 1,042            | (42)                                   |
| Silverstreet - Utilities          | 5,000                   | 2,879            | 2,121                                  |
| Whitmire - Utilities              | <u>5,400</u>            | <u>4,247</u>     | <u>1,153</u>                           |
| Total Public Safety - Substations | <u>25,400</u>           | <u>22,350</u>    | <u>3,050</u>                           |
| TOTAL PUBLIC SAFETY               | <u>3,535,749</u>        | <u>3,242,061</u> | <u>293,688</u>                         |
| PUBLIC WORKS & MAINTENANCE        |                         |                  |  |
| Public Works                      |                         |                  |  |
| Personnel                         | 584,193                 | 548,828          | 35,365                                 |
| Overtime                          | 10,110                  | 8,319            | 1,791                                  |
| Social security                   | 45,464                  | 40,718           | 4,746                                  |
| Retirement                        | 62,996                  | 58,649           | 4,347                                  |
| Insurance                         | 134,934                 | 134,934          | -                                      |
| Workers compensation              | 62,927                  | 62,927           | -                                      |

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

|                              | <u>Final<br/>Budget</u> | <u>Actual</u>    | Variance<br>Favorable<br>(Unfavorable) |
|------------------------------|-------------------------|------------------|--|
| Public Works - continued     |                         |                  |  |
| Advertising                  | 500                     | 354              | 146                                    |
| Contracted maintenance       | 72,000                  | 67,327           | 4,673                                  |
| Utilities                    | 10,600                  | 10,453           | 147                                    |
| Vehicle insurance            | 26,000                  | 26,435           | (435)                                  |
| Rent/Rental Equipment        | 4,743                   | 4,743            | -                                      |
| Office expense               | 7,850                   | 5,137            | 2,713                                  |
| Postage                      | 900                     | 354              | 546                                    |
| Repairs to equipment         | 43,550                  | 39,654           | 3,896                                  |
| Supplies                     | 4,500                   | 4,380            | 120                                    |
| Telephone                    | 4,700                   | 3,896            | 804                                    |
| Training                     | 8,170                   | 979              | 7,191                                  |
| Travel                       | 400                     | -                | 400                                    |
| Subsistence                  | 1,300                   | -                | 1,300                                  |
| Cleaning materials           | 200                     | 6                | 194                                    |
| Bridge materials             | 3,000                   | 250              | 2,750                                  |
| Fertilizer, plants, seeds    | 3,000                   | 325              | 2,675                                  |
| Gas, oil, grease             | 28,779                  | 28,779           | -                                      |
| Diesel fuel                  | 74,064                  | 74,064           | -                                      |
| Safety supplies              | 3,850                   | 3,718            | 132                                    |
| Gravel                       | 47,000                  | 39,131           | 7,869                                  |
| Asphalt                      | 15,000                  | 3,913            | 11,087                                 |
| Pipe                         | 10,000                  | 7,218            | 2,782                                  |
| Tools                        | 4,001                   | 3,713            | 288                                    |
| Road signs                   | 5,500                   | 3,776            | 1,724                                  |
| 219 Beautification Project   | 48,000                  | 30,492           | 17,508                                 |
| Uniforms                     | 7,500                   | 7,268            | 232                                    |
| Capital outlay               | 75,000                  | 74,411           | 589                                    |
| Road paving and improvements | 125,150                 | 39,653           | 85,497                                 |
| Total Public Works           | <u>1,535,881</u>        | <u>1,334,804</u> | <u>201,077</u>                         |

