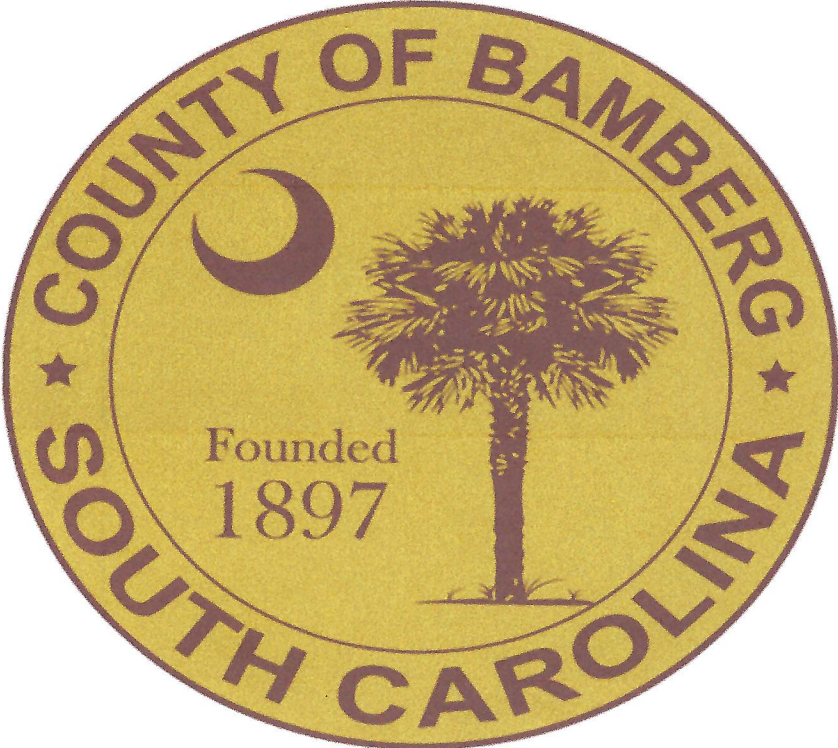
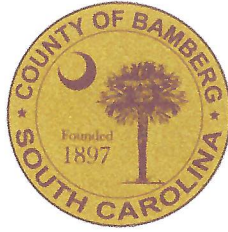


BAMBERG COUNTY
AUDIT SUMMARY
FYE JUNE 30, 2019





BAMBERG COUNTY
AUDIT HIGHLIGHTS FYE JUNE 30, 2019

- **County earned an unmodified (clean) audit opinion**

Why does an unmodified audit opinion matter?

1. Demonstrates good fiscal stewardship
2. Impacts borrowing ability and rates
3. Sense of pride to elected officials and employees
4. The most important measure of financial stability
5. Builds and confirms confidence in management

General Fund

- General Fund – Total revenues, including all tax revenues, state and federal support, fees, fines, charges for services, and miscellaneous sources was \$7,696,389. Total expenditures were \$7,285,304. This means that the fund balance increased by \$411,085; from \$2,898,202 to \$3,309,287.
- Fund Balance does not equal cash. Fund balance is the net of all assets less all liabilities. If any asset account increases, then that makes fund balance increase. Likewise, if any liability account increases, then fund balance decreases.
- Two key takeaways: General Fund revenues came in higher than predicted. Management, exercising good stewardship, held expenditures below the budgeted levels.

Other Funds

- All other funds operated within budget (Fire, Roads, Landfill, etc)
We will go over each one separately
- County added \$1,859,633 in Capital Assets during the year as follows:

In Governmental Funds:

- Buildings \$ 128,241
Wilson House
- Mach & Equipment \$ 66,750
Fire Panel-Detention Center \$9,500, Generator \$7,230, Two Dell Servers \$50,020
- Construction in Progress \$ 370,171
Veterans Memorial \$187,789, DSS/HD/LEC Bldg \$57,693, Road Improvements \$124,689
- Infrastructure \$ 1,294,471
Completed Roads: Gum Tree, Crouch and Panther \$1,185,625

Parking Lot Improvements \$93,546
 Public Works \$15,300

Note: Governmental Funds includes General Fund, Capital Project Sales Tax Fund, All Special Revenue Funds, All Capital Project Funds and Debt Service Fund.

