

**NEWBERRY COUNTY COUNCIL
MINUTES
DECEMBER 4, 2019**

The Newberry County Council met on Wednesday, December 4, 2019, at 7:00 p.m. in Council Chambers, Courthouse Annex, 1309 College Street, Newberry, SC, for a regular scheduled meeting.

PRESENT: Kirksey Koon, Vice-Chairman
Steve Stockman, Council Member
Scott Cain, Council Member
Travis Reeder, Council Member
Dr. Harriett Rucker, Council Member
Johnny Mack Scurry, Council Member
Wayne Adams, County Administrator
A.J. Tothacer, Jr., County Attorney
Debbie Cromer, Finance Director
Karen Brehmer, Assistant to County Administrator
Taylor Davenport, Administrative Assistant
Susan C. Fellers, Clerk to Council

ABSENT: Henry H. Livingston, III, Chairman

MEDIA: Andrew Wigger, Newberry Observer

Mr. Koon called the meeting to order at 7:00 p.m.

Dr. Rucker had the invocation followed by the Pledge of Allegiance.

1. Additions, Deletions and Adoption of Agenda

There being no additions or deletions to the Agenda, Mr. Scurry moved to adopt the agenda as presented; seconded by Dr. Rucker. Vote was unanimous.

2. Personal Appearances

A. David Enzastiga, CPA, Rish and Enzastiga - Financial Audit FY 18/19

Mr. Enzastiga reported on the County's audited financial statements for the period ending June 30, 2019, as required by Section 4-9-150, South Carolina Code of Laws.

A copy of Mr. Enzastiga's report is attached hereto and incorporated herein.

Mr. Adams pointed out on page 22 the unreserved unassigned fund balance is \$14,033,124. This is one of the most important financial numbers in County government. You divide that number by the amount that it takes to run the County government on a monthly basis to get your number of months operating in reserve. We have a budget of \$25,490,899 and that means that we have approximately 6.6 months of operating reserve in the most strict standard.

Mr. Adams addressed the County's indebtedness. The County's ability to borrow is constitutionally limited at 8% of the assessed value of all properties in the County's borders without a referendum. That capacity right now is \$11,453,326. Of that we are only using 16.9% so by no means are we borrowed up.

3. Ordinance #11-18-19: An Ordinance acting on a request to amend the official zoning map established pursuant to Zoning Ordinance #06-11-16, codified in Chapter 153 of the Newberry County Code of Ordinances, so as to rezone one real estate parcel totaling four and one hundred forty-six thousandths (4.146) acres designated as TMS Parcel No. 399-144 from R2-rural to General Commercial (GC).

A. Public Hearing

Motion by Mr. Stockman for the public hearing; second by Mr. Reeder. Vote was unanimous.

There being no comments from the public, Mr. Koon declared the public hearing closed.

B. Third Reading

Motion by Dr. Rucker to approve third reading; second by Mr. Reeder. There being no discussion, Mr. Koon called for the vote. Vote was unanimous.

4. Ordinance #11-19-19: An Ordinance acting on a request to amend the official zoning map established pursuant to Zoning Ordinance #06-11-16, codified in Chapter 153 of the Newberry County Code of Ordinances, so as to rezone one real estate parcel totaling four and fifty-four hundredths (4.54) acres designated as TMS Parcel No. 399-153 from R2-rural to General Commercial (GC).

A. Public Hearing

Motion by Mr. Stockman for public hearing; second by Mr. Cain. Vote was unanimous.

There being no comments from the public, Mr. Koon declared the public hearing closed.

B. Third Reading

Motion by Mr. Cain to approve third reading; second by Mr. Reeder. There being no discussion, Mr. Koon called for the vote. Vote was unanimous.

5. Ordinance #12-20-19: An Ordinance amending and revising Section 153.168 of the Newberry County Code of Ordinances to establish the process to determine an average calculation for the minimum lake shore setback when only one abutting real estate parcel is developed.

A. First Reading

Several persons signed up under Public Comments to speak regarding this Ordinance. Council consented for them to speak at this time.

The following persons spoke in opposition to this Ordinance:

Allen Bullard, Attorney for Ron and Patti Bailey
Kimberly Kitchens (she had no comment after Mr. Bullard spoke)
Ron Bailey
John Shackelford
Tyler Shackelford

They felt there was confusion as to the setback requirements regarding properties adjacent to undeveloped properties and that clarification was needed to protect existing homeowners.

After discussion between these persons and Council Members, Mr. Cain moved to approve the ordinance as written for first reading; second by Mr. Stockman.

Dr. Rucker will vote for first reading but is very open to further discussion from the zoning committee. She asked if they already knew the forthcoming building was out of line. Mr. Bailey confirmed he had talked with the Homeowners Association and a 60 foot setback was approved.

Mr. Reeder would like for this to go back to the Planning Commission for further consideration.

Mr. Stockman said first reading will get this in motion. We will have the opportunity to look at the situation and get it right.

Mr. Koon said we have no control over the Homeowners Association but we do control ordinances and how they are applied. He will vote for first reading, which will allow time to look at it, and for him to look at the property.

There being no further discussion, Mr. Koon called for the vote. Vote was unanimous.

6. Ordinance #12-21-19: An Ordinance modifying the makeup of the Joint Planning Commission and certain responsibilities as established by Ordinance #185 and the amendments thereto.

A. First Reading

Motion by Dr. Rucker to approve first reading; second by Mr. Stockman.

EXPLANATION: The primary objective of this ordinance is to reduce the number of seats on the Planning Commission, which will help ensure a regular quorum. The greater the number of total members the greater the number necessary to legally conduct business. The number of Council appointed seats for the Planning Commission would be reduced from 12 to 7, with the five at-large appointments being eliminated. Currently, only 3 of the 5 at-large appointments are filled, and those 3 persons would continue serving until June 30, 2020. Representation from Whitmire and Silverstreet would be deleted, since neither of those municipalities either has its own zoning regulations or utilizes those zoning regulations adopted by Newberry County. References to separate finances for the Planning Commission would be removed from the Code as well.

There being no discussion, Mr. Koon called for the vote. Vote was unanimous.

7. Ordinance #12-22-19: An Ordinance authorizing the execution and delivery of a Fee-in-Lieu of *Ad Valorem* taxes and incentive agreement by and between Newberry County, South Carolina and Project Tiger Shark; to provide for payment of a fee-in-lieu of taxes; authorizing certain special source revenue credits; and other related matters. (TITLE ONLY)

EXPLANATION: Project Tiger Shark refers to a \$9 million expansion of an existing industry. The County would offer a 20 year fee in lieu of taxes (FILOT) agreement coupled with a 25% special source revenue credit (SSRC) for the first ten years. This project would be placed in a multi-county park

Fee estimates indicate total annual revenue for all levies ranging from approximately \$35,000 to approximately \$100,000 over the first seven years. During this time period staff recommends a non-*pro rata* split in these revenues among the taxing entities (County - 95% and School District - 5%). The purpose of this arrangement is to recoup costs associated with a recent grant received by the School District to employ four new school resource officers (SROs). We were unaware of the School District's application for these funds. The grant does not pay for cars, uniforms, weapons and certain other costs associated with employing law enforcement officers. The School District Superintendent and its Finance Director are aware the County will be pursuing this path. Placement of the project in a multi-county park allows Council to determine the distribution of the revenues.

A. First Reading

Motion by Mr. Reeder to approve first reading; second by Dr. Rucker. There being no discussion, Mr. Koon called for the vote. Vote was unanimous.

8. Resolution #13-19: A Resolution committing to negotiate a Fee-in-Lieu of *Ad Valorem* taxes agreement between Newberry County and project Tiger Shark; identifying the project; and other matters related thereto.

EXPLANATION: Code Section 12-44-40 of the SC Code of Laws requires that counties identify projects with which they intend to negotiate a fee in lieu of taxes (FILOT) agreement. These fees are negotiated in lieu of ordinary *ad valorem* taxes that would otherwise apply.

Motion by Mr. Cain to adopt Resolution; second by Mr. Stockman. There being no discussion, Mr. Koon called for the vote. Vote was unanimous.

9. Consideration of 2020 County Council Meeting Schedule.

Code Section 30-4-80 of the SC Code of Laws requires that all public bodies “must give written public notice of their regular meetings at the beginning of each calendar year.” Such notice must include the times, dates and locations of the meetings.

Motion by Mr. Cain to adopt 2020 Council meetings schedule; second by Mr. Reeder. There being no discussion, Mr. Koon called for the vote. Vote was unanimous.

10. Consideration of 2020 County Council Committee Meeting Schedule.

Motion by Mr. Stockman to adopt 2020 County Council Committee meetings schedule; second by Mr. Cain. There being no discussion, Mr. Koon called for the vote. Vote was unanimous.

11. Consideration of FY 2020/2021 Budget Calendar.

At the Finance Committee meeting on Monday, November 25, the attached 2020 budget calendar was recommended.

Motion by Dr. Rucker to approve the budget calendar as recommended by the Finance Committee; second by Mr. Reeder. There being no discussion, Mr. Koon called for the vote.

(A copy of the 2020 Budget Calendar is attached hereto and incorporated herein)

12. Appointments.

No appointments.

13. Committee Reports

A. Finance Committee 11/25/19 - Wayne Adams, County Administrator

The Finance Committee met on November 25, 2019 at 6:00 p.m. The two items discussed at that meeting have already been presented, one being the budget calendar and the other being the audited financial statements.

14. Public Comments (by those who signed up at the meeting)

These persons were allowed to speak at the time Agenda Item 5 was considered by Council. No one else signed up to speak.

15. Executive Session (if needed)

No Executive Session needed.

16. Comments/Requests from County Administrator

No comments.

17. Comments/Requests from Council Members

Council thanked people for coming to the meeting tonight.

18. Future Meetings

- A. Economic Development Committee on 12/9/19 at 7:00 p.m.
- B. Special Called County Council Meeting on 12/11/19 at 7:00 p.m.
- C. County Council on 12/18/19 at 7:00 p.m.
- D. County Council on 1/15/20 at 7:00 p.m.

No County Council meeting on 1/1/20 due to New Year's Day holiday.

19. Adjournment.

There being no further matters to come before Council, Dr. Rucker moved to adjourn.

Mr. Koon declared the meeting adjourned at 8:12 p.m.

NEWBERRY COUNTY COUNCIL

Kirksey Koon, Vice-Chairman

Susan C. Fellers, Clerk to Council

Minutes Approved: _____

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

June 30, 2019

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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, 2019 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, 2019, 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, 2019, 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.

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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), budgetary comparison (p. 25), Schedule of the County's Net OPEB Obligation (p.52) & Schedule of the County's Proportionate Share of the Net Pension Liability (p.53) 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.

Other Information

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental information (p.55 - 85) 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 September 12, 2019 on our consideration of the County'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
September 12, 2019

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MANAGEMENT'S DISCUSSION AND ANALYSIS

NEWBERRY COUNTY, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2019

INTRODUCTION

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This narrative overview gives an analysis of the financial activities of the County for the fiscal year ended June 30, 2019. 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, 2019, was \$12,799,898 which represented a decrease of \$3,078,562 from the prior year end.
- **Revenues and Expenditures:** Revenues totaled \$33,597,035 and expenditures totaled \$42,372,616 for all Governmental Funds at the fund level. Accordingly, expenditures exceeded revenues by \$8,775,581 before other financing activities. The general fund increased the fund balance by \$1,302,602. The debt service fund balance increased \$2,047,083. The capital projects fund balance decreased \$9,707,431 from spending for lease purchase and sales tax projects.
- **Capital Assets:** The County had capital asset additions in the governmental activities of \$3,541,021 consisting of purchases of equipment and building improvements. Depreciation expense in governmental activities was \$2,194,286 This resulted in a net increase of capital assets of \$1,346,735.
- **General Fund/Fund Balance:** Our principal operating fund, the General Fund, had \$26,616,265 in fiscal year 2019 Revenues, which primarily consisted of property taxes and intergovernmental sources. Net other financing uses were \$1,984,944, and \$23,328,719 in expenditures increased the fund balance \$1,302,602.
- **Debt:** The County retired \$4,287,762 in principal for governmental activities bonds and lease purchase outstanding. The Debt Service Fund Balance increased from \$4,251,297 to \$6,298,380. Bonds payable are \$20,598,342 at June 30, 2019 and lease purchase payable is \$2,502,174. Detail for long term debt is shown in Note F. Pension liability detail is Note G. OPEB liability is Note O

NEWBERRY COUNTY, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) -
CONTINUED
YEAR ENDED JUNE 30, 2019

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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) -
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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, 2019**

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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 \$15,878,460 as of June 30, 2019. The largest portion of the County's net position 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, 2019.

Current assets	\$	37,720,853
Non-current assets		32,629,017
Deferred outflow – pension		<u>3,526,201</u>
Total assets and debits		<u>73,876,071</u>
Current liabilities		6,379,293
Non-current liabilities		53,348,363
Deferred inflow		<u>1,348,517</u>
Total liabilities & def inflows		<u>62,157,527</u>
Net position	\$	<u>12,799,898</u>
Net position -		
Invested in capital assets, net of related debt	\$	23,144,003
Restricted		5,377,750
Unrestricted		<u>(12,643,293)</u>
Total Net Position	\$	<u>12,799,898</u>

**NEWBERRY COUNTY, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) -
CONTINUED
YEAR ENDED JUNE 30, 2019**

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

- GO Bond principal payments of \$3,366,658 and bond issuance \$1,800,000
- Purchases of equipment, renovations to the jail and purchase of the magistrate's office of \$3,541,021 and depreciation of \$2,194,286.
- GASB 68 - net pension liability - \$17,480,460
- GASB 75 - OPEB Liability - \$15,040,792

Changes in net position: The County's governmental activities revenues for the fiscal year ended June 30, 2019, were \$35,472,301. The total cost of all programs and services was \$38,550,863. The following table presents a summary of the activity that resulted in changes to total net position for the fiscal year ended June 30, 2019.