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

|                            | Final<br><u>Budget</u> | <u>Actual</u>  | Variance<br>Favorable<br>(Unfavorable) |
|----------------------------|------------------------|----------------|--|
| Central Maintenance        |                        |                |  |
| Contracted maintenance     | 522,653                | 501,254        | 21,399                                 |
| Utilities                  | 13,000                 | 11,302         | 1,698                                  |
| Fuel                       | 2,662                  | 2,387          | 275                                    |
| Tools                      | 500                    | 76             | 424                                    |
|                            | <u>538,815</u>         | <u>515,019</u> | <u>23,796</u>                          |
| Total Central Maintenance  |                        |                |  |
| Building Maintenance       |                        |                |  |
| Personnel                  | 95,492                 | 89,258         | 6,234                                  |
| Social security            | 7,305                  | 6,384          | 921                                    |
| Retirement                 | 10,188                 | 9,458          | 730                                    |
| Insurance                  | 14,166                 | 13,560         | 606                                    |
| Workers compensation       | 5,497                  | 5,480          | 17                                     |
| Contracted maintenance     | 20,408                 | 20,750         | (342)                                  |
| Utilities                  | 203,500                | 193,108        | 10,392                                 |
| Vehicle insurance          | 2,100                  | 1,332          | 768                                    |
| Office Expense             | 2,000                  | 1,743          | 257                                    |
| Supplies                   | 54,592                 | 48,567         | 6,025                                  |
| Telephone                  | 2,000                  | 2,205          | (205)                                  |
| Gas, oil, grease           | 5,400                  | 4,053          | 1,347                                  |
| Tools                      | 500                    | 167            | 333                                    |
| Uniforms                   | 1,400                  | 1,400          | -                                      |
| Capital outlay             | 86,179                 | 53,606         | 32,573                                 |
|                            | <u>510,727</u>         | <u>451,071</u> | <u>59,656</u>                          |
| Total Building Maintenance |                        |                |  |
| Community Hall             |                        |                |  |
| Contracted maintenance     | 3,040                  | 3,244          | (204)                                  |
| Utilities                  | 9,124                  | 9,623          | (499)                                  |
| Repairs building           | 750                    | 719            | 31                                     |
|                            | <u>12,914</u>          | <u>13,586</u>  | <u>(672)</u>                           |
| Total Community Hall       |                        |                |  |
| Collections                |                        |                |  |
| Personnel                  | 29,943                 | 29,943         | -                                      |
| Social security            | 2,291                  | 2,049          | 242                                    |
| Retirement                 | 3,174                  | 3,174          | -                                      |
| Insurance                  | 16,914                 | 8,790          | 8,124                                  |

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

|                           | <u>Final<br/>Budget</u> | <u>Actual</u>    | Variance<br>Favorable<br>(Unfavorable) |
|---------------------------|-------------------------|------------------|--|
| Collections - continued   |                         |                  |  |
| Workers compensation      | 2,176                   | 2,176            | -                                      |
| Advertising               | 500                     | 89               | 411                                    |
| Contracted personnel      | 295,000                 | 284,530          | 10,470                                 |
| Contracted maintenance    | 413,100                 | 338,247          | 74,853                                 |
| Repairs to equipment      | 5,250                   | 5,044            | 206                                    |
| Utilities                 | 22,150                  | 24,227           | (2,077)                                |
| Vehicle insurance         | 4,000                   | 2,223            | 1,777                                  |
| Membership and dues       | 150                     | -                | 150                                    |
| Office                    | 1,275                   | 792              | 483                                    |
| Postage                   | 300                     | 150              | 150                                    |
| Supplies                  | 2,950                   | 1,815            | 1,135                                  |
| Telephone                 | 5,000                   | 5,225            | (225)                                  |
| Subsistence               | 1,700                   | 176              | 1,524                                  |
| Gas, oil, grease          | 14,728                  | 14,400           | 328                                    |
| Supplies                  | 4,191                   | 383              | 3,808                                  |
| Tools and other equipment | 1,000                   | 362              | 638                                    |
| Road Signs                | 500                     | 492              | 8                                      |
|                           | <u>826,292</u>          | <u>724,287</u>   | <u>102,005</u>                         |
| Total Collections         |                         |                  |  |
| Transfer Station          |                         |                  |  |
| Personnel                 | 24,924                  | 24,924           | -                                      |
| Overtime                  | 1,500                   | -                | 1,500                                  |
| Social security           | 2,026                   | 1,720            | 306                                    |
| Retirement                | 2,807                   | 2,642            | 165                                    |
| Insurance                 | 11,145                  | 11,145           | -                                      |
| Workmens Comp             | 108                     | 108              | -                                      |
| Contracted services       | 1,253,410               | 1,406,857        | (153,447)                              |
| Repairs to equipment      | 10,000                  | 7,656            | 2,344                                  |
| Utilities                 | 12,000                  | 9,174            | 2,826                                  |
| Sewer disposal            | 3,500                   | 2,750            | 750                                    |
| Office                    | 850                     | 497              | 353                                    |
| Supplies                  | 3,269                   | 1,034            | 2,235                                  |
| Equipment                 | 4,200                   | 4,200            | -                                      |
|                           | <u>1,329,739</u>        | <u>1,472,707</u> | <u>(142,968)</u>                       |
| Total Transfer Station    |                         |                  |  |