- Legal Debt Margin increased from \$888,982 to \$1,406,766. This is mostly due to total assessed values increasing from \$31,136,210 to \$36,890,910. The calculation can be found in the Required Supplementary Information section of the annual financial report, page 130.
- Fund Balance analysis of each fund is attached along with detail listing of revenues and expenditures by fund.

Audit Adjusting Journal Entries

BAMBERG COUNTY			
HISTORY OF AUDIT ADJUSTING JOURNAL ENTRIES			
	Debits	Credits	G/L out of Balance
FY13	\$ 32,334,127	\$ 36,413,472	\$ 4,079,345
FY14	\$ 31,913,378	\$ 39,278,688	\$ 7,365,310
FY15	\$ 18,462,106	\$ 25,392,129	\$ 6,930,023
FY16	\$ 16,372,149	\$ 16,372,149	\$ -
FY17	\$ 5,460,431	\$ 5,460,431	\$ -
FY18	\$ 3,687,765	\$ 3,687,765	\$ -
FY19	\$ 873,923	\$ 873,923	\$ -

FY19 Notes:

- * Audit AJE's reduced significantly
- * Of the \$873,923, we, the County proposed \$626,557 of these.
- * The largest entry that we proposed was an entry of \$409,946. This was a system error, it was the FY18 general fund "net income" that did not automatically close out to reserves, which it should have. So this was a system error and we will get that corrected in FY20.

* True net audit AJE's proposed by the auditors was only \$247,365.

Internal Control Issues

**BAMBERG COUNTY
AUDIT SCHEDULE OF FINDINGS**

	FY19	FY18	FY17	FY16	FY15	FY14	FY13	FY12
MATERIAL WEAKNESSES								
1. Accounting System					X	X	X	X
2. General Ledger Deficiencies & Material Audit Adjustments		X	X	X	X	X	X	X
3. Omission of Component Unit							X	X
4. Preparation of Financial Statements			X	X		X	X	X
5. Detention Center Inmate Funds						X	X	X
6. Capital Assets		X	X	X			X	X
7. Uncollateralized/Uninsured Deposits							X	
8. Internal Control over Family Court Collections	X	X	X					
9. Proper Recording of Transactions		X						
SIGINIFICANT DEFICIENCIES								
1. Segregation of Duties						X	X	X
2. Inadequate Controls Over Assessed Values								X
3. Payroll Issues								X
4. Delinquent Tax Sale Funds		X	X	X				
5. Magistrate Collections	X	X						
6. Clerk of Court Funds Held	X	X						
7. Approved Purchasing Policy		X						
TOTAL COUNT OF INTERNAL CONTROL ISSUES	3	8	5	4	2	5	8	9

History of Audit Opinions

BAMBERG COUNTY AUDIT OPINION HISTORY

YEAR	GOVT-WIDE FINANCIAL STMTS	FUND FINANCIAL STMTS	# of Issues preventing "Clean" Opinion	Description of the Issues
FY19	Unmodified	Unmodified	0	None
FY18	Unmodified	Unmodified	0	None
FY17	Unmodified	Unmodified	0	None
FY16	Unmodified	Unmodified	0	None
FY15	Unmodified	Unmodified	0	None
FY14	Qualified	Qualified	2	1) Del Tax Sale Accounts, and 2) OPEB Liability(GASB#45)
FY13	Qualified	Qualified	4	1) Hospital, 2) Capital Asset records, 3) Del Tax Sale Accounts, and 4) Inmate Funds
FY12	Adverse	Qualified	4	1) Hospital, 2) Capital Asset records, 3) Del Tax Sale Accounts, and 4) Inmate Funds
FY11	Adverse	Unqualified	2	1) Hospital and 2) Capital Asset records
FY10	Adverse	Unqualified	2	1) Hospital and 2) Capital Asset records
FY09	Adverse	Unqualified	2	1) Hospital and 2) Capital Asset records

EXPLANATION OF OPINIONS:

UNMODIFIED, FORMERLY CALLED UNQUALIFIED, MEANS "CLEAN". THIS IS WHAT YOU WANT TO HAVE.