REVENUES:	Amount
Program revenues:	
Charges for services	\$ 710,200
Operating grants and contributions	423,247
Capital grants	--
General revenues:	
Property taxes	24,101,672
Intergovernmental sources	2,723,908
Fines and assessments	1,878,559
Sales tax	4,130,708
Miscellaneous	<u>1,504,007</u>
Total revenues	<u>35,472,301</u>
EXPENSES:	
Governmental - current	(29,323,325)
Intergovernmental -- capital	
Construction & improvements	(8,097,823)
Interest and fees	<u>(1,129,715)</u>
Total expenses	<u>(38,550,863)</u>
Decrease in net position	<u>\$ (3,078,562)</u>

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MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) -
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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 Expenses	Net Revenue (Expense)
Governmental - Current	\$ 29,323,325	\$(28,189,878)
Intergovernmental – capital		
Construction & improvements	8,097,823	(8,097,823)
Debt Service - interest	<u>1,129,715</u>	<u>(1,129,715)</u>
 Total expenses	 <u>\$ 38,550,863</u>	 <u>\$(37,417,416)</u>

- The cost of all activities this year was \$38,550,863
- Net cost of governmental activities (\$37,417,416) was financed by general revenues (\$34,338,854), which are made up of primarily property taxes (\$24,101,672), intergovernmental sources (\$2,723,908), fines and assessments (\$1,878,559), sales tax (\$4,130,708), and other revenue (\$1,504,007).

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) -
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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 \$33,398,525, a decrease of \$6,265,581 since June 30, 2018. A fund balance of \$14,033,124 or 42 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:

- \$ 8,529,022 assigned for future capital projects
- \$ 6,298,380 assigned for debt service
- \$ 665,895 committed for special revenue
- \$ 22,104 nonspendable for inventory - fuel

The General Fund is the principal operating fund of the County. The increase in fund balance in the General Fund for the fiscal year was \$1,302,602 was due to higher revenues and lower expenditures. The Debt Service Fund balance showed an increase of \$2,047,083. The Capital Projects Funds showed a fund balance of \$8,489,187, a combination of remaining sales tax bond, lease purchase and GO Bonds proceeds. The Capital Projects had expenditures of \$11,282,132.

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 \$24,467,055 in General Fund Revenue with actual revenue totaling \$26,616,265 for a difference of \$2,149,210. The budget for expenditures was \$24,967,550 with the actual expenditures being \$23,328,719 for a difference of \$1,638,831. The general fund transferred \$1,984,944 to special revenue projects. The results from revenue, expenditures and other financing sources and uses caused the fund balance to increase by \$1,302,602. Changes to the original and final budget were made through budget amendments during the year to adjust for various projects and costs.

**NEWBERRY COUNTY, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) –
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CAPITAL ASSETS

As of June 30, 2019, the County had invested \$32,629,017 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 \$2,194,286 for governmental activities.

The following schedule presents capital asset balances for the fiscal year ended June 30, 2019.

	Amount
Land	\$ 8,143,969
Buildings and improvements	38,619,549
Vehicles and equipment	22,105,817
Roads	11,340,105
Airport Improvements	<u>5,654,044</u>
 Total	 <u>\$ 85,863,484</u>

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

DEBT ADMINISTRATION

The following table presents a summary of the County's outstanding long-term debt for the fiscal year ended June 30, 2019.

	Amount
General obligation bonds	\$ 20,598,342
Lease purchase	2,502,174
Accrued compensated absences	<u>746,357</u>
 Total	 <u>\$ 23,846,873</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 F of this report.

**NEWBERRY COUNTY, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) -
CONTINUED
YEAR ENDED JUNE 30, 2019**

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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 2019 - 2020 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, 2019**

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CURRENT AND PRIOR YEAR FINANCIAL ANALYSIS

Tables I – II are presented for additional analysis of the County's finances for the FY 18 - 19.

Table I – Statement of Net Position – Governmental Activities – Total current assets decreased \$4,434,849 versus the prior year due to decreases in cash (capital projects fund). Capital assets increased \$1,346,735 net as shown in Note N for capital asset additions for new buildings & equipment less depreciation expense. Total liabilities decreased \$1,01,354 due to the GO bond principal and lease purchase principal maturities. Net position decreased \$3,078,562.

Table II – Statement of Activities – Governmental Activities – Total revenues increased \$2,725,000 (Property taxes increased \$2,725,030, sales tax increased \$151,591). Total expenses decreased \$744,312 due to lower Pension Liability and depreciation expenses.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

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

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

NEWBERRY COUNTY, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) - Continued
YEAR ENDED JUNE 30, 2019

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

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	Governmental Activities		
	<u>2019</u>	<u>2018</u>	<u>Variance</u>
Assets			
Total Current Assets	\$ 37,720,853	\$ 42,155,702	\$ (4,434,849)
Other Debits	3,526,201	4,598,003	(1,071,802)
Capital Assets, net of accumulated depreciation	<u>32,629,017</u>	<u>31,282,282</u>	<u>1,346,735</u>
Total Assets	<u>\$ 73,876,071</u>	<u>\$ 78,035,987</u>	<u>\$ (4,159,916)</u>
Liabilities			
Total Current Liabilities	\$ 6,379,293	\$ 4,984,711	\$ 1,394,582
Non-Current Liabilities	53,348,363	56,043,195	(2,694,832)
Deferred Inflows	<u>1,348,517</u>	<u>1,129,621</u>	<u>218,896</u>
	<u>\$ 61,076,173</u>	<u>\$ 62,157,527</u>	<u>\$ (1,081,354)</u>
Net Position			
Invested in capital assets, net of related debt	\$ 24,490,738	\$ 23,144,003	\$ 1,346,735
Restricted	18,743,297	5,377,750	13,365,547
Unrestricted/(deficit)	<u>(30,434,137)</u>	<u>(12,643,293)</u>	<u>(17,790,844)</u>
Total Net Position	<u>\$ 12,799,898</u>	<u>\$ 15,878,460</u>	<u>\$ (3,078,562)</u>

NEWBERRY COUNTY, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) - Continued
YEAR ENDED JUNE 30, 2019

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

	Governmental Activities		
	2019	2018	Variance
Revenues			
Program Revenues:			
Charges for Services	\$ 710,200	\$ 833,649	\$ (123,449)
Operating Grants	423,247	175,271	247,976
Capital Grants	-	-	-
General Revenue:			
Property Taxes	24,101,672	21,376,642	2,725,030
Intergovernmental Sources	2,723,908	3,174,414	(450,506)
Fines and Assessments	1,878,559	1,951,254	(72,695)
Sales Tax - Debt Service	4,130,708	3,979,117	151,591
Other	1,504,007	971,413	532,594
Total Revenues	\$ 35,472,301	\$ 32,461,760	\$ 3,010,541
Expenses			
Current			
Legislative	\$ 319,078	\$ 322,656	\$ (3,578)
Administration	3,176,565	1,521,618	1,654,947
Tax assessment & collection	1,562,166	1,520,369	41,797
Election & registration	227,827	167,505	60,322
Administration of Justice	2,062,617	2,023,747	38,870
Law enforcement	3,998,700	4,609,418	(610,718)
Detention	2,338,885	1,922,750	416,135
Public safety	4,166,363	5,340,702	(1,174,339)
Public works & maintenance	7,261,574	8,190,195	(928,621)
Planning & development	988,824	1,710,387	(721,563)
Agriculture & home economics	121,318	126,972	(5,654)
Public health	23,507	25,339	(1,832)
Social services	293,678	294,363	(685)
Miscellaneous	2,348,262	3,664,330	(1,316,068)
Emergency telephone reporting	433,961	365,848	68,113
Capital Construction & Improvements - Intergovernmental	8,097,823	6,502,187	1,595,636
Interest and Fees	1,129,715	986,789	142,926
Total Expenses	\$ 38,550,863	\$ 39,295,175	\$ (744,312)
Change in Net Position	(3,078,562)	(6,833,415)	3,754,853
Net Position, Beginning of Year	15,878,460	22,711,875	(6,833,415)
Net Position, End of Year	<u>\$ 12,799,898</u>	<u>\$ 15,878,460</u>	<u>\$ (3,078,562)</u>

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**BASIC FINANCIAL STATEMENTS
PRIMARY GOVERNMENT**

STATEMENT OF NET POSITION
NEWBERRY COUNTY, SOUTH CAROLINA

June 30, 2019

PRIMARY GOVERNMENT **DRAFT**
Governmental
Activities Total

ASSETS AND OTHER DEBITS

Current Assets

Cash - Notes B & C	\$ 4,094,704	\$ 4,094,704
Investments - Note C	29,475,433	29,475,433
Receivables		
Property taxes - delinquent - Note E	2,562,918	2,562,918
Other	132,546	132,546
Due from other governments		
State shared revenue	403,085	403,085
Sales tax	1,030,063	1,030,063
Inventory - jet fuel	22,104	22,104
	<u>37,720,853</u>	<u>37,720,853</u>

Capital Assets - Note N

Land	8,143,969	8,143,969
Buildings	38,619,549	38,619,549
Roads	11,340,105	11,340,105
Equipment	22,105,817	22,105,817
Airport improvements	5,654,044	5,654,044
Accumulated depreciation	<u>(53,234,467)</u>	<u>(53,234,467)</u>

DEFERRED OUTFLOW - Pension

	<u>3,526,201</u>	<u>3,526,201</u>
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TOTAL ASSETS AND OTHER DEBITS

	<u>\$ 73,876,071</u>	<u>\$ 73,876,071</u>
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LIABILITIES, DEFERRED INFLOWS AND NET POSITION

LIABILITIES

Current Liabilities

Accrued expenses	\$ 386,607	\$ 386,607
Due to other taxing units and others	1,434,964	1,434,964
Accrued interest	253,959	253,959
Lease payable, current portion	636,871	636,871
Bonds payable, current portion	<u>3,666,892</u>	<u>3,666,892</u>
	<u>6,379,293</u>	<u>6,379,293</u>

Total Current Liabilities

Bonds payable, less current portion	16,931,450	16,931,450
Compensated absences	746,357	746,357
Net Pension Liability	17,480,460	17,480,460
Landfill Post Closure	1,284,000	1,284,000
Net OPEB Obligation - See Note P	15,040,792	15,040,792
Lease purchase, less current portion	<u>1,865,304</u>	<u>1,865,304</u>

TOTAL LIABILITIES

	<u>59,727,656</u>	<u>59,727,656</u>
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DEFERRED INFLOWS

Grant	19,746	19,746
Pension	1,328,771	1,328,771

NET POSITION

Invested in capital assets, net of related debt, \$8,138,279	24,490,738	24,490,738
Restricted for:		
special projects, net of related debt, \$15,875,000	12,444,917	12,444,917
debt service	6,298,380	6,298,380
Unrestricted	<u>(30,434,137)</u>	<u>(30,434,137)</u>

TOTAL NET POSITION

	<u>12,799,898</u>	<u>12,799,898</u>
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TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION

	<u>\$ 73,876,071</u>	<u>\$ 73,876,071</u>
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STATEMENT OF ACTIVITIES
NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2019

	Program Revenues			Net Revenue & Changes in Net Position		
	Expenses	Charges for Services	Operating Grants	Capital Grants	Governmental Activities	Total
Governmental Activities						
Current						
Legislative Administration	\$ 319,078	\$ -	\$ -	\$ -	\$ (319,078)	\$ (319,078)
Tax assessment & collection	3,176,565	-	-	-	(3,176,565)	(3,176,565)
Election & registration	1,562,166	-	-	-	(1,562,166)	(1,562,166)
Administration of Justice	227,827	-	-	-	(227,827)	(227,827)
Law enforcement	2,062,617	-	156,662	-	(1,905,955)	(1,905,955)
Detention	3,998,700	-	12,644	-	(3,986,056)	(3,986,056)
Public safety	2,338,885	-	-	-	(2,338,885)	(2,338,885)
Public works & maintenance	4,166,363	299,127	-	-	(3,867,236)	(3,867,236)
Planning & development	7,261,574	-	253,941	-	(7,007,633)	(7,007,633)
Agriculture & home economics	988,824	-	-	-	(988,824)	(988,824)
Public health	121,318	-	-	-	(121,318)	(121,318)
Social services	23,507	-	-	-	(23,507)	(23,507)
Miscellaneous	293,678	-	-	-	(293,678)	(293,678)
Emergency telephone reporting	2,348,262	-	-	-	(2,348,262)	(2,348,262)
Capital construction & improvements - intergovernmental	433,961	411,073	-	-	(22,888)	(22,888)
Debt service	8,097,823	-	-	-	(8,097,823)	(8,097,823)
Interest & other bond costs	1,129,715	-	-	-	(1,129,715)	(1,129,715)
Total Governmental Activities	38,550,863	710,200	423,247	-	(37,417,416)	(37,417,416)
TOTAL	\$ 38,550,863	\$ 710,200	\$ 423,247	\$ -	\$ (37,417,416)	\$ (37,417,416)
General Revenues						
Property Taxes Levied For:						
General Purposes					22,455,030	22,455,030
Debt Service					1,646,642	1,646,642
Intergovernmental sources					2,723,908	2,723,908
Fines and assessments					1,878,559	1,878,559
Sales tax - debt service					4,130,708	4,130,708
Other					1,504,007	1,504,007
Total General Revenues					34,338,854	34,338,854
Change in Net Position					(3,078,562)	(3,078,562)
Net Position, Beginning of Year					15,878,466	15,878,466
NET POSITION, END OF YEAR					\$ 12,799,898	\$ 12,799,898