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

|                                     | <u>Final<br/>Budget</u> | <u>Actual</u>    | Variance<br>Favorable<br><u>(Unfavorable)</u> |
|-------------------------------------|-------------------------|------------------|---|
| Custodian Services                  |                         |                  |   |
| Personnel                           | 32,682                  | 32,682           | -   |
| Social security                     | 2,500                   | 2,423            | 77  |
| Retirement                          | 3,464                   | 3,464            | -   |
| Insurance                           | 5,239                   | 5,338            | (99)  |
| Workers compensation                | 4,896                   | 4,896            | -   |
| Repairs                             | 500                     | -                | 500   |
| Vehicle insurance                   | 675                     | 631              | 44  |
| Telephone                           | 350                     | 301              | 49  |
| Cleaning supplies                   | 27,000                  | 21,540           | 5,460   |
| Gas, oil and grease                 | 3,000                   | 2,869            | 131   |
| Floor Cleaning                      | 20,000                  | 8,803            | 11,197  |
| Other equipment                     | <u>3,776</u>            | <u>-</u>         | <u>3,776</u>                                  |
| Total Custodian Services            | <u>104,082</u>          | <u>82,947</u>    | <u>21,135</u>                                 |
| TOTAL PUBLIC WORKS &<br>MAINTENANCE | <u>4,858,450</u>        | <u>4,594,421</u> | <u>264,029</u>                                |
| PLANNING & DEVELOPMENT              |                         |                  |   |
| Central Midlands Regional PC        | <u>20,423</u>           | <u>20,423</u>    | <u>-</u>                                      |
| Economic Development                |                         |                  |   |
| Personnel                           | 79,053                  | 79,053           | -   |
| Social Security                     | 6,048                   | 6,012            | 36  |
| Retirement                          | 8,380                   | 8,380            | -   |
| Insurance                           | 5,338                   | 5,338            | -   |
| Workers compensation                | 2,816                   | 2,816            | -   |
| Economic Development                | 22,000                  | 22,863           | (863)   |
| Contingency                         | 72,000                  | 72,000           | -   |
| Contracted Services                 | 10,000                  | 3,475            | 6,525   |
| Contracted Maintenance              | 29,415                  | 27,222           | 2,193   |
| Vehicle Insurance                   | 30                      | 620              | 30  |
| Memberships                         | 800                     | 795              | 5   |
| Office                              | 4,000                   | 3,553            | 447   |

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

|                                  | <u>Final<br/>Budget</u> | <u>Actual</u>  | Variance<br>Favorable<br><u>(Unfavorable)</u> |
|----------------------------------|-------------------------|----------------|---|
| Economic Development - continued |                         |                |   |
| Postage                          | 500                     | 428            | 72  |
| Printing                         | 1,500                   | 1,500          | -   |
| Subscriptions                    | 150                     | 79             | 71  |
| Telephone                        | 1,600                   | 1,440          | 160   |
| Training                         | 3,200                   | 1,300          | 1,900   |
| Site Inventory Costs             | 135,659                 | 120,000        | 15,659  |
| Travel                           | 6,000                   | 5,863          | 137   |
| Subsistence                      | 4,700                   | 4,700          | -   |
| Fuel                             | 1,501                   | 487            | 1,014   |
|                                  | <u>394,690</u>          | <u>367,924</u> | <u>27,386</u>                                 |
| Total Economic Development       |                         |                |   |
| Comprehensive Planning           |                         |                |   |
| Personnel                        | 103,561                 | 104,381        | (820)   |
| Social security                  | 7,922                   | 7,807          | 115   |
| Retirement                       | 10,977                  | 11,064         | (87)  |
| Insurance                        | 9,186                   | 9,186          | -   |
| Workers compensation             | 2,936                   | 2,936          | -   |
| Advertising                      | 1,260                   | 310            | 950   |
| Consulting                       | 14,150                  | 1,510          | 12,640  |
| Vehicle insurance                | 1,300                   | 1,206          | 94  |
| Memberships and dues             | 2,250                   | 870            | 1,380   |
| Office expense                   | 5,700                   | 2,260          | 3,440   |
| Postage                          | 2,500                   | 548            | 1,952   |
| Printing                         | 400                     | 136            | 264   |
| Books                            | 1,359                   | 580            | 779   |
| Telephone                        | 850                     | 1,125          | (275)   |
| Training                         | 2,600                   | 425            | 2,175   |
| Subsistence                      | 1,794                   | 286            | 1,508   |
| Fuel                             | 2,023                   | 2,023          | -   |
| Supplies                         | 880                     | 312            | 568   |
|                                  | <u>171,648</u>          | <u>146,965</u> | <u>24,683</u>                                 |
| Total Comprehensive Planning     |                         |                |   |
| TOTAL PLANNING &<br>DEVELOPMENT  |                         |                |   |
|                                  | <u>586,761</u>          | <u>535,312</u> | <u>52,069</u>                                 |