3 TYPES OF WHAT IS CALLED NOW A "MODIFIED" OPINION. (Qualified)

- 1) Qualified - means that there are issues that prevent a "clean" or unqualified opinion
- 2) Adverse - negative opinion
- 3) Disclaimer - means no opinion

BAMBERG COUNTY

FUND BALANCE ANALYSIS

FUND #	FUND	FUND BALANCE ANALYSIS																		NET CHANGE	
		FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FROM FY18 TO FY19											
010	GENERAL FUND	\$ 369,712	\$ 6,989,474	\$ 2,784,163	\$ 3,238,564	\$ 3,208,164	\$ 3,308,323	\$ 2,898,202	\$ 3,309,287	\$	\$ 411,085	\$	\$	\$	\$	\$	\$	\$	\$	\$	
020	SPECIAL REVENUE FUND-C FUNDS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$
021	E911 TARRIFF	\$ 83,425	\$ 324,954	\$ 276,615	\$ 342,157	\$ 265,526	\$ 113,687	\$ 51,450	\$ 276,600	\$	\$ (65,710)	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
023	ROAD MAINTENANCE FUND	\$ (172,828)	\$ (220,228)	\$ (205,808)	\$ (215,180)	\$ (181,959)	\$ (257,192)	\$ (349,447)	\$ (222,746)	\$	\$ 126,701	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
025	RURAL FIRE	\$ 10,453	\$ 6,531	\$ 64,386	\$ 112,972	\$ 173,702	\$ 253,486	\$ 321,598	\$ 520,041	\$	\$ 198,443	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
030	CPST - 1ST IMPOSITION	\$ -	\$ 4,913,115	\$ 5,436,735	\$ 5,012,874	\$ 3,514,053	\$ 3,963,488	\$ 4,738,858	\$ 4,925,488	\$	\$ 186,630	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
030	CPST - 2ND IMPOSITION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$	\$ 2,005,286	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
031	HOSPITAL FUND	\$ (38,123)	\$ (38,123)	\$ (38,123)	\$ (38,123)	\$ (25,268)	\$ (25,268)	\$ (12,268)	\$ -	\$	\$ 12,268	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
033	CAPITAL RESERVE FUND	\$ 161,646	\$ 371,834	\$ 418,366	\$ 827,715	\$ 533,315	\$ 558,426	\$ 372,066	\$ 184,139	\$	\$ (187,927)	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
080	DEBT SERVICE FUND	\$ 50,151	\$ 50,846	\$ 65,194	\$ 75,155	\$ 92,023	\$ 150,885	\$ 195,490	\$ 266,558	\$	\$ 71,068	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	TOTAL GOVERNMENTAL FUNDS	\$ 464,436	\$ 12,398,403	\$ 8,801,528	\$ 9,356,134	\$ 7,579,556	\$ 8,065,835	\$ 8,215,949	\$ 11,250,393	\$	\$ 3,034,444	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	NET POSITION																				
090	LANDFILL/SOLID WASTE	\$ -	\$ 298,053	\$ 273,298	\$ (426,018)	\$ (403,059)	\$ (411,843)	\$ (357,989)	\$ (436,839)	\$	\$ (78,850)	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	General Fund	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19												
	Restricted	720,886	5,664,448	649,723	639,094	805,499	808,593	828,161	604,958												
	Assigned	-	58,816	286,156	230,404	397,915	341,815	253,650	537,865												
	Unassigned (Deficit)	(351,174)	1,266,210	1,848,284	2,369,066	2,004,750	2,157,915	1,816,391	2,166,464												
	Total Fund Balance	369,712	6,989,474	2,784,163	3,238,564	3,208,164	3,308,323	2,898,202	3,309,287												

FUND 010 GENERAL FUND			
Fund Balance at 6/30/18			\$ 2,898,202
Revenues			
Local Sources			
	Property Taxes-Real	4,349,919	
	Property Taxes- Motor Vehicle	553,346	
	Delinquent Taxes	245,473	
	LOST	118,796	
	Delinquent Tax Execution Cost	144,333	
	Vehicle Decal Income	9,076	
	Payment in lieu of taxes	86,107	
	Municipal tax collection fees	28,422	
	State motor carrier	87,392	
	Manufacturer exemption reimbursement	39,940	
	Merchant's inventory tax	26,475	
	Homestead exemption reimbursement	337,203	
	Total Taxes	6,026,482	
Intergovernmental			
State Sources			
	Accommodations Tax	111,733	
	Local Gov't Fund	660,782	
	State Assistance	133,763	
	State Election Board stipened reimbursement	10,500	
	Reimbursement for election costs	28,702	
	Service Officer Supplement	4,704	
	Grants	11,344	
Federal Sources			
	DSS Clerk of Court	22,375	
	DSS-Sheriff	2,904	
	DSS IVD Incentives	76,913	
	DSS-Rent/Utilities reimbursement	33,110	
	FEMA proceeds	16,409	
	Total Intergovernmental	1,113,239	
Licenses & Permits			
	Moving and other permits	19,541	
	Franchise fees	3,059	
	Building permits	44,047	
	Total licenses & permits	66,647	
Charges for Services			
	Probate fees	29,706	
	Municipal inmate housing	18,652	
	Tower rent	70,624	