BALANCE SHEET
GOVERNMENTAL FUNDS
NEWBERRY COUNTY, SOUTH CAROLINA
June 30, 2019

DRAFT

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Non-Major Special Revenue</u>	<u>Totals</u>
ASSETS					
Cash - Notes B & C	\$ 2,334,841	\$ 124,436	\$ 640,343	\$ 995,084	\$ 4,094,704
Investments - Note C	16,487,776	5,138,813	7,848,844	-	29,475,433
Receivables					
Property taxes - delinquent - Note E	62,544	5,068	-	-	67,612
Fines and fees	45,864	-	-	-	45,864
Other	86,682	-	-	-	86,682
Due from other governments					
State shared revenue	403,085	-	-	-	403,085
Sales tax	-	1,030,063	-	-	1,030,063
Inventory - jet fuel	-	-	-	22,104	22,104
Prepaid items	-	-	-	14,295	14,295
Due from other funds - Note D	323,738	-	-	3,060	326,798
TOTAL ASSETS	<u>\$ 19,744,530</u>	<u>\$ 6,298,380</u>	<u>\$ 8,489,187</u>	<u>\$ 1,034,543</u>	<u>\$ 35,566,640</u>
LIABILITIES, DEFERRED INFLOW & FUND BALANCES					
LIABILITIES					
Accrued expenses	\$ 386,607	\$ -	\$ -	\$ -	\$ 386,607
Due to taxing units and others	1,434,964	-	-	-	1,434,964
Due to other funds - Note D	-	-	-	326,798	326,798
TOTAL LIABILITIES	<u>1,821,571</u>	<u>-</u>	<u>-</u>	<u>326,798</u>	<u>2,148,369</u>
DEFERRED INFLOW - grant income	-	-	-	19,746	19,746
FUND BALANCES					
Reserved:					
Nonspendable - inventory - fuel	-	-	-	22,104	22,104
Committed for special revenue	-	-	-	665,895	665,895
Assigned for projects	639,835	-	8,489,187	-	9,129,022
Assigned for debt service	-	6,298,380	-	-	6,298,380
Assigned for econ development	3,250,000	-	-	-	3,250,000
Unreserved:					
Unassigned	14,033,124	-	-	-	14,033,124
TOTAL FUND BALANCES	<u>17,922,959</u>	<u>6,298,380</u>	<u>8,489,187</u>	<u>687,999</u>	<u>33,398,525</u>
TOTAL LIABILITIES, DEFERRED INFLOW & FUND BALANCES	<u>\$ 19,744,530</u>	<u>\$ 6,298,380</u>	<u>\$ 8,489,187</u>	<u>\$ 1,034,543</u>	<u>\$ 35,566,640</u>

Reconciliation of governmental fund balances to statement of net position:

Total Fund Balances - Governmental Funds	\$ 33,398,525
Capital assets, net of accumulated depreciation	32,629,017
Bonds payable	(20,598,342)
Leases payable	(2,502,175)
Compensated absences	(746,357)
Net OPEB Obligation	(15,040,792)
Net Pension Adjustment	(15,283,030)
Land fill post closure costs	(1,284,000)
Accrued interest	(253,959)
Recognition of deferred taxes	2,481,011
Total Net Position - Governmental Activities	<u>\$ 12,799,898</u>

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, 2019

DRAFT

Net change in fund balances - total governmental funds	\$	(6,265,581)
<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	3,541,021	
Depreciation expense	<u>(2,194,286)</u>	1,346,735
<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>		
	(1,800,000)	
	<u>3,366,658</u>	1,566,658
<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>		
		(27,205)
<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	(710,000)	
Repayment of principal	<u>921,104</u>	211,104
<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:		(189,243)
<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>		
		(1,008,986)
<p>In the statement of activities, pension plan liabilities are measured by the accrued liability recorded during the year. In governmental funds, expenditures for this item are measured by the amount of financial resources used.</p>		
		(587,310)
<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>1,875,266</u>
Change in net position - governmental activities	\$	<u>(3,078,562)</u>

STATEMENT OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
NEWBERRY COUNTY, SOUTH CAROLINA
Year Ended June 30, 2019

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	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Non-Major Special Revenue</u>	<u>Totals</u>
REVENUE					
Taxes	\$ 20,671,244	\$ 1,555,162	\$ -	\$ -	\$ 22,226,406
Intergovernmental	2,723,908	-	-	423,247	3,147,155
Fines and fees	2,060,766	-	-	527,993	2,588,759
Sales tax	-	4,130,708	-	-	4,130,708
Other	1,160,347	86,977	157,094	99,589	1,504,007
	<u>26,616,265</u>	<u>5,772,847</u>	<u>157,094</u>	<u>1,050,829</u>	<u>33,597,035</u>
TOTAL REVENUE					
EXPENDITURES					
Current					
Legislative	319,078	-	-	-	319,078
Administration	1,553,064	-	-	-	1,553,064
Tax assessment & collection	1,560,202	-	-	-	1,560,202
Election & registration	227,827	-	-	-	227,827
Administration of Justice	1,915,949	-	-	142,454	2,058,403
Law enforcement	3,889,580	-	-	72,721	3,962,301
Detention	2,230,586	-	-	-	2,230,586
Public safety	3,954,300	-	-	-	3,954,300
Public works & maintenance	5,588,406	-	-	253,941	5,842,347
Planning & development	986,782	-	-	-	986,782
Agriculture & home economics	121,318	-	-	-	121,318
Public health	23,507	-	-	-	23,507
Social services	293,678	-	-	-	293,678
Miscellaneous	307,731	-	-	2,040,531	2,348,262
Emergency telephone reporting	-	-	-	433,961	433,961
Capital outlays					
Capital construction & improvements	356,711	-	11,282,132	-	11,638,843
Debt service					
Principal retirement - Note G	-	3,877,685	-	-	3,877,685
Interest	-	940,472	-	-	940,472
Fees & other bond service costs	-	-	-	-	-
	<u>23,328,719</u>	<u>4,818,157</u>	<u>11,282,132</u>	<u>2,943,608</u>	<u>42,372,616</u>
TOTAL EXPENDITURES					
Excess/(Deficiency) of Revenue Over/(Under) Expenditures before Other Financing Sources	<u>3,287,546</u>	<u>954,690</u>	<u>(11,125,038)</u>	<u>(1,892,779)</u>	<u>(8,775,581)</u>
OTHER FINANCING SOURCES					
Bond proceeds	-	1,800,000	-	-	1,800,000
Lease purchase	-	-	710,000	-	710,000
Transfer In/(Out)	(1,984,944)	(707,607)	707,607	1,984,944	-
Excess/(Deficiency) of Revenue Over/(Under) Expenditures	1,302,602	2,047,083	(9,707,431)	92,165	(6,265,581)
Fund Balance, Beginning of Year.	<u>16,620,357</u>	<u>4,251,297</u>	<u>18,196,618</u>	<u>595,834</u>	<u>39,664,106</u>
FUND BALANCE, END OF YEAR	<u>\$ 17,922,959</u>	<u>\$ 6,298,380</u>	<u>\$ 8,489,187</u>	<u>\$ 687,999</u>	<u>\$ 33,398,525</u>

STATEMENT OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
NEWBERRY COUNTY, SOUTH CAROLINA
Year Ended June 30, 2019

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Variance
Favorable
(Unfavorable)

	Original <u>Budget</u>	Final <u>Budget</u>	Actual	
REVENUE				
Property taxes, current	\$ 16,708,721	\$ 16,708,721	\$ 16,824,360	\$ 115,639
Community service levies - taxes	1,000,000	1,000,000	1,000,000	-
Fee In Lieu	1,484,321	1,484,321	1,888,341	404,020
Delinquent taxes and cost	768,875	768,875	958,543	189,668
Intergovernmental	1,905,103	1,905,103	2,723,908	818,805
Fines and fees	1,915,500	1,915,500	2,060,766	145,266
Other	<u>684,535</u>	<u>684,535</u>	<u>1,160,347</u>	<u>475,812</u>
TOTAL REVENUE	<u>24,467,055</u>	<u>24,467,055</u>	<u>26,616,265</u>	<u>2,149,210</u>
Use of Fund Balance Reserves	<u>1,500,495</u>	<u>1,500,495</u>	<u>-</u>	<u>(1,500,495)</u>
EXPENDITURES				
Current				
Legislative	359,205	359,205	319,078	40,127
Administration	1,577,005	1,577,005	1,553,064	23,941
Tax assessment & collection	1,627,563	1,627,563	1,560,202	67,361
Election & registration	188,799	188,799	227,827	(39,028)
Administration of Justice	2,027,132	2,027,132	1,915,949	111,183
Law enforcement	4,118,791	4,118,791	3,889,580	229,211
Detention	2,622,817	2,622,817	2,230,586	392,231
Public safety	4,241,693	4,241,693	3,954,300	287,393
Public works & maintenance	5,835,468	5,835,468	5,588,406	247,062
Planning & development	1,031,625	1,031,625	986,782	44,843
Agriculture & home economics	121,398	121,398	121,318	80
Public health	23,800	23,800	23,507	293
Social services	304,110	304,110	293,678	10,432
Miscellaneous	521,504	521,504	307,731	213,773
Capital outlays				
Capital construction & improvements	<u>366,640</u>	<u>366,640</u>	<u>356,711</u>	<u>9,929</u>
TOTAL EXPENDITURES	<u>24,967,550</u>	<u>24,967,550</u>	<u>23,328,719</u>	<u>1,638,831</u>
Excess/(Deficiency) of Revenue Over/(Under)				
Expenditures before Other Financing Sources	<u>1,000,000</u>	<u>1,000,000</u>	<u>3,287,546</u>	<u>2,287,546</u>
OTHER FINANCING SOURCES/(USES)				
Transfer to special revenue (includes Community Service Levies)	<u>(1,000,000)</u>	<u>(1,000,000)</u>	<u>(1,984,944)</u>	<u>(984,944)</u>
Excess/(Deficiency) of Revenue Over/(Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>1,302,602</u>	<u>1,302,602</u>
Fund Balance, Beginning of Year			<u>16,620,357</u>	
FUND BALANCE, END OF YEAR			<u>\$ 17,922,959</u>	

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS - AGENCY FUNDS

NEWBERRY COUNTY, SOUTH CAROLINA

June 30, 2019

DRAFT

	Newberry County School District	Fire Departments/ Rescue Squads	Magistrates/ Clerk of Court	Total Agency Funds
ASSETS				
Cash and cash equivalents - Note B and C	\$ 1,943,568	\$ 542,695	\$ 120,355	\$ 2,606,618
Investments	<u>27,389,107</u>	<u>-</u>	<u>-</u>	<u>27,389,107</u>
TOTAL ASSETS	<u>\$ 29,332,675</u>	<u>\$ 542,695</u>	<u>\$ 120,355</u>	<u>\$ 29,995,725</u>
LIABILITIES				
Due to other entities	<u>\$ 29,332,675</u>	<u>\$ 542,695</u>	<u>\$ 120,355</u>	<u>\$ 29,995,725</u>
TOTAL LIABILITIES	<u>\$ 29,332,675</u>	<u>\$ 542,695</u>	<u>\$ 120,355</u>	<u>\$ 29,995,725</u>

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS
NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2019

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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, 2019

DRAFT

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, 2019

DRAFT

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, 2019

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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. . The County values its inventory at cost.

NOTES TO FINANCIAL STATEMENTS
NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2019

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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, 2019. 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, 2019. 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, 2019

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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 – Grant Income

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.

Pension Liability, Deferred Inflows & Deferred Outflows

The County implemented GASB 68 to account for Pension Liabilities through the SCRS and PORS. The standards require the recording of a pension liability for future estimated retirement costs, deferred inflows for investment experience and deferred outflows for liability experience.

NOTES TO FINANCIAL STATEMENTS
NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2019

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NOTE B - CASH

Deposits

At June 30, 2019, the carrying amount of the County's deposits was \$6,701,322 (\$4,094,704 for the primary government, and \$2,606,618 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 by their agents in the County's name. The carrying amount of the County's deposits also included \$116,937 cash on hand at June 30, 2019.

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, 2019. Category 1 includes investments that are insured or registered or for which securities are held by the County or its agent in the County's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the broker's or dealer's trust department or agent in the County's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by the trust department or agent but not in the County's name.