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

|   | <u>Final<br/>Budget</u> | <u>Actual</u>  | Variance<br>Favorable<br>(Unfavorable) |
|---|-------------------------|----------------|--|
| <b>AGRICULTURE &amp; HOME ECONOMICS</b>           |                         |                |  |
| Clemson Extension                                 | <u>33,500</u>           | <u>33,402</u>  | <u>98</u>                              |
| Newberry Soil & Water Conservation                | <u>81,671</u>           | <u>73,525</u>  | <u>8,146</u>                           |
| <b>TOTAL AGRICULTURE &amp; HOME<br/>ECONOMICS</b> | <u>115,171</u>          | <u>106,927</u> | <u>8,244</u>                           |
| <b>PUBLIC HEALTH</b>                              |                         |                |  |
| Health Department                                 |                         |                |  |
| Telephone and supplies                            | <u>4,550</u>            | <u>3,923</u>   | <u>627</u>                             |
| Total Health Department                           | <u>4,550</u>            | <u>3,923</u>   | <u>627</u>                             |
| Beckman Mental Health                             | <u>12,750</u>           | <u>12,750</u>  | <u>-</u>                               |
| Westview Behavioral                               | <u>4,052</u>            | <u>1,509</u>   | <u>2,543</u>                           |
| <b>TOTAL PUBLIC HEALTH</b>                        | <u>21,352</u>           | <u>18,182</u>  | <u>3,170</u>                           |
| <b>SOCIAL SERVICES</b>                            |                         |                |  |
| Department of Social Services                     |                         |                |  |
| Utilities   | 56,000                  | 48,565         | 7,435                                  |
| Office  | 270                     | 84             | 186                                    |
| Telephone   | 5,000                   | 4,584          | 416                                    |
| Emergency   | 5,000                   | 5,000          | -                                      |
| Paupers funeral                                   | <u>3,000</u>            | <u>3,000</u>   | <u>-</u>                               |
| Total Department of Social Services               | <u>69,270</u>           | <u>61,233</u>  | <u>8,037</u>                           |
| Veteran's Affairs                                 |                         |                |  |
| Personnel   | 92,556                  | 92,556         | -                                      |
| Social security                                   | 7,081                   | 7,040          | 41                                     |
| Retirement  | 9,811                   | 9,811          | -                                      |
| Insurance   | 26,519                  | 21,940         | 4,579                                  |
| Workers compensation                              | 1,724                   | 1,724          | -                                      |
| Contracted maintenance                            | 700                     | 700            | -                                      |

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

|                                  | <u>Final<br/>Budget</u> | <u>Actual</u>  | Variance<br>Favorable<br>(Unfavorable) |
|----------------------------------|-------------------------|----------------|--|
| Veteran's Affairs - continued    |                         |                |  |
| Membership fees                  | 75                      | 65             | 10                                     |
| Office expense                   | 2,000                   | 1,535          | 465                                    |
| Postage                          | 1,100                   | 1,143          | (43)                                   |
| Printing                         | 100                     | -              | 100                                    |
| Telephone                        | 2,600                   | 1,102          | 1,498                                  |
| Training                         | 150                     | 85             | 65                                     |
| Travel                           | 1,019                   | 891            | 128                                    |
| Subsistence                      | <u>825</u>              | <u>584</u>     | <u>241</u>                             |
| Total Veteran's Affairs          | <u>146,260</u>          | <u>139,176</u> | <u>7,084</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>267,075</u>          | <u>251,954</u> | <u>15,121</u>                          |
| MISCELLANEOUS                    |                         |                |  |
| Airport                          |                         |                |  |
| Contingency                      | <u>102,500</u>          | <u>57,697</u>  | <u>44,803</u>                          |
| Total Airport                    | <u>102,500</u>          | <u>57,697</u>  | <u>44,803</u>                          |
| Government Association           | <u>380</u>              | <u>200</u>     | <u>180</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>750</u>     | <u>(8)</u>                             |