	Total charges for services	118,982	
Fines & Forfeitures			
	Clerk of Court fines & fees	101,465	
	Magistrate fines & fees	132,944	
	Sex offender registration fees	2,170	
	Victim's Advocate funds	9,160	
	Service fees	1,160	
	Total fines & forfeitures	246,899	
Miscellaneous			
	Investment income	5,205	
	Misc revenue	7,882	
	Forfeited Land Commission sales & interest	63,131	
	GIS mapping	2,992	
	Reimbursement from Municipal Judge	26,205	
	Detention Center phone	3,906	
	Detention Center concessions commissions	3,245	
	Total Miscellaneous	112,566	
Total Revenues			7,684,815

Expenditures			
General Government			
	Administration	196,021	
	Auditor	108,215	
	Treasurer	204,506	
	Assessor	253,076	
	Building/Planning	93,602	
	Voter Registration	133,164	
	Delinquent Tax Collector	151,809	
	Finance	412,070	
	County Attorney	208,586	
	Contingency	10,715	
	Central Services & Utilities	704,475	
	Debts & Benefits	4,080	
	County Council	221,182	
	Buildings & Grounds	259,596	
	Veterans Affairs	28,694	
	Information Technology	124,905	
	Mosquito Control	3,166	
	Total General Government	3,117,862	
Judicial			
	Clerk of Court	293,725	
	Probate Judge	131,744	
	Magistrate	225,091	
	Public Defender	32,500	
	Solicitor	81,730	
	Court Library	900	
	Total Judicial	765,690	
Public Safety			
	Sheriff	1,061,098	
	Detention Center	875,274	
	Coroner	56,543	
	E911	114,186	
	Dispatching	419,675	
	Total Public Safety	2,526,776	
Economic Development			
	Southern Carolina Alliance	50,000	
	Total Economic Development	50,000	
Culture & Recreation			
	Local recreation & tourism	14,000	
	ABBE Regional Library	136,800	
	Total Culture & Recreation	150,800	

Miscellaneous			
	<i>Contract Agencies:</i>		
	Lower Savannah Council of Gov'ts	15,114	
	SC Association of Counties	6,697	
	National Association of Counties	450	
	Soil & Water Conservation District	6,000	
	Willow Swamp Contract	-	
	Mary Ann Morris Animal Society	29,000	
	<i>Non-Contract Agencies:</i>		
	Medically Indigent Assistance Fund	51,847	
	Health Department	4,611	
	Chamber of Commerce	800	
	Tri-County Comm. Alcohol & Drug Abuse	1,800	
	Western Carolina Higher Ed Comm.	5,000	
	OCAB-Community Action	1,800	
	Clemson Extension	1,100	
	Bamberg County Council on Aging	64,000	
	Bamberg Co. DSS-Emergency Relief	6,757	
	Cheese & Cracker Box	3,000	
	Little Swamp Community Center	1,200	
	Total Miscellaneous	199,176	
Health & Welfare			
	EMS/Rescue	475,000	
	Total Health & Welfare	475,000	
Total Expenditures			7,285,304
Other Financing Sources (Uses)			
	Proceeds from Sale of assets	1,335	
	Transfers in (out)	10,239	11,574
	Total Other Fin. Sources		
Fund Balance at 6/30/19			\$ 3,309,287
From pages 39, 41 of audited financials			
Also, pages 103 - 114			

FUND 021 E911 FUND			
	Fund Balance at 6/30/18		\$ 41,050
Revenues			
	Charges for services	34,152	
	Intergovernmental-State	132,815	
	Interest Income	677	
			167,644
Expenditures			
	Departmental Expenses	(233,193)	
	Capital Outlay	-	
	Debt Service-Principal	-	
			(233,193)
Transfers			
	Transfers in from General Fund		10,239
	Fund Balance at 6/30/19		\$ (14,260)
Page 118, 119 and 121 of the audited financial statements			