	Category			Carrying Amount	Market Value
	1	2	3		
Bank deposit accounts	\$ 6,701,322	\$ --	\$ --	\$ 6,701,322	\$ 6,701,322
Total	\$ 6,701,322	\$ --	\$ --		
State treasurer's investment pool				29,475,433	29,475,433
State treasurer's investment pool - Agency funds				27,389,107	27,389,107
Total Investments and Deposits				<u>\$ 63,565,862</u>	<u>\$ 63,565,862</u>

NOTES TO FINANCIAL STATEMENTS
 NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2019

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NOTE C – INVESTMENTS - Continued

The County has investments in the S. C. Local Government Investment Pool at June 30, 2019 of \$56,864,540 (\$29,475,433 for the primary government and \$27,389,107 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	\$ 323,738
Special Revenue	General	<u>3,060</u>
	Total	<u>\$ 326,798</u>

NOTES TO FINANCIAL STATEMENTS
 NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2019

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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, 2019, 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, 2019 follows:

General Fund	\$ 1,807,690
Debt Service Fund	<u>135,188</u>
 Total Governmental Activities	 \$ <u>1,942,878</u>
 General Fund	 \$ 1,807,690
Debt Service Fund	135,188
Net Deferred tax revenue -- Collections after 60 days	 <u>(1,875,266)</u>
 Net taxes payable – Governmental Funds	 \$ <u>67,612</u>

NOTES TO FINANCIAL STATEMENTS
NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2019

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NOTE F - LONG-TERM DEBT

The following is a summary of long-term debt transactions of the County for the year ended June 30, 2019:

	Balance, <u>July 1, 2018</u>	<u>Additions</u>	<u>Deletions</u>	Balance, <u>June 30, 2019</u>
Bonds payable	\$ 22,165,000	\$ 1,800,000	\$ 3,366,658	\$ 20,598,342
Lease purchase agreement	2,713,278	710,000	921,104	2,502,174
Accrued vacation	<u>719,152</u>	<u>27,205</u>	<u>--</u>	<u>746,357</u>
Total Long Term Debt	<u>\$ 25,597,430</u>	<u>\$ 2,537,205</u>	<u>\$ 4,287,762</u>	<u>\$ 23,846,873</u>

Bonds payable at June 30, 2019, are composed of the following:

Special Source Revenue Bond (Fee-in-Lieu) – 2006 - due in annual installments of \$195,000 - \$455,000 through April 2026; interest rate 2.8%. Current amount due \$360,000	\$ 2,840,000
\$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 \$290,000	290,000
\$1,200,000 – 2013 Promissory Note - due in annual Installments of \$24,000 to \$252,468 through Aug 2023; Interest rate 2.0%. Current amount due \$228,668 for the construction of the industrial park building	1,190,000
\$19,125,000 – 2017 Bonds (Sales Tax) , due in annual Installments of \$2,200,000 to \$3,155,000 through March 2025; Interest rate 1.63%. Current amount \$2,600,000	14,350,000
\$1,000,000 General Obligation , Series 2018A, due in Annual installments of \$88,722 to \$114,260 through March 2028; Interest rate 3.15%. Current amount due \$89,154	911,278
\$325,000 General Obligation Bonds, Series 2018B, due in Annual installments of \$27,992 to \$38,326 through March 2028; Interest rate 3.94%. Current amount due \$28,134	297,008
\$800,000 General Obligation Bonds, Series 2018C, due in Annual installments of \$70,936 to \$89,720 through March 2028; Interest rate 3.94%. Current amount due \$70,936	<u>720,056</u>
Total bonds payable	<u>\$ 20,598,342</u>

NOTES TO FINANCIAL STATEMENTS
 NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2019

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NOTE F - LONG-TERM DEBT – Continued

Outstanding bonds payable are due as follows at June 30, 2019:

Year Ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 3,666,892	\$ 890,897	\$ 4,465,395
2021	3,527,497	732,994	4,260,491
2022	3,693,387	575,203	4,268,590
2023	3,859,572	409,691	4,269,263
2024	4,036,061	236,450	4,272,511
2025 – 2028	<u>1,814,933</u>	<u>271,370</u>	<u>2,086,303</u>
Totals	<u>\$ 20,598,342</u>	<u>\$ 3,116,605</u>	<u>\$ 23,714,947</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, 2019 assessed property valuation (\$143,166,580) the County is below its legal debt limit of \$11,453,326. Bond indebtedness applied to the debt limit was \$1,929,822, leaving \$9,523,504 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.

The County's bond rating was from Moody's Aa3.

NOTES TO FINANCIAL STATEMENTS
 NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2019

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NOTE F - LONG-TERM DEBT – Continued

Lease Purchase Agreements

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 2019 – 2027. Current principal amount due is \$120,997.

Lease Purchase 2015 was used to buy equipment for \$700,000. The annual interest rate is 1.56%. Annual payments of \$144,461 of principal and interest are due in December from 2019 – 2019. Current principal amount due is \$142,242

Lease Purchase 2016 was used to buy equipment for \$710,000. The annual interest rate is 1.59%. Annual payments of \$146,625 of principal and interest are due in December from 2019 – 2020. Current principal amount due is \$142,071

Lease Purchase 2017 was used to buy equipment for \$500,000. The annual interest rate is 2.23%. Annual payments of \$104,517 of principal and interest are due in December from 2019 – 2021. Current principal amount due is \$97,825

Lease Purchase 2018 was used to buy equipment for \$710,000. The annual interest rate is 3.02%. Annual payments of \$150,760 of principal and interest are due in December from 2019 – 2021. Current principal amount due is \$133,735

Lease purchase payments are budgeted and paid through a GO Bond issued annually.

Outstanding lease purchase agreements are due as follows at June 30, 2019:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year Ending June 30,			
2020	\$ 636,871	\$ 62,468	\$ 699,339
2021	506,331	48,548	554,879
2022	371,699	36,553	408,252
2023	276,546	29,955	306,501
2024	134,289	22,141	156,430
2025 – 2029	<u>576,438</u>	<u>57,035</u>	<u>633,473</u>
Totals	<u>\$ 2,502,174</u>	<u>\$ 256,700</u>	<u>\$ 2,758,874</u>

Accrued Vacation

At June 30, 2019, the liability for accrued vacation benefits recorded in the governmental activities was \$746,357. 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, 2019

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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 – 9.00% of salary; PORS Class II – 9.75% of salary; PORS Class I - \$21 per month. 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, 2019

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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>2019</u>	<u>2018</u>	<u>2017</u>
Total payroll	\$4,779,135	\$ 4,702,211	\$4,764,253
Covered payroll	4,779,135	4,702,211	4,764,253
County's contribution	688,673	630,566	543,601
Employee's contribution	430,122	423,199	412,584
Group life	7,169	7,053	7,146
County's Contribution %	14.41%	13.41%	11.41%
Employee's contribution %	9.00%	9.00%	8.66%

PORS

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total payroll	\$3,624,065	\$3,571,991	\$3,713,087
Covered payroll	3,624,065	3,571,991	3,713,087
County's contribution	610,293	565,803	513,891
Employee's contribution	353,346	348,269	343,089
Group Life and AD	7,248	7,144	7,426
Accidental death	7,248	7,144	7,426
County's Contribution %	16.84%	15.84%	13.84%
Employee's contribution %	9.75%	9.75%	9.24%

NOTES TO FINANCIAL STATEMENTS
NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2019

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NOTE G - PENSION PLAN - Continued

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

At June 30, 2019 the County reported the following for its proportionate share of the net pension asset (liability) for each of the Retirement Systems (A/C 73602). The net pension asset (liability) was measured as of June 30, 2018 for SCRS and PORS. The total pension asset/(liability) used to calculate the net pension asset/(liability) was determined by an actuarial valuation. The County's proportion of the net pension asset/(liability) was based on a projection of the County's long term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was provided by PEBA in reports provided to the County and other participating agencies.

	SCRS	PORS
Net pension asset/(liability)		
June 30, 2018	\$ (10,182,511)	\$(7,297,949)
County's portion of the Plan's Total net pension (liability)	0.045444 %	0.257556 %

For the year ended June 30, 2019, the County recognized pension expense (credit) of \$991,251 for SCRS and \$953,363 for PORS. At June 30, 2019 the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Exp & Assumption Changes - SCRS	1,069,253	
Exp & Assumption Changes - SCRS Payments made in 2019 - SCRS	688,673	685,821
Exp & Assumption Changes - PORS	1,157,982	
Exp & Assumption Changes - PORS Payments made in 2019 - PORS	610,293	642,950

District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year June 30, 2019. Other amounts reported as deferred outflows and deferred inflows related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending <u>June 30,</u>	<u>SCRS</u>	<u>PORS</u>
2019	\$ 212,337	221,128
2020	(202,385)	(30,480)
2021	(24,224)	(24,014)

NOTES TO FINANCIAL STATEMENTS
NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2019

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Actuarial Assumptions

Actuarial cost method	Entry Age	Entry Age
Investment rate of return	7.25%	7.25%
Proj salary increases	levels off at 3.5%	levels off at 3.5%
Includes inflation at	2.75%	2.75%
Benefit adjustments	lesser of 1% or \$500	lesser of 1% or \$500

The post-retiree mortality assumption is dependent upon the member's job category and gender. This assumption includes base rates which are automatically adjusted for future improvement in mortality using the published Scale AA projected from the year 2000. The long term expected rate of return on pension plan investments for actuarial purposes is based on the 30 year capital market outlook at the end of the third quarter 2017. For actuarial purposes, the 7.25% assumed annual investment rate of return used in the calculation of total pension liability includes a 4.75% real rate of return and 2.75% inflation component

Asset Class	Target Asset Allocation	Expected Rate of Return	Long Term Expected Rate of Return
Short Term	5.0%		
Cash	2.0%	0.3	0.01
Short Duration	3.0%	0.6	0.02
Domestic Fixed Income	13.0%		
Core Fixed Income	7.0%	1.1	0.08
High Yield	2.0%	3.5	0.07
Bank Loans	4.0%	2.8	0.11
Global Fixed Income	9.0%		
Global Fixed Income	3.0%	0.8	0.02
Emerging Markets Debt	6.0%	4.1	0.25
Global Public Equity	31.0%	7.8	2.42
Global Tact Asset			
Allocation	10.0%	5.1	0.51
Alternatives	32.0%		
Hedge Funds			
(Low Beta)	8.0%	4	0.32
Private Debt	7.0%	10.2	0.71
Private Equity	9.0%	10.2	0.92
Real Estate (Broad Mkt)	5.0%	5.9	0.29
Commodities	<u>3.0%</u>	<u>5.1</u>	<u>0.15</u>
Total Expected			
Real Return	<u>100.0%</u>		5.88
Inflation for			
Actuarial Purposes			<u>2.75</u>
Total Expected Nominal Return			<u>8.63</u>

NOTES TO FINANCIAL STATEMENTS
NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2019

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Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The following table presents the sensitivity of the net pension liability to changes in the discount rate.

	<u>6.25%</u>	<u>7.25%</u>	<u>8.25%</u>
SCRS	\$ 13,011,358	\$ 10,182,511	\$ 8,160,156
PORS	\$ 9,838,547	\$ 7,297,949	\$ 5,216,986

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

Pension Plan Fiduciary Net Position

	SCRS	PORS
Actuarial valuation date	June 30, 2018	June 30, 2018
Total pension asset/(liability)	\$ (48,821,730,067)	\$ (7,403,972,673)
Plan fiduciary net position	\$ 26,414,916,370	\$ 4,570,430,247
Employers Net Pension Liability	\$ 22,406,813,697	\$ 2,833,542,426
Ratio of plan net position to total pension (liability)	54.1 %	61.7 %

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.

NOTES TO FINANCIAL STATEMENTS
NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2019

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NOTE I - LITIGATION

The County is involved in various claims and litigation arising from the normal course of business. Management estimates the range of possible contingency losses are from \$1 to \$600,000. No liability has been recorded at this time.

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	\$ 22,104
Committed for special revenue	665,895
Assigned for debt service	6,298,380
Assigned for projects	9,129,022
Assigned for econ development	3,250,000

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 projects is the amount available to spend on future projects in the County for GO Bond proceeds, Lease Purchase proceeds and Sales Tax Bond proceeds remaining. The assigned for economic development is funds to be spent in FY 2019-2020 on an economic development project.

NOTE L – BUDGET VARIANCES

The County had unfavorable variances in the general fund in Election and registration due to higher expenditures in precinct personnel.

NOTES TO FINANCIAL STATEMENTS

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2019

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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 accrued a liability of \$1,284,000 for future estimated costs.

NOTE N – CAPITAL ASSETS

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

	Balance, July 1, 2018	Additions	Deletions	Balance, June 30, 2019
Buildings and Land *	\$ 44,193,518	\$ 2,570,000	\$ --	\$ 46,763,518
Vehicles and equipment	21,444,825	971,021	(310,029)	22,105,817
Roads	11,340,105	--	--	11,340,105
Airport Impr	5,654,044	--	--	5,654,044
Accumulated Depreciation	<u>(51,350,210)</u>	<u>(2,194,286)</u>	<u>310,029</u>	<u>(53,234,467)</u>
Total	<u>\$ 31,282,282</u>	<u>\$ 1,346,735</u>	<u>\$ --</u>	<u>\$ 32,629,017</u>

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

The County recorded depreciation expense of \$2,194,286 shown in current expenses on the statement of activities – governmental activities. Depreciation was allocated as follows:

Administration	\$ --
Tax assessment	1,964
Admin of Justice	4,214
Law Enforcement	36,399
Detention	108,299
Public Safety	212,063
Public Works	1,829,305
Planning and Development	<u>2,042</u>
Total	<u>\$ 2,194,286</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, 2019

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NOTE O – 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, 2019

DRAFT

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

B. Funding Policy

As required an actuary will determine the County's OPEB Obligation at least once every two fiscal years. The amount is calculated in accordance with certain parameters.