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

|                                     | <u>Final<br/>Budget</u> | <u>Actual</u>  | Variance<br>Favorable<br>(Unfavorable) |
|-------------------------------------|-------------------------|----------------|--|
| Medically indigent<br>Appropriation | <u>91,373</u>           | <u>91,373</u>  | <u>-</u>                               |
| Fairgrounds                         |                         |                |  |
| Contracted maintenance              | 800                     | -              | 800                                    |
| Utilities                           | 9,000                   | 8,618          | 382                                    |
| Insurance                           | 9,620                   | 6,950          | 2,670                                  |
| Repairs to building                 | <u>2,500</u>            | <u>410</u>     | <u>2,090</u>                           |
| Total Fairgrounds                   | <u>21,920</u>           | <u>15,978</u>  | <u>5,942</u>                           |
| Helena Community Center             |                         |                |  |
| Contracted maintenance              | 250                     | -              | 250                                    |
| Utilities                           | 3,500                   | 4,961          | (1,461)                                |
| Repairs to building                 | <u>1,038</u>            | <u>337</u>     | <u>701</u>                             |
| Total Helena Community Center       | <u>4,788</u>            | <u>5,298</u>   | <u>(510)</u>                           |
| Newberry Opera House                | 25,000                  | 25,000         | -                                      |
| Newberry County Literacy            | 4,620                   | 4,620          | -                                      |
| Recreation                          |                         |                |  |
| Personnel                           | 30,962                  | 30,962         | -                                      |
| Social security                     | 2,369                   | 2,076          | 293                                    |
| Retirement                          | 3,282                   | (82)           | 3,364                                  |
| Insurance                           | 10,869                  | 5,472          | 5,397                                  |
| Maybinton ballfield                 | 10,500                  | 8,832          | 1,668                                  |
| Workmens Comp                       | 1,640                   | 1,640          | -                                      |
| Recreation appropriation            | <u>88,300</u>           | <u>85,114</u>  | <u>3,186</u>                           |
| Total Recreation                    | <u>147,922</u>          | <u>134,014</u> | <u>13,908</u>                          |
| TOTAL MISCELLANEOUS                 | <u>478,391</u>          | <u>414,076</u> | <u>64,315</u>                          |

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

|  | <u>Final<br/>Budget</u> | <u>Actual</u>      | Variance<br>Favorable<br><u>(Unfavorable)</u> |
|--|-------------------------|--------------------|---|
| <b>CAPITAL CONSTRUCTION &amp; IMPROVEMENTS</b>                       |                         |                    |   |
| Road Paving, Etc, Land Improvements                                  | -                       | 166,206            | (166,206)                                     |
| Contingency  | <u>838,006</u>          | <u>1,309,596</u>   | <u>(471,590)</u>                              |
| <b>TOTAL CAPITAL CONSTRUCTION<br/>&amp; IMPROVEMENTS</b>             | <u>838,006</u>          | <u>1,475,802</u>   | <u>(471,590)</u>                              |
| <b>TOTAL EXPENDITURES</b>  | <u>21,601,042</u>       | <u>21,155,911</u>  | <u>611,957</u>                                |
| Excess/(Deficiency) of Revenue over Expenditures                     | 882,978                 | 920,859            | 37,881  |
| <b>OTHER FINANCING SOURCES/ (USES)</b>                               |                         |                    |   |
| Surplus property sale  | 10,000                  | -                  | (10,000)                                      |
| Transfer to capital projects   | -                       | (2,882,678)        | (2,882,678)                                   |
| Transfers to special revenue (includes Community<br>Service Levies)  | <u>(892,978)</u>        | <u>(1,436,162)</u> | <u>(543,184)</u>                              |
| <b>TOTAL OTHER FINANCING SOURCES/(USES)</b>                          | <u>(882,978)</u>        | <u>(4,318,840)</u> | <u>(3,435,862)</u>                            |
| Excess of Revenue over Expenditures after other<br>financing sources | <u>\$ -</u>             | <u>(3,397,981)</u> | <u>\$ (3,397,981)</u>                         |