FUND 023 PUBLIC WORKS/ROAD MAINTENANCE						
Fund Balance at 6/30/18					\$ (349,447)	
<u>Revenues</u>						
	Road User Fee		328,530			
	Prior year deficit special levy		257,668			
	Timber Sale		3,403			
	Interest income		7	589,608		
<u>Expenditures</u>						
	Departmental Expenditures		(447,607)			
	Capital Outlay(Airport Improvements)		(15,300)	(462,907)	126,701	
<u>Other Financing Sources(Uses)</u>						
	Proceeds from issuance of debt		-			
	Insurance recoveries		-			
Fund Balance at 6/30/19					\$ (222,746)	
Page 39 of the audited financial statements						

FUND 025 RURAL FIRE FUND

FUND 025 RURAL FIRE FUND			
Fund Balance at 6/30/18			\$ 321,598
<u>Revenues</u>			
Property Taxes		457,558	
Interest Income		215	457,773
<u>Expenditures</u>			
Operational expenditures		(251,835)	
Pumper Payment		-	
Lease Payment-Vehicle		(7,495)	(259,330)
Fund Balance at 6/30/19			\$ 520,041
	Page 119 and 122 of the audited financial statements		

FUND 030 CAPITAL PROJECTS SALES TAX FUND

Fund Balance at 6/30/18				\$ 4,737,858
<u>Revenues</u>				
	Debt Proceeds-BAN		1,600,000	
	Debt Proceeds-Mini Bonds		160,500	
	FILOT Collections		649,421	
	CPST Collections		944,495	
	Interest Income		78,500	3,432,916
<u>Expenditures</u>				
	Projects:			
	Courthouse Annex		(88,267)	
	Veteran's Memorial		(87,226)	
	Olar Community Bldg.		(1,200)	
	Ehrhardt Downtown/Town Hall		(4,608)	
	DSS/HD/LEC Project		(57,693)	(238,994)
<u>Debt Service</u>				
	Principal		(530,000)	
	Interest		(471,006)	(1,001,006)
Fund Balance at 6/30/19				\$ 6,930,774
Page 39, 115 and 116 of audited financials				

FUND 031 HOSPITAL CAPITAL PROJECT FUND				
Fund Balance at 6/30/18				\$ (12,268)
TRANSFERS				
	Transfer In to Repay Gen Fund			12,268
Fund Balance at 6/30/19				\$ -
	Page 118 and 119 of the audited financial statements			

FUND 033 CAPITAL RESERVE FUND			
Fund Balance at 6/30/18			\$ 372,066
Revenues			
	Debt Proceeds	50,020	
	Property Taxes	799,340	
	Interest Income	227	849,587
Expenditures			
	Capital Outlay:		
	Capital expenditures	(428,297)	
	Debt Service - Principal	(415,178)	
	Debt Service - Interest	(47,869)	(891,344)
Transfer Out			
	To Fund 090 for lease payments on eqpt		(146,170)
Fund Balance at 6/30/19			\$ 184,139
Page 39 and 117 of the audited financial statements.			

FUND 080 DEBT SERVICE FUND

Fund Balance at 6/30/18				\$ 195,490
<u>Revenues</u>				
	Property Taxes		354,822	
	Interest Income		35	354,857
<u>Expenditures</u>				
	Reserve Requirement		(20,000)	
	Debt Service:			
	Principal Payments		(234,651)	
	Interest Payments		(68,874)	(323,525)
<u>Transfers</u>				
	Transfers in Capital Reserve Fund			39,736
Fund Balance at 6/30/19				\$ 266,558
Page 119 and 123 of audited financials				

FUND 090 LANDFILL/SOLID WASTE			
Net Position at 6/30/18			\$ (357,989)
<u>Revenues</u>			
	Landfill Fees	488,130	
	Solid Waste Fee	446,760	
	Operating Grants-Landfill & Solid Waste	42,427	
	Operating Grants-Litter Control	3,990	
	Operating Grants-KAB	800	
	Interest income	144	
			982,251
<u>Expenditures</u>			
	Landfill/Solid Waste Dept Expenditures	(981,094)	
	Litter Control	(61,381)	
	KAB & Litter Control Dept Expenditures	(94,427)	(1,136,902)
<u>Transfers</u>			
	Transfer In from Fund 033- Eqpt lease pmts	94,166	
	Prior Period Adjustment	(18,365)	75,801
Net Position at 6/30/19			\$ (436,839)
More detail on pages 43 - 46 of audited financials			