Accounting standards do 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, 2019, the amount actually contributed to the plan, and changes in the County's Net OPEB Obligation/(Asset):

<u>Item</u>	<u>FYE 6/30/19</u>
Annual OPEB cost	\$ 1,111,127
Benefit payments	<u>(102,141)</u>
Increase in Net OPEB Obligation	\$ 1,008,986
Net OPEB Obligation – Beginning of Year	<u>14,031,806</u>
Net OPEB Obligation – End of Year	<u>\$ 15,040,792</u>

NOTES TO FINANCIAL STATEMENTS
NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2019

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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, 2019 are as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Actual Contribution</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation/(Asset)</u>
06/30/16	\$849,833	\$126,280	14.86%	\$4,565,313
06/30/17	\$996,504	102,141	10.25%	\$5,459,676
06/30/18 **	1,111,127	102,141	9.19%	14,031,806
06/30/19 **	1,111,127	102,141	9.19%	15,040,792

** - Beginning with FY 2018 the County implemented GASB 75 which changed the presentation of the liabilities.

D. Funded Status and Funding Progress - The funded status of the plan as of June 30, 2019 was as follows:

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
7/1/2014	\$0	\$6,483,456	\$6,483,456	0.00%	\$7,773,864	83.40%
7/1/2016	\$0	11,105,433	11,105,433	0.00%	\$8,617,119	129%
6/30/2018	\$0	14,031,806	14,031,806	0.00%	8,135,387	172%

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 OPEB cost of the County are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. 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 June 30, 2019. The actuarial assumptions included a 3.62 percent investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 5 percent.

NOTES TO FINANCIAL STATEMENTS
NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2019

DRAFT

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

Analysis

The discount rate used to measure the total pension liability was 3.62% and the healthcare cost trend rate was 5.0%. The following table presents the sensitivity of the net pension liability to changes in these rates.

	<u>-1.0%</u>	<u>Rate</u>	<u>+1.0%</u>
Discount	\$ 17,483,213	\$ 14,031,806	\$ 11,379,026
Healthcare Cost	\$ 10,915,439	\$ 14,031,806	\$ 18,283,239

NOTE Q – TRANSFERS

Individual fund transfers for the year ended June 30, 2019 were:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>
General Fund	Special Revenue	\$ 1,984,944
Debt Service	Capital Projects	707,607

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 debt service was from GO Bond funds that were used for capital projects.

NOTE R – INVENTORY

The County has fuel facilities at the County Airport. Inventory consisting of jet fuel had a cost of \$22,104 at June 30, 2019. The County values its inventory at cost.

NOTES TO FINANCIAL STATEMENTS
NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2019

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NOTE S – NET POSITION

The County has an unrestricted net deficit in the governmental activities of \$30,434,137. This deficit was caused by the implementation of GASB 68 - Net Pension Liability and GASB 75 – OPEB Liability. The County anticipates paying the required contribution amounts for these liabilities.

NOTE T – TAX ABATEMENTS

The County enters into various agreements with businesses for economic incentives to create jobs in the County. County Council votes for and approves the fee in lieu of tax agreements. As of June 30, 2019 the County has 19 active fee in lieu agreements. These agreements result in a net reduction of property tax revenue for the general fund and debt service fund of \$6,951,572 on business property valued at \$280,916,692.

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REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE OF THE COUNTY'S
NET OPEB OBLIGATION
NEWBERRY COUNTY
FOR THE YEARS ENDED JUNE 30, 2010 - 2019

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Net OPEB
Obligation/
(Asset)

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Actual Contribution</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	
6/30/2010	545,329	56,712	10.40%	976,348
6/30/2011	496,023	56,764	11.44%	1,415,607
6/30/2012	496,023	67,308	13.57%	1,844,322
6/30/2013	707,753	66,243	9.36%	2,485,832
6/30/2014	707,753	75,378	10.65%	3,118,207
6/30/2015	849,833	126,280	14.86%	3,841,760
6/30/2016	849,833	126,280	14.86%	4,565,313
6/30/2017	996,504	102,141	10.25%	5,459,676
6/30/2018 **	1,111,127	102,141	9.19%	14,031,806
6/30/2019	1,111,127	102,141	9.19%	15,040,792

** - The County implemented GASB 75 for the fiscal year ended 6/30/2018.

SCHEDULE OF THE COUNTY'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
NEWBERRY COUNTY
FOR THE YEARS ENDED JUNE 30, 2015 - 2019

DRAFT

SCRS	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
County's proportion of the net pension liability	0.045444%	0.047277%	0.046346%	0.045572%	0.043778%
County's proportionate share of the net pension liability	10,182.511	10,642.813	9,899.437	8,642.950	7,536.604
County's covered payroll during the measurement period	4,779.135	4,702.211	4,764.253	4,488.298	4,271.819
County's contribution ***	688.673	630.566	543.601	489.673	459.221
Contribution percentage	14.41%	13.41%	11.41%	10.91%	10.75%
County's share of the net pension liability as a percentage of its covered payroll	213.06%	226.34%	207.79%	192.57%	176.43%
Plan fiduciary net position as a percentage of total pension liability	54.1%	53.3%	52.9%	57.0%	59.9%
 PORS	 <u>2019</u>	 <u>2018</u>	 <u>2017</u>	 <u>2016</u>	 <u>2015</u>
County's proportion of the net pension liability	0.257556%	0.275250%	0.276410%	0.276520%	0.276450%
County's proportionate share of the net pension liability	7,297.949	7,540.586	7,010.994	6,026.656	5,292.435
County's covered payroll during the measurement period	3,624.065	3,571.991	3,713.087	3,524.119	3,425.356
County's contribution ***	610.293	565.803	513.891	470.117	445.639
Contribution percentage	16.84%	15.84%	13.84%	13.34%	13.01%
County's share of the net pension liability as a percentage of its covered payroll	201.37%	211.10%	188.82%	171.01%	154.51%
Plan fiduciary net position as a percentage of total pension liability	61.7%	60.9%	60.4%	64.6%	67.5%

** - The County began presenting the Pension Liability schedule beginning June 30, 2015. As the information is accumulated, the schedule will present the last 10 years of information.

*** The County's contribution is equal to the required contractual contribution.

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SUPPLEMENTAL INFORMATION

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

DRAFT

Year Ended June 30, 2019

	Final <u>Budget</u>	Actual	Variance Favorable <u>(Unfavorable)</u>
Revenue			
Taxes			
Property taxes, current	\$ 16,708,721	\$ 16,824,360	\$ 115,639
Property taxes - Community Service Levies	1,000,000	1,000,000	-
Fee in lieu of taxes	1,484,321	1,888,341	404,020
Delinquent taxes	600,000	807,329	207,329
Delinquent tax cost	<u>168,875</u>	<u>151,214</u>	<u>(17,661)</u>
Total Taxes	<u>19,961,917</u>	<u>20,671,244</u>	<u>709,327</u>
Intergovernmental			
Local government	1,484,603	1,430,036	(54,567)
Merchant inventory tax	86,000	86,536	536
Salary supplements	6,300	6,300	-
Accomodations tax	3,200	67,914	64,714
National forestry fund	155,000	143,879	(11,121)
Solid waste - state grant	20,000	24,123	4,123
Grants	-	772,901	772,901
Disaster preparedness	<u>150,000</u>	<u>192,219</u>	<u>42,219</u>
Total Intergovernmental	<u>1,905,103</u>	<u>2,723,908</u>	<u>818,805</u>
Fines and fees			
Clerk of Court - fines and fees	130,000	123,511	(6,489)
CCCP fees	95,000	144,630	49,630
Clerk of Court - copies	22,000	24,513	2,513
Central Court	300,000	304,994	4,994
Registration and election	30,000	70,291	40,291
Animal control	31,500	29,907	(1,593)
Probate Judge - fees	65,000	57,935	(7,065)
Probate Judge - copies	1,500	1,270	(230)
Sheriff - fees	4,000	6,135	2,135
Forfeit land commission	5,000	13,069	8,069
Building Inspection	200,000	299,127	99,127
Bad check	500	-	(500)
Tipping fees	929,000	833,337	(95,663)

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

DRAFT

Year Ended June 30, 2019

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Fines and fees - continued			
Recycle revenue	35,000	37,655	2,655
Zoning fee	45,000	38,785	(6,215)
CCCP-IV D	-	53,646	53,646
Cable/phone franchise	<u>22,000</u>	<u>21,961</u>	<u>(39)</u>
Total Fines and fees	<u>1,915,500</u>	<u>2,060,766</u>	<u>145,266</u>
Other			
Interest	45,000	171,607	126,607
Veterans affairs	5,000	4,704	(296)
Mobile home licenses	600	970	370
Assessor's GIS	2,500	3,458	958
Soil and Water Conservation	45,898	45,691	(207)
School resource officer	344,937	377,184	32,247
FFP	50,000	51,917	1,917
Miscellaneous	<u>190,600</u>	<u>504,816</u>	<u>314,216</u>
Total Other	<u>684,535</u>	<u>1,160,347</u>	<u>475,812</u>
Balance brought forward	<u>1,500,495</u>	<u>-</u>	<u>(1,500,495)</u>
TOTAL REVENUE	<u>25,967,550</u>	<u>26,616,265</u>	<u>648,715</u>

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

DRAFT

Year Ended June 30, 2019

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Expenditures			
LEGISLATIVE			
County Council			
Personnel	164,384	155,170	9,214
Social security	12,585	10,859	1,726
Retirement	24,336	22,125	2,211
Travel - council	26,800	14,391	12,409
Insurance	82,263	78,336	3,927
Workers compensation	4,017	3,531	486
Advertising	1,700	1,530	170
Audit and accounting	30,000	24,115	5,885
Contingency	1,500	1,340	160
Bookbinding	500	495	5
Contracted maintenance	1,000	675	325
Office expenses	2,000	1,796	204
Postage	-	8	(8)
Telephone	7,600	4,517	3,083
Subsistence	520	190	330
	<u>359,205</u>	<u>319,078</u>	<u>40,127</u>
TOTAL LEGISLATIVE			
ADMINISTRATION			
County Administrator			
Personnel	460,884	461,530	(646)
Social security	35,258	34,277	981
Retirement	67,105	62,676	4,429
Insurance	51,354	53,823	(2,469)
Workers compensation	10,283	9,040	1,243
Advertising	2,000	368	1,632
Maintenance	7,500	7,500	-
Copier machine	750	-	750
Memberships & Dues	1,000	685	315
Office expense	4,175	3,582	593
Postage	3,700	2,053	1,647
Printing	2,500	2,412	88
Telephone	5,500	4,899	601

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

DRAFT

Year Ended June 30, 2019

	Final <u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
County Administrator - continued			
Training	4,000	1,438	2,562
Travel	5,000	6,984	(1,984)
Subsistence	<u>6,000</u>	<u>3,937</u>	<u>2,063</u>
Total County Administrator	<u>667,009</u>	<u>655,204</u>	<u>11,805</u>
Miscellaneous Operating			
Non Dept Contingency	4,338	(2,111)	6,449
Contracted maintenance	17,000	11,207	5,793
Insurance	55,000	4,739	50,261
Tort insurance	120,000	128,425	(8,425)
Insurance - buildings	110,000	114,492	(4,492)
Repairs to vehicle	3,000	155	2,845
Subsistence	18,000	11,808	6,192
Unemployment insurance	5,000	-	5,000
Employee service recognition	2,650	3,250	(600)
Fuel	5,800	-	5,800
Medical	2,000	1,679	321
Workmens Comp	72	-	72
Payroll service	65,000	42,969	22,031
Recruitment officer	40,000	40,000	-
IT Department	254,195	228,449	25,746
Legals	<u>207,941</u>	<u>312,798</u>	<u>(104,857)</u>
Total Miscellaneous Operating	<u>909,996</u>	<u>897,860</u>	<u>12,136</u>
TOTAL ADMINISTRATION	<u>1,577,005</u>	<u>1,553,064</u>	<u>23,941</u>
TAX ASSESSMENT & COLLECTION			
Treasurer's Office			
Personnel	204,292	211,096	(6,804)
Overtime	3,200	-	3,200
Social security	15,873	15,642	231
Retirement	30,275	30,870	(595)
Insurance	36,216	37,281	(1,065)
Workers compensation	2,830	2,487	343
Advertising	200	75	125
Contracted maintenance	23,700	21,976	1,724
Professional services	46,619	41,434	5,185

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

DRAFT

Year Ended June 30, 2019

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Treasurer's Office - continued			
Membership & dues	200	155	45
Office expense	5,000	5,153	(153)
Postage	45,000	43,081	1,919
Printing	10,000	7,598	2,402
Telephone	2,000	884	1,116
Training	1,455	1,225	230
Travel	2,700	746	1,954
Subsistence	2,770	1,871	899
Office Furniture/Equipment	-	-	-
Total Treasurer's Office	<u>432,330</u>	<u>421,574</u>	<u>10,756</u>
Auditor's Office			
Personnel	222,021	222,021	-
Social security	16,985	16,363	622
Retirement	32,326	32,072	254
Insurance	30,503	31,417	(914)
Workers compensation	2,966	652	2,314
Advertising	250	250	-
Contracted maintenance	23,000	21,113	1,887
Professional services	46,621	41,923	4,698
Memberships & dues	200	155	45
Office expense	3,000	2,857	143
Postage	1,200	1,948	(748)
Printing	7,000	5,440	1,560
Subscriptions & books	600	344	256
Telephone	2,050	1,477	573
Training	1,495	1,430	65
Travel	2,730	1,708	1,022
Subsistence	3,070	2,463	607
Office furniture	-	-	-
Total Auditor's Office	<u>396,017</u>	<u>383,633</u>	<u>12,384</u>