COMBINING BALANCE SHEET  
SPECIAL REVENUE FUNDS  
NEWBERRY COUNTY, SOUTH CAROLINA

June 30, 2014

|   | Sheriff's<br>Funds | Sheriff's<br>Grants | Victim's<br>Advocate | Emergency<br>911  | DSS<br>Clerk<br>of Court | Miscellaneous    | Airport          | Total             |
|---|--------------------|---------------------|----------------------|-------------------|--------------------------|------------------|------------------|-------------------|
| <b>ASSETS</b>                                 |                    |                     |                      |                   |                          |                  |                  |                   |
| Cash  | \$ 196,221         | \$ 92,206           | \$ 71,221            | \$ 136,649        | \$ 221,993               | \$ -             | \$ -             | \$ 718,290        |
| Due from general fund                         | 12,556             | -                   | -                    | -                 | 12,307                   | -                | 2,765            | 27,628            |
| Inventory                                     | -                  | -                   | -                    | -                 | -                        | -                | 18,843           | 18,843            |
| Due from grantor                              | <u>1,300</u>       | <u>-</u>            | <u>-</u>             | <u>-</u>          | <u>-</u>                 | <u>-</u>         | <u>-</u>         | <u>1,300</u>      |
| <b>TOTAL ASSETS</b>                           | <u>\$ 210,077</u>  | <u>\$ 92,206</u>    | <u>\$ 71,221</u>     | <u>\$ 136,649</u> | <u>\$ 234,300</u>        | <u>\$ -</u>      | <u>\$ 21,608</u> | <u>\$ 766,061</u> |
| <b>LIABILITIES</b>                            |                    |                     |                      |                   |                          |                  |                  |                   |
| Deferred revenue                              | \$ 12,707          | \$ -                | \$ -                 | \$ -              | \$ -                     | -                | -                | \$ 12,707         |
| Due to general fund                           | <u>-</u>           | <u>8,205</u>        | <u>45,260</u>        | <u>105,844</u>    | <u>-</u>                 | <u>108,965</u>   | <u>-</u>         | <u>268,274</u>    |
| <b>TOTAL LIABILITIES</b>                      | <u>12,707</u>      | <u>8,205</u>        | <u>45,260</u>        | <u>105,844</u>    | <u>-</u>                 | <u>108,965</u>   | <u>-</u>         | <u>280,981</u>    |
| <b>FUND BALANCE</b>                           |                    |                     |                      |                   |                          |                  |                  |                   |
| Reserved for special revenue                  | <u>197,370</u>     | <u>84,001</u>       | <u>25,961</u>        | <u>30,805</u>     | <u>234,300</u>           | <u>(108,965)</u> | <u>21,608</u>    | <u>485,080</u>    |
| <b>TOTAL FUND BALANCE</b>                     | <u>197,370</u>     | <u>84,001</u>       | <u>25,961</u>        | <u>30,805</u>     | <u>234,300</u>           | <u>(108,965)</u> | <u>21,608</u>    | <u>485,080</u>    |
| <b>TOTAL LIABILITIES<br/>AND FUND BALANCE</b> | <u>\$ 210,077</u>  | <u>\$ 92,206</u>    | <u>\$ 71,221</u>     | <u>\$ 136,649</u> | <u>\$ 234,300</u>        | <u>\$ -</u>      | <u>\$ 21,608</u> | <u>\$ 766,061</u> |

COMBINING STATEMENT OF REVENUE, EXPENDITURES  
AND CHANGES IN FUND BALANCE

SPECIAL REVENUE FUNDS

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

|  | Sheriff's<br>Funds | Sheriff<br>Grants | Victim's<br>Advocate | Emergency<br>911 | DSS<br>Clerk of<br>Court | Miscellaneous       | Airport          | Total             |
|--|--------------------|-------------------|----------------------|------------------|--------------------------|---------------------|------------------|-------------------|
| Revenue  |                    |                   |                      |                  |                          |                     |                  |                   |
| Intergovernmental                                      |                    |                   |                      |                  |                          |                     |                  |                   |
| Federal grants   | \$ -               | \$ 16,387         | \$ -                 | \$ -             | \$ 117,015               | \$ -                | \$ -             | \$ 133,402        |
| State grants   | -                  | -                 | -                    | 286,322          | -                        | 610,806             | -                | 897,128           |
| Other  |                    |                   |                      |                  |                          |                     |                  |                   |
| Assessments  | 27,032             | -                 | 77,637               | 256,448          | -                        | -                   | -                | 361,117           |
| Interest   | 3,503              | -                 | 22                   | -                | -                        | -                   | -                | 3,525             |
| Miscellaneous  | -                  | 39,321            | -                    | -                | -                        | -                   | 50,186           | 89,507            |
| Total Revenue  | <u>30,535</u>      | <u>55,708</u>     | <u>77,659</u>        | <u>542,770</u>   | <u>117,015</u>           | <u>610,806</u>      | <u>50,186</u>    | <u>1,484,679</u>  |
| Expenditures   |                    |                   |                      |                  |                          |                     |                  |                   |
| Personnel  | -                  | -                 | 50,986               | 68,549           | -                        | 43,300              | -                | 162,835           |
| Operating  | 20,557             | -                 | 32,588               | 517,170          | 63,566                   | 1,236,715           | 63,309           | 1,933,905         |
| Intergovernmental                                      | -                  | -                 | -                    | -                | -                        | 766,953             | -                | 766,953           |
| Total Expenditures                                     | <u>20,557</u>      | <u>-</u>          | <u>83,574</u>        | <u>585,719</u>   | <u>63,566</u>            | <u>2,046,968</u>    | <u>63,309</u>    | <u>2,863,693</u>  |
| Other financing sources                                |                    |                   |                      |                  |                          |                     |                  |                   |
| Transfer in/(out)                                      | -                  | -                 | -                    | -                | -                        | 1,436,162           | -                | 1,436,162         |
| EXCESS (DEFICIENCY)<br>OF REVENUE OVER<br>EXPENDITURES | <u>9,978</u>       | <u>55,708</u>     | <u>(5,915)</u>       | <u>(42,949)</u>  | <u>53,449</u>            | <u>-</u>            | <u>(13,123)</u>  | <u>57,148</u>     |
| Fund balance, beginning<br>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>    |
| FUND BALANCE,<br>END OF YEAR                           | <u>\$ 197,370</u>  | <u>\$ 84,001</u>  | <u>\$ 25,961</u>     | <u>\$ 30,805</u> | <u>\$ 234,300</u>        | <u>\$ (108,965)</u> | <u>\$ 21,608</u> | <u>\$ 485,080</u> |

STATEMENT OF REVENUE, EXPENDITURES AND  
CHANGES IN FUND BALANCE

DEBT SERVICE FUND

Year Ended June 30, 2014

REVENUE

|                      |                      |
|----------------------|----------------------|
| Property Taxes       |                      |
| 2007A GO Bond        | \$ 96,354            |
| 2007B GO Bond        | 95,485               |
| 2010A GO Bond        | 183,793              |
| 2010B GO Bond        | 349,530              |
| Lease Purchase       | 541,537              |
| 2013 A Spec Building | 18,122               |
| Sales Taxes          | 3,394,870            |
| Fee-in-lieu          | 419,048              |
| Interest             | <u>6,876</u>         |
| <br>TOTAL REVENUE    | <br><u>5,105,615</u> |

EXPENDITURES

|                             |                      |
|-----------------------------|----------------------|
| Principal                   |                      |
| 2007A GO Bond               | 101,289              |
| 2007B GO Bond               | 70,000               |
| 2010A GO Bond               | 143,000              |
| 2010B GO Bond               | 240,000              |
| 2013 GO Bond                | 500,000              |
| Special Source Revenue Bond | 285,000              |
| Sales Tax Bond              | 2,500,000            |
| Interest                    |                      |
| 2007A GO Bond               | 18,523               |
| 2007B GO Bond               | 14,976               |
| 2010A GO Bond               | 24,730               |
| 2010B GO Bond               | 46,238               |
| 2013 GO Bond                | 1,065                |
| Special Source Revenue Bond | 134,048              |
| Spec Building               | 29,304               |
| Sales Tax Bond              | <u>453,750</u>       |
| <br>TOTAL EXPENDITURES      | <br><u>4,561,923</u> |

OTHER FINANCING SOURCES/(USES)

|   |                             |
|---|-----------------------------|
| GO Bond proceeds  | 500,000                     |
| Lease purchase payments                                 | <u>(460,081)</u>            |
| <br>EXCESS/(DEFICIENCY) OF REVENUE<br>OVER EXPENDITURES | <br><br>583,611             |
| <br>Fund balance, beginning of year                     | <br><br><u>4,841,567</u>    |
| <br>FUND BALANCE, END OF YEAR                           | <br><br><u>\$ 5,425,178</u> |

STATEMENT OF REVENUE, EXPENDITURES AND  
CHANGES IN FUND BALANCE

CAPITAL PROJECTS FUND

Year Ended June 30, 2014

REVENUE

|               |    |         |
|---------------|----|---------|
| Grant         | \$ | 112,685 |
| Interest      |    | 4,973   |
|               |    | 4,973   |
| TOTAL REVENUE |    | 117,658 |

EXPENDITURES

|                       |  |           |
|-----------------------|--|-----------|
| Capital Outlays       |  |           |
| Lease purchase        |  | 997,240   |
| Capital budgets - 070 |  | 3,946,220 |
| Sales tax             |  |           |
| City of Newberry      |  | 31,664    |
| Water/Sewer Upgrade   |  | 2,766,364 |
| Little Mountain       |  | 5,837     |
| Miscellaneous         |  | -         |
|                       |  | -         |
| TOTAL EXPENDITURES    |  | 7,747,325 |