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

DRAFT

Year Ended June 30, 2019

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Assessor's Office			
Personnel	388,189	389,693	(1,504)
Overtime	10,000	387	9,613
Social security	30,691	29,130	1,561
Retirement	58,413	52,737	5,676
Insurance	74,045	73,948	97
Workers compensation	7,257	6,378	879
Advertising	500	-	500
Contracted maintenance	51,480	50,204	1,276
Vehicle insurance	3,340	2,650	690
Memberships & dues	375	140	235
Office expense	7,500	7,257	243
Postage	1,500	1,413	87
Printing	750	657	93
Subscriptions	1,650	1,383	267
Telephone	1,500	1,075	425
Training	3,315	1,931	1,384
Travel	1,375	1,306	69
Subsistence	1,900	1,842	58
Gas, oil, grease	4,000	2,055	1,945
Uniforms	750	-	750
Total Assessor's Office	<u>648,530</u>	<u>624,186</u>	<u>24,344</u>
Tax Collector			
Personnel	47,228	46,734	494
Overtime	2,000	1,484	516
Social security	3,766	3,412	354
Retirement	7,168	5,774	1,394
Insurance	5,911	6,078	(167)
Workers compensation	1,137	1,000	137
Advertising	15,001	10,706	4,295
Contracted maintenance	5,700	5,662	38
Professional fees	5,000	3,728	1,272
Consulting	17,000	12,500	4,500
Memberships & dues	125	30	95
Office expense	1,400	805	595

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

DRAFT

Year Ended June 30, 2019

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Tax Collector - continued			
Postage	30,000	25,622	4,378
Printing	800	636	164
Supplies	800	72	728
Subscriptions	150	103	47
Telephone	700	536	164
Training	900	450	450
Travel	1,000	677	323
Subsistence	700	540	160
Review board and appeals	<u>4,200</u>	<u>4,260</u>	<u>(60)</u>
Total Tax Collector	<u>150,686</u>	<u>130,809</u>	<u>19,877</u>
TOTAL TAX ASSESSMENT & COLLECTION	<u>1,627,563</u>	<u>1,560,202</u>	<u>67,361</u>
REGISTRATION & ELECTION BOARD			
Personnel	83,713	87,713	(4,000)
Precinct personnel	15,200	60,974	(45,774)
Board members	10,706	12,900	(2,194)
Social security	6,404	6,710	(306)
Retirement	12,189	11,961	228
Insurance	12,570	12,984	(414)
Wokers Comp	245	271	(26)
Advertising	2,000	559	1,441
Contracted maintenance	20,542	16,585	3,957
Utilities	-	2,397	(2,397)
Memberships and dues	360	350	10
Office expense	5,700	4,462	1,238
Printing	4,375	2,314	2,061
Supplies	3,000	1,887	1,113
Telephone	1,500	979	521
Training	1,700	750	950
Travel	4,220	2,735	1,485
Subsistence	2,000	1,104	896
Other Equipment	<u>2,375</u>	<u>192</u>	<u>2,183</u>
TOTAL REGISTRATION & ELECTION BOARD	<u>188,799</u>	<u>227,827</u>	<u>(39,028)</u>

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

DRAFT

Year Ended June 30, 2019

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
ADMINISTRATION OF JUSTICE			
Criminal & Civil Court			
Solicitor's office	121,867	121,867	-
Personnel - bailiff	16,056	13,331	2,725
Jury fees	40,000	30,000	10,000
Contracted maintenance	3,500	3,327	173
Office	3,600	1,285	2,315
Postage	2,500	1,066	1,434
Printing	1,500	1,285	215
Telephone	1,500	1,167	333
DJJ	<u>1,000</u>	<u>712</u>	<u>288</u>
Total Criminal & Civil Court	<u>191,523</u>	<u>174,040</u>	<u>17,483</u>
Clerk of Court			
Personnel	221,050	243,056	(22,006)
Social security	16,910	17,519	(609)
Retirement	32,226	33,231	(1,005)
Insurance	37,769	67,464	(29,695)
Workers compensation	3,110	2,633	477
Contracted maintenance	84,000	77,443	6,557
Memberships & dues	125	125	-
Office expense	7,500	3,269	4,231
Postage	30,000	15,834	14,166
Printing	4,000	2,508	1,492
Telephone	1,600	1,202	398
Training	700	300	400
Subsistence	1,000	997	3
Travel	<u>1,500</u>	<u>1,482</u>	<u>18</u>
Total Clerk of Court	<u>441,490</u>	<u>467,063</u>	<u>(25,573)</u>

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

DRAFT

Year Ended June 30, 2019

	Final <u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Family Court - Clerk of Court			
Personnel	145,306	117,672	27,634
Social security	11,116	8,936	2,180
Retirement	21,157	15,687	5,470
Insurance	17,734	18,235	(501)
Workers compensation	443	389	54
Contracted maintenance	28,000	21,905	6,095
Office expense	4,500	2,649	1,851
Postage	5,000	5,000	-
Printing	10,300	3,776	6,524
Telephone	1,600	1,585	15
Training	300	300	-
	<u>245,456</u>	<u>196,134</u>	<u>49,322</u>
Total Family Court - Clerk of Court			
Probate Judge			
Personnel	188,334	188,334	-
Social security	14,408	13,634	774
Retirement	29,672	27,842	1,830
Insurance	40,236	38,291	1,945
Workers compensation	3,355	2,949	406
Advertising	200	104	96
Contracted maintenance	2,902	2,832	70
Membership & dues	570	570	-
Office expense	5,247	5,027	220
Postage	2,000	1,812	188
Printing	841	841	-
Telephone	1,600	1,345	255
Education & training	3,400	1,730	1,670
Travel	4,790	3,337	1,453
Office furniture/equipment	5,000	4,898	102
	<u>302,555</u>	<u>293,546</u>	<u>9,009</u>
Total Probate Judge			
Probation & Parole Office			
P.O. Box rent	-	-	-
Telephone	950	941	9
	<u>950</u>	<u>941</u>	<u>9</u>
Total Probation & Parole Office			

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

DRAFT

Year Ended June 30, 2019

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Public Defender			
Personnel	64,898	64,898	-
Social security	4,965	4,647	318
Retirement	9,449	8,803	646
Insurance	12,571	12,984	(413)
Workmens Comp	234	206	28
Copier Machine	100	-	100
Office Expense	250	-	250
Postage	50	-	50
Telephone	500	108	392
Training	750	-	750
	<u>93,767</u>	<u>91,646</u>	<u>2,121</u>
Total Public Defender			
Coroner			
Personnel	68,060	67,060	1,000
Social security	5,207	4,902	305
Retirement	7,340	10,183	(2,843)
Insurance	10,325	10,654	(329)
Workers compensation	2,006	1,764	242
Contracted maintenance	750	750	-
Vehicle insurance	1,950	1,213	737
Memberships & dues	600	350	250
Office expense	900	858	42
Postage	100	100	-
Repairs	1,100	822	278
Telephone	2,000	1,495	505
Training	3,500	2,505	995
Travel	2,000	726	1,274
Subsistence	2,000	1,663	337
Fuel	3,600	3,600	-
Supplies	4,000	3,361	639
Uniforms	800	703	97
Post Mortems & BA	60,000	53,599	6,401
Capital outlay	-	-	-
	<u>176,238</u>	<u>166,308</u>	<u>9,930</u>
Total Coroner			

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

DRAFT

Year Ended June 30, 2019

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Magistrate District 2			
Personnel	331,321	327,963	3,358
Jury fees	20,000	15,000	5,000
Social security	25,346	24,440	906
Retirement	53,604	49,709	3,895
Insurance	56,082	55,403	679
Workers compensation	900	773	127
Contracted maintenance	23,500	21,228	2,272
Consulting & tech fees	107	-	107
Memberships	550	370	180
Office expense	11,643	11,643	-
Postage	9,000	7,500	1,500
Telephone	2,000	4,905	(2,905)
Training	2,600	1,831	769
Travel	2,500	1,909	591
Subsistence	4,000	3,597	403
Capital outlay	32,000	-	-
	<u>575,153</u>	<u>526,271</u>	<u>16,882</u>
Total Magistrate District 2			
	<u>575,153</u>	<u>526,271</u>	<u>16,882</u>
TOTAL ADMINISTRATION OF JUSTICE	<u>2,027,132</u>	<u>1,915,949</u>	<u>79,183</u>
LAW ENFORCEMENT - Sheriff's Department			
Personnel	1,979,578	1,858,705	120,873
Overtime	125,000	130,888	(5,888)
School resource officer - salary and benefits	352,867	363,248	(10,381)
Social security	159,795	149,423	10,372
Retirement	382,554	322,276	60,278
Insurance	382,437	382,669	(232)
Workers compensation	63,343	56,974	6,369
Contracted maintenance	72,000	67,385	4,615
Professional services	1,000	-	1,000
Vehicle insurance	68,304	63,826	4,478
Non Salary Legals	750	50	700
Membership & dues	7,000	5,890	1,110
Office expense	5,000	7,764	(2,764)
Postage	1,200	1,133	67

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

DRAFT

Year Ended June 30, 2019

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Sheriffs office - continued			
Printing	2,000	1,113	887
Transportation of Prisoners	1,501	629	872
Repairs to vehicle	10,000	8,225	1,775
Training	3,000	2,400	600
Travel	500	-	500
Subsistence	2,500	2,500	-
Ammo & guns	3,000	2,929	71
Cleaning supplies	5,000	1,663	3,337
Gas, oil, grease	161,700	161,700	-
Medical	2,463	2,463	-
Photo supplies	2,500	1,089	1,411
Police supplies	7,500	6,425	1,075
CIRT supplies	3,000	2,965	35
Uniforms	30,700	29,732	968
Special law enforcement	1,000	995	5
Supplies	3,500	2,507	993
Crime prevention	1,000	915	85
School safety	3,000	2,617	383
Capital replacement	<u>274,099</u>	<u>248,482</u>	<u>25,617</u>
 Total Sheriff's Department	 <u>4,118,791</u>	 <u>3,889,580</u>	 <u>229,211</u>
 TOTAL LAW ENFORCEMENT	 <u>4,118,791</u>	 <u>3,889,580</u>	 <u>229,211</u>
DETENTION			
Corrections			
Personnel	1,016,906	880,474	136,432
Overtime	80,000	127,090	(47,090)
Social security	83,913	75,522	8,391
Retirement	189,107	162,329	26,778
Insurance	226,337	207,613	18,724
Workers compensation	51,882	45,995	5,887
Contracted maintenance	70,000	66,062	3,938
Utilities	75,000	83,087	(8,087)
Vehicle insurance	2,500	673	1,827
Memberships & dues	1,000	950	50
Office expense	4,000	3,957	43

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

DRAFT

Year Ended June 30, 2019

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Detention - continued			
Ammo & Gunns	1,000	876	124
Postage	230	92	138
Training	2,950	1,288	1,662
Travel	1,500	-	1,500
Bedding	2,000	2,000	-
Subsistence	3,000	987	2,013
Chemicals	7,500	7,370	130
Cleaning materials	8,000	6,618	1,382
Food	100,000	77,076	22,924
Medical	147,000	148,797	(1,797)
Supplies	3,900	3,899	1
Uniforms	15,800	17,442	(1,642)
Clothing	8,000	7,993	7
DYS Juvenile	5,000	8,700	(3,700)
Kitchen supplies	2,500	1,262	1,238
Capital Replacement	5,000	4,818	182
Inmate relocation	507,292	286,420	220,872
Other equipment	1,500	1,196	304
	<u>2,622,817</u>	<u>2,230,586</u>	<u>392,231</u>
Total Corrections			
TOTAL DETENTION	<u>2,622,817</u>	<u>2,230,586</u>	<u>392,231</u>
 PUBLIC SAFETY			
Public Safety			
Personnel	92,147	93,493	(1,346)
Social security	7,049	7,070	(21)
Retirement	13,417	12,697	720
Insurance	25,347	26,149	(802)
Workers compensation	5,210	4,580	630
Contracted maintenance	10,000	10,000	-
Vehicle insurance	1,500	2,400	(900)
Office expense	1,400	958	442
Postage	200	200	-
Telephone	1,000	1,478	(478)
Training	2,000	582	1,418
	<u>159,270</u>	<u>159,607</u>	<u>(337)</u>
Total Public Safety			

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

DRAFT

Year Ended June 30, 2019

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Animal Control			
Personnel	155,138	152,669	2,469
Overtime	8,000	1,898	6,102
Social security	12,480	11,647	833
Retirement	23,753	17,952	5,801
Insurance	23,646	26,809	(3,163)
Workers compensation	3,407	2,995	412
Advertising	4,000	2,500	1,500
Utilities	29,000	32,873	(3,873)
Insurance vehicles	3,696	2,517	1,179
Memberships and dues	400	125	275
Office expense	2,500	1,341	1,159
Contracted Maintenance	1,400	1,315	85
Postage	100	38	62
Telephone	3,500	2,708	792
Training	1,350	595	755
Travel	300	300	-
Subsistence	1,400	307	1,093
Cleaning supplies	2,000	755	1,245
Dog food	4,000	1,999	2,001
Gas, oil and grease	6,000	5,848	152
Medical and surgical	20,000	20,315	(315)
Medication	19,000	10,338	8,662
Tools	1,000	395	605
Uniforms	2,000	481	1,519
Euthanasia	2,500	738	1,762
Spay and Neuter	40,000	63,348	(23,348)
Repairs and supplies	3,500	-	3,500
Capital Outlay	-	-	-
	<hr/>	<hr/>	<hr/>
Total Animal Control	374,070	362,806	11,264

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

DRAFT

Year Ended June 30, 2019

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Communications			
Personnel	438,871	409,042	29,829
Overtime	50,000	54,297	(4,297)
Social security	38,435	34,703	3,732
Retirement	70,143	63,268	6,875
Insurance	97,896	98,751	(855)
Workers compensation	1,426	1,254	172
Contracted maintenance	57,845	50,197	7,648
Memberships and dues	125	-	125
Office expense	5,000	2,278	2,722
Printing	295	-	295
Telephone	20,000	12,454	7,546
Training	1,200	880	320
Travel	750	14	736
Subsistence	1,000	951	49
800 MHZ User Fees	335,000	250,000	85,000
Capital Outlay	48,000	45,385	2,615
	<u>1,165,986</u>	<u>1,023,474</u>	<u>142,512</u>
Total Communications			
Board of Rescue Squads			
Grant Match Funds	10,000	7,095	2,905
Workers compensation	19,403	17,056	2,347
Nominal Reimb - Volunteers	32,000	32,376	(376)
Contracted maintenance	13,000	5,450	7,550
Utilities	24,000	24,000	-
Vehicle insurance	26,000	27,408	(1,408)
Repairs to equipment	20,000	18,466	1,534
Telephone	4,000	3,734	266
Training	10,000	2,243	7,757
Gas, oil, grease	17,100	13,179	3,921
Medical supplies	15,000	13,580	1,420
Rescue supplies	52,500	55,418	(2,918)
Capital outlay	60,000	59,710	290
	<u>303,003</u>	<u>279,715</u>	<u>23,288</u>
Total Board of Rescue Squads			

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

DRAFT

Year Ended June 30, 2019

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Hazardous Materials			
Nominal Reimb - Volunteers	5,000	4,144	856
Repair to Radio	75	-	75
Telephone	480	456	24
Training	4,050	3,965	85
Supplies	<u>3,300</u>	<u>3,297</u>	<u>3</u>
Total Hazardous Materials	<u>12,905</u>	<u>11,862</u>	<u>1,043</u>
GIS Department			
Personnel	45,639	45,639	-
Social security	3,568	3,430	138
Retirement	6,791	6,209	582
Insurance	5,911	6,078	(167)
Workers compensation	136	120	16
Contracted maintenance	54,049	57,441	(3,392)
Membership Dues	175	35	140
Office expense	664	664	-
Telephone	50	-	50
Training	1,000	445	555
Travel	500	355	145
Subsistence	<u>391</u>	<u>86</u>	<u>305</u>
Total GIS Department	<u>118,874</u>	<u>120,502</u>	<u>(1,628)</u>
Board of Rural Fire Control			
Grant match	10,000	6,625	3,375
Workers compensation	12,935	11,371	1,564
Nominal Reimb - Volunteers	111,000	103,536	7,464
Contracted services	27,000	26,844	156
Shared revenue	125,000	91,078	33,922
Contracted maintenance	29,077	18,772	10,305
Utilities	79,200	74,800	4,400
Vehicle insurance	49,000	50,085	(1,085)
Office	500	313	187
Postage	200	-	200
Repairs to equipment	75,000	71,336	3,664
Repairs to radio	10,000	5,455	4,545

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

DRAFT

Year Ended June 30, 2019

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Board of Rural Fire Control - continued			
Telephone	6,000	6,335	(335)
Training	5,000	3,663	1,337
Cleaning supplies	2,000	986	1,014
Gas, oil, grease	30,000	23,486	6,514
Medical	25,000	22,859	2,141
Fire supplies	12,500	12,500	-
Capital	<u>60,000</u>	<u>59,991</u>	<u>9</u>
Total Board of Rural Fire Control	<u>669,412</u>	<u>590,035</u>	<u>79,377</u>
Building Inspections			
Personnel	111,930	111,930	-
Contracted personnel	13,501	11,143	2,358
Social security	8,563	8,287	276
Retirement	16,297	15,250	1,047
Insurance	16,236	16,733	(497)
Workers compensation	1,829	1,608	221
Contracted maintenance	4,000	3,605	395
Vehicle insurance	650	694	(44)
Memberships	300	40	260
Office	4,000	2,161	1,839
Postage	500	242	258
Printing	1,200	1,179	21
Subscriptions	1,000	-	1,000
Telephone	2,200	1,819	381
Training	2,000	827	1,173
Travel	250	250	-
Subsistence	1,000	1,000	-
Fuel	2,500	1,795	705
Uniforms	199	137	62
Repairs	1,500	-	1,500
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total Building Inspections	<u>189,655</u>	<u>178,700</u>	<u>10,955</u>

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

DRAFT

Year Ended June 30, 2019

	Final <u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Ambulance			
Contracted maintenance	6,957	5,802	1,155
Vehicle insurance	16,925	16,925	-
Repairs to vehicle	15,476	16,234	(758)
Training	1,500	-	1,500
Gas, oil, grease	56,642	56,642	-
Uniforms	14,000	10,522	3,478
Appropriations	1,082,118	1,082,118	-
Capital outlay	17,000	4,718	12,282
Total Ambulance	<u>1,210,618</u>	<u>1,192,961</u>	<u>17,657</u>
Public Safety - Substations			
Lake Murray - Utilities	17,000	13,221	3,779
Silverstreet - Utilities	3,000	2,440	560
Whitmire - Utilities and maintenance	17,900	18,977	(1,077)
Total Public Safety - Substations	<u>37,900</u>	<u>34,638</u>	<u>3,262</u>
TOTAL PUBLIC SAFETY	<u>4,241,693</u>	<u>3,954,300</u>	<u>287,393</u>
PUBLIC WORKS & MAINTENANCE			
Public Works			
Personnel	597,770	566,638	31,132
Overtime	11,440	6,633	4,807
Social security	46,604	42,093	4,511
Retirement	88,701	78,043	10,658
Insurance	153,291	149,653	3,638
Workers compensation	43,373	38,141	5,232
Advertising	500	108	392
Contracted maintenance	42,000	50,000	(8,000)
Utilities	22,000	17,360	4,640
Vehicle insurance	34,228	36,243	(2,015)
Memberships	350	-	350
Rent/Rental Equipment	4,000	668	3,332
Office expense	5,500	2,589	2,911
Postage	600	335	265
Repairs to vehicles & equipment	59,000	52,827	6,173
Supplies	4,500	2,913	1,587

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

DRAFT

Year Ended June 30, 2019

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Public Works - continued			
Telephone	4,000	3,862	138
Training	3,500	-	3,500
Travel	400	(6)	406
Subsistence	1,300	-	1,300
Cleaning materials	200	-	200
Bridge materials	10,000	8,942	1,058
Fertilizer, plants, seeds	2,000	320	1,680
Gas, oil, grease	38,572	40,277	(1,705)
Diesel fuel	25,843	24,138	1,705
Safety supplies	3,800	-	3,800
Gravel	100,000	87,732	12,268
Asphalt	18,000	13,317	4,683
Pipe	10,000	9,796	204
Tools	5,000	2,223	2,777
Road signs	8,000	2,816	5,184
219 Beautification Project	48,000	48,000	-
Uniforms	7,500	5,078	2,422
Road paving and improvements	35,000	12,156	22,844
Total Public Works	<u>1,434,972</u>	<u>1,302,895</u>	<u>132,077</u>
Central Maintenance			
Contracted maintenance	561,483	561,480	3
Utilities	15,832	14,405	1,427
Fuel	3,483	3,483	-
Tools	250	81	169
Other Equipment	169	-	169
Total Central Maintenance	<u>581,217</u>	<u>579,449</u>	<u>1,768</u>
Building Maintenance			
Personnel	295,543	294,438	1,105
Social security	22,610	22,188	422
Retirement	43,031	39,901	3,130
Insurance	43,625	45,136	(1,511)
Workers compensation	15,681	13,785	1,896
Advertising	1,000	36	964
Contracted maintenance	57,000	49,283	7,717

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

DRAFT

Year Ended June 30, 2019

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Building Maintenance - continued			
Utilities	260,000	235,690	24,310
Vehicle insurance	4,200	5,345	(1,145)
Office Expense	2,000	1,570	430
Supplies	58,000	56,880	1,120
Telephone	7,000	6,871	129
Cleaning Supplies	24,000	20,985	3,015
Floor Cleaning	1,432	-	1,432
Gas, oil, grease	14,524	14,524	-
Tools	2,000	853	1,147
Uniforms	1,800	1,085	715
Capital Repairs Bldgs	217,499	201,929	15,570
Capital outlay	<u>32,568</u>	<u>32,568</u>	<u>-</u>
Total Building Maintenance	<u>1,103,513</u>	<u>1,043,067</u>	<u>60,446</u>
Community Hall			
Contracted maintenance	5,200	3,191	2,009
Utilities	14,000	12,079	1,921
Repairs building	<u>4,000</u>	<u>544</u>	<u>3,456</u>
Total Community Hall	<u>23,200</u>	<u>15,814</u>	<u>7,386</u>
Collections			
Personnel	40,000	37,318	2,682
Social security	3,060	2,493	567
Retirement	5,824	5,083	741
Insurance	16,479	17,004	(525)
Workers compensation	120	93	27
Advertising	1,000	172	828
Contracted personnel	323,285	307,518	15,767
Contracted maintenance	435,000	433,509	1,491
Repairs to equipment	7,500	3,345	4,155
Utilities	20,541	20,604	(63)
Vehicle insurance	2,750	2,285	465
Membership and dues	235	128	107
Office	1,500	903	597
Postage	200	-	200

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

DRAFT

Year Ended June 30, 2019

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Collections - continued			
Printing	100	-	100
Supplies	2,500	2,024	476
Telephone	5,224	5,903	(679)
Training	500	-	500
Travel	200	177	23
Subsistence	1,000	187	813
Gas, oil, grease	8,889	8,889	-
Supplies	1,250	829	421
Tools and other equipment	500	40	460
Road Signs	500	-	500
Keep America Beautiful Program	2,500	2,203	297
Capital Outlay	-	-	-
	<u>880,657</u>	<u>850,707</u>	<u>29,950</u>
Total Collections			
Transfer Station			
Personnel	29,140	29,140	-
Social security	2,229	2,198	31
Retirement	4,243	3,948	295
Insurance	5,911	6,078	(167)
Workmens Comp	88	77	11
Contracted services	1,748,398	1,744,195	4,203
Repairs to equipment	7,500	49	7,451
Utilities	7,500	4,882	2,618
Sewer disposal	3,500	3,120	380
Office	200	154	46
Supplies	3,200	2,633	567
Equipment	-	-	-
	<u>1,811,909</u>	<u>1,796,474</u>	<u>15,435</u>
Total Transfer Station			
TOTAL PUBLIC WORKS & MAINTENANCE	<u>5,835,468</u>	<u>5,588,406</u>	<u>247,062</u>

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

DRAFT

Year Ended June 30, 2019

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
PLANNING & DEVELOPMENT			
Central Midlands Regional PC	<u>21,036</u>	<u>21,036</u>	<u>-</u>
Economic Development			
Personnel	140,025	131,613	8,412
Additional Personnel Cost	-	-	-
Social Security	11,170	9,950	1,220
Retirement	21,320	17,636	3,684
Insurance	12,571	9,282	3,289
Workers compensation	3,437	2,878	559
Economic Development	25,000	4,282	20,718
Contracted Services	1,500	1,499	1
Contracted Maintenance	23,500	23,399	101
Special source revenue bond	430,555	435,454	(4,899)
Vehicle Insurance	1,100	611	489
Memberships	3,105	2,485	620
Office	5,500	3,979	1,521
Postage	750	232	518
Printing	2,500	455	2,045
Subscriptions	150	60	90
Telephone	3,000	2,691	309
Training	6,500	1,970	4,530
Site Inventory Costs	-	38,452	(38,452)
Travel	8,500	8,961	(461)
Subsistence	6,000	2,062	3,938
Regional Marketing Org	72,000	72,000	-
Fuel	<u>1,000</u>	<u>636</u>	<u>364</u>
Total Economic Development	<u>779,183</u>	<u>770,587</u>	<u>8,596</u>
Comprehensive Planning			
Personnel	117,124	117,124	-
Social security	8,960	8,779	181
Retirement	17,053	15,891	1,162
Insurance	28,966	29,883	(917)
Workers compensation	2,206	1,939	267
Advertising	1,000	702	298

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

DRAFT

Year Ended June 30, 2019

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Comprehensive Planning - continued			
Contracted Maintenance	5,500	3,605	1,895
Consulting	33,850	4,169	29,681
Vehicle insurance	1,355	1,218	137
Memberships and dues	1,500	864	636
Office expense	4,429	4,428	1
Postage	1,071	977	94
Printing	500	-	500
Books	1,000	621	379
Telephone	1,800	1,543	257
Training	1,750	1,260	490
Subsistence	1,400	561	839
Fuel	1,517	1,368	149
Uniforms	425	227	198
Total Comprehensive Planning	<u>231,406</u>	<u>195,159</u>	<u>36,247</u>
TOTAL PLANNING & DEVELOPMENT	<u>1,031,625</u>	<u>986,782</u>	<u>44,843</u>
AGRICULTURE & HOME ECONOMICS			
Clemson Extension	<u>28,500</u>	<u>28,500</u>	<u>-</u>
Newberry Soil & Water Conservation	<u>92,898</u>	<u>92,818</u>	<u>80</u>
TOTAL AGRICULTURE & HOME ECONOMICS	<u>121,398</u>	<u>121,318</u>	<u>80</u>

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

DRAFT

Year Ended June 30, 2019

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
PUBLIC HEALTH			
Health Department			
Telephone and supplies	4,550	4,350	200
Total Health Department	<u>4,550</u>	<u>4,350</u>	<u>200</u>
Beckman Mental Health	<u>12,750</u>	<u>12,750</u>	<u>-</u>
Newberry Free Medical Clinic	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
Westview Behavioral	<u>1,500</u>	<u>1,407</u>	<u>93</u>
TOTAL PUBLIC HEALTH	<u>23,800</u>	<u>23,507</u>	<u>5,293</u>
SOCIAL SERVICES			
Department of Social Services			
Utilities	56,000	51,357	4,643
Office	92	92	-
Telephone	9,000	7,738	1,262
Emergency	5,000	5,000	-
Paupers funeral	<u>3,000</u>	<u>1,000</u>	<u>2,000</u>
Total Department of Social Services	<u>73,092</u>	<u>65,187</u>	<u>7,905</u>
Veteran's Affairs			
Personnel	107,243	107,243	-
Social security	8,204	8,148	56
Retirement	15,615	14,596	1,019
Insurance	24,441	25,167	(726)
Workers compensation	1,377	1,211	166
Contracted maintenance	750	595	155
Membership fees	150	155	(5)
Office expense	2,000	2,029	(29)
Postage	800	506	294
Subscriptions & Books	50	-	50
Telephone	1,300	951	349
Training	280	180	100
Travel	998	469	529

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

DRAFT

Year Ended June 30, 2019

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Veteran's Affairs - continued			
Subsistence	1,265	696	569
Other equipment	-	-	-
Total Veteran's Affairs	<u>164,473</u>	<u>161,946</u>	<u>2,527</u>
Council on Aging	<u>60,000</u>	<u>60,000</u>	-
Rape Crisis Network	<u>4,250</u>	<u>4,250</u>	-
Sistercare, Inc.	<u>2,295</u>	<u>2,295</u>	-
TOTAL SOCIAL SERVICES	<u>304,110</u>	<u>293,678</u>	<u>10,432</u>
MISCELLANEOUS			
Airport			
Contingency	<u>42,500</u>	<u>14,710</u>	<u>27,790</u>
Total Airport	<u>42,500</u>	<u>14,710</u>	<u>27,790</u>
Government Association	<u>380</u>	<u>200</u>	<u>180</u>
S.C. Association of Counties	<u>9,146</u>	<u>9,146</u>	-
National Association of Counties	<u>750</u>	<u>750</u>	-
Newberry County Chamber	<u>16,675</u>	<u>6,194</u>	<u>10,481</u>
Medically indigent			
Appropriation	<u>79,742</u>	<u>60,056</u>	<u>19,686</u>
Small business	<u>5,000</u>	-	<u>5,000</u>
Fairgrounds			
Contracted maintenance	1,200	-	1,200
Utilities	10,000	8,021	1,979
Repairs to building	<u>1,000</u>	-	<u>1,000</u>
Total Fairgrounds	<u>12,200</u>	<u>8,021</u>	<u>4,179</u>

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

DRAFT

Year Ended June 30, 2019

	Final <u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Helena Community Center			
Contracted maintenance	1,200	1,200	-
Utilities	6,000	4,868	1,132
Repairs to building	<u>6,000</u>	<u>6,000</u>	<u>-</u>
Total Helena Community Center	<u>13,200</u>	<u>12,068</u>	<u>1,132</u>
Newberry Opera House	25,000	25,000	-
Newberry County Literacy	6,000	6,000	6,000
Newberry County Museum	70,000	17,500	52,500
Recreation			
Personnel	49,957	55,436	(5,479)
Part Time Personnel	60,950	-	60,950
Social security	8,484	4,185	4,299
Retirement	16,148	7,556	8,592
Insurance	12,470	6,725	5,745
Maybinton ballfield	3,000	2,068	932
Workmens Comp	3,903	3,431	472
Land improvements	5,000	2,237	2,763
Telephone	1,000	917	83
Fuel	999	352	647
Recreation appropriation	<u>79,000</u>	<u>65,179</u>	<u>13,821</u>
Total Recreation	<u>240,911</u>	<u>148,086</u>	<u>92,825</u>
TOTAL MISCELLANEOUS	<u>521,504</u>	<u>307,731</u>	<u>214,773</u>

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

NEWBERRY COUNTY, SOUTH CAROLINA

DRAFT

Year Ended June 30, 2019

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
CAPITAL CONSTRUCTION & IMPROVEMENTS			
Road Paving, Etc. Land Improvements			
Contingency	<u>366,640</u>	<u>356,711</u>	<u>9,929</u>
TOTAL CAPITAL CONSTRUCTION & IMPROVEMENTS	<u>366,640</u>	<u>356,711</u>	<u>9,929</u>
TOTAL EXPENDITURES	<u>24,967,550</u>	<u>23,328,719</u>	<u>1,612,831</u>
Excess/(Deficiency) of Revenue over Expenditures	1,000,000	3,287,546	2,287,546
OTHER FINANCING SOURCES/ (USES)			
Transfers to special revenue (includes Community Service Levies and Capital Projects)	<u>(1,000,000)</u>	<u>(1,984,944)</u>	<u>(984,944)</u>
TOTAL OTHER FINANCING SOURCES/(USES)	<u>(1,000,000)</u>	<u>(1,984,944)</u>	<u>(984,944)</u>
Excess of Revenue over Expenditures after other financing sources	<u>-</u>	<u>1,302,602</u>	<u>1,302,602</u>

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COMBINING BALANCE SHEET

SPECIAL REVENUE FUNDS

NEWBERRY COUNTY, SOUTH CAROLINA

June 30, 2019

	Sheriff's Funds	Sheriff's Grants	Victim's Advocate	Emergency 911	DSS Clerk of Court	Miscellaneous	Airport	Total
ASSETS								
Cash	\$ 292,068	\$ 150,189	\$ 148,562	\$ 95,026	\$ 309,239	\$ -	\$ -	\$ 995,084
Due from general fund	-	1,798	-	-	1,262	-	-	3,060
Prepaid item	-	-	-	-	-	-	14,295	14,295
Inventory	-	-	-	-	-	-	22,104	22,104
TOTAL ASSETS	<u>\$ 292,068</u>	<u>\$ 151,987</u>	<u>\$ 148,562</u>	<u>\$ 95,026</u>	<u>\$ 310,501</u>	<u>\$ -</u>	<u>\$ 36,399</u>	<u>\$ 1,034,543</u>
LIABILITIES								
Due to general fund	48,165	-	73,198	1,495	-	174,607	29,333	326,798
DEFERRED OUTFLOWS								
Deferred Outflow - grant income	19,746	-	-	-	-	-	-	19,746
FUND BALANCE								
Reserved for special revenue	224,157	151,987	75,364	93,531	310,501	(174,607)	7,066	687,999
TOTAL FUND BALANCE	<u>224,157</u>	<u>151,987</u>	<u>75,364</u>	<u>93,531</u>	<u>310,501</u>	<u>(174,607)</u>	<u>7,066</u>	<u>687,999</u>
TOTAL LIABILITIES, OUTFLOWS AND FUND BALANCE	<u>\$ 292,068</u>	<u>\$ 151,987</u>	<u>\$ 148,562</u>	<u>\$ 95,026</u>	<u>\$ 310,501</u>	<u>\$ -</u>	<u>\$ 36,399</u>	<u>\$ 1,034,543</u>

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COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE

SPECIAL REVENUE FUNDS

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2019

	Sheriff's Funds	Sheriff Grants	Victim's Advocate	Emergency 911	DSS Clerk of Court	Miscellaneous	Airport	Total
Revenue								
Intergovernmental								
Federal grants	-	12,644	-	-	156,662	-	-	169,306
State grants	-	-	-	-	-	253,941	-	253,941
Other	-	-	-	-	-	-	-	-
Assessments	16,237	-	100,683	411,073	-	-	-	527,993
Interest	-	-	25	-	-	-	-	25
Miscellaneous	-	48,244	-	-	-	-	51,320	99,564
Total Revenue	<u>16,237</u>	<u>60,888</u>	<u>100,708</u>	<u>411,073</u>	<u>156,662</u>	<u>253,941</u>	<u>51,320</u>	<u>1,050,829</u>
Expenditures								
Personnel	-	-	66,920	105,934	-	-	-	172,854
Operating	49,869	22,852	-	328,027	75,534	1,316,237	55,587	1,848,106
Intergovernmental	-	-	-	-	-	922,648	-	922,648
Total Expenditures	<u>49,869</u>	<u>22,852</u>	<u>66,920</u>	<u>433,961</u>	<u>75,534</u>	<u>2,238,885</u>	<u>55,587</u>	<u>2,943,608</u>
Other financing sources								
Transfer in/(out)	-	-	-	-	-	1,984,944	-	1,984,944
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>(33,632)</u>	<u>38,036</u>	<u>33,788</u>	<u>(22,888)</u>	<u>81,128</u>	<u>-</u>	<u>(4,267)</u>	<u>92,165</u>
Fund balance, beginning of year	<u>257,789</u>	<u>113,951</u>	<u>41,576</u>	<u>116,419</u>	<u>229,373</u>	<u>(174,607)</u>	<u>11,333</u>	<u>595,834</u>
FUND BALANCE, END OF YEAR	<u>\$ 224,157</u>	<u>\$ 151,987</u>	<u>\$ 75,364</u>	<u>\$ 93,531</u>	<u>\$ 310,501</u>	<u>\$ (174,607)</u>	<u>\$ 7,066</u>	<u>\$ 687,999</u>

STATEMENT OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCE

DEBT SERVICE FUND

Year Ended June 30, 2019

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REVENUE

Property Taxes	
2010 GO Bond	\$ 260,576
2014 GO Bond	47,674
2018 GO Bond	128,862
2018B GO Bond	44,213
2018C GO Bond	14,379
GO Bond - Lease Purchase	1,057,310
Other	2,148
Sales tax	4,130,708
Interest	<u>86,977</u>
TOTAL REVENUE	<u>5,772,847</u>

EXPENDITURES

Principal	
2010B GO Bond	290,000
2014 GO Bond	10,000
2018A GO Bond	88,722
2018B GO Bond	27,992
2018C GO Bond	79,944
Sales Tax	1,525,000
GO Bond - Lease Purchase	1,000,000
Lease purchase	856,027
Interest	
2010B GO Bond	14,152
2014 GO Bond	24,000
2018A GO Bond	29,138
2018B GO Bond	11,844
2018C GO Bond	12,450
Sales Tax	778,500
GO Bond - Lease Purchase	11,519
Lease purchase	<u>58,869</u>
TOTAL EXPENDITURES	<u>4,818,157</u>

OTHER FINANCING SOURCES/(USES)

2019 GO Bond	1,000,000
2018 C GO Bond	800,000
Transfer to capital projects	<u>(707,607)</u>

EXCESS/(DEFICIENCY) OF REVENUE
OVER EXPENDITURES

2,047,083

Fund balance, beginning of year

4,251,297

FUND BALANCE, END OF YEAR

\$ 6,298,380

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

June 30, 2019

DRAFT

	Newberry County Schools Construction	Newberry County Schools Operations	Newberry Schools Sinking Funds	Magistrates/ Clerk of Court	Fire/Rescue Squads	Total
ASSETS						
Cash	\$ 232,565	\$ 1,186,606	\$ 524,397	\$ 120,355	\$ 542,695	\$ 2,606,618
Investments	<u>2,302,336</u>	<u>22,119,135</u>	<u>2,967,636</u>	-	-	<u>27,389,107</u>
TOTAL ASSETS	<u>\$ 2,534,901</u>	<u>\$ 23,305,741</u>	<u>\$ 3,492,033</u>	<u>\$ 120,355</u>	<u>\$ 542,695</u>	<u>\$ 29,995,725</u>
LIABILITIES						
Due to taxing units and others	<u>\$ 2,534,901</u>	<u>\$ 23,305,741</u>	<u>\$ 3,492,033</u>	<u>\$ 120,355</u>	<u>\$ 542,695</u>	<u>\$ 29,995,725</u>
TOTAL LIABILITIES	<u>\$ 2,534,901</u>	<u>\$ 23,305,741</u>	<u>\$ 3,492,033</u>	<u>\$ 120,355</u>	<u>\$ 542,695</u>	<u>\$ 29,995,725</u>

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

NEWBERRY COUNTY, SOUTH CAROLINA

Year Ended June 30, 2019

DRAFT

Financial Statement Findings

SIGNIFICANT DEFICIENCIES

I. 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, 2019

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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.

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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, 2019, and the related notes to the financial statements, which collectively comprise County's basic financial statements, and have issued our report thereon dated September 12, 2019.

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 three 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*.

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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
September 12, 2019

**BUDGET CALENDAR
NEWBERRY COUNTY**

FY 2020-2021

<u>DATE</u>	<u>BUDGET PREPARATION</u>	<u>ACTION BY</u>
December 2, 2019	Budget Forms Available on website/mailed	Finance
December 18, 2019	Adoption of Budget Calendar	Council
January 2, 2020	Begin preparation of Statement of Revenue	Finance/Treasurer
February 3, 2020	Department and Agency Budget requests returned to Administrator	Department/Agencies
February 6-14, 2020	Finance Department – Data entry – Spreadsheet preparation	Finance
February 18 - February 28, 2020	Budget Consultations with Department Heads/ Elected Officials. Follow up meetings as needed.	Administrator/Finance
March 23, 2019	Finance Committee Meeting	Finance
April 1, 2020	Submission of Budget to Council and First Reading of Budget Ordinance	Administrator and Council
April 6, 2020	Budget Work Session & Appeals from Elected Officials	Council
April 20, 2020	Publish Notice of Public Hearing Distribute Budget Information to Departments and Agencies	Clerk to Council Administrator
May 6, 2020	Second Reading/Amendments Public Hearing	Council
May 11, 2020	Budget Work Session	Council
June 3, 2020	Third Reading/Amendments and Adoption	Council