OTHER FINANCING SOURCES/(USES)

|                               |  |           |
|-------------------------------|--|-----------|
| Note proceeds - spec building |  | 1,200,000 |
| Transfer from general fund    |  | 2,882,678 |
|                               |  | 2,882,678 |

|  |  |             |
|--|--|-------------|
| EXCESS OF REVENUE<br>OVER EXPENDITURES |  | (3,546,989) |
|--|--|-------------|

|                                 |  |           |
|---------------------------------|--|-----------|
| Fund balance, beginning of year |  | 8,261,372 |
|                                 |  | 8,261,372 |

|                           |    |           |
|---------------------------|----|-----------|
| FUND BALANCE, END OF YEAR | \$ | 4,714,383 |
|---------------------------|----|-----------|

COMBINING BALANCE SHEET  
TRUST AND AGENCY FUND  
NEWBERRY COUNTY, SOUTH CAROLINA  
June 30, 2014

|                                | Newberry<br>County<br>Schools<br>Construction | Newberry<br>County<br>Schools<br>Operations | Newberry<br>Schools<br>Sinking<br>Funds | Market St<br>Escrow | Fire/Rescue<br>Squads | Total                |
|--------------------------------|---|---|---|---------------------|-----------------------|----------------------|
| ASSETS                         |   |   |   |                     |                       |                      |
| Cash                           | \$ 2,356,331                                  | \$ 2,714,340                                | \$ 1,258,724                            | \$ 50,000           | \$ 267,838            | \$ 6,647,233         |
| Investments                    | <u>4,081,241</u>                              | <u>10,839,975</u>                           | <u>35,538</u>                           | <u>-</u>            | <u>-</u>              | <u>14,956,754</u>    |
| TOTAL ASSETS                   | <u>\$ 6,437,572</u>                           | <u>\$ 13,554,315</u>                        | <u>\$ 1,294,262</u>                     | <u>\$ 50,000</u>    | <u>\$ 267,838</u>     | <u>\$ 21,603,987</u> |
| LIABILITIES                    |   |   |   |                     |                       |                      |
| Due to taxing units and others | <u>\$ 6,437,572</u>                           | <u>\$ 13,554,315</u>                        | <u>\$ 1,294,262</u>                     | <u>\$ 50,000</u>    | <u>\$ 267,838</u>     | <u>\$ 21,603,987</u> |
| TOTAL LIABILITIES              | <u>\$ 6,437,572</u>                           | <u>\$ 13,554,315</u>                        | <u>\$ 1,294,262</u>                     | <u>\$ 50,000</u>    | <u>\$ 267,838</u>     | <u>\$ 21,603,987</u> |

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2014

**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, 2014

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.

**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, 2014, and the related notes to the financial statements, which collectively comprise County’s basic financial statements, and have issued our report thereon dated December 3, 2014.

**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  
December 3, 2014

VICTIMS SERVICES FUND

SPECIAL REVENUE FUND

NEWBERRY COUNTY, SOUTH CAROLINA

For the Year Ended June 30, 2014

|                             |    |                      |
|-----------------------------|----|----------------------|
| Assessments                 | \$ | 49,519               |
| Surcharges                  |    | <u>28,140</u>        |
| Expenditures                |    | <u>83,574</u>        |
| Increase in fund balance    |    | (5,915)              |
| Fund Balance, July 1, 2013  |    | <u>31,876</u>        |
| Fund Balance, June 30, 2014 | \$ | <u><u>25,961</u></u> |

Schedule of Fines, Assessments and Surcharges

|                                       | <u>Total</u>      | <u>State Portion</u> | <u>County Portion</u> |
|---------------------------------------|-------------------|----------------------|-----------------------|
| Fines, Fees & Assessments             | \$ 210,433        | \$ 210,433           | \$ -                  |
| DUI/DUS/BUI - Assessments, Surcharges | 22,155            | 22,155               | -                     |
| Surcharges                            | 205,157           | 205,157              | -                     |
| Other Assessments                     | 278,608           | 278,608              | -                     |
| General Sessions - Other Assessments  | 4,570             | -                    | 4,570                 |
| Magistrates Court - Other Assessments | 33,823            | -                    | 33,823                |
| General Sessions - Surcharges         | 14,065            | -                    | 14,065                |
| Magistrates Court - Surcharges        | <u>14,075</u>     | <u>-</u>             | <u>14,075</u>         |
|                                       | <u>\$ 782,886</u> | <u>\$ 716,353</u>    | <u>\$ 66,533</u>      |

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

Newberry County, South Carolina

Year Ended June 30, 2014

## **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